

# SANDUSKY MOBILE HOME PARK

2721 340th Street | Keokuk, IA  
OFFERING MEMORANDUM



**CENTURY 21**  
Signature Real Estate

# Sandusky Mobile Home Park

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**CENTURY 21**  
Signature Real Estate

01 Executive Summary  
Investment Summary

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## OFFERING SUMMARY

ADDRESS	2721 340th Street Keokuk IA 52632
COUNTY	Lee
OCCUPIED HOMES	12
NUMBER OF LOTS	20
SFH	1
YEAR BUILT	1977

## FINANCIAL SUMMARY

PRICE	\$220,000
PRICE PER UNIT	\$11,000
NOI (CURRENT)	\$21,484
NOI (\$250 Lot Rent \$600 SFH Rent)	\$33,665
CAP RATE (CURRENT)	9.77%
CAP RATE (\$250 Lot Rent \$600 SFH Rent)	15.30%
CASH ON CASH (CURRENT)	13.20%
CASH ON CASH (\$250 Lot Rent \$600 SFH Rent)	31.66%
GRM (CURRENT)	5.64
GRM (\$250 Lot Rent \$600 SFH Rent)	4.38

## PROPOSED FINANCING

LOAN TYPE	Amortized
DOWN PAYMENT	\$66,000
LOAN AMOUNT	\$154,000
INTEREST RATE	6.75%
LOAN TERMS	25
ANNUAL DEBT SERVICE	\$12,769
LOAN TO VALUE	70%
AMORTIZATION PERIOD	25 Years

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2023 Population	345	1,869	12,261
2023 Median HH Income	\$75,658	\$62,684	\$52,207
2023 Average HH Income	\$89,952	\$84,435	\$71,617

## Rent and Rent Collection

- The lot rent for the tenants is currently at \$200/month and was raised to that amount in August of 2024. There is an additional \$25/month charge for the water usage.
- There is one park-owned home on the property that pays \$440/month. The POH is in lot 24 and is a 1983 Marshfield home.
- Rent is collected by check, cash, or money order and dropped off at the current owners' home.
- There is a \$30 late fee charge that is assessed after the 7th of the month.

## Single Family Home

- The single family home includes a 2-car detached garage and is currently being rented for \$510/month. The roof was replaced in 2016 and the current owners have windows for the top floor of the home that will be included in the sale.

## Utilities

- The park is serviced by rural municipal water and a private lagoon septic system. Each tenant is charged \$25/month for water usage.
- The water lines are 1 1/4" pipes. The water usage is metered by a master meter at the park entrance and billed back evenly to all the tenants each month.
- Most electrical wires were placed underground within the last 5 years. Each lot is serviced by 100-200 amps.

## Lagoon Septic System

- The sewer is serviced by a lagoon system that is located across the street to the south of the park.
- The testing is completed by the current owners by bringing a sample to Keokuk Municipal Sanitation. They pay \$535 per year to have testing completed.
- The lagoon water level is lowered twice per year.

## Park Maintenance

- The current owners are responsible for mowing the vacant lots, road maintenance (gravel road), tree trimming, and plowing the snow. There is a \$30 fee that is charged for tenants that do not mow their yards.

## Improvement Opportunities

- Market rates in the area could support \$300/month lot rents. Additionally, the single family home rent could be increased to \$600/month.

There are is a community in Hamilton, IL (8 miles away) with lot rent between \$300-\$325 per month and a community in Fort Madison, IA (20 miles away) with lot rent at \$425/month.

- There are currently 9 vacant lots that could have homes placed on them to increase income.
- The trash collection is paid for by the current owners. It could be billed back to the tenants to reduce yearly expenses by nearly \$3,500.

02

**Location**

Location Summary

Locator Map

Regional Map

Drive Times

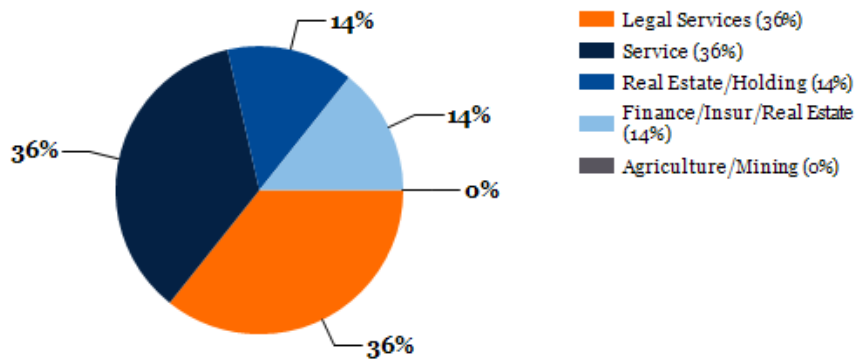
## Keokuk, IA

- Keokuk, IA has a population of about 10,000 people and a median household income of \$52,711.
- Currently, 64% of residents own their home, while 36% of residents rent.
- The largest industries in Keokuk are Manufacturing (20.7%), Healthcare (15%), and Retail Trade (11.6%).
- The largest employers in the area include: DuPont Chemicals, Conagra Food Processing, Roquette Pharmaceuticals, American Ordnance, Great River Health Systems, Siemens Gamesa Renewable Energy, and the Iowa Fertilizer Company.

## Area Industry Updates

- Middletown, IA (35 miles from MHC) recently broke ground on a \$1.5 billion addition to their current munitions plant. It is scheduled to be completed in 2029 and aims to bring 70 new full-time jobs to the area at the plant alone.
- Allied Blending (food processing) in Keokuk, IA broke ground on a new 50,000 sqft facility in August 2023. The addition will bring over 100 construction jobs to Keokuk and an undisclosed amount of full and part time careers upon completion.

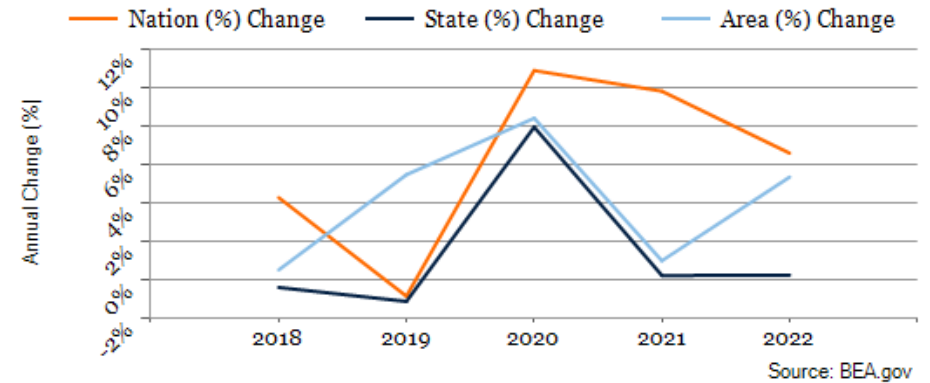
## Major Industries by Employee Count

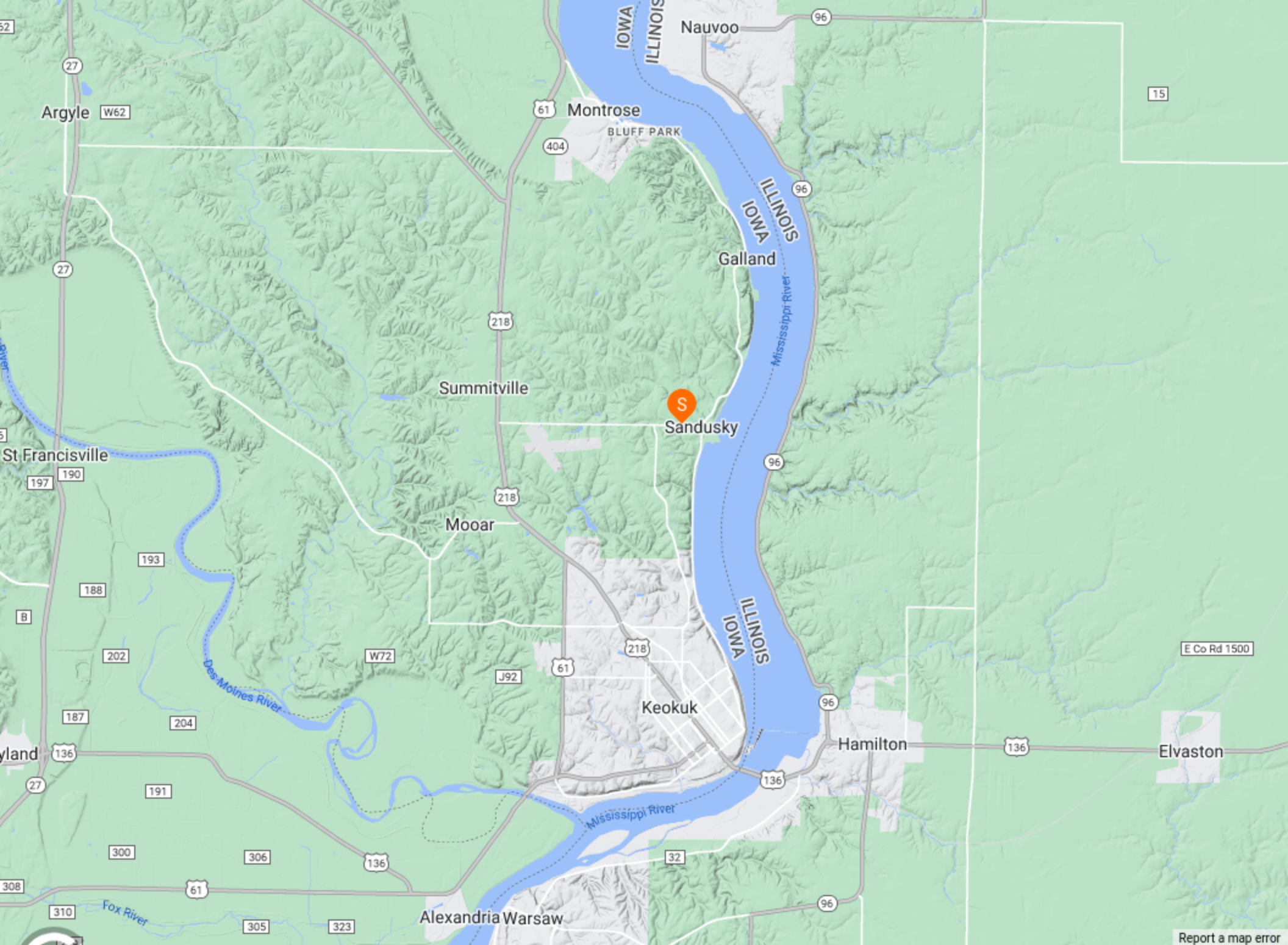


## Largest Employers

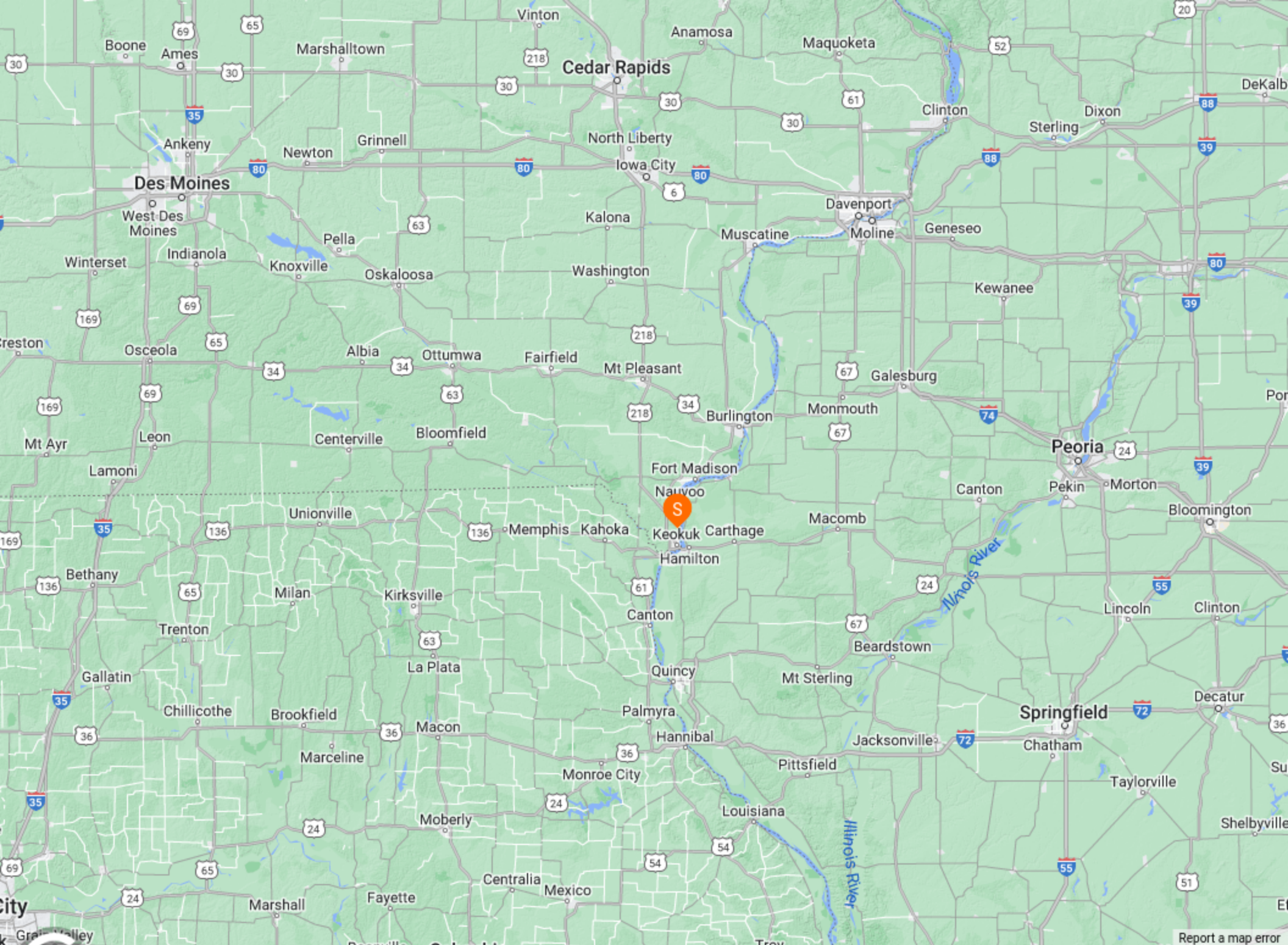
Keokuk County Health Center	500
Keokuk Community School District	400
Keokuk Area Hospital	300
Keokuk County Health Center	250
Keokuk County Public Health	150
Keokuk County Conservation Board	100
Keokuk County Sheriff's Office	75
Keokuk County Treasurer's Office	50

## Lee County GDP Trend





Report a map error



Report a map error

1

**Burlington**

37.9 miles | 40.5 minutes

2

**Quincy**

40.05 miles | 59.4 minutes

3

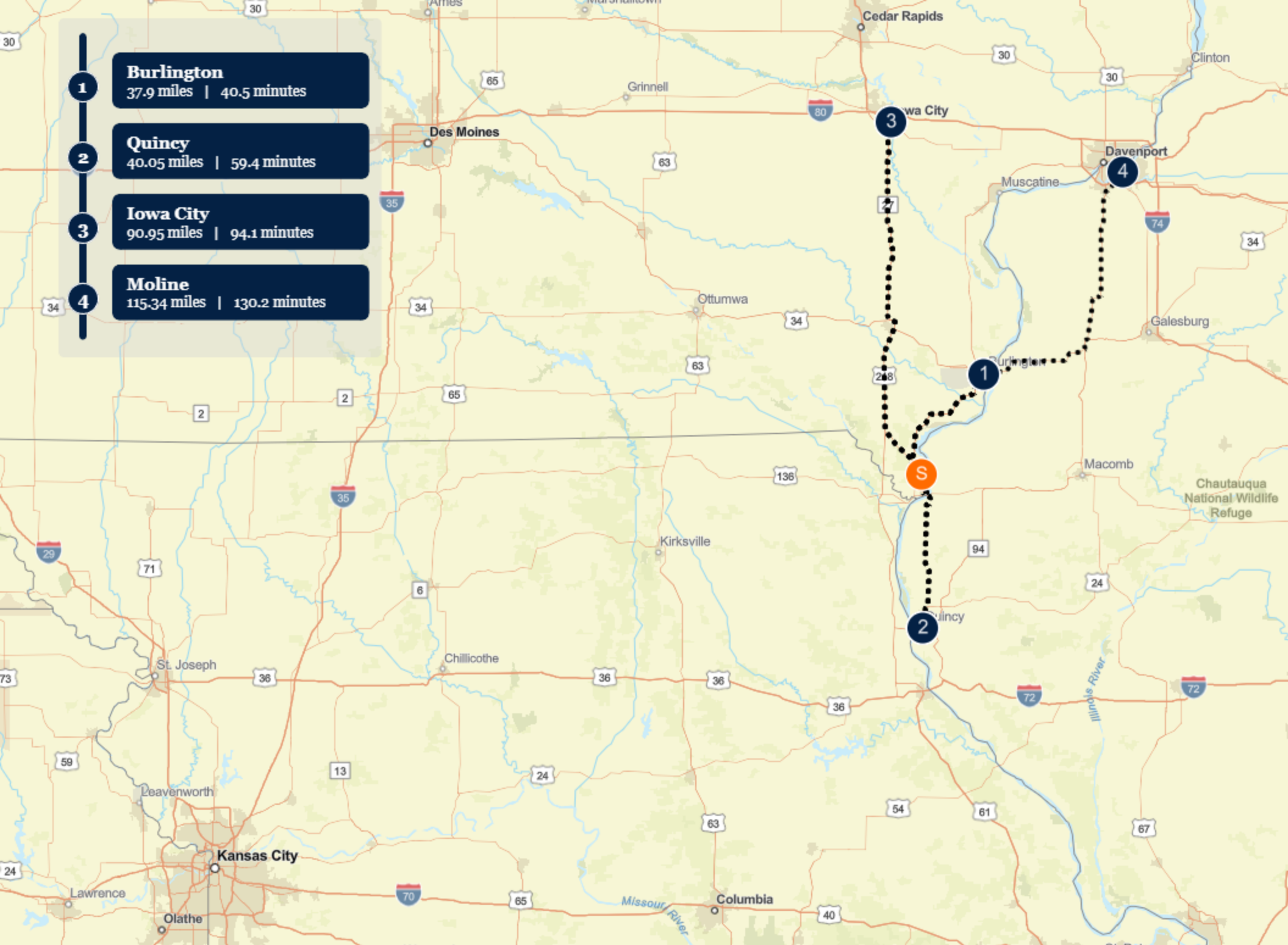
**Iowa City**

90.95 miles | 94.1 minutes

4

**Moline**

115.34 miles | 130.2 minutes



03 Property Description

Property Features

Property Images

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## PROPERTY FEATURES

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NUMBER OF LOTS	20
OCCUPIED HOMES	12
SFH	1
YEAR BUILT	1977
# OF PARCELS	2
NUMBER OF ACRES	6 (MHP is 5 Lagoon is 1)
NUMBER OF BUILDINGS	2 Garages

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## UTILITIES

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WATER	Municipal (Billed Back)
TRASH	Dumpster (Park Owners)
GAS	Tenants
ELECTRIC	Tenants

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Approximate Parcel Outline



Single Family Home

04 Rent Roll  
Rent Roll

Unit	Current Rent	Notes
1	\$200.00	
2	\$200.00	
3	\$200.00	
8	\$200.00	
14	\$200.00	
18	\$200.00	
20	\$200.00	
21	\$200.00	
22	\$200.00	
23	\$200.00	
24	\$440.00	Park-Owned Home. \$420 Security Deposit
Single Family Home	\$510.00	\$300 Security Deposit
<b>Totals / Averages</b>	<b>\$2,950.00</b>	

05

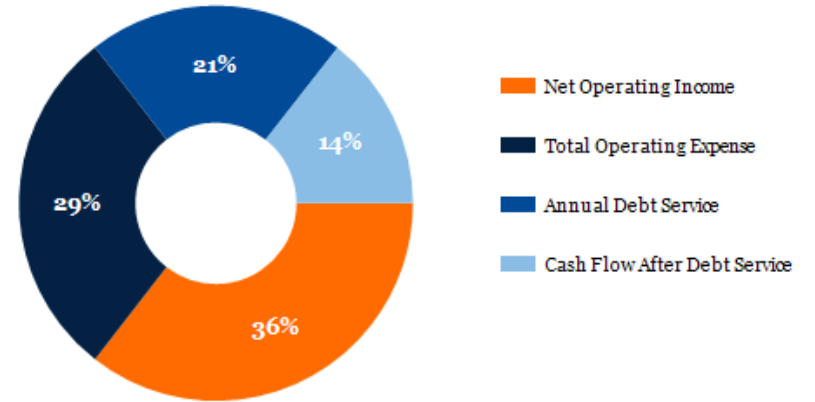
**Financial Analysis**

- Income & Expense Analysis
- Multi-Year Cash Flow Assumptions
- Cash Flow Analysis
- Financial Metrics
- Disposition Sensitivity Analysis

## REVENUE ALLOCATION

CURRENT

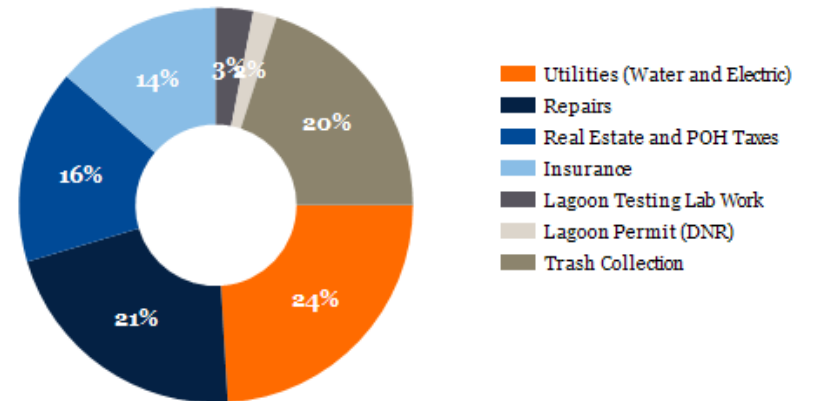
INCOME	CURRENT		\$250 LOT RENT \$600 SFH RENT	
Lot Rent	\$26,400	67.7%	\$33,000	65.8%
Park Owned Home Rent Above Lot Rent	\$2,880	7.4%	\$2,880	5.7%
Single Family Home Rent	\$6,120	15.7%	\$7,200	14.3%
Water Bill Back (\$25 per tenant monthly average)	\$3,600	9.2%	\$3,600	7.2%
Trash Collection			\$3,505	7.0%
<b>Effective Gross Income</b>	<b>\$39,000</b>		<b>\$50,185</b>	
Less Expenses	\$17,516	44.91%	\$16,520	32.91%
<b>Net Operating Income</b>	<b>\$21,484</b>		<b>\$33,665</b>	
Annual Debt Service	\$12,769		\$12,769	
<b>Cash flow</b>	<b>\$8,715</b>		<b>\$20,896</b>	
Debt Coverage Ratio	1.68		2.64	



EXPENSES	CURRENT Per Unit		\$250 LOT RENT \$600 SFH RENT Per Unit	
Real Estate and POH Taxes	\$2,789	\$139	\$2,789	\$139
Insurance	\$2,397	\$120	\$2,397	\$120
Management Fee (5.00% of EGI)			\$2,509	\$125
Utilities (Water and Electric)	\$4,212	\$211	\$4,212	\$211
Lagoon Testing Lab Work	\$535	\$27	\$535	\$27
Lagoon Permit (DNR)	\$340	\$17	\$340	\$17
Repairs	\$3,738	\$187	\$3,738	\$187
Trash Collection	\$3,505	\$175		
<b>Total Operating Expense</b>	<b>\$17,516</b>	<b>\$876</b>	<b>\$16,520</b>	<b>\$826</b>
Annual Debt Service	\$12,769		\$12,769	
% of EGI	44.91%		32.91%	

## DISTRIBUTION OF EXPENSES

CURRENT



Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

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## GLOBAL

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Price	\$220,000
Analysis Period	10 year(s)
Exit Cap Rate	10.00%

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## INCOME - Growth Rates

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Lot Rent	6.00%
Park Owned Home Rent Above Lot Rent	3.00%
Single Family Home Rent	3.00%
Water Bill Back (\$25 per tenant monthly average)	3.00%
Trash Collection	3.00%

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## EXPENSES - Growth Rates

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Real Estate and POH Taxes	3.00%
Insurance	3.00%
Utilities (Water and Electric)	3.00%
Lagoon Testing Lab Work	3.00%
Lagoon Permit (DNR)	3.00%
Repairs	3.00%

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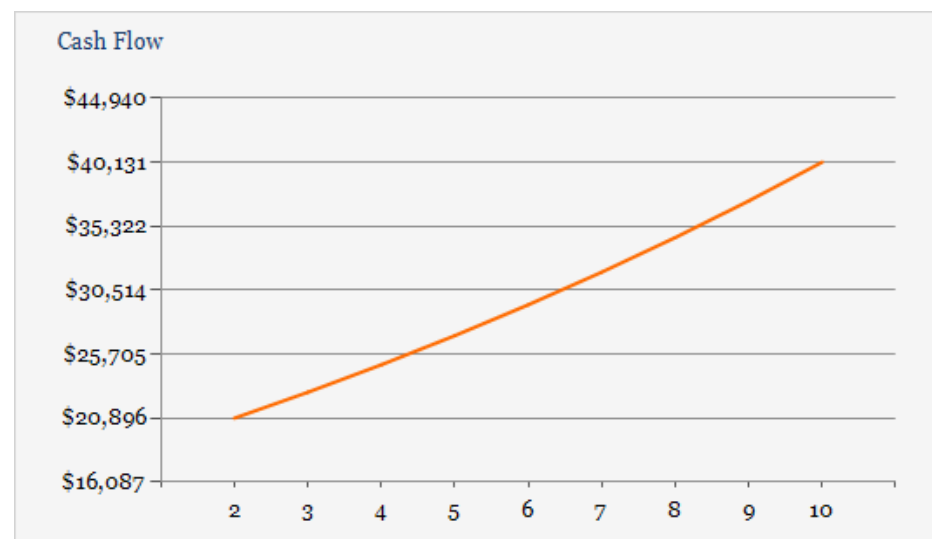
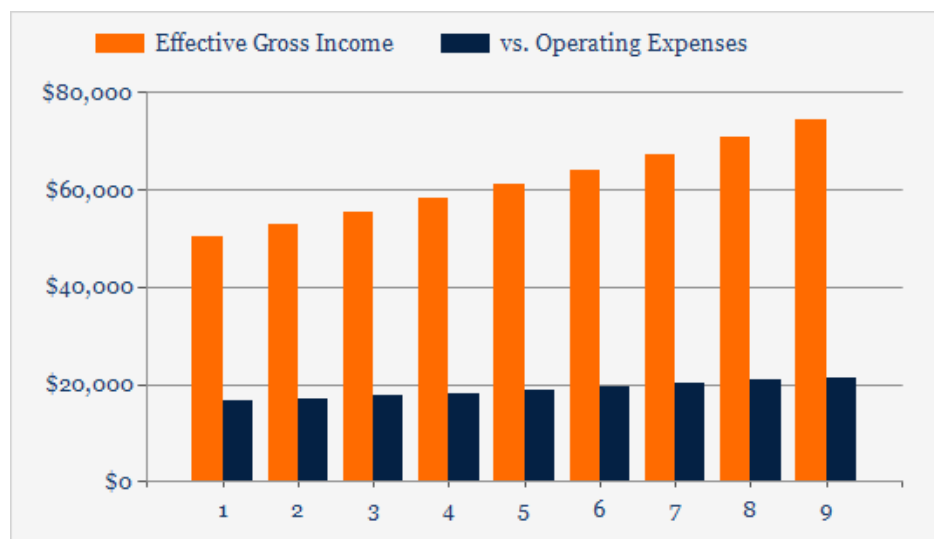
## PROPOSED FINANCING

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Loan Type	Amortized
Down Payment	\$66,000
Loan Amount	\$154,000
Interest Rate	6.75%
Loan Terms	25
Annual Debt Service	\$12,769
Loan to Value	70%
Amortization Period	25 Years

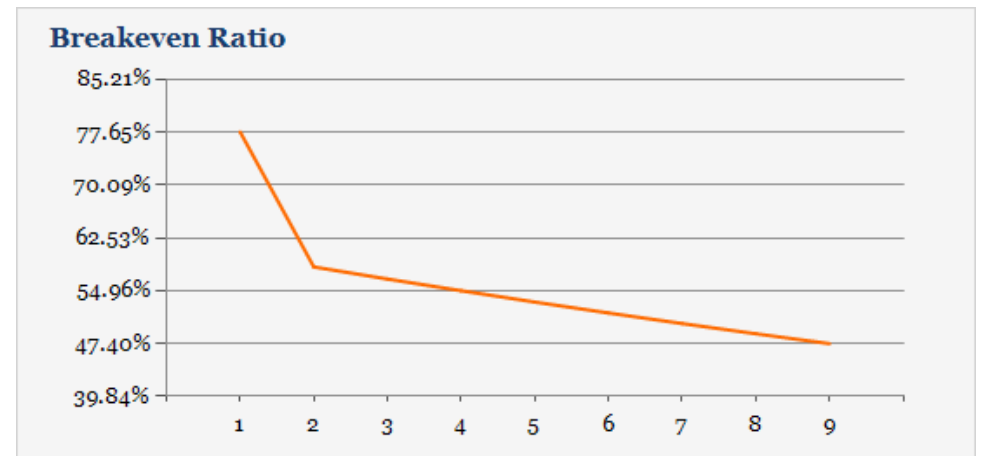
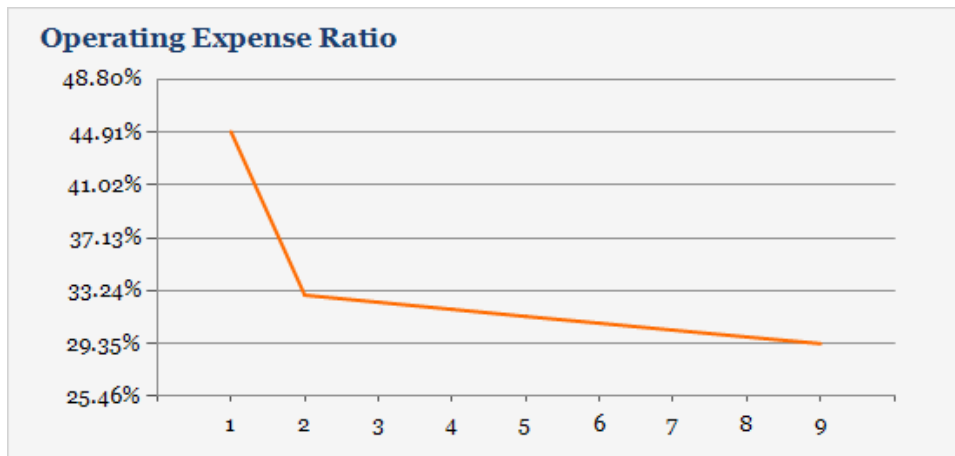
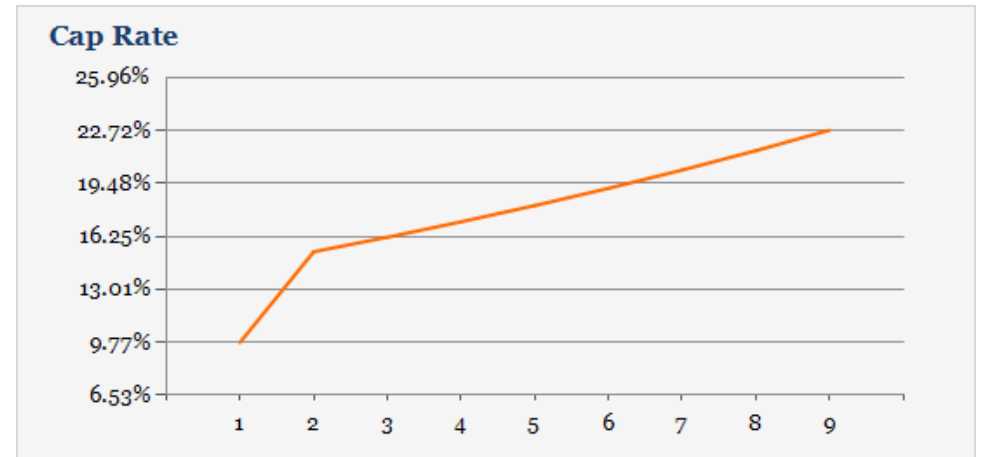
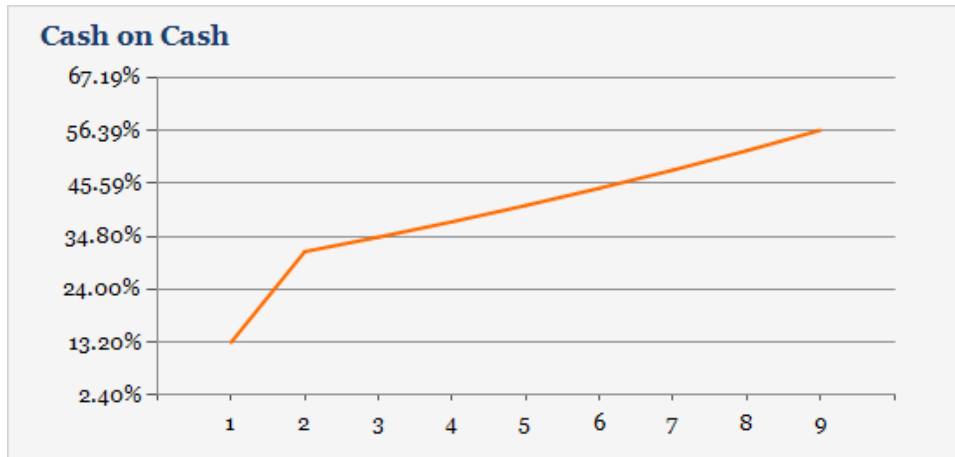
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Calendar Year	CURRENT	\$250 Lot Rent \$600 SFH Rent	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Gross Revenue</b>										
Lot Rent	\$26,400	\$33,000	\$34,980	\$37,079	\$39,304	\$41,662	\$44,161	\$46,811	\$49,620	\$52,597
Park Owned Home Rent Above Lot Rent	\$2,880	\$2,880	\$2,966	\$3,055	\$3,147	\$3,241	\$3,339	\$3,439	\$3,542	\$3,648
Single Family Home Rent	\$6,120	\$7,200	\$7,416	\$7,638	\$7,868	\$8,104	\$8,347	\$8,597	\$8,855	\$9,121
Water Bill Back (\$25 per tenant monthly average)	\$3,600	\$3,600	\$3,708	\$3,819	\$3,934	\$4,052	\$4,173	\$4,299	\$4,428	\$4,560
Trash Collection		\$3,505	\$3,610	\$3,718	\$3,830	\$3,945	\$4,063	\$4,185	\$4,311	\$4,440
<b>Effective Gross Income</b>	<b>\$39,000</b>	<b>\$50,185</b>	<b>\$52,681</b>	<b>\$55,310</b>	<b>\$58,082</b>	<b>\$61,004</b>	<b>\$64,084</b>	<b>\$67,331</b>	<b>\$70,755</b>	<b>\$74,366</b>
<b>Operating Expenses</b>										
Real Estate and POH Taxes	\$2,789	\$2,789	\$2,873	\$2,959	\$3,048	\$3,139	\$3,233	\$3,330	\$3,430	\$3,533
Insurance	\$2,397	\$2,397	\$2,469	\$2,543	\$2,619	\$2,698	\$2,779	\$2,862	\$2,948	\$3,036
Management Fee		\$2,509	\$2,634	\$2,766	\$2,904	\$3,050	\$3,204	\$3,367	\$3,538	\$3,718
Utilities (Water and Electric)	\$4,212	\$4,212	\$4,338	\$4,469	\$4,603	\$4,741	\$4,883	\$5,029	\$5,180	\$5,336
Lagoon Testing Lab Work	\$535	\$535	\$551	\$568	\$585	\$602	\$620	\$639	\$658	\$678
Lagoon Permit (DNR)	\$340	\$340	\$350	\$361	\$372	\$383	\$394	\$406	\$418	\$431
Repairs	\$3,738	\$3,738	\$3,850	\$3,966	\$4,085	\$4,207	\$4,333	\$4,463	\$4,597	\$4,735
Trash Collection	\$3,505	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Operating Expense</b>	<b>\$17,516</b>	<b>\$16,520</b>	<b>\$17,065</b>	<b>\$17,630</b>	<b>\$18,214</b>	<b>\$18,820</b>	<b>\$19,447</b>	<b>\$20,096</b>	<b>\$20,770</b>	<b>\$21,467</b>
<b>Net Operating Income</b>	<b>\$21,484</b>	<b>\$33,665</b>	<b>\$35,615</b>	<b>\$37,681</b>	<b>\$39,868</b>	<b>\$42,184</b>	<b>\$44,637</b>	<b>\$47,235</b>	<b>\$49,986</b>	<b>\$52,899</b>
Annual Debt Service	\$12,769	\$12,769	\$12,769	\$12,769	\$12,769	\$12,769	\$12,769	\$12,769	\$12,769	\$12,769
<b>Cash Flow</b>	<b>\$8,715</b>	<b>\$20,896</b>	<b>\$22,846</b>	<b>\$24,912</b>	<b>\$27,099</b>	<b>\$29,415</b>	<b>\$31,868</b>	<b>\$34,466</b>	<b>\$37,217</b>	<b>\$40,131</b>



Calendar Year	CURRENT	\$250 Lot Rent \$600 SFH Rent	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash on Cash Return b/t	13.20%	31.66%	34.62%	37.75%	41.06%	44.57%	48.28%	52.22%	56.39%	60.80%
CAP Rate	9.77%	15.30%	16.19%	17.13%	18.12%	19.17%	20.29%	21.47%	22.72%	24.05%
Debt Coverage Ratio	1.68	2.64	2.79	2.95	3.12	3.30	3.50	3.70	3.91	4.14
Operating Expense Ratio	44.91%	32.91%	32.39%	31.87%	31.35%	30.85%	30.34%	29.84%	29.35%	28.86%
Gross Multiplier (GRM)	5.64	4.38	4.18	3.98	3.79	3.61	3.43	3.27	3.11	2.96
Loan to Value	70.03%	68.87%	67.69%	66.42%	65.04%	63.57%	62.02%	60.35%	58.56%	56.66%
Breakeven Ratio	77.65%	58.36%	56.63%	54.96%	53.34%	51.78%	50.27%	48.81%	47.40%	46.04%
Price / Unit	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000

Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.



## 5 YEAR SENSITIVITY ANALYSIS

EXIT CAP RATE	PROJECTED SALES PRICE	SALES PRICE/UNIT	SALES PRICE PSF	PROCEEDS AFTER LOAN PAYOFF	LEVERED IRR
9.00%	\$442,975	\$22,149	\$0	\$300,402	52.18%
9.25%	\$431,003	\$21,550	\$0	\$288,429	51.32%
9.50%	\$419,660	\$20,983	\$0	\$277,087	50.48%
9.75%	\$408,900	\$20,445	\$0	\$266,327	49.67%
<b>10.00%</b>	<b>\$398,677</b>	<b>\$19,934</b>	<b>\$0</b>	<b>\$256,104</b>	<b>48.88%</b>
10.25%	\$388,954	\$19,448	\$0	\$246,380	48.10%
10.50%	\$379,693	\$18,985	\$0	\$237,119	47.35%
10.75%	\$370,863	\$18,543	\$0	\$228,289	46.62%
11.00%	\$362,434	\$18,122	\$0	\$219,861	45.90%

## 10 YEAR SENSITIVITY ANALYSIS

EXIT CAP RATE	PROJECTED SALES PRICE	SALES PRICE/UNIT	SALES PRICE PSF	PROCEEDS AFTER LOAN PAYOFF	LEVERED IRR
9.00%	\$587,771	\$29,389	\$0	\$455,777	39.59%
9.25%	\$571,885	\$28,594	\$0	\$439,891	39.37%
9.50%	\$556,836	\$27,842	\$0	\$424,841	39.16%
9.75%	\$542,558	\$27,128	\$0	\$410,563	38.95%
<b>10.00%</b>	<b>\$528,994</b>	<b>\$26,450</b>	<b>\$0</b>	<b>\$396,999</b>	<b>38.76%</b>
10.25%	\$516,092	\$25,805	\$0	\$384,097	38.56%
10.50%	\$503,804	\$25,190	\$0	\$371,809	38.38%
10.75%	\$492,087	\$24,604	\$0	\$360,093	38.20%
11.00%	\$480,904	\$24,045	\$0	\$348,909	38.03%

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06    **Company Profile**  
      Advisor Profile

Jason Bergan  
Broker

With a range of experience in various facets of the real estate, construction, and development industries; Jason and Drew came together to create Midwest MHC Brokers in 2021.

Midwest MHC Brokers is a commercial brokerage with Century 21 Signature Real Estate located in Ankeny, Iowa. We specialize in mobile home community sales throughout the Midwest and multifamily housing sales in central Iowa.

Jason Bergan - Jason began his real estate career in property management in Ames, IA where he received his bachelor's degree in Marketing and International Business from Iowa State University. He became a licensed Realtor in 2017 and has been brokering mobile home communities throughout the Midwest since 2019.

Drew Vlazny - Drew received a bachelor's degree at Upper Iowa University and started working for the US Army Corps of Engineers upon graduation. For the Corps, Drew spent several years working in RV Parks and Campgrounds in Iowa, Wisconsin, Illinois, Missouri and Georgia. Following his time in RV Parks, Drew spent another 5 years with the Corps focusing on Regulatory Compliance and Development Review in Nebraska.

# Sandusky Mobile Home Park

## CONFIDENTIALITY and DISCLAIMER

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Century 21 SRE Commercial and it should not be made available to any other person or entity without the written consent of Century 21 SRE Commercial.

By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property, please promptly return this offering memorandum to Century 21 SRE Commercial. This offering memorandum has been prepared to provide summary, unverified financial and physical 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. Century 21 SRE Commercial 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 local, state and federal regulations, the physical condition of the improvements thereon, or financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

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*Exclusively Marketed by:*

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