



OFFERING MEMORANDUM

OAK TERRACE

9100 NE 15TH AVENUE, VANCOUVER, WA



- STABILIZED ASSET WITH ADDITIONAL VALUE ADD OPPORTUNITY
- 25 UNIT VANCOUVER BUILDING AT \$170K A DOOR
- OVER 280K OF CAPITAL IMPROVEMENTS IN THE LAST 36 MONTHS
- 15 MINUTE COMMUTE TO MAJOR PORTLAND EMPLOYMENT CENTERS



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OAK TERRACE

9100 NE 15TH AVENUE
Vancouver, WA

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OAK TERRACE
9100 NE 15TH AVENUE, VANCOUVER, WA

EXECUTIVE SUMMARY

Foundation Group is pleased to offer the opportunity to acquire the Oak Terrace Apartments, a well-located asset in the Hazel Dell neighborhood of Vancouver, Washington. The 25 unit complex, built in 1984, is well positioned to capitalize on the continued growth of Vancouver which the U.S. Census list as one of the fastest growing cities in the Pacific Northwest.

Oak Terrace is ideally located with easy access to major highways and public transportation while being surrounded by a vibrant diverse mix of businesses, including retail stores, restaurants, and professional services. With the tightening of the Portland landlord tenant laws, Oak Terrace's location gives investors more landlord friendly laws while only being 15 minutes from major Portland employment centers.

Oak Terrace is a very low maintenance asset with 25 efficiently laid out one-bedroom units. Current ownership has positioned the asset perfectly for someone to immediately realize remaining management upside or come in and do light renovations and add a unit in an oversized storage unit, to maximize the value add component.

OAK TERRACE

9100 NE 15TH AVENUE, VANCOUVER, WA

Price:	\$4,150,000
Price Per Unit:	\$166,000
Current GRM:	11.8
Current Cap Rate:	5.64%
Market Cap Rate:	6.28%
Renovated Cap Rate:	7.08%
Address:	9100 NE 15th Avenue
City, State, Zip:	Vancouver, WA
County:	Clark
Units:	25
Parcel:	144973000
Year Built:	1984
Approx. Lot Size:	34,412 SF
Building Net Rentable SF:	12,680
Parking:	54



PROPERTY HIGHLIGHTS

- A stabilized asset with significant meat left on the bone
- Immediate management upside by taking rents to market
- Fast growing Vancouver market. Great location near I5 corridor, 15 mins from major Portland employment centers
- Efficient one-bedrooms to maximize rent per foot
- Roof is 7 years old and in great condition
- Great Agency Debt options, due to location, to get around 65% leverage and favorable rates
- Landlord friendly area - property has zero delinquency
- Over \$280k of Capital improvements in the last 36 months:
 - » New Exterior paint & lighting
 - » New signage
 - » Parking lot recently seal coated and relined
 - » Nearly all plumping supply lines updated
- Oversized lot with 54 parking spots (2.2 per unit)
- Close to hiking trails and recreation areas like Salmon Creek & Kline Pond
- 4 miles from 2 major colleges: WSU Vancouver & Clarke College
- Part of desirable Columbia River High School district





RECOMMENDED RENOVATION SCOPE



VALUE-ADD OPPORTUNITIES

- Units are predominantly classic, a light reno package could be implemented for significant rent upside
- Recommended renovation improvements:
 - » Vinyl Plank Flooring
 - » Stainless Steel Appliances
 - » Quartz countertops
- Opportunity to add a roughly 600 SF unit where the oversized storage room is located. Storage space is adjacent to the laundry room. The space has sewer, electric, plumbing available

*Buyer to verify





SCHEDULED INCOME

	NO. OF UNITS	BDRMS/ BATHS	APPROX SQ. FT.	CURRENT RENTS	AVG PRICE/ SF	MARKET RENTS	AVG PRICE/ SF	RENOVATED RENTS	AVG PRICE/ SF
	24	1B/1B	500	\$1,114	\$2.23	\$1,225	\$2.45	\$1,325	\$2.65
	1	1B/1B	680	\$1,125	\$1.65	\$1,350	\$1.99	\$1,450	\$2.13
Add unit	1	1B/1B	600					\$1,325	\$2.21
TOTALS	26	APROX.	13,280 SF	\$27,870	\$2.10	\$30,750	\$2.32	\$34,575	\$2.60

	CURRENT	MARKET	RENOVATED
Total Monthly Scheduled Rent:	\$27,870	\$30,750	\$34,575
Utility Bill Back (Market/Unit \$60):	\$1,500	\$1,560	\$1,620
Laundry Income (Market/Unit \$6):	\$107	\$120	\$120
Other/Storage/Pet/Misc:	\$559	\$559	\$559
Total Monthly Income:	\$30,036	\$32,989	\$36,874

INCOME & EXPENSES

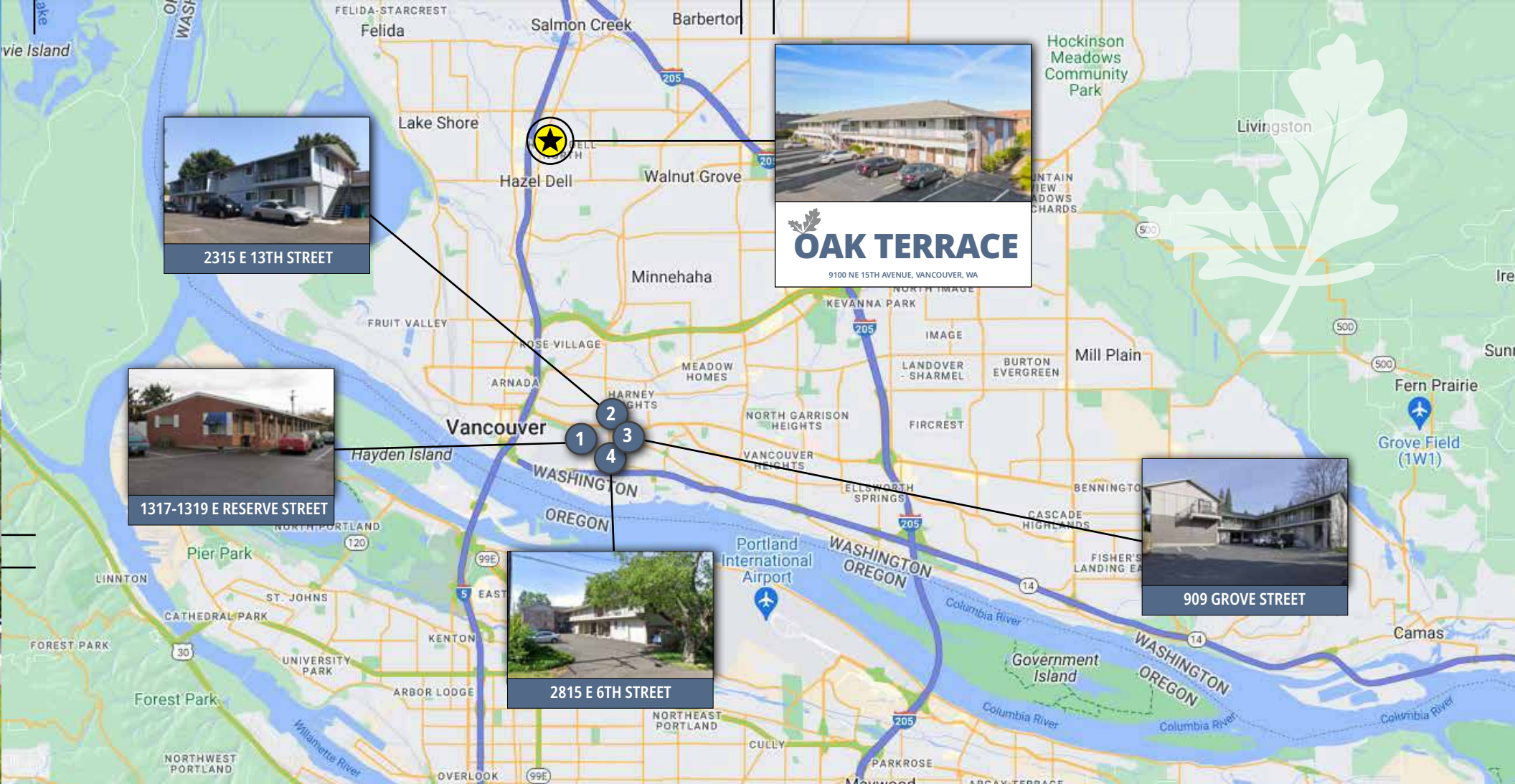
FINANCIALS	CURRENT	MARKET	RENOVATED
Gross Scheduled Income:	\$360,433	\$395,868	\$442,488
Less Physical Vacancy:	(\$10,813)	(\$19,793)	(\$22,124)
Gross Operating Income:	\$349,620	\$376,075	\$420,364
Less Expenses:	(\$115,384)	(\$115,384)	(\$119,371)
Net Operating Income:	\$234,236	\$260,690	\$300,992

EXPENSES	CURRENT	MARKET	RENOVATED
Property Taxes	\$30,600	\$30,600	\$33,000
Insurance:	\$7,484	\$7,484	\$7,484
Utilities: W/S/G/E	\$19,764	\$19,764	\$19,764
Maint./Repairs/T.O.	\$21,250	\$21,250	\$21,250
Landscaping	\$5,574	\$5,574	\$5,574
Leasing fees	\$2,220	\$2,220	\$2,220
Pro Management @	\$20,977	\$20,977	\$22,564
Reserves	\$6,250	\$6,250	\$6,250
Admin/Misc (proforma)	\$1,265	\$1,265	\$1,265
Total Expenses:	\$115,384	\$115,384	\$119,371

NET OPERATING INCOME	CURRENT	MARKET	RENOVATED
	\$234,236	\$260,690	\$300,992

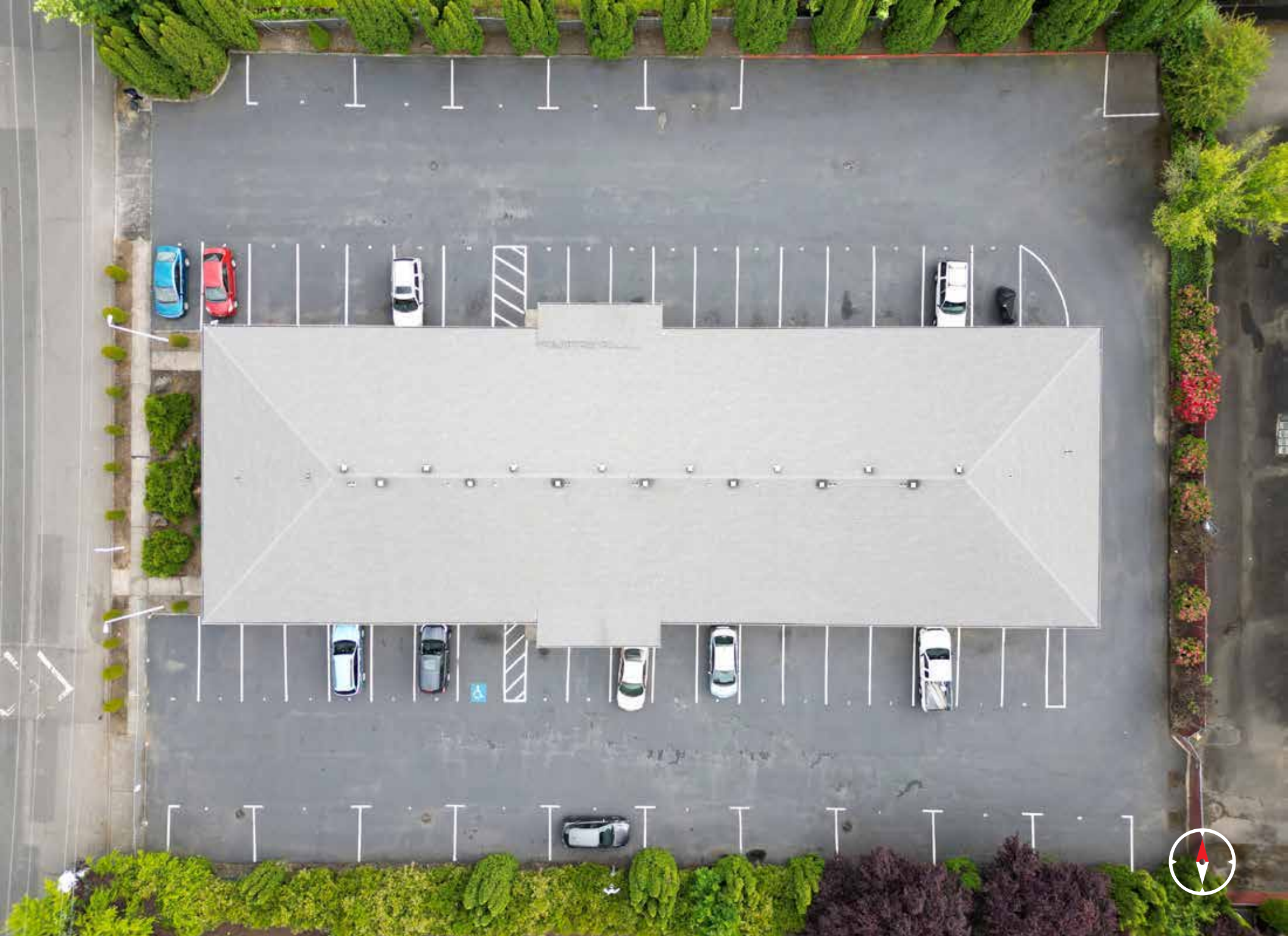






	ADDRESS	SALES DATE	# OF UNITS	YEAR BUILT	SALES PRICE	GRM	CAP	PRICE/ SQFT	PRICE / UNIT
1	1317-1319 E Reserve St	1/4/22	11	1962	\$1,680,000	12.7	5.21%	\$305	\$152,727
2	2315 E 13th St	11/22/21	12	1970	\$2,300,000	15.7	4.07%	\$245	\$191,667
3	909 Grove St	10/30/23	10	1970	\$1,585,000	N/A	N/A	\$185	\$158,500
4	2815 E 6th St	10/30/23	9	1968	\$1,595,000	N/A	N/A	\$240	\$177,222
AVERAGE						14.2	4.64%	\$244	\$170,029
SUBJECT @ AVGS								\$3,092,177	\$4,420,755





OAK TERRACE APARTMENTS LOCAL AMENITIES

.05 mi radius

HAZEL DELL NEIGHBORHOOD

Hazel Dell's ties to the farming community date back to the 78th Street Heritage Farm, which operated from the 1870s until the 1940s. Today, the farm is open to visitors, and points of interest include the community gardens, the greenhouses, and a historic cemetery. Future plans for the farm call for an interpretive trail system with signs and exhibits sharing the history of local pioneers and how their lives led to the local agricultural industry's success.

The pride of longtime Hazel Dell residents and businesses is evidenced each spring during the Parade of Bands. Held annually since 1964, the parade occurs on Armed Forces Day and attracts more than 5,000 participants and 20,000 viewers.

A hot hangout spot, the expansive Brothers Cascadia Brewing, which crafts classic, clean American beers on a 10-barrel system, has indoor and outdoor space with surrounding food carts dishing up delicious food. Find the best Banh Mi sandwiches in town, plus Cajun cuisine, Mighty Bowl favorites, and pizzas slinging from the Hungry Sasquatch.



Vancouver WASHINGTON

Vancouver, Washington is experiencing a remarkable surge in economic growth, painting a vibrant picture of prosperity and opportunity. Fueled by a diverse range of industries, from technology to manufacturing, the city is witnessing a dynamic transformation.

The robust job market is attracting skilled professionals, fostering innovation, and contributing to the overall economic vitality of the region. With strategic investments in infrastructure and a business-friendly environment, Vancouver is poised to continue its upward trajectory. This flourishing economic landscape not only brings prosperity to the local community but also positions

Vancouver as a compelling destination for businesses and individuals seeking a thriving and forward-looking environment.

*“With strategic investments...
Vancouver is poised
to continue its upward
trajectory.”*

The city is undergoing a fascinating evolution in its commercial real estate landscape, marked by exciting developments that redefine the city’s skyline and economic footprint. Investors and developers are capitalizing on the city’s strategic location and business-friendly atmosphere, leading to

a surge in innovative commercial projects. From cutting-edge office spaces to dynamic retail centers, Vancouver is becoming a hub for modern and sustainable real estate ventures.

The integration of smart technologies and eco-friendly designs further underscores the city’s commitment to progressive development. As the demand for commercial spaces continues to grow, Vancouver’s real estate market is not just expanding physically but also contributing significantly to the city’s economic prosperity, making it an enticing destination for businesses looking to thrive in a dynamic urban environment.

VANCOUVER, WA LOCAL DEMOGRAPHICS & TOP EMPLOYERS

110,576 POPULATION (2023)	\$116,900 MEDIAN HOUSEHOLD INCOME	2.43 AVERAGE HOUSEHOLD SIZE	36.3 MEDIAN AGE	36.3 MEDIAN AGE
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PEACEHEALTH



BURGERVILLE



CONMET

CITY'S TOP EMPLOYERS	ABOUT THE COMPANY	NO. OF EMPLOYEES
PeaceHealth	Vancouver based, not-for-profit health system offering care in WA, OR and AK	16,000
Banfield Pet Hospital	Privately owned, Vancouver based veterinary clinics	14,000
EmpRes Healthcare	Provides skilled nursing, assisted living, home health, hospice, and home care services	3,000
Hawthorne Retirement	Offers management and services to retirement, personal care and assisted living	3,000
Prestige Care	Facilitates adult home care, assisted living, nursing, and retirement communities	3,000
Milestone Retirement	Provides a range of caring and compassionate senior housing options	3,000
ConMet	Inventing, designing and manufacturing superior transportation components	2,000
Pacific Bells	Partnership corporation, building and operating Taco Bell restaurants in the PNW	2,000
Burgerville	Chain of quick service restaurants serving guests fresh, great tasting food	1,600
Kuni Automotive	Well-established, family-owned car dealership company founded in 1970	1,327
Northwest Pipe	Manufacturer of high-pressure steel pipeline systems for use in waters infrastructure	1,256

YEAR-ROUND & ANNUAL EVENTS

Farmer's Market

Lilac Days

4 Days of Aloha

Clark County Fair

Craft Beer & Wine Fest

Vancouver Brewfest

Apple Tree Marathon



POPULAR LOCAL ATTRACTIONS

VANCOUVER FARMER'S MARKET

The market is Southwest Washington's #1 visitor attraction and home to over 250 vendors. Featuring fresh and local produce, flowers, plants, baked goods, delicious food, pet treats, and accessories

for yourself, home, or garden.

FORT VANCOUVER HISTORIC SITE

Discover stories of transition, settlement, conflict, and community. From a frontier fur trading post, to a powerful military legacy, the magic of flight, and the origin of the American Pacific Northwest.

KIGGINS THEATRE

The only historic theatre still operating in Vancouver hosting stand-up comics monthly, science lectures, theater performances, instrumental accompaniments to silent films, and more.

SOURCE CLIMBING CENTER

The Source Climbing Center is Vancouver's own fully dedicated indoor climbing facility that features 3,900 sq ft of awe some top rope and lead climbing terrain, 1,200 sq ft of bouldering terrain, and an 800 sq ft kids mezzanine for classes, birthday parties, and private events.

CLARK COUNTY MUSEUM

Dedicated to the collection, preservation, and interpretation of the cultural history of Clark County and the Pacific Northwest, and to sponsoring educational programs and exhibits for the enrichment of all members of the public.

WATERFRONT RENAISSANCE TRAIL

An accessible, five miles of paved pathways and interpretive trails connect downtown Vancouver with the shops, restaurants, and historical attractions of the Columbia River waterfront.

HEATHMAN LODGE

The lodge features a collection, including a towering cedar totem pole, vibrant Pendleton blankets, iconic Warhol art, and unique pieces that pay homage to local wildlife and historical interactions.

VANCOUVER LAND BRIDGE

A 40-foot-wide, earth-covered pedestrian bridge over WA-14, lined with indigenous plants and Native basket weavings.

COLUMBIA RIVER GORGE

A spectacular river canyon, 80 miles long and up to 4,000 feet deep, that meanders past cliffs, spires, and ridges set against nearby peaks of the Cascade Mountains.

FRENCHMAN'S BAR REGIONAL

120-acre regional park features a wide variety of outdoor recreation and a 2.5 mile trail that connects the park to Vancouver Lake Regional Park.

PEARSON FIELD & MUSEUM

History of aviation from its roots as a military air field, to its history as the site of the Spruce Mill and its transformation into a civilian field



THE WATERFRONT





WATERFRONT GATEWAY

A new walkable and transit A Vibrant New District for Downtown Vancouver

The Waterfront Gateway features 6.4-acres of city-owned property in downtown Vancouver, which is quickly becoming a vital economic catalyst for the region.

Providing a dynamic new district for locals and guests to enjoy, Waterfront Gateway is designed to honor the history and heritage of the city. The district will celebrate another exciting era of revitalization for Downtown and the Columbia River waterfront area.

Waterfront Gateway is strategically located between two important centers of redevelopment activity—the Columbia River waterfront and the historic downtown core. It is one of the largest undeveloped properties in the area, creating a major opportunity for housing and economic growth.

The site is adjacent to Vancouver City Hall and the Vancouver Convention Center & Hilton Hotel. It is bounded by West Sixth St (north), Columbia St (east), Grant St (west), and the railroad berm (south).

The project team is listening—incorporating features and amenities that come directly from community input. After years

of visioning and planning with local residents, business owners, and community organizations, Waterfront Gateway will connect the historic heart of the city to the resurgent Columbia River waterfront area. The district plans to include a wealth of benefits for the community, including:

- A bustling center with quality jobs
- 405-435 residential units for all income levels
- A minimum of 510 parking spaces, which are anticipated to be located in 2 on-site parking garages
- 2 acres of open space, including public plazas, parks, and pedestrian-friendly
- Approximately 100,000 SF cross laminate timber office buildings
- Ample parking for residents, employees and visitors
- Connecting Esther Short Park and the historic core to the waterfront
- Local retailers and restaurants
- Innovative sustainability solutions
- Providing a wealth of entertainment, attractions and activities
- Art installations, outdoor movies, and family-friendly concerts and events
- Stroll in a plaza or along an interconnected network of on-site pathways

Source: *The Urbanist*

Prior to presenting the final plan, Lincoln made changes to improve the district's accessibility and pedestrian connectivity, including:

- The plaza on the eastern block was increased to offer more space for the community to enjoy and allows for better pedestrian connection.
- A New Parking Garage. This structure will provide parking for residents and businesses, along with public parking for visitors.
- 100% of parking stalls will be EV charging ready and 10% of stalls will have installed and operational EV charging stations – exceeding Washington state's minimum electric vehicle charging requirements.
- The parking structure's exterior will be screened to provide an opportunity to enhance the building design using art, greenery or innovative materials.

With the new pedestrian-friendly Esther Street Tunnel, Waterfront Gateway will provide a key connection between downtown and the waterfront district, increasing activity and enhancing the community experience.

City Strives To Assure Businesses On Main Street In Downtown Vancouver With Upcoming Makeover

Downtown Main Street is home to many businesses including banks, restaurants, bars, a movie theater and grocery stores.

In early 2024, Main Street will see two years of construction to make the street's 10 southernmost blocks, between West Fifth and West 15th streets, safer, more accessible and better connected.

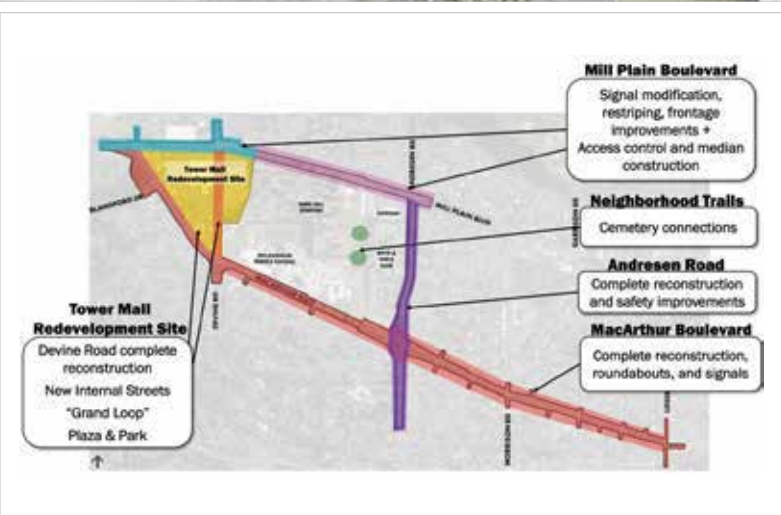
“The redevelopment represents in real time the transition from a suburban bedroom community to a full-fledged urban community that in many cases stands on its own,”

- Chris Harder, Deputy Director Of Economic Prosperity And Housing For The City Of Vancouver

Highlights of the redesign include replacing diagonal parking with parallel parking, narrowing the roadway while extending sidewalks, and setting a roadway level with the sidewalk so there are no curbs — like Esther Street adjoining Esther Short Park. The Vancouver City Council approved the designs in October, and the project has an estimated price tag of \$21 million.

Source: *The Columbian*





HEIGHTS DISTRICT

A new walkable and transit connected district in the east side of the city near East Mill Plain Boulevard, an arterial east-west street which will feature one of Vancouver's two future bus rapid transit projects.

The Heights District is envisioned as a vibrant neighborhood center that is sustainable, healthy, equitable, accessible, and safe. It includes engaging public open space, diverse housing affordable to a wide range of community members and safe multi-modal travel opportunities within the district and transit to nearby neighborhoods.

The Heights District will be constructed on and near the location of the former Tower Mall, which encompasses 63 acres that will eventually be the site of 1.58 million square feet in housing, commercial and office spaces, hotel and multipurpose developments, all anchored on a civic plaza, with a festival street and neighborhood park. The project also includes a three-quarter-mile "Grand Loop" that builds connections into the surrounding area. Referred to as "part street and part park," by the City, the landscaped Grand Loop path will feature outdoor dining, games,

seating, and wayfinding elements representing Vancouver's local culture, history, and natural environment.

The project team is currently finalizing the design and engineering of the infrastructure of the new district. The road improvements to the Mill Plain Blvd. and MacArthur Blvd. Intersection will be the first project to start construction at the end of 2024. This will be followed by the northern section of the Grand Loop to support the first phase of development in the District.

Outreach for the Heights District plan has already been ongoing for years with the aim of involving existing community members in the creation of the plan and avoiding displacement as revitalization takes place.

2023 Governor's Smart Communities Smart Vision Award Winner

2024 will also bring more changes to Downtown Vancouver with the kick off of the City's Main Street Promise project, which will redesign 10 blocks of Downtown's Main Street from 5th Street to 15th Street to make them safer and more attractive for pedestrians. Final design plans were approved in November 2023 and construction is expected to begin in spring of 2024.

Source: City of Vancouver Washington

CIVIC PLAZA

The Civic Plaza will be an informal gathering space, in the heart of the Heights District, surrounded by stores. It will be filled with a variety of features and able to be used in a variety of ways. Features may include:

- A water play area
- Flexible street for things like food, vendors, events, and cultural festivals
- Covered/canopy area
- Open plaza area for concerts, events, and socializing
- Retail stands
- Art and artistic elements
- Seating, such as benches, low walls, and movable tables/chairs
- Features to improve access for people who use a wheelchair or mobility device

CIVIC PLAZA

The Grand Loop will be a central feature of the Heights District, looping around the former Tower Mall area, extending to MacArthur Blvd and connecting the district to surrounding areas. Part street and part park, this path will wind through the district and encourage visitors to play, learn and explore. The Loop will feature outdoor dining, games, seating, landscaping and creative elements. It will also include signs to help you get around and art representing the local culture, history and environment.

NEIGHBORHOOD PARK

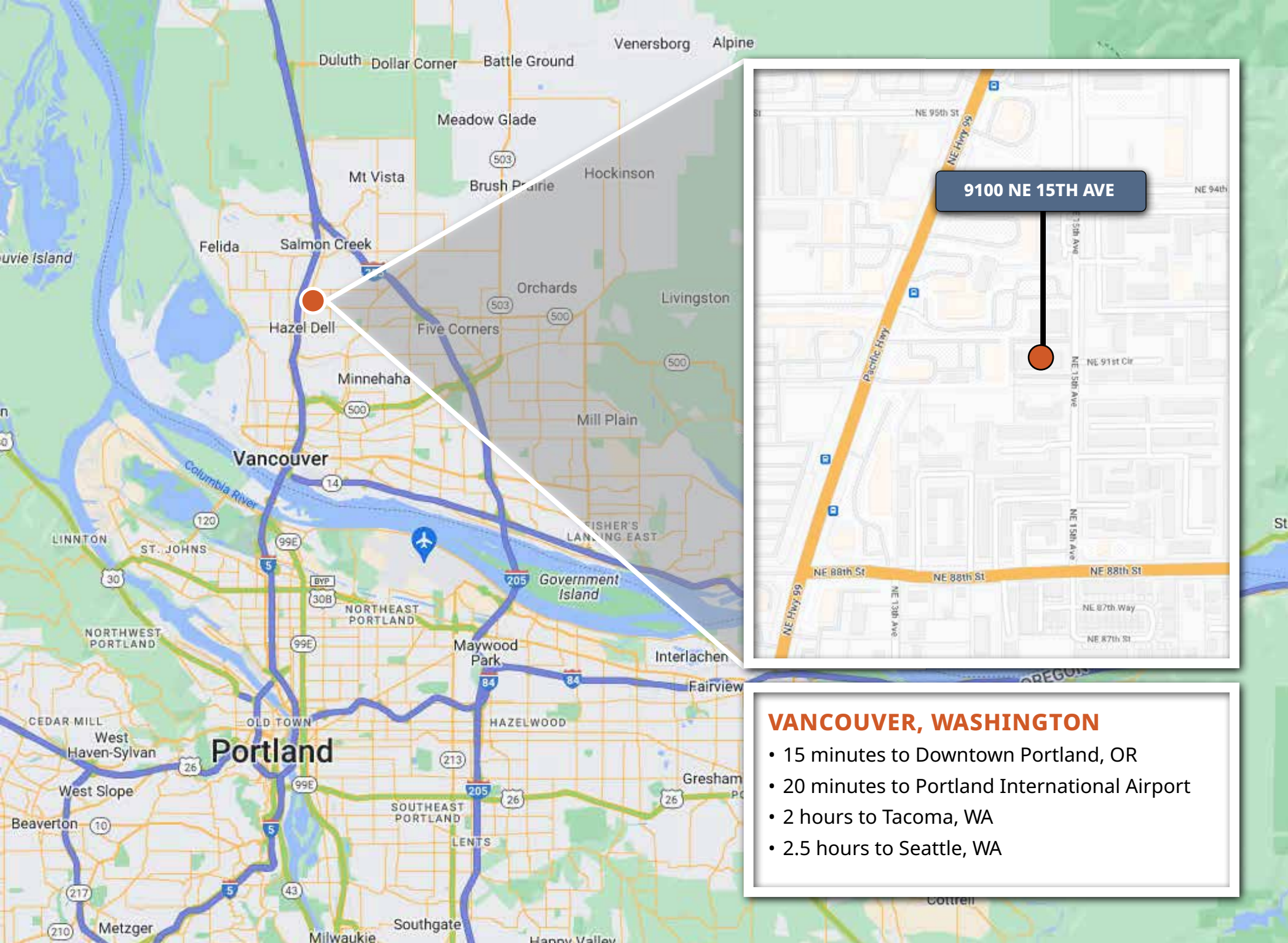
The Neighborhood Park will be a place for play, dog walking, strolling, picnicking, cultural events and more. Features may include:

- A large open lawn for relaxing, gathering, and holding community events, such as movies in the park, concerts and cultural festivals
- A dog park, water and waste supplies for pets
- Picnic tables, benches and movable seating
- Water fountains
- Bike parking
- Features to improve access for people who use a wheelchair or mobility device

The Grand Loop has four distinctive segments based off of Vancouver's natural environment - volcanoes (Volcanology), waterways (Hydrology), trees and plants (Ecology) and rocks and land formations (Geology). Each section will have colorful designs, paving materials in the sidewalk and opportunities for learning, including play equipment, art and/or signage.

Source: City of Vancouver Washington





9100 NE 15TH AVE

VANCOUVER, WASHINGTON

- 15 minutes to Downtown Portland, OR
- 20 minutes to Portland International Airport
- 2 hours to Tacoma, WA
- 2.5 hours to Seattle, WA



Similar to the rest of Washington State, Vancouver has experienced steady population growth in the last decade. According to data from the U.S. Census, Vancouver surged from about 176,000 to 195,000 residents between 2017 and 2022, a growth rate of 9.4% which made it the fastest growing city in the Pacific Northwest during the five-year period.

PORTLAND INTERNATIONAL AIRPORT

Travelers Love PDX For Its Convenience, Amenities, & Great Local Food & Drink

Portland International Airport (PDX) is currently served by more than 15 international and domestic airlines offering about 500 scheduled passenger arrivals and departures daily. More than 60 U.S. cities offer nonstop flights to Portland, including: Atlanta, Orlando, New York, Boston and Chicago. Internationally, you can fly direct to PDX from Amsterdam, Calgary, Frankfurt, Guadalajara, London, Puerto Vallarta, Toronto and Vancouver, British Columbia. PDX offers more than 60 nonstop flights to cities near and far, including international destinations.

PDX won top honors in 2021 and was the reigning World's Best Domestic Airports champion from 2013–2019. Some of the things that regularly earn PDX this recognition include friendly guest interactions, free Wi-Fi, great local food and drink, and tax-free shopping without markups.

Source: *The Urbanist*

Starting later this year, the new PDX designs: new airline check-in counters, the new pre-security Market Hall, and two new security stations.

What to look for in phase 1:

- New airline check-in areas
- A new public space with stadium seating and a mezzanine restaurant
- 12 new local shops and restaurants
- A streamlined security process
- New art exhibits
- Ability to get to all four concourses once you've passed through security
- New flooring — including the return of the iconic carpet

The city of Portland is nicknamed "PDX" after the International Air Transport Association airport code for the Portland International Airport, which is PDX.

What to look for in phase 2:

- New exit lanes and two new post-security shopping and dining areas, plus even more of Portland's favorite carpet
- 10 new local restaurants and shops
- Permanent exit lanes, with more escalators down to baggage claim
- Banks of private, All-user restrooms with
- Tile mosaics created by local artisans
- Two cozy areas where you can wait for arriving travelers





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