

Kerrville Medical Office Offering Memorandum

703 Hill Country Drive, Kerrville, TX 78028 SOLD

708 Hill Country Drive, Kerrville, TX 78028 SOLD

712 Hill Country Drive, Kerrville, TX 78028

251 Cully Drive, Kerrville, TX 78028





TRANSWESTERN

REAL ESTATE
SERVICES

Contents

Executive Summary 4

Property Overview 10

Market Overview 19

Disclosures 24

For more information, please contact:

Russell Noll, CCIM, CPM

Transwestern

Executive Managing Director

Russell.Noll@transwestern.com

210.253.2945

Kelly Ralston

Transwestern

Senior Vice President

Kelly.Ralston@transwestern.com

210.253.2928

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Transwestern is pleased to offer for sale Kerrville's Medical Office Building portfolio. The portfolio is comprised of two properties totaling approximately 19,060 square feet, that offers high occupancy, triple net leases and the potential for long term, stable income. The properties are strategically located adjacent to the Peterson Regional Medical Campus in Kerrville, Texas.

Property Summary

	703 Hill Country Dr Kerrville, Texas	708 Hill Country Dr Kerrville, Texas	712 Hill Country Dr Kerrville, Texas	251 Cully Dr Kerrville, Texas	Portfolio
Net Rentable SF	±12,270	±15,547	±8,314	±10,746	±19,060
Year Built	2009	2003	2009	2005	2005-2009
# of Leases	6	5	5	3	8
Projected NOI	\$240,966	\$264,920	\$169,715	\$158,611	\$328,326
Parking Ratio	5.62/1,000	6.23/1,000	5.29/1,000	5.21/1,000	5.25/1,000
Acres	±1.148	±1.83	±1.0	±1.13	±2.13

Confidentiality Agreement 



INVESTMENTS HIGHLIGHTS



- + **MULTI-TENANT PORTFOLIO:** Nineteen tenants spread across four properties minimizes rent roll risk.
- + **TENANT MIX:** Varied medical specialties create a synergy in the portfolio that is mutually beneficial to tenants. Additionally, the few non-medical tenants have client profiles that are economically favorable to the portfolio.
- + **STRATEGIC LOCATION:** The portfolio's proximity to the Peterson Regional Medical Campus is highly recognizable. The Kerrville MOB portfolio provides lease options that cannot be met at Peterson, and is a well known location benefiting all tenants and more.

- + **KERRVILLE COMMUNITY:** Kerrville is one of the Texas Hill Country's most dynamic and vibrant communities. It provides best-in-class medical care to Kerrville and the surrounding Hill Country.
- + **QUALITY REAL ESTATE:** The portfolio's buildings were designed and constructed with sensitivities to the Hill Country environment and long-term quality. This intentionally has resulted in lower capital maintenance costs as well as a visually appealing environment.
- + **CAPITAL UPDATES:** Ownership has invested in excess of \$800,000 in the past six years. This has been through landscaping, parking lot improvements, new roofing and the maintenance, repair and replacement of HVAC units, as an ongoing commitment to improve the value of the property.

TENANT OVERVIEW

Precision Dermatology. Dr. Matthew Lambiase

Precision Dermatology provides expert skin care advice and outstanding patient care. Dr. Lambiase is a board certified dermatologist that will provide the expertise and lifelong commitment to medical education.



4,311
SQUARE FEET



**SUITE 100,
SUITE 202**
712 HILL
COUNTRY DR



DERMATOLOGY



[HTTPS://WWW.
PRECISIONDERMTX.COM](https://www.precisiondermtx.com)

Edward Jones. Kendall Davison

Kendall Davison is a Financial Advisor with the goal to help people achieve a process to build personalized strategies. He has received the AAMS™ designation from the College for Financial Planning.



1,122
SQUARE FEET



SUITE 201
712 HILL
COUNTRY DR



FINANCIAL



[HTTPS://WWW.
EDWARDJONES.COM/](https://www.edwardjones.com/)

For Eye Care. Dr. Bret Ford

For Eye Care Center is the leading eye care center in the Texas Hill Country. They have been voted Readers Choice "Best Optometrist and Best Optical Store in Kerr County" multiple times since 2012.



2,425
SQUARE FEET



SUITE 301
712 HILL
COUNTRY DR



VISION



[HTTPS://WWW.
FORDECARE.COM](https://www.foryecare.com)

KAI GIA. Stephen Schmerbeck

Garrett Insurance is a family-owned and operated Kerrville Independent Insurance Agency, which offers risk management solutions and personal and commercial insurance.



456
SQUARE FEET



SUITE 302
712 HILL
COUNTRY DR



INSURANCE



[HTTPS://WWW.
GARRETTINSURANCE.COM](https://www.garrettinsurance.com)

Layton Aesthetic Plastic Surgery. Dr. Ernie Layton

Dr. Layton is a board-certified plastic surgeon with more than 25 years of experience. Dr. Layton practices in Houston and Kerrville, Texas, where his patients are his top priority.



2,984
SQUARE FEET



SUITE 1
251 CULLY DR



PLASTIC
SURGERY



[HTTPS://
DRERNESTLAYTON.COM](https://drernestlayton.com)

OFFER GUIDELINES

INTERESTED OFFERS	A 100% fee-simple interest is offered in the Property free and clear of debt and all financing encumbrances.
PROPERTY TOURS	Registered prospective purchasers are encouraged to visit the Property and should contact Russell Noll or Kelly Ralston to arrange a tour of the Property prior to submittal of bids.
BIDS	All offers should be submitted in writing to Russell Noll and Kelly Ralston via mail, email or hand delivery at the Transwestern office: 8200 IH-10 West, Suite 510 San Antonio, TX 78230 P: (210) 253.2943 Russell.Noll@transwestern.com; Kelly.Ralston@transwestern.com
TERMS	All cash at closing.
EARNEST MONEY DEPOSIT	A \$375,000 initial deposit is recommended, with an additional \$375,000 deposit after completion of the due diligence period.
TITLE COMPANY	Kerrville Title Company; 290 Thompson Dr, Kerrville, Texas 78028; Clay Robertson
DUE DILIGENCE PERIOD	No more than 30 days is recommended.
REAL ESTATE TAXES	Real Estate Taxes will be prorated as of the Closing Date.
CLOSING	A closing before 60 days is strongly recommended.
OFFER GUIDELINES	<ul style="list-style-type: none">• The price and allocation of closing costs should be provided separately for each of the ASC/medical office buildings and each of the three land parcels.• The source of purchaser's equity and debt capital.• A description of major assumptions reflected in the price offered for each ASC building and each of the three land parcels.

KERRVILLE PROPERTY OVERVIEW



PROPERTY OVERVIEW: 703 HILL COUNTRY DR

Lease Terms

LEASES	6 Leases
ADDRESS	703 Hill Country Dr
LAND AREA	±1.148 AC
TOTAL RENTABLE SF	±12,270 SF
BUILDINGS	3 Buildings
SPACE ALLOCATION	Suite 101: ± 2,405 SF
	Suite 102: ± 1,921 SF
	Suite 201: ± 1,461 SF
	Suite 202: ± 2,405 SF
	Suite 301: ± 2,449 SF
	Suite 302: ± 1,629 SF
PROJECTED NOI	\$240,966
LEASE TYPE	Triple Net

KERR COUNTY PROPERTY TAX INFORMATION:

PROPERTY ID	538008 13360 & 538008 13361
LEGAL DESCRIPTION	ABS A0095 COCKE, SUR 144, ACRES ±1.148, Undivided Interest 75.0000000000%
	ABS A0095 COCKE, SUR 144, ACRES ±1.148, Undivided Interest 75.0000000000%
	ABS A0095 COCKE, SUR 144, ACRES ±1.148, Undivided Interest 25.0000000000%



SOLD

PROPERTY OVERVIEW: 708 HILL COUNTRY DR

Lease Terms

LEASES	5 Leases
ADDRESS	708 Hill Country Dr
LAND AREA	±1.83 AC
TOTAL RENTABLE SF	±15,547 SF
BUILDINGS	4 Buildings
SPACE ALLOCATION	Suite 100: ± 3,712 SF Suite 200: ± 2,755 SF Suite 400: ± 4,604 SF Suite 300A: ± 3,246 SF Suite 300B: ± 1,230 SF
PROJECTED NOI	\$264,920
LEASE TYPE	Triple Net

KERR COUNTY PROPERTY TAX INFORMATION:

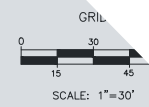
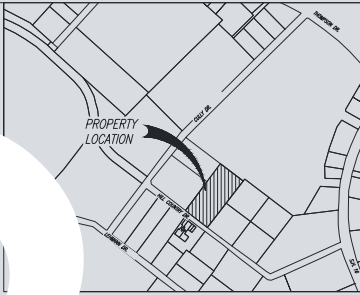
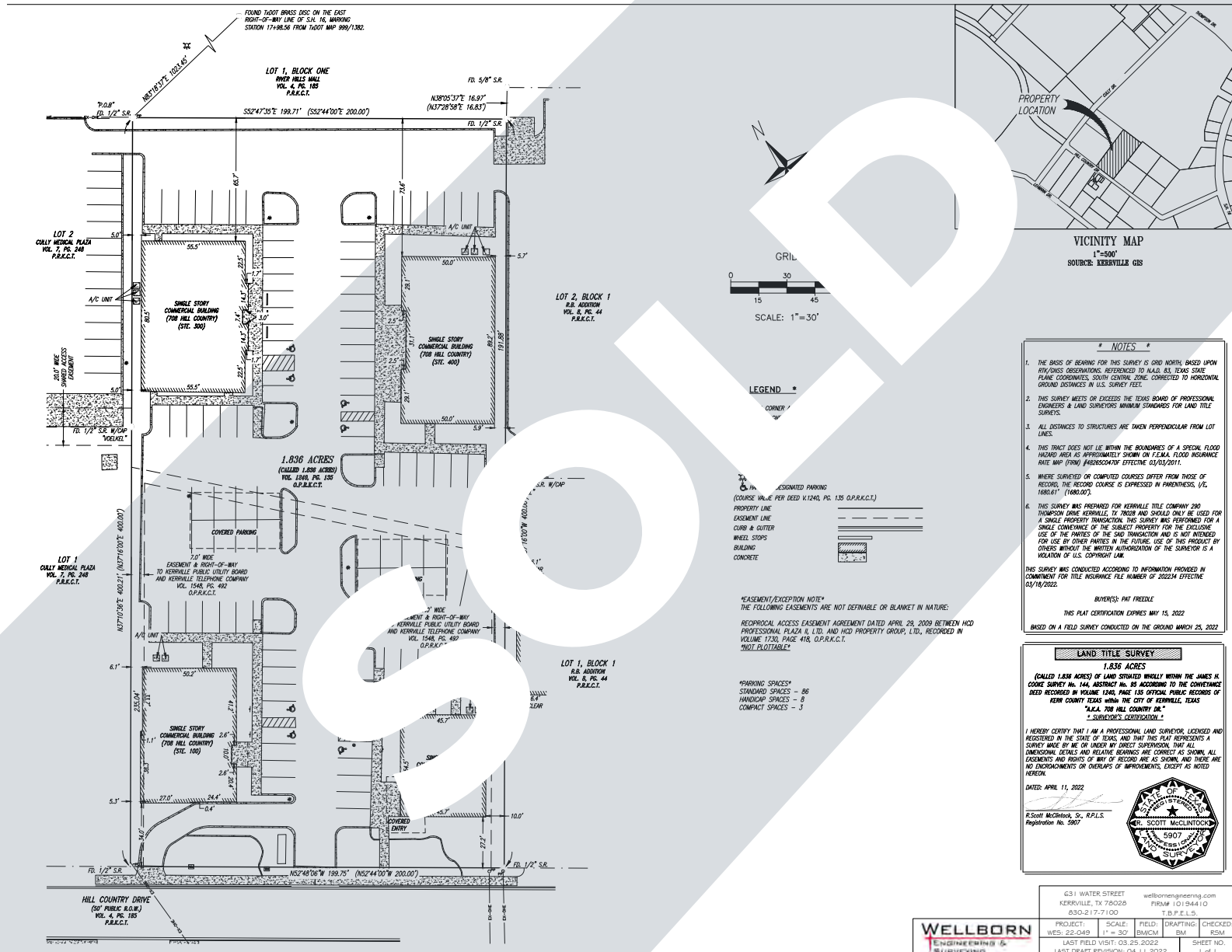
PROPERTY ID	13366
LEGAL DESCRIPTION	ABS A0095 COCKE SUR 144, ACRES ±1.83



SOLO

PROPERTY OVERVIEW: 708 HILL COUNTRY DR

Survey



LEGEND

- CORNER
- RESERVED PARKING
- PROPERTY LINE
- EASEMENT LINE
- CURB & GUTTER
- WHEEL STOPS
- BUILDING
- CONCRETE

EASEMENT/EXCEPTION NOTE
 THE FOLLOWING EASEMENTS ARE NOT DEFINABLE OR BLANKET IN NATURE:
 RECIPROCAL ACCESS EASEMENT AGREEMENT DATED APRIL 29, 2009 BETWEEN HCD PROFESSIONAL PLAZA & L.L.D. AND HCD PROPERTY GROUP, L.L.D., RECORDED IN VOLUME 1730, PAGE 418, O.P.R.K.C.T.
 NOT FLOTTABLE

PARKING SPACES
 STANDARD SPACES - 86
 HANDICAP SPACES - 8
 COMPACT SPACES - 3

*** NOTES ***

1. THE BASIS OF BEARING FOR THIS SURVEY IS GRID NORTH, BASED UPON BIRDSON'S OBSERVATIONS, REFERENCED TO NAD 83 TEXAS STATE PLANE COORDINATES, SOUTH CENTRAL ZONE, CONNECTED TO HORIZONTAL GRIDLINE DISTANCES IN U.S. SURVEY FEET.
2. THIS SURVEY MEETS OR EXCEEDS THE TEXAS BOARD OF PROFESSIONAL ENGINEERS & LAND SURVEYORS MINIMUM STANDARDS FOR LAND TITLE SURVEYS.
3. ALL DISTANCES TO STRUCTURES ARE TAKEN PERPENDICULAR FROM LOT LINES.
4. THIS TRACT DOES NOT LIE WITHIN THE BOUNDARIES OF A SPECIAL FLOOD HAZARD AREA AS APPROXIMATELY SHOWN ON FEMA FLOOD INSURANCE RATE MAP (FIRM) #88583047M EFFECTIVE 03/03/2011.
5. WHERE SURVEYED OR COMPUTED COURSES DIFFER FROM THOSE OF RECORD, THE RECORD COURSE IS EXPRESSED IN PARENTHESES, (E.G. 1680.61' (1680.00')).
6. THIS SURVEY WAS PREPARED FOR KERRVILLE TITLE COMPANY 200 THOMPSON DRIVE KERRVILLE, TX 77028 AND SHOULD ONLY BE USED FOR A SINGLE PROPERTY TRANSACTION. THIS SURVEY WAS PERFORMED FOR A SINGLE CONFORMANCE OF THE SUBJECT PROPERTY FOR THE EXCLUSIVE USE OF THE PARTIES OF THE SAID TRANSACTION AND IS NOT INTENDED FOR USE BY OTHER PARTIES IN THE FUTURE. USE OF THIS PRODUCT BY OTHERS WITHOUT THE WRITTEN AUTHORIZATION OF THE SURVEYOR IS A VIOLATION OF U.S. COPYRIGHT LAW.

THIS SURVEY WAS CONDUCTED ACCORDING TO INFORMATION PROVIDED IN COMMITMENT FOR TITLE INSURANCE FILE NUMBER OF 202324 EFFECTIVE 04/16/2022.
 BUYER(S): PM FREELE
 THIS PLAT CERTIFICATION EXPIRES MAY 15, 2022
 BASED ON A FIELD SURVEY CONDUCTED ON THE GROUND MARCH 25, 2022

LAND TITLE SURVEY

1.836 ACRES
 (CALLED 1.836 ACRES) OF LAND SITUATED WHOLLY WITHIN THE JAMES H. COFFEY SURVEY NO. 144, DISTRICT NO. 49 ACCORDING TO THE CONFORMANCE DEED RECORDED IN VOLUME 1748, PAGE 138 OFFICIAL PUBLIC RECORDS OF KERR COUNTY TEXAS WITHIN THE CITY OF KERRVILLE, TEXAS
 "A.K.A. 708 HILL COUNTRY DR."
 + SUBSEQUENT CONVEYANCES.

I HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR, LICENSED AND REGISTERED IN THE STATE OF TEXAS, AND THAT THIS PLAT REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, THAT ALL DIMENSIONAL DETAILS AND RELATIVE BEARINGS ARE CORRECT AS SHOWN, ALL EASEMENTS AND RIGHTS OF WAY OF RECORD ARE AS SHOWN, AND THERE ARE NO ENCUMBRANCES OR CLAIMS OF IMPROVEMENTS, EXCEPT AS NOTED HEREON.

DATED: APRIL 11, 2022
 R. Scott McClintock, Sr., R.F.L.S.
 Registration No. 5907



WELLBORN ENGINEERING & SURVEYING	PROJECT: 1	SCALE: 1"=30'	FIELD: []	DRAFTING: []	CHECKED: []
	WES-22-049	1"=30'	EM/CH	EM	ESM
	LAST FIELD VISIT: 03/25/2022				SHEET NO. 1 of 1
	LAST DRAFT REVISION: 04/11/2022				

631 WATER STREET
 KERRVILLE, TX 76028
 830-217-7100
 wellbornengineering.com
 FIRM 10194410
 T.B.P.E.L.S.

PROPERTY OVERVIEW: 712 HILL COUNTRY DR

Lease Terms

LEASES	5 Leases
ADDRESS	712 Hill Country Dr
LAND AREA	±1.0 AC
TOTAL RENTABLE SF	±8,314 SF
BUILDINGS	3 Buildings
SPACE ALLOCATION:	Suite 100: ± 2,703 SF Suite 201: ± 1,122 SF Suite 202: ± 1,608 SF Suite 301: ± 2,425 SF Suite 302: ± 456 SF
PROJECTED NOI	\$169,715
LEASE TYPE	Triple Net



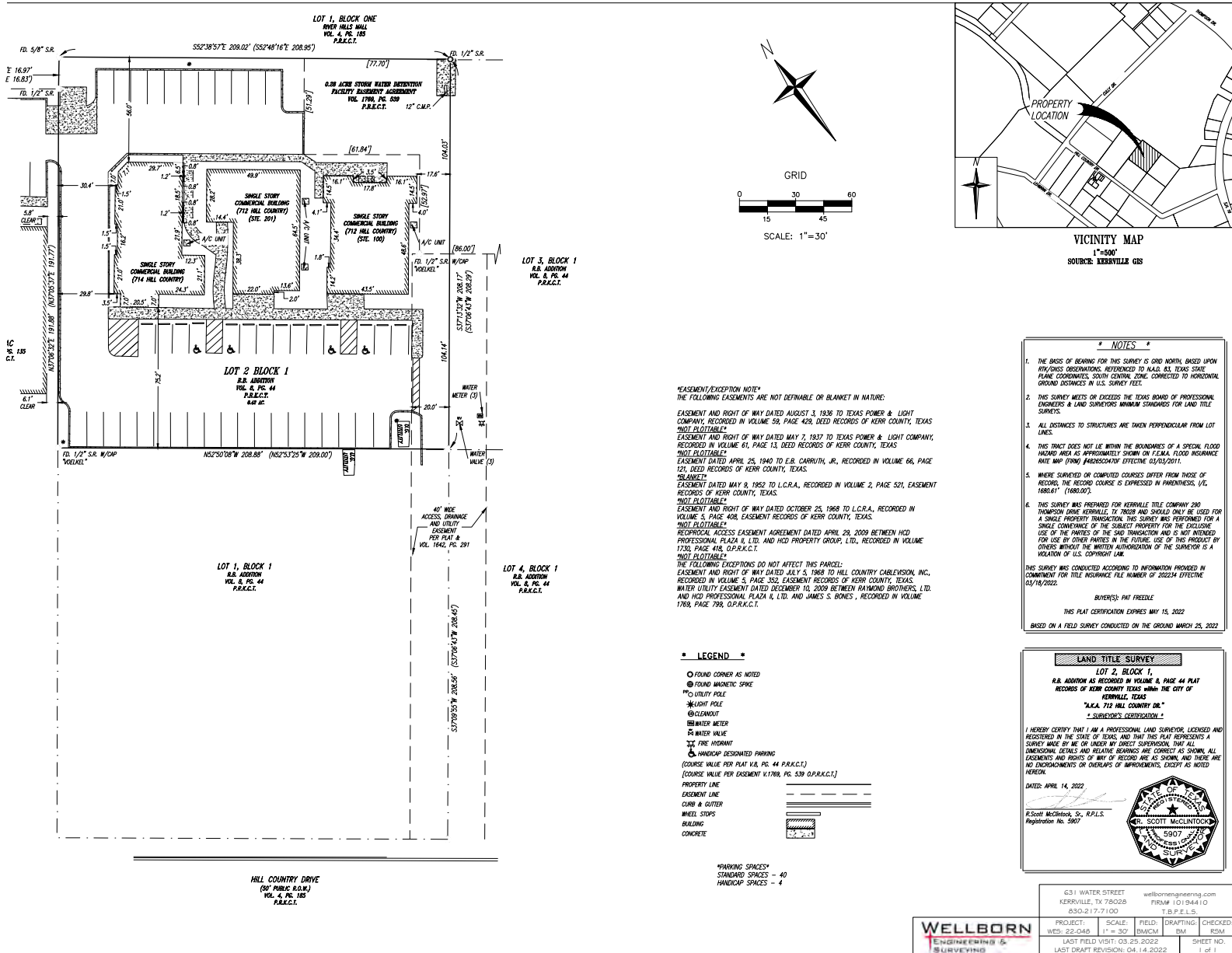
KERR COUNTY PROPERTY TAX INFORMATION:

PROPERTY ID	538006, 529995 & 538007
LEGAL DESCRIPTION	R B ADDN BLK 1 LOT 2 ACRES ±1.0., R B ADDN BLK 1 LOT 2 ACRES ±1., UNDIVIDED INTEREST 75.0000000000% R B ADDN BLK 1 LOT 2 ACRES ±1., UNDIVIDED INTEREST 25.0000000000%



PROPERTY OVERVIEW: 712 HILL COUNTRY DR

Survey



PROPERTY OVERVIEW: 251 CULLY DR

Lease Terms

LEASES	3 Leases
ADDRESS	251 Cully Dr
LAND AREA	±1.13 AC
TOTAL RENTABLE SF	±10,746 SF
BUILDINGS	1 Building
SPACE ALLOCATION:	Suite 100: ± 2,984 SF Suite 200: ± 3,513 SF Suite 300: ± 4,249 SF
PROJECTED NOI	\$158,611
LEASE TYPE	Triple Net

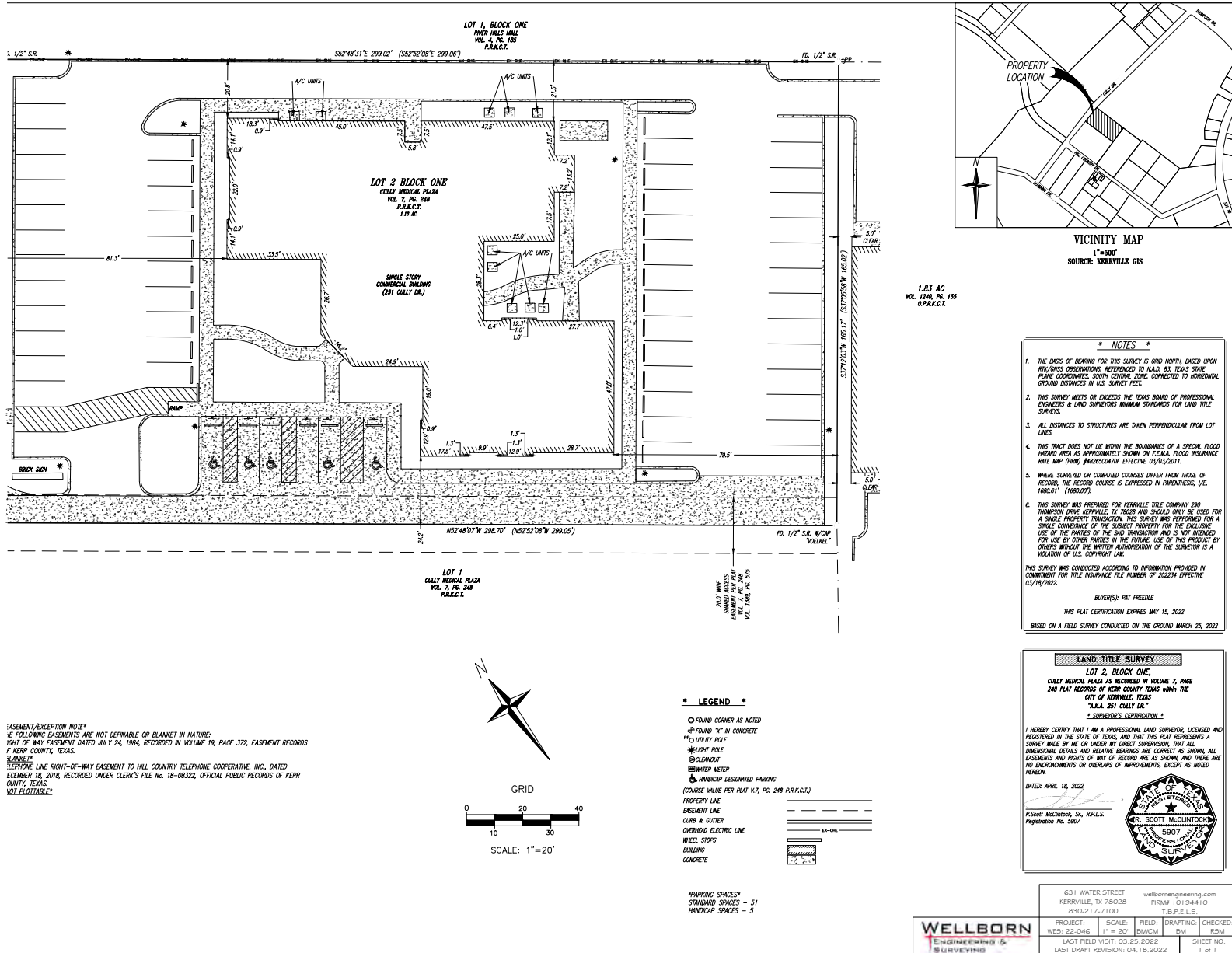
KERR COUNTY PROPERTY TAX INFORMATION:

PROPERTY ID	70427
LEGAL DESCRIPTION	CULLEY MEDICAL PLAZA BLK 1 LOT 2 ACRES ±1.13



PROPERTY OVERVIEW: 251 CULLY DR

Survey



MARKET OVERVIEW



KERRVILLE OVERVIEW

Kerrville sits along the Guadalupe River in the heart of the Texas Hill Country. Kerrville is home to Schreiner University, H-E-B, and the Kerrville Municipal Airport. The City of Kerrville is continuing to grow at a steady rate, where the area has been diversified economically through health care, business, education, transportation services and more service lines. *City of Kerrville*



A 30-year community driven initiative to implement the new goals for Kerrville's community and residents based on their visions and perspectives. The City of Kerrville, and the Greater Kerrville area, Kerr County, is expected to reach 70,000 people by 2050. Over 45,000 are projected to be living in present-day Kerrville and the two-mile ETJ.

VISION STATEMENT

Kerrville will be a vibrant, welcoming and inclusive community that:

- Respects and protects the natural environment that surrounds it;
- Seeks to attract economic growth and development;
- Provides opportunities for prosperity, personal enrichment and intellectual growth for people of all ages; and
- Does so while preserving the small-town charm, heritage, arts and culture of the community.

PARKS/OPEN SPACES/THE RIVER CORRIDOR

The Guadalupe River is considered the heart of the community where a multitude of Kerrville's recreational assets surround it. Within the Kerrville city limits there are six trails, River, Kerrville-Schreiner Park, Singing Wind Park, Boardwalk Pavilion, Elm Creek Park, and Galbraith/Culberson. Roughly six percent of Kerrville and its ETJ are parks/open spaces or scenic areas that are all publicly owned. Tourists from around the world visit Kerrville not only for the Guadalupe River, but to experience the Texas Hill Country and the historical sites around it. Kerrville 2050 is focusing on enhancing these areas for the community to continue to enjoy.

TARGETED INDUSTRIES AND CLUSTERS

- Hotel and Convention
- Life Science and Healthcare
- Advanced Manufacturing
- Information, Analytics & Security
- Craft Agriculture
- Energy
- Avionics/Aerospace
- Food Processing & Storage

COMMERCIAL AREAS

- Downtown Kerrville
- Along Highways 16 & 27
- Around River Hills Mall

The Kerrville 2050 will be focusing on improving and reinvesting in the three areas above. Highways 16 & 27 are known as the primary commercial corridors, where Kerrville will establish overlay districts so the community can have a guide for future development & redevelopment.

KERRVILLE DEMOGRAPHIC OVERVIEW

40,409

Population

16,927

Households

2.29

Avg Size Household

49.5

Median Age

\$61,928

Median Household Income

\$220,089

Median Home Value

83

Wealth Index

120

Housing Affordability

65

Diversity Index

MORTGAGE INDICATORS



\$9,509

Avg Spent on Mortgage & Basics



18.7%

Percent of Income for Mortgage

POPULATION BY GENERATION



12.2%

Greatest Gen:
Born 1945/Earlier



28.0%

Baby Boomer:
Born 1946 to 1964



16.8%

Generation X:
Born 1965 to 1980



18.1%

Millennial:
Born 1981 to 1998



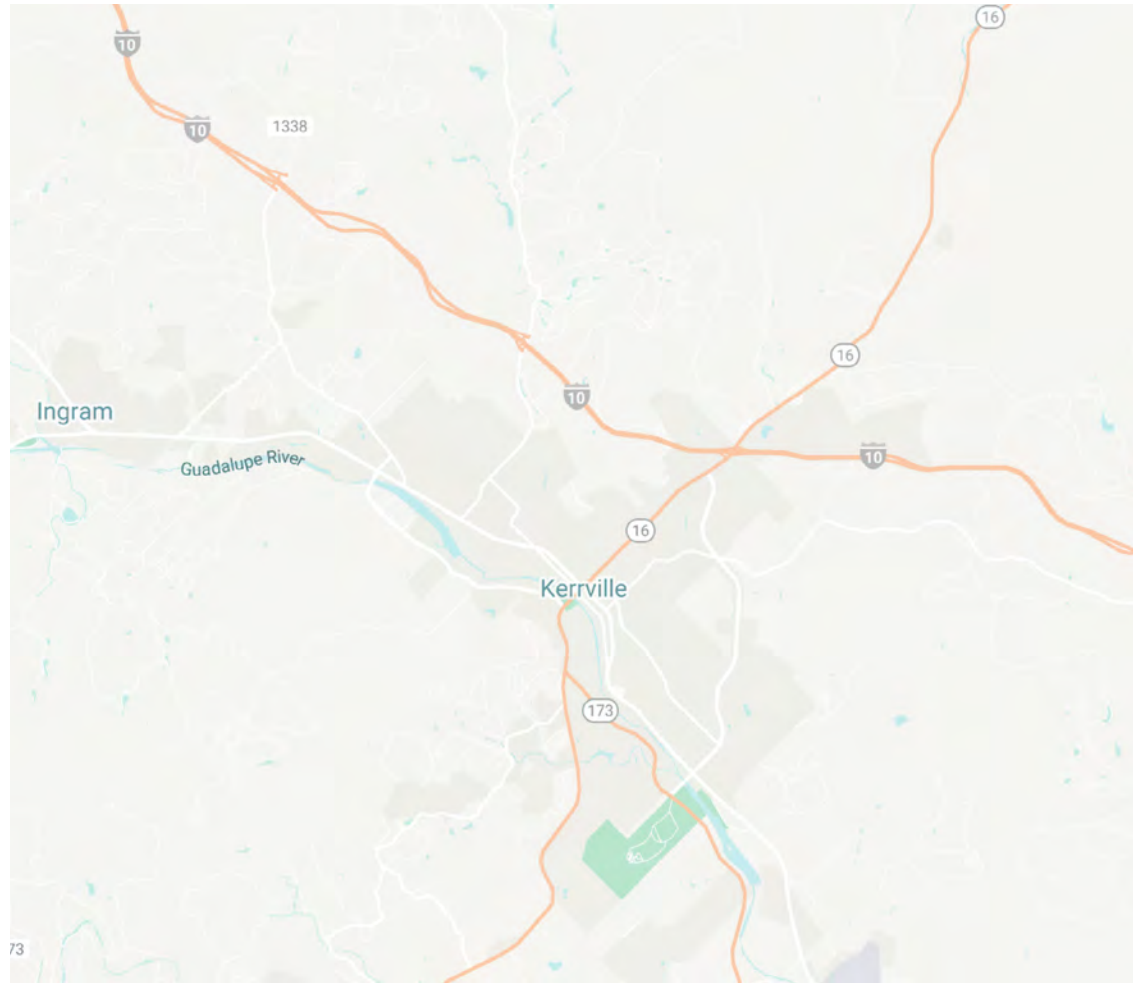
19.3%

Generation Z:
Born 1999 to 2016



5.6%

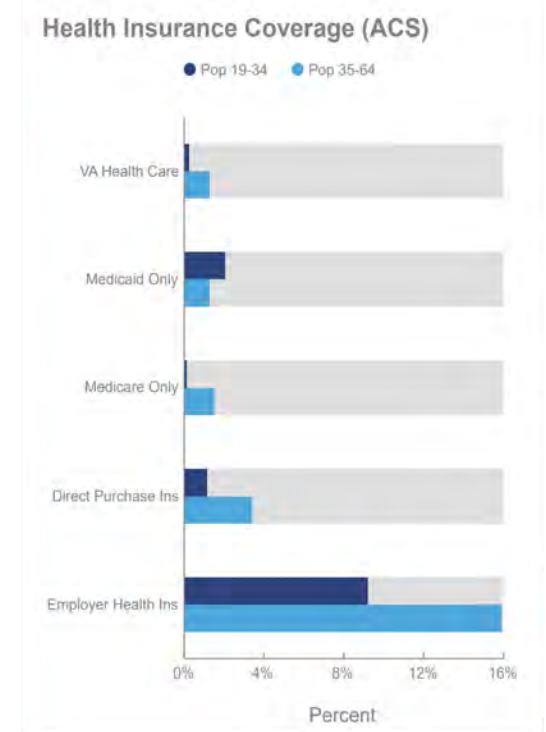
Alpha: Born
2017 to Present



HEALTHCARE OVERVIEW



Health Care (Consumer Spending)	Annual Expenditure
Blue Cross/Blue Shield	\$1,014.0
Medicare Payments	\$994.3
Physician Services	\$237.2
Dental Services	\$410.0
Eyecare Services	\$67.9
Lab Tests/X-rays	\$66.5
Hospital Room & Hospital Service	\$191.4
Convalescent/Nursing Home Care	\$36.4



40,409
2022 Total Population (Esri)

MY INFOGRAPHIC

42%
2022 Visited Dentist Last 12 Mo (%)

81%
2022 Visited Doctor Last 12 Mo (%)

PETERSON HEALTH



Peterson Health, is a health network serving patients and the community in the Texas Hill Country, for 73 years. Since 1949 the network has quickly expanded to eighteen rooftops across nine counties. Peterson Health's flagship hospital, Peterson Regional Medical Center, not-for-profit rural community hospital with 124-beds, located in Kerrville, TX.

Peterson Regional Medical Center is the only Texas hospital nationally recognized as a Top 20 Rural Community Hospital by the National Rural Health Association and is home to more than 1,200 full time employees and 250 medical professionals, Peterson Health remains the largest employer in Kerr County for decades.

The main campus in Kerrville offers 26 world-class key service lines, including a neighboring Ambulatory Care Center. Peterson has expanded its footprint in neighboring counties with plans to continue to expand into regions of the Texas Hill Country that need quality care.

www.petersonhealth.com

DISCLOSURES

CONFIDENTIAL MEMORANDUM & DISCLAIMER: Transwestern (“Agent”) has been engaged as the exclusive agents for the sale of Kerrville Medical Office Buildings In Kerrville, TX (the “Property”), by the owner of the Property (“Seller”). The Property is being offered for sale in an “as-is, where-is” condition and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum.

The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. Neither the enclosed materials nor any information contained herein is to be used for any other purpose or made available to any other person without the express written consent of the Seller. Each recipient, as a prerequisite to receiving the enclosed, should be registered with Transwestern as a “Registered Potential Investor” or as “Buyer’s Agent” for an identified “Registered Potential Investor.” The use of this Offering Memorandum and the information provided herein is subject to the terms, provisions and limitations of the confidentiality agreement furnished by Agent prior to delivery of this Offering Memorandum. The enclosed materials are being provided solely to facilitate the prospective investor’s own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by Agent or Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners and directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither the Agent or the Seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein or any other written or oral communication or information transmitted or made available or any action taken or decision made by the recipient with respect to the Property. Interested parties are to make their own investigations, projections and conclusions without reliance upon the material contained herein.

Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Seller and Agent each expressly reserves the right, at their sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time, with or without notice. This offering is made subject to omissions, correction of errors, change of price or other terms, prior sale or withdrawal from the market without notice. Agent is not authorized to make any representations or agreements on behalf of Seller.

Seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered, and approved by Seller and any conditions to Seller’s obligations thereunder have been satisfied or waived.

By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a highly confidential nature and will be held and treated in the strictest confidence and shall be returned to Agent or Seller promptly upon request; and (b) the recipient shall not contact employees or tenants of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of the Seller or Agent; and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of Seller or Agent or as otherwise provided in the Confidentiality and/or Registration Agreement executed and delivered by the recipient(s) to Transwestern.

HAZARDOUS MATERIALS DISCLOSURE: Various construction materials may contain items that have been or may in the future be determined to be hazardous (toxic) or undesirable and may need to be specifically treated, handled or removed. Real estate agents have no expertise in the detection or correction of hazardous or undesirable items. Expert inspections are necessary. Current or future laws may require clean up of such materials. It is the responsibility of the buyer to retain qualified experts to detect and correct such matters and to consult with legal counsel of their choice to determine if such materials are present and if so, to determine what, if anything, the buyer needs to do because of the presence of such materials.

AMERICANS WITH DISABILITIES ACT AND TEXAS ARCHITECTURAL BARRIERS ACT DISCLOSURE: The United States Congress has enacted the Americans with Disabilities Act and Texas has enacted the Texas Architectural Barriers Act. Among other things, these acts are intended to make many business establishments equally accessible to persons with a variety of disabilities; modifications to real property may be required. Other state and local laws also may mandate changes. The real estate brokers in this transaction are not qualified to advise you as to what, if any, changes may be required now, or in the future. Bidders should consult attorneys and qualified design professionals of their choice for information regarding these matters. Real estate brokers cannot determine which attorneys or design professionals have the appropriate expertise in this area.

The information provided herein was obtained from sources believed reliable; however, Transwestern makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price or conditions, prior sale or lease, or withdrawal without notice. Copyright © 2023 Transwestern.

Confidentiality Agreement 

INFORMATION ON BROKERAGE SERVICES

Approved by the Texas Real Estate Commission for Voluntary Use

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords. Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's

agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written listing agreement, or by agreeing to act as a subagent by accepting an offer of sub agency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

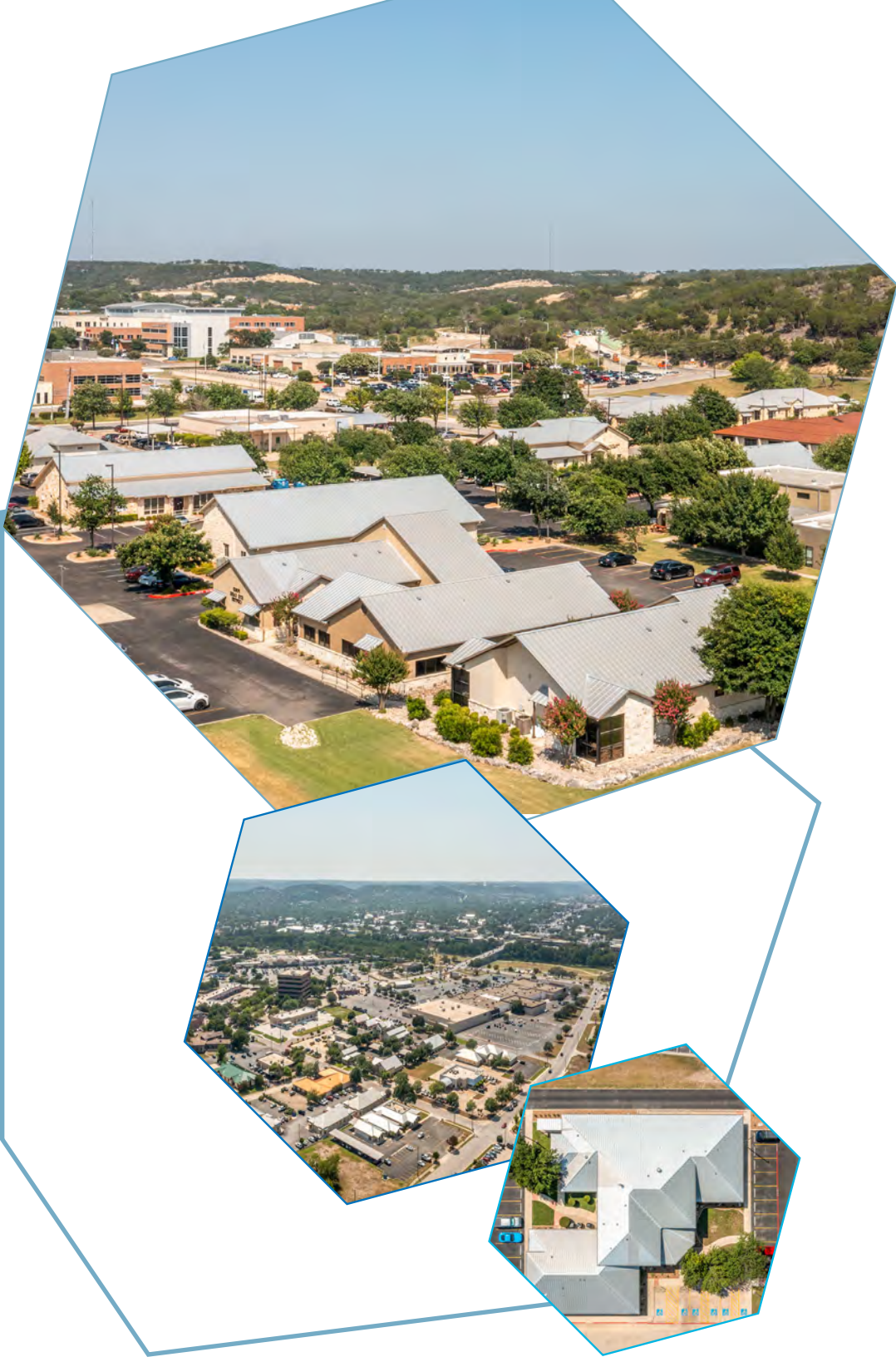
IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction: (1) shall treat all parties honestly; (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner; (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property. With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under the Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party. If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding. Real Estate licensee asks that you acknowledge receipt of this information about Brokerage services for the licensee's records.

Buyer

Date

Texas Real Estate Brokers and Salesman are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or call 512-465-3960.



Russell Noll, CCIM, CPM

Transwestern

Executive Managing Director

Russell.Noll@transwestern.com

210.253.2945

Kelly Ralston

Transwestern

Senior Vice President

Kelly.Ralston@transwestern.com

210.253.2928

