



Letter From the President

Small Businesses: The Backbone of Portland's Marketplace

Every market cycle has incredible opportunities for entrepreneurs and small business owners who use their creative skills and passion to position themselves for success. It starts with understanding your customer's wants and needs. Secondly, taking those criteria and matching them with the specific demographics and most desirable products. Finally, crafting your business offerings in direct correlation to the consumer's lifestyle.

We at North Rim understand that success in business begins with a holistic approach to selecting great neighborhoods, healthy buildings, strong demographics and a commitment to creative marketing strategies.

Portland's close-in core neighborhoods are primed for the small business to create enduring success. The past few years have seen an incredible influx of people moving closer to the city center seeking a lifestyle change. This trend is predicted to continue for years to come and proves to be the essence of establishing a successful business to meet today's demands.

We are committed to researching and studying these niche markets and selecting sites that will foster a spirit of community through the businesses that are drawn to properties for their desirable demographic profile and visibility. We have made a commitment to providing healthy green building options for the small business owner, as well as assisting in setting up long-term marketing strategies to consistently drive customers to their locations.

Current market conditions have created a once in a lifetime opportunity for business owners to grow and prosper by establishing healthy relationships with the local consumers by providing goods and services close by. One of the biggest challenges for the small business is to find financing for their endeavors and we have been successful in bringing many different options to the table.

North Rim sets itself apart by providing excellent opportunities in our projects as well as those of others. We have the expertise and access to updated market information, rate comparisons, demographics, lease

negotiations, financing options and constructions services to get your business up and running quickly and efficiently. To learn more about how we can help you create long term success within the challenges of today's market, call our office today at 503.525.1925.

RECENT SALES COMPARABLES



RETAIL

\$1,050,000

3450 SE Belmont, Portland, OR

3,885 sf Retail Condo



OFFICE

\$2,300,000

5441 SW Macadam, Portland, OR

12,471 sf



INDUSTRIAL

\$2,700,000

5821 NE 87th, Portland, OR

40,000 sf

**For Additional Sales Comparables
CALL US TODAY 503-525-1925**



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*We Bring the Resources & Expertise
to Increase Your Wealth. Call Us Today.*

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Vice President

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The Road to Where We Are Today

The news from the lending community has reflected a downturn for our housing market and the financial health of our country. The question is, what happened?

The story can be traced back to the beginning of mortgage lending by lending companies. We had fixed-rate products that gave borrowers a fixed payment for the life of the loan. Loans were reviewed and approved by an individual called an underwriter.

Foreclosure statistics were generally within an acceptable range and were only high in areas of the country where there were challenged financial markets. These localized problems caused large segments of the workforce in affected markets to relocate where there were available jobs. Housing demand decreased and people were forced to move and leave their homes to the bank.

It became common for funded loans to be sold to Fannie Mae or Freddie Mac. This practice served to bring additional funding dollars into an area where housing demand was high and outpaced the deposit base of local lenders.

Then credit scoring was created, and the underwriter no longer made the decisions regarding credit. Loan programs used the credit score as the criteria by which credit was analyzed and deemed acceptable or unacceptable.

Next came automated underwriting systems, which were just as rigid as credit scores, but much more liberal in approvals. Originators were told if the AUS system says "okay", then the loan is approved.

At the same time all of this was taking place, the subprime market formed to fund loans the AUS system refused. Loans were then graded by various rules, including credit scores as a basis for pricing and approving loans.

Five years ago, an economic stimulus was introduced to fuel a raging purchase and refinance climate, with the lowest rates any of us had experienced. Because rates were low, demand was high. Everyone who had a rater higher than 6 percent refinanced in order to get fixed rates in the 4 to 6 percent range depending when they took the new loan. Lenders were forced to replace investments that boasted higher returns with investments of much lower yield. Lenders were going to have to remain solvent on a much lower margin of return.

Today, we have huge percentages of loans failing. National laws have been created to require all origination staff to receive formal education. A national licensing body is in place to license, set standards and mandate education for all. If these measures succeed, there is a light at the end of the tunnel.

Excerpted from "The Road to Where We Are Today" by Linda Moore MacCoy published by Principal Broker, 2009.

For a copy of the full article call 503.525.1925
or e-mail amy@northrimpdx.com.



GO GREEN!

Get this newsletter e-mailed to you by sending an e-mail to amy@northrimpdx.com.



A Welcome to Our 5 New Tenants!

Visit our friends at the K2 Building in the Historic Hollywood District on NE Sandy and 42nd

Aliviar - *Now Open!* Coffee Shoppe
K2 Building | 1717 NE 42nd Ave, Portland

Wild Tiger - *Thai Restaurant*
Opening Spring 2009
K2 Building | 4152 NE Sandy, Portland

Residential Security Patrol - *Security Co.*
K2 Building | 4152 NE Sandy, #2102, Portland

Valerie Tobin - *Child Psychotherapist*
K2 Building | 4152 NE Sandy, #2103, Portland

IsOutSource.com - *IT Company*
K2 Building | 4152 NE Sandy, #2104 Portland

Locate Your Business Successfully Here Today!

There are only a few spaces left.
Call Matt Now! 503.525.1925

503.525.1925

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