For our investor clients

5030 MALLOW ST · A/B

Houston, TX 77033

A new-construction 2-unit built to run five different ways.

2 units · 5 bd · 3.5 ba · 2,755 sqft combined · built 2025

$569,000 offered at

THE OPPORTUNITY

One roof. Two doors. Five income strategies.

OFFERED AT	TOP MONTHLY CASH FLOW	DOWN IF YOU LIVE IN IT	SPREAD ACROSS STRATEGIES
$569,000	**+$2,651**	**$28,450**	**$3,364/mo**
$207 / sqft combined	20% down, both units short-term	5% conventional, owner-occupied	Same building, your choice of model

Why this one is different

Two separate units, one purchase. A 4 bd · 2.5 ba, 2,277 sqft home plus a 478 sqft 1 bd · 1 ba. They can be leased, hosted, or occupied independently.

Brand new, so nothing competes with it. Most rental stock within five miles was built decades ago. This is 2025 construction with a 2025 finish level.

You are not locked into one plan. Run both units long-term for stability, both short-term for yield, or mix the two and change your mind next year.

You can live in half of it. Owner-occupied 2-unit financing puts this within reach at 5% down instead of 20%.

Two units, sized for two different tenants

UNIT A

The 4-bedroom

4 bd · 2.5 ba · 2,277 sqft · 2-car garage

Market rent $2,500 – $3,200. At 2,277 sqft that is $1.10 – $1.41 per sqft, against a comp set that closed at a $1.24 median. The low end of your range is cheaper per foot than every one of the 14 new-build comps.

UNIT B

The 1-bedroom

1 bd · 1 ba · 478 sqft · full kitchen, separate entry

Market rent $1,500. Only one comparable new-construction 1 bd has leased within three miles in the last six months — 501 sqft at $1,495. Small new units are scarce here, and scarcity is why this one prices at $3.14 per sqft.

Rent comps: HAR MLS, new construction 2024+, sold and active leases within 5 miles (4 bd) and 3.13 miles (1 bd), pulled 8/21/2026.

UNIT A · 4 BEDROOM

Finished to a level the comps can't match

THE KITCHEN

Waterfall island, gas range, walk-in pantry, full-height cabinetry, and a dining run that seats six.

THE PRIMARY SUITE & BATH

Vaulted ceiling, soaking tub, glassed walk-in shower, double vanity. LVP floors and a 2-car garage throughout.

478 sqft that lives like more

The unit that does the heavy lifting

Full kitchen, in-unit laundry, its own entrance. At 478 sqft it costs the least to furnish and the least to turn over, which is exactly why it is the best candidate for short-term or mid-term hosting while the 4-bedroom carries a stable lease.

FURNISHING COST

$10,000

One-time, Unit B

RENT PER SQFT

$3.14

vs $1.24 on the 4 bd

THE PAYMENT

Two ways in — and the second one costs $28,450 down

	LIVE IN IT · 5% DOWN	INVESTMENT · 20% DOWN
Purchase price	$569,000	$569,000
Down payment	$28,450	$113,800
Loan amount	$540,550	$455,200
Principal & interest	$3,417	$2,877
Property taxes	$1,008	$1,008
Insurance	$267	$267
Mortgage insurance	$315	—
Total monthly payment	**$5,006**	**$4,152**
Est. closing costs	$14,225	$14,225
Total cash to close	**$42,675**	**$128,025**

6.5% fixed, 30-year. Taxes at the 2.1252% rate on full assessed value; insurance at $3,200/yr; closing costs estimated at 2.5%. An owner-occupant may qualify for a Texas homestead exemption on their portion, which would lower the tax line above. Verify all figures with your lender.

5% DOWN ON A 2-UNIT

Fannie Mae allows 5% down on owner-occupied 2- to 4-unit properties. You live in one unit for at least a year and the other one goes to work immediately. Qualifying rental income from Unit A can also be counted toward your approval.

THE MI DROPS OFF

The $315 monthly mortgage insurance is temporary. It falls away at 20% equity — roughly year 6 on scheduled payments alone, sooner with appreciation or a modest paydown.

THE RENT HELPS YOU QUALIFY

Lenders will typically count 75% of documented market rent from the unit you do not occupy toward your debt-to-income ratio.

Five ways to run it

THE SAME BUILDING, FIVE DIFFERENT BUSINESSES

Long-term · Housing Choice Voucher · Mid-term
Short-term · Mixed

Two annual leases. The floor under everything else.

CONSERVATIVE · MONTHLY CASH FLOW

–$252

$3,900 collected · -2.4% cash-on-cash

EXPECTED · MONTHLY CASH FLOW

+$198

$4,350 collected · 1.9% cash-on-cash

UPSIDE · MONTHLY CASH FLOW

+$648

$4,800 collected · 6.1% cash-on-cash

	LOW	EXPECTED	HIGH
Unit A · 4 bd rent	$2,500	$2,850	$3,200
Unit B · 1 bd rent	$1,400	$1,500	$1,600
Collected monthly	**$3,900**	**$4,350**	**$4,800**
Less payment (20% down)	–$4,152	–$4,152	–$4,152
Monthly cash flow	**–$252**	**+$198**	**+$648**
Net operating income / yr	$31,508	$36,908	$42,308
Cash needed to start	$128,025	$128,025	$128,025

No vacancy assumed on long-term leases per current market conditions. Cash flow shown after principal, interest, taxes and insurance only. Rent comps: HAR MLS, new construction 2024+, within 5 miles, pulled 8/21/2026.

WHAT THE COMPS SAY

Fourteen new-construction 4-bedroom leases closed within five miles in the last six months. Median $2,575 at $1.23 per sqft; the top one hit $3,950 at $1.82.

At 2,277 sqft, asking $2,850 puts this unit at $1.25 per sqft — dead center of the comp set, on a newer and larger home than most of it.

This is the strategy that requires nothing of you: two leases, two tenants, no furniture, no turnover. It roughly breaks even month to month and lets the loan paydown and appreciation do the work.

Government-backed rent, with a case for more

77033 PAYMENT STANDARD · 4 BD

$2,303

HHA Tier C, effective 1/1/2025

77033 PAYMENT STANDARD · 1 BD

$1,135

HHA Tier C, effective 1/1/2025

MARKET RENT THE COMPS SUPPORT

$4,350

What a reasonableness package argues for

	AT PAYMENT STANDARD	AT MARKET RENT
Unit A · 4 bd	$2,303	$2,850
Unit B · 1 bd	$1,135	$1,500
Collected monthly	**$3,438**	**$4,350**
Less payment (20% down)	−$4,152	−$4,152
Monthly cash flow	**−$714**	**+$198**
Vacancy risk	Near zero	Near zero
Rent collection risk	Near zero	Near zero

HHA Tier C payment standards for ZIP 77033, effective 1/1/2025 and reduced from prior levels — verify current standards and program status at lease-up. Approval above the standard is at the authority's discretion and subject to tenant affordability limits.

THE RENT-REASONABLENESS ARGUMENT

The published payment standard is not a ceiling on rent. It caps the subsidy. A housing authority can approve a contract rent above it when the unit is demonstrably better than the neighborhood comp set.

That is exactly this property's position. Most rental stock near 5030 Mallow was built decades ago, and those older units are what drag the area's rent averages down. This is 2025 construction.

Houston Housing Authority will consider a rent-reasonableness comp package. We build that package for you — new-construction comps only, priced per square foot — so the file argues for the top of the range, not the neighborhood average.

STRATEGY 3 · MID-TERM

Furnished stays, five miles from the Medical Center

CONSERVATIVE · MONTHLY CASH FLOW

−$1,302

$2,850 collected · -9.3% cash-on-cash

EXPECTED · MONTHLY CASH FLOW

+$593

$4,745 collected · 4.2% cash-on-cash

UPSIDE · MONTHLY CASH FLOW

+$3,327

$7,479 collected · 23.8% cash-on-cash

	LOW	EXPECTED	HIGH
Unit A · 4 bd monthly	$3,200	$4,200	$5,200
Unit B · 1 bd monthly	$1,300	$2,000	$3,500
Months leased per year	9.0	10.2	11.0
Collected monthly	**$3,375**	**$5,270**	**$8,004**
Less utilities & internet	−$525	−$525	−$525
Less payment (20% down)	−$4,152	−$4,152	−$4,152
Monthly cash flow	**−$1,302**	**+$593**	**+$3,327**
Cash needed to start	$168,025	$168,025	$168,025

Furnished rents per Furnished Finder comparables supplied by the seller's agent. Expected case assumes 10.2 of 12 months leased, reflecting normal gaps between contracts, and is net of owner-paid utilities and internet. Assumes self-management; third-party management runs 10–15%. Cash to start includes $40,000 to furnish.

WHY THE MEDICAL CENTER MATTERS

Texas Medical Center is the largest medical complex in the world and it runs on 13-week travel contracts. Those nurses and traveling clinicians need furnished housing for exactly the length of a contract, and they will pay a premium not to sign a 12-month lease.

5030 Mallow sits roughly five miles from TMC. That is the whole thesis behind the $3,200–$5,200 you are seeing on Furnished Finder for 4-bedroom units in this area.

Mid-term is the middle path: rents well above annual leases, but with 30-to-90-day stays instead of nightly turnover, no city registration requirement, and a tenant who cleans up after themselves.

The highest ceiling, and the most work

CONSERVATIVE · MONTHLY CASH FLOW

+$160

$4,311 collected · 1.1% cash-on-cash

EXPECTED · MONTHLY CASH FLOW

+$2,651

$6,802 collected · 18.9% cash-on-cash

UPSIDE · MONTHLY CASH FLOW

+$6,393

$10,545 collected · 45.7% cash-on-cash

	45% OCC.	55% OCC.	65% OCC.
Unit A · nightly rate	$267	$350	$467
Unit B · nightly rate	$217	$250	$300
Gross monthly revenue	**$6,625**	**$10,038**	**$15,164**
Less mgmt, fees, supplies	−$1,789	−$2,710	−$4,094
Less utilities & internet	−$525	−$525	−$525
Net monthly	**$4,311**	**$6,802**	**$10,545**
Less payment (20% down)	−$4,152	−$4,152	−$4,152
Monthly cash flow	**+$160**	**+$2,651**	**+$6,393**

Nightly rates derived from 3-night booking totals for comparable area listings supplied by the seller's agent. Net deducts 20% management, 3% platform fees, 4% consumables, plus owner-paid utilities — self-managing adds roughly $2,000/mo back. Cash to start includes $40,000 to furnish. Occupancy benchmark: AirROI, 2026.

ABOUT THAT OCCUPANCY NUMBER

Houston's citywide Airbnb average is about 36% occupancy at a $225 nightly rate. That figure includes every part-time and poorly-run listing in the city, so we have not used it.

A new-construction, professionally-run listing should clear 55%. We show 45% as the downside and 65% as the upside so you can see the shape of the risk rather than one optimistic number.

Even at 45% — well below what a listing like this should do — both units short-term still cover the payment.

Houston now requires short-term rental registration. The ordinance took effect January 1, 2026: register the property, complete the training, remit hotel occupancy tax. A filing, not a barrier.

STRATEGY 5 · THE MIX

Lease the big one, host the small one

CONSERVATIVE · MONTHLY CASH FLOW

+$342

$4,493 net · 3.0% cash-on-cash

EXPECTED · MONTHLY CASH FLOW

+$1,577

$5,728 net · 13.7% cash-on-cash

UPSIDE · MONTHLY CASH FLOW

+$3,203

$7,355 net · 27.8% cash-on-cash

	LOW	EXPECTED	HIGH
Unit A · annual lease	$2,500	$2,850	$3,200
Unit B · short-term, net	$1,993	$2,878	$4,155
Net monthly	**$4,493**	**$5,728**	**$7,355**
Less payment (20% down)	−$4,152	−$4,152	−$4,152
Monthly cash flow	+$342	+$1,577	+$3,203
Net operating income / yr	$38,626	$53,444	$72,965
Cash needed to start	$138,025	$138,025	$138,025

Expected case assumes Unit A leased at $2,850 with no vacancy and Unit B hosted at $250/night, 55% occupancy, net of 20% management, 3% platform fees, 4% consumables, and owner-paid utilities.

THE BEST RISK-ADJUSTED VERSION

This is the combination we would run ourselves.

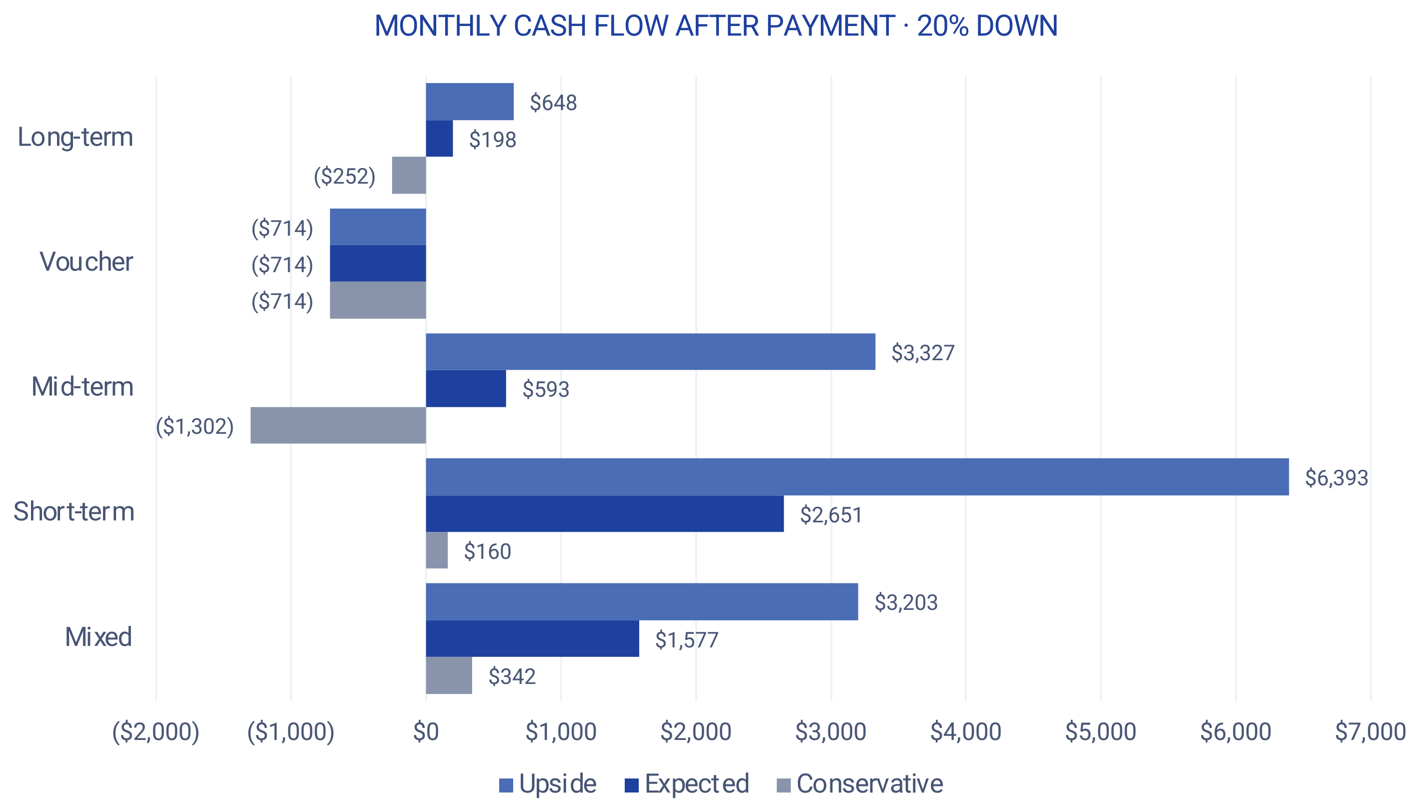
A twelve-month lease on Unit A covers 69% of the payment before Unit B books a single night. That means the short-term side never has to perform for you to survive a slow month — it only has to perform for you to profit.

And because you are only furnishing 478 square feet, you are in for about $10,000 instead of $40,000. Less capital at risk, less to turn over, less to replace.

If short-term ever stops working, Unit B goes back to a $1,500 lease and you are still at the long-term baseline. The downside is capped in a way the all-short-term version is not.

ALL FIVE, SIDE BY SIDE

What each operating model actually pays you



All figures assume 20% down at 6.5% on a 30-year fixed, after principal, interest, taxes and insurance. Short-term and mid-term figures are net of operating costs; long-term and voucher figures are gross rent, which for an annual lease is also the net.

EXPECTED CASE	CASH FLOW	COC
Mixed	+$1,577	14%
Short-term	+$2,651	19%
Mid-term	+$593	4%
Voucher	−$714	-7%
Long-term	+$198	2%

HOW TO READ THIS

Short-term has the highest ceiling. Mixed has the best floor for the least capital at risk. Long-term is the safest and roughly breaks even. The voucher route trades income for certainty.

You are not choosing once. Leases end, and you can move between these as the market changes.

Every bar here is after the full mortgage payment, taxes and insurance — not gross rent.

Live in the 1-bedroom, let the 4-bedroom buy the building

RENT UNIT A LONG-TERM

$2,156/mo

your cost to live here
$656 more than renting

RENT UNIT A SECTION 8

$2,703/mo

your cost to live here
$1,203 more than renting

RENT UNIT A MID-TERM

$1,786/mo

your cost to live here
$286 more than renting

RENT UNIT A SHORT-TERM

$1,082/mo

your cost to live here
$418 less than renting

	BUY 5030 MALLOW B	RENT A COMPARABLE 1 BD
Monthly payment	$5,006	$1,500
Income from Unit A	−$3,924	—
Out of pocket monthly	$1,082	$1,500
Cash to close	$42,675	$3,000
Loan paid down in year 1	$6,042	$0
You own the building	Yes	No

Assumes 5% down owner-occupied 2-unit financing at 6.5%, $5,006 total monthly payment including mortgage insurance. Comparison rent of $1,500 reflects the closed new-construction 1-bedroom lease comp. Owner-occupancy requirement is typically 12 months — confirm terms with your lender.

THE WHOLE ARGUMENT IN ONE LINE

Host Unit A short-term and living here costs you $1,082 a month — about $418 less than renting a comparable 1-bedroom in this market.

You would be paying less than rent, in a brand-new unit, while a $569,000 asset appreciates in your name and someone else pays down your loan.

After twelve months the occupancy requirement is satisfied. Move out, lease Unit B too, and the whole building converts to the investor numbers on the previous slides.

EXIT · OPTION 1

Sell to an income buyer

STRATEGY	ANNUAL NOI	AT 6.0% CAP	AT 6.5% CAP	AT 7.0% CAP
Long-term	$36,908	$615,127	$567,809	$527,252
Voucher	$25,964	$432,727	$399,440	$370,909
Mid-term	$41,648	$694,127	$640,732	$594,966
Short-term	$66,336	$1,105,602	$1,020,556	$947,659
Mixed	$53,444	$890,741	$822,223	$763,493
Today's price	—	$569,000	$569,000	$569,000

What this table is saying

Long-term operation values the building at roughly what you paid. That is normal for a stabilized new build at today's rates — you are buying the asset, not a discount.

Mixed operation supports $763,000 to $891,000. On the same building, with one lease and one hosted unit.

Full short-term operation supports $948,000 to $1,106,000 to an income buyer. Documented, that is the strongest exit available here.

The voucher route values lowest. Certainty has a price, and this table is where you pay it.

Value shown is annual net operating income divided by the capitalization rate. NOI excludes debt service and is stated after taxes, insurance, and the operating costs described on each strategy slide. Cap rates are illustrative sensitivities, not quotes.

THE HONEST VERSION

A 2-unit in Houston appraises off comparable sales, not a cap rate. So on a conventional sale to an owner-occupant, this table is not what sets the price.

It is what sets the price with an investor. A buyer using DSCR financing underwrites the income, and two years of documented operating history is the difference between selling a building and selling a business.

That is the real argument for running short-term or mid-term for a couple of years before you exit: you are not just collecting more rent, you are manufacturing the file that justifies a higher number to the next buyer.

The realistic outcome sits between this table and the appreciation math on the next page.

EXIT · OPTION 2

Hold five years, then sell on the comps

VALUE IN YEAR 5	LOAN PAID DOWN BY TENANTS	NET SALE PROCEEDS	TOTAL PROFIT, MIXED
$659,627	**$29,083**	**$193,932**	**$150,499**
at 3% annual appreciation	over 5 years, 20% down	after 6% cost of sale	109% on cash invested

STRATEGY	CASH INVESTED	5 YRS CASH FLOW	SALE PROCEEDS	TOTAL PROFIT
Long-term	$128,025	+$11,908	$193,932	**$77,815**
Voucher	$128,025	−$42,812	$193,932	**$23,095**
Mid-term	$168,025	+$35,608	$193,932	**$61,515**
Short-term	$168,025	+$159,050	$193,932	**$184,957**
Mixed	$138,025	+$94,592	$193,932	**$150,499**

THREE ENGINES, NOT ONE

Even the long-term strategy — the one that barely cash flows — returns about $78,000 over five years. That profit is not coming from rent. It is coming from $29,000 of tenant-funded loan paydown and $91,000 of appreciation.

Cash flow is the third engine, not the first. Strategies that add it, like the mixed and short-term routes, stack on top of a return that is already working.

Assumes 3% annual appreciation, 6% total cost of sale, 20% down at 6.5% on a 30-year fixed, and the expected-case operating results shown on each strategy slide. Cash invested includes down payment, estimated closing costs, and furnishing where the strategy requires it. Appreciation is an assumption, not a forecast — Houston has had years above and below this figure.

THE FINE PRINT

Every assumption behind every number in this deck

FINANCING

Price $569,000 · 6.5% fixed, 30-year
5% down: $28,450 down, $315/mo MI
20% down: $113,800 down, no MI
Closing costs estimated at 2.5%
Taxes at 2.1252% of full assessed value
Insurance at $3,200/yr

LONG-TERM & VOUCHER

4 bd $2,500 – $3,200 · 1 bd $1,500
No vacancy assumed on annual leases
HHA Tier C payment standards, ZIP 77033, effective 1/1/2025: $2,303 and $1,135
Rent comps from HAR MLS, new construction 2024+, pulled 8/21/2026

MID-TERM

4 bd $3,200 – $5,200 · 1 bd $1,300 – $3,500
Furnished Finder area comparables
9.0 / 10.2 / 11.0 months leased per year
Owner pays utilities and internet: $525/mo
Self-managed; third-party runs 10 – 15%
Furnishing both units: about $40,000

SHORT-TERM

4 bd $267 – $467 · 1 bd $217 – $300 nightly
From 3-night booking totals for area listings
45% / 55% / 65% occupancy modeled
Houston citywide average is 36% (AirROI 2026)
20% management, 3% platform, 4% supplies
Houston STR registration required since 1/1/2026

WHAT THIS DECK DOES NOT INCLUDE

Cash flow figures deduct principal, interest, taxes and insurance only. They do not include maintenance, capital reserves, or long-term replacement costs. On a 2025 build those costs are minimal in the early years, but they are not zero forever — budget for them. Short-term and mid-term figures do deduct management, platform fees, supplies, and owner-paid utilities, because those are unavoidable from day one. Nothing here is a guarantee of income, an appraisal, or tax or legal advice. Verify rates, taxes, insurance, and voucher program terms independently before you write an offer.

LET'S WALK IT

5030 Mallow St · A/B
Houston, TX 77033 · $569,000

We build the rent-reasonableness package, pull the short-term and mid-term comps, and run your numbers on whichever strategy you want to test. Call, text, or email — we will get you inside this week.

Aaron White
A List Team · brokered by eXp Realty
281-786-9899 · alisttx.com

Welcome home.