



KEITH WILSON CO.

MOBILE HOME PARK BROKERAGE

8/2015

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FOR SALE

PARKWEST MOBILE HOME PARK

**1824 Dobi Lane
Stillwater, OK 74075
(Home to Oklahoma State University)**

151 LOTS

\$2,700,000

\$17,218/site / 10.36% cap / 21% return



The information contained herein, while gathered from sources deemed reliable, cannot be guaranteed

GENERAL INFORMATION

Project Name: Parkwest Mobile Home Park

Project Address: 1824 Dobi Lane
Stillwater, OK 74075

Location: Stillwater, OK is located 50 miles N. of Oklahoma City, OK and 50 miles W. of Tulsa, OK, the 2 largest cities in the state, in Payne county. 50,000 pop. the 9th largest and the 2nd fastest growing city in Oklahoma. It is home to Oklahoma State University, largest higher-ed institution in OK, with 25,000 students. The park lies in NW Stillwater, 1 ½ miles NW of the campus. The city of Stillwater has seen tremendous housing growth and construction, as a result of the capital expenditures of the university, fueled by the philanthropy of alum, T. Boone Pickens, who has donated over 600,000,000. \$850,000,000 in construction for Stillwater in a 7 year period from 2005-2015. Class A retail/office is ½ mile east and Boomer Lake is 1 ½ miles east. Stillwater Airport lies ½ mile to the north. The Foxfire duplex development abuts the park to the east.

Size: 151 lots (1 unusable - gas line) All MH-no RV

Age: 1978 (virtually no new MHP'S in OK since the late 1970's)

Land: 26.5 acres Seller provided an easement, to the previous owner, through the park, for an undeveloped 24.5 acres, which lies adjacent to Parkwest, to the south-can be purchased and 200+ sites added

5.69/lots/acre

Occupancy: 85% (8/2015 – 20 vacant pads, 1 vacant park home, 3 vacant park models
1 office, 1 unusable-gas line, 6 double lots, 4 LTO'S)

Rent History:

2005 – 2008.....	\$190
9/2008.....	\$205
1/2009.....	\$230
1/2011.....	\$255
6/2013.....	\$280

Competition: There are approximately 950 mobile home lots in the City of Stillwater. Of those, 595 lots are located in 3 parks in the east part of the city. The rents at these parks are \$275-\$285 with the tenants paying water/sewer, an effective rent of \$315-\$325, \$35-45 higher. Parkwest is in the growing NW section, close to campus, the airport, Class A retail and Boomer Lake. The location of the eastside parks is less desirable. Besides the eastside parks and Parkwest, there are about 150 lots, most of these are in less desirable locations. There has been no new park construction in Stillwater, and generally, in the entire state for over 35 years. **THE CITY OF STILLWATER WILL NOT ALLOW ANY NEW PARK CONSTRUCTION BUT YOU MAY ADD SITES TO EXISTING PARKS. ASSUME 24.5 ACRES ADJOINING TO THE SOUTH CAN BE PURCHASED AND 200+ SITES BUILT BECAUSE WAS ORIGINALLY PLATTED AS A MHP.**

Amenities: Large office/clubhouse
Fenced-in swimming pool (\$8,500 renovations in 2010)
Storm shelter
Owner spent \$50k in 2013 to improve the office, including new roof, A/C, Int/ext. paint, carpets, remodel bathrooms

Utilities: Landlord pays water, provided by the City of Stillwater and sewer, which is provided by a dissipation one-cell lagoon, which is located on and shared with (easement) the adjacent 52 lot Valley Acres Mobile Home Park. Seller installing water submeters.
Tenants pay for the electricity and trash, provided by the City of Stillwater, and tenants pay gas, provided by ONG. All but 10 lots have gas service. Valley Acres, the adjoining 51 site park, is 100% occupied.

Mobile Homes: July 20, 2011-Seller set up 5 2007, 40' long model park homes, that rent for \$375/mo. 3 of the homes are rented-\$375, 2 vacant. These 5 homes will be conveyed to buyer as well as 5 park owned homes on notes with a note balance of \$90,000. Note payments are \$22,270/yr. Also, 2 park owned homes need minor and will sell for \$9,800 & 4,500. A total of 12 park owned homes. Note income is not counted as income for the P&L

Streets: Asphalt/Concrete
\$50,000 spent in 2008 for concrete streets, mainly in the intersection areas and an additional \$10,000 spent in mid 2013.

Tenant Profile: 85% college students
15% adults
Was 95% college students, the slight trend is more families with kids

Lease Specials: 2012- owner had initiated a special lease program offering 12 mo rent at \$35 for a 5 yr lease, \$70/mo for 9 mo on a 2 ½ yr lease-these are for 1988-newer homes. Also, \$150/mo. for 12 mo on a 4 yr lease for homes older than 1988. There are only several tenants on this short-lived program.

2013/2014/2015
INCOME/EXPENSE

INCOME (does not include note income)

2013.....	\$373,966
2014.....	\$386,217
1 st QRT. 2015 annualized.....	\$410,728

<u>EXPENSES</u>	<u>2013</u>	<u>2014</u>
Auto.....	\$2,333.....	\$669
Bank fees.....	256.....	125
Casual Labor.....	360.....	50
Commissions.....	0.....	750
Equipment rental.....	567.....	0
Insurance.....	13,812.....	14,437
Landscaping	240.....	61
Licenses/Permits.....	1,260.....	1,755
Professional fees.....	3,135.....	3,660
Office (includes park wifi).....	1,630.....	1,047
Payroll.....	42,453.....	40,875 (1)
Payroll taxes.....	3,610.....	3,157
Postage/Delivery.....	1,230.....	163
Property Taxes.....	26,268.....	20,524
Repairs/Maintenance.....	22,609.....	26,461
Supplies.....	3,028.....	1,608
Utilities (W/S/E/Telephone).....	62,368.....	25,982 (2)
Total Expenses.....	185,159.....	141,324 (35%)
NOI.....	\$269,404	
DEBT SERVICE (new loan).....	\$116,118	
CASH FLOW.....	\$153,286	
RETURN ON CASH (\$745,000).....	21%	

(1) Manager-\$1,800/mo., maintenance-\$1,200/mo.

(2) After deducting 80% of the \$54,581 2014 water costs=\$43,664 from submetering and passing that cost to the tenants

Note: Management fees (owner draws) or moving costs (up to new buyer) not included.

2013 FINANCIALS

PARK WEST MHP, LLC

STATEMENT OF INCOME AND MEMBERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2013

Financial Statements

REVENUE		\$ 373,966
EXPENSES:		
Amortization	\$ 562	
Automobile	2,333	
Bank charges	256	
Casual labor	360	
Depreciation	118,540	
Equipment rental	567	
Insurance	13,812	
Landscaping	240	
Licenses and permits	1,260	
Management fees	18,558	
Move expense	2,648	
Office expense	1,630	
Payroll expense	42,453	
Payroll tax expense	3,610	
Postage and delivery	1,230	
Professional fees	3,135	
Property tax	26,268	
Repairs and maintenance	22,609	
Supplies	3,028	
Travel	9,269	
Utilities	62,368	
Total Expenses		<u>334,736</u>
OPERATING INCOME		39,230
OTHER INCOME (EXPENSE):		
Gain on sale of assets	3,748	
Interest expense	(113,386)	
Interest income	999	
Other income	50	
Total Other Income (Expense)		<u>(108,589)</u>
NET INCOME (LOSS)		(69,359)
MEMBERS' EQUITY-		
Beginning of Period		326,661
Distributions		<u>(63,000)</u>
MEMBERS' EQUITY -		
End of Period		<u>\$ 194,302</u>

See accompanying accountant's compilation report

2014 FINANCIALS

PARK WEST MHP, LLC

STATEMENT OF INCOME AND MEMBERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
REVENUE	\$ 386,217	\$ 373,966
EXPENSES:		
Amortization	2,249	562
Automobile	669	2,333
Bank charges	125	256
Casual labor	50	360
Commission expense	750	-
Depreciation	118,768	118,540
Equipment rental	-	567
Insurance	14,437	13,812
Landscaping	61	240
Licenses and permits	1,755	1,260
Management fees	19,764	18,558
Move expense	15,921	2,648
Office expense	1,047	1,630
Payroll expense	40,875	42,453
Payroll tax expense	3,157	3,610
Postage and delivery	163	1,230
Professional fees	3,660	3,135
Property tax	20,524	26,268
Repairs and maintenance	26,461	22,609
Supplies	1,608	3,028
Travel	-	9,269
Utilities	69,647	62,368
Total Expenses	341,691	334,736
OPERATING INCOME	44,526	39,230
OTHER INCOME (EXPENSE):		
Gain on sale of assets	11,053	3,748
Interest expense	(110,763)	(113,386)
Interest income	3,728	999
Other income	50	50
Total Other Income (Expense)	(95,932)	(108,589)
NET INCOME (LOSS)	(51,406)	(69,359)
MEMBERS' EQUITY-		
Beginning of Period	194,302	326,661
Distributions	(63,938)	(63,000)
MEMBERS' EQUITY -		
End of Period	\$ 78,958	\$ 194,302

Financial Statements

See accompanying accountant's compilation report

2015 (3 MONTH) FINANCIALS

PARK WEST MHP, LLC

STATEMENT OF INCOME AND MEMBERS' EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2015

Financial Statements

REVENUE		\$ 102,682
EXPENSES:		
Amortization	\$ 562	
Automobile	72	
Bank charges	67	
Depreciation	29,692	
Insurance	2,383	
Licenses and permits	552	
Management fees	4,970	
Move expense	3,800	
Office expense	19	
Payroll expense	10,350	
Payroll tax expense	384	
Postage and delivery	39	
Professional fees	2,350	
Property tax	7,443	
Repairs and maintenance	3,545	
Supplies	157	
Utilities	18,264	
Total Expenses	18,264	84,649
OPERATING INCOME		18,033
OTHER INCOME (EXPENSE):		
Gain on sale of assets	110	
Interest expense	(27,468)	
Interest income	778	
Total Other Income (Expense)	(26,580)	(26,580)
NET INCOME (LOSS)		(8,547)
MEMBERS' EQUITY-		
Beginning of Period		78,958
Distributions		(15,750)
MEMBERS' EQUITY -		
End of Period		\$ 54,661

See accountant's compilation report

PARK OWNED HOMES

**5 40' 2007 Park owned models @ \$10,000 each = \$50,000
2 rented at \$400, 3 vacant**

4 Notes/LTO'S:

<u>Lot</u>	<u>Start</u>	<u>Price</u>	<u>Balance</u>	<u>Int</u>	<u>Pay</u>	<u>payoff</u>
2826	7/13	\$25K	\$17,246	5%	\$285	7/21
2732	5/15	\$1K	\$800	10%	\$92	5/16
2820	6/13	\$18.5K	\$10,190	5%	\$298	6/19
2875	11/14	\$8K	\$7,239	10%	\$212	11/18
			\$35,475			

2 Park owned inventory:

2203.....\$8,000
2856.....\$7,000 (mgr lives in-pays rent)
\$15,000

Total value of park owned homes and LTO balances.....\$100,475

SALES INFORMATION

Sales Price.....\$2,700,000
2 MH, 5 note balances.....100,000 (cash)
Park.....\$2,600,000

Existing debt.....\$1,590,000 (11/2013), 6.0%, 25
yr. am, 3 yr. term, 9/2013 start,
\$10,244/mo. (P&I), \$122,928/yr.
no escrows, prepayment penalty
2%-yr.1, 1%-yr.2, recourse,
Bank of Camden (TN)-assume?

Proposed new debt.....\$1,855,000 (70% LTV), 4.75%, 30 yr am,

Down payment.....\$745,000

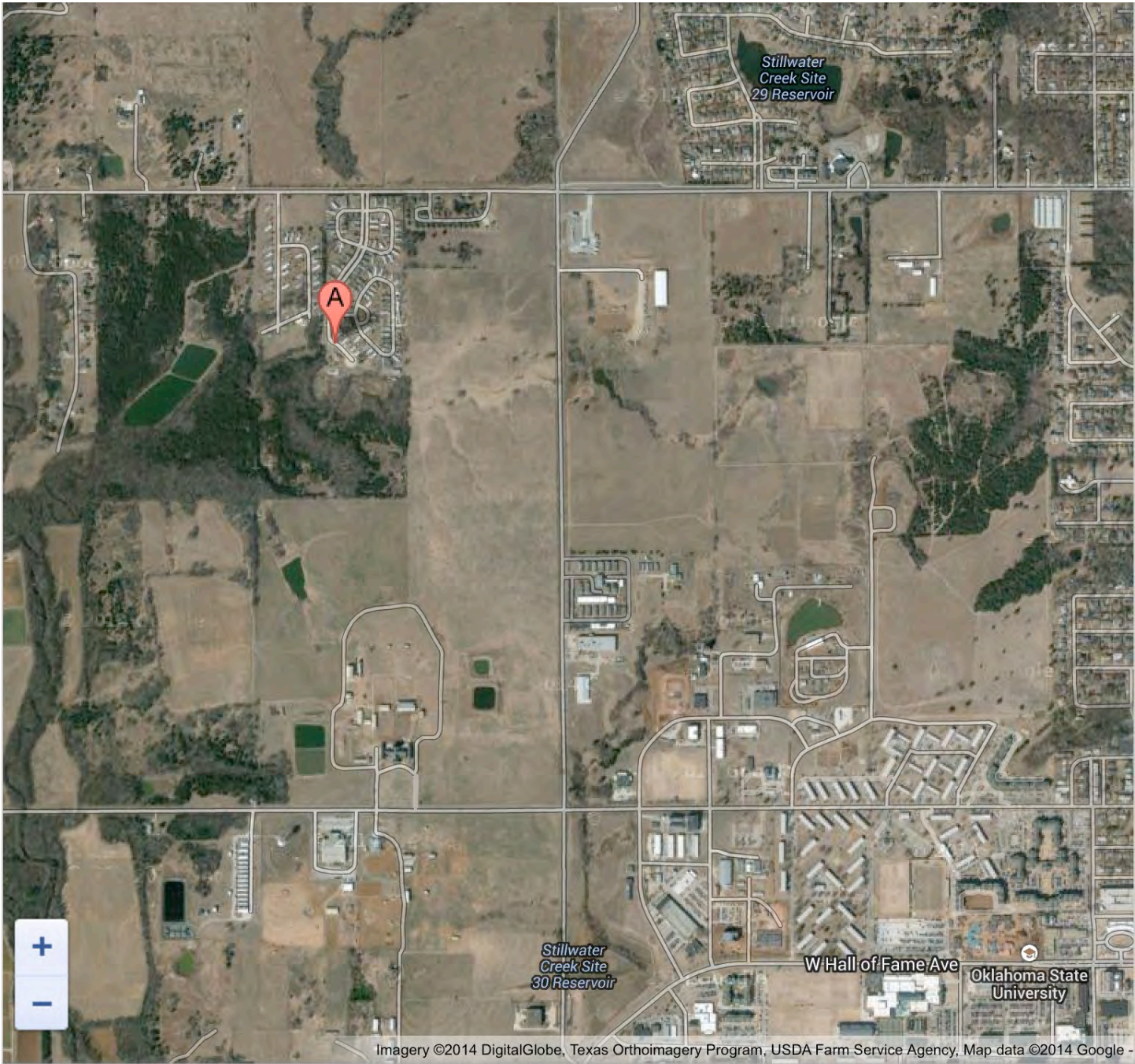
9/2013 MAI Appraisal.....\$2,650,000

Price/Lot.....\$17,218

Cap Rate.....10.36%

Cash return.....21%

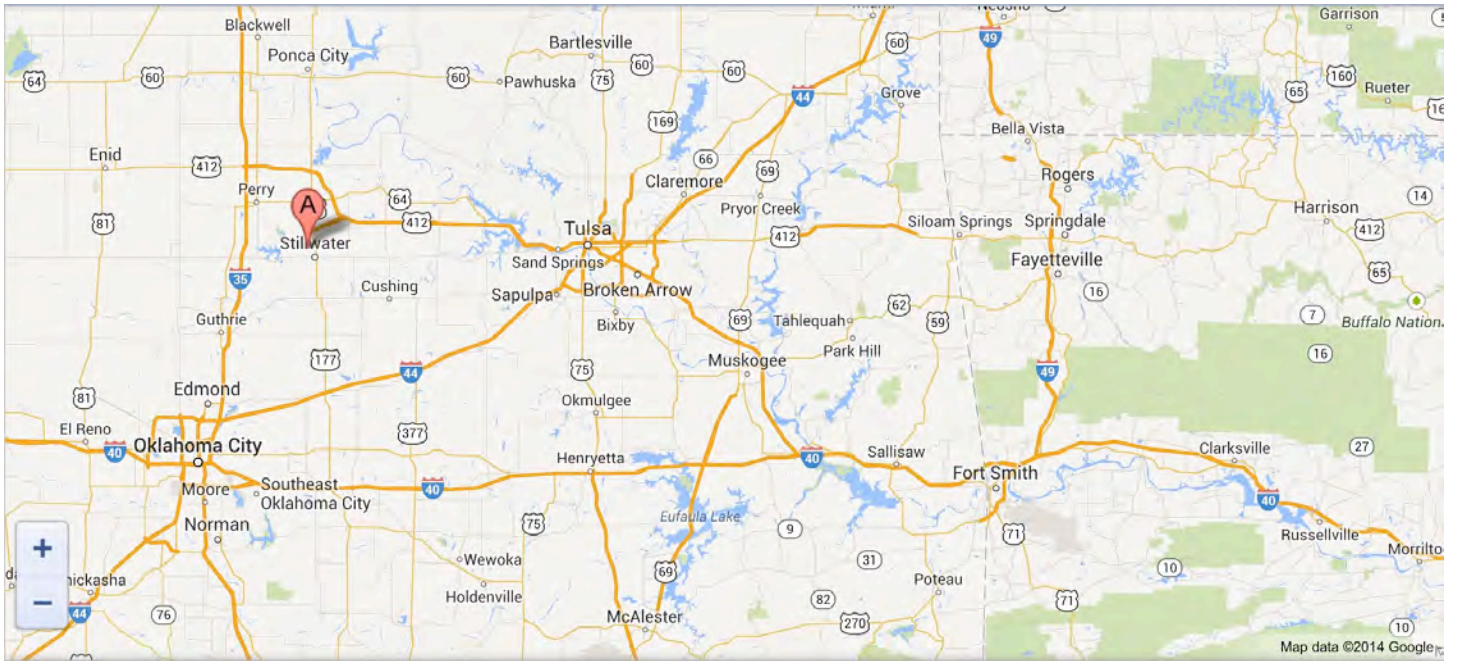
AERIAL MAP



1824 Dobi Ln
Stillwater, OK 74075



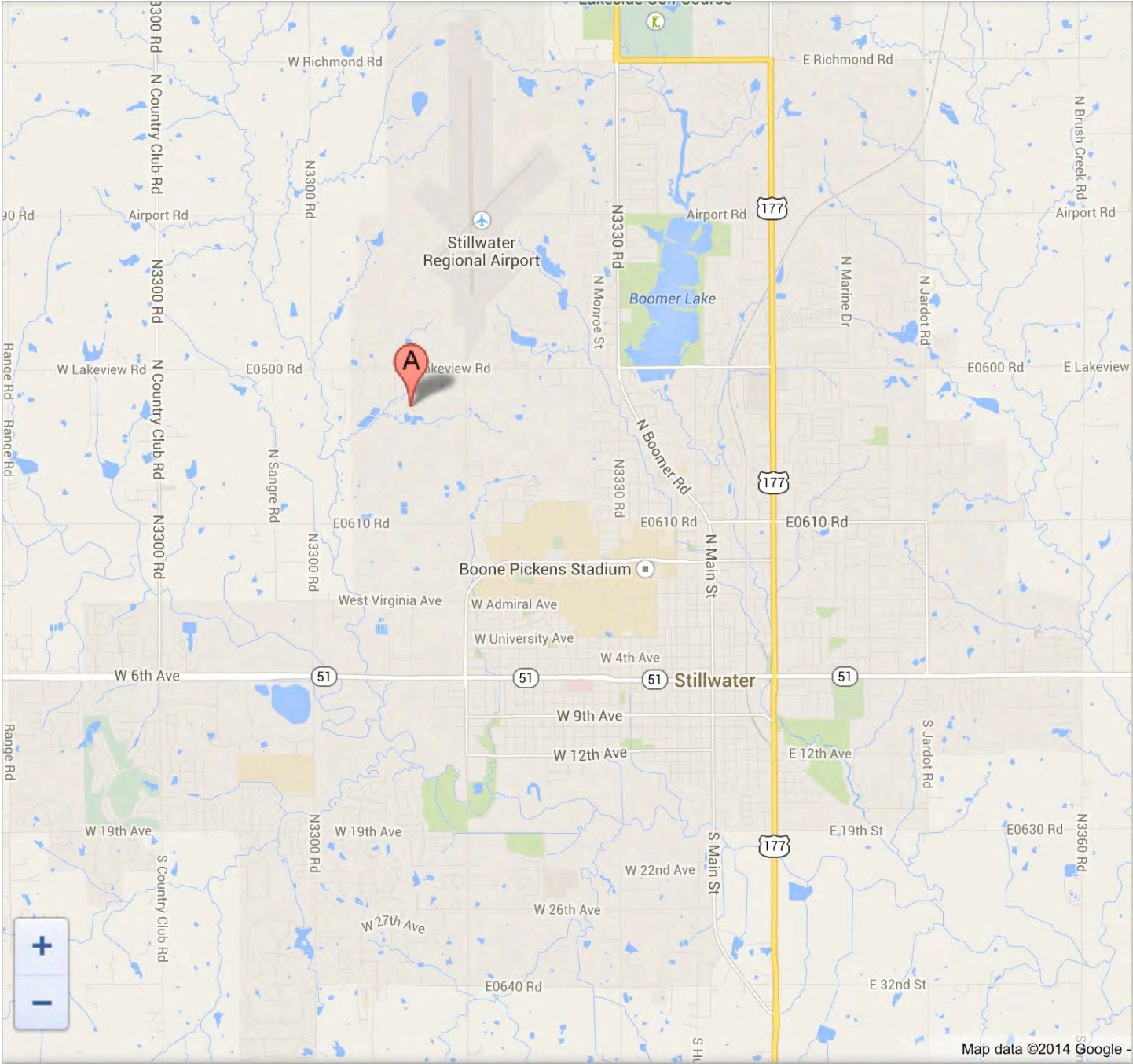
STATE MAP



1824 Dobi Ln
Stillwater, OK 74075

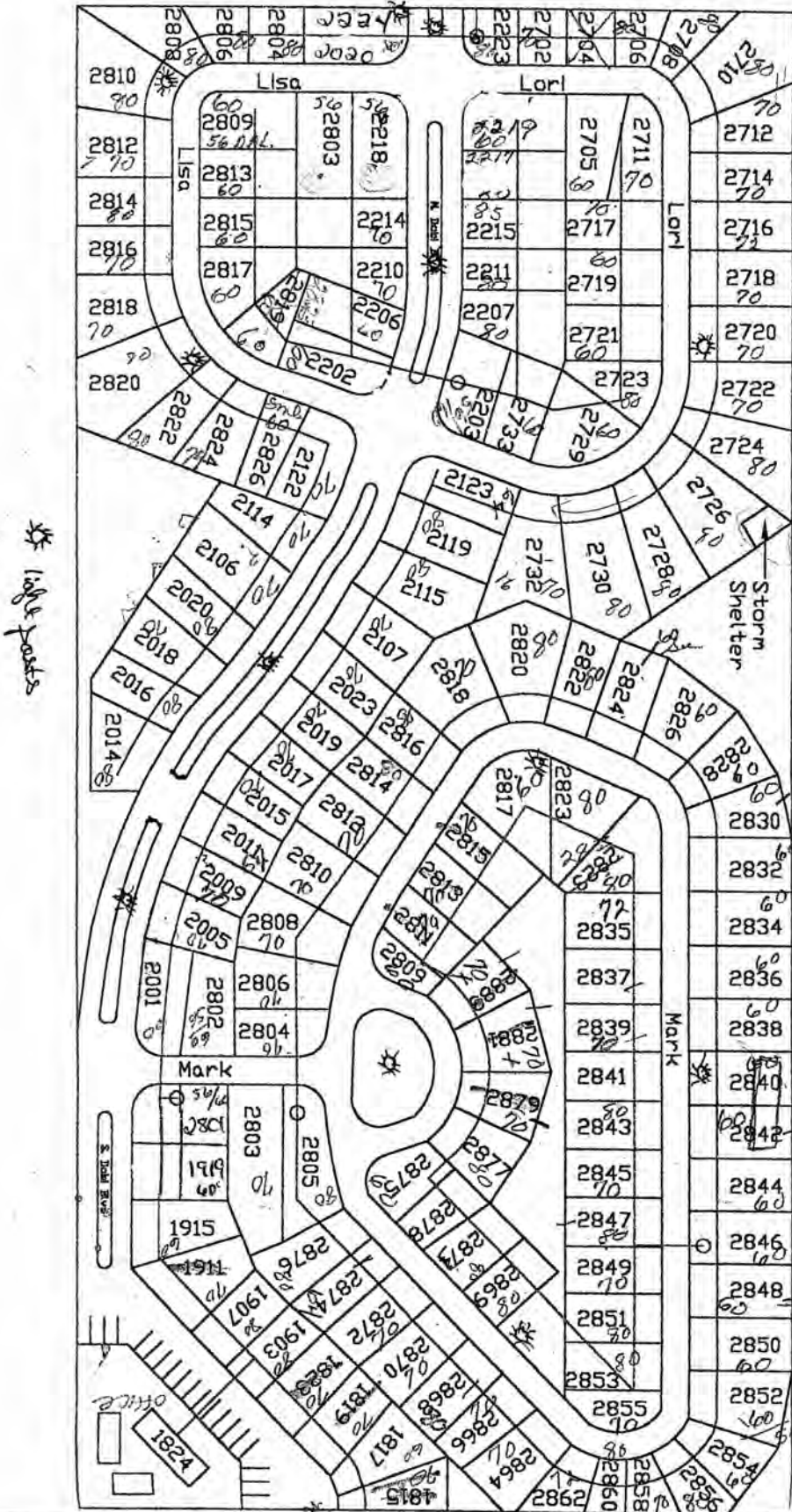


MAP



1824 Dobi Ln
Stillwater, OK 74075





* Light poles

Park West MHP, LLC

ENTRANCE



LAKEVIEW DRIVE



MISCELLANEOUS



OFFICE



RETAIL – 1 MILE EAST

