



# California Multifamily Investor Buys Third Tucson Apartment Property

Tower 16 Capital Is Halfway Toward Goal of Buying 1,500 Units in Arizona's Second-Largest City



The Nottinghamhill Apartments, built in 1972, are destined for an \$8 million renovation. (CoStar)

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Tower 16 Capital Partners, an active apartment buyer and seller across the Western United States, paid \$35.5 million to buy an apartment complex in Tucson, an Arizona city attracting strong interest from multifamily investors.

The off-market deal for the 322-unit Nottinghill Apartments is Tower 16's third purchase since entering Tucson in late 2020, when it acquired the 258-unit Sierra Vista Apartments to kick off a plan to own 1,500 units in the city by the end of 2023, the Encinitas, California-based firm said in a statement.

With the purchase of the Nottinghill property, at [2660 N. Alvernon Way](#), Tower 16 is halfway toward that goal. The new owner plans more than \$8 million in upgrades at the complex, which was built in 1972 near Tucson Medical Center and the city's downtown district.

"The property was owned and self-managed by the seller for nearly 20 years and is almost entirely in classic condition, leaving us with significant opportunity for renovations," Tower 16 co-founder Tyler Pruett said in a statement.

Like Phoenix roughly 100 miles to the northwest, Tucson apartment sales volume set records last year, according to CoStar's latest local [market report](#). Strong rent growth, a low vacancy rate and low risk of overbuilding have lured bullish investors to the city, home to the University of Arizona and the state's second-largest by population.

Tower 16 bought the project from Agoura Hills Financial, based in Agoura Hills, California, for less than the \$113,000-per-unit average for Tucson, CoStar data shows. Rents at Nottinghill, which is fully leased, average about \$775 a month, according to CoStar data, below the Tucson market average of about \$1,100.

Tower 16 has acquired over 6,500 units in California, Nevada, Arizona, New Mexico and Colorado since Pruett and partner Mike Farley started the business in 2017. The company targets cities with increasing demand for workforce housing driven by job and population growth and relatively low levels of apartment construction.

## For the Record

Brett Polachek and Chris Canter of Newmark's Phoenix office represented the buyer.



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