

PRESS RELEASE

TUCSON, ARIZONA

AUGUST 1, 2001

INVESTOR SNAPS UP 10½% CAP RATE SOUTH TUCSON COMMUNITY

The sale of the Via Verde Mobile Home Park located at 3233 E. Drexel Road, Tucson, Arizona closed August 1, 2001 for \$720,000. John Grant of Park Brokerage Inc. represented the Seller.

Via Verde is a two star, all ages, blue-collar community in South Tucson. The community has 53 sites on five acres and contains mostly singlewide mobile homes with a few doublewides. Site rents are \$200/month plus submetered gas, electric, water, and sewer charges. There is no rent control in the State of Arizona. The community is serviced by city water and sewer utilities. The seller installed a new gas system in 2000.

The community sold for a 10½% capitalization rate and a 15% return on the buyer's cash down payment. The buyer obtained new financing of \$536,250 at an adjustable interest rate of 8%. Two park owned homes and \$22,460 in mobile home installment notes were included in the sale.

Grant commented, "Via Verde is located in the rougher south side of Tucson, but nevertheless, is a strong rental market and the community has enjoyed an approximate 90%-95% occupancy rate. The buyer owns a number of manufactured homes communities in the area and has an established management system in place".

Grant added, "Many investors have expertise in the more management intensive manufactured housing communities and are able to obtain higher returns. Most manufactured housing communities sell for capitalization rates between 8%-9%, but the more management intensive communities often sell for capitalization rates in excess of 10% and cash on cash returns in excess of 15%".

John Grant sells and finances manufactured housing community and RV parks exclusively throughout the states of California, Arizona, and Nevada. He has sold 71 communities and parks in the last twelve years with over 100 financed. For further information you can contact John at 800-987-3363.