



FOR SALE

11 MULTIFAMILY UNITS

2451-2473 TRADE ST SE, SALEM, OR 97301

SMI REAL ESTATE

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EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. SMI Real Estate makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. SMI Real Estate does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property.

Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by SMI Real Estate in compliance with all applicable fair housing and equal opportunity laws.



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PROPERTY OVERVIEW

Complete rehab accomplished on this eleven-unit complex in 2022. The property is comprised of nine cottage style units as well as a dual level duplex with attached laundry room. To the stud remodel.

Ready for a new owner to cash flow and increase rents over time. Perfect for 1031 Exchange.

Renovations include the following:

New roofs, windows, siding, electrical, plumbing, appliances, disposals, water heaters, counter tops and flooring.

All units are separately metered for electricity. Common parking area repaved and restriped 2022. Coin operated laundry onsite. Cottages are separately metered for water.

Excellent opportunity to acquire a stabilized asset. 100% Bonus Depreciation.

PROPERTY HIGHLIGHTS

Top to bottom rehab. Nine separate cottage style units and dual level duplex. Ample off and on street tenant parking. Resurfaced parking area. Property is fully occupied.

LOCATION OVERVIEW

This property is in the Central Submarket of Salem. It is within 5 minutes of the 1-5 corridor, one mile from downtown Salem and 50 minutes south of downtown Portland. The Central Submarket has seen an impressive rent growth.

Central is a liquid submarket and a regular target for apartment investors. The submarket has attracted seasoned and new investors alike. This unique property provides individual cottages for those tenants who wish to have their own domicile. Onsite laundry available. As well as onsite parking.

\$1,700,000
PRICE

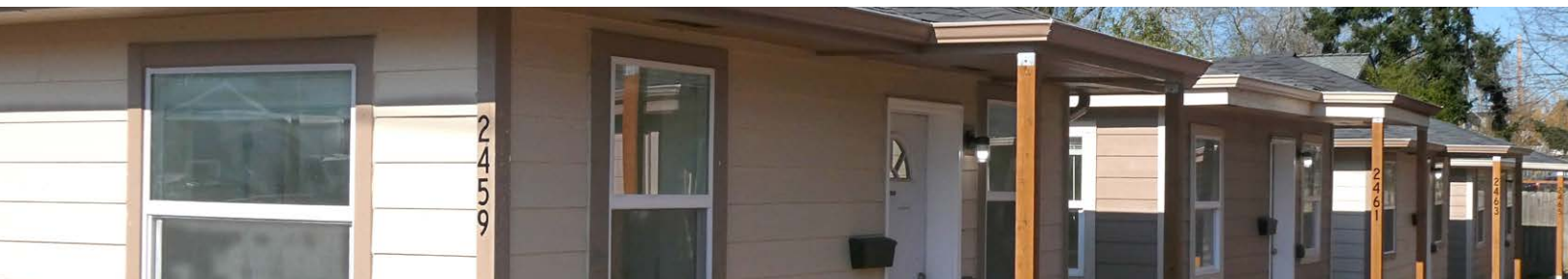
6.25%
CAP RATE

11 UNITS
(1) STUDIO
(8) 1 BED / 1 BATH
(1) 2 BED / 1 BATH
(1) 3 BED / 2 BATH

4,444
SQUARE FEET

0.37
ACRES

RM2
ZONE



FINANCIAL ANALYSIS

Investment Summary

Price	\$1,700,000
Year Built	1949
Units	11
Price/Unit	\$154,545
RSF	4,356
Price/RSF	\$390.27
Lot Size	0.37 acres
APN	037910
Cap Rate	6.25%
GRM	10.98

Financing Summary

Loan 1 (Fixed)	\$1,105,000
Initial Equity	\$595,000
Interest Rate	5.25%
Term	30 years
Monthly Payment	\$6,102
DCR	1.45



Unit Mix & Monthly Scheduled Income

Type	Units	Actual	Total
0+1	1	\$995	\$995
1+1	8	\$1,088	\$8,705
2+1	1	\$1,158	\$1,158
3+2	1	\$1,850	\$1,850
Totals	11		\$12,708

Annualized Income

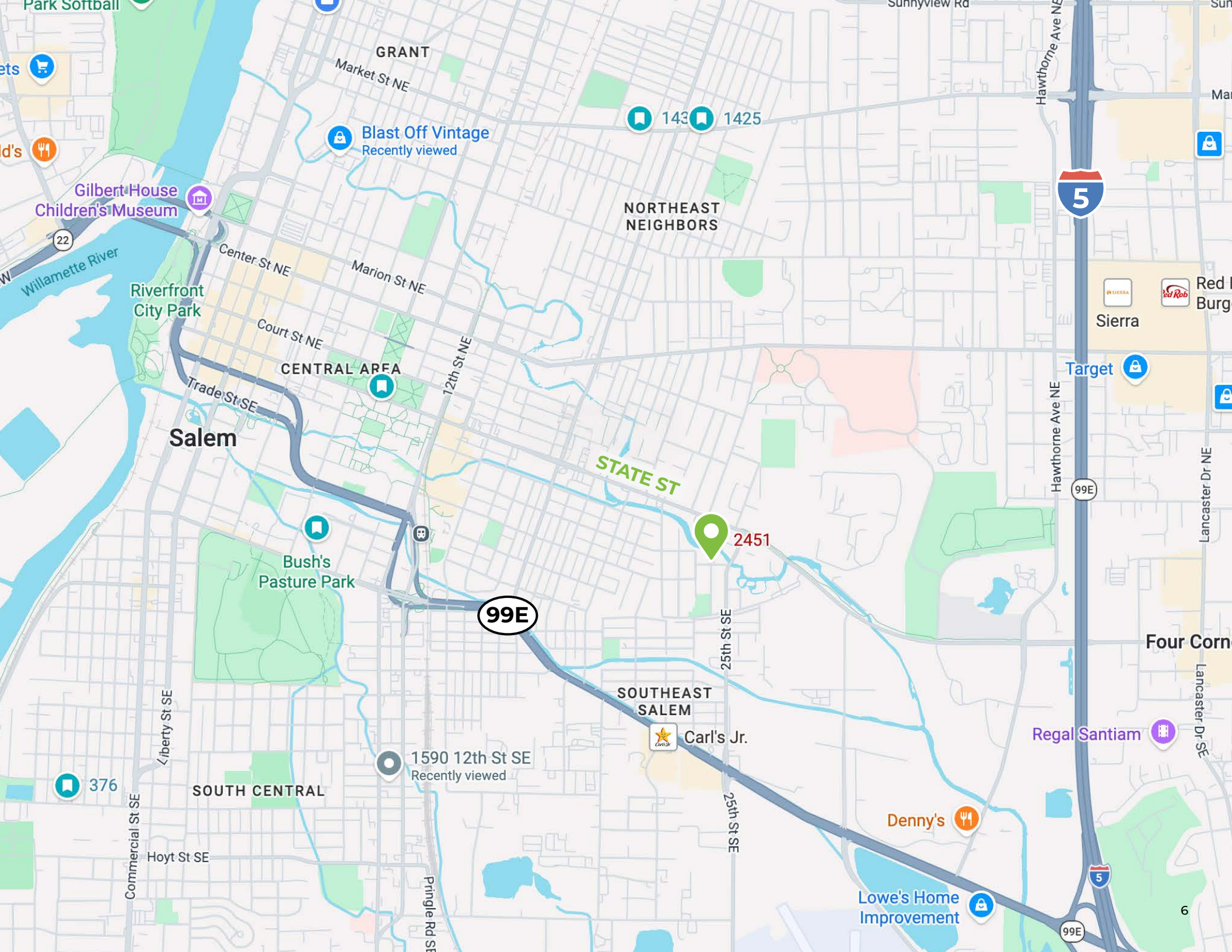
Description	Actual
Gross Potential Rent	\$152,496
- Less: Vacancy	(\$4,575)
+ Misc. Income	\$2,376
Effective Gross Income	\$150,298
- Less: Expenses	(\$43,991)
Net Operating Income	\$106,307
- Debt Service	(\$73,222)
Net Cash Flow after Debt Service	\$33,084
+ Principal Reduction	\$15,581
Total Return	\$48,665

Annualized Expenses

Description	Actual
Building Insurance	\$14,035
Grounds Maintenance	\$2,520
TurnOver Exp	\$1,795
Cleaning and Maint	\$2,382
Management Fees	\$10,886
Repairs	\$2,382
Taxes - Real Estate	\$6,495
Utility - Electricity	\$760
Utility - Water-Sewer	\$2,736
Total Expenses	\$43,991
Expenses Per RSF	\$10.10
Expenses Per Unit	\$3,999

Proforma Notes

Property Completely Renovated in 2022



Gilbert House
Children's Museum

Riverfront
City Park

Salem

CENTRAL ARFA

Bush's
Pasture Park

SOUTH CENTRAL

NORTHEAST
NEIGHBORS

SOUTHEAST
SALEM

STATE ST

GRANT

Blast Off Vintage
Recently viewed

2451

99E

1590 12th St SE
Recently viewed

Carl's Jr.

Denny's

Lowe's Home
Improvement

5

Target

Sierra

Four Corn

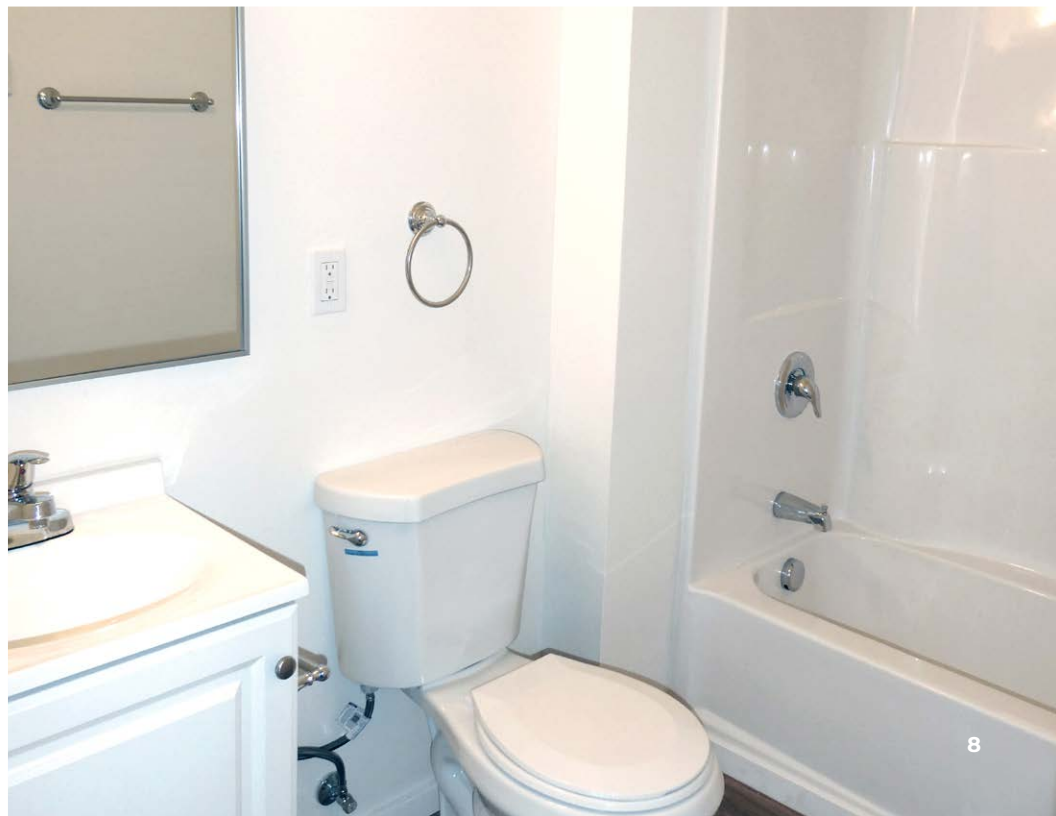
Regal Santiam

5

99E

6





ADVISOR BIO



PROFESSIONAL BACKGROUND

Brandon Whitehead has been a real estate professional in the multifamily brokerage industry since 2016.

Prior to becoming a real estate professional, Brandon acquired experience in the commercial and residential construction industry. His eye for detail and expedience lead him to becoming material and crew foreman in the construction industry.

Brandon has experience completing market research, property analysis, due diligence and transaction management. He has also successfully completed transactions regarding Commercial and LIHTC properties.

Working in the family brewery operation for over 16 years, Brandon has extensive experience in the brewery and restaurant industry. He honed his sales skills being a lead salesman for an established brewing company.

Brandon is currently studying to become a Principal Broker in Oregon. He is currently a licensed Broker in Oregon and Washington.

OR License No.200804138

WA License No. 139226

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OREGON REAL ESTATE AGENCY

Initial Agency Disclosure Pamphlet

Consumers: This pamphlet describes the legal obligations of Oregon real estate licensees to consumers. Real estate brokers and principal real estate brokers are required to provide this information to you at first contact as required by Oregon Administrative Rule (OAR) 863-015-0215.

This pamphlet is informational only. Neither the pamphlet nor its delivery to you may be interpreted as evidence of intent to create an agency relationship between you and a broker or a principal broker.

Fair Housing Statement

Oregon's laws protect you from being treated differently because of your race, color, religion, sex, national origin, source of income, domestic violence survivor status, marital status, sexual orientation, or gender identity, or whether you have kids or a disability.

If you think you are being discriminated against when looking for a home or applying for home financing, you can file a complaint with the Oregon Bureau of Labor and Industries at <https://complaints.boli.oregon.gov>.

Real Estate Agency Relationships

An "agency" relationship is a voluntary legal relationship in which a licensed real estate broker or principal broker (the "agent") agrees to act on behalf of a buyer or a seller (the "client") in a real estate transaction. Oregon law provides for three types of agency relationships between real estate agents and their clients:

- **Seller's Agent** — Represents the seller only.
- **Buyer's Agent** — Represents the buyer only.
- **Disclosed Limited Agent** — Represents both the buyer and seller, or multiple buyers who want to purchase the same property. This can be done only with the written permission of all clients.

The actual agency relationships between the seller, buyer and their agents in a real estate transaction must be acknowledged at the time an offer to purchase is made. Please read this pamphlet carefully before entering into an agency relationship with a real estate agent.

Definition of "Confidential Information"

Generally, agents must maintain confidential information about their clients.

"Confidential information" is information communicated to a real estate agent by the buyer or seller of one to four residential units regarding the real property transaction, including but not limited to price, terms, financial qualifications or motivation to buy or sell.

"Confidential information" does not mean information that:

- The buyer instructs the agent to disclose about the buyer to the seller, or the seller instructs the licensee or the licensee's agent to disclose about the seller to the buyer.
- The agent knows or should know failure to disclose would constitute fraudulent representation.

Duties and Responsibilities of a Seller's Agent

Under a written listing agreement (seller representation agreement), an agent represents the seller only. A listing agreement must be entered into prior to the agent acting on behalf of the seller in offering the real property for sale or in finding and obtaining a buyer.

An agent who represents only the seller owes the following affirmative duties to the seller, the other parties, and the other parties' agents involved in a real estate transaction:

1. To deal honestly and in good faith;
2. To present all written offers, notices and other communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
3. To disclose material facts known by the agent and not apparent or readily ascertainable to a party.

A seller's agent owes the seller the following affirmative duties:

1. To exercise reasonable care and diligence;
2. To account in a timely manner for money and property received from or on behalf of the seller;
3. To be loyal to the seller by not taking action that is adverse or detrimental to the seller's interest in a transaction;
4. To disclose in a timely manner to the seller any conflict of interest, existing or contemplated;
5. To advise the seller to seek expert advice on matters related to the transaction that are beyond the agent's expertise;
6. To maintain confidential information from or about the seller except under subpoena or court order, even after termination of the agency relationship; and
7. Unless agreed otherwise in writing, to make a continuous, good faith effort to find a buyer for the property, except that a seller's agent is not required to seek additional offers to purchase the property while the property is subject to a contract for sale.

None of these affirmative duties of an agent may be waived, except (7). The affirmative duty listed in (7) can only be waived by written agreement between seller and agent.

Under Oregon law, a seller's agent may show properties owned by another seller to a prospective buyer and may list competing properties for sale without breaching any affirmative duty to the seller.

Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise, including but not limited to investigation of the condition of property, the legal status of the title or the seller's past conformance with law.

Duties and Responsibilities of a Buyer's Agent

Under a written buyer representation agreement, an agent represents the buyer and the buyer's interests only, regardless of the source of compensation. A representation agreement must be entered into before, or as soon as reasonably practicable after, the licensee has started efforts to assist the buyer in purchasing property or in identifying property for purchase.

An agent who represents only the buyer owes the following affirmative duties to the buyer, the other parties, and the other parties' agents involved in a real estate transaction:

1. To deal honestly and in good faith;
2. To present all written offers, notices and other communications to and from the parties in a timely manner without regard to whether the property is subject to a contract for sale or the buyer is already a party to a contract to purchase; and
3. To disclose material facts known by the agent and not apparent or readily ascertainable to a party.

A buyer's agent owes the buyer the following affirmative duties:

1. To exercise reasonable care and diligence;
2. To account in a timely manner for money and property received from or on behalf of the buyer;
3. To be loyal to the buyer by not taking action that is adverse or

detrimental to the buyer's interest in a transaction;

4. To disclose in a timely manner to the buyer any conflict of interest, existing or contemplated;
5. To advise the buyer to seek expert advice on matters related to the transaction that are beyond the agent's expertise;
6. To maintain confidential information from or about the buyer except under subpoena or court order, even after termination of the agency relationship; and
7. Unless agreed otherwise in writing, to make a continuous, good faith effort to find property for the buyer, except that a buyer's agent is not required to seek additional properties for the buyer while the buyer is subject to a contract for purchase.

None of these affirmative duties of an agent may be waived, except (7). The affirmative duty listed in (7) can only be waived by written agreement between buyer and agent.

Under Oregon law, a buyer's agent may show properties in which the buyer is interested to other prospective buyers without breaching an affirmative duty to the buyer.

Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise, including but not limited to investigation of the condition of property, the legal status of the title or the seller's past conformance with law.

Duties and Responsibilities of an Agent Who Represents More than One Client in a Transaction

An agent may represent both the seller and the buyer in the same transaction, or multiple buyers who want to purchase the same property, only under a written Disclosed Limited Agency Agreement signed by both seller and/or buyer(s). A signed Disclosed Limited Agency Agreement is in addition to the required written listing agreement and buyer representation agreement(s).

Disclosed Limited Agents have the following duties to their clients:

1. To the seller, the duties listed above for a seller's agent;
2. To the buyer, the duties listed above for a buyer's agent; and
3. To both buyer and seller, except with express written permission of the respective person, the duty not to disclose to the other person:
 - a. That the seller will accept a price lower or terms less favorable than the listing price or terms;
 - b. That the buyer will pay a price greater or terms more favorable than the offering price or terms; or
 - c. Confidential information as defined above.

Unless agreed to in writing, an agent has no duty to investigate matters that are outside the scope of the agent's expertise.

When different agents under the same principal broker establish agency relationships with different parties in the same transaction, only the principal broker acts as a **Disclosed Limited Agent** for both buyer and seller. The other agents continue to represent only their original party unless all parties agree otherwise in writing. The principal broker and the agents representing either party owe the following duties to both seller and buyer:

1. To disclose a conflict of interest in writing to all parties;
2. To take no action that is adverse or detrimental to either party's interest in the transaction; and
3. To obey the lawful instructions of both parties.

No matter whom they represent, an agent must disclose information the agent knows or should know that failure to disclose would constitute fraudulent misrepresentation.



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