

Nelson Gustafson Group

Sotheby's International Realty

901 South Mopac Expressway

Building 2, Suite 195

Austin, Tx 78746

Regarding 616 Terrell Hill Drive, Austin, Texas 78704.

1. Summary of Offering.

We are offering a .93 acre tract with an existing residence and SF3 zoning, for \$1,150,000. Existing home is very rentable in it's current condition. This property is located in the core of Austin in the coveted 78704 zip code and has exceptional views of St. Edwards and potential city views. All utilities are present.

2. Legal Description

Lot 3, Block 2 Loveless addition, Volume 419, Page 1. Please review attached survey. The property is commonly known as 616 Terrell Hill Drive.

3. Projected Value.

8 Residential units, of 2,000 +/- square feet each, valued at **\$4,400,000**.

4. Competition and Strategy.

Divide property into four 10,137 sq. ft. lots. Build homes with current architecture and good quality finishes. Spend time formulating the best look for the dollar spent: create a good value for the consumer. The average home in this zone is \$257.95 per sq. ft. with a high price of \$356.94 per sq. ft.

5. Build out costs.

Total square footage of the project is 16,000 sq. ft. at an aggregated building cost of \$104 per sq. ft. is \$1,664,000.

6. Interim Value.

This property can generate **\$22,500** in monthly rent over the 15 month planning and subdivision period. The city of Austin states faster development cycles currently, however the 15 month timeline is probable.

7. Estimated Projected Project profit.

Aggregate Expenses:	\$2,814,000
Projected value:	\$4,400,000

Gross project profit: \$1,586,000

Summary.

This offering represents an opportunity to profit in a receding market. Views, Location and excellent gross margins. Further, while in the permit process this property would generate over \$22,000 in interim revenue. This is an uncommon offering, well worth considering. Call or email with your questions.

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