

A 60-SITE MANUFACTURED HOME COMMUNITY WITH EXPANSION POTENTIAL
PRICE: CONTACT BROKER FOR PRICE

Blythe Marina Estates

251 S COLORADO RIVER ROAD
BLYTHE, CA 92225



Site Information

Address	251 S Colorado River Road, Blythe, CA 92225
Price	Contact Broker for Price
County	Riverside
Tax Parcel IDs	Multiple
Year Built	1960
Current Sites	60
Expansion Sites	67
Community Type	All Age
Land Size (current operations)	12.12 acres (4.95 sites/acre)
Land Size (expansion)	28.51 acres
MH Phy Occ	91.67% (55 sites as of Jul '24)
MH Eco Occ	85.00% (51 sites as of Jul '24)
Inventory Homes	4 Vacant Homes (will be sold/filled in next few months)
Avg Lot Rent	\$575 (base rent only)
Last Rent Increase	\$17.50-\$50 (Dec '23)
Next Rent Increase	\$17.50-\$50 (Dec '24)*
Rent Control	None
Zoning	Residential
Roads	Asphalt
Floodplain	Zone D (area with flood risk due to levee)
Website	http://blytheme.com/

Utilities

Water	City of Blythe (billed back to tenants- master meter)**
Sewer	City of Blythe (billed back to tenants)
Electricity	Southern California Edison (community pays)
Trash	CR&R (billed back to tenants)***
Gas	Southern California Gas Co. (community pays)

* Not subject to rent control. Rent increase amounts vary per resident based on lease terms, etc.

** Potable water is on city and runs through meters. Also have canal water for irrigation and would be useful for expansion land. The cost of the canal water is passed through to residents annually (billed per acre ft).

*** \$19.19/mo and any increase in service cost passed through evenly to residents.

Area Highlights

- Conveniently located off the Colorado River and Interstate 10, providing easy access to other larger markets such as Phoenix (150 miles), San Diego (220 miles), and Los Angeles (225 miles).
- With its proximity to the Colorado River, Blythe is a center for water sports and other outdoor activities. Hunting, hiking, off-road vehicle sports, rock climbing are just a few of the recreational activities available in the neighboring desert around Blythe.
- Blythe's relative location to growing major markets makes it attractive for manufacturing and distribution industries interested in the convenience to Southern California, Arizona, New Mexico and Mexico. Blythe sits within the 100 km free trade zone established by the North American Free Trade Agreement (NAFTA), which puts the Blythe Airport in a prime location as a hub for international trade.
- The community sits within the highly rated Palo Verde Unified School District employing approximately 300 people, featuring three elementary schools, one middle school, and one high school. There are also two state prison just west of the city, Ironwood and Chuckawalla, employing over 2,000 people.
- Riverside County offers a diverse range of attractions nearby. Below are some notable areas and activities in the surrounding area.
- **Joshua Tree National Park:** portions of Joshua Tree National Park extend into Riverside County. It's renowned for its unique desert landscapes, rock formations, and Joshua trees. Visitors can enjoy hiking, rock climbing, stargazing, and wildlife viewing.
- **Palm Springs:** known for its mid-century modern architecture, vibrant arts scene, and outdoor recreational activities, Palm Springs is a popular destination in Riverside County. Visitors can explore the Palm Springs Aerial Tramway, Indian Canyons, and enjoy golfing, shopping, and dining.
- **Temecula Valley Wine Country:** Temecula is a picturesque region known for its vineyards and wineries.
- **Historic Downtown Riverside:** boasts historic buildings, museums, art galleries, shops, and restaurants. Highlights include the Mission Inn Hotel & Spa, Riverside Art Museum, and Fox Performing Arts Center.
- **Coachella Valley Preserve:** this nature preserve encompasses various desert habitats and is home to the Thousand Palms Oasis Preserve. Visitors can hike through palm groves, observe wildlife, and learn about the desert ecosystem.
- **Diamond Valley Lake:** located near Hemet, Diamond Valley Lake is a reservoir offering fishing, boating, hiking trails, and wildlife viewing opportunities. It's a popular spot for outdoor recreation and birdwatching.

Investment Highlights

Blythe Marina Estates is an all-age 60-site community on public utilities with a strong economic occupancy of 85% and no park-owned homes (all tenant owned once the remaining vacant homes get sold).

- Opportunity to complete the buildout of the community and add 67 expansion sites, bringing the total site count up to 127 sites. The Owner worked with HCD to revise the PTO to its original count of 127 spaces (see document in virtual deal room regarding the PTO).
- The Owner has been able to bring in homes into the park and sell them to residents. A total of 20 homes have been brought in since 2015 and sold to residents within 4 months after delivery. There are currently 4 vacant homes that the Owner expects to sell in the next few months, which will add another \$28,000 in annual site rental revenue in Year 1.
- Value-add opportunity for a new owner to boost revenue by filling the remaining vacant sites. Filling the current vacant sites (5) would add nearly \$38,000 in additional annual site rental revenue for a new owner with minimal increases to the expenses. There is also a storage area which can be rented out.
- Another source of upside would be to raise lot rents up to market. The community is not governed by rent control, giving a new owner the opportunity to raise lot rents annually without governmental restrictions. The current Owner will increase the lot rent anywhere from \$17.50 to \$50 in December 2024, which should add over \$13,000 in annual site rental revenue for the next Owner. This is not included in our Proforma in the Financial Analysis section.
- Blythe Marina Estates should qualify for attractive debt financing. Please contact Sam Rector for more details (see page 6 for his contact information).
- The community features an attractive layout with off-street parking and paved roads. The community also offers a completely remodeled community clubhouse with full kitchen, billiard table, refreshing swimming pool, whirlpool spa, patio deck, picnic area and launching facilities directly across the street at Quechan Marina. The community also has storage for boats, RV, and motor homes.



FINANCIAL ANALYSIS

	May '24 T12		Year 1 Proforma	
	Totals	% GSR	Totals	% GSR
INCOME				
² Gross Scheduled Rent	\$339,508		\$414,000	
³ Less: Vacancy	0	0.00%	34,500	8.33%
Less: Bad Debt	0	0.00%	4,140	1.00%
Less: Concessions	9,249	2.72%	2,070	0.50%
Total Rental Income	\$323,980	95.43%	\$373,290	90.17%
⁴ Plus: Utility Income	34,538	576	35,574	593
⁵ Plus: Other Income	3,212	54	3,309	55
⁶ Plus: Storage Income	2,272	38	2,160	36
<i>Total Other Income</i>	<i>40,022</i>	<i>667</i>	<i>41,043</i>	<i>684</i>
Effective Gross Income	\$364,001	\$6,067	\$414,333	\$6,906
EXPENSES				
	Actual Exp	Per Site	Proforma	Per Site
Repairs and Maintenance	\$25,054	\$418	\$16,500	\$275
⁷ Payroll	33,068	551	24,000	400
Administrative	11,396	190	9,000	150
Marketing	0	0	300	5
Professional Fees	1,685	28	600	10
⁸ Utilities	0	0	0	0
Electricity	10,743	179	11,065	184
Water/Sewer/Trash	52,703	878	54,284	905
Gas	3,648	61	3,758	63
Total Variable Expenses	\$138,297	\$2,305	\$119,507	\$1,992
⁹ Taxes	11,810	197	39,932	666
Insurance	13,004	217	13,200	220
Management Fee	9,300	2.55%	12,430	3.00%
Total Operating Expenses	\$172,412	\$2,874	\$185,069	\$3,084
¹⁰ Plus: Capital Reserves	0	0	3,000	50
Total Expenses	\$172,412	\$2,874	\$188,069	\$3,134
Net Operating Income	\$191,589	\$3,193	\$226,264	\$3,771
<i>Expense Ratio</i>	<i>47.37%</i>		<i>45.39%</i>	

Underwriting Assumptions

- Actual numbers based on financials provided by the client.
- Proforma Gross Scheduled Rent ("GSR") = 60 current MH sites x \$575 average lot rent x 12 months. Planned rent increase for most tenants in Dec '24 ranging from \$17.50-\$50 (see Excel sheet in the online Virtual Deal Room for more details). 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 the 4 vacant homes get filled. The Owner plans to have them sold and filled within the next few months.
- Utility Income grown 3% from May '24 T12. Utility Income includes water, sewer, and trash reimbursements.
- Other Income grown 3% from May '24 T12. Other Income includes miscellaneous income from the profit and loss statements.
- Storage Income = 6 units x \$30 monthly charge x 12 months.
- Year 1 Proforma Payroll projected at \$350 per lot (includes expenses for a maintenance employee and onsite manager).
- Year 1 Proforma Utilities grown 3% from May '24 T12.
- Year 1 Proforma Taxes calculated using future sale price x current mill rate. Year 1 Proforma taxes are in line with proposition 13 of the state tax code, which states that annual increases limited to the inflation rate, as measured by the California Consumer Price Index, or 2%, whichever is less except in the event of a change in ownership. It is our understanding that the assessed value gets moved up to the purchase price upon a sale.
- Numbers do not reflect actual expenses.

DEMOGRAPHICS

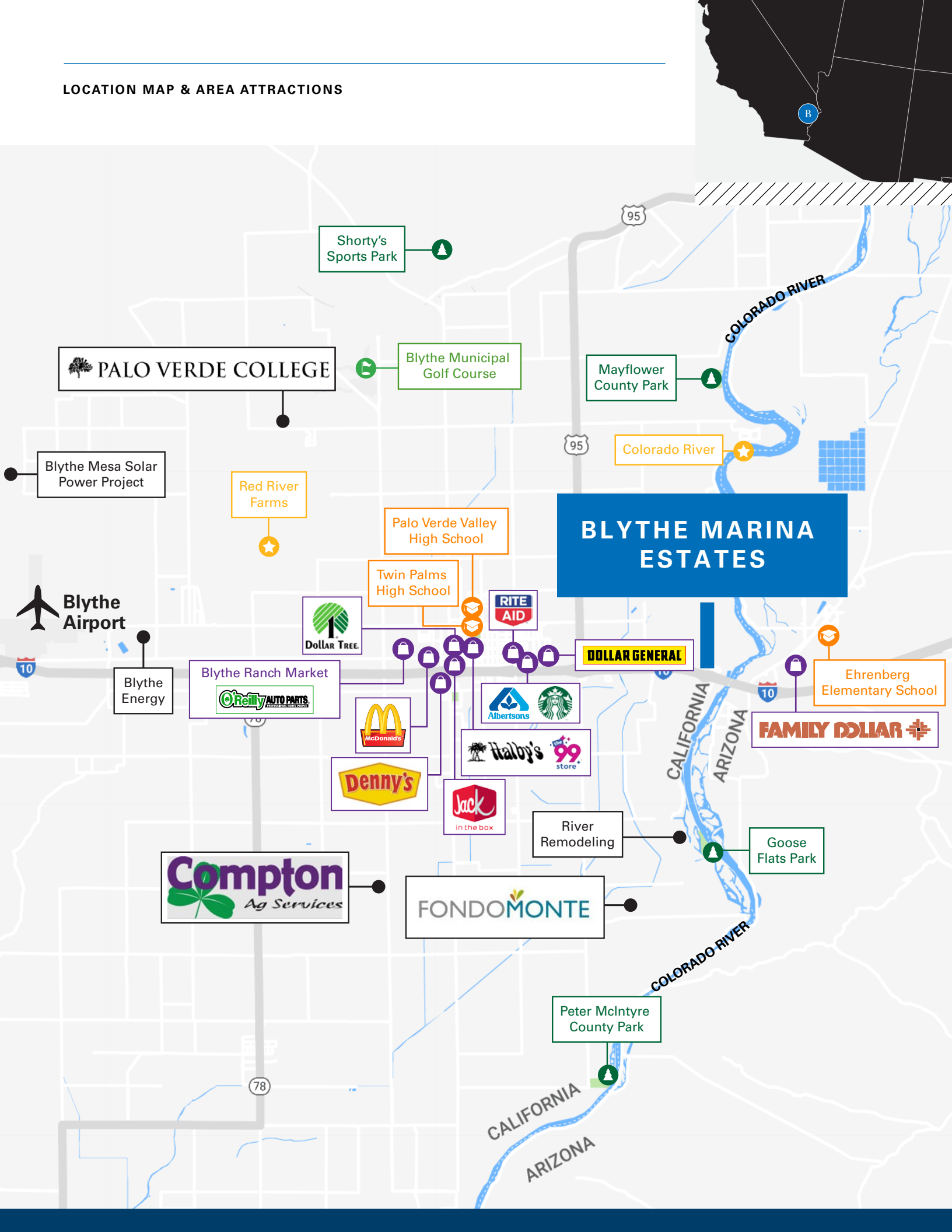


Demographic Information

	3 MILES	5 MILES	10 MILES
2023 Population Estimate	3,791	12,938	14,878
2023 Renter Occupied Housing Percentage	35.1%	39.1%	36.6%
2023 Owner Occupied Housing Percentage	40.9%	44.5%	45.5%
2023 Estimated Average Household Income	\$69,211	\$72,085	\$74,940
2023 Estimated Average Owner-Occupied Housing Value	\$183,283	\$226,716	\$222,722

Source: U.S. Census Bureau, Esri

LOCATION MAP & AREA ATTRACTIONS



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COLORADO RIVER

PALO VERDE COLLEGE

Shorty's Sports Park

Blythe Municipal Golf Course

Mayflower County Park

Blythe Mesa Solar Power Project

Red River Farms

Colorado River

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BLYTHE MARINA ESTATES

Palo Verde Valley High School

Twin Palms High School

Blythe Airport

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Blythe Energy

Blythe Ranch Market
Reilly AUTO PARTS

DOLLAR TREE

RITE AID

DOLLAR GENERAL

Ehrenberg Elementary School

McDonald's

Albertsons
Starbucks

FAMILY DOLLAR

Denny's

Italy's 99 store

Jack in the box

River Remodeling

Goose Flats Park

Compton Ag Services

FONDOMONTE

Peter McIntyre County Park

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CALIFORNIA ARIZONA

COLORADO RIVER



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



For a video tour, please visit:
<https://vimeo.com/925912577>



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