

1336 SOUTH IRVING HEIGHTS DRIVE

NEW ROOF INSTALLED IN 2021
STRATEGIC LOCATION

DALLAS MSA (IRVING, TX)

**SUBJECT
PROPERTY**

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Offering Memorandum Disclaimer

This Confidential Offering Memorandum ("Memorandum") is being delivered subject to the terms of the Confidentiality Agreement (the "Confidentiality Agreement") signed by you and constitutes part of the Confidential Information (as defined in the Confidentiality Agreement). It is being given to you for the sole purpose of evaluating the possible investment in the subject property mentioned herein ("the Project"), and is not to be used for any other purpose or made available to any other party without the prior written consent of the Seller of Record ("Managing Member"), or its exclusive broker, Marcus & Millichap ("Exclusive Broker"). This Memorandum was prepared by Exclusive Broker based primarily on information supplied by Managing Member. It contains select information about the Project and the real estate market but does not contain all the information necessary to evaluate the Project. The financial projections contained herein (or in any other Confidential Information) are for general reference only. They are based on assumptions relating to the overall economy and local competition, among other factors. Accordingly, actual results may vary materially from such projections. Various documents have been summarized herein to facilitate your review; these summaries are not intended to be a comprehensive statement of the terms or a legal analysis of such documents. While the information contained in this Memorandum and any other Confidential Information is believed to be reliable, neither Exclusive Broker nor Managing Member guarantees its accuracy or completeness. Because of the foregoing and since the investment in the Project is being offered on an "As Is, Where Is" basis, a prospective investor or other party authorized by the prospective investor to use such material solely to facilitate the prospective purchaser's investigation, must make its independent investigations, projections and conclusions regarding the investment in the Project without reliance on this Memorandum or any other Confidential Information. Although additional Confidential Information, which may include engineering, environmental or other reports, may be provided to qualified parties as the marketing period proceeds, prospective purchasers should seek advice from their own attorneys, accountants, engineers and environmental experts. Neither Exclusive Broker nor Managing Member guarantees the accuracy or completeness of the information contained in this Memorandum or any other Confidential Information provided by Exclusive Broker and Managing Member. Managing Member expressly reserves the right, at its sole discretion, to reject any offer to invest in the Project or to terminate any negotiations with any party at any time with or without written notice. Managing Member shall have no legal commitment or obligations to any prospective investor unless and until a written sale agreement has been fully executed, delivered and approved by Managing Member and any conditions to Managing Member's obligations thereunder have been satisfied or waived. Managing Member has retained Exclusive Broker as its exclusive broker and will be responsible for any commission due to Exclusive Broker in connection with a transaction relating to the Project pursuant to a separate agreement. Exclusive Broker is not authorized to make any representation or agreement on behalf of Managing Member. Each prospective investor will be responsible for any claims for commissions by any other broker in connection with an investment in the Project if such claims arise from acts of such prospective investor or its broker. This Memorandum is the property of Managing Member and all parties approved by Managing Member and may be used only by parties approved by Managing Member. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as permitted under the Confidentiality Agreement.

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Investment Highlights



Low Rents Per SF of \$7.46 | 8.00% Plus Pro Forma Cap Achievable at Market Rents



New 20-Year Roof Membrane Worth \$127,000 Installed in 2021



Strategic Location - Centrally Located Within the Dallas/Fort Worth Metro (Over 1,000,000 People in a 10-Mile Radius)

Strong Corporate Guarantee

- ▶ **Tenant has Over 360 Locations Across 30 Countries with More Than \$5 Billion in Annual Revenue**
- ▶ **Tenant is an Industry-Leading Global Provider** of Access and Scaffolding Systems, Forming, Shoring, and Industrial Services to the Industrial, Commercial, and Infrastructure Markets
- ▶ Tenant was **Valued at \$6.7 Billion in 2019 when Brookfield Business Partners (NYSE: BBU) Acquired 45% of the Company**
- ▶ Double Net Industrial Property - **Minimal Landlord Responsibilities**, Which is Ideal for Investors not Local to the Market

Strong Real Estate Fundamentals

- ▶ **Dense, Infill Trade Area** Just West of Downtown Dallas - **Population Counts Exceed 210,000 Residents Within a 5-Mile Radius**
- ▶ Value Add Opportunity - **Below Market Rents of \$7.46 Price/SF with No Options Giving New Landlord Upside in Negotiation**
- ▶ Located On Highway 12 with Excellent Exposure - **Traffic Counts Exceed 132,000 Cars Per Day** and the Subject Property Features Unmatched Access to Interstate 35E, Interstate 635, Loop 12, and Highway 183
- ▶ The Subject Property Offers Direct Access to Over 7 Million People and the Largest Business Hubs Within the DFW Metroplex
- ▶ Located in an Industrial Area with other National Brands such as United Rentals, Landmark Equipment, Estes Express Lines, Ahern Rentals, and Many More
- ▶ Dallas/Fort Worth is a Top-Ranking MSA for Overall Population Growth in a Metro Area with 97,290 New Residents Between July 2020 and July 2021



Financial Analysis

Offering Summary

Property Name	1336 South Irving Heights Drive
Property Address	1336 South Irving Heights Drive Irving, TX 75060
Assessor's Parcel Number	32231800510010000
Year Built	1967
Gross Leasable Area (GLA)	±22,000 Square Feet
Lot Size	±2.34 Acres (±101,886 Square Feet)

Pricing

Price	\$2,995,000
Cap Rate	5.48% Current 8.08% Pro Forma
Price Per Square Foot	\$136.14



NOTE: All property boundary lines on this OM are estimated and must be independently verified by potential Buyers.

Annualized Operating Data

Gross Potential Rent	\$164,108
Total Expenses	NN
Net Operating Income	\$164,108

Lease Information

Initial Lease Term	±8 Years
Lease Commencement Date	January 1, 2018
Lease Expiration Date	December 1, 2025
Lease Remaining	±2 Years
Lease Type	NN
Increases	Fixed Increases
Options	None
Guarantee	Corporate
Notes	Landlord is Responsible for Roof & Structure & Year 2020 Insurance (\$6,814 Annually)

Pro Forma Analysis

Pro Forma Market Rent	\$11/SF/Year
Pro Forma NOI	\$242,000

Market Overview

Aerial Photo

University of Dallas
±2,843 Students

Dallas Love Field Airport (DAL)

INTERSTATE
35E

McKinney
TRAILER RENTALS

Popper
Distribution Center

McCormick
Distribution Center

Mazda

HOLT CAT

Days Inn & Suites

Brook Hollow Golf Club

Chick-fil-A

IN-N-OUT BURGER

THE HOME DEPOT

Shell

Starbucks

SONIC

PAM

BUDGET SUITES

ZALES
THE DIAMOND STORE

ISC

WYNDHAM

PIONEER

VERTICOM
IDEAS. SOLUTIONS. RESULTS.
A NETWORKSINTEL COMPANY

±100 Industrial & Retail Businesses

South Walton Walker
Boulevard
±143,508 Cars Per Day

FBM
Foundation Building Materials

**SUBJECT
PROPERTY**

ABF
Freight

FleetPride
HEAVY DUTY PARTS & SERVICE

XPO Logistics

6

SITEPRO
RENTALS

AMEREN
RENTALS

PENSKE
Truck Rental

ESTES

PATRIOT
LOGISTICS, INC.

Demographics - 5-Mile Radius
Population: ±221,562
Households: ±70,888
Avg. HH Income: \$70,876

McDonald's

H
Holiday Inn

6



Market Overview

Aerial Photo



Downtown Irving
±5 Miles



Las Colinas Urban
Center



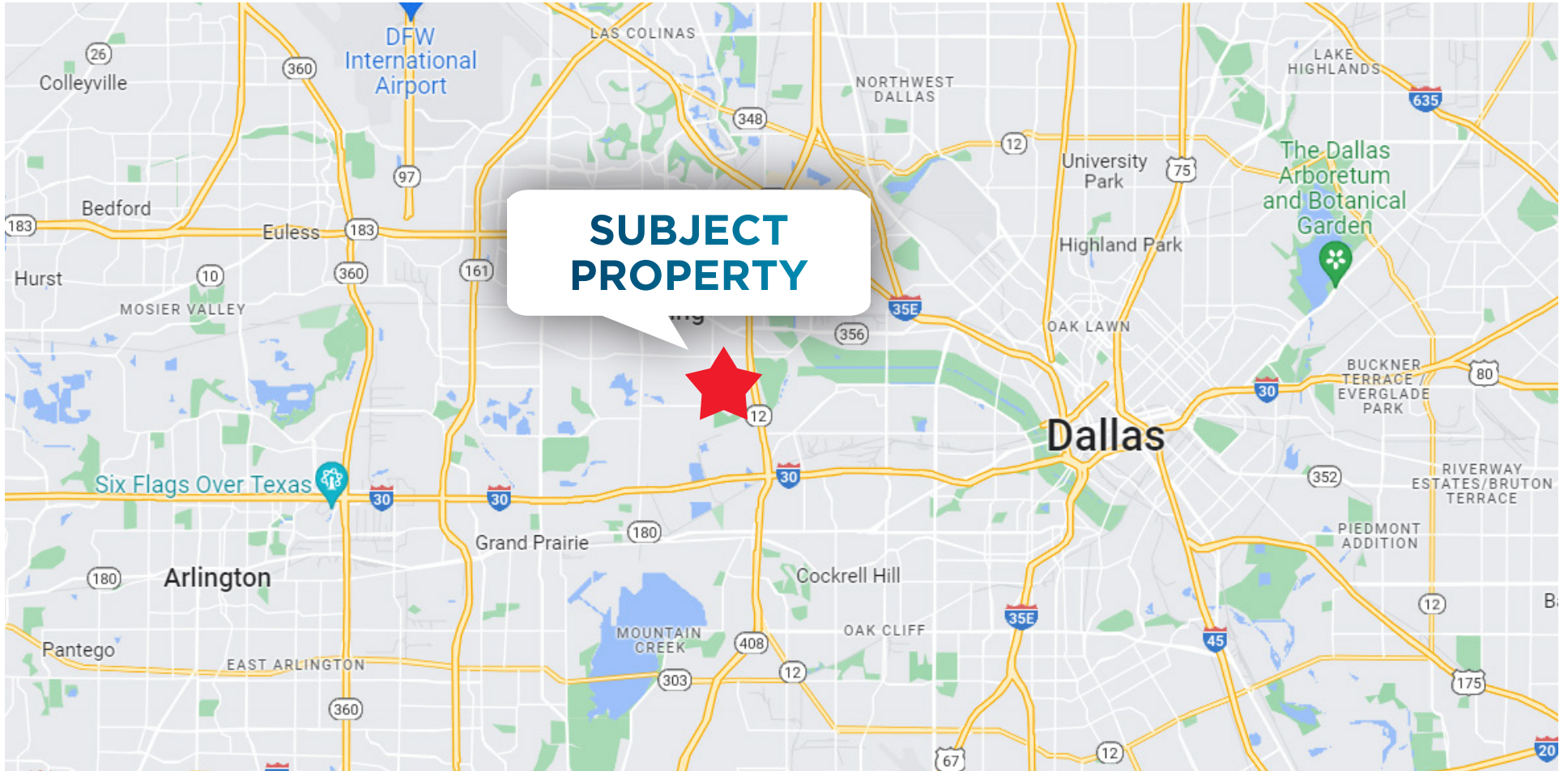
South Walton Walker
Boulevard
±143,508 Cars Per Day



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Market Overview

Regional Map



±143,508 CARS

PER DAY ON SOUTH WALTON
WALKER BOULEVARD



±5 MILES

TO DALLAS LOVE FIELD AIRPORT
(DAL)



±6.5 MILES

TO DOWNTOWN
DALLAS



±8 MILES

TO DALLAS/FORT WORTH
INTERNATIONAL AIRPORT (DFW)

Market Overview

The City Of Dallas, TX

Dallas County is a county located in the U.S. state of Texas. As of the 2010 census, the population was 2,368,139. It is the second-most populous county in Texas and the ninth-most populous in the United States. Its county seat is Dallas, which is also the third-largest city in Texas and the ninth-largest city in the United States. It is a commercial and cultural hub of the region.

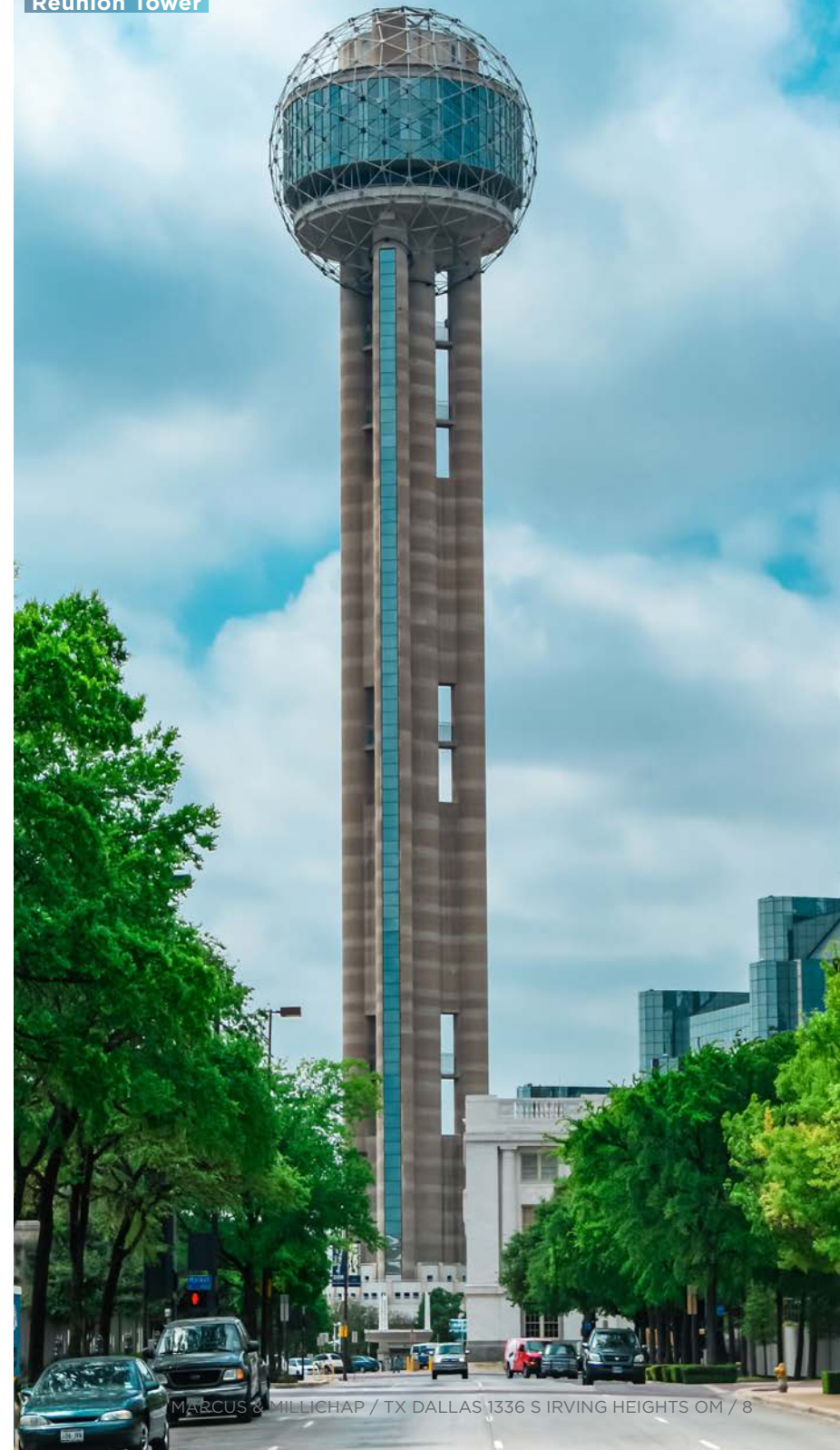


Dominant sectors of its diverse economy include defense, financial services, information technology, telecommunications, and transportation. The Dallas-Fort Worth metroplex hosts 23 Fortune 500 companies, the second most in Texas and fourth most in the United States, and 11 of those companies are located within Dallas city limits. Over 41 colleges and universities are located within its metropolitan area, which is the most of any metropolitan area in Texas. The city has a population from a myriad of ethnic and religious backgrounds. WalletHub named Dallas the fifth most diverse city in the United States in 2018.

The Arts District in the northern section of Downtown is home to several arts venues and is the largest contiguous arts district in the United States. Notable venues in the district include the Dallas Museum of Art; the Morton H. Meyerson Symphony Center, home to the Dallas Symphony Orchestra and Dallas Wind Symphony; the Nasher Sculpture Center; and the Trammell & Margaret Crow Collection of Asian Art.



Reunion Tower



Market Overview

Demographic Summary

Population	1-Mile	3-Miles	5-Miles
2027 Population	9,670	78,982	228,384
2022 Population	9,555	77,871	221,562
2010 Population	9,107	74,191	204,017
2000 Population	9,054	74,939	196,683

Households	1-Mile	3-Miles	5-Miles
2027 Households	2,905	23,320	73,813
2022 Households	2,870	22,981	70,888
2010 Households	2,765	21,965	64,327
2000 Households	2,830	22,861	62,933
2027 Owner Occupied Housing	54.7%	52.2%	47.8%
2027 Rent Occupied Housing	45.3%	47.8%	52.2%
2022 Owner Occupied Housing	54.6%	52.4%	48.4%
2022 Renter Occupied Housing	45.4%	47.6%	51.6%
2010 Owner Occupied Housing	56.8%	54.8%	50.9%
2010 Renter Occupied Housing	43.2%	45.2%	49.2%

Income	1-Mile	3-Miles	5-Miles
\$ 0 - \$ 14,999	6.0%	7.4%	9.0%
\$ 15,000 - \$24,999	9.9%	11.0%	10.6%
\$ 25,000 - \$34,999	15.9%	13.1%	11.5%
\$ 35,000 - \$49,999	17.7%	15.4%	15.8%
\$ 50,000 - \$74,999	23.1%	25.5%	22.4%
\$ 75,000 - \$99,999	10.8%	12.1%	12.6%
\$100,000 - \$124,999	6.4%	6.9%	7.7%
\$125,000 - \$149,999	3.6%	3.8%	3.9%
\$150,000 - \$200,000	4.3%	2.9%	3.4%
\$200,000 to \$249,999	0.9%	0.8%	1.1%
\$250,000 +	1.7%	1.2%	2.1%
2022 Median Household Income	\$50,548	\$52,835	\$53,159
2022 Average Household Income	\$68,713	\$65,072	\$70,876



\$70,876

2022 AVERAGE HOUSEHOLD INCOME

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Information About Brokerage Services

11-2-2015

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.

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.

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.

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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

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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Regulated by the Texas Real Estate Commission

 Buyer/Tenant/Seller/Landlord's Initials

 Date

Information available at www.trec.texas.gov
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