

1608

WELCH 14

apartment homes

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apartment homes

1608 Welch St, Houston, TX 77006

TEN-X Auction OPPORTUNITY

Units:	14
Avg Size:	640
Date Built:	1955/1975
Rentable Sq. Ft.:	8,966
Acreage:	0.23
Occupancy:	100%
Class:	B-

INVESTMENT HIGHLIGHTS

- ▶ Available on an All Cash or New Loan Basis
- ▶ Excellent Location in Trending Montrose Area
- ▶ Great Upside Potential
- ▶ Strong Rental Market!
- ▶ Great Opportunity for the Smaller Investor
- ▶ Strong Area Job Base!
- ▶ Covered Land Play
- ▶ Convenient to Downtown, Midtown and Galleria
- ▶ Newly Renovated



FOR MORE INFORMATION PLEASE CONTACT:

Tom Wilkinson

Broker/Vice President
twilk4@ketent.com

T 713.355.4646 | C 713.628.9408



Physical Information		Financial Information		Proposed Loan Parameters		Operating Information	
Number of Units	14	Asking Price	Market	Loan at 65%		Est Mkt Rent (Mar-24)	\$19,306
Avg Unit Size	640	Price Per Unit		Amortization	360	12 Mo Avg	\$18,112
Net Rentable Area	8,966	Price Per Sq. Ft.		Debt Service		Physical Occ (Apr-24)	100%
Land Area (Acres)	0.23	Stabilized NOI	\$136,136	Interest Payment		Est Ins per Unit per Yr	\$1,500
Units per Acre	60.984			Interest Rate	6.25%	Property Tax Information	
Date Built	1955/1975			Date Due	10 Years	2023 Tax Rate/\$100	2.01481
Water Meter / Master	Window Units			Est Res for Repl/Unit/Yr	\$300	2023 Assessment	\$1,963,287
Elec Meter	Indiv			Transfer Fee	1%+app+legal	Est 2023 Taxes	\$39,557
Roof Style	Copper					Est Future Tax Assessment	\$1,963,287
Heating & Cooling	Indiv					Est Future Taxes	\$39,557

INCOME

MODIFIED ACTUALS

PRO-FORMA

PRO-FORMA INCOME

Current Street Rent with a 6% Increase	245,572	\$20,464 / Mo
Estimated Gross Scheduled Income	245,572	\$20,464 / Mo
Estimated Loss to Lease (2% of Total Street Rent)	(4,911)	2%
Estimated Vacancy (7% of Total Street Rent)	(17,190)	7%
Estimated Concessions and Other Rental Losses (2% of Total Street Rent)	(4,911)	2%
Estimated Utilities Income	0	\$ / Unit / Yr
Estimated Other Income	14,100	\$1,007 / Unit / Yr
Estimated Total Rental Income	232,659	

ESTIMATED TOTAL PRO-FORMA INCOME

232,659 \$19,388 / Mo

Estimated Income Dec '23 thru Nov '24 **217,340**

EXPENSE

Fixed Expenses

	Dec '23 thru Mar '24 Expenses Annualized			Future Expenses	
	Modified	Fixed Expenses		Estimated	Fixed Expenses
Taxes	\$40,420	\$2,887 per Unit	3/24 operating statement	\$39,557	\$2,825 per Unit
Insurance	\$12,527	\$895 per Unit		\$21,000	\$1,500 per Unit
Total Fixed Expense			52,947		60,557
			\$3,782 per Unit		\$4,325 per Unit

Utilities

	Estimated Utilities			Estimated Utilities	
Electricity	\$1,463	\$104 per Unit		\$1,463	\$104 per Unit
Water & Sewer	\$0	\$ per Unit		\$0	\$ per Unit
Trash Removal	\$2,555	\$182 per Unit		\$2,555	\$182 per Unit
Gas	\$774	\$55 per Unit		\$774	\$55 per Unit
Total Utilities			4,791		4,791
			\$342 per Unit		\$342 per Unit

Other Expenses

	Estimated Other Expenses				Estimated Other Expenses		
General & Admin & Marketing	\$2,565	\$183 per Unit		\$2,565	\$183 per Unit		
Repairs & Maintenance	\$1,967	\$140 per Unit		\$1,967	\$140 per Unit		
Labor Costs	\$7,740	\$553 per Unit		\$0	\$ per Unit		
Contract Services	\$1,504	\$107 per Unit		\$1,504	\$107 per Unit		
Management Fees	\$4,039	1.86%	\$288 per Unit	\$20,939	9.00%	\$1,496 per Unit	
Total Other Expense			17,815			26,975	
			\$1,272 per Unit			\$1,927 per Unit	

Total Operating Expense

Reserve for Replacement

Total Expense

Net Operating Income (Actual Underwriting)

Asking Price

Total Operating Expense	75,553	\$5,397 per Unit	92,323	\$6,595 per Unit
Reserve for Replacement	4,200	\$300 per Unit	4,200	\$300 per Unit
Total Expense	79,753	\$5,697 per Unit	96,523	\$6,895 per Unit
Net Operating Income (Actual Underwriting)	137,587		136,136	
Asking Price	Market		Market	

NOTES: PRO FORMA: Income and Expenses are based on 3/24 operating statement. Management Fees calculated as 9% of Gross Income and Other expenses are Estimated for the Pro Forma.

DISCLAIMER: The information contained herein has been obtained from sources that we deem reliable. We have no reason to doubt the accuracy of the information, but we have not verified it and make no guaranty, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. We have not determined whether the property complies with deed restrictions or any city licensing or ordinances including life safety compliance or if the property lies within a flood plain. **THE PROSPECTIVE BUYER SHOULD CAREFULLY VERIFY EACH ITEM OF INCOME OR EXPENSE AND PERFORM OR HAVE PERFORMED ANY INSPECTIONS TO VERIFY POSSIBLE CONTAMINATION BY ASBESTOS, LEAD PAINT, MOLD OR ANY OTHER HAZARDOUS SUBSTANCES.** The owner reserves the right to withdraw this listing or change the price at anytime without notice during the marketing period.



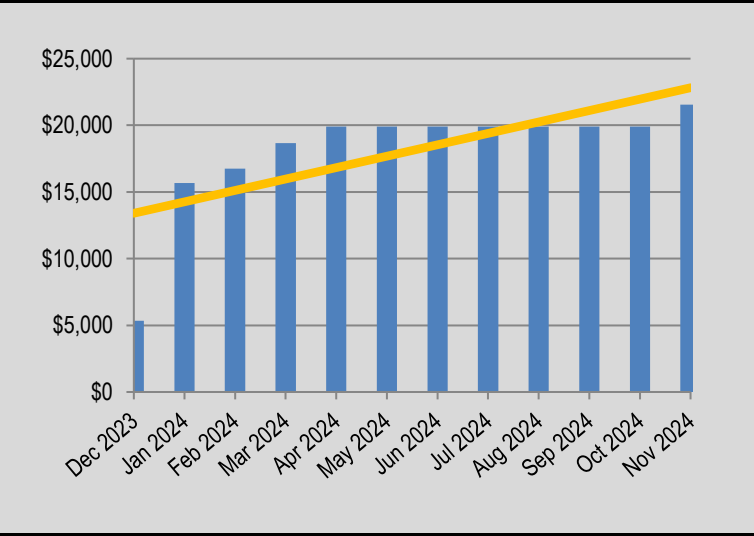
1608 Welch St, Houston, TX 77006

Property Overview

PROPERTY INFORMATION		CURRENT MORTGAGE		TAXING AUTHORITY	
Age:	1955/1975	Mortgage Balance		Harris County	
Renovated:	2023	Servicer		ACCT #: 0520770020009	
Elec Meter:	Indiv	Amortization		Houston ISD	\$0.868300
A/C Type:	Window Units	Interest Payment		Harris County	\$0.350070
Water:	Master	Type		Harris County Flood Cntrl	\$0.031050
Wiring:	Copper	Assumable		Port of Houston Authy	\$0.005740
Roof:	Flat	Monthly Escrow		Harris County Hosp District	\$0.143430
Paving:	Concrete	Origination Date		Harris County Educ Dept	\$0.004800
Materials:	Brick/Wood	Due Date		Houston Community College	\$0.092231
# of Stories:	2	Interest Rate		City of Houston	\$0.519190
Buildings:	2	Prepayment Penalty			
Surface Parking:	Yes	Transfer Fee	1%+app+legal		
Garage Parking:	No			2023 Tax Rate/\$100	\$2.014811
Est Units/Acre:	60.98			2023 Assessment	\$1,963,287
				HCAD SqFt	9,920

PROFORMA COLLECTIONS

Total	\$217,340		
Dec 2023	\$5,349	12 Mo Avg	\$18,112
Jan 2024	\$15,665		
Feb 2024	\$16,752	9 Mo Avg	\$19,953
Mar 2024	\$18,671		
Apr 2024	\$19,906		
May 2024	\$19,906	6 Mo Avg	\$20,182
Jun 2024	\$19,906		
Jul 2024	\$19,906		
Aug 2024	\$19,906	3 Mo Avg	\$20,458
Sep 2024	\$19,906		
Oct 2024	\$19,906		
Nov 2024	\$21,561		



PLEASE DO NOT VISIT THE SITE WITHOUT AN APPOINTMENT MADE THROUGH THE BROKER.

PROPERTY HIGHLIGHTS

Welch 14 Apartments is a 14 unit apartment building located at 1608-1610 Welch St, in the Hyde Park neighborhood of the Neartown-Montrose submarket. The asset was constructed in 1955/1975 and per HCAD underwent a renovation in 2023. Welch 14 is nestled in a quiet, established, residential neighborhood with an abundance of old oak trees and yesteryear charm. A down to the studs rehab was performed. Everything was replaced, with the exception of the building slabs, and framework. Rehab included plumbing, all new supply lines and drains, from inside to the street connections. Work permitted and fully brought to current code. New water heaters. 1 bedroom units are on shared gas boiler. 2 bedroom units have individual electric heaters The gas line was fully replaced and permitted to code. Full new electric installation, interior, and exterior, permitted to current code. Pre installation for cable/internet. New roof, TPO. New Hardi plank siding. A new parking lot slab was installed along with a dumpster enclosure. New exterior stairs and rails permitted and to current code. New central A/C system, permitted to current code. Full new interior sheetrock. New interior 2 panel doors. New exterior doors. New brushed nickel hardware throughout. High end plumbing hardware. Washer/Dryer unit in each apartment. Designer bathroom floor tile and shower surround. Low flow toilets. New kitchen and bath cabinets, with Quartz counter. And kitchen island. Subway tile backsplash. Faux wood 2" blinds. Designer light fixtures in bathroom, living room and kitchen. Designer ceiling fans in bedrooms. Stainless steal appliances,(Stove, refrigerator, dishwasher), including above range microwave. New Faux wood plank interior floor. New double pane efficient windows. New exterior high efficiency LED lights. Low water consumption, low maintenance landscape. New mailbox bank.

Leasing started in November, the first move in was in December. Offered in conjunction with Ten-X.

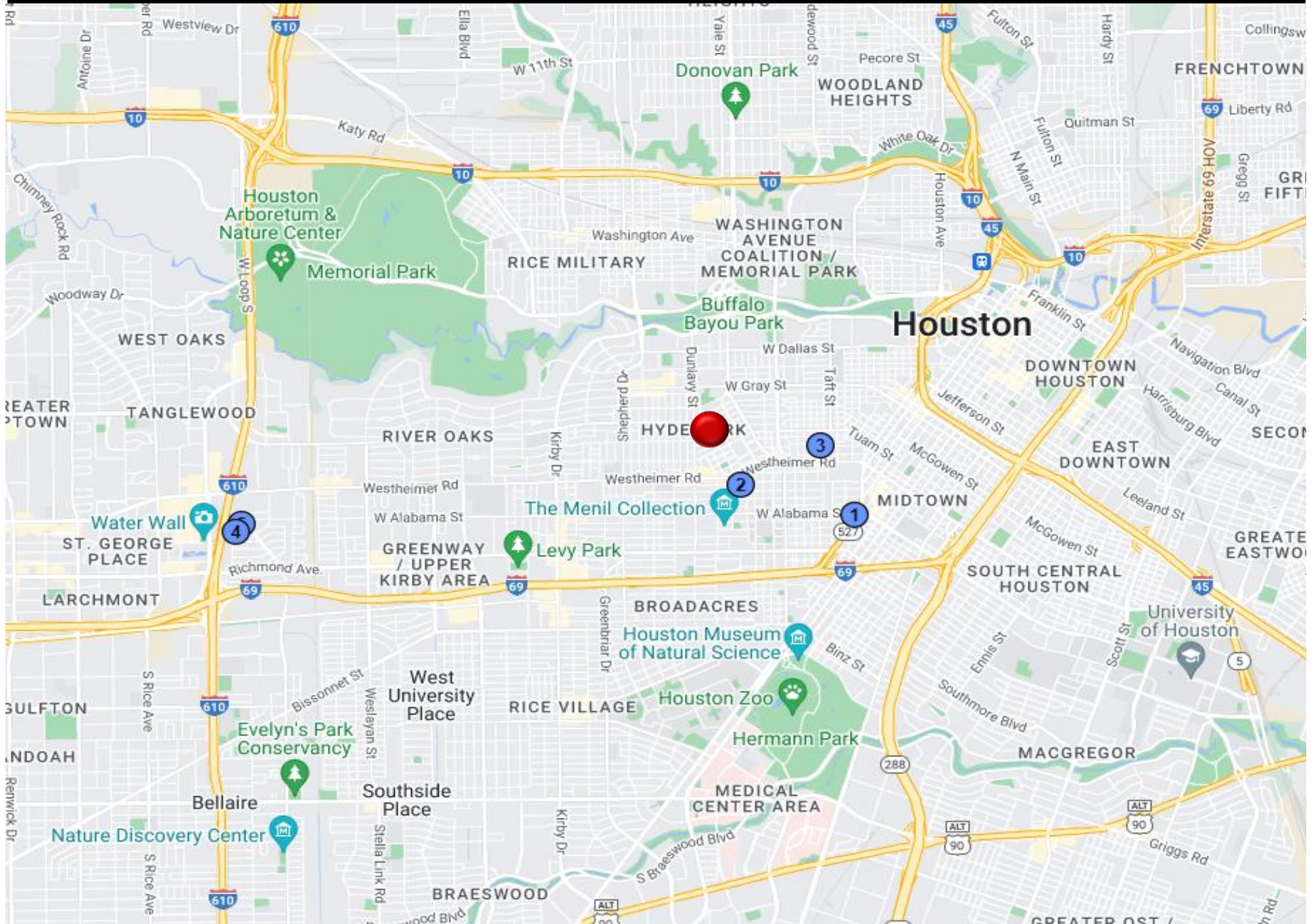
December, January and February expenses are actuals. March – November expenses are proforma, based on actuals. Everything is new, so there should be no maintenance needed for highly efficient operation of this property

April 2024 through November 2024 collections above are based on owner's Proforma.

2023 KET RENT COMPARABLE TAX ANALYSIS

Property	Address	Yr Built	Units	Impr Sq.Ft.	Impr Value	Impr Value/Unit	Impr Value/Sq.Ft.
1 220 West Alabama	219 W Alabama St	1958	33	14,610	\$2,600,633	\$78,807	\$178.00
2 Hawthorne	1419 Hawthorne	1963	29	20,000	\$3,453,529	\$119,087	\$172.68
3 Dawson At Stratford	419 Stratford	1959	61	49,715	\$11,655,843	\$191,079	\$234.45
4 Afton Gardens	4727 W Alabama St	1966	27	19,360	\$4,585,547	\$169,835	\$236.86
5 Phoenician Garden	4723 W Alabama St	1966	24	17,068	\$2,991,176	\$124,632	\$175.25
Welch 14	1608 Welch St	1955/1975	14	9,920	\$1,963,287	\$140,235	\$197.91
Averages		1962	31	21,779	\$4,541,669	\$137,279	\$199.19

2023 KET RENT COMPARABLE TAX ANALYSIS



UNIT MIX

+EWG	Type	No. Units	Sq Ft	Total SqFt	Market Rent	Total Rent	Rent/SF
EG	1 Bed/1 Bath	1	550	550	\$1,229	\$1,229	\$2.23
EG	1 Bed/1 Bath	1	550	550	\$1,229	\$1,229	\$2.23
EG	1 Bed/1 Bath	1	550	550	\$1,229	\$1,229	\$2.23
EG	1 Bed/1 Bath	1	550	550	\$1,229	\$1,229	\$2.23
EG	1 Bed/1 Bath	1	550	550	\$1,199	\$1,199	\$2.18
EG	1 Bed/1 Bath	1	550	550	\$1,199	\$1,199	\$2.18
EG	1 Bed/1 Bath	1	550	550	\$1,199	\$1,199	\$2.18
EG	1 Bed/1 Bath	1	550	550	\$1,199	\$1,199	\$2.18
EG	1 Bed/1 Bath	1	761	761	\$1,599	\$1,599	\$2.10
EG	1 Bed/1 Bath	1	761	761	\$1,599	\$1,599	\$2.10
EG	1 Bed/1 Bath	1	761	761	\$1,599	\$1,599	\$2.10
EG	1 Bed/1 Bath	1	761	761	\$1,599	\$1,599	\$2.10
EG	1 Bed/1 Bath	1	761	761	\$1,599	\$1,599	\$2.10
EG	1 Bed/1 Bath	1	761	761	\$1,599	\$1,599	\$2.10
EG	1 Bed/1 Bath	1	761	761	\$1,599	\$1,599	\$2.10

Source: 4/24 RR

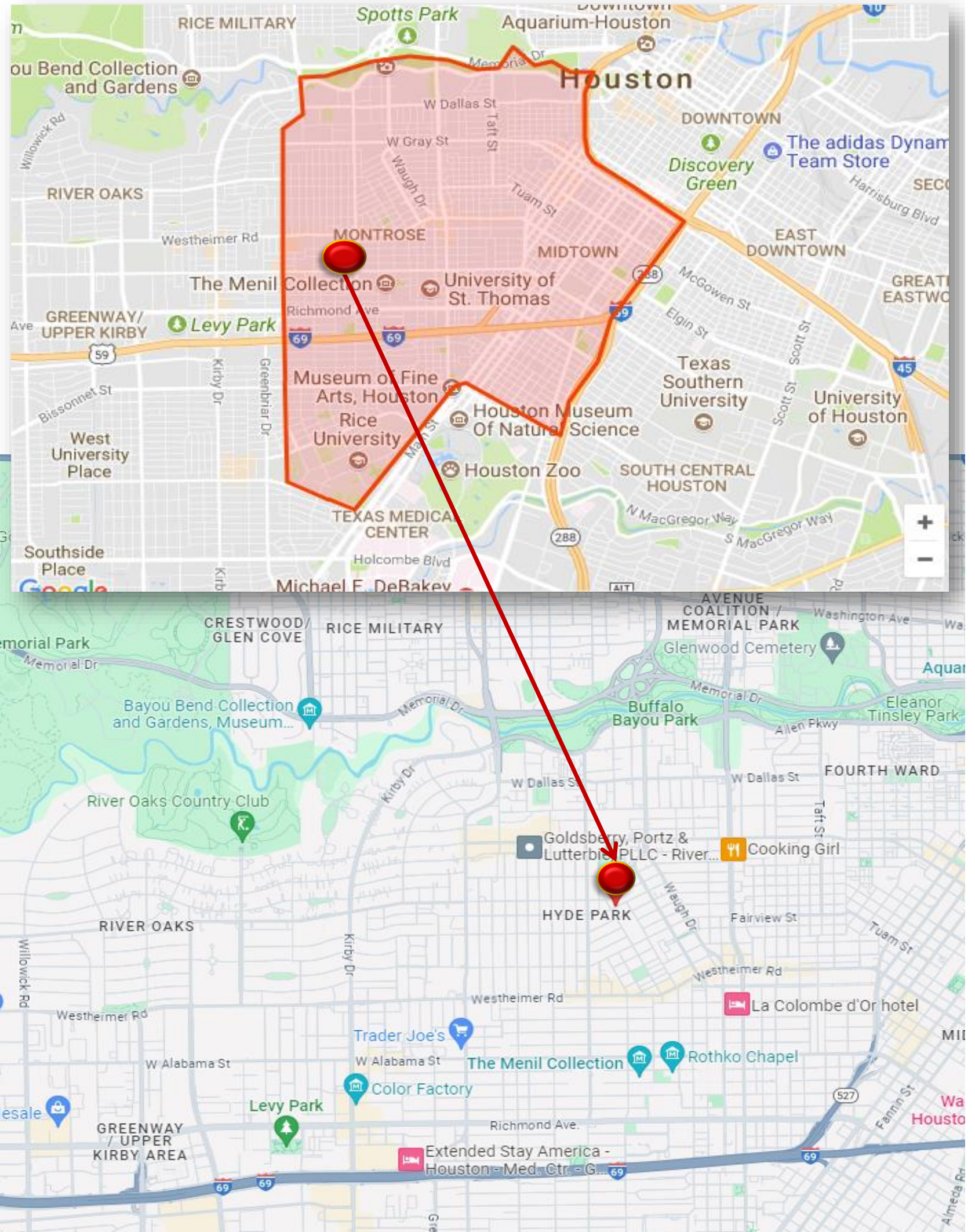
		14	640	8,966	\$1,379	\$19,306	\$2.15
TOTALS AND AVERAGES		Total Units	Average Sq. Ft.	Total Sq. Feet	Average Rent/Unit	Total Rent	Average Rent/ SF

Features & Amenities

- Air Conditioning
- Hardwood Floors (some units)
- Cable Ready
- Range/Oven
- Refrigerator
- Tiled Bathrooms
- Built-in Storage (some units)
- Walk In Closets
- Cats Allowed
- Ceiling Fans
- High Speed Internet
- Smoke Free





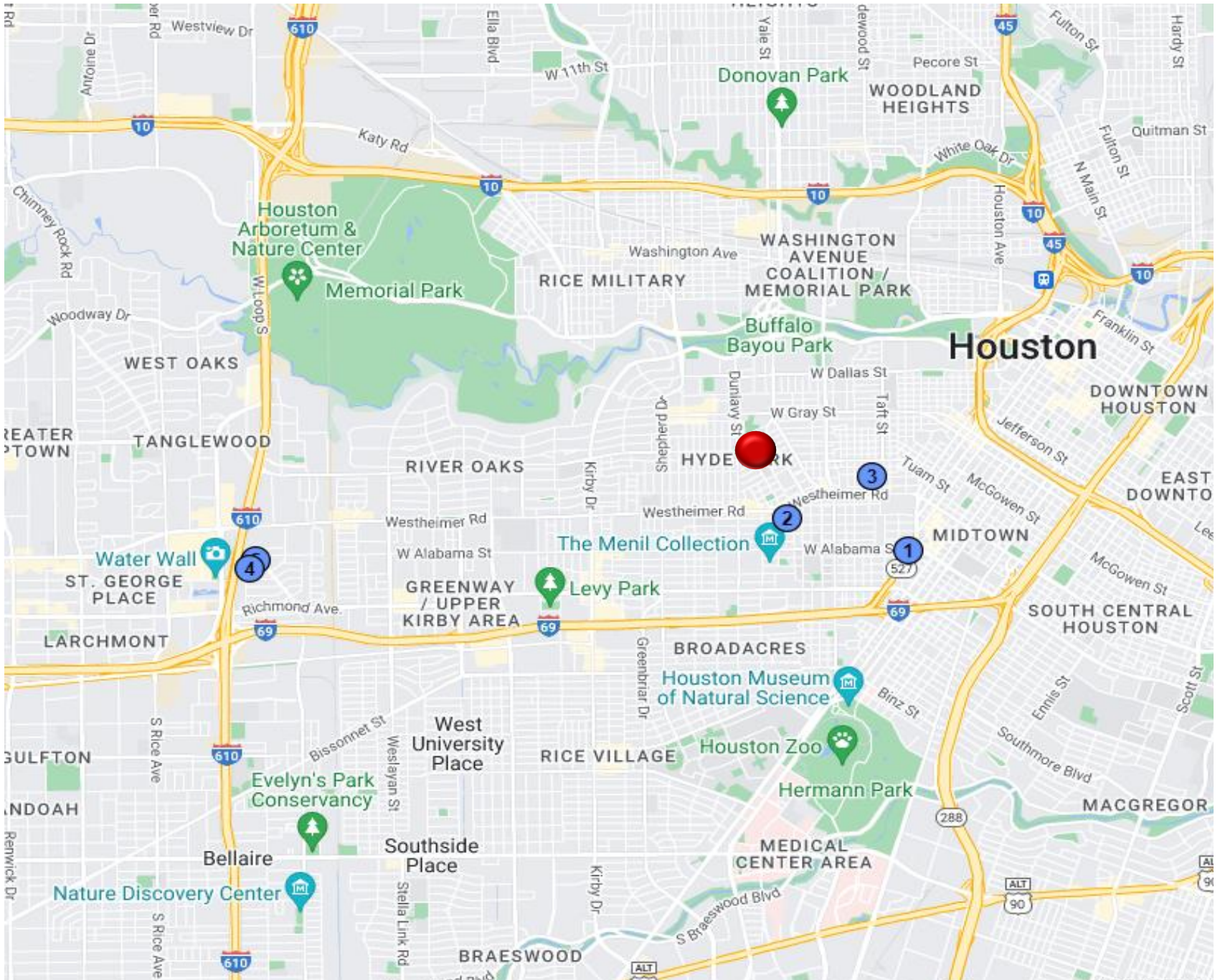






Rent Comparables (MRI Apartment Data 2024)

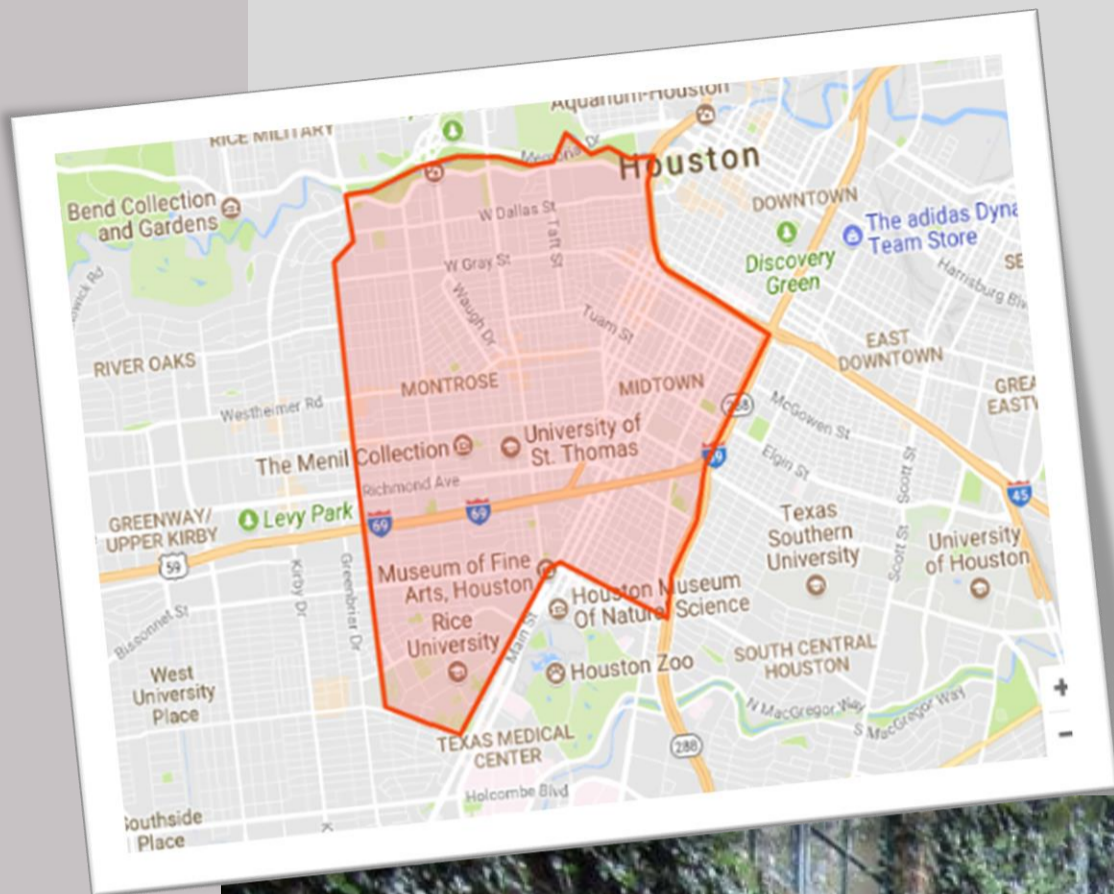
	Property Name	Year Built	Year Renovated	Occ	#Units	Avg SF	Avg Rent	EWG	P/SF
1	220 West Alabama 219 W Alabama St	1958	2012	76%	33	368	\$986	EW	2.680
2	Hawthorne 1419 Hawthorne	1963	2015	97%	29	404	\$820	EWG	2.030
3	Dawson At Stratford 419 Stratford	1959	2022	87%	61	823	\$1,720	EWG	2.090
4	Afton Gardens 4727 W Alabama St	1966	2016	81%	27	650	\$1,762	E	2.710
5	Phoenician Garden 4723 W Alabama St	1966	2017	92%	24	600	\$1,548	N/A	2.580
Totals/Averages Comps		1962	2016	87%	35	569	\$1,367		\$2.40
Welch 14 1608 Welch St		1955/1975		100%	14	640	\$1,379	EG	\$2.15
<i>EWG - Resident Pays E Electric, W Water, G Gas</i>									
Sub-Market Averages - Montrose Museum Midtown				90%	18,818	928	\$1,899		\$2.05
Houston Market Avgs				89%	745,377	893	\$1,261		1.410





MONTROSE

Montrose, a central Houston community established in 1911, is a demographically diverse neighborhood with renovated mansions, bungalows with wide porches, and cottages located along tree-lined boulevards. Montrose is a major cultural hub. The area was named as one of the "ten great neighborhoods in America" by the American Planning Association, in 2009. Because of the inclusion of Montrose, the Houston Heights, and the Rice University area, it is nicknamed "hipstrip", referring to its progressive and urban ethic. Montrose houses five of the city's 15 designated historic districts. Development over the years has maintained, if not added to, the community's distinctive personality which encompasses an interesting selection of architecture. Whether its antique shopping in the West Gray/River Oaks shopping areas, enjoying art, science or history at one of the various museums or simply hanging with friends at a local restaurant or bar, there is always something to see and do in the Montrose area.

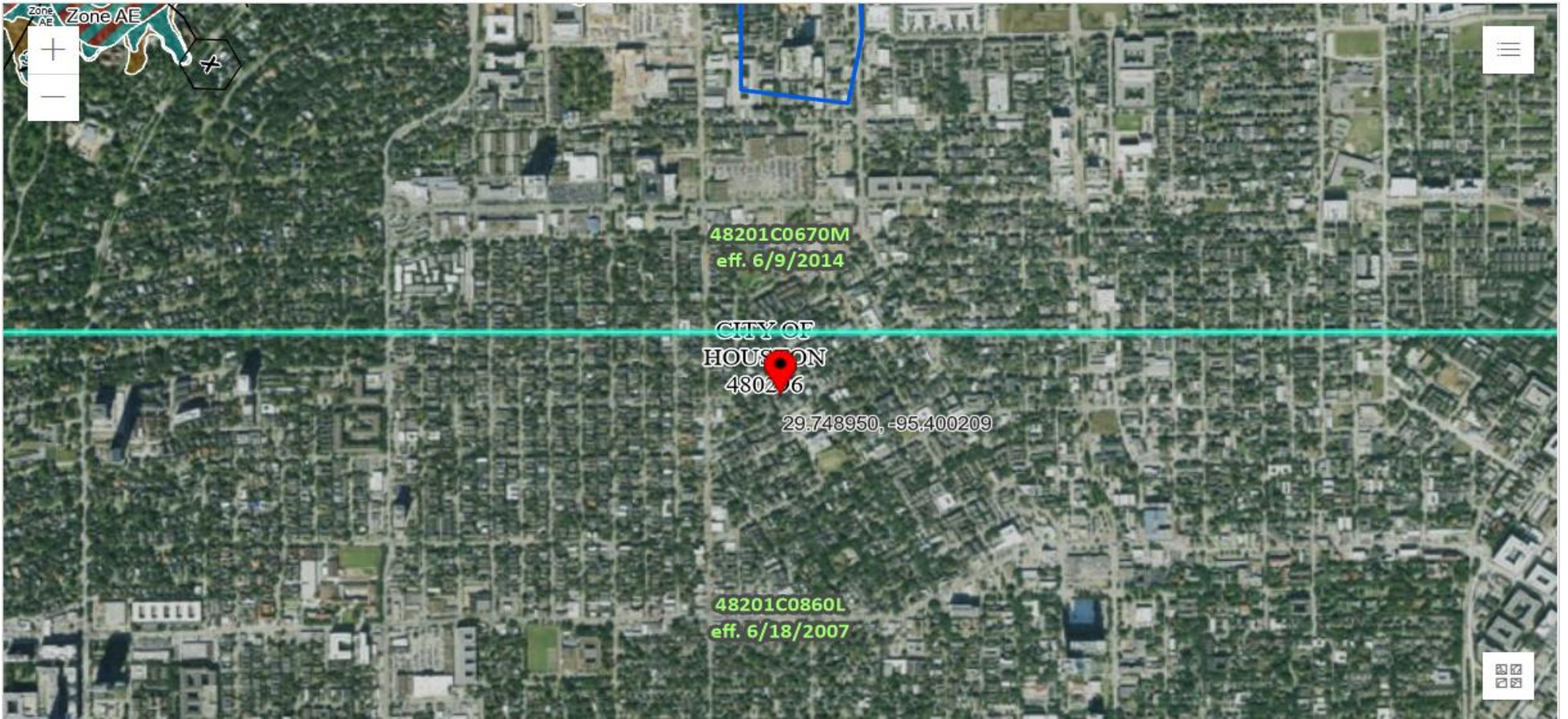


AREA DEVELOPMENT

The Montrose area is Houston's true live/work/play submarket, Montrose has a little bit of everything. River Oaks, Midtown, Upper Kirby, and Afton Oaks provide the submarket with a range of diverse living, working, retail, and entertainment destinations that continually attract the who's who of Houston. In addition, amenities like Memorial Park and the River Oaks District as well as access to Uptown, the Museum District, and the CBD all provide renters with plenty to do.

Developers have always favored building in this area but with the added competition, it will take time for these new units to lease. Of the properties built during the first wave (2013–14) of supply, most are fully stabilized. The trouble arises in the properties late to the party (2015–17). Leasing slowed considerably last year, and many of these properties aren't close to reaching stabilization. Demographics can support pricey new apartments and are a main reason so many are built here. More than 60% of households in the area are renters. And when combined with the fact that residents here earn a median income of \$85,000/year, the \$1,750/month rental rates and a glut of new supply can be justified.





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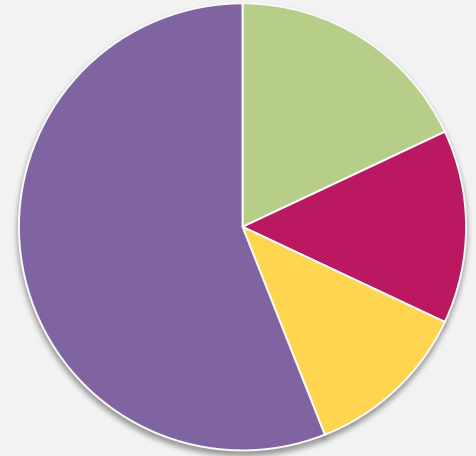
<p>PIN</p> <ul style="list-style-type: none"> Approximate location based on user input and does not represent an authoritative property location <p>MAP PANELS</p> <ul style="list-style-type: none"> Selected FloodMap Boundary Digital Data Available No Digital Data Available Unmapped <p>OTHER AREAS</p> <ul style="list-style-type: none"> Area of Minimal Flood Hazard Zone X Effective LOMRs Area of Undetermined Flood Hazard Zone D Otherwise Protected Area Coastal Barrier Resource System Area 	<p>SPECIAL FLOOD HAZARD AREAS</p> <ul style="list-style-type: none"> Without Base Flood Elevation (BFE) Zone A, V, A99 With BFE or Depth Regulatory Floodway Zone AE, AO, AH, VE, AR <p>OTHER AREAS OF FLOOD HAZARD</p> <ul style="list-style-type: none"> 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X Future Conditions 1% Annual Chance Flood Hazard Zone X Area with Reduced Flood Risk due to Levee. See Notes, Zone X Area with Flood Risk due to Levee Zone D 	<p>Cross Sections with 1% Annual Chance Water Surface Elevation</p> <ul style="list-style-type: none"> 20.2 17.5 <p>OTHER FEATURES</p> <ul style="list-style-type: none"> Coastal Transect Base Flood Elevation Line (BFE) Limit of Study Jurisdiction Boundary Coastal Transect Baseline Profile Baseline Hydrographic Feature <p>GENERAL STRUCTURES</p> <ul style="list-style-type: none"> Channel, Culvert, or Storm Sewer Levee, Dike, or Floodwall
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SUMMARY PROFILE

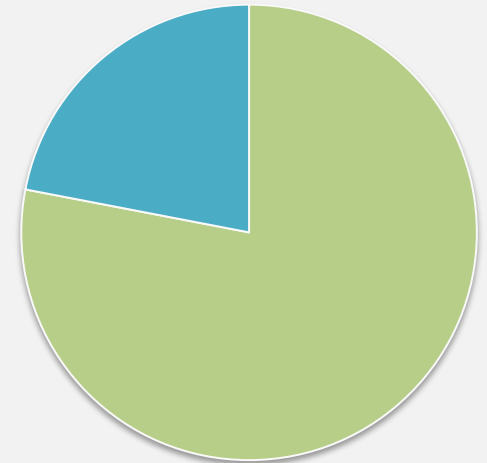
2000-2010 Census, 2021 Estimates with 2026 Projections
 Calculated using Weighted Block Centroid from Block Groups

	1 Mile Radius	2 Mile Radius	3 Mile Radius
1608 Welch St, Houston, TX 77006			
Population			
2023 Estimated Population	23,687	94,604	209,913
2028 Projected Population	27,779	106,011	240,640
2020 Census Population	22,107	88,808	196,368
2010 Census Population	19,121	76,904	163,636
Projected Annual Growth 2023 to 2028	3.5%	2.4%	2.9%
Historical Annual Growth 2010 to 2023	1.8%	1.8%	2.2%
2023 Median Age	36.4	36.9	35.7
Households			
2023 Estimated Households	13,349	53,189	115,103
2028 Projected Households	15,961	60,311	135,014
2020 Census Households	11,839	47,988	102,454
2010 Census Households	10,021	39,742	81,600
Projected Annual Growth 2023 to 2028	3.9%	2.7%	3.5%
Historical Annual Growth 2010 to 2023	2.6%	2.6%	3.2%
Race and Ethnicity			
2023 Estimated White	55.1%	52.4%	47.9%
2023 Estimated Black or African American	11.0%	17.6%	20.1%
2023 Estimated Asian or Pacific Islander	16.7%	13.4%	16.8%
2023 Estimated American Indian or Native Alaskan	0.6%	0.6%	0.5%
2023 Estimated Other Races	16.5%	16.1%	14.7%
2023 Estimated Hispanic	22.0%	20.7%	19.3%
Income			
2023 Estimated Average Household Income	\$156,661	\$162,065	\$150,548
2023 Estimated Median Household Income	\$108,604	\$113,091	\$108,294
2023 Estimated Per Capita Income	\$89,030	\$91,585	\$83,048
Education (Age 25+)			
2023 Estimated Elementary (Grade Level 0 to 8)	2.9%	2.3%	2.6%
2023 Estimated Some High School (Grade Level 9 to 11)	0.8%	1.4%	1.8%
2023 Estimated High School Graduate	7.4%	8.5%	9.6%
2023 Estimated Some College	10.1%	10.3%	10.9%
2023 Estimated Associates Degree Only	3.4%	4.2%	4.2%
2023 Estimated Bachelors Degree Only	33.7%	33.9%	34.1%
2023 Estimated Graduate Degree	41.7%	39.4%	36.8%
Business			
2023 Estimated Total Businesses	2,378	10,821	25,857
2023 Estimated Total Employees	18,852	90,421	303,461
2023 Estimated Employee Population per Business	7.9	8.4	11.7
2023 Estimated Residential Population per Business	10.0	8.7	8.1

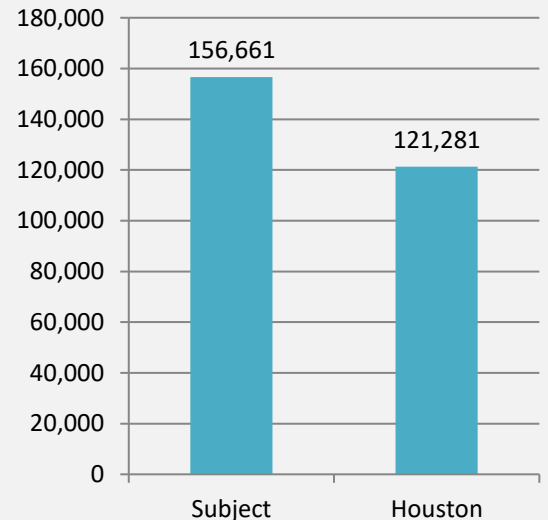
1 Mile Radius



White Black Other Hispanic



Non-Hispanic Hispanic





Information About Brokerage Services

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

11-2-2015



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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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.

KET ENTERPRISES INCORPORATED	0406902	TWILK4@KETENT.COM	713-355-4646
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
TOM WILKINSON	0173897	TWILK4@KETENT.COM	713-355-4646
Designated Broker of Firm	License No.	Email	Phone
N/A	N/A	N/A	N/A
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
N/A	N/A	N/A	N/A
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date