

**FOR SALE**



Property Offering	
Sale Price	\$1,200,000
Number of Units	20 + Office Space
Price Per Unit	\$60,000
Rentable SF	6,190
Price Per SF	\$193.86
Year Built/Renov	1943
Land	.35 Acres
Cap Rate	6.34%

**Property Highlights**

- Value-Add Property W/ Below Market Rents
- Located in The Opportunity Zone
- Operational & Management Upside
- Opportunity to convert office/storage in to a unit
- Laundry Facility, Office, Vending Machines, and Storage facilities on Property
- Located near Interstate 10 & S of Downtown Tucson
- Gated & Secured entry in place



Prepared by the Multi-Family & Investment Sales team:

**Allan Mendelsberg**  
Principal  
Direct +1 520 546 2721  
Mobile +1 520 490 2113  
amendelsberg@picor.com

**Conrad Joey Martinez**  
Multi-Family Team  
Direct +1 520 546 2730  
Mobile +1 520 668 3858  
cmartinez@picor.com

PICOR Commercial Real Estate  
5151 E Broadway Blvd Suite 151  
Tucson, AZ 85711 | USA  
Main +1 520 748 7100  
Fax +1 520 546 2799  
**multifamilytucson.com**  
**picor.com**

## PROPERTY OVERVIEW

**Property** Pueblo Court Apartments

**Address** 2245 S 6th Ave. Tucson, AZ 85713

**Units** 20 Studio Units + 1 office space which can be converted to a unit

**Rentable Square Feet** 6,190

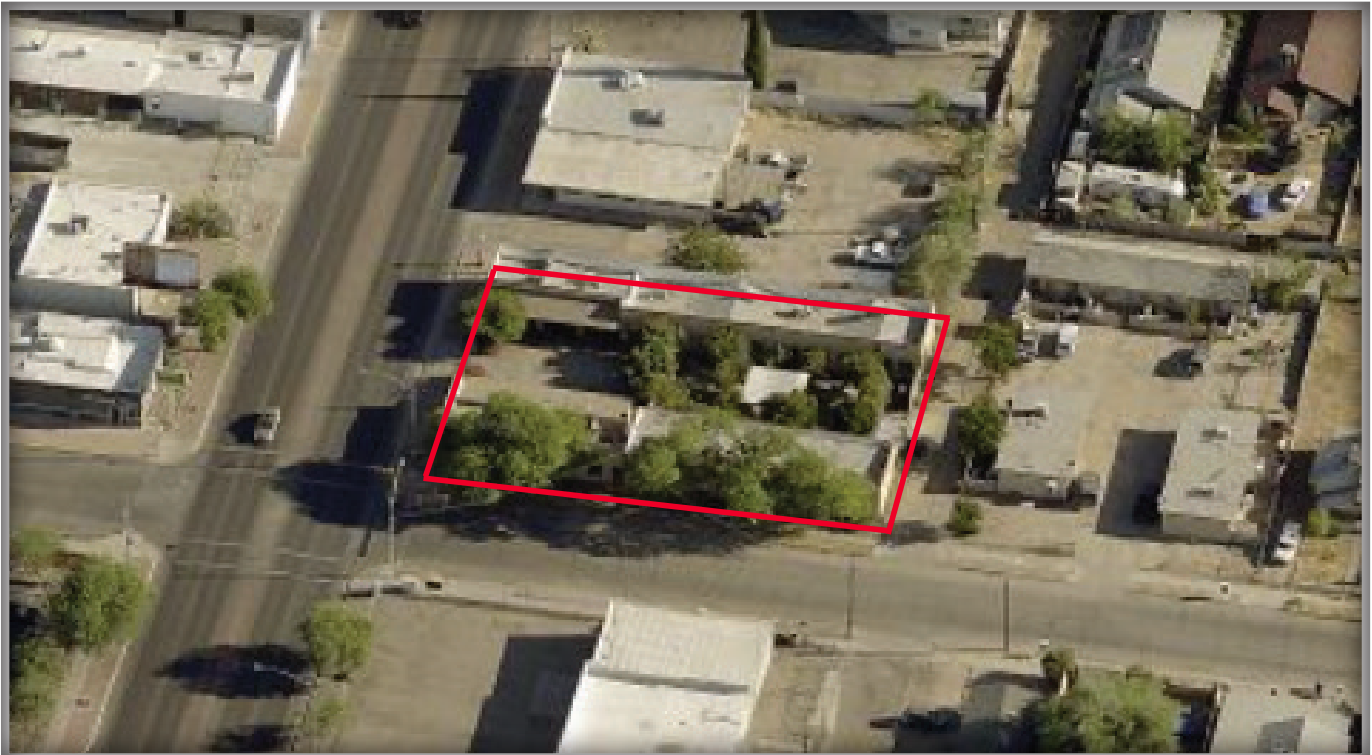
**Land** 0.35 Acres

**Year Built** 1943

**Zoning** SB-2A

**Parcel Numbers** 118-25-1760

**Main Cross Roads** S 6th Ave & W 29th St



## PROPERTY OVERVIEW



### Property Highlights:

Pueblo Court Apartments is a 20-unit apartment community comprising of (20) Studio units. The property features fully secure gated entry and an on-site office, laundry, and storage. The units are master metered, and the owner pays for Water/Sewer/Trash, Gas, and electric. They bill back a small percentage of the utilities to the tenants.

Pueblo Court Apartments has value add opportunity through operational upside and capital improvements to the property to increase the rental income & NOI by a substantial amount. This clean property has been well maintained and rented with long term tenants who enjoy the location and the quiet community. The owners haven't increased rents as much as they could because their tenants have been long term. The lush landscaping and trees create a quaint and quiet atmosphere for the tenants to enjoy!



## 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:

Pueblo Court Apartments is located just South of downtown Tucson with many retail and entertainment locations nearby. It is less than three miles away from the University campus and Banner University Medical. With its close proximity to downtown Tucson and Mercado District it also has entertainment and shopping hubs nearby. The area surrounding Pueblo Court Apartments features several parks & recreations within a 2 mile radius. Pueblo Court Apartments has easy access to the highly trafficked Interstate-10 making commutes and access convenient. Recent employers in the area like Amazon, Caterpillar, & other companies have helped to improve the surrounding areas.

**PROPERTY PHOTOS**



PROPERTY PHOTOS

Interior Photos



PROPERTY PHOTOS

Interior Photos



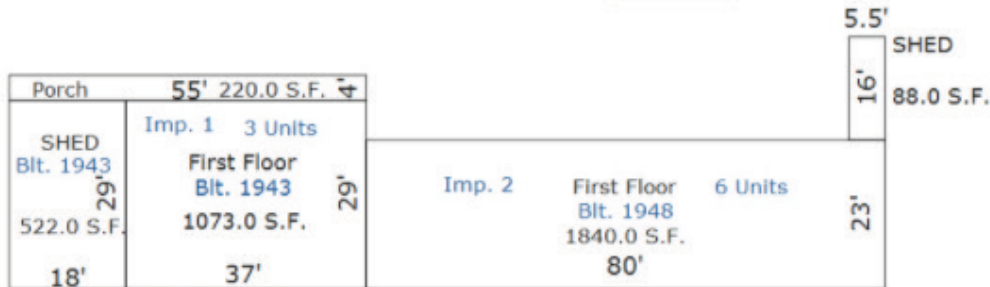
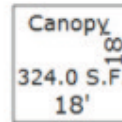
**PROPERTY LAYOUT**

118-25-1760

2245 S. 6th Ave.



20 units total for complex



Was office; now storage 1595 SF total for bldg.



Drawn from PRC & CCS

D. Shryock #483

9-18-12



## PRICING ANALYSIS

Type	# of Units	Sq. Ft.	Total S.F.	Rent per S.F.	Total Monthly Rent	Stabilized Rent
Studio	11	251	2,761	\$2.21	\$6,105	\$555
Studio	6	306	1,836	\$1.85	\$3,390	\$565
Studio	3	357	1,071	\$1.62	\$1,740	\$580
Storage (possible conversion to Unit)		522	522	\$0.00	\$0	\$0
<b>Total/Avg.</b>	<b>20</b>	<b>310</b>	<b>6,190</b>	<b>\$1.82</b>	<b>\$11,235</b>	<b>\$562</b>

Income Statement	"Marketing Pro Forma"	"Proforma Per Unit"	Proforma PSF	Jan-Mar 21' Annualized
<b>RENTAL INCOME</b>				
Gross Market Rent	\$134,820	\$6,741	\$21.78	
Vacancy Loss	-\$6,741	-5.0%	-\$1.09	
Gross Rent	\$128,079	\$6,404	\$20.69	
Concessions & Bad Debt	-\$1,921	-1.50%	-\$0.31	
<b>Net Rental Income</b>	<b>\$126,158</b>	<b>\$6,308</b>	<b>\$20.38</b>	<b>\$127,020</b>
Other Income (Laundry & Vending)	\$6,000	\$300	\$0.97	\$5,944
<b>TOTAL INCOME</b>	<b>\$132,158</b>	<b>\$6,608</b>	<b>\$21.35</b>	<b>\$132,964</b>
<b>OPERATING EXPENSES</b>				
General & Admin	\$1,200	\$60	\$0.19	\$0
Repairs/Maintenance/Supplies	\$10,000	\$500	\$1.62	\$6,224
Contract Services	\$1,200	\$60	\$0.19	\$0
Utilities	\$23,000	\$1,150	\$3.72	\$19,868
<b>TOTAL VARIABLE</b>	<b>\$35,400</b>	<b>\$1,770</b>	<b>\$5.72</b>	<b>\$26,092</b>
Property Taxes	\$2,390	\$120	\$0.39	\$2,390
Property Insurance	\$2,700	\$135	\$0.44	\$2,686
Management Fee	\$10,573	8%	\$1.71	\$0
Reserves	\$5,000	\$250	\$0.81	
<b>TOTAL EXPENSES</b>	<b>\$56,063</b>	<b>\$2,803</b>	<b>\$9.06</b>	<b>\$31,168</b>
<b>NET OPERATING INCOME</b>	<b>\$76,095</b>	<b>\$3,805</b>	<b>\$12.29</b>	<b>\$101,796</b>

Stabilized Market Valuation	
<b>Value</b>	<b>\$1,200,000</b>
Per Unit	\$60,000
Per Square Foot	\$193.86
<b>Cap Rate</b>	
Jan - Mar 2021 Annual.	8.48%
Marketing Pro Forma	6.34%

**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.



*Independently Owned and Operated / A Member of the Cushman & Wakefield Alliance  
 Cushman & Wakefield Copyright 2019. No warranty or representation, express or implied, is made to the accuracy or completeness of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions imposed by the property owner(s). As applicable, we make no representation as to the condition of the property (or properties) in question.*