


OFFERING MEMORANDUM


# Townhomes ON VIEW POINT

5-Unit Apartment Community  
Located in Southwest Portland



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**GREA**

 (503) 241-5541

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# Property Overview



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# PROPERTY OVERVIEW

## Townhomes on View Point

### 5 Units Located Near Portland's South Waterfront

**Introducing the Townhomes on View Point**, a 5-unit apartment community in the heart of southwest Portland, OR ideal for an owner-occupant. The property's one-, three-, and four-bedroom units feature spacious layouts situated on a quiet, tree-lined street with easy connectivity to urban amenities. The Townhomes have had recent upgrades and feature desirable apartment amenities including large floorplans, fully-equipped kitchens with stainless steel appliances, fireplaces, in-unit washer and dryers, balconies or patios, and attached garages.

Located in beautiful Southwest Portland and less than ten minutes from Downtown Portland, the Townhomes on View Point provides residents with an ideal location for work and play. The Townhomes on View Point is only five minutes from the Oregon Health & Science University, a public research university and hospital on a campus spanning 400 acres. The University serves over 18,000 employees and 4,100 students, making the Townhomes on View Point an ideal location for both professional and student commuters alike.

### Property Summary

<b>Address</b>	5013-5025 SW View Point Terrace, Portland, OR 97239		
<b>Year Built</b>	1979 & 1991	<b>Stories</b>	2
<b>Unit Count</b>	5	<b>No. of Buildings</b>	2
<b>Avg Unit Size</b>	1,673 SF	<b>Lot Size</b>	0.23 AC
<b>Total Rentable Size</b>	8,365 SF	<b>County</b>	Multnomah

### Pricing Summary

<b>Price</b>	\$1,750,000	<b>Per/SF</b>	\$209
<b>Per/Unit</b>	\$350,000	<b>Cap Rate</b>	6.12%

*Seller Financing: the Townhomes on View Point are offered with attractive seller financing. See next page for details.*

Townhomes on View Point | Portland, OR



Downtown  
Portland

Townhomes  
ON VIEW POINT

## UNIT MIX SUMMARY

Unit Type	Unit Count	Square Feet	Scheduled Rent	Scheduled Rent Per SF	Market Rents	Market Rents Per SF
1 Bed / 1 Bath	1	630	\$1,485	\$2.36	\$1,638	\$2.60
3 Bed / 2 Bath	1	1,635	\$2,425	\$1.48	\$2,861	\$1.75
4 Bed / 2.5 Bath	1	1,950	\$2,995	\$1.54	\$3,413	\$1.75
4 Bed / 2.5 Bath	1	1,950	\$3,200	\$1.64	\$3,413	\$1.75
4 Bed / 2.5 Bath	1	2,200	\$3,475	\$1.58	\$3,850	\$1.75
<b>Totals / Averages</b>	<b>5</b>	<b>1,673</b>	<b>\$2,716</b>	<b>\$1.62</b>	<b>\$3,035</b>	<b>\$1.81</b>

## The Townhomes on View Point are offered with attractive seller financing

**Suggested Terms Include:** The Townhomes on View Point offers attractive financing which includes 25% downpayment with the balance accruing interest at 5.75% per annum. Monthly payments of interest only for first 3 years, then principal and interest amortize in equal monthly payments over 30 years. Then the entire remaining balance payable in full 11 years after date of sale.

### Loan Summary

<b>Loan Amount as of 5-2024</b>	\$1,312,500	<b>I/O</b>	3 Years
<b>LTV</b>	75%	<b>Payment</b>	\$6,289
<b>Interest Rate</b>	5.75%	<b>DCR (Scheduled Rent)</b>	1.42
<b>Term</b>	11 / 30	<b>Cash-on-Cash Return</b>	7.22%



**Spacious Balconies & Attached Garages**



## Desirable Amenities

The Townhomes on View Point offers residents large floorplans, fully-equipped kitchens with stainless steel appliances, central air conditioning, forced-air central heat, ceiling fans, fireplaces, in-unit washer and dryers, balconies or patios, attached garages, and off-street parking.





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# Location Overview



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## Homestead Neighborhood

**Homestead, perched above the Willamette River in southwest Portland, offers residents a harmonious blend of urban convenience and natural serenity.** Boasting proximity to downtown, this neighborhood serves as a prime location for those seeking an easy commute to the heart of the city. Anchored by the renowned OHSU campus and hospital, Homestead stands as a hub of excellence in healthcare, attracting professionals and students alike. Moreover, the neighborhood's expansive Marquam Nature Park, with its sprawling forests and extensive trail network, provides an idyllic escape into nature, offering residents ample opportunities for outdoor recreation and relaxation.

In addition to its outstanding amenities, Homestead exudes a sense of community and safety, making it an ideal choice for residents of all ages. With highly rated public schools, diverse dining options, and well-maintained parks dotting its landscape, Homestead embodies the epitome of comfortable and vibrant urban living. Whether strolling through tree-lined streets or exploring the nearby hiking trails, residents of Homestead revel in the tranquil beauty and accessibility of their surroundings, making it a sought-after destination for renters and investors alike.





## Oregon Health & Science University

5-Minute Drive

**18,000**

Employees

**4,123**

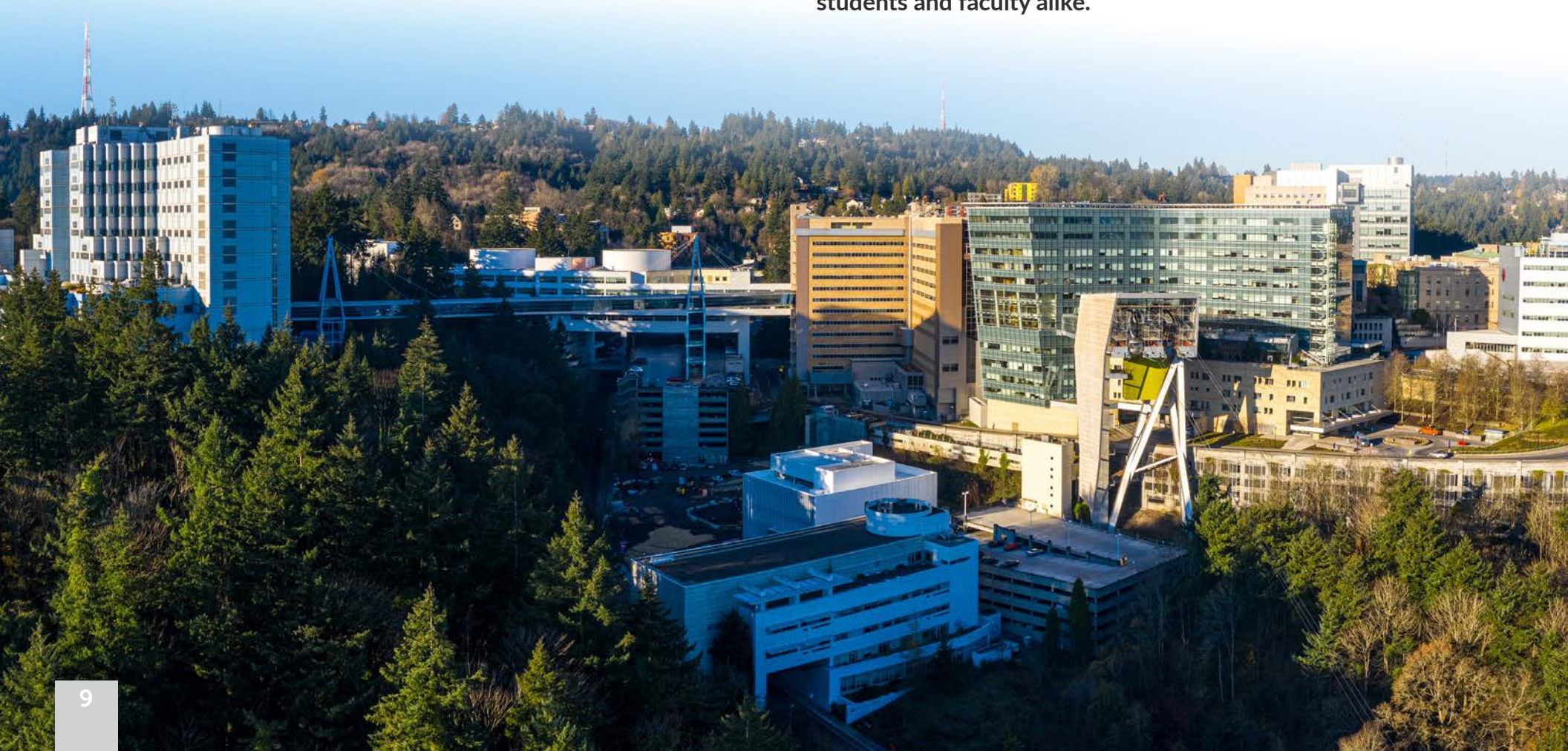
Students

**#1**

Medical School for  
Family Medicine

## A Seamless Path to Health & Education

Oregon Health & Science University (OHSU) is a public research university with its main campus, including two hospitals, in Portland, Oregon. The university's programs are highly ranked nationally, with the School of Medicine ranking in the top 5 for primary care and family medicine residency ranking #1 by U.S. News & World Report. **The demand for nearby housing, such as the offerings at the Townhomes on View Point, underscores the vital role of accessible accommodations for students and faculty alike.**



## Why Portland?

### A Prime Investment Destination in the Heart of the Pacific Northwest

**The Townhomes on View Point** is nestled in the heart of Portland, Oregon, which stands as a beacon of economic strength and natural beauty. Renowned for its vibrant culture, sustainable urban development, and unparalleled access to the great outdoors, Portland has emerged as a top-tier destination for savvy investors in the commercial real estate sector.

Known for its thriving economy, progressive business environment, and a diverse array of neighborhoods, Portland offers a diverse range of opportunities for investors seeking to capitalize on the city's strategic advantages. **Portland and the Townhomes on View Point both present a compelling investment in a time with high demand for existing assets in an area with a burgeoning population.**



**Portland is surrounded by stunning natural beauty**, making it a haven for outdoor enthusiasts. With numerous parks and green spaces within the city itself, residents can easily escape into nature without venturing far from home.



**Portland has become a foodie paradise**, renowned for its diverse culinary scene. The city has a wide array of restaurants, food carts, and farmers' markets, offering a rich tapestry of cuisines and flavors.



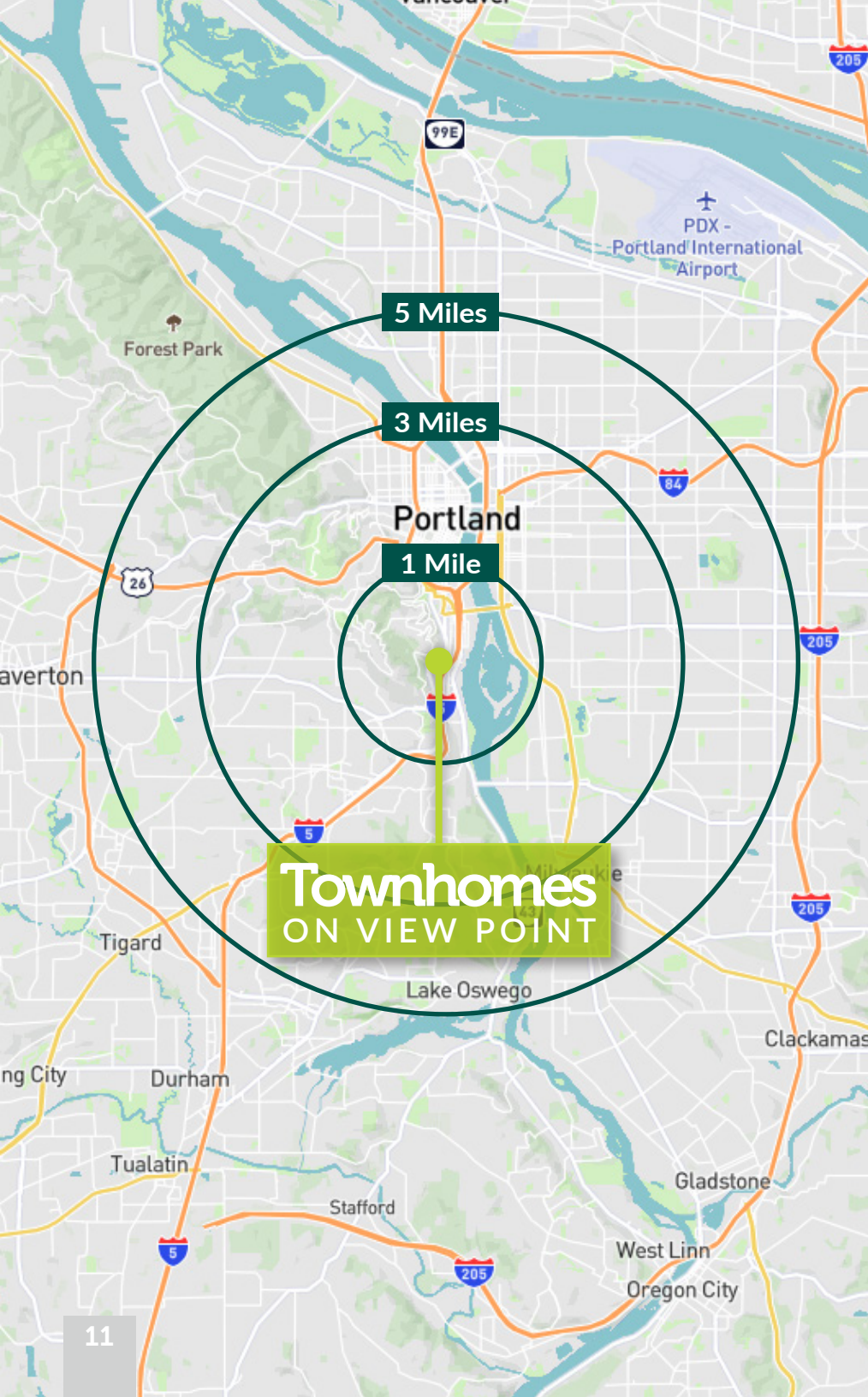
**The city is celebrated as a hub for craft beer**, with a plethora of breweries and beer festivals that attract beer enthusiasts from far and wide.



**Portland boasts a highly efficient and extensive public transit system**, anchored by its iconic MAX Light Rail and a comprehensive bus network.



# LOCATION OVERVIEW



## Townhomes on View Point Demographics

  
Growing Population

  
Residents More Likely to Rent

  
High Income Area

Distance from Subject Property	1 Mile	3 Miles	5 Miles
2010 Population	9,014	140,579	373,837
2023 Population	14,397	163,944	423,961
Annual Growth 2010-2023	4.6%	1.3%	1.0%
Median Age	40.5	40.1	40.9
Avg Household Income	\$128,904	\$111,278	\$114,158
Median Home Value	\$645,789	\$617,577	\$569,284
Owner-Occupied Households	3,485	32,564	95,213
Renter-Occupied Households	4,749	50,576	104,527
Avg Household Size	1.8	1.8	2
Avg Household Vehicles	1	1	1

03

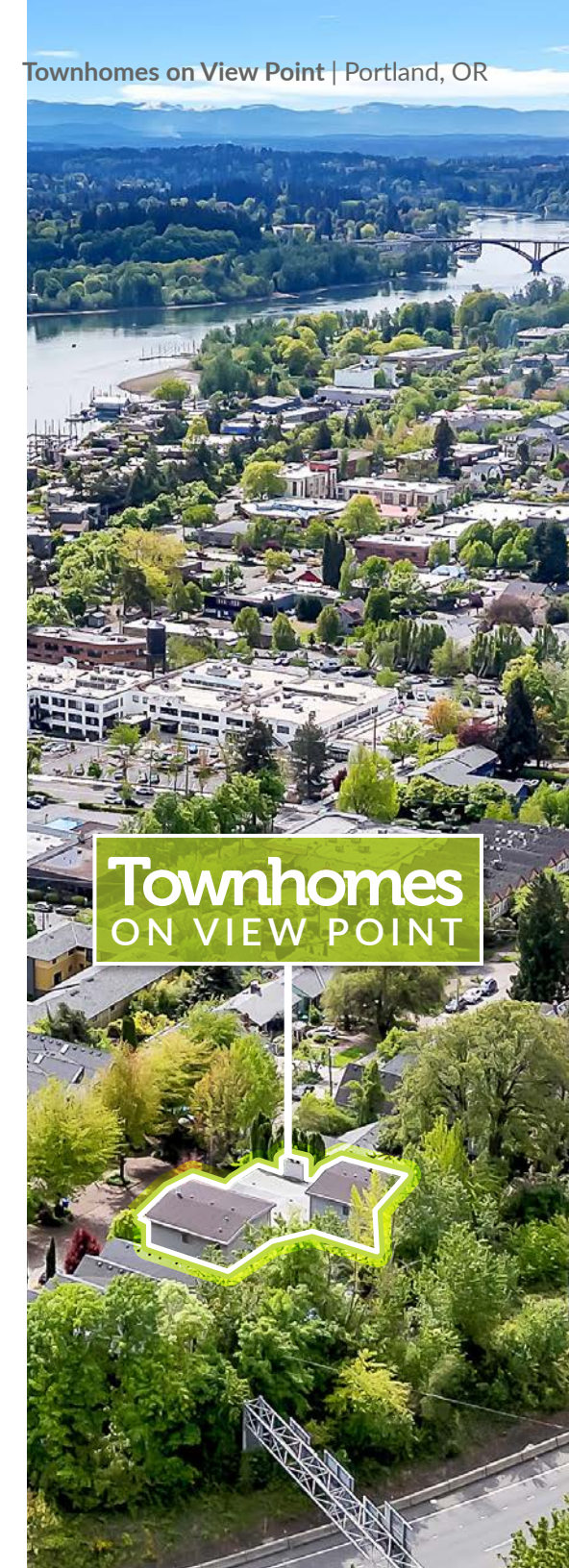
# Operations Analysis



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# OPERATIONS ANALYSIS

INCOME	Projected Operations						Notes
	Scheduled Rents as of 03/2024			Market Rents			
<b>Scheduled Gross Rent</b>	\$162,960	\$32,592		\$182,091	\$36,418		1
Less: Vacancy/Credit Loss	-\$8,148	-\$1,630	-5.0%	-\$9,105	-\$1,821	-5.0%	2
<b>Net Rental Income</b>	\$154,812	\$30,962		\$172,986	\$34,597		
Utility Billing	\$8,448	\$1,690		\$8,448	\$1,690		3
Miscellaneous	\$840	\$168		\$840	\$168		4
<b>Total Other Income</b>	\$9,288	\$1,858	5.7%	\$9,288	\$1,858	5.1%	
<b>Effective Gross Income</b>	<b>\$164,100</b>	<b>\$32,820</b>		<b>\$182,274</b>	<b>\$36,455</b>		
EXPENSES	Projected Operations	Per Unit	% EGI	Projected Operations	Per Unit	% EGI	
Real Estate Taxes	\$19,800	\$3,960	12.1%	\$19,800	\$3,960	10.9%	5
Insurance	\$4,004	\$801	2.4%	\$4,004	\$801	2.2%	6
Electricity	\$925	\$185	0.6%	\$925	\$185	0.5%	
Water/Sewer	\$7,155	\$1,431	4.4%	\$7,155	\$1,431	3.9%	
Garbage	\$2,126	\$425	1.3%	\$2,126	\$425	1.2%	
Total Utilities	\$10,206	\$2,041	6.2%	\$10,206	\$2,041	5.6%	7
Administrative/Advertising	\$3,250	\$650	2.0%	\$3,250	\$650	1.8%	8
Management	\$9,846	\$1,969	6.0%	\$10,936	\$2,187	6.0%	9
Landscaping	\$3,700	\$740	2.3%	\$3,700	\$740	2.0%	10
Repairs/Maintenance	\$3,750	\$750	2.3%	\$3,750	\$750	2.1%	11
Turnover	\$1,250	\$250	0.8%	\$1,250	\$250	0.7%	12
Reserves	\$1,250	\$250	0.8%	\$1,250	\$250	0.7%	13
<b>Total Expenses</b>	<b>\$57,056</b>			<b>\$58,146</b>			
Expenses per Unit	\$11,411			\$11,629			
% of EGI	34.8%			31.9%			
<b>NOI (Net Operating Income)</b>	<b>\$107,044</b>	<b>\$21,409</b>		<b>\$124,128</b>	<b>\$24,826</b>		



## INCOME

<b>1. Rental Income</b>	Rental income is based on current scheduled rents, which average \$2,716 per unit, or \$1.62 per SF. Current rents are lagging market rents, which average \$3,035 per unit, or \$1.81 per SF.
<b>2. Economic Loss</b>	For analysis purposes, we have applied a 5.0% allocation for stabilized vacancy and credit loss, which is the market standard and is acceptable to most lenders. This allocation is inclusive of bad debt, which has been nominal.
<b>3. Utility Billing</b>	The units are metered for electricity and tenants pay this directly. The tenants are billed for water, sewer, and garbage via a fixed monthly charge.
<b>4. Miscellaneous Income</b>	Miscellaneous income includes administrative fees, pet rent, early termination fees, etc. We have applied \$168 per unit, which is consistent with budgeted income.

## EXPENSES

<b>5. Real Estate Taxes</b>	<p>In Oregon, property taxes are levied on a fiscal year starting July 1st. Property taxes are not reassessed on sale and are limited to a 3.0% annual increase at the state level. Any annual increase in taxes above 3.0% is due to additional location or regional bond indebtedness not restricted by the state measure. Taxes are published in October each year, and taxes paid in full before November 15th receive a 3.0% discount on the gross amount. Most property owners elect to pay in full by this date to receive the discount. Projected taxes are based on the current expense increased by 3.0% to account for the increase that is likely to occur during the coming tax year, and then discounted by 3.0% which assumes payment in full.</p> <table border="1"> <thead> <tr> <th>Tax History</th> <th>2020/2021</th> <th>2021/2022</th> <th>2022/2023</th> <th>2023/2024</th> <th>2024/2025 Projected</th> </tr> </thead> <tbody> <tr> <td><b>Acct #: R285411</b></td> <td>\$17,872</td> <td>\$19,483</td> <td>\$19,818</td> <td>\$20,256</td> <td>\$20,412</td> </tr> <tr> <td><b>Total</b></td> <td>\$17,872</td> <td>\$19,483</td> <td>\$19,818</td> <td>\$20,256</td> <td>\$20,412</td> </tr> <tr> <td><b>w/ Discount</b></td> <td>\$17,335</td> <td>\$18,898</td> <td>\$19,223</td> <td>\$19,649</td> <td>\$19,800</td> </tr> <tr> <td><b>% Change</b></td> <td>3.82%</td> <td>9.01%</td> <td>1.72%</td> <td>2.21%</td> <td>3.00%</td> </tr> </tbody> </table>	Tax History	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025 Projected	<b>Acct #: R285411</b>	\$17,872	\$19,483	\$19,818	\$20,256	\$20,412	<b>Total</b>	\$17,872	\$19,483	\$19,818	\$20,256	\$20,412	<b>w/ Discount</b>	\$17,335	\$18,898	\$19,223	\$19,649	\$19,800	<b>% Change</b>	3.82%	9.01%	1.72%	2.21%	3.00%
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<b>6. Insurance</b>	The existing insurance policy premium is \$4,004, or \$801 per unit. This amount is within market standards and is carried forward in projected operations.																														
<b>7. Total Utilities</b>	Tenants pay for electricity directly. The owner is responsible for common area electricity, water, sewer, and garbage and utilities for vacant units. We have estimated total utilities at \$2,041 per unit.																														
<b>8. Administrative/Advertising</b>	Administrative and advertising costs were approximately \$6,900 in the trailing 12 months. In projected operations, the expense is normalized at \$650 per unit. This amount equates to 2.0% of effective gross income, which is within market standards.																														
<b>9. Management</b>	We have applied 6.0% for fee management which is consistent with current rates quoted by reputable local management companies.																														
<b>10. Landscaping</b>	We have applied \$740 per unit, which is consistent with the existing monthly landscaping contract.																														
<b>11. Repairs/Maintenance</b>	General repairs and maintenance are estimated at \$700 per unit. This is consistent with current market standards and lender underwriting.																														
<b>12. Turnover</b>	Turnover is estimated at \$250 per unit. This is consistent with market standards and lender underwriting for properties of similar vintage and condition.																														
<b>13. Reserves</b>	Lenders require funds to be set aside to address future capital costs. The projected operations include \$250 per unit for reserves, which is consistent with current lender underwriting.																														

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