

PECAN RESERVE BUSINESS CENTER I & II

1315 & 1321 WATERS EDGE DRIVE, GRANBURY, TX 76048



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Marcus & Millichap
LEVY RETAIL GROUP

OFFERING MEMORANDUM

Pecan Reserve Business Center I & II

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

Special COVID-19 Notice

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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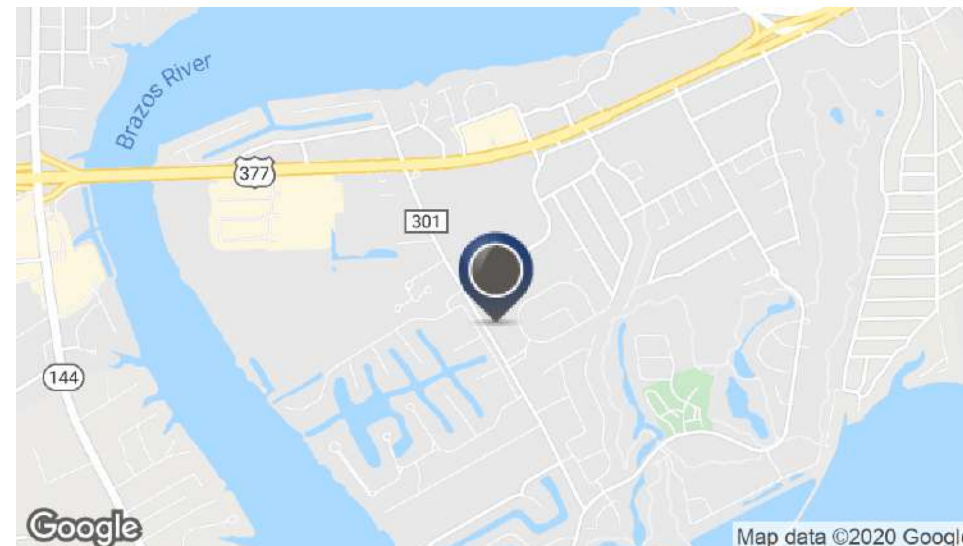
Section 1 **PROPERTY INFORMATION**



Pecan Reserve Business Center I & II

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OFFERING SUMMARY

Sale Price:	\$5,918,000
Building Size:	30,000 SF
Lot Size:	2.92 Acres
Price / SF:	\$197.27
Cap Rate:	7.1%
NOI:	\$420,435
Year Built:	2006 / 2008

PROPERTY OVERVIEW

Marcus & Millichap is pleased to present the opportunity to acquire two mixed use, multi-tenant buildings totaling 30,000-square feet located in Granbury, Texas. The center is currently 98% occupied with gross leases, providing future upside potential.

DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
Total Households	1,411	7,926	15,839
Total Population	2,853	18,717	38,981
Average HH Income	\$90,197	\$78,343	\$80,939

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PROPERTY DESCRIPTION

Marcus & Millichap is pleased to present the opportunity to acquire two mixed use, multi-tenant buildings totaling 30,000 square feet located in Granbury, Texas. The center is currently 98 percent occupied with gross leases, providing future upside potential. The tenant base is a complementary mix of medical, office, and government tenants. Constructed in 2006 and 2008, the buildings are situated on two parcels totaling 2.92-acres.

LOCATION DESCRIPTION

Pecan Reserve Business Center I & II are located on Waters Edge Drive just south of US Highway 377. The property is in close proximity to many national retailers including Lowe's Home Improvement, Walmart, CATO, Dollar Tree, The Home Depot, Staples, GameStop, Starbucks Coffee, Sally Beauty Supply, Taco Bell, Chick-fil-A, Sherwin Williams, Walgreens, and more. Over 38,000 residents are within five miles of the property, and the average household income is \$80,939.

Granbury is located in and the county seat of Hood County. Granbury is located 35 miles southwest of downtown Fort Worth and 65 miles southwest of downtown Dallas. Granbury is a small town with a rich Texas history. In 2019, USA Today voted Granbury as the "Best Historic Small Town." The town is known for its historic square, historic landmarks, and many local dining establishments. The subject property is located just minutes from Lake Granbury, a popular destination for Dallas-Fort Worth residents.

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1315 & 1321 Waters Edge Drive, Granbury, TX 76048

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BUILDING INFORMATION

Tenancy	Multiple
Occupancy	98%
Year Built	2006 / 2008
County	Hood
Ownership Type	Fee Simple

PROPERTY HIGHLIGHTS

- 30,000-Square Foot, Multi-Tenant Flex Center
- 98% Occupied with Gross Leases Providing Future Upside Potential
- Complementary Mix of Medical, Office, and Government Tenants
- Constructed in 2006 and 2008 | Situated on Two Parcels Totaling 2.92-Acres with a Concrete Parking Lot
- Buildings have a Metal Roof
- Located on Waters Edge Drive | South of US Highway 377
- Near Many National Retailers Including Lowe's Home Improvement, Walmart, CATO, Dollar Tree, The Home Depot, Staples, GameStop, Starbucks Coffee, Sally Beauty Supply, Taco Bell, Chick-fil-A, Sherwin Williams, Walgreens, and more
- Household Income Within Five Miles is \$80,939 | Population Exceeds 38,000 Residents Within Five Miles
- Granbury is the County Seat of Hood County
- Located 35 Miles Southwest of Downtown Fort Worth
- Voted "Best Historic Small Town" in 2019 by USA Today
- Minutes from Lake Granbury | A Popular Recreational Destination for Dallas-Fort Worth Residents

Section 2 LOCATION INFORMATION



PECAN RESERVE

UNIVERSITY OF TEXAS AT AUSTIN	Bayside Dermatology	HEALTHY CONNECTIONS
ALLEN HOMES	Comprehensive Chiropractic	Jin Chelene Bryant, L.P.C.
	1321	

FIRE LANE NO PARKING

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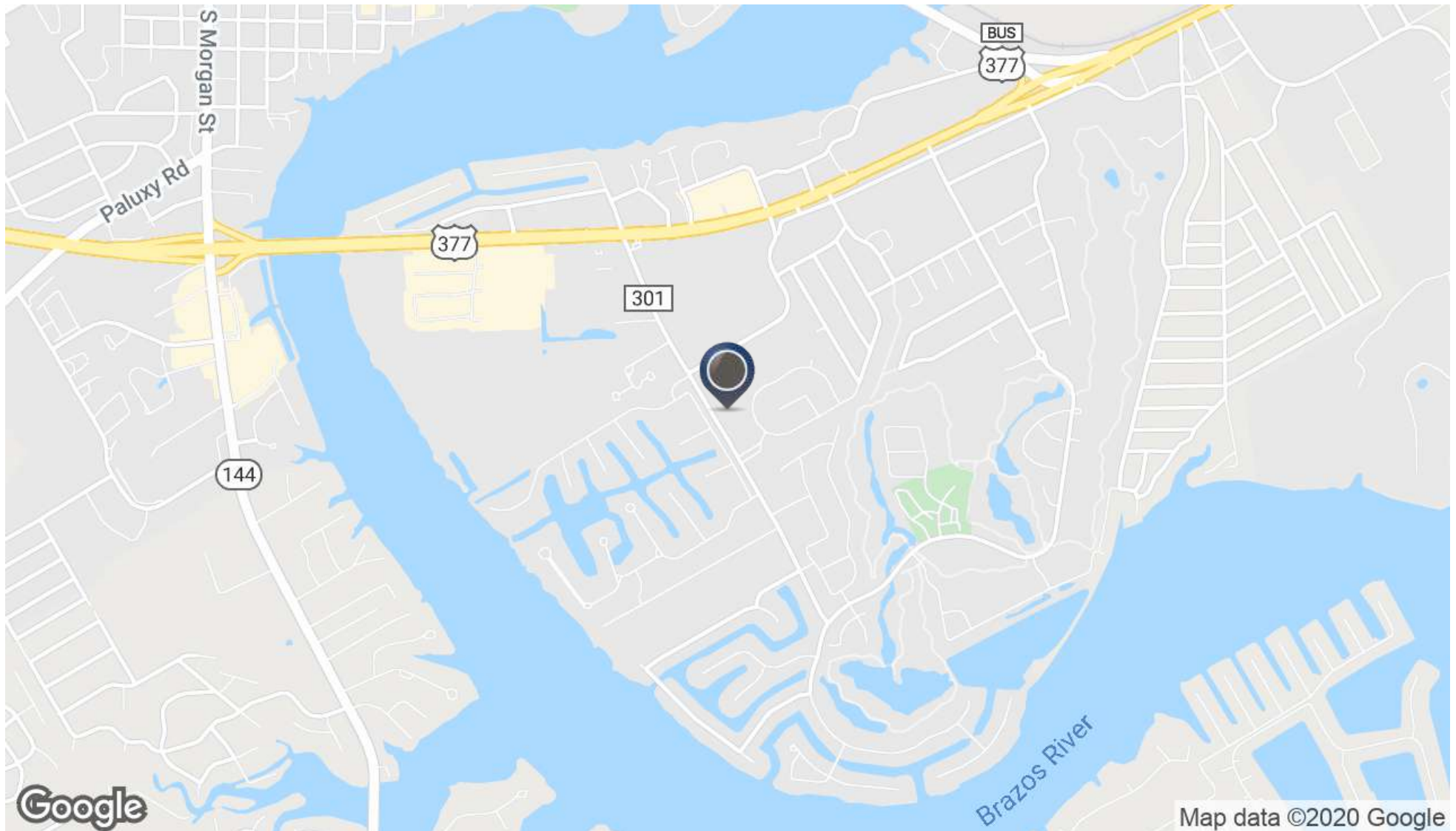
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Section 3 FINANCIAL ANALYSIS



Pecan Reserve Business Center I & II
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INVESTMENT OVERVIEW

	CURRENT
Price	\$5,918,000
Price per SF	\$197.27
CAP Rate	7.1%
Total Return (yr 1)	\$420,435

OPERATING DATA

	CURRENT
Gross Income	\$566,696
Operating Expenses	\$146,261
Net Operating Income	\$420,435

FINANCING DATA

	CURRENT
Down Payment	\$5,918,000
Loan Amount	All Cash

Pecan Reserve Business Center I & II

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INCOME SUMMARY	CURRENT	PER SF
Base Rent	\$545,696	\$18.56
Expense Reimbursement	\$21,000	\$0.70
GROSS INCOME	\$566,696	\$18.89
EXPENSE SUMMARY	CURRENT	PER SF
Real Estate Taxes	\$45,105	\$1.50
Insurance	\$11,646	\$0.39
Utilities	\$22,691	\$0.76
Landscape & Irrigation	\$16,893	\$0.56
Repairs & Maintenance	\$6,891	\$0.23
Window Washing	\$2,072	\$0.07
Exterminating	\$2,450	\$0.08
Fire Protection	\$2,388	\$0.08
Telephone Security	\$1,926	\$0.06
Waste Removal	\$2,772	\$0.09
Janitorial	\$8,902	\$0.30
Sign Maintenance	\$1,525	\$0.05
Management Fee (4% EGI)	\$21,000	\$0.70
GROSS EXPENSES	\$146,261	\$4.88
NET OPERATING INCOME	\$420,435	\$14.01

Section 4 **SALE COMPARABLES**



Pecan Reserve Business Center I & II

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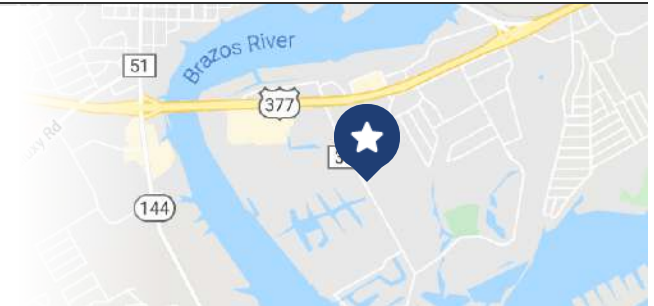
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SUBJECT PROPERTY

1315 & 1321 Waters Edge Drive | Granbury, TX 76048

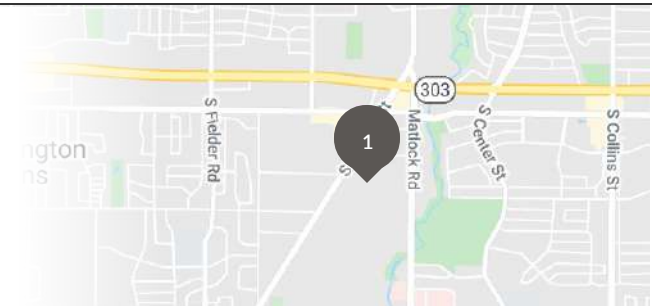
Sale Price:	\$5,918,000	Lot Size:	2.92 AC
Year Built:	2006	Building SF:	30,000 SF
Price PSF:	\$197.27	Cap:	7.1%
NOI:	\$420,435		



801 STATION DR

Arlington, TX 76015

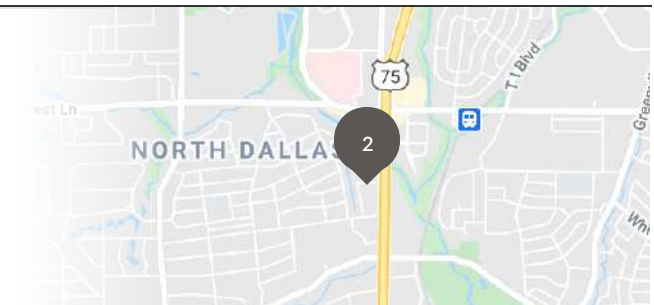
Sale Price:	\$1,485,000	Lot Size:	2.11 AC
Year Built:	2006	Building SF:	23,792 SF
Price PSF:	\$62.42	CAP:	5.34%
Closed:	12/14/2018	Occupancy:	71.8%



11411 N CENTRAL EXPRESSWAY

Dallas, TX 75243

Sale Price:	\$2,000,000	Lot Size:	1.98 AC
Year Built:	1978	Building SF:	17,938 SF
Price PSF:	\$111.50	CAP:	6%
Closed:	11/05/2018	Occupancy:	55.1%



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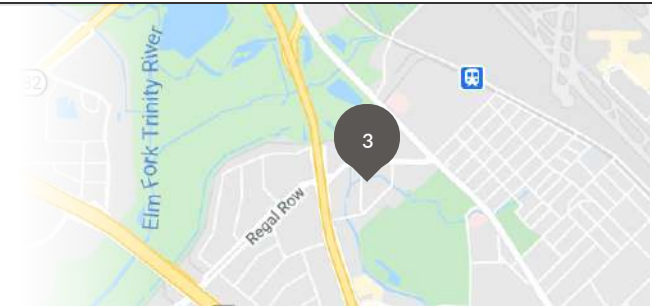


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KING GEORGE GARDEN OFFICE

8730 King George Dr | Dallas, TX 75235

Sale Price:	\$3,399,000	Lot Size:	1.72 AC
Year Built:	1971	Building SF:	24,134 SF
Price PSF:	\$140.84	CAP:	6.45%
Closed:	05/15/2019	Occupancy:	100%

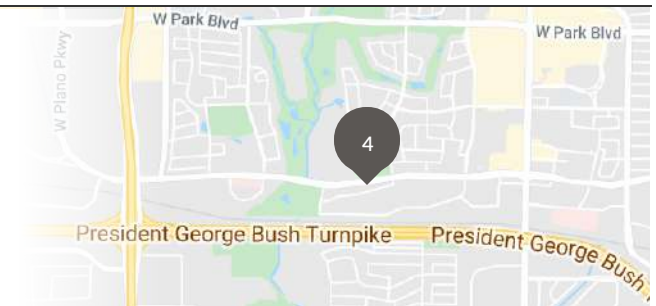


4

PLASTIC AND COSMETIC SURGERY CENTER OF TEXAS

5316 W Plano Pkwy | Plano, TX 75093

Sale Price:	\$5,860,000	Lot Size:	1.26 AC
Year Built:	1999	Building SF:	10,562 SF
Price PSF:	\$554.82	CAP:	6.5%
Closed:	09/18/2019	Occupancy:	100%

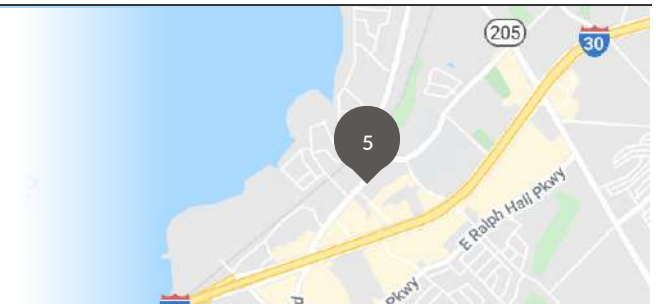


5

SMILE DOCTORS & APRICOT DENTAL

2245 Ridge Rd | Rockwall, TX 75087







Sale Price:	\$1,760,000	Lot Size:	0.68 AC
Year Built:	2006	Building SF:	6,379 SF
Price PSF:	\$275.91	CAP:	6.59%
Closed:	02/12/2020	Occupancy:	85%



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	SUBJECT PROPERTY	PRICE	BLDG SF	PRICE/SF	CAP	
	Pecan Reserve Business Center I & II 1315 & 1321 Waters Edge Drive Granbury, TX 76048	\$5,918,000	30,000 SF	\$197.27	7.1%	
	SALE COMPS	PRICE	BLDG SF	PRICE/SF	CAP	CLOSE
	801 Station Dr Arlington, TX 76015	\$1,485,000	23,792 SF	\$62.42	5.34%	12/14/2018
	11411 N Central Expressway Dallas, TX 75243	\$2,000,000	17,938 SF	\$111.50	6.0%	11/05/2018
	King George Garden Office 8730 King George Dr Dallas, TX 75235	\$3,399,000	24,134 SF	\$140.84	6.45%	05/15/2019
	Plastic and Cosmetic Surgery Center of Texas 5316 W Plano Pkwy Plano, TX 75093	\$5,860,000	10,562 SF	\$554.82	6.5%	09/18/2019
	Smile Doctors & Apricot Dental 2245 Ridge Rd Rockwall, TX 75087	\$1,760,000	6,379 SF	\$275.91	6.59%	02/12/2020
		PRICE	BLDG SF	PRICE/SF	CAP	CLOSE
	Totals/Averages	\$2,900,800	16,561 SF	\$175.16	6.18%	

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SUBJECT PROPERTY

1315 & 1321 Waters Edge Drive | Granbury, TX 76048



801 STATION DR

Arlington, TX
76015



11411 N CENTRAL EXPRESSWAY

Dallas, TX
75243



KING GEORGE GARDEN OFFICE

8730 King George Dr
Dallas, TX 75235



PLASTIC AND COSMETIC SURGERY CENTER OF TEXAS

5316 W Plano Pkwy
Plano, TX 75093



SMILE DOCTORS & APRICOT DENTAL

2245 Ridge Rd
Rockwall, TX 75087

Section 5 **DEMOGRAPHICS**



**SUBJECT
PROPERTY**

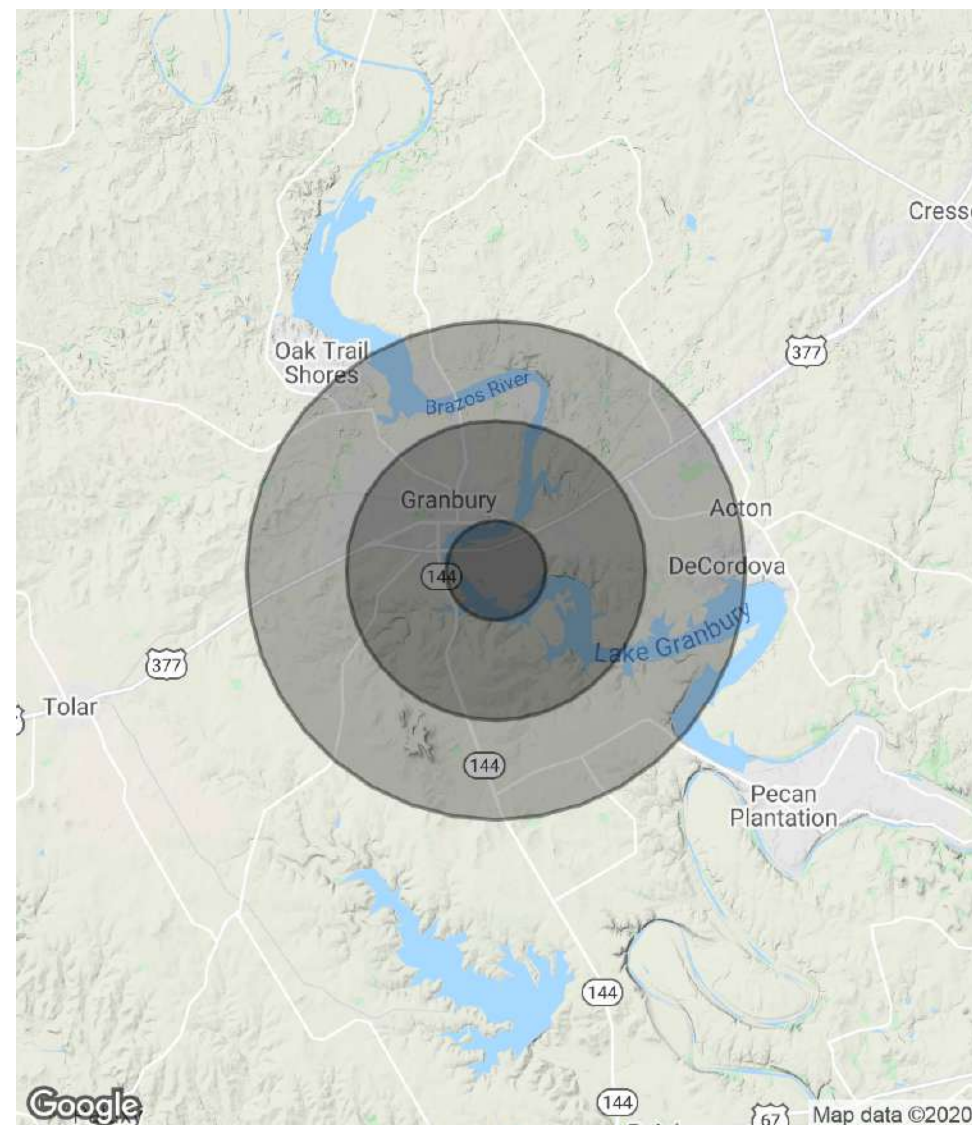
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POPULATION	1 MILE	3 MILES	5 MILES
Total Population	2,853	18,717	38,981
Average age	50.2	43.5	42.8
Average age (Male)	48	42	41.6
Average age (Female)	52	44.9	44
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total households	1,411	7,926	15,839
# of persons per HH	1.9	2.2	2.4
Average HH income	\$90,197	\$78,343	\$80,939
Average house value	\$222,571	\$173,624	\$175,165
ETHNICITY (%)	1 MILE	3 MILES	5 MILES
Hispanic	6.9%	13.2%	13.5%
RACE	1 MILE	3 MILES	5 MILES
% White	96.6%	95.2%	95.3%
% Black	0.4%	1.0%	1.1%
% Asian	1.9%	1.1%	1.0%
% Hawaiian	0.0%	0.1%	0.1%
% American Indian	0.6%	1.2%	1.1%
% Other	0.6%	1.5%	1.5%

* Demographic data derived from CoStar Realty Information Group





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.

Marcus & Millichap

Licensed Broker /Broker Firm Name or Primary Assumed Business Name

Tim A. Speck

Designated Broker of Firm

Licensed Supervisor of Sales Agent/Associate

Sales Agent/Associate's Name

9002994

License No.

432723

License No.

License No.

License No.

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Phone

Buyer/Tenant/Seller/Landlord Initials

Date

PECAN RESERVE

LANDRY DESIGNS

Bayside Dermatology

HEALTHY CONNECTIONS

USDA NRCS Leon Bosque RC&D

Simmon's Property Tax Service

Dr. Chelsea Bryant, LPC
Suite 1010-4

COMPREHENSIVE CHIROPRACTIC

J. ALLEN HOMES

1321

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