

Royal Oaks MHP – Detailed Summary of Park

1042 Evans Rd

Wofford Heights, CA 93285

Marketing Remarks: Attractive woodsy Mobile Home Park on 2.7 acres in Wofford Heights community next to Lake Isabella. There are 12 residents currently paying space rent, and 3 spaces available. They were paying \$300/month space rent, and went up to \$325 in Nov 2025. There are another 3 spaces used for parking, potentially rentable. Additionally, the on-site manager lives in an SFR on the property with a garage, and another structure has been partially rehabbed for a clubhouse. Manager has been increasing revenues, and there is still substantial potential to increase further. All ages park. Enjoy the Southern Sierra Nevada Mountains.

History:

The current owners purchased the park in 1994, The current on-site manager has managed since 2023. She took over when the previous manager passed away. The park was originally a campground, then RV park, and now present day, a Mobile Home Park.

#Spaces:

There are 19 “set spaces”.

-9 Spaces w/mobile homes (one doublewide MH uses spaces #1,#3, and#5)

-3 spaces w/RV's

-2-3 spaces: small size, thus are used for parking

-3 available spaces (#15 & 19 will fit a mobile home, #8 will fit an RV)

-SFR w/2 car garage (manager's residence)

-Utility building : some work has been done to convert to a Clubhouse

Some spots can only be rented for an RV, some to a Single-wide, Some spaces are small and ended up being parking for the home next to it.

Space Rent:

Space rent is \$325/month. It was increased effective Nov 1, 2025. Rent includes garbage, sewer.

Management: Current on-site manager appears to be a good asset to the park. Her compensation is merely “free rent”(\$1500 value). Revenues have exhibited a 30-50% increase per year since she has been at the helm. Her husband is very handy. They do multiple repairs themselves at very low cost per hour to the owner. They are open to staying and managing for the next owner.

Utilities:

Electric: The park receives a master bill. The manager documents elec usage each month and bills the individual residents. Electric service is mostly 30 AMP, some spaces have 50 AMP service (#7 has new 50 AMP)

Gas: All residents are responsible for their own propane gas usage and billing directly with the local company: Amerigas. Amerigas apparently owns tanks and lines (buyer to confirm), and meters residents directly. Some residents have their own propane tank.

Water: Water used to be well water, but now in recent years, California Water has taken over, and provides water to the park. Residents all tend to drink bottled water.

Sewer: Sewer is by SEPTIC. There are approximately 8 septic tanks. The one next to clubhouse/utility building failed, and may not have been repaired. It services just the clubhouse building. Septic Tanks are unknown size: manager guesstimates 500 gallons each. The septic systems for residents are all in working order. The managers do a good job of educating residents TO use "RID-X" to keep bacteria down, by flushing a bag down the toilet every 6 months. Thus going back 12 months, only 1 septic (#6) has needed to be pumped.

Garbage Collection: Thomas Refuse Service picks up once a week on Mondays.

Revenues: The park received \$44,323 in 2024 ,(\$3,693/month average) which includes electric bill and water bill reimbursement from residents.

The park received \$32,869 2025 for Jan 1- June 30 (\$5,478/month) – this is a 48 % increase! And a space rent increase to \$325 came Nov 1, 2025.

2025 Operating Costs:

Yearly mowing/trimming/branch removal: \$2500/year is the estimated cost for maintenance of overgrowth for fire protection.

Electricity: The expected Electric bill will be about \$15,500 for the year. Most of this is reimbursement from residents, NOT an expense. The unreimbursed portion is likely to be about \$500 for the manager's building and some exterior lighting/park service.

Trash bill: Expected trash bill in 2025: about \$2,100.

Water bill: Expected 2025 water bill: \$3900

Tax and licensing: Should be about \$1000

Property Taxes: The next owner will have taxes re-assessed at sale price \$325,000 which will DROP to a lower bill of approximately \$7,841 (For current owner, 2024-2025 bill was \$9,605 based on \$472,000 assessment).

Insurance: Liability insurance likely in the \$1000-2000 range for a year. Fire insurance: buyer will need to obtain estimates.

Repairs/Maintenance: A buyer should consider budgeting perhaps \$488/month for random repair that come up.

(Operating Costs -continued)

Miscellaneous Expenses: \$500/year should allow for small “other” expenses, based on review of P and L's.

Issues/Concerns:

Obstinate neighbor to the north of park has several dogs (her parcel is fenced). This is felt to be the reason Space 19 doesn't get rented, even though it is a great space for a single-wide. This space has a LAKE VIEW.

Vandalism: some vandalism to electric lines occurred at the park last year. It has been repaired.

SFR: the slab foundation has visible cracking due to 2 trees. The trees were cut down: the roots are in the process of dying.

Wildfire area/Insurance: The area is in 2 NHD disclosure zones: “High Fire Hazard Severity Zone” and “Wildland Area that may contain substantial forest fire risks and hazards”. Obtaining insurance may be challenging for new owner, and may have to go FAIR plan. Current owners do not have fire insurance, only liability insurance.

Septic System drain lines: some or all may have “Orangeberg pipe”.

Manager's next recommendation for the park: streets/driveways should be slurried. The house could use some remodeling.

Profitability: The current manager has been increasing rents at a good rate. The park has not been profitable last few years, however the 2026 Projected NOI is \$26,363, giving the park a 10% Cap Rate.. The financial picture does keep looking better every quarter as current managers implement improvements.

Financing for purchase: Conventional Financing that relies on profitability will likely not be possible, due to conventional lenders requiring a history of profitability. Buyer will need to purchase with NO financing contingency.

UPSIDE POTENTIAL:

One-time rent increase: New owner should look into the possibility of **ONE-TIME INCREASE OF SPACE RENTS, as new owner**, with no state-imposed limit, also:

CHARGE the residents for Garbage

CHARGE the residents for sewer

3 more spaces to rent that are currently vacant, and add spaces.