

Fox Creek Apartments

Before:

1910 South Josey Lane • Carrollton, TX 75006 • 172 Units



After:



The Property and its Challenges

The previous owner of Fox Creek was based out of California and had owned the property for 20 years. The property was suffering from significant deferred maintenance and was constantly cited by the city for code violations. The physical condition of the property had caused the property to sit on the market for 18 months despite being marketed by multiple national brokerage firms.

Year Built:	1969
Acquired:	August 2013
Sold:	June 2015
Initial Equity:	\$1,600,000
Realized IRR:	55.35%

The Solution

Catalyst Multifamily Management was hired at acquisition as the property management company and enlisted to oversee the renovation. Immediately after closing a \$1,000,000 renovation program began which included: major foundation repair that involved relocating residents, complete roof replacement, plumbing repair, exterior concrete and carpentry replacement, full exterior paint and upgrading the unit interiors. After curing the deferred maintenance Catalyst renovated 52% of the unit interiors and increased rent + utility billback by an average of \$92 per unit. Monthly income increased by 25.78% and the owner was able to sell the property 22 months after acquisition for a record price per unit for a C Class property in Carrollton, TX.

	Amount	Per Unit
Acquisition Price	\$5,400,000	\$31,395
Renovation Cost	\$1,000,000	\$5,814
Total Capitalization	\$6,400,000	\$37,209
Sale Price (6/2015)	\$8,889,000	\$51,680

	Acquisition 8/2013	Sale 6/2015	Increase (Percent)
Occupancy	96%	96%	
Avg. Monthly Rent	\$631	\$685	8.56%
Avg. Monthly Utility Billback	\$49.62	\$92.32	86.05%
Avg. Rent + Utility Billback	\$680.62	\$777.32	14.21%
Monthly Income	\$106,301	\$133,708	25.78%
Annual NOI	\$585,886	\$719,973*	22.89%

*Trailing 3 Month Income over Trailing 12 Month Expenses

MBP Capital and Subsidiaries Roles:

- Property Management
- Renovation Management
- Listing Broker at Disposition



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Before:



After:



Scope of Renovation

Interior

- Faux Wood Flooring
- New Carpet
- Resurfaced Countertops
- Light Fixtures
- Ceiling Fans

Exterior

- Major Foundation Repair
- Full Exterior Paint
- Carpentry Work
- Concrete Patio Repair
- Roof Replacement
- Major Plumbing Repair
- Wrought Iron Perimeter Fence
- Parking Lot Repair