

Mt. View Cottages



4642 Riverview Avenue, West Linn, OR 97068
6 Units | Built 1960 | \$695,000

- Outstanding Rental History
- New Roofs on All Buildings
- New Vinyl Windows
- Sensational View Adds Value
- Income Producing Laundry On Site
- Location in Affluent Portland Suburb

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THE OPPORTUNITY

- High Occupancy
- New Debt Available
- Excellent Unit Mix
- Exceptional Value Per Unit
- Below Replacement Cost
- Turn Key Property with Professional Management in Place
- Near Oregon City Willamette Falls Redevelopment Project

PROPERTY DESCRIPTION

Built in 1960, the Mt. View Cottages are unique among the housing choices in the affluent Portland suburb of West Linn. The property is comprised of 6 apartment homes that include four 1 bed/1 bath homes and two 2 bed/1 bath homes. The property offers off-street parking, laundry facilities and a wonderful view of Mt. Hood. Recently turned units have seen significant increases in rent due to improving market conditions. Further upside can be achieved through continuing to raise rents to market rate.

The Mt. View Cottages are comprised of 3 single level wood frame buildings with pitched composition roof.

PORTLAND'S RENTAL MARKET

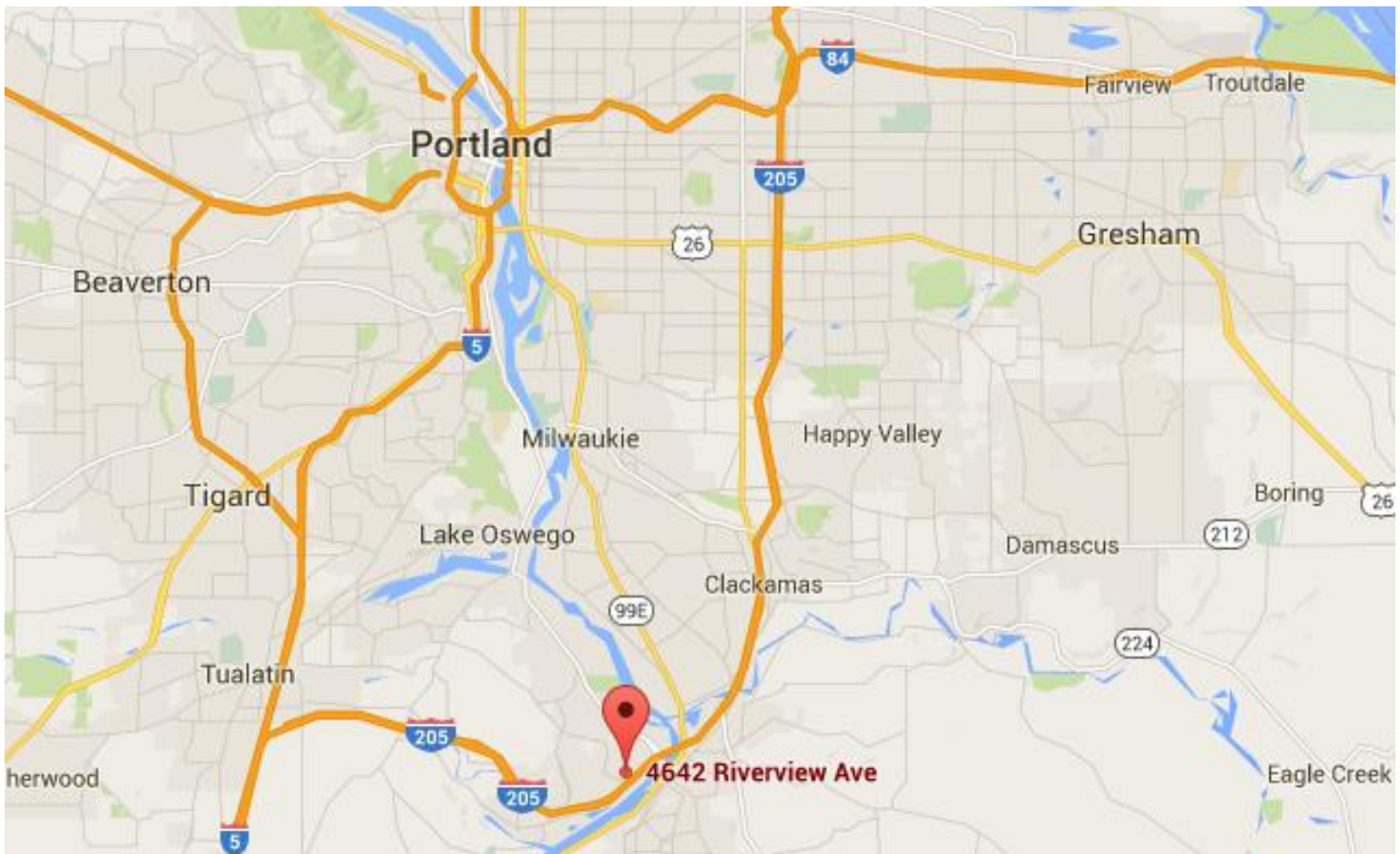
Demand for apartments continues to outpace supply, both in the Portland MSA, and outlying areas such as Milwaukie and West Linn. The vast majority of Portland neighborhoods are experiencing a vacancy of 3% or below and rent rates are continuing to escalate. With the strong job market, robust in migration, and the rate of home ownership declining, the need and demand for rental housing is exceptionally high. The Portland area remains one of the strongest apartment markets in the country for effective rent growth and institutional investors are aggressively seeking opportunities here. The Portland/Vancouver vacancy factor is at 3.53% with the Outer North and South East areas at the lowest of 1.4% and 2.2% respectively. This is a strong indication that tenants are migrating towards more affordable neighborhoods, causing occupancy to increase.

*MFNW Spring 2017 report currently available for download at: <http://www.multifamilynw.org/>

Sources: Multifamily NW, Oregon Employment Department, Barry & Associates

UNIT AMENITIES

- Mt. Hood Views
- Patio/Balcony Area
- Cable Ready
- Mature Landscaping



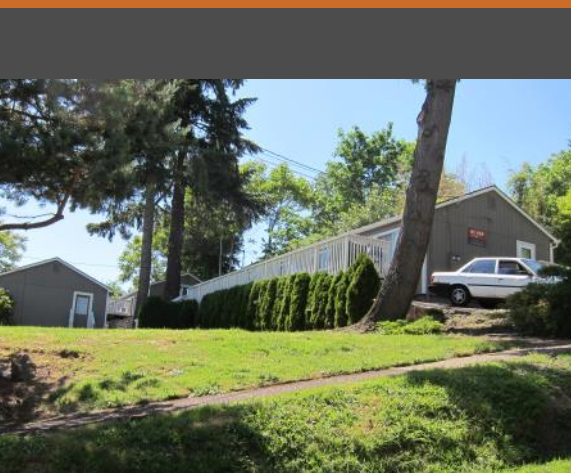
LOCATION

The Mt. View Cottages are located in Clackamas County south of Portland in the suburb of West Linn, Oregon. West Linn has a population of approximately 24,400 and the median family income is \$83,252. The city's motto is "City of Hills, Trees, and Rivers" and that motto is supported by the city's 600 acres of park land. Major employers in West Linn include the West Linn Paper Company and the West Linn-Wilsonville School District.

West Linn is easily connected to Portland with both Highway 205 and Interstate 5. The city is also serviced by the Westside Express Max line just 10 miles west and provides many commuting opportunities to both Portland as well as surrounding areas such as Clackamas, Wilsonville, Tualatin and Lake Oswego.

The city of Portland has a population of 2.2 million people situated between two west coast economic powerhouses, San Francisco to the south and Seattle to the north. The area is a lure for both talent and business, helping to underscore Portland's leadership in sectors from clean tech to green building to computer software to apparel design.





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PROPERTY SUMMARY

Units	6
Built	1960
Average SF	550
Building	Low Rise, Garden Style Units
Roof	Pitched Composition
Rent / SF	\$1.78

INVESTMENT SUMMARY

Price	\$695,000
Price / Unit	\$115,833
Price / SF	\$210.61
Pro Forma Cap Rate	7.27%
Proposed Loan Amount	\$487,000
Loan Payment	\$2,353
Interest Rate	4.10%
Amortization	30 Years

PRO FORMA INCOME & EXPENSES

Units	Type	Unit SF	Total SF	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent	Rent / SF
4	1 Bed/1 Bath	550	2,200	\$960	\$3,840	\$46,080	\$1.75
2	2 Bed / 1 Bath	550	1,100	\$1,010	\$2,020	\$24,240	\$1.84
6		550	3,300	\$977	\$5,860	\$70,320	\$1.78
						2017	
Income						Pro Forma	Annualized
Scheduled Market Rent						\$70,320	\$59,415
Less: Vacancy						3.00% (\$2,110)	(\$0)
Net Rental Income						\$68,210	\$59,415
Plus: RUBS Income						\$3,420	\$3,465
Plus: Other Income						\$1,500	\$1,235
Total Operating Income (EGI)						\$73,130	\$64,115
Expenses						Per Unit	
Turnover						\$150	\$900
Repairs & Maintenance						\$500	\$3,000
Management Fee						7.00% \$853	\$5,119
Utilities						\$917	\$5,500
Contracted Services						\$199	\$1,196
Real Estate Taxes						\$713	\$4,275
Insurance						\$180	\$1,080
Replacement Reserve						\$250	\$1,644
Total Expenses						\$25,570	\$23,364
						Per Unit:	\$3,762
						Per SF:	\$6.84
Net Operating Income						\$50,560	\$40,751
Less: Debt Service						(\$28,238)	(\$28,238)
Projected Net Cash Flow						\$22,322	\$12,513
Cash on Cash Return						10.73%	6.02%
Debt Service Coverage						1.79	
Cap Rate Analysis				Price	\$/Unit	\$/Foot	Cap Rate
Listing Price				\$695,000	\$115,833	\$210.61	7.27%
Total Loan Amount				Down Payment	LTV	Monthly Payment	Debt Constant
\$487,000				\$208,000	70%	(\$2,353)	5.8%

IMPORTANT INFORMATION & DISCLAIMER: The information contained herein is assumed to be correct and market-supported. Output produced from this model should not be considered an appraisal. Projections are forecasts and are not to be considered fact. The information contained in this file is privileged and confidential; it is intended only for use by Pounder Realty and their clients. This file may not be reproduced physically or in electronic format without the expressed written consent of Pounder Realty. Not responsible for errors and omissions.