

Marcus & Millichap  
TAG INDUSTRIAL GROUP

SIGNARAMA  
519 DURHAM DRIVE

HOUSTON, TX 77007

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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  
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# SIGNARAMA

519 DURHAM DRIVE  
HOUSTON, TX 77007

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**Marcus & Millichap**  
TAG INDUSTRIAL GROUP





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# SECTION 1

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## INVESTMENT OVERVIEW

Marcus & Millichap

## OFFERING SUMMARY

- 10,197-Square-Foot Asset Situated on 0.32 Acres with Two Drive-In Doors
- Vacant Upon Sale Offering Owner-User, Lease-Up, and Infill Redevelopment Opportunity
  - Centrally Located Asset with 18,250+ VPD On Durham Drive
  - Stabilized Submarket with Vacancies Down 100 BPS Since 2023

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 519 Durham Drive in Houston, Texas, occupied by the current owner, Signarama. The subject property consists of approximately 10,197 square feet of warehouse space and is situated on 0.32 acres of land. The two-building asset features two drive-in doors and metal construction with a masonry facade. Located three miles from Downtown Houston, the property has direct access to a daily average of over 18,250 vehicles that travel along Durham Drive (Landvision) . Upon the sale of the property, Signarama will vacate the property, offering buyers an owner-user, lease-up, or infill redevelopment opportunity.

The subject property is located within Southwest Inner Loop, a relatively small industrial submarket containing 6.7 million square feet. Positioned adjacent to Houston's business district, 57 percent of the inventory is sized at 50,000 square feet and smaller. At the midway point of 2024, the vacancy rate sat at 8.3 percent after industrial demand dipped slightly into negative territory again in Q2. Although availability in Southwest Inner Loop is above the nationwide average, vacancies have bucked the recent national trend, falling by 100 basis points since the start of 2023. At 2.4 percent, the annual rent growth in Q2 slipped below the decade's average. With no industrial spaces under construction, rent growth and vacancies in Southwest Inner Loop will largely be dependent upon demand for the foreseeable future (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

### SIGNARAMA

519 DURHAM DRIVE, HOUSTON, TX 77007

Number of Suites	2
Number of Buildings	2
Total Square Feet	10,197
Year Built	1975
Lot Size	0.32 Acres
Type of Ownership	Fee Simple
Parking Surface	Concrete
Building Class	C
Tenancy	Single
Drive-In Doors	2
Construction	Masonry
Roof Type	Metal
Age/Condition of Roofs	Fair
Market	TX-Houston MSA
Submarket	Southwest Inner Loop
Submarket Vacancy	7.20%



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SIGNARAMA

519 DURHAM DR, HOUSTON, TX 77007

OFFERING PRICE  
Request for Offers

Offering Price	Request for Offers
Total Square Feet	10,197
Rental Rate	\$15.00
Lease Type	Triple-Net
Lease Term	One-Year
Tenancy	Single
Occupancy	100.00%

FINANCING

Loan Type	New
Interest Rate	6.75%
Amortization	25 Years
Year Due	2029

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

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# RENT ROLL

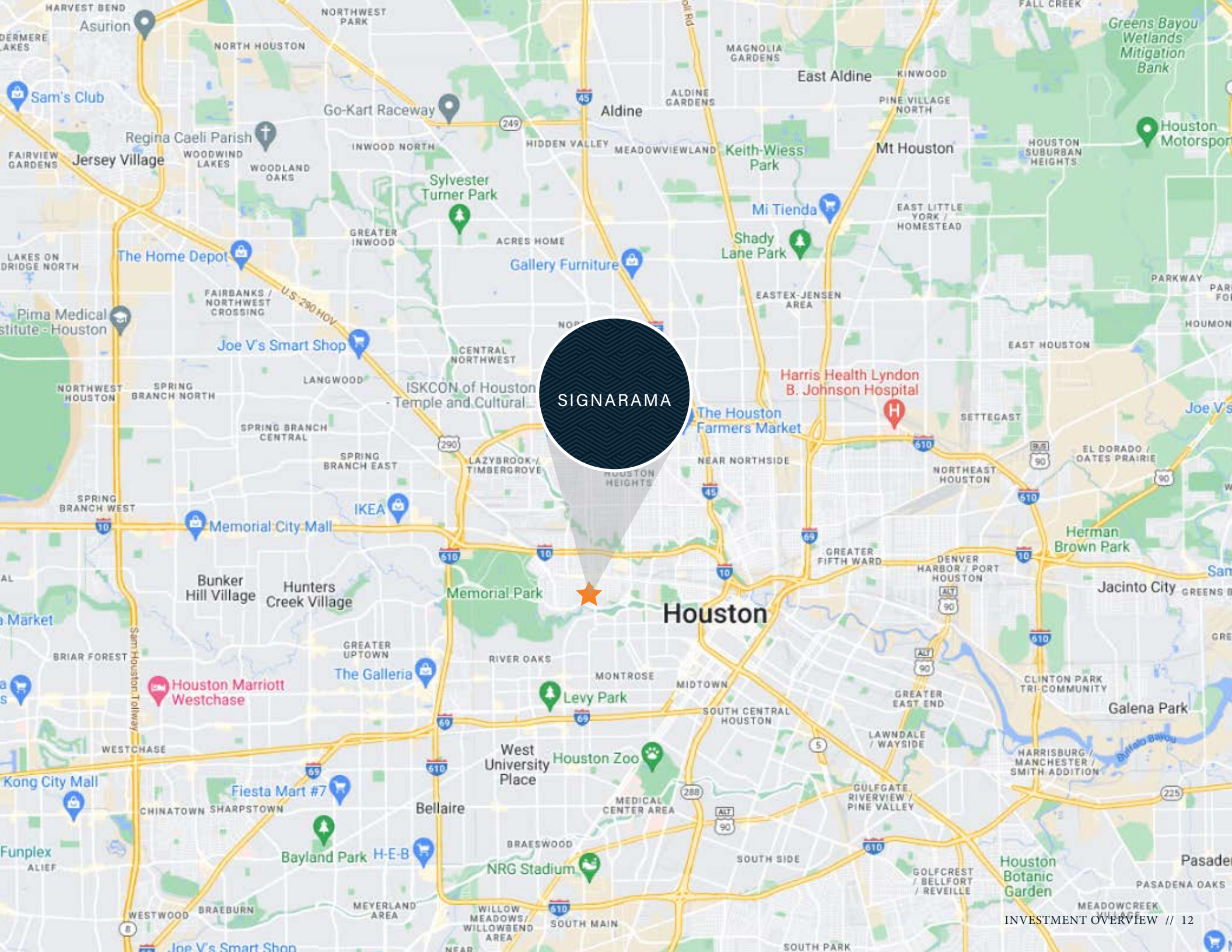
Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Lease Type
				Comm.	Exp.					
Signarama	A	10,197	100.0%	COE	COE + 1 Year	\$15.00	\$12,788	\$153,450	\$153,450	NNN
Total		10,197				\$15.00	\$12,788	\$153,450	\$153,450	
Occupied Tenants: 1				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%		
Total Current Rents: \$12,788						Occupied Current Rents: \$12,788		Unoccupied Current Rents: \$0		

## OPERATING STATEMENT

Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	153,450		15.00	153,450		15.00
Expense Reimbursement Income						
Net Lease Reimbursement						
Insurance	20,000		1.96	20,000		1.96
Real Estate Taxes	26,571		2.60	28,000		2.74
Total Reimbursement Income	\$46,571	100.0%	\$4.55	\$48,000	100.0%	\$4.69
Effective Gross Revenue	\$200,021		\$19.55	\$201,450		\$19.69

Operating Expenses	Current		Per SF	Pro Forma		Per SF
Insurance	20,000		1.96	20,000		1.96
Real Estate Taxes	26,571		2.60	28,000		2.74
Total Expenses	\$46,571		\$4.55	\$48,000		\$4.69
Expenses as % of EGR	23.3%			23.8%		
Net Operating Income	\$153,450		\$15.00	\$153,450		\$15.00



SIGNARAMA



Houston



SIGNARAMA



## 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

## SECTION 2

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### MARKET OVERVIEW

Marcus & Millichap



# HOUSTON TEXAS

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

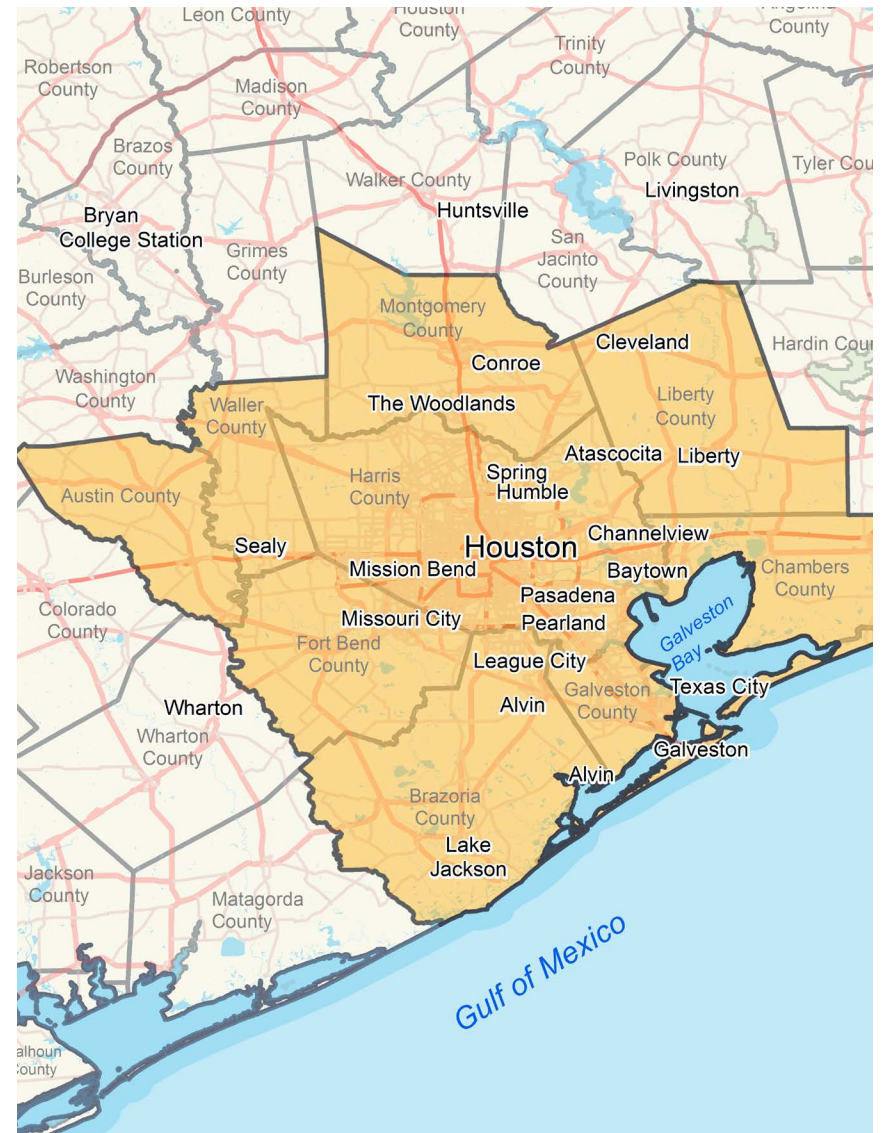
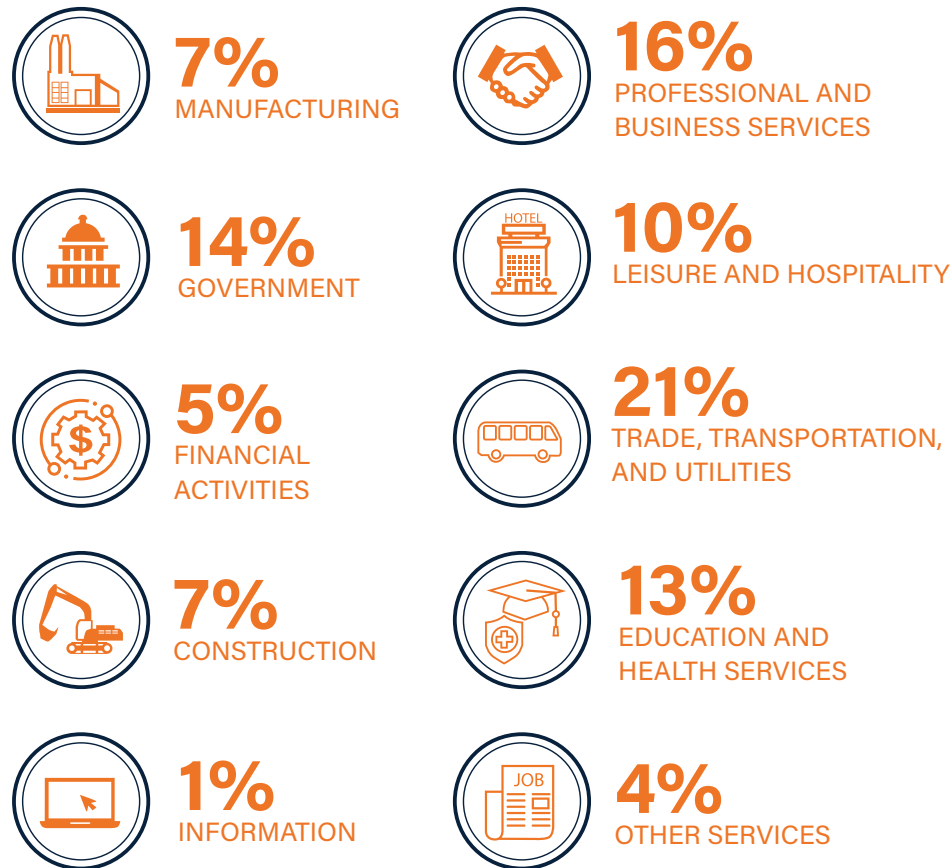


HIGHER  
EDUCATION

# METROPLEX GROWTH

## ECONOMY

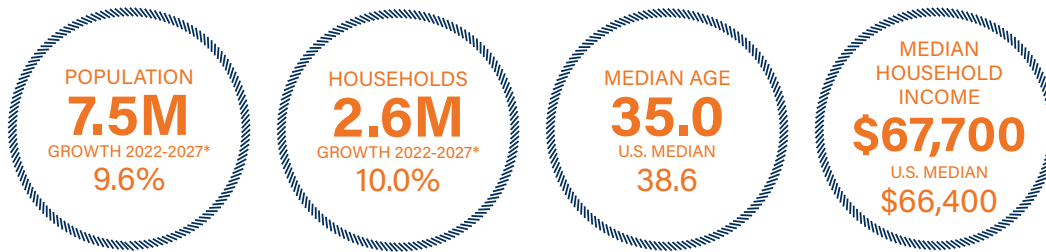
The economy is diversifying to include biotechnology, distribution, nanotechnology and logistics. The metro remains the center of energy production. Local product manufacturing is a large segment of the economy and includes paper, electrical and electronic machinery, iron, steel and petrochemicals. Health 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.



## 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



**476,275**

Total Population  
Within 5 Miles



52.3%



47.7%



**\$136,683**

Average Household Income  
Within 5 Miles



**279,006**

Employees  
Within 1 Mile

# DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
<b>2027 Projection</b>			
Total Population	34,664	208,482	512,910
<b>2022 Estimate</b>			
Total Population	29,822	186,901	476,275
<b>2010 Census</b>			
Total Population	19,761	140,839	395,179
<b>2000 Census</b>			
Total Population	14,800	125,448	371,948
<b>Daytime Population</b>			
2022 Estimate	30,959	411,144	1,020,322
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
<b>2027 Projection</b>			
Total Households	18,799	114,186	241,942
<b>2022 Estimate</b>			
Total Households	15,943	101,214	221,057
Average (Mean) Household Size	1.9	1.8	2.0
<b>2010 Census</b>			
Total Households	10,642	75,784	178,656
<b>2000 Census</b>			
Total Households	6,878	61,926	158,573

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
<b>2022 Estimate</b>			
\$200,000 or More	25.1%	22.1%	18.7%
\$150,000-\$199,999	12.4%	10.0%	8.1%
\$100,000-\$149,999	17.2%	16.9%	14.4%
\$75,000-\$99,999	12.2%	11.1%	9.9%
\$50,000-\$74,999	13.4%	14.1%	14.5%
\$35,000-\$49,999	5.2%	7.9%	9.8%
\$25,000-\$34,999	4.8%	5.8%	6.9%
\$15,000-\$24,999	4.0%	5.4%	7.2%
Under \$15,000	5.6%	6.8%	10.5%
Average Household Income	\$171,267	\$155,588	\$136,683
Median Household Income	\$112,301	\$97,508	\$77,469
Per Capita Income	\$91,704	\$84,433	\$64,116
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
<b>Population By Age</b>			
2022 Estimate Total Population	29,822	186,901	476,275
Under 20	12.8%	13.8%	18.4%
20 to 34 Years	32.1%	30.6%	27.7%
35 to 39 Years	12.4%	10.9%	9.2%
40 to 49 Years	16.8%	15.1%	14.1%
50 to 64 Years	16.9%	17.6%	17.8%
Age 65+	9.1%	11.8%	12.8%
Median Age	36.9	37.4	37.0
<b>Population 25+ by Education Level</b>			
2022 Estimate Population Age 25+	24,725	152,254	359,713
Elementary (0-8)	2.7%	2.8%	5.8%
Some High School (9-11)	1.3%	1.9%	4.7%
High School Graduate (12)	6.7%	8.1%	13.4%
Some College (13-15)	9.7%	11.8%	12.9%
Associate Degree Only	3.7%	4.3%	4.6%
Bachelor's Degree Only	42.6%	39.5%	31.6%
Graduate Degree	33.3%	31.7%	26.9%
<b>Travel Time to Work</b>			
Average Travel Time to Work in Minutes	24.0	24.0	25.0



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# 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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Sales Agent/Associate's Name	License No.	Email	Phone

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

\_\_\_\_\_  
Date

# SIGNARAMA

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