

KATY FREEWAY PLAZA

SWQ of I-10 & Mason Road
22121 Katy Freeway | Katy, TX 77450

RESOLUTRE

RE



6.0%
CAP RATE



\$4,601,366.67
Price



15,718 SF
GLA

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KATY FREEWAY PLAZA

- Excellent Frontage, access and visibility on Katy Freeway I-10, Houston's most important and heavily traveled east-west transportation corridor.
- Over 16,480 cars per day pass by the center on I-10
- Prime location in Greater West Houston, one of the fastest growing suburban areas in the nation.
- Just east of the Grand Parkway, Houston's newest outer loop.

Confidential Memorandum and Disclaimer

Please note that the use of this Offering Memorandum and the Information ("Information") provided is subject to the terms, provisions and limitations of the confidentiality agreement which we have provided to you ("Buyer") and requested an executed copy.

Brokerage Relationships: By taking possession of and reviewing the information contained herein, Buyer acknowledges that the Listing Team of RESOLUT RE ("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 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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PRICE:
\$4,601,366.67



CAP RATE:
6.0%

PROPERTY HIGHLIGHTS

Property Address	22121 Katy Freeway Katy, TX 77450
Location	SWQ of I-10 & Mason Road
County	Harris
Property ID	1071390000035
Gross Leasable Area	15,718 SF
Lot Size	43,561 SF / 1.0 Acres
Year Built	1984 (HCAD)
Occupancy	100%
Lease Type	NNN lease
Parking spaces	57

AREA TRAFFIC GENERATORS



PROPERTY OVERVIEW

INVESTMENT OVERVIEW:

Located in the Far Katy South Submarket, Katy Freeway Plaza is one of few centers right on Katy Freeway. The 15,718 SF shopping center was recently updated with a modern façade and new pylon sign. The visibility of this center is unparalleled. The seven tenants in the center are very synergistic and complementary. They all benefit from the high traffic along Katy Freeway and from nearby landmarks such as the Energy Corridor, University of Houston Victoria Campus, Katy Mills Mall, Memorial Hermann Katy Hospital, Houston Methodist West Hospital, and Texas Children's Hospital just to name a few. Furthermore, the submarket is one of the strongest in Houston.

SUBMARKET SUMMARY:

A combination of high incomes, strong household growth, and high rents make Far Katy South one of the premier retail submarkets in Houston. In addition, the submarket is home to the massive Katy Mills super-regional mall, which accounts for nearly 2 million SF of retail space and draws shoppers from all over Houston.

Located about 30 miles west of Downtown Houston, Far Katy South is a fast-growing suburban submarket west of Houston and home to Cinco Ranch, Fulshear, and parts of Katy. Incomes trend above the Houston metro average, and population growth has exceeded the Houston average on a percentage basis over the past decade. According to the most recent 2021 census data, Fulshear grew its population by around 1,400% since 2010 and was the fastest growing city in the Houston area and Texas. Meanwhile, Katy's population increased more than 100% since 2010, also one of the most rapid growth rates in the country.

A much lighter construction pipeline compared to years prior, paired with increased demand, has compressed the submarket's vacancy rate over the past several quarters. In addition, the submarket's long-term growth drivers, including strong household growth, are reasons for continued optimism and point to why the area continues to draw new residents, retailers, and investors.

Retail in the Far Katy South Submarket continues to benefit from strong demand, as has been the case over the past several years, and the vacancy rate here typically trends below the metro average. Over the past 12 months, 240,000 SF of retail space was absorbed – among the highest out of Houston submarkets. The vacancy rate in Far Katy South has compressed by -1.0% during this time and sits at around 5.0%, below the metro average of 5.2%. The submarket's vacancy rate has averaged 5.2% over the past five years. Looking forward, the supply pipeline has cooled, and supply-side pressure on the vacancy rate is not expected in the near term.

Leasing activity has been healthy over the past four quarters, and quarterly volume is now in line with figures seen prior to the pandemic. Smaller tenants are the most active; about 90% of new leases during 22Q1 were for spaces under 5,000 SF. Food and beverage users, like Fusion Grill and Silver King's Coffee and Tea, and spas such as Perfect Image Med Spa are penning new leases. Larger users, however, are also adding locations. For example, in 22Q1, Adventure sports center AGR Sports signed a 19,500-SF lease at the Katy Ranch Crossing Center.

The submarket's magnetism is fueled by more affordable housing than inside Houston's 610 Loop and excellent public schools. Incomes are above the Houston metro average, and neighborhoods with median household incomes well north of \$95,000 are prevalent in the submarket. As an affluent, exurban submarket, it is one of the fastest-growing retail nodes in Houston and robust demographic growth should continue to sustain the local retail sector.

Submarket Summary Source: Costar

RENT ROLL

Fwy



217,626 VPD



Rent Roll 10/1/22

	SUITE	START	EXPIRE	SF	BR/MO	BR/SF/YR	BR/YR	NOTES
K&M Home Furniture	22121	10/5/20	11/30/30	6,504	\$8,273.83	\$15.27	\$99,286.00	Increases to \$15.27. 10/22
Hi Beautiful	22121 B	1/15/22	1/31/27	874	\$1,383.83	\$19.00	\$16,606.00	Increases to \$19.50, 2/1/23
Uniforms Specialist	22129	8/1/09	1/21/26	2,080	\$3,293.33	\$19.00	\$39,520.00	Flat
Luxo Boutique	22145	8/31/21	8/31/26	1,710	\$2,565.00	\$18.00	\$27,360.00	Increases every yr by \$1/sf/yr
Bespoke XV Formal	22145C	2/14/22	3/31/27	1,100	\$1,833.33	\$20.00	\$22,000.00	1st full month rent 6/1/22; increases every yr
Spring Cypress Flower	22145B	4/5/22	5/31/27	1,700	\$2,833.33	\$20.00	\$34,000.00	1st full month 9/22
Hertz	22147	3/1/10	2/28/25	1,750	\$3,109.17	\$21.32	\$37,310.00	Expiration 2/25
Total				15,718	\$23,291.83	\$17.56	\$276,082.00	

EXPENSES



217,626 VP

Interstate 10 Frontage Rd



Hertz

Bespoke XV
& Formal

Spring Cypress Flowers
Katy Flower Shop

LUXO

Uniform Specialist
Katy

Hi Beautiful

KM Home
Furniture

Katy Freeway Plaza

EXPENSES	
Item Description	2022 NNN Budget
Trash Removal	\$2,160
Repairs & Maintenance	\$22,200
Contract Services	\$6,120
Utilities	\$3,600
Management Fees	\$22,200
Property Taxes	\$50,020
Insurance	\$13,800
Administrative	\$3,960
Total Expenses	\$124,060
	\$7.89
Increase/<Decrease>	-4.82%

RENT COMPARABLES



21788 Katy Fwy – Far Katy North Submarket

21788 Katy Fwy | Katy, TX 77449

GLA	28,660 SF
Lease	\$33.00/NNN
Available SF	1,955 SF
Year Built	2017



1420 Katy Fort Bend Rd – Far Katy North Submarket

1420 Katy Fort Bend Rd | Katy, TX 77493

GLA	20,000 SF
Lease	\$24.00/NNN
Available SF	2,497
Year Built	2016



19504-19506 Katy Fwy – Far Katy North Submarket

19504-19506 Katy Fwy | Houston, TX 77094

GLA	103,723 SF
Lease	\$30.00/NNN
Available SF	2,000
Year Built	1984

SALE COMPARABLES



THE SHOPS AT CINCO RANCH

20680 Westheimer Parkway | Katy, TX 77450

Building size	17,500 SF
Lot Size	±1.59 AC
Price	\$6,637,500
Cap Rate	6.15%
Year Built	2005



SHOPS AT MORTON RANCH CROSSING

Morton Ranch Rd, | Katy, Texas 77449

Building size	18,240 SF
Lot Size	100,624 SF
Price	\$9,300,196
Cap Rate	6.15%
Year Built	2020



LONG MEADOW FARMS CENTER

7101 W. Grand Pkwy S | Richmond, TX 77407

Building size	14,763 SF
Lot Size	±1.6956 AC
Price	\$6,750,000
Cap Rate	6.89%
Year Built	2015

TENANT PROFILES



Living in style and luxury shouldn't empty your wallet. Shopping at Kassa Mall Home Furniture in Houston, TX is your one stop shop to get the best furniture for all the rooms in your house.

Since opening our doors in 2009 our commitment to our clients and our passion for below market price on high quality furniture has remained at the core of everything we do. We take a client-focused approach to designing spaces that reflect our clients' personalities, spirits, and imagination. We believe in building lifelong relationships and improving our clients lives through great customer service and stunning designs.



We are the skincare experts and Clear Skin Coaches of the Hi Beautiful Aesthetics. Our 5+ years of training and experience as Acne Specialists, Medical Estheticians, enable us to create a fully integrated treatment plan, customized to your unique causes and triggers of acne.

Whether it was struggling with severe acne, suffering from dry & irritated skin, or watching friends and family encounter a smaller life due to embarrassment over their skin, we have been in your shoes. More importantly, we found a way to permanently clear acne that worked for us, for thousands of clients, and can work for you too!

Each of our clients is unique and has a different set of factors that cause their acne. Our proven system and knowledgeable coaches work closely with our clients to create and refine a custom regimen until they are clear. Using advanced Digital Health tools and systems, we now help clients all over the United States to be free and clear of acne once and for all.



Uniform Specialists of Katy carries name brand uniforms in the latest styles and colors. We keep up with the latest trends in styles for our healthcare customers. Uniform Specialists of Katy has been proudly serving the Houston/Katy area since July 2009.

Theresa has been established in the Medical Uniform and Instruments business since 2009. She is a frequent donor to the Salvation Army with brand new Uniforms. It is her way of giving back to the community in the best possible way she can. Theresa asks for you to join her in donating to the Salvation Army whenever possible.

TENANT PROFILES



Luxo boutique was established in 2016 and is located in Houston, TX, United States and is part of the Clothing Stores Industry. What makes their products special, apart from our creative design and premium quality, is that everything they do, they do with love.



At Bespoke, we have the dress made for you. Bespoke was born in November 2021, after a conversation led to the unraveling of "made particularly for me". Our founder, Johanna Reyes, who has over 10 years of experience in the retail industry, and having seen customers buy their bespoke dress, dreamed of helping quinceñearas find the dress that bespoke to them.

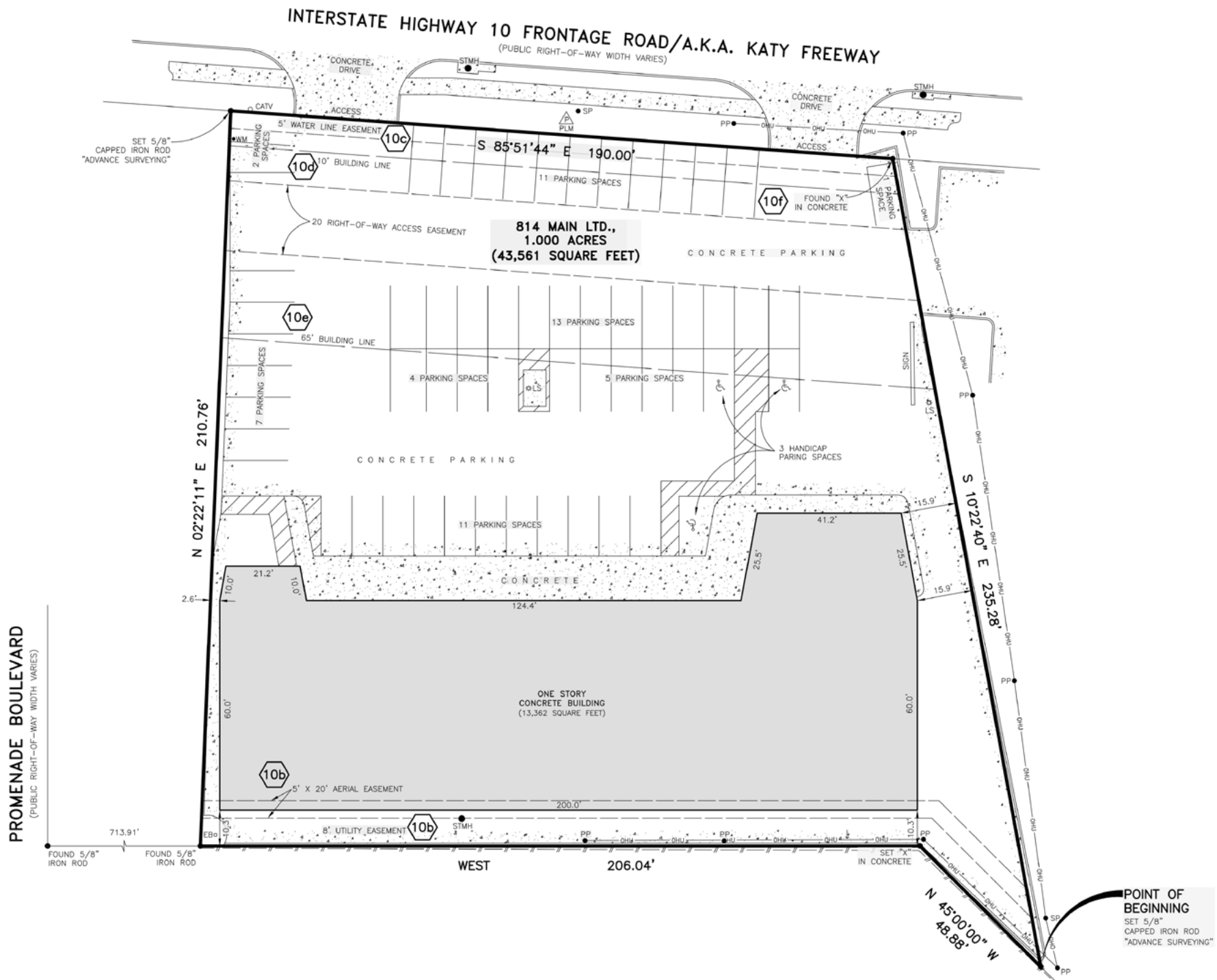
As retailers, at Bespoke you can find dresses from: Morilee, Mary's Bridal, Princesa By Ariana Vara and Q By DaVinci



We are proud to be the only true global rental car company, providing quality car rental service for over 90 years. We sell cars that are carefully selected from the rental fleet, have undergone extensive pre-delivery inspections and passed all requirements to be accepted as a Hertz Certified vehicle. We offer no-haggle pricing with vehicles often thousands of dollars below retail value.

Whether moving across town or making extra large deliveries, we're here to help. Hertz has set the standard for quality, reliability and service worldwide. We bring you that same dependability for all your moving needs.

SITE PLAN



SITE MAP

217,626 VPD

Interstate 10 Frontage Rd



Map labels for the site:

- Hertz
- Bespoke XV & Formal
- Spring Cypress Flowers Katy Flower Shop
- LUXO
- Uniform Specialist Katy
- Hi Beautiful
- KM Home Furniture



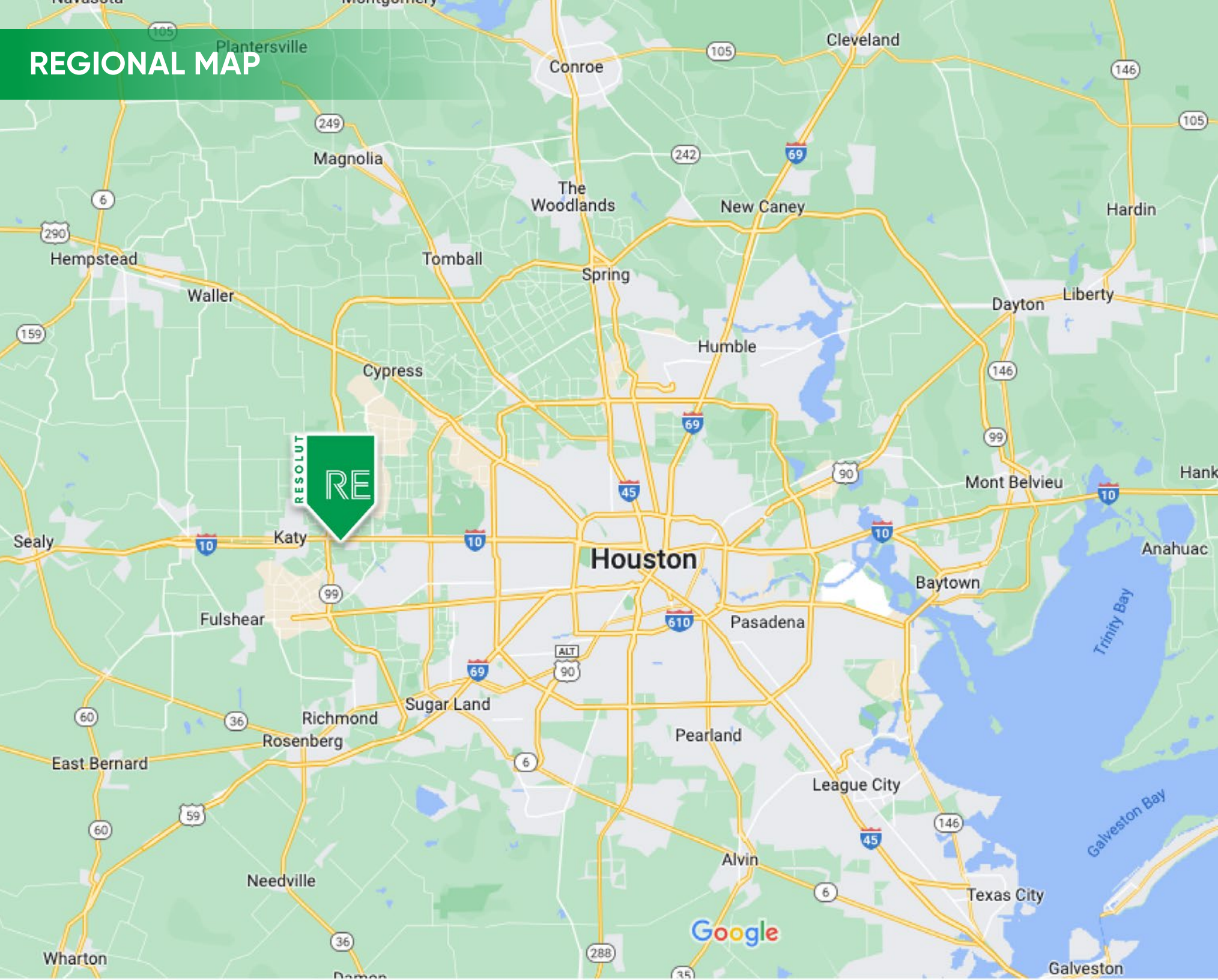
MID-AERIAL MAP



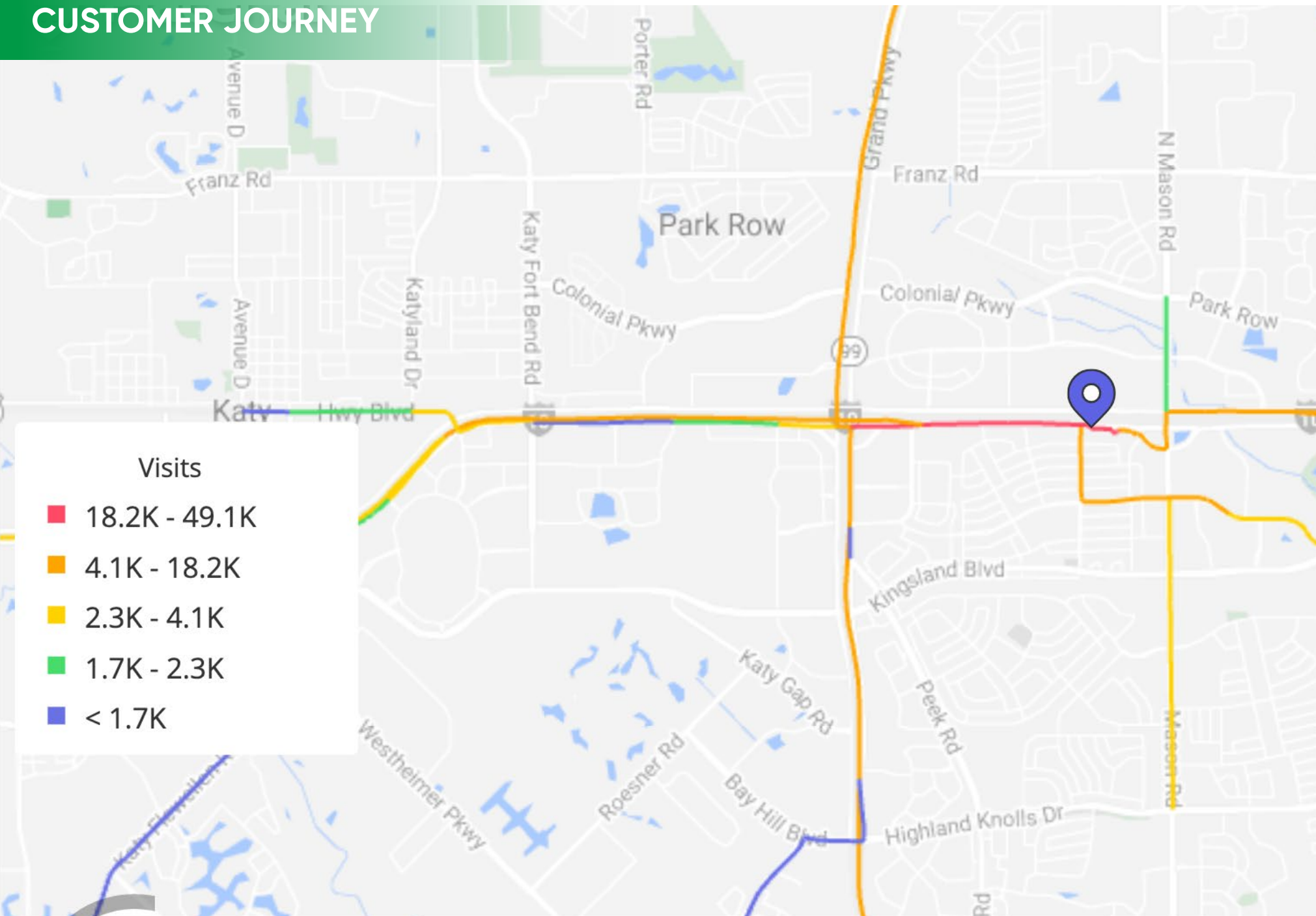
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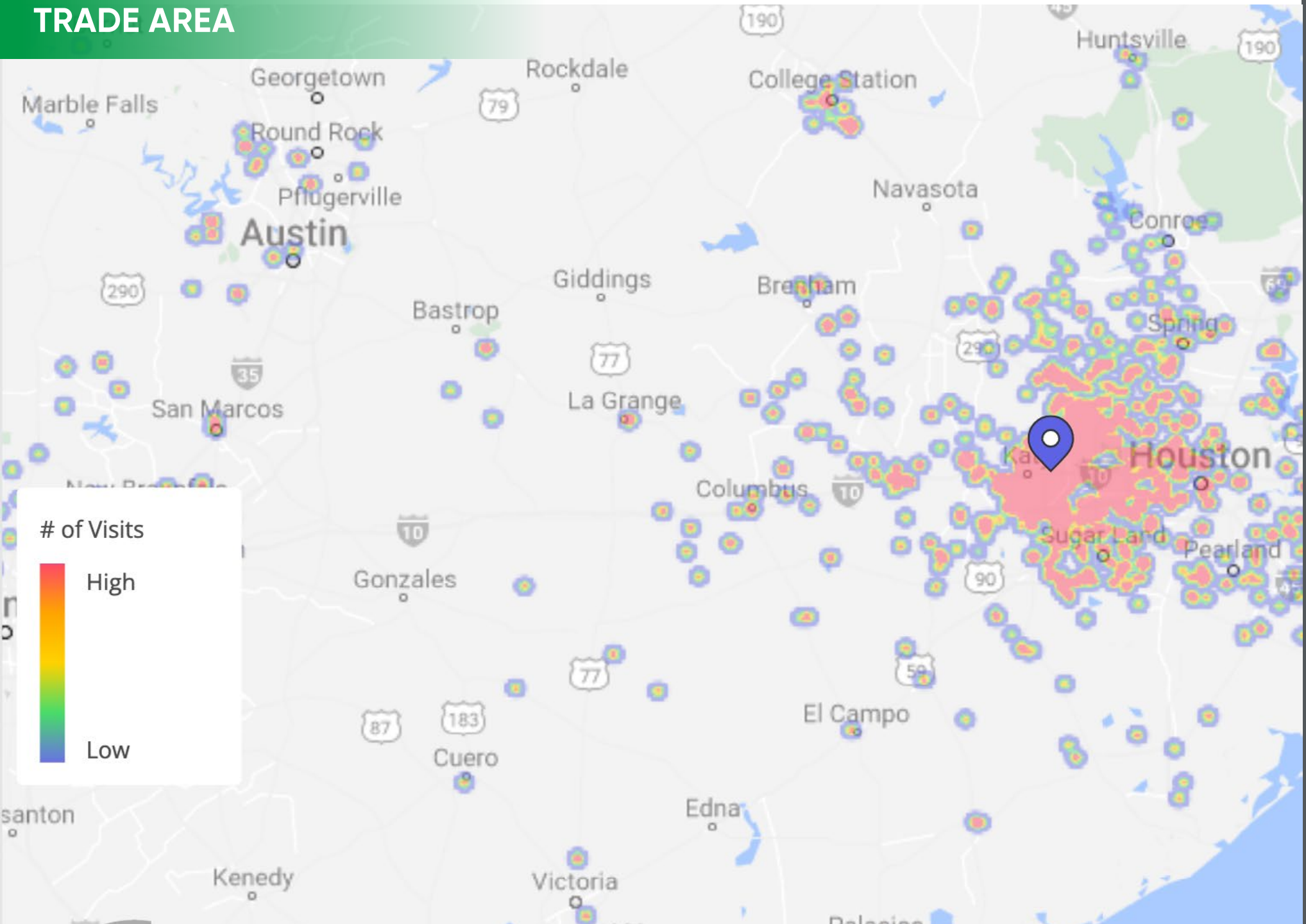
REGIONAL MAP



CUSTOMER JOURNEY



TRADE AREA





POPULATION
140,213 (3 MILE)



INCOME:
\$103,216 (3 MILE)



TRAFFIC:
217,626 VPD
(I-10)

POPULATION	1 MILE	3 MILE	5 MILE
2021 Population	10,870	140,213	282,244
2026 Population Projection	11,249	149,996	304,093
Annual Growth 2010-2020	1.6%	4.3%	4.0%
Annual Growth 2021-2026	0.7%	1.4%	1.5%
Medium Age	37.8	34.6	34.4
Bachelor's Degree or Higher	40.5%	40.3%	42.3%
U.S. Armed Forces	5	153	182

INCOME	1 MILE	3 MILE	5 MILE
Avg Houshold Income	\$95,219	\$103,216	\$ 114,529
Medium Household Income	\$ 75,137	\$ 89,816	\$ 97,859
< \$25,000	188	2,309	3,928
\$25,000- 50,000	532	4,622	8,358
\$50,000- 75,000	936	8,853	16,409
\$75,000- 100,000	689	7,572	13,823
\$100,000 - 125,000	415	5,637	10,419
\$125,000 - 150,000	305	4,196	8,136
\$150,000 - 200,000	315	4,323	8,839
\$200,000+	342	5,560	13,666

TRAFFIC	CROSS STREET	TRAFFIC VOLUME	COUNT YEAR	DISTANCE FROM PROPERTY
I-10	Mason Rd	217,626	2019	262ft
Mason Rd	I-10	35,859	2019	0.4 mi

LISTING AGENT



JOAQUIN OROZCO

Principal, Market Leader

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Joaquin Orozco rejoined the RESOLUT RE team as Principal in 2017. For the 4 years prior, he was in a multi-faceted position with First Hartford Corporation, where he primarily worked with CVS Pharmacy in various capacities, including site selection in several Texas markets, land assemblage, negotiations, execution of due diligence site feasibility and the management of the entitlement process. In addition to this, he also worked on other in-house, development projects, which included land acquisition, public relations with municipalities and the management of half of a million square feet of retail space.

Prior to First Hartford, Joaquin had been with RESOLUT RE and represented clients, such as Washington Prime Group, B-Y Properties, and various other building and landowners. Additionally, he represented tenants, such as Corner Bakery Café, Firehouse Subs, Auntie Anne's Pretzels, and Banamex USA. He has experience working with international clients and is also fluent in Spanish.

Joaquin began his commercial real estate career in 2005 in a research & analytics role, working on projects on both sides of the US-Mexico border. That role provided an excellent background to transition into a brokerage career, where he developed relationships with tenants and landlords throughout the region.

Joaquin has a Bachelor's degree in Kinesiology, with a focus in Sports Management, with a minor in Business, as well as an MBA from The University of Texas at El Paso. He is also a member of ICSC.

FOR MORE INFORMATION PLEASE VISIT

resolutre.com

AUSTIN

6805 N Capital of Texas Hwy
Suite 250
Austin, Texas 78731

DALLAS

5151 Belt Line Rd
Suite 620
Dallas, Texas 75254

HOUSTON

3700 W Sam Houston Pkwy
Suite 450
Houston, Texas 77042

SOUTH TEXAS

PO Box 1616
McAllen, Texas 78501

WEST TEXAS

4607 Pine Meadow Drive
Suite 2
Midland, Texas 79705

SAN ANTONIO

8000 IH 10 W
Suite 1517
San Antonio, TX 78230

LOUISIANA

600 Jefferson Street
Suite 407
Lafayette, Louisiana 70501

ALBUQUERQUE

2155 Louisiana Blvd N.E.
Suite 7200
Albuquerque, NM 87110

LISTING AGENT



ERIC BROUSSARD

Vice President

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Eric Broussard started his real estate career interning at RESOLUT RE. Since joining he has quickly become one of the top performers in the Houston office and was promoted to Commercial Advisor and then to Assistant Vice President. He received his BFA in Corporate Communication at The University of Houston.

Born and raised in Houston, Eric uses his extensive knowledge of the city to help his tenant and landlord clients fulfill their real estate needs while educating them on the market. He is most well-known for his teamwork within RESOLUT and exceptional communication skills.

Eric specializes in tenant representation both locally in Houston and Nationally. Some of his clients are PJ's Coffee, Paletas Morelia, Houndstown USA, Zonzibar, Gatti's Pizza, Eskimo Hut, 7NOW, and many more.

Eric also has experience in Landlord representation. He has taken several centers in the Houston market and leased them to 100%.

Eric is also a member of the International Council of Shopping Centers (ICSC) and the International Franchise Association (IFA).

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McAllen, Texas 78501

WEST TEXAS

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Suite 2
Midland, Texas 79705

SAN ANTONIO

8000 IH 10 W
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LOUISIANA

600 Jefferson Street
Suite 407
Lafayette, Louisiana 70501

ALBUQUERQUE

2155 Louisiana Blvd N.E.
Suite 7200
Albuquerque, NM 87110



Information About Brokerage Services

11-2-2015

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.

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David J. Simmonds OR Gavin Fite Licensed Supervisor of Sales Agent/Associate	459263 OR 438039 License No.	leads@resolutre.com Email	512-474-5557 Phone
David J. Simmonds Sales Agent/Associate's Name	459263 License No.	david@resolutre.com Email	512-474-5557 Phone

Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov
IABS 1-0