

Marcus & Millichap
TAG INDUSTRIAL GROUP

STELLA INDUSTRIES

406 BEAU PRE ROAD

LAFAYETTE, LA 70507

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Marcus & Millichap



Beauport Rd

Coulee des Poches

Beauport Rd

Beauport Rd



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SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

OFFERING SUMMARY

- Property is Conveniently Located on Beau Pre Road with Close Access to Highway 90 East
- Over the Past Five Years, the Submarket has Posted Net Absorption of about 58,000-Square-Foot Per Year on Average
- Rents Grew by 4.0% Over the Past 12 Months, Easily Exceeding the 2.5% Average Annual Change Over the Past Decade
 - Newer Build Completed in 2014 No Deferred Maintenance
- Real Estate has 5.67 Acres of Extra Space Providing Opportunity for Future Tenants or Occupiers with Outside Storage
 - Built-to-Suit for Tenant in 2014, Long Term Historical Occupancy

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 406 Beau Pre Road in Lafayette, Louisiana leased to Stella Industries. The subject property consists of approximately 14,240 square feet of space and is situated on 5.67 acres of land. The asset is a newer built-to-suit property completed in 2014 for the tenant who has long-term historical occupancy. With no deferred maintenance, the real estate has 5.67 acres of extra space providing opportunity for future tenants or occupiers with outside storage. Over the past five years, the Greater Lafayette Submarket has posted net absorption of about 58,000 square feet per year, on average. Rents grew by four percent over the past 12 months, easily exceeding the 2.5 percent average annual change over the past decade. The property is conveniently located on Beau Pre Road, with close access to Highway 90 East.

The 7.8 million square feet of industrial space in Greater Lafayette represents more than a third of the Lafayette market's total industrial inventory. There are no supply-side pressures on vacancy or rent in the near-term, as nothing is underway. Though the pipeline is empty, the submarket has seen recent development. Roughly 18,000 square feet has delivered over the past three years, representing a modest inventory expansion of 0.2 percent. Industrial properties traded with regularity last year, consistent with the generally high level of activity over the past three years. (CoStar)

Lafayette is a city in and the parish seat of Lafayette Parish, Louisiana, located along the Vermilion River in the southwestern part of the state. The city of Lafayette is the fourth-largest in the state, with a population of 126,185 according to 2019 U.S. Census estimates. It is the principal city of the Lafayette metropolitan statistical area, with a 2015 estimated population of 490,488. The larger trade area or combined statistical area of Lafayette-Opelousas-Morgan City CSA was 627,146 in 2015. Its nickname is "The Hub City."

PROPERTY DETAILS

STELLA INDUSTRIES

406 BEAU PRE ROAD, LAFAYETTE, LA 70507

Number of Suites	1
Number of Buildings	1
Total Square Feet	14,240
Warehouse Square Feet	11,280
Office Square Feet	2,960
Year Built	2014
Lot Size	5.67 Acres
Type of Ownership	Fee Simple
Clear Height	24'
Parking	21 Surface Spaces
Building Class	C
Tenancy	Single
Grade Level Doors	2
Construction	Metal
Power	3 Phase
Type of Lighting	Fluorescent
Zoning	IL: Light Industrial
Age/Condition of Roofs	Good
Age/Condition of HVAC	Good
Submarket	Greater Lafayette
Market Vacancy	4.90%

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STELLA INDUSTRIES

406 BEAU PRE ROAD, LAFAYETTE, LA 70507

OFFERING PRICE
\$1,905,000

CAP RATE
8.50%

Offering Price	\$1,905,000
Cap Rate	8.50%
Price/SF	\$133.78
Total Square Feet	14,240
Occupancy	100%

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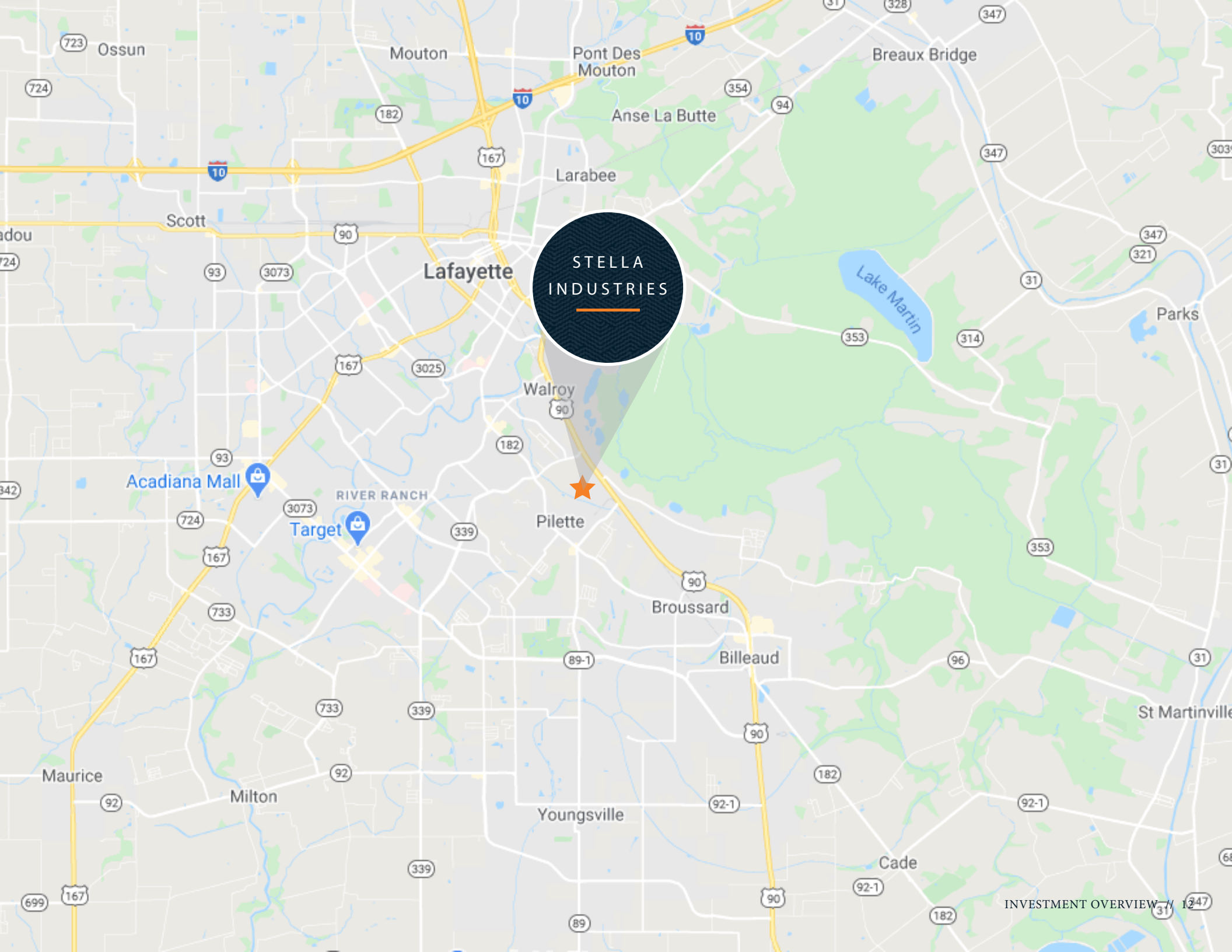
RENT ROLL

Tenant Name	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Lease Type
			Comm.	Exp.					
Stella Industries	14,240	100.0%	11/10/14	11/30/22	\$11.38	\$13,500	\$162,000	\$162,000	NNN
Total	14,240				\$11.38	\$13,500	\$162,000	\$162,000	
Occupied Tenants: 1			Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%		
			Total Current Rents: \$13,500		Occupied Current Rents: \$13,500		Unoccupied Current Rents: \$0		

OPERATING STATEMENT

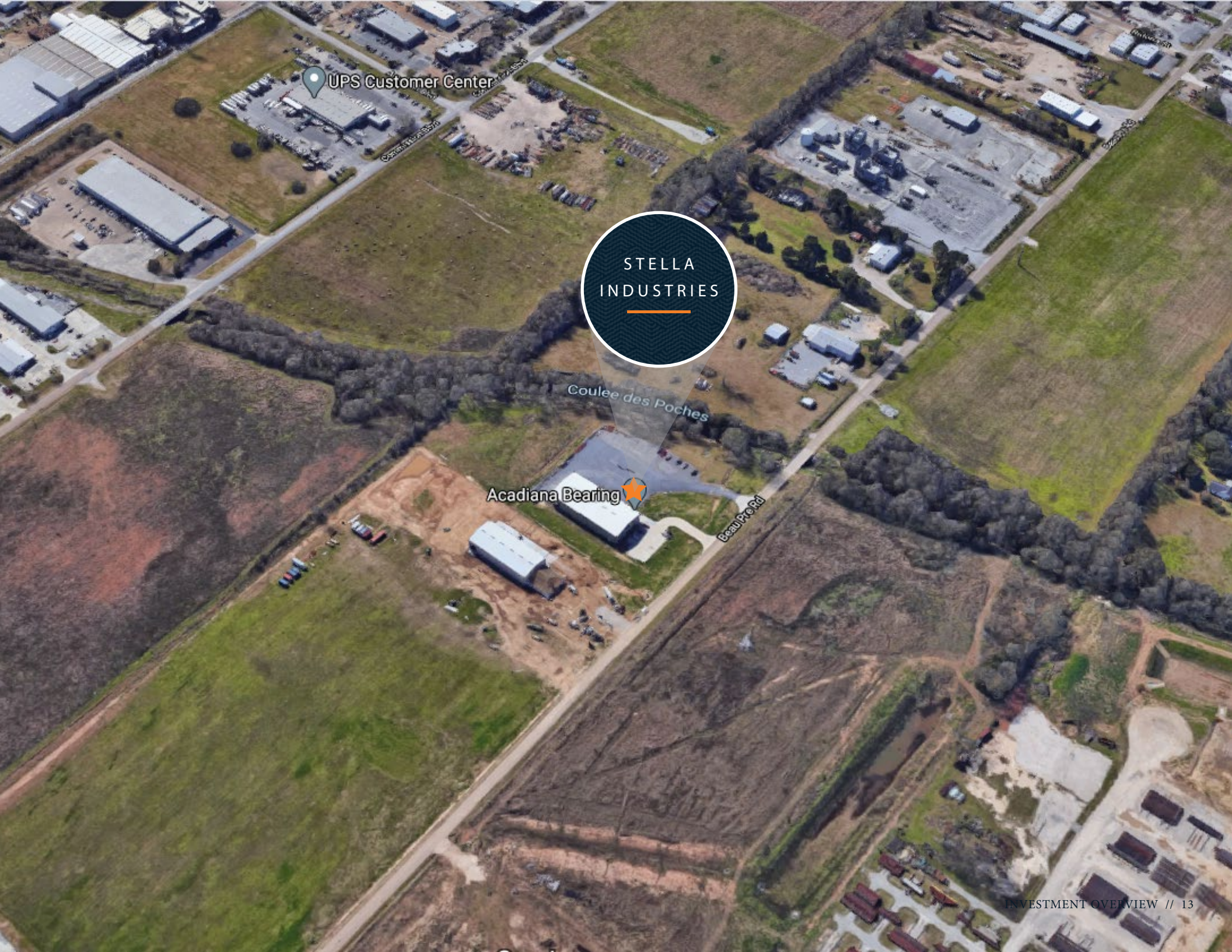
Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	162,000		11.38	162,000		11.38
Expense Reimbursement Income						
Net Lease Reimbursement						
Insurance	5,981		0.42	5,981		0.42
Real estate Taxes	11,166		0.78	11,724		0.82
Total Reimbursement Income	\$17,147	100.0%	\$1.20	\$17,705	100.0%	\$1.24
Effective Gross Revenue	\$179,147		\$12.58	\$179,705		\$12.62

Operating Expenses	Current		Per SF	Pro Forma		Per SF
Insurance	5,981		0.42	5,981		0.42
Real Estate Taxes	11,166		0.78	11,724		0.82
Total Expenses	\$17,147		\$1.20	\$17,705		\$1.24
Expenses as % of EGR	9.6%			9.9%		
Net Operating Income	\$162,000		\$11.38	\$162,000		\$11.38



STELLA
INDUSTRIES





UPS Customer Center

STELLA
INDUSTRIES

Coulee des Poches

Acadiana Bearing

Beau Pre Rd



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 1,944 debt and equity financings in 2019



National platform operating within the firm's brokerage offices



\$7.18 billion total national volume in 2019



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



SECTION 2

MARKET OVERVIEW

Marcus & Millichap

LAFAYETTE LOUISIANA

Lafayette is situated in southwestern Louisiana and considered the epicenter of Cajun culture. The largest and most populous portion of French Louisiana's Acadiana region, the metro is known for its Cajun and Creole cuisine, entertainment and Zydeco music. A hub for in-state trade, Lafayette lies an hour west of Baton Rouge and roughly 120 miles from New Orleans. Metro population growth of 12,000 residents is expected in the next five years, spread between the parishes of Acadia, Iberia, Lafayette, St. Martin and Vermilion.



FRENCH CONNECTION



RAGIN' CAJUNS

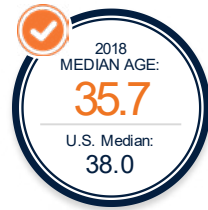


ENERGY INDUSTRY

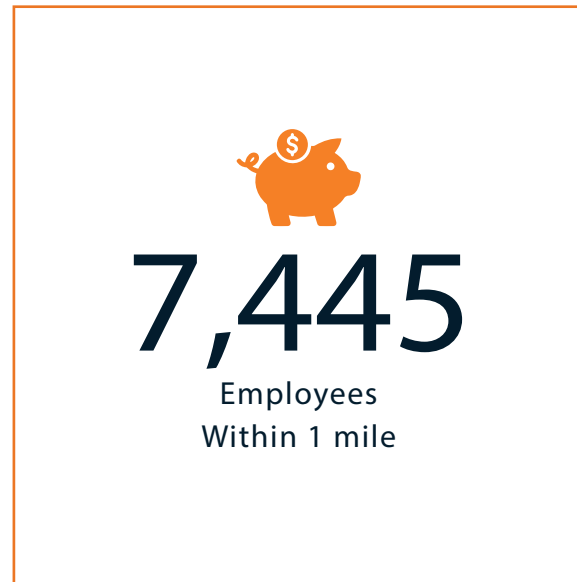
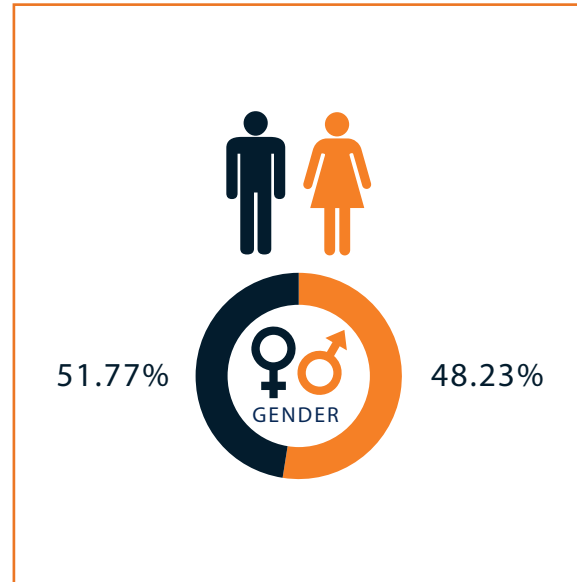
METROPLEX GROWTH

ECONOMY

Oil-field service companies maintain a sizable local presence despite recent job cuts. Frank's International, Island Operating Co., WHC, Schlumberger and Baker Hughes all maintain payrolls between 700 and 1,000 workers. Lafayette is home to Stuller, the world's largest jewelry and setting manufacturer. The company employs more than 1,200 people. Education and healthcare employment supported the metro's economy while the oil industry struggled. Lafayette General Health and Lafayette Parish School System account for a large portion of the jobs.



DEMOGRAPHICS



DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	3,152	37,355	123,458
■ 2020 Estimate			
Total Population	2,993	34,709	115,668
■ 2010 Census			
Total Population	2,757	30,660	103,448
■ 2000 Census			
Total Population	2,609	26,472	90,217
■ Daytime Population			
2020 Estimate	7,709	61,838	174,690
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	1,603	15,746	50,757
■ 2020 Estimate			
Total Households	1,515	14,531	47,212
Average (Mean) Household Size	2.07	2.36	2.36
■ 2010 Census			
Total Households	1,383	12,733	41,977
■ 2000 Census			
Total Households	1,323	10,555	35,688

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$200,000 or More	4.59%	9.59%	7.87%
\$150,000 - \$199,000	3.27%	6.29%	6.10%
\$100,000 - \$149,000	8.56%	15.16%	14.01%
\$75,000 - \$99,999	13.59%	13.85%	12.31%
\$50,000 - \$74,999	18.93%	18.29%	16.80%
\$35,000 - \$49,999	13.62%	11.16%	11.07%
\$25,000 - \$34,999	14.78%	8.10%	8.64%
\$15,000 - \$24,999	11.59%	8.24%	10.12%
Under \$15,000	11.08%	9.30%	13.07%
Average Household Income	\$72,618	\$102,039	\$91,436
Median Household Income	\$48,521	\$68,433	\$61,016
Per Capita Income	\$36,781	\$42,805	\$37,727
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2020 Estimate Total Population	2,993	34,709	115,668
Under 20	21.70%	24.05%	24.35%
20 to 34 Years	33.90%	22.28%	24.53%
35 to 39 Years	8.83%	7.61%	7.19%
40 to 49 Years	11.72%	12.35%	11.67%
50 to 64 Years	16.05%	19.62%	18.32%
Age 65+	7.81%	14.09%	13.94%
Median Age	32.63	37.31	35.74
■ Population 25+ by Education Level			
2020 Estimate Population Age 25+	2,124	24,603	78,670
Elementary (0-8)	1.29%	1.41%	2.32%
Some High School (9-11)	5.47%	5.30%	6.67%
High School Graduate (12)	27.37%	23.46%	24.44%
Some College (13-15)	22.32%	20.91%	21.15%
Associate Degree Only	5.30%	5.17%	4.82%
Bachelors Degree Only	28.30%	30.89%	27.00%
Graduate Degree	9.77%	12.56%	12.65%
■ Time Travel to Work			
Average Travel Time in Minutes	20	23	23

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