

COMMERCIAL LOAN APPLICATION & EXECUTION PLAN

Borrower Entity: Besca Construction LLC | Property: 6636 Bellfort St, Houston, TX 77087

Borrower Entity: Besca Construction LLC	Purchase Price: \$750,000
Subject Property: 6636 Bellfort St, Houston, TX 77087	Commercial Space Renovation: \$300,000
Building Area: 16,000 SQFT	Residential Units Renovation (21 Units): \$700,000 (\$33,333/unit)
Lot Area: 26,000 SQFT (~0.60 Acres)	Total Project Capitalization: \$1,750,000
Configuration: 21 Apartments + 1 Commercial Space (3,000 SQFT)	Projected ARV (After Repair Value): \$3,750,000 (\$234.38/ SQFT)

1. EXECUTIVE LOAN REQUEST & EXIT STRATEGY

Besca Construction LLC is submitting this commercial acquisition and renovation loan proposal for the mixed-use complex located at **6636 Bellfort St, Houston, TX 77087**. Total capitalization stands at **\$1,750,000**, combining a **\$750,000 acquisition price** with a **\$1,000,000 comprehensive capital renovation budget** (\$300,000 for commercial retail/office build-out and \$700,000 for the 21 apartment units).

PROJECT EXIT STRATEGY & DEBT REPAYMENT OPTIONS

Primary Exit Option (Lease Up, Stabilize & Permanent Refinance): Upon completing the 6-month capital improvement schedule, Besca Construction LLC will fully lease out both the 3,000 SQFT commercial space and the 21 residential units. Once stabilized net operating income (NOI) is achieved, the interim construction facility will be refinanced into long-term commercial permanent financing (Agency Commercial Loan / Fixed-Rate DSCR Loan).

Secondary Exit Option (Property Sale / Asset Disposition): Alternatively, should market conditions favor capital extraction or strategic disposition, the fully renovated and stabilized mixed-use asset will be listed for sale on the commercial market at the projected After Repair Value (ARV) of **\$3,750,000** (\$234.38/SQFT), providing full loan payoff and a robust equity buffer for the lender.

2. PRO FORMA RENTAL INCOME & CASH FLOW ANALYSIS

Post-renovation gross monthly potential revenue for 6636 Bellfort St is projected at **\$32,700/month (\$392,400/year)**, providing strong debt service coverage ratio (DSCR) metrics upon stabilization.

UNIT TYPE / SPACE DESIGNATION	QUANTITY / SQFT	MONTHLY RENT / UNIT	TOTAL MONTHLY INCOME	TOTAL ANNUAL INCOME
Residential Units (1 Bed / 1 Bath)	14 Units (~600 SF)	\$1,250 / mo	\$17,500	\$210,000
Residential Units (2 Bed / 1 Bath)	7 Units (~800 SF)	\$1,450 / mo	\$10,150	\$121,800
Commercial Space (Retail / Office)	1 Space (3,000 SF)	\$5,050 / mo (\$20.20 NNN/SF)	\$5,050	\$60,600
TOTAL GROSS POTENTIAL INCOME (GPI)		-	\$32,700 / mo	\$392,400 / yr

3. REAL MARKET RENTAL COMPARABLES (SOUTHEAST HOUSTON / PARK PLACE SUBMARKET)

The rental projections are supported by active and recent lease transactions for renovated residential and commercial properties in the immediate vicinity of 6636 Bellfort St, Houston, TX 77087.

A. Residential Rental Comparables (Apartments)

PROPERTY ADDRESS & DISTANCE	UNIT LAYOUT	RENOVATION LEVEL	MONTHLY RENT	RENT / SQFT
6802 Telephone Rd, Houston, TX 77061 (0.8 miles)	1 Bed / 1 Bath (620 SF)	Renovated (Granite, LVP)	\$1,275 / mo	\$2.05 / SF
7401 Park Place Blvd, Houston, TX 77087 (1.1 miles)	1 Bed / 1 Bath (580 SF)	Fully Renovated	\$1,225 / mo	\$2.11 / SF
5809 Long Dr, Houston, TX 77087 (1.4 miles)	2 Bed / 1 Bath (820 SF)	Updated Interior & HVAC	\$1,475 / mo	\$1.80 / SF
6512 Bellfort St, Houston, TX 77087 (0.2 miles)	2 Bed / 1 Bath (790 SF)	Renovated (Tile, Stainless)	\$1,425 / mo	\$1.80 / SF

B. Commercial Rental Comparables (Retail / Flex / Office)

PROPERTY ADDRESS & DISTANCE	SPACE SIZE	PROPERTY TYPE	LEASE RATE (ANNUAL NNN / MO)
6701 Bellfort St, Houston, TX 77087 (0.1 miles)	2,800 SQFT	Retail / Commercial Storefront	\$21.00 NNN/SF (\$4,900/mo)
7202 Telephone Rd, Houston, TX 77061 (1.2 miles)	3,200 SQFT	Commercial Flex / Retail	\$19.50 NNN/SF (\$5,200/mo)
4802 Gulf Freeway, Houston, TX 77023 (2.5 miles)	3,000 SQFT	Renovated Retail/Office	\$22.50 NNN/SF (\$5,625/mo)

4. ITEMIZED SCOPE OF WORK (SOW) & CAPITAL ALLOCATION

CATEGORY / TRADE SCOPE	DETAILED EXECUTION & MATERIAL SPECIFICATIONS	BUDGET ALLOCATED
PART A: COMMERCIAL SPACE REMODEL (3,000 SQFT) — TOTAL: \$300,000		
Structural & Storefront Build-out	New commercial aluminum frame & tempered glass storefront, slab leveling, entrance doors, and structural interior partitioning.	\$75,000
Commercial MEP Systems	New 12-ton rooftop commercial HVAC system, 400A heavy-up electrical panel, plumbing stub-outs, and 2 ADA-compliant restrooms.	\$95,000
Interior Finishes & Lighting	Acoustical grid drop ceiling, high-lumen commercial LED troffers, commercial LVT flooring, sheetrock, and interior painting.	\$80,000
Life Safety, Architectural & Permits	Fire sprinkler system integration, commercial alarm panel, stamped architectural plans, and City of Houston permits.	\$50,000
PART B: 21 APARTMENT UNITS REMODEL — TOTAL: \$700,000 (\$33,333 / Unit Avg)		
Kitchens & Bathrooms	All-new shaker cabinets, quartz countertops, undermount sinks, custom tile tub surrounds, vanities, and stainless steel appliance packages.	\$280,000
Residential MEP Upgrades	Individual ductless mini-split HVAC systems, electrical sub-panel upgrades, new plumbing lines, and dedicated water heaters.	\$160,000
Flooring, Drywall & Paint	Subfloor repair, full sheetrock repair/replacement, neutral interior paint, and heavy-duty 100% waterproof Luxury Vinyl Plank (LVP) flooring.	\$130,000
Exterior & Site Enhancements	Complete exterior facade paint, walkway concrete repairs, LED security lighting, perimeter iron fencing, automated drive gates, and roof tune-up.	\$80,000
Permits & Contingency Reserve	City of Houston residential permits, waste removal/dumpster rentals, project supervision, and structural/MEP unforeseen contingencies.	\$50,000
TOTAL CAPITAL RENOVATION BUDGET		\$1,000,000

5. 6-MONTH PROJECT IMPLEMENTATION SCHEDULE

Besca Construction LLC will execute the build-out under a disciplined 6-month project timeline to accelerate leasing and stabilization.

Project Execution Phase	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Permits, Architectural Plans & Demolition	X	X				
MEP Rough-in (Commercial & Residential)		X	X			
Commercial Build-out & Glass Storefront			X	X		
Residential Interiors (Kitchens, Baths, Flooring)			X	X	X	
Exterior Facade, Fencing & Site Enhancements					X	X
Final Punch List, City Inspections & Lease-up						X