

ALL IN ONE PLACE

DESIGN • NEW CONSTRUCTION • HOME IMPROVEMENT • DECOR • TECHNOLOGY • ANTIQUES



2800 FONDREN RD.

HOUSTON, TX 77063

WWW.HTX-COLLECTIVE.COM

2800 FONDREN

MESSAGE FROM
THE TEAM

2800 Fondren is a shopping hub dedicated to building, renovating, and decorating home and commercial spaces all under one roof.

More than 80 tenants/vendors will create a seamless and one-stop shopping environment for consumers seeking building improvement, design, and new construction products and services.

The size of the property allows consumers to find the perfect flooring for their curated space; in the same building, they can find a one-of-a-kind antique to complement their new floors and the latest technology for their pool oasis. This can be done individually, with their designers, or with one of our tenant designers.

We will welcome prospective retailers to this space to become part of the “2800 Fondren” concept, where customers can find everything from professional services to avant-garde light fixtures upon entering our space.

2800 Fondren tenants will have access to innovative shared resources, state-of-the-art amenities, and infrastructure on-site to support and facilitate their needs.

Our vision is to become an essential hub for Texans to find trend-setting professionals who cover all facets of the industry.

2800 Fondren brings together retailers and suppliers from the construction and design industries to create a singular space where the latest ideas in design and construction are **created, made, sold, and shipped.** ALL IN ONE PLACE.

ALL
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PLACE

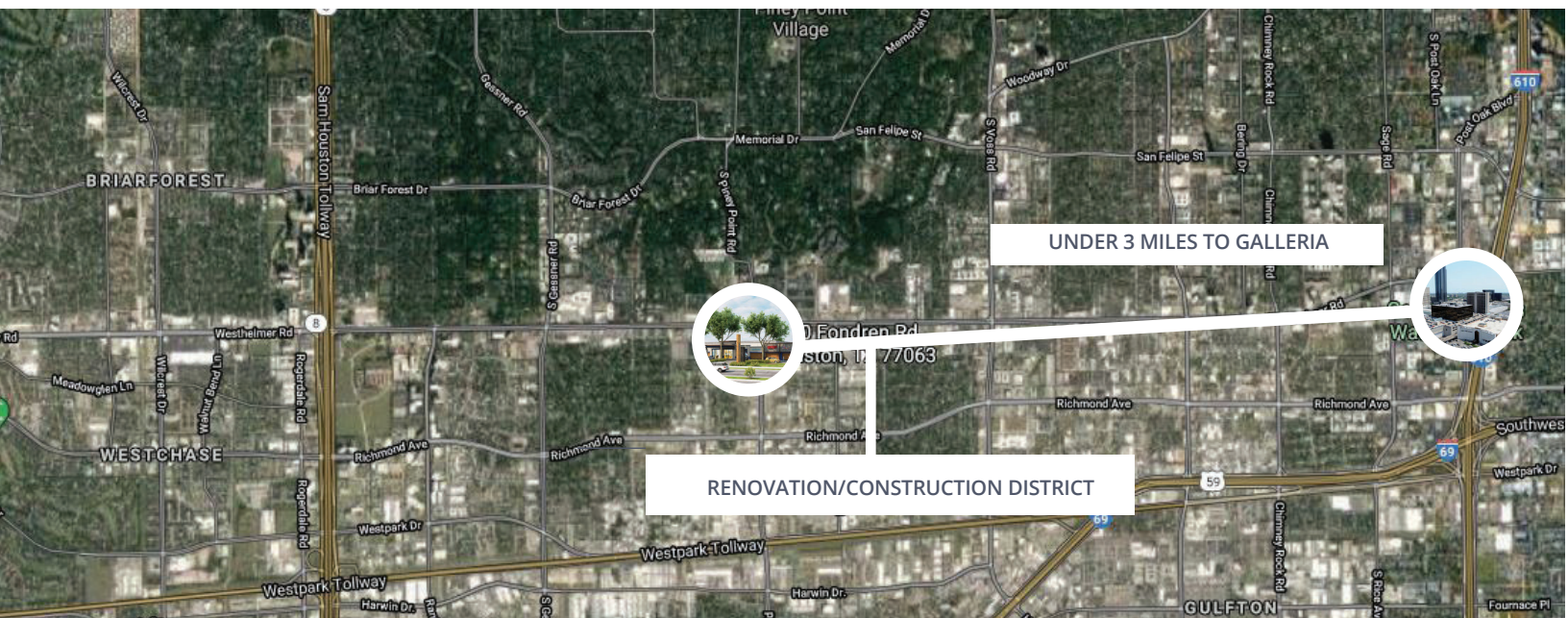
HIGHLIGHTS

VALUATION:

TAX ASSESSED HARRIS COUNTY	\$10,579,026	HARRIS COUNTY 2023 APPRAISAL
APPRAISAL AS IS	\$13,500,000	CBRE - 2021
APPRAISAL FULL OCCUPANCY	\$43,173,569	CBRE - 2021

REVENUE MODEL	SQ FEET	FULL OCCUPANCY	AT 85% OCCUPANCY
SECTION A: ANTIQUE MALL, NNN \$18.82	24,798	\$466,800	\$396,780
SECTION B: RETAIL, NNN \$33.02	35,297	\$1,165,548	\$990,716
SECTION C: WAREHOUSE/STORAGE*, NNN \$14.49	90,899	\$1,317,021	\$1,119,468
SECTION D: MEZZANINE, NNN \$13.78	37,000	\$510,000	\$433,500
OVERALL BLENDED NNN OF \$18.40	187,994 SQ. FEET	\$3,459,369	\$2,940,464

*WAREHOUSE: 80,000 SF | STORAGE: 10,899 SF



INVESTMENT HIGHLIGHTS

Note: Information subject to change.

PROJECT CONCEPT:	CENTER/MALL AGGREGATING SUPPLIERS FOR HOME IMPROVEMENT AND DESIGN IN ONE LOCATION WITH AN INCLUDED HIGH-END ANTIQUE CENTER.
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PROJECT VALUATION:	\$32 MILLION
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LAND:	9 ACRES
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BUILDING:	206,000 SF (RETAIL & WAREHOUSE)
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LOCATION:	FONDREN AND WESTHEIMER
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LAND COMP PRICES:	\$40/FT
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RENTAL AVG. COMP:	\$32/FT
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STRUCTURE:	1. WAREHOUSE - 80,000 SF, TILT WALL. 31 FOOT CEILING, FULLY-RACKED AT 6 LEVELS, FULL SPRINKLER SYSTEM. CROSS DOCK - 4 FEET HIGH, 18 BAYS, REPLACEMENT COST OF WAREHOUSE AT \$86/FT: \$6.9 MILLION
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	2. RETAIL: 126,000 SF, 400 FEET FONDREN FRONTAGE, BUT TO 16 FOOT CEILING, CONCRETE FLOORS. REPLACEMENT CONSTRUCTION COST \$115/FT.: @14.5 MILLION
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REPLACEMENT VALUE:	\$33.4 MILLION (LAND, WAREHOUSE STRUCTURE, AND RETAIL STRUCTURE)
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RETAIL RENTAL RATE:	\$33/FT
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FULL CAPACITY RENT	\$3,500,000
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FULL CAPACITY RETAIL RENT:	\$2.2 MILLION/YEAR
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WAREHOUSE COMP RENT:	\$15/FT (FULLY RACKED SPACE)
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FULL CAPACITY WAREHOUSE:	\$1.3 MILLION/YEAR
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HIGHLIGHTS

SPEND TO DATE FROM PURCHASE (Q1 2023) TO PRESENT (Q4 2023)

ORIGINAL TRANSACTION		CONTRACT PURCHASE DATE: MARCH 2022
SPEND TO DATE		
	INDIVIDUAL COST	CUMULATIVE COST
PURCHASE PRICE 2022		\$8,000,000
CARRY COST YEAR 2022	\$560,000	\$8,560,000
CARRY COST YEAR 2023	\$599,000	\$9,159,000
CARRY COST TO DATE YEAR 3 (EST)	\$309,000	\$9,468,000
PROPERTY TAXES (2 YEARS)	\$420,000	\$9,888,000
ARCHITECTURAL, ENGINEERING, AND PERMITTING	\$280,000	\$10,168,000
HARD COST CONSTRUCTION ¹	\$1,468,000	\$11,636,000
SOFT COST CONSTRUCTION ²	\$120,000	\$11,756,000
INSURANCE	\$350,000	\$12,106,000
CLOSING COSTS	\$150,000	\$12,256,000
SPEND TO DATE TOTAL (2022 - 2023)		\$12,256,000

DOLLAR FIGURES INCLUDE APPROXIMATIONS AND ESTIMATED AMOUNTS

¹HARD COST CONSTRUCTION INCLUDES:

DEMOLITION, SITEWORK, CONCRETE, MASONRY, STEEL, CARPENTRY, MOISTURE PROTECTION, OPENINGS, FINISHES, SPECIALITIES, EQUIPMENT, FIRE SAFETY, MECHANICAL, PLUMBING, ELECTRICAL, AND OTHER TANGIBLE CONSTRUCTION COSTS.

²SOFT COST CONSTRUCTION INCLUDES NON-TANGIBLE CONSTRUCTION EXPENSES, SUCH AS: APPRAISALS COSTS AND UTILITIES.

HIGHLIGHTS

EXISTING STRUCTURE CONDITION

The existing building, including the warehouse is in excellent condition. The entire building, including the racking storage, is up-to-code and is equipped with a fire suppression system. The electrical capacity size is 3000 Amp-277/480-volt 3 phase. The pavement in the docks is in good condition and will not need updating or altering at this time.

HIGH EXISTING DENSITY

The area brings, not only local clientele, but, national and international clientele. Within a 3-mile radius, there are over 232,000 residents with a growth projection of 0.8% and 1.16% within 1-mile by 2024. The surrounding population within a 5-mile radius has an average household income range of \$70,000 - \$200,000.

SYNERGISTIC, QUALITY TENANT MIX

The property will be anchored by well-known tenants, instantly increasing foot traffic to the entire center. Additional tenants will have smaller footprints and are targeted for their offerings in interior décor, renovation, and new construction.

PRIME LOCATION

2800 Fondren is located within Houston's home renovation district, 3 miles from the Galleria. The area brings not only local clientele but national and international clientele. It has a street facing entrance with well positioned signage and easy road accessibility.

	1-MILE	3-MILE	5-MILE
2020 POPULATION	25,225	232,542	549,821
2025 POPULATION	26,207	245,050	578,112
AVERAGE HH INCOME	\$69,046	\$91,926	\$113,138

ALL
IN ONE

MOODY
TRENDY
CUTTING-EDGE

SOPHISTICATED
DISTINCT
LUXE

CURATED
ORGANIZED
BESPOKE
WHIMSICAL
LUSH

MINIMALISTIC
ENERGIZED
ANTIQUE
UNEXPECTED

TAILORED
ELEVATED
REFINED
ORGANIZED

MARKET ANALYSIS

\$228.1B

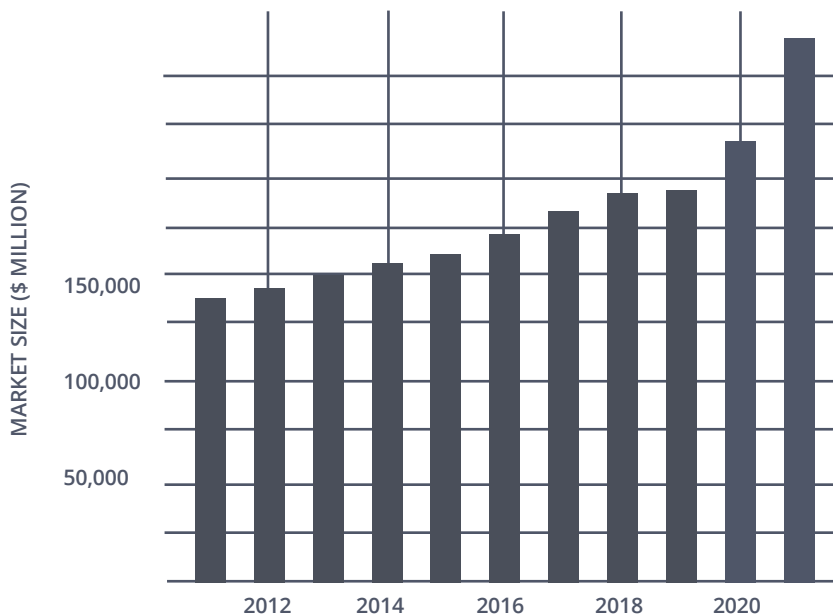
HOME IMPROVEMENT STORES IN
THE US MARKET SIZE IN 2021

6.6%

HOME IMPROVEMENT STORES IN THE
US MARKET SIZE GROWTH IN 2021

5.5%

HOME IMPROVEMENT STORES IN
THE US ANNUALIZED MARKET SIZE
GROWTH 2016-2021



\$299

Sales/sf of selling are in home
improvement stores

68%

U.S. consumers using home
improvement store websites

47.2%

Home improvement's market
share of big box industry in U.S.

5.3%

2018 growth of the U.S. home
improvement market

\$22

Median amount of hardware
store purchase/consumer

\$6,649

Average spent on home
improvement per owner

ANTIQUE AND AUCTION INDUSTRY



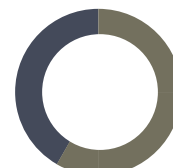
8.07%

GROWTH FOR 2022



\$1.9B

INCREMENTAL GROWTH
2021-2026



41%

GROWTH CONTRIBUTED
BY NORTH AMERICA

GROUND FLOOR PLAN



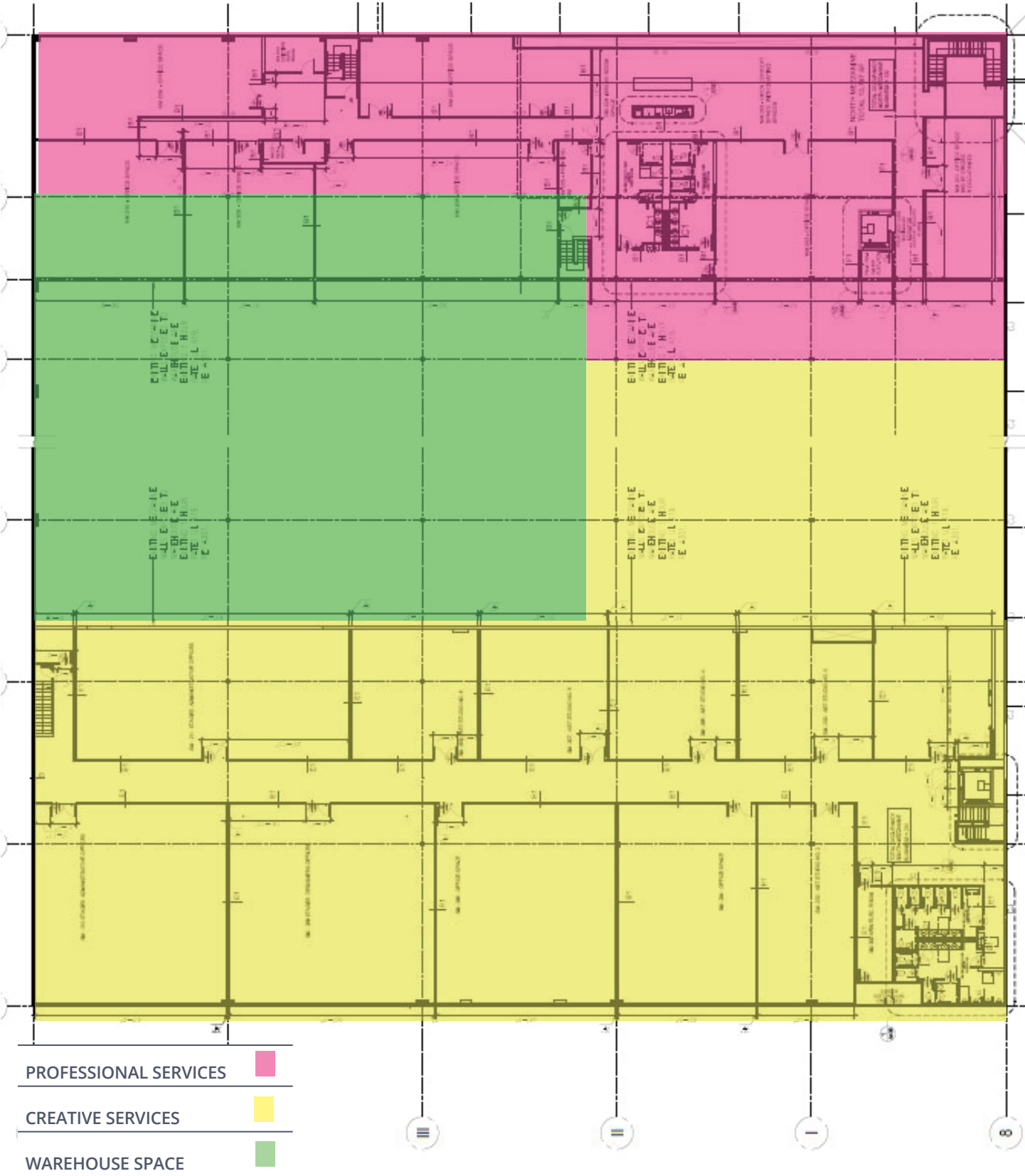
DEFINING THE SPACE

RENT ROLL

2800 Fondren: Space Plan and Rent Roll			
Section A - Antique Mall: Gross Annual Rent of \$466,800 or avg. \$18.82/ SF, over 24,798 total RSF			
Space #	Designation	Net RSF	Rent (month)
1	S-1 C	1,996	\$ 2,550
2	SF-4 D	855	\$ 2,000
3	M-5 A	1,362	\$ 1,650
4	SF-5 A	972	\$ 1,500
5	SF-5 B	923	\$ 1,500
6	SF-5 C	923	\$ 1,500
7	SF-5 D	854	\$ 1,500
8	SF-4 C	924	\$ 1,300
9	M-5 B	989	\$ 1,300
10	M-5 C	989	\$ 1,300
11	M-5 D	989	\$ 1,300
12	M-5 E	999	\$ 1,300
13	S-1 B	1,007	\$ 1,000
14	M-4 G	572	\$ 850
15	M-4 I	572	\$ 850
16	M-4 K	572	\$ 850
17	M-4 M	572	\$ 850
18	M-4 O	725	\$ 850
19	M-3 E	484	\$ 800
20	M-3 F	484	\$ 800
21	M-3 G	484	\$ 800
22	M-3 H	484	\$ 800
23	M-4 A	450	\$ 800
24	M-4 N	450	\$ 800
25	M-4 B	355	\$ 650
26	M-4 C	355	\$ 650
27	M-4 D	355	\$ 650
28	M-4 E	355	\$ 650
29	M-4 F	355	\$ 650
30	M-4 H	355	\$ 650
31	M-4 J	355	\$ 650
32	M-4 L	355	\$ 650
33	M-4 P	225	\$ 550
34	M-4 Q	203	\$ 550
35	M-4 R	203	\$ 550
36	M-4 S	203	\$ 550
37	M-4 T	178	\$ 550
38	M-4 U	203	\$ 550
39	M-4 V	270	\$ 550
40	Store Room 1	403	\$ 550
41	Store Room 2	439	\$ 550
		24,798	\$ 38,900
Section B - Retail: Gross Annual Rent of \$1,165,548 or avg. \$33.02/ SF, over 35,297 total RSF			
Space #	Designation	Net RSF	Rent (month)
1	SF-4A	931	\$ 2,793
2	SF-4B	928	\$ 2,320
3	SF-3A	836	\$ 2,508
4	SF-3B	924	\$ 2,772
5	SF-3C	924	\$ 2,772
6	SF-3D	925	\$ 2,775
7	SF-3E	934	\$ 2,802
8	M-3A	484	\$ 1,210
9	M-3B	484	\$ 1,210
10	M-3C	484	\$ 1,210
11	M-3D	484	\$ 1,210
12	SF-2A	960	\$ 2,880
13	SF-2B	922	\$ 2,766
14	SF-2C	921	\$ 2,763
15	SF-2D	922	\$ 2,766
16	SF-2E	845	\$ 2,535
17	M-2A	484	\$ 1,210
18	M-2B	1,582	\$ 3,955
19	M-2C	3,163	\$ 7,908
20	M-2D	4,261	\$ 10,653
21	M-1A	5,170	\$ 12,925
22	Restaurant/Flex	6,151	\$ 18,453
23	SF-1A	1,240	\$ 3,720
24	Display 1	169	\$ 507
25	Display 2	169	\$ 507
		35,297	\$ 97,129
Section C - Warehouse/ Storage: Gross Annual Rent of \$1,317,021 or avg. \$14.49/ SF, over 90,899 total RSF			
	Designation	Net RSF	Rent (month)
	Warehouse	72,918	\$ 91,148
	Dock Space	15,488	\$ 15,488
	S-1A	2,493	\$ 3,116
		90,899	\$ 109,752
Section D - DS/DN - Mezzanine: Gross Annual Rent of \$510,000 or avg. \$13.78/ SF, over 37,000 total RSF			
	Designation	Net RSF	Rent (month)
(Approx SF)	DN -North Mezz	11,000	\$ 16,500
(Approx SF)	DS - South Mezz	26,000	\$ 26,000
		37,000	\$ 42,500

Summary of Sections A,B,C,D			
Total Net Rental SF		Rent/ Mo.	Rent/ Yr.
Section A	24,798	\$ 38,900	\$ 466,800
Section B	35,297	\$ 97,129	\$ 1,165,548
Section C	90,899	\$ 109,752	\$ 1,317,021
Section D	37,000	\$ 42,500	\$ 510,000
Totals:	187,994	\$ 288,281	\$ 3,459,369

SECOND FLOOR PLAN



WAREHOUSE



WAREHOUSE



27 ROWS OF RACK SPACE

The warehouse is 80,000 SF of modern technology, enviable accessibility, up to code storage space situated in an area with little to no large storage facilities. The warehouse will hold on demand inventory, workspace for production, packing and shipping services and possibly become a Last Mile Distribution site.

The space features inbound and outbound cross docks that are placed to aid with the flow of anticipated orders and customer order flow. There are 6 individual docks on one side and 14 on the other. The ingress and egress for the docks is 53 feet long, handling a full length 18-wheeler. The pavement in the docks is in good condition and will not need updating or altering at this time.



CROSS DOCKS FOR 18 WHEELERS

Internally the warehouse is exceptionally clean and has been well-maintained. Additionally, it has a state-of-the-art racking system and 27 rows of racks divided into 6 sections. The up-to-code, in place racks are exceptional added value to the property.

The revenue stream is bifurcated into bulk warehouse tenants and facility/ anchor tenants. Space will be reserved for 1 or 2 permanent warehouse tenants as the space is ideal for a Last Mile Distribution center. Additionally 50% of the warehouse will be permanent housing for the five anchors.



IDEAL LAST MILE



MARKETING

MARKETING FOR OUR TENANTS

Both tenant-driven and property-driven event marketing is a cornerstone of our planned marketing campaigns. To establish Fondren Collective as a “destination” location.

Tenants are encouraged to host live consumer events to draw media attention and consumer foot traffic. From hosting designer events, to cooking shows, to product demonstrations, tenants will have the ability to stand out from local competitors and draw meaningful sales by hosting live events.

MARKETING TOWARDS CUSTOMERS

Our consumer marketing will focus on three main components: Direct Marketing, Tenant-driven Event Marketing, and Property-driven Event Marketing. Common Ground Living will create a shared marketing budget, which includes a contribution from each tenant representing ~3% of gross-sales, and engage in a variety of tactics, attracting targeted customers and consistent foot traffics.

Our shared marketing budget is much more cost effective than any campaign if managed by a tenant located at an independent location. By pooling financial, design, creative, and management resources, each tenant will be able to benefit from an ever increasing and constantly improved quantity and quality of the property's foot-traffic

GENERAL STRATEGY – FUNDED BY COOP

MARKETING PROGRAM

- Goal of **4,000 individual visitors a week.**
- 2 Primary – Shoppers: Females 25 + residing in the greater Houston market, skewed 34-54
- Secondary – Event Goers: Young Families 25 + residing in or near the Fondren Community, skewed 18-44

DIRECT

Prior to, and upon completion of, the development of the property, 2800 Fondren will design and implement a widespread marketing campaign to attract consistent, high-value

foot traffic, attracting shoppers, specifically relevant to the Fondren Collective's retail tenants.

TECHNOLOGY

- SEO
- Advertisements - TV / Radio / Culture Map / Social / etc
- Curated / Coordinated Social Media

MAGAZINE

Fondren Collective will also design and publish a high-gloss lifestyle magazine to promote the property's tenants and upcoming events; this magazine will be published quarterly and sell editorial ad space to both Tenants and other retailers from the surrounding community.

SIGNAGE / DIGITAL

ANALYSIS

Comparing Ad word cost v. Mall traffic & Rent factor

TENANT DRIVEN

- Design Shows
- How To Classes:
 - Cooking
 - Weaving
 - Choosing colors
 - etc.
- Social Media

EVENT DRIVEN

Fondren Collective will also host a number of live events to draw traffic to the property benefitting all tenants. From small conventions to farmers markets, art shows to building shows, and weddings to community meetings, the properties common, grounds will be used to promote the locations amenities, drive

MARKETING TOWARDS TENANTS

Fondren Collective will attract premium tenants using multiple tactics, including:

Direct Communications to valued prospects, elaborate open house events for local Retail Real Estate Agent, detailed promotional website, extensive PR activities, and marketing in publications that showcase the types of tenants we target, such as Luxe Living.

YOUR TIME MATTERS

2800 FONDREN DISTINGUISHES ITSELF BY OFFERING PREMIUM SERVICES WITHIN THE BUILDING. MEE

TENANT SUCCESS IS OUR SUCCESS

TENANT SUCCESS IS OUR SUCCESS. WE WANT TO HELP KEEP VALUED EMPLOYEES BY LISTENING TO THE WORKFORCE AND CREATING AN ENVIRONMENT THAT PROMOTES EMPLOYEE RETENTION. EMPLOYEE GYM, LOUNGES, RESTAURANT DISCOUNTS, STUDIO



DIGITAL STUDIO

- High end camera – video / and photography
- Lighting systems
- Props
- Background high def digitizing imaging
- Vertical / Horizontal Frame
- Microphone
- Green screen
- Makeup
- Sound background
- Editing hardware /software
- Stands / placement/ bases
- On site professional Services
 - Photographer \$75/hr.
 - Editing \$75/hr.



EVENT CENTER

- Up to 250 participants in main lobby
- Food & Drinks
- Digital Displays
- Events - examples
 - Cooking
 - Baking
 - Antique Road Show
 - Art Show
 - Designer – How to work with color
 - Home Automation
 - Home Security
 - Lighting
- Adaptation for differently-abled and ADA



WAREHOUSING

- Shipping & Receiving
- Storage onsite 4*12 (4 feet high) racked
- Onsite Self storage lockers 10*20 – available for 90 day
- Self-Storage



3D

3D PRINTING

- Access to materials
- Access to printer
- Operator



VIRTUAL REALITY CENTER

- Creation studio rental space
- Home walk-through experience



IT SUPPORT ON SITE

- A Conference call and video rooms with wired setup (ZOOM, TEAMS, etc.)
- Secure network platforms
- Intelligent process automation for stores



- Billboard
- Site
- Device ID
- Magazine – done by Paper City
- Social Media – supplier / event driven



- Missed shift employees
- Holiday help
- Rush day extras
- Event and expo staff



- Conference rooms
- Office space
- Pop up
- Employee areas



2800
FONDREN

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