

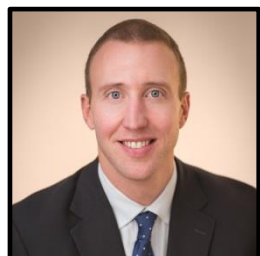


CASCADE GARDEN APARTMENTS

18737-18767 SE Division Street, Gresham, OR 97030

10 units

\$1,350,000



FOR MORE INFORMATION:

Phillip Barry
Principal Broker

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CASCADE GARDEN APARTMENTS

18737-18767 SE Division Street, Gresham, OR 97030



BUILDING

Price:	\$1,350,000
Units:	10
Building Sq. Footage:	10,360
Price/unit:	\$135,000
Price/Sq. Ft:	\$130.31
Cap Rate:	4.30%
Proforma Cap Rate:	7.51%
Year Built:	1997/1943
Lot Size:	0.87 acres
County:	Multnomah
Zoning:	CMF

HIGHLIGHTS

- Operational Value Add, with significant upside in the rents.
- Low Density site with pristine landscape & grounds.
- Majority of the units are townhome style, built in 1997.
- 10 Garages (Attached & Detached)
- Washer/Dryer & Gas Fireplace in all units.
- Low vacancy sub-market in Gresham.

DESCRIPTION

The Cascade Garden Apartments represent a unique opportunity to acquire a low-density, well cared for 10 unit apartment community in the Gresham Market. The property features an original duplex comprised of 2BR/1BA floor plans that was built in 1943, and has since been upgraded, along with eight unique 1BR/1.5BA townhome floor plans that were built in 1997. Each unit features a garage (attached or detached), washer/dryer, gas fireplace, and a backyard patio. Sitting on 0.87 acres, with pristine landscape and grounds, the majority of the units are set back off of the street providing a tranquil & quiet setting. The property has been well cared for over the years, with recent upgrades including new roofing in 2020, new exterior paint, and various interior upgrades. The majority of the rents have significant proven upside, as many of the long-term tenants have remained below market rent. The most recent 1BR/1.5BA lease up in March 2022, achieved a rent of \$1,325. Rare opportunity to acquire a pride of ownership property, with operational value add.

Scheduled Monthly Rents

Units	Type	Est. SF*	Current Average Rent	Monthly Income	Rent at Market	Monthly Income
8	1 BR/1.5 BA	785-807	\$978	\$7,824	\$1,325	\$10,600
2	2 BR/1 BA	996	\$863	\$1,726	\$1,495	\$2,990
10				\$9,550 ¹		\$13,590
Scheduled Gross Income				\$114,600		\$163,080
• Less: Vacancy (5%)				-\$5,730		-\$8,154
Effective Gross Income				\$108,870		\$154,926
• Budget Fee Income				+\$1,200		+\$1,200
Effective Annual Income				\$110,070 **		\$156,126

Estimated Expenses

	%EGI	Current Per/Unit	Amount	%EGI	Budget Per/Unit	Amount
² Taxes	12.45%	\$1,356	\$13,555	8.75%	\$1,356	\$13,555
³ Insurance	3.40%	\$370	\$3,700	2.39%	\$370	\$3,700
³ Utilities	11.90%	\$1,295	\$12,954	8.36%	\$1,295	\$12,954
⁴ Professional Management	6.00%	\$653	\$6,532	6.00%	\$930	\$9,296
⁵ Maintenance & Repairs	3.67%	\$400	\$4,000	2.58%	\$400	\$4,000
⁵ Turnover Reserves	1.84%	\$200	\$2,000	1.29%	\$200	\$2,000
³ Landscaping	6.08%	\$662	\$6,621	4.27%	\$662	\$6,621
⁵ Capital Reserves	1.84%	\$200	\$2,000	1.29%	\$200	\$2,000
³ Office/Admin	0.56%	\$61	\$610	0.39%	\$61	\$610
Total Est. Annual Expenses	47.74% of EGI	\$5,197 Per Unit	\$51,972	35.33% of EGI	\$5,474 Per Unit	\$54,736

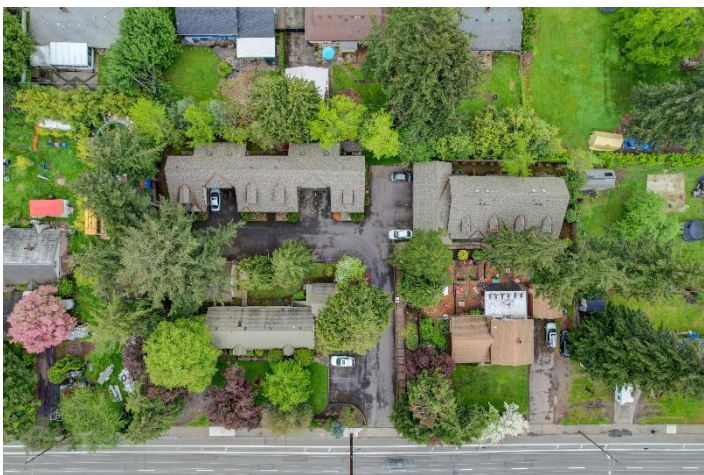
Investment Summary

	Current	Projected
Net Operating Income (NOI)	\$58,098	\$101,390
Cap Rate	4.30%	7.51%

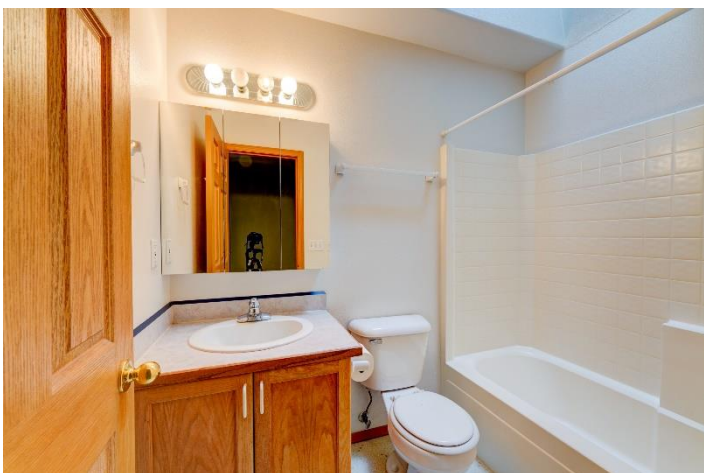
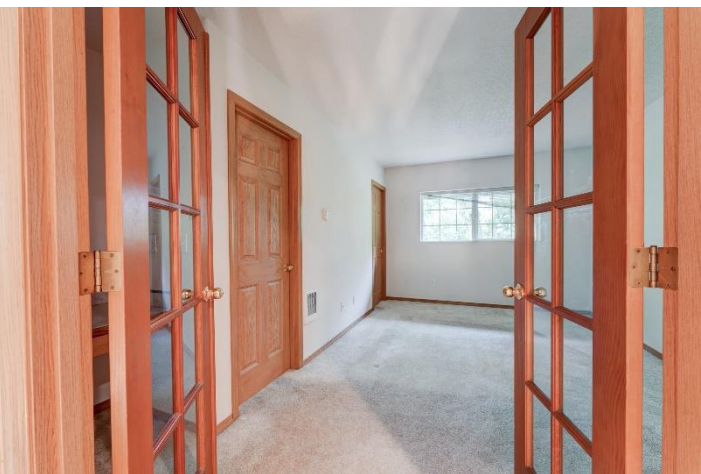
Footnotes

- Current Rent Roll, May 2022. Many long-term tenants, current rents range from \$750-\$1325. Most recent 1BR/1.5BA turnover rent = \$1,325, in March 2022. One vacant unit is being factored at \$1,325 for underwriting purposes.
- Actual 2021 Property Taxes, with 3.00% Oregon prepay discount.
- Actual 2021 Year End Expense.
- Budget Management Fee: 6.00%. Seller currently self-manages.
- Budget for repairs, turnover, capital reserves: Total 2021 Actual = \$11,648, and includes some non-recurring capital expenses.
- * Total Square Footage Includes: Duplex (1,992 sq. ft), 4 units at 785 sq. ft per unit, 4 units at 807 sq. ft. per unit, and 10 garages (attached & detached) at approximately 200 sq. ft. per garage. Buyer to VERIFY all sq. footage.
- ** Total 2021 Actual Income = \$100,878, due to seller keeping a unit vacant for 6 months by choice.









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