

Preleased w/Absolute NNN Lease at 7.88% Cap Rate



OFFERING MEMORANDUM | TOTALLY REMODELED 2024 WITH PERMITS

2222 E Garfield Street
Phoenix, AZ 85006



Preleased w/Absolute NNN Lease at 7.88% Cap Rate

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01 **Executive Summary**

Investment Summary

Unit Mix Summary

Location Summary

OFFERING SUMMARY

ADDRESS	2222 E Garfield Street Phoenix AZ 85006
COUNTY	Maricopa
MARKET	Downtown Phoenix
SUBMARKET	Roosevelt District
BUILDING SF	3,044 SF
LAND SF	6,764 SF
LAND ACRES	0.15
NUMBER OF UNITS	4
YEAR BUILT	1954
YEAR RENOVATED	2024
APN	116-03-014
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

PRICE	\$1,395,000
PRICE PSF	\$458.28
PRICE PER UNIT	\$348,750
OCCUPANCY	100.00%
NOI (Pro Forma when Completed)	\$109,971
NOI (Pro Forma)	\$115,000
CAP RATE (Pro Forma when Completed)	7.88%
CAP RATE (Pro Forma)	8.24%
CASH ON CASH (Pro Forma when Completed)	8.78%
CASH ON CASH (Pro Forma)	10.22%
GRM (Pro Forma when Completed)	12.69
GRM (Pro Forma)	12.13

PROPOSED FINANCING

Residential Financing	
LOAN TYPE	Amortized
DOWN PAYMENT	\$348,750
LOAN AMOUNT	\$1,046,250
INTEREST RATE	6.50%
LOAN TERMS	30
ANNUAL DEBT SERVICE	\$79,354
LOAN TO VALUE	75%
AMORTIZATION PERIOD	30 Years
NOTES	Buyer to verify current loan terms with a qualified lender.

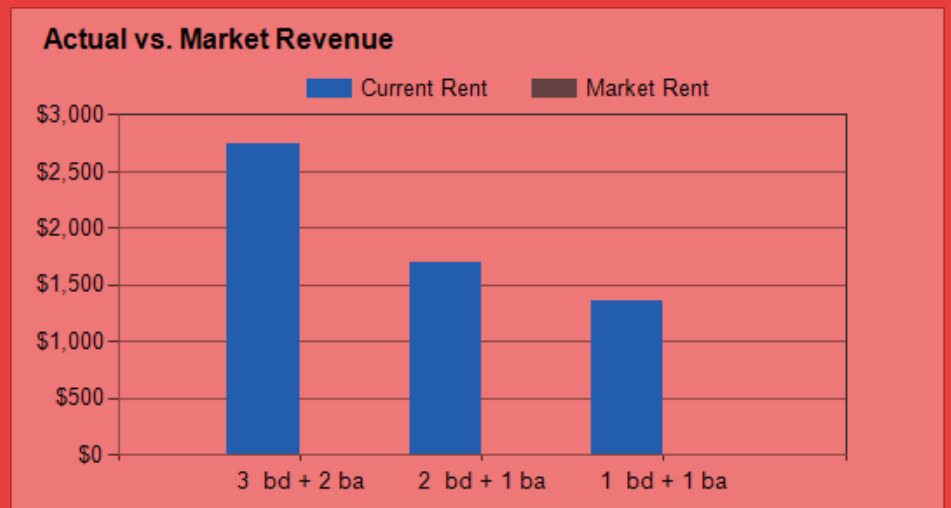
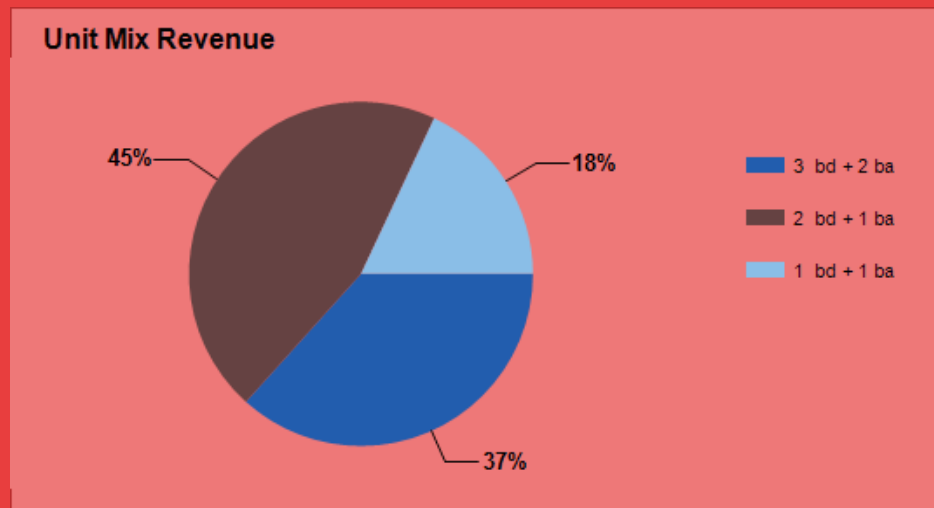
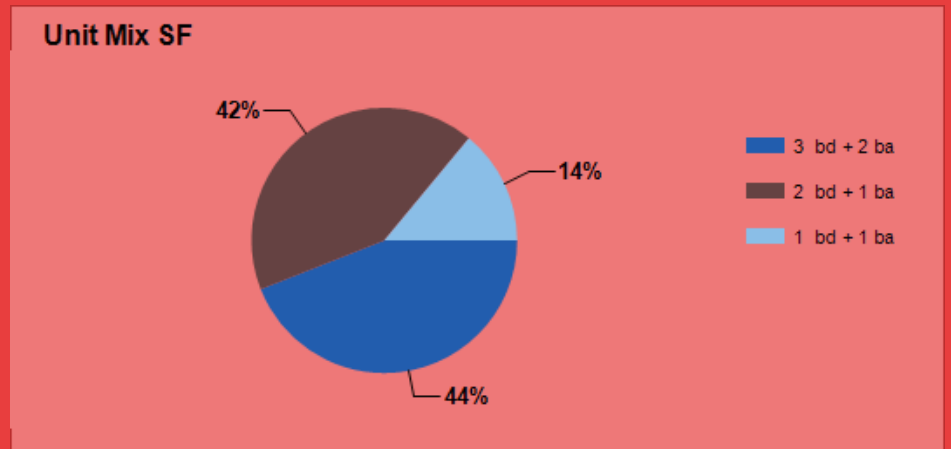
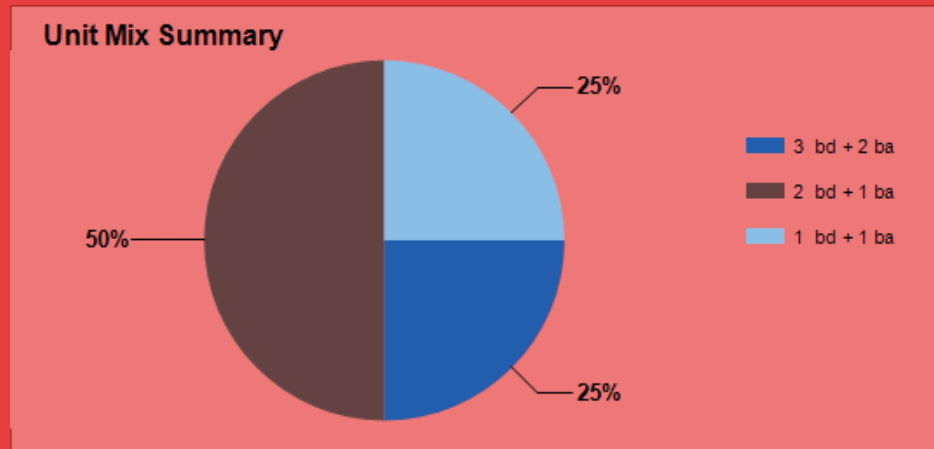
DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2024 Population	19,134	135,288	322,852
2024 Median HH Income	\$42,383	\$62,670	\$68,019
2024 Average HH Income	\$57,910	\$89,840	\$101,557



****Investment Opportunity: Prime Real Estate with High Potential**** *Hands-Off Investment on a Trip!

- Introducing an exceptional investment opportunity in the heart of the Roosevelt Historical District, offering a fully renovated, hands-off investment property with an established tenant under a pure triple net lease (NNN). This 4-unit property, meticulously upgraded, is leased to a single tenant who covers 100% of all expenses, making this a hassle-free investment that promises consistent cash flow. With a cap rate of over 7.5%, this property offers an attractive income-generating opportunity. The Property will be occupied on 11/1/2024 with a three year lease and rental bumps year two and three.
 - ****Key Improvements****:
 - New Plumbing, Electric, and Roof with Reinforced Joists
 - New Flooring, Air Conditioning, and Exterior Stucco
 - New Concrete Walkways and Parking Spaces for Tenant Convenience
 - ****Property Overview****:
 - ****Unit Mix****:
 - 1 x 3 Bedroom, 2 Bath
 - 2 x 2 Bedroom, 1 Bath
 - 1 x 1 Bedroom, 1 Bath
 - ****Complete Renovation****: The property has undergone a full gut and remodel, presenting a contemporary and attractive living space for tenants.
 - ****Key Upgrades****:
 - All-new plumbing, electric systems, and reinforced roof joists
 - New air conditioning units, flooring, and exterior stucco
 - Modern dual pane windows and new exterior doors for security and energy efficiency
 - Fresh concrete walkways and parking spaces, ensuring convenience for tenants
 - New ceiling fans in living rooms and all bedrooms for comfort
 - New landscaping to enhance curb appeal
 - Stylish new cabinets, bathrooms, stainless steel appliances, and quartz countertops
- ****Investment Highlights****:
 1. ****Turnkey Investment****: With renovations completed and permits finalized, the property is ready to generate immediate rental income.
 2. ****Versatile Unit Mix****: A diverse selection of unit sizes to accommodate families, professionals, and individuals, enhancing occupancy rates.
 3. ****High-Quality Renovation****: Every detail of the renovation was completed with precision, offering durability and ensuring tenant satisfaction.
 4. ****Modern Amenities****: Tenants will enjoy the convenience of modern appliances, attractive finishes, and energy-efficient features.
 5. ****High Cap Rate****: With a cap rate of over 7.5%, this property provides a strong income stream and attractive investment potential.****Investment Strategy****:
 - ****Immediate Income****: Rental income begins upon acquisition.
 - ****Long-Term Growth****: Located in a thriving area, this property is positioned for future appreciation.
 - ****Hassle-Free Management****: The NNN lease structure means the tenant handles all expenses, including maintenance, taxes, and insurance, while you enjoy passive income.
 - Don't miss this opportunity to invest in a hands-off, income-generating property that's ready to deliver returns from day one. Contact us today to learn more about this prime real estate offering and secure your investment in a high-demand market.

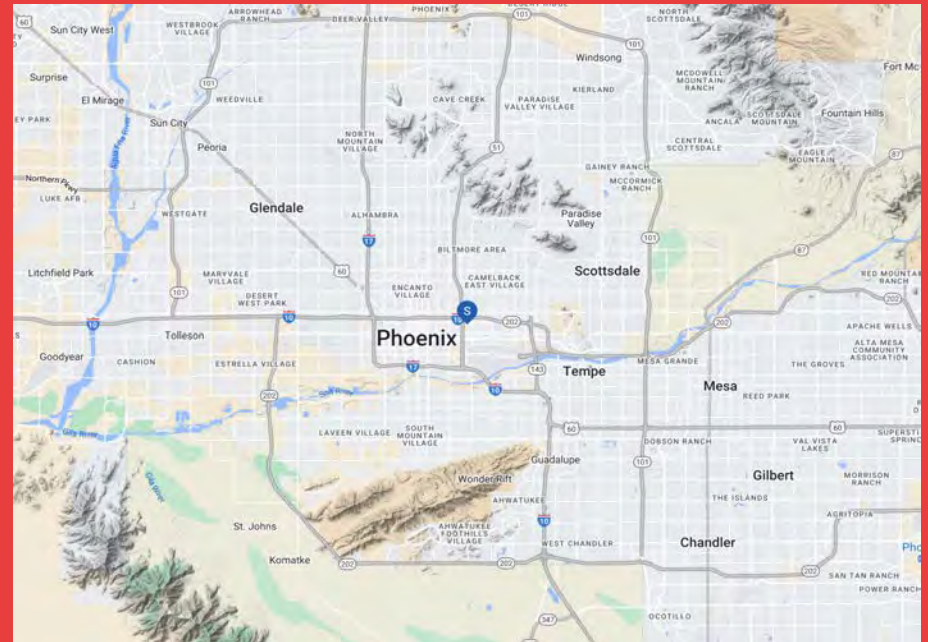
Unit Mix	# Units	Square Feet	Current Rent	Rent PSF	Monthly Income
3 bd + 2 ba	1	1,332	\$2,700 - \$2,800	\$2.06	\$2,750
2 bd + 1 ba	2	645	\$1,600 - \$1,800	\$2.64	\$3,400
1 bd + 1 ba	1	425	\$1,300 - \$1,400	\$3.18	\$1,350
Totals/Averages	4	762	\$1,875	\$2.63	\$7,500



Garfield and Coronado Historical Districts

- The Garfield Historic District contains primarily modest bungalows and Period Revival style homes but it also includes a noteworthy concentration of older turn-of-the-century structures, including the largest concentration of “Pyramid Cottages” in Phoenix. The neighborhood provides a sampling of architectural styles from the earliest vernacular homes in Phoenix to the early Ranch-style homes that would become prevalent following World War II. Garfield was developed from 1883 to 1955. The neighborhood was one of the first additions to the original Phoenix townsite. It is also an excellent example of a “streetcar subdivision,” where residential development was directly related to the establishment of a streetcar line through the neighborhood. Before becoming a residential area, the Garfield Historic District was part of an extensive agricultural tract. The area was farmed by John T. Dennis, a pioneer settler who emigrated from Ohio in 1868. As Phoenix grew, Dennis saw the value of his land for future residential development. The original subdivision was platted with a rectilinear street grid clearly based on the original townsite layout. The Dennis Addition was recorded with Maricopa County on Nov. 16, 1883, and was annexed into Phoenix in 1899. Many municipal improvements stimulated development in the Dennis Addition during the late 1800s.

Regional Map



Locator Map



- The first city well and pumping plant was located on a block of land at the northeast corner of 9th and Van Buren streets. One vernacular brick building related to the pumping station is still standing at the northwest corner of Verde Park near the corner of 9th and Polk streets. The Phoenix Street Railway built the first powerhouse just to the west of the pumping plant. In 1895, the Phoenix Street Railway extended their streetcar line through the Dennis Addition. Called the Brill Line, it ran along Pierce Street to 10th Street and then north to the Brill Addition, which was located just north of the Dennis Addition. Both Dennis and Frederick Brill, the owner of the Brill Addition, were investors in the extension of the line. Virtually all of the early streetcar lines were backed by large landholders in order to promote land sales in the new subdivisions. The Dennis Addition itself was subdivided repeatedly in the following decades. The growth of the neighborhood as a solid residential area in the 1920s encouraged the establishment of local businesses and other institutions. Six of the seven churches located in the Garfield neighborhood were constructed between 1925 and 1931. Commercial establishments and small businesses also flourished at that time, particularly at the corner of 10th and Pierce streets where the streetcar line turned north.

Coronado Historical District

- The property is located in the Coronado Historic District, a charming and diverse neighborhood known for its historic homes and vibrant community events.
- Nearby amenities include popular local eateries such as Tacos Chivas and The Main Ingredient Ale House & Cafe, offering residents and visitors a variety of dining options.
- Coronado Park is within walking distance, providing green space for outdoor activities and community gatherings.
- The property is conveniently situated near major transportation routes, including the nearby State Route 51, offering easy access to other parts of Phoenix and beyond. This is walking distance to the Valley Hospital.



- The neighborhood has a strong sense of community, with active neighborhood associations and a commitment to preserving the area's historic character.



02 Property Description

- Property Features
- Aerial Map
- Common Amenities
- Unit Amenities
- Property Images

PROPERTY FEATURES

NUMBER OF UNITS	4
BUILDING SF	3,044
LAND SF	6,764
LAND ACRES	0.15
YEAR BUILT	1954
YEAR RENOVATED	2024
# OF PARCELS	1
ZONING TYPE	[R-4] Multiple Family Residence
BUILDING CLASS	A
TOPOGRAPHY	Flat
LOCATION CLASS	B
NUMBER OF STORIES	1
NUMBER OF BUILDINGS	1
NUMBER OF PARKING SPACES	8
POOL / JACUZZI	No
FIRE PLACE IN UNIT	No
WASHER/DRYER	Yes

UTILITIES

WATER	City of Phoenix Master Metered
TRASH	City of Phoenix-included in Water Bill
GAS	None
ELECTRIC	APS - Individually Metered





ed w/Absolute NNN Lease at 7.88% Cap Rate | Common Amenities

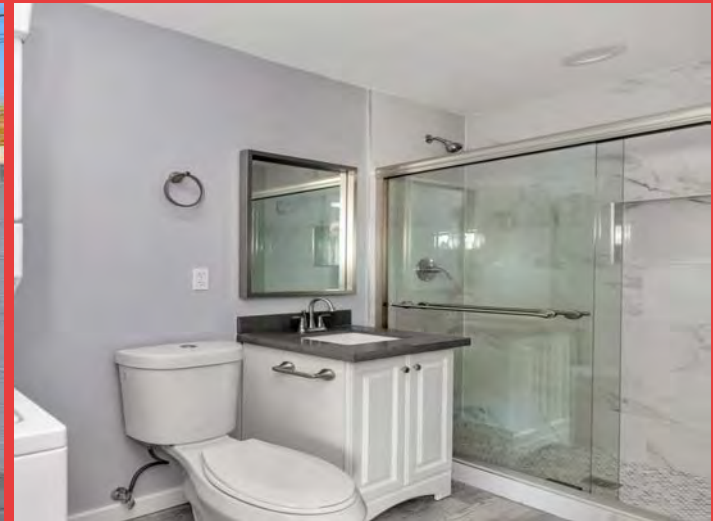


ed w/Absolute NNN Lease at 7.88% Cap Rate | Unit Amenities











03

Rent Roll

Rent Roll

Unit	Current Rent	Move-in Date	Lease End	Notes
1,2,3,and 4	\$8,500.00	11/01/2024	10/31/2027	Absolute NNN Master Leased
Totals / Averages	\$8,500.00			





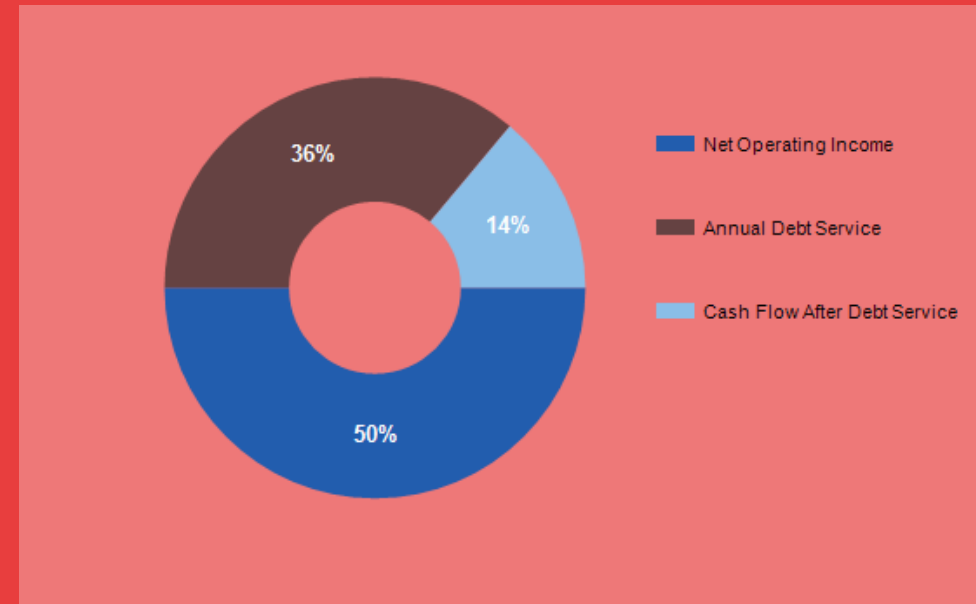
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Financial Analysis

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

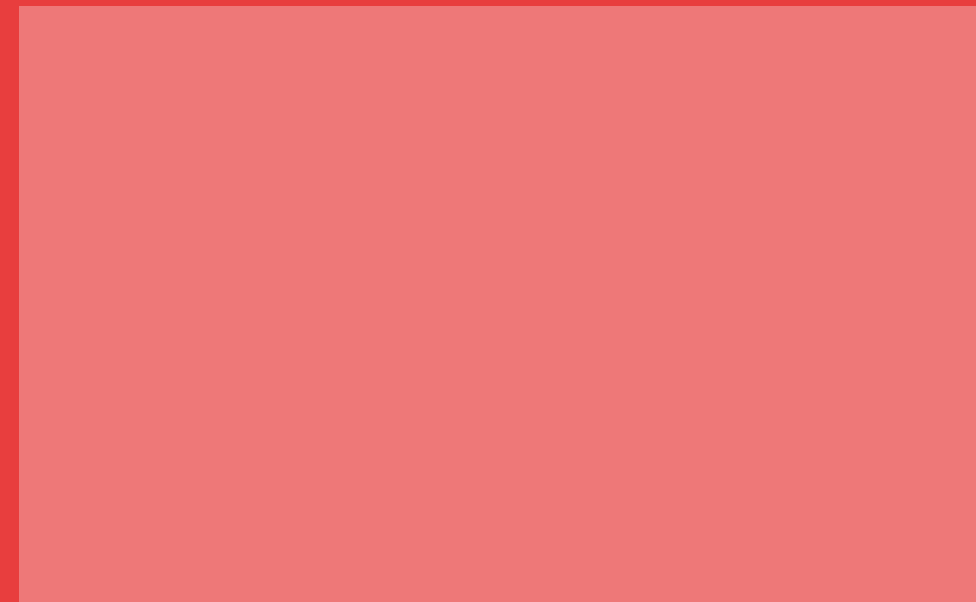
REVENUE ALLOCATION
PRO FORMA WHEN COMPLETED

INCOME	PRO FORMA WHEN COMPLETED		PRO FORMA
Gross Scheduled Rent	\$103,000	93.7%	\$115,000
Property Taxes	\$1,971	1.8%	
Commercial Insurance	\$5,000	4.5%	
Effective Gross Income	\$109,971		\$115,000
Net Operating Income	\$109,971		\$115,000
Annual Debt Service	\$79,354		\$79,354
Cash flow	\$30,617		\$35,646
Debt Coverage Ratio	1.39		1.45



EXPENSES	PRO FORMA WHEN COMPLETED	Per Unit	PRO FORMA	Per Unit
Annual Debt Service	\$79,354		\$79,354	

DISTRIBUTION OF EXPENSES
PRO FORMA WHEN COMPLETED



GLOBAL

Price	\$1,395,000
Analysis Period	5 year(s)

PROPOSED FINANCING

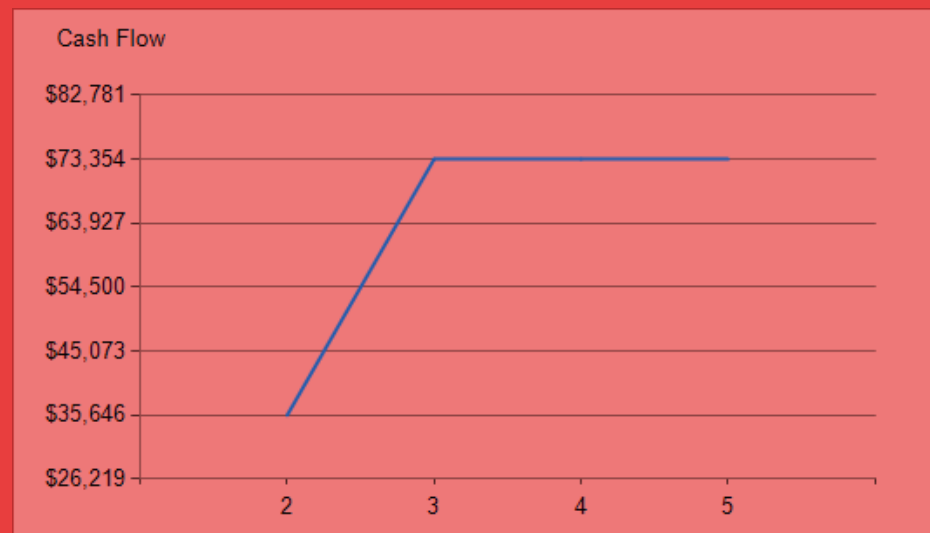
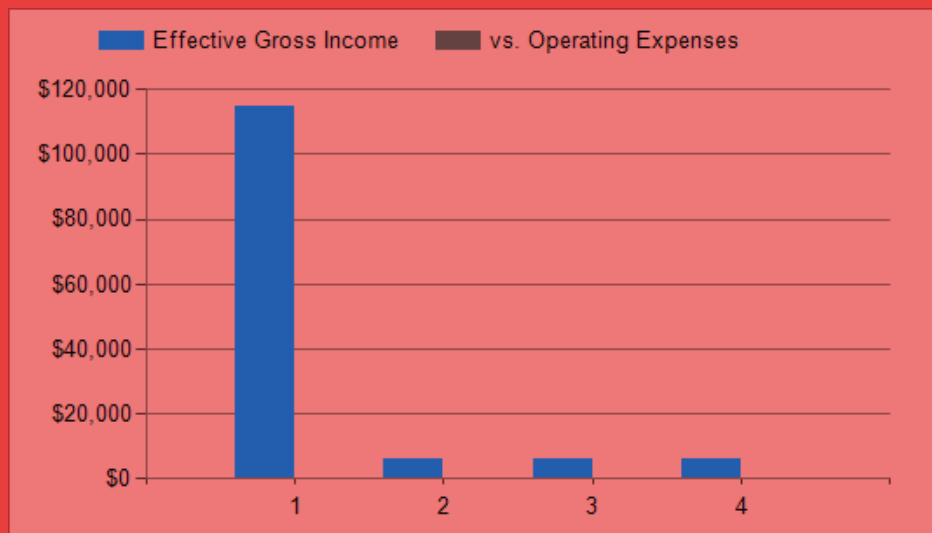
Residential Financing

Loan Type	Amortized
Down Payment	\$348,750
Loan Amount	\$1,046,250
Interest Rate	6.50%
Loan Terms	30
Annual Debt Service	\$79,354
Loan to Value	75%
Amortization Period	30 Years

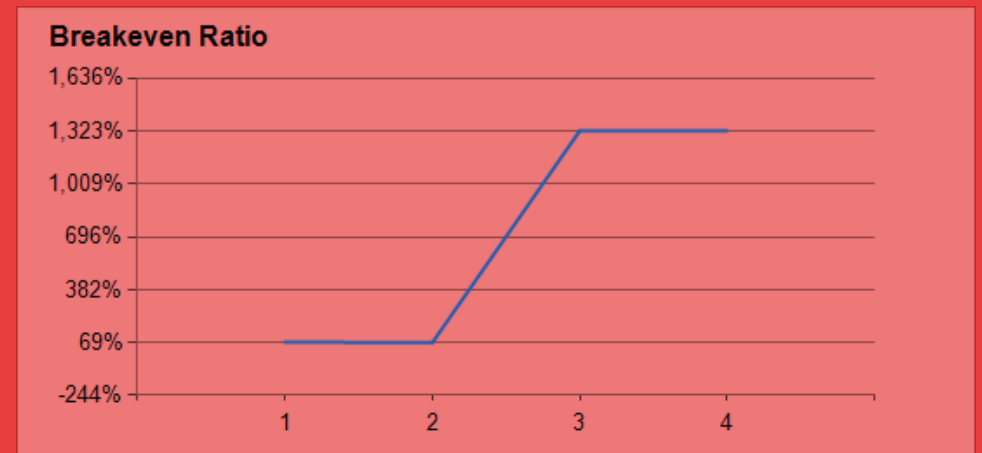
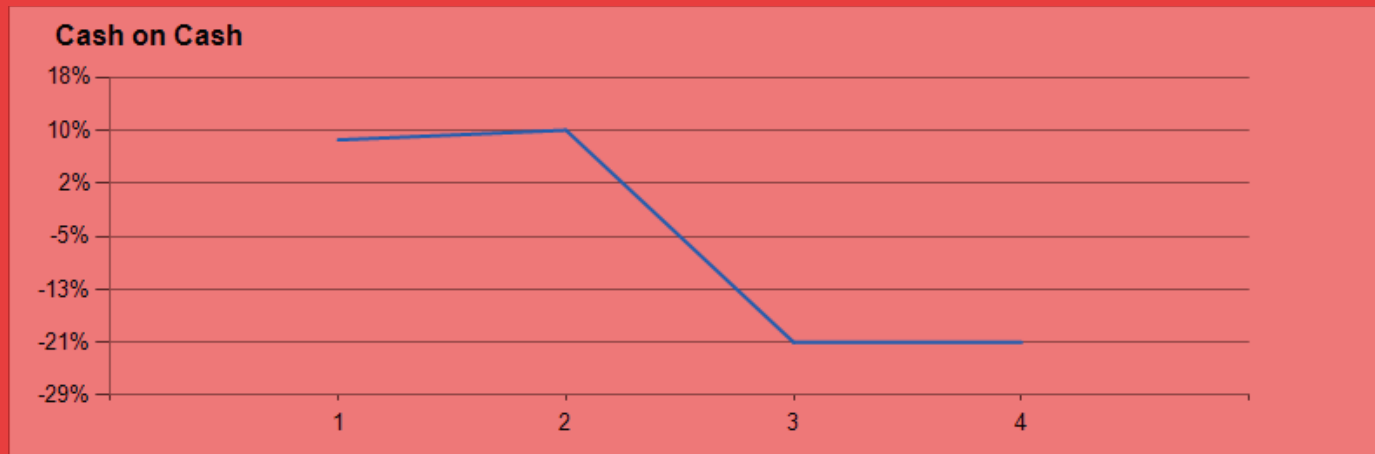
Notes **Buyer to verify current loan terms with a qualified lender.**



Calendar Year	Pro Forma when Completed	Year 2	Year 3	Year 4	Year 5
Gross Revenue					
Gross Scheduled Rent	\$103,000	\$115,000	\$6,000	\$6,000	\$6,000
Property Taxes	\$1,971	\$0	\$0	\$0	\$0
Commercial Insurance	\$5,000	\$0	\$0	\$0	\$0
Effective Gross Income	\$109,971	\$115,000	\$6,000	\$6,000	\$6,000
Operating Expenses					
Net Operating Income	\$109,971	\$115,000	\$6,000	\$6,000	\$6,000
Annual Debt Service	\$79,354	\$79,354	\$79,354	\$79,354	\$79,354
Cash Flow	\$30,617	\$35,646	(\$73,354)	(\$73,354)	(\$73,354)



Calendar Year	Pro Forma when Completed	Year 2	Year 3	Year 4	Year 5
Cash on Cash Return b/t	8.78%	10.22%	-21.03%	-21.03%	-21.03%
CAP Rate	7.88%	8.24%	0.43%	0.43%	0.43%
Debt Coverage Ratio	1.39	1.45	0.08	0.08	0.08
Gross Multiplier (GRM)	12.69	12.13	232.50	232.50	232.50
Loan to Value	74.97%	74.12%	73.24%	72.29%	71.26%
Breakeven Ratio	72.16%	69.00%	1,322.56%	1,322.56%	1,322.56%
Price / SF	\$458.28	\$458.28	\$458.28	\$458.28	\$458.28
Price / Unit	\$348,750	\$348,750	\$348,750	\$348,750	\$348,750
Income / SF	\$36.12	\$37.77	\$1.97	\$1.97	\$1.97





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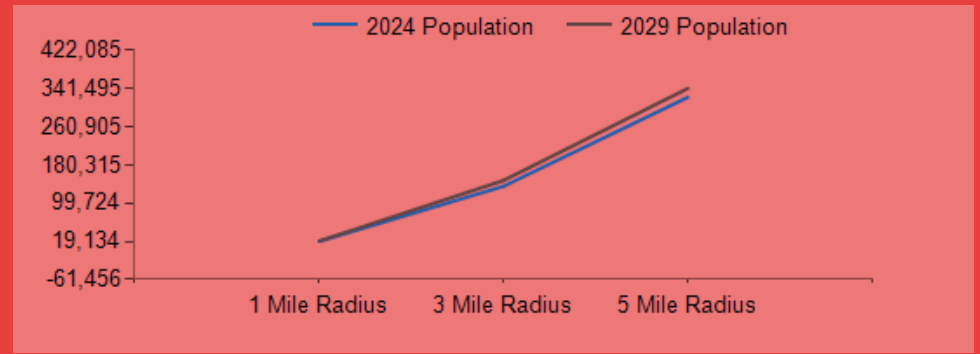
Demographics

Demographics

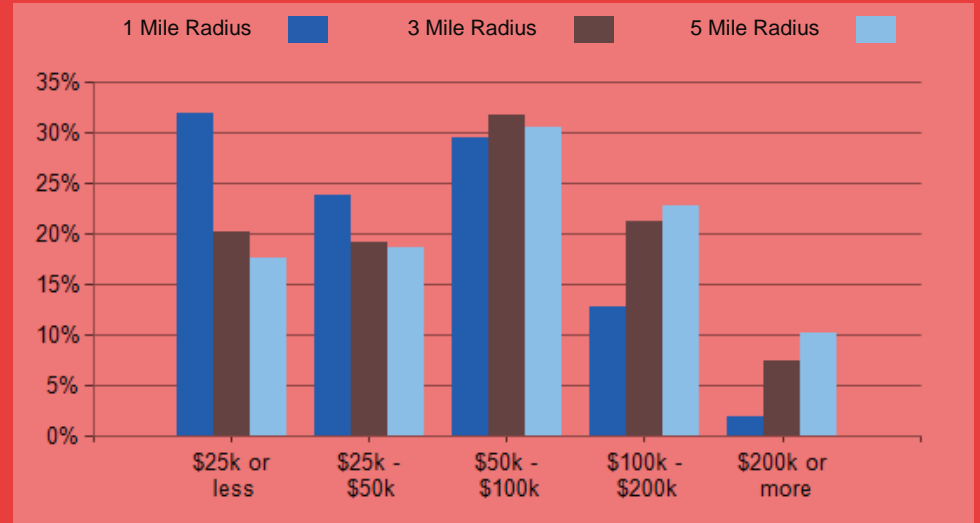
POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	23,304	135,779	307,667
2010 Population	19,688	121,820	284,295
2024 Population	19,134	135,288	322,852
2029 Population	19,932	147,596	341,495
2024-2029: Population: Growth Rate	4.10%	8.80%	5.65%

2024 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	1,264	7,490	15,579
\$15,000-\$24,999	715	4,247	9,083
\$25,000-\$34,999	654	4,557	10,292
\$35,000-\$49,999	825	6,518	15,804
\$50,000-\$74,999	1,192	10,185	24,160
\$75,000-\$99,999	641	8,203	18,563
\$100,000-\$149,999	598	8,199	21,088
\$150,000-\$199,999	196	4,057	10,726
\$200,000 or greater	120	4,371	14,260
Median HH Income	\$42,383	\$62,670	\$68,019
Average HH Income	\$57,910	\$89,840	\$101,557

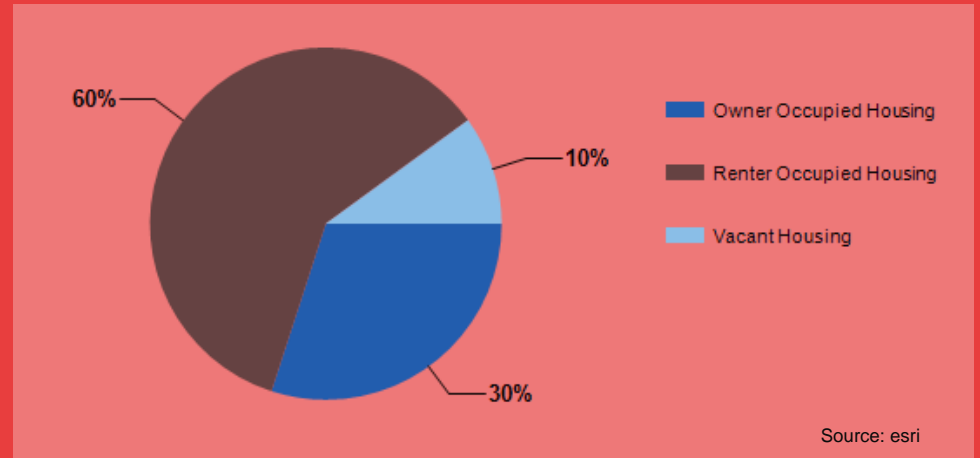
HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	6,112	49,105	122,033
2010 Total Households	5,527	44,786	110,804
2024 Total Households	6,205	57,829	139,567
2029 Total Households	6,638	65,796	152,139
2024 Average Household Size	2.89	2.24	2.26
2024-2029: Households: Growth Rate	6.80%	13.05%	8.70%



2024 Household Income



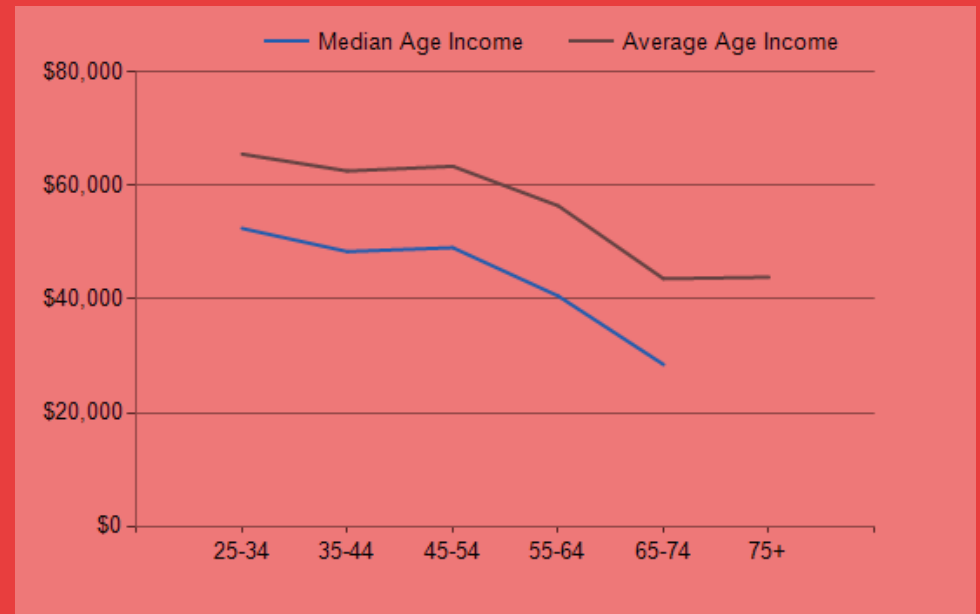
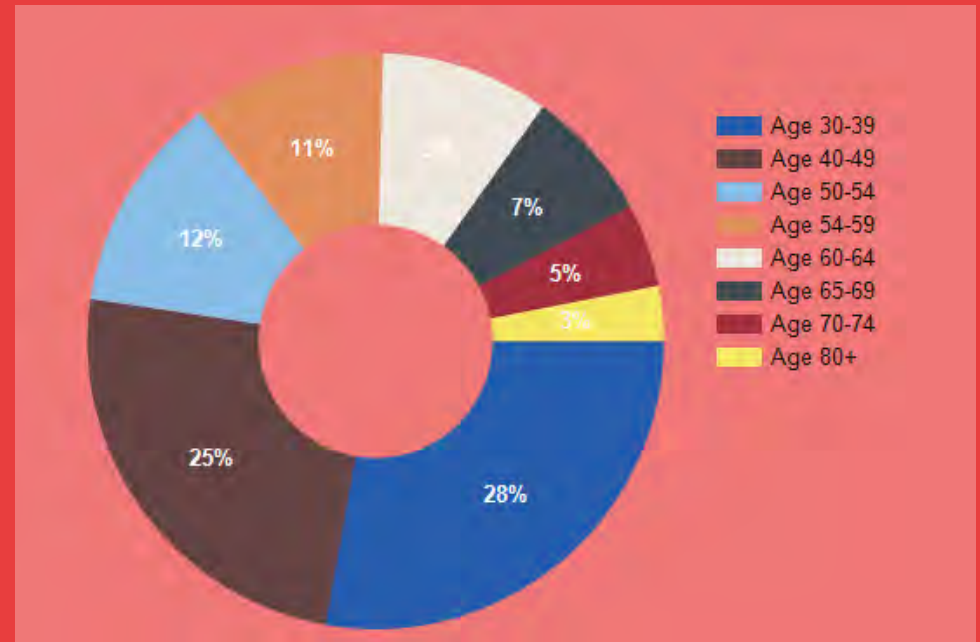
2024 Own vs. Rent - 1 Mile Radius



Source: esri

2024 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2024 Population Age 30-34	1,481	14,643	33,253
2024 Population Age 35-39	1,279	11,135	25,802
2024 Population Age 40-44	1,273	9,193	22,179
2024 Population Age 45-49	1,165	8,067	19,129
2024 Population Age 50-54	1,214	7,752	18,711
2024 Population Age 55-59	1,074	7,170	17,264
2024 Population Age 60-64	940	6,649	16,509
2024 Population Age 65-69	734	5,615	13,753
2024 Population Age 70-74	462	3,900	10,337
2024 Population Age 75-79	307	2,463	7,043
2024 Population Age 80-84	169	1,359	3,942
2024 Population Age 85+	138	1,198	3,618
2024 Population Age 18+	14,012	109,488	259,007
2024 Median Age	32	34	35
2029 Median Age	33	35	36

2024 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$52,464	\$67,478	\$69,033
Average Household Income 25-34	\$65,558	\$89,764	\$94,418
Median Household Income 35-44	\$48,378	\$75,861	\$82,085
Average Household Income 35-44	\$62,582	\$105,255	\$118,644
Median Household Income 45-54	\$49,074	\$73,147	\$80,344
Average Household Income 45-54	\$63,401	\$103,487	\$118,795
Median Household Income 55-64	\$40,560	\$60,971	\$69,107
Average Household Income 55-64	\$56,458	\$90,160	\$106,547
Median Household Income 65-74	\$28,472	\$50,542	\$57,504
Average Household Income 65-74	\$43,594	\$79,095	\$94,134
Average Household Income 75+	\$43,872	\$64,061	\$81,253





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.

Preleased w/Absolute NNN Lease at 7.88% Cap Rate

Exclusively Marketed by:

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