



PARK BROKERAGE INC.



For Sale!!!

Tucson Infill Permanent RV Park – Runs Like a Mobile Home Park

Pima Swan RV Park

4615 E Pima, Tucson, AZ 85712

- \$907,500 sales price, 8.4% cap rate
- Under \$26,000 per site, under market rents
- Paved roads, laundry, 9 park model/permanent trailers
- Mostly permanent tenancy, runs like a MHP
- ALL CITY UTILITIES
- No water-sewer pass through on permanents
- Over 1,000,000 population infill location in major MSA
- Year-around revenue
- Newer streets, renovated entry, no deferred maintenance

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Tucson Permanent RV Park – 15.4% Return!

Pima Swan RV Park

Sales Price
\$907,500



Down Payment
\$300,000

Address/City 4615 E Pima, Tucson	County Pima	State Arizona	
Expense Ratio 45%	Age 1985	Loan New Loan	
Capitalization Rate 8.4%	Cash on Cash 11.2%	Total Return 15.4%	
Total Parcel Size 1 acres	No. Spaces 35	Water City	Sewer City

Price Per Site: \$25,968

Property Information and Description:

Located in central Tucson near all major employers in an infill location Pima Swan offers an investor a great return on an RV park that runs like a mobile home park. Every tenant resides in the park on a permanent basis so no transient income like many RV parks. The rents are below market and have not been raised in 5+ years. See below for rental comparison. The park has paved roads (recently resealed), laundry facility, top-notch landscaping and city utilities. Broker recommends bringing rents to market level as well as eventually passing through water costs to permanent residents. The park has 9 permanent park models/trailers and has potential as a tiny home community. Current owner rarely comes to the park and it has a manager currently in place so as turnkey as it gets. Owner bought the park in 2008 for \$850,000 and lack of rental increases has allowed park to remain at a similar sales price. Current solid return for an investor along with big upside and potential land play down the road with commercial opportunities.

Property	Location	Amenities	Monthly
<i>Pima Swan RV Park</i>	<i>Tucson</i>	<i>Paved roads, laundry, smaller spaces</i>	<i>\$315</i>
Miracle RV Park	Tucson	Paved roads, laundry, larger spaces	\$375 – \$475
Sentinel Peak RV Park	Tucson	Paved roads, laundry, avg spaces	\$412 - \$550

LOAN INFORMATION:

Local banks are offering 67% LTV loans on similar parks with a fixed interest rate of 5% over a ten year term based on an amortization of 25 years. Monthly payments to be \$3,551 or \$42,612

NET INCOME	\$76,322
TOTAL ANNUAL PRINCIPAL PAYMENT	\$42,612
ESTIMATED ANNUAL PRE-TAX INCOME	\$33,710
PLUS PRINCIPAL REDUCTION YEAR 1	\$12,527
TOTAL RETURN	\$46,237

Pima-Swan RV Park

		Actual 2015	Actual 2016	Pro Forma 2017 at Current Rents
REVENUE				
	Laundry Income	2,064	1,587	1,850
	Rents Including Electric	128,035	132,772	135,774
TOTAL REVENUE		130,099	134,359	137,624
EXPENSES				
	Insurance	3,136	3,135	3,246
	Payroll	7,228	8,045	8,250
	Payroll Fees	383	395	400
	Payroll Taxes	2,347	1,680	2,000
	Permits	95	165	250
	Repairs and Maintenance	2,610	307	3,500
	Property Tax	7,194	4,750	4,956
	State Tax (TPT)	191	487	625
	Gas and Electric	28,200	28,479	29,060
	Internet	1,279	953	1,200
	Phone	479	671	750
	Water/Sewer/Trash	7,504	6,327	7,065
TOTAL EXPENSES		60,646	55,394	61,302
NET OPERATING INCOME		69,453	78,965	76,322

Assumes 5% vacancy rate and normal electric pass through

Manager compensated via salary, free rent and utilities. Handles collections, move in's and out's and light maintenance

Broker recommends at some point passing water/sewer costs on to at minimum permanent residents

NOI used for valuation. 45% expense ratio

RV Parks Comparable Rent Survey

Parks with Similar Amenities and Locations



