

Price: \$1,500,000



Emma Manor

7934 SW Barbur Blvd., Portland, OR 97219

Price Summary

Price:	\$1,500,000
Price/Unit:	\$150,000
Price/Sq Ft:	\$139.85
Cap Rate:	5.78%
Proforma Cap Rate:	6.33%

Building Summary

Units:	10
Building Size:	10,726 sq ft*
Lot Size:	0.34 acres
Year Built:	1942
County:	Multnomah

* Total building square footage includes the basements and attached garages (Portland Maps).

Joseph Bernard
INVESTMENT REAL ESTATE

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PROPERTY SUMMARY

The Emma Manor Apartments is located in SW Portland, just 3 miles from downtown Portland. Built in 1942, the property features cottage style apartments in a community like setting. The property is comprised of (7) 1BR/1BA units, (2) 2BR/1BA units and (1) 3BR/1.5BA unit, along with on-site garage and storage rentals. All units have been upgraded. A new owner benefits from a stabilized asset in a strong sub-market with nearby projects that will continue to enhance the neighborhood (The Southwest Corridor Plan).



HIGHLIGHTS

- Central SW Portland location, 3 miles from downtown Portland.
- Many recent upgrades to the interior/exterior.
- Stabilized investment opportunity, with room for rent growth.
- Ample parking.
- Garage Rentals and Storage on site.



INCOME & EXPENSE

Scheduled Monthly Rents						
Units	Type	Est. Sq. Ft.	Current Average Rent	Monthly Income	Highest Level in Building	Monthly Income
7	1 BR	500-650	\$1,035	\$7,245	\$1,135	\$7,945
2	2 BR	650-1,180	\$1,110	\$2,220	\$1,125	\$2,250
1	3 BR	1,023	\$1,595	\$1,595	\$1,595	\$1,595
10	Estimated Total			\$11,060 ¹		\$11,790
	Scheduled Gross Income			\$132,720		\$141,480
	• <i>Less: Vacancy (5%)</i>			-\$6,636		-\$7,074
	Effective Gross Income			\$126,084		\$134,406
	• <i>Plus: 2018 Scheduled Garage/Storage Income</i>			+\$3,900 ²		+\$3,900
	• <i>Plus: Billboard Income</i>			+\$1,800		+\$1,800
	• <i>Plus: 2017 Lease break, Deposit forfeit, and App fees</i>			+\$7,228 ³		+\$7,228
	Effective Annual Income			\$139,012		\$147,334

Estimated Expenses						
	Current			Budget		
	%EGI	Per/Unit	Amount	%EGI	Per/Unit	Amount
⁴ Taxes	10.19%	\$1,284	\$12,843	9.56%	\$1,284	\$12,843
⁵ Insurance	2.00%	\$250	\$2,500	1.87%	\$250	\$2,500
⁶ Utilities	10.19%	\$1,276	\$12,755	9.55%	\$1,276	\$12,755
⁷ Professional Management	9.29%	\$1,162	\$11,623	8.70%	\$1,162	\$11,623
⁸ Maintenance & Repairs	4.00%	\$500	\$5,000	3.74%	\$500	\$5,000
⁸ Turnover Reserves	2.00%	\$250	\$2,500	1.87%	\$250	\$2,500
⁹ Landscaping	2.09%	\$261	\$2,610	1.95%	\$261	\$2,610
⁸ Capital Reserves	2.00%	\$250	\$2,500	1.87%	\$250	\$2,500
Total Est. Annual Expenses	41.50% <i>of EGI</i>	\$5,233 <i>Per Unit</i>	\$52,331	38.94% <i>of EGI</i>	\$5,233 <i>Per Unit</i>	\$52,331

Investment Summary		
	Current	Projected
Net Operating Income (NOI)	\$86,681	\$95,003
Cap Rate	5.78%	6.33%
Debt Service	\$72,471	\$72,471
Cash Flow	\$14,210	\$22,532
Cash Return	3.79%	6.01%

INCOME & EXPENSE

Footnotes

1. Current Rent Roll, September 17, 2018.
2. Annual scheduled Income for Garage/Storage: Garages 3 x \$100/month, and storage 1 x \$25/month).
3. 2017 Year End Actual Fee Income: Lease Break = \$1,537, Deposit Forfeit = \$5,646, and App Fees = \$45.
4. 2018-2019 Property Taxes.
5. Estimated Budget for insurance: (Seller's historical insurance expense: 2016 = \$4,669, 2017 = \$3,249, 2018 YTD thru June: \$2,452).
6. 2017 Year End Utilities (Electric: \$277, Gas: \$323, Water/Sewer: \$6,527, Garbage: \$5,628).
7. 2017 Year End Management Total: (Management Fee: \$8,741, Leasing Bonus: \$2,882.
8. Repairs/Turnover/Capital Reserves are budgeted:
 - 2016 total = \$16,876 (Major expense included extensive turnover of unit # 10, in December 2016: \$9,010. Other repairs included general maintenance and turnover of unit # 4).
 - 2017 total = \$54,704 (Major expense included Roofing: \$17,228, Plumbing: \$4,500, Chimney: \$1,750, turnover of five units: # 1, 2, 4, 6, and 10, and general maintenance).
 - 2018 total (to June) = \$14,151 (Major expenses included French Drain: \$2,195, turnover work for units # 3, and # 8, and general maintenance).
9. 2017 Year End Landscape Expense.

Proposed Financing

Price	\$1,500,000
Down Payment	\$375,000
Down Payment %	25%
Debt Service	\$72,471
Loan Amount	\$1,125,000
Interest Rate	5.00%
Term	5 yr. fixed/30 yr. am

EXTERIOR



INTERIOR



INTERIOR



Joseph Bernard LLC

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The professional approach to apartment investing.



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