

THE PARKWAY PLAZA OFFICE BUILDING

25195 SW PARKWAY AVENUE | WILSONVILLE, OR 97070

**INVESTMENT
FOR SALE**

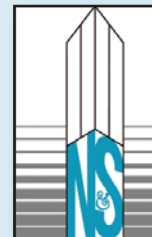


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OFFERING
MEMORANDUM



**Norris &
Stevens**

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Information contained herein has been obtained from others and considered to be reliable; however, a prospective purchaser or lessee is expected to verify all information to his/her own satisfaction.

PARKWAY PLAZA OFFICE BUILDING
25195 SW PARKWAY AVENUE WILSONVILLE, OR 97070

The Parkway Plaza Office Building showcases a number of attributes as an investment opportunity. This attractive multi-tenant building provides income stability with a potential for sixteen tenants and no excessive concentration with any one tenant. The building is 84% occupied as of May 15, 2008. It is located in the City of Wilsonville with superb access to I-5 and I-205, the two major interstates serving the Portland area.

<u>Pricing:</u>	This office investment is priced at \$4,425,000 or \$163.50 per square foot, well below replacement costs. The average office rent is \$18.02/SqFt on an annual basis or \$1.50 per SqFt per month. This is below the average office rent in Wilsonville by over a \$1.00 per SqFt.
<u>Rental Revenue Security:</u>	A balanced percentage of leased space rolls over each year for the first six years, offering the potential to increase rents while maintaining a high level of stable revenue each year.
<u>Excellent Access:</u>	Convenient transportation access is provided by a full interchange at I-5 and SW Elligsen Road with a fully signalized intersection providing ingress and egress to the property via SW Parkway Avenue, only 1/8 of a mile from the I-5 interchange.
<u>I-5 Freeway Visibility:</u>	The property abuts I-5 with one tenant having a free sign beside the I-5 right of way, offering tenant's identification to 130,000 cars per day.
<u>Attractive Financing Terms:</u>	As of May 15, 2008, an existing loan is assumable for 1% with a fixed interest rate of 5.99%. This loan is based on a 25-year amortization with a term until 2015. The estimated June 2008 balance is \$2,469,971.



Building Signage

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<u>Nearby Retail Services:</u>	The property is within one quarter mile of the 380,000 SF Argyle Square and several restaurants. Argyle Square is anchored by Costco and Target, plus Petsmart, Office Depot, and Pier 1.
<u>Successful Tenant Market:</u>	Wilsonville is home to many large and small tenants, including Nike, Joe’s Distribution, In Focus, Xerox, Mentor Graphics, FLIR Systems, Sysco and OrePac who have regional or corporate headquarters in Wilsonville. Wilsonville contains 7.6 million feet of industrial/corporate headquarter space and 140,000 SF of class “B” commercial office space.
<u>High Growth Area:</u>	Wilsonville is a high growth area with a projected growth rate of 25% from 2006 through 2011. A planned, nearby mixed use development call Villebois has 2,700 condominiums, apartment and homes into 520 acres in Western Wilsonville. Wilsonville will serve as the southern terminus of the high-speed commuter rail line linking to Tualatin, Tigard and Beaverton, as well as the regions MAX light rail line.
<u>Upper Income Area:</u>	Average household income within a one mile radius from Parkway Plaza is \$103,657, substantially exceeding the Portland metropolitan area’s average of \$67,230 per household.
<u>Property History:</u>	The property was constructed in 1981 and has been owned by the current owner since 2005. The building has constantly undergone renovations; including a partial re-siding plus a complete new paint job in 2007.
<u>Energy Efficient Building:</u>	The building lobby and common area has recently been re-lamped with energy efficient lighting. All consumable janitorial products used in the building are green and recyclable.

Main Entrance



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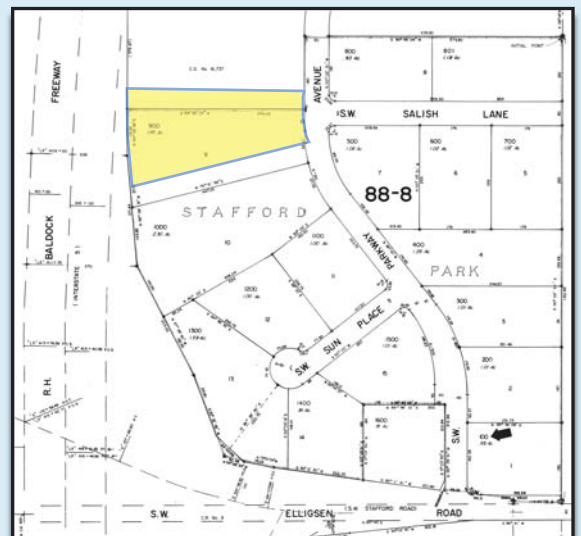
Gross Building Area: Approximately 27,000 SqFt
 Year Built: 1981
 Zoning: Planned Development Commercial - City of Wilsonville
 Recent Improvement: Complete new exterior paint, updated energy efficient light fixtures
 Parking: 113 Parking spaces (4.3 spaces per 1,000 SqFt)
 Price per Rentable Square Foot: \$ 163.50 - Below Replacement Costs
 Total Land Area: Approximately 82,328 Square Feet (1.89 Acres)
 Foundation: Poured Concrete
 Value: \$4,425,000

PERCENTAGE OF SQUARE FEET EXPIRING				
2008	2009	2010	2011	2012
16%	16%	23%	11%	19%

Common Breakroom & Updated Interior



Parcel Information:
 Assessors APN: R0585254
 Tax Lot Number: 3S102DA - 900
 Approximate SqFt: 82,328





Norris & Stevens

COMMERCIAL REAL ESTATE, SALES, LEASING, PROPERTY MANAGEMENT

TCN

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Generous Parking



Updated Building Entry



PRO FORMA INCOME

TENANT	MONTHLY BASE RENT	ANNUAL BASE RENT	SQUARE FEET	BASE RENT PER FOOT PER YEAR	LEASE EXPIRATION
100 - BANE, BARHAM & HOLLOWAY	\$2,740.83	\$32,890	1,430	\$23.00	JUNE-09
103 - SUCCEED SAFETY & HEALTH SVC	\$3,122.00	\$37,464	1,972	\$19.00	AUGUST-08
105 - MODERN INSURANCE MARKETING	\$3,013.33	\$36,160	2,024	\$17.87	OCTOBER-09
109 - PSI EXAMINATION SERVICES	\$1,330.00	\$15,960	840	\$19.00	AUGUST-08
111 - PREMIER RETIREMENT SERVICES	\$2,706.35	\$32,476	1,690	\$19.22	AUGUST-10
112 - GENERAL FREIGHT SERVICES	\$3,148.33	\$37,780	2,058	\$18.36	OCTOBER-10
200 - RUSS REID COMPANY	\$7,829.58	\$93,955	4,945	\$19.00	NOVEMBER-13
201 - PARKWAY MIND BODY WELLNESS	\$1,140.18	\$13,682	706	\$19.38	OCTOBER-10
202 - AVAILABLE	\$1,852.50	\$22,230	1,170	\$19.00	
203 - STATE OF OREGON	\$2,430.00	\$29,160	1,535	\$19.00	NOVEMBER-10
204 - OREGON HEALTH SERVICES	\$4,572.15	\$54,866	2,845	\$19.28	DECEMBER-12
206 - TIMBERLINE PRODUCT DESIGN	\$1,392.73	\$16,713	854	\$19.57	JUNE-09
207 - BERGESON-BOESE & ASSOC. INC.	\$2,031.00	\$24,372	1,423	\$17.13	DECEMBER-08
208 - AVAILABLE (LEASE PENDING)	\$1,931.67	\$23,180	1,220	\$19.00	
210 - AVAILABLE	\$1,733.75	\$20,805	1,095	\$19.00	
211 - AVAILABLE (LEASE PENDING)	\$1,266.67	\$15,200	800	\$19.00	
TOTAL OFFICE INCOME	\$42,241.07	\$506,893	26,607	\$19.05	
STORAGE SPACES					
A - MODERN INSURANCE MARKETING	\$152.00	\$1,824	140	\$13.03	
B - BANE, BARHAM & HOLLOWAY	\$368.00	\$4,416	317	\$13.93	
TOTAL STORAGE INCOME	\$520.00	\$6,240	457	\$13.65	
EFFECTIVE INCOME	\$42,761.07	\$513,133	27,064	\$18.96	
LESS VACANCY (5%)		(\$25,345)	27,064	(\$0.94)	
GROSS OPERATING INCOME		\$487,788	27,064	\$18.02	

Upper Level Entrance



PRO FORMA EXPENSES

EXPENSES BASED ON 2008 BUDGET				
PROPERTY TAXES '07-'08		\$25,854		\$0.96
BUILDING INSURANCE		\$8,500		\$0.31
PROPERTY MANAGEMENT (4%)		\$20,525		\$0.76
RESERVES (\$.10 PER SQUARE FOOT)		\$2,706		\$0.10
JANITORIAL		\$23,160		\$0.86
UTILITIES		\$45,449		\$1.68
REPAIR AND MAINTENANCE		\$44,616		\$1.65
JANITORIAL & MISCELLANEOUS SUPPLIES		\$4,100		\$0.15
TOTAL EXPENSES		\$174,911		\$6.46

PRO FORMA VALUE

NET OPERATING INCOME		\$312,877		\$11.56
PRO FORMA VALUE AT CAPITALIZATION RATE OF 7.07%		\$4,425,000		\$163.50

NOTE: \$6,750 PLANNED SEAL COATING OF PARKING LOT, SUMMER 2008, WILL BE CREDITED TO PURCHASE PRICE AT CLOSING.

NOTE: BUYER MUST ASSUME EXISTING LOAN (5.99%, 25 YEAR AMORTIZATION, DUE OCTOBER 2015, 1% ASSUMPTION FEE, BALANCE \$2,469,000+/-).



Main Entrance

AS-IS INCOME

TENANT	MONTHLY BASE RENT	ANNUAL BASE RENT	SQUARE FEET	BASE RENT PER FOOT PER YEAR	LEASE EXPIRATION
100 - BANE, BARHAM & HOLLOWAY	\$2,740.83	\$32,890	1,430	\$23.00	JUNE-09
103 - SUCCEED SAFETY & HEALTH SVC	\$3,122.00	\$37,464	1,972	\$19.00	AUGUST-08
105 - MODERN INSURANCE MARKETING	\$3,013.33	\$36,160	2,024	\$17.87	OCTOBER-09
109 - PSI EXAMINATION SERVICES	\$1,330.00	\$15,960	840	\$19.00	AUGUST-08
111 - PREMIER RETIREMENT SERVICES	\$2,706.35	\$32,476	1,690	\$19.22	AUGUST-10
112 - GENERAL FREIGHT SERVICES	\$3,148.33	\$37,780	2,058	\$18.36	OCTOBER-10
200 - RUSS REID COMPANY	\$7,829.58	\$93,955	4,945	\$19.00	NOVEMBER-13
201 - PARKWAY MIND BODY WELLNESS	\$1,140.18	\$13,682	706	\$19.38	OCTOBER-10
202 - AVAILABLE	\$0.00	\$0	1,170	\$0.00	
203 - STATE OF OREGON	\$2,430.00	\$29,160	1,535	\$19.00	NOVEMBER-10
204 - OREGON HEALTH SERVICES	\$4,572.15	\$54,866	2,845	\$19.28	DECEMBER-12
206 - TIMBERLINE PRODUCT DESIGN	\$1,392.73	\$16,713	854	\$19.57	JUNE-09
207 - BERGESON-BOESE & ASSOC. INC.	\$2,031.00	\$24,372	1,423	\$17.13	DECEMBER-08
208 - AVAILABLE (LEASE PENDING)	\$0.00	\$0	1,220	\$0.00	
210 - AVAILABLE	\$0.00	\$0	1,095	\$0.00	
211 - AVAILABLE (LEASE PENDING)	\$0.00	\$0	800	\$0.00	
TOTAL OFFICE INCOME	\$35,456.49	\$425,478	26,607	\$15.99	
STORAGE SPACES					
A - MODERN INSURANCE MARKETING	\$152.00	\$1,824	140	\$13.03	
B - BANE, BARHAM & HOLLOWAY	\$368.00	\$4,416	317	\$13.93	
TOTAL STORAGE INCOME	\$520.00	\$6,240	457	\$13.65	
EFFECTIVE INCOME	\$35,976.49	\$431,718	27,064	\$15.95	
LESS VACANCY (AS-IS 0%)		\$0	27,064	\$0.00	
GROSS OPERATING INCOME		\$431,718	27,064	\$15.95	

Continued

As-Is EXPENSES

PROPERTY TAXES '07-'08		\$25,854		\$0.96	
BUILDING INSURANCE		\$8,500		\$0.31	
PROPERTY MANAGEMENT (4%)		\$17,269		\$0.64	
RESERVES (\$.10 PER SQUARE FOOT)		\$2,706		\$0.10	
JANITORIAL		\$23,160		\$0.86	
UTILITIES		\$45,449		\$1.68	
REPAIR AND MAINTENANCE		\$44,616		\$1.65	
JANITORIAL & MISCELLANEOUS SUPPLIES		\$4,100		\$0.15	
TOTAL EXPENSES		\$171,654	27,064	\$6.34	

As-Is VALUE

NET OPERATING INCOME		\$260,064		\$9.61	
AS-IS VALUE AT CAPITALIZATION RATE OF 5.88%		\$4,425,000		\$163.50	

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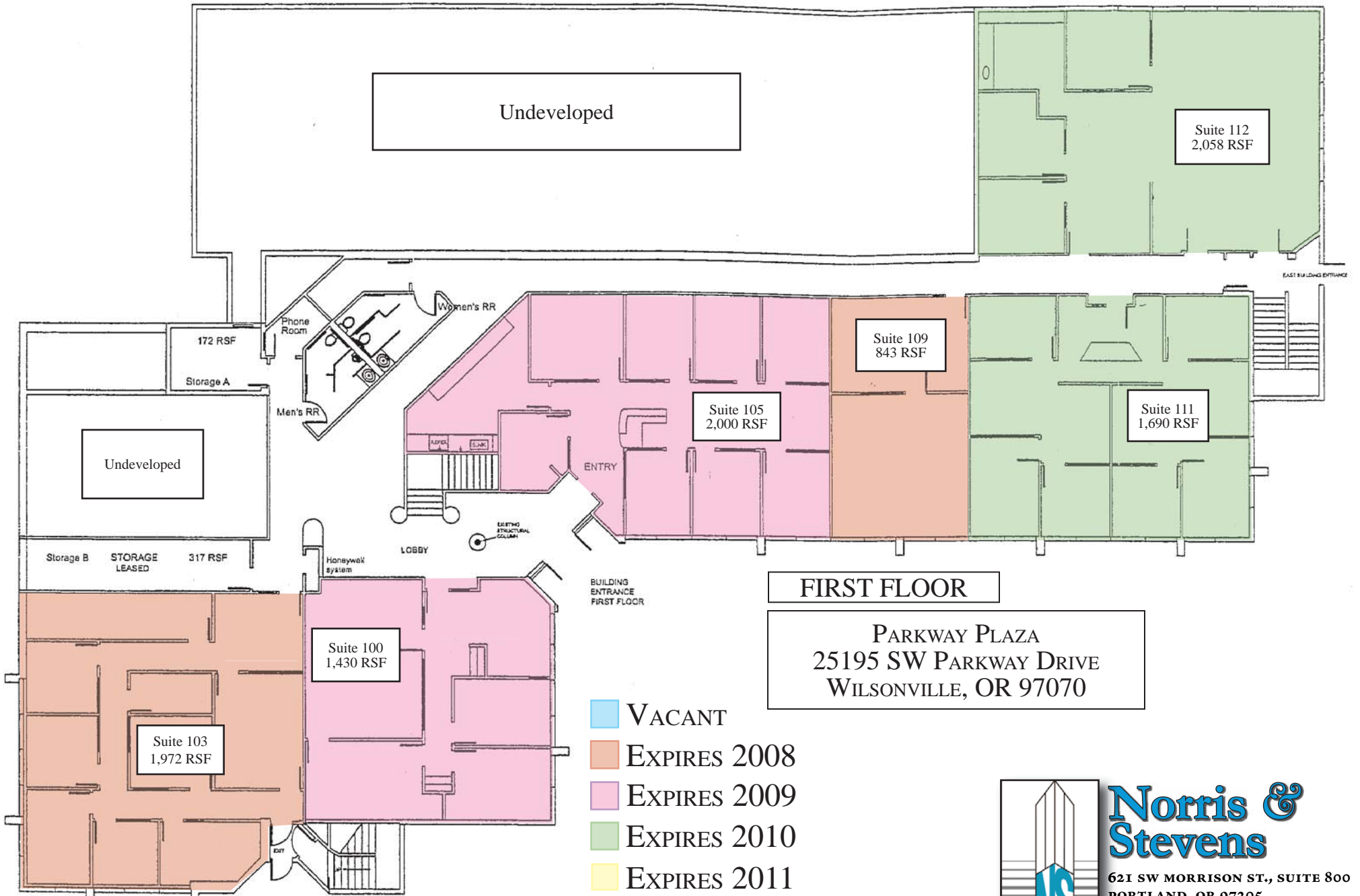
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Upper Floor Entrance

Main Entrance Patio

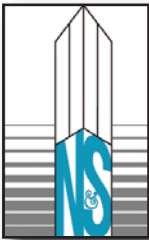




FIRST FLOOR

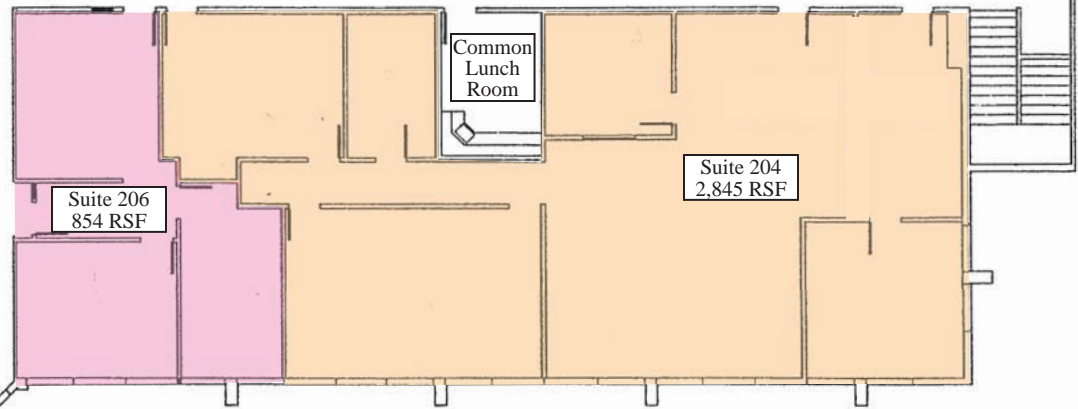
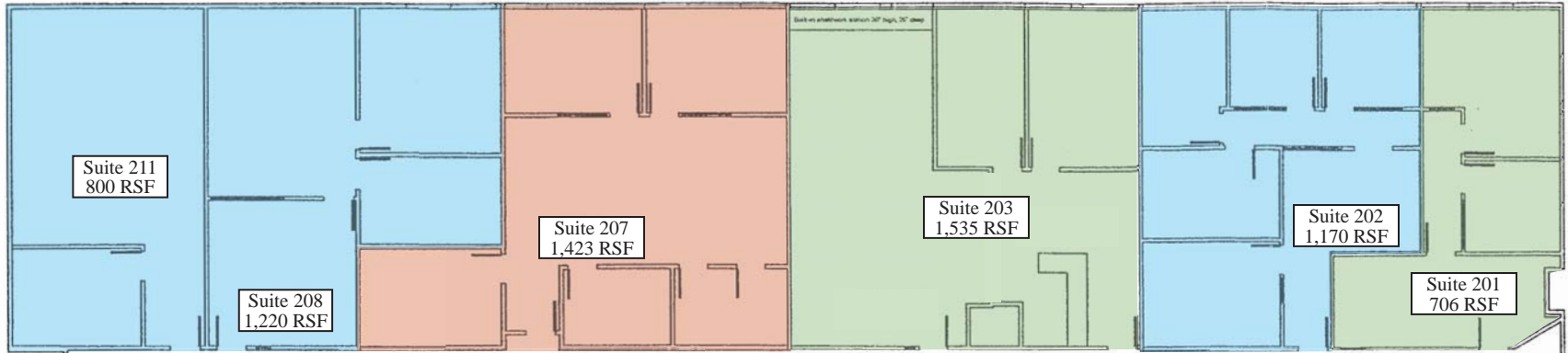
PARKWAY PLAZA
25195 SW PARKWAY DRIVE
WILSONVILLE, OR 97070

- VACANT
- EXPIRES 2008
- EXPIRES 2009
- EXPIRES 2010
- EXPIRES 2011
- EXPIRES 2012
- EXPIRES 2013



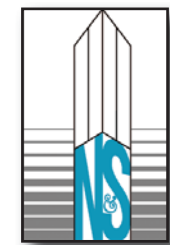
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SECOND FLOOR
PARKWAY PLAZA
25195 SW PARKWAY DRIVE
WILSONVILLE, OR 97070

- VACANT
- EXPIRES 2008
- EXPIRES 2009
- EXPIRES 2010
- EXPIRES 2011
- EXPIRES 2012
- EXPIRES 2013



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