

Oak Grove Manufactured Home Park

312 Wood Dr.
Kerrville, Texas

Offered at \$1,790,000

Neat & Clean All Ages Park!

- Currently 68 pads
- Price includes 5 extra vacant acres for possible expansion.
- 95% occupied
- Nice shade trees on property
- City sewer & good well
- Paved roads in good condition
- Over \$130,000 in contracts and homes for sale included
- 9.60% Cap Rate
- 13.58% return!



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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 managed manufactured home park with excellent cash flow, upside, no deferred maintenance, and room for possible future development! Several seller owned homes can be sold to tenants or kept as rentals for extra cash flow. Excellent new loan products are now available! Call today for details.



Executive Summary

Oak Grove

Mobile Home Park

312 Wood Dr.

Kerrville, Texas 78028-6253

Here is the opportunity you have been looking for! The combination of excellent location, solid new loan financing availability, and right timing can make the savvy investor an excellent profit! Currently the park is 95%+ occupied (one vacant pad). The park is offered at \$1,790,000. New financing is needed.

The park consists of 68 spaces; 20 tenant owned homes paying \$245 per month, plus \$35/mo. in utilities, 29 tenant owned homes paying \$245 plus \$10/mo. partial utilities, 1 senior tenant paying \$225/mo with no utilities. There are 8 park owned rental units paying between \$350 and \$475 per month, and 8 homes sold to tenants on contract, generating \$1925 per month in addition to \$245 per month in lot rents. The total value of the contracts is approximately \$109,468. The contract homes also pay full or part utilities, in addition to the homes property taxes. There are also two homes currently for sale & vacant: one is for sale @ \$8,500, and the other is \$18,000. These are included in the purchase price.

The site consists of 20.739 acres (per county records) in beautiful Kerrville, in the Texas Hill Country, includes five acres of land which could possibly be used for future development. Prospective buyers should verify with the county any proposed additions or modifications to the park!

Included in the sale is a small cottage, currently used for storage, but which may be converted to a rental dwelling. The park is on city sewer, which was built by the city approximately 8-10 years ago, and 28 tenants pay \$25 per month in reimbursements for usage. 56 of the pads pay \$10 in garbage reimbursement as well. Tenants pay their own electricity. The park has an excellent well which supplies water to 7 customers outside the park, in addition to supplying the needs of the tenants. The seller will provide all records for the water quality testing, which is done by an expert third party provider. To the best of the seller's knowledge, there has never been any problem with the well. The park is not located in a flood hazard zone, per the FEMA website. This should be verified by the buyer and his insurance agent.

Kerrville, Texas facts:

Kerrville is 58 miles (93 km) northwest of San Antonio and 85 miles (137 km) west of Austin. Being nestled in the hills of Texas Hill Country, Kerrville is best known for its beautiful parks that line the Guadalupe River - which runs directly through the city, its nearby youth summer camps, hunting ranches, and RV parks. It's also the home of Texas' Official State Arts & Crafts Fair, the Kerrville Folk Festival, H-E-B Grocery Stores, Mooney Airplane Company, James Avery Jewelry, Kerrville Bus Company, and Schreiner University. The Museum of Western Art (founded 1983) features the work of living artists specializing in the themes of the American West.

Demographics

As of the census of 2000, there were 20,425 people, 8,563 households, and 5,411 families residing in the city. The population density was 1,222.5 people per square mile (471.9/km²). There were 9,477 housing units at an average density of 567.2 per square mile (219.0/km²). The racial makeup of the city was 85.89% White, 2.99% African American, 0.55% Native American, 0.57% Asian, 0.08% Pacific Islander, 8.20% from other races, and 1.73% from two or more races. Hispanic or Latino of any race were 22.73% of the population.

There were 8,563 households out of which 8.9% had children under the age of 18 living with them, 49.8% were married couples living together, 10.2% had a female householder with no husband present, and 36.8% were non-families. 33.1% of all households were made up of individuals and 19.4% had someone living alone who was 65 years of age or older. The average household size was 2.21 and the average family size was 2.79.

In the city the population was spread out with 21.0% under the age of 18, 8.0% from 18 to 24, 21.3% from 25 to 44, 20.4% from 45 to 64, and 29.3% who were 65 years of age or older. The median age was 45 years. For every 100 females there were 87 males. For every 100 females age 18 and over, there were 83.0 males.

The median income for a household in the city was \$32,085, and the median income for a family was \$38,979. Males had a median income of \$27,555 versus \$19,923 for females. The per capita income for the city was \$20,193.

You can view photos of the park here:

http://www.westernequities.com/downloads/Oak_Grove_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.



Annual Property Operating Data

Oak Grove MHP

Purpose	
Name	Oak Grove MHP
Location	Kerrville, Texas
Property Type	MHP
Date	24 August 2011
Units	68

Price	\$1,790,000
-Loans	1,312,500
Down Payment	477,500
+Acq Costs	10,000
+Loan Points	13,125
Investment	500,625

	\$/Unit	% of GI	Annual \$
Gross Income			
Pad rents,sewer & trash		72.8%	\$185,400
Note Income		9.1%	23,100
Rental Income		15.5%	39,420
Water Customers		1.9%	4,944
Tax Escrow		0.7%	1,800
Total Gross Income	\$3,745	100.0%	\$254,664
- Vacancy & Credit Loss	0	0.0%	0
Effective Income	\$3,745	100.0%	\$254,664
Less: Operating Expenses			
Payroll 2011 6 mos average	240	6.4%	16,308
Prop tax escrow	176	4.7%	11,940
Insurance	38	1.0%	2,616
Sewer	242	6.5%	16,440
Trash	154	4.1%	10,500
Electric	80	2.1%	5,436
Gas	7	0.2%	504
Phone	12	0.3%	816
Maintenance/Repairs	180	4.8%	12,216
Professional Services	34	0.9%	2,280
Office expenses	12	0.3%	792
Shipping/Postage/Bank Chgs	10	0.3%	648
Advertising	25	0.7%	1,692
Screening	8	0.2%	576
Total Operating Expenses	\$1,217	32.5%	\$82,764
Net Operating Income	\$2,528	67.5%	\$171,900
Less: Debt Service	1,528	40.8%	103,898
Cash Flow Before Taxes	\$1,000	26.7%	\$68,002

Capitalization Rate	9.60%
Gross Income Multiplier	7.03
Debt Coverage Ratio	1.655
Cash on Cash	13.58%
Price/Unit	\$26,324

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

Oak Grove MHP

Investment Assumptions

Price of Property	\$1,790,000.00
Closing Costs	\$10,000.00
Date of Acquisition	1 January 2012
Holding Period	5 Years
Inflation Rate	3% 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 Depreciation Assumptions

Depreciable Amount	\$1,000,000.00
Depreciable Life	15 Years
Depreciation Method	150% Declining Balance
Recapture Method	Excess Over Straight Line
Depreciation Start Date	at Acquisition

Conventional @ 75% LTV Loan Assumptions

Loan Amount	\$1,312,500.00
Loan Interest Rate	6.25% Annually
Original Loan Period	25 Years
Loan Origination Date	at Acquisition
Loan Type	Monthly Payments, Amortizing
Balloon Payment Due	120 Months
Loan Points Charged	1 Point, Amortized over Loan Life

Pad rents,sewer & trash Revenue Assumptions

Annual Revenue (1 Units @ \$15,450.00/Unit/Month)	\$185,400.00
Revenue Start Date	at Acquisition
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate

Note Income Revenue Assumptions

Annual Revenue (1 Units @ \$1,925.00/Unit/Month)	\$23,100.00
Revenue Start Date	at Acquisition
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate

Analysis Assumptions Report

Oak Grove MHP

Rental Income Revenue Assumptions

Annual Revenue (1 Units @ \$3,285.00/Unit/Month)	\$39,420.00
Revenue Start Date	at Acquisition
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate

Water Customers Revenue Assumptions

Annual Revenue (1 Units @ \$412.00/Unit/Month)	\$4,944.00
Revenue Start Date	at Acquisition
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate

Tax Escrow Revenue Assumptions

Annual Revenue (1 Units @ \$150.00/Unit/Month)	\$1,800.00
Revenue Start Date	at Acquisition
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate

Payroll 2011 6 mos average Expense Assumptions

Annual Expense (1 Units @ \$1,359.00/Unit/Month)	\$16,308.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Prop tax escrow Expense Assumptions

Annual Expense (1 Units @ \$995.00/Unit/Month)	\$11,940.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Insurance Expense Assumptions

Annual Expense	\$2,616.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Sewer Expense Assumptions

Annual Expense (1 Units @ \$1,370.00/Unit/Month)	\$16,440.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Analysis Assumptions Report

Oak Grove MHP

Trash Expense Assumptions

Annual Expense (1 Units @ \$875.00/Unit/Month)	\$10,500.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Electric Expense Assumptions

Annual Expense (1 Units @ \$453.00/Unit/Month)	\$5,436.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Gas Expense Assumptions

Annual Expense (1 Units @ \$42.00/Unit/Month)	\$504.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Phone Expense Assumptions

Annual Expense (1 Units @ \$68.00/Unit/Month)	\$816.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Maintenance/Repairs Expense Assumptions

Annual Expense (1 Units @ \$1,018.00/Unit/Month)	\$12,216.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Professional Services Expense Assumptions

Annual Expense (1 Units @ \$190.00/Unit/Month)	\$2,280.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Office expenses Expense Assumptions

Annual Expense (1 Units @ \$66.00/Unit/Month)	\$792.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Analysis Assumptions Report

Oak Grove MHP

Shipping/Postage/Bank Chgs Expense Assumptions

Annual Expense (1 Units @ \$54.00/Unit/Month)	\$648.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Advertising Expense Assumptions

Annual Expense (1 Units @ \$141.00/Unit/Month)	\$1,692.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Screening Expense Assumptions

Annual Expense (1 Units @ \$48.00/Unit/Month)	\$576.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

MOBILE HOME SIZES

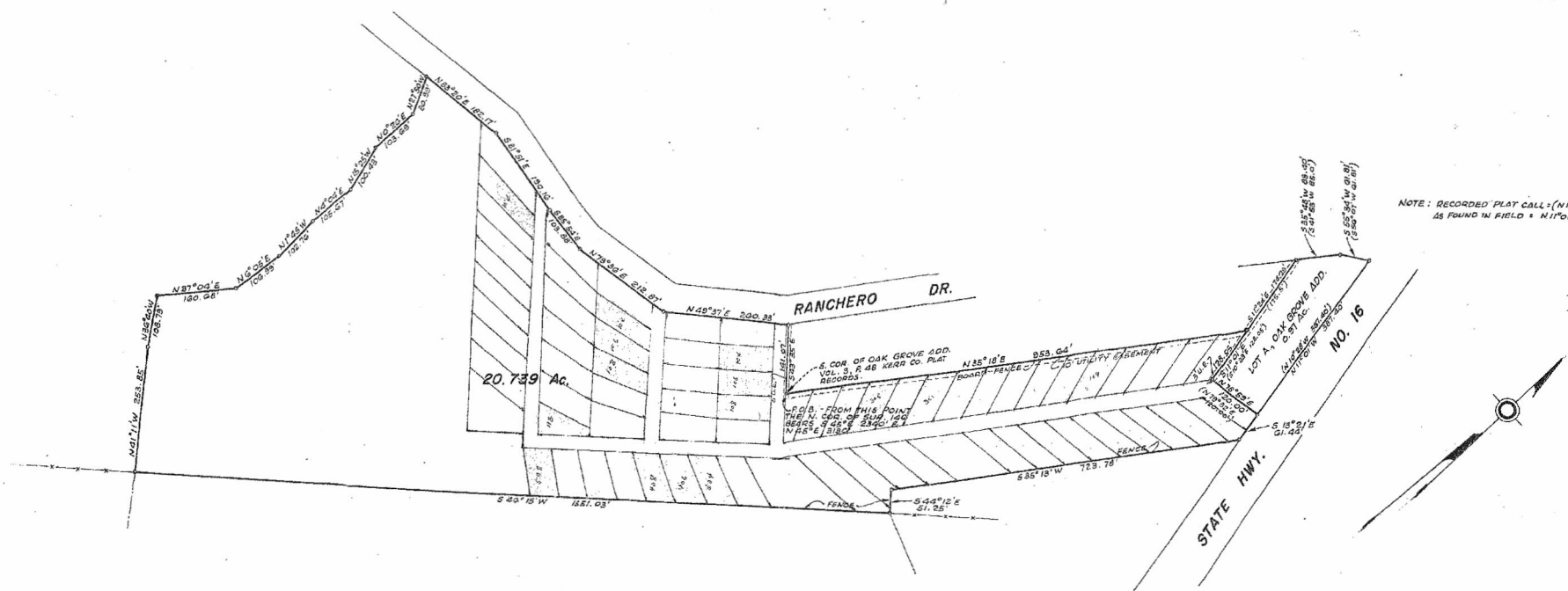
CONTRACT SALES

	Lot	Make	Size	Square Ft.	Bedrooms	Bath	Note
1	104 Ripplewood	Chariot	14 x 56	784	2	1 1/2	264
2	106 Ripplewood	Fleetwood	14 x 66	924	3	1 1/2	193
3	108 Ripplewood	Caberet	14 x 60	840	2	1	257
4	104 Green Meadow	TIMCO	14 x 66	924	2	2	313
5	113 Green Meadow	Republic	14 x 60	840	2	1	196
6	101 Sweet Water	Schult	14 x 60	840	2	2	
7	103 Sweet Water	Oakwood	14 x 66	924	3	2	224
8	106 Sweet Water	AZTEC	12 x 52	624	2	1	
9	108 Wood	AZTEC	12 x 60	720	2	2	341
10	508 Wood	TIMCO	14 x 51	714	2	1	137
							\$1,925

RENTALS

	Lot	Make	Size	Square Ft.	Bedrooms	Bath	Rent
1	209 Wood Drive			500	1	1	385
2	301 Wood Drive	Skyline	12 x 46	552	2	1	380
3	404 Wood Drive	Marshfield	14 x 64	896	2	2	400
4	406 Wood Drive	Woodlake	14 x 66	924	2	1	450
5	408 Wood	Homette	14 x 64	896	2	2	450
6	104 Sweetwater	House Camb	12 x 64	768	2	2	475
7	108 Sweetwater	Kirkwood	12 x 60	720	2	1	350
8	102 Ripplewood	Custom Cottage	8 1/2 x 42	357	1	1	400
							\$3,290

Indicates 2 for sale



NOTE: RECORDED PLAT CALL: (N10°28'W 367.40')
AS FOUND IN FIELD: (N11°01'W 387.40')

I hereby certify that this plat was prepared from a survey made by me, on the ground, and that it is true and correct.

This 27 day of MAY, 1973.

David B. Floyd
DAVID B. FLOYD, REGISTERED
PUBLIC SURVEYOR NO. 1405.

I certify that there are no encroachments on the above surveyed property.

David B. Floyd

LOT A - C. 97 AC. ADDED
TO PLAT JUNE 9, 1973.

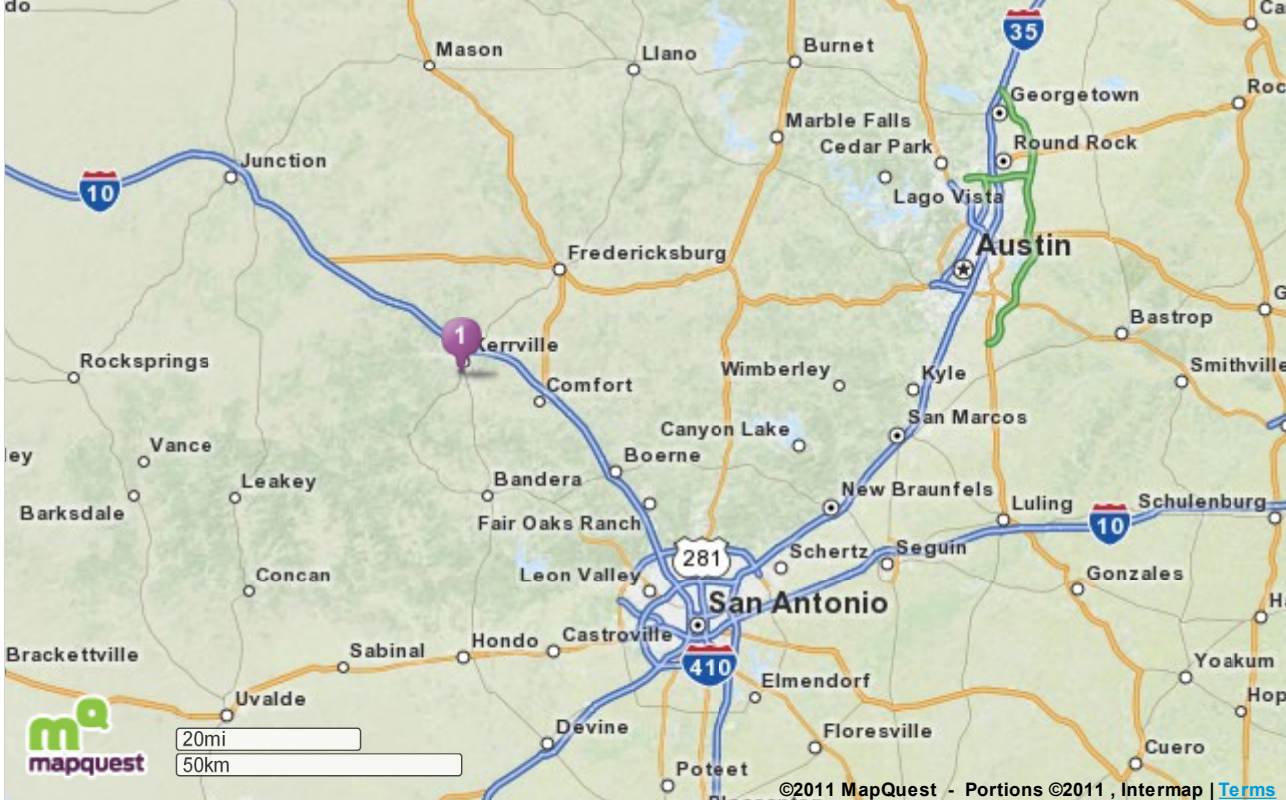
I certify that I inspected the above property Dec. 10, 1973 and that it is true and correct with no encroachments or overlapping improvements.

David B. Floyd

SURVEY PLAT OF 20.739 ACRES OUT OF THE
W. C. FRANCIS SURVEY NO. 146, A-137, KERR
COUNTY, TEXAS.

Scale: 1" = 100'

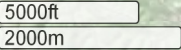
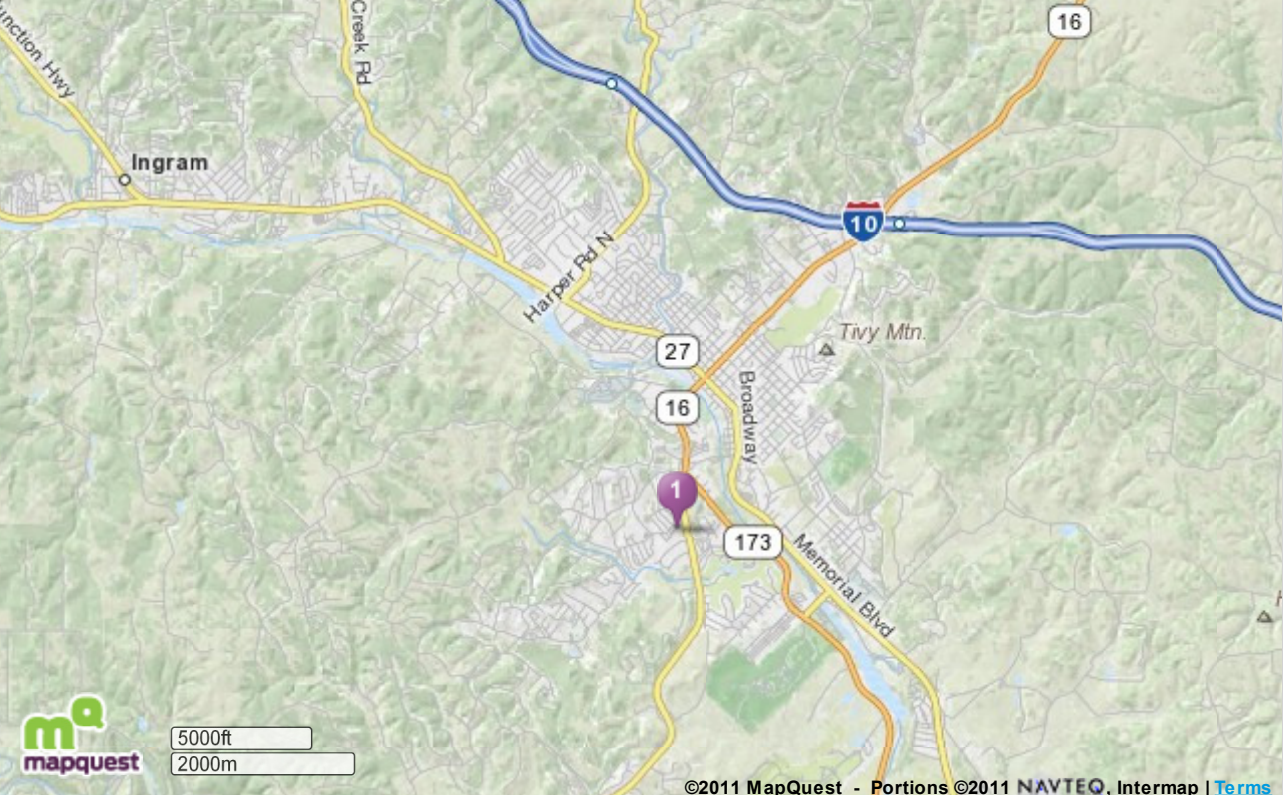
May 1973

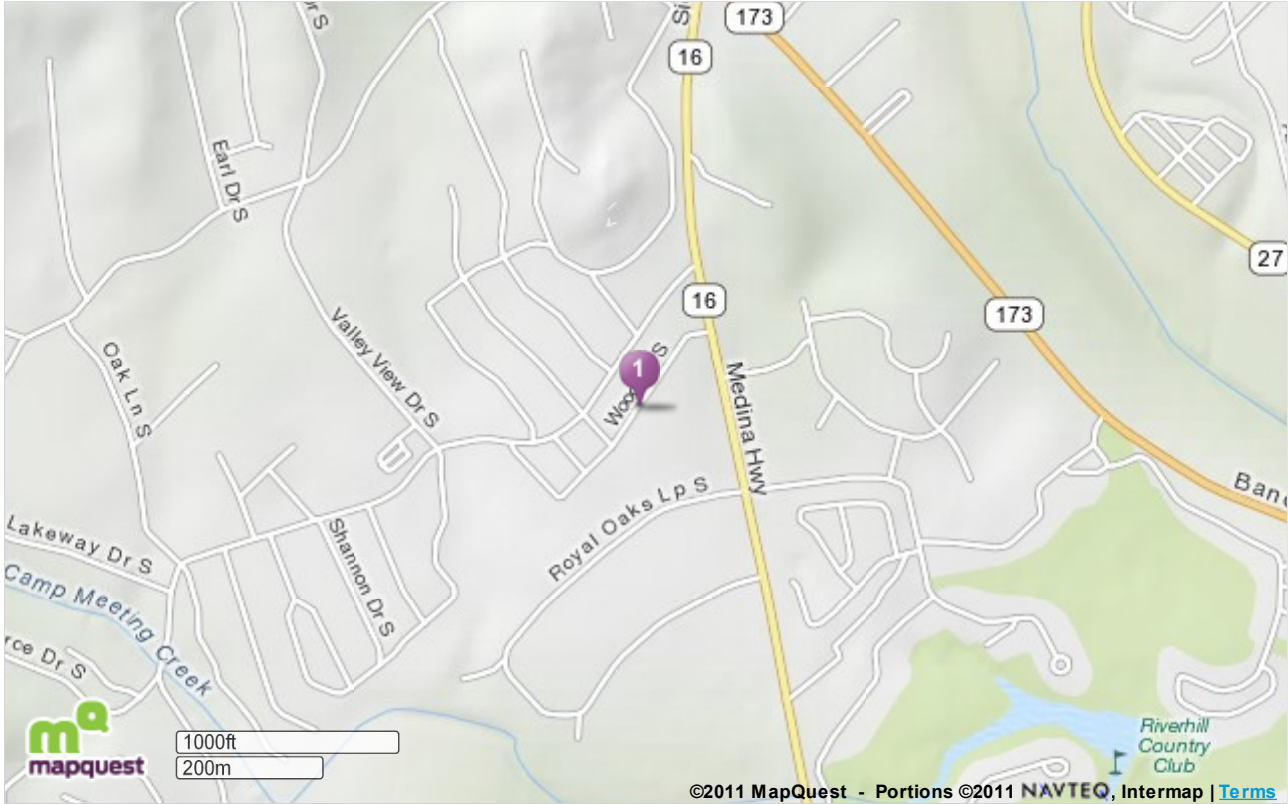


20mi

50km







1000ft
200m

