

Marcus & Millichap



Offering Memorandum



SELF STORAGE SOLUTIONS

2032 FM 917 • Burleson (D-FW Metroplex), TX 76058

PRESENTED BY

Brandon Karr

Senior Vice President Investments
Director, National Self Storage Group
Fort Worth, TX Office
Tel: (817) 932-6163
Cell: (817) 821-0925
brandon.karr@marcusmillichap.com
License: TX 0545057

Danny Cunningham

Senior Associate
Director, National Self Storage Group
Fort Worth, TX Office
Tel: (817) 932-6141
Cell: (913) 544-5196
Danny.cunningham@marcusmillichap.com
License: TX 635835



NON-ENDORSEMENT AND DISCLAIMER NOTICE

Confidentiality and Disclaimer

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2017 Marcus & Millichap. All rights reserved.

Non-Endorsement Notice

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. 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 Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

SELF STORAGE SOLUTIONS

Marcus & Millichap



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.

11-2-2015

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.

Marcus & Millichap

Licensed Broker /Broker Firm Name or Primary Assumed Business Name

9002994

License No.

Tim.speck@marcusmillichap.com

Email

972-755-5200

Phone

Tim A. Speck

Designated Broker of Firm

432723

License No.

Tim.speck@marcusmillichap.com

Email

972-755-5200

Phone

Mark McCoy

Licensed Supervisor of Sales Agent/Associate

663460

License No.

mark.mccoy@marcusmillichap.com

Email

817-932-6100

Phone

Danny Cunningham

Sales Agent/Associate's Name

635835

License No.

danny.cunningham@marcusmillichap.com

Email

817-932-6100

Phone

Buyer/Tenant/Seller/Landlord Initials

Date

- ** A Karr Self-Storage Confidentiality / Registration Agreement must be executed by the prospective purchaser before the Offering Memorandum and back-up documentation can be viewed, and also before an offer submitted by a prospective purchaser will be considered.**
- ** All property tours / visits must be scheduled through the Karr Self-Storage team**
- ** Prospective purchasers are strongly encouraged to have been present on a formal property tour before submitting an offer.**
- ** Contact with on-site management and/or ownership is strictly prohibited. Please contact the Karr Self-Storage team with any questions.**



SECTION

INVESTMENT OVERVIEW 01

- Offering Summary
- Regional Map
- Local Map
- Aerial Photo
- Property Photos

FINANCIAL ANALYSIS 02

- Unit Mix Detail
- Operating Statement
- Notes

MARKET COMPARABLES 03

- Rent Comparables

MARKET OVERVIEW 04

- Market Analysis
- Demographic Analysis
- Traffic Count Map





INVESTMENT OVERVIEW



EXECUTIVE SUMMARY

VITAL DATA			CURRENT	M&M ADJUSTED	PRO FORMA
Price	\$5,700,000	CAP Rate	6.65%	5.30%	6.90%
Down Payment	25% / \$1,425,000	Effective Gross Income	\$538,634	\$538,634	\$638,575
Loan Amount	\$4,275,000	Net Operating Income	\$379,177	\$301,450	\$392,101
Loan Type	CMBS	Net Cash Flow After Debt Service	9.11% / \$129,806	\$52,079	10.02% / \$142,730
Interest Rate / Amortization	4.15% / 360 Months	Debt Service Coverage Ratio	1.52	1.21	1.57
Total Units	511				
Rentable SF	83,850				
Price Per Rentable SF	\$67.98				
Number of Buildings	19				
Number of Stories	1				
Year Built / Expanded	2000 / 2017				
Lot Size	Apx. 9.55 Acres (3 Parcels)				

**Loan information is subject to change and was provided to Karr Self-Storage by Deason Financial on 08/05/2019. Please call (903) 553-0700 for more information.

TRAFFIC COUNTS			
STREET NAME	CROSS STREET	YEAR	COUNT
Chisholm Trail	FM 917	2014	27,000
FM 917	FM 1902	2012	6,200
FM 1902	Bryant Pl	2017	4,330



MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Hoffman Fmly Practice Assoc PA	225
YMCA of Metropolitan Fort	216
James Hardie Building Pdts Inc	200
Supreme Corporation of Texas	175
Joshua School Maintenance Dept	150
Kws Manufacturing Company Ltd	135
Supreme Armored	120
National Gypsum Company	99
Caddo Grove Elementary School	80
North Joshua Elementary School	80
Plum Creek Elementary School	80
R C Loflin Middle School	80

PROPERTY SUMMARY

THE OFFERING	
Property	2032 FM 917 Joshua, TX 76058 (Burleson City Limits)
Price	\$5,700,000
Assessors Parcel Numbers	126.4964.00010 / 126.0855.00620 / 126.4747.01010
Zoning	Commercial & Agricultural

SITE DESCRIPTION	
Total Units	511
Number of Buildings	19
Number of Stories	1
Year Built/Renovated	2000 / 2017
Rentable Square Feet	83,850
Lot Size	Apx. 9.55 Acres
Type of Ownership	Fee Simple
Parking	Ample
Highway Access	Yes
Street Frontage	Chisholm Trail Parkway
Cross Street	CR 1022

CONSTRUCTION	
Foundation	Slab-on-Grade Concrete
Framing	Steel Trusses
Exterior Walls	Metal with Brick Facades
Parking Surface	Concrete & Asphalt
Roof	R-Panel Metal
Fencing	Wrought-Iron & Chain-Link
Entry	2 Personalized Key-Pad Gates

MECHANICAL	
Climate Control	No
Security	24-Hour Video Surveillance Cameras
Fire Protection	Fire Hydrant

Management Software	Site Link
Personnel	1 Full Time & 1 Part Time Manager (No Residence)
Office Hours	10:00 AM – 6:00 PM Monday-Saturday
Gate Hours	24/7 Access
Water / Sewer	City Water / Septic Sewer
Admin Fees	Yes (\$10 Non-Refundable)
Security Deposit	Yes (\$25 Refundable)
Tenant Insurance	N-Sure Tenant Insurance Available

DEMOGRAPHICS			
	1-Miles	3-Miles	5-Miles
2018 Estimate Pop	1,580	12,180	23,524
2010 Census Pop	1,457	11,258	21,332
2018 Estimate HH	505	4,133	8,049
2010 Census HH	467	3,815	7,282
Median HH Income	\$66,905	\$68,937	\$73,067
Per Capita Income	\$33,337	\$36,265	\$38,237
Average HH Income	\$82,964	\$87,312	\$92,405



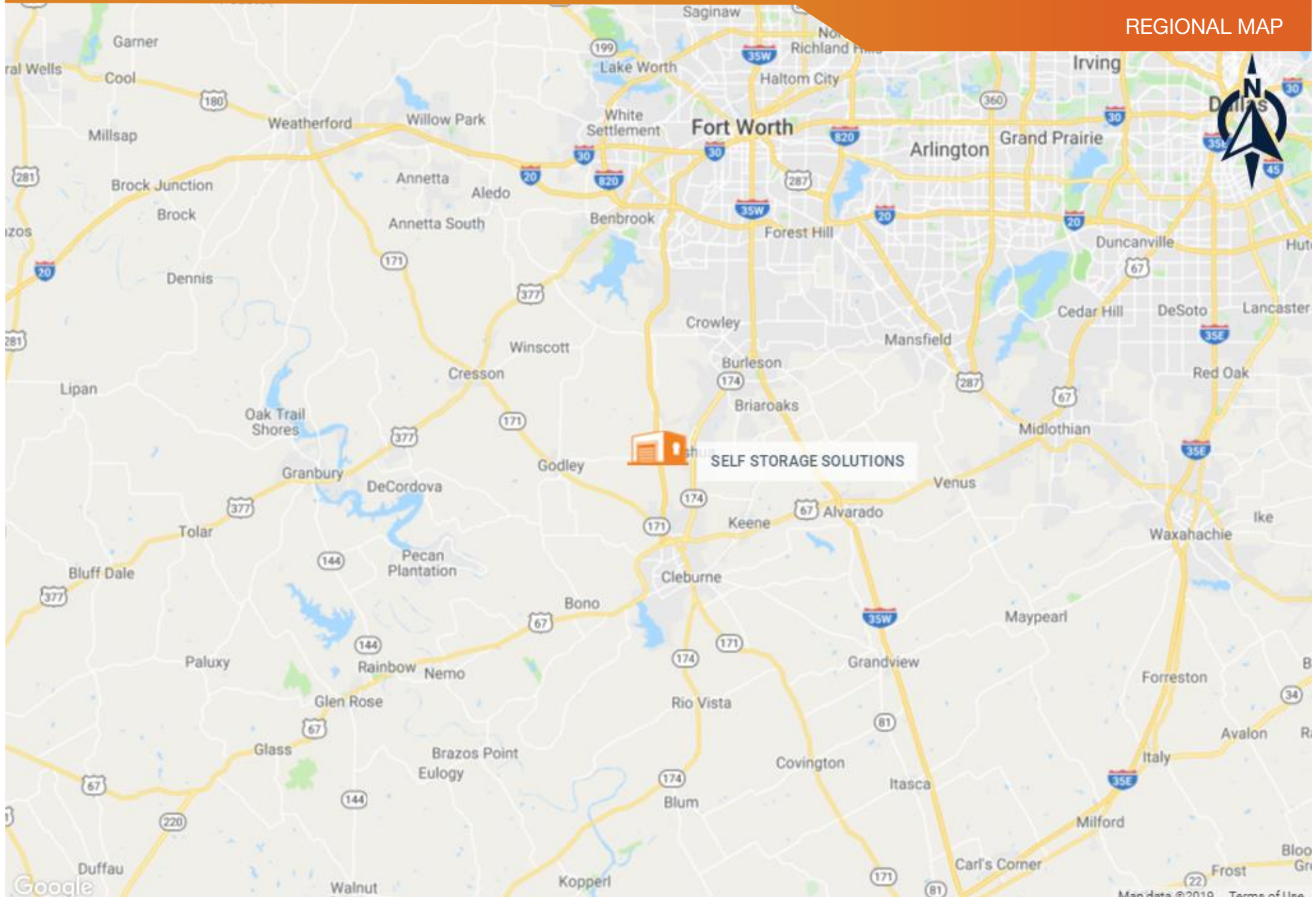
INVESTMENT OVERVIEW

Self Storage Solutions is an 83,850 rentable-square foot storage facility resting on approximately 9.55 acres in Burleson (D-FW Metroplex), TX. In total, there are 19 uncovered parking spaces and 492 non-climate drive-up units ranging in size from 40 rentable-square feet to 600 rentable-square feet. Built in phases between 2000 and 2018, the property encompasses three individual parcels, one of which (approximately 2.44 acres in size) remains unimproved. The unimproved parcel is located adjacent to the parcel housing the majority of the drive-up units (Self Storage Solutions I). Self Storage Solutions I (and, by extension, the unimproved parcel), are located on the Chisholm Trail Parkway. The third parcel (Self Storage Solutions II) is located across the street from Self Storage Solutions I, less than a quarter of a mile from the Chisholm Trail Parkway. Combined, the three parcels operate as one single business. In early 2018 the current owner built 164 new drive-up units at Self Storage Solutions II. Despite this recent expansion, global physical occupancy is greater than 90 percent as of July 2019. This is largely a byproduct of the visibility and accessibility provided by the property's strategic location on the Chisholm Trail Parkway. The Chisholm Trail Parkway is a 27.6 mile-long toll road that connects downtown Fort Worth to the city of Cleburne. The Chisholm Trail Parkway is one of the most significant infrastructure programs in the history of the Dallas-Fort Worth Metroplex. As early as the 1970's, civic leaders and government officials knew that a major thoroughfare cutting a swath from downtown Fort Worth into the southwest portion of Tarrant County would be required in order to facilitate the anticipated growth of the metro's population. As predicted, realized population growth did in fact necessitate the final implementation of the toll road in May of 2014, which subsequently opened the door for countless residential and commercial development projects in the area. The most visible of which are the Shops at Clearfork, a mixed-use development in Fort Worth that includes tenants such as Neiman Marcus, Tiffany & Co., Louis Vuitton, and Burberry. Within a closer proximity to Self Storage Solutions lie a number of new housing developments, as well as a *second* campus for Tarleton State University, which celebrated its "new grand opening" on August 1st of 2019. The growth of the local trade area alone should provide a new operator with confidence that the pro-forma yields quoted in the Offering Memorandum are reasonably achievable during the hold period. Furthermore, a new owner can also feel confident pro-forma returns *above-and-beyond* those quoted in the Offering Memorandum will be achievable upon expansion and stabilization of the currently-unimproved parcel.

INVESTMENT HIGHLIGHTS

- 90.1 Percent Physical Occupancy – Stabilized Cash Flow
- 70.3 Percent Economic Occupancy – Upside Potential
- Opportunity for Storage Expansion – Apx. 2.44 Acres
- Excellent Visibility & Accessibility on Chisholm Trail Parkway
- Situated Less than 1 Mile from Residential Developments and Local Schools
- 10.0 Percent Pro-Forma Cash-on-Cash Return





Google

Map data ©2019 Terms of Use

FORT WORTH



RC Loflin Middle School & Caddo Grove Elementary

New Phase Open

BLUEBIRD MEADOWS

New Homes from the low \$200s

IMPRESSION HOMES
817-514-3971
impressionhomes.net

ANTARES HOMES
800-268-2737
antareshomes.com

FM 917



























FINANCIAL ANALYSIS



UNIT MIX DETAIL

As of July 17th, 2019

	UNITS	OCCUPIED	SIZE	RSF	RATE	GROSS POTENTIAL RENT	RENT / SF	OCCUPIED SQ FT	SQ FT
<u>SSS 1 NON-CLIMATE DRIVE UP</u>	12	9	8x5	40	\$59	\$708	\$1.48	360	480
	15	11	12x5	60	\$69	\$1,035	\$1.15	660	900
	43	40	10x10	100	\$85	\$3,655	\$0.85	4,000	4,300
	89	79	10x12	120	\$89	\$7,921	\$0.74	9,480	10,680
	68	61	10x15	150	\$105	\$7,140	\$0.70	9,150	10,200
	10	9	15x12	180	\$99	\$990	\$0.55	1,620	1,800
	47	44	10x20	200	\$119	\$5,593	\$0.60	8,800	9,400
	3	3	10x24	240	\$132	\$396	\$0.55	720	720
	3	3	20x12	240	\$132	\$396	\$0.55	720	720
	1	0	10x25	250	\$137	\$137	\$0.55	0	250
	22	22	12x25	300	\$165	\$3,630	\$0.55	6,600	6,600
	2	2	15x20	300	\$165	\$330	\$0.55	600	600
	9	8	20x20	400	\$219	\$1,971	\$0.55	3,200	3,600
	4	4	20x30	600	\$289	\$1,156	\$0.48	2,400	2,400
	328	295				\$35,058	\$0.67	48,310	52,650
<u>SSS 1 UNCOVERED PARKING</u>	18	14	12x25	0	\$45	\$810	N/A	0	0
	1	1	12x25	0	\$100	\$100	N/A	0	0
	19	15		0		\$910	N/A	0	0
<u>SSS 2 NON-CLIMATE DRIVE UP</u>	80	64	10x15	150	\$109	\$8,720	\$0.73	9,600	12,000
	72	70	10x20	200	\$119	\$8,568	\$0.60	14,000	14,400
	12	12	20x20	400	\$239	\$2,868	\$0.60	4,800	4,800
	164	146				\$20,156	\$0.65	28,400	31,200
Total	511	456				\$56,124	\$0.67	76,710	83,850

*Note: Unit Mix does not include one large 200 x 300 uncovered parking space that is included in Seller's Occupancy Statistics Report. The large space is located on its own parcel adjacent to Self Storage Solutions II and it will not convey at closing.

OPERATING STATEMENT

Current, M&M Adjusted, Pro Forma

INCOME		JAN-JUN 2019 ANNUALIZED	
	\$ / OCC. SF	\$673,488	% EGI
GROSS POTENTIAL RENT			
Storage Rental Income	\$0.56	476,266	88.42%
Administrative Fees		10,488	
Late, Lein, NSF Fees		16,638	
Retail Sales		15,262	
Truck Rental Commissions		13,626	
Other Income		6,354	
EFFECTIVE GROSS INCOME	% GPR	\$538,634	
Economic Vacancy (Storage Rent Only)	29.28%	(197,222)	
EXPENSES		YEAR-END 2018	\$ / SF
Cost of Goods Sold		5,150	0.06
Bank & Credit Card Fees	1.78%	9,608	0.11
Office & Administrative		1,054	0.01
Contract Services		7,122	0.08
Miscellaneous		350	0.00
Utilities & Trash		5,478	0.07
Telephone & Internet		1,609	0.02
Marketing & Promotion		5,552	0.07
Repairs & Maintenance		10,304	0.12
Property Insurance		19,020	0.23
Salaries, Taxes, & Benefits (On-Site)		40,000	0.48
Property Taxes		54,210	0.65
Third Party Management (Off-Site)	0.00%	0	0.00
Reserves for Capital Improvements		0	0.00
TOTAL EXPENSES		\$159,457	\$1.90
Expenses % EGI	29.60%		
NET OPERATING INCOME		\$379,177	
(Debt Service)		(249,371)	
NET CASH FLOW AFTER DEBT SERVICE		\$129,806	

INCOME		JAN-JUN 2019 ANNUALIZED	
	\$ / OCC. SF	\$673,488	% EGI
GROSS POTENTIAL RENT			
Storage Rental Income	\$0.56	476,266	88.42%
Administrative Fees		10,488	
Late, Lein, NSF Fees		16,638	
Retail Sales		15,262	
Truck Rental Commissions		13,626	
Other Income		6,354	
EFFECTIVE GROSS INCOME	% GPR	\$538,634	
Economic Vacancy (Storage Rent Only)	29.28%	(197,222)	
EXPENSES		M&M-ADJUSTED YEAR-END 2018	\$ / SF
Cost of Goods Sold		5,150	0.06
Bank & Credit Card Fees	1.75%	9,426	0.11
Office & Administrative		1,054	0.01
Contract Services		7,122	0.08
Miscellaneous		1,250	0.01
Utilities & Trash		5,478	0.07
Telephone & Internet		1,609	0.02
Marketing & Promotion		4,105	0.05
Repairs & Maintenance		8,385	0.10
Property Insurance		19,020	0.23
Salaries, Taxes, & Benefits (On-Site)		40,000	0.48
Property Taxes		95,076	1.13
Third Party Management (Off-Site)	5.00%	26,932	0.32
Reserves for Capital Improvements		12,578	0.15
TOTAL EXPENSES		\$237,184	\$2.83
Expenses % EGI	44.03%		
NET OPERATING INCOME		\$301,450	
(Debt Service)		(249,371)	
NET CASH FLOW AFTER DEBT SERVICE		\$52,079	

INCOME		PRO FORMA	
	\$ / OCC. SF	\$673,488	% EGI
GROSS POTENTIAL RENT			
Storage Rental Income	\$0.65	572,465	89.65%
Administrative Fees		11,117	
Late, Lein, NSF Fees		17,636	
Retail Sales		16,178	
Truck Rental Commissions		14,444	
Other Income		6,735	
EFFECTIVE GROSS INCOME	% GPR	\$638,575	
Economic Vacancy (Storage Rent Only)	15.00%	(101,023)	
EXPENSES		PRO FORMA	\$ / SF
Cost of Goods Sold		5,305	0.06
Bank & Credit Card Fees	1.75%	11,175	0.13
Office & Administrative		1,086	0.01
Contract Services		7,336	0.09
Miscellaneous		1,288	0.02
Utilities & Trash		5,642	0.07
Telephone & Internet		1,657	0.02
Marketing & Promotion		4,228	0.05
Repairs & Maintenance		8,385	0.10
Property Insurance		19,591	0.23
Salaries, Taxes, & Benefits (On-Site)		41,200	0.49
Property Taxes		95,076	1.13
Third Party Management (Off-Site)	5.00%	31,929	0.38
Reserves for Capital Improvements		12,578	0.15
TOTAL EXPENSES		\$246,474	\$2.94
Expenses % EGI	38.60%		
NET OPERATING INCOME		\$392,101	
(Debt Service)		(249,371)	
NET CASH FLOW AFTER DEBT SERVICE		\$142,730	

NOTES

1. Storage Rental Income does not include \$1,350 / month in rent collected for 200x300 uncovered parking space located on a separate parcel adjacent to Self Storage Solutions II. This income is reflected in the Management Summary Report for Self Storage Solutions II, but is not included in the Operating Statement in the Offering Memorandum because said parcel will not convey at closing.
2. Approximately \$7,250 in Security Deposits collected by the Seller have been extracted from the Operating Statement in the Offering Memorandum
3. Bank & Credit Card Fees Represent the Industry Standard 1.75% of EGI
4. Miscellaneous has been adjusted upward to reflect submarket standards
5. Marketing & Promotion has been adjusted slightly downward to reflect submarket standards
6. Repairs & Maintenance has been calculated at the industry standard \$0.10 per rentable-square foot, based the property's age and broker's opinion of property's condition
7. Salaries, Taxes, & Benefits (On-Site) have been adjusted upward to reflect submarket standards
8. Property Taxes have been adjusted up to 60% of the current appraised value to reflect a sale. 2019 Johnson County appraised value: \$1.89 M. 2019 Tax rate: 2.78
9. Third Party Management (Off-Site) represents the industry standard 5% of EGI
10. Reserves for Capital Improvements represents the industry standard \$0.15 per rentable-square foot

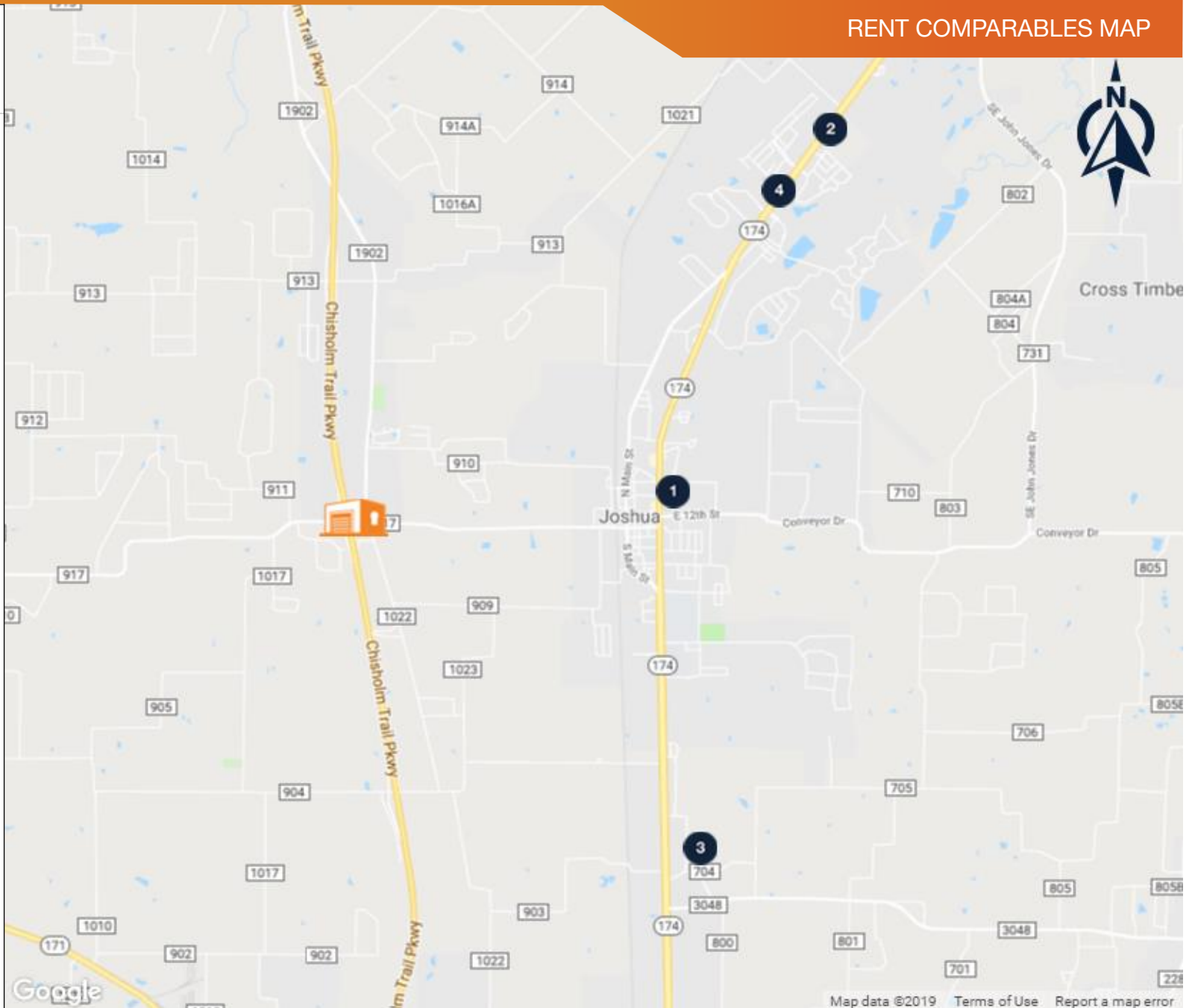
MARKET COMPARABLES



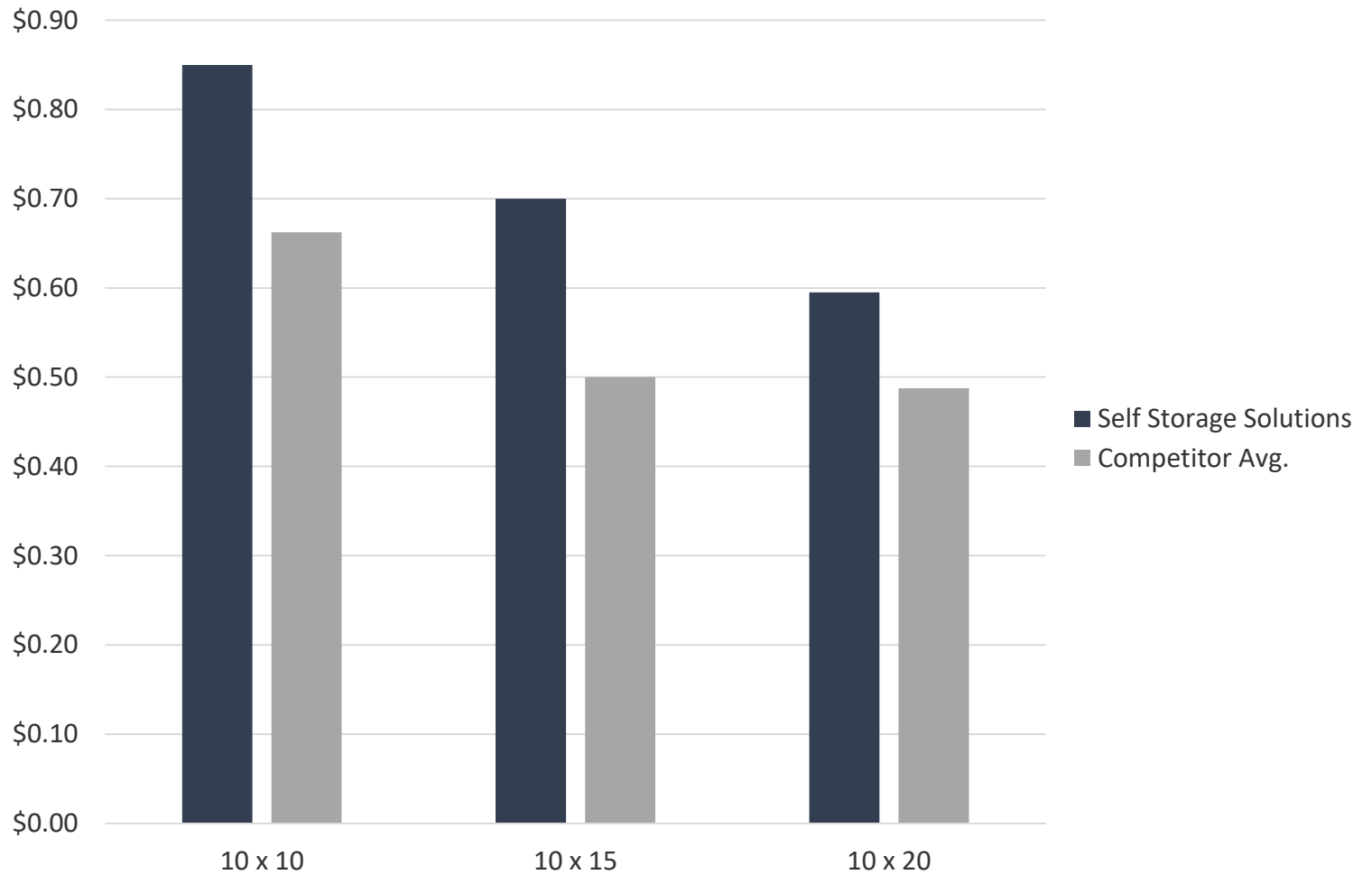


SELF STORAGE SOLUTIONS (SUBJECT)

- 1 Joshua Mini Storage
- 2 Dial's Mini Storage
- 3 Lane Prairie Storage
- 4 Willow Creek Storage



RENTAL RATE COMPARISON



SELF STORAGE SOLUTIONS
2032 F.M. 917 Burleson, TX 76058



Unit Type	SF/Unit	Rent/Unit	Rent/SF
Non-C/C 10 x 10	100	\$85.00	\$0.85
Non-C/C 10 x 15	150	\$105.00	\$0.70
Non-C/C 10 x 20	200	\$1119.00	\$0.60
Total/Avg.	83,850		

JOSHUA MINI STORAGE
113 Conveyor Drive Joshua, TX 76058



Unit Type	SF/Unit	Rent/Unit	Rent/SF
Non-C/C 10 x 10	100	\$70.00	\$0.70
Non-C/C 10 x 15	150	\$90.00	\$0.60
Non-C/C 10 x 20	200	\$110.00	\$0.55
Total/Avg.	15,000		

YEAR BUILT: 2001

NOTES

Distance from subject property: 2.22 mi.

DIAL'S MINI STORAGE
424 Wicker Way Burleson, TX 76028



Unit Type	SF/Unit	Rent/Unit	Rent/SF
Non-C/C 10 x 10	100	\$70.00	\$0.70
Non-C/C 10 x 15	150	N/A	N/A
Non-C/C 10 x 20	200	\$90.00	\$0.45
Total/Avg.	24,100		

YEAR BUILT: 1975

NOTES

Distance from subject property: 4.26 mi.

LANE PRAIRIE STORAGE

303 County Rdoad704 Joshua, TX 76058



Unit Type	SF/Unit	Rent/Unit	Rent/SF
Non-C/C 10 x 10	100	\$50.00	\$0.50
Non-C/C 10 x 15	150	\$60.00	\$0.40
Non-C/C 10 x 20	200	\$70.00	\$0.35
Total/Avg.	31,300		

YEAR BUILT: 1996

NOTES

Distance from subject property: 3.49 mi.

WILLOW CREEK STORAGE

2901 Southwest Wilshire Boulevard Burleson, TX 76028



Unit Type	SF/Unit	Rent/Unit	Rent/SF
Non-C/C 10 x 10	100	\$75.00	\$0.75
Non-C/C 10 x 15	150	N/A	N/A
Non-C/C 10 x 20	200	\$120.00	\$0.60
Total/Avg.	26,625		

YEAR BUILT: 2000

NOTES

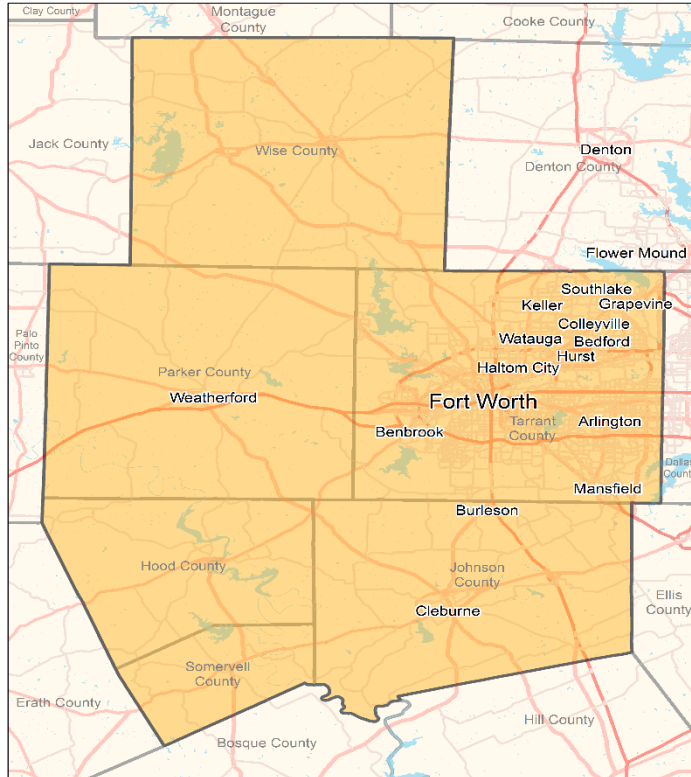
Distance from subject property: 3.75 mi.

MARKET OVERVIEW



FORT WORTH OVERVIEW

The Fort Worth metro is a part of the Dallas/Fort Worth Metroplex and consists of Tarrant, Hood, Johnson, Parker, Wise and Somervell counties. The most populous cities in the metro are Fort Worth and Arlington, which are also some of the largest cities in the state. The metro is home to several higher-educational institutions, including the University of Texas at Arlington, which supplies an educated labor force for the large and diverse employment base.



METRO HIGHLIGHTS



CORPORATE BASE

Major companies located in the metro include American Airlines Group, D.R. Horton, Pier 1 Imports, Halliburton and BNSF Railway.



MILITARY PRESENCE

Naval Air Station Joint Reserve Base Fort Worth employs more than 10,000 personnel and generates a \$1.3 billion annual impact to the local economy.



WORLD-RENOWNED EDUCATION SYSTEM

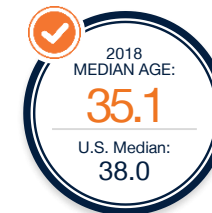
The many local universities include the University of Texas at Arlington, which is the largest university in North Texas; Texas Christian University; Tarrant County College; and Texas Wesleyan University.



ECONOMY

- Lockheed Martin Aeronautics Co. is headquartered in Air Force Plant 4 in the city of Fort Worth. It serves the Naval Air Station, also based in the metro.
- Healthcare is a strong economic driver, assisted by students graduating from the area's many colleges and universities. Large employers include Texas Health Resources and University of Texas.
- General Motors' assembly plant has been operating in the metro since 1954 and currently manufactures large SUVs for various divisions such as Chevrolet, GMC and Cadillac, providing numerous jobs.
- Local amenities include the Kimbell Art Museum, Modern Art Museum of Fort Worth, the National Cowgirl Museum and Hall of Fame, as well as rodeos at the Fort Worth Stockyards.

DEMOGRAPHICS



* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

FORT WORTH METRO AREA

Economic Trends

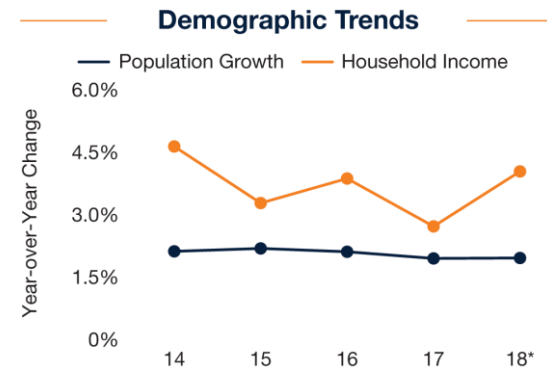
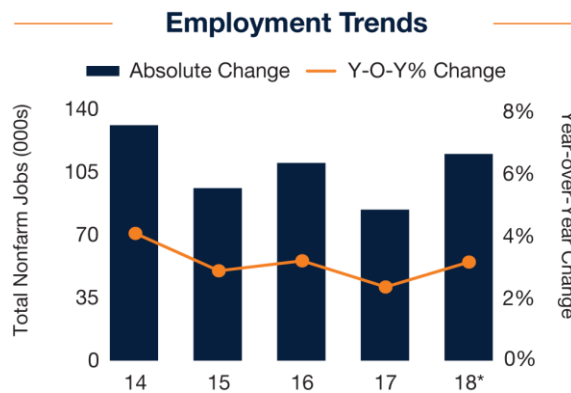
2018 Employment Forecast: g 3.2%

Widespread job creation equated to the addition of 115,100 workers over the past year in the Dallas/Fort Worth Metroplex. Hiring velocity was strongest in the professional and business services sector, expanding by 26,500 positions, with three other industries each bolstering payrolls by at least 16,000 employees. Overall in 2018, Dallas/Fort Worth organizations will hire 115,000 people, the most of any U.S. metro.

Demographic Trends

2018 Population Forecast: g 1.9%

A wealth of job openings prompts relocations and household formations, prolonging the Metroplex’s rapid population expansion. In 2018, the Dallas/Fort Worth populace increases by 1.9 percent, or 145,000 people, comparable to the previous four-year average. The 59,000 households formed this year represent a 13-year-high, while the 20- to 34-year-old cohort enlarges by nearly 27,000 individuals.



* Forecast.

FORT WORTH METRO AREA

Supply and Demand Trends

2018 Construction Forecast: 1,485,000 square feet

Developers finalized 745,000 square feet of self-storage space over the past 12 months. Completions escalate during the second half of 2018, as more than 1.2 million square feet is slated for delivery.

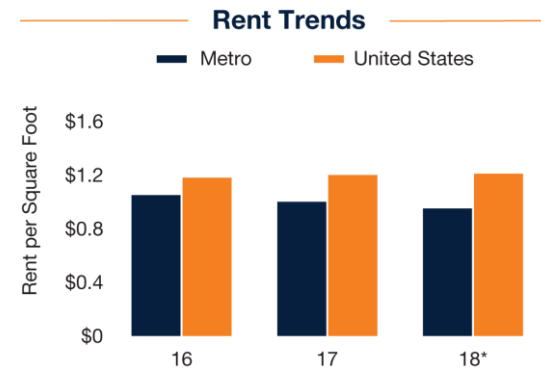
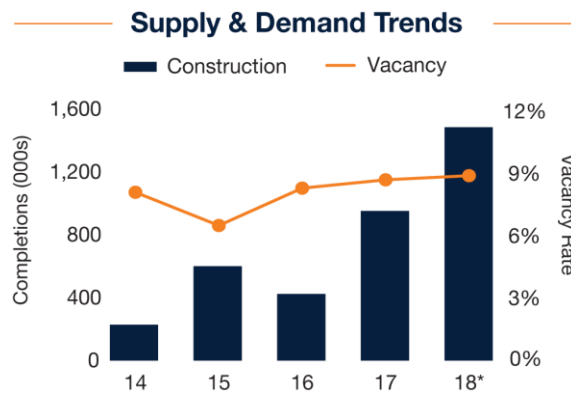
2018 Vacancy Forecast: g 20 basis points

An influx of new supply of self-storage space outpaces stout demand in 2018, raising Dallas/Fort Worth’s vacancy to 8.9 percent.

Rent Trends

2018 Rent Forecast: h 5.0%

Average marketed rent in Fort Worth dropped by 12.6 percent over the past two years, entering the second half of 2018 at 97 cents per square foot. At year’s end, the overall average asking rent is slated to reach 95 cents per square foot, down 5.0 percent year over year.



* Forecast
Average rent is estimated based on rates for a 10 x 10 foot, non-climate-controlled unit.

FORT WORTH METRO AREA

Texas/Oklahoma Investment Trends

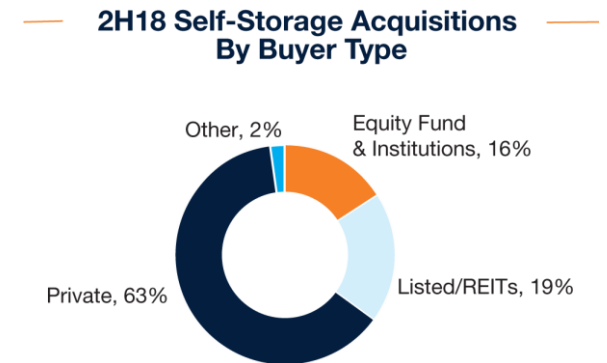
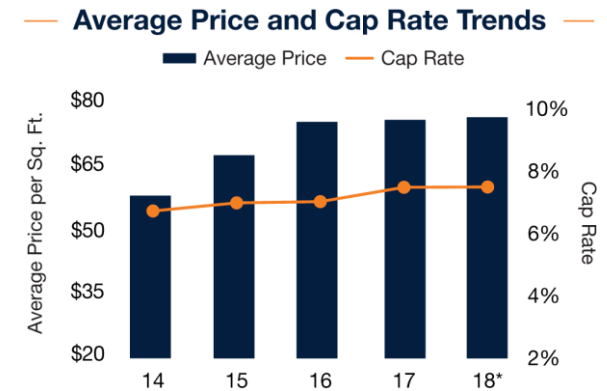
New supply additions, especially in Texas, are providing buyers in the region with new investment opportunities as the average sale price per unit remains in the \$76 range for the second year in a row. Over the same time frame, initial yields have stayed in the high-6 to mid-7 percent band.

Capital Markets

By **DAVID G. SHILLINGTON, President, Marcus & Millichap Capital Corporation**

Fed tightening monetary policy. The federal funds rate remains at 1.75 percent after the Federal Reserve raised rates 25 basis points in July. At that time, the Fed had indicated potentially two more rate hikes for this year, and as rates move up, lenders are tightening margins to compete for loans. Despite these efforts, borrowing costs are rising, which may prompt investors to seek greater returns in secondary markets.

The capital markets environment remains competitive. As the Fed stays committed to tightening policy, foreign central banks have yet to remove accommodation, encouraging flows into U.S. Treasuries. Therefore, interest rates on the 10-year Treasury remain range bound near 3.0 percent. Portfolio lenders are providing debt for self-storage assets, with 10-year loan structures ranging between 4.75 and 5.75 percent. Leverage is typically capped at 70 percent.



* Trailing 12 months through June 2018

Created on July 2019

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	1,637	13,047	25,484
■ 2018 Estimate			
Total Population	1,580	12,180	23,524
■ 2010 Census			
Total Population	1,457	11,258	21,332
■ 2000 Census			
Total Population	1,549	9,729	17,649
■ Daytime Population			
2018 Estimate	978	10,406	17,968
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	536	4,504	8,846
■ 2018 Estimate			
Total Households	505	4,133	8,049
Average (Mean) Household Size	2.94	2.95	2.92
■ 2010 Census			
Total Households	467	3,815	7,282
■ 2000 Census			
Total Households	475	3,251	5,995

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$250,000 or More	1.69%	2.10%	2.28%
\$200,000 - \$249,999	1.10%	1.59%	1.80%
\$150,000 - \$199,999	3.01%	3.60%	4.65%
\$125,000 - \$149,999	6.12%	6.16%	6.90%
\$100,000 - \$124,999	9.01%	8.88%	10.58%
\$75,000 - \$99,999	15.63%	15.72%	15.27%
\$50,000 - \$74,999	20.21%	20.30%	20.17%
\$35,000 - \$49,999	15.20%	14.09%	13.24%
\$25,000 - \$34,999	10.08%	9.42%	8.72%
\$15,000 - \$24,999	8.97%	10.13%	9.32%
Under \$15,000	8.98%	8.02%	7.08%
Average Household Income	\$82,964	\$87,312	\$92,405
Median Household Income	\$66,905	\$68,937	\$73,067
Per Capita Income	\$33,337	\$36,265	\$38,237

Source: © 2018 Experian

Created on July 2019

POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population by Age			
0 to 4 Years	6.65%	7.08%	6.60%
5 to 14 Years	15.51%	15.91%	15.68%
15 to 17 Years	5.29%	5.23%	5.15%
18 to 19 Years	3.04%	3.01%	2.91%
20 to 24 Years	6.04%	6.24%	5.85%
25 to 29 Years	5.30%	5.89%	5.68%
30 to 34 Years	5.63%	6.10%	5.97%
35 to 39 Years	6.50%	6.39%	6.24%
40 to 49 Years	14.08%	13.17%	13.18%
50 to 59 Years	14.20%	13.62%	14.07%
60 to 64 Years	6.45%	5.83%	5.94%
65 to 69 Years	4.55%	4.61%	5.11%
70 to 74 Years	3.07%	3.07%	3.39%
75 to 79 Years	1.92%	1.96%	2.18%
80 to 84 Years	1.13%	1.09%	1.19%
Age 85+	0.63%	0.78%	0.85%
Median Age	37.01	35.42	36.75

POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	1,003	7,615	15,011
Elementary (0-8)	7.10%	6.32%	5.01%
Some High School (9-11)	14.15%	12.83%	11.51%
High School Graduate (12)	36.95%	34.01%	32.46%
Some College (13-15)	23.98%	24.42%	25.96%
Associate Degree Only	5.45%	6.11%	6.40%
Bachelors Degree Only	7.17%	10.07%	11.72%
Graduate Degree	2.45%	4.45%	5.48%

Source: © 2018 Experian



Population

In 2018, the population in your selected geography is 1,580. The population has changed by 2.00% since 2000. It is estimated that the population in your area will be 1,637.00 five years from now, which represents a change of 3.61% from the current year. The current population is 50.52% male and 49.48% female. The median age of the population in your area is 37.01, compare this to the US average which is 37.95. The population density in your area is 502.94 people per square mile.



Households

There are currently 505 households in your selected geography. The number of households has changed by 6.32% since 2000. It is estimated that the number of households in your area will be 536 five years from now, which represents a change of 6.14% from the current year. The average household size in your area is 2.94 persons.



Income

In 2018, the median household income for your selected geography is \$56,905, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 28.13% since 2000. It is estimated that the median household income in your area will be \$65,832 five years from now, which represents a change of 15.69% from the current year.

The current year per capita income in your area is \$23,337, compare this to the US average, which is \$32,356. The current year average household income in your area is \$72,964, compare this to the US average which is \$84,609.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 86.11% White, 1.52% Black, 0.01% Native American and 0.21% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 20.54% of the current year population in your selected area. Compare this to the US average of 18.01%.



Housing

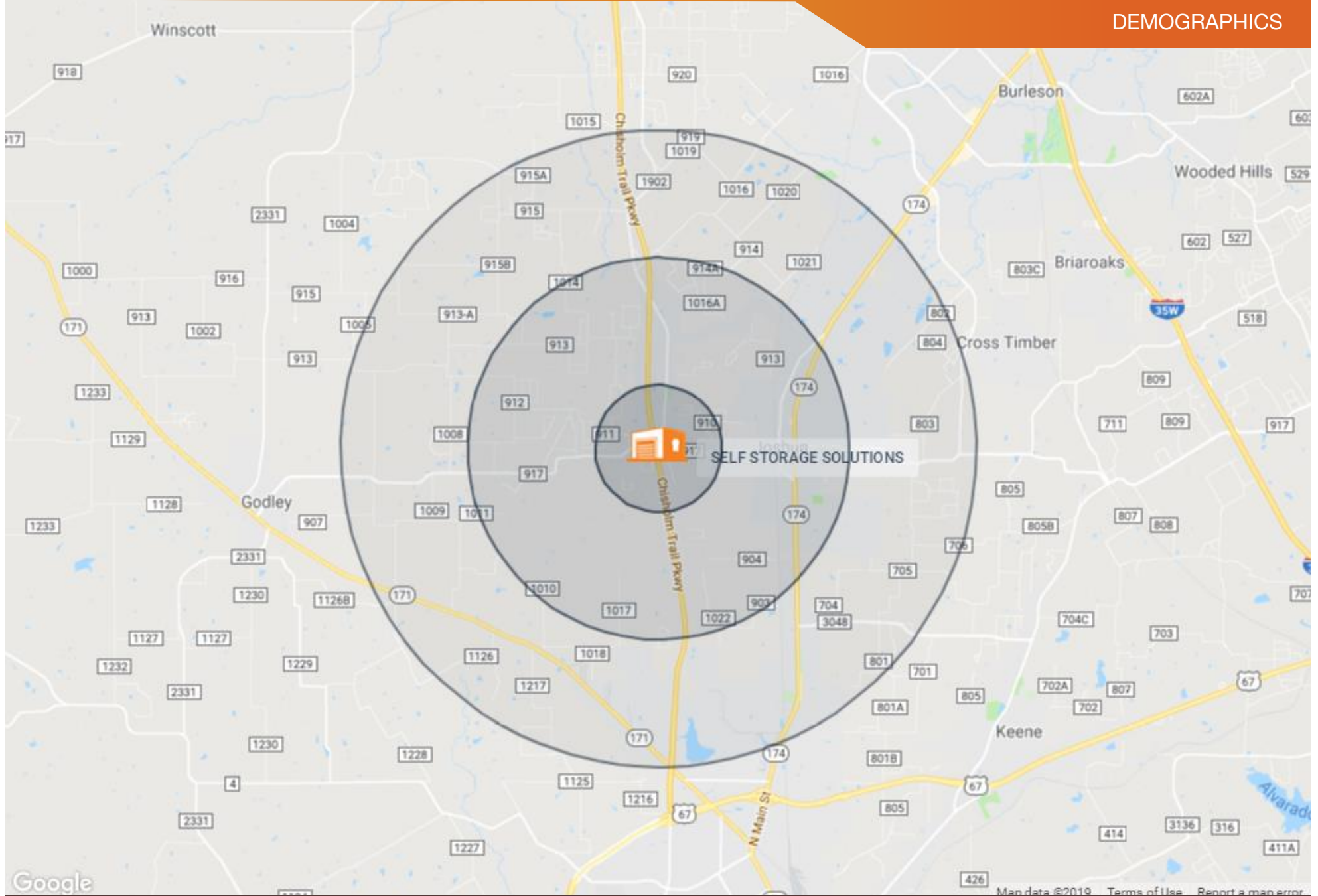
The median housing value in your area was \$102,226 in 2018, compare this to the US average of \$201,842. In 2000, there were 404 owner occupied housing units in your area and there were 71 renter occupied housing units in your area. The median rent at the time was \$378.



Employment

In 2018, there are 198 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 47.34% of employees are employed in white-collar occupations in this geography, and 51.22% are employed in blue-collar occupations. In 2018, unemployment in this area is 5.54%. In 2000, the average time traveled to work was 39.00 minutes.

Source: © 2018 Experian



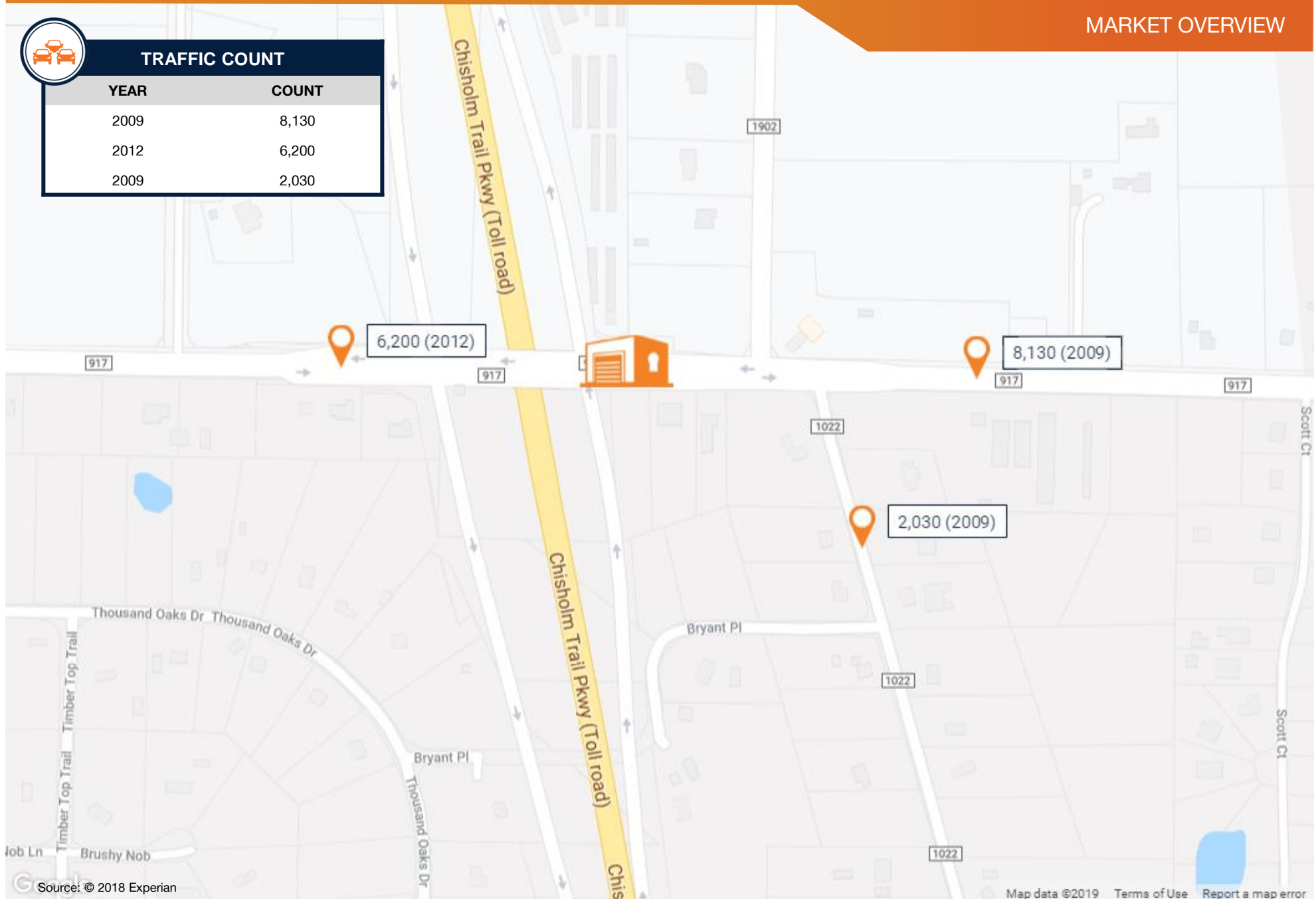
Google

Map data ©2019 Terms of Use Report a map error



TRAFFIC COUNT

YEAR	COUNT
2009	8,130
2012	6,200
2009	2,030



Source: © 2018 Experian

Map data ©2019 Terms of Use Report a map error