## Hidden Lakes MHC

1020 Twin Lakes Dr. King, NC 27021

Value-Add, 85 Lot Manufactured Housing Community

**PROPERTY ADDRESS** 

**INVESTMENT OPPORTUNITY** 



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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** 

Hidden Lakes MHC

**PROPERTY ADDRESS** 

1020 Twin Lakes Dr King, NC 27021

COUNTY

Stokes County

**METRO AREA** 

Winston-Salem, NC MSA

PARCEL NUMBER(S)

6912651442

#### Click Here To Access Due Diligence Items



### Site Description

\$2,650,000 **PURCHASE PRICE** 85 **TOTAL RENTAL UNITS** MOBILE HOME LOTS 85 **EXPANSION APPROVED** No **TOTAL LAND AREA** 56 Acres Private-Paved ROADS No **FLOOD ZONE OPPORTUNITY ZONE** No

### Mechanical Description

Public, Tenant Pays **WATER SYSTEM** Private, Landlord Pays **SEWER SYSTEM** Public, Tenant Pays **ELECTRIC SERVICES** Public, Tenant Pays **GAS/PROPANE SERVICES** Curbside, Tenant Pays **TRASH** Public, Tenant Pays **CABLE SERVICES** Landlord Mows Commons LAWNCARE SERVICES No Snow **SNOW REMOVAL** 

# Property Description

#### HIGHLIGHTS

- Hugh Upside Through Infill
- Large MSA Population With Demand For Affordable Housing
- Upside In Rent Growth

#### KNOWN ISSUES

- 45% Occupancy
- Private Sewer

# 85-Unit, Cash Flowing & Value-Add Manufactured Home Community

The Esterson MHC Team is excited to present Hidden Lakes Manufactured Home Community, a 85-unit manufactured home community located in the serene town of King, NC which is part of the Winston-Salem NC MSA. This well-maintained community presents significant upside potential. The Winston-Salem NC MSA has a population of approximately 695,630 and is growing rapidly, and benefits from its strategic location within the state, making it an attractive market for future development initiatives.

Hidden Lakes Manufactured Home Community features 85 active MH lots. There are 33 tenant-owned homes (TOH), 5 rent to own homes (RTO) and 47 vacant lots. The average lot rental rate is \$430 per month, offering a significant opportunity to increase rents to market due to the limited supply of affordable housing and the growing demand in this market.

The community operates on public water and private sewer systems. Tenants are responsible for water utility payments, and curbside trash service is billed back to the residents. The landlord is responsible for the sewer system costs. Private roads are paved and in good condition enhancing both the value and appeal of the property. Additionally, recent tree trimming and general park beautification projects have been completed, providing added convenience and safety for tenants, making this community an even more attractive living environment.

Hidden Lakes Manufactured Home Community is currently managed by an on-site manager who oversees day-to-day operations. This community is priced at \$2,650,000 and presents a value-add opportunity for investors looking to acquire a good asset with major upside potential. Both conventional recourse, non-recourse, and bridge lending options are available. Interested parties are encouraged to submit their offers with price, timeline, escrow amount, and a list of due diligence requirements. All offers must include price, inspection timelines, appropriate terms, proof of funds, a list of due diligence required from owners, and relevant real estate experience.



# Location Information

The Winston-Salem, NC Metropolitan Statistical Area (MSA), often referred to as the "Twin City," is a diverse region known for its rich history in manufacturing and tobacco, as well as its modern transformation into a hub for innovation, healthcare, and education. Once heavily reliant on industries like tobacco and textiles, the Winston-Salem MSA has shifted towards a more diversified economy, with a growing focus on technology, biomedical research, and healthcare, featuring renowned institutions such as Wake Forest University and the Wake Forest Baptist Medical Center.

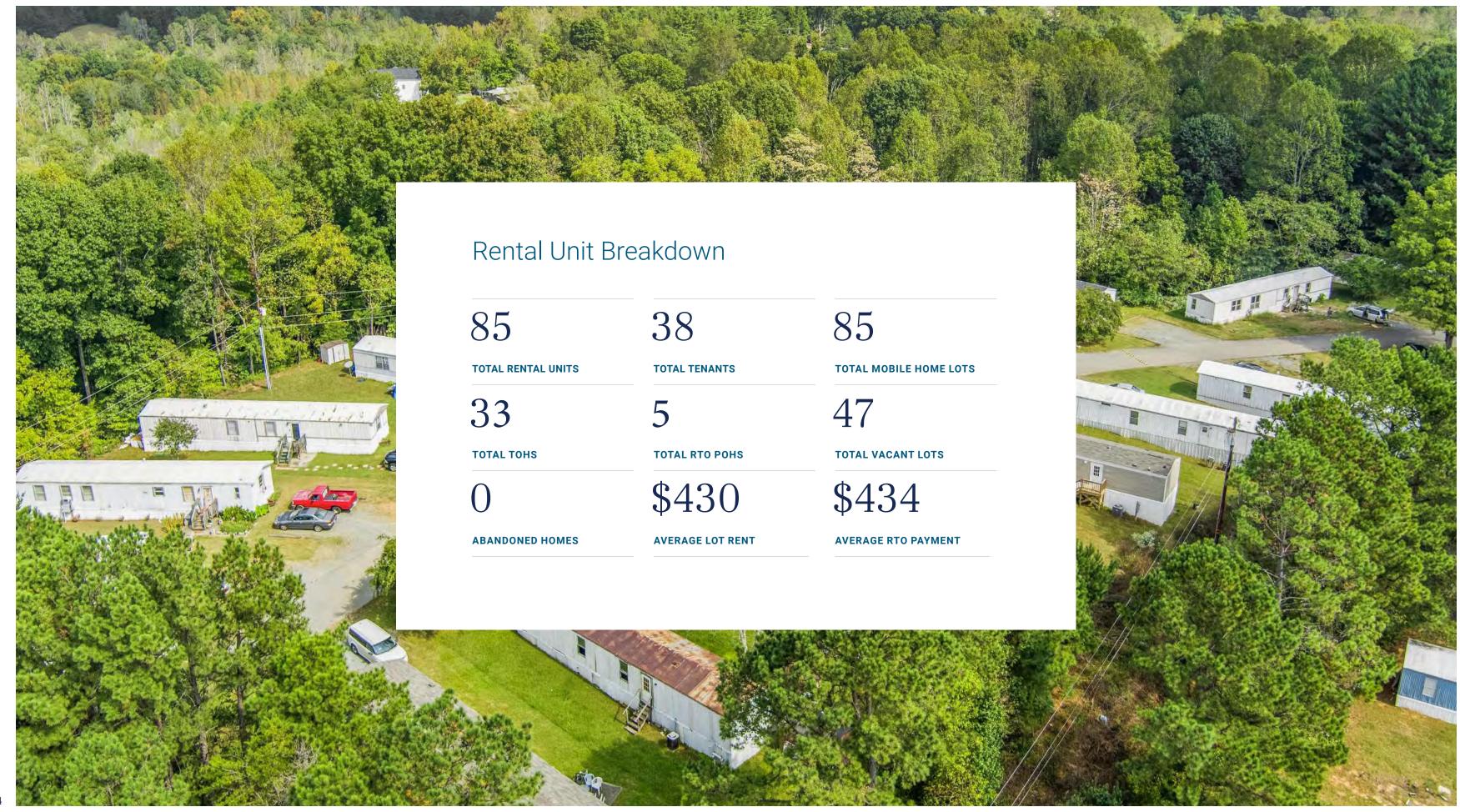
Winston-Salem's urban core offers a unique mix of historic charm and contemporary amenities, characterized by revitalized downtown areas, cultural attractions, and vibrant neighborhoods. The MSA also includes a network of suburban towns and rural communities, providing a wide range of lifestyle options that cater to both urban dwellers and those seeking a quieter, suburban experience.

Residents of the Winston-Salem MSA enjoy an abundance of recreational opportunities, with access to the Yadkin River, multiple parks, and an extensive trail system. This combination of economic growth, academic excellence, and outdoor amenities makes the Winston-Salem MSA an increasingly desirable place to live, work, and invest.

### Rental Market Snapshot – Winston-Salem, NC MSA

- Renters make up approximately 40% of the Winston-Salem MSA's population, indicating strong rental housing demand across the region.
- Only 4% of homes and apartments are currently available to rent, reflecting a competitive rental market driven by population growth and increased demand for quality rental housing.
- The **Winston-Salem MSA** has a population of approximately **695,630**, with steady growth fueled by expanding job opportunities, a lower cost of living compared to nearby urban centers, and an overall high quality of life.
- The median home cost in the Winston-Salem MSA is approximately \$245,000, with home appreciation up 9% year-over-year and 45% over the past decade, underscoring the area's consistent growth and stability in the housing market.





## Investment Summary

### Pricing

OFFERING PRICE	\$2,650,000
CAP RATE (LOT RENT ONLY)	4.7%
GLOBAL CAP RATE	5.3%
PRICE PER LOT	\$28,871
PRO FORMA VALUE	\$5,407,378

### Upside Comments

The upside on the deal consists of growing lot rents to the market rate over time and filling any vacant lots.

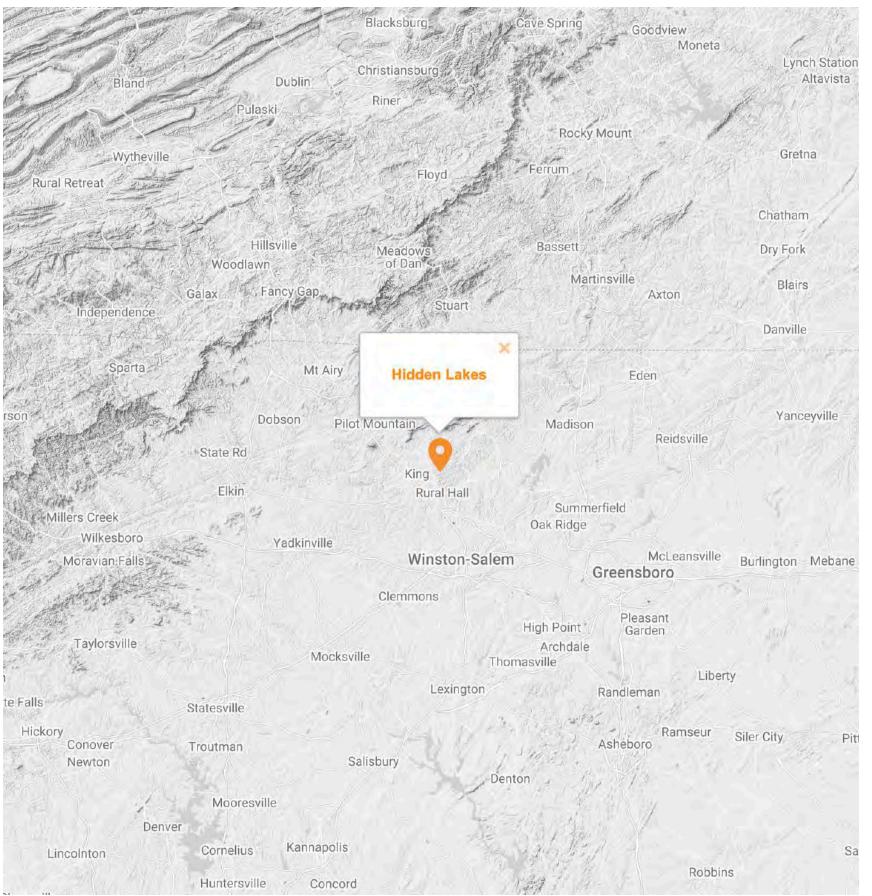
Capitalized Revenues	P&L 0	P&L 1	P&L 3	
	T-12 P&L - From Seller	T-1 P&L - From Seller	Mark-To-Market	
TOTAL GROSS INCOME (ALL REVENUES)	\$202,209	\$261,697	\$544,532	
TOTAL GROSS EXPENSE (ALL EXPENSES)	\$116,506	\$116,506	\$193,053	
GLOBAL NOI:	\$80,862	\$140,350	\$351,480	
GLOBAL CAP RATE:	3.1%	5.3%	13.3%	
POH Revenues	P&L 0	P&L 1	P&L 3	
TOTAL RTO REVENUE	\$0	\$26,040	\$0	
RTO EXPENSES	\$0	\$0	\$0	
RTO NET INCOME TOTAL	\$0	\$26,040	\$0	
RTO VALUE	5 hom	\$199,000 5 homes with 21st mortgage, \$199K debt balance. Tenant Balance Buyer to assume the loan from 21st		
Investment Metrics	P&L 0	P&L 1	P&L 3	
LOT RENT CAP RATE	3.1%	4.7%	14.3%	
GROSS CAP RATE (PARK & POH)	3.1%	5.3%	13.3%	
CASH ON CASH LEVERED		2.6%	18.5%	

Property Revenue & Expense	Sellers Actuals	Sellers Actuals	Maximized	Comments
	REVENUE: T12 P&L	REVENUE: RR, OCT. 2024	PRO-FORMA (MARKET)	
	ACTUAL PER SELLER RECORDS	CURRENT RENTS PER RR	MARKET RENTS	
	REVENUE AS REPORTED	44.7% OCCUPANCY	100% OCCUPANCY	
	EXPENSE AS REPORTED	EXPENSE AS REPORTED	BROKER ADJUSTED EXPENSE	
LOT RENT REVENUE	\$158,581	\$196,080	\$489,600	P&L 3: Based on Market Lot Rent of \$480
UTILITY REVENUE	\$33,103	\$0	\$0	
WATER REVENUE	\$0	\$11,400	\$25,500	
TRASH REVENUE	\$0	\$17,652	\$40,545	
FEE REVENUE (RE)	\$10,525	\$10,525	\$11,113	P&L 0,1: As Reported   P&L 3: 2% of Total Revenue
COLLECTIONS LOSS/BAD DEBT	\$4,841	\$4,841	\$22,226	P&L 0,1: As Reported   P&L 3: 4% of Total Revenue
TOTAL REVENUE	\$197,368	\$230,816	\$544,532	
PROPERTY TAX	\$6,098	\$6,098	\$9,147	P&L 0,1: Actual   P&L 3: Adjusted by Broker Estimate
INSURANCE EXPENSE	\$1,740	\$1,740	\$6,375	P&L 0,1: As Reported   P&L 3: \$75 Per Unit/Year
REPAIRS & MAINTENANCE SERVICES	\$16,958	\$16,958	\$17,000	P&L 0,1: As Reported   P&L 3: \$200 Per Unit/Year
UTILITY SERVICES	\$60,452	\$0	\$0	P&L 0: As Reported (Inc. W/S/T/E)
WATER SERVICES	\$0	\$20,000	\$44,737	P&L 0,1: As Reported: \$0   P&L 3: \$44 Per Tenant/Month
SEWER SERVICES	\$0	\$27,000	\$27,000	P&L 0,1: As Reported: \$0   P&L 3: \$26 Per Tenant/Month
TRASH SERVICES	\$0	\$3,600	\$8,053	P&L 0,1: As Reported: \$0   P&L 3: \$8 Per Tenant/Month
ELECTRIC SERVICES	\$0	\$9,852	\$22,038	P&L 0,1: As Reported: \$0   P&L 3: \$22 Per Tenant/Month
ON-SITE MANAGEMENT	\$29,682	\$29,682	\$27,227	P&L 0,1: As Reported   P&L 3: 5% of Total Revenue
3RD PARTY MANAGEMENT	\$0	\$0	\$27,227	P&L 0,1: As Reported   P&L 3: 5% of Total Revenue
GENERAL & ADMIN SERVICES	\$1,576	\$1,576	\$4,250	P&L 0,1: As Reported   P&L 3: \$50 Per Unit/Year
TOTAL EXPENSES	\$116,506	\$116,506	\$193,053	
EXPENSE RATIO	59%	51%	36%	
NET OPERATING INCOME (NOI)	\$80,862	\$114,310	\$351,480	
CAP RATE	3.1%	4.7%	14.3%	
RTO INCOME	\$0	\$26,040	\$0	P&L 0,1: Per Rent Roll   P&L 3: RTO Complete, Income Removed
POH/RTO EXPENSES	\$0	\$0	\$0	P&L 0,1: As Reported   P&L 3: RTO Complete, Income Removed
NET POH/RTO INCOME	\$0	\$26,040	\$0	
CASH FLOW BEFORE DEBT	\$80,862	\$140,350	\$351,480	
GLOBAL CAP RATE	3.1%	5.3%	13.3%	

Advertised Pricing	P&L 1	Per Unit	Comments
REAL ESTATE VALUE	\$2,454,000	\$28,871	4.7% Cap Rate
RTO VALUE	\$196,000	\$39,200	5 RTO Contracts
TOTAL VALUE	\$2,650,000		
Upside Value	P&L 3		Comments
REAL ESTATE VALUE	\$5,407,378		6.5% Cap Rate
RTO VALUE	\$0		
TOTAL VALUE	\$5,407,378		
Unit Types	Count	Avg Rent	
TOTAL RENTABLE UNITS	85		
TOTAL MOBILE HOME UNITS	85		
TENANT OWNED HOME	33	\$430	
RENT TO OWN MOBILE HOME (RTO)	5	\$434	
VACANT MOBILE HOME LOT	47	\$480	
Infrastructure	Туре	Who Pays	
WATER SYSTEM	Public	Tenant Pays	
SEWER SYSTEM	Private	Landlord Pays	
TRASH	Curbside	Tenant Pays	
ELECTRIC SERVICES	Public	Tenant Pays	
GAS/PROPANE SERVICES	Public	Tenant Pays	

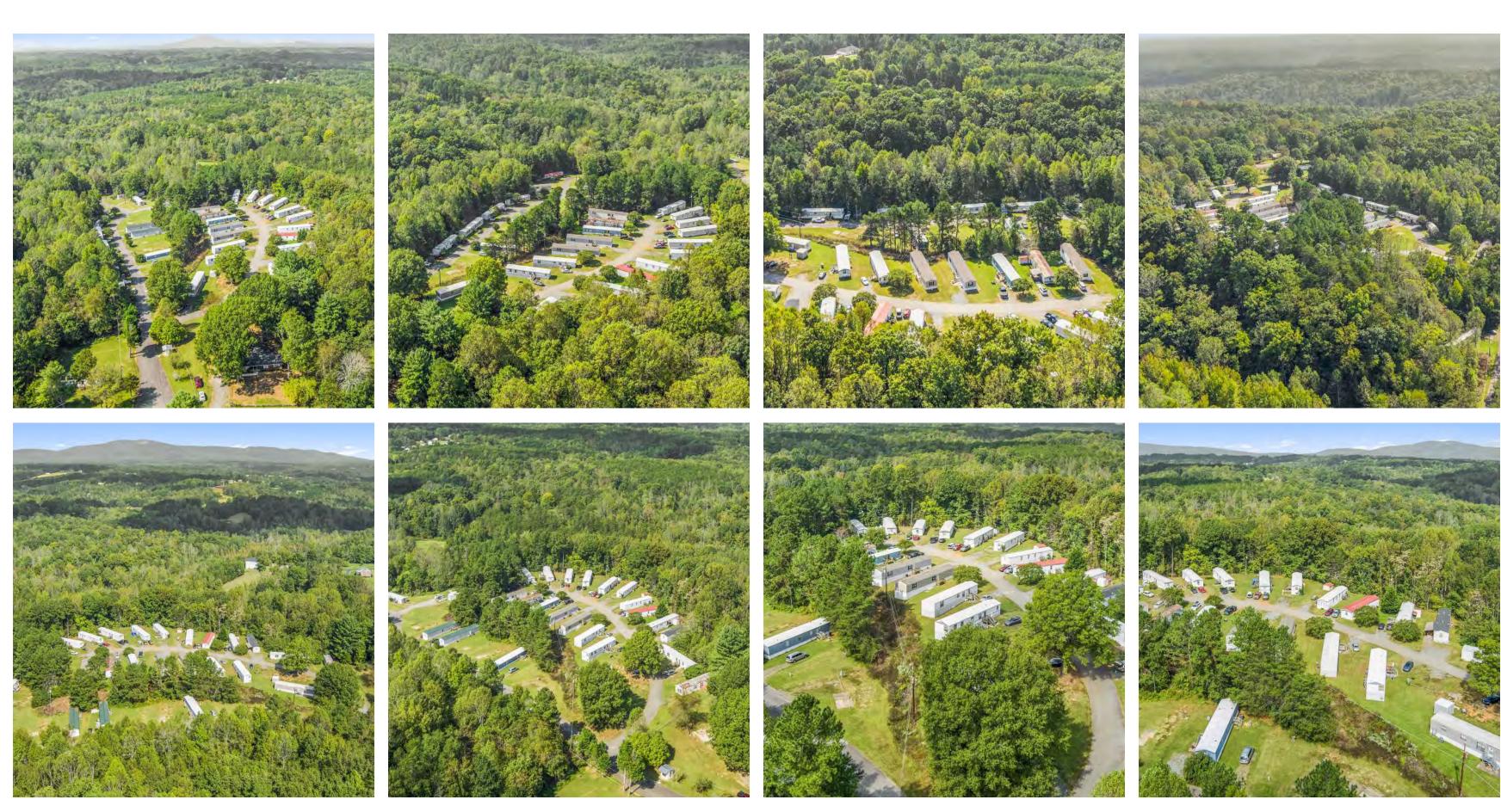


### Location Map and Property Parcel



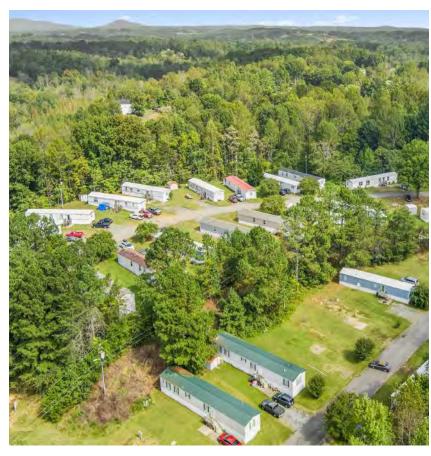


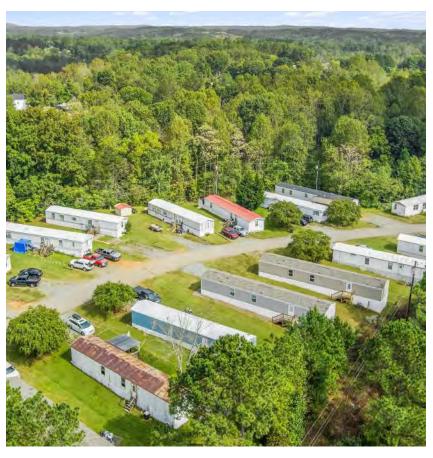
## Property Photos



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## Property Photos

















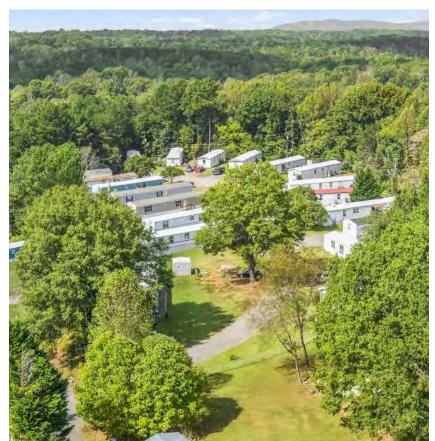
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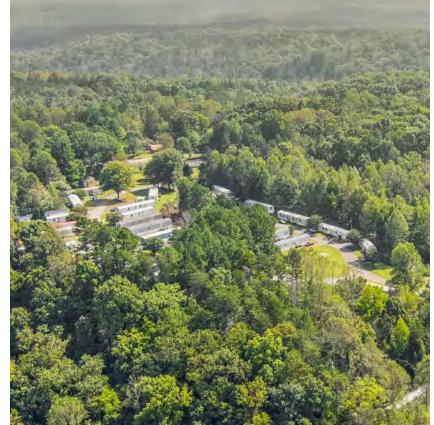


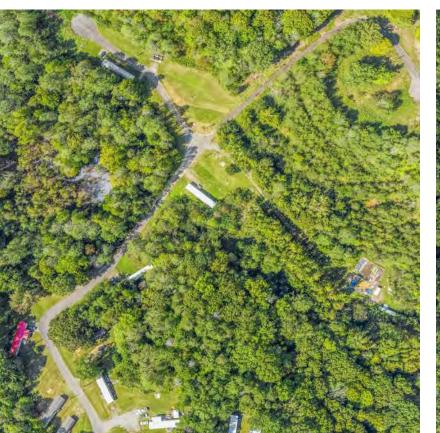














## Brokerage Team

With a career spanning over two decades Glenn Esterson is one of the top professionals in the Manufactured Housing Industry. Since 2020, Glenn and his team have facilitated the sale of hundreds of parks, worth over a billion dollars. In addition to being a former park owner, Glenn's extensive industry experience includes owning and operating several industry-supportive businesses, providing him and his team and their clients a comprehensive understanding of the industry. These efforts ultimately gives him a unique perspective that provides an advantage for his clients in buying and selling land lease communities across U.S. markets.

He works exclusively with institutions, syndications, and private investors, serving as their primary real estate investment advisor for acquisition and disposition needs. His dedication, expertise, and results-driven approach continue to position him and his team as industry leading experts.

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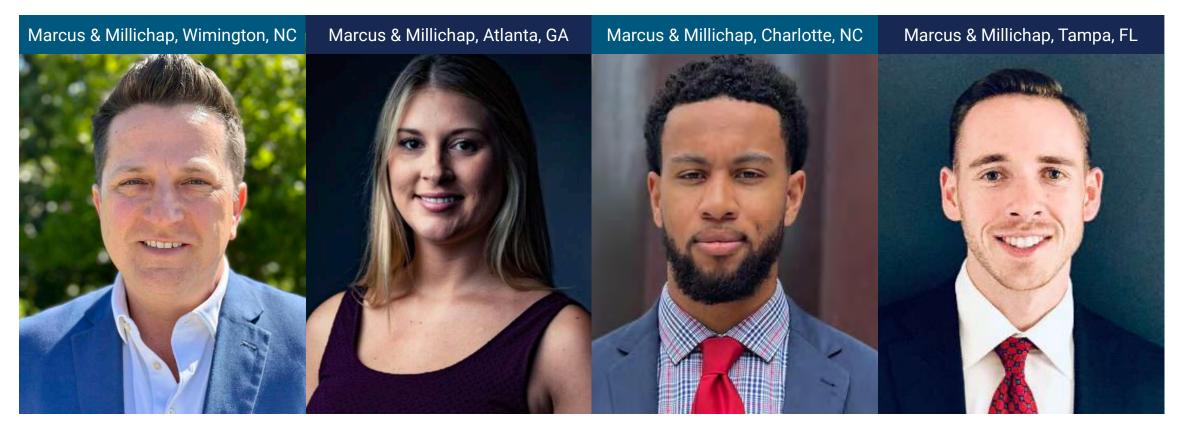


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Cole Burchill





Justin Jeffries



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Aaron Young



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