

Pioneer Crossing Apartments

Before:



After:



Scope of Renovation

- Faux Wood Flooring
- Resurfaced Countertops
- Painted Kitchen Cabinets
- Resurfaced Bathtubs

2053 Estrada Parkway • Irving, TX 75061 • 152 Units

The Property and its Challenges

The previous ownership group had owned Pioneer Crossing for 15 years and the unit interiors were in need of upgrading. The property was renting below market rates and the occupancy level was below the Irving sub-market's 92%. Pioneer Crossing was listed with a national brokerage firm for 6 months but failed to sell.

The Solution

MBP Capital, Inc. represented a local Investor in the off-market purchase of Pioneer Crossing and MBP Capital's sister company, MBP Texas, LLC, was hired as the property manager. The Investor was able to receive an acquisition and rehab loan allowing the unit interiors to be upgraded. The units received faux wood floors, new carpet, resurfaced countertops in the kitchen and bathrooms, stained kitchen cabinets and resurfaced bathtubs. Pioneer Crossing now boasts occupancy stronger than the Irving sub-market and rental rates are higher than comparable properties. Monthly income increased by \$33,221 and net income has increased by \$320,249. The owner was able to refinance into a Fannie Mae loan 29 months after acquisition and the new loan returned all of the original equity.

	Acquisition 4/2012	Refinance 8/2014	Increase (Percent)
Occupancy	89%	95%	6.74%
Avg. Monthly Rent	\$566	\$651	15.02%
Avg. Monthly Utility Billback	\$10.42	\$53.82	416.51%
Avg. Rent + Utility Billback	\$576.42	\$704.82	22.28%
Monthly Income	\$69,789	\$103,010	47.60%
Annual NOI	\$293,097	\$559,346	133.94%

Year Built:	1981
Acquired:	April 2012
Refinanced:	August 2014
Initial Equity:	\$1,810,000
Refinance Proceeds:	\$1,980,000

	Amount	Per Unit
Acquisition Price	\$4,450,000	\$29,276
Renovation Cost	\$400,000	\$2,632
Total Capitalization	\$4,850,000	\$31,908
Appraised Value (8/2014)	\$7,700,000	\$50,658

MBP Capital and Subsidiaries Roles:

- Buyer's Broker
- Property Management
- Renovation Management

