

2510 Consaul St
Toledo, OH 43605

A Value-Add, 266 Lot
Manufactured Housing
Community

Cypress Point MHP

PROPERTY ADDRESS

INVESTMENT OPPORTUNITY



Note to the reader, you will find links throughout the OM pages containing important information, we advise that you **click** on these links to learn more.

Welcome!

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Guidelines

The offering is being distributed exclusively by Marcus & Millichap REIS to the investment community. Following the initial bids, the owner will select an investor to purchase the property or request from a group of investors to submit a best and final offer, from which one will be selected. The selection will be based on a variety of factors including purchase price, contract terms, financial strength, ability to close, timing and experience in closing similar transactions.

All offers must be presented in writing and include:

- Price
- Source of capital
- Proof of funds
- Relevant experience
- Proposed schedule of due diligence and closing
- Amount of earnest money
- List of contingencies including committee approvals,
- possible 1031 exchanges, etc.

All interested investors are encouraged to schedule a property tour to visit the community and the surrounding market with an approved representative to fully appreciate its market position, quality and strong fundamentals.

Property Overview

Property Location

PARK NAME	Cypress Point MHP
PROPERTY ADDRESS	2510 Consaul St, Toledo, OH 43605
COUNTY	Lucas County
METRO AREA	Toledo MSA
PARCEL NUMBER(S)	1865137, 0855424, 1864914

Due Diligence Items



Site Description

PURCHASE PRICE	\$4,750,000
TOTAL RENTAL UNITS	266
MOBILE HOME LOTS	266
EXPANSION APPROVED	No
TOTAL OTHER UNITS	0
TOTAL LAND AREA	39.04 Acres
ROADS	Public-Paved
FLOOD ZONE	No
OPPORTUNITY ZONE	No

Mechanical Description

WATER SYSTEM	Public, Tenant Pays
SEWER SYSTEM	Public, Tenant Pays
ELECTRIC SERVICES	Public, Tenant Pays
GAS/PROPANE SERVICES	Public, Tenant Pays
TRASH	Curbside, Tenant Pays
CABLE SERVICES	Public, Tenant Pays
LAWNCARE SERVICES	Landlord Mows Commons
SNOW REMOVAL	Landlord Plows, Landlord Pays

Property Description

The Esterson MHC Team is pleased to present Cypress Point MHP, a value-add investment with 266 MH lots.

This asset has multiple upside opportunities including occupancy and revenue growth as well as home sales.

The community is centrally located in Toledo, OH. This location provides residents with a great place to live, raise a family and also find employment. The Toledo MSA has over 640,000+ people living there, providing a well-trained and very productive work force that enhances the areas diverse employment base.

There are 112 lots currently rented: 83 tenant owned homes (TOH), 4 RV lots, and 25 park owned homes (POH). Of the remaining 154 lots, there are 20 vacant POH, 28 lots with an abandoned home and 106 vacant lots. All of the 106 vacant lots are home ready.

There are 45 park owned homes which includes 28 brand new 2022 POH. They are all 16 X 70 models. 25 POH are rented. 20 of the new homes are rented for an average of \$943 a month, the 5 older occupied POH average \$558. The remaining 12 vacant older POH will need upfitting or removal.

The lot rent only tenants currently pay an average lot rental rate of \$365 per month with rents increasing on Nov. 1 to \$395, a \$30 a month increase, which is below the current market rent estimated at \$400-\$500 based on rent comparable surveys and JLT report. The overall market should be able to support higher lot rents based on limited affordable housing supply and growing demand in this market because of new job creation.

Cypress Point is serviced by public water and sewer and the tenants are billed back on a flat fee which also includes curbside trash. All utility systems are believed to be in working order however some systems may need to be eventually replaced. The park is built on a former landfill and has a clean Phase 1 & 2 Environmental Report. The community is gated and requires a keycode to access. The roads are paved and in average condition. The park is not affected by a flood zone and is not in an opportunity zone.

The park is priced at \$4,750,000 including all park owned homes. This is a value-add opportunity on a cash flowing asset upon entry. Conventional recourse and bridge lending should be obtainable for this community.

► **HIGHLIGHTS**

- Huge Upside Potential Through Infill
- Includes 28 Brand New POH – 2022, 16x70 models
- 20 Vacant Park Owned Homes (inc. 8 New VPOH)
- 9% Lot Rent Cap Rate on Entry
- Massive Development 5 Minutes from Park – Will Create 1,000+ New Jobs

► **KNOWN ISSUES**

- 28 Abandoned Homes (many are salvageable)
- 42.1% Occupancy
- Some Road Improvements
- Neighborhood is in Transition
- Park was built on landfill (Clean Phase 1 & 2)
- Park utility lines may need some replacement or repairs.

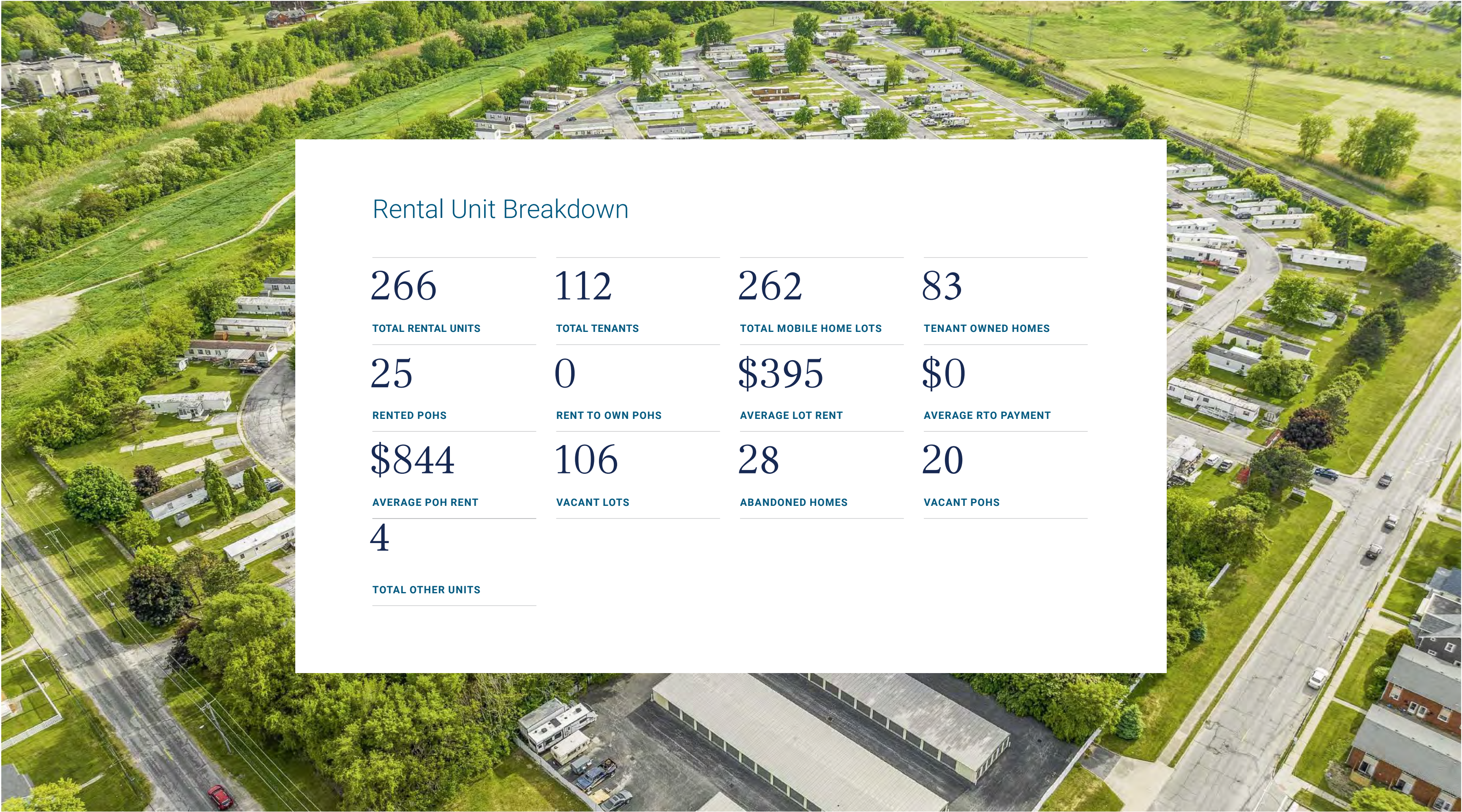
Location Information

Northwest Ohio, bordered by Lake Erie and bisected by the Maumee River, offers the attributes of a large cosmopolitan area while retaining small-town atmosphere and charm. Situated on the Michigan state line, the City of Toledo is the economic focal point of northwest Ohio and a dynamic community that offers nationally recognized arts, sports, and entertainment venues. The Toledo MSA encompasses Lucas, Fulton, Ottawa and Wood counties and has a population of just under 660,000. The Northwest Ohio regional economic base includes 11 total counties with a population of just under one million.

Centrally located amongst major Midwest cities such as Chicago, Detroit, Indianapolis, Pittsburgh, Columbus and St. Louis, Toledo boasts a transportation infrastructure that provides unique and unmatched access to the Midwest market.

Many new developments are happening in the metro-Toledo area including ProMedica’s new downtown headquarters. ProMedica Health Systems recently announced the development of a new headquarters in downtown Toledo which will bring more than 1,000 jobs and cost \$40 million to renovate the century-old Toledo Edison Steam Plant and adjacent KeyBank building. ProMedica plans to start work in November 2015 with completion in early 2017.





Rental Unit Breakdown

266

TOTAL RENTAL UNITS

112

TOTAL TENANTS

262

TOTAL MOBILE HOME LOTS

83

TENANT OWNED HOMES

25

RENTED POHS

0

RENT TO OWN POHS

\$395

AVERAGE LOT RENT

\$0

AVERAGE RTO PAYMENT

\$844

AVERAGE POH RENT

106

VACANT LOTS

28

ABANDONED HOMES

20

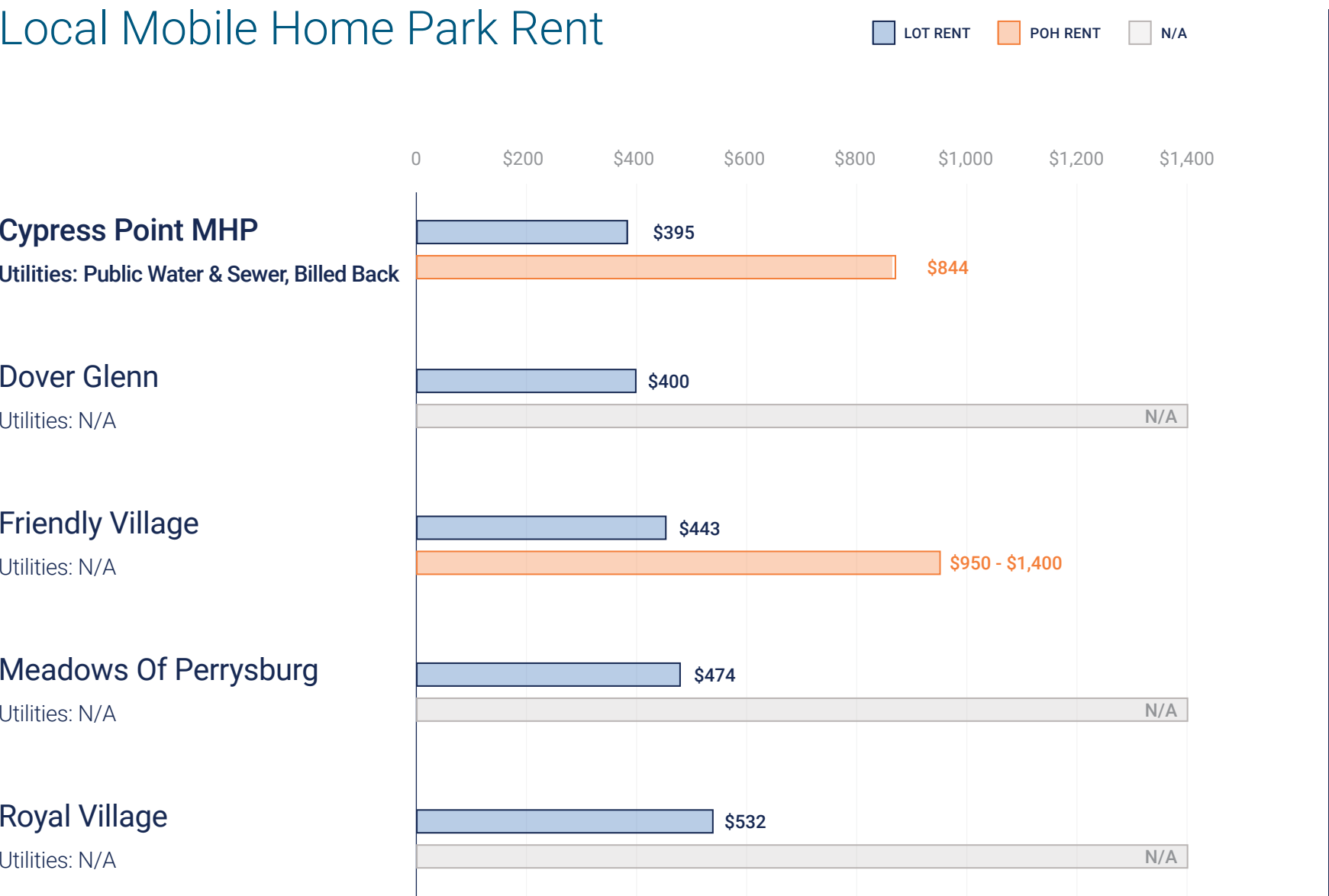
VACANT POHS

4

TOTAL OTHER UNITS



Local Mobile Home Park Rent



Rent Comp Comments

Our rent survey showed that the highest rent in the market is \$649, and the park only includes trash for its residents. As of December 2022 there were 6 parks above \$500, and 13 parks between \$400-\$500. Once this community is improved and infilled we are confident that \$400+ lot rents can be supported. The current market rents averaged across the 33 parks surveyed is \$423 as of December 2022.

Local Market Statistics

	City	County	MSA
POPULATION	271,454	431,212	646,330
MEDIUM HOME PRICE	\$101,400	\$140,900	\$162,500
AVERAGE 2BD APARTMENT RENT	\$880	\$910	\$910
MEDIAN INCOME	\$33,485	\$41,751	\$44,775

Investment Summary

Pricing

OFFERING PRICE	\$4,750,000
CAP RATE (LOT RENT ONLY)	9.0%
PRICE PER LOT	\$12,042
PRO FORMA VALUE	\$11,387,821

Upside Comments

The upside opportunity is in bringing in new homes and filling both the vacant 20 park owned homes (after renovation) and 28 abandoned homes. By raising the rents to the market rate of \$400+ you will see a lot only revenue of \$748K. Bringing in new or used homes will also work for investors as the market can support both.

Capitalized Revenues

	P&L 0	P&L 1	P&L 3
	Sellers Actuals	Broker Normalized	Maximized
TOTAL GROSS INCOME	\$662,055	\$760,362	\$1,720,420
	Actual Per Seller T-12	Current Rents Per RR	Market Rents
	Revenue As Reported	42.1% Occupancy	100% Occupancy
	Expense As Reported	Broker Adjusted Expense	Broker Adjusted Expense
EXPENSES	\$360,381	\$385,098	\$816,078
NET OPERATING INCOME	\$301,674	\$375,264	\$901,813

POH Revenues

	P&L 0	P&L 1	P&L 3
TOTAL POH & RTO REVENUE	\$122,787	\$141,780	\$270,000
POH & RTO EXPENSES	\$49,630	\$56,712	\$108,000
POH / RTO NET INCOME	\$73,157	\$85,068	\$162,000
TOTAL POH VALUE	\$1,523,648		

Investment Metrics

	P&L 0	P&L 1	P&L 3
LOT RENT CAP RATE	7.1%	9.0%	22.9%

Property Revenue & Expense

	Sellers Actuals	Broker Normalized	Maximized	Comments
	ACTUAL PER SELLER T-12 REVENUE AS REPORTED EXPENSE AS REPORTED	CURRENT RENTS PER RR 42.1% OCCUPANCY BROKER ADJUSTED EXPENSE	MARKET RENTS 100% OCCUPANCY BROKER ADJUSTED EXPENSE	
TOTAL GROSS INCOME	\$662,055	\$760,362	\$1,720,420	
LOT RENT REVENUE	\$409,672	\$511,920	\$1,257,600	P&L 0: As Reported P&L 1: Per Nov Rent Roll P&L 3: Adjusted to \$400
RV REVENUE	\$41,570	\$48,000	\$52,920	P&L 1: Per Rent Roll P&L3: +10%
WATER REVENUE	\$30,181	\$31,426	\$74,637	P&L 0: As Reported P&L1,3: 70% Utility Recapture Rate
SEWER REVENUE	\$32,113	\$32,843	\$78,002	P&L 0: As Reported P&L1,3: 36% Utility Recapture Rate
TRASH REVENUE	\$13,258	\$13,524	\$32,119	P&L 0: As Reported P&L1,3: 70% Utility Recapture Rate
FEE REVENUE (RE)	\$12,474	\$12,754	\$29,906	P&L 0: As Reported P&L 1,3: 2% of Total Revenue
COLLECTIONS LOSS/BAD DEBT	\$0	\$31,886	\$74,764	P&L 0: As Reported P&L 1,3: 5% of Total Revenue
TOTAL REVENUE	\$539,268	\$618,582	\$1,450,420	
PROPERTY TAX	\$57,325	\$57,325	\$85,987	P&L 0,1: Actual P&L 3: Adjusted by Broker Estimate
INSURANCE EXPENSE	\$7,983	\$7,983	\$19,950	P&L 0,1: As Reported P&L 3: \$75 Per Lot/Year
REPAIRS & MAINTENANCE SERVICES	\$3,728	\$11,200	\$26,600	P&L 0: As Reported P&L1,3: \$100 Per Lot/Year
MOWING, LANDSCAPING & SNOW SERVICES	\$2,140	\$2,140	\$15,960	P&L 0: As Reported P&L1,3: \$65 Per Lot/Year
WATER SERVICES	\$44,895	\$44,895	\$106,625	P&L 0,1: As Reported P&L 3: Occupancy Adjusted \$30 Per Tenant/Month
SEWER SERVICES	\$91,231	\$91,231	\$216,673	P&L 0,1: As Reported P&L 3: Occupancy Adjusted \$64 Per Tenant/Month
TRASH SERVICES	\$19,320	\$19,320	\$45,884	P&L 0,1 : As Reported P&L 3: Occupancy Adjusted \$15 Per Tenant/Month
ELECTRIC SERVICES	\$20,082	\$20,082	\$20,082	P&L 0,1 : As Reported P&L 3: Occupancy Adjusted \$6 Per Tenant/Month
ON-SITE MANAGEMENT	\$38,862	\$43,301	\$101,529	P&L 0: As Reported P&L1,3: 7% of Total Revenue
3RD PARTY MANAGEMENT	\$19,020	\$24,743	\$58,017	P&L 0: As Reported P&L1,3: 4% of Total Revenue
GENERAL & ADMIN SERVICES	\$6,167	\$6,167	\$13,300	P&L 0,1: As Reported P&L 3: Adjusted by Broker Estimate
TOTAL EXPENSES	\$310,751	\$328,386	\$710,607	
EXPENSE RATIO	58%	53%	49%	
NET OPERATING INCOME (NOI)	\$228,517	\$290,196	\$739,813	
CAP RATE	7.1%	9.0%	22.9%	
POH INCOME	\$122,787	\$141,780	\$270,000	P&L 0: As Reported on T-12 P&L 1: Per Rent Roll, P&L 3: Market Rents
POH/RTO EXPENSES	\$49,630	\$56,712	\$108,000	P&L 0: As Reported on T-12 P&L 1,3: 40% Expense Ratio
NET POH/RTO INCOME	\$73,157	\$85,068	\$162,000	
CASH FLOW BEFORE DEBT	\$301,674	\$375,264	\$901,813	
DEBT SERVICE - NEW LOAN	\$201,432	\$201,432	\$201,432	50% LTV, 7% IR, 25-Year AM, Includes POH in Loan Value
NET INCOME	\$100,241	\$173,832	\$700,381	
CASH ON CASH RETURN	4.2%	7.3%	29.5%	
DEBT COVERAGE RATIO (DCR)	1.13	1.44	3.67	Based on Lot Rent Revenue Only
GLOBAL DEBT COVERAGE RATIO (DCR)	1.50	1.86	4.48	Based on Gross Rent Revenue
GLOBAL CAP RATE	6.4%	7.9%	19.0%	Based on Gross Rent Revenue & Gross Expenses

Advertised Pricing	P&L 1	Per Unit	Comments
REAL ESTATE VALUE	\$3,226,352	\$12,129	9.0% Cap Rate
POH VALUE	\$1,523,648	\$33,859	45 Park Owned Homes
RTO VALUE	\$0	\$0	0 RTO Contracts
TOTAL VALUE	\$4,750,000		

Upside Value	P&L 3	Comments
REAL ESTATE VALUE	\$9,864,173	7.5% Cap Rate
POH VALUE	\$1,523,648	
RTO VALUE	\$0	
TOTAL VALUE	\$11,387,821	

Unit Types	Count	Avg Rent	Comments
TENANT OWNED HOME	83	\$395	
RENTED PARK OWNED HOME (POH)	25	\$844	20 Brand New POH, 5 Older POH
VACANT PARK OWNED HOME (V-POH)	20		8 Vacant New 2022 POH
ABANDONED HOME	28		
VACANT MOBILE HOME LOT	106		
TOTAL MOBILE HOME UNITS	266		

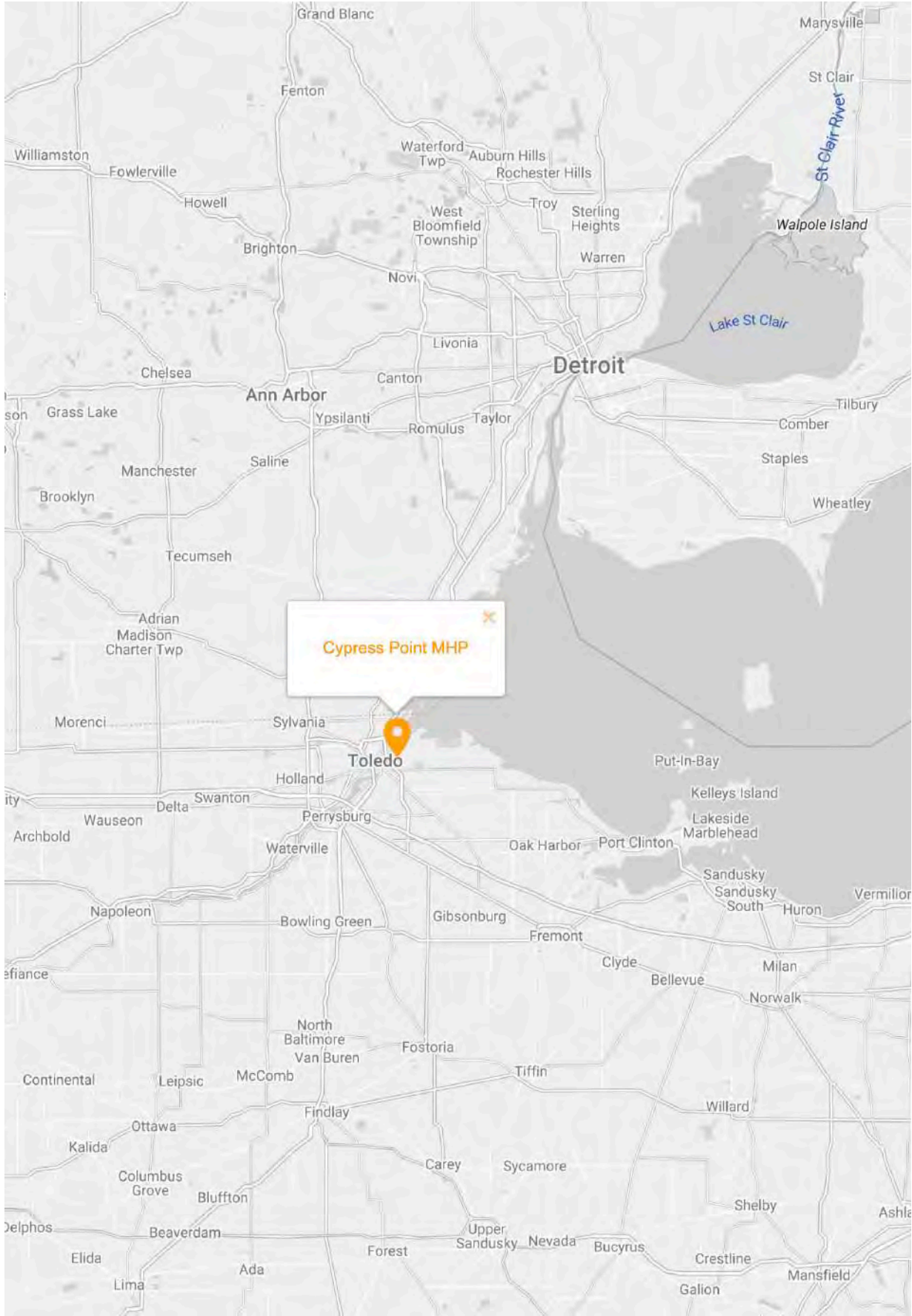
Loans	New Loan	Loan Info	Comments
LOAN AMOUNT	\$2,375,000	Recourse	0.5 LTV
INTEREST RATE	7.00%	Community Bank	
AMORTIZATION	25	Balloon	



Infrastructure	Type	Comments
WATER SYSTEM	Public	Tenant Pays
SEWER SYSTEM	Public	Tenant Pays
TRASH	Curbside	Tenant Pays
ELECTRIC SERVICES	Public	Tenant Pays
GAS SERVICES	Public	Tenant pays

Uses of Capital	Amount	% of Purchase
TOTAL PURCHASE PRICE	\$4,750,000	100.00%
1ST POSITION LOAN	\$2,375,000	50.00%
CASH TO CLOSE	\$2,375,000	50.00%

► Location Map and Property Parcel



► Property Photos



► Property Photos



► Property Photos



► Property Photos



► Property Photos



► Property Photos



► Property Photos



Brokerage Team

In the 20 years Glenn has been in commercial real estate he has brokered hundreds of millions of dollars worth of affordable housing apartments, manufactured housing and RV communities throughout the United States. He has successfully transacted more than 350 times for his clients. In addition to his work as a broker, Glenn has owned and operated mobile home communities, run a number of small businesses, and owned other commercial real estate assets.

Most recently Glenn has authored and published the industry's newest book called [*The Mobile Home Park Manifesto*](#). Glenn resides in Wilmington, NC.

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