

Project Funding Proposal

5614 Donson Way,
Lawrenceville, PA 15201



Prepared by:

Christophe & Katherine Tavaréz

A&S Home Ventures LLC.

ASHomeVentures@gmail.com

Katherine: 646.982.5809

Christopher: 646.808.9378

Executive Summary

With the pending acquisition of 5614 Donson Way, Lawrenceville, PA 15201, we are glad to present this asset to our partners as a wonderful and secure investment that has the potential to yield a good rate of return in a minimal amount of time. Located in Pittsburgh, PA, this property is in a desirable area of the city and in a neighborhood close to Lawrenceville and Highland Park consistently yields high rents and has similar properties being sold as Standard Sales within 30 days on the market.

We are purchasing this property from the MLS for a cost of \$155,000. It has an After-Repair Value of \$430,000 and is in need of approximately \$155,000 worth of rehab. Once rehab is complete, this home will by far exceed other homes in this market area. The job will include all quality materials, including new countertops, new flooring, fresh paint inside and outside, new windows, new appliances, central heat/air, roof, renovated bathroom, and we will add a full bath and a half bath and new lighting. Rehab will not expand the square footage of the property. This property has a close date of on or before November 7, 2022.

Property Characteristics

Beds: 4

Baths: 1

Parking: Street Parking

Stories: 3 (Including unfinished basement)

Living Square Footage: 1775

Year Built: 1900

Listing Description from MLS Website: *Come see this three-story row house located in Pittsburgh's Lawrenceville neighborhood. It features a backyard with a small patio space. Four bedrooms with a full bathroom located on the second floor, spacious living room and dining rooms. Home warranty included. This home is being sold as-is.*

<https://www.redfin.com/PA/Pittsburgh/5614-Donson-Way-15201/home/74467805>

Projected Numbers

Purchase Price: \$155,000

Closing Costs on Purchase: Approx. \$5,330

Rehab Budget: \$155,000

Holding Costs: Approx. \$3,000

Total Project Cost: \$318, 330

ARV (After-Repair Value): \$430,000

Total Equity: \$111,670

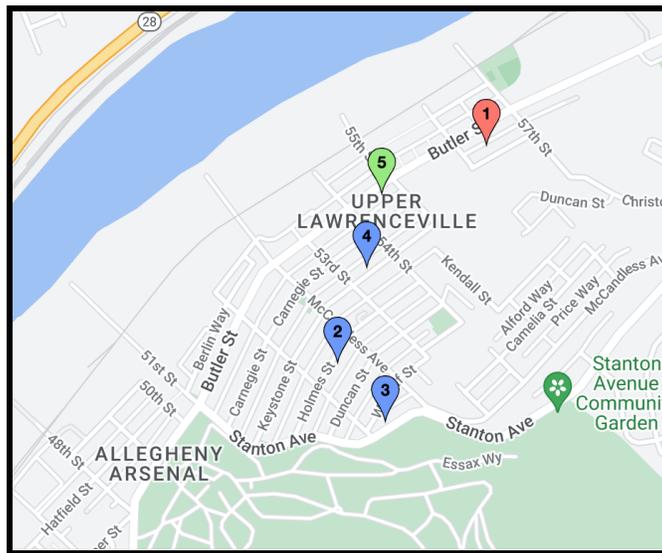
We are requesting for the total amount of the project cost \$319,000 for 1st position lien. Or we are requesting for \$85,000 for a 2nd position lien behind a hard money loan to cover down payment, closing and holding cost.

Neighborhood Profile

The median home value in 15201 is \$358,000. 15201 home values have gone up 7.5% over the past. The median list price per square foot in 15201 is \$238 (Source: Redfin). Lawrenceville was home to the Allegheny Arsenal (established in 1814) due to its strategic location by the Allegheny river, and during the Civil War had a rather horrendous explosion of the stockpile that killed 78 people- mostly civilians. Later on the neighborhood became an industrial hub with iron works being present, and was ultimately hit by the modern depression after Pittsburgh's steel collapse in the 1980s. If there is any neighborhood in Pittsburgh that would be the perfect case study for a revival, Lawrenceville would be it. In just under the recent 10 years the neighborhood went from being one you likely never stepped foot in (let alone drove through), to becoming a hipster mecca, to being so trendy it is beyond hipster, and is now one of the most popular neighborhoods in all of Pittsburgh for visitors with all interests. (Source: Discover the Burgh).

Comparative Market Analysis

No.	ADDRESS	COE	TYPE	PRICE	SQFT	BED	BATH
1	5614 Donson Way, Lawrenceville, PA 15201		Subject	155,000	1775	4	1
2	5222 Holmes St, Lawrenceville, PA 15201	9/30/22	Sold	\$494,000	1876	4	2.5
3	5213 Stanton Ave, Lawrenceville, PA 15201	10/21/22	Sold	\$450,000	1698	3	1.5
4	5313 Keystone St, Lawrenceville, PA 15201	8/25/22	Sold	\$405,000	1500	3	2.5
5	5428 Butler St, Lawrenceville, PA 15201		Contingent DOM: 6 Days*	\$450,000	1775	3	1.5



Exit Strategy

1. **FSBO (For Sale By Owner):** A couple months after we acquire the property, we will begin marketing it on Craigslist, Zillow, and other FSBO sites. We will also begin calling local realtors and brokerages to let them know that this will be available in 30-60 days and, if they have buyers, to let them know now.
2. **Traditional Sale:** Once rehab is complete (estimated 2-3 Months), if we do not have an acceptable offer based on our FSBO efforts, we will have an agent list it on the MLS at 5% commission. We will also market it with flyers in the neighborhood, in local newspaper ads, and with open houses. Our strategy will be to list it at \$420,000 in order to attract buyers that might qualify or that are looking for properties with a threshold of \$430K. This will open the door for fast action, high competition in offers, and a higher driven purchase price for the winning bid.
3. **Refinance:** We will do a cash out refinance and put the property up for rent (market rent is \$2,600 according to rentometer) or airBNB (average gross monthly income is \$4,000). Pay back all of our investors through the cash out refinance.

Rehab Overview

This is a brief summary of all of the rehab work that will be done. The total cost for this work will be \$155,000 and will include the following improvements:

- Paint (interior/exterior)
- Baseboards
- Flooring (re-engineered hardwood)
- Lighting and Electrical fixtures
- Landscaping (front yard curb appeal, backyard cleanup)
- Kitchen (new countertops, paint cabinets, new appliances, new hardware, new flooring)
- Bathrooms (new toilet and flooring, tile surround, vanity)
- Addition of a half bathroom
- Addition of a full bath
- Drywall replacement
- Plumbing/Electrical work
- Built Outside Deck
- Dual pane windows
- Working HVAC

Photos



