

\$3,875,000/6.25% Cap

The Diplomat Apartments



Buy a 27 unit apartment with upside

BUILDINGS:

- ◇ 3 two story buildings with wood-framed construction with pitched composition roofs and decorative brick siding.
- ◇ Built in 1968 currently being updated.
- ◇ Great unit mix:

1 unit: 1 bed x 1 bath: 600 sf

25 units: 2 bed x 1 bath: 800 sf

1 unit: 3 bed x 1 bath: 900 sf

ADDRESS:

- ◇ 10934 & 10950 NE Wygant St. Portland, OR 97220

TRANSPORTATION:

- ◇ Easy access to the 1-205 and I-84 Freeways
- ◇ Close to restaurants, shopping, and Portland International Airport

OPPORTUNITY:

- ◇ Acquire a 27 unit multifamily asset in better shape than the price and rents reflect. The new management team has done a great job in upgrading floors and kitchens-but rents are still \$50-80 below market. The owner is selling to take advantage of a new investment.



ROSE CITY COMMERCIAL REAL ESTATE

5200 SW MEADOWS BLVD, SUITE 150
LAKE OSWEGO, OR 97035
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The Diplomat Multifamily

	T-12 Actuals April '23 through March '24	Historic expenses, July Rents	Proforma: July Rents Controlled Expenses
Number of Units	27		
INCOME			
Rent Revenue	\$ 358,672	\$ 415,128	\$ 415,128
Other Revenue	\$ 2,510	\$ 2,510	\$ 26,810
-Vacancy 3.7%		\$ (15,600)	\$ (15,600)
EFFECTIVE GROSS INCOME	\$ 361,182	\$ 402,038	\$ 426,338
EXPENSES (Trailing 12 Months)			
Insurance	\$ 12,203	\$ 12,203	\$ 12,203
Utilities	\$ 2,739	\$ 2,739	\$ 2,739
Property Taxes	\$ 42,613	\$ 42,613	\$ 42,613
Management Fees	\$ 35,659	\$ 35,659	\$ 17,054
Apartment Turnovers	\$ 4,481	\$ 4,481	\$ 4,481
Ordinary Repairs & Maint	\$ 13,476	\$ 13,476	\$ 13,476
Grounds Maintenance	\$ 10,070	\$ 7,200	\$ 7,200
Administration	\$ 646	\$ 646	\$ 646
Water/Sewer Expense	\$ 36,024	\$ 36,024	\$ 36,024
Garbage	\$ 20,057	\$ 20,057	\$ 20,057
Reserve @ \$250/unit	6750	6750	6750
TOTAL OPERATING EXPENSES	\$ (177,968)	\$ (181,848)	\$ (163,243)
NET OPERATING INCOME	\$ 183,214	\$ 220,190	\$ 263,095

Notes:

Column 1: ("T12") represents Actuals for 4/23 through 3/24.

Column 2: Shows historic expenses with July 1 Rents.

Column 3: ("Proforma") Shows July 1 Rents with managed expenses, including a \$75/unit/month RUBS Program, a new Management Fee based on 4.0% of Gross Revenue, and reduced Landscaping expenses.



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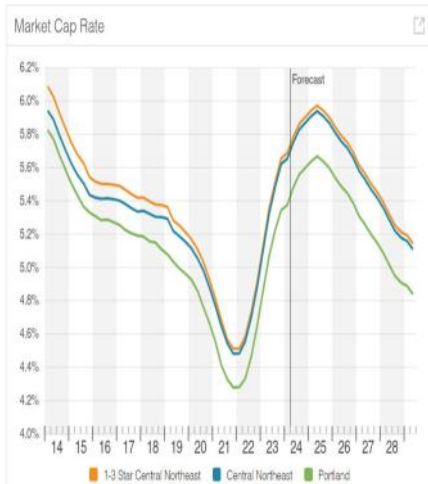
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UPSIDE | DISCLOSURES



- ◇ 25 of the units have upgraded cabinets; 4 have granite countertops.
- ◇ Future upgrades on turns will include Luxury Vinyl Tile.
- ◇ Profitability improvements will be achieved by bringing the units to market rents, introducing a RUBS Program, negotiating a market rate management fee, and controlling Landscaping Costs.



- ◇ CoStar shows that 1-3 star properties in the Northeastern Portland Submarket are expected to have rising rents and lower Cap Rates over the next 5 years. This makes buying a property with below market rents a wise investment.

At Rose City Commercial Real estate we say: *“If you want to be a genius in 5 years, make wise commercial real estate investments.”*

The information provided herein is from resources deemed reliable, but not guaranteed. All Buyers should ensure that proper Due Diligence procedures are followed. Rose City Commercial Real Estate is happy to be a valued resource in researching properties, but the final decision is solely the Buyer’s.



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