



# OFFERING MEMORANDUM

The Elaine  
2322 N. Elaine Blvd.  
Tucson, AZ 85716



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

jmartinez@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**

©2024 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

The Elaine  
2322 N. Elaine Blvd.  
Tucson, AZ 85716

 <b>PRICE</b> \$1,600,000	 <b>PRICE PER UNIT</b> \$100,000	 <b>PRICE PER SF</b> \$210.08	 <b>PROFORMA NOI</b> \$101,657	 <b>CAP RATE</b> 6.35%
--	---	---	---	---

 <b>LOCATION:</b>	2322 N. Elaine Blvd. Tucson, AZ 85716	 <b>LANDSCAPING:</b>	Shrubby & desert plants
 <b>SITE AREA:</b>	.46 Acres   19,936 Sq. Ft.	 <b>UTILITIES: (Responsibility)</b>	Electricity: Tucson Electric (Tenant) Gas: Southwest Gas (Tenant) Water: City of Tucson (RUBS) Sewer: City of Tucson (RUBS) Trash: City of Tucson (RUBS)
 <b>RENTABLE SQFT:</b>	7,616 Sq. Ft.	 <b>METERING:</b>	Electric: Individual & Common Gas: Individual & Common Water/Sewer/Trash: Master-metered Hot Water: Individual
 <b>ASSESSOR PARCEL NUMBER(S):</b>	122-16-3660	 <b>HEATING/COOLING:</b>	Air-conditioning
 <b>ZONING:</b>	C-2	 <b>CONSTRUCTION:</b>	Wood frame/Stucco
 <b>ACCESS:</b>	Ingress/egress	 <b>FINANCING:</b>	To be determined
 <b>PARKING</b>	~26		
 <b>ROOF/STORIES:</b>	Flat-cool roof/ 2 story		
 <b>YEAR BUILT:</b>	1984 w/ recent improvements		

UNIT DESCRIPTION	NO. OF UNITS	% OF TOTAL	SQ. FT. PER UNIT
1BD/1BA	16	100%	476
<b>Total/Average (Monthly)</b>	<b>16</b>	<b>100%</b>	<b>476</b>



## PROPERTY HIGHLIGHTS

- Value-add opportunity
- Operational Upside
- Recent capital improvements
- On-site laundry facility & bbq area
- Well located two miles from TMC
- Well maintained grounds
- Ample parking for tenants

## UNIT HIGHLIGHTS

- Some renovated units
- Below market rents
- Individually metered for electric and gas
- Air-conditioned units
- Modern finishes throughout unit
- RUBs for Water/Sewer/Trash usage
- Ceiling fans



# PROPERTY SUMMARY

The Elaine  
2322 N. Elaine Blvd.  
Tucson, AZ 85716



The Elaine presents a multifamily asset located in central Tucson. The property holds a value-add opportunity through operational upside and aggressive leasing and marketing efforts. The community's exterior is further enhanced by well-maintained common areas with lush desert plants. The current amenities include – a covered picnic area for tenants to sit under, along with a dog park. For additional convenience, on-site laundry facilities are available as well.

The property consists of 16 1BD/1BA units, most units at The Elaine are renovated units including fully equipped kitchens with modern white cabinetry and up to date finishes, new paint, countertops, and modern wood vinyl flooring. The Property keeps up with modern trends allowing them to keep tenants satisfied and retained. Beneficial to investors, electric and gas are individually metered while Water/Sewer/Trash are master metered. a RUBs bill back system is in usage, shifting the expense of those utilities back to tenants. By capitalizing on the discrepancy between current and market-rate rents, investors can improve the property's cash flow and overall return on investment over time. The gradual increase in rent as leases renew ensures minimal disruption to tenant retention while unlocking the full income potential of the property.

The strategic location near Tucson Medical Center and Costco captures a strong working resident base who can readily access in nearby entertainment options like the Campbell Shopping Plaza, Culinary Dropout, and Roadhouse Cinema.

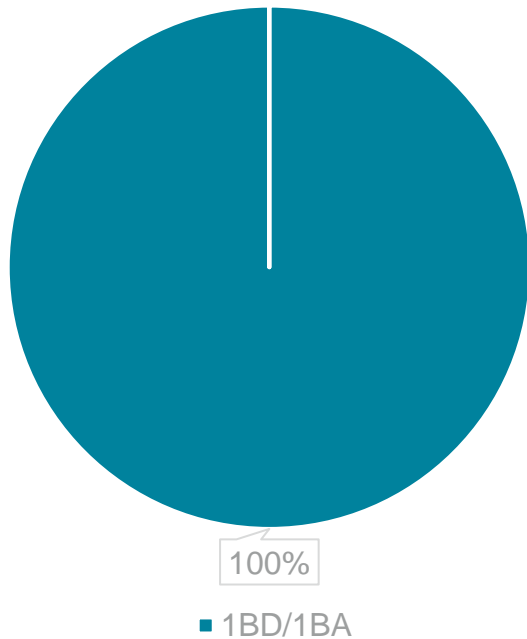
For investors with a keen eye for prime locations of growth opportunity, The Elaine offers an exceptional setting, located just a short ten minute drive from the University of Arizona and the Heirloom Farmers Market. This is an investment opportunity that leverages a strategic location, well-kept property, and convenient multifamily living. Don't miss the chance to capitalize on this promising venture

# FINANCIAL ANALYSIS

The Elaine  
2322 N. Elaine Blvd.  
Tucson, AZ 85716

Unit Description	# of Units	% of Total	SqFt Per Unit	Total Rentable SqFt	Current Avg. Rent		Pro Forma Market Rent		
					Per Unit	Per Month	Per Unit	Per Month	Per SqFt
1BD/1BA	16	100%	476	7,616	\$844	\$13,504	\$925	\$14,800	\$1.94
<b>Total/Average (Monthly)</b>	<b>16</b>	<b>100%</b>	<b>476</b>	<b>7,616</b>	<b>\$844</b>	<b>\$13,504</b>	<b>\$925</b>	<b>\$14,800</b>	<b>\$1.94</b>
<b>Annual</b>						<b>\$162,048</b>		<b>\$177,600</b>	

Unit Breakdown



# FINANCIAL ANALYSIS

The Elaine  
2322 N. Elaine Blvd.  
Tucson, AZ 85716

Income Statement	Marketing Pro Forma	Pro Forma Per Unit	T-12 Actuals	T-12 Actuals Per Unit
<b>RENTAL INCOME</b>				
<b>Gross Market Rent</b>	\$177,600	\$11,100		
Vacancy Loss	-\$10,656	-6.0%		
Concessions & Bad Debt	-\$3,552	-2.0%		
<b>Net Rental Income</b>	\$163,392	\$10,212	\$137,103	\$8,569
RUBS	\$7,000	\$438	\$6,320	\$395
Other Income	\$2,000	\$125	\$1,791	\$112
<b>TOTAL INCOME</b>	\$172,392	\$10,775	\$145,214	\$9,076
<b>OPERATING EXPENSES</b>				
General & Administrative	\$1,000	\$63	\$689	\$43
Advertising	\$1,500	\$94	\$2,420	\$151
Professional Fees	\$2,600	\$163	\$3,342	\$209
Security Service	\$0	\$0	\$6,340	\$396
Repairs & Maintenance & Turnover	\$14,400	\$900	\$16,049	\$1,003
Contract Services	\$2,400	\$150	\$4,890	\$306
Utilities	\$13,500	\$844	\$13,060	\$816
<b>TOTAL VARIABLE</b>	\$35,400	\$2,213	\$46,790	\$2,924
Property Taxes	\$7,544	\$472	\$7,544	\$472
Property Insurance	\$10,000	\$625	\$12,824	\$802
Management Fee	\$13,791	8%	\$20,844	14%
Reserves	\$4,000	\$250		
<b>TOTAL EXPENSES</b>	\$70,735	\$4,421	\$88,002	\$5,500
<b>NET OPERATING INCOME</b>	\$101,657	\$6,354	\$57,212	\$3,576

## Stabilized Market Analysis

<b>Value</b>	\$1,600,000
Per Unit	\$100,000
Per Square Foot	\$210.08
<b>Cap Rate</b>	
T-12 Actuals	3.58%
Marketing Pro Forma	6.35%

< bundled with owner's portfolio and not necessary for new ownership







# DEMOGRAPHIC OVERVIEW

The Elaine  
2322 N. Elaine Blvd.  
Tucson, AZ 85716



## 2023 DEMOGRAPHIC OVERVIEW

	1 MILE	3 MILES	5 MILES
POPULATION	22,127	118,696	277,105
HOUSEHOLDS	10,819	55,254	127,074
AVG HOUSEHOLD INCOME	\$63,816	\$82,832	\$84,506
DAYTIME POPULATION	4,651	62,280	155,575
RETAIL EXPENDITURE	\$271.03 M	\$1.6 B	\$3.66 B

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

## 2029 DEMOGRAPHIC PROJECTIONS

	1 MILE	3 MILES	5 MILES
POPULATION	21,993	119,536	280,268
HOUSEHOLDS	10,884	56,224	130,215
AVG HOUSEHOLD INCOME	\$65,367	\$85,597	\$86,804

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

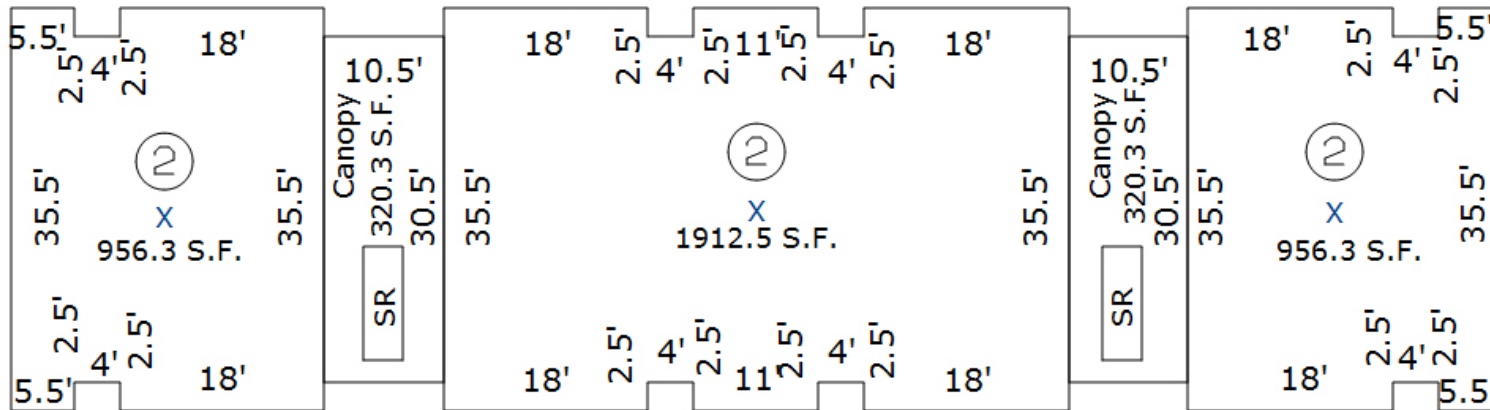
## TRAFFIC COUNTS VEHICLES PER DAY (VPD)

E. GRANT RD.	31,911 VPD	(2023)
S. ALVERNON WAY	28,091 VPD	(2023)

Source: Pima Association of Governments



122-16-3660  
2322 N ELAINE BL



TOTAL SQ FT 7650







# EXTERIOR PHOTOS

The Elaine  
2322 N. Elaine Blvd.  
Tucson, AZ 85716











# 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 MARKET OVERVIEW



**1.08M**  
TUCSON MSA  
POPULATION



**484,397**  
TOTAL  
HOUSEHOLDS



**35%**  
COLLEGE  
EDUCATION



**0.75%**  
POPULATION  
GROWTH RATE



**\$64,323**  
MEDIAN HOUSEHOLD  
INCOME



**3.2%**  
UNEMPLOYMENT  
RATE



**53,187**  
UNIVERSITY OF ARIZONA  
TOTAL ENROLLMENT, 2023

- #3 MANAGEMENT INFORMATION SYSTEMS
- #10 SPACE SCIENCE
- #17 MEDICINE
- #18 EDUCATION
- #47 BEST BUSINESS SCHOOLS
- #48 TOP PUBLIC SCHOOL
- #54 UNDERGRAD ENGINEERING PROGRAMS
- #67 COLLEGES FOR VETERANS
- #99 BEST GLOBAL UNIVERSITY

## LARGEST EMPLOYERS

1. UNIVERSITY OF ARIZONA- 16,699
2. RAYTHEON MISSILE SYSTEMS- 13,000
3. DAVIS-MONTHAN AFB- 11,769
4. STATE OF ARIZONA – 8,580

## RECENT INDUSTRY ARRIVALS & EXPANSIONS

1. AMAZON
2. CATERPILLAR SURFACE MINING & TECHNOLOGY
3. HEXAGON MINING
4. BECTON DICKINSON
5. AMERICAN BATTERY FACTORY





**THE ELAINE**

2322 N. Elaine Blvd.  
Tucson, AZ 85716

**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  
jmartinez@picor.com

**SUPPORT TEAM**

**LEXY PACHECO**

Multi-Family Team, Assistant  
D +1 520 546 2760  
lpacheco@picor.com