

THE NORTON ON HATCHER

\$775,000
LAND PRICE

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

320 E HATCHER ROAD • PHOENIX, AZ 85020

\$7,072,182 MARKET VALUE	\$294,674 VALUE / UNIT	\$357.18 VALUE / SF	\$388,970 NOI	5.5% CAP RATE
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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	8.15%
Cost / Unit (All-In)	\$198,958
Development Spread	265 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	\$775,000
Construction	\$4,000,000
Total	\$4,775,000
CONSTRUCTION LOAN (WESTERN STATE BANK)	
Loan Amount	\$3,581,250
LTC	75% of Total Cost
Interest Rate	9%
Origination Fee (1%)	\$35,813
STABILIZED VALUE (5.5% CAP)	
Net Operating Income	\$388,970
Market Value	\$7,072,182
Sponsor Equity Required	\$1,193,750

EQUITY CREATED	\$2,297,182
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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
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FINANCING CONTACT
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