

## CASE STUDY

### ENTRADA DE ORO | ORO VALLEY, AZ



#### PROJECT DESCRIPTION:

Located in affluent Oro Valley, north of Tucson, Entrada De Oro is a Wal-Mart Neighborhood Market anchored center. Entrada De Oro is located at the southwest corner of Magee Road and Oracle Road. The center is adjacent to Oracle Crossing Shopping Center, which is anchored by Kohl's, HomeGoods, Sprouts and more. It is strategically positioned to serve the surrounding trade area, which boasts a high income and well-educated population.

#### SUMMARY:

Entrada De Oro was sold to new ownership in 2009 with 70% vacancy and was having a hard time attracting tenants for a variety of reasons. While the Wal-Mart Neighborhood Market was ranked in the Top 5 in the US, the center was 27 years old, the vacant spaces were in poor condition, and the HVAC units were 18+ years old. There was \$30 per square foot of tenant improvement allowance allocated to each vacancy as a part of the deal and rents were between \$16-\$18 per square foot.

#### METHODOLOGY:

We converted the tenant improvement allocation to a capital improvement budget. This allowed for the Landlord to white box each vacancy and bring the spaces up to code. We were able to market move-in-ready spaces, which allowed tenants such as "Play It Again Sports" and "Osh Kosh B'Gosh" to move in and bring rent online in less than 60 days.

#### RESULTS:

Within 18 months, we increased base rents by 30% and raised occupancy levels from 70% to 95%.



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