



OWLS & MESA LODGE

2015-2027 E Benson Highway, Tucson, AZ 85714

23 units

\$1,890,000



FOR MORE INFORMATION:
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Designated Broker/President

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BUILDING

Price:	\$1,890,000
Units:	23
Price/Unit:	\$82,174
Building Sq Ft:	9,550
Price/Sq Ft:	\$197.91
Year Built:	1955/1957
Lot Size:	1.40 acres
County:	Pima

HIGHLIGHTS

- Value-add opportunity
- Prime location within walking distance to many amenities
- Garden style apartment community
- Additional revenue streams
- Recent capital improvements

DESCRIPTION

The Owls and Mesa Lodge presents a unique opportunity to add value by raising rents and carrying out interior renovations. The current owner has already invested more than \$63,000 in capital improvements over the past year, including interior renovations and converting the office into a two-bedroom unit. In addition to rental income, the property generates substantial additional revenue through a Clear Channel billboard located on-site and by leasing part of the back parcel of land as a parking lot.

This property is ideally located in a prime area, less than a 10-minute drive from multiple key destinations including the University of Arizona, the Kino Sports Center, Banner-University Medical Center South, the Tucson Museum of Art, and the International Airport. Offering both convenience and accessibility, this property is also within walking distance of grocery stores, a large pharmacy, and a variety of restaurants. This means that residents can easily access all the essential services and amenities they need without having to travel far. Overall, this property offers an unbeatable combination of location, convenience, and accessibility that is sure to appeal to a wide range of residents.

New multi-billion dollar sports complex approved for Tucson's southside

PROJECT HIGHLIGHTS

Phase 1

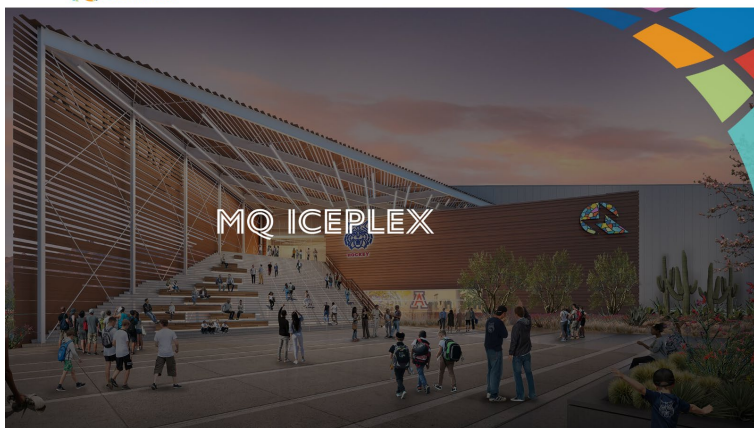
- MQ Iceplex three-rink sports complex, with a 3,000-seat arena
- MQ Multiuse Field House multisport facility
- Up to four restaurants
- Central Utility Plant and solar farm

Phase 1 Economic Impact Highlights

- \$8.3 billion new local spending
- \$917.7 million tax revenue across state, region, city
- 92,300 community jobs supported
- \$3.7 billion community earnings from those jobs

Future Phases

- MQ Sportsplex multisport facility
- MQ Stadium
- Entertainment Pavilion
- Event Plaza
- Splashpads
- Three hotels and up to 10 restaurants
- Parking structure



TUCSON, Ariz. (13 News) - The Pima County Board of Supervisors on Tuesday, March 6, approved the leases for a billion-dollar sports complex for Tucson's southside.

The supervisors voted 4-0 to go ahead with the first phase of leases for Mosaic Quarter.

The facility will cover 90 acres when finished and will include an Ice Complex with three rinks, an indoor sports center and an outdoor stadium along with 14 restaurants and three hotels.

“What we are seeking approval of today, is the approval of a project that will positively affect all Pima County residents,” Frank Knott, the company CEO told the board. “One that will transform the local, regional and national profile of Pima County.”

The venue is expected to create thousands of new jobs in an area of Tucson that has been generally ignored.

Source: 13 News Staff and Bud Foster

Published: Mar. 5, 2024 at 3:30 PM PST

<https://www.kold.com/2024/03/05/pima-county-leaders-approve-lease-billion-dollar-sports-complex/>

Scheduled Monthly Rents

Units	Type	Est. Sq. Ft.	Current Average Rent	Monthly Income	Rent at Market	Monthly Income
21	Studio Suites/1 Bath	400	\$760	\$15,960	\$800	\$16,800
1	1 Bed/1 Bath	450	\$900	\$900	\$950	\$950
1	2 Bed/1 Bath	700	\$1,000	\$1,000	\$1,100	\$1,100
23				\$17,860		\$18,850
Scheduled Gross Income				\$214,320		\$226,200
• Less: Vacancy (5%)				-\$10,716		-\$11,310
Effective Gross Income				\$203,604		\$214,890
• Plus: RUBs				+\$14,460		+\$17,460
• Plus: Parking Lot				+\$34,200	1	+\$34,200
• Plus: Billboard				+\$3,307	2	+\$3,307
• Plus: Laundry				+\$1,000		+\$1,000
Effective Annual Income				\$256,571		\$270,857

Estimated Expenses

	Current			Budget		
	%EGI	Per/Unit	Amount	%EGI	Per/Unit	Amount
Taxes	2.55%	\$225	\$5,183	2.41%	\$225	\$5,183
Insurance	2.54%	\$225	\$5,175	2.41%	\$225	\$5,175
Utilities	24.85%	\$2,200	\$50,600	23.55%	\$2,200	\$50,600
Professional Management	7.00%	\$620	\$14,252	7.00%	\$654	\$15,042
Maintenance & Repairs	4.52%	\$400	\$9,200	4.28%	\$400	\$9,200
Turnover Reserves	1.98%	\$175	\$4,025	1.87%	\$175	\$4,025
Capital Reserves	2.82%	\$250	\$5,750	2.68%	\$250	\$5,750
Total Est. Annual Expenses	46.26%	\$4,095	\$94,185	44.20%	\$4,129	\$94,975
	of EGI	Per Unit		of EGI	Per Unit	

Investment Summary

	Current	Projected
Net Operating Income (NOI)	\$162,386	\$175,882
Cap Rate	8.59%	9.31%
Debt Service	\$88,261	\$88,261
Cash Flow	\$74,125	\$87,621
Cash Return	9.80%	11.59%

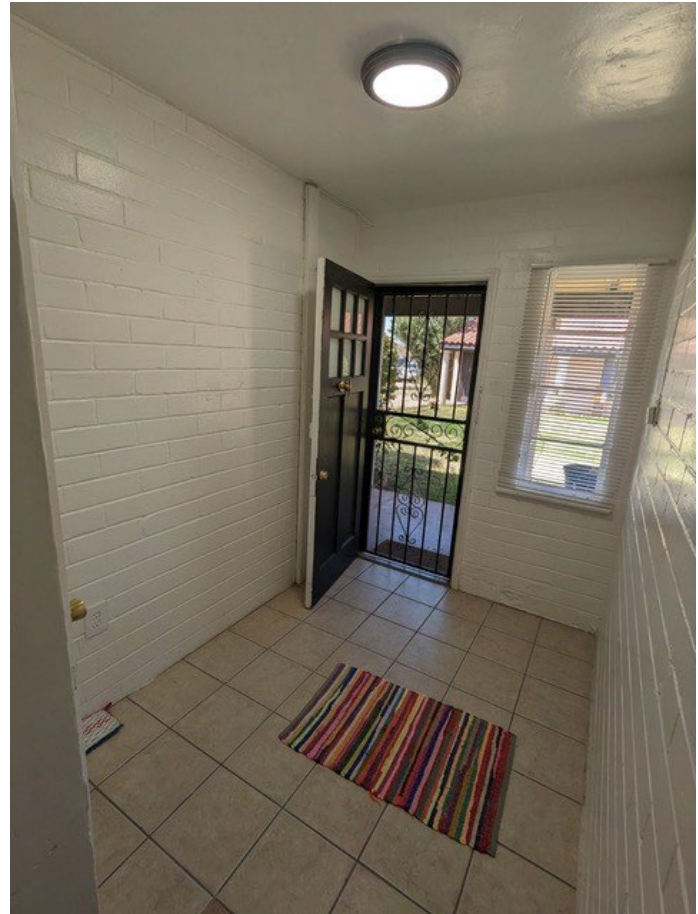
Proposed Financing

Down Payment	\$756,000
Down Payment %	40%
Debt Service	\$88,261
Loan Amount	\$1,134,000
Interest Rate	6.75%
Term	5/1 ARM / 30 Yr Amort

Footnotes

1. Lease with Dispensary next door to lease parking lot runs through October 2025
2. Clear Channel Outdoor has a billboard on the property they lease











Nogales Highway
5740 S Nogales Highway
Tucson, AZ 85706

Sale Date:	Year Built:
06/29/2022	1984
Price:	Cap Rate:
\$750,000	N/A
Units:	Price/Unit:
5	\$150,000
Sq Ft:	Price/Sq Ft:
5,505	\$136.24



Utah Street
407 W Utah Street
Tucson, AZ 85706

Sale Date:	Year Built:
05/20/2022	2009
Price:	Cap Rate:
\$925,000	N/A
Units:	Price/Unit:
6	\$154,167
Sq Ft:	Price/Sq Ft:
12,902	\$71.69



Vine Avenue
317 N Vine Avenue
Tucson, AZ 85719

Sale Date:	Year Built:
12/12/2022	2002
Price:	Cap Rate:
\$1,425,000	N/A
Units:	Price/Unit:
8	\$178,125
Sq Ft:	Price/Sq Ft:
6,722	\$211.99



Boulder Terrace
202 N Boulder Terrace
Tucson, AZ 85745

Sale Date:	Year Built:
03/22/2022	1996
Price:	Cap Rate:
\$1,100,000	5.04%
Units:	Price/Unit:
5	\$220,000
Sq Ft:	Price/Sq Ft:
7,936	\$138.61



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