

GRAND MOUND MH & RV PARK

CENTRALIA, WA



21021 Old Highway 9

Southwest

CENTRALIA, WA

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EXECUTIVE SUMMARY

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Investment Sales Group | Compass is pleased to present the Grand Mound MH & RV Park, located at 21021 Old Highway 9 SW in Centralia, Washington, a well-established multifamily investment opportunity priced at \$2,200,000. The property consists of 25 units with a mix of mobile home and RV park spaces. The property generates solid returns with a current net operating income of \$233,775, offering investors a stable cash flow and a projected pre-tax cash flow of \$103,161 at current rents.

The property features a mix of 25 pads, 10 dry pads with electrical hookups only, six park-owned homes, and one stick-built home. It also benefits from essential infrastructure, including well water with newly installed equipment, four septic tanks, and a building with two bathrooms, a laundry room, and an owner's office. The investment offers strong returns, with additional upside through rent increases and the ability to generate storage income from 10 large storage units—making it even more compelling as a long-term hold.

Located in the thriving Grand Mound area of Centralia, Washington, this property is strategically situated with easy access to major highways and regional amenities. The location is ideal for residents and visitors alike, offering easy access to shopping, dining, and entertainment. The park is positioned in an area with a stable and growing population, presenting investors with strong demand for mobile homes and RV spaces. With its prime location and solid investment fundamentals, Grand Mound MH & RV Park is a prime opportunity for investors looking to capitalize on an undervalued property with substantial upside potential.



\$

\$2,200,000
Price

↑

10.63%
Current Cap Rate

□ □
□ □

1940
Year Built

🏠

6.65
Current GRM

21021

Old Hwy 9 Southwest

PROPERTY SUMMARY

Property Summary	
Price:	\$2,200,000
Down Payment:	\$550,000
Number of Units:	25
Price per Unit:	\$88,000.00
Current GRM	6.65
Market GRM	6.55
Current Cap	10.63%
Market Cap	10.21%
Renovated Rents	10.21%
Year Built	1940
Approx. Lot Size	89,298



Grand Mound MH & RV Park

21021 OLD HIGHWAY 9 SOUTHWEST
CENTRALIA, WA



OLD HWY 99 SW

INVESTMENT HIGHLIGHTS



Attractive Pricing and Financing Structure

Priced at \$2,200,000, Grand Mound MH & RV Park offers a strong investment opportunity with a low entry cost. The property provides immediate cash flow and significant upside potential through rent increases and property improvements.



Stable Cash Flow

Currently generating a net operating income (NOI) of \$233,775, the property offers a solid and consistent cash flow. The current pre-tax cash flow of \$103,161 demonstrates the park's stability and ongoing profitability.



Prime Location in Growing Area

Located in Centralia, WA, the park is situated near major highways, local amenities, and a growing population. This prime location attracts both permanent residents and temporary visitors, offering a steady demand for mobile home and RV spaces.



Strong Infrastructure and Recent Upgrades

Equipped with well water supported by new equipment and four septic tanks, the property's infrastructure is well-maintained. These recent upgrades ensure long-term operational efficiency and reduced maintenance costs for the investor.



Diverse Revenue Streams

The park features 25 pads, including 6 park-owned homes and 10 dry RV pads, providing multiple sources of income. This diversity enhances the property's resilience and allows for greater flexibility in pricing and tenant management.



Renovation Upside Potential

With the ability to increase rents through renovations and capital improvements, the property offers significant upside potential. Investors can enhance profitability by upgrading the homes and RV pads, increasing rent rates, and improving operational efficiencies.

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FINANCIALS

UNIT MIX / Rent Roll

No. of Units	Bdrms/Baths	Approx Sq. Ft.	Current Rents	Avg Rent/SF	Market Rents	Avg Rent/SF	Proforma Rents	Avg Rent/SF
1	House	\$900	\$ 1,525	\$1.69	\$ 1,525	\$1.69	\$ 1,525	\$1.69
1	MH	\$500	\$ 1,400	\$2.8	\$ 1,400	\$2.80	\$ 1,400	\$2.80
1	MH	\$900	\$ 1,892	\$2.1	\$ 1,772	\$1.97	\$ 1,772	\$1.97
1	MH	\$900	\$ 1,875	\$2.08	\$ 1,875	\$2.08	\$ 1,875	\$2.08
1	MH	\$900	\$ 850	\$0.94	\$ 1,310	\$1.46	\$ 1,310	\$1.46
1	MH/RV Spot	\$900	\$ 1,310	\$1.46	\$ 850	\$0.94	\$ 850	\$0.94
1	RV	\$900	\$ 850	\$0.94	\$ 650	\$0.72	\$ 650	\$0.72
1	RV	\$900	\$ 875	\$0.97	\$ 875	\$0.97	\$ 875	\$0.97
1	RV	\$900	\$ 975	\$1.08	\$ 975	\$1.08	\$ 975	\$1.08
1	RV	\$900	\$ 1,075	\$1.19	\$ 1,075	\$1.19	\$ 1,075	\$1.19
1	RV	\$900	\$ 1,025	\$1.14	\$ 1,075	\$1.19	\$ 1,075	\$1.19
1	MH	\$900	\$ 1,775	\$1.97	\$ 1,675	\$1.86	\$ 1,675	\$1.86
1	RV	\$900	\$ 975	\$1.08	\$ 975	\$1.08	\$ 975	\$1.08
1	RV	\$900	\$ 1,075	\$1.19	\$ 975	\$1.08	\$ 975	\$1.08
1	RV	\$900	\$ 1,075	\$1.19	\$ 975	\$1.08	\$ 975	\$1.08
1	RV	\$900	\$ 650	\$0.72	\$ 650	\$0.72	\$ 650	\$0.72
1	RV	\$900	\$ 975	\$1.08	\$ 875	\$0.97	\$ 875	\$0.97
1	RV	\$900	\$ 425	\$0.47	\$ 875	\$0.97	\$ 875	\$0.97
1	RV	\$900	\$ 875	\$0.97	\$ 975	\$1.08	\$ 975	\$1.08
1	RV	\$900	\$ 975	\$1.08	\$ 875	\$0.97	\$ 875	\$0.97
1	RV	\$900	\$ 875	\$0.97	\$ 875	\$0.97	\$ 875	\$0.97
1	RV	\$900	\$ 875	\$0.97	\$ 875	\$0.97	\$ 875	\$0.97
1	RV	\$900	\$ 875	\$0.97	\$ 875	\$0.97	\$ 875	\$0.97
1	RV	\$900	\$ 875	\$0.97	\$ 875	\$0.97	\$ 875	\$0.97
1	RV	\$900	\$ 975	\$1.08	\$ 875	\$0.97	\$ 875	\$0.97
1	RV	\$900	\$ 875	\$0.97	\$ 875	\$0.97	\$ 875	\$0.97
25	Aprox.	22,100	\$26,927	\$1.22	\$26,607	\$1.20	\$26,607	\$1.20

Scheduled Income				
		Current	Market	Proforma
Total Monthly Scheduled Rent:		\$26,927	\$26,607	\$26,607
Laundry Income		\$300	\$300	\$300
Parking Income	Spaces: 45	\$0	\$720	\$720
Other / Storage / Pet / Misc		\$347	\$347	\$347
Total Monthly Income		\$27,574	\$27,974	\$27,974
Annual Scheduled Gross Income		\$330,888	\$335,688	\$335,688

ANNUALIZED OPERATING DATA

	Current Rents		Market Rents		Renovated Rents	
Gross Scheduled Incc	\$330,888		\$335,688		\$335,688	
Less Physical Vacancy	(\$33,089)	10.00%	(\$33,569)	10.00%	(\$33,569)	10.00%
Gross Operating Incc	\$297,799		\$302,119		\$302,119	
Less Expenses	(\$64,024)	19.35%	(\$77,411)	23.06%	(\$77,411)	23.06%
Net Operating Inccorr	\$233,775		\$224,708		\$224,708	
Less Loan Payments	(\$130,615)		(\$130,615)		(\$130,615)	
Debt Service Covera	1.79		1.79		1.79	
Pre-Tax Cash Flow	\$103,161	18.76%	\$94,093	17.11%	\$94,093	17.11%
Plus Principle Reduct	\$28,291		\$28,291		\$28,291	
Total Return Before Taxes	\$131,452	23.90%	\$122,384	22.25%	\$122,384	22.25%

Annualized Expenses		
	Current Expense	Market Expense
Property Taxes 2026	\$5,415	\$18,500
Insurance:	\$2,691	\$2,691
Utilities: W/Septic/E	\$19,907	\$19,907
Maint./Repairs	\$7,245	\$7,245
Landscaping	Market / Unit	\$2,000
Res. Manager/ unit	\$1,920	\$1,920
Pro Management @ 7.0%	\$20,846	\$21,148
Reserves	\$4,000	\$4,000
Total Expenses:	\$64,024	\$77,411
Expenses as a % of GSI:	19%	23%
Expenses Per Unit:	\$2,561	\$3,096



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MARKET OVERVIEW

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Centralia / Lewis County Market

Centralia, Washington, is strategically positioned between major urban centers like Seattle and Portland, making it an attractive location for multifamily and mobile home park investments. The city sits along Interstate 5 (I-5), which is a major transportation route connecting the Pacific Northwest. Centralia's population has seen consistent growth, currently estimated at 18,000 residents, with a 3.5% growth rate projected over the next five years. The city's proximity to larger markets like Olympia (30 miles north) and Portland (120 miles south) further strengthens its appeal for both affordable housing and RV park demand, as residents seek cost-effective living options away from higher-priced metropolitan areas.

The demand for multifamily housing, particularly mobile homes and RV spaces, is driven by a variety of factors in Centralia. The growing population, coupled with the area's affordability compared to larger cities, creates steady demand for affordable housing options. According to the 2020 Census, 44% of Centralia's population rents their homes, highlighting a significant market for rental properties. Additionally, Centralia is home to several key employers, including the Centralia College, Providence Centralia Hospital, and Walmart Distribution Center, all of which contribute to the demand for both long-term mobile home residents and temporary RV park tenants. The area's economy is diverse, with significant employment in healthcare, education, and retail, all fueling housing demand in the region.

The Centralia area also benefits from a strong tourism sector, as the city is a gateway for travelers heading to Mount Rainier National Park, a popular destination for outdoor recreation. The presence of regional attractions and outdoor activities makes RV parks particularly attractive to seasonal visitors. Local events, such as the Centralia Antique Fair and the Southwest Washington Fair, also draw in tourists seeking short-term stays, further bolstering demand for RV accommodations. The blend of affordable long-term housing options and short-term demand from tourists creates a dynamic market for multifamily and mobile home park investments in the region, offering investors both stable cash flow and growth potential.

MARKET KEY POINTS



Strategic Location along I-5

Centralia is ideally located along the I-5 corridor, providing direct access to major urban centers like Seattle and Portland. This prime location enhances the city's appeal for both long-term residents and transient RV park visitors traveling through the region.



Affordable Housing Demand

The median home price in Centralia is significantly lower than in nearby metropolitan areas, driving demand for affordable housing solutions. As 44% of the city's population rents, there is a strong need for multifamily and mobile home park properties.



Tourism and Seasonal RV Demand

With proximity to Mount Rainier National Park and local events, Centralia attracts a steady influx of tourists year-round. The demand for RV park spaces is especially high during peak tourist seasons, providing significant short-term rental income opportunities.



Consistent Population Growth

With an estimated population of 18,000 and a projected growth rate of 3.5% over the next five years, Centralia is experiencing steady population expansion. This growth supports increasing demand for affordable housing options, particularly mobile homes and RV park spaces.



Diverse Local Economy

Centralia's economy is supported by key industries such as healthcare, education, and retail, with employers like Providence Centralia Hospital and Centralia College. This employment base drives stable housing demand and ensures long-term residency for mobile home park tenants.



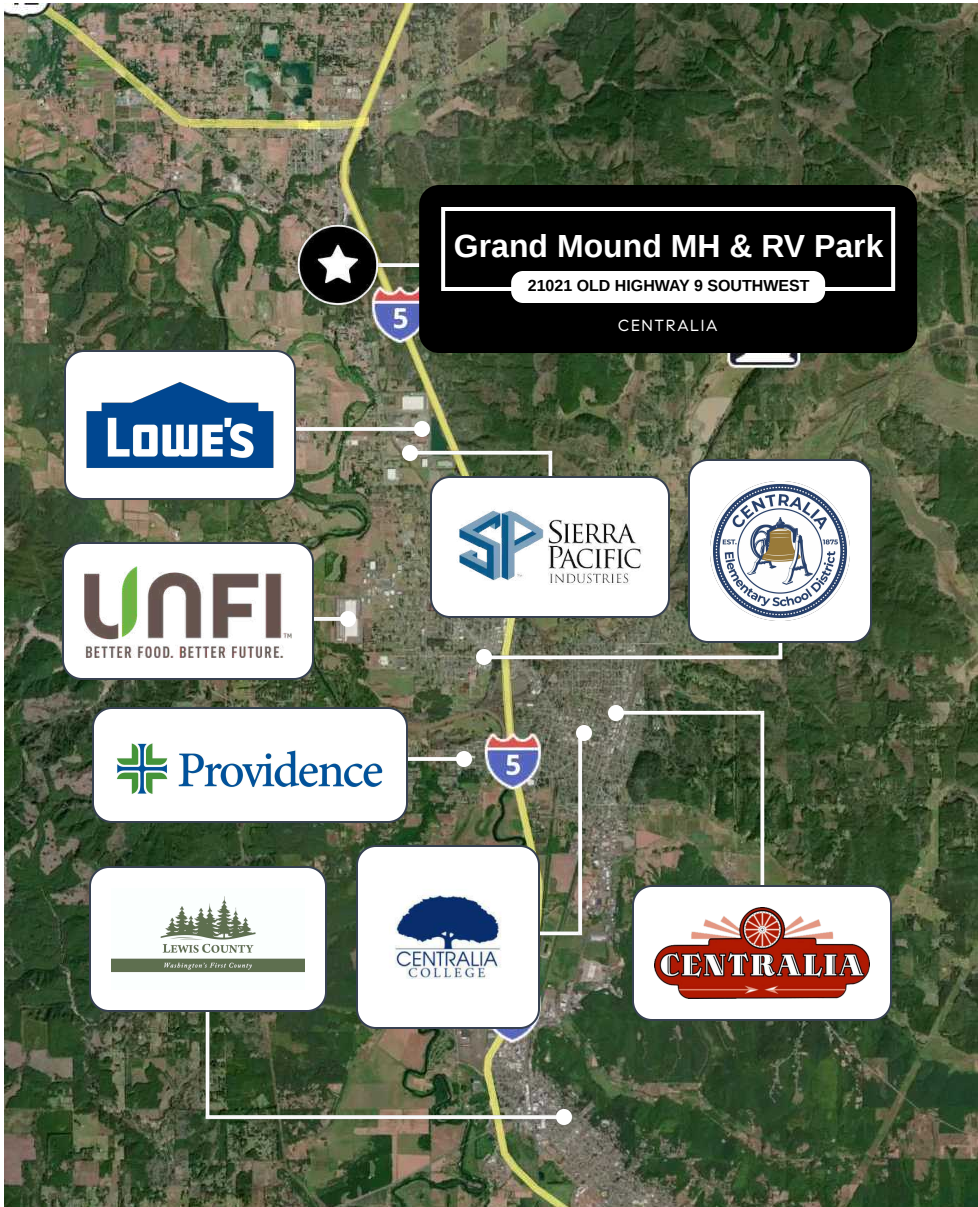
Access to Regional Amenities

Centralia offers residents easy access to shopping centers, schools, and healthcare facilities, enhancing its appeal as a residential location. These amenities make the area attractive for mobile home residents seeking convenience and affordability in a growing market.

AMENITIES MAP



MAJOR EMPLOYERS



The local economy is characterized by a diverse and resilient employment base, providing a stable foundation for investment. Key non-cyclical sectors such as healthcare, education, and public administration serve as significant anchors, led by major employers like Providence Centralia Hospital, Centralia College, and the Lewis County Public Works Department. This stability is complemented by a robust and growing industrial sector, strategically positioned along a major logistics corridor. Prominent distribution and logistics operators, including UNFI and the Lowe's Flatbed Distribution Center, leverage this location to serve the broader Pacific Northwest, employing hundreds locally. The area's economic fabric is further strengthened by a historic manufacturing base, with companies like Sierra Pacific Industries representing the enduring timber industry. This well-balanced mix of essential services, large-scale logistics, and manufacturing creates a durable economic environment, ensuring consistent tenancy demand and underpinning the asset's long-term value.

Employer	Industry	Employees	Distance
Providence Centralia Hospital	Healthcare	850	6.1 mi
Lewis County	Government	500	9.8 mi
Centralia School District	Education	400	4.5 mi
UNFI	Logistics & Distribution	300	4.3 mi
Lowe's Distribution Center	Logistics & Distribution	300	2.0 mi
Centralia College	Education	250	5.5 mi
Sierra Pacific Industries	Manufacturing	200	2.2 mi
City of Centralia	Government	200	6.4 mi



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property lines are estimates only