

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

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***
*2 spots cannot be occupied if adjacent spot has home in it.
- **Park is on city water and sewer**

Overview of Income and Expenses

Current Numbers

- **Gross Income: \$211,470**
- **Expenses: \$129,360**
- **Net Income: \$82,110**

Estimated Numbers after plan completion

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

Cap Rate: 7.4%

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

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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
Subtotal	\$18,550	\$222,600
Less approximately -5% delinquency and vacancy factor	\$928	\$11,130
Total Gross Income	\$17,623	\$211,470
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
Total Expenses - 60%	\$10,780	\$129,360
Net Operating Income	\$6,843	\$82,110

Current Cap Rate: 5.1%

\$82,110 (NOI) ÷ \$1,600,000 (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
Subtotal	\$21,400	\$256,800
Less approximately -5% delinquency and vacancy factor	\$1,070	\$12,840
Total Gross Income	\$20,330	\$243,960
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
Total Expenses - 56%	\$11,555	\$138,660
Net Operating Income	\$8,775	\$105,300

Phase 1 Cap Rate: 6.5%

\$105,300 (NOI) ÷ \$1,600,000 (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.

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)	\$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
Subtotal	\$23,350	\$280,200
Less approximately -5% delinquency and vacancy factor	\$1,168	\$14,010
Total Gross Income	\$22,183	\$266,190
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	\$2,150	\$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
Total Expenses - 60%	\$12,005	\$144,060
Net Operating Income	\$10,178	\$122,130

Phase 2 Cap Rate: 7.4%

\$122,130 (NOI) ÷ \$1,636,000 (price + capital) = 7.4%