

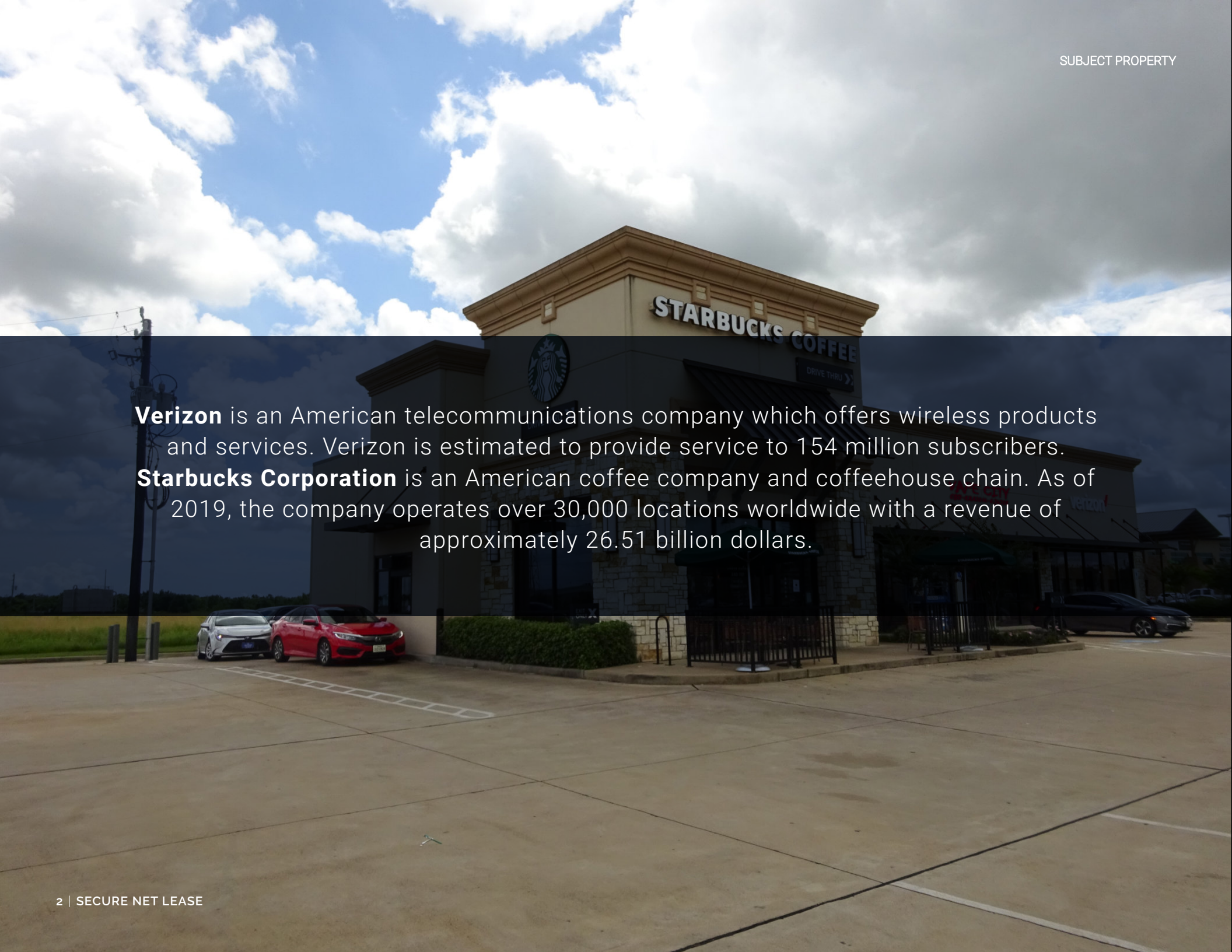


STARBUCKS | VERIZON

\$3,052,000 | 6.25% CAP

10501 Pearland Pkwy., Houston, TX 77089

- ✓ 100% Leased 2013 Construction Retail Center
- ✓ Anchored by Starbucks Corporation | S&P BBB+ Rated
- ✓ Excellent Hard Corner Location with Over 89,000 Cars Per Day
- ✓ Affluent Houston, TX Community with High Household Incomes
- ✓ Dense Population | Over 235K People Within a 5 Mile Radius

A photograph of a Starbucks Coffee store exterior. The building is a two-story structure with a tan upper section and a dark grey lower section. The Starbucks logo is visible on the corner. A sign above the entrance reads "STARBUCKS COFFEE" and "DRIVE THRU". There are several cars parked in the lot in front of the store. The sky is blue with white clouds.

Verizon is an American telecommunications company which offers wireless products and services. Verizon is estimated to provide service to 154 million subscribers.
Starbucks Corporation is an American coffee company and coffeehouse chain. As of 2019, the company operates over 30,000 locations worldwide with a revenue of approximately 26.51 billion dollars.

INVESTMENT OVERVIEW

STARBUCKS | VERIZON | PEARLAND, TEXAS

\$3,052,000 | 6.25% CAP

 **\$190,769.96**
NOI

 **±5,843 SF**
BUILDING AREA

 **±0.65 ACRES**
LAND AREA

 **2013**
YR BUILT

 **100%**
OCCUPANCY

 **NET LEASE***
LEASE TYPE

* LL responsible for roof, structure & parking lot; tenants reimburse prorata share of taxes, insurance, CAM and mgt. Fee.

- ✓ **100% leased retail center**, 2013 construction, tenants on long term leases with scheduled rent increases in primary terms and option periods.
- ✓ **Anchored by Starbucks Corporation**, S&P BBB+ rated, ranked #121 on the Fortune 500 list with over 26,000 locations globally.
- ✓ **Stellar access and visibility**, strategically placed at the hard corner signalized intersection of Pearland Parkway and Sam Houston Tollway (Beltway 8) with combined traffic counts of over 89,000 vehicles per day.
- ✓ **Desirable Houston MSA trade area, Pearland, TX** has an estimated 2018 population of 122,149 and the city's population grew by 142% from 2000 to 2010, according to U.S. Census population figures.
- ✓ **Affluent Houston bedroom community** with average household incomes over \$94,000, \$85,000 and \$83,000 within a 1, 3 and 5 mile radius respectively.
- ✓ **Dense population demographics** with over 10,000, 94,000 and 235,000 people within a 1, 3 and 5 mile radius respectively.

SECURE

NET LEASE

CONTACT FOR DETAILS

EDWARD BENTON

VICE PRESIDENT

(713) 263-3981

ebenton@securenetlease.com

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TENANT OVERVIEW

STARBUCKS | VERIZON | PEARLAND, TEXAS



STARBUCKS (starbucks.com)

Starbucks Corporation is an international coffee and coffeehouse chain based in Seattle, Washington. Starbucks is the largest coffeehouse company in the world. Starbucks sells drip brewed coffee, espresso-based hot drinks, other hot and cold drinks, snacks, and items such as mugs and coffee beans. Many of the company's products are seasonal or specific to the locality of the store. Starbucks retail stores are located in high-traffic, high-visibility locations. Its stores are located in or near a variety of settings, including downtown and suburban retail centers, office buildings and university campuses. In the 1990's, Starbucks was opening a new store every workday, a pace that continued in to the 2000's. In fiscal 2019, the company reported an increase in net revenues of 7% and global comparable store sales by 5% over the previous year.

\$26.51B
REVENUE

BBB+
CREDIT RATING

SBUX
STOCK TICKER

 **30,000**
TOTAL LOCATIONS



VERIZON COMMUNICATIONS (verizon.com)

Verizon Communications Inc., is one of the world's leading provider of communications, information and entertainment products and services to consumers, businesses and governmental agencies. Verizon serves over 118 million users and is currently ranked #19 on the Fortune 500 list, reporting \$131.9 Billion in revenue in FY 2019. With a presence around the world, Verizon offers voice, data and video services and solutions on networks that are designed to meet their customers' demand for mobility, reliable network connectivity, security and control. The company offers the largest 4G LTE network in America covering about 98% of the U.S. population.

\$131.9B
REVENUE

BBB+
CREDIT RATING

VZ
STOCK TICKER

 **2,330**
TOTAL LOCATIONS

STARBUCKS TO TRANSFORM U.S. STORE PORTFOLIO BY BUILDING ON THE STRENGTH OF DIGITAL CUSTOMER RELATIONSHIPS AND THE CONVENIENCE OF THE STARBUCKS APP

June 10, 2020 (*Starbucks Stories & News*)

Starbucks announced plans to accelerate the transformation of its store portfolio in the U.S. through the integration of the physical and digital customer experience. These changes are accelerated due to a retail environment that has shifted because of COVID-19 and to meet the already evolving customer needs of convenience, connection and personalization offered through a digital experience.

Over the next 18 months, **Starbucks will increase convenience-led formats in company-operated locations** with drive-thru and curbside pickup options, as well as Starbucks® Pickup locations.

These store experiences are powered by the Starbucks® App which is integral to ordering and paying ahead as well as engaging the company's 19.4 million Starbucks® Rewards members.

"Starbucks stores have always been known as the 'third place,' a welcoming place outside of our home and work where we connect over a cup of coffee," said Kevin Johnson, ceo, Starbucks. "As we navigate through the COVID-19 crisis, we are accelerating our store transformation plans to address the realities of the current situation, while still providing a safe, familiar and convenient experience for our customers."



CLICK HERE TO READ MORE

VERIZON POSTS SECOND-QUARTER EARNINGS BEAT ON STABLE USER GROWTH

M. COREY GOLDMAN, July 24, 2020 (*TheStreet*)

The New York-based company said it earned \$1.18 an adjusted share, down from an adjusted \$1.23 a share a year earlier but better than FactSet forecasts of \$1.15 a share. Revenue rang in at \$30.4 billion, down 5.1% from the year-ago quarter though better than analysts' estimates of \$29.93 billion.

Verizon posts better-than-expected second-quarter earnings amid stability in its subscriber base linked to people's need to stay connected through the pandemic.

A stable subscriber base supported by consumer demand to remain connected and online through the pandemic helped drive the results, though that was offset by lagging advertising revenue and a drop in sales of wireless equipment, "primarily due to limited in-store engagement and the impact of Covid-19 on customer behavior."

Total wireless service revenue fell 1.7% to \$15.9 billion. Consumer wireless service revenue was \$21.1 billion, a 4% year-over-year decrease, though the figures include impacts related to reduced roaming, usage, and waived fees due to Covid-19, the company said in a statement.

On the business wireless segment side, Verizon had total revenue of \$7.5 billion, a drop of 3.7% year over year. In its media business, revenue fell 24.5% from a year earlier, though the company did point to "increased customer engagement" on its media properties.



CLICK HERE TO READ MORE

INCOME & EXPENSE PROFORMA

STARBUCKS | VERIZON | PEARLAND, TEXAS

SALE PRICE	\$3,052,000
CAPITALIZATION RATE	6.25%
TOTAL RENTABLE (SQUARE FEET)	± 5,843
SCHEDULE BASED RENTAL REVENUE	\$190,769.96
REAL ESTATE TAX REIMBURSEMENT REVENUE	\$49,490.21
INSURANCE REIMBURSEMENT REVENUE	\$8,238.63
CAM REIMBURSEMENT REVENUE	\$21,385.38
MANAGEMENT FEE REIMBURSEMENT REVENUE	\$5,492.42
EFFECTIVE GROSS REVENUE	\$275,376.60
OPERATING EXPENSES	
REAL ESTATE TAXES	\$49,490.21
INSURANCE	\$8,238.63
CAM	\$21,385.38
MANAGEMENT FEE	\$5,492.42
Equals: Net Operating Income	\$190,769.96

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

SUBJECT PROPERTY



RENT ROLL

STARBUCKS | VERIZON | PEARLAND, TEXAS

TENANT	SF	GLA	LEASE TERM		TERM	BEGIN	RENT MONTHLY	PSF	RENT ANNUALLY	PSF	LEASE TYPE	OPTIONS / NOTES
			BEGIN	END								
Starbucks Corporate Guarantee	1,943	33.25%	9/28/2013	2/28/2029	Yr 6-10	3/1/2019	\$8,176.67	\$4.21	\$98,120.00	\$50.50	Net*	Four (4) Five (5) Year Options with 10% Increases
					Yr 11-15	3/1/2024	\$8,666.67	\$4.46	\$104,000.00	\$53.53		
Vape City	1,600	27.38%	10/5/2020**	10/31/2025**	Yr 1-5	10/5/2020**	\$3,600.00	\$2.25	\$43,200.00	\$27.00	Net*	Two (2) Five (5) Year Options with 10% Increases
Verizon	2,300	39.36%	4/13/2015	4/30/2023	Yr 6-8	5/1/2020	\$4,120.83	\$1.79	\$49,449.96	\$21.50	Net*	
TOTALS	5,843	100%				Current	\$15,897.50		\$190,769.96			

* Landlord responsibilities include roof, structure, and parking lot. Tenant reimburses Landlord for taxes, insurance, CAM and mgt. fee (based on proportionate share of building)

** Projected opening date



SUBJECT PROPERTY



SUBJECT PROPERTY



SUBJECT PROPERTY



SUBJECT PROPERTY



SUBJECT PROPERTY

WILLIAM P. HOBBY AIRPORT

JESSUP ELEMENTARY SCHOOL (680 STUDENTS)

WINDMILL LANDING (259 UNITS)

LAURA WELCH BUSH ELEMENTARY SCHOOL (691 STUDENTS)

MEADOR ELEMENTARY SCHOOL (604 STUDENTS)
MORRIS MIDDLE SCHOOL (895 STUDENTS)

DOBIE 9TH GRADE CENTER (3,770 STUDENTS)

ATKINSON ELEMENTARY SCHOOL (480 STUDENTS)

BEVERLY HILLS INTERMEDIATE SCHOOL (1,038 STUDENTS)

SAM HOUSTON PARKWAY ± 29,368 VPD

SUBJECT PROPERTY
10501 PEARLAND PKWY.

MOORE ELEMENTARY SCHOOL (466 STUDENTS)

J. FRANK DOBIE HIGH SCHOOL (4,205 STUDENTS)

THOMPSON INTERMEDIATE SCHOOL (920 STUDENTS)

SITE OVERVIEW

STARBUCKS | VERIZON | PEARLAND, TX

2013
YR BUILT

±5,843 SF
BUILDING AREA

±.65 ACRES
LAND AREA

NEIGHBORING RETAILERS

- | | |
|---------------------|---------------------|
| Target | Dollar Tree |
| H-E-B | Jack in the Box |
| Sonic Drive-In | Dollar General |
| Family Dollar | Walgreens |
| Petco | Kroger |
| McDonald's | Subway |
| The Home Depot | O'Reilly Auto Parts |
| Burlington | Macy's |
| Bath & Body Works | dd's DISCOUNTS |
| Cato | KFC |
| Walmart Supercenter | Marshalls |

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ELEVATIONS

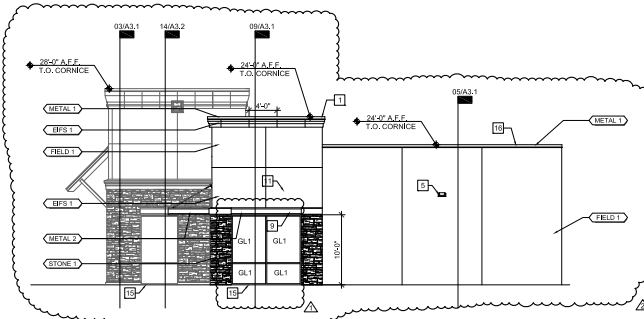
STARBUCKS | VERIZON | PEARLAND, TEXAS

ELEVATION KEY NOTES

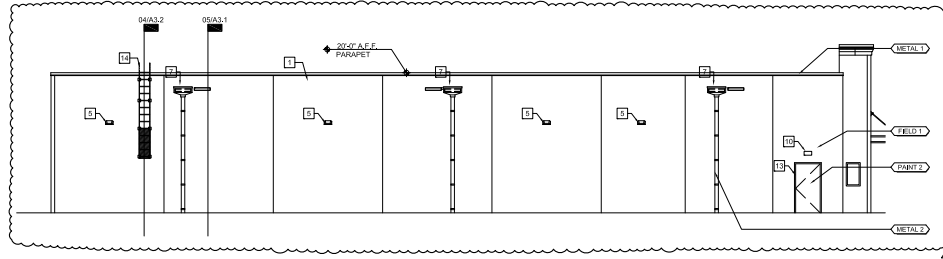
- 1 SMALL E.F.F.S. CORNICE. COLOR: EFS 1 - RE: 03A3.0
- 2 LARGE E.F.F.S. CORNICE. COLOR: EFS 1 - RE: 03A3.0
- 3 E.F.F.S. CAP. COLOR: EFS 1 - RE: 03A3.2
- 4 SOFFT SURROUND. COLOR: EFS 1 - RE: 05A3.2
- 5 EXTERIOR WALL PACK. RE: MEP @ 12'-10" A.F.F.
- 6 TILT-WALL PANEL REVEAL. RE: 03A3.1
- 7 COLLECTOR BOX AND DOWNSPOUT. RE: 07.08A1.2
- 8 TOWER CANDOPY. RE: 01-03A3.2 FOR DETAILS
- 9 PREFABRICATED CANDOPY
- 10 LIGHT FIXTURE @ 8'-0" A.F.F.
- 11 E.F.F.S. ACCENT TRIM. COLOR: EFS 1 - RE: 13A3.2
- 12 E.F.F.S. MEDALLION WITH THIN STONE INLAY. COLOR: EFS 1 - RE: 07A3.2
- 13 HOLLOW METAL EXT. DOOR. RE: A6.0
- 14 ROOF ACCESS LADDER. RE: 04A3.2
- 15 STOREFRONT SYSTEM. RE: A6.0, METAL 2
- 16 METAL PARAPET CAP

EXTERIOR FINISH SCHEDULE

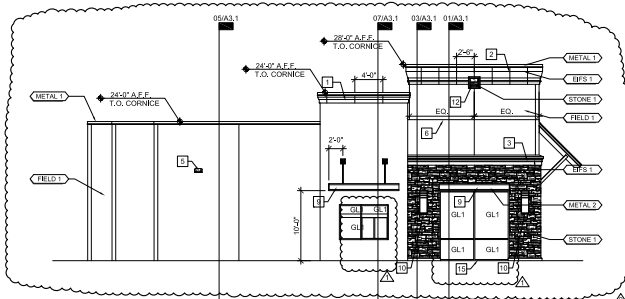
- FIELD 1** STUCCO SKIMCOAT OVER TILT-WALL PANEL. COLOR TO MATCH SHERWIN WILLIAMS, SW9106 - KILM BEIGE. TEXTURE: SANDBLAST
 - FIELD 2** STUCCO SKIMCOAT OVER TILT-WALL PANEL. COLOR TO MATCH SHERWIN WILLIAMS, SW9107 - NORMAN DESSERT. TEXTURE: SANDBLAST
 - FIELD 3** STUCCO SKIMCOAT OVER TILT-WALL PANEL. COLOR TO MATCH SHERWIN WILLIAMS, SW9335 - CRAFTSMAN BROWN. TEXTURE: SANDBLAST
 - CEFS 1** ACCENT E.F.F.S. TRIM. SHERWIN WILLIAMS NET SYSTEM. COLOR TO MATCH: SHERWIN WILLIAMS, SW9335 - CRAFTSMAN BROWN. TEXTURE: SANDBLAST
 - STONE 1** THIN STONE VENEER - ALAMO STONE. AUTUMN SUNSET. GROUT TO MATCH; TEXTURE: #6 LIGHT BUCKSKIN
 - STONE 2** CAST STONE CAPS TO MATCH SHERWIN WILLIAMS, SW9335 - CRAFTSMAN BROWN.
 - ROOF 1** STANDING SEAM METAL ROOF. BERRIDGE: DARK BRONZE
 - PAIN 1** DARK BRONZE. PAINT. COLOR TO MATCH SHERWIN WILLIAMS, SW MANX BRONZE
 - PAIN 2** HOLLOW METAL DOOR PAINT. COLOR TO MATCH SHERWIN WILLIAMS, SW9106 - KILM BEIGE.
 - METAL 1** PARAPET CAP: BERRIDGE: DARK BRONZE OR ED.
 - METAL 2** PREFINISHED METAL: COLOR DARK BRONZE
 - STAIN 1** CANDOPY DECK STAIN COLOR SHERWIN WILLIAMS SW 3129P
- FINISH NOTE: ALL EXPOSED CMU AND STONE MASONRY TO BE TREATED WITH SILANE, PENETRATING WATER REPELLANT. SPEC TO BE CHEMREX ENVROSEAL 20 (OR EQ.)
- GLAZING NOTE: ALL GLAZING TO BE GL-1 SOLARBAN 60 OR EQUAL. MINIMUM U-FACTOR OF .29 AND SHGC OF .36.



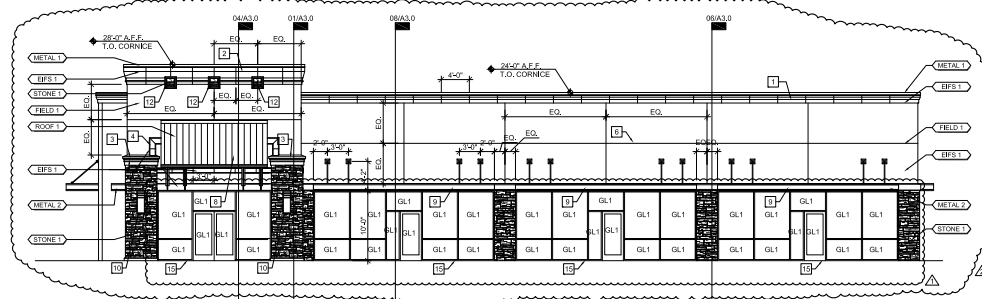
04 SOUTH ELEVATION
SCALE: 1/8" = 1'-0"



02 EAST ELEVATION
SCALE: 1/8" = 1'-0"



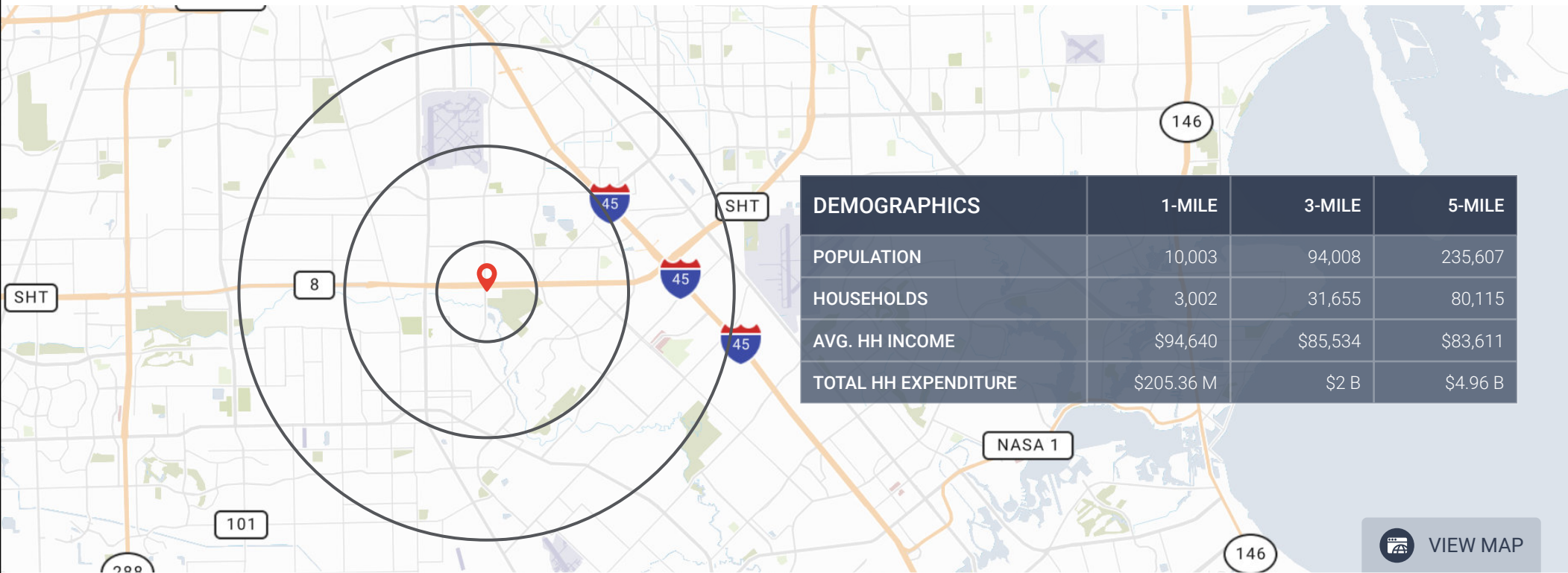
03 NORTH ELEVATION
SCALE: 1/8" = 1'-0"



01 WEST ELEVATION
SCALE: 1/8" = 1'-0"

LOCATION OVERVIEW

STARBUCKS | VERIZON | PEARLAND, TEXAS



VIEW MAP

ECONOMIC DRIVER'S (# of Employees in Pearland)

Texas Genco Holdings, Inc. (1,500)
 Texas Department of Military (1,000)
 Space Exploration Technologies Corp. (875)
 Gringo's Mexican Kitchen No 1 Inc (800)
 Memorial Hermann Health System (650)

Memorial Hermann Health System (518)
 Lockheed Martin Corporation (473)
 Texas Children's Hospital (426)
 Memorial Hermann Health System (379)
 Whirlwind Steel Buildings, Inc. (359)

Patients Medical Center, Ltd. (348)
 Kentucky Fried Chicken (348)
 Ghg Corp. (340)
 Larrett Energy Services, Inc. (327)
 Walmart Inc. (300)

LOCATION OVERVIEW

STARBUCKS | VERIZON | PEARLAND, TEXAS



PEARLAND TEXAS



113,693
POPULATION



\$102,124
MEDIAN HOUSEHOLD INCOME

Pearland is a predominantly white-collar (71%) city in Brazoria County, within the Houston-Sugar Land-Baytown Metropolitan area. The city is located 16 miles south of downtown Houston. The county's largest employers, mostly in education,

Pearland also has many residents employed by NASA at the Lyndon B. Johnson Space Center. *Pearland's work force and community amenities have made Pearland an attractive location for large medical-related companies seeking new quarters.*

bio medicine and oil, reflect Brazoria's suburban economy. As of the 2010 census, the city's population was 91,252, a 242% growth from the 2000 census. A majority of the community's labor force commuted daily into the Texas Medical Center and other employment centers in the region. Pearland also has many residents employed by NASA at the Lyndon B. Johnson Space Center. Pearland's work force and community amenities have made Pearland an attractive location for large

medical-related companies seeking new quarters. The city's largest employers are the Pearland Independent School District, Walmart and the City of Pearland. Recognized as Texas "top rated retail market" for three years in a row now, Pearland's retail sector offers residents first-class shopping and dining experiences just minutes from home. Prominent mixed-use lifestyle and shopping complexes-including Pearland Town Center, Shadow Creek Ranch Town Center, Silverlake Shopping Center and The Crossing at 288 service residents with national retailers and dining establishments. **The Houston-Sugar Land-Baytown Metropolitan Statistical Area (MSA)**, colloquially known as Greater Houston, is the 5th largest in the United States with a population of 6,997,384. Houston is 2nd to New York City in terms of Fortune 500 headquarters.

NO.1

PEARLAND SCORED NO. 1 FOR SOCIODEMOGRAPHICS, WHICH WEIGHED OVERALL POPULATION GROWTH, THE WORKING-AGE POPULATION GROWTH, AND THE COLLEGE-EDUCATED POPULATION GROWTH BETWEEN 2011 AND 2017, ACCORDING TO WALLETHUB.

15th

IF HOUSTON WERE A STATE, ITS ECONOMY WOULD RANK 15TH IN THE U.S.

IN THE NEWS

STARBUCKS | VERIZON | PEARLAND, TEXAS

PEARLAND RANKED NATION'S 7TH MOST PROSPEROUS CITY IN ANALYSIS OF CENSUS DATA

Matt Dulin, May 24, 2018 (*Community Impact Newspaper*)

Pearland received a top 10 rank as one of the nation's most prosperous cities with 100,000 people or more, according to a report by the online rental search company RentCafe, which used U.S. Census and American Community Survey data from 2000 to 2016 to make its determination.

"The listing is a testament to the quality of community that our residents have created, which in turn is attractive to potential residents who choose to move to Pearland."

"For Pearland to again be recognized for its quality, this time in the top 10 most prosperous cities, speaks well to this diverse and dynamic community," said City Manager Clay Pearson.

To develop the prosperity ranking, RentCafe said it looked at proportional changes within a few indicators, including population, median household income (adjusted for inflation to 2018 Dollars), education attainment, poverty levels and unemployment levels.

Compared to the other cities in the top 10, Pearland, which is ranked seventh overall, had the highest population growth but also had significant growth in educational attainment and home values, as well as slightly reduced poverty levels.



CLICK HERE TO READ MORE

PEARLAND, LEAGUE CITY MAKE NEW RANKING OF U.S. CITIES WITH THE MOST 'NEW' HOMEOWNERS

Rebecca Hennes, February 14, 2020 (*Chron*)

In Pearland, 35.6 percent of homeowners have lived in the same home for less than a decade, with median property values there set at \$208,900, per the report.

The No. 1 city with the most new homeowners is also based in Texas. The report found nearly half of Frisco, Texas homeowners moved into their homes within the last 10 years, with a median property value there set at \$335,900.

League City and Pearland are among the top cities with the most new homeowners in the U.S., coming in on the ranking at No. 14 and No. 15, respectively.

McKinney, Texas was ranked No. 3 on the list, with 42 percent of its homes occupied by new owners that moved in within the last 10 years, per the report. Three other Texas cities made the ranking with College Station at No. 6, Killeen at No. 18 and Midland at No. 24.



CLICK HERE TO READ MORE

HOUSTON-THE WOODLANDS-SUGARLAND-BAYTOWN MSA

STARBUCKS | VERIZON | PEARLAND, TEXAS

Gill Aviation **DAVID WAYNE HOOKS MEMORIAL AIRPORT**

- ✓ 272 Flights/Day
- ✓ It is the Busiest General Aviation Airport in Texas

HOUSTON AIRPORTS **GEORGE BUSH INTERCONTINENTAL AIRPORT**

- ✓ 40 Million Annual Passengers
- ✓ Hub for United Airlines & Atlas Air

MEMORIAL HERMANN **MEMORIAL HERMANN CYPRESS HOSPITAL**

- ✓ The 32-acre Master-Planned Campus Hosts an 81-Bed Hospital
- ✓ Currently 1 of the Country's Largest Tilt Wall Hospitals.

HCA HOUSTON HEALTHCARE NORTH CYPRESS

- ✓ It 163-Licensed Bed, General Acute Care Hospital
- ✓ It is now part of the Largest Healthcare system in Houston

MINUTE MAID PARK STADIUM

- ✓ Houston Astros - 10th Most Valuable MLB Team (\$1.8 Billion)
- ✓ 41,168 Seating Capacity

HERMANN PARK CONSERVANCY

- ✓ Over 6 Million Visitors Annually
- ✓ It includes the Houston Zoo, Theater, Museum of Natural Science, and Golf Course

HOUSTON COLLEGE

- ✓ Houston Rockets - 7th Most Valuable NBA Team (\$2.3B)
- ✓ 18,300 Seating Capacity

RICE UNIVERSITY

- ✓ School of Architecture Ranked #2 in the Nation
- ✓ 6,740 Students

UNIVERSITY OF HOUSTON

- ✓ Part-Time Law Program Ranked #9 Nationally
- ✓ 45,364 Students

PORT OF HOUSTON INTERNATIONAL PORT

- ✓ 182 Billion Tons of Cargo Annually
- ✓ Shipping Activity Accounts for \$159 Billion in Trade

TMC TEXAS MEDICAL CENTER

- ✓ Texas Medical Center offered over 9,200 total patient beds
- ✓ Hosts 10 million patient encounters annually

HOUSTON AIRPORTS **WILLIAM P. HOBBY AIRPORT**

- ✓ 14 Million Annual Passengers
- ✓ 93% of Annual Flights are on Southwest Airlines

nrg park

- ✓ Houston Texans - 9th Most Valuable NFL Team (\$3.1B)
- ✓ 72,220 Seating Capacity

starbucks **verizon**

SUBJECT PROPERTY
10501 PEARLAND PKWY.

NASA **JOHNSON SPACE CENTER**

- ✓ Hub of Human Space Flight for More than Half a Century
- ✓ 1 Million Visitors Annually

MOODY GARDENS

- ✓ 2 Million Visitor per year
- ✓ It is an Educational Tourist Destination

METRO STATISTICS	
TOTAL POPULATION	7,066,141
GDP	\$490.1B
NATIONAL ECONOMY RANKING	7th
FORTUNE 500 COMPANIES	21

SECURE

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WE LOOK FORWARD TO HEARING FROM YOU

DALLAS OFFICE

10000 N. Central Expressway
Suite #200
Dallas, TX 75231
(214) 522-7200

LOS ANGELES OFFICE

123 Nevada Street
El Segundo, CA 90245
(424) 220-6430

securenetlease.com

TEXAS DISCLAIMER

STARBUCKS | VERIZON | PEARLAND, TEXAS

APPROVED BY THE TEXAS REAL ESTATE COMMISSION FOR VOLUNTARY USE

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:

- ▷ shall treat all parties honestly;
- ▷ may not disclose that the owner will accept a price less than the asking price submitted in a written offer unless authorized in writing to do so by the owner;
- ▷ 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
- ▷ may not disclose any confidential information or any information that a part 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.