

FINANCIAL INFORMATION

Pricing

Price	\$ 27,918,911
NOI - Net Operating Income	\$ 1,884,526
Cap Rate	6,75 %
Initial Cash on Cash	8,20 %
Years 1-10 Avg. Cap Rate	7,21 %

Proposed Loan

Loan Amount:	\$ 16,751,346	60 %
Down Payment:	\$ 11,167,564	40 %
Loan Fees:	1 %	
Interest Rate	3,75 %	
Amortization Period:	30	
P&I Monthly Pmt:	\$ 77,578	

Cash Flow Summary - Year 1

Total Rental Revenue	\$ 1,921,538
Plus: Expense Recoveries	\$ 801,618
Total Gross Potential Income	\$ 2,723,155
Effective Gross Income	\$ 2,723,155
Less: Recoverable Operating Exp	\$ -838,629
Net Operating Income	\$ 1,884,526
Less: Leasing & Capital Costs [4]	\$ -38,301
Less: Debt Service	\$ -930,937
Cash Flow After Debt Before Tax	\$ 915,289
Cash-on-Cash:	8,20 %

Property Specifications

Rentable Area:	81,080 SF
Land Area:	8,69 acres
Year Built:	2004 - 2005
Address:	19504 - 19740 Katy Freeway 19950 Restaurant Row Houston, TX 77094
APN:	115-393-000-0022; 0046; 0048; 0049
Major Tenants:	LA Fitness, Panera Bread, Applebee's (Ground Lease)
Current Occupancy:	95 %
Weighted Avg. Remaining Term:	7 Years 8 Months

Operating Expenses Breakdown

	2021 Amount	PSF/Yr
Taxes	\$ 559,263	\$ 6,90
Insurance **	\$ 42,995	\$ 0,53
CAM	\$ 119,029	\$ 1,47
Utilities	\$ 49,263	\$ 0,61
Management	\$ 68,079	\$ 0,84
Total	\$ 838,629	\$ 10,34

WESTGATE MARKET - RENT ROLL

Suite		Occupant Name	Rent Start	Expiration	GLA sqf	Future Rent Increase	
						Cat	Date
1	19550	LA Fitness	4/23/2006	10/31/2035	45.000	INBR	1/11/25
						INBR	1/11/30
2	19716	Vitamin Shoppe	6/30/2014	6/30/2024	4.000	OPT3	1/7/24
2	19720	Massage Envy	6/16/2011	5/31/2021	3.662		
2	19728	Soft Touch Nails	1/6/14	5/31/2024	1.337		
2	19730	Vacant			1.600		
2	734-B	Preeminence by Clearstone	2/1/18	1/31/2023	1.292	OPT1	1/4/23
						OPT2	1/4/24
						OPT3	1/4/25
						OPT4	1/4/26
						OPT5	1/4/27
2	734-A	Amazing Lash	12/2/16	1/31/2026	1.609	RENEW	1/2/21
2	19740	The Joint	2/15/2012	2/28/2022	1.500	OPT2	1/3/22
3	19620	Vacant			2.159		
3	19614	AL's Formal Wear	1/12/19	10/31/2029	1.966	INBR	1/12/24
						MKT1	1/12/29
						MKT2	1/10/34
3	19610	Thai Cottage	9/16/2012	9/30/2024	3.000	MKT2	1/10/24
3	19606	Budget Rent a Car System, Inc	6/16/2005	6/30/2023	1.289		
3	19604	AAA Texas, LLC	5/12/05	12/31/2025	3.806	MKT1	1/1/26
						MKT2	1/1/31
4	19506	Panera Bread	3/28/2006	3/31/2026	5.160	INBR	1/4/21
						OPT 1	1/4/26
4	19507	Panera Bread - Drive Thru	1/5/17	3/31/2026	0		
4	19504	My Eye Lab	1/10/18	9/30/2028	3.700	INBR	1/10/23
						OPT 1	1/10/28
						OPT 2	1/10/33
5	19625	Applebee's of Texas	9/20/2004	9/30/2024	53.827	OPT2	1/10/24
						OPT3	1/10/29
						OPT4	1/10/34

Cash Flow Summary

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
For the Years Ending	Dec-2021	Dec-2022	Dec-2023	Dec-2024	Dec-2025	Dec-2026	Dec-2027	Dec-2028	Dec-2029	Dec-2030	Dec-2031
Rental Revenue											
Potential Base Rent	\$ 1,921.538	\$ 1,926.565	\$ 1,929.972	\$ 1,954.753	\$ 1,999.484	\$ 2,129.360	\$ 2,144.273	\$ 2,147.722	\$ 2,176.032	\$ 2,208.060	\$ 2,325.218
Scheduled Base Rent	\$ 1,921.538	\$ 1,926.565	\$ 1,929.972	\$ 1,954.753	\$ 1,999.484	\$ 2,129.360	\$ 2,144.273	\$ 2,147.722	\$ 2,176.032	\$ 2,208.060	\$ 2,325.218
Total Rental Revenue	\$ 1,921.538	\$ 1,926.565	\$ 1,929.972	\$ 1,954.753	\$ 1,999.484	\$ 2,129.360	\$ 2,144.273	\$ 2,147.722	\$ 2,176.032	\$ 2,208.060	\$ 2,325.218
Other Tenant Revenue											
Total Expense Recoveries	\$ 801.618	\$ 817.292	\$ 833.262	\$ 849.779	\$ 866.835	\$ 885.134	\$ 902.541	\$ 920.169	\$ 938.416	\$ 957.061	\$ 976.984
Total Other Tenant Revenue	\$ 801.618	\$ 817.292	\$ 833.262	\$ 849.779	\$ 866.835	\$ 885.134	\$ 902.541	\$ 920.169	\$ 938.416	\$ 957.061	\$ 976.984
Total Tenant Revenue	\$ 2,723.155	\$ 2,743.858	\$ 2,763.234	\$ 2,804.532	\$ 2,866.319	\$ 3,014.494	\$ 3,046.813	\$ 3,067.891	\$ 3,114.447	\$ 3,165.121	\$ 3,302.202
Potential Gross Revenue	\$ 2,723.155	\$ 2,743.858	\$ 2,763.234	\$ 2,804.532	\$ 2,866.319	\$ 3,014.494	\$ 3,046.813	\$ 3,067.891	\$ 3,114.447	\$ 3,165.121	\$ 3,302.202
Effective Gross Revenue	\$ 2,723.155	\$ 2,743.858	\$ 2,763.234	\$ 2,804.532	\$ 2,866.319	\$ 3,014.494	\$ 3,046.813	\$ 3,067.891	\$ 3,114.447	\$ 3,165.121	\$ 3,302.202
Operating Expenses											
Taxes	\$ 559.263	\$ 570.448	\$ 581.857	\$ 593.494	\$ 605.364	\$ 617.472	\$ 629.821	\$ 642.417	\$ 655.266	\$ 668.371	\$ 681.738
Insurance	\$ 42.995	\$ 43.855	\$ 44.732	\$ 45.627	\$ 46.539	\$ 47.470	\$ 48.419	\$ 49.388	\$ 50.375	\$ 51.383	\$ 52.411
CAM	\$ 119.029	\$ 121.410	\$ 123.838	\$ 126.315	\$ 128.841	\$ 131.418	\$ 134.046	\$ 136.727	\$ 139.461	\$ 142.251	\$ 145.096
Utilities	\$ 49.263	\$ 50.248	\$ 51.253	\$ 52.278	\$ 53.324	\$ 54.390	\$ 55.478	\$ 56.588	\$ 57.719	\$ 58.874	\$ 60.051
Management Fee	\$ 68.079	\$ 68.596	\$ 69.081	\$ 70.113	\$ 71.658	\$ 73.362	\$ 76.170	\$ 76.697	\$ 77.861	\$ 79.128	\$ 82.555
Total Operating Expenses	\$ 838.629	\$ 854.557	\$ 870.761	\$ 887.827	\$ 905.726	\$ 926.112	\$ 943.935	\$ 961.817	\$ 980.683	\$ 1,000.007	\$ 1,021.851
Net Operating Income	\$ 1,884.526	\$ 1,889.300	\$ 1,892.473	\$ 1,916.705	\$ 1,960.593	\$ 2,088.383	\$ 2,102.879	\$ 2,106.074	\$ 2,133.764	\$ 2,165.114	\$ 2,280.351
Leasing Costs											
Tenant Improvements	\$ 21.542	\$ -	\$ 1,006	\$ 3,452	\$ -	\$ 9,297	\$ 1,267	\$ 2,224	\$ 9,054	\$ -	\$ 16,453
Leasing Commissions	\$ 8,651	\$ -	\$ 3,520	\$ 11,709	\$ 22,614	\$ 9,552	\$ 3,991	\$ 7,393	\$ 32,097	\$ 24,967	\$ 32,241
Total Leasing Costs	\$ 30,193	\$ -	\$ 4,526	\$ 15,161	\$ 22,614	\$ 18,849	\$ 5,258	\$ 9,616	\$ 41,151	\$ 24,967	\$ 48,694
Capital Expenditures											
Capital Reserves	\$ 8,108	\$ 8,270	\$ 8,436	\$ 8,604	\$ 8,776	\$ 8,952	\$ 9,131	\$ 9,314	\$ 9,500	\$ 9,690	\$ 9,884
Total Capital Expenditures	\$ 8,108	\$ 8,270	\$ 8,436	\$ 8,604	\$ 8,776	\$ 8,952	\$ 9,131	\$ 9,314	\$ 9,500	\$ 9,690	\$ 9,884
Total Leasing & Capital Costs	\$ 38,301	\$ 8,270	\$ 12,962	\$ 23,765	\$ 31,390	\$ 27,801	\$ 14,389	\$ 18,930	\$ 50,651	\$ 34,657	\$ 58,578
Cash Flow Before Debt Service	\$ 1,846,226	\$ 1,881,030	\$ 1,879,511	\$ 1,892,940	\$ 1,929,203	\$ 2,060,582	\$ 2,088,490	\$ 2,087,143	\$ 2,083,113	\$ 2,130,457	\$ 2,221,772
Total Debt Service	\$ 930,937	\$ 930,937	\$ 930,937	\$ 930,938	\$ 930,937	\$ 930,937	\$ 930,937	\$ 930,937	\$ 930,937	\$ 930,937	\$ -
Cash Flow After Debt Service & Before Taxes	\$ 915,289	\$ 950,093	\$ 948,574	\$ 962,002	\$ 998,266	\$ 1,129,645	\$ 1,157,553	\$ 1,156,206	\$ 1,152,176	\$ 1,199,520	\$ 2,221,772
Occupancy Trends											
Occupied Area	81.080	81.080	81.080	81.080	81.080	81.080	81.080	81.080	81.080	81.080	81.080
Building Area	81.080	81.080	81.080	81.080	81.080	81.080	81.080	81.080	81.080	81.080	81.080
Average Occupancy Percentage	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Cap Rate	6,75 %	6,77 %	6,78 %	6,87 %	7,02 %	7,48 %	7,53 %	7,54 %	7,64 %	7,76 %	7,76 %
Cash on Cash	8,20 %	8,51 %	8,49 %	8,61 %	8,94 %	10,12 %	10,37 %	10,35 %	10,32 %	10,74 %	10,74 %