

OFFERING MEMORANDUM

— FOR SALE —



TWO-UNIT OWNER-USER OR INVESTMENT IN MEDFORD, OR

1036 W 12th St, Medford, OR, 97501

www.Merit-Commercial.com / (541) 608-6704

Scott King
Principal Broker



Caspian Hoehne
Licensed Broker

Executive Summary

Merit Commercial Real Estate is pleased to exclusively present for sale **1036 West 12th Street**, a clean and well located duplex in beautiful Medford, Oregon (the "Property").

Located in a pleasant pocket of West Medford, the Property presents the unique opportunity of two separate homes on one parcel without shared walls. West 12th Street is a peaceful and established neighborhood in West Medford with old-growth tree-lined sidewalks and a mix of rentals and owner-occupied homes.

Built in 1979 and 1942 (Units A and B, respectively), the units are both 2-bedroom / 1-bathroom layouts with efficient floorplans.

Unit A (front house) has recently been fully remodeled, and enjoys a full new kitchen, lighting, flooring, finishes and much more. Unit A also enjoys dedicated access to the detached garage and the concrete driveway accessed off of West 12th.

Unit B is a clean, tenant-occupied standalone house to the rear of the property. The interior is light and bright, with an efficient layout and clean and modern finishes. Unit B's main access is via the rear alleyway, and enjoys a concrete driveway and large private fenced yard.

Overall, the property provides an exceptional opportunity, especially for an owner-occupant looking to enjoy additional income and possibly subsidize your mortgage payment. Investors are encouraged to consider the Property, as the strong in-place rent from the rear house and the fully remodeled "turn-key" front house could provide additional strong income. Contact the listing brokers today for additional information.

Buyer is responsible for any and all due diligence, including any and all investigation into splitting the existing tax lot.

Offering Summary

Offering Price:	\$395,000
Current Rent:	\$1,400/Month (front unit vacant)
Address:	1036 W 12th St, Medford, OR, 97501 Jackson County
Legal:	37-2W-25DC TL 2900 APN 10411655
Annual Taxes:	\$2,768.45 (2025)
Zoning:	SFR-10 (Single Family - 10 Units/Acre)
Year Built:	± 1979 / 1942 (Unit "A"/Unit "B")
Gross Acreage:	0.16 ac (6,970 SF)
Square Feet:	±1,632 SF total (per County)
Utilities:	Believed to be all public utilities
Access:	1 right/left driveway off of W 12th St Alleyway access
Unit Mix:	(2) 2-bed/1-bath
Utilities:	Public water, sewer, power
Parking:	(1) detached 1-car garage for Unit A Driveway parking for Unit B off of alley
Construction:	Wood-frame on concrete perimeter
Expense Split:	LL: Water, sewer, garbage Tenants: Unit power, internet

Financial Summary - Rent Roll

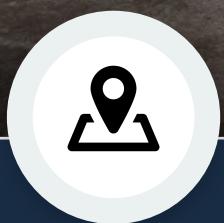
Rent Roll - as of 4Q25

Unit	Unit Type	Rent	Deposit	Lease Start	Lease To
A	2 / 1.00	Vacant	-	-	-
B	2 / 1.00	\$1,400	\$1,550	10/01/2025	MTM
2 Units		\$1,400	\$1,500		

Information obtained from sources deemed reliable but not guaranteed. Subject to Buyer's independent verification. Buyer to complete all due diligence.



Investment Highlights



2 Individual Units on 1 Parcel

The Property presents as an increasingly rare "2 on 1" layout with two homes and no common walls.



Desirable In-Place Vacancy

One unit is currently occupied and will be held vacant until Closing, allowing a Buyer to either move in or lease at market.



Strong Rental Upside

There is proven rent upside, both in the renovated and non-renovated unit.



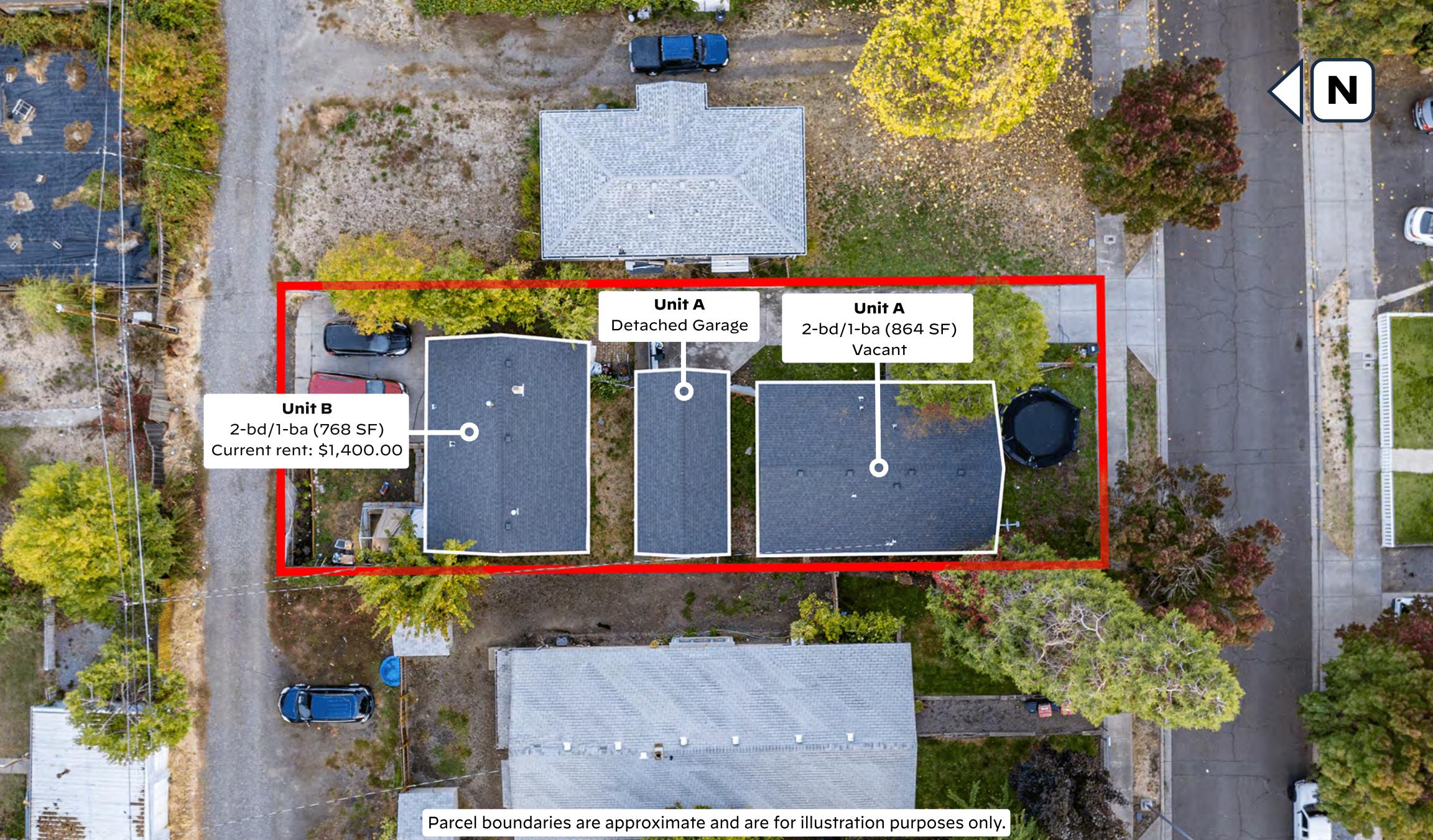
Several Recent Updates

Numerous systems and cosmetic updates are already done, including a new roof, paint, flooring and much more!

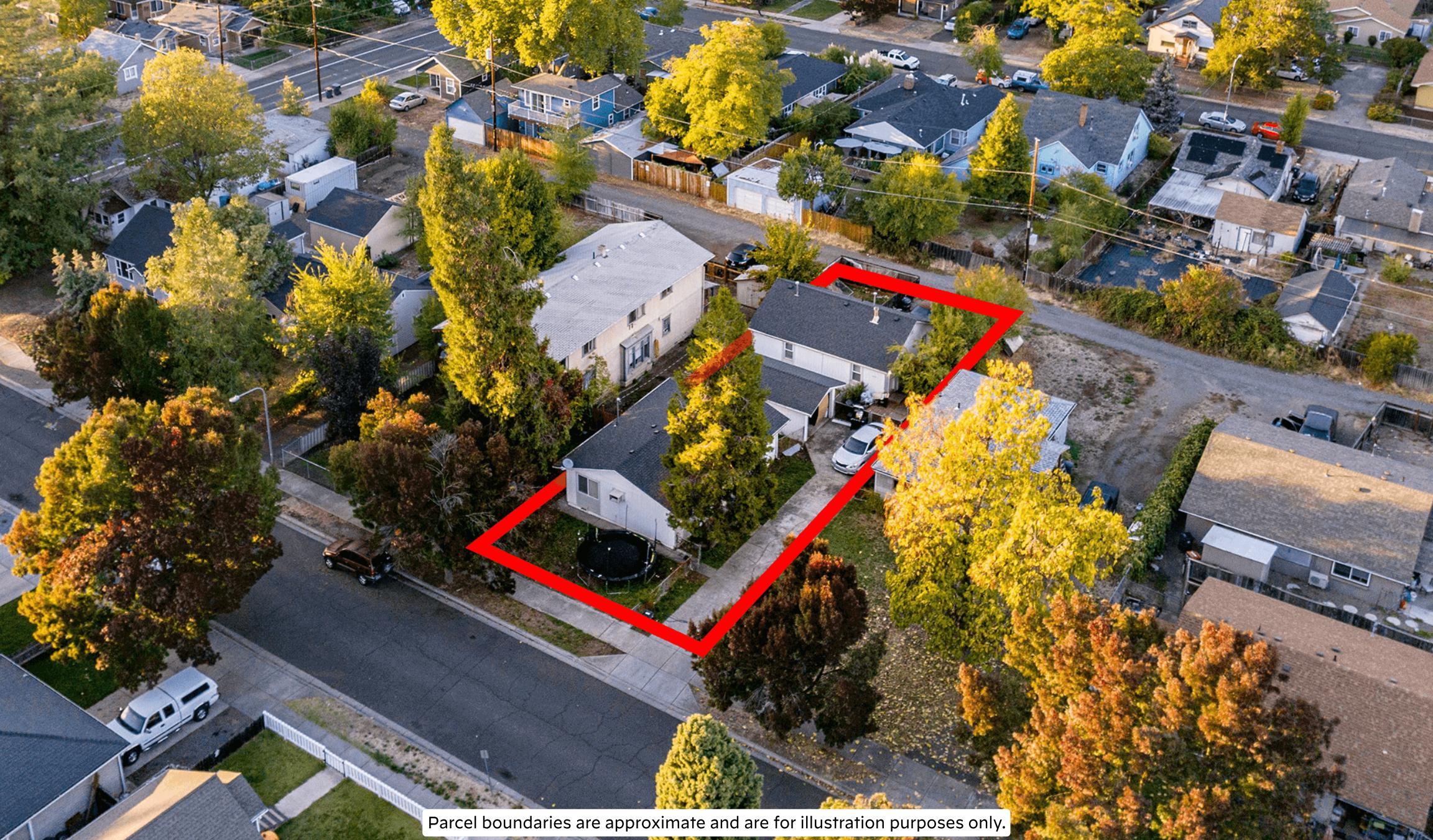


Great Occupancy History

Medford has a low vacancy rate and strong rent growth. The units have stayed leased and have little downtime between tenancy.



Subject Property Aerial



Parcel boundaries are approximate and are for illustration purposes only.

Subject Photo - Exterior



Subject Photos - Exterior (Unit "A")



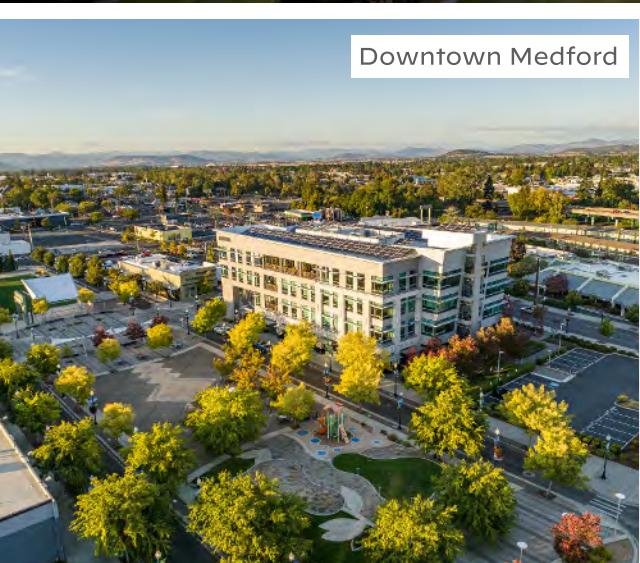
Subject Photos - Interior (Unit "A")



Subject Photos - Interior (Unit "B")



Downtown Medford



Medford, OR History and Profile

Medford, Oregon - Medford is a vibrant city located in Southern Oregon, known for its unique blend of natural beauty, cultural richness, and economic vitality. It serves as the county seat of Jackson County and is the fourth largest metropolitan area in Oregon. The city is renowned for its picturesque landscapes, including the nearby Rogue River and the Siskiyou and Cascade mountain ranges, which offer a plethora of outdoor activities such as fishing, hiking, and rafting.

Economically, Medford has a diverse base, with healthcare, retail, and manufacturing being significant contributors. The city is home to the Rogue Valley Medical Center and Providence Medford Medical Center, which are major employers in the region. The retail sector has performed increasingly well, anchored by the Rogue Valley Mall, the expanding Northgate Center, and the award-winning Medford Center.

The City has a strong sense of community as well as a diverse economy. Within a 15 minute drive, the Rogue Valley International-Medford Airport is the regional air travel hub for all of Southern Oregon, with well over 1M annual travelers. Breathtaking outdoor recreational activities are moments away; Upper and Lower Table Rock, the Rogue River, dozens of lakes, as well as the Crater Lake National Park are all within an easy drive.

Overall, Medford is a city that blends its historical roots with a forward-looking perspective, making it a desirable destination for businesses and residents alike.

Why Southern Oregon?

Southern Oregon, largely encompassing Jackson and Josephine Counties, is a world-class gem hiding in plain sight. Anchored by its mild Mediterranean climate, the area boasts the winning combination of being both strategically located between Portland and San Francisco, and having forward-thinking municipal leadership. This combination drives strong economic growth and has created a long runway for development across all asset classes.

Southern Oregon is a gateway to the entirety of the West Coast, via Interstate 5, North through Eugene, Salem, Portland, and Washington State, and South, through Redding, San Francisco, and down to Los Angeles. The local transportation system connects the most populated cities in the region of Medford, Ashland, and Grants Pass, and has dedicated highways Northeast to Bend and West to the Oregon Coast.

Multiple billion-dollar companies call Southern Oregon home, such as Lithia Motors (NYSE: LAD), Asante Health Systems, Harry & David (NYSE: FLWS), Pacific Retirement Services, and countless small and mid-sized businesses.

Historically, the area's economy was mainly driven by the timber and agricultural industries. In the past few decades, the area has become a healthcare hub, and has a diverse economy supported by the industrial, manufacturing, logistics, retail, senior/retirement living, and finance/professional sectors. Timber and agriculture still play a role, with Timber Products and Roseburg Forest Products' main facilities located nearby.

A burgeoning golf destination, the area has numerous renowned golf courses, and several other famous courses are within a short drive (Bandon Dunes, Pacific Dunes, Pronghorn Resort). Over 8 casinos are within a 6-hour drive, including Seven Feathers, Three Rivers, Elk Valley, and others.





Strategic, Central Location

Southern Oregon is perfectly positioned nearly exactly halfway between Portland and Sacramento. The region's main airport, Rogue Valley International-Medford Airport (MFR) serves as both a high-traffic regional airport with dozens of direct-access and layover routes as well as a bustling private aviation hub. Well over 1m annual travelers come through MFR, with that number growing alongside the addition of several new commuter and travel routes to Portland and Salem, Arizona, California, and many others.

Medford enjoys short, \pm 1 hour flight times to San Francisco (6 hr drive), Portland (4 hr drive), and Seattle (7 hr drive). The local airport recently announced plans in early 2025 to double its size and capacity over the next few years, in order to accommodate the rapid growth of the region.

From a private aviation perspective, MFR is home to 2 Fixed-Base Operators (FBOs) - Million Air and Jet Center MFR. Both are highly-active, highly-rated FBOs serving countless private aircraft owners and military personnel. Million Air prides itself on being the only FBO on the West Coast that can hangar a Boeing business jet.

The airport's low relative parking fees, combined with it's strategic, central location, has proven the region as one of the most prominent private aviation destinations in Oregon for corporations and private individuals alike.

The region's drier, sunnier climate allows for easier air travel for most of the year, compared to the rest of the State. MFR also serves as the region's air-based fire-fighting hub during the summer months.

Overall, the region is a burgeoning aviation destination, with the perfect blend of economical, weather, and geographical tailwinds spurring growth.



Oregon Rent Increases & Regulations

SB 608 & SB 611 Summary

Per SB 608, enacted in February of 2019, the state of Oregon mandates the maximum annual rent increases for applicable multifamily properties. On July 6th, 2023, the State of Oregon passed SB 611, which, effective immediately, caps all future rent increases to a maximum of 10%, or 7% plus the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics, whichever is lower. However, the exact future rent increase maximums are not yet determined, and are typically published in Q4 of the preceding calendar year. The maximum annual rent increase for 2025 is 10.0%. Future rent increase maximums are not yet determined, and are typically published in Q4 of the preceding calendar year.

If a rental housing provider happens to increase the rent above the maximum amount allowed, SB 608 specifies a penalty of 3 months' rent, actual damages sustained by the tenant, and potential attorney fees and legal costs.

The only exemptions to this maximum rent increase limit are:

- Properties with a certificate of occupancy less than 15 years old, or
- Properties providing reduced rent to the tenant as part of any federal, state or local program or subsidy (Section 8 Housing Choice Vouchers not applicable).

Sources: MultiFamily NW, Oregon Dept. of Administrative Services.

Buyer must complete any and all due diligence regarding rent increases and exemptions. All info regarding rent increases is subject to change at any time without notification to buyers or sellers.



Transaction Guidelines

1036 W 12th Street is being offered on the open market. Purchasers should rely on their own assumptions and base their offer on the "As-Is, Where-Is" condition of the property. Merit Commercial Real Estate will be available to assist prospective purchasers with their review of the offering and answer any questions within their scope of practice.

Property Tours: Tours are available by appointment only, and must be completed with the company of a listing broker or other representative. Seller reserves the right to suspend tours at any time without notice. Seller requires at least 24 hour advance notice for any tours.

Offers: There is not currently a definitive date for offers to be submitted. When a prospective buyer prepares an offer for any portion of the Site, such offers should, at a minimum, include the following:

- Purchase price
- Verifiable proof of funds
- Amount of earnest money deposit
- Buyer's due diligence period, extension options, and internal approval process
- Desired closing date
- Breakdown of closing expenses to be paid by buyer and seller, if differing from local customs

Please contact listing brokers Scott and Caspian for additional information.

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