

Marcus & Millichap

Real Estate Investment Services

550 SPACES
COLONIAL COUNTRY CLUB
601 North Kirby Street
Hemet, CA 92545

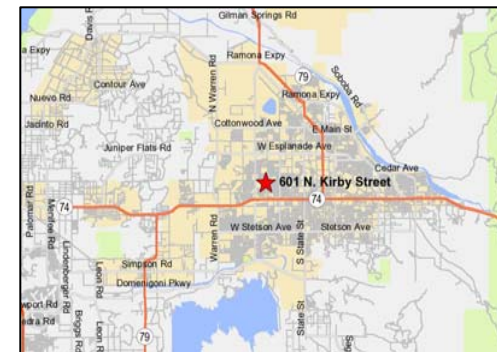


INVESTMENT HIGHLIGHTS

- ◆ 550-Space, Senior (55+) Community. 540 DW Homes, Four SW Homes and Five Vacant Sites
- ◆ 95% Occupied - Seven Vacant Sites and Eighteen POH for Sale
- ◆ All City Services - Submetered Utilities. Cable TV Pass-through
- ◆ Full Amenity Package with Total SQ' of 23,344 Under Roof
- ◆ 2,233 Yard 18-Hole Executive Golf Course with a Par 58
- ◆ All Double Wide Sites; 54' to 56' by 68' to 70'
- ◆ 93.96 Acres in Central Hemet
- ◆ Property Tax Pass-Through to the Residents in the Lease

OFFERING SUMMARY

Price	\$31,000,000
Down Payment	(32%) \$9,894,000
Loan Amount	\$21,106,000
Loan Type	Assumption
Interest Rate	6.000%
Spaces	550
Price Per Space	\$56,364
Year Built	1971
Lot Size	93.96 Acres
Cap Rate - Current	6.06%
Cap Rate - Pro Forma	6.23%
GRM - Current	10.55
GRM - Pro Forma	10.36
Net Cash Flow After Debt Service - Current	6.2%
Net Cash Flow After Debt Service - Pro Forma	6.7%
Total Return - Current	6.2%
Total Return - Pro Forma	6.7%



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INVESTMENT OVERVIEW

Colonial Country Club is a 550-site, four star, senior (55+) community located on the southwest corner of Kirby Street and Menlo Avenue north of Highway 74 in Hemet, California. Situated on 93.96 acres, the property features all double-wide sites and is currently 95% occupied. There are approximately 540 multi-section homes, four (4) single section units and seven (7) vacant sites in the community. Three hundred and ninety seven (397) residents are on leases and one hundred fifty three (153) residents have month to month agreements less the five vacant sites and the eight park owned homes in inventory. There is an 18 hole executive golf course on-site for the residents which features 2,233 yards of golf with a par of 58 for the course. Golf is free for the residents and there is a nominal fee for guests.

The community has all city utility services. Electricity is submetered to 403 spaces and directly billed to 147 spaces and is provided by Southern California Edison. The electrical service to the home sites ranges from 50 to 100 amp. The gas service is submetered to the residents and is provided by the Southern California Gas Company. Water and Sewer services are also submetered and provided by EMWD.

601 NORTH KIRBY STREET • HEMET, CA 92545

SPACE MIX

No. of Spaces	Space Type	Current Rents	Monthly Income	Pro Forma Rents	Monthly Income
537	DoubleWide	\$332-\$525	\$236,724	\$343-\$543	\$245,017
5	DoubleWide (Vacant)	\$475	\$2,375	\$491	\$2,455
8	ParkOwnedHome Vacant	\$475	\$3,800	\$491	\$3,928
550	Total		\$242,899		\$251,400

OPERATING DATA

	Current	Pro Forma
INCOME		
Gross Potential Rent	\$2,914,788	\$3,016,800
Other Income	1,075,046	1,078,622
Gross Potential Income	\$3,989,834	\$4,095,422
Less: Vacancy/Deductions	2.6% 76,694	2.6% 79,378
Effective Gross Income	\$3,823,173	\$3,922,928
Less: Expenses	1,700,959	1,700,959
Net Operating Income	\$2,122,214	\$2,221,969
Debt Service	1,266,360	1,266,360
Debt Coverage Ratio	1.68	1.75
Net Cash Flow After Debt Service	5.1% \$855,854	5.7% \$955,609
Total Return	5.1% \$855,854	5.7% \$955,609

EXPENSES

Real Estate Taxes	\$423,121	\$423,121
Insurance	26,000	26,000
On-Site Management	115,000	115,000
Off-Site Management	65,000	65,000
Gas / Electric	309,441	309,441
Water	46,817	46,817
Sewer	106,342	106,342
Trash	77,579	77,579
Meters	2,537	2,537
Cable TV	108,586	108,586
Total Utilities	651,302	651,302
Repairs & Maintenance	40,000	40,000
Marketing & Promotion	10,000	10,000
General & Administrative	26,090	26,090
Reserves & Replacements	55,000	55,000
Total Other Expenses	289,446	289,446
Total Expenses	\$1,700,959	\$1,700,959
Expenses per Space	\$3,093	\$3,093
% of EGI	44.5%	43.4%



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