

1621-1637 SE HAWTHORNE BLVD

Seller Financing For Qualified Buyers | 30% Down | 5% Interest | 30 Year Am | 5 Year Term



The background image shows a city street scene. On the left is a multi-story brick building with a sign that reads "PJ SLEEP SHOP". In the center is a two-story building with a green awning over the entrance, which appears to be a cafe or restaurant. A white SUV is parked in front of it. To the right is a white house with a gabled roof. The sky is clear and blue. A dark blue semi-transparent overlay covers the center of the image, where the text is located.

EXCLUSIVELY LISTED BY

Nathan Drake

Senior Director Investments

Office: Portland

Direct: 503.200.2046

Nathan.Drake@marcusmillichap.com

License: OR #201218242

Marcus & Millichap

OFFERING SUMMARY



Listing Price
\$2,200,000



Proforma Cap Rate
6.75%



Price Per SF
\$225

FINANCIAL

| | |
|---------------|-------------|
| Listing Price | \$2,200,000 |
|---------------|-------------|

| | |
|--------------|----------|
| Price Per SF | \$225.18 |
|--------------|----------|

SELLER FINANCING

| | |
|--------------|-----------------|
| Down Payment | 30% / \$660,000 |
|--------------|-----------------|

| | |
|---------------|-------|
| Interest Rate | 5.00% |
|---------------|-------|

| | |
|--------------|----------|
| Amortization | 30 Years |
|--------------|----------|

| | |
|-----------|---------|
| Loan Term | 5 Years |
|-----------|---------|

| | |
|-----------------|---------|
| Monthly Payment | \$8,267 |
|-----------------|---------|

OPERATIONAL

| | |
|-------------|----------|
| Rentable SF | 9,770 SF |
|-------------|----------|

| | |
|------------|------|
| Year Built | 1924 |
|------------|------|

| | |
|----------|-----------------|
| Roof Age | 11 Years (2014) |
|----------|-----------------|

| | |
|------------|------------------|
| Sprinklers | Yes (Wet System) |
|------------|------------------|

| | |
|----------|-----------------------|
| Lot Size | 0.22 Acres (9,500 SF) |
|----------|-----------------------|

| | |
|--------|------------------------------|
| Zoning | Commercial Mixed-Use 2 (CM2) |
|--------|------------------------------|



Finance with us and, if interest rates fall within 24 months, request a one-time rate reduction of up to 1.25%.*

Our innovative solutions can help you finance owner-occupied real estate properties at competitive interest rates and loan terms. So why wait to purchase or refinance?

- Loan amounts of \$1,000,000 - \$10,000,000
- Borrower can choose a one-time interest rate adjustment of up to 1.25% within the first 24 months of loan funding (calculated using the promissory note's original interest rate index and spread)
- 12 month interest-only period
- Up to 30-year amortization on select owner-occupied industrial, medical office and retail property types
- Up to 80% loan-to-value on purchase and no cash back refinance (up to 65% loan-to-value for cash-out financing). Existing Heritage Bank loans are eligible for refinance if they are within one year of maturity.
- Competitive fixed interest rate
- Easy application process and local, timely approvals

For more information on this limited-time offer, please contact:

Dawn Redmond

VP, Commercial Banking Officer

dawn.redmond@heritagebanknw.com

360-609-2892



Heritage
BANK

1621-1637 SE Hawthorne Blvd // RENT ROLL

| CURRENT RENT ROLL | TENANT NAME | SUITE | LEASABLE AREA | % OF BLDG | LEASE EXPIRATION | CURRENT RENT PSF | CURRENT MONTHLY RATE | CURRENT ANNUAL RATE | NNN RENT PSF | NNN MONTHLY | NNN ANNUAL |
|-------------------|-----------------|-------|---------------|-------------|------------------|------------------|----------------------|---------------------|---------------|--------------|----------------|
| | PJ's Sleep Shop | 1625 | 7,100 | 72.67% | 11/30/27 | \$6.25 | \$3,700 | \$44,400 | \$0.00 | \$0 | \$0 |
| | Barley Mill Pub | 1629 | 2,670 | 27.33% | 08/31/26 | \$22.47 | \$5,000 | \$60,000 | \$1.26 | \$280 | \$3,362 |
| | SUBTOTAL | - | 9,770 | 100% | - | \$10.69 | \$8,700 | \$104,400 | \$0.34 | \$280 | \$3,362 |

*PJ's Sleep Shop – 90 Day Landlord Termination Right.

**McMenamin's has (1) 5 Year Option at Market Rent.

| PROFORMA RENT ROLL | TENANT NAME | SUITE | LEASABLE AREA | % OF BLDG | LEASE EXPIRATION | PROFORMA RENT PSF | MONTHLY RENT | ANNUAL RENT | NNN RENT PSF | NNN MONTHLY | NNN ANNUAL |
|--------------------|-----------------|-------|---------------|-------------|------------------|-------------------|-----------------|------------------|---------------|----------------|-----------------|
| | PJ's Sleep Shop | 1625 | 7,100 | 72.67% | MTM | \$12.00 | \$7,100 | \$85,200 | \$3.60 | \$2,127 | \$25,528 |
| | Barley Mill Pub | 1629 | 2,670 | 27.33% | 08/31/26 | \$28.00 | \$6,230 | \$74,760 | \$3.60 | \$800 | \$9,600 |
| | SUBTOTAL | - | 9,770 | 100% | - | \$16.37 | \$13,330 | \$159,960 | \$3.60 | \$2,927 | \$35,128 |

OPERATING STATEMENT // 1621-1637 SE Hawthorne Blvd

CURRENT OPERATING STATEMENT

| | | |
|-------------------------------|-------------------|-----------------|
| Gross Potential Rent | \$ 104,400 | \$ 10.69 |
| Additional Income (NNN) | <u>\$ 3,362</u> | <u>\$ 0.34</u> |
| Net Potential Rent | \$ 107,762 | \$ 11.03 |
| Vacancy Factor | <u>\$ -</u> | 0.00% |
| Effective Gross Income | \$ 107,762 | \$ 11.03 |

| | | |
|-----------------------|------------------|----------------|
| Property Taxes | \$ 12,467 | \$ 1.28 |
| Insurance | \$ 3,527 | \$ 0.36 |
| Utilities | \$ - | \$ - |
| Repairs | \$ - | \$ - |
| Maintenance | \$ - | \$ - |
| Management (4%) | \$ - | \$ - |
| Reserves (\$0.20 psf) | \$ 1,954 | \$ 0.20 |
| Total Expenses | \$ 17,948 | \$ 1.84 |

| | | |
|-----------------------------|------------------|----------------|
| Net Operating Income | \$ 89,814 | \$ 9.19 |
|-----------------------------|------------------|----------------|

| | |
|------------------------------|--------------------|
| Purchase Price | \$2,200,000 |
| Current Cap Rate | 4.08% |
| Price Per Square Foot | \$225 |

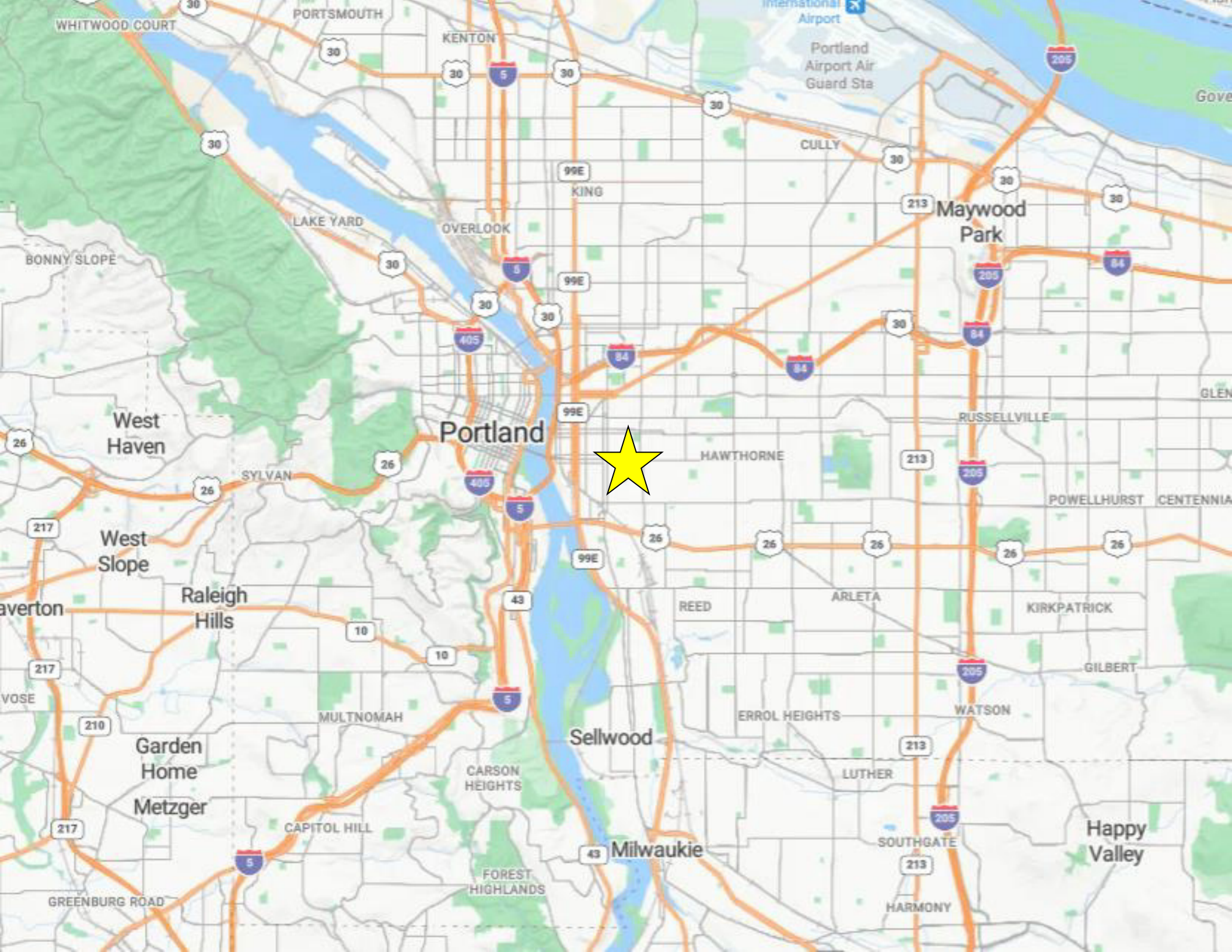
PROFORMA OPERATING STATEMENT

| | | |
|-------------------------------|-------------------|-----------------|
| Gross Potential Rent | \$ 159,960 | \$ 16.37 |
| Additional Income (NNN) | <u>\$ 33,174</u> | <u>\$ 3.40</u> |
| Net Potential Rent | \$ 193,134 | \$ 19.77 |
| Vacancy Factor | <u>\$ 9,657</u> | 5.00% |
| Effective Gross Income | \$ 183,477 | \$ 18.78 |

| | | |
|-----------------------|------------------|----------------|
| Property Taxes | \$ 12,467 | \$ 1.28 |
| Insurance | \$ 3,527 | \$ 0.36 |
| Utilities | \$ - | \$ - |
| Repairs | \$ 4,885 | \$ 0.50 |
| Maintenance | \$ 4,885 | \$ 0.50 |
| Management (4%) | \$ 7,339 | \$ 0.75 |
| Reserves (\$0.20 psf) | \$ 1,954 | \$ 0.20 |
| Total Expenses | \$ 35,057 | \$ 3.59 |

| | | |
|-----------------------------|-------------------|-----------------|
| Net Operating Income | \$ 148,420 | \$ 15.19 |
|-----------------------------|-------------------|-----------------|

| | |
|------------------------------|--------------------|
| Purchase Price | \$2,200,000 |
| Market Cap Rate | 6.75% |
| Price Per Square Foot | \$225 |



SE Stark St

SE Stark St



BUCKMAN

SE Morrison St

SE Belmont St



SE 30th Ave

99E

SE Grand Ave

SE 7th Ave



NO FUN



SE Madison St

SE Hawthorne Blvd

SE Clay St

99E



SE 12th Ave

LADD'S ADDITION

SE Division St

99E

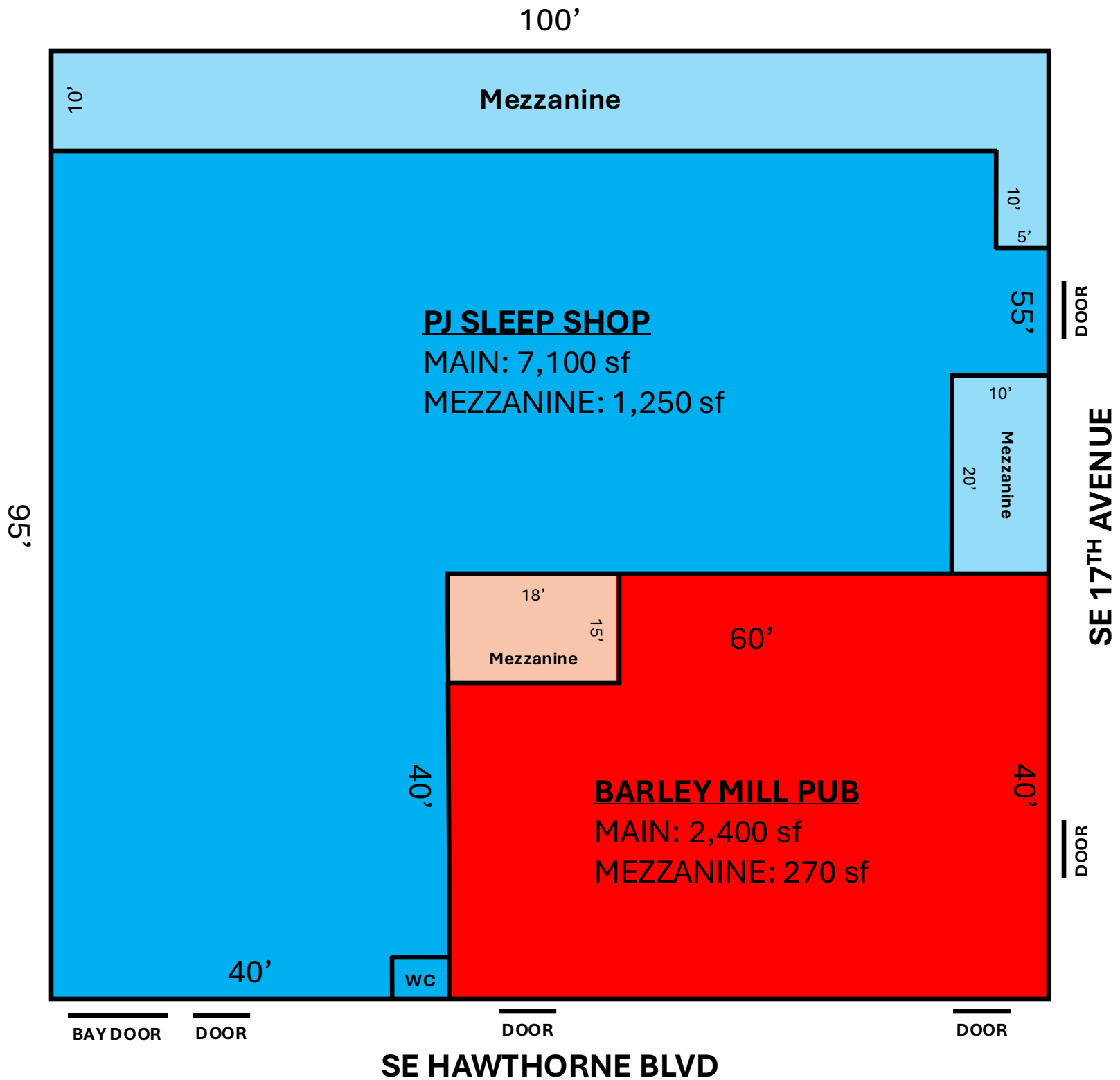














TENANT HIGHLIGHTS

- Barley Mill Pub was the 1st McMenamins Location Ever
- Opened in 1983, Barley Mill Pub has Operated Here for 40+ Years
- McMenamins Operates 56 Locations Across Oregon and Washington
- McMenamins Operates 24 Breweries, Producing Award Winning Beverages

TENANT OVERVIEW

| | |
|---------------|---|
| Company: | McMenamins - [Barley Mill Pub Location] |
| Founded: | 1985 |
| Locations: | 56 |
| Lease Rate: | \$22.10 MG |
| Headquarters: | Portland, OR |
| Website: | https://www.mcmenamins.com/ |

RENT SCHEDULE

| LEASE YEARS | ANNUAL RENT | BUMP |
|-------------------|-------------|-------------|
| 09/01/25-08/31/26 | \$60,000 | Fair Market |
| 5 Year Option | Fair Market | TBD |

ABOUT THE TENANT

McMenamins is a family-owned chain of brewpubs, breweries, music venues, historic hotels, and theater pubs in the U.S. states of Oregon and Washington. Many of their locations are in rehabilitated historical properties; several are listed on the National Register of Historic Places. McMenamins was founded by brothers Mike and Brian McMenamin, who were raised in northeast Portland.







PJS SLEEP SHOP // 1621-1637 SE Hawthorne Blvd



TENANT HIGHLIGHTS

- 2nd Generation, Family Owned Mattress Retailer
- PJs has been Serving the Community for 50+ Years
- Providing Customers with Huge Selections and Low Prices

TENANT OVERVIEW

| | |
|---------------|---|
| Company: | PJs Sleep Shop - Mattress Store |
| Founded: | 1974 |
| Locations: | 1 |
| Lease Rate: | \$5.41 MG |
| Headquarters: | Portland, OR |
| Website: | https://www.pjsleepshop.com/ |

RENT SCHEDULE

| LEASE YEARS | ANNUAL RENT | BUMP |
|------------------------------------|-------------|------|
| 11/30/2027 (90 Day LL Termination) | \$44,400 | 3% |
| New Lease / Owner-Occupant | Fair Market | 3% |

CUSTOM TEXT

Patrick James opened PJ Sleep Shop in 1974 making them the oldest mattress store in Portland, Oregon. Patrick has since retired, but his son Jeremy and wife Peggy continue to operate the business.

60 MONTH
9.99% APR CREDIT

AMERICAN SLEEP
BY YOUR CHOICE



SLEEP BETTER
KNOWING YOU SAVED

BEAUTYREST
APICRED

Beautyrest
America's Original



SLEEP BETTER
KNOWING YOU SAVED!

HOLLYWOOD BED FRAMES



MATTRESS SALE
SAVE TODAY

HOLLYWOOD BED FRAMES

\$800
QUEEN

1621-1637 SE Hawthorne Blvd // DEMOGRAPHICS

| POPULATION | 1 Mile | 3 Miles | 5 Miles |
|-------------------------------|---------------|----------------|----------------|
| 2028 Projection | | | |
| Total Population | 31,049 | 238,585 | 491,230 |
| 2023 Estimate | | | |
| Total Population | 29,317 | 231,412 | 477,340 |
| 2020 Census | | | |
| Total Population | 27,895 | 230,365 | 475,657 |
| 2010 Census | | | |
| Total Population | 23,163 | 193,330 | 420,940 |
| Daytime Population | | | |
| 2023 Estimate | 46,967 | 409,123 | 623,553 |
| HOUSEHOLDS | 1 Mile | 3 Miles | 5 Miles |
| 2028 Projection | | | |
| Total Households | 16,604 | 123,792 | 230,589 |
| 2023 Estimate | | | |
| Total Households | 15,538 | 119,622 | 223,333 |
| Average (Mean) Household Size | 1.8 | 1.9 | 2.1 |
| 2010 Census | | | |
| Total Households | 14,824 | 116,923 | 218,667 |
| 2010 Census | | | |
| Total Households | 11,824 | 96,220 | 190,224 |
| Occupied Units | | | |
| 2028 Projection | 18,057 | 135,882 | 248,726 |
| 2023 Estimate | 16,821 | 131,098 | 240,667 |
| HOUSEHOLDS BY INCOME | 1 Mile | 3 Miles | 5 Miles |
| 2023 Estimate | | | |
| \$150,000 or More | 18.9% | 23.8% | 21.8% |
| \$100,000-\$149,999 | 15.5% | 18.1% | 18.6% |
| \$75,000-\$99,999 | 11.9% | 12.0% | 13.1% |
| \$50,000-\$74,999 | 14.9% | 13.6% | 15.0% |
| \$35,000-\$49,999 | 11.2% | 8.4% | 9.2% |
| Under \$35,000 | 27.6% | 24.2% | 22.2% |
| Average Household Income | \$100,935 | \$123,059 | \$117,792 |
| Median Household Income | \$68,621 | \$82,693 | \$81,334 |
| Per Capita Income | \$53,920 | \$64,150 | \$55,558 |

| HOUSEHOLDS BY EXPENDITURE | 1 Mile | 3 Miles | 5 Miles |
|---|---------------|----------------|----------------|
| Total Average Household Retail Expenditure | \$73,760 | \$78,841 | \$79,634 |
| Consumer Expenditure Top 10 Categories | | | |
| Housing | \$25,637 | \$27,051 | \$27,176 |
| Transportation | \$14,124 | \$14,572 | \$14,721 |
| Food | \$9,092 | \$9,561 | \$9,654 |
| Personal Insurance and Pensions | \$8,905 | \$9,592 | \$9,674 |
| Healthcare | \$4,631 | \$5,345 | \$5,552 |
| Entertainment | \$3,208 | \$3,554 | \$3,618 |
| Cash Contributions | \$2,375 | \$2,814 | \$2,855 |
| Apparel | \$2,051 | \$2,188 | \$2,166 |
| Gifts | \$1,448 | \$1,663 | \$1,636 |
| Personal Care Products and Services | \$851 | \$924 | \$931 |
| POPULATION PROFILE | 1 Mile | 3 Miles | 5 Miles |
| Population By Age | | | |
| 2023 Estimate Total Population | 29,317 | 231,412 | 477,340 |
| Under 20 | 10.1% | 13.4% | 16.9% |
| 20 to 34 Years | 36.8% | 29.1% | 25.6% |
| 35 to 39 Years | 13.5% | 10.9% | 10.2% |
| 40 to 49 Years | 17.0% | 16.2% | 16.1% |
| 50 to 64 Years | 14.0% | 16.5% | 17.2% |
| Age 65+ | 8.5% | 13.8% | 14.0% |
| Median Age | 36.0 | 38.3 | 38.6 |
| Population 25+ by Education Level | | | |
| 2023 Estimate Population Age 25+ | 24,890 | 187,844 | 371,621 |
| Elementary (0-8) | 1.1% | 1.3% | 2.4% |
| Some High School (9-11) | 2.5% | 2.2% | 3.2% |
| High School Graduate (12) | 8.9% | 9.2% | 12.4% |
| Some College (13-15) | 18.2% | 17.3% | 18.7% |
| Associate Degree Only | 5.2% | 5.1% | 6.1% |
| Bachelor's Degree Only | 40.6% | 37.1% | 33.7% |
| Graduate Degree | 23.5% | 27.7% | 23.6% |

DEMOGRAPHICS // 1621-1637 SE Hawthorne Blvd



POPULATION

In 2023, the population in your selected geography is 477,340. The population has changed by 13.40 since 2010. It is estimated that the population in your area will be 491,230 five years from now, which represents a change of 2.9 percent from the current year. The current population is 49.8 percent male and 50.2 percent female. The median age of the population in your area is 38.6, compared with the U.S. average, which is 38.7. The population density in your area is 6,061 people per square mile.



EMPLOYMENT

In 2023, 291,339 people in your selected area were employed. The 2010 Census revealed that 71.3 percent of employees are in white-collar occupations in this geography, and 13.3 percent are in blue-collar occupations. In 2023, unemployment in this area was 4.0 percent. In 2010, the average time traveled to work was 25.00 minutes.



HOUSEHOLDS

There are currently 223,333 households in your selected geography. The number of households has changed by 17.41 since 2010. It is estimated that the number of households in your area will be 230,589 five years from now, which represents a change of 3.2 percent from the current year. The average household size in your area is 2.1 people.



HOUSING

The median housing value in your area was \$483,716 in 2023, compared with the U.S. median of \$268,796. In 2010, there were 97,730.00 owner-occupied housing units and 92,496.00 renter-occupied housing units in your area.



INCOME

In 2023, the median household income for your selected geography is \$81,334, compared with the U.S. average, which is currently \$68,480. The median household income for your area has changed by 62.47 since 2010. It is estimated that the median household income in your area will be \$94,551 five years from now, which represents a change of 16.3 percent from the current year.

The current year per capita income in your area is \$55,558, compared with the U.S. average, which is \$39,249. The current year's average household income in your area is \$117,792, compared with the U.S. average, which is \$100,106.



EDUCATION

The selected area in 2023 had a higher level of educational attainment when compared with the U.S. averages. 23.6 percent of the selected area's residents had earned a graduate degree compared with the national average of only 12.7 percent, and 33.7 percent completed a bachelor's degree, compared with the national average of 20.2 percent.

The number of area residents with an associate degree was lower than the nation's at 6.1 percent vs. 8.5 percent, respectively.

The area had fewer high-school graduates, 12.4 percent vs. 26.9 percent for the nation. The percentage of residents who completed some college is also lower than the average for the nation, at 18.7 percent in the selected area compared with the 20.1 percent in the U.S.

NON-ENDORSEMENT & DISCLAIMER NOTICE

CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

RENT DISCLAIMER

Any rent or income information in this offering memorandum, with the exception of actual, historical rent collections, represent good faith projections of potential future rent only, and Marcus & Millichap makes no representations as to whether such rent may actually be attainable. Local, state, and federal laws regarding restrictions on rent increases may make these projections impossible, and Buyer and its advisors should conduct their own investigation to determine whether such rent increases are legally permitted and reasonably attainable.

Activity ID #ZAE0210323

Marcus & Millichap

OFFICES THROUGHOUT THE U.S. AND CANADA
marcusmillichap.com

The background image shows a city street scene. On the left is a multi-story brick building with a sign that reads "PJ SLEEP SHOP". In the center is a two-story building with a green awning over the entrance, which appears to be a cafe or restaurant. A white SUV is parked in front of it. To the right is a white house with a gabled roof. The sky is clear and blue. A dark blue semi-transparent overlay covers the center of the image, where the text is located.

EXCLUSIVELY LISTED BY

Nathan Drake

Senior Director Investments

Office: Portland

Direct: 503.200.2046

Nathan.Drake@marcusmillichap.com

License: OR #201218242

Marcus & Millichap