

1308 Industrial Loop

1308 Industrial Loop, Hood River, OR 97031



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SECTION 1

Executive Summary

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HOOD RIVER BUSINESS DISTRICT MAP

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LOCAL MAP

Marcus & Millichap

OFFERING SUMMARY

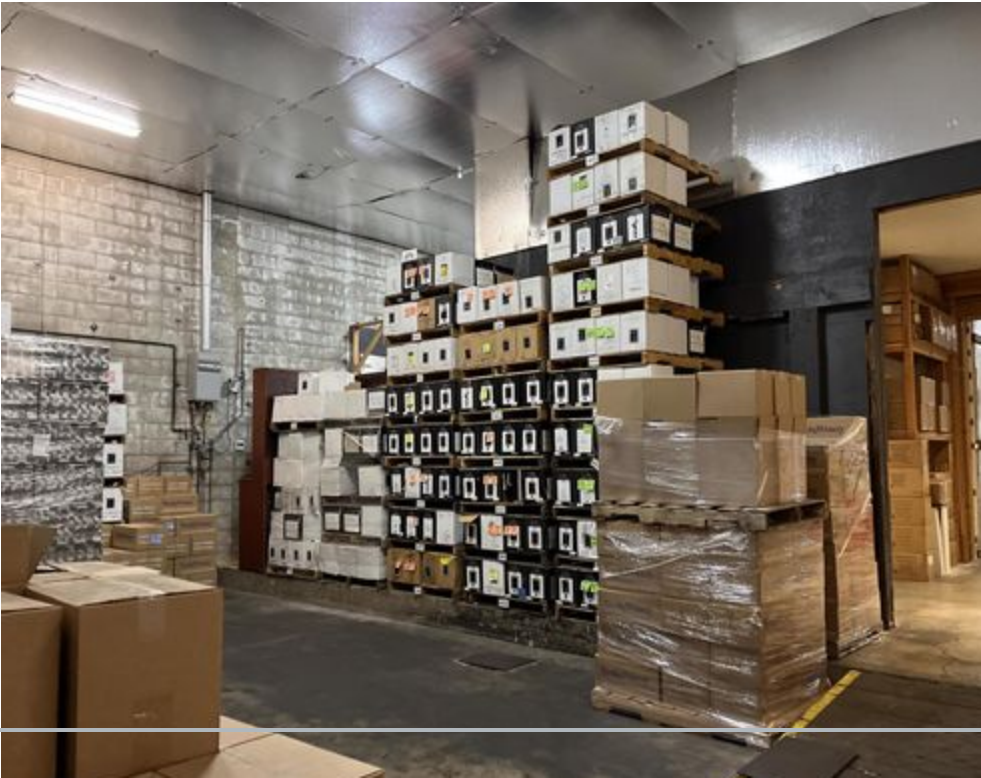
		
Listing Price	Cap Rate	Price/SF
\$1,550,000	4.12%	\$278

FINANCIAL

Listing Price	\$1,550,000
Down Payment	50% / \$775,000
NOI	\$63,850
Cap Rate	4.12%
Price/SF	\$278
Average Rent	\$12.92/SF
Occupancy	100%

PROPERTY

Square Feet	5,574 SF
Lot Size	1.17 Acres (50,965 SF)
Year Built	1975
Zoning	Industrial (I)
Features	16-Foot Clear Height, Dock and Grade-Level Loading





1308 INDUSTRIAL LOOP

1308 Industrial Loop, Hood River, OR 97031

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to exclusively present for sale or lease 1308 Industrial Loop in Hood River, currently the home of Evoke Winery. Well situated in Hood River's Downtown Central Business District (CBD) just one-half mile west of its core retail corridor on Oak Street, this Industrial-zoned property boasts magnificent views of Mount Adams and the Columbia River Gorge. It's ideal for manufacturing and/or production activities and complementary commercial services, such as a tasting room. It's already within a block of established retail/mixed-use developments, including tenants like Crush Cider Café and New York City Sub Shop.

The two-parcel property includes an existing 5,574 square-foot single-story warehouse facility. The main structure has a 1,000 square-foot covered outdoor shipping and receiving platform, dock and grade-level garage doors, large clear-span rooms with 16-foot ceiling heights, and is well insulated. Large semi and tractor-trailers can easily access the property, circle the structure, and maneuver for loading-dock shipping and receiving. There are multiple quick-access options to Highway 30, Highway 35, and Interstate-84.

The oversized 1.17-acre (50,965 square-foot) lot provides attractive expansion and/or development opportunities. Industrial-zoned land is extremely limited in the Hood River area, especially in such close proximity to Downtown and Interstate-84, making this an ideal opportunity to secure 1.17 acres with development potential. Other mixed-use developments on Wasco/Industrial Loop have been extremely successful and remain in high demand by tenants. Proposed development options have ranged from 8,000 to 30,000 square-feet of new construction.

INVESTMENT HIGHLIGHTS

- Offered For Sale or Lease - 5,574 SF Warehouse, 6,794 SF Including Covered-Loading Platform
- Ideal for Value-Added Investors, Developers, and/or Owner-Users
- 4.13% Current In-Place CAP Rate
- Covered-Land Play on Over-Sized Developable Lot - Two Parcel 1.17 Acre Lot (50,965 SF)
- 10-Year Lease with Evoke Winery with 5 Years Remaining
- Industrial Zoned (I) Downtown/Central Business District (CBD) Location
- Incredible Mount Adams and Columbia River Views Perfect for Tasting Room

1308 Industrial Loop // FINANCIAL DETAILS

PRICING DETAILS

SUMMARY	
Price	\$1,550,000
Down Payment	\$782,750
Down Payment %	51%
Number of Suites	1
Price Per SqFt	\$278.08
Rentable Built Area (RBA)	5,574 SF
Lot Size	1.17 Acres
Year Built/Renovated	1975
Occupancy	100.00%

RETURNS	FY(Jun) 2022	FY(Jun) 2023
CAP Rate	4.12%	4.11%
Cash-on-Cash	1.55%	1.53%
Debt Coverage Ratio	1.24	1.23

Financing	1st Loan
Loan Amount	\$775,000
Loan Type	New
Interest Rate	4.50%
Amortization	25 Years
Year Due	2027

Loan information is subject to change. Contact your Marcus & Millichap Capital Corporation representative.

OPERATING DATA				
INCOME		FY(Jun) 2022		FY(Jun) 2023
Scheduled Base Rental Income		\$72,000		\$72,000
Potential Gross Revenue		\$72,000		\$72,000
Effective Gross Revenue		\$72,000		\$72,000
Less: Operating Expenses	11.3%	(\$8,150)	11.5%	(\$8,305)
Net Operating Income		\$63,850		\$63,696
Cash Flow		\$63,850		\$63,696
Debt Service		(\$51,692)		(\$51,692)
Net Cash Flow After Debt Service	1.55%	\$12,158	1.53%	\$12,003
Principal Reduction		\$17,169		\$17,957
Total Return	3.75%	\$29,326	3.83%	\$29,960

Operating Expenses		FY(Jun) 2022	FY(Jun) 2023
Insurance		\$3,000	\$3,000
Real Estate Taxes		\$5,150	\$5,305
Total Expenses		\$8,150	\$8,305
Expenses/Suite		\$8,150	\$8,305
Expenses/SF		\$1.46	\$1.49

TENANT PROFILE // 1308 Industrial Loop



ABOUT EVOKE WINERY

Evoke Winery changed their name from Naked Winery in 2021 so as not to be confused with online retailer NakedWines.com. The winery has been a staple in Hood River since 2005 and maintains the same owners and operations under the new name. The name stems from the owner's belief that great wine has the power to evoke stories, laughter and good old fashioned conversation and that the best part of life is the stories we collect and share along the way. Evoke Winery operates tasting rooms in Seaside, Bend, Hood River in Oregon and a location at the waterfront in Vancouver, Washington.

TENANT OVERVIEW

Company:	Evoke Winery (formerly Naked Winery)
Founded:	2005
Locations:	4 Tasting Rooms
Lease Rate:	\$6,000/month Modified Gross
Lease Start:	October 1, 2017
Lease End:	September 30, 2027
Headquarters:	Hood River, OR
Website:	evokewinery.com

TENANT HIGHLIGHTS

- 10-Year Single-Tenant Lease with Evoke Winery
- 5 Years Remaining Term on Existing Lease
- Lessee Pays All Utilities, Services, and Building/HVAC Maintenance
- Lessor Pays Property Tax (\$5,000/year) and Insurance (\$3,000/year)

Subject Property: 1308 Industrial Street, Hood River

2-Parcel
1.17 Acres
50,965 SF
Industrial Zoned
55' Turning Radius
Rentable 5,574 SF
Covered 6,794 SF
Dock-Level Loading

Industrial St

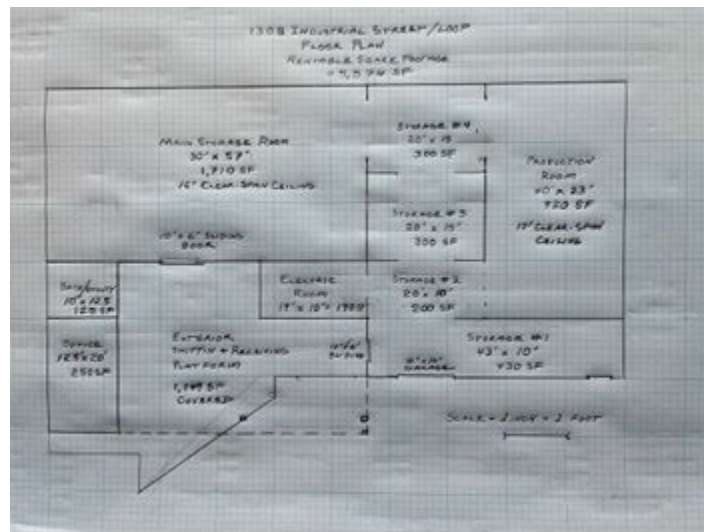
Wasco
.59 ac

ZONING INFORMATION // 1308 Industrial Loop

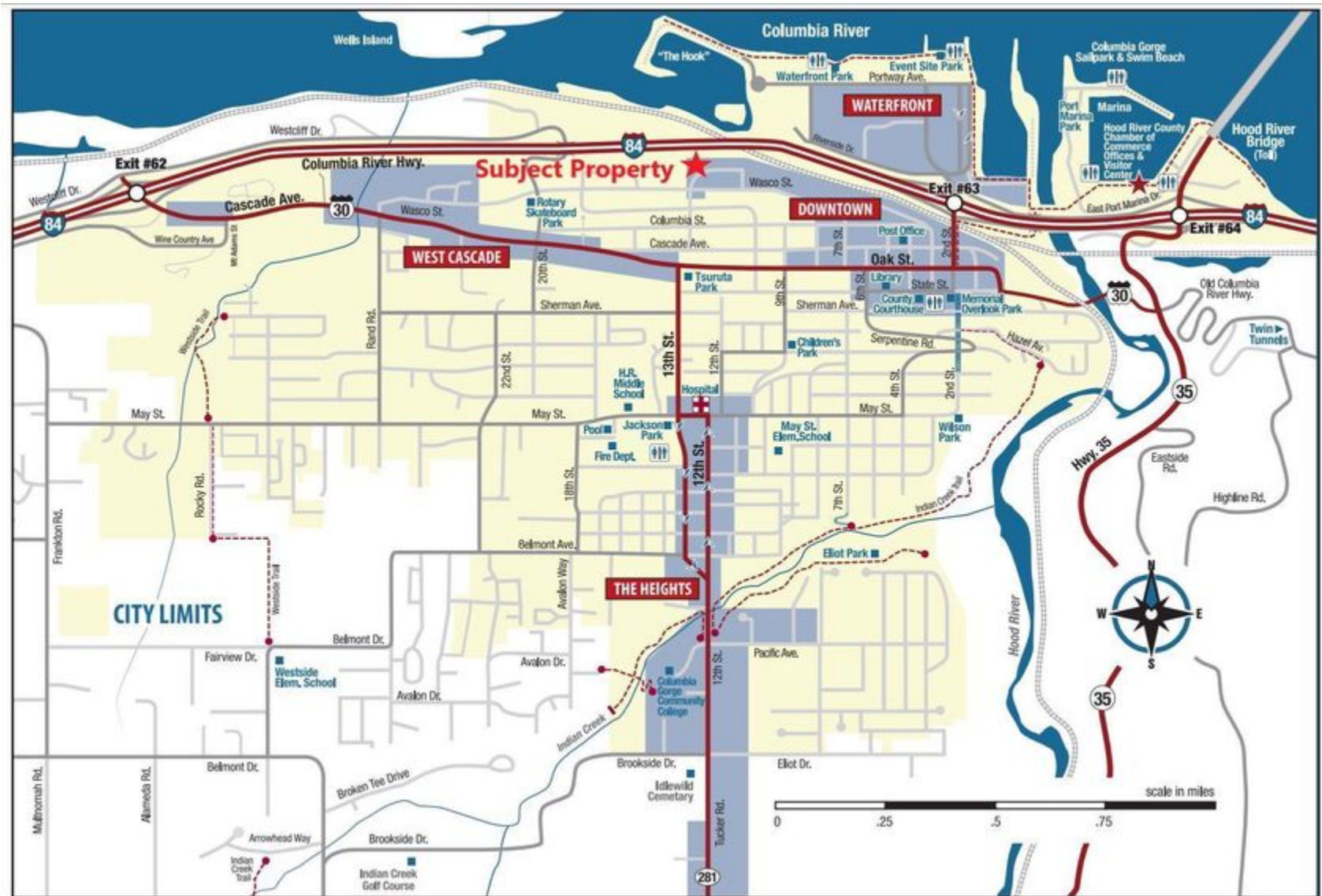


DEVELOPMENT STANDARDS & REQUIREMENTS

- Industrial Zoned (I)
- Permitted Uses Include Industrial Activities, and Commercial Use if Incidental and Essential to Industrial Use in Area
- Max Building Height of 45 Feet
- Setback Requirement of 20 Feet from Dedicated Public Streets
- Parking Requirement is One Off-Street Space per Employee, Plus Adequate Off-Street Parking for Clientele
- CBD Shared Parking and Fee In-Lieu Option



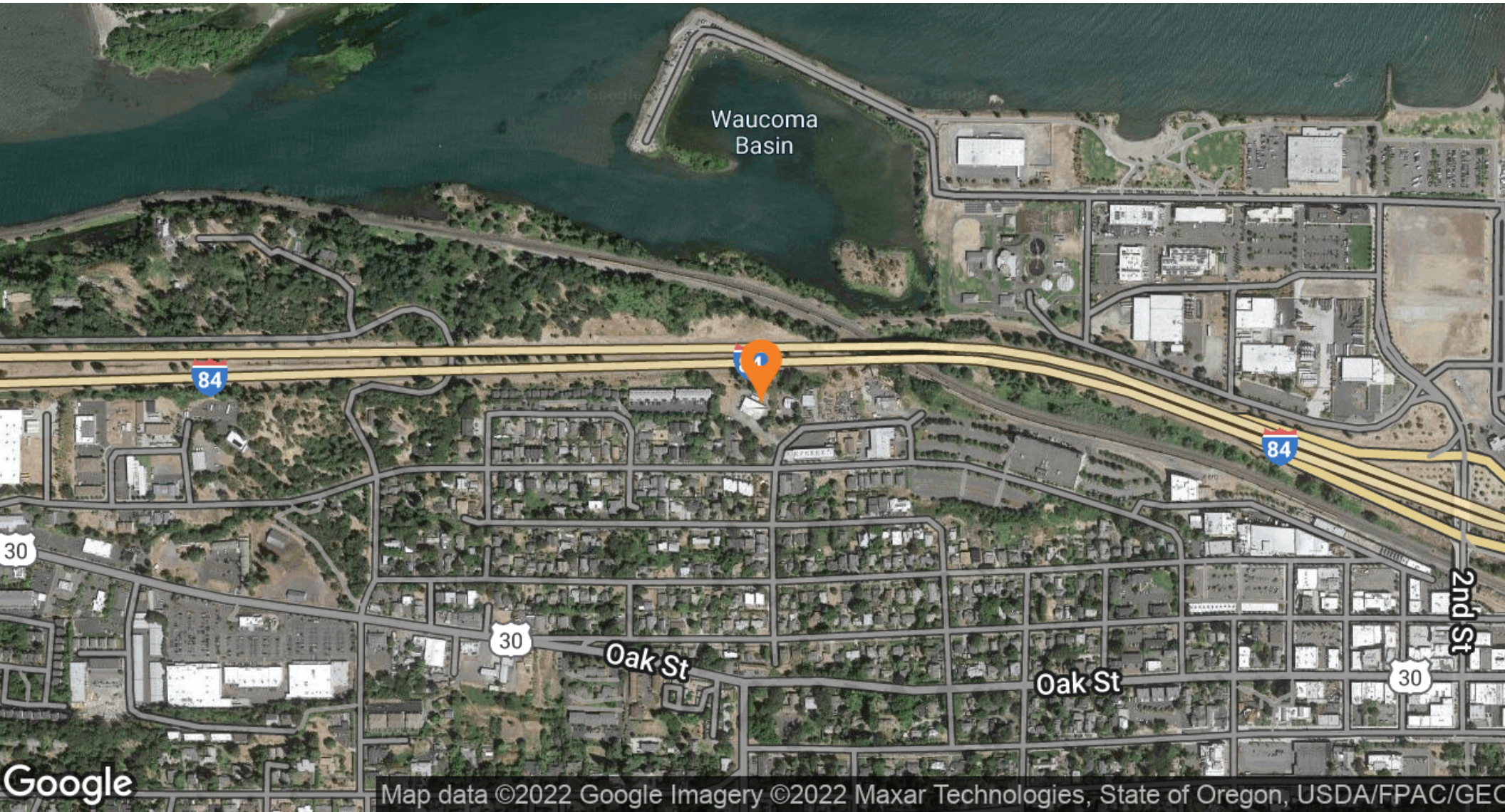
1308 Industrial Loop // HOOD RIVER BUSINESS DISTRICT MAP



AERIAL MAP // 1308 Industrial Loop



1308 Industrial Loop // LOCAL MAP



SECTION 2

Market Overview

MARKET OVERVIEW

DEMOGRAPHICS

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1308 Industrial Loop // MARKET OVERVIEW

Nestled in the Columbia River Gorge National Scenic Area, at the foothills of the spectacular Mount Hood and Cascade Mountains at the confluence of the Columbia and Hood Rivers, Hood River is considered a “sports mecca” and the number four small city for Art Vibrancy by the New York Times and National Center for Arts. The city is about 30 miles north of Mount Hood, the tallest peak in the state, and 60 miles east of Portland, Oregon. Although Hood River is considered a small city, the Gorge and its top tourist attraction, Multnomah Falls, reports more than two million visitors annually. The area offers world-class windsurfing, kitesurfing, kayaking, stand-up-paddle boarding, skiing and mountain biking.

Originally settled as an agriculture and wildlife center in the Pacific Northwest with prominent fishing, fur trading and logging, in recent years,

Hood River has become better known for its tourism, apple, pear, and cherry orchards, highly regarded craft-beer, cider and wine industries, and aviation technologies. Major employers include Insitu Aerospace, Hood Technologies, The Fruit Company, Pfriem, Double Mountain, Full Sail, Encore Consumer Capital, Tofurky/Turtle Island Foods, Hood River Distillers, and Providence Healthcare System in addition to dozens of wineries, breweries, and government agencies. The Hood River metropolitan area’s population is estimated to be 23,838 in the 2021 Census, with 8,751 households with average income of \$92,906 per household. The demographics are quickly changing, with average household income is projected to be \$99,780 by 2026, with an additional 1,000 households. With limited land available, infill development properties are in high demand.



DEMOGRAPHICS // 1308 Industrial Loop

POPULATION	1 Mile	5 Miles	10 Miles
2026 Projection			
Total Population	5,201	22,099	30,878
2021 Estimate			
Total Population	5,065	21,117	29,519
2010 Census			
Total Population	4,892	19,421	27,181
2000 Census			
Total Population	4,532	17,528	24,305
Daytime Population			
2021 Estimate	7,955	22,973	30,989
HOUSEHOLDS	1 Mile	5 Miles	10 Miles
2026 Projection			
Total Households	2,161	8,788	11,877
2021 Estimate			
Total Households	2,094	8,350	11,299
Average (Mean) Household Size	2.4	2.5	2.6
2010 Census			
Total Households	2,011	7,664	10,385
2000 Census			
Total Households	1,910	6,737	9,084

HOUSEHOLDS BY INCOME	1 Mile	5 Miles	10 Miles
2021 Estimate			
\$200,000 or More	8.9%	7.2%	6.3%
\$150,000-\$199,999	6.7%	5.5%	5.7%
\$100,000-\$149,999	14.9%	16.8%	16.9%
\$75,000-\$99,999	19.5%	17.2%	17.0%
\$50,000-\$74,999	15.7%	18.9%	19.3%
\$35,000-\$49,999	11.4%	11.3%	12.1%
\$25,000-\$34,999	7.5%	8.0%	8.5%
\$15,000-\$24,999	7.8%	8.0%	7.4%
Under \$15,000	7.6%	7.3%	6.8%
Average Household Income	\$94,739	\$92,337	\$89,976
Median Household Income	\$75,006	\$70,477	\$69,528
Per Capita Income	\$39,303	\$36,695	\$34,697
POPULATION PROFILE	1 Mile	5 Miles	10 Miles
Population By Age			
2021 Estimate Total Population	5,065	21,117	29,519
Under 20	26.1%	24.6%	24.9%
20 to 34 Years	19.8%	16.6%	17.1%
35 to 39 Years	8.2%	6.9%	6.8%
40 to 49 Years	14.5%	13.5%	13.3%
50 to 64 Years	17.9%	20.3%	20.3%
Age 65+	13.5%	18.1%	17.7%
Median Age	37.5	41.3	40.9
Population 25+ by Education Level			
2021 Estimate Population Age 25+	3,479	14,921	20,696
Elementary (0-8)	6.6%	6.3%	8.4%
Some High School (9-11)	4.6%	5.2%	5.7%
High School Graduate (12)	21.0%	24.9%	25.1%
Some College (13-15)	20.8%	21.4%	21.3%
Associate Degree Only	6.3%	7.0%	7.0%
Bachelor's Degree Only	22.5%	20.6%	19.3%
Graduate Degree	18.3%	14.5%	13.2%
Travel Time to Work			
Average Travel Time to Work in Minutes	20.0	19.0	20.0



POPULATION

In 2021, the population in your selected geography is 29,519. The population has changed by 21.5 percent since 2000. It is estimated that the population in your area will be 30,878 five years from now, which represents a change of 4.6 percent from the current year. The current population is 49.8 percent male and 50.2 percent female. The median age of the population in your area is 40.9, compared with the U.S. average, which is 38.4. The population density in your area is 94 people per square mile.



HOUSEHOLDS

There are currently 11,299 households in your selected geography. The number of households has changed by 24.4 percent since 2000. It is estimated that the number of households in your area will be 11,877 five years from now, which represents a change of 5.1 percent from the current year. The average household size in your area is 2.6 people.



INCOME

In 2021, the median household income for your selected geography is \$69,528, compared with the U.S. average, which is currently \$65,694. The median household income for your area has changed by 81.7 percent since 2000. It is estimated that the median household income in your area will be \$72,928 five years from now, which represents a change of 4.9 percent from the current year.

The current year per capita income in your area is \$34,697, compared with the U.S. average, which is \$36,445. The current year's average household income in your area is \$89,976, compared with the U.S. average, which is \$94,822.



EMPLOYMENT

In 2021, 18,094 people in your selected area were employed. The 2000 Census revealed that 52.5 percent of employees are in white-collar occupations in this geography, and 47.5 percent are in blue-collar occupations. In 2021, unemployment in this area was 6.0 percent. In 2000, the average time traveled to work was 14.3 minutes.



HOUSING

The median housing value in your area was \$370,439 in 2021, compared with the U.S. median of \$227,827. In 2000, there were 5,946 owner-occupied housing units and 3,137 renter-occupied housing units in your area. The median rent at the time was \$460.



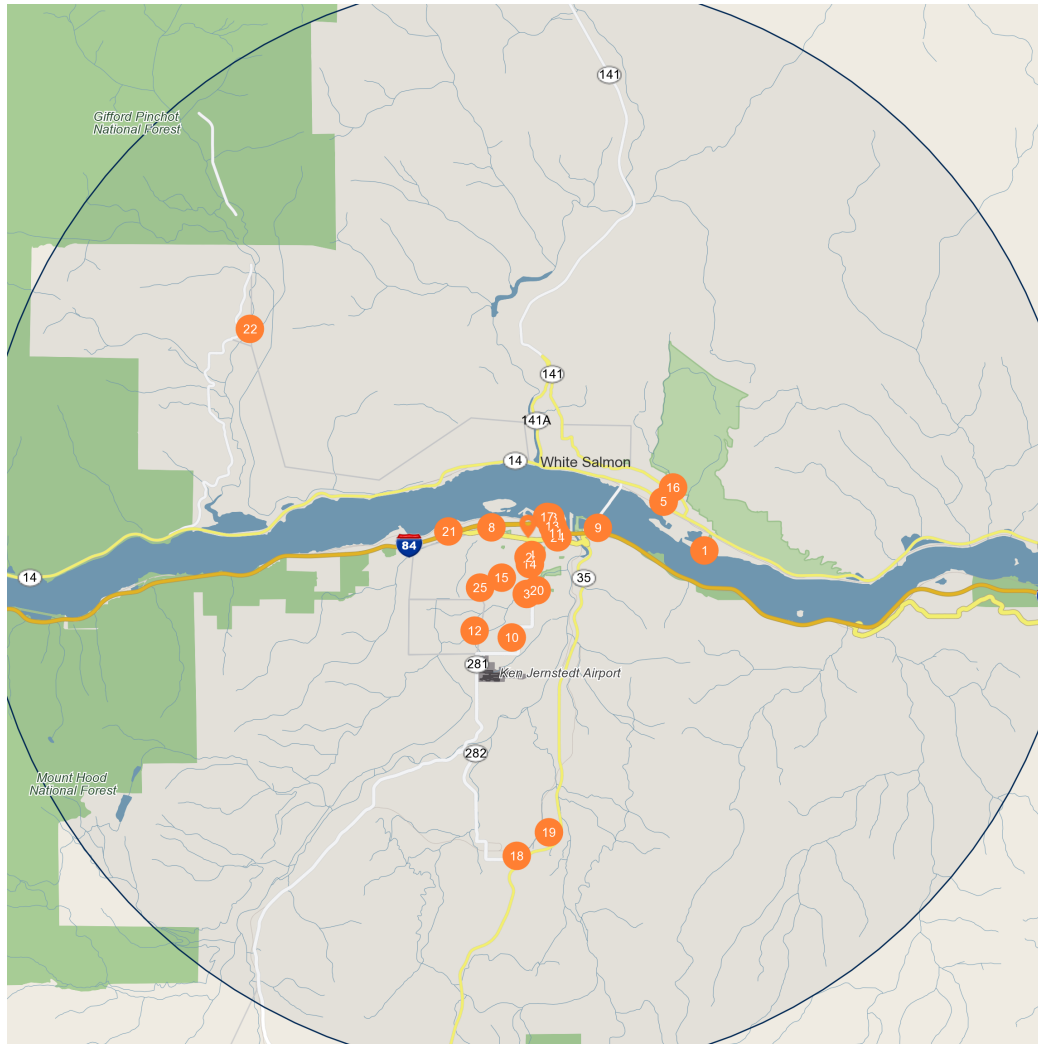
EDUCATION

The selected area in 2021 had a lower level of educational attainment when compared with the U.S. averages. 13.2 percent of the selected area's residents had earned a graduate degree compared with the national average of only 12.0 percent, and 19.3 percent completed a bachelor's degree, compared with the national average of 19.5 percent.

The number of area residents with an associate degree was lower than the nation's at 7.0 percent vs. 8.3 percent, respectively.

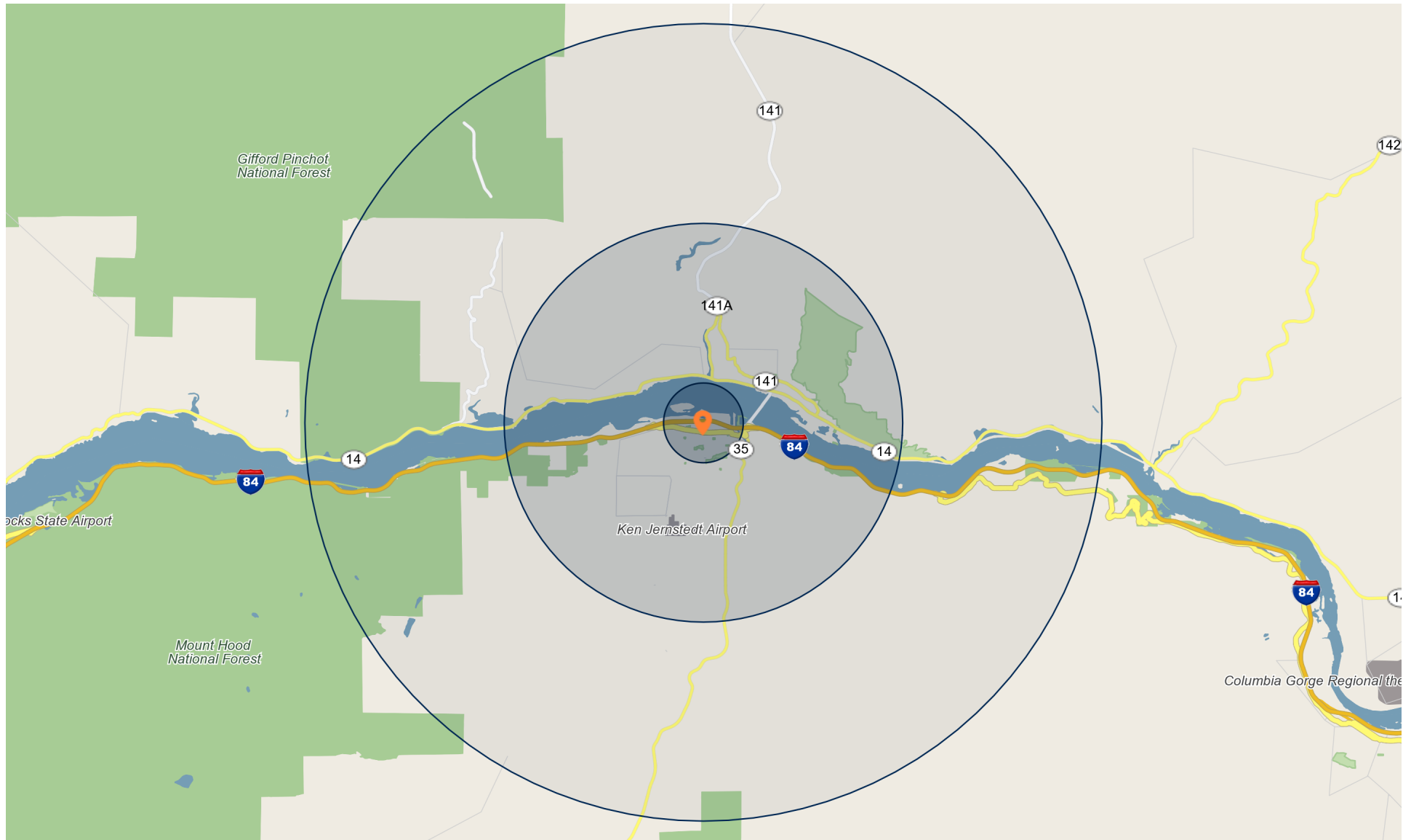
The area had fewer high-school graduates, 25.1 percent vs. 27.2 percent for the nation, but the percentage of residents who completed some college is higher than the average for the nation, at 21.3 percent in the selected area compared with the 20.5 percent in the U.S.

DEMOGRAPHICS // 1308 Industrial Loop



Major Employers		Employees
1	Insitu Inc	1,200
2	Providence Health & Svcs - Ore-Providence Hood River Mem Hosp	360
3	Providence Health & Svcs - Ore	360
4	Providence Hood River Mem Hosp	300
5	Underwood Fruit & Whse Co LLC-Mt Adams	300
6	SDS Lumber Co	250
7	Waquis Inc	200
8	Walmart Inc-Walmart	180
9	Columbia Room Inc-Best Wstn Plus Hood River Inn	170
10	Frito-Lay North America Inc-Frito-Lay	164
11	Full Sail Brewing Inc	150
12	Hood River County School Dst-Hood River Valley High School	140
13	Hood River Juice Company Inc-Ryans Juice	140
14	Opportunity Connections Inc	132
15	Hood River Care Center	130
16	Klickitat Cnty Pub Hosp Dst 2-Skyline Hospital	129
17	Pfriem Brewing Co LLC	122
18	Stadelman Fruit LLC	120
19	Cardinal Glass Industries Inc	116
20	Rosauers Supermarkets Inc-Rosauers Supermarket 16	100
21	Columbia Gorge Hospitality Co-Columbia Gorge Hotel	100
22	Geological Survey US Dept-Columbia River Research Lab	100
23	Dakine Inc	85
24	Crazy Pepper Cantina	75
25	Hood River County School Dst-Westside Elementary School	73

1308 Industrial Loop // DEMOGRAPHICS



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