

Highland Terrace Apartments

2023-2051 SE Madison Street
Portland, OR 97214

Sale Price: \$3,100,000



Exclusively Listed

Units: 20

Cap Rate: 6.08%

GIM: 9.07

For more information on this listing, please contact:

Tim Gray - Principal Broker
(503) 890-2021
tgray@apartmentsnorthwest.com

Jarrett Gray - Broker
(503) 828-4627
jgray@apartmentsnorthwest.com

Highland Terrace Apartments

**2023-2051 SE Madison Street
Portland, OR 97214**



Highland Terrace Sign



Typical Unit Entrance



Typical Unit Kitchen



Central Courtyard

Tim Gray/Jarrett Gray
Apartments Northwest, LLC
530 1/2 NW 23rd Ave., Portland, OR 97210
(503) 222-3433 - (503) 828-4627

APARTMENT INVESTMENT ANALYSIS

Highland Terrace Apartments

2023-2051 SE Madison Street
Portland, OR 97214

| | |
|--------------|-------------|
| PRICE: | \$3,100,000 |
| # OF UNITS: | 20 |
| \$ PER UNIT: | \$155,000 |

PHYSICAL DATA

| | | | | | | | |
|-------------|--------------|-------------|------------|---------------|--------|-----------------|---------|
| Year Built: | 1927 | Sprinklers: | No | Lot (SF): | 26,748 | Range/Refrig: | No/Yes |
| Stories: | 2 | Windows: | Vinyl | Bldg Sq Ft: | 13,651 | Dishw/Disp: | No/No |
| Buildings: | 4 | Heat: | Electric | Garages/Cp's: | Yes | Laundry Rm: | On-Site |
| Exterior: | Brick/Stucco | Roof: | Flat/Comp. | Open Park: | Street | Controlled Ent: | No |

Site: *1 Tax Lot; Building Zoned R2.5 - Residential 2,500*

Summary: *Charming 1-Bedroom Units with Hardwood Floors, High Ceilings, & Natural Light!*

*Desirable Southeast Portland Location, One Block to SE Hawthorne;
Close Proximity to Numerous Amenities: Schools, Restaurants, Parks, & More;
Walk Score of 92: Considered "Walker's Paradise";
Bike Score of 97: Considered "Biker's Paradise"!*

Notes: *Great Well Kept Property; Don't Miss Out;
Avg In-Place Rents of \$1,377!*

Financing:

| PROPOSED FINANCING ON SALE: | | | EXISTING: | () | NEW LOAN | (X) |
|-----------------------------|--------------------|------------------------|--------------------------------------|-----|------------|------------------|
| Type | Balance: | Monthly Payment: | Int. Rate: | | Terms | Lender |
| Conv. | \$1,860,000 | \$10,561 | 5.50% | | 7/30 Amort | Quote |
| Total: | \$1,860,000 | \$10,561 x 12 = | Annual (Net) Debt Service Of: | | | \$126,731 |

| | | | |
|---------------------------|------------------------|----------------------------|-------------|
| Scheduled Gross Income: | \$330,360 | Price Per Unit: | \$155,000 |
| Less: Vacancy, Conc, Emp: | (\$13,214) | Price Per Rentable Sq. Ft: | \$324.40 |
| Plus: Other Income: | <u>\$24,502</u> | Price Per Total Sq. Ft: | \$312.07 |
| Effective Gross Income: | \$341,648 | Downpayment (40%): | \$1,240,000 |
| Less: Expenses: | <u>(\$153,176)</u> | Gross Income Mult: | 9.07 |
| Net Operating Income: | \$188,472 | Capitalization Rate: | 6.08% |
| Less: Loan Payments: | <u>(\$126,731)</u> | Cash Flow (%): | 4.98% |
| Before Tax Cash Flow: | <u><u>\$61,742</u></u> | | |

The information contained herein has been obtained from sources believed to be reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty, or representation about it. It is your responsibility to independently confirm its accuracy and completeness.

APARTMENT INVESTMENT ANALYSIS

Highland Terrace Apartments

2023-2051 SE Madison Street

Portland, OR 97214

PRICE: \$3,100,000
 PER UNIT: \$155,000
 CAP RATE: 6.08%
 G.I.M: 9.07

PRICE: \$4,260,000
 PER UNIT: \$213,000
 CAP RATE: 5.25%
 G.I.M: 11.30

In-Place Rents Avg.

Pro-Forma w/Mkt Rents - 3 years

| Unit Type | # Units | Avg. SF | Rent | \$/SF | Monthly |
|----------------|-----------|---------------|----------------------------|--------|-----------------|
| 1-BD/1-BA | 20 | 657 | \$1,377 | \$2.10 | \$27,530 |
| TOTALS: | 20 | 13,132 | Monthly Gross Rents | | \$27,530 |

| Rent | \$/SF | Monthly |
|---------|--------|-----------------|
| \$1,500 | \$2.28 | \$30,000 |
| | | \$30,000 |

657 SF Avg.

Scheduled Gross Income (Annual)

| | | | | |
|------------------------------------|------|------------------|------|------------------|
| | | \$330,360 | | \$360,000 |
| Less: Apartment Vacancy | 4.0% | (\$13,214) | 4.0% | (\$14,400) |
| Less: Model Rent | | \$0 | | \$0 |
| Plus: Garage/Storage Income | | \$4,560 | | \$11,520 |
| Plus: Utility Reimbursements | | \$15,600 | | \$15,600 |
| Plus: Fees, Laundry & Other Income | | \$4,342 | | \$4,342 |
| | | \$341,648 | | \$377,062 |

Effective Gross Income (Annual)

| Less: Estimated Expenses | % Of EGI | \$/SF/Year | \$/Unit/Year | Budget | \$/Unit/Year | Budget | |
|--------------------------------|---------------|---------------|----------------|-----------------|----------------|-----------------|----------|
| Property Taxes - Est. | 11.25% | \$2.93 | \$1,921 | \$38,421 | \$1,979 | \$39,573 | |
| Insurance - Est. | 1.88% | \$0.49 | \$321 | \$6,425 | \$331 | \$6,617 | |
| Gas & Electric | 1.79% | \$0.47 | \$305 | \$6,108 | \$315 | \$6,291 | |
| Water/Sewer | 5.95% | \$1.55 | \$1,017 | \$20,338 | \$1,047 | \$20,948 | |
| Trash Collection | 1.52% | \$0.39 | \$259 | \$5,184 | \$267 | \$5,339 | |
| Fire/Life/Safety | 0.14% | \$0.04 | \$24 | \$484 | \$24 | \$484 | |
| Total Fixed Expenses | 22.53% | \$5.86 | \$3,848 | \$76,959 | \$3,963 | \$79,253 | |
| Management Fees | 5.64% | \$1.47 | \$963 | \$19,257 | 5.00% | \$943 | \$18,853 |
| On-Site Labor | 0.00% | \$0.00 | \$0 | \$0 | \$0 | \$0 | |
| Repairs, Maint & Turnover | 11.85% | \$3.08 | \$2,025 | \$40,499 | \$1,697 | \$33,936 | |
| Janitorial & Cleaning | 0.83% | \$0.21 | \$141 | \$2,820 | \$141 | \$2,820 | |
| Pest Control | 0.51% | \$0.13 | \$87 | \$1,738 | \$87 | \$1,738 | |
| Admin./Advertising | 1.52% | \$0.40 | \$260 | \$5,203 | \$260 | \$5,203 | |
| Landscape & Grounds | 1.67% | \$0.43 | \$285 | \$5,700 | \$285 | \$5,700 | |
| Misc Expenses | 0.29% | \$0.08 | \$50 | \$1,000 | \$50 | \$1,000 | |
| Replacement Reserves | 0.00% | \$0.00 | \$0 | \$0 | \$250 | \$5,000 | |
| Total Variable Expenses | 22.31% | \$5.80 | \$3,811 | \$76,216 | \$3,712 | \$74,249 | |

| | | | | | |
|--|----------------|----------------|------------------|----------------|------------------|
| Total Estimated Annual Expenses | \$11.66 | \$7,659 | \$153,176 | \$7,675 | \$153,503 |
|--|----------------|----------------|------------------|----------------|------------------|

Estimated Net Operating Income

\$188,472 **\$223,560**

| EXPENSE ANALYSIS: | % of Effective Gross: | | |
|-------------------|------------------------|---------|---------|
| | | 44.83% | 40.71% |
| | \$ Per Unit/ Per Year: | \$7,659 | \$7,675 |
| | \$ Per NRSF/ Per Year: | \$11.66 | \$11.69 |

Jarrett Gray / Tim Gray

Apartments Northwest, LLC
 530 1/2 NW 23rd Avenue

(503) 828-4627 / (503) 222-3433

The information contained herein has been obtained from sources believed to be reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty, or representation about it. It is your responsibility to independently confirm its accuracy and completeness.