



## Property Details

**209 Root Ave, Killeen**

# Property Summary (as-is)

## Property Data

Purchase Price	\$ 2,000,000	Occupied and cashflowing 31 unit apartment complex with value-add potential right next to Ft Hood.
Make Ready	\$ -	
Down Payment	25%	
Down Payment Amt	\$ 500,000	
Closing Costs	\$ 40,000	
<b>Cash Outlay</b>	<b>\$ 540,000</b>	

## Financing Data

Interest Rate	6.50%
Finance Amt	\$1,500,000
Mortgage (yrs)	30
Mortgage Pmt	\$9,481.02

## First Year Operating Statement

	Monthly	Yearly
Rental Income	\$ 20,800.00	\$ 249,600.00
Vacancy Loss (5%)	\$ (1,040.00)	\$ (12,480.00)
<b>Gross Income</b>	<b>\$ 19,760.00</b>	<b>\$ 237,120.00</b>
Insurance	\$ 600.00	\$ 7,200.00
Taxes	\$ 2,188.92	\$ 26,267.00
Management	\$ 1,664.00	\$ 19,968.00
Maintenance	\$ 1,750.00	\$ 21,000.00
Capex Reserves	\$ 1,250.00	\$ 15,000.00
Utilities	\$ -	\$ -
Lawncare	\$ 100.00	\$ 1,200.00
HOA	\$ -	\$ -
Other Expenses	\$ -	\$ -
<b>Total Expenses</b>	<b>\$ 7,552.92</b>	<b>\$ 90,635.00</b>
<b>Net Operating Income</b>	<b>\$ 12,207.08</b>	<b>\$ 146,485.00</b>
Mortgage	\$ 9,481.02	\$ 113,772.24
<b>Cashflow</b>	<b>\$ 2,726.06</b>	<b>\$ 32,712.76</b>
Loan Principal Paydown		\$ 16,765.88
Appreciation	3%	\$ 60,000.00
<b>Total Return</b>		<b>\$ 109,478.64</b>

## ROI Metrics

Cap Rate	7.18%
IRR	18.80%

\* IRR based on 10yr holding period with 25% down

## Cash on Cash Returns

	25% down	30% down	40% down
Cash Outlay	\$ 540,000	\$ 640,000	\$ 840,000
Cash on Cash	6.06%	6.30%	6.60%
Cash + Principal	9.16%	8.74%	8.20%

**Property Notes:** 31 unit apartment complex with major capex recently completed including new HVAC units, windows, interior/exterior paint, floors. Add value by converting office/storage unit into addition unit to rent for \$700+, updating outdated units and increasing rents inline with updated units, and re-opening shared pool & spa. Potential to increase gross revenue 10-15%.

**Neighborhood Notes:** Well-maintained neighborhood across from Spectrum, City Hall, and other apartment complexes. Minutes from Ft Hood gate as well as main shopping and commercial centers in Killeen.

# Property Summary (value-added)

## Property Data

Purchase Price	\$ 2,000,000	Occupied and cashflowing 31 unit apartment complex with value-add potential right next to Ft Hood.
Make Ready	\$ 50,000	
Down Payment	25%	
Down Payment Amt	\$ 500,000	
Closing Costs	\$ 40,000	
<b>Cash Outlay</b>	<b>\$ 590,000</b>	

## Financing Data

Interest Rate	6.50%
Finance Amt	\$1,500,000
Mortgage (yrs)	30
Mortgage Pmt	\$9,481.02

## First Year Operating Statement

	Monthly	Yearly
Rental Income	\$ 23,000.00	\$ 276,000.00
Vacancy Loss (5%)	\$ (1,150.00)	\$ (13,800.00)
<b>Gross Income</b>	<b>\$ 21,850.00</b>	<b>\$ 262,200.00</b>
Insurance	\$ 600.00	\$ 7,200.00
Taxes	\$ 2,188.92	\$ 26,267.00
Management	\$ 1,840.00	\$ 22,080.00
Maintenance	\$ 1,750.00	\$ 21,000.00
Capex Reserves	\$ 1,250.00	\$ 15,000.00
Utilities	\$ -	\$ -
Lawncare	\$ 100.00	\$ 1,200.00
HOA	\$ -	\$ -
Other Expenses	\$ -	\$ -
<b>Total Expenses</b>	<b>\$ 7,728.92</b>	<b>\$ 92,747.00</b>
<b>Net Operating Income</b>	<b>\$ 14,121.08</b>	<b>\$ 169,453.00</b>
Mortgage	\$ 9,481.02	\$ 113,772.24
<b>Cashflow</b>	<b>\$ 4,640.06</b>	<b>\$ 55,680.76</b>
Loan Principal Paydown		\$ 16,765.88
Appreciation	3%	\$ 60,000.00
<b>Total Return</b>		<b>\$ 132,446.64</b>

## ROI Metrics

Cap Rate	8.11%
IRR	22.33%

\* IRR based on 10yr holding period with 25% down

## Cash on Cash Returns

	25% down	30% down	40% down
Cash Outlay	\$ 590,000	\$ 690,000	\$ 890,000
Cash on Cash	9.44%	9.17%	8.81%
Cash + Principal	12.28%	11.44%	10.32%

**Property Notes:** 31 unit apartment complex with major capex recently completed including new HVAC units, windows, interior/exterior paint, floors. Add value by converting office/storage unit into addition unit to rent for \$700+, updating outdated units and increasing rents inline with updated units, and re-opening shared pool & spa. Potential to increase gross revenue 10-15%.

**Neighborhood Notes:** Well-maintained neighborhood across from Spectrum, City Hall, and other apartment complexes. Minutes from Ft Hood gate as well as main shopping and commercial centers in Killeen.

# Sale Comps

## Market Analysis Summary | Multi-Family

Listings as of 2/8/2023 at 11:50 am, Page 1 of 1

MLS #	Address	# Units	Yr Blt	SqFt	Orig List Price	List Price	LP/SqFt	DOM	CDOM	Closed Dt	Sold Price	SP/SqFt	SP/LP%
460209	1207 N 10th	1	1955	8,306	\$920,000	\$920,000	\$110.76	59	59	03/07/2022	\$890,000	\$107.15	96.74%
448731	1117 N 8th	18	1973	11,602	\$960,000	\$960,000	\$82.74	158	158	03/11/2022	\$915,000	\$78.87	95.31%

### Listings: Sold

Min	1	8,306	\$920,000	\$920,000	\$82.74	59	59	\$890,000	\$78.87	95.31%
Max	18	11,602	\$960,000	\$960,000	\$110.76	158	158	\$915,000	\$107.15	96.74%
Avg	10	9,954	\$940,000	\$940,000	\$96.75	109	109	\$902,500	\$93.01	96.03%
Med	10	9,954	\$960,000	\$940,000	\$96.75	109	109	\$902,500	\$93.01	96.03%

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<b>Total</b>	Average for all:	10	9,954	\$940,000	\$940,000	\$96.75	109	109	\$902,500	\$93.01	96.03
<b>Listings</b>	Median for all:	10	9,954	\$960,000	\$940,000	\$96.75	109	109	\$902,500	\$93.01	96.03

		Min	Max	Avg	Med
<b>Quick Statistics</b>	List Price	\$920,000	\$960,000	\$940,000	\$940,000
	Sale Price	\$890,000	\$915,000	\$902,500	\$902,500
	Sale / List	95%	97%	96	96%

Presented by: Victor Steffen

This is an opinion of value or Comparative Market Analysis and should not be considered an appraisal. In making any decision that relies upon my work, you should know that I have not followed the guidelines for development of an appraisal or analysis contained in the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.

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# Lease Comps

## Market Analysis Summary | Rental

Listings as of 2/8/2023 at 11:45 am, Page 1 of 1

MLS #	Address	Subdivision	BR	FB	HB	WtrFrmt	SqFt	Yr Built	List Price	LP/SqFt	DOM	CDOM	Closed Dt	Sold Price	SP/SqFt	SP/LP%
<b>Listings: Rented/Leased</b>																
483690	913 Mimosa #A&B	Parten West	1	1	0	No	800	1955	\$625	0.78	77	77	11/08/2022	\$500	\$0.63	80.00%
482580	116 W Avenue A	Temple Original	1	1	0	No	900	1956	\$575	0.64	35	35	10/20/2022	\$575	\$0.64	100.00%
480359	417 W Green	Lawndale	2	1	0	No	1,135	1958	\$975	0.86	18	18	08/12/2022	\$975	\$0.86	100.00%
475858	501 Root	Page Add	1	1	0	Yes	3,854	1978	\$550	0.14	103	103	09/27/2022	\$575	\$0.15	104.55%
482393	1207 N 10th	Cole	1	1	0	No	8,306	1955	\$625	0.08	117	117	12/05/2022	\$625	\$0.08	100.00%
		<b>Min</b>	<b>1</b>	<b>1</b>	<b>0</b>		<b>800</b>		<b>\$550</b>	<b>\$0.08</b>	<b>18</b>	<b>18</b>		<b>\$500</b>	<b>\$0.08</b>	<b>80.00%</b>
		<b>Max</b>	<b>2</b>	<b>1</b>	<b>0</b>		<b>8,306</b>		<b>\$975</b>	<b>\$0.86</b>	<b>117</b>	<b>117</b>		<b>\$975</b>	<b>\$0.86</b>	<b>104.55%</b>
		<b>Avg</b>	<b>1</b>	<b>1</b>	<b>0</b>		<b>2,999</b>		<b>\$670</b>	<b>\$0.50</b>	<b>70</b>	<b>70</b>		<b>\$650</b>	<b>\$0.47</b>	<b>96.91%</b>
		<b>Med</b>	<b>1</b>	<b>1</b>	<b>0</b>		<b>1,135</b>		<b>\$625</b>	<b>\$0.64</b>	<b>77</b>	<b>77</b>		<b>\$575</b>	<b>\$0.63</b>	<b>100.00%</b>
<b>5</b>	<b>Total</b>	<b>Average for all:</b>	<b>1</b>	<b>1</b>	<b>0</b>		<b>2,999</b>		<b>\$670</b>	<b>\$0.50</b>	<b>70</b>	<b>70</b>		<b>\$0</b>	<b>\$0.47</b>	<b>96.91</b>
	<b>Listings</b>	<b>Median for all:</b>	<b>1</b>	<b>1</b>	<b>0</b>		<b>1,135</b>		<b>\$625</b>	<b>\$0.64</b>	<b>77</b>	<b>77</b>			<b>\$0.63</b>	<b>100.00</b>

		Min	Max	Avg	Med
<b>Quick Statistics</b>	List Price	\$550	\$975	\$670	\$625
	Sale Price	\$0	\$0	\$0	\$0
	Sale / List	0%	0%	0	0%

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