

Tucson

Real Estate Overview 2023

If you're looking for a reliable real estate investment at an affordable price point, this could be Tucson's time to shine. In this Southern Arizona city, which boasts at least [350 days](#) of sunshine per year, the median home list price is [\\$369.9K](#), well below the national median of [\\$424.5K](#).

As Arizona's second-largest city, Tucson sometimes flies under the radar when compared to the more populous city of Phoenix. But the [National Association of REALTORS®](#) named the Tucson housing market one of the top 10 "hidden gems" in 2022 — and we'd have to agree.

Many U.S. markets slowed significantly in 2022, flipping from ultra-hot sellers' markets to buyers' markets in a matter of months, and Tucson was no exception. But [Tucson's market remains balanced](#) — even slightly favoring sellers — and demand remains steady.

Read on to learn more about the Tucson housing market and why now could be the perfect time to invest!





About Tucson

Tucson is one of the [oldest continuously inhabited areas](#) in North America. The Hohokam people lived and farmed in the area for 4,000 years before the arrival of Spanish missionaries and soldiers in the late 1600s.

The city of Tucson was officially founded in 1776, and it became part of the United States in 1854, when the area now known as Arizona was bought from Mexico.

In the centuries since, Tucson has become “an example of how a place can be constantly transforming without losing sight of its roots,” [U.S. News & World Report](#) says.

It only takes [about an hour](#) to reach the Mexican border from Tucson, and there’s a part of town known as “[the Best 23 Miles of Mexican Food](#).” Census data shows that [68% of the city’s residents](#) are Hispanic and 28% speak Spanish at home.

Tucson can be a popular retirement destination, but it’s also a thriving college town. It’s home to the University of Arizona, which has an enrollment of [39,606 students](#) at its main campus in Tucson.

From the city’s beautiful desert landscape to its affordable cost of living, there’s plenty to love about Tucson.

CITY STATISTICS

Population

543,215 (city proper)
1,052,030 (metro area)

Median Income

\$50,306 /capita
\$27,821 /household

Median Age

33.6 years

Area

241 (city proper)
9,188.7 (metro area)

Unemployment rate

3.2%

GDP

\$50.2 billion

Top Employers

University of Arizona, Raytheon Missile Systems, Davis-Monthan Air Force Base, State of Arizona, Wal-Mart Store, Inc., Tucson Unified School District, U.S. Customs and Border Protection/U.S. Border Patrol, University of Arizona Health Network, Pima County, Freeport-McMoRan Copper & Gold Inc.

Highest-Paying Jobs

Obstetricians and gynecologists, family medicine physicians, ophthalmologists (except pediatric), dermatologists, psychiatrists, chief executives, dentists (general), architectural and engineering managers, optometrists, podiatrists

TUCSON REAL ESTATE MARKET STATISTICS

171

Neighborhoods

3,232

Homes for sale
as of May 2023

\$369.9K

Median List Price
(up 5.7% year over year)

\$339.5K

Median Sold
Price

\$223

Median Price per
Square Foot

91.8%

Sale-to-List
Price Ratio

61

Median Days
on Market

\$1,262

Average Rent

2.3%

1-Year
Appreciation Rate

22.4%

Price-To-Rent Ratio

MOST EXPENSIVE NEIGHBORHOODS

Neighborhood	Average Monthly Rent	Median Listing Price
Verde Catalina	\$3,034	\$1,023,895
La Paloma / Catalina Foothills	\$2,979	\$957,035
Alta Vista	\$2,030	\$858,361
Skyline Country Club	\$1,706	\$814,245
Oracle Foothills Estates	\$1,595	\$805,046

LEAST EXPENSIVE NEIGHBORHOODS

Neighborhood	Average Monthly Rent	Median Listing Price
Central Northwest	\$1,503	\$43,032
S Mission Rd / W Campus Dr	\$1,458	\$45,422
Stockham	\$1,515	\$52,267
Cottonwood Manor	\$1,430	\$54,343
Santa Cruz Southwest	\$1,567	\$74,320

In Tucson, there are about [242,816 housing units](#). Here are some facts about housing in this Arizona city:

- 62% are single-unit structures, 32% are multi-unit structures, and 6% are mobile homes
- 92% are occupied and 8% are vacant
- 49% are renter-occupied and 51% are owner-occupied

Tucson home values have soared in recent years. Here's how home values [have increased](#):

Year	Typical Home Value
March 2019	\$199.9K
March 2020	\$214.3K
March 2021	\$248.1K
March 2022	\$301.3K
March 2023	\$313K

LOOKING FOR AN INVESTOR-FRIENDLY AGENT?

From accessing off-market deals, to building a team, to determining the right rental rates, buying properties in a new market can prove tough for any investor. That's why we launched Everest Brokerage.

You no longer need in-depth expertise to invest in [some of the best real estate markets](#) in the United States. Working with Everest's in-house brokerage team of investor-friendly real estate agents is the most efficient way to build a local team and grow your rental portfolio.

It's simple. Visit our website, pick your market, fill out the form, and a member of our team will get back to you within 24 hours

Get started here
TODAY!



AT-A-GLANCE PROS AND CONS TO INVESTING IN TUCSON

When looking at any new real estate market, it's important to consider all aspects of investing in the area. Considerations like quality of life, overall affordability, and school choice will impact your long-term investment even if they aren't a direct factor in your buying decision.

Here are a few pros and cons of investing in Tucson Arizona. These will have a different impact on you depending on your risk tolerance and investment strategy. Don't have an investment strategy yet? No worries - just [get in touch with our team](#) to put together a solid plan today.

Pros of Tucson, AZ

- Central location
- Great food & entertainment
- Outdoor environment and accessibility
- Diverse population
- Stable job market
- 350 days of sunshine
- Affordable cost of living
- Excellent air quality
- Educational options

Cons of Tucson, AZ

- Extreme heat in summer
- Lack of nightlife
- Has a reputation for being dangerous
- No major sports teams
- Small city

FIVE REASONS TO INVEST IN TUCSON REAL ESTATE

Is now the time to invest in rental homes in Tucson? Here are five reasons why investors are diving into the Tucson real estate market.

1. Quality of Life
2. Home to Many Students and Young Professionals
3. Relatively Inexpensive — but Thriving — Real Estate Market
4. Population Growth
5. Arizona Is a Landlord-Friendly State





1.

QUALITY OF LIFE

Tucson earned a spot on TIME's list of [The World's Greatest Places of 2023](#). The "Soul of the Sonoran Desert" was recognized for its boutique hotels, historic neighborhoods, and culinary scene.

From skiing on Mount Lemmon or biking through the Sonoran Desert to gambling at one of the four casinos in the city, Tucson offers a wide range of activities for visitors and residents.

Tucson is also well known for its delicious food and rich culture. It was [the first city in the United States](#) to be named a City of Gastronomy by the United Nations Educational, Scientific, and Cultural Organization.

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"The city's culinary heritage is a tapestry of Mexican and Native American traditions," [according to the Visit Tucson website](#). "Eating local means honoring history, and each bite is an experience."

And don't forget the scenic views! "The metro area is ringed by mountain ranges that emphasize the great desert skies and sunsets that continuously impress even the most seasoned residents," [U.S. News & World Report says](#).



2.

HOME TO MANY STUDENTS AND YOUNG PROFESSIONALS

Investors can count on Tucson to have a steady, reliable population of student and young professional renters, thanks in part to the [nearly 40,000 students](#) enrolled at the University of Arizona's main campus.

In Tucson, the population's median age is 33.6, well below the Arizona median of 38.6. Additionally, 19% of residents are between the ages of 20 and 29, well above the state rate of 14%.

People in that age group are very likely to be renters. Across the U.S., [about two-thirds of people](#) under the age of 35 are renters.

For that reason, college towns are often great places to invest, experts say.

"Demand for rental properties in college towns remains high due to steady demand," [Redfin says](#). "From new students to university faculty coming in each year, you'll never find yourself scrambling to rent out your place."

"College towns also make great locations for BnB-type rental properties as visitors tend to flock to college towns during sports seasons and friends or relatives of students often visit and need a place to stay."



3.

RELATIVELY INEXPENSIVE – BUT THRIVING – REAL ESTATE MARKET

Although Tucson's housing market began to slow in the second half of 2022, mirroring national trends, we still believe that owning a home in Southern Arizona is a worthwhile investment.

The Tucson market is balanced, tilting slightly toward a seller's market, [Realtor.com says](#). A balanced market "means that the supply and demand of homes are about the same."

Although mortgage rates have gone up across the country, the cost of buying a home in Tucson is relatively inexpensive when compared to the rest of the country. The city's median list price is [\\$369.9K](#), significantly lower than the national median of [\\$424.5K](#). Additionally, homes in Tucson spend a median of 61 days on the market, less than the national median of 67 days, a marker of steady demand in Tucson.

Just over a year ago, the [National Association of REALTORS® identified](#) Tucson as one of its top 10 "hidden gem" housing markets — a list of the most undervalued housing markets that were expected to see strong price appreciation.

In recent years, homes in Tucson have appreciated steadily, with home values [increasing 2.3% year over year](#). From March 2019 to March 2023, typical home values in Tucson grew from \$199,999 to \$315,405, according to Zillow's Home Values Index.



4.

POPULATION GROWTH

Tucson has grown significantly over the past half-century, transforming into “a sprawling metro area” [*U.S. News & World Report* says](#). It “started small and expanded into the empty space around it, drawing new residents with its low cost of living and its nationally recognized university.”

In just 50 years, the number of people living in the Tucson metro area more than doubled, growing from 380,255 in 1971 to 1,052,030 in 2021, [data shows](#). The region grew the fastest in the 1970s, when the population increased by an average of 4.27% each year.

Overall, Arizona is one of the fastest-growing states in the country. [Since 2010](#), the state saw the ninth -largest population gains in the country at 15.45%

Here’s how the population of Pima County, where the Tucson metro area is located, is projected to grow, [according to the Arizona Commerce Authority](#):

- 2030: 1,129,414
- 2040: 1,195,070
- 2050: 1,249,828
- 2060: 1,305,212



5.

ARIZONA IS A LANDLORD-FRIENDLY STATE

Although owning a rental property can be an incredibly lucrative and exciting opportunity, navigating local laws surrounding rental properties can be a headache. Luckily for you, Arizona is regularly ranked as [one of the most landlord-friendly states](#).

In addition to having a relatively low property tax rate, [Arizona doesn't have rent control](#), and renters aren't allowed to withhold rent for any reason. The state also has quick, straightforward eviction policies, and landlords are allowed to charge up to 1½ months' rent for a security deposit.

Investing in a rental property with a company like Everest means that property owners have even less to worry about, as Everest does all of the managing, fee collection, maintenance, and, if necessary, evictions for you, and all you need to worry about is your capital gains.

TUCSON REAL ESTATE PREDICTIONS

For savvy investors, Tucson's real estate market is exciting and full of potential. Although we can't know for sure what the future will hold, let's take a look at our predictions for the Tucson housing market.

Home prices will continue to increase.

Interest rates rose during the second half of 2022, causing many housing markets to slow. Although home sales are expected to dip in Tucson in 2023, home prices will increase by 4.5%, [Realtor.com predicted](#).

The market will remain competitive.

Despite the changing national landscape, demand for homes in Tucson remains steady. The market is "somewhat competitive," with some homes still getting multiple offers, [according to Redfin](#).

The population will continue to grow.

Tucson's population has grown significantly over the past half-century, and that growth is expected to continue in the coming decades. By 2060, 1,305,212 people will live in Pima County, where Tucson is located, [according to the Arizona Commerce Authority](#).

INVEST WITH EVERNEST

If you are an investor looking for rental properties with solid returns, Tucson is a great market to consider.

Buying or selling real estate is one of the most important decisions you will make as an investor, and building a team that you trust is vital to the success of your investing journey. A stellar team is well-informed about critical factors that affect your specific market areas, such as changes in market conditions, market forecasts, consumer attitudes, best locations, timing, and interest rates.

EVERNEST has what you're looking for, with extensive experience in single- and multi-family, cash-flow rental properties. Since 2008, our team has remained dedicated to providing investors and owners with the best in-house rental property services around. Everest offers investor-friendly brokerage services, white-glove property management, and in-house maintenance so you can reach your real estate goals, whatever those may be.

Ready to invest with our team?

Let's talk.

Are you an investor not just limited to Tucson or Arizona? You can invest in [some of the best real estate markets](#) in the United States by working with Everest's in-house Brokerage team of investor-friendly Real Estate Agents. All you have to do is fill out this [form](#) and one of our agents will reach out within 24 hours.

*Make the best investments in the most attractive markets
with Everest.....in good times and bad.*

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