

\$6,675,000 | CAP 7.51%

FOR SALE

MELODY BALLROOM

615 SE Alder St, Portland, OR 97214

Leased NNN Asset

PRESENTED BY CAPACITY COMMERCIAL GROUP



JASON VANABRAMS

Sr. Associate Broker | 503-314-1099

jason@capacitycommercial.com



MELODY BALLROOM

615 SE Alder St,
Portland, OR 97214



CONTENTS

Offering Summary	3
Floor Plans	6
Aerial Map	9
Financials	10
Area Overview	11
Drive Times & Demographics	13
Oregon Real Estate Disclosure	14

DISCLAIMER

Capacity Commercial Group, LLC ("Agent") have been engaged as the exclusive agent for the sale of 615 SE Alder St, Portland, OR 97214 (the "Property").

The Property is being offered for sale in its "as-is, where-is" condition, and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. Neither the enclosed materials nor any information contained herein is to be used for any other purpose or made available to any other person without the express written consent of Seller.

The enclosed materials are being provided solely to facilitate the Prospective Purchaser's own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by Agent or Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners, and directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither Agent nor Seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein or any other written or oral communication or information transmitted or made available, or any action taken, or decision made by the recipient with respect to the Property. Interested parties are to make their own investigations, projections, and conclusions without reliance upon the material contained herein.

Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Seller and Agent each expressly reserves the right, at its sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time, with or without notice. This Offering Memorandum is made subject to omissions, correction of errors, change of price or other terms, prior sale or withdrawal from the market without notice. Agent is not authorized to make any representations or agreements on behalf of Seller.

Seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered and approved by Seller, and any conditions to Seller's obligations thereunder have been satisfied or waived.

By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a highly confidential nature and will be held and treated in the strictest confidence and shall be returned to Agent or Seller promptly upon request; (b) the recipient shall not contact employees or tenants of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of Seller or Agent and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of Seller or Agent.

If you have no interest in the Property at this time, please destroy or return this Offering Memorandum immediately the exclusive listing brokers.



**In the Heart of Inner
Southeast Portland**



THE MELODY BALLROOM

Capacity Commercial Group is pleased to exclusively present the unique opportunity to acquire a Meeting/Event Space/Concert Hall/Retail/Office Property in Portland's Central Eastside Industrial District.

Highlights:

- 7.5% Cap Rate Investment Property With Two Tenants On NNN Leases
- Solid Construction With Modern Renovations – No Need For Seismic Upgrades
- Vibrant And Eclectic Central Eastside Industrial District Location

Property Overview

Address	615 SE Alder Street, Portland, OR 97214
Sale Price	\$6,675,000
Land Size	± 0.38 Acres ± 16,537 SF
Year Built/Renov.	1925 / 2017-2019
Building Size	± 35,528 SF Total <ul style="list-style-type: none">• Lower Level: 14,181 SF• Main & Upper Levels: 21,347 SF



Location Highlights

Zoning	EXd - Central Employment
Historic District	GR - East Portland / Grand Avenue
Submarket	Close-in Southeast / Eastside Industrial District
Base Height	Up to 160'
Base FAR	9:1 (Eligible for up to 3:1 additional)
Total Unrealized FAR	± 199,153 SF (including historic FAR)
Opportunity Zone	Yes
PDX Enterprise Zone	Yes
Urban Renewal Area	Central Eastside

Nearby Highlights

Restaurants / Bars / Food

- Afuri
- Bao Bao
- Bar Casa Vale
- Canard
- Kachka
- Lemongrass
- Loyal Legion
- Olympia Provisions
- Sizzle Pie (Hollywood)
- Berlu Bakery
- Hat Yai Belmont
- Obon
- Panther Club
- Pop Pizza
- Robo Taco
- Taqueria Portland

Coffee / Cafes / Bakeries

- Portland Coffee Roasters
- Produce Row Cafe
- Shroom Coffee & Bar
- Twilight Cafe and Bar
- Sweet and Salty PDX

Fitness / Active

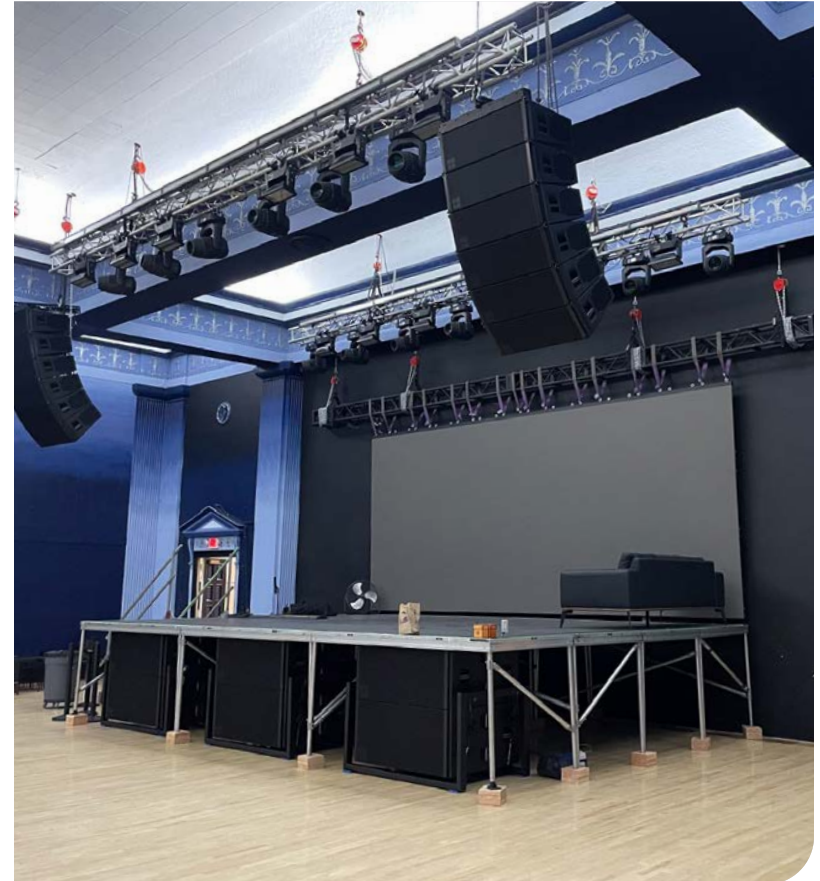
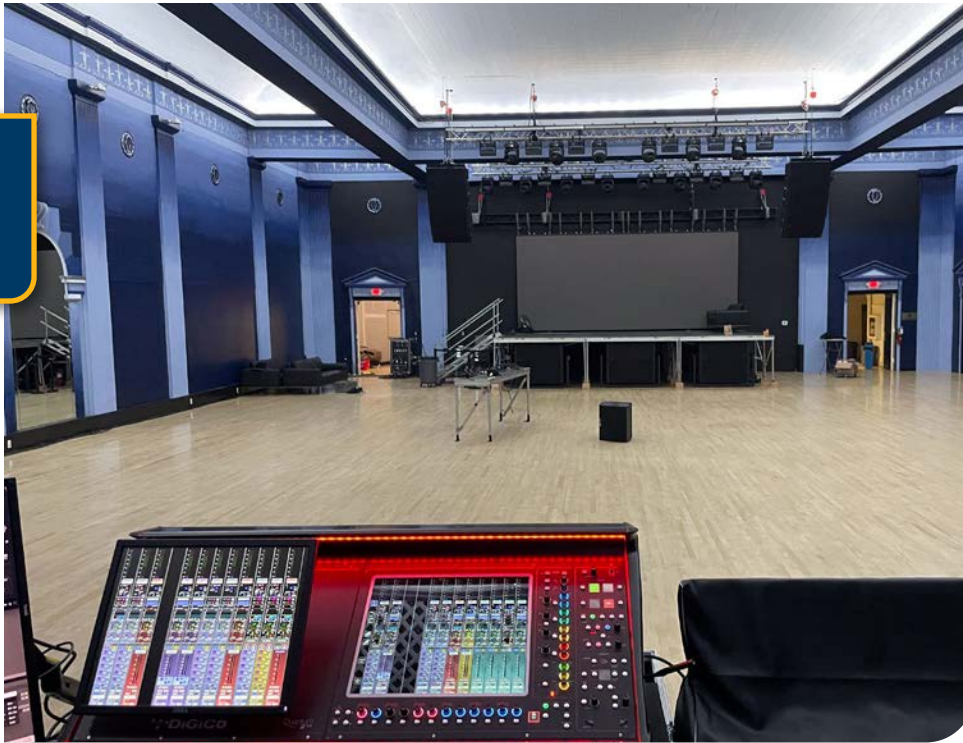
- Ironside Training
- OrangeTheory Fitness
- Circuit Boulderling Gym
- Portland Rock Gym

Entertainment / Nightlife

- The Jupiter Hotel
- Doug Fir Lounge
- Revolution Hall
- Voicebox Karaoke



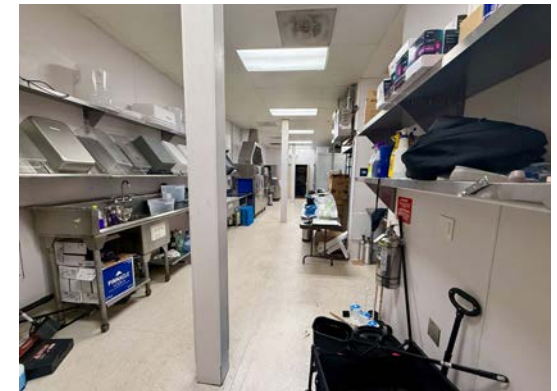
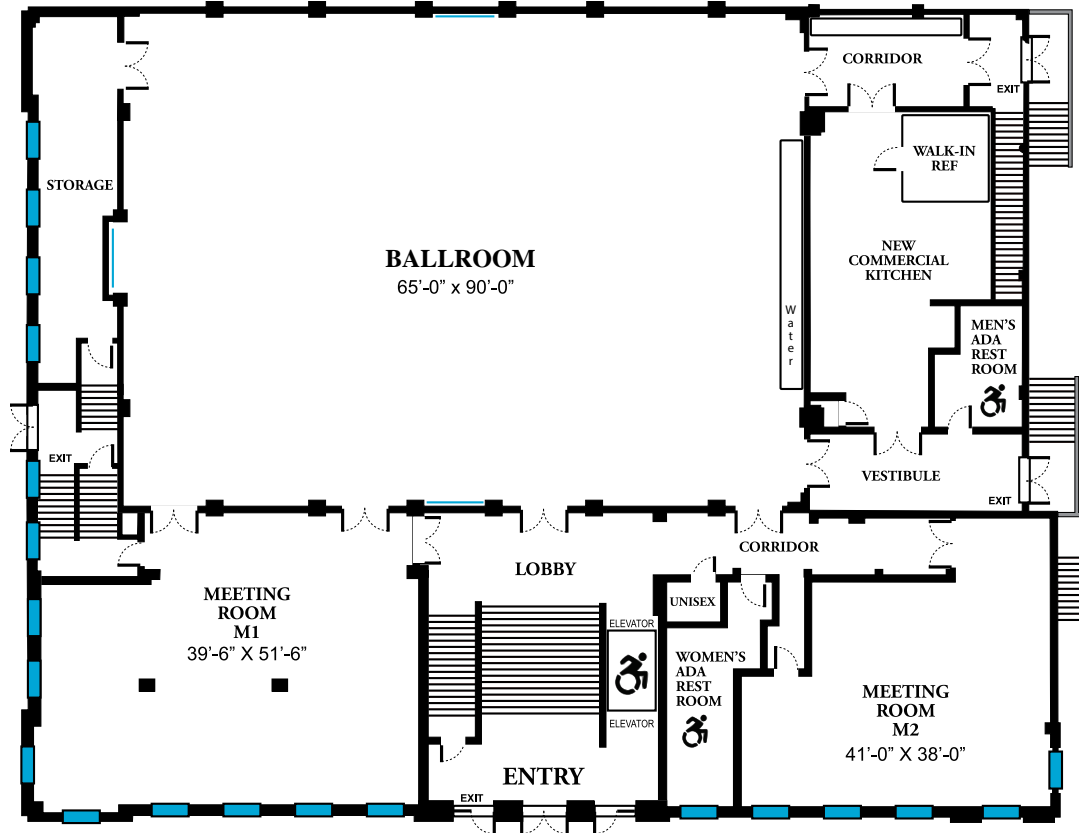
INTERIOR PHOTOS





FLOOR PLANS

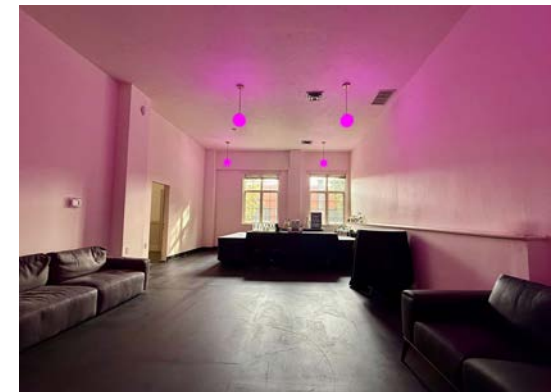
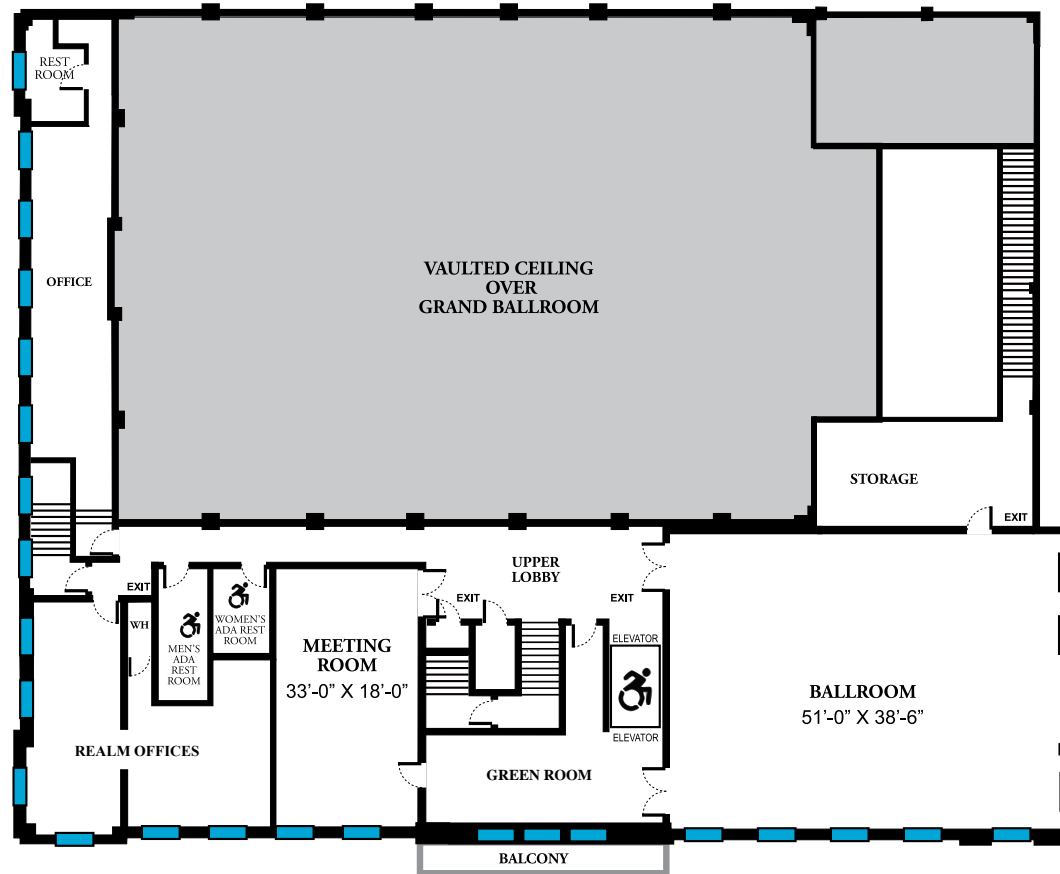
MAIN LEVEL





FLOOR PLANS

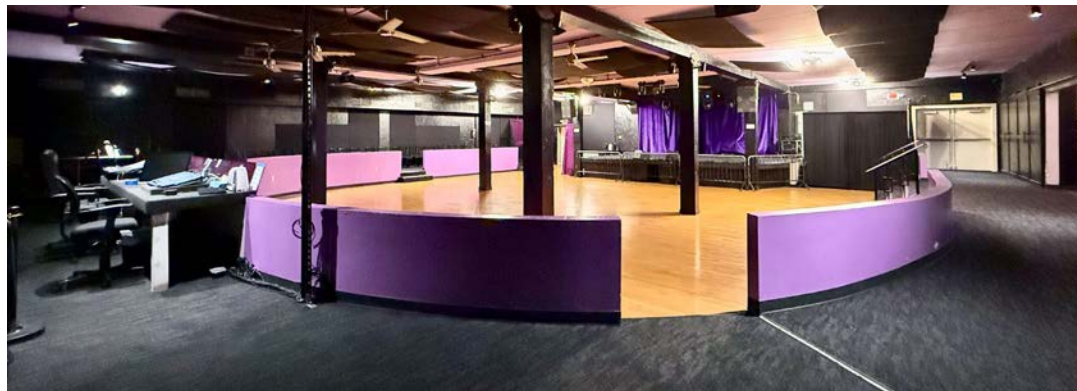
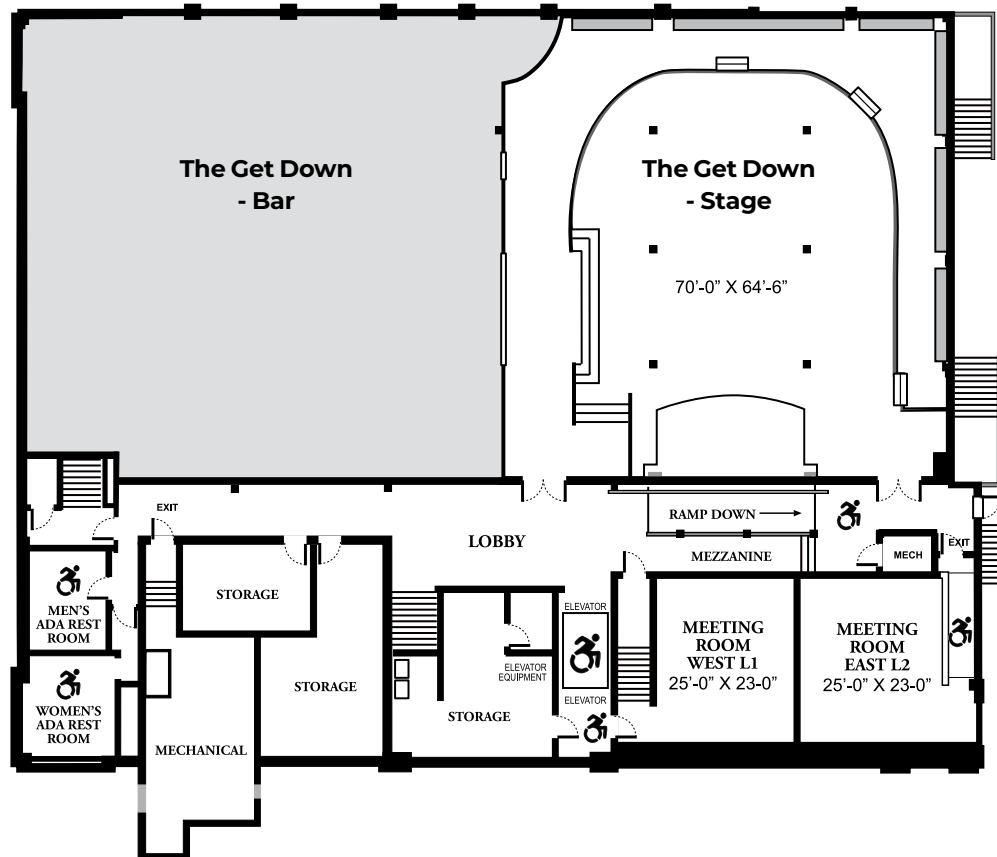
UPPER LEVEL

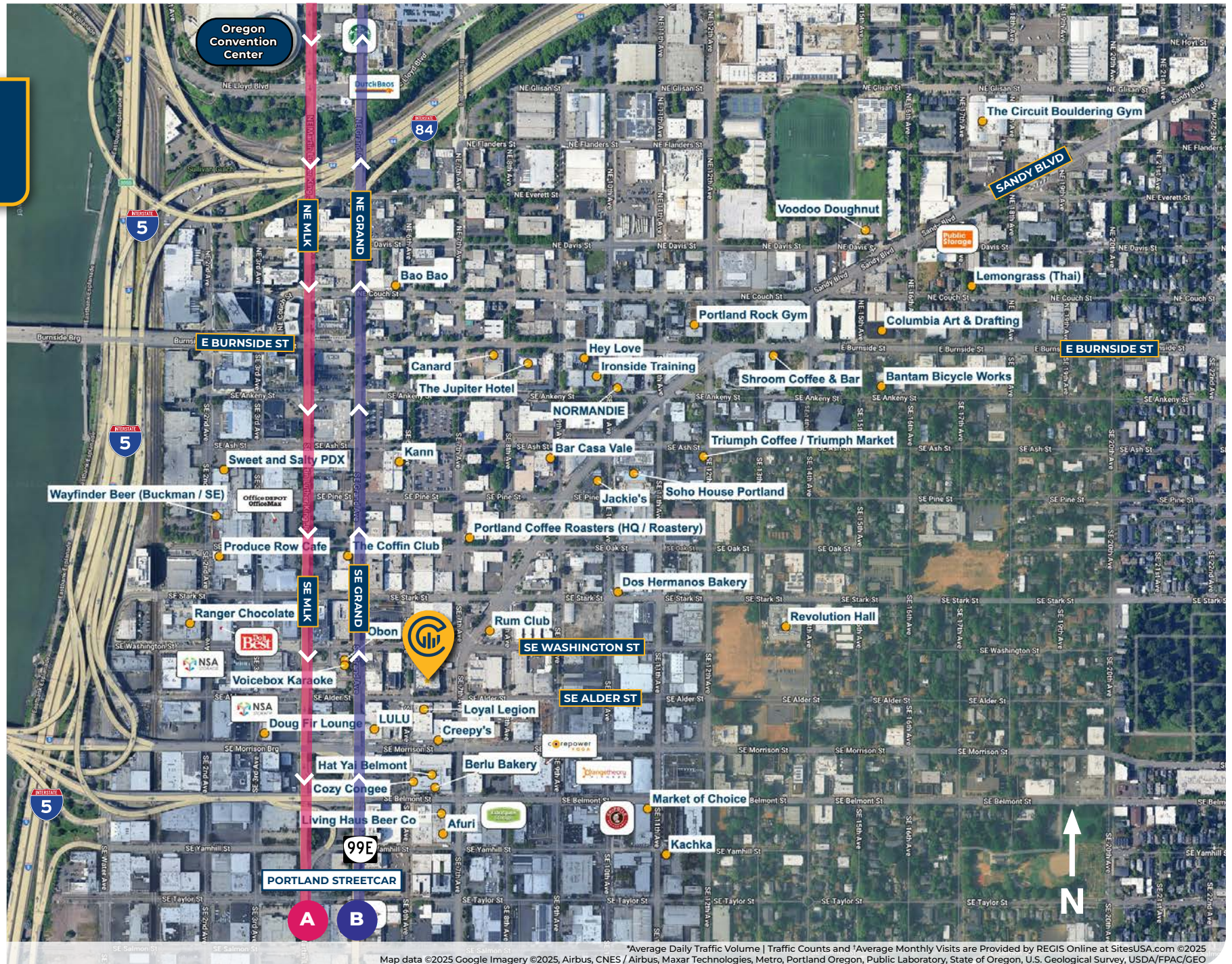




FLOOR PLANS

LOWER LEVEL







FINANCIAL ANALYSIS

Building Information – 615 SE Alder St & 680 SE 6th Ave			
		Physical Vacancy Rate	0.00%
		Pro-Forma Vacancy	5.00%
Lot Size:	16,537		
GBA:	35,528	Capitalization Rate	7.51%
NRA:	35,528		
Current Income Data		Current	PSF
Gross Rental Income		\$559,392	\$15.75
Expense Reimbursement		\$61,493	\$1.73
Total Income		\$620,885	\$17.48
Vacancy		\$(31,044)	-5.00%
Effective Gross Income		\$589,841	\$16.60
Operating Expenses			
Property Tax		\$18,500	\$0.52
Insurance		\$22,496	\$0.63
Special Prop Assessment		\$1,107	\$0.03
Cleaning		\$3,640	\$0.10
Elevator Maintenance		\$3,780	\$0.11
Landscape Maintenance		\$3,250	\$0.09
General Maintenance		\$5,240	\$0.15
Management Fee (4%)		\$23,594	\$0.66
Reserves (\$0.20 psf)		\$7,106	\$0.20
Total Operating Expenses		\$88,712	\$2.50
Net Operating Income		\$501,129	
NOI per SF		\$14.11	
INDICATED SALE PRICE		\$6,675,000	
Cap Rate		7.51%	
Price per SF		\$187.88	
Land price per SF		\$403.64	
Debt Service		\$(351,547)	
Cash Flow		\$149,582	
Cash on Cash		6.40%	

Financing Terms:	
Loan Amount:	\$4,338,750.00
Down payment	\$2,336,250
Loan To Value:	65.00%
Interest Rate:	6.50%
Amt.	25
Term	10

Current Rent Roll

Tenant	Suite #	Lease Expiration	Square Feet	Percent of Building	Monthly Rent	Total Annual Base Rent	Annualized Base Rent PSF	Monthly CAM Charge	Annual CAM Charge	Annual CAM Charge/PSF
Realm	615 SE Alder	9/1/30	21,347 SF	60.09%	\$26,500	\$318,000	\$14.90	\$2,818	\$33,821	\$1.58
The Get Down	680 SE 6th	12/31/27	14,181 SF	39.91%	\$20,116	\$241,392	\$17.02	\$2,306	\$27,672	\$1.95
Totals			35,528 SF	100.00%	\$46,616	\$559,392	\$15.75	\$5,124	\$61,493	



WHY PORTLAND



Portland's geographic beauty, economic vibrancy, commitment to sustainability, and rich cultural scene, makes it a superb place to work and live.

Its diverse neighborhoods, collaborative spirit, and accessibility makes it a prime destination for both residents and businesses. These factors collectively make Portland a compelling choice for future investment.

Geography

Nestled at the confluence of the Willamette and Columbia Rivers in the Pacific Northwest, Portland, Oregon, is a city of diverse nicknames—*Bridgetown*, *the City of Roses*, *Stumptown*—all indicative of its unique character, rich history, and stunning geographic beauty.

Portland stands out as the largest economic and population center on the West Coast between San Francisco and Seattle. Ranked as the nation's 26th largest Metropolitan Statistical Area (MSA), Portland's vibrant downtown and waterfront serve as the core of a metropolitan region hosting more than 2.5 million people.

Economy

The city has attracted an impressive in-migration of technology-centric firms such as **Microsoft**, **Google**, **Mozilla**, and **Squarespace**, alongside organic growth from local giants like **Nike**, **Adidas**, **Intel**, and **Mentor Graphics**. This influx has fueled economic growth and contributed to record-low unemployment rates.

Known for encouraging entrepreneurship, fostering diversity, and promoting sustainability, Portland's eclectic culture draws in talented people who often become long-term residents.

Esteemed educational institutions, including **Oregon Health & Science University (OSHU)**, **Portland State University** and **Reed College**, contribute to the city's intellectual capital and education hub identity.

Transit

The city's compact footprint and commitment to urban design provide convenient proximity to downtown, easy access to **Portland International Airport (PDX)**, and a plethora of outstanding amenities.

An extensive streetcar network and bike lanes, in addition to TriMet buses and MAX light rail, contribute to the overall accessibility of the city. These alternative commute options, a preference among young professionals, ultimately save time and money for both employers and employees in the region.

Life & Culture

Livability and affordability are hallmarks of the Portland area, making it an ideal destination for those seeking a high quality of life. The region boasts abundant natural beauty, a mild climate, and a wide variety of housing options. The city's commitment to sustainability, seen in its extensive public transportation system and eco-friendly urban planning, further enhances its overall appeal.

Portland shines as a cultural and artistic hub. A thriving artisan culture celebrated through craft breweries, distilleries, and coffee roasters emphasizes local and handmade products. The city hosts numerous theaters, galleries, and music venues, with the **Portland Art Museum** standing as a testament to its commitment to the arts.

Culinary Scene

Culinary excellence and a thriving food scene, aptly earning Portland the nickname "*Beervana*," further contribute to its vibrant cultural identity. And let's not forget the food cart culture—Portland's food carts offer a diverse array of culinary delights, representing flavors from around the world scattered across the city in food cart pods. Strong community engagement is a hallmark, evident in various events, farmers' markets, and festivals that foster a close-knit atmosphere.

MAJOR EMPLOYERS IN THE REGION



PORTLAND REGION

intel®

PROVIDENCE
Health & Services



Fred Meyer



Lam®
RESEARCH



usbank



Alaska®
AIRLINES

DAIMLER
TRUCK



Jacobs



FISHER INVESTMENTS®



The greater Portland-Vancouver-Hillsboro metro area is a West Coast cultural and economic hub. It occupies center stage in Oregon and southwest Washington's economic performance.

Historically reliant on timber, fishing and agriculture, the area is now known as a hotbed for technology, healthcare, finance, and apparel industries.

Often called the "Silicon Forest", the area enjoys the presence of major information and technology companies such as Intel, Hewlett-Packard, Tektronix, Siemens, Salesforce, and Boeing.

Healthcare is a major employment driver in the region. Numerous hospitals and medical research centers including OHSU, Kaiser Permanente, Providence, Legacy Health and PeaceHealth are integral to the physical and economic health of the region.

Globally-recognized sports and outdoor performance apparel companies such as Nike and Columbia Sportswear are headquartered in the area.

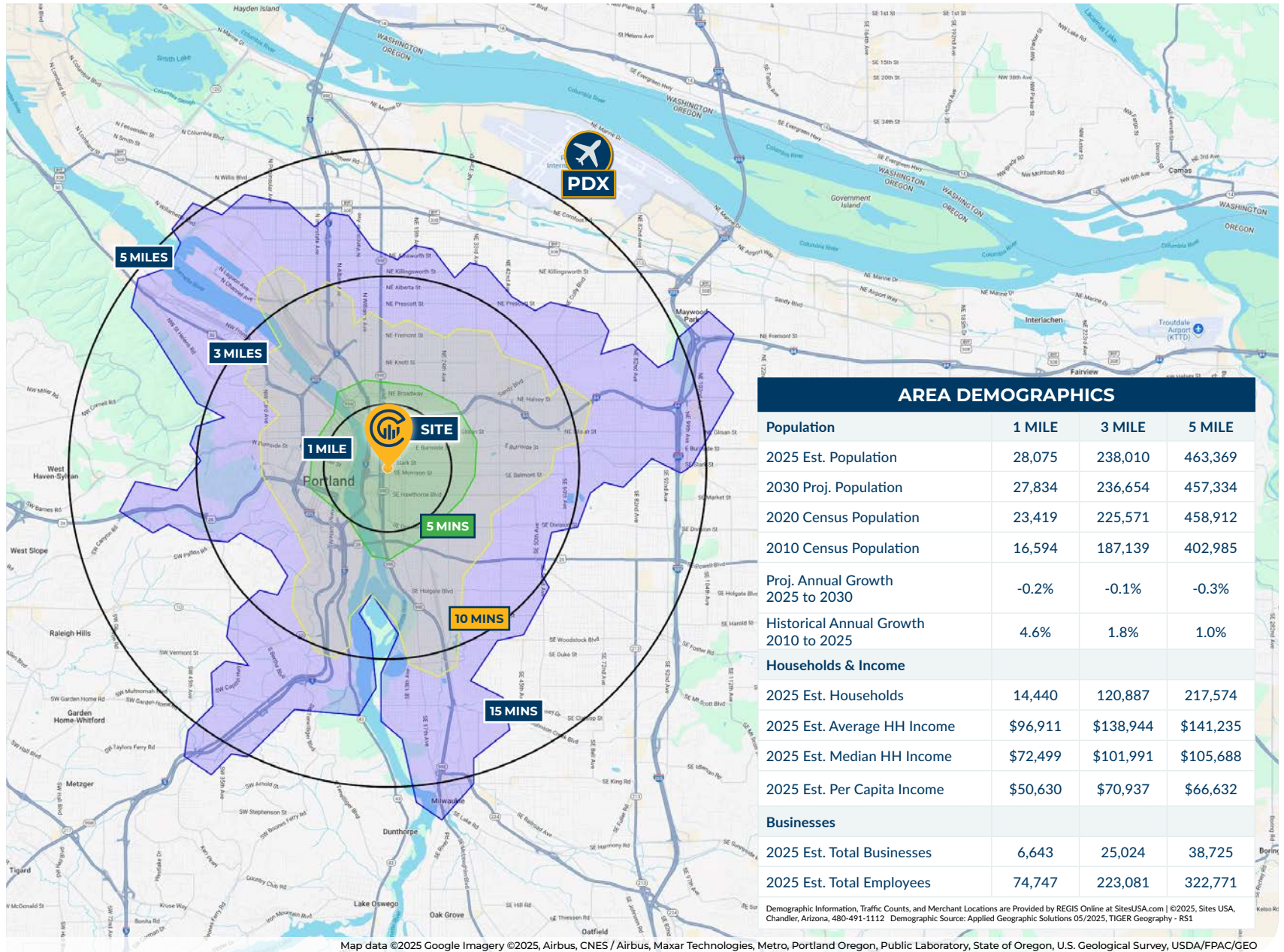
Portland's proximity to Silicon Valley and Seattle has made it an attractive destination for many California and Washington-headquartered technology companies to maintain operations in the area with its business-friendly environment and growing inventory of class-A office-focused real estate.

<https://www.greaterportlandinc.com/research-center/major-employers>

PROPERTY DRIVE-TIME & DEMOGRAPHICS



DRIVE TIMES & DEMOGRAPHICS



OREGON INITIAL AGENCY DISCLOSURE PAMPHLET



OREGON REAL ESTATE DISCLOSURE

Consumers: This pamphlet describes the legal obligations of Oregon real estate licensees to consumers. Real estate brokers and principal real estate brokers are required to provide this information to you when they first contact you. A licensed real estate broker or principal broker need not provide the pamphlet to a party who has, or may be reasonably assumed to have, received a copy of the pamphlet from another broker.

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 a broker or a principal broker.

Real Estate Agency Relationships

An "agency" relationship is a voluntary legal relationship in which a licensed real estate broker or principal broker (the "agent") 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, licensees must maintain confidential information about their clients.

"Confidential information" is information communicated to a real estate licensee or the licensee's agent 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:

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

Duties and Responsibilities of a 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:

1. To deal honestly and in good faith;
2. 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
3. To disclose material facts known by the agent and not apparent or readily ascertainable to a party.

A seller's agent owes the seller the following affirmative duties:

1. To exercise reasonable care and diligence;

2. To account in a timely manner for money and property received from or on behalf of the seller;
3. To be loyal to the seller by not taking action that is adverse or detrimental to the seller's interest in a transaction;
4. To disclose in a timely manner to the seller any conflict of interest, existing or contemplated;
5. To advise the seller to seek expert advice on matters related to the transaction that are beyond the agent's expertise;
6. To maintain confidential information from or about the seller except under subpoena or court order, even after termination of the agency relationship; and
7. Unless agreed otherwise in writing, to make a continuous, good faith effort to find a buyer for the property, except that 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 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 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 that are 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 a 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:

1. To deal honestly and in good faith;
2. 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
3. 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:

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

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 that are 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;
2. To the buyer, the duties listed above for a buyer's agent; and
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. That the seller will accept a price lower or terms less favorable than the listing price or terms;
 - b. That 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 that are outside the scope of the agent's expertise.

When different agents associated with the same principal broker (a real estate licensee 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 the buyer and seller. 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 real estate broker and the real estate licensees 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 that is adverse or detrimental to either party's interest in the transaction; and
3. To obey the lawful instructions of both parties.

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

You are encouraged to discuss the above information with the licensee delivering this pamphlet to you. If you intend for that licensee, or any other Oregon real estate licensee, 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 a licensee your agent without the licensee's knowledge and consent, and an agent cannot make you a client without your knowledge and consent.

MELODY BALLROOM

615 SE Alder St, Portland, OR 97214

REPRESENTED BY

JASON VANABRAMS

Senior Associate Broker | Licensed in OR

503-314-1099 | jason@capacitycommercial.com

CELEBRATING
20
YEARS
OF CAPACITY



Capacity Commercial Group | 805 SW Broadway, Suite 600, Portland, OR | 503-326-9000 | capacitycommercial.com

The information contained herein has been obtained from sources deemed reliable. However, Capacity and its agents make no guarantee of accuracy.