

Marcus & Millichap

143 SPACES
GOLDEN SANDS MHP
2059 East Avenue I
Lancaster, CA 93535

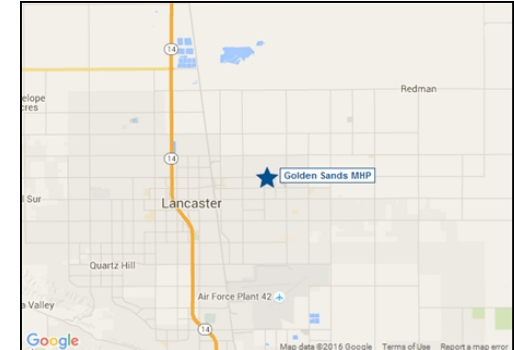


INVESTMENT HIGHLIGHTS

- ◆ 142 MH Sites plus 2/1, 806 Square Foot Apartment, All Age MHP, Built in 1958 on 9.8 Acres, 14.5 Site Per Acre Density
- ◆ City Sewer. Well Served
- ◆ Physical Occupancy at 95%
- ◆ 14.5 Sites Per Acre
- ◆ Sub-Metered Gas and Electric, Sewer Pass-Through
- ◆ Clubhouse, Pool, Laundry and RV Storage
- ◆ Security Monitor and Camera System
- ◆ On-Site Office Park Owned Home

OFFERING SUMMARY

Price	\$4,250,000
Down Payment	(30%) \$1,275,000
Loan Amount	\$2,660,000
Loan Type	New
Spaces	143
Price Per Space	\$29,720
Year Built	1958
Lot Size	9.7993
Cap Rate - Current	5.04%
GRM - Current	8.10
Net Cash Flow After Debt Service - Current	1.76%
Total Return - Current	5.20%



Listed by:

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2059 EAST AVENUE I • LANCASTER, CA 93535

SPACE MIX

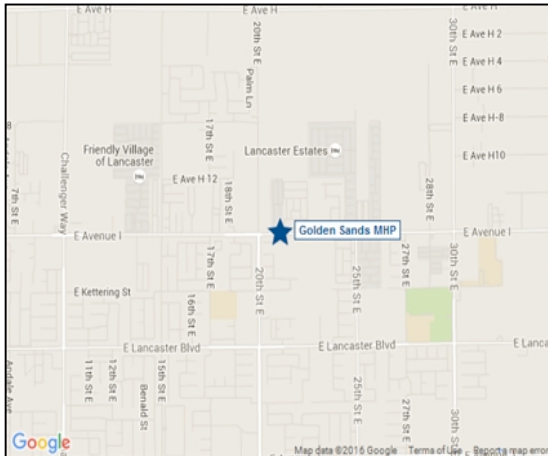
No. of Spaces	Space Type	Current Rents	Monthly Income
142	MobileHome	\$214-\$750	\$42,956
1	Apartment	\$750	\$750
143	Total		\$43,706

OPERATING DATA

	Current
Income	
Gross Potential Rent	\$524,472
Other Income	\$178,678
Gross Potential Income	\$703,150
Less: Vacancy/Deductions	7.6% / \$39,952
Effective Gross Income	\$654,198
Less: Expenses	\$440,119
Net Operating Income	\$214,079
Net Cash Flow Before Debt Service	\$214,079
Debt Service	\$191,645
Debt Coverage Ratio	1.12
Net Cash Flow After Debt Service	1.8% / \$22,434
Principal Reduction	\$43,892
Total Return	5.2% / \$66,326

EXPENSES

Property Tax	\$45,333
Payroll	42,000
Off Site Management	25,000
Payroll Costs	15,601
Gas	49,469
Sewer	51,631
Trash	55,320
Electric	65,761
Total Utilities	222,181
Legal/Park Operations	12,000
Manager Rent/Utility Credit	11,400
Repair & Maintenance	10,500
Water Quality Management	10,000
Plumbing (Sewer/Water/Gas Line)	7,500
Reserves	7,100
Total Other Expenses	31,504
Total Expenses	\$440,119
Expenses per Space	\$3,078
% of EGI	67.3%



INVESTMENT OVERVIEW

Golden Sands Mobile Home Park is a 142-space plus a 2/1, 806-square foot apartment, All Age community located in Lancaster, CA. The park was built in 1958 and sits on a parcel of land totaling 9.8 acres, which equates to a density of 14.5 pads per acre. The community has strong Avenue I corridor visibility with iconic signage. The physical occupancy is 95% (6 vacant sites) and some of the current vacant sites are being rented to long term RV/Travel Trailers at \$500. These rentals may be rented in the future at the \$500 site rent instead of the controlled rent from the previous occupancy. There are currently ten sites rented to long term RV residents.

The park is subject to the City of Lancaster Rent Control Ordinance which, is summarized in this package. The complete ordinance is available on the due diligence Portal or by request. The 2016 rent increase cascade is also included in the package and the 1.48%, 60% of CPI rent increase over the preceding twelve months is estimated at \$5,628. The 2017 CPI increase will be determined in January of 2017 and can be applied to the sites based on the monthly cascade.



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