

## 5 DUPLEX PORTFOLIO - OWENSBORO, KY

High Market Demand

Below Market Rents

All Properties Out of the Flood Plain



MULTIFAMILY INVESTMENT OPPORTUNITY

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# 1 | PROPERTY INFORMATION

Executive Summary

Property Description

Complete Highlights

Additional Photos



## OFFERING SUMMARY

Sale Price:	\$425,000
Building Size:	7,370 SF
Lot Size:	0.722 Acres
Number Of Units:	10
Price / SF:	\$57.67
NOI:	\$33,464
Year Built:	1976
Zoning:	R3-MF

## PROPERTY OVERVIEW

This asset consists of large (737 sf) one-bedroom one-bath apartments has been well maintained and is consistently 95+% occupied as current ownership has focused on high occupancy and high-quality tenants rather than maximizing rents. As a result, current effective rents are below direct competition and the surrounding submarket.

This leaves an exciting opportunity for an incoming investor to systematically raise rents to market level achieving a pro forma 9% cap and 17.45 cash on cash return

The seller is a licensed real estate broker in the Commonwealth of Kentucky.

## PROPERTY HIGHLIGHTS

- High Market Demand
- Below Market Rents
- All Properties Out of the Flood Plain
- Tenants Pay All Utilities
- Washer & Dryer Hook-Ups





#### LOCATION DESCRIPTION

Located on Rudy Martin Dr. just west of Apollo High School, these 5 duplexes are an ideal location for the workforce housing demand the property meets. These duplexes a 10-minute drive to the Owensboro Riverport Industrial Park, downtown Owensboro, and the Owensboro Health Regional Hospital. The Airpark Industrial Park is also less than 2 minutes away providing vast employment choices for prospective residents.

Additionally, these duplexes are well-situated in terms of retail amenities in the area. Less than 5 minutes away features a Walmart, Target, Lowe's, Home Depot, Towne Square Regional Mall, multiple bank branches, and many chain and local specialty restaurants.

#### PARKING DESCRIPTION

Private driveway for each unit

#### UTILITIES DESCRIPTION

Each unit individually metered

#### CONSTRUCTION DESCRIPTION

Wood framing with vinyl/brick exterior.





4032 Rudy Martin Drive



4033 Rudy Martin Drive



4038 Rudy Martin Drive

**LOCATION INFORMATION**

Building Name	5 Duplex Portfolio - Owensboro, KY
Street Address	4032 Rudy Martin Dr
City, State, Zip	Owensboro, KY 42301
County	Daviess
Signal Intersection	Yes

**BUILDING INFORMATION**

NOI	\$33,464.83
Occupancy %	100% (current)
Tenancy	Multiple
Number Of Floors	1
Average Floor Size	1,474 SF
Year Built	1976
Gross Leasable Area	7,370 SF
Construction Status	Existing
Condition	Good
Roof	Shingle
Free Standing	Yes
Number Of Buildings	5
Foundation	Concrete Slab

**PROPERTY HIGHLIGHTS**

- High Market Demand
- Below Market Rents
- All Properties Out of the Flood Plain
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4039 Rudy Martin Drive



4100 Rudy Martin Drive



## 2 | LOCATION INFORMATION

Regional Map

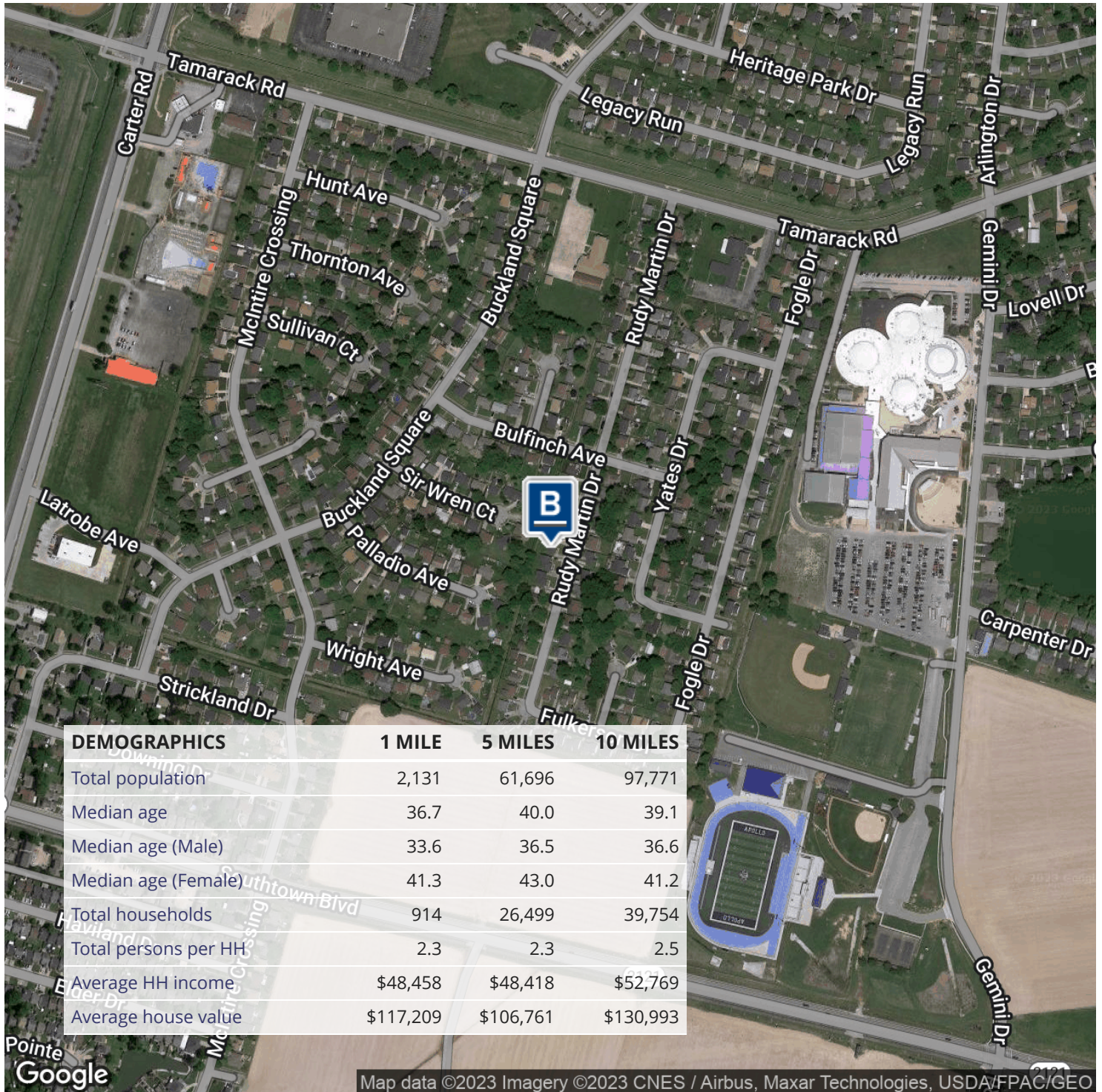
Location Maps

Aerial Maps

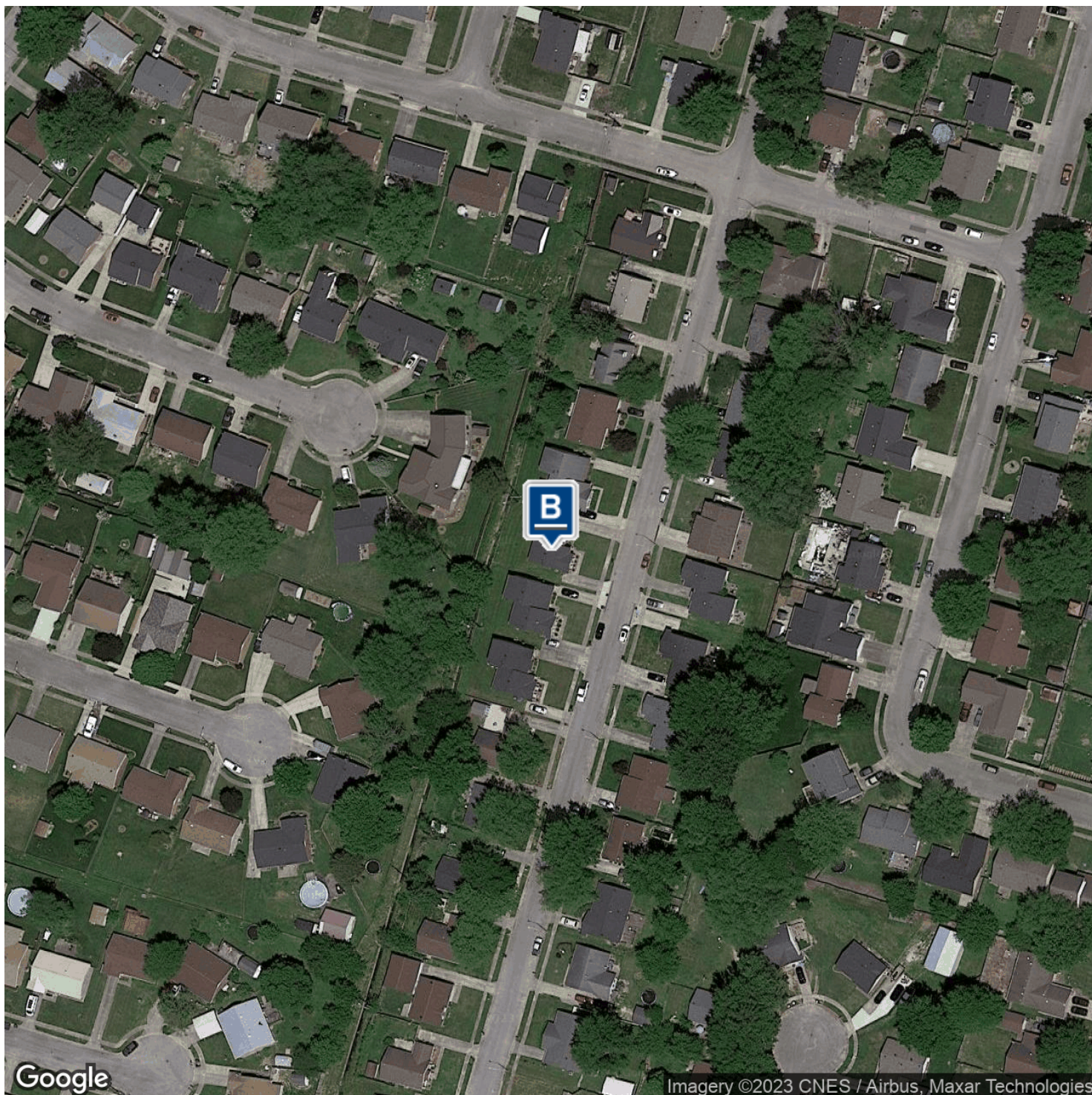
















## 3 FINANCIAL ANALYSIS

Financial Summary - Trailing 12

Financial Summary - Pro Forma

Income & Expenses

Recent Capital Expenditures

Rent Roll

Unit Mix Summary

**INVESTMENT OVERVIEW****TRAILING 12 FINANCIALS**

Price	\$425,000
Price per Unit	\$42,500
GRM	7.1
Total Return (yr 1)	\$33,464

**OPERATING DATA****TRAILING 12 FINANCIALS**

Gross Scheduled Income	\$59,940
Other Income	\$216
Total Scheduled Income	\$60,156
Vacancy Cost	\$2,439
Gross Income	\$57,716
Operating Expenses	\$24,251
Net Operating Income	\$33,464
Pre-Tax Cash Flow	\$33,464

As shown in the rent roll below, 40% of the tenants in these 5 duplexes have been a resident since 2015. One of the tenants is Section 8, and another's rent is supplemented by KY Housing. Only one of the residents is Month to Month.

The average rent for these 10 units is \$501.89, but market rent is \$550+ providing the incoming owner/investor with upside potential in increasing the rents to market and reaping the additional revenue.



**INVESTMENT OVERVIEW****PRO FORMA FINANCIALS**

Price	\$425,000
Price per Unit	\$42,500
GRM	6.2
CAP Rate	8.9%
Cash-on-Cash Return (yr 1)	8.92 %
Total Return (yr 1)	\$37,907
Debt Coverage Ratio	-

**OPERATING DATA****PRO FORMA FINANCIALS**

Gross Scheduled Income	\$69,000
Other Income	\$216
Total Scheduled Income	\$69,216
Vacancy Cost	\$2,760
Gross Income	\$66,456
Operating Expenses	\$28,549
Net Operating Income	\$37,907
Pre-Tax Cash Flow	\$37,907

**FINANCING DATA****PRO FORMA FINANCIALS**

Down Payment	\$425,000
Loan Amount	-
Debt Service	-
Debt Service Monthly	-
Principal Reduction (yr 1)	-

INCOME SUMMARY	PRO FORMA FINANCIALS	TRAILING 12 FINANCIALS
Gross Income	\$66,456	\$57,716
EXPENSE SUMMARY	PRO FORMA FINANCIALS	TRAILING 12 FINANCIALS
Repairs and Maintenance	\$10,306	\$10,306
Maintenance Supplies	\$856	\$856
Utilities	\$813	\$813
Contract Labor	\$200	\$200
Property Taxes	\$9,324	\$5,026
Property Insurance	\$7,050	\$7,050
Gross Expenses	\$28,549	\$24,251
Net Operating Income	\$37,907	\$33,464



## 5 DUPLEXES - RUDY MARTIN DRIVE, OWENSBORO KY

### Insurance Claim:

- Hail damage 5/10/16
- All roofs replaced 4/30/18

### Capital improvements:

- Roof
  - 4032A Rudy Martin, 4/30/18
  - 4032B Rudy Martin, 4/30/18
  - 4033A Rudy Martin, 4/30/18
  - 4033B Rudy Martin, 4/30/18
  - 4038A Rudy Martin, 4/30/18
  - 4038B Rudy Martin, 4/30/18
  - 4039A Rudy Martin, 4/30/18
  - 4039B Rudy Martin, 4/30/18
  - 4100A Rudy Martin, 4/30/18
  - 4100B Rudy Martin, 4/30/18
- HVAC units
  - Replaced capacitor – 4033B Rudy Martin, 7/24/17
  - Replaced HVAC unit with new heat pump – 8/16/18
  - Replaced capacitor – 4038A Rudy Martin, 06/17/19
- Patio door and sill
  - 4033B Rudy Martin, 08/13/18
- Entry door
  - 4038B Rudy Martin, 12/20/18
- Vinyl plank flooring
  - 4039B Rudy Martin, 6/6/18
  - 4038B Rudy Martin, 12/28/18
- Breaker
  - 4038B Rudy Martin, 02/04/19
- Countertops and kitchen sink
  - 4039B Rudy Martin, 6/12/18
- Paint
  - 4039B Rudy Martin, 6/6/18
  - 4038B Rudy Martin, 12/10/18
  - 4032B Rudy Martin, 7/31/19
- Water heater
  - 4038B Rudy Martin, 1/9/17
  - 4039B Rudy Martin, 8/13/18
- Toilet
  - 4039B Rudy Martin, 6/4/18
- Appliances
  - Range – 4039A Rudy Martin, 3/13/15
  - Range – 4038B Rudy Martin, 1/2/19
  - Refrigerator – 4033A Rudy Martin, 05/10/19
  - Dryer – 4032A Rudy Martin, 10/3/19

UNIT NUMBER	UNIT BED	UNIT BATH	UNIT SIZE (SF)	LEASE START	LEASE END	CURRENT RENT	CURRENT RENT (PER SF)	MARKET RENT	MARKET RENT/SF
4032 A	1	1	737	11/2/14	12/31/19	\$475	\$0.64	\$575	\$0.78
4032 B	1	1	737	8/23/19	8/31/20	\$550	\$0.75	\$575	\$0.78
4033 A	1	1	737	7/6/09	7/5/20	\$397	\$0.54	\$575	\$0.78
4033 B	1	1	737	10/12/15	11/2/19	\$475	\$0.64	\$575	\$0.78
4038 A	1	1	737	2/14/14	1/31/20	\$445	\$0.60	\$575	\$0.78
4038 B	1	1	737	1/12/19	1/31/20	\$550	\$0.75	\$575	\$0.78
4039 A	1	1	737	12/23/15	MTM	\$550	\$0.75	\$575	\$0.78
4039 B	1	1	737	10/2/2019	9/30/2020	\$550	\$0.75	\$575	\$0.78
4100 A	1	1	737	7/14/19	7/31/20	\$550	\$0.75	\$575	\$0.78
4100 B	1	1	737	6/1/18	6/1/20	\$525	\$0.71	\$575	\$0.78
Totals/Averages			7,370			\$5,067	\$0.69	\$5,750	\$0.78



UNIT TYPE	COUNT	% TOTAL	SIZE (SF)	RENT	RENT/SF	MARKET RENT	MARKET RENT/SF
1 bed 1 bath	10	100.0	737	\$550.00	\$0.75	\$550.00	\$0.75
Totals/Averages	10	100%	7,370	\$5,500.00	\$0.75	\$5,500.00	\$0.75



## 4 | SALE COMPARABLES

Sale Comps

Sale Comps Summary

Sale Comps Map

Demographics Map & Report





### ★ Subject Property

4032 Rudy Martin Dr | Owensboro, KY 42301

<b>Sale Price:</b>	\$425,000	<b>Year Built:</b>	1976
<b>Building SF:</b>	7,370 SF	<b>Price PSF:</b>	\$57.67
<b>No. Units:</b>	10	<b>Price / Unit:</b>	\$42,500
<b>GRM:</b>	7.09	<b>CAP:</b>	7.87%
<b>NOI:</b>	\$33,464		



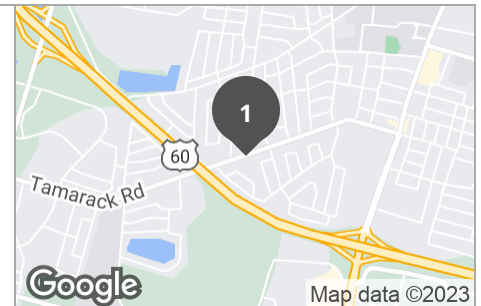
This asset consists of large (737 sf) one-bedroom one-bath apartments has been well maintained and is consistently 95+% occupied as current ownership has focused on high occupancy and high-quality tenants rather than maximizing rents. As a result, current effective rents are below direct competition and the surrounding submarket. This has led to long-term tenants who are low-maintenance. 40% of the



### Tamarack Rd Duplex

1806 Tamarack Rd | Owensboro, KY 42301

<b>Sale Price:</b>	\$133,750	<b>Lot Size:</b>	0.2 Acres
<b>Year Built:</b>	1969	<b>Building SF:</b>	1,992 SF
<b>Price PSF:</b>	\$67.14	<b>No. Units:</b>	2
<b>Price / Unit:</b>	\$66,875	<b>Closed:</b>	03/20/2019



### Citation Ave Duplex

2546 Citation Ave | Owensboro, KY 42301

<b>Sale Price:</b>	\$132,000	<b>Lot Size:</b>	0.31 Acres
<b>Year Built:</b>	1968	<b>Building SF:</b>	1,711 SF
<b>Price PSF:</b>	\$77.15	<b>No. Units:</b>	2
<b>Price / Unit:</b>	\$66,000	<b>Closed:</b>	02/06/2019



### Citation Ave Duplex - 2

2534 Citation Ave | Owensboro, KY 42301

<b>Sale Price:</b>	\$132,000	<b>Lot Size:</b>	0.27 Acres
<b>Year Built:</b>	1968	<b>Building SF:</b>	1,711 SF
<b>Price PSF:</b>	\$77.15	<b>No. Units:</b>	2
<b>Price / Unit:</b>	\$66,000	<b>Closed:</b>	02/06/2019

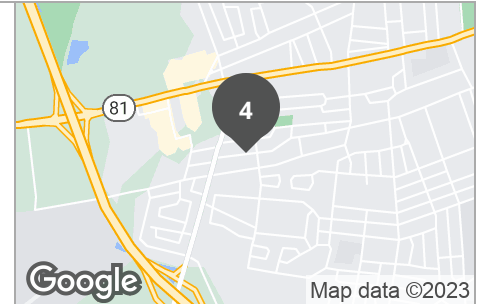


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**Griffith Ave Duplex**

2426 Griffith Ave | Owensboro, KY 42301

<b>Sale Price:</b>	\$110,000	<b>Lot Size:</b>	0.26 Acres
<b>Year Built:</b>	1952	<b>Building SF:</b>	1,224 SF
<b>Price PSF:</b>	\$89.87	<b>No. Units:</b>	2
<b>Price / Unit:</b>	\$55,000	<b>Closed:</b>	07/16/2018





**SUBJECT PROPERTY****5 Duplex Portfolio - Owensboro, KY**4032 Rudy Martin Dr  
Owensboro, KY 42301**PRICE**

\$425,000

**BLDG SF**

7,370 SF

**PRICE/SF**

\$57.67

**PRICE/UNIT**

\$42,500

**# OF UNITS**

10

**SALE COMPS****PRICE****BLDG SF****PRICE/SF****PRICE/UNIT****# OF UNITS****CLOSE**

1

**Tamarack Rd Duplex**1806 Tamarack Rd  
Owensboro, KY 42301

\$133,750

1,992 SF

\$67.14

\$66,875

2

03/20/2019



2

**Citation Ave Duplex**2546 Citation Ave  
Owensboro, KY 42301

\$132,000

1,711 SF

\$77.15

\$66,000

2

02/06/2019



3

**Citation Ave Duplex - 2**2534 Citation Ave  
Owensboro, KY 42301

\$132,000

1,711 SF

\$77.15

\$66,000

2

02/06/2019



4

**Griffith Ave Duplex**2426 Griffith Ave  
Owensboro, KY 42301

\$110,000

1,224 SF

\$89.87

\$55,000

2

07/16/2018

**PRICE****BLDG SF****PRICE/SF****PRICE/UNIT****# OF UNITS****CLOSE****Totals/Averages**

\$126,938

1,660 SF

\$76.47

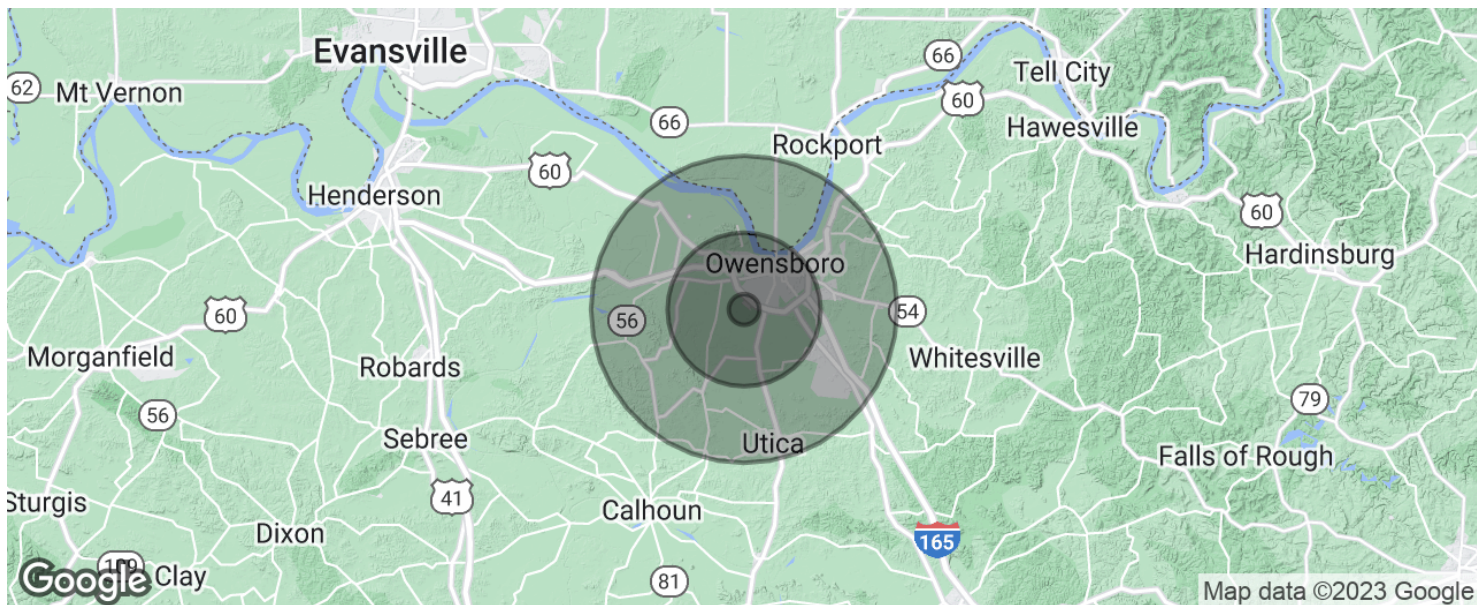
\$63,469

2

**SUBJECT PROPERTY**

4032 Rudy Martin Dr | Owensboro, KY 42301

**TAMARACK RD DUPLEX**1806 Tamarack Rd  
Owensboro, KY 42301**CITATION AVE DUPLEX - 2**2534 Citation Ave  
Owensboro, KY 42301**CITATION AVE DUPLEX**2546 Citation Ave  
Owensboro, KY 42301**GRIFFITH AVE DUPLEX**2426 Griffith Ave  
Owensboro, KY 42301



POPULATION	1 MILE	5 MILES	10 MILES
Total population	2,131	61,696	97,771
Median age	36.7	40.0	39.1
Median age (Male)	33.6	36.5	36.6
Median age (Female)	41.3	43.0	41.2
HOUSEHOLDS & INCOME	1 MILE	5 MILES	10 MILES
Total households	914	26,499	39,754
# of persons per HH	2.3	2.3	2.5
Average HH income	\$48,458	\$48,418	\$52,769
Average house value	\$117,209	\$106,761	\$130,993

\* Demographic data derived from 2020 ACS - US Census







## 5 | ADVISOR BIOS

Advisor Bio 1



## BO BARRON, CCIM

Managing Director

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KY #207674

### PROFESSIONAL BACKGROUND

In a world where the commercial real estate landscape is complex and ever-changing, Bo Barron, CEO of Barron Commercial Group, serves as a trusted guide. Bo understands the challenges and opportunities that clients face when navigating commercial real estate decisions. As a third-generation leader in the industry and a former Marine, Bo is on a mission to empower investors, owners, and users of commercial real estate.

The journey with Bo and his team at BCG begins with the understanding that success in the commercial real estate sector requires more than just transactions. It requires a strategic partner who can help clients overcome obstacles, seize opportunities, and achieve their financial goals. With a track record of increasing revenue by 397% since taking over the company, Bo has a proven strategy to help clients thrive.

In addition to his work at BCG, Bo and his brother Timmy co-host the podcast Commercially Speaking, turning complex real estate concepts into accessible and engaging discussions. Listeners are equipped with valuable insights, helping them make informed decisions about their investments.

Bo also contributes to the broader commercial real estate community as a Senior Instructor at the CCIM Institute. He educates aspiring professionals and serves on the CCIM Foundation Board, supporting veterans and minorities in their career development. By providing these resources, Bo helps others avoid the pitfalls he's learned to navigate.

Bo's vision for the future is ambitious but grounded in a proven strategy. This growth will be driven by attracting top talent, fostering a collaborative culture, and leveraging advanced technology. This strategy ensures that clients not only survive in the commercial real estate market but thrive.

Bo Barron is more than a leader in commercial real estate; he's a guide who empowers clients to reach their financial goals. His commitment to excellence, education, and client success positions him as an invaluable partner in your commercial real estate journey. With Bo and the Barron Commercial Group, you're not just investing in property; you're investing in a brighter, more prosperous future.

### EDUCATION

B.A. Organizational Communication - Murray State University

A.A Arabic Language - Defense Language Institute at the Presidio of Monterrey, California

#### BARRON COMMERCIAL GROUP

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