

M. MALTASE REAL ESTATE GROUP

40 UNITS | \$7,200,000



MLK WYGANT BUILDING

4606 NE MARTIN LUTHER KING JR. BLVD.

The MLK-Wygant Apartments consists of 38 affordable housing units, and 2 commercial units. This well maintained property is in the heart of Portland, with easy access to public transportation. The apartment units are spacious, with nice layouts that include a mix of one, two, three and four bedrooms. This is an excellent opportunity for the affordable housing buyer.

- ✓ WALK SCORE OF 90
- ✓ BIKE SCORE OF 89
- ✓ W/D HOOKUPS
- ✓ COIN-OP LAUNDRY ROOM
- ✓ BALCONIES
- ✓ TOWNHOUSES
- ✓ DISHWASHERS
- ✓ SPRINKLERS



BUILDING INFO

Units: 40

Year Built: 1997

Total Sq.Ft.: 34,579

Stories: 3

Roof: Composition/Metal

Siding: Wood/Stone Facade

Heat: Electric

Laundry: W/D hookups in Units and onsite coin-op

Parking: 17 Off-Street

Land Acres: .63 acres

Zoning: The zoning has been changed to a RM4, Residential Multi-dwelling, which allows for significantly more units. An opportunist can capitalize on this significant change to the property.

AFFORDABILITY RESTRICTIONS

20% of residential at 50% MFI

80% of residential at 60% MFI

Restrictions end: August 2028



EXPANSION OPPORTUNITIES



OPPORTUNITY FOR DEVELOPER TO BUILD NUMEROUS
ADDITIONAL UNITS PER THE NEW ZONING CODE





PRICE

Price: \$7,200,000

Price/Unit: \$180,000

Price/Sq.Ft.: \$208

Proforma CAP: 4%

LOAN ANALYSIS

Sales Price: \$7,200,000

Down Payment: \$3,240,000

Loan Amount: \$3,960,000

Interest Rate: 3.58%

Amortization: 30 years

Monthly Payment: (\$17,959)

Annual Payment: (\$215,508)

Net Income: \$293,997

Cash Flow: \$78,489



RENT ROLL

# of Units	Unit Type	Sq. Ft.	Current Rent	Utility	Gross Rent	MFI	Monthly Total	
6	1 Bd/1 Ba	432	\$665	\$102	\$767	50%	\$4,602	
4	1 Bd/1 Ba	432	\$805	\$102	\$907	60%	\$3,628	
1	1 Bd/1 Ba	558	\$820	\$102	\$922	60%	\$922	
2	2 Bd/1 Ba	607	\$801	\$128	\$929	50%	\$1,858	
2	2 Bd/1 Ba	607	\$808	\$128	\$936	60%	\$1,872	
1	2 Bd/1 Ba	765	\$939	\$123	\$1,062	60%	\$1,062	
1	2 Bd/1 Ba	836	\$967	\$128	\$1,095	60%	\$1,095	
6	2 Bd/2 Ba	874	\$973	\$128	\$1,101	60%	\$6,606	
2	2 Bd/2 Ba	947	\$950	\$128	\$1,078	60%	\$2,158	
1	3 Bd/2 Ba	889	\$1,124	\$154	\$1,278	60%	\$1,278	
6	3 Bd/2 Ba	990	\$1,128	\$154	\$1,282	60%	\$7,692	
1	3 Bd/2 Ba	1019	\$1,124	\$154	\$1,278	60%	\$1,278	
1	3 Bd/2 Ba	1004	\$1,124	\$154	\$1,278	60%	\$1,278	
2	3 Bd/2 Ba	1089	\$1,135	\$154	\$1,289	60%	\$2,578	
1	4 Bd/2 Ba	1255	\$1,253	\$188	\$1,441	60%	\$1,441	
1	4 Bd/2 Ba	1300	\$1,207	\$188	\$1,395	60%	\$1,395	Market Rent
4710A	Commercial	570	Leasing Office		\$0	Market	\$0	\$0
4710B	Commercial	438	Hair Salon	Full Service	\$600	Market	\$600	\$730
4606	Commercial	1008	Store	Full Service	\$1,100	Market	\$1,100	\$1,680

Monthly Rent: \$42,441 \$43,151

PROFORMA INCOME & EXPENSE

ESTIMATED GROSS INCOME:	\$517,812
Parking/Laundry Income:	\$9,000
Vacancy (3%):	(\$15,534)
EFFECTIVE GROSS INCOME (EGI):	\$511,278

ESTIMATED EXPENSES

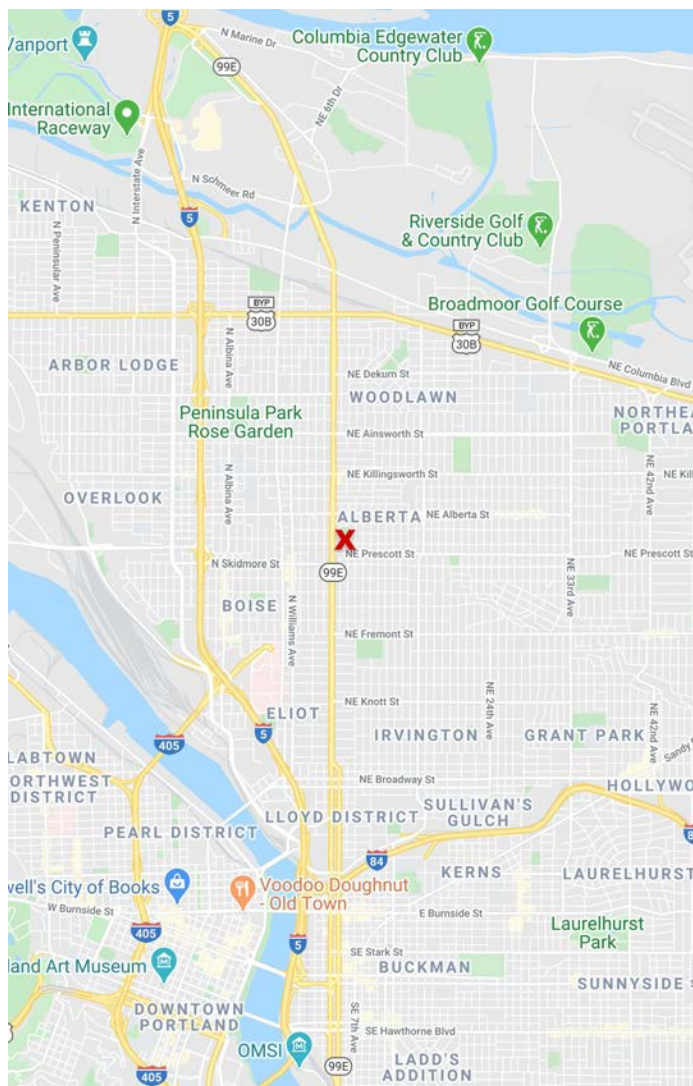
	%OF EGI	Price/Unit	2018 Annual Expense	%OF EGI	Price/Unit	Estimated Expenses
Real Estate Taxes*	0.87%	\$110	\$4,384	0.86%	\$110	\$4,384
Insurance	2.53%	\$319	\$12,748	2.05%	\$264	\$10,500
Property Management/Maint.**	20.87%	\$2,625	\$105,000	15.00%	\$1,917	\$76,692
Water/Sewer	9.54%	\$1,200	\$48,003	9.39%	\$1,200	\$48,003
Electricity	0.62%	\$78	\$3,135	.61%	\$78	\$3,135
Garbage	1.35%	\$170	\$6,800	1.33%	\$170	\$6,800
Administrative	3.01%	\$378	\$15,116	1.00%	\$128	\$5,113
Repairs/Maintenance	9.11%	\$1,145	\$45,800	8.96%	\$1,145	\$45,800
Turnover	1.83%	\$230	\$9,185	1.8%	\$230	\$9,185
Capital Reserves	1.5%	\$189	\$7,555	1.5%	\$192	\$7,669
Total Estimated Expenses	51.24%	\$6,443	\$256,726	42.50%	\$5,432	\$217,281

*38 units are tax abated

**This fee includes a staff of four, one for management and three maintenance employees

NET INCOME: \$293,997

LOCATION



PORTLAND, OREGON

Portland is a well-rounded region with more than just the offbeat shops and events. Museums, art galleries and the oldest public library on the West Coast feed a population with more academic degrees than the national average. The metro area's loyal sports fans avidly support their NBA basketball team, the Portland Trail Blazers; MLS soccer team, the Portland Timbers; and major junior ice hockey team, the Portland Winterhawks.

Wilderness is also close by. Two mountain ranges and the Pacific Ocean can be reached in an hour or two, while the fertile vineyards of the Willamette Valley lure city dwellers with a thirst for something fresh. U.S. News analyzed 125 metro areas in the United States to find the best places to live based on quality of life and the job market in each metro area, as well as the value of living there and people's desire to live there. Portland, Oregon is ranked #8 in Best Places to Live and #20 in Best Places to Retire.

Quick Stats



2,382,037

METRO POPULATION



37.8

MEDIAN AGE



3.8%

UNEMPLOYMENT RATE



\$55,330

AVERAGE ANNUAL SALARY



\$375,425

MEDIAN HOME PRICE



\$1,118

MEDIAN MONTHLY RENT



63.1° / 45.6°

AVG HIGH/LOW TEMPS



36.0 inches

AVG ANNUAL RAINFALL



26.6 minutes

AVG COMMUTE TIME

Cost of Living

Portland's average living expenses are higher than the national average. This is in part to housing costs, with both median home sale prices and rents rising faster than in most other similarly sized metro areas. Residents wanting to stretch their real estate dollar often look to the outlying areas of Beaverton, Gresham or Vancouver, Washington. Though Oregon's income tax rate is one of the highest in the country, there's no sales tax.

PORTLAND, OREGON

Population

Much of Portland's culture is driven by a population that is primarily young, well-educated and liberal. But the metro region is quite accommodating for kids. Family-friendly activities abound, from animal viewing at the zoo to hiking in local parks to taking in performances by one of several children's theater companies.

Portland residents are also less willing to commit to an organized faith than those who live in other parts of the country. In the U.S., Portland is rated at the top of the list for residents without a religious affiliation.

Across the region, the homeless population isn't as high as some metro areas. But the mild winters allow for year-round camping, so displaced individuals remain a permanent fixture.

Recreation

Besides a generous supply of playgrounds, trails and skate parks, many free or inexpensive activities are available in Portland. Favorites include a giant chess set downtown, one of the country's largest urban parks (5,000 acres) and the world's smallest park (24 inches), as well as the Portland Saturday Market.

Hiking, water sports and running events are all readily available within the region. In the winter, snow sports can be found 60 miles away at Mount Hood.

Portland is a mecca for foodies. The area's renowned food carts offer up international fare that's fast and inexpensive. Artisanal bakeries and ice cream shops are a bit pricier, but their flavorful delights can still command long lines.

Meanwhile, growing conditions in the nearby Willamette Valley are ideal for vineyards, and several distilleries round out Portland's homegrown libations.

**Source: US News Real Estate News*

COMMERCIAL REAL ESTATE DATA

Overview

Industrial is poised to tighten as inventory shrinks due in part to the new trend of creative office and loft spaces being transformed out of functionally obsolete industrial spaces.

The largest Industrial lease signings were by Georgia-Pacific, Bridgestone Tire and Microsoft with sizes ranging from 165,814 SF to 402,450 SF.

The Retail market remained relatively stable with a slight decrease in vacancy to 5.3%. Two KMarts closed their doors as well as a Burlington Coat Factory. Openings included Sportsman's Warehouse and Natural Grocers.

Multi-Family remains the "golden child" of Commercial real estate. Though vacancy was slightly higher at 2.67%, rental rates, permits and construction increased. High quality properties garnered low 5% cap rates with stiff competition.

The Portland Office market has seen renewed confidence within the CBD as demand for new high-quality space counterbalances the recent exodus of absorption to the outlying suburban markets.

** Source: 2014 Market Report cbcworldwide.com*

Multifamily Property Asking Price Index - Sale Trends

Current Portland market trends data indicates a decrease of -4.6% in the median asking price per unit for Multifamily properties compared to the prior 3 months, with an increase of +19.8% compared to last year's prices. County-wide, asking prices for Multifamily properties are -8.5% lower at \$148,227 per unit compared to the current median price of \$162,304 per unit for Multifamily properties in Portland, OR.

Office Property Asking Price Index - Sale Trends

Current Portland market trends data indicates a decrease of -2.6% in the median asking price per sq ft for Office properties compared to the prior 3 months, with an increase of +9.2% compared to last year's prices. County-wide, asking prices for Office properties are -0.7% lower at \$195 per sq ft compared to the current median price of \$202 per sq ft for Office properties in Portland, OR.

COMMERCIAL REAL ESTATE DATA

Retail Property Asking Price Index - Sale Trends

Current Portland market trends data indicates an increase of +3.9% in the median asking price per sq ft for Retail Commercial properties compared to the prior 3 months, with an increase of +35.6% compared to last year's prices. County-wide, asking prices for Retail Commercial properties are 5.0% higher at \$232 per sq ft compared to the current median price of \$251 per sq ft for Retail Commercial properties in Portland, OR.

Office Property Asking Rent - Lease Trends

The average asking rental rate per sq ft/year for Office properties in Portland, OR as of Jun 16 was \$21.43. This represents an increase of 1.1% compared to the prior 3 months, with an increase of +9.0% year-over-year. County-wide, average rental rates in Portland are +1.5% higher at \$20.98 per sq ft/year for Office properties currently for lease.

Retail Property Asking Rent - Lease Trends

The average asking rental rate per sq ft/year for Retail Commercial properties in Portland, OR as of Jun 16 was \$22.01. This represents an increase of 3.6% compared to the prior 3 months, with an increase of +14.2% year-over-year. County-wide, average rental rates in Portland are +2.7% higher at \$21.90 per sq ft/year for Retail Commercial properties currently for lease.

**Source: Loopnet*

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The information contained in this package has been obtained from sources we believe to be reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your sole responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of a the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.

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