



The Fredricks Group

FOR IMMEDIATE RELEASE

MHW president says project anticipates demand for new urban residential

Czajkoski: "Time is right" for new residential product in downtown Conroe



The kitchens in the six units feature modern finishes and appliances.

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Conroe, June 8, 2020 - MHW Real Estate has built three new 2-story duplexes in downtown Conroe, betting other investors will soon follow as the city attracts new housing developments as part of its Downtown Development Plan.



The three duplexes feature a total of six individual units, each of them a 3-bedroom 2.5-bathroom apartment with a total of about 1,630 square feet each. The units are currently being offered for lease at \$1,650 a month each and ultimately will be sold to investors hoping to capitalize on a growing market for downtown residential units in Conroe. The six units are being marketed for sale on

Loopnet and Costar and for lease on HAR.

An Open House is scheduled for 11 a.m. to 3 p.m. July 18 and 19.

The time for a project like this is now, said MHW President Jody Czajkoski.

“There are a lot of good things happening in downtown Conroe, and we need an environment where we can live, work and play. And that is really feeding the demand,” said Czajkoski, who also serves on the Conroe City Council and is running for mayor in the November elections.

“For the last 10 years talking to our downtown management and economic development team, I’ve had a lot of people saying if there were some new product in downtown Conroe they would love to live here.”

Jon Sellers, vice president of development for MHW and one of three principals in the firm including Czajkoski, said it is a product designed to meet the needs of multi-generational renters and homebuyers, including Millennials.

“At MHW one of the things we wanted to do was to bring a product to Conroe that helps bring to the market some additional space near downtown. We would like to be able to provide housing close to downtown within walking distance of all the shops and retail establishments and all of the events and entertainment downtown,” Sellers said.

This most recent development accompanies another major MHW investment in downtown Conroe – **its relocation of its offices from The Woodlands to a historic building on the square.** The renovated building not only will house MHW and its investment group but will also lease business incubator office spaces to attorneys and other businesses. MHW already has commitments to its first-floor spaces from Blue Epiphany Winery and the University of St. Thomas.

The city of Conroe passed a **Downton Development Plan last year** that expanded the original nine-block downtown area to more than 30 square blocks. It creates five interconnected districts for distinct downtown development zones, according to the city’s Downtown Redevelopment Plan, along with proposed projects, amenities, and development incentives.

The three duplexes at 909 W. Lewis exist in what the city describes in its plan as the Neartown District, styled as a “vibrant mix of retail, office space and ‘uptown’ living attractive to an audience interested in national brands but also looking for a living or shopping experience that isn’t available in commercial strip centers or suburbs.”

Other districts include a Homestead district with neighborhood improvements intended to encourage new residential development, an Arts and Honors district highlighting performance arts, an Old Town Marketplace district with open space for outdoor markets, and a Central Business District.

The new planned downtown will extend east to west from 10th Street to I-45 and north to south from Dallas Street to Avenue G, according to the plan and includes developer incentives.

The six units being developed by MHW, however, did not utilize any of the city incentives. Czajkoski said his company simply is anticipating the demand and hoping its project will encourage yet more residential development in the downtown districts.

“All the infrastructure is in place in downtown Conroe. There has been a major study done on what types of housing is needed in that area, and it’s calling for more urban products - zero lot line products, townhomes, condos, and lofts.

“What we’ve noticed is your millennials and your baby boomers are looking for the same product. They’re not looking for a 2,500-square-foot house. They’re looking for an 1,800-square-foot home, they’re looking for smaller yards because the price of water for irrigation, and they are looking for more energy efficient homes.”

The development adds value to the area because it took what was an older home in major

disrepair on an oversized lot, and in its place created six new townhomes, Czajkoski said. What was a house on the tax rolls for about \$140,000 now has six units representing an investment of about \$1.3 million, plus six water and sewer taps.

“The city didn’t have to spend a dime on this product,” Czajkoski said. He expects a similar pattern of new development ultimately will convert much of the downtown residential areas, noting an apartment project is under construction just around the corner on Frazier.

“If you watch a lot of these older communities in Houston, similar to the Heights, that’s what we see coming.”

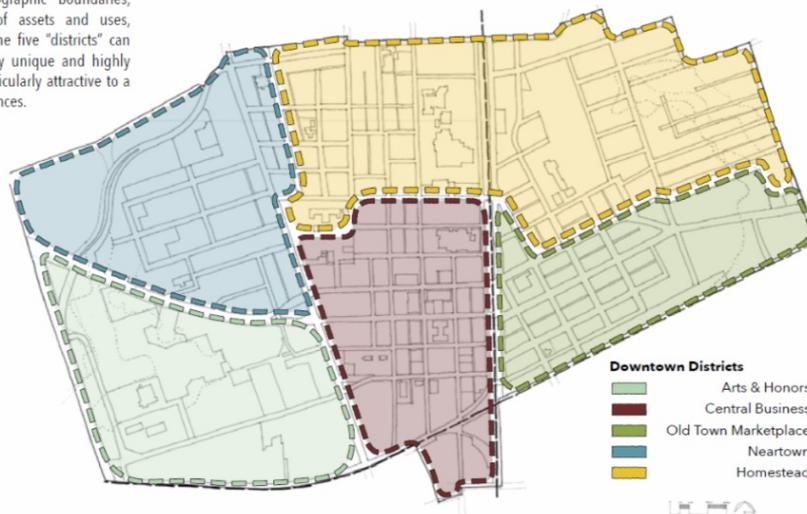
Sellers added: “That was part of the reason we started doing it now, to see if there was enough demand down here to continue to move forward. If it continues, we see us doing many of these projects in the downtown area.”

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VISION **Five “Districts” of Downtown Conroe**
by
District

Five Unique Sides of Downtown Conroe

Downtown Conroe can be neatly divided into five different areas based on geographic boundaries, economic opportunities, mix of assets and uses, and overall character. Each of the five “districts” can be strengthened to provide very unique and highly complementary experiences particularly attractive to a variety of existing and new audiences.



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The above page is from the city’s Downtown Development Plan.

About MHW Commercial Real Estate

MHW Commercial Real Estate (MHW) leads the way in real estate investment, construction & development, property management, and brokerage. The company's diverse team of industry experts allows MHW to provide exceptional service, start to finish in all aspects of real estate. With over 75 years of combined experience, the team creates custom innovative plans specific to each client, to meet their requirements, monetary conditions, expectations, and goals.

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About Fredricks Group

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