



WESTERN VILLAS

3218 & 3242 E Benson Hwy, Tucson, AZ 85706

38 units

\$2,695,000



FOR MORE INFORMATION:

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Joseph Bernard
INVESTMENT REAL ESTATE

The Professional Approach to Apartment Investing.

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Price	\$2,695,000
Units	38
Building Size	12,050 SF
Price/Unit	\$70,921
Price/SF	\$224
Cap Rate	7.16%
Proforma Cap Rate	9.18%
Year Built	1946/1953/Reno 2023
Lot Size	2 parcels, 2.18 acres
County	Pima
Zoning	MU*

* Multiple Use zoning. It's a mixed-use zone that allows for a combination of residential and commercial activities, typically low to medium density residential development and various commercial activities. Buyer to verify.



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Western Villas is a 38-unit mixed use asset situated on two parcels, located on Benson Highway in southeast Tucson, Arizona. The property falls in an Opportunity Zone, an area designated by the State and designed to spur economic development and job creation in the area. Acquiring an asset located in an Opportunity Zone is a benefit to a future owner who may be eligible for preferential tax treatment (buyer to do all due diligence).

The property consists of 36 apartment units, two (2) owned mobile homes that currently rent for \$925/month, and four (4) RV space rentals that collect \$32,280 in additional income annually. The four spaces lease for \$915, \$675, \$650 and \$450, respectively. Utilities are included in the space rent on a flat rate basis, offering an upside in implementing a RUBS system for a future owner.

Recent apartment updates include two thirds of the interiors remodeled with new cabinets, countertops and flooring. Exterior renovations include new windows, new roof, main sewer line and laterals replaced, and new gas lines installed.

Western Villas is located 1 mile from the billion-dollar Mosaic Quarter project with forecasted completion of Phase 1 in 2027. The Mosaic Quarter is projected to support around 2,000 community jobs and generate \$8.3 billion of new local economic impact for the State of Arizona, City of Tucson, and the Regional Transportation Authority (Source: Macquarie.com). The property benefits from its proximity to bus lines, major interstates (I-19 and I-10) and the Tucson International Airport, ensuring convenient travel options. Residents feel at home with the convenience of nearby dining, shopping, entertainment, and local parks & recreation centers. Nearby Davis-Monthan Air Force Base provides a strong tenant base, and the property has strong rental demand.

Western Villas offers a unique opportunity to capitalize on Tucson's growth and vibrant community, providing both immediate rental income and long-term value appreciation.

The seller is offering owner financing for qualified buyers. Please call agent for more information.

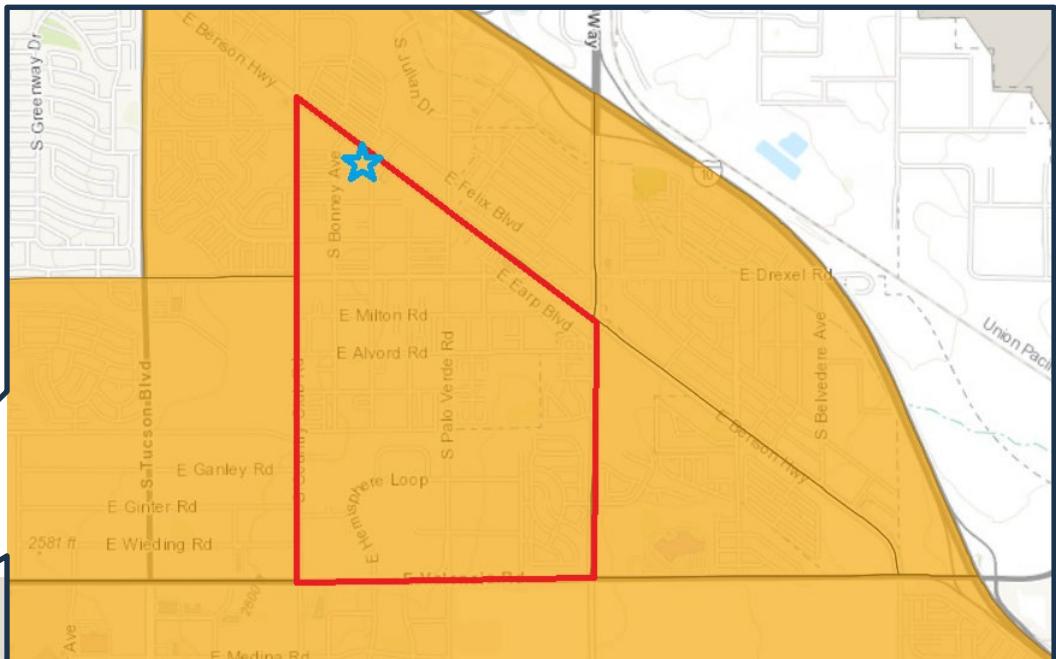
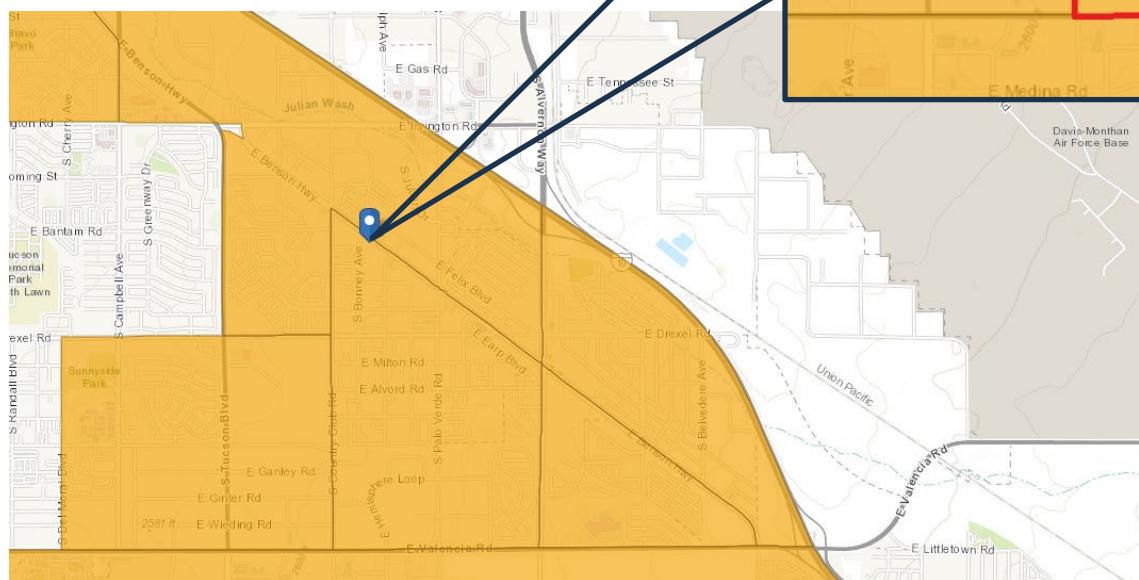


HIGHLIGHTS

- Renovated units
- Seller Financing available
- Located in an Opportunity Zone
- Many exterior updates
- Additional income from RV space rentals (4)

Both parcels are located in an Opportunity Zone, generally an economically distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment.

The Opportunity Zone tax incentive is designed to spur capital investment and economic development in low-income communities.



For more information, please refer to:
<https://opportunityzones.hud.gov/investors>

Buyer to do all due diligence regarding feasibility and eligibility.

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Tucson, AZ 85706



Price \$2,695,000

Units 38

Building Size 12,050 SF

Price/Unit \$70,921

Price/SF \$224

Year Built 1946/1953

Proposed Financing

Down Payment \$940,000

% Down 35%

Debt Service \$114,075

Loan Amount \$1,755,000

Interest Rate 6.5% i/o

Term 5 yr interest only

Footnotes

1. T-12 Actual

2. Average Market Rate

3. Projected Year One

* RUBs projected at \$15/week average

Scheduled Monthly Rents

Units	Type	Est. SF	Current Average Rent	Current Monthly Income	Highest Level in Building	Projected Monthly Income
30	Studio	275	\$808	\$24,240	\$880	\$26,400
5	1 Bed/1 Bath	550	\$890	\$4,450	\$950	\$4,750
1	2 Bed/1 Bath	900	\$1,052	\$1,052	\$1,052	\$1,052
2	Mobile Homes	900	\$925	\$1,850	\$975	\$1,950
38				\$31,592		\$34,152
Scheduled Gross Income				\$379,104		\$409,824
• Less: Vacancy (7%)				-\$26,537		-\$28,688
Effective Gross Income				\$352,567		\$381,136
• Plus: RUBs						+\$29,640*
• Plus: RV Space Rent & Fees				+\$32,280		+\$32,280
Effective Annual Income				\$384,847		\$443,056

Estimated Expenses

	Current %EGI Per/Unit	Amount	Budget %EGI Per/Unit	Amount
¹ Taxes	1.02%	\$94	0.94%	\$94
² Insurance	5.93%	\$550	5.48%	\$550
¹ Utilities	19.83%	\$1,840	18.35%	\$1,840
² Professional Management	4.00%	\$371	4.00%	\$401
² On-site Management	9.00%	\$835	9.00%	\$903
³ Maintenance & Repairs	6.47%	\$600	5.98%	\$600
³ Turnover Reserves	2.69%	\$250	2.49%	\$250
³ Capital Reserves	3.23%	\$300	2.99%	\$300
³ Outside Services	2.27%	\$211	2.10%	\$211
Total Est. Annual Expenses	54.44% of EGI	\$5,051 Per Unit	51.33% of EGI	\$5,149 Per Unit
		\$191,935		\$195,650

Investment Summary

	Current	Projected
Net Operating Income (NOI)	\$192,912	\$247,406
Cap Rate	7.16%	9.18%
Cash Flow	\$78,837	\$133,331
Cash Return	8.39%	14.18%



EXTERIOR PHOTOS

Joseph Bernard
LLC

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Property	Units	Sold Price	Price Per Unit
Villas on Broadway – 9009 E Broadway Blvd, Tucson	57	\$8,000,000	\$140,351
Sahuara Apartments – 1302 & 1402 S Sahuara Ave, Tucson	24	\$3,000,000	\$125,000
Castro Villas – 3020 N Castro Ave, Tucson	17	\$1,575,000	\$92,647
Bryant House – 460 S Bryant Ave, Tucson	18	\$2,080,000	\$115,555
302 W Flores St, Tucson	14	\$966,000	\$69,000
1224 E Dunlap Ave, Phoenix	8	\$1,650,000	\$206,250
Tuzona Apartments – 3025 N Los Altos Ave, Tucson	12	\$1,350,000	\$112,500
10034 & 10044 N 18 th St, Phoenix	8	\$1,645,000	\$205,625

ACTIVE LISTINGS

Property	Units	List Price	Price Per Unit
Owls & Mesa Lodge – 2015-2027 E Benson Highway, Tucson	23	\$1,890,000	\$82,174
Morris Apartments – 5737 S Morris Blvd, Tucson	5	\$699,000	\$139,800
Catalina Vista – 8550 E Old Spanish Trail, Tucson	50	\$6,215,500	\$124,310
Mohave Manor – 610 E Mohave Rd, Tucson	32	\$2,800,000	\$87,500



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