

Mobile Home Park -- Homework Week 1 -- Group 4

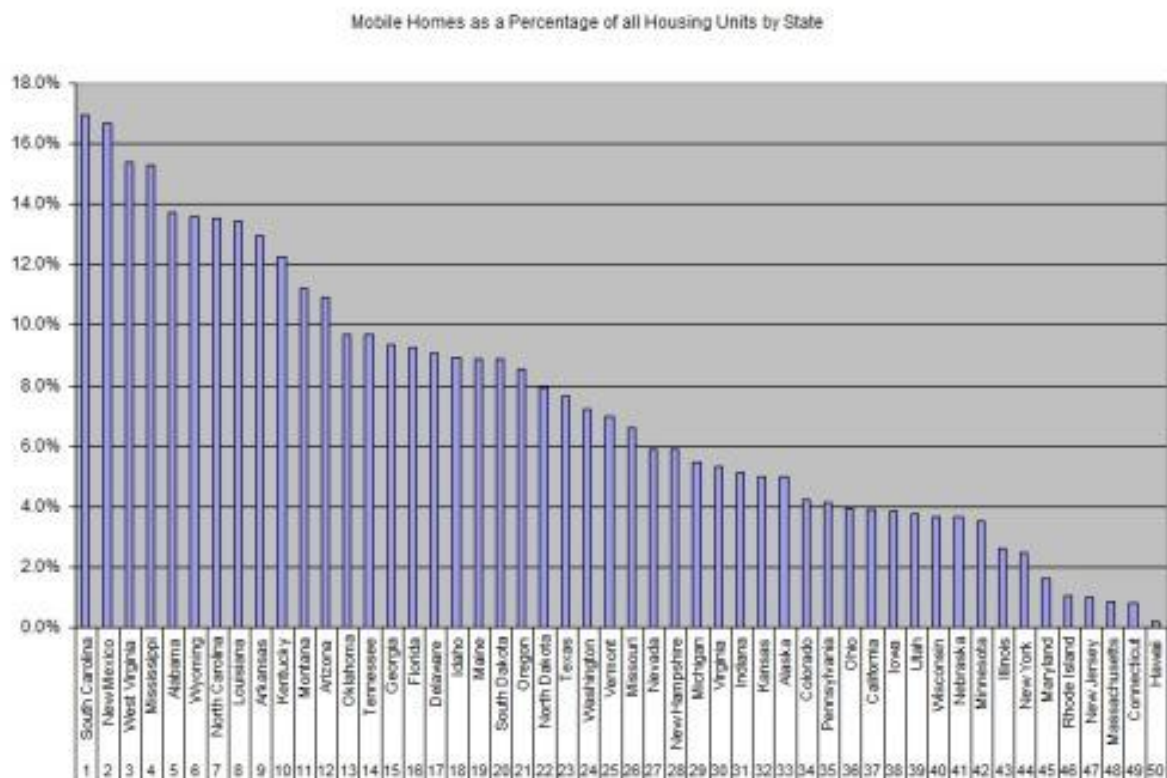
We Started the research by looking at the concentration of MH in US by states.

The percentage of mobile homes ranges from 17% of all housing units in South Carolina, to 0.2% of all housing units in Hawaii. Mobile homes are most prevalent in the South and the Mountain West.

The 10 states with the highest percentage of mobile homes are: South Carolina, New Mexico, West Virginia, Mississippi, Alabama, Wyoming, North Carolina, Louisiana, Arkansas, and Kentucky.

The 10 states with the lowest percentage of mobile homes are: Hawaii, Connecticut, Massachusetts, New Jersey, Rhode Island, Maryland, New York, Illinois, Minnesota, and Nebraska.

The chart below shows MH as a Percentage of all housing by State, as can be seen Mobile Home is significant percentage of over all house market in US. Mobile Home Park offers good investment opportunities due to the share of house market.



We conducted research on MHP within 1000 kilometers radius of Dallas, Tx. The following table shows the spread of MHP in 11 states. Texas has the highest number of MHP and biggest market.

State	MHP Counts	Active On the Market	Active/Total %	State Population
Alabama	551	34	6.17	4,903,185
Arkansas	426	9	2.11	3,017,825
Colorado	876	10	1.14	2,913,314
Kansas	568	8	1.41	2,913,314
Louisiana	657	10	1.52	4,648,794
Mississippi	430	8	1.86	2,976,149
Missouri	931	10	1.07	6,137,428
New Mexico	271	5	1.85	2,096,829
Oklahoma	731	16	2.19	3,956,971
Tennessee	618	3	0.49	6,833,174
Texas	3125	65	2.08	28,995,881

Texas has 2nd highest amount of MHP in the states, Median house price in Texas is \$211,199, Median rent is \$1,189, the relatively high home prices creates a strong demand for affordable housing. The strong demography, healthy business environment makes Texas a very attractive market.

The following are 3 cases we studied.

Case 1 Texas:

Location : 6112 Leonard Rd, Bryan, TX 77807

Property Overview: Excellent Investment opportunity with strong historical occupancy including Mobile Home Pad rentals, Single-family, and Duplexes. Advantageous location with nice upside and Expansion Opportunity.

Property Highlight

Upside Potential: Opportunity to Increase Rents and Add Additional Mobile Home Pads

Great Location Along Corridors to TAMU

Over 20 Acres

Expansion Opportunity

Very High Historical Occupancy

Low Resident Turnover

High Population Growth in Bryan/College Station

Sale Price: \$3,480,000

Cap Rate: 8.5%

Status: Under Contract

Day on Market: 47 days

Units: 76

Lot size: 21AC

Building Size: 871,000SF

Year Built: 1967

Opportunity Zone: YES

Site Demographic in ring of 5 miles

Population: 59,924

Median age: 24.8

Median Household Income: \$51,922

Average Home Value: \$177,354

Education

No high school Diploma: 24%

High school graduate: 24%

Some college: 25%

College Graduate: 27%

Pos: Location and demography are good, vacancy is low, opportunity for some expansion, in Opportunity Zone

Cons: Part of property is in flood zone

Conclusion: We do not have detailed expense/income, and not sure all the mobile home ownership, will need more time and information. But from the information we read so far, it can be a good property to start to learn doing the analyses

Case 2 密歇根州

Genesee Forest Mobile Home Park

1806 East Webster Road, Flint, MI 48505 Price:
\$1,350,000

Purchase Method: Cash, Seller Financing

Location

--Proximity to Airport: Located on the northeast boarder of Flint, MI. Flint is situated between Flushing and Genesee Township, and is approximately 1 hour north of Detroit. Bishop International Airport (FNT) is 10 miles from the property.

-- Proximity to Near by Cities: Located between Flint and Mt. Morris Township, Genesee Forest • Mobile Home Park provides quick access to the local cities.

-- Amenities Near By: There are numerous retails, dining, education, worship, recreation, and other amenities within close proximity to the property.

Park Information

Number of MH Lots: 251
Total Occupancy: 29.0 %
Year Built: 1965
Average MH Lot Rent: \$340
Size: 23 acre(s)
Financial Information (Actual)
Gross Income \$389,303
Debt Info

Utility Information

Water: City
Water Paid By: Tenant - RUBs
Sewer: City

优点：市政供、排水，utilities 都是租客负担，营区面积大，可供出租地块多。缺点：人口加速流失（致命缺点），市政供水用铅管（致命缺点），出租率过低。

结论：不建议购买

Case 3: 纽约州

Liberty NY MHP
187 Old Loomis Road, Liberty, NY 12754
Mobile Home Park Details
Price: \$664,000
Cap Rate: 10.7%
Property ID: 1290673
Posted On: Jul 17, 2020
Updated On: Aug 6, 2020

Property Description

- *City water
- *City sewer
- *15 sites
- *100% occupancy
- *2-hour drive to NYC from property
- *8 lot rents, 7 park owned home rents

Location

Hudson Valley NY market is one the of the most desirable markets for MHP investors. Located 2 hours north of NYC.

Park Information

Number of MH Lots: 15

Total Occupancy: 100.0 %

Year Built: 1970

Average MH Lot Rent: \$560

Size: 4 acre(s)

Financial Information (Actual)

Gross Income \$116,940

Operating Expense \$45,909

Net Operating Income \$71,031

Expense Ratio 39.3 %

Lot Information

Singlewide Lots: 15

Utility Information

Water: City

Water Paid By: Park

Sewer: City

8 lot rents, 7 park owned home rents

优点：市政供排水，全部租出，离最近小城五分钟车程，纽约两小时距离，投资回报不错。

缺点：缺少进一步提升容量机会，目前下市了。

结论：作为新手可以考虑。