

3 Park Portfolio - Greensboro, NC MSA

See Full list of Addresses
on Property Overview Page

A 3-park, 52-lot Manufactured
Housing Portfolio, stabilized
with upside, in a strong MSA

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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Property Overview	01
Property Description	02
Rental Unit Breakdown	03
Investment Summary	05
Property Revenue & Expense	06
Location Map & Property Parcel(s)	08

◀ Index

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

3 Park Portfolio - Greensboro, NC MSA

PARK NAME	Dixieland MHP	Hideaway MHP	Southern View MHP
PROPERTY ADDRESS	1403 W Morton St, Madison, NC 27025	360 Clifton St, Madison, NC 27025	531 Stone Mountain Rd, Stoneville, NC 27048
COUNTY	Rockingham County	Rockingham County	Rockingham County
METRO AREA	Greensboro-High Point MSA	Greensboro-High Point MSA	Greensboro-High Point MSA
PARCEL NUMBER(S)	790508796180	79050 7581746	79380045 4354

Due Diligence Items



Site Description

PURCHASE PRICE	\$1,900,000
TOTAL RENTAL UNITS	52
TOTAL MOBILE HOME LOTS	52
EXPANSION APPROVED	No
TOTAL OTHER UNITS	0
TOTAL LAND AREA	11.77 Acres
ROADS	All Private-Unpaved
FLOOD ZONE	All No
OPPORTUNITY ZONE	All 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	No Snow

Property Description

The Esterson MHC Team is pleased to present this 3-park, 52-unit manufactured housing portfolio, a stabilized with upside investment opportunity located in the Greensboro, NC MSA.

The Greensboro-High Point, NC MSA is experiencing sustained growth and benefits from its strategic location along major transportation corridors. With a diverse economy driven by manufacturing, healthcare, education, and logistics, it's home to major corporations like Volvo Trucks North America, Honda Aircraft Company, and the VF Corporation. The parks in this portfolio are only 40 minutes from downtown Greensboro. With less than a mile between 2 of the parks and a 15 min drive to the third and largest park, the portfolio can be managed by one individual or team.

▶ HIGHLIGHTS

- 100% Occupied
- All utilities at all parks are public and billed directly to tenants
- Majority of tenants (63%) are tenant owned homes
- Significantly below market rents

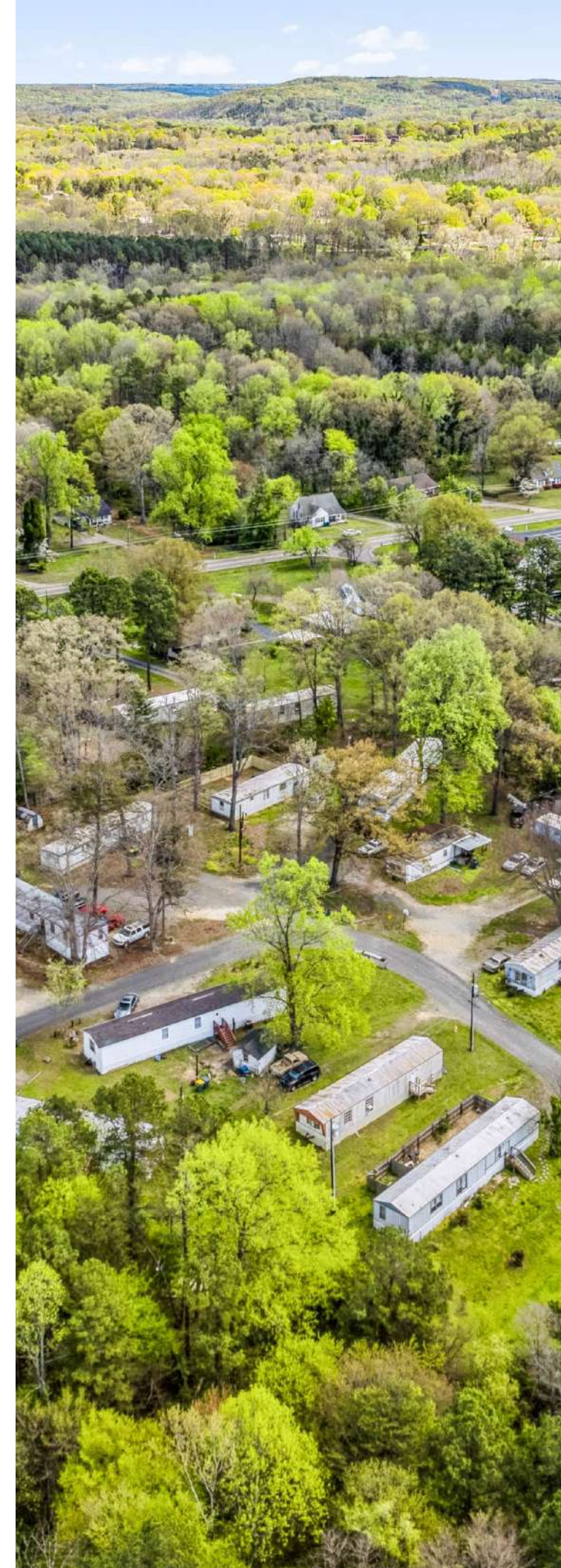
▶ KNOWN ISSUES

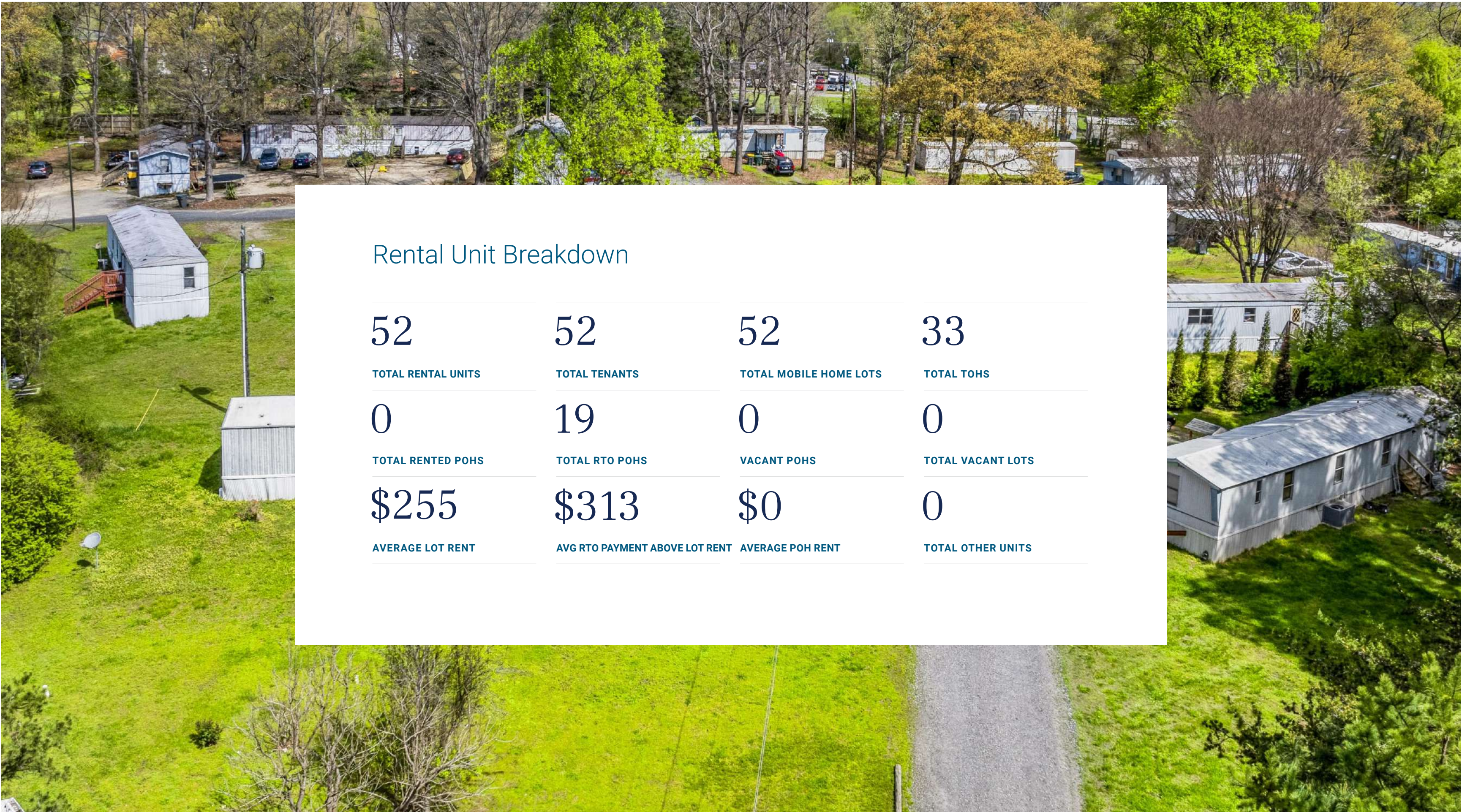
- Gravel roads at all 3 parks
- Smaller individual park sizes

This portfolio is 100% occupied and consists of 33 tenant owned homes (TOH) and 19 rent to own homes (RTO). The average lot rental rate per month is \$255 and the average RTO payment above lot rent is \$313. The lot rental rate is significantly below market. The RTO homes are an average age of 1997 and in average condition. The tenant owned homes are similar ages and also in average condition.

All utilities at all parks are paid for by the tenant and billed directly to them. The water, sewer, and electric are public, and the trash is serviced by curbside bins. The roads are gravel and in average condition. There are NO flood zones and NO opportunity zones at any of the parks.

This portfolio is being offered at \$1,900,000 and seller financing is available. The seller financing terms offered are 40% down payment, 12 months of interest only at 5% interest rate, then 24 months at 5% interest rate and a 25-year amortization, with a 36-month balloon. All offers must include price, inspection timelines, appropriate terms, proof of funds, and relevant real estate experience.





Rental Unit Breakdown

52

TOTAL RENTAL UNITS

52

TOTAL TENANTS

52

TOTAL MOBILE HOME LOTS

33

TOTAL TOHS

0

TOTAL RENTED POHS

19

TOTAL RTO POHS

0

VACANT POHS

0

TOTAL VACANT LOTS

\$255

AVERAGE LOT RENT

\$313

AVG RTO PAYMENT ABOVE LOT RENT

\$0

AVERAGE POH RENT

0

TOTAL OTHER UNITS



Local Mobile Home Park Rent

LOT RENT

3 Park Portfolio

Utilities: Tenant Pays W/S/T
 Address: See Property Overview Page for Address List

Creekside MHP

Utilities: Tenant Pays W/S/T
 Address: 400 Stoney Creek Dr, Reidsville, NC

Fairgrove MHP

Utilities: Park Pays W/S, Tenant Pays T
 Address: 125 Capitol Loop Rd, Reidsville, NC



Rent Comp Comments

Parks surveyed near this portfolio had lot rents ranging from \$400 to \$500. Tenants were paying for all utilities at one of the parks surveyed, and the park was paying for water and sewer at the other one. The parks surveyed were of higher quality than the subject property. Based on those comparable properties and the local apartment rents in Madison and Stoneville, market lot rent should be at least \$375.

Local Market Statistics

	City	County	MSA
	STONEVILLE MADISON	ROCKINGHAM COUNTY	GREENSBORO-HIGH POINT MSA NC
POPULATION	8,511 11,681	90,903	771,751
GROWTH	1.7% 3%	-0.16%	0.56%
MEDIUM HOME PRICE	\$141,700 \$149,300	\$134,700	\$211,800
AVERAGE 2BD APARTMENT RENT	\$780 \$760	\$820	\$1,010
MEDIAN INCOME	\$55,527 \$48,033	\$46,993	\$44,544

Investment Summary

Pricing

OFFERING PRICE	\$1,900,000
CAP RATE (LOT RENT ONLY)	7.1%
GLOBAL CAP RATE	8.7%
PRICE PER LOT	\$32,797
PRO FORMA VALUE	\$2,146,911

Upside Comments

The upside on this deal consists of responsibly increasing lot rental rates and lot rental revenue. Assuming all rent to own units reach maturity with no further payments and lot rental rates reach a market rate of \$375, an investor should be able to refi or exit the deal at roughly \$2.15M, modeled on a 7.5% lot rent only CAP rate.

Capitalized Revenues	P&L 0	P&L 1	P&L 2	P&L 3
	T-12 P&L - From Seller	T-1 P&L - From Seller	T-1 P&L - From Seller	Mark-To-Market
TOTAL GROSS INCOME (ALL REVENUES)	\$220,491	\$230,100	\$226,924	\$229,320
TOTAL GROSS EXPENSE (ALL EXPENSES)	\$64,292	\$64,292	\$80,415	\$68,302
GLOBAL NOI:	\$156,199	\$165,808	\$146,509	\$161,018
GLOBAL CAP RATE:	8.2%	8.7%	7.7%	8.5%
TOTAL INCOME (PARK ONLY)	\$151,491	\$158,820	\$155,644	\$229,320
TOTAL EXPENSES (PARK ONLY)	\$38,106	\$38,106	\$55,467	\$68,302
NET OPERATING INCOME (PARK ONLY)	\$113,385	\$120,714	\$100,177	\$161,018

POH Revenues	P&L 0	P&L 1	P&L 2	P&L 3
TOTAL POH & RTO REVENUE	\$69,000	\$71,280	\$71,280	\$0
POH & RTO EXPENSES	\$26,186	\$26,186	\$24,948	\$0
POH / RTO NET INCOME	\$42,814	\$45,094	\$46,332	\$0
TOTAL POH VALUE	\$194,568			

Investment Metrics	P&L 0	P&L 1	P&L 2	P&L 3
LOT RENT CAP RATE	6.6%	7.1%	5.9%	9.4%
GROSS CAP RATE (PARK & POH)	8.2%	8.7%	7.7%	8.5%
CASH ON CASH LEVERED	13.1%	14.3%	11.8%	10.7%

Property Revenue & Expense

	Sellers Actuals	Sellers Actuals	Broker Adjusted	Maximized	Comments
	REVENUE: T12 P&L ACTUAL PER SELLER RECORDS REVENUE AS REPORTED EXPENSE AS REPORTED	REVENUE: RR, APRIL 2024 CURRENT RENTS PER RR 100% OCCUPANCY EXPENSE AS REPORTED	REVENUE: RR, APRIL 2024 CURRENT RENTS PER RR 100% OCCUPANCY BROKER ADJUSTED EXPENSE	PRO-FORMA (MARKET) MARKET RENTS 100% OCCUPANCY BROKER ADJUSTED EXPENSE	
LOT RENT REVENUE	\$151,491	\$158,820	\$158,820	\$234,000	P&L 3: Based on Market Lot Rent of \$375
FEE REVENUE (RE)	\$0	\$0	\$3,176	\$4,680	P&L 0,1: As Reported P&L 2,3: 2% of Total Revenue
COLLECTIONS LOSS/BAD DEBT	\$0	\$0	\$6,353	\$9,360	P&L 0,1: As Reported P&L 2,3: 4% of Total Revenue
TOTAL REVENUE	\$151,491	\$158,820	\$155,644	\$229,320	
PROPERTY TAX	\$5,325	\$5,325	\$7,988	\$11,981	P&L 0,1: Actual P&L 2,3: Adjusted by Broker Estimate
INSURANCE EXPENSE	\$647	\$647	\$6,240	\$6,240	P&L 0,1: As Reported P&L 2,3: \$120 Per Unit/Year
REPAIRS & MAINTENANCE SERVICES	\$8,153	\$8,153	\$9,100	\$9,100	P&L 0,1: As Reported P&L 2,3: \$175 Per Unit/Year
MOWING, LANDSCAPING & SNOW SERVICES	\$1,437	\$1,437	\$6,240	\$6,240	P&L 0,1: As Reported P&L 2,3: \$120 Per Unit/Year
UTILITY SERVICES	\$0	\$0	\$0	\$0	Water/Sewer/Trash/Electric Direct Billed to Tenants
ELECTRIC SERVICES	\$2,022	\$2,022	\$2,022	\$2,022	P&L 0,1: As Reported: \$3 P&L 2: \$3 P&L 3: \$3 Per Tenant/Month
ON-SITE MANAGEMENT	\$15,576	\$15,576	\$9,339	\$13,759	P&L 0,1: As Reported P&L 2,3: 6% of Total Revenue
3RD PARTY MANAGEMENT	\$0	\$0	\$9,339	\$13,759	P&L 0,1: As Reported P&L 2,3: 6% of Total Revenue
GENERAL & ADMIN SERVICES	\$4,945	\$4,945	\$5,200	\$5,200	P&L 0,1: As Reported P&L 2,3: \$100 Per Unit/Year
TOTAL EXPENSES	\$38,106	\$38,106	\$55,467	\$68,302	
EXPENSE RATIO	25%	24%	36%	30%	
NET OPERATING INCOME (NOI)	\$113,385	\$120,714	\$100,177	\$161,018	
CAP RATE	6.6%	7.1%	5.9%	9.4%	
RTO INCOME	\$69,000	\$71,280	\$71,280	\$0	P&L 1,2: Per Rent Roll P&L 3: RTO Complete, Income Removed
POH/RTO EXPENSES	\$26,186	\$26,186	\$24,948	\$0	P&L 0,1: As Reported P&L 2,3: 35% Expense Ratio
NET POH/RTO INCOME	\$42,814	\$45,094	\$46,332	\$0	
CASH FLOW BEFORE DEBT	\$156,199	\$165,808	\$146,509	\$161,018	
DEBT SERVICE - NEW LOAN	\$57,000	\$57,000	\$57,000	\$79,972	
NET INCOME	\$99,199	\$108,808	\$89,509	\$81,046	
CASH ON CASH RETURN	13.1%	14.3%	11.8%	10.7%	
DEBT COVERAGE RATIO (DCR)	1.99	2.12	1.76	2.01	Based on Lot Rent Revenue Only
GLOBAL DEBT COVERAGE RATIO (DCR)	2.74	2.91	2.57	2.01	Based on Gross Rent Revenue
GLOBAL CAP RATE	8.2%	8.7%	7.7%	8.5%	

Advertised Pricing	P&L 1	Per Unit	Comments
REAL ESTATE VALUE	\$1,705,432	\$32,797	7.1% Cap Rate
RTO VALUE	\$194,568	\$10,240	19 RTO Contracts
TOTAL VALUE	\$1,900,000		

Upside Value	P&L 3		Comments
REAL ESTATE VALUE	\$2,146,911		7.5% Cap Rate
RTO VALUE	\$0		
TOTAL VALUE	\$2,146,911		

Unit Types	Count	Avg Rent	Comments
TOTAL RENTABLE UNITS	52		
TOTAL MOBILE HOME UNITS	52		
TENANT OWNED HOME	33	\$255	
RENTED PARK OWNED HOME (POH)	0	\$0	
RENT TO OWN MOBILE HOME (RTO)	19	\$313	Above Lot Rent
VACANT PARK OWNED HOME (POH)	0	\$350	
VACANT MOBILE HOME LOT	0		

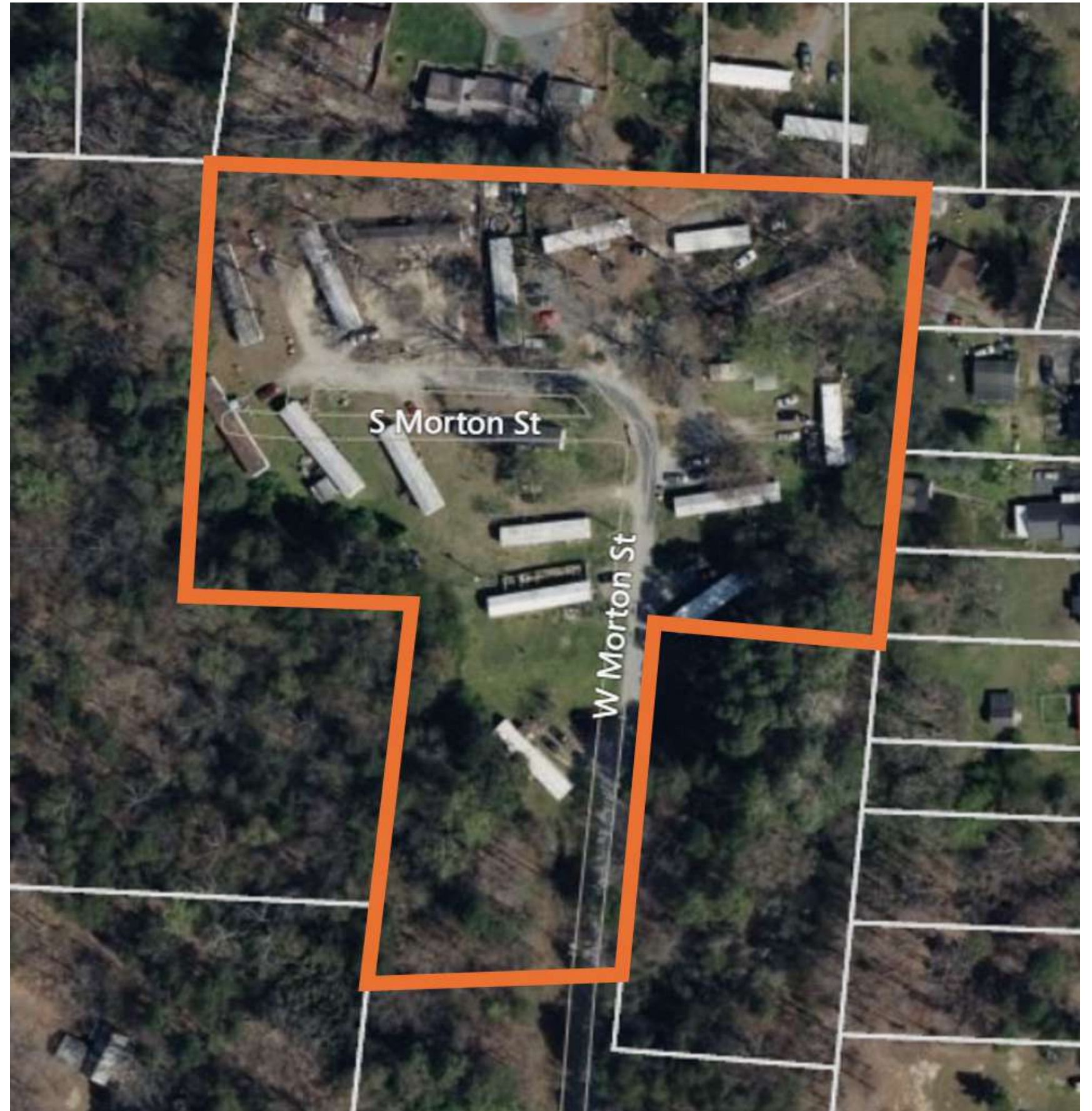
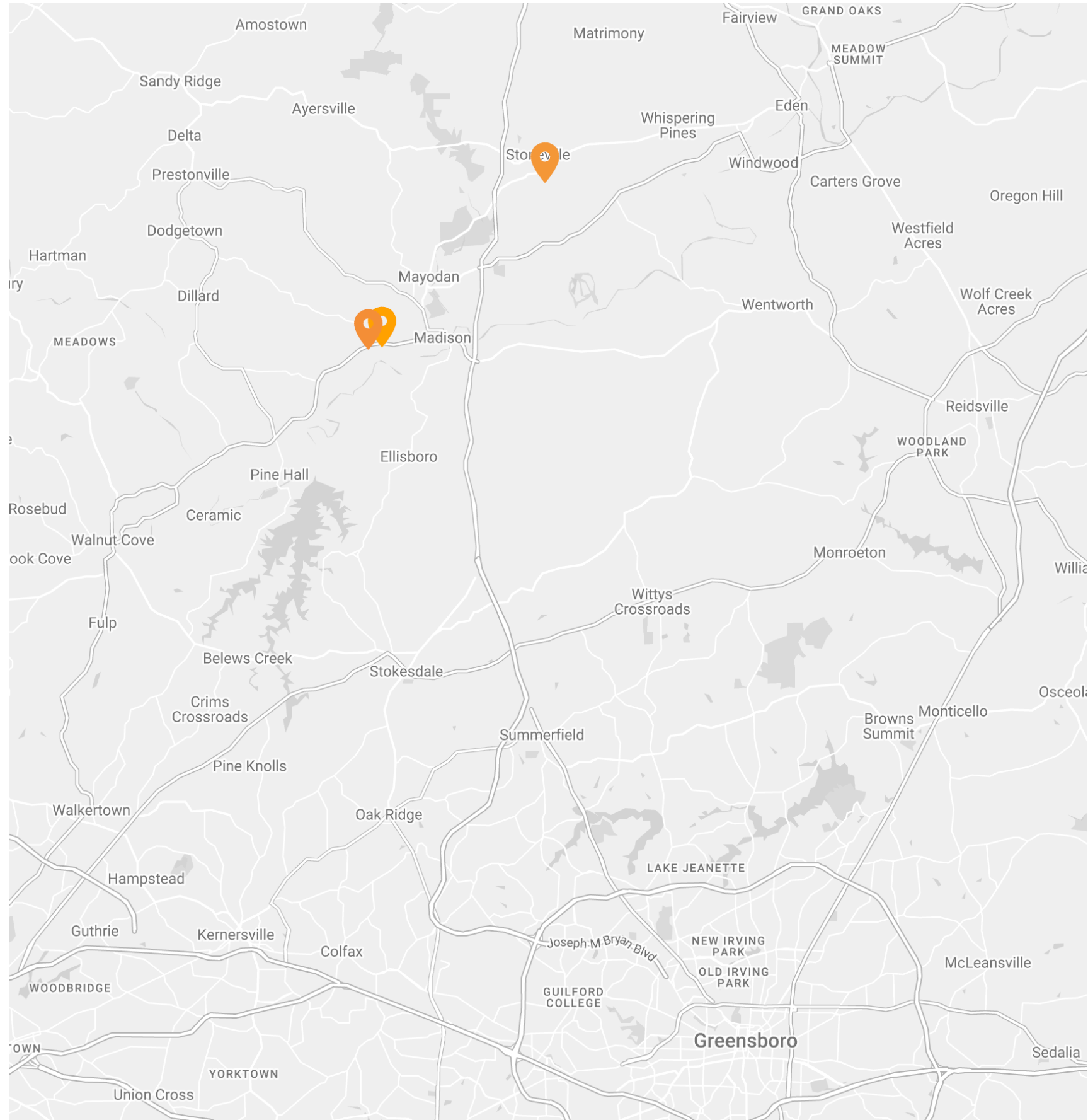
Loans	New Loan	Loan Info	Comments
LOAN AMOUNT	\$1,140,000	Non-Recourse	60% LTV, POH Included
INTEREST RATE	5.0%	Seller Financed	12 Months I/O, 24 Months on 25 YR AM
AMORTIZATION	25	I/O Period	36 Month Balloon



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	\$1,900,000	100%
1ST POSITION LOAN	\$1,140,000	60%
CASH TO CLOSE	\$760,000	40%

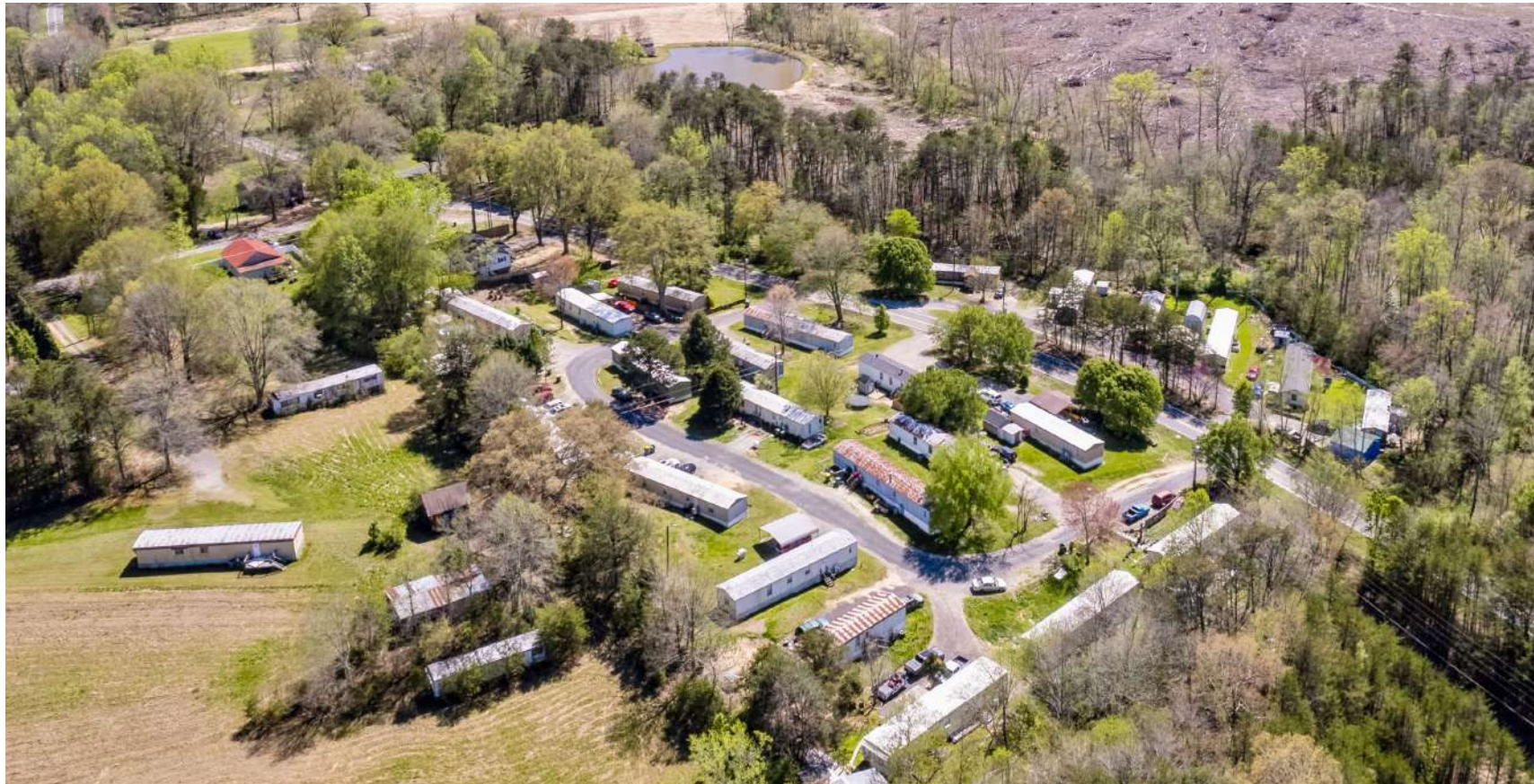
► Location Map and Property Parcel



► Property Parcels



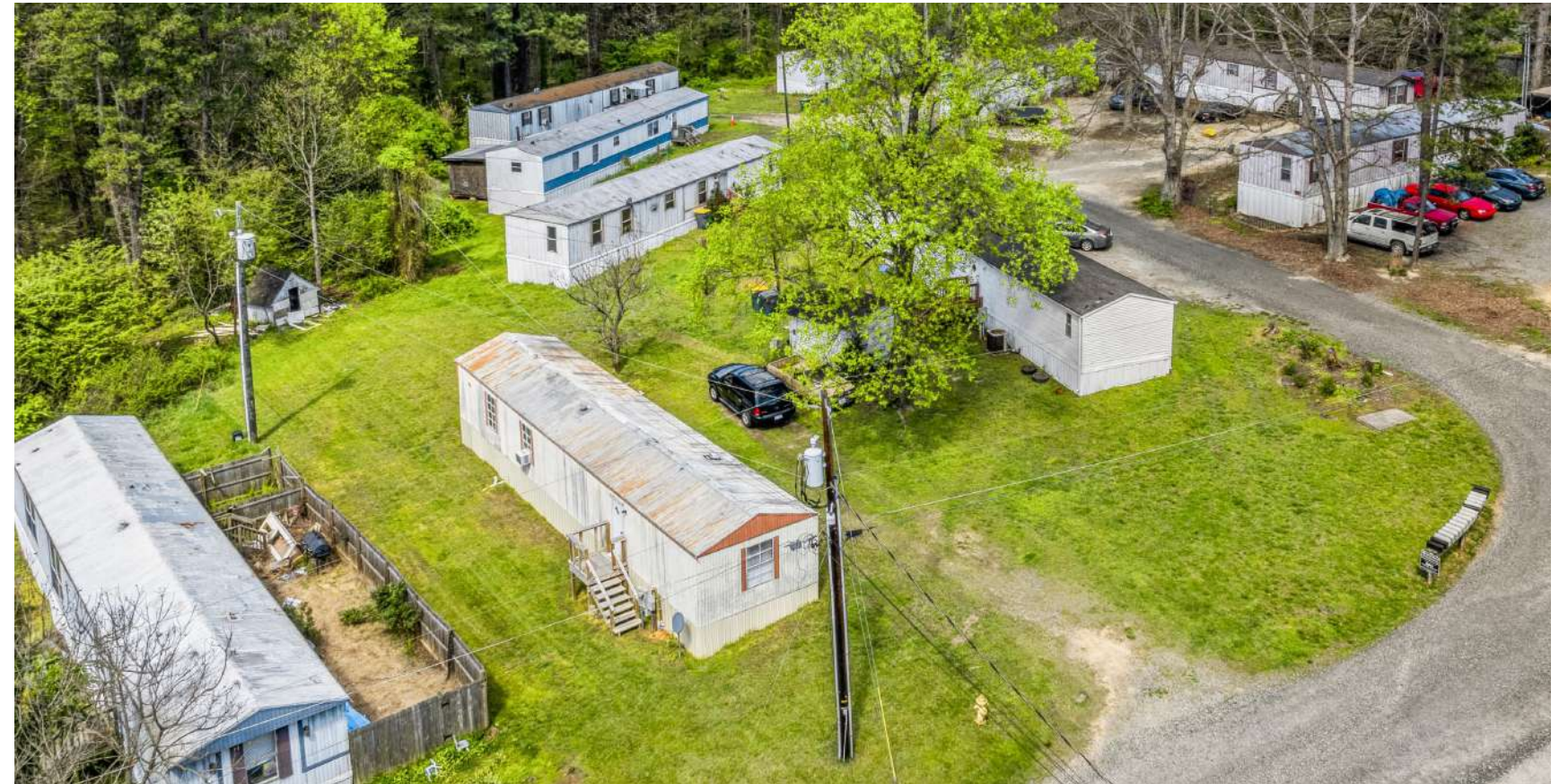
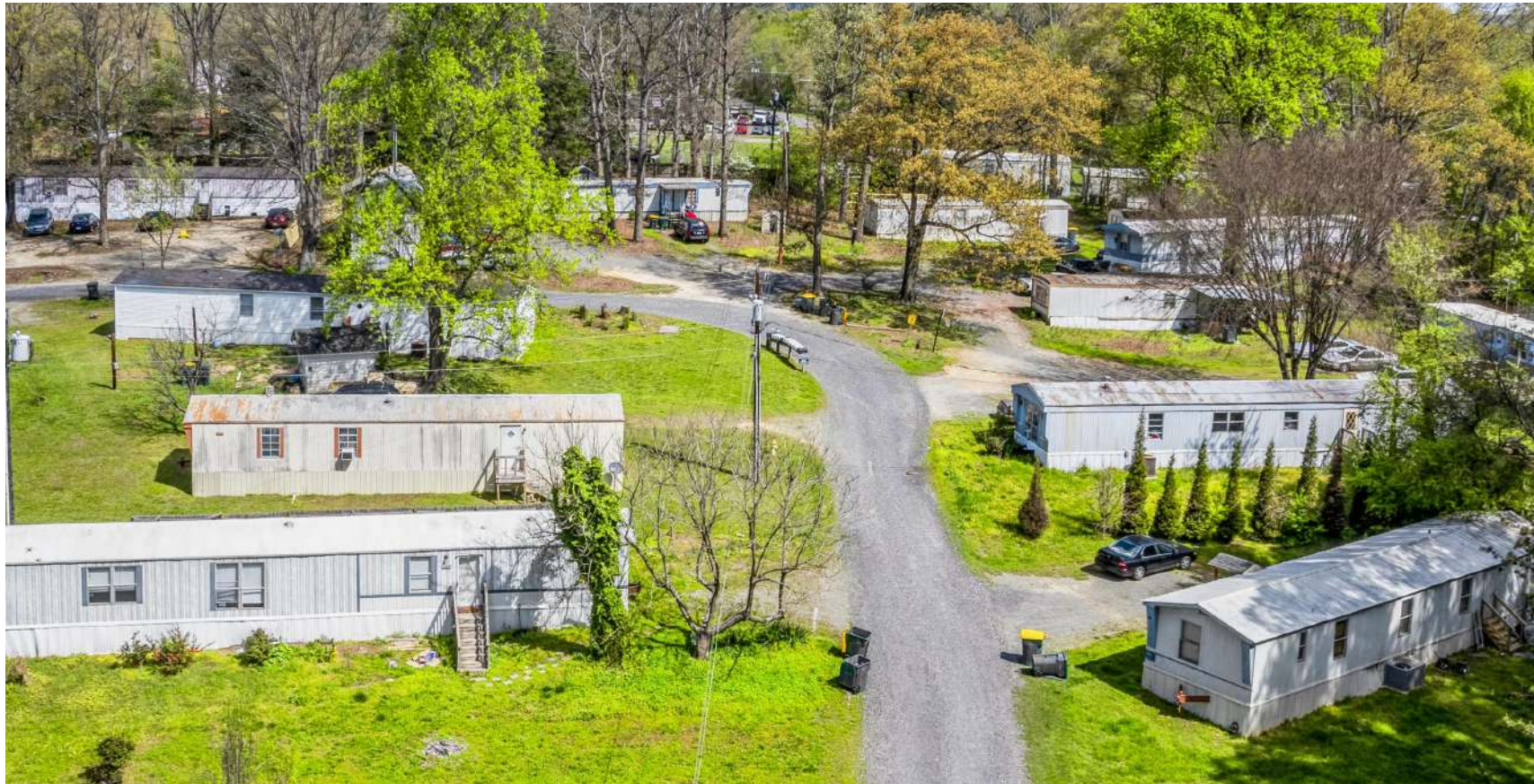
▶ Property Photos



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Brokerage Team

Dylan Hellberg graduated Sierra Nevada College in 2016 with a Bachelor of Science degree in Entrepreneurship. Quickly finding an aptitude for sales, he spent two years in the automotive industry as a salesperson and internet sales manager, gaining the skills and knowledge to close large sales efficiently and professionally.

Dylan was brought into Marcus and Millichap to join Glenn Esterson and the Esterson MHC team in July, 2019. With a focus on the Southeast, Mid-Atlantic, and Mideast markets, Dylan provides clients with an unmatched level of market knowledge and insights. His dedicated work ethic and capability mean clients get the best outcome possible in any transaction.

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▶ **ESTERSON TEAM MHC**

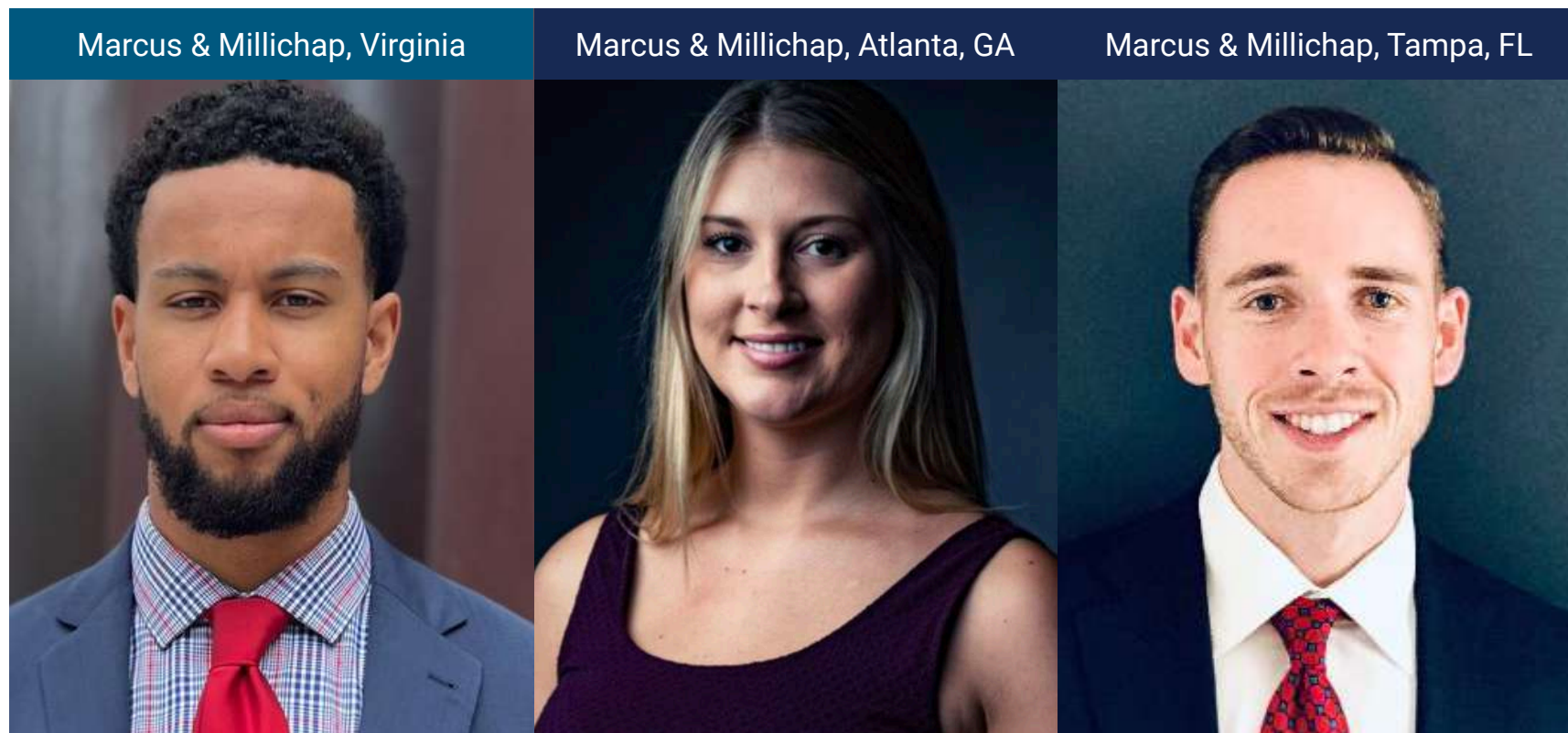
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