

116 Spring City Dr,  
Johnson City, TN 37601

A Stabilized with Upside, 78  
Lot Manufactured Housing  
and RV Community

# Spring City MHP & RV

PROPERTY ADDRESS

INVESTMENT OPPORTUNITY



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.

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### 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

## Spring City MHP & RV

<b>PARK NAME</b>	Spring City MHP & RV
<b>PROPERTY ADDRESS</b>	116 Spring City Dr, Johnson City, TN 37601
<b>COUNTY</b>	Washington
<b>METRO AREA</b>	Johnson City, TN MSA
<b>PARCEL NUMBER(S)</b>	038A B 003.01, 038A B 005.00

[Click Here To Access Due Diligence Items](#)



## Site Description

<b>PURCHASE PRICE</b>	<b>\$3,600,000</b>
<b>TOTAL RENTAL UNITS</b>	78
<b>TOTAL MOBILE HOME LOTS</b>	48
<b>TOTAL RV LOTS</b>	30
<b>EXPANSION APPROVED</b>	No
<b>TOTAL LAND AREA</b>	5.9 Acres
<b>ROADS</b>	Mix - Public Paved and Private Unpaved
<b>FLOOD ZONE</b>	No
<b>OPPORTUNITY ZONE</b>	No

## Mechanical Description

<b>WATER SYSTEM</b>	Public, Tenant Pays
<b>SEWER SYSTEM</b>	Public, Tenant Pays
<b>ELECTRIC SERVICES</b>	Public - Tenant Pays (MH), Landlord Pays (RV)
<b>GAS/PROPANE SERVICES</b>	Public, Tenant Pays
<b>TRASH</b>	Curbside, Landlord Pays
<b>CABLE SERVICES</b>	Public, Tenant Pays
<b>LAWNCARE SERVICES</b>	Landlord Mows Commons
<b>SNOW REMOVAL</b>	No Snow

# Property Description

The Esterson MHC Team is pleased to present Spring City MHP & RV, a 78-unit manufactured housing and RV community located in Johnson City, TN, offering investors a cash-flowing asset with strong upside through lot rent increases and vacant lot infill.

Spring City MHP & RV is situated at 116 Spring City Drive in Johnson City, TN 37601 (Washington County), within the Johnson City, TN MSA. The property sits on 5.9 acres and is NOT in a Flood Zone and NOT in an Opportunity Zone. Parcel numbers are 038A B 003.01 and 038A B 005.00. Johnson City is the 8th largest city in Tennessee with a 2026 population of approximately 74,892, growing at 0.85% annually (up 5.3% since the 2020 census). The Johnson City, TN MSA benefits from a diversified employment base anchored by East Tennessee State University (ETSU), the James H. Quillen VA Medical Center, Ballad Health System, and a growing manufacturing and logistics sector. The Tri-Cities region (Johnson City, Kingsport, Bristol) has emerged as one of the most affordable and fastest-growing metro areas in the Southeast.

The community is 78 total units consisting of 42 Tenant Owned Homes (TOH) (average lot rent \$419/month), 2 Rent-to-Own (RTO) units at \$450/month lot rent plus \$375/month average RTO payments, 25 rented long-term RV lots at an average of \$579/month (all RV tenants increasing to \$625/month effective July 1), 5 vacant RV lots, and 4 vacant mobile home lots. Current occupancy is 88.5%. Water is public, billed back to tenants. Sewer is public, billed back to tenants. Trash is curbside (included in city water/sewer/trash bill), and billed back to tenants. Electric is direct billed to MH tenants and landlord pays electric for RV tenants and common areas. Gas/propane, and cable are tenant-paid via direct bill. The park uses Metron meters for water billing (\$7.50/month meter reimbursement per MH tenant). The main road running through the park is paved and publicly maintained. Landlord mows common areas. No snow removal is required.

Spring City MHP & RV is being offered at a purchase price of \$3,600,000, reflecting an 8.47% global cap rate on in-place operations (P&L 1). The mark-to-market P&L 3 yields a 11.2% cap rate at full occupancy with maximized rents, translating to a pro forma upside value of approximately \$5,729,860 at a 7.0% exit cap. The most immediate upside is the July 1st RV rent increase to \$625/month across all 25 occupied RV lots, representing an estimated \$13,800/year in additional gross revenue. Investors may achieve further upside by infilling 5 vacant RV lots and 4 vacant MH lots, increasing MH lot rents toward the \$585/month market rate, and optimizing utility billback recapture rates. Financing is contemplated with a community bank recourse loan of \$2,160,000 (60% LTV) at an estimated 6.50% interest rate with 25-year amortization. All offers should include price, inspection timeline, terms, proof of funds, due diligence requirements, and relevant real estate experience.

▶ **HIGHLIGHTS**

- Zero Park Owned Homes
- Public Utilities
- Main road within park is paved/publicly maintained
- 8.47% Global Cap Rate
- Upside pro-forma cap rate 11.2%
- Centrally located in growing Johnson City TN MSA

▶ **KNOWN ISSUES**

- RV Component cannot be turned into MH
- RV Electric paid by park (additional upside)
- The non-public roads within the park are gravel (good condition)



### Rental Unit Breakdown

78

TOTAL RENTAL UNITS

69

TOTAL TENANTS

48

TOTAL MOBILE HOME LOTS

30

TOTAL RV LOTS

42

TOTAL TOHS

2

TOTAL RTO

9

VACANT LOTS (5 RV, 4 MH)

\$419

AVERAGE LOT RENT

\$375

AVERAGE RTO PAYMENT

\$579

AVERAGE RV RENT

# Investment Summary

## Pricing

<b>OFFERING PRICE</b>	<b>\$3,600,000</b>
<b>CAP RATE (LOT RENT ONLY)</b>	8.25%
<b>GLOBAL CAP RATE</b>	8.47%
<b>PRICE PER LOT</b>	\$45,994
<b>PRO FORMA VALUE</b>	\$5,729,860

## Upside Comments

The upside opportunity consists of implementing the July 1 RV rent increase to \$625/month across all 25 occupied RV lots, responsibly increasing MH lot rents toward the \$585/month market rate, infilling 5 vacant RV lots and 4 vacant MH lots, and optimizing utility billback recapture rates on water, sewer, trash, and RV electric.

## Capitalized Revenues

	P&L 0	P&L 1	P&L 3
	T-12 P&L - From Seller	T-1 P&L - From Seller	Mark-To-Market
<b>TOTAL GROSS INCOME (ALL REVENUES)</b>	\$434,793	\$444,607	\$591,349
<b>TOTAL GROSS EXPENSE (ALL EXPENSES)</b>	<b>\$139,578</b>	<b>\$139,578</b>	<b>\$190,259</b>
<b>GLOBAL NOI:</b>	<b>\$295,215</b>	<b>\$305,029</b>	<b>\$401,090</b>
<b>GLOBAL CAP RATE:</b>	<b>8.2%</b>	<b>8.5%</b>	<b>11.2%</b>
<b>TOTAL INCOME (PARK ONLY)</b>	\$428,533	\$435,619	\$591,349
<b>TOTAL EXPENSES (PARK ONLY)</b>	<b>\$139,578</b>	<b>\$139,578</b>	<b>\$190,259</b>
<b>NET OPERATING INCOME (PARK ONLY)</b>	\$288,955	\$296,041	\$401,090

## RTO Revenues

	P&L 0	P&L 1	P&L 3
<b>TOTAL RTO REVENUE</b>	\$6,260	\$8,988	\$0
<b>RTO EXPENSES</b>	\$0	\$0	\$0
<b>RTO NET INCOME</b>	\$6,260	\$8,988	\$0

## Investment Metrics

	P&L 0	P&L 1	P&L 3
<b>LOT RENT CAP RATE</b>	8.1%	8.3%	11.2%
<b>GROSS CAP RATE (PARK &amp; POH)</b>	8.2%	8.5%	11.1%
<b>CASH ON CASH LEVERED</b>	8.4%	9.0%	15.7%

# Property Revenue & Expense

	P&L 0 Sellers Actuals REVENUE: T12 P&L ACTUAL PER SELLER RECORDS REVENUE AS REPORTED EXPENSE AS REPORTED	P&L 1 Sellers Actuals REVENUE: RR, MAY 2026 CURRENT RENTS PER RR 88.5% OCCUPANCY EXPENSE AS REPORTED	P&L 3 Maximized PRO-FORMA (MARKET) MARKET RENTS 100% OCCUPANCY BROKER ADJUSTED EXPENSE	Comments
LOT RENT REVENUE	\$389,676	\$221,400	\$336,960	P&L 3: Based on Market Lot Rent of \$585
RV REVENUE	\$0	\$173,700	\$225,000	P&L 0,1: Actual   P&L 3: \$625 LR
METRON METER REIMBURSEMENT	\$4,028	\$3,960	\$4,140	P&L 0,1: As Reported: 109%   P&L 3: 99%   Recapture Rate
WATER/SEWER REVENUE	\$23,347	\$25,260	\$27,660	P&L 0,1: As Reported: 139%   P&L 3: 146%   Recapture Rate
TRASH REVENUE	\$9,767	\$9,583	\$9,657	P&L 0,1: As Reported: 65%   P&L 3: 57%   Recapture Rate
FEE REVENUE (RE)	\$1,715	\$1,715	\$6,034	P&L 0,1: As Reported   P&L 3: 1% of Total Revenue
COLLECTIONS LOSS/BAD DEBT	\$0	\$0	\$18,103	P&L 0,1: As Reported   P&L 3: 3% of Total Revenue
<b>TOTAL REVENUE</b>	<b>\$428,533</b>	<b>\$435,619</b>	<b>\$591,349</b>	
PROPERTY TAX	\$7,184	\$7,184	\$12,572	P&L 0,1: Actual   P&L 3: Adjusted by Broker Estimate
INSURANCE EXPENSE	\$2,443	\$2,443	\$7,800	P&L 0,1: As Reported   P&L 3: \$100 Per Unit/Year
REPAIRS & MAINTENANCE SERVICES	\$3,773	\$3,773	\$11,700	P&L 0,1: As Reported   P&L 3: \$150 Per Unit/Year
MOWING, LANDSCAPING & SNOW SERVICES	\$2,180	\$2,180	\$4,680	P&L 0,1: As Reported   P&L 3: \$60 Per Unit/Year
UTILITY SERVICES	\$3,697	\$3,697	\$4,179	P&L 0,1: As Reported: \$4   P&L 3: \$4 Per Tenant/Month
WATER SERVICES	\$16,801	\$16,801	\$18,992	P&L 0,1: As Reported: \$20   P&L 3: \$20 Per Tenant/Month
TRASH SERVICES	\$15,028	\$15,028	\$16,988	P&L 0,1: As Reported: \$18   P&L 3: \$18 Per Tenant/Month
ELECTRIC SERVICES	\$34,157	\$34,157	\$38,612	P&L 0,1: As Reported: \$41   P&L 3: \$41 Per Tenant/Month
ON-SITE MANAGEMENT	\$37,385	\$37,385	\$29,567	P&L 0,1: As Reported   P&L 3: 5% of Total Revenue
3RD PARTY MANAGEMENT	\$0	\$0	\$29,567	P&L 0,1: As Reported   P&L 3: 5% of Total Revenue
GENERAL & ADMIN SERVICES	\$16,930	\$16,930	\$15,600	P&L 0,1: As Reported   P&L 3: \$200 Per Unit/Year
<b>TOTAL EXPENSES</b>	<b>\$139,578</b>	<b>\$139,578</b>	<b>\$190,259</b>	
EXPENSE RATIO	33%	32%	32%	
<b>NET OPERATING INCOME (NOI)</b>	<b>\$288,955</b>	<b>\$296,041</b>	<b>\$401,090</b>	
CAP RATE	8.1%	8.3%	11.2%	
RTO INCOME	\$6,260	\$8,988	\$0	P&L 0,1: Per Rent Roll   P&L 3: RTO Complete, Income Removed
RTO EXPENSES	\$0	\$0	\$0	P&L 0,1: As Reported   P&L 3: RTO Complete
NET RTO INCOME	\$6,260	\$8,988	\$0	
CASH FLOW BEFORE DEBT	\$295,215	\$305,029	\$401,090	
DEBT SERVICE - NEW LOAN	\$175,014	\$175,014	\$175,014	
NET INCOME	\$120,201	\$130,015	\$226,077	
CASH ON CASH RETURN	8.4%	9.0%	15.7%	
DEBT COVERAGE RATIO (DCR) GLOBAL	1.65	1.69	2.29	Based on Lot Rent Revenue Only
DEBT COVERAGE RATIO (DCR) GLOBAL	1.69	1.74	2.29	Based on Gross Rent Revenue
CAP RATE	8.2%	8.5%	11.1%	

Advertised Pricing	P&L 1	Per Unit	Comments
REAL ESTATE VALUE	\$3,587,569	\$45,994	8.25% Cap Rate
RTO VALUE	\$12,431	\$6,215	2 RTO Contracts
<b>TOTAL VALUE</b>	<b>\$3,600,000</b>		

Upside Value	P&L 3	Comments
REAL ESTATE VALUE	\$5,729,860	7.0% Cap Rate
<b>TOTAL VALUE</b>	<b>\$5,729,860</b>	

Unit Types	Count	Avg Rent
TOTAL RENTABLE UNITS	78	
TOTAL MOBILE HOME UNITS	48	
TENANT OWNED HOME	42	\$419
RENT TO OWN MOBILE HOME (RTO)	2	\$375
RV	25	\$579
VACANT RV	5	\$625
VACANT MOBILE HOME LOT	4	\$585

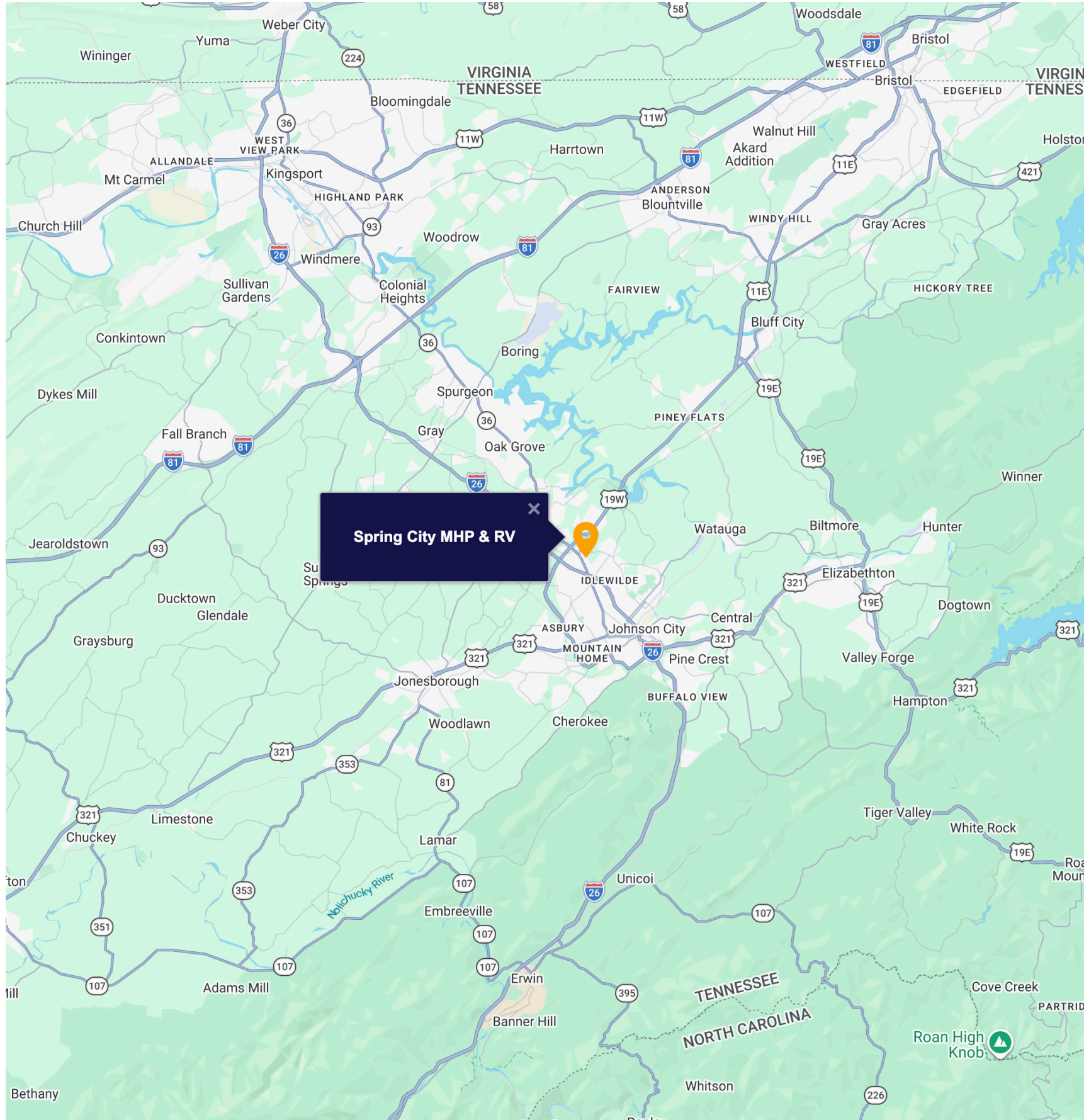
Loans	New Loan	Loan Info	Comments
LOAN AMOUNT	\$2,160,000	Recourse	0.6 LTV
INTEREST RATE	6.50%	Community Bank	
AMORTIZATION	25	Balloon	



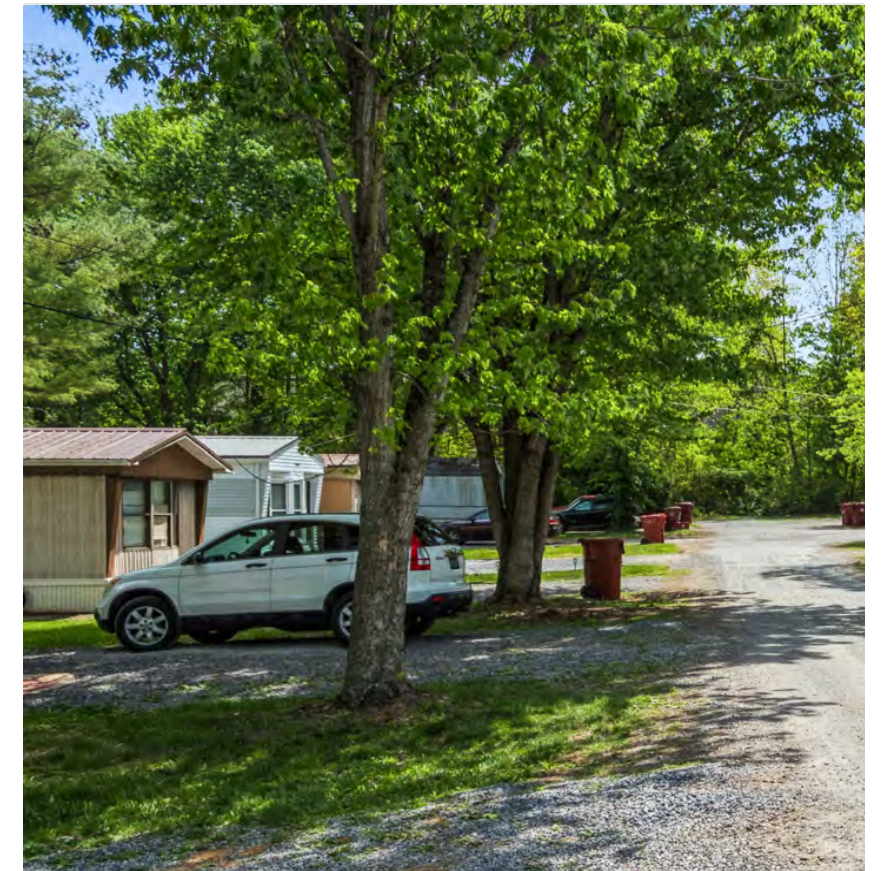
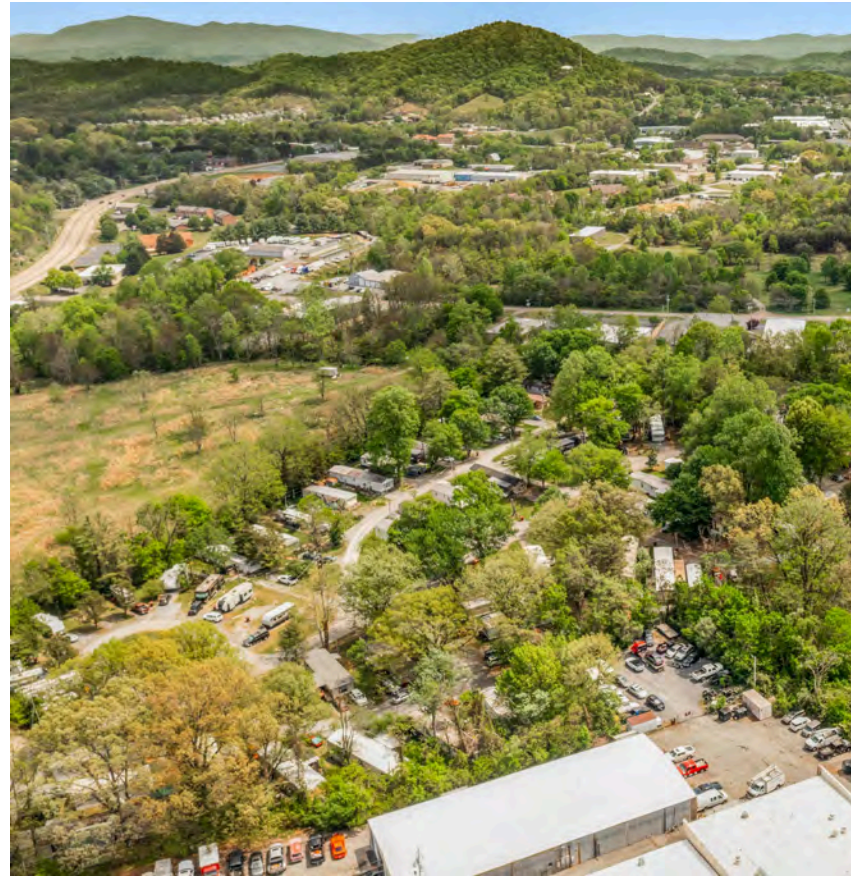
Infrastructure	Type	Comments
WATER SYSTEM	Public	Tenant Pays
SEWER SYSTEM	Public	Tenant Pays
TRASH	Curbside	Landlord Pays
ELECTRIC SERVICES	Public	Tenant Pays (MH)
GAS SERVICES	Public	Tenant Pays

Uses of Capital	Amount	% of Purchase
TOTAL PURCHASE PRICE	\$3,600,000	100.00%
1ST POSITION LOAN	\$2,160,000	60.00%
CASH TO CLOSE	\$1,440,000	40.00%

► Location Map and Property Parcel



▶ Property Photos



# Brokerage Team

Cole Burchill is a key member of the Esterson MHC Team, led by industry expert Glenn Esterson, where he specializes in Manufactured Housing Community (MHC) sales across the East Coast and Midwest. Based in Wilmington, NC, Cole is dedicated to delivering exceptional service and value to his clients through the team's deep market knowledge and a client-first approach.

Originally from Syracuse, NY, Cole graduated from Hamilton College in 2019 with a degree in Economics, where he also played collegiate football. Following graduation, Cole served as an Infantry Officer in the United States Marine Corps at Camp Lejeune, NC, honing his discipline and leadership capabilities.

After completing his military service in September 2024, Cole transitioned into real estate, joining Marcus & Millichap as an Investment Sales Broker, focusing on Manufactured Housing and RV Parks.

In his free time, Cole enjoys golf, ultra-distance running, and cheering on his favorite team, the Buffalo Bills.

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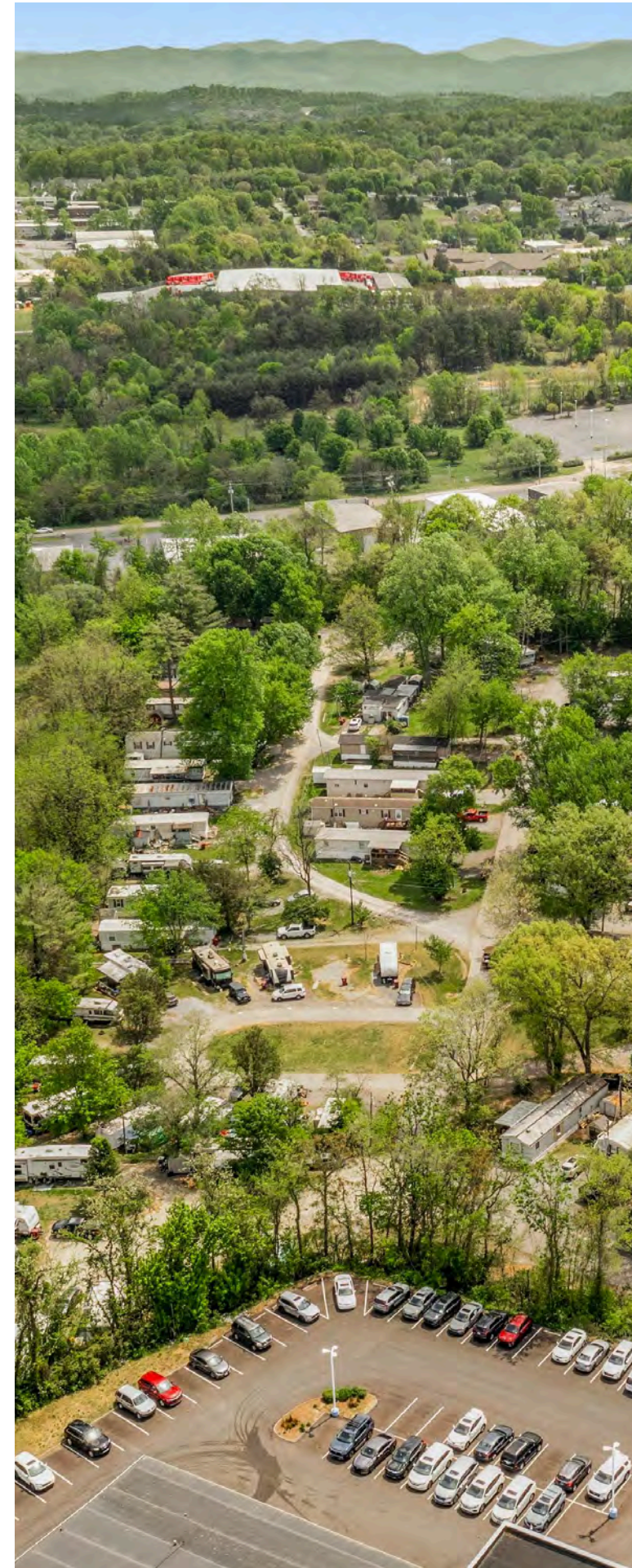


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