



**50-52 Gorham Bridge Road Proctor, VT 05765**  
4 Unit Turnkey High Cash Flow + Value-add

## 50-52 Gorham Bridge Road - Opportunity

Rarely available, high cash flow 4plex, available in the charming artisan town of Proctor, listed at close to a 10% cap, with significant upside from undermarket rents. This combination of value-add and high cash flow is in a stunning location is rare to find.

The building has been professionally managed and renovated. The investment is projected to yield over a 11% year 1 cash on cash return based on current numbers, and cash returns can go to 21%+ per year if rents are brought to market. This allows the new owner to realize significant returns from cash flow vs speculation.

This property is located within proximity to such iconic and sites as the Vermont Marble Museum, Wilson Castle, Beaver pond, Proctor Free Library, outdoor ice-skating and roller rink, Carriage Trails, as well as the Proctor Pool. One unit has been left vacant for showings or immediate owner occupancy.

Property is available as a package with another Proctor 4plex - 66-68 South St  
MLS#5013869.



# 50-52 Gorham Bridge Road - Financials and Rent Roll

<b>Annual Income</b>	
Average Monthly Rent	\$1,147
Gross Potential Rent	<b>\$55,056</b>
- Vacancy	<b>(\$1,927)</b>
- Concessions, Loss to Lease, Bad Debt	<b>\$0</b>
Gross Potential Income	\$53,129
Other Income	<b>\$300</b>
<b>Effective Gross Income</b>	<b>\$53,429</b>
<b>Annual Expenses</b>	
Plowing/Landscaping	\$1,189
Fuel & Electric	\$4,980
Insurance	\$2,253
Real Estate Taxes	\$3,670
Trash Removal	\$1,000
Management Fee	\$3,206
Repairs and Maintenance	\$1,000
Water and Sewer	\$4,300
<b>Total Expenses (Added)</b>	<b>\$21,598</b>
<b>Total Expenses</b>	<b>\$21,598</b>



Unit	BD/BA	Status	Sqft	Market Rent	Rent	Deposit
<b>50-52 Gorham Bridge Road - 50-52 Gorham Bridge Road Proctor, VT 05765</b>						
50A	1/1.00	Current	900	1,300.00	1,288.00	1,288.00
50B	1/1.00	Current	500	1,300.00	950.00	550.00
52A	2/1.00	Current	1,000	1,500.00	1,050.00	600.00
52B	1/1.00	Vacant-Unrented	800	1,300.00		0.00
<b>4 Units</b>		<b>75.0% Occupied</b>	<b>3,200</b>	<b>5,400.00</b>	<b>3,288.00</b>	<b>2,438.00</b>



# 50-52 Gorham Bridge Road - Acquisition Proforma and Returns

Acquisition	
Price	\$325,000
Purchase	\$325,000
# Units	4
Price Per Unit	\$81,250
Down payment %	25%
Down payment \$	\$81,250
Loan Balance	\$243,750
Repairs	\$0
Operating Reserves	\$10,000
Estimated closing costs	\$10,332
<b>Total Acquisition Cost</b>	<b>\$335,332</b>

Summary	
Debt Service	\$20,209
Interest Rate	6.75%
Amortization (Years)	25
Cash flow after debt service	\$11,622
Cap Rate (NOI/Sales Price)	9.79%
Debt Coverage Ratio	1.58

Projected Cash Flows and Returns	1	2	3	4	5	Return \$	Return %
Invested	\$101,582	\$101,582	\$101,582	\$101,582	\$101,582		
Cashflow	\$11,622	\$20,099	\$20,905	\$21,727	\$433,557	\$507,910	
Cash on Cash Return	11.44%	19.79%	20.58%	21.39%	426.80%		
Average Cash on Cash Return to Date	11.44%	15.61%	17.27%	18.30%	100.00%		
Net Proceeds/Profits from Refinance or Sale					\$73,019	\$73,019	
Average Annual Return to Date	11.44%	15.61%	17.27%	18.30%	114.38%		
Proceeds At Sale					\$101,582		
<b>Total Return on Investment</b>	<b>\$11,622</b>	<b>\$20,099</b>	<b>\$20,905</b>	<b>\$21,727</b>	<b>\$506,576</b>	<b>\$580,929</b>	<b>571.88%</b>
<b>Average Annual Return</b>							<b>114.38%</b>
<b>IRR</b>							<b>27.90%</b>
<b>Average Cash on Cash Return</b>							<b>19.08%</b>

- Proforma exit price is 10.5% cap vs 10% typical appraisal (lower exit price assumed)



## 50-52 Gorham Bridge Road - Proforma

Income Year	1		2		3		4		5	
Average Monthly Rent	\$1,147		\$1,350		\$1,377		\$1,405		\$1,433	
Gross Potential Rent	\$55,056		\$64,800		\$66,096		\$67,418		\$68,766	
- Vacancy	(\$1,927)	3.50%	(\$2,268)	3.50%	(\$2,313)	3.50%	(\$2,360)	3.50%	(\$2,407)	
- Concessions, Loss to Lease, Bad Debt	\$0		\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	
Gross Potential Income	\$53,129		\$62,532		\$63,783		\$65,058		\$66,359	
Other Income	\$300		\$306		\$312		\$318		\$325	
<b>Effective Gross Income</b>	<b>\$53,429</b>		<b>\$62,838</b>		<b>\$64,095</b>		<b>\$65,377</b>		<b>\$66,684</b>	
<b>EXPENSES</b>										
Plowing/Landscaping	\$1,189	2.23%	\$1,213	1.93%	\$1,237	1.93%	\$1,262	1.93%	\$1,287	
Fuel & Electric	\$4,980	9.32%	\$5,080	8.08%	\$5,181	8.08%	\$5,285	8.08%	\$5,391	
Insurance	\$2,253	4.22%	\$2,298	3.66%	\$2,344	3.66%	\$2,391	3.66%	\$2,439	
Real Estate Taxes	\$3,670	6.87%	\$3,743	5.96%	\$3,818	5.96%	\$3,894	5.96%	\$3,972	
Trash Removal	\$1,000	1.87%	\$1,020	1.62%	\$1,040	1.62%	\$1,061	1.62%	\$1,082	
Management Fee	\$3,206	6.00%	\$3,770	6.00%	\$3,846	6.00%	\$3,923	6.00%	\$4,001	
Repairs and Maintenance	\$1,000	1.87%	\$1,020	1.62%	\$1,040	1.62%	\$1,061	1.62%	\$1,082	
Water and Sewer	\$4,300	8.05%	\$4,386	6.98%	\$4,474	6.98%	\$4,563	6.98%	\$4,654	
<b>Total Expenses</b>	<b>\$21,598</b>	<b>40.42%</b>	<b>\$22,530</b>	<b>35.85%</b>	<b>\$22,981</b>	<b>35.85%</b>	<b>\$23,440</b>	<b>35.85%</b>	<b>\$23,909</b>	
<b>Net Operating Income (NOI)</b>	<b>\$31,831</b>		<b>\$40,308</b>		<b>\$41,114</b>		<b>\$41,936</b>		<b>\$42,775</b>	
<b>Debt Service</b>										
Principal	\$3,874		\$4,144		\$4,433		\$4,741		\$5,072	
Interest	\$16,335		\$16,065		\$15,776		\$15,468		\$15,138	
Total Debt Service	\$20,209		\$20,209		\$20,209		\$20,209		\$20,209	
<b>Cash Flow</b>	<b>\$11,622</b>		<b>\$20,099</b>		<b>\$20,905</b>		<b>\$21,727</b>		<b>\$22,566</b>	



# Pictures



50-52 Gorham Bridge Road - Exterior





50-52 Gorham Bridge Road - Exterior



50-52 Gorham Bridge Road - Interior





50-52 Gorham Bridge Road - Exterior





50-52 Gorham Bridge Road - Exterior



50-52 Gorham Bridge Road - Basement







A dark, atmospheric photograph of a town, likely in the American West, featuring a prominent church with a tall, white steeple and a red brick building with a clock tower. The town is set against a backdrop of dark mountains under a night sky. The word "Market" is overlaid in a bright yellow font.

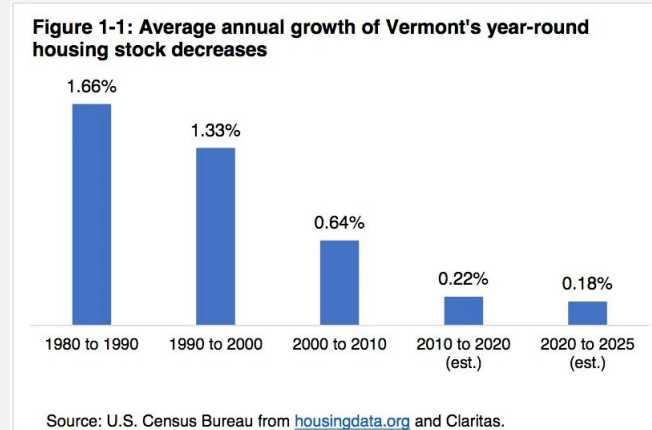
# Market

## Market - Historical Supply/Demand Imbalance

### Unique historical factors and legislation have created the largest housing supply/demand imbalance in the nation

The state constitution, established 1791 guaranteed each town, no matter how small or large, one representative in the lower chamber of the Vermont legislature. Since the towns have all the power and were more concerned on local impact, changes that will have relatively larger benefits for the wider geographic community became difficult to execute.

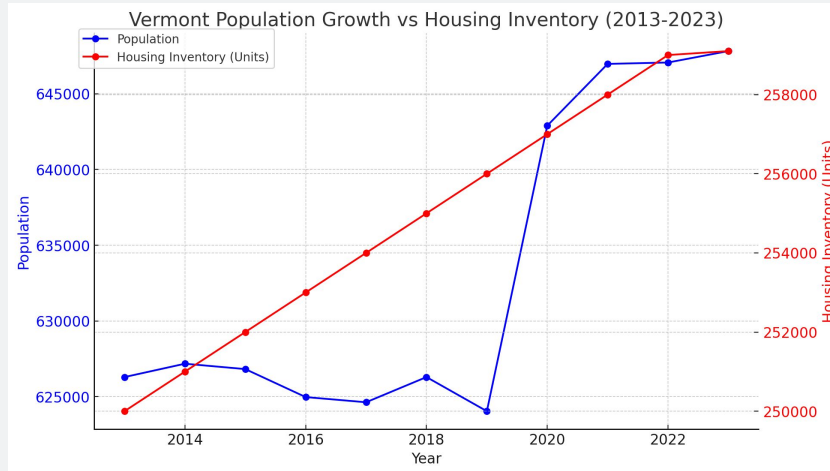
In 1970 Vermont enacted Act 250 to maintain the pastoral beauty of Vermont's landscape and which made it extraordinarily difficult to develop anything at scale. This process involves extensive reviews, public hearings, and compliance with ten specific criteria, ranging from water and air pollution to impacts on local schools and services.. Even regular regular way citizens can torpedo the development, for virtually any reason including for subjective aesthetic reasons. The legislation was highly successful in halting development, including regular way housing for the states residents. And the shortage has been made more acute by an increase historical net migration over the last 5 years



## Market - Housing Shortage

According to the Vermont Housing Finance Agency, Vermont has an estimated shortfall of over 10,000 housing units. This shortage is driven by a combination of factors including slow population growth, aging housing stock, and stringent zoning regulations that limit new construction. Furthermore, 60% of the state's housing stock was built before 1980, and the market has a shortage of developers renovating existing inventory leading to increased demand for the few properties that there are.

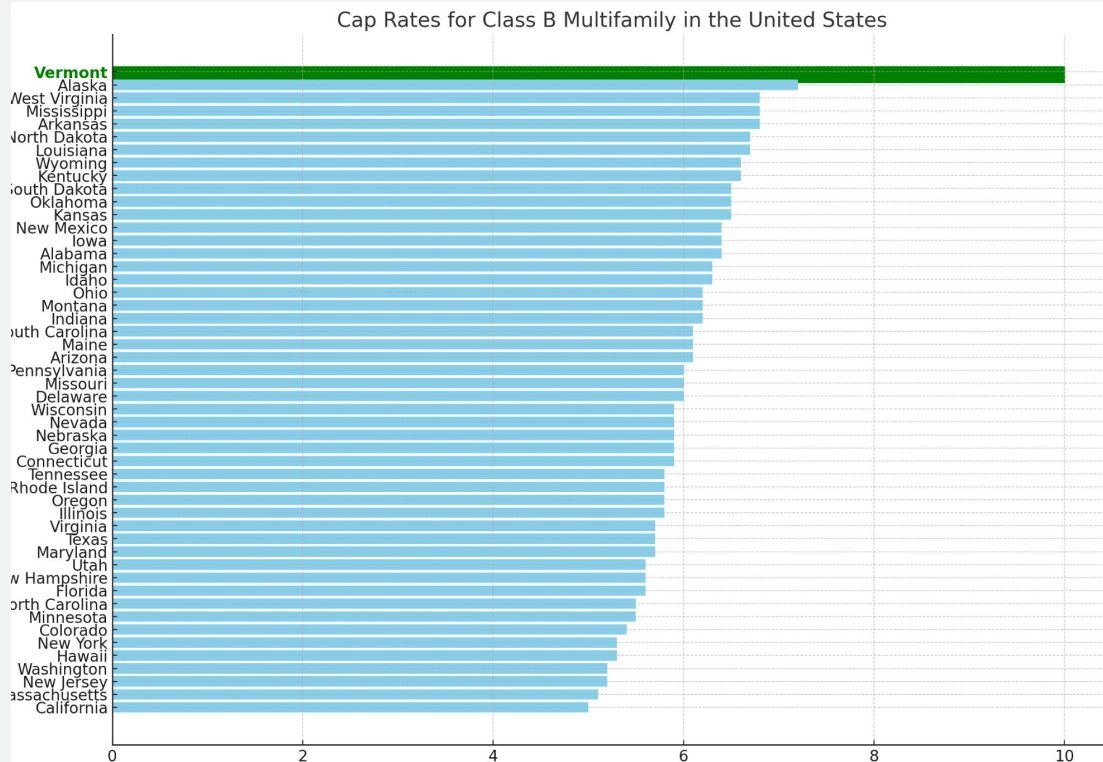
New housing permits have remained low, with only about 1,500 new units permitted annually over the past decade, far below the demand. This lack of new supply, coupled with growing demand, ensures high occupancy rates and the potential for rent growth in existing properties. The chart below illustrates the exacerbation of the problem amidst increased migration driven by quality of life considerations.





# Market - Deep Value

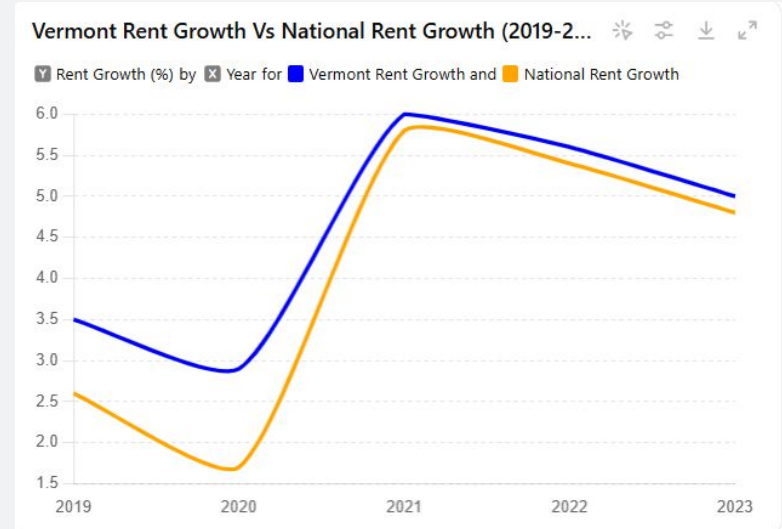
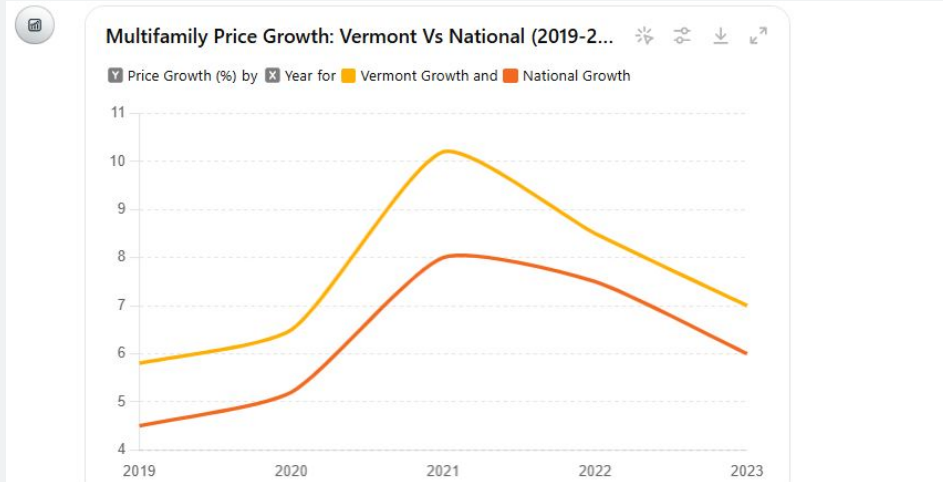
Vermont is not popular with investors due to low population size and rural environment without housing density. The lack of professional investors has created what we believe to be one of the greatest multifamily values in the nation. The cost to construct housing vs current market price valuations renders it unviable even if the legislative hurdles were overcome:



Sources:  
Cap Rate Index  
Yield PRO  
Newmark Q1 2024 Multifamily Market Report  
Local Vermont appraiser data for that state

## Market - Rent, Population and Price Growth

Vermont has outperformed the rest of the nation in multifamily price and rent growth. The charts below illustrates the spread.

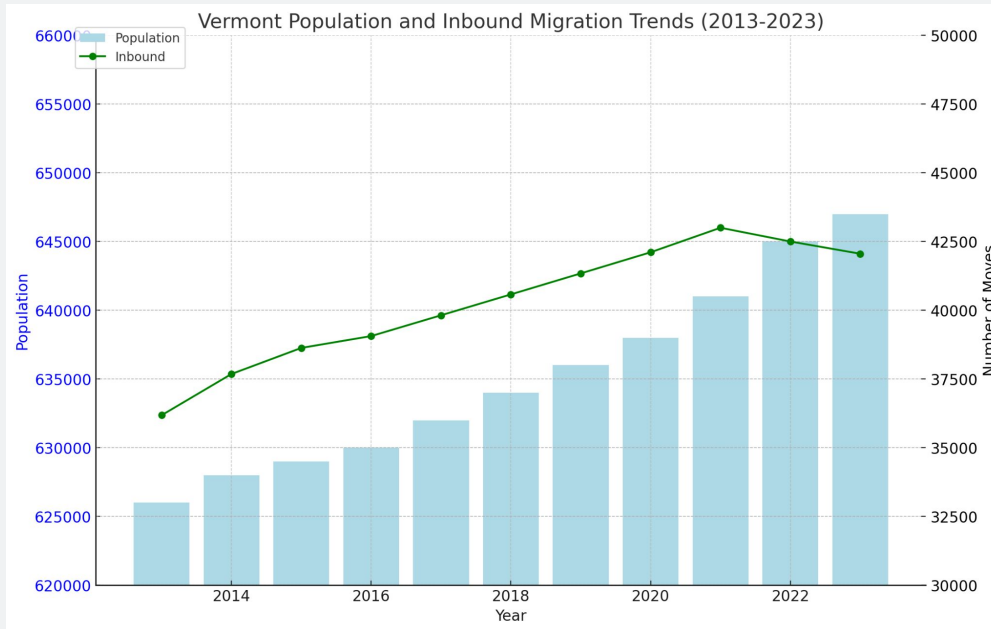


Multi-Housing News: [2023 Rent Growth](#)  
Yardi Matrix: [Yardi Matrix Report](#)  
Fannie Mae Multifamily: [2023 Mid-Year Multifamily Market Outlook](#)  
Matthews: [End of Year Multifamily Market Report](#)

## Market- Net Migration and Climate Change Resiliency

Vermont has seen a historic influx of netbound migration since Covid. In fact, some studies show Vermont as having the highest percent of net inbound movers in the nation (see e.g. 2023 [United Van Lines Survey](#))

The EPA has ranked Vermont [fourth](#) in a nationwide assessment of resilience to extreme weather events brought on by climate change. And authors of the [2014 state climate assessment](#) wrote that Vermont might be a “receiving state” for residents of cities up and down the Eastern seaboard dealing with sea level rise.



## Market - Strength and Stability

The state has a diversified economy with key sectors such as healthcare, education, manufacturing, and tourism cFrom 2019 to 2023, Vermont's Gross Domestic Product (GDP) grew at an average annual rate of 1.8%, according to the U.S. Bureau of Economic Analysis.

Vermont's labor market has been a key driver of the state's economic stability. From 2019 to 2023, Vermont experienced steady employment growth, with an average annual job growth rate of 1.2%, according to the U.S. Bureau of Labor Statistics. The state's unemployment rate is consistently among the lowest in the nation at 2.4% in 2023, Additionally, Vermont's emphasis on high-quality education and workforce development has resulted in a well-educated labor force, with nearly 40% of adults holding a bachelor's degree or higher.

Vermont ranks highly in education, with a high school graduation rate of 88.6% and a college attainment rate of 38.2%, providing a well-educated workforce. The state's median household income is approximately \$63,000, which is close to the national average The state's commitment to sustainable development and green energy initiatives is evident in its goal to source 90% of its energy from renewable sources by 2050, positioning Vermont for long-term growth and attractiveness to environmentally conscious investors.







# ABOUT 3GEN REAL ESTATE

## CONTACT INFO AND ABOUT 3GEN REAL ESTATE



### Managing Broker

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3GEN Real Estate Inc is a real estate construction , property management and brokerage firm. Our specialty is renovating properties to a consistent quality and standard. Our mission is to help alleviate the home affordability crisis in America by providing quality affordable renovated properties to an undersupplied market.

One of the keys to our success is handling construction in-house. This allows us to deliver a consistent product at cost effective prices.

### Capabilities at a glance:

- 12 Full Time Employees
- Over 50 Contractors covering:
  - Full Home Remodel including Gut Renovations
  - Full Suite of Property Maintenance
  - Demolition.
  - Electrical,  
Plumbing, Heating/Cooling, Painting, Landscaping, Snow Plowing,  
Flooring, Carpeting, Windows and more

