

OFFICE BUILDING | FOR SALE

THE OREGON BUILDING

494 State Street, Salem, OR 97301



PRESENTED BY:

AJ NASH

503.559.9279

aj@traditionrep.com

Managing Principal Broker

RICH KARLSON

503.804.4653

rich@traditionrep.com

Principal Broker (OR) | Broker (WA)

PAULA MOSELEY

503.910.3055

paula@traditionrep.com

Commercial Broker

4880 Turner Rd SE

Salem, OR 97317

[HTTPS:TRADITIONREP.COM](https://traditionrep.com)



TRADITION
REAL ESTATE PARTNERS

EXECUTIVE SUMMARY

The Oregon Building

494 State Street, Salem, OR 97301



OFFERING SUMMARY

Sale Price:	\$4,350,000
Building Size:	49,830 SF
Lot Size:	0.28 Acres
Number of Units:	34
In Place Cap Rate:	7.64%
Proforma Cap Rate:	10.21%
In Place NOI:	\$332,339
Proforma NOI:	\$444,019

PROPERTY OVERVIEW

Own a piece of Salem's history with this impressive 43,280 SF office building. Originally built in 1912, this historic property features 34 separate leasable units, offering ample space for a wide range of office-based businesses. Zoned CB, this property's central location in the heart of Salem enhances its appeal, promising a strategic position for businesses seeking a premier office or retail space. With its rich architectural heritage and functional layout, this property presents an ideal opportunity for office building investors seeking a distinctive and versatile asset in the heart of Salem. With its rich history and vast square footage, The Oregon Building represents a rare and lucrative prospect for investors in the office sector. Don't miss the chance to make your mark in this vibrant and evolving market.

PROPERTY HIGHLIGHTS

- Pro Forma Cap Rate of 10.21% • Stated Cap Rate is 7.64% Proforma is Based Upon 95% Occupancy • NOI \$332,339
- 34 Separate Leasable Units • Zoned CB - Commercial Business • 49,830 SF Historic Building
- Prime Location on a Signaled Intersection • Versatile Layout for Various Office Configurations
- In Proximity to a Variety of Amenities and Restaurants • Rich in Historic Character and Charm



PROPERTY DESCRIPTION

The Oregon Building

494 State Street, Salem, OR 97301



SITE DESCRIPTION

Introducing a prime investment opportunity at 494 State Street in Salem Oregon. This historic property features vast square footage with 34 units over 4 floors, boasting a rich configuration of office and retail business. Centrally located in the heart of Salem, the Oregon Building offers a blend of character and potential for modernization, representing a rare and lucrative prospect for investors in the office sector.

In close proximity to a diverse range of amenities and restaurants further enriches its appeal, making it a compelling choice for investors seeing a prestigious and strategic commercial asset with unparalleled visibility.

LOCATION DESCRIPTION

Centrally located in the heart of downtown Salem, on the southwest corner of High Street and State Street.

PARKING:

Three hour parking available.

All day Parkade parking available in designated areas in three parking garages downtown, all within walking distance:

Chemeketa Parkade: 300 Commercial St NE

Liberty Square Parkade: 365 Ferry St SE

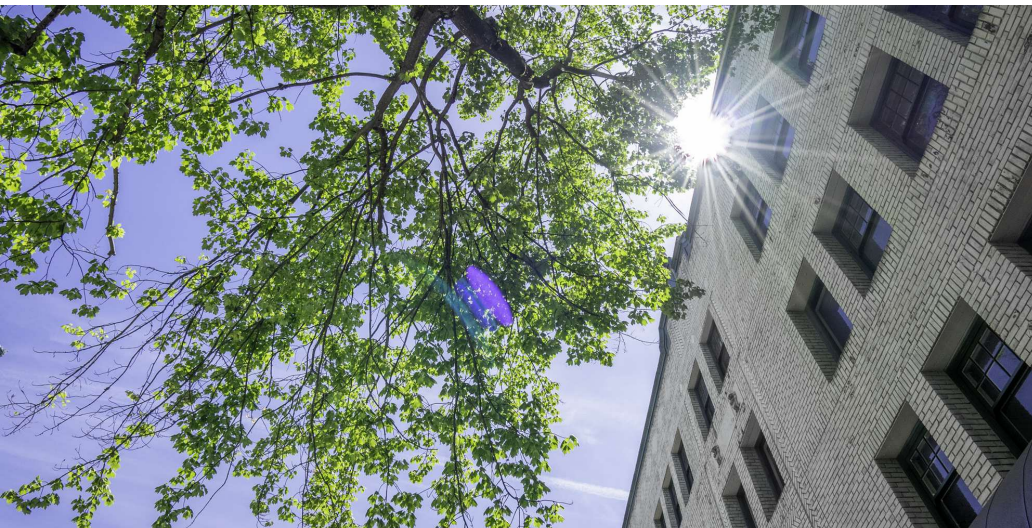
Marion Parkade: 538 Marion St NE



COMPLETE HIGHLIGHTS

The Oregon Building

494 State Street, Salem, OR 97301



PROPERTY HIGHLIGHTS

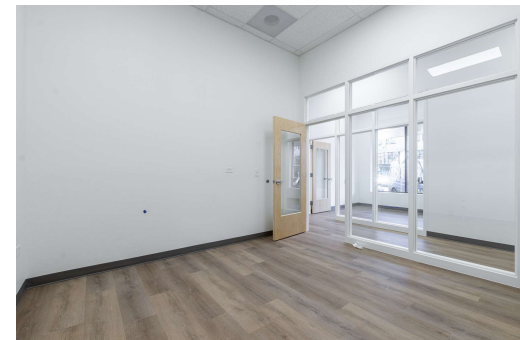
- Pro Forma Cap Rate of 10.21%
- Stated Cap Rate is 7.64%
- Proforma is Based Upon 95% Occupancy
- Current Occupancy is 80%
- IN Place Net Operating Income \$332,339
- Proforma NOI is \$444,019
- 49,830 SF Historic Building
- 34 Separate Leasable Units
- First Floor - Retail Suites
- Floors Two - Four - Office Suites
- Zoned CB - Commercial Business
- Located in the Heart of Downtown Salem
- Rich in Historic Character and Charm
- Frontage on State Street and High Street
- Surrounded by Salem's Restaurant and Entertainment District



| ADDITIONAL PHOTOS

The Oregon Building

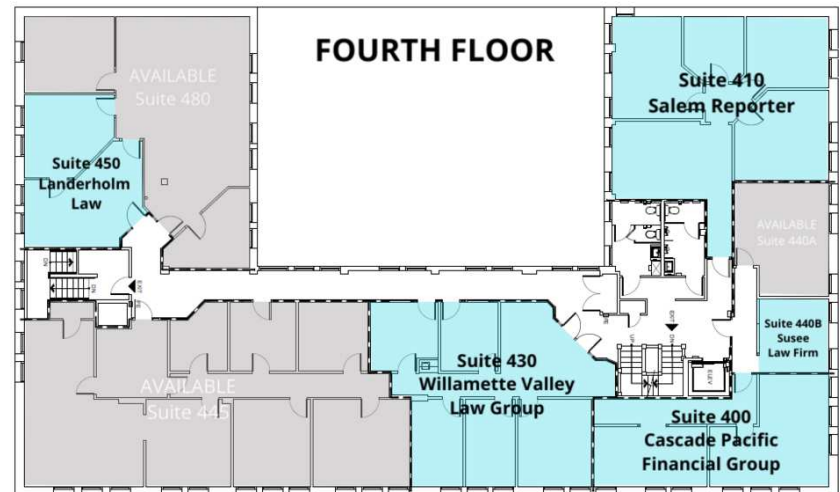
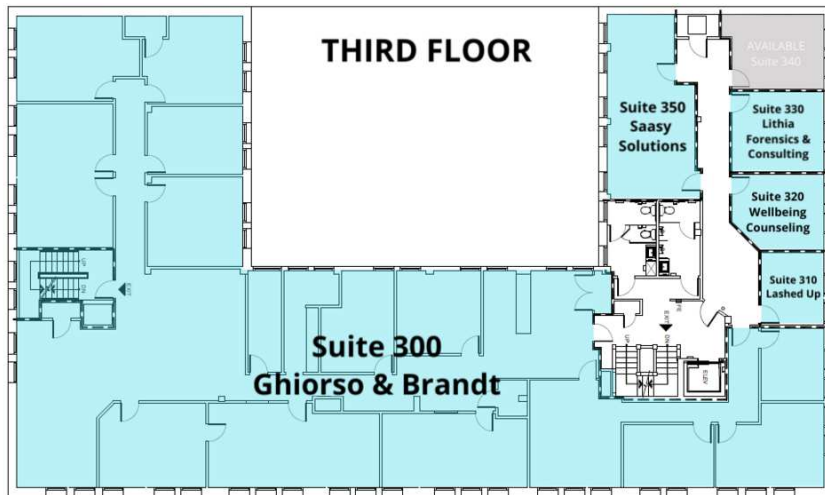
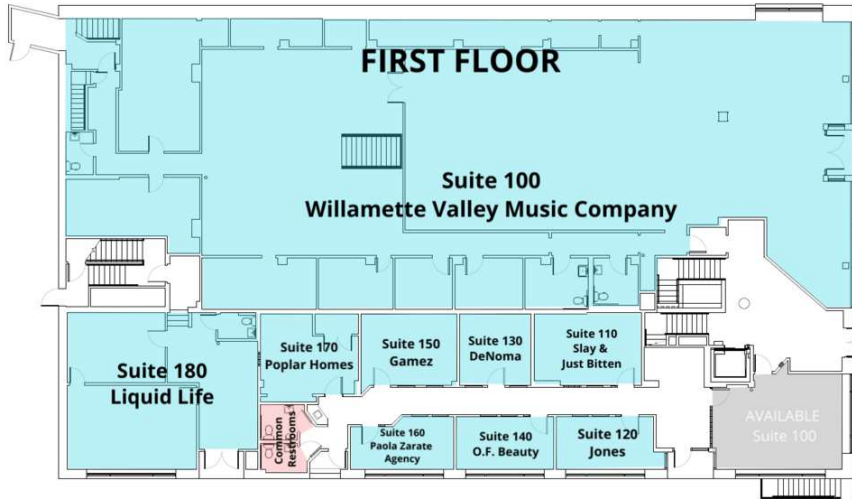
494 State Street, Salem, OR 97301



SITE PLANS

The Oregon Building

494 State Street, Salem, OR 97301

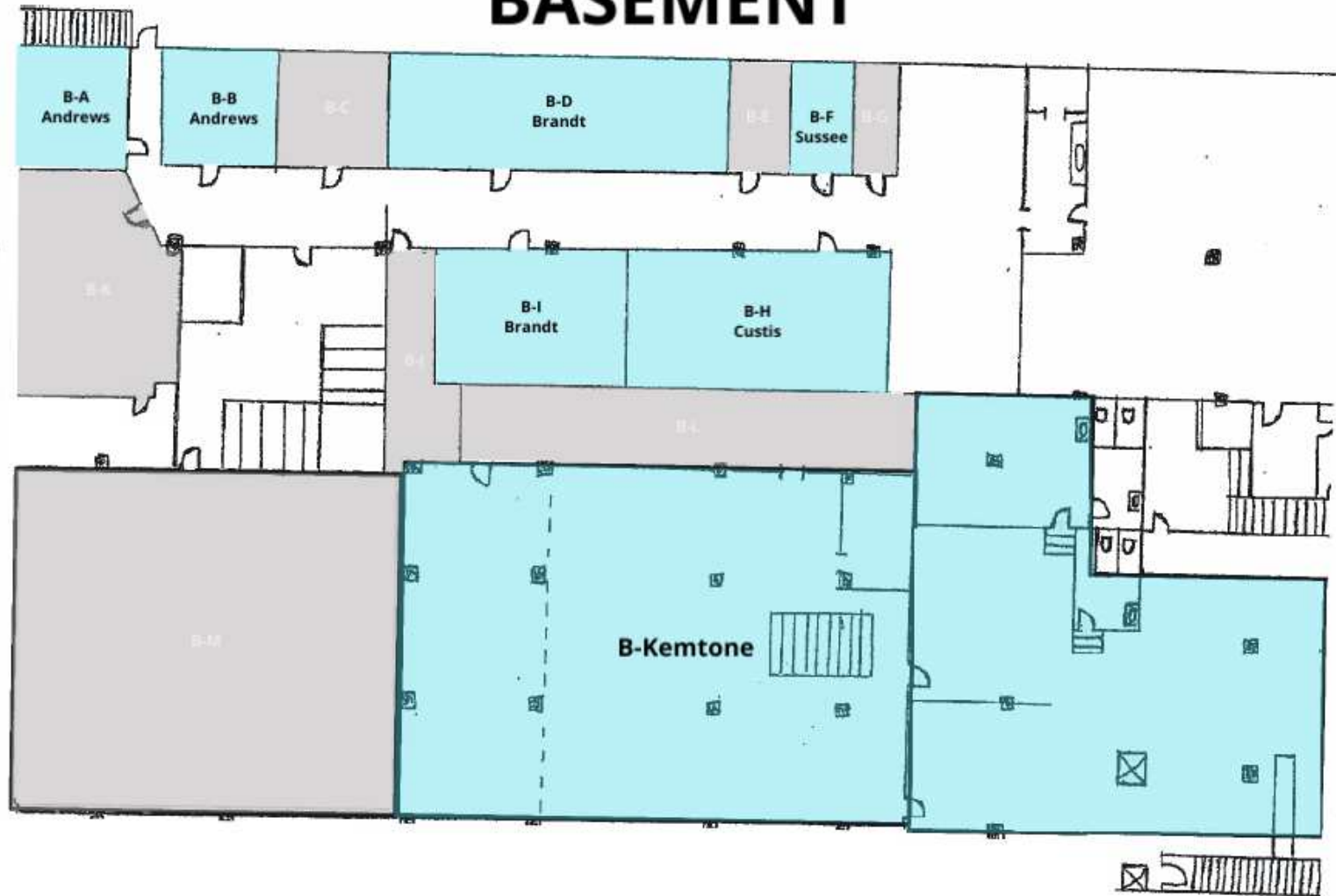


UPSIDE POTENTIAL WITH UNDERUTILIZED BASEMENT SF

The Oregon Building

494 State Street, Salem, OR 97301

BASEMENT



FINANCIAL SUMMARY

The Oregon Building

494 State Street, Salem, OR 97301

INVESTMENT OVERVIEW

Price	\$4,350,000
Price per SF	\$87
Price per Unit	\$127,941
GRM	7.15
CAP Rate	7.64%
Cash-on-Cash Return (yr 1)	7.64%
Total Return (yr 1)	\$332,339

OPERATING DATA

Gross Scheduled Income	\$608,422
Total Scheduled Income	\$608,422
Vacancy Cost	\$30,421
Gross Income	\$578,001
Operating Expenses	\$276,083
Net Operating Income	\$332,339
Pre-Tax Cash Flow	\$332,339



INCOME & EXPENSES

The Oregon Building

494 State Street, Salem, OR 97301

INCOME SUMMARY

Vacancy Cost	(\$30,421)
GROSS INCOME	\$578,001

EXPENSES SUMMARY

Taxes & Insurance	\$132,000
Alarm Monitoring	\$420
Elevator Maintenance	\$8,569
HVAC	\$7,663
Janitorial	\$36,000
Landscape / Groundskeeping	\$744
Manager's Fee	\$8,198
Property Management Fees	\$32,793
Repairs and Maintenance	\$30,000
Power	\$34,800
Trash	\$2,700
Water	\$3,900
OPERATING EXPENSES	\$276,083



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AERIAL MAP

The Oregon Building

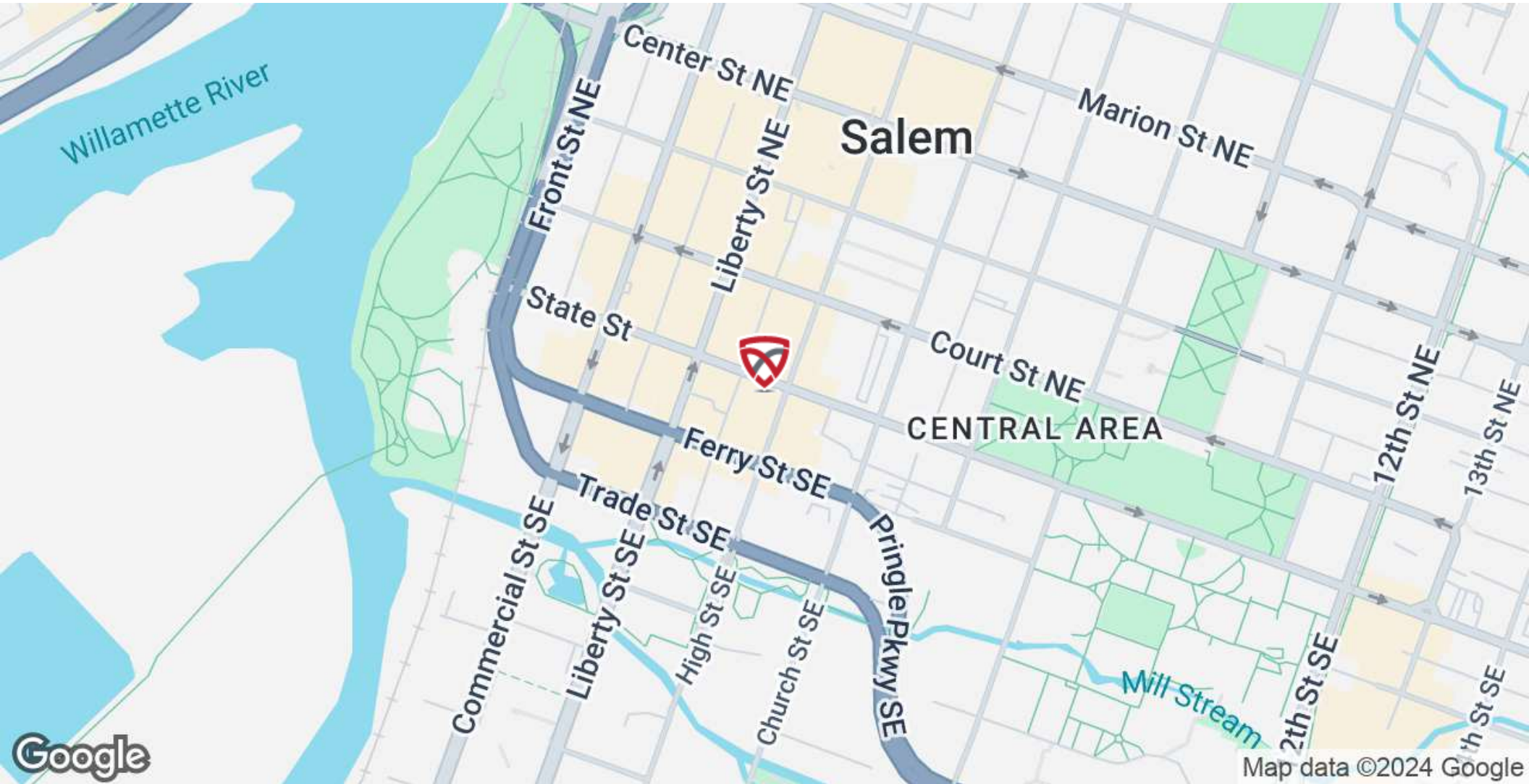
494 State Street, Salem, OR 97301



LOCATION MAP

The Oregon Building

494 State Street, Salem, OR 97301



Google

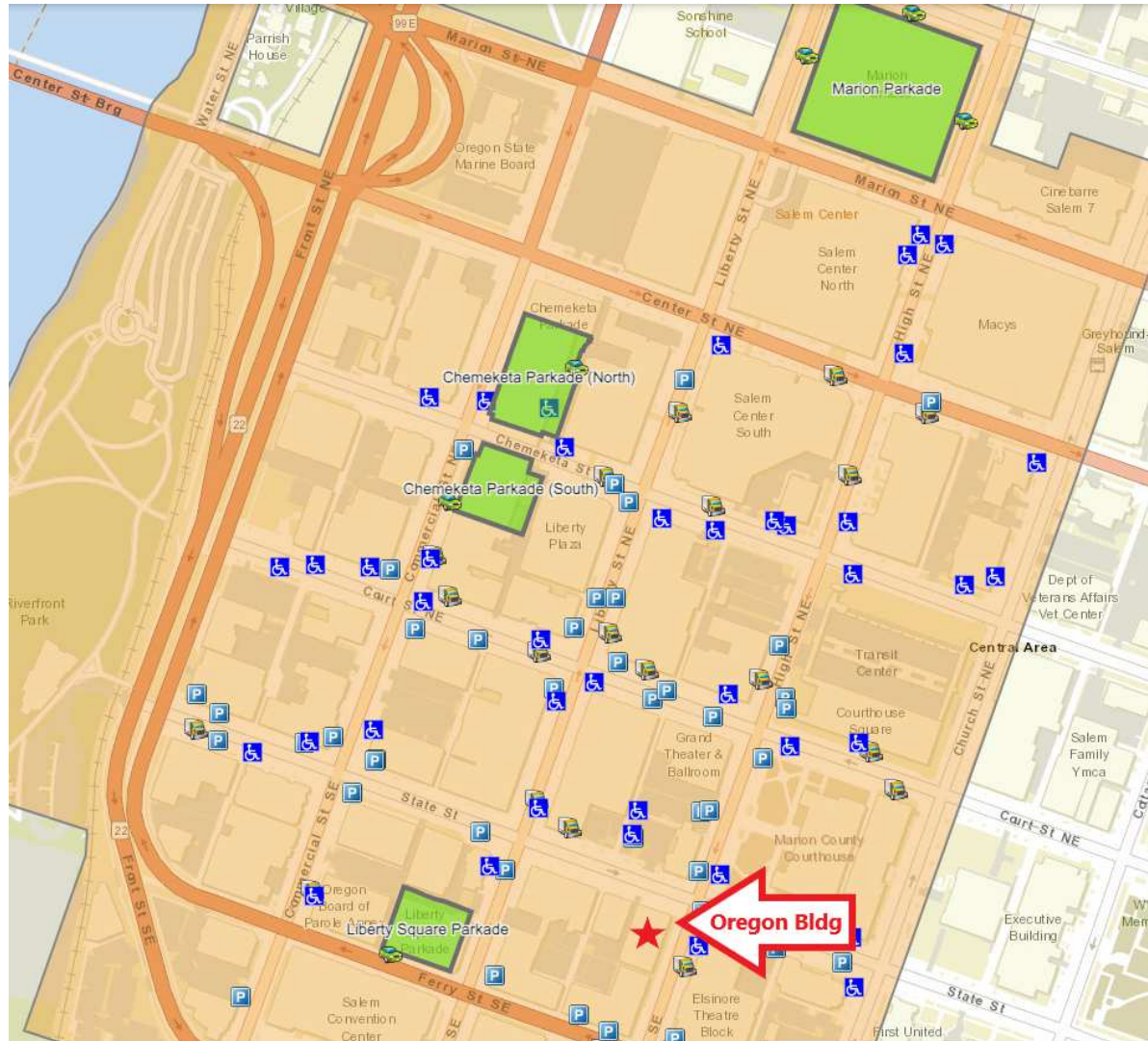
Map data ©2024 Google



PARKING

The Oregon Building

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DEMOGRAPHICS MAP & REPORT

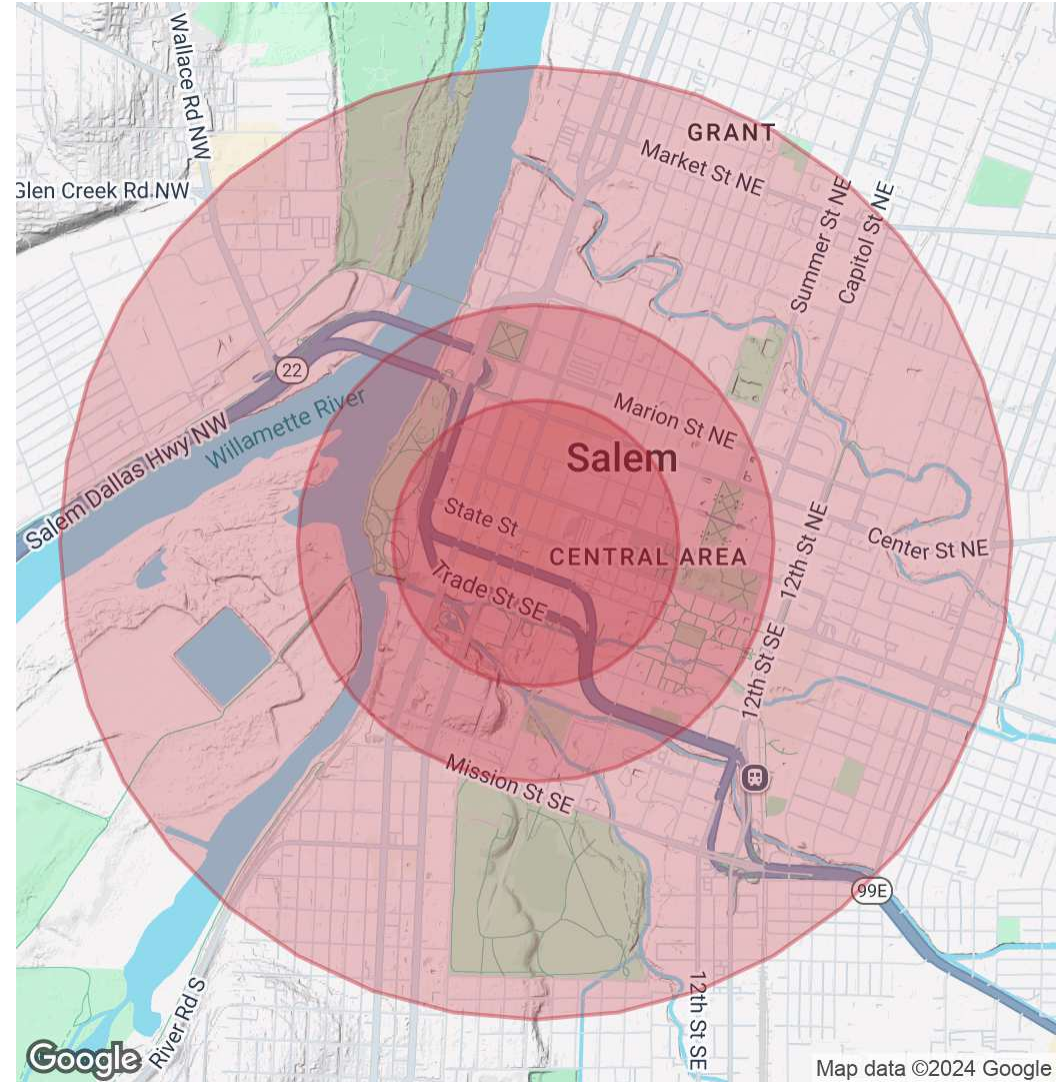
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POPULATION	0.3 MILES	0.5 MILES	1 MILE
Total Population	675	2,663	11,454
Average Age	37	35	38
Average Age (Male)	36	35	37
Average Age (Female)	36	35	39

HOUSEHOLDS & INCOME	0.3 MILES	0.5 MILES	1 MILE
Total Households	254	914	4,489
# of Persons per HH	2.7	2.9	2.6
Average HH Income	\$89,149	\$79,856	\$75,477
Average House Value	\$374,104	\$379,454	\$393,581

Demographics data derived from AlphaMap



TRADITION REAL ESTATE PARTNERS

The Oregon Building

494 State Street, Salem, OR 97301



AJ NASH

PRINCIPAL BROKER | PARTNER

AJ@TraditionREP.com

503.559.9279

Managing Broker for the Nash Group with a primary focus on investment real estate and development.



RICH KARLSON

PRINCIPAL BROKER | PARTNER

Rich@TraditionREP.com

503.804.4653

Supports all Nash Group activities and Tradition's primary Commercial Broker in the Portland area.



PAULA MOSELEY

COMMERCIAL BROKER

Paula@TraditionREP.com

503.910.3055

Supports all Nash Group activities and is the primary Leasing Broker for the team.



SUNNY TUCKER

CRE TRANSACTION MANAGER

Sunny@TraditionREP.com

503.508.9773

Transaction Manager of both lease and sale transactions.



JANEL RODEN

CHIEF OPERATING OFFICER

Janel@TraditionREP.com

O: 503.877.4653

Supports as an internal marketing expert and the primary contact for all accounting items.



OUR COMMERCIAL REAL ESTATE TEAM



1 OAR DISCLOSURE

The Oregon Building

494 State Street, Salem, OR 97301



OREGON REAL ESTATE INITIAL AGENCY DISCLOSURE PAMPHLET OAR 863-015-0215 (6)

This pamphlet describes the legal obligations of real estate agents in Oregon. Real estate agents and Principal Brokers are required to provide this information to you when they first meet you.

This pamphlet is informational only. Neither the pamphlet nor its delivery to you may be interpreted as evidence of intent to create an agency relationship between you and an agent or Principal Broker.

Real Estate Agency Relationships

An "agency" relationship is a voluntary legal relationship in which a licensed real estate agent or Principal Broker agrees to act on behalf of a buyer or a seller (the "client") in a real estate transaction.

Oregon law provides for three types of agency relationships between real estate agents and their clients:

Seller's Agent - Represents the seller only;

Buyer's Agent - Represents the buyer only;

Disclosed Limited Agent - Represents both the buyer and seller, or multiple buyers who want to purchase the same property. This can be done only with the written permission of all clients.

The actual agency relationships between the seller, buyer and their agents in a real estate transaction must be acknowledged at the time an offer to purchase is made. Please read this pamphlet carefully before entering into an agency relationship with a real estate agent.

Definition of "Confidential Information"

Generally, agents must maintain confidential information about their clients. "Confidential information" is information communicated to the agent or the agent's Principal Broker by the buyer or seller of one to four residential units regarding the real property transaction, including but not limited to price, terms, financial qualifications, or motivation to buy or sell. "Confidential information" does not mean information that:

- The buyer instructs the agent or the agent's Principal Broker to disclose about the buyer to the seller, or the seller instructs the agent or the agent's Principal Broker to disclose about the seller to the buyer; and
- The agent or the agent's Principal Broker knows or should know failure to disclose would constitute fraudulent representation.

Duties and Responsibilities of Seller's Agent

Under a written listing agreement to sell property, an agent represents only the seller unless the seller agrees in writing to allow the agent to also represent the buyer. An agent who represents only the seller owes the following affirmative duties to the seller, the other parties and the other parties' agents involved in a real estate transaction:

- To deal honestly and in good faith;
- To present all written offers, notices and other communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
- To disclose material facts known by the agent and not apparent or readily ascertainable to a party;

Page 1 of 3



A Seller's Agent owes the seller the following affirmative duties;

- To exercise reasonable care and diligence;
- To account in a timely manner for money and property received from or on behalf of the seller;
- To be loyal to the seller by not taking action that is adverse or detrimental to the seller's interest in a transaction;
- To disclose in a timely manner to the seller any conflict of interest, existing or contemplated;
- To advise the seller to seek expert advice on matters related to the transactions beyond the agent's expertise;
- To maintain confidential information from or about the seller except under subpoena or court order, even after termination of the agency relationship; and
- Unless agreed otherwise in writing, to make a continuous, good faith effort to find a buyer for the property, except a Seller's Agent is not required to seek additional offers to purchase the property while the property is subject to a contract for sale.

None of the above affirmative duties of an agent may be waived, except #7. The affirmative duty listed in #7 can only be waived by written agreement between seller and agent.

Under Oregon law, a Seller's Agent may show properties owned by another seller to a prospective buyer and may list competing properties for sale without breaching any affirmative duty to the seller.

Unless agreed to in writing, an agent has no duty to investigate matters outside the scope of the agent's expertise, including but not limited to investigation of the condition of property, the legal status of the title or the seller's past conformance with law.

Duties and Responsibilities of Buyer's Agent

An agent, other than the Seller's Agent, may agree to act as the Buyer's Agent only. The Buyer's Agent is not representing the seller, even if the Buyer's Agent is receiving compensation for services rendered, either in full or in part, from the seller or through the Seller's Agent.

An agent who represents only the buyer owes the following affirmative duties to the buyer, the other parties and the other parties' agents involved in a real estate transaction:

- To deal honestly and in good faith;
- To present all written offers, notices and other communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
- To disclose material facts known by the agent and not apparent or readily ascertainable to a party.

A Buyer's Agent owes the buyer the following affirmative duties:

- To exercise reasonable care and diligence;
- To account in a timely manner for money and property received from or on behalf of the buyer;
- To be loyal to the buyer by not taking action that is adverse or detrimental to the buyer's interest in a transaction;
- To disclose in a timely manner to the buyer any conflict of interest, existing or contemplated;
- To advise the buyer to seek expert advice on matters related to the transaction beyond the agent's expertise;
- To maintain confidential information from or about the buyer except under subpoena or court order, even after termination of the agency relationship; and
- Unless agreed otherwise in writing, to make a continuous, good faith effort to find property for the buyer, except a buyer's agent is not required to seek additional properties for the buyer while the buyer is subject to a contract for purchase.

None of these affirmative duties of an agent may be waived, except #7. The affirmative duty listed in #7 can only be waived by written agreement between buyer and agent.

Page 2 of 3



1 OAR DISCLOSURE

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Under Oregon law, a Buyer's Agent may show properties in which the buyer is interested to other prospective buyers without breaching an affirmative duty to the buyer.

Unless agreed to in writing, an agent has no duty to investigate matters outside the scope of the agent's expertise, including but not limited to investigation of the condition of property, the legal status of the title or the seller's past conformance with law.

Duties and Responsibilities of an Agent Who Represents More than One Client in a Transaction

One agent may represent both the seller and the buyer in the same transaction, or multiple buyers who want to purchase the same property, only under a written "Disclosed Limited Agency Agreement" signed by the seller and buyer(s).

Disclosed Limited Agents have the following duties to their clients:

1. To the seller, the duties listed above for a seller's agent; and
2. To the buyer, the duties listed above for a buyer's agent;
3. To both buyer and seller, except with express written permission of the respective person, the duty not to disclose to the other person:
 - a. The seller will accept a price lower or terms less favorable than the listing price or terms;
 - b. The buyer will pay a price greater or terms more favorable than the offering price or terms; or
 - c. Confidential information as defined above.

Unless agreed to in writing, an agent has no duty to investigate matters outside the scope of the agent's expertise.

When different agents associated with the same Principal Broker (a real estate agent who supervises other agents) establish agency relationships with different parties to the same transaction, only the Principal Broker will act as a Disclosed Limited Agent for both buyer and seller. If applicable, see Disclosed Limited Agency Agreement for identification of Disclosed Limited Agent. The other agents continue to represent only the party with whom the agents have already established an agency relationship unless all parties agree otherwise in writing. The Principal Broker and agents representing either seller or buyer shall owe the following duties to the seller and buyer:

1. To disclose a conflict of interest in writing to all parties;
2. To take no action adverse or detrimental to either party's interest in the transaction; and
3. To obey the lawful instruction of both parties.

No matter whom they represent, an agent must disclose information the agent knows, or should know, failure to disclose would constitute fraudulent misrepresentation.

You are encouraged to discuss the above information with the agent delivering this pamphlet to you. If you intend for that agent, or any other Oregon agent, to represent you as a Seller's Agent, Buyer's Agent, or Disclosed Limited Agent, you should have a specific discussion with the agent about the nature and scope of the agency relationship. Whether you are a buyer or seller, you cannot make an agent your agent without the agent's knowledge and consent, and an agent cannot make you their client without your knowledge and consent.

Page 3 of 3

