

1607 SOUTH LAMAR BLVD

A U S T I N , T X



[PROPERTY VIDEO](#)

OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

OFFERING MEMORANDUM

1607
S LAMAR BLVD
A U S T I N , T X

EXCLUSIVELY LISTED BY:

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MATTHEWS[™]
REAL ESTATE INVESTMENT SERVICES



INVESTMENT HIGHLIGHTS

- ◀ **ROBUST DEMOGRAPHICS:** The average household incomes are over \$122,000 within a mile of the property and over 380,000 residents within a 5-mile radius.
- ◀ **HIGH TRAFFIC COUNTS:** South Lamar is one of the main arteries between South and Downtown Austin. The major thoroughfare boasts high traffic counts seeing over 44,000 VPD.
- ◀ **STEADY POPULATION GROWTH:** The South Lamar corridor of Austin has flooded with young professionals over the past 10 years, boasting a steady 3.6% annual growth rate and a median age of 36 years old. Not to mention, Austin is one of the top-ranking MSA's and projected to double in size from 2 million residents to 4 million by 2040.
- ◀ **STRONG REAL ESTATE FUNDAMENTALS:** Surrounded by upscale multifamily and residential homes this property benefits from being nestled in a high density area consisting of national and local tenants, shopping centers, and universities.
- ◀ **SYNERGISTIC RETAIL & CONSUMER SPENDING:** Annual consumer spending on Health Care within a 3-mile radius of the property is over \$90 billion. Annual consumer spending on Entertainment, Hobbies, & Pets within a 3-mile radius of the property is over \$300 billion.
- ◀ **MAJOR RETAIL CORRIDOR:** Notable retail and restaurant tenants in the South Lamar corridor include: Loro, Uchi, Pavement, Shake Shack, Snooze, Odd Duck, Kerbey Lane, East Side King, Alamo Draft House, and Matt's El Rancho.

FINANCIAL OVERVIEW



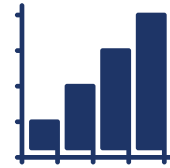
\$5,100,000

SALE PRICE



\$227,622

CURRENT NOI



4.46%

CAP RATE



\$330,682

PRO FORMA NOI



6.48%

PRO FORMA CAP RATE



KEY ASSUMPTIONS

Pro Forma analysis assumes \$38/SF + NNN rental rate for 2,262 SF currently available



RENT ROLL

Suite	Tenant	Lease Start	Lease End	GLA	% of GLA	Contract Rental Rate		Rent PSF		Rent Increases			Recovery Structure	Options
						Year	Month	\$ PSF/ Yr.	\$ PSF/ Mo.	Date	\$ PSF/ Yr.	\$ PSF/ Mo.		
1601	Lydian Dental	Feb-17	Feb-27	4,135	48.25%	\$164,324.88	\$13,694	\$39.74	\$3.31	Feb-22	\$40.73	\$3.39	NNN	Two 5-Year with 2.5% Annual Increases
										Feb-23	\$41.75	\$3.48		
										Feb-24	\$42.79	\$3.57		
										Feb-25	\$43.86	\$3.66		
										Feb-26	\$44.96	\$3.75		
1603	Vacant	-	-	2,262	26.4%	-	-	-	-	-	-	-	-	
1605	Wheelhouse Salon	Oct-18	Dec-23	2,173	25.36%	\$80,400.96	\$6,700	\$37.00	\$3.08	Dec-21	\$38.00	\$3.17	NNN	Two 5-Year with 2.5% Annual Increases
										Dec-22	\$39.00	\$3.25		
Occupied Totals - In Place				6,308	73.6%	\$244,726	\$20,394	\$38.80	\$3.23					
Vacant Totals				2,262	26.4%	\$0	\$0	\$0.00	\$0.00					
Totals				8,570	100.0%	\$244,726	\$20,394	\$28.56	\$2.38					

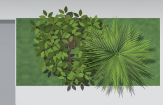
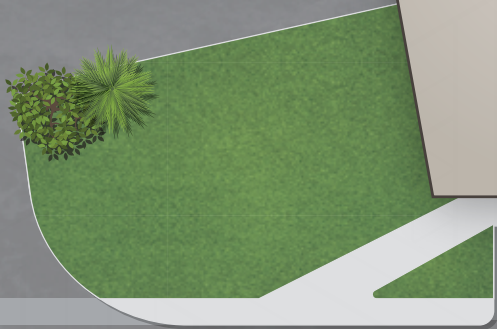


SE



AVAILABLE
2,262 SF

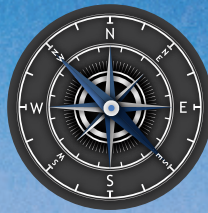
W H E
E E L
H ⚙ U
S E



S. LAMAR BLVD







DOWNTOWN AUSTIN



W. 6TH ST



POST SOUTH LAMAR



S. LAMAR BLVD
± 47,300 VPD



SUBJECT PROPERTY

RETAIL & DINING ALONG W. 6TH ST





SOUTH LAMAR BUSINESS PARK



NEW MULTIFAMILY DEVELOPMENT 328 UNITS

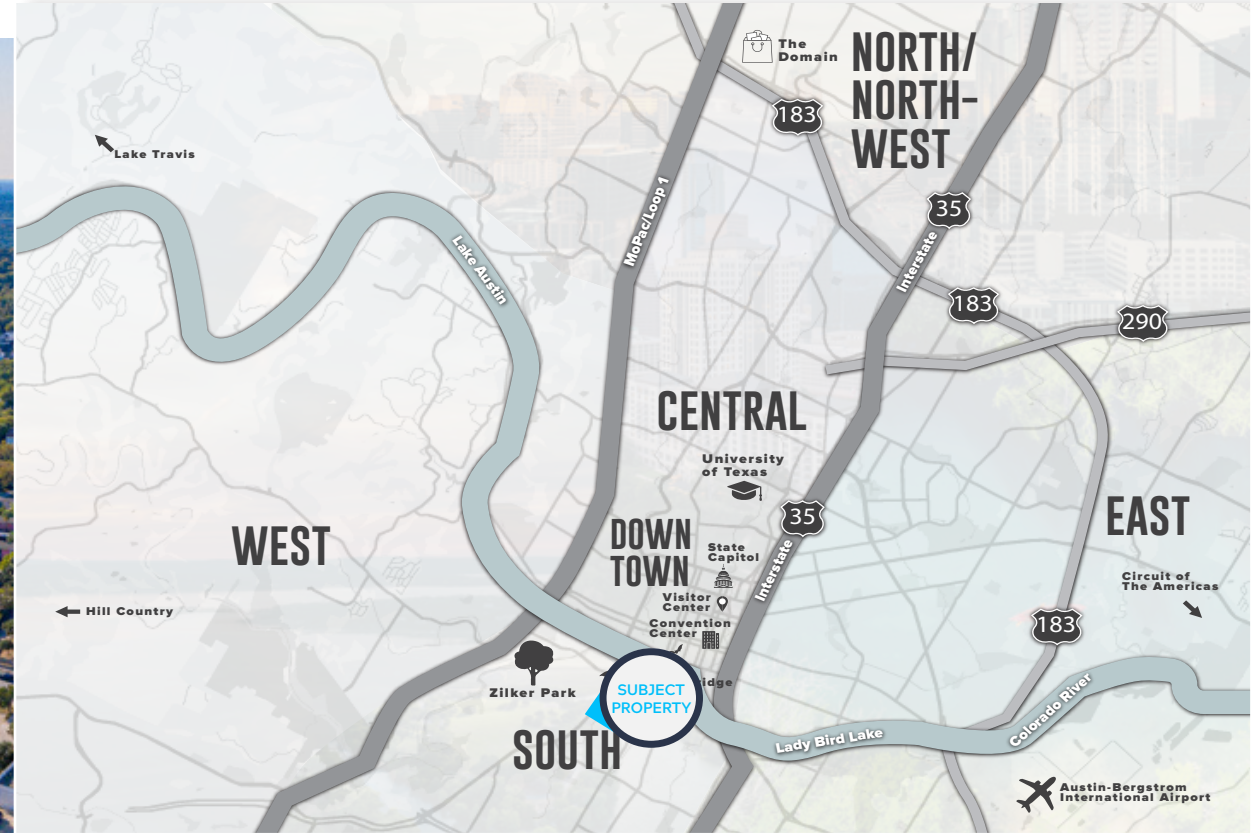
SUBJECT PROPERTY

S. LAMAR BLVD ± 47,300 VPD





AREA OVERVIEW



\$123,559
1-Mile Avg HH
Income



±21,637
Population
within 1-Mile of
Subject Property



±11,308
Avg Households
within 1-Mile of
Subject Property

AUSTIN, TX

Located in Central Texas in the foothills of Texas Hill Country, Austin is the state capital and the cultural and economic center of the Austin-Round Rock metropolitan area. Regarded by most as the best choice in Texas, the Austin area provides residents a balance of a strong economy, good education, attractive housing, a pleasant climate and plenty to do.

Visitors are welcome to indulge in the rich cultural heritage, plentiful entertainment amenities, unique attractions and outdoor recreation opportunities of this bustling, albeit laid-back, capital city. Surrounded by beautiful natural settings and abundant sunshine, Austin offers an unparalleled quality of life for its low cost of living.



#1 BEST PLACES TO LIVE

-US NEWS & WORLD REPORT



#1 BEST COLLEGE TOWN

-WALLETHUB

DOWNTOWN AUSTIN

RAINEY STREET

Rainey Street is positioned near Lady Bird Lake and Interstate 35 in the southeast corner of downtown. Though 21 buildings are specifically identified as a part of the historic district, the stretch of Rainey between River and Driskill includes 31 buildings built before 1934,[2] giving the neighborhood a historic character relative to other areas of the city. Since the early 2010s, the formerly sleepy residential street has turned into a popular nightlife district. Much of the historic homes have been renovated into bars and restaurants, many of which feature large porches and outdoor yards for patrons.

RED RIVER CULTURE DISTRICT

A live music hotspot, the Red River Cultural District is known for its high concentration of hip nightlife venues on and around Red River Street. Local and national acts play music of all genres from rooftop decks, outdoor stages, and dive bars, while dance clubs feature DJs spinning tunes from goth to hip-hop. After hours, revelers fill up on late-night snacks like pizza and shawarma at grab-and-go eateries.

SIXTH STREET

The nine-block area of East Sixth Street roughly between Lavaca Street to the west and Interstate 35 to the east is recognized as the Sixth Street Historic District and was listed in the National Register of Historic Places on December 30, 1975. The area around nearby 4th Street and 6th Street has been a major entertainment district since the 1970s. Many bars, clubs, music venues, and shopping destinations are located on East 6th Street between Congress Avenue and Interstate 35, and many offer live music at one time or another during the week.

WAREHOUSE DISTRICT

Part of Downtown, the Warehouse District is a mix of office buildings and refurbished warehouses home to trendy cocktail bars and stylish restaurants serving French comfort food, Italian fare, and steak. In the area's heart, Republic Square is a leafy park with walking paths and a weekly farmers' market.

QUALITY OF LIFE

As a gateway to Texas' famed Hill Country, Austin's gorgeous natural setting offers abundant sunshine and plenty of opportunities to get outdoors for fitness, recreation, and relaxation. The Austin region is home to miles of cycling and running trails, rock climbing, river rafting and kayaking, and top-ranked golf courses. Some popular attractions include Zilker Park, Barton Springs, Guadalupe River, Balcones Canyonlands, Lady Bird Lake, Lake Travis, Inner Space Cavern, and Lost Pines. Austin is so livable that it ranks No. 1 on U.S. News' Best Places to Live for the second year in a row. The study analyzed 100 metro areas in the United States based on quality of life and the job market in each metro area, as well as the value of living there and people's desire to live there.



8TH SAFEST LARGE CITY IN AMERICA

-SafeWise



2ND BEST CITY

For Young Professionals -SmartAsset



5TH HIGHEST CONCENTRATION

Of College-Educated Adults -CityLab



BEST PLACE TO LIVE IN THE U.S.

For the 3rd Consecutive Year -U.S. News & World Report



ZILKER PARK



BARTON SPRINGS



LOST PINES

ENTERTAINMENT

- 1. ACL LIVE AT THE MOODY THEATRE
- 2. ALAMO DRAFHOUSE
- 3. AUSTIN CONVENTION CENTER
- 4. BARTON SPRINGS POOL
- 5. BUTLER PARK PITCH AND PUTT
- 6. LONG CENTER
- 7. PALMER EVENTS CENTER
- 8. PETER PAN MINI GOLF
- 9. VIOLET CROWN CINEMA
- 10. ZACH THEATRE

FOOD & RETAIL

- 1. ATX COCINA
- 2. AUSSIE'S VOLLEYBAR & GRILL
- 3. BOTTICELLIS
- 4. BOULDIN CREEK CAFE
- 5. BYGEORGE
- 6. CRIQUET SHIRTS
- 7. EL ALMA
- 8. ELIZABETH STREET CAFE
- 9. FLOWER CHILD
- 10. GUERO'S TACO BAR
- 11. HOME SLICE PIZZA
- 12. JUICE LAND
- 13. LA CONDESA
- 14. LAMBERT'S BBQ
- 15. ODD DUCK
- 16. PERLA'S
- 17. SOHO HOUSE
- 18. SUNROOM
- 19. SWAY
- 20. TRUE FOOD KITCHEN
- 21. UCHI
- 22. YETI FLAGSHIP
- 23. ZAX RESTAURANT & BAR

RESIDENTIAL

- 1. AMLI DOWNTOWN
- 2. AMLI ON 2ND
- 3. ASHTON
- 4. AUSTONIAN
- 5. THE CATHERINE
- 6. CITYVIEW AT SOCO
- 7. COLE
- 8. GIBSON FLATS
- 9. LAMAR UNION
- 10. NORTHSHORE
- 11. POST SOUTH LAMAR
- 12. ZILKER ON THE PARK

HOTEL

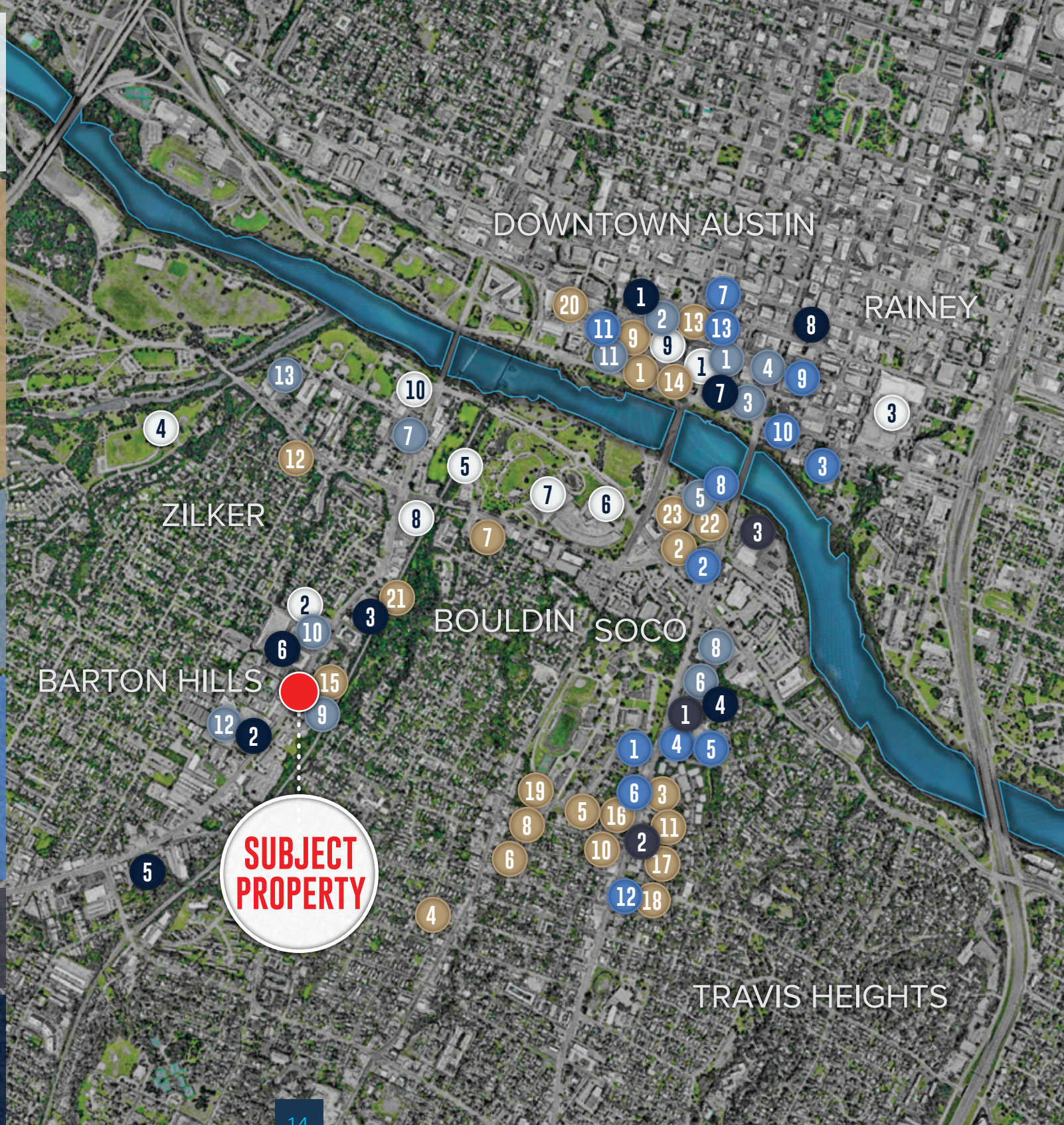
- 1. AUSTIN MOTEL
- 2. EMBASSY SUITES
- 3. FOUR SEASONS
- 4. HOTEL MAGDALENA
- 5. HOTEL SAINT CECILIA
- 6. HOTEL SAN JOSE
- 8. HOTEL ZAZA
- 9. HYATT REGENCY
- 10. JW MARRIOTT
- 11. THE LINE
- 12. THE PROPERT
- 13. SOUTH CONGRESS HOTEL
- 14. W HOTEL

PLANNED/MIXED USE

- 1. MUSIC LANE
- 2. SAINT VINCENT TRACT
- 3. STATESMAN WATERFRONT MIXED USE PROJECT

FITNESS

- 1. BALLET AUSTIN
- 2. CITY SURF FITNESS
- 3. DEFINE BODY & MIND
- 4. EQUINOX
- 5. MOD FITNESS
- 6. ORANGE THEORY
- 7. RIDE INDOOR CYCLING
- 8. SOULCYCLE DATX



AUSTIN'S LARGEST EMPLOYERS

COMPANY	# OF EMPLOYEES
Apple	7,000
Ascension Seton	10,513
Austin Independent School District	11,101
City of Austin	13,531
Dell Technologies	14,030
Federal Government	13,199
IBM Corp.	6,000
Round Rock Indep. School District	6,311
Samsung Austin Semiconductor	8,935
St. David's HealthCare Partnership	10,665
State of Texas	63,900
University of Texas at Austin	23,925

Source: Austin Chamber of Commerce

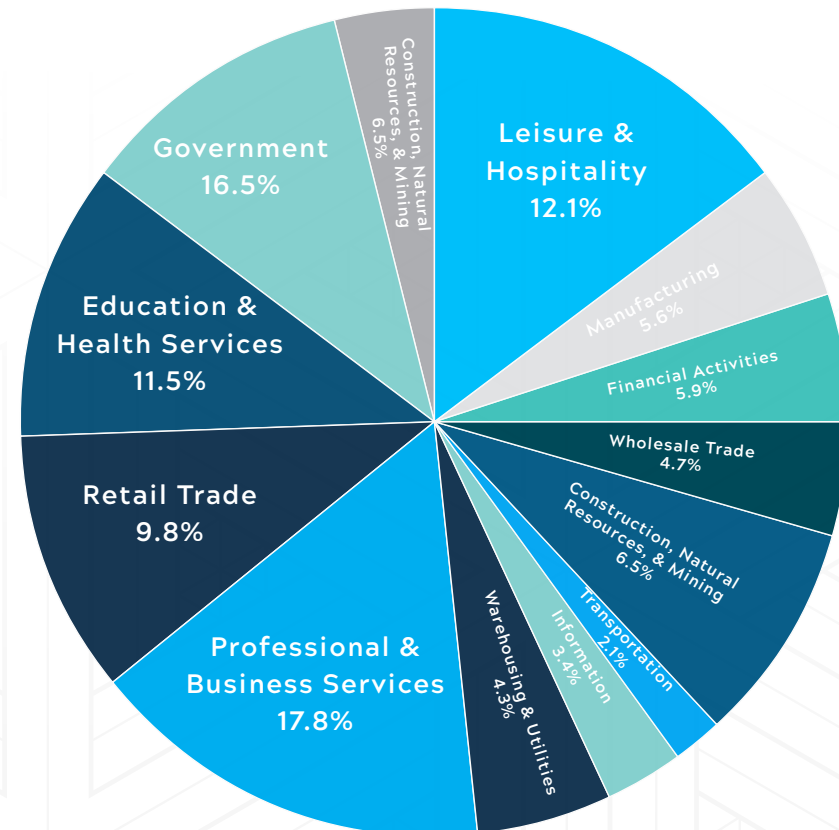
ECONOMY

Austin's economy grew 5.6% in 2018 according to new data on gross domestic product (GDP) by metro area and county released late last month by the U.S. Bureau of Economic Analysis (BEA). Austin's 5.6% gain in real GDP is the fifth-highest rate of growth among the 50 largest metro economies.

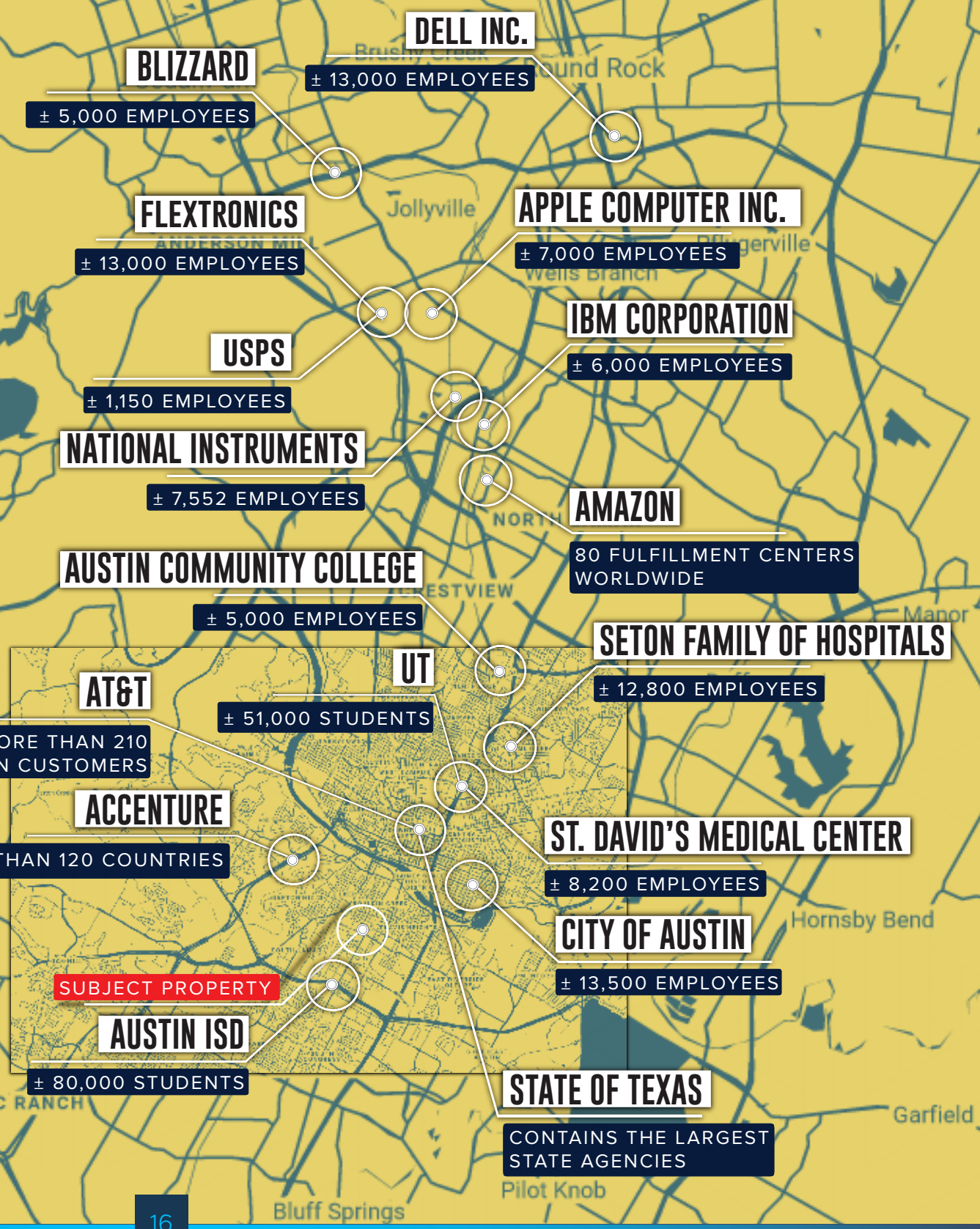
Over the last 5 years, real GDP is up 13.5% in the metropolitan portion of the U.S. In Austin, real GDP has grown 30.3% since 2013, making it the second-fastest-growing major economy—behind only San Jose.

Professional and business services is Austin's largest industry sector, accounting for 16.9% of 2018 GDP. It also saw the fastest rate of real growth, 11.6%, in 2018. The other two industries with double-digit real growth in 2018 were information and transportation and utilities. Austin's second most significant industry, financial activities, accounted for 15.1% of 2018 GDP and grew by 4.6%.

EMPLOYMENT BY INDUSTRY



MAJOR EMPLOYERS



HIGHER EDUCATION

THE UNIVERSITY OF TEXAS AT AUSTIN

Also referred to as UT Austin, the University of Texas at Austin is the flagship school of the University of Texas System, which includes nine academic universities and six health institutions statewide. Located about one mile from the Texas State Capitol in Austin, this public research university has the seventh-largest single campus enrollment with over 51,000 students and 3,000 teaching faculty. More than 100 undergraduate and 170 graduate degrees are available to students as well as dozens of top-ranked programs with a proven record of success.

UT Austin continues to expand its facilities on campus and thanks to its proud alumni base of more than 482,000, which includes industry leaders like Michael Dell and Rex Tillerson, entertainers like Oscar-winning actor Matthew McConaughey, Academy Award-winning actress Marcia Gay Harden and film director Robert Rodriguez, as well as journalists' Bill Moyers and Walter Cronkite. An abiding symbol of the spirit of Texas, the university cultivates economic and social progress as a leading center of knowledge and innovation.



15

Undergraduate Programs
Ranked in the Top 10
Nationally



#7

U.S. Public Colleges
-Business First, 2019



482,000

Alumni Across the World



124

Countries Represented by the
Student Body



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **1607 South Lamar Blvd , Austin, TX 78704** (“Property”). The 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 and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation’s logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

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.

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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:
 - 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.	<u>678067</u>	<u>kyle.matthews@matthews.com</u>	<u>(310) 919-5757</u>
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