

The Village

NWC Highway 87 & Forest Drive (802-806 N.), Payson, AZ

Shopping Center For Sale

\$999,000



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Suite 290
Scottsdale, AZ 85258
RGcre.com

MARK REIN

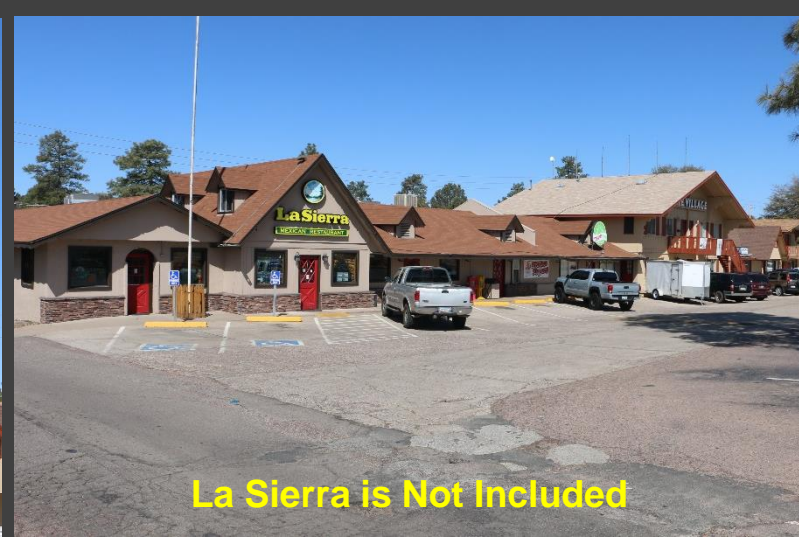
480-214-9414

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Financial Overview

Price:	\$999,000
Price Per Foot:	\$89.26
Price Per Foot:	\$41.70 (land only)
Cap Rate- Actual:	7.59 (based on 97% occ.)
Cap Rate- Proforma:	7.48 (based on 95% occ.)
Occupancy:	97.0%

Property Overview

Building Area:	11,192 sq. ft.
Parcel #:	302-64-008/009A
Zoning:	C-2, City of Payson
Land Area:	23,958 sq. ft. (.55 acres)
Owned Parking:	36 spaces* (3.2 per 1,000)
Year Built:	1972 *Front only

Demographics (2020)

	1-mile	3-miles	5-miles
Population:	5,436	17,734	21,084
Avg. Household Inc.:	\$55,927	\$63,909	\$64,599
Total Households:	2,464	7,692	9,345
Complete demographics are available upon request.			

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802-806 N. Beeline Highway (AZ 87), Payson, AZ

The subject property is a high-visibility retail strip center that was built in 1972. The property is part of the well-known development named Swiss Village containing a mix of single and multi-tenant properties that are all in-line and adjacent to each other, similar to condos but with no association. Each owner is responsible for their own maintenance and expenses. All the space in the center directly faces the Beeline Highway (AZ 87) offering all tenants excellent visibility. The intersection has a traffic light. There is a large monument sign in the middle of the center.

The center is offered at well below replacement cost at only \$89/sq. ft. The cap rate based on the current 93% occupancy is 7.59%. The cap rate at 95% proforma occupancy is 7.48. The rents are very low and average \$10.24/ sq. ft. modified gross. Average retail rents in Payson are \$12.11/ sq. ft. NNN and the most similar strip centers are asking \$10.00 to \$11.00 NNN. There is \$3.00/ sq. ft. of rent upside by just converting the leases to triple net. Some minor property, landscaping and signage upgrades would put the center in position to achieve those rents.

The adjacent La Sierra Mexican Restaurant, a very popular business that is owner-occupied, is not included. They contribute \$600 per year toward the Common Area expenses.

Located only a quick and very scenic hour and a half drive from Phoenix, Payson offers a cool and relaxed retreat in the pines. At 5,000 feet of elevation, the weather is much milder than Phoenix and is usually 10-15 degrees cooler than Phoenix. A beautiful, relatively new four lane highway connects Phoenix to Payson. Major retailers like Walmart, Home Depot, Safeway, Basha's, PetSmart, Goodwill, Dollar Tree, Big Lots, Big 5 Sporting Goods as well as all the big chain fast-food restaurants are located in Payson. Some of these restaurants are rumored to be the highest volume stores in Arizona. On summer weekends, the highways in and out of Payson are extremely busy since Payson is the first stop for people headed north in Arizona.



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PRICE:	\$999,000		
DOWN PAYMENT:	\$350,000	35.0%	
FINANCING:	Proposed new loan at 4.0%/ 25 year amort.		
SQUARE FEET:	11,192	PRICE PER SQ. FT.:	\$89.26
CAP RATE:	7.48		
ACRES:	0.550		
ZONING:	C-2	# OF PARKING SPACES:	36
YEAR BUILT:	1972	(1 per 311 sq.ft./ 3.2	per 1000)
PARCEL #:	302-64-008/009A		

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ANNUALIZED INCOME			ANNUALIZED EXPENSES		\$/ sq.ft.:
BASE RENT:	\$116,040		TAXES: (2020)	\$9,423	\$0.84
	\$0		INSURANCE:	\$2,583	\$0.23
plus REIMBURSED EXPENSES:	\$2,863		CAM:	\$10,775	\$0.96
TOTAL POTENTIAL INCOME:	\$118,903		UTILITIES:	\$6,432	\$0.57
less VACANCY ("0" means "actual"):	\$5,945	5.0 %	MANAGEMENT:	\$4,518	4.0 %
GROSS OPERATING INCOME:	\$112,958		RESERVE:	\$1,119	
less EXPENSES:	\$38,239		RENT TAX (3%):	\$3,389	
NET OPERATING INCOME:	\$74,719			\$0	
less LOAN PAYMENTS:	\$41,108		TOTAL EXPENSES:	\$38,239	
CASH FLOW:	\$33,611	9.6%	Expenses Per Sq. Ft.:	\$3.42	
plus PRINCIPAL REDUCTION:	\$15,429				
TOTAL RETURN:	\$49,040	14.0%			

La Sierra Mexican Restaurant pays \$600/year for CAM reimbursement. Several tenants reimburse the landlord for utilities. This totalled \$1,243 in 2020. Three tenants pay a total of \$85/month for trash collection.

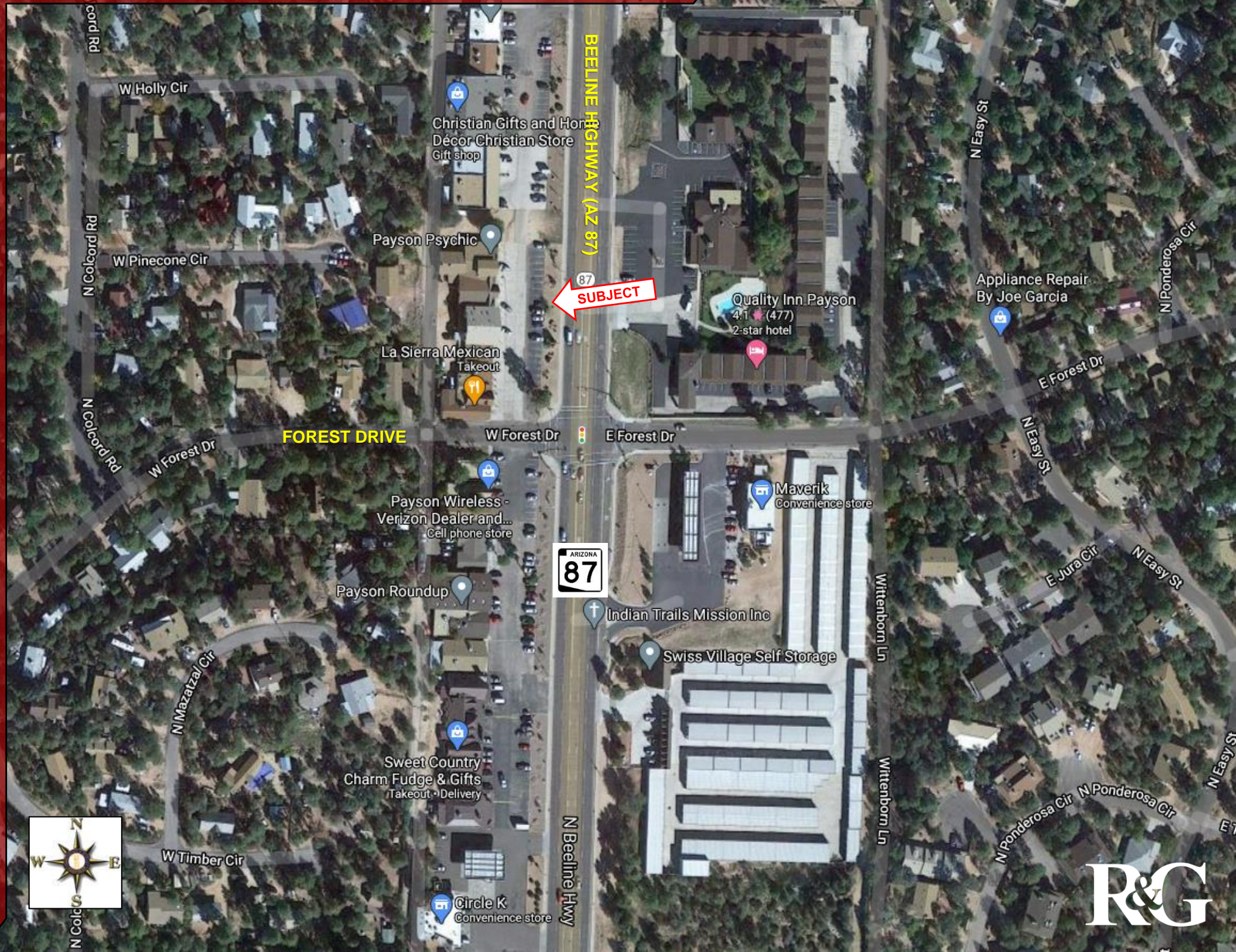
The NOI at the current 97% occupancy is \$75,783.



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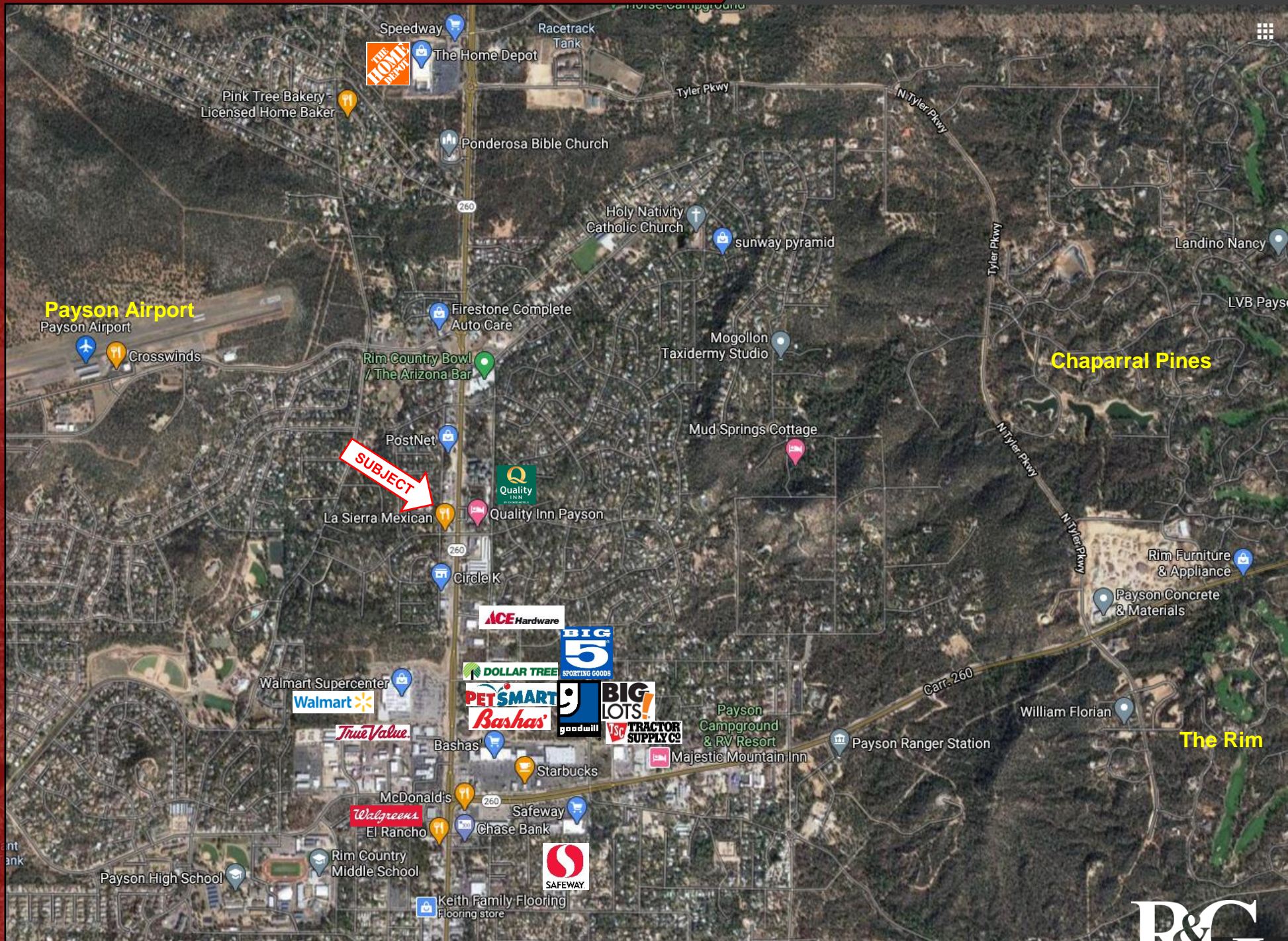
AERIAL PHOTO

Friedman Plastics & ENT
Dr. Bryan Friedman...



THE VILLAGE

AERIAL PHOTO



THE VILLAGE

PLAT MAP



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Payson, AZ, known to many as the “Heart of Arizona”, is a true American Hometown with deep traditions and beauty in all directions. You do not have to look far to find something exciting to do in this close-knit community. There are outdoor adventures and hometown events happening year-round... and the weather allows for fun in all four seasons!

PAYSON OVERVIEW (2020)

POPULATION (Payson)	16,093
POPULATION (Metro Area)	54,235
AVERAGE HOUSEHOLD INCOME	\$68,076
MEDIAN AGE (male / female)	59.4 / 60.6
RATE OF HOME OWNERSHIP	78.8%
LAND AREA	19.3 sq. miles
DRIVING DISTANCE (to Scottsdale)	79 miles

NOTABLE GOLF CLUB COMMUNITIES



PAYSON ONLINE RESOURCES

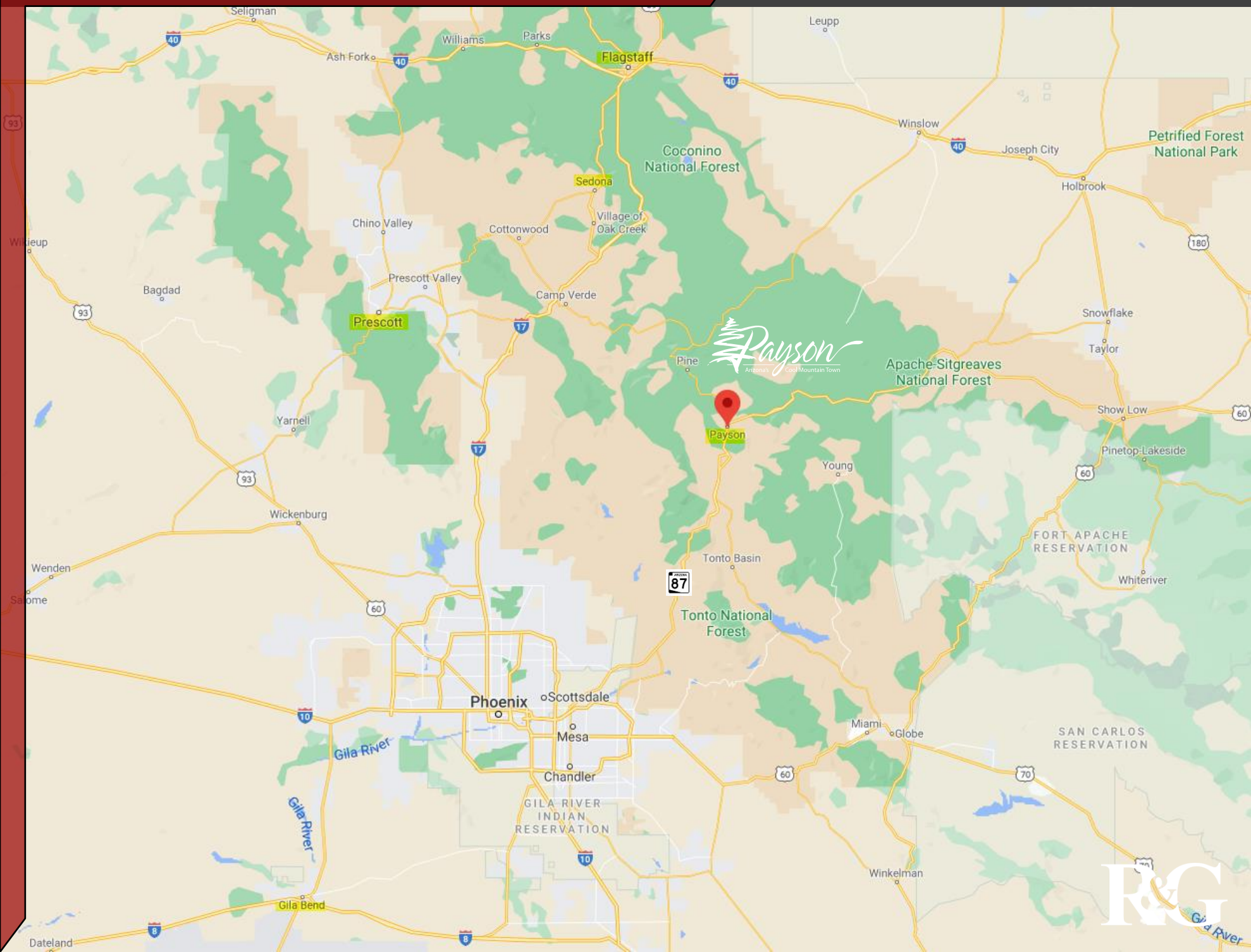
[Town of Payson](#) [Payson Chamber of Commerce](#)

[Payson Activities](#) [Payson- Wikipedia](#) [Payson Attractions](#) [Population](#) [Google Maps](#)



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MAP



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