



OFFERING MEMORANDUM | MIXED-USE VALUE-ADD / OWNER-USER

204 W. McCart Street

Krum, Texas 76249 | Old Town Core

\$650,000 ASKING PRICE	2,822 SF TOTAL BUILDING AREA	1,380 SF RETAIL SPACE
2 Units RESIDENTIAL (MTM)	\$2,100/mo IN-PLACE APT INCOME	APN R61437 PARCEL ID

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Executive Summary

EWRG Commercial Group is pleased to present 204 W. McCart Street, a \$650,000 mixed-use value-add and owner-user opportunity located in the Old Town core of the City of Krum, Denton County, Texas. The asset comprises street-front retail space (currently vacant) and two attached apartment units providing in-place cash flow through month-to-month leases. The property sits directly on FM 1173 (McCart Street), the primary east-west arterial corridor connecting Krum to I-35 in Denton — a corridor currently undergoing a major TxDOT widening and improvement program.

Property Snapshot

ASKING PRICE \$650,000 Sale Only	TOTAL BUILDING SF 2,822 SF Per Provided Floor Plan	RETAIL SPACE 1,380 SF Suite A: 768 SF + Suite B: 612 SF (Vacant)
RESIDENTIAL INCOME \$2,100/mo 2 Units MTM (\$1,000 + \$1,100)	FM 1173 TRAFFIC 14,820 VPD 2025 ETC Year Volume (TxDOT)	PARCEL ID R61437 Denton County, TX

Deal Positioning — Two Investor Narratives

<p>Narrative 1: Value-Add Mixed-Use Stabilization Acquire the asset and stabilize the vacant retail under NNN terms (or modified gross with defined caps), while maintaining apartment income as a cash-flow hedge during retail lease-up. The existing grease trap and prior restaurant use history present a potential use-enabler for food & beverage tenants. A submetering or RUBS strategy for utilities represents a key operational value-add lever to improve NOI without speculative redevelopment.</p>	<p>Narrative 2: Owner-User with Supplemental Income For small business operators, this asset can be underwritten as an owner-user storefront (restaurant, retail, or service) supported by supplemental apartment income. The combined 1,380 SF retail area can function as a single storefront or be operated as two separate suites, providing operational flexibility for a wide range of uses. Buyers must verify permitting, compliance, and building constraints through due diligence.</p>
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Investment Highlights

- **FM 1173 Widening Program:** TxDOT corridor improvement from FM 156 (Krum) to I-35 (Denton) — 4 to 6 travel lanes, urban divided roadway. Traffic projected to grow from 14,820 VPD (2025) to 18,618 VPD (2040).
- **Hopkins Road Realignment — Active Construction:** \$6.1M Phase 1 groundbreaking February 2026. Improves intersection operations at FM 1173, enhancing access and visibility for downtown Krum properties.
- **Krum Population Growth:** ~7,400 residents (2026 est.), up 32% since 2020. Annual growth rate of 4.24% — among the fastest-growing suburbs in Denton County.
- **Denton County Affluence:** Median household income of \$111,498 (2024) — approximately 40% above the national median, supporting strong consumer spending power in the trade area.
- **In-Place Cash Flow:** Two apartment units on month-to-month leases generating \$25,200/year in gross apartment income, providing a cash-flow floor during retail lease-up.
- **Retail Upside — Vacant Space:** 1,380 SF of vacant retail at \$22/SF NNN (base scenario) generates \$30,360/year in additional income, bringing total EGI to \$54,042/year at base assumptions.

This Offering Memorandum contains forward-looking statements and projections. All information should be independently verified. Not a guarantee of future performance.

Property Overview



Property Details

Property Address	204 W. McCart Street, Krum, TX 76249
Parcel ID (APN)	R61437
Property Type	Mixed-Use (Retail + Residential)
Total Building Area	2,822 SF (per provided floor plan)
Retail Area	1,380 SF (Suite A: 768 SF + Suite B: 612 SF)
Residential Area	1,442 SF (Unit 1: 560 SF + Unit 2: 882 SF)
Construction	Brick-front, Composition/Composite Shingle Roof
HVAC	Central HVAC (age unknown — buyer to verify)
Special Feature	Grease trap present (prior restaurant use)
Utilities	Owner-paid; not separately metered (broker-reported)
Asking Price	\$650,000
Sale Type	Sale Only

Current Rent Roll

Unit	Type	SF	Status	Current Rent
Apt 1	Residential	560	MTM	\$1,000/mo
Apt 2	Residential	882	MTM	\$1,100/mo
Retail A	Retail	768	VACANT	\$0
Retail B	Retail	612	VACANT	\$0 (combinable)
TOTAL	—	2,822	—	\$2,100/mo

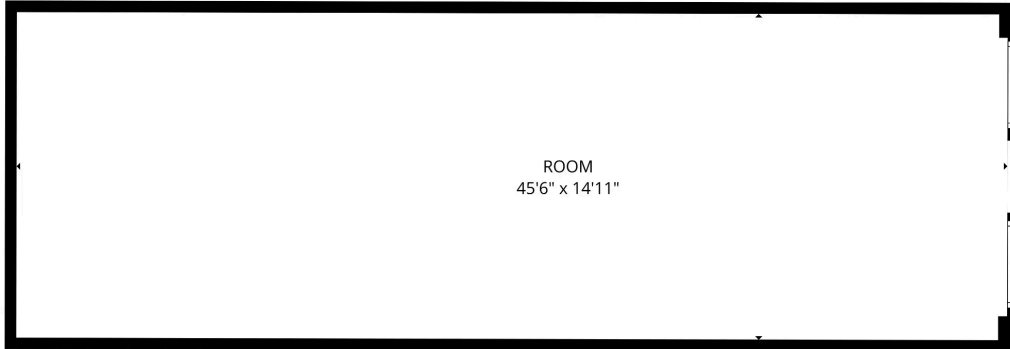
Owner pays utilities; units not separately metered (broker-reported). Buyer to collect estoppels, verify lease documents, and confirm utility billing configuration during due diligence.

Location & Access

The property is located at the intersection of W. McCart Street (FM 1173) and the Old Town Krum commercial core. FM 1173 is the primary east-west arterial serving Krum, with direct connectivity to I-35 in Denton (~8 miles east) and FM 156 to the west. The property benefits from street-level visibility on a corridor carrying 14,820 vehicles per day (2025 TxDOT ETC year volume).

Due Diligence Note: Public record sources report varying gross building area figures (e.g., 4,375 SF in some county-scraped datasets vs. 2,822 SF per provided floor plan). The discrepancy likely reflects inclusion of carports, covered areas, or storage in certain public totals. Buyers should verify all measurements independently

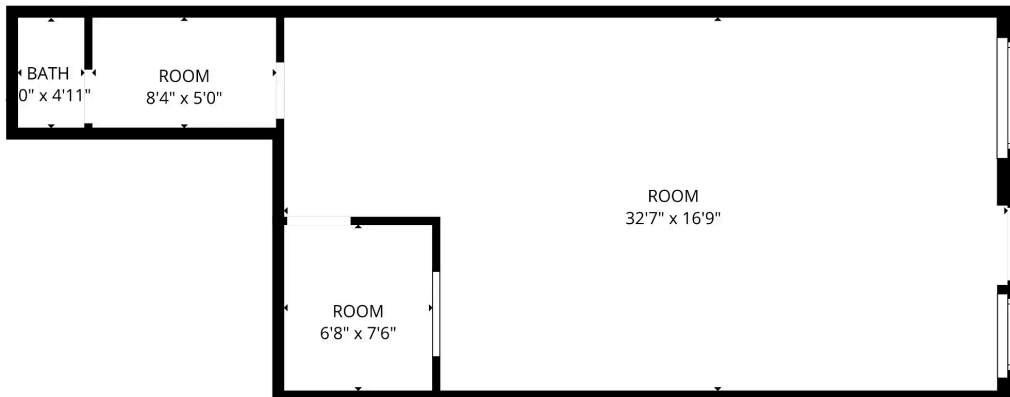
Floor Plans



TOTAL: 0 sq. ft
1st floor: 0 sq. ft
EXCLUDED AREAS: ROOM: 682 sq. ft, WALLS: 61 sq. ft

FLOOR PLAN CREATED BY CURICASA APP - MEASUREMENTS DEEMED HIGHLY RELIABLE BUT NOT GUARANTEED.

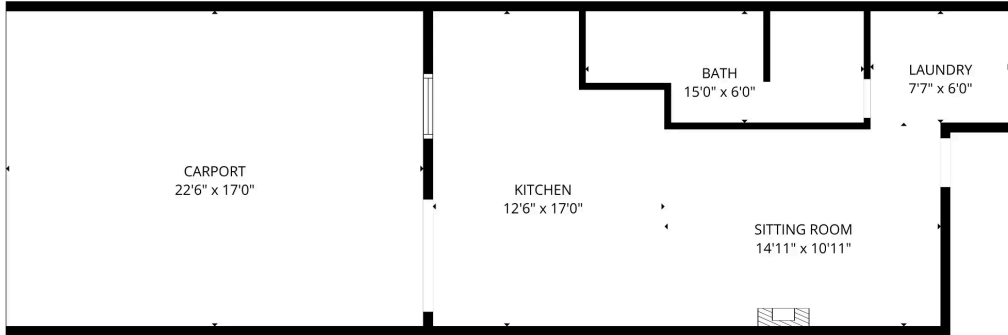
Commercial Building 1 — Floor Plan with Dimensions



TOTAL: 606 sq. ft
1st floor: 606 sq. ft
EXCLUDED AREAS: WALLS: 63 sq. ft

FLOOR PLAN CREATED BY CURICASA APP - MEASUREMENTS DEEMED HIGHLY RELIABLE BUT NOT GUARANTEED.

Commercial Building 2 — Floor Plan with Dimensions



TOTAL: 488 sq. ft
1st floor: 488 sq. ft
EXCLUDED AREAS: CARPORT: 382 sq. ft, WALLS: 72 sq. ft

FLOOR PLAN CREATED BY CURICADA APP. MEASUREMENTS DEEMED HIGHLY RELIABLE BUT NOT GUARANTEED.

Apartment Unit — Floor Plan with Dimensions

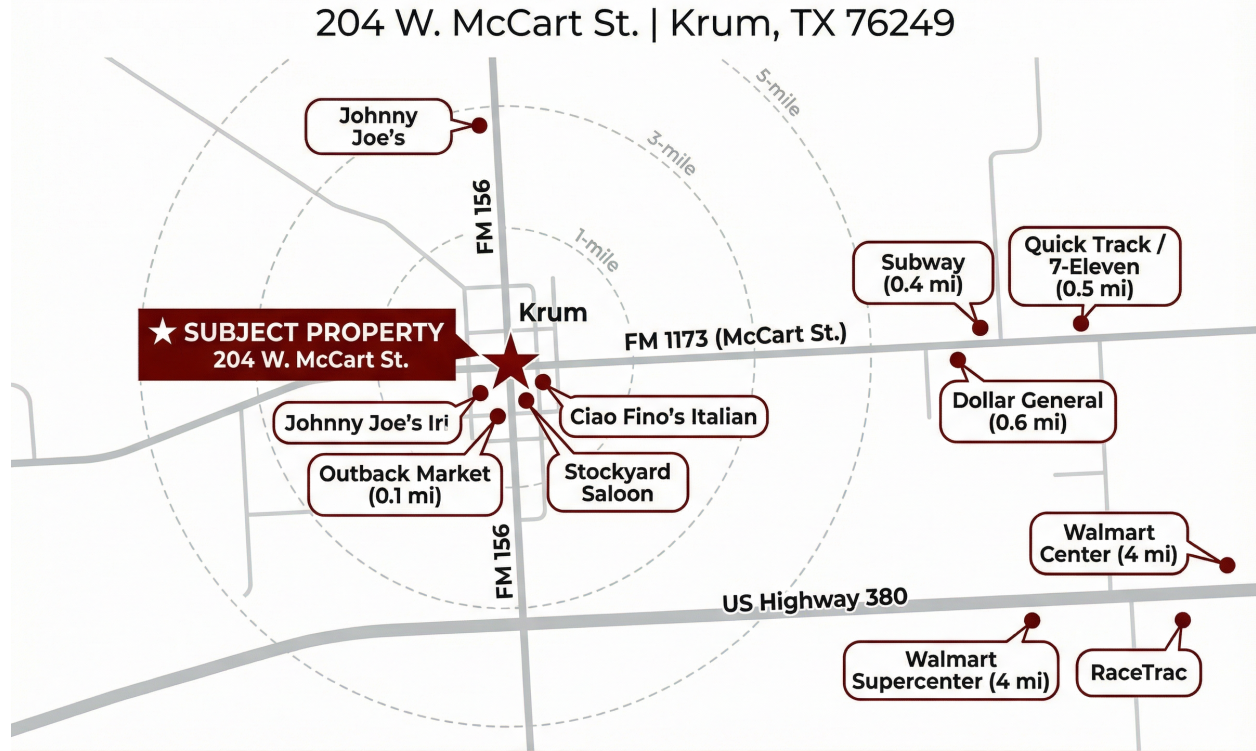
Unit Mix Summary

Space	Use	SF	Notes
Suite A	Retail	768	Grease trap present; prior restaurant use
Suite B	Retail	612	Combinable with Suite A for 1,380 SF total
Apt Unit 1	Residential	560	MTM lease @ \$1,000/mo
Apt Unit 2	Residential	882	MTM lease @ \$1,100/mo

Area Retail & Amenity Map

The map below identifies key name-brand retailers, restaurants, and services within the Krum/FM 1173 trade area. The subject property benefits from proximity to established national and regional tenants that drive daily traffic along the McCart Street corridor.

AREA RETAIL & AMENITY MAP



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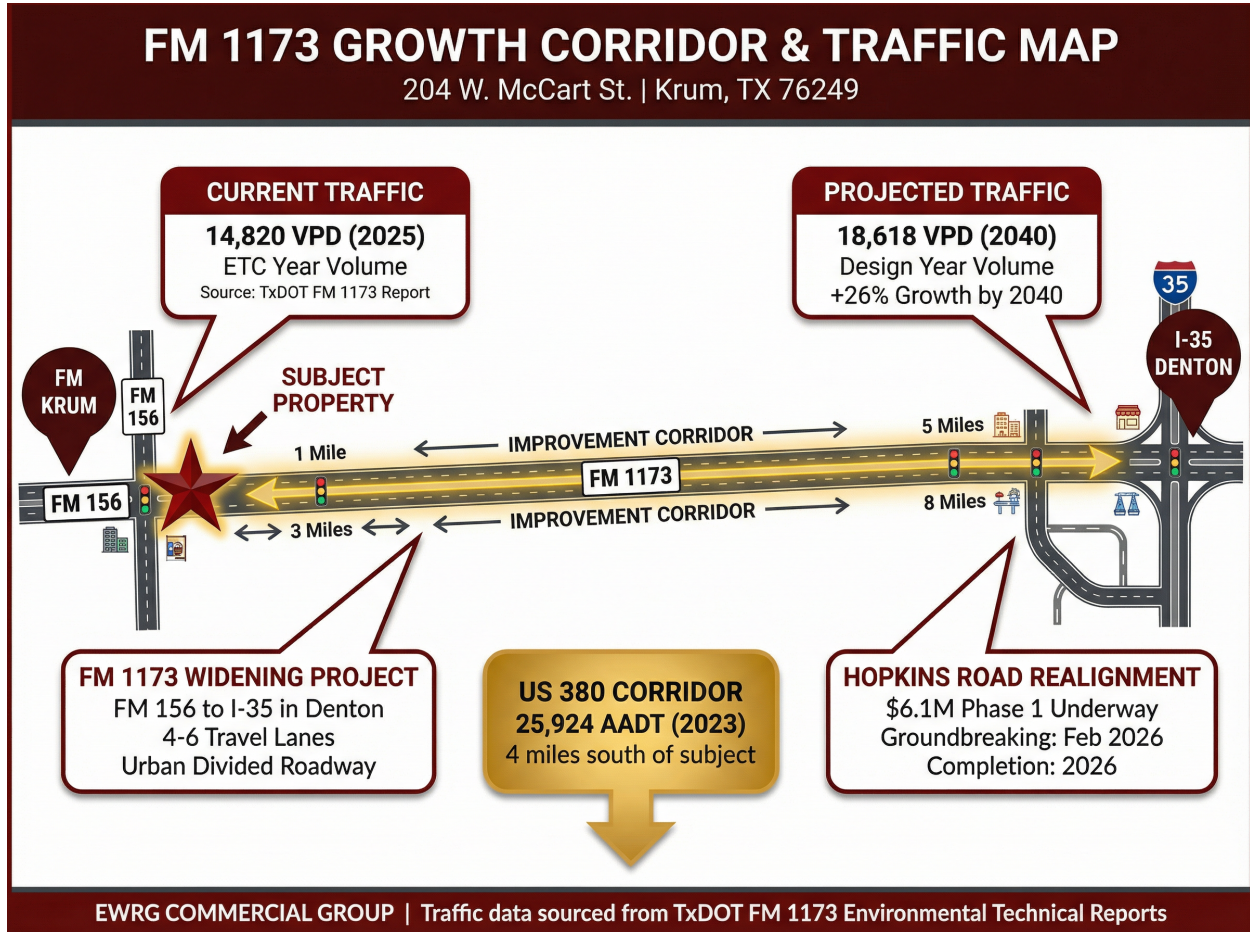
Disclaimer: The information contained herein has been obtained from sources believed to be reliable but has not been verified for accuracy. EWRG Commercial Group makes no guarantee, warranty or representation regarding the information, and all information is provided subject to errors, omissions, modifications and withdrawal without notice.

Area Retail Map — 204 W. McCart St., Krum, TX | 1/3/5-Mile Trade Area Context

Key nearby retailers and services include: Dollar General, Subway, RaceTrac, 7-Eleven, Outback Market, Krum ISD schools, and regional service providers along FM 1173 and US 380. The Walmart Supercenter in Denton (~8 miles east via FM 1173/I-35) anchors the broader trade area.

FM 1173 Growth Corridor & Infrastructure Map

The FM 1173 corridor is undergoing a major TxDOT-funded widening and reconstruction program from FM 156 in Krum to I-35 in Denton. The project will expand the corridor from a rural two-lane cross-section to an urban divided roadway with 4–6 travel lanes, significantly improving capacity, access, and visibility for properties along McCart Street.

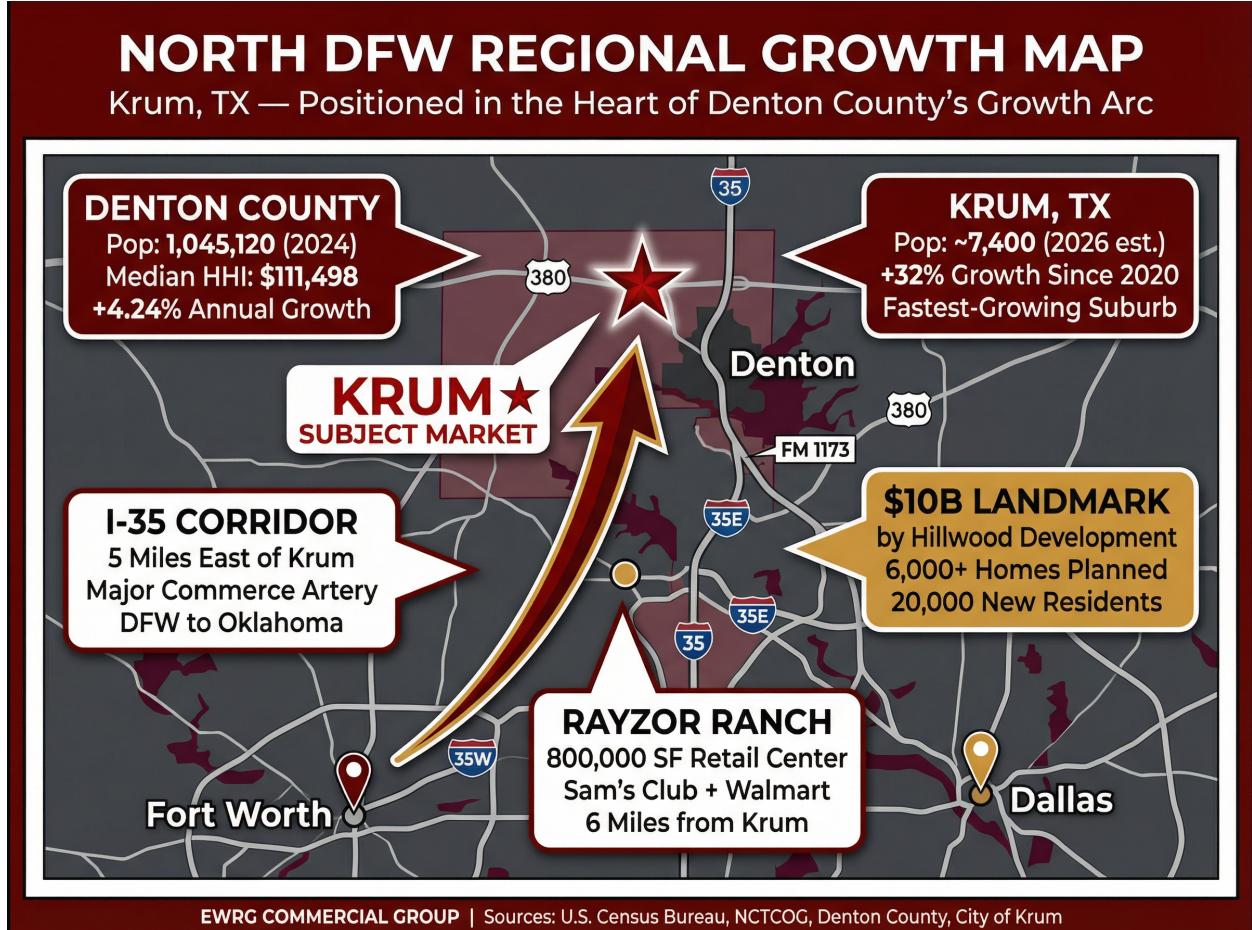


Key Corridor Milestones

Project	Status	Impact
FM 1173 Widening (FM 156 → I-35)	TxDOT Programmed	4–6 lane urban divided roadway; traffic grows from 14,820 to 18,618 VPD by 2040
Hopkins Road Realignment	Active Construction — Phase 1 Groundbreaking Feb 2026	\$6.1M Phase 1; improves FM 1173 intersection access & visibility
Evans Road Widening	Denton County Road Bond — Anticipated	Improves north-south connectivity to FM 1173 corridor

Regional Growth Context — North DFW / Denton County

Krum is positioned at the western edge of the Denton County growth arc, one of the fastest-growing suburban corridors in the United States. The North Central Texas Council of Governments (NCTCOG) projects continued long-range demographic and employment expansion across the 10-county North Texas region, with Denton County among the leading growth nodes.

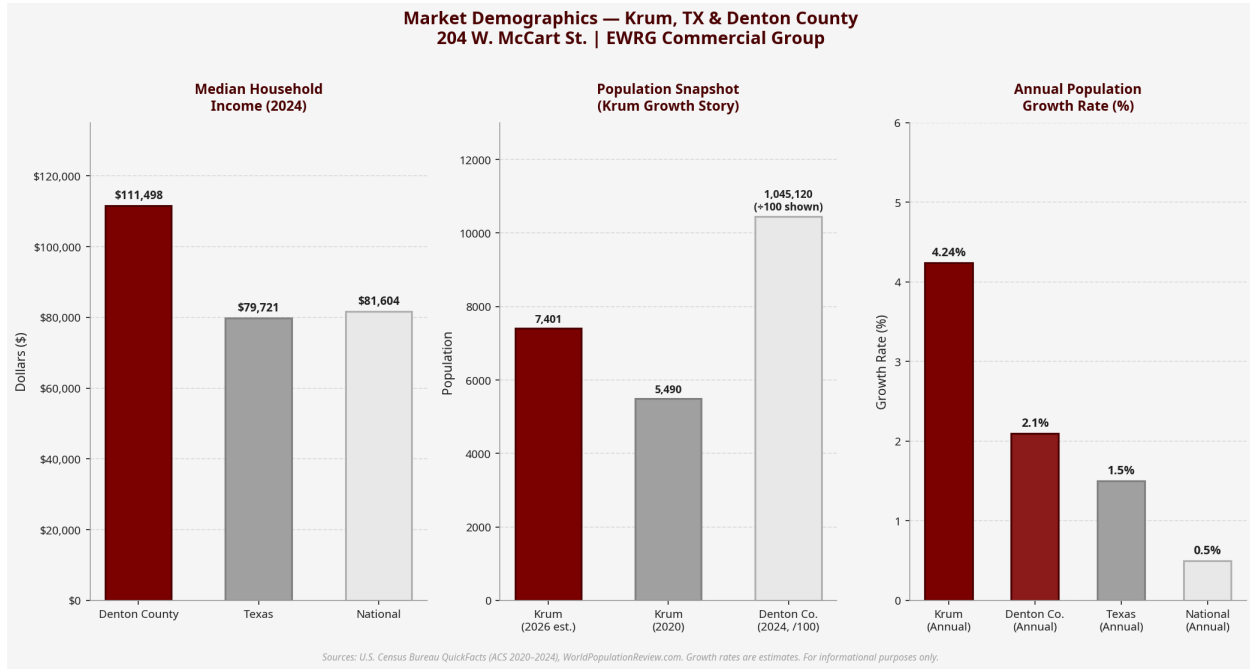


Regional Growth Indicators

Denton County Median HH Income (2024)	\$111,498 — ~40% above national median
Krum Population (2026 est.)	~7,400 residents — up 32% since 2020
Krum Annual Growth Rate	4.24% — among fastest-growing Denton County suburbs
Hillwood Development (AllianceTexas)	\$10B+ master-planned development — 10 miles east
Rayzor Ranch (Denton)	Major retail/mixed-use node — ~8 miles east via I-35

Market Demographics

The following demographic data is sourced from U.S. Census Bureau QuickFacts for Denton County (ACS 2020–2024 basis) and best-available public broker-flyer estimates for the Krum/FM 1173 trade area. Radius demographics for 1/3/5-mile rings are provided as proxy estimates and should be validated with a commercial GIS/demographics provider during due diligence.



Demographic Comparison — Denton County vs. Texas vs. National Average

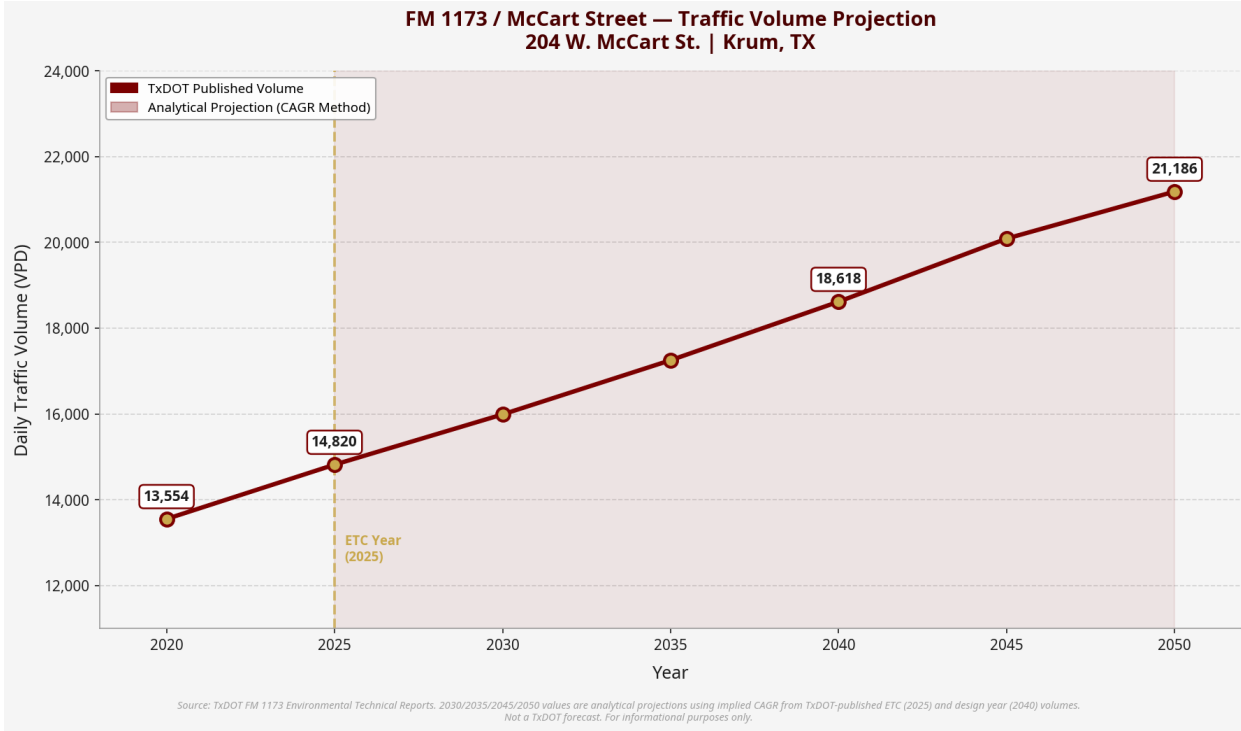
Key Demographic Indicators

Metric	Denton County	Texas	National
Median HH Income	\$111,498	\$67,321	\$75,149
Population Growth (2020–24)	~32%	~9%	~3%
Median Age	36.2	35.5	38.9
Bachelor's Degree or Higher	47.3%	31.5%	35.4%
Owner-Occupied Housing	64.8%	62.5%	64.4%

Source: U.S. Census Bureau QuickFacts, Denton County (2024). Radius demographics for the Krum trade area are proxy estimates from third-party broker flyers (Davidson & Bogel; US 380 & FM 156 trade area) and should be independently validated.

Traffic Volume Projections — FM 1173 / McCart Street

Traffic volume data is sourced from TxDOT FM 1173 environmental technical reports (Air Quality Resources report and supporting traffic corridor analyses). The 5-year projection is derived by calculating the CAGR from the TxDOT-published ETC year (2025) volume to the design year (2040) volume, then applying that CAGR forward. This is an analytical projection, not a TxDOT forecast.



FM 1173 Traffic Volume Projections — TxDOT Data Points & Analytical Projection

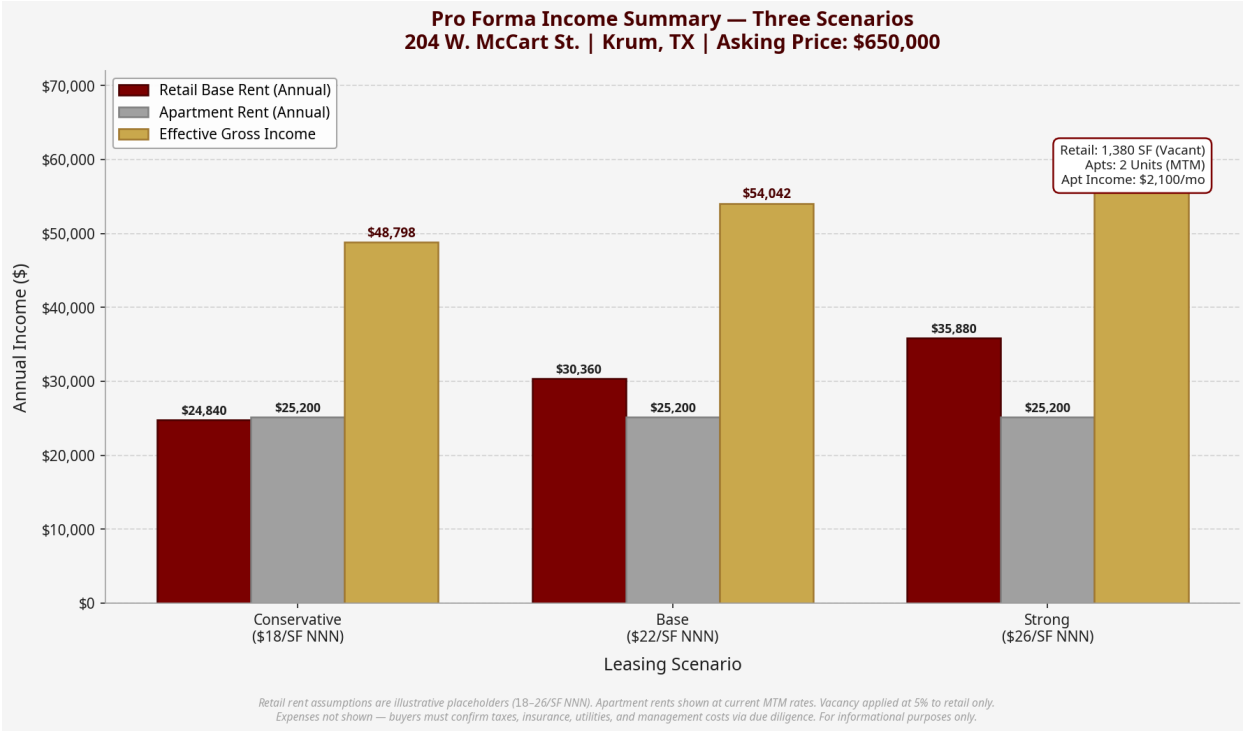
Published Traffic Volume Data Points

Year	Volume (VPD)	Source / Notes
2020	13,554	TxDOT FM 1173 Traffic Corridor Analysis — Base Year
2025	14,820	TxDOT ETC Year Volume (Published)
2030	15,870	Analytical Projection (CAGR from 2025→2040)
2040	18,618	TxDOT Design Year Volume (Published)
2050	21,186	TxDOT Traffic Corridor Analysis — Long-Range

Implied CAGR (2025→2040): ~1.56%/year. The 2030 projection is an interpolation. 2050 data point is from TxDOT long-range corridor analysis. All projections should be disclosed as analytical estimates in investor materials.

Financial Analysis & Pro Forma

The following pro forma presents three scenarios (Conservative, Base, and Strong) based on illustrative retail rent assumptions. These figures are underwriting placeholders and must be validated with current broker rent comps, actual expense data, and tenant market surveys. Apartment income is shown at current in-place rates for all scenarios.



Pro Forma EGI by Scenario — Conservative / Base / Strong

Pro Forma Income Summary

Metric	Conservative	Base	Strong
Retail Rent (\$/SF/yr)	\$18.00	\$22.00	\$26.00
Retail Base Rent (Annual)	\$24,840	\$30,360	\$35,880
Apartment Rent (Annual, as-is)	\$25,200	\$25,200	\$25,200
Gross Potential Income	\$50,040	\$55,560	\$61,080
Less Vacancy/Credit (Retail 5%)	(\$1,242)	(\$1,518)	(\$1,794)
Effective Gross Income	\$48,798	\$54,042	\$59,286

Data Sources & Methodology

Data Category	Source / Methodology
Traffic Volumes (FM 1173)	TxDOT FM 1173 Environmental Technical Reports — Air Quality Resources report and supporting traffic corridor analyses. ETC year 2025: 14,820 VPD; Design year 2040: 18,618 VPD.
Traffic Projections	Analytical projection using CAGR derived from TxDOT-published ETC and design-year volumes (2025→2040). Disclosed as analytical estimate, not a TxDOT forecast.
Demographics — County Level	U.S. Census Bureau QuickFacts, Denton County (ACS 2020–2024 basis). Median HH income: \$111,498.
Demographics — Trade Area	Best-available proxy estimates from third-party broker flyers (Davidson & Bogel, US 380 & FM 156 trade area). Must be independently validated with commercial GIS provider.
Population Growth (Krum)	City of Krum public records and North Central Texas Council of Governments (NCTCOG) long-range demographic forecasting documentation.
Roadway Improvements	TxDOT public meeting materials (FM 1173 widening); Denton County Road Bond anticipated projects list (Hopkins Road, Evans Road); City of Krum public notices.
Property / Parcel Data	Denton County Appraisal District public records (APN R61437); LoopNet public record pages; seller/broker-provided floor plans and disclosures.

Confidentiality & Disclaimer

This Offering Memorandum has been prepared by EWRG Commercial Group for informational purposes only and is intended solely for the use of prospective purchasers of the interest described herein. The information contained herein has been obtained from sources believed to be reliable; however, EWRG Commercial Group has not independently verified all information and makes no representations or warranties, express or implied, as to the accuracy or completeness of the information contained herein. Prospective purchasers should conduct their own independent investigation and due diligence.

All financial projections, pro forma figures, and market data are illustrative only and are based on assumptions that may not reflect actual market conditions. Retail rent assumptions (\$18–\$26/SF) are underwriting placeholders and must be validated with current broker rent comparables. This Offering Memorandum is not intended to be a complete description of the property or the market in which it is located. All information should be independently verified.

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EWRG Commercial Group | Real Broker



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Specializing in Mixed-Use, Retail, and Investment Properties | North Texas

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