

Kissimmee mobile home park near SunRail trades for \$45.6M

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Growthspotter

Dec 01, 2020 at 3:12 PM



The 301-lot Whispering Pines manufactured home community was 99% occupied at the time of the sale. (Handout)

[Capital Square 1031](#) paid \$45.6 million last week for the Whispering Pines mobile home park on U.S. 17-92 in Kissimmee and now the firm is seeking to raise \$34.5 million from equity investors looking to place funds in 1031 exchanges.

“This is Capital Square’s fourth acquisition this year of four- and five-star,

age-restricted, manufactured housing communities in coastal Florida markets," said Louis Rogers, founder and CEO. "Capital Square is bullish on manufactured housing in Florida due to exceptionally strong demand from retirees and very limited supply for affordable senior housing."

The [301-lot community](#) is situated on approximately 61 acres of land just off Orange Blossom Trail/U.S. 17-92 and a mile from the Poinciana SunRail Station. It's next door to the 19-acre Osceola County government annex, which includes the recently completed [Campbell City Tax Collector's branch](#). The Campbell City Annex master plan calls for a new community center and fire station.

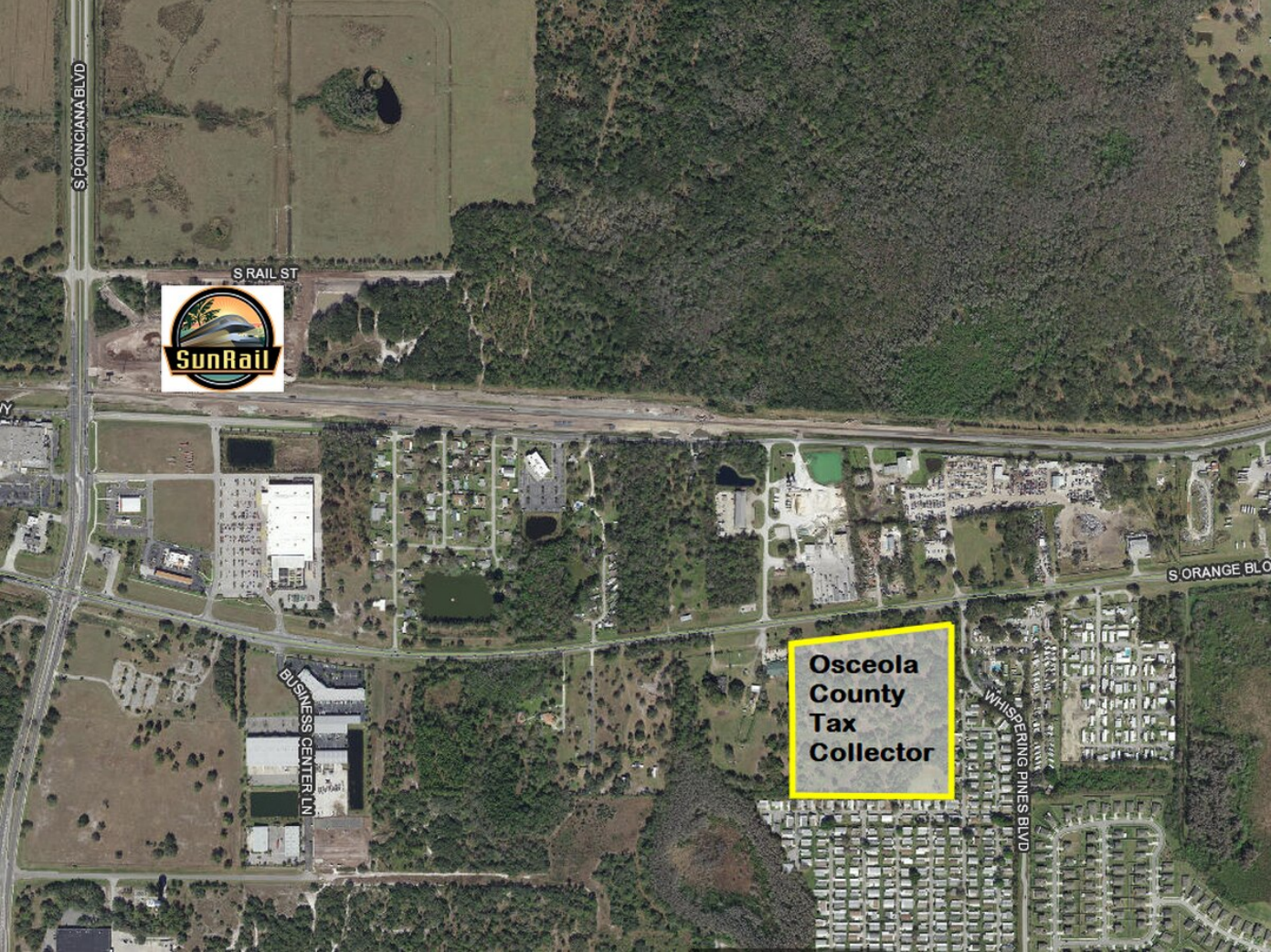


Amenities at the mobile home park include a pool, clubhouse and shuffleboard court. (Handout)

The park was developed in 1986. The seller was an affiliate of [Kurtell Growth Industries](#), which had purchased the park a decade ago for \$8.75 million.

Capital Square is a national real estate firm specializing in tax-advantaged real estate investments, including Delaware statutory trusts for Section 1031 exchanges and qualified opportunity zone funds for tax deferral and exclusion.

In other value add mobile home communities, Capital Square has added value by retenanting vacant lots with new manufactured homes, connecting to public utilities and upgrading amenities. Whispering Pines was 99% occupied at the time of the sale, so the value-add in this deal comes with the additional land that has potential for the development of 50 new homesites. Capital Square intends to maximize the value of Whispering Pines by maintaining strong occupancy and increasing homesite rental rates to bring them closer to the market average over time.



Nov 12, 2018 at 5:06 PM

The property was acquired for **CS1031 Whispering Pines MHC, DST**, a Reg. D private placement.

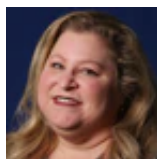
"Manufactured housing communities are exceptionally stable and have very low operating expenses, making them an ideal investment for Capital Square's 1031/DST program where investors are seeking stable returns and capital appreciation," Rogers said.

CS1031 Whispering Pines MHC, DST seeks to raise \$34.5 million in equity from accredited investors and has a minimum investment of \$50,000.

"Due to the potential cash flow, lack of competitive new supply and positive tailwinds in manufactured housing, Capital Square has actively cultivated a deep bench of age-restricted communities in coastal Florida markets," said Whitson Huffman, chief strategy and investment officer. "In addition, 10-year fixed-rate financing in the low to mid 2.0% range has allowed us to lock in very accretive financial leverage, thanks to [Walker & Dunlop](#) and Fannie Mae."

According to the Manufactured Housing Institute, more than 22 million people live in manufactured housing communities nationwide. Manufactured housing is an asset class that addresses the nationwide housing affordability crisis since manufactured homes typically cost half as much to construct as site-built homes.

Have a tip about Central Florida development? Contact me at kinsler@GrowthSpotter.com or [\(407\) 420-6261](tel:(407)420-6261), or tweet me at [@byLauraKinsler](https://twitter.com/byLauraKinsler). Follow GrowthSpotter on [Facebook](#), [Twitter](#) and [LinkedIn](#).



Laura Kinsler is the editor of GrowthSpotter. She joined the company in 2015 as Osceola County reporter after a 15-year career at the Tampa Tribune. A proud graduate of the University of Georgia's Grady College of Journalism & Mass Communication, Laura follows the Georgia Bulldogs religiously.