



OFFERING MEMORANDUM
32nd St. Apartments
419 – 423 E. 32nd St.
Tucson AZ 85713

 **CUSHMAN &
WAKEFIELD** |  **PICOR**
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DISCLAIMER

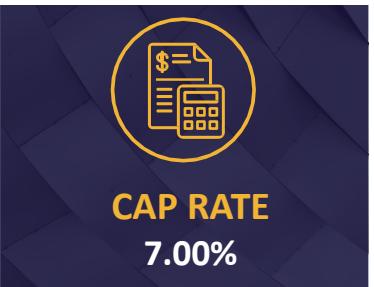
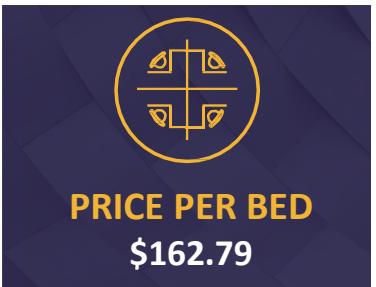
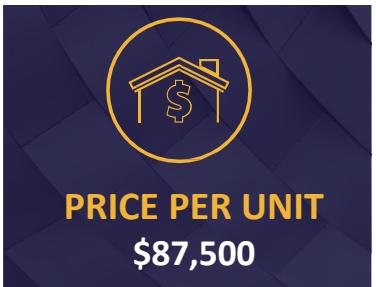
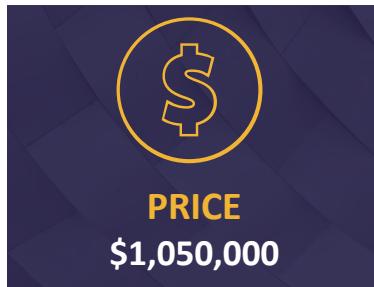
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PROPERTY INFORMATION

32nd St. Apartments
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 LOCATION:	419-423 E. 32nd St. Tucson, Arizona 85713	 LANDSCAPING:	Large shade trees, desert plants, & shrubbery
 SITE AREA:	0.50 Acres 21,596 Square Feet	 UTILITIES:	<u>Electricity</u> : Tucson Electric (Tenant) <u>Gas</u> : Southwest Gas (Tenant) <u>Water</u> : City of Tucson (OWNER) <u>Sewer</u> : City of Tucson (OWNER) <u>Trash</u> : City of Tucson (OWNER)
 RENTABLE SF:	6,450 RSF	 METERING	Electric: Individual & Common Gas: Individual & Common Water/Sewer/Trash: Master-metered Hot Water: Individual
 ASSESSOR PARCEL NUMBER:	118-26-1120, 118-26-1140, & 118-26-1130	 HEATING/COOLING:	Mini-split ACs & Evaporative cooling
 ZONING:	SR1, South Tucson	 CONSTRUCTION:	Wood-frame/stucco
 ACCESS:	Ingress/egress	 FINANCING:	Cash or Traditional financing
 PARKING:	~ 19 spaces		
 ROOF/STORIES:	Flat cool & Pitched Shingle roof 1 story		
 YEAR BUILT:	1954 & 1956 w/ recent upgrades		

PROPERTY HIGHLIGHTS

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PROPERTY HIGHLIGHTS

- Value-add opportunity
- Recent capital improvements
- On-site laundry facility
- Ample parking
- Located near major transit hubs
- In-place property management

UNIT HIGHLIGHTS

- Below market rents
- Private backyards
- Some units with mini-split ACs
- Stainless steel appliances (in some units)
- Individually metered for electric & gas
- Owner pays water sewer trash

INVESTMENT SUMMARY

32nd St. Apartments is a value-add investment opportunity consisting of 12 apartment units with strong historical financials and in-place management. The property has recently undergone capital improvements and is ideally located in a growing area within a one-mile radius of the VA Hospital, with convenient access to Tucson Airport and Tucson Marketplace.

The unit mix includes (1) studio, (10) 1BD/1BA units, and (1) 2BD/1BA unit, offering a diverse layout appealing to a broad tenant base. In its current condition, 32nd St. Apartments provides a solid foundation with several recent upgrades already completed. Interior improvements include energy-efficient mini-split A/C systems in select units, consistent tile and vinyl flooring throughout, modern paint finishes, and security doors, creating comfortable and inviting living spaces. Exterior enhancements include updated stucco and paint, along with dual-pane windows in select units.

The property presents an ideal value-add opportunity for investors seeking long-term growth through continued renovations and strategic market rent adjustments. Each unit is individually metered for electric and gas, allowing for efficient utility cost management and enhanced profitability. Ownership currently covers water, sewer, and trash expenses. While a RUBS program is not currently in place, implementing a utility bill-back system would allow for cost recovery and improved net operating income with minimal investment.

An on-site laundry facility provides added convenience for tenants, while the large lot offers ample parking and additional outdoor space. The property features attractive, low-maintenance landscaping with mature shade trees, gravel, and desert plants. Well-maintained walkways and shrubbery enhance the overall curb appeal and create an enjoyable environment for residents.

Ideally located just off 6th Avenue, 32nd St. Apartments offers easy access to nearby entertainment, dining, and recreational options, many within walking distance. Local attractions include Tumamoc Hill, Kino Sports Complex, and Tucson Marketplace, providing residents with a variety of cultural and recreational experiences. With quick access to I-10 and I-19, commuting throughout the Tucson metro area is convenient and efficient.

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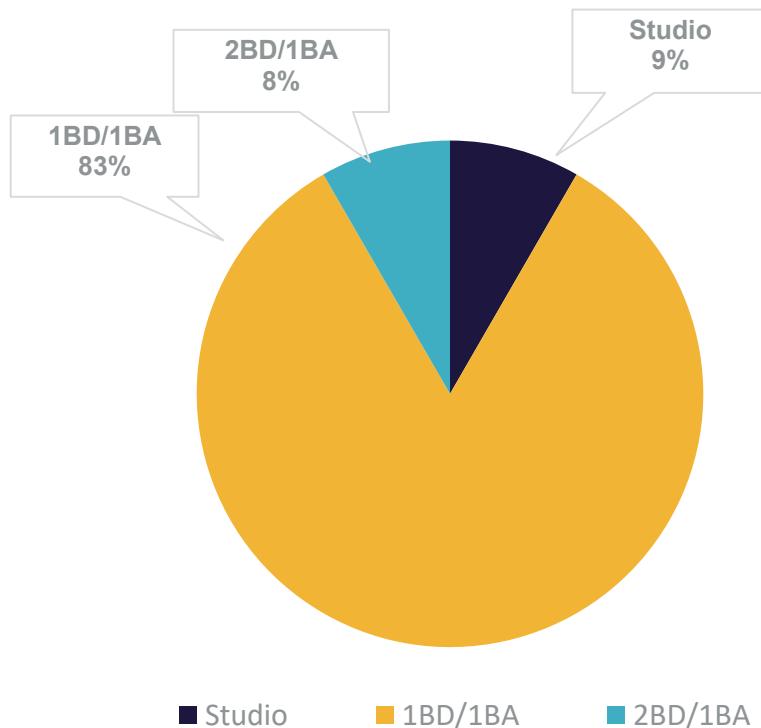


RENT ROLL ANALYSIS

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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	1	8%	400	400	\$725	\$725	\$750	\$750	\$1.88
1BD/1BA	10	83%	535	5,350	\$889	\$8,890	\$925	\$9,250	\$1.73
2BD/1BA	1	8%	700	700	\$895	\$895	\$1,000	\$1,000	\$1.43
Total/Average (Monthly)	12	100%	538	6,450	\$876	\$10,510	\$917	\$11,000	\$1.71
Annual						\$126,120		\$132,000	

Unit Breakdown



FINANCIAL ANALYSIS

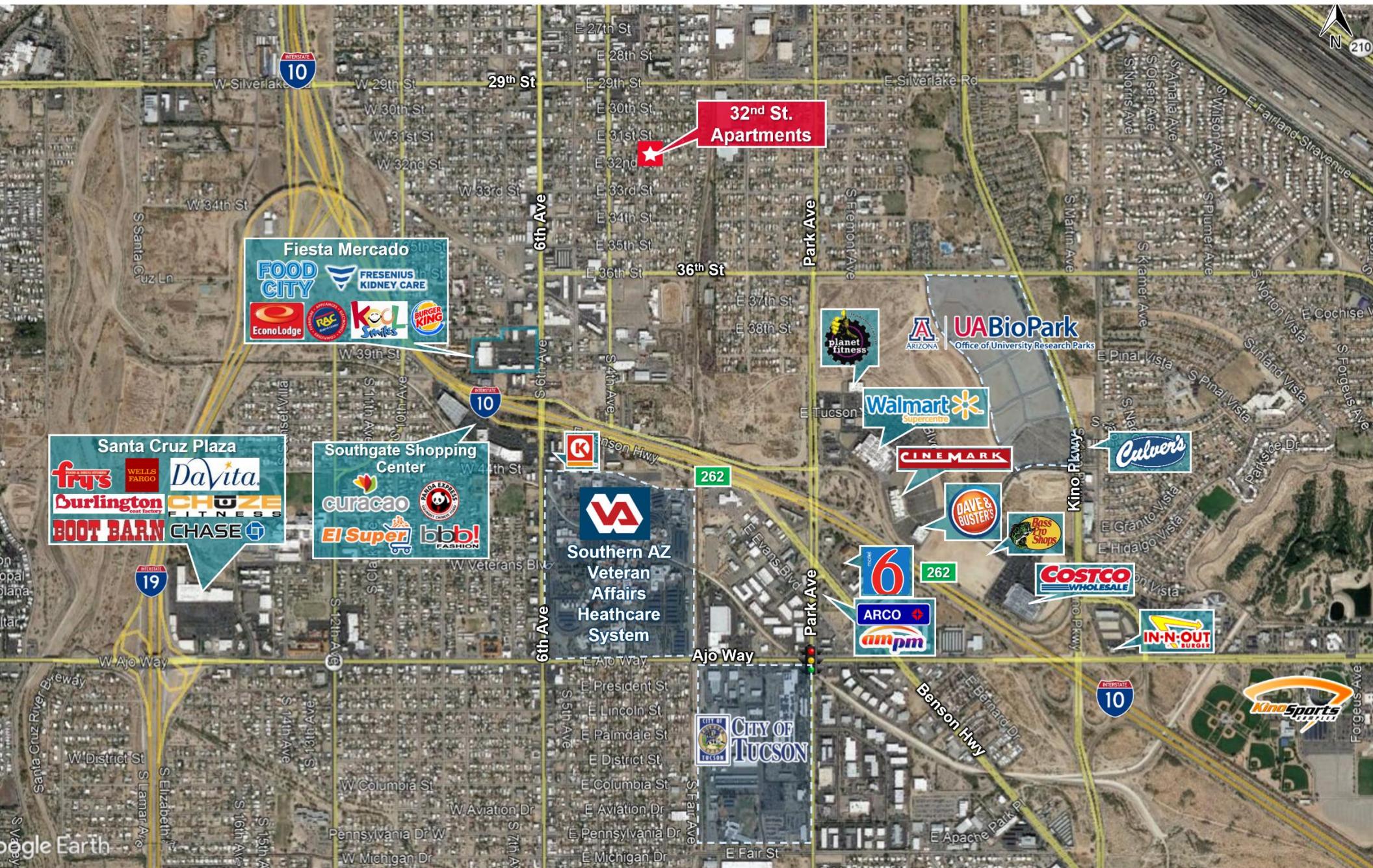
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Income Statement	Marketing Pro Forma	Pro Forma Per Unit	2024 Actuals	2024 Actuals Per Unit	2025 Actuals	2025 Actuals Per Unit
RENTAL INCOME						
Gross Market Rent	\$132,000	\$11,000				
Vacancy Loss	-\$7,920	-6.0%				
Concessions & Bad Debt	-\$2,640	-2.0%				
Net Rental Income	\$121,440	\$10,120	\$134,691	\$11,224	\$99,584	\$8,299
RUBS	\$3,600	\$300		\$0		\$0
Laundry Income	\$1,500	\$125		\$0	\$1,249	\$104
Other Income	\$1,000	\$83		\$0		\$0
TOTAL INCOME	\$127,540	\$10,628	\$134,691	\$11,224	\$100,833	\$8,403
OPERATING EXPENSES						
General & Administrative	\$1,000	\$83		\$0	\$1,186	\$99
Professional Fees	\$850	\$71	\$630	\$53	\$1,477	\$123
Repairs & Maintenance & Turnover	\$12,000	\$1,000	\$22,277	\$1,856	\$15,595	\$1,300
Contract Services	\$1,200	\$100		\$0		\$0
Utilities	\$15,000	\$1,250	\$11,762	\$980	\$15,917	\$1,326
TOTAL VARIABLE	\$30,050	\$2,504	\$34,668	\$2,889	\$34,175	\$2,848
Property Taxes	\$3,573	\$298	\$2,870	\$239	\$3,573	\$298
Property Insurance	\$7,200	\$600	\$6,135	\$511	\$3,839	\$320
Management Fee	\$10,203	8%	\$7,743	6%	\$7,790	8%
Reserves	\$3,000	\$250				
TOTAL EXPENSES	\$54,026	\$4,502	\$51,416	\$4,285	\$49,377	\$4,115
NET OPERATING INCOME	\$73,514	\$6,126	\$83,275	\$6,940	\$51,456	\$4,288

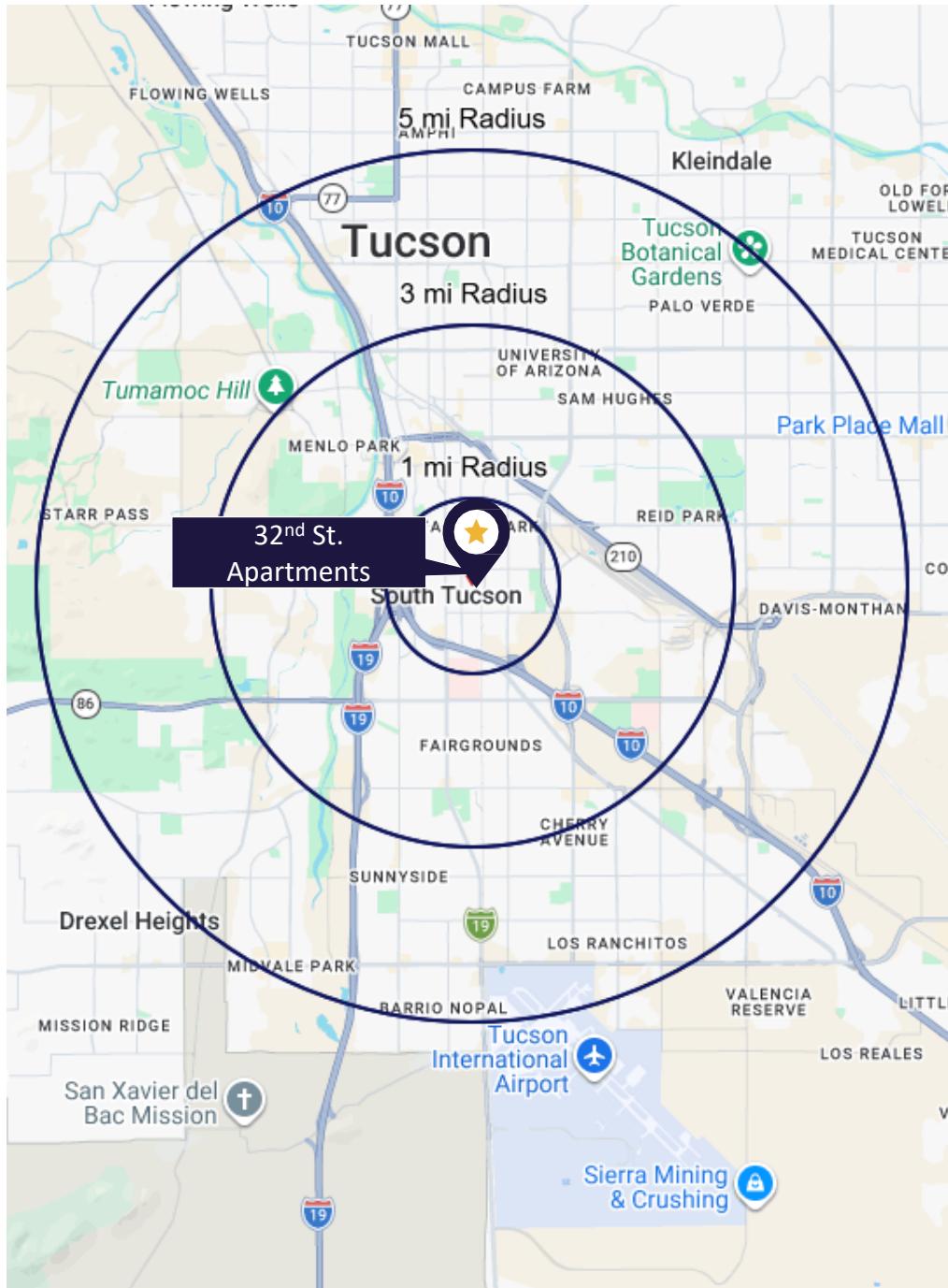
Stabilized Market Analysis	
Value	\$1,050,000
Per Unit	\$87,500
Per Square Foot	\$162.79
Cap Rate	
2024 Actuals	7.93%
2025 Actuals	4.90%
Marketing Pro Forma	7.00%

TRADE MAP

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DEMOGRAPHIC OVERVIEW



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2025 DEMOGRAPHIC OVERVIEW

	1 MILE	3 MILES	5 MILES
POPULATION	10,712	108,013	271,289
HOUSEHOLDS	4,326	41,259	108,531
AVG HOUSEHOLD INCOME	\$67,056	\$71,633	\$72,116
DAYTIME POPULATION	4,654	68,153	136,698
RETAIL EXPENDITURE	\$178.11 M	\$1.68 B	\$4.48 B

2030 DEMOGRAPHIC PROJECTIONS

	1 MILE	3 MILES	5 MILES
POPULATION	11,363	108,466	268,572
HOUSEHOLDS	4,704	42,946	110,665
AVG HOUSEHOLD INCOME	\$66,291	\$70,962	\$71,415

TRAFFIC COUNTS VEHICLES PER DAY (VPD)

E. 29 TH ST.	14,199 VPD	(2024)
S. 6 TH AVE.	3,541 VPD	(2024)

EXTERIOR PHOTOS

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INTERIOR PHOTOS

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AERIAL VIEW

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NORTH VIEW

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EAST VIEW

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SOUTH VIEW

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WEST VIEW

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DRONE PHOTOS

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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: The Chamber of Southern Arizona

* Source: AZCommerce.com

TUCSON MARKET OVERVIEW

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- #2 MANAGEMENT INFORMATION SYSTEMS
- #8 SPACE SCIENCE
- #27 BEST BUSINESS SCHOOLS
- #47 MEDICINE
- #52 TOP PUBLIC SCHOOL
- #54 EDUCATION
- #69 UNDERGRAD ENGINEERING PROGRAMS
- #70 BEST COLLEGES FOR VETERANS
- #115 GLOBAL UNIVERSITY

LARGEST EMPLOYERS

1. UNIVERSITY OF ARIZONA- 16,076
2. RAYTHEON MISSILE SYSTEMS- 13,000
3. DAVIS-MONTHAN AFB- 11,000
4. STATE OF ARIZONA – 8,580

RECENT INDUSTRY ARRIVALS & EXPANSIONS

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





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