

Marcus & Millichap
TAG INDUSTRIAL GROUP

CENTRAL HARDWARE BUILDING

5239 BROWN AVENUE

SAINT LOUIS, MO 63115

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The background of the slide is a dark, blue-toned photograph of an industrial interior. It shows a large, open space with a high ceiling, featuring a complex network of steel beams and trusses. Several large, white, dome-shaped pendant lights are suspended from the ceiling. In the lower left, a large industrial door with horizontal panels is visible. The overall atmosphere is industrial and modern.

SECTION 1

INVESTMENT OVERVIEW

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OFFERING SUMMARY

- Strong Submarket Growth with Vacancy Decreasing 1.5% Y-O-Y to 4.6%
- Property Comes with 1,000 Square Feet in Lockers to Provide Additional Income Source
- Due to Increased Demand for Space in Saint Louis City North, Rent has Increased 3.7% Y-O-Y
- Located in an Opportunity Zone and Enterprise Zone Allowing Owner to Avoid Capital Gains Tax on Any Profit
- Strong Location, Less than a 0.5 mile to I-70 and 0.36 Miles to State Road 115
- Has “K” Zoning Otherwise Referred to as “Unrestricted” Zoning

Marcus & Millichap is pleased to present the opportunity to acquire the properties located at 5239 Brown Avenue and 4200 Union Boulevard in Saint Louis, Missouri. These subject properties consist of approximately 80,000 square feet of industrial and office space are situated on 1.33 acres of land.

The asset features 1,000 square feet of storage lockers that can provide an additional source of income. The property is located in Saint Louis City North, a strong submarket with a vacancy rate of just 4.6 percent, down from 6.1 percent in 2020. Due to increased demand for industrial space, the submarket's average rent rose 3.7 percent over the past year. The asset is located in an Opportunity Zone, giving investors the potential to avoid and prepare for the capital gains tax on any profit. The property is also conveniently located less than a mile from Interstate 70 and State Road 115.

Saint Louis City North is a large submarket, containing roughly 37.7 million square feet of industrial space. Vacancies remain unperturbed by the recent economic upheaval. Net absorption over the past year registered at 353,000 square feet, which was 53 percent higher than the five-year average of 230,000 square feet. With no projects under construction, there are no supply-side pressures on vacancy or rent in the near-term. Moreover, the inventory has actually contracted over the past 10 years, as demolition activity has outpaced new construction. Industrial properties traded with regularity last year, consistent with the generally high level of activity over the past three years (CoStar). While there are no industrial projects underway in Saint Louis City North, there are multiple mixed-use projects planned or under construction including The City District, an \$81 million development (St. Louis Business Journal).

The St. Louis metro is near the geographic center of the United States, within 500 miles of one-third of the U.S. population, and has more than 2.9 million residents. The metro encompasses the city of St. Louis; the Missouri counties of St. Charles, Jefferson, Franklin, St. Louis, Lincoln, Warren and Washington; and the Illinois counties of Madison, St. Clair, Macoupin, Clinton, Monroe, Jersey, Bond and Calhoun. St. Louis is the most populous county with 1 million people. The city of St. Louis, which is located at the confluence of the Mississippi and Missouri rivers, is the only city in the metro with a population of more than 300,000 citizens. As Saint Louis continues to be a desirable industrial market for investors, a recent report ranked Saint Louis as the tenth industrial market to watch in 2019.

PROPERTY DETAILS

CENTRAL HARDWARE BUILDING 5239 BROWN AVENUE, SAINT LOUIS, MO 63115

Number of Suites	3
Number of Buildings	1
Total Square Feet	60,000
Warehouse Square Feet	57,000
Office Square Feet	3,000
Office Ratio	5%
Year Built	1919
Lot Size	1.33 Acres
Type of Ownership	Fee Simple
Clear Height	12'
Parking Spaces	60 Spaces
Parking Surface	Concrete
Building Class	C
Tenancy	Multi Tenant
Dock High Doors	3 Exterior
Sprinklers	Dry
Construction	Masonry
Power	800a/440v 3p Heavy
Zoning	K
Age/Condition of Roofs	15 Years old, with some minor damage
Market	Saint Louis
Submarket	North Submarket
Market Vacancy	5%

CENTRAL HARDWARE BUILDING 4200 NORTH UNION BOULEVARD, SAINT LOUIS, MO 63115

Number of Suites	1
Number of Buildings	1
Total Square Feet	20,000
Office Square Feet	20,000
Office Ratio	100%
Year Built	1912
Lot Size	1.33 Acres
Type of Ownership	Fee Simple
Parking Spaces	20 Spaces
Parking Surface	Concrete
Building Class	C
Tenancy	Multi Tenant
Sprinklers	Yes
Construction	Masonry
Power	800a/440v 3p Heavy
Zoning	K
Age/Condition of Roofs	15 Years old, with some minor damage
Market	Saint Louis
Submarket	Saint Louis City
Market Vacancy	5%

CENTRAL HARDWARE BUILDING

5239 BROWN AVENUE, SAINT LOUIS, MO 63115

OFFERING PRICE

\$699,928

PRO-FORMA CAP RATE

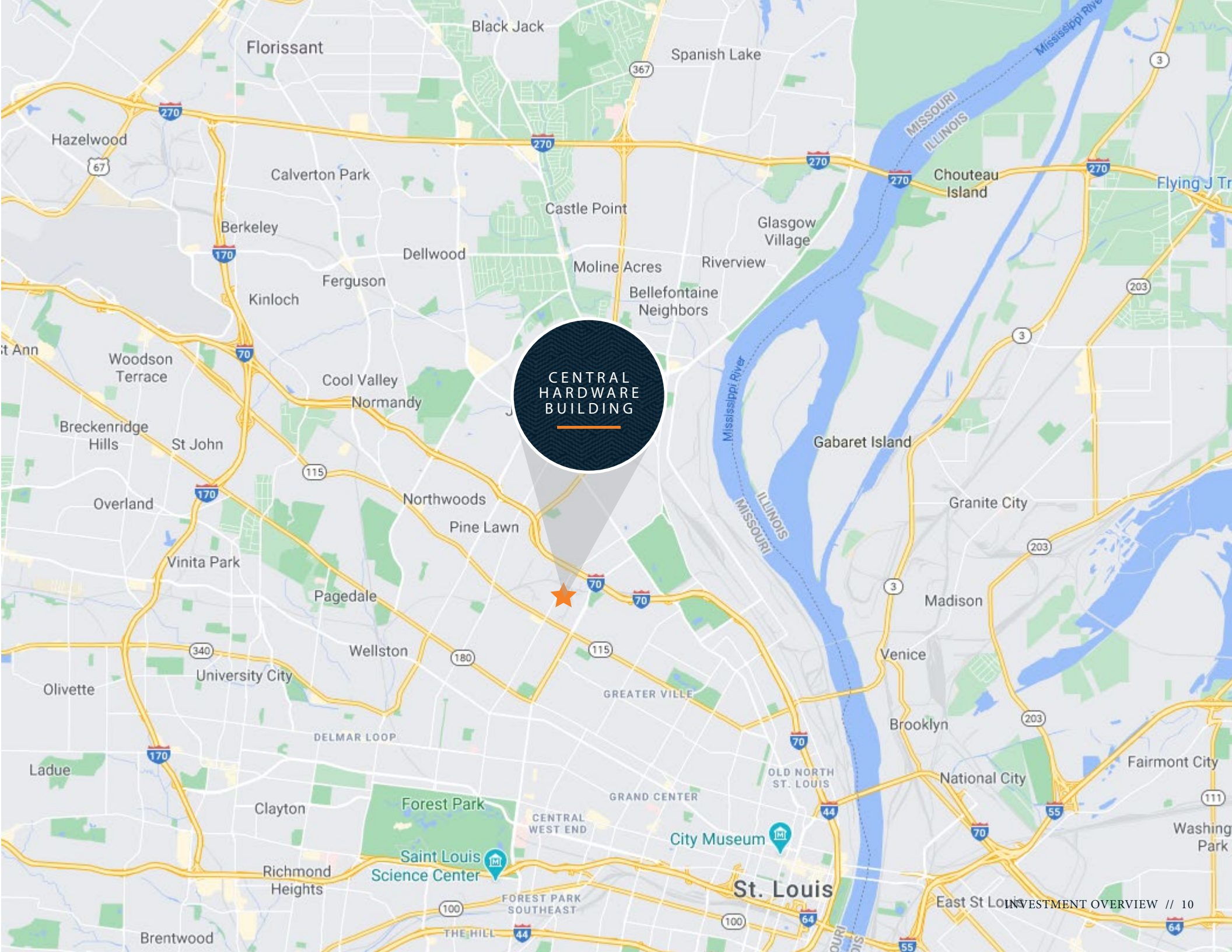
17.14%

Offering Price	\$699,928
Pro-Forma Cap Rate	17.14%
Price/SF	\$8.75
Total Square Feet	80,000
Lease Type	Triple Net (NNN)
Lease Term	Vacant
Tenancy	Multi Tenant
Occupancy	0.00%

* Used \$1.50 NNN for Leases

*Backed out \$300,000 for 12 month carry cost, leasing fee, repair of roof

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CENTRAL
HARDWARE
BUILDING





ba Corporation
St. Louis Facility

Harcros Chemicals

PQ Corporation

CENTRAL
HARDWARE
BUILDING

Hwp

A Scientific
Medical supply store



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

The background of the slide is a dark, blue-toned photograph of an industrial interior. It features a complex network of steel beams, girders, and hanging industrial lights, creating a sense of depth and structure.

SECTION 2

MARKET OVERVIEW

Marcus & Millichap

SAINT LOUIS MISSOURI

Known for its Gateway Arch, the St. Louis metro is situated near the geographic center of the United States, within 500 miles of one-third of the U.S. population, and it has nearly 2.8 million residents. The metro encompasses the city of St. Louis; the Missouri counties of St. Charles, Jefferson, Franklin, St. Louis, Lincoln, Warren and Washington; and the Illinois counties of Madison, St. Clair, Macoupin, Clinton, Monroe, Jersey, Bond and Calhoun. St. Louis is the most populous county with 1 million people. The city of St. Louis contains approximately 316,000 citizens and is the only city in the metro with a population of more than 90,000 residents. In North St. Louis, the U.S. National Geospatial-Intelligence Agency has a major expansion underway. The \$1.7 billion 97-acre campus is due to be completed in 2025.



CENTRAL
LOCATION



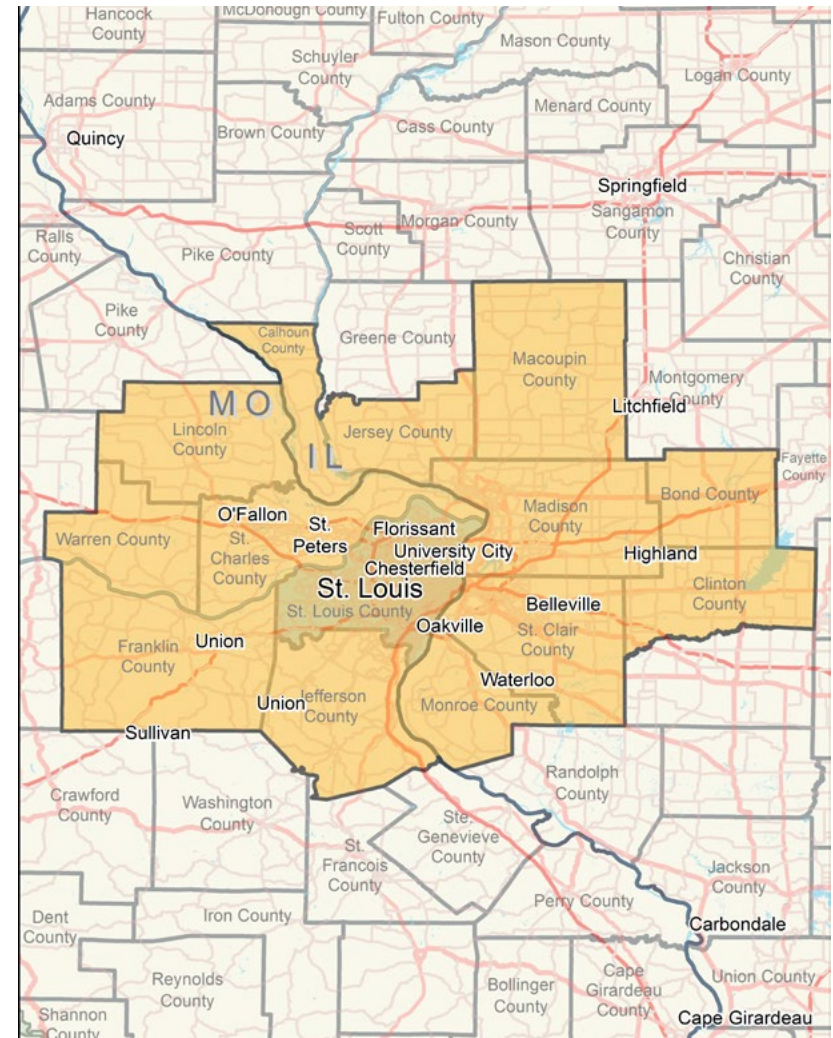
EXCELLENT
TRANSPORTATION
SYSTEM



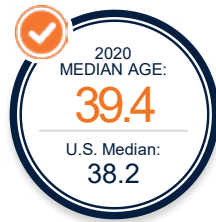
AFFORDABLE COST
OF LIVING

ECONOMY

St. Louis is highly ranked for its logistics infrastructure, bolstered by its central geographic location and easy access to major waterways. It is a significant inland port. The region is emerging as a large financial services center, with two Fortune 500 companies headquartered in the metro: Jones Financial and Reinsurance Group-America. The metro is home to six other Fortune 500 companies: Centene, Emerson Electric, Olin, Ameren, Post Holdings and Graybar Electric. Government entities pursue business development and provide resources for startups, along with incubators with guidance and inexpensive office and lab space.



METROPLEX GROWTH



The metro is expected to add more than 37,000 people through 2025, which will result in the formation of approximately 21,000 households. A median home price below the national level has produced a homeownership rate of nearly 69 percent, which is well above the national rate of 64 percent. Roughly 33 percent of people age 25 and older hold bachelor's degrees; among those residents, 13 percent also have earned a graduate or professional degree.



DEMOGRAPHICS



251,591

Total Population
Within 5 miles



43.43%



56.57%



\$50,765

Average Household Income
Within 5 miles



3,132

Employees
Within 1 mile

DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	15,889	106,027	246,749
■ 2020 Estimate			
Total Population	16,104	107,779	251,591
■ 2010 Census			
Total Population	16,314	110,252	258,872
■ 2000 Census			
Total Population	17,516	122,726	288,683
■ Daytime Population			
2020 Estimate	10,906	77,250	220,138
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	6,436	40,803	95,600
■ 2020 Estimate			
Total Households	6,501	41,265	96,943
Average (Mean) Household Size	2.52	2.56	2.55
■ 2010 Census			
Total Households	6,544	42,023	99,469
■ 2000 Census			
Total Households	7,060	45,776	109,151

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$200,000 or More	0.71%	1.10%	1.23%
\$150,000 - \$199,000	0.86%	1.19%	1.49%
\$100,000 - \$149,000	5.13%	6.66%	7.33%
\$75,000 - \$99,999	6.75%	9.50%	9.67%
\$50,000 - \$74,999	14.19%	18.12%	17.69%
\$35,000 - \$49,999	14.59%	15.52%	15.82%
\$25,000 - \$34,999	14.23%	13.65%	13.44%
\$15,000 - \$24,999	19.57%	16.03%	14.56%
Under \$15,000	23.95%	18.22%	18.77%
Average Household Income	\$41,693	\$49,246	\$50,765
Median Household Income	\$29,420	\$36,753	\$37,723
Per Capita Income	\$16,835	\$19,148	\$19,798
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2020 Estimate Total Population	16,104	107,779	251,591
Under 20	30.92%	27.92%	27.98%
20 to 34 Years	22.98%	21.06%	20.79%
35 to 39 Years	6.73%	6.39%	6.35%
40 to 49 Years	10.48%	11.22%	11.26%
50 to 64 Years	17.53%	19.11%	18.88%
Age 65+	11.39%	14.31%	14.73%
Median Age	32.26	35.78	35.94
■ Population 25+ by Education Level			
2020 Estimate Population Age 25+	9,862	69,597	162,953
Elementary (0-8)	1.46%	2.05%	2.30%
Some High School (9-11)	13.82%	12.66%	11.95%
High School Graduate (12)	35.26%	34.57%	33.03%
Some College (13-15)	28.11%	26.86%	27.14%
Associate Degree Only	8.70%	8.55%	8.34%
Bachelors Degree Only	7.72%	9.03%	10.27%
Graduate Degree	3.72%	4.80%	5.63%
■ Time Travel to Work			
Average Travel Time in Minutes	33	30	29

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