

LEASED INVESTMENT OPPORTUNITY

33509 NE WILLIAMS STREET | SCAPPOOSE, OR 97056

OFFERING MEMORANDUM



Norris & Stevens

INVESTMENT REAL ESTATE SERVICES



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Information contained herein has been obtained from others and considered to be reliable; however, a prospective purchaser or lessee is expected to verify all information to their own satisfaction.

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33509 NE WILLIAMS STREET

SCAPPOOSE, OR 97056

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CONTACT INFO

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EXECUTIVE SUMMARY



Norris & Stevens is pleased to offer for sale a rare two-tenant investment opportunity in the heart of Scappoose, OR. Only a half hour from Portland, the property provides an opportunity for an investor to acquire a property in an up-and-coming area outside of Multnomah County. Due to its close proximity to Highway 30 and ease of access to and from main arterial streets, the property has historically experienced low vacancy and a high demand for space from prospective tenants. Lease rates have been increased consistently over time and reflect a market rate which can be subject to additional increases during tenant turnover.



PROPERTY SUMMARY

Property address:	33509 NE Williams Street
City/State/Zip:	Scappoose, OR 97056
County parcel #:	3356
Land area:	0.28 AC (12,000 SF)
Year built:	1984
Zoning:	LI- Light Industrial (Scappoose)
Leasable SF:	4,000 SF
Office SF:	Each suite includes dedicated office
Warehouse area:	Each suite contains warehouse
Occupancy:	100%
Parking:	14 spaces
Exterior walls:	Painted metal skin
Interior walls:	Metal skin
Floor:	Concrete
Roof:	Metal
Clear height:	16'
Loading:	(2) Total grade level doors
Docks:	None
Drive-Ins:	(2) Building - 14'x12'
Water/Sewer:	Multnomah Channel
Electricity service:	Columbia River PUD
Gas service:	Northwest Natural
Price:	\$495,000

PROPERTY DETAILS



100% LEASED

The building is fully leased with two tenants; both have occupied the space for over 10 years.

STABILIZED AT MARKET RENTS WITH GREAT TENANT MIX

The existing rents in the building are at market rates when compared to other Scappoose industrial buildings. The tenants include a local church group, and an Oregon State Department of Environmental Quality (DEQ) drive-through testing station.

NO NEW CONSTRUCTION

Currently, no new competitive construction of similar product is underway along Highway 30.

DELIVERED FREE AND CLEAR OF EXISTING DEBT

The project is currently free and clear of existing debt.

STRONG DEMAND AND LOW VACANCY FOR INDUSTRIAL SPACE

The area's industrial market totals over 2,600,000 square feet. Overall market vacancy is 1.9%, and 12 month absorption is 400,000 square feet. Average market rents are \$0.85 triple net per square foot. This is a 1.2% increase over the past 12 months. Huge opportunity to increase rents to market rate and include escalations.

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GREAT LOCATION

Multiple businesses are attracted to the Scappoose area which boasts superior accessibility to Highway 30 and a friendly business environment, with relative affordability of living when compared to the greater Portland Metro area.

PROXIMITY TO AMENITIES

The project is nearby dozens of restaurants and retail shops.

PARKING

The property has an above-average amount of parking with the option for overflow parking if needed.

SECURITY

The project is located at the end of an industrial avenue next to a busy arterial road.

FUNCTIONAL ASSEMBLY/MANUFACTURING SPACE

The building is side loaded with a focus on assembly, manufacturing and light distribution with offices.

FAVORABLE FINANCING MARKETS

Stabilized properties are achieving great financing packages, including terms and rates. Local family buyers and mid-entry level investors such as banks, credit unions, life companies, and CMBS would all be viable options for the buyer.

TENANT OVERVIEW

MORNING STAR WORSHIP CENTER

Morning Star Worship Center is the larger of the two tenants occupying the building and is at the front of the building facing Highway 30. The space is a location for church members to meet for community and worship events. Services are held on Sundays and Wednesdays.

OREGON DEPARTMENT OF ENVIRONMENTAL EQUALITY (DEQ)

Located at the rear of the building, this space boasts a drive-through testing center for environmental quality testing of standard vehicles. There is an existing dedicated drive-through with entry and exit which loops around the building for easy ingress and egress.



TENANT INCOME REPORT

RENTAL INCOME	MONTHLY RENT	ANNUAL RENT	SIZE (SF)	\$/SF/MO	\$/SF/YEAR	EXPIRATION	RENT ESCALATION	OPTION TO EXTEND	UTILITIES/MAINTENANCE/TAXES
Morning Star Worship Center	\$1,600.00	\$19,200.00	2,358	\$0.68	\$8.16	9/30/27	None	Yes	Tenant to pay (\$350 in utilities)
Department of Environmental Quality	\$1,804.72	\$21,656.64	1,642	\$1.10	\$13.20	11/30/25	>1%	Yes	Tenant to pay, except water/sewer (\$350 in utilities)

PROFORMA VALUATION

	MONTHLY BASE RENT	ANNUAL BASE RENT	SQUARE FEET	BASE RENT/SF/YR	COMMENTS
All Tenants	\$2,704.00	\$32,448	4,000	\$8.11	Gross
Total Income		\$32,448	4,000	\$8.11	
* Leases are gross					
Effective Income	\$2,704.00	\$32,448	4,000	\$8.11	
Minus Vacancy (5%)		(\$1,622)			
GROSS OPERATING INCOME		\$30,826	4,000	\$7.71	
EXPENSES					
These are gross leases, \$700/Month has been deducted from gross operating income for taxes and maintenance					
Total Expenses		\$0	4,000	\$0.00	Tenants pay all their own utilities
NET OPERATING INCOME		\$30,826	4,000	\$7.71	
Stabilized (leased) Value - Capitalization Rate:	6.00%	\$513,760	4,000	\$128.44	
Stabilized (leased) Value - Capitalization Rate:	6.25%	\$493,210	4,000	\$123.30	
Stabilized (leased) Value - Capitalization Rate:	6.50%	\$474,240	4,000	\$118.56	

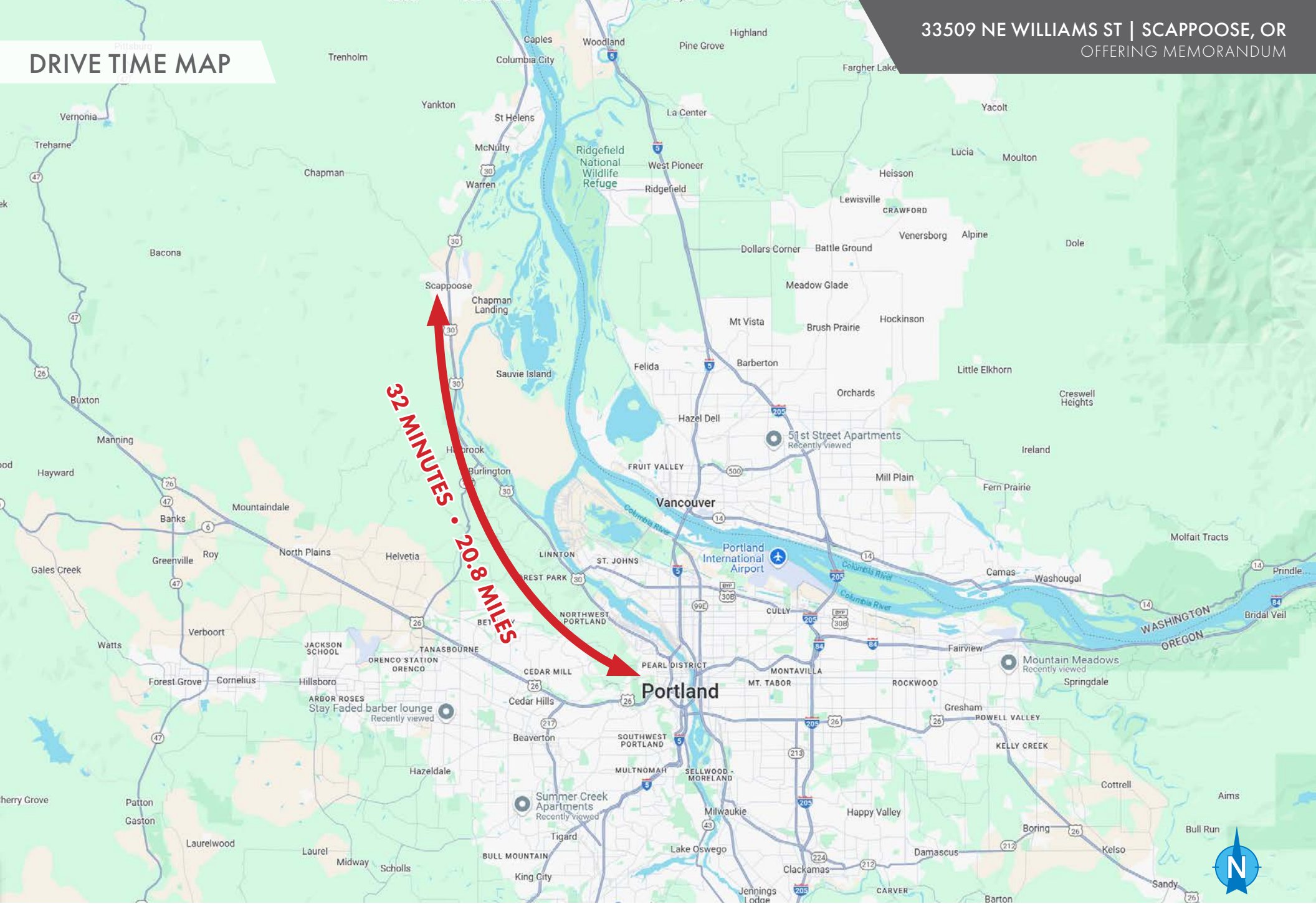
SITE AERIAL



LOCATION AERIAL



DRIVE TIME MAP



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MORNING STAR CHURCH

WORSHIP SERVICES
SUNDAY MORNING 10:30 AM
SUNDAY EVENING 6:00 PM
WEDNESDAY EVENING 7:00 PM
503-543-3444

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