

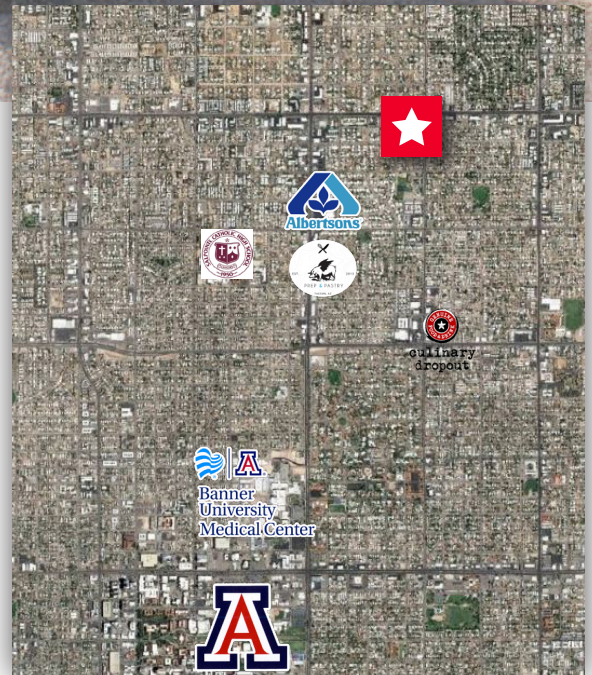
**FOR SALE**



Property Offering	
Sale Price	\$5,600,000
Number of Units	38
Price Per Unit	\$147,368
Rentable SF	30,280
Price Per SF	\$184.94
Year Built/Renov	1973 / 2017
Land	1.29 Acres
Cap Rate	5.66%

**Property Highlights**

- **Turn-Key Opportunity**
- Recently Renovated Property
- Fitness Center, Pool, On-Site Office, & Courtyard Area
- Washer & Dryer in Every Unit
- New Stainless Steel Appliances
- Individually Metered
- Gated Community
- Ideally Located near UofA & Banner Medical



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## PROPERTY HIGHLIGHTS

**Unit Mix** 38 Units - 9 1BD/1BA & 29 2BD/1BA

**Rentable Square Feet** 30,280 SF

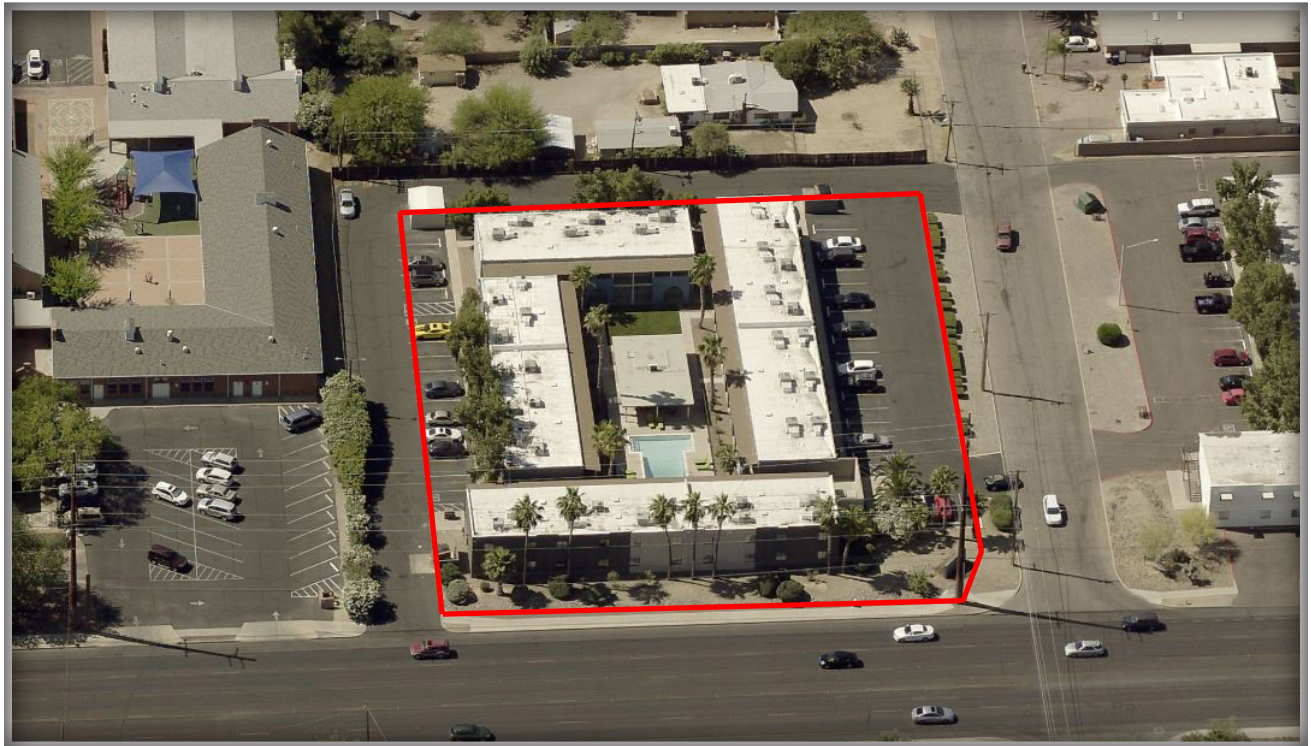
**Land** 1.29 acres

**Year Built/Year Rennovated** 1973 / 2017

**Zoning** 0-3

**Parcel Number** 112-05-004B

**Main Cross Roads** N Tucson Blvd & E Fort Lowell Rd



## PROPERTY OVERVIEW



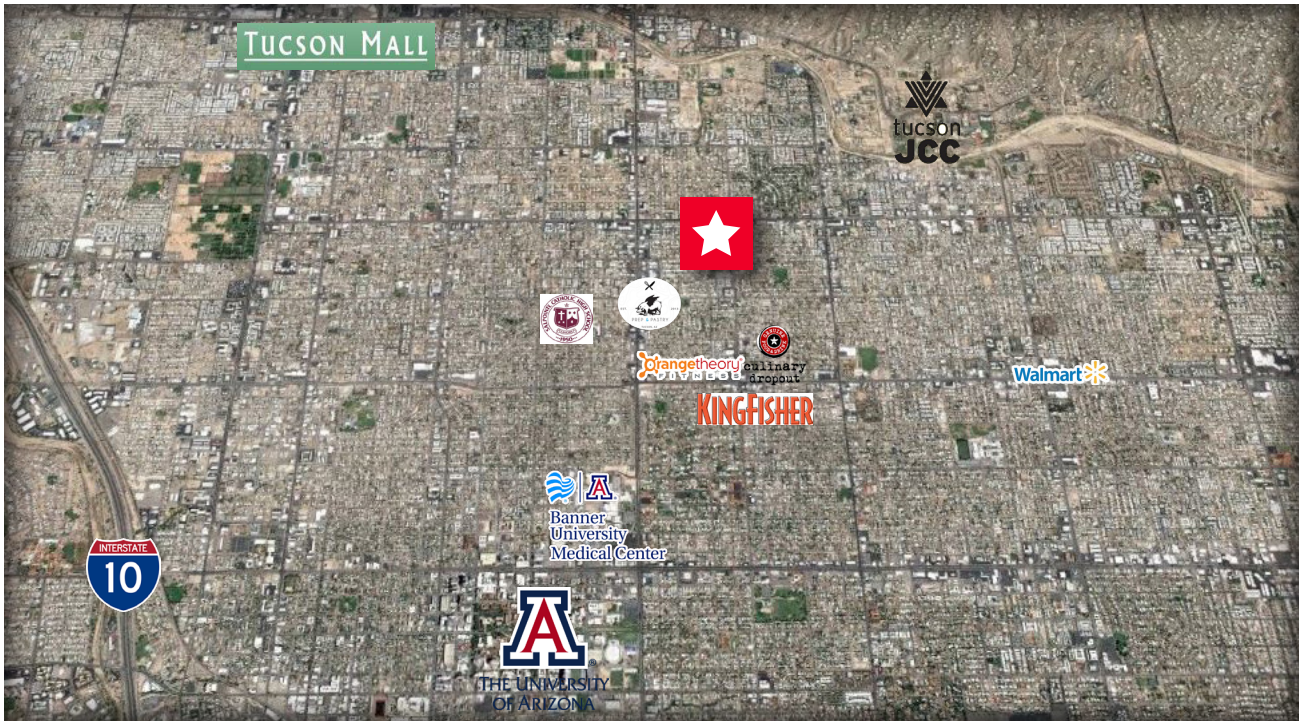
### Property Highlights:

Wasko Modern Apartments is the pinnacle of upscale, centrally-located apartment communities. With 38 fully-renovated units comprising nine (9) 1 Bed/1 Bath and twenty nine (29) 2 Bed/1 Bath. All spacious floor plans contain green features, including energy-efficient, dual pane windows, and water-sensing appliances.

Wasko Modern Apartments has undergone a complete top-to-bottom interior and exterior renovation. A detailed list can be found on page 10. Renovation highlights include thoroughly-remodeled interiors, new paint throughout the entire property, and the addition of in-unit washer/dryers.

Wasko Modern Apartments have generated revenue through a resident utility bill-back (RUBS). The monthly billing rates are \$49 for both the 1-Bedroom & 2-Bedroom units. The tenants enjoy numerous on-site amenities, including a sparkling pool, a 24/7 fitness center, and a quiet courtyard.

## LOCATION OVERVIEW



### NEARBY DESTINATIONS



#### RETAIL

- Culinary Dropout
- King Fisher Restaurant
- Prep & Pastry
- Snooze AM Eatery
- Tucson Mall
- La Encantada Mall



#### EDUCATION

- University of Arizona
- Pima Community College
- Catalina Foothills High School
- Salpointe Catholic School



#### HEALTHCARE

- Banner University Medical
- Tucson Medical Center
- Walgreens Pharmacy
- Athlon Physical Therapy
- Southern Arizona Urgent Care



#### ENTERTAINMENT

- Downtown Tucson
- Randolph Golf Course
- Orange Theory Fitness
- Road House Cinema
- La Madera Park

### Location Highlights:

Wasko Modern Apartments is located on East Fort Lowell Road just east of Campbell Avenue in north central Tucson. Fort Lowell Road is a major arterial road offering strong marketing exposure for property leasing. Despite its location on a major arterial, the interior courtyard remains relaxing and quiet. The immediate surroundings are primarily single family homes and other multifamily residences, and the community is proximate to the Tucson Jewish Community Center.

Wasko Modern Apartments is well located for shopping and employment. Nearby shopping includes a grocery-anchored center less than a mile to the south and many retail and restaurants located to the west of the property. Wasko Modern Apartments is less than four miles from the University of Arizona, University Medical Center, Tucson Medical Center, The Tucson Auto Mall, and major retail employment along East Grant Road and North Campbell Avenue where recent redevelopment has taken flight.

## PROPERTY PHOTOS

### Exterior Photos



## PROPERTY PHOTOS

### Interior Photos

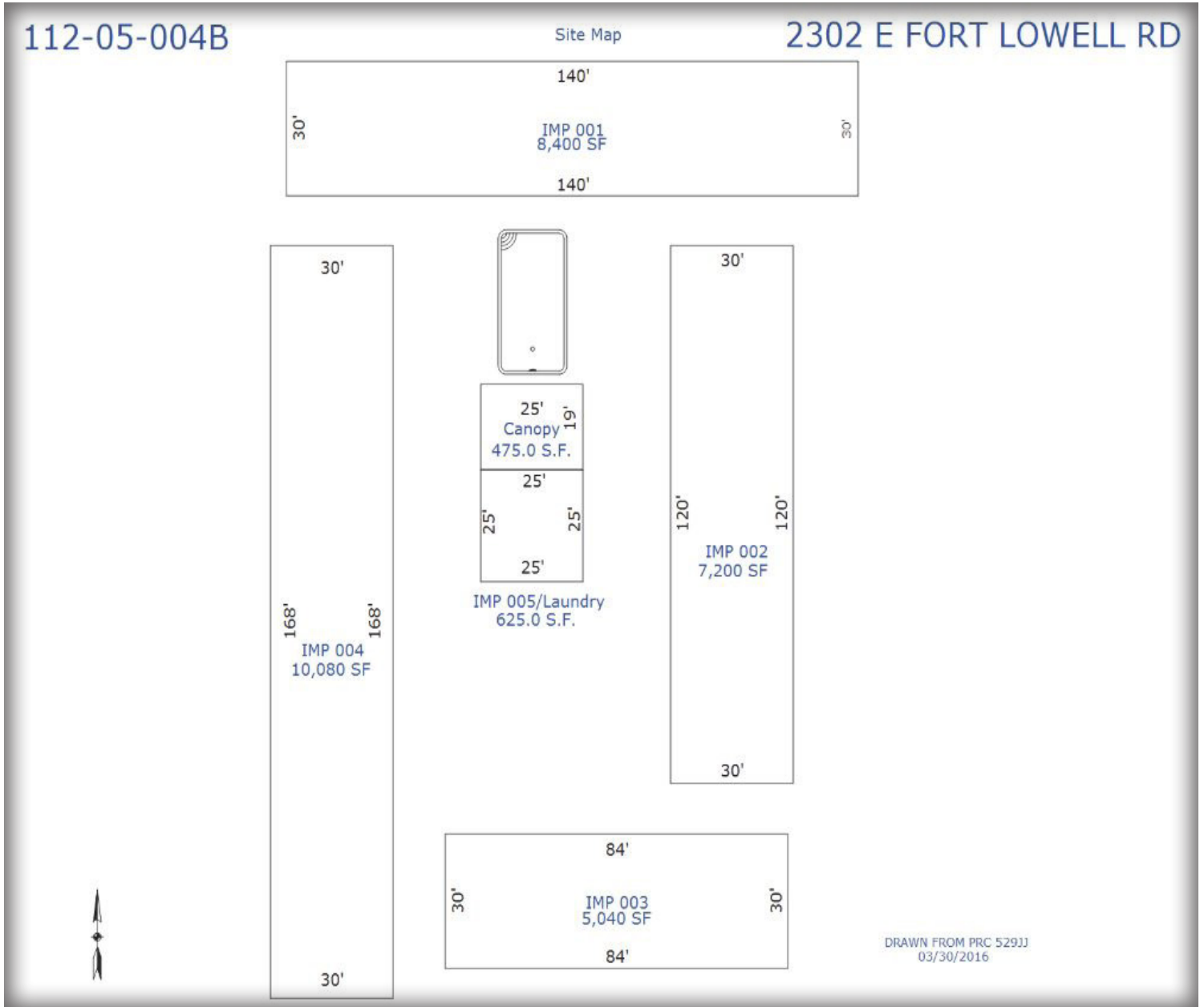


**PROPERTY PHOTOS**

**Amenity Photos**



# PROPERTY LAYOUT





## PRICING ANALYSIS

Type	# of Units	Sq. Ft.	Total S.F.	Rent per S.F.	Total Monthly Rent	Stabilized Rent
1BD/1BA	9	690	6,210	\$1.27	\$7,875	\$875
2BD/1BA	29	830	24,070	\$1.18	\$28,420	\$980
Total/Avg.	38	797	30,280	\$1.20	\$36,295	\$955

Income Statement	"Marketing Pro Forma"	"Proforma Per Unit"	Proforma PSF	T-12 Actuals
<b>RENTAL INCOME</b>				
Gross Market Rent	\$435,540	\$11,462	\$14.38	
Vacancy Loss	-\$21,777	-5.0%	(\$0.72)	
Gross Rent	\$413,763	\$10,889	\$13.66	
Concessions & Bad Debt	-\$6,206	-1.5%	(\$0.20)	
<b>Net Rental Income</b>	<b>\$407,557</b>	<b>\$10,725</b>	<b>\$13.46</b>	<b>\$399,656</b>
RUBS	\$23,000	\$605	\$0.76	\$21,067
Other Income	\$15,000	\$395	\$0.50	\$14,573
<b>TOTAL INCOME</b>	<b>\$445,557</b>	<b>\$11,725</b>	<b>\$14.71</b>	<b>\$435,296</b>
<b>OPERATING EXPENSES</b>				
Payroll	\$12,000	\$316	\$0.40	\$13,108
Advertising	\$1,500	\$39	\$0.05	\$1,327
General & Admin	\$2,500	\$66	\$0.08	\$1,893
Repairs/Maintenance/Supplies	\$14,000	\$368	\$0.46	\$8,082
Contract Services	\$15,000	\$395	\$0.50	\$17,272
Legal & Accounting	\$2,000	\$53	\$0.07	\$1,890
Utilities	\$27,000	\$711	\$0.89	\$25,679
<b>TOTAL VARIABLE</b>	<b>\$74,000</b>	<b>\$1,947</b>	<b>\$2.44</b>	<b>\$69,251</b>
Property Taxes	\$16,193	\$426	\$0.53	\$16,193
Property Insurance	\$8,000	\$211	\$0.26	\$9,741
Management Fee	\$22,278	5%	\$0.74	\$18,881
Reserves	\$9,500	\$250	\$0.31	
<b>TOTAL EXPENSES</b>	<b>\$129,971</b>	<b>\$3,420</b>	<b>\$4.29</b>	<b>\$114,066</b>
<b>NET OPERATING INCOME</b>	<b>\$315,586</b>	<b>\$8,305</b>	<b>\$10.42</b>	<b>\$321,230</b>

Stabilized Market Valuation	
<b>Value</b>	<b>\$5,600,000</b>
Per Unit	\$147,368
Per Square Foot	\$184.94
<b>Cap Rate</b>	
T-12 Actuals	5.74%
Pro Forma	5.64%

## Capital Improvements

### List of Capital Improvement Expenses

Order of Operations	Scope of Work	Cost
kitchen Renovations	Cabinets, Countertops, & Appliances	\$228,856
Property Improvements	New Fitness Center & Leasing Office	\$60,135
In-Unit Washer/Dryer	Front-Loading Glass Front Washer/Dryer	\$95,292
Property Improvements	Windows, Blinds, Doors, & Hardware	\$91,281
Flooring	Ceramic Wood Plank & Wood Luxury Vinyl Plank	\$110,596
Fixtures	Light Fixtures, Ceiling Fans, & GFCIs	\$75,565
Exterior Painting	Exterior Stucco & Professional Painting	\$126,974
Roofs	Repaired, Replaced, & Re-coated as Needed	\$33,734
Signs	New Monument Sign & Metal Wall Lettering	\$14,667
HVAC	Inspected, Serviced, & Replaced as Needed	\$9,389
Bathroom	All New Tubs, Surrounds, Showers, Toilets, Vanities, Sinks, Mirrors, Holders, & Faucets	\$74,921
Property Improvements	Parking Lot, Irrigation System, Landscaping, Pool Fence, & Patio Furnishings	\$30,010
<b>Total</b>		<b>\$951,420</b>

**TUCSON AT A GLANCE**

TUCSON MSA  
POPULATION\*



**1.023M**

*\*As of 2017*



**1.01%**  
POPULATION  
GROWTH RATE\*

**4.8%**

UNEMPLOYMENT RATE  
*Year-end 2018*

**\$41,637**

PER-CAPITA INCOME  
*As of 2017*

**LARGEST EMPLOYERS**

- |                                     |                              |
|-------------------------------------|------------------------------|
| 1. UNIVERSITY OF ARIZONA - 11,251   | 3. STATE OF ARIZONA - 8,580  |
| 2. RAYTHEON MISSILE SYSTEMS - 9,600 | 4. DAVIS-MONTHAN AFB - 8,406 |



**RECENT ARRIVALS & EXPANSIONS**

- AMAZON
- CATERPILLAR SURFACE MINING & TECHNOLOGY
- HEXAGON MINING
- RAYTHEON MISSILE SYSTEMS
- TUSIMPLE

**TOTAL HOUSEHOLDS**



**398,530**

*As of 2017*

**45,217**



UNIVERSITY OF ARIZONA  
TOTAL ENROLLMENT, 2019

**PROPORTION OF HOUSEHOLDS THAT RENT**

**38%**

*As of 2017*

**APPROXIMATE MULTIFAMILY VACANCY**

**6.13%**

*As of 2018*



- #46 TOP PUBLIC SCHOOL
  - #22 RESEARCH ACTIVITY AMONG PUBLIC INSTITUTIONS
  - #21 BUSINESS PROGRAMS
  - #55 UNDERGRAD ENGINEERING
- UNIVERSITY OF ARIZONA  
TOP PROGRAMS\*

*\*U.S. News & World Report*

## Economic Overview

### Population and Demographics

Tucson is the second-largest city in Arizona, with a metro area population of 1,023,000. Located 60 miles from the U.S.-Mexico border, the Tucson metropolitan area (which includes nearby suburbs like Marana and Oro Valley, as well as the significant portion of unincorporated Pima County that makes up what is de facto “north Tucson”) has been growing far more quickly than much of the U.S. The population has grown 51% since 1990 and 20% since 2000, compared to the United States averages of just 28% and 13% respectively. The Tucson median age is 37.9 years while Tucson MSA median household income is \$41,637. Average home prices are just \$197,300 providing plenty of affordable options for the growing population.

The natural beauty of the Sonoran Desert makes Tucson a desirable location for residents and businesses alike. Downtown Tucson is a diverse submarket with a rich cultural heritage that contains a blend of Native American, Spanish, Mexican and Anglo-American influences. Tucson ranks high nationally in various categories including: #2 best American small city in 2017 (Resonance Consultancy), 2016 top 100 best places to live (U.S. News and World Report), #9 “city everyone wants to live in” in 2017 (Business Insider), #8 2018 best city for recreation (WalletHub), and one of America’s 2017 best cities for global trade (Global Trade). The University of Arizona is ranked #106 of all nationwide colleges, public or private (U.S. News and World Report).

The University is vital to Tucson and Southern Arizona, having garnered national and international attention. It has the largest optics program among U.S. institutions, and is second in overall research expenditures (University of Arizona). UA brings in more than \$580 million in research investment each year. The university’s enrollment is 45,217, with numerous branch campuses and learning centers throughout Southern Arizona. Pima Community College is a two-year school serving Metro Tucson at six locations throughout the county. Tucson Unified School District is one of the largest in the state, encompassing 229.5 square miles. It serves approximately 47,000 students in grades pre-K through 12 at more than 80 schools.

### Employment

Employers will find a diverse, educated and enthusiastic workforce in Tucson stemming from the U of A. As of 2019, the University of Arizona is the top employer with a work force of 11,251 followed by Raytheon Missile Systems, 9,600; Davis-Monthan Air Force Base, 8,406 (both civilian and military personnel); Pima County, 7,100; U.S. Customs and Border Patrol, 6,800; Tucson Unified School District, 6,467; Banner University Healthcare, 6,462, Freeport-McMoRan Copper & Gold, 5,819; CONTINUED ON NEXT PAGE



## Economic Overview

and Wal-Mart, 4,360, while the city's unemployment rate is 4.8%. (Bureau of Labor Statistics). Tucson's 2018 job growth rate was 3.1% (MAP for Southern Arizona).

Davis-Monthan is home to the 355th Fighter Wing, part of the Air Combat Command. The base is best known as the location of the Air Force Materiel Command's 309th Aerospace Maintenance and Regeneration Group, the aircraft boneyard for all excess military and government aircraft. In the world of healthcare, Banner Health and the University of Arizona Health Network merged to create a platform of academic medicine, research, instruction and patient care at three academic medical centers.

### Economic Development

Innovation is at the forefront of the Tucson economic development agenda. Forbes has called it one of America's Most Innovative Cities, and the city has the highest concentration of startups of any U.S. city its size. Furthermore, it was ranked as a Top Five City for Entrepreneurs by Entrepreneur Magazine in 2013. Metro Tucson is a hub for optics and science, while biotech and other science clusters flourish in the UA Tech Park, BioPark and Innovation Park. Tourism is a key economic driver as well. Tucson is known for its world-class health spas such as Canyon Ranch, more than 20 golf courses, and numerous natural attractions, museums, missions and cultural history.

Interstate 10, the major East-West highway in the Sun Belt, runs east from California, enters Arizona near Ehrenberg and continues through Phoenix and Tucson. It exits at the border with New Mexico. Interstate 19 travels from Nogales to Tucson, and ends at I-10. While the highway is short (63 miles), it is a key corridor, serving as a fast route from Tucson and Phoenix (via I-10) to the Mexican border. The highway is a portion of the U.S. section of the CANAMEX Corridor, a trade route that stretches north from Mexico across the U.S. to the Canadian province of Alberta. The Port of Tucson is a full service inland port, railyard and intermodal facility southeast of the city and 70 miles north of the Mexico border at Nogales. The facility is located adjacent to the Union Pacific Railroad Mainline and I-10, linking California and Texas. In 2014, Tucson launched Sun Link, a fixed electric rail "Modern Streetcar" system that operates eight vehicles between Downtown Tucson and the UA campus. Each streetcar vehicle holds 150 passengers. There are 24 stops along the 3.9-mile route.



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