



901 E 16th Avenue

Corsicana | Texas 75110



CONFIDENTIAL OFFERING MEMORANDUM

Property Tour & Offer Process

Property Visitation: Prospective purchasers will be afforded the opportunity to visit the Property during prescheduled tours. Tours will include access to a representative sample of units as well as common areas. To not disturb the Property's ongoing operations, visitation requires advance notice and scheduling.

Available Tour Dates: To schedule your tour of the Property, please contact **John Tallis** at 469.518.5037 or jtallis@greysteel.com

Offer Submission: Offers should be submitted in the form of a non-binding Letter of Intent to **John Tallis** at 469.518.5037 or jtallis@greysteel.com. Terms and conditions of Purchasers' offer should at the minimum include:

- Offer price
- Earnest money deposit
- Due diligence and closing period
- Description of Purchaser qualifications and proof of funds

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- Investment Highlights
- Property Details



INVESTMENT HIGHLIGHTS



The Opportunity

The Property offers a tremendous opportunity for buyers to add value through redevelopment. Zoned as MF-1, the Property allows for multifamily conversion and a variety of other uses. Located in an opportunity zone, the current owners original plan was to convert the Property into a 30+ unit apartment building. New ownership now has the ability to take advantage of this by performing a full gut-rehab.



The Location

Corsicana is home to Navarro College, which has an annual student enrollment of 9,000 students and employs faculty and staff of 430. The Property is strategically located south of Downtown Corsicana, near the high trafficked I-45 which allows easy access in and out of the city. Located just 55 miles away from the D/FW Metroplex, which was ranked No. 1 in the nation in raw population growth in 2021.



The Drivers

The Property is located in a market with a major housing shortage allowing a new owner to capitalize on high occupancy. The demand creates the ability to charge strong rents and maximize cashflows. The area is home to a vast selection of employers across several industries, including construction, manufacturing, food storage and shipment, as well as machining and fabrication, offering workers a multitude of opportunities.



Property Details

901 E. 16th Avenue

Corsicana, TX 75110

SITE SUMMARY

Lot Size	2.066 acres
Zoning	MF-1
GBA	28,400 SF
Opportunity Zone	Yes

TAX INFORMATION

County	Navarro
Parcel No.	30876
2022 Assessed Value	\$127,210
Taxes	\$3,278.45

PROPERTY TAX RATES

TAXING ENTITY	TAX RATE
Navarro County	0.4922
Navarro College	0.1164
Road and Bridge	0.1038
Navarro Flood Control	0.0085
City of Corsicana	0.612
Corsicana ISD	1.2443
Total Tax Rate	2.5772



Regional Overview

- Market Overview
- Economic Highlights
- Regional Map
- Local Map
- Major Employers Map
- Demographic & Income Profile Report

MARKET OVERVIEW

Navarro County, TX

Home to a little over 50,000 people in Navarro County, Corsicana is located in North-Central Texas at the crossroads of Interstate 45, U.S. Hwy 287 and State Hwy 31 and serves as the county seat. Corsicana encompasses roughly 1,086 square miles in area and provides easy access to all the major markets in Texas including the Dallas-Fort Worth Metroplex, Houston and Waco. Due to its' strategic location only a half-hour away (~50 miles), the Interstate 45 corridor is home to major brand distribution centers because of its central location for distribution, freight hauling, and rail service.

The downtown area is filled with original brick streets to blend shopping, dining, creative arts and entertainment, and amenity living with historic preservation and economic development strategies (Economic Development). Historically, Corsicana was known as the first oil discovery west of the Mississippi, which influenced the post-Civil War growth by the end of the late 19th century. Corsicana is also the home of the world-famous DeLuxe Fruitcake from Collin Street Bakery and the home of the first oil refinery, formerly operated by Magnolia Oil Company (now Mobil Corporation).

Although Corsicana has roots as an oil and gas boomtown, the city also has a large concentration of manufacturing, chemical engineering, healthcare, education, and logistics/distribution businesses and sectors. In addition, the Corsicana local independent school district and Navarro college combine to account for close to 10,000 total students, while employing over 1,200 educators and support staff. With more than 10 million new people expected in the Texas Triangle during the next 40 years, developers and decision makers look to key areas like Corsicana to maximize resources and future growth.



ECONOMIC HIGHLIGHTS

Pactiv (0.9 miles):

- Pactiv is the leading manufacturer of fresh food and beverage packaging in North America, with strong commitment to protecting natural resources
- Pactiv employs a little over 500 employees in Corsicana, making it one of the largest employers in the city

Russell Stover's Chocolates (1.4 miles):

- Russell Stover's is a Fortune 500 company created in 1923 that creates boxed chocolates and candies enjoyed by families for decades
- Russell Stover's has factories located in Texas, Kansas, Missouri, and Colorado, employing just under 1,000 employees in Corsicana and making it the largest employer in the area
- **Collin Street Bakery (1.3 miles):**
- Collin Street Bakery makes fresh cookies, brownies, muffins, custom decorated cakes, and their world-famous DeLuxe® Fruitcake, with shipping to over 190 countries
- Known as a staple in Corsicana, the bakery employs just under 350 support staff in the area

Navarro Regional Hospital (3.2 miles):

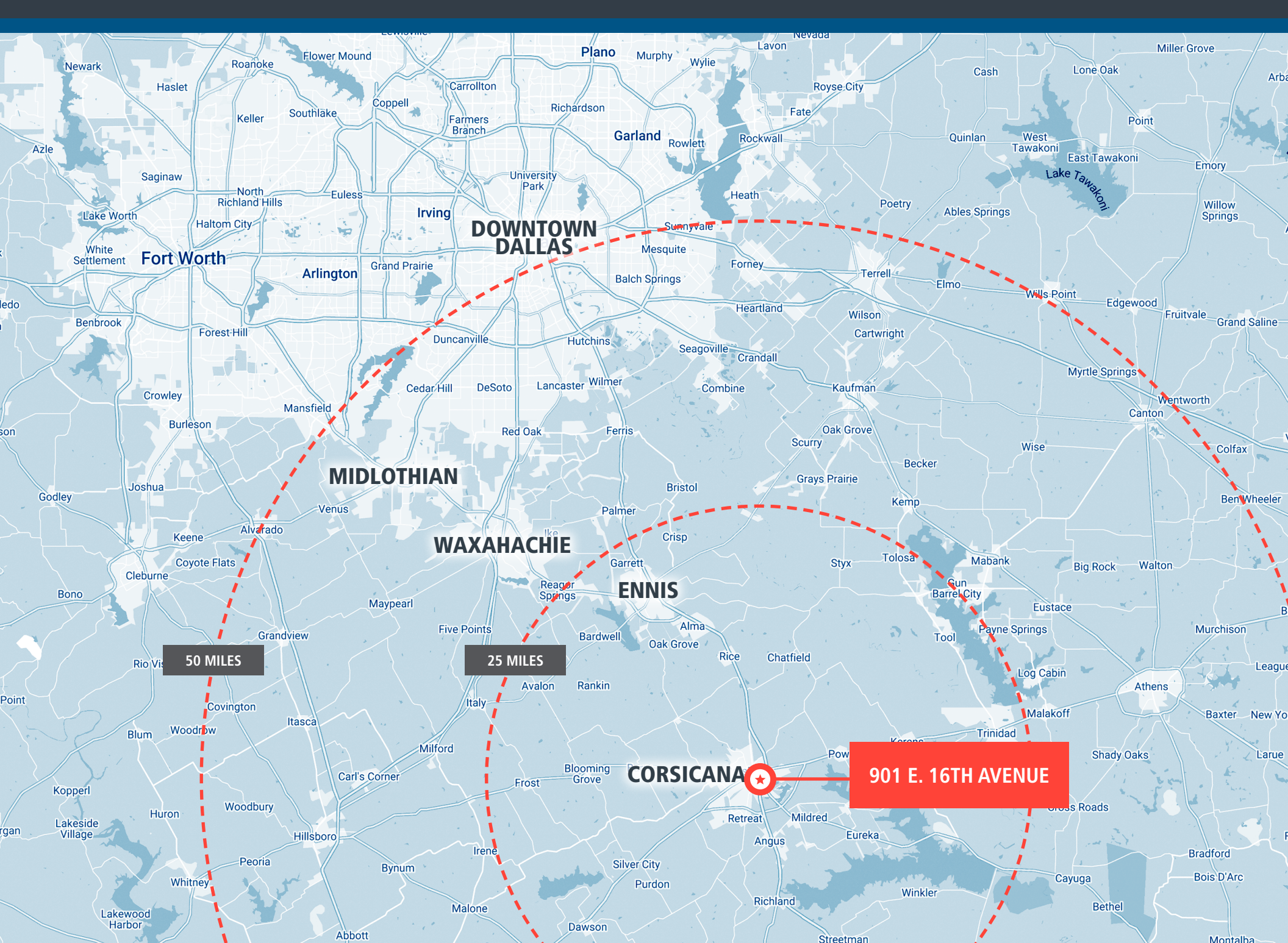
- Navarro Hospital is a 162-bed licensed acute care facility with inpatient and outpatient care, diagnostic imaging, emergency department, medical and surgical care
- Navarro Hospital has over 50 full-time doctors and an additional 300+ support staff, making it the largest healthcare employer in the area

Watkins Construction (1.8 miles):

- Watkins Construction is general contracting firm and a family business with more than 60 years of history serving oil and gas industry customers in Corsicana, Texas
- Watkins Construction employs over 500 employees, making it one of the top employers in the area

RUSSELL STOVER'S CHOCOLATES (1.4 MILES)





**DOWNTOWN
DALLAS**

FORT WORTH

MIDLOTHIAN

WAXAHACHIE

ENNIS

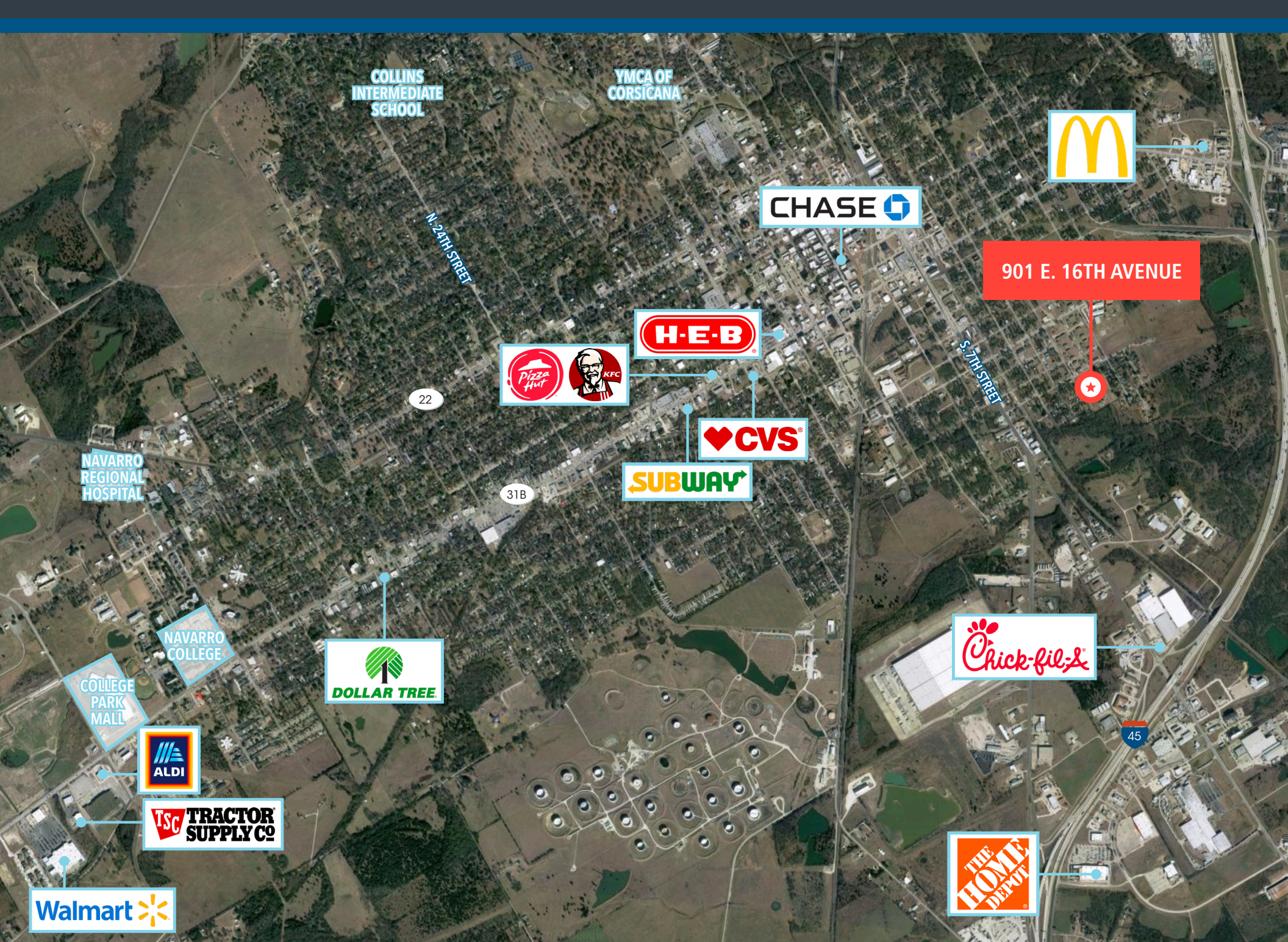
CORSICANA

901 E. 16TH AVENUE

50 MILES

25 MILES

REGIONAL MAP



COLLINS
INTERMEDIATE
SCHOOL

YMCA OF
CORSICANA



CHASE

901 E. 16TH AVENUE



COLLEGE
PARK
MALL

NAVARRO
COLLEGE

NAVARRO
REGIONAL
HOSPITAL

22

31B

45



NAVARRO COUNTY, TX MAJOR EMPLOYERS

	Employer	Employees	Industry	Address
1	Russell Stover Candies	936	Manufacturing	1997 Pecan Delight, Corsicana, TX 75110
2	Corsicana I.S.D.	886	Education	2200 W 4th Ave, Corsicana, TX 75110
3	Pactiv	533	Manufacturing	4501 East Business, TX-31, Corsicana, TX 75109
4	Watkins Construction	505	Energy	3229 S 15th St, Corsicana, TX 75110
5	Navarro Regional Hospital	365	Healthcare	3201 E State Hwy 22, Corsicana, TX 75110
6	Navarro County	360	Government	300 W 3rd Ave, Corsicana, TX 75110
7	Walmart	350	Wholesaler	3801 State Hwy 31 W, Corsicana, TX 75110
8	Corsicana Mattress	350	Retail	623 Bryant's Way, Corsicana, TX 75109
9	Collin Street Bakery	347	Retail	2035 I-45, Corsicana, TX 75110
10	Guardian Industries	318	Manufacturing	3801 South, US-287, Corsicana, TX 75109

Source: Navarro County CAFR 2021

Demographic & Income Profile Report



MILES	2022	2027
1	2,545	2,468
3	21,541	21,105
5	27,251	26,873



MILES	2022
1	921
3	9,224
5	11,795



MILES	2022	2027
1	400	382
3	2,963	2,812
5	3,540	3,390



MILES	2022	2027
1	34.8	36.0
3	34.7	35.8
5	35.3	36.5

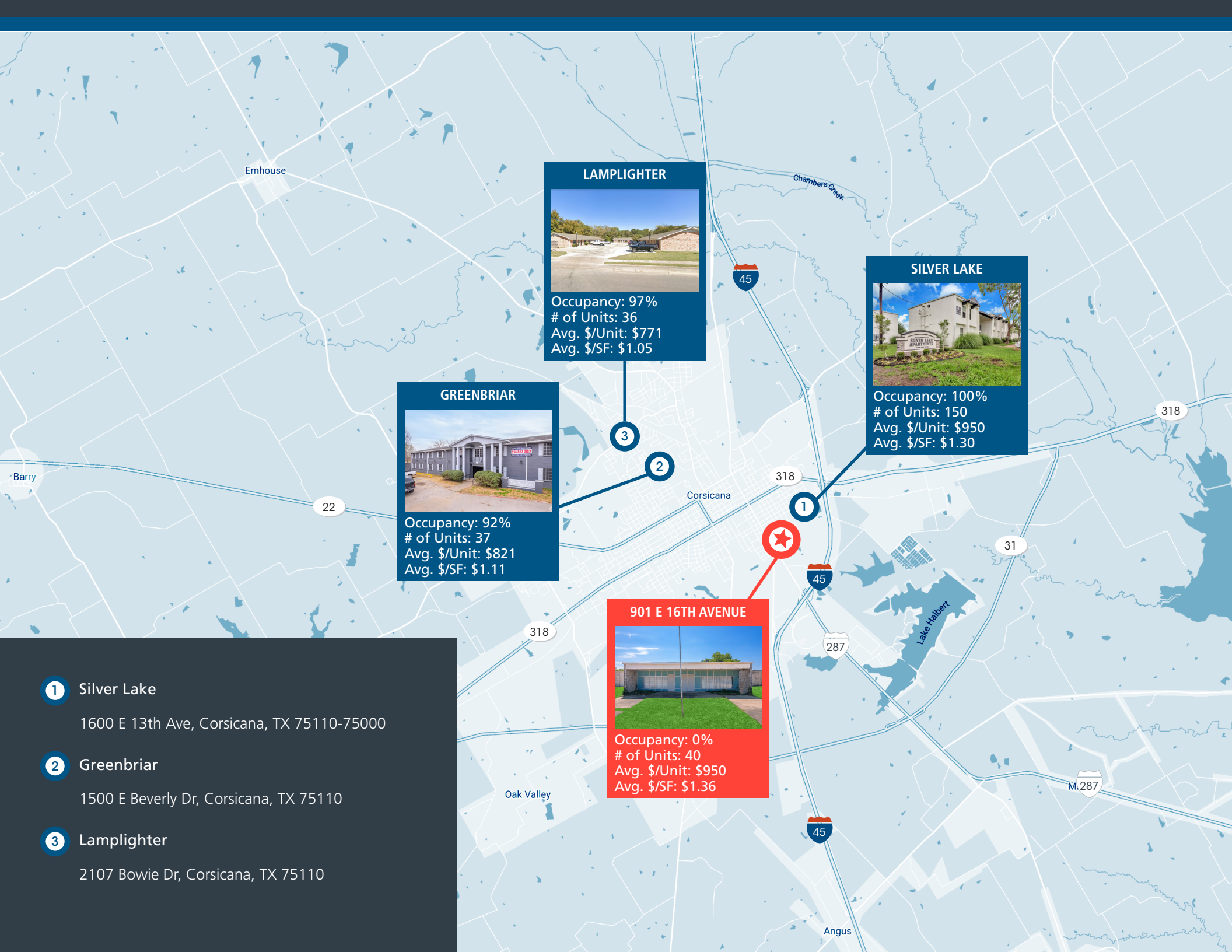


MILES	2022	2027
1	\$53,625	\$58,592
3	\$74,671	\$82,638
5	\$77,267	\$86,060

Rent Comparables

- Rent Comparables Map
- Rent Comparables Matrix & Chart
- Utility Adjusted Rent






LAMPLIGHTER



Occupancy: 97%
 # of Units: 36
 Avg. \$/Unit: \$771
 Avg. \$/SF: \$1.05

SILVER LAKE



Occupancy: 100%
 # of Units: 150
 Avg. \$/Unit: \$950
 Avg. \$/SF: \$1.30

GREENBRIAR



Occupancy: 92%
 # of Units: 37
 Avg. \$/Unit: \$821
 Avg. \$/SF: \$1.11

901 E 16TH AVENUE



Occupancy: 0%
 # of Units: 40
 Avg. \$/Unit: \$950
 Avg. \$/SF: \$1.36

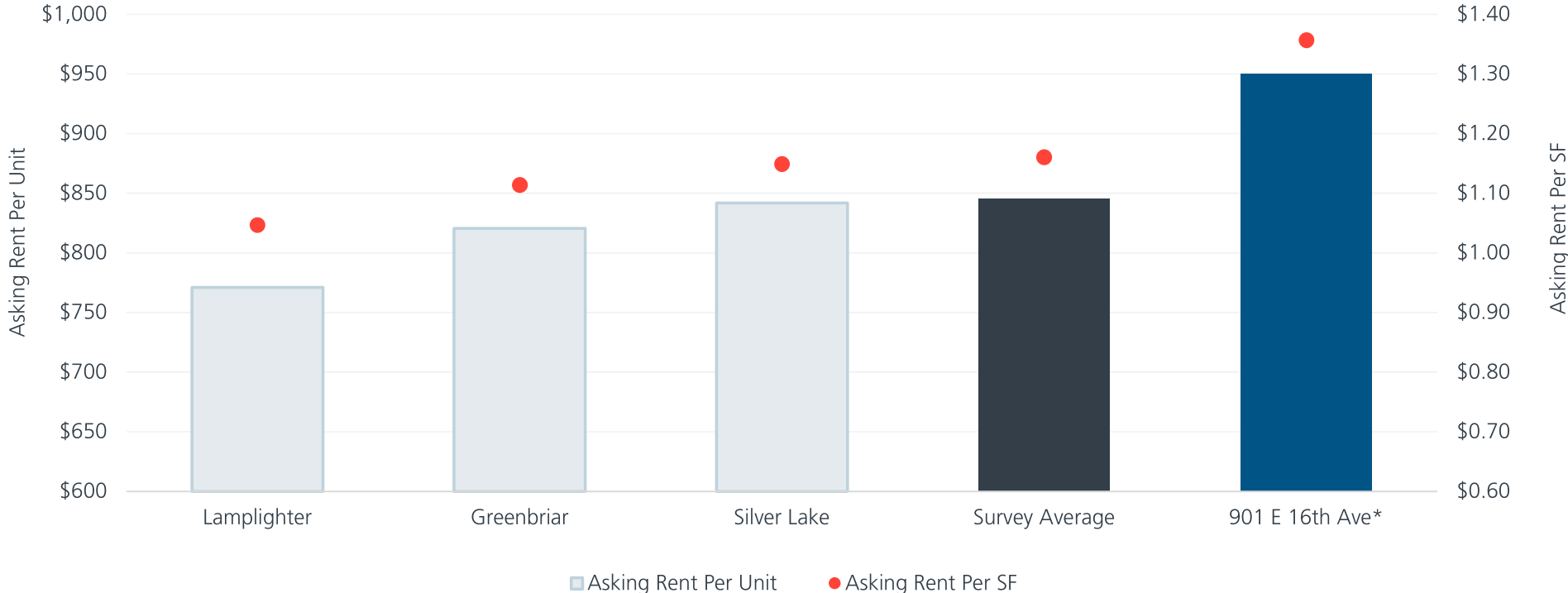
- 1** Silver Lake
 1600 E 13th Ave, Corsicana, TX 75110-75000
- 2** Greenbriar
 1500 E Beverly Dr, Corsicana, TX 75110
- 3** Lamplighter
 2107 Bowie Dr, Corsicana, TX 75110

Rent Comparables Matrix & Chart

	PROPERTY	UNITS	YEAR BUILT	AVG SF	ASKING RENT PER UNIT	ASKING RENT PER SF	OCC. RATE	DIST. TO SUBJECT (MILES)
	901 E 16th Ave*	40	1970	700	\$950	\$1.36	0%	--
1	Silver Lake	150	1970	732	\$950**	\$1.30	100%	0.5
2	Greenbriar	37	1963	736	\$821	\$1.11	92%	2.1
3	Lamplighter	36	1972	737	\$771	\$1.05	97%	2.7
	Survey Average			729	\$846	\$1.16	83%	

*Subject property pro forma rent

**Based on income





Utility Adjusted Rent

2 BDR

PROPERTY	YEAR BUILT	UNITS	SF	ASKING RENT	UTILITY-ADJUSTED RENT PER UNIT	UTILITY-ADJUSTED RENT PER SF	OCC. RATE	DIST. TO SUBJECT (MILES)
Greenbriar	1963	11	739	\$869	\$1,017	\$1.38	92%	2.1
Silver Lake	1970	52	729	\$803	\$1,011	\$1.39	100%	0.5
Lamplighter	1972	18	906	\$829	\$977	\$1.08	97%	2.7
Survey Average			770	\$818	\$1,004	\$1.30	98%	
901 E 16th Ave	1970	40	700	\$950	\$950	\$1.36	0%	--

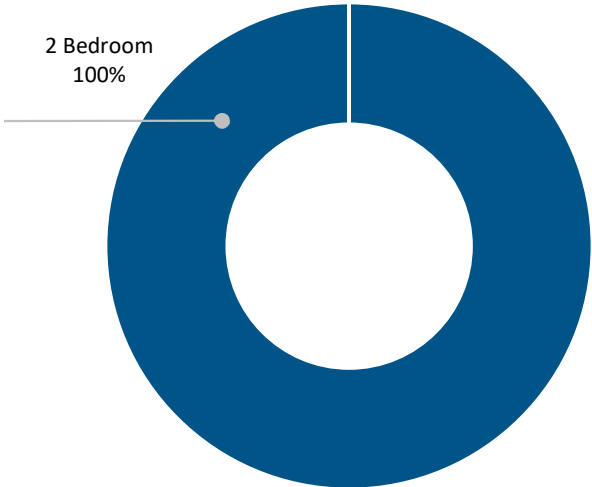
- 1. This rent survey was completed in September 2022.
- 2. Utility-adjusted rent is based on HUD-prescribed values for the various utilities residents pay for. HUD tables may be provided upon request.
- 3. Survey Average excludes the Subject Property.
- 4. Subject Property reflects pro forma rents.

Financial Analysis

- Unit Mix Pro Forma
- 5-Year Cash Flow
- Notes & Assumptions

Unit Mix Pro Forma

Unit Mix Summary						
Unit Type	No. of Units	Rentable SF	Total Rentable SF	Market Rent/Unit	Market Rent/SF	Total Market Rent Potential
2/1	40	700	28,400	\$950	\$1.36	\$38,000



5-Year Cash Flow

	Year 1	Year 2	Year 3	Year 4	Year 5
Income					
Potential Market Rent	\$456,000	\$469,680	\$483,770	\$498,284	\$513,232
Gross Potential Revenue	\$456,000	\$469,680	\$483,770	\$498,284	\$513,232
Rental Losses					
Vacancy	(\$13,680)	(\$14,090)	(\$14,513)	(\$14,949)	(\$15,397)
Vacancy %	3%	3%	3%	3%	3%
Base Rental Revenue	\$442,320	\$455,590	\$469,257	\$483,335	\$497,835
Other Income					
Other Residential Income	\$12,000	\$12,396	\$12,805	\$13,228	\$13,664
Other Income	\$12,000	\$12,396	\$12,805	\$13,228	\$13,664
Effective Gross Revenue	\$454,320	\$467,986	\$482,062	\$496,563	\$511,499
Expenses					
Repair & Maintenance	(\$12,000)	(\$12,396)	(\$12,805)	(\$13,228)	(\$13,664)
Contract Services	(\$6,000)	(\$6,198)	(\$6,403)	(\$6,614)	(\$6,832)
Utilities	(\$18,400)	(\$19,007)	(\$19,634)	(\$20,282)	(\$20,952)
Insurance	(\$18,000)	(\$18,594)	(\$19,208)	(\$19,841)	(\$20,496)
Real Estate Taxes	(\$36,000)	(\$37,188)	(\$38,415)	(\$39,683)	(\$40,992)
Property Management Fee	(\$22,716)	(\$23,399)	(\$24,103)	(\$24,828)	(\$25,575)
Trash	(\$4,800)	(\$4,958)	(\$5,122)	(\$5,291)	(\$5,466)
Total Operating Expenses	(\$117,916)	(\$121,741)	(\$125,690)	(\$129,767)	(\$133,977)
Net Operating Income	\$336,404	\$346,245	\$356,372	\$366,795	\$377,522

Notes & Assumptions

POTENTIAL MARKET RENT

Potential Market Rent is based on market rates shown in the Unit Mix table and is grown at 3% in Year 1 where it remains throughout the analysis.

VACANCY

Vacancy (including renovation downtime) is projected to be 3% in Year 1 where it remains throughout the analysis.

OTHER RESIDENTIAL INCOME

Other Income is estimated to be \$300 per unit per year and is grown at 3.3% (TX OCAF Rate) per annum throughout the analysis.

REPAIRS & MAINTENANCE

Repair & Maintenance expenses are projected to be \$1,000 per month in Year 1 and are grown at 3.3% (TX OCAF Rate) per annum throughout the analysis.

CONTRACT SERVICES

Contract Services expenses are projected to be \$500 per month in Year 1 and are grown at 3.3% (TX OCAF Rate) per annum throughout the analysis.

ELECTRICITY

Electricity expenses are projected to be \$2,400 in Year 1 and are grown at 3.3% (TX OCAF Rate) per annum throughout the analysis.

WATER / SEWER

Water & Sewer expenses are projected to be \$400 per unit in Year 1 and are grown at 3.3% (TX OCAF Rate) per annum throughout the analysis.

INSURANCE

Insurance expenses are projected to be \$18,000 in Year 1 and are grown at 3.3% (TX OCAF Rate) per annum throughout the analysis.

REAL ESTATE TAXES

Real Estate Taxes are projected to be \$36,000 in Year 1 and are grown at 3.3% (TX OCAF Rate) per annum throughout the analysis.

PROPERTY MANAGEMENT FEE

Property Management Fee expenses are projected to be 5% of effective gross revenue where it remains throughout the analysis.

TRASH

Trash expenses are projected to be \$4,800 in Year 1 and are grown at 3.3% (TX OCAF Rate) per annum throughout the analysis.

CAPEX

CapEx is projected to be roughly \$1.3M for 40 units to be fully renovated at a cost of \$30,000, and \$100,000 for exterior updates.



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Designated Broker | Douglass Robbin Banerjee | 617101

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This Confidential Offering Memorandum (“Memorandum”) is solely for the use of the owner. While the information contained in this Analysis has been compiled from sources we believe to be reliable, neither Greysteel nor its representatives make any representations or warranties as to the accuracy or completeness of the information contained in this Analysis. All financial information and projections are provided for reference only and are based on assumptions relating to the general economy, market conditions and other factors beyond our control. Owner is encouraged to conduct an independent due diligence investigation, prepare independent financial projections, and consult with their legal, tax and other professional advisors before making an investment decision. Greysteel does not have authority to legally bind the owner and no contract or agreement providing for any transaction shall be deemed to exist unless and until a final definitive contract has been executed and delivered by owner

All references to acreage, square footage, distance, and other measurements are approximations and must be independently verified.

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