

Northwest Healthcare closes on Eastside Tucson Hospital Site for \$7.042 Million



TUCSON, ARIZONA – Northwest Hospital, LLC closed on its new site at 2200 South Houghton Road, located near Old Spanish Trail and Houghton Road in the southeast submarket of Tucson.

The 19.7 acres sold for \$7.042 million or \$357,470 per acre. Northwest Star Properties of Tucson was the seller.

Northwest Healthcare announced in January its plan to develop a 70-bed hospital on this site as part of Northwest Healthcare's "No Boundaries" strategy to increase access points to quality healthcare services for Tucson and surrounding communities. The plan was contingent upon approval of the primary jobs incentive by the City of Tucson's mayor and council, before closing on the land purchase.

This eastside hospital location follows an earlier announcement in May 2018 of Northwest's plans to build an 18-bed neighborhood hospital and medical offices facility in Rancho Sahuarita. That hospital will open in early 2020.

Kevin Stockton, Regional President and Market CEO for Northwest Healthcare, said, "We stepped outside of our 'northwest' footprint more than eight years ago when we opened an urgent care in Green Valley. Since then, our commitment to deliver quality care at convenient access points throughout Pima County has not wavered. We have long wanted to provide acute care services for residents on the east side of Tucson. With the success of our freestanding Emergency Room and

physician clinics in Vail, this new hospital is a logical and very exciting next step.”

The eastside hospital will offer a broad range of services designed to keep residents close to home. Anticipated services include, but aren't limited to, an Emergency Room, cardiac cath lab, comprehensive surgical services, labor and delivery including a NICU, outpatient imaging and a medical office building housing primary care, orthopedics, cardiology and OB/GYN. With an anticipated opening date of early 2021, the new 183,000-square-foot facility and related physician offices/services hospital will have 70 beds with space to accommodate future growth and will employ more than 595 people.

Since 2014, Northwest Healthcare has invested nearly \$70 million in capital projects to increase access and enhance health services for the Tucson community:

- QuickMed walk-in clinics in Southwest Tucson, Central Tucson and Marana;
- Urgent care at Speedway and Silverbell;
- The county's first freestanding emergency department (FSED) in Vail and a second FSED location in Marana

Northwest also expanded its clinic locations with primary care and cardiology services in Vail (next to the FSED) and relocated primary care services in the Cortaro Farms area.

According to Stockton, “Our goal is to make it as easy as possible for patients to receive care in the most appropriate setting, when and where they need it. We look forward to serving even more of the healthcare needs of residents in the eastside communities through this new facility.”

To learn more, see **RED Comp #7157**.

These Are the Best of Times to Sell Apartment Properties in Tucson



Los Altos Apartments

TUCSON, Arizona – With inventory low and demand high, prices are going up for Tucson multifamily investments. These seven sales totaled \$5.54 million for an aggregate of 96-units an average of \$57,700 per unit.

“Demand for multifamily properties far surpasses supply in the market accounting for lots of little deals being transacted,” Allan Mendelsberg, Principal and Multifamily Specialist with Cushman & Wakefield | PICOR said. “Owners when selling go from a position of power to a position of weakness when finding inventory to reinvest, which accounts for lots of all-cash deals.”

Damco Arizona Properties, LLC purchased two apartment complexes consisting of 22,860 square feet of multifamily space. **Los Altos Apartments**, a 28-unit complex located at 501 E. Glenn St., and **Fontana Apartments**, a 12-unit complex located at 3139 N. Fontana Ave. in Tucson, were purchased from KMS Enterprises, LLC for \$1.97 million (\$70,357 per unit). This was an all-cash transaction for the buyer in a

1031 exchange.

AZDA, LLC purchased a 7,654 square-foot multifamily property located at 2921 N. Geronimo Ave. in Tucson. **Geronimo Apartments**, an 11-unit apartment complex, was purchased from John R. Hughes, Linda T. Hughes, Randolph D. Oden, and Karen L. Oden for \$612,000 (\$55,636 per unit). This was an all-cash transaction for the buyer in a 1031 exchange.

Gould Family Properties, VIII, LLC purchased a 9,012 square-foot multifamily property located at 5416 E. Lee St. in Tucson. **Central Apartments**, a 12-unit apartment complex, was purchased from Allegro Properties, LLC for \$750,000 (\$62,500 per unit) in an all-cash transaction.

Mendelsberg represented both the buyers and the sellers in the above transactions.

Winstel Apartments, LLC in Tucson (William Hennings, manager) purchased an 11-unit apartment complex, **Winstel Apartments**, at 3322 N Winstel Blvd. in Tucson for \$750,000 (\$68,200 per unit). The sellers, David and Mary Bizek of Tucson were represented by Marc Luety, II with Keller Williams Southern Arizona. Mendelsberg represented the buyer in this transaction.

California investor, L&G Investments AZ bought the **Copper Street Townhomes** at 1791-1799 E Copper Street in Tucson for \$506,500 (\$101,300 per unit). The 5-unit community was sold by KPS Apts, LLC and Glenn H Luglan, Jr. Trust that was represented by David Walsh of S.J. Fowler. Mendelsberg represented the buyer in this all-cash transaction.

Robert J. Marshall Trust Number 1 of St Charles, Illinois purchased a 6,042-square-foot multifamily property located at 427-441 E. Delano St. in Tucson. **Delano Casitas**, a 9-unit apartment complex, was purchased from Property Twins, LLC for \$555,000 (\$61,666 per unit). This was an all-cash transaction for the buyer in a 1031 exchange. Mendelsberg represented the

buyer in this transaction. Marc Luety, II with Keller Williams Southern Arizona, represented the seller.

Jon L. Stone and Mary E. Stone purchased a 4,004 square-foot multifamily property located at 2627 E. Grant Rd. in Tucson. The 8-unit apartment complex was purchased from Todd H. Dunaway and Jiliane F. Thiers for \$400,000 (\$50,000 per unit). Mendelsberg represented the buyer in this transaction.

Lance Parsons with ABI Multifamily, LLC, represented the seller.

For more information, Mendelsberg can be reached at 520.546.2721.

To learn more, see **RED Comps #7113, #7117, #7120, #7135, #7144 and #7148.**

Multitenant Industrial Building in Tucson Sells for \$2.3 Million Fully Occupied



2500 N. Coyote Dr., Tucson,
AZ

Grant Road Industrial Park II Building had four tenants, fully occupied at time of sale.

TUCSON, ARIZONA – Coyote Clover 2500, LLC of Tucson (The Clover Company, Paul Kraft, manager) purchased the 35,600-square-feet of multitenant industrial space from 2500 Coyote, LLC of Tucson (Judy Tenen, member).

The flex, light-manufacturing building, located at 2500 N. Coyote Dr. in Tucson, was purchased for \$2.285 million (\$64 PSF).

The property sold for investment, 100% occupied with four tenants. AlphaGraphics occupied 75% of building and Gentile Church of Christ (2,800 SF), Integral Development Solutions (3,000 SF) and Ram Plumbing (3,000 SF) the remaining space.

Built in 1980, the building has 12 grade level roll up doors and a ceiling height of 15 ft. Located in the Grant Road Industrial Park II the property sits on a 2.38 acre lot.

Robert C. Glaser, SIOR, CCIM, Principal and Industrial Specialist with Cushman & Wakefield | PICOR, handled the transaction.

For more information, Glaser can be reached at 520.546.2707.

To learn more, see RED Comp #7130.