

Property Details

13800 Lockway Dr, Houston



Property Summary

**Stabilized market rents*

Property Data

| | |
|--------------------|-------------------|
| Purchase Price | \$ 1,200,000 |
| Make Ready | \$ - |
| Down Payment | 30.00% |
| Down Payment Amt | \$ 360,000 |
| Closing Costs | \$ 24,000 |
| Cash Outlay | \$ 384,000 |

Financing Data

| | |
|----------------|------------|
| Interest Rate | 8.00% |
| Finance Amt | \$840,000 |
| Mortgage (yrs) | 30 |
| Mortgage Pmt | \$6,163.62 |

First Year Operating Statement

| | Monthly | Yearly |
|-----------------------------|---------------------|----------------------|
| Rental Income | \$ 18,500.00 | \$ 222,000.00 |
| Vacancy Loss | \$ (925.00) | \$ (11,100.00) |
| Gross Income | \$ 17,575.00 | \$ 210,900.00 |
| Insurance | \$ 1,200.00 | \$ 14,400.00 |
| Taxes | \$ 1,352.83 | \$ 16,234.00 |
| Management | \$ 1,480.00 | \$ 17,760.00 |
| Maintenance | \$ 500.00 | \$ 6,000.00 |
| Capex Reserves | \$ 500.00 | \$ 6,000.00 |
| Utilities | \$ 3,500.00 | \$ 42,000.00 |
| Lawncare | \$ 100.00 | \$ 1,200.00 |
| HOA | \$ - | \$ - |
| Other Expenses | \$ - | \$ - |
| Total Expenses | \$ 8,632.83 | \$ 103,594.00 |
| Net Operating Income | \$ 8,942.17 | \$ 107,306.00 |
| Mortgage | \$ 6,163.62 | \$ 73,963.47 |
| Cashflow | \$ 2,778.54 | \$ 33,342.53 |
| Loan Principal Paydown | | \$ 7,017.06 |
| Appreciation | 5% | \$ 60,000.00 |
| Total Return | | \$ 100,359.59 |

ROI Metrics

| | |
|----------|--------|
| Cap Rate | 8.77% |
| IRR | 27.53% |

Cash on Cash Returns

| | 30% down | 30% down | 40% down |
|------------------|------------|------------|------------|
| Cash Outlay | \$ 384,000 | \$ 384,000 | \$ 504,000 |
| Cash on Cash | 8.68% | 8.68% | 8.71% |
| Cash + Principal | 10.51% | 10.51% | 9.91% |

Property Notes: 18-unit apartment complex fully leased with recent upgrades including HVAC, roof, plumbing, electrical, boiler room, soffits. (8) 2 bed units and (10) 1 bed units. Built in 1965 with value-add potential to increase rents.

Neighborhood Notes: Safe, convenient location in Minchen Park, SW Houston. Surrounded by shopping, schools, and amenities. 15 minutes to Houston Medical Center, 20 minutes to downtown Houston.

Sale Comps

Victor Steffen
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 eXp Realty LLC



Comparative Market Analysis

Prepared By: Victor Steffen

Listings as of 07/12/23 at 10:30 am

Property Type is 'Multi-Family' Status is 'Active' Status is 'Sold' Status Contractual Search Date is 07/12/2023 to 07/12/2021 Latitude, Longitude is within 5.00 mi of 13800 Lockway Dr, Houston, TX 77045, USA

Multi-Family

Active Properties

| MLS # | Address | Subdivision | Units | Gar # of | Lot SqFt | Grs Inc | SqFt | List Price | LP/Unit | LP/SqFt | CDOM |
|--------------------|---------------------------|-----------------------------|-------|----------|------------|-----------|--------|-------------|---------|----------|------|
| 6809082 | 12500 Sandpiper Drive #68 | Pipers Crossing Condo Ph 01 | 15 | 1 | 198,010 | \$173,664 | 13,116 | \$940,000 | \$0.00 | \$71.67 | 70 |
| 67455391 | 12935 Main Street | G ALLEN | 9 | 1 | 208,696 | | 12,805 | \$1,865,900 | \$0.00 | \$145.72 | 4 |
| # LISTINGS: | 2 | Medians: | 12 | 1 | 203,353.00 | \$173,664 | 12,961 | \$1,402,950 | \$0.00 | \$108.70 | 37 |
| | | Minimums: | 9 | 1 | 198,010.00 | \$173,664 | 12,805 | \$940,000 | \$0.00 | \$71.67 | 4 |
| | | Maximums: | 15 | 1 | 208,696.00 | \$173,664 | 13,116 | \$1,865,900 | \$0.00 | \$145.72 | 70 |
| | | Averages: | 12 | 1 | 203,353.00 | \$173,664 | 12,961 | \$1,402,950 | \$0.00 | \$108.70 | 37 |

Sold Properties

| MLS # | Address | Subdivision | Units | Gar # of | Lot SqFt | Grs Inc | SqFt | List Price | LP/Unit | LP/SqFt | CDOM | Cls Date | Sold Price | SP/SqFt | SP%LP |
|--------------------|---------------------|--------------------|-------|----------|----------|-----------|-------|-------------|--------------|----------|------|----------|-------------|----------|-------|
| 92603155 | 3601 Murworth Drive | Braes Manor Sec 01 | 10 | 2 | 9,399 | | 5,284 | \$1,200,000 | \$600,000.00 | \$227.10 | 17 | 02/18/22 | \$1,090,000 | \$206.28 | 90.83 |
| # LISTINGS: | 1 | Medians: | 10 | 2 | 9,399.00 | \$173,664 | 5,284 | \$1,200,000 | \$600,000.00 | \$227.10 | 17 | | \$1,090,000 | \$206.28 | 90.83 |
| | | Minimums: | 10 | 2 | 9,399.00 | \$173,664 | 5,284 | \$1,200,000 | \$600,000.00 | \$227.10 | 17 | | \$1,090,000 | \$206.28 | 90.83 |
| | | Maximums: | 10 | 2 | 9,399.00 | \$173,664 | 5,284 | \$1,200,000 | \$600,000.00 | \$227.10 | 17 | | \$1,090,000 | \$206.28 | 90.83 |
| | | Averages: | 10 | 2 | 9,399.00 | \$173,664 | 5,284 | \$1,200,000 | \$600,000.00 | \$227.10 | 17 | | \$1,090,000 | \$206.28 | 90.83 |

Quick Statistics (3 Listings Total)

| | Min | Max | Average | Median |
|-----------------|-------------|-------------|-------------|-------------|
| List Price | \$940,000 | \$1,865,900 | \$1,335,300 | \$1,200,000 |
| Sold Price | \$1,090,000 | \$1,090,000 | \$1,090,000 | \$1,090,000 |
| Adj. Sold Price | \$1,090,000 | \$1,090,000 | \$1,090,000 | \$1,090,000 |
| LP/SF | \$71.67 | \$227.10 | \$148.16 | \$145.72 |
| SP/SF | \$206.28 | \$206.28 | \$206.28 | \$206.28 |
| Adj. SP/SqFt | \$206.28 | \$206.28 | \$206.28 | \$206.28 |

This represents an estimated sale price for this property. It is not the same as the opinion of value in an appraisal developed by a licensed appraiser under the Uniform Standards of Professional Appraisal Practice.

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Rent Comps

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eXp Realty LLC



Comparative Market Analysis

Prepared By: Victor Steffen

Listings as of 07/12/23 at 10:29 am

Property Type is 'Rental' Status is 'Active' Status is 'Sold' Status Contractual Search Date is 07/12/2023 to 07/12/2022 Beds is 1 to 2 Latitude, Longitude is within 2.50 mi of 13800 Lockway Dr, Houston, TX 77045, USA

Rental

Sold Properties

| MLS # | Address | Subdivision | Pool | BR | FB | HB | # Gar | Bld SqFt | Yr Blt | Lot SF | List Price | LP/SqFt | CDOM | Cls Date | Lease Price | LsP/SqFt | Ls/LP% |
|--------------------|------------------------------|-------------------------------|------|----|----|----|-------|----------|--------|---------|------------|---------|------|----------|-------------|----------|--------|
| 22489915 | 5530 Gatewood Street #B | Mayfair Park R/P | No | 1 | 1 | 0 | 0 | 1,144 | 1978 | 6,090 | \$850 | \$0.74 | 18 | 05/04/23 | \$850 | \$0.74 | 100.00 |
| 97886781 | 5200 Arboles Drive #3 | Westbury Gardens Condo | No | 1 | 1 | 0 | 0 | 744 | 1965 | 411,301 | \$900 | \$1.21 | 42 | 09/12/22 | \$900 | \$1.21 | 100.00 |
| 25503728 | 11540 Chimney Rock Road #125 | Westbury Square Twnhms | No | 1 | 1 | 0 | 0 | 810 | 1971 | 334,827 | \$975 | \$1.20 | 31 | 03/06/23 | \$975 | \$1.20 | 100.00 |
| 59792483 | 14531 Buffalo Speedway #A | Plantation Oaks | No | 2 | 1 | 0 | 1 | 2,314 | 1955 | 9,600 | \$1,100 | \$0.48 | 38 | 11/03/22 | \$1,100 | \$0.48 | 100.00 |
| 74230716 | 5217 Arboles Drive #D | Westbury Gardens Condo | No | 2 | 1 | 1 | 0 | 1,230 | 1965 | 411,301 | \$1,325 | \$1.08 | *98 | 03/01/23 | \$1,275 | \$1.04 | 96.23 |
| 28383276 | 3722 Cloverbrook Drive | Meredith Manor | No | 2 | 2 | 0 | 1 | 1,098 | 1965 | 5,985 | \$1,295 | \$1.18 | 13 | 11/30/22 | \$1,295 | \$1.18 | 100.00 |
| 44854375 | 15111 Kennedy Oaks Street | Anderson Oaks | No | 2 | 2 | 0 | 1 | 1,148 | 1983 | 5,040 | \$1,390 | \$1.21 | 89 | 02/06/23 | \$1,300 | \$1.13 | 93.53 |
| 7777536 | 7343 Chasewood Drive | Willow Park Residence A Sec 1 | No | 2 | 1 | 1 | 0 | 1,156 | 1974 | 1,591 | \$1,350 | \$1.17 | 19 | 02/24/23 | \$1,350 | \$1.17 | 100.00 |
| 42160281 | 11550 Chimney Rock Road #306 | Westbury Square T/H Condo | Yes | 2 | 2 | 1 | 0 | 1,440 | 1971 | 334,827 | \$1,400 | \$0.97 | 37 | 02/10/23 | \$1,400 | \$0.97 | 100.00 |
| # LISTINGS: | 9 | Medians: | | 2 | 1 | 0 | 0 | 1,148 | 1971 | 9,600 | \$1,295 | \$1.17 | 37 | | \$1,275 | \$1.13 | 100.00 |
| | | Minimums: | | 1 | 1 | 0 | 0 | 744 | 1955 | 1,591 | \$850 | \$0.48 | 13 | | \$850 | \$0.48 | 93.53 |
| | | Maximums: | | 2 | 2 | 1 | 1 | 2,314 | 1983 | 411,301 | \$1,400 | \$1.21 | 98 | | \$1,400 | \$1.21 | 100.00 |
| | | Averages: | | 2 | 1 | 0 | 0 | 1,232 | 1970 | 168,951 | \$1,176 | \$1.03 | 43 | | \$1,161 | \$1.01 | 98.86 |

Quick Statistics (9 Listings Total)

| | Min | Max | Average | Median |
|---------------|--------|---------|---------|---------|
| LisList Price | \$850 | \$1,400 | \$1,176 | \$1,295 |
| Sold Price | \$850 | \$1,400 | \$1,161 | \$1,275 |
| LP/SF | \$0.48 | \$1.21 | \$1.03 | \$1.17 |
| SP/SF | \$0.48 | \$1.21 | \$1.01 | \$1.13 |

This represents an estimated sale price for this property. It is not the same as the opinion of value in an appraisal developed by a licensed appraiser under the Uniform Standards of Professional Appraisal Practice.

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LIST OF UPGRADES – 13800 LOCKWAY DR, HOUSTON

Over \$120,000 was spent on various upgrades (mainly electrical, structural and plumbing)! Rents below market value; opportunity to increase rent.

Electrical:

Pig tailing of all electrical wiring including panels from aluminum to copper (2019).

HVAC:

Bldg. 2: All AC Units (indoor air handler and condenser) replaced between 2020 and 2022 except for unit 18 condenser which was replaced in July, 2019.

Bldg. 1: Seven out of the 14 units have either had a complete replacement of both indoor and outdoor units or a replacement of either of the two units.

Roof:

Bldg. 1: Complete replacement of fascia on 3 sides of Bldg. 1 - front facing W. Orem, back and side in the backyard (2022). Soffits in front and back of Bldg. 1 were repaired and painted (2022). Miscellaneous repairs to roof in Bldgs. 1 & 2 within the last 6 years.

Structural:

Bldg. 3 (Boiler Rm) remodeled (2020).

Complete re-construction of dumpster fence and gate (2022).

Plumbing:

Replacement of the entire hot water pipe between the Boiler Rm and Bldg. 1 (2023). Replacement of a section of the hot water pipe between Bldg. 1 and Bldg. 2 (2019).

Replacement of sewer lines between Bldg. 1 and Bldg. 2 (2021). Complete replacement of all pipes leading into unit 15 (2020) and partial replacement of pipes in units 16 – 18 (Bldg. 2), partial replacement of pipes in Bldg. 1; units 1, 3, 9, 11 – 13.

Installation of brand new 1/2 HP circulation pump in Boiler (2023).

Certificate of Occupancy (for structural, electrical, HVAC, mechanical and plumbing repairs/upgrades) available.

5-year Habitability Inspection – repairs completed in 2022.

RENT ROLL - AS OF 06/28/2023
 EVANGEL RESOURCES, LLC
 13800 LOCKWAY DRIVE, HOUSTON, TX 77045

| Unit | Tenant | Bed | SqFt | Lease Expiration | Rent (\$) | Non-rent (\$) | Total (\$) | Sec Dep (\$) |
|--------------|---------------------------|-----|------|------------------|--------------------|-------------------|---------------|-----------------|
| 1 | Billy Norris, Emma Norris | 2 | 840 | 5/31/2024 | \$975.00 | \$0.00 | \$975.00 | \$500.00 |
| 2 | Gary Washington | 2 | 840 | Month to Month | \$900.00 | \$0.00 | \$900.00 | \$695.00 |
| 3 | Deldric Davis | 2 | 840 | Month to Month | \$271.00 | \$629.00 | \$900.00 | \$99.00 |
| 4 | Chatterica Woods | 2 | 840 | Month to Month | \$576.00 | \$324.00 | \$900.00 | 400.00 |
| 5 | Sergio Conejo Lopez | 1 | 680 | 6/31/2024 | \$845.00 | \$0.00 | \$845.00 | 450.00 |
| 6 | Timothy E. Hernandez | 1 | 680 | 7/31/2023 | \$825.00 | \$0.00 | \$825.00 | 400.00 |
| 7 | Joshua Rios | 1 | 680 | Month to Month | \$380.00 | \$370.00 | \$750.00 | 350.00 |
| 8 | Asad Mian | 1 | 680 | Month to Month | \$775.00 | \$0.00 | \$775.00 | 300.00 |
| 9 | Treveon Douglas | 1 | 680 | Month to Month | \$795.00 | \$0.00 | \$795.00 | 400.00 |
| 10 | Asad Mian | 1 | 680 | 7/31/2023 | \$825.00 | \$0.00 | \$825.00 | 400.00 |
| 11 | Asad Mian | 1 | 680 | Month to Month | \$845.00 | \$0.00 | \$845.00 | 450.00 |
| 12 | Mark Mccardell | 1 | 680 | Month to Month | \$775.00 | \$0.00 | \$775.00 | 350.00 |
| 13 | Joshua Hawkins | 1 | 680 | Month to Month | \$825.00 | \$0.00 | \$825.00 | 400.00 |
| 14 | Felicia Collins | 1 | 680 | Month to Month | \$825.00 | \$0.00 | \$825.00 | 400.00 |
| 15 | Nathaniel Bedford | 2 | 910 | 2/29/2024 | \$935.00 | \$0.00 | \$935.00 | 500.00 |
| 16 | Damian Riley | 2 | 910 | Month to Month | \$900.00 | \$0.00 | \$900.00 | 300.00 |
| 17 | Chris Spencer | 2 | 880 | Month to Month | \$900.00 | \$0.00 | \$900.00 | 500.00 |
| 18 | China Thomas | 2 | 880 | 2/29/2024 | \$935.00 | \$0.00 | \$935.00 | 500.00 |
| TOTAL | | | | | \$14,107.00 | \$1,323.00 | 15,430 | 7,394.00 |

INCOME STATEMENT - EVANGEL RESOURCES - 13800 LOCKWAY - JAN 1 - DEC 31, 2022

| <u>MISCELLANEOUS EXPENSES</u> | <u>TOTAL (\$)</u> |
|--------------------------------------|--------------------------|
| Grounds Cleaning and Maintenance | 1105 |
| Landscaping/Lawn Service | 1000 |
| Trimming Trees and Shrubs | 50 |
| Pest Control | 1136.66 |
| | 3291.66 |

| | |
|--|-------------|
| <u>Make Ready</u> | |
| Make Ready Hauling | 125 |
| Make Ready Carpet Cleaning/Shampoo with Sanitizing and Deodorizing | 70 |
| Make Ready Apartment Cleaning | 220 |
| Make Ready Painting | 720.14 |
| Make Ready Carpentry | 420 |
| Make Ready Flooring - Carpet Replacement | 735 |
| Make Ready Resurface | 707.56 |
| Make Ready Materials | 527.3 |
| | 3525 |

| | |
|---|------------------|
| <u>Repairs</u> | |
| Repairs - Hauling Trash | 255.85 |
| Repairs - Cleaning including carpet shampoo | 70 |
| Repairs Painting | 400 |
| Repairs Plumbing | 8,058.80 |
| Repairs Ceiling | 180 |
| Repairs Window or Ceiling leak repair | 1,643 |
| Repairs Sheet Rock | 200 |
| Repairs Window Glass | 50 |
| Repairs Carpentry | 1,917.50 |
| Repairs Re-Key | 73.05 |
| Repairs Electrical | 540 |
| Repairs Resurface | 430.34 |
| Repairs Appliances | 1,805.71 |
| Repairs Materials | 1,098.09 |
| Repairs - HVAC | 2,805.18 |
| | 19,527.52 |

REPLACEMENT - HVAC 9,000

New Dumpster Fence and Gate Construction 1,000

| | |
|---|--------|
| Repair leaks in Bldg 1 roof between units 2 and 6. | 1,700 |
| Repair Bldg 1 Upstairs Hallway Concrete and Replace Downstairs Ceiling Boards | 1,500 |
| Bldg1 Roof - Replace Fascia and Soffit | 3,086 |
| | 16,286 |

Office

| | |
|---------------------------|--------|
| Management Fees | 9,600 |
| Mobile Phone Subscription | 335.52 |
| Printer toner ink | 406.42 |
| . | 10,342 |

Utilities

| | |
|---|-----------|
| Utilities - Electricity - Brilliant Energy/Constellation Energy from July, 2021 | 15,185.85 |
| Utilities - Gas - CenterPoint Energy | 6,129.10 |
| Utilities - Water - City of Houston | 17,901.84 |
| Utilities - GFL effective 10/03/21 | 4,026.55 |
| | 43,243.34 |

Other Expenses

| | |
|--|--------|
| Postage and Delivery | 4.6 |
| Filing - Evictions | 120 |
| City of Houston Combustible Waste Permit | 183.09 |
| New Applicant Screening Cost | 135.31 |
| Move office furniture | 250 |
| HHA Partner Portal annual Maintenance Fee - \$24 annually charged in Dec | 24 |
| . | 717 |

Insurance and Taxes

| | |
|--|-----------|
| Property/Building plus Liability Insurance | 14,864.15 |
| Property Taxes (2021) | 16,069.40 |
| Ad Valorem Taxes to Equi-Tax Five Corners Improvement District | 692.47 |
| Franchise Tax Returns Preparation | 135 |
| | 31,761.02 |

| | |
|--------------|-----------|
| Loan Payment | 41,503.80 |
|--------------|-----------|

Other Expenses

| | |
|---------------|-------|
| TOLL EXPENSES | 12.22 |
|---------------|-------|

| | |
|-------------------|-----------------|
| MILEAGE ALLOWANCE | 1,025.40 |
| | 1,037.62 |

| | |
|-----------------------|-------------------|
| TOTAL EXPENSES | 171,234.90 |
|-----------------------|-------------------|

| | |
|---|-------------------|
| TOTAL EXPENSES (LESS LOAN REPAYMENT) | 129,731.10 |
|---|-------------------|

| | |
|-------------|---------|
| RENT INCOME | 146,155 |
|-------------|---------|

| | |
|------------------------|--------|
| SECTION 8 INCOME - HHA | 13,897 |
|------------------------|--------|

| | |
|-------------------------|-------|
| SECTION 8 INCOME - HCHA | 7,795 |
|-------------------------|-------|

| | |
|-------------------------|-----|
| RENTAL APPLICATION FEES | 140 |
|-------------------------|-----|

| | |
|---|-----|
| OTHER INCOME (FORFEITED SEC. DEP TO OFFSET UNPAID RENT) | 970 |
|---|-----|

| | |
|---------------------|----------------|
| TOTAL INCOME | 168,957 |
|---------------------|----------------|

| | |
|--------------------|------------|
| TOTAL GROSS INCOME | 168,957.00 |
|--------------------|------------|

| | |
|---------------------------------------|------------|
| TOTAL EXPENSES (LESS LOAN REPAYMENT) | 129,731.10 |
|---------------------------------------|------------|

| | |
|------------|------------------|
| NOI | 39,225.90 |
|------------|------------------|