



WOODFOREST SHOPPING CENTER

CONFIDENTIAL OFFERING MEMORANDUM



TABLE OF CONTENTS

EXECUTIVE SUMMARY	4
PROPERTY OVERVIEW	9
TRADE AREA OVERVIEW	13
FINANCIAL OVERVIEW	16
TENANCY OVERVIEW	23
HOUSTON OVERVIEW	30

Red Oak Commercial

10900 Northwest Freeway
Suite 223
Houston, TX 77092
www.redoakcre.com

Brian Ellisor

President
713.493.7521
281.451.1181 Cell
brian@redoakcre.com





183,600 CPD



UVALDE RD 23,800 CPD

NORTH SHORE
NINTH GRADE
CAMPUS

WOODFOREST BLVD 17,440 CPD



GREEN VALLEY
ELEMENTARY



EXECUTIVE SUMMARY

OFFERING SUMMARY

Red Oak Commercial is pleased to exclusively offer for sale Woodforest Shopping Center (the "property"), a 113,781 square foot ("SF") neighborhood shopping center located in East Houston at the signalized intersection of Woodforest Boulevard and Ulvade Road. Comprised of two retail centers on the east and west sides of Uvalde Road, Woodforest Shopping Center is 84.8% leased and features a strong lineup of national, regional and local credit tenants including Palais Royal, dd's DISCOUNTS, Advance Auto Parts, Rainbow Shops, Advance America and Metro PCS. Woodforest Shopping Center provides stable cash flow in an established market as well as offers immediate upside through lease up of existing vacancies and targeted reletting. Woodforest Shopping Center is located in the East Houston trade area, situated less than two miles away from both Interstate 10 and Beltway 8 and in close proximity to major area employment centers, including the Port of Houston which is the nation's second busiest port.



PROPERTY SUMMARY

ADDRESS

421-469 & 432-474 Uvalde Rd
Houston, Texas 77015

SIZE

113,781 SF

OCCUPANCY

84.8%

YEAR(S) BUILT

1968, Renovation in 1993

TRAFFIC COUNTS

Uvalde Rd - 23,800 CPD
Woodforest Blvd - 17,440 CPD

AVERAGE WEIGHTED RENTS

\$9.49

NOI

\$925,851

SALE PRICE

\$11,946,465

CAP RATE

7.75%

EXECUTIVE SUMMARY



INVESTMENT HIGHLIGHTS

NEIGHBORHOOD CENTER IN THE HEART OF COMMUNITY

- » Located at a lighted intersection in the heart of the East Houston trade area with excellent visibility from Uvalde Rd and Woodforest Blvd.

ATTRACTIVE UPSIDE POTENTIAL

- » Below market rents in an established retail market allows for immediate upside through lease up of existing vacancies and targeted reletting.

PROXIMITY TO STRONG EMPLOYMENT HUB

- » The Property is located in close proximity to Houston's predominant economic and employment generators including the Houston Ship Channel, Port of Houston and Houston's major oil, gas and petrochemical companies.

COMPLEMENTARY TENANT LINEUP

- » National and regional tenants at Woodforest Shopping Center account for 71% of property's occupied gross leaseable area (GLA).

IDEAL DEMOGRAPHIC BASE

- » The property is surrounded by a dense population of 96,000 people within a three mile radius and over 31,000 households.
- » The majority of the population base falls into the target consumer category for the value-focused tenants, providing for an ideal market of discount shoppers and enabling tenants to capture maximum sales revenues in their location.
- » Property abuts the Wallisville retail hub which boasts some of the highest restaurant and retail sales in the city of Houston.



EXECUTIVE SUMMARY

TRADE AREA DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2017 Population	24,182	106,310	168,033
Population Growth 2017-2022	3.70%	4.56%	5.55%
Daytime Population	19,512	96,928	162,882
Average Household Income	\$58,417	\$58,373	\$57,910
% of Owner Occupied Housing	46%	53%	55%
Owner Occupied Average Housing Value	\$136,334	\$130,861	\$128,139



PRIMARY TENANTS

TENANT	SIZE (SF)	EXPIRATION	RENEWAL OPTIONS
Palais Royal	24,500	11/30/2023	Two (5-year) Options
dd's DISCOUNTS	22,000	1/31/2022	Four (5-year) Options
QW World	7,800	5/31/2019	One (5-year) Option
Advance Auto Parts	6,060	12/31/2018	One (5-year) Option
Rainbow Shops	4,500	1/31/2023	One (5-year) Option

PROPERTY OVERVIEW



PROPERTY OVERVIEW



¹Buildings identified on page 11

Location	421-469 & 432-474 Uvalde Rd, Houston, Texas 77015
Size	113,781 SF
Land Area	Tract 1 (Main Shopping Center): 7.23 AC Tract 2 (Small Strip Center): 0.813 AC Tract 3 (Title Max): 0.323 AC
Occupancy	84.8%
Years Built¹	Building 1 (Main Shopping Center): 1968, Renovation in 1993 Building 2 (CiCi's Pizza): 1994 Building 3 (Small Strip Center): 1965 Building 4 (Small Strip Center): 1970 Building 5 (TitleMax Building): 1976
Parking	473 spaces (4.15/1,000 SF)
Traffic Counts	Uvalde Rd - 23,800 CPD Woodforest Blvd - 17,440 CPD
Access	Six access drives from Uvalde Rd One access drive from Woodforest Blvd Three access drives from Hollypark Dr
Property Upgrades	Property painted (2017) New LED lights in pylons (2017) Building 1 (Main Shopping Center): Roof replaced (2011, 2012 and 2013)
Signage	Two pylon signs located along Uvalde Rd
Construction	Steel and concrete construction with painted masonry and EIFS façade
Weighted Average Rents (In-Place)	\$9.49
NOI	\$925,851
SALE PRICE	\$11,946,465
CAP RATE	7.75%

COMPETITIVE PROPERTIES

	PROPERTY NAME	ADDRESS	SIZE (SF)	YEAR BUILT	OCC.	MAJOR TENANTS
★	Woodforest Shopping Center	SEC & SWC Uvalde Rd & Woodforest Blvd	113,781	1968	85%	dd's DISCOUNTS, Palais Royal, Advance Auto, Rainbow
1	The Shops at Stone Park	NEC Beltway 8 & Wallisville Rd	250,000	2009	100%	JCPenney, Marshalls, Staples, Party City, Chik-fil-A
2	San Jacinto Plaza	NWC Uvalde Rd & Wallisville Rd	125,929	1979	97%	Joe V's, Family Dollar, Goodwill, Impress for Less, O'Reilly
3	Timberwood Shopping Center	SWC Beltway 8 & Woodforest Blvd	65,628	1977	95%	Family Dollar, Spec's, H&R Block
4	Northshore	NEC & NWC Uvalde Rd & I-10	230,779	1959/1999	91% ⁽¹⁾	Sellers Bros, Conn's, Melrose, Dollar Tree, Office Depot, FedEx
TOTAL			786,117		94%	

(1) Does not include non-retail, storage space

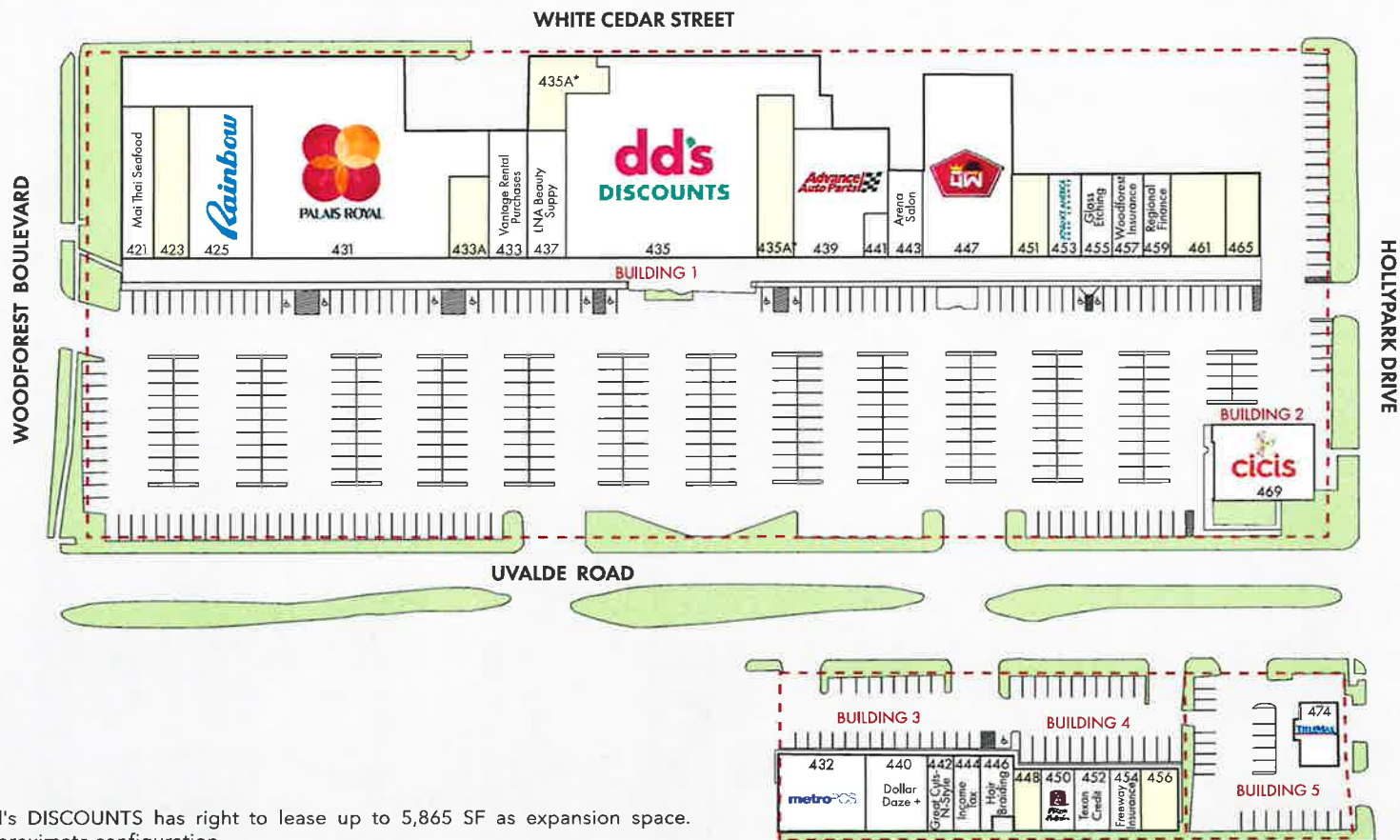


SITE PLAN

SUITE	TENANT	SQUARE FEET	% OF TOTAL GLA
421	Mai Thai Seafood	2,200	1.93%
423	Vacant	2,200	1.93%
425	Rainbow Shops	4,500	3.95%
431	Palais Royal	24,500	21.53%
433A	Vacant	1,800	1.58%
433	Vantage Sales & Lease	2,800	2.46%
437	LNA Beauty Supply	3,535	3.11%
435A*	Vacant	5,865	5.15%
435	dd's DISCOUNTS	22,000	19.34%
439	Advance Auto Parts	6,060	5.33%
441	Jay's Barber Shop	450	.40%

SUITE	TENANT	SQUARE FEET	% OF TOTAL GLA
443	Arena Salon	1,200	1.05%
447	QW World	7,800	6.86%
451	Vacant	1,800	1.58%
453	Advance America	1,525	1.34%
455	Glass Etching by Matisse	1,475	1.30%
457	Woodforest Insurance & Tax	1,200	1.05%
459	Regional Finance Corp	1,200	1.05%
461	Vacant	2,400	2.11%
465	Vacant	1,200	1.05%
469	CiCi's	3,800	3.34%
432	Metro PCS	2,700	2.37%

SUITE	TENANT	SQUARE FEET	% OF TOTAL GLA
440	Dollar Daze +	2,300	2.02%
442	Great Cuts-N-Style	1,000	.88%
444	Income Tax	1,000	.88%
446	Young Team Hair Braiding	1,000	.88%
448	Vacant	1,000	.88%
450	Pizza Patrón	1,000	.88%
452	Texan Credit Corporation	1,000	.88%
454	Freeway Insurance	1,000	.88%
456	Vacant	1,000	.88%
474	TitleMax	1,271	1.12%
TOTAL		113,781	100%



*dd's DISCOUNTS has right to lease up to 5,865 SF as expansion space.
Approximate configuration.

TRADE AREA OVERVIEW

PALAIS ROYAL

STEE LAUDER
GIFT WITH PURCHASE

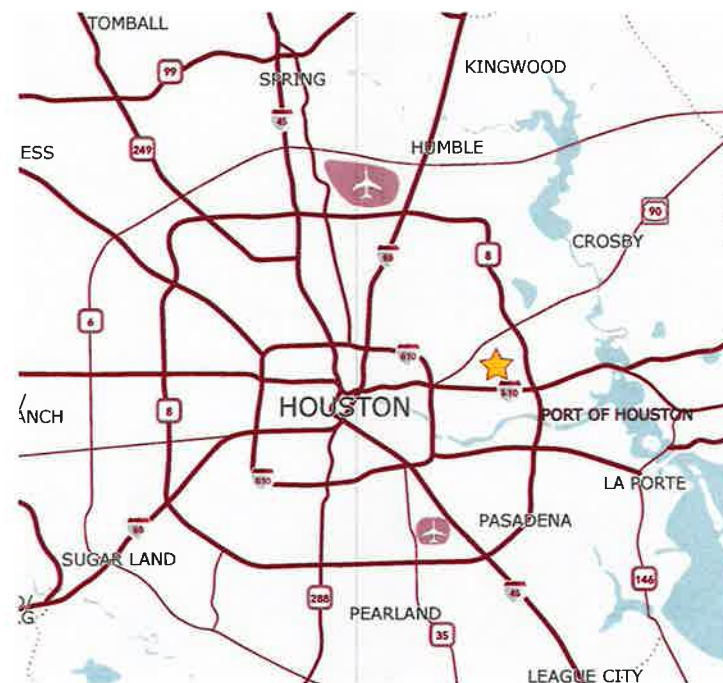


TRADE AREA OVERVIEW

EAST HOUSTON

Located 10 miles northeast of the Houston Central Business District, the East Houston trade area is a regional hub bounded to the south by I-10 East, on the east by Beltway 8, on the West by Loop 610 and to the north by Hwy 90. The trade area is strategically located near two major municipal airports, George Bush Intercontinental and William P. Hobby serving 55 million passengers annually. In addition to a growing network of freeways and railroad systems, East Houston is located only 3 miles from the Houston Ship Channel and the Port of Houston as well as multiple industrial and distribution parks. The area is also home to globally integrated oil and petrochemical companies, including ExxonMobil, Shell and Chevron. From 2013 to 2019, over \$100 billion will be invested in chemical plant construction and expansion which aids in growing and diversifying the Houston economy and provides residents of the East Houston trade area secure employment opportunities and renowned benefits.

The current population of the trade area is 74,000 and the average daytime population exceeds 162,000 people within a five mile radius. The site is located approximately one mile from the North Campus of San Jacinto college, which serves 8,193 students and 438 staff members. In addition, the property abuts the North Shore Ninth Grade Campus with a student enrollment of over 1,000 and a staff of 110 administrators.



PORT OF HOUSTON

The Port of Houston is a 25-mile-long complex of 150-plus private and public industrial terminals along the 52-mile-long Houston Ship Channel. Each year, more than 241 million tons of cargo move through the greater Port of Houston, carried by more than 8,200 vessels and 223,000 barges. The port is consistently ranked 1st in the United States in foreign waterborne tonnage, 1st in U.S. imports, 1st in U.S. export tonnage and 2nd in the U.S. in total tonnage. It is also the largest container port in the Gulf Coast, handling 68% percent of the project cargo at Gulf Coast ports. The Port contributes to over one million jobs throughout Texas and generates more than \$265 billion in statewide economic impact and locally supports over 100,000 direct and indirect jobs in the Houston MSA. Over the next five years, the Port expects to invest \$921 million in capital projects, adding Post-Panamax cranes, construction of Bayport Wharf No. 4 and reconstructing Wharf No. 2 at Barbours Cut.



FINANCIAL OVERVIEW



FINANCIAL OVERVIEW

10-YEAR CASH FLOW

FOR THE YEARS ENDING	YEAR 1 DEC 2018	YEAR 2 DEC 2019	YEAR 3 DEC 2020	YEAR 4 DEC 2021	YEAR 5 DEC 2022	YEAR 6 DEC 2023	YEAR 7 DEC 2024	YEAR 8 DEC 2025	YEAR 9 DEC 2026	YEAR 10 DEC 2027
Potential Gross Revenue										
Base Rental Revenue	963,424	1,049,116	1,127,827	1,204,592	1,225,473	1,242,984	1,296,971	1,319,975	1,339,108	1,365,803
Absorption & Turnover Vacancy	(1,721)	(10,088)	(5,088)	(28,869)	(10,467)	(1,650)	(72,772)	(33,233)	(41,521)	(11,767)
Scheduled Base Rental Revenue	961,703	1,039,028	1,122,740	1,175,723	1,215,006	1,241,334	1,224,199	1,286,742	1,297,588	1,354,037
Expense Reimbursement Revenue	412,201	438,911	473,600	500,462	523,275	542,743	537,262	570,783	585,166	615,366
Total Effective Gross Revenue	1,373,904	1,477,939	1,596,340	1,676,185	1,738,282	1,784,077	1,761,461	1,857,525	1,882,753	1,969,403
Operating Expenses										
Management Fee	41,217	44,338	47,890	50,286	52,148	53,522	52,844	55,726	56,483	59,082
Water & Sewer	6,388	6,548	6,711	6,879	7,051	7,227	7,408	7,593	7,783	7,978
Electricity	22,387	22,947	23,520	24,108	24,711	25,329	25,962	26,611	27,276	27,958
Landscaping	10,745	11,014	11,289	11,571	11,860	12,157	12,461	12,772	13,092	13,419
Garbage and Trash Removal	1,137	1,165	1,195	1,224	1,255	1,286	1,319	1,352	1,385	1,420
Security	81,811	83,856	85,953	88,101	90,304	92,562	94,876	97,248	99,679	102,171
Power Washing	8,228	8,434	8,645	8,861	9,082	9,309	9,542	9,781	10,025	10,276
Roof Repairs	1,287	1,319	1,352	1,386	1,421	1,456	1,493	1,530	1,568	1,607
Parking and Sidewalks	35,753	36,647	37,563	38,502	39,465	40,451	41,463	42,499	43,562	44,651
Plumbing Repairs	103	106	108	111	114	117	119	122	125	129
Light Bulbs and Fixtures	7,376	7,560	7,749	7,943	8,142	8,345	8,554	8,768	8,987	9,212
Smoke Alarm/Fire Protection	200	205	210	215	221	226	232	238	244	250
General Maintenance	1,813	1,858	1,905	1,952	2,001	2,051	2,103	2,155	2,209	2,264
Property Taxes - Main Parcel	181,506	186,044	190,695	195,462	200,349	205,357	210,491	215,754	221,147	226,676
Property Taxes - Title Max	3,828	3,924	4,022	4,122	4,225	4,331	4,439	4,550	4,664	4,781
Insurance	44,274	45,381	46,515	47,678	48,870	50,092	51,344	52,628	53,944	55,292
Total Operating Expenses	448,053	461,345	475,322	488,404	501,219	513,820	524,649	539,326	552,173	567,164
Net Operating Income	925,851	1,016,594	1,121,018	1,187,782	1,237,062	1,270,257	1,236,812	1,318,199	1,330,580	1,402,238
Leasing & Capital Costs										
Tenant Improvements	225	41,705	51,481	56,429	9,382	1,273	77,530	40,118	44,350	13,737
Leasing Commissions	1,799	36,749	24,528	51,698	14,130	2,228	94,536	51,750	54,028	19,935
Capital Reserve	17,067	17,494	17,931	18,379	18,839	19,310	19,793	20,287	20,795	21,315
Total Leasing & Capital Costs	19,091	95,948	93,940	126,506	42,351	22,810	191,858	112,156	119,173	54,987
Net Cash Flow	\$906,760	\$920,647	\$1,027,078	\$1,061,276	\$1,194,711	\$1,247,447	\$1,044,954	\$1,206,043	\$1,211,408	\$1,347,251

FINANCIAL OVERVIEW

SUMMARY OF FINANCIAL ASSUMPTIONS

Analysis Start	January 1, 2018
Square Footage	113,781 SF
Market Rental Rate Growth	2.5% annually
Market Renewal Probability	75% - 95%
Recoveries	The standard lease calls for tenants to reimburse their pro-rata share of CAM, insurance and taxes. Recoveries are detailed by tenant on the rent roll and in the Argus file.
Renewal Assumptions	Priced renewal options are assumed to be exercised by all tenants. Option rates are detailed on the rent roll.
Management Fee	3% of effective gross revenue
General Vacancy	Analysis applies Suite 354A as center vacancy throughout the term.
Capital Reserves	\$0.15/SF annually

	MARKET RATE	LEASE TERM	ANNUAL LEASE ESCALATIONS	DOWNTIME UPON ROLLOVER	TENANT IMPROVEMENTS	LEASING COMMISSIONS
Small Shop - \$14.00	\$14.00/SF	5 Years	None	9 Months	\$10/SF New, \$0/SF Renewal	6% New, 4% Renewal
Small Shop - \$15.00	\$15.00/SF	5 Years	None	9 Months	\$10/SF New, \$0/SF Renewal	6% New, 4% Renewal
Small Shop - \$16.00	\$16.00/SF	5 Years	None	9 Months	\$10/SF New, \$0/SF Renewal	6% New, 4% Renewal
Small Shop - \$18.00	\$18.00/SF	5 Years	None	9 Months	\$10/SF New, \$0/SF Renewal	6% New, 4% Renewal
Small Shop - \$20.00	\$20.00/SF	5 Years	None	9 Months	\$10/SF New, \$0/SF Renewal	6% New, 4% Renewal
Small Shop - \$22.00	\$22.00/SF	5 Years	None	9 Months	\$10/SF New, \$0/SF Renewal	6% New, 4% Renewal
Anchor	\$8.00/SF	10 Years	10% Bump in Year 5	12 Months	\$15/SF New, \$0/SF Renewal	\$4.50/SF New, \$3/SF Renewal
Junior Anchor	\$12.00/SF	5 Years	10% Bump in Year 3	12 Months	\$15/SF New, \$0/SF Renewal	6% New, 4% Renewal
Cici's Pizza	\$26.00/SF	5 Years	10% Bump in Year 5	9 Months	\$15/SF New, \$0/SF Renewal	6% New, 4% Renewal
Title Max	\$46.00/SF	10 Years	10% Bump in Year 5	9 Months	\$15/SF New, \$0/SF Renewal	6% New, 4% Renewal
Jay's Barber - Renewal	\$19.50/SF	5 Years	None	9 Months	\$10/SF New, \$0/SF Renewal	6% New, 4% Renewal

FINANCIAL OVERVIEW

RENT ROLL

SUITE	TENANT	SIZE (SF)	LEASE BEGIN	LEASE END	RENT DATE	RENT/SF	ANNUAL RENT	RECOVERIES
421	Mai Thai Seafood	2,200	3/13/2009	8/31/2019		\$14.58	\$32,065	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
				5-Year Option	9/1/2020	FMV		
425	Rainbow Shops	4,500	11/12/2006	1/31/2023		\$14.50	\$65,250	Pays pro-rata share of CAM (+10% admin fee), taxes and insurance
					2/1/2018	\$16.00	\$72,000	
				5-Year Option	2/1/2023	\$18.00	\$81,000	
431	Palais Royal	24,500	11/5/1992	11/30/2023		\$5.50	\$134,750	Pays fixed NNN amount with 5% annual increases
					12/1/2018	\$6.00	\$147,000	
				5-Year Option	12/1/2023	\$6.72	\$164,640	
				5-Year Option	12/1/2028	\$7.53	\$184,485	
433	Vantage Sale & Lease	2,800	10/14/2010	4/30/2021		\$12.94	\$36,232	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
437	LNA Beauty Supply	3,535	4/19/2013	4/30/2021		\$11.79	\$41,678	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
435	dd's DISCOUNTS	22,000	9/22/2011	1/31/2022		\$5.25	\$115,500	Pays pro-rata share of CAM (+5% admin fee), taxes and insurance
				5-Year Option	2/1/2022	\$5.75	\$126,500	
				5-Year Option	2/1/2027	\$6.25	\$137,500	
				5-Year Option	2/1/2032	\$6.75	\$148,500	
				5-Year Option	2/1/2037	\$7.53	\$165,660	
439	Advance Auto Parts	6,060	8/19/2008	12/31/2018		\$11.25	\$68,175	Pays pro-rata share of CAM (+10% admin fee), taxes and insurance
				5-Year Option	1/1/2019	\$12.38	\$75,023	
441	Jay's Barber Shop	450	5/18/2007	1/31/2018		\$18.00	\$8,100	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
443	Arena Salon	1,200	2/13/2009	2/28/2022		\$17.50	\$21,000	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
447	QW World Party Supply	7,800	6/1/2014	5/31/2019		\$8.32	\$52,740	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
				5-Year Option	6/1/2019	\$9.15	\$71,370	
453	Advance America	1,525	11/7/2002	11/30/2020		\$17.05	\$26,001	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
457	Woodforest Insurance and Tax	1,200	8/1/2013	9/30/2020		\$12.50	\$15,000	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
455	Glass Etching by Matisse	1,475	12/4/2010	11/30/2018		\$12.28	\$18,113	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
459	Regional Finance Corp	1,200	5/27/2011	5/31/2019		\$14.41	\$17,292	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
				3-Year Option	6/1/2019	\$15.28	\$18,336	
469	Cici's Pizza	3,800	8/24/1994	12/31/2019		\$21.30	\$80,940	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
				5-Year Option	1/1/2020	\$24.50	\$93,100	

FINANCIAL OVERVIEW

RENT ROLL (CONT.)

SUITE	TENANT	SIZE (SF)	LEASE BEGIN	LEASE END	RENT DATE	RENT/SF	ANNUAL RENT	RECOVERIES
452	Texan Credit Corporation	1,000	5/16/2011	5/31/2022		\$20.00	\$20,000	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
454	Freeway Insurance	1,000	9/1/2016	8/31/2021		\$15.00	\$15,000	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
450	Pizza Patrón	1,000	11/4/2013	10/31/2018		\$16.00	\$16,000	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
				5-Year Option	11/1/2018	\$18.50	\$18,500	
				5-Year Option	11/1/2023	\$22.00	\$22,000	
446	Young Team Hair Braiding	1,000	11/1/2014	2/28/2021		\$16.00	\$16,000	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
444	Income Tax	1,000	9/21/1999	4/30/2025		\$15.95	\$15,950	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
					5/1/2020	\$17.55	\$17,550	
442	Great Guts - N- Style	1,000	3/9/2012	5/31/2019		\$13.72	\$13,717	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
440	Dollar Daze	2,300	1/1/2016	12/31/2020		\$14.00	\$32,200	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
432	MetroPCS	2,700	2/1/2017	1/31/2024		\$11.21	\$30,282	Pays pro-rata share of CAM (+15% admin fee), taxes and insurance
					2/1/2019	\$12.34	\$33,318	
				5-Year Option	2/1/2024	\$13.82	\$37,314	
474	Title Max	1,271	3/3/2014	3/31/2019		\$40.00	\$50,840	Pays share of taxes and insurance associated with their parcel
				5-Year Option	4/1/2019	\$44.00	\$55,924	
423	Vacant	2,200						
433A	Vacant	1,800						
435A	Vacant - dd's Expansion	5,865						
448	Vacant	1,000						
451	Vacant	1,800						
456	Vacant	1,000						
461	Vacant	2,400						
465	Vacant - Former Law Office*	1,200						
TOTAL SF OCCUPIED		96,516	84.83%					
TOTAL SF VACANT		17,265	15.17%					
TOTAL PROPERTY SF		133,781	100%					

*Tenant does not occupy space, but paying rent through end of lease term on 3/31/2018

FINANCIAL OVERVIEW



REAL ESTATE TAXES

The property falls under the jurisdiction of Harris County Texas and Galena Park Independent School District. The property is comprised of three parcels that encompass four retail buildings.

JURISDICTION	2016 TAX RATE
GALENA PARK ISD	1.563300
HARRIS COUNTY	0.416560
HARRIS CO FLOOD CNTRL	0.028290
PORT OF HOUSTON AUTHY	0.013340
HARRIS CO HOSP DIST	0.171790
HARRIS CO EDUC DEPT	0.005200
SAN JACINTO COMM COL D	0.182379
HC EMERG SRV DIST 12	0.050000
HC EMERG SRV DIST 6	0.008000
TOTAL	2.438859



FINANCIAL OVERVIEW

LEASE EXPIRATION SCHEDULE

TENANT	SUITE	SF	EXPIRATION DATE	VACANT	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026+
Jay's Barber Shop	441	450	1/31/2018	17,265		450								
Pizza Patron	450	1,000	10/31/2018			1,000								
Glass Etching by Matisse	455	1,475	11/30/2018			1,475								
Advance Auto Parts	439	6,060	12/31/2018			6,060								
Title Max	474	1,271	3/31/2019				1,271							
Great Cuts-N-Style	442	1,000	5/31/2019				1,000							
QW World	447	7,800	5/31/2019				7,800							
Regional Finance Corp	459	1,200	5/31/2019				1,200							
Mai Thai Seafood	421	2,200	8/31/2019				2,200							
Cici's Pizza	469	3,800	12/31/2019				3,800							
Woodforest Insurance and Tax	457	1,200	9/30/2020					1,200						
Advance America	453	1,525	11/30/2020					1,525						
Dollar Daze +	440	2,300	12/31/2020					2,300						
Young Team Hair Braiding	446	1,000	2/28/2021						1,000					
Vantage Sale & Lease	433	2,800	4/30/2021						2,800					
LNA Beauty Supply	437	3,535	4/30/2021						3,535					
Freeway Insurance	454	1,000	8/31/2021						1,000					
dd's DISCOUNTS	435	22,000	1/31/2022							22,000				
Arena Salon	443	1,200	2/28/2022							1,200				
Texan Credit Corporation	452	1,000	5/31/2022							1,000				
Rainbow Apparel	425	4,500	1/31/2023								4,500			
Palais Royal	431	24,500	11/30/2023								24,500			
MetroPCS	432	2,700	1/31/2024									2,700		
Income Tax	444	1,000	4/30/2025										1,000	
ANNUAL LEASE EXPIRATIONS (SF)				17,265	-	8,985	17,271	5,025	8,335	24,200	29,000	2,700	1,000	
ANNUAL LEASE EXPIRATIONS (%)				15.2%	-	7.9%	15.2%	4.4%	7.3%	21.3%	25.5%	2.4%	0.9%	
CUMULATIVE EXPIRATIONS (%)				15.2%	15.2%	23.1%	38.2%	42.7%	50.0%	71.3%	96.7%	99.1%	100%	

TENANCY OVERVIEW



TENANCY OVERVIEW



dd's DISCOUNTS

Credit Rating (S&P): A-*

Size: 22,000 SF (19.34% of GLA)

Website: www.ddsdiscounts.com



dd's DISCOUNTS was founded in 2004 and is wholly owned by Ross Stores, Inc. (NASDAQ: ROST), a Fortune 500 company headquartered in Dublin, California. Ross Stores, Inc. reported fiscal 2016 revenues of \$12.9 billion, an 8% increase over fiscal 2015 revenue. The company currently operates 198 dd's DISCOUNTS in 15 states that feature moderately-priced assortments of in-season, name brand apparel, accessories, footwear and home fashions for the entire family at savings of 20% to 70% off moderate department and discount store regular prices. The company also operates Ross Dress for Less with 1,363 locations nationwide. Ross Stores, Inc. has continued plans of expansion throughout 2017 with an estimated 20 new locations for dd's DISCOUNTS.

*Credit denotes parent company

PALAIS ROYAL

Size: 24,500 SF (21.53% of GLA)

Website: www.stage.com



PALAIS ROYAL

Palais Royal, a subsidiary of Stage Stores, Inc. (NYSE: SSI), is a specialty department store offering trend-right, moderately priced, name-brand apparel, accessories, cosmetics, footwear and home goods. As of July 2017, Stage Stores, Inc. operated in 42 states through 793 Bealls, Goody's, Palais Royal, Pebbles and Stage specialty department stores and 57 Gordmans off-prices stores. With headquarters in Houston, Texas, Stage Stores, Inc. has approximately 14,500 employees and reported 2016 fiscal year sales of \$1.4 billion. Stage Stores, Inc. was formed in 1988 when the management of Palais Royal, together with several venture capital firms, acquired the family-owned Bealls and Palais Royal chains. The Woodforest Shopping center location was recently remodeled and has consistently been a top performer for the company within the market.



TENANCY OVERVIEW

ADVANCE AUTO PARTS

Credit Rating (S&P): BBB-

Size: 6,060 SF (5.33% of GLA)

Website: www.shop.advanceautoparts.com



Advance Auto Parts, Inc. (NYSE: AAP) is a leading automotive aftermarket parts provider in North America, serving both professional installers and do-it-yourself customers. Advance Auto Parts operates approximately 5,100 stores and 126 Worldpac branches and serves approximately 1,300 independently owned Carquest branded stores in the United States, Puerto Rico, the U.S. Virgin Islands and Canada. Advance Auto Parts was founded in 1932, currently employs approximately 74,000 team members and reported 2016 fiscal sales at \$9.57 billion.



RAINBOW SHOPS

Size: 4,500 SF (3.95% of GLA)

Website: www.rainbowshops.com



Rainbow Shops is an international fashion retailer with over 1,000 locations in the United States, Puerto Rico and the US Virgin Islands. Rainbow offers a wide selection of women's, juniors, plus size and children's clothing, as well as shoes and accessories. With hundreds of new styles arriving every day in stores and online, Rainbow is the ultimate purveyor of must-have looks in fast fashion. Headquartered in Brooklyn, NY, Rainbow has been the final say in affordable style since 1935.

TENANCY OVERVIEW

QW WORLD PARTY SUPPLIES

Size: 7,800 SF (6.86% of GLA)



QW World is a party supply warehouse that features a bulk selection of craft supplies and party decorations for every event. QW World has a wide variety of items including decorations, glassware, floral arrangements, party favors, ribbons and vases that are tailored primarily for quinceañeras, weddings, baptism, first communions and birthday parties. QW World is owned and operated by an experienced operator with a second business in Houston, Texas.

ADVANCE AMERICA

Size: 1,525 SF (1.34% of GLA)

Website: www.advanceamerica.net



Advance America is a nationally-recognized, fully-accredited financial company that helps millions of people through personal loans, cash advances, title loans and additional financial services. Since 1997, Advance America has grown from just a few stores in the Southeast United States to become one of the nation's largest consumer lending companies, with more than 2,100 locations offering a variety of financial services. Advance America is a wholly owned subsidiary of Grupo Elektra, one of the world's leading providers of banking services, consumer finance, personal loans and specialty retailing. Advance America complies with all federal and state laws and always present fees clearly and completely and are also a founding member of the Community Financial Services Association, which encourages fair and fully disclosed lending practices.

CiCi's

Size: 3,800 SF (3.34% of GLA)

Website: www.cicis.com



CiCi's was founded in 1985 as a single restaurant in Plano, Texas and has since expanded to over 450 restaurants in 32 states. CiCi's invented the unlimited pizza buffet concept, serving a variety of pizza creations as well as unlimited fresh salads, pastas and desserts. The success of the CiCi's brand has prompted continued growth plans with intent to double their number of restaurants in the next 10 years. CiCi's is recognized as an award-winning brand, with numerous national recognitions including Zagat and Parents Magazine 'Top Family-Friendly Restaurant', and ranking on Entrepreneur's 'Franchise 500' list.



TENANCY OVERVIEW

METRO PCS

Credit Rating (S&P): BB *

Size: 2,700 SF (2.37% of GLA)

Website: www.metropcs.com

metroPCS

Metro PCS, a subsidiary of T-Mobile USA, Inc. (NASDAQ: TMUS), is one of the leading providers of unlimited 4G LTE wireless service with no annual contract. Metro PCS makes wireless simple by offering unlimited talk, text and data plans with all applicable taxes and fees included and operates on an advance nationwide 4G LTE network. Based in Bellevue, Washington, T-Mobile USA, Inc. provides services through its subsidiaries and operates its flagship brands, T-Mobile and MetroPCS serving a combined 71 million customers. T-Mobile USA, Inc currently has 52,000 total points of distribution including approximately 13,000 T-Mobile and MetroPCS branded locations and 39,000 third-party and national retailer locations. T-Mobile USA, Inc reported revenues of \$37.2 billion throughout 2016, leading the industry in financial growth.

*Credit denotes parent company

PIZZA PATRON

Size: 1,000 SF (0.88% of GLA)

Website: www.pizzapatron.com



Since 1986, Pizza Patrón has been committed to making its promise of "Más Pizza. Menos Dinero." a reality for customers. Headquartered in San Antonio, Texas, the brand has been recognized for its 'fresh-dough' pizza, its low prices and its friendly bicultural service. Today, Pizza Patrón is the leading Mexican pizza brand in the US with over 93 restaurants open and approximately 20 more under development nationwide.



TITLE MAX

Credit Rating (S&P): B- *

Size: 1,271 SF (1.12% of GLA)

Website: www.titlemax.com

TITLEMAX

TitleMax is one of the nation's largest title lending companies, helping thousands of people every day get the cash they need with a title loan or title pawn. Since the first stores opening in 1998 in Georgia, TitleMax has expanded to over 1,100 locations spanning 16 states. With over 4000 employees nationwide, TitleMax prides themselves on providing customers with clarity and confidence. TitleMax is a subsidiary of TMX Finance, LLC, providing consumer credit products under the TitleMax, TitleBucks and InstaLoan brands.

*Credit denotes parent company

VANTAGE SALES & LEASE

Size: 2,800 SF (2.46% of GLA)

Website: www.myvantageway.com



Vantage Sales & Lease is a furniture and electronics company with three locations throughout the greater Houston area. Vantage Sales & Lease offers high quality durable products for the entire home utilizing flexible rental purchase agreements that typically allows the customer to obtain ownership of the merchandise at the conclusion of an agreed-upon rental period. Vantage Sales & Lease also offers "90 days same as cash" plans and features brand name products including Sony, Whirlpool, Frigidaire, LG, Toshiba, Samsung and Ashley Furniture.

FREEWAY INSURANCE

Credit Rating: B-*

Size: 1,000 SF (0.88% of GLA)

Website: www.freewayinsurance.com



Freeway Insurance, Inc., established in 1987, is one of the largest and fastest-growing privately-owned insurance brokers in the United States. Freeway offers a wide range of plans, from the most basic to premium plans in auto, health, truck, commercial vehicle, fire, flood, homeowners, renters, small commercial, motorcycle, recreational vehicles and watercraft, life, and AD&D insurance. Headquartered in Huntington Beach, CA, Freeway Insurance has locations throughout Arizona, California, Florida, Nevada, New Jersey, New York, Oregon, Texas and Washington. Freeway Insurance is part of the Confie Seguros family of companies. Confie generates annual revenue of approximately \$500 million, offers insurance in all 50 states, and has 700 retail locations across the nation.

*Credit denotes parent company

TEXAN CREDIT CORPORATION

Size: 1,000 SF (0.88% of GLA)

Website: www.texancredit.com



TEXAN CREDIT CORP.

Texan Credit Corporation is a traditional installment lender that offers affordable monthly payments. Texan Credit Corporation offers multiple loan options including credit-based installment loans, signature loans based on a valid bank statement or check stub and auto title loans. Texan Credit Corporation was founded over 35 years ago and currently boasts 49 locations throughout the state. Texan Credit Corporation is governed by the State of Texas Office of Consumer Credit Commissioner and is a member of the Texas Consumer Finance Association, National Installment Lending Association and the American Financial Services Association.



HOUSTON OVERVIEW



HOUSTON OVERVIEW

HOUSTON REGIONAL OVERVIEW

The Houston MSA consists of 9 counties: Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery and Waller, and ranks fourth among U.S. metropolitan statistical areas (MSA) with a population of 6.6 million.

- The Houston MSA has a gross domestic product of \$535.4 billion, forth largest in the nation.
- The Port of Houston is ranked first in the U.S. in foreign tonnage and is the largest Gulf Coast container port.
- The Houston Airport System serves 198 domestic and international destinations, contributing more than \$27.5 billion to the local economy.
- The Houston MSA has added over 1.2 million jobs over the past 25 years, ranking it third in the nation.
- Houston is the most ethnically diverse city in the nation and the fastest growing metro, adding 736,000 residents since 2010.

ACCOLADES

- #1 Top Metro for Exports | Department of Commerce (2016)
- #1 Top U.S. Metro Residential Growth | U.S. Census (2016)
- #1 Fastest Growing Cities in 2014 | Forbes (2015)
- #1 Top Market for Real Estate Investment for 2015 | Houston Chronicle (2014)
- #1 Best Cities for Manufacturing | Forbes (2014)
- #1 Top U.S. Manufacturing Cities | Manufacturers' News (2014)

HOUSTON ECONOMY

Houston is home to 26 Fortune 500 headquarters, and 53 Fortune 1000 companies, generating historic rapid job growth of over 750,000 jobs since 2000. Houston ranked as the No. 1 City for Manufacturing in the U.S. by Forbes in 2014. Across 6,300 manufacturing establishments in the region, \$80 billion dollars of products are produced annually.

PORT OF HOUSTON

The Port contributes to over one million jobs throughout Texas, generates more than \$265 billion in statewide economic impact (16% of state GDP) and creates more than 1.175 million jobs. The Port of Houston is ranked first in the U.S. in both domestic import and export tonnage and second in the U.S. in total tonnage

TRANSPORTATION AND LOGISTICS

Houston is a gateway for trade to Mexico, Canada and the enormous expanding markets of Latin America. Houston's geographic advantages and proximity to major metropolitan centers throughout the U.S. Midwest makes it an ideal venue to set up manufacturing and logistics facilities with fewer supply chain costs.

ENERGY

The Houston MSA is home to more than 4,800 energy-related establishments and employs nearly a third of the nation's jobs in oil and gas extraction. The local industry extends from traditional fossil fuels to alternative and renewable energy.

HEALTHCARE

The Texas Medical Center, TMC, is the world's largest medical complex and encompasses 50 million developed SF. The TMC is rapidly expanding and boasts 21 renowned hospitals, 106,000 employees and 8 million visitors per year. At \$25 billion in GDP, the TMC is the 8th largest business district in the United States.

CONFIDENTIAL MEMORADUM AND DISCLAIMER

Red Oak Commercial (the “agent”) has been engaged as the exclusive agent for the sale of North 45 Plaza in Houston, Texas (the “property”), by the Owner (the “seller”).

The property is being offered for sale in an “as-is, where-is” condition and the seller and the agent make no representations or warranties as to the accuracy of the information contained in this information package. The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective Purchasers of the interest described herein. Neither the enclosed materials, nor any information contained herein, are to be used for any other purpose, or made available to any other person without the express written consent of the seller. Each recipient, as a prerequisite to receiving the enclosed information, should be registered with Red Oak Commercial as a “Registered Potential Investor” or as “Buyer’s Agent” for an identified “Registered Potential Investor”. The use of this Offering Memorandum and the information provided herein is subject to the terms, provisions and limitations of the confidentiality agreement furnished by the agent prior to delivery of this information package.

The enclosed materials are being provided solely to facilitate the prospective investor’s own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by the agent or the seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners or directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither the agent nor the seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein, or any other written or oral communications, or information transmitted, or made available, or any action taken, or decision made by the recipient with respect to the property. Interested parties are to make their investigations, projections and conclusions without reliance upon the material contained herein.

The seller reserves the right, at its sole and absolute discretion, to withdraw the property from being marketed for sale at any time and for any reason. The seller and the agent each expressly reserve the right, at their sole and absolute discretion, to reject any and all expressions of interest or offers regarding the property and/or to terminate discussions with any entity at any time, with or without notice. This Offering Memorandum is made subject to omissions, corrections or errors, change of price or other terms and prior sale or withdrawal from the market without notice. The agent is not authorized to make any representations or agreements on behalf of the seller.

The seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the property unless and until a binding written agreement for the purchase of the property has been fully executed, delivered and approved by the seller and any conditions to the seller’s obligations there under have been satisfied or waived.

By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a highly confidential nature and will be held and treated in the strictest confidence and shall be returned to the agent or the seller promptly upon request; and (b) the recipient shall not contact employees or tenants of the property directly or indirectly regarding any aspect of the enclosed materials or the property without the prior written approval of the seller or the agent; and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of the seller or the agent or as otherwise provided in the Confidentiality and/or Registration Agreement executed and delivered by the recipient(s) to Red Oak Commercial.

The seller will be responsible for any commission due the agent in connection with a sale of the property. Each prospective purchaser will be responsible for any claims for commissions by any other broker or agent in connection with a sale of the property if such claims arise from acts of such prospective purchaser or its broker/agent. Any Buyer’s Agent must provide a registration signed by the prospective investor acknowledging said agent’s authority to act on its behalf.

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.



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

Buyer/Tenant/Seller/Landlord Initials

Date