



# TABOR COMMONS

1020 SE 60th Ave, Portland, OR

76 UNITS



**TILBURY FERGUSON**

INVESTMENT REAL ESTATE, INC.

[www.tfn-ire.com](http://www.tfn-ire.com) • (503) 224-6743



# PROPERTY SUMMARY

## ASSET SUMMARY

Property	Tabor Commons
Address	1020 SE 60th Ave
City, State	Portland, Oregon
County	Multnomah
Year Built	1928 & 1946
Years Renovated	2017-2020
Total Units	76
Approx. Gross Building Area	30,201 Sq Ft
Approx. Net Rentable Area	22,667 Sq Ft

## PRICING

Price	\$16,600,000
Per Unit	\$218,421
Cap Rate	4.8% Current rents 5.2% Highest rents achieved

### Listed By

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## BUILDING SUMMARY

Lot Size	0.57 acres
Structural	Concrete/Wood Frame/Reinforced
Heating	Electric
Parking	14 space lot & ample street parking
Laundry	Facility on-site
Common Area	Exercise Room, Bicycle Storage
Amenities	Pet washing station



**SORTED RENT ROLL**

Type	Values Vac @ Mkt	Count
1x1	\$1,382	1
	\$1,395	1
	\$1,395	1
	\$1,550	1
	\$1,575	1
1x1 Total	\$1,459	5
Studio East	\$1,075	1
	\$1,090	1
	\$1,095	13
	\$1,115	2
	\$1,125	1
	\$1,135	1
	\$1,145	2
	\$1,150	1
	\$1,165	1
	\$1,170	2
	\$1,181	6
	\$1,185	3
	\$1,195	1
	\$1,200	1
Studio East Total	\$1,135	36
Studio West	\$995	1
	\$1,075	1
	\$1,095	4

	\$1,125	1	
	\$1,145	1	
	\$1,150	3	
	\$1,175	3	
	\$1,195	3	
	\$1,198	2	
	\$1,215	1	
	\$1,225	1	
	\$1,250	1	
	\$1,260	1	
Studio West Total	\$1,158	23	
Urban Studio	\$700	1	
	\$875	2	
	\$895	2	
	\$920	1	
	\$925	1	
	\$950	1	
	\$950	4	
Urban Studio Total	\$903	12	
Averages/Total	\$1,127	76	
Current Schedule of Monthly Rents			
Qty	Type	Approx. SF	Rent \$/SF
12	Urban Studio	\$903	\$3.81
36	Studio West	\$1,135	\$3.78
23	Studio East	\$1,158	\$4.05
5	1 Bed/1Bath	\$1,459	\$2.98
76	298 SF	\$1,127	\$3.76



# PROFORMA

Income Summary	Current Rents	Highest Achieved	Notes
<b>Current Gross Scheduled Income</b>	<b>\$1,027,524</b>	<b>\$1,097,460</b>	
<i>Less: Estimated Vacancy/Credit Loss</i>	<b>\$51,376 (5.0%)</b>	<b>\$54,873 (5.0%)</b>	
<b>Effective Rental Income</b>	<b>\$976,148</b>	<b>\$1,042,587</b>	
<i>Laundry Income</i>	<b>\$9,120</b>	<b>\$9,120</b>	<b>1</b>
<i>Parking Income</i>	<b>\$14,820</b>	<b>\$14,820</b>	<b>1</b>
<i>Utility Reimbursement (RUBs)</i>	<b>\$78,540</b>	<b>\$78,540</b>	<b>1</b>
<i>Miscellaneous Income</i>	<b>\$13,416</b>	<b>\$13,416</b>	<b>1</b>
<i>Cell Tower Rent</i>	<b>\$8,244</b>	<b>\$8,244</b>	<b>1</b>
<b>Gross Operating Income</b>	<b>\$1,100,288</b>	<b>\$1,166,727</b>	
<b>Total Operating Expenses</b>	<b>\$296,822</b>	<b>\$303,798</b>	
<b>Net Operating Income</b>	<b>\$803,466</b>	<b>\$862,929</b>	
<b>Cap Rate</b>	<b>4.8%</b>	<b>5.2%</b>	

## Footnote Summary

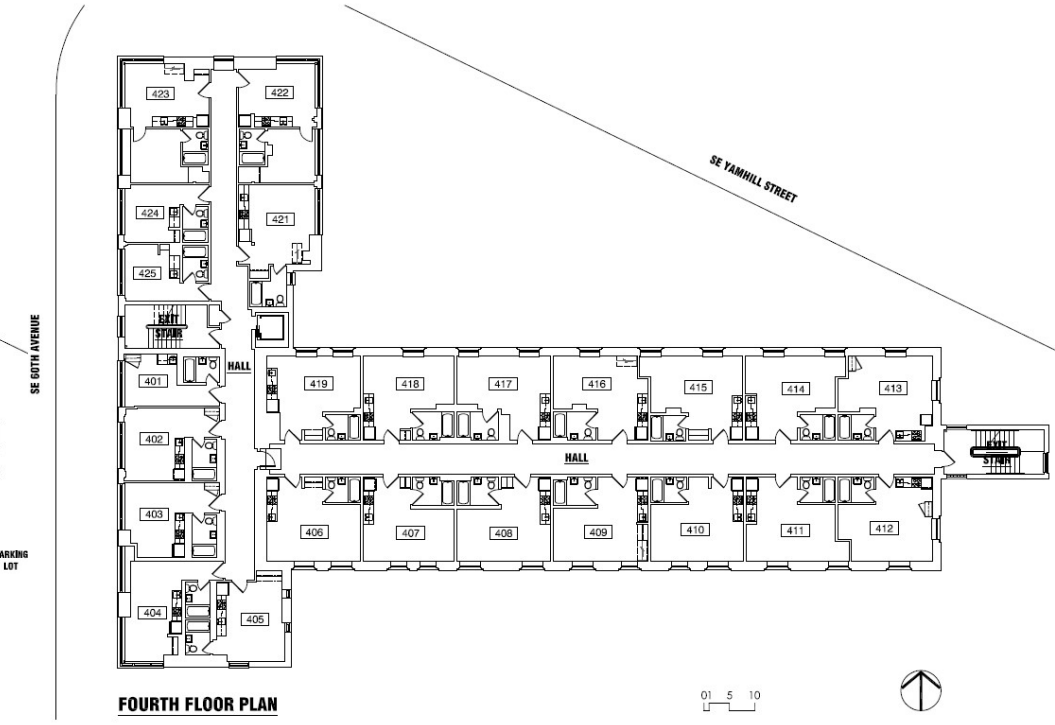
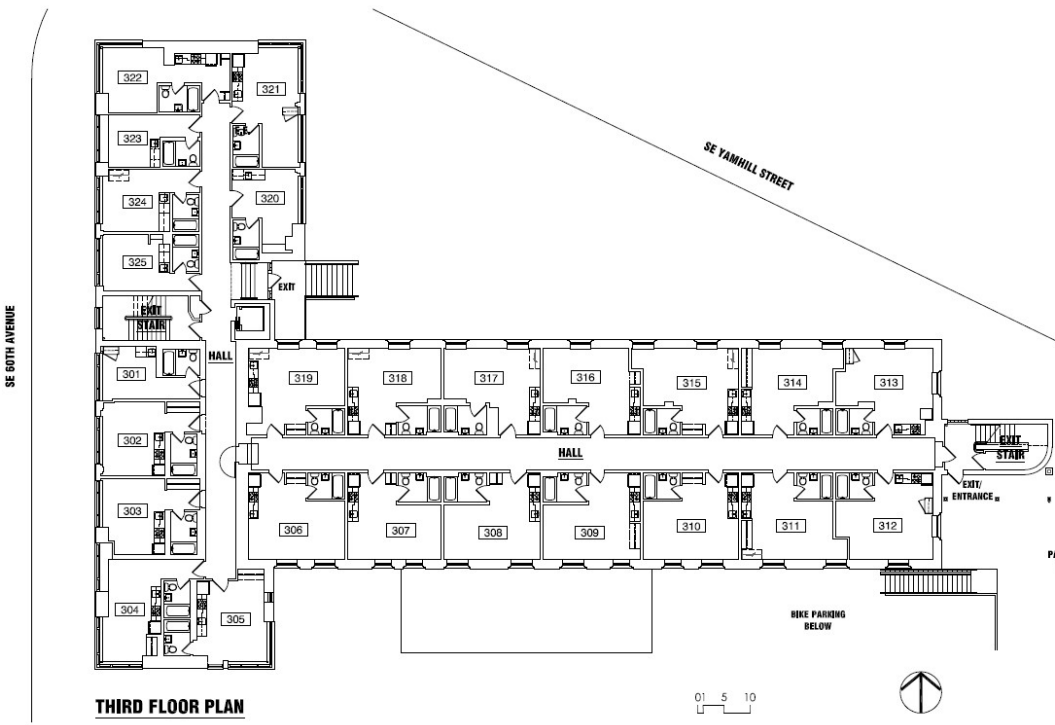
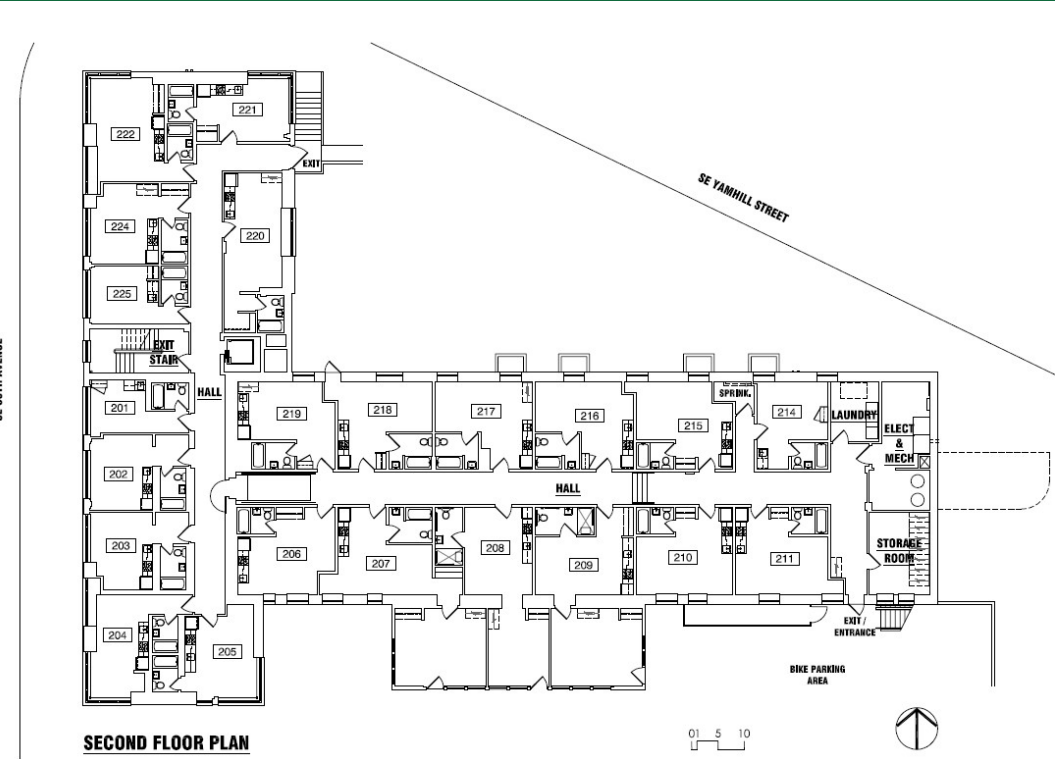
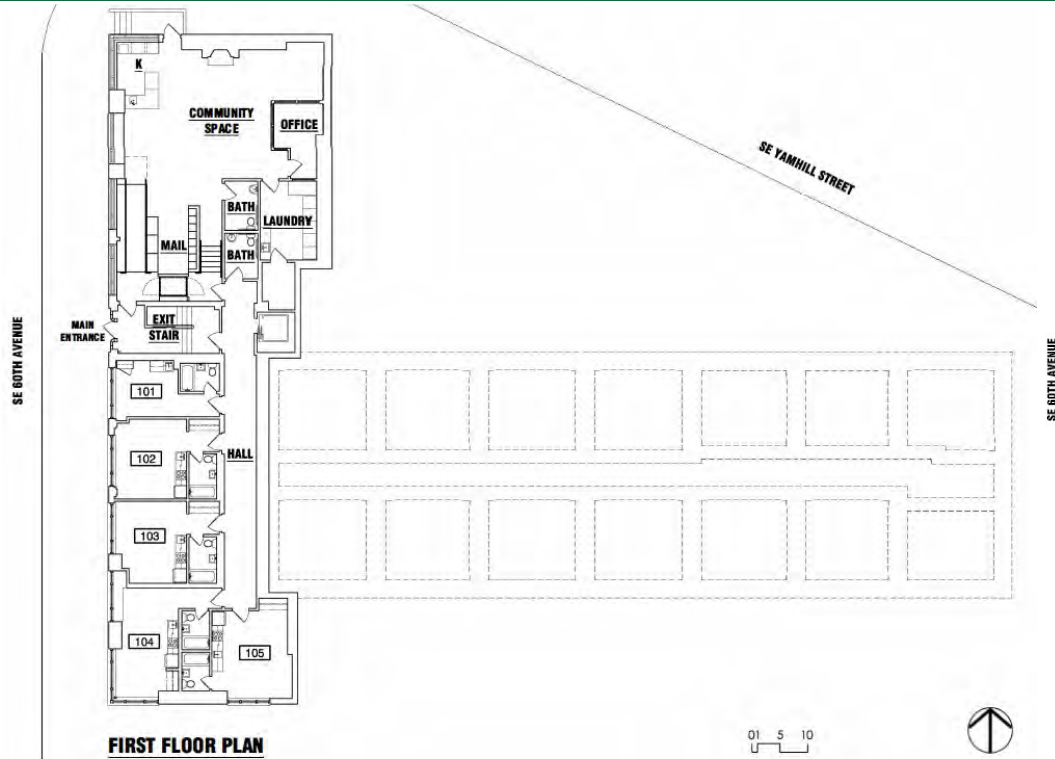
1. Laundry, Parking, RUBs, Misc., Other Income: C&R Real Estate estimate
2. Property Taxes: Frozen 10-year Tax Assessment, expires June 2027
3. Insurance Premium: Estimate
4. Estimated Property Management Fee: 3.5%
5. On-Site/Payroll Costs: Estimated 5.0%, consistent with C&R Real Estate budget
6. Repair/Maint: Includes parts/supplies, electrical, plumbing, estimated 2.0%
7. Utilities: C&R Real Estate budget based on stabilized operations & expense comps
8. Turnover: Make ready expenses such as cleaning, painting, estimate \$150/unit
9. Landscaping: C&R Real Estate Budget
10. General/Admin: Estimate includes office/admin/software, legal fees, phone/internet
11. Reserves: Estimated \$200/unit

Expense Summary	Total Per Year	Expenses Per Unit	% GOI	Notes
<b>Real Estate Taxes</b>	<b>\$8,449</b>	<b>\$111</b>	<b>0.8%</b>	<b>2</b>
<b>Property Insurance</b>	<b>\$12,000</b>	<b>\$158</b>	<b>1.1%</b>	<b>3</b>
<b>Property Management</b>	<b>\$38,510</b>	<b>\$507</b>	<b>3.5%</b>	<b>4</b>
<b>Payroll: Onsite Personnel</b>	<b>\$55,014</b>	<b>\$724</b>	<b>5.0%</b>	<b>5</b>
<b>Repair/Maintenance</b>	<b>\$22,006</b>	<b>\$290</b>	<b>2.0%</b>	<b>6</b>
<b>Utilities</b>	<b>\$92,260</b>	<b>\$1,214</b>	<b>8.4%</b>	<b>7</b>
<b>Turnover</b>	<b>\$11,400</b>	<b>\$150</b>	<b>1.0%</b>	<b>8</b>
<b>Landscaping</b>	<b>\$5,260</b>	<b>\$69</b>	<b>0.5%</b>	<b>9</b>
<b>General Administration</b>	<b>\$36,723</b>	<b>\$483</b>	<b>3.3%</b>	<b>10</b>
<b>Reserves/Replacements</b>	<b>\$15,200</b>	<b>\$200</b>	<b>1.4%</b>	<b>11</b>
<b>Totals Per Year</b>	<b>\$296,822</b>	<b>\$3,906</b>	<b>27%</b>	



The information contained herein has been obtained from sources we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it. Any projections, opinions, assumptions or estimates are used for example only and do not represent the current or future performance of the property. The value of this investment to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. THE PROSPECTIVE PURCHASER IS EXPECTED TO VERIFY THIS AND ALL OTHER FACTS PERTAINING TO THIS PROPERTY.

# TABOR COMMONS - Building Plan 1st-4th Floor







# TABOR COMMONS

1020 SE 60th Ave, Portland, OR

## Executive Summary:

- ✓ Tabor Commons is rich in local history. It was renovated between 2017-20 at a cost of more than \$10,000,000 but maintains its original character.
- ✓ Originally constructed in 1928 (the east wing) and 1946 (the west wing), the interior was completely rebuilt with all new mechanical systems, interior fixtures, high quality finishes and innovative design.
- ✓ When possible, original materials were re-purposed and reused. The mahogany paneling in the welcoming lobby with fireplace was built from woodwork original to the building. (*see next page*) The plan of the owners was to offer this central seating area as a place for residents to gather with pour-over coffee and a piano.
- ✓ Some of the improvements include seismic upgrading with 20,000+ steel helical ties tying the exterior brick walls from the floor to the roof, installation of a sprinkler system throughout the building, green energy features, carbon footprint responsible green energy features (eco-friendly rating higher than LEED), a sophisticated sound attenuation system to minimize noise between the apartments, and a pressurized circulating air flow system in the hallways to bring 100% fresh air into the building.
- ✓ This state-of-the-art air circulation system was installed at a cost of over \$500,000. Three million dollars was spent on the structural system alone so it is almost like a new building inside the original exterior shell, which has been beautifully preserved.





## Investment Highlights:

- ✓ The building was originally used as the Portland Sanatorium Nurses' Quarters. It was converted into 76 apartments in 2017-2020 and placed on the National Register of Historic Places in 2017. It receives preferential tax treatment through June, 2027.
- ✓ Because of its superior location, the attractiveness of the units and the affordability of the rents, the building rented up in just a few months without concessions and in the middle of a pandemic.
- ✓ Leasing began mid-Sept, but not all units were available. By mid-March, 90% occupancy had been achieved with very minimal concessions offered. Current Occupancy is 96%
- ✓ The unit mix consists of 12 urban studios with small cooktop or microwave, a mini-refrigerator, new kitchen cabinets and a recycled air filtration system, 59 conventional studios with kitchenettes and five one bedrooms with vaulted ceilings (previously the dining hall).
- ✓ Nine units were built under the provisions of Inclusionary Zoning whereby rents are restricted to 80% of the Median Family Income (MFI). This is consistent with the existing rent schedule in any case, as most residents find the market rent very affordable.
- ✓ There is also a toaster oven, microwave and two refrigerators in the lobby for residents' use.





## Amenities:

- ✓ Although on-street parking is readily available in the neighborhood, there are 14 off-street spaces in the parking lot as well as a large covered area for bike parking.
- ✓ There are two central laundry facilities, an exercise room and a dog wash.
- ✓ Three of the units have small private yards and their own front and back entrances.
- ✓ Abundant natural light, tall ceilings and authentic period detailing all add to the appeal of the apartments.
- ✓ Air conditioning in the common hallways, internet provided to all residents.











# Mt. Tabor Neighborhood

BIKE  
SCORE

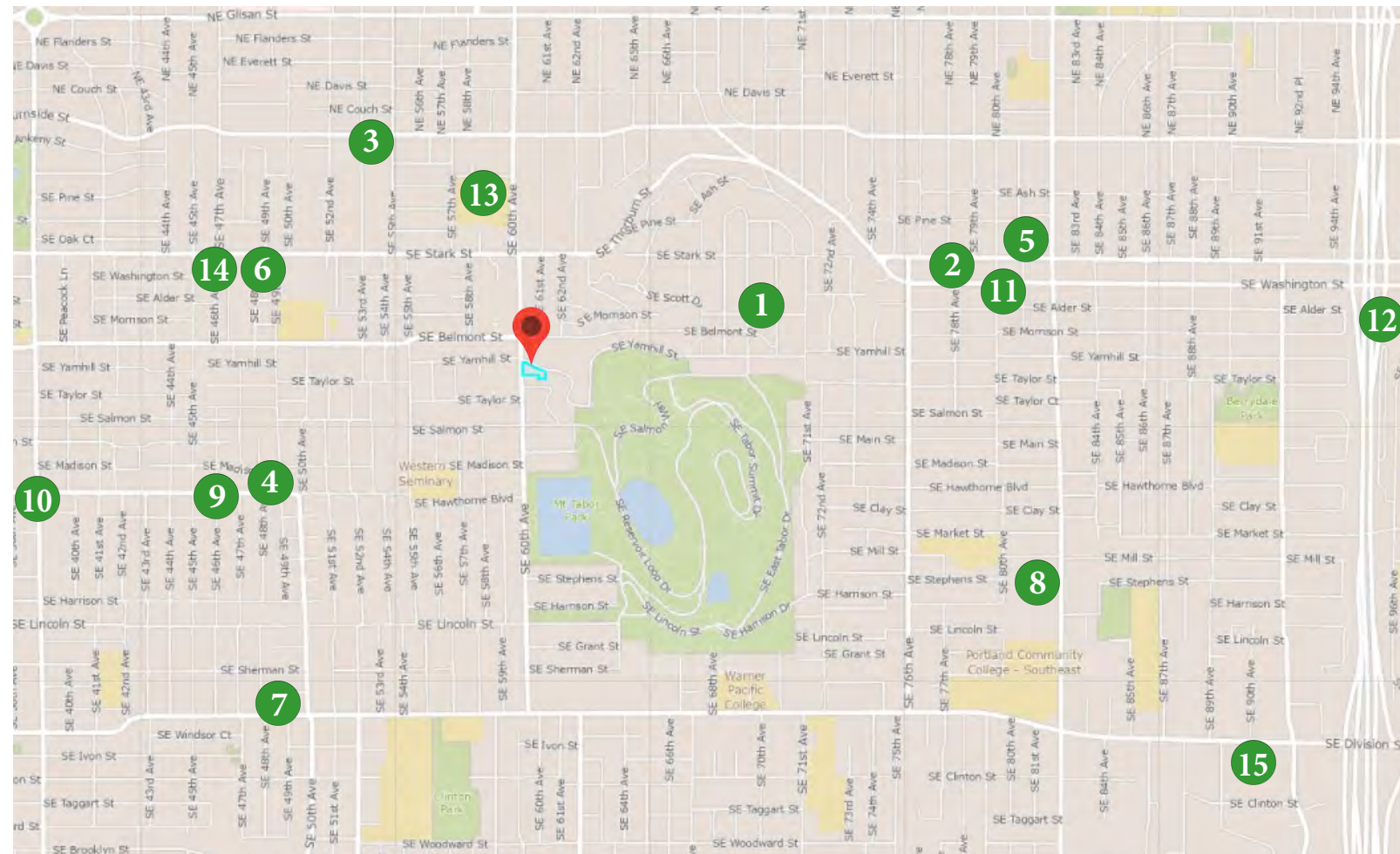
85



Tabor Commons

**This location** offers plenty of shopping, dining, culture and entertainment, all while surrounded by natural beauty. Many of Portland's hottest and hippest restaurants call the Mt. Tabor area home. There are also a number of unique shops that feature products from local artists, as well as a number of theatres that provide live entertainment. Residents will enjoy the lively surrounding neighborhoods including Hawthorne, Division, Belmont, and Montavilla. These neighborhoods are a diverse home to a mix of creative professionals, working-class families, longtime Portland residents, and new arrivals.

<https://columbiaredevelopment.com/2016/02/10/portland-neighborhood-guide-mount-tabor/>



1. *Coquine*
2. *Flying Pie Pizzeria*
3. *Tabor Tavern*
4. *Apizza Scholls*
5. *The Observatory*
6. *Sivalai Thai*
7. *Petite Provence*
8. *Boulangerie & Patisserie*
9. *Pho Van 82nd*
10. *The Cavern*
11. *McMenimans Bagdad Pub & Theatre*
12. *The Academy Theatre*
13. *Mall 205*
14. *East Burnside Plaza*
15. *Portland Nursery*



**Commuting** is a breeze. Easy access to freeways and downtown as well as a number of dedicated bike lanes and bike paths. Just a short drive, bus trip, or bike ride to downtown, or the airport and a beautiful scenic backdrop that draws people to the Portland area.

*5 miles to Downtown Portland*

*Downtown Portland*

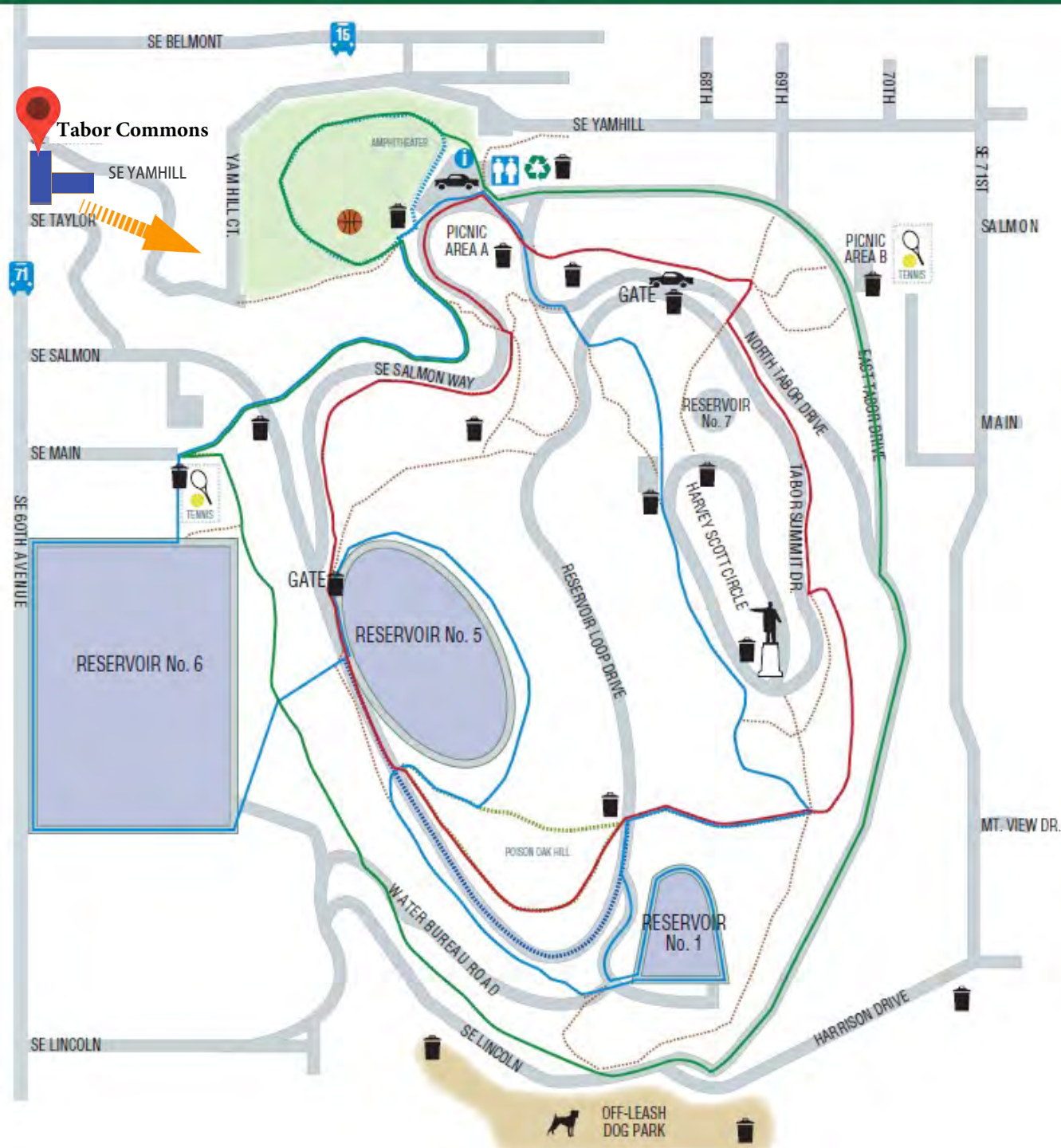
*8 Miles to PDX Airport*

*Mixed-use development*





# Mt. Tabor Park



Residents will enjoy easy access to Mt. Tabor Park (just a .2 mile walk). Among the parks amenities are an off-leash dog park, a number of hiking trails, basketball and tennis courts, picnic areas and several open reservoirs. A number of historical plaques are also scattered throughout the park for visitors to learn about the history of this extinct volcano while enjoying the scenic landscape.

**.2 mile to Mt. Tabor Park**



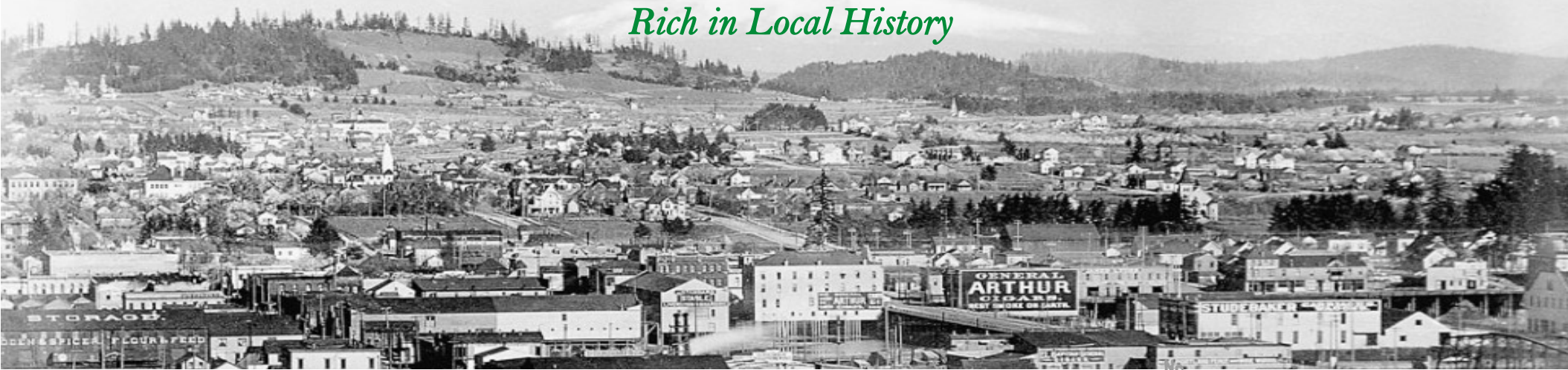






# Tabor Commons

*Rich in Local History*





# Tabor Commons

In 1893, Lewis Belknap, M.D., headed west from Michigan where he had been a student at Dr. Harvey Kellogg's Battle Creek Sanitarium, intending to start a similar sanitarium on the West Coast. He arrived in Portland, Oregon penniless after having been robbed while in San Francisco. An Adventist minister by the name of Starbuck lent him the first month's rent for small house where Belknap set up a medical practice. Along with his wife, he operated a six patient facility on East Twelfth St. in Portland.



The couple soon relocated to the Reed Mansion, which provided them with 20 patient beds, a surgical ward, office, kitchen and dining room. The stable was re-modeled into treatment rooms and a nurse's dormitory and in 1896, the Belknaps moved from the area and the Seventh-day Adventist (SDA) church obtained the facility. The church added a two-year nurses training program and formed a health food company in 1897.



# Tabor Commons

*Rich in Local History*



**In 1902**, the need for expansion relocated the sanitarium to the base of Mt. Tabor. There a four-story wood building provided for 75 patients and was easily accessible from the train station a few blocks away. William Holden, M.D., joined the staff in 1903 and soon took the position of medical director, which he would hold till his death in 1955. It was under his direction that the hospital transitioned from a long-term care facility to a surgical/medical facility.

**In the late 1920s** the fire marshal condemned the top two floors of the Mt. Tabor facilities' building because it did not meet fire code. Rather than operate in limited quarters, the hospital board decided to raze the building and rebuild. It was closed on September 21, 1920, and reconstruction on the original site was completed in the spring of 1922. This modern facility was equipped with private rooms that had hot and cold running water, the first of its kind in Oregon. Dr. Holden performed the first surgery, an emergency appendectomy, on April 21, 1922, while painters and plasterers were still working the interior. Two years after the new building was completed, more space was needed. A nurse's dormitory was added in 1928 and two new wings in 1949 and 1964.

**During the 1950s and 1960s** new additions were made including training programs in medical technology, radiological technology, practical nursing and a pediatrics department. In the mid-1960s it was determined that expansion and relocation was again necessary. A lack of funds prompted the hospital board to turn to the public for support. The \$2.5 million expansion also received aid from federal grants and the Seventh-day Adventist church.



# Renovation Highlights:

## Carbon Footprint Responsible

### Reuse and Revive

When a building is reused and revived existing building components get 50 years plus of life added to them. This means they don't get demolished and transported to landfills or incinerated.



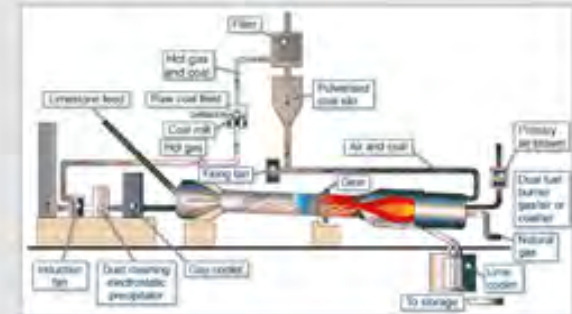
Mt. Tabor Commons reused foundations, structural framing, existing concrete, windows, wall paneling, exterior brick, and a multitude of other parts.



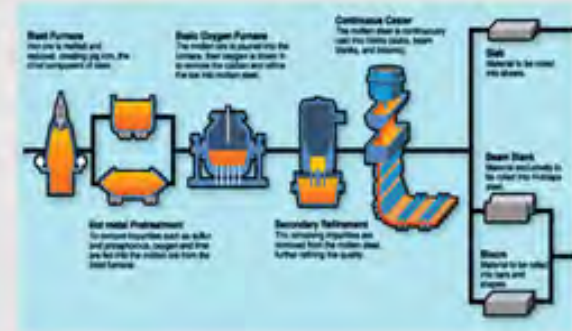
### New Building Carbon Use

Most new buildings are primarily made of concrete, steel, and glass. All of these create a large carbon footprint to produce!

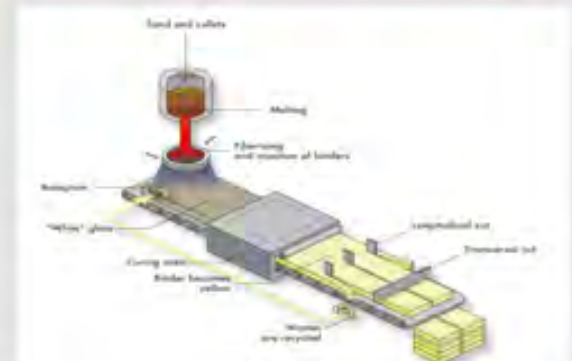
**Concrete:** For every 100 lbs of cement produced roughly 90 lbs of CO<sub>2</sub> is released into the environment. Cement, which is a major component of concrete, is the source of 8% of CO<sub>2</sub> emitted in the world.



**Steel:** The greenhouse gas of most relevance to the world steel industry is carbon dioxide (CO<sub>2</sub>). On average for 2018, 1.85 tonnes of CO<sub>2</sub> were emitted for every tonne of steel produced. The steel industry generates between 7% and 9% of direct emissions from the global use of fossil fuel.



**Glass:** The heat needed to create and produce glass is enormous. This heat requires massive amounts of energy, which in turn causes large amounts of CO<sub>2</sub> to be emitted into the atmosphere





# Renovation Highlights:

## Seismic Upgrades



A Helical tie. There are some 20,000 of these drilled into the exterior bricks back into the new building structure. This is to stop the bricks from falling off the building and hitting people outside during an earthquake.



These gigantic reinforced concrete wall panels were added to each wall plane in the West Wing. They have their own foundations and go from ground to roof. The existing walls are tied into these to brace the building during an earthquake.



A gigantic reinforced concrete wall panel getting ready for formwork and eventual concrete pour. These walls are hidden from view for Historic purposes.



Another gigantic reinforced concrete wall panel getting ready for formwork and eventual concrete pour. This one has had the first level poured and stripped of formwork, the next level has the rebar placed and is waiting for the formwork to be built around it.



Look down we see a typical foundation with rebar in West Wing. These new foundations are added to the existing ones and tied together. In this case the added foundation is 3 feet x 9 feet. The new concrete walls will be added to the top of these foundations and tied to the existing structure.



East Wing excavation for new foundations and slabs. New 2x6 walls with shear panels will be built on these later from ground to roof. Then the bricks and existing structure will all be tied into these to brace the building during an earthquake.



East Wing new foundations and slab are being finished. They are full of rebar and will be tied to 2x6 framing and shear wall panels that will hold up the old building during an earthquake. We built a new structure inside an old building ... from the ground up. All to resist an earthquake.



West Wing where the ground has been excavated ready for new foundations to support the new 4 story reinforced concrete walls that will help resist an earthquake.



# RENT COMPARABLES



## Koz on Sandy

2180 NE 47th Ave  
Portland, OR

Built: 2021  
Units: 112

Studio/1 Bath: 265 SF | \$1,140 | \$4.30/SF  
1 Bed/1 Bath: 402 SF | \$1,450 | \$3.61/SF

RUBS: WSG - all included  
Occ: 98%



## Everett street Lofts

2821 NE Everett St  
Portland, OR

Built: 2021  
Units: 117

Studio/1 Bath: 395 SF | \$1,180 | \$2.99/SF  
1 Bed/1 Bath: 425 SF | \$1,311 | \$3.08/SF

Occ: 55% (Lease-up)



## Mississippi Court

2631 N Mississippi Ave  
Portland, OR

Built: 1926/ren. 2016  
Units: 44

Studio/1 Bath: 414 SF | \$1,164 | \$2.81/SF

RUBS: WSG \$115/Month  
Occ: 99%



## Hawthorne 31

1515-1521 SE 31st Ave  
Portland, OR

Built: 2016  
Units: 31

Studio/1 Bath: 350 SF | \$1,206 | \$3.45/SF  
1 Bed/1 Bath: 513 SF | \$1,394 | \$2.72/SF

Occ: 80%



## The Margot

2919 SE Division St  
Portland, OR

Built: 2019 Units: 20

Studio/1 Bath: 382 SF | \$1,212 | \$3.17/SF  
1 Bed/1 Bath: 465 SF | \$1,450 | \$3.12/SF

RUBS: WSG \$45/Month  
Occ: 91%



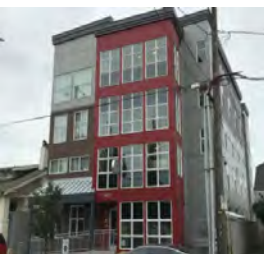
## Sandy

2869 NE Sandy  
Blvd Portland, OR

Built: 2020  
Units: 209

Studio/1 Bath: 450 SF | \$1,425 | \$3.17/SF  
1 Bed/1 Bath: 573 SF | \$1,700 | \$2.97/SF

RUBS: WSG - \$80-\$100/month  
Occ: 91%



## Footprint Hollywood

1521 NE 41st Ave  
Portland, OR

Built: 2016  
Units: 54

Studio/1 Bath: 166 SF | \$906 | \$5.46/SF

RUBS: WSG \$65-\$85/Month  
Occ: 91%

**AVERAGES: Studio: 347 SF | Rent: \$1,154 | \$/SF: \$3.32**  
**1BD: 461 SF | Rent: \$1,443 | \$/SF: \$3.13**  
**Occ: 83%**



## Halsey

1515 NE 28th Ave  
Portland, OR

Built: 2021  
Units: 52

Studio/1 Bath: 355 SF | \$999 | \$2.81/SF  
1 Bed/1 Bath: 387 SF | \$1,350 | \$3.49/SF

Occ: 56% (Lease-up)



## Tabor Commons

6012 SE Yamhill St.  
Portland, OR

Built: 1928 & 1948  
Ren.2019  
Units: 76

Studio/1 Bath: 278 SF | \$1,111 | \$3.17/SF  
1 Bed/1 Bath: 478 SF | \$1,700 | \$3.09/SF



# SALE COMPARABLES



## Montessa

2010 NW Pettygrove  
St Portland, OR

Price: \$14,000,000  
Sold: 5/3/2019

Built: 2015

Units: 49

SF: 40,503

\$/Unit: \$285,714

\$/SF: \$346



## Sunnyside Belmont

4405 SE Belmont St  
Portland, OR

Price: \$16,300,000  
Sold: 6/6/2019

Built: 2018

Units: 63

SF: 50,400

\$/Unit: \$258,730

\$/SF: \$323



## Mississippi Court

2631 N Mississippi Ave  
Portland, OR

Price: \$7,875,000  
Sold: 7/2/2019

Built: 1926/  
Ren.2016

Units: 44

SF: 23,438

\$/Unit: \$178,977

\$/SF: \$336



## Savoy

2307 NW Hoyt  
Portland, OR

Price: \$8,550,000  
Sold: 3/17/2020

Built: 1931

Units: 34

SF: 21,627

\$/Unit: \$251,471

\$/SF: \$395



## Irvington Apts

1532 NE 21st Ave  
Portland, OR

Price: \$9,300,000  
Sold: 5/4/2020

Built: 1961

Units: 46

SF: 34,300

\$/Unit: \$211,364

\$/SF: \$271



## Theory 33

3325 SE Division St  
Portland, OR

Price: \$11,500,000  
Sold: 6/5/2020

Built: 2018

Units: 30

SF: 24,000

\$/Unit: \$383,333

\$/SF: \$479



## Westover Tower

930 NW 25th Place  
Portland, OR

Price: \$18,000,000  
Sold: 11/12/2020

Built: 1950

Units: 70

SF: 45,790

\$/Unit: \$257,143

\$/SF: \$393



## Rosegate NW

2164 NW Johnson St  
Portland, OR

Price: \$3,400,000  
Sold: 12/5/2020

Built: 1910

Units: 17

SF: 12,523

\$/Unit: \$200,000

\$/SF: \$272



## Raymond

1934 NE 29th Ave  
Portland, OR

Price: \$1,450,000  
Sold: 12/10/2020

Built: 1927

Units: 8

SF: 22,800

\$/Unit: \$181,250

\$/SF: \$518

AVERAGES:: PER SF = \$370 PER UNIT = \$245,331



## Tabor Commons

6012 SE Yamhill St  
Portland, OR

Price: \$16,600,000

Built: 1928/Ren.  
2017-20

Units: 76

SF: 22,188

\$/Unit: \$218,421

\$/SF: \$748