

OFFERING MEMORANDUM

# CROSSROADS MEDICAL PLAZA

51377-51385 SW OLD PORTLAND RD, SCAPPOOSE, OR 97056

 **Kidder  
Mathews**



# INVESTMENT HIGHLIGHTS

## INSTITUTIONAL-GRADE ANCHOR TENANT

Building I is fully leased to OHSU, a state-supported academic medical center with superior credit. The lease extends through 2031 with 3% annual rental escalations, ensuring stable and growing income.

## VALUE-ADD LEASE-UP OPPORTUNITY

Building II offers 6,363 SF of vacant space, including a medical-ready shell and a finished suite. These spaces provide immediate upside through professional leasing efforts, with potential for OHSU expansion or subdivision into smaller suites.

## EXCELLENTLY MAINTAINED & MANAGED

Developed and managed by current ownership, the plaza has been kept in excellent condition. Tenants maintain collaborative relationships with ownership, supporting long-term stability.

## STRATEGIC LOCATION IN GROWTH CORRIDOR

Positioned along Scappoose's primary commercial arterial near Highway 30, the property enjoys strong visibility, surrounding retail development, and a growing residential base. With limited competing medical providers in the region, Crossroads Medical Plaza is uniquely positioned as a regional healthcare hub.

**\$5.64M**

SALE PRICE

**6.05%**

AS-IS CAP RATE

**7.91%**

BUILD TO CAP RATE



ADDRESS	51377 & 51385 SW Old Portland Rd Scappoose, OR	
OFFERING PRICE	\$5,640,00	
AS-IS CAP RATE	6.05%	
BUILD TO CAP RATE	7.91%	
YEAR BUILT	Building 1	2004
	Building 2	2007
TOTAL NRA	22,203 SF	
GBA	22,323 SF, includes maintenance shed	
OCCUPANCY	71%	
IN-PLACE NOI	\$341,137	
PARKING SPACES	90	
LAND AREA	Three parcels totaling 2.38 acres	

## PROPERTY OVERVIEW

# PROPERTY OVERVIEW



### BLDG 1 - OHSU MEDICAL FACILITY

YEAR BUILT	2004
TOTAL AREA	11,466 SF
TENANT	Oregon Health & Science University (OHSU)
LEASE TYPE	NNN and Ground Lease
CREDIT PROFILE	State-supported academic medical center
PARKING	64 dedicated parking spaces
OCCUPANCY	100%

OHSU's improvement investment and long-term presence materially reduce turnover risk. OHSU first occupied a 4,500 SF unit in 2006, later expanding to the full 7,526 SF of Building 1. In 2015, they further grew their footprint by leasing the entire building along with 27,888 SF of adjacent parking lot, where they constructed an addition that brought Building 1 to its current 11,466 SF configuration—funded entirely at their own expense. Both parcels leased by OHSU are tax-exempt, enhancing net income consistency.

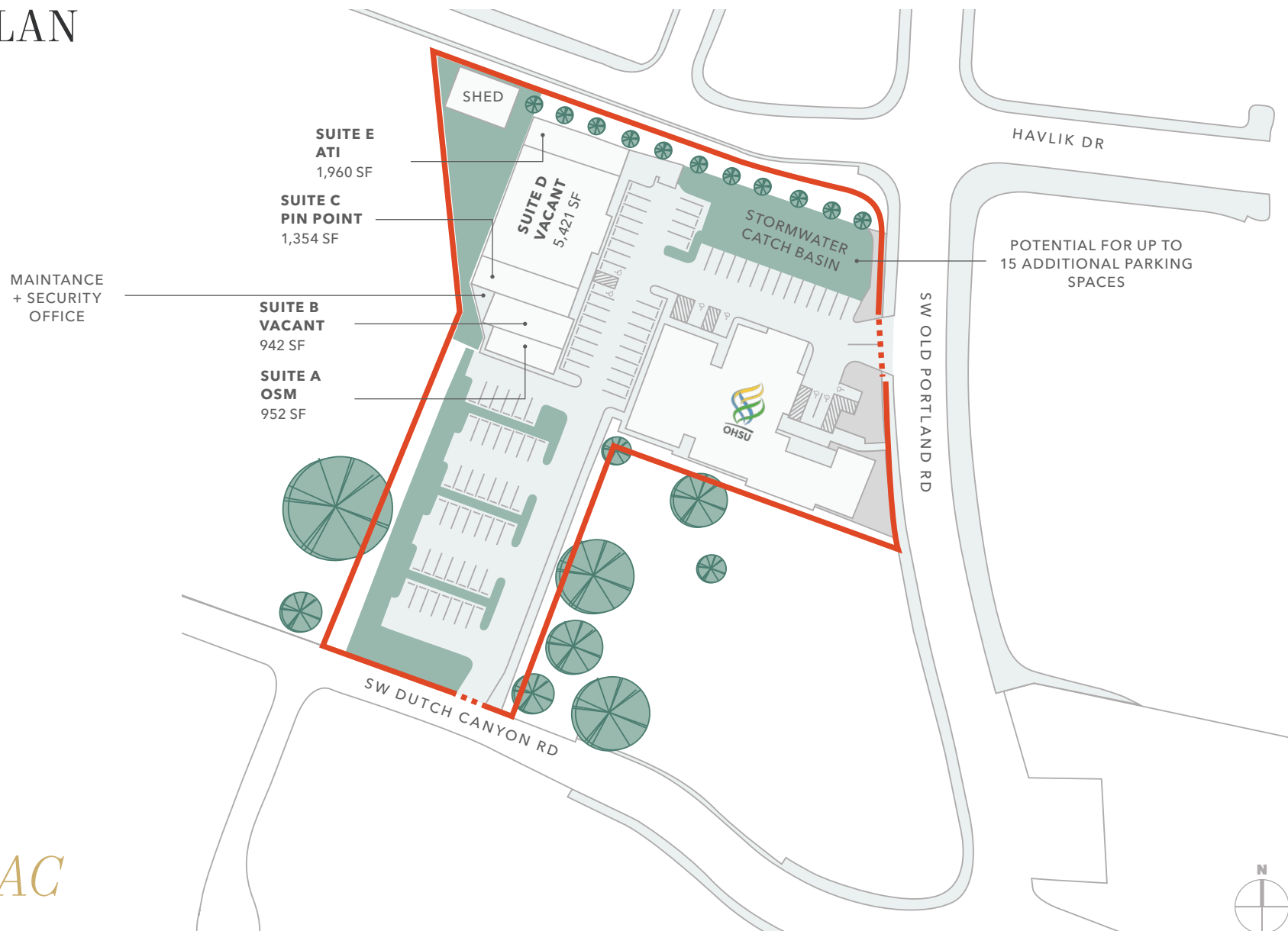
### BLDG 2 - MULTI-TENANT MEDICAL & HEALTHCARE SERVICES

YEAR BUILT	2007
TOTAL AREA	10,639 SF
OCCUPANCY	40% (vacancies: 6,363 SF)
TENANT MIX	Medical, healthcare services
LEASE TYPE	NNN
PARKING	26 dedicated parking spaces

Building II offers 6,363 SF of vacant space, including a medical-ready shell and a finished suite. These spaces provide immediate upside through professional leasing efforts, with potential for further OHSU expansion or subdivision into smaller suites.



# SITE PLAN



2.38 AC

LAND AREA



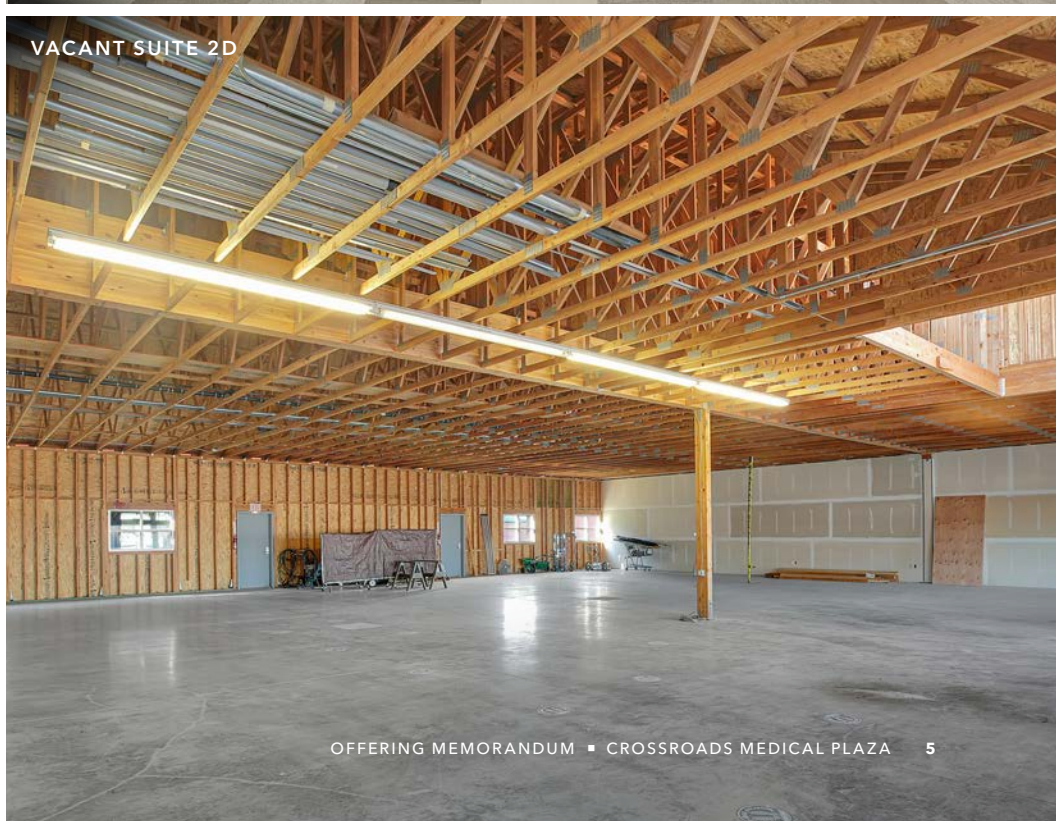
## PROPERTY OVERVIEW



KIDDER MATHEWS



VACANT SUITE 2B



VACANT SUITE 2D



## PROPERTY OVERVIEW





# RENT ROLL

Bldg	Suite	Tenant	SF	%NRA	Tenant Since	Lease End	Renewal Options	Monthly Rent	\$/SF/YR	Next Escalation	Annual Increases	NNN Charges/Mo.
1		OHSU	11,466	52%	2006	5/31/2031	1, 5-Year	\$24,910.44	\$26.07	5/31/2027	3%	\$5,363.33
2	A	The Orthopedic Sports Medicine	962	4%	2013	MTM	Monthly	\$1,725.17	\$21.52	12/31/2026	3%	\$468.36
	B	Vacant, Finished Space	942	4%								
	C	Pinpoint Acupuncture	1,354	6%	2020	3/31/2026	None	\$2,155.59	\$19.10	1/31/2027	3%	\$580.87
	D	Vacant, Unfinished Space	5,421	24%								
	E	ATI Physical Therapy	1,960	9%	2013	3/31/2028	None	\$2,841.46	\$17.40	3/31/2026	3%	\$832.22
<b>Total NRA Building 2</b>			<b>10,639</b>	<b>48%</b>			<b>Monthly Base Rent Bldg. 2:</b>	<b>\$6,722.23</b>	<b>\$0.43</b>			<b>\$7,244.78</b>
<b>Total Vacant SF</b>			<b>6,363</b>	<b>29%</b>			<b>Annual Base Rent Bldg. 2:</b>	<b>\$80,667</b>	<b>\$18.86</b>			<b>\$86,937.36</b>
<b>Total Occupied SF</b>			<b>15,742</b>	<b>71%</b>			<b>Annual Base Rent Bldg. 1:</b>	<b>\$298,925</b>	<b>\$26.07</b>			
<b>Total NRA SF</b>			<b>22,105</b>	<b>100%</b>			<b>Total Base Rent:</b>	<b>\$379,592</b>	<b>\$24.11</b>			

\* Includes increases thru June 1, 2026

# FINANCIAL ANALYSIS

## DIRECT CAPITALIZATION

Revenue Component	SF	\$/SF/Yr	Annual
Base Rental Revenue - OHSU	11,466	\$26.07	\$298,925
Base Rental Revenue - Occupied Space	4,276	\$18.86	\$80,667
Market Rent - Vacant Space	6,363	\$17.00	\$108,171
NNN Expense Reimbursement Revenue	22,105	\$5.52	\$122,020
<b>Potential Gross Income</b>	<b>22,105</b>	<b>\$27.59</b>	<b>\$609,783</b>
Less Vacancy & Collection Loss Factor	5.00%		\$30,489
<b>Effective Gross Income</b>		<b>\$26.21</b>	<b>\$579,293</b>

## OPERATING EXPENSES

	% of EGI	\$/SF/Yr	Annual
Real Estate Taxes	2.03%	\$0.53	\$11,740
Insurance	2.24%	\$0.59	\$13,000
Professional Fees	1.24%	\$0.33	\$7,200
Repairs & Maintenance	5.60%	\$1.47	\$32,450
Security	0.15%	\$0.04	\$845
Utilities	4.75%	\$1.24	\$27,500
Management	5.00%	\$1.31	\$28,965
Reserves for Replacement	2.00%	\$0.52	\$11,586
<b>Total Operating Expenses</b>	<b>23.01%</b>	<b>\$6.03</b>	<b>\$133,286</b>
<b>Net Operating Income</b>		<b>\$20.18</b>	<b>\$446,008</b>
Capitalization Rate		6.41%	
<b>Offering Price</b>		<b>\$315</b>	<b>\$6,960,000</b>



## LESS: LEASE UP DEDUCTION

	SF	\$/SF/Yr	Annual
Tenant Improvement Allowance	6,363	\$135.00	\$816,055
Free Rent Concessions (3 Months)	6,363	\$17.00	\$25,691
Leasing Commissions @ 6%, 5-Year Term, 3% Incr.			\$34,458
Market Rent Loss (12 Months)	6,363	\$17.00	\$102,762
NNN Reimbursement Loss (12 Months)	6,363	\$5.52	\$33,368
Entrepreneurial Incentive		30%	\$303,700
<b>Total Lease-Up Discount</b>			<b>\$1,316,033</b>
As-Is Cap Rate			6.05%
<b>Offering Price</b>		<b>\$255</b>	<b>\$5,640,000</b>



## FINANCIAL ANALYSIS CONT.

### AS IS NET OPERATING INCOME CALCULATION

Revenue Component	SF	\$/SF/Yr	Annual
Base Rental Revenue - OHSU	11,466	\$26.07	\$298,925
Base Rental Revenue - Occupied Space	4,276	\$18.86	\$80,667
Vacant Space	6,363	\$0.00	\$0
In-Place NNN Charges	15,742	\$5.52	\$86,937
<b>Actual Gross Income</b>	<b>22,203</b>	<b>\$21.01</b>	<b>\$466,529</b>
Less Vacancy & Collection Loss Factor	0.00%		\$0
<b>Effective Gross Income</b>	<b>22,105</b>	<b>\$21.11</b>	<b>\$466,529</b>

### OPERATING EXPENSES

	% of EGI	\$/SF/Yr	Annual
Real Estate Taxes	2.52%	\$0.53	\$11,740
Insurance	2.79%	\$0.59	\$13,000
Professional Fees	1.54%	\$0.33	\$7,200
Repairs & Maintenance	6.96%	\$1.47	\$32,450
Security	0.18%	\$0.04	\$845
Utilities	5.89%	\$1.24	\$27,500
Management	5.00%	\$1.06	\$23,326
Reserves for Replacement	2.00%	\$0.42	\$9,331
<b>Total Operating Expenses</b>	<b>26.88%</b>	<b>\$5.67</b>	<b>\$125,392</b>
<b>Net Operating Income</b>		<b>\$15.43</b>	<b>\$341,137</b>
Capitalization Rate		6.05%	
<b>As-Is Value</b>		<b>\$255</b>	<b>\$5,640,000</b>





## TENANT PROFILES



*State-supported academic medical center, nationally recognized for research and healthcare delivery. Institutional credit tenant with long-term lease.*

Family Medicine at Crossroads Medical Plaza is a federally recognized Rural Health Clinic providing comprehensive care for patients of all ages, regardless of insurance status, income, or background. The clinic emphasizes respect for individual beliefs, values, and cultural needs while delivering a wide range of services.

Offerings include primary care, gender-affirming care, pregnancy services, behavioral health and wellness, addiction medicine, and sports medicine. Patients benefit from same-day appointments, virtual visits, and on-site lab services. For established OHSU patients, mammography and X-ray services are also available.

This location additionally houses the OHSU Immediate Care Clinic and OHSU Mammography Clinic, reinforcing its role as a key healthcare hub for the Columbia County. Tenant since 2006.



*ATI Physical Therapy is a nationally recognized provider of outpatient rehabilitation services, specializing in physical therapy, sports medicine, and injury prevention.*

Founded in 1996 and based in Bolingbrook, Illinois, ATI is one of the largest single-branded physical therapy providers in the U.S., with 850+ clinics across 24 states. The company offers comprehensive services, from spine, shoulder, knee, and neck treatment to work injury rehab, hand therapy, aquatic therapy, and functional capacity evaluations. As a publicly traded company (NYSE: ATIP), ATI delivers evidence-based, research-backed care at scale, making it a reliable tenant that strengthens Crossroads Medical Plaza's healthcare presence and patient traffic.



## TENANT PROFILES



*Pinpoint Acupuncture is a locally operated clinic offering personalized, non-invasive healthcare through acupuncture and alternative medicine.*

The practice emphasizes whole-body wellness, combining traditional Chinese medicine with modern approaches to address pain, stress, fatigue, sleep issues, and other chronic conditions.

The clinic is known for its patient-centered philosophy, respecting individual needs and tailoring treatments to support long-term health. Pinpoint Acupuncture has built a loyal community following. Its presence at Crossroads Medical Plaza adds diversity to the tenant roster, complementing conventional medical providers with holistic care options. Tenant since 2020.



*Orthopedic Sports Medicine provides comprehensive care for musculoskeletal injuries and conditions, helping patients return to pain-free mobility and active lifestyles.*

Services include sports injury treatment, joint reconstruction, spine care, and fracture management, delivered through both surgical and non-surgical approaches. The clinic's board-certified physicians specialize in advanced techniques such as arthroscopic surgery, ligament repair, and total joint replacement.

With three locations across Oregon, Orthopedic Sports Medicine is recognized for its state-of-the-art care and commitment to personalized treatment. Its presence at Crossroads Medical Plaza enhances the property's healthcare mix, drawing consistent patient traffic and reinforcing the center's role as a regional medical hub. Tenant since 2013.



# OREGON HEALTHCARE OVERVIEW

*Oregon's healthcare system in 2025 is characterized by broad coverage, strong institutional networks, and legislative momentum toward universal healthcare.*

With continued investment in affordability, behavioral health, and rural access, the state provides a supportive environment for medical office tenants and a stable platform for investors seeking healthcare-anchored assets.

## STRONG COVERAGE & ACCESS

Oregon's healthcare system is anchored by the Oregon Health Plan (OHP), the state's Medicaid program, which currently covers 1.4 million residents. In 2025, lawmakers secured full funding for OHP and the Healthier Oregon program, extending coverage to an additional 100,000 people, including undocumented residents.

The state continues to pursue its long-term vision of universal healthcare through the Oregon Universal Health Plan Governance Board, with draft plans expected in 2025 and a final proposal due in 2026.

## POLICY & LEGISLATIVE PRIORITIES

The 2025 legislative session emphasized healthcare affordability and transparency, including measures to address hospital pricing, prescription drug costs, and provider assessments.

Investments were made in behavioral health, with updates to civil commitment processes and expanded funding for mental health services.

Lawmakers also highlighted challenges in rural healthcare, including shortages of residential care beds, rural pharmacy closures, and hospital strain from mental health patients.

## SYSTEM STRENGTHS

Oregon's healthcare system is supported by major hospital networks (OHSU, Providence, Legacy Health, Kaiser Permanente) and a growing network of federally recognized Rural Health Clinics, which expand access in underserved communities.

The state has modernized hospital oversight to ensure quality and safety standards are consistently met.

Oregon's healthcare workforce and provider networks are adapting to increased demand for primary care, behavioral health, and specialty services, particularly in suburban and rural counties.

## MARKET IMPLICATIONS FOR INVESTORS

With broad Medicaid coverage and a push toward universal healthcare, Oregon offers a stable reimbursement environment for medical office tenants.

Demand for community-based healthcare facilities is rising, especially in growth corridors outside Portland, where limited supply of medical office space creates strong leasing potential.

Behavioral health, urgent care, and specialty practices are expanding, aligning with state priorities and patient demand.



# SCAPPOOSE, OR

Scappoose is a growing community located approximately 30 minutes northwest of Portland along Highway 30, the region's primary north-south arterial. With a population of just over 8,000 residents, Scappoose offers a blend of small-town character and convenient access to the Portland metro area. The city has experienced steady residential growth, supported by new housing developments and expanding community services.

*Scappoose is known for its family-friendly environment, recreational amenities, and proximity to the Columbia River.*

The city's location makes it attractive to commuters working in Portland or Hillsboro, while its affordability and quality of life continue to draw new residents.

## COLUMBIA COUNTY

Crossroads Medical Plaza serves as a healthcare hub for Columbia County, which has a population of more than 53,000 residents. Historically rooted in timber, agriculture, and river commerce, Columbia County has diversified into manufacturing, logistics, and

services. The county seat, St. Helens, is the largest city and administrative center, while Scappoose has emerged as a key residential and commercial growth area.

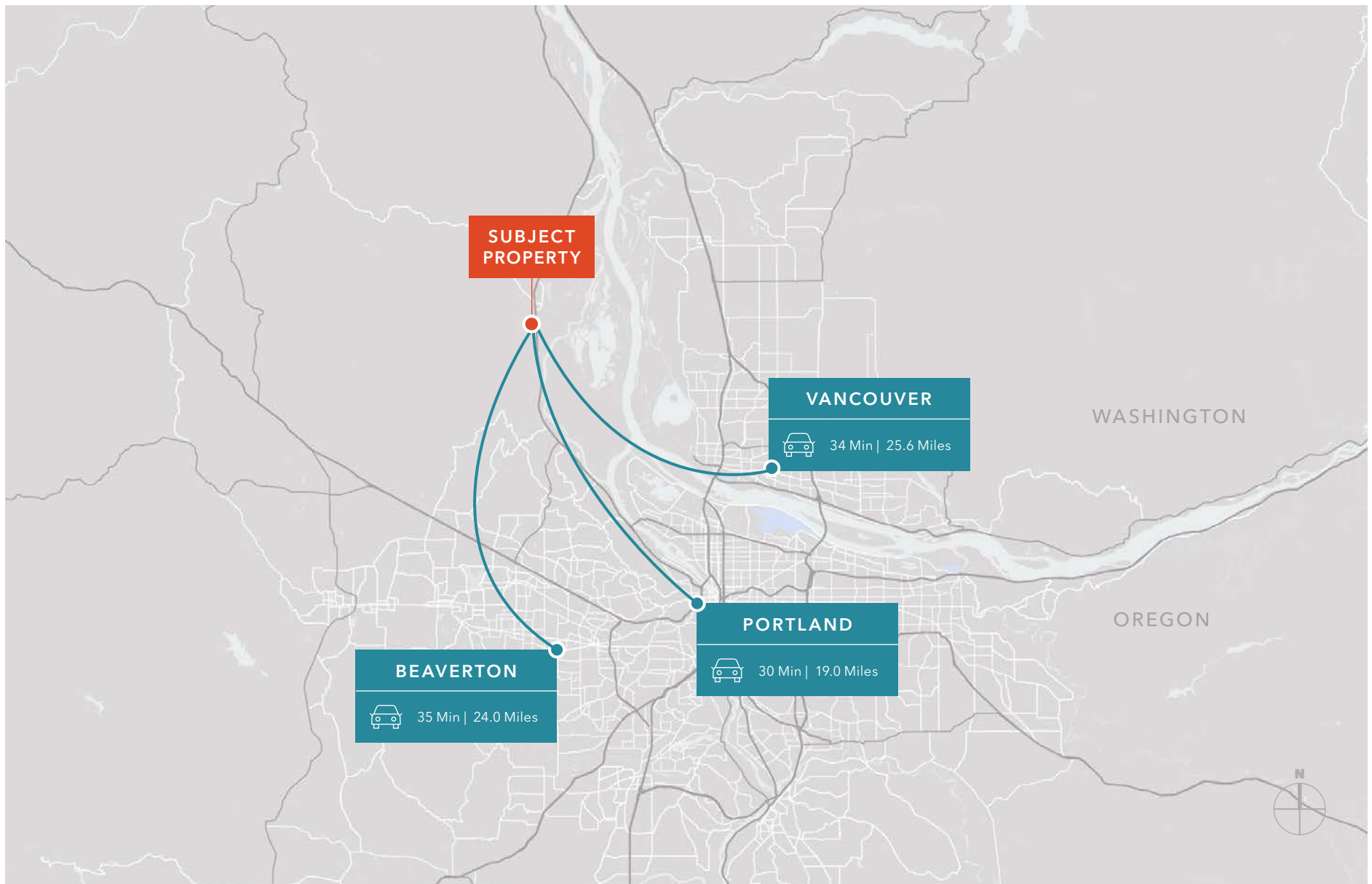
Median household income in Columbia County is approximately \$86,000, with a median property value of \$390,600, reflecting a stable and growing local economy.

## Regional Positioning

Crossroads Medical Plaza benefits from its strategic location within Scappoose's primary commercial corridor. Surrounded by regional and national retailers such as Fred Meyer, Walmart and Safeway, and supported by a growing residential base, the property is uniquely positioned to meet the area's expanding demand for healthcare services. With limited competing medical office supply in Columbia County, the plaza offers investors a rare opportunity to acquire a credit-anchored medical asset in a growth market.



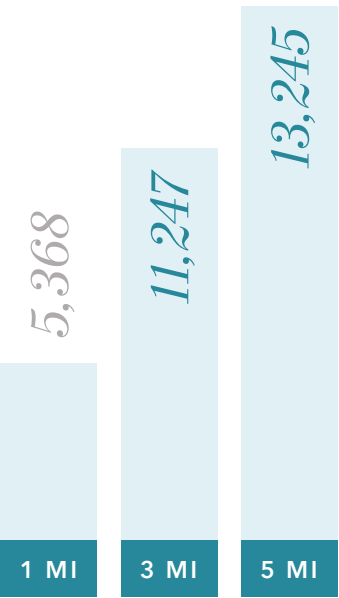
## LOCATION OVERVIEW



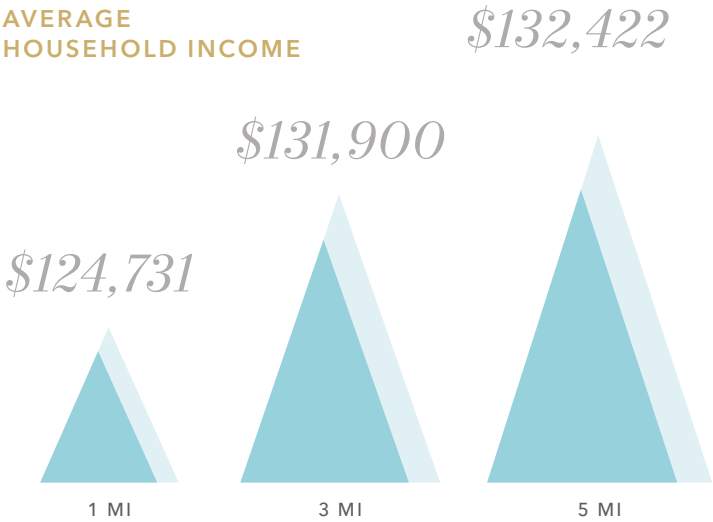


DEMOGRAPHICS

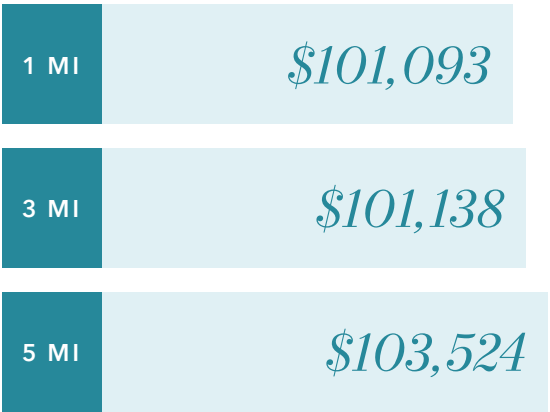
POPULATION



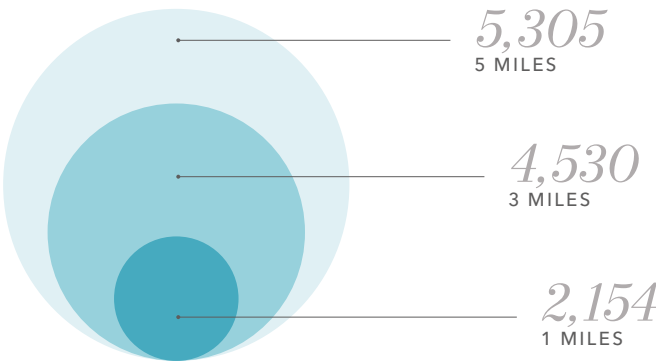
AVERAGE HOUSEHOLD INCOME



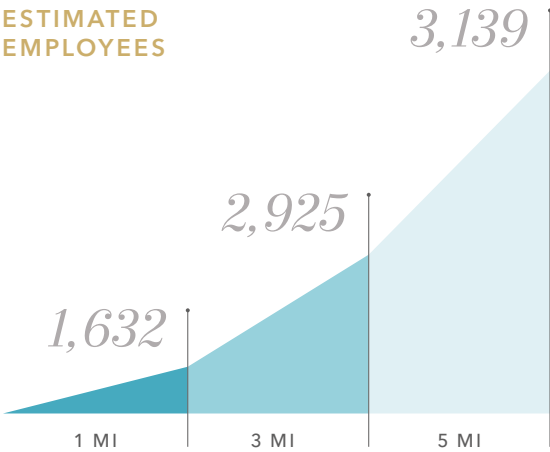
MEDIAN HOUSEHOLD INCOME



ESTIMATED HOUSEHOLDS



ESTIMATED EMPLOYEES



Data Source: ©2023, Sites USA



## CROSSROADS MEDICAL PLAZA

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