FOR SALE • INFILL DEVELOPMENT SITE

1020 E MOHAVE STREET

Phoenix, AZ 85034 • Maricopa Parcel 115-46-125-A

R-3 ZONED • OPPORTUNITY ZONE • UTILITIES ON SITE

$224,900

LIST PRICE

R-3 ZONING

7,237 SF	$659,600	$31.08	$36,278	5.5%
LOT AREA	MARKET VALUE	PRICE / SF LAND	PROFORMA NOI	EXIT CAP RATE

FORMER STRUCTURE • PRIOR IMPROVEMENTS, SINCE LOST TO FIRE

R-3 zoned infill redevelopment site in a designated Opportunity Zone, offered at $224,900. The parcel previously carried a 2,340 square foot low rise multifamily structure, since lost to fire. Because the site was already improved and served, water, sewer, and electric are established at the property, which can materially reduce the impact fees, utility connection charges, and off site work a developer would otherwise carry on raw ground. R-3 zoning supports attached multifamily at 14.5 to 17.4 dwelling units per acre, and the prior multifamily use establishes residential density on a compact, level, rectangular lot in a close in Phoenix location.

SITE & PARCEL DETAIL

Address	**1020 E Mohave St**
City / State / ZIP	**Phoenix, AZ 85034**
County	**Maricopa**
Assessor Parcel	**115-46-125-A**
Zoning	**R-3 Multiple Family**
Attached Density	**14.5 to 17.4 du / acre**
Subdivision	**Thrifty Homes**
Lot / Block	**Lot 6, Block 2**
MCR Number	**002606**
Section / Twn / Rng	**16 / 1N / 3E**
Lot Area	**7,237 SF (0.166 Ac)**
Census Tract	**04013117200**
Opportunity Zone	**Designated (OZ 1.0)**
Tax Area	**011300**
Tax Municipality	**Phoenix**
Prior Use	**Multiple Res (Low Rise)**
Prior Construction	**Masonry / Tilt-Up Frame**

DEVELOPER ADVANTAGES

- R-3 Multifamily Zoning
- Reduced Impact Fees
- Opportunity Zone
- Utilities Already On Site
- Prior Multifamily Use
- Level Rectangular Lot

DUPLEX DEVELOPMENT PROFORMA

Gross Scheduled Rent (2 units at $1,800)	$43,200
Vacancy Allowance (5%)	($2,160)
EFFECTIVE GROSS INCOME	**$41,040**
Management, Grayson RE (6%)	$2,462
Real Estate Taxes	$900
Insurance	$1,400
TOTAL EXPENSES	**$4,762**
NET OPERATING INCOME	**$36,278**

Two 2 bedroom, 2 bath units of approximately 750 SF each, 1,500 SF of living area total, each with an attached one car garage of approximately 250 SF. Total area under roof is 2,000 SF. Rent equates to $2.40 per SF of living area. Building footprint covers roughly 28% of the lot. Tenants pay all utilities. Taxes reflect the reduced post fire assessment and will be reset by the Assessor upon completion of new improvements.

DEVELOPMENT RETURN BY CONSTRUCTION BUDGET

COST PER SF OF LIVING AREA	$175	$185	$195
Residence Cost (1,500 SF)	$262,500	$277,500	$292,500
Garages (2 at 250 SF)	$30,000	$30,000	$30,000
Total Project Cost	$517,400	$532,400	$547,400
Yield on Cost	7.01%	6.81%	6.63%
Margin on Cost	27.5%	23.9%	20.5%
EQUITY CREATED	**$142,200**	**$127,200**	**$112,200**

Market value of $659,600 is the $36,278 proforma net operating income capitalized at 5.5%, consistent with new build product trading in the area, and equates to $329,800 per unit. Break even construction cost at that value is $434,700. Budgets are stated per square foot of living area, with the two attached one car garages carried as a separate $30,000 line.

WHY THE FIRE HELPS A DEVELOPER

SERVED SITE

Water, sewer and electric already established

Tax Basis Reset

Assessor full cash value falls from $544,300 to $109,345 on the 2027 preliminary roll as the improvement value is written down. The 2025 bill was $4,099. Carrying cost through entitlement and construction is a fraction of what the improved parcel paid.

Designated Opportunity Zone

Census tract 04013117200 is one of 42 Phoenix tracts designated in 2018 under IRS Notice 2018-48, in effect through December 31, 2028. New construction on a cleared site is original use property, avoiding the substantial improvement test that complicates OZ treatment of existing buildings.

✓ **DESIGNATED OPPORTUNITY ZONE** ✓ **UTILITIES ON SITE** ✓ **PRIOR MULTIFAMILY USE** ✓ **TAX BASIS RESETTING**

Listing Terms: Cash | Conventional | 1031 Exchange | Qualified Opportunity Fund

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