



Marcus & Millichap

A 144 Lot  
Manufactured  
Home Community  
Investment  
Opportunity

408 Bethel Church Rd  
Angier, NC 27501



# Brentwood & Myrtle Crepe MHC

# WELCOME!

Note to the reader, you will find links throughout the OM pages containing important information, we advise that you click on these links to learn more.

## Disclaimer Notice

The information contained in this marketing brochure is proprietary and strictly confidential. It is intended to be reviewed by the party receiving it from Marcus & Millichap. This marketing brochure has been prepared to provide summarized, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with state and Federal

regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant’s plans or intentions to continue its occupancy of the subject property. The information contained in this marketing brochure has been obtained from sources we believe to be reliable, however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation what so ever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Investment Services, Inc. @2018Marcus & Millichap, All rights reserved.

## Non-Endorsement

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation’s logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said occupation of Marcus & Millichap, its affiliates or subsidiaries, and any agent, product, service, or commercial listing of Marcus & Millichap, and is solely

intended for the purpose of providing tenant lease information about this listing to prospective customers. ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS. Marcus & Millichap Offices throughout the US and Canada. [www.marcus&millichap.com](http://www.marcus&millichap.com)

## Table of Contents

# Index

Offering Made Easy	03
Property Description	03
Rental Units and Investment Summary	04
Property Expenses	05
Local Market Information	05
Parcel Outline	06
Property Photos	06

## 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	
Property Address	<a href="#">409 Bether Church Rd. Angier NC 27501</a>
County	<a href="#">Harnett</a>
Metro Area	<a href="#">Raleigh NC MSA</a>
Parcel Number(s)	<a href="#">071602.0120</a> <a href="#">071602.0004.01</a>
Site Description	
Purchase Price	\$8,800,000
Total Rental Units	144
Mobile Home Lots	144
Commercial/Retail	0
Total Land Area	107.1 Acres
Year Built	1980 estimate
Zoning	residential 03
Flood Zone	No
Opportunity Zone	No
Mechanical	
Water	Pubilc - Direct billed by Utility Co.
Sewer	Septic - 1 home per Septic
Electrical	Public - Direct billed by Utility Co.
Gas	N/A
Trash	Pubilc - Included in Rent
Cable	Pubilc - Direct billed by Utility Co.
Landscape	3rd Party - Included in rent
Snow Removal	N/A - No Snow Region

## STEP 1

Watch the Broker Investment Summarry Video: [CLICK HERE](#)

View underwriting sheet & seller documents: [CLICK HERE](#)

## STEP 2

Schedule a call with your Agent:  
**(720) MHP-4YOU**  
**(720) 647-4968**

## STEP 3

Make an offer (use our template or use your own):

1. Verbal: Our team will write an LOI and present
2. Letter of Intent: [Download here](#)
3. Agency Disclosure: [Download here](#)

Send offers to:  
**Your Local M&M Agent**

# Property Description

**Angier, NC (Raleigh MSA)** Well located Mobile Home Community, located 24.5 miles from downtown Raleigh NC. Population has grown 25% since 2010.

Brentwood MHP has a total of 111 spaces that consist of 26 lot rent only tenants, 77 POHs, 7 rent to own homes, and 1 vacant POH. Crepe Myrtle MHP has a total of 33 spaces that consist of 6 lot rent only tenants, 23 POHs, and 4 rent to own homes.

This portfolio has a total of 144 spaces with 143 tenants with 32 lot rent only tenants paying an average of \$340 100 rented POHs, 11 rent to own homes, and 1 vacant POH. Current occupancy is at 99.3%. The POHs are in above average condition with 50+ homes being newer than 2005 vintage and an average vintage across all homes of 1999. Both parks are on public water, directly billed and on private septic. The parks are not in a flood zone.

This deal is being offered as a stabilized investment with a 7.0% cap rate on current lot rent, and an 8.0% gross cap rate including POH income and expenses. At full price, using loan terms of 4.75% interest, 25 YR AM, 25% down payment the cash-on-cash is 12.0% on normalized numbers. We are asking our investors to submit offers at or above \$8,800,000.



## Highlights & Known Issues

### Investment Highlights

- High quality park with high quality homes
- Great location in growing MSA
- Only 24.5 miles to downtown Raleigh
- Strong upside through POH conversion
- Newer POH in fantastic condition
- Parks located only a 2500' apart
- Public direct billed water

### Known Issues

- Park has historically high late fees
- Park could use some landscaping upgrades
- Park is heavy Park Owned Home Community
- Both parks are on septic, municipal sewer not available

# Rental Units & Investment Summary

Click on the following links for additional property information:

[Oct-2019 Rent Roll](#)[Oct-19 YTD](#)[List of POH inventory](#)[Parcel Map](#)[Other Materials](#)

Offering Price: \$8,800,000  
Cap Rate (Lot rent Only): 7.00%  
Gross Cap Rate: 8.01%  
Cash-On-Cash Return: 12.00%

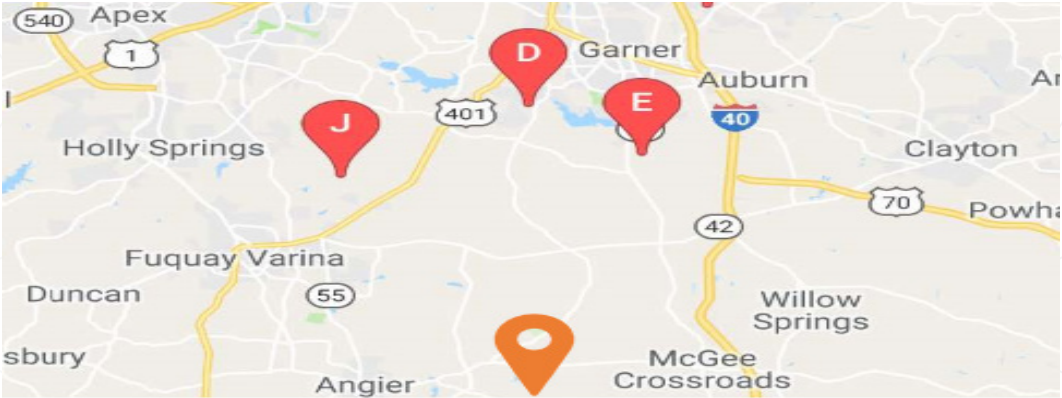
Unit Breakdown		
Total Rental Units	144	Pro Forma
Total Tenants	143	143
Total Mobile Home Lots	144	
Total RV Lots	0	
Tenant Owned Homes	32	32
Abandoned Homes	0	0
Vacant Lots	1	1
Rent to Own POHs	11	11
Rented POHs	100	100
Vacant POHs	1	1
Average Lot Rent	\$340	\$353
Average RTO Payment	\$324	\$324
Average POH Rent	\$339	\$350
Total POH & RTO Units	112	112
Average Vintage (Year) of POH	+1999	
RTO Balance Remaining	\$188K	
Total Double-Wide Units	27	

## Local Rent Comparables [\(Click for JLT Report\)](#)

Rent Comps	Lot Rent	POH Rent	Utility Info
Brentwood & Crepe Myrtle	\$340	\$475-\$975	Direct Water   Septic
Green Spring Valley	\$485	\$790 - \$1,210	Direct Water & Sewer
Indian Creek Overlook	\$425	\$800 - \$1,100	Well & Septic
Pleasant Grove	\$370	\$874 - \$993	Well & Septic

## Comments

JLT Report: January 2019: The survey includes 17 land lease communities. 17 are classified as “All Ages”. There are 3,305 “All Ages” homesites. The average adjusted monthly homesite rent in the “All Ages” communities is \$432, The occupancy rate is 94%. This represents an opportunity to purchase a quality park within the fastest growing MSA in the US with substantially below market rents in both lot rent & park owned home rent. There is additional upside in converting the POH to TOH as the homes begin to age out.



### Capitalized Revenues & Investment Summary

	Actuals	Normalized	Pro Forma
Total Gross Income	\$1,186,026	\$1,084,375	\$1,127,697
Lot Revenue	\$571,843	\$583,440	\$622,080
Late Fees	\$46,933	\$11,669	\$12,442
Trash Revenue	\$15,950	\$34,560	\$35,320
Capitalized Income	\$640,253	\$623,526	\$663,048
Capitalized Expenses	\$69,544	\$188,536	\$219,323
Net Operating Income (Excluding POH Income)	\$570,709	\$434,990	\$443,725

### Park Owned Home Revenues - Not Capitalized

	Actuals	Normalized	Pro Forma
Total POH & RTO Revenue	\$449,189	\$450,029	\$454,846
POH & RTO Expenses	\$14,937	\$180,011	\$181,939
Net Operating Income (Including POH Income)	\$1,004,961	\$705,008	\$716,633
Per POH & RTO Value	\$24,000	\$24,000	\$24,000
Total POH Value	\$2,424,000		
Total RTO Value	\$159,734		

### Investment Metric Table

Lot Rent Cap Rate	9.18%	7.00%	7.14%
Gross Cap Rate (includes POH I&E)	11.42%	8.01%	8.14%
Cash On Cash Levered		12.0%	12.6%
Total Return		17.3%	17.9%
Price Per Lot (excludes POH & RTO value)	\$43,168	\$43,168	\$43,168
Price Per Occupied Lot (excludes POH & RTO value)	\$43,470	\$43,470	\$43,470

The information contained in this marketing brochure is proprietary and strictly confidential. It is intended to be reviewed by the party receiving it from Marcus & Millichap. This marketing brochure has been prepared to provide summarized, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with state and Federal regulations, the physical condition of the improvements

thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this marketing brochure has been obtained from sources we believe to be reliable, however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation what so ever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Investment Services, Inc. @2018Marcus & Millichap, All rights reserved.



# Property Expenses

	Actuals	Normalized Actuals	Pro Forma
Gross Revenue	\$1,186,026	\$1,084,375	\$1,127,697

[Oct-2019 Rent Roll](#)   [Oct-19 YTD](#)   [List of POH inventory](#)   [Parcel Map](#)   [Other Materials](#)

Expense Category	Note On Expense Item					
		POH Expenses	CAPEX	Actuals	Normalized Actuals	Pro Forma
Property Taxes	As reported. Adjusted Year 2. Est 1% of RE value allocation	\$1,321		\$25,101	\$25,101	\$51,595
Property Insurance	Owner has large umbrella policy & is unable to separate the costs	\$0		\$0	\$7,200	\$7,358
Repairs & Maintenance	As reported, then adjusted as appropriate. Est at \$200 per lot	\$7,721		\$13,731	\$21,600	\$22,075
Mowing & Landscaping	As reported. 2.2% PF increase			\$20,160	\$20,160	\$20,604
Public Water	Park only usage, mostly for meter fee. Tenants are all directly billed.			\$372	\$372	\$392
Private Sewer Expenses	As reported. 2.2% PF increase			\$2,100	\$2,100	\$2,216
Trash	As reported, then adjusted as appropriate			\$2,838	\$34,560	\$35,320
Electricity	As reported, then adjusted as appropriate	\$5,896		\$0	\$3,000	\$3,120
Telephone				\$0	\$900	\$920
Employee Salaries	Not reported. Normalized to industry averages. 2.2% PF increase	\$0		\$0	\$55,000	\$56,210
Payroll Taxes & Expenses	Not reported. Normalized to industry averages. 12.2% total payroll	\$0		\$0	\$6,050	\$6,745
Office Supplies & Expenses	Not reported. Normalized to industry averages			\$0	\$2,500	\$2,555
Legal Fees	As reported, then adjusted as appropriate			\$5,243	\$5,243	\$5,358
Accounting Fees	Not reported. Normalized to industry averages			\$0	\$750	\$767
Licenses / Permits / Dues	Not reported. Normalized to industry averages	\$0		\$0	\$1,500	\$1,533
Advertising	Not reported. Normalized to industry averages			\$0	\$2,500	\$2,555
Not Applicable to Investment	As reported		\$11,206			
Total Expense		\$14,937	\$11,206	\$69,544	\$188,536	\$219,323
Expense Ratio				10.9%	30.2%	33.1%
Net Operating Income (Excluding POH Income)				\$570,709	\$434,990	\$443,725
Capitalization Rate (Lot Rent Only)				9.18%	7.00%	7.14%
POH Rental / RTO Income				\$449,189	\$450,029	\$454,846
Net Operating Income (Including POH Income)				\$1,004,961	\$705,008	\$716,633
Debt Service Loan #1 (75% LTV, 4.75% Interest Rate, 25 Year Amortization) - Land				\$331,808	\$331,808	\$331,808
Debt Service Loan #2 ( \$2,000,000 Note, 7% Interest Rate, Interest Only 3 Years) - Homes				\$140,000	\$140,000	\$140,000
Cash Flow				\$533,152	\$233,199	\$244,825
Debt Service Coverage Ratio				2.13	1.49	1.52
Cash-On-Cash Return				27.3%	12.0%	12.6%
Total Return				32.7%	17.3%	17.9%

# Local Market Information

Angier, NC is located just 24.5 miles from the center of downtown Raleigh. It has a population that has seen an increase of almost 25% since 2010 and a median home price of \$173,600. It is in Harnett County, which has a population of 129,000 people and a current median home price of \$144,700. Raleigh-Metro was the fastest growing in the entire US from 2000-2010 seeing a growth of 47% and is predicted to continue to be the fastest growing metro through 2025.



Local Market Statistics			
	Angiers	Harnett County	Raleigh MSA
Population	5,151	128,753	2,156,253
Population Change	24.40%	18.10%	17.03%
Medium Home Price	\$173,600	\$169,200	\$216,066
Average Apartment Rent	\$930	\$787	\$1,086
Family Median Home	\$39,798	\$44,417	\$62,794



# Parcel Outline & Property Photos

Potfolio consists of 2 parks within 2500 feet of each other. Parks have a combined acerage of 107.1 acres. As you will see from the pictures the parks and the homes in the parks are all in above average condition. Be sure to click the link on the upper right to see many more photos.

Pricing (Land, Homes, Notes):	\$8,800,000
Real Estate Value	\$6,216,266
Park Owned Mobile Homes	\$2,424,000
Rent to Own Contracts	\$159,734

[Click here for property photos](#)





# Brokerage Team



## Glenn D. Esterson

Senior Broker

In the 19 years Glenn has been in commercial real estate, He has successfully transacted more than 235 properties for his clients. In addition to his work as a broker, Glenn has owned and operated mobile home parks, runs a number of small businesses, and owned other commercial real estate assets.

Glenn re-joined Marcus & Millichap in 2019 with the vision of assisting buyers and sellers Nation wide with their manufactured housing transaction needs. His team is quickly gaining a reputation as one of the top brokerage teams in the industry.

Glenn is married to his lovely wife, Cassidy, and has three children. Glenn resides in Wilmington, NC.



## Brandon Pearson

TEAM AGENT

Marcus & Millichap, Denver CO  
Phone: (720) 419-4319  
Brandon.Pearson@marcusmillichap.com



## Glenn D. Esterson

SENIOR BROKER

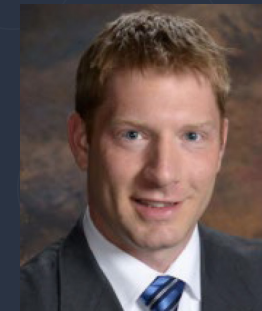
Marcus & Millichap, Charlotte NC  
Phone: (423) 483-0492  
Glenn.Esterson@marcusmillichap.com



## Parker Kelly

TEAM AGENT

Marcus & Millichap, Atlanta GA  
Phone: (678) 677-9515  
Parker.Kelly@marcusmillichap.com



## Charles Dehart

OPERATIONS MANAGER

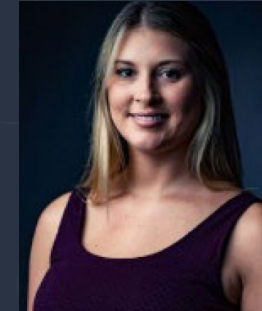
Marcus & Millichap, Tampa FL  
Phone: (276) 237-4311  
Charles.DeHart@marcusmillichap.com



## Dylan Hellberg

TEAM AGENT

Marcus & Millichap, Charleston SC  
Phone: (843) 469-0347  
Dylan.Hellberg@marcusmillichap.com



## Sallie Whitehurst

LICENSED ASSISTANT

Marcus & Millichap, Atlanta GA  
Phone: (770) 262-6707  
Sallie.Whitehurst@marcusmillichap.com



## Vasili Arvanitidis

TEAM AGENT

Marcus & Millichap, Seattle WA  
Phone: (206) 963-6076  
Vasili.Arvanitidis@marcusmillichap.com

(720) MHP-4YOU

[www.themhpexpert.com](http://www.themhpexpert.com)



ESTERSON MANUFACTURED HOUSING TEAM

[Glenn.Esterson@marcusmillichap.com](mailto:Glenn.Esterson@marcusmillichap.com)

Marcus & Millichap





## Marcus & Millichap

Offices throughout the U.S. and Canada

[www.marcusmillichap.com](http://www.marcusmillichap.com)

**ALL PROPERTY SHOWINGS ARE  
BY APPOINTMENT ONLY.** Please  
consult your Marcus & Millichap  
agent for more details.

**Ben Yelm**

Lic.# 303785 - Broker of Record

Marcus & Millichap Real Estate

Investment Services of Charlotte, Inc.



# Brentwood & Crepe Myrtle MHC