

ERLAND POINT

BREMERTON, WASHINGTON



98% leased Manufactured Housing & RV community with developable land potential







ERLAND POINT

04

Executive
summary

14

Market
comparables

10

Property
overview

18

Location
overview

12

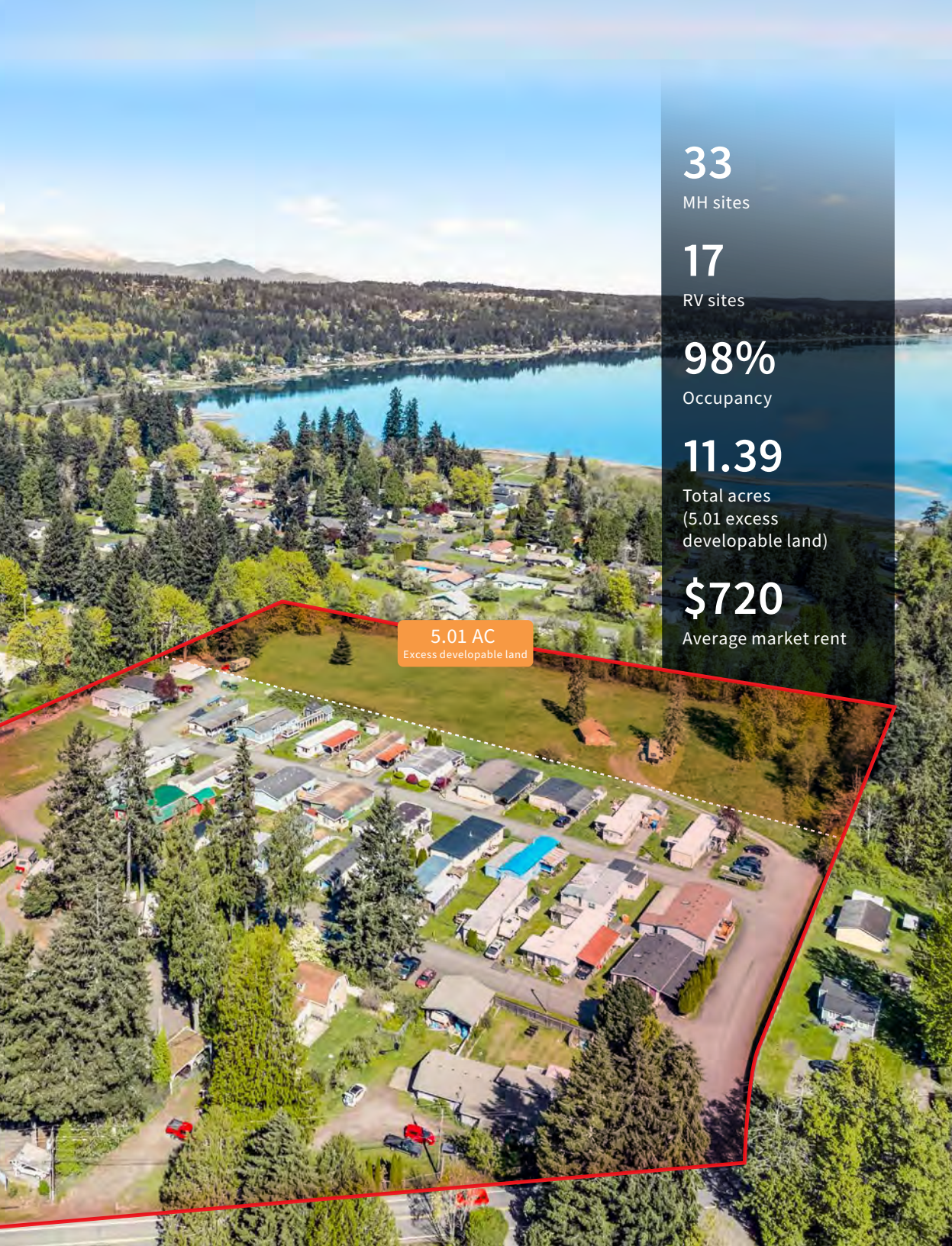
Financial
overview

The offering

JLL, as the sole and exclusive agent, has been retained to offer the opportunity to acquire Erland Point (the “Property”), an 11.39-acre manufactured housing community and RV park located in Bremerton, WA. The offering consists of a community with 33 manufactured homes, 17 RV sites, and approximately 5 acres of excess developable land. The Property is conveniently situated alongside Hwy 3, the primary north/south arterial connecting the Property to Downtown Bremerton, Silverdale, and the Olympic National Forest.

The demand for manufactured housing and RV parks continues to strengthen, as the availability of new supply remains limited due to challenges in obtaining the proper zoning and necessary entitlements. This asset class has demonstrated strong occupancy stability and rent growth. The compelling narrative of favorable investor returns and the growing need for affordable living options has continued to increase, positioning the asset class to be sought after by both private and institutional investors alike.





Investment highlights



Strong employment drivers

The Property is conveniently located, providing residents with a short commute to downtown Bremerton and nearby employers. St. Michael Medical Center's recent \$500 million expansion has positioned it as a leading healthcare provider in the region, with a focus on cardiac and surgical capabilities. The hospital is also known for its sustainability efforts. The Kitsap-Bangor Naval Base, the third largest in the U.S., is a major employer in Kitsap County and contributes to the area's economic stability. With the naval base and medical center within close proximity, Bremerton benefits from a steady employment base.



Kitsap-Bangor Naval Base

4.7 miles

The Kitsap Naval Base is the Kitsap Peninsula's largest employer with 21,612 civilian personnel, 15,293 active military personnel, and thousands of contractors and indirect employees. The base is a \$4 billion economic engine and defense spending accounts for 54% of all economic activity in Kitsap County. In addition, the Federal Government is investing millions into Bremerton's dry dock improvements, the Quincy Square and 4th street downtown Bremerton revitalization project, and over \$51.0 million in PTAC Government Contracting Technical Assistance for small business retention.

#3 Largest Naval Base in the nation | **+45K** Workers | **\$4B** Industry output

St. Michael Medical Center

7.5 miles to the Hospital

St. Michael Medical Center is the leading healthcare provider in the Kitsap Peninsula and Pacific Northwest. With a recent \$500 million expansion, it has become one of the most advanced facilities in the region. The 500,000 square foot addition includes state-of-the-art technology, eco-friendly design, and a focus on patient comfort. Each private room offers beautiful views of the Dyes Inlet and Olympic mountain range, with guest accommodations available. The center boasts an outdoor healing garden and easy access to hiking locations. St. Michael's is a regional hub for critical care throughout the Puget Sound, and is highly ranked by Healthgrades in cardiac surgery, orthopedics, gynecology, and pulmonary care.

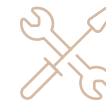
Sources: Kitsap County WA



Kitsap Naval Base



Bremerton Boardwalk



Upside in developable excess land

Adjacent to the park is approximately ~5 acres of developable land upon which a single-family home sits. Currently zoned Rural Residential (RR), there is conditional use for manufactured housing and RV park development, providing upside potential. This presents an opportunity to expand the Property's current revenue by developing additional residential sites, taking advantage of the growing demand in the area.



Clear path to revenue growth upside

Optimizing rental rates and capitalizing on the influx of transient RV users during the summer can significantly boost revenue at the Property. Its current tenant mix, along with the ability to attract short-term visitors during peak tourism periods, makes it a promising investment for the right operator who is looking for additional yield on their investment.

Investment highlights, continued



Attractive alternative asset class

Rising housing costs in major metropolitan areas have prompted individuals and families to search for affordable alternatives in rural or secondary markets. Kitsap County has emerged as a beneficiary of this trend. Investing in manufactured housing communities presents an enticing opportunity to capitalize on the increasing demand for affordable housing in regions experiencing both population growth and economic development such as the Seattle MSA.



High demand for affordable housing

As Washington's population continues to increase, housing costs have surged, outpacing income growth further increasing demand for affordable housing options. Manufactured housing communities cater to a diverse range of residents, including retirees, young families, and individuals seeking affordable homeownership outside the metro area. With rising housing costs, the demand for quality manufactured housing is expected to continue to grow in the coming years presenting a significant market opportunity for investors and developers alike.



Convenient access with immediate connectivity

Located adjacent to highway 3, the Property is within close proximity to downtown Bremerton (5.4 mi), Silverdale (4.3 mi) and downtown Seattle via the ferry (66.3 mi).



Ferry to Seattle

People aged 65 and older account for a significant share of total demand for RV park sites. This age segment's share of the population is expected to rise with the progressive aging of the baby boomer population in the near future as evidenced by an estimated peak of 11,200+ retirees each day in 2024.



Cost effective travel and recreation

The outdoor hospitality industry has experienced steady growth over the past decade, more recently experiencing a robust increase in demand as a result of the pandemic. The industry is primarily driven by travel-related trends, with trips to campgrounds and RV parks being considered cost-efficient alternatives to traditional vacations. The cost of visiting a campground and using RV facilities is less expensive compared to other types of accommodations. Therefore, this Property provides investors with a resilient asset during periods of economic softening and income diversification from manufactured housing and RV income.

RV communities tend to attract an older guest demographic with advantages of flexibility and freedom to visit several places, as well as the availability of a wide range of services catered to that age group. Greater RV demand from this group has translated into more potential customers for the outdoor hospitality industry, increasing the need for highly-amenitized RV parks. Simultaneously, younger customer groups are expanding as camping has increased in popularity as a less expensive type of vacation.

Sources: Protected Lifetime Income



Property overview

Property name
Erland Point RV Park

Address
2800-2850 Erlands Point Rd. NW
Bremerton, WA 97209

County
Kitsap County

Parcel
052401-4-009-2005
052401-4-013-2009
052401-4-144-2001

Zoning
Rural Residential (RR)

Community type
All-age MH / RV

Number of sites
50 sites (33 MH, 17 RV)

Services
City Water,
On-site septic & Electric

Total land size
11.39 AC (5.01 AC of excess land)



Utilities	Billing
Water	Included
Sewer	Included
Trash	Direct
Electricity	Direct

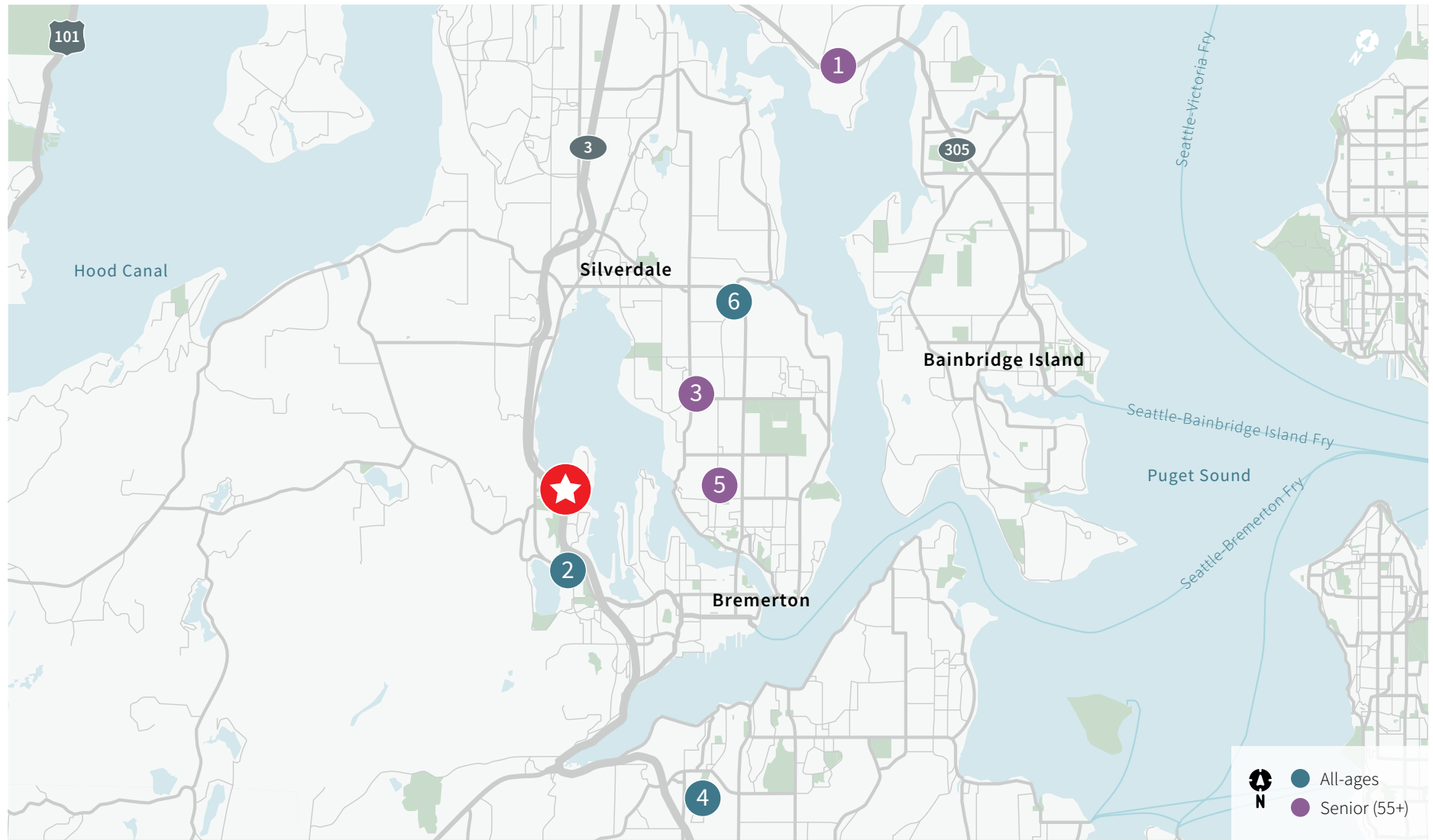


Financial overview

	2023		JLL In-Place		Proforma		Underwriting Footnotes
	PUPM / %		PUPM / %		PUPM / %		
MH Site Revenue							
MH Site Revenue	\$426,041	\$710	\$317,400	\$529	\$488,460	\$814	GPR UW to April 2024 RR
MH Vacancy	\$0	0.0%	(\$9,618)	3.0%	(\$14,654)	3.0%	Vacancy UW to 3.00% of GPR
Total Rental Revenue	\$426,041	\$710	\$307,782	\$513	\$473,806	\$790	
RV Site Revenue							
RV Site Revenue	\$0	\$0	\$152,580	\$748	Included Above		GPR UW to April 2024 RR
RV Vacancy	\$0	\$0	\$0	0.0%			
Total Other Income	\$0	\$0	\$152,580	\$254			
Gross Operating Income	\$426,041	\$710	\$460,362	\$767	\$473,806	\$790	
Operating Expenses							
		PUPA / %		PUPA / %		PUPA / %	
Management Fees	\$15,600	3.7%	\$16,113	3.5%	\$16,583	3.5%	Mgmt Fee UW to 3.5%
General & Administrative	\$14,833	\$297	\$11,445	\$229	\$11,674	\$233	2023 P&L, Excluding 2022 expense
Payroll	\$8,400	\$168	\$8,568	\$171	\$8,739	\$175	2023 P&L + 2%
Legal & Accounting	\$3,740	\$75	\$3,815	\$76	\$3,891	\$78	2023 P&L + 2%
Repairs & Maintenance	\$9,937	\$199	\$10,136	\$203	\$10,339	\$207	2023 P&L + 2%
Utilities	\$42,561	\$851	\$43,412	\$868	\$44,281	\$886	2023 P&L + 2%
Property Taxes	\$32,387	\$648	\$33,359	\$667	\$34,359	\$687	2023 Taxes +3%
Insurance	\$6,365	\$127	\$6,492	\$130	\$6,622	\$132	2023 P&L + 2%
Total Expenses	\$133,824	\$2,676	\$133,340	\$2,667	\$136,488	\$2,730	
Net Operating Income	\$292,217	\$5,844	\$327,022	\$6,540	\$337,318	\$6,746	
Expense Ratio	31%		29%		29%		



Market comparables



Rent comparables

	Property Name	Address	City	Type	Sites	Occupancy	Total Rent	Services In Rent*	Comments
1	Cedar Glen MHP	16300 State Highway 305 NE	Poulsbo	Senior (55+)	97	100.0%	\$910	W/S/T	The community also has 1 rental home which rents for \$1,500. There are also an additional 36 RV sites
2	StageCoach Mobile and RV Park	6116 Kitsap Way	Bremerton	All-ages	48	100.0%	\$775	W/S/T	RV's are 48
3	Silverdale Estates	160 NE Saturn Ln	Bremerton	Senior (55+)	222	99.5%	\$900	None	1 vacancy
4	Heritage Mobile Home Park	290 Granat Rd	Port Orchard	All-ages	25	100.0%	\$700	None	
5	Pinewood Park LLC & RV Park	3724 Pine Rd NE	Bremerton	Senior (55+)	25	96.0%	\$850	W/S/T/C	\$700 for RV
6	Steele Creek	1290 Steele Creek Dr. NE	Bremerton	All-ages	140	100.0%	\$700	C	Gym, clubhouse, basketball court
Weighted Average						99.7%	\$850		

*Services In Rent

Price of total included utilities and services.

W = Water | S = Sewer | T = Trash | C = Cable | None = No Utilities or Services



Manufactured housing market overview

Resilient asset class with desirable tenancy



Limited supply and strong demand have enabled the manufactured housing sector to achieve an average annual same-unit NOI growth of 5.1% since 2006.



Manufactured housing has higher operating margins with significantly lower R&M and Capex loads compared to single-family and multi-family sectors. This is due to tenants owning their homes, making the NOI growth countercyclical and recession resilient. Manufactured housing is the only asset class that did not experience a decline in same-store NOI during the last two recessions.



The average manufactured housing tenant stays for approximately 14 years, compared to around 2 years for a multi-family tenant and 3 years for a single-family tenant.



The average cost to move a manufactured home in 2022 was approximately \$9,000, which represents over 25% of household income for the average manufactured housing tenant. This results in a more stable tenant base compared to other residential sectors.



Manufactured housing offers the lowest sector-level risk compared to other sectors, as it is less sensitive to changes in GDP. Multi-family and single-family are 6.0x and 4.5x more volatile than manufactured housing, respectively.

Eligibility for agency financing

- Investors in manufactured housing benefit from the eligibility to obtain Fannie/Freddie financing on their manufactured housing communities.

Lack of new supply and high barriers to entry

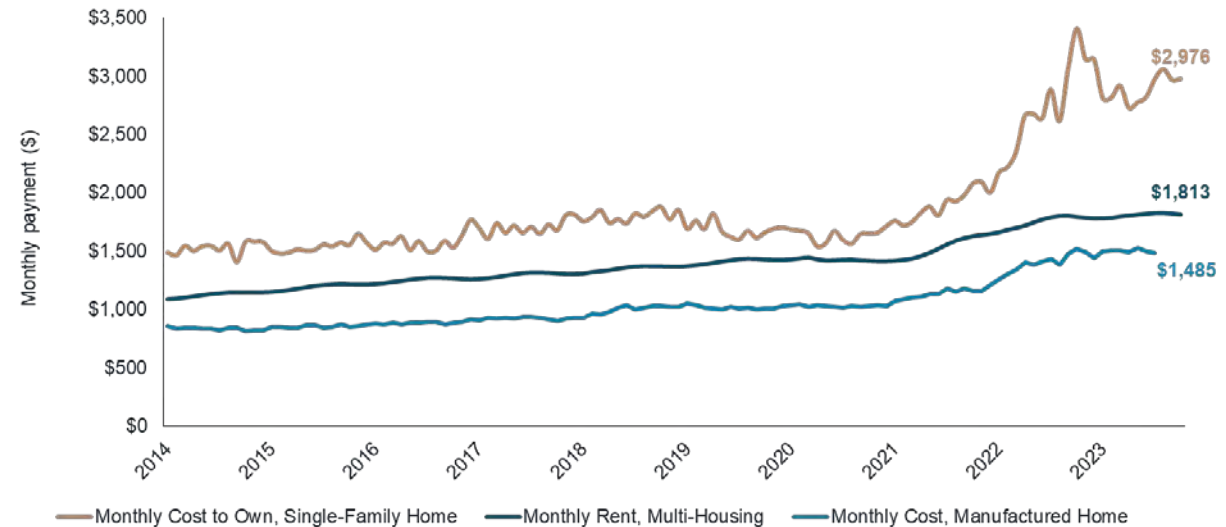
- Municipalities throughout the U.S. have zoning and entitlement restrictions that prevent the construction of manufactured housing.
- New supply is virtually nonexistent, with the manufactured housing pipeline representing approximately 0.0% of existing inventory, unlike multi-family, which historically delivers 2% of existing stock annually.

Increased demand for attainable housing

- The National Housing Opportunity Index, which measures the percentage of homes that are affordable to a family earning the area median income, has declined from 75% to 45% over the past decade.
- The U.S. currently has a shortage of 3.8 million housing units affordable to families at 100% of the area median income, leading households to seek more affordable alternatives.



Manufactured housing provides a far more economical alternative as the rent-to-own cost spread remains near all-time highs



Footnote: Cost of manufactured home includes average pad rent, average P&I, and insurance.





Location overview

Kitsap County

Kitsap County, offers residents a desirable combination of natural beauty, economic opportunities, and a strong sense of community. With its proximity to employment hubs like Seattle and a variety of major employers within the county itself, Kitsap County provides a favorable environment for both professionals and families. The area's median home prices are relatively affordable compared to nearby metropolitan areas, making it an attractive destination for individuals looking for housing options that fit their budget. Kitsap County is renowned for its recreational opportunities, including hiking, biking, boating, and fishing, thanks to its picturesque landscapes encompassing forests, mountains, and waterways. The county also hosts numerous parks, golf courses, and cultural venues, adding to its appeal. Whether you're seeking a thriving job market, affordable housing, outdoor adventures, or a vibrant arts community, Kitsap County offers an exceptional quality of life for residents and a promising investment market for those looking to capitalize on its diverse offerings.

Submarket overview

Bremerton, Washington

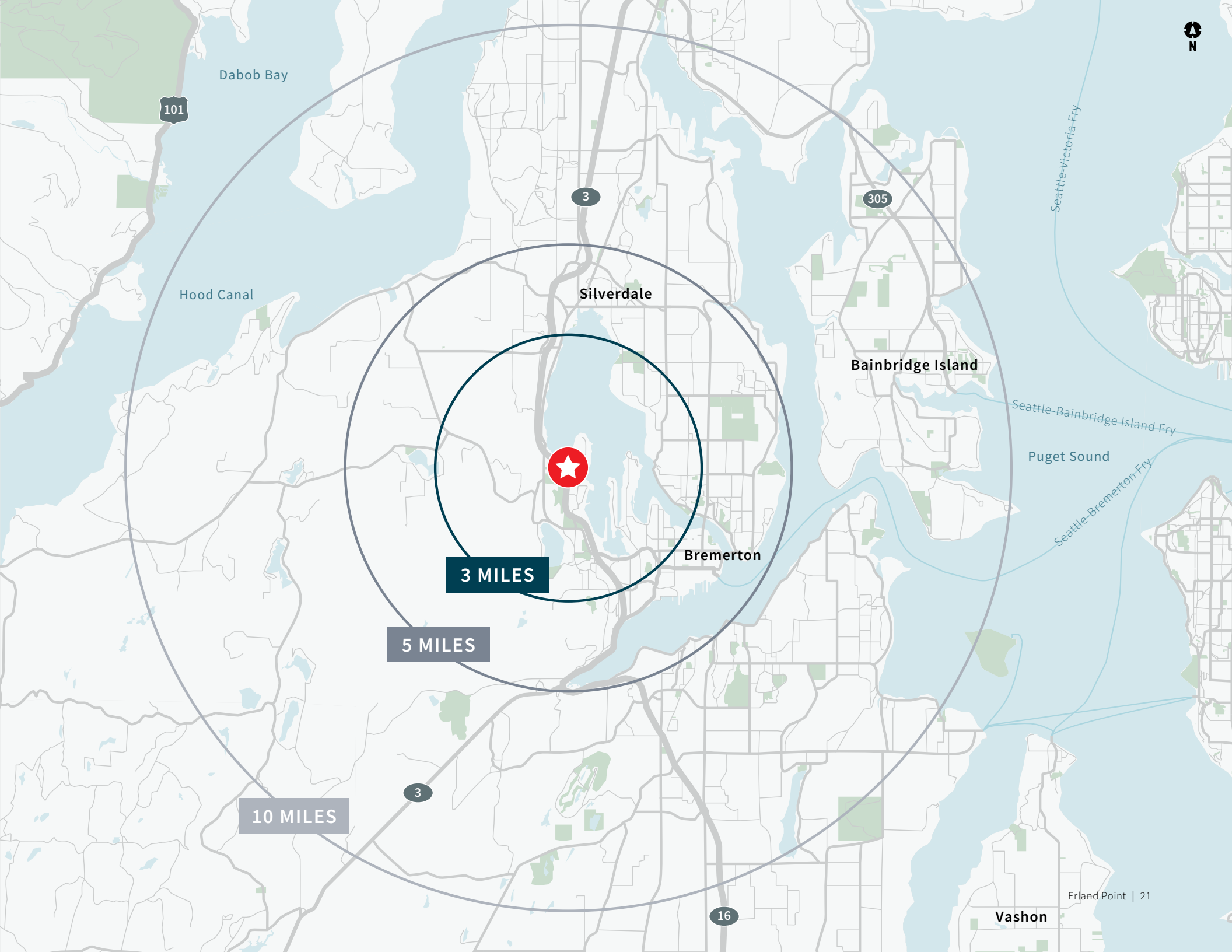
Bremerton is a vibrant city with a rich maritime heritage. Situated on the Kitsap Peninsula, Bremerton offers stunning views of the picturesque Olympic Mountains and Puget Sound. The city is known for its naval history, as it is home to the Puget Sound Naval Shipyard and the Bremerton Annex of Naval Base Kitsap, making it an important center for maritime activity. With its robust presence, the shipyard fuels a wide range of industries, including manufacturing, defense contracting, and technology, offering ample employment opportunities for professionals within the area.

Source: Economic Development (City of Bremerton), ESRI

Bremerton boasts a revitalized downtown area, featuring a variety of shops, restaurants, and entertainment venues. The city is also known for its diverse art scene, with numerous galleries and studios showcasing the work of local artists. Outdoor enthusiasts will find plenty to explore in Bremerton, with numerous parks and trails offering opportunities for hiking, biking, and waterfront activities. The city is also a gateway to the Olympic Peninsula, providing easy access to beautiful natural landmarks such as Olympic National Park and the Hood Canal. The city's convenient ferry service to downtown Seattle makes it an attractive option for commuters.

Bremerton's strategic location provides excellent transportation options for residents. The city is connected to Seattle via a scenic ferry ride, making it an ideal choice for commuters who want easy access to the metropolitan area. Additionally, Bremerton has a well-connected public transportation system, including bus services and a naval shipyard shuttle, facilitating convenient travel within and beyond the city limits.

Radius	3-mile	5-mile	10-mile
Population	33,748	105,728	221,555
# of employees	11,640	57,982	106,561
% white collar	60.1%	60.5%	63.6%
% blue collar	20.6%	21.9%	20.7%
% services	19.3%	17.6%	15.7%
Median age (years)	39.5	38.1	40.2
# of households	13,581	41,342	85,020
Average household income	\$107,574	\$104,724	\$123,101
Median Home Value	\$464,345	\$434,663	\$480,759



Dabob Bay

101

Hood Canal

3

Silverdale

305

Bainbridge Island

Seattle-Victoria Fry

Seattle-Bainbridge Island Fry

Puget Sound

Seattle-Bremerton Fry

Bremerton

3 MILES

5 MILES

10 MILES

3

16

Vashon

MSA overview

Seattle, Washington

Pinnacle of the Pacific Northwest

The Seattle MSA retains its status as one of America's focal points of innovation. Often referred to as the "Emerald City", Seattle is the fifteenth largest MSA in the nation. Seattle's excellence in the technology sector and contributions to the aerospace industry inspired the titles of Cloud City and Jet City. The Seattle MSA is enveloped by the breathtaking Cascade Mountains along its eastern edge while the Olympic Mountains parallel its western front. The prestigious Milken Institute named the Seattle-Bellevue-Everett vicinity as among its 'Best-Performing Cities' list in its 2024 edition of the report.

Seattle is home to a selection of leading regional universities which excel in educating students across a variety of professional disciplines, shaping the workforce's next generation and enticing substantial corporate presences from Fortune 1000 firms. Seattle's extensive network of professional sports infrastructure attracts premium-spend, neutral-site competitions and chart-topping musical acts. Leading firms from the retail, aviation, engineering, and technology industries maintain headquarters in Seattle, shielding the local economy from adverse effects of disruptions sourced within any one particular field.





Starbucks



Expedia

FORTUNE 500

Firms with a Seattle Headquarters

Microsoft

Expedia

Weyerhaeuser

COSTCO
WHOLESALE

FORTIVE

STARBUCKS

Alaska

Expeditors

PACCAR

NORDSTROM

Industry-Leading Firms with a Seattle Presence

ALLEN
INSTITUTE

BILL & MELINDA
GATES foundation

FILSON

REDFIN

SAP Concur

T-Mobile

Zillow

Avalara

BLUE NILE

FRED HUTCH

Seagen

Tommy Bahama

zulily

BOEING

BROOKS

gettyimages

Russell
Investments

SYMETRA

VULCAN

BIG FISH

Eddie Bauer

Nintendo

SafeCo Insurance
A Liberty Mutual Company

+ a b | e a u



#4

Best city to live in

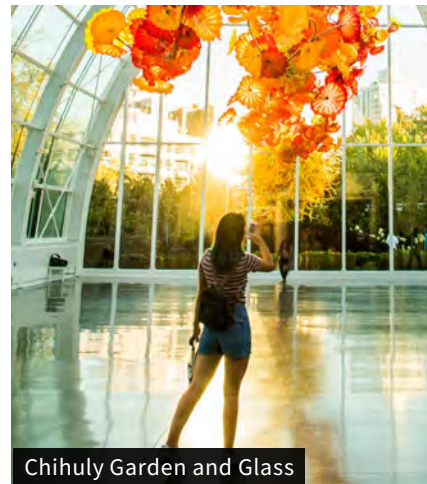
Forbes, 2023

Most climate-resilient cities

Architectural Digest, 2023



Pike Place Fish Market



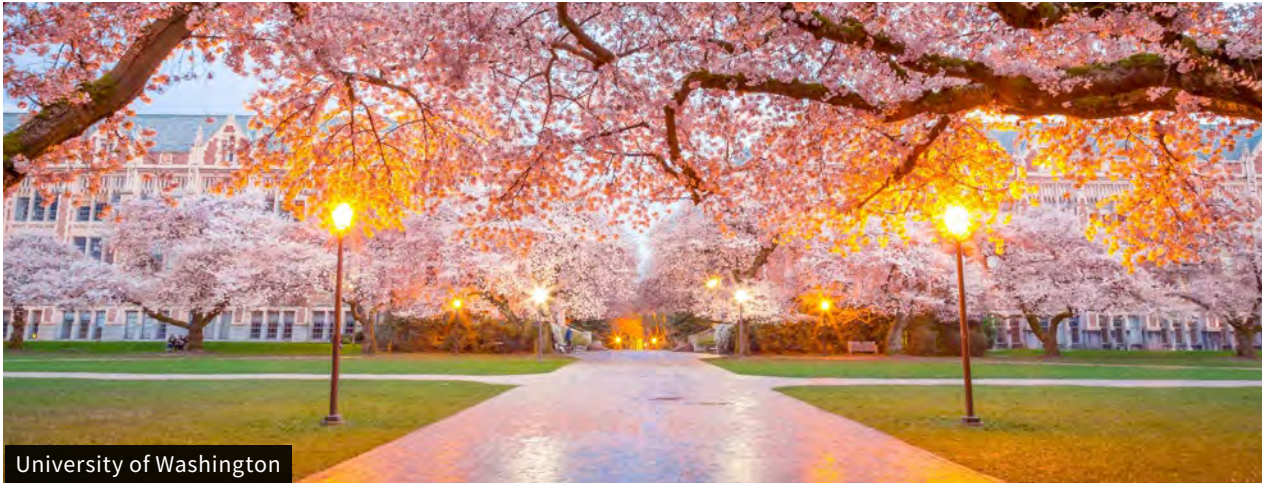
Chihuly Garden and Glass



One of the
"25 best
places to
travel"

AFAR, 2024

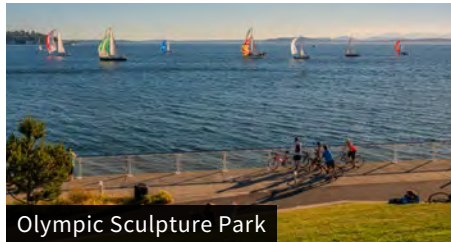
Museum of Pop Culture



University of Washington



T-Mobile Park



Olympic Sculpture Park



Volunteer Park Conservatory

#4

Most walkable city in the United States

Conde Nast Traveler, 2024

America's most educated city

United States Census Bureau, 2023

Top three safest United States cities

Gallup, 2023

Seattle Convention Center
Best convention center

BizBash, 2024



Regional Leader in Education



University of Washington

The flagship campus of the six public universities in the Washington state system, the University of Washington is known for its remarkable heritage across numerous academic disciplines and athletic endeavors. Per a report from the National Science Foundation, the University spent nearly \$1.5 billion on research and development in 2021, a total bettered by only four institutions. With an endowment of \$6.62 billion, the University administers a diverse catalogue of academic curricula, with particular distinction in the fields of law, business, and medicine.

The Washington Huskies, the University's athletic outfit, competes in NCAA Division I sports across an array of leagues. The Huskies football squad qualified for the most recent college football playoff final as the PAC 12 Conference champion. Commencing fall 2024, the Huskies will transition to competing in the Big Ten Athletic Conference, securing future home dates against The Ohio State Buckeyes, Michigan Wolverines, Nebraska Cornhuskers, and Iowa Hawkeyes, among others.

Seattle University

A private, Jesuit Institution, Seattle University is the largest independent university in the northwestern region of the United States with approximately 7,500 students. Students at the University may enroll in one or more of 60 bachelor's degree offerings, and the University consists of eight colleges:

- College of Arts and Sciences
- Albers School of Business and Economics
- College of Education
- School of Law
- College of Nursing
- College of Science and Engineering
- School of New and Continuing Studies
- School of Theology and Ministry



Exceptional Entertainment Venue

LUMEN FIELD

Best National Football League Stadium

USA Today, 2023

Best Live Music Venue

Seattle Times, 2023

The National Football League's Seattle Seahawks and Major League Soccer's Seattle Sounders both compete at Seattle's Lumen Field. Lumen Field is connected to the Sound Transit's Stadium stop, linking the Hotel with the compression supplied by a minimum of eight National Football League home games per year once the Downtown Redmond station's imminent completion is finalized. The Seattle Sounders boast the third-highest average home game attendance throughout Major League Soccer at more than 32,000 spectators in the 2023 season.

Lumen Field's infamous reputation for remarkable sound retention distinguishes the venue as a signature neutral-site arena. After Seattle was designated as a host city for the 2026 FIFA World Cup, Lumen Field was earmarked to host games during the corresponding summer period of matches. Additionally, Lumen Field's capacity of 68,000 may be stretched to accommodate 72,000 spectators for special events such as a stop on Taylor Swift's chart-topping *Eras Tour*.



1,000+

Life science originations

#5

Life science employment growth nationally in recent years

36K±

Staff employed by Seattle's life-science sector

#4

Ranking of the Fred Hutchinson Cancer Research Center amongst funded institutions

540K SF

Scope of the new Children's Research Institute's South Lake Union facility

8.5M± SF

Space occupied by Seattle life science firms

Sources: JLL Research, NIH, University of Washington, Newsweek, The Seattle Times, Biz Journals, GEN News

Vibrant Life Sciences and Healthcare Industries

The Seattle MSA is one of the nation's foremost hubs of life science activity. Crucial industry advancements are routinely conceived in Seattle-area laboratories while leading firms employ a substantial workforce in the region, supporting year-round economic activity. Firms are attracted to the region's workforce given Seattle's prestigious universities and quality of life.

Healthcare infrastructure in Seattle is replete with best-in-class care facilities and exceptional education institutions. The University of Washington Medical Center routinely graduates the brightest industry minds across nursing, primary care, and research. Seattle's array of healthcare facilities habitually garner recognition for excellence and advancements in several fields.



Virginia Mason Medical Center



Harborview Medical Center



Swedish Medical Center

Seattle Healthcare

Newsweek's
"Best Hospitals in the United States"

#22

University of Washington Medical Center

#133

Swedish Medical Center

#158

EvergreenHealth Medical Center

#48

Virginia Mason Medical Center

#206

Harborview Medical Center

U.S. News & World Report Rankings for

UW Medicine

#1

Nursing and Primary care

#7

Research



University of Washington



Transaction guidelines

The offering of Erland Point is being conducted exclusively by Jones Lang LaSalle Americas, Inc. (“JLL”). The prospective investor will be selected by ownership in its sole and absolute discretion based on a variety of factors including, but not limited to:



Purchase price



Financial strength



Source of capital, both equity and debt, for the transaction



Amount and timing of deposits



Thoroughness of the Property underwriting



Level of the Property due diligence conducted



Schedule of due diligence and closing



Any contingencies, including committee approvals, required to close the transaction



Offering process

Due diligence materials provided with acceptance of confidentiality agreements

A call for offers

The Seller may request an interview call with the most qualified offers

Any relevant buyer information or qualifications is encouraged, but not required



MHC Sales Advisory

Anja Jauregui

Senior Director

+1 971 344 0737

anja.jauregui@jll.com

Licensed in WA

Robert Nisbet

Director

+1 503 488 9978

robert.nisbet@jll.com

Licensed in OR

MHC Financing Advisory

Zach Koucos

Senior Managing Director

MHC Platform Leader

+1 619 248 9738

zach.koucos@jll.com

CA license #1729021

Chris Collins

Senior Director

+1 858 945 0199

christopher.collins@jll.com

CA license #1927590

Underwriting Inquiries

Sean Scroggin

Analyst

+1 503 487 7719

sean.scroggin@jll.com

Licensed in OR

Jack Wood

Analyst

+1 619 987 6157

jack.wood@jll.com

CA license #02125749

For over 200 years, JLL (NYSE: JLL), a leading global commercial real estate and investment management company, has helped clients buy, build, occupy, manage and invest in a variety of commercial, industrial, hotel, residential and retail properties. A Fortune 500 company with annual revenue of \$20.8 billion and operations in over 80 countries around the world, our more than 106,000 employees bring the power of a global platform combined with local expertise. Driven by our purpose to shape the future of real estate for a better world, we help our clients, people and communities SEE A BRIGHTER WAYSM. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated. For further information, visit jll.com.

Jones Lang LaSalle Americas, Inc. or its state-licensed affiliate ("JLL") has been engaged by the owner of the property to market it for sale. Information concerning the property [properties] described herein has been obtained from sources other than JLL, and neither Owner nor JLL, nor their respective equity holders, officers, directors, employees and agents makes any representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all reference to age, square footage, income, expenses and any other property specific information are approximate. Any opinions, assumptions, or estimates contained herein are projections only and used for illustrative purposes and may be based on assumptions or due diligence criteria different from that used by a purchaser. JLL and owner disclaim any liability that may be based upon or related to the information contained herein. Prospective purchasers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change. The Property may be withdrawn without notice. If the recipient of this information has signed a confidentiality agreement regarding this matter, this information is subject to the terms of that agreement. ©2024. Jones Lang LaSalle IP, Inc. All rights reserved.

