SHOVEL-READY MULTIFAMILY DEVELOPMENT

THE NORTON ON HATCHER

24-Unit Opportunity | Hatcher District Overlay | MLS# 7003987

320 E HATCHER ROAD • PHOENIX, AZ 85020

$749,000
LAND PRICE

$7,072,182	$294,674	$357.18	$388,970	5.5%
MARKET VALUE	VALUE / UNIT	VALUE / SF	NOI	CAP RATE

NORTH ELEVATION • CONCEPTUAL RENDERING

Shovel-ready infill development site zoned R-5 High Density Multi-Family within the Hatcher District Overlay, which also permits restaurant, office, and retail uses. Revised program delivers **24 units** in a family-weighted mix of 4 one-bedroom, 14 two-bedroom, and 6 three-bedroom homes, totaling 19,800 livable SF and 24,000 SF under roof across 3 stories with 11 garages. Construction financing available through Western State Bank at 75% LTC, with a DSCR permanent takeout program in place. Professional management by Grayson Real Estate available at 6% of collected income.

UNIT MIX & INCOME

UNIT TYPE	QTY	SF	RENT	ANNUAL
1 Bed / 1 Bath	4	650	$1,200	$57,600
2 Bed / 1 Bath	14	800	$1,600	$268,800
3 Bed / 2 Bath	6	1,000	$2,100	$151,200
Garages	11	220	$200	$26,400
TOTAL	**24**	**19,800**	**$1,658**	**$504,000**

OPERATING SUMMARY

Market Rent	$504,000
Vacancy Loss (5%)	($25,200)
Utility RUBS	$11,700
Net Rental Income	**$490,500**
Management (Grayson RE, 6%)	$29,430
Utilities	$11,700
Real Estate Taxes	$45,000
Insurance	$13,000
Contract Services	$2,400
Total Expenses	**$101,530**
NET OPERATING INCOME	**$388,970**

INVESTMENT HIGHLIGHTS

Avg. Rent / Unit	**$1,658**
Avg. Rent / SF	**$2.01**
Expense Ratio	**20.7%**
Yield on Cost	**8.19%**
Cost / Unit (All-In)	**$197,875**
Development Spread	**269 bps**

PROPERTY DETAILS

Type	**Land / Development**
Zoning	**R-5 High Density MF**
Overlay	**Hatcher District**
Gross Lot	**0.88 Ac (38,315 SF)**
Net Lot	**0.68 Ac (29,621 SF)**
Dimensions (Gross)	**218' x 175'**
Density (Net)	**35.3 Units / Acre**
Topography	**Level**
Livable SF	**19,800 SF**
Total Under Roof	**24,000 SF**
Stories	**3**
Total Units	**24**
Garages	**11 (220 SF each)**
Surface Parking	**20 spaces**
Subdivision	**Tengen Place Addition**
Parcel #	**159-45-092A**
View	**Mountain Views**
Utilities	**APS / Public Sewer / City**

CAPITALIZATION

TOTAL PROJECT COST	
Land Acquisition	**$749,000**
Construction	**$4,000,000**
Total	**$4,749,000**
CONSTRUCTION LOAN (WESTERN STATE BANK)	
Loan Amount	**$3,561,750**
LTC	**75% of Total Cost**
Interest Rate	**9%**
Origination Fee (1%)	**$35,618**
STABILIZED VALUE (5.5% CAP)	
Net Operating Income	**$388,970**
Market Value	**$7,072,182**
Sponsor Equity Required	**$1,187,250**

EQUITY CREATED **$2,323,182**

DSCR EXIT FINANCING
Permanent takeout via 30-year amortized fixed DSCR loan at 80% LTV. Qualification based on property rental income, not personal income.
Austin Barrett | Regions Bank Austin.Barrett@Regions.com 928.899.3842

✓ **R-5 HIGH DENSITY** ✓ **HATCHER OVERLAY** ✓ **MIXED-USE ELIGIBLE** ✓ **75% LTC CONST. FINANCING**

Listing Terms: Cash | 1031 Exchange | Conventional

Unit mix, square footages, rents, expenses, construction cost, and stabilized value shown reflect a revised 24-unit development program and are projections only. Prior entitlement and conveyed plans reflect a 20-unit, 2-story program; the 24-unit, 3-story program shown requires redesign and re-approval. Buyer to independently verify density, unit count, height, parking, setback and code compliance with the City of Phoenix. Construction cost of $4,000,000 ($167/SF of total area under roof) is owner-supplied, subject to final bid, and excludes capitalized construction-period interest, which is estimated at approximately $290,000 over an 18-month build. Stabilized value is derived by capitalizing projected NOI at 5.5%; actual value will be determined by appraisal. Gross lot area of 38,315 SF is before right-of-way dedication; net buildable area is 29,621 SF. Financing terms are indicative and subject to lender underwriting and appraisal. All information from sources deemed reliable but not guaranteed.

KEITH GRAYSON
GRAYSON REAL ESTATE | OWNER / AGENT
602-418-0350 • keith@phxeco.com • www.graysonaz.com

FINANCING CONTACT
AUSTIN BARRETT | Regions Bank
928.899.3842 • Austin.Barrett@Regions.com