

HILL COUNTRY CROSSING Investment Opportunity



PROVIDENCE

Commercial Real Estate Services

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Offering Overview

Providence Commercial Real Estate is pleased to exclusively offer for sale the Hill Country Crossing / Hill Country Crossing Business Park mixed used property (“the Property”), an approximately 24,097 square foot (SF) multi-tenant office building, and three single story flex buildings totaling 11,279 SF, for a total of 35,376 SF. Located in Helotes, Texas, in the well-established and fast growing northwest sub-market, the Property offers a highly visible and easily accessible location. The Property has remained high in occupancy since construction.

Asset Summary

Addresses 12266 Bandera Rd. &
12274 Bandera Rd.
San Antonio, Texas 78023

Project Net Rentable Area 35,376 RSF

Occupancy 100%

Number of Buildings 4

Land Area 3.05 Acres

Year Built 2003

Investment Highlights

- The Property is currently 100% occupied as of December 2014 and extremely stable due to the number and type of Tenants.
- The Property has very good cash flow with upside, due to near term rollovers and under market rents.
- Great location on Bandera Road less than half a mile north of the corner of Loop 1604 & Bandera Road. Convenient access to nice housing, high end retail, restaurants and local services.
- In-place debt with +/- one (1) year remaining on the term and opportunity to take over the entity and avoid assignment costs.
- Recent HVAC upgrades and parking lot resurfaced and restriped.
- Ability to increase the Lease square footage by 3,887 SF and increase to market rent. Per BOMA re-measurement.
- Potential to recapture operating expenses currently paid by owner, by converting retail and flex space to NNN, and office leases to base year Leases.
- Extremely limited office product in the micro-Helotes market, will result in continued high occupancy.
- Metal roof and Building’s exterior are in excellent condition .

Description

Currently, the Hill Country Crossing / Hill Country Crossing Business Park is 100% leased with In-Place retail rents of \$16.83-\$20.85 (\$18.49 average) modified gross, which is under market among other retail buildings located in the Helotes trade area. The Project has benefitted from increased demand within its trade area and is poised for upward rent growth and long term stability. The Project is currently leased and managed by the owner.

Hill Country Crossing is the 2-story building facing Bandera Road. Hill Country Crossing Business Park is the area behind Hill Country Crossing consisting of 3 separate buildings.

The Project has great frontage visibility and signage on Bandera Road. with easy access to Loop 1604, IH-10 and State Highway 151.

In-Place Rents (Average based on BOMA SF)	Retail: \$18.49 - Modified Gross Office: \$19.24 - Gross Flex: \$14.15 - Modified Gross
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Number of Tenants	33
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Parking	4.1/1000 145 Surface Spaces
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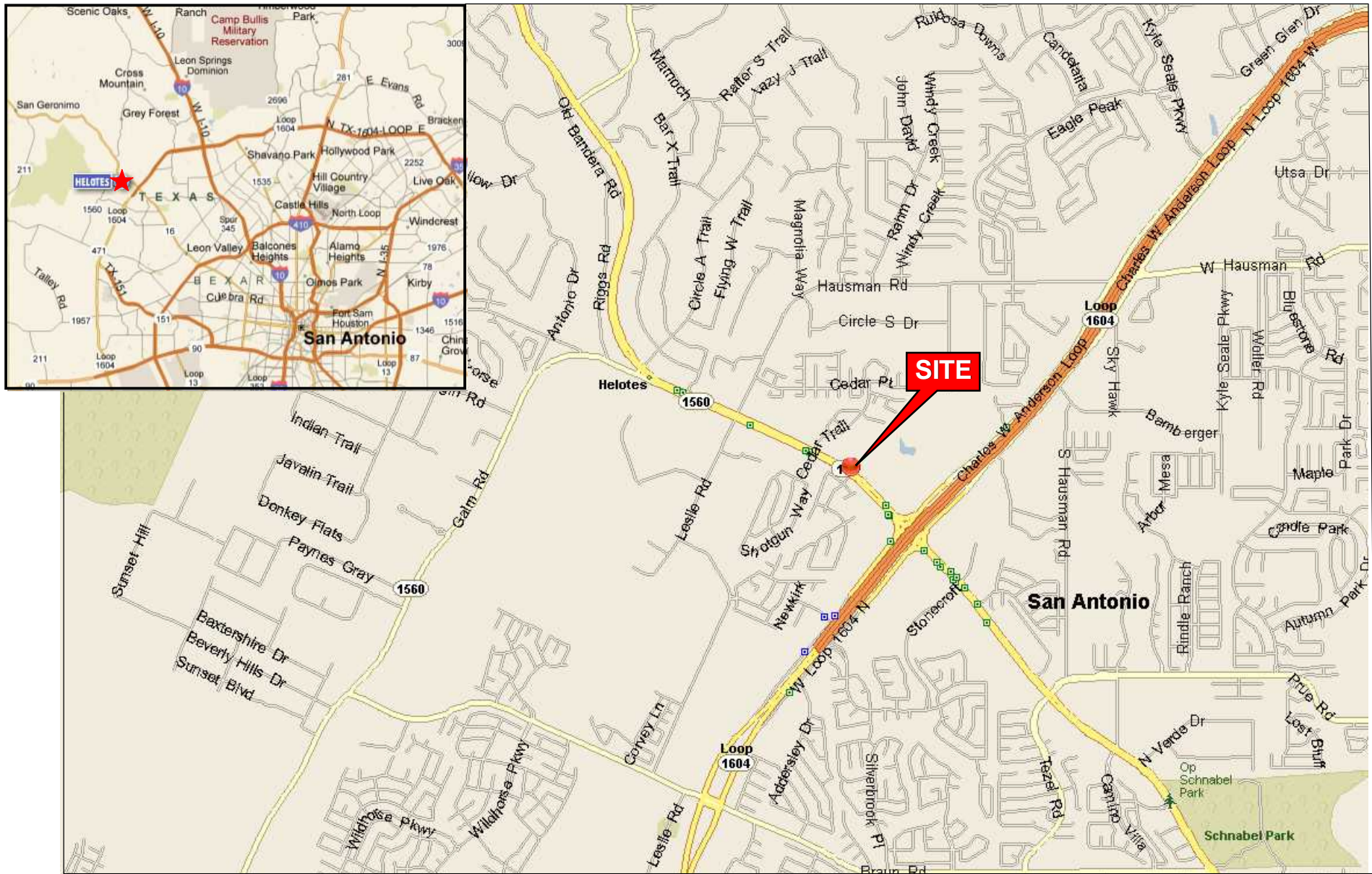
Zoning	B3-OD General Business Overlay District City of Helotes
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12266 Land Size	1.19 Acres
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12274 Land Size	1.86 Acres
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Location Maps



Aerial - Retail



Aerial - Property



Pictures



Potential Rental Income

Potential Rental Income based on Market rents as stated below

Building/Type	Square Feet	NNN Market Rate	Net Operating Income	OPEX per sf	Grossed Up Rents Per SF	Grossed Up Rent Amount
BOMA Retail	9,866	\$18.00	\$177,588.00	\$6.35	\$24.35	\$240,221.57
Office	10,344	\$14.50	\$149,988.00	\$6.35	\$20.85	\$215,656.12
Total	20,210	\$16.21	\$327,576.00	\$6.35	\$22.56	\$455,877.68
Missing SF	3,887	\$14.50	\$56,361.50	\$6.35	\$20.85	\$81,037.83
Total BOMA SF	24,097		\$383,937.50			
Flex and Oil Change Bldgs	11,279	\$12.00	\$135,348.00	\$6.35	\$18.35	\$206,951.89
Total	35,376	\$14.68	\$519,285.50	\$6.35	\$21.03	\$743,867.41
8 Cap with a 5% vacancy			\$6,166,515.31			
Replacement Cost						
Land		\$928,786.60	Land at \$7 per sf			
Improvements		\$4,952,640.00	Buildings at \$140 per sf			
Total		\$5,881,426.60	\$166.25 to the buildings based on Building SF			

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.

Information About Brokerage Services

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 subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist they 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 a 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 o 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, Seller, Landlord or Tenant

Date

Texas Real Estate Brokers and Salespersons 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 , 512-936-3000 (<http://www.trec.texas.gov>)

Hill Country Crossing & Hill Country Crossing Business Park

12274 Bandera Rd. & 12266 Bandera Rd., Helotes, TX 78023

Registration and Confidentiality Letter

Providence Commercial Real Estate Services, Inc. ("Owner's Broker") has available for review and may from time to time deliver to you certain proprietary and confidential information and materials ("Information") concerning the sale of the referenced Property by JDL Texas Ventures, Ltd. ("Owner"). In order to receive the Information on the Property, please sign and return this agreement to Owner's Broker, Attn: Seth Prescott, seth@pcres.com. By your signature below, you agree as follows:

1. All information that Owner's Broker or the Owner sends to you regarding the Property remains the property of the Owner. You may use the Information only to evaluate the possible purchase of the Property by you as a Principal or an entity that you control or are in common control with (an "Affiliate"). If you are an agent, you may provide the Information only to the Principal who is registered herein. You may provide extra copies and extracts of the Information only to persons or outside professionals who are directly assisting the Principal or its Affiliate in evaluating the Property ("Related Parties"). All Related Parties should be informed of the proprietary and confidential nature of the Information and the need to keep it strictly confidential in accordance with the terms of this agreement. Upon request of Owner's Broker or the Owner, you will return to the Owner all hard copies of the Information sent to you.
2. You confirm that you are either acting on your behalf or on behalf of your Affiliate or as an agent for another person or entity. You also confirm that no other broker or person not registered by this agreement will make any claim against either Owner's Broker or the Owner for any brokerage commission, finder's fees or other compensation asserted on the basis of your actions, any of your Affiliates' or any of your Related Party's actions in connection with the Property.
3. We believe that the Information will be useful to you in evaluating the Property. However, Owner's Broker and the Owner are not warranting and take no responsibility for its accuracy or completeness. You agree to perform your own independent investigation of the Property in deciding whether or not to purchase it and rely solely on that independent investigation.
4. You confirm that neither you, nor any affiliate nor any Related Party has had any discussions or dealings regarding the Property with any broker, finder, or agent, other than registered herein. You further agree to indemnify Owner's Broker and the Owner against any claims for brokerage commissions, finder's fees and other compensation asserted on the basis of your actions, any of your Affiliates' or any of your Related Party's actions in connection with the Property and you agree to pay all expenses incurred by Owner's Broker and the Owner in connection with the defense of any action or proceeding asserting claims of that kind.
5. The undersigned acknowledges that the breach or threatened breach of any of the obligations and restrictions placed on the undersigned herein, including without limitation, those set forth in Paragraph 1 hereof, will cause immediate and irreparable harm and damage to Owner, for which it has no adequate remedy at law. As a result thereof, in the event of any such breach or threatened breach, Owner shall have the right to seek and obtain appropriate monetary damages and injunctive relief in any court of competent jurisdiction to prevent or enjoin such unauthorized use or conduct.
6. The Owner and or Owner's Broker have the right to withdraw the Property from the market at any time and without notice to anyone.
7. This agreement shall be governed and construed in accordance with the laws of the State of Texas. The parties hereby submit to the jurisdiction of the courts of the State of Texas.

Please sign and return a copy of this agreement to us via e-mail to seth@pcres.com. Electronic signatures are acceptable.

AGREED TO AND ACCEPTED:

Date: _____

Principal: _____

Name: _____

Title: _____

Broker: _____

Name: _____

Email: _____

Phone: _____

For additional information, please contact either of the individuals listed:

Seth Prescott

210.478.8999 Cell
210.598.3524 Direct
seth@pcres.com

Alan Bass

210.849.9665 Cell
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