

SINGLE TENANT INVESTMENT OPPORTUNITY

12519 FM 529

OFFERING MEMORANDUM



FRITSCHÉ ANDERSON
REALTY PARTNERS

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12519 FM 529

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INVESTMENT OVERVIEW

OFFERING SUMMARY



PROPERTY HIGHLIGHTS:

- Single tenant sale/leaseback investment opportunity
- 235' of frontage on FM 529
- (1) truck well & (4) grade level doors
- Class A office space
- Tenant will leave all office furniture after the term of the lease has expired
- High traffic counts with good visibility on FM 529
- Easy access to Beltway 8, Highway 290, Highway 6, N Eldridge Parkway and Hempstead Highway

PROPERTY SUMMARY:

ADDRESS:	12519 FM 529 Houston, TX 77041
TOTAL RBA:	25,000 SF
RBA BREAKDOWN:	17,000 SF Warehouse 8,000 SF Office
LAND ACRES:	1.16 Acres
% LEASED:	100%
POWER:	3 Phase Heavy Power (480v)
MAJOR TENANT(S):	Royal Air (NNN, 5-Yr Lease)

FINANCIAL SUMMARY:

ASKING PRICE:	\$4,950,000 (\$198/SF)
NOI (CURRENT):	\$300,000
CAP RATE (CURRENT):	6.06%
CAP RATE (PRO FORMA):	7.27%

PROPERTY FEATURES:

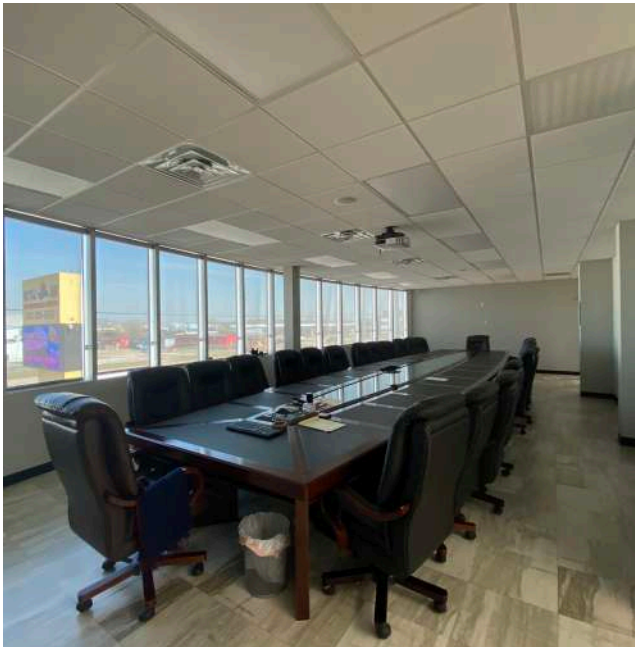
ACCESS:	FM 529
ROADS:	N Eldridge Parkway / Highway 290 / Beltway 8
SIGNAGE:	Digital Monument Signage
HVAC:	Yes - Office Only
PARKING:	28 - 30 Spaces
YEAR BUILT:	2017-18



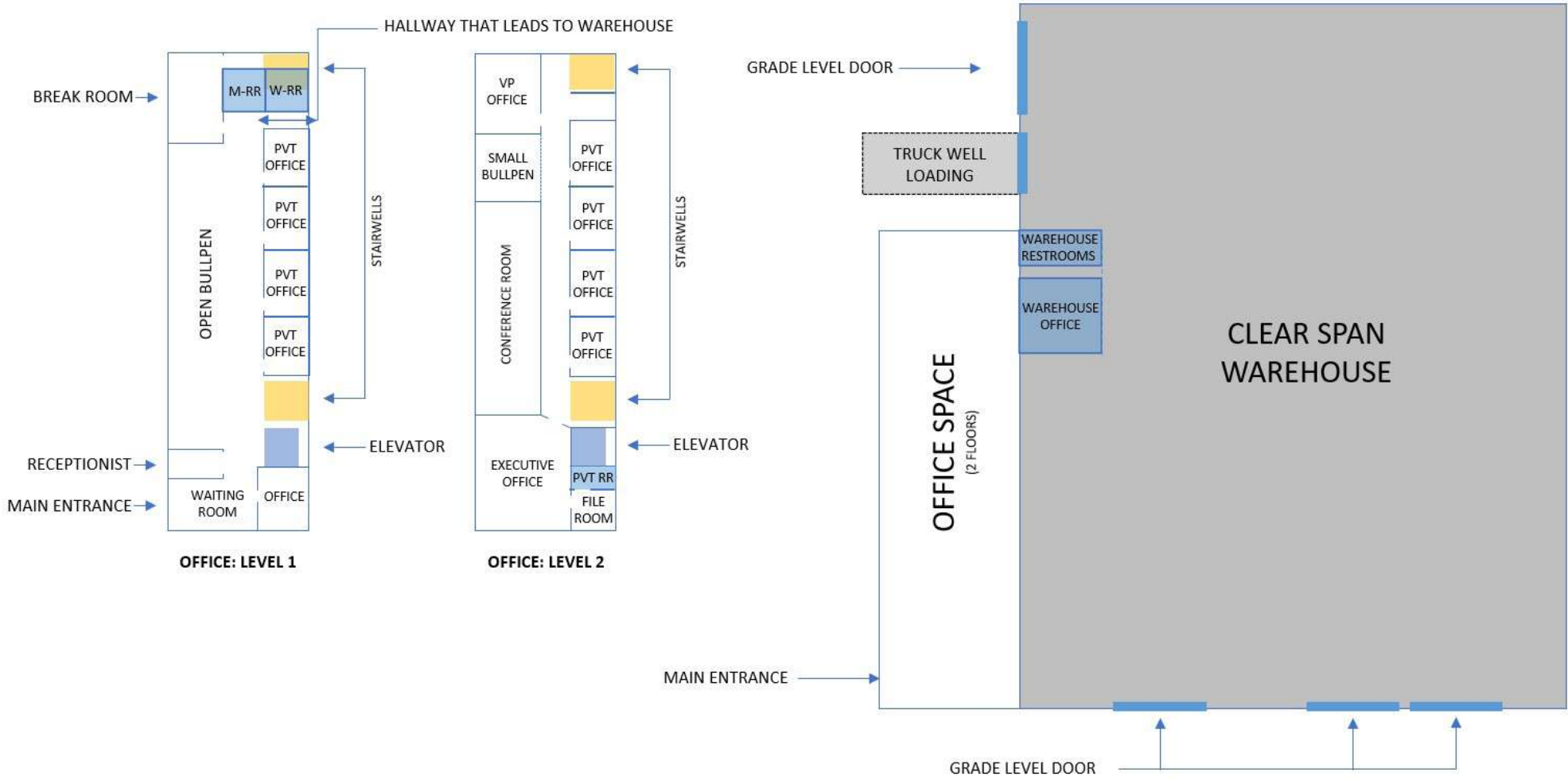
PROPERTY PHOTOS



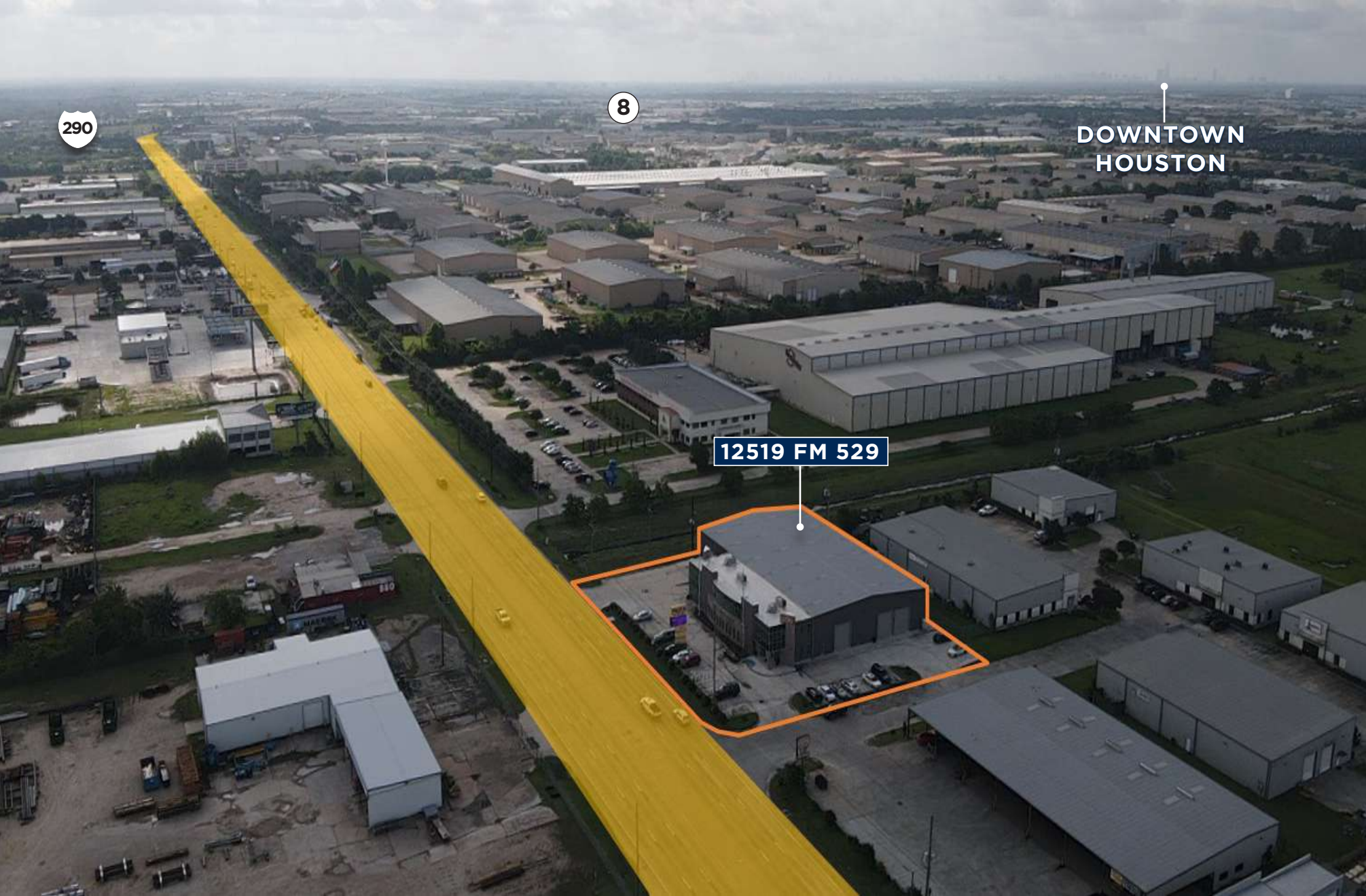
PROPERTY PHOTOS



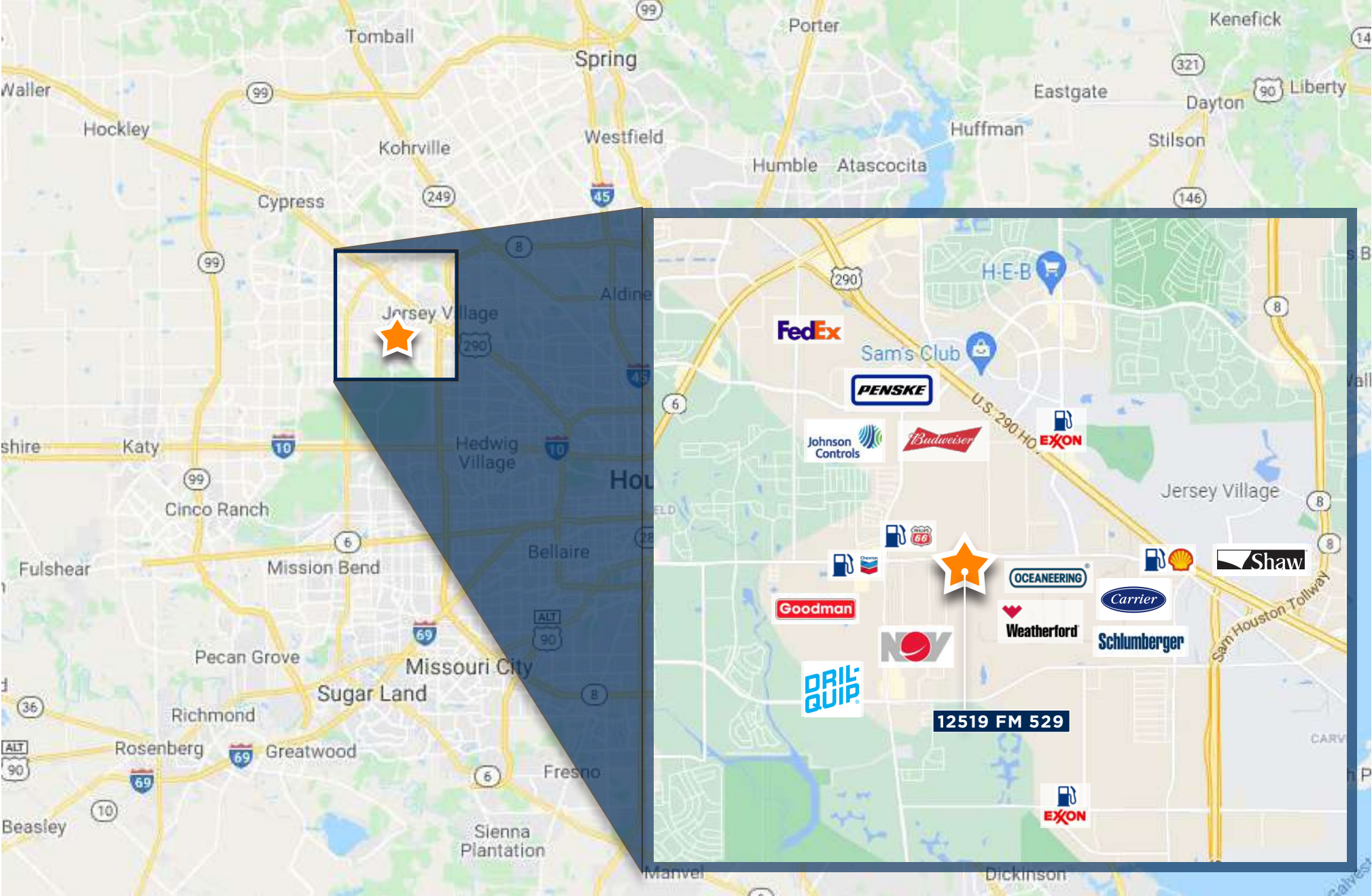
FLOOR PLANS



REGIONAL MAP



LOCAL MAP





FINANCIAL ANALYSIS

TENANT HIGHLIGHTS



OVERVIEW

Royal Air Houston is a leader of Air conditioning and Heating in the Greater Houston and surrounding areas. We provide quality HVAC service and maintenance with skilled personnel having over 15 years experience in the heating & air conditioning industry.

SERVICES

- Air Conditioning
- Heating
- Repair & Maintenance
- Installation
- Attic Insulation
- Duct Cleaning
- Commercial Services

PARTNERS



PERIOD	RENT
YEAR 1	\$25,000 / Month (plus NNN)
YEAR 2	\$25,000 / Month (plus NNN)
YEAR 3	\$25,000 / Month (plus NNN)
YEAR 4	\$25,000 / Month (plus NNN)
YEAR 5	\$25,000 / Month (plus NNN)
ANNUAL NOI:	\$300,000



MARKET OVERVIEW

MARKET ANALYSIS — INDUSTRIAL (WEST OUTER LOOP)

INVENTORY SF

30.6 M

PRIOR PERIOD 30.5 M

UNDER CONSTRUCTION SF

495 K SF

PRIOR PERIOD 83 K SF

12 MO NET ABSORP SF

159 K

PRIOR PERIOD 585 K

VACANCY RATE

4.9%

PRIOR PERIOD 4.9%

MARKET RENT/SF

\$8.24

PRIOR PERIOD \$7.90

MARKET SALE PRICE/SF

\$94

PRIOR PERIOD \$90

MARKET CAP RATE

6.7%

PRIOR PERIOD 6.5%

AVAILABILITY

VACANT SF:	1.5 M
SUBLET SF:	226 K
AVAILABILITY RATE:	8.1%
AVAILABLE SF:	2.5 M
AVAILABLE ASKING RENT/SF:	\$8.24
OCCUPANCY RATE:	95.1%

INVENTORY

EXISTING BUILDINGS:	911
UNDER CONSTRUCTION SF:	495 K
12 MO DEMOLISHED SF:	0
12 MO OCCUPANCY % AT DELIVERY:	66.7%
12 MO CONSTRUCTION STARTS SF	195 K
12 MO DELIVERED SF:	160 K
12 MO AVG DELIVERED SF:	33 K

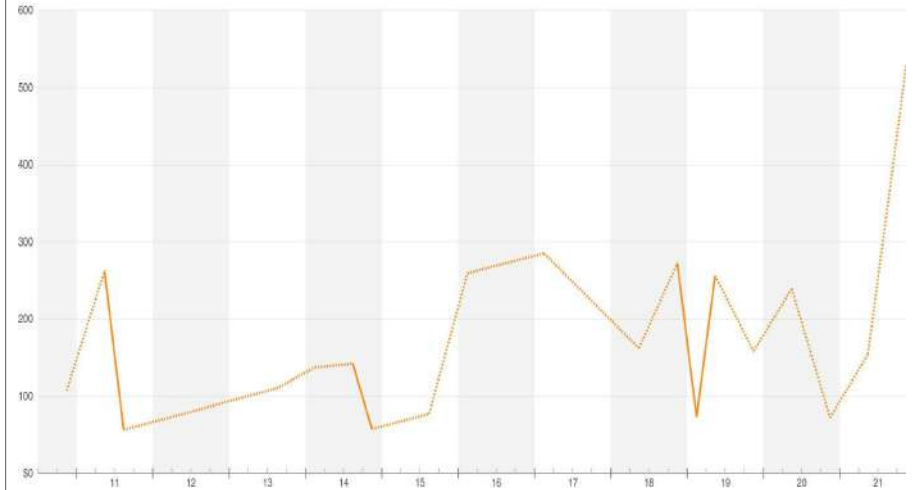
SALES PAST YEAR

ASKING PRICE PER SF:	\$189
SALE TO ASKING PRICE DIFFERENTIAL:	-12.9%
SALES VOLUME:	\$54.1 M
PROPERTIES SOLD:	37
MONTHS TO SALE:	16.4
FOR SALE LISTINGS:	4
TOTAL FOR SALE SF:	184 K

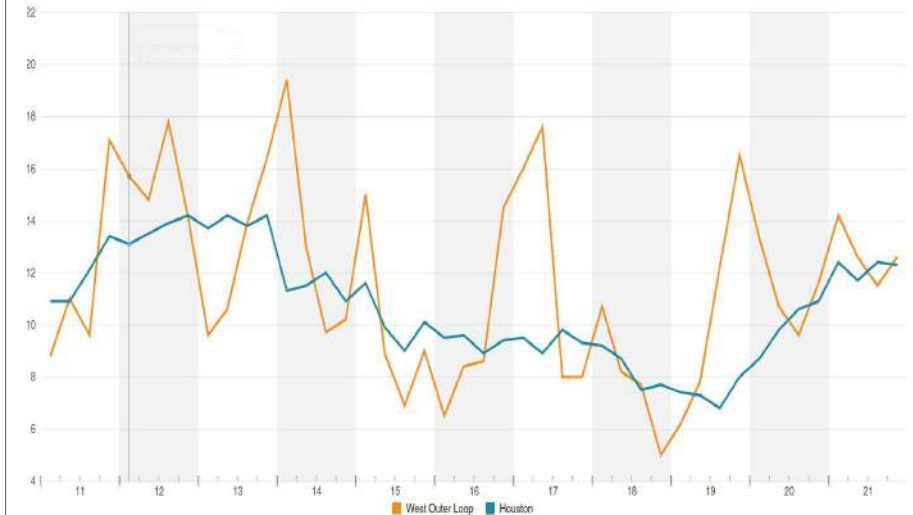
DEMAND

12 MO NET ABSORP:	159 K
12 MO LEASED SF:	242 K
MONTHS ON MARKET:	16
MONTHS TO LEASE:	10
MONTHS VACANT:	14
24 MO LEASE RENEWAL RATE:	56%
POPULATION GROWTH 5 YRS:	1.9%

SALE PRICE PER SF



MONTHS ON MARKET






MARKET ANALYSIS — 12519 FM 529

INVENTORY	PROPERTY	SUBMARKET 2-4 STAR	SUBMARKET
EXISTING BUILDINGS:	1	820	911
INVENTORY SF:	25 K	29.7 M	30.6 M
AVERAGE BUILDING SF:	—	36.3 K	33.6 K
UNDER CONSTRUCTION SF:	—	495 K	495 K
12 MO DELIVERED SF:	—	160 K	160 K

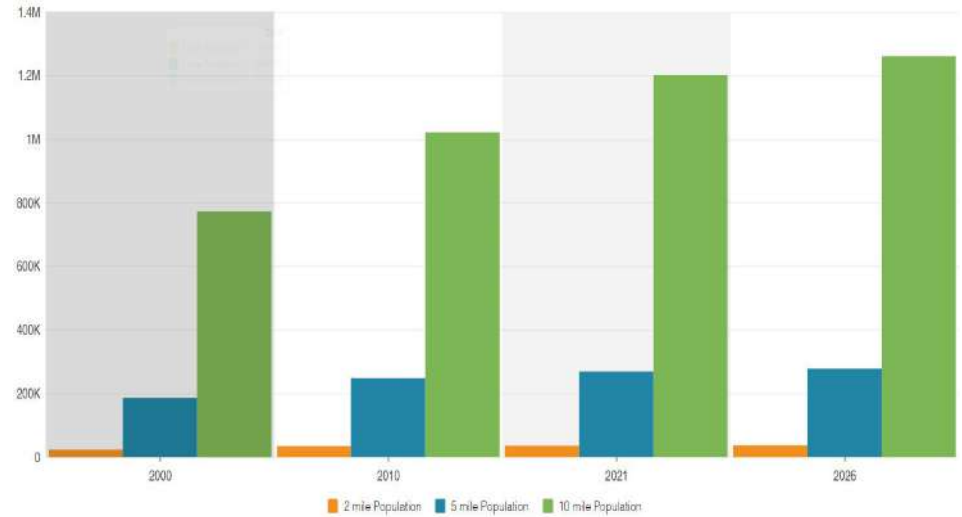
SALES	PROPERTY	SUBMARKET 2-4 STAR	SUBMARKET
12 MO TRANSACTIONS:	—	37	37
MARKET SALE PRICE/SF:	—	\$94	\$94
AVG MARKET SALE PRICE :	—	\$3.4 M	\$3.2 M
12 MO SALES VOLUME:	—	\$54.1 M	\$54.1 M
MARKET CAP RATE:	—	6.7%	6.7%

TRAFFIC COUNTS

	COLLECTION STREET	CROSS STREET	VOLUME
	FM 529 Road	Mayard Road E	31,680
	Eldridge Parkway N	FM 529 Road N	30,932
	Signat Drive	FM 529 Road N	1,787

DEMOGRAPHICS

POPULATION GROWTH

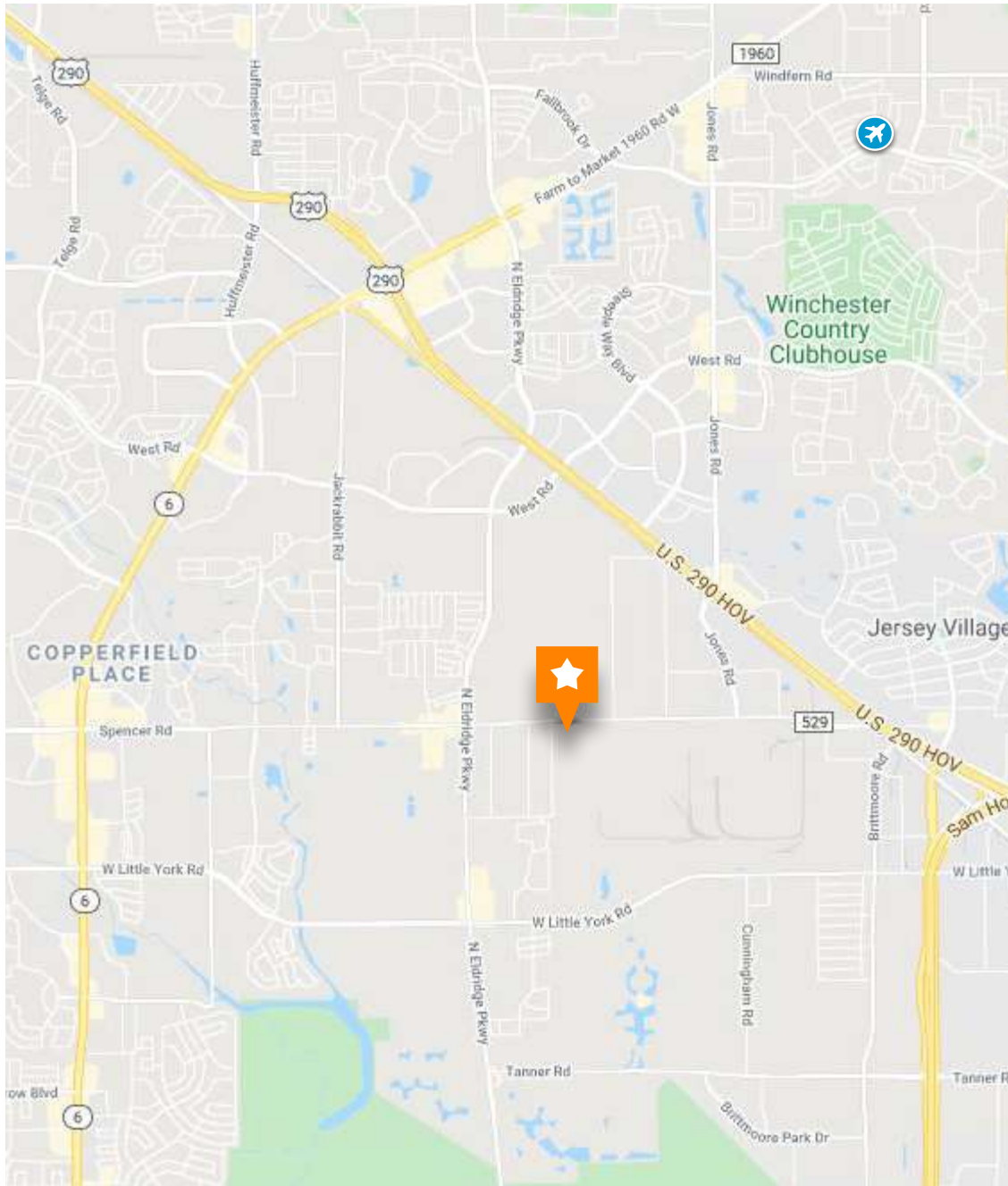


POPULATION	2 MILE	5 MILE	10 MILE
2021 TOTAL POPULATION:	36,357	269,514	1,202,711
2026 POPULATION:	37,390	279,081	1,260,611
POP GROWTH 2021-2026:	0.6%	0.7%	1.0%
MEDIAN AGE:	35.7	35.6	35.2

HOUSEHOLDS	2 MILE	5 MILE	10 MILE
2021 TOTAL HOUSEHOLDS:	13,060	94,538	417,181
HH GROWTH 2021-2026:	0.6%	0.8%	1.0%
AVG HOUSEHOLD INCOME:	\$103,537	\$93,739	\$97,700
AVG HOUSEHOLD SIZE:	2.8	2.9	2.9
2021 AVG HH VEHICLES:	2	2	2

HOUSING	2 MILE	5 MILE	10 MILE
MEDIAN HOME VALUE:	\$228,110	\$194,028	\$220,518
MEDIAN YEAR BUILT:	1994	1993	1991

NEIGHBORING AREA



INDUSTRIAL - WEST OUTER LOOP



MILEAGE FROM SITE

BELTWAY 8	2.35 MILES
HIGHWAY 290	1.7 MILES
HIGHWAY 6	2.79 MILES
INTERSTATE-10	7.4 MILES
610 LOOP	10.56 MILES
DOWNTOWN	18.62 MILES
GRAND PARKWAY 99	9.5 MILES

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