

CENTRALIA MEDICAL OFFICES

1815-1821 COOKS HILL RD | CENTRALIA | WASHINGTON
FULLY OCCUPIED | MEDICAL & GOVERNMENT LEASE



WSIC

Marcus & Millichap

OFFERING SUMMARY

We are pleased to present for sale CENTRALIA MEDICAL OFFICES

The Centralia Medical Offices represents an exceptional healthcare real estate investment opportunity located at 1815-1821 Cooks Hill Road in Centralia, Washington. This fully occupied medical complex spans two buildings including a two-story professional office building totaling approximately 25,000+ square feet, built in 2002/2016 and maintained to high standards along Cooks Hill Road's established medical corridor. The property houses leading healthcare providers including DaVita Inc., the nation's largest dialysis provider with over \$12 billion in annual revenue, and Assured Home Health of Centralia, a prominent regional home healthcare service provider, creating a resilient income stream anchored by essential medical services that demonstrate strong tenant retention typical of healthcare properties.

Located in Centralia's prime medical district with excellent visibility and direct access to Interstate 5, this medical complex benefits from its strategic position along a major medical corridor and the city's 4.42% population growth since 2020. Built to accommodate medical use, the facility features specialized infrastructure including appropriate HVAC systems, medical gas lines, and parking designed for healthcare facilities, serving as a vital component of the regional healthcare infrastructure complementing nearby Providence Centralia Hospital. The diverse tenant mix of medical professionals creates a stable, recession-resistant income stream, while the property's strategic location between Seattle and Portland, combined with purpose-built medical infrastructure, represents an ideal addition to any healthcare-focused real estate portfolio with both income stability and long-term value appreciation potential.



SITE DESCRIPTION

ADDRESS	1815-1821 Cooks Hill Rd Centralia, WA 98531
PARCEL(S)	003485-003-000
LOT SIZE (AC)	2.6 AC
LOT SIZE (SF)	113,256 SF
GLA (SF)	20,828 SF
LEASE TYPE	NNN & Modified Gross
YEAR BUILT	2002/2016

PRICE:\$6,100,000
CAP RATE: 6.68%

INVESTMENT HIGHLIGHTS



SPECIALIZED CONSTRUCTION

Centralia Medical Offices represents a purpose-built medical facility constructed to accommodate healthcare providers, featuring specialized infrastructure including medical-grade HVAC systems, appropriate electrical capacity, and medical gas line capabilities. The buildings are specifically designed for medical use with exam room layouts, patient flow considerations, and ADA compliance throughout.



RECESSION-RESISTANT TENANTS

Healthcare services are essential and demonstrate resilience during economic downturns. Medical office properties typically exhibit defensive characteristics with stable occupancy rates and consistent rental income. Healthcare tenants generally maintain longer lease terms and demonstrate strong creditworthiness, providing predictable cash flow for property owners.



LEASE STRUCTURE

The property utilizes both modified gross and triple net (NNN) lease structures. Modified gross tenants pay base rent plus operating expense increases above a base year, while NNN tenants pay base rent plus all property taxes, insurance, and maintenance expenses. This dual structure provides diversified income streams, balanced risk exposure, and optimized cash flow with varying levels of landlord management responsibility.



GROWING HEALTHCARE DEMAND

Located in the Pacific Northwest region experiencing population growth and an aging demographic, Centralia Medical Offices is positioned to benefit from increasing healthcare demand. The regional nature of the facility draws patients from throughout Lewis County, ensuring a broad and stable patient base for the medical tenants.



RENT ROLL

SUITE	TENANT	SF	BASE RENT	ANNUAL RENT	RENT /SF	LEASE FROM	LEASE TO	OPTION
A	DaVita	6,301	\$13,101	\$157,213	\$26.12	11/2014	07/2027	None
B	Assured Health	3,863	\$7,314	\$87,769	\$23.02	10/2023	10/2028	Two (2) Three (3) Year
100	Social Security	5,298	\$17,191	\$206,301	\$38.96	11/2024	11/2044	Four (4) Five (5) Year
200	Assured Health	5,366	\$9,264	\$111,171	\$20.65	03/2018	09/2028	One (1) Three (3) Year
TOTAL		20,828	\$46,871	\$562,455				



FINANCIAL ANALYSIS

INCOME	Year 1	Per SF
Scheduled Base Rental Income	\$562,455	\$27.00
Effective Gross Revenue	\$562,455	\$27.00

Operating Expenses	Year 1	Per SF
Alarm Monitoring	\$4,357	\$0.21
Elevator	\$16,280	\$0.78
Insurance	\$10,238	\$0.49
Management Fees	\$10,000	\$0.48
Landscaping	\$8,217	\$0.39
Repairs & Maintenance	\$23,329	\$1.12
Heat and Air Conditioning	\$12,517	\$0.60
Janitorial	\$26,070	\$1.25
Utilities	\$23,443	\$1.13
Telephone	\$1,900	\$0.09
Snow Removal	\$922	\$0.04
Real Estate Taxes	\$21,922	\$1.05
Total Expenses	\$154,841	\$7.43
Net Operating Income	\$407,614	\$19.57



SUBJECT
PROPERTY



COOKS HILL RD | 9,020 VPD



CENTRALIA FACTORY OUTLETS

Quiznos, cricket, jiffy lube, metroPCS, GAP, ANYTIME FITNESS, Nike, Bath & Body Works, Dutch Bros, Wendy's, new balance, goodwill

I-5 | 70,291 VPD

121 ACRES PARK
Fort Borst Park
Nature & Sports

**SUBJECT
PROPERTY**

HOTEL
Lakeview Inn
Centralia

NEW HOTEL
La Quinta Inn &
Suites

LAW ENFORCEMENT
Centralia Police
Training Facility

PHARMACY
Credena Health
Pharmacy Centralia

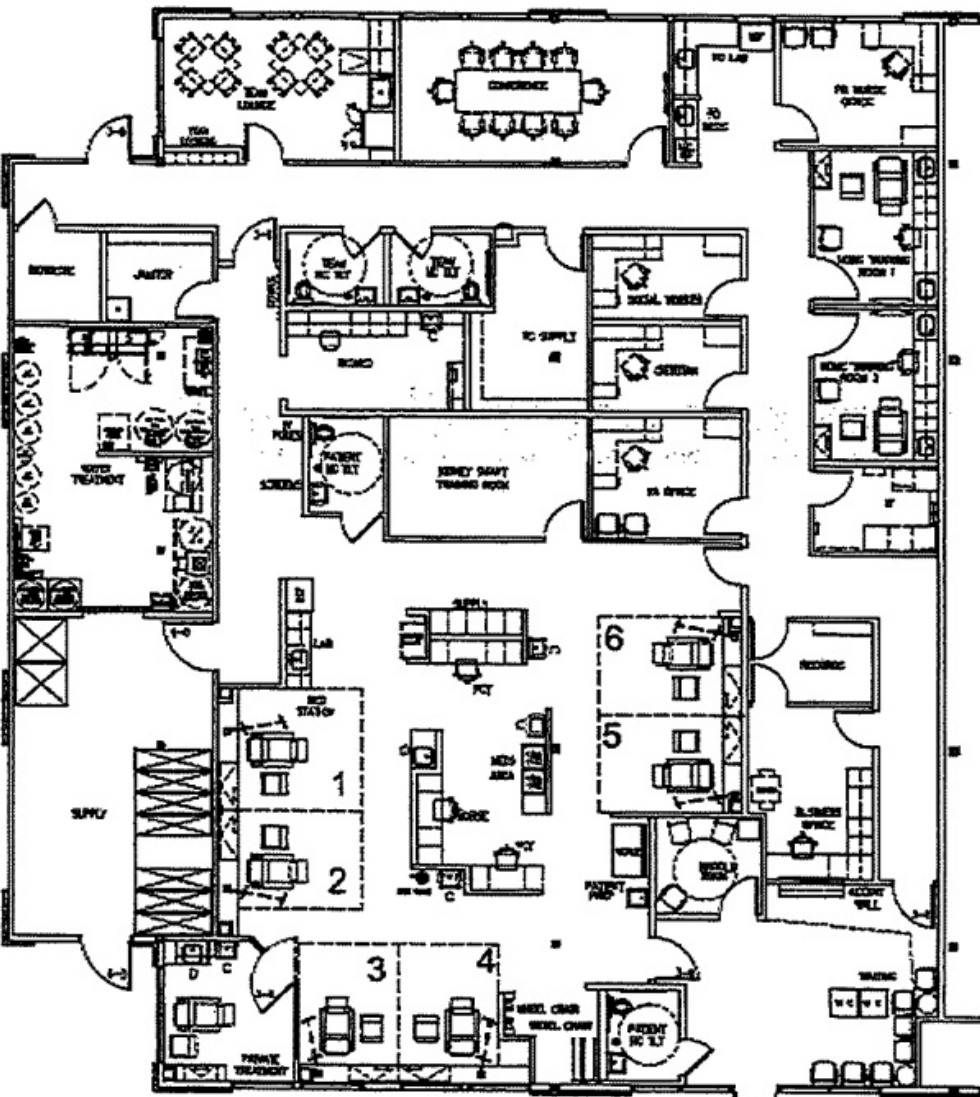
HOSPITAL
Providence
Centralia Hospital

HOSPITAL
Trauma Center

NURSING HOME
Prestige Post-Acute
and Rehab Center

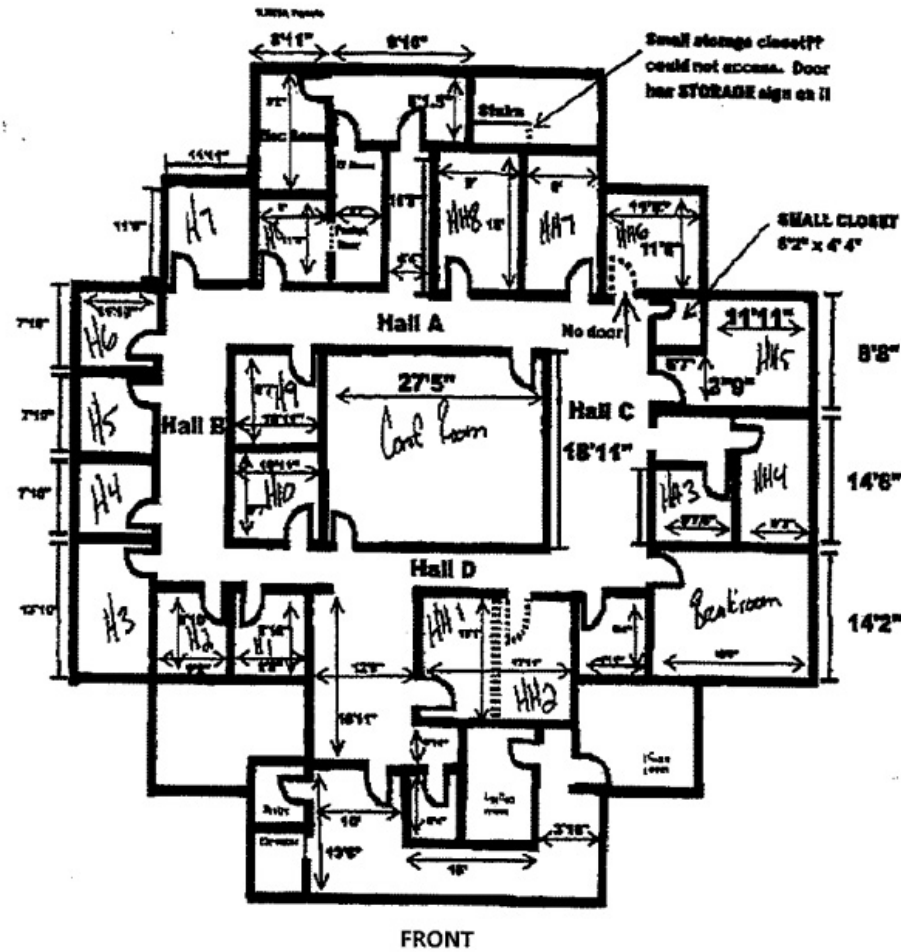
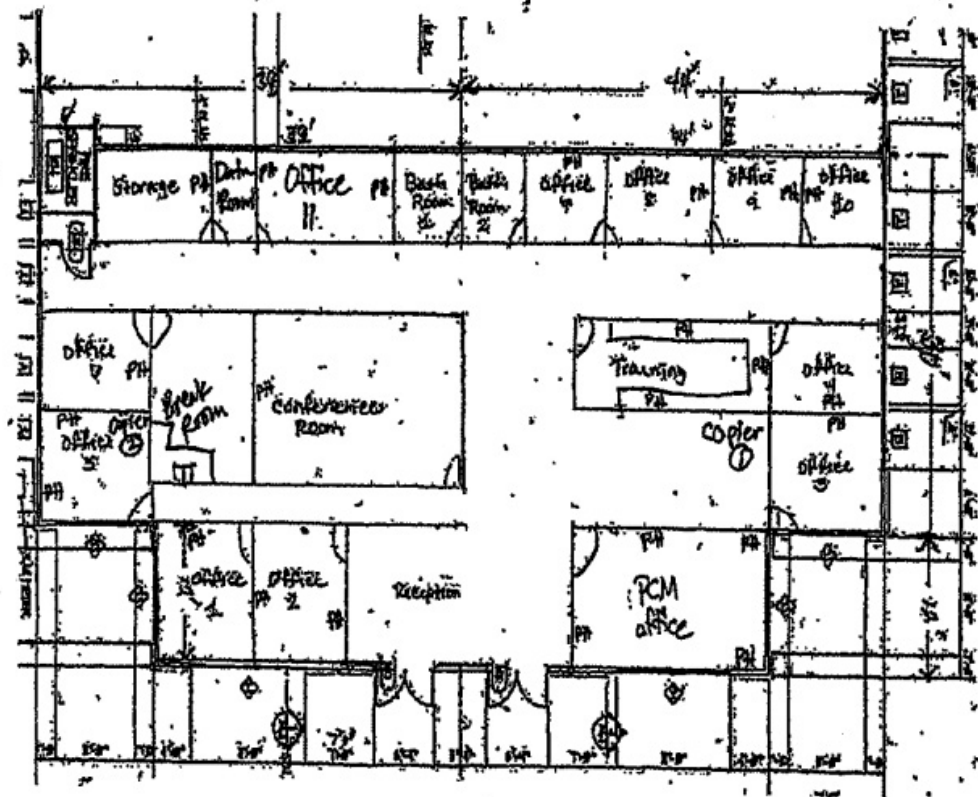
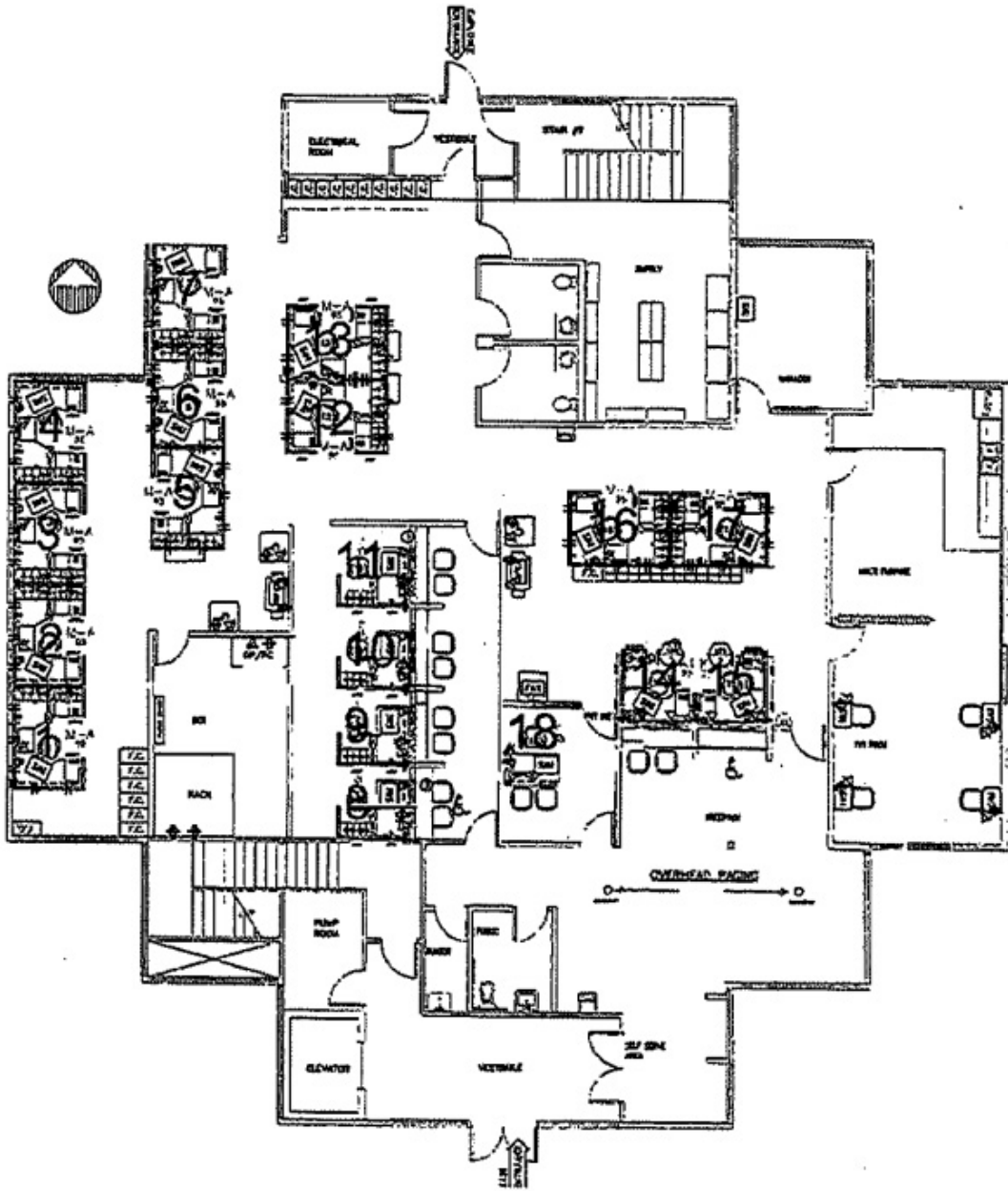
FLOOR PLANS

DaVita



REVISED FLOOR PLAN - PHASE ONE

NOVEMBER 2, 201



TENANT OVERVIEW



Assured Home Health of Centralia is a leading provider of comprehensive home healthcare services in Southwest Washington, delivering skilled nursing, therapy services, and medical care directly to patients throughout the Centralia and Lewis County communities. The company offers specialized services including skilled nursing care, physical therapy, occupational therapy, speech therapy, and medical social work services, emphasizing high-quality patient outcomes through evidence-based care protocols. Operating in a resilient business model driven by growing demand for cost-effective alternatives to institutional care, Assured Home Health maintains centralized administrative facilities essential for care coordination and regulatory compliance while working closely with Providence Centralia Hospital and local physician practices to ensure seamless patient transitions and comprehensive care coordination.



Regional
COVERAGE



Skilled
NURSING



Home
HEALTHCARE



Growing
SECTOR



TENANT OVERVIEW



DaVita Inc. is the leading provider of kidney care services in the United States, operating over 3,100 dialysis centers globally and serving more than 200,000 patients with end-stage renal disease. This Fortune 500 company generates over \$12 billion in annual revenue through its essential healthcare services model, where patients require life-sustaining treatments three times per week, creating predictable revenue streams and exceptional financial stability. DaVita's specialized medical facilities require unique infrastructure and typically secure long-term lease agreements, while the company has expanded beyond traditional dialysis to include home dialysis programs and integrated kidney care, reinforcing its position as an industry leader in advancing kidney care.

PUBLICLY TRADED

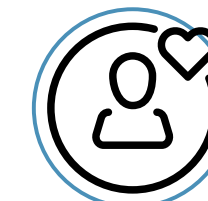
NYSE: DVA | Fortune 500 Company



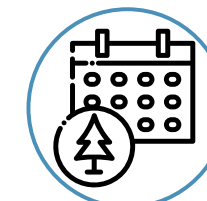
3,100+
CENTERS



\$12B+
REVENUE



200K+
PATIENTS



1994
FOUNDED



LOCATION HIGHLIGHTS



POPULATION

In 2023, the population of Centralia is 18,457, having increased by 4.42% since 2020, and is projected to reach 19,077 in 2025, a change of 3.4%. The population is 49.8% male and 50.2% female, with a median age of 37.8 years and a density of 2,421 people per square mile.



HOUSEHOLDS

There are approximately 7,400 households in Centralia with an average household size of 2.5 people. Family establishments represent 60% of these households, while non-family units account for 40%. Additionally, 22.9% of households have children under 18 and 77.1% are without children.



INCOME

In 2023, the median household income in Centralia is \$52,387, below Washington state averages. The per capita income is \$28,232, while the average household income is \$69,191. Income distribution shows 32% of households earning below \$25,000, while only 5% exceed \$150,000. The poverty rate stands at 19.9%, significantly higher than state and national averages.



EMPLOYMENT

In 2023, Centralia had approximately 7,770 employed individuals, with employment growing 4.06% from the previous year. The largest industries are Retail Trade (1,115 people), Health Care & Social Assistance (983 people), and Accommodation & Food Services (882 people). The unemployment rate is approximately 8%. The average commute time to work is 26.3 minutes.



HOUSING

The median housing value in Centralia was \$267,600 in 2023, significantly lower than Washington state averages. In the area, 58.5% of housing units are owner-occupied, while renters occupy 41.5%. The median gross rent is \$1,037 per month. Housing values increased 14.8% from 2022 to 2023, though remaining more affordable than state averages.



EDUCATION

In 2023, Centralia exhibited educational attainment levels below Washington state averages, with approximately 85% of residents completing high school or higher. The community benefits from Centralia College, which offers associate degrees and bachelor's programs. Centralia High School serves local students with an AP participation rate of 5%.

CENTRALIA OVERVIEW

Centralia is a thriving city of 19,077 residents strategically positioned along Interstate 5 between Seattle and Portland, experiencing impressive 4.42% growth since 2020 with a steady annual growth rate of 0.86%. This dynamic Lewis County community offers the perfect blend of strategic location advantages and quality of life, featuring direct interstate access, Burlington Northern-Santa Fe and Union Pacific rail connectivity, and gateway access to Highway 12 and Highway 6 corridors that connect the region. The city's diverse economy spans retail trade, healthcare services, and accommodation sectors that serve both local residents and interstate travelers, supported by lower operating costs than major metropolitan areas and a growing population that creates expanding market opportunities.

Centralia's retail sector benefits from its strategic Interstate 5 location, with downtown featuring historic buildings and local businesses alongside newer commercial developments that serve regional markets. The community is anchored by established national chains and thriving local businesses that create a diverse commercial ecosystem. With its historic downtown charm, Centralia College offering associate and bachelor's degree programs that create a skilled workforce pipeline, and proximity to Mount Rainier National Park and Chehalis River recreation, Centralia delivers both the strategic advantages of a regional transportation and service hub and the warmth of a close-knit community. Whether you're seeking to relocate your business, launch a new venture, or find your ideal home, Centralia provides the foundation for success as a regional service center in Southwest Washington's most promising opportunity zone.

19,077
POPULATION

\$63,200
MEDIAN INCOME

\$76,800
AVERAGE INCOME



LOCATION HIGHLIGHTS

I-5 CORRIDOR ACCESS

IMMEDIATE

Centralia is strategically positioned at Exit 82 on Interstate 5, exactly halfway between Seattle (90 miles north) and Portland (90 miles south), making it a prime stopping point for Pacific Northwest travelers. The city serves as a gateway to both mountain and coastal recreational areas, with easy access to outdoor recreation in all directions.

FOX THEATRE

8 MIN DRIVE

This beautifully restored Art Deco theater, originally built in 1930, is undergoing complete restoration to its original 1930 appearance. Once completed, it will serve as a state-of-the-art performing arts center with approximately 1,200 seats across three levels. The venue currently hosts various events and performances throughout the year.

CENTRALIA FACTORY OUTLETS

5 MIN DRIVE

The Northwest's original outlet shopping destination, featuring over 30 stores including Coach, Nike, Gap, Eddie Bauer, Bath & Body Works, and Columbia. Strategically positioned along the I-5 corridor at Exit 82, making it easily accessible for travelers between Seattle and Portland. The outlets feature both covered and open-air shopping areas with a food court and ample parking.

SEMINARY HILL NATURAL AREA

15 MIN DRIVE

A large urban natural area offering wooded hiking trails with scenic overlooks of Centralia and the Chehalis and Skookumchuck River Valleys. This peaceful retreat provides easy access to nature within minutes of downtown, featuring well-maintained trails suitable for walking and hiking with beautiful valley views.



DEMOGRAPHIC SUMMARY

POPULATION

	1 MILE	3 MILES	5 MILES
2028 PROJECTION	19,200	28,400	42,300
2023 ESTIMATE	18,500	27,800	41,200
2020 CENSUS	18,270	26,900	324,180
2010 CENSUS	16,336	24,200	35,800

HOUSEHOLDS

	1 MILE	3 MILES	5 MILES
2028 PROJECTION	7,650	11,200	16,800
2023 ESTIMATE	7,370	10,850	16,200
2020 CENSUS	7,180	10,520	15,680
2010 CENSUS	6,640	9,750	14,400

HOUSEHOLD INCOME

	1 MILE	3 MILES	5 MILES
AVERAGE INCOME	\$64,900	\$71,200	\$76,800
MEDIAN INCOME	\$52,400	\$58,600	\$63,200



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