

PRIVATE OFFERING

Muriburr Oaks Apartments

Submarket: Medical Center



6215 Tierwester Street **\$750,000**
Houston, TX 77027



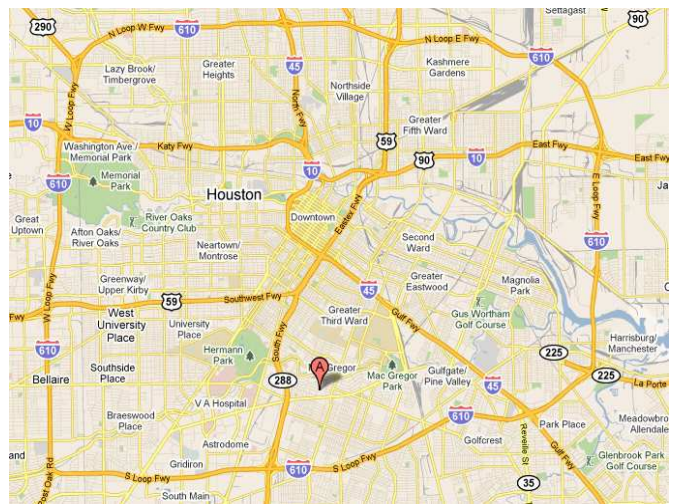
Real Estate Services

4200 Westheimer Road Suite 220

Houston, TX 77027

713-828-3502 (o)

713-395-4992 (f)



Andre J. Reed, CCIM Broker

Frank Pittman III, Broker

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Investment Opportunity

Houston, Texas Multifamily
Medical Center Area

Contact: Andre J. Reed

ajreed@parionovo.com, 713-828-3502

Price: \$750,000 (\$25,000 per unit)

FEATURES

Age/Renov: 1965

Units: 30

*Rentable sf: 21,300

Acres: 0.77

Type: Garden Community

Exterior: Brick/Shingle

HVAC: Central Heating

Electrical: Individual Meter

Gas / Water: Master Meter / Boilers

Occupancy: 93%

*Unit Mix: (13) 1 bd 1 ba, 640 sf
(15) 2 bd 1 ba, 770 sf
Office 640 sf
Shop 770 sf
*Estimate; Buyer to verify sf

2009 NOI \$99,861

2010 NOI \$105,586



6215 Tierwester St. Houston, TX 77021



14% Cap (Based on actual)

SELLER TERMS

Condition: **As-is, Where-is**

Financing: Seller-financing
(bridge) with
acceptable proposal

Disclosures: Lead based paint

Subsidies: None

Gov't Programs: No current
participation

- **Medical Center multifamily investment**
- **High occupancy**
- **Ready for image upgrade**
- **Seller-financing available**
- **Urban redevelopment target area**



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 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, 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 or 512-465-3960.



(TAR-2501) 1/1/96

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01A

TREC No. OP-K

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Untitled

Property Photos





Low maintenance flooring



1 man, 1-day make-ready



Flood Map

FEMA Floodplains Effective June 18, 2007



All Elevation Data Based on NAVD 1988 2001 Adjustment.



0 0.025 0.05 0.12 0.15 Miles



Disclaimer:

This tool is for general information purposes and may not be suitable for legal, engineering, or surveying purposes. It represents the approximate relative location of geographic information, including physical addresses, and may not be 100% accurate. While the floodplain data shown is intended to be an approximate representation, this map is not an official effective FEMA Flood Insurance Rate Map (FIRM). For an official flood zone determination please contact your insurance agent or floodplain administrator, or visit the FEMA Map Store to create a FIRMette, which is an official FEMA FIRM.

Houston Market Overview

- The unemployment rate in Houston (8.5%) was below US rate. Houston added jobs in the quarter, but more people joined the local work force as the population grew.
- Texas Medical Center will continue to build 39.6 million square feet as a result of \$7.1 billion in capital investment planned through 2014.
- Job-related apartment demand will begin to outpace supply growth by the end of the year, reversing a 15-quarter trend of rising vacancy
- Apartment demand will grow at double the pace of supply additions as government home buying incentives expire and financing for new multifamily construction remains limited.
- Oversupply concerns, tight construction financing and the ease of getting projects approved have resulted in developers abandoning, rather than delaying, plans for a significant number of projects

5+ Unit Permits Activity

- Houston market permits for 5+ units remains more than half of previous year activity.
- Acquisitions are slowed by financing, not the lack of viable projects. Cash buyers and those who can secure financing are acquiring foreclosures and distressed properties.

Date	Number of Dwelling Units		
	Units	12 Month	
		Total	Percent Change
2010-Jan	371	3,044	-79
Feb	10	2,640	-81
Mar	314	2,628	-78
Apr	777	3,116	-69
May	399	3,218	-66
Jun	429	3,642	-59



www.riversidedistricthouston.com

For more information on **Tax Increment Reinvestment Zone** and the 2011 Budget

www.houstontx.gov/finance/ecodev/tirz.html

Medical Center Submarket and Tierwester Trade Area Summary

- Increasing unemployment caused a dip in occupancy, yet Med Center remained above the market average
- Rent increases above market and still positive as occupancy levels out
- Class A construction continues in Med Center due to a employment and expansion in the submarket; Class A occupancy remained strong while rates dropped slightly
- Blue collar workforce
- Tierwester is close proximity to Texas Medical Center, Rice, University of Houston, and Port of Houston

Inner Loop / Med Ctr – Class C & D

Survey Period	Occupancy	Rent/sf Increase	Absorption
1999	86%		143
2000	89%	0.9%	37
2001	90%	3.8%	36
2002	90%	7.5%	-31
2003	90%	1.9%	43
2004	87%	2.4%	-181
2005	92%	5.4%	351
2006	93%	1.4%	165
2007	93%	2.0%	42
2008	93%	0.3%	-3
2009	89%	2.0%	-257
2010	85%	1.3%	-322

per O'Connor & Associates

Rent Comparables (sorted by square feet)

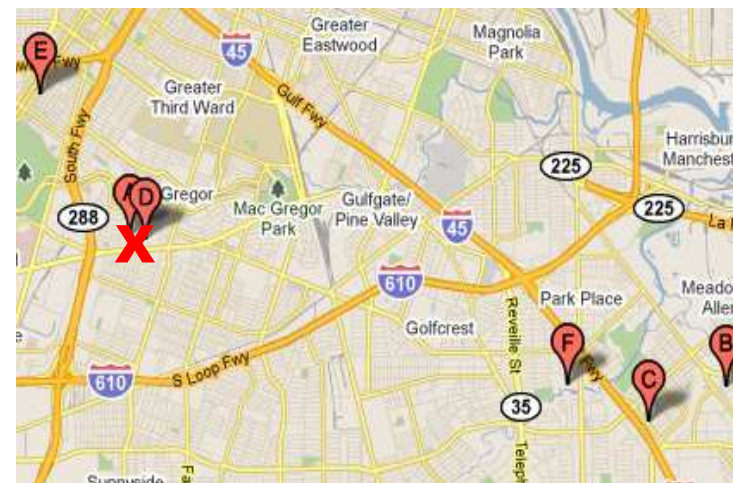
Project	Beds	Baths	Units	Actual Rent	Sqft	As-is (Suggested)	Upgraded (Suggested)
Mainridge	1	1	80	\$549	625		
Nubia Square	1	1	42	\$501	625		
Patrician	1	1	25	\$500	625		
Fair Oaks	1	1	31	\$520	635		
Courtyard	1	1	44	\$445	640		
6215 Tierwester	1	1	14	\$450	640	\$450	\$475
Nubia Square	1	1	42	\$515	646		
Golfcrest Gardens	1	1	20	\$350	650		
Redwood Gardens	1	1	24	\$468	650		
MacGregor Gardens	1	1	40	\$469	651		
Nubia Square	1	1	16	\$521	656		
Broadway Park	1	1	44	\$510	667		
4203 Phlox	2	1	36	\$500	750		
Mount Hebron Village	2	1	72	\$385	750		
Rose Plaza Apts.	2	1	37	\$625	750		
Wheatley Plaza	2	1	108	\$500	750		
6215 Tierwester	2	1	16	\$495	770	\$515	\$565
Weslow Manor Apts.	2	1	24	\$518	775		
Wesley Square	2	1	100	\$430	787		
Ardmore	2	1	34	\$565	792		
Loop Crossing	2	1	9	\$725	800		
Sir John Apts.	2	1	57	\$540	800		

Tierwester & OST (Reinvestment Zone)



Sales Comparables

Property	Units	Per Unit	Sold	GRM	Occ	Notes
A. CULBERSON 6204 Culberson, Houston 77021	12	\$36,458	2/2009	unk	unk	Class C
B. SILVER CREEK 5124 Silver Creek, Houston 77017	16	\$23,750	7/2010	unk	71%	Class D
C. BELVEDERE APARTMENTS 8445 Winkler, Houston 77017	46	\$24,500	1/2010	4.14	50%	Rehab
D. CALLI COURT 6225 Tierwester, Houston 77021	30	\$31,667	Listed	N/A	85%	Class C
E. CAROLINE 5212 Caroline, Houston 77004	30	\$33,992	11/10	unk	90%	Class C
F. DOVER PLACE 4137 Dover, Houston 77087	32	\$23,438	6/2010	3.40	95%	Class C



A. CULBERSON



B. SILVER CREEK



C. BELVEDERE APARTMENTS



D. CALLI COURT



E. CAROLINE



F. DOVER PLACE





**Calli Court
Listed \$950,000**

**6215 Tierwester
Listed \$750,000**

<u>Destination</u>	<u>Distance (mi)</u>
U of Houston	2.0
Texas Med Ctr	2.1
Rice Univ	3.2
Downtown	4.0
Port of Houston	5.5

