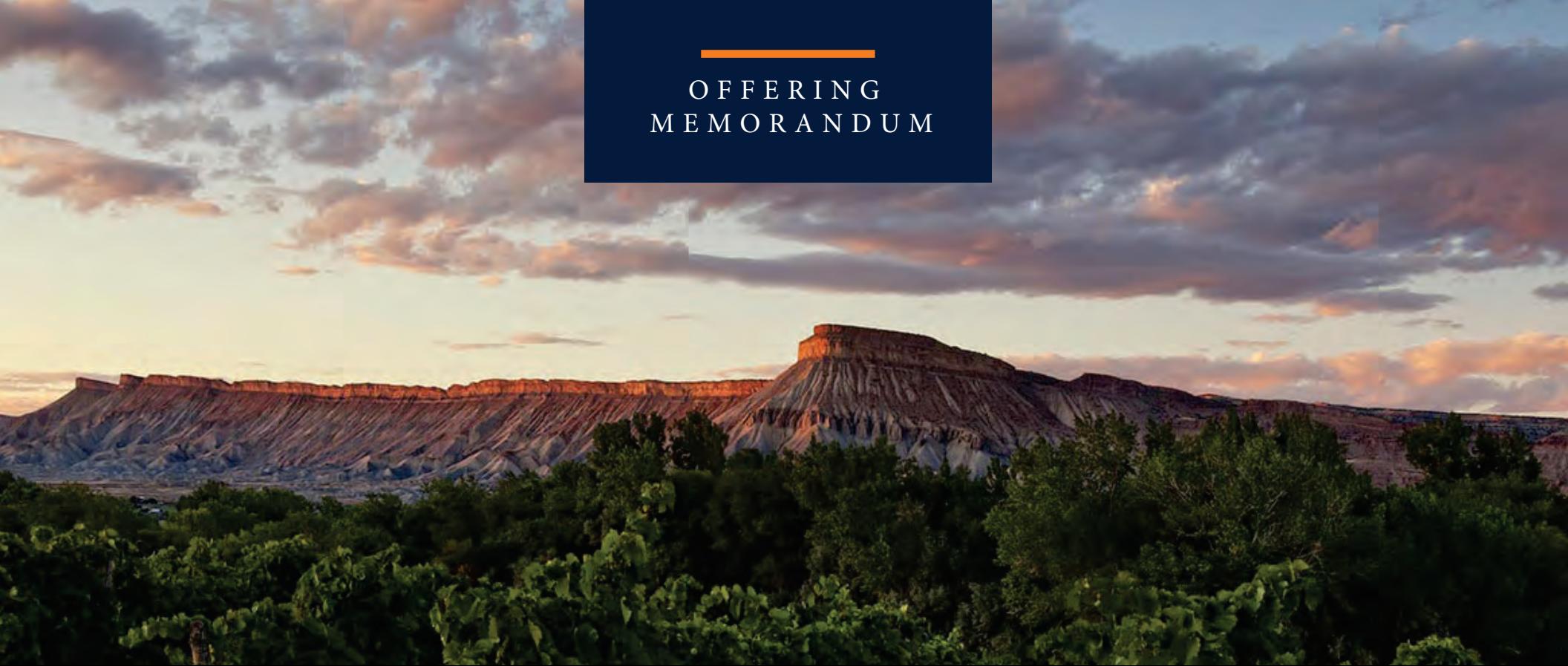




— A 152 SPACE RV STORAGE AND 79 SPACE RV PARK INVESTMENT OPPORTUNITY —

Marcus & Millichap



OFFERING  
MEMORANDUM

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A 152 SPACE RV STORAGE AND 79 SPACE RV PARK INVESTMENT OPPORTUNITY

# JUNCTION WEST RV PARK

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793 22 ROAD  
GRAND JUNCTION, COLORADO

Marcus & Millichap

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*section 1*  

# Executive Summary

.....  
*offering summary*  
.....  
*summary of terms*  
.....  
*investment overview*  
.....  
*investment highlights*

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## OFFERING SUMMARY

JUNCTION WEST RV PARK  
793 22 ROAD // GRAND JUNCTION, CO 81505

 Total Price	CAP Rate	CAP Rate
\$4,700,000	8.2% Q2 2019 T12	9.0% 2019-2020 Budget

Total Spaces	79 RV Park, 152 Storage
Assessor Parcel Number	2697-361-19-002
Year Built / Renovated	1977 / 1985 / 2006
Lot Size	± 9.21 Acres

### SITE BREAKDOWN

RV Storage	152
RV / Cabin	71
Tent	8
Total Spaces	79 / 152

## SUMMARY OF TERMS

### INTEREST OFFERED

100% Fee Simple Interest

### TERMS OF SALE

Property will be delivered free of existing debt obligations. Terms to be cash at closing.

### PROPERTY TOURS

Prospective purchasers are encouraged to visit the subject property prior to submitting offers. However, all property tours must be arranged with the Marcus & Millichap listing agents. **At no time shall the tenants, on-site management or staff be contacted without prior approval.**



# JUNCTION WEST RV PARK

793 22 Road, Grand Junction, CO 81505

## INVESTMENT OVERVIEW

Stabilized RV Park and Storage Facility in strong Grand Junction market

Strong year round demand in mild Grand Junction climate with diverse demand drivers

Grand Junction is gateway to outdoor experiences including Colorado National Monument, Canyon Country, and the Rocky Mountains

Full amenity package including laundry, playground, dog park, and splash pad

Secured RV storage area managed by RV park employees

## INVESTMENT HIGHLIGHTS

Upside potential through dynamic pricing, adding spaces, upgrading storage

Diverse income stream from RV Park, Storage, Store, Propane Sales and Tower income

Well maintained property with many amenities

Large well-appointed ±2,500 square foot owner/manager home above front desk and office

Offered at 8.2% CAP on T12 and 9% CAP on Budget





## *section 2* Property Description

*the property*

.....  
*local and regional maps*

.....  
*site plan*

.....  
*amenities*

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231 UNITS

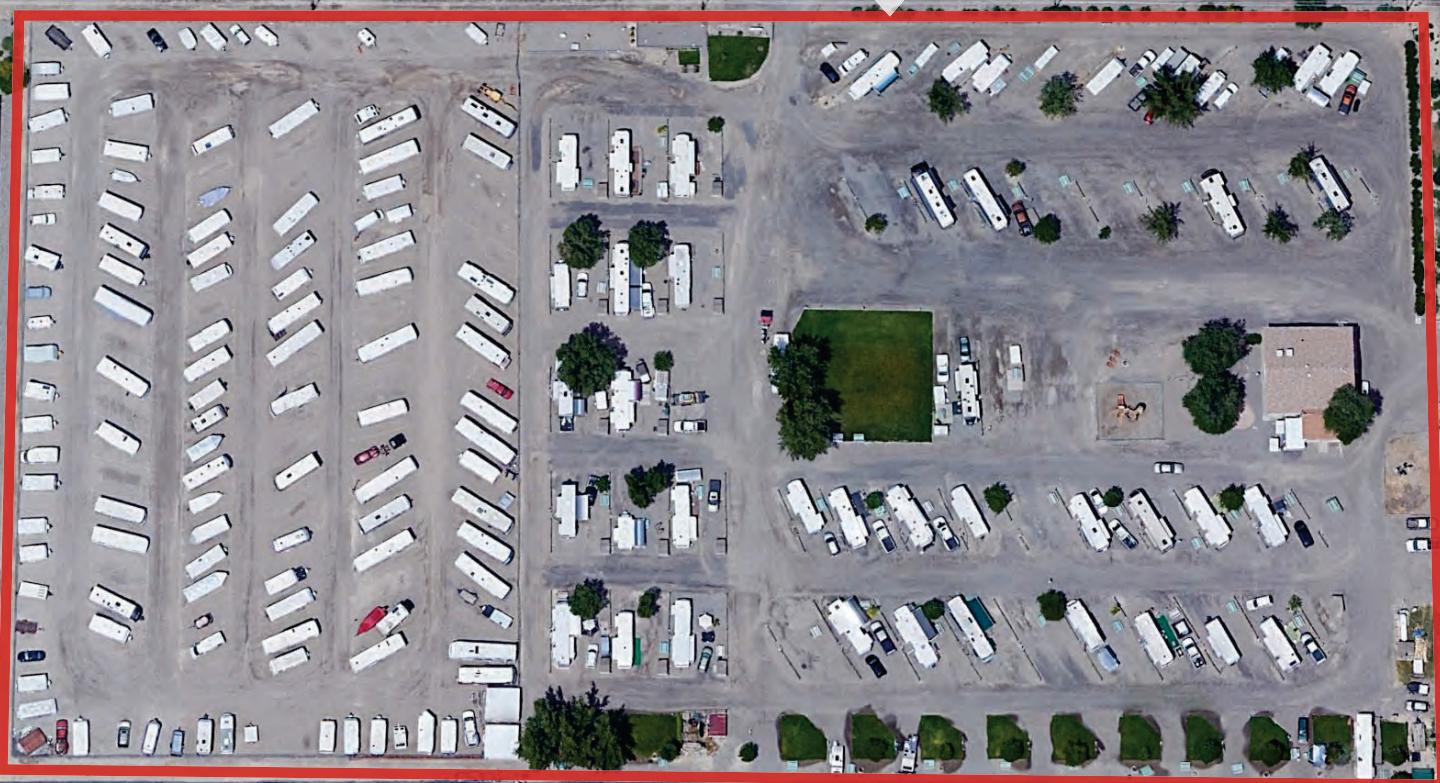
**MESA MALL**  
873,400+ Sq. Ft.  
Cabela's, Target, JC Penney  
Sears, Best Buy

Grand  
Junction  
Regional  
Airport



H Road

22 Road



## PROPERTY DESCRIPTION // *Junction West RV Park*

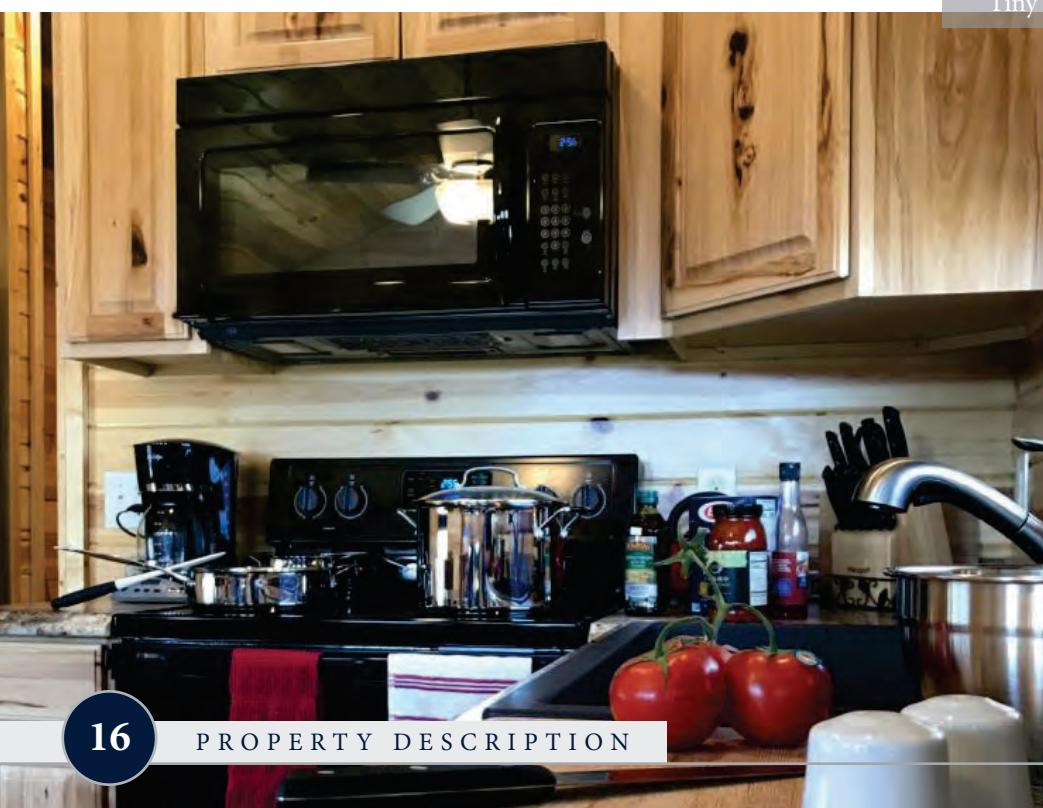
Number of Spaces	79 / 152
Year Built / Renovated	1977 / 1985 / 2006
Number of Buildings	1
Total Square Footage of Buildings	± 6,000 SF
Manager / Owner Residence	± 2,500 SF
Office / Laundry, Showers	± 2,500 SF
Maintenance / Storage	± 1,000 SF
Acreage	± 9.21 Acres
Zoning	C-2 City of Grand Junction

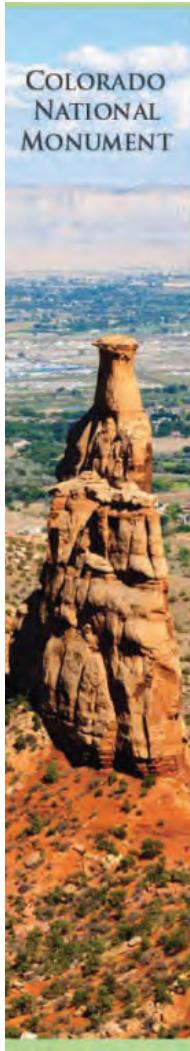
SITE	# OF	CURRENT RENT		
		DAILY	WEEKLY	MONTHLY
RV Storage	152	\$5	\$20	\$45 - \$70
RV with Hookups	69	\$42 - \$52	\$230 - \$290	\$525 - \$800
Tent	8	\$32 - \$40	N/A	N/A
Cabins/Tiny Homes	2	\$129 - \$149	\$750 - \$875	N/A

### UTILITIES

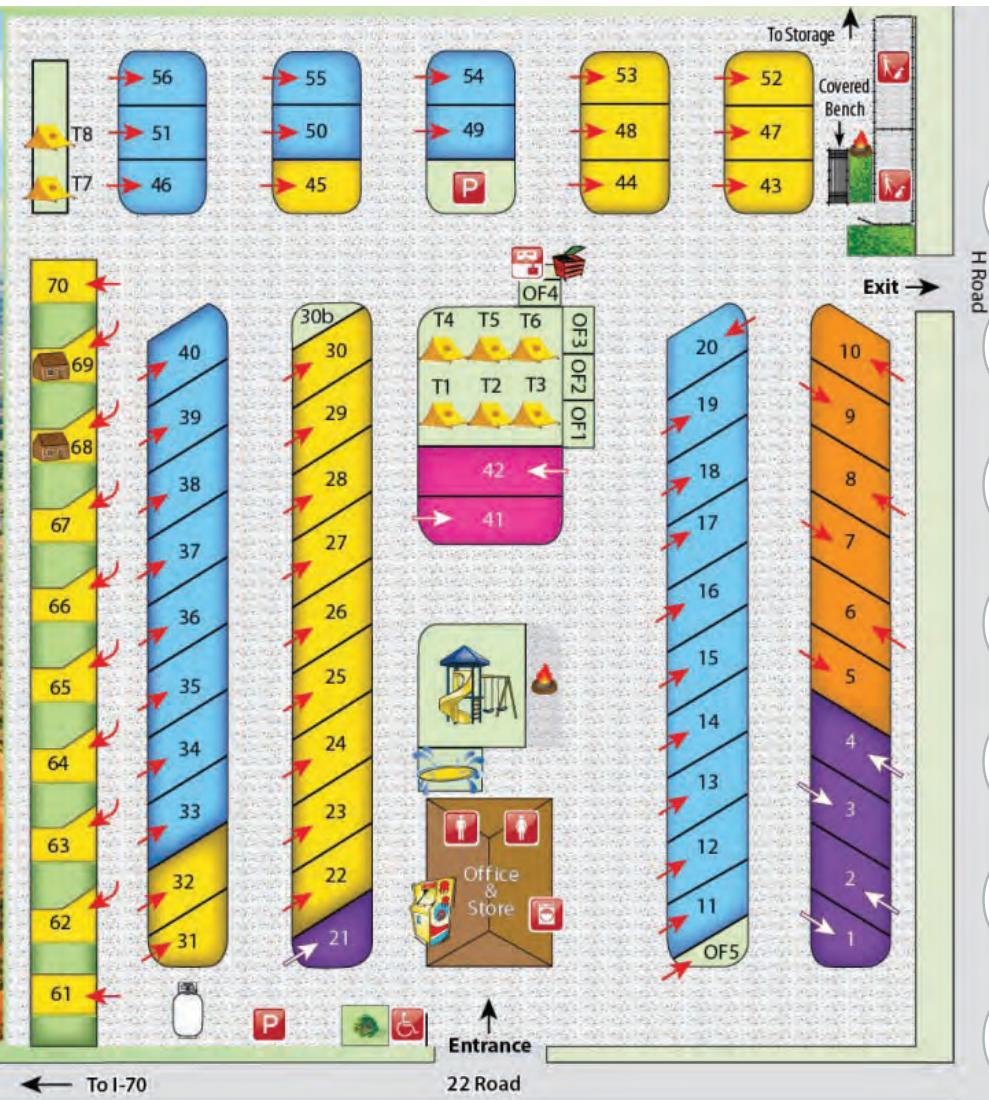
UTILITY	SERVICE PROVIDER
Electricity	Grand Valley Power
Water / Sewer	UTE Water/City of Grand Junction
Irrigation Water*	22 Road Lateral Water Districts
Trash	CRS Commercial Refuse Services
Cable / Internet	DirectTV/Adaptive Integration

\*Property includes rights to 4 shares of irrigation water rights from the 22 Road Lateral Water District





COLORADO  
NATIONAL  
MONUMENT



- Deluxe FHU 50/30 AMP w/Cable
- Deluxe FHU 50/30 AMP
- Standard 30 AMP w/Cable
- Standard 30 AMP
- 50 AMP Only

- Cabin
- Tent Site
- Women Restrooms
- Men Restrooms
- Laundry
- Dog Run

- Visitor Parking
- Handicap Parking
- Dump Station
- Rec Room
- Trash
- Fire Ring
- Playground
- Splash Pad
- Propane

## Park AMENITIES

Restrooms



Laundry



Splash Pad



Fire Ring



Playground



Recreation Room



Dog Run





Convenience Store



Laundry



Restrooms



Recreation Room



*section 3*  
Financial Analysis

property details  
.....  
pricing details  
.....  
rent roll summary  
.....  
operating statement  
.....  
cash flow

Marcus & Millichap



## PROPERTY DETAILS // *Junction West RV Park*

Offered Price	\$4,700,000
Debt	\$3,290,000
Equity Investment	\$1,410,000
Marcus & Millichap Year 1 Projected NOI	\$422,034
Annual Principal and Interest Payments	\$236,583
Estimated Pre Tax Cash Flow	\$185,451
Year One Cash on Cash Return	13.2%
Year One Cash on Cash with Principal Reduction	17.8%
DSCR - Year 1 (all loans)	1.78

### MARCUS & MILLICHAP CAPITAL CORPORATION FINANCING AVAILABLE

Loan Amount	\$3,290,000
Loan to Value	70%
Interest Rate	5.25%
Amortization	25 Years
Loan Term	5 Years
Lender	Regional Bank



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## FINANCIAL STATEMENT // *Junction West RV Park*

INCOME	Q2 2019 T12		PRO FORMA 9/1/2019 TO 8/30/2020	
RV Site Rent	\$484,300	69.2%	\$518,201	*1
Storage Rent	\$96,587	13.8%	\$103,348	
Other Rental Income	\$9,777	1.4%	\$10,461	
Total Rental Income	\$590,664		\$632,010	
Other Income				
Utility Income / Reimbursement	\$36,439	5.2%	\$38,261	*2
Store Sales	\$11,633	1.7%	\$12,215	
Propane Income	\$48,941	7.0%	\$51,388	*3
Laundry Income	\$12,533	1.8%	\$13,160	
Total Other Income	\$109,546	15.6%	\$115,023	
Total Income	\$700,210	100.0%	\$747,034	
Cost of Goods Sold				
Propane Sales	\$27,669		\$29,052	*4
Store Supplies	\$6,408		\$6,728	
Total Cost Of Goods Sold	\$34,077		\$35,781	
Gross Profit	\$666,133		\$711,253	

1) 7% increase to income in 2019-2020 period

2) 5% increase in other income in 2019-2020 period

3) Property has a 1000 gallon propane tank and distribution agreement with Amerigas servicing the local population

4) Payroll includes \$5000 monthly paid to Owner Operators who live on site.

4) Many employees are park residents and work part time receiving partial pay through deductions in Rent.

5) Operating expenses increased 2.5% as default

6) Bank service fees adjusted to 2% of total receipts in Pro Forma

## FINANCIAL STATEMENT cont. // *Junction West RV Park*

EXPENSES	Q2 2019 T12		PRO FORMA	
			9/1/2019 TO 8/30/2029	
Property Taxes	\$15,825	*		\$16,458
Insurance	\$7,540	*		\$7,766
Payroll (Including Payroll &Workers Comp Taxes)	\$123,810	*		\$127,524 *4
Employee Bonus	\$1,651	*		\$1,710
Supplies - Office, Cleaning	\$3,317	*		\$3,417
Dues & Subscriptions	\$1,500	*		\$1,545
Repairs & Maintenance	\$14,128	*		\$14,552
Utilities				
Trash	\$3,055		\$3,131	
Cable, Internet, Telephone	\$5,019		\$5,144	
Water & Sewer	\$10,282		\$10,539	
Electric & Gas	\$56,790		\$58,210	
Total	\$75,146	*		\$77,025 *5
Automobile Exp	\$1,764	*		\$1,808
Legal & Professional & Permits	\$1,390	*		\$1,425
Bookeeping and Accounting	\$6,099	*		\$6,251
Landscaping	\$3,064	*		\$3,141
Travel, Conferences & Training	\$740	*		\$759
Advertising	\$11,784	*		\$12,079
Bank Service / Tax Fees Net and Commissions	\$13,067	*		\$13,447 *6
Bad Debts	\$314	*		*323
Total Expenses	\$281,139	42%		\$289,219 41%
NET OPERATING INCOME	\$384,994	58%		\$422,034 59%

## RENT ROLL SUMMARY // *Junction West RV Park*

RV PARK SUMMARY		2019 RENTAL RATES		
SPACE TYPE	# OF SPACES	DAILY RATE	WEEKLY RATE	MONTHLY RATE
Deluxe Pull Through	44	\$48 - \$52	\$260 - \$290	\$580 - \$800
Standard Pull Through	11	\$42 - \$46	\$230 - \$250	\$525 - \$600
Back-in Sites	10	\$45 - \$46	\$240 - \$260	\$560 - \$650
Overflow	4	\$40	N/A	N/A
Tent	8	\$33 - 40	N/A	N/A
Cabin / Tiny House	2	\$129 - \$149	\$750 - \$875	N/A
<b>TOTAL</b>	<b>79</b>			

RV STORAGE SUMMARY		2018		2019 (4/1/19)	
SIZE	#	RENTAL RATE	POTENTIAL MONTHLY RATE	RENTAL RATE	POTENTIAL MONTHLY RATE
20'	4	\$40	\$160	\$40	\$160
25'	56	\$45	\$2,520	\$45	\$2,520
30'	22	\$55	\$1,210	\$55	\$1,210
35'	36	\$60	\$2,160	\$65	\$2,340
40'	19	\$65	\$1,235	\$70	\$1,330
45'	15	\$70	\$1,050	\$75	\$1,125
<b>TOTAL</b>	<b>152</b>		<b>\$8,335</b>		<b>\$8,685</b>



JUNCTION  WEST  
R V P A R K

*section 6*  
Area Overview



*area attractions*

.....  
*location overview*

.....  
*tourism*

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## AREA ATTRACTIOnS



*Colorado National Monument*



*Grand Mesa - Hiking and Fishing*



*White Water Rafting*



*Mountain Biking, Motorcycle Trails*



*Four Wheeling*



*Local Fruit Orchards and Wineries*



*Gateway to Colorado National Monument,  
Four Corners Area, Dinosaur National  
Monument, and the Rocky Mountains*

# *City Of* GRAND JUNCTION

Grand Junction is the largest city on Colorado's Western Slope, and serves as a hub for transportation and shipping between Denver and Salt Lake City. The population of the Grand Junction, according to the 2010 Census, is 146,723. The name Grand Junction stems from the junction of the Colorado River (formerly known as the Grand River) and the Gunnison River. The area was first settled by Europeans in the 1880s, but the area's history of human civilization stretches back thousands of years including the Ute and Fremont tribes, among others. Remnants of the tribal history includes petroglyphs and cave paintings, among other items. In the late 19th century, settlers were drawn to the fertile Grand Valley for its agricultural potential, and the area remains one of Colorado's largest food producers, including peaches, pears, cherries and corn. In the late 1970s and early 1980s the first grape vines were planted, sparking an increase in wine production. Now home to more than 20 wineries, Grand Junction is known as Colorado's Wine Country. The warm days and cool nights are exceptional conditions for producing hearty grapes, and red wine varietals in particular flourish in the conditions.

In addition to food production, the Grand Junction area includes unparalleled natural beauty. The Colorado National Monument is an outdoor-lover's paradise, offering trails for hiking and biking, as well as incredible views of red rock canyons and stone monoliths jutting straight up from the ground. The nearby Grand Mesa is a spectacular flat-top mountain that plateaus near 10,000 feet. It offers a variety of activities year-round, including skiing in the winter and hiking, fishing and biking in the summer.

## ATTRACTIOnS

What will you find during your visit to Grand Junction? Awe-inspiring natural beauty and the dramatic red rock landscape of the Colorado National Monument. Exhilarating outdoor adventures including hiking, camping or skiing on the Grand Mesa. Hundreds of miles of world-class mountain biking trails such as the Kokopelli Trail. Incredible whitewater rafting on the Colorado River. Stunning golf courses whose green fairways are juxtaposed against the craggy Redland desert.

## TOURISM

- Approximately 1 million visitors to local lodging properties annually
- Over 3,000 jobs supported by tourism
- \$269 million in direct travel expenditures annually
- \$8 million in local taxes annually
- Top domestic visitors come to Grand Junction from Colorado (52%), Texas, Arizona, and California
- Top international visitors come to Grand Junction from the United Kingdom, Canada, Germany, China, Australia, and the Netherlands
- Top 3 reasons why people visit Grand Junction
  - Vacation/Pleasure
  - Winery tours
  - Outdoor activities
- What are the top attractions in Grand Junction?
  - Downtown, wineries, breweries/distilleries
  - Colorado National Monument / Grand Mesa
  - Parks and Public lands



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