



1841 S. IRVING
OLIVE TREE

OFFERING MEMORANDUM
Olive Tree Apartments
1841 S. Irving Ave
Tucson, Arizona 85711



MULTI-FAMILY & INVESTMENT SALES TEAM



MULTI-FAMILY TEAM

ALLAN MENDELSBERG

Principal, Multi-Family Team

D +1 520 546 2721

M +1 520 490 2113

amendelsberg@picor.com

JOEY MARTINEZ

Principal, Multi-Family Team

D +1 520 546 2730

M +1 520 668 3858

cmartinez@picor.com

PICOR Commercial Real Estate Services

5151 E Broadway Blvd, Suite 115

Tucson, Arizona 85711 | USA

Main +1 520 748 7100

picor.com | multifamilytucson.com

DISCLAIMER


©2023 Cushman & Wakefield | PICOR. All rights reserved. The information contained in this communication is strictly confidential. This information has been obtained from sources believed to be reliable but has not been verified.

NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, IS MADE AS TO THE CONDITION OF THE PROPERTY (OR PROPERTIES) REFERENCED HEREIN OR AS 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). ANY PROJECTIONS, OPINIONS OR ESTIMATES ARE SUBJECT TO UNCERTAINTY AND DO NOT SIGNIFY CURRENT OR FUTURE PROPERTY PERFORMANCE.




PROPERTY INFORMATION

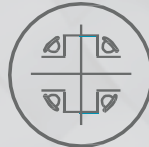
Olive Tree Apartments
1841 S. Irving Ave
Tucson, AZ 85711



PRICE
\$2,400,000




PRICE PER UNIT
\$120,000


















PRICE PER SF
\$150.00



PROFORMA NOI
\$161,121



CAP RATE
6.71%

	LOCATION:	1841 S. Irving Ave Tucson, AZ 85711		LANDSCAPING:	Palm trees, Large shade trees, shrubbery, rock & bushes
	SITE AREA:	0.54 Acres 23,602 Sq. Ft.		UTILITIES: (Responsibility)	Electricity: Tucson Electric (Tenant) Gas: Southwest Gas (Owner) Water: City of Tucson (Owner) Sewer: City of Tucson (Owner) Trash: City of Tucson (Owner)
	RENTABLE SQFT:	16,000 Sq. Ft.		METERING:	Electric: Individual & Common Gas: Master metered Water/Sewer/Trash: Master-metered Hot Water: Shared water heaters
	ASSESSOR PARCEL NUMBER(S):	130-17-1840 & 130-17-185B		HEATING/COOLING:	Air conditioned – Heating & Cooling
	ZONING:	C-2		CONSTRUCTION:	Masonry
	ACCESS:	Ingress/Egress		FINANCING:	Cash AND/OR Traditional Financing
	PARKING	~ 27			
	ROOF/STORIES:	Built Up-Flat / Two			
	YEAR BUILT:	1964 w/ Recent improvements			

UNIT DESCRIPTION	NO. OF UNITS	%	SQ. FT. PER UNIT
2BD / 1BA (Old Lease)	4	20%	800
2BD / 1BA (New Lease)	16	80%	800
Total/Average (Monthly)	20	1	800

PROPERTY SUMMARY

Olive Tree Apartments
1841 S. Irving Ave
Tucson, AZ 85711



Located on S. Irving Ave in Alvernon Heights Neighborhood sits Olive Tree Apartments. This is a 20-unit complex comprised of all 2BD/1BA units. The property was built in 1964 and is a value-add investment.

The property has recently gone through improvements including unit renovations, roof replacement, exterior upgrades, and common area improvements. There is an on-site laundry facility along with bike racks for tenants' convenience. Once inside the gated community, there is an abundance lush landscaping and patio areas.

Unit highlights include private backyards for most of the units, electric water heaters, mostly upgraded units, and mini-split AC systems.

The units are individually metered for electric and master-metered for water, sewer, and trash. Tenants pay their own electric and the owners pay water, sewer, and trash. The gas is shared between the units and hot water heaters and paid for by the owner.

The asset is located in South central Tucson less than 15 minutes away from the bustling center of Downtown, U of A, restaurants and many more great attractions. Tenants enjoy Olive Tree location because of it's closeness to nearby commercial hubs and easy access to I-10.

PROPERTY HIGHLIGHTS

Olive Tree Apartments
1841 S. Irving Ave
Tucson, AZ 85711



PROPERTY HIGHLIGHTS

- Value-add building
- Recent capital improvements
- On-site laundry facility
- Gated community
- Ample parking
- Cable ready



UNIT HIGHLIGHTS

- Upgraded units
- Storage spaces
- Walk-In closets
- Individual air conditioning
- Individually metered for electric
- Laminate-vinyl floors

FINANCIAL ANALYSIS

Olive Tree Apartments
1841 S. Irving Ave
Tucson, AZ 85711

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.
2BD / 1BA (Old)	4	20%	800	3,200	\$862	\$3,449	\$1,000	\$4,000	\$1.25
2BD / 1BA (New)	16	80%	800	12,800	\$1,100	\$17,600	\$1,150	\$18,400	\$1.44
Total/Average (Monthly)	20	1	800	16,000	\$1,052	\$21,049	\$1,120	\$22,400	\$1.40
Annual						\$252,588		\$268,800	

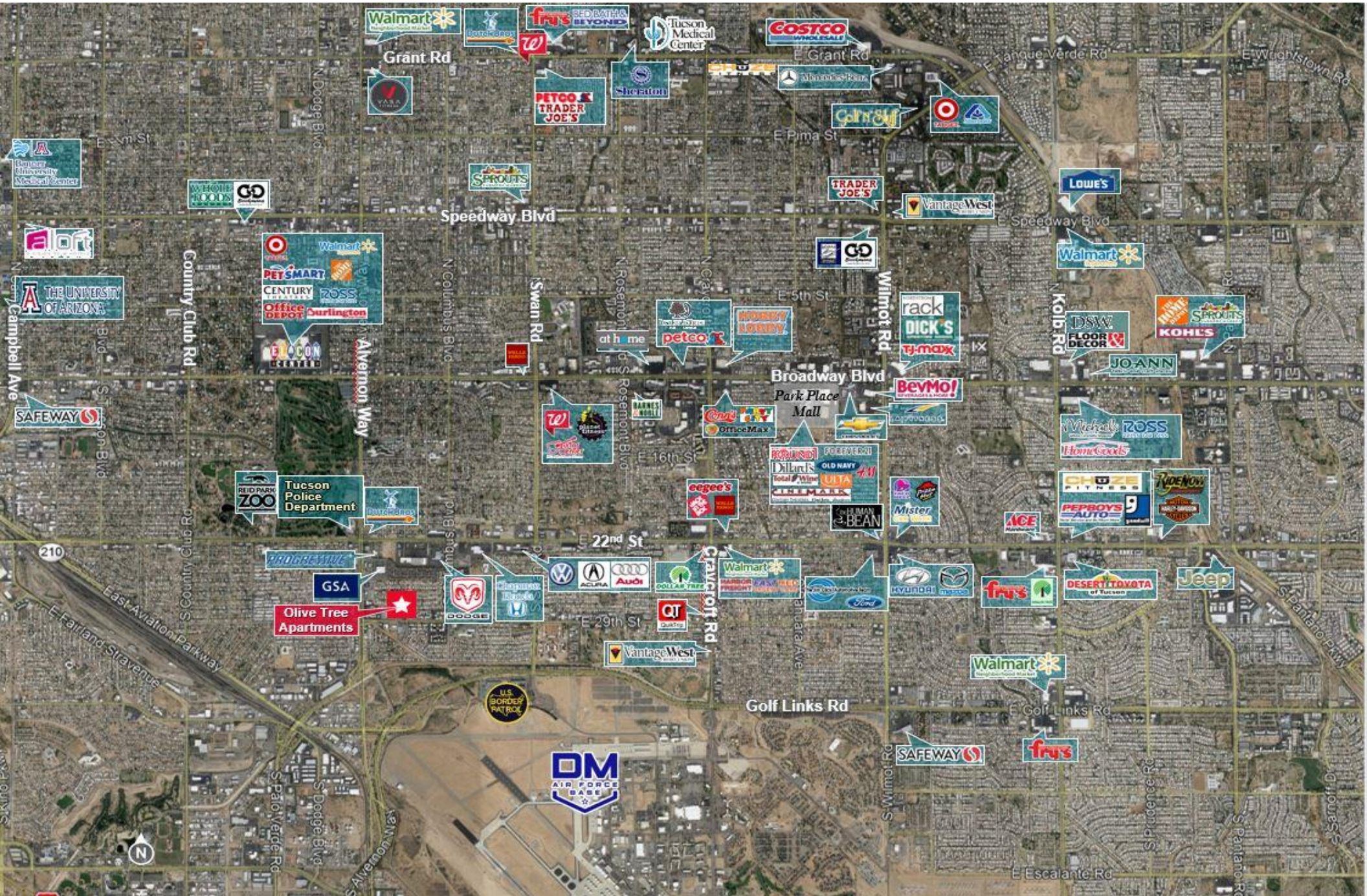
Income Statement	Current RR & T-11			
	Marketing Pro Forma	Pro Forma Per Unit	Expenses Annualized	Annualized Per Unit
RENTAL INCOME				
Gross Market Rent	\$268,800	\$13,440		
Vacancy Loss	-\$13,440	-5.0%		
Concessions & Bad Debt	-\$4,032	-1.5%		
Net Rental Income	\$251,328	\$12,566	\$214,188	\$10,709
Other Income	\$2,500	\$125	\$1,200	\$60
TOTAL INCOME	\$253,828	\$12,691	\$215,388	\$10,769
OPERATING EXPENSES				
General & Administrative	\$2,000	\$100	\$871	\$44
Professional & Legal	\$3,200	\$160	\$4,985	\$249
Repairs & Maintenance & Turnover	\$22,000	\$1,100	\$15,254	\$763
Contract Services	\$2,000	\$100	\$2,487	\$124
Utilities	\$25,000	\$1,250	\$22,277	\$1,114
TOTAL VARIABLE	\$54,200	\$2,710	\$45,875	\$2,294
Property Taxes	\$8,201	\$410	\$8,201	\$410
Property Insurance	\$5,000	\$250	\$4,800	\$240
Management Fee	\$20,306	8%	\$20,710	10%
Reserves	\$5,000	\$250		
TOTAL EXPENSES	\$92,707	\$4,635	\$79,586	\$3,979
NET OPERATING INCOME	\$161,121	\$8,056	\$135,802	\$6,790

Stabilized Market Analysis	
Value	\$2,400,000
Per Unit	\$120,000
Per Square Foot	\$150.00
Cap Rate	
Current RR & T-11 Expenses	5.66%
Marketing Pro Forma	6.71%

- CapEx removed

TRADE MAP

Olive Tree Apartments
1841 S. Irving Ave
Tucson, AZ 85711



DEMOGRAPHIC OVERVIEW

Olive Tree Apartments
1841 S. Irving Ave
Tucson, AZ 85711

2022 DEMOGRAPHIC OVERVIEW

	1 MILE	3 MILES	5 MILES
POPULATION	12,172	84,112	285,348
HOUSEHOLDS	4,750	36,245	120,539
AVG HOUSEHOLD INCOME	\$43,210	\$57,713	\$56,481
DAYTIME POPULATION	4,145	63,344	179,891
RETAIL EXPENDITURE	\$88.67 M	\$815.48 M	\$2.67 B

Source: Sites USA -Applied Geographic Solutions 09/2022, TIGER Geography - RF5

2027 DEMOGRAPHIC PROJECTIONS

	1 MILE	3 MILES	5 MILES
POPULATION	12,271	85,384	289,489
HOUSEHOLDS	4,719	36,213	120,420
AVG HOUSEHOLD INCOME	\$51,073	\$67,680	\$66,477

Source: Sites USA -Applied Geographic Solutions 09/2022, TIGER Geography - RF5

TRAFFIC COUNTS VEHICLES PER DAY (VPD)

E.29 TH ST	14,770 VPD	(2021)
S. ALVERNON WAY	38,974 VPD	(2021)

Source: Pima Association of Governments



EXTERIOR PHOTOS



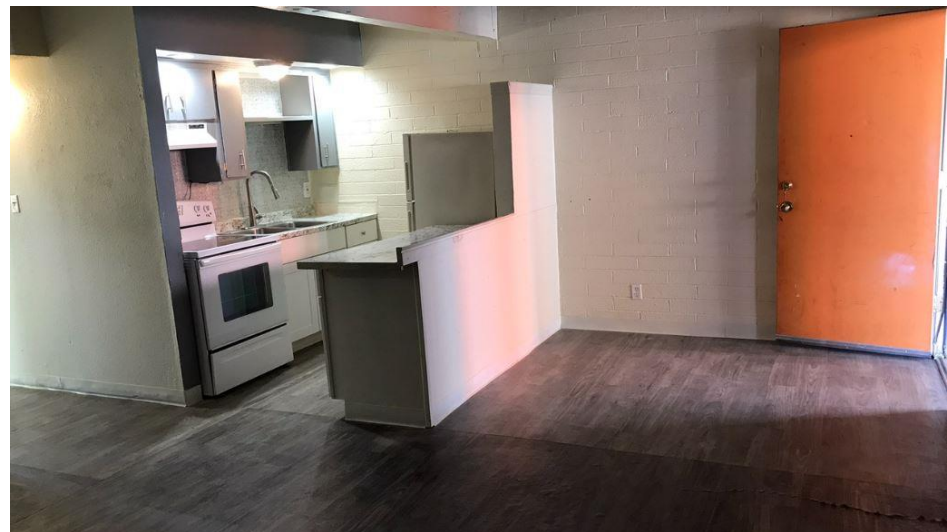
EXTERIOR PHOTOS



INTERIOR PHOTOS



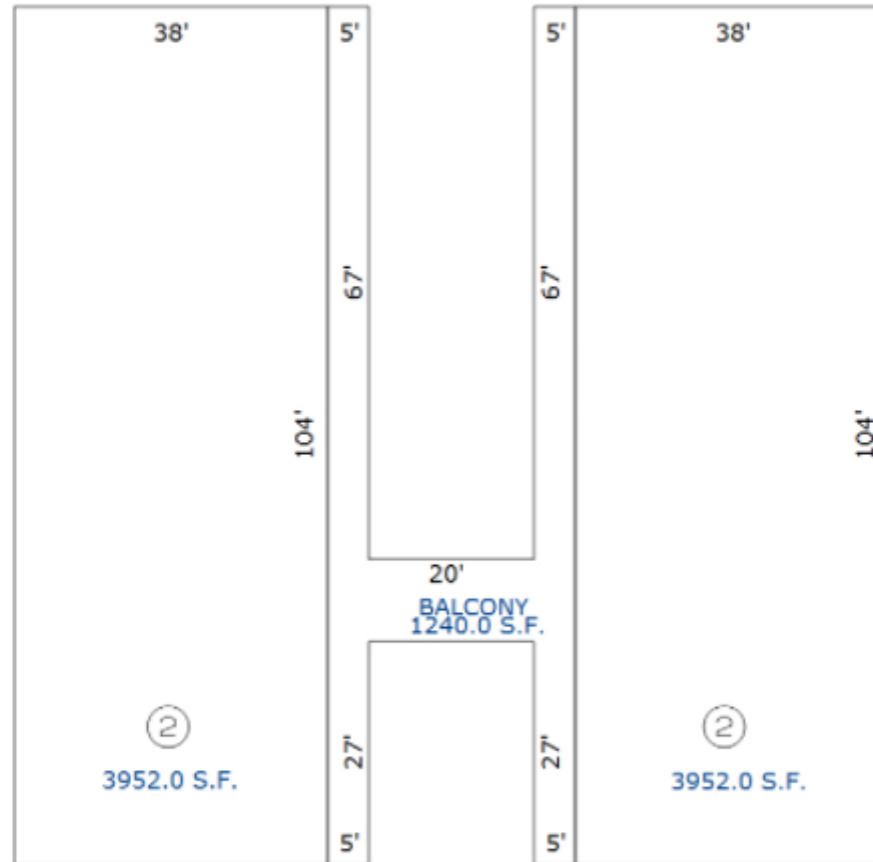
INTERIOR PHOTOS



PROPERTY LAYOUT

Olive Tree Apartments
1841 S. Irving Ave
Tucson, AZ 85711

130-17-1840
1841 S IRVING AV



TOTAL SQ FT 15,808

#407 03/2015
DRAWN FROM PRC

ABOUT TUCSON

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.comRECENT 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



CUSHMAN &
WAKEFIELD



PICOR

BROKER CONTACTS

ALLAN MENDELSBERG

Multi-Family Team, Principal

D +1 520 546 2721

M +1 520 490 2113

amendelsberg@picor.com

JOEY MARTINEZ

Multi-Family Team, Principal

D +1 520 546 2730

M +1 520 668 3858

cmartinez@picor.com

SUPPORT TEAM

ELIZABETH GUERRERO

Multi-Family Team, Assistant

D +1 520 546 2760

eguerrero@picor.com