



Joseph Lockridge Housing
2120 52nd Street
Dallas, Texas 75216

Case Study



Dallas County - Affordable Housing

The Challenge:

- In October of 2021, Dallas County tasked Allan Bailey Johnson Group with identifying and securing a multi-family or hospitality space with a minimum of 50 units for an affordable housing project in District 3. The ideal intersection given was Lancaster Road & Ledbetter Drive in the Oak Cliff neighborhood of Dallas.
- The building complex will become transitional housing for men coming out of prison and is a public-private partnership with the Regional Black Contractors Association (RBCA). The complex will offer wrap around services, recovery support and job placement assistance.
- Working through the dynamics of having multiple parties involved with the transaction who were pulling in different directions and with Dallas County being a public entity where all approvals and signatures must go through a vote at Commissioners Court, which only meets twice per month. This caused pressure during the Due Diligence period with multiple deadlines and obtaining all the needed approvals and signatures to move the deal forward.
- Initially the County wanted a minimum of thirty (30) units that each could be terminated with a 30-day notice from the Purchaser at closing. The multi-family sector in DFW is extremely competitive and inventory for this particular product was extremely low, especially with the minimum number of units required.

Strategy:

- ABJ conducted an initial database search which resulted in 13 properties within the basic parameters. We also used our networking and contacts to identify and contact 11 brokers within the multi-family and hospitality market as well as sent an email blast to the brokerage community. We continued to drive the market thoroughly and researched and called on all off-market properties as well that fit within the specified parameters.
- Using our extensive market knowledge ABJ compiled an in-depth, fully verified market analysis for Dallas County's review. ABJ was able to locate an off-market apartment complex that fit all the criteria Dallas County and RBCA were looking for and a front-runner was selected. The property is located at 2120 52nd Street in Dallas and the complex is 42,011 square feet sitting on 1.8 acres and has 67 total units.
- ABJ negotiated the purchase of the complex at a market rate and was able to reduce the earnest money required from 2% to 1.5%, which totaled a savings of \$33,603.75.
- ABJ also negotiated a total of 45 days to close after full execution of the Purchase and Sale Agreement. 30 days for Due Diligence and 15 days to close.
- During the Due Diligence period, ABJ created and delivered a financial model and underwriting analysis to Dallas County and the RBCA to assist in evaluating the property's current and future rental income, eviction of delinquent tenants, potential utility rebills, capital expenses and operating expenses. This also included a renovate and lease-up strategy which was extremely helpful in assuring the RBCA had a complete financial picture for Year 1 and beyond.

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Results:

- It was ultimately decided to move forward with the acquisition of the property located in Oak Cliff at 2120 52nd Street. ABJ led negotiations to secure the asset at the best possible price for Dallas County. It was purchased with American Rescue Plan funds and will give a second chance to so many people that otherwise would not have this platform and program.
- Dallas County turned the apartment complex into “Joseph Lockridge transitional housing; A supportive service and workforce development community”. It's new name, Joseph Lockridge Housing, is named after one of the first black state legislators from North Texas.
- The Joseph Lockridge Housing will provide the residents with skills training and certifications that make them competitive when they go out into the workforce.
- ABJ’s mission is to provide a complete outsourced commercial real estate solutions team that exceeds the goals and objectives of our clients. It is further defined through the acronym H.O.P.E which stands for Hard work, Outreach, People and Ethics. ABJ takes immense pride in not just representing our clients on a transaction, but really living the “O” in our mission which is to engage and enrich our community. This project will have a lasting effect in the southern sector of Dallas and will have a huge impact not only on the current residents who will benefit from this great program, but will also give them confidence, pride and self esteem that will funnel down to their children and the community around them.