

Information Package



EBG
EUREKA BUSINESS GROUP



FOR SALE

NORTHEAST HOUSTON MULTIFAMILY

Portfolio Sale

Zach Weik
P: (713) 855-7375
E: Zach@ebgtexas.com

33 Units
Value Add

Executive Summary



Property Profile

| | |
|-----------------|--------------------|
| Type: | Multi-Family |
| Unit: | 33 |
| Year Built: | 1949 / 1955 / 1990 |
| Occupancy: | 100% |
| Price per Unit: | \$63,636 |
| Market: | N.E. Houston, TX |

Property Highlights

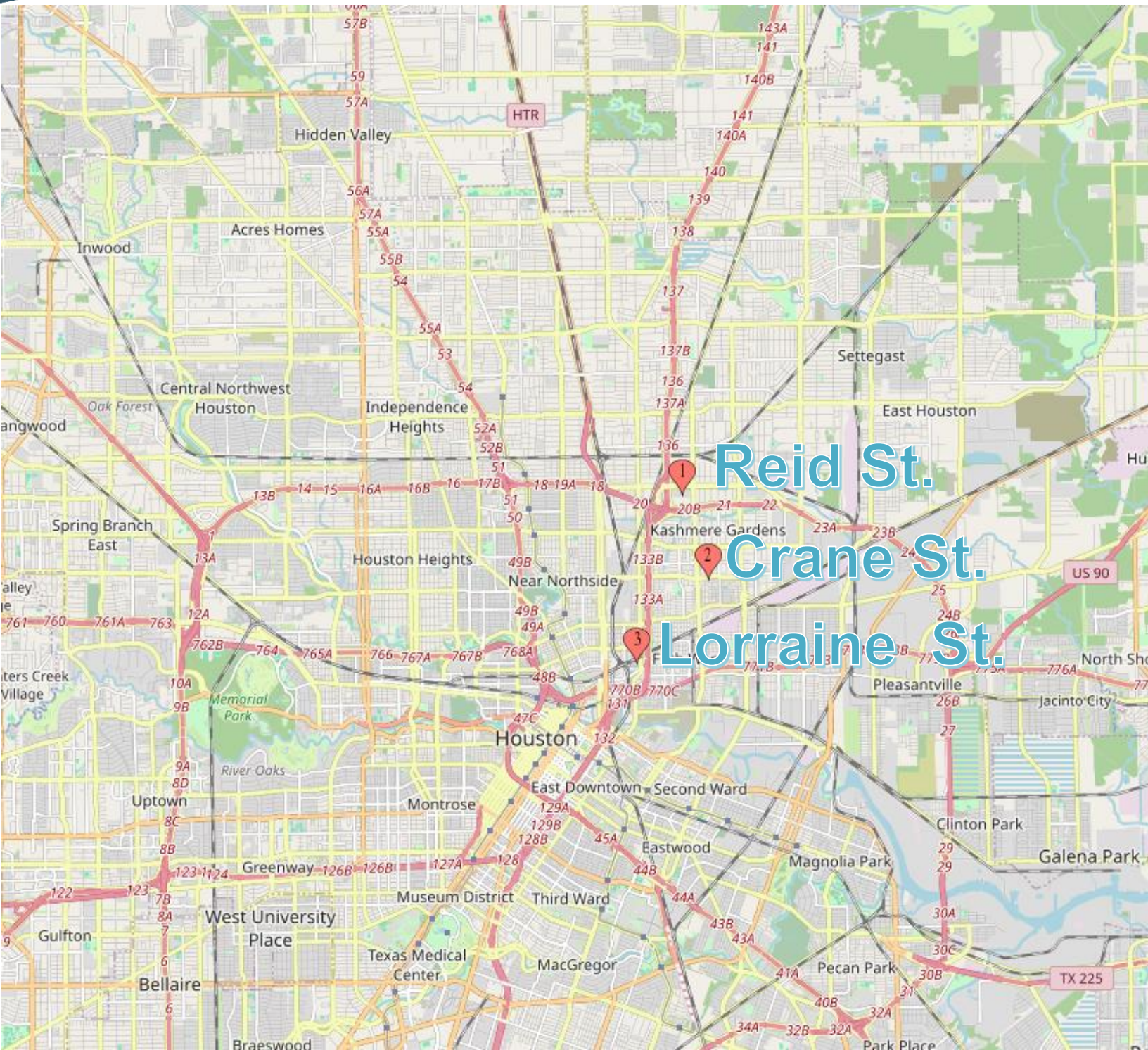
- Asking Price: \$2.1M
- Proven rent growth potential
- Extra land to build more units
- **Over 9% caprate on ProForma!**



Call to Schedule a Tour
(713) 855-7375



N.E. Houston Portfolio



Lorraine St.

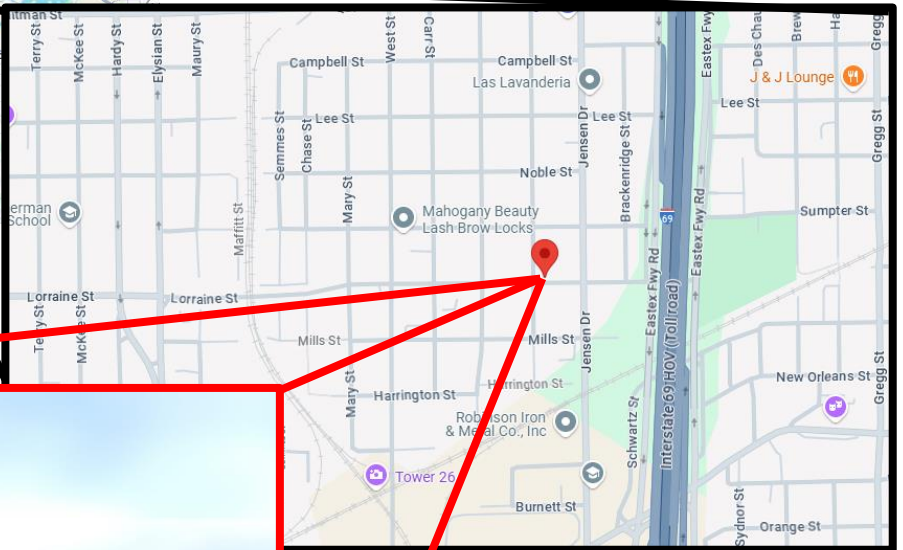
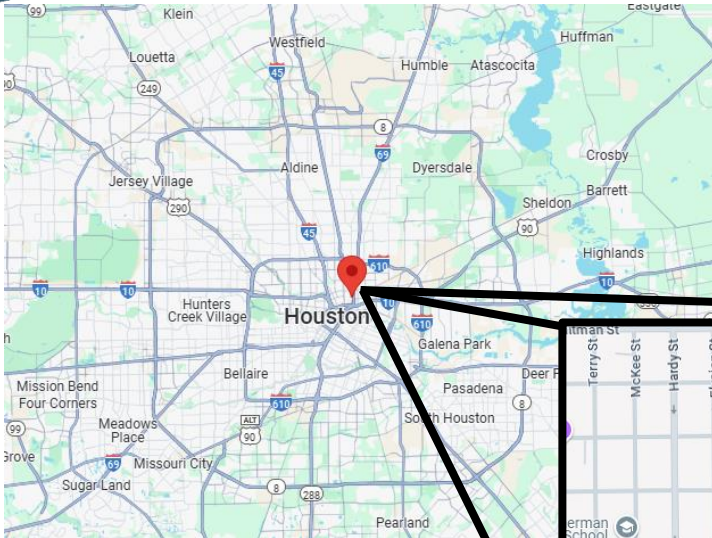
- **Street Address:** 2705 Lorraine St, Houston, TX 77026
- **Lot Size:** 4,792
- **Building Size:** 8,500
- **Units:** 16
- **Year Built:** 1955
- **Heat/Air:** Individual HVAC
- **Roofs:** Pitched
- **Parking:** Ample parking spaces available
- **Laundry:** W/D connections
- **Utilities:** ALL Paid by Owner

Top Value Add Opportunities:

- Implement RUBS
- Bring rents to market



Location



**2705 Lorraine St,
Houston, TX 77026**



Crane St.

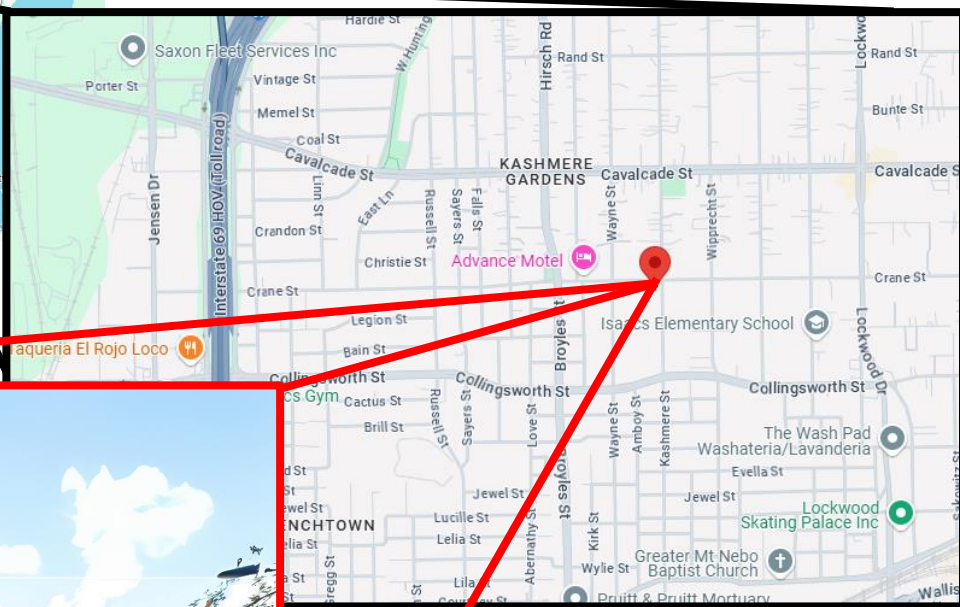
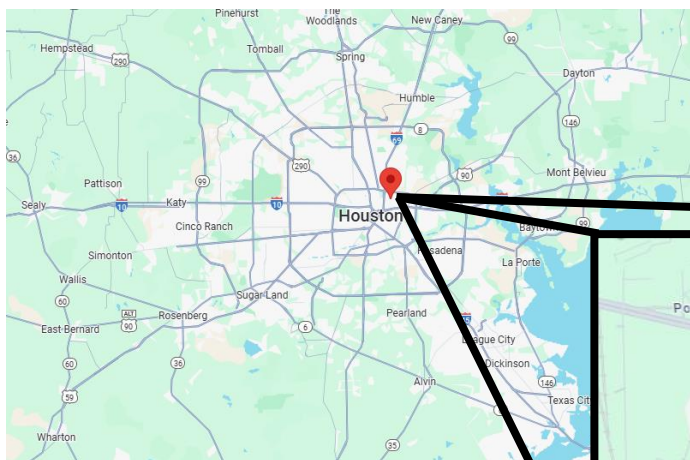
- **Street Address:** 4514 Crane Street, Houston, TX 77026
- **Lot Size:** 14,170
- **Building Size:** 3,437 SF
- **Units:** 5
- **Year Built:** 1949
- **Heat/Air:** Individual HVAC
- **Roofs:** Pitched
- **Parking:** Ample parking spaces available
- **Laundry:** W/D connections
- **Utilities:**
 - Electric:** Paid by Tenants
 - Water, Sewer, Trash:** Paid by owner - *Not charged back!*

Top Value Add Opportunities:

- Implement RUBS
- Bring rents to market



Location



→ **4514 Crane Street,
Houston, TX 77026**

Reid St.

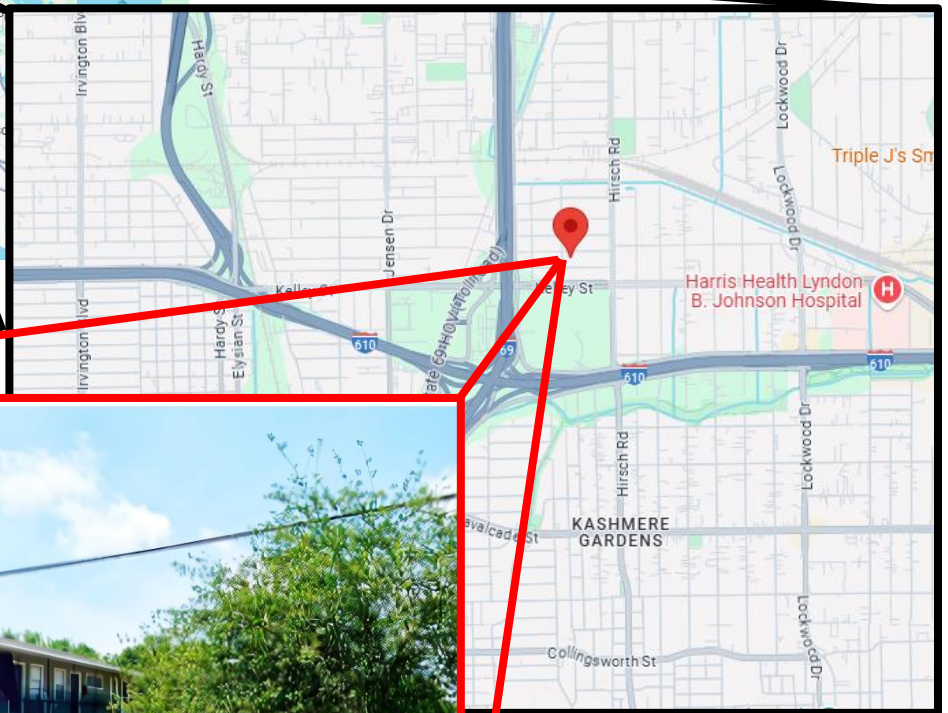
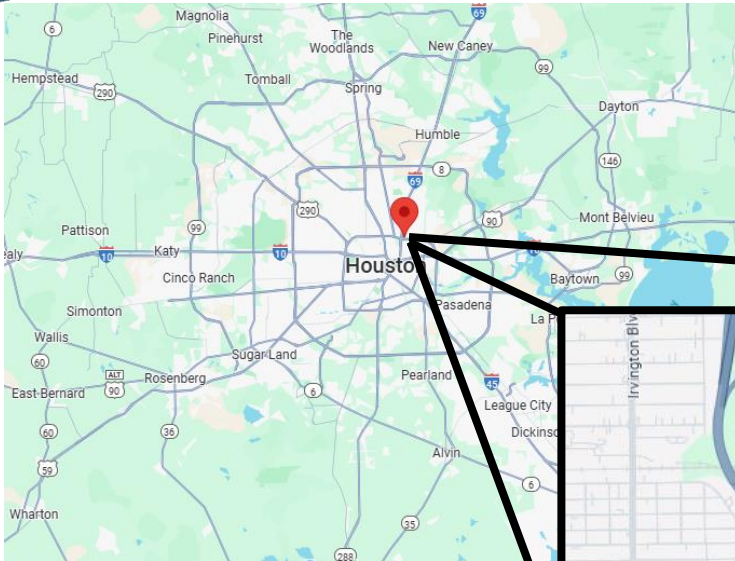
- **Street Address:** 4010,4003,4005,4006 Reid St, Houston, TX 77026
- **Lot Size:** 26,249 SF
- **Building Size:** 10,098 SF
- **Units:** 12 + 0.8AC lot
- **Year Built:** 1990
- **Heat/Air:** Individual HVAC
- **Roofs:** Pitched
- **Parking:** Ample parking spaces available
- **Laundry:** W/D connections
- **Utilities:**
 - Electric:** Paid by Tenants
 - Water, Sewer, Trash:** Paid by owner - *Not charged back!*

Top Value Add Opportunities:

- Implement RUBS
- Bring rents to market
- Build additional units on 0.8AC lot



Location



4010 / 4003 / 4005 / 4006
Reid St, Houston, TX 77026

Property Pictures

Lorraine



Crane



Reid

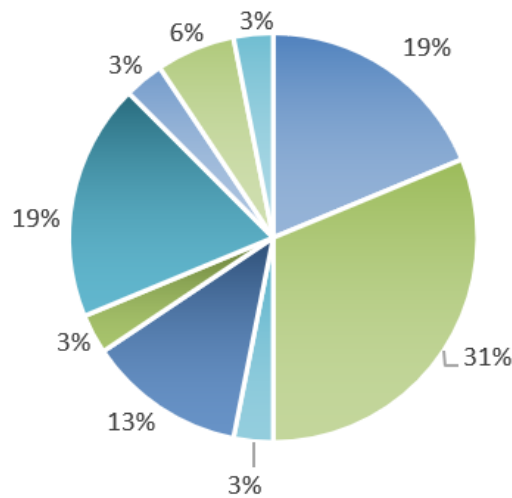


Portfolio

Unit Mix

| Layout | Units | Size/SF | % |
|-------------------------|-------|---------|-----|
| Lorraine Efficiency ABP | 6 | 400 | 18% |
| Lorraine 1/1 ABP | 10 | 625 | 30% |
| 4003 Reid Street 2/1 | 1 | 800 | 3% |
| 4005 Reid Street 1/1 | 4 | 557 | 12% |
| 4005 Reid Street 2/1 | 1 | 900 | 3% |
| 4010 Reid Street 1/1 | 6 | 557 | 18% |
| Crane 3BD | 1 | 1,350 | 3% |
| Crane 2/1 | 2 | 900 | 6% |
| Crane Efficiency | 1 | 250 | 3% |

Unit Mix



- Lorraine Efficiency ABP
- Lorraine 1/1 ABP
- 4003 Reid Street 2/1
- 4005 Reid Street 1/1
- 4005 Reid Street 2/1
- 4010 Reid Street 1/1
- Crane 3BD
- Crane 2/1
- Crane Efficiency

Portfolio Financials

| | Proforma T12 | Per SF | Per Unit |
|--|--------------------|-----------------|------------------|
| REVENUES | | | |
| Gross Potential Rent | \$387,200 | \$19.68 | \$11,733 |
| Vacancy Allowance (5.0%) | \$19,360 | \$0.98 | \$587 |
| Loss to lease (4.0%) | \$15,488 | \$0.79 | \$469 |
| TOTAL RENTAL INCOME | \$352,300 | \$17.91 | \$10,676 |
| Other Income | \$7,700 | \$0.39 | \$233 |
| EFFECTIVE GROSS INCOME | \$360,000 | \$18.30 | \$10,909 |
| OPERATING EXPENSES | | | |
| Prop. Management Fee (6.0%) | \$21,600 | \$1.10 | \$655 |
| Payroll | \$0 | \$0.00 | \$0 |
| Utilities | \$39,200 | \$1.99 | \$1,188 |
| Insurance | \$31,500 | \$1.60 | \$955 |
| Maintenance, Repairs & Contracted Services | \$28,100 | \$1.43 | \$852 |
| Property Taxes | \$36,700 | \$1.87 | \$1,112 |
| TOTAL OPERATING EXPENSES | \$159,900 | \$8.13 | \$4,845 |
| Capital Reserves (\$300/unit) | \$10,200 | \$0.52 | \$309 |
| TOTAL EXPENSES | (\$170,100) | (\$8.65) | (\$5,155) |
| NET OPERATING INCOME | \$189,900 | \$10 | \$5,755 |

Proforma Assumptions:

- **Vacancy:** 5%
- **Loss to Lease:** 4%
- **Capital Reserves:** \$230/unit
- Insurance \$900/unit
- **Other income:** assumes implementation of RUBs where possible.
- Proforma numbers are stabilized year 2 of ownership
- Tax adjusted

Proforma NOI:
\$189,900



Proforma based upon market assumptions and industry benchmarks.
Buyers are advised to consult their counsel in regard to property tax.

Comps - Lease



Address: 6223 Lavender St
Layout: 2BD/1BH
Rent: \$980



Address: 3009 Ralston St
Layout: 2BD/1BH
Rent: \$1,080



Address: 5718 Pickfair St
Layout: 2BD/1BH
Rent: \$1,199



Address: 3031 West St
Layout: 2BD/1BH
Rent: \$1,050



Address: 4626 Shreveport Blvd
Layout: 3BD/2BH
Rent: \$1,550



Address: 3031 Sumpter St
Layout: 1BD/1BH
Rent: \$850



Address: 4145 Conroy St
Layout: 3BD/1BH
Rent: \$1,345



Address: 5101 Crane St
Layout: 1BD/1BH
Rent: \$900



Address: 3613 Crane St
Layout: 1BD/1BH
Rent: \$900



Address: 2531 Stevens St
Layout: 1BD/1BH
Rent: \$1,150



Demographics

DEMOGRAPHIC RADIUS RINGS



DEMOGRAPHIC SUMMARY

| Population | 2 Mile | 3 Mile | 5 Mile |
|----------------------------|-----------|-----------|-----------|
| 2024 Population | 68,673 | 136,205 | 387,037 |
| 2029 Population | 71,793 | 143,166 | 405,839 |
| Pop Growth 2024-2029 | 4.5% | 5.1% | 4.9% |
| 2024 Average Age | 38 | 38 | 37 |
| Households | | | |
| 2024 Households | 22,402 | 50,440 | 158,063 |
| 2029 Households | 23,586 | 53,423 | 166,508 |
| Household Growth 2024-2029 | 5.3% | 5.9% | 5.3% |
| Median Household Income | \$34,814 | \$48,670 | \$60,080 |
| Average Household Size | 2.6 | 2.4 | 2.3 |
| Average HH Vehicles | 2 | 2 | 2 |
| Housing | | | |
| Median Home Value | \$160,897 | \$226,886 | \$307,837 |
| Median Year Built | 1962 | 1964 | 1980 |

Contact



Zach Weik

Commercial Advisor

M:(713) 855-7375

E: Zach@EBGTexas.com

W: www.EBGTX.com



Joseph Gozlan

Managing Principal

M:(903) 600-0616

E: Joseph@EBGTexas.com

W: www.EBGTX.com



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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Eureka Business Group in compliance with all applicable fair housing and equal opportunity laws.





NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS®

EXHIBIT "C"

11-2-2015



INFORMATION ABOUT BROKERAGE SERVICES

Texas law requires all real estate licensee holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Eureka Business Group

| Licensed Broker /Broker Firm Name or Primary Assumed Business Name | License No. | Email | Phone |
|--|----------------|-----------------------------|----------------------|
| Margarita Gozlan-Derjavetz | 0579999 | Contact@ebgtexas.com | (469)443-6336 |
| Designated Broker of Firm | License No. | Email | Phone |
| Joseph Gozlan | 0593483 | Joseph@ebgtexas.com | (903)600-0616 |
| Licensed Supervisor of Sales Agent/ Associate | License No. | Email | Phone |
| Zach Weik | 0735610 | Zach@ebgtexas.com | (713)855-7375 |
| Sales Agent/Associate's Name | License No. | Email | Phone |

Buyer/Tenant/Seller/Landlord Initials

Date

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