

10 Space Mobile Home Park For Sale!

MICHENER INVESTMENTS LLP

COMMERCIAL REAL ESTATE



Location: 810 N. D Street, Grangeville, ID

Sales Price: \$225,000

Comments:

- 10 space mobile home park
- Two park owned homes (1 currently vacant)
- Space rent \$385/Month
- 2 vacant lots
- Park owned home rent \$625 and \$675/Month



*The above information, while not guaranteed, is from sources we believe to be reliable. This data is subject to price change corrections, errors, omissions, prior sale and/or withdrawal.

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Analysis Assumptions Report

D Street Grangeville, ID

Investment Assumptions

Price of Property	\$225,000.00
Date of Acquisition	1 January 2019
Holding Period	5 Years
Inflation Rate	2% per Year
Sale Price Method	9% Capitalization of NOI on Sale Date

Investor's Assumptions

General Vacancy & Credit Loss	Zero
Tax Rate - First Year	25% w/\$25K Exemption
Tax Rate - Following Years	25% w/\$25K Exemption
Capital Gain Rate	15%
Cost Recovery Recapture Rate	25% - Losses Carried Forward
Present Value Discount Rate Before Debt	7% per Year
Present Value Discount Rate Before Tax	7% per Year
Present Value Discount Rate After Tax	7% per Year

Depreciation Assumptions

Depreciable Amount	65% of Property Price
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Depreciation Start Date	at Acquisition

Loan Assumptions

Loan Amount	65% of Property Price
Loan Interest Rate	5% Annually
Original Loan Period	30 Years
Loan Origination Date	at Acquisition
Loan Type	Monthly Payments, Amortizing

Revenue Assumptions

Annual Revenue	\$32,719.00
Revenue Start Date	at Acquisition
Revenue Period	5 Years
Revenue Growth Method	Annual at 2% Annually

Cleaning, Maint. and repairs Expense Assumptions

Annual Expense	\$530.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at 2% Annually

Analysis Assumptions Report

D Street Grangeville, ID

Utilities Expense Assumptions

Annual Expense	\$5,820.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	No Growth is Projected

Property Tax Expense Assumptions

Annual Expense	\$1,068.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	No Growth is Projected

Insurance Expense Assumptions

Annual Expense	\$1,000.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	No Growth is Projected

Management Expense Assumptions

Annual Expense	\$2,999.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	No Growth is Projected

Proforma Income Statement
D Street Grangeville, ID

	2019	2020	2021	2022	2023
Gross Income					
Revenue	\$32,719	\$33,373	\$34,041	\$34,722	\$35,416
Total Gross Income	\$32,719	\$33,373	\$34,041	\$34,722	\$35,416
Less: Operating Expenses					
Cleaning, Maint. and repairs	530	541	551	562	574
Utilities	5,820	5,820	5,820	5,820	5,820
Property Tax	1,068	1,068	1,068	1,068	1,068
Insurance	1,000	1,000	1,000	1,000	1,000
Management	2,999	2,999	2,999	2,999	2,999
Total Operating Expenses	\$11,417	\$11,428	\$11,438	\$11,449	\$11,461
Net Operating Income	\$21,302	\$21,946	\$22,602	\$23,272	\$23,955
Less: Debt Service					
Loan	9,421	9,421	9,421	9,421	9,421
Total Debt Service	\$9,421	\$9,421	\$9,421	\$9,421	\$9,421
Net Operating Cash Flow	\$11,881	\$12,524	\$13,181	\$13,851	\$14,534
Taxable Income and Taxes					
(Losses > \$25,000)					
(Carried Forward)					
Taxable Revenues	\$32,719	\$33,373	\$34,041	\$34,722	\$35,416
Less: Deducted Expenses	11,417	11,428	11,438	11,449	11,461
Less: Interest Expense	7,263	7,153	7,037	6,915	6,787
Less: Depreciation	5,097	5,318	5,318	5,318	5,097
Ordinary Income	\$8,942	\$9,475	\$10,247	\$11,039	\$12,072
Taxable Income	8,942	9,475	10,247	11,039	12,072
(Cum Suspended Losses)	0	0	0	0	0
Taxes Due (- = Savings)	2,235	2,369	2,562	2,760	3,018
Cash Flow After Tax	\$9,645	\$10,156	\$10,619	\$11,091	\$11,516

Proforma Income Statement

D Street Grangeville, ID

	2019	2020	2021	2022	2023
Sale Proceeds:					
Sale Value	\$236,689	\$243,842	\$251,138	\$258,580	\$266,171
Less: Sale Costs (0%)	0	0	0	0	0
Less: Loan Repayment	144,092	141,824	139,440	136,933	134,299
Sale Proceeds Before Tax	92,597	102,018	111,698	121,647	131,872
Less: Taxes due to Sale	1,753	5,375	7,799	10,244	12,713
Sale Proceeds After Tax	90,843	96,643	103,900	111,402	119,159
Ratio Analysis:					
Profitability Ratios					
Capitalization Rate	9.47%	9.75%	10.05%	10.34%	10.65%
Cash on Cash Before Tax	15.09%	15.90%	16.74%	17.59%	18.46%
Cash on Cash After Tax	12.25%	12.90%	13.48%	14.08%	14.62%
Accounting RoR Before Tax		28.20%	29.37%	30.57%	
Accounting RoR After Tax		25.19%	26.12%	27.07%	
Current RoR Before Tax		21.77%	20.71%	19.79%	
Current RoR After Tax		18.02%	17.44%	16.92%	
Risk Ratios					
Debt Coverage Ratio	2.261	2.329	2.399	2.470	2.543
Breakeven Occupancy	63.7%	62.5%	61.3%	60.1%	59.0%
Loan Balance/Property Value	60.9%	58.2%	55.5%	53.0%	50.5%
Assumption Ratios					
NOI/Property Value	9.00%	9.00%	9.00%	9.00%	9.00%
Gross Income Multiple	7.23	7.31	7.38	7.45	7.52
Operating Expense Ratio	34.9%	34.2%	33.6%	33.0%	32.4%
Analysis Measures:					
IRR Before Debt	15.4%	14.2%	13.8%	13.6%	13.5%
IRR Before Tax	35.2%	30.5%	28.6%	27.4%	26.5%
IRR After Tax	27.4%	24.1%	22.7%	21.9%	21.3%
NPV Before Debt @7.00%	\$16,802	\$28,410	\$39,521	\$50,156	\$60,333
NPV Before Tax @7.00%	\$19,277	\$33,162	\$46,367	\$58,924	\$70,864
NPV After Tax @7.00%	\$14,245	\$24,116	\$33,489	\$42,421	\$50,931