

# LUCAS BUSINESS PARK

551 W LEAGUE CITY PARKWAY

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OFFERING MEMORANDUM



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REALTY PARTNERS

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# 551 W LEAGUE CITY PARKWAY

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# INVESTMENT OVERVIEW

# OFFERING SUMMARY



## PROPERTY HIGHLIGHTS:

- Property is conveniently located right off Interstate-45 on Highway 96 / W League City Parkway with a designated intersection for easy access into the business park.
- 2 access points off Highway 96 for each building on site.
- Stable Investment with long standing nationally credited tenants
- Granted Right of Way Easement with CenterPoint Energy to access the 0.92 Acre land portion used by Lucas Construction for onsite storage.
- Current owner & tenants have an agreement with CenterPoint Energy to use & access the additional land for company fleet parking & equipment storage.
- Brick/Stone & Metal Build Industrial/Flex Space. Property can easily accommodate any light or heavy industrial needs. 3 Phase heavy Power 480V available on site.
- Buildings are located outside of the 100 & 500 year floodplain, surrounding net usable land is located in the 500 year floodplain.

## PROPERTY SUMMARY:

ADDRESS:	551 W League City Parkway, League City, TX 77573
TOTAL RBA:	32,300 SF
TOTAL AREA:	32,500 SF
LAND ACRES:	3.23 AC
TOTAL BUILDINGS:	(2)
TOTAL SPACES LEASED:	(7)
% LEASED:	100%
MAJOR TENANT(S):	Terracon, PetWell, Lucas Construction, Alliance Source Testing
VACANT SPACE:	0%

## FINANCIAL SUMMARY:

ASKING PRICE:	\$4,226,000 (\$130.03/SF)
NOI (CURRENT):	\$338,057.10
CAP RATE (CURRENT):	8.00%
INVESTMENT TYPE:	Stabilized

## PROPERTY FEATURES:

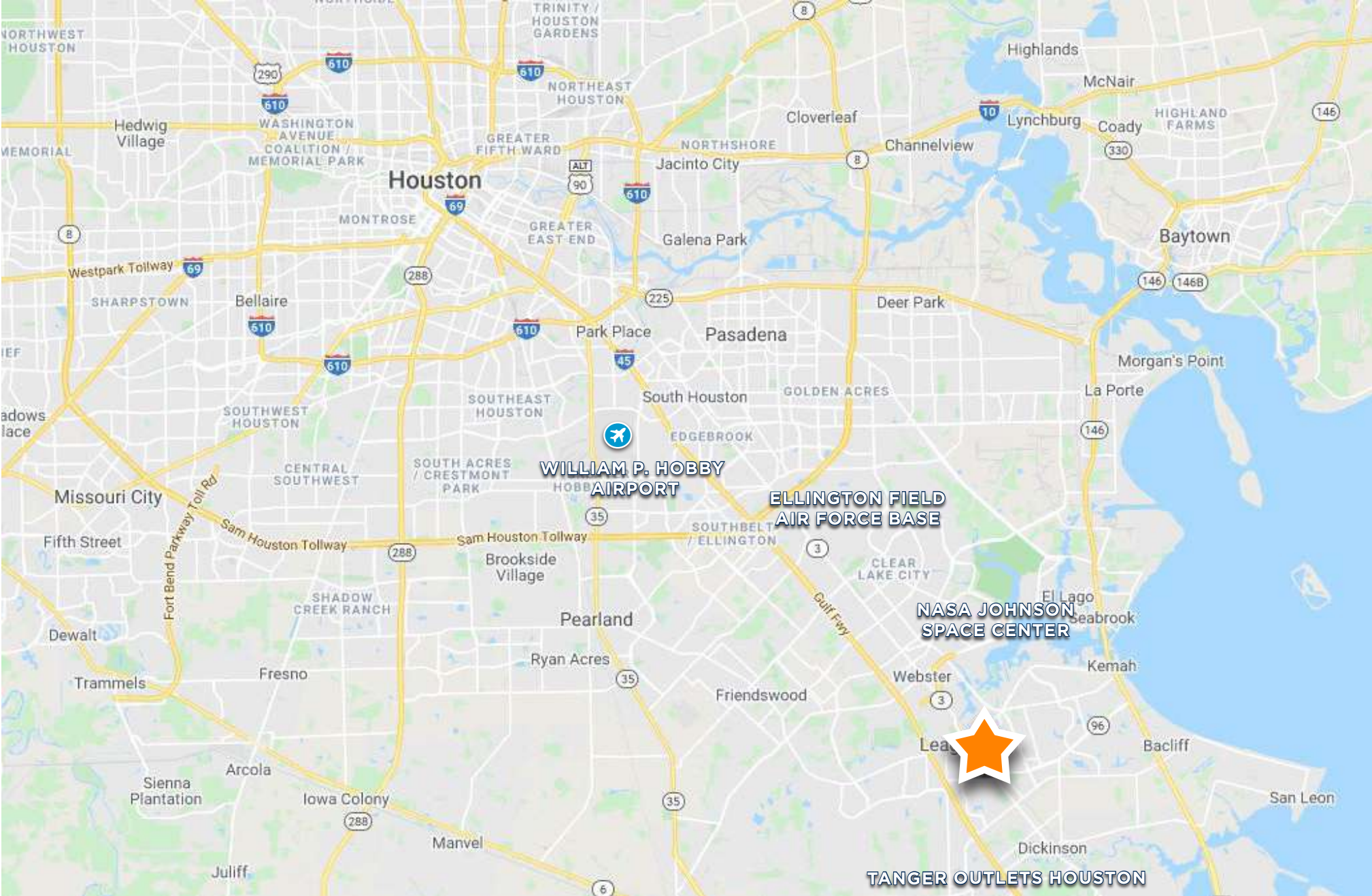
ACCESS:	24/7
ROADS:	Highway 96, Highway 3, Interstate-45
SIGNAGE:	Pylon Signage
HVAC:	100%
PARKING:	Ample
YEAR BUILT:	2005





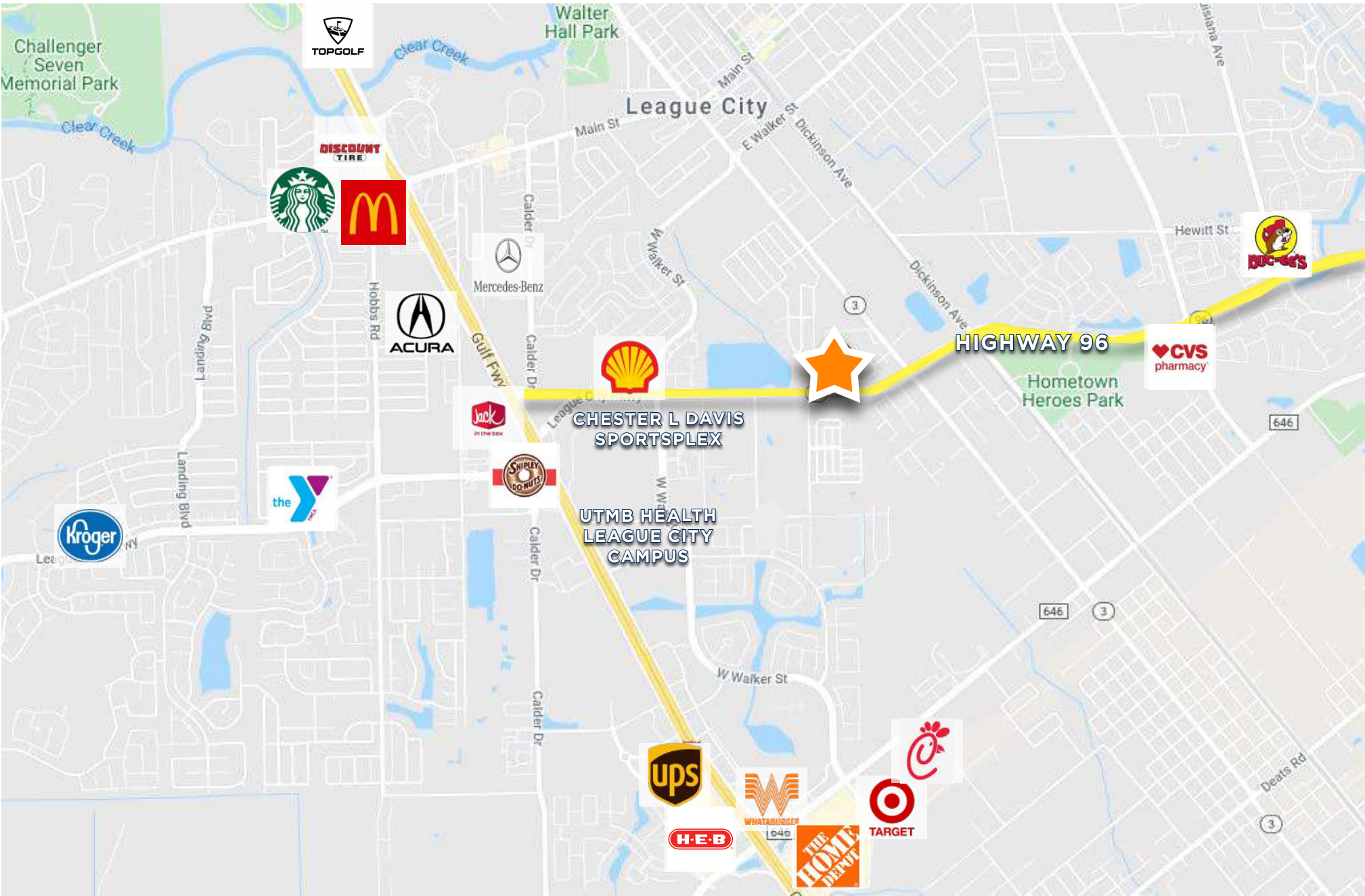


# REGIONAL MAP





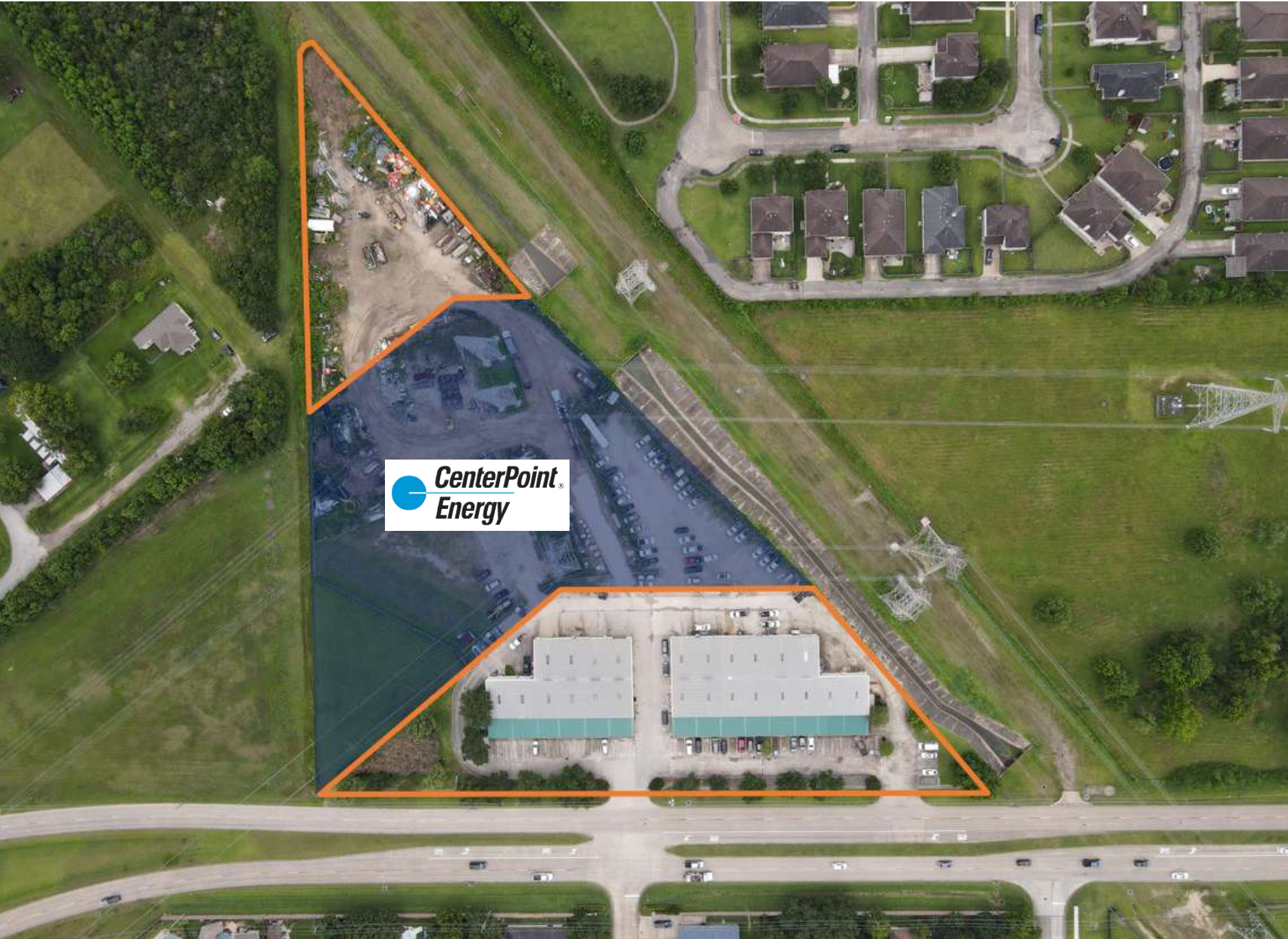
LOCAL MAP













**PROPERTY PHOTOS - BUILDING 1**





PROPERTY PHOTOS - BUILDING 2







# FINANCIAL ANALYSIS



# RENT ROLL 2021

	TENANT	LEASE TERM	MONTHLY RENT	REIMBURSEMENTS	PARKING RENT	PRO RATA SHARE	TAX INCREASES	TAXES	SF	RENEWALS
A	PETWELL	5/16/16 TO 4/30/26	\$3,250.00	\$150	-	23.3%	\$448.66	\$104.54	3,100 SF	(1) Extension 5 Years w/ increases
B	TEST AMERICA AIR EMISSIONS CORP.	7/15/16 TO 2/24/24	\$4,700.00	\$150	\$400	38.0%	\$10,058.56	\$3,822.25	5,100 SF + 600 SF MEZZANINE	-
C	LUCAS CONSTRUCTION	PROPERTY OWNER	\$5,000.00	-	-	38.7%	-	-	5,100 SF	Will sign lease before closing
D	ARROW SCIENCE & TECHNOLOGY	3/1/19 TO 2/28/22	\$4,500.00	\$150	-	27.7%	\$1,524.18	\$422.40	5,100 SF	(2) Extensions 36 months not exceeding 10% of current rate
E&F	TERRACON	6/1/15 TO 5/31/22	\$11,200.00	\$250	\$500	55.5%	\$448.66	\$249.00	10,200 SF	(1) Extension 3 Years at market rate
G	INTERNATIONAL RIG	MTM	\$2,850.00	\$150	-	16.8%	-	-	3,100 SF	Working on renewal option
<b>TOTAL</b>			<b>\$31,500.00</b>	<b>\$850.00</b>	<b>\$900.00</b>			<b>\$4,597.99</b>	<b>32,300 SF</b>	



## EXPENSE SUMMARY / TENANT HIGHLIGHTS

EXPENSE TYPE	MONTHLY COST
MAINTENANCE & REPAIRS	\$500.00
PROPERTY TAXES	\$1,676.43
UTILITIES	\$400.00
ROW CENTERPOINT	\$685.27
INSURANCE	\$2,200.00
<b>TOTAL:</b>	<b>\$5,461.70</b>

YEAR	PROPERTY TAXES
2017	\$19,219.80
2018	\$19,134.01
2019	\$17,068.76
2020	\$17,551.13
2021	\$20,117.11
<b>AVERAGE</b>	<b>\$18,618.16</b>

MONTHLY GROSS	\$33,250.00
MONTHLY EXPENSES	(\$5,461.70)
<b>MONTHLY NET:</b>	<b>\$27,788.30</b>

GROSS OPERATING INCOME (2021)	\$399,000.00
EXPENSES	(\$65,540.39)
RECOVERABLE TAXES	\$4,597.99
<b>NET OPERATING INCOME:</b>	<b>\$338,057.10</b>

OCCUPIED SF	32,300 SF
VACANT SF	0 SF
<b>TOTAL RBA</b>	<b>32,300 SF</b>

### TENANT HIGHLIGHTS:







**MARKET OVERVIEW**

# MARKET ANALYSIS — EAST-SOUTHEAST FAR (FLEX)

INVENTORY SF

**89.6 M**

PRIOR PERIOD 86.3 M

UNDER CONSTRUCTION SF

**2.8 M**

PRIOR PERIOD 2.6 M

12 MO NET ABSORP SF

**2.68 M**

PRIOR PERIOD 2.16 M

VACANCY RATE

**9.3%**

PRIOR PERIOD 10.1%

MARKET RENT/SF

**\$7.57**

PRIOR PERIOD \$7.43

MARKET SALE PRICE/SF

**\$85**

PRIOR PERIOD \$83

MARKET CAP RATE

**6.5%**

PRIOR PERIOD 6.4%

## AVAILABILITY

VACANT SF:	8.3 M
SUBLET SF:	764 K
AVAILABILITY RATE:	12.3%
AVAILABLE SF:	11.3 M
AVAILABLE ASKING RENT/SF:	\$7.57
OCCUPANCY RATE:	90.7%

## INVENTORY

EXISTING BUILDINGS:	2,464
UNDER CONSTRUCTION AVG SF:	34.3 K
12 MO DEMOLISHED SF:	14,835
12 MO OCCUPANCY % AT DELIVERY:	N/A
12 MO CONSTRUCTION STARTS SF:	4.18 M
12 MO DELIVERED SF:	3.3 M

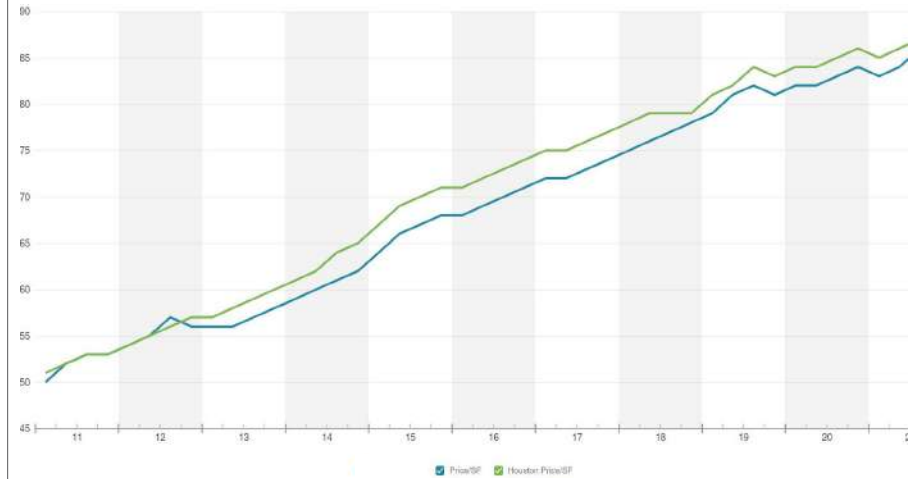
## SALES PAST YEAR

ASKING PRICE PER SF:	\$85
SALES VOLUME:	\$275 M
PROPERTIES SOLD:	143
MONTHS TO SALE:	6.8
FOR SALE LISTINGS:	122
TOTAL FOR SALE SF:	3.8 M

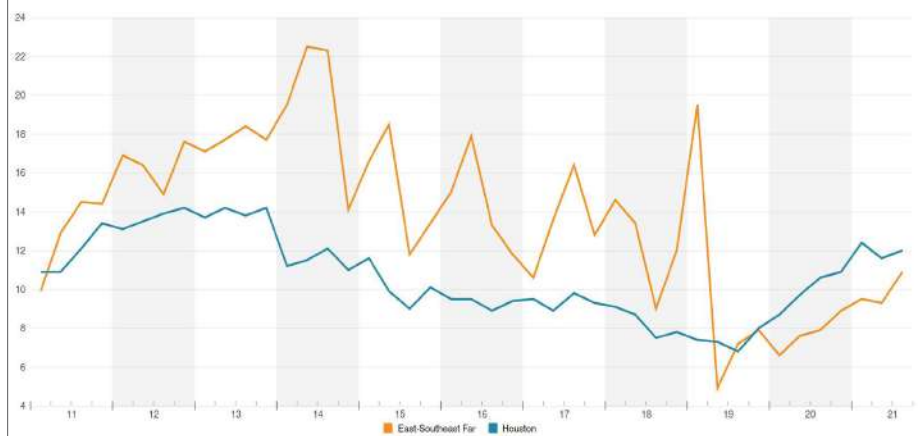
## DEMAND

12 MO NET ABSORP SF:	2.68M
12 MO LEASED SF:	3.1 M
MONTHS ON MARKET:	8.9
MONTHS TO LEASE:	9.4
MONTHS VACANT:	8.1
24 MO LEASE RENEWAL RATE:	61.3%
POPULATION GROWTH 5 YRS:	1.0%

## SALE PRICE COMPARISON



## MONTHS ON MARKET








# MARKET ANALYSIS — 551 W LEAGUE CITY PARKWAY

INVENTORY	PROPERTY	SUBMARKET 2-4 STAR	SUBMARKET
EXISTING BUILDINGS:	1	1,594	2,464
INVENTORY SF:	32.3K	71.5M	89.6M
AVERAGE BUILDING SF:	—	44.9K	36.4K
UNDER CONSTRUCTION SF:	—	998K	2.8M
12 MO DELIVERED SF:	—	1.6M	3.3M

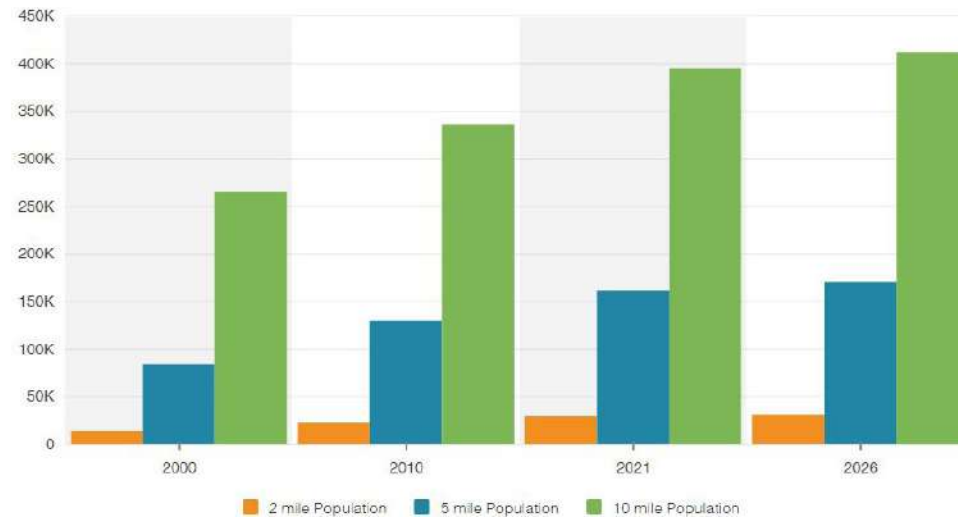
SALES	PROPERTY	SUBMARKET 2-4 STAR	SUBMARKET
12 MO TRANSACTIONS:	1	116	143
MARKET SALE PRICE/SF:	—	\$86	\$85
AVG MARKET SALE PRICE :	—	\$4M	\$3.3M
12 MO SALES VOLUME:	—	\$189M	\$275M
MARKET CAP RATE:	—	6.5%	6.5%

## TRAFFIC COUNTS

	COLLECTION STREET	CROSS STREET	VOLUME
	LEAGUE CITY PARKWAY	ST CHRISTOPHER E	23,740
	STATE HIGHWAY 96	ST CHRISTOPHER E	18,610
	LINK ROAD	PECAN ORCHARD ROAD W	17,195

## DEMOGRAPHICS

POPULATION GROWTH

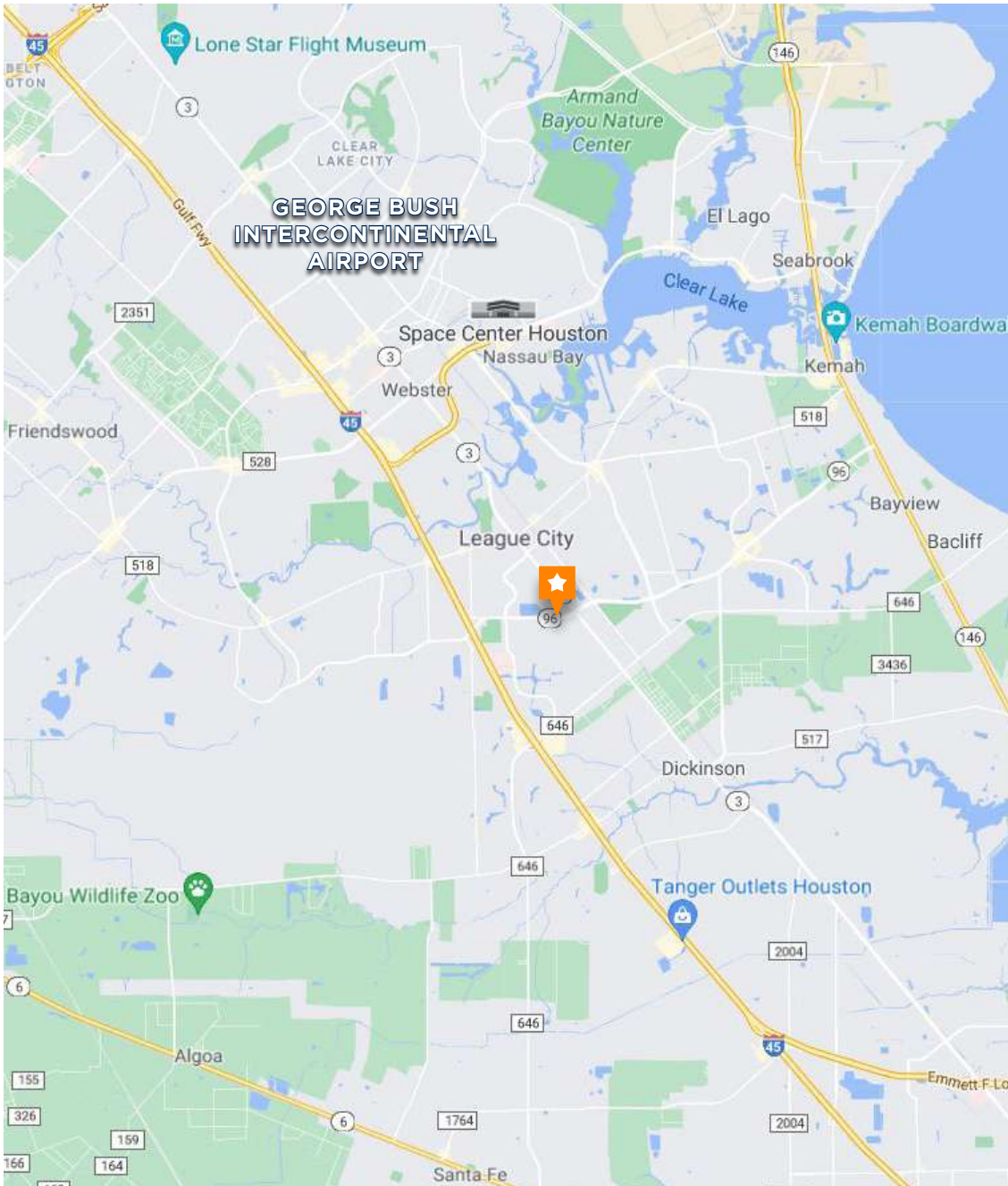


POPULATION	2 MILE	5 MILE	10 MILE
2021 TOTAL POPULATION:	28,933	160,973	394,328
2026 POPULATION:	30,855	170,168	411,733
POP GROWTH 2021-2026:	1.3%	1.1%	0.9%
MEDIAN AGE:	35.8	36.1	37.3

HOUSEHOLDS	2 MILE	5 MILE	10 MILE
2021 TOTAL HOUSEHOLDS:	10,717	60,182	146,749
HH GROWTH 2021-2026:	1.4%	1.1%	0.9%
AVG HOUSEHOLD INCOME:	\$115,561	\$114,081	\$110,305
AVG HOUSEHOLD SIZE:	2.7	2.7	2.7
2021 AVG HH VEHICLES:	2	2	2

HOUSING	2 MILE	5 MILE	10 MILE
MEDIAN HOME VALUE:	\$248,280	\$250,875	\$239,111
MEDIAN YEAR BUILT:	2000	1997	1990

# NEIGHBORING AREA



## LEAGUE CITY



**The Custom Goods Companies**  
Custom Goods • Custom Air Trucking • Customs Air Warehouse



## MILEAGE FROM SITE

I-45	1.22 MILES
HIGHWAY 96 / LEAGUE CITY PKY	0.00 MILES
HIGHWAY 3	0.25 MILES
HIGHWAY 646	1.28 MILES
HIGHWAY 146	5.22 MILES
FM 517	4.45 MILES
NASA PARKWAY	4.15 MILES



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