

## Big Eddy Marina Costs of Operation

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Bigeddymarina.com

Big Eddy Marina has some unique costs and challenges that set it apart from typical mobile home parks and apartments.

We have 60 floating home slips available for lease. They are owner occupied only. The lessees own their homes. There is no subletting allowed. We have 40 different sized slips for homes in the marina.

The price range of homes is \$175,000 to \$700,000. The last five homes sold in the marina were cash sales. No financing.

As a marina we have costs related to this type of lifestyle that mobile home parks and apartments do not have.

We lease the water from the State of Oregon. Our lease this year was \$18,500. We still must pay \$4,335 in personal property tax on the docks, pilings and any floating building we own on the water. We also must pay real property taxes on the upland property which was \$20,000.

The upland property is not usable for any other purpose than vehicle parking as it is part of the dike controlled by the Corp of engineers. You cannot build anything on it.

We have dredging costs that other properties do not have. Dredging occurs approximately every 5 to 10 years depending on location and types of currents. Our dredging costs from 5 years ago were just under \$600,000, which includes permitting costs. That is about \$10,000 per slip.

We have a higher level of safety checks than mobile home parks.

The homes are chained to the marina docks. If the chains get old and rusty and break the home potentially begins swinging back and forth into neighboring homes causing lots of damage. The logs on the home can also become rotten and the chains pull out of the logs.

The docks are constantly moving in the wind and current.

All our utilities are above ground and moving in the docks. Our water and sewer lines are more apt to freeze. We have a floating sewer collection tank in a covered structure. There are 2 pumps that alternately pump the marina sewage uphill to Marine Drive into the Gresham sewage system. It has \$4,000 worth of equipment to control the pumps. The pump replacement cost is \$8,000 per pump.

Our marina insurance last year was \$51,350 or \$855 per slip. The previous year was \$31,000. We are classified as all the marinas in the US, including the ones that get destroyed by hurricanes.

The average monthly slip rental last year was \$990/month. We should have never been grouped together with mobile home parks. We are a unique type of housing with higher operating costs than the typical mobile home park and apartments. Locking us into straight CPI rental increases would eventually eliminate floating living where you could rent a slip. You would have to purchase a slip in an existing HOA if there was one available.

There are a lot of animals with four legs. They do not all belong in the same pen.

Jack Whitmore

Big Eddy Marina Inc.

President