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OFFERING
MEMORANDUM

2031 QUINCY STREET

DALLAS, TX 75212

Marcus & Millichap
TAG INDUSTRIAL GROUP

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

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The background of the slide is a dark blue gradient. On the left and right sides, there are vertical panels showing images of industrial buildings. The left panel shows the interior of a large warehouse with a high, corrugated metal roof and a series of vertical support columns. The right panel shows the exterior of a similar building, featuring a corrugated metal facade and a series of windows. The text is centered on the dark blue background.

SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

2031 QUINCY STREET DALLAS, TX 75212

INVESTMENT HIGHLIGHTS

- 10,060-Square-Foot Industrial Warehouse Situated on 1.02 Acres with Ample Outside Storage
 - Located West of Dallas, Close to Irving, with Ease of Access to Interstate I-30 and South Walton Walker Boulevard
 - Located in Western Lonestar/Tpke Submarket with a Market Vacancy Rate of 6.9%
 - Nationwide Slate: a Custom Specialty Company Specializing in Slate, Clay Tile, Architectural Sheet Metal, & Historical Restorations Since 1996
 - Low Sale Price per SF Comparing to Submarket Price per Foot \$80 (Costar)
 - Attractive Current Cap Rate (8.26%) with Ability to Increase Rents to Market Value in 2022
-

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 2031 Quincy Street in Dallas, Texas, leased to Nationwide Slate. The subject property consists of approximately 10,060 square feet of space and is situated on 1.02 acres of land. The asset features 1,200 square feet of office space, 10 parking spaces, and ample outside storage. Nationwide Slate is a company that has specialized in slate, clay tile, architectural sheet metal, and historical restorations since 1996. This tenant has occupied the space since 2010 with their current lease beginning in 2019. They have two renewal options: one three-year option and one four-year option, both at future market rent (no less than current). The subject property is listed at a very low sale price per square foot (\$44.73) when compared to the submarket average of \$80 per square foot (CoStar). At an attractive cap rate (8.26 percent), an investor has the ability to increase rents to market value in 2022 upon lease expiration via renewal option or with a new tenant. Located west of Dallas and close to Irving, there is ease of access to Interstate I-30 and South Walton Walker Boulevard.

Western Lonestar/Turnpike is a mid-sized submarket, located south of the DFW International Airport and bisected by Interstate 30. Much of this area, especially north of Interstate 30, falls within the Trinity River floodplain, where development is untenable. Given the relative size of the market, vacancies and rents can be volatile with wide swings when a project delivers (or is removed from inventory). The submarket previously underwent a building boom from 2006–2009, adding nearly two million square feet. The last project to complete is Home Depot's 800,000-square-foot facility at the Dallas Global Industrial Park, boasting asking rents of around \$4-\$5 per square foot triple net, which delivered in late 2019. (CoStar)

The Dallas/Fort Worth metroplex is the fourth-most populous metro in the nation with an aggregate of more than 7.1 million residents. It is composed of 13 counties stretching nearly 10,000 square miles. The city of Dallas houses 1.3 million people, followed by Fort Worth with 800,000 residents. Strong job growth continually draws new residents to the region. To accommodate the additional traffic, the region's transportation network is evolving. Traffic flow is improved as freeways are expanded and miles are being added to tollways and turnpikes. The growth of the transportation network is vital to supporting commuters to the metros numerous corporations and growing industries. Dallas/Fort Worth's population growth in recent years ranks among the highest in the U.S. for a major metro. The Metroplex is home to 21 Fortune 500 companies and many regional headquarters, drawing workers and residents. The area's extensive network of rail and highways, along with the International Inland Port of Dallas, ensure its status as a distribution hub.



PROPERTY DETAILS

2031 QUINCY STREET, DALLAS, TX 75212

Number of Suites	1
Number of Buildings	2
Total Square Feet	10,060
Warehouse Square Feet	8,860
Office Square Feet	1,200
Year Built	1969
Lot Size	1.02 Acres
Type of Ownership	Fee Simple
Clear Height	12'
Parking	10 Spaces
Building Class	C
Tenancy	Single Tenant
Grade Level Doors	3
Construction	Metal
Zoning	IR
Submarket	Western Lonestar/Tpke
Market Vacancy	6.90%

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OFFERING HIGHLIGHTS

2031 QUINCY STREET
DALLAS, TX 75212

OFFERING PRICE	CAP RATE	PRO FORMA CAP RATE
\$450,000	8.26%	10.52%
Offering Price		\$450,000
Cap Rate		8.26%
Pro Forma Cap Rate		10.52%
Price/SF		\$44.73
Total Square Feet		10,060
Occupancy		100%

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OPERATING STATEMENT

Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	50,184		4.99	60,360		6.00
Expense Reimbursement Income						
Net Lease Reimbursement						
Total Reimbursement Income	\$0	0.0%	\$0.00	\$0	0.0%	\$0.00
Effective Gross Revenue	\$50,184		\$4.99	\$60,360		\$6.00

Operating Expenses	Current		Per SF	Pro Forma		Per SF
Insurance	2,515		0.25	2,515		0.25
Real Estate Taxes	10,500		1.04	10,500		1.04
Total Expenses	\$13,015		\$1.29	\$13,015		\$1.29
Expenses as % of EGR	25.9%			21.6%		
Net Operating Income	\$37,169		\$3.69	\$47,345		\$4.71

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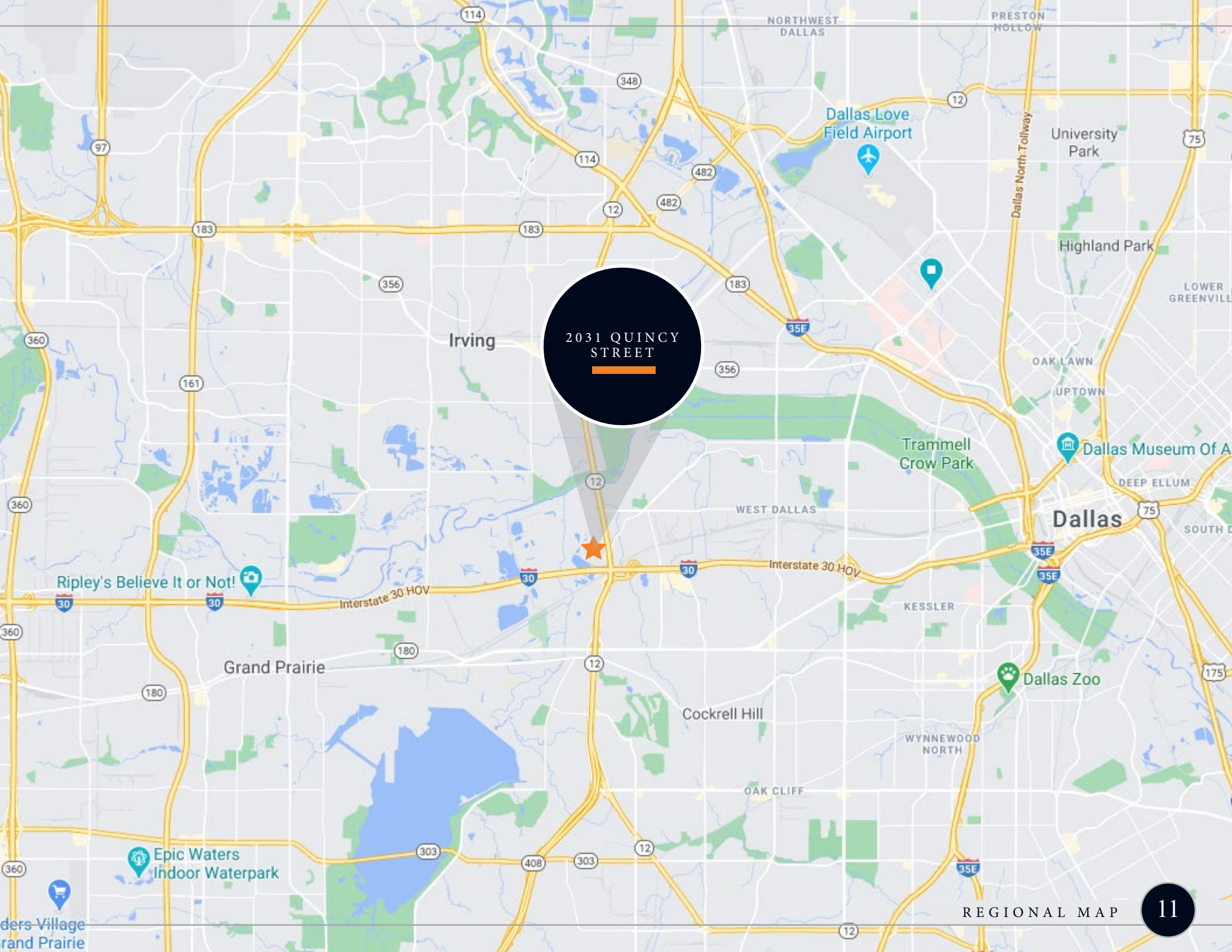
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RENT ROLL

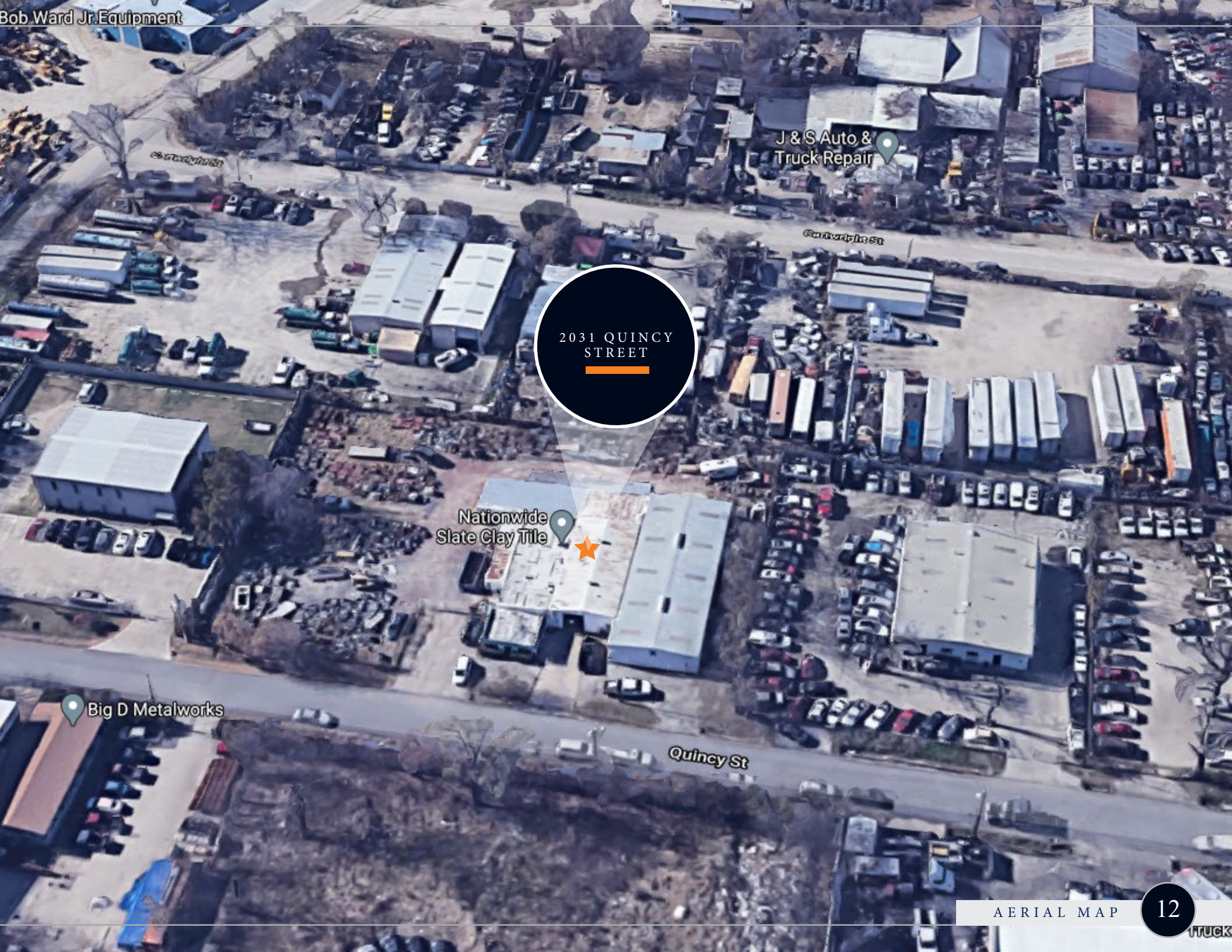
Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Changes on	Rent Increase	Lease Type	Renewal Options and Option Year Rental Information
Nationwide Slate, Clay, Tile & Architectural Sheet Metal	1	10,060	100.0%	8/1/19	7/31/22	\$4.99	\$4,182	\$50,184	\$60,360	Sep-2021	\$5,030	Gross	One 3-year renewal, One 4-year renewal at Market Rent no lower than current rent
Total		10,060				\$4.99	\$4,182	\$50,184	\$60,360				
Occupied Tenants: 1				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%					
				Total Current Rents: \$4,182		Occupied Current Rents: \$4,182		Unoccupied Current Rents: \$0					

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2031 QUINCY STREET



J & S Auto & Truck Repair

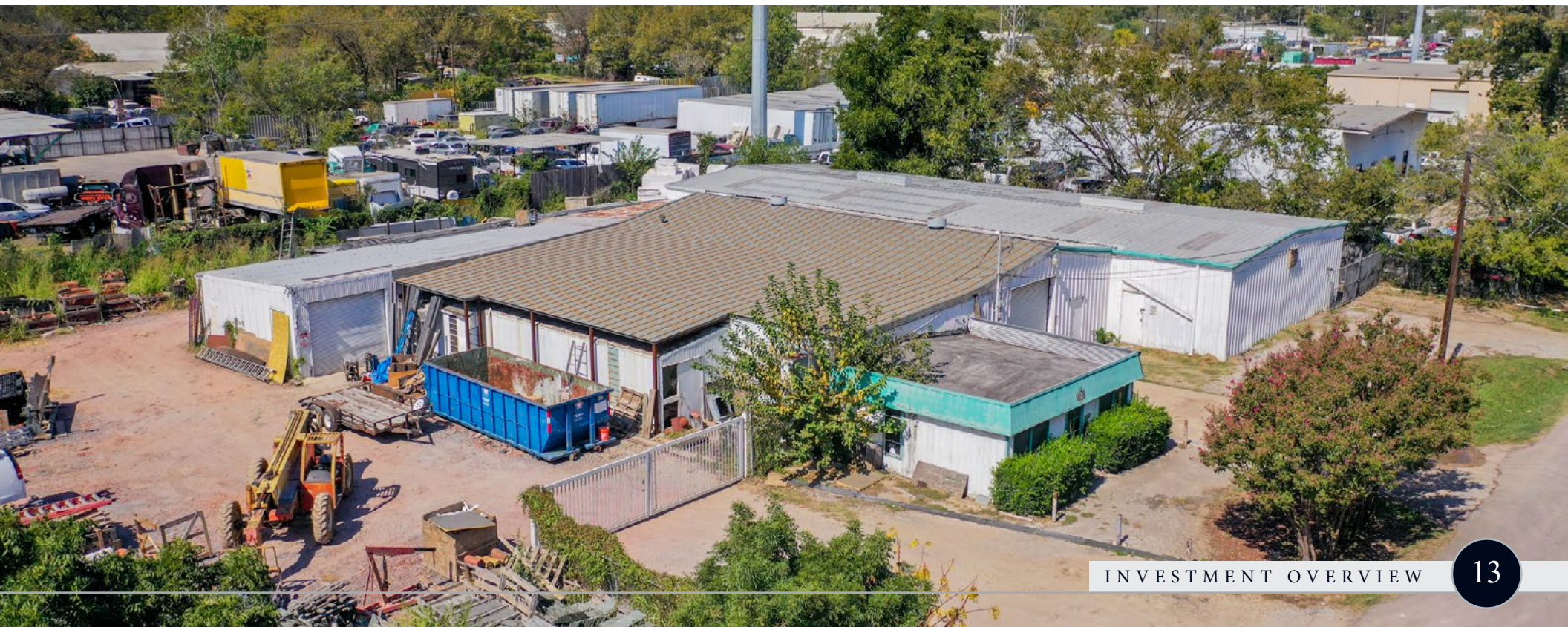
Canfield St

2031 QUINCY STREET

Nationwide Slate Clay Tile

Big D Metalworks

Quincy St



MARCUS & MILLICHAP CAPITAL CORPORATION CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources, providing the most competitive rates and terms.

We leverage out prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac, and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 1,707 debt and equity financings in 2017



National platform operating within the firm's brokerage offices



\$5.63 billion total national volume in 2017



Access to more capital sources than any other firm in the industry

WHY MMCC?

Optimum financing solutions to enhance value

Enhanced control through MMCC's ability to qualify investor finance contingencies

Enhanced control through quickly identifying potential debt/equity sources, processing, and closing buyer's finance alternatives

Enhanced control through MMCC's ability to monitor investor/due diligence and underwriting to ensure timely, predictable closings

The background of the slide is a dark blue gradient. On the left and right sides, there are vertical panels showing images of industrial buildings. The left panel shows the interior of a large warehouse with a high, vaulted metal roof and a series of support columns. The right panel shows the exterior of a modern industrial building with a corrugated metal facade and a series of windows. The text is centered in the middle of the slide.

SECTION 2

MARKET OVERVIEW

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DALLAS TEXAS

The Dallas/Fort Worth Metroplex is the fourth-most populous metro in the nation with an aggregate of nearly 7.5 million residents. It is composed of 13 counties stretching nearly 10,000 square miles. The city of Dallas houses 1.3 million people, followed by Fort Worth with 864,000 residents. Strong job growth continually draws new residents to the region. To accommodate the additional traffic, the region's transportation network is evolving. Traffic flow is improved as freeways are expanded and miles are being added to tollways and turnpikes. The growth of the transportation network is vital to supporting commuters to the metro's numerous corporations and growing industries.



FASTEST GROWING
METRO



LARGE CORPORATE
BASE

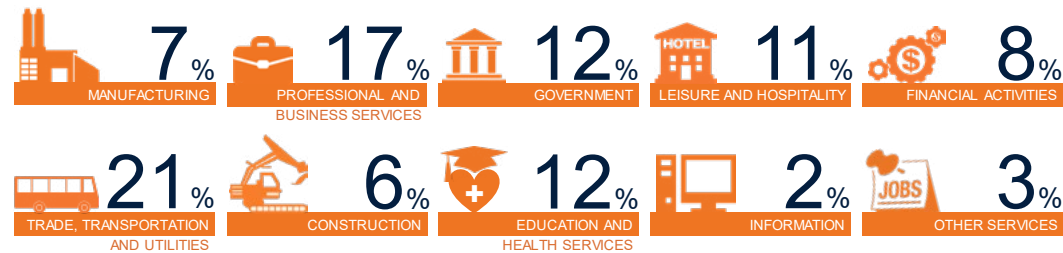


MAJOR DISTRIBUTION
CENTER

METROPLEX GROWTH

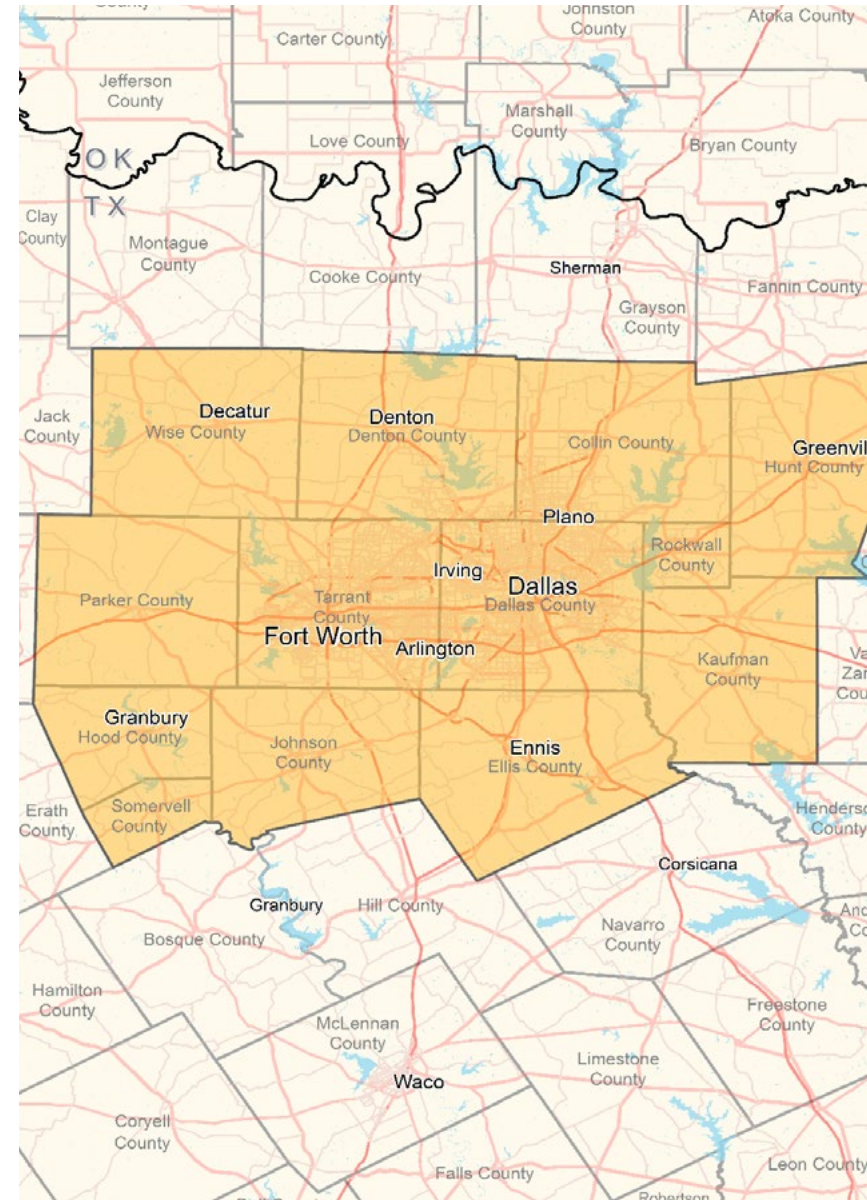
ECONOMY

The Metroplex's temperate climate, no state income tax and a right-to-work labor policy attract employers. Dallas/Fort Worth is one of the nation's largest employment markets, with nearly 3.7 million jobs. The region is home to 22 Fortune 500 companies in a variety of sectors, including ExxonMobil, American Airlines Group, Southwest Airlines, Fluor, AT&T, Tenet Healthcare, Kimberly-Clark and J.C. Penney. The area is forecast to add jobs at an annual rate of 2.0 percent through 2022, well above the U.S. level. Economic expansion will be further fueled by a rise in financial services and high-tech companies.

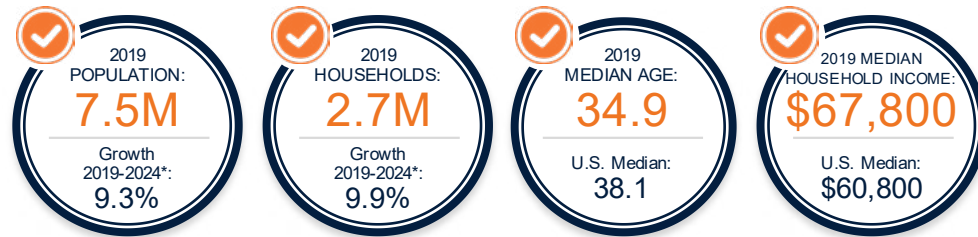


TRANSPORTATION

The area is connected to the rest of the nation by way of Interstates 20, 30, 35, 45, 635 and 820. DART, Dallas Area Rapid Transit covers Dallas and 12 surrounding cities, and consists of busses and a 93-mile light rail system. Freight serving lines in the region include Union Pacific, BNSF and Kansas City Southern. BNSF is headquartered in Fort Worth. Trinity Railway Express and Amtrak provide passenger rail service. Via rail to Houston Port, and Highways 20 and 45, the International Inland Port of Dallas (IIPOD) connects the region to global markets and trade. Airports include Dallas/Fort Worth International, Dallas Love Field, Fort Worth Alliance and 13 smaller airports.



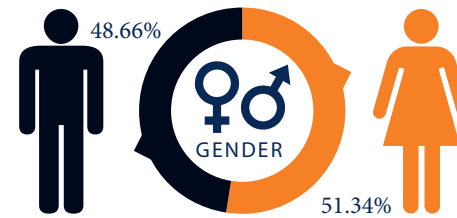
METROPLEX GROWTH



Roughly 698,800 new people are expected through 2024, fueled by robust job growth, natural increases and north-to-south migration. The Metroplex is projected to add 271,500 households during the same period, generating the need for additional housing options. A younger population resides in the Metroplex as indicated by a median age that is well below that of the U.S. An educated population provides a skilled labor pool and higher incomes. Nearly 33 percent of residents age 25 and older have at least a bachelor's degree, compared with 30 percent for the nation. The median income is nearly \$7,000 above the national level. More residents are choosing to rent as indicated by a contracting homeownership rate. During 2019, approximately 57 percent of residents own their home on par with the U.S. rate.



DEMOGRAPHICS



DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	5,038	61,672	237,755
■ 2020 Estimate			
Total Population	4,796	60,061	231,655
■ 2010 Census			
Total Population	4,341	56,290	216,555
■ 2000 Census			
Total Population	3,856	51,615	207,718
■ Daytime Population			
2020 Estimate	4,895	58,580	250,908
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	1,362	17,516	70,472
■ 2020 Estimate			
Total Households	1,292	16,992	68,417
Average (Mean) Household Size	3.50	3.52	3.33
■ 2010 Census			
Total Households	1,158	15,823	63,615
■ 2000 Census			
Total Households	989	14,474	61,846

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$200,000 or More	0.09%	1.04%	2.29%
\$150,000 - \$199,000	2.24%	2.97%	3.05%
\$100,000 - \$149,000	4.18%	7.98%	9.17%
\$75,000 - \$99,999	9.62%	12.74%	12.39%
\$50,000 - \$74,999	20.75%	21.71%	21.39%
\$35,000 - \$49,999	11.31%	14.65%	15.28%
\$25,000 - \$34,999	12.37%	13.72%	12.75%
\$15,000 - \$24,999	15.76%	13.06%	11.99%
Under \$15,000	23.68%	12.12%	11.69%
Average Household Income	\$43,876	\$57,244	\$63,132
Median Household Income	\$33,210	\$46,082	\$48,208
Per Capita Income	\$11,833	\$16,202	\$18,732
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2020 Estimate Total Population	4,796	60,061	231,655
Under 20	40.56%	36.03%	34.00%
20 to 34 Years	25.81%	23.68%	23.18%
35 to 39 Years	5.46%	6.73%	6.92%
40 to 49 Years	9.43%	11.84%	12.27%
50 to 64 Years	12.51%	13.87%	14.69%
Age 65+	6.25%	7.85%	8.94%
Median Age	25.77	28.67	30.13
■ Population 25+ by Education Level			
2020 Estimate Population Age 25+	2,473	33,784	134,991
Elementary (0-8)	25.40%	21.97%	19.22%
Some High School (9-11)	17.97%	18.30%	16.77%
High School Graduate (12)	30.37%	28.71%	27.92%
Some College (13-15)	7.85%	13.51%	14.90%
Associate Degree Only	4.13%	3.72%	4.33%
Bachelors Degree Only	2.35%	5.72%	8.35%
Graduate Degree	0.93%	2.44%	4.09%
■ Time Travel to Work			
Average Travel Time in Minutes	26	29	29

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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.

11-2-2015

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:
- 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.

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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