

# VISALIA/SEQUOIA NATIONAL PARK KOA

7480 AVENUE 308, VISALIA CALIFORNIA

OFFERING MEMORANDUM



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# VISALIA/SEQUOIA NATIONAL PARK KOA

7480 AVE 308, VISALIA  
CALIFORNIA



## INVESTMENT ANALYSIS



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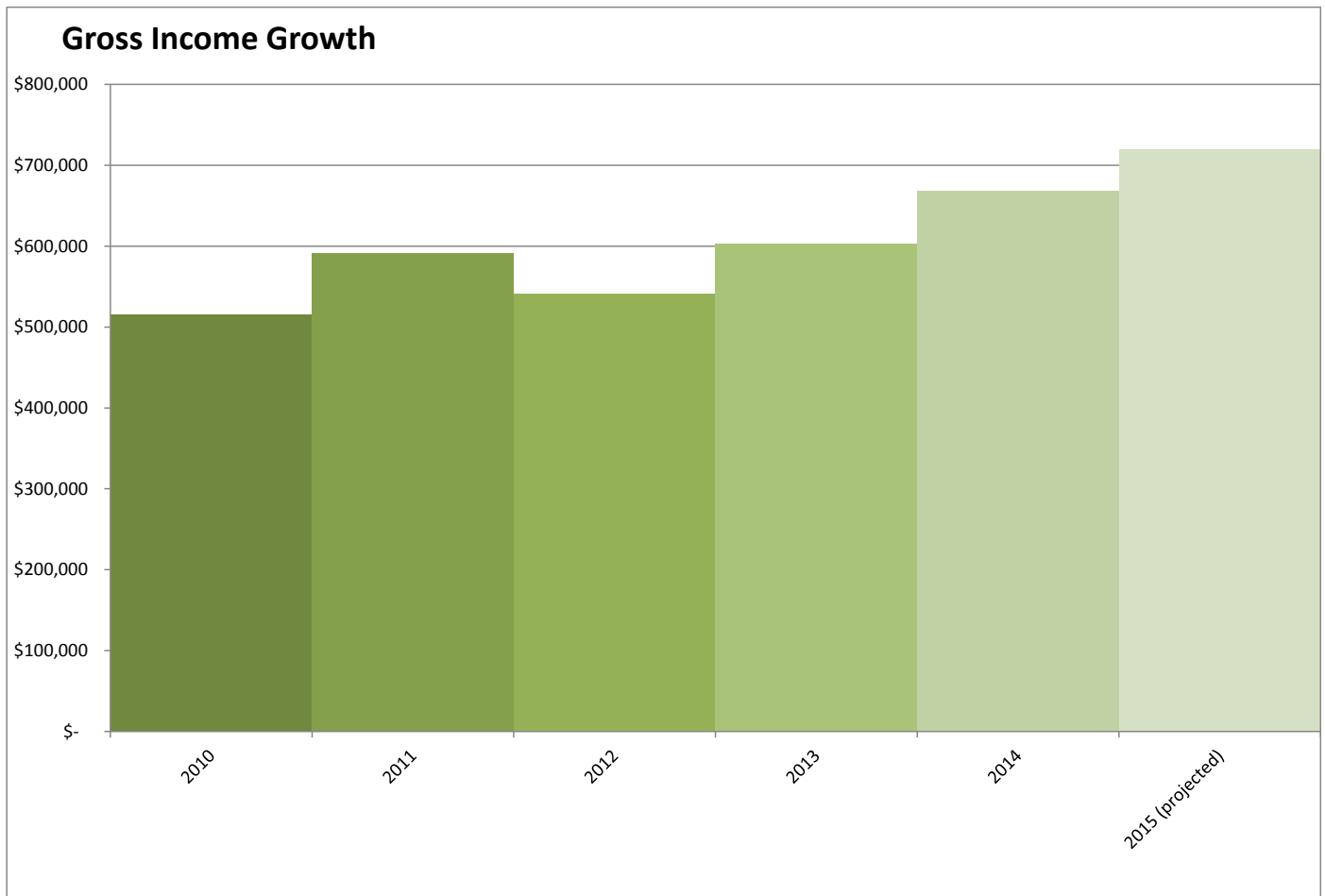
# VISALIA/SEQUOIA NATIONAL PARK KOA



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CALIFORNIA

## INVESTMENT ANALYSIS

Visalia/Sequoia National Park KOA serves visitors to both Sequoia and Kings Canyon National Parks as well as travelers along Hwy 99 between Fresno and Bakersfield. Gross Income over the past 5 years has increased an aggregate of 36%. Annual increases have been consistent with the exception of 2012 when KOA approved, then rescinded, an additional park in the Seller's market franchise area.



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## INVESTMENT ANALYSIS

### Income-2014

#### INCOME SOURCES

DAILY REGISTRATIONS	\$	353,086		
MONTHLY TENANTS	\$	164,178		
CABINS-1 ROOM	\$	29,255		
LODGE RENTALS	\$	26,220		
CABINS-2 ROOMS	\$	11,329	REGISTRATION INCOME	\$ 584,068
STORE SALES	\$	36,472		
PROPANE	\$	12,085		
LAUNDRY	\$	11,777		
DEPOSIT FORFEIT	\$	8,633		
DUMP STATION FEES	\$	1,530		
EQUIPMENT RENTALS	\$	495		
OFF-SITE STORAGE	\$	435		
OTHER INCOME	\$	257		
VALUE KARD SALES	\$	3,565	OTHER INCOME	\$ <u>75,249</u>
			<b>TOTAL INCOME</b>	<b>\$ 659,317</b>

### Comparison—First 4 months 2014 vs 2015

<b>TOTAL INCOME</b>	
1/1/2014 THROUGH 4/30/2104	\$ 148,109
1/1/2015 THROUGH 4/30/2105	\$ 189,614
<b>TOTAL CAMPER NIGHTS</b>	
1/1/2014 THROUGH 4/30/2104	4,485
1/1/2015 THROUGH 4/30/2105	5,642

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## INVESTMENT ANALYSIS

### Expenses—2014

COGS	FOOD	\$	6,838
	PROPANE	\$	4,244
	STORE ITEMS	\$	12,086
EXPENSES	ADVERTISING/PROMO	\$	5,691
	BANK CHARGES	\$	14,461
	ENTERTAINMENT	\$	2,419
	CONTRACT LABOR	\$	4,165
	DUES & SUBSCRIPTION	\$	854
	EDUCATION/TRAINING	\$	1,758
	EQUIPMENT RENTAL	\$	3,854
	PROP/LIABILITY INSURANCE	\$	6,897
	WORKER'S COMP INSURANCE	\$	4,913
	KOA ADMIN FEE	\$	1,050
	KOA 2% ADVERTISING FEE	\$	11,632
	KOA 8% FRANCHISE FEE	\$	46,533
	LICENSE AND PERMITS	\$	4,822
	MISC	\$	1,648
	OPERATING SUPPLIES	\$	18,242
	PAYROLL	\$	71,961
	POSTAGE	\$	128
	LEGAL AND PROFESSIONAL	\$	900
	REPAIRS & MAINTENANCE	\$	26,731
	PROPERTY TAXES	\$	16,976
	OTHER TAXES	\$	332
	PHONE	\$	2,932
	TRAVEL AND ENTERTAINMENT	\$	854
	UNIFORMS	\$	76
UTILITIES	ELECTRIC	\$	84,391
	GARBAGE	\$	5,485
	INTERNET SERVICES	\$	1,432
	PROPANE	\$	1,329
	SEWER	\$	15,300
OTHER	VEHICLE	\$	3,549
	VKRC EXPENSE	\$	2,743
	WORK KAMPER EXPENSE	\$	5,147
	MISC	\$	4,254
<b>TOTAL EXPENSES</b>		<b>\$</b>	<b>396,627</b>

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## INVESTMENT ANALYSIS

<u>NOI-2014</u>		
INCOME	\$	<b>659,317</b>
EXPENSES (60%)	\$	<u>396,627</u>
NET OPERATING INCOME	\$	262,690

### Pricing

PRICE	<b>\$2,985,000</b>
DOWN PAYMENT(25%)	\$746,250
BANK FINANCING	\$2,238,750
INTEREST RATE	4.21%
AMORTIZATION	20 YEARS

### 2014 Cash Flow Analysis

NET OPERATING INCOME	<b>\$262,690</b>
DEBT SERVICE	<u>\$165,792</u>
NET CASH FLOW	\$96,898

### 2014 Value Metrics

CASH ON CASH RETURN	13%
CAP RATE	8.8%

### 2015 Value Metrics—Projected

CASH ON CASH RETURN	16.3%
CAP RATE	<b>9.7%</b>

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## PROPERTY DESCRIPTION

The Visalia/Sequoia National Park KOA is a 100 space Kampgrounds of America franchised RV park located in the fields of the San Joaquin Valley just below the Sierra Nevada Mountains. Convenient camping near Sequoia and Kings Canyon National Parks make this a great spot for those who plan on visiting the Sierras. Located halfway between Los Angeles and San Francisco, Visalia is one of the oldest cities in California. Visalia/Sequoia National Park KOA features grassy, shaded pull thru sites, free Wi-Fi, one and two room Kamping Kabins with air conditioning, two park model lodges, a heated swimming pool, volleyball, basketball, horseshoes, a game room and exercise area and a children's playground. Additionally, there are large tent sites with lots of shade, fire rings, and picnic tables. There is also a multi-section manufactured home which can be rented out, used as a manager's home or be occupied by a site resident owner.

Income is provided by nightly and weekly renters, longer term and seasonal enters, an on-site store and reservation center, laundry facilities, propane sales, arcade and soda vending machines and dump station fees.

The park is located on approximately 9 acres a short distance from highway 99 that runs between Bakersfield and Fresno. It is served by city sewer and an on-site well. Electrical distribution is a combination of 20, 30 and 50 amp pedestals. Gas services are provided to the mobile home and reservation center where it is used to heat water for the showers, the laundry room and pool.



## Investment Summary

- **Easy Management**
- **Bank Financing Available**
- **Cash on Cash of 13%**
- **Cap Rate of 8.8%**
- **Management will stay**
- **KOA Franchisor facilitates 85% of all reservations**
- **Many improvements made by current owners**
- **Multiple revenue streams**
- **KOA national brand recognition**
- **2015 Income expected to exceed \$700,000**



# VISALIA/SEQUOIA NATIONAL PARK KOA



7480 AVE 308, VISALIA  
CALIFORNIA

## PROPERTY DESCRIPTION

### Property Summary

**Visalia/Sequoia National Park KOA**  
7480 Ave 308, Visalia Ca 93291  
Tulare County

APN#: 075-170-018

Lot Size: Approximately **9 acres**

RV Spaces	<b>79</b>
Structured Tent Sites	10
Cabins	8
Rental Lodges	2
Double-wide Homes	1
Meeting/Rec Lodges	1
Shower/ Restrooms	2
Convenience Store	1
Laundry	1
Full Hook-up 50 Amp	39
Full Hook-up 30 Amp	24
Water/Electric 30 Amp	6
Water/Electric 20 Amp	10
Tent Only	<u>10</u>
<b>Total Rental Spaces</b>	<b>99</b>

**Plus one Manager's/Owner's  
double-section manufactured home**



### Partial List of Improvements since 2011

#### 2014

Convert 5 30 amp sites to 50 amp  
Recondition 4 tent sites  
Create 2 premium RV sites  
Repair Women's restroom floor  
Replace pool filter  
Pool pipe replacement  
Adding gravel to sites

#### 2013

Electrical work rows B & E  
Roofing repair Rec Hall  
Hockey Table purchased  
New office equipment  
Network security equipment  
New Internet receptors  
Air conditioner replacement  
Lights and ceiling fans for cabins  
Cable for cable TV replacement

#### 2012

New well pump and piping  
Flower beds  
Electrical panels  
Underground electrical work  
Tree trimming  
Security cameras  
Rehab men's restroom  
String lighting on cabins  
String lighting on lodges  
Cabin curtains  
Cable TV modulator  
Pool re-plastering  
Pool ADA lift  
Wi-Fi transmitters  
Irrigation system

#### 2011

Recreation Hall:  
—Rebuild handicap ramp  
—New carpets  
—Shelves & wall coverings  
—Exterior/interior painting  
—New television  
—Purchased exercise equipment  
—New furniture  
New mattress' for cabins

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## PROPERTY DESCRIPTION

### Property Photographs—Buildings and Infrastructure



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## PROPERTY DESCRIPTION

### Property Photographs—Recreational Areas



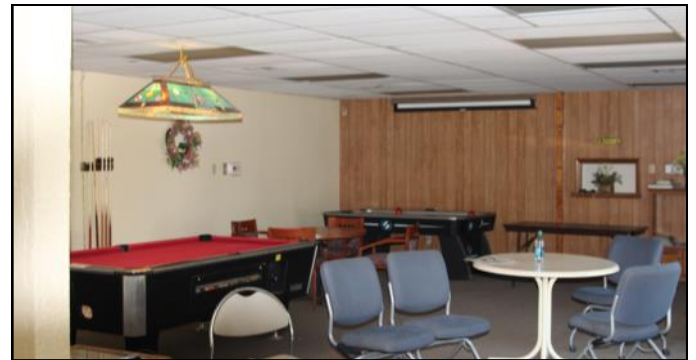
**Updated Pool**



**Workout Area**



**Game Room**



**Billiards, Air Hockey, and Table Ten-**



**Firepits**



**BBQ**

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## PROPERTY DESCRIPTION

### Property Photographs—RV Parking Areas, Lodges and Cabins



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## PROPERTY DESCRIPTION

### Property Photographs—Registration, Store and Laundry



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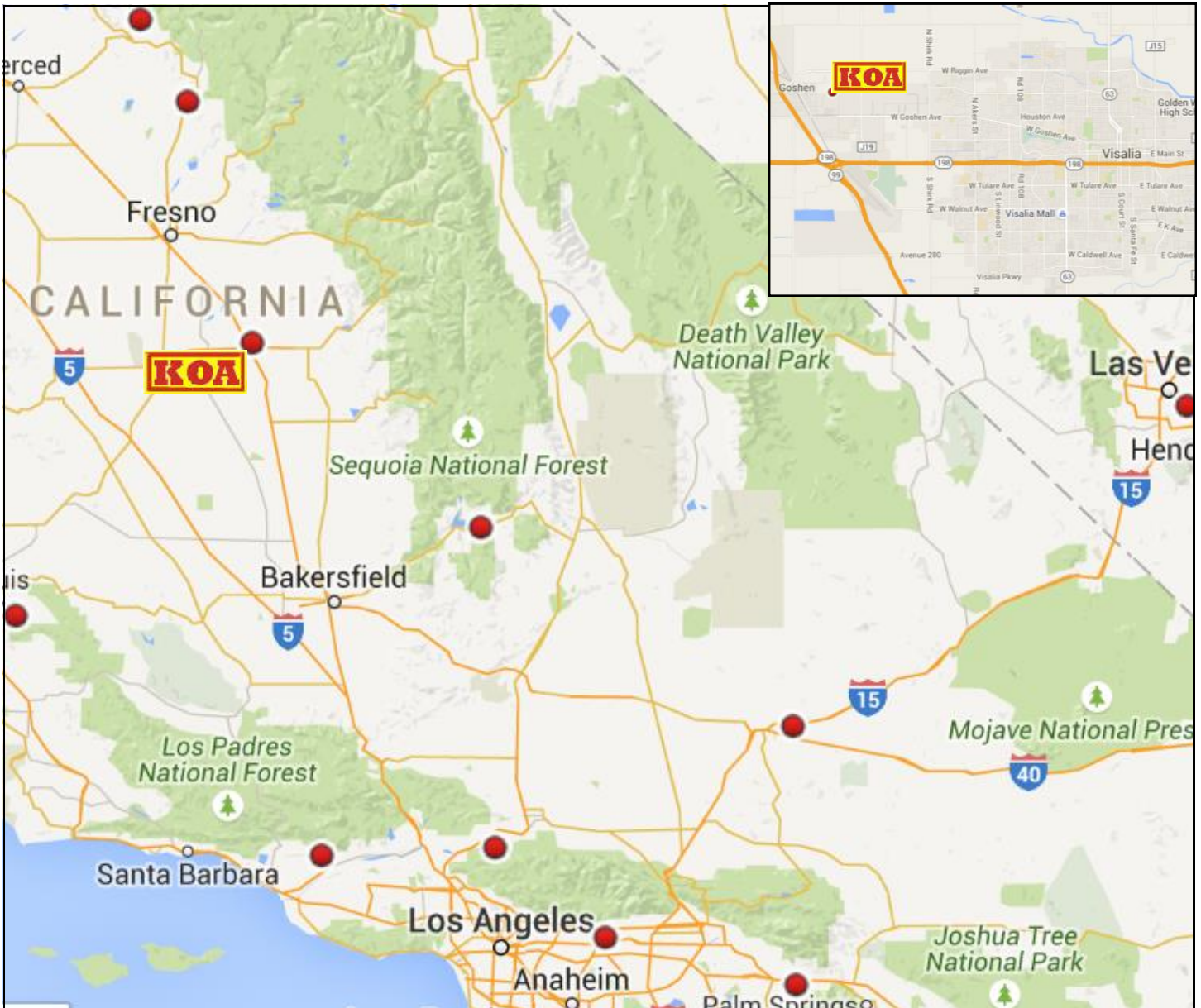
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## PROPERTY DESCRIPTION

### Geographical Location



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### Aerial



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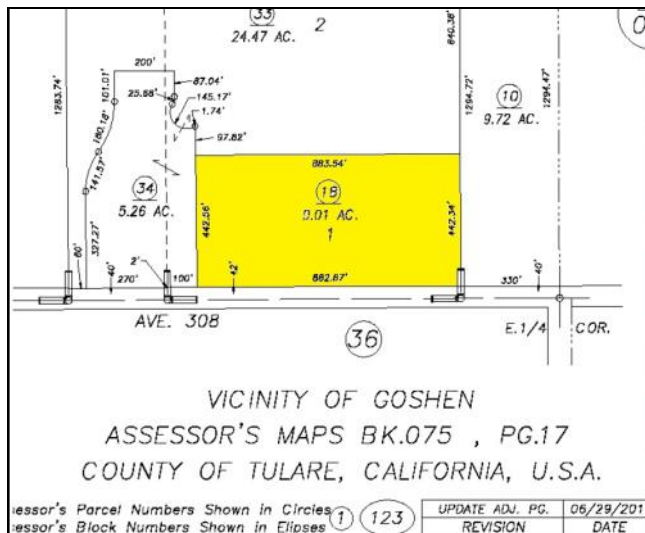
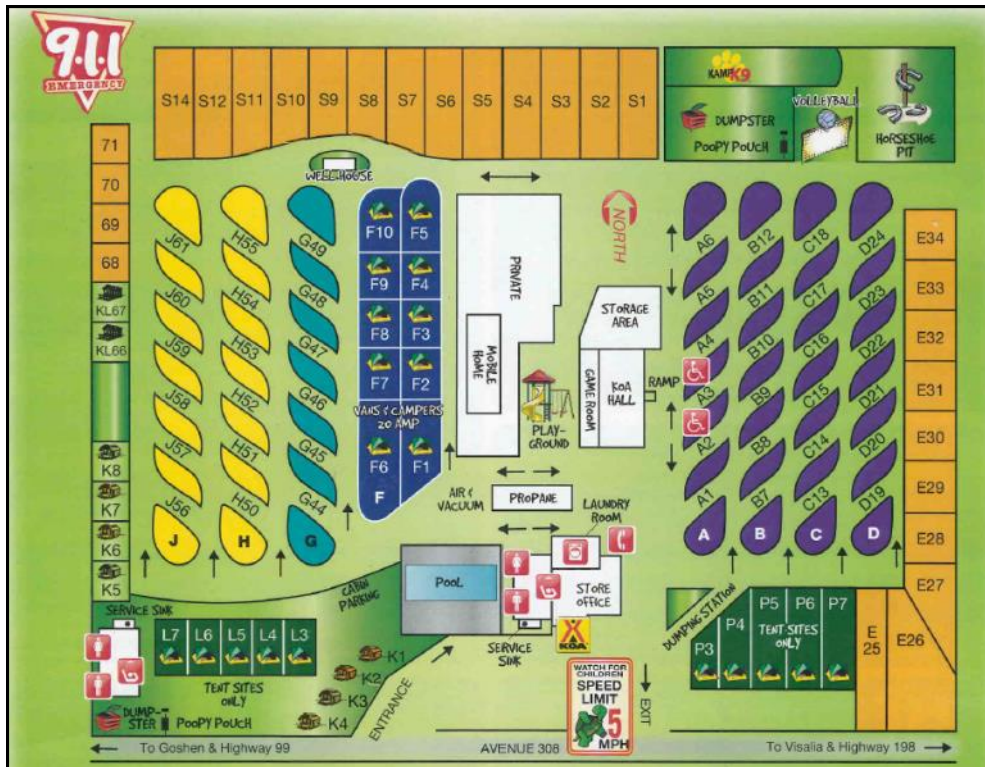
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## PROPERTY DESCRIPTION

### Park Site Plan and Parcel Map



**APN# 075-170-018**  
**9.01 acres**

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**CALL OR EMAIL FOR MORE INFORMATION  
949-869-9820 OR KEVIN@CALCOMADVISORS.COM**

**Manager's or Owner's Home or Rental Home**



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