

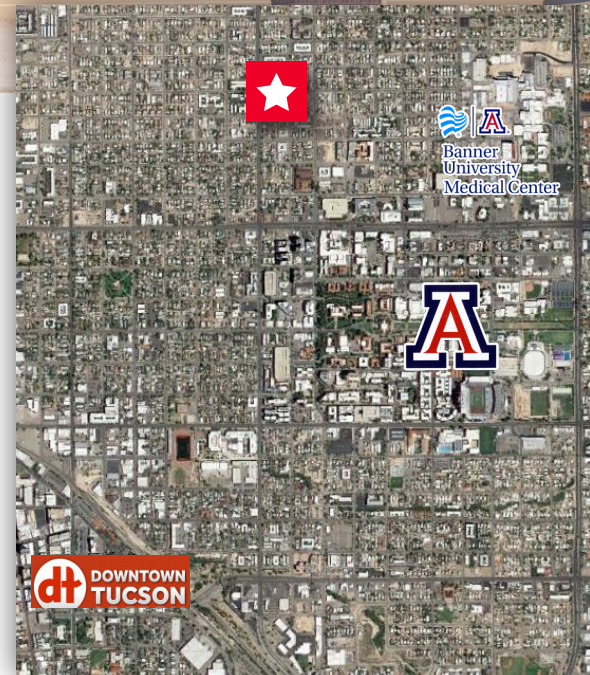
FOR SALE



Property Offering	
Sale Price	\$2,800,000
Number of Units/Beds	7 Units / 27 Beds
Price Per Unit	\$400,000
Price Per Bed	\$103,704
Rentable SF	14,278 SF
Price Per SF	\$196.11
Year Built	1962 & 2014
Land	.86 Acres
Cap Rate	6.52%

Property Highlights

- **Luxury Student Housing Property**
- 6 - Spacious 4BD/4.5 BA Homes + 1 SFR
- Spacious Three Car Garages
- Gated Property
- Built in 2014
- Well Maintained Property
- Pool, Hot Tub, Basketball Court, & Large Grass Area



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PROPERTY OVERVIEW

Property The Grove Student Housing

Address 2102-2110 N 1st Ave Tucson, Az 85719

Beds 27 Beds

Rentable Square Feet 14,278

Land .86 Acres

Year Built House - 1962 (Renovated - 2018) & Apartments - 2014

Zoning R-2

Parcel Number 123-13-101A & 123-13-102A

Main Cross Roads N Euclid Ave. & E Grant Rd.



PROPERTY OVERVIEW



Property Highlights:

The Grove Student Housing is a 7 Unit student housing complex comprising of 7 units or 27 beds. The property is comprised of 6 - 4BD/4.5BA units & 1 3BD/2BA SFR. The gated property features a pool, hot tub, a large grass area, and a basketball court for students to use for socializing. The tenants pay all of the utilities aside from common electric which is for the gate.

The interiors feature concrete flooring down stairs & carpet upstairs. Each student has their own full bath and there is a half bath down stairs. The kitchens have high end stainless steel appliances. Each unit has their own three car garage and their own private backyard. There is also available parking at the back end of the property.



LOCATION OVERVIEW



NEARBY DESTINATIONS



RETAIL

- Culinary Dropout
- King Fisher Restaurant
- Prep & Pastry
- Snooze AM Eatery
- Tucson 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:

The Grove Student Housing is centrally located in Tucson with many retail and entertainment locations nearby. It is less than a mile away from the University campus and Banner University Medical which makes it the ideal location for students looking to live and learn close to campus. With its close proximity to downtown Tucson and Mercado District it also has entertainment and shopping hubs nearby. The area surrounding The Grove features several parks & recreations within a 2 mile radius. The Grove has easy access to the highly trafficked Interstate-10 making commutes and access convenient.

PROPERTY PHOTOS

Aerial Photos



PROPERTY PHOTOS

Exterior Photos

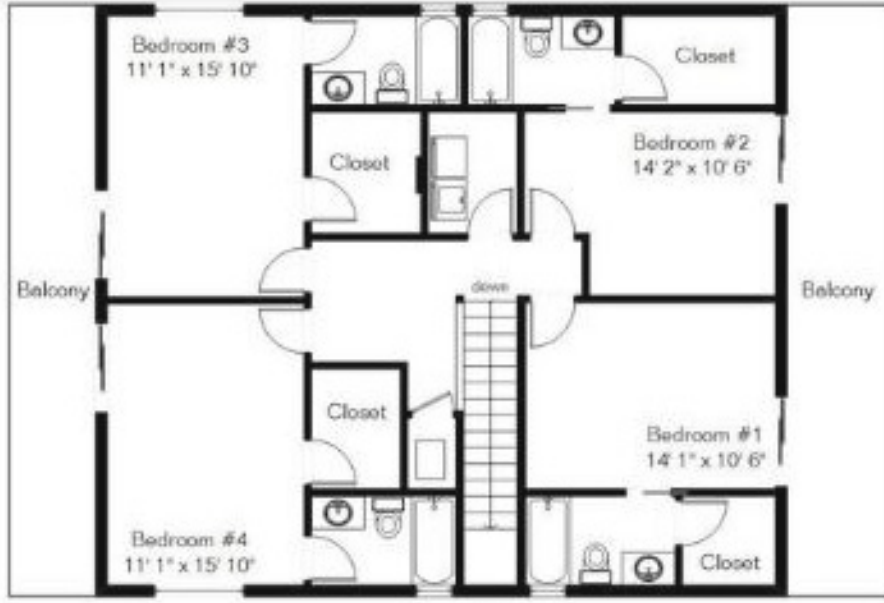


PROPERTY PHOTOS

Interior Photos



PROPERTY FLOOR PLAN

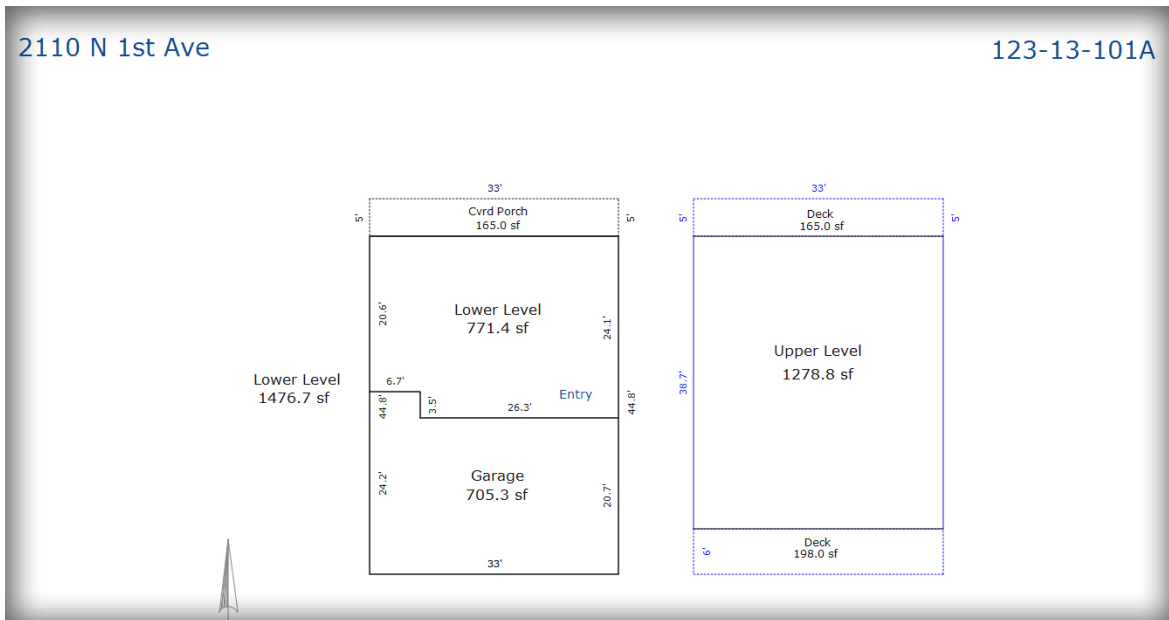


2nd Floor



1st Floor

PROPERTY LAYOUT



PRICING ANALYSIS

Type	# of Units	Sq. Ft.	Total S.F.	Rent per S.F.	Total Monthly Rent	Stabilized Rent
4 BD/ 4.5 BA	6	2,050	12,300	\$1.69	\$20,760	\$3,460
3 BD/ 2 BA SFR	1	1,978	1,978	\$1.14	\$2,250	\$2,250
Total/Avg.	7	2,040	14,278	\$1.61	\$23,010	\$3,287

Income Statement	"Marketing Pro Forma"	"Proforma Per Unit"	Proforma PSF	Jan-Jul Annualized
RENTAL INCOME				
Gross Market Rent	\$276,120	\$39,446	\$19.34	
Vacancy Loss	-\$16,567	-6.0%	-\$1.16	
Gross Rent	\$259,553	\$37,079	\$18.18	
Concessions & Bad Debt	-\$3,893	-1.50%	-\$1.97	
Net Rental Income	\$255,660	\$36,523	\$17.91	\$248,986
Other Income	\$500	\$71	\$0.04	
TOTAL INCOME	\$256,160	\$36,594	\$17.94	\$248,986
OPERATING EXPENSES				
General & Admin	\$500	\$71	\$0.04	\$0
Repairs/Maintenance/Supplies/ Turnover	\$15,000	\$2,143	\$1.05	\$33,429
Contract Services	\$3,000	\$429	\$0.21	\$0
Utilities	\$2,000	\$286	\$0.14	\$1,548
TOTAL VARIABLE	\$20,500	\$2,929	\$1.44	\$34,977
Property Taxes	\$20,655	\$2,951	\$1.45	\$20,655
Property Insurance	\$5,500	\$786	\$0.39	\$0
Management Fee	\$23,054	9%	\$1.61	\$25,044
Reserves	\$4,000	\$571	\$0.28	
TOTAL EXPENSES	\$73,709	\$10,530	\$5.16	\$80,676
NET OPERATING INCOME	\$182,450	\$26,064	\$12.78	\$168,311

Stabilized Market Valuation	
Value	\$2,800,000
Per Unit	\$400,000
Per Bed	\$103,704
Per Square Foot	\$196.11
Cap Rate	
2020 Jan-Jul Annualized	6.01%
Pro Forma	6.52%

SALES COMPARABLES



* **Grove Student Housing**
2110 N 1st Ave.

- Year Built** 2014
- Unit Mix** 6 - 4BD/4.5BA & 1 - SFR
- Avg. SF** 2,040
- Sale Price** \$2,800,000
- Cost per Unit** \$400,000
- Cost per Bed** \$103,704
- Cost PSF** \$196.11/SF
- Sale Date** TBD



1. **The Graymont Student Housing**
1125-1139 E 7th St.

- Year Built** 2018
- Unit Mix** 8 - 4BD/4.5BA
- Avg. SF** 2,290
- Sale Price** \$4,550,000
- Cost per Unit** \$568,750
- Cost per Bed** \$142,188
- Cost PSF** \$248.36/SF
- Sale Date** 08/2020



2. **Highland House**
380 N Highland Ave.

- Year Built** 2017
- Unit Mix** 4 - 4BD/4BA
- Avg. SF** 2,329
- Sale Price** \$1,715,000
- Cost per Unit** \$571,667
- Cost per Bed** \$142,916
- Cost PSF** \$81.83/SF
- Sale Date** 04/2019

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*

Statistics from City of Tucson and U.S. Census Bureau

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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