MARCH BROKER AWARDS MEETING

April 10, 2024

MONTHLY STATISTICS

LEASING	# OF TRANSACTIONS	TOTAL $ VALUE
March 2022	25	$6,456,987
March 2023	25	$7,221,492
March 2024	**20**	**$3,858,545**

SALES	# OF TRANSACTIONS	TOTAL $ VALUE
March 2022	6	$11,355,000
March 2023	4	$6,145,000
March 2024	**4**	**$9,850,000**

YTD STATISTICS

LEASING	# OF TRANSACTIONS	TOTAL $ VALUE
March 2022	51	$12,440,740
March 2023	68	$18,705,757
March 2024	**48**	**$11,212,410**

SALES	# OF TRANSACTIONS	TOTAL $ VALUE
March 2022	12	$31,701,352
March 2023	9	$12,483,777
March 2024	**11**	**$17,125,000**


TOP LEASES

3RD TOP LEASE

Concord Building
7025 N Lombard St Suite 200
Portland, OR

Lessor: **Milton Premiere, L.P.**

Lessee: **Mija Hot Yoga, LLC**

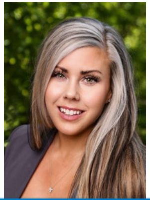
Lease Value: **$354,332**

Lease Rate: **$12 PSF $8.16 NNN**

Leased Area: **± 3,375 SF**

Lease Term: **63 Months**

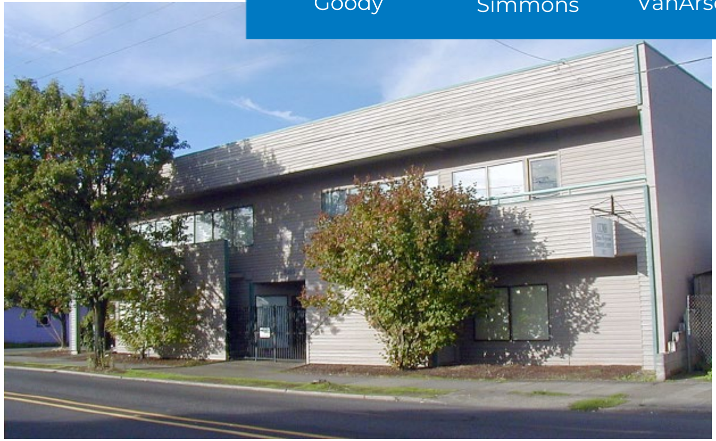
TI’s & Concessions: **$10,000 TI and 3 months free rent**



Mallorie Goody

Michael Simmons

Elissa VanArsdall



2ND TOP LEASE

Historic Troutdale Building
289 East Historic Columbia River HWY
Troutdale, OR

Lessor: **V.H.R Co. LLC**

Lessee: **Rip City Popcorn**

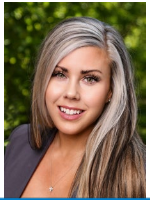
Lease Value: **$409,760**

Lease Rate: **$11 PSF NNN**

Leased Area: **± 6,832 SF**

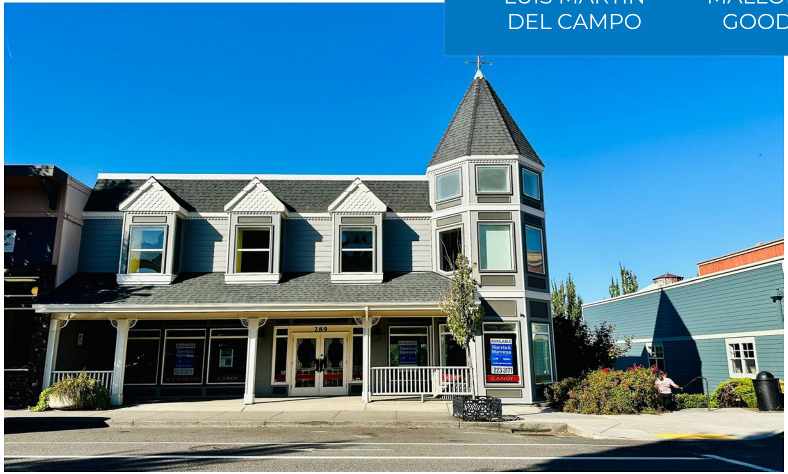
Lease Term: **62 Months**

TI's & Concessions: **no TI. 2 months free rent.**



LUIS MARTIN DEL CAMPO

MALLORIE GOODY



TOP LEASE

Clackamas Business Center
9043 SE Jannsen Road
Clackamas, OR

Lessor: **The McLellan Company**

Lessee: **Central Air DBA Central Oregon Heating & Cooling Inc**

Lease Value: **$736,969.00**

Lease Rate: **$.87/SF/Mo 2 months abated**

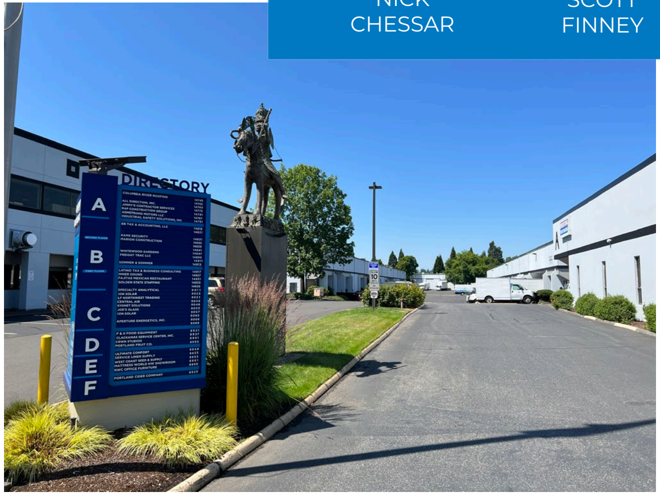
Leased Area: **± 12,949 SF**

Lease Term: **62 Months**

TI's & Concessions: **Light TI's, ceiling tiles**

NICK
CHESSAR

SCOTT
FINNEY




TOP SALES

3RD TOP SALE

Burger King
2021 Newmark Ave
Coos Bay

Seller: **Ternik LLC**

Buyer: **LLCAlpHubbard, LLC**

Sale Price: **$1,950,000**

Price PSF: **$134.67**

Property Size: **± 2,824 SF**

Cap Rate: **5.28%**

Financing: **Cash**

TODD
VANDOMELEN

MIKE
BROWN

2ND TOP SALE

Mak's Mini Mart
1951 SW 6th Ave
Portland, OR

Seller: **American Campus Communities**

Buyer: **Mak's Mini Mart Inc.**

Sale Price: **$2,200,000**

Price PSF: **$780.69**

Property Size: **± 2,818 SF**

Cap Rate: **Owner/User**

Financing: **SBA through Harvest Financial 90% LTV 7.65% Blended Interest.**


LUIS MARTIN DEL CAMPO


RAYMOND DUCHEK

TOP SALE

Landover Townhomes
11015 NE 26th St,
Vancouver, WA

Seller: **Genesis Rentals, LLC**

Buyer: **G & M Landover, LLC**

Sale Price: **$4,650,000.00**

Price Per Unit: **$387,500**

Property Size: **± 18,876 SF**

Cap Rate: **5.65%**

Financing: **50%+ down, terms unknown**

DAVID CHATFIELD

CAMERON MERCER


TOP DOGS

LEASING BROKER OF THE MONTH

SCOTT FINNEY

SALES BROKER OF THE MONTH

TODD VANDOMELEN

PRESIDENT'S AWARD

ELISA VANARSDALL

TOP 5 PRODUCERS

1

SCOTT FINNEY

2

TODD VANDOMELEN

3

GREG NESING

4

LUIS MARTIN DEL CAMPO

5

NICK CHESSAR


ANNOUNCEMENTS

Norris & Stevens
INVESTMENT REAL ESTATE SERVICES

SALES MEETING SCHEDULE

April 17th	**All Broker Meeting**
April 24th	**Brokers Meet by Industry Group**
May 1st	**No Meeting – Tim Vacation**
May 8th	**Broker Awards Meeting for April 2024** **Market Reports by Raymond Duchek & Nick Chessar**
May 15th	**Continuing Education / Guest Speaker**
May 22nd	**TBA**

UPCOMING LOCAL EVENTS

WEA
WESTSIDE ECONOMIC ALLIANCE

Government Affairs Committee Meeting
Thursday, April 11th @ 7:30 AM
TVF&R in Tigard, OR and Via Zoom

WASHINGTON COUNTY CHAMBER of COMMERCE

Small Business Solutions Series
Financial Considerations for Small Business
Wednesday, April 17th @ 10:00 – 11:00 AM
Via Zoom

WASHINGTON COUNTY CHAMBER of COMMERCE

WBN (Washington County Chamber Women's Business Network)
Marketing, Mix & Mingle
Thursday, April 18, 2024 @ 5:00 PM - 6:30 PM
5193 NE Elam Young Pkwy, Ste A Hillsboro, OR 97124

CREW PORTLAND

Energy Mastery: How to Transform Obstacles into Opportunities
Friday, April 19th @ 3:00 PM – 6:00 PM
Stoller Family Estate –NE McDougall Road Dayton, Oregon 97114

UPCOMING LOCAL EVENTS

CREW PORTLAND

MAY LUNCH | SHIFT HAPPENS: ADAPTING TO NEW WORK CULTURES

Thursday, May 9th @ 11:15 AM – 1:00 PM

Moda Center – 1 North Center Court Street

CAB COMMERCIAL ASSOCIATION OF BROKERS OREGON & SOUTHWEST WASHINGTON

CAB 2024 Golf Tournament

Thursday, June 27th @ 11:30 AM – 7:00 PM

The Reserve Golf Club – 4805 SW 229th Ave, Aloha

WEA WESTSIDE ECONOMIC ALLIANCE

Westside Scramble

Monday, July 29th @ 12:30 PM

The Reserve Golf Club – 4805 SW 229th Ave, Aloha

TCN WORLDWIDE 2024 CONFERENCE

Calgary, Canada

September 22nd – 25th, 2024

Calgary Mariott Downtown

110 9 Ave SE, Calgary, AB T2G 5A6, Canada

Hosted by Barclay Street Real Estate – you won't want to miss it!

See you there!

https://www.tcnworldwide.com/announcements/read/exciting-news-the-2024-tcn-worldwide-fall-conference-will-be-hosted-in-downtown-calgary

TCN WORLDWIDE REAL ESTATE SERVICES EVENTS

2024 TCN Worldwide Fall Conference

September 22-25, 2024 — *Calgary Marriott Downtown*

Sunday, September 22nd

	Arrivals	
6:30 pm – 8:30 pm	Opening Reception	Calgary Tower Sky 360

Monday, September 23rd

8:00 am – 9:00 am	Breakfast in Hotel and Registration	
9:00 am – 9:45 am	Speed Meeting: *Rev up your networking game!* *This innovative conference session puts a turbocharged twist on traditional networking.*	Sunalta
9:45 am – 10:15 am	Welcome and Opening Remarks/Introductions	Acadia AB
10:15 am – 11:15 am	Peak Performance: From Surviving to Thriving *Keynote Speaker: Jessica Janzen, Professional Speaker, Coach, Author, & Philanthropist*	Acadia AB
11:15 am – 12:00 pm	Panel: How to Build a Winning Team	Acadia AB
12:00 pm – 1:00 pm	Networking Lunch	Kensington CD
1:00 pm – 2:30 pm	Convergence: The Use of Tech as an Enhancement to Relationship Selling *Tim Rios, Chief Learning Officer, The Lipsey Company*	Acadia AB
2:30 pm – 3:00 pm	Afternoon Break/Networking/Return Calls, etc.	
3:00 pm – 5:00 pm	Principal Breakout: TCN Update, Board Elections	Acadia AB
3:00 pm – 5:00 pm	Agent Breakout: The Key Elements of Relationship Selling and Productivity Tech *Tim Rios, Chief Learning Officer, The Lipsey Company*	Kensington AB
Evening	*Evening "on your own"* *Reservations available at area restaurants for small group sizes.*	

Tuesday, September 24th

8:00 am – 9:00 am	Breakfast in Hotel	Kensington CD
9:00 am – 10:15 am	The Impact of AI on Brokerage	Acadia AB
10:15 am – 10:30 am	Break	
10:30 am – 11:30 am	2025 Economic Outlook	Acadia AB
11:30 am – 12:30 pm	Networking Lunch	Kensington CD
12:30 pm – 2:00 pm	Open Discussion *The NAR Lawsuit – Are Commissions Under Assault?* *Supply Chain Disruptions*	Acadia AB
2:00 pm – 5:00 pm	Calgary Outing – Downtown Walking Tour	
Evening	*Eat, Drink, and Play at National on 10th*	

Wednesday, September 25th

8:00 am – 9:30 am	Stampede Breakfast: *Bring your boots and your appetite as we serve up a stampede style breakfast in downtown Calgary!*	
9:30 am – 10:30 am	Panel: What are the Options When "Back to the Office" Backfires?	Acadia AB
10:30 am – 10:45 am	Break	
10:45 am – 11:30 am	2024/2025 Financing – Impact on Owners' Values and Financing/Lease Rates	Acadia AB
11:30 am – 12:00 pm	Conference Wrap Up	Acadia AB

Event Sponsors:

CoStar · LoopNet · buildout

4/1/24

EXECUTIVE CORNER


INVESTMENT TALK
BY THOMAS MCDOWELL

INVESTMENT TRANSACTIONS PORTLAND MARKETPLACE

a. Seller Buyer Gap Closing
   i. Ten-X Report March 25, 2024
      1. December 2023-Trade Rate down from 60% to 50% up in Jan & Feb
      2. “Flex” Ask vs Sell up to 15%, $12 B Opportunities, Accepted $4.5 B
      3. 2024 now Flex is 13% - Now accepting more Opportunities
   ii. Interest Rate Outlook
      1. 3 More meetings this Year, Hope to lower Interest Rates

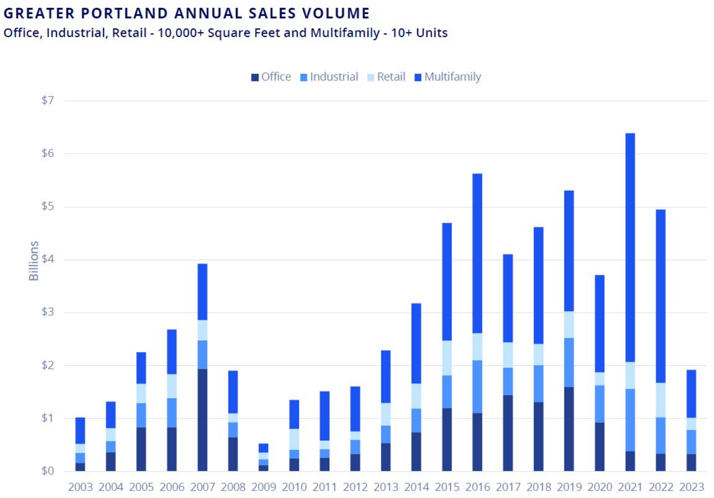
Year	12 Mo Sales Vol	12 Mo Sales Vol Growth	Number of Sales
2024 YTD			0
2023	$2.5B	-54.8%	811
2022	$5.4B	-24.5%	1,395
2021	$7.2B	66.4%	1,705
2020	$4.3B	-26.1%	1,301

Majority of 2023 and 2024 Sales are User Purchases and/or Seller Financing.

OFFICE

i. Trends
   1. Marginal Growth in asking rents, Tigard & Vancouver less than 10% vacancy
   2. A vacant ± 80,000 Beaverton office selling for $144 PSF

ii. Portland Office Status – Highest Vacancy Downtown in the USA
   1. Nearly 10% of Portland’s downtown office inventory has handed keys back to lenders – foreclosure or deed in lieu of foreclosure



Source: CoStar

OFFICE

i. Recent Sale – The Gregory, 425 NW 10th Ave $5.7 MM; 2013 Sold $10.6 MM

The Gregory | 425 NW 10th Avenue 55% Occupied

Size:	49,850 SF $114.34 / SF Floors 1-4	
Sale Price:	$5,700,000	October 10, 2023
Seller:	Genworth Financial, Richmond VA	
Buyer:	Jewel Capital Miami, FL ($84 M purchases in last 5 years)	

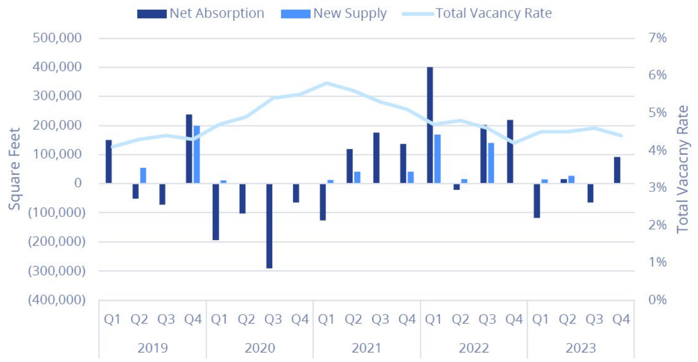
RETAIL

i. Trends
   1. Half of US retailers plan to expand
   2. Consumers are researching pricing & products
   3. Rising online sales, projecting 20% in 2027
      1. Selling via Social Media – fastest growing area of e-commerce

ii. Portland Area Status
   1. Lack of Downtown foot traffic pushes retailers to suburbs
   2. Suburban availability dwindles, lease rates are pushed up

PORTLAND RETAIL CENTER MARKET FUNDAMENTALS

Net Absorption, New Supply & Total Vacancy Rate - Q1 2019 through Q1 2023



Source: Colliers, CoStar

RETAIL

Recent Sale 13719 SE Mill Plain Blvd, $14.5 M

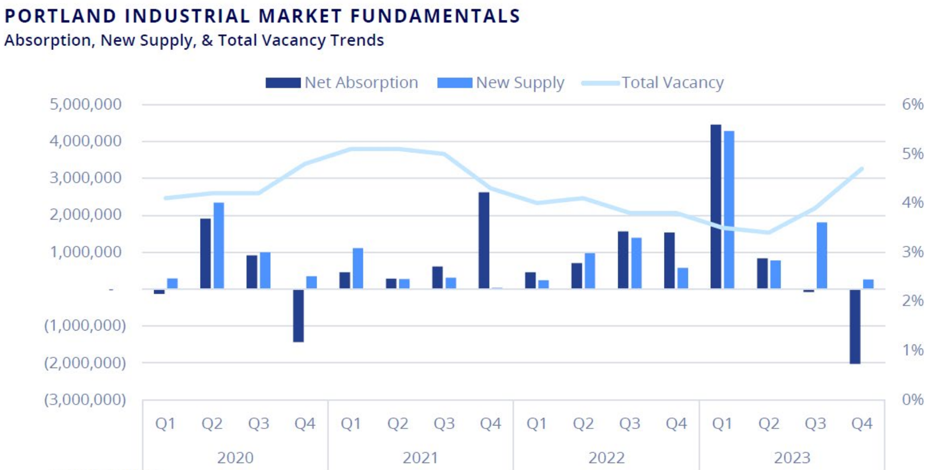
Vancouver Safeway | 13719 SE Mill Plain Blvd

Size:	68,164 SF $212.72 / SF
Sale Price:	$14,500,000 October 16, 2023
Seller:	John Beardsley, Fountain Village Development
Buyer:	Las Vegas Car Dealer ($377 M purchases in last 5 years)

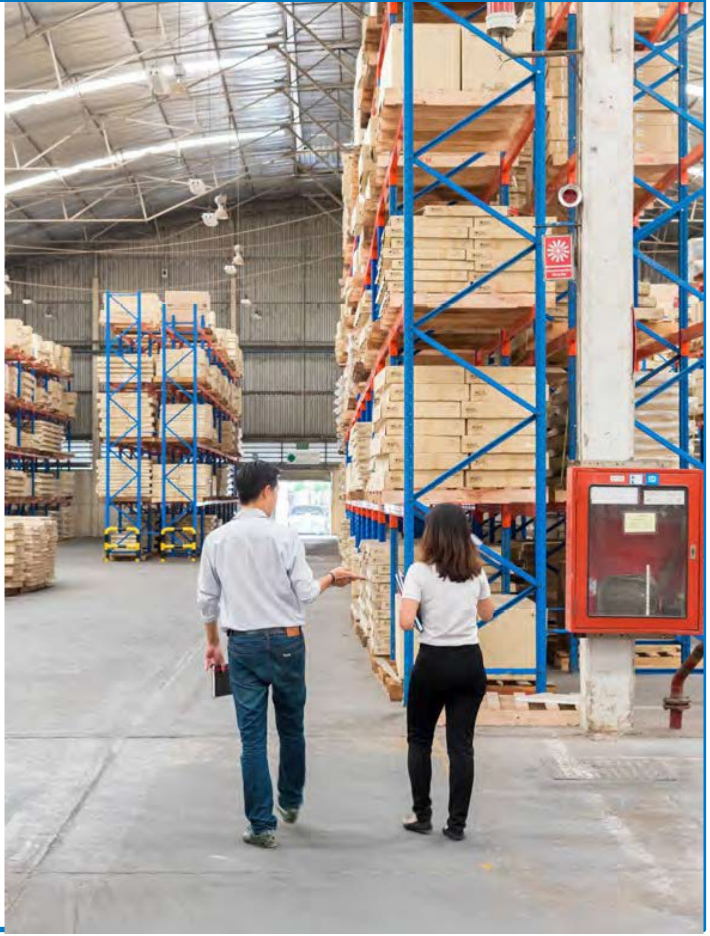
INDUSTRIAL

i. Trends
   1. CHIPS Act is driving development – semiconductor & vehicle battery facilities
   2. Data Centers, Cold Storage Demand and Supply Chain Restructuring

ii. Portland Area Status
   1. Negative Absorption last 2 Quarters of 2023, vacancy up to 4.7%, Portland not over built.
   2. Institutional level asset sales have remained nearly nonexistent.
   3. Majority of Portland sales are distressed or seller carry financing



Source: Colliers



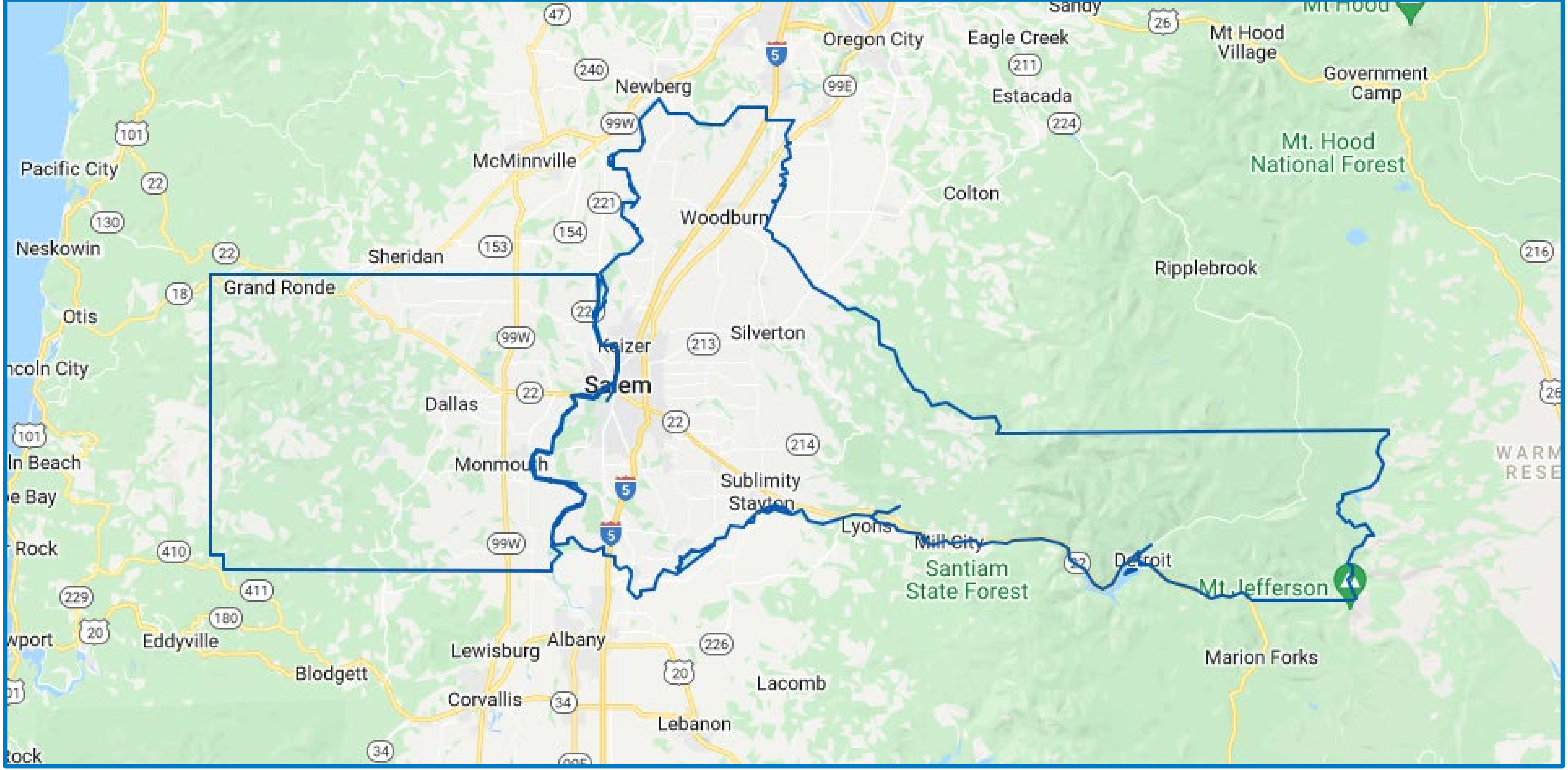
WHO IS USING AI TO THEIR ADVANTAGE?

a. Traditional Ai vs. Generative AI
   i. Traditional AI – analyzing historical data – making future numeric predictions
   ii. Generative AI – Quickly generates new content based on a variety of inputs
b. Investors
   i. Improve Data Analysis for Better investing Potential-Forbes Article 10-23
   ii. Better Risk Mitigation
   iii. Conclusion: Humans & AI to work collaboratively to increase efficiency, speed and scale while reducing time and costs.
c. Brokers
   i. Marketing Messages
   ii. Listing Presentations
   iii. Emails
   iv. Surveying the Marketplace

SALEM MARKET REPORT

BY MATT LYMAN

SALEM MARKET



SALEM

As brokers why its important for us to know the Salem Market?

- 2nd largest city and market in the state.
- More affordable CRE pricing for business.
- Increased development because of logistics, path of growth, and housing demand.
- Strong employer demand because of wage affordability.

SALEM DEMOGRAPHICS

City Slogan:

The Historic Heart of Oregon

Population:	366,472	
House Holds:	128,588	
Median Income:	$76,137	($86,159 in PDX)
Unemployment:	4.0%	(4.0% in PDX)
Job Growth:	4.4%	(6.3% in PDX)
Median Home:	$280,200	($367,317 in PDX)
Renters:	39.2%	(34.4% in PDX)

Industrial SF:	30m
Office SF:	10.6m
Retail SF:	21.6m
Multi-Family:	26,569

SALEM DEMOGRAPHICS

WAGE DIFFERENCES

Occupational Groups	Salem	Portland	Difference
Total, all occupations	$26.35	$30.93	17%

Office	Occupational Groups	Salem	Portland	Difference
	Management	$48.50	$58.52	21%
	Business and financial operations	$36.89	$40.18	9%
	Computer and mathematical	$42.38	$48.76	15%
	Architecture and engineering	$39.59	$46.99	19%
	Life, physical, and social science	$36.01	$38.73	8%
	Community and social service	$26.65	$27.87	5%
	Legal	$47.49	$51.89	9%
	Healthcare practitioners and technical	$45.23	$51.10	13%
	Healthcare support	$18.29	$19.42	6%
	Protective service	$29.60	$28.65	-3%
	Office and administrative support	$20.98	$22.37	7%

SALEM DEMOGRAPHICS

WAGE DIFFERENCES

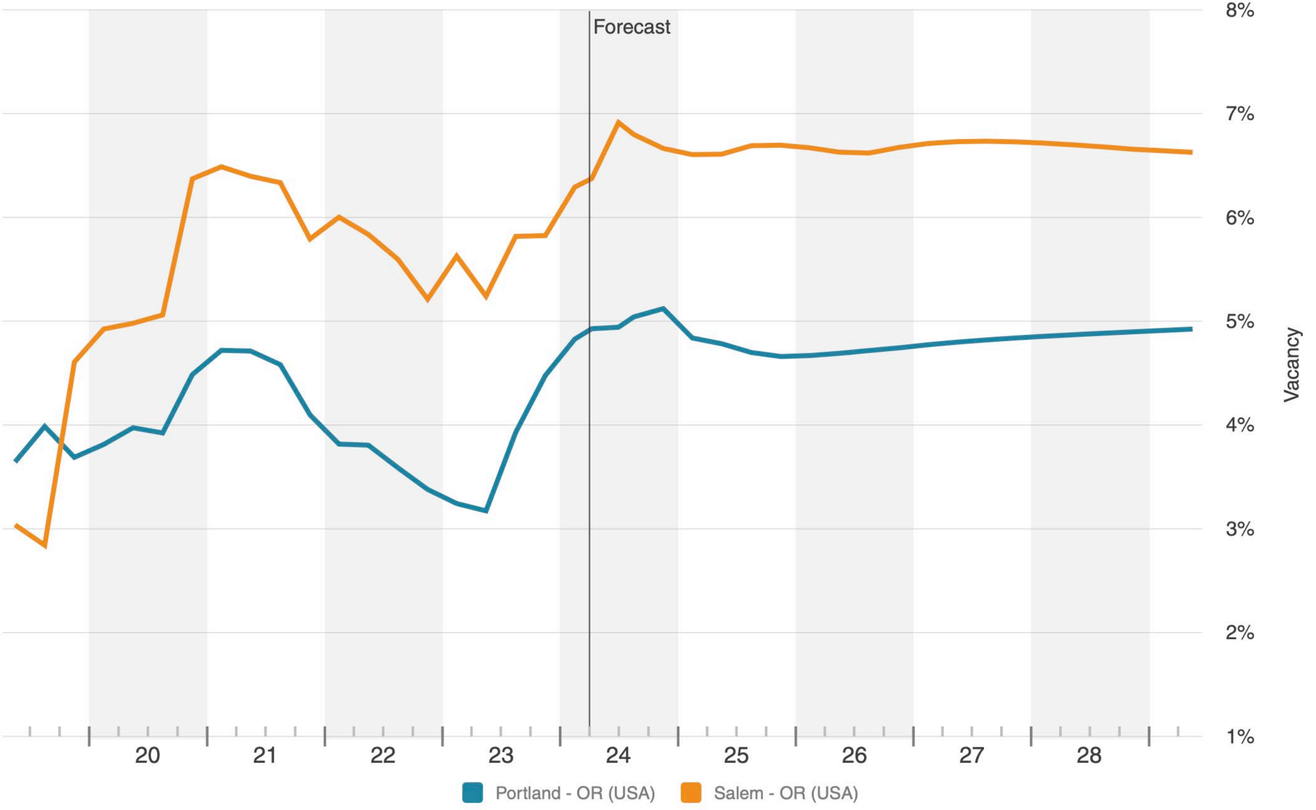
Retail	Salem	Portland	Difference
Food preparation and serving related	$15.20	$16.70	10%
Personal care and service	$16.67	$17.86	7%
Sales and related	$19.61	$24.09	**23%**

Industrial	Salem	Portland	Difference
Building cleaning and maintenance	$17.19	$18.31	7%
Farming, fishing, and forestry	$15.83	$18.92	**20%**
Construction and extraction	$27.76	$31.55	14%
Installation, maintenance, and repair	$25.83	$27.47	6%
Production	$18.70	$22.24	**19%**
Transportation and material moving	$18.97	$20.90	10%

SALEM

INDUSTRIAL MARKET

INDUSTRIAL VACANCY

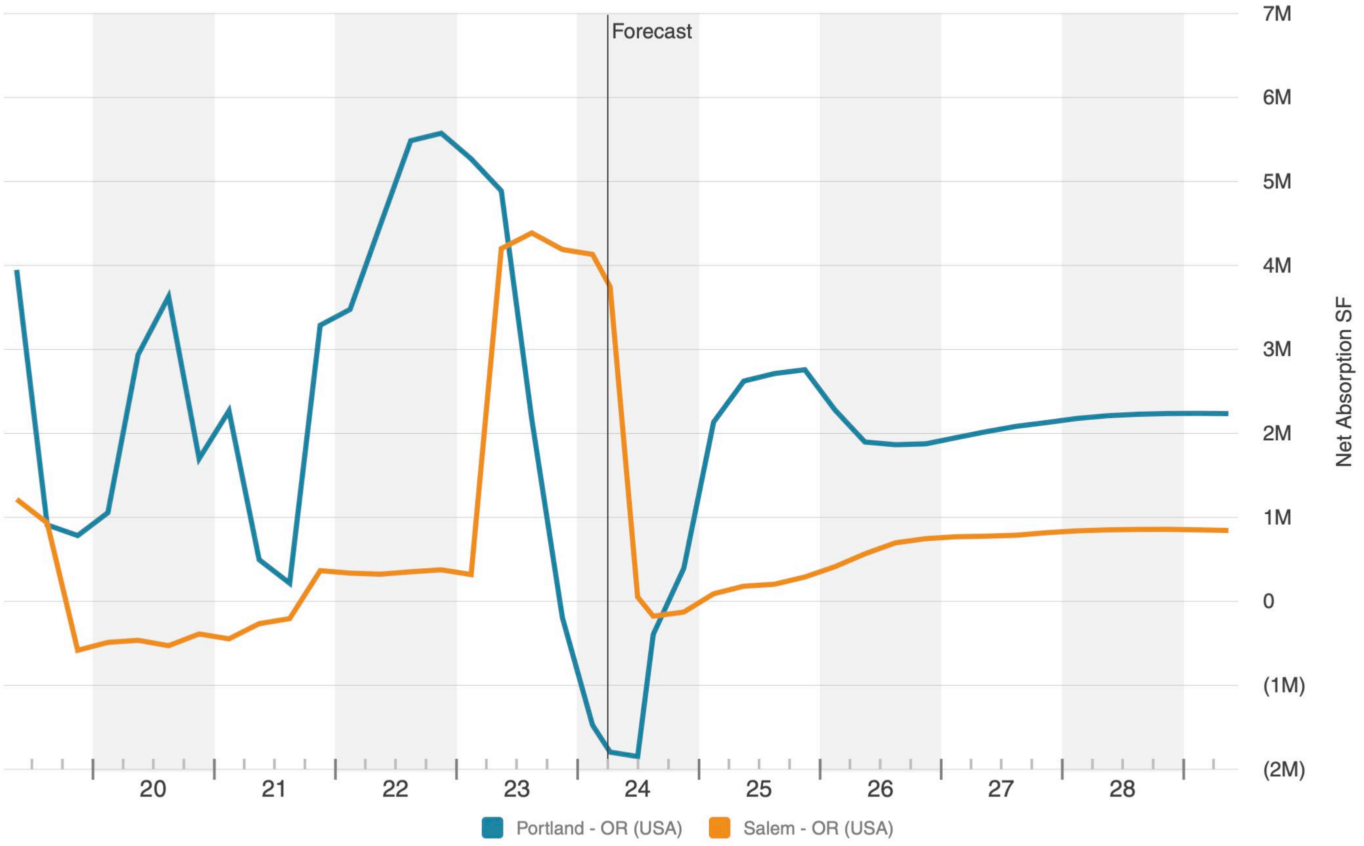


INDUSTRIAL ABSORPTION

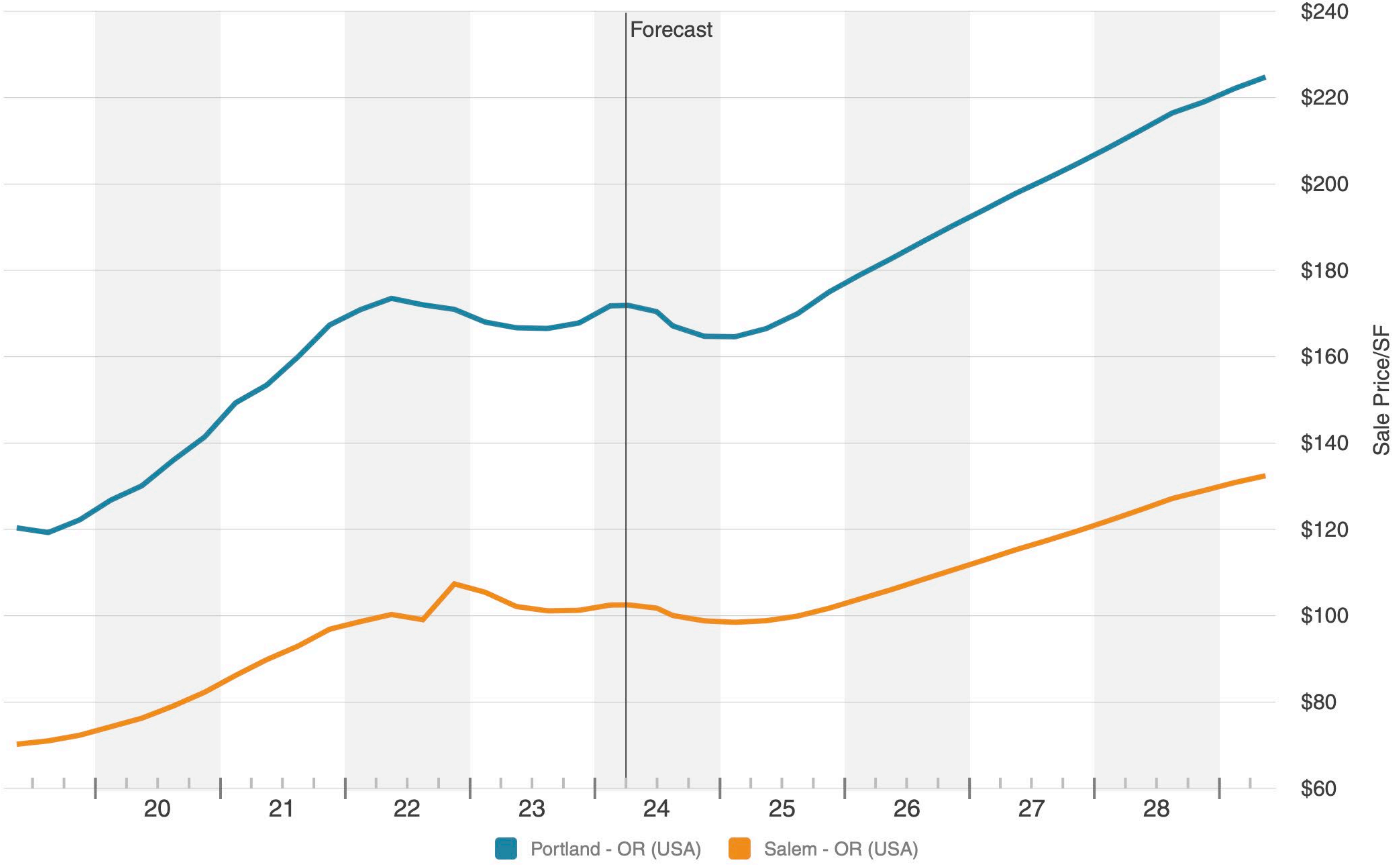
INDUSTRIAL

+3.7m SF

Portland: -1.8mSF



INDUSTRIAL SALES PRICES



INDUSTRIAL SALES VOLUME

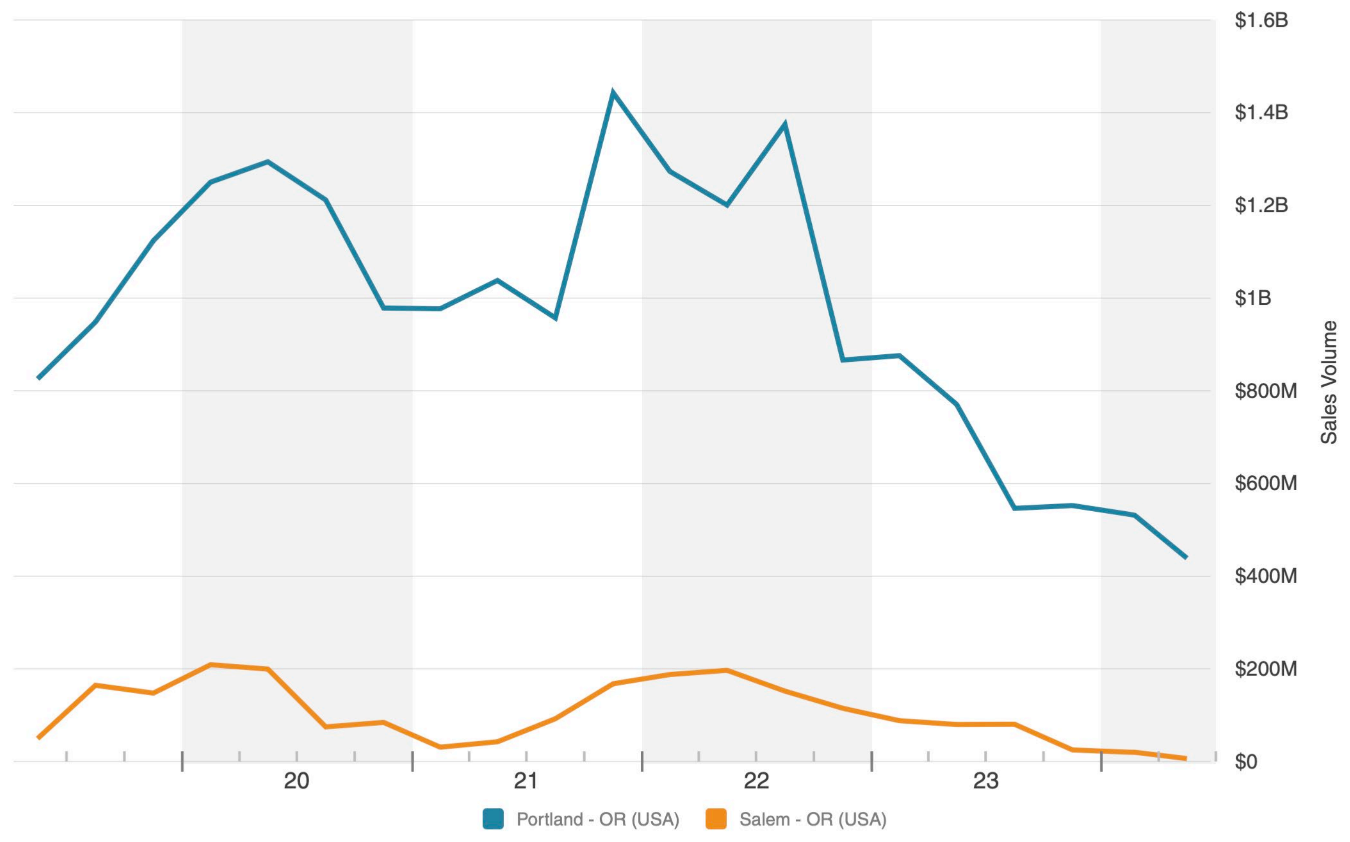
INDUSTRIAL

$20m

(Peak in 2022: $196m)

Portland: $531m

(Peak in 2021: $1.4b)

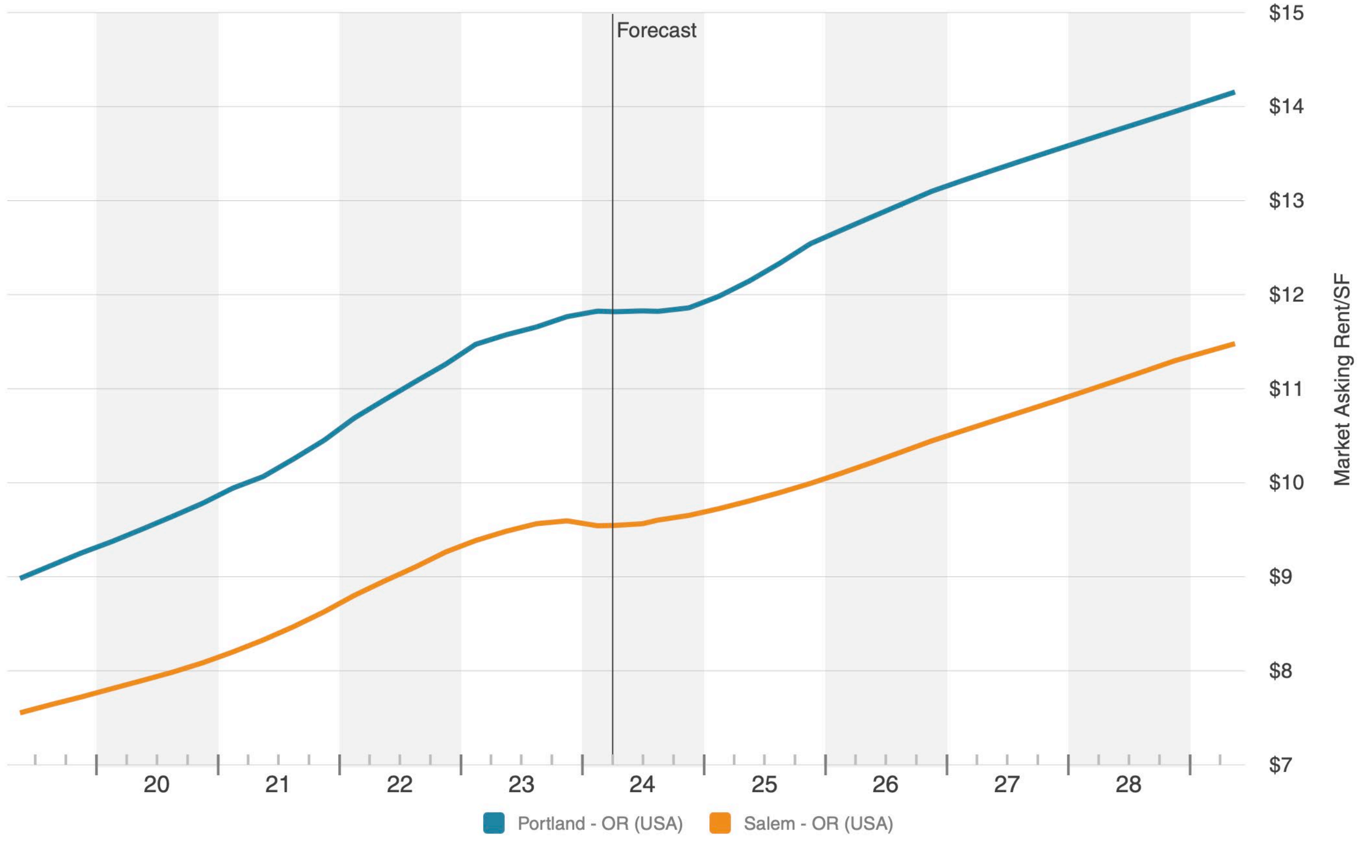


INDUSTRIAL LEASING RATES

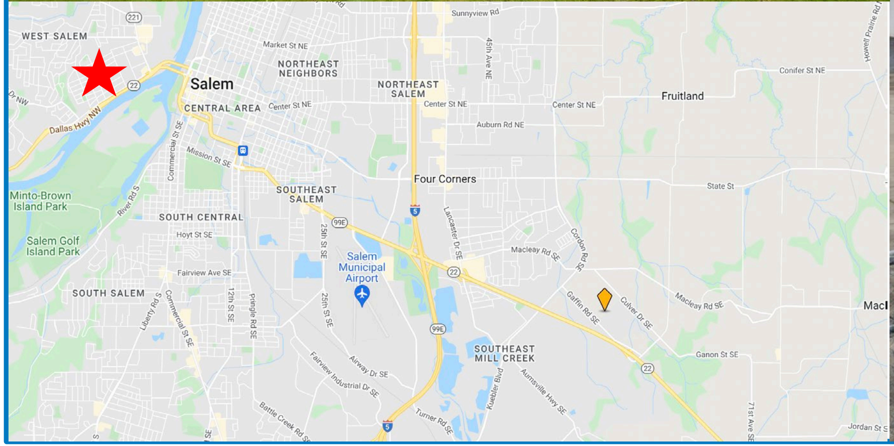
INDUSTRIAL

$9.55/SF

Portland: $11.82/SF



SALEM INDUSTRIAL SALES COMPS & DEV.



SALES COMP

859 7th St. NW
Salem, OR

Building Size:	96,339 SF
Land Area:	4.45 Acres
Sold:	May '23
Sales Price:	$5.57m ($59.69/SF)
On Market:	860 Days
Buyer:	Nick McGinnis
Seller:	KFP Investments
Sales Type:	Owner/User

- Bought by Servpro
- Required $1.1m for a new roof

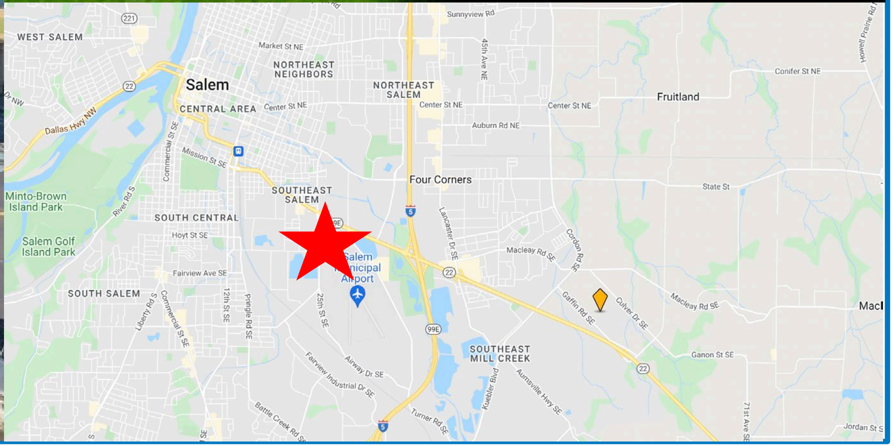
SALEM INDUSTRIAL SALES COMPS & DEV.

NEW DEVELOPMENT

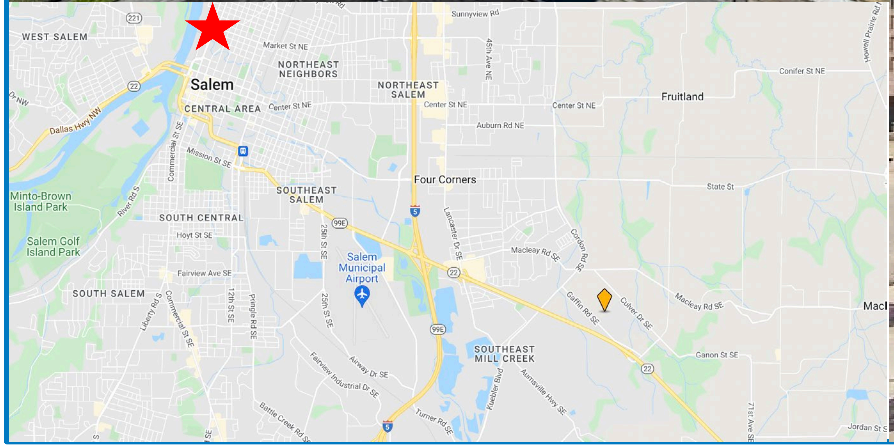
25th St. Industrial Park

25th St SE & Electric St SE

Building Sizes: 41k and 46k SF
Land Area: 8.13 Acres
Asking Sales Price: $23.5m ($268.57/SF)
Asking Lease Rate: $1.35/SF
On Market: 27 Days
Deliver: 3Q 2025



SALEM INDUSTRIAL SALES COMPS & DEV.



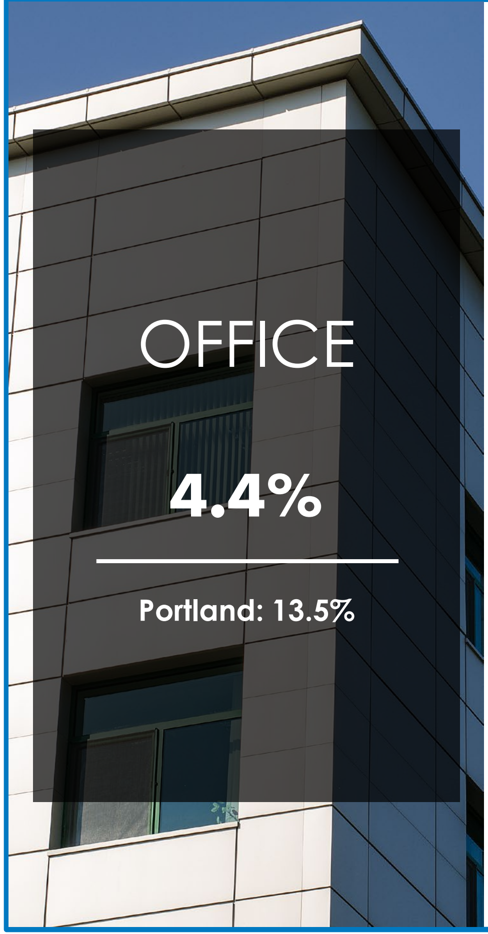
NEW DEVELOPMENT

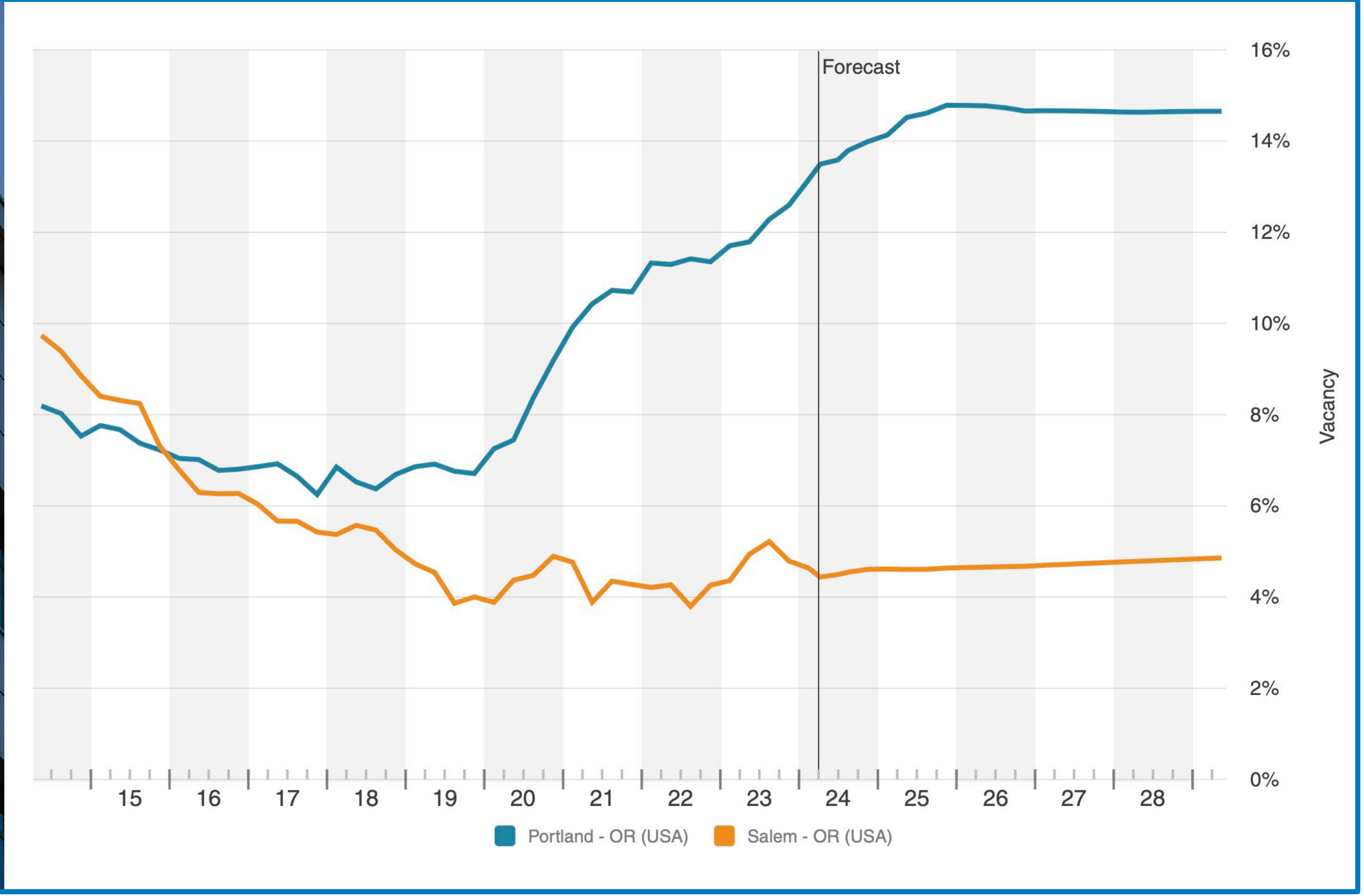
TRUITT BROS REDEVELOPMENT

- 370 Apartments with 11k SF of retail
- Redevelopment cost is estimated to be $160m

SALEM

OFFICE VACANCY



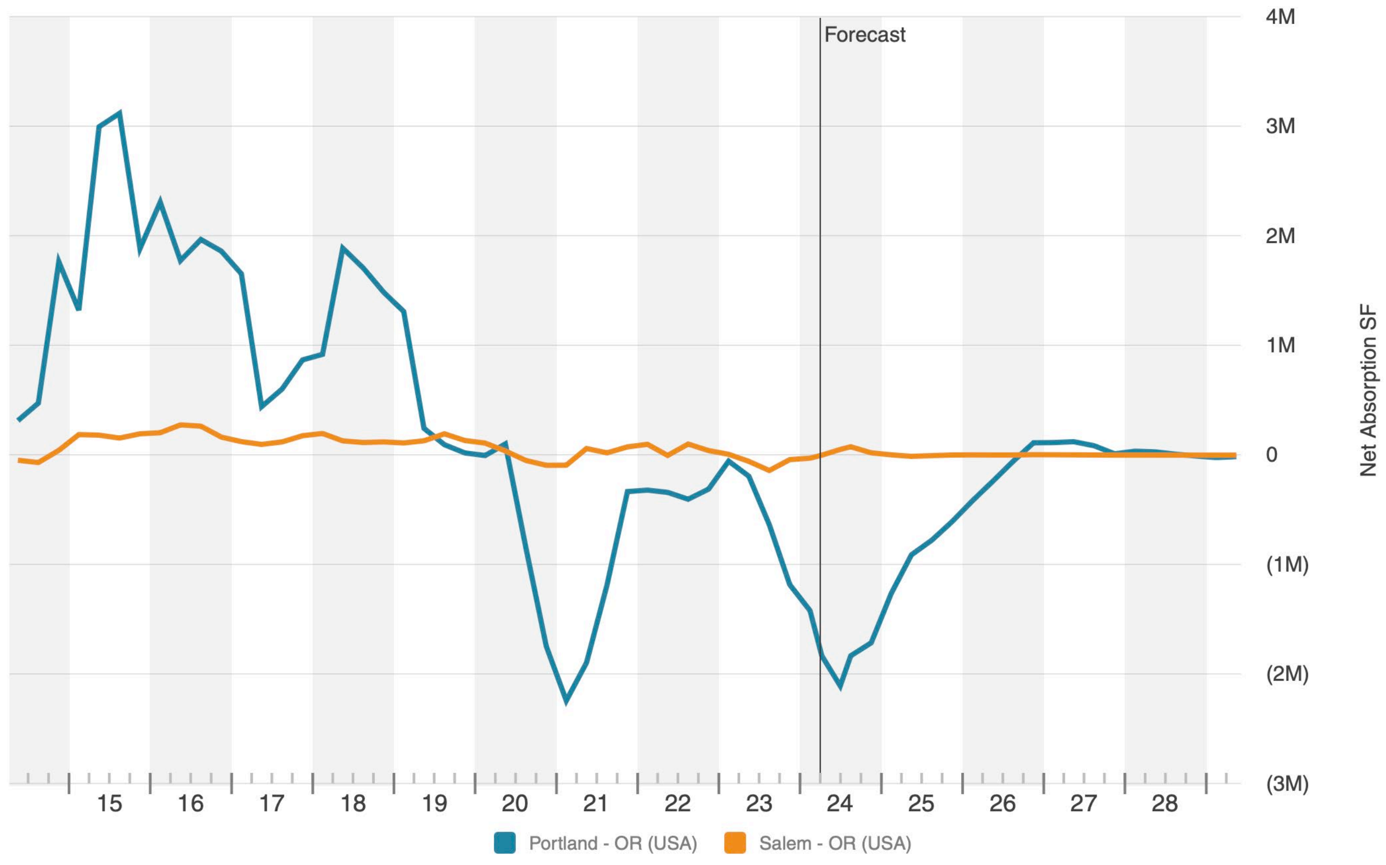


OFFICE ABSORPTION

OFFICE

-3.1k SF

Portland: -1.8m SF



OFFICE SALES PRICES

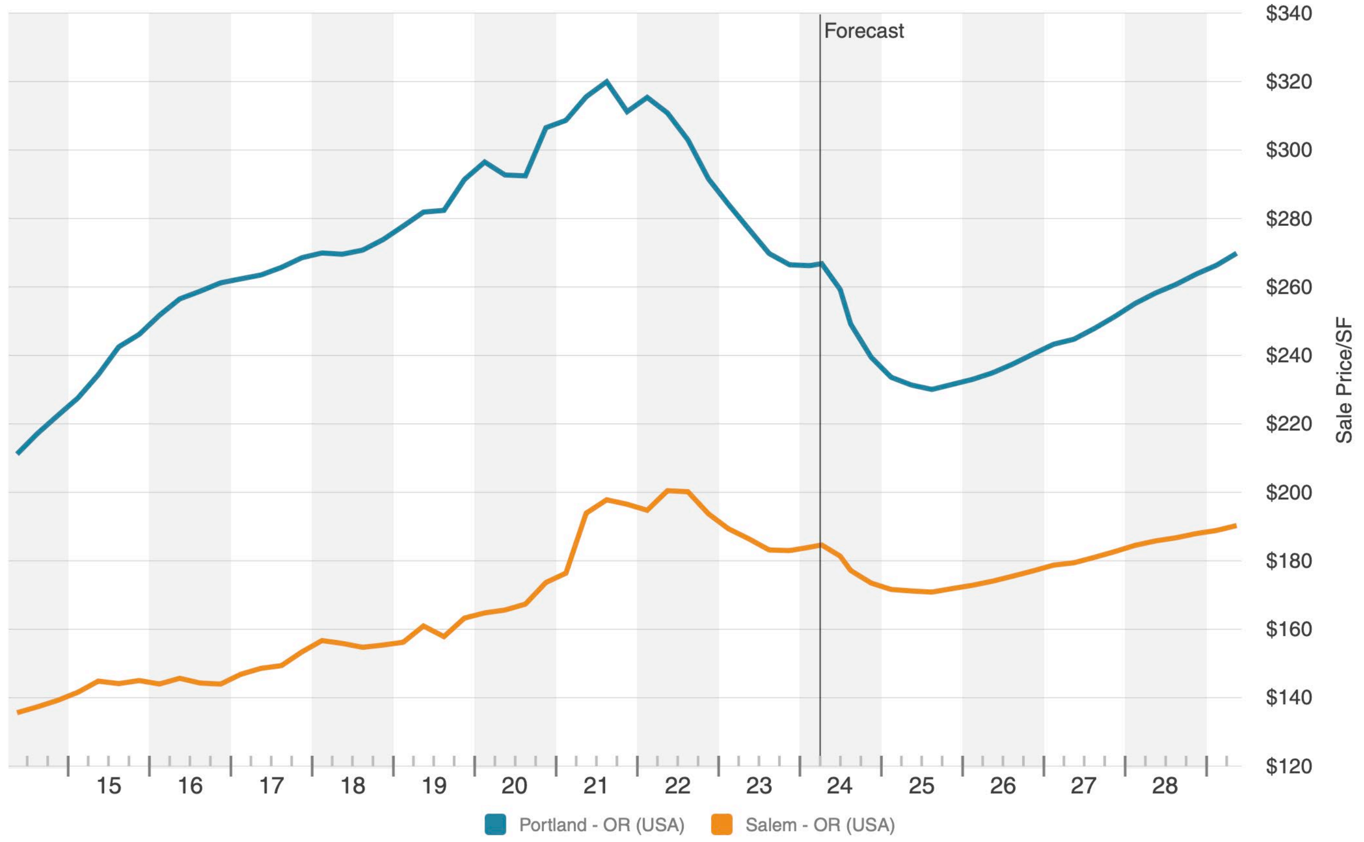
OFFICE

$185/SF

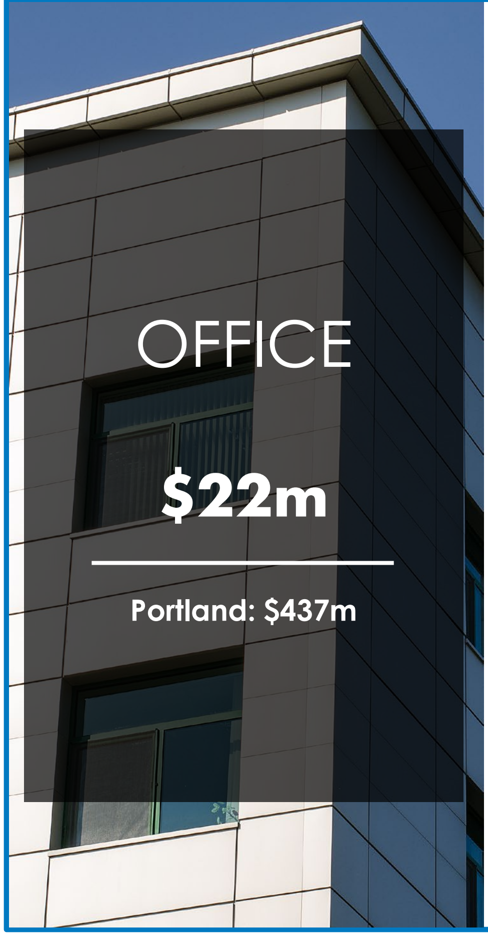
9.2% Cap

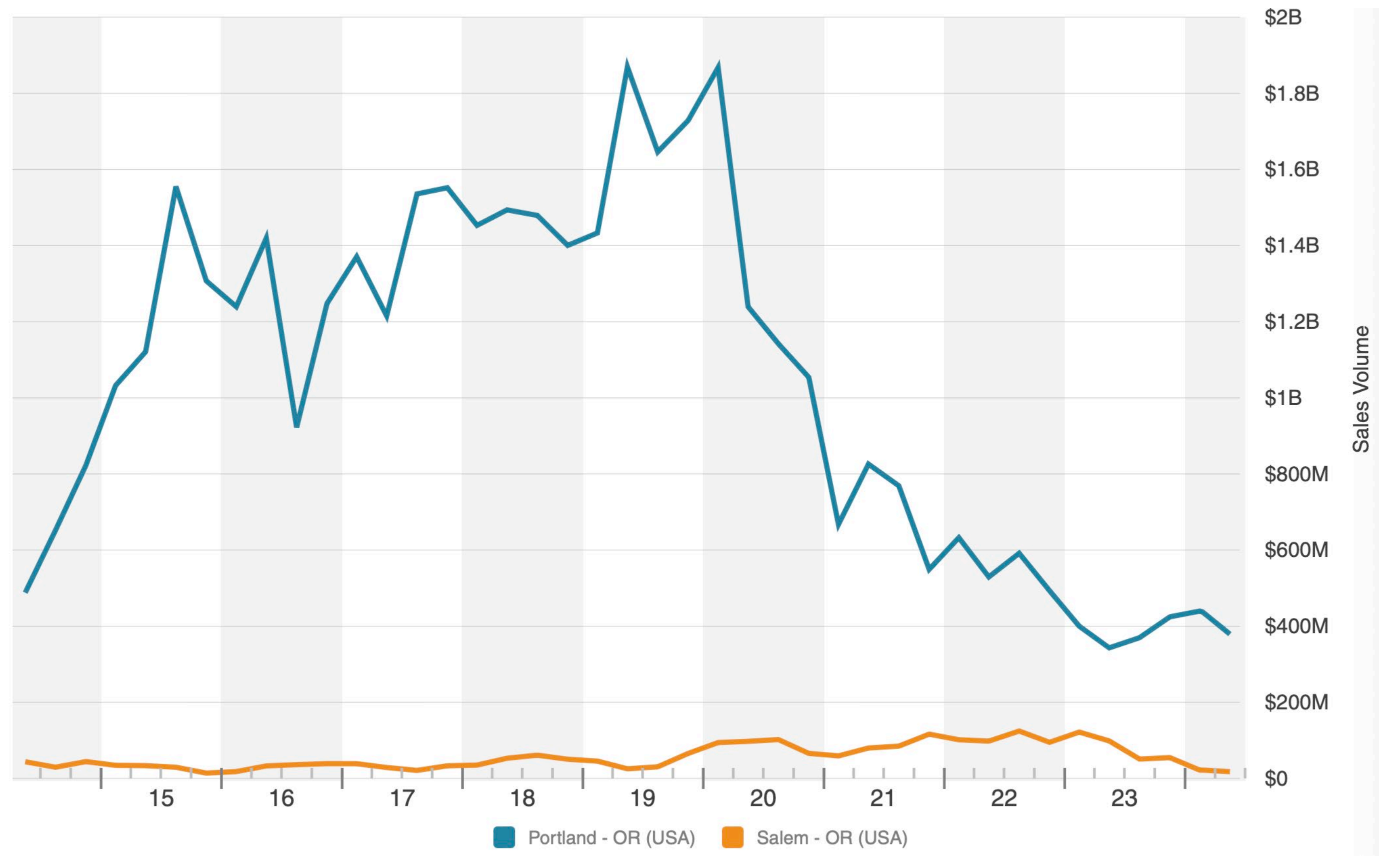
Portland: $267/SF

7.7% Cap



OFFICE SALES VOLUME



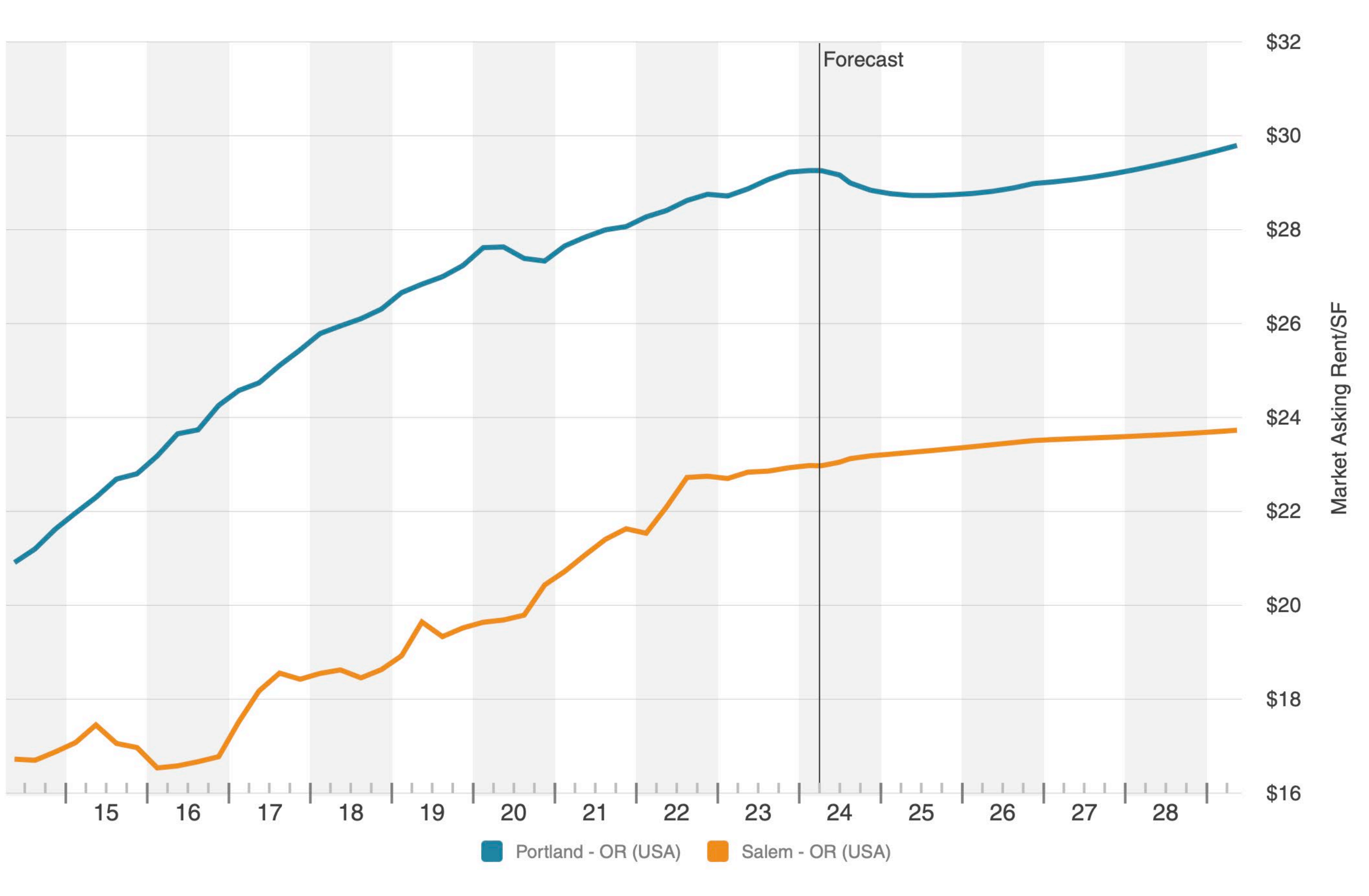


OFFICE LEASING RATES

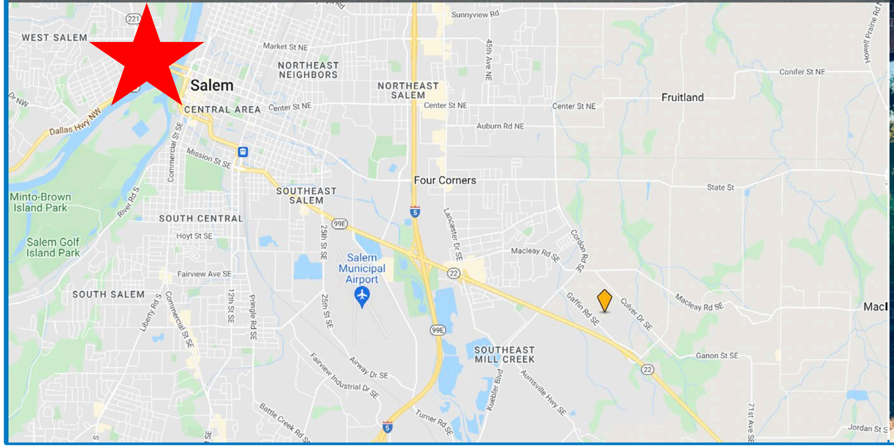
OFFICE

$22.97/SF

Portland: $29.26/SF



SALEM OFFICE SALES COMPS & DEV.



SALES COMP
1124 Cornucopia St.

Building Size:	9,192 SF
Land Area:	.84 Acres
Sold:	Oct ‘23
Sales Price:	$2.02m ($291.76/SF)
Buyer:	Financial Freedom
Sales Type:	Owner/User
Time on Market:	4 Months

- Buyer occupied 6,967 SF. The remaining SF was fully leased.
- This is the largest Owner/User sale over the past year in Salem.

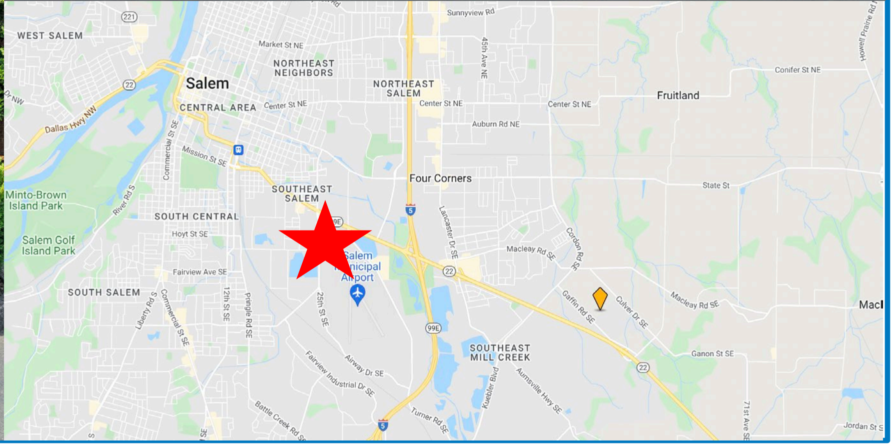
SALEM OFFICE SALES COMPS & DEV.

LEASE COMP

Creekside Corporate Center

650 Hawthorne Ave SE

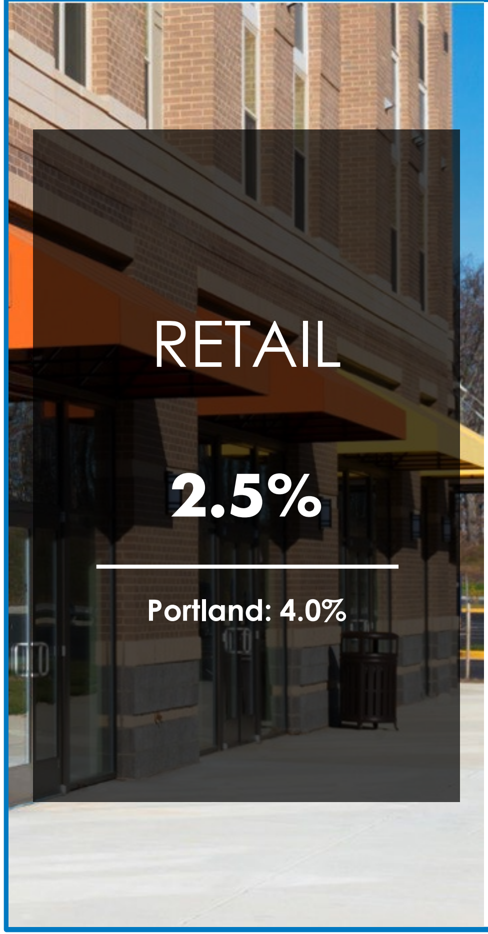
Space Sizes:	14,494 SF
Rate:	$22.80 FS
Asking Rate:	$31
Term:	4 years
On Market:	20 months



SALEM

RETAIL MARKET

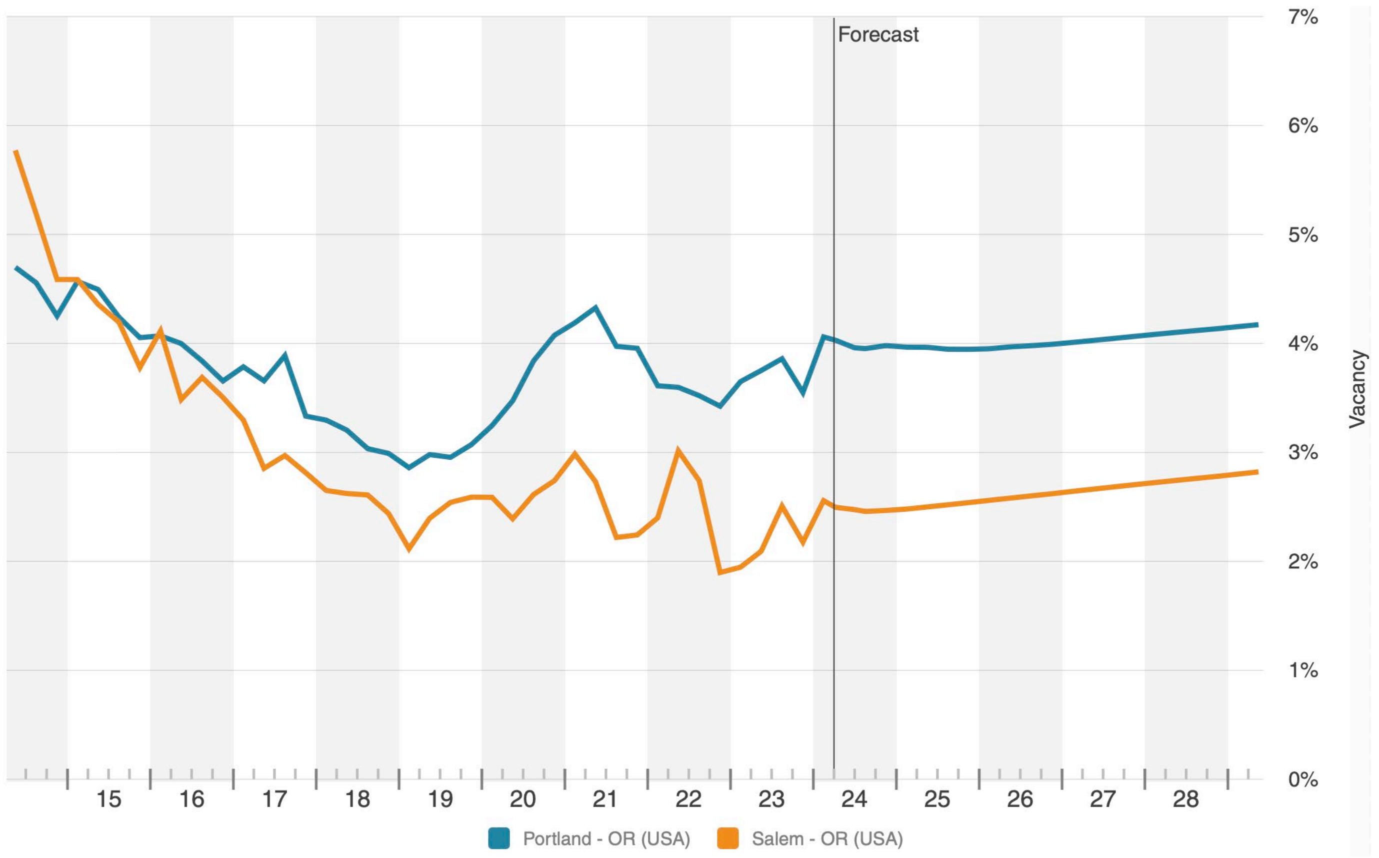
RETAIL VACANCY



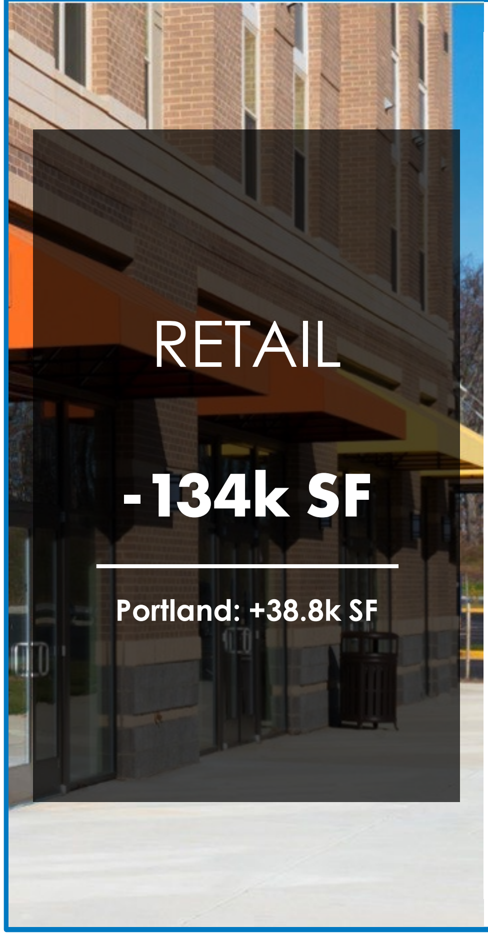
RETAIL

2.5%

Portland: 4.0%



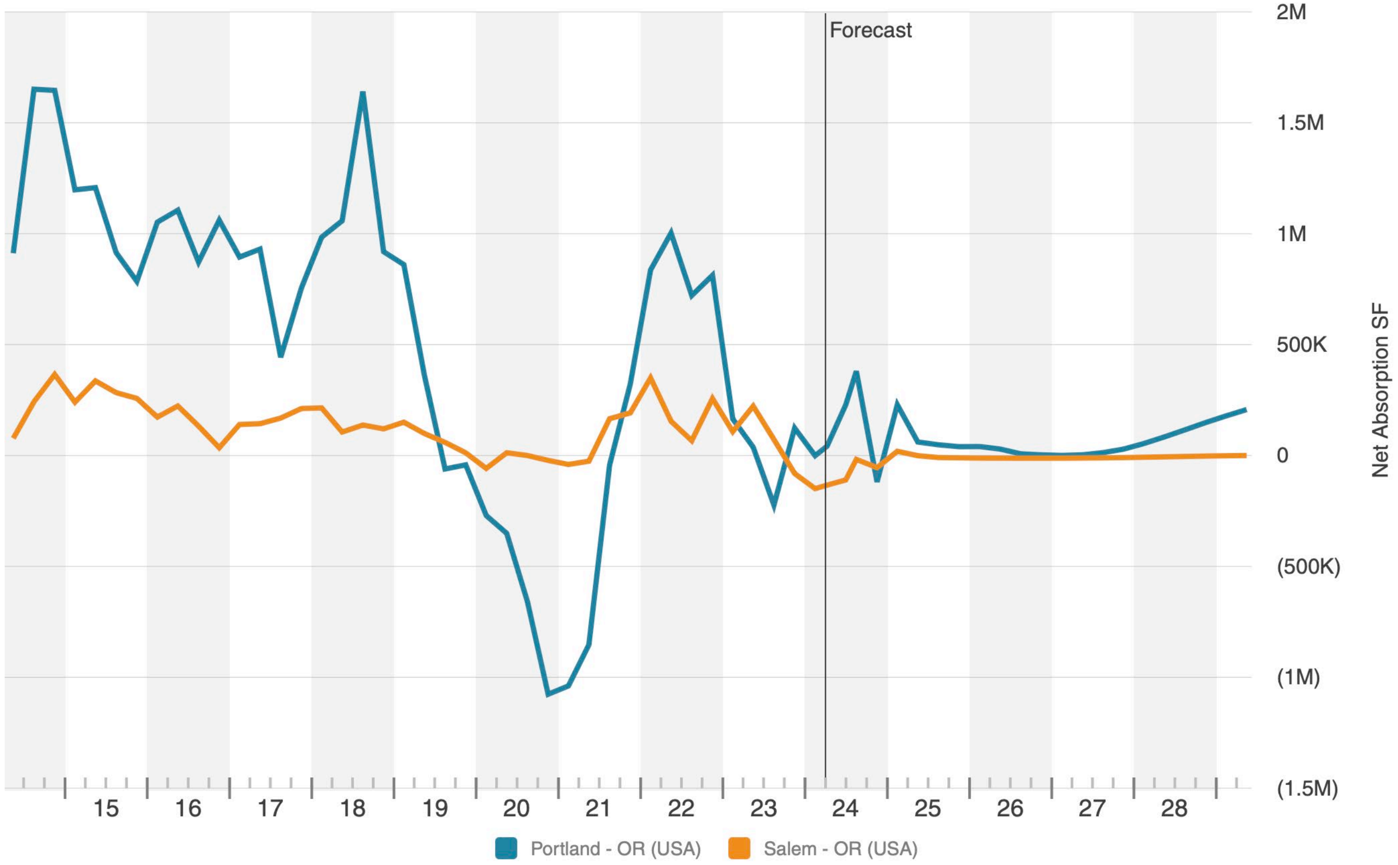
RETAIL ABSORPTION



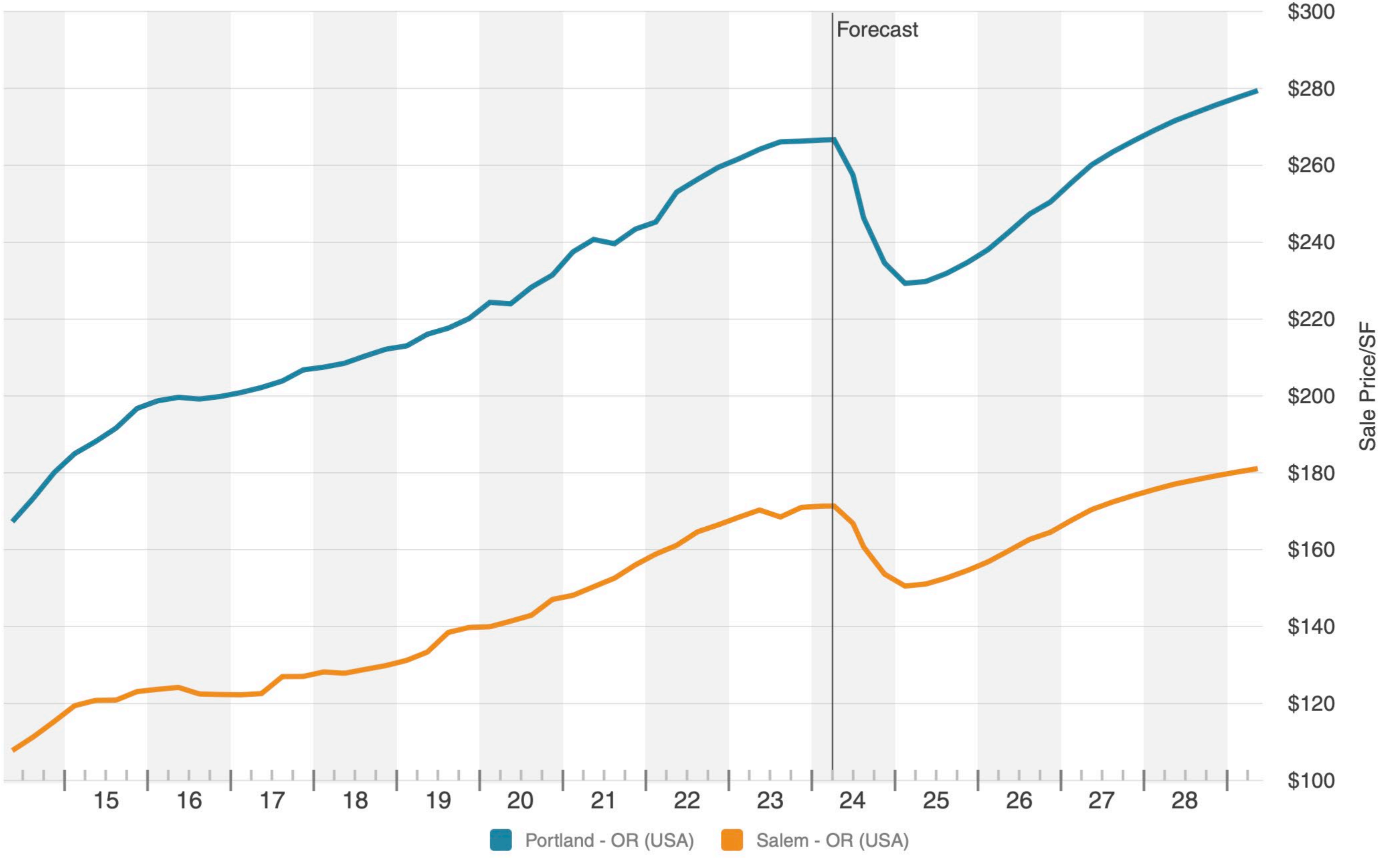
RETAIL

-134k SF

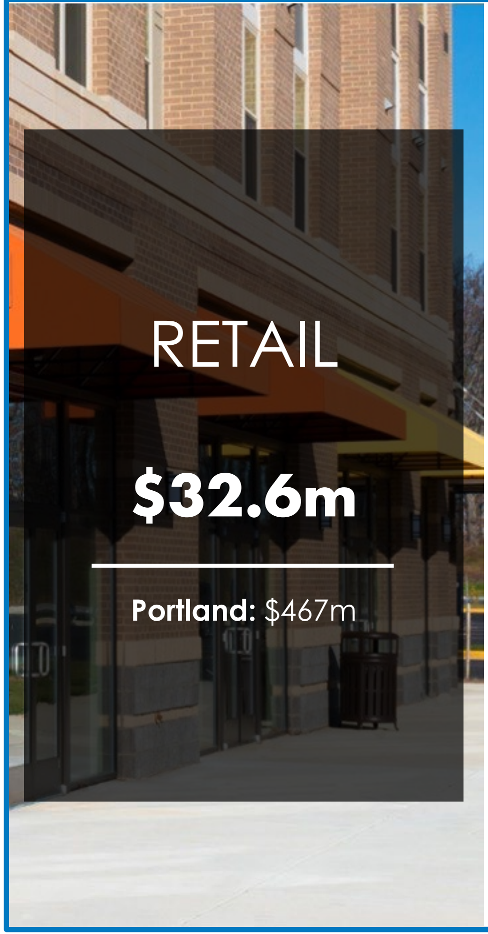
Portland: +38.8k SF

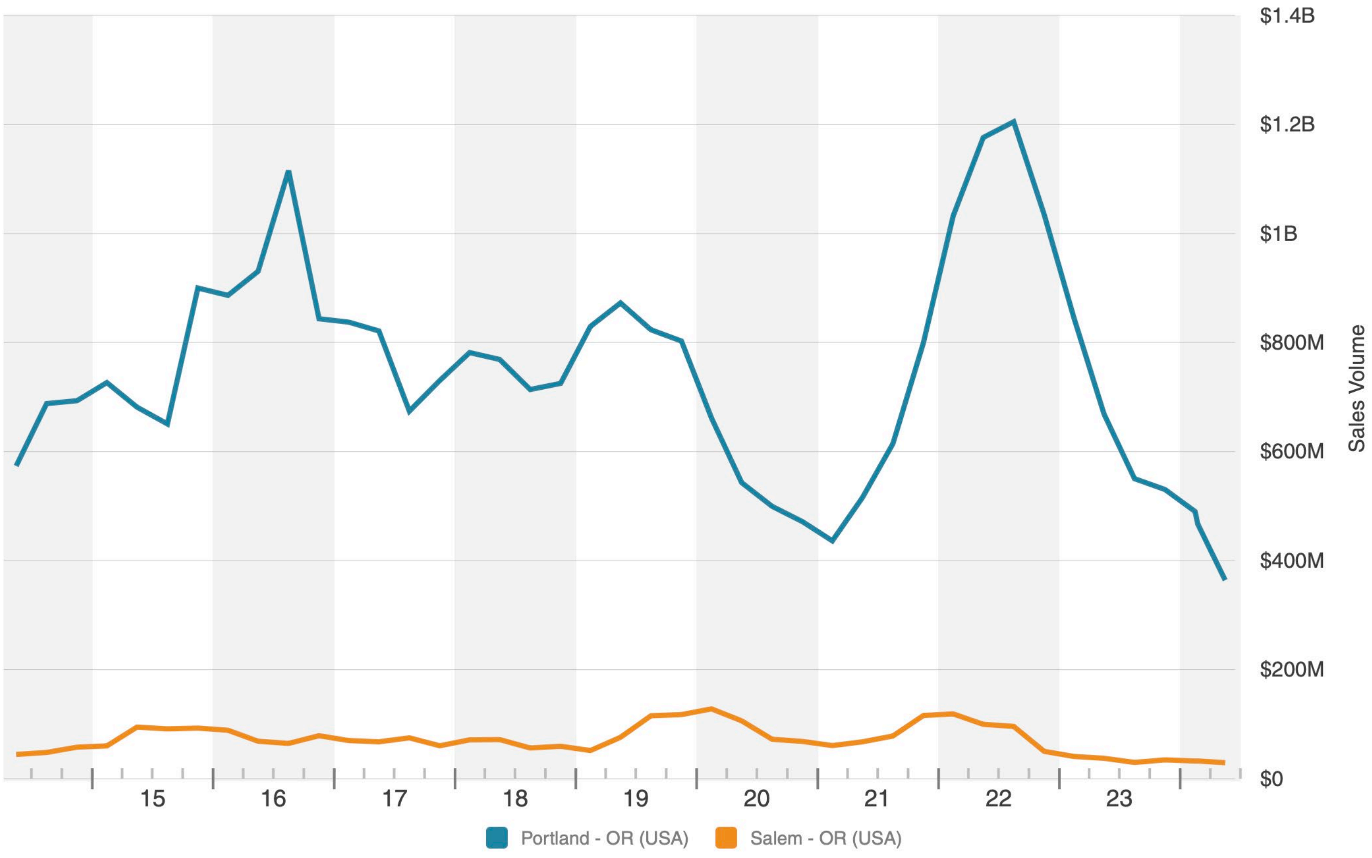


RETAIL SALES PRICES



RETAIL SALES VOLUME



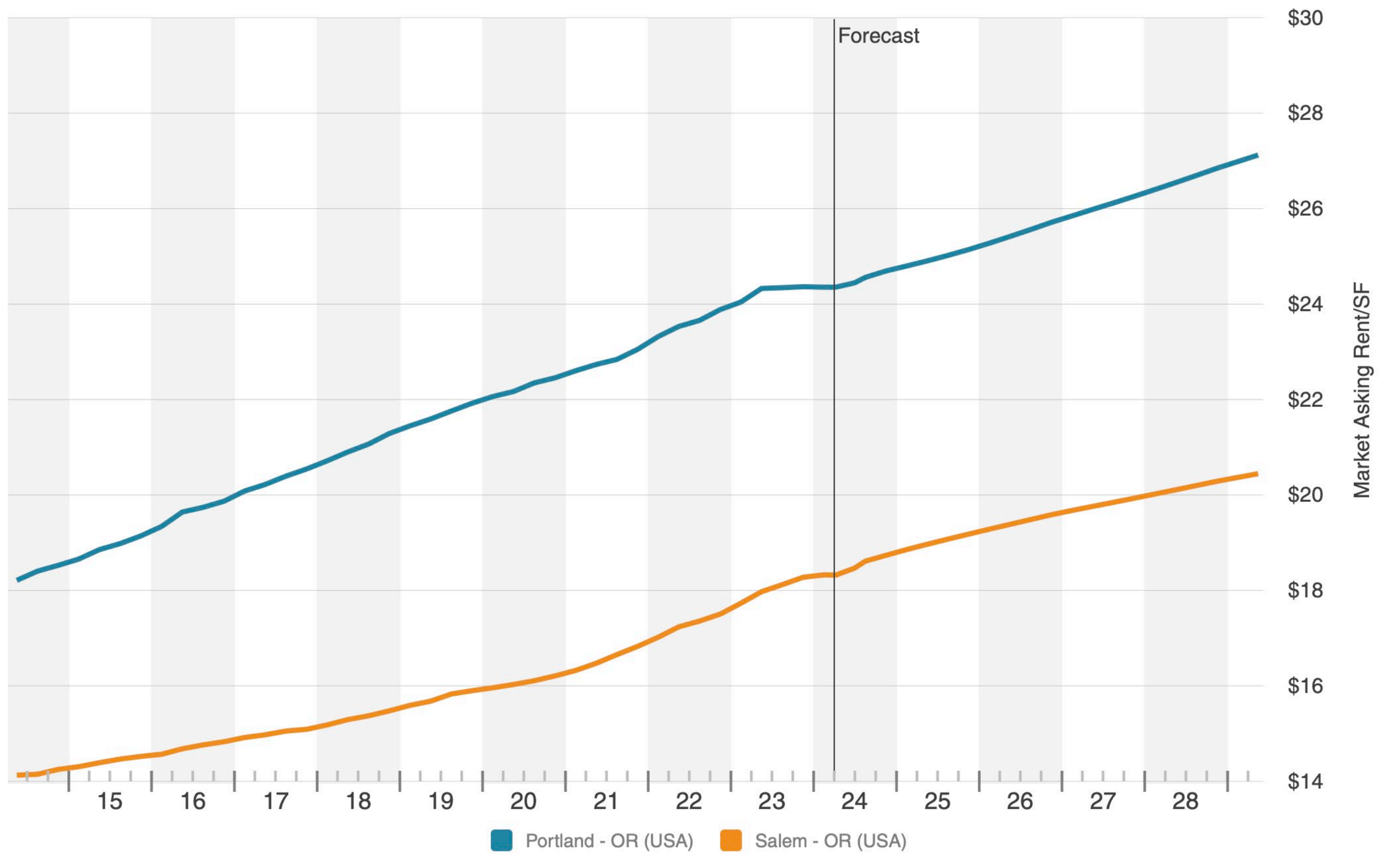


RETAIL LEASING RATES

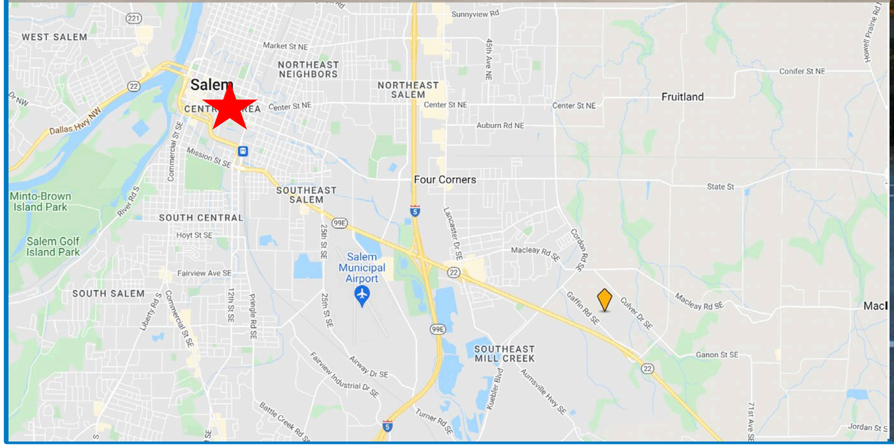
RETAIL

$18.32/SF

Portland: $24.35/SF



SALEM RETAIL SALES COMPS & DEV.



SALES COMP

Liberty Plaza

285 Liberty St.

Building Size:	78,618 SF
Sold:	Aug '23
Sales Price:	$5m ($63.6/SF)
On Market:	275 Days
Leased:	1.9%
Sales Type:	Investment

SALEM OVERALL

Industrial

- Absorption and vacancy numbers show that the industrial market is still strong.
- Sales are 10% of what they were.
- Owners are not motivated to sell, or don’t see a reason to.

Office

- Most office space is utilized by the state and other government facilities; thus, they make up the bulk of transactions with them setting the market and giving it a floor. In Salem it’s a very stable asset.

Retail

- Tight retail market because of lack of development.

Nutshell

- Overall Salem is still a very healthy market, industrial demand, a healthy (relative) office market, and strong retail

SALEM