
FOR SALE

# COMMERCE PLAZA

7000 SOUTHWEST HAMPTON STREET, TIGARD, OR 97223

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## PROPERTY DESCRIPTION

Introducing an exceptional opportunity for redevelopment of an existing two-story office complex into multifamily in the Tigard Triangle. This impressive property boasts three two-story buildings totaling approximately 80,770 SF with 70 office suites, and 316 surface parking spaces. Zoned "Triangle Mixed Use (TMU)," the property offers versatility and potential for diverse usage, currently at 90% occupancy with short-term leases, and the ability to maintain cash flow while redeveloping the property in phases. The structures lend themselves well to multifamily redevelopment by virtue of the building widths, central courtyards, wood framing, and existing infrastructure. There is excess land area that could accommodate an additional building and still have ample parking ratios. Its strategic location further enhances its appeal, positioning it as a prime asset for investors seeking a lucrative addition to their portfolio. This sought-after property represents a compelling investment opportunity in the thriving Southwest Portland market.

## PROPERTY HIGHLIGHTS

- Three separate buildings totaling 80,770 SF
- 70 existing office suites
- 316 existing surface parking spaces
- Zoned Triangle Mixed Use (TMU)
- Easy conversion to multifamily
- 10' ceiling heights
- 87% occupancy, short term leases
- +/- $700,000 NOI in 2025

## OFFERING SUMMARY

| | |
|---|---|
| **Sale Price:** | $9,880,000 |
| **Number of Units:** | 70 |
| **Lot Size:** | 4.8 Acres |
| **Building Size:** | 80,770 SF |

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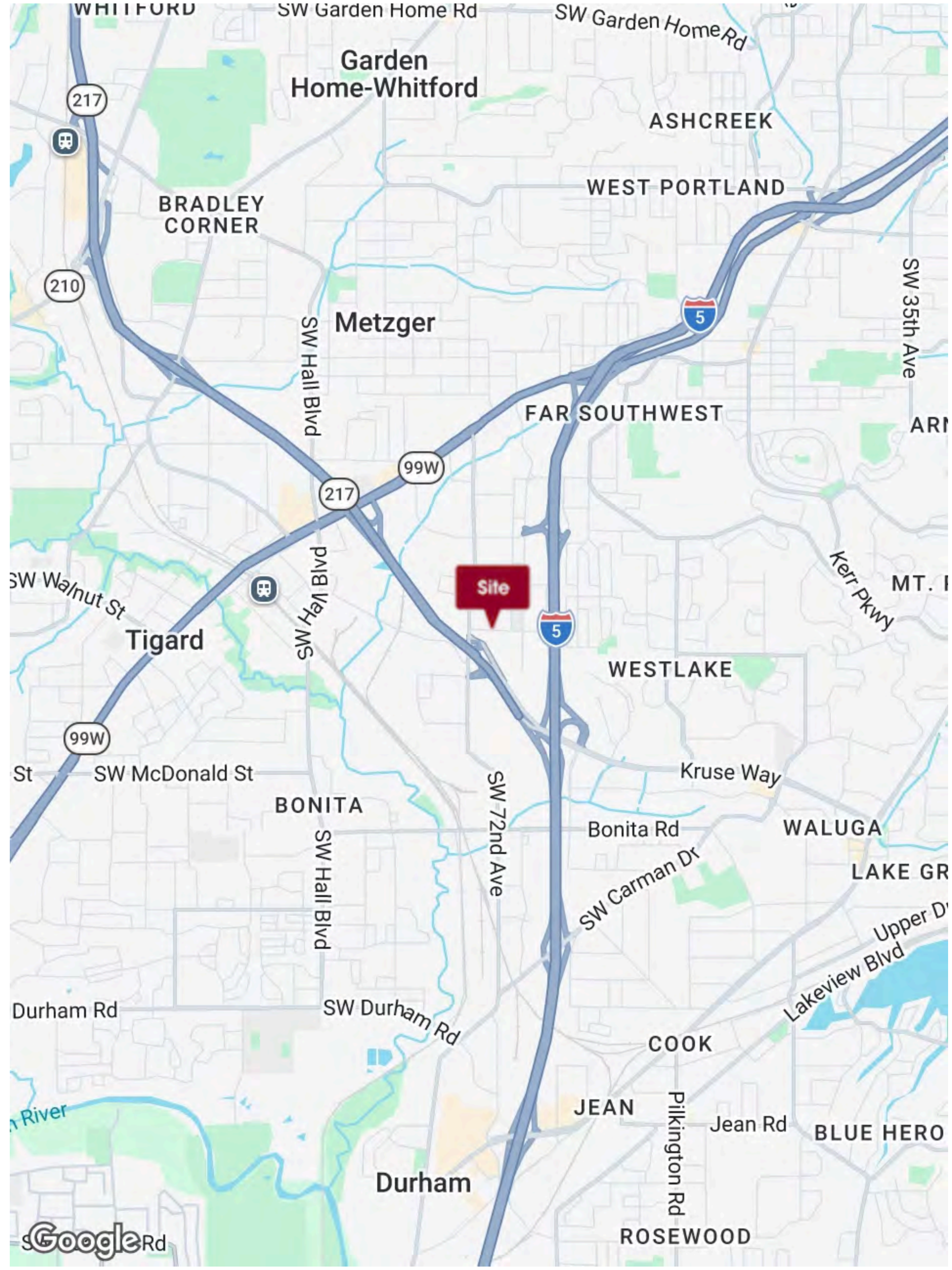
## LOCATION OVERVIEW

Commerce Plaza is a significant redevelopment property in Tigard, OR. Positioned in the dynamic Southwest Portland market, the area presents a wealth of opportunities for the conversion of office space into apartments. With easy access to major thoroughfares and public transportation, the location offers convenience and connectivity. Nearby, companies like Nike and Intel fuel the local economy, while the array of dining, retail, and entertainment options in the vicinity cater to the needs of tenants. From Washington Square to the picturesque parks, the area's diverse attractions create an appealing environment for residents and investors alike. The location itself is adorned with many large Oak trees and lush landscaping.

The Tigard Triangle offers several development incentives, such as Qualified Opportunity Zone Tax Treatment, Vertical Housing Tax Credits, and Tax Increment Financing incentives to qualified businesses.

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## THE INCENTIVE STACK

This is not simply an office building for sale — it is a shovel-ready residential redevelopment platform where three of Oregon's strongest development incentives converge on a single 4.8-acre site, backed by roughly $700,000 of in-place net income to carry the hold through entitlement and phasing.

### 1 · QUALIFIED OPPORTUNITY ZONE (FEDERAL)

- **Permanent program.** The Opportunity Zone incentive was made a permanent part of the tax code in 2025, removing the prior "expiring benefit" pressure. New QOF investments receive a rolling 5-year capital-gains deferral plus a 10% basis step-up.
- **10-year exclusion.** Appreciation on a qualifying investment held 10+ years is excluded from tax — the core driver for patient redevelopment capital.
- **Timing to confirm.** Current tract designations transition in 2026–2027; a buyer should confirm the site's designation status for their deployment timing. Substantial-improvement redevelopment fits the program well.

### 2 · VERTICAL HOUSING DEVELOPMENT ZONE — PROPERTY TAX ABATEMENT (LOCAL)

- **Up to 80% exemption over 10 years** on the value of new construction — 20% per residential floor built above a non-residential ground floor (four floors = the 80% maximum). The Tigard Triangle sits within Tigard's VHDZ.
- **Affordable bonus.** Floors dedicated to low-income housing also make the land eligible for a partial exemption (20% per floor, up to 80%).
- **Design implication.** Rewards a vertical mixed-use configuration (commercial ground floor + residential above); confirm current certification requirements with the City of Tigard.

### 3 · TAX INCREMENT FINANCING (LOCAL GAP FUNDING)

- **Tigard Triangle TIF district.** The City's TIF agency funds infrastructure, parks, and public spaces, and partners directly with private developers on mixed-use and affordable housing — a potential gap-closer negotiated project by project.

### 4 · IN-PLACE INCOME (CARRY THE HOLD)

- **$700,000 NOI at 87% occupancy (approx.)** on short-term leases — cash flow to cover holding costs during a multi-year entitlement, with the flexibility to deliver vacant possession in phases.

## ILLUSTRATIVE DOLLAR FRAMEWORK

**Placeholders only — replace the bracketed inputs with your development team's figures.** The purpose is to show how the stack compounds, not to state a projected return.

| | |
|---|---|
| Assumed program | 300 residential units across 5 floors over commercial ground floor |
| New construction value | [$92,213,000] (assessed value of improvements) |
| VHDZ abatement | 80% × [$290,000] rate × [$58,000] ≈ [$232,000]/yr saved, up to 10 yrs » [$2,320,000] nominal |
| TIF participation | Up to $[T] toward eligible public/site improvements (negotiated) |
| OZ benefit | Federal tax on appreciation of the QOF investment » $0 at a 10-yr hold |
| Carry during entitlement | Approximate $700,000 NOI offsets holding costs while entitling in phases |

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