



FOR SALE

SKYLARK APARTMENTS

\$5,500,000

- 30 units total (12) 1 bed / 1 bath, (4) 2 bed / 1 bath and (14) 3 bed / 1.5 bath units
- All units have submeters for water and all leases have RUBS in place
- Plenty of onsite parking
- Seller will carryback balance at interest only with down payment of \$2,500,000.
- 2345 SE 135th Ave, Portland, OR 97233



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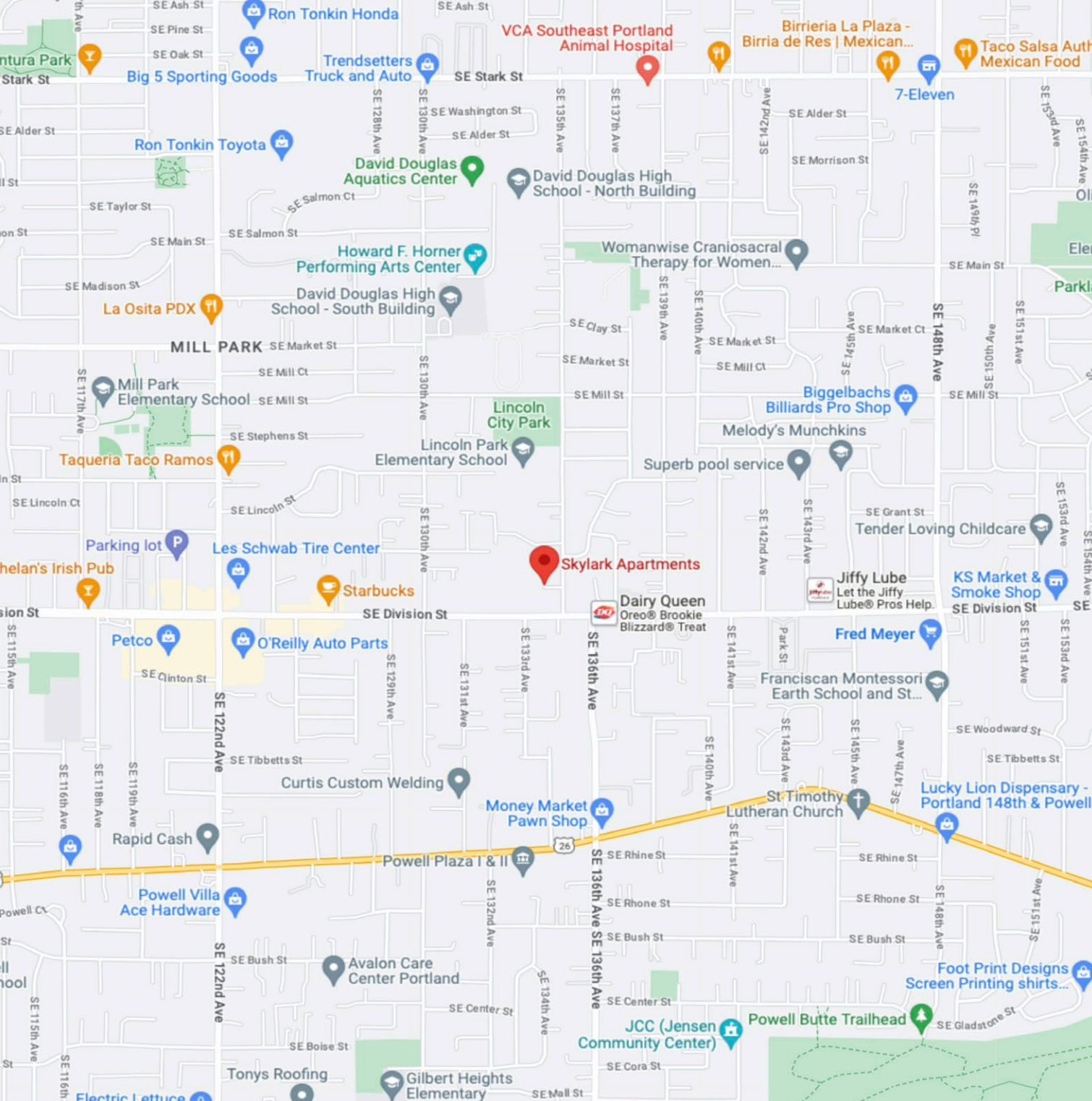
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SUMMARY

- Skylark Apartments constructed in 1972 consisting of 30 units total
- (12) 1 bed / 1 bath
(4) 2 bed / 1 bath
(14) 3 bed / 1.5 bath
- 25 of the units have been rehabbed within the past 2 years
- All units have submeters for water and all leases have RUBS in place
- Plenty of onsite parking and located just north of Division Street with access to shopping, restaurants and public transportation
- Please do not disturb the residents
- Walk through upon accepted offer to purchase
- Seller will carryback balance at interest only with down payment of \$2,500,000

2345 SE 135th Ave, Portland, OR 97233

Introducing the remarkable investment opportunity of Skylark Apartments, a well-maintained and recently revitalized multi-family apartment homes in Portland, Oregon. This rare gem, constructed in 1972, comprises 30 units on an expansive 1.12-acre plot. Boasting an impressive Net Operating Income (NOI) of \$314,862, Cash Flow of \$52,544, a Cash-on-Cash Return of 3.18%, and a Cap Rate of 5.72% based on actuals, this property presents an exceptional addition to any discerning investor's portfolio.

Property Overview

- Total Units: 30
- Unit Mix:
 - (12) 1 bed / 1 bath
 - (4) 2 bed / 1 bath
 - (14) 3 bed / 1.5 bath
- Square Footage: 26,110
- Lot Size: 1.12 acres
- Zoning: RM2
- Year Built: 1972

Property Financial Highlights

- Net Operating Income (NOI): \$314,862
- Cash Flow: \$52,544
- Cash-on-Cash Return: 3.18%
- Cap Rate (on actuals): 5.72%
- Price per Unit: \$183,333
- Price per Square Foot: \$209.92
- Average Rent: \$1,374.73
- Average Rent per Square Foot: \$1.57

Property Highlights

- Rehabbed Units: 25 units have been rehabilitated within the last two years, indicating an attentive maintenance approach.
- Submeters & RUBS: All units feature water submeters and RUBS (Ratio Utility Billing System) in place, which can facilitate effective utility management.
- On-Site Parking: Ample parking spaces for tenants and guests.
- Seller Financing: Favorable seller financing available with an interest-only carryback, contingent upon a down payment of \$2,500,000.
- Location: Ideally situated just north of Division Street, residents have easy access to shopping, dining, and public transportation.



Location & Neighborhood

The Skylark Apartments are nestled in a thriving part of Portland. Division Street, known for its eclectic mix of restaurants, cafes, and shops, is a short distance away.

- Transportation: The location provides easy access to public transportation, with several bus lines serving the area.
- Recreation: The residents can enjoy the natural beauty at Powell Butte Nature Park, which is located a short drive east. This park offers hiking, biking trails, and stunning views of the Cascade Mountains.

Terms of Sale

- Walk-through upon accepted offer to purchase.
- Please do not disturb the residents.
- Seller will carry back the balance at interest-only with a down payment of \$2,500,000.

Conclusion

Skylark Apartments offers a great investment opportunity, owing to its commendable financial metrics, sensibly executed refurbishments, and strategic location. The property's vicinity to an array of amenities and verdant parks augments the quality of life for its residents. Furthermore, the availability of seller financing enhances the allure of this acquisition, offering flexibility and potential capital advantages.

For additional information please contact the listing agent.



*This document is provided for informational purposes only Investors should conduct their own due diligence.

SKYLARK APARTMENTS

\$5,500,000

- 30 Units, 25 rehabbed within the past 2 years
- 26,110 SF, 1.12 Acre, Zoned RM2
- 2345 SE 135th Ave, Portland

SE DIVISION ST

21ST ST SE

SUMMARY - CURRENT vs. PROJECTED

Summary Rent Roll

Count	Unit Type	% Rent Total	Avg SqFt
12	1x1	31.2%	600
4	2x1	14.9%	900
14	3x1.5	53.8%	1,100
30		100%	873.3

Current

Average Rent	Avg Rent/ SqFt	Monthly Total	Annual Total
\$1,072.00	\$1.79	\$12,864	\$154,368
\$1,538.75	\$1.71	\$6,155	\$73,860
\$1,583.79	\$1.44	\$22,173	\$266,076
\$1,373.07	\$1.57	\$41,192	\$494,304

Year 1 Projected

Avg Mkt Rent	Market Rent/ SqFt	Monthly Total	Annual Total
\$1,200.00	\$2.00	\$14,400	\$172,800
\$1,575.00	\$1.75	\$6,300	\$75,600
\$1,895.00	\$1.72	\$26,530	\$318,360
\$1,574.33	\$1.80	\$47,230	\$566,760

Current

OPERATING INCOME			
Gross Potential Income		\$494,304	
Less Physical Vacancy	3.00%	-\$14,829	
Less Loss to Lease	0.00%	\$0	
Less Credit Loss	0.00%	\$0	
Net Rental Income		\$479,475	
\$/Mon/Unit			
RUBS	\$26	\$9,210	
Other Income	\$1	\$450	
Total Other Income		\$9,660	
EFFECTIVE GROSS INCOME		\$489,135	

	\$/SqFt/Yr	\$/Unit/Yr	% of EGI	Annual Total
Fixed Expenses				
Real Estate Taxes	\$1.66	\$1,452.57	8.9%	\$43,577
Insurance	\$0.29	\$250.00	1.5%	\$7,500
Professional Management	\$0.12	\$106.16	0.7%	\$3,185
Subtotal	\$2.07	\$1,808.73	11.1%	\$54,262

	\$/SqFt/Yr	\$/Unit/Yr	% of EGI	Annual Total
Variable Expenses				
Marketing & Advertising	\$0.00	\$0.00	0.0%	\$0
Garbage	\$0.05	\$46.00	0.3%	\$1,380
Electricity/Gas	\$0.00	\$0.00	0.0%	\$0
Water/Sewer	\$1.15	\$1,007.50	6.2%	\$30,225
Landscaping/Common Areas	\$0.09	\$76.32	0.5%	\$2,290
Repairs and Maintenance	\$0.22	\$188.69	1.2%	\$5,661
CapEx	\$0.00	\$0.00	0.0%	\$0
Turnover/Replacements	\$0.00	\$0.00	0.0%	\$0
Telephone / Computer	\$0.00	\$0.00	0.0%	\$0
Miscellaneous	\$0.00	\$0.00	0.0%	\$0
CapEx/Other Adjust	\$1.72	\$1,500.00	9.2%	\$45,000
Subtotal	\$3.23	\$2,818.50	17.3%	\$84,555

Replacement Reserves	\$0.29	\$250.00	1.5%	\$7,500
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TOTAL OPERATING EXPENSES	\$5.58	\$4,877.23	29.9%	\$146,317
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NET OPERATING INCOME	\$13.08	\$11,427.27	70.1%	\$342,818
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	\$/SF	\$/Unit	GRM	Price
INDICATED VALUE	\$209.92	\$183,333	11.13	\$5,500,000

Year 1 Projections

OPERATING INCOME			
Gross Potential Income		\$566,760	
Less Physical Vacancy	3.00%	-\$17,003	
Less Loss to Lease	4.00%	-\$22,670	
Less Credit Loss	0.00%	\$0	
Net Rental Income		\$527,087	
\$/Mon/Unit			
RUBS	\$75	\$27,000	
Other Income	\$1	\$450	
Total Other Income		\$27,450	
EFFECTIVE GROSS INCOME		\$554,537	

	\$/SqFt/Yr	\$/Unit/Yr	% of EGI	Annual Total
Fixed Expenses				
Real Estate Taxes	\$1.66	\$1,452.57	7.9%	\$43,577
Insurance	\$0.29	\$250.00	1.4%	\$7,500
Professional Management	\$0.12	\$106.16	0.6%	\$3,185
Subtotal	\$2.07	\$1,808.73	9.8%	\$54,262

	\$/SqFt/Yr	\$/Unit/Yr	% of EGI	Annual Total
Variable Expenses				
Marketing & Advertising	\$0.00	\$0.00	0.0%	\$0
Garbage	\$0.05	\$46.00	0.2%	\$1,380
Electricity/Gas	\$0.00	\$0.00	0.0%	\$0
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Repairs and Maintenance	\$0.22	\$188.69	1.0%	\$5,661
CapEx	\$0.00	\$0.00	0.0%	\$0
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Telephone / Computer	\$0.00	\$0.00	0.0%	\$0
Miscellaneous	\$0.00	\$0.00	0.0%	\$0
CapEx/Other Adjust	\$1.72	\$1,500.00	8.1%	\$45,000
Subtotal	\$3.23	\$2,818.50	15.2%	\$84,555

Replacement Reserves	\$0.29	\$0.00	1.4%	\$7,500
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TOTAL OPERATING EXPENSES	\$5.58	\$4,877.23	26.4%	\$146,317
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NET OPERATING INCOME	\$15.58	\$13,607.33	73.6%	\$408,220
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	\$/SF	\$/Unit	GRM	Price
INDICATED VALUE	\$209.92	\$183,333	9.70	\$5,500,000

METRICS

\$5,500,000 = Price
\$183,333 = \$/Unit
\$209.92 = \$/SqFt

Current
\$342,818 NOI
\$3,850,000 Mortgage
\$80,499 Cashflow
4.88% C/C Return
6.23% CapRate

Year 1 Projections
\$408,220 NOI
-\$262,319 Mortgage
\$145,901 Cashflow
8.84% C/C Return
7.42% CapRate

Proposed Financing
\$5,500,000 Price
\$1,650,000 Down
\$3,850,000 Loan
70.0% LTV
5.50% Int Rate
\$262,319 Annual Pmt



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Steve Morris has 12 years of experience in multifamily investments as a licensed principal broker in Oregon and managing broker in Washington. He owns investment properties in the Portland area and deals with the same issues multi-family owners experience in Portland. Steve uses his analytical skills to help principals to make quicker and better-informed decisions on what matters to them by translating complex financial metrics. In addition, his organizational skills and familiarity with high-tech allow him to use up-to-date tools to manage large amounts of information which means jobs are done once and done right. In addition to market-rate properties, Steve has experience with LIH sales and is familiar with the unique issues involved in transacting income-qualified properties.

Prior to his career in commercial real estate, Steve was in the high-tech industry with 10 years at Intel as an engineering manager. He followed by working for a start-up and being partner in a sales rep firm for Intel. Steve is recognized as a reference on the Portland multi-family market with articles on the same in national publications and frequent quotes in local business journals. He holds a MSEE degree from University of Portland along with coursework at Lewis & Clark Law School in Portland, Oregon.



BRANTON NEAL **PLASTER**

BROKER

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My name is Branton Neal Plaster. I am an Oregon native, raised in the Willamette Valley. I am a second-generation Real Estate Broker, proudly following in my parents' footsteps. I have integrity in what I do, and believe in leadership by example, coaching those who need my help, loyalty to my clients, and being available throughout my day to help others achieve success. I have a positive attitude and a passion for what I do; this motivates me to continuously learn across all professional platforms.

For the past 12 years I have played a key role as a business development director, finance manager, purchasing agent and fixed-operations manager for a Fortune 500 company based out of Medford, Oregon. A few of my strengths include:

- Client Care
- Developing and Implementing Marketing Activities
- Process Development with Implementation
- Negotiations
- Research of Local and Regional Market Conditions
- Business Analysis and Forecasting
- Deal Structure

My clients' interests are my #1 priority. They find that if I am in their corner, I will fight for clients, work diligently on their behalf, be their biggest advocate, and help each achieve their dreams.



INITIAL AGENCY DISCLOSURE PAMPHLET

Consumers: This pamphlet describes the legal obligations of Oregon real estate licensees to consumers. Real estate brokers and principal real estate brokers are required to provide this information to you when they first contact you. A licensed real estate broker or principal broker need to provide the pamphlet to a party who has, or may be reasonably assumed to have, received a copy of the pamphlet from another broker.

This pamphlet is information only. Neither the pamphlet nor its delivery to you may be interpreted as evidence of intent to create an agency relationship between you and a broker or a principal broker.

Real Estate Agency Relationships

An "agency" relationship is a voluntary legal relationship in which a licensed real estate broker or principal broker (the "agent") agrees to act on behalf of a buyer or a seller (the "client") in a real estate transaction. Oregon law provides for three types of agency relationships between real estate agents and their clients:

Seller's Agent – Represents the seller only.

Buyer's Agent – Represents the buyer only.

Disclosed Limited Agent – Represents both the buyer and seller, or multiple buyers who want to purchase the same property. This can be done only with the written permission of all clients.

The actual agency relationships between the seller, buyer and their agents in a real estate transaction must be acknowledged at the time an offer to purchase is made. Please read this pamphlet carefully before entering into an agency relationship with a real estate agent.

Definition of "Confidential Information"

Generally, licensees must maintain confidential information about their clients.

"Confidential information" is information communicated to a real estate licensee or the licensee's agent by the buyer or seller of one to four residential units regarding the real property transaction, including but not limited to price, terms, financial qualifications or motivation to buy or sell. "Confidential information" does not mean information that:

- (1) The buyer instructs the licensee or the licensee's agent to disclose about the buyer to the seller, or the seller instructs the licensee or the licensee's agent to disclose about the seller to the buyer; and
- (2) The licensee or the licensee's agent knows or should know failure to disclose would constitute fraudulent representation.

Duties and Responsibilities of a Seller's Agent

Under a written listing agreement to sell property, an agent represents only the seller unless the seller agrees in writing to allow the agent to also represent the buyer. An agent who represents only the seller owes the following affirmative duties to the seller, the other parties and the other parties' agents involved in a real estate transaction:

- (1) To deal honestly and in good faith;
- (2) To present all written offers, notices and other communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
- (3) To disclose material facts known by the agent and not apparent or readily ascertainable to a party;

A seller's agent owes the seller the following affirmative duties:

- (1) To exercise reasonable care and diligence;
- (2) To account in a timely manner for money and property received from or on behalf of the seller;
- (3) To be loyal to the seller by not taking action that is adverse or detrimental to the seller's interest in a transaction;
- (4) To disclose in a timely manner to the seller any conflict of interest, existing or contemplated;
- (5) To advise the seller to seek expert advice on matters related to the transaction that are beyond the agent's expertise;
- (6) To maintain confidential information from or about the seller except under subpoena or court order, even after termination of the agency relationship; and
- (7) Unless agreed otherwise in writing, to make a continuous, good faith effort to find a buyer for the property, except that a seller's agent is not required to seek additional offers to purchase the property while the property is subject to a contract for sale.

None of these affirmative duties of an agent may be waived, except (7). The affirmative duty listed in (7) can only be waived by written agreement between seller and agent. Under Oregon law, a seller's agent may show properties owned by another seller to a prospective buyer and may list competing properties for sale without breaching any affirmative duty to the seller. Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise, including but not limited to investigation of the condition of the property, the legal status of the title or the seller's past conformance with law.

Duties and Responsibilities of a Buyer's Agent

An agent, other than the seller's agent, may agree to act as the buyer's agent only. The buyer's agent is not representing the seller, even if the buyer's agent is receiving compensation for services rendered, either in full or in part, from the seller or through the seller's agent.

An agent who represents only the buyer owes the following affirmative duties to the buyer, the other parties and the other parties' agents involved in a real estate transaction:

- (1) To deal honestly and in good faith;
- (2) To present all written offers, notices and other communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
- (3) To disclose material facts known by the agent and not apparent or readily ascertainable to a party;

A buyer's agent owes the seller the following affirmative duties:

- (1) To exercise reasonable care and diligence;
- (2) To account in a timely manner for money and property received from or on behalf of the buyer;
- (3) To be loyal to the buyer by not taking action that is adverse or detrimental to the seller's interest in a transaction;
- (4) To disclose in a timely manner to the buyer any conflict of interest, existing or contemplated;
- (5) To advise the buyer to seek expert advice on matters related to the transaction that are beyond the agent's expertise;
- (6) To maintain confidential information from or about the buyer except under subpoena or court order, even after termination of the agency relationship; and
- (7) Unless agreed otherwise in writing, to make a continuous, good faith effort to find property for the buyer, except that a buyer's agent is not required to seek additional properties for the buyer while the buyer is subject to a contract for purchase.

None of these affirmative duties of an agent may be waived, except (7). The affirmative duty listed in (7) can only be waived by written agreement between buyer and agent.

Under Oregon law, a buyer's agent may show properties in which the buyer is interested to other prospective buyers without breaching any affirmative duty to the buyer.

Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise, including but not limited to investigation of the condition of the property, the legal status of the title or the seller's past conformance with law.

Duties and Responsibilities of an Agent Who Represents More than One Client in a Transaction

One agent may represent both the seller and the buyer in the same transaction, or multiple buyers who want to purchase the same property, only under a written

"Disclosed Limited Agency Agreement" signed by the seller and buyer(s).

Disclosed Limited Agents have the following duties to their clients;

- (1) To the seller, the duties listed above for a seller's agent;
- (2) To the buyer, the duties listed above for a buyer's agent; and
- (3) To both buyer and seller, except with express written permission of the respective person, the duty not to disclose to the other person:
 - (a) That the seller will accept a price lower or terms less favorable than the listing price or terms;
 - (b) That the buyer will pay a price greater or terms more favorable than the offering price or terms; or
 - (c) Confidential information as defined above.

Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise.

When different agents associated with the same principal broker (a real estate licensee who supervises other agents) establish agency relationships with different parties to the same transaction, only the principal broker will act as a Disclosed Limited Agent for both the buyer and seller. The other agents continue to represent only the party with whom the agents have already established an agency relationship unless all parties agree otherwise in writing. The principal real estate broker and the real estate licensees representing either seller or buyer shall owe the following duties to the seller and buyer:

- (1) To disclose a conflict of interest in writing to all parties
- (2) To take no action that is adverse or detrimental to either party's interest in the transaction; and
- (3) To obey the lawful instructions of both parties.

No matter whom they represent, an agent must disclose information the agent knows or should know that failure to disclose would constitute fraudulent misrepresentation.

You are encouraged to discuss the above information with the licensee delivering this pamphlet to you. If you intend for that licensee, or any other Oregon real estate licensee, to represent you as a Seller's Agent, Buyer's Agent, or Disclosed Limited Agent, you should have a specific discussion with the agent about the nature and scope of the agency relationship. Whether you are a buyer or seller, you cannot make a licensee your agent without the licensee's knowledge and consent, and an agent cannot make you a client without your knowledge and consent.

Revised 9/9/2013



opening doors

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