

Marcus & Millichap  
TAG INDUSTRIAL GROUP

13001 ELAINE ROAD

HOUSTON, TX 77047



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All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

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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.

**Marcus & Millichap**  
TAG INDUSTRIAL GROUP

OFFICES THROUGHOUT THE U.S. AND CANADA  
[www.marcusmillichap.com](http://www.marcusmillichap.com)

# 13001 ELAINE ROAD

## HOUSTON, TX 77047

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**Marcus & Millichap**  

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TAG INDUSTRIAL GROUP









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## MARKET OVERVIEW

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Marcus & Millichap

The background of the slide is a dark, blue-toned photograph of an industrial interior. It shows a large, multi-level structure with metal beams, pipes, and several hanging industrial lamps. The lighting is dim, creating a moody atmosphere. The structure appears to be part of a factory or a large warehouse.

# SECTION 1

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## INVESTMENT OVERVIEW

Marcus & Millichap

## OFFERING SUMMARY

- Vacant 11,680-Square-Foot Warehouse with 3.4 Acres for IOS
- Features Three Grade-Level Doors and Three-Ton Bridge Crane (14-Foot Hook Height)
- Easy Access to Both Highway 288 and Sam Houston Tollway
- High-Growth Submarket with 4.4% Vacancy Among Comparables

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 13001 Elaine Road in Houston, Texas. The subject property consists of approximately 11,680 square feet of warehouse space and is situated on 3.4 acres of land. The single-tenant asset features a clear height of 20', three grade-level doors, metal construction, three-phase power, and 1,100 square feet of office space. Equipped with a three-ton bridge crane at a 14-foot hook height, the vacant property is suitable for a variety of uses, including shipping and distribution. With a building coverage ratio of 8 percent, the property can easily accommodate industrial outdoor storage space that could generate additional income by being leased. Located in close proximity to State Highway 288 and Sam Houston Tollway, the property is primely situated in the South Highway 35 submarket.

South Highway 35 is a large submarket supported by oil and gas companies with 49.4 million square feet of industrial space. In 2023, nearly 1.8 million square feet of space was absorbed on net, topping the highest level since 2004. Despite historically strong demand, net deliveries hit a record 3 million square feet, causing the vacancy rate to jump by 230 basis points to 5.5 percent last year. Despite the rising availability, asking rent growth hit a 20-year high of 5.1 percent. At the start of 2024, there were 3.2 million square feet of industrial space under construction, representing 6.5 percent of inventory. Like most markets, the pipeline in South Highway 35 is dominated by large warehouses with 84 percent of deliveries last year concentrated in properties 100,000 square feet and larger. Given the lack of new supply of industrial properties under 100,000 square feet, vacancies for these properties were lower than the submarket average at 4.4 percent (CoStar). Despite economic headwinds, oil prices have been resilient and are poised to gain momentum in 2024 if inflation remains relatively high. As a result, submarkets such as South Highway 35 should outperform with higher demand.

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

13001 ELAINE ROAD,  
HOUSTON, TX 77047

Number of Suites	1
Number of Buildings	1
Total Square Feet	11,680
Warehouse Square Feet	10,580
Office Square Feet	1,100
Office Ratio	9%
Year Built	1982
Lot Size	3.4 Acres
Type of Ownership	Fee Simple
Clear Height	20'
Parking Surface	Concrete
Building Class	C
Tenancy	Single
Grade Level Doors	3 tot./14' w x 14' h
Construction	Metal
Power	3 Phase
Roof Type	Pitched Metal
Age/Condition of Roofs	Seller Reports 2015 Repair
Market	Houston
Submarket	South Highway 35
Submarket Vacancy	5.50%

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## OFFERING HIGHLIGHTS

### 13001 ELAINE ROAD

HOUSTON, TX 77047

OFFERING PRICE  
**\$1,250,000**

Offering Price	\$1,250,000
Price/SF	\$107.02
Total Square Feet	11,680
Rental Rate	\$9.00
Tenancy	Single
Occupancy	100.00%

### FINANCING

Loan Amount	\$812,500
Loan Type	New
Interest Rate	7.50%
Amortization	25 Years
Year Due	2029

Loan information is subject to change. Contact your Marcus & Millichap Capital Corporation representative.

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. © 2024 Marcus & Millichap. All rights reserved. (Activity ID: ZAE0040586)

## RENT ROLL

Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Lease Type
				Comm.	Exp.					
Vacant	Suite 1	11,680	100.0%	6/1/24	6/1/27	\$9.00	\$8,760	\$105,120	\$108,000	NNN
Total		11,680				\$9.00	\$8,760	\$105,120	\$108,000	
Occupied Tenants: 0				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%		
Total Current Rents: \$0						Occupied Current Rents: \$0		Unoccupied Current Rents: \$0		

Notes:

\*\*Owner is also willing to lease the property. Please reach out to the agent for more details\*\*

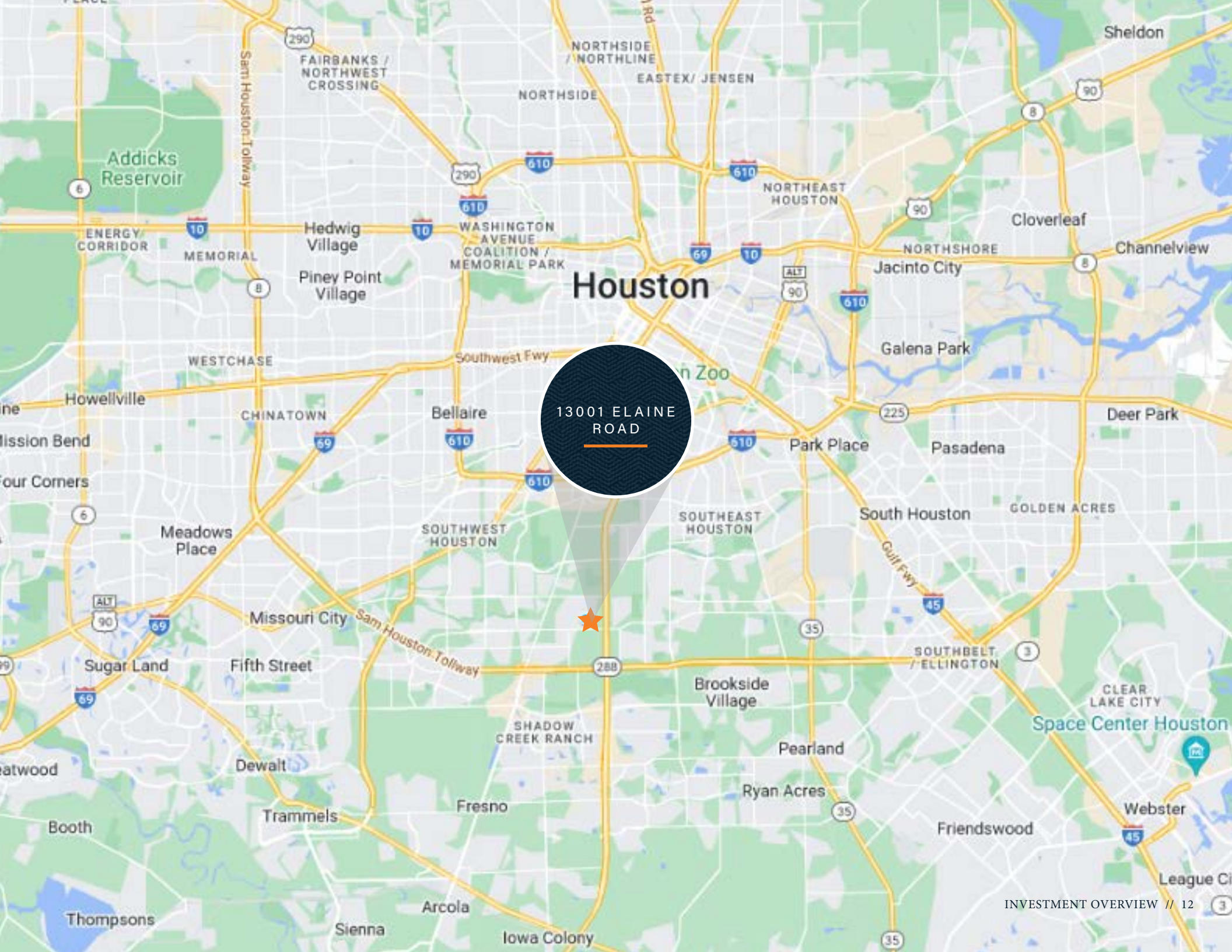


## OPERATING STATEMENT

Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	0		0.00	108,000		9.25
Expense Reimbursement Income						
Net Lease Reimbursement						
Insurance	0		0.00	16,480		1.41
Real Estate Taxes	0		0.00	23,837		2.04
Total Reimbursement Income	\$0	0.0%	\$0.00	\$40,317	100.0%	\$3.45
Effective Gross Revenue	\$0		\$0.00	\$148,317		\$12.70

Operating Expenses	Current		Per SF	Pro Forma		Per SF
Insurance	16,000		1.37	16,480		1.41
Real Estate Taxes	23,143		1.98	23,837		2.04
Total Expenses	\$39,143		\$3.35	\$40,317		\$3.45
Expenses as % of EGR	0.0%			27.2%		
Net Operating Income	-\$39,143		(\$3.35)	\$108,000		\$9.25



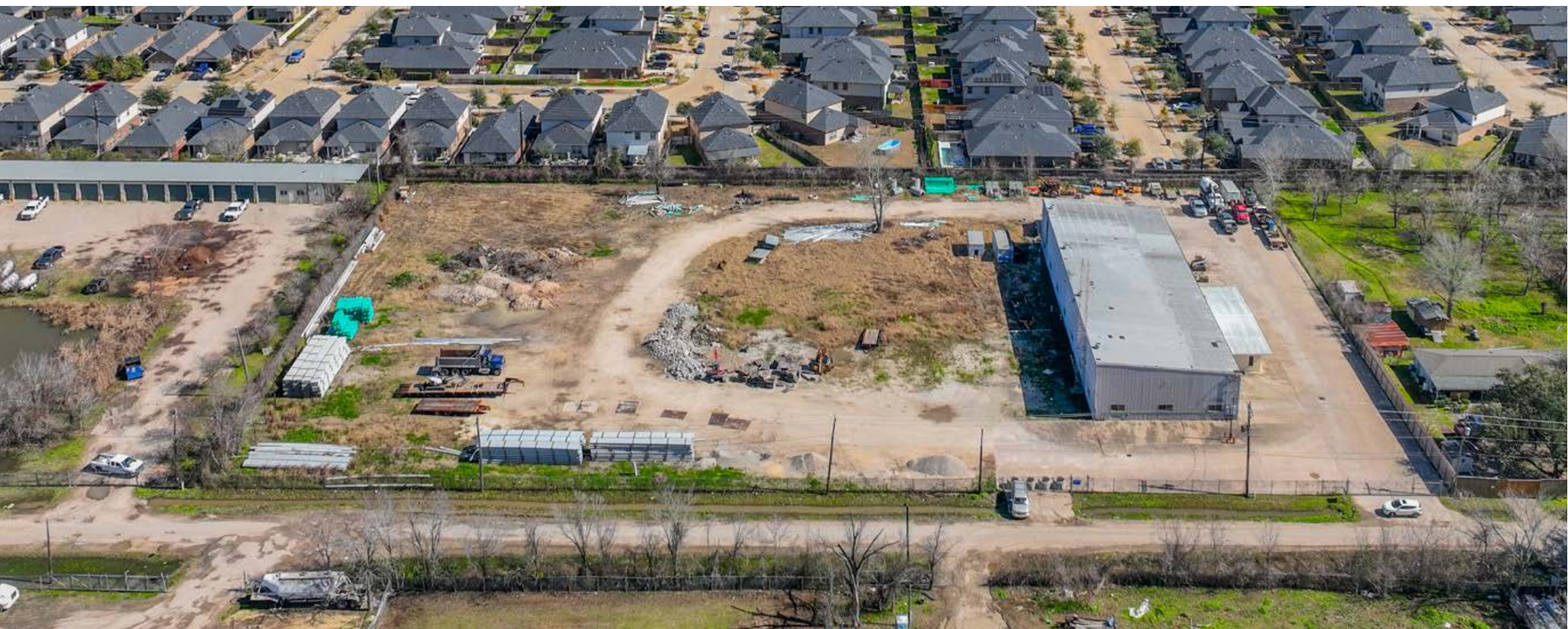
13001 ELAINE  
ROAD





13001 ELAINE  
ROAD







## 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 2,143 debt  
and equity  
financings in 2023



National platform operating  
within the firm's  
brokerage offices



\$86.3 billion total  
national volume  
in 2023



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

.....



The background of the slide is a dark, blue-toned photograph of an industrial interior. It shows a large, multi-level structure with metal beams, pipes, and several hanging industrial lamps. The lighting is dim, creating a moody atmosphere. The structure appears to be a large warehouse or a factory interior.

## SECTION 2

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### MARKET OVERVIEW

Marcus & Millichap

# HOUSTON TEXAS

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As the fifth-most populous metro area in the United States, Houston houses more than 7.3 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



LOW COST OF LIVING,  
DOING BUSINESS



HIGHER  
EDUCATION



## 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 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.



**7%**  
MANUFACTURING



**16%**  
PROFESSIONAL AND  
BUSINESS SERVICES



**14%**  
GOVERNMENT



**10%**  
LEISURE AND HOSPITALITY



**5%**  
FINANCIAL  
ACTIVITIES



**21%**  
TRADE, TRANSPORTATION,  
AND UTILITIES



**7%**  
CONSTRUCTION



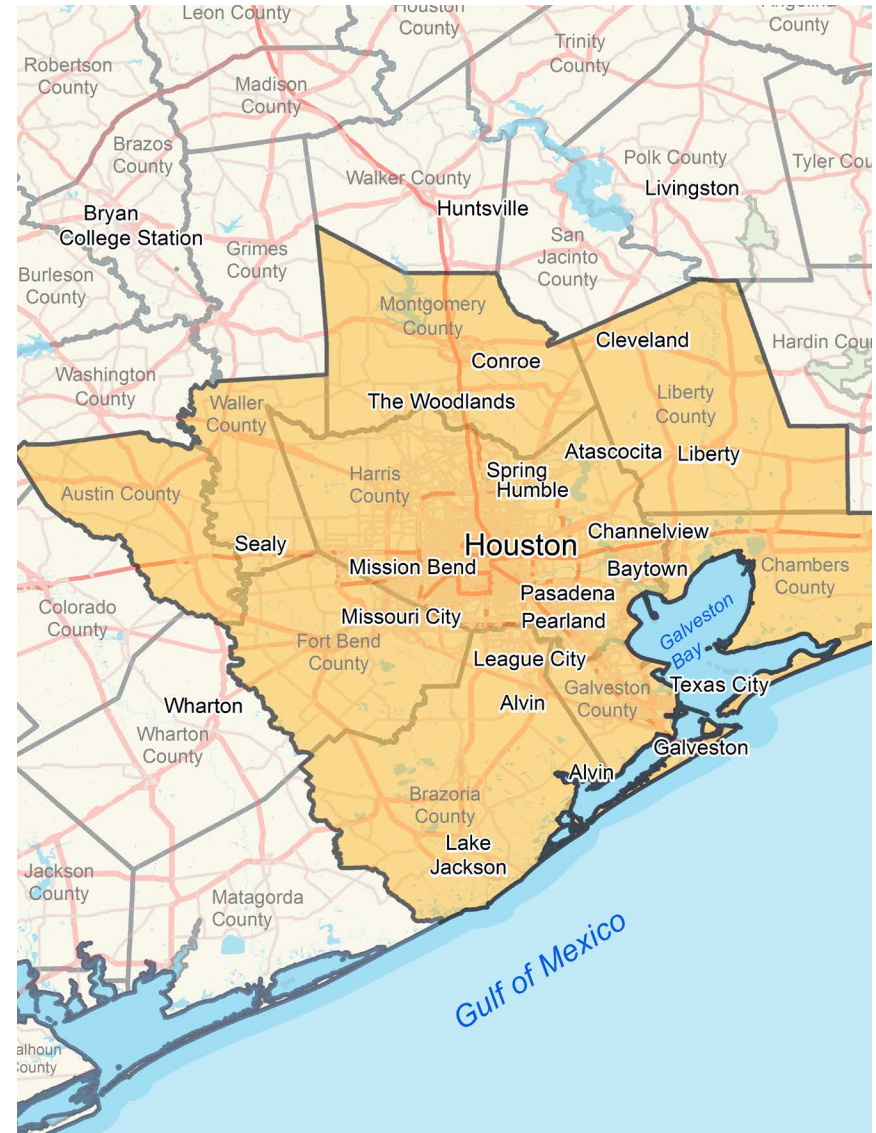
**13%**  
EDUCATION AND  
HEALTH SERVICES



**1%**  
INFORMATION



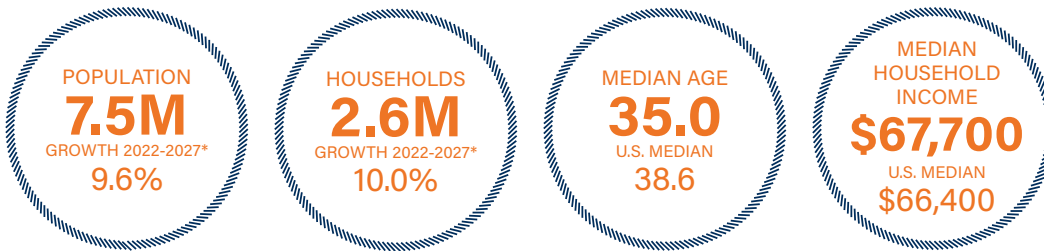
**4%**  
OTHER SERVICES



## METROPLEX GROWTH

### DEMOGRAPHICS

The Houston metro is expected to add 700,800 people through 2027, translating to the formation of roughly 260,000 households, generating demand for housing. The homeownership rate of 61 percent trails the national rate of 64 percent. The median home price of roughly \$341,000 is \$44,000 below the U.S. average. The metro's median household income exceeds \$67,700, surpassing the national rate by roughly \$1,300.



### QUALITY OF LIFE

The metropolitan area'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's city limits, 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 metropolitan area 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



245,611

Total Population  
Within 5 Miles



47.3%



52.7%



\$78,268

Average Household Income  
Within 5 Miles



116,360

Employees  
Within 1 Mile



## DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
<b>2027 Projection</b>			
Total Population	11,409	82,225	268,127
<b>2022 Estimate</b>			
Total Population	10,113	74,257	245,611
<b>2010 Census</b>			
Total Population	6,833	56,563	197,462
<b>2000 Census</b>			
Total Population	2,251	41,271	138,678
<b>Daytime Population</b>			
2022 Estimate	5,082	49,397	193,872
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
<b>2027 Projection</b>			
Total Households	4,407	27,737	96,253
<b>2022 Estimate</b>			
Total Households	3,774	24,648	87,420
Average (Mean) Household Size	2.7	3.0	2.8
<b>2010 Census</b>			
Total Households	2,533	18,528	69,689
<b>2000 Census</b>			
Total Households	718	12,836	48,442

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
<b>2022 Estimate</b>			
\$200,000 or More	3.3%	2.5%	4.9%
\$150,000-\$199,999	5.6%	5.0%	6.5%
\$100,000-\$149,999	11.7%	11.9%	12.5%
\$75,000-\$99,999	13.3%	12.4%	11.4%
\$50,000-\$74,999	23.4%	23.1%	19.7%
\$35,000-\$49,999	18.9%	15.2%	13.3%
\$25,000-\$34,999	7.8%	10.0%	9.7%
\$15,000-\$24,999	7.1%	9.1%	9.1%
Under \$15,000	8.9%	10.8%	12.8%
Average Household Income	\$76,637	\$69,341	\$78,268
Median Household Income	\$56,537	\$54,259	\$55,158
Per Capita Income	\$28,598	\$23,022	\$27,920
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
<b>Population By Age</b>			
2022 Estimate Total Population	10,113	74,257	245,611
Under 20	29.5%	29.0%	29.2%
20 to 34 Years	26.5%	22.0%	22.8%
35 to 39 Years	9.8%	7.5%	8.0%
40 to 49 Years	13.2%	12.3%	13.0%
50 to 64 Years	12.6%	15.6%	15.1%
Age 65+	8.4%	13.6%	11.9%
Median Age	32.2	34.4	33.8
<b>Population 25+ by Education Level</b>			
2022 Estimate Population Age 25+	6,466	47,992	157,969
Elementary (0-8)	6.3%	9.2%	8.2%
Some High School (9-11)	9.1%	11.0%	9.4%
High School Graduate (12)	21.4%	26.5%	25.0%
Some College (13-15)	26.1%	23.5%	21.0%
Associate Degree Only	6.4%	6.6%	6.1%
Bachelor's Degree Only	18.2%	13.6%	17.3%
Graduate Degree	12.7%	9.6%	13.0%
<b>Travel Time to Work</b>			
Average Travel Time to Work in Minutes	32.0	32.0	33.0



## 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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Licensed Supervisor of Sales Agent/Associate	License No.	Email	Phone
ADAM ABUSHAGUR	661916	<a href="mailto:ADAM.ABUSHAGUR@MARCUSMILLICHAP.COM">ADAM.ABUSHAGUR@MARCUSMILLICHAP.COM</a>	972-755-5223
Sales Agent/Associate's Name	License No.	Email	Phone

\_\_\_\_\_  
Buyer/Tenant/Seller/Landlord Initials

\_\_\_\_\_  
Date



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