DAVY CROCKETT MEDICAL COMPLEX

951 E LOOP 304
CROCKETT, TX 75835

INTERACTIVE
OFFERING MEMORANDUM

MATTHEWS™
REAL ESTATE INVESTMENT SERVICES

EXCLUSIVELY LISTED BY

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BROKER OF RECORD | Kyle Matthews | License No. 9005919 (TX)

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DAVEY CROCKETT MEDICAL COMPLEX

951 E Loop 304, Crockett, TX 75835

DAVEY CROCKETT MEDICAL COMPLEX

PRICE
$1,632,086

GLA
±15,787 SF

NOI
$140,213

CAP RATE
8.59%

PRICE PSF
$103.38

PROPERTY OVERVIEW

Property Name	**Davy Crockett Medical Complex**
Address	**951 E Loop 304, Crockett, TX 75835**
Year Built	**1987**
GLA of Building	**±15,787 SF**
Lot Size	**±4.05 AC**

INVESTMENT HIGHLIGHTS

Amazing Value-Add Opportunity

This property boasts 45% vacancy allowing a future owner to not only have stable cash flow from the tenant in place but the ability to lease the rest of the building and make this a 17% cap rate deal with an even higher ROI as well.

Below Replacement Cost

At $100/SF this deal is priced nearly 70% below average construction costs for healthcare buildings in Houston, Texas providing a future owner with a very low-basis, risk-averse asset, and the opportunity to greatly increase the NOI by leasing the vacancy within the building.

Strong National Hospital System

St. Luke's Health is a part of CommonSpirit Health, a nonprofit Catholic health system formed in February 2019. CommonSpirit Health operates 142 hospitals and over 700 care sites across 21 states. St. Luke's Health, committed to enhancing community health through high-quality, compassionate care, comprises multiple hospitals and medical facilities across Texas.

Strategic Location Next to MidCoast Medical Center Crockett

This site is in an ideal location across the street from the MidCoast Medical Center, Crockett's premier Level 4 Trauma Certified Emergency Room open 24-Hr/365-day

Dense Retail and Medical Corridor

This property's prime location offers direct access to Crockett's main thoroughfare, Loop 304, near Crockett's main retail and medical corridor home to many national operators within a couple of blocks including Walmart, H.E.B., Taco Bell, McDonald's, etc.

Small-Town Atmosphere and Historical Significance

As the county seat of Houston County, Crockett exudes a small-town charm with its friendly locals and close-knit community. Named after Davy Crockett, a hero of the Texas Revolution, the town's rich history adds to its allure.

Outdoor Recreation and Cultural Heritage

Surrounded by dense forests, Crockett offers ample outdoor recreation opportunities such as fishing, hunting, hiking, and camping. Additionally, the town celebrates its cultural heritage through events, festivals, and historical landmarks like the Monroe-Crook House.

Safety, Security, and Proximity to Nature

Residents appreciate the town's sense of safety and security, with lower crime rates compared to larger urban areas. Furthermore, Crockett's location offers easy access to natural attractions like Ratcliff Lake Recreation Area and Davy Crockett National Forest, allowing residents to enjoy outdoor activities such as hiking, picnicking, and birdwatching.

INVESTMENT SUMMARY

Address	951 E Loop 304, Crockett, TX 75835
List Price	$1,632,086
NOI	$140,213
Cap Rate	8.59%
Price PSF	$103.38
Rent PSF	$8.88
Year Built	1987
GLA of Building	±15,787 SF
Lot Size	±4.05 AC

2024 PROJECTED FINANCIAL OVERVIEW

INCOME	TOTAL	$ PSF
Rental Income	$176,690	$11.19
Reimbursement Revenue	$44,583	$2.82
EFFECTIVE GROSS REVENUE	$221,273	$14.02

EXPENSES*	TOTAL	$ PSF
Real Estate Taxes	$33,338	$2.11
Insurance	$5,660	$0.36
Landscape Expense	$16,794	$1.06
Repairs/Maintenance	$12,575	$0.80
Utilities (water)	$10,332	$0.65
Management	$2,361	$0.15
TOTAL OPERATING EXPENSES	$81,060	$5.13
NET OPERATING INCOME	$140,213	$8.88

*These are estimated 2024 expenses

LEASE ABSTRACT

Tenant Name	CHI St. Luke's Health
Ownership Type	Fee Simple
Tenant Entity	Memorial Health System of East Texas d/b/a CHI St. Luke's Health Memorial
SF Leased	±8,619 SF
Occupancy	55%
Initial Term	7 Years
Rent Commencement	1/1/2019
Lease Expiration	12/31/2025
Lease Term Remaining	±1.74 Years
Lease Structure	NNN
Base Rent	$176,690
Rental Increases	2% Annually (Not to Exceed $20.50/SF)
Renewal Options	Two, 3-Year Options
Termination Language	Either party may terminate lease, without cause, with ninety (90) day written notice to the other party, following the completion of 60 months of the initial term
Landlord Responsibilities	Work performed in connection with the initial construction of the Building and the Premises and improvements
Tenant Responsibilities	Tenant shall pay Additional Rent, equal to 54.6% of the Landlord's costs, charges and expenses of operating and insuring the Building including but not limited to cost for utilities, janitorial service, common area mainteneance, landscaping, trash removal, and property taxes
Insurance	Tenant shall pay Additional Rent, equal to 54.6% of the Landlord's costs, charges and expenses of operating and insuring the Building
Taxes	The Tenant will pay to the Landlord 54.6% of real property taxes

RENT ROLL

Suite #	Tenant Name	Lease Start	Lease End	Size (SF)	% of NRA	Contract Rental Rate		Rent PSF	Rental Increases	Options Remaining	Term Remaining	Lease Structure
						Annual	Monthly					
A	CHI St. Luke	03/01/19	12/31/25	±8,619	55%	$176,690	$14,724	$20.50	2% Annual (Capped at $20.50/SF)	Two, 3-Year	±1.74	NNN
B	Vacant	-	-	±7,168	45%	-	-	-	-	-	-	-
Occupied Totals				**±8,619**	**54.60%**	**$176,690**	**$14,724**	**$20.50**				
Vacant Totals				**±7,168**	**45.40%**	**$0**	**$0**	**$0**				
Total				**±15,787**	**100.00%**	**$176,690**	**$14,724**	**$11.19**				
WALT				**±1.74 Years**								

Walmart Supercenter
SUBWAY
Aaron's
ENCHANTED PINES
Winfield REHAB AND NURSING
QUEST COLLEGIATE ACADEMY
145 STUDENTS
WHATABURGER
SONIC
MidCoast Medical Center Crockett
THE TREEHOUSE ACADEMY
PULSE HEALTHCARE SYSTEM
McDonald's
BURGER KING
H-E-B
PROSPERITY BANK
Quality TOWING & SERVICE CENTER
SCOOTER'S COFFEE
2 Cool 4 Driving School
DOLLAR GENERAL
Domino's Pizza
Crockett Nails
TACO BELL
SHOE sensation
E LOOP 304 ± 11,700 VPD
SUBJECT PROPERTY
O'Reilly AUTO PARTS
HIBBETT SPORTS
S

CROCKETT, TX

Crockett, Texas, situated in the eastern part of the state, offers a blend of small-town charm and rich history. Named after Davy Crockett, the legendary American frontiersman and politician, the city boasts a strong cultural heritage. The downtown area is lined with historic buildings, including the Houston County Courthouse, which dates back to the late 19th century, and the Monroe-Crook House, a beautifully preserved Victorian mansion. Crockett is also known for its outdoor recreational opportunities, with nearby attractions such as Ratcliff Lake Recreation Area, Davy Crockett National Forest, and the Houston County Lake providing ample opportunities for fishing, hiking, and camping. The local economy is supported by industries like agriculture, forestry, and manufacturing, contributing to a sense of self-sufficiency and resilience within the community.

Despite its small size, Crockett offers a range of amenities and services to its residents and visitors. The city's downtown area features a variety of shops, restaurants, and cafes, providing opportunities for shopping and dining experiences. Crockett is also home to several annual events and festivals, such as the Peanut Festival, celebrating the region's agricultural heritage, and the Juneteenth Celebration, commemorating the emancipation of slaves in Texas. With its scenic beauty, historic charm, and tight-knit community, Crockett serves as a welcoming destination for those seeking a peaceful retreat or a glimpse into Texas history and culture.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2020 Census	1,687	6,754	7,701
2024 Estimate	1,642	6,839	7,790
2029 Projection	1,603	6,932	7,879
HOUSEHOLDS	**1-MILE**	**3-MILE**	**5-MILE**
2020 Census	669	2,743	3,131
2024 Estimate	652	2,816	3,207
2029 Projection	632	2,878	3,268
INCOME	**1-MILE**	**3-MILE**	**5-MILE**
2024 Est. Average Household Income	$110,823	$76,135	$76,952

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **951 E Loop 304, Crockett, TX 75835** ("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. Neither 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.

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 Retail Group Inc.

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 Owner 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 of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.

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75835 OFFERING MEMORANDUM

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.

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Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials _____ _____ Date _____