

# Joint Venture Picks Up 258-Unit Apartment Complex in Tucson

Tower 16 Capital Partners to Spend About \$4 Million to Renovate Sierra Vista Apartments



Tower 16 will oversee close to \$4 million in upgrades and renovations to Sierra Vista. (Tower 16 Capital Partners)

By Carlos Likins  
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A joint venture between San Diego-based Tower 16 Capital Partners and New York-based Drake Real Estate Partners has purchased Sierra Vista Apartments, a 258-unit multifamily complex in Tucson, Arizona.

The partnership acquired the property from Water Tower Realty Management Co. for \$18.1 million, or about \$70,000 per unit, according to CoStar data. Water Tower [purchased Sierra Vista in 2007](#), according to CoStar data.

Located at [3535 N. First Ave.](#), Sierra Vista was built in 1976 and comprises a mix of one-, two- and three-bedroom floor plans. Its amenities include a large clubhouse, gym and two swimming pools.

Tower 16 will oversee close to \$4 million in upgrades and renovations to Sierra Vista, which are set to include modernized unit upgrades, a new clubhouse and gym and updated pool areas. The firm is also planning to add outdoor amenities such as barbecues, seating and outdoor gaming areas.

"The project is well positioned to take advantage of the growing apartment demand in Tucson, especially after we complete our renovation of the property," Tower 16 Co-Founder Mike Farley said in statement. Farley noted this is the firm's first purchase in the Tucson market. This is also Tower 16's first joint venture with Drake.

Tower 16 has made similar moves into markets throughout the western United States since it was founded in 2017, having purchased over 4,000 units in California, Las Vegas, Phoenix and Denver, the firm said in a statement announcing the Tucson acquisition. The investment firm seeks markets with increasing demand for housing geared toward middle-income households driven by job growth and in-migration but with relatively low levels of new supply. Tower 16 plans to build a portfolio of over 1,000 units in the Tucson market, the firm said in the statement.

## For the Record

NorthMarq's Phoenix investment sales team of Trevor Koskovich, Bill Hahn and Jesse Hudson represented the buyer and facilitated the sale on behalf of the seller. Bryan Mummaw and Tyler Woodard of NorthMarq's debt and equity team arranged the financing for the borrower through the company's relationship with Colony Capital.

Please see CoStar COMPS #5304775 for more information on this transaction.

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