

SE 12th Ave. Tri-plex

1025 SE 12th Ave.

Portland, Oregon 97214

Offered at \$849,000

Old PDX Tri-plex Vintage 1891

- 1 Two BR, 1 One BR, 1 Studio Apt
- On the bus line
- High Density EX Zoning!
- Level 5000' Lot
- 3 Unique Apts.
- Make offers subject to interior inspection!



Western Equities

Randy Smith, Principal Broker

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Mobile 503.320.3030

randysmith@westernequities.com

www.westernequities.com

Co-listing Agent: Kelly Githens

Mobile 503.502.7867

Here is your chance to own a bit of history! This circa 1891 property has been owned by the same family for over 6 decades! Tenants love this three unit apartment property in an excellent urban setting in close in SE Portland Buckman neighborhood, one of the hottest markets in the country! Low, low rents with strong upside potential. Walking distance to shopping, dining, and public transportation, with Walk Score of 89, Bike Score 99! Please do not disturb the tenants!

All information contained herein has been obtained from sources deemed reliable, primarily from the seller. We cannot and will not warrant its accuracy. Buyers are urged to verify all information independently.

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Disclaimer & Confidentiality Agreement

This Offering Memorandum has been prepared by Randy Smith, principal broker at Western Equities, and has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it, and make no guarantee, warranty, or representation about its content. It is the Buyer's responsibility to confirm, independently, its accuracy and completeness. All projections have been developed by Randy Smith on behalf of the owners. They are based upon assumptions relating to the general economy and by other factors beyond the control of the Owners, and therefore are subject to wide variation.

This Offering Memorandum does not constitute a representation that there has been no change in the business affairs of the property or of the Owners since the date of preparation of the Offering Memorandum. Analysis and verification of any and all information contained in the Offering Memorandum is solely the responsibility of the prospective purchaser. Additional information and an opportunity to inspect the property will be made available upon written request to interested and qualified prospective investors.

No representation is made by Owners as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied on as a promise or representation as to the future performance of the property. Although the information contained herein is believed to be correct, Owners and its employees specifically disclaim any responsibility for inaccuracies and expect prospective purchaser to exercise independent due diligence in verifying all such information. Further, Owners and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or for omissions from, the Offering Memorandum

or any other written or oral communications transmitted or made available to the recipient.

This Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. **By accepting this Offering Memorandum, you agree that you will hold and treat it in the strictest of confidence, that you will not photocopy or duplicate it, that you will not disclose this Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owners and that you will use the information in this Offering Memorandum for the sole purpose of evaluation purchaser's interest in the Property and that you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of Owners.**

Owners expressly reserves the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the property and/or to terminate discussions with any entity at any time, with or without notice. Owners shall have no legal commitment or obligation to any entity reviewing this Offering Memorandum or making an offer to purchase unless and until such offer is approved by Owners, a written agreement for the purchase of the property has been fully executed, delivered, and approved by Owners and it's legal counsel, and any obligations set by Owners hereunder have been satisfied or waived.

So Agreed this ____ day of _____, 2021

Signature – Buyer or Buyer's Representative

Name Printed

Buckman Historic Tri-Plex
1025 SE 12th Ave.
Portland, Oregon 97214

Executive Summary

Please don't disturb tenants!
Make all offers subject to interior inspection!

Asking Price: **\$849,000** GRM: **21.64** NOI: **\$15,116** Capitalization Rate: **1.76%**

Walk Score: Walk Score: **89** Bike Score: **99** Transit: **66**

Property

Description:

Twelfth Avenue Tri-Plex is a beautiful vintage 1891 historic property, with one of the highest density zoning in the area. It's located on the west side of SE 12th Ave, a busy north south mixed use connector, close-in in the highly sought-after Buckman neighborhood. There are 3 apartment units in one building, encompassing 3713 sq. ft. with city water, city sewer, cable TV, and electricity, built on a 50' X 100', 5,000 sq.ft. lot, with mature trees & is nicely landscaped. The lot is level and above street grade. The zoning is high density EX: central employment, and has a wide range of potential uses if redeveloped. Highest and best use analysis and current land sales with similar zoning reveals that this property is an interim use, where the eventual use will be commercial and/or multi-family.

The roof appears to be in average to good condition. The current owners's family have owned this home since the 1930's, when their grandparents first purchased this property and many more in the Buckman neighborhood.

NOTE: This is one of six single family and multi-plex homes which are for sale as a package or individually: 1306 SE Salmon St. (a multi-family property), 1032 & 1036 SE 12th Ave and 1217 SE Taylor St, a duplex and a single family home (both of which are on one tax lot and must be sold together), 1225 SE Taylor (single family residence), 1233 SE Taylor St. (single family home currently vacant), and finally 630 SE 20th Ave., a six-plex.

Location

Description: The property is located in the heart of the Buckman Neighborhood, a high demand inner southeast core, between Ladd's Addition and Laurelhurst neighborhood. It boasts excellent access to all services; shopping, restaurants, nightlife, and transportation. The city Tri Met bus 12th Ave line is directly in front of the property, which allows for easy access to downtown Portland, and to all of the Portland metro area. Shopping is close by, with high end grocer "Market of Choice" in easy walking distance. There are many restaurants, bars, and other amenities in the neighborhood as well.

Number of Units: Three. One studio w/Bath, One 1 BR 1 BA, One 3 BR 1 BA

Apartment Photos: Copy and paste this link into your browser:
https://westernequities.com/downloads/1025_SE_12th/

Financing: Cash or new financing is required, as the sellers will pursue a Sec. 1031 Tax Deferred Exchange on this and the other 5 properties currently on the market. Please contact the listing agent for sources of excellent funding from multiple lenders eager to fund this project.

Financial Data: Please refer to the attached financial information pages following this executive summary.

Income/ Expenses: Current Gross Income **\$39,228** Full Year Expenses **\$22,971**

Rental Rate: Current rent for the studio w/bath unit (Unit 1): \$ 817 studio 1ba
Current rent for the one bedroom unit (Unit 2): \$ 981 1br 1ba
Current rent for three bedroom unit (Unit 3): \$1471 3br 1ba
Total current rent monthly: \$3269 = \$39,228 annually

Demographics: Please refer to the demographics section following the financials to find out more on the Portland SMSA demographics and livability awards

Feel free to call the listing broker, Randy Smith at Western Equities for further details, or to answer questions you may have. He can be reached at: (503) 242-0033, or on his cell phone/text: (503) 320-3030 or via email: randysmith@westernequities.com. Alternate Point of Contact is Kelly Githens. He can be reached at (503) 502-7867 or via email at kelly@westernequities.com.

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Location

Annual Property Operating Data

Triplex with High Density Zoning

Purpose	Possible Sale
Name	Triplex with High Density Zoning
Location	1025 SE 12th Ave., Portland, O
Property Type	3 unit garden apartments
Date	25 October 2021
Units	3

Price	\$849,000
-Loans	0
Down Payment	849,000
+Acq Costs	10,000
+Loan Points	0
Investment	859,000

	\$/Unit	% of GI	Annual \$
Gross Income			
Unit 1 @ \$817.50 (1 units)	\$9,810	25.0%	\$9,810
Unit 2 @ \$981 (1 units)	11,772	30.0%	11,772
Unit 3 @ \$1471.50 (1 units)	17,658	45.0%	17,658
Total Gross Income	\$13,080	100.0%	\$39,240
- Vacancy & Credit Loss	392	3.0%	1,177
Effective Income	\$12,688	97.0%	\$38,063
Less: Operating Expenses			
Property Taxes	2,540	19.4%	7,621
Insurance	715	5.5%	2,144
Garbage & Recycling	241	1.8%	723
Gas & Electric	935	7.1%	2,805
Water & Sewer	986	7.5%	2,957
Repairs	952	7.3%	2,857
Property Management	1,280	9.8%	3,840
Total Operating Expenses	\$7,649	58.5%	\$22,947
Net Operating Income	\$5,039	38.5%	\$15,116

Capitalization Rate	1.78%
Gross Income Multiplier	21.64
Cash on Cash	1.76%
Price/Unit	\$283,000

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Analysis Assumptions Report

Triplex with High Density Zoning

Investment Assumptions

Price of Property	\$849,000.00
Closing Costs	\$10,000.00
Date of Acquisition	1 January 2022
Holding Period	5 Years
Inflation Rate	3% per Year
Sale Price Method	4.3% Capitalization of NOI on Sale Date
Selling Costs	4.25%

Investor's Assumptions

General Vacancy & Credit Loss	Zero
Tax Rate - First Year	28%
Tax Rate - Following Years	28%
Capital Gain Rate	20%
Cost Recovery Recapture Rate	25% - Losses Carried Forward
Present Value Discount Rate Before Debt	8% per Year
Present Value Discount Rate Before Tax	8% per Year
Present Value Discount Rate After Tax	8% per Year

Depreciation Assumptions

Depreciable Amount	\$600,000.00
Depreciable Life	27.5 Years
Depreciation Method	Straight Line
Depreciation Start Date	at Acquisition

Unit 1 @ \$817.50 Revenue Assumptions

Annual Revenue (1 Units @ \$817.50/Unit/Month)	\$9,810.00
Revenue Start Date	at Acquisition
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate
Vacancy Factor	3%

Unit 2 @ \$981 Revenue Assumptions

Annual Revenue (1 Units @ \$981.00/Unit/Month)	\$11,772.00
Revenue Start Date	at Acquisition
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate
Vacancy Factor	3%

Unit 3 @ \$1471.50 Revenue Assumptions

Annual Revenue (1 Units @ \$1,471.50/Unit/Month)	\$17,658.00
Revenue Start Date	at Acquisition
Revenue Period	Until Projected Sale
Revenue Growth Method	Annual at the Inflation Rate
Vacancy Factor	3%

Analysis Assumptions Report

Triplex with High Density Zoning

Property Taxes Expense Assumptions

Annual Expense	\$7,621.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Insurance Expense Assumptions

Annual Expense	\$2,144.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Garbage & Recycling Expense Assumptions

Annual Expense	\$723.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Gas & Electric Expense Assumptions

Annual Expense	\$2,805.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	No Growth is Projected

Water & Sewer Expense Assumptions

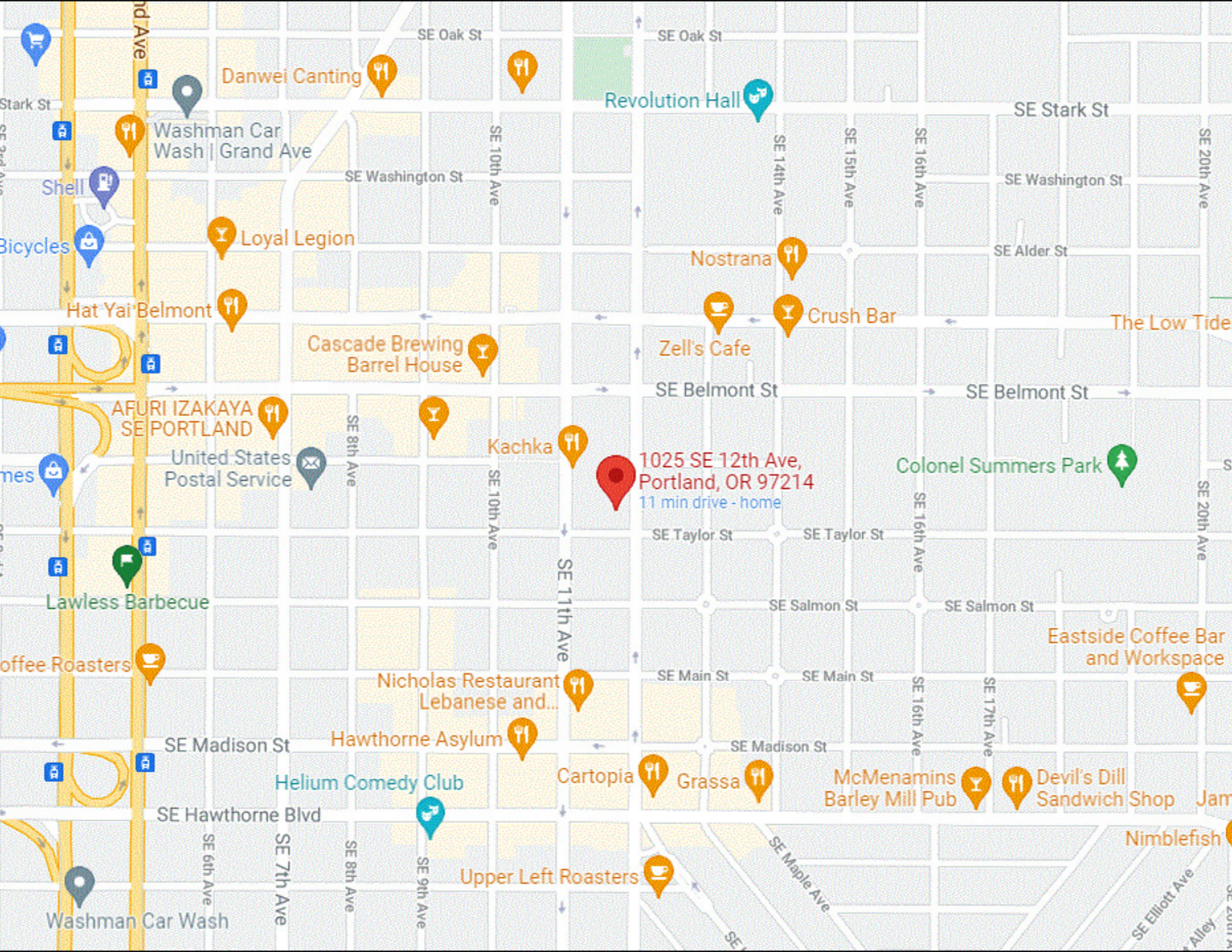
Annual Expense	\$2,957.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	No Growth is Projected

Repairs Expense Assumptions

Annual Expense	\$2,857.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate

Property Management Expense Assumptions

Annual Expense	\$3,840.00
Expense Start Date	at Acquisition
Expense Period	Until Projected Sale
Expense Growth Method	Annual at the Inflation Rate



1025 SE 12th Ave,
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11 min drive - home

Danwei Canting

Washman Car Wash | Grand Ave

Loyal Legion

Cascade Brewing Barrel House

AFURI IZAKAYA SE PORTLAND

United States Postal Service

Lawless Barbecue

Coffee Roasters

Nicholas Restaurant Lebanese and...

Hawthorne Asylum

Helium Comedy Club

SE Hawthorne Blvd

Washman Car Wash

Revolution Hall

Nostrana

Zell's Cafe

Crush Bar

The Low Tide

Kachka

Colonel Summers Park

Eastside Coffee Bar and Workspace

Cartopia

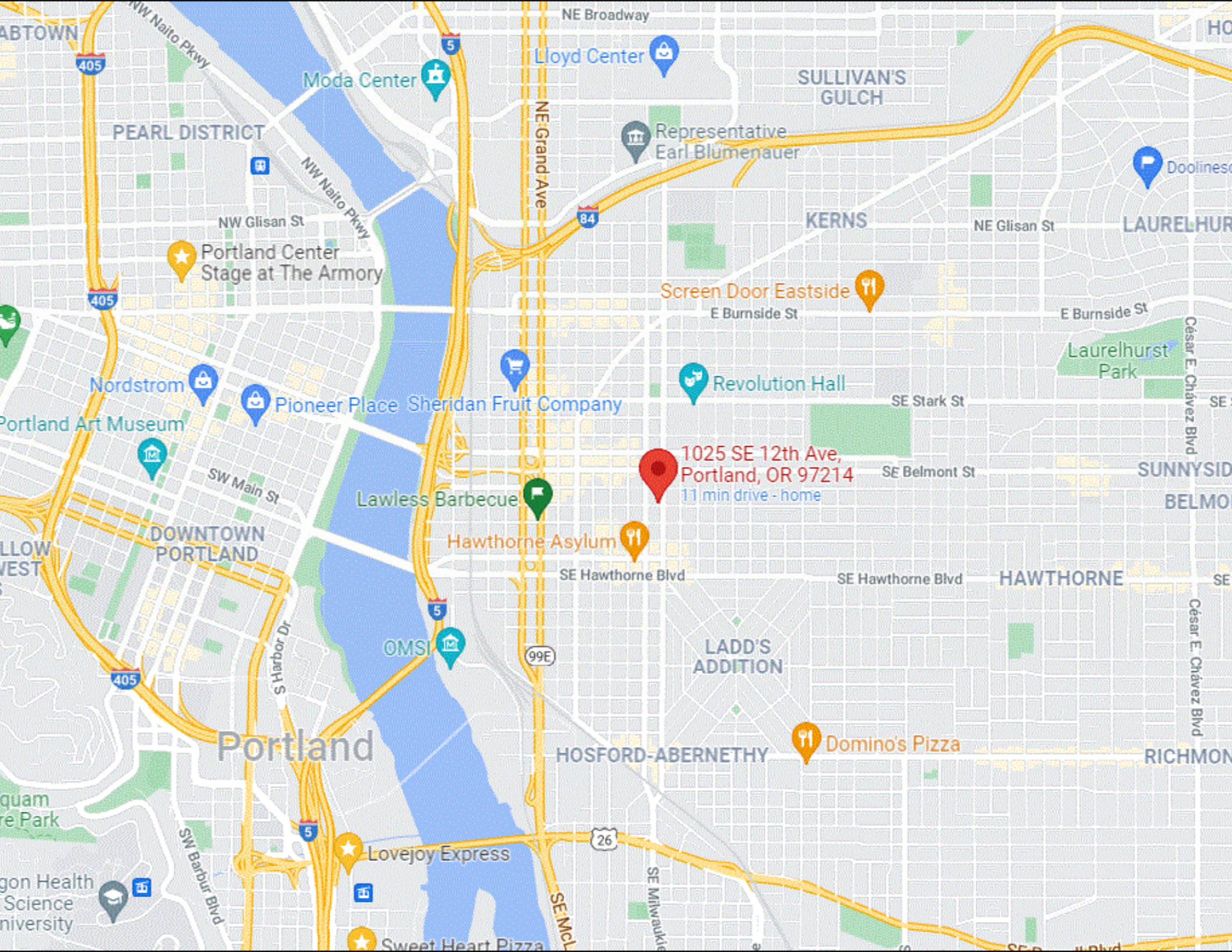
Grassa

McMenamins Barley Mill Pub

Devil's Dill Sandwich Shop

Upper Left Roasters

Nimblefish



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11 min drive - home

PEARL DISTRICT

SULLIVAN'S
GULCH

KERNS

LAURELHURST

Portland Center
Stage at The Armory

Screen Door Eastside

Nordstrom

Pioneer Place Sheridan Fruit Company

Revolution Hall

Laurelhurst
Park

Portland Art Museum

DOWNTOWN
PORTLAND

Lawless Barbecue

Hawthorne Asylum

LADD'S
ADDITION

HAWTHORNE

Portland

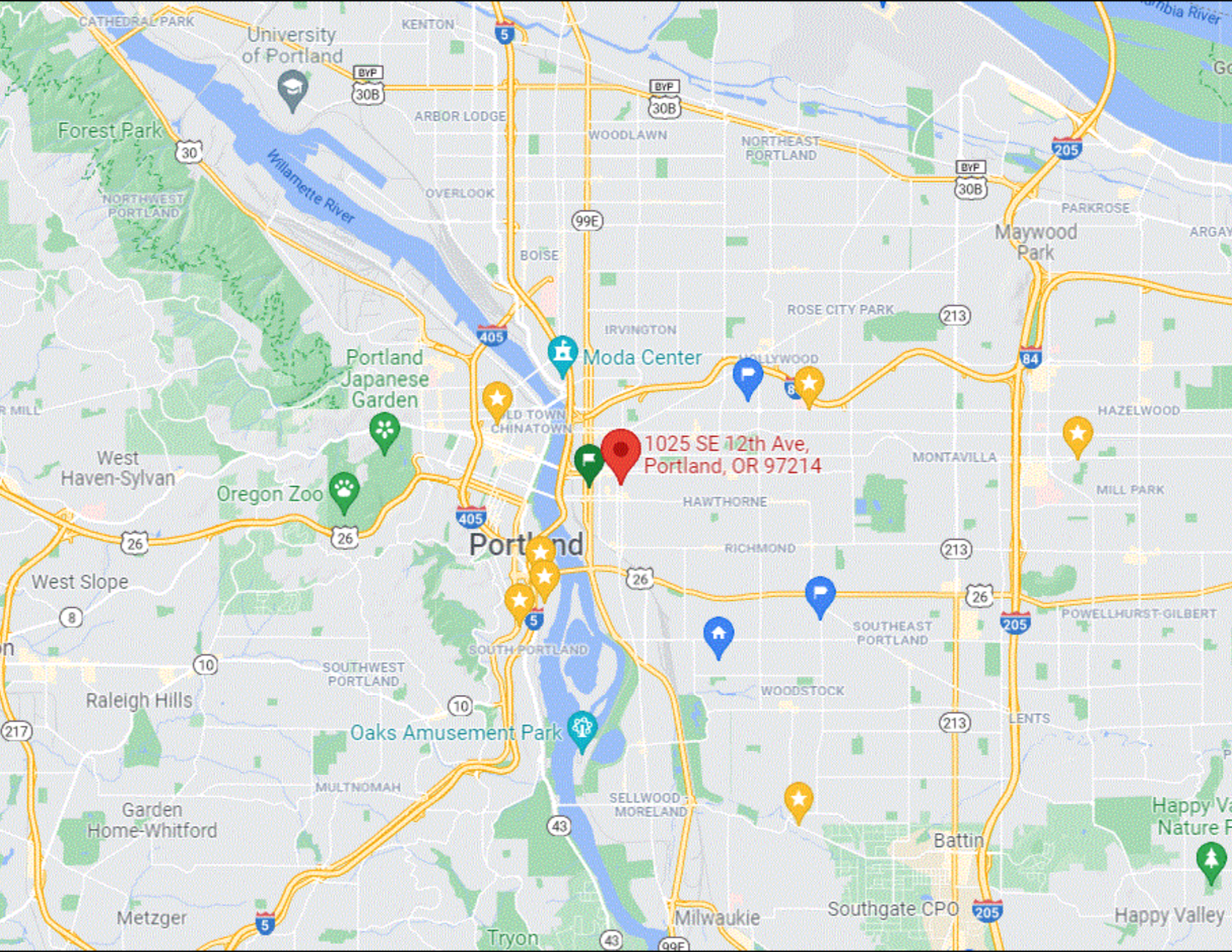
HOSFORD-ABERNETHY

Domino's Pizza

RICHMOND

Lovejoy Express

Sweet Heart Pizza



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