

Pure Springs MHP

RT 12, Norwich NY 13815



OFFERING MEMORANDUM

Pure Springs MHP

CONTENTS

01 Executive Summary

Investment Summary

02 Property Description

Aerial Map

03 Rent Roll

Pure Springs MHP - Rent Roll

04 Financial Analysis

Income & Expense Analysis

Multi-Year Cash Flow Assumptions

Cash Flow Analysis

Financial Metrics

05 Demographics

Demographics

Exclusively Marketed by:

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01

Executive Summary

Investment Summary

PURE SPRINGS MHP

OFFERING SUMMARY

ADDRESS	RT 12 Norwich NY 13815
COUNTY	Chenango
LAND ACRES	5
NUMBER OF UNITS	24
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

OFFERING PRICE	\$435,000
PRICE PER UNIT	\$18,125
OCCUPANCY	79.02%
NOI (CURRENT)	\$44,800
NOI (2021)	\$57,541
CAP RATE (CURRENT)	10.30%
CAP RATE (2021)	13.23%
CASH ON CASH (CURRENT)	15.42%
CASH ON CASH (2021)	25.19%
GRM (CURRENT)	4.42
GRM (2021)	4.29

PROPOSED FINANCING

LOAN TYPE	Amortized
DOWN PAYMENT	\$130,500
LOAN AMOUNT	\$304,500
INTEREST RATE	6.50%
LOAN TERMS	25
ANNUAL DEBT SERVICE	\$24,673
LOAN TO VALUE	70%
AMORTIZATION PERIOD	25 Years

DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
2020 Population	1,140	1,790	2,776
2020 Median HH Income	\$47,903	\$49,479	\$50,678
2020 Average HH Income	\$68,035	\$70,475	\$69,837

Investment highlights

- City water & sewer
- Sub-metered water
- All tenant owned homes
- Next door to Walmart
- 3,000 Sq/ft Commercial Space, includes 2 store fronts and storage.



02

Property Description

Aerial Map

PURE SPRINGS MHP





03

Rent Roll

Pure Springs MHP - Rent Roll

Pure Springs MHP - Rent Roll		
Lot #	Rent	Notes:
1	\$280	Tenant Owned
2	\$280	Tenant Owned
3	\$280	Tenant Owned
4	\$280	Tenant Owned
5	\$280	Tenant Owned
6	\$280	Tenant Owned
7	\$280	Tenant Owned
8	\$280	Tenant Owned
9	\$280	Tenant Owned
10	\$280	Tenant Owned
11	\$280	Tenant Owned
12	\$280	Tenant Owned
13	\$280	Tenant Owned
14	\$280	Tenant Owned
15	\$280	Tenant Owned
16	\$280	Tenant Owned
17	\$150	Camping Trailer Site (\$300/6 months)
18	\$150	Camping Trailer Site (\$300/6 months)
19	\$0	Vacant Lot - Full Service
20	\$0	Vacant Lot - Full Service
21	\$0	Vacant Lot - Full Service
22	\$0	Vacant Lot - Full Service
23	\$1,100	Commercial Lease (Liquor Store)
24	\$600	Commercial Lease (Lamp Repair Shop)
	\$6,480	



04

Financial Analysis

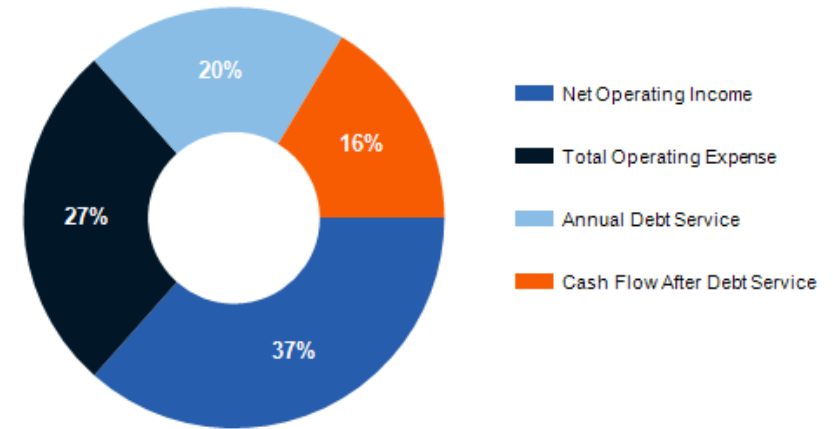
- Income & Expense Analysis
- Multi-Year Cash Flow Assumptions
- Cash Flow Analysis
- Financial Metrics

REVENUE ALLOCATION

CURRENT

INCOME	CURRENT		2021	
Gross Potential Rent	\$98,400		\$101,352	
Gross Potential Income	\$98,400		\$101,352	
General Vacancy	-\$20,640	20.97%	-\$10,320	10.18%
Effective Gross Income	\$77,760		\$91,032	
Less Expenses	\$32,960	42.38%	\$33,491	36.79%
Net Operating Income	\$44,800		\$57,541	
Annual Debt Service	\$24,673		\$24,673	
Cash flow	\$20,127		\$32,868	
Debt Coverage Ratio	1.82		2.33	

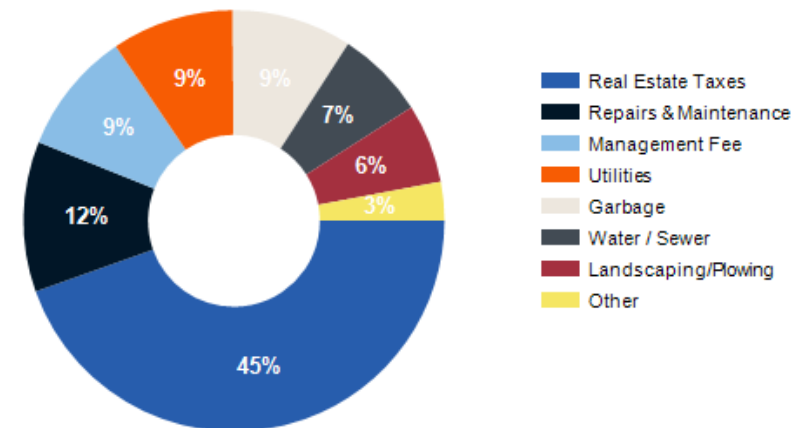
Income Notes: Rent the 4 vacant lots (\$280/month each) and rent other commercial space (\$600/mth) over the next two years



EXPENSES	CURRENT	Per Unit	2021	Per Unit
Real Estate Taxes	\$14,687	\$612	\$14,687	\$612
Insurance	\$882	\$37	\$882	\$37
Management Fee	\$3,110	\$130	\$3,641	\$152
Repairs & Maintenance	\$3,800	\$158	\$3,800	\$158
Water / Sewer	\$2,250	\$94	\$2,250	\$94
Landscaping/Plowing	\$2,000	\$83	\$2,000	\$83
Garbage	\$3,043	\$127	\$3,043	\$127
Utilities	\$3,088	\$129	\$3,088	\$129
Licensing	\$100	\$4	\$100	\$4
Total Operating Expense	\$32,960	\$1,373	\$33,491	\$1,395
Annual Debt Service	\$24,673		\$24,673	
% of EGI	42.38%		36.79%	

DISTRIBUTION OF EXPENSES

CURRENT



GLOBAL

Offering Price	\$435,000
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INCOME - Growth Rates

Gross Potential Rent	3.00%
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EXPENSES - Growth Rates

Real Estate Taxes	1.50%
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Insurance	1.50%
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Repairs & Maintenance	1.50%
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Water / Sewer	1.50%
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Landscaping/Plowing	1.50%
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Garbage	1.50%
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Utilities	1.50%
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Licensing	1.50%
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PROPOSED FINANCING

Loan Type	Amortized
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Down Payment	\$130,500
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Loan Amount	\$304,500
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Interest Rate	6.50%
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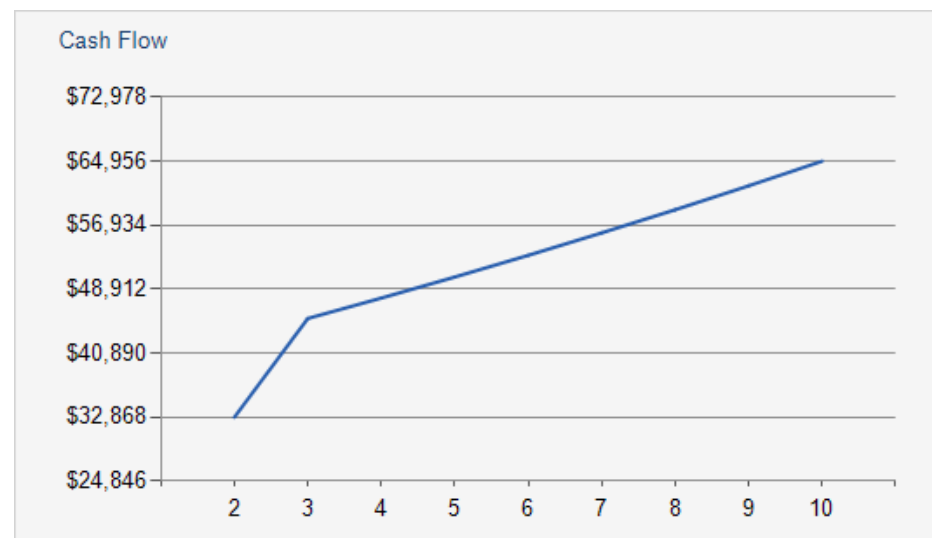
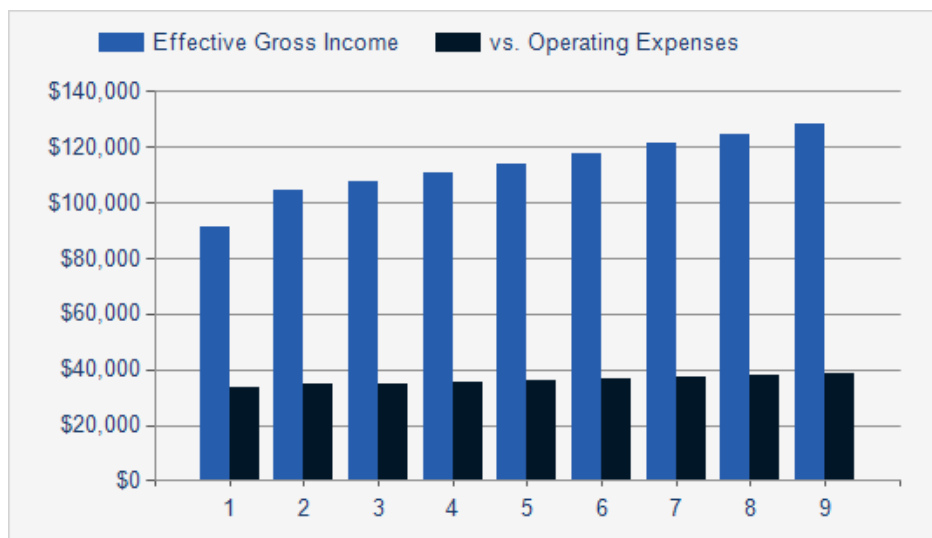
Loan Terms	25
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Annual Debt Service	\$24,673
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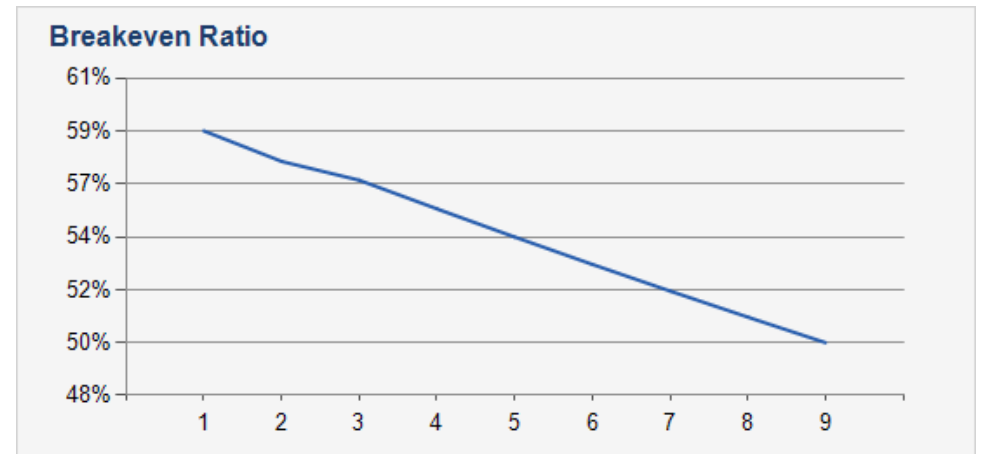
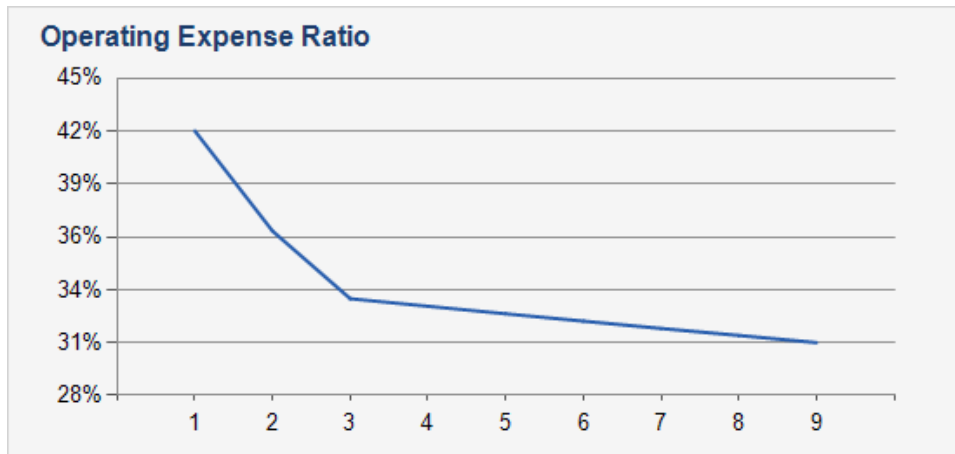
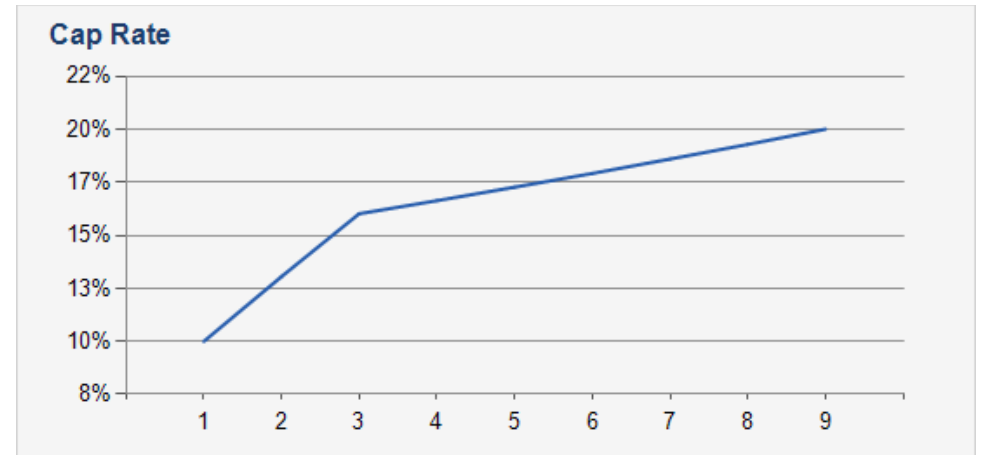
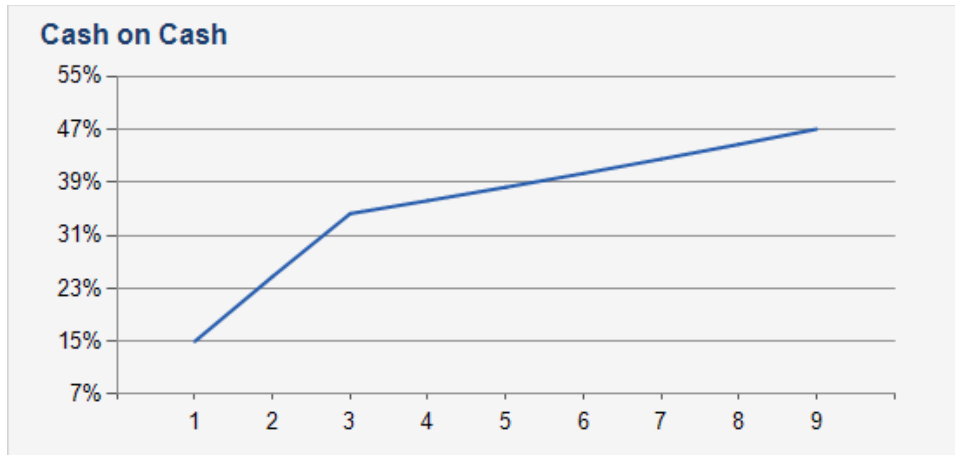
Loan to Value	70%
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Amortization Period	25 Years
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Calendar Year	CURRENT	2021	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Revenue										
Gross Rental Income	\$98,400	\$101,352	\$104,393	\$107,524	\$110,750	\$114,073	\$117,495	\$121,020	\$124,650	\$128,390
General Vacancy	-\$20,640	-\$10,320	-0.00%	-0.00%	-0.00%	-0.00%	-0.00%	-0.00%	-0.00%	-0.00%
Effective Gross Income	\$77,760	\$91,032	\$104,393	\$107,524	\$110,750	\$114,073	\$117,495	\$121,020	\$124,650	\$128,390
Operating Expenses										
Real Estate Taxes	\$14,687	\$14,687	\$14,907	\$15,131	\$15,358	\$15,588	\$15,822	\$16,059	\$16,300	\$16,545
Insurance	\$882	\$882	\$895	\$909	\$922	\$936	\$950	\$964	\$979	\$994
Management Fee	\$3,110	\$3,641	\$4,176	\$4,301	\$4,430	\$4,563	\$4,700	\$4,841	\$4,986	\$5,136
Repairs & Maintenance	\$3,800	\$3,800	\$3,857	\$3,915	\$3,974	\$4,033	\$4,094	\$4,155	\$4,217	\$4,281
Water / Sewer	\$2,250	\$2,250	\$2,284	\$2,318	\$2,353	\$2,388	\$2,424	\$2,460	\$2,497	\$2,535
Landscaping/Plowing	\$2,000	\$2,000	\$2,030	\$2,060	\$2,091	\$2,123	\$2,155	\$2,187	\$2,220	\$2,253
Garbage	\$3,043	\$3,043	\$3,089	\$3,135	\$3,182	\$3,230	\$3,278	\$3,327	\$3,377	\$3,428
Utilities	\$3,088	\$3,088	\$3,134	\$3,181	\$3,229	\$3,277	\$3,327	\$3,377	\$3,427	\$3,479
Licensing	\$100	\$100	\$102	\$103	\$105	\$106	\$108	\$109	\$111	\$113
Total Operating Expense	\$32,960	\$33,491	\$34,473	\$35,053	\$35,644	\$36,245	\$36,857	\$37,480	\$38,115	\$38,761
Net Operating Income	\$44,800	\$57,541	\$69,919	\$72,471	\$75,107	\$77,828	\$80,638	\$83,540	\$86,535	\$89,628
Annual Debt Service	\$24,673	\$24,673	\$24,673	\$24,673	\$24,673	\$24,673	\$24,673	\$24,673	\$24,673	\$24,673
Cash Flow	\$20,127	\$32,868	\$45,246	\$47,798	\$50,434	\$53,155	\$55,965	\$58,867	\$61,863	\$64,956



Calendar Year	CURRENT	2021	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash on Cash Return b/t	15.42%	25.19%	34.67%	36.63%	38.65%	40.73%	42.89%	45.11%	47.40%	49.77%
CAP Rate	10.30%	13.23%	16.07%	16.66%	17.27%	17.89%	18.54%	19.20%	19.89%	20.60%
Debt Coverage Ratio	1.82	2.33	2.83	2.94	3.04	3.15	3.27	3.39	3.51	3.63
Operating Expense Ratio	42.38%	36.79%	33.02%	32.60%	32.18%	31.77%	31.36%	30.97%	30.57%	30.19%
Gross Multiplier (GRM)	4.42	4.29	4.17	4.05	3.93	3.81	3.70	3.59	3.49	3.39
Loan to Value	70.01%	68.85%	67.59%	66.28%	64.89%	63.37%	61.78%	60.05%	58.23%	56.29%
Breakeven Ratio	58.57%	57.39%	56.66%	55.55%	54.46%	53.40%	52.37%	51.36%	50.37%	49.41%
Price / Unit	\$18,125	\$18,125	\$18,125	\$18,125	\$18,125	\$18,125	\$18,125	\$18,125	\$18,125	\$18,125

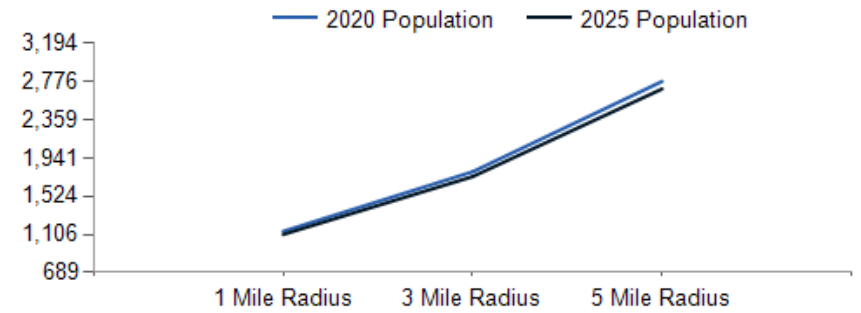




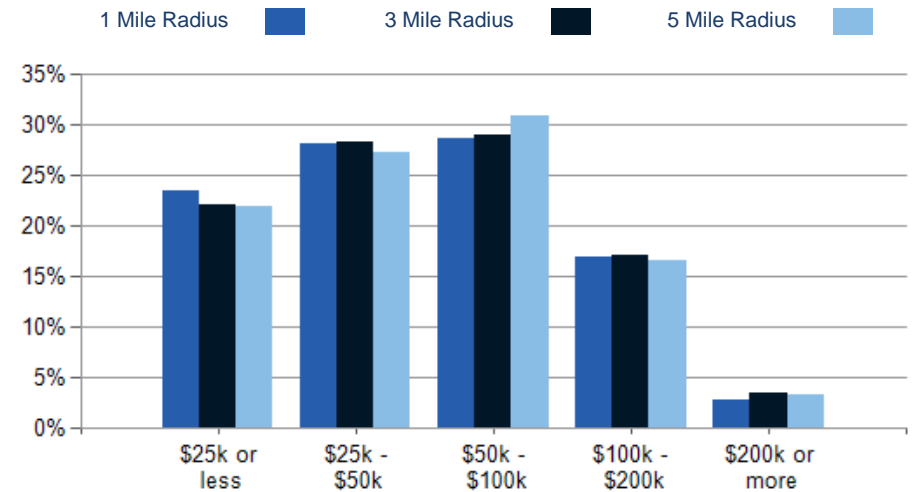
POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	1,265	2,010	2,975
2010 Population	1,160	1,824	2,829
2020 Population	1,140	1,790	2,776
2025 Population	1,106	1,737	2,694
2020-2025: Population: Growth Rate	-3.00%	-3.00%	-3.00%

2020 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	69	99	143
\$15,000-\$24,999	63	91	130
\$25,000-\$34,999	69	106	152
\$35,000-\$49,999	90	137	188
\$50,000-\$74,999	100	158	241
\$75,000-\$99,999	61	91	144
\$100,000-\$149,999	57	87	130
\$150,000-\$199,999	38	60	77
\$200,000 or greater	16	30	41
Median HH Income	\$47,903	\$49,479	\$50,678
Average HH Income	\$68,035	\$70,475	\$69,837

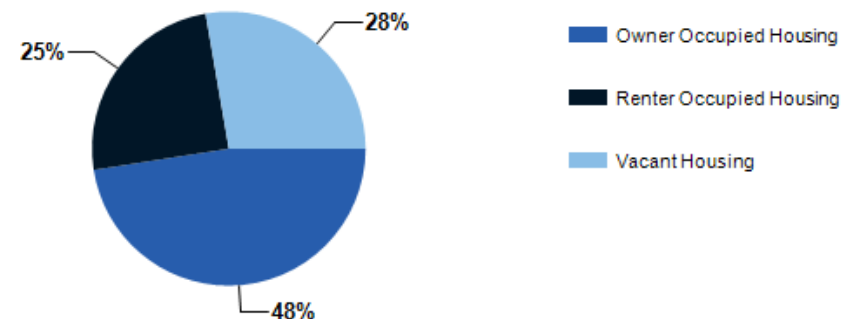
HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	731	1,832	3,064
2010 Total Households	568	867	1,260
2020 Total Households	563	858	1,246
2025 Total Households	547	834	1,210
2020 Average Household Size	2.01	2.07	2.22
2020-2025: Households: Growth Rate	-2.85%	-2.85%	-2.90%



2020 Household Income

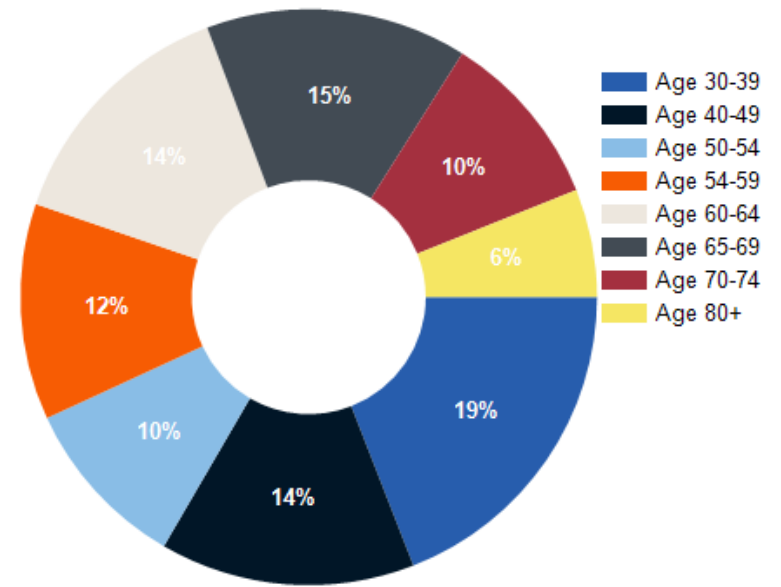


2020 Own vs. Rent - 1 Mile Radius

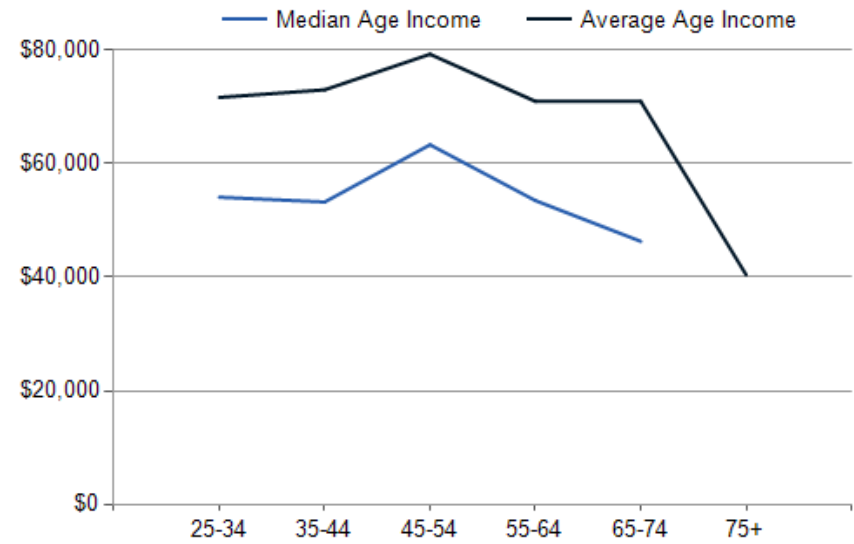


Source: esri

2020 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2020 Population Age 30-34	79	125	180
2020 Population Age 35-39	72	113	172
2020 Population Age 40-44	49	80	127
2020 Population Age 45-49	64	101	165
2020 Population Age 50-54	77	117	189
2020 Population Age 55-59	96	150	233
2020 Population Age 60-64	111	171	255
2020 Population Age 65-69	116	185	258
2020 Population Age 70-74	79	126	186
2020 Population Age 75-79	48	79	119
2020 Population Age 80-84	25	39	57
2020 Population Age 85+	27	40	60
2020 Population Age 18+	966	1,516	2,325
2020 Median Age	51	51	49
2025 Median Age	52	52	51



2020 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$54,085	\$55,377	\$56,936
Average Household Income 25-34	\$71,663	\$74,163	\$73,232
Median Household Income 35-44	\$53,245	\$55,708	\$57,564
Average Household Income 35-44	\$73,006	\$74,825	\$74,924
Median Household Income 45-54	\$63,328	\$64,198	\$65,655
Average Household Income 45-54	\$79,286	\$79,745	\$79,870
Median Household Income 55-64	\$53,495	\$54,203	\$54,177
Average Household Income 55-64	\$70,973	\$73,231	\$73,494
Median Household Income 65-74	\$46,310	\$47,295	\$46,971
Average Household Income 65-74	\$70,969	\$75,236	\$72,182
Average Household Income 75+	\$40,416	\$43,587	\$43,446



Pure Springs MHP

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