

PALACE RANCH MHP -Details of the Park

2708 ERSKINE CREEK RD.

LAKE ISABELLA, CA 93240

Marketing Remarks: Palace Ranch Mobile Home Park is an active long-time park in the unincorporated area of Lake Isabella, CA. The 55+ community is just to the south of the beautiful Lake Isabella, in Kern County. The park is on about 2 acres. There are officially 34 spaces for Mobile Homes or RV's, a duplex, a Manager's SFR with 2-car garage, and a storage building. Both duplex units are 1bed/1bath. Currently the on-site manager is collecting 18 rents. There is potential for a new owner to monetize the other 16 units, as well as other upside opportunities. The park has happy long-term residents with an average 15 years residency.

ALL DETAILS IN THIS SUMMARY OF THE PARK ARE NOT GUARANTEED, AND ARE TO BE VERIFIED INDEPENDENTLY BY ANY PROSPECTIVE PURCHASER

History: The current owners have owned the park for over 20 years. The on-site manager has been active manager for 20+ years. As per the mgr, the park started as a campground before going to current use.

Spaces: The park is composed of 2 private streets. The western street has the duplex, the storage building and 15 spaces. The Eastern street has 19 spaces plus the manager's home and garage.

Space Rents: The current space rents are \$300, and include water, trash, and sewer(septic). This space rent went to \$300 as of June 2025, from \$275. As per the manager, Space #16 is to pay \$400 rent as a new resident (The rent roll provided by manager shows \$300 collected in August 2025). The manager states that the market rent for spaces in town are \$400+. The duplex residents each pay \$440/month.

Deposits: As per manager, there are no deposits held for any of the residents, including the duplex residents. He might take a deposit occasionally, but always gives it back within a year.

Management: As per the manager, his compensation is \$250/month plus free rent, gas, electricity. Annual Revenues for the park have remained consistent for the last few years. Mark Pooley has managed the park for 20+ years, and will consider staying as manager for new owner.

Utilities:

Electric: The park receives a master bill. The manager reads the meters, calculates energy usage, and bills the residents monthly. The duplex unit residents are metered directly by Edison, which collects directly from the tenants.

Gas: Amerigas bills the residents directly for their propane gas usage. The propane tanks are adjacent to the manager's home.

Water: Water is serviced by Erskine Creek Water Company. 1 bill for the whole park monthly.

Sewer: Sewer is through 3 septic tanks, all located on the west side park street. As per the manager, all septic tanks were replaced 15 years ago (gallons unknown), and they get pumped about every 3 years, and no problems exist. The residents are not allowed to run washing machines in their spaces. They all handle their laundry off-site.

Garbage Collection: Trash pickup is twice a week through Thomas Refuse Co.

As per the manager, the park uses a "common trench" system for the sewer lines/power/telephone/cable/water. See photos of map. The original map is held by mgr.

Plumbing: As per manager, there is still some cast iron pipes on the sewer lines, but mostly replaced with PVC.

Revenues: Revenues have ranged from \$67,000 to \$73,000/year over the last few years. This figure includes electric use reimbursement from the residents. The total electricity bill including park lighting, the manager's electric and resident reimbursements was \$29,000 in 2024.

Operating Expenses:

Property Taxes: For previous year taxes were about \$11,740 (based on tax assessment of \$602,000)... Upon a sale at listed price \$485,000, property taxes will be RE-ASSESSED at sale price and DROP accordingly.

Insurance: The park currently has \$2917/year liability insurance, no fire insurance.

Trash: Was \$3,940 in 2024

Operating Expenses (continued)

Water: Was \$4,625 in 2024

Electric: \$29,238 in 2024 (most of this gets re-imbursed by the residents. A figure for the unreimbursed portion has not been calculated.

Propane gas: \$1,011 in 2024

Gardening/trees maintenance: As per the manager, there are 64 mulberry trees that require \$3000-5000/yr to trim them away from the homes and roofs. Additionally, there is typically about a \$3000/yr cost for leaf clean-up in the fall.

Park-owned homes: As per the owners there are no park-owned homes. As per the manager, the homes at #27, #18, and #8 are abandoned (due to deceased residents) and vacant, but apparently not in the park's name. The "as-is" value as per the manager are from ZERO to \$5000 each.

Manager's explanation for VACANT spaces:

Spaces #1-6 cannot be currently rented, as there is an apparent "short" in the electric service for those spaces. Diagnostic work would need to be implemented to find the short and replace the faulty electric lines. Updating the electric panels could potentially be an additional cost.

Space #34 : It is a tight small space that would use manager's driveway for access, thus not practical to rent out.

Space #28: this home was abandoned, and Mark has acquired title to it and invested his funds to repair it. It is not lived in and he is not paying rent on it.

Space #11: a little tight of a space but is rentable.

Spaces #7,9,13,14,17, and 19 are all available spaces that can be rented. The manager says most of the applicants he gets are not qualified.

Further Upside potential: Aside from renting out the 15 unused spaces, the buyer can look into the possibility of doing a one-time Space Rent Increase as a new owner.

Charging tenants fees for water/sewer/trash usage is a possibility.

Buying and installing homes on the empty spaces: there is a profit potential in the sale of the newly installed home to a new resident.

