

PECAN PLAZA

2000 West San Antonio - Lockhart, Texas 78644
Multi-tenant retail/flex investment + land with frontage



STRONG INCOME IN PLACE, UPSIDE IN LEASE UP

LAND FOR DEVELOPMENT WITH FRONTAGE ON CONNECTOR HWY-130
EXCELLENT VISIBILITY & ACCESS

PRICE: \$835,000
NOI: \$104,000
CAP RATE: 12.5%
BUILT: 1985
GLA: 10,000 SF



Lockhart is poised for significant growth.



Walmart announced a new 120K SF store
(2.5 times the size of the current Lockhart
Walmart)

for more information:

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Excellent frontage on HWY 142 connecting downtown
Lockhart to Lockhart SH-130 Exit (scheduled completion
Q4 2012)

The information contained herein was obtained from sources deemed reliable; however, Retail Solutions makes no guaranties, warranties or representations to the completeness or accuracy thereof. The presentation of this real estate information is subject to errors; omissions; change of price; prior sale or lease; or withdrawal without notice. Retail Solutions, which provides real estate brokerage services, is a division of Reliance Retail, LLC, a Texas Limited liability company.

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Brokerage Relationships: By taking possession of and reviewing the information contained herein, Buyer acknowledges that the Listing Team of Retail Solutions ("Brokers") are acting as Seller's Agent in the disposition assignment for the property. Buyer acknowledges receipt of the form entitled Information About Brokerage Services.

Non-disclosure of Information: By taking possession of and reviewing the Information contained herein, Buyer agrees not to disclose, permit the disclosure of, release, disseminate or transfer any of the Information obtained from Broker or the Property owner ("Owner") to any other person or entity except as permitted herein. Buyer shall take all appropriate precautions to limit the dissemination of the Information only to those persons within the firm who need to know the Information. The phrase "within the firm" shall be deemed to include outside attorneys, accountants and investors.

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Pecan Plaza

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Multi-Tenant Retail/Flex with Additional Development Potential

Investment Overview

PROPERTY DESCRIPTION

This investment consists of a 2.49 acre lot which enjoys excellent frontage on, and visibility from US 142 (W. San Antonio St.), Two (2) multi-tenant retail-flex buildings which are both well-leased with just one vacant space in each building (800 SQ. FT. & 400 SQ. FT.). In addition, this investment includes land for new development. Approximately 50% of the lot is currently developed.

US 142 (W. San Antonio St. connects downtown Lockhart with the soon to be completed (Summer 2012 – estimated completion) entrance/exit on SH-130. The completion of this section of SH-130 is expected to be a significant driver for additional growth in Lockhart and with that growth and the use of SH-130, the volume of vehicles per day (VPD) on US 142 is expected to increase significantly.

County	Caldwell
Rentable Building Area	10,000 SF
Lot Size	2.49 Acres (108,465 SF)
Occupancy	88% (8,800 SF)
Year of Construction	1985
Number of Buildings	2
Number of Tenants	7

FINANCIALS

Price	\$835,000
Capitalization Rate	7.82% (on current income)
Terms	Cash to Seller

INCOME & EXPENSE*

Base Rent	\$75,972
Reimbursements	\$7,500
Total Gross Income	\$83,472
Operating Expenses	(\$18,169)
Net Operating Income	\$65,304

**Income: March 2012 annualized*

Investment Overview (continued)

City: Located within the city of Lockhart
Zoned: Commercial
Water/Sewer: On city water and sewer

EXPENSES

Real Estate Taxes (2011)	\$8,137	(\$1.02 PSF)
Insurance	\$1,554	(\$0.19 PSF)
Electricity Common	\$1,200	(\$0.15 PSF)
Landscaping	\$900	(\$0.11 PSF)
CAM Utilities	\$6,377	(\$0.80 PSF)

Total **\$18,168*** **(\$2.27 PSF)**
(*2011 Budgeted)

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Rent Roll

TENANT	SQ. FT.	Term	Rent PSF	Annual Rent	Annual Expense Reimbursements	Total Revenue	NOTES
R/R Investments	800	3/12-3/13	\$14.25	\$11,400	\$1,500	\$12,900	
Lex Jennings Barber Shop	800	1/09-12/11	\$12.00	\$9,600	\$600	\$10,200	
Lockhart Chiropractic	800	3/10-2/13	\$13.92	\$14,772	\$600	\$15,372	
Lockhart Chiropractic	800	3/10-2/13	\$12.00	\$9,600	\$-	\$9,600	
Unit 5	800		\$-	\$-	\$-	\$-	
Century Pest	1,000	6/08-8/14	\$6.38	\$5,100	\$1,200	\$6,300	
M/possible Engineering	2,000	4/12-5/15	\$9.23	\$12,000	\$1,500	\$13,500	5% base rent increase per year Seller uses this space for storage.
Unit 9	400		\$-	\$-	\$-	\$-	Will be vacant upon sale.
Perfect Pet Grooming	600	6/08-6/12	\$7.85	\$5,100	\$600	\$5,700	
Johnny Auto Repair	2,000	9/08-8/14	\$6.46	\$8,400	\$1,500	\$9,900	
Total:	10,000 SF			\$75,972	\$7,500	\$83,472	

Occupied SF: 8,800 SF
 Occupied %: 88%
 Vacant SF: 1,200 SF
 Vacant %: 12%

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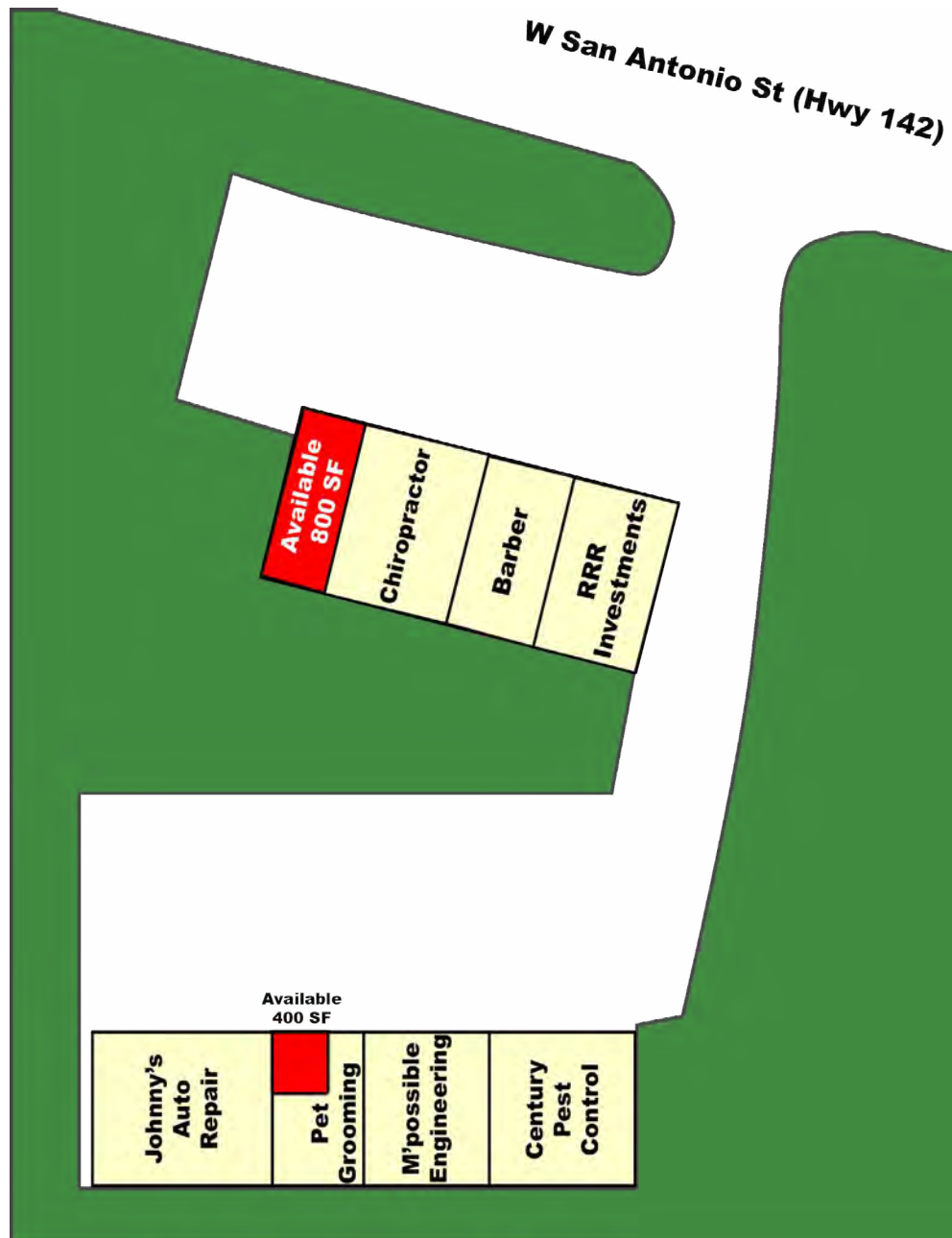


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Site Plan



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Photos



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Property Highlights

- Established tenants generate a strong current cash flow with two vacancies for increased cash flow in the current buildings. **Room for additional development with excellent frontage and visibility on HWY 142**

- HWY 142 will be the direct connection from downtown Lockhart and the new section of SH-130 (toll road). This portion of SH-130 is slated for completion in late 2012 and will provide much quicker access to San Antonio, Austin, Austin International Airport (ABIA), the Formula 1 race track (currently under construction) and more.



- Lockhart is expected to experience significant growth over the coming years:

Communities along the corridor (along completed sections of SH-130) have seen rapid growth in population. Pflugerville had 187% growth from 2000 to 2010. Hutto had 1075% growth from 2000 to 2010. (source: Seguin Economic Development Corporation)

Walmart: Walmart has announced a new Walmart in Lockhart to replace their current store. The new store will have 120,000 SQ. FT. which is 2.5 times the size of their current store. The new store is slated for completion in late 2012.

SH-130 (toll Road): Construction on the section of SH-310 which will run north/south West of Lockhart has an estimated completion scheduled for Summer 2012. Lockhart is almost exactly the mid-point between Austin and San Antonio of SH-130.

Centerpoint: A \$120 million dollar 271 acre mixed use development on all four corners of the SH-130 and Hwy 142 intersection has been announced. The project is expected to include 1.75 million Sq. Ft. of housing, retail and industrial development.

2008 Lockhart Study: According to a study done by the City of Lockhart in 2008. Residents in Lockhart spend \$37 million a year on retail purchases outside their city.

DEMOGRAPHIC SNAPSHOT

	3 miles	5 miles	10 miles
Population	10,031	14,760	40,261
Average HH Income	\$55,687	\$57,427	\$59,178

AUSTIN BUSINESS JOURNAL

WHERE CENTRAL TEXAS CAPITALIZES ON BUSINESS

Lockhart poised for boom

Developers plan \$120M, 271-acre project southeast of Austin

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Two local developers are planning a \$120 million, 271-acre mixed-use project along State Highway 130 in Lockhart.

Plans for the development, named Centerpoint at Lockhart, feature roughly 1.75 million square feet for housing, retail and industrial development blanketing a major intersection on the toll road's extension under construction there.

Developers John Trube, the former mayor of Buda, and J.P. Newman, president of Principals Capital Funding Inc., have partnered to buy 271 acres covering all four corners of the SH 130 and SH 142 intersection. Trube, who helped lure commercial development such as Cabela's to Buda, and Newman plan to break ground in summer 2011 with a buildout over the next five years or more, depending on market conditions.

The developers' timeline is intentionally vague as they view the area with caution. In the last decade, the opening of the SH 130 toll road east of Austin was expected to be a catalyst for development of thousands of homes and millions of square feet of commercial space. But the economic downturn has stymied much of that anticipated growth.

Nevertheless, Trube and Newman expect Centerpoint at Lockhart, named to reflect its position between Austin and San Antonio, to grow organically as demands along the toll road increase.

For example, Newman said the project will first

target retail development geared toward travelers and truckers, such as gas stations, a truck stop, a quick-service restaurant and a hotel. Such an approach runs counter to conventional thought, which would be to build homes first because residential spurs retail.

Besides dedicating 75 acres with 750,000 square feet of space to retail, Centerpoint at Lockhart will eventually offer 94 acres for industrial businesses — with about 1 million square feet for uses such as distribution centers and manufacturing — and 102 acres for about 500 single- and multifamily homes.

"The thing that makes the Centerpoint property particularly attractive is that very few entrance and exit ramps and frontage roads were designed as part of SH 130," Newman said. "This area features an entrance and exit ramp accessible from both sides of the property, non-tolled frontage roads and driveway cuts, and sits adjacent to Union Pacific Railroad's lines."

Another factor favoring the site, the developer duo said, is the growing number of Lockhart residents who drive to Austin or San Antonio to shop. Residents in Lockhart spend more than \$37 million a year on retail purchases outside their city, according to a study conducted by the city of Lockhart in 2008.

"Centerpoint will help Lockhart capture 'leaked' retail dollars and generate new ones as additional vehicular traffic makes its way through that area," said David Simmonds, principal with Austin-based Retail Solutions, who has been tapped to market the



Newman



Trube

SEE LOCKHART, P25

May 7-13, 2010 issue

AUSTIN BUSINESS JOURNAL

WHERE CENTRAL TEXAS CAPITALIZES ON BUSINESS

Development along SH 130 moves forward

Austin Business Journal

Date: Thursday, December 8, 2011, 6:50am CST

After many delays, construction on two development projects east of Austin along State Highway 130 will bring early next year.

The city of Austin has secured \$40 million in public financing to push the Windsor Valley and Indian Hills projects forward. The mixed-used developments will add 3.75 million square feet of commercial space and 8,600 housing units.

Find more information on the story from the *Austin American-Statesman*.

December 8, 2011 issue

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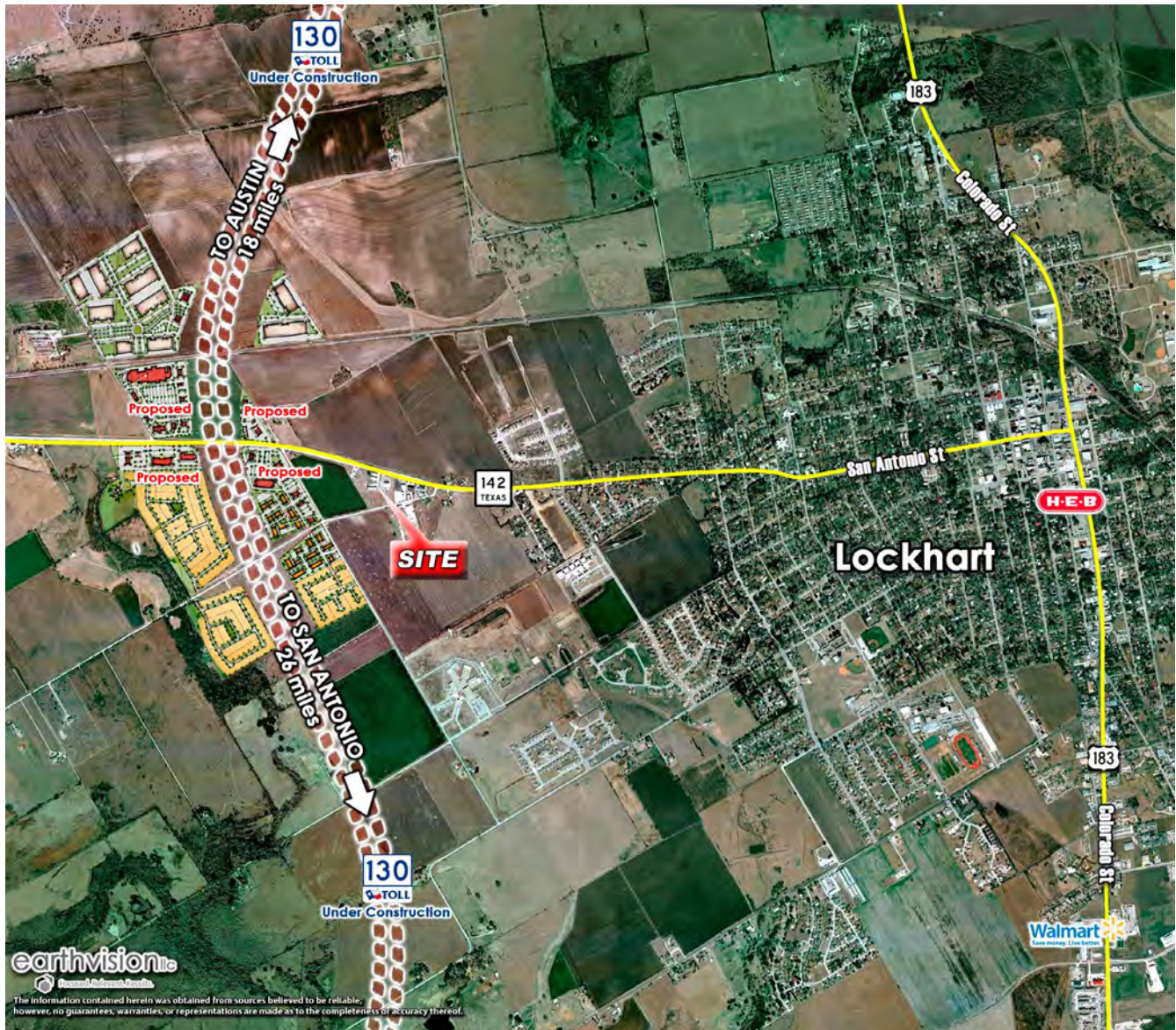
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Area Map



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Demographics

	1 MILE RING 3.14 SQ/MI	3 MILE RING 28.27 SQ/MI	5 MILE RING 78.53 SQ/MI	10 MILE RING 314.11 SQ/MI
POPULATION				
1990 Population	1,744	8,034	10,442	20,140
2000 Population	1,932	9,246	13,280	27,920
2010 Population (Census)	2,301	10,031	14,760	40,261
% Growth 2000 - 2010	16.0%	7.8%	10.0%	30.7%
% Growth 2011 - 2016	13.5%	13.7%	14.4%	19.8%
HOUSEHOLDS				
1990 Households	618	2,761	3,534	6,358
2000 Households	737	3,112	4,203	8,735
2011 Households	783	3,478	4,858	12,251
Avg Household Size	2.8	3.1	3.0	3.2
EMPLOYMENT				
2011 Total Employers	50	288	350	489
2011 Workplace Employees	712	3,412	3,994	5,379
POPULATION BY OCCUPATION				
Total Workforce	873	3,975	5,622	16,559
% Blue Collar	43.8%	42.1%	42.6%	42.0%
% White Collar	56.2%	57.9%	57.4%	58.0%
RACE				
% White	41.1%	38.6%	39.1%	38.1%
% Hispanic	51.8%	52.9%	51.3%	54.1%
% Black	5.1%	6.9%	7.9%	5.7%
% Asian	0.8%	0.4%	0.4%	0.6%
% Other	1.2%	1.3%	1.3%	1.4%
White	881	3,935	5,895	14,911
Hispanic	1,111	5,393	7,743	21,190
Black	109	706	1,196	2,237
Asian	17	42	62	239
Other	25	128	194	565
HOUSING				
% Renter Occupied Housing Units	42.0%	37.1%	36.1%	29.0%
% Owner Occupied Housing Units	58.0%	62.9%	63.9%	71.0%
INCOME				
2011 Median Household Income	\$52,486	\$48,145	\$48,560	\$50,641
2011 Average Household Income	\$55,236	\$55,687	\$57,427	\$59,178



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Listing Team

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Alan P. Rust, CCIM specializes in the leasing and sale of retail property throughout central Texas. Alan has had a diverse professional career which has spanned more than 20 years. Alan has done business and negotiated deals across the United States and internationally. His responsibilities have included the negotiation of retail acquisitions, dispositions, leases, development opportunity identification, site selection, development of strategies to mitigate risk. Previously, Alan was with Sperry Van Ness, a national brokerage firm, where he specialized in the leasing and sales of Investment retail real estate.

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David Simmonds, was a senior vice president with the Austin Commercial Retail Division of The Weitzman Group from 2000-2008. Simmonds specialized in retail project representation in the greater Austin area. Prior to joining The Weitzman Group, he was a retail brokerage specialist with Lynx Property Services and a property manager for United Commercial Realty. During his tenure at Weitzman- Simmonds was directly and indirectly involved in the closing of over 1,100 deals in 8.5 years!

Simmonds is a member of the International Council of Shopping Centers.

Simmonds received a Bachelor of Arts degree in Economics from Columbia College in New York City.



Approved by the Texas Real Estate Commission for Voluntary Use
Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.



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Information About Brokerage Services

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

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IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an

intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

(1) shall treat all parties honestly;

(2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;

(3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and

(4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant

Date

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