

HAWTHORN BUSINESS PARK

5289 - 5295 NE ELAM YOUNG PARKWAY, HILLSBORO, OR

A QUALITY PROJECT BY



Ownership Highlights:

- Benefit from appreciation of property values.
- Benefit from principal payments included in your loan payments.
- Benefit from tax deductions for depreciation and loan interest payments.
- Benefit from fixed occupancy costs (no increases in lease rates).

Lease Vs. Own Comparison Example

Ownership Scenario		Lease Scenario	
Assumptions		Assumptions	
Unit Size (SF)	2,000	Unit Size (SF)	2,000
Purchase Price	\$240,000	Monthly NNN Lease Rate/SF	\$0.63

Annual Costs		Annual Costs	
Mortgage Payment	\$17,481	Lease Payment (Avg over term of lease)	\$16,556
Operating Costs	\$4,300	Operating Costs	\$4,704
<i>Total Annual Costs</i>	<i>\$21,781</i>	<i>Total Annual Costs</i>	<i>\$21,260</i>

Average Annual Benefits (Initial 10 years)		Average Annual Benefits (Initial 10 years)	
Depreciation - After Tax	\$2,376	Lease Deduction (Average) - After Tax	\$7,285
Operating Costs Deduction - After Tax	\$1,892	Operating Costs Deduction - After Tax	\$2,070
Interest Deduction (Average) - After Tax	\$5,248		
Annual Appreciation (Average)	\$5,532		
Annual Principal Reduction (Average)	\$5,555		
<i>Total Annual Benefits</i>	<i>\$20,602</i>	<i>Total Annual Benefits</i>	<i>\$9,354</i>

<i>Net Annual Cost (Benefit) of Occupancy</i>	<i>\$1,179</i>	<i>Net Cost (Benefit) of Occupancy</i>	<i>\$11,906</i>
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Ownership provides a \$10,727 annual advantage when compared to leasing.

The information on this chart is not a commitment to lend. These are estimates based on basic information provided and may change. Please consult your tax advisor. **Rates subject to change.



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1675 SW MARLOW AVE., STE 304, PORTLAND, OR 97225

TO LEARN MORE OR SCHEDULE A TOUR CONTACT:

CINDY BROWN, SIOR MANAGING PRINCIPAL BROKER

JULIE MYLES, PRINCIPAL BROKER

[503] 452 4000 | WWW.HAWTHORNBUSINESSPARK.COM