



**POSTOFFICE CAMPUS**

1528 POSTOFFICE ST  
GALVESTON, TX 77550



**TIDEWAY CAMPUS**

6444 CENTRAL CITY BLVD  
GALVESTON, TX 77551

# **GALVESTON MEDICAL PORTFOLIO**

TWO-CAMPUS LTAC/REHAB FACILITIES

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OFFERING MEMORANDUM | GALVESTON, TEXAS





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SERVICES

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## Executive Summary

Transwestern's Healthcare Capital Markets Team is pleased to present to the market the Galveston Medical Portfolio which includes two-campus with long-term acute care (LTAC) and rehabilitation facilities.

For over 40 years in the Galveston community, these rehabilitation campuses have provided personalized care to treat the unique challenges of traumatic brain injury with the singular purpose of achieving the best possible outcome for patients and their families.

The Postoffice Campus is comprised of four facilities totaling approximately 52,206 square feet, and is strategically located in close proximity to UTMB Hospital at 1528 Postoffice Street in Galveston, Texas.

The Tideway Campus is comprised of one 28,961-square-foot facility located at 6444 Central City Boulevard in Galveston, Texas.



# Portfolio Highlights

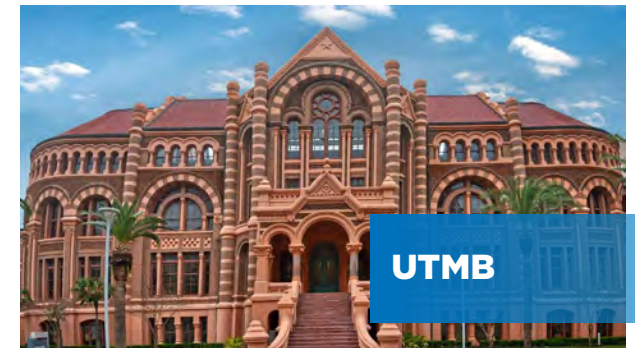
## Postoffice Campus

- + Rehabilitation therapeutic services: Neuropsychology & counseling, speech & language, physical therapy, occupational therapy, community integration, residential, technology, and outpatient .
- + 40-bed facility offers approximately 52,206 SF of space.
- + The University of Texas Medical Branch (UTMB) hospitals and clinics are in close proximity to the campus.
- + Campus is located on a public transit route and within blocks from grocery stores, banks and well established retail.
- + Sits on 1.8 acres located in the center of a pristine, historic neighborhood and a short walk to the beach.
- + Sale includes real estate only. Business relocated to Nassau Bay.



## TideWay Campus

- + Long-term supported living facility for survivors of Traumatic Brain Injury (TBI).
- + 32-bed facility offers approximately 28,961 SF of space.
- + Sits on 3.5 acres of prime real estate one block from the beach in the heart of Galveston Island.
- + Facility was developed to specifically work with those who have had Traumatic Brain Injuries.
- + Located just minutes from the University of Texas Medical Branch (UTMB).
- + Sale includes business and real estate.



# Galveston Medical Portfolio Overview

	POSTOFFICE CAMPUS	TIDEWAY CAMPUS
Address	1528 Postoffice Street Galveston, TX 77550	6444 Central City Blvd Galveston, TX 77551
Net Rentable SF	±52,206 SF (4 buildings)	±28,961 SF
Stories	1-2	1
Land	±1.8 acres	±3.5 Acres
Year Built	1940, 1953, 1995	2003
Licenses / Beds	License A Therapy: 24 beds <i>(will be relocating once new building opens)</i> License B Residential: 16 beds	License LTAC: 32 beds
Campus Details	<ul style="list-style-type: none"> <li>• Rehabilitation Therapy Hospital</li> <li>• Building 1: 2-story, 1st floor: two apartments. 2nd floor: 10 patient rooms</li> <li>• Building 2: 1-story plus mezzanine, therapy gym</li> <li>• Building 3: 2-story with elevator, administrative offices on both floors, large dining room, kitchen &amp; food prep, small &amp; large conference rooms, classroom space for team meetings, orientation, etc.</li> <li>• Building 4: 2-story with elevator, 4 patient rooms on each floor</li> <li>• License capped at 16 beds; Assisted living facility</li> <li>• Sprinklered</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term Acute Care (LTAC)</li> <li>• 3.5 acres in two parcels</li> <li>• Physical therapy provided as well as long-term housing in pods of 4 rooms per unit</li> <li>• Large, indoor heated therapy pool</li> <li>• Sprinklered</li> <li>• Aquatic Facilities Lease in place</li> </ul>
Conveys	Real estate only. Business relocated to Nassau Bay.	Business and real estate.

# Investment Highlights

## **Superior Location**

The Postoffice and Tideway Campuses are located in Galveston, Texas. The Postoffice Campus is located strategically near UTMB Hospital. Both campuses are minutes from hospitals and clinics in the Galveston area.

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## **Owner-Occupant Opportunity**

The Postoffice Campus will relocate to another site, which allows for an owner-occupant opportunity.

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## **Redevelopment Opportunity**

The Postoffice site is a prime location for the ability to redevelopment into covered land play.

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## **Institutional Ownership**

The Postoffice Campus and Tideway Campus are currently owned and operated by Moody Neurorehabilitation Institute, the Leaders in Brain Injury Rehabilitation.

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# Galveston's Appeal

Hidden beneath Galveston's contemporary facade lies a rich history that significantly contributed to Texas' growth and economic expansion. The city on the island gained its southern Wall Street reputation in the late 1800s alongside the construction of the port which led to a flourishing trade and commerce industry initiating the development of opulent Victorian buildings, shops, multiple newspapers, cotton manufacturers, cigar traders, and more.



**GALVESTON ISLAND STATE PARK**

The Galveston Island State Park is approximately a 2,013 acre site which offers both beach and bay sides. The park opened in 1975 and offers more than 1,300 years of human history.



**GALVESTON HISTORIC PIER**

The Galveston Historic Pier is located along the Galveston Stonewall and was rebuilt in 1961 after Hurricane Carla destroyed it. The pier offers a nostalgic amusement park, restaurants and shopping.



**MOODY GARDENS GALVESTON ISLAND**

Moody Gardens was founded in the mid-1980's and notably has a hippotherapy riding program for individuals with head injuries. Today, Moody Gardens is a premier educational and leisure facility.



**GALVESTON RAILROAD MUSEUM**

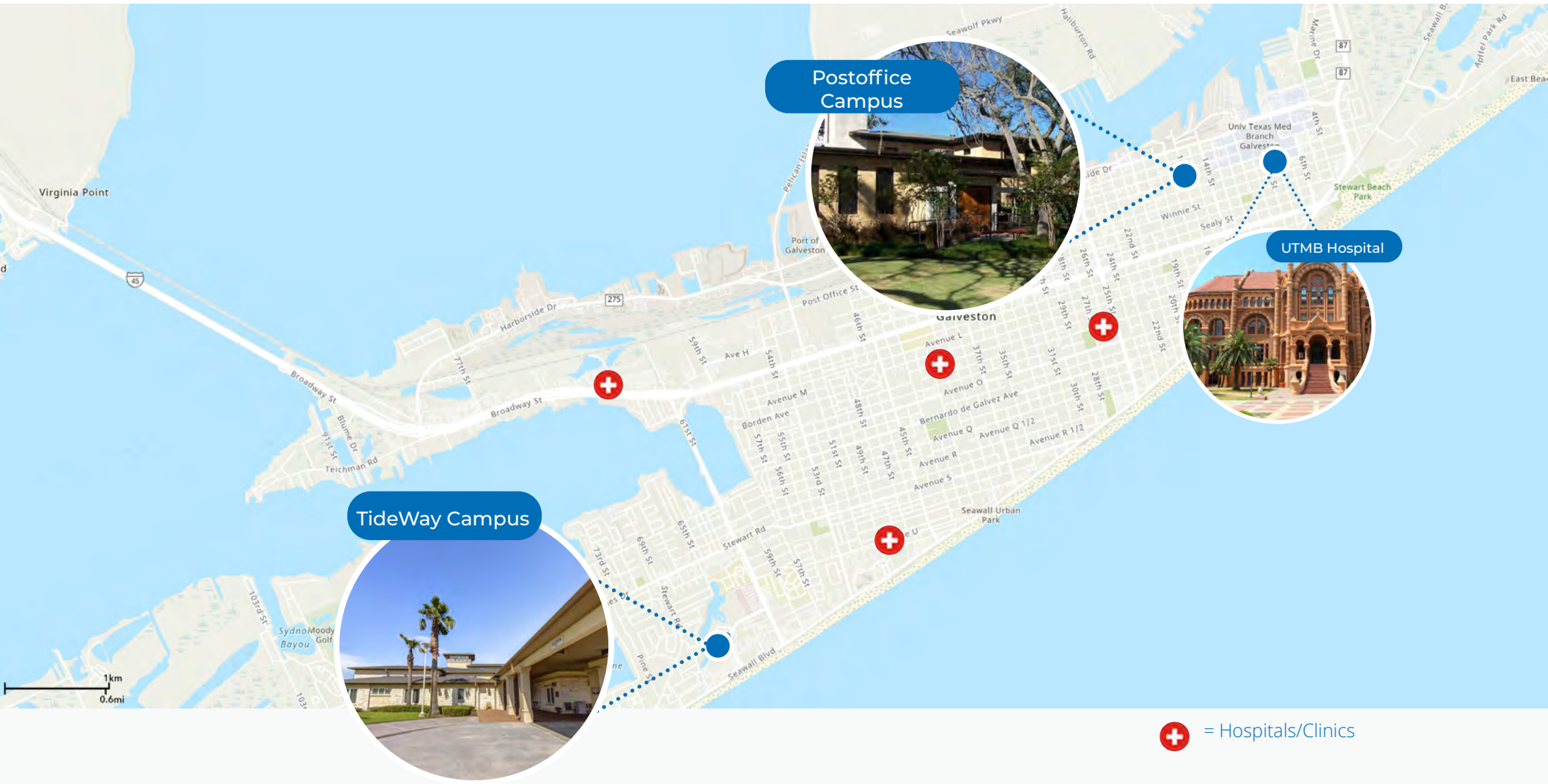
The Galveston Railroad Museum originally was a depot and headquarters built by the Gulf, Colorado and Santa Fe railroad in 1896. The Museum opened to the public in 1983.



**GALVESTON HISTORIC SEAPORT**

In 1877, ELISSA was brought over from Greece for restoration and is now known as the Official Tall Ship of Texas. ELISSA is one of only three ships of her kind to actively be sailing.

# Location Map





# Postoffice Campus

1528 Postoffice St







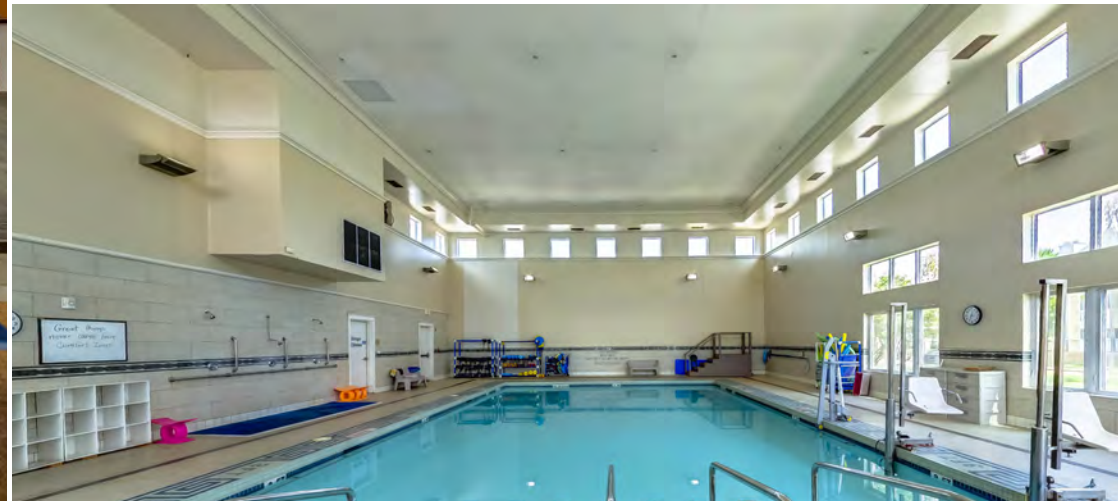


# Postoffice Site Plan

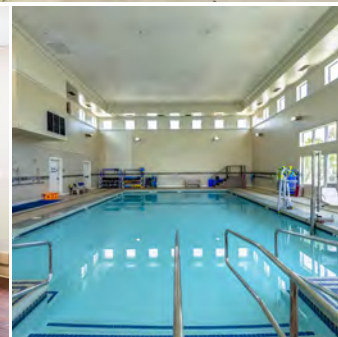
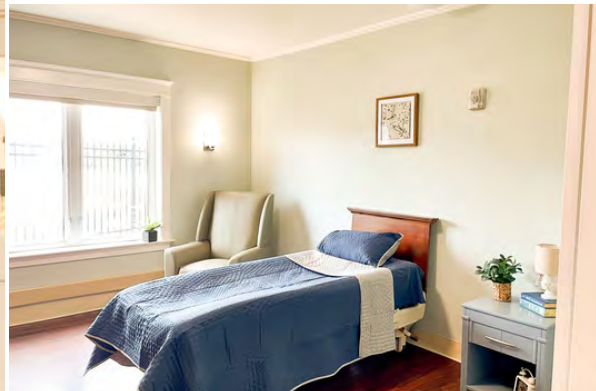


# TideWay Campus

6444 Central City Blvd







# Tideway Site Plan





# Summary of Terms

Pricing	Postoffice: \$7,100,000	Tideway: \$7,250,000
Inquiries	All inquiries should be directed to Transwestern.	
Interested Offers	A 100% fee-simple interest is offered in the Property.	
Property Tours	Registered prospective purchasers are encouraged to visit the Property and must contact Alan Grilliette to arrange a tour of the Property prior to submittal of offers. Tour dates will be provided.	
Offers	All offers should be submitted in writing to Alan Grilliette via mail, email or hand delivery at the Transwestern office: 8200 IH-10 West, Suite 510 San Antonio, TX 78230 Phone: (210) 253.2943 Email: alan.grilliette@transwestern.com	
Terms	All cash at closing.	
Earnest Money Deposit	Initial deposit recommended to be \$200,000.	
Due Diligence Period	No more than 30 days is recommended.	
Closing	Within 30-days of completion of the Due Diligence period.	
Real Estate Taxes	Real estate taxes will be prorated as of the closing date.	



# Property Specifications

Galveston County Appraisal District			
Address	Postoffice Campus 1528 Postoffice Street Galveston, TX 77550		Tideway Campus 6444 Central City Blvd Galveston, TX 77551
Property ID	103896 290427		404108 404107 114267
Geographic ID	3505-0495-0000-001 3505-0495-0000-002		7124-0000-0002-000 7124-0000-0001-000
Legal Description	ABST 628 M B MENARD SUR (495-0-1) SW PT OF BLK 495 GALVESTON ABST 628 M B MENARD SUR (495-0-2) PT OF BLK 495 GALVESTON		ABST 121 HALL & JONES SUR LOT 2 TIDEWAY VILLAGE (2001) ABST 121 HALL & JONES SUR LOT 1 TIDEWAY VILLAGE (2001)
The project is within the jurisdiction of the following taxing authorities	<ul style="list-style-type: none"> <li>• Galveston City: • 0.408850</li> <li>• Galveston County: • 0.334147</li> <li>• Galv College: • 0.124000</li> <li>• NAV District #1: • 0.025419</li> <li>• CO Road &amp; Flood: • 0.007753</li> <li>• Galveston ISD: • 0.847500</li> </ul>	<ul style="list-style-type: none"> <li>• Galveston City: • 0.408850</li> <li>• Galveston County: • 0.334147</li> <li>• Galv College: • 0.124000</li> <li>• NAV District #1: • 0.025419</li> <li>• CO Road &amp; Flood: • 0.007753</li> <li>• Galveston ISD: • 0.847500</li> </ul>	



# Property Financials

Tideway	Year Ending 8/31/2020	Year Ending 8/31/2021	Year Ending 8/31/2022	Year Ending 8/31/2023	Year Ending 8/31/2024 (Budget)
<b>Revenue &amp; Expenditures</b>					
Revenue					
Program Revenue	3,989,128	3,072,337	2,728,900	3,029,170	3,516,775
Aquatic Rental Income	60,846	66,000	66,000	66,000	66,000
Interest Income	41,691	318	-	-	-
Other Income	9,490	345	0	4,421	-
Gain/Losses on Fixed Assets	-	-	2,061	11,443	-
Total Other Revenue	112,027	66,663	68,061	81,864	66,000
<b>Total Revenue</b>	<b>4,101,155</b>	<b>3,139,000</b>	<b>2,796,961</b>	<b>3,111,034</b>	<b>3,582,775</b>
Expenditures					
Personnel					
Salary & Wages	1,726,297	1,583,361	1,501,275	1,830,018	1,815,813
Benefits	625,385	573,542	659,306	533,170	570,731
<b>Total Personnel</b>	<b>2,351,682</b>	<b>2,111,903</b>	<b>2,160,581</b>	<b>2,363,188</b>	<b>2,386,544</b>
Supplies	287,235	158,587	172,693	165,792	208,493
Contract Services	27,141	107,313	92,556	82,951	81,180
Insurance	10,727	77,087	100,010	118,795	129,731
Maintenance & Repairs	258,243	64,273	88,947	102,463	80,647
Marketing	8,779	4,280	4,677	12,394	-
Utilities	83,767	82,270	87,338	87,047	93,000
Equipment & Facility Rent	6,545	20,924	19,668	30,450	16,800
Depreciation	353,700	360,282	331,087	356,422	392,760
Other Expenses	14,512	15,709	25,191	22,386	46,488
Total Expenditures	3,402,331	3,002,628	3,082,748	3,341,888	3,435,643
<b>Total Income before Allocations</b>	<b>698,824</b>	<b>136,372</b>	<b>(285,787)</b>	<b>(230,854)</b>	<b>147,134</b>

# Property Financials

Tideway Rate Schedule				
Payor	DOA	Rate	Private/Semi Private	Monthly Rate
SP*	10.14.2023	\$4,720/month		\$4,720
SP	9.17.2021	\$6,900/month		\$6,900
TRUST	10.03.2022	\$800/day	PRIVATE	\$24,333.33
SP	2.07.2023	\$500/day	PRIVATE	\$15,208.33
WC	2.09.2023	\$575/day		\$17,489.58
WC	6.05.2023	\$675/day	PRIVATE	\$20,531.25
WC	1.29.2015	\$675/day	PRIVATE	\$20,531.25
WC	1.15.2004	\$550/day	PRIVATE	\$16,729.17
SP	2.15.2005	\$7,825/month	PRIVATE	\$7,825.00
WC	11.27.2007	\$10,925/month	PRIVATE	\$10,925.00
SP	3.31.2008	\$8,000/month		\$8,000.00
WC	6.30.2012	\$500/day	PRIVATE	\$15,208.33
SP*	4.03.2005	\$16,604.48/month	3.5% increase every April	\$16,604.00
SP	2.18.2020	\$3,000/month		\$3,000.00
SP	3.21.2017	\$675/day	PRIVATE	\$20,531.25
SP	11.17.2003	\$5,500/month		\$5,500.00
WC	8.23.2006	\$525/day	PRIVATE	\$15,968.75
WC	5.13.2019	\$675/day	PRIVATE	\$20,531.25
SP	5.31.2023	\$450/day	PRIVATE	\$13,687.50
WC	11.13.2013	\$575/day		\$17,489.58

	<b>Total</b>	<b>\$281,173.58</b>
	<b>Annualized</b>	<b>\$3,380,563.00</b>

\* Escalations



# Houston Economic Trends

Over the last two decades, there has been a remarkable transformation in Houston. Today, the nation's fourth largest city has become a diverse, vibrant metro filled with talented people who have an undeniable spirit. Our economy is strong, our cultures are many, and our quality of life is second to none. Houston has one of the youngest, fastest-growing and most diverse populations anywhere in the world. One in four of the region's 7.3 million residents is foreign born. From 2010 to 2018, Houston added 1.1 million new residents, an 18.2 percent increase, the fastest rate of population growth among the 10 most populous U.S. Metros.

In addition to our diversity as a community, Houston offers a well-developed suite of key global industries – including energy, life science, manufacturing, logistics and aerospace. As these industries digitize, Houston is a hotbed of rapid technological development thanks to our access to customers and expertise.

A thriving international city, Houston's ties stretch to all corners of the world. The region's geographic location makes it easy to move both goods and people around the globe. With one of the largest ports in the country and two international airports, Houston connects companies to the world.

## EDUCATED + TALENTED

- 69%**  
Percentage of population that hold a Bachelors Degree or higher
- 748K**  
Houstonians with a science, engineering or related degree
- 2.9MM**  
Working Population
- 35**  
Median age of Population
- 20+**  
Universities and colleges, including three Tier 1 universities

## BUSINESS FRIENDLY

- #5**  
"CNBC America's Top States for Business 2022" rankings
- 200**  
Number of countries Houston traded with in 2022
- 8,200**  
Hotel rooms in Downtown Houston
- 26TH**  
World's largest economy - if Houston were an independent nation
- TAX BENEFITS**  
Texas is one of the few states without a personal, state or corporate tax income tax.  
Business friendly regulation environment.

## EMPLOYEE FRIENDLY

**Ranked #1 in the country by Millennials** for best overall value: diversity, ease of meeting new people, fair income taxes, everyday expenses, salary potential and amenities for children.

### SOPHISTICATED + WELCOMING

With an abundance of world-renowned amenities

**10K+**  
Restaurants - 80 categories of cuisine

**19**  
Different arts and cultural institutions that make up the Museum District

**5**  
Professional sports teams

**#2**  
Largest performing arts district in the nation (next to NYC)

World class shopping available in the Galleria, River Oaks District, Highland Village, Rice Village, and the Heights.

### LOW COST OF LIVING

**35.5%**  
BELOW the average of the nation's 20 most populous metropolitan areas

**-18.1%**  
Houston's housing costs are below the nationwide average

### DIVERSE + INTERNATIONAL

**145**  
Different languages are spoken in Houston

More ethnically diverse than the rest of the nation

### INNOVATION



Home to The Texas Medical Center, the largest medical center in the World

### OPEN FOR BUSINESS

**24**  
Fortune 500 Companies call Houston home

**#3**  
Houston ranking among U.S. metro areas in Fortune 500 headquarters

### GREEN

**566+**  
Parks and public green spaces in the Greater Houston area

**#4**  
in the nation for total land devoted to parks

# Galveston Economic Trends

Galveston County is located in East Central Texas and is one of 12 counties in the Greater Houston region. The county, located 80 miles southwest of the Louisiana state line, is comprised of mainland, Galveston Bay and Galveston Island. Galveston, the county seat, is located at roughly the geographical center of the county which is comprised of 450 square miles. The education, service and retail sectors fuel county employment. Galveston County is best known for Galveston Island, one of the most popular recreation and vacation spots in Texas

**345,089**  
POPULATION

**6,020**  
BUSINESSES

**\$54,250**  
PER CAPITA INCOME

**37.7**  
MEDIAN AGE

**150,218**  
2020 EMPLOYMENT





# Galveston's History and Future

An island community rich in history and opportunity, Galveston is the ideal place to live, work, and raise a family. Galveston's location, situated on the Gulf of Mexico and the first stop on Interstate 45, coupled with its close proximity to Houston, is just one reason the island has been an integral part of commerce in Texas over the past 183 years. Galveston's major economic drivers all continue to experience growth, further strengthening our position within the state's economy and the greater Gulf Coast.

From a development standpoint, the City is leading by example, prioritizing investment in critical infrastructure, such as streets, water and drainage, to enhance development opportunities and the quality of life for its citizens and visitors on Galveston Island.



The Port of Galveston anticipates accelerated growth in the cruise industry, with the recent completion of its third cruise terminal. The implementation of its strategic master plan and the prioritization of infrastructure reinvestment will lead the way to further growth in its cargo lines.

Galveston Island remains a top tourist destination. The diversification and investment into this sector of our local economy continues to increase annual visitation numbers which helps support the numerous local businesses.

Major investments are being made to support the future workforce. The citizens of Galveston recently approved over \$300 million in school bonds, emphasizing a commitment to providing exceptional educational opportunities for the students of the Galveston Independent School District. The higher education campuses- University of Texas Medical Branch, Texas A&M at Galveston and Galveston College - have all made similar investments in providing state-of-the-art facilities, have experienced growth in enrollment and remain leaders in their respective classifications.

## PAVING THE WAY :: FUTURE DEVELOPMENT

The City of Galveston continues its focus on strategic reinvestment in a number of core infrastructure and facility projects spanning all across the island, boosting investor confidence, ensuring resiliency and preparing for future development opportunities. The City is planning over \$640 million in infrastructure projects and programs including:

**\$408M**

DRAINAGE PROGRAMS

**\$95M**

WATER  
INFRASTRUCTURE  
PROJECTS

**\$58M**

SANITARY SEWER  
PROJECTS

**\$55M**

STREET PAVING  
PROJECTS

**\$22M**

CITY FACILITIES AND  
PARKS UPGRADES

# BEYOND THE BEACH :: GALVESTON ATTRACTS!

While Galveston is known for its 32-miles of beaches, Galveston offers so much more - Quality of Life, Quality of Place and Business Development Opportunities.

## IDEAL BUSINESS ENVIRONMENT

There are over 3,500 businesses in Galveston. The major employers are from Education & Healthcare, Emerging Technology, Maritime, and Tourism & Hospitality industries.

## WORKERS & COMMUTERS

In a city with a population of 53,000, more than 38,000 employees are working in Galveston businesses. Galveston's commuting workforce accounts for over 65% of the jobs, making the island the employment center for Galveston County.

## ANNUAL VISITORS

Over 7 million visitors come to Galveston annually- to visit the beach, set sail on a cruise vacation, explore the islands' rich historical and cultural attractions, to take advantage of an abundance of outdoor activities or to celebrate during one of our festivals or special events.

## STUDENTS & HIGHER EDUCATION

Nearly 10,000 students attend one of three higher level learning institution on Galveston Island. Galveston College, Texas A&M University at Galveston and University of Texas Medical Branch provide excellent educational opportunities for residents and non-residents alike.

## RESIDENTS THAT CALL GALVESTON HOME

Over 50,000 residents call Galveston home. Galveston has the amenities of a big city, yet maintains a small-town feeling. Living on "Island Time" is an experience like no other.

## SECONDARY RESIDENTS & REMOTE WORKS

With its close proximity to Houston and an increase in the number of remote working opportunities, over 75% of Galveston's west end is populated by folks claiming Galveston as their second home. The island's East End and Midtown are also experiencing an increase in second homeowners.



# DISCLOSURES

**CONFIDENTIAL MEMORANDUM & DISCLAIMER:** Transwestern (“Agent”) has been engaged as the exclusive agents for the sale of the Galveston Medical Portfolio Buildings and undeveloped land located in Galveston, 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.

# DISCLOSURES

**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 © 2024 Transwestern.



**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.*







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