



3533 E HIGHWAY 175
3533 E US Highway 175 • Kaufman, TX 75142

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3533 E HIGHWAY 175
Kaufman, TX
ACT ID z0410486

Marcus & Millichap



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.

_____ Licensed Broker /Broker Firm Name or Primary Assumed Business Name	_____ License No.	_____ Email	_____ Phone
_____ Designated Broker of Firm	_____ License No.	_____ Email	_____ Phone
_____ Licensed Supervisor of Sales Agent/Associate	_____ License No.	_____ Email	_____ Phone
_____ Sales Agent/Associate's Name	_____ License No.	_____ Email	_____ Phone

Buyer/Tenant/Seller/Landlord Initials

Date

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INVESTMENT OVERVIEW



EXECUTIVE SUMMARY

VITAL DATA			
			PRO FORMA
Price	\$650,000	CAP Rate	15.69%
Down Payment	35% / \$227,500	Net Operating Income	\$102,000
Loan Amount	\$422,500	Net Cash Flow After Debt Service	30.82% / \$70,104
Loan Type	Proposed New	Total Return	34.45% / \$78,371
Interest Rate / Amortization	5.75% / 25 Years		
Rentable SF	15,996		
Price/SF	\$40.64		
Current Occupancy	0.0%		
Year Built	2003		



EXPENSES		
	PRO FORMA	\$/SF
Insurance	\$1,600	\$0.10
Real Estate Taxes	\$16,536	\$1.03
Total Expenses	\$18,136	\$1.13

DEMOGRAPHICS			
	1-Miles	3-Miles	5-Miles
2017 Estimate Pop	736	6,747	12,615
2010 Census Pop	672	6,302	11,795
2017 Estimate HH	154	2,191	4,103
2010 Census HH	140	2,054	3,863
Median HH Income	\$55,182	\$46,941	\$44,547
Per Capita Income	\$16,364	\$21,294	\$20,710
Average HH Income	\$73,595	\$64,009	\$62,482

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present the opportunity to acquire 3533 E US Highway 175 in Kaufman, Texas. The subject property consists of approximately 15,996-square feet and is situated on 1.3 acres of land. Built in 2003, the subject property is one story (second story optional), vacant, investor or owner- user facility. The owner spent money building the second floor in anticipation of needing additional offices but never completely finished the second floor space. This building is separated by a four-hour firewall so if the next owner wanted they could rent the space out separately. This investment opportunity presents a prospective buyer a rare opportunity to expand their foot print at a discount from construction costs.

The Dallas/Fort Worth metroplex is the fourth-most populous metro in the nation with an aggregate of more than 7.1 million residents. The city of Dallas houses 1.3 million people, followed by Fort Worth with 800,000 residents. Strong job growth continually draws new residents to the region. To accommodate the additional traffic, the regions transportation network is evolving. Traffic flow is improved as freeways are expanded and miles are being added to tollways and turnpikes.

Dallas/Fort Worth's population growth in recent years ranks among the highest in the U.S. for a major metro. The Metroplex is home to 21 Fortune 500 companies and many regional headquarters, drawing workers and residents. The areas extensive network of rail and highways along with the International Inland Port of Dallas ensure its status as a distribution hub.

INVESTMENT HIGHLIGHTS

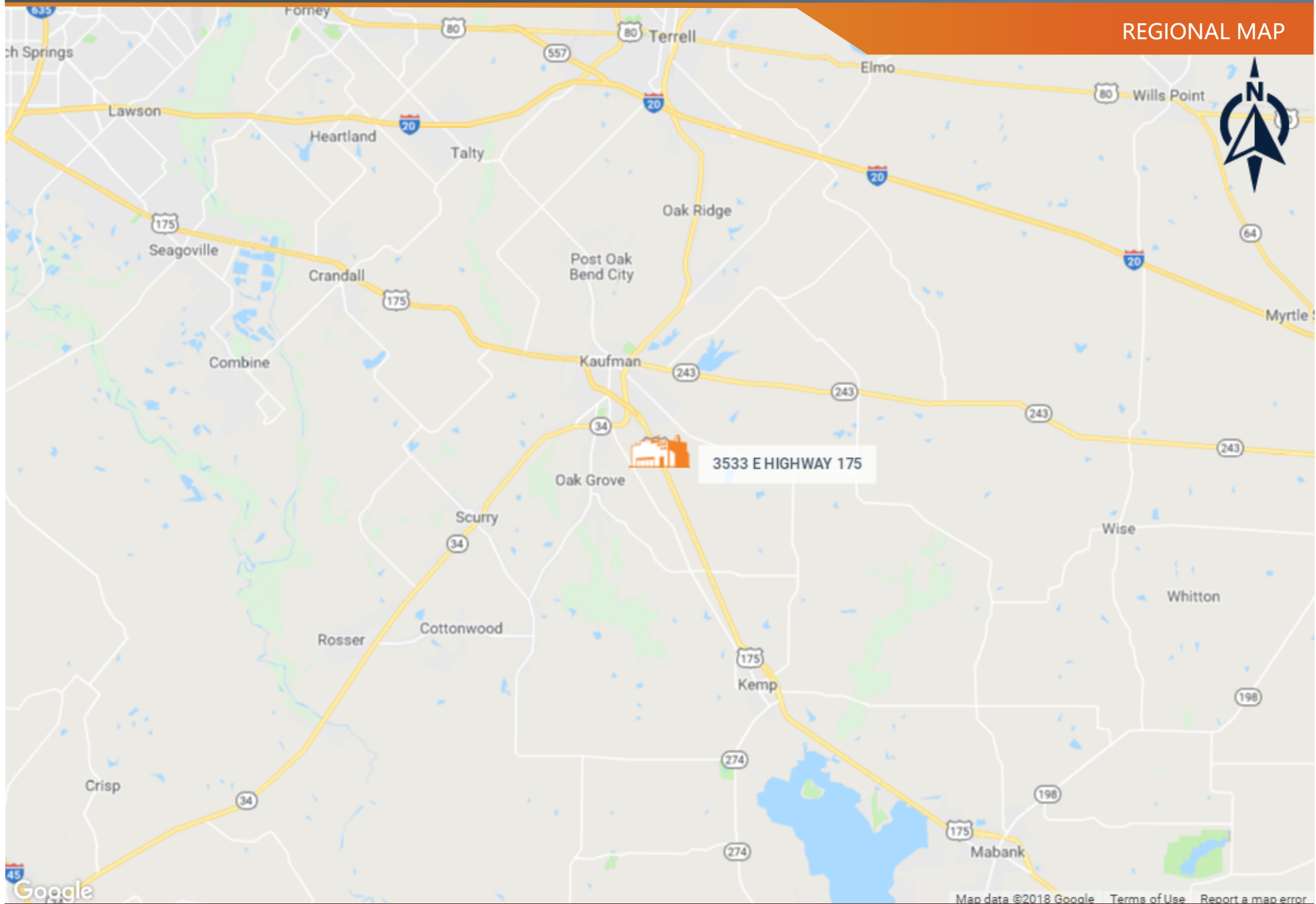
- Price: \$650,000
- Below Replacement Cost
- 15,996 +/- Square Feet
- 1.3 Acres
- Extra 990 Square Feet Above Office for Future Owner/Tenant Expansion
- Located Directly off US Highway 175
- Ceiling Height: 22'
- One Drive in and One Dock High
- Five HVAC' s

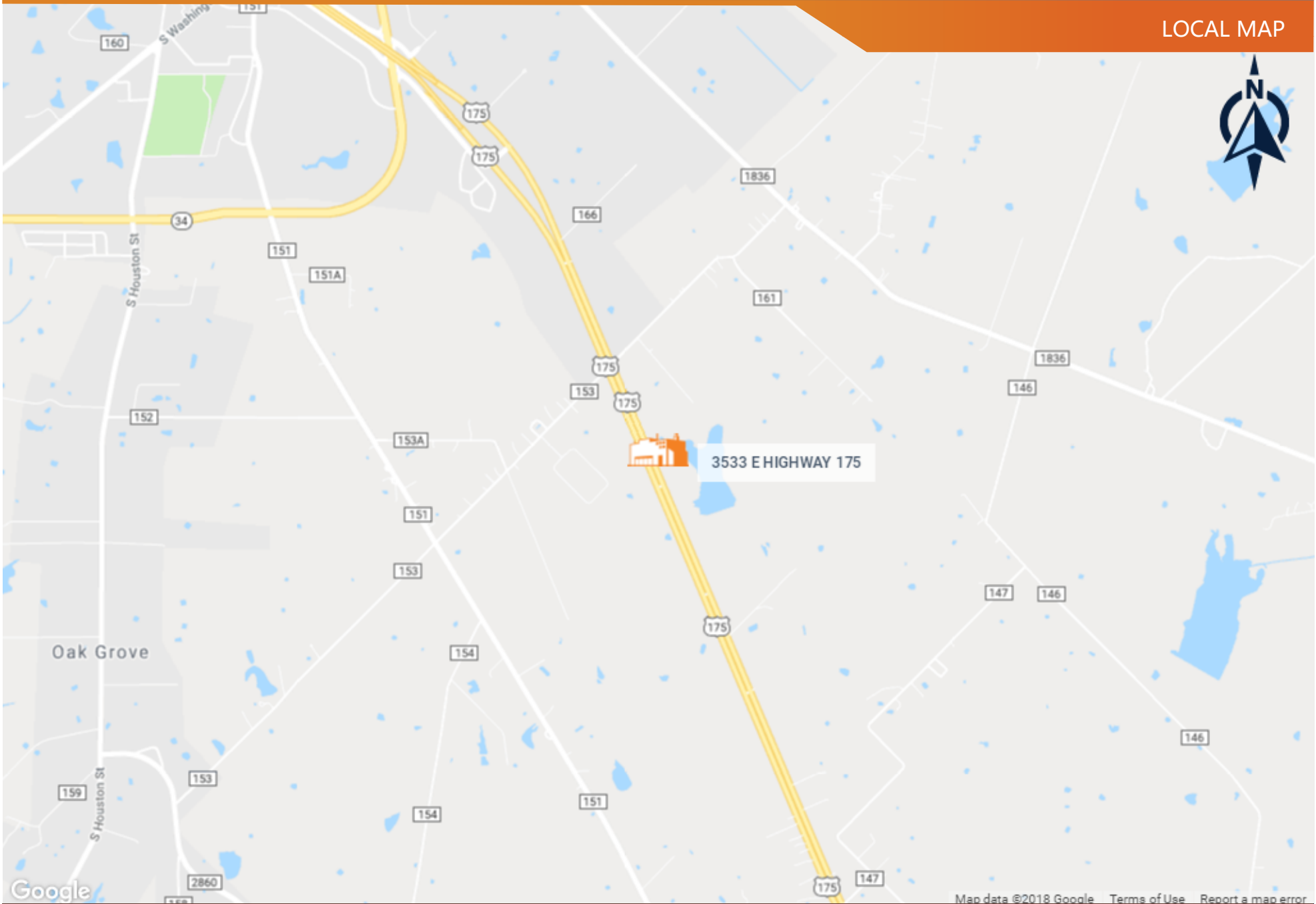


PROPERTY SUMMARY

THE OFFERING	
Property	3533 E Highway 175
Price	\$650,000
Property Address	3533 E US Highway 175, Kaufman, TX
Assessors Parcel Number	99.0002.0000.0235.00.03.03
SITE DESCRIPTION	
Number of Floors	1
Year Built/Renovated	2003
Rentable Square Feet	15,948
Ownership	Fee Simple
Parcel Size	1.3 acre(s)
Parking	10 Spaces
Intersection/Cross Street	East US Highway 175

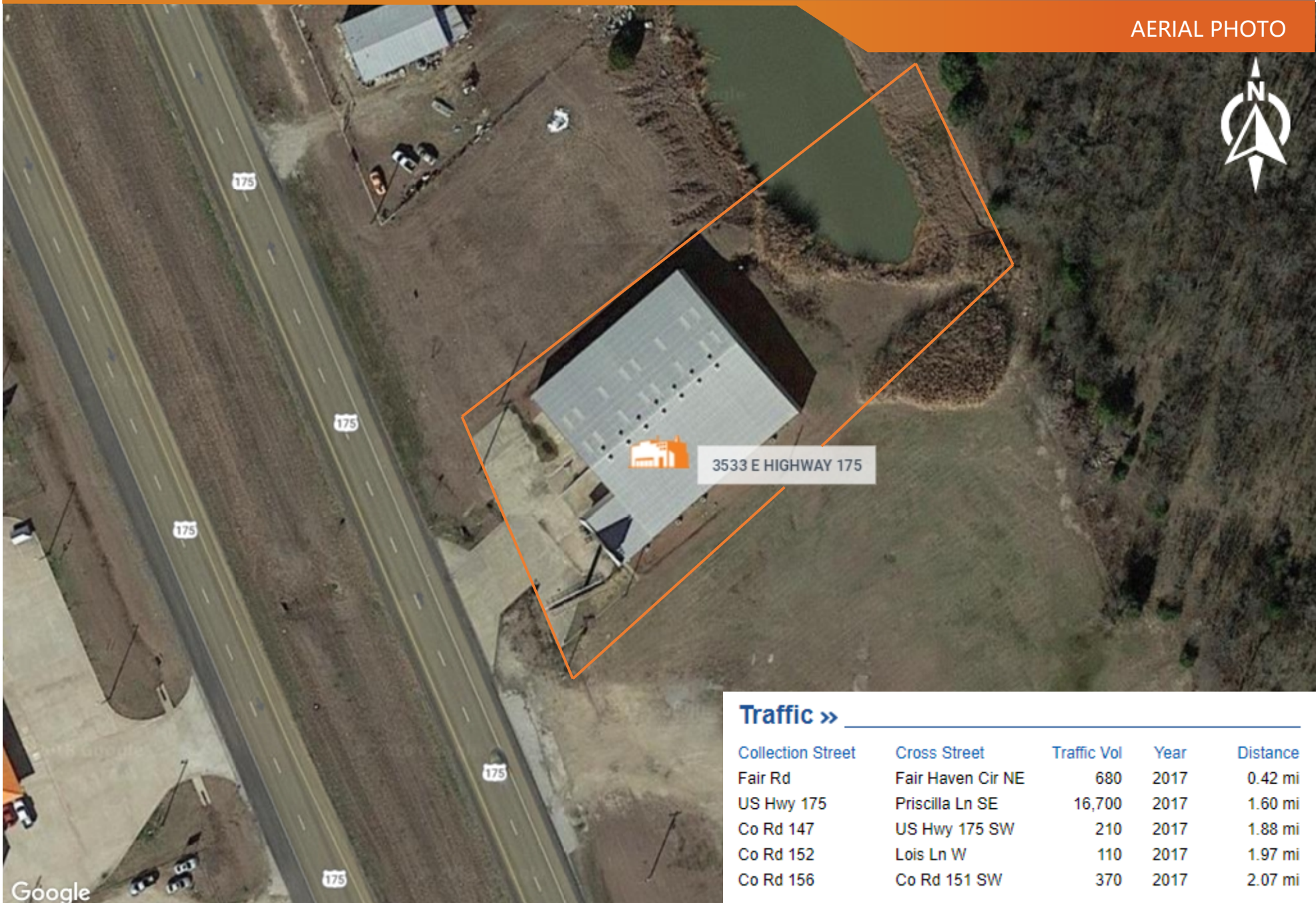






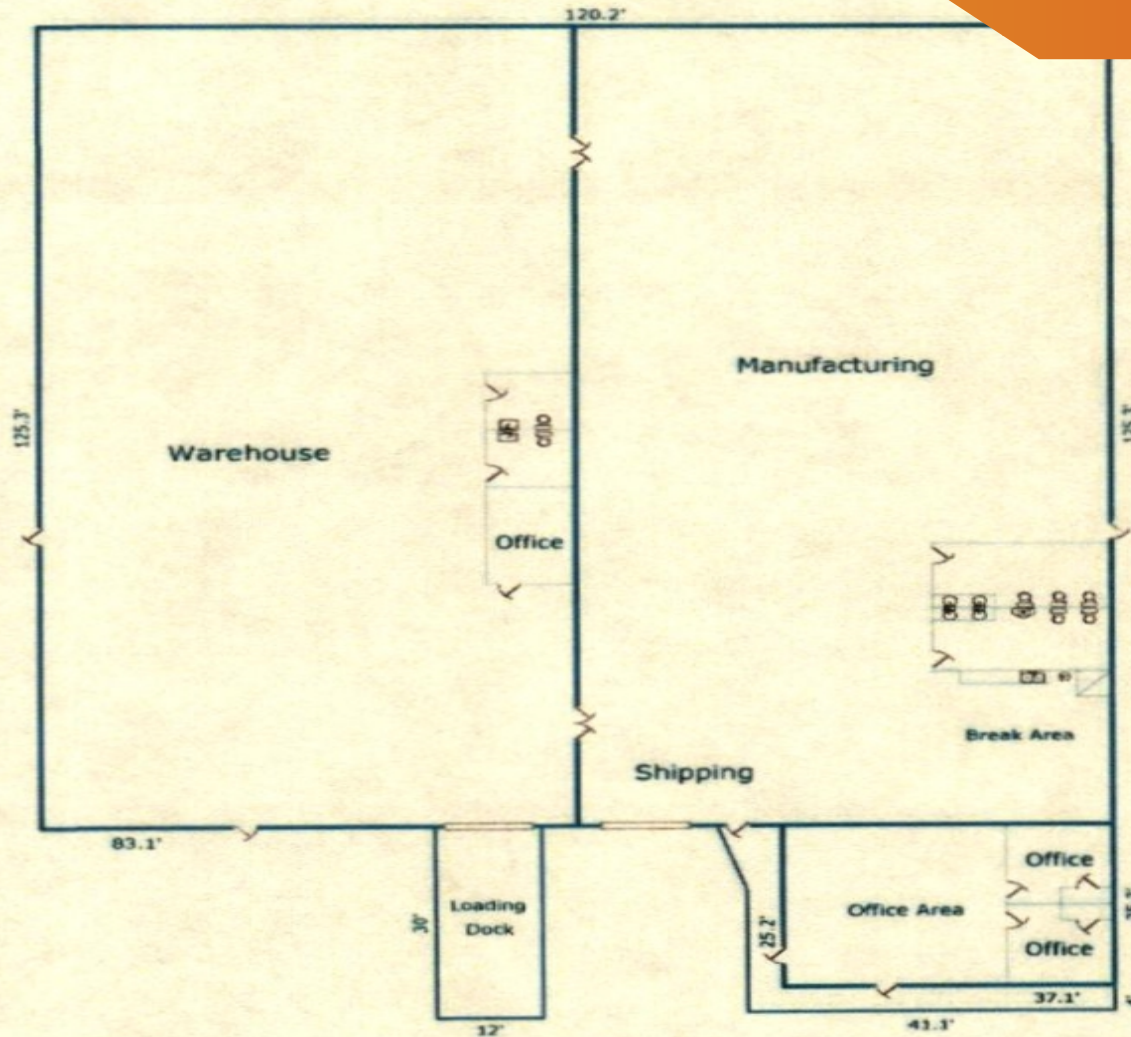
Google

Map data ©2018 Google Terms of Use Report a map error



Traffic »

Collection Street	Cross Street	Traffic Vol	Year	Distance
Fair Rd	Fair Haven Cir NE	680	2017	0.42 mi
US Hwy 175	Priscilla Ln SE	16,700	2017	1.60 mi
Co Rd 147	US Hwy 175 SW	210	2017	1.88 mi
Co Rd 152	Lois Ln W	110	2017	1.97 mi
Co Rd 156	Co Rd 151 SW	370	2017	2.07 mi



Scale: 1 = 32

AREA CALCULATIONS SUMMARY			BUILDING AREA BREAKDOWN		
Description	Net Size	Net Totals	Breakdown		Subtotals
Manufacturing Area	7530.5	15996.0	Manufacturing Area		7530.5
Warehouse Area	7530.5		60.1 x 125.3		
Office Area	934.9	641.7	Warehouse Area		7530.5
Cvd & Opn Cnc Walk	281.7		60.1 x 125.3		
Conc Loading Dock	360.0		37.1 x 25.2	Office Area	



Marcus & Millichap closes more transactions than any other brokerage firm.



FINANCIAL ANALYSIS



OPERATING STATEMENT

Income	Pro Forma		Per SF	Notes
Scheduled Base Rental Income	102,000		6.38	
Expense Reimbursement Income				
Insurance	1,600		0.10	[1]
Real estate Taxes	16,536		1.03	[2]
Total Reimbursement Income	\$18,136	100.0%	\$1.13	
Effective Gross Revenue	\$120,136		\$7.51	

Operating Expenses	Pro Forma		Per SF	
Insurance	1,600		0.10	[1]
Real Estate Taxes	16,536		1.03	[2]
Total Expenses	\$18,136		\$1.13	
Expenses as % of EGR	15.1%			
Net Operating Income	\$102,000		\$6.38	

Notes to Operating Statement

[1] Insurance based off \$.10/sqft

[2] Taxes based off 80% of list price multiplied by Kaufman County Mil Rate 3.18

MARCUS & MILLICHAP CAPITAL CORPORATION 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 our 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



Closed 1,707
debt and equity
financings
in 2017



National platform
operating
within the firm's
brokerage offices



\$5.63 billion
total national
volume in 2017



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

WHY MMCC?

Optimum financing solutions to enhance value

Our ability to enhance buyer pool by expanding finance options

Our ability to enhance seller control

- Through buyer qualification support
- Our ability to manage buyers finance expectations
- Ability to monitor and manage buyer/lender progress, insuring timely, predictable closings
- By relying on a world class set of debt/equity sources and presenting a tightly underwritten credit file

MARKET OVERVIEW



DALLAS-FORT WORTH OVERVIEW

The Dallas/Fort Worth Metroplex is the fourth-most populous metro in the nation with an aggregate of nearly 7.3 million residents. It is composed of 13 counties stretching nearly 10,000 square miles. The city of Dallas houses 1.3 million people, followed by Fort Worth with 847,000 residents. Strong job growth continually draws new residents to the region. To accommodate the additional traffic, the region's transportation network is evolving. Traffic flow is improved as freeways are expanded and miles are being added to tollways and turnpikes. The growth of the transportation network is vital to supporting commuters to the metro's numerous corporations and growing industries.

METRO HIGHLIGHTS



SUBSTANTIAL POPULATION GAINS

Dallas/Fort Worth's population growth in recent years ranks among the highest in the U.S. for a major metro.



LARGE CORPORATE BASE

The Metroplex is home to 22 Fortune 500 companies and many regional headquarters, drawing workers and residents.



MAJOR DISTRIBUTION CENTER

The area's extensive network of rail and highways along with the International Inland Port of Dallas ensure its status as a distribution hub.





TRANSPORTATION

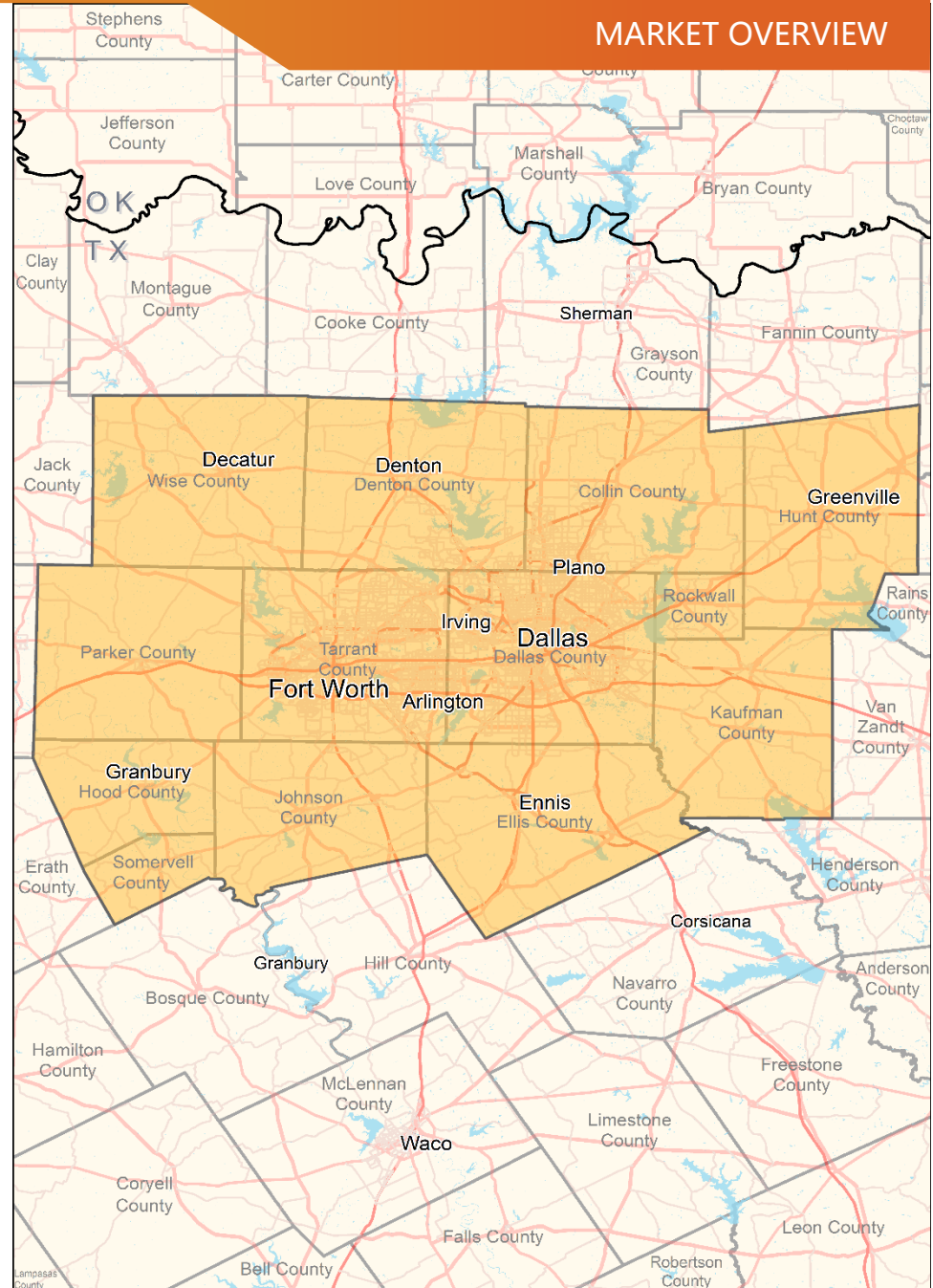
- The area is connected to the rest of the nation by way of Interstates 20, 30, 35, 45, 635 and 820.
- DART, Dallas Area Rapid Transit covers Dallas and 12 surrounding cities, and consists of busses and a 93-mile light rail system.
- Freight serving lines in the region include Union Pacific, BNSF and Kansas City Southern. BNSF is headquartered in Fort Worth.
- Trinity Railway Express and Amtrak provide passenger rail service.
- Via rail to Houston Port, and Highways 20 and 45, the International Inland Port of Dallas (IIPD) connects the region to global markets and trade.
- Airports include Dallas/Fort Worth International, Dallas Love Field, Fort Worth Alliance and 13 smaller airports.



MORE THAN
80

MILES OF A LIGHT-RAIL SYSTEM
SERVING DALLAS AND
SURROUNDING CITIES

MARKET OVERVIEW

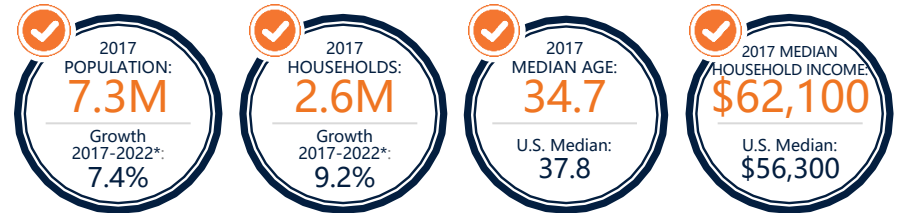




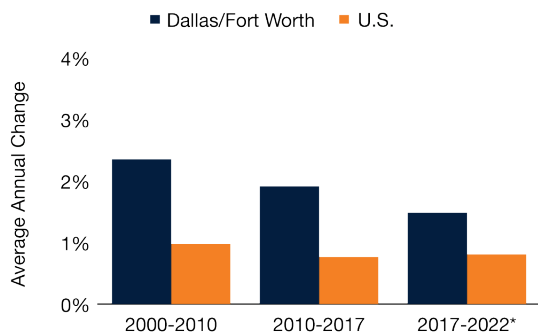
DEMOGRAPHICS

- Roughly 540,400 new people are expected through 2022, fueled by natural increases and north-to-south migration.
- The Metroplex is projected to add 241,300 households during the same period, generating the need for additional housing options.
- An educated population provides a skilled labor pool. Nearly 32 percent of residents age 25 and older have at least a bachelor's degree, compared with 29 percent for the nation.
- The 2017 metro homeownership rate stands at approximately 61 percent; this compares with 64 percent for the U.S.

QUICK FACTS

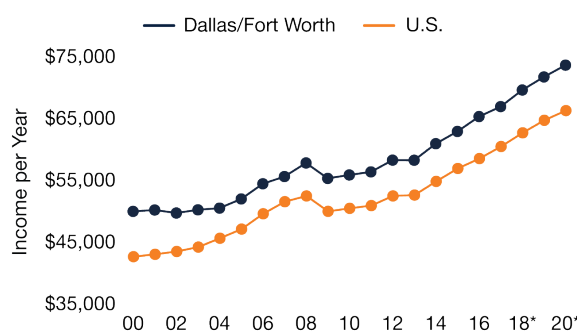


Population Growth

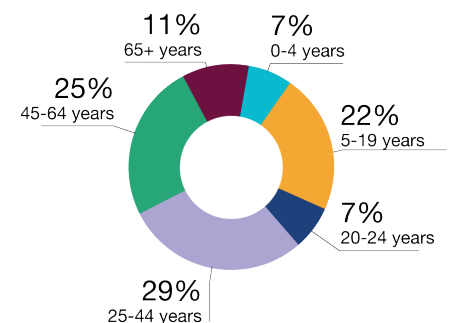


* Forecast

Median Household Income



2017 Population by Age



DALLAS/FORT WORTH METRO AREA

2018 Market Forecast

Employment
up 3.2%



Building on the creation of 84,000 jobs in 2017, employment grows by roughly 115,000 workers this year.

Construction
29 million sq. ft.



Deliveries reach a cycle high in 2018, surpassing last year's total by roughly 555,000 square feet. A 1.3 million-square-foot Kohler distribution center is this year's largest delivery.

Vacancy
up 20 bps



Net absorption is forecast to total more than 25 million square feet, though it will trail construction to lift the vacancy rate to 6.3 percent, adding to a 50-basis-point increase posted last year.

Rent
up 5.6%



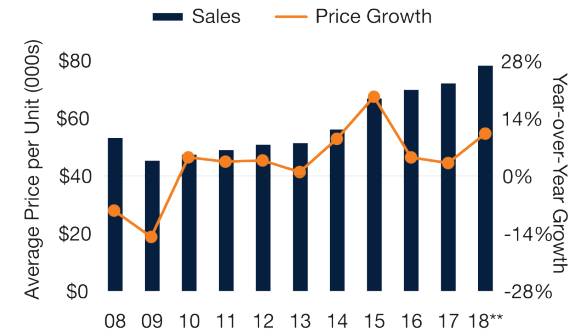
Rent growth remains above 5 percent amid rising vacancy, climbing to \$5.25 per square foot.

Investment



Absorption was led by the Great Southwest and North Fort Worth submarkets during the past 12 months. These are areas that could see increased investment this year.

Sales Trends



** Trailing 12 months through 2Q
Sources: Marcus & Millichap Research Services; Bureau of Labor Statistics; CoStar Group, Inc.; Real Capital Analytics

Created on December 2018

POPULATION	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Population	660	7,087	12,817
■ 2017 Estimate			
Total Population	736	6,747	12,615
■ 2010 Census			
Total Population	672	6,302	11,795
■ 2000 Census			
Total Population	366	5,894	10,931
■ Daytime Population			
2017 Estimate	394	6,986	12,277
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Households	146	2,379	4,334
■ 2017 Estimate			
Total Households	154	2,191	4,103
Average (Mean) Household Size	2.85	2.84	2.85
■ 2010 Census			
Total Households	140	2,054	3,863
■ 2000 Census			
Total Households	94	1,980	3,603

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2017 Estimate			
\$200,000 or More	3.01%	2.07%	2.09%
\$150,000 - \$199,000	5.03%	3.79%	3.36%
\$100,000 - \$149,000	14.25%	12.01%	11.40%
\$75,000 - \$99,999	12.59%	14.25%	11.81%
\$50,000 - \$74,999	18.74%	15.50%	16.45%
\$35,000 - \$49,999	12.66%	13.36%	15.22%
\$25,000 - \$34,999	14.47%	14.56%	14.00%
\$15,000 - \$24,999	5.54%	8.04%	8.93%
Under \$15,000	13.69%	16.42%	16.74%
Average Household Income	\$73,595	\$64,009	\$62,482
Median Household Income	\$55,182	\$46,941	\$44,547
Per Capita Income	\$16,364	\$21,294	\$20,710
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2017 Estimate Total Population	736	6,747	12,615
Under 20	24.27%	29.11%	29.07%
20 to 34 Years	20.62%	19.65%	19.95%
35 to 39 Years	7.20%	6.45%	6.41%
40 to 49 Years	15.49%	13.39%	13.11%
50 to 64 Years	19.89%	17.35%	18.32%
Age 65+	12.52%	14.07%	13.15%
Median Age	38.56	35.95	35.76
■ Population 25+ by Education Level			
2017 Estimate Population Age 25+	505	4,350	8,138
Elementary (0-8)	5.43%	5.33%	6.46%
Some High School (9-11)	13.49%	14.42%	14.55%
High School Graduate (12)	34.89%	33.11%	32.34%
Some College (13-15)	25.48%	22.87%	22.42%
Associate Degree Only	4.98%	5.70%	6.10%
Bachelors Degree Only	11.98%	12.83%	12.28%
Graduate Degree	3.36%	3.76%	3.85%
■ Time Travel to Work			
Average Travel Time in Minutes	36	36	36

Source: © 2017 Experian



Population

In 2017, the population in your selected geography is 736. The population has changed by 101.09% since 2000. It is estimated that the population in your area will be 660.00 five years from now, which represents a change of -10.33% from the current year. The current population is 56.29% male and 43.71% female. The median age of the population in your area is 38.56, compare this to the US average which is 37.83. The population density in your area is 234.36 people per square mile.



Households

There are currently 154 households in your selected geography. The number of households has changed by 63.83% since 2000. It is estimated that the number of households in your area will be 146 five years from now, which represents a change of -5.19% from the current year. The average household size in your area is 2.85 persons.



Income

In 2017, the median household income for your selected geography is \$55,182, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 31.52% since 2000. It is estimated that the median household income in your area will be \$63,505 five years from now, which represents a change of 15.08% from the current year.

The current year per capita income in your area is \$16,364, compare this to the US average, which is \$30,982. The current year average household income in your area is \$73,595, compare this to the US average which is \$81,217.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 84.70% White, 5.93% Black, 0.01% Native American and 0.22% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 24.10% of the current year population in your selected area. Compare this to the US average of 17.88%.



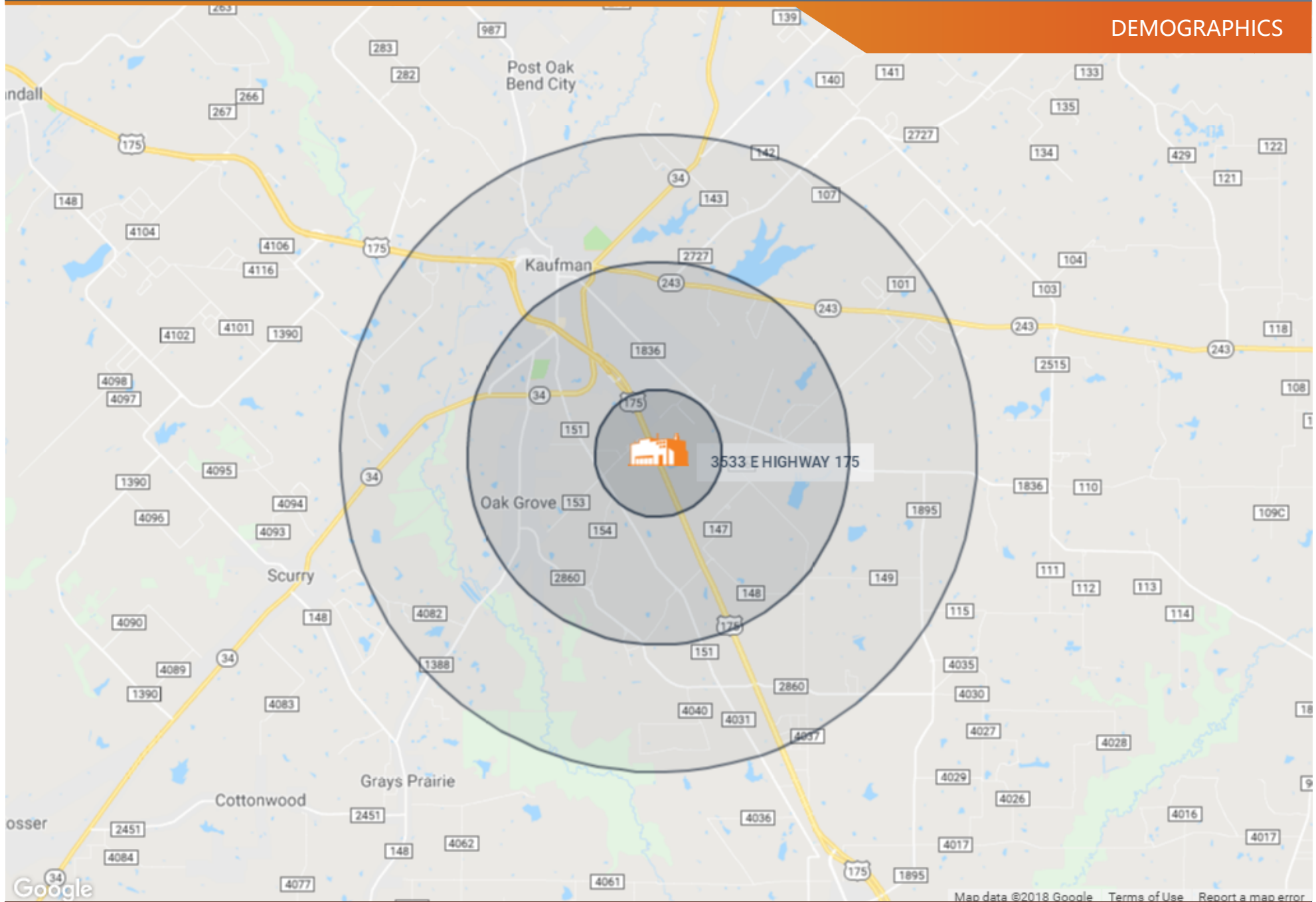
Housing

The median housing value in your area was \$143,330 in 2017, compare this to the US average of \$193,953. In 2000, there were 75 owner occupied housing units in your area and there were 19 renter occupied housing units in your area. The median rent at the time was \$346.



Employment

In 2017, there are 385 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 56.98% of employees are employed in white-collar occupations in this geography, and 41.28% are employed in blue-collar occupations. In 2017, unemployment in this area is 6.44%. In 2000, the average time traveled to work was 36.00 minutes.



PRESENTED BY

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Associate

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Fort Worth Office

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