



OFFERING MEMORANDUM

Tropicana Apartments

3815-3819 E. 3rd St.

Tucson, AZ 85716



MULTI-FAMILY & INVESTMENT SALES TEAM



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PROPERTY INFORMATION

Tropicana Apartments
3815-3819 E. 3rd St.
Tucson, AZ 85716




PRICE
\$1,900,000




PRICE PER UNIT
\$135,714












PRICE PER SF
\$219.65









PROFORMA CAP RATE
6.51%



T-12 ACTUALS CAP RATE
7.94%

	LOCATION:	3815 – 3819 E. 3 rd St. Tucson, AZ 85716
	SITE AREA:	0.87 Acres 37,977 Sq. Ft.
	RENTABLE SQFT:	8,650 Sq. Ft.
	ASSESSOR PARCEL NUMBER(S):	125-11-1520
	ZONING:	R - 3
	ACCESS:	Ingress/Egress
	PARKING	~ 17
	ROOF/STORIES:	Pitched cool roof / 1 Story
	YEAR BUILT:	1959 w/ recent major renovations

	LANDSCAPING:	Large shade trees, desert plants, palm trees, artificial turf, & decorative rock
	UTILITIES: (Responsibility)	Electricity: Tucson Electric (Tenant) Gas: Southwest Gas (Tenant) Water: City of Tucson (RUBS) Sewer: City of Tucson (RUBS) Trash: City of Tucson (RUBS)
	METERING:	Electric: Individual & Common Gas: Individual & Common Water/Sewer/Trash: Master- metered Hot Water: Individual
	HEATING/COOLING:	Air conditioning
	CONSTRUCTION:	Masonry
	FINANCING:	Cash or Traditional Financing

Unit Description	# of Units	% of Total	SqFt Per Unit	Total Rentable SqFt
Studio	2	14%	425	850
1BD/1BA	8	57%	625	5,000
2BD/1BA	4	29%	700	2,800
Total/Average (Monthly)	14	100%	618	8,650



PROPERTY HIGHLIGHTS

- Turn-key opportunity
- Major recent renovations
- Sparkling gated pool
- BBQ picnic area & courtyard
- Located near UofA & Park Place mall
- Masonry construction
- Artificial turf & maintained landscapes
- Standout low maintenance asset

UNIT HIGHLIGHTS

- Renovated Units
- Individually metered for electric and gas
- Stainless steel appliances in most units
- Private backyards
- Washer/dryers in all units
- Quartz Countertops
- Air-conditioned units
- Dishwashers

PROPERTY SUMMARY

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Tropicana Apartments presents a turn-key investment opportunity, offering exceptional potential for investors seeking a well-maintained, income-generating asset with room for growth. Featuring 14 thoughtfully renovated units, the property's unit mix is designed to meet the expectations of modern renters. Its combination of contemporary interiors, appealing amenities, and strategic location makes Tropicana Apartments a standout asset in a competitive market.

The unit breakdown includes (2) Studios, (8) 1BD/1BA units, and (4) 2BD/1BA units, all equipped with stainless steel appliances, quartz countertops, dishwashers, and air conditioning for a modern and comfortable living experience. Additionally, all of the units feature in-unit washer/dryers, a highly sought-after amenity that enhances both tenant satisfaction and the property's overall value. Each unit is individually metered for electricity and gas, giving tenants control over their utility expenses while ensuring operational efficiency for ownership. Upgrades include contemporary interiors, Quartz countertops, plywood shaker style soft close kitchen cabinets, luxury vinyl floors throughout, single bowl sinks with gooseneck faucets and led lights

Tropicana Apartments also offers an array of exterior amenities to enhance tenant living experiences. Select units have private backyards, adding to their desirability. All residents benefit from a sparkling gated pool, which serves as a relaxing common area feature. A BBQ picnic area and a landscaped courtyard provide inviting spaces for social gatherings, promoting a sense of community. The property's artificial turf and meticulously maintained landscaping contribute to its exceptional curb appeal, while masonry construction ensures durability and minimizes maintenance costs, delivering long-term value for investors.

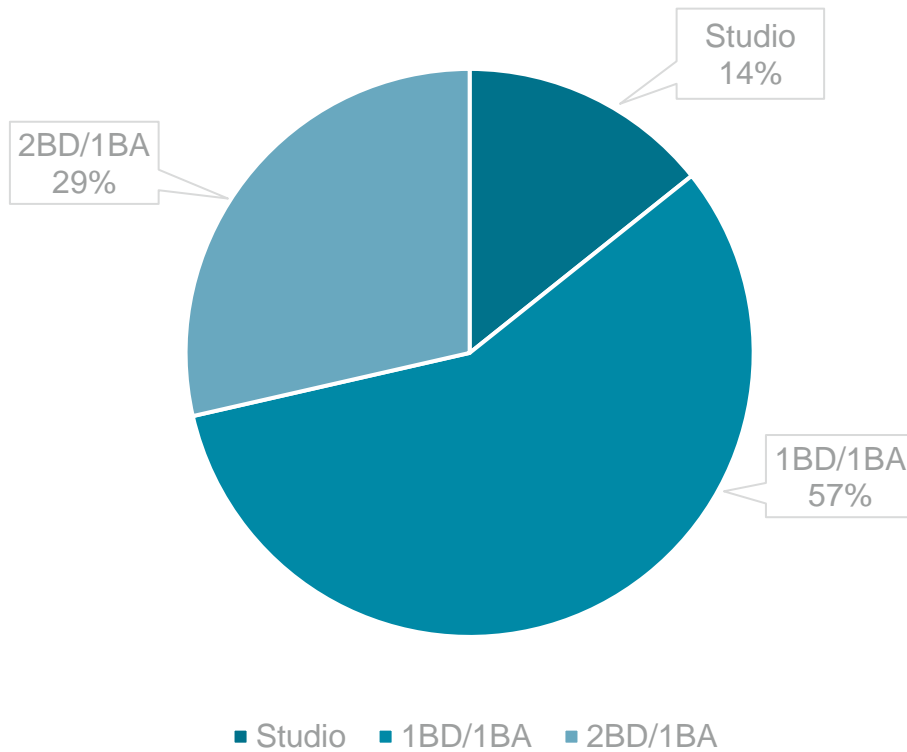
The property's extensive renovations and strategic location provide significant upside potential. Located near the University of Arizona and Park Place Mall, Tropicana Apartments offers convenient access to employment hubs, shopping, and entertainment, ensuring a consistent and diverse tenant pool. This combination of thoughtful renovations, appealing amenities, and a prime location makes Tropicana Apartments an outstanding investment opportunity.

FINANCIAL ANALYSIS

Tropicana Apartments
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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
Studio	2	14%	425	850	\$875	\$1,750	\$885	\$1,770	\$2.08
1BD/1BA	8	57%	625	5,000	\$1,121	\$8,968	\$1,150	\$9,200	\$1.84
2BD/1BA	4	29%	700	2,800	\$1,253	\$5,012	\$1,275	\$5,100	\$1.82
Total/Average (Monthly) Annual	14	100%	618	8,650	\$1,124	\$15,730 \$188,760	\$1,148	\$16,070 \$192,840	\$1.86

Unit Breakdown



FINANCIAL ANALYSIS

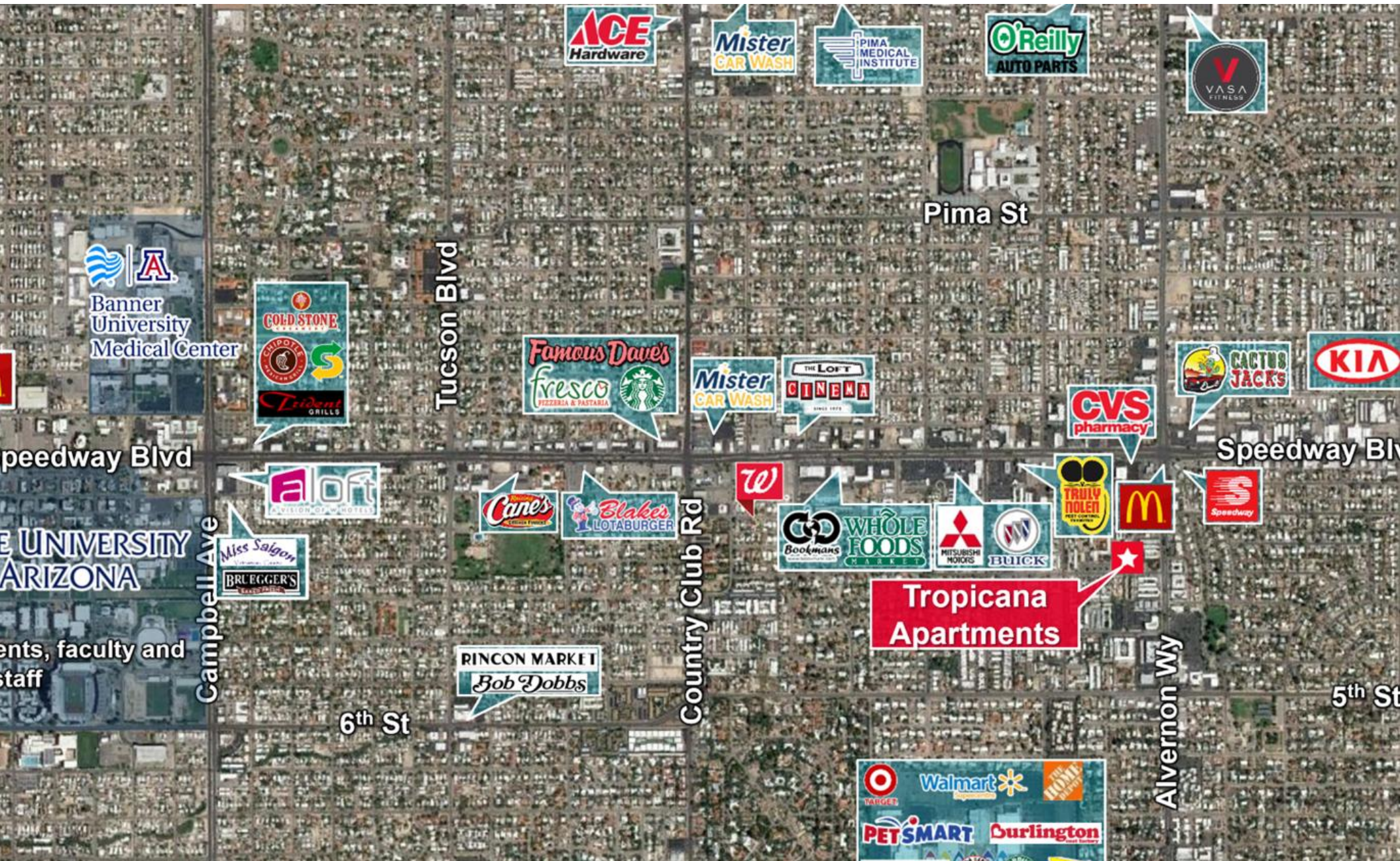
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Income Statement	Marketing Pro Forma	Pro Forma Per Unit	T-12 Actuals	T-12 Actuals Per Unit
RENTAL INCOME				
Gross Market Rent	\$192,840	\$13,774		
Vacancy Loss	-\$9,642	-5.0%		
Concessions & Bad Debt	-\$3,857	-2.0%		
Net Rental Income	\$179,341	\$12,810	\$181,063	\$12,933
RUBS	\$10,000	\$714	\$10,797	\$771
Other Income	\$9,000	\$643	\$11,381	\$813
TOTAL INCOME	\$198,341	\$14,167	\$203,241	\$14,517
OPERATING EXPENSES				
General & Administrative	\$1,500	\$107	\$2,014	\$144
Advertising	\$500	\$36	\$300	\$21
Professional Fees	\$1,500	\$107	\$1,503	\$107
Repairs & Maintenance & Turnover	\$12,000	\$857	\$4,742	\$339
Pool Services	\$3,000	\$214	\$139	\$10
Contract Services	\$3,000	\$214	\$6,793	\$485
Utilities	\$19,000	\$1,357	\$18,810	\$1,344
TOTAL VARIABLE	\$40,500	\$2,893	\$34,301	\$2,450
Property Taxes	\$7,835	\$560	\$7,836	\$560
Property Insurance	\$7,000	\$500	\$3,824	\$273
Management Fee	\$15,867	8%	\$6,369	3%
Reserves	\$3,500	\$250		
TOTAL EXPENSES	\$74,702	\$5,336	\$52,330	\$3,738
NET OPERATING INCOME	\$123,639	\$8,831	\$150,911	\$10,779

Stabilized Market Analysis	
Value	\$1,900,000
Per Unit	\$135,714
Per Square Foot	\$219.65
Cap Rate	
T-12 Actuals	7.94%
Marketing Pro Forma	6.51%

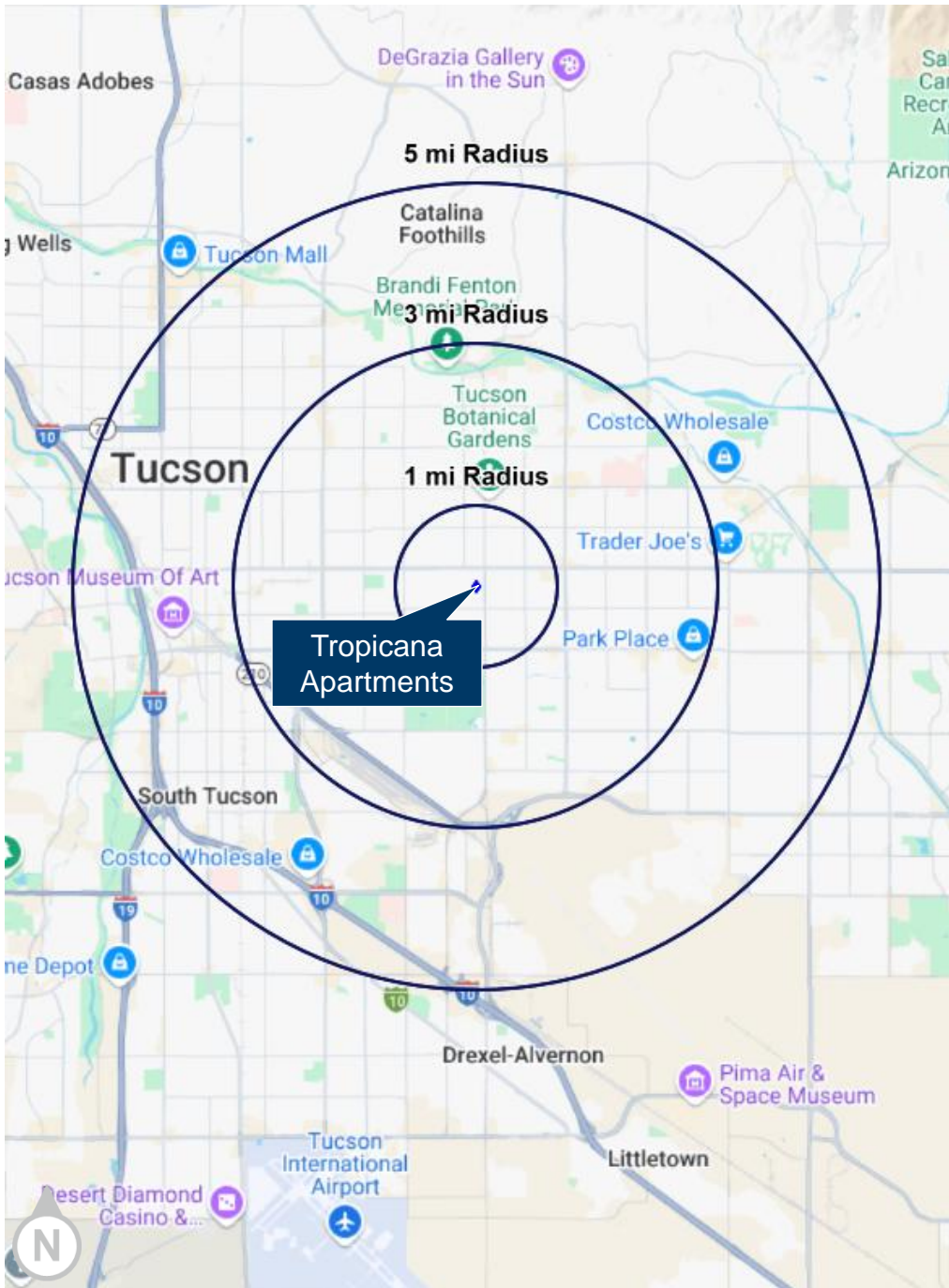
TRADE MAP

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DEMOGRAPHIC OVERVIEW

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2025 DEMOGRAPHIC OVERVIEW

	1 MILE	3 MILES	5 MILES
POPULATION	15,666	131,299	280,621
HOUSEHOLDS	7,702	58,602	127,123
AVG HOUSEHOLD INCOME	\$75,971	\$72,871	\$74,361
DAYTIME POPULATION	6,785	69,301	161,603
RETAIL EXPENDITURE	\$310.31 M	\$2.35 B	\$5.1 B

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

2029 DEMOGRAPHIC PROJECTIONS

	1 MILE	3 MILES	5 MILES
POPULATION	15,814	130,883	282,346
HOUSEHOLDS	7,869	59,379	130,291
AVG HOUSEHOLD INCOME	\$78,608	\$74,733	\$75,927

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

TRAFFIC COUNTS VEHICLES PER DAY (VPD)

E. SPEEDWAY BLVD	39,863 VPD	(2023)
N. ALVERNON WAY	28,387 VPD	(2023)

Source: Pima Association of Governments

PROPERTY LAYOUT

Tropicana Apartments
3815-3819 E. 3rd St.
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125-11-1520
3815 E 3RD ST

TOTAL SQ FT 1934

26.5'

73'

26.5'

73'

TOTAL SQ FT 1934

TOTAL SQ FT 2563

22'

116.5'

22'

116.5'

TOTAL SQ FT 2563

EXTERIOR PHOTOS

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EXTERIOR PHOTOS

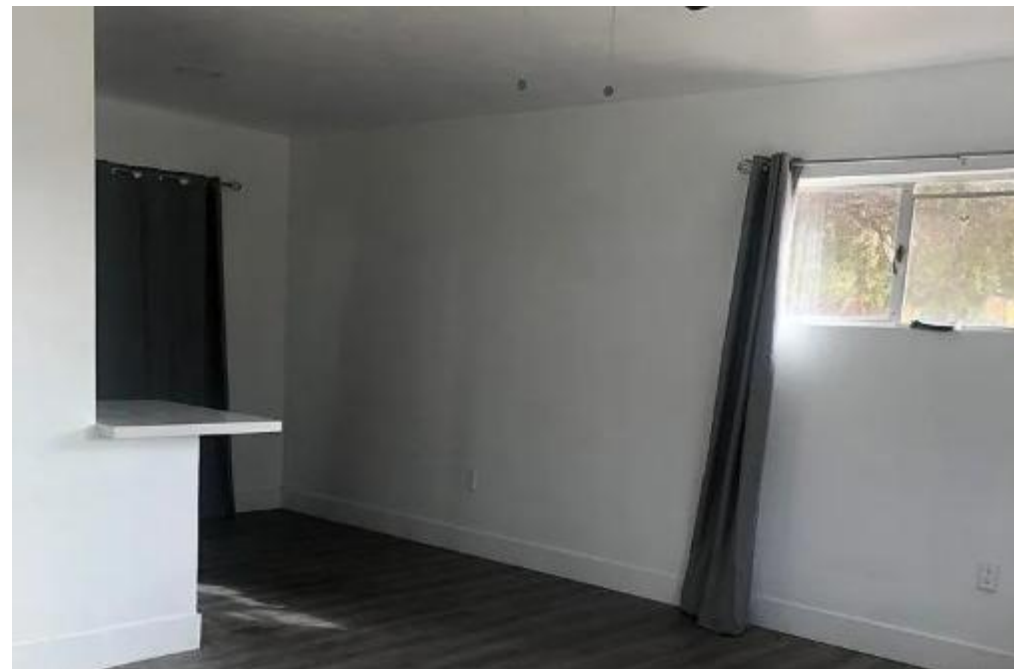
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INTERIOR PHOTOS

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DRONE PHOTOS

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BIRDS-EYE VIEW ABOVE

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BIRDS-EYE VIEW NORTH

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BIRDS-EYE VIEW EAST

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BIRDS-EYE VIEW WEST

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BIRDS-EYE VIEW SOUTH

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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



THE UNIVERSITY
OF ARIZONA

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



**CUSHMAN &
WAKEFIELD**



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