

# Dorena Lake Manufactured Home Park

34834 Shoreview Drive  
Cottage Grove, Oregon 97424

## Offered at \$450,000

Owner Carry Terms for Qualified Buyer!

- 23 pad park
- 4 vacant pads for excellent upside potential!
- No Park-Owned Homes
- River frontage on the scenic Row River.
- City water & septic system
- 7.61% Cap Rate
- GRM is 5.43



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Listing broker has an ownership interest in the property. All information, while it is believed to be accurate, is not warranted. The buyer must verify all information independently, and is urged to consult qualified investment advisors.

Here is your chance to buy a well maintained, stable manufactured home park with excellent upside! EZ owner carry terms: 20% down, 5.5% interest, 25 year amortization and 7 year call. It's in a fantastic location on the Row River, and 5 minutes to Interstate 5! You must see this beauty! Call today!

# Executive Summary

## Dorena Lake

### Manufactured Home Park

34834 Shoreview Drive  
Cottage Grove, Oregon 97424

Here is the opportunity you have been looking for! The combination of excellent financing terms, high leverage, and right timing can make the savvy investor an excellent profit! There are currently 4 vacant pads, which when filled will result in an excellent cash flow for years to come!

The park consists of 23 spaces, 18 of which are rented at \$300 per month.

The site consists of 6.2 acres bordering the beautiful Row River, and is less than a mile to Dorena Lake. It's a beautiful setting with nice trees and meadow. Cottage Grove, Oregon is approximately 3 miles to the west of the property. The park is paved with asphalt, and the roads are in excellent condition. Tax assessed value is currently \$785,239 and 2010-11 taxes were \$3,392.87. The seller's family has owned the park for 31 years. There are no park owned rental homes. The park has city water, and a newly refurbished septic system. The park pays for water, and the tenants pay electric and propane gas.

The park is owned outright, with no existing financing, and the seller will consider contract terms to qualified buyers. Proposed terms: 20% down payment, 5.5% interest, 25 year amortization, with the balance due in 7 years.

Cottage Grove is a scenic small town, population 9,686, founded in 1887. It is located on Interstate 5, approximately 20 miles south of Eugene & Springfield, Oregon. The city has twice been awarded the All-America City Award by the National Civic League, one of only 2 cities to win more than once in Oregon, and has held the designation Tree City USA for over a decade. Known as the "Covered Bridge Capital of Oregon" it hosts the annual Covered Bridge and Bohemia Mining Days Festival. For more information on the city, go to its website: [www.cottagegrove.org](http://www.cottagegrove.org)

You can view photos of the park here:

[http://www.westernequities.com/downloads/Dorena\\_Lake\\_MHP\\_Photos/index.html](http://www.westernequities.com/downloads/Dorena_Lake_MHP_Photos/index.html) For further information or if you have questions, please contact the listing agent, Randy Smith of Western Equities by cell: 503-320-3030 or by email: [randysmith@westernequities.com](mailto:randysmith@westernequities.com).



# Annual Property Operating Data

## Dorena Lake Mobile Home Park

Purpose	Listing Package	Price	\$450,000
Name	Dorena Lake Mobile Home Park	-Loans	360,000
Location	34834 Shoreview Drive, Cottage	Down Payment	90,000
Property Type	Manufactured Home Park	+Acq Costs	4,500
Date	1 June 2012	+Loan Points	0
Units	23	Investment	94,500

	\$/Unit	% of GI	Annual \$
<b>Gross Income</b>	\$3,600	100.0%	\$82,800
- Vacancy & Credit Loss	612	17.0%	14,076
<b>Effective Income</b>	\$2,988	83.0%	\$68,724
Less: Operating Expenses			
Electric 2011	80	2.2%	1,846
Insurance	36	1.0%	822
Repairs	20	0.6%	469
Water	340	9.4%	7,821
Garbage	155	4.3%	3,564
Septic Maintenance	82	2.3%	1,890
Property Taxes	193	5.4%	4,449
Septic System Management	313	8.7%	7,200
On Site Manager	235	6.5%	5,400
Legal, Tel, Office & Misc.	43	1.2%	998
Total Operating Expenses	\$1,498	41.6%	\$34,459
<b>Net Operating Income</b>	\$1,490	41.4%	\$34,265
Less: Debt Service			
Seller Carry Contract	1,153	32.0%	26,529
Total Debt Service	\$1,153	32.0%	\$26,529
<b>Cash Flow Before Taxes</b>	\$336	9.3%	\$7,736

Capitalization Rate	7.61%
Gross Income Multiplier	5.43
Debt Coverage Ratio	1.292
Cash on Cash	8.19%
Price/Unit	\$19,565

The data and calculations presented herein, while not guaranteed, have been obtained from sources we believe to be reliable, primarily from the seller. Potential purchasers must verify all information regarding this property independently, and are urged to obtain the advice of qualified accounting, legal, and 1031 tax-deferred exchange professionals.

# Analysis Assumptions Report

## Dorena Lake Mobile Home Park

### Investment Assumptions

Price of Property	\$450,000.00
Closing Costs	\$4,500.00
Date of Acquisition	1 January 2013
Holding Period	5 Years
Inflation Rate	4% per Year
Sale Price Method	8% Capitalization of NOI on Sale Date
Selling Costs	4.5%

### Investor's Assumptions

Present Value Discount Rate	10% per Year
Tax Rate - First Year	39.6%
Tax Rate - Following Years	39.6%
Capital Gain Rate	20%
Cost Recovery Recapture Rate	25% - Losses Carried Forward

### Depreciation Estimated Only Depreciation Assumptions

Depreciable Amount	\$250,000.00
Depreciable Life	15 Years
Depreciation Method	150% Declining Balance
Recapture Method	Excess Over Straight Line
Depreciation Start Date	at Acquisition

### Seller Carry Contract Loan Assumptions

Loan Amount	\$360,000.00
Loan Interest Rate	5.5% Annually
Original Loan Period	25 Years
Loan Origination Date	at Acquisition
Loan Type	Monthly Payments, Amortizing
Balloon Payment Due	84 Months

### Current Rent Roll Annualized Revenue Assumptions

Annual Revenue (23 Units @ \$300.00/Unit/Month)	\$82,800.00
Revenue Start Date	at Acquisition
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate
Vacancy Factor	17%

### Electric 2011 Expense Assumptions

NOTE: All expenses are 2011 full year

Annual Expense	\$1,846.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

# Analysis Assumptions Report

## Dorena Lake Mobile Home Park

### Insurance Expense Assumptions

Annual Expense	\$822.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

### Repairs Expense Assumptions

Annual Expense	\$469.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

### Water Expense Assumptions

Annual Expense	\$7,821.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

### Garbage Expense Assumptions

Annual Expense	\$3,564.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

### Septic Maintenance Expense Assumptions

Annual Expense	\$1,890.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

### Property Taxes Expense Assumptions

Annual Expense	\$4,449.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

### Septic System Management Expense Assumptions

Annual Expense	\$7,200.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	No Growth is Projected

# Analysis Assumptions Report

## Dorena Lake Mobile Home Park

### On Site Manager Expense Assumptions

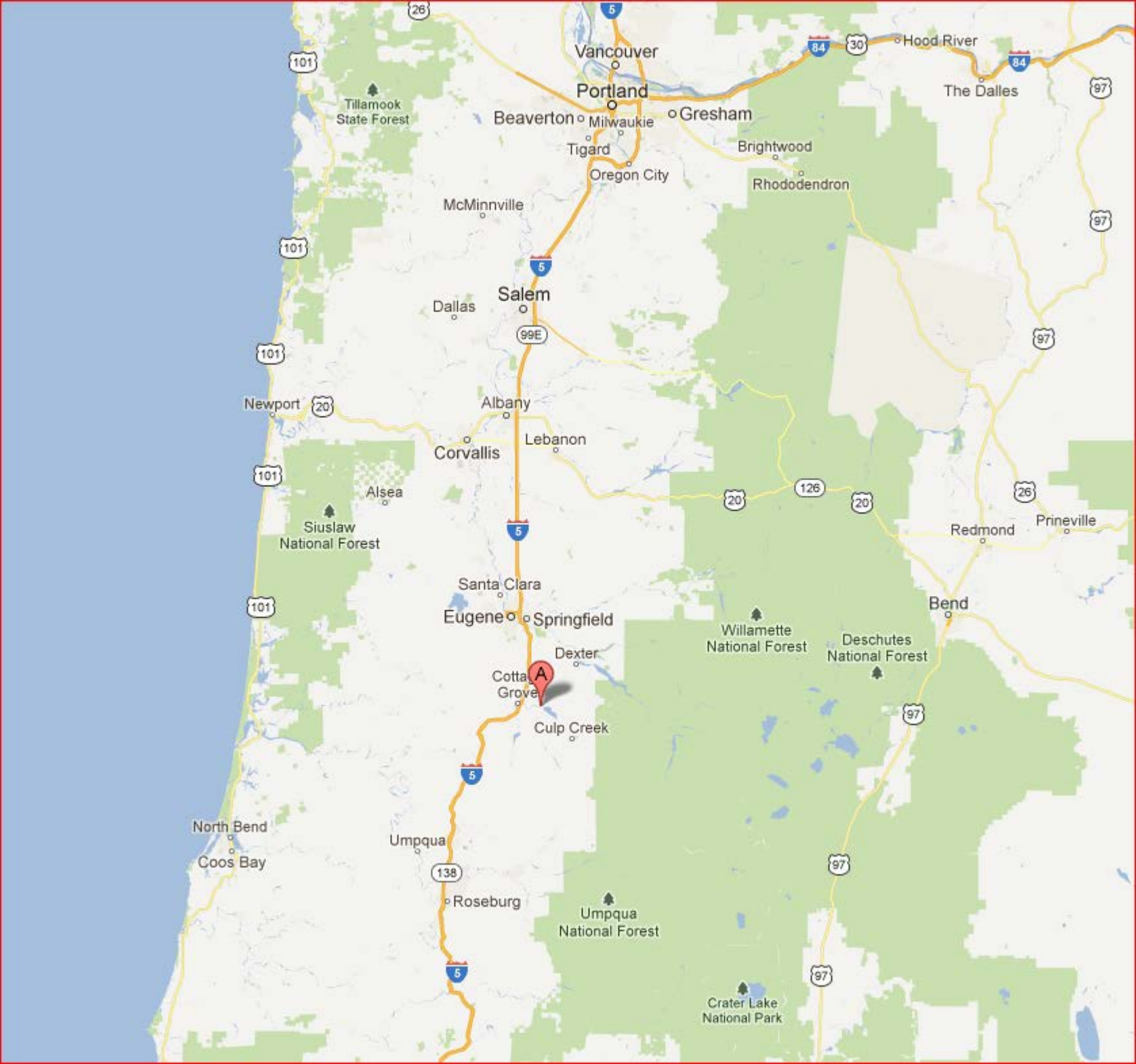
Annual Expense (1 Units @ \$450.00/Unit/Month)	\$5,400.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	No Growth is Projected

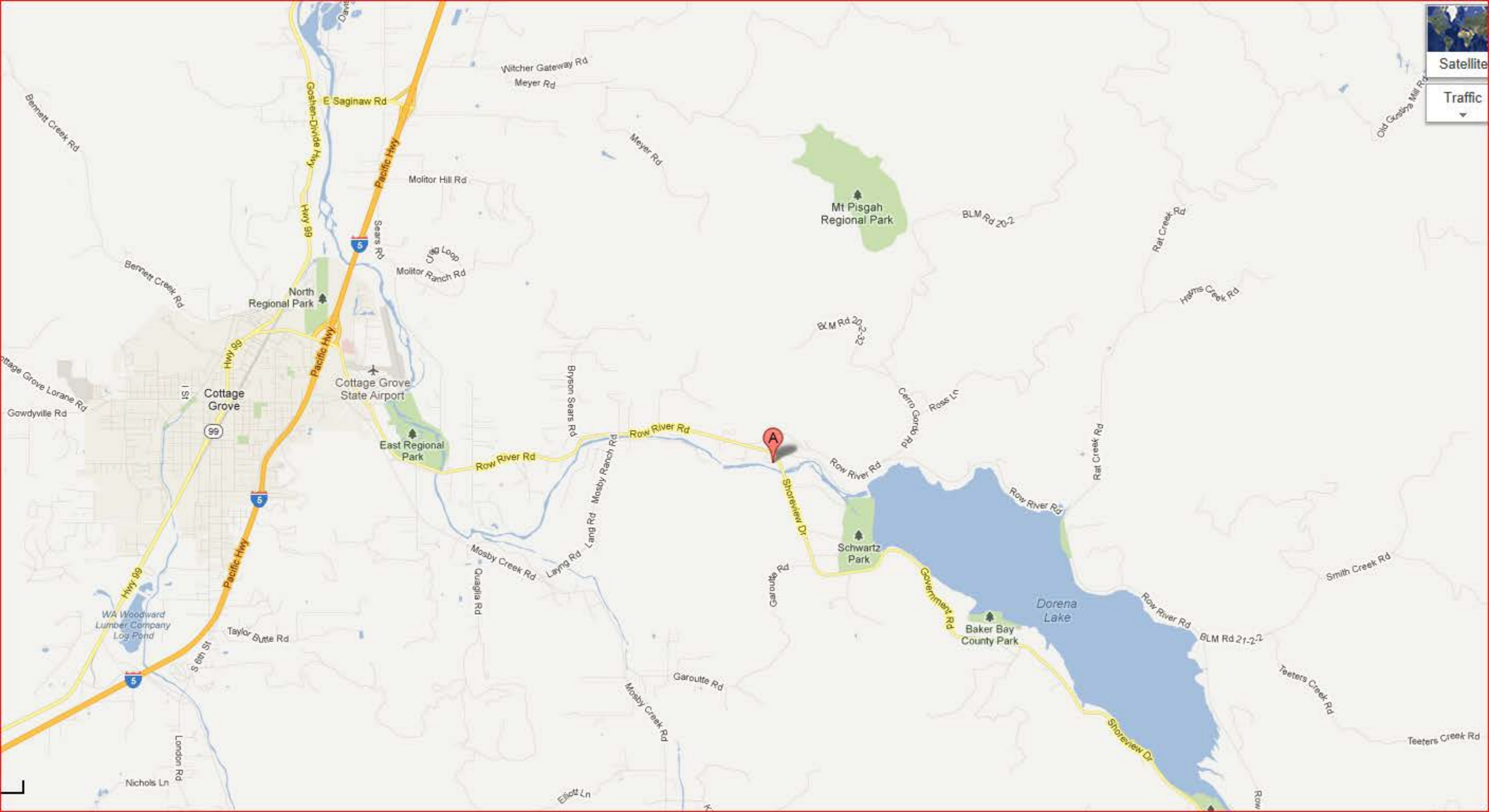
### Legal, Tel, Office & Misc. Expense Assumptions

Annual Expense	\$998.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate









Satellite

Traffic



Old Goshute Mill Rd

Smith Creek Rd

Teeters Creek Rd

Teeters Creek Rd

Row River Rd

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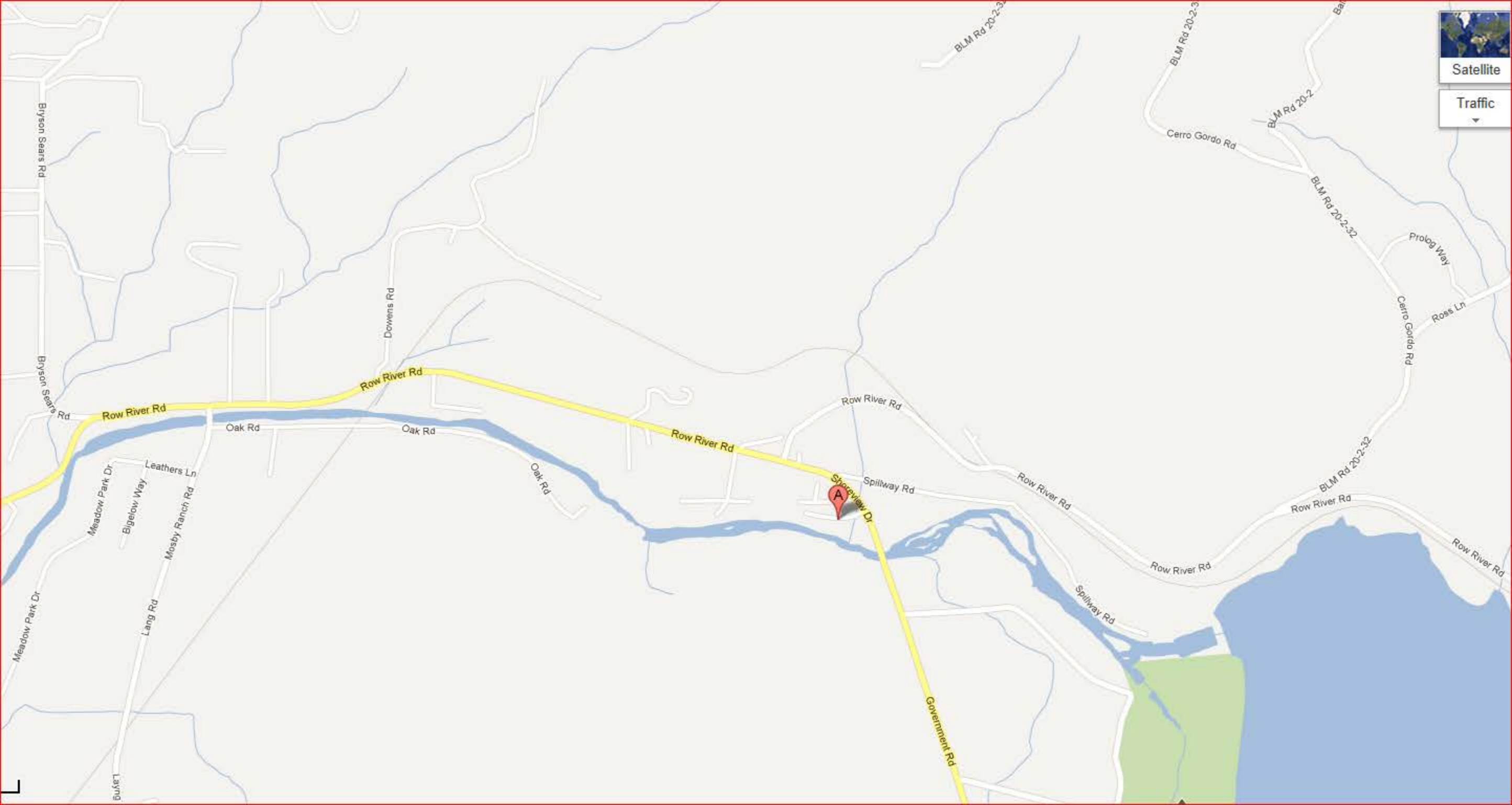
Row River Rd

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