



OFFERING MEMORANDUM

Flores Apartments

225 & 255 W. Flores St.

Tucson, AZ 85705



**CUSHMAN &
WAKEFIELD**



PICOR

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PROPERTY INFORMATION

Flores Apartments
225 & 255 W. Flores St.
TUCSON, AZ 85705



PRICE
\$1,600,000




PRICE PER UNIT
\$80,000












PRICE PER SF
\$175.44









PROFORMA NOI
\$103,962



CAP RATE
6.50%

	LOCATION:	225 & 255 W. Flores St. Tucson, AZ 85705
	SITE AREA:	0.85 Acres 37,026 Sq. Ft.
	RENTABLE SQFT:	9,120 Sq. Ft.
	ASSESSOR PARCEL NUMBER(S):	115-06-0150
	ZONING:	C-2
	ACCESS:	Ingress/Egress
	PARKING	~ 20 spaces and street parking
	ROOF/STORIES:	Build up Flat / One
	YEAR BUILT:	1958 w/ recent renovations

	LANDSCAPING:	Palm tree, artificial turf, shrubbery, rock & bushes
	UTILITIES: (Responsibility)	Electricity: Tucson Electric (Owner) Gas: Southwest Gas (Owner) Water: City of Tucson (Owner) Sewer: City of Tucson (Owner) Trash: City of Tucson (Owner)
	METERING:	Electric: Master- metered Gas: Master- metered Water/Sewer/Trash: Master- metered Hot Water: Master- metered
	HEATING/COOLING:	Roof pack heating and cooling & wall mounted ACs
	CONSTRUCTION:	Masonry
	FINANCING:	Conventional Financing or Cash

UNIT DESCRIPTION	NO. OF UNITS	% OF TOTAL	SQ. FT. PER UNIT
Studio	17	85%	400
2BD/1BA	2	10%	600
2BD/1BA + Den	1	5%	1120
Total/Average (Monthly)	20	100%	456

FINANCIAL ANALYSIS

Flores Apartments
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UNIT DESCRIPTION	NO. OF UNITS	% OF TOTAL	SQ. FT. PER UNIT	TOTAL RENTABLE SQ. FT.	CURRENT AVERAGE RENT		PROFORMA RENTS		
					PER UNIT	PER MONTH	PER UNIT	PER MONTH	PER SQ. FT.
Studio	17	85%	400	6,800	\$729	\$12,392	\$775	\$13,175	\$1.94
2BD/1BA	2	10%	600	1,200	\$1,126	\$2,252	\$1,200	\$2,400	\$2.00
2BD/1BA + Den	1	5%	1120	1,120	\$1,400	\$1,400	\$1,450	\$1,450	\$1.29
Total/Average (Monthly)	20	100%	456	9,120	\$802	\$16,044	\$851	\$17,025	\$1.87
Annual						\$192,527		\$204,300	

Income Statement	Marketing Pro Forma	Pro Forma Per Unit	T-3 Actuals	T-3 Actuals Per Unit
RENTAL INCOME				
Gross Market Rent	\$204,300	\$10,215		
Vacancy Loss	-\$13,280	-6.5%		
Concessions & Bad Debt	-\$3,065	-1.5%		
Net Rental Income	\$187,956	\$9,398	\$185,790	\$9,290
RUBS	\$7,500	\$375	\$4,000	\$200
Laundry Income	\$1,500	\$75	\$0	\$0
Other Income	\$3,000	\$150	\$3,068	\$153
TOTAL INCOME	\$199,956	\$9,998	\$192,858	\$9,643
OPERATING EXPENSES				
General & Administrative	\$3,000	\$150		\$0
Advertising	\$1,000	\$50		\$0
Professional Fees	\$1,500	\$75		\$0
Repairs & Maintenance & Turnover	\$20,000	\$1,000	\$21,776	\$1,089
Contract Services	\$2,300	\$115	\$2,520	\$126
Utilities	\$35,400	\$1,770	\$48,472	\$2,424
TOTAL VARIABLE	\$63,200	\$3,160	\$72,768	\$3,638
Property Taxes	\$5,798	\$290	\$5,798	\$290
Property Insurance	\$6,000	\$300	\$5,000	\$250
Management Fee	\$15,996	8%	\$19,396	10%
Reserves	\$5,000	\$250		
TOTAL EXPENSES	\$95,994	\$4,800	\$102,962	\$5,148
NET OPERATING INCOME	\$103,962	\$5,198	\$89,896	\$4,495

Stabilized Market Analysis	
Value	\$1,600,000
Per Unit	\$80,000
Per Square Foot	\$175.44
Cap Rate	
T-3 Actuals	5.62%
Marketing Pro Forma	6.50%

PROPERTY SUMMARY

Flores Apartments
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Just minutes away from the University of Arizona and the Historic 4th Avenue, Flores Apartments is a 20-unit complex provides a diverse selection of living arrangements, catering to the needs of each resident. Whether you're searching for a cozy studio, a comfortable 2BD/1BA, or a spacious 2BD/1BA plus a den, most units have been thoughtfully designed and meticulously renovated to ensure maximum comfort and convenience for every occupant.

With dual pane windows, upgraded cabinetry, stylish flooring, and modern bathroom fixtures, the renovated units have been tailored to meet the demand for housing in the area. Residents can enjoy a pleasant indoor climate all year round thanks to the centralized AC units installed in every unit.

Flores is master-metered for all utilities, meaning the owner pays for all the utility usage onsite. A Resident Utility Bill-Back system is in place and can be increased to get reimbursed for some of the tenant's usage. Onsite laundry facilities, secure perimeter entrance, storage units, and ample parking ensure that every resident's needs are met with ease and efficiency.

The well maintained outdoor common area, complete with artificial turf, serves as a prime social hub for residents. Perfect for gatherings, barbecues, game nights, or casual get-togethers with friends and neighbors, this communal space presents an ideal spot for residents to mingle and enjoy the company of their peers.

Investing in Flores Apartments presents a prime opportunity to tap into the thriving multi-family market in Tucson, Arizona.

PROPERTY HIGHLIGHTS

Flores Apartments
225 & 255 W. Flores St.
TUCSON, AZ 85705



PROPERTY HIGHLIGHTS

- Turn-key opportunity
- In-place management
- Recent capital improvements
- On-site laundry facility
- Secured perimeter entrance
- Storage units
- Artificial turf common areas



UNIT HIGHLIGHTS

- Air conditioning
- Mostly renovated units
- Large 2bd + Den unit
- Master metered for all utilities
- Dual pane windows
- Renovated units include ACs, cabinets, flooring, and bathroom upgrades

TRADE MAP

Flores Apartments
225 & 255 W. Flores St.
TUCSON, AZ 85705



DEMOGRAPHIC OVERVIEW

Flores Apartments
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2022 DEMOGRAPHIC OVERVIEW

	1 MILE	3 MILES	5 MILES
POPULATION	15,867	126,034	260,419
HOUSEHOLDS	7,091	55,448	114,330
AVG HOUSEHOLD INCOME	\$40,659	\$50,902	\$59,061
DAYTIME POPULATION	10,328	96,939	156,014
RETAIL EXPENDITURE	\$126.91 M	\$1.14 B	\$2.59 B

Source: Sites USA -Applied Geographic Solutions 11/2021, TIGER Geography - RF5

2027 DEMOGRAPHIC PROJECTIONS

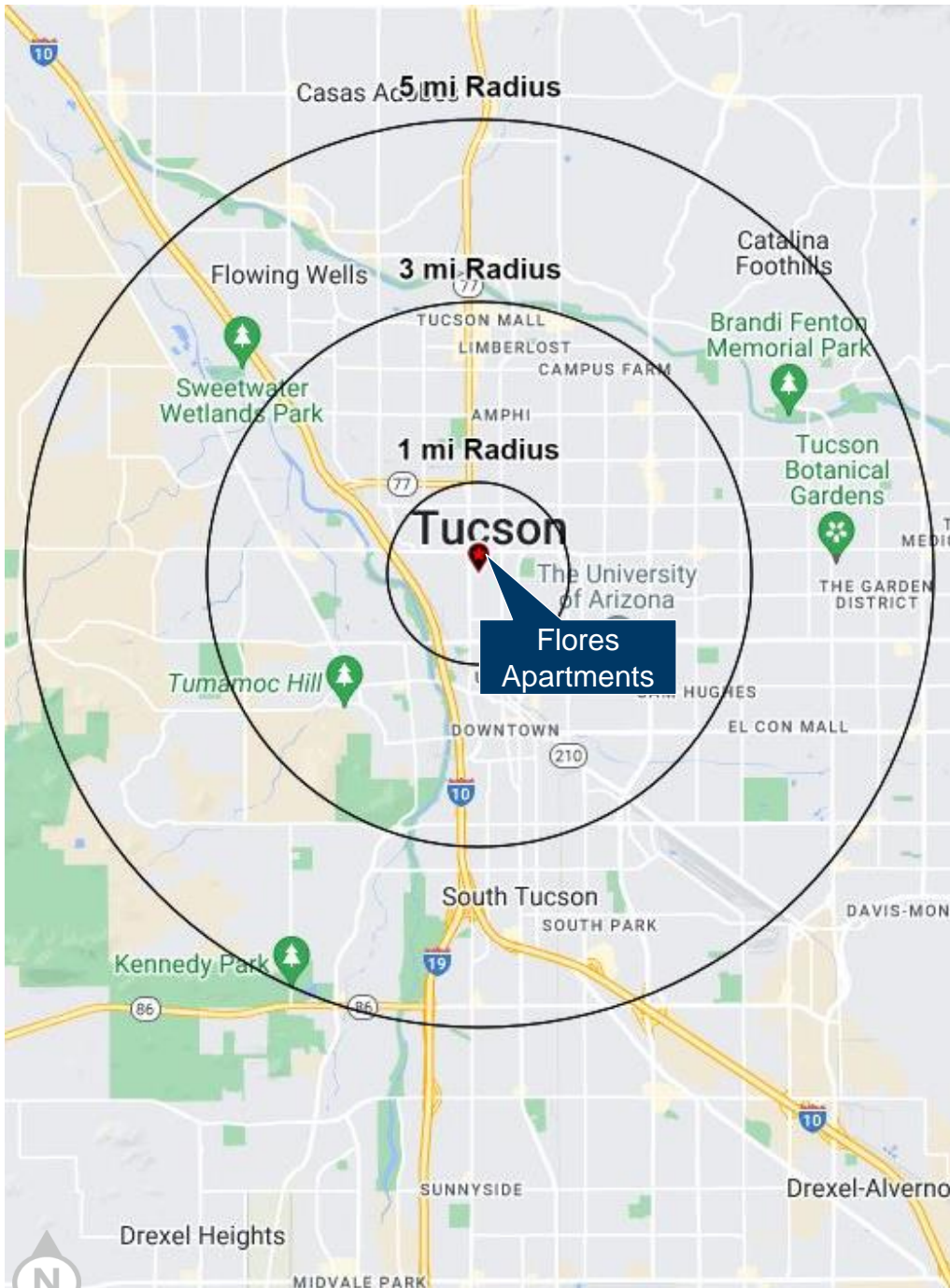
	1 MILE	3 MILES	5 MILES
POPULATION	16,071	128,186	264,078
HOUSEHOLDS	7,080	55,615	114,242
AVG HOUSEHOLD INCOME	\$47,393	\$60,133	\$70,564

Source: Sites USA -Applied Geographic Solutions 11/2021, TIGER Geography - RF5

TRAFFIC COUNTS VEHICLES PER DAY (VPD)

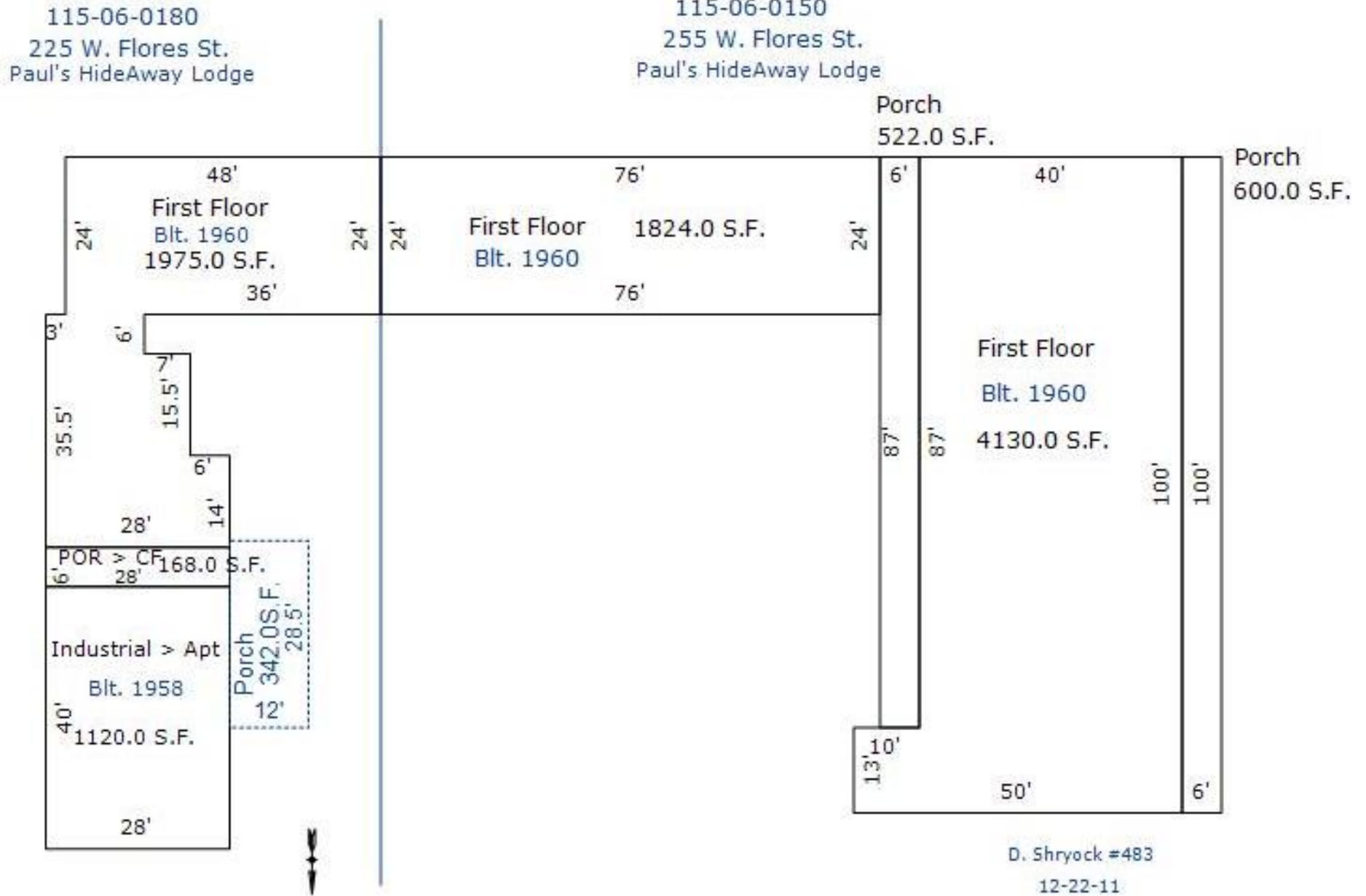
W. GRANT RD	38,333 VPD	(2022)
N. ORACLE RD	14,203 VPD	(2022)

Source: Pima Association of Governments



PROPERTY LAYOUT

Flores Apartments
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updated per aerials 12/20 #566

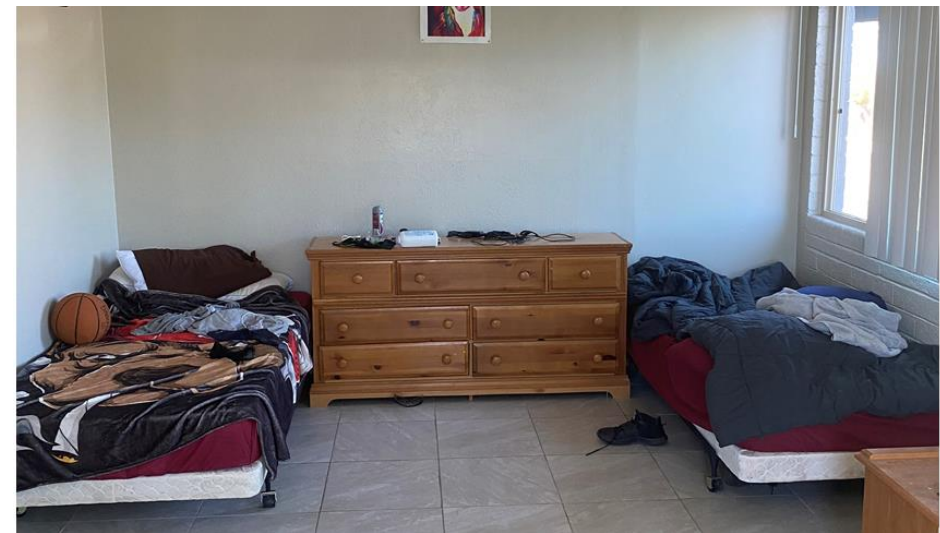
EXTERIOR PHOTOS



EXTERIOR PHOTOS



INTERIOR PHOTOS



INTERIOR PHOTOS



AMENITIES PHOTOS



ABOUT THE REGION

ARIZONA: THE BEST STATE FOR BUSINESS

Quality Jobs Tax Credit*

Provides up to **\$9,000 of income or premium tax credits** over a three-year period for each net new job to the state and concurrent qualifying capital expenditures.

Quality Facility Tax Credit*

Provides **refundable income tax credits up to \$20,000** per qualifying net new job to eligible manufacturing companies that invest in one or more qualifying facilities.

Additional Depreciation*

Accelerates depreciation to substantially reduce business personal property taxes.

Exemption for Machinery and Equipment & Electricity*

Provides Transaction Privilege Tax (sales tax) and Use Tax exemptions.

Research & Development Tax Credit*

Provides an Arizona income tax credit for increased research and development activities conducted in this state. The R&D tax credit is equal to **24% of the first \$2.5 million in qualifying expenses, plus 15% of the qualifying expenses in excess of \$2.5 million**. Beginning in 2023, the tax credit rates will be 20% of the first \$2.5 million in qualifying expenses plus 11% of the qualifying expenses in excess of \$2.5 million.

Diverse Workforce

As one of the fastest growing megaregions in the U.S., the continuing in-migration of talent at all levels positively impacts the regional economy and translates into increased workforce availability. The local military installations have over 8,000 active airmen and provide a skilled veteran pool for businesses to tap.

Source: Sun Corridor, Inc.

* *Source: AZCommerce.com*

Oro Valley

Is located in northern Pima County approximately three miles north of the Tucson city limits. Nestled between the Catalina and Tortolita mountain ranges, the town sits at an elevation of 2,620 feet and covers more than 36 square miles.

Incorporated in April 1974 and home to more than 45,184, the Town of Oro Valley employs the council-manager form of municipal government. Oro Valley is administered by a seven-member Town Council.

Source: orovalleyaz.gov

Rio Nuevo Tax Increment Finance District

Rio Nuevo is the only tax increment finance district (TIF) in the state of Arizona. In partnership with developers, investors and lenders, Rio Nuevo invests in projects designed to expand the tax base and bring patrons and new businesses to Downtown Tucson. Rio Nuevo helps defray the steep costs of major new development and property improvements.

Town of Marana: Job Creation Incentive Program

Helps businesses to locate or expand in Marana by receiving reimbursement from reallocation of construction sales tax on new construction or expansion projects to qualifying employers.

Source: Sun Corridor, Inc.

TUCSON

At a Glance



1.058M
TUCSON MSA
POPULATION



434,692
TOTAL HOUSEHOLDS



25%
EDUCATION-
SOME COLLEGE



1.0%
POPULATION
GROWTH RATE



\$59,391
MEDIAN HOUSEHOLD
INCOME



3.3%
UNEMPLOYMENT
RATE

Source: BLS, BOC, Moody's Analytics 11/28/22

LARGEST EMPLOYERS

1. UNIVERSITY OF ARIZONA- 15,907
 2. RAYTHEON MISSILE SYSTEMS- 13,000
 3. DAVIS-MONTHAN AFB- 11,769
 4. STATE OF ARIZONA – 8,580
- www.arizona.edu, suncorridorinc.com

RECENT INDUSTRY ARRIVALS & EXPANSIONS

1. AMAZON
2. CATERPILLAR SURFACE MINING & TECHNOLOGY
3. HEXAGON MINING
4. BECTON DICKINSON
5. TUSIMPLE



46,932
UNIVERSITY OF ARIZONA
TOTAL ENROLLMENT, 2022

- #5 MANAGEMENT INFORMATION SYSTEMS
- #10 SPACE SCIENCE
- #29 NURSING
- #48 TOP PUBLIC SCHOOL
- #54 UNDERGRAD ENGINEERING PROGRAMS
- #67 COLLEGES FOR VETERANS
- #47 BEST BUSINESS SCHOOLS
- #108 BEST GLOBAL UNIVERSITY

UNIVERSITY OF ARIZONA TOP PROGRAMS
U.S. News & World Report



FLORES APARTMENTS

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