

OFFERING MEMORANDUM
9 Unit Portfolio

517 S 5TH ST
Duquesne, PA 15110

PRESENTED BY:

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PA #RS315715



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SECTION 1
Property
Information

EXECUTIVE SUMMARY



OFFERING SUMMARY

SALE PRICE:	\$560,000
NUMBER OF UNITS:	9
CAP RATE:	12.0%
NOI:	\$67,064

PROPERTY OVERVIEW

SVN Three Rivers Commercial Advisors is pleased to present for sale this 9 unit / three property multifamily portfolio. The parcels are all in close proximity to each other. The units are occupied by a mix of Allegheny County Section 8 tenants, the Chartiers Center and market rents.

The property will benefit from a 16% increase in scheduled rents when already-approved Section 8 rent increases are implemented. Scheduled rents could increase by another 13% by converting three of the units to larger bedroom counts.

PROPERTY HIGHLIGHTS

- Strong rental history
- Significant upside potential through Section 8 scheduled increases and unit reconfigurations

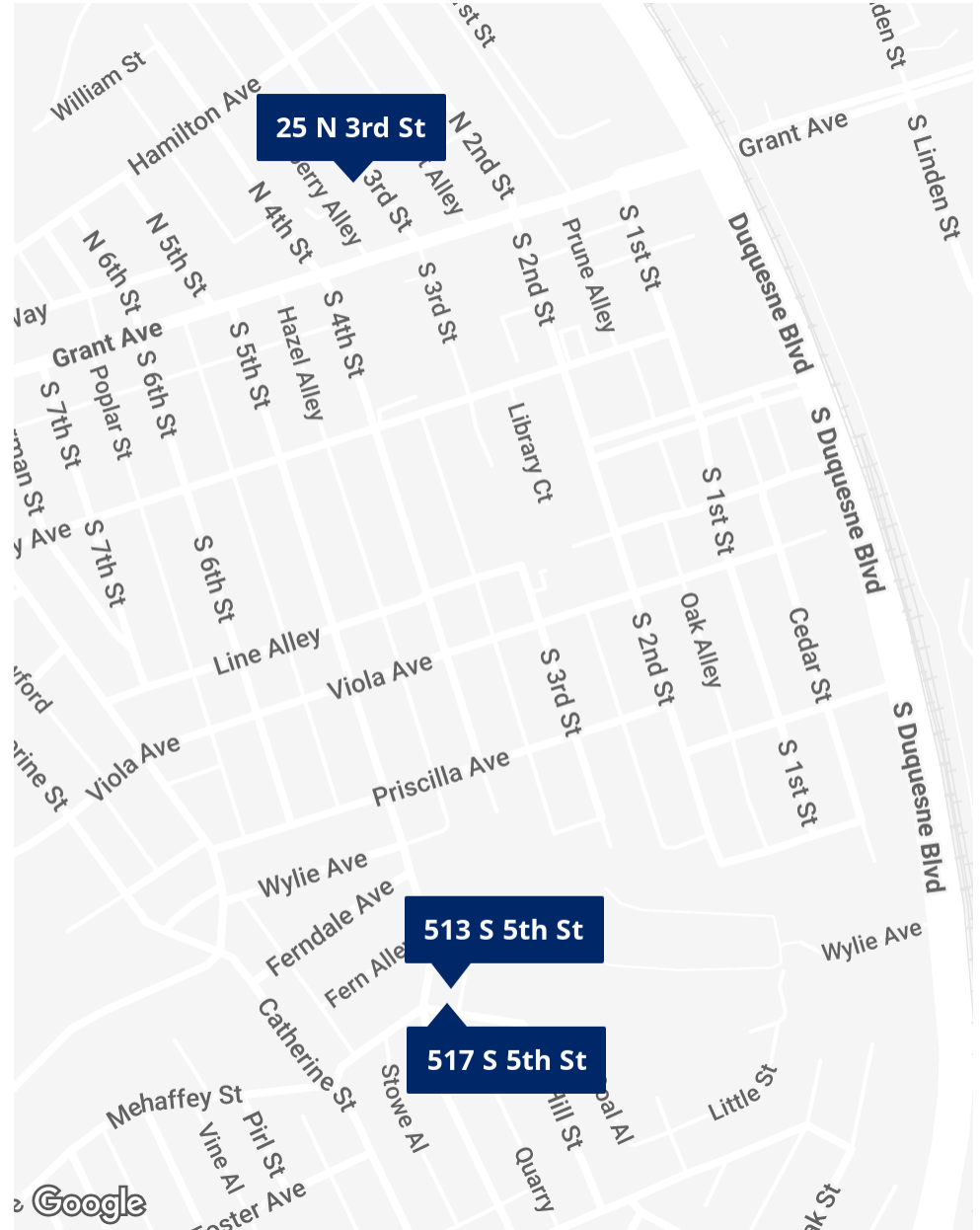
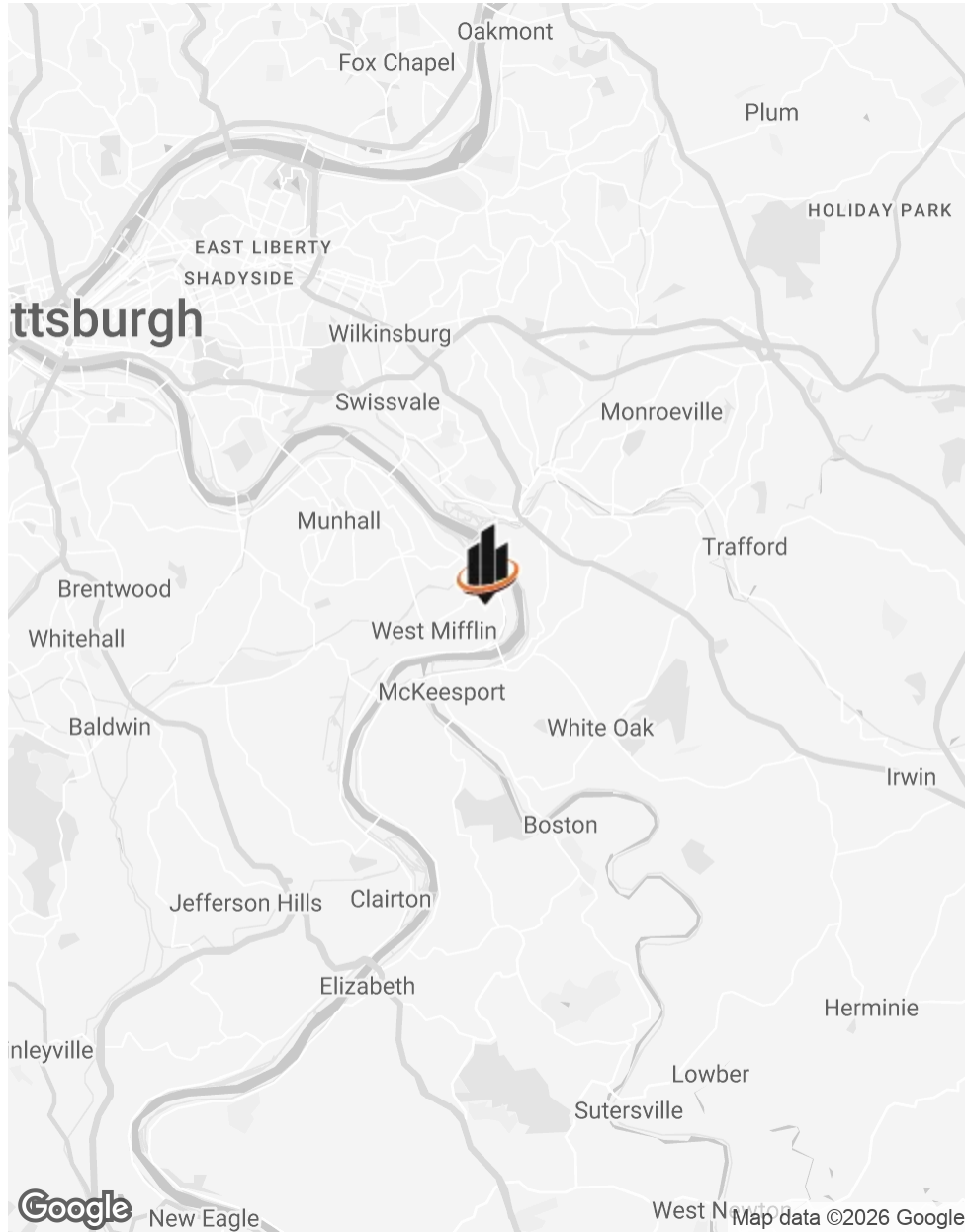
INTERIOR PHOTOS





SECTION 2
Location
Information

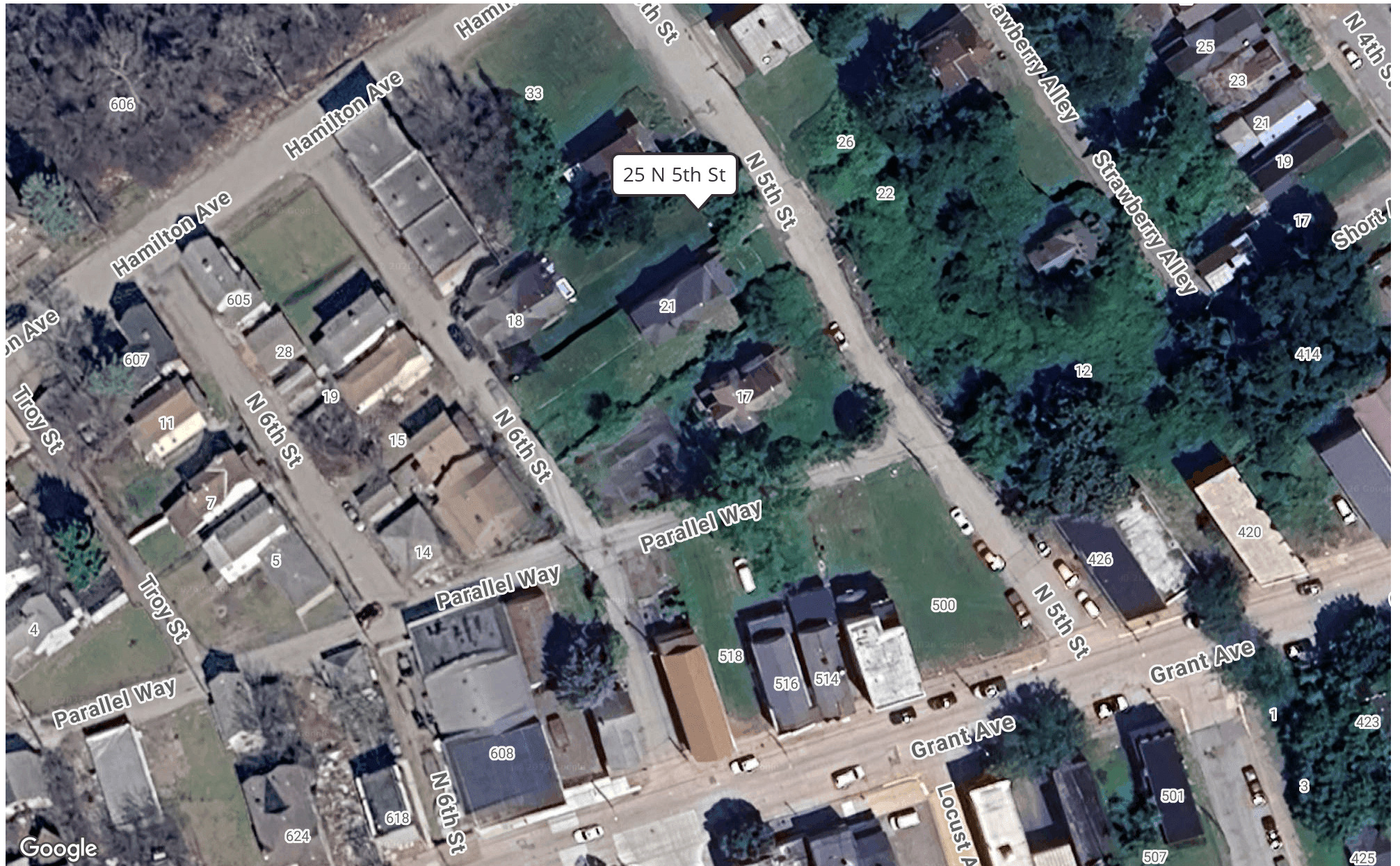
LOCATION MAPS



PARCEL MAP



AERIAL MAP



DEMOGRAPHICS MAP & REPORT

POPULATION

0.3 MILES 0.5 MILES 1 MILE

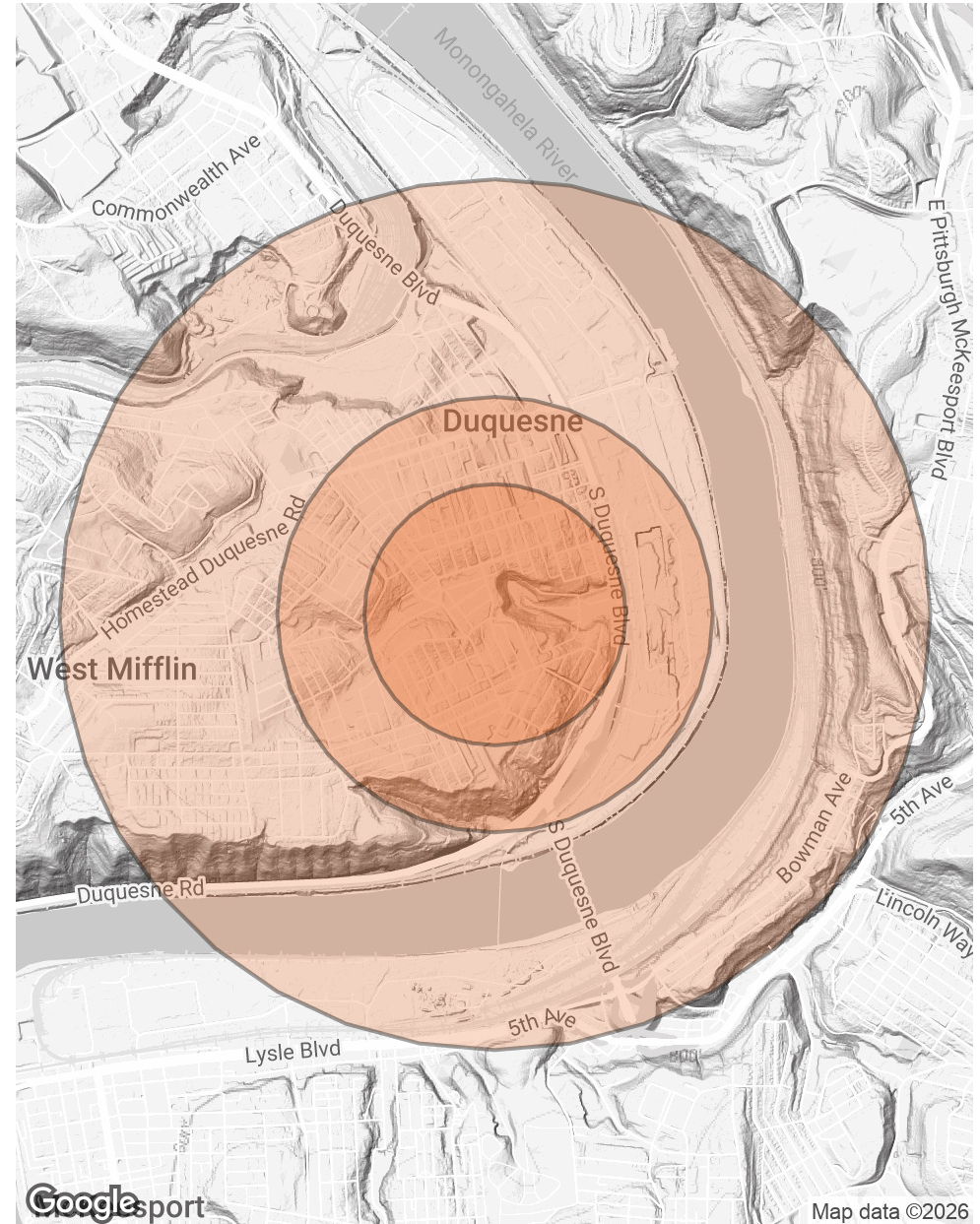
	0.3 MILES	0.5 MILES	1 MILE
TOTAL POPULATION	1,289	3,215	6,999
AVERAGE AGE	39	39	41
AVERAGE AGE (MALE)	37	38	40
AVERAGE AGE (FEMALE)	40	40	42

HOUSEHOLDS & INCOME

0.3 MILES 0.5 MILES 1 MILE

	0.3 MILES	0.5 MILES	1 MILE
TOTAL HOUSEHOLDS	538	1,369	3,125
# OF PERSONS PER HH	2.4	2.3	2.2
AVERAGE HH INCOME	\$51,186	\$56,120	\$66,587
AVERAGE HOUSE VALUE	\$78,319	\$77,120	\$94,011

2020 American Community Survey (ACS)





SECTION 3
**Financial
Analysis**

FINANCIALS

RENT ROLL			Annual Rent				Tenant Type
Unit	BD/BA	Status	Rent/Mo	Current	With Scheduled Sec 8 Rent Increases	With Conversion to Larger # BD/BA	
517 S 5th Street #1	1/1 (3/1)	Occupied	\$965	\$11,580	\$11,580	\$22,296	Chartiers Center
517 S 5th Street #2	1/1	Occupied	\$525	\$6,300	\$6,300	\$6,300	Market
517 S 5th Street #3	1/1	Occupied	\$965	\$11,580	\$11,580	\$11,580	Chartiers Center
517 S 5th Street #4	2/1	Occupied	\$1,014	\$12,168	\$17,496	\$12,168	Sec 8 - Allegheny Co
517 S 5th Street #5	2/1	Occupied	\$1,209	\$14,508	\$14,508	\$14,508	Sec 8 - Allegheny Co
513 S 5th Street	2/1	Occupied	\$1,063	\$12,756	\$15,036	\$12,756	Sec 8 - Allegheny Co
25 N 3rd Street #1	2/1 (4/1)	Occupied	\$1,036	\$12,432	\$17,076	\$23,436	Sec 8 - Allegheny Co
25 N 3rd Street #2	2/1	Occupied	\$1,193	\$14,316	\$14,316	\$14,316	Chartiers Center
25 N 5th Street #3	2/1 (4/2)	Occupied	\$977	\$11,724	\$17,076	\$23,436	Sec 8 - Allegheny Co
Other			\$292	\$3,504	\$3,504	3,504	
Total			\$9,239	\$110,868	\$128,472	\$144,300	

NET OPERATING INCOME	Current	With Scheduled Sec 8 Rent Increases	With Conversion to Larger # BD/BA
Rental Income	\$110,868	\$128,472	\$144,300
Vacancy Factor 5%	(5,543)	(6,424)	(7,215)
Gross Income	\$105,325	\$122,048	\$137,085
Taxes	\$4,585	\$4,585	\$4,585
Insurance	\$4,102	\$4,102	\$4,102
Utilities	\$11,094	\$11,094	\$15,532
Management (9% of gross income)	\$9,479	\$10,984	\$12,338
Maintenance (\$1,000/unit)	\$9,000	\$9,000	\$9,000
Total Expenses	\$38,260	\$39,765	\$45,556
Current / Pro Forma NOI	\$67,064	\$82,283	\$91,529
Cap Rate	12.0%	14.7%	16.3%
Property Value	\$560,000	\$560,000	\$560,000
\$/Unit	\$62,222	\$62,222	\$62,222

FINANCIAL SUMMARY

INVESTMENT OVERVIEW	CURRENT	WITH SCHEDULED SEC 8 RENT INCREASES	WITH CONVERSION TO LARGER # BD/BA
PRICE	\$560,000	\$560,000	\$560,000
PRICE PER UNIT	\$62,222	\$62,222	\$62,222
GRM	5.05	4.36	3.88
CAP RATE	12%	14.69%	16.34%

OPERATING DATA	CURRENT	WITH SCHEDULED SEC 8 RENT INCREASES	WITH CONVERSION TO LARGER # BD/BA
GROSS SCHEDULED INCOME	\$110,868	\$128,472	\$144,300
VACANCY COST	\$5,543	\$6,424	\$7,215
GROSS INCOME	\$105,325	\$122,048	\$137,085
OPERATING EXPENSES	\$38,260	\$39,765	\$45,557
NET OPERATING INCOME	\$67,064	\$82,283	\$91,528



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 **SVN**
THREE RIVERS
COMMERCIAL ADVISORS