



OFFERING MEMORANDUM
EXCLUSIVELY LISTED

MARICOPA COUNTY · EAST PHOENIX · 85008

434 N 42nd Street

Phoenix, Arizona 85008

ASKING PRICE
\$550,000

\$137,500 PER DOOR · \$379 PER SF

5.07% CAP ON REPORTED 2025 NOI

FOUR-DOOR MULTIFAMILY · VALUE-ADD · SKY HARBOR / LOOP 202 CORRIDOR

4

INCOME DOORS

1,450 SF

RENTABLE AREA

8,251 SF

LOT · R-3 ZONING

1947

YEAR BUILT

100%

OCCUPIED

\$42,550

2025 COLLECTED RENT



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NOTICE TO RECIPIENT

Confidentiality & Disclaimer

This Offering Memorandum has been prepared by Monica Merenda and KatiAnn Craciunescu of My Home Group Real Estate for the sole purpose of assisting a prospective purchaser in evaluating a possible acquisition of 434 N 42nd Street, Phoenix, Arizona 85008. It is delivered on a confidential basis and may not be reproduced or distributed without written consent.

The information contained in this memorandum has been obtained from the Seller and from sources believed to be reliable, including the Seller's 2025 income statement and expense ledger, Maricopa County Assessor records, and third-party market reports. **Neither the Broker nor the Seller makes any representation or warranty, express or implied, as to the accuracy or completeness of this information.** All financial figures presented are as reported by the Seller and have not been audited, verified, or re-underwritten by the Broker.

Projected, pro-forma, and market-rent figures shown in this memorandum are estimates only. They are not a representation that such rents, income, or expenses can be achieved. Each prospective purchaser must conduct its own independent investigation and due diligence, including inspection of physical condition, verification of permits and certificates of occupancy, review of all leases and rent records, confirmation of zoning and land-use compliance, and consultation with its own advisors.

MATERIAL DISCLOSURES

Unit count. The property contains three permitted residential units plus one studio that is not permitted and is not warranted by the Seller or Broker. Four doors are currently income-producing.

Utilities. The property is on a **single master meter**. Water, sewer, and electric are paid by ownership and are included in the rents shown.

Airport vicinity. The property lies within territory in the vicinity of a public airport (Phoenix Sky Harbor). A.R.S. § 28-8486 disclosure applies.

Roof. Seller reports the roof was recoated in 2023.



EXECUTIVE SUMMARY

The Offering

PROPERTY OVERVIEW

Address	434 N 42nd Street, Phoenix, AZ 85008
Parcel (APN)	125-32-060A
Property type	Multifamily · garden / single-story
Total doors	4 (3 permitted + 1 non-permitted studio)
Rentable area	1,450 SF
Lot size	8,251 SF
Year built	1947
Zoning	R-3, City of Phoenix
Construction	Block / frame, pitched roof — recoated 2023
Parking	Open on-site parking plus one carport
Laundry	On-site laundry room — shared-use potential
Metering	Single master meter — utilities owner-paid
Occupancy	100% — 4 of 4 doors occupied

INVESTMENT HIGHLIGHTS

- **Four income streams on one parcel** in the 85008 infill corridor, minutes from Sky Harbor International Airport, the Loop 202, and downtown Phoenix employment.
- **Every door is rented below market.** In-place rents average \$734 per month against an achievable \$1,000 blended market rent, framing roughly **\$5,700 of annual gross rent upside** at turnover.
- **Utility recapture is available.** The building is master-metered and ownership absorbs roughly \$7,200 a year in water, sewer, and electric that a compliant billing program can partly recover.
- **Stabilized, not distressed.** Fully occupied with no vacancy loss reported in 2025, and the roof was recoated in 2023 per the Seller.



SECTION 1

Property Description

434 N 42nd Street is a four-door multifamily property on an 8,251 square-foot R-3 parcel in east Phoenix, roughly two miles north of Phoenix Sky Harbor International Airport and immediately west of the 44th Street business corridor. The improvements were built in 1947 and total approximately 1,450 rentable square feet across a three-unit residential building plus a detached studio.

The rental configuration is four doors. Three are permitted residential units; the fourth is a studio that is not permitted and is conveyed without warranty as to legal status. All four have been continuously occupied, and the Seller reported no vacancy loss in 2025. The site includes open on-site parking, one carport, and a laundry room presently used by a single tenant that could be converted to a shared amenity or a coin/card income source.

The property is served by a single master utility meter; water, sewer, and electric are paid by ownership and bundled into the quoted rents. In-place rents run \$600 to \$1,025 against comparable 85008 product at \$1,000 to \$1,100.



WEST-FACING FRONT LAWN · 434 N 42ND STREET

PHYSICAL & SITE DATA

Number of units	4 (3 permitted + 1 studio)
Rentable SF	1,450
Land area	8,251 SF (0.19 acres)
Year built	1947
Buildings / stories	2 / 1
Roof	Pitched — recoated 2023
HVAC	Individual unit systems
Electric meters	1 (master)
Water / sewer	City of Phoenix — master
Parking	Open surface + 1 carport
Laundry	1 on-site room
Zoning	R-3



DRIVE APPROACH · 44TH STREET CORRIDOR BEYOND

SECTION 1

Property Photos



AERIAL — SOUTHWEST APPROACH



AERIAL — SITE AND PARKING



AERIAL — ROOF AND LOT LINES



STREET FRONTAGE



SIDE ELEVATION AND YARD



DETACHED STUDIO — NON-PERMITTED

SECTION 2

Financial Summary

ASKING PRICE \$550,000 Offered as-is	PRICE PER DOOR \$137,500 4 income doors	PRICE PER SF \$379 1,450 rentable SF	CAP RATE 5.07% On reported 2025 NOI
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OPERATING DATA — 2025 AS REPORTED BY SELLER

Gross scheduled rent	\$42,550
Vacancy loss reported	\$0
Effective gross income	\$42,550
Total operating expenses	(\$14,650)
Net operating income	\$27,900
Operating expense ratio	34.4%

INVESTMENT INDICATORS

Gross rent multiplier	12.93
Cap rate on reported NOI	5.07%
Average in-place rent per door	\$734 / month
Blended market rent per door	\$1,000 / month
Stabilized gross rent potential	\$48,000 / year
Identified gross rent upside	\$5,700 / year

BASIS OF PRESENTATION

All income and expense figures on this page are the Seller’s reported 2025 actuals, presented as furnished. **No vacancy allowance, property management fee, replacement reserve, or turnover cost has been deducted**, and none is implied. A buyer underwriting this asset should add its own allowances for those line items; doing so will reduce net operating income below the figure shown. Pro-forma and market-rent figures elsewhere in this memorandum are estimates and are not included in the reported NOI above.

SECTION 2

Rent Roll & Operating Detail

RENT ROLL — 2025 COLLECTED

UNIT	STATUS	IN PLACE	MARKET	2025 TOTAL
Unit 1	Permitted	\$875	\$1,050	\$10,500
Unit 2	Permitted	\$1,025	\$1,050	\$12,300
Unit 3	Permitted	\$925	\$1,050	\$11,100
Studio	Not permitted	\$721 avg	\$850	\$8,650
Totals	4 doors	\$3,546	\$4,000	\$42,550

Studio rent varied between \$600 and \$845 per month during 2025; the figure shown is the monthly average of \$8,650 collected. All rents include owner-paid water, sewer, and electric.

OPERATING EXPENSES — 2025 ACTUAL

LINE ITEM	ANNUAL
Property taxes — Maricopa County	\$1,480
Insurance — Farmers	\$2,640
Electric — APS (master)	\$4,800
Water & sewer — City of Phoenix	\$2,400
Repairs	\$1,955
Cleaning & maintenance	\$820
Supplies	\$555
Total operating expenses	\$14,650

Reported expenses contain no management fee, reserves, or vacancy allowance.

VALUE-ADD SUMMARY — NOT INCLUDED IN REPORTED NOI

RENT REPOSITIONING

Move four doors from \$3,546 to \$4,000 per month at turnover: **+\$5,700 gross rent per year.**

UTILITY RECAPTURE

Recover a share of the \$7,200 owner-paid utility load through a compliant RUBS program with 90-day notice under A.R.S. § 33-1314.01.

LAUNDRY CONVERSION

The on-site laundry serves one tenant today. Opening it to all four doors adds an ancillary income line and a leasing amenity.

SECTION 3

Sale Comparables

The three closed transactions below are the most recent arm’s-length small-multifamily sales within the 85008 submarket.

ADDRESS	SALE PRICE	CLOSED	DOORS	PER DOOR	YEAR BUILT	DISTANCE
3702 E Polk St, Phoenix	\$525,000	Aug 2026	4	\$131,250	1983	0.6 mi
2444 E Willetta St, Phoenix	\$565,000	Feb 2026	4	\$141,250	1980s	1.4 mi
2621 E Brill St, Phoenix	\$420,000	Apr 2026	4	\$105,000	1950s	1.8 mi
434 N 42nd St — subject	\$550,000	Offered	4	\$137,500	1947	—

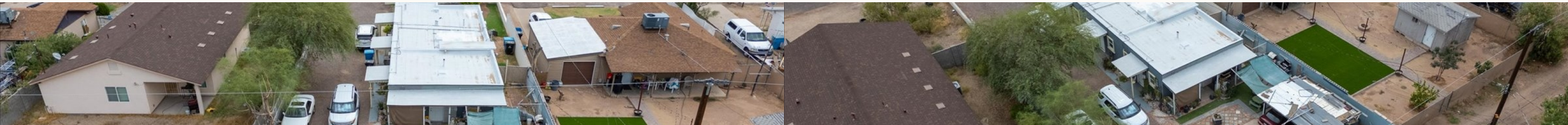
HOW THE SUBJECT COMPARES

- **Per-door pricing sits inside the closed range** of \$105,000 to \$141,250 established by the three comparable sales.
- **The subject carries the smallest building footprint** of the set at 1,450 SF, which raises price per square foot while keeping the total check size low.
- **Every comparable is individually metered.** The subject is master-metered, which is the single largest operating-cost difference and the clearest lever a new owner can pull.

SUBMARKET CONTEXT

Phoenix Class C cap range	6.5% – 7.0%
Phoenix metro multifamily cap	5.17% – 5.80%
Phoenix Class C price per unit	~\$160,000
85008 median gross rent	\$1,403
Phoenix multifamily vacancy	11.3%

Sources: Northmarq Phoenix Multifamily Q1 2026; Kidder Mathews Phoenix Multifamily Q2 2026; Matthews Phoenix Multifamily Q2 2026; U.S. Census ACS via zip-codes.com.



SECTION 4

Location & Demographics

The property sits in the 85008 ZIP code on the east side of central Phoenix, bounded by the Loop 202 Red Mountain Freeway to the south and the 44th Street / Washington light-rail corridor to the west. It is roughly two miles from Phoenix Sky Harbor International Airport, four miles from downtown Phoenix, and within a ten-minute drive of the Papago Park employment node.

This is a workforce-housing submarket. Roughly 70% of occupied housing in 85008 is renter-occupied, the median age is 30.3, and median gross rent is \$1,403 per month — materially above every in-place rent at the subject property. Demand drivers include airport and airline operations, the Sky Harbor logistics and hospitality cluster along 44th Street, Banner and Dignity Health campuses, and the Arizona State University Phoenix Biomedical corridor downtown.

TRANSPORTATION & ACCESS

- **Loop 202 Red Mountain Freeway** — approximately 1 mile south, connecting to I-10 and SR 51.
- **Phoenix Sky Harbor International Airport** — approximately 2 miles, the region’s largest single employment site.
- **Valley Metro light rail** — 44th Street/Washington station, direct service to downtown Phoenix, Tempe, and Mesa.

NEARBY EMPLOYMENT & DEMAND DRIVERS

Phoenix Sky Harbor Int’l Airport	~2 mi	Banner University Medical Center	~3 mi
Downtown Phoenix core	~4 mi	44th Street office corridor	~0.5 mi
Papago Park / Phoenix Zoo	~2 mi	ASU Downtown Phoenix campus	~4 mi



LOOKING NORTHEAST · PAPAGO BUTTES AND CAMELBACK MOUNTAIN BEYOND

85008 DEMOGRAPHIC SNAPSHOT

Population	59,047
Households	21,791
Median age	30.3 years
Median household income	\$66,353
Renter-occupied housing	~70%
Median gross rent	\$1,403 / month

Sources: U.S. Census ACS via zip-codes.com and city-data.com; IncomeByZipCode 2024 estimate.



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