

Dear Friends,

On June 12, 2008, an important law went into effect in regard to the sale of manufactured home communities. What follows is a summary of my interpretation of the law, so for specific details please check with the state legislature.

ESSHB 1621 deals with the sale of communities. Under certain circumstances the owner of the park is required to make the sale known to the community residents. This must be done within 14 days of advertising the sale in public mediums. This does not affect owners who do not publicly advertise, whether or not it is through a broker. This gives the residents of the community the opportunity to purchase the property.

Another aspect of the law encourages owners to deal "in good faith" with eligible organizations such as non-profits and housing authorities to give them a chance to acquire the community. Selling to such a group for the purpose of maintaining the property as a manufactured home community could qualify the owner for an exemption of the real estate excise tax. This is a great incentive that could benefit all parties involved.

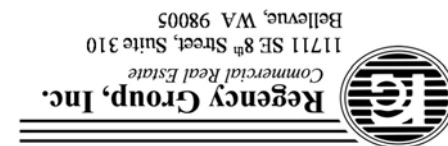
If I can answer any questions concerning these legislations, or about buying and selling land-lease communities in general, please do not hesitate to give me a call. As always, if you would like to be taken off our mailing list, or if you prefer email contact, please write Evelyn at [evelyn@regencygroupinc.com](mailto:evelyn@regencygroupinc.com).

I wish you all the best in your holiday celebrations!

Sincerely,



Tomas M. Gottlieb



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**THE GOTTLIEB GROUP ADVANTAGE**

- Nationwide Advertising & Marketing
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**OUR FOCUS**

- Manufactured Home Communities
- RV Parks
- Self-Storages & Mini-Storages
- Park re-developments
- Land Projects

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The Gottlieb Group is committed to helping our clients maximize asset values and utilize real estate to their strategic advantage through innovative planning, execution, and management of real estate. We offer the best of both worlds – a small, **personal and professional team** with a **nationwide reach**.

We are experts in Mobile Home Communities, RV Parks, Self-Storages, and Land Development. As a member of Regency Group, Inc., we are able to provide **comprehensive and integrated real estate services**.

Regency Group, Inc. celebrated its **30<sup>th</sup> anniversary** in January 2006. We look forward to the future and our never-ending quest to provide quality service and products to meet the evolving needs of our clients.

**Alderwood RV Resort & Mini Storage, Spokane (Mead ), WA**

**\$4,950,000**

**Investment Highlights:**

The Alderwood RV Resort, Boat & Mini Storage is a 5 Star RV Resort and mini-storage facility that has earned the highest ratings in the industry. With a historical occupancy that has been growing every year since its beginnings, the park offers a variety of attractions and amenities. The brand new mini-storage provides the resort visitors and area locals much needed storage, and has become a very profitable addition to this business venture. These properties offer a unique investment opportunity, either for the local or absentee owner. The onsite, professional management handles the daily operation of the park/storage as well as the overall maintenance. The facilities, buildings and infrastructure were built with the highest standards and exceed code regulations. This property is exclusively listed by the Gottlieb Group. Please inquire for details.



**Mountain Meadows MHP, Enumclaw, WA**

**\$14,050,000**

**Investment Highlights:**

Mountain Meadows MHP is a spotless, well-maintained park in Enumclaw, WA. This 4 star manufactured housing community features landscaped yards, double and triple-wide homes, paved streets, and an on-site office. Furthermore, there is upside in rents and some vacancies. The community is serviced by all city utilities.

Sophisticated investors will appreciate the low-maintenance, upside, and great condition of this park. Utilities are currently being paid by the park, and there are no other comparable communities currently on the market. 188 sites, approximately 25 acres.



RECENTLY SOLD

**Fairlane Terrace Mobile Court Senior Community**

**\$1,350,000**

**SALES DATA:**

**Investment Highlights:**

Fairlane Terrace is a well-maintained Senior/55+ park located in Tacoma, WA. Historically, there have been no vacancies and there is upside in rents. Most of the homes are double wide. This site also has great redevelopment potential. The MHR zoning (Moderate High-Density Residential) allows for 20 units per acre. The property is surrounded by condo/multi-family developments.

Asking Price:	\$1,350,000
Sold Price:	\$1,325,000
CAP Rate:	6.44%
Lot Size:	2.46
Year Built:	1975
Price Per Space:	\$57,608



**Tire Factory—Kirkland, WA**

**\$1,550,000**

**SALES DATA:**

**Investment Highlights:**

This site is a corner lot in a prime Kirkland location, next to I-405 and NE 85th Street. The site is surrounded by new developments including upscale condominiums and a new office building under construction next door. The zoning allows for many possible redevelopment opportunities, such as office, technology, financial, and a variety of other uses. The property is currently leased. Please contact listing broker for details.

Asking Price:	\$1,600,000
Sold Price:	\$1,550,000
Price per Foot:	\$93.60
Lot Size:	.38 acres
Zoning:	Light Industrial



NEWS

**MHI Congress in Las Vegas—Evelyn's Report**



Last April I had the opportunity to attend the MHI Congress and Expo in Las Vegas, managing the Gottlieb Group Booth, attending classes, and speaking with some of the nation's most knowledgeable manufactured home community players.

One of the highlights was having a private lunch with George Allen (who was awarded the Industry Person of the Year – congratulations George!). Apart from the great company, I took from him some great insight into the investment side of the industry. There *is* hope for the small investor; the family, individual, or the couple that wants to get started in the manufactured home community business. While the big institutional buyers are still out there, they are mostly interested in parks 100 sites or larger, leaving a sizable piece of the market for us small-timers.

During one class I learned how the internet is making a huge impact on how we do business. Park management could be more efficient, less time-consuming, and more profitable if prospective tenants can access a community's information online. This is not a complicated process and I would be happy to share with you some specific vendors. With a simple website, a park manager/owner can post property photos, rent rates, contact information, area highlights, and other pertinent information that will reduce vacancies. Correspondence over email can also be a quick way to keep in touch with prospective tenants.

Another class emphasized the importance of understanding and valuing senior tenants. They are a vital part of the manufactured home business and our population in general. They are more active, healthy, and technology savvy than ever before, and a community owner should keep these things in mind when trying to attract new tenants!

When speaking with lenders I learned that although manufactured home communities are doing very well compared to other real estate ventures, the lending practices have nonetheless tightened when it comes to financing purchases. While it was common a few years ago to get loans with 20% down, it is now usually a requisite to apply 25-30% towards the down payment. Also, the lenders are scrutinizing the property's market conditions and age much more than previously, so some rural locations or older parks are not even considered for loans. While this may sound like dim news, the upside is that lenders are eager for top-notch clients and promising ventures — and interest rates are great! From our point of view, owner financing can be a great incentive to buyers when marketing your property.

— Evelyn Gottlieb

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**Personal Service with a Nationwide Reach...**

**Don't hesitate to contact us if you have any questions regarding the value of your manufactured home community. Despite lending difficulties, there are always all-cash investors in our industry ready to close quickly. Also, check with us frequently for more opportunities to purchase.**