OFFERING MEMORANDUM

Meadowbrook Apartments

2048 NE Highway 99W
McMinnville, OR 97128

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SMI REAL ESTATE

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Contents

Property Details

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Overview

48 Units in the Heart of Oregon's Willamette Valley Wine Country—McMinnville, OR

Meadowbrook Apartments is a 48-unit, garden-style community on 3.74 acres just north of downtown McMinnville — the heart of Oregon's Willamette Valley wine country. Built in 1978 and owned since 2019, it offers efficient one- and two-bedroom homes averaging 730 square feet across three buildings, with surface parking, on-site laundry, and individual electric metering. Ownership has reinvested **$551,644 recently** — including but not limited to, 48 new heat pumps, two roofs, and a repaved and resealed lot.

McMinnville anchors a diverse economy spanning healthcare (Willamette Valley Medical Center), manufacturing (Cascade Steel Rolling Mills), higher education (Linfield University), and a nationally recognized wine sector — with 90-plus manufacturers and an 800,000-person labor force within a 45-minute drive. About 40 miles southwest of Portland on Highway 99W, it pairs small-city livability with steady employment that underpins durable rental demand.

A scarce asset in a thinly-traded, supply-constrained market. Over the past five years, only **eight** multifamily properties of 20-plus units have sold anywhere in Yamhill County — about $61 million across 331 units — **and no new market-rate apartments were delivered county-wide in the trailing twelve months.** McMinnville has permitted roughly 40 multifamily units a year over the past decade, down from ~60 in the 2000s, holding county occupancy near 98% and Meadowbrook's vacancy at **2.1% versus 7.6%** for the submarket. Well-located, stabilized product of this size rarely trades here—and when it does, it clears quickly.

Use Restriction & Tax Abatement

Meadowbrook carries a recorded use restriction paired with an Oregon property-tax abatement—a durable advantage that runs with the land.
A Use Restriction Agreement recorded against the deed reserves a share of the units as affordable; in exchange, the county assesses the property on its actual income rather than its market value, and the assessment is not reset on sale. Both the restriction and the tax treatment convey to the next owner.

The result is real estate taxes of roughly $307 per unit annually (about $14,700 total), versus approximately $1,078 per unit at a comparable fully taxed property — an estimated $528,000 of transferable value that no sold comp carries.

In exchange, 29 of the 48 units (~60%) are reserved for Section 8 voucher households — steady, subsidy-backed demand that has helped keep the property nearly full — while the remaining 19 units operate at market rent. A future owner may maintain the program to preserve the abatement or elect to exit it.

This is a summary. See the Transferable Property-Tax Advantage section for full detail; figures are approximate and subject to buyer verification.

Transferable Property-Tax Advantage

Meadowbrook combines steady, government-supported rents with unusually low property taxes. Under an Oregon special assessment tied to a recorded agreement with the Housing Authority of Yamhill County, taxes run about **$307 per unit** — versus roughly $1,078 at a fully taxed property. The tax break is tied to the deed and passes to the next owner who keeps the program. The asset is well maintained, with $551,644 of recent capital — 48 new heat pumps and two new roofs.

The Structure at a Glance

Program	Oregon special assessment for government-restricted rental housing (ORS 308.701–308.724)
Government Partner	Housing Authority of Yamhill County
Qualifying Incentive	Section 8 rent subsidy — the incentive behind the assessment
Instrument	Recorded Use Restriction Agreement (2019); noted on the deed, binding on future owners
Units	29 restricted (~60% of units — a unit share, not an income level; 9 one-bed, 20 two-bed) plus 19 at market rent
Income / Rent Limits	Set by the Section 8 program — not a fixed AMI number in the agreement or ORS 308
Term	No set end date; continues while the restriction is kept; owner may exit
Assessment Basis	Taxed on actual income and expenses — not reset to market value at sale
Tax Result	≈$307/unit ($14,713/yr) vs. ≈$1,078/unit fully taxed — about $528,000 of value that transfers with the asset

Figures are approximate and subject to annual recalculation and the buyer's verification.

A Long, Proven Track Record

Oregon's special-assessment program dates to 2001, and — per the current owner and the County Assessor — Meadowbrook has been in it for roughly 25 years, nearly since it began. The county record backs this up: the assessed value has risen only about 3% a year (the statutory cap) even as the property's real market value reached $8,346,633 for 2025, while the assessed value held at $856,378. The benefit has already carried through a change of ownership, and continues currently without interruption.

Transferable Property-Tax Advantage

What It Means for the Next Owner

01 A tax break that transfers

The low tax basis runs with the land to the next owner — about $528,000 of value a fully taxed comparable lacks. It continues while the program's rules are met.

02 Government-backed income

The 29 restricted units house Section 8 voucher holders — steady, subsidy-backed demand. Reported vacancy is 2.1% versus 7.6% in the submarket, and the vouchers have not required below-market rents (see below).

03 Predictable taxes

Taxes are based on the property's actual income and expenses, so the owner avoids the market-value tax spikes that hit fully assessed properties — unusual cost certainty for a 1970s-era asset.

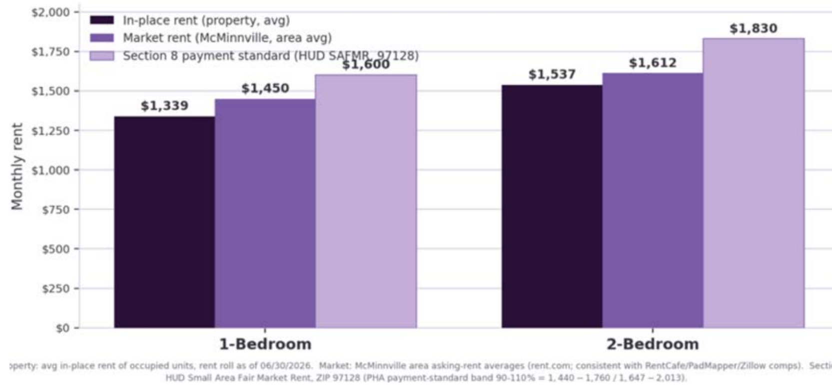
04 Upside and choice

19 units can move to market rent now. The owner also controls the exit: keep the tax break, or later leave — paying a tax reset plus recapture with interest — to go fully market-rate.

How the Section 8 Rents Compare

Could the restriction cost rent? The chart compares the property's rents with area market rents and the HUD Section 8 payment standard for its ZIP. For both unit sizes, the Section 8 ceiling is at or above market and the property's rents fall below both — so the voucher covers the rent in full.

In-Place Rent vs. Market vs. Section 8 Payment Standard



HUD Small Area Fair Market Rent for ZIP 97128: $1,600 (1BR), $1,830 (2BR); the housing authority may set the standard at 90–110% of these. Property rents are average occupied units (06/30/2026 rent roll). The market-equivalent history is ownership's representation; figures are approximate and subject to the buyer's verification.

Program Continuation

- Renews each year — no set end date — as long as the restriction is kept and the Department of Revenue's requirements are met.
- Valued on the property's actual income and expenses; the owner provides current income/expense figures and a rent roll to the County Assessor (a property-tax input, not an income-tax return).
- The owner must report any disqualifying event.
- Administered and enforced by the County Assessor under Department of Revenue rules.
- On exit: returns to normal market-value taxes the next year, and the prior benefit is recaptured with interest — the lever for a future value-add buyer.

Buyer due diligence. This insert is a summary, not independently verified. The buyer is solely responsible for its own due diligence and for confirming, through its own advisors, the special assessment and all material matters — the qualifying basis, income limits, reporting, and exit treatment. Neither the Broker nor the Seller is responsible for how the buyer conducts that review.

Property Summary

Meadowbrook Apartments
2048 NE Highway 99W
McMinnville, OR 97128

$8,250,000

Cap	6.78%
Price / Unit	$171,875
Price / SF	$235

Year Built	1978
Unit Count	48
Avg Unit Size	730 SF
Total Rentable Size	±35,040 SF
Stories	2
County	Yamhill
No. of Buildings	3
Lot Size	3.74 AC
Density (Units/AC)	13
Zoning	R3
Class	B (3-Star)

Unit Mix Summary

Meadowbrook Apartments

2048 NE Highway 99W
McMinnville, OR 97128

Unit Type	Units	Avg SF
1-Bed / 1-Bath	16	670
2-Bed / 1-Bath	32	760
Total / Averages	**48**	**730**

Unit Type	In-Place Rent	Rent/SF
1-Bed / 1-Bath	$1,343	$2.00
2-Bed / 1-Bath	$1,541	$2.03
Total / Averages	**$1,475**	**$2.02**

*Going-in cap rate shown at the $8,250,000 price: 6.78% (Broker) on the broker's underwritten in-place NOI of $559,562 (Rev 1.5 / June 2026 T12), In April 2026 the CMBS servicer-reported an NOI of $578,089. At the list price this equates to a 7.01% cap rate.(CoStar, updated April 2026). At $171,875 per unit, the offering is priced below the Yamhill County five-year average of $185,066 per unit for 20+ unit multifamily sales.

16

One Bedroom
One Bathroom
670 SF Units

32

Two Bedroom
One Bathroom
760 SF Units

48

Total Units
Built in 1978

Sources: CoStar (Yamhill County multifamily sale comps, 20+ units, trailing 5 years; subject property record); SMI Real Estate broker underwriting (Rev 1.5) and the recorded Use Restriction Agreement; City of McMinnville / Johnson Economics housing market analysis; Spring 2026 Portland-metro multifamily survey; U.S. Census / Greater Portland Inc. Prepared by SMI Real Estate for information only; all figures approximate and subject to independent buyer verification.

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Location Overview

McMinnville, Oregon

County Seat of Yamhill County
The Capital of Oregon Wine Country

Meadowbrook Apartments fronts NE Highway 99W in McMinnville — the county seat of Yamhill County and the acknowledged capital of Oregon's Willamette Valley wine country. An independent urban center of roughly 34,900 residents just outside the Portland metro, McMinnville pairs the amenities of a college town with the economic depth of a regional employment hub, anchored by a walkable historic downtown along Third Street and by Linfield University.

The local economy is diverse and resilient, spanning healthcare, advanced manufacturing, higher education, and a nationally recognized wine-and-hospitality sector. Cascade Steel Rolling Mills, aerospace manufacturer Meggitt Polymers & Composites, Willamette Valley Medical Center, Linfield University, and the McMinnville School District anchor roughly 4,900 principal-employer jobs (MEDP 2025), supported by a labor force of 800,000 within a 45-minute drive and more than 90 area manufacturers. Yamhill County holds Oregon's largest concentration of wineries and vineyards, and McMinnville is its hospitality gateway — home to the Evergreen Aviation & Space Museum and its landmark Spruce Goose. The result is the supply-constrained, high-amenity small market that supports durable occupancy and steady rent performance.

Location Highlights

Driver	Detail
Position	County seat and largest city in Yamhill County; ~34,900 residents, outside the Portland metro.
Employment base	~4,900 principal-employer jobs; 800,000 labor force within 45 min.; 90+ manufacturers.
Anchor employers	Cascade Steel, Willamette Valley Medical Center, Linfield University, McMinnville School District.
Education & tourism	Linfield University + Chemeketa CC; Oregon wine-country hub; Evergreen Aviation & Space Museum.
Access	Fronts Highway 99W — the primary corridor to Portland and through the Willamette Valley.

McMinnville Demographics

19,016
POPULATION
2 MILE RADIUS

$65,023
MEDIAN HH INCOME
2 MILE RADIUS

41
MEDIAN AGE
2 MILE RADIUS

1.2%
APARTMENT VACANCY
CITY WIDE

Sources: McMinnville Economic Development Partnership 2025 Principal Employer Report; Greater Portland Inc. community profile; City of McMinnville; U.S. Census Bureau; Linfield University; CoStar. Prepared by SMI Real Estate for information only; figures approximate and subject to independent buyer verification.

Market Overview

MEADOWBROOK APARTMENTS | 2048 NE HIGHWAY 99W, MCMINNVILLE, OR 97128

Market Overview—Rent in McMinnville

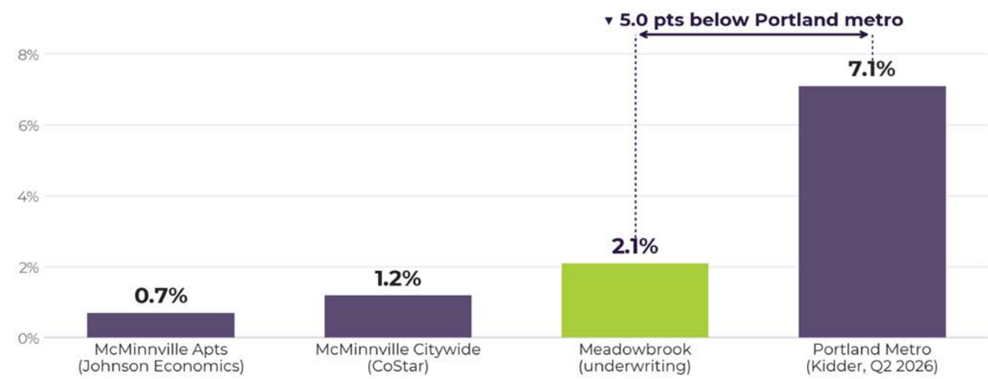
A supply-constrained submarket with sustained, sub-balanced vacancy

McMinnville is one of the tightest apartment submarkets in the Willamette Valley. The City's housing analysis reports apartment vacancy near 1.2% — well inside the 5% balanced-market threshold, and a level it has not exceeded since 2012. A decade of limited deliveries has left real pent-up demand; the City's Housing Needs Analysis identifies a need for roughly 75 new multifamily units annually that local production has consistently failed to meet.

The broader Portland metro is more competitive — asking rents near $1,656 and vacancy around 7.1% in mid-2026, flat year-over-year as a luxury build-out is absorbed. But that pressure sits in the dense metro core; outlying submarkets with little new supply are positioned to lead the next leg of rent growth, and Yamhill County ranks among those posting trailing-four-quarter gains above the metro average. Chronic undersupply, relative affordability, and steady household formation make McMinnville a defensive place to own workforce housing — where Meadowbrook's in-place rents average $1,475/unit ($2.02/SF), the highest revenue per square foot in its comparable set, with durable upside to achievable market rents.

Submarket Positioning—Vacancy

Apartment Vacancy—McMinnville vs. Portland Metro



Every McMinnville-specific measure runs ~1–2%; the Portland metro sits at 7.1%.

Vacancy delta. Every McMinnville-specific measure of apartment vacancy runs about 1% — Johnson Economics' survey of five recent projects for the City found just 0.7%, and CoStar's citywide estimate is 1.2%. Meadowbrook is underwritten conservatively at 2.1% — still roughly 5.0 points below the 7.1% Portland metro (Kidder Mathews, Q2 2026). That occupancy strength is the clearest signal of pricing headroom, not a ceiling.

Bars show apartment vacancy rate. McMinnville figures reflect the City of McMinnville's Johnson Economics High-Density Residential Market Analysis and CoStar; the Portland metro figure is Kidder Mathews' Q2 2026 report (7.1%, down 10 bps year-over-year). CoStar's broader "submarket" rollup shows 7.0%, but every McMinnville-specific source runs materially tighter. SMI presents underwritten in-place figures, which flow to the property's financials.

Sources: City of McMinnville / Johnson Economics High-Density Residential Market Analysis and ECONorthwest Housing Needs Analysis; Kidder Mathews Portland Multifamily Report, Q2 2026; CoStar (subject, competitor, and submarket rent and vacancy); SMI Real Estate broker underwriting (Rev 1.5, June 2026). Figures approximate and subject to independent buyer verification.

Market Overview—Demographics

A growing, stable trade area with an affordability gap that favors rental demand

The two-mile trade area around Meadowbrook holds 19,016 residents across 7,021 households, both growing through 2030 (population +1.7%, households +1.9%) and anchored by prime renter and family cohorts — median age 41, average household size 2.5. The trade area deepens to roughly 47,700 residents within five miles and 64,000 within ten.

Median household income runs $65,023 in the two-mile ring, rising to $87,713 at ten miles. Against a median home value near $439,000, the gap between local incomes and for-sale housing keeps a substantial share of households renting — precisely the workforce renter Meadowbrook serves, in a market where apartment vacancy near 1% leaves that demand few alternatives.

Demographic Summary

Metric	2 Mile	5 Mile	10 Mile
2025 Population	19,016	47,691	64,055
2030 Population	19,345	48,473	64,876
Population Growth '25–'30	1.7%	1.6%	1.3%
2025 Households	7,021	16,961	22,801
Household Growth '25–'30	1.9%	1.7%	1.4%
Median Household Income	$65,023	$80,526	$87,713
Average Household Size	2.5	2.6	2.7
Median Home Value	$439,334	$447,421	$471,270
2025 Average Age	41	41	41

Trade-Area Profile — 1 Mile Radius

Category	Composition
Age	Under 20: 24% · 20–34: 18% · 35–49: 21% 50–64: 16% · 65+: 21%
Educational attainment	Some college / associate or higher: ~59% High-school graduate: 26% · No diploma: 16%
Workforce	Non-military workforce: 99.8% of the 2-mile working population
Ethnicity (Hispanic)	Hispanic: 26% · Non-Hispanic: 74%

The trade area blends a strong family base with a meaningful renter-age cohort and a broad educational profile consistent with McMinnville's manufacturing, healthcare, education, and hospitality employment. This diversity of household types underpins steady, cycle-resistant demand for well-located workforce apartments.

Sources: CoStar demographic data (2- , 5- , and 10-mile radii; 1-mile age, education, and ethnicity detail), 2025–2030 estimates. Prepared by SMI Real Estate for information only; figures approximate and subject to independent buyer verification.

Sales Comps

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Sales Comps

Property	Address	City	Year Built	Units	Sale Date	Sale Price	Price/Unit	Price/SF	Avg Unit SF	Cap Rate
Drumwood	624 SW Drumwood Ave	McMinnville	1973	47	Jul-25	$7,700,000	$163,830	$195	839	6.00%
Park Place Apartments	230 & 282 SE Evans St	McMinnville	1996	37	Oct-24	$5,700,000	$154,054	$162	900	6.10%
College Park Apartments	232 College Dr NW	Salem	1979	46	May-26	$6,800,000	$147,826	$134	1,015	6.00%
Westwood Green Apartments	10650 SW 121st Ave	Tigard	1977	53	Mar-25	$9,000,000	$169,811	$221	768	5.47%*
Orchard Park Apartments	9915 SW Frewing St	Tigard	1969	48	Jul-25	$7,200,000	$150,000	$195	776	5.68%
Quail Court Apartments	11349 SW Greenburg Rd	Portland	1978	25	Dec-25	$4,150,000	$166,000	—**	801	6.18%
Canby Gardens Townhomes	645 N Pine St	Canby	1971	34	Dec-24	$7,200,000	$211,765	$207	1,100	5.65%
Tigardville Apartments	11255 SW Greenburg Rd	Tigard	1971	36	Under Contract	$7,400,000†	$205,556	$230	877	6.40%†
AVERAGES							$171,105	$192**	885	5.94%

* Westwood Green cap rate is pro-forma. ** Quail Court $/SF reflects a CoStar building-area field error and is excluded from the average. † Tigardville Apartments is under contract; figures reflect list price.
Source: CoStar (screen: 25–60 units, built 1960–1998, sold after 8/6/2024, five-county area). Compiled by SMI Real Estate. Additional Yamhill and regional sales may exist outside these parameters.

Synopsis — Meadowbrook Apartments, McMinnville, OR

The comparables reflect confirmed multifamily sales of similar vintage (1971–1996) and scale (25–53 units) across Yamhill, Washington, Polk and Clackamas Counties. Recorded cap rates cluster between 5.47% and 6.40%, and per-unit values between $147,826 and $211,765 — averaging roughly $171,000 per unit at a 5.9% cap.

Against this set, Meadowbrook's $8,250,000 list — a 6.78% cap on broker trailing NOI (7.01% on lender-reported NOI) at $171,875 per unit — is offered at a wider going-in yield than every comparable sale, while its per-unit basis sits essentially at the comp-set average. Drumwood and Park Place — the only ~40-unit trades recorded within McMinnville — both closed inside Meadowbrook's offered yield, underscoring the scarcity of comparable product in Yamhill County and supporting the pricing.

Sales Comps

Drumwood

624 SW Drumwood Ave
McMinnville, OR

Total Units	47
Year Built	1973
Avg Unit SF	839
Sale Date	Jul-25
Sale Price	$7,700,000
$ / Unit	$163,830
$ / SF	$195
Cap Rate	6.00%

Park Place Apartments

230 & 282 SE Evans St
McMinnville, OR

Total Units	37
Year Built	1996
Avg Unit SF	900
Sale Date	Oct-24
Sale Price	$5,700,000
$ / Unit	$154,054
$ / SF	$162
Cap Rate	6.10%

Sales Comps

College Park Apartments

232 College Dr NW
Salem, OR

Total Units	46
Year Built	1979
Avg Unit SF	1,015
Sale Date	May-26
Sale Price	$6,800,000
$ / Unit	$147,826
$ / SF	$134
Cap Rate	6.00%

Westwood Green Apartments

10650 SW 121st Ave
Tigard, OR

Total Units	53
Year Built	1977
Avg Unit SF	768
Sale Date	Mar-25
Sale Price	$9,000,000
$ / Unit	$169,811
$ / SF	$221
Cap Rate	5.47%*

Sales Comps

Orchard Park Apartments

9915 SW Frewing St
Tigard, OR

5

Total Units	48
Year Built	1969
Avg Unit SF	776
Sale Date	Jul-25
Sale Price	$7,200,000
$ / Unit	$150,000
$ / SF	$195
Cap Rate	5.68%

Quail Court Apartments

11349 SW Greenburg Rd
Portland, OR

6

Total Units	25
Year Built	1978
Avg Unit SF	801
Sale Date	Dec-25
Sale Price	$4,150,000
$ / Unit	$166,000
$ / SF	—**
Cap Rate	6.18%

Sales Comps

Canby Gardens Townhomes

645 N Pine St
Canby, OR

Total Units	34
Year Built	1971
Avg Unit SF	1,100
Sale Date	Dec-24
Sale Price	$7,200,000
$ / Unit	$211,765
$ / SF	$207
Cap Rate	5.65%

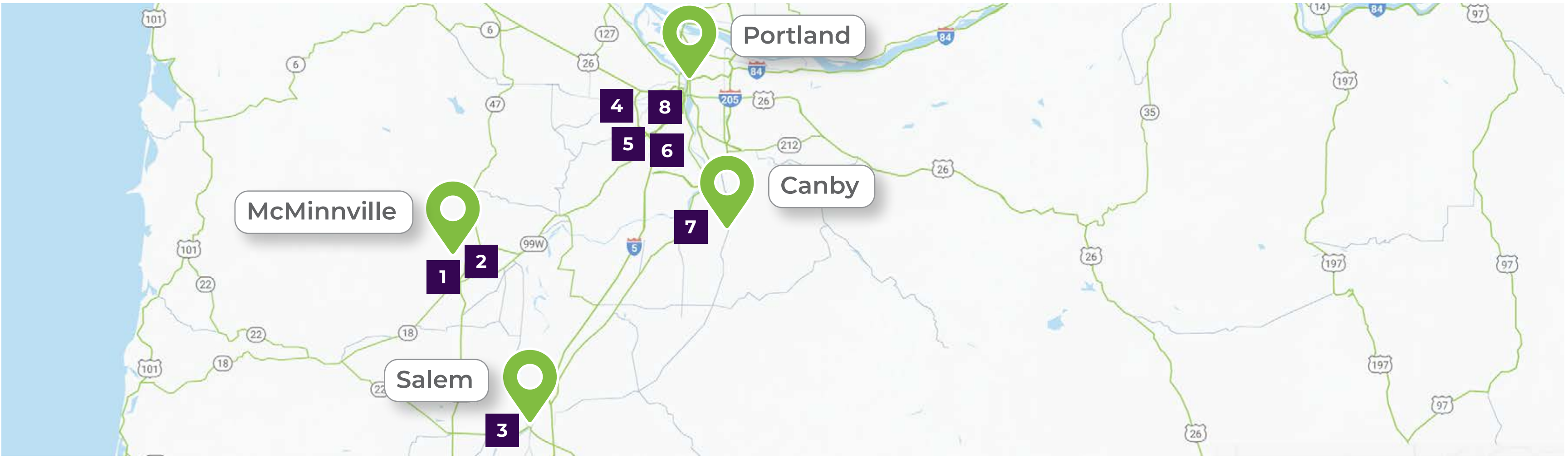
Tigardville Apartments

11255 SW Greenburg Rd
Tigard, OR

Total Units	36
Year Built	1971
Avg Unit SF	877
Sale Date	Under Contract
Sale Price	$7,400,000†
$ / Unit	$205,556
$ / SF	$230
Cap Rate	6.40%†

† Tigardville Apartments is under contract; figures reflect list price. * Westwood Green cap rate is pro-forma.

Sales Comp Locations



1 Drumwood
624 SW Drumwood Ave, McMinnville, OR

City	Sale Price	Price/Unit
McMinnville	$7,700,000	$163,830

2 Park Place Apartments
230 & 282 SE Evans St, McMinnville, OR

City	Sale Price	Price/Unit
McMinnville	$5,700,000	$154,054

3 College Park Apartments
232 College Dr NW, Salem, OR

City	Sale Price	Price/Unit
Salem	$6,800,000	$147,826

4 Westwood Green Apartments
10650 SW 121st Ave, Tigard, OR

City	Sale Price	Price/Unit
Tigard	$9,000,000	$169,811

5 Orchard Park Apartments
9915 SW Frewing St, Tigard, OR

City	Sale Price	Price/Unit
Tigard	$7,200,000	$150,000

6 Quail Court Apartments
11349 SW Greenburg Rd, Portland, OR

City	Sale Price	Price/Unit
Portland	$4,150,000	$166,000

7 Canby Gardens Townhomes
645 N Pine St, Canby, OR

City	Sale Price	Price/Unit
Canby	$7,200,000	$211,765

8 Tigardville Apartments
11255 SW Greenburg Rd, Tigard, OR

City	Sale Price	Price/Unit
Tigard	$7,400,000	$205,556

Financial Analysis

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Rent Roll Summary

	Unit Count	Avg SF	Proforma Rent	Average Current			Average Market		
				Rent	Rent/SF	Income	Rent	Rent/SF	Income
1BD/1BA	16	670	$1,295 - $1,455	$1,343	$2.00	$21,490	$1,400	$2.09	$22,400
2BD/1BA	32	760	$1,375 - $1,665	$1,541	$2.03	$49,310	$1,625	$2.14	$52,000
Totals/Weighted Averages	**48**	**730**		**$1,475**	**$2.02**	**$70,800**	**$1,550**	**$2.12**	**$74,400**

Note: Average Market Rents based on July 2026 Rentometer Analysis for 1, 2 Bedroom Apartments within 3 Mile Radius.

Income & Expense

Income	Current		Stabilized		Notes	Per Unit	Per SF
Gross Current Rent	**849,600**		**892,800**			**18,600**	**25.48**
Physical Vacancy	(42,480)	5.0%	(44,640)	5.0%	[1]	(930)	(1.27)
TOTAL VACANCY	($42,480)	5.0%	($44,640)	5.0%		($930)	($1)
Effective Rental Income	**807,120**		**848,160**			**17,670**	**24.21**
Laundry Facilities	4,755		4,898		[2]	102	0.14
TOTAL OTHER INCOME	$4,755		$4,898			$102	$0.14
EFFECTIVE GROSS INCOME	**$811,875**		**$853,058**			**$17,772**	**$24.35**

Expenses	Current		Stabilized		Notes	Per Unit	Per SF
Real Estate Taxes	14,713		15,154		3]	316	0.43
Property Insurance	30,899		31,826		[4]	663	0.91
Utilities - Electric	5,695		5,866			122	0.17
Utilities - Water & Sewer	41,718		42,970		[5]	895	1.23
Trash Contract	7,798		8,032		[6]	167	0.23
Repairs & Maintenance	32,886		52,800		[7]	1,100	1.51
Landscaping/Common Area	9,000		9,270		[8]	193	0.26
Marketing & Advertising	476		1,200		[9]	25	0.03
Fire & Life Safety	799		823		[10]	17	0.02
General & Administrative	2,447		8,640		[11]	180	0.25
Turnover Maintenance	46,927		19,200		[12]	400	0.55
Operating Reserves	12,000		12,000		[13]	250	0.34
Janitorial Services	7,897		8,133		[14]	169	0.23
Management Fee	39,059	5.0%	42,653	5.0%	[15]	889	1.22
Total Expenses	**$252,313**		**$258,567**			**$5,387**	**$7.38**
Expenses As % of EGI	31.1%		30.3%				
Net Operating Income	**$559,562**		**$594,491**			**$12,385**	**$16.97**

Notes

[1]	For analysis purposes, and per market standards and most lender requirements we have applied a 5% allocation for stabilized vacancy, credit loss and bad debt.
[2]	Laundry Income based on June 2026 T12 and is adjusted 3% for inflation on stabilized operations..
[3]	Oregon's property taxes are evaluated on a fiscal year starting July 1. In Oregon, property taxes are not reassessed on sale and are limited to a 3.0% annual increase at the state level. Property taxes paid before November 15 each year receive a 3.0% discount.
[4]	Property Insurance Expense is based on June 2026 T12 and is adjusted 3% for inflation on stabilized operations.
[5]	Utilities Expense (Electric, Water and Sewer) is based on June 2026 T12. Adjusted 3% for inflation on stabilized operations.
[6]	Trash Contract Expenses is based on June 2026 T12 and is adjusted 3% for inflation on stabilized operations.
[7]	Repair and Maintenance Expense (grounds & buildings) is based on June 2026 T12. The stabilized expense is normalized to align with market standards similar in size and vintage assets .
[8]	The Landscape Contract Expense is based on the June 2026 T12 and is adjusted 3% for inflation on stabilized operations.
[9]	The Marketing & Advertising Expense is based on the June 2026 T12. The stabilized operations expense is normalized to $25 per unit to align with market standards for similar size and vintage assets.
[10]	The Fire Life & Safety Expense is based on the June 2026 T12 and is adjusted 3% for inflation on stabilized operations.
[11]	General Administrative Expense is based on the June 2026 T12. It comprises of Legal, Bank Charges and Delinquencies. The stabilized operations the expense is normalized to $180 per unit to align with market standards for similar size and vintage assets.
[12]	Some R&M is reflected in the Current Turnover MaintenanceExpense. The stabilized expense is normalized to $400 per unit which align with market standards for similar size and vintage assets.
[13]	Lenders require reserves be set aside to address future capital costs associated with any property as it continues to age. The projected operations include reserves of $250 per unit.
[14]	The Personnel Expense includes onsite Janitorial Services as we as an Off-Site Community Manager and is adjusted 3% for inflation on stabilized operations.
[15]	The current Property Management Fee is 5% and this model assumes the current Property Management will transfer with New Ownership.

Open Door Capital Partners Financing Option

MEADOWBROOK APARTMENTS | 2048 NE HIGHWAY 99W, MCMINNVILLE, OR 97128

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Open Door Capital Partners Financing Options

OpenDoor CAPITAL PARTNERS

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Meadowbrook Apartments

2048 NE Highway 99W · McMinnville, OR 97128 · 48 Units · Built 1978

PURCHASE PRICE	NET OPERATING INCOME	GOING-IN CAP RATE
$8,250,000	**$559,562 / YR**	**6.78%**

FINANCING OPTIONS

	Option A	Option B
Loan Amount	$6,187,500	$6,187,500
Loan-to-Value	75.0%	75.0%
Interest Rate	5.98% (Fixed)	6.25% (Fixed)
Term / Amortization	7-Yr Term / 30-Yr Fully Amortizing	5-Yr Fixed / 15-Yr Balloon / 30-Yr Amort
Monthly Payment	$37,018	$38,098
Annual Debt Service	$444,212	$457,170
Debt Service Coverage	1.260x	1.224x
Equity Required	$2,062,500	$2,062,500
Annual Cash Flow	$115,350	$102,392
Cash-on-Cash Return	5.59%	4.96%

UNDERWRITING BASIS

Effective Gross Income	Total Expenses	Net Operating Income	Purchase Price
$811,875	**$252,313 (31.1%)**	**$559,562**	**$8,250,000**

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