

Investment Property Evaluation

378 W Ridge Street, Lansford, PA 18232



Phot Provided Courtesy of Neil Stark

Property Overview & Key Metrics

Type: Single-Family (Value-Add Opportunity) — On-Market Deal

Purchase Price: \$67,900

Upside Potential: Moderate repairs required to prepare for rental use

Total Monthly Rent (Projected): \$1,000/month

Cash Flow (After Reserves):

- **Current:** \$201.86/month (\$2,422.29/year)
- **Proforma:** \$301.86/month (\$3,622.29/year)

Cap Rate: 11.72% (Current)

Cash-on-Cash ROI: 14.2%

Summary

This single-family property is a fantastic value-add opportunity in Lansford, PA. Ideal for investors, it requires moderate repairs to reach rental-ready status. Located near Panther Valley schools, public parks, and a stable rental market, this property offers strong cash flow, high ROI, and significant upside potential.

Important Note: The town of Lansford will be undergoing a **large tax re-assessment in 2025**, with expected tax increases of **up to 2X for most properties**. Additionally, Lansford has enacted a **new borough ordinance** requiring **3rd party occupancy and rental inspections** upon ownership change. Investors should plan accordingly for these potential costs.

Disclosures

ORAL CONSUMER NOTICE:

The Real Estate Law requires me to provide a written notice describing the various business relationship choices you may have with a real estate licensee. Since we are discussing real estate without you having the benefit of the consumer notice, I must advise that information shared at this time is not considered confidential unless a business relationship is established.

HOLD HARMLESS ACKNOWLEDGEMENT:

All investment data is for informational purposes only. Real estate investment carries inherent risk. While efforts are made to ensure accuracy, The Morrow Wargo Group and associated entities are not liable for any reliance on the data provided. Always conduct your due diligence and consult financial/legal advisors.

Property Details

- **Property Type:** Single-Family Residential
 - **Square Footage:** 1,040 SF (200 SF basement)
 - **Lot Size:** 871 SF
 - **Year Built:** 1911
 - **Zoning:** Residential
 - **Stories:** 2
 - **Condition:**
 - Needs light/moderate repairs (scope of work available).
 - Fenced yard and on-street parking available nearby.
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Supporting Docs / Files

- **MLS Listing:** <https://portal.onehome.com/en-US/share/1024095a42177>
- **Evaluation / Tax Info / Supporting Docs:** [Google Drive Folder](#)
- **Photos, Videos:** [PHOTOS / VIDEO](#)
- **Scope of Work:** Included in the evaluation packet. Page 3 on Eval Spreadsheet

Due Diligence Checklist

1) Property On-Market or Off-Market?

- **Status:** On-Market (MLS# 749749)
- **Asking Price:** \$67,900
- **Days on Market (DOM):** 15

2) Property Condition

- **Unoccupied:** Requires moderate/light repairs to prepare for rental.
- **Scope of Work:** Includes cosmetic updates and minor exterior repairs.

3) Tenant Status

- **Projected Rent:** \$1,000/month (\$12,000/year).

4) Purchase Price & Terms

- **Purchase Price:** \$67,900
- **Loan:** \$54,320 (80% LTV)
- **Interest Rate:** 7%
- **Loan Term:** 30-Year Fixed
- **Monthly Payment (P&I):** \$361.39
- **Total Cash to Close:** \$29,623.35

5) Investor's Strategy

- **Strategy:** Buy & Hold with Value-Add Repairs
- **Cash Flow:**
 - **Current:** \$201.86/month (\$2,422.29/year)
 - **Proforma:** \$301.86/month (\$3,622.29/year)

6) Exit Strategy

- **Strategy:** Hold for 5-7 years with cash flow, then refinance or sell.
- **Equity Potential:** Significant appreciation in a growing rental market.

Lansford-Specific Considerations

- **Tax Re-Assessment (2025):** Taxes for most properties in Lansford are expected to increase by up to **2X**. Investors must account for this when planning future cash flow.
- **New Borough Ordinance:** Lansford now requires **3rd party occupancy and rental inspections** upon ownership change. The inspection company is known for being extremely detail-oriented, which may result in additional costs or compliance requirements.

 **Income & Expenses**

Category	Current	Proforma	Notes
Total Monthly Rent	\$1,000 (\$12,000/year)	\$1,000 (\$12,000/year)	Based on projected rental income.
Property Taxes	\$103.42 (\$1,241/year)	\$103.42 (\$1,241/year)	Based on current tax assessment.
Insurance	\$83.33 (\$1,000/year)	\$83.33 (\$1,000/year)	Estimate provided by the listing agent.
Vacancy (5%)	\$50.00 (\$600/year)	\$50.00 (\$600/year)	Allocated for market averages.
Maintenance/CapEx (5%)	\$50.00 (\$600/year)	\$50.00 (\$600/year)	Allocated for general upkeep.
Total Operating Expenses	\$336.75/month	\$336.75/month	Sum of all operating expenses.
Net Operating Income (NOI)	\$663.25/month	\$663.25/month	After subtracting operating expenses.

Cash Flow (After Debt Service)	\$301.86/month	\$301.86/month	Remaining after debt payments.
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Market Insights


- **Rental Market Growth:** Lansford has a stable rental market and strong demand for affordable housing.
- **Nearby Areas:** Close to Hazleton, Tamaqua, and Mahanoy City; 45 minutes from Allentown.
- **Cost of Living:** Low property taxes and affordable housing costs attract renters and investors alike.
- **Tax Changes:** The 2025 tax re-assessment will significantly impact property taxes in Lansford, with expected increases of up to 2X.
- **Ordinance Compliance:** The borough's **new rental inspection ordinance** adds an extra layer of compliance and potential expenses. The inspections are thorough, and investors should be prepared to meet all requirements before renting or occupying the property.

Key Investment Highlights

- **Value-Add Opportunity:** Moderate repairs required to reach rental-ready status.
- **Tenant-Paid Utilities:** All utilities metered separately.
- **Strong ROI:** 11.72% cap rate and 14.2% cash-on-cash return post-repairs.

Let's Get to Work! Contact Us to Schedule a Showing

The Morrow Wargo Group

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Important Notice:

This deal contains multiple variables and must be analyzed individually. Investment returns are not guaranteed and should not be considered financial advice. Each investor is responsible for conducting their own due diligence. The data presented may be public or publicly accessible through various sources and is not to be shared or construed as officially provided data. **The Morrow Wargo Group, Realty ONE Group Supreme, and all associated parties are not liable for the accuracy or completeness of the information provided.**