

Marcus & Millichap
TAG INDUSTRIAL GROUP

8301 BRANIFF STREET

HOUSTON, TX 77061

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Texas Real Estate Commission
P.O. Box 12188
Austin, Texas 78711-2188
(512) 936-3000

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

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SECTION 1

INVESTMENT OVERVIEW

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OFFERING SUMMARY

- Property Sits in Close Proximity to Monroe Boulevard and Hobby Airport
 - 15,140-Square-Foot Warehouse Sitting on Roughly 0.51 Acres
 - 100% Occupied Multi-Tenant Warehouses for Hedged Income
 - 10 Grade-Level Doors for Shipping and Receiving
- Value-Add Component with Gross Leases and Ability to Convert to Triple-Net

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 8301 Braniff Street in Houston, Texas. The subject property consists of approximately 15,140 square feet of warehouse space and is situated on 0.51 acres of land. The asset features 10 grade-level doors for shipping and receiving. As a value-add opportunity, the fully occupied multi-tenant property will allow investors to hedge income while gross leases are converted into triple-net leases. Situated just off Monroe Boulevard, the property has proximate access to the William P. Hobby Airport.

The subject property is situated within South Highway 35, a massive submarket containing 43.2 million square feet of space. Wholesale trade tenants serving the oil and gas industry make up a large portion of the tenant base in South Highway 35. Over the last decade, the population growth in Suburban South Houston has boosted demand for e-commerce and distribution facilities. During this time, 5.1 million square feet of industrial space was delivered in South Highway 35. While sizable, this represents only about a 13 percent expansion in inventory. Thanks to an annual net absorption of 1.14 million square feet, the vacancy rate has dropped 160 basis points to 3.1 percent by the end of the first quarter. As a result, the rate of annual rent growth jumped to 5.5 percent during this time, representing a fresh 20-year high. At 6.7 percent, the average market cap rate has remained in record low territory below 7 percent since 2015 (CoStar).

As the fifth most populous metro area in the U.S., Houston houses over seven million people in southeastern Texas. The market is composed of nine counties: Harris, Galveston, Brazoria, Fort Bend, Chambers, Montgomery, Austin, Liberty and Waller. The Gulf of Mexico, which borders the metro to the southeast, provides access to markets around the world via the Port of Houston, making it a prime location for import/export. Houston's economy has diversified in recent years, with the healthcare and technology sectors showing strong growth. As Houston's population continues to grow, primarily to the northwest, many companies are expanding to the region to provide goods and services to the increasing population.

PROPERTY DETAILS

8301 BRANIFF STREET,
HOUSTON, TX 77061

Number of Suites	5
Number of Buildings	1
Total Square Feet	15,140
Warehouse Square Feet	13,740
Office Square Feet	1,400
Office Ratio	9%
Year Built	1970/1984
Lot Size	0.51 Acres
Type of Ownership	Fee Simple
Clear Height	18'-20'
Parking Spaces	15 Parking Spaces
Parking Surface	Asphalt
Building Class	C
Tenancy	Multi
Grade Level Doors	10
Construction	Masonry
Power	2 Phase
Type of Lighting	Fluorescent/LED
Roof Type	Pitched Metal
Age/Condition of Roofs	2015
HVAC Units	Condensor Compressor
Market	Houston
Submarket	South Hwy 35
Market Vacancy	3.50%





OFFERING HIGHLIGHTS

8301 BRANIFF STREET

HOUSTON, TX 77061

OFFERING PRICE
\$1,290,000

CAP RATE
6.65%

Offering Price	\$1,290,000
Cap Rate	6.65%
Price/SF	\$85.20
Total Square Feet	15,140
Rental Rate	\$7.64
Lease Type	Gross
Lease Term	Varies
Tenancy	Multi
Occupancy	100.00%

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2022 Marcus & Millichap. All rights reserved. (Activity ID: ZAD0060521)

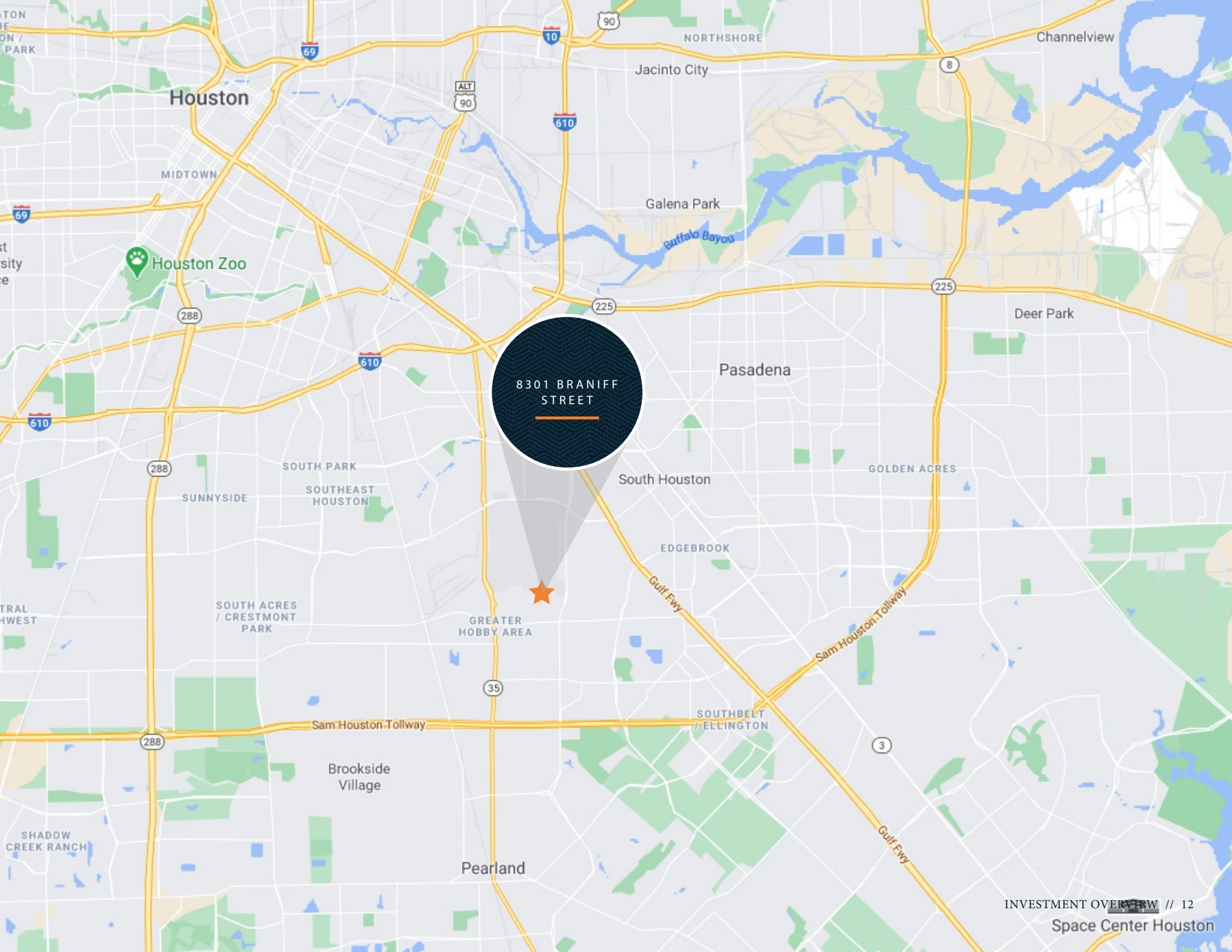
RENT ROLL

Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Lease Type
				Comm.	Exp.				
Del Valle Auto	101-C	2,400	15.9%	10/8/21	9/30/22	\$8.40	\$1,680	\$20,160	Gross
Poseidon Marine Supplies, Inc.	102-C	3,140	20.7%	3/23/22	4/30/24	\$7.20	\$1,885	\$22,620	Gross
Kabona International Corp.	103-C	3,200	21.1%	12/29/21	12/31/22	\$7.88	\$2,100	\$25,200	Gross
Go Rentals	104-C	3,200	21.1%	7/1/21	6/30/23	\$7.91	\$2,110	\$25,320	Gross
RAC Enterprises, Inc.	105-C	3,200	21.1%	8/1/21	1/31/23	\$7.00	\$1,866	\$22,392	Gross
Total		15,140				\$7.64	\$9,641	\$115,692	
Occupied Tenants: 5				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%	
Total Current Rents: \$9,641						Occupied Current Rents: \$9,641		Unoccupied Current Rents: \$0	

OPERATING STATEMENT

Income	Current	Per SF
Scheduled Base Rental Income	115,692	7.64
Expense Reimbursement Income		
Net Lease Reimbursement		
Total Reimbursement Income	\$0	0.0%
Effective Gross Revenue	\$115,692	\$7.64

Operating Expenses	Current	Per SF
Electric	1,401	0.09
Water	557	0.04
Landscaping	1,800	0.12
Recycling	0	0.00
Insurance	5,849	0.39
Real Estate Taxes	12,443	0.82
Management Fee	6,000	5.2%
Total Expenses	\$29,852	\$1.97
Expenses as % of EGR	25.8%	
Net Operating Income	\$85,840	\$5.67



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Body Work &
Detail Auto Service



Braniff St

Wingtip Dr

Falcon Crest
Aviation Supply
Aircraft supply store



Braniff St

Dualco Inc





CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources, providing the most competitive rates and terms.

We leverage out prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac, and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 1,943 debt and equity financings in 2020



National platform operating within the firm's brokerage offices



\$7.67 billion total national volume in 2020



Access to more capital sources than any other firm in the industry

WHY MMCC?

Optimum financing solutions to enhance value

Enhanced control through MMCC's ability to qualify investor finance contingencies

Enhanced control through quickly identifying potential debt/equity sources, processing, and closing buyer's finance alternatives

Enhanced control through MMCC's ability to monitor investor/due diligence and underwriting to ensure timely, predictable closings



SECTION 2

MARKET OVERVIEW

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HOUSTON TEXAS

As the fifth most populous metro area in the United States, Houston houses more than 7.1 million people in southeastern Texas. Roughly one-third of residents live in the city of Houston. The market is composed of nine counties: Harris, Galveston, Brazoria, Fort Bend, Chambers, Montgomery, Austin, Liberty and Waller. The Gulf of Mexico, which borders the metro to the southeast, provides access to markets around the world via the Port of Houston, making it a prime location for exports. Local industries have diversified from oil to technology and health care. Many companies provide goods and services for the large population growth, which has sprawled, primarily to the north and west.



CORPORATE
GROWTH



HIGHER
EDUCATION



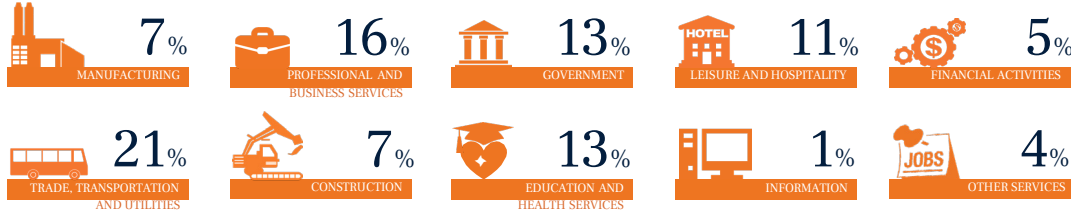
LOW COST OF LIVING,
DOING BUSINESS



METROPLEX GROWTH

ECONOMY

The economy is diversifying to include biotechnology, distribution, nanotechnology and logistics. The metro remains the center of energy production. Local product manufacturing is a large segment of the economy and includes paper, electrical and electronic machinery, iron, steel and petrochemicals. Health care is gaining economic prominence. Specialized medical education and training institutions boost the local economy and supply a growing hospital system. The Port of Houston is one of the country's busiest for exports, supplying thousands of jobs and generating billions of dollars in revenue.



METROPLEX GROWTH

The Houston metro is expected to add 720,700 people through 2025, translating to the formation of roughly 263,600 households, generating demand for housing. The homeownership rate of 61 percent slightly trails the national rate of 64 percent. The median home price of roughly \$282,000 is \$40,000 below the U.S. average. The metro's median household income exceeds \$68,000, surpassing the national rate by roughly \$5,000.



The metro's favorable location and climate translates to an abundance of outdoor activities. More than a dozen state parks and recreation areas lie within a short drive of Houston, as well as more than 500 local parks and open spaces, various cultural venues and museums. Johnson Space Center is a popular tourist and educational destination. The metro is also known internationally for its medical community and is home to Texas Medical Center, the largest of its kind in the world. Houston hosts four professional sports teams: the Houston Texans, the Houston Astros, the Houston Rockets and the Houston Dynamo.



DEMOGRAPHICS



311,135

Total Population
Within 5 miles



49.6%



50.4%



\$66,315

Average Household Income
Within 5 miles



137,458

Employees
Within 1 mile

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Population	5,812	105,760	325,072
2021 Estimate			
Total Population	5,486	100,789	311,135
2010 Census			
Total Population	4,968	91,849	284,397
2000 Census			
Total Population	3,703	76,011	249,980
Daytime Population			
2021 Estimate	7,334	95,827	277,630
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Households	1,571	33,290	102,824
2021 Estimate			
Total Households	1,487	31,809	98,212
Average (Mean) Household Size	3.6	3.2	3.2
2010 Census			
Total Households	1,336	28,826	88,887
2000 Census			
Total Households	1,048	25,424	80,309

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2021 Estimate			
\$200,000 or More	0.9%	1.9%	2.2%
\$150,000-\$199,999	3.2%	2.6%	3.5%
\$100,000-\$149,999	17.1%	11.9%	12.1%
\$75,000-\$99,999	15.2%	13.5%	13.2%
\$50,000-\$74,999	20.8%	20.3%	19.6%
\$35,000-\$49,999	16.4%	16.1%	15.1%
\$25,000-\$34,999	9.0%	11.9%	11.6%
\$15,000-\$24,999	8.4%	11.6%	11.7%
Under \$15,000	8.9%	10.2%	11.0%
Average Household Income	\$68,888	\$64,086	\$66,315
Median Household Income	\$59,236	\$50,277	\$50,692
Per Capita Income	\$18,677	\$20,228	\$20,971
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2021 Estimate Total Population	5,486	100,789	311,135
Under 20	31.7%	32.9%	31.8%
20 to 34 Years	22.3%	24.1%	23.1%
35 to 39 Years	7.9%	7.9%	7.5%
40 to 49 Years	13.1%	12.6%	12.5%
50 to 64 Years	16.1%	14.1%	14.8%
Age 65+	8.8%	8.5%	10.3%
Median Age	32.6	30.9	31.8
Population 25+ by Education Level			
2021 Estimate Population Age 25+	3,379	60,636	190,273
Elementary (0-8)	21.3%	19.2%	16.9%
Some High School (9-11)	13.3%	13.1%	12.8%
High School Graduate (12)	34.6%	30.3%	30.5%
Some College (13-15)	18.5%	19.8%	20.3%
Associate Degree Only	4.1%	5.0%	5.7%
Bachelor's Degree Only	6.5%	9.2%	9.7%
Graduate Degree	1.7%	3.4%	4.2%
Travel Time to Work			
Average Travel Time to Work in Minutes	31.0	31.0	32.0



INFORMATION ABOUT BROKERAGE SERVICES

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A BROKER is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A SALES AGENT must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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