

MANUFACTURED HOME COMMUNITIES OFFERING

404 SPACES
COLONY COVE MOBILE ESTATES
17700 South Avalon Boulevard
Carson, CA 90746



INVESTMENT HIGHLIGHTS

- 5-Star Fully Amenitized Senior Park
- 100% Occupancy for the Past 29 Years
- Well-Maintained Property with Many Capital Improvements
- Opportunity to Pass Through the Cost of Recent Capital Improvements
- 22 Proposed Additional Spaces which would Not be Subject to Rent Control

LOCATION HIGHLIGHTS

- Located in the Heart of Carson, California
- Only Fifteen Miles from the International Los Angeles Airport
- Borders the City of Long Beach
- The Park has Frontage on Avalon Blvd. and the 91 Freeway
- Close to Shopping Centers, a Public Library and Major Freeways

OFFERING SUMMARY

Price	\$23,000,000
Down Payment	(100%) \$23,000,000
Loan Amount	\$0
Loan Type	All Cash
Interest Rate	N/A
Term	N/A
Spaces	404
Price Per Space	\$56,931
Year Built	1970
Lot Size	50 acres
Current Cap Rate	5.03%
Pro Forma Cap Rate	7.55%
Current GRM	10.60
Pro Forma GRM	8.36
Current Net Cash Flow After Debt Service	4.11%
Pro Forma Net Cash Flow After Debt Service	8.19%
Current Total Return	5.87%
Pro Forma Total Return	9.95%

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INVESTMENT OVERVIEW

Colony Cove is a 5-star, senior (+55) mobile home park located in Carson, CA, a suburb of Los Angeles. The property shows true pride of ownership, with wide streets, extensive amenities and well maintained coaches. The current owners have just completed a \$350,000 renovation of the common areas, including resurfacing of all the streets, upgraded landscaping, and remodeling the clubhouse interior. The park enjoys direct billing for electricity and is submetered for gas, with city sewer and city water included in the rent. The property is located in an excellent, heavily urbanized setting adjacent to Long Beach and 20 miles south of downtown Los Angeles. It is near Cal State Dominguez Hills and the Home Depot Center Sports Complex, home of the Los Angeles Galaxy soccer team. The 404 existing spaces include 336 doublewides, 3 triplewides, and 65 single wide homes. The average space width is 52 feet, so it is believed that almost all the spaces can hold doublewide homes. The property's many amenities include a heated swimming pool, indoor jacuzzi, gated entry (with 24 hour security guards), clubhouse, exercise facility, billiard room and sauna. The property has ample parking, with 2 off-street spaces per home plus approximately 35 additional parking spots scattered throughout the grounds. Although the park is subject to a local rent control ordinance, it is believed that there is considerable potential upside in income as described elsewhere in this offering memorandum.

OPERATING DATA

INCOME	Current	Pro Forma
Gross Potential Rent	\$1,977,684	\$1,977,684
Other Income	31140	542775
Utility Income	160632	230584
Gross Potential Income	\$2,169,456	\$2,751,043
Vacancy/Collection Allow.	0.2% 4,800	0.2% 4,800
Effective Gross Income	\$2,164,656	\$2,746,243
Expenses	1,008,839	1,008,839
Net Operating Income	\$1,155,817	\$1,737,404
Debt Service	570,000	570,000
Net Cash Flow After Debt Service	4.1% \$585,817	8.2% \$1,167,404
Principal Reduction	250,948	250,948
Total Return	5.9% \$836,765	10.0% \$1,418,352



EXPENSES	Current	Pro Forma
Real Estate Taxes**	\$308,370	\$308,370
Direct Assessments**	56,334	56,334
On-Site Management**	95,000	95,000
Insurance	49,916	49,916
Utilities	299,973	299,973
Repairs & Maintenance	43,198	43,198
Tenant Relations	6,249	6,249
General & Administrative	22,128	22,128
Legal	15,871	15,871
Total Other Expenses	111,800	111,800
Total Expenses	\$1,008,839	\$1,008,839
Expenses per Space	\$2,497	\$2,497
% of EGI	46.6%	36.7%

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