

## Cedar Court MHP

**Price: \$ 1,600,000**

### Park Description 37 Spaces

- Total Park Owned Mobile Homes: 15
  - 12 Occupied; 1 free by manager
  - 3 Vacant and ready to rent
- 4 plex (cottages)
  - 4 units rented
- Total RV Spaces 17
  - Park owned RVs: 8
    - 7 Occupied; 1 unit is office
    - 1 vacant ready to rent
  - Total Tenant Owned RVs: 4
  - Total Vacant RV spaces: 5\*
- Park is on city water and sewer

\*2 spots cannot be occupied if adjacent spot has home in it.

### Overview of Income and Expenses

#### Current Numbers

- Gross Income: \$211,470
- Expenses: \$129,360
- Net Income: \$82,110
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#### Estimated Numbers after plan completion

- Estimated Capital needed to complete project \$36,000
- Projected Gross: \$266,190
- Projected Expenses: \$144,060
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- Projected NOI: \$122,130
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**Cap Rate: 7.4%**

**$\$122,130 \text{ (NOI)} \div \$1,636,000 \text{ (price + capital)} = 7.4\%$**

• Robert Merchant 209-996-4075 • Rachel Merchant 209-408-7788 • Kristen Ernst 209-840-1086 •

## Cedar Court MHP

### Current Income and Expenses

Income	Monthly	Annual
Park owned mobile homes (average \$783 )	\$9,400	\$112,800
cottage rent	\$1,850	\$22,200
Park Owned RV Rent (average \$540)	\$3,250	\$39,000
RV Space Rent	\$1,400	\$16,800
Laundry Income	\$1,850	\$22,200
Utility Income	\$600	\$7,200
Other Income	\$200	\$2,400
<b>Subtotal</b>	<b>\$18,550</b>	<b>\$222,600</b>
Less approximately -5% delinquency and vacancy factor	\$928	\$11,130
<b>Total Gross Income</b>	<b>\$17,623</b>	<b>\$211,470</b>
Expenses	Monthly	Annual
Repairs and Maintenance	\$150	\$1,800
On Site Manager Fees	\$2,400	\$28,800
Contract Labor and Landscaping	\$225	\$2,700
Taxes & Insurance	\$1,375	\$16,500
Telephone and Internet	\$225	\$2,700
Electric	\$1,750	\$21,000
Gas & Propane	\$1,400	\$16,800
Water/Sewer	\$2,200	\$26,400
Garbage	\$230	\$2,760
Laundry Expense	\$625	\$7,500
Misc/Other Expenses	\$200	\$2,400
<b>Total Expenses - 60%</b>	<b>\$10,780</b>	<b>\$129,360</b>
<b>Net Operating Income</b>	<b>\$6,843</b>	<b>\$82,110</b>

**Current Cap Rate: 5.1%**

$\$82,110 \text{ (NOI)} \div \$1,600,000 \text{ (price + capital)} = 5.1\%$

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## Cedar Court - Project Plan

\*Estimated costs may not include any appliances and are approximate; additional funds may be required if utilities need to be added or replaced, more repairs are needed than originally estimated for, costs of materials increase, or any other unforeseen circumstance arises.

**Est. Totals for Phase 1:**

**Rent added: \$3,700**

### Phase 1

- Rent Ready to rent units: 3 Mobile Homes for \$650 to \$850 each, total \$2,200
- Rent Ready to Rent RV for RV for \$550; total: \$550

**Proforma Phase 1\*** after completing items in phase 1 of project plan\*.

Income	Monthly	Annual
Park owned mobile homes (average \$825 )	\$11,600	\$139,200
cottage rent	\$1,850	\$22,200
Park Owned RV Rent (average \$560)	\$3,800	\$45,600
RV Space Rent	\$1,400	\$16,800
Laundry Income	\$1,850	\$22,200
Utility Income	\$700	\$8,400
Other Income	\$200	\$2,400
<b>Subtotal</b>	<b>\$21,400</b>	<b>\$256,800</b>
Less approximately -5% delinquency and vacancy factor	\$1,070	\$12,840
<b>Total Gross Income</b>	<b>\$20,330</b>	<b>\$243,960</b>
Expenses	Monthly	Annual
Repairs and Maintenance	\$250	\$3,000
On Site Manager Fees	\$2,400	\$28,800
Contract Labor and Landscaping	\$250	\$3,000
Taxes & Insurance	\$1,375	\$16,500
Telephone and Internet	\$225	\$2,700
Electric	\$2,000	\$24,000
Gas & Propane	\$1,600	\$19,200
Water/Sewer	\$2,400	\$28,800
Garbage	\$230	\$2,760
Laundry Expense	\$625	\$7,500
Misc/Other Expenses	\$200	\$2,400
<b>Total Expenses - 56%</b>	<b>\$11,555</b>	<b>\$138,660</b>
<b>Net Operating Income</b>	<b>\$8,775</b>	<b>\$105,300</b>

**Phase 1 Cap Rate: 6.5%**

$\$105,300 \text{ (NOI)} \div \$1,600,000 \text{ (price + capital)} = 6.5\%$

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## Cedar Court – Project Plan

### Phase 2

- Fill 3 vacant lots with used RVs
  - Estimated cost \$12,000 each, total \$36,000
  - Rent 3 RVs for \$650 each, total \$1,950

**Est. Totals for Phase 2:**  
**Capital Needed: \$36,000**  
**Rent Value added: \$1,950**

**Proforma Phase 2\*** after completing items in phase 2 of project plan; estimated capital costs \$36,000.

<b>Income</b>	<b>Monthly</b>	<b>Annual</b>
Park owned mobile homes (average \$825 )	\$11,600	\$139,200
cottage rent	\$1,850	\$22,200
Park Owned RV Rent (average \$560)	\$5,750	\$69,000
RV Space Rent	\$1,400	\$16,800
Laundry Income	\$1,850	\$22,200
Utility Income	\$700	\$8,400
Other Income	\$200	\$2,400
<b>Subtotal</b>	<b>\$23,350</b>	<b>\$280,200</b>
Less approximately -5% delinquency and vacancy factor	\$1,168	\$14,010
<b>Total Gross Income</b>	<b>\$22,183</b>	<b>\$266,190</b>
<b>Expenses</b>	<b>Monthly</b>	<b>Annual</b>
Repairs and Maintenance	\$250	\$3,000
On Site Manager Fees	\$2,400	\$28,800
Contract Labor and Landscaping	\$250	\$3,000
Taxes & Insurance	\$1,375	\$16,500
Telephone and Internet	\$225	\$2,700
Electric	\$2,150	\$25,800
Gas & Propane	\$1,750	\$21,000
Water/Sewer	\$2,550	\$30,600
Garbage	\$230	\$2,760
Laundry Expense	\$625	\$7,500
Misc/Other Expenses	\$200	\$2,400
<b>Total Expenses - 60%</b>	<b>\$12,005</b>	<b>\$144,060</b>
<b>Net Operating Income</b>	<b>\$10,178</b>	<b>\$122,130</b>

**Phase 2 Cap Rate: 7.4%**

$\$122,130 \text{ (NOI)} \div \$1,636,000 \text{ (price + capital)} = 7.4\%$