



FOR SALE

OFFERING MEMORANDUM

SHOPS AT LAKEHOUSE

4019 Pitts Road | Katy, TX 77493

100%, Fully Stabilized Class A Retail Center Available For Sale

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Investors are required to conduct their own investigations, analysis, due diligence, draw their own conclusions, and make their own decisions. Any areas concerning taxes or specific legal or technical questions should be referred to lawyers, accountants, consultants, brokers, or other professionals licensed, qualified or authorized to render such advice.

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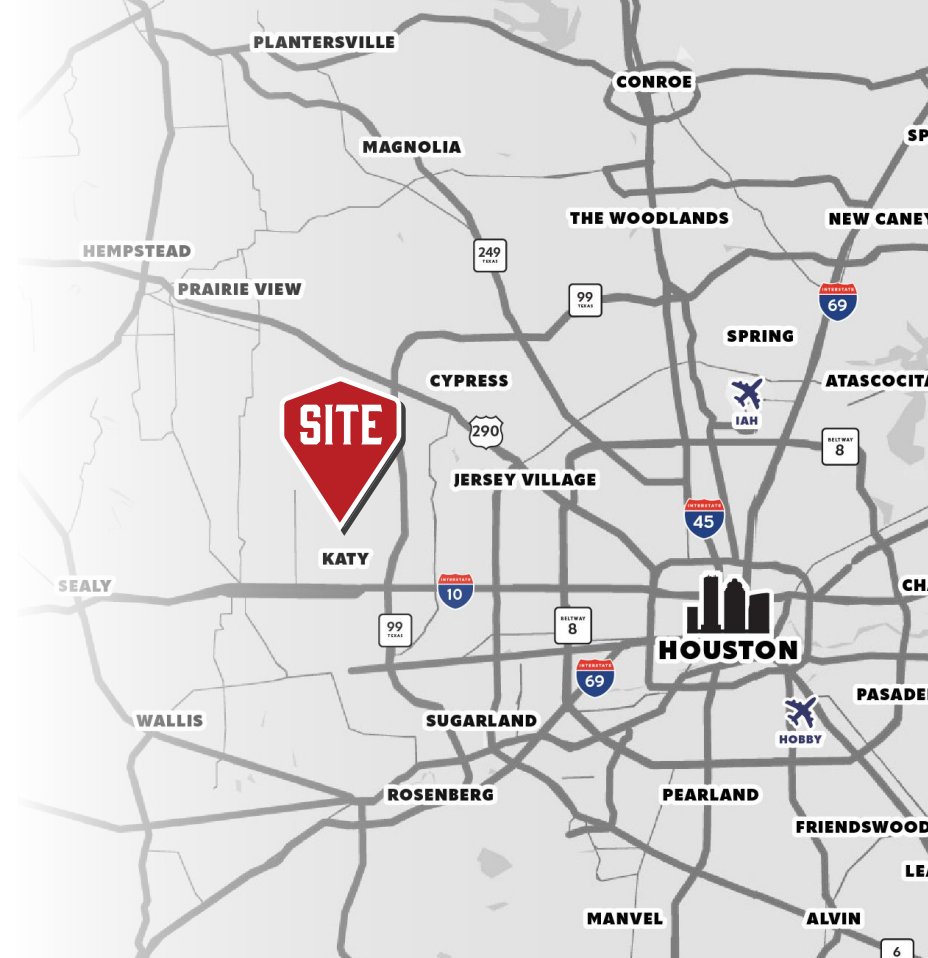
Palo Duro Commercial Partners is pleased to present The Shops at Lakehouse, a Class A retail development offered exclusively for sale. Located at 4019 Pitts Rd in the rapidly growing suburban market of Katy, Texas, this 100% leased, multi-tenant retail center delivers stable cash flow supported by a diverse, service-oriented tenant mix. Current tenants include Shipley Do-Nuts, Lakehouse Nails & Spa, Heritage Oaks Wine & Spirits, Care Promptly Medical Clinic, Domino’s, and Peachwave Frozen Yogurt.

Approximately 52% of the property’s gross leasable area is occupied by nationally franchised tenants, strengthening the asset’s credit profile and contributing to its long-term stability.

PROPERTY DETAILS

List Price	\$4,706,928
Building Size	8,962 SF
Price per SF	\$525
Cap Rate	6.25%
NOI	\$294,183
Year Built	2025
County	Harris

- Newly built retail development within the Lakehouse master-planned community, adjacent to Sunterra—a top-selling 2,300-acre community with 7,000 homes.
- 1-mile population projected to grow 25.6% annually, supporting strong long-term retail demand.
- Located in Katy ISD (92,000 students), ranked #10 best school district in Texas by Niche.
- Excellent access to Katy (4.5 Mi.), Houston Executive Airport (6.3 Mi.), Katy Mills Mall (5.9 mi), Houston Premium Outlets (19.8 mi), Houston Texans Toro District (15 mi) and Houston (33 mi).



DEMOGRAPHIC SNAPSHOT

	2 Miles	3 Miles	5 Miles
2025 Estimated Population	3,395	20,498	39,249
2030 Projected Population	3,979	24,076	46,099
2025 Est. Average HHI	\$138,569	\$140,710	\$138,870
Median Home Value	\$364,049	\$350,341	\$348,408



STABLE LONG-TERM TENANCY

Service-oriented, daily-needs tenants drive consistent occupancy and durable cash flow, with limited e-commerce exposure and strong repeat local demand.



STEADY INCOME

Diversified tenant mix generates predictable, recurring revenue, offering long-term stability and downside protection.



NEW CONSTRUCTION

Modern systems and finishes reduce near-term maintenance and capex while enhancing tenant appeal and long-term competitiveness.



HIGH GROWTH AREA

Positioned in a rapidly expanding western Houston corridor, supported by nearby master-planned communities and strong population growth.





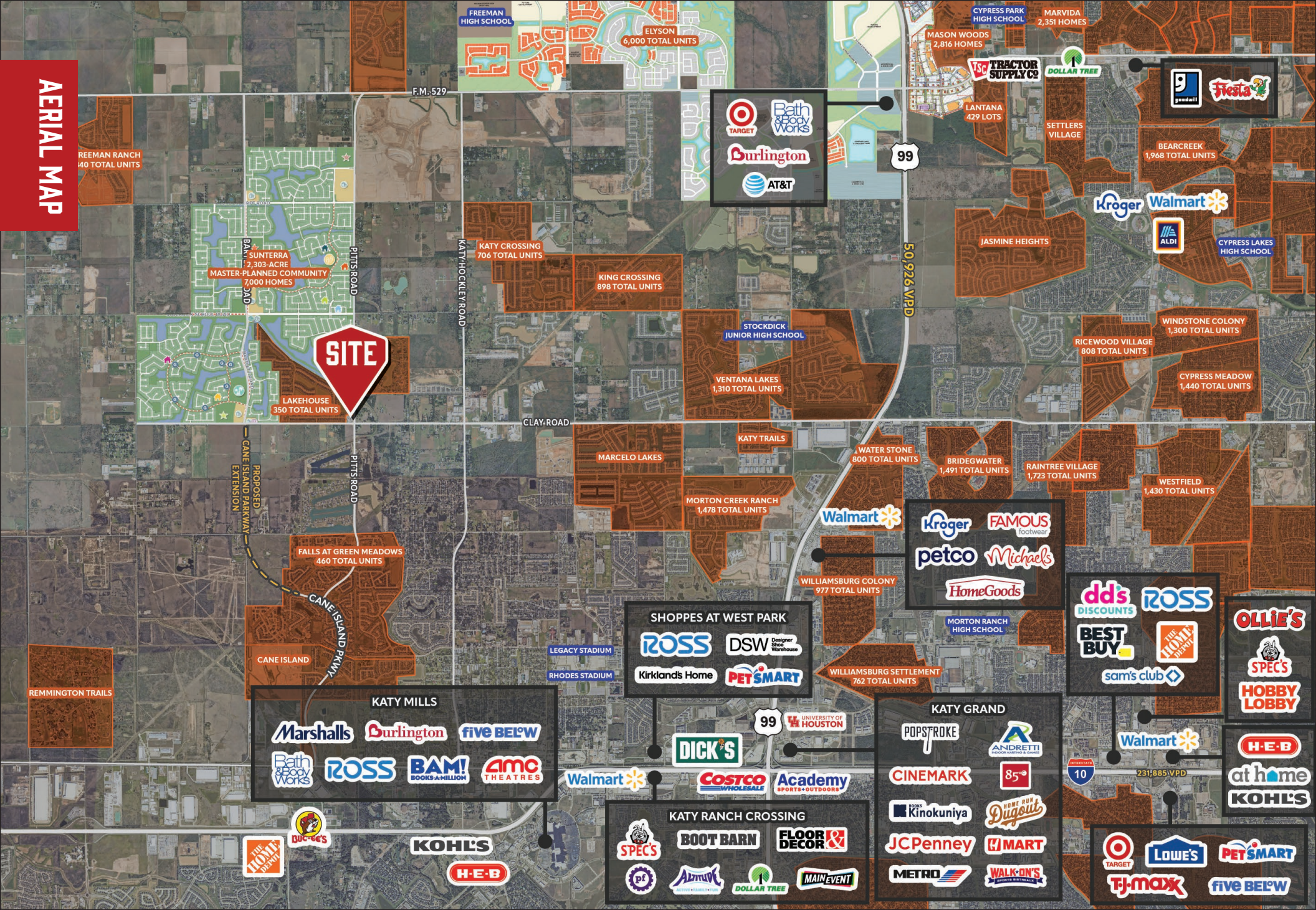
LAKEHOUSE
350 TOTAL UNITS

SUNTERRA
2,303-ACRE
MASTER-PLANNED COMMUNITY
7,000 HOMES

SITE

checkout

AERIAL MAP



AERIAL MAP

SUNTERRA
2,303-ACRE
MASTER-PLANNED COMMUNITY
7,000 HOMES

**KATY LAKES
ESTATES**
88 LOTS

LAKEHOUSE
350 TOTAL UNITS



CLAY ROAD



PITTS ROAD

FUTURE RESIDENTIAL

AUGUST LAKES
128 ACRES



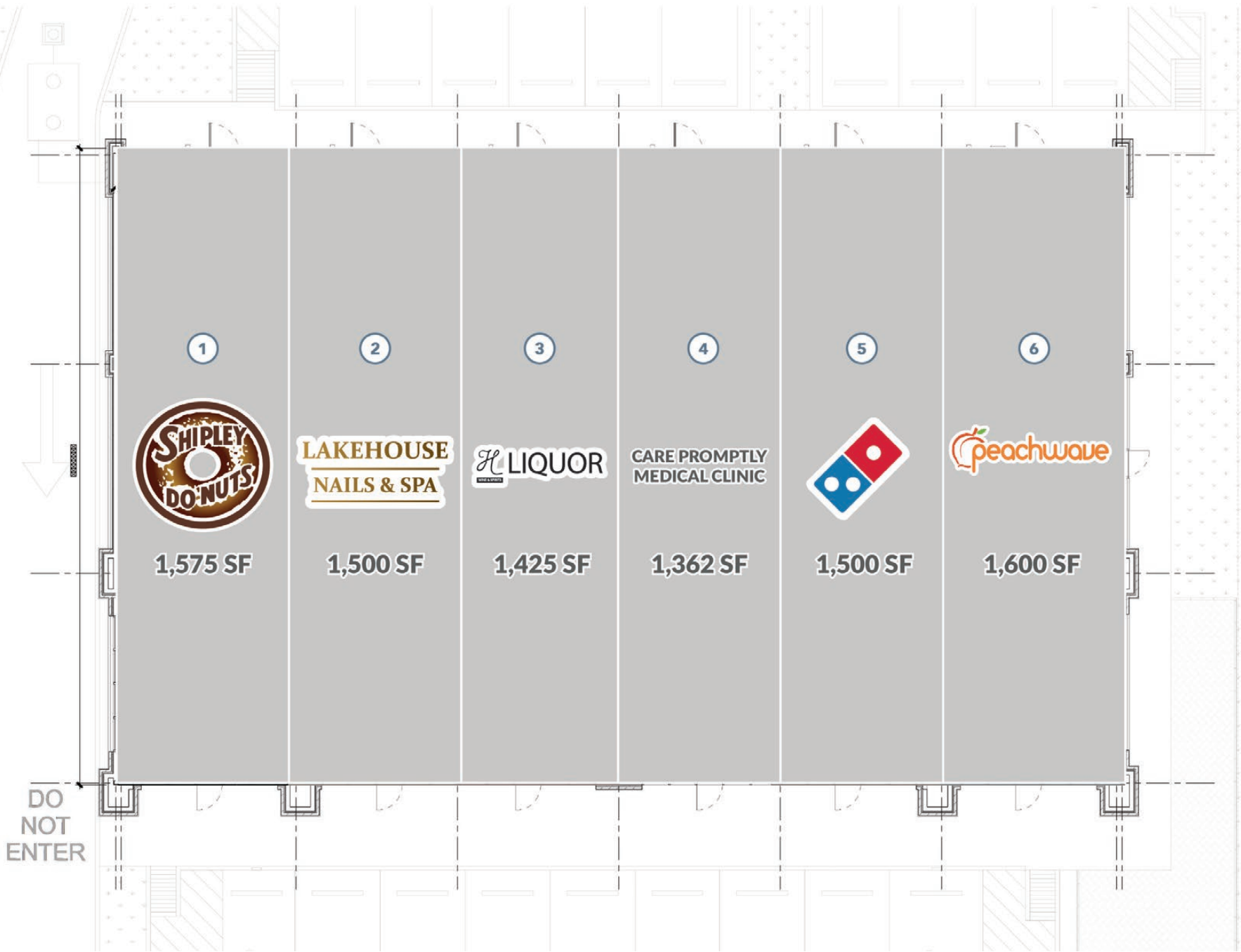
#1 Selling Master-Planned Community in Texas
Based on recent RCLCO rankings

Spanning about 2,303 acres, the community is adding thousands of homes for rent and sale, creating a rapidly growing customer base near the site. Resort-style amenities like Crystal Lagoons®, pools, parks, and an amenity village, help drive daily activity and repeat retail visits.

This scale and continued growth position nearby retail to benefit from long-term population gains and steady consumer spending.



SITE PLAN





Shipley Do-Nuts

Shipley Do-Nuts is a well-established regional QSR brand with a strong Texas presence, known for fresh donuts, kolaches, and coffee. Founded in 1936, it benefits from strong customer loyalty, consistent morning traffic, and a high-frequency, daily-needs model. With 370+ locations, Shipley remains a dependable neighborhood staple with steady demand across its franchise network.



LAKEHOUSE NAILS & SPA

Lakehouse Nails & Spa

Lakehouse Nail & Spa is a full-service salon offering nail care, spa treatments, and beauty services in a modern setting. The business benefits from steady repeat visits and consistent local demand, with personal care services historically resilient due to their recurring nature. It enhances the center's tenant mix by driving reliable daytime traffic and customer engagement.



H LIQUOR WINE & SPIRITS

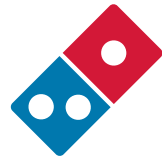
Heritage Wine & Spirits

Heritage Oaks Wine & Spirits is a neighborhood liquor store offering a curated selection of wines, spirits, and specialty beverages. It serves local residents with consistent year-round demand, driving repeat visits and steady foot traffic. The store supports daily convenience needs and enhances cross-shopping with nearby tenants.



Care Promptly Medical Clinic

Care Promptly Medical Clinic is a locally owned walk-in provider offering affordable, high-quality care with short wait times. Serving patients ages 3+, it provides general visits, diagnostics, and preventative services with transparent pricing. The clinic supports steady patient volume and future growth through expanded services and hours.



Domino's Pizza

Domino's Pizza is a globally recognized quick-service brand and one of the largest pizza delivery companies. Known for its strong brand, digital ordering platform, and delivery-focused model, it generates consistent demand and steady traffic through convenient carryout and delivery options.



Peachwave Frozen Yogurt

Peachwave is a self-serve frozen yogurt and gelato concept offering a wide variety of fresh, customizable flavors made in-store daily. Known for its innovative licensing model and focus on quality ingredients, the brand delivers a fun, interactive dessert experience while driving consistent customer traffic through broad menu appeal and repeat visits.



Market Trends

- Demand outpaced new supply for the 2nd straight quarter, signaling continued momentum
- Net absorption declined sharply QoQ and YoY, indicating softer leasing activity
- Investment surged: sales hit \$1.0B, nearly 3x YoY, with rising prices

Houston's retail market is entering 2026 on strong footing, ranking among the top U.S. markets just behind Dallas. A healthy correction is driving demand for second-generation space, while development and absorption remain steady across submarkets. Continued population growth is supporting expansion, reinforcing the idea that retail follows residential. On the investment side, strong liquidity and cap rate compression persist, with potential rate cuts expected to further boost activity.

Historic Comparison

	Q4 '25	Q3 '25	Q4' 34
Total Inventory <i>(Millions of SF)</i>	386.6	386.2	384.0
New Supply <i>(Thousands of SF)</i>	444.9	647.0	758.8
Net Absorption <i>(Thousands of SF)</i>	559.1	858.2	483.7
Overall Vacancy Rate	5.7%	5.7%	5.5%
Under Construction <i>(Thousands of SF)</i>	2,756.3	2,678.5	3,194.1
Overall Asking Lease Rates <i>(NNN)</i>	\$20.79	\$20.37	\$20.56



Information About Brokerage Services



Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

WRITTEN AGREEMENTS ARE REQUIRED IN CERTAIN SITUATIONS: A license holder who performs brokerage activity for a prospective buyer of residential property must enter into a written agreement with the buyer before showing any residential property to the buyer or if no residential property will be shown, before presenting an offer on behalf of the buyer. This written agreement must contain specific information required by Texas law. For more information on these requirements, see section 1101.563 of the Texas Occupations Code. **Even if a written agreement is not required, to avoid disputes, all agreements between you and a broker should be in writing and clearly establish: (i) the broker's duties and responsibilities to you and your obligations under the agreement; and (ii) the amount or rate of compensation the broker will receive and how this amount is determined.**

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent. **An owner's agent fees are not set by law and are fully negotiable.**

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent. **A buyer/tenant's agent fees are not set by law and are fully negotiable.**

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

A LICENSE HOLDER CAN SHOW PROPERTY TO A BUYER/TENANT WITHOUT REPRESENTING THE BUYER/TENANT IF:

- The broker has not agreed with the buyer/tenant, either orally or in writing, to represent the buyer/tenant;
- The broker is not otherwise acting as the buyer/tenant's agent at the time of showing the property;
- The broker does not provide the buyer/tenant opinions or advice regarding the property or real estate transactions generally; and
- The broker does not perform any other act of real estate brokerage for the buyer/tenant. Before showing a residential property to an unrepresented prospective buyer, a license holder must enter into a written agreement that contains the information required by section 1101.563 of the Texas Occupations Code. The agreement may not be exclusive and must be limited to no more than 14 days.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Buyer/Tenant/Seller/Landlord Initials

Date

