

# **Kitsap County Assessor**

## **Mobile Home Parks Regional Model**

**Appraisal Date 1/1/2009, Tax Year 2010**

*Updated 06-16-2009 by Appraiser CM20*

### **Valuation Summary**

**Approach Used** – Income Approach correlated to sales.

**Summary of Analysis Conclusions** – Twenty-two rents were received from a total of forty-two mobile home parks along with sixteen documented expenses, plus additional expense confirmation from internet sources allowed for an adequate analysis of the income approach. Vacancies were from current and historical physical inspections of the parks. Only one rent was received on RV spaces.

### **Property Type Overview**

**Population** – Kitsap County has forty-two mobile home parks located in urban, suburban and rural locations. Eight of these parks contain RV spaces.

**Economic Conditions** – The recent economic downturn does not appear to have affected the mobile home parks, vacancies are low.

**Rating System** – Five classes of mobile home parks were identified using location, space size (single, double, triple), road development (wide road, paved, gravel), along with additional amenities such as laundry facilities, clubhouse, pools, age restricted, gated and/or security patrolled. Class A (highest) to Class E (lowest). Three classes of RV sites were developed, Class C (highest) to Class E (lowest).

### **Sources**

**Publications** – Marshall & Swift 2007

**Internet** [http://reviews.ebay.com/Mobile-Home-Parks-vs-Single-Family-Homes-amp-Apartments\\_W00QugidZ1000000003860370](http://reviews.ebay.com/Mobile-Home-Parks-vs-Single-Family-Homes-amp-Apartments_W00QugidZ1000000003860370)  
<http://www.mhvillage.com>  
<http://www3.commercialmls.com/ePropertyData/index.cfm?fuseaction=propertylistingdet...>  
<http://www.mobilehomeparkstore.com/>  
<http://www.nuwireinvestor.com/howtos/mobile-home-parks-evaluating-potential-properties-51497.aspx>  
<http://vikingpark.net>

**Other**

### **Model Calibration**

**Preliminary Ratio Analysis** – The median sales ratio using the old schedule was 88.39% with a COD of 21.91 using sales and listings. Using just sales, the median ratio was 84.90% with a COD of 24.91.

### **Market Approach Data and Analysis**

**Regional Sales - Range of Sales Dates** – 04/28/04 – 08/21/08

**Current Sale Listings** – Three sales listings have been documented. Northland Mobile Home Park (Parcel No. 082401-2-031-2008) is listed for \$1,500,000. Erlands Point Mobile Home Park (Parcel No.

052401-4-013-2009) is listed for \$1,850,000. The Carrington Mobile Home Park (Parcel No. 172401-1-019-2005, 172401-1-098-2009, 172401-1-128-2003, 172401-1-129-2002) is listed for \$1,475,000, which is less than the combined land value of \$1,900,000. This listing is possibly a distress sale, so was not used in the sales analysis.

**Market Rates** – No market rates were developed.

### **Income Approach Data and Analysis**

**Rent Data** - No actual leases were supplied or reviewed, however 22 rents were documented from income questionnaires or internet/real estate listings. Only one rent was documented for the eight parks that contain RV spaces. A rent of 90% of the mobile home space was used for RV spaces.

**Vacancy Data** – A visual inspection of the Bremerton Area parks, as well as documentation from income questionnaires gave a good overall view of vacancies in parks. Review of recent residential inspections of mobile home parks from areas outside the revaluation area corroborated the limited vacancies found in most parks. Vacancies were stratified by class: A=4%, B=5%, C=6%, D=7%, E=8%. The same vacancy rates were used for RV spaces.

**Expense Data** – Sixteen expenses were reported, with a median of 36%. Per internet research the typical expense is between 35-40%. A rate of 35% was adopted for the parks and for the RV spaces. (see at internet link: <http://reviews.ebay.com/Mobile-Home-Parks-vs-Single-Family-Homes-...>)

**Cap Data** – A range of 3-11%, with the majority falling between 8-11% quoted as of March 27, 2008 in "Mobile Home Parks: How to Quickly Evaluate Potential Properties," by David Reynolds. Cap rates calculated from sales or recent listings gives a range of 6.52-13.66% with a median of 7.95%. Cap rates were stratified by class: A&B = 7.70%, C=7.75%, D=7.80%, E=7.90%. The same cap rates were used for RV spaces.

**Current Lease Listings** – No actual leases were supplied or reviewed, however 22 rents were documented from income questionnaires or internet/real estate listings.

### **Model Validation**

**Final Ratio Analysis** – With the application of the new model, the median sales ratio using sales and listings is 81.19% with a COD of 13.18. Using just the sales, the median ratio is 81.19% with a COD of 18.12.

MOBILE HOME PARKS										
CLASS	DESCRIPTION	Senior	Clubhouse	Pool, Gated, or Security	Wide Roads	Single/Travel Spaces	Double Spaces	Triple Spaces	Sewer	Additional Amenities
A	Newer or well maintained parks, all double or triple wide spaces. Senior parks, nice clubhouse amenity, good landscaping, comes with nice carports and storage units, usually security fenced and gated. Has additional amenities such as pool, tennis courts, pitch-n-putt golf.	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
	Silver Creek Meadows MHP, Viking Park									
B	Newer or well maintained parks, all double or triple wide spaces. Senior parks, nice clubhouse amenity, good landscaping, comes with nice carports and storage units, usually security fenced and gated.	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Maybe
	Mosher Creek, Silverdale Estates,									
C	Well maintained parks for double wides. May have triple wide spaces available. May be senior park.	Maybe	Yes	No	Yes	No	Yes	Maybe	Usually	No
	Orchard Bluff, Heritage, Country Lane									
D	Mixture of Double Wides or Single Wide spaces. Usually more singles than doubles. May have travel trailer spaces available. Limited amenities, lacking maintenance.	Maybe	Maybe	No	No	Yes	Yes	No	Maybe	No
	Berry Lake Manor, Brazeau, Illahee Shores,									
E	Older rural parks designed for single wide mobiles or travel trailer spaces, no amenities, lacking maintenance. Oftimes smaller parks located on land with SFR.	No	No	No	No	Single/Travel	No	No	No	No
	Aero, Northlake, Olympic View, Snug Harbor, Rck's									

# Mobile Home Park Sales and Listings

1%

Nbhd	S-T-R	LRSN	Parcel #	Associated_Name	Acres	Unit Acre	Excise#	Sale Date	Price	Trended	vc	MH UNITS	REC UNITS	\$/Unit	Qual	MHP	Rec	Proposed TY2010	Ratio	Dev Med	2009 TAV	% Chng
8402603	12231E2	1050772	122301-2-044-2008	Martell MHP	12.45	0.162	08EX04886	21-Aug-08	3,070,000	3,070,000	C	63	14	\$ 39,870	C	2,036,404	407,281	2,514,925	81.92%	0.73%	2,073,230	1.21
8402603	12231E2	1050772	122301-2-044-2008	Martell MHP-Cabin Rental								1				71,240						
8402603	12231E3	1967041	122301-3-034-2008	Martell MHP							C				C							
8402604	36241E3	2175800	362401-3-076-2008	Lundbergs MHP	0.5	0.063	07EX02529	10-Apr-07	270,000	270,000	V	0	8	\$ 33,750	E		183,124	183,124	67.82%	13.36%	217,270	0.84
9100541	10241E3	1129675	102401-3-095-2005	Rocky Point MHP	7.91	0.139	05EX11416	18-Nov-05	1,100,000	1,123,356	V	40	17	\$ 19,708	E	1,017,357	389,139	1,406,496	125.20%	44.02%	1,609,370	0.87
8401104	05241E4	1116912	052401-4-013-2009	Erlands Point	6.19	0.126	LISTING		1,850,000	1,850,000		36	13	\$ 37,755	D	1,085,310	352,726	1,438,036	77.73%	3.46%	1,617,960	0.89
8401104	08241E2	1123371	082401-2-031-2008	NorthLake Mobile Home Park	4.46	0.091	LISTING		1,500,000	1,500,000		49	0	\$ 30,612	E	1,246,262	-	1,246,262	83.08%	1.90%	1,598,270	0.78
8402602	28242E3	1704246	4571-016-007-0000	Gatewood MHP	4.48	0.187	04EX03976	28-Apr-04	930,000	964,244	3	24	0	\$ 40,177	C	775,773		775,773	80.45%	0.73%	861,300	0.90

Sales & Listings	Total	8,777,601
Sales Only	Total	5,427,601

Sales & Listings	Total	7,564,616
Sales Only	Total	4,880,318

	Model		
	MH	REC	
C	RENT	4,100	3,690
C	VAC	6%	6%
C	EXPEN	35%	35%
C	NOI	2,505	2,255
C	CAP	7.75%	7.75%
C	MKT	32,324	29,091
D	RENT	3,890	3,501
D	VAC	7%	7%
D	EXPEN	35%	35%
D	NOI	2,352	2,116
D	CAP	7.80%	7.80%
D	MKT	30,148	27,133
E	RENT	3,360	3,024
E	VAC	8%	8%
E	EXPEN	35%	35%
E	NOI	2,009	1,808
E	CAP	7.90%	7.90%
E	MKT	25,434	22,891

Sales and Listings	Median	81.19%
	Average	86.04%
	AAD	10.70%
	COD	13.18
	Weighted	86.18%
Sales Only	Median	81.19%
	Average	88.85%
	AAD	14.71%
	COD	18.12
	Weighted	89.92%

8402605	32241E3	1676089	4505-000-012-0008	Rck's RV Park	0.52	0.04	04EX07380	28-Jul-04	180,000	186,179	V	13	0	\$ 14,321	E		297,577	297,577	159.83%	78.65%	302,630	0.98
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2010  
Mobile Home Park Rate

		MHP	REC
A	RENT	6,380	
A	VAC	4.00%	
A	EXPEN	35.00%	
A	NOI	3,981	
A	CAP	7.70%	
A	MKT	51,703	

B	RENT	4,700	
B	VAC	5.00%	
B	EXPEN	35.00%	
B	NOI	2,902	
B	CAP	7.70%	
B	MKT	37,692	

C	RENT	4,100	3,690
C	VAC	6.00%	6.00%
C	EXPEN	35.00%	35.00%
C	NOI	2,505	2,255
C	CAP	7.75%	7.75%
C	MKT	32,324	29,091

D	RENT	3,890	3,501
D	VAC	7.00%	7.00%
D	EXPEN	35.00%	35.00%
D	NOI	2,352	2,116
D	CAP	7.80%	7.80%
D	MKT	30,148	27,133

E	RENT	3,360	3,024
E	VAC	8.00%	8.00%
E	EXPEN	35.00%	35.00%
E	NOI	2,009	1,808
E	CAP	7.90%	7.90%
E	MKT	25,434	22,891

## Rate Development Comments

**Model:** 302009 **Prop type:** Mobilehome Park

**Nbrhd:** 0 **Sub-type:**

**Label:** Mhp

**Entered by:** CM20

**Entered dt:** 6/17/2009

### General note:

Kitsap has forty-two mobile home parks in urban, suburban and rural areas. Five classes identified using location, space size (single, double, triple), roads (wide road, paved, gravel), laundry facilities, clubhouse, pools, senior, gated/security.

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**Rent:** No actual leases were supplied or reviewed, however 22 rents were documented from income questionnaires or internet/real estate listings.

<b>A</b>	6,380.00	3 rents
<b>B</b>	4,700.00	1 rent
<b>C</b>	4,100.00	7 rents
<b>D</b>	3,890.00	8 rents
<b>E</b>	3,360.00	3 rents

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**Vacancy:** Bremerton inspections, plus income questionnaires verified vacancies in parks. Residential inspections of parks from areas outside the revaluation area corroborated the limited vacancies found in most parks. Vacancies by class: A=4% B=5% C=6%

<b>A</b>	4.0%
<b>B</b>	5.0%
<b>C</b>	6.0%
<b>D</b>	7.0%
<b>E</b>	8.0%

**Model:** 302009

**Prop type:** Mobilehome Park

**Nbrhd:** 0

**Sub-type:**

**Label:** Mhp

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**Expense:** Sixteen expenses were reported, with a median of 36%. Per internet research the typical expense is between 35-40%. A rate of 35% was adopted.

<b>A</b>	35%
<b>B</b>	35%
<b>C</b>	35%
<b>D</b>	35%
<b>E</b>	35%

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**Cap:** Cap rates from sales or recent listings gives a range of 6.52-13.66% with a median of 7.95%. Internet sources reflect 8-11%. Cap rates were stratified by class: A&B = 7.70%, C=7.75%, D=7.80%, E=7.90%.

<b>A</b>	7.7%
<b>B</b>	7.7%
<b>C</b>	7.8%
<b>D</b>	7.8%
<b>E</b>	7.9%

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**Sale:** The income approach was correlated to the sales data. From the income these market values were derived.

<b>A</b>	51,703
<b>B</b>	37,692
<b>C</b>	32,324
<b>D</b>	30,148
<b>E</b>	25,434

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**Cost:** No cost approach developed.

## Rate Development Comments

**Model:** 302009 **Prop type:** Mobilehome Park

**Nbrhd:** 0 **Sub-type:**

**Label:** Rec

**Entered by:** CM20 **Modified by:** CM20

**Entered dt:** **Modified dt:** 6/16/2009

### General note:

Eight of the forty-two mobile home parks have RV sites.

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**Rent:** Only three classes of RV parks were developed. Only one rent was reported. Rents were calculated at 90% of mobile home space rent.

<b>A</b>	0.00
<b>B</b>	0.00
<b>C</b>	3,690.00
<b>D</b>	3,501.00
<b>E</b>	3,024.00

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**Vacancy:** Vacancy rates from mobile home parks were adopted.

<b>A</b>	0.0%
<b>B</b>	0.0%
<b>C</b>	6.0%
<b>D</b>	7.0%
<b>E</b>	8.0%

**Model:** 302009

**Prop type:** Mobilehome Park

**Nbrhd:** 0

**Sub-type:**

**Label:** Rec

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**Expense:** Expenses from mobile home parks were adopted.

<b>A</b>	0%
<b>B</b>	0%
<b>C</b>	35%
<b>D</b>	35%
<b>E</b>	35%

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**Cap:** Cap rates from mobile home parks were adopted.

<b>A</b>	0.0%
<b>B</b>	0.0%
<b>C</b>	7.8%
<b>D</b>	7.8%
<b>E</b>	7.9%

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**Sale:** Market rates were adopted from the income approach correlated to sales.

<b>A</b>	0
<b>B</b>	0
<b>C</b>	29,091
<b>D</b>	27,133
<b>E</b>	22,891

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**Cost:** No cost approach developed.

# PUBLIC RENTS

RENT CLASS	Space Rent/Mo	Annual Space Rent
A	560	6,720
A	500	6,000
A	455	5,460
B	440	5,280
C	458	5,496
C	395	4,740
C	390	4,680
C	380	4,560
C	347	4,164
C	345	4,140
C	335	4,020
D	424	5,088
D	400	4,800
D	375	4,500
D	360	4,320
D	345	4,140
D	342	4,104
D	340	4,080
D	340	4,080
E	335	4,020
E	329	3,948
E	295	3,540

Median	368	4,410		
Mean	386	4,631	Model Rates	
			MHP	REC
Quartile4	560	6,720	6,380	
Quartile3	418	5,016	4,700	
Quartile2	368	4,410	4,100	3,690
Quartile1	341	4,086	3,890	3,501
Quartile0	295	3,540	3,501	3,024