

# FOR SALE

## HERMITAGE APARTMENTS • 73 UNITS

8110 -8136 SE Mill St. • Portland, OR 97215



**PRICE**  
**\$4,190,000**

- Excellent central Eastside location off 82nd and Mill St.
- The Hermitage Apartments' 73 units were built in 1978 and consist of 19 one-bedroom units and 53 two-bedroom units. There is an adjoining three bedroom, one bath home of approximately 1,100 sq. ft. that is included with the sale on a separate tax lot.
- Great cash flow upside; if all rents were brought up to the current re-rent levels there would be approximately \$3,021 additional income monthly or approximately \$35,750 per year in additional cash flow.

**Norris & Stevens**  
INVESTMENT  
REAL ESTATE  
SERVICES

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For More Information or a Property Tour, Please Contact:

**Kirk Ward, Vice President**

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**TCN**  
WORLDWIDE

# HERMITAGE APARTMENTS

## Multifamily Income Property Proforma

### MULTIFAMILY INCOME PROPERTY PROFORMA

|                                      |               |  |   |
|--------------------------------------|---------------|--|---|
| <b>Hermitage Apartments</b>          | <b>Price:</b> | <b>\$4,190,000</b>                       | <b>73</b>                                 |
| <b>Building Name</b><br>8130 SE Mill | <b>Loans:</b> | <b>c/o</b>                               | <b>No. Units</b><br><b>\$57,397</b>       |
| <b>Address</b><br>Portland, OR 97215 |               | <b>Cap rate on current rents</b>         | <b>Per Unit</b><br><b>7.00% Cap Rate</b>  |
| <b>City/State/Zip</b>                |               | <b>Est. cap rate on current re-rents</b> | <b>Cap. Rate</b><br><b>7.85% Cap Rate</b> |

#### PHYSICAL DATA

|            |   |               |       |          |       |               |       |             |       |               |            |
|------------|---|---------------|-------|----------|-------|---------------|-------|-------------|-------|---------------|------------|
| STUDIOS    | _____   | W/D HOOK-UPS  | _____ | Laundry  | _____ | POOL          | _____ | Yes         | _____ | YEAR BUILT    | 1977 - 78* |
| 1 BEDROOM  | 19  | RANGE/REFRIG. | _____ | Yes, yes | _____ | REC. ROOM     | _____ | Lower units | _____ | EXTERIOR TYPE | T-111      |
| 2 BEDROOMS | 53  | DISHW./DISP.  | _____ | yes      | _____ | PATIO/DECK    | _____ | _____       | _____ | AIR COND.     | _____      |
| 3 BEDROOMS | 1-House/Gar.                                      | FIREPLACE     | _____ | _____    | _____ | COVERED PKG   | _____ | _____       | _____ | HEATING TYPE  | Electric   |
|            | *Includes separate 2 bd house on separate tax lot |               | _____ | _____    | _____ | UNCOVERED PKG | _____ | Yes         | _____ | NO. STORIES   | 1 & 2      |
|            | *House is older                                   |               | _____ | _____    | _____ | _____         | _____ | _____       | _____ | _____         | _____      |

#### ANNUAL INCOME

|                                       |          |                |                  |
|---------------------------------------|----------|----------------|------------------|
| <b>SCHEDULED GROSS ANNUAL INCOME</b>  | \$48,888 | per month × 12 | \$586,656        |
| <b>LESS: Estimated Vacancy Factor</b> | (5%)     |                | \$(29,332)       |
| <b>EFFECTIVE ANNUAL GROSS INCOME</b>  |          |                | <b>\$557,324</b> |

#### ESTIMATED ANNUAL EXPENSES

|   |                    |          |                  |
|---|--------------------|----------|------------------|
| Real Property Taxes                                   | 2011 / 12 Est. net | \$54,468 |                  |
| Insurance   | _____              | 11,000   |                  |
| Electricity   | _____              | 5,800    |                  |
| Water/Sewer/Garbage                                   | 54,300, 12,000     | 66,300   |                  |
| Telephone   | _____              | 1,400    |                  |
| Pool: Supplies [ ] Gas [ ]                            | _____              | 3,000    |                  |
| <b>Estimated Fixed Expenses</b>                       |                    |          | <b>\$141,968</b> |
| Management, Resident & Professional                   | 10%                | 55,700   |                  |
| Estimated Repairs                                     | _____              | 24,000   |                  |
| Estimated Decorating                                  | Est.               | 10,000   |                  |
| Replacement Reserves                                  | 250/u              | 18,250   |                  |
| Advertising   | _____              | 3,000    |                  |
| Landscaping   | _____              | 5,000    |                  |
| Miscellaneous/Supplies                                | _____              | 6,000    |                  |
| <b>Estimated Total Variable Expenses</b>              |                    |          | <b>\$121,950</b> |
| <b>TOTAL ANNUAL EXPENSES</b> [45% of Scheduled Gross] | <b>\$3,615</b>     |          | <b>\$263,918</b> |
| <b>TOTAL ESTIMATED NET INCOME BEFORE DEBT SERVICE</b> |                    |          | <b>\$293,406</b> |

The information contained herein has either been given to us by the owner of the property or obtained from sources that we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it. Vacancy factors used herein are an arbitrary percentage used only as an example. It does not necessarily relate to actual vacancy, if any. The value of this investment is dependent upon these estimates and assumptions made above, as well as the investment income, tax bracket, and other factors which your tax advisor and/or legal counsel should evaluate. THE PROSPECTIVE BUYER SHOULD CAREFULLY VERIFY EACH ITEM OF INCOME, EXPENSE, AND ALL OTHER INFORMATION CONTAINED HEREIN.

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### FINANCING / TERMS OF SALE

|   |   |             |           |           |
|---|---|-------------|-----------|-----------|
| See Kirk for excellent quotes on financing. | Balance                                       | Mo. Payment | Int. Rate | LENDER    |
|   | \$  | \$          | %         |           |
|   |   |             |           |           |
|   |   |             |           |           |
| <b>TOTAL</b>                                | <b>\$ × 12 = Existing Annual Debt Service</b> |             |           | <b>\$</b> |

### MONTHLY RENTAL INCOME SUMMARY NOTE: Several units increase rents effective Dec. 1, 2011

| No. | Bedrooms | Bath | Amenities | Approx. Sq Ft | Rent         | Rent/ Square Foot | Total Monthly Rental | SCHEDULED MONTHLY INCOME |                 |
|-----|----------|------|-----------|---------------|--------------|-------------------|----------------------|--------------------------|-----------------|
|     |          |      |           |               |              |                   |                      |                          | <b>\$47,328</b> |
| 4   | 2        | 1    |           | 700           | \$750, 3-720 | \$                | \$2,910              | Laundry Income           | 860             |
| 6   | 2        | 1    |           | 700           | 2-700, 4-699 |                   | 4,196                | Fee & Retained Deposits  | 500             |
| 3   | 2        | 1    |           | 700           | 689, 2-685   |                   | 2,059                |                          |                 |
| 3   | 2        | 1    |           | 700           | 2-680, 679   |                   | 2,039                |                          |                 |
| 7   | 2        | 1    |           | 700           | 5-675, 2-670 |                   | 4,715                |                          |                 |
| 4   | 2        | 1    |           | 700           | 2-667, 2-665 |                   | 2,664                |                          |                 |
| 8   | 2        | 1    |           | 700           | 5-664, 3-660 |                   | 5,300                |                          |                 |
| 4   | 2        | 1    |           | 700           | 650, 3-649   |                   | 2,597                |                          |                 |
| 8   | 2        | 1    |           | 700           | 5-630, 3-629 |                   | 5,037                |                          |                 |
| 4   | 2        | 1    |           | 700           | 2-620, 2-600 |                   | 2,440                |                          |                 |
| 2   | 2        | 1    |           | 700           | 2-599        |                   | 1,198                |                          |                 |
| 2   | 1        | 1    |           | 520           | 635, 630     |                   | 1,265                |                          |                 |
| 6   | 1        | 1    |           | 520           | 2-620, 4-599 |                   | 3,535                |                          |                 |
| 2   | 1        | 1    |           | 520           | 2-590        |                   | 1,180                |                          |                 |
| 4   | 1        | 1    |           | 520           | 570, 3-564   |                   | 2,272                |                          |                 |
| 2   | 1        | 1    |           | 520           | 365, 560     |                   | 1,125                |                          |                 |
| 3   | 1        | 1    |           | 520           | 540, 2-530   |                   | 1,600                |                          |                 |
|     |          |      |           |               |              |                   |                      | Miscellaneous Income     | 200             |
| 1   | 3        | 1    | House/Gar | 1,100         | 1,095        |                   | 1,050                | <b>TOTAL INCOME</b>      | <b>\$47,525</b> |

### MISCELLANEOUS INFORMATION

**Current re-rents: 2 Bds - \$720, 1 Bd - \$620      Current Average rents: 2 Bds - \$663, 1 Bd - \$583**

**If all the rents were brought up to the current re-rent levels of \$720 and \$620 there would be an additional monthly income of approximately \$3,021 or approximately \$44,688 additional dollars of income yearly. This would translate to an estimated net operating income of approx. \$329,000 or an estimated Cap Rate of 7.85%. This additional income could add approximately \$450,000 in additional value.**

**Note: Seller will escrow upon closing \$30,000 for exterior painting. (Seller was unable to complete painting this fall due to the weather.)**

**Note: A potential weatherization program with new windows from the county might be available. See Kirk for details.**



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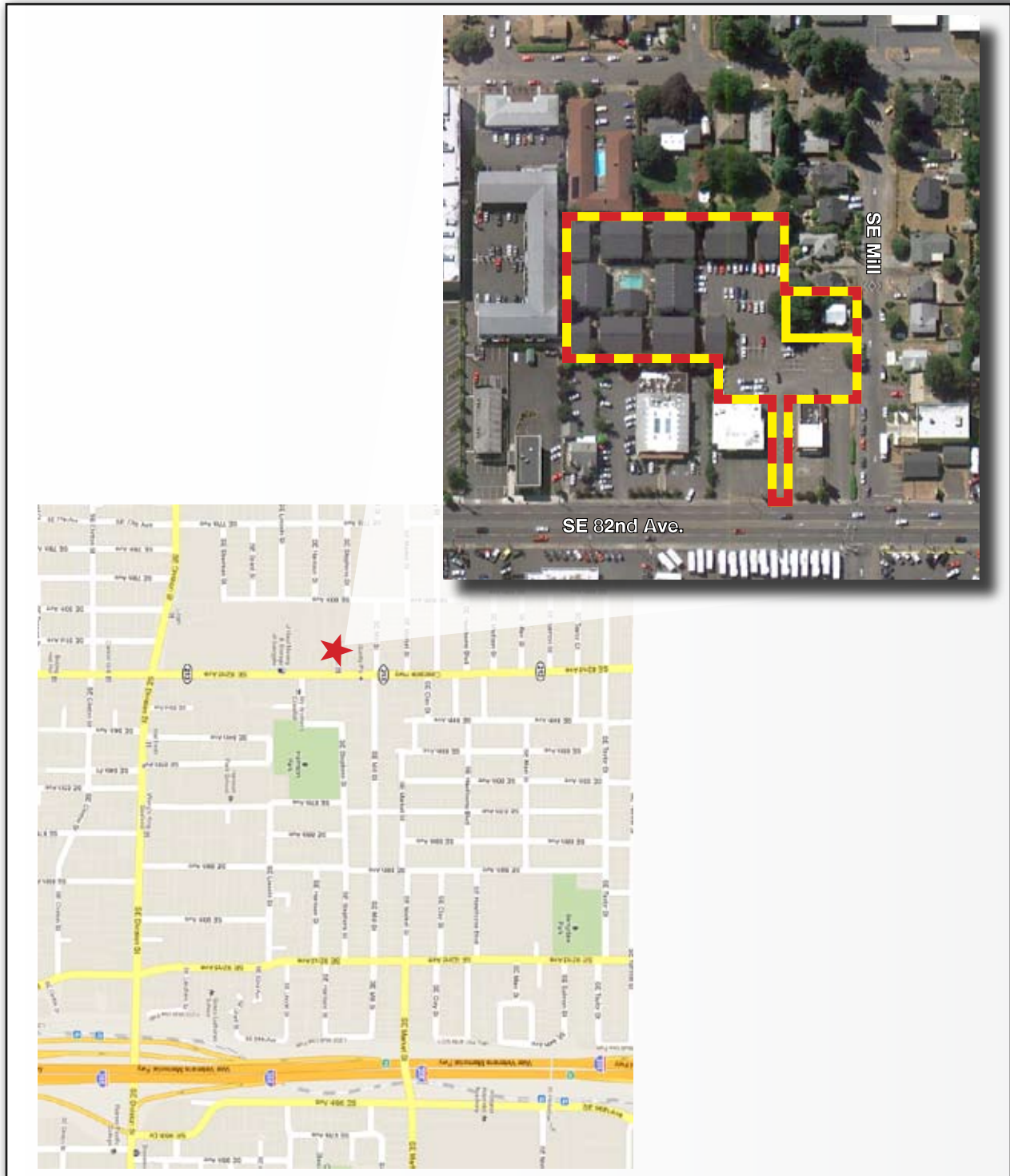
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