

Del Ray II Mobile Park
5508 Mt. Solo Rd
Longview, WA



114-Space, "55 and Older"
Manufactured Home Community

April, 2013

Loren Landau
Commonwealth Commercial Brokerage Company
18150 SW Boones Ferry Rd.
Portland, OR 97224
Phone: 503-546-7662, Fax: 503-768-4660
llandau@cwbrokers.com

Del Ray II MHP

Longview, WA

Terms of Sale

Price:	\$	4,600,000
Down Payment:		1,400,000
Balance:	\$	<u>3,200,000</u>

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 appearing in the pro forma reflects the following terms:

	<u>7-Year Fixed</u>
Principal	\$ 3,200,000
Amortization Term (mos.)	300
Interest	4.25%
Monthly Payments	\$ 17,336
Annual Payments	\$ 208,027

Investment Summary

Price per Space	\$	40,351
-----------------	----	--------

	<u>Current</u>	<u>Stabilized</u>
Capitalization Rate	6.9%	7.7%
Net Operating Income	\$ 315,621	\$ 353,541
Cash Flow	\$ 107,594	\$ 145,514
Return on Cash Invested	7.7%	10.4%

Del Ray II MHP

Longview, WA

Pro Forma of Income and Expenses

		<u>Pro Forma</u>	<u>Income as</u>
<u>Income</u> ⁽¹⁾		<u>Income</u>	<u>Full</u>
114 Space Rental Income		\$ 557,580	\$ 557,580
8 Less: Vacant Spaces	@ \$395	37,920	-
Gross Effective Income		<u>\$ 519,660</u>	<u>\$ 557,580</u>
 <u>Operating Expenses</u>			
Property Taxes	36,082 ⁽³⁾		
Insurance - Quote	3,782		
Water/Sewer/Storm Water	87,130 ⁽⁴⁾		
Garbage	15,608 ⁽⁴⁾		
<u>On-Site Manager Fees</u>			
Salary	14,400		
Space Rent	4,891		
Payroll Expense	2,160		
Professional Management - 4%	20,786		
Repair/Maintenance - Budget	15,600		
Office Expenses	2,400		
Legal and Accounting	1,200		
Total Operating Expenses	39.3%	<u>204,039</u>	
 Net Operating Income		\$ 315,621	\$ 353,541
Debt Service		208,027	208,027
Before Tax Cash Flow		<u>\$ 107,594</u>	<u>\$ 145,514</u>

Notes

1. Rents reflect increase effective 1/1/13.
2. There are currently eight vacant spaces.
3. 15.77 total acres. Current assessed value of \$2,790,000.
4. The current rental agreement and rules allow for the pass-through of utilities to residents. Pro Forma is the average of the utility bills from 4/12 - 10/12 annualized.

PROPERTY DESCRIPTION

GENERAL DESCRIPTION:	Del Ray II Mobile Park is located off of Mt. Solo Road in Longview, Washington. (See enclosed vicinity map.) The property is located a short distance from Ocean Beach Highway which is a major arterial through Longview providing convenient access to the downtown area and Interstate Highway 5. A considerable amount of new residential and commercial development has taken place along Ocean Beach Highway and in the vicinity of Del Ray II Mobile Home Park.
AGE:	45 Spaces developed in 1965; 66 Spaces developed in 1979; 3 Additional Spaces in 2008.
PROPERTY SIZE:	15.77 Acres
FAIR HOUSING STATUS:	Del Ray II Mobile Home Park has been designated as a 55 and Older community according to the Seller.
SW/DW RATIO:	Approximately 75% of the manufactured home located in Snook's Mobile Park are single-wide homes.
SPACE SIZES:	Space sizes are estimated to be approximately 45' wide by 80' deep.
IMPROVEMENTS:	
◆ Interior Streets:	Streets in the first phase of the park consisting of 45 spaces are 30' wide and are asphalt paved without curbs or sidewalks. Streets in the newer 66 space section are 30' wide and are concrete without curbs or sidewalks. The streets are in average to good condition.
◆ Storm Drainage:	Storm drains are located in the center of the street in the newer section of the park that has concrete streets. There are no storm drains located in the first phase of the park where the streets are crowned.
◆ Interior Lighting:	Overhead street lighting is located at various points throughout the community.
◆ Perimeter Fencing:	The perimeter is unfenced.

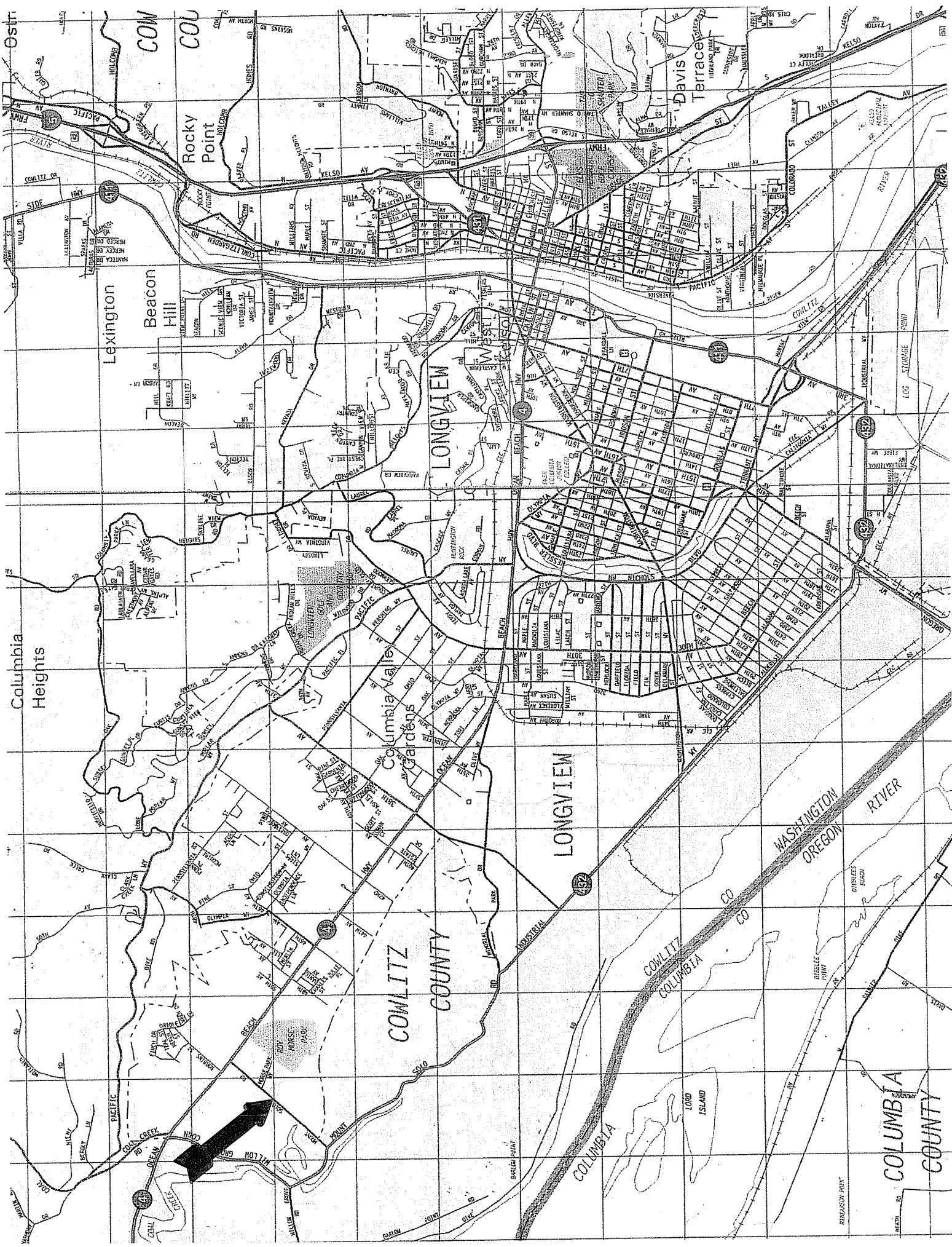
- ◆ Off-Street Parking: Off-street parking for two (2) cars is provided on either gravel or concrete parking pads. Those spaces located in the newer section of the park feature concrete driveways; spaces in the first phase of the park have gravel driveways.

UTILITIES:

- ◆ Electricity: 200 amp underground electrical service is provided to each space and is paid for by the homeowner/tenant.
- ◆ Telephone: Individual service is provide to each space and is paid for directly to the utility provider by the tenant.
- ◆ Sewer: Public sewer is provided by the City of Longview. Sewer service is included in the base rent.
- ◆ Water System: Water service is provided by the City of Longview. Water service is included in the base rent.
- ◆ Garbage: Individual garbage can service is included in the base rent.
- ◆ Fire Protection: Fire hydrants are located throughout the park.

2012 TAX INFORMATION:

PROPERTY ID	MARKET VALUE LAND	MARKET VALUE IMPROVEMENTS	TOTAL VALUE	TAXES
107510100	\$558,000	\$2,232,000	\$2,800,000	\$36,081.98



Columbia Heights

Lexington
Beacon Hill

Rocky Point

LONGVIEW

Columbia Valley Gardens

LONGVIEW

COWLITZ COUNTY

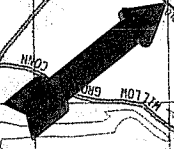
COWLITZ COUNTY

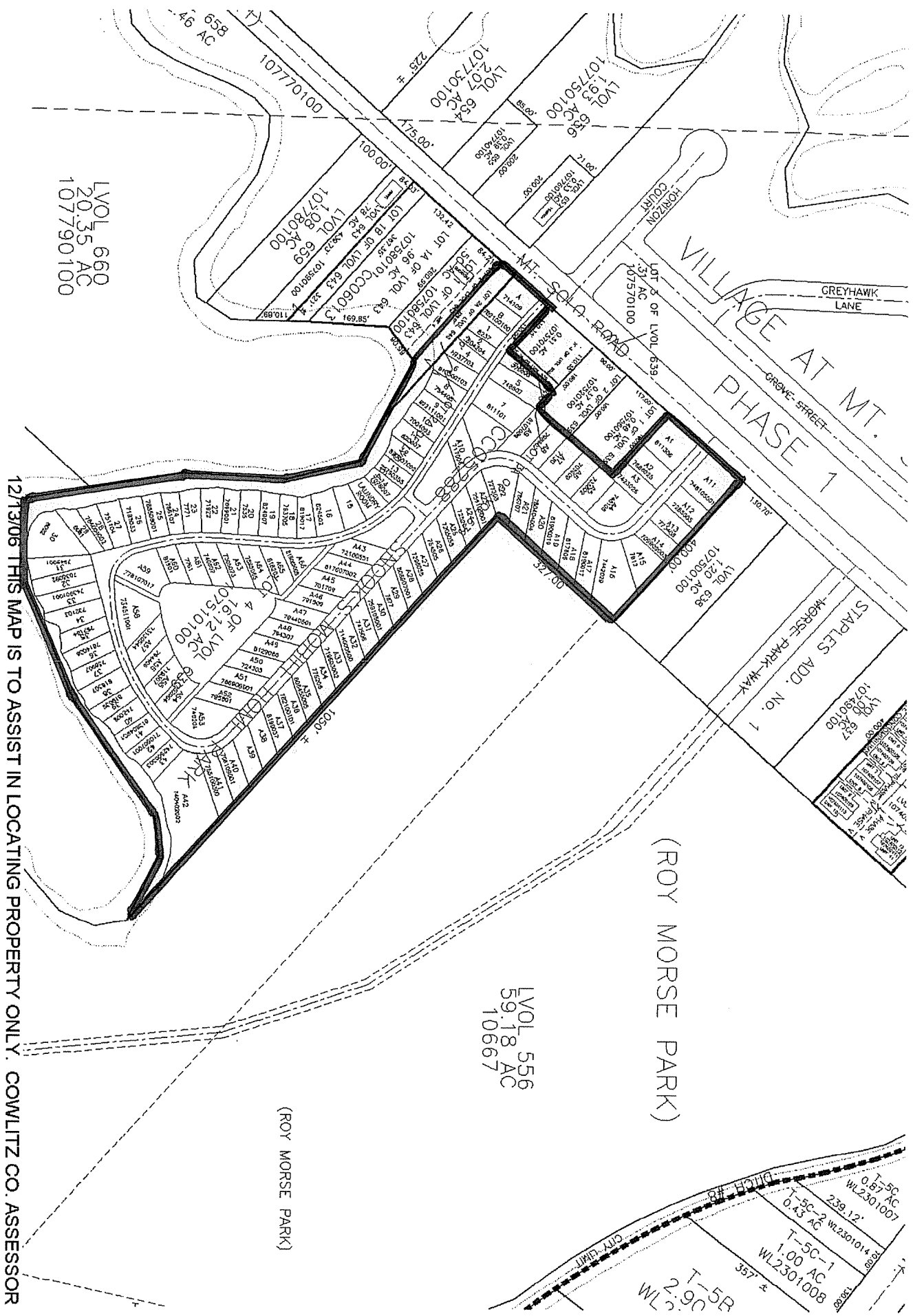
WASHINGTON RIVER
OREGON

LORD ISLAND

COLUMBIA COUNTY

Davis Terrace





12/3/06 THIS MAP IS TO ASSIST IN LOCATING PROPERTY ONLY. COWLITZ CO. ASSESSOR

(ROY MORSE PARK)

(ROY MORSE PARK)

LVOL 556
59.18 AC
10667

LVOL 660
20.35 AC
107790100

T-5R
WL 2.9C
357' ±

T-5C-1
1.00 AC
WL 2301008

T-5C-2
0.43 AC
WL 2301014

T-5C
0.87 AC
WL 2301007

239.12'

1368'

Del Ray II MHP - Longview, WA



Del Ray II MHP - Longview, WA



Del Ray II MHP - Longview, WA



Del Ray II MHP - Longview, WA

