

Marcus & Millichap
TAG INDUSTRIAL GROUP

4140 SOUTH 87TH EAST AVENUE

TULSA, OK 74145

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Marcus & Millichap
TAG INDUSTRIAL GROUP

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SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

OFFERING SUMMARY

- Single-Tenant Industrial Warehouse on Nearly 2 Acres
- Fenced-In Lot, 4 Drive-In Doors and 20' Clear Height
- New Six-Year NNN Lease with Three 3-Year Options
- Tenant in Place Since 2010; Seven Offices Across Five States
- Easily Accessible to I-44, Highway 169 and Broken Arrow Expressway
 - Strong Submarket with 4.5% Vacancy Rate

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 4140 South 87th East Avenue in Tulsa, Oklahoma, leased to Midwest Drywall Company, Inc. The subject property consists of approximately 6,540 square feet of warehouse space and is situated on 1.74 acres of land. The asset features metal construction, four grade-level doors, and a clear height of 20'. Major thoroughfares, including Interstate 44, Highway 169 (U.S. Highway 64), and Broken Arrow Expressway, sit in close proximity to the property. Midwest Drywall Company has maintained tenancy since 2010 and recently renewed for five years on a triple-net lease, with three 3-year options. Celebrating its 50th year in business, Midwest Drywall Company provides wall and ceiling subcontracting work for commercial real estate developments. The company maintains seven operations across five states.

The subject property is situated within South Central Tulsa, a submarket containing 13.7 million square feet of industrial space. While logistics properties dominate the inventory, making up 46 percent of space, specialized industrial space has a strong presence in the submarket. Over the last year, the vacancy rate in South Central Tulsa has dropped by 230 basis points to 4.3 percent through the second quarter of 2022. The drop in vacancies was largely due to an annual net absorption of about 277,000 square feet in Q2, representing the highest level since Q2 2015 and nearly 600 percent higher than the 10-year annual average. With demand spiking, industrial rents increased by a record 8.0 percent annually during the second quarter. Rents in South Central Tulsa now average just over \$6.50 per square foot, offering landlords a slight 5.7 percent premium compared to the overall Tulsa market. Given that there is only 9,000 square feet of industrial space under construction, rent growth and vacancies will essentially be unaffected by new supply for the foreseeable future.

Tulsa's metro area is home to nearly one million residents. As the second largest city in Oklahoma, Tulsa maintains a population of about 413,000 (U.S. Census Bureau). While the rise of telecommunications and aerospace manufacturing has bolstered economic growth in the new millennium, Tulsa's economy remains anchored by the oil industry. Nearly 1,000 energy-related companies are established in metro Tulsa, employing about 25,000 people and contributing \$9.7 billion annually to the local economy. Thanks to a cost of living that is 14 percent lower than the national average, nearly 67 percent of residents are homeowners (Marcus & Millichap, Tulsa Chamber of Commerce).

PROPERTY DETAILS

4140 SOUTH 87TH EAST AVENUE,
TULSA, OK 74145

Number of Suites	1
Number of Buildings	1
Total Square Feet	6,540
Warehouse Square Feet	3,600
Office Square Feet	2,940
Office Ratio	45%
Year Built	1977
Lot Size	1.74 Acres
Type of Ownership	Fee Simple
Clear Height	20'
Parking Spaces	10
Parking Surface	Asphalt
Building Class	C
Tenancy	Owner-User
Grade Level Doors	4; 10'x12'
Construction	Metal
Power	3 Phase
Zoning	IL
Market	Tulsa
Submarket	South Central Tulsa
Market Vacancy	4.20%





OFFERING HIGHLIGHTS

4140 SOUTH 87TH EAST AVENUE

TULSA, OK 74145

OFFERING PRICE
\$505,000

CAP RATE
9.50%

Offering Price	\$505,000
Cap Rate	9.50%
Price/SF	\$77.22
Total Square Feet	6,540
Rental Rate	\$7.33
Lease Type	Triple Net (NNN)
Lease Term	5 Years
Rental Increases	3-Year Incremental CPI Adjustments
Tenancy	Owner-User
Occupancy	100.00%

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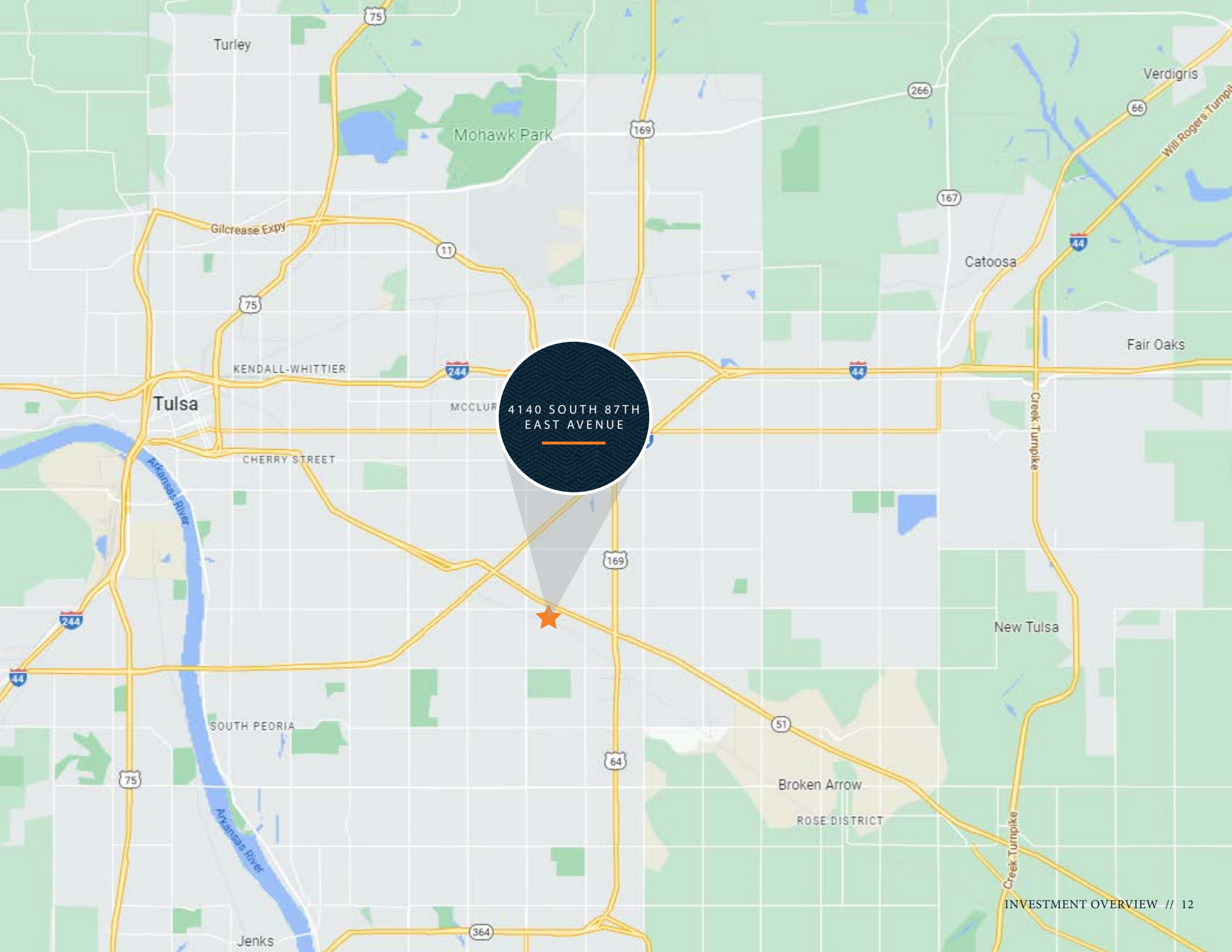
RENT ROLL

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	Changes on	Lease Type
			Comm.	Exp.						
Midwest Drywall Company	6,540	100.0%	1/1/22	12/31/27	\$7.34	\$4,000	\$48,000	\$48,000	Oct-2022	NNN
Total	6,540				\$7.34	\$4,000	\$48,000	\$48,000		
Occupied Tenants: 1			Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%			
Total Current Rents: \$4,000					Occupied Current Rents: \$4,000		Unoccupied Current Rents: \$0			

OPERATING STATEMENT

Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	48,000		7.34	48,000		7.34
Expense Reimbursement Income						
Net Lease Reimbursement						
Insurance	2,500		0.38	2,500		0.38
Real estate Taxes	3,684		0.56	3,684		0.56
Total Reimbursement Income	\$6,184	100.0%	\$0.95	\$6,184	100.0%	\$0.95
Effective Gross Revenue	\$54,184		\$8.29	\$54,184		\$8.29

Operating Expenses	Current		Per SF	Pro Forma		Per SF
Insurance	2,500		0.38	2,500		0.38
Real Estate Taxes	3,684		0.56	3,684		0.56
Total Expenses	\$6,184		\$0.95	\$6,184		\$0.95
Expenses as % of EGR	11.4%			11.4%		
Net Operating Income	\$48,000		\$7.34	\$48,000		\$7.34



4140 SOUTH 87TH
EAST AVENUE

Mr. Lucky

4140 SOUTH 87TH
EAST AVENUE

Integrity Cust
Truck accessories

Party Perf

allen technologies

Midwest Drywall

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S 87th E Ave

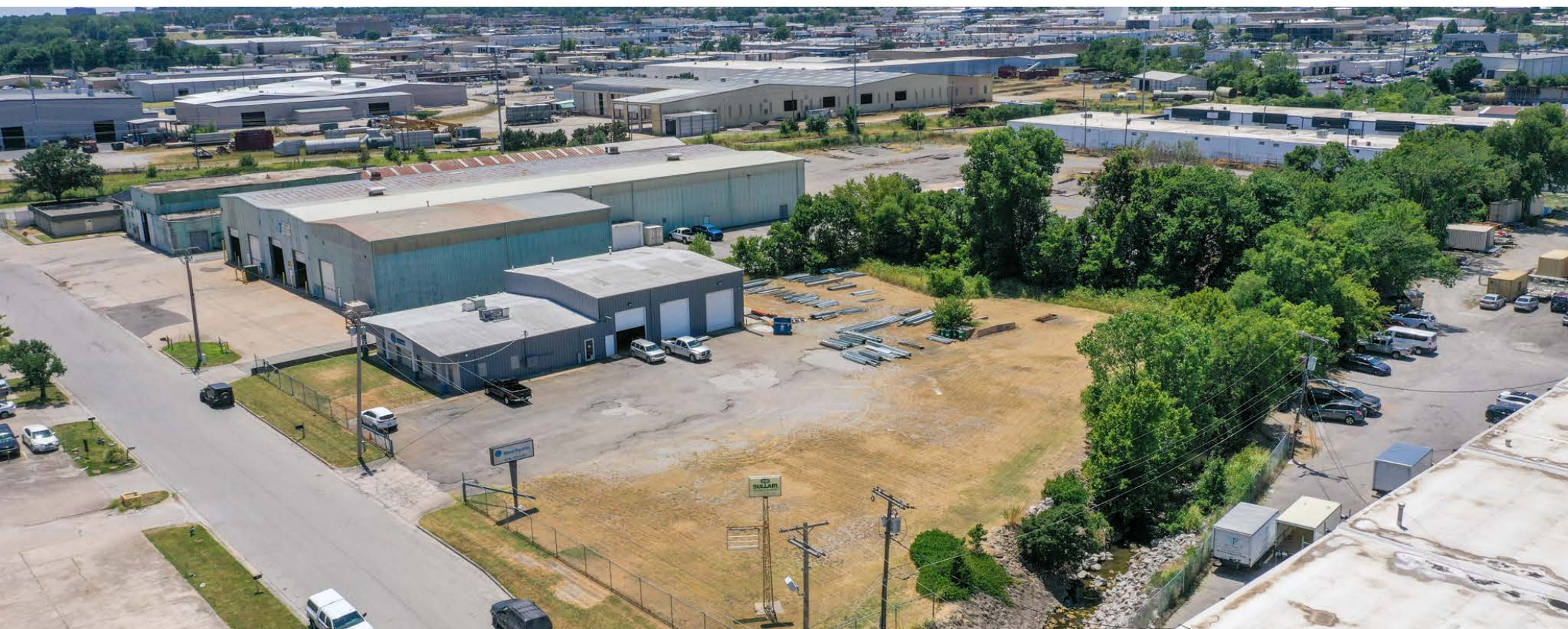
S 87th E Ave

Imperial Printing

Can-Serv

Stelle & Associates
Temporarily closed

Metro Auto Wholesale
Used car dealer



TENANT SUMMARY



For 50 years, Midwest Drywall Company, Inc. has been a resource partner to commercial real estate owners, developers, architects, SEORs, and general contractors to build faster and more cost-efficient properties without sacrificing design. With its motto, "Prefabrication does not have to be proprietary," the company provides a unique approach to building projects. Midwest Drywall Company is one of the few subcontractors in the industry that provides "open source" prefabrication. The company's flexibility allows it to act as a full design assist partner, or a delegated design partner for light gauge.

Midwest Drywall Company is known in the development industry for integrated services, which provide for greater efficiency than piece-meal subcontracting. From the early planning stages, Midwest focuses on value engineering, economy of materials, prefabrication techniques, and manning several service categories together. The company presents insightful solutions that contain budgets, and meets schedules and technical requirements. Midwest Drywall Company utilizes its delegated design and SEOR services to provide accelerated design and construction processes. The company prides itself on the experience and discipline gained from completing hundreds of projects throughout the U.S.

TENANT

Midwest Drywall Company, Inc.

HEADQUARTERS

Wichita, KS

OF LOCATIONS

7

EMPLOYEES

500+

www.mwdw.com

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 2,399 debt and equity financings in 2021



National platform operating within the firm's brokerage offices



\$10.4 billion total national volume in 2021



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

TULSA OKLAHOMA

Known as the Oil Capital of the World, after oil was discovered in the region in 1901, the Tulsa metro has grown to a population of 1 million residents. The market is composed of Tulsa, Osage, Okmulgee, Rogers, Wagoner, Creek and Pawnee counties in northeastern Oklahoma, an area commonly referred to as Green Country for its vegetation, hilly terrain and numerous lakes. The city of Tulsa is home to the largest share of residents in the metro, with 413,100 people, solidifying it as the second-largest municipality in the state of Oklahoma.



ADVANTAGEOUS
LOCATION



EMPLOYMENT
OPPORTUNITIES



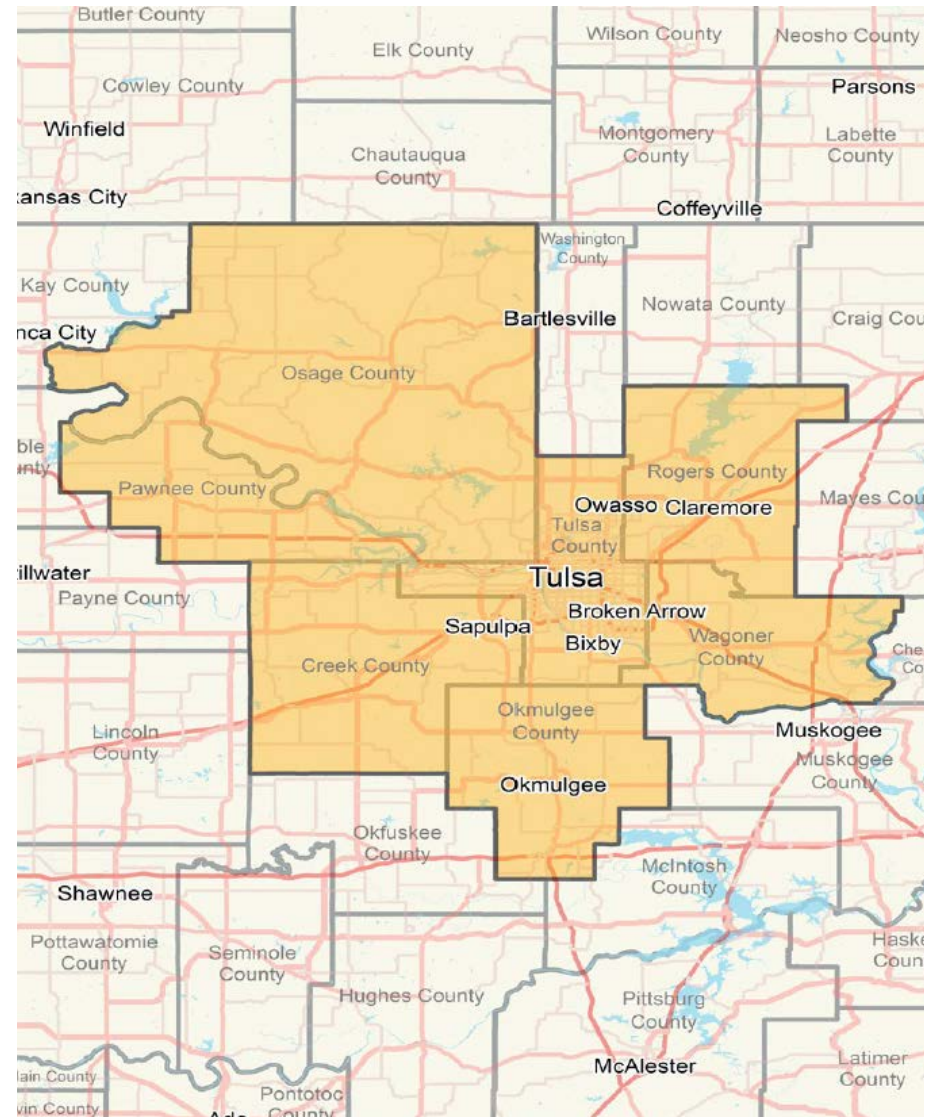
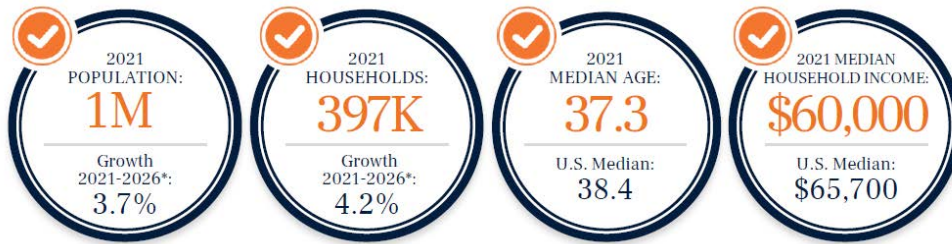
AFFORDABLE
COST OF LIVING



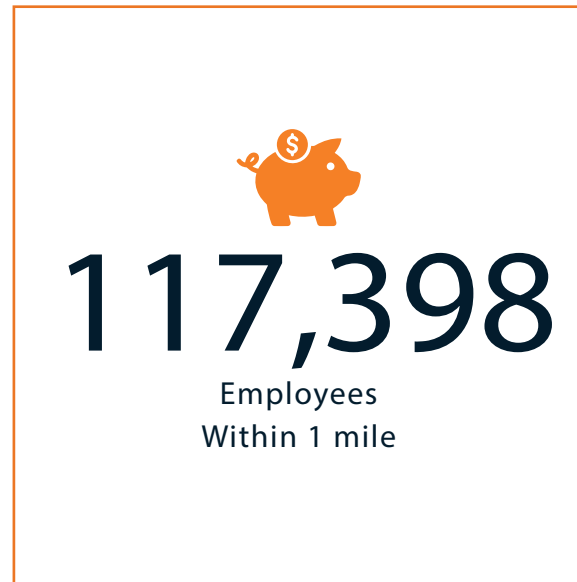
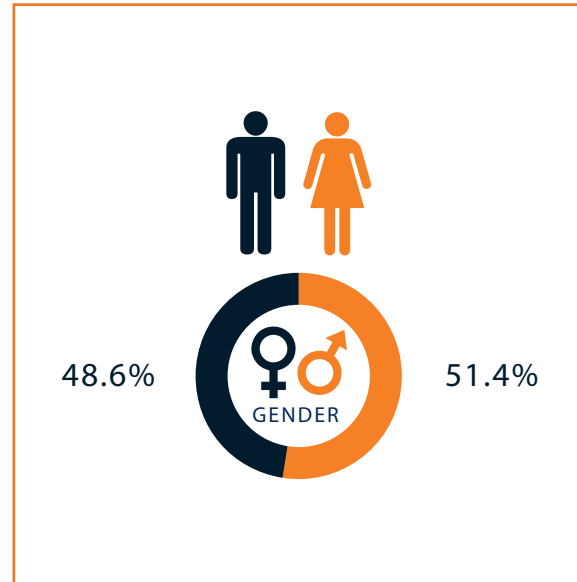
METROPLEX GROWTH

ECONOMY

For many years, petroleum production dominated the economy, which has now diversified to include telecommunications, structural metals manufacturing, air transportation and aerospace manufacturing. Tulsa is the headquarters for three Fortune 500 companies: ONEOK, Inc., NGL Energy Partners and Williams Companies. Other major companies include QuikTrip, IC of Oklahoma, LLC, which is one of the largest school bus manufacturers, Verizon and Public Service Company of Oklahoma, the local utility. The Tulsa Port of Catoosa in Rogers County is the state's largest port, and it connects barge traffic on the Arkansas and Verdigris rivers to ports around the world, via the Mississippi River.



DEMOGRAPHICS



DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Population	7,666	96,159	240,997
2021 Estimate			
Total Population	7,719	96,185	238,363
2010 Census			
Total Population	7,752	94,915	230,566
2000 Census			
Total Population	8,349	94,847	225,273
Daytime Population			
2021 Estimate	16,402	138,142	300,864
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Households	3,108	41,222	102,799
2021 Estimate			
Total Households	3,121	41,114	101,257
Average (Mean) Household Size	2.4	2.3	2.3
2010 Census			
Total Households	3,096	40,112	96,852
2000 Census			
Total Households	3,674	41,793	96,849

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2021 Estimate			
\$200,000 or More	1.6%	2.7%	5.2%
\$150,000-\$199,999	1.5%	3.0%	5.0%
\$100,000-\$149,999	7.3%	10.6%	12.8%
\$75,000-\$99,999	11.4%	12.4%	12.8%
\$50,000-\$74,999	23.9%	20.3%	19.1%
\$35,000-\$49,999	20.0%	15.6%	14.4%
\$25,000-\$34,999	10.5%	11.1%	10.0%
\$15,000-\$24,999	11.2%	12.2%	10.4%
Under \$15,000	12.7%	12.1%	10.1%
Average Household Income	\$56,834	\$65,013	\$80,551
Median Household Income	\$46,481	\$48,825	\$56,138
Per Capita Income	\$23,012	\$27,890	\$34,323
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2021 Estimate Total Population	7,719	96,185	238,363
Under 20	28.2%	26.9%	26.1%
20 to 34 Years	23.6%	22.9%	22.4%
35 to 39 Years	7.0%	6.9%	6.9%
40 to 49 Years	11.0%	11.1%	11.5%
50 to 64 Years	14.5%	15.9%	17.3%
Age 65+	15.7%	16.4%	15.8%
Median Age	33.8	35.2	36.0
Population 25+ by Education Level			
2021 Estimate Population Age 25+	5,032	64,116	160,408
Elementary (0-8)	4.3%	5.8%	4.8%
Some High School (9-11)	7.4%	7.0%	6.1%
High School Graduate (12)	30.6%	27.3%	24.2%
Some College (13-15)	28.5%	24.5%	23.5%
Associate Degree Only	8.5%	8.6%	8.2%
Bachelor's Degree Only	15.8%	18.5%	22.1%
Graduate Degree	4.8%	8.3%	11.1%
Travel Time to Work			
Average Travel Time to Work in Minutes	19.0	20.0	20.0



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