



1602 BABCOCK ROAD

SAN ANTONIO, TX 78229

OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



- 3 INVESTMENT OVERVIEW
- 6 FINANCIAL OVERVIEW
- 12 TENANT OVERVIEW
- 20 AREA OVERVIEW

LISTING AGENTS

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BROKER OF RECORD

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INVESTMENT OVERVIEW



1602 BABCOCK ROAD | SAN ANTONIO, TX



\$5,049,366
PRICE



ONE, (5) YEAR
LEASE OPTIONS



\$115.98
PRICE PER SF



15.5% AT OPTION
NEXT INCREASE



\$366,079
NOI



\$8.17
RENT PSF



7.25%
CAP RATE



1978/2003R
YEAR BUILT/RENOVATED



CORPORATE
GUARANTEE



163
PARKING SPACES



±2.78 AC
LOT SIZE



±7.8 YEARS
LEASE TERM REMAINING





INVESTMENT HIGHLIGHTS

TENANT HIGHLIGHTS

- RSG Group is the world's #1 fitness company with 6,400,000 million customers and 17 fitness brands globally
- In 2020 RSG Group is set to acquire Gold's Gym, the most well-know and iconic gym chain in the world.
- RSG Group is a Leader in the \$84 Billion Dollar Global Fitness Industry with ± 1,000 studios, 41,000 employees, and operating in 48 countries worldwide.

INVESTMENT HIGHLIGHTS

- Long Track Record of Success: Gold's has successfully operated at this location since 2003!
- Rare Corporate Guarantee: Full Corporate Guarantee from Gold's Gym International, Inc.
- Security of Income: Per the lease, Gold's Gym is obligated to lease the additional 3,397 square feet of space at their then current monthly rent per square foot amount if KA Kids Karate ever vacates.
- Modified NNN Lease: Gold's Gym pays their pro-rata share of Property Taxes, Insurance, and Common Area Maintenance (Property Management, Roof Repairs & Replacement, HVAC Repairs & Replacement, and Parking Lot Repairs & Replacement.)
- Company Owned Location: One of 57 Company-Owned Locations Benefiting from Gold's \$35/Month Multi-Gym Exclusive Access Plan (Excludes Premium Locations in San Antonio Medical Center, Venice Beach, Rogers Ranch, & Alamo Heights)

INVESTMENT HIGHLIGHTS

TROPHY LOCATION

- High Traffic Counts: $\pm 78,000$ Vehicles Per Day on Babcock Road & Callaghan Road, and $\pm 175,000$ Vehicles Per Day on I-410
- One Block from South Texas Medical Center: 8 Hospitals and Hundreds of Medical Offices within a 900-acre campus, including 280 undeveloped acres and several existing areas slated for reconfiguration.
- Solid Demographics: There are $\pm 418,600$ People in the 5-mile Radius and $\pm 184,000$ People in the 3-mile Radius.
- Surrounding National Tenants: Include 7-Eleven, Starbucks, VCA, Farmers Insurance, Aetna, IBC Bank, Popeye's, Circle K, Best Western, Chevron, Metro PCS, Taco Cabana, Subway, Pizza Hut and more!





RENT ROLL

Unit	Tenant	Lease Start	Lease End	GLA	% of GLA	Contract Rental Rate		Rent PSF		Recovery Structure	Rent Increase	Rent Increase Amount	Options
						Year	Month	\$ PSF/Yr.	\$ PSF/Mo.				
1	Gold's Gym	10/31/2003	01/31/2029	40,151	92.2%	\$328,224.65	\$27,352.05	\$8.17	\$0.68	Modified NNN + Mgmt + CAM	15.55% at Option 1	One, 5-Year	One, 5-Year
2	S A Kids Karate	10/1/2002	10/31/2023*	3,397	7.8%	\$50,400.00	\$4,200.00	\$14.84	\$1.24	Gross + Gas & Electric	None	None	None
Total				43,548	100.00%	\$378,624.65	\$31,552.05						

INCOME & EXPENSES

	ANNUAL	\$/SF/Yr	MONTHLY	\$/SF/Mo
Income				
Rental Income	\$378,625	\$8.69	\$31,552	\$0.72
Expense Reimbursements	\$148,298	\$3.41	\$12,358	\$0.28
Effective Gross Revenue	\$526,922	\$12.10	\$43,910	\$1.01
2021 ESTIMATED EXPENSES				
Insurance	\$25,500	\$0.59	\$2,125	\$0.05
Professional Fees	\$6,307	\$0.14	\$526	\$0.01
Repairs & Maintenance	\$6,166	\$0.14	\$514	\$0.01
Property Taxes	\$122,254	\$2.81	\$10,188	\$0.23
Management Fees (10% of R&M)	\$617	\$0.01	\$51.38	\$0.00
TOTAL	\$160,844	\$3.69	\$13,404	\$0.31
Net Operating Income	\$366,079	\$8.41	\$30,507	\$0.70

*Per the lease, Gold's Gym is obligated to lease the additional 3,397 SF if S A Kid's Karate vacates

**Expense reimbursements calculated at 92.2% of total estimate (Gold's Gym Pro Rata Share)

***Actual 2020 expenses inflated by 2% to calculate 2021 estimate

****Gold's monthly is rent calculated by averaging base rent from 6/01/2021 through 1/31/2029



GOLD'S GYM AVERAGE ANNUAL BASE RENT

Base Lease Term	Number of Months	Monthly Base Rent	Total Base Rent
June 1, 2021 - December 31, 2022	18	\$30,113.25	\$542,038.50
January 1, 2023 - January 31, 2029	85	\$26,767.33	\$2,275,223.05
TOTALS	103		\$2,817,261.55
Average Monthly Base Rent			
(Total Base Rent / Total Number of Months)		\$27,352.05	
Calculated Annual Base Rent			
(Average Monthly Base Rent * 12 Months)		\$328,224.65	
Option 1 Annual Rent (15.55% Rent Increase)			
(1 - Calculated Annual Rent / Option 1 Annual Rent)		\$388,661.64	

DEBT QUOTE

LTV: 65%

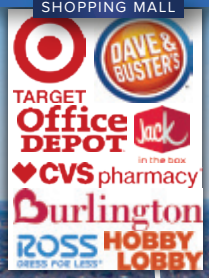
RATE: 3.95%

AMORTIZATION: 25 Years

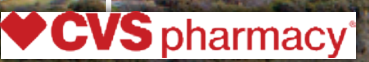
Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing. Please contact:

Jesse Lillard
 (956) 564-2922
 jesse.lillard@barringtoncapcorp.com

WONDERLAND OF AMERICAS
SHOPPING MALL



DOWNTOWN
SAN ANTONIO
10 MILES AWAY



BRASS
PROFESSIONAL CENTER



BABCOCK ROAD
± 54,000 VPD



HERITAGE PARK
APARTMENTS
131 UNITS



WELLINGTON ESTATES
228 UNITS

CALLAGHAN ROAD
± 24,000 VPD



SOUTH TEXAS
MEDICAL CENTER



OAK HILLS VILLAGE
128 UNITS



CARLYLE PLACE
APARTMENTS
128 UNITS



WELLINGTON ESTATES
228 UNITS



CALLAGHAN ROAD
± 24,000 VPD



HIGHPOINT
EXECUTIVE PLAZA

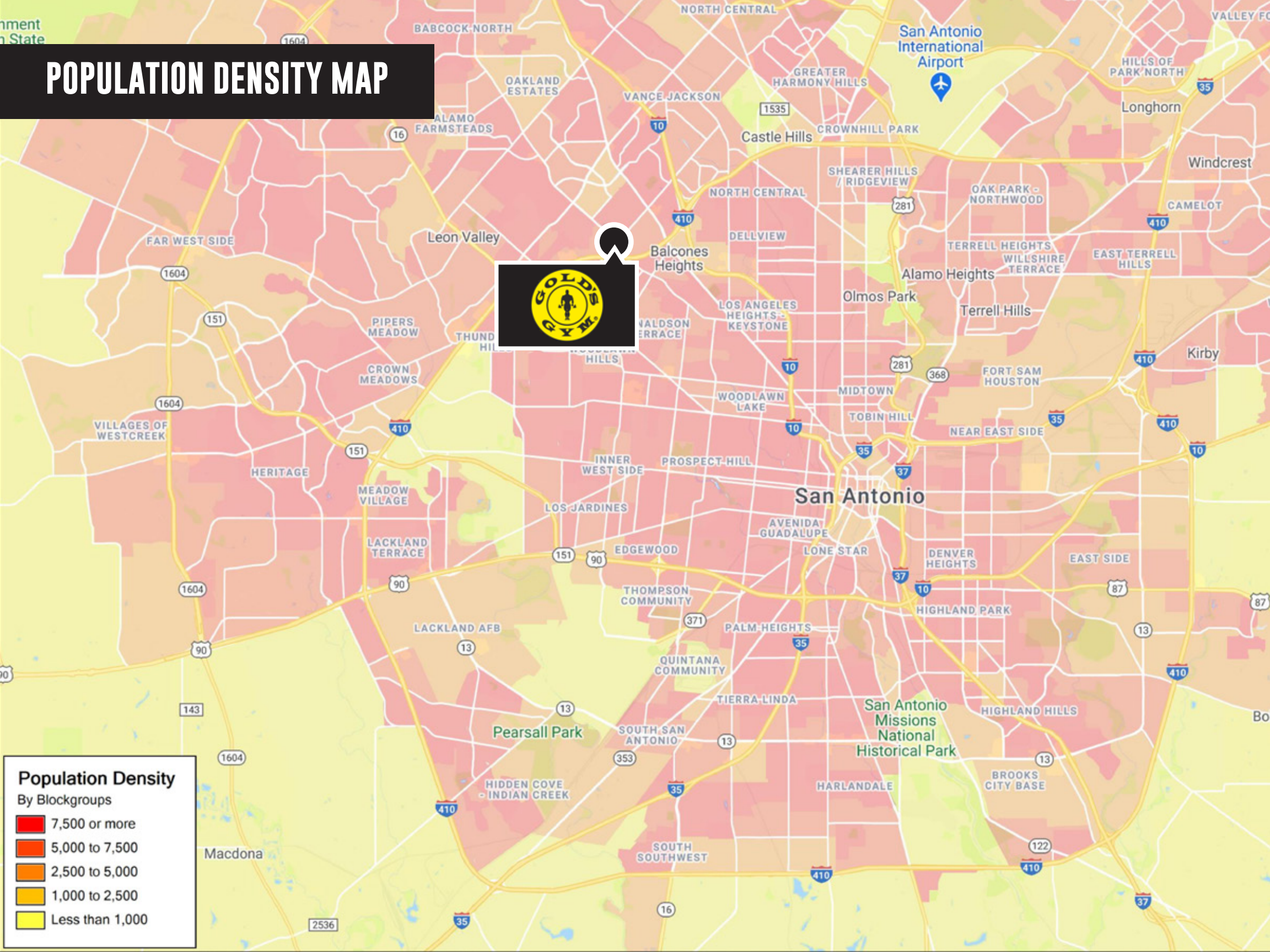


BABCOCK ROAD
± 54,000 VPD



HERITAGE PARK
APARTMENTS
131 UNITS

POPULATION DENSITY MAP

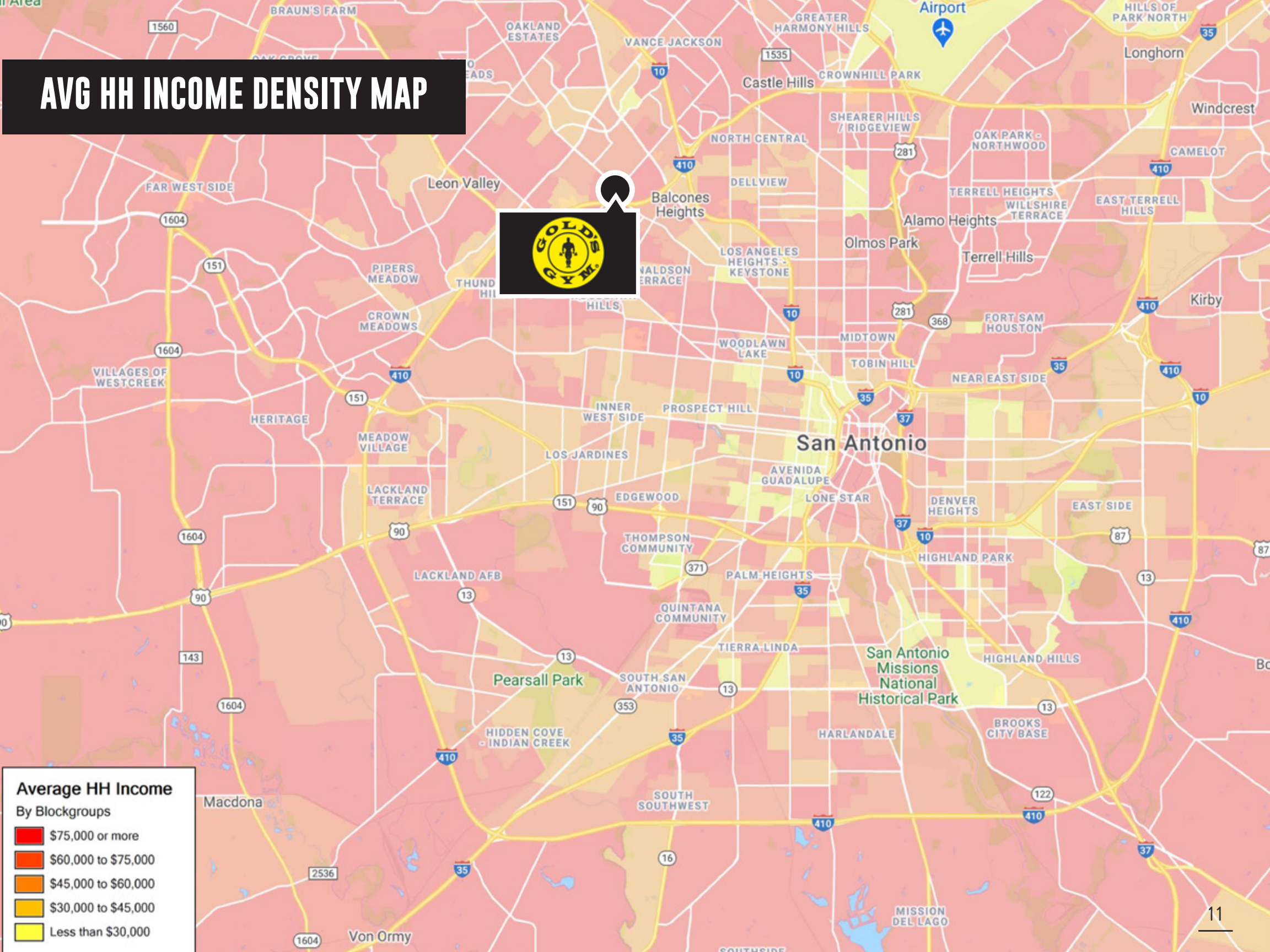


Population Density

By Blockgroups

- 7,500 or more
- 5,000 to 7,500
- 2,500 to 5,000
- 1,000 to 2,500
- Less than 1,000

AVG HH INCOME DENSITY MAP





GOLD'S GYM

TENANT OVERVIEW

From Venice Beach to a global player: What began in 1965 with a small fitness studio in California, USA, is now the most well-known and iconic gym chain in the world, Gold's Gym. In the last 50 years, Gold's Gym has developed into a global brand with 700 gyms, expanding to six continents with three million members. Even scene icons such as Arnold Schwarzenegger, Lou Ferrigno and Franco Columbu trained at the original Gold's Gym, which became the most legendary gym in the world. The brand enjoys absolute cult status in the fitness industry and has global appeal with a level of awareness among athletes of around 96 percent. In recent years, Gold's Gym has focused on four different business areas: running its own studios, franchising, licensing business and the development of a digital personal training app, GOLD'S AMP™, which was released in 2017. In July 2020, RSG Group was selected as the winning bidder in a court- approved auction process and is set to acquire Gold's Gym, integrate the brand into its group and will become the world's number one in fitness.

*Gold's Gym Locations



±3 M

MEMBERS WORLDWIDE



700+

NO. OF LOCATIONS



±10,000

NO. OF EMPLOYEES



\$2.4 B

EST. ANNUAL REVENUE



1965

YEAR FOUNDED



DALLAS, TX

HEADQUARTERS



RSG GROUP



17

BRANDS WORLDWIDE



6.4M

GYM & DIGITAL MEMBERS



±41,000

NO. OF EMPLOYEES



48 COUNTRIES

WORLDWIDE FOOTPRINT



1997

YEAR FOUNDED



BERLIN, GERMANY

HEADQUARTERS

TENANT OVERVIEW

The RSG Group is strong in two ways. They are down-to-earth, reliable, and entrepreneurial – but also enthusiastic, mad, and creative. They are the home of global brands such as McFIT, Gold's Gym, and many more.

Their strong brands and innovative concepts ensure that they are an essential part of the active daily lives of the customers. In an age in which mobility and networking are becoming increasingly important, RSG is constantly developing new areas of activity. Their ideas and their realization constantly set new benchmarks and provide momentum well beyond the areas of fitness, lifestyle, and design.

BRANDS



McFIT MODELS

MARCEL VON BERLIN
RON MILLER
STEVEN BAKER
MASTER OF ENTHUSIASM





GOLD'S GYM LEASE ABSTRACT

Landlord Repairs: Foundation, Exterior Walls, and Roof

Tenant Maintenance and Repairs: Tenant shall keep the Demised Premises, the “storefront” of the Demised Premises, and any canopies and awnings servicing solely the Demised Premises in good, clean, and habitable condition.

- Tenant at its sole cost and expense keep the Demised Premises free of insects, rodents, vermin, and other pests.
- Tenant shall make all needed repairs and replacements within the Demised Premises, including replacement of cracked or broken glass.
- It is understood that Tenant’s responsibilities herein include, but are not limited to:
 - Keeping the floors, walls, and ceilings within the Demised Premises clean, with all floor, ceiling, and wall coverings maintained, repaired, and replaced as may be appropriate to maintain a first-class appearance.
 - Effecting the repair and replacement of lighting heating, air conditioning, plumbing, and other electrical, mechanical, and electromotive installation, equipment, and fixtures located within and solely servicing the Demised Premises.
 - Maintaining and repairing all ducts, conduits, pipes, and wiring located within the Demised Premises and serving solely the Demised Premises.
 - Repairing any sewage stoppage located in, under, and above the Demised Premises caused by activities of Tenant.

Tenant Utilities: Tenant agrees to maintain (or cause to be maintained) all utility conduits and facilities insidier the exterior walls of the Demised Premises and to pay for all utility service charges, including all charges for electricity, water, gas, telephone, cable, sewage service and other utilities furnished to the Demised Premises.

Taxes on Property: Landlord shall pay all general real estate taxes and Tenant shall reimburse all general real estate taxes attributable to the Demised Premises.

Insurance Premiums for Landlord’s Insurance: The landlord shall pay all insurance premiums and the Tenant shall reimburse all insurance premiums attributable to the Demised Premises.

Additional Space: If Landlord or the third party currently leasing the remaining approximately 3,397 square feet of space in the building (the “Remaining Space”), and Landlord notifies Tenant in writing that Landlord is allocating the Remaining Space to Tenant, Tenant shall expand the Demised Premises to include the Remaining Space at the monthly per square foot rental rate then applicable to Tenant. The Demised Premises will be deemed to include the Remaining Space on the first day of the first month following the date that Landlord fives Tenant notice of allocation as described above. Tenant shall be obligated to begin paying Monthly Rent and Additional Rent for the Remaining Space on the first day of the fifth (5th) month after Landlord gives Tenant notice of allocation as described above. In such a case, the Additional Rent will be equitably adjusted and prorated for such Remaining Space. Landlord shall provide to Tenant with written notice of the termination or expiration of the third-party lease.

Assignment, Subletting, Licensing: Tenant shall not assign or in any manner transfer this Lease or any estate or interest therein, or sublet the Demised Premises or any party thereof, or grant license, concession, or other rights of occupancy of any portion of the Demised Premises without the prior written consent of the Landlord.

SOUTH TEXAS MEDICAL CENTER

Located in Northwest San Antonio, the South Texas Medical Center is visited by hundreds of thousands of patients who seek state-of-the-art healthcare services. It is also a research hub for technological advancements in the medical world. Situated on over 900 acres of land, the Medical Center is made up of 75 medically-related institutions, over 45 clinics, 12 major hospitals, one higher education institution, and numerous small practices, offices, and non-medical businesses. The Medical Center still has over 200 acres of unused land, but the majority of the land has been granted or leased exclusively for medical and health services. Its master expansion plan will provide the community with office buildings, hotels, apartments, restaurants, and many other services to complement the medical facilities.



SOUTH TEXAS MEDICAL CENTER



METHODIST HEALTHCARE HOSPITALS

- Over 8,000 professionals.
- More than 2,700 physicians in every field of specialization.
- First hospital to open in the South Texas Medical Center.
- Includes Methodist Heart Hospital, Methodist Children's Hospital, and Methodist Specialty and Transplant Hospital.



UNIVERSITY HOSPITAL

- Nationally known teaching hospital with a network of outpatient healthcare centers.
- Level IV neonatal intensive care unit designation and Level IV maternal center - the highest designation possible for maternal-infant care.
- Currently building a 300-bed Women's and Children's Hospital that will open in late 2022.
- Level I trauma center for adults and the only Level I pediatric trauma and burn center in South Texas.
- Over 9,000 employees, including more than 800 attending physicians and 825 resident physicians.

SOUTH TEXAS MEDICAL CENTER



MAYS CANCER CENTER

- 1 of 4 cancer centers in Texas to be named a National Cancer Institute (NCI) Designated Cancer Center.
- Conducts one of the largest oncology Phase I clinical drug programs in the world.



ST LUKE'S BAPTIST HOSPITAL

- Accredited Chest Pain Center and is part of the Brain and Stroke Network.
- Possesses the only cath lab in Southeast San Antonio for the diagnosis and treatment of heart conditions.
- First in the area to offer minimally invasive surgery using the da Vinci® Surgical System.
- Features level III neonatal intensive care unit, robotically assisted surgery, the Joint Club, an accredited chest pain center, and a healthy women's center.
- Specialty and Transplant Hospital.

SOUTH TEXAS MEDICAL CENTER



UT HEALTH SAN ANTONIO

- Trains 3,000 medical students each year.
- Educational programs include medicine, dentistry, nursing, biomedical sciences, and many more.
- Internationally recognized biomedical university for its work on biomedical research and solutions.
- Specialty and Transplant Hospital.



AUDIE L. MURPHY MEMORIAL VA HOSPITAL

- Provides acute medical, surgical, mental health, physical medicine, rehabilitation, and emergency and primary care services.
- Level II research facility with ongoing projects that include aging, cardiac surgery, cancer, diabetes, and HIV.
- Features a Community Living Center, a Spinal Cord Injury Center, a Substance Abuse Residential Rehabilitation Treatment Program, and a Domiciliary.



METHODIST HEALTHCARE HOSPITALS

- Provides health care services to low-income families.
- Invested over \$281 million in grants to improve community healthcare.

AREA OVERVIEW



DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	14,670	183,916	444,215
2020 Estimate	13,746	172,640	418,618
2010 Census	11,552	147,005	366,924
Growth: 2020-2025	1.3%	1.3%	1.2%
Growth: 2010-2020	1.9%	1.7%	1.4%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	6,119	74,791	171,229
2020 Estimate	5,760	70,397	161,803
2010 Census	4,943	60,414	142,828
Growth: 2020-2025	1.2%	1.2%	1.2%
Growth: 2010-2020	1.1%	1.1%	0.9%

INCOME	1-MILE	3-MILE	5-MILE
Avg HH Income	\$58,534	\$53,486	\$57,867

SAN ANTONIO, TX

San Antonio, officially the City of San Antonio, is the seventh most populous city in the United States and the second-most populous city in both Texas and the Southern United States. Straddling the regional divide between South and Central Texas, San Antonio anchors the southwestern corner of an urban megaregion colloquially known as the “Texas Triangle.”

San Antonio is the center of the San Antonio-New Braunfels metropolitan statistical area. Commonly called Greater San Antonio, the metro area has a population of 2,473,974 based on the 2017 U.S. census estimate, making it the 24th-largest metropolitan area in the United States and third-largest in Texas. Growth along the Interstate 35 and Interstate 10 corridors to the north, west, and east make it likely that the metropolitan area will continue to expand.

The City of San Antonio maintains a strong financial position with a “AAA” general obligation bond rating from all three major rating agencies. The Milken Institute has ranked San Antonio No. 1 on its Best-Performing Cities list. As the seventh-largest city in the United States, San Antonio is experiencing solid economic growth in 21st-century industries such as bioscience and healthcare, aerospace, IT and cybersecurity, and green technologies. Biotech companies and healthcare systems in San Antonio contribute billions to the local economy. The Aerospace industry remains a dominant economic strength in San Antonio with the presence of several aviation and aerospace corporations, including the military. The military has had a significant relationship with San Antonio for more than 200 years and is home to several military commands. The city is also a cybersecurity hub; nationally recognized as a leader in the field of information security.



BEST PLACE TO LIVE

The city of San Antonio was named one of the top 25
“Best Places to Live in the USA”
- *U.S. News & World Report*



FASTEST GROWING CITY

San Antonio was the
“Fastest-Growing Large City” in America
- *U.S. Census Bureau*



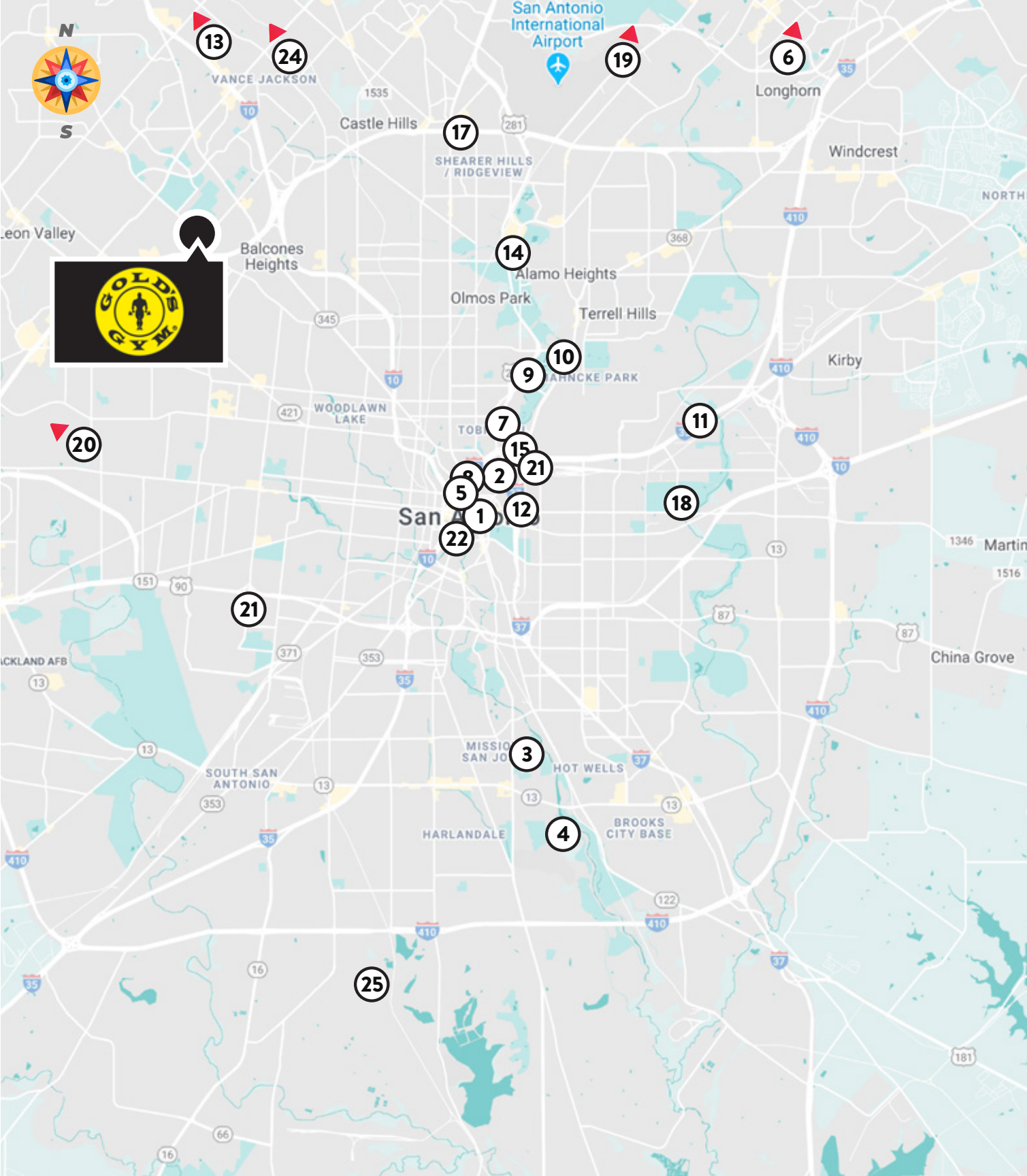
SAN ANTONIO CULTURE

San Antonio is a popular tourist destination. The Alamo Mission in San Antonio (“The Alamo”), located in Downtown, is Texas’ top tourist attraction. Because of the mission, San Antonio is often called “Alamo City”. The River Walk, which meanders through the Downtown area, is the city’s second-most-visited attraction, giving it the additional nickname of “River City”. Extended an additional 13 miles between 2009-2013, the landscaped walking and bike path line the San Antonio River from the “Museum Reach” beginning in Brackenridge Park through downtown, “Downtown

Reach”, past the Blue Star’s “Eagleland” to the “Mission Reach” ending near Loop 410 South past Mission Espada. Lined with numerous shops, bars, and restaurants, as well as the Arneson River Theater, this attraction is transformed into an impressive festival of lights during the Christmas and New Year holiday period (except for the Mission Reach), and is suffused with the local sounds of folklorico and flamenco music during the summer, particularly during celebrations such as the Fiesta Noche del Rio.

SAN ANTONIO ATTRACTIONS

The city is home to three animal attractions. SeaWorld, 16 miles west of Downtown in the city’s Westover Hills district, is the number 3 attraction and one of the largest marine life parks in the world. The very popular and historic San Antonio Zoo is in the city’s Brackenridge Park. A third animal attraction is in development by British company Merlin Entertainments to accompany SeaWorld as a second aquarium attraction and indoor counterpart.



KEY ATTRACTIONS AND EVENTS

- ① San Antonio River Walk
- ② The Alamo
- ③ San Antonio Missions National Historical
- ④ Park & Mission Trail
- ⑤ San Fernando Cathedral
- ⑥ Natural Bridge Caverns
- ⑦ Pearl District and Farmers Market
- ⑧ Historic Market Square
- ⑨ Japanese Tea Garden
- ⑩ San Antonio Zoo & Aquarium
- ⑪ Splashtown San Antonio



SHOPPING

- ⑫ Shops at Rivercenter
- ⑬ Shops at La Cantera
- ⑭ Alamo Quarry Market
- ⑮ Pearl Farmers Market
- ⑯ Historic Market Square
- ⑰ North Star Mall



GOLF COURSES

- ⑱ Willow Springs Golf Course
- ⑲ JW Marriott San Antonio Hill Resort
- ⑳ Hyatt Regency Hill Country Resort



MUSEUMS

- ㉑ San Antonio Museum of Arts
- ㉒ The Guenther House Museum
- ㉓ La Villita Historic Arts Village



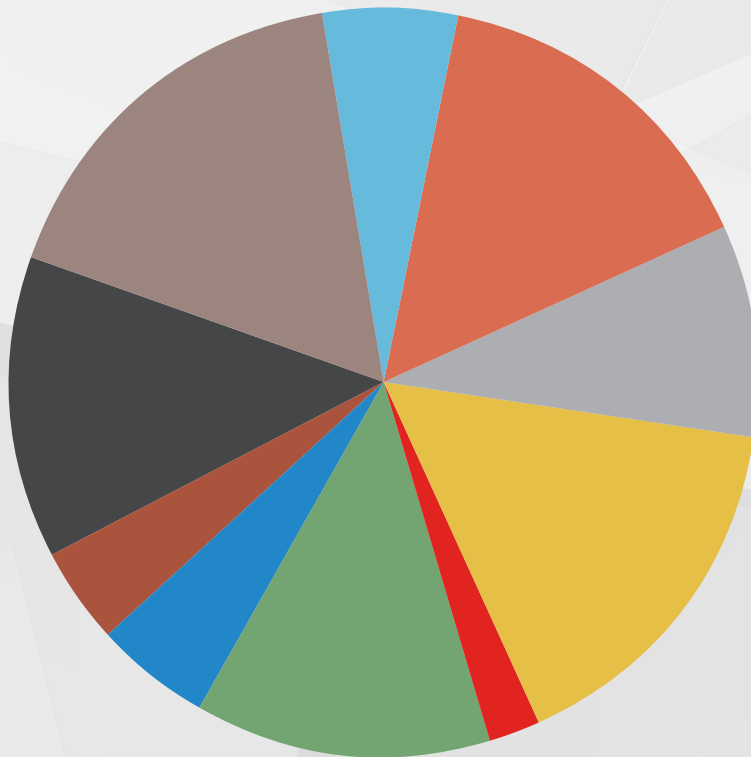
UNIVERSITIES

- ㉔ The University of Texas at San Antonio
- ㉕ Texas A&M

SAN ANTONIO, TX, MSA LARGEST EMPLOYERS



LARGEST EMPLOYERS BY SECTOR



- 17% Trade, Transportation & Utilities
- 6% Construction
- 15% Education & Health Services
- 9% Education & Health Services
- 16% Education & Health Services
- 2% Information
- 13% Leisure & Hospitality
- 5% Manufacturing
- 4% Other Services
- 13% Professional & Business Services

MAJOR EMPLOYERS



HEADQUARTERED IN SAN ANTONIO



3,000
Employees



1,245,000
SF of Office Space



Source: www.newsroom.heb.com/h-e-b-breaks-ground-on-its-largest-warehouse-facility/



SAN ANTONIO SUPER REGIONAL GROCERY WAREHOUSE
H-E-B's largest investment in manufacturing and supply-chain



2020
Expected Date of
Completion



1.6M
Square Feet

MAJOR EMPLOYERS



FORT SAM HOUSTON

The oldest Joint Base San Antonio installation



32,000
Employees



3,000
Acres



BROOKE ARMY MEDICAL CENTER

provides comprehensive care for military beneficiaries



8,500
Employees



1.5M
Square Feet

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Gold's Gym** located at **1602 Babcock Road, San Antonio, TX 78229** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



LISTING AGENTS

JOE NELSON

SENIOR ASSOCIATE

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MOB (818) 497-8411

joe.nelson@matthews.com

LIC # 02012421 (CA)

KYLE MATTHEWS

BROKER OF RECORD

LIC # 9005919 (TX)

MATTHEWS[™]
REAL ESTATE INVESTMENT SERVICES



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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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.

Kyle Matthews/Matthews Retail Group Inc.	678067	kyle.matthews@matthews.com	(310) 919-5757
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Kyle Matthews	678067	kyle.matthews@matthews.com	(310) 919-5757
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