



OWLS & MESA LODGE
2015-2027 E Benson Highway, Tucson, AZ 85714
23 units
\$1,860,000

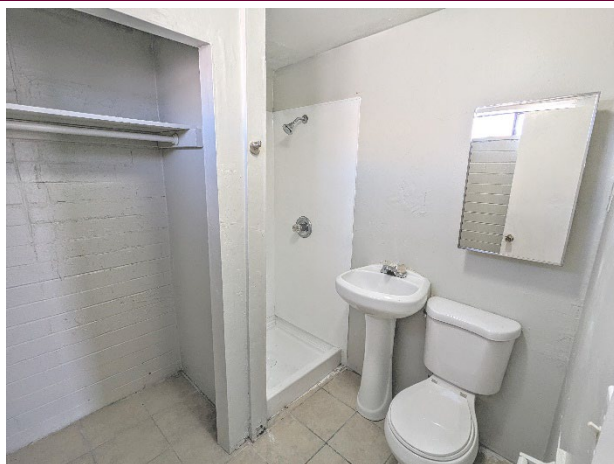


FOR MORE INFORMATION:
Joseph Chaplik
Designated Broker/President

(520) 428-0850
jchaplik@josephbernard.net

OWLS & MESA LODGE

2015-2027 E Benson Highway, Tucson, AZ 85714



BUILDING

Price:	\$1,860,000
Units:	23
Price/Unit:	\$80,870
Building Sq Ft:	9,550
Price/Sq Ft:	\$194.76
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.

Scheduled Monthly Rents

Units	Type	Est. Sq. Ft.	Current Average Rent	Monthly Income	Rent at Market	Monthly Income
21	Studio Suites/1 Bath	400	\$694	\$14,574	\$750	\$15,750
1	1 Bed/1 Bath	450	\$700	\$700	\$775	\$775
1	2 Bed/1 Bath	700	\$1,000	\$1,000	\$1,100	\$1,100
23				\$16,274		\$17,625
Scheduled Gross Income				\$195,288		\$211,500
• Less: Vacancy (5%)				-\$9,764		-\$10,575
Effective Gross Income				\$185,524		\$200,925
• 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				\$238,491		\$256,892

Estimated Expenses

	Current			Budget		
	%EGI	Per/Unit	Amount	%EGI	Per/Unit	Amount
Taxes	2.79%	\$225	\$5,183	2.58%	\$225	\$5,183
Insurance	2.79%	\$225	\$5,175	2.58%	\$225	\$5,175
Utilities	27.27%	\$2,200	\$50,600	25.18%	\$2,200	\$50,600
Professional Management	7.00%	\$565	\$12,987	7.00%	\$612	\$14,065
Maintenance & Repairs	4.96%	\$400	\$9,200	4.58%	\$400	\$9,200
Turnover Reserves	2.17%	\$175	\$4,025	2.00%	\$175	\$4,025
Capital Reserves	3.10%	\$250	\$5,750	2.86%	\$250	\$5,750
Total Est. Annual Expenses	50.09%	\$4,040	\$92,920	46.78%	\$4,087	\$93,998
	of EGI	Per Unit		of EGI	Per Unit	

Investment Summary

	Current	Projected
Net Operating Income (NOI)	\$145,571	\$162,894
Cap Rate	7.83%	8.76%
Debt Service	\$86,860	\$86,860
Cash Flow	\$58,711	\$76,034
Cash Return	7.89%	10.22%

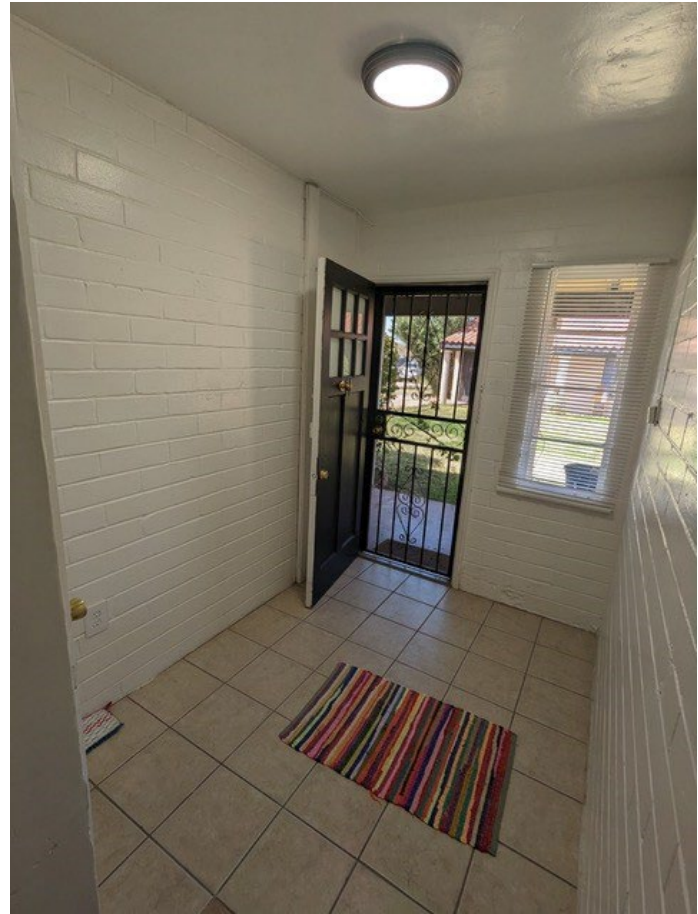
Proposed Financing

Down Payment	\$744,000
Down Payment %	40%
Debt Service	\$86,860
Loan Amount	\$1,116,000
Interest Rate	6.75%
Term	3/1 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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(520) 428-0850
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Arizona

9927 E Bell Road, Suite 130
Scottsdale, AZ 85260
480-305-5600

One South Church Avenue, Suite 1200
Tucson, AZ 85701
520-428-0850

Oregon

5 Centerpointe Dr, Suite 400
Lake Oswego, OR 97035
503-546-9390

Toll Free
866-546-9390

Washington

4400 NE 7th Avenue, Suite 275
Vancouver, WA 98662
360-255-0255

601 W 1st Ave, Suite 1400
Spokane, WA 99201
509-381-4400