

Absolutely NNN Property-8 MF Units-Master Leased



OFFERING MEMORANDUM | LEASED TO A VERY SUCCESSFUL SOBRIETY CO. THEY PAY 100% OF ALL EXPENSES!

801 E Dunlap Ave
Phoenix, AZ 85020



Absolutely NNN Property-8 MF Units-Master Leased

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01 **Executive Summary**

Investment Summary

Location Summary

OFFERING SUMMARY

ADDRESS	801 E Dunlap Ave Phoenix AZ 85020
COUNTY	Maricopa
MARKET	North Phoenix
SUBMARKET	East Sunnyslope
BUILDING SF	16,756 SF
LAND SF	17,460 SF
LAND ACRES	0.4
NUMBER OF UNITS	8
YEAR BUILT	1947/1985
YEAR RENOVATED	2022
APN	157-21-016-C
OWNERSHIP TYPE	Fee Simple

[Property Video](#)

FINANCIAL SUMMARY

PRICE	\$1,495,000
PRICE PSF	\$89.22
PRICE PER UNIT	\$186,875
OCCUPANCY	100.00%
NOI (CURRENT)	\$121,353
NOI (Pro Forma)	\$130,000
CAP RATE (CURRENT)	8.12%
CAP RATE (Pro Forma)	8.70%
CASH ON CASH (CURRENT)	8.83%
CASH ON CASH (Pro Forma)	10.49%
GRM (CURRENT)	12.32
GRM (Pro Forma)	11.50

PROPOSED FINANCING

Commercial Loan	
LOAN TYPE	Amortized
DOWN PAYMENT	\$523,250
LOAN AMOUNT	\$971,750
INTEREST RATE	6.00%
LOAN TERMS	5
ANNUAL DEBT SERVICE	\$75,135
LOAN TO VALUE	65%
AMORTIZATION PERIOD	25 Years

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2024 Population	17,653	110,381	354,123
2024 Median HH Income	\$66,854	\$73,880	\$74,260
2024 Average HH Income	\$87,021	\$110,575	\$107,577



****Overview:****

- This exceptional investment opportunity presents a fully leased 8-unit property master leased to a reputable sober living company. Located in the heart of Phoenix, AZ, this property is strategically positioned to offer stable income with minimal management responsibilities.

****NNN Lease Structure Explained:****

The property operates under a Triple Net (NNN) lease, where the tenant assumes responsibility for all property expenses including taxes, insurance, and maintenance costs. This ensures predictable cash flow for the investor without the typical day-to-day management hassles.

- ****Property Highlights:****

- ****Recent Renovations:**** Over \$200,000 in recent upgrades including:
 - New bathrooms featuring tile showers (\$50,000)
 - Updated flooring throughout (\$40,000)
 - New or replaced appliances (\$10,000)
 - Fresh interior and exterior paint (\$35,000)
 - Modern kitchen upgrades including new cabinets (\$10,000)
 - Enhanced security with a steel fence and new exterior doors (\$10,000)
 - Upgraded finishes and lighting fixtures (\$1,500)
 - Improved laundry facilities (\$2,000)
 - Installation of surveillance cameras for added security (\$22,000, operational status verified)
 - Updated hot water heaters and AC units installed within the last 5 years (\$34,000)

- ****Financial Overview:****

- ****Lease Terms:**** Long-term master lease with a reputable sober living company covering 100% of expenses.
- ****Income Stability:**** Predictable rental income with all expenses paid by the tenant, offering a hassle-free investment opportunity.
- ****Capital Expenditures:**** Recent renovations ensure reduced maintenance costs and increased tenant satisfaction, enhancing property value and marketability.

****Investment Considerations:****

This property represents an attractive opportunity for investors seeking stable cash flow and minimal management involvement. With a strong lease in place and recent capital improvements, it stands as a secure investment in the vibrant Phoenix real estate market.

***Disclaimer:** Buyers are encouraged to verify all financial figures and lease terms independently.*



North Phoenix-East Sunnyslope

- Sunnyslope, a vibrant neighborhood in Phoenix, AZ, offers a compelling blend of residential charm, strong employment opportunities, and convenient access to urban amenities. Located in the northern part of the city, Sunnyslope is known for its diverse housing options and its welcoming community atmosphere.

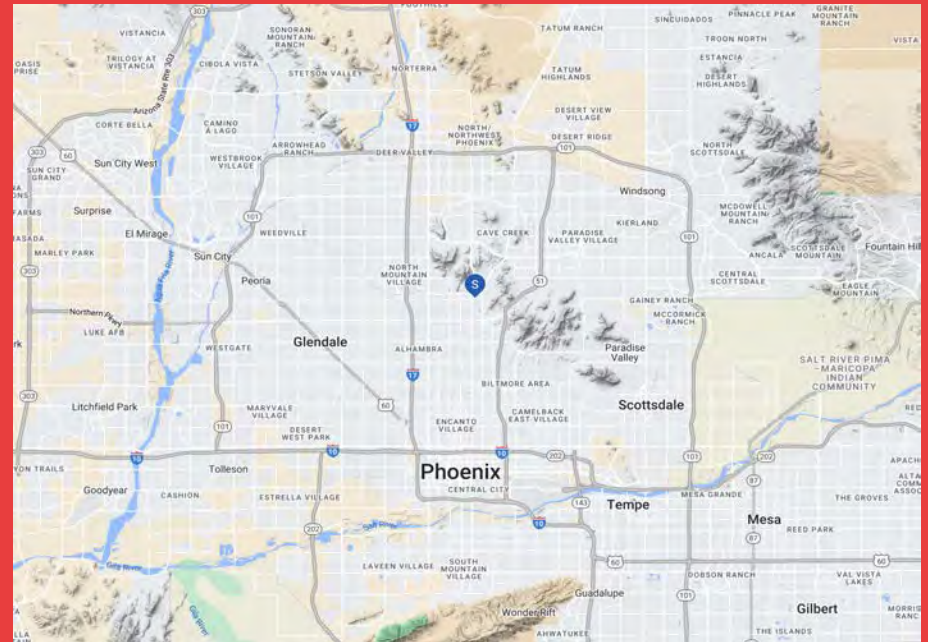
One of the key advantages of living in Sunnyslope is its proximity to **John C. Lincoln Hospital**, a major healthcare facility that serves as a significant employment hub in the area. The hospital not only provides a wide range of medical services but also supports numerous jobs in the healthcare sector, making it an important economic anchor for the community.

For outdoor enthusiasts, **North Mountain Park** is a major highlight of the Sunnyslope area. Just a short drive away, this expansive park offers ample opportunities for recreation, including hiking, mountain biking, and bird watching. The park's trails traverse scenic desert landscapes and provide stunning views of the Phoenix skyline, making it a favorite destination for those who enjoy nature and outdoor activities.

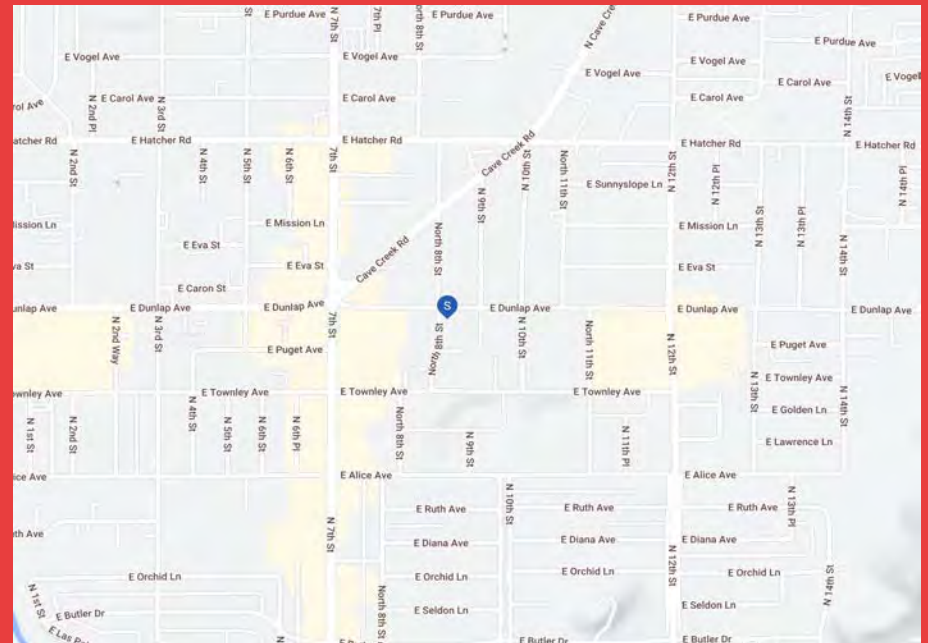
- For outdoor enthusiasts, **North Mountain Park** is a major highlight of the Sunnyslope area. Just a short drive away, this expansive park offers ample opportunities for recreation, including hiking, mountain biking, and bird watching. The park's trails traverse scenic desert landscapes and provide stunning views of the Phoenix skyline, making it a favorite destination for those who enjoy nature and outdoor activities.

Additionally, Sunnyslope benefits from its excellent connectivity to downtown Phoenix. Residents can easily commute to the city's central business district via **State Route 51 (the Piestewa Freeway)**. This major highway provides a direct and efficient route, allowing for a quick drive to downtown Phoenix where a range of job opportunities, dining, shopping, and cultural attractions await. The ease of access to downtown makes Sunnyslope an ideal location for professionals who need to commute to the heart of the city while still enjoying the tranquil, community-oriented lifestyle of the neighborhood.

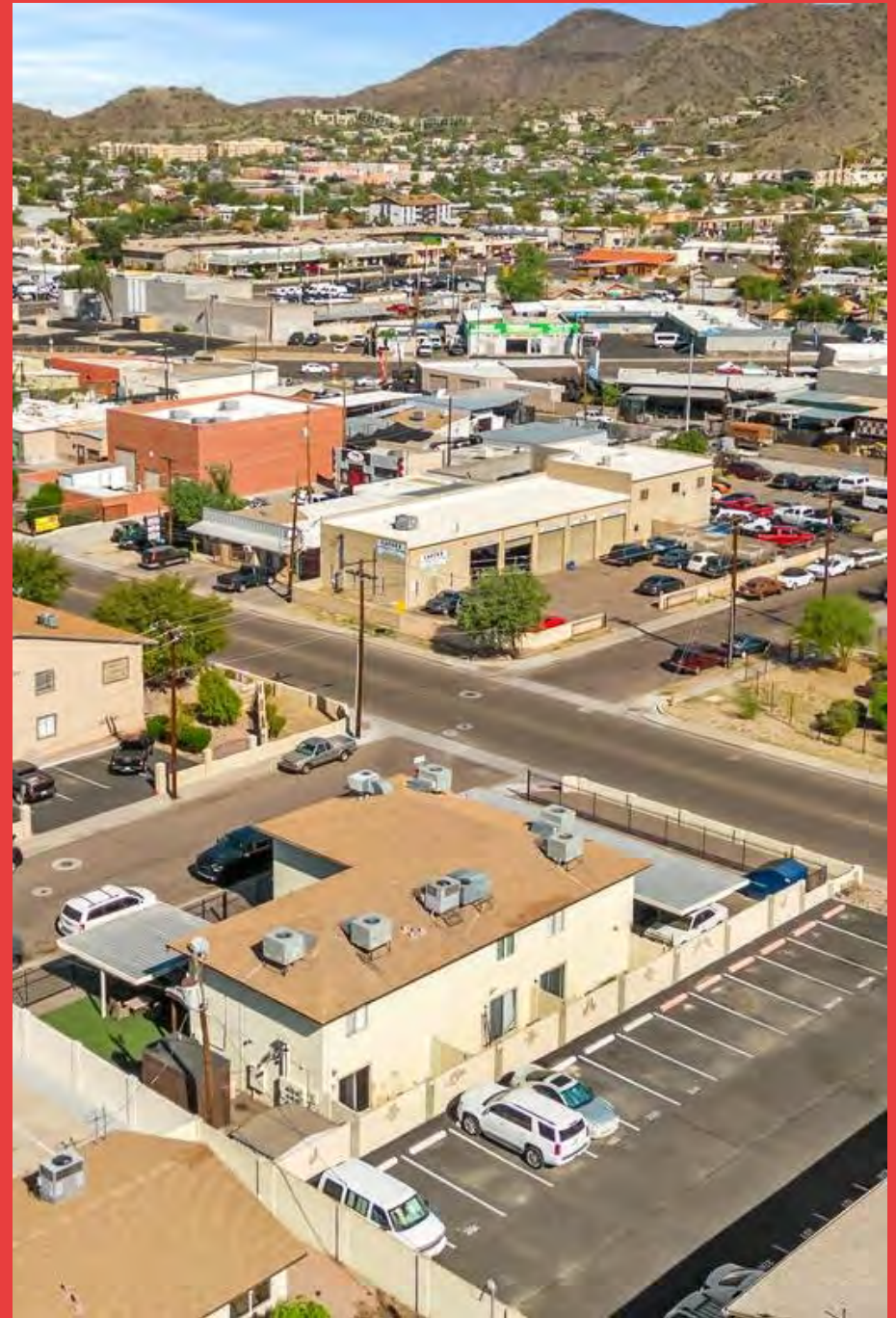
Regional Map



Locator Map



- The combination of strong local employment opportunities, convenient access to urban amenities, and proximity to outdoor recreation makes Sunnyslope a highly desirable place to live in Phoenix.





02 Property Description

- Property Features
- Aerial Map
- Property Images

PROPERTY FEATURES

NUMBER OF UNITS	8
BUILDING SF	16,756
LAND SF	17,460
LAND ACRES	0.4
YEAR BUILT	1947/1985
YEAR RENOVATED	2022
# OF PARCELS	1
ZONING TYPE	M-M
BUILDING CLASS	B
TOPOGRAPHY	Flat
LOCATION CLASS	B
NUMBER OF STORIES	2
NUMBER OF BUILDINGS	1
WASHER/DRYER	Laundry included

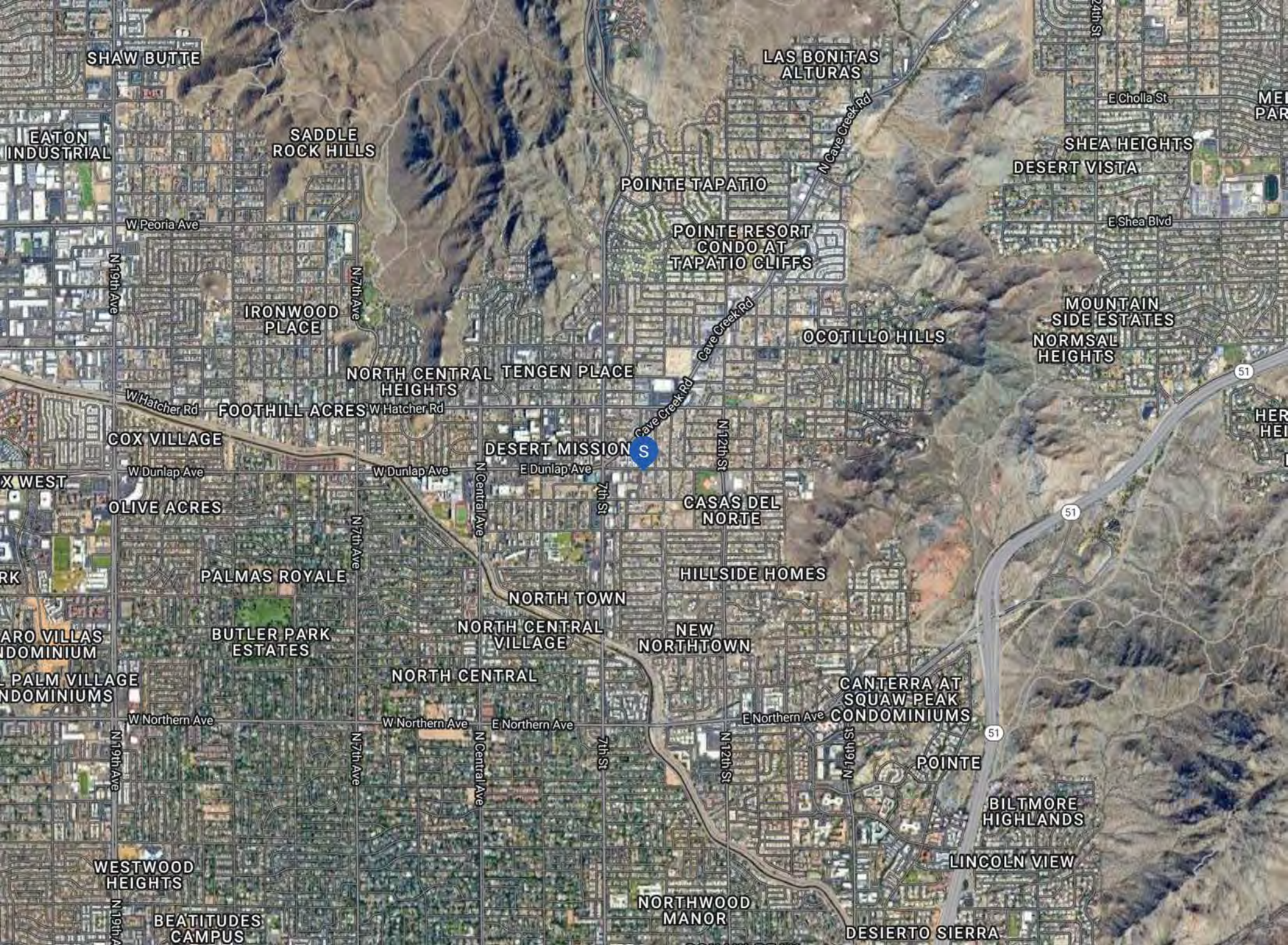
MECHANICAL

HVAC-HEAT PUMP	Individually Metered
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UTILITIES

WATER	Master Metered-PD by Tenant
TRASH	Master Metered-PD by Tenant
GAS	None
ELECTRIC	Individually Metered-PD by Tenant





SHAW BUTTE

LAS BONITAS ALTURAS

EATON INDUSTRIAL

SADDLE ROCK HILLS

SHEA HEIGHTS

DESERT VISTA

POINTE TAPATIO

POINTE RESORT CONDO AT TAPATIO CLIFFS

IRONWOOD PLACE

OCOTILLO HILLS

MOUNTAIN SIDE ESTATES
NORMSAL HEIGHTS

NORTH CENTRAL TENGAN PLACE

FOOTHILL ACRES

DESERT MISSION S

CASAS DEL NORTE

COX VILLAGE

OLIVE ACRES

PALMAS ROYALE

HILLSIDE HOMES

NORTH TOWN

BUTLER PARK ESTATES

NORTH CENTRAL VILLAGE

NEW NORTHTOWN

NORTH CENTRAL

CANTERRA AT SQUAW PEAK CONDOMINIUMS

POINTE

BILTMORE HIGHLANDS

WESTWOOD HEIGHTS

BEATITUDES CAMPUS

NORTHWOOD MANOR

LINCOLN VIEW

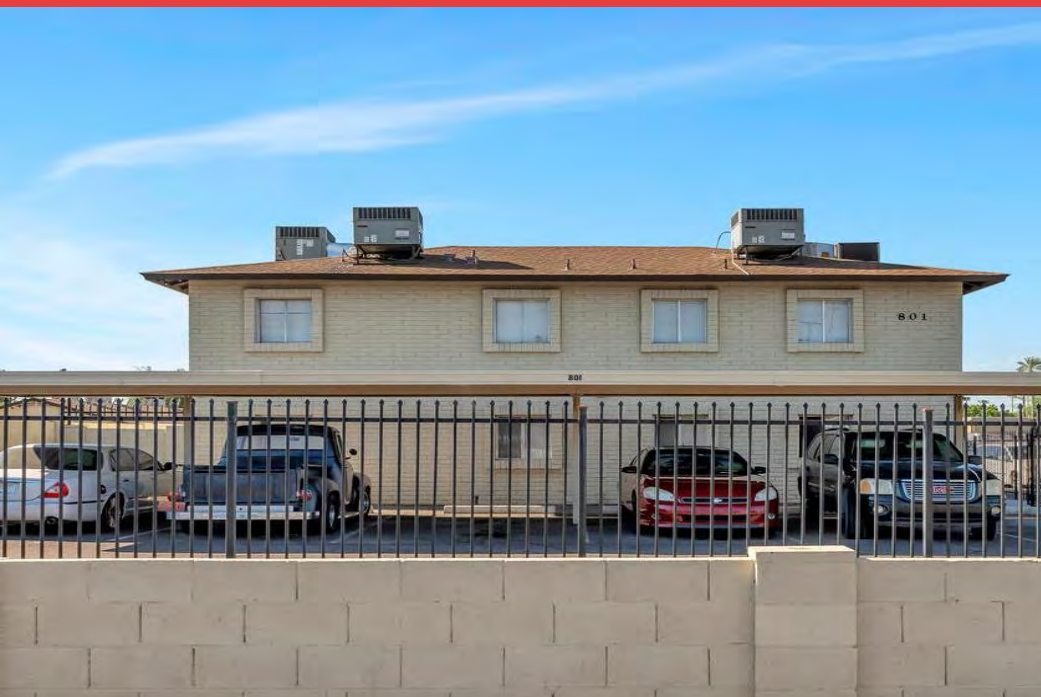
DESIERTO SIERRA



Patio Area



Secure Parking Area



View of Exterior Air Conditioners



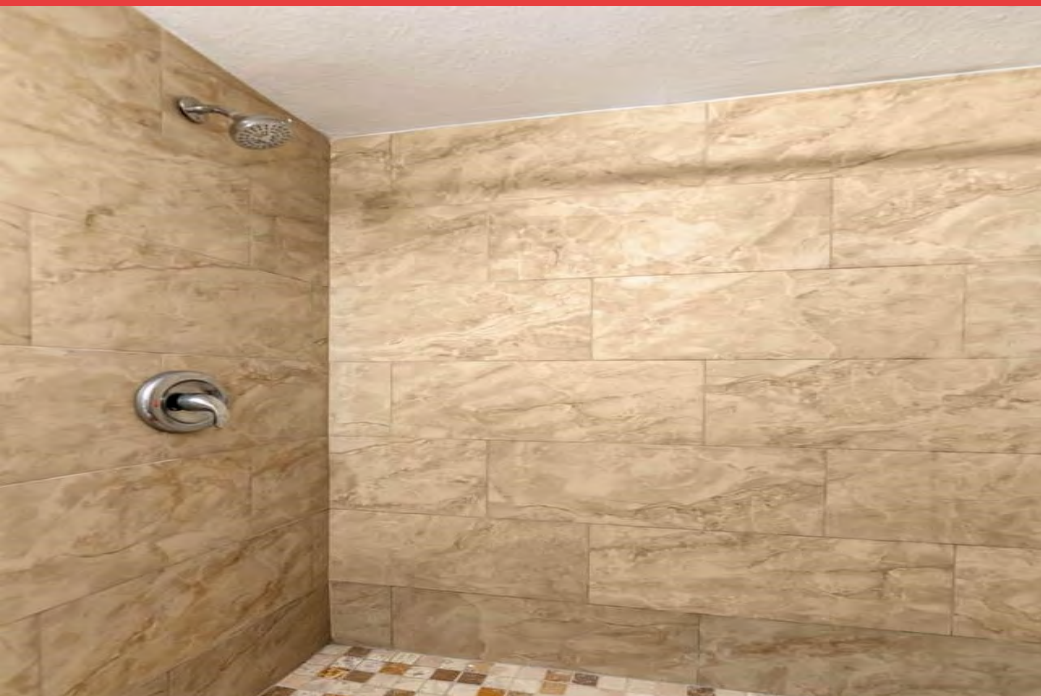
Overview of Property



Bathroom



Laundry Room



Tiled Showers



One Kitchen



Living Area



Living Area



Living Area



Living Area



Nearby Park



Regional Hospital



Hiking at North Mtn Park



Upscale Restaurants



03

Rent Roll

Rent Roll

Year to Date Schedule of Rents for 2024
8939 N. 8th St., Phoenix, AZ 85020

3/12/24 - \$10,112.75

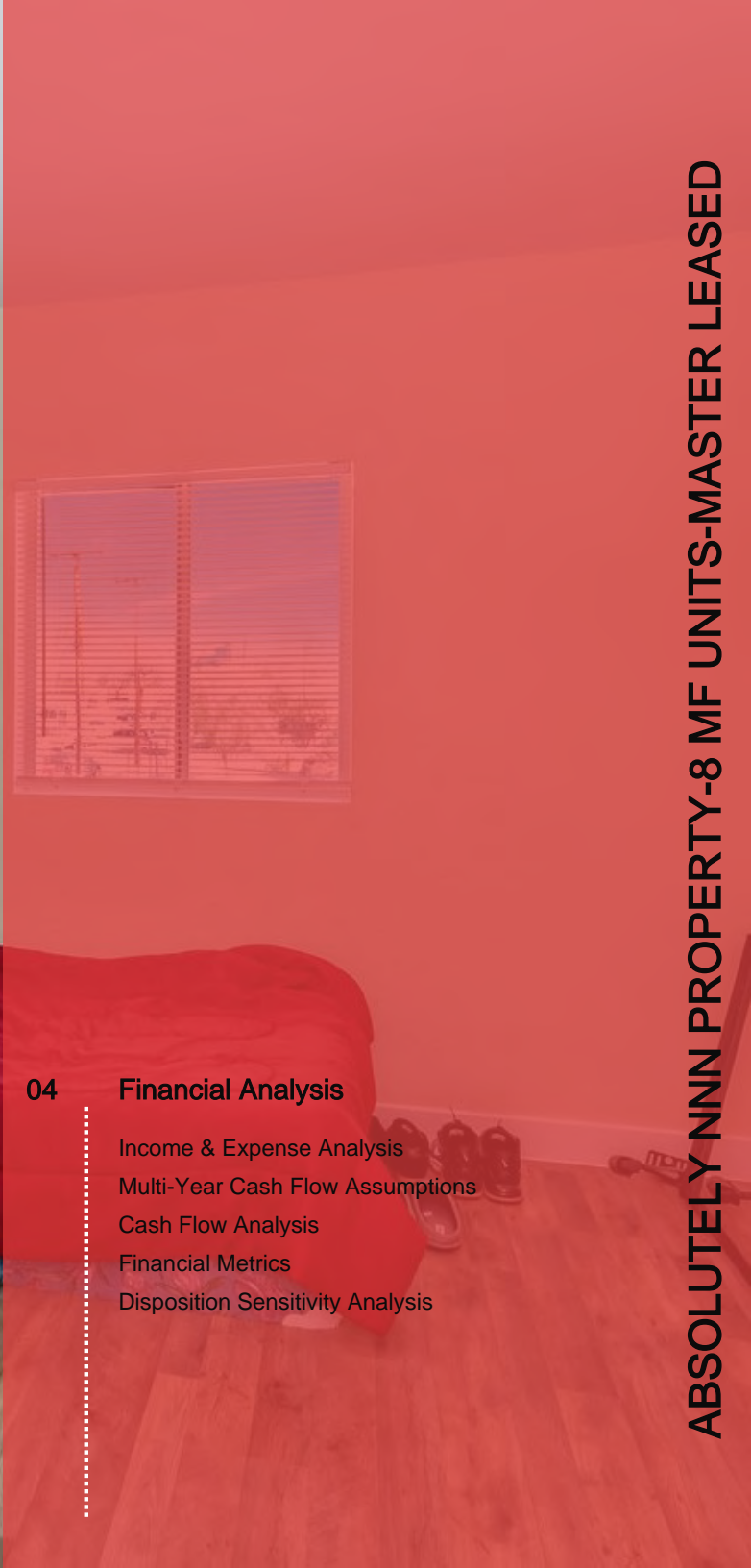
5/1/24 - \$10,112.75

6/1/24 - \$10,112.75

7/1/24 - \$10,112.75

8/1/24 - \$10,112.75

9/1/24 - \$10,112.75



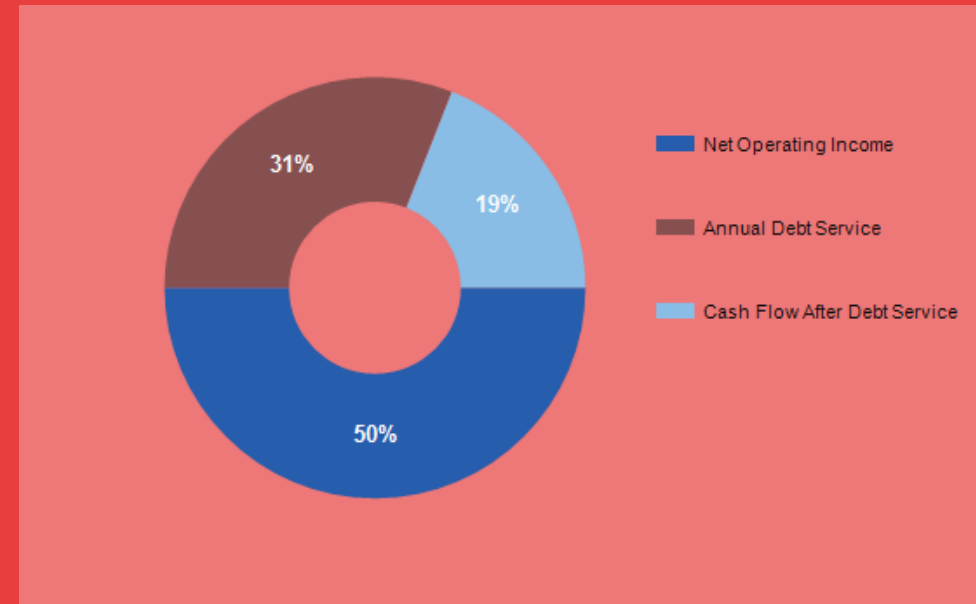
04 Financial Analysis

- Income & Expense Analysis
- Multi-Year Cash Flow Assumptions
- Cash Flow Analysis
- Financial Metrics
- Disposition Sensitivity Analysis

REVENUE ALLOCATION

CURRENT

INCOME	CURRENT	PRO FORMA
Gross Scheduled Rent	\$121,353	\$130,000
Effective Gross Income	\$121,353	\$130,000
Net Operating Income	\$121,353	\$130,000
Annual Debt Service	\$75,135	\$75,135
Cash flow	\$46,218	\$54,865
Debt Coverage Ratio	1.62	1.73



EXPENSES	CURRENT	Per Unit	PRO FORMA	Per Unit
Annual Debt Service	\$75,135		\$75,135	

DISTRIBUTION OF EXPENSES

CURRENT



GLOBAL

Price	\$1,495,000
Analysis Period	5 year(s)
Exit Cap Rate	8.12%

INCOME - Growth Rates

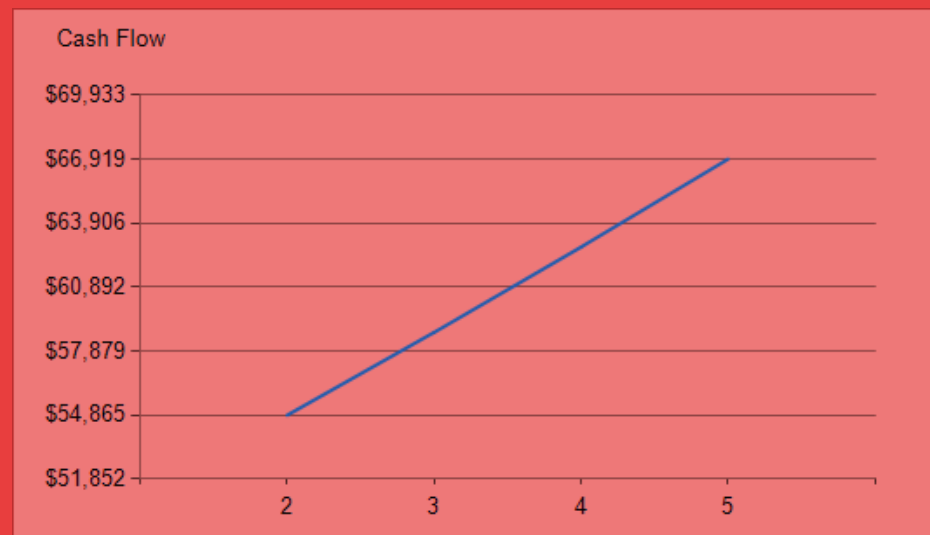
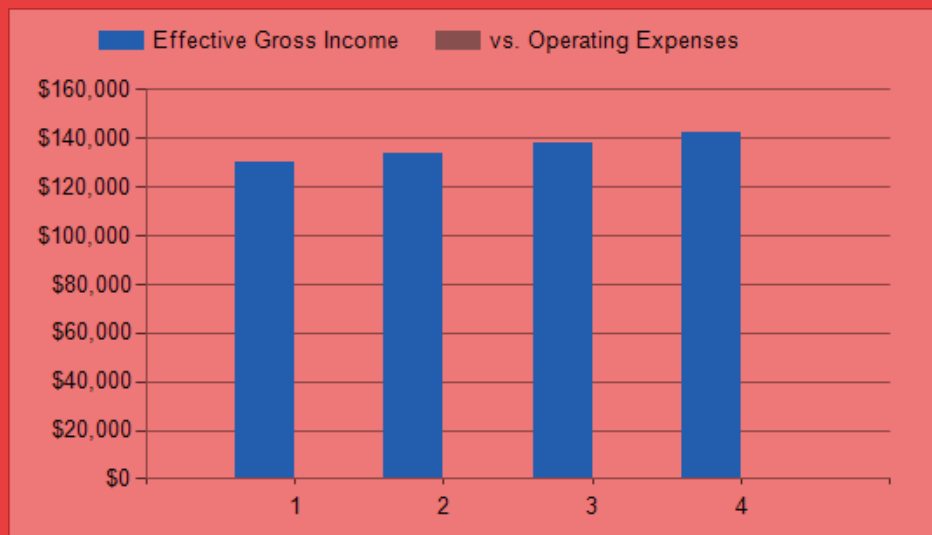
Gross Scheduled Rent	3.00%
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PROPOSED FINANCING

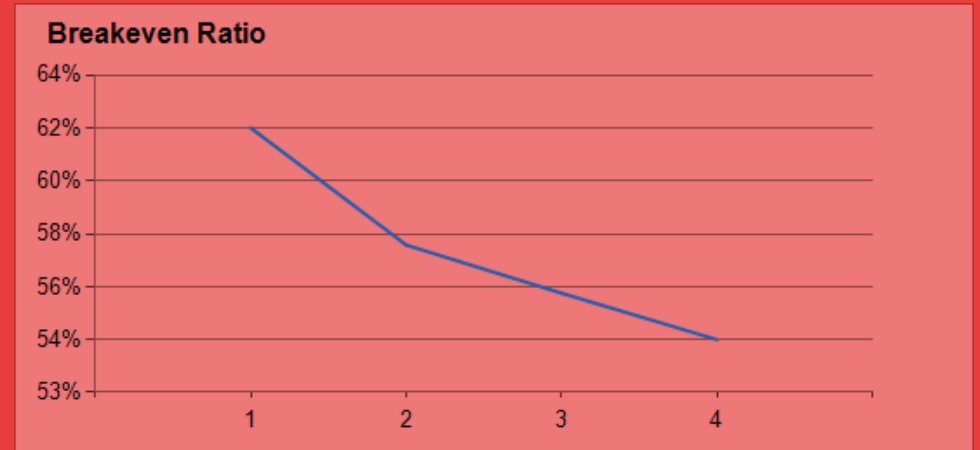
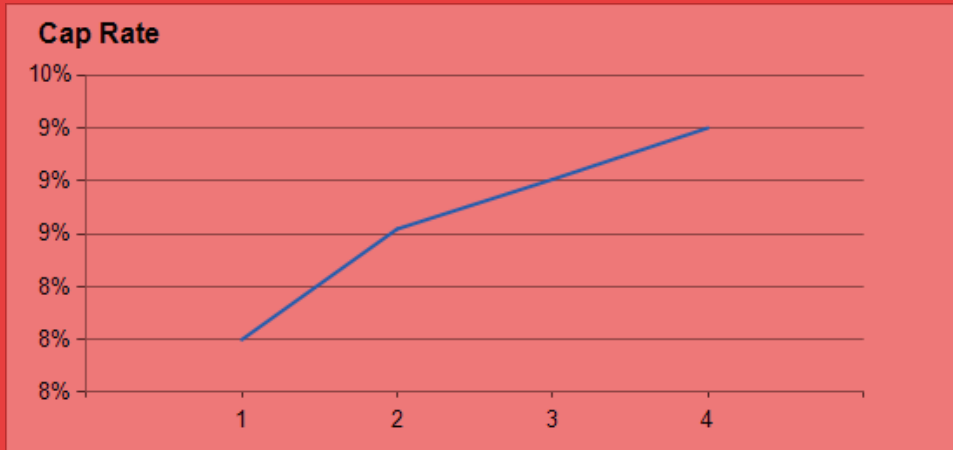
Commercial Loan	
Loan Type	Amortized
Down Payment	\$523,250
Loan Amount	\$971,750
Interest Rate	6.00%
Loan Terms	5
Annual Debt Service	\$75,135
Loan to Value	65%
Amortization Period	25 Years



Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5
Gross Revenue					
Gross Scheduled Rent	\$121,353	\$130,000	\$133,900	\$137,917	\$142,055
Effective Gross Income	\$121,353	\$130,000	\$133,900	\$137,917	\$142,055
Operating Expenses					
Net Operating Income	\$121,353	\$130,000	\$133,900	\$137,917	\$142,055
Annual Debt Service	\$75,135	\$75,135	\$75,135	\$75,135	\$75,135
Cash Flow	\$46,218	\$54,865	\$58,765	\$62,782	\$66,919



Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5
Cash on Cash Return b/t	8.83%	10.49%	11.23%	12.00%	12.79%
CAP Rate	8.12%	8.70%	8.96%	9.23%	9.50%
Debt Coverage Ratio	1.62	1.73	1.78	1.84	1.89
Gross Multiplier (GRM)	12.32	11.50	11.17	10.84	10.52
Loan to Value	65.02%	63.87%	62.64%	61.34%	59.91%
Breakeven Ratio	61.91%	57.80%	56.11%	54.48%	52.89%
Price / SF	\$89.22	\$89.22	\$89.22	\$89.22	\$89.22
Price / Unit	\$186,875	\$186,875	\$186,875	\$186,875	\$186,875
Income / SF	\$7.24	\$7.75	\$7.99	\$8.23	\$8.47



5 YEAR SENSITIVITY ANALYSIS

EXIT CAP RATE	PROJECTED SALES PRICE	SALES PRICE/UNIT	SALES PRICE PSF	PROCEEDS AFTER LOAN PAYOFF	LEVERED IRR
7.12%	\$1,995,148	\$249,393	\$119	\$1,104,049	24.35%
7.37%	\$1,927,470	\$240,934	\$115	\$1,036,371	23.08%
7.62%	\$1,864,232	\$233,029	\$111	\$973,134	21.84%
7.87%	\$1,805,013	\$225,627	\$108	\$913,914	20.62%
8.12%	\$1,749,440	\$218,680	\$104	\$858,341	19.43%
8.37%	\$1,697,186	\$212,148	\$101	\$806,088	18.27%
8.62%	\$1,647,964	\$205,996	\$98	\$756,866	17.12%
8.87%	\$1,601,516	\$200,190	\$96	\$710,418	15.99%
9.12%	\$1,557,615	\$194,702	\$93	\$666,517	14.88%



05

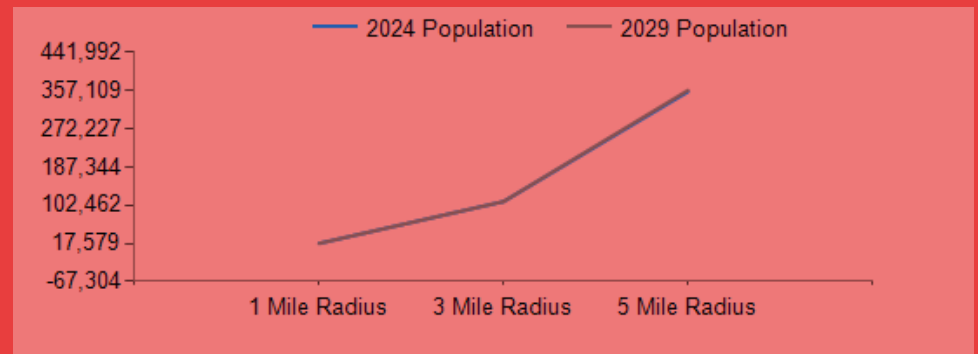
Demographics

Demographics

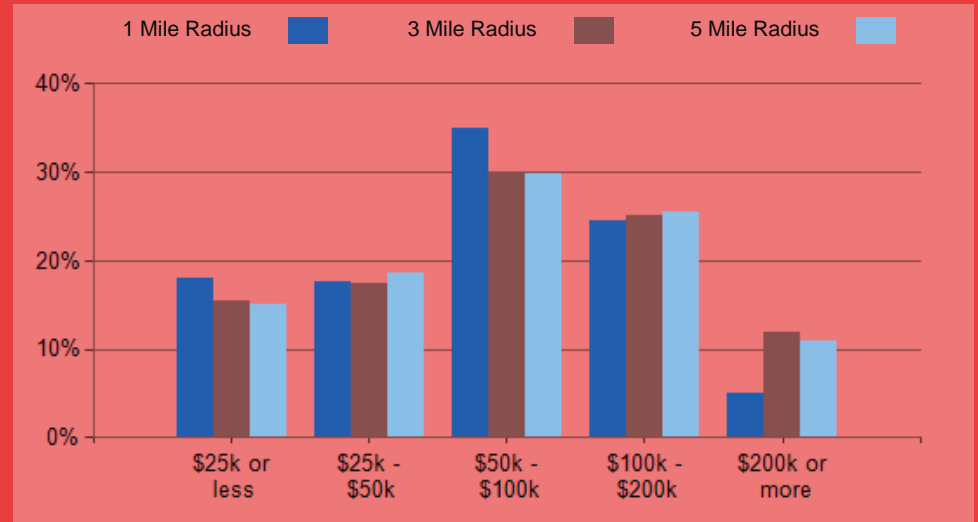
POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	19,399	109,127	337,165
2010 Population	17,323	102,686	321,864
2024 Population	17,653	110,381	354,123
2029 Population	17,579	110,459	357,109
2024-2029: Population: Growth Rate	-0.40%	0.05%	0.85%

2024 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	688	4,290	12,258
\$15,000-\$24,999	741	3,184	9,895
\$25,000-\$34,999	536	3,349	10,826
\$35,000-\$49,999	870	5,162	16,864
\$50,000-\$74,999	1,526	8,607	24,746
\$75,000-\$99,999	1,263	6,036	19,546
\$100,000-\$149,999	1,267	7,826	25,363
\$150,000-\$199,999	680	4,396	12,444
\$200,000 or greater	392	5,785	16,189
Median HH Income	\$66,854	\$73,880	\$74,260
Average HH Income	\$87,021	\$110,575	\$107,577

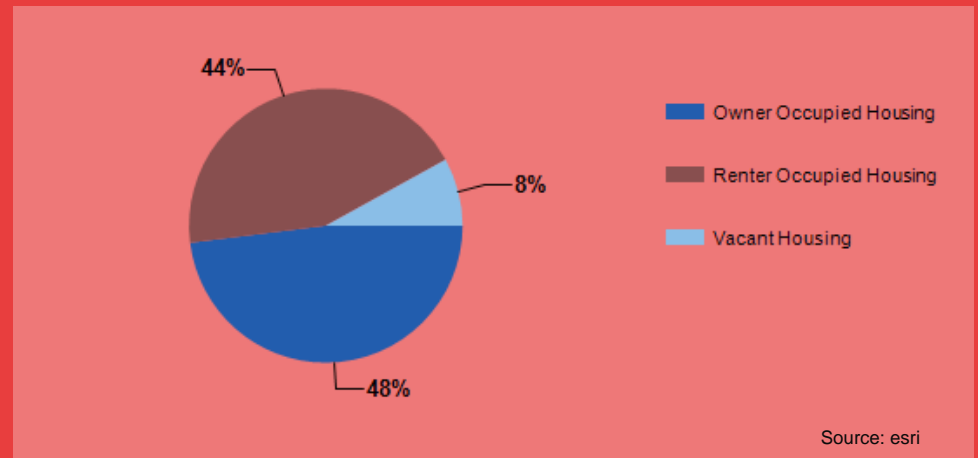
HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	8,612	49,885	147,580
2010 Total Households	7,337	44,337	132,339
2024 Total Households	7,964	48,635	148,131
2029 Total Households	8,052	49,436	152,150
2024 Average Household Size	2.19	2.24	2.37
2024-2029: Households: Growth Rate	1.10%	1.65%	2.70%



2024 Household Income

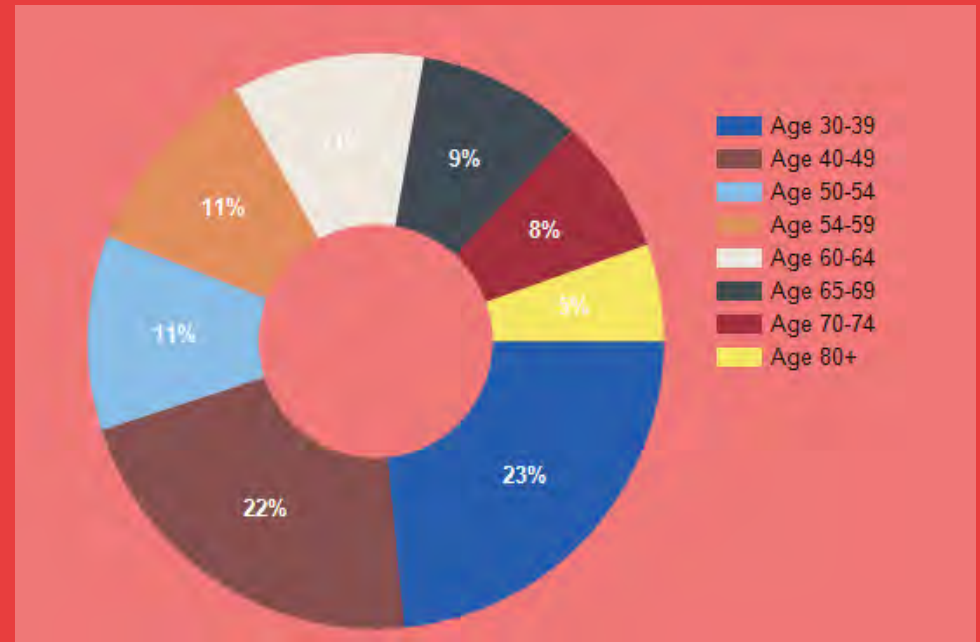


2024 Own vs. Rent - 1 Mile Radius

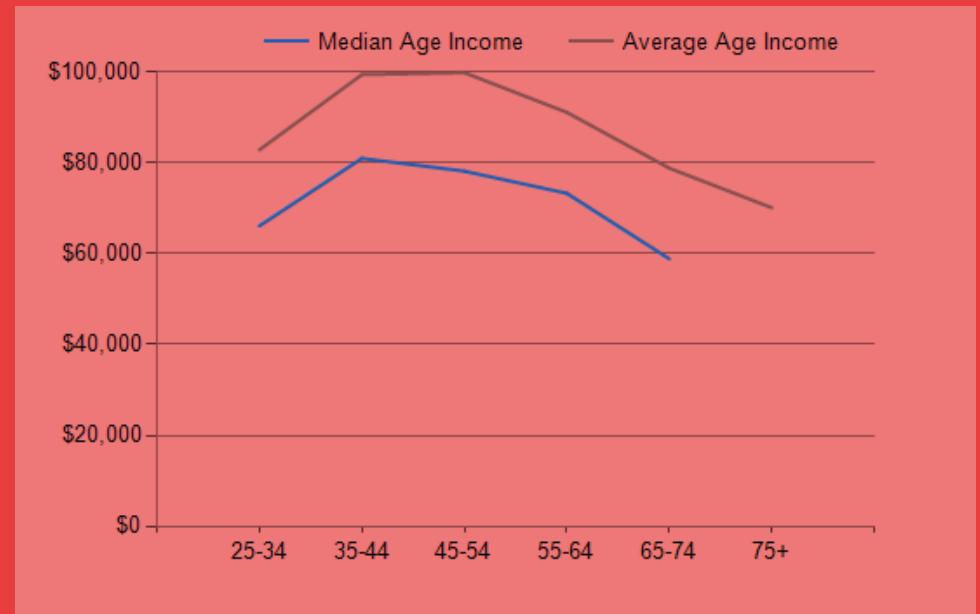


Source: esri

2024 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2024 Population Age 30-34	1,311	7,770	28,003
2024 Population Age 35-39	1,257	7,589	25,311
2024 Population Age 40-44	1,247	7,451	24,124
2024 Population Age 45-49	1,116	6,708	21,019
2024 Population Age 50-54	1,201	6,922	21,628
2024 Population Age 55-59	1,203	6,639	20,727
2024 Population Age 60-64	1,178	6,969	21,413
2024 Population Age 65-69	1,010	6,320	18,670
2024 Population Age 70-74	839	5,383	15,428
2024 Population Age 75-79	596	4,258	11,744
2024 Population Age 80-84	312	2,536	6,989
2024 Population Age 85+	260	2,764	6,598
2024 Population Age 18+	14,341	88,292	281,525
2024 Median Age	41	41	38
2029 Median Age	42	42	40



2024 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$66,116	\$67,046	\$68,497
Average Household Income 25-34	\$82,880	\$95,292	\$93,260
Median Household Income 35-44	\$80,998	\$88,133	\$86,780
Average Household Income 35-44	\$99,458	\$126,196	\$120,719
Median Household Income 45-54	\$78,195	\$94,953	\$90,408
Average Household Income 45-54	\$99,884	\$135,965	\$126,975
Median Household Income 55-64	\$73,322	\$84,323	\$81,677
Average Household Income 55-64	\$91,135	\$123,786	\$118,438
Median Household Income 65-74	\$58,892	\$69,639	\$68,463
Average Household Income 65-74	\$78,847	\$104,322	\$105,069
Average Household Income 75+	\$70,126	\$85,580	\$88,013





06

Company Profile

Company Bio
Advisor Profile

At Gerchick Real Estate, we pride ourselves on having the experience and know-how to handle any number of Real Estate Investment products and transactions. Whether you're looking for your first-time Investment or are ready to increase your Portfolio-Gerchick Real Estate's seasoned Advisors will guide you through the decision-making process and ensure your transaction closes quickly and efficiently.

- Investment Planning

As with all successes-it takes considerable planning. Your Goals, Your NEEDS and Your Wants are all elements to success.

- Market Analysis

It is important to understand not only where the Market has been; but where it is going. This takes time and the ability to be connected. We are your feet on the ground.

- Type of Properties

There are many Asset Classes in Real Estate. We are adept at helping you define which type of Investment is right for your needs.

- Portfolio Management

First, we need a clear understanding of your Goals. We will review your entire Portfolio with you to achieve success.

- Repositioning Assets

We are experts in sourcing Value Add Opportunities. We stay in the game – from the acquisition to the rehab. Our role is to assist you in achieving your Goals.



Linda Gerchick
CCIM

Linda is a Broker and a CCIM. A good combination. This would be comparable to a Real Estate Ph.D! And it shows up in everything she does. “Professional and “highly qualified” are two things you will always hear about Linda from those who have worked with her.

And following right behind are the words “Truly dedicated.” This is what everyone declares when they meet Linda. The next thing that is clear and has been said throughout her more than 25 years of experience is that they want to be on Linda’s side of the table, not across from her when she negotiates.

In addition, she is an acclaimed author. Her seminars draw hundreds of attendees. She has spent countless hours preparing a Video Seminar Series for you as an investor!

Her clients become Raving Fans. This happens over and over again because she cares and will work tirelessly to achieve your goals.

And on top of all of this, Linda is a loving Mother, dedicated Partner and a good Friend. We should also mention, she’s now a Grandmother of 2 boys—Will and Dre.

Take a moment and give her a call. As dedicated and busy as she is, she really does answer her phone! And she will call you back, a rare thing in today’s world.

Absolutely NNN Property-8 MF Units-Master Leased



Exclusively Marketed by:

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Gerchick Real Estate
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www.justsoldit.com

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