

# CANOA RESERVE SOUTH

EXCLUSIVE LISTING | BLOCKS 1, 2, 3, 4, 5 | TUCSON, ARIZONA

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## RESIDENTIAL DEVELOPMENT OPPORTUNITY

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# PROPERTY OVERVIEW

**LOCATION** Property is located within the Canoa Ranch Master Planned Community, west of Interstate 19. It is located approximately 30 miles south of downtown Tucson.

**PROPERTY** Canoa Reserve South is a 481-acre project within the ±6,022 acre Master Planned Community, approved for 1,272 residential units, representing the final phase of Canoa Ranch.

**ACCESS** Access to the property is 1 mile south of the Canoa Ranch Road roundabout.

## TENTATIVE PLAT

[Click Here to View Tentative Plat.](#)

The Tentative Plat for Phase 1 of Canoa Reserve South was modified and approved on 5/2/2018 and will expire on 5/1/2021. Pima County has approved the concept of a Temporary Sewer Lift Station for Phase 1 that eliminates the need to construct the Regional Sewer prior to development of Phase 1.

## SETBACKS

Minimum Site Area : 6,000 square foot lots  
Maximum Height : 34 feet but not to exceed 2 stories  
Front: 20 feet  
Side : 10 feet  
Rear yard: 10 feet

## CANOA RANCH CFD

The current intent is to establish the District in two phases. The First Phase would be to form the District (Preliminary Plans) and the Second Phase is to issue the bonds (Final Plans and Analyses). This would allow the Formation of the District with Board of Supervisors Approval prior to incurring the expense of Final Construction Plans.

As of current discussions with Pima County, the proposed CFD is estimated to be approximately \$10 million. This consists of the Regional Sewer Line of \$6.5 million and the Main Spine Road/Sewer of \$3.5 million.

Alternatively, an Improvement District can be formed to construct the initial improvements, while a CFD can be planned for the long term build out.

## UTILITIES

Electricity: TEPC	Cable: Cox
Telephone: Century Link	Water: CAGR D
Solid Waste: Waste Management	Gas: Southwest Gas
Sewer: Pima County Sewer	
Fire/Emergency Vehicle Service: Green Valley Fire District	
Police: Sahuarita Town Police / Pima County Sheriff's Department	

# NEARBY AMENITIES

## SANTA CRUZ VALLEY REGIONAL HOSPITAL

- 49 inpatient beds (private rooms), 43 general medical surgical beds and 6 ICU beds opened in 2017
- 12-bay Emergency Department including 2 Trauma / Major Medical rooms
- Helicopter Pad
- Surgical Suite with 4 private rooms, 2 procedure rooms

[For more information about this hospital, please click here.](#)



## CANOA RANCH GOLF CLUB

Canoa Ranch Golf Course is a public, 18 hole golf venue immediately adjacent to the Canoa Reserve South Master Plan. The course boasts dramatic elevation changes and strategic bunkering designed by Lee Schmidt and Brian Curley. The course has five sets of tee boxes to accommodate all skill levels, with playing distances ranging from 4,500 to 7,013 yards, with bent grass on the greens and bermuda on the fairways and tees along with panoramic views of Elephant Head. [Please click here for more information.](#)

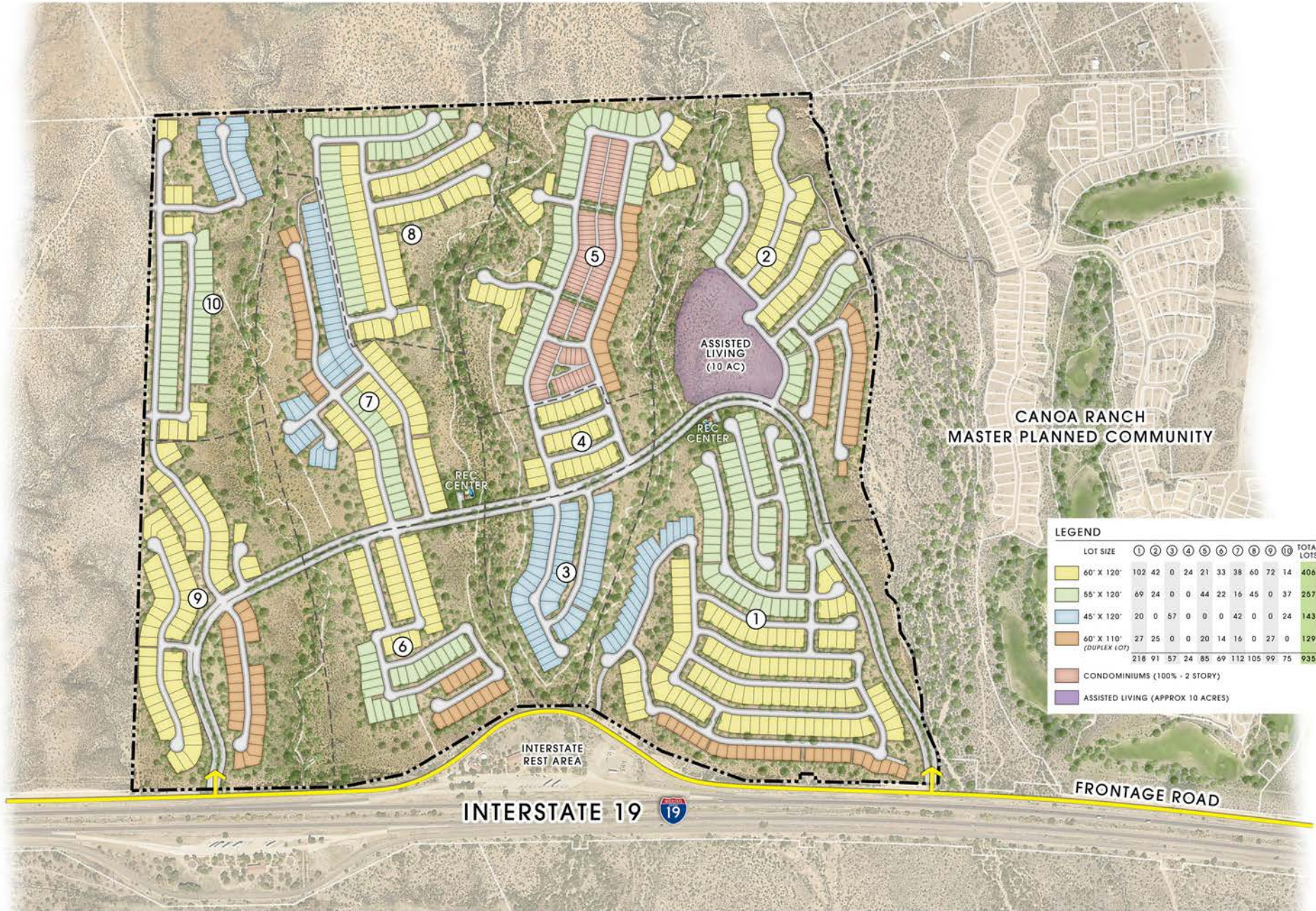


## GREEN VALLEY RECREATION

Green Valley Recreation (GVR) is a non-profit organization operating 13 recreation centers. The GVR Canoa Ranch Social Center is located 2 miles away from Canoa Reserve South which is the nearest and largest facility in Green Valley. Members have access to pools/spas, fitness centers, tennis, pickleball, over 1,000 classes and 60+ clubs of various interests. Memberships are restricted to homeowners within the GV HOA. [Please click here for more information about the Green Valley Recreation Organization.](#)







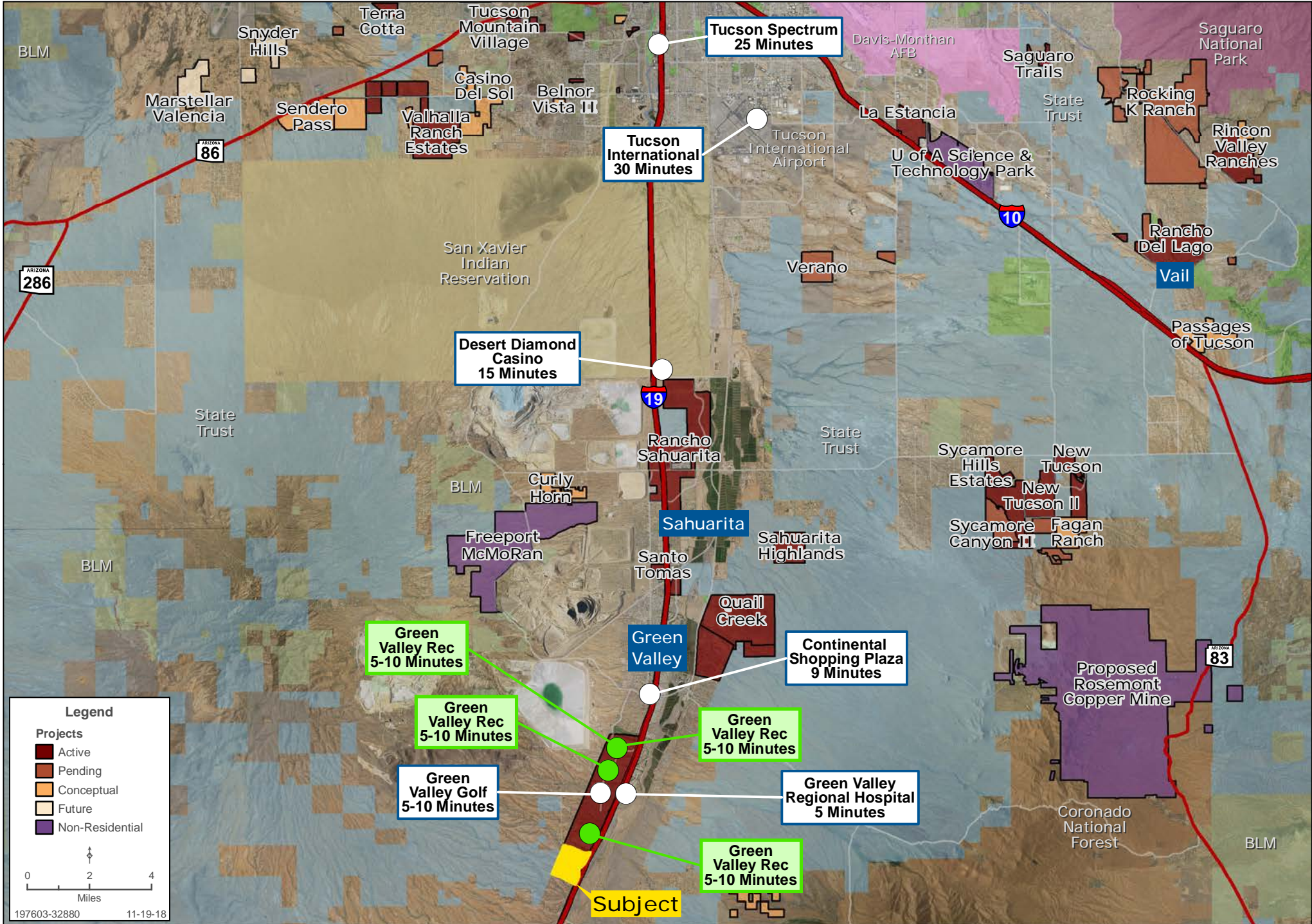
**LEGEND**

LOT SIZE	①	②	③	④	⑤	⑥	⑦	⑧	⑨	⑩	TOTAL LOTS	TOTAL UNITS
60' X 120'	102	42	0	24	21	33	38	60	72	14	406	406
55' X 120'	69	24	0	0	44	22	16	45	0	37	257	257
45' X 120'	20	0	57	0	0	0	42	0	0	24	143	143
60' X 110' (DUPLIX LOT)	27	25	0	0	20	14	16	0	27	0	129	258
	218	91	57	24	85	69	112	105	99	75	935	
CONDOMINIUMS (100% - 2 STORY)												208
ASSISTED LIVING (APPROX 10 ACRES)												1,272



# REGIONAL MINUTES MAP

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# BUILDER COMPARISON MAP AS OF FEBRUARY 2019



<b>Builder</b>	Fairfield Homes
<b>Subdivision</b>	Estates at Canoa
<b>Lot Size</b>	65 x 160
<b>Sqft. Range</b>	1,412 - 2,357
<b>Avg. Price</b>	\$290,217



<b>Builder</b>	Meritage Homes
<b>Subdivision</b>	Canoa Ranch
<b>Lot Size</b>	55 x 125
<b>Sqft. Range</b>	1,476 - 2,077
<b>Avg. Price</b>	\$292,356



<b>Builder</b>	AF Sterling
<b>Subdivision</b>	Stone House
<b>Lot Size</b>	3/4 Acre
<b>Sqft. Range</b>	2,041 - 3,541
<b>Avg. Price</b>	\$488,496



<b>Builder</b>	Richmond American
<b>Subdivision</b>	Estates at Madera
<b>Lot Size</b>	1/2 + Acre
<b>Sqft. Range</b>	2,552 - 4,019
<b>Avg. Price</b>	\$403,336



<b>Builder</b>	Robson Communities
<b>Subdivision</b>	Quail Creek
<b>Lot Size</b>	55 x 115
<b>Sqft. Range</b>	1,286 - 2,541
<b>Avg. Price</b>	\$366,919

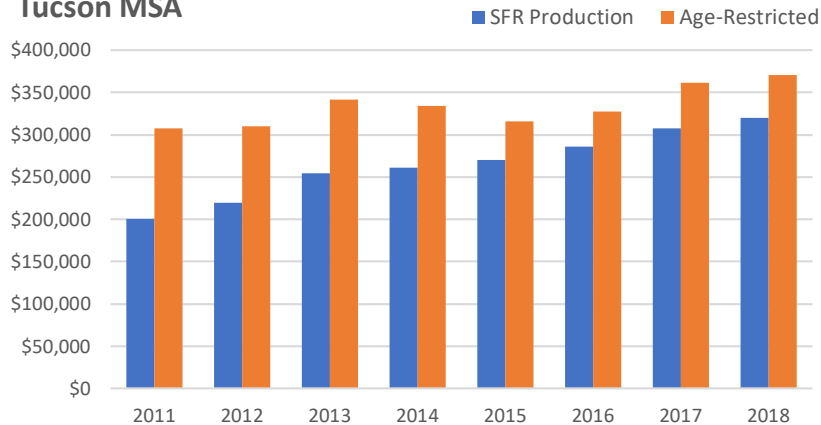
## Tucson's Active Adult Buyers Outpace the Market

Tucson has always been revered as a retirement destination for its climate and scenic mountain vistas. Its competitive position in attracting retirees has never been stronger as evidenced by recent housing market statistics. While total new home closings in Tucson increased by a healthy 7% in 2018, the age-restricted market closed an impressive 18% more homes than in 2017. Last year, the age-restricted market accounted for 20% of the total new home sales in the Tucson area, up from a low of 12.5% in 2013.

Tucson's new Active Adult communities are also able to command higher pricing in aggregate. The average price of all age-restricted new homes sold in 2018 was \$370,808. This was about \$50,000 higher than the average sale price for all new homes sold in communities without an age restriction.

### New Home Average Sale Price

#### Tucson MSA

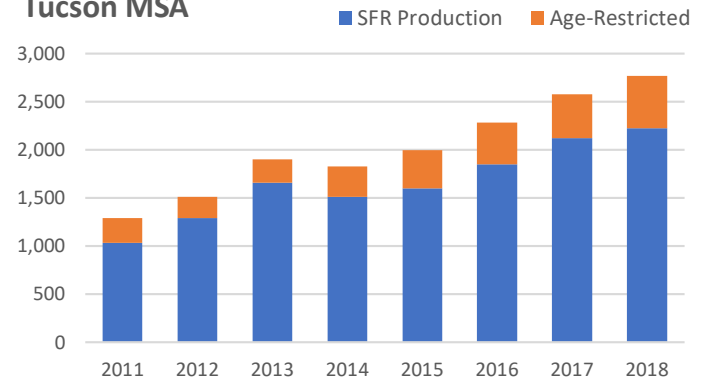


What accounts for the success of the Active Adult market? On a national level, rising home values disproportionately favor this market segment. Older home owners typically have more equity in their homes and therefore were able to sell their existing homes at the forefront of the Recovery from the Great Recession. This gave retirees a level of mobility that single family buyers did not have and enabled them to buy new homes in amenity-rich, active adult communities. Clearly, Tucson continues to be a top choice among these buyers that have flexibility and options. Further, the Social Security Administration estimates that about **10,000 people are turning 65 each day**. The aging Baby Boomer generation represents a rich pool of potential home buyers for the active adult market well into the next decade.

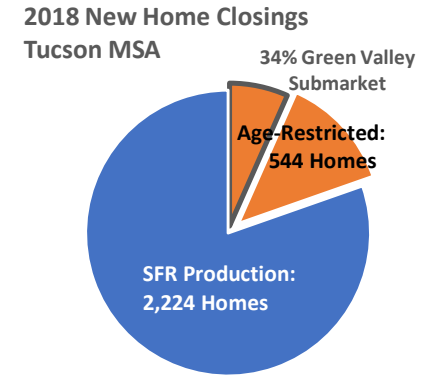
Green Valley, located about 25 minutes south of Downtown Tucson, is the original active adult bedroom community of Tucson. In 2017, Forbes magazine listed Green Valley as one of the top 25 retirement destinations in the United States. New home growth in this community was exponential in the 1990s and early 2000s. Local builder Fairfield Homes (the original developer of Canoa Ranch), along with Del Webb, Meritage Active Adult and regional builder Robson Resort Communities dominated the home building landscape at that time. The involvement of builders with such a high level of expertise in active adult living shaped Green Valley into the premier retirement community that it is today. In addition to the world-class amenities offered in the larger Green Valley master planned communities, residents enjoy access to membership in Green Valley Recreation (GVR). GVR provides thirteen recreation centers that include pools, spas, fitness centers, pickball, tennis, other sport courts. Additionally, GVR hosts over 1,000 classes and lectures and more than 60 clubs of various interests.

### New Home Closings

#### Tucson MSA



In 2018, the Green Valley area captured 34% of the new active adult home market in the Tucson area. Outside of Green Valley, Robson Resort Communities anchors the northwest Pusch Ridge area with its Saddlebrooke/Saddlebrooke Ranch communities and Del Webb offers a community both in Marana at Dove Mountain and in the southeast at Rancho del Lago (at close-out). There is currently no replacement active adult community for Del Webb in the southeast submarket. This change in buyer options will force the Active Adult buyer seeking out the rich amenities of an age-restricted community to move south to Green Valley or up to the far northwest.



Green Valley currently has about 300 vacant lots in active subdivisions. There are about 4,000 paper lots that are entitled for active adult communities but are currently undeveloped. The chart below outlines the 2018 Active Adult activity in the Tucson MSA. This chart does not include potential future entitlements for active adult living, such as in Rancho Sahuarita at the north end of the Green Valley submarket. Recent active adult activity in the Green Valley area has been dominated by Robson Resort Communities with its master planned community of Quail Creek located on the east side of Interstate 19 in the Madera Canyon/Santa Rita Mountain Foothills. Robson has built about one-half of their total entitlement of 5,000 units in this heavily amenitized age-restricted community. Various other builders also contributed to the local activity in 2018, but to a much lesser extent. Meritage opened 66 dormant finished lots located at the southern end of the existing Canoa Ranch master plan. They own an additional 282 undeveloped lots to the south of these active lots. Fairfield is active adjacent to Meritage with just 26 lots remaining, of which 18 are attached product. Everything north of these communities in Canoa Ranch is built-out. Fairfield also has a small community open on one of the only remaining parcels in

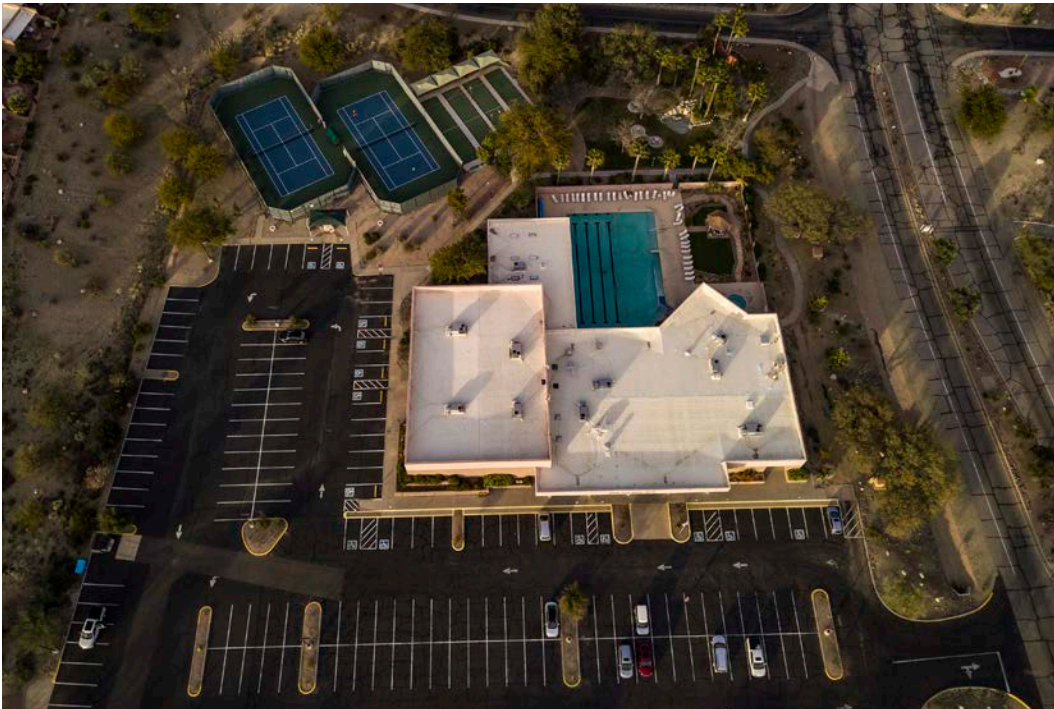
central Green Valley with just 23 lots remaining. D R Horton recently closed out 128 lots in Rancho Resort, the age-restricted portion of Rancho Sahuarita located at the north end of Green Valley.

ACTIVE ADULT LOT INVENTORY & AVERAGE SALE PRICE TUCSON MSA BY SUBMARKET			
Community/Submarket	Active Vacant Lots	Entitled Undeveloped Lots	AVG Sale Price
Canoa Reserve (subject)	0	1,300	n/a
Quail Creek (Detached) by Robson	165	2,450	\$385,661
Quail Creek (Attached) by Roson	46	0	\$245,097
Canoa Ranch by Meritage Homes	47	282	\$299,880
Canoa Ranch by Fairfield Homes	26	0	\$308,298
Solterra by Fairfield Homes	23	0	\$286,602
Rancho Resort by DR Horton	0	0	\$135,340
<b>GREEN VALLEY SUBMARKET</b>	<b>307</b>	<b>4,032</b>	<b>\$318,032</b>
Saguaro Bloom by DR Horton	74	0	\$276,846
Del Webb at Dove Mountain	160	0	\$403,035
<b>MARANA NORTHWEST SUBMARKET</b>	<b>234</b>	<b>0</b>	<b>\$365,553</b>
Saddlebrooke by Robson	52	0	\$396,677
Saddlebrooke Ranch (Detached) by Robson	200	3,800	\$472,019
Saddlebrooke Ranch (Attached) by Robson	52	0	\$304,122
The Preserve at Saddlebrooke by Robson	115	0	\$714,884
<b>ROBSON NORTHWEST SUBMARKET</b>	<b>419</b>	<b>3,800</b>	<b>\$466,187</b>
Altura by Miramonte Homes	99	0	\$320,516
Del Webb at Rancho del Lago	8	0	\$294,216
<b>SOUTHEAST SUBMARKET</b>	<b>107</b>	<b>0</b>	<b>\$299,960</b>
<b>TUCSON MSA ACTIVE ADULT</b>	<b>1,067</b>	<b>7,832</b>	<b>\$370,808</b>

Green Valley is currently well-positioned to attract an increasing share of buyers. In addition to the desirable location and high quality of life, homes in Green Valley's active adult communities remain more competitively priced than most other areas of Tucson. The average home price in the Green Valley submarket is about \$55,000 less than the active adult market as a whole and nearly \$150,000 less than the highly competitive Robson communities in the far Northwest. In the near-term, average pricing in the Southeast submarket will rise with the close-out of Del Webb and the more price sensitive Active Adult buyers are likely to choose Green Valley for their home. Lot supply will also determine future success in the Green Valley submarket. Robson's community of Quail Creek will continue to develop lots to fulfill their 5,000 lot entitlement, but competitive buyer options outside of this master plan will be needed to sustain meaningful growth in the submarket as a whole. Canoa Reserve could anchor the west side of Green Valley with the opportunity for a coordinated, multi-builder project that creates greater momentum and buyer gravity.



# CANOA RESERVE SOUTH | PROPERTY PHOTOS





# OFFERING INSTRUCTIONS



**PURCHASE PRICE** Submit

## **LETTER OF INTENT/OFFER DETAILS**

Please submit an offer in the form of a Letter of Intent (LOI). LOI's should identify the proposed Buyer, its source of capital, principals and/or material aspects of its corporate organization.

## **FEASIBILITY PERIOD**

Buyer shall have a Feasibility Period in which to investigate all aspects of the Property, including the physical condition of the Property. The Feasibility Period shall begin upon the execution of the Purchase Contract and be no more than 60 days.

## **DEPOSITS**

The initial deposit shall be no less than \$100,000. Said initial deposit shall be paid at the Opening of Escrow and shall remain refundable during the Feasibility Period. Prior to Buyer's approval of Feasibility, a second deposit shall then be placed in escrow providing for a total deposit of no less than ten percent (10%) of the Purchase Price. Upon Buyer's approval of its feasibility, the initial and second deposit shall be nonrefundable and applicable to the total Purchase Price.

## **TITLE / ESCROW / EXPENSES**

The Close of Escrow shall occur no more than 15 days after expiration of the Feasibility Period and time shall be of the essence as to Buyer's obligation to close.

Seller shall pay transfer taxes and Buyer shall pay for customary title, survey and escrow services. Each party shall otherwise pay the fees and expenses it incurs.

## **PURCHASE & SALE AGREEMENT**

The parties will negotiate a binding Purchase and Sale Agreement ("PSA").

## **PROCESS**

The Seller reserves the right, in its sole discretion, to solicit second or additional offers, and to accept any offer, from any party. In addition, Seller may, in its sole discretion and without notice to any person: (a) withdraw the Property from the market, (b) withdraw from any discussion or negotiation regarding the potential sale of the Property, (c) sell or lease all or any portion of the Property to any other person, and/or (d) reject any bid or discontinue any negotiation for any or no reason whatsoever.

## **BROKERAGE FEE**

The brokerage fees will be paid for by the Seller. No cooperating brokerage fees will be offered.