

OFFERING MEMORANDUM



MARTIN
OUTDOOR PROPERTY GROUP

Historical Landaker Building Downtown Redmond, OR

Offering Memorandum | Mixed-Use Historical Icon

Exclusively presented by the Martin Outdoor Property Group

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(Exhibit A)

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Executive Summary

The Landaker Building - historic icon in the heart of Downtown Redmond, Oregon. Built in 1919, this approximately 7,500-square-foot, three-story mixed-use investment building is located at the prominent intersection of Evergreen Avenue and Sixth Street. The building's historical significance and strategic location in Redmond's Central Business District (CBD) make it a standout investment opportunity for those seeking both a prime location and stable income.

Originally constructed as a one-story pool hall, the **Landaker Building** underwent significant renovations in 1932, adding two additional floors for office and apartment space. Over the years, the iconic building has housed notable businesses, including the Pastime Tavern, and played a vital role in Redmond's community life. The building remains a structure of historical significance, capturing the charm and heritage of Redmond's early 20th-century architecture.

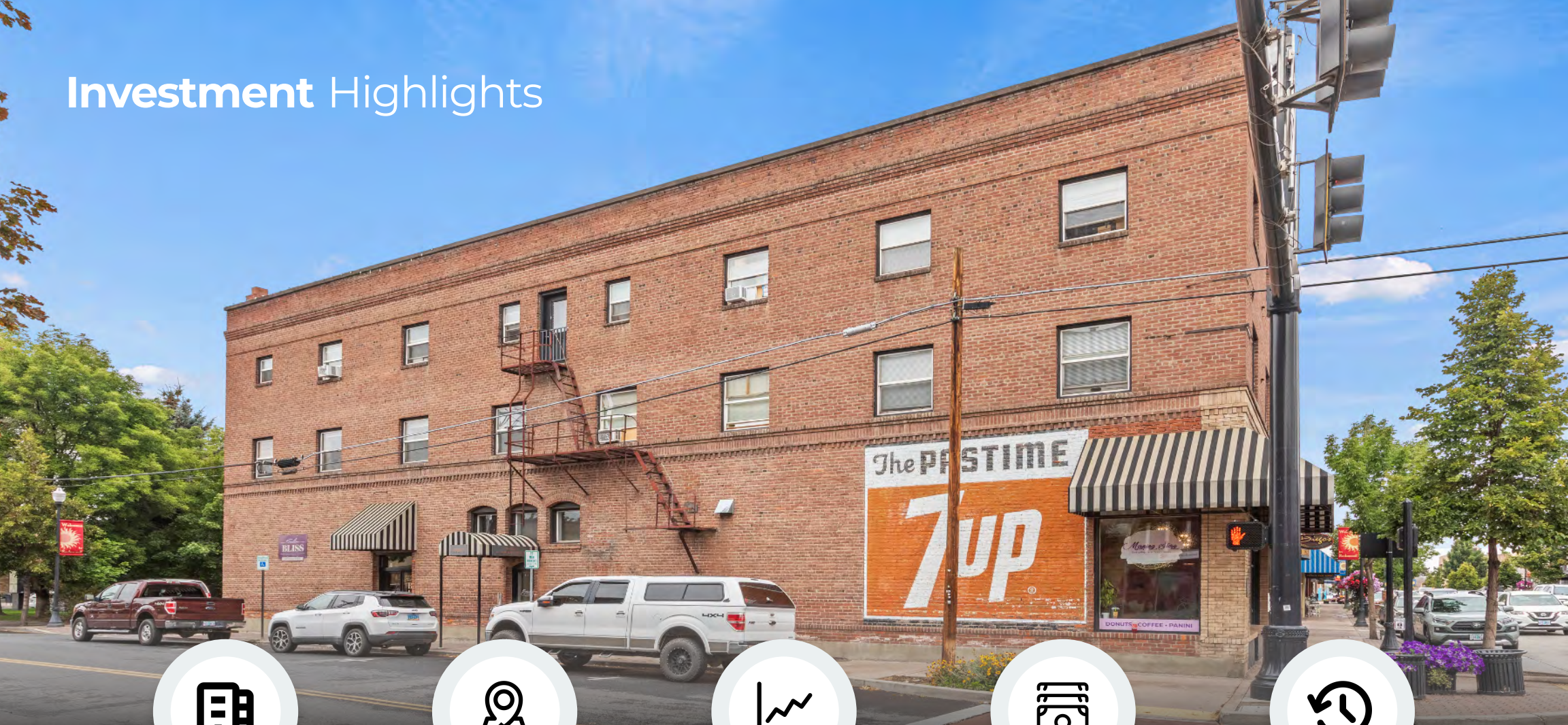
The Landaker Building is fully leased, comprising two retail units on the ground floor, two commercial units on the third floor, and 10 apartment units on the second and third floors, all serviced by an elevator. The retail tenants, including Morning Story and Salon Bliss, benefit from the high foot traffic in this bustling downtown area. The apartment units, primarily studios, ensure flexibility for future rent increases or conversion opportunities.

Currently, **The Landaker Building** is designated as of "historical interest." These properties are not required to comply with the requirements of the Preservation of Historic Resources section of the Redmond Development Code except in the event of demolition or of a major alteration. Short Term Rentals (STRs) are permitted on C2 zoned properties, including within the Downtown Overlay District (DOD), granted applicable standards and requirements are complied with.

Offering Summary

Address	615 SW Evergreen Avenue, Redmond, Oregon, 97756 - Deschutes County
Property ID	15-13-16AB TL 11700 APN 123427
Gross Acreage	± 0.06-acres (2,613.6 SF)
Year Built	± 1919 (per County)
GBSF	± 7,500 SF (per Assessor)
Zoning	C-2 (CBD - class 509)
Annual Taxes	\$8,764.25 (2023)
# Units	14 total; 10 residential / 4 commercial
Offering Price	\$1,765,000
Price/SF	\$255.80
Cap Rate	4.74%
Proforma Cap Rate	7.02%
Unit Mix	(2) commercial suites (3) 2-bed / 1-bath units (1) 1-bed / 1-bath unit (8) efficiency studio units
Expense Load	Landlord current pays all utilities

Investment Highlights



Rare Downtown Mixed Use Building

The Landaker Building is one of only a handful of actively available multifamily/mixed-use properties in Redmond.



Prime Downtown Location

Situated in Redmond's CBD, The Landaker Building enjoys high visibility and easy access to every attraction in the area.



Dynamic City and Region

Redmond, Oregon is a dynamic market, with rich history and many economic drivers, as well as an area known for its natural beauty.



Strong Going-In Cash Flow

The fully leased building indicates strong demand. Other improvements and upgrades could offer substantial upside.



Historically Stable Cash Flow

The property has generated solid income with low vacancy and manageable expenses, allowing for a reliable income-producing asset.



Parcel boundaries are approximate and are for illustration purposes only.



370

97

Subject Property



126

Redmond



126

97





Hugh Hartman Elementary

John Tuck Elementary

Dry Canyon Disc Golf

97

Redmond High School

Redmond City Hall

Subject Property

126

Centennial Park

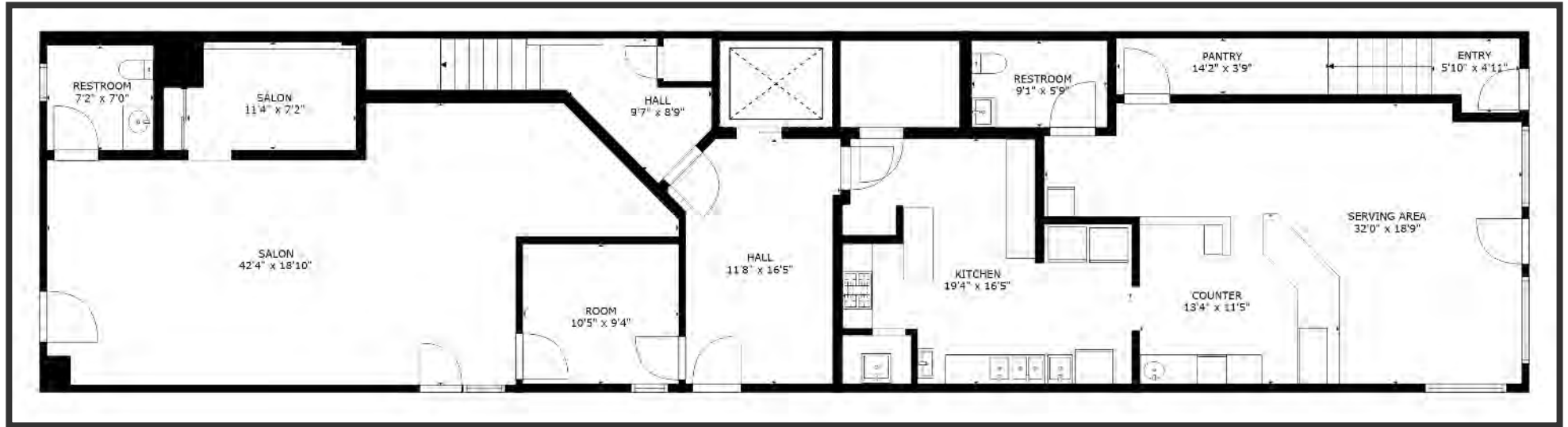
126

MA Lynch Elementary

97

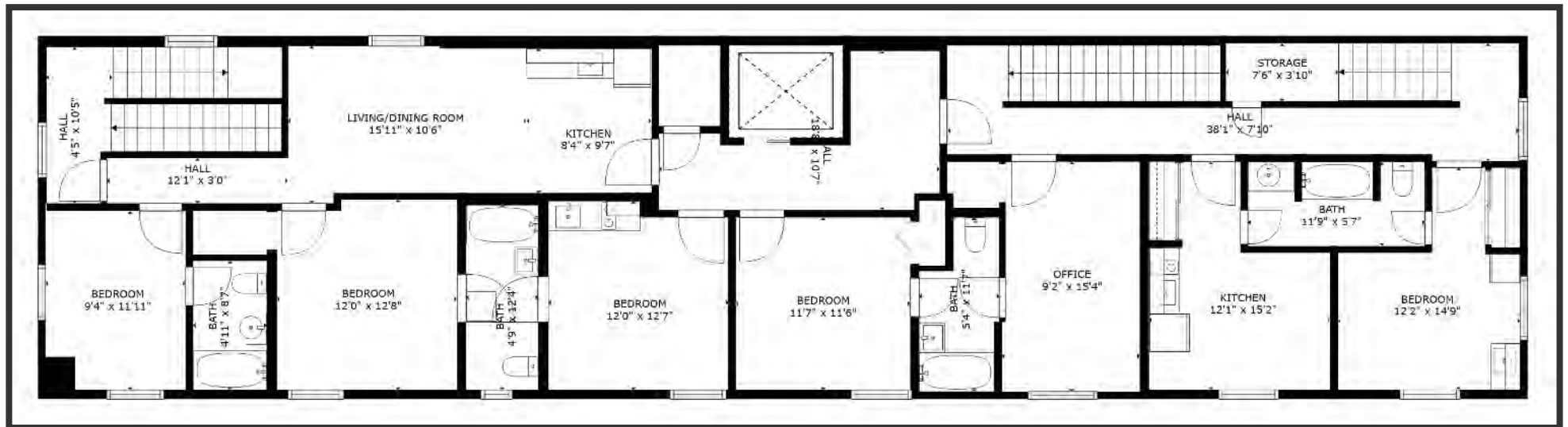
Obsidian Middle School

Landaker Building - Floorplans



First Floor

(floorplans are approximate and for illustration purposes only.)



Second Floor

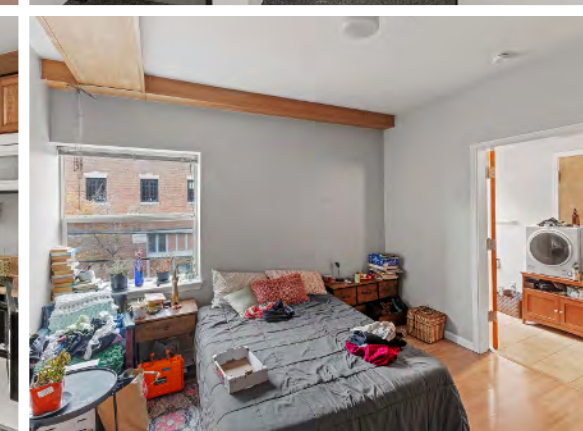
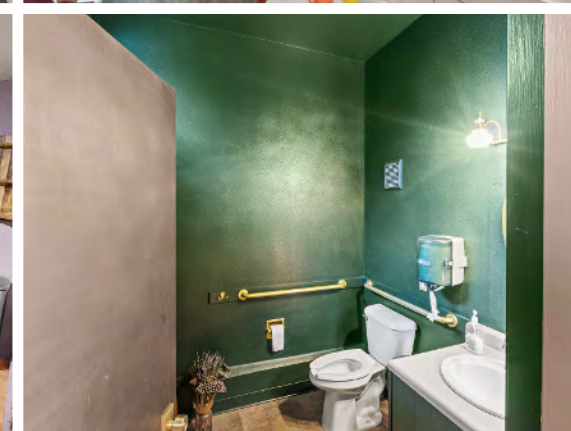
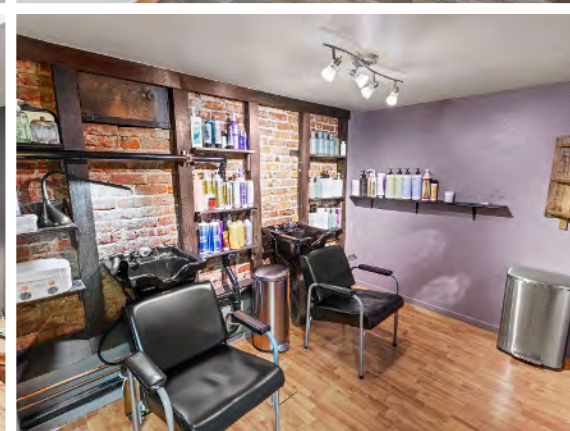
(floorplans are approximate and for illustration purposes only.)

Landaker Building - Floorplans

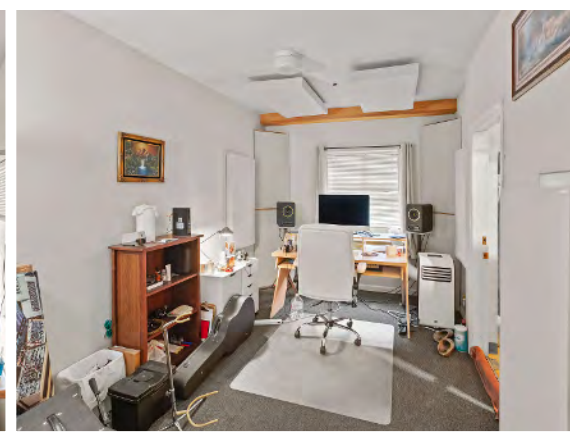
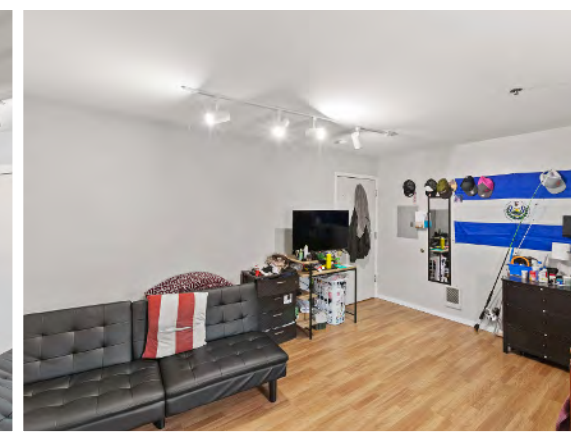


Third Floor

(floorplans are approximate and for illustration purposes only.)



Additional Property Photos



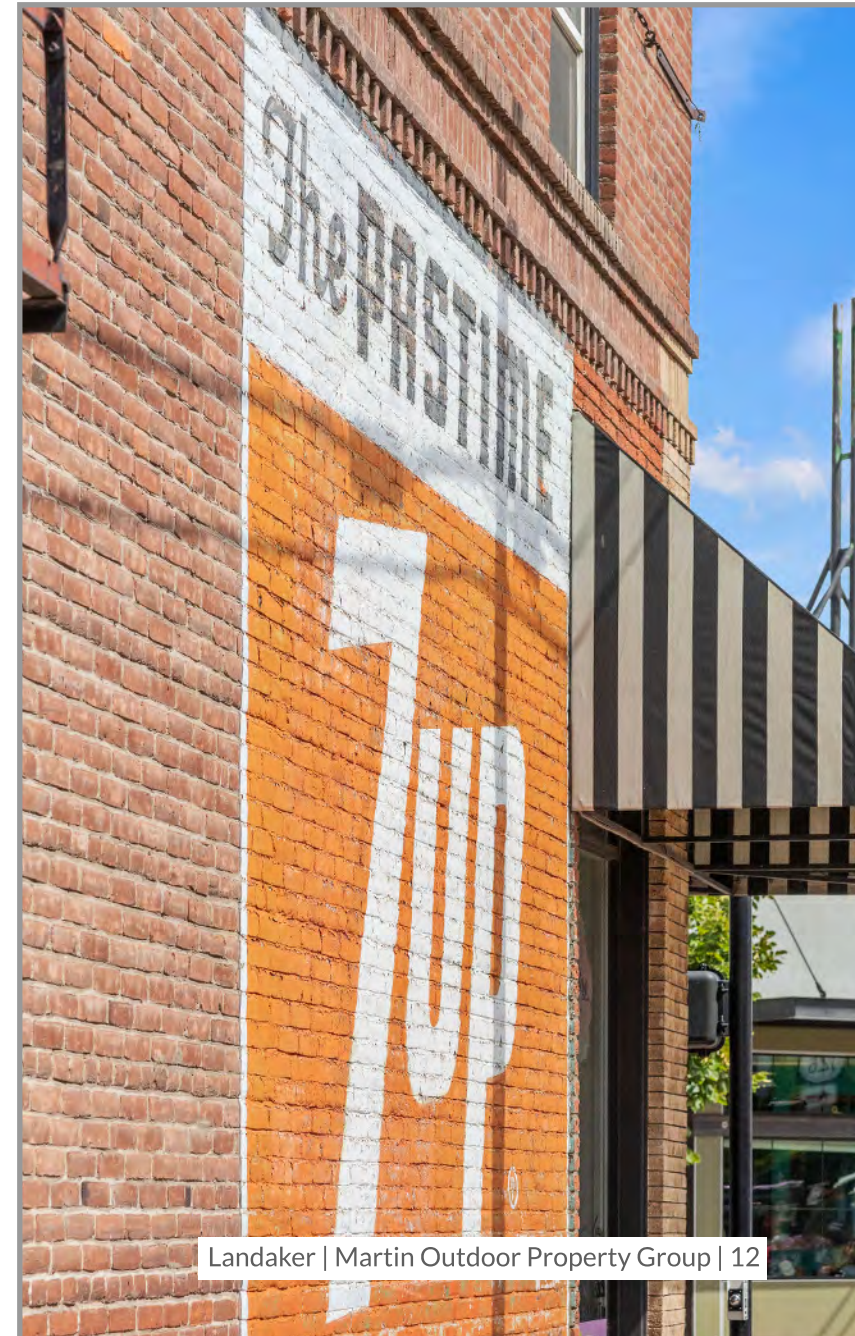
Additional Property Photos

Financial Summary - Rent Roll

Rent Roll - as of Sept '24

Unit	Unit Type	Rent	Deposit	Lease Start	Lease To
# BS	2/1.00	\$1,525	\$900	10/01/2016	MTM
# MS	2/1.00	\$1,591	\$1,500	05/01/2021	MTM
# 200/201**	Studio	\$1,200	\$2,790	11/01/2023	MTM
# 202*	Studio	\$600	\$950	09/02/2022	MTM
# 203*	Studio	\$687	\$2,050	02/15/2024	MTM
# 204*	Studio	\$360	\$0*	10/01/2016	MTM
# 205*	Studio	\$775	\$1,750	04/30/2024	04/29/2025
# 206*	Studio	\$600	\$950	11/01/2023	MTM
# 300*	Studio	\$740	\$2,100	12/01/2023	MTM
# 301*	Studio	\$600	\$535	10/01/2016	MTM
# 302	Studio	\$850	\$1,150	11/01/2021	MTM
# 303*	Studio	\$650	\$995	05/02/2022	MTM
# 304*	Studio	\$875	\$1,500	04/05/2024	04/04/2025
14* Units		\$11,053	\$17,170		

*Unit has shared bathroom. **One tenant currently leases #200 & #201. Information obtained from sources deemed reliable but not guaranteed. Subject to Buyer's independent verification. Buyer to complete all due diligence.



Financial Summary - Proforma

Current Income		2024	/Unit		Rents at Market	Market Rents + 25% STR
Gross Scheduled Rent		\$132,639	\$9,474		\$161,595	\$184,995
Laundry Income	Annualized	\$402	\$29		\$414	\$426
Vacancy & Credit Loss	3.00%	(\$3,979)	(\$284)		(\$4,848)	(\$5,550)
Effective Gross Income		\$129,062	\$9,219		\$157,161	\$179,872
Expenses						
	Notes	2024	/Unit	% of EGI		
Property Taxes	2023-24	\$8,764	\$626	6.79%	\$9,027	\$9,298
Insurance	Actual	\$4,216	\$301	3.27%	\$4,342	\$4,473
Marketing	Estimated	\$250	\$18	0.19%	\$258	\$265
Power	Annualized	\$7,363	\$526	5.71%	\$7,584	\$7,812
Gas	Ann.	\$802	\$57	0.62%	\$826	\$851
Water	Ann.	\$3,221	\$230	2.50%	\$3,318	\$3,417
Garbage	Ann.	\$1,816	\$130	1.41%	\$1,870	\$1,926
Internet/Phone	Ann.	\$648	\$46	0.50%	\$667	\$687
R&M	Estimated	\$6,453	\$461	5.00%	\$7,858	\$8,994
Management	Estimated	\$9,034	\$645	7.00%	\$11,001	\$15,289
Misc (Pest control, LCs, etc.)	Estimated	\$2,775	\$198	2.15%	\$2,858	\$2,944
Total Operating Expenses		\$45,342	\$3,239	35.13%	\$49,610	\$55,956
Net Operating Income		\$83,720	\$5,980		\$107,551	\$123,916

Note: Information is provided in good faith and obtained from sources deemed reliable, but is subject to buyer's independent verification and makes no guarantees about current or future returns.

Market Overview - Redmond

Redmond, Oregon - Redmond has a rich history that dates back to its founding in 1910, when it was established as a hub for agriculture and irrigation in Central Oregon. The city's development was closely tied to the Deschutes Project, which provided essential water resources to the area. Over the decades, Redmond evolved from a small agricultural community into a thriving city, benefiting from its strategic location along major transportation routes. Today, it is known for its vibrant history, strong sense of community, and a rapidly expanding population that has been driven by its proximity to Bend and the overall growth of the region.

The character of Redmond is defined by its blend of small-town charm and modern amenities. The city offers a high quality of life with an abundance of outdoor recreational opportunities, including access to the Cascade Mountains and numerous parks. Redmond's downtown area has also seen significant revitalization, featuring a mix of historic buildings, local businesses, and new developments that contribute to a lively and attractive environment. This combination of natural beauty, community spirit, and ongoing development makes Redmond an appealing place for both residents and businesses.

In recent years, Redmond has experienced substantial growth, with its population and economy expanding at a rapid pace. The commercial real estate market in Redmond has mirrored this growth, with increasing demand for retail, office, and industrial spaces. Investors are attracted to Redmond's strategic location, affordable property prices, and the city's commitment to fostering business development. As a result, Redmond has become a key player in Central Oregon's commercial real estate landscape, offering promising opportunities for investment and development.



Oregon Rent Increases & Regulations

SB 608 & SB 611 Summary

Per SB 608, enacted in February of 2019, the state of Oregon mandates the maximum annual rent increases for applicable multifamily properties. The maximum annual rent increase amounts have varied since this Senate Bill was passed; the most recent being a 14.6% increase allowed from January 1st - July 6th of 2023. On July 6th, 2023, the State of Oregon passed SB 611, which, effective immediately, caps all future rent increases to a maximum of 10%, or 7% plus the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics, whichever is lower. However, the exact future rent increase maximums are not yet determined, and are typically published in Q4 of the preceding calendar year.

If a rental housing provider happens to increase the rent above the maximum amount allowed, SB 608 specifies a penalty of 3 months' rent, actual damages sustained by the tenant, and potential attorney fees and legal costs.

The only exemptions to this maximum rent increase limit are:

- Properties with a certificate of occupancy less than 15 years old, or
- Properties providing reduced rent to the tenant as part of any federal, state or local program or subsidy (Section 8 Housing Choice Vouchers not applicable).

Sources: MultiFamily NW, Oregon Dept of Administrative Services.

Buyer must complete any and all due diligence regarding rent increases and exemptions. All info regarding rent increases is subject to change at any time without notification to buyers or sellers.

Disclosures

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THE
LANDAKER



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