OFFERING MEMORANDUM

MOUNTAIN TIMBER ESTATES

24542 REDWOOD HWY, KERBY, OR 97531

Kidder Mathews

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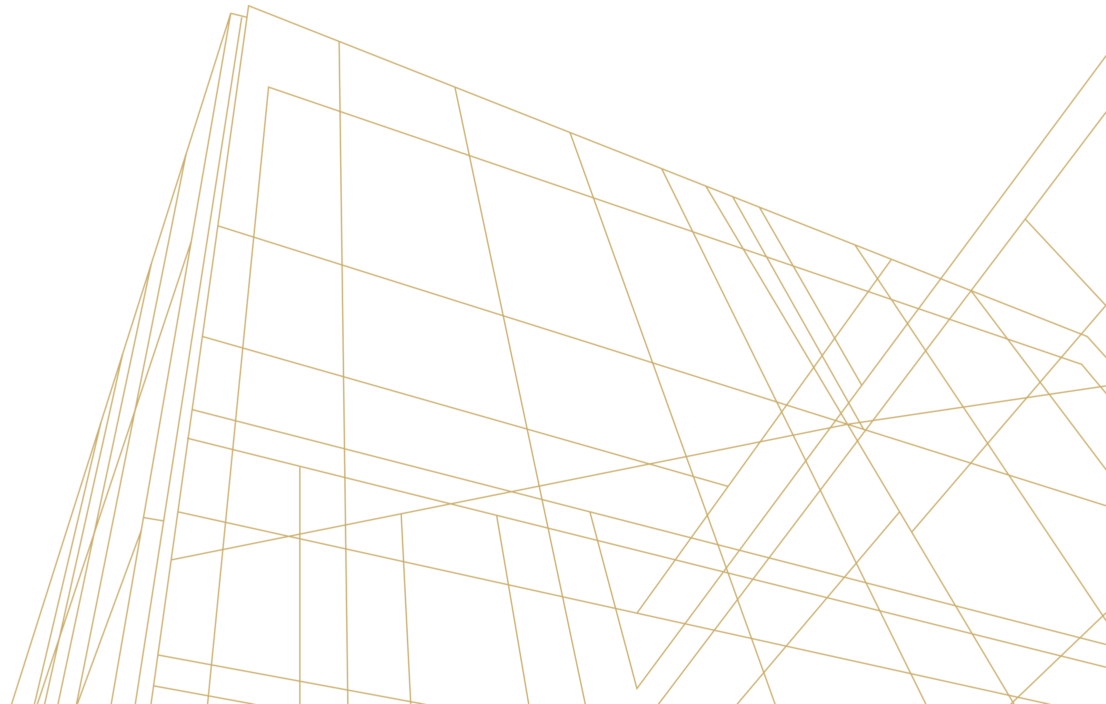


Exclusively listed by

RAND HOFFMAN
Senior Vice President
503.502.1752
rand.hoffman@kidder.com

JOHN WALLACE
Associate
503.780.9087
john.wallace@kidder.com

RYAN YANULEVICH
Associate
858.369.3034
ryan.yanulevich@kidder.com

KIDDER.COM

Kidder Mathews

EXECUTIVE SUMMARY

Section 01

58-SITE COMMUNITY WITH CAPITAL IMPROVEMENTS IN SOUTHERN OREGON

Mountain Timber Estates is an all-ages manufactured home and RV park community spanning 12.5 acres along US-199 in Kerby, Oregon, in the heart of the Illinois Valley.

PROPERTY INFORMATION

ADDRESS	24542 Redwood Hwy Kerby, OR 97531	
LAND AREA	12.5 AC	
SITE BREAKDOWN	**Total spaces**	**58**
	Manufactured home spaces	53
	RV sites	5

58
TOTAL SPACES

53
MANUFACTURED HOME SPACES

5
RV SITES

INVESTMENT *OVERVIEW*

The park comprises 53 manufactured home spaces and 5 RV sites set among towering conifers and a park-like central meadow.

Over six years of ownership, the current owners have invested meaningfully in the property's infrastructure, completing a significant capital improvement program that positions Mountain Timber Estates well for the next chapter of ownership.

The park currently sits at just over 50% occupancy. Average rents on occupied manufactured home lots run approximately $575 per month, reflecting two increases over the past two years that have steadily moved rents toward the local market. With comparable parks in Cave Junction and along the US-199 corridor asking $550 to $650 per month, Mountain Timber Estates sits modestly below the top of the local market, a position that supports continued annual increases within Oregon's manufactured housing rent stabilization framework. The park currently runs without on-site staff, with landscaping, septic pumping, and well testing handled by outside contractors. Our underwriting normalizes management expenses to those of a park of this size.

Since 2021, the current owners have completed an extensive program of capital improvements addressing deferred maintenance across the park's infrastructure, utility systems, and common facilities. These improvements significantly reduce the capital requirements a new owner would otherwise face.

The primary upside at Mountain Timber Estates is occupancy. Of the 53 developed manufactured home spaces, 29 are currently occupied, leaving 24 vacant pads with roads, utilities, and site preparation in place. Four of the five RV lots are also vacant. Filling these spaces at current market rents would substantially expand the park's revenue base. The current owners have demonstrated forward progress (four lots were filled during 2025), and the underwriting reflects a conservative continuation of that pace. Open areas at the front and rear of the property also support container, boat, and equipment storage, a secondary income stream requiring no additional infrastructure. For an experienced operator with an active lease-up strategy, the path to stabilization is well-defined.

At a proposed sale price of $1,700,000, Mountain Timber Estates is priced against its current operating reality. The per-space basis of approximately $29,300 across all developed spaces reflects the occupancy work that remains, while also accounting for a property that has absorbed years of meaningful capital investment. Even with management normalized, the expense structure stays light enough that a new owner is not carrying heavy overhead while working to fill spaces. The infrastructure is in order, rents are below market, and roughly half of the park's capacity is available to fill.

INVESTMENT HIGHLIGHTS

- 58 total spaces: 53 manufactured home spaces and 5 RV sites on 12.5 acres
- 30 spaces occupied, leaving 28 developed spaces available to fill
- Extensive capital improvement program completed between 2021–2025
- Full RV section rebuild: new water lines, electrical, 50-amp pedestals, and septic hookups
- 20 uninhabitable homes removed, including asbestos abatement and site grading
- Serviced by public water through the Kerby Water District
- Electricity submetered and direct-billed to residents; garbage recaptured in full
- Space rents below the Cave Junction market, with a 6% allowable annual increase under Oregon HB 3054
- Five park-owned homes proposed for conversion to tenant-owned
- Additional income potential from existing container, boat, and equipment storage areas
- Four minutes to Cave Junction, 35 minutes to Grants Pass, 18 minutes to the California border

58
NO. OF SITES

12.5 AC
LAND AREA

52%
OCCUPANCY

PROPERTY OVERVIEW

Section 02

PROPERTY INFORMATION

POH INVENTORY

SP	Personal Property Description	Sq Ft	Bed/Bath	Assessor Account #	Serial Number	Home ID Number	Home Plate Number	Roofing Type	Siding Type	Heat	Personal Prop Tax
16	1969 FUQUA WESTERN DLUX MOBILE HOME	768	3/1.5	M200713	CKS3687PA4226	200563	X127811	Metal	Vert Metal	Electric	110.63
18	1964 MARLETTE MOBILE HOME	629	2/1	M207226	K255FD30772	266583	X214482	Metal	Vert Metal	Electric	100.46
29	1974 LIBERTY MOBILE HOME	924	2/1	M200684	14X700891871H	182889	X104900	Metal	Vert Metal	Electric	126.48
35	1980 HOMETTE MOBILE HOME (DMV TITLE)	840	2/1	M207415	03950232N	229716	X166343	Metal	Vert Metal	Electric	226.36
46	1973 MARLE MOBILE HOME (DMV TITLE)	1,440	3/2	M201019	H24362DW230560AB	174340	X93644	Comp Shingle	T-1-11	Electric	255.8

SITE BREAKDOWN

TOTAL NO. OF SITES	58
MANUFACTURED HOME SPACES	53 (5 POH)

PROPERTY OVERVIEW

ADDRESS	24542 Redwood Hwy, Kerby, OR 97531
LAND AREA	12.5 AC
COMMUNITY TYPE	All ages
COUNTY	Josephine
ZONING	Multifamily

SERVICES

MANAGEMENT	Off-site
LANDSCAPING HOMES	Tenant
LANDSCAPING COMMON AREAS	Landlord

INFRASTRUCTURE

ROAD SURFACE	Asphalt/gravel
ROAD CONDITION	Good
PARKING	2 spots per site
DRIVEWAY STRUCTURE	Gravel rock
UTILITY LOCATION	Underground

UTILITIES

	Provider	Paid By	Direct/Metered
WATER	Kerby Water Dist	Landlord	N/A
WASTEWATER	Outback Septic	Landlord	N/A
ELECTRICITY	Pacific Power	Tenant	Direct
TRASH	Southern Oregon Sanitation	Tenant	N/A


SUBJECT PROPERTY
REDWOOD HWY
199
N


SPEED LIMIT
5
NO PARKING

WHY WE LIKE THIS *OPPORTUNITY*

MEANINGFUL CAPITAL IMPROVEMENT PROGRAM

Over the past four years, the current owners have worked through a substantial list of deferred infrastructure projects: septic system upgrades, a full RV section reconstruction, removal of 20 uninhabitable homes with asbestos abatement and site grading, fire safety compliance work, new security infrastructure, road re-graveling, and facility re-roofing. This is the kind of foundational work that typically consumes the early years of a new owner's attention and capital. At Mountain Timber Estates, it is already done. The result is a property that arrives with its infrastructure liabilities addressed and its operational baseline established, freeing the next owner to focus on what actually moves the needle.

SUBSTANTIAL VACANCY UPSIDE WITH INFRASTRUCTURE IN PLACE

With the heavy lifting behind it, Mountain Timber Estates is set up for a focused lease-up effort rather than a capital recovery project. Twenty-eight developed manufactured home and RV pads sit vacant with utilities and roads already in place; no ground-up site work is required. At current market rents of $636 per month, filling those spaces would add substantial revenue to the property's income base. The current ownership has been actively working toward this: four lots were filled in 2025. Separately, the open areas at the front and rear of the property support container, boat, trailer, and equipment storage, a secondary income stream that needs no additional infrastructure to expand. A buyer with experience running lease-up campaigns in rural Oregon markets will find the foundation already laid.

BELOW-MARKET RENTS WITH A DEFINED PATH FORWARD

Current rents on occupied lots range from $435 to $600 per month for tenant-owned home spaces, with most comparable parks in the Cave Junction corridor asking $550 to $650. Oregon's HB 3054 rent stabilization statute applies to this park, capping annual increases at 6%. The Year 1 underwriting applies a 6% increase on existing occupied spaces, in line with the allowable cap, bringing the majority of tenant-owned home lots to $583 per month. Newly filled lots underwrite to $636 per month. Taken together, annual rent increases and lease-up progress represent two independent levers for income growth, either of which moves the financial profile of the asset in the right direction.

NORMALIZED EXPENSES, NO OWNER-OPERATOR DISCOUNT

The park currently operates owner-managed, without on-site staff or a third-party management company. The underwriting does not carry that structure forward: Year 1 includes an on-site community manager on free lot rent plus a per-space stipend, along with third-party management at 5.5% of effective gross income. Electricity is submetered and direct-billed, and garbage is recaptured in full. The five remaining park-owned homes are proposed for transfer to residents at no cost, converting that income to standard lot rent and removing the landlord obligations that come with a park-owned inventory.

PRICED ON CURRENT PERFORMANCE

At $1,700,000 and roughly $29,300 per developed space, the pricing reflects where the park is today, not where it will be at stabilization. A property that has absorbed the cost and disruption of removing 20 uninhabitable homes, rebuilding its RV section, completing major septic work, and addressing years of deferred maintenance is a fundamentally different asset than its trailing income suggests. That work is priced in. A new owner enters with infrastructure liabilities behind them and both primary value levers, lease-up and annual rent increases, squarely in front of them.

LOCATION OVERVIEW

Section 03

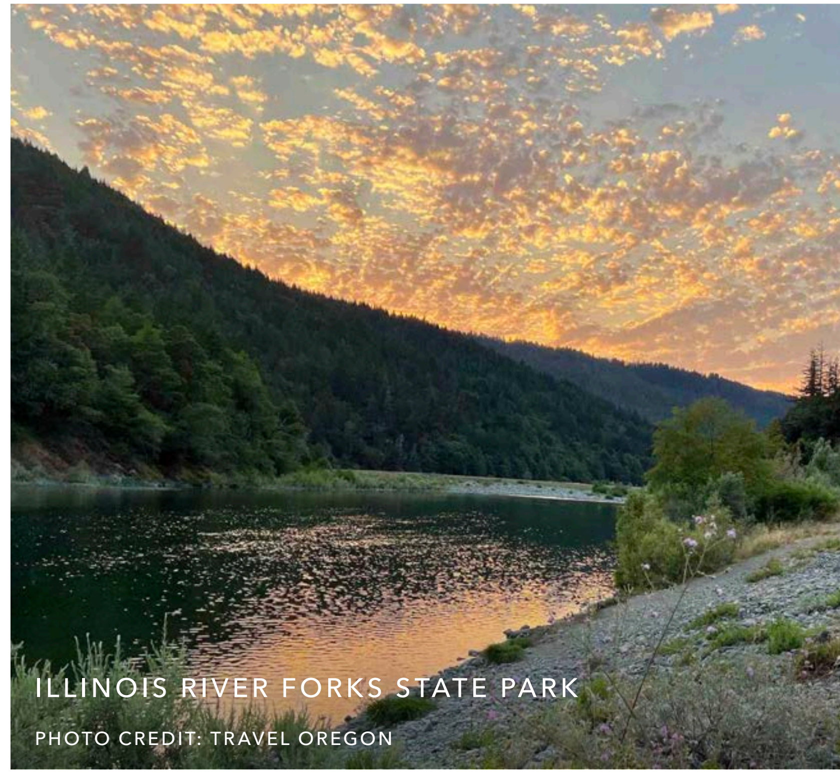
KERBY, OREGON

Mountain Timber Estates sits along US Highway 199 in Kerby, Oregon, a small community in the Illinois Valley approximately 15 miles north of the California border.

The Illinois Valley is a distinct geographic pocket of southwestern Oregon, shaped by the Siskiyou and Klamath Mountains to the south and east and the Illinois River running through its center. The area draws visitors and residents alike through its outdoor recreation offerings: the Illinois River corridor, surrounding national forest lands, and Oregon Caves National Monument attract those who value rugged, scenic terrain and easy access to wilderness. The climate is cooler and wetter than inland Oregon in winter, and warmer and drier than the coast in summer. This seasonal rhythm suits the active, outdoors-oriented lifestyle the valley has long attracted.

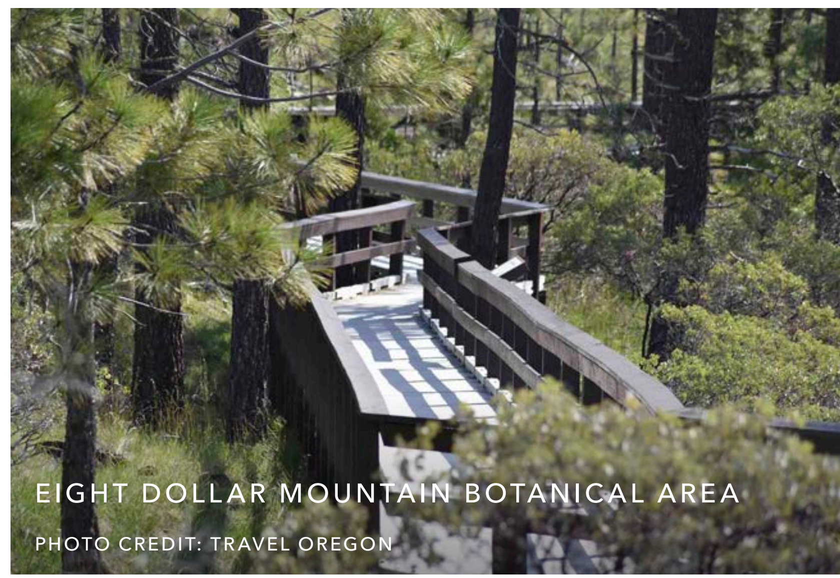
Cave Junction, two miles south of the park, serves as the Illinois Valley's commercial hub, with grocery options including a Grocery Outlet, dining, and everyday retail. Grants Pass, approximately 30 miles north, provides the full range of city services, medical facilities, and regional retail. US-199 connects the valley to Grants Pass and I-5 to the north and runs south to the California border and Crescent City, giving residents reasonable access to employment and services in both directions.

The Illinois Valley housing market is rural and supply-constrained, conditions that tend to support steady demand for manufactured home communities. Single-family inventory in the area is limited, and affordability considerations make manufactured housing a practical choice for many local residents. The valley's combination of natural amenity and accessible pricing provides a durable demand foundation for the park going forward.



ILLINOIS RIVER FORKS STATE PARK

PHOTO CREDIT: TRAVEL OREGON



EIGHT DOLLAR MOUNTAIN BOTANICAL AREA

PHOTO CREDIT: TRAVEL OREGON


4 MIN
TO CAVE JUNCTION
35 MIN
TO GRANTS PASS
1 HOUR
TO MEDFORD
199
1-HOUR DRIVE
To Medford
KERBY
SUBJECT PROPERTY
GROCERY OUTLET bargain market
DOLLAR GENERAL
DUTCH BROS
DQ
TAYLOR'S SAUSAGE
Wild River
ILLINOIS RIVER FORKS STATE PARK
CAVE JUNCTION
18-MIN DRIVE
To California Border
199
N

100-MILE RECREATION TRENDS & EXPENDITURES

702,393
TOTAL 2026 POPULATION

$68,063
MEDIAN 2026 HH INCOME

$36.9M
SPENDING: RECREATIONAL VEHICLES & FEES

$215.5M
SPENDING: RECREATION & ENTERTAINMENT

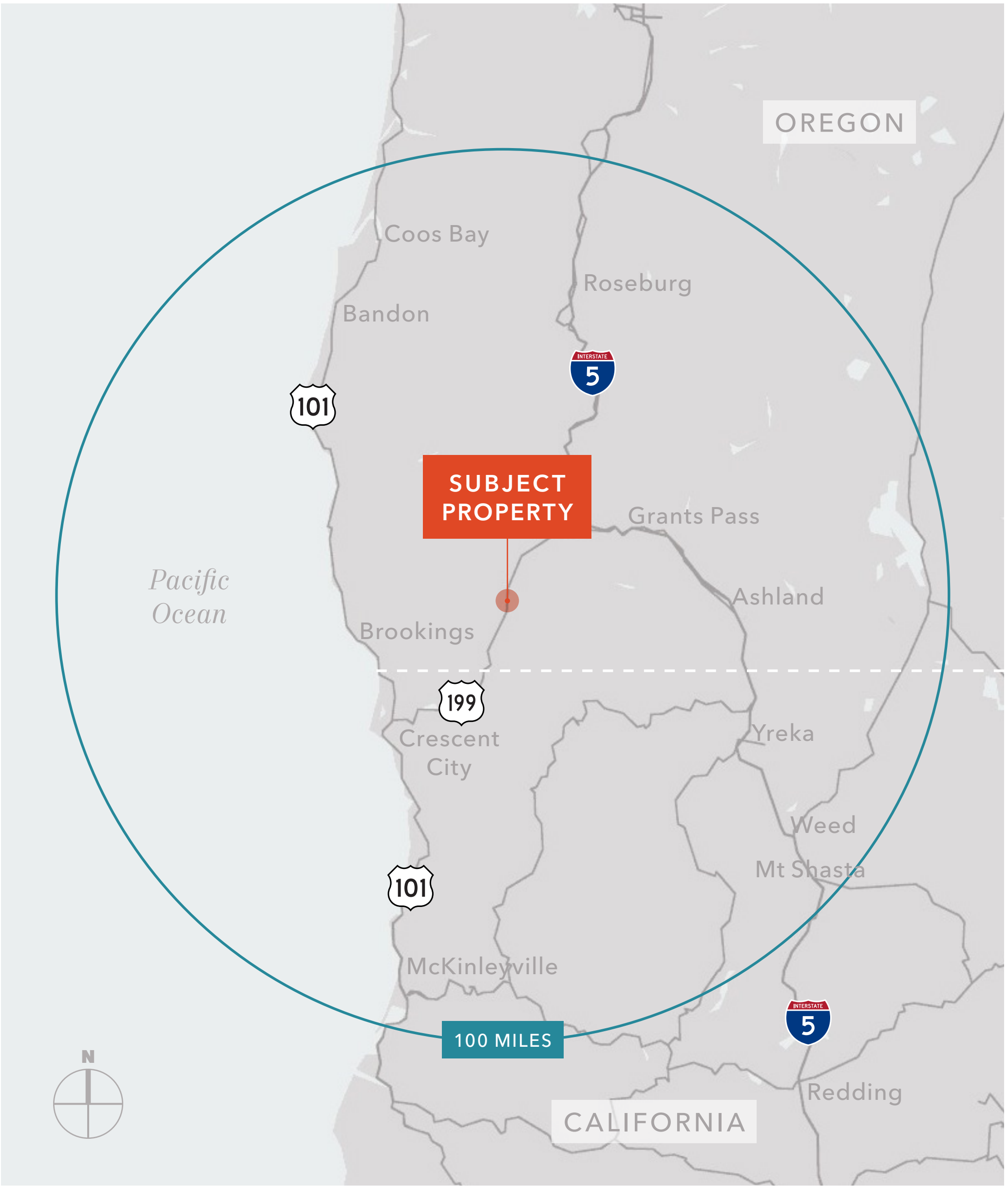
72,902
WENT CAMPING LAST 12 MONTHS

100,624
WENT HIKING LAST 12 MONTHS

64,539
FRESH WATER FISHED LAST 12 MONTHS

47,045
WENT CANOEING OR KAYAKING LAST 12 MONTHS

Data Source: ©2026 Esri



FINANCIALS

Section 04

ANNUAL CASH FLOW

INCOME	Mar'25-Feb'26	Normalized	Year 1	Notes
Gross Potential Rent	**$197,565**	**$197,565**	**$221,646**	Owner filled 4 lots in 2025, scheduled is July 2026 annualized, assume 4 new lots filled in Y1, Y1 6% increase on exiasting tenants
Vacancy/Collections (5%)	–	–	($11,082)	5% vacancy per bank guidelines.
Effective Rental Income	**$197,565**	**$197,565**	**$210,564**	
Effective Gross Income	**$197,565**	**$197,565**	**$210,564**	

EXPENSES	Mar'25-Feb'26	Normalized	Year 1	Notes
Real Estate Taxes	$10,482	$10,482	$10,796	T12 from owner provided financials, Assume 3% increase for Year 1
Personal Property Tax POH's	$820	$820	$845	T12, Normalized from owner provided financials. Assume 3% increase for Year 1
Insurance	$2,760	$2,760	$2,843	T12 from owner provided financials, Assume 3% increase for Year 1
Total Utilities	**$19,535**	**$19,535**	**$20,121**	
Electricity	$2,003	$2,003	$2,064	T12 from owner provided financials for common areas and septic, Assume 3% increase for Year 1
Water	$12,532	$12,532	$12,908	T12 from owner provided financials, Assume 3% increase for Year 1
Septic	$5,000	$5,000	$5,150	
Garbage	–	–	–	Garbage is passed through to MH and RV tenants
Gas/Propane	–	–	–	No gas or propane service on site
Payroll	–	$11,808	$12,162	Free lot rent at $674 per month plus $10 per occupied space
Repair & Maintenance	$4,102	$7,750	$7,750	$250 x 31 spaces. Fannie Mae/Freddie Mac (Lender) Underwriting Standard. Includes Landscaping.
Legal/Professional Fees	$754	$777	$800	T12 from owner provided financials, Assume 3% increase for Year 1
License/Permits	$200	$200	$206	T12 from owner provided financials, Assume 3% increase for Year 1
Administrative	–	$1,976	$2,106	T12 from owner provided financials. Normalized to 1% of gross income and Year 1
Advertising	$68	$68	$500	T12 from owner provided financials, Increased to $500 to fill vacant sites.
Supplies	$1,519	$1,519	$1,565	T12 from owner provided financials, Assume 3% increase for Year 1
Operating Reserves	–	$1,550	$1,700	$50/occupied space per year required by lender
Management (5% of EGI)	–	$9,878	$10,528	T12 Actual from owner provided financials. Park is currently self managed. Normalized and Y1 5% of EGI
Total Expenses	**$40,240**	**$69,123**	**$71,922**	
% Expense Ratio	20.4%	35.0%	34.2%	
Net Operating Income	**$157,325**	**$128,442**	**$138,641**	
Cap Rate	**9.3%**	**7.6%**	**8.2%**	

RENT ROLL

Space #	Status	Space Rent
1	Occupied	$550
2	Vacant	–
3	Vacant	–
4	Vacant	–
5	Vacant	–
6	Occupied	$435
7	Vacant	–
8	Vacant	–
9	Vacant	–
10	Vacant	–
11	Vacant	–
12	Vacant	–
13	Occupied	$550
14	Occupied	$550
15	Vacant	–
16	POH Occupied	$670
17	Vacant	–
18	POH Occupied	$645
19	Vacant	–
20	Occupied	$550

Space #	Status	Space Rent
21	Occupied	$550
22	Occupied	$435
23	Occupied	$550
24	Occupied	$535
25	Vacant	–
26	Vacant	–
27	Occupied	$600
28	Vacant	–
29	POH Occupied	$720
30	Occupied	$600
31	Occupied	$600
32	Occupied	$600
33	Occupied	$600
34	Occupied	$600
35	POH Occupied	$670
36	Vacant	–
36A	Vacant	–
37	Occupied	$435
38	Occupied	$600
39	Vacant	–

Space #	Status	Space Rent
40	Vacant	–
41	Occupied	$600
42	Occupied	$435
43	Vacant	–
44	Vacant	–
45	Occupied	$550
46	POH Occupied	$695
47	Vacant	–
48	Occupied	$435
49	Vacant	–
50	Occupied	$600
51	Occupied	$600
52	Occupied	$435
RV 1	Vacant	–
RV 2	Vacant	–
RV 3	Vacant	–
RV 4	Vacant	–
RV 5	Vacant	–

PRICING OVERVIEW

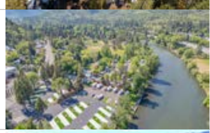
$1,700,000
SALE PRICE

9.3%
T12 CAP RATE

7.6%
SCHED. CAP RATE

8.2%
YEAR 1 CAP RATE

SALE COMPARABLES

		Property Name	Sale Date	Sale Price	Spaces	Price Per Space	Year Built
		**MOUNTAIN TIMBER ESTATES** 24542 Redwood Hwy, Kerby, OR	–	–	58	–	1959
01		**WHITE HORSE RV PARK & STORE** 7501 Lower River Rd, Grants Pass, OR	11/14/2025	$2,150,000	43	$50,000	1991
02		**BRIDGEVIEW RV RESORT** 8880 Rogue River Hwy, Grants Pass, OR	9/16/2025	$2,600,000	40	$65,000	1980
03		**COVERED BRIDGE MOBILE HOME PARK** 8911 E Evans Creek Rd, Rogue River, OR	8/10/2025	$2,100,000	27	$77,778	1973
04		**FRUITDALE APARTMENTS & TRAILER** 1275 Rogue River Hwy, Grants Pass, OR	10/4/2024	$1,800,000	44	$40,909	1980

RENT SURVEY

	Property Name	Total Spaces	Monthly Rent	Utilities Included	Distance From Subject Property
	MOUNTAIN TIMBER 24542 Redwood Hwy, Kerby, OR	58	$435-600	None	–
01	COUNTRY HILLS RESORT 7901 Caves Highway, Cave Junction, OR	24	$600-650	All	9.7 miles
02	SHADY ACRES TRAILER PARK 27550 Redwood Highway, Cave Junction, OR	35	$550	W/S/G	3.8 miles
03	KOA CAVE JUNCTION 25401 Redwood Hwy, Cave Junction, OR	63	$650	W/S/G	1.1 miles
04	LAUGHING ALPACA CAMPGROUND & RV PARK 28288 Redwood Highway, Cave Junction, OR	50	$500	W/S	4.2 miles
05	ZOOMTOWN RV PARK 33224 Redwood Hwy, O'Brien, OR	22	$525-575	W/S	9.5 miles
06	LONE MOUNTAIN RV RESORT 169 Lone Mountain Road, O'Brien, OR	40	$550-650	None	9.3 miles
07	RIVERSTONE RV PARK 156 Ollis Road, Cave Junction, OR	35	$425	None	2.6 miles

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JOHN WALLACE
Associate
503.780.9087
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