

Villas del Sol Apartments

Before:



After:



2121 West Irving Boulevard • Irving, TX 75061 • 91 Units

The Property and its Challenges

Highland Oaks was a distressed property suffering from poor management and deferred maintenance. The property rented 15% below comparable properties. Physical occupancy was 82% at acquisition but economic occupancy was 55%.

The Solution

MBP Capital, Inc. partnered with an out-of-state investor for the on-market acquisition. Immediately after acquisition a \$500,000 renovation program began which included: rebranding the property as Villas del Sol, interior unit upgrades, faux facade, full exterior paint, leasing office renovation and curing deferred maintenance. Catalyst Multifamily Management removed all of the non-paying residents reducing the occupancy to 50%. After vacating the units Catalyst renovated 73% of the unit interiors and increased rent by an average of \$172 per unit. Monthly income increased by \$19,124 and the ownership group was able to sell the property 22 months after acquisition for a record price per unit for a C Class property in Irving, TX.

Year Built: 1963-1974
Acquired: April 2013
Sold: January 2015
Initial Equity: \$850,000
Realized IRR: 63.59%

	Amount	Per Unit
Acquisition Price	\$2,650,000	\$29,121
Renovation Cost	\$500,000	\$5,495
Total Capitalization	\$3,150,000	\$34,615
Sale Price (1/2015)	\$4,750,000	\$52,198

	Acquisition 04/2013	Sale 1/2015	Increase (Percent)
Occupancy	82%	98%	19.51%
Avg. Monthly Rent	\$629	\$801	27.34%
Avg. Monthly Utility Billback	\$35.60	\$37.09	4.19%
Avg. Rent + Utility Billback	\$664.60	\$838.09	26.10%
Monthly Income	\$48,973	\$68,097	39.05%
Annual NOI	\$223,584	\$393,457	75.98%

MBP Capital and Subsidiaries Roles:

- Investor
- Property Management
- Renovation Management
- Buyer Broker at Acquisition
- Listing Broker at Disposition



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After:



Scope of Renovation

Interior

- Black Kitchen Appliances
- Faux Wood Flooring
- New Carpet
- Resurfaced Countertops
- Resurfaced Bathtubs
- Plumbing Fixtures
- Brush Nickel Finishes
- Two-Tone Paint

Exterior

- Faux Facade
- Full Exterior Paint
- Renovated Leasing Office
- New Courtyard
 - Playground
 - BBQ Grills
 - Canopy Lights
- Carpentry Work
- Monument Sign
- Wood Perimeter Fence
- Landscaped Grounds
- Parking Lot Repair

