

Property Details

3520 Avenue S ½, Galveston



Property Summary

Property Data

Purchase Price	\$ 998,000	6-figure AirBnB triplex with a pool one block from the beach. Duplex is an active STR that generated \$106k in 2022, plus a 1 bed garage apartment currently leased m2m for \$950 with STR potential for \$2-3k/mo.
Make Ready	\$ 10,000	
Down Payment	25.0%	
Down Payment Amt	\$ 249,500	
Closing Costs	\$ 19,960	
Cash Outlay	\$ 279,460	

Financing Data

Interest Rate	7.50%
Finance Amt	\$748,500
Mortgage (yrs)	30
Mortgage Pmt	\$5,233.62

First Year Operating Statement

	Monthly	Yearly
Nightly Rate	\$ 750.00	
Avg Nights Booked	15	
Cleaning Fee	\$ 1,500.00	
Gross Income	\$ 12,750.00	\$ 153,000.00
Insurance	\$ 350.00	\$ 4,200.00
Taxes	\$ 1,189.58	\$ 14,275.00
Management	\$ 1,125.00	\$ 13,500.00
Maintenance	\$ 200.00	\$ 2,400.00
Capex Reserves	\$ 200.00	\$ 2,400.00
Utilities	\$ 800.00	\$ 9,600.00
Lawncare	\$ -	\$ -
Pool Service	\$ -	\$ -
Cleaning	\$ 1,500.00	\$ 18,000.00
HOA	\$ -	\$ -
Other Expenses	\$ -	\$ -
Total Expenses	\$ 5,364.58	\$ 64,375.00
Net Operating Income	\$ 7,385.42	\$ 88,625.00
Mortgage	\$ 5,233.62	\$ 62,803.45
Cashflow	\$ 2,151.80	\$ 25,821.55
Loan Principal Paydown		\$ 6,899.93
Appreciation	5%	\$ 49,900.00
Total Return		\$ 82,621.48

ROI Metrics

Cap Rate	8.62%
IRR	21.58%

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

Cash on Cash Returns

	25% down	30% down	40% down
Cash Outlay	\$ 279,460	\$ 329,360	\$ 429,160
Cash on Cash	9.24%	9.11%	8.94%
Cash + Principal	11.71%	10.79%	10.23%

Property Notes: 3,465 sq ft triplex with an over/under duplex plus a 1 bed garage apartment built in 2015. Downstairs is a 3 bed, 3 bath and upstairs is a 2 bed, 1 bath. Comes fully furnished except for some garage apartment items. Value-add potential by converting that \$950/mo LTR into an AirBnB.

Neighborhood Notes: One block from the beach, seawall, restaurants, and entertainment. No HOA.

Sale Comps

Victor Steffen
 vsteffen55@gmail.com
 Ph: 888-519-7431
 eXp Realty LLC



Comparative Market Analysis

Prepared By: Victor Steffen

Listings as of 09/15/23 at 1:25 pm

Property Type is 'Multi-Family' Status is 'Active' Status is 'Sold' Status Contractual Search Date is 09/15/2023 to 09/15/2022 Latitude, Longitude is within 1.00 mi of 3520 Avenue S 1/2, Galveston, TX 77550, USA

Multi-Family

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
22268118	1919 25th Street	Galveston Outlots	3	2	5,136		3,562	\$850,000	\$283,333.33	\$238.63	29	07/06/23	\$845,000	\$237.23	99.41
# LISTINGS:			1												
		Medians:	3	2	5,136.00		3,562	\$850,000	\$283,333.33	\$238.63	29		\$845,000	\$237.23	99.41
		Minimums:	3	2	5,136.00		3,562	\$850,000	\$283,333.33	\$238.63	29		\$845,000	\$237.23	99.41
		Maximums:	3	2	5,136.00		3,562	\$850,000	\$283,333.33	\$238.63	29		\$845,000	\$237.23	99.41
		Averages:	3	2	5,136.00		3,562	\$850,000	\$283,333.33	\$238.63	29		\$845,000	\$237.23	99.41

Quick Statistics (1 Listing Total)

	Min	Max	Average	Median
List Price	\$850,000	\$850,000	\$850,000	\$850,000
Sold Price	\$845,000	\$845,000	\$845,000	\$845,000
Adj. Sold Price	\$845,000	\$845,000	\$845,000	\$845,000
LP/SF	\$238.63	\$238.63	\$238.63	\$238.63
SP/SF	\$237.23	\$237.23	\$237.23	\$237.23
Adj. SP/SqFt	\$221.43	\$221.43	\$221.43	\$221.43

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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 Information is believed to be accurate but is not guaranteed.

STR Listings

Upstairs Units	\$100-350/night	Listing
Downstairs Unit	\$120-450/night	Listing

Seller Notes

- Roof is approximately 10-11 years old.
- Garage apartment was built in 2016. It's a 1bd/1ba + loft. Fully furnished except for tenant's bed(s) and a few other misc. furnishings. The loft has views of the ocean. Tenant says you get front row to fireworks on July 4th/New Years.
- All units were fully furnished with brand new furniture from Rooms To Go in 2020. (Approximate value between \$30k-\$40k. Seller may have receipts somewhere if requested by Buyers.)
- New appliances in all units between 2020 and 2023 including cooking appliances, fridge, washer, dryers. (One washer in the upstairs unit is on order and to be delivered soon. The new dryer in upstairs unit was recently replaced.)
- Entire downstairs unit was remodeled in 2021. This includes new windows and new central HVAC and Furnace.
- New windows in downstairs unit and garage apartment.
- Paint/Refresh quote with D&J Painting- \$14,900. (Labor AND materials for prime, prep, repair drywall, & paint)
 - Downstairs main living area, 2 bedrooms, and trim touch-up;
 - Upstairs 1st bedroom touch-up, trim touch-up, and small kitchen touch-up.
 - full exterior and deck (minus one side of garage);
 - Sellers may complete or credit the buyers.

Total AirBnB bookings for the **Duplex only**: \$106k and \$96k in 2022 & 2021

Garage Apartment: rented under market value for last couple years to great, low maintenance tenant. \$950/month on Month to Month basis.

- Market Rents for 1 bed/1bath in 77550 - Furnished, close to beach, with or without pool – support minimum \$1650 to \$2200 comps
- \$40k to \$50k potential annual revenues for 1-2 bed/1bath AirBnb listing (for 4 to 6 guests)