

Exclusive Listing



Stone Manor Apartments

2855 Front St NE, Salem, OR 97301

Price: \$2,500,000

Units: 20 | Price/Unit: \$125,000

Sq Ft: 11,120 | Price/Sq Ft: \$224.82

Year Built: 1974 | Cap Rate: 5.38%

Proforma Cap Rate: 6.15%

Bernard Gehret

Principal Broker

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Joseph Bernard LLC
INVESTMENT REAL ESTATE

The Professional Approach to Apartment Investing



INCOME & EXPENSE

Stone Manor Apartments

2855 Front St NE
Salem, OR 97301



Summary

Price	\$2,500,000
Units	20
Building Sq Ft	11,120
Price/Unit	\$125,000
Price/Sq Ft	\$224.82
Year Built	1974

Proposed Financing

Down Payment	\$800,000
Down Payment %	32%
Debt Service	\$90,470
Loan Amount	\$1,700,000
Interest Rate	3.40%
Term	5 yr. fix/30 yr. am.

Footnotes

- 1 Actual 2020/2021 property taxes
- 2 Actual 2021 insurance premium.
- 3 Actual 2020 Utility expense.
- 4 Actual property management expense = 5% fee on income
- 5 Repairs/Capital and Turnover Reserves = budget amount totalling \$1,000/unit/year

Scheduled Monthly Rents

<u>Units</u>	<u>Type</u>	<u>Est. SF</u>	<u>Current Avg. Rent</u>	<u>Monthly Income</u>	<u>Highest Level in Building</u>	<u>Monthly Income</u>
20	1 BD/1 BA	551	\$811	\$16,220	\$900	\$18,000
20	Estimated Total			\$16,220		\$18,000
Scheduled Gross Income				\$194,640		\$216,000
▪ Less: Vacancy (5%)				-\$9,732		-\$10,800
Effective Gross Income				\$184,908		\$205,200
▪ Plus: Laundry				+\$915		+\$915
▪ Plus: Utility Rubs				+\$6,000		+\$6,000
Effective Annual Income				\$191,823		\$212,115

Estimated Expenses

	<u>Current</u>			<u>Budget</u>		
	<u>%EGI</u>	<u>Per/Unit</u>	<u>Amount</u>	<u>%EGI</u>	<u>Per/Unit</u>	<u>Amount</u>
¹ Taxes	7.11%	\$657	\$13,149	6.41%	\$657	\$13,149
² Insurance	1.99%	\$184	\$3,680	1.79%	\$184	\$3,680
³ Utilities	6.06%	\$560	\$11,200	5.46%	\$560	\$11,200
⁴ Professional Management	5.00%	\$462	\$9,245	5.00%	\$513	\$10,260
⁵ Maintenance & Repairs	5.41%	\$500	\$10,000	4.87%	\$500	\$10,000
⁵ Turnover Reserves	2.70%	\$250	\$5,000	2.44%	\$250	\$5,000
⁵ Capital Reserves	2.70%	\$250	\$5,000	2.44%	\$250	\$5,000
Total Est. Annual Expenses	30.97% of EGI	\$2,864 Per Unit	\$57,274	28.41% of EGI	\$2,914 Per Unit	\$58,289

Investment Summary

	<u>Current</u>	<u>Projected</u>
Net Operating Income (NOI)	\$134,549	\$153,826
Cap Rate	5.38%	6.15%
Debt Service	\$90,470	\$90,470
Cash Flow	\$44,079	\$63,356
Cash Return	5.51%	7.92%

For further information, please contact

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