

4706 Yellowstone Apartments

Appraisal-Supported Multifamily Asset with Embedded NOI Growth

Houston, Texas 77021

Offered at: \$2,900,000

EXECUTIVE SUMMARY

4706 Yellowstone Apartments presents a fully renovated 25-unit multifamily asset in Houston, Texas, offered at a price supported by a recent third-party appraisal of approximately \$3,250,000.

Following a comprehensive capital improvement program totaling approximately \$1.41 million, the property is currently in lease-up with all major systems and interiors upgraded. Leasing is underway with executed leases reflecting full market rental rates that exceed prior appraisal assumptions.

Temporary concessions have been structured to burn off, resulting in organic income growth without additional capital investment. As occupancy increases and concessions expire, the asset transitions into stabilized performance with embedded NOI expansion.

This offering provides investors the opportunity to acquire a completed repositioning with operational upside remaining, while benefiting from a basis supported by both cost and third-party valuation.

INVESTMENT HIGHLIGHTS

Appraisal-Supported Pricing

- Third-party valuation: ~\$3.25M
- Offered at: \$2.9M

Fully Renovated Asset

- ~\$1.41M in capital improvements completed
- Minimal deferred maintenance

Lease-Up Opportunity

- Currently in early stabilization phase
- Significant occupancy upside

Rent Outperformance

- In-place rents exceeding prior appraisal underwriting

Embedded NOI Growth

- Concessions structured to expire, increasing effective income

All-Bills-Paid Model

- Simplified leasing structure supporting demand
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PROPERTY OVERVIEW

- **Address:** 4706 Yellowstone Blvd, Houston, TX 77021
 - **Total Units:** 25
 - **Unit Mix:**
 - 6 × 2BR / 1BA
 - 17 × 1BR / 1BA
 - 2 × Efficiency Units
 - **Construction:** Two-story multifamily
 - **Year Built:** 1955 (fully renovated)
 - **Site Size:** Approx. 20,000 SF
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RENOVATION & REPOSITIONING

Capital Improvement Summary

- Renovation Investment: ~\$1,410,000
- Total Cost Basis: ~\$2,910,000

Scope Included:

- Roofing, windows, waterproofing
 - HVAC, plumbing, and electrical systems
 - Interior rebuilds (flooring, cabinetry, fixtures)
 - Appliances and finish-out upgrades
 - Site and parking improvements
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Positioning

Before:

- Outdated interiors
- Underperforming rents
- Operational inefficiencies

After:

- Fully renovated units
 - Modernized infrastructure
 - Achieving above-underwritten rental rates
 - Positioned for accelerated lease-up
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Key Takeaway

Renovation risk has been eliminated. Remaining upside is operational.

RENT STRUCTURE

- **2BR Units:** \$1,250/month-\$1,374.00/month (All Bills Paid)
- **1BR Units:** \$1,025/month-\$1,135.00/month (All Bills Paid)

- **Efficiencies:** \$800/month (All Bills Paid)
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Income Clarification

All leases are executed at full rental rates. Temporary concessions are amortized over the lease term and expire over time, resulting in increasing effective rental income.

INCOME STRATEGY

Three-Layer Income Model

1. In-Place Income

- Partial occupancy
 - Temporary concessions
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2. Stabilized Income

- 92–95% occupancy
 - Full contract rents
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3. Forward NOI Growth

As lease-up progresses and concessions burn off, income increases organically without requiring additional capital investment.

Positioning Statement

Current leasing activity is outperforming prior appraisal assumptions, indicating additional NOI expansion beyond initial underwriting.

EXPENSE PROFILE

- **Property Taxes:** ~\$27,638 annually
 - **Insurance:** ~\$35,986 annually
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Operating Model

- All-Bills-Paid structure
 - Simplified tenant experience
 - Opportunity for operational optimization
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SELLER FINANCING (SELECTIVELY AVAILABLE)

Structured Seller Financing

Illustrative Terms:

- 20%–30% down payment
 - Interest-only payments
 - 12–18-month term
 - Balloon at maturity
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Firm Conditions

Seller financing is offered strictly as a **debt instrument tied to a purchase transaction.**

No joint ventures, equity participation, or partnership structures will be considered.

Buyer Requirements:

- Defined exit strategy
 - Verifiable financial capacity
 - Proven execution capability
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Positioning Statement

This structure is designed for disciplined investors seeking acquisition flexibility while maintaining a clean ownership profile.

LOCATION OVERVIEW

4706 Yellowstone Apartments is located within Houston's 77021 submarket, characterized by:

- Strong workforce housing demand
 - Proximity to major employment corridors
 - Continued rental demand growth
 - Limited supply of renovated multifamily assets
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INVESTMENT THESIS

The property represents a completed repositioning transitioning into stabilization. Investors benefit from:

- Appraisal-supported valuation
- In-place rent outperformance
- Lease-up upside
- Embedded NOI growth
- Minimal near-term capital requirements

FINAL POSITIONING

This is not a distressed or speculative opportunity. It is a fully renovated asset with lease-up remaining, allowing investors to capture stabilized income growth while acquiring at a price supported by both cost basis and third-party valuation.

CONTACT

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