

Marcus & Millichap
TAG INDUSTRIAL GROUP

HALO BRANDED SOLUTIONS

4130 DAYCO STREET

HOUSTON, TX 77092

WAREHOUSE

OFFICE

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PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

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SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

OFFERING SUMMARY

- 24,460-Square-Foot Single Tenant Warehouse Situated on 1 Acre
- Masonry Construction with 70 Parking Spaces, and Seller Reports New Roof in 2019
 - Professional Landscaping and Ample Tenant Parking
- 100% Occupied With Two Years Remaining on the Lease and One Five-Year Renewal Option
 - Halo Branded Solutions has Been an Industry Leading Company for 60+ Years
 - Tenant has Expanded to Most Major Cities Around the United States
- Strategically Located Industrial Warehouse with Proximate Access to Major Freeways

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 4130 Dayco Street in Houston, Texas, leased to HALO Branded Solutions. The subject property consists of approximately 24,460 square feet of space and is situated on one acre of land. The asset features masonry construction, 70 parking spaces, professional landscaping, and a new roof in 2019. The subject property is 100 percent occupied with two years remaining on the lease and one 5-year renewal option. HALO Branded Solutions has been an industry-leading company for over 60 years and has expanded to most major cities around the United States. This strategically located industrial warehouse has proximate access to major freeways.

Headquartered in Sterling, Illinois, HALO Branded Solutions is centrally located in order to support a national client base, with regional sales offices in key corporate markets. As a promotional products distributor and recognition services provider, HALO Branded Solutions offers company stores and fulfillment services, award-winning marketing support for internal and external branding campaigns, incentive programs built to inspire and engage workforces, competitive pricing, and a comprehensive product safety and social compliance program. HALO Branded Solutions has industry-leading customer service from over 500 account executives throughout the U.S. and a support staff of over 300. The company's account team is supported by over 1,350 employees and 16 offices. (halo.com)

As the fifth most populous metro area in the U.S., Houston houses nearly 6.9 million people in southeastern Texas. The market is composed of nine counties: Harris, Galveston, Brazoria, Fort Bend, Chambers, Montgomery, Austin, Liberty and Waller. The Gulf of Mexico, which borders the metro to the southeast, provides access to markets around the world via the Port of Houston, making it a prime location for import/export. Houston's economy has diversified in recent years, with the healthcare and technology sectors showing strong growth. As Houston's population continues to grow, primarily to the northwest, many companies are expanding to the region to provide goods and services to the increasing population.

PROPERTY DETAILS

HALO BRANDED SOLUTIONS 4130 DAYCO STREET, HOUSTON, TX 77092

Number of Suites	1
Number of Buildings	1
Total Square Feet	24,460
Year Built	1981/2001
Lot Size	1 Acre
Type of Ownership	Fee Simple
Clear Height	19.5'
Parking Spaces	70
Building Class	C
Tenancy	Single Tenant
Construction	Masonry
Age/Condition of Roofs	New Roof in 2019
Market	Houston
Submarket	Northwest Inner Loop



HALO BRANDED SOLUTIONS

4130 DAYCO STREET, HOUSTON, TX 77092

OFFERING PRICE
\$2,032,000

CAP RATE
9.00%

PRO FORMA CAP RATE
9.34%

Offering Price	\$2,032,000
Cap Rate	9.00%
Pro Forma Cap Rate	9.34%
Price/SF	\$83.07
Total Square Feet	24,460
Rental Rate	\$9.25
Lease Type	Modified Gross
Lease Term	2.5 Years Remaining
Rental Increases	5%
Tenancy	Single Tenant
Occupancy	100%

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus & Millichap. All rights reserved. (Activity ID: ZAC0060159)

RENT ROLL

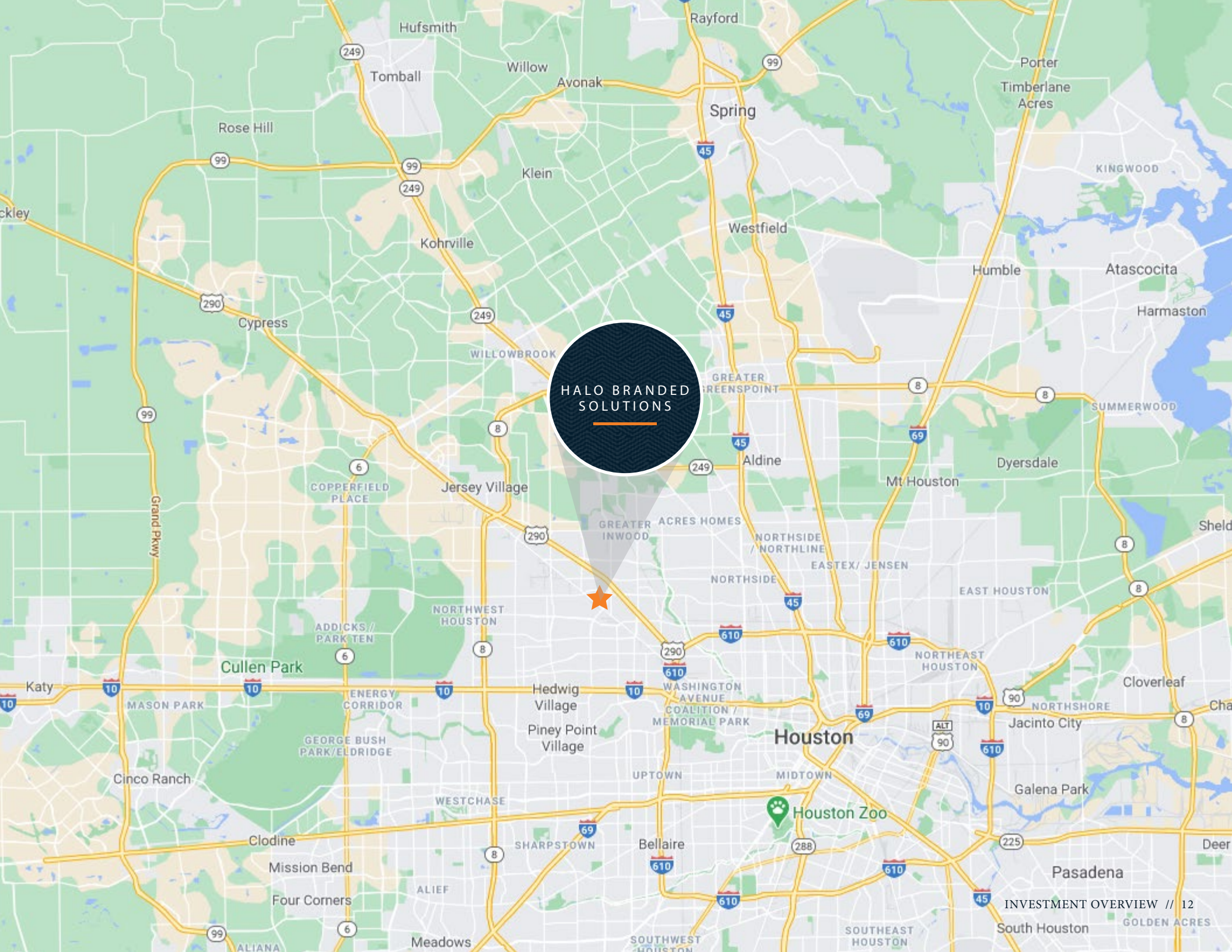
Tenant Name	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Changes on	Rent Increase	Lease Type	Renewal Options and Option Year Rental Information
HALO Branded Solutions	24,460	100.0%	11/1/17	10/31/23	\$9.25	\$18,850	\$226,200	\$233,200	Nov-2022	\$19,850	Modified Gross	One 5-Year Renewal Option
Total	24,460				\$9.25	\$18,850	\$226,200	\$233,200				
Occupied Tenants: 1			Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%					
			Total Current Rents: \$18,850		Occupied Current Rents: \$18,850		Unoccupied Current Rents: \$0					

Notes: Renewal Option Rate: \$10.85 PSF

OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	226,200	9.25	233,200	9.53
Expense Reimbursement Income				
Net Lease Reimbursement				
Total Reimbursement Income	\$0	0.0%	\$0	0.0%
Effective Gross Revenue	\$226,200	\$9.25	\$233,200	\$9.53

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Repairs & Maintenance	7,118	0.29	7,118	0.29
Insurance	7,214	0.29	7,214	0.29
Real Estate Taxes	29,041	1.19	29,041	1.19
Total Expenses	\$43,372	\$1.77	\$43,372	\$1.77
Expenses as % of EGR	19.2%		18.6%	
Net Operating Income	\$182,828	\$7.47	\$189,828	\$7.76



HALO BRANDED SOLUTIONS





HALO BRANDED
SOLUTIONS

ScreenFab

Night Owls

Big City Access

WeldFit

Sendero Industries

Foodtruck Taqueria
"Harina y M..."

Sunbelt Rentals



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

HOUSTON TEXAS

As the fifth most populous metro area in the U.S., Houston houses roughly 7 million people in southeastern Texas. The market is composed of nine counties: Harris, Galveston, Brazoria, Fort Bend, Chambers, Montgomery, Austin, Liberty and Waller. The Gulf of Mexico, which borders the metro to the southeast, provides access to markets around the world via the Port of Houston, making it a prime location for exports. Local industries have diversified from oil to technology and healthcare. Many companies provide goods and services for the large population growth, which has sprawled, primarily to the north and west. The city of Houston is the largest in the metro with 2.3 million residents.



CORPORATE
GROWTH



HIGHER
EDUCATION



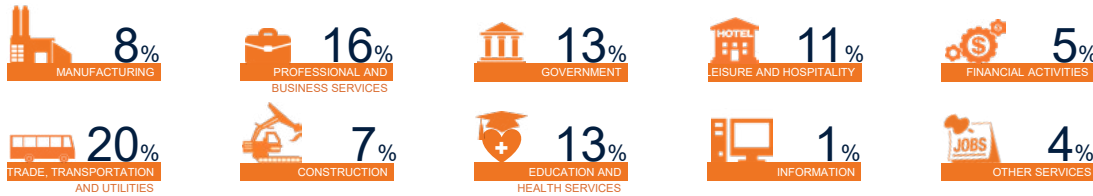
LOW COST OF LIVING,
DOING BUSINESS



METROPLEX GROWTH

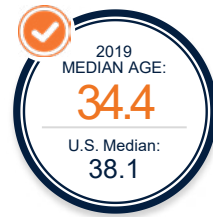
ECONOMY

The economy is diversifying to include biotechnology, distribution, nanotechnology and logistics; the metro remains the center of energy production. Local product manufacturing is a large segment of the economy and includes paper, electrical and electronic machinery, iron, steel and petrochemicals. Healthcare is gaining economic prominence. Specialized medical education and training institutions boost the local economy and supply a growing hospital system. The Port of Houston is one of the country's busiest for exports, supplying thousands of jobs and generating billions of dollars in revenue.



METROPLEX GROWTH

The Houston metro is expected to add 755,200 people through 2024 and roughly 21 percent of these residents are in the 20- to 34-year-old cohort. During the same period, nearly 274,800 households will be formed, generating demand for housing. The homeownership rate of 57 percent is on par with the national rate. The median home price of \$250,000 is below that of the U.S.



Outdoor activities abound in Houston as a result of the city's favorable location and climate. More than a dozen state parks and recreation areas lie within a short drive of Houston, as well as more than 500 parks and open spaces and various cultural venues and museums. Johnson Space Center is a popular tourist and educational destination. The metro is also known internationally for its medical community and is home to the Texas Medical Center, the largest of its kind in the world. Houston hosts four professional sports teams: the Houston Texans, the Houston Astros, the Houston Rockets and the Houston Dynamo.



DEMOGRAPHICS



325,755

Total Population
Within 5 miles



54.47%



45.53%



\$93,085

Average Household Income
Within 5 miles



13,095

Employees
Within 1 mile

DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	18,274	152,096	339,575
■ 2020 Estimate			
Total Population	17,860	146,827	325,755
■ 2010 Census			
Total Population	16,847	134,771	295,747
■ 2000 Census			
Total Population	17,117	139,326	293,823
■ Daytime Population			
2020 Estimate	20,716	189,566	440,358
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	5,640	54,097	124,695
■ 2020 Estimate			
Total Households	5,490	51,959	118,856
Average (Mean) Household Size	3.23	2.81	2.72
■ 2010 Census			
Total Households	5,118	47,148	106,641
■ 2000 Census			
Total Households	5,088	49,387	105,785

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$200,000 or More	1.10%	4.89%	9.07%
\$150,000 - \$199,000	1.14%	3.75%	5.16%
\$100,000 - \$149,000	4.34%	9.55%	12.00%
\$75,000 - \$99,999	8.43%	9.72%	10.92%
\$50,000 - \$74,999	16.40%	15.91%	16.29%
\$35,000 - \$49,999	17.92%	15.23%	13.53%
\$25,000 - \$34,999	14.25%	13.00%	10.38%
\$15,000 - \$24,999	19.26%	14.03%	11.31%
Under \$15,000	17.16%	13.93%	11.32%
Average Household Income	\$46,151	\$70,199	\$93,085
Median Household Income	\$34,491	\$43,080	\$54,464
Per Capita Income	\$14,190	\$24,904	\$34,041
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2020 Estimate Total Population	17,860	146,827	325,755
Under 20	32.71%	29.50%	27.80%
20 to 34 Years	27.87%	24.45%	22.27%
35 to 39 Years	8.19%	7.90%	7.35%
40 to 49 Years	12.46%	12.80%	12.95%
50 to 64 Years	12.49%	15.05%	17.28%
Age 65+	6.30%	10.30%	12.34%
Median Age	29.51	32.70	34.96
■ Population 25+ by Education Level			
2020 Estimate Population Age 25+	10,614	93,684	214,779
Elementary (0-8)	23.00%	14.77%	10.41%
Some High School (9-11)	17.41%	11.48%	9.77%
High School Graduate (12)	30.62%	27.47%	24.49%
Some College (13-15)	10.23%	16.33%	17.48%
Associate Degree Only	4.54%	5.24%	5.02%
Bachelors Degree Only	7.32%	14.69%	19.56%
Graduate Degree	1.80%	7.15%	10.74%
■ Time Travel to Work			
Average Travel Time in Minutes	28	29	29



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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Buyer/Tenant/Seller/Landlord Initials

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