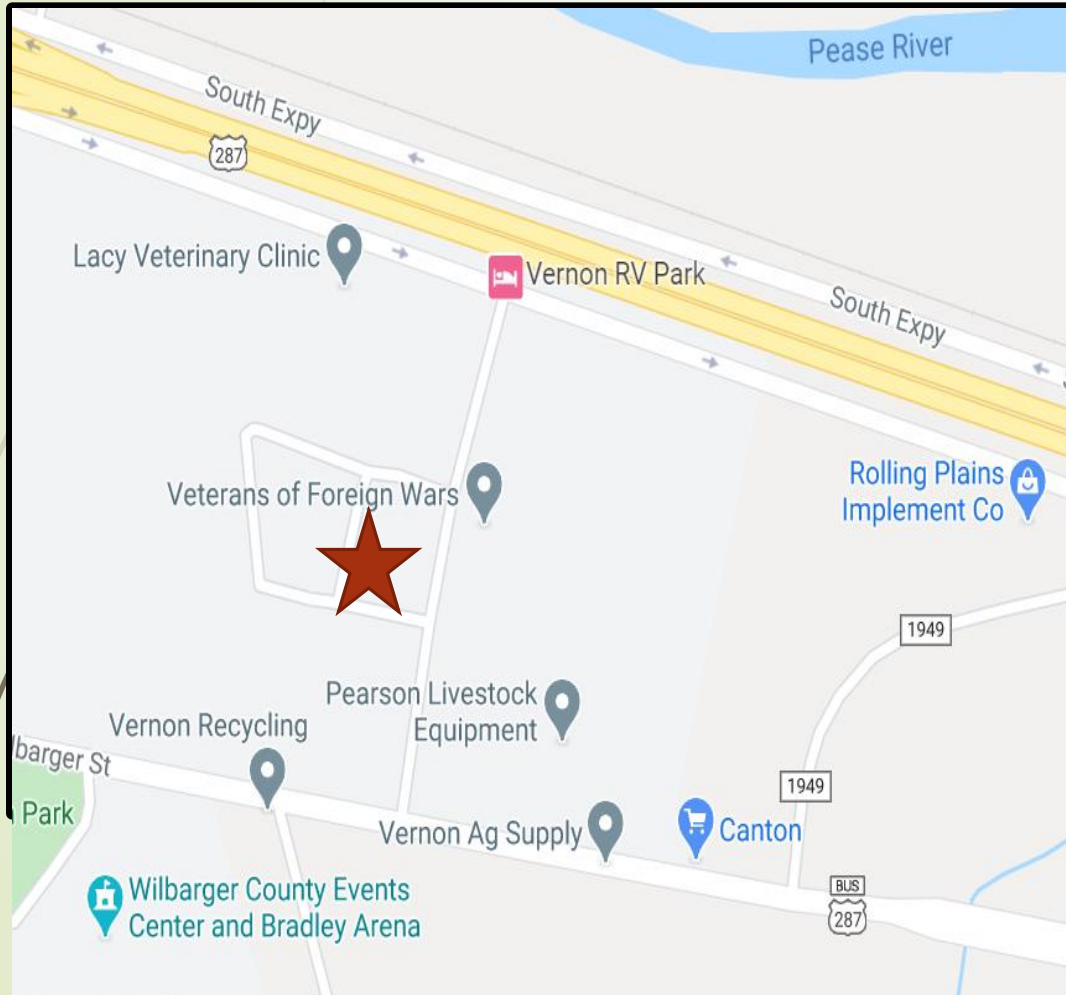




Vernon RV Park

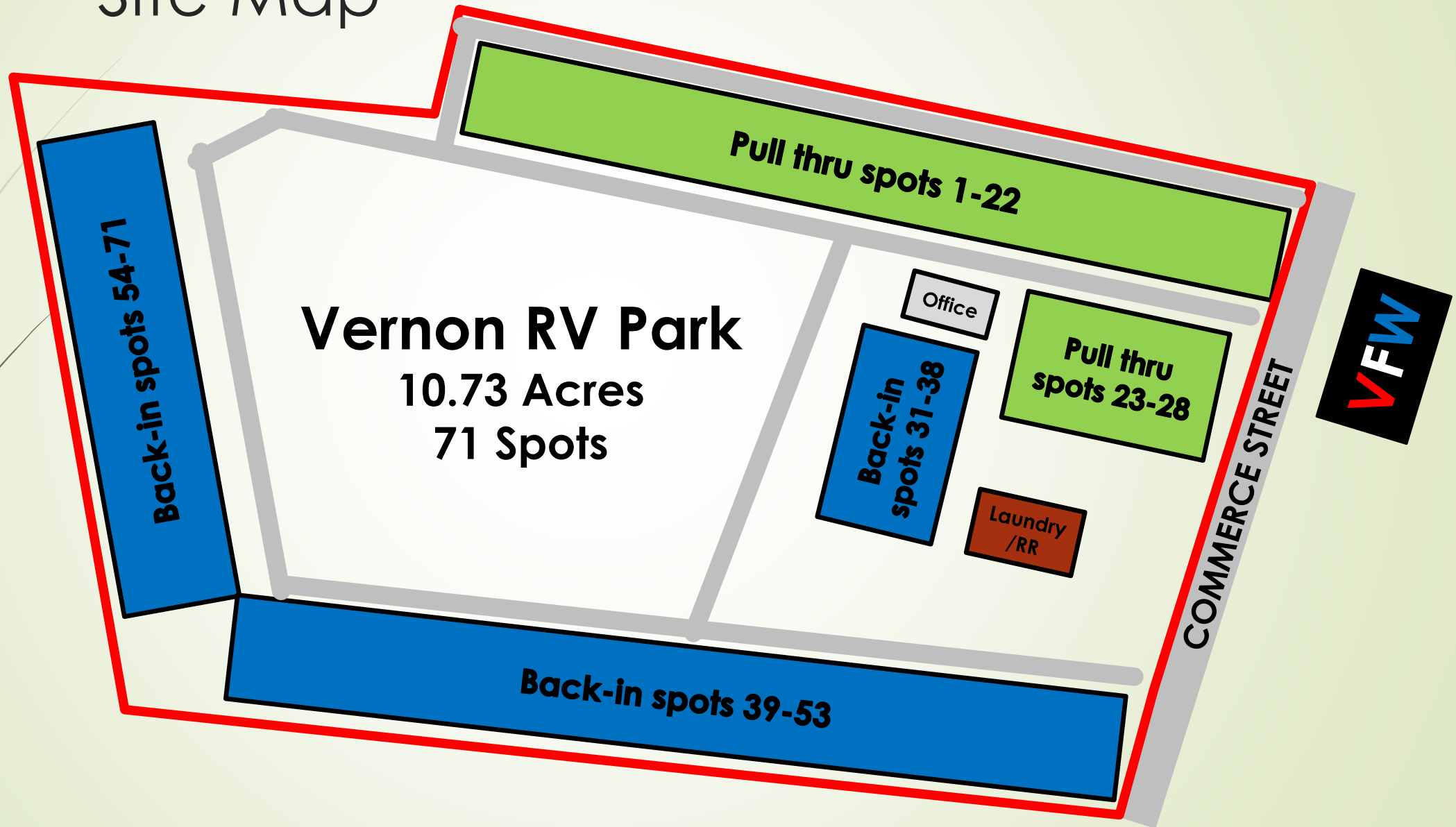
Buyer Package – September 2020

Park Overview



- 1400 Commerce Street, Vernon, TX 76384.
- In exchange for monthly rent there is a full-time Park Manager onsite that handles day to day operations.
- Opened as Old Glory Mobile Home Park on 3 acres with 10 units.
- Expanded to 10.73 acres with capacity for 71 campers.
- Purchased in April 2019 and renamed to Vernon RV Park.
 - www.vernonrvpark.com
- All full hookups with 50 amp service. 5 with 30 amp service as well.
- 14 Electrical meters service 71 spots.
- City water, sewer and trash.

Site Map



Improvements – Made in 2019 and 2020

► 2019 Improvements

- Tiled laundry and restrooms
 - \$4,200
- Labeled each spot
- Created Website
 - \$1,800
- Added IVR call attendant
- Joined the Chamber of Commerce
- Removed 2 abandoned mobile homes
 - \$4,000
- Golf cart purchase
 - All new batteries, new wheels and tires, new windshield and new top.
 - \$3,500
- Locking mailbox for late night rent collection


► 2020 Improvements

- New Billboard off service road
 - \$1,800
- New 8'x20' insulated office w/AC and Heat
 - \$5,700
- New park signage
 - \$1,400
- New basketball goal on concrete pad and two sets of horseshoe pits
 - \$1000
- New electrical transformers from AEP. Added bird cages to reduce potential for outages.
- New 2020 5th wheel Wildcat 31WB RV. 3 slide-outs and residential fridge.
 - \$50,000



Residents and Future Potential Opportunities

- ▶ Most of our business has come from people living at the park while they work in the general area. These companies are from the Power Line work, Oilfield, Windmill and Harvesting crews.
 - ▶ Power Line – We have roughly 10 people at the park that are working on the power line until mid to late 2021.
 - ▶ Oilfield – The drilling permits dropped in 2020 due to Covid 19. We expect that traffic to come back in Q1 of 2021.
 - ▶ Windmills – The windmill construction dropped in 2020 due to Covid 19. The work has started coming back sooner than expected and we have 20+ reservations for Windmill crews starting in October. We expect to be back over 75% occupancy by November.
- ▶ Summer's Last Blast was cancelled for 2020 but has brought in a dozen or so campers to the park in the past for that weekend.
- ▶ The seasonal harvesting crews bring in over \$6,000 in yearly revenue. Depending on rainfall, these crews stay anywhere from 4 to 8 weeks.
- ▶ POTENTIAL
 - ▶ Wilbarger Event Center has frequent events with dozens of potential horse trailers as weekend guests with multiple events each year.
 - ▶ Roughly 2.5 acres in center of the park for expansion or multi-use property.
 - ▶ We get calls asking if we have any RVs for rent or apartments. I think there is a market for some tiny home or RV rentals for traveling workers. The surrounding options stay well rented and run roughly \$850 per month in rent.



Financials – May 2019 to Jan 2020 – 8 Months

- ▶ Average Monthly Occupancy
 - ▶ 40 units or 57%
- ▶ Average Monthly Income
 - ▶ \$15,884
- ▶ Average Monthly Utility Cost – Electric, Water, Trash and Internet
 - ▶ \$6,971
- ▶ Average Monthly Repairs and Infrastructure Upgrades
 - ▶ \$1,043 – Inflated due to initial infrastructure repairs.
- ▶ Average Monthly Net Profit
 - ▶ \$7,870



Financials – Jan 2020 to Sep 2020 – 9 Months

- ▶ Average Monthly Occupancy
 - ▶ 18 units or 25%
- ▶ Average Monthly Income
 - ▶ \$7,200
- ▶ Average Monthly Utility Cost – Electric, Water, Trash and Internet
 - ▶ \$2,800
- ▶ Average Monthly Repairs and Infrastructure Upgrades
 - ▶ \$150
- ▶ Average Monthly Net Profit
 - ▶ \$4,250

2020 Projections have been impacted by surrounding jobs being put on hold due to Covid 19. Jobs that were supposed to start in March are now starting in October. We expect to be back up to 75%+ occupancy by November.



Operations



- ▶ Cleaning
 - ▶ We clean the restrooms and laundry facility twice a week.
- ▶ Dumpsters
 - ▶ We use weekly collection with 1 to 2 dumpsters depending on occupancy.
- ▶ Rent Collecting
 - ▶ We accept cash, checks and PayPal. We prorate monthly rent to the 1st of the month upon check-in and then collect \$400 on the 1st of each month. 3 day grace period. Roughly 50% pay via PayPal and the rest is cash or check. We have not had any return checks (knock on wood).
- ▶ Check-In
 - ▶ Upon check-in, we get name, phone number, spot location and number of occupants.
- ▶ Park Notifications
 - ▶ We request approval to text residents if there are any maintenance items happening with the park.



Marketing and Billboard Replacement

- ▶ We started a SEO or search engine optimization campaign in June and have seen very positive results in our overnight stays.
 - ▶ In the first 15 months on owning the park, we averaged 1 overnight per month.
 - ▶ Since the start of the campaign in June, we have averaged 7 per month and increasing.
 - ▶ The SEO package will help the search engine return the website when searching in the various search engines.
- ▶ We are starting a review campaign to requests our guest leave a google and or yelp review for the park.
- ▶ We replaced 8'x16' billboard near the service road with new signage that can be seen from hwy 287.
- ▶ All new park signs for the office, laundry and restroom facilities.



FAQ

- ▶ Why are we looking to sell?
 - ▶ When we initially purchased the park, we had planned on relocating to Vernon to operate the park.
 - ▶ Unfortunately, we had some changes within our work that will not support that model.
 - ▶ As a result, our plan has shifted to selling the park and building or buying one closer to the Fort Worth area.
- ▶ What are some of the struggles we have faced?
 - ▶ There was a learning curve being new to the park operations.
 - ▶ Managing remotely while working full time jobs has taken time away from improving the park as much as we would have liked.
 - ▶ We have had 2 campers that we had to start the eviction process on but both ending up moving out before we had to file with the Justice of the Peace. As an FYI, below is the high-level eviction process.
 - ▶ Provide written notice posted on camper or handed to resident requesting to move out. Take a picture of this notice if left at the camper.
 - ▶ 3 days after posted notice, you can file with the Justice of the Peace for intent to evict. \$175 charge and they will need proof of notice (picture).
 - ▶ The JP office provides another notice.
 - ▶ After 7 day appeal window, the county Sherriff's department will issue a 3 day notice to occupant for a \$175 charge.
 - ▶ After 3 days, the camper will be towed at the RV owner's expense.



FAQ cont.

- ▶ What are some future recommended improvements?
 - ▶ BBQ grills and picnic tables
 - ▶ Dog park near laundry facility
 - ▶ Outdoor fitness station (Sit-ups, pull ups, dips, etc.)
 - ▶ Solar lighting for the billboard
 - ▶ Solar panels on laundry facility for electrical offset
 - ▶ Replace washers and dryers with coin operated
 - ▶ Tankless water heater when replacement is needed
 - ▶ Plant additional trees
 - ▶ Point of sale system for credit card payments



Surrounding Competition

- ▶ Rocking A RV Park

- ▶ This is a nice, well manicured RV Park that offers amenities like a swimming pool, internet, clubhouse, laundry, cable, etc. The prices are a little higher than VRVP but we have had several people leave Rocking A to stay at our park because there is less come and go traffic and a more quiet park.

- ▶ A&A RV Park

- ▶ This is a husband and wife owned and operated RV Park with about 10 grass spots. Quiet park with friendly owners just off Wilbarger Street and outside of city limits.

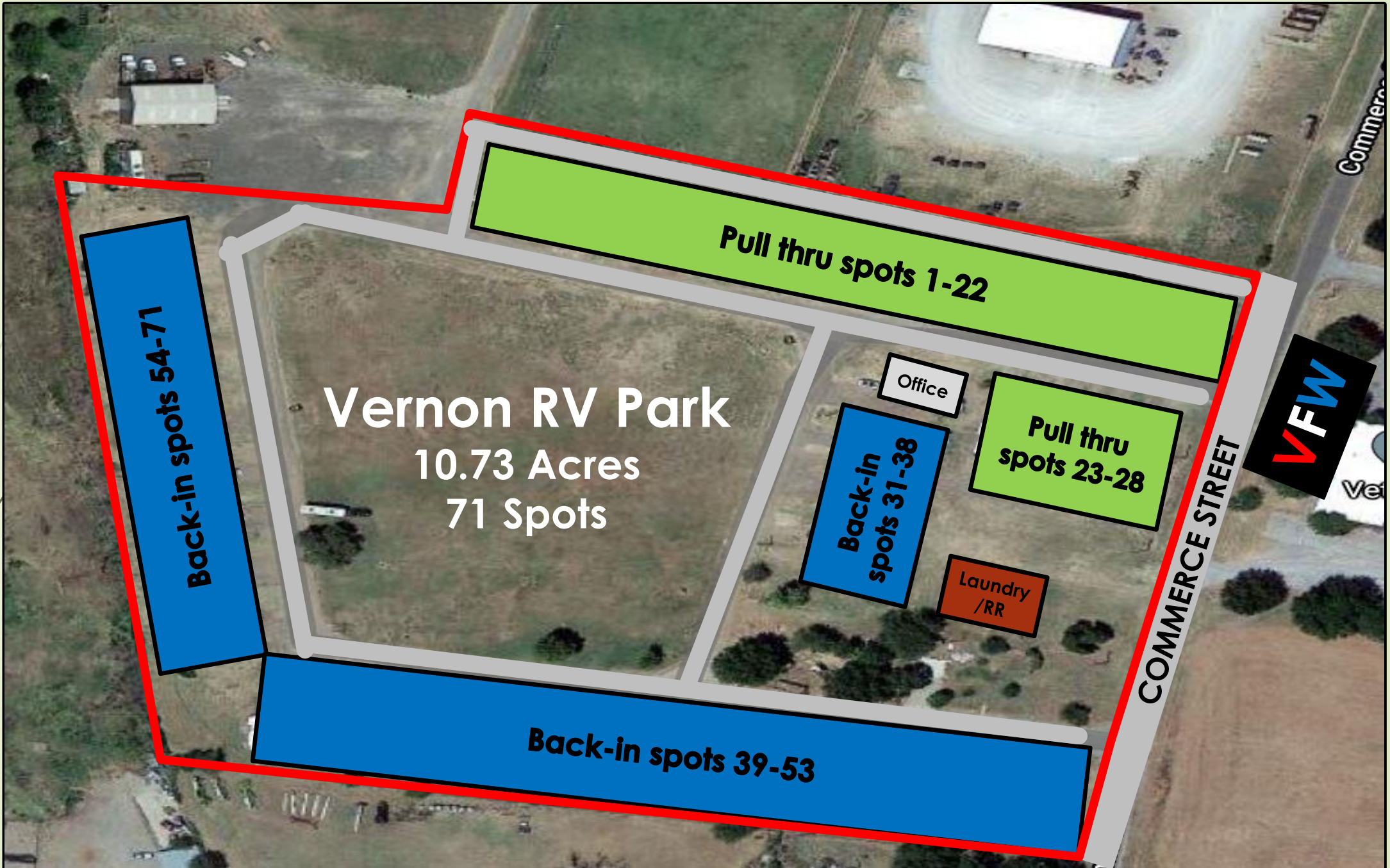
- ▶ Meadows RV Park

- ▶ This park is grass spot with full hookups and the price is the same as VRVP. I don't believe they have laundry or restrooms. The roads are not paved so during heavy rain access can be an issue.



Purchase Details

- ▶ Total price is \$699,000 - 10.05% Cap Rate
 - ▶ Price includes
 - ▶ Business names of Vernon RV Park and Old Glory RV Park
 - ▶ Website www.vernonrvpark.com
 - ▶ Domains
 - ▶ Vernonrvpark.com
 - ▶ Vernonrvpark.net
 - ▶ Oldgloryrvpark.com
 - ▶ Main number with auto-attendant
 - ▶ Email account customerservice@vernonrvpark.com
 - ▶ Yelp Profile
 - ▶ Facebook Profile
 - ▶ 2020 5th wheel
 - ▶ 2020 8x20 office with AC/Heat
 - ▶ 2006 golf cart with new batteries purchased in 2019
 - ▶ If the above are not needed, then you can take \$40k off purchase price.



Vernon RV Park
10.73 Acres
71 Spots

Back-in spots 54-71

Pull thru spots 1-22

Back-in spots 31-38

Pull thru spots 23-28

Laundry /RR

Office

Back-in spots 39-53

COMMERCE STREET

