

# Plattsburgh MHC Portfolio

A 144-Site, 2-Community MHC Portfolio | Price: Contact Broker

PLATTSBURGH, NY 12901



## PORTFOLIO OVERVIEW

### Portfolio Investment Highlights

- Located in Plattsburgh, NY and within 7 miles of each other, Pine Rest and Northway are all-age manufactured home communities totaling 144 sites with a current physical and economic average occupancy at 51%.
- With lot sizes large enough to accommodate newer size homes and currently no park owned homes, value-add opportunity to add homes and fill up the park. Increasing occupancy by 15% (or 22 sites) would add over \$90K of additional annual lot rental revenue for a new owner.
- New move-in rents will be at \$475 within the next few months, or \$118 higher than the current average. There is a tremendous opportunity to capture the added revenue upon turnover. If turnover is 20% annually, that would add over \$20K in additional annual lot income going forward.
- Rents are under market and increasing existing tenants by 3% per year will add around \$10K of additional lot rental revenue each year. According to the NY Housing Stability & Tenant Protection Act of 2019, MH owners cannot increase rent more than 3%, except if justified by an increase in operating expenses which can include capital expenditures. It is our understanding that under the state rent control rents can increase up to 6% when including amounts spent by a owner on capital improvements.
- Strong demographics in the area with average household incomes and housing values at \$82,280 and \$243,152, respectively, within a 10-mile radius of the communities. As single-family affordability becomes increasingly more challenging in this market, more people will be looking for inexpensive options that still provide a high-quality living situation like the communities offer.
- Attractive basis below replacement cost.

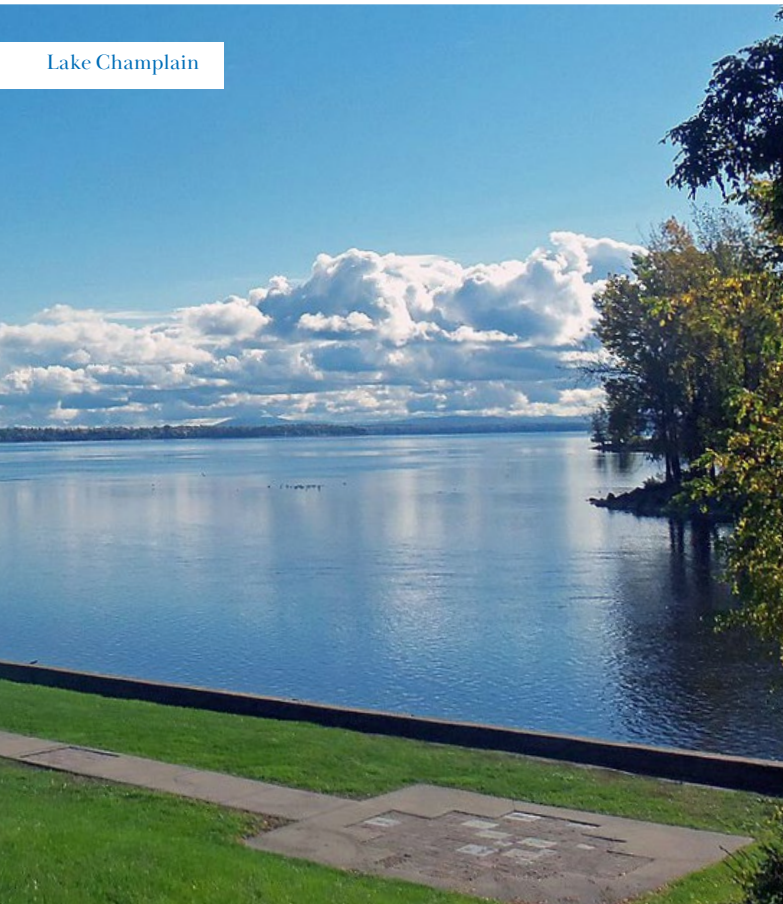
	Pine Rest MHC	Northway MHC	Portfolio Totals/Averages
Address	2 Vermont St., Plattsburgh, NY 12901	55 Northway Ct., Plattsburgh, NY 12901	-
County	Clinton	Clinton	-
Tax Parcel IDs	220.-6-1.2 / 220.-6-1.1	193.-1-19 / 193.-1-5	-
Sites	94	50	144
Community Type	All-ages	All-ages	-
Year Built	1960s	1960s	-
Land Size (acres)	34.2	9.2	43.4
Density (sites/acre)	2.75	5.43	4.09
MH Physical Occupancy	53.19% (50 sites as of Mar '24)	48.00% (24 sites as of Mar '24)	51.39% (74 sites as of Mar '24)
MH Economic Occupancy	53.19% (50 sites as of Mar '24)	48.00% (24 sites as of Mar '24)	51.39% (74 sites as of Mar '24)
Inventory Homes	None	None	None
Average Lot Rent (base rent only)	\$356	\$357	\$357
Last Rent Increase	Jan '24 (3%)	Jan '24 (3%)	-
Next Rent Increase	Jan '25 (3%)	Jan '25 (3%)	-
Roads	Asphalt	Asphalt	-
Floodplain	Zone X	Zone X	-
Zoning	Manufactured Housing Park	Manufactured Housing Park	-
<b>Utilities</b>			
Water	City of Plattsburgh (community pays)	Well (community pays)	-
Sewer	City of Plattsburgh (community pays)	Sand Filtration Septic (community pays)	-
Electricity	NYSEG (direct billed to tenants)	NYSEG (direct billed to tenants)	-
Gas	NYSEG (direct billed to tenants)	-	-
Trash	Casella (individual totes)	Casella (individual totes)	-

## PORTFOLIO OVERVIEW

### Portfolio Area Highlights

- The communities are located within Plattsburgh, NY, near major thoroughfares (I-87, U.S. Route 9, and U.S. Route 22), providing easy access to surrounding towns and other larger markets such as Montreal, Ottawa, and Albany.
- Clinton County has a strong presence in the healthcare, retail, education, and manufacturing industries. The highly rated CVPH Medical Center is the largest employer in the area with over 2,100 employees.
- The communities sit within close proximity to the Plattsburgh International Airport, featuring a 5,000- acre facility hosting more than 80 tenants employing over 500 people. In Dec 2023, Beta Technologies announced a \$41 million expansion of its existing facility at the Plattsburgh Airport. The airport also offers direct flights to Philadelphia on Contour Airlines, as well as other sunny destinations in Florida.
- **Lake Champlain:** Plattsburgh is situated on the western shore of Lake Champlain, offering beautiful waterfront views and recreational activities such as boating, fishing, and kayaking.
- **Plattsburgh City Beach:** A popular spot during the summer months, Plattsburgh City Beach offers sandy shores, picnic areas, and opportunities for swimming and sunbathing.
- **Ausable Chasm:** Just a short drive from Plattsburgh, Ausable Chasm is often referred to as the “Grand Canyon of the Adirondacks.” Visitors can explore the scenic gorge via hiking trails, scenic tours, and adventure activities like rafting and rock climbing.
- **Downtown Plattsburgh:** Charming downtown area with its historic architecture, local shops, restaurants, and cafes. The Strand Center for the Arts is also downtown, which hosts art exhibitions, performances, and cultural events.
- **Adirondack Coast Wine Trail:** Plattsburgh is part of the Adirondack Coast Wine Trail, which includes several wineries and vineyards in the region.
- **Outdoor Recreation:** In addition to Lake Champlain, Plattsburgh offers access to outdoor recreational opportunities such as hiking in the nearby Adirondack Mountains, golfing, skiing, and snowboarding in the winter months.
- **Plattsburgh State Art Museum:** Located on the campus of SUNY Plattsburgh, this museum features a diverse collection of contemporary and historical artwork, including paintings, sculptures, and multimedia installations.

Lake Champlain



Plattsburgh City Beach



## FINANCIAL ANALYSIS

	Mar '24 T12		Year 1 Proforma	
	Totals	% GSR	Totals	% GSR
<b>INCOME</b>				
<sup>2</sup> Gross Scheduled Rent	<b>\$291,028</b>		<b>\$616,067</b>	
<sup>3</sup> Less: Vacancy	0	0.00%	295,199	47.92%
Less: Bad Debt	0	0.00%	6,161	1.00%
Less: Concessions	5,603	1.93%	0	0.00%
<sup>4</sup> Plus: Additional Rent (Turnover)	0	0.00%	21,722	3.53%
<b>Total Rental Income</b>	<b>\$285,425</b>	<b>98.07%</b>	<b>\$336,429</b>	<b>54.61%</b>
<sup>5</sup> Plus: Other Income	1,282	9	1,321	9
<i>Total Other Income</i>	<i>1,282</i>	<i>9</i>	<i>1,321</i>	<i>9</i>
<b>Effective Gross Income</b>	<b>\$286,707</b>	<b>\$1,991</b>	<b>\$337,750</b>	<b>\$2,345</b>
<b>EXPENSES</b>				
	Actuals	Per Site	Proforma	Per Site
<sup>6</sup> Repairs and Maintenance	\$52,783	\$367	\$19,440	\$135
Payroll	28,246	196	21,600	150
Administrative	6,990	49	7,200	50
Marketing	0	0	720	5
Professional Fees	198	1	720	5
<sup>7</sup> Utilities				
Electricity	5,778	40	5,951	41
Water/Sewer	38,262	266	39,410	274
Gas	27	0	28	0
Trash	26,923	187	27,731	193
<b>Total Variable Expenses</b>	<b>\$159,207</b>	<b>\$1,106</b>	<b>\$122,800</b>	<b>\$853</b>
<sup>8</sup> Taxes	59,943	416	59,941	416
Other Tax	840	6	0	0
<sup>9</sup> Home Rehab Expenses	12,358	86	0	0
<sup>10</sup> Insurance	0	0	3,600	25
Management Fee	20,086	7.01%	13,510	4.00%
<b>Total Operating Expenses</b>	<b>\$252,434</b>	<b>\$1,753</b>	<b>\$199,851</b>	<b>\$1,388</b>
<sup>11</sup> Plus: Capital Reserves	0	0	7,200	50
<b>Total Expenses</b>	<b>\$252,434</b>	<b>\$1,753</b>	<b>\$207,051</b>	<b>\$1,438</b>
<b>Net Operating Income</b>	<b>\$34,273</b>	<b>\$238</b>	<b>\$130,700</b>	<b>\$908</b>
<i>Expense Ratio</i>	<i>88.05%</i>		<i>61.30%</i>	

## Underwriting Assumptions

- Actual numbers based on financials provided by the client.
- Year 1 Proforma Gross Scheduled Rent ("GSR") = 144 sites x \$357 average lot rent x 12 months (community implemented a 3% lot rent increase in Jan 2024, with another 3% rent increase planned for Jan 2025). Historical GSR from owner's financials only provides Total Rental Income received for that period. Our Proforma GSR shows all potential income as if the community were 100% occupied and then deducts a vacancy percentage based on the current rent roll.
- Year 1 Proforma Assumes 1 home/site gets filled. There is a home that the Owner bought back from a tenant that is currently being rehabbed (Home rehab expenses below), and expects to have rented by summer 2024).
- Assuming annual turnover of 15% (or 15 sites) that would add approximately \$21,722 in additional annual site rental revenue. This assumes 15 tenants get moved up to \$475 market rents from the current average rent.
- Year 1 Proforma Other Income grown 3% from Mar '24T12. Other Income includes application fees, NSF fees, and late fees from the profit and loss statement.
- Year 1 Proforma R&M excludes around \$33K of one-time expense for tree removal for new sites. This expense is located with the "5104 Landscaping" expense on the profit and loss statement.
- Adjusted Utilities grown 3% from Mar '24T12.
- Year 1 Proforma Taxes = 2023 tax payment grown 0%.
- Repairs and Maintenance related to Home Rehab of a home that the Owners bought from a tenant. Total expense of \$12,358 excluded from Year 1 Proforma (Make Ready- \$5,211, Supplies- \$4,583, and Other Repairs- \$2,563 from the profit and loss statement).
- Insurance Expenses estimated from the Owner at \$3.6K (or \$25 per site). The insurance expenses are not included in the profit and loss statement.
- Numbers do not reflect actual expenses.

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PINE REST MHC PHOTOS



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**NORTHWAY MHC PHOTOS**



LOCATION MAP & DEMOGRAPHICS



## Demographic Information

	3 MILES	5 MILES	10 MILES
<b>2023 Total Population</b>	21,607	34,187	52,242
<b>2023 Renter Occupied Housing Percentage</b>	45.7%	42.0%	33.7%
<b>2023 Owner Occupied Housing Percentage</b>	45.8%	49.6%	56.7%
<b>2023 Average Household Income</b>	\$71,409	\$75,388	\$82,280
<b>2023 Estimated Average Owner-Occupied Housing Value</b>	\$214,650	\$216,631	\$243,152

Source: U.S. Census Bureau, Esri



Additional information is available online at:  
<https://bit.ly/PlattsburghMHCPortfolio>



For a video tour, please visit:  
<https://vimeo.com/930394148>



PLEASE DO NOT SPEAK WITH TENANTS OR EMPLOYEES

*For information, please contact:*

### Manufactured Housing

**Todd Fletcher**  
*Executive Managing Director*  
t 303-260-4470  
todd.fletcher@nmrk.com

**Andrew Shih**  
*Executive Managing Director*  
t 512-637-1219  
andrew.shih@nmrk.com

**Braden Weaver**  
*Transaction Manager*  
t 512-637-1221  
braden.weaver@nmrk.com

### Debt & Structured Finance

**Samuel Rector**  
*Managing Director*  
t 949-390-4299  
samuel.rector@nmrk.com

[nmrk.com](http://nmrk.com)

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