

OFFERING MEMORANDUM
9 Unit Portfolio

517 S 5TH ST
Duquesne, PA 15110

PRESENTED BY:

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SECTION 1
Property Information

EXECUTIVE SUMMARY



OFFERING SUMMARY

SALE PRICE:	\$582,000
NUMBER OF UNITS:	9
CAP RATE:	11.0%
NOI:	\$64,035

PROPERTY OVERVIEW

SVN Three Rivers Commercial Advisors is pleased to present for sale this 9 unit / three property multifamily portfolio. The parcels are all in close proximity to each other. The units are occupied by a mix of Allegheny County Section 8 tenants, the Chartiers Center and market rents.

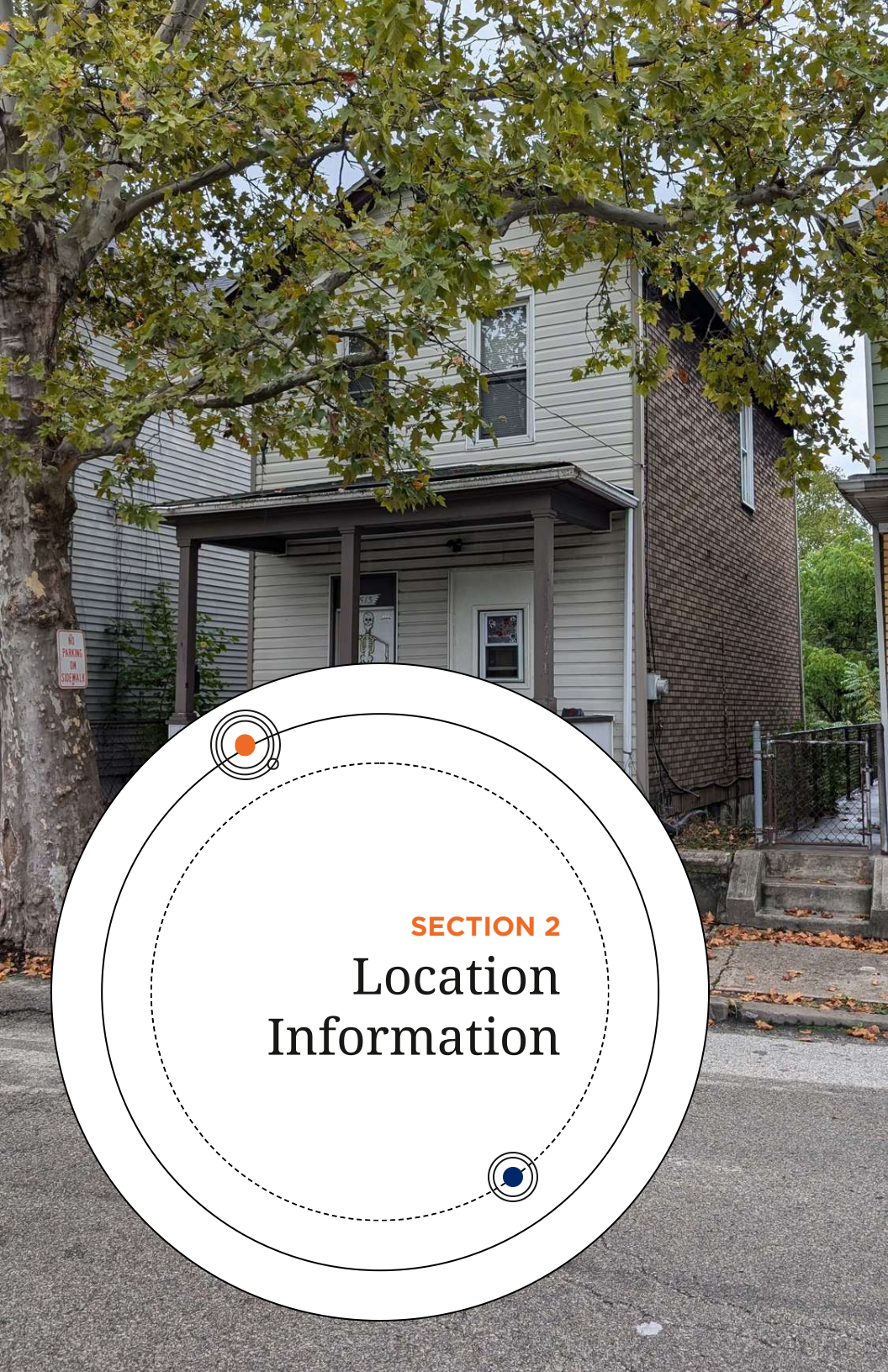
The property will benefit from a 16% increase in scheduled rents when already-approved Section 8 rent increases are implemented. Scheduled rents could increase by another 13% by converting three of the units to larger bedroom counts.

PROPERTY HIGHLIGHTS

- Strong rental history
- Significant upside potential through Section 8 scheduled increases and unit reconfigurations

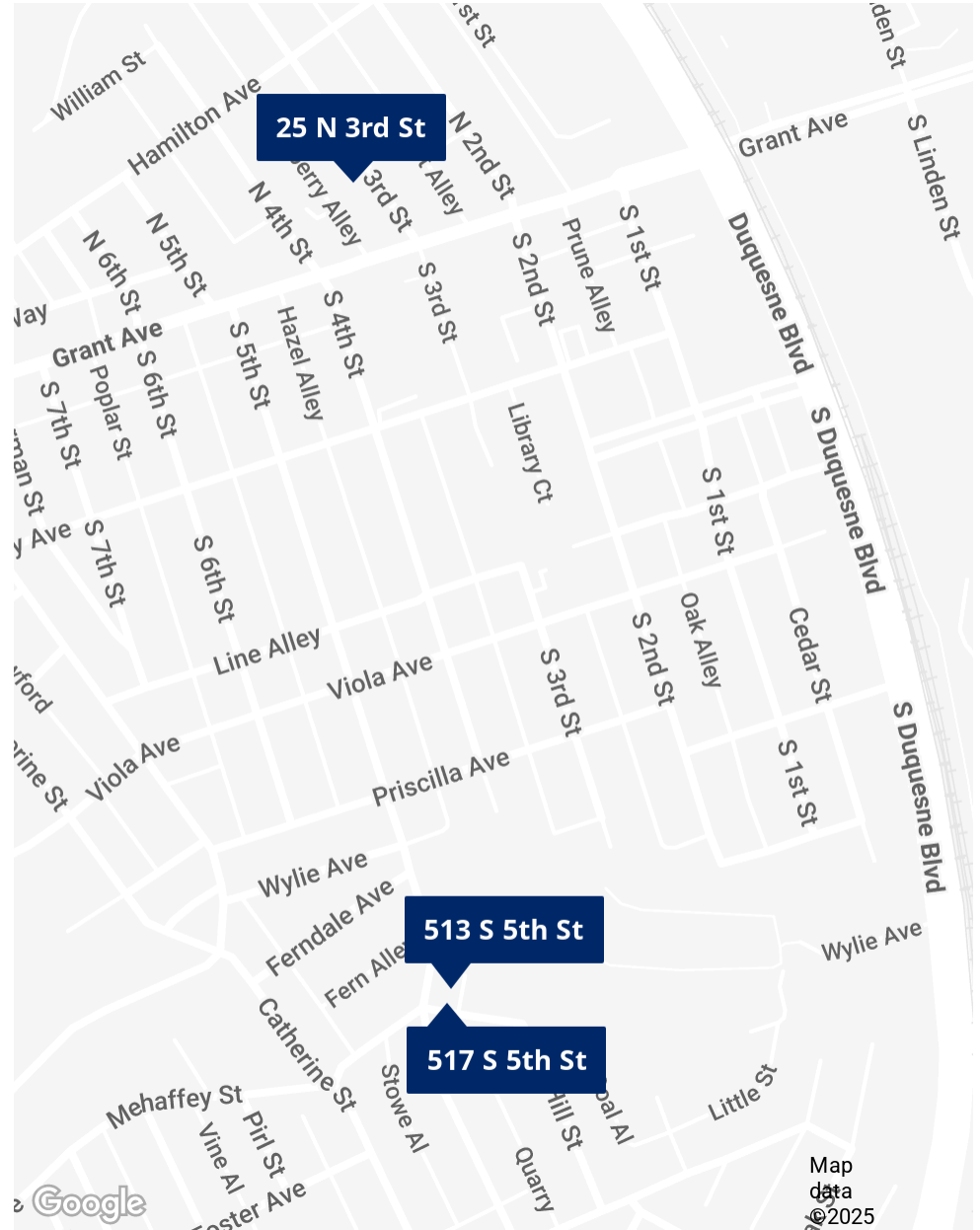
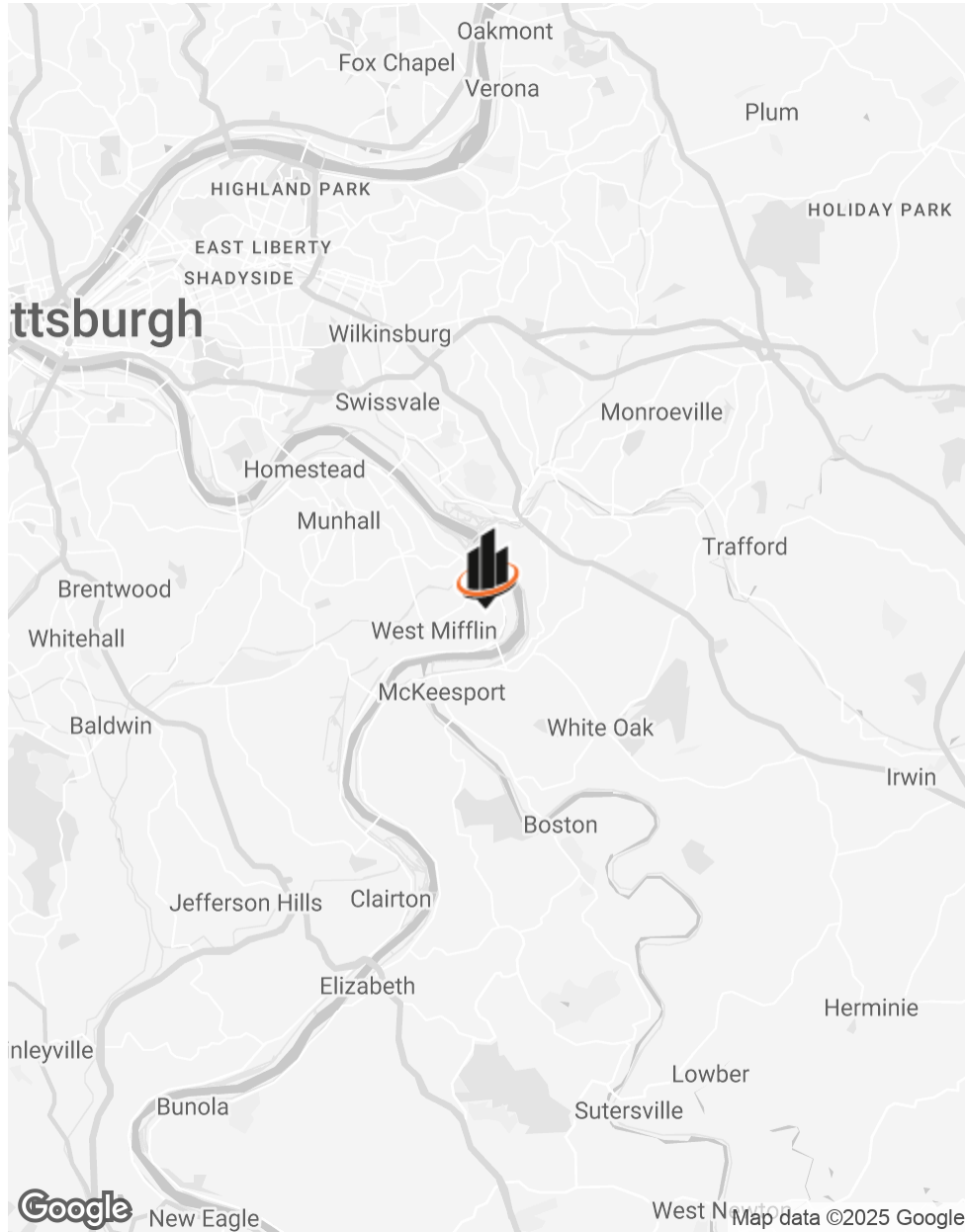
INTERIOR PHOTOS





SECTION 2
**Location
Information**

LOCATION MAPS



PARCEL MAP



AERIAL MAP



DEMOGRAPHICS MAP & REPORT

POPULATION

0.3 MILES 0.5 MILES 1 MILE

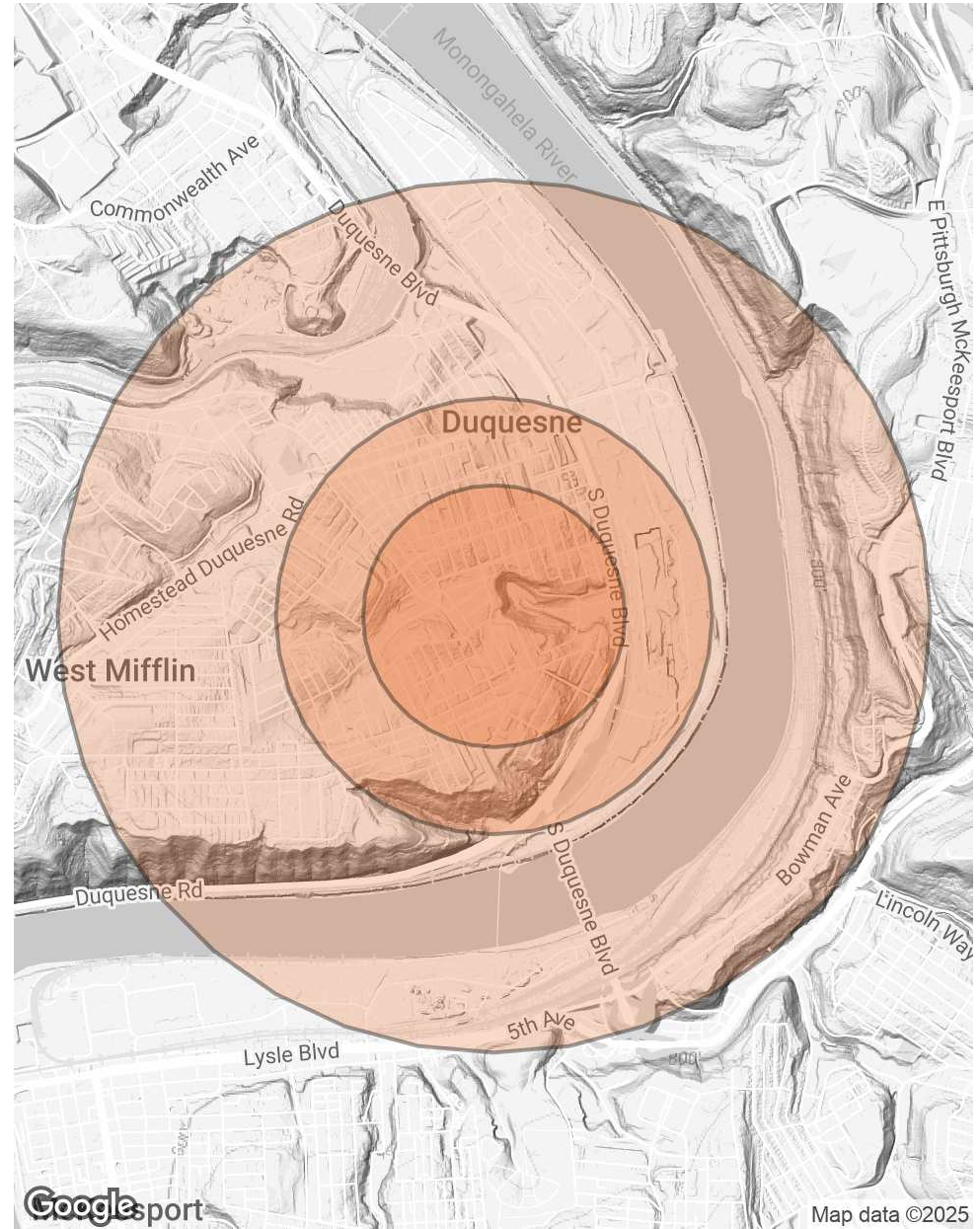
	0.3 MILES	0.5 MILES	1 MILE
TOTAL POPULATION	1,289	3,215	6,999
AVERAGE AGE	39	39	41
AVERAGE AGE (MALE)	37	38	40
AVERAGE AGE (FEMALE)	40	40	42

HOUSEHOLDS & INCOME

0.3 MILES 0.5 MILES 1 MILE

	0.3 MILES	0.5 MILES	1 MILE
TOTAL HOUSEHOLDS	538	1,369	3,125
# OF PERSONS PER HH	2.4	2.3	2.2
AVERAGE HH INCOME	\$51,186	\$56,120	\$66,587
AVERAGE HOUSE VALUE	\$78,319	\$77,120	\$94,011

Demographics data derived from AlphaMap





SECTION 3
**Financial
Analysis**

FINANCIALS

RENT ROLL

Unit	BD/BA	Status	Rent/Mo	Annual Rent			Tenant Type
				Current	With Scheduled Sec 8 Rent Increases	With Conversion to Larger # BD/BA	
517 S 5th Street #1	1/1 (3/1)	Occupied	\$965	\$11,580	\$11,580	\$22,296	Chartiers Center
517 S 5th Street #2	1/1	Occupied	\$525	\$6,300	\$6,300	\$6,300	Market
517 S 5th Street #3	1/1	Occupied	\$965	\$11,580	\$11,580	\$11,580	Chartiers Center
517 S 5th Street #4	2/1	Occupied	\$1,014	\$12,168	\$17,496	\$12,168	Sec 8 - Allegheny Co
517 S 5th Street #5	2/1	Occupied	\$1,209	\$14,508	\$14,508	\$14,508	Sec 8 - Allegheny Co
513 S 5th Street	2/1	Occupied	\$1,063	\$12,756	\$15,036	\$12,756	Sec 8 - Allegheny Co
25 N 3rd Street #1	2/1 (4/1)	Occupied	\$1,036	\$12,432	\$17,076	\$23,436	Sec 8 - Allegheny Co
25 N 3rd Street #2	2/1	Occupied	\$1,193	\$14,316	\$14,316	\$14,316	Chartiers Center
25 N 5th Street #3	2/1 (4/2)	Occupied	\$977	\$11,724	\$17,076	\$23,436	Sec 8 - Allegheny Co
Total			\$8,947	\$107,364	\$124,968	\$140,796	

NET OPERATING INCOME

	Current	With Scheduled Sec 8 Rent Increases	With Conversion to Larger # BD/BA
Rental Income	\$107,364	\$124,968	\$140,796
Vacancy Factor 5%	(5,368)	(6,248)	(7,040)
Gross Income	101,996	118,720	133,756
Taxes	4,585	4,585	4,585
Insurance	4,102	4,102	4,102
Utilities	11,094	11,094	15,532
Management (9% of gross income)	9,180	10,685	12,038
Maintenance (\$1,000/unit)	9,000	9,000	9,000
Total Expenses	37,961	39,466	45,257
Current / Pro Forma NOI	\$64,035	\$79,254	\$88,500
Cap Rate	11.0%	13.6%	15.2%
Property Value	\$582,138	\$582,138	\$582,138
\$/Unit	\$64,682	\$64,682	\$64,682

FINANCIAL SUMMARY

INVESTMENT OVERVIEW	CURRENT	WITH SCHEDULED SEC 8 RENT INCREASES	WITH CONVERSION TO LARGER # BD/BA
PRICE	\$582,000	\$582,000	\$582,000
PRICE PER UNIT	\$64,667	\$64,667	\$64,667
GRM	5.42	4.66	4.13
CAP RATE	11%	13.62%	15.21%

OPERATING DATA	CURRENT	WITH SCHEDULED SEC 8 RENT INCREASES	WITH CONVERSION TO LARGER # BD/BA
GROSS SCHEDULED INCOME	\$107,364	\$124,968	\$140,796
VACANCY COST	\$5,368	\$6,248	\$7,040
GROSS INCOME	\$101,996	\$118,720	\$133,756
OPERATING EXPENSES	\$37,961	\$39,466	\$45,257
NET OPERATING INCOME	\$64,035	\$79,254	\$88,499



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