

Richcreek Studios



AUSTIN, TX
CENTRAL BUSINESS DISTRICT

UNIVERSITY
of TEXAS

DESIRABLE
RETAIL

Richcreek
Studios

2412 RICHCREEK RD. | AUSTIN, TX 78757

18 UNITS

ASKING PRICE: \$1,875,000

RECENTLY REMODELED

TURNKEY PROPERTY

OPERATIONAL UPSIDE

MIDTOWN AUSTIN

HIGH WALKABILITY RATING



Shown By Appointment Only

DANIEL ELAM - 512.343.2700 x4
daniel@muskincommercial.com

ELLEN MUSKIN - 512.343.2700 x3
ellenm@muskincommercial.com

Price and Salient Data

Price:	\$1,875,000
Terms:	All Cash or Third-Party Financed
# of Units:	18 in One (1) Large 2-Story Building
Total NRSF:	6,120 ±
Land Area:	0.2698 ± ACR (per TCAD)
Exterior:	Brick and Wood
Roofs:	Newest TPO (2015)
HVAC:	Individual in Each Unit
Hot Water:	Rheem Gas 91-Gallon
Washer/Dryer	Laundry Room Available On-Site
Parking:	18 ± Spaces

Investment Highlights

- Located in the fast-changing Burnet Road Corridor in the Midtown neighborhood of Austin, TX
- Compelling location less than a mile from Northcross Mall and West Anderson Lane's "Restaurant Row", and only about 6.3 miles to the State Capitol and Downtown
- All 18 units have recently undergone interior renovations
- Complex abuts strong single-family Allandale neighborhood with homes averaging \$616,264 or \$355 per SF (according to the Austin MLS)
- Average studio rents in the Midtown/North Central submarkets are \$1,102 (according to All); current in place rents at Richcreek average \$769
- Value-add opportunity remaining with implementation of RUBS program to tenants
- Possible condo conversion opportunity

Well located in the much sought-after Midtown submarket of Austin, Richcreek Studios offer a unique opportunity for investors. Originally built in 1971 and renovated in 2015, Richcreek Studios are located at 2412 Richcreek Rd., Austin, TX, 78757 and consists of 18 units in one (1) two-story building with 18 detached storage closets on-site as well. The property is in the Burnet Road Corridor, south of the intersection of Burnet and West Anderson Lane, with U.S. 183 to the north, Loop 1 (MoPac) to the west, FM 2222 (Koenig Lane) to the south, and IH-35 to the East. Quick access to the Austin Tech Corridor and the growing northwest redevelopment, The Domain, make this location extremely desirable. Burnet Road is benefiting with a resurgence of fresh life in an already desirable area that is very well established. The price of single-family homes sold within 0.5 miles of the property in the last 90 days average \$616,264 (or \$355 per SF) per the Austin Multiple Listing Service.

This community is comprised of all studio apartments, offering a consistent floor plan with recent renovations. The building sits on a land site of 0.269814 acres (11,753 +/- SF) with 6,120 +/- SF of living area according to the Travis County Appraisal District (TCAD) records. Community features include trendy remodeled apartments with new white appliances, double-basin stainless kitchen sinks, cabinet and drawer pulls, two variations of faux-wood flooring, grey and espresso stained cabinets, white subway ceramic tile backsplashes, new Ikea bathroom vanities and lighting, drop-down kitchen pendant lighting, gas stoves for cooking, and multiple closets. There is one centralized laundry facility on-site with two commercial washer/dryers for tenant's convenience. Richcreek Studios offers one surface parking space per resident.

Tenants pay their electric bills directly to the utility company (City of Austin). There is a central hot water system (91-gallon) shared among the units, and they are currently not billed on a RUBS system for water/wastewater usage. There is currently no charge to residents for trash, gas, pest control or storage units allowing for additional upside to future owners.

UNIT INTERIOR UPGRADES

- ➔ Hotpoint White 4 Burner Gas 24" Wide Ranges
- ➔ Broan 24' Under Cabinet Range Hoods
- ➔ Frigidaire 28" Wide Refrigerators
- ➔ Stainless Double Bowl Ikea Kitchen Sinks
- ➔ Stainless Ikea Kitchen Faucets
- ➔ Laminate Countertops
- ➔ Subway Tiles with Dark Grout Backsplashes
- ➔ Stainless Kitchen Cabinet Hardware
- ➔ Pendant Lights (White)
- ➔ Ceiling Mounted Light Fixtures
- ➔ Ikea Sinks/Vanities in Bathrooms
- ➔ Modern Stainless Steel Framed Mirrors
- ➔ New Shower Heads and Faucet Sets
- ➔ All Unit Locksets Include Peepholes





INVESTMENT LOCATION

Richcreek Studios is conveniently situated in Midtown Austin east of Loop 1 (MoPac) and south of U.S. Highway 183 (providing excellent access to all parts of Austin), and is centrally located between two of Midtown’s fastest growing food and eclectic shopping areas: The Burnet Road Corridor and West Anderson Lane.

Running north to south, the Burnet Road Corridor bisects the Allandale, Brentwood, and Crestview neighborhoods, bringing new development and business opportunities as well as a string of Austin’s homegrown favorite restaurants such as Torchy’s Tacos, Lucy’s Fried Chicken, The Peached Tortilla, Amy’s Ice Creams, El Chilito, Barley Swine, Ichiban, and Top Notch Hamburgers. On West Anderson Lane, you’ll find a mix of upscale, mid-level, ethnic, and fast-casual offerings, like Bartlett’s, Hopdoddy Burger Bar, Cover 3, Korea House, Madam Mam’s, Chipotle, and Schlotzky’s. West Anderson Lane is also home to the Alamo Drafthouse Cinema: Village, part of Austin’s nationally famous dine-in movie theatre chain.

Located 0.5 miles +/- to the north of Richcreek Studios at the corner of Burnet Road and West Anderson Lane is Northcross Mall, a 280,099 +/- SF shopping center anchored by a modern Walmart Supercenter. Renovated within the last decade, Northcross Mall is a shopping, eating, and entertainment complex home to Walgreens, Guitar Center, Norris Conference Center, School of Rock – Austin, Which-Wich, Tea Haus, GNC, Scholtzy’s, Dos Batos, Gamestop, Panda Express and more.

Richcreek Studios sit behind commercial services fronting along Burnet Road to the east and well-maintained single-family homes to the west. Located within walking distance is the highly-acclaimed Read Elementary School (includes pre-kindergarten programs up to fifth grade), Lucy Read School Park, and the Beverly S. Sheffield Northwest Municipal District Park with an Olympic-sized swimming pool, splash pools, large picnic and open grassy areas, basketball and tennis courts and ample parking.

Five +/- miles to the north is Austin’s Tech and Startup Corridor, home to many of Austin’s largest tech employers such as Dell, Apple, Samsung, IBM, Microsoft, National Instruments and HP. The Domain, an “upscale” high-density business, retail, and residential center operated by Simon Property Group and Endeavor Real Estate is within 3.7 +/- miles. Retailers include Austin’s first Neiman-Marcus, Macy’s, Apple Store, Aloft Hotel, Fidelity, Anthropologie, and H&M. Domain Northside is now open with Whole Foods Market, Nordstrom’s, and the trendy “Rock Rose District”.

The University of Texas main campus is about 5.8 miles to the south with current enrollment of 51,000 +/- U.T. is consistently ranked one of the best public universities in the country, with top ranked programs in Business, Engineering, Law, and Medicine.

UNIT MIX

Units	Type	Unit SF±	Total SF±	Market Rent	Monthly Mkt. Rent	Annual Mkt. Rent
18	Studios	330	5,940	\$850	\$15,300	\$183,600

TCAD shows Total Living area = 6,120+/- SF (18 additional storage units on-site)

	Stabilized Underwriting	Yearend 2017
Scheduled Market Rent	\$183,600	
Less: Loss to Lease	1.00%	(\$1,836)
Less: Vacancy	4.00%	(\$7,344)
Less: Concessions	0.50%	(\$918)
Net Rental Income	\$173,502	\$161,068
Plus: Fee Income	\$500	
Plus: Laundry Income	\$800	\$764
Plus: RUBS Income	\$1,500	
Plus: Other Income	\$2,000	
Total Operating Income (EGI)	\$178,302	\$161,832

EXPENSES

	Per Unit		
Administrative & Advertising	\$111	\$2,000	\$1,993
Repairs & Maintenance	\$450	\$8,100	\$16,963
Management Fee	5.00%	\$495	\$11,050
Utilities	\$597	\$10,750	\$10,697
Contracted Services	\$222	\$4,000	\$6,627
Real Estate Taxes	2.213985%	\$1,919	\$18,969
Insurance	\$300	\$5,400	\$9,853
Total Expenses		\$73,703	\$76,152
	Per Unit:	\$4,095	\$4,231
	Per SF:	\$12.41	\$12.82
NET OPERATING INCOME		\$104,599	\$85,680

Currently not billing RUBS. Additional upside in charging back for Water/Wastewater, Trash, Pest, Storage Units, etc. Approximately \$266,521+/- spent on Capital Expenditures as part of the rehab dollars spent since 2015. See Broker for full detailed list of cap ex.

PROPERTY DETAILS

Property Features

- Two-story garden style walkups
- Renovated by current owner in 2015
- Desirable gas-fired ranges & ovens
- Modern grey cabinets and white subway tile backsplashes
- Bar counter island for more efficient seating
- Faux wood-look vinyl flooring
- Upgraded lighting fixtures and hardware packages
- High walkability rating (75 according to Walk Score)

Community Features

- 18 detached storage units | 18 surface parking spaces
- Laundry room on-site with two commercial washers/dryers
- Super easy access to major thoroughfares (Loop-1 Mopac, U.S. 183, Burnet Rd., N. Lamar Blvd., and W. Koenig Ln.)
- Local favorite restaurants and nightlife: Alamo Drafthouse Cinema: Village, Bartlett's, Hopdoddy Burger Bar, El Mercado, Tacodeli, Ichiban, The Local Post Pub, Lala's Little Nugget, Growler Room, Yard Bar, Barley Swine, The Frisco
- Walking distance to the Northcross Mall redevelopment



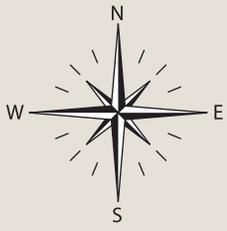
PROXIMITY MAP of AUSTIN

RICHCREEK STUDIOS

Miles +/- to:

Northcross Mall	0.5 mi.
METRORAIL Crestview	1.6 mi.
ACC Highland	2.6 mi.
The Domain	3.7 mi.
The Arboretum	4.0 mi.
University of Texas	5.8 mi.
Austin CBD	6.4 mi.
Apple	7.4 mi.

AUSTIN TECH and STARTUP CORRIDOR



1 mi.



Information About Brokerage Services

11-2-2015

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

<u>Muskin Commercial, LLC</u>	<u>9000275</u>	<u>ellenm@muskincommercial.com</u>	<u>(512)343-2700</u>
Licensed Broker/Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone

<u>Ellen Muskin</u>	<u>334236</u>	<u>ellenm@muskincommercial.com</u>	<u>(512)343-2700</u>
Designated Broker of Firm	License No.	Email	Phone

<u>Ellen Muskin</u>	<u>334236</u>	<u>ellenm@muskincommercial.com</u>	<u>(512)343-2700</u>
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone

<u>Daniel Elam</u>	<u>616676</u>	<u>daniel@muskincommercial.com</u>	<u>(512)343-2700</u>
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

TAR 2501

IABS 1-0

Muskin Commercial, LLC, 4705 Spicewood Springs Rd, Ste 200 Austin, TX 78759
Ellen Muskin

Phone: (512)343-2700 Fax: (512)343-2703

IABS

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

Muskin Commercial, LLC has prepared this brochure to provide summary information to prospective purchasers and makes no warranty or representation about the content. While this information has been obtained from sources believed to be reliable; Muskin Commercial, LLC has not conducted any investigation regarding these matters and prospective purchasers should independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are examples only and do not necessarily represent the current or future performance of the property. This brochure does not constitute an offer of sale, but is merely an invitation to bid.



MULTIFAMILY · INVESTMENTS · SALES

4601 Spicewood Springs Road, Bldg 4, Suite 101, Austin, TX 78759

ELLEN MUSKIN

512.343.2700 x3

ellenm@muskincommercial.com

DANIEL ELAM

512.343.2700 x4

daniel@muskincommercial.com



www.muskincommercial.com