



The Homes by the Bay



Lido Peninsula Resort has what it takes to attract a whole new group of manufactured home buyers

By Jennifer Goode

IT'S A CALIFORNIA HOMEOWNER'S DREAM: a view of boats bobbing in their slips, ocean breezes and an address in one of the state's toniest zip codes.

And its price tag is considerably smaller than the ones on nearby multi-million-dollar properties.

Lido Peninsula Resort, in the Newport Beach suburb of Los Angeles, is a 214-space land-lease community in the midst of a transformation from an aging, out-dated mobile home park to a sparkling and unique example of manufactured housing's future.

Two-story, Nantucket-beach-cottage-style homes are being tidily placed onto the community's 30-foot-by-35-foot lots as tenants either move out or upgrade. Square footage starts at 1,000 and prices at around \$130,000.

"When you show people this product in Lido, and tell them what people are paying for it, they say 'Wow, these aren't trailers!' said Dick Bessire, president of Bessire & Casenhiser Inc., the property management company that oversees Lido Peninsula Resort.

The property, jutting out into Newport Bay, has been owned by John Curci's family since the 1940s. Originally called Lido Park, it was considered "cutting edge" even then:

At Newport Beach, California, a tiny peninsula points into Balboa Bay. Along its shoreline, the tall masts and white hulls of yachts circle one of the most 'immobile' and unique trailer parks on the West Coast. — Ford Times, March 1954

The property was 23 acres with fabulous access to the bay. An adjacent marina with wet and dry boat



The interior, exterior (right) and floor plan for the popular Nantucket model, which has 1,000 square feet of living space.

slips prompted yachters to rent space in the park. Travelers who wanted beachfront vacation homes took up residence. There were even some famous faces among the tenants.

“John Wayne has actually lived there, along with a lot of famous writers,” Bessire said. “There have been quite a few personalities.”

But by the mid-1990s, the community was out of date — a conglomeration of

trailers and cabanas sitting on some of the area’s most valuable real estate.

“It looked like the Smithsonian Institute of trailers,” said Craig Fleming, vice president of sales and marketing for Silvercrest Western Homes Group.

Silvercrest, a subsidiary of Champion Enterprises, is based in Corona, Calif. It manufactures the homes that are going in at Lido Peninsula Resort.

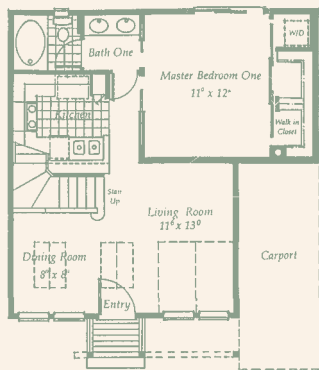
When the Curci-Turner Company

decided the park needed a change, they went to Walnut, Calif.-based Bessire & Casenhiser, Inc.

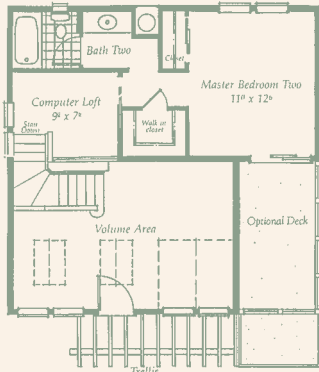
“What we basically did was to come up with a new plan for one of the most unique properties in California,” Bessire said.

The value of the real estate made deciding what to do with it a quandary. The company could have sold it. They could have demolished it and replaced it with

First Floor Plan



Second Floor Plan



condominiums or commercial businesses. Bessire's plan, however, reinvented the wheel for the decades-old community, which was starting to experience vacancies and badly deteriorating trailers. They decided to keep it operational due to approved density, but needed a new kind of manufactured home to bring it into the 21st century.

"By a quirk, Hal Lynch happened to come into the picture," Bessire said. Lynch was an architect for RGC Corp. (RecreActions Group of Companies), a Newport Beach builder and developer.

"He saw we had a vacant lot and wanted to design a house for it himself."

What Lynch came up with was a home with a 27-by-27-foot footprint, two stories and 1,000 square feet of space. The architect, who had previously won awards for use of space in his designs, made the units look like beach cottages he'd seen in other locations — notably Nantucket Island, Mass., plus a touch of the Italian Riviera.

"We wanted to tailor these units to fit

the needs of the discriminating buyer that we seem to attract," said Don Funk, on-site community administrator for Lido Peninsula Resort. "That sort of challenged Hal, and he's the sort who likes a challenge."

Once Curci, Lynch and Bessire decided on the design, they shopped the idea to several manufacturers. Silvercrest also rose to the challenge, carefully and deliberately.

"We worked with RGC for about a year before we built anything," Fleming said.

"We knew this would be kind of a launching pad for two-story homes if we could develop something for this community."

What they came up with was

patched. The chassis stays — it's part of the floor system.

Silvercrest already has used the system in other two-story projects.

The majority of Lido cottages have two bedrooms and two baths, and feature some innovative use of space, such as a stepped tray ceiling on the first floor that serves as the platform for the bed in the master bedroom above it. Other features include cathedral entries, presentation staircases, energy efficient windows, fiber-cement siding and a MicroTherm tankless hot water heater that uses up to 50 percent less electricity than conventional water heaters. Many homes also come with attached decks, garages/carports, and trellises.

But the houses for Lido Peninsula likely will be unique, because of the lot size they were designed for and because of the target customer, Fleming said.

The project was like a dream come true for a manufactured home builder.

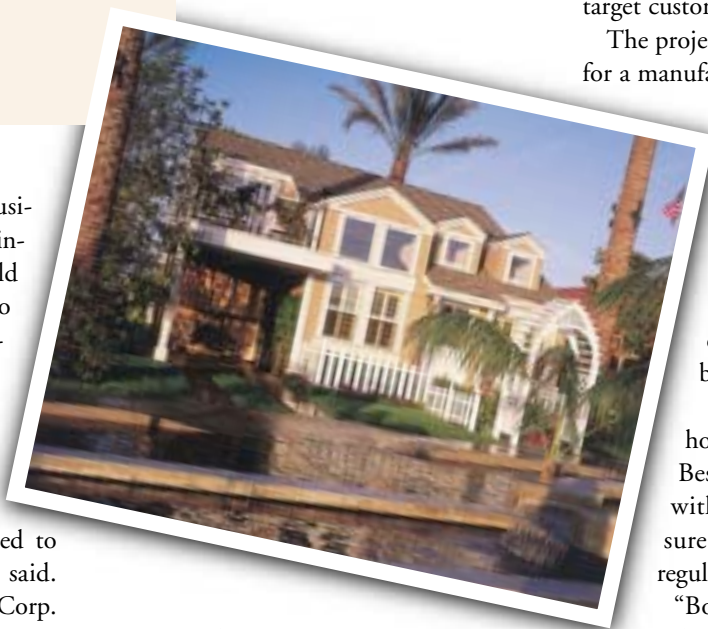
"It was a high-end, upscale resort-type community that would allow for a very high-end home," Fleming said. "It was a situation where price was no object — we had to meet the demands of a sophisticated buyer."

Through the course of the homes' design, Silvercrest and Bessire worked hand-in-hand with state agencies to make sure they complied with all regulations.

"Both Travis Pitts and Chris Anderson at the state Department of Housing and Community Development sat down with the builder, manufacturer and me on several visits and really hammered out the details," Bessire told the Western Manufactured Housing Communities Association.

"It was very unique to obtain that type of cooperation from a government agency; HCD never threw up a stumbling block."

When all the hoops were cleared and it came time to actually put the homes in



pretty revolutionary.

"We came up with an all-steel floor framed system — it ships down the highway as a two-story," Fleming said.

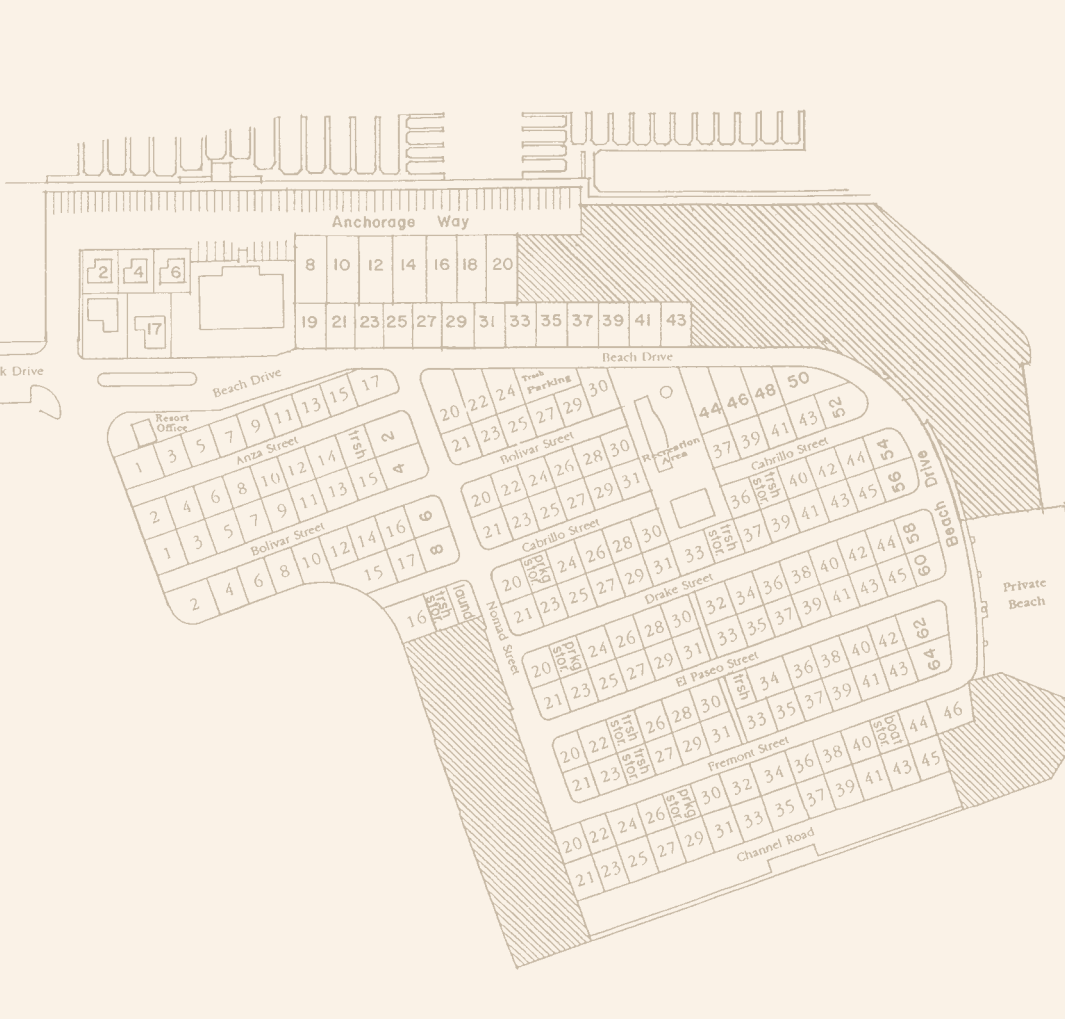
The house is two modules, but is not stacked once it reaches the lot, as has been typical of two-story manufactured homes.

The way the sections are constructed, the transport wheels are recessed into the floor panels — allowing the home sections to ride only 11 inches off the ground. Once the home is on the site, the wheels are removed and the holes are





Site plan (above right) and entrance to Lido Peninsula Resort.



MERT CARPENTER/COURTESY RGC

the community, a lot of “invisible” work was required.

“A lot of unseen things had to be done — underground utilities replaced, et cetera,” Funk said. In addition, all the streets and gutters were replaced.

The new homes are going in throughout the community’s 23 acres. The original 1,000-square-foot house was followed by several larger floor plans. The largest is 1,450 square feet with a garage and master suite cabana, priced at more than \$300,000. Most of the community’s new homeowners pay cash for their homes, then rent the lots for anywhere from \$1,070 to \$3,200 a month.

The lot rent alone is more than what is thought of as a typical payment on a manufactured home. But looking across the way to the multi-million-dollar mansions, the price doesn’t seem so high, Fleming said.

“Homes around it are obviously \$3 million to \$5 million,” Fleming said. “By comparison this is affordable housing in

Newport Beach. A lot of these units are right on the water, probably on the most pristine part of the bay.”

Bessire agreed: “People across the bay probably pay more per month in property taxes than these people pay for their rent.”

Residents of the community can take advantage of all the perks of Southern California living.

“We’re such a unique thing,” Funk said. “Our location is everything.”

“From here people either bike or skate to local restaurants. You can walk to the Pacific or enjoy the sunset from our little beach.”

Lido boasts a clubhouse with a swimming pool and a spa, plus that access to the marina and the marina-related businesses. There also is quite a mix of residents. Nearly half of them are gone for most of the year; they keep their property for vacations.

“They may have a business in Los Angeles, live in Encino or Sherman Oaks,” Funk said. “But to get away,

instead of going to a five-star hotel, they've made a conscious decision to do something like this.

"There's no maid changing the sheets, but it's a home away from home. It's more relaxing."

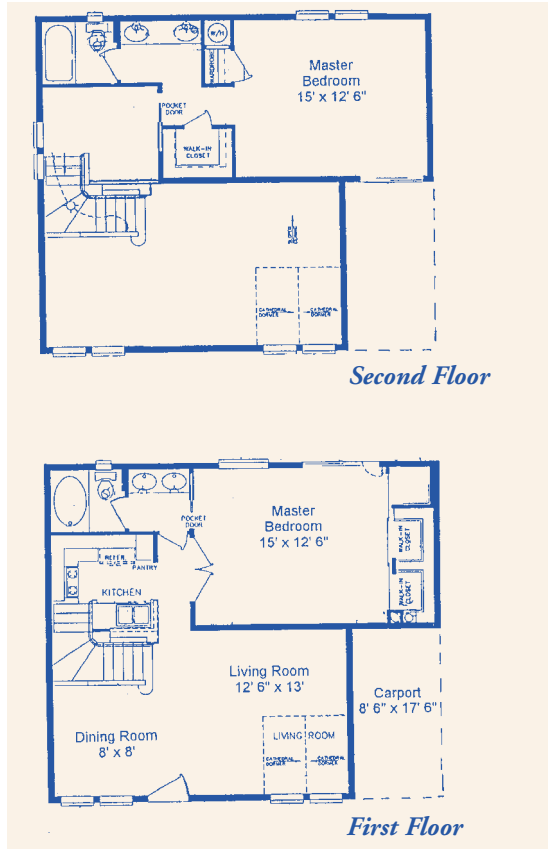
Other people are moving into the community and starting home-based businesses.

"Single individuals are moving in and making their offices upstairs, especially with Internet businesses," Bessire said.

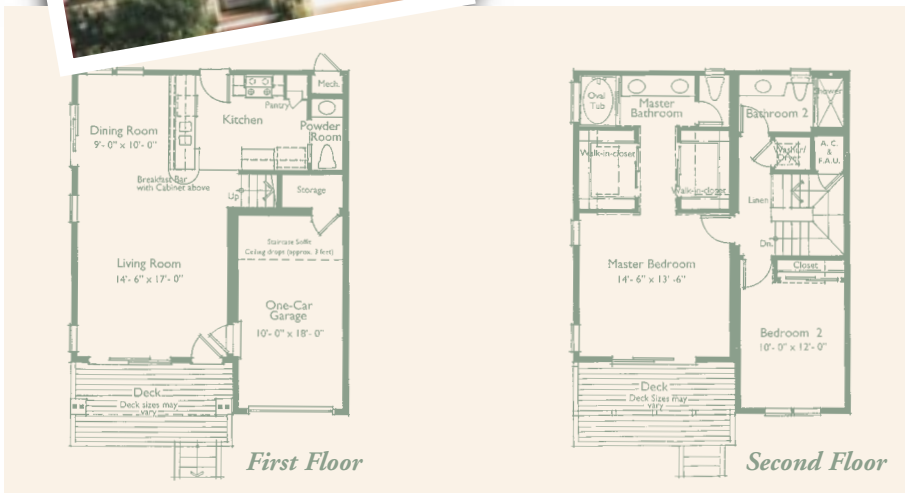
The two-bedroom, two-bath homes are ideal for roommates, and many "yuppies" have signed on, he added.

Other homebuyers have purchased the homes for their mothers or their children, and of course there are the requisite yacht owners.

They're moving in among the retirees, vacationers, school-teachers and the woman community residents call "The



Two other popular Lido models are the Nantucket Special (right and above) and the Bar Harbor (left and below). The Nantucket Special has 1,160 square feet of living space, while the Bar Harbor has 1,385 square feet.



SCOTT ROTHWELL PHOTOGRAPHY (2)





SCOTT ROTHWELL PHOTOGRAPHY

The original Nantucket prototype was used as the Lido sales office.

Mayor” — Ms. Claire Reed. She lives next to the trailer once owned by John Wayne, which is still in the community.

With the influx of new homes and tenants, re-creating the park without frightening and alienating those existing tenants was a delicate operation.

“Everyone anticipated we’d have major conflicts between the old and new resi-

dents, but it’s brought people closer,” Bessire said. “Don Funk ... his ability to deal with everyone was the total key to getting things to work.”

Funk admits it wasn’t a walk on the boardwalk.

“Some of the existing residents got antsy,” Funk said.

John Curci told the *Los Angeles Times* that none of Lido’s tenants would be forced out.

“We still have existing leases to honor,” Funk said. And some of the older units that are in good repair make for an eclectic atmosphere, he said.

“The little trailers with cabanas, some have been kind of quaintly remodeled, and add some ambience, actually.”

The new cottage leases run through 2016, and addendums were negotiated with existing tenants to extend their leases to that year as well — at the new rent. By 2008, all park residents should be paying according to the new rent schedule, Funk said.

The community also has programs that help the long-time tenants keep their property in good repair — helping with paint, maintenance and landscaping. That kills two birds with one stone, Funk said — helping the residents feel better about their homes and making the park more attractive to prospective buyers.

“You can imagine if you were coming into a new cottage right next door to a 35-year-old place, you’d want to be sure it was kept up,” Funk said.

The success of the Lido Peninsula solution may now ripple through the manufactured housing industry.

There are hundreds of land-lease communities with similar-size lots nationwide that could make use of the two-story homes with their smaller footprints.

“It’s made people start thinking about what you can do with these older communities to bring them into current times,” Bessire said. “Now people are starting to talk about renovation instead of closure.”

Jennifer Goode is a free-lance writer in Nashville, Tenn.