

# BEAVERTON POST OFFICE INVESTMENT

FOR  
SALE

4550 SW Betts Avenue | Beaverton, OR 97005

## PURCHASE PRICE

\$2,250,000

## CAP RATE

6.85%

## PROPERTY

± 15,181 SF Building

± 1.35 Acre Lot

Built 1963

## FEATURES

Downtown Beaverton Location

100% Leased

Government Tenant

Future Development Site



**Norris &  
Stevens**  
Inc.

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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.

**TCN**  
WORLDWIDE

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INVESTMENT  
HIGHLIGHTS

## US GOVERNMENT TENANT

The tenant, United States Postal Service (USPS), is a US government entity that employs the third largest number of civilians in the country.

## LONG TERM OCCUPANCY

The building was designed and built for the USPS, who has occupied this site for 50 years and recently executed a new five-year lease with a five-year renewal option.

## MODIFIED NET LEASE

The Tenant is responsible for all the utilities and interior maintenance and repairs. The Landlord is responsible for the first \$4,500 of the annual property tax, insurance, roof and structure. All Buyers should review the lease for details.

## LOCATION

The Beaverton Post Office is located in the heart of Downtown Beaverton. The Beaverton Transit Center with MAX & WES Station is approximately four blocks north, Beaverton Town Square with Fred Meyer is one block to the northeast and multiple restaurant and specialty shops within a five block radius.

## PARKING

In addition to on-site parking for an entire fleet of USPS delivery trucks, there are nine on-site parking spaces for the public's use. Street parking is allowed on two sides of building. There are an additional 62 public parking spaces nearby on two city-owned lots.

## EXIT STRATEGIES

Initially an investor will enjoy steady income from a credit tenant for potentially 10 years. Once the lease term expires or USPS does not renew, the property owner will be able to unlock the site's immense development potential. This large parcel with flexible zoning in the heart of downtown Beaverton can be home to many uses including retail, office, housing, and medical.



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FINANCIAL  
OVERVIEW

## LEASE ABSTRACT

TENANT	United States Postal Service
LEASE TERM	9/28/13 - 9/27/18
SIZE	± 15,181 SF
CURRENT RENT	\$13,979 / month
OPTION PERIOD RENT	\$14,814 / month
REIMBURSEMENTS	Modified Net
RENEWAL OPTIONS	One, 5-year option
TERMINATION OPTION	During the initial term, Tenant may terminate this lease with 365 days' written notice after the third year. During the renewal term, Tenant may terminate lease with 365 days' written notice after the second year



## OPERATING SUMMARY

	ANNUAL
BASE RENT	\$167,750
EXPENSES (ESTIMATED)	
TAXES	(\$4,500)
INSURANCE	(\$4,200)
MAINTENANCE RESERVES 3%	(\$5,033)
NET OPERATING INCOME	\$154,017
CAPITALIZATION RATE	6.85%

## US BANK LOAN QUOTE

Recourse  
Term: 5 Years  
Amortization: 25 years  
Interest Rate: 3.5%  
LTV: 60-65%  
8.2% Cash-on-Cash Return

# BEAVERTON POST OFFICE INVESTMENT

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AREA  
MAP



## DEMOGRAPHICS

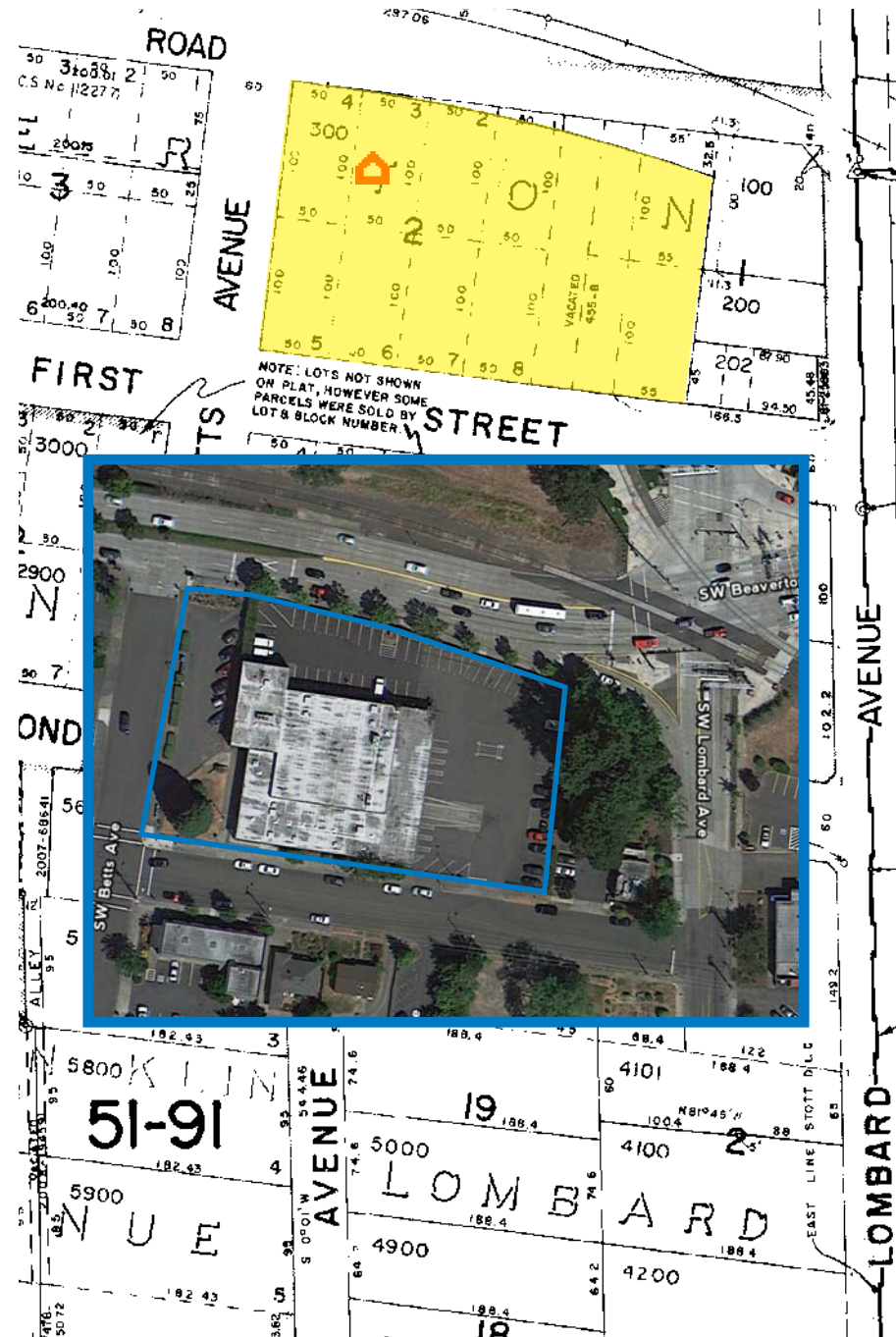
	1-MILE	3-MILE	5-MILE
2012 POPULATION	18,690	131,464	334,577
2012 MEDIAN HOUSEHOLD INCOME	\$36,906	\$53,145	\$62,135
TOTAL BUSINESSES	1,764	6,175	12,555
EMPLOYEES	16,844	72,758	130,909

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## PROPERTY OVERVIEW



### STRUCTURE

Concrete Block

### EXTERIOR

Brick Veneer

### ROOF

Wood Frame with Built-up Cover  
Replaced in 1999 with Firestone APP-160 Modified Bitumen

### INTERIOR WALLS

Woodframe with Drywall

### ZONING

Regional Center Old Town

### FLOOR AREA RATIO

Minimum: 0.35  
Maximum: none

### MAXIMUM HEIGHT

75 Feet

### JURISDICTION

City of Beaverton

### BONUS INCENTIVES

Enterprise Zone Program  
Vertical Housing Credit  
Urban Renewal

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The City of Beaverton has spent considerable time and resources to shape the revitalization of the city's downtown core. At the center of this effort has been the Central Beaverton Urban Renewal Plan. The five goals of the Central Beaverton Urban Renewal Plan are to: encourage improvement of older blocks and buildings, provide incentives to increase property values through private investment, fund road water and sewer projects, make downtown more usable for pedestrians and bicyclists, support business investment, housing creation, and job growth. In addition to the Urban Renewal, the property also qualifies for additional property tax abatement incentives in the form of Vertical Housing Credits and inclusion in the Enterprise Zone.

The Beaverton Post Office property has a very flexible zone, Regional Center Old Town, which allows a wide variety of uses including mixed use with housing over commercial. The property has a minimum Floor Area Ratio (FAR) of .35 and no maximum FAR. This, coupled with the 75 foot height limit will allow for a substantial amount of new development on the 1.35 acre site.

Many developers have already begun to take advantage of the programs available and capitalize on the opportunity in downtown Beaverton. Multiple mixed use projects with market and affordable housing units are in various stages of planning, a new healthy and sustainable grocery recently opened, the city is moving City Hall to a 100,000 SF building at The Round that will house government functions as well as private business. All this momentum and activity will push the redevelopment potential for the Post Office site off the charts. For a visual description of the development projects in process or being planned, please see the following page.



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**WESTGATE THEATER SITE**  
(Planning Stages)  
Potential community health center

**100,222 SF BUILDING**  
Purchased by City of Beaverton in April 2012  
City intends to move city government functions into three floors of the building after \$7 million renovation is completed in 2014

**NATURAL GROCERS**  
by Vitamin Cottage  
Opened August 2013

**1ST & ANGEL**  
(Planning Stages)  
Mixed-use with 80-90 market rate housing units city-owned land

**FRANKLIN APARTMENT SITE**  
Preliminary plat approved for 56 apartments

**THE BARCELONA**  
Collaboration between Community Partners for Affordable Housing, a private developer and the City of Beaverton.  

- 4-story building with 47 affordable housing units
- 6-story building with approximately 44 housing units and 7,000 SF of commercial space

Timing: Construction middle-to-late 2014

**GRIFFITH PARK**  
242,000 SF  
12 Building Office Park