

CONFIDENTIAL OFFERING SUMMARY

Milestone Church Facility

801 Keller Parkway, Keller, Texas 76248



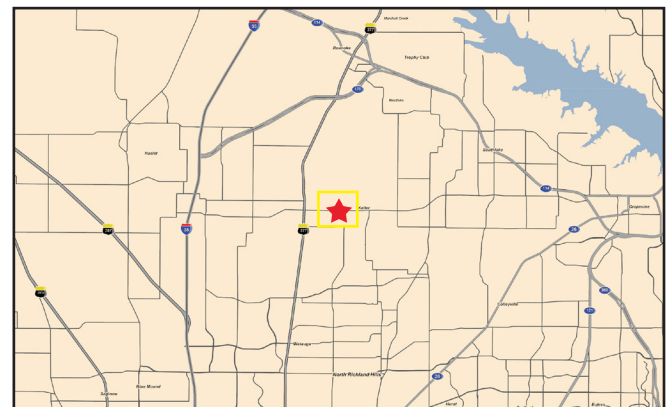
PROPERTY OVERVIEW

- Building Size: 31,000 SF
- Land Area: 1.96 acres
- Completely remodeled in 2009 and well-maintained
- Currently occupied by the owner (Milestone Church)
- Convenient location on major street
- Strong residential and retail market
- Ideal for church, office, school or retail

SALES PRICE

Negotiable - Church's new property under construction

- Owned
- Leased
- Also available from separate owner



LOCATION

The property is located on Keller Parkway, which is the major thoroughfare between Keller and Southlake. The building is minutes from Keller Town Center and Southlake Town Center, and easily accessible from major freeways.

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INVESTMENT OVERVIEW

This property provides a unique opportunity for users or developers depending on the intended use. The property, once a grocery store, is currently owned and occupied by Milestone Church. The church has experienced tremendous growth and is in need of a larger facility. The church has already started construction on their new building in Keller with hopes of occupying in December 2016. The goal of the church is to sell this building to generate cash for development of the new building project and lease back 801 Keller Parkway through the end of 2016. The church owns the 31,000 space and leases approximately 9,000 sf of adjacent space in the shopping center, which it has the first right of refusal to purchase. The building was completely remodeled in 2009, has been well maintained, and is in excellent condition. A new roof was installed in 2012 and several of the 10-ton HVAC units are less than five years old.

The building is located in the thriving Keller/Southlake/Grapevine/Colleyville corridor which continues to experience phenomenal growth. This area is between Fort Worth and Dallas and just west of the D/FW Airport. This area has exploded over the past few years and benefits from high employment growth and residential development and has an average household income of over \$120K in the three-mile area around the building. Keller Parkway/Southlake Boulevard is the major west/east thoroughfare between I-35 and D/FW Airport and is a hot market for retail and multi-family development. Keller city leaders have made it priority to encourage further development along Keller Parkway and are offering incentives to developers to particularly encourage retail development.

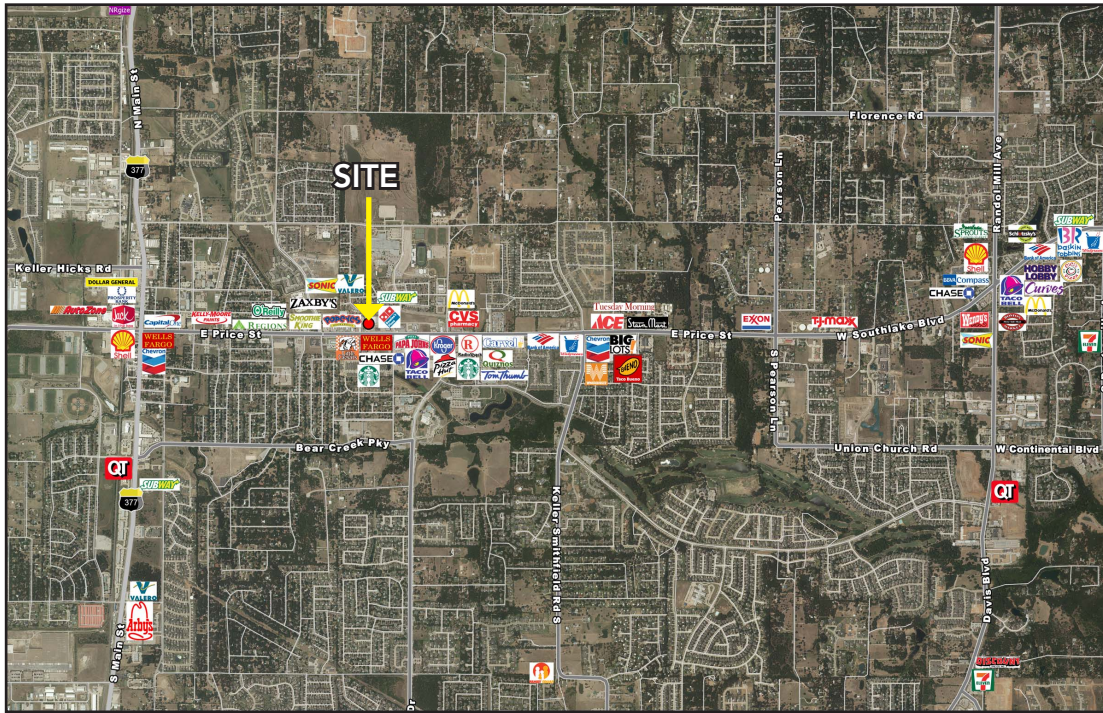
Investor Opportunity: The church is well-capitalized and has a very strong membership base. The church would lease the space at a market rate for two years, providing time for an investor/developer to generate a 10% rate of return while negotiating a future lease with a retail user. Based on the financial assumptions provided in the Financial Summary of the OM, this could result in a strong IRR over a 10-year period, even factoring in an allowance for vacancy and redevelopment. It may also be possible to structure a sale to maintain a tax-exempt status during the interim period. Another potential possibility may be to acquire the entire shopping center. The center is 100% leased and owned by a small investment group.

Church, School or Office Opportunity: The building served the church very well during the early years. It features a large, versatile, open-seating auditorium and a number of large classroom spaces. The adjacent space is leased to provide a smaller open area for youth classes and activities. The facility includes an attractive lobby, a children's play area which is popular feature for large urban church facilities, secured access for the classroom area, and a large gathering area with a coffee bar. Because most of the rooms are large, the building could easily be converted for office or medical use.

PROPERTY SUMMARY

- **Building Size:** Approximately 31,000 SF
- **Land Area:** 1.96 acres
- **Year Built:** 1985 / Remodeled in 2009
- **Zoning:** R - Retail
- **Occupancy:** Currently occupied by Milestone Church
- **Tenancy:** The church leases approximately 9,800 SF of adjacent space in the shopping center until October 2016. Tenant has a right of first refusal to purchase this space.
- **Parking:** 90 owned spaces. The church uses additional spaces in the shopping center.
- **Roof:** Installed 2012
- **HVAC:** 15 well-maintained rooftop units exceed usage requirements. Nine are 10-ton units added for the auditorium in 2009.
- **Current Configuration:** Large spaces, but could be reconfigured for alternative use.
 - Large open auditorium can accommodate more than 800 chairs
 - Attractive foyer entry
 - Several large classroom spaces
 - Rental space includes large open area with coffee bar
- **Furniture and Equipment:** Can be included in a sale at an additional price
- **Loading Dock:** 1 grade level dock with a roll-up door
- **Keller Square Shopping Center:** The adjacent shopping center is 93% leased. Tenants include Subway, Joe's Pizza and Pasta, A Better Crossfit, Alliance Jewelers, Kassandra's Mexican Kitchen, Salon Texture, Teamworks Screen Printing, and a barber shop.

OFFERING SUMMARY



TRADE AREA INFORMATION

The Keller and Southlake areas have continued to experience rapid growth and development. City leaders have been eager to encourage development along Keller Parkway and are willing to offer incentives for conversion to commercial use.

DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
2014 Population	8,472	72,548	197,264
2014 Avg Household Income	\$91,178	\$120,958	\$114,098
Estimated Households	3,472	24,169	65,814

PROPERTIES WITHIN FIVE MILES

	Retail	Office
Existing		
>30K SF Available	0	1
10-30K SF Available	8	2
5-10K SF Available	8	4
Proposed		
>30K SF	3	1
10K to 30K SF	4	6
Average Rental Rate	\$16 NNN	\$24.50 FS

TRAFFIC COUNTS

Keller Pkwy @ Pate Orr Rd. N	39,053 VPD
Pate Orr Rd. S @ Windcrest Dr.	3,476 VPD
N. Rufe Snow Dr. @ Bear Creek Pkwy	14,289 VPD

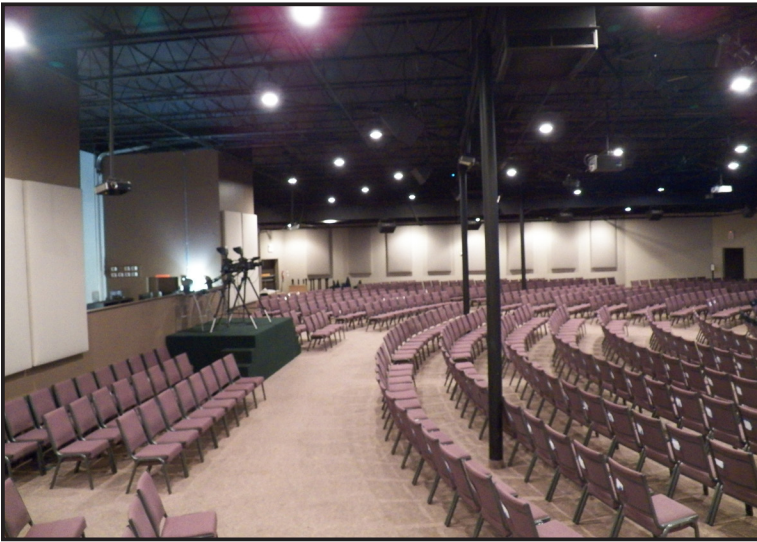
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Milestone
Church
Facility

EXTERIOR



INTERIOR

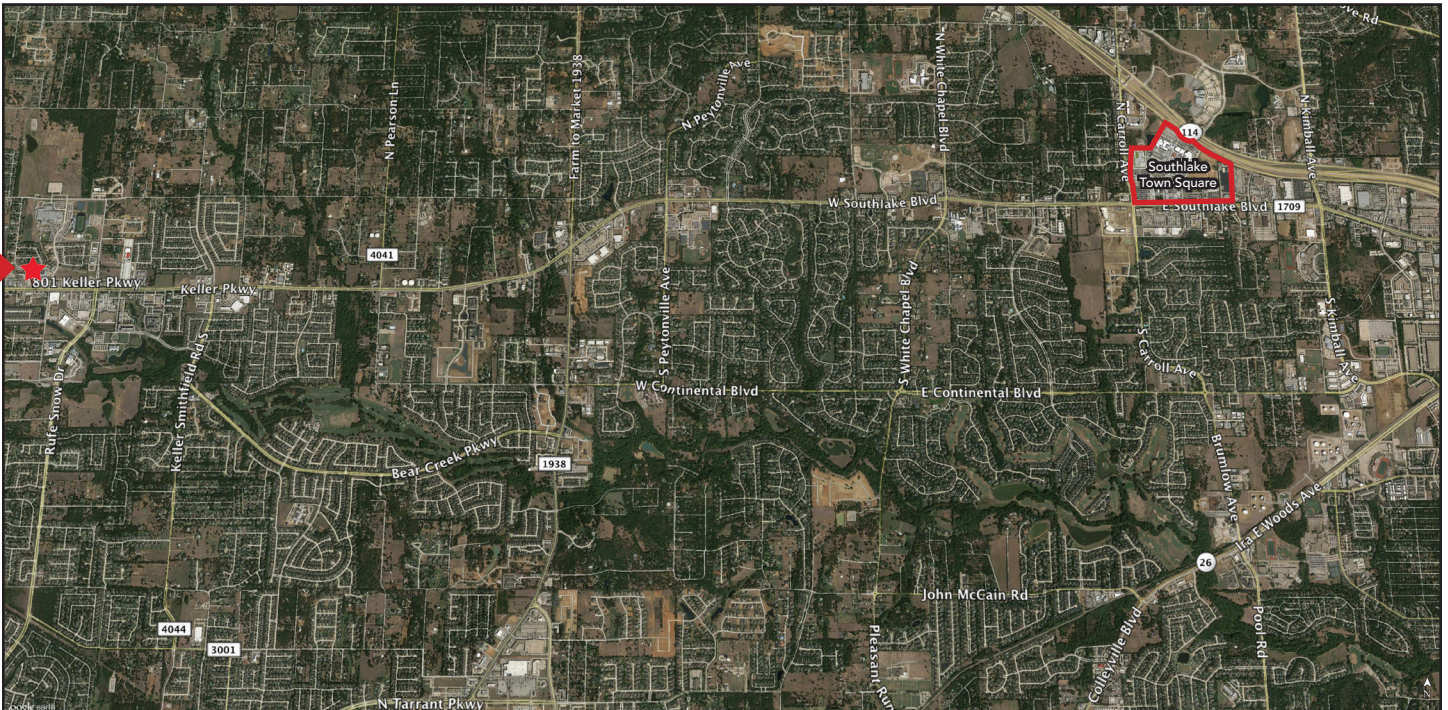


INTERIOR



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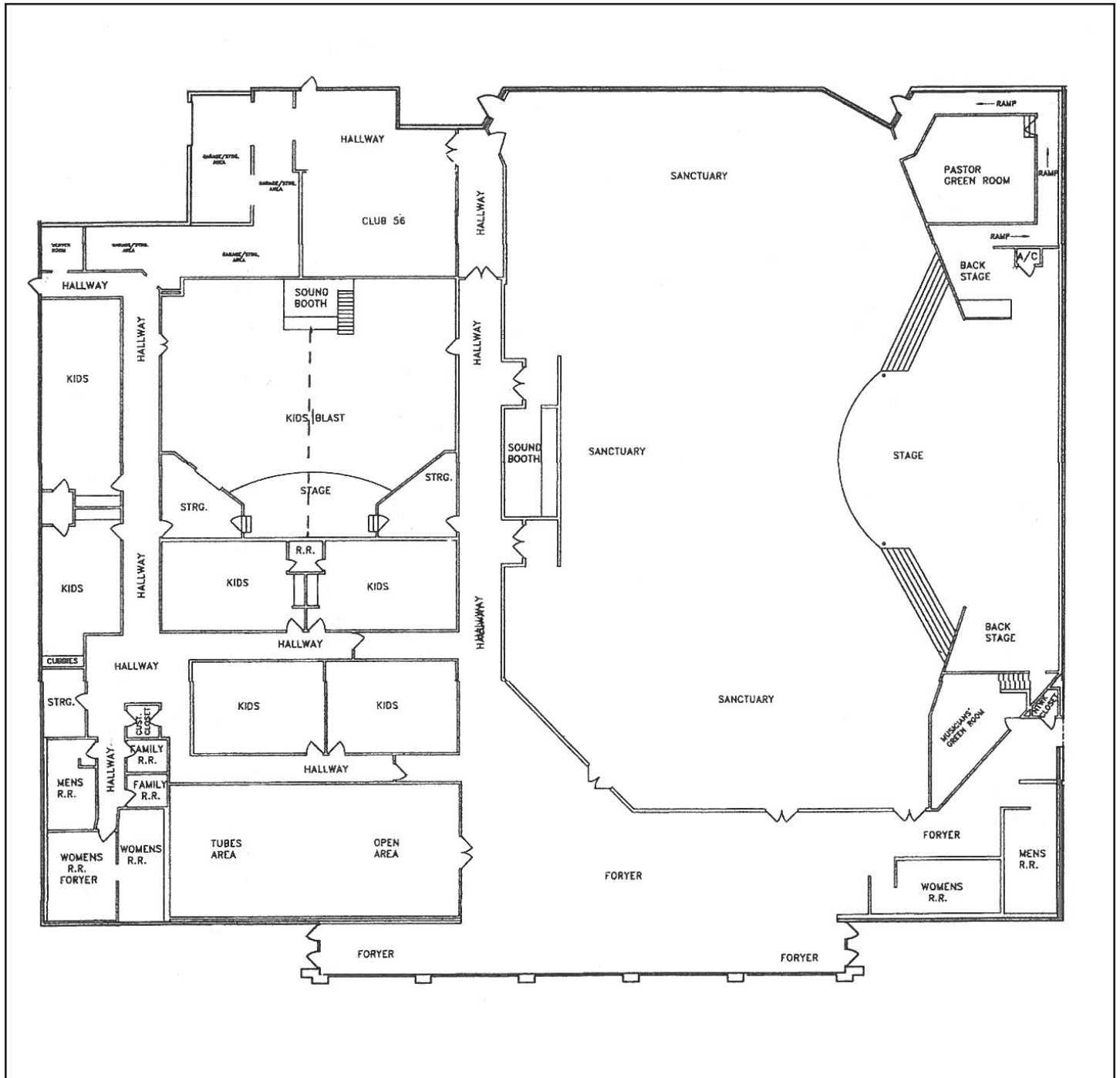
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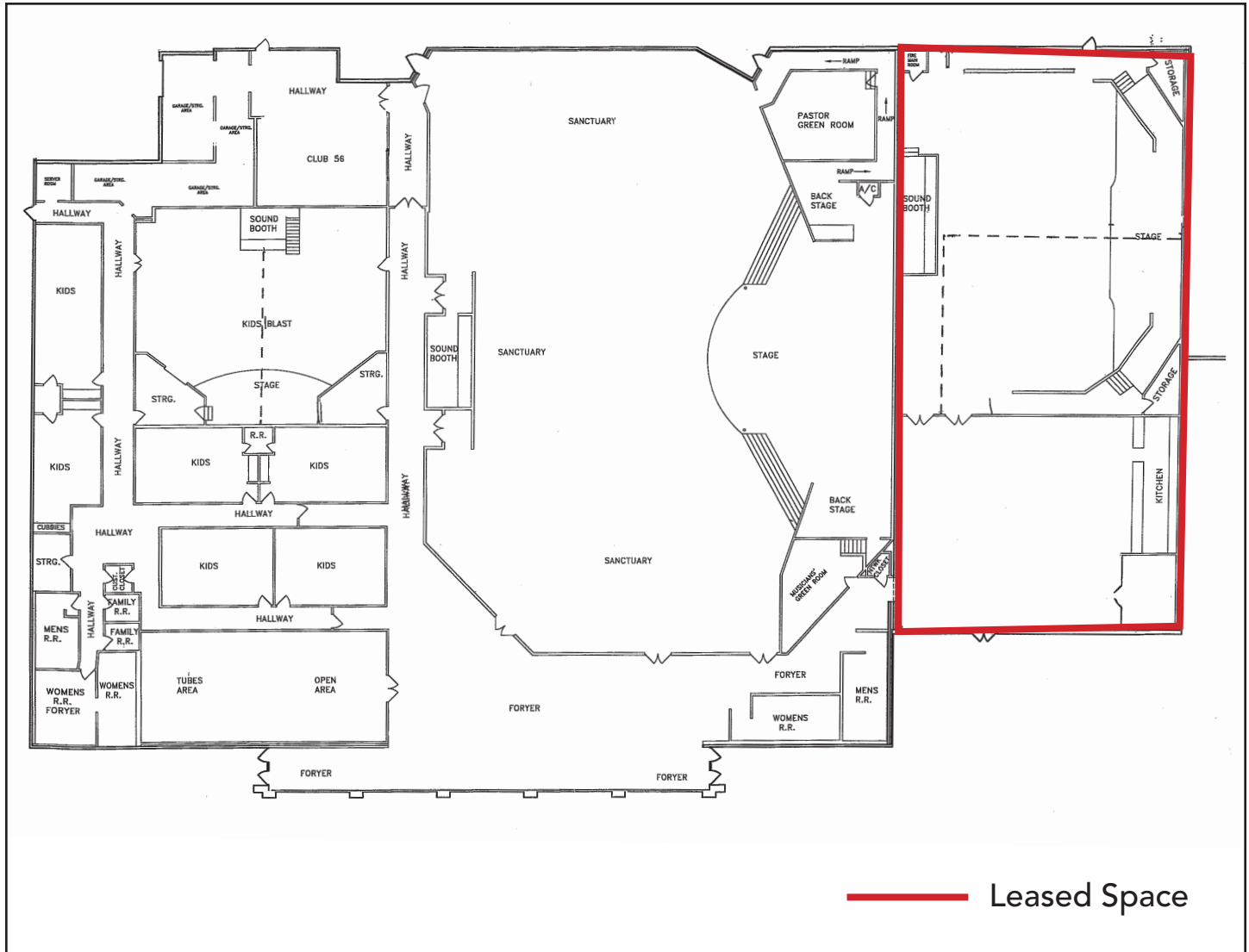
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FLOOR PLAN



OFFERING SUMMARY

FLOOR PLAN



DISCLAIMER

The purpose of this presentation is to provide the reader with certain information which may be helpful in an analysis of the property described herein as potential real estate investment. In this regard, the information contained herein has been obtained from various sources which include personal observation of the property, data supplied by the owner and/or staff and other sources. No guarantee is made or responsibility is assumed for the accuracy or adequacy of data obtained from any sources, estimates made by any agent of Transwestern, arithmetic errors, prior sale information, withdrawal from the market, any price change or any event beyond the control of Transwestern. For your protection you are urged to make your analysis of the contents presented herein and to investigate and verify to your own satisfaction the contents presented herein and any other related matters and information. It is further recommended that your attorney advises you on all legal matters, that your CPA advise you on tax matters and that you have qualified engineers and tradesmen certify as to the physical aspects of the property, including but not limited to the condition and operational nature of all improvements thereon, if any, and the environmental condition of the property. Transwestern makes no representation or warranty as to (i) physical condition or nature of the property or its suitability for any particular purpose; or (ii) the compliance of the property with any applicable law, rule, regulation or ordinance, including but not limited to zoning laws, the Americans with Disabilities Act, restrictive covenants or other restrictions and environmental laws.

