

1723-30 SW 87th Ave, Portland OR 97225



**JL Lutz & Company Realtors
Jim Lutz, CCIM 503-750-6388
Chris Johnson, RECS 503-407-9924**

SW Duplex in SFR Neighborhood

Location: 1730 SW 87th, Portland, OR

<u>Unit Mix:</u>	<u>Units</u>	<u>Type</u>	<u>Approx Sq. Ft.</u>	<u>Mo'ly Rent</u>
	1	3 Brm 1 Bath	1,000	\$1,000
	2	2 Brm 1 Bath	900	\$ 900

Year Built: 1956

Desired Transaction: Sale or Exchange

Terms: Cash, Conventional, FHA, VA, Seller 2nd

Seller will consider an exchange down in value. The current loan balance is approximately \$260,000. Seller will also consider paper for all or part of their equity.

An excellent location with quick access to mass transit and an easy walk or bike ride to stores and services. Lots of basement storage for each unit, washer dryer hook ups and central air conditioning.

Great for owner occupant or investor.

Please do not contact the residents. All offers will be subject to inspection.

For More Information Contact:

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MrPlex.com

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All information is from sources deemed reliable but is not guaranteed. A prospective purchaser is expected to verify all information and complete their professional inspections during their due diligence. Subject to prior sale, changes and withdrawal.

SW Duplex In SFR Neighborhood
Acquisition Monthly Gross Income Unit Rent Roll 8/08.

Well located duplex with garages, large basement laundry and storage. Units have central AC and enclosed porches. This is the only duplex in a residential neighborhood on a cul-de-sac. Rents are \$150 to \$200 per month below market. Rent increase of \$100 per month, each side, are scheduled for 2009. Walk or bike to shops and services.

New Loan Assumptions for Buyer: 30 year amortization at 7% APR. Owners are Oregon real estate brokers.

Please do not disturb the residents they are not aware of sale. Offers are subject to inspections. MrPlex.com

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Unit Description	SF	Units	Ttl SF	\$/Month	\$/Unit	\$/SF
3 Bed 1 Ba - \$1000	1,000	1	1,000	1,000	1,000	1.00

Unit Description	SF	Units	Ttl SF	\$/Month	\$/Unit	\$/SF
2 Bed 1 Ba - \$900	900	1	900	900	900	1.00

Unit Description	SF	Units	Ttl SF	\$/Month	\$/Unit	\$/SF
Totals		2	1,900	1,900	950	1.00

Annual Property Operating Data

SW Duplex In SFR Neighborhood

Well located duplex with garages, large basement laundry and storage. Units have central AC and enclosed porches. Loan terms used for analysis are 30 year amortization at 7% APR. Owners are real estate brokers and will consider cash sale, seller wrap around or exchange for real or personal property.

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RENTS ARE AS OF AUGUST 2008.

Purpose	Brokers Estimate
Name	SW Duplex In SFR Neighborhood
Location	1730 SW 87th, Portland, OR
Property Type	Duplex
Date	8 April 2009
Units	2

Price	\$395,000
-Loans	177,750
Down Payment	217,250
+Acq Costs	3,950
+Loan Points	1,778
Investment	222,978

	\$/Unit	% of GI	Annual \$
Gross Income			
3 Bed 1 Ba - \$1000 (1 units)	\$12,000	52.6%	\$12,000
2 Bed 1 Ba - \$900 (1 units)	10,800	47.4%	10,800
Total Gross Income	\$11,400	100.0%	\$22,800
- Vacancy & Credit Loss	570	5.0%	1,140
Effective Income	\$10,830	95.0%	\$21,660
Less: Operating Expenses			
Real Estate Taxes	1,319	11.6%	2,637
Garbage	320	2.8%	640
Water/Sewer	280	2.5%	560
Insurance	398	3.5%	796
Misc	433	3.8%	866
Total Operating Expenses	\$2,750	24.1%	\$5,499
Net Operating Income	\$8,080	70.9%	\$16,161
Less: Debt Service			
Loan	7,095	62.2%	14,191
Total Debt Service	\$7,095	62.2%	\$14,191
Net Operating Cash Flow	\$985	8.6%	\$1,970

Capitalization Rate	4.09%
Gross Income Multiplier	17.32
Cash on Cash	0.88%
Debt Coverage Ratio	1.139
Price/Unit	\$197,500



Executive Summary

Prepared By: Chris Johnson, RECS

Site Type: Radius	1723 SW 87th Ave Portland, OR 97225 Radius: .5 mile	1723 SW 87th Ave Portland, OR 97225 Radius: 1 mile	1723 SW 87th Ave Portland, OR 97225 Radius: 3 mile
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2008 Population

Total Population	2,257	11,053	90,218
Male Population	48.5%	49.1%	49.3%
Female Population	51.5%	50.9%	50.7%
Median Age	37.7	38.2	38.8

2008 Income

Median HH Income	\$63,884	\$65,566	\$66,204
Per Capita Income	\$42,203	\$44,129	\$43,016
Average HH Income	\$90,591	\$96,839	\$102,461

2008 Households

Total Households	1,113	5,297	37,726
Average Household Size	2.02	2.08	2.37
1990-2000 Annual Rate	0.88%	0.87%	1.14%

2008 Housing

Owner Occupied Housing Units	55.2%	57.0%	58.6%
Renter Occupied Housing Units	40.2%	37.7%	35.8%
Vacant Housing Units	4.5%	5.3%	5.6%

Population

1990 Population	1,902	9,295	72,036
2000 Population	2,011	9,756	81,462
2008 Population	2,257	11,053	90,218
2013 Population	2,482	12,193	97,790
1990-2000 Annual Rate	0.56%	0.49%	1.24%
2000-2008 Annual Rate	1.41%	1.52%	1.25%
2008-2013 Annual Rate	1.92%	1.98%	1.62%

In the identified market area, the current year population is 90,218. In 2000, the Census count in the market area was 81,462. The rate of change since 2000 was 1.25 percent annually. The five-year projection for the population in the market area is 97,790, representing a change of 1.62 percent annually from 2008 to 2013. Currently, the population is 49.3 percent male and 50.7 percent female.

Households

1990 Households	905	4,296	30,730
2000 Households	988	4,685	34,402
2008 Households	1,113	5,297	37,726
2013 Households	1,228	5,853	40,838
1990-2000 Annual Rate	0.88%	0.87%	1.14%
2000-2008 Annual Rate	1.45%	1.5%	1.12%
2008-2013 Annual Rate	1.99%	2.02%	1.6%

The household count in this market area has changed from 34,402 in 2000 to 37,726 in the current year, a change of 1.12 percent annually. The five-year projection of households is 40,838, a change of 1.6 percent annually from the current year total. Average household size is currently 2.37, compared to 2.35 in the year 2000. The number of families in the current year is 22,504 in the market area.

Housing

Currently, 58.6 percent of the 39,980 housing units in the market area are owner occupied; 35.8 percent, renter occupied; and 5.6 percent are vacant. In 2000, there were 36,242 housing units— 56.1 percent owner occupied, 38.7 percent renter occupied and 5.2 percent vacant. The rate of change in housing units since 2000 is 1.2 percent. Median home value in the market area is \$427,773, compared to a median home value of \$192,285 for the U.S. In five years, median home value is projected to change by 1.24 percent annually to \$455,000. From 2000 to the current year, median home value changed by 8.4 percent annually.



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Median Household Income

1990 Median HH Income	\$40,149	\$38,438	\$35,233
2000 Median HH Income	\$51,405	\$53,489	\$51,169
2008 Median HH Income	\$63,884	\$65,566	\$66,204
2013 Median HH Income	\$78,941	\$79,610	\$77,830
1990-2000 Annual Rate	2.5%	3.36%	3.8%
2000-2008 Annual Rate	2.67%	2.5%	3.17%
2008-2013 Annual Rate	4.32%	3.96%	3.29%

Per Capita Income

1990 Per Capita Income	\$21,443	\$21,627	\$21,005
2000 Per Capita Income	\$35,580	\$36,704	\$32,473
2008 Per Capita Income	\$42,203	\$44,129	\$43,016
2013 Per Capita Income	\$52,443	\$54,637	\$54,271
1990-2000 Annual Rate	5.19%	5.43%	4.45%
2000-2008 Annual Rate	2.09%	2.26%	3.47%
2008-2013 Annual Rate	4.44%	4.36%	4.76%

Average Household Income

1990 Average Household Income	\$48,784	\$49,631	\$48,958
2000 Average Household Income	\$76,100	\$79,603	\$75,568
2008 Average HH Income	\$90,591	\$96,839	\$102,461
2013 Average HH Income	\$112,375	\$119,599	\$129,651
1990-2000 Annual Rate	4.55%	4.84%	4.44%
2000-2008 Annual Rate	2.14%	2.4%	3.76%
2008-2013 Annual Rate	4.4%	4.31%	4.82%

Households by Income

Current median household income is \$66,204 in the market area, compared to \$53,154 for all U.S. households. Median household income is projected to be \$77,830 in five years. In 2000, median household income was \$51,169, compared to \$35,233 in 1990.

Current average household income is \$102,461 in this market area, compared to \$73,126 for all U.S. households. Average household income is projected to be \$129,651 in five years. In 2000, average household income was \$75,568, compared to \$48,958 in 1990.

Current per capita income is \$43,016 in the market area, compared to the U.S. per capita income of \$27,916. The per capita income is projected to be \$54,271 in five years. In 2000, the per capita income was \$32,473, compared to \$21,005 in 1990.

Population by Employment

Total Businesses	195	966	6,012
Total Employees	1,122	5,504	63,043

Currently, 95.1 percent of the civilian labor force in the identified market area is employed and 4.9 percent are unemployed. In comparison, 93.4 percent of the U.S. civilian labor force is employed, and 6.6 percent are unemployed. In five years the rate of employment in the market area will be 95.2 percent of the civilian labor force, and unemployment will be 4.8 percent. The percentage of the U.S. civilian labor force that will be employed in five years is 93.9 percent, and 6.1 percent will be unemployed. In 2000, 70.0 percent of the population aged 16 years or older in the market area participated in the labor force, and 0.1 percent were in the Armed Forces.

In the current year, the occupational distribution of the employed population is:

- 72.9 percent in white collar jobs (compared to 60.2 percent of U.S. employment)
- 12.9 percent in service jobs (compared to 16.5 percent of U.S. employment)
- 14.2 percent in blue collar jobs (compared to 23.3 percent of U.S. employment)

In 2000, 72.1 percent of the market area population drove alone to work, and 5.7 percent worked at home. The average travel time to work in 2000 was 21.5 minutes in the market area, compared to the U.S. average of 25.5 minutes.

Population by Education

In 2008, the educational attainment of the population aged 25 years or older in the market area was distributed as follows:

- 7.2 percent had not earned a high school diploma (16.4 percent in the U.S.)
- 14.9 percent were high school graduates only (29.6 percent in the U.S.)
- 6.0 percent had completed an Associate degree (7.2 percent in the U.S.)
- 30.8 percent had a Bachelor's degree (17.0 percent in the U.S.)
- 19.3 percent had earned a Master's/Professional/Doctorate Degree (9.7 percent in the U.S.)