

# WESTERN HILLS MOBILE HOME PARK | OFFERING MEMORANDUM



91 SPACES  
RAINIER, OREGON



# OFFERING MEMORANDUM

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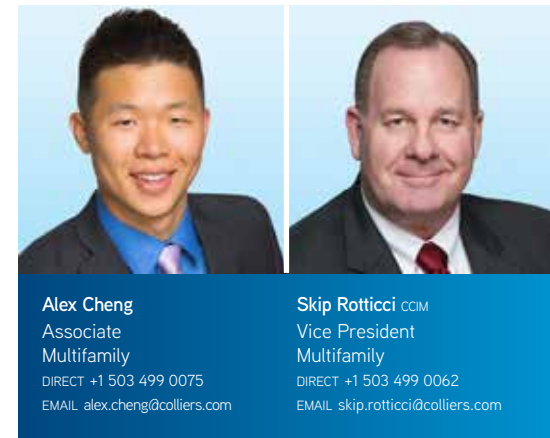
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## Exclusive Advisors

This Offering Memorandum contains select information pertaining to the business and affairs of the Property at 74866 Doan Road, Rainier, Oregon. It has been prepared by Colliers International. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property.

For further information regarding the purchase and sale of this asset, to schedule a tour, or to submit a bid, please contact the following Colliers International professionals:



851 S.W. Sixth Ave., Suite 1200  
Portland, Oregon 97204  
503.223.3123

## > Property Information



## Western Hills Mobile Home Park

Western Hills Mobile Home Park is a 91-space all age manufactured home community located in Rainier, OR. Situated approximately 50 miles north of downtown Portland, OR and a few miles south east of Longview, WA, the surrounding neighborhood consists mainly of residential and agricultural-use land.

The community was constructed in the 1970s and is serviced by its own private utility system.

### Community features:

- Strong market rents
- Private well system
- Private septic system
- 33% multi section homes
- Opportunity to increase occupancy
- Unutilized fenced storage area



# PROPERTY INFORMATION

## Property Details

NAME:	Western Hills Mobile Home Park
ADDRESS:	74866 Doan Road, Rainier, OR 97048
PARCEL NUMBER(S):	0305072200300010000
YEAR BUILT:	1970
SPACES:	91
LAND AREA:	80.71 Acres   3,515,727 SF
UTILITIES:	Private utility systems
ZONING:	Rural Residential - 5
AGE RESTRICTIONS:	None
OCCUPANCY:	95%
DW/SW SITES:	30 DW, 51 SW, 5 RV
OFFERING PRICE:	\$5,900,000
PRICE PER SPACE:	\$64,835
CAP RATE:	7.35%





# PROPERTY INFORMATION





# PROPERTY INFORMATION



## > Market Overview



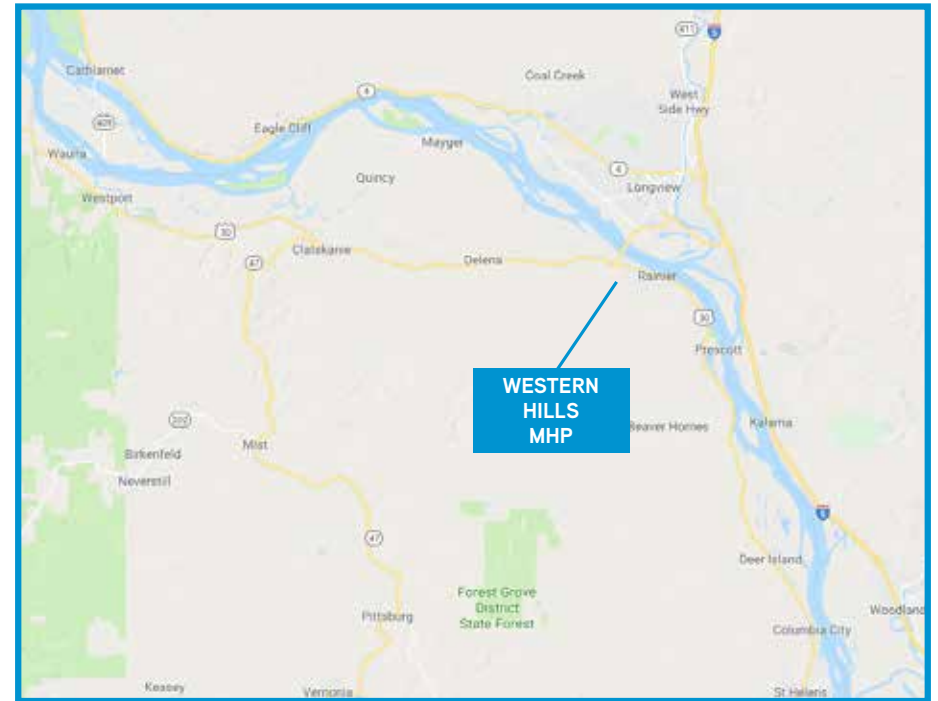
# MARKET OVERVIEW

## Local Economy & Employment

Rainier is a city in Columbia County, Oregon located on the south bank of the Columbia River across from Kelso and Longview, Washington

Originally founded in 1851 by Charles E. Fox, Rainier provides a nice variety of scenic views, historical landmarks, local area entertainment, fishing, camping, and outdoor exploration; as well as easy access to city entertainments with its close proximity to Longview, Washington and Portland. The city also enjoys Columbia River beach access within minutes and ocean beaches within 50 miles.

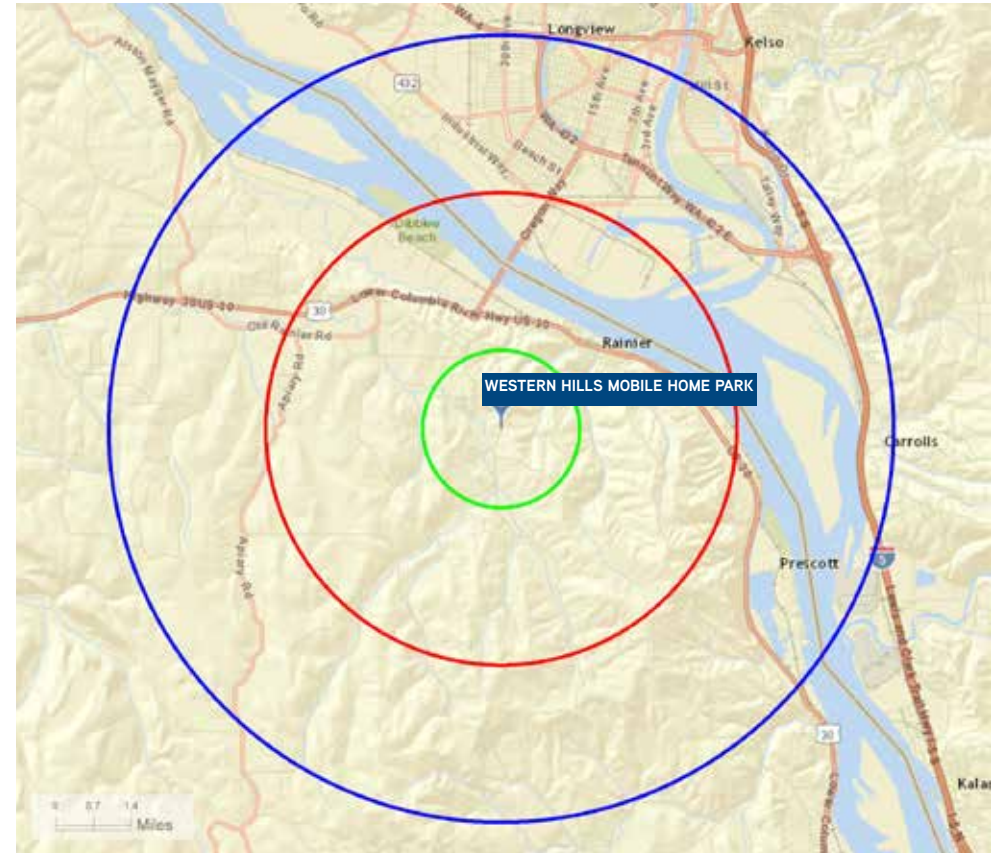
This area shares an amazing variety of history; including the 'Lewis & Clark Trail' and a view of namesake Mt. Rainier and the impressive view of the northwest volcano, Mt. St Helens. Rainier is also known for the Lewis and Clark Bridge which spans the Columbia River linking Rainier to Longview. It is the only bridge spanning the river between Portland and Astoria, Oregon.



# MARKET OVERVIEW

## Local Demographics

DISTANCE TO/FROM FERN VIEW MOBILE HOME PARK	1 MILE	3 MILE	5 MILE
2018 Total Population:	899	3,722	32,493
2023 Population:	940	3,892	34,072
Pop Growth 2018-2023:	4.56%	4.57%	4.86%
Average Age:	42.60	43.50	40.50
<b>HOUSEHOLDS</b>			
2018 Total Households:	350	1,508	13,587
HH Growth 2018-2023:	4.57%	4.51%	4.87%
Median Household Inc:	\$57,954	\$54,771	\$32,730
Avg Household Size:	2.60	2.50	2.30
2018 Avg HH Vehicles:	2.00	2.00	2.00
<b>HOUSING</b>			
Median Home Value:	\$228,658	\$216,454	\$170,602
Median Year Built:	1975	1971	1960











## > Comparables

# SALE & RENT COMPARABLES

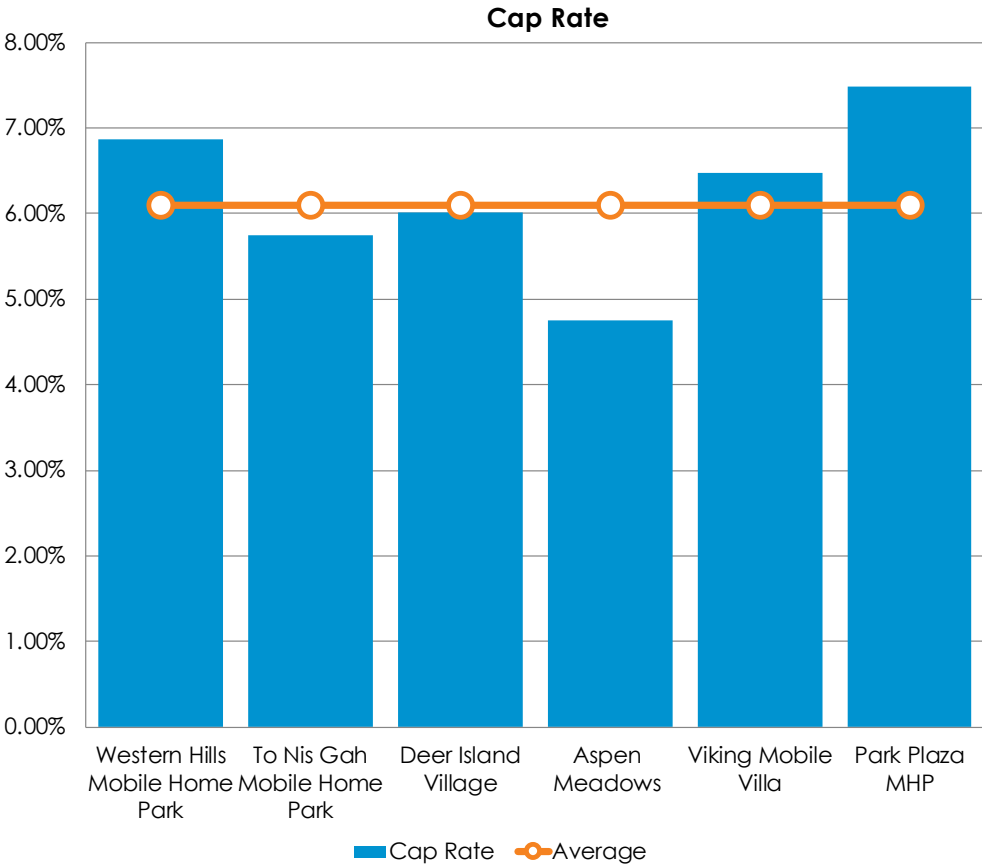
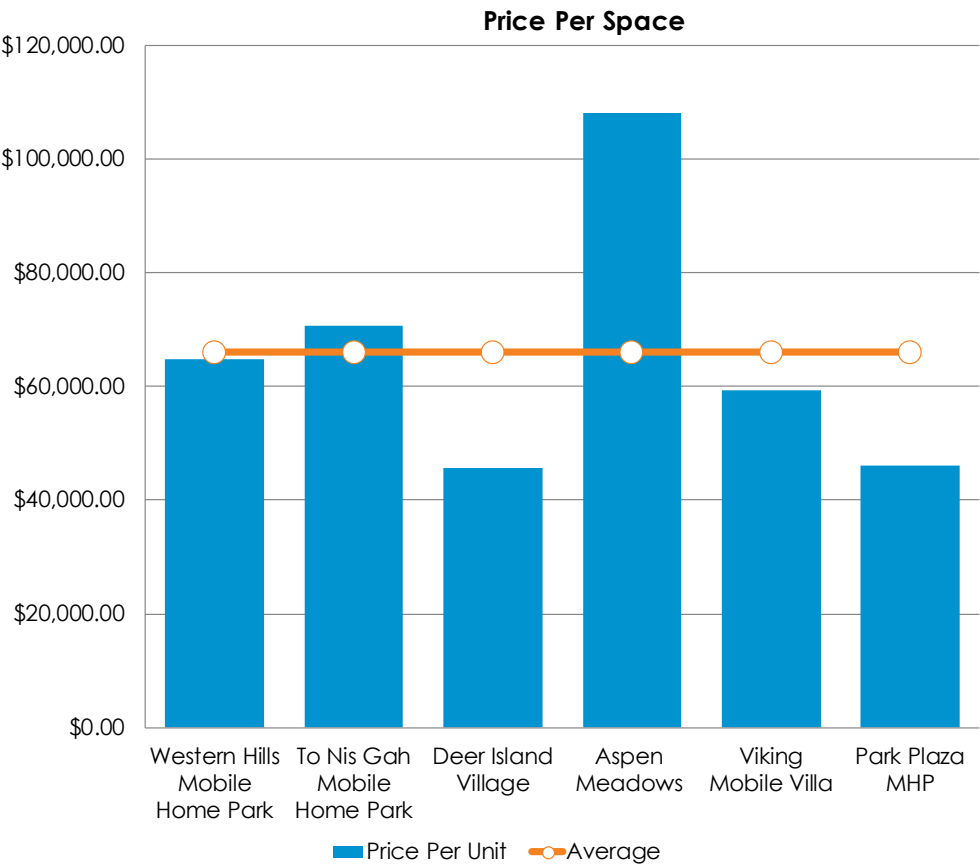
## Sales Comparables

			YEAR BUILT	PRICE	# OF SPACES	\$/SPACE	CAP RATE	SOLD DATE
<b>Western Hills Mobile Home Park</b> 74866 Doan Road Rainier, OR 97048		Family	1970	\$ 5,900,000	91	\$ 64,835	7.35%	
<b>To Nis Gah Mobile Home Park</b> 4264 SE 122nd Avenue Portland, OR 97236		55+	1951	\$ 2,825,000	40	\$ 70,625	5.75%	12/15/2017
<b>Deer Island Village</b> 64701 Columbia River Highway Deer Island, OR 97054		Family	1960	\$ 2,650,000	58	\$ 45,690	6.02%	7/27/2017
<b>Aspen Meadows</b> 13400 SE Holgate Boulevard Portland, OR 97236		55+	1994	\$ 12,765,000	118	\$ 108,178	4.75%	7/5/2017
<b>Viking Mobile Villa</b> 3441 SE 111th Avenue Portland, OR 97266		55+	1965	\$ 1,780,000	30	\$ 59,333	6.47%	7/29/2016
<b>Park Plaza MHP</b> 1345 Baltimore Street Longview, WA 98632		Family	1967	\$ 2,900,000	63	\$ 46,032	7.48%	7/29/2015
AVERAGE			1967	\$ 4,584,000	62	\$ 65,972	6.09%	









# SALE & RENT COMPARABLES

## Sales Comparables



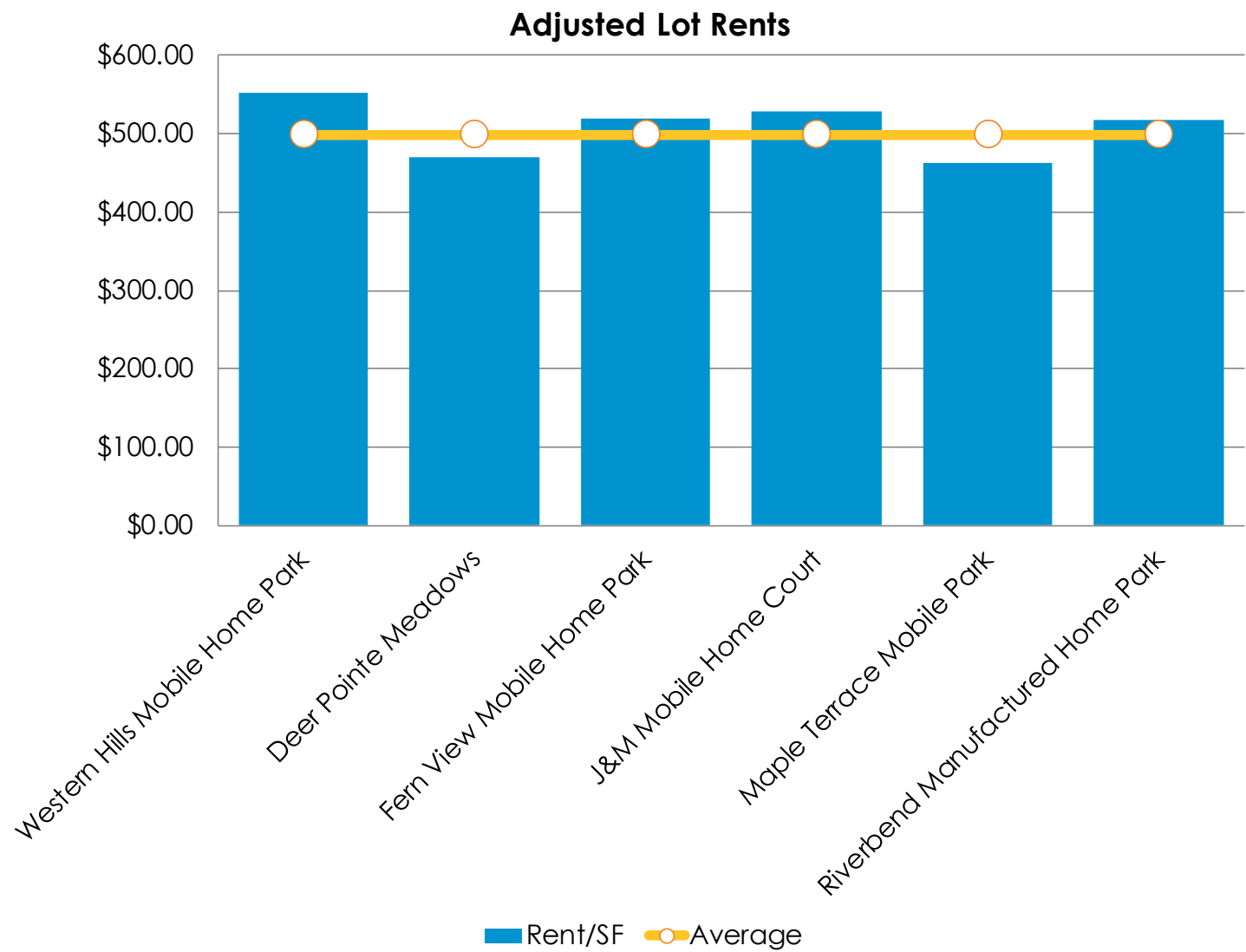
# SALE & RENT COMPARABLES

## Rent Comparables

		FAMILY/ 55+	# OF SITES	YEAR BUILT	GATED	COMMUNITY CENTER	POOL/ SPA	OUTDOOR RECREATION	RV/ BOAT STORAGE	LOT RENT	Comments	Adjusted Lot Rent
<b>Western Hills Mobile Home Park</b> 74866 Doan Road Rainier, OR 97048		Family	91	1970	No	No	No	No	No	\$553	Includes water, sewer, garbage. Serviced by well and septic.	\$553
<b>Deer Pointe Meadows</b> 25231 Alderbark Road Rainier, OR 97048		Family	43	1970	No	No	No	No	No	\$470	Includes water, sewer, garbage. Serviced by well and septic.	\$470
<b>Fern View Mobile Home Park</b> 74380 Fern Hill Road Rainier OR 97048		55+	26	1966	No	No	No	No	No	\$519	Includes water, sewer, garbage. Serviced by well and septic.	\$519
<b>J&amp;M Mobile Home Court</b> 75883 Price Road Rainier, OR 97048		55+	30	N/A	No	No	No	No	No	\$528	Includes water, sewer, garbage. Serviced by well and septic.	\$528
<b>Maple Terrace Mobile Park</b> 34492 Berg Road Warren, OR 97053		55+	23	1966	No	No	No	No	Yes	\$462	Includes water, sewer, garbage. Serviced by well and septic.	\$462
<b>Riverbend Manufactured Home Park</b> 601 E Columbia River Highway Clatskanie, OR 97016		Family	39	1985	No	No	No	No	No	\$370	Space rent only.	\$518
AVERAGE				1972						\$470		\$499



Rent Comparables



## > Financial Overview

# FINANCIAL OVERVIEW

Monthly Scheduled Rent Income			Current				Pro-Forma		
No. of units	Unit Type		Rents		Avg	Income		Rents	Income
			Min	Max					
91	MH Pad		\$ 190	\$ 610	\$ 552	\$ 50,250		\$ 552	\$ 50,257
<b>91</b>	<b>TOTAL</b>								<b>\$ 50,257</b>

Annualized Income		Current		Per Unit		Pro-Forma		Per Unit
Gross Potential Rent		\$ 603,000		\$ 6,626		\$ 603,087		\$ 6,627
Water Income	June 2018 RR	\$ 6,732		\$ 74		\$ 6,732		\$ 74
Note Income	June 2018 RR	\$ 80,790		\$ 888		\$ 80,790		\$ 888
Vehicle Parking	June 2018 RR	\$ 2,160		\$ 24		\$ 2,160		\$ 24
<b>Gross Potential Income</b>		<b>\$ 692,682</b>		<b>\$ 7,612</b>		<b>\$ 692,770</b>		<b>\$ 7,613</b>
<b>Vacancy Factor</b>	Market Estimate	5%	<b>\$ (34,634)</b>			3%	<b>\$ (20,783)</b>	
<b>Effective Gross Income</b>		<b>\$ 658,048</b>		<b>\$ 7,231</b>		<b>\$ 671,987</b>		<b>\$ 7,384</b>

Annualized Operating Expenses		Current		Per Unit		Pro-Forma		Per Unit
Real Estate Taxes	2017-2018 Actuals Inflated 3%	\$ 24,266	3.69%	\$ 267		\$ 24,244	3.61%	\$ 266
Insurance	2017 Actuals Inflated 3%	\$ 2,496	0.38%	\$ 27		\$ 2,571	0.38%	\$ 28
Water/Sewer Testing	2017 Actuals Inflated 3%	\$ 2,740	0.42%	\$ 30		\$ 2,822	0.42%	\$ 31
Gas & Electricity	2017 Actuals Inflated 3%	\$ 14,196	2.16%	\$ 156		\$ 14,622	2.18%	\$ 161
Garbage & Recycle	2017 Actuals Inflated 3%	\$ 24,105	3.66%	\$ 265		\$ 24,829	3.69%	\$ 273
Management Fee	Market Estimate	5%	\$ 32,902	5.00%	\$ 362	5%	\$ 33,599	5.00%
Accounting/Legal	Market Estimate	\$ 5,000	0.76%	\$ 55		\$ 5,150	0.77%	\$ 57
Payroll	Market Estimate	\$ 28,080	4.27%	\$ 309		\$ 28,922	4.30%	\$ 318
Payroll Expense	Market Estimate 17.5% of Payroll	\$ 4,914	0.75%	\$ 54		\$ 5,061	0.75%	\$ 56
Landscaping	Market Estimate \$300/Unit	\$ 27,300	4.15%	\$ 300		\$ 28,119	4.18%	\$ 309
Repairs & Maintenance	Market Estimate \$500/Unit	\$ 45,500	6.91%	\$ 500		\$ 27,300	4.15%	\$ 300
Reserves & Replacements	2% of EGI	\$ 13,161	2.00%	\$ 145		\$ 13,556	2.06%	\$ 149
<b>Total Expenses</b>		<b>\$ 224,660</b>		<b>\$ 2,469</b>		<b>\$ 210,795</b>		<b>\$ 2,316</b>
<b>Expense Ratio of EGI</b>		<b>34%</b>				<b>31%</b>		
<b>Net Operating Income</b>		<b>\$ 433,388</b>		<b>\$ 4,763</b>		<b>\$ 461,192</b>		<b>\$ 5,068</b>

## > Transaction Guidelines



# TRANSACTION GUIDELINES

## Offering Procedure

The offering of Western Hills Mobile Home Park is being conducted exclusively by Colliers International. Seller requests all questions and inquiries directed to the Colliers representatives listed in this memorandum.

Colliers will be available to assist prospective investors with their review of the offering. On-site inspections of the property and tours of the market area can be arranged directly with Colliers. Potential buyers will need to sign a Confidentiality Agreement prior to receiving seller documents including financial statements, rent roll, leases, and vendor contracts.

Offers should include, at a minimum, the following:

- The purchase price and closing date;
- The source of capital, both equity and debt, for the transaction;
- The amount of earnest money deposit;
- A detailed schedule of the due diligence and requisite approval process; and
- A description of assumptions utilized for the offer.



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# TRANSACTION GUIDELINES

## CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the Property at 74866 Doan Road, Rainier, OR 97048. It has been prepared by Colliers International. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Colliers International. The material is based in part upon information supplied by the Seller and in part upon financial information obtained by Colliers International from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum from Colliers, you agree:

- 1) The Offering Memorandum and its contents are confidential;
- 2) You will hold it and treat it in the strictest of confidence; and
- 3) You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Colliers International expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Colliers International or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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