



MADISON APARTMENTS

3440-3464 SE Madison St., Portland, OR 97214

13 units

\$3,400,000



FOR MORE INFORMATION:
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BUILDING

Price:	\$3,400,000
Units:	13
Garages:	13
Storage Lockers:	13
Building Sq. Footage:	14,449*
Price/unit:	\$261,538
Price/Sq. Ft:	\$235.31
Cap Rate:	5.17%
Year Built:	1957
Lot Size:	0.31 acres
County:	Multnomah
Zoning:	R 2.5

HIGHLIGHTS

- Pride of ownership 1950's Court-Yard Apartment Community.
- Meticulously maintained vintage apartments with attention to detail.
- Fantastic inner East Side location near many amenities. (96 Walk Score, 100 Bike Score)
- Additional on-site amenities include 13 large garages, and 13 large storage lockers.
- Value add opportunity to increase income through improved operations.
- First time ever on the market.

DESCRIPTION

The Madison Apartments is a true pride of ownership investment opportunity! The apartments were built in 1957 and have been meticulously maintained through the years by the family of the original builder. Located in the popular inner Southeast Portland sub-market, tenants benefit from many nearby amenities with a walk score of 96 and bike score of 100. The property features low density urban living, with a beautiful garden court-yard for tenants to enjoy. The apartments have generous floor plans with vintage finishes true to the era, and no detail left untouched. The property has additional amenities on-site, including 13 garage rentals, 13 storage lockers, on-site laundry machines, and a large basement. Rare opportunity to acquire a true legacy property!

*Total Square Footage per Portland Maps, 14,449. Includes: 9,969 main floor, 4,480 lower level units, laundry, storage, & garages. Buyer to verify.

Scheduled Monthly Rents

Units	Type	Est. SF	Current Average Rent	Monthly Income	Highest Level in Building	Monthly Income
2	Studios	380	\$1,115	\$2,230	\$1,130	\$2,260
6	1 BR + 1 BA	730	\$1,343	\$8,055	\$1,430	\$8,580
1	1 BR + 1 BA + Den	875	\$1,650	\$1,650	\$1,650	\$1,650
4	2 BR + 1 BA	950	\$1,615	\$6,460	\$1,780	\$7,120
13			Estimated Total	\$18,395¹		\$19,610
Scheduled Gross Income				\$220,740		\$235,320
• Less: Vacancy (5%)				\$11,037		\$11,766
Effective Gross Income				\$209,703		\$223,554
• Plus: Garage Income				\$21,408 ²		+\$21,408
• Plus: Laundry & Potential Storage Income				\$1,800 ³		+\$1,800 ³
Effective Annual Income				\$232,911		\$246,762

Estimated Expenses

	%EGI	Current Per/Unit	Amount	%EGI	Budget Per/Unit	Amount
⁴ Taxes	10.91%	\$1,760	\$22,874	10.23%	\$1,760	\$22,874
⁵ Insurance	1.86%	\$300	\$3,900	1.74%	\$300	\$3,900
⁶ Utilities	8.06%	\$1,301	\$16,911	7.56%	\$1,301	\$16,911
⁷ Professional Management	N/A	N/A	N/A	N/A	N/A	N/A
⁸ Maintenance & Repairs	2.48%	\$400	\$5,200	2.33%	\$400	\$5,200
⁸ Turnover Reserves	1.24%	\$200	\$2,600	1.16%	\$200	\$2,600
⁶ Landscaping	1.01%	\$163	\$2,122	0.95%	\$163	\$2,122
⁸ Capital Reserves	1.24%	\$200	\$2,600	1.16%	\$200	\$2,600
⁹ City of Portland Annual Rental Fee, \$60/unit	0.37%	\$60	\$780	0.35%	\$60	\$780
Total Est. Annual Expenses	27.18% of EGI	\$4,384 Per Unit	\$56,987	25.49% of EGI	\$4,384 Per Unit	\$56,987

Investment Summary

NOI	\$175,924	\$189,775
Cap Rate	5.17%	5.58%

Footnotes

1. Current Rent Roll, May 2021: Owners currently uses two units on-site for personal/family use at no charge. Current rents in place are as follows. Studios: (\$1,130, \$1,100) = \$1,130 avg. 1BR: (\$1,430, \$1,380, \$1,380, \$1,180, owner unit, owner unit) = \$1,342.50 avg. 1BR + Den: (\$1,650) = \$1,650 avg. 2BR: (\$1,580, \$1,580, \$1,520, \$1,780) = \$1,615 avg.
2. Property is comprised of 13 garages on-site. 8 out of 13 are currently rented. 5 are used by the owners for personal use at no charge. Current average of rented garages = \$137 (\$120, \$100, \$120, \$165, \$165, \$165, \$132, \$132). Owner garages budgeted at \$137 for budgeting purposes. Total monthly potential = \$1,784.
3. Current Laundry Collections per seller = approximately \$150 per month, \$1,800 per year. The property has 13 individual storage lockers currently provided free of charge. Budget of \$50 per locker for pro forma purposes, \$650/month (\$7,800/year).
4. Actual 2020-2021 Property Taxes with 3% Oregon prepay discount.
5. Budget Insurance, \$300 per unit annually. Seller currently pays above market (\$11,762 in 2020).
6. Actual 2020 Year End Utility Expense: Water/Sewer: \$6,580, Gas: \$4,811, Electric: \$3,786, Garbage: \$1,734.
7. Seller Currently Self Manages.
8. Budget for repairs/turnover/capital reserves. Actual 2020 = \$14,619 total.
9. 2020 Year End Actual







AWARDS & RECOGNITIONS

Joseph Bernard

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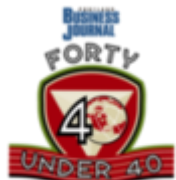
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