



Photo Credit: New Horizons Realty

Mesa – In yet another major investment in the Valley real estate market, **The Carlyle Group** of Washington, D.C. (NASDAQ:CG) has paid \$29 million (\$96,026 per space) to buy the 302-space **Castillo Nuevo** mobile home community in Mesa. **Castillo Nuevo** in Novato, Calif. (**Mark Aguirre, Dean Moser**, principals) was the seller. **Derek Harris** of **New Horizons Realty Advisors** in Scottsdale brokered the transaction. Located just west of Val Vista Drive at 3300 E. Broadway Road, the 38.49-acre property was developed by the seller in 1975. Maricopa County records show **CPI Castillo Nuevo Owner LLC** (The Carlyle Group company) acquired the asset with a \$14.645 million **Freddie Mac** loan issued by **KeyBank**. The Carlyle Group is a global asset manager with \$212 billion of assets under management in 339 investments. Over the past two decades the company has invested in multi-family, office and retail properties in the Phoenix market. For the last 10 years, The Carlyle Group has primarily been teaming with venture partners to develop apartments in the Valley. Castillo Nuevo is believed to be the first direct purchase of a mobile home park in the Phoenix area for The Carlyle Group, but sources say **the company is seeking more investment opportunities for that product type**. Harris, who is among the Valley's leading brokers of mobile home communities having sold 5,000 +

spaces in 18 properties in the Phoenix market over the past three years. Those \$300 + million in combined sales have included deals with public companies like The Carlyle Group and **Blackstone Real Estate Investment Trust Inc.** (BREIT) in New York City, N.Y. (NYSE:BX) as well as the nation's largest privately-held mobile home community owner in **Cal-Am Properties Inc.** in Costa Mesa, Calif. "The Valley is located in one of the "smile states" where investors see good demographics," says Harris, in explaining the demand for companies buying mobile home communities in the Phoenix area. "They like the cash flow from these properties and the ability to grow revenue streams from increases in rents from the 55 + (age-restricted properties). They don't like to move," adds Harris, who also had a hand in negotiating the recent sale of **The Rose Garden Resort**, a 330-space mobile home community in Surprise that Cal-Am Properties acquired for \$31.58 million (\$95,697 per space). Cal-Am has a \$1 + billion portfolio comprised of more than 25,000 mobile home and recreational vehicle spaces in eight states. Learn more from **Robert Stuckey** at The Carlyle Group by calling (202) 729-5636. Talk to Moser at (415) 892-4795. Reach Harris at (602) 803-6227.

