

Oakridge Mobile Home Park

47775 Berry St.
Oakridge, Oregon



63-Space All-Age Mobile Home Park

March 2013

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Oakridge MHP

Oakridge, OR

Terms of Sale

Price:	\$ 1,195,000
Down Payment:	358,500
New Financing:	\$ 836,500

Financing: Purchaser to secure a new loan on the best available terms. Any and all costs associated with securing the new loan shall be borne by Purchaser. The debt service outlined assumes terms as follows:

	<u>5 - Year Fixed</u>
Amount Financed	\$ 836,500
Amortization Term (mos.)	300
Interest Rate	4.50%
Monthly Payment	\$ 4,650
Annual Payment	\$ 55,800

Investment Summary

Price per Space	\$ 18,968
Capitalization Rate	8.5%
Net Operating Income	\$ 101,313
Cash Flow	\$ 34,922
Return on Cash Invested	9.7%

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Pro Forma of Income and Expenses

<u>Income</u> ⁽¹⁾		<u>Rent</u>	<u>Current</u> <u>Income</u>
6 Spaces	@	\$257	\$ 18,504
53 Spaces	@	\$265	168,540
1 RV Space	@	\$255	3,060
1 RV Space	@	\$290	3,480
2 RV Spaces	@	\$300	7,200
63 MH Space Income			\$ 200,784
Studio Apartment	@	\$375	4,500
1 Bed./1 Bath Apartment	@	\$385	4,620
2 Bed./1 Bath House	@	\$450	5,400
Total Rental Income			\$ 215,304
Less: Vacancy Credit		6.0%	(12,918) ⁽²⁾
Gross Effective Income			\$ 202,386

Operating Expenses

2011/2012 Property Taxes		7,288	
Insurance		3,063 ⁽³⁾	
Water and Sewer		45,416 ⁽³⁾	
Garbage		7,715	
Electricity		6,746 ⁽³⁾	
Misc.		1,245	
<u>On-Site Manager Fees</u> ⁽⁴⁾			
Salary		12,000	
Payroll Expense		1,800	
Space Rent		3,180	
Repair/Maintenance - Budget		10,119 ⁽⁵⁾	
Office Expenses - Budget		1,500	
Legal and Accounting - Budget		1,000	
Total Operating Expenses			101,072

Net Operating Income	\$ 101,313
Debt Service	66,391
Before Tax Cash Flow	\$ 34,922

Notes

1. Scheduled increase June 2013, varies in amounts in order to get more uniform rents throughout the park.
2. There are currently two vacant home lots, two vacant RV spaces and one park-owned home that is being sold to a tenant.
3. Expenses based on actual 2012 expenses.
4. The park currently pays the existing on-site manager approximate \$1,000 per month plus provides housing and utilities as part of the compensation.

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5. Reflects 5% of gross effective income. The 2012 repair and maintenance actual expenses were \$3,544.41.

PROPERTY DESCRIPTION

General Description:

Oakridge Mobile Home Park is comprised of 63 mobile spaces, two apartments and one rental home. The community is designated as “all-ages”; however, most residents are adult families without children. The park lies within walking distance of downtown Oakridge. The property enjoys an attractive, country setting close to the Middle Fork of the Willamette River.

Location/Community:

Oakridge is located approximately 35 miles southeast of Eugene on Hwy. 58 at the foot of the western slopes of the Cascade Mountains; Oakridge is a gateway to some of Oregon's best recreational attractions and is minutes away from a long list of campgrounds and trailheads located in the Willamette National Forest. Some of the best trout fishing can be found on the Middle Fork of the Willamette River which flows by Oakridge on its way to the Willamette Valley floor. One of the regions most popular ski areas, Willamette Pass, is a short distance away. The economy in the area has historically been supported by the wood products industry but is now supported by tourism and public employment. Many people commute to the greater Eugene/Springfield area, the second largest metropolitan area in Oregon.

The Oakridge/Westfir area population is approximately 5,000 with a population of 50,000 to 75,000 living within a 30-mile radius.

Fair Housing Status:

Oakridge MHP is designated as an “all-ages” community.

Age:

The first phase of the park was built in the late 1950's to provide housing to workers during the construction of local dams. Four additional phases were added; the final phase of nine spaces was completed in 1999.

Size:

Approximately 6.5 acres.

Zoning:

The three tax lots that comprise Oakridge MHP have different zoning designations. Parcel #1003 and #1004 are zoned Commercial, Manufactured Home

Parks. Oakridge Mobile Home Park is an approved use within this zone. Parcel #1000 is zoned residential. Manufactured housing is a pre-existing, non-conforming use within this zone.

Wetland/Flood Plain Status:

The property does not lie within any 100-year floodplain and there are no known wetlands on the property.

Improvements:

- **Interior Streets** Interior streets are paved, measure 20'-25' wide, and are designed with a crown profile.
- **Off-Street Parking** Each space is provided with a gravel driveway large enough to accommodate two cars.
- **Carport/Storage Sheds** Three spaces are provided with park-owned carports. All spaces have tenant owned metal or wood storage sheds.
- **Interior Lighting** Overhead street lights are located throughout the park.

Utility Systems:

- **Water** Public water service is provided by the City of Oakridge. The water lines are a combination of 1½" PVC and ¾" galvanized iron pipe.
- **Sewer** Public sewer service is provided by the City of Oakridge.
- **Electricity** 200 amp service is provided to each space. Older sections of the park have overhead service; the newer sections have underground service. Tenants are billed directly by the service provider. Electricity is included in the apartment rent.
- **Cable TV and Telephone** These services are provided by local companies and billed directly to the tenants.
- **Garbage** Garbage service is included in the base rent.
- **Fire Protection** Fire hydrants are located throughout the park.

SW/DW Ratio:

There are three (3) double-wide homes and fifty-nine (59) single-wide homes in Oakridge MHP.

Vacancies/Repossessions: There are currently two single-wide spaces vacant. There are two repossessed or rental homes in the park.

Space Sizes: Spaces sizes vary between 38'-59' wide and 70'-85' deep. The majority of the spaces measure 43' x 75'.

Perimeter Fencing: The northern perimeter of the park is enclosed by a 6' chain-link fence.

2011/2012 Tax Value Information

PARCEL NUMBER	ASSESSED VALUE	MARKET VALUE	TAXES
0964781	\$289,276	\$425,140	\$4,807
0964757	\$92,180	\$182,958	\$1,577
0964807	\$51,117	\$76,046	\$904
TOTAL	\$432,573	\$684,144	\$7,288

Financing: Oakridge MHP has a private loan in place that would be paid off at closing or assumed.









Oakridge, OR

My Notes

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