

Marcus & Millichap

Real Estate Investment Services

120 SPACES
RANCHO CORRIDO RESORT
 14715 Highway 76
 Pauma Valley, CA 92061



INVESTMENT HIGHLIGHTS

- ◆ 120 Large RV Sites on 31.28 Acres
- ◆ All New Infrastructure: Water, Sewer/Septic, Leach Fields, Electric Service and Roads (2003-2006)
- ◆ Room for Additional Potential Amenities: Driving Range, Skeet Shooting, RV Storage and Convenience Store
- ◆ The Only Affordable Housing Option in the Area
- ◆ Highway 76 Signage and Visibility
- ◆ 24 Park Models Purchased for \$1,000,000
- ◆ Fully Amenitized with Clubhouse, Swimming Pool, Basketball Courts, Horseshoe Pits and More

OFFERING SUMMARY

Price	\$8,000,000
Down Payment	(40%) \$3,200,000
Loan Amount	\$4,800,000
Loan Type	New
Interest Rate	6.00%
Amortization	30 Years
Spaces	120
Price Per Space	\$53,333
Year Built	1956 / 2006
Lot Size	1,362,992 / 31.29 Acres
Cap Rate - Current	6.86%
Cap Rate - Pro Forma	7.86%
GRM - Current	9.11
GRM - Pro Forma	8.46
Net Cash Flow After Debt Service - Current	4.20%
Net Cash Flow After Debt Service - Pro Forma	6.00%
Total Return - Current	6.05%
Total Return - Pro Forma	7.85%

*All Current and Pro Forma Numbers are based on the Real Property Sale at \$7,000,000!

Listed by:

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INVESTMENT OVERVIEW

Rancho Corrido RV Resort and Campground is a 120 full service site, all age, RV Resort located in Pauma Valley, California. Situated on 31.28 acres, the park is occupied year round and offers a host of amenities including a clubhouse with activities, laundry room, swimming pool, basketball courts, horseshoe pits, volleyball courts, playground, picnic area, a lake and a dump station. Rancho Corrido also offers large spaces for RV's and can accommodate pull-thrus and double slideouts. All of the 120 sites come with full hookups and the park offers 30 or 50 AMP connections. Telephone, internet and cable TV hookups are also available. The park is also permitted for 130 tent sites, a target range and general store. The parks infrastructure has been upgraded with new water lines, sewer / septic lines, electrical wiring and pedestals, leach fields, septic tanks (additional capacity) and roads. The park is currently well served but the seller is negotiating a sale of the water to the local water company with a provision to supply the park with ample low cost water in perpetuity. The park has 450 gallons per minute available from the onsite will and the pending transaction with the Yuma Water Company will relieve the park operator from the testing and liability for the water service to the residents. There is ample water for irrigation of the park grounds and future development of any potential additional amenities; driving range, skeet shooting range or RV storage.

SPACE MIX

No. of Spaces	Space Type	Current Rents	Monthly Income	Pro Forma Rents	Monthly Income
96	RV	\$499	\$48,403	\$550	\$53,350
24	Park Owned Coach	\$650	\$15,600	\$650	\$15,600
120	Total		\$64,003		\$68,950

OPERATING DATA

	Current	Pro Forma
INCOME		
Gross Potential Rent	\$768,036	\$827,400
Laundry, Storage & Camping Income	77,400	77,400
Utility Income	44,000	44,000
Gross Potential Income	\$889,436	\$948,800
Vacancy/Collection Allow.	3.0% 23,041	3.0% 24,822
Effective Gross Income	\$866,395	\$923,978
Expenses	386,500	386,500
Net Operating Income	\$479,895	\$537,478
Debt Service	345,341	345,341
Net Cash Flow After Debt Service	4.2% \$134,554	6.0% \$192,137
Principal Reduction	58,945	58,945
Total Return	6.1% \$193,498	7.9% \$251,081



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EXPENSES

Real Estate Taxes	\$77,000	\$77,000
Insurance	14,000	14,000
On-Site Management / Work Campers	75,000	75,000
Off-Site Management	12,000	12,000
Utilities	99,600	99,600
Maintenance RV Park	30,000	30,000
General & Administrative	10,300	10,300
Replacement & Reserves	12,000	12,000
Internet	900	900
Telephone	2,500	2,500
Professional & Legal	12,000	12,000
Accounting	3,600	3,600
Landscaping	6,000	6,000
Advertising	5,000	5,000
Pool Maintenance – Repair	3,600	3,600
Total Other Expenses	23,000	23,000
Total Expenses	\$386,500	\$386,500
Expenses per Space	\$3,194	\$3,194
% of EGI	44.6%	41.8%