



FOR SALE

WELDON PARK

67 E WELDON AVE | PHOENIX, ARIZONA

OFFERING MEMORANDUM



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PROPERTY INFORMATION



PROPERTY SUMMARY

SVN Desert Commercial Advisors, as the sole representative of the Owner, is pleased to offer for sale Weldon Park located at 67 E. Weldon Avenue in the core of Midtown Phoenix. Since being acquired by the current owner in 2018, the building has undergone significant interior and exterior renovations positioning the property as more desirable with modern finishes. Even through the pandemic, this multi-tenant office building has maintained high levels of occupancy with credible tenants. With flexible lease terms in place with mostly below market rents, this building is a tremendous opportunity for an owner-user and value-add investor alike.

Weldon Park is well positioned in the center of Midtown Phoenix, one of the fastest-growing and highest densities of vertical construction and redevelopment in the Southwest. Within the immediate proximity of the building are multiple lifestyle and destination amenities including Park Central Mall, home to Creighton University, the Metro Light Rail, and countless bars and restaurants. Much like other core markets in the valley such as Downtown Phoenix, Downtown Tempe, and Old Town Scottsdale, Midtown is emerging as a high-demand market boasting an urban environment, walkability, and a true live, work, play experience.

OFFERING SUMMARY

SALE PRICE:	\$2,500,000
PRICE/SF:	\$157.55
CAP RATE:	5.56%
NOI:	\$156,633
BUILDING SIZE:	15,868 SF
LOT SIZE:	0.66 AC
YEAR BUILT:	1981
OCCUPANCY:	74%
PARKING:	52 Total (23 Covered)
	3.28/1,00 SF
ZONING:	C-O
SUBMARKET:	Midtown
APN:	118-33-038A

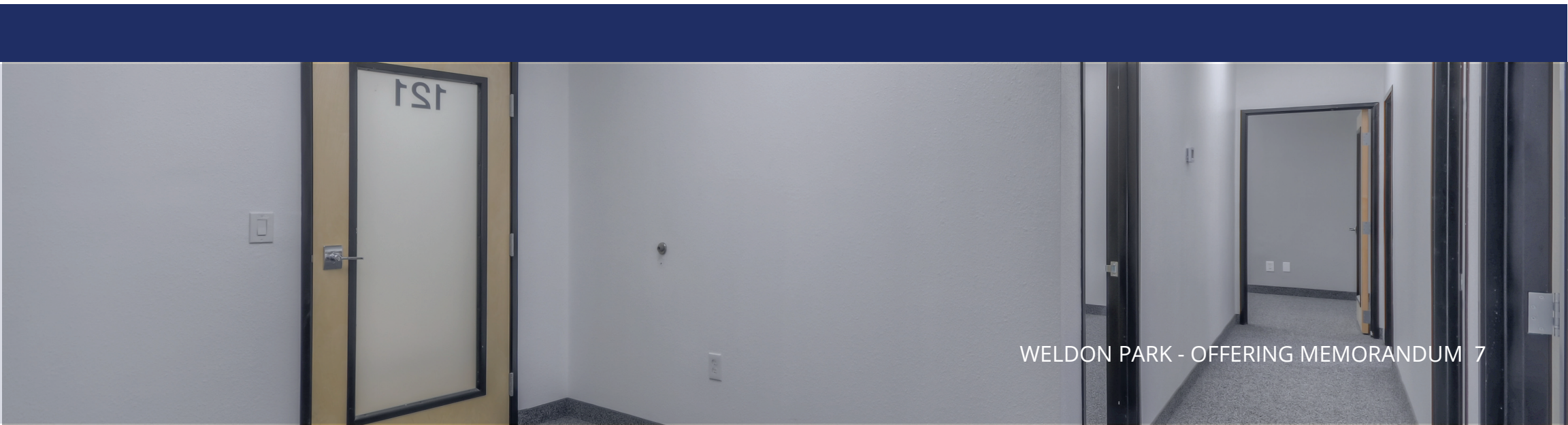
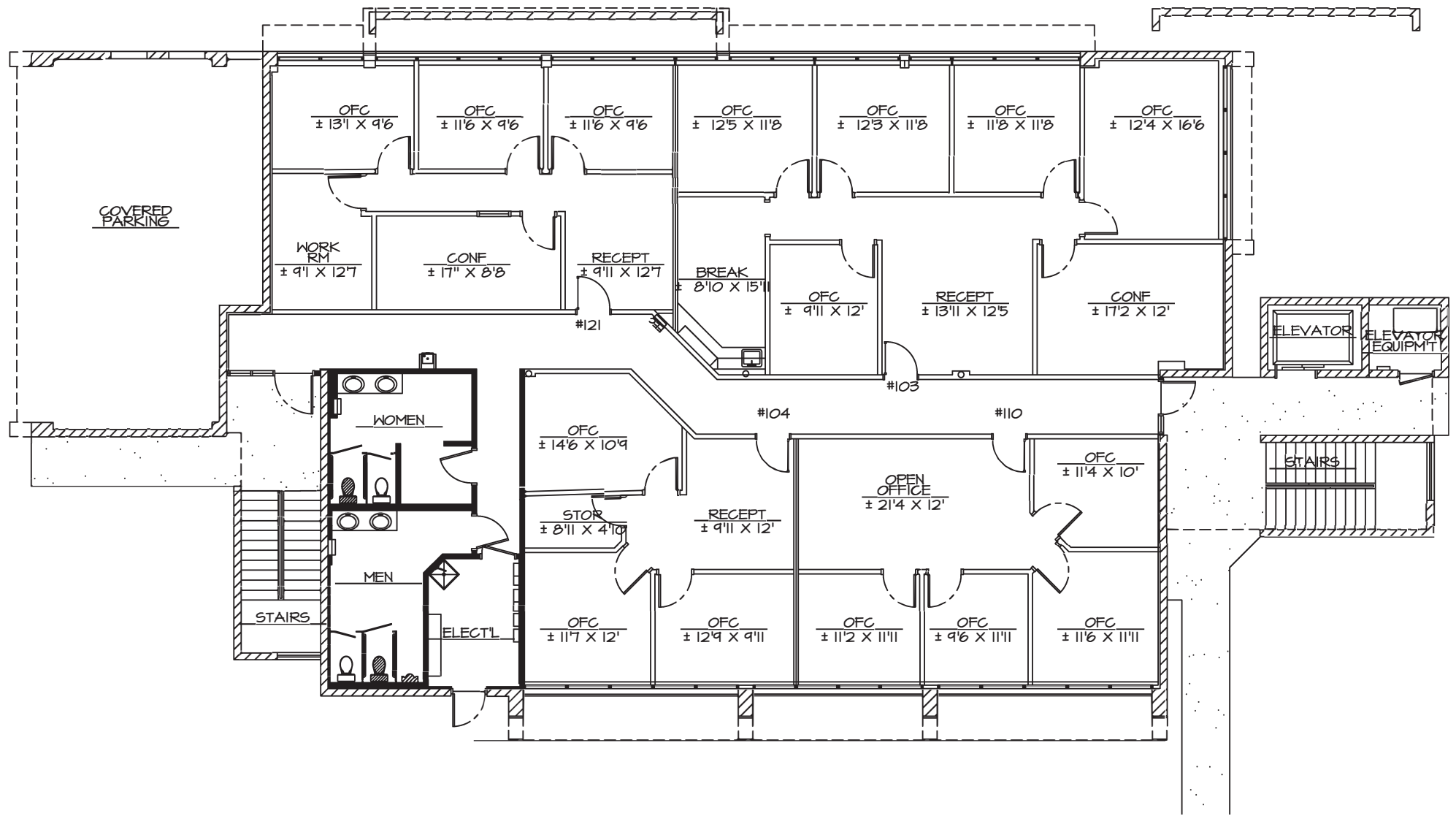
BUILDING INFORMATION

BUILDING CLASS	B
OCCUPANCY %	74%
TENANCY	Multiple
CEILING HEIGHT	9 ft
NUMBER OF FLOORS	3
AVERAGE FLOOR SIZE	5,290 SF
YEAR BUILT	1981
YEAR LAST RENOVATED	2017
GROSS LEASABLE AREA	15,868 SF
FRAMING	Wood Framing
CONDITION	Excellent
ROOF	Flat Roof
FREE STANDING	Yes
NUMBER OF BUILDINGS	1
WALLS	Wood Frame
CEILINGS	Enclosed - Drop Ceiling
CORRIDORS	Central corridors that bisect building west to east
FOUNDATION	Concrete foundation wall and slab on grade floor
EXTERIOR WALLS	Painted brick/block or Stucco



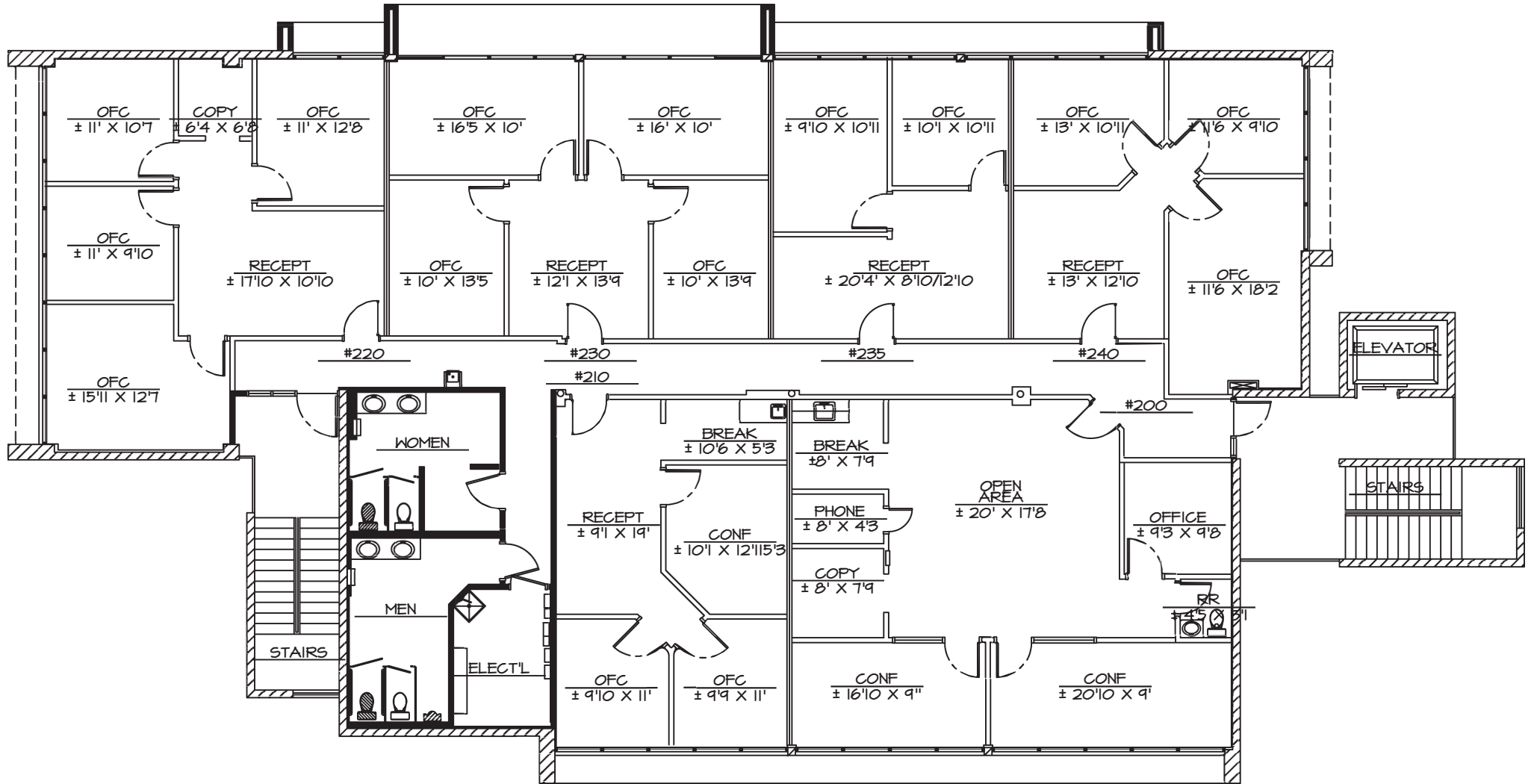
1ST FLOOR

FLOORPLAN



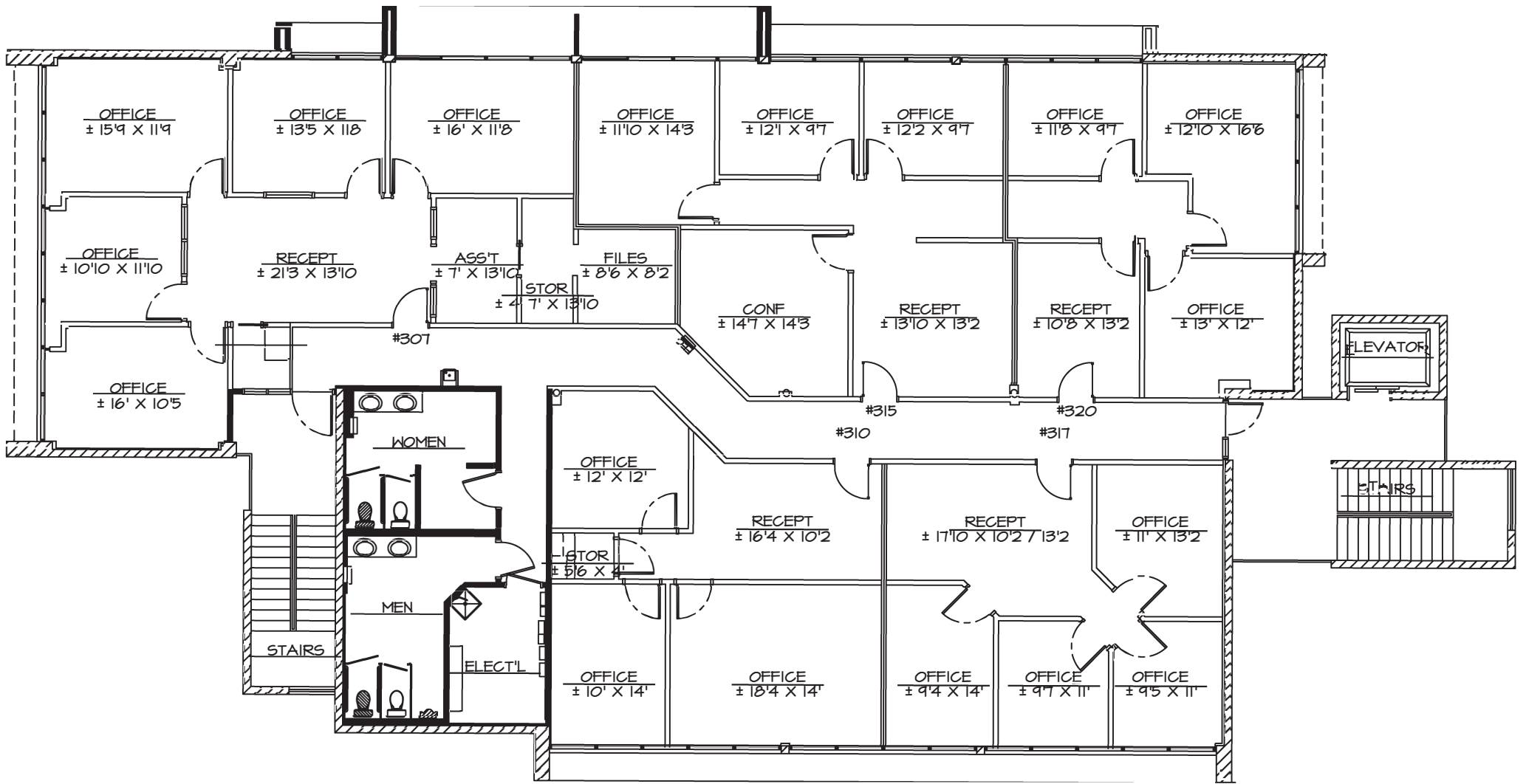
2ND FLOOR

FLOORPLAN



3RD FLOOR

FLOORPLAN





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LOCATION INFORMATION

PHOENIX, AZ

OVERVIEW

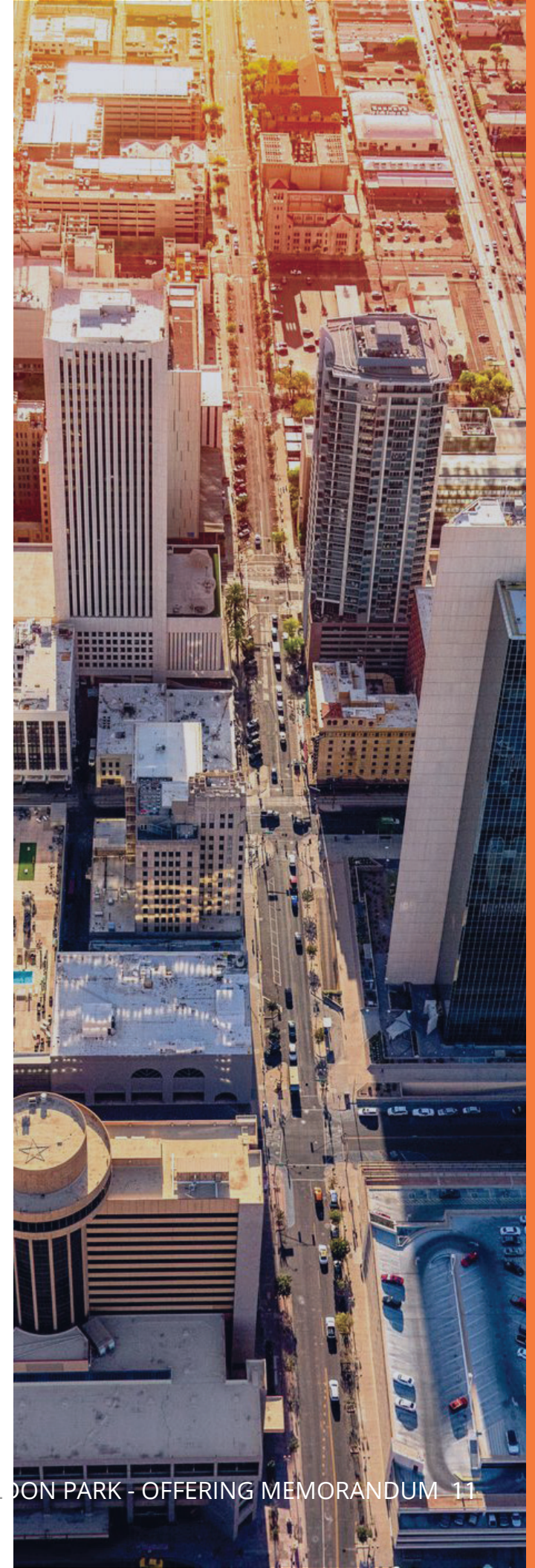
Downtown Phoenix is a center for employment, education, professional sports, living, arts and culture. The dramatic changes over the past five years provided a surge in momentum and even more development. In addition to large-scale projects such as the Phoenix Convention Center Expansion, Valley Metro Light Rail and the Phoenix Biomedical Campus serving as major activity centers, there is a real grassroots effort by residents and employees to create a true downtown community. Home to numerous major employers, Downtown Phoenix boasts the highest concentration of employment in the state.

TOP PHOENIX EMPLOYERS

 Banner Health®	8,184 (Employees)
 Honeywell	6,247
 AMERICAN EXPRESS	5,880
 ST. JOSEPH'S Hospital Health Center	4,109
 BANK OF AMERICA	3,753

DOWNTOWN PHX HIGHLIGHTS

- 3,512 Businesses | 63,494 Employees
- +/- 6,000 Multi-family units existing, under construction, or in planning
- Over 800,000 SF of retail space | 165+ Restaurants
- 9.8 Million SF of office space | 880,000 SF of Convention Center space
- 20,000+ Students at ASU, U of A, and NAU Downtown Campuses
- +/- \$721 Million in consumer spending



PARK CENTRAL

Park Central was the first shopping mall in the Phoenix Valley and is now seeing revitalization into a popular office and retail hub. Park Central will combine its rich mid-century-modern history with a new focus on technology, innovation, and design, including all the most sought-after features in today's office and retailer market. Creighton University will construct a new \$100 million Health and Sciences Center in Park Central.



3RD STREET PROMENADE

In response to the Downtown Phoenix Comprehensive Transportation Study, undertaken to identify improvements associated with Phoenix's downtown transportations system, the 3rd Street Improvement Project will benefit traffic circulation, safety, and accessibility for pedestrians and bicyclists in the area. Spanning from Garfield Street and Indian School Road, the modifications will include reducing travel lanes, adding bicycle lanes, improving shade through landscaping, updating traffic signals



HANCE PARK REVITALIZATION

The Margaret T. Hance Park Revitalization Project is a public-private partnership led by the Hance Park Partner Coalition, consisting of the Phoenix Parks and Recreation Department, Phoenix Community Alliance, and Hance Park Conservancy. The project costs are an estimated \$100 million and will bring an amphitheatre, jogging loop, skate park, and garden as well as doubling the number of existing trees in the park. The revitalization hopes to bring a great amount of attractions to the Downtown and mid-town Phoenix

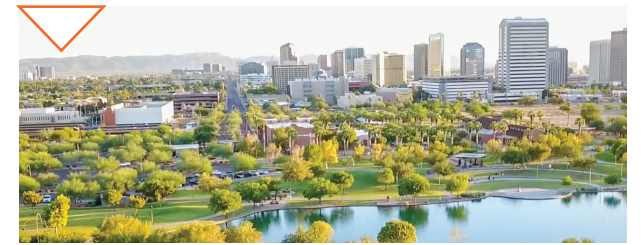


METRO LIGHT RAIL

The Valley Metro Rail offers convenient public transportation services covering 28.2 miles through the cities of Phoenix, Tempe, and Mesa. In the years since it has opened in 2008, the Valley Metro Rail has undergone two major expansions with five more scheduled including the addition of a Tempe Streetcar. Expansions further into West Phoenix and South Phoenix are in the works, broadening the scope of this transit system.

STEELE INDIAN SCHOOL PARK

A quiet oasis full of nature and history, Steele Indian School Park provides a place of peace and tranquility amidst the bustling neighborhoods of Central Phoenix. With a rich legacy, old school buildings utilized as a boarding school for Native American children from 1891 to 1990 still stand and are being renovated into public museums. Today, the park offers expansive gardens, a lake filled with wildlife, and holiday festivals and events that are offered to the public throughout the year.



CREIGHTON UNIVERSITY

Expanding their suite of health sciences degree programs in the city of Phoenix, the new 183,000 square foot Phoenix campus is set to open in 2021 at Park Central in Midtown Phoenix. Phase 1 will produce 200,000 square feet of education buildings and house 800 Creighton health science students. A second phase will begin thereafter. When completed, the four-year medical school will host future physicians, nurses, occupational therapists, and other medical students in a modern facility with cutting-edge technology.





PHOENIX COUNTRY CLUB



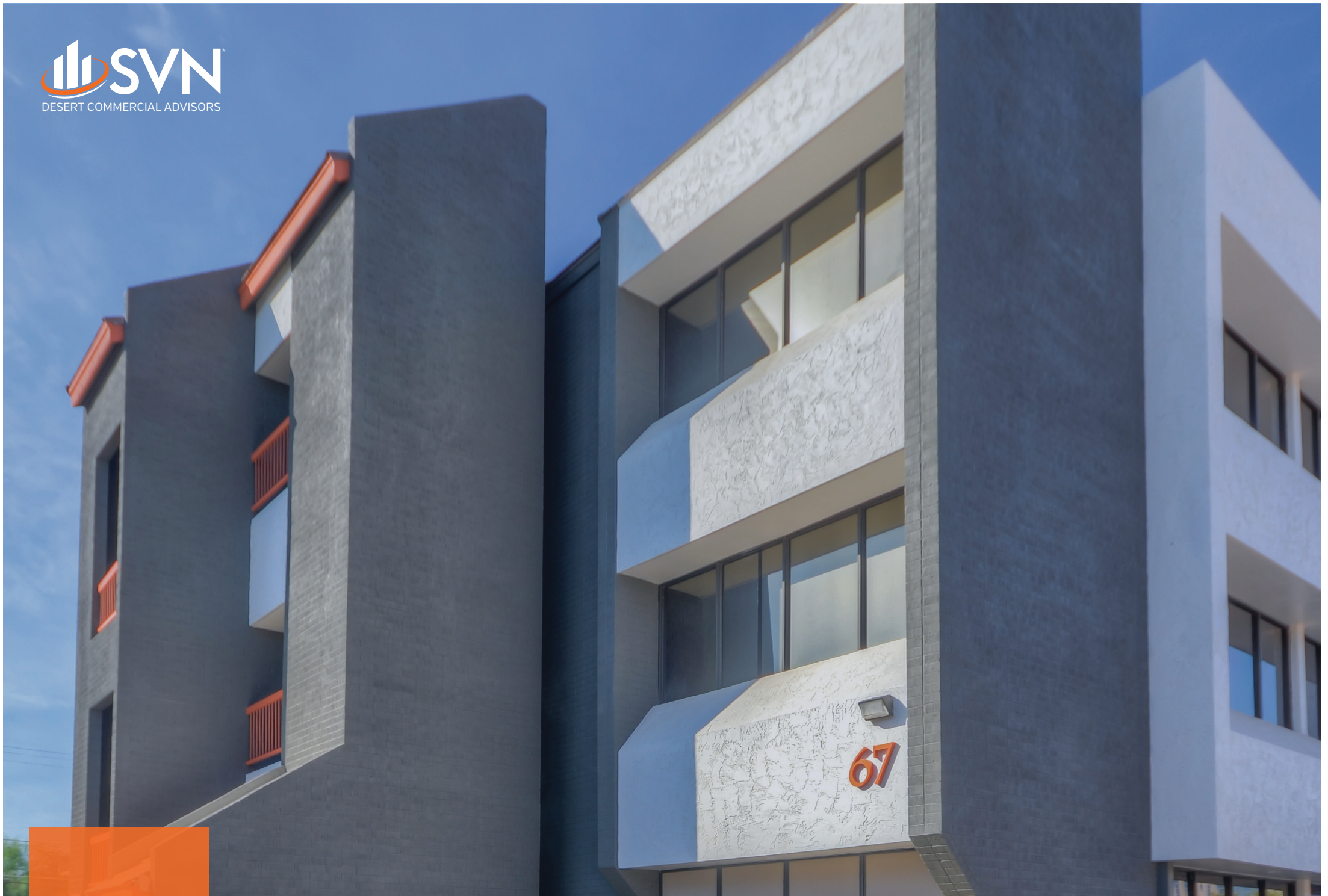
Osborn Rd



3rd St

Central Ave





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FINANCIAL ANALYSIS

INCOME SUMMARY

2020 ANNUALIZED

OFFICE RENTAL INCOME	\$205,020
MISC. INCOME	\$2,895
GROSS INCOME	\$207,915

EXPENSE SUMMARY

UTILITIES - ELECTRIC	\$13,690
UTILITIES - TELECOMMUNICATIONS	\$1,474
UTILITIES - TRASH	\$2,866
UTILITIES - WATER	\$402
R&M - GENERAL	\$3,753
R&M - ELEVATOR	\$2,029
R&M - JANITORIAL	\$10,245
R&M - LANDSCAPE	\$2,025
R&M - PEST CONTROL	\$1,200
INSURANCE (2019 TOTAL)	\$2,800
SECURITY	\$2,062
2020 PROPERTY TAXES	\$26,252
GROSS EXPENSES	\$68,798

NET OPERATING INCOME	\$139,117
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INVESTMENT OVERVIEW

2020 ANNUALIZED

PRO-FORMA FINANCIALS

PRICE	\$2,500,000	\$2,500,000
PRICE PER SF	\$157.55	\$157.55
CAP RATE	5.56%	7.06%
CASH-ON-CASH RETURN (YR 1)	5.14%	10.08%
TOTAL RETURN (YR 1)	\$90,948	\$140,379

OPERATING DATA

GROSS SCHEDULED INCOME	\$280,530	\$285,624 ³
OTHER INCOME	\$2,895	\$2,895
TOTAL SCHEDULED INCOME	\$283,425	\$288,519
VACANCY COST	\$75,510 ²	\$43,277 ⁴
GROSS INCOME	\$207,915	\$245,242
OPERATING EXPENSES	\$68,798	\$68,798
NET OPERATING INCOME	\$139,117	\$176,444

FINANCING DATA

60% LTV, 3.25% INT., 25 YR. AMORT.

DOWN PAYMENT	\$1,000,000	\$1,000,000
LOAN AMOUNT	\$1,500,000	\$1,500,000
DEBT SERVICE	\$87,717	\$87,717
DEBT SERVICE MONTHLY	\$7,309	\$7,309
PRINCIPAL REDUCTION (YR 1)	\$39,552	\$39,552

1 Accounts for actual vacancy and rent loss to gross leasable area at \$18.00 PSF.

2 Accounts for actual vacancy and rent loss to gross leasable area at \$18.00 PSF.

3 Gross Scheduled Income at \$18.00 PSF for gross leasable building area of 15,868 SF.

4 Accounts for 15% market Vacancy Cost.



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