

Marcus & Millichap
TAG INDUSTRIAL GROUP

9130 WAYFARER LANE

HOUSTON, TX 77075

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Texas Real Estate Commission
P.O. Box 12188
Austin, Texas 78711-2188
(512) 936-3000

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

Marcus & Millichap
TAG INDUSTRIAL GROUP

OFFICES THROUGHOUT THE U.S. AND CANADA
www.marcusmillichap.com

9130 WAYFARER LANE

HOUSTON, TX 77075

PRESENTED BY

MAX LOZMACK

Associate
Office & Industrial Division
Houston Office
Office (713) 452-4264
Max.Lozmack@MarcusMillichap.com
License: TX 724493

ADAM ABUSHAGUR

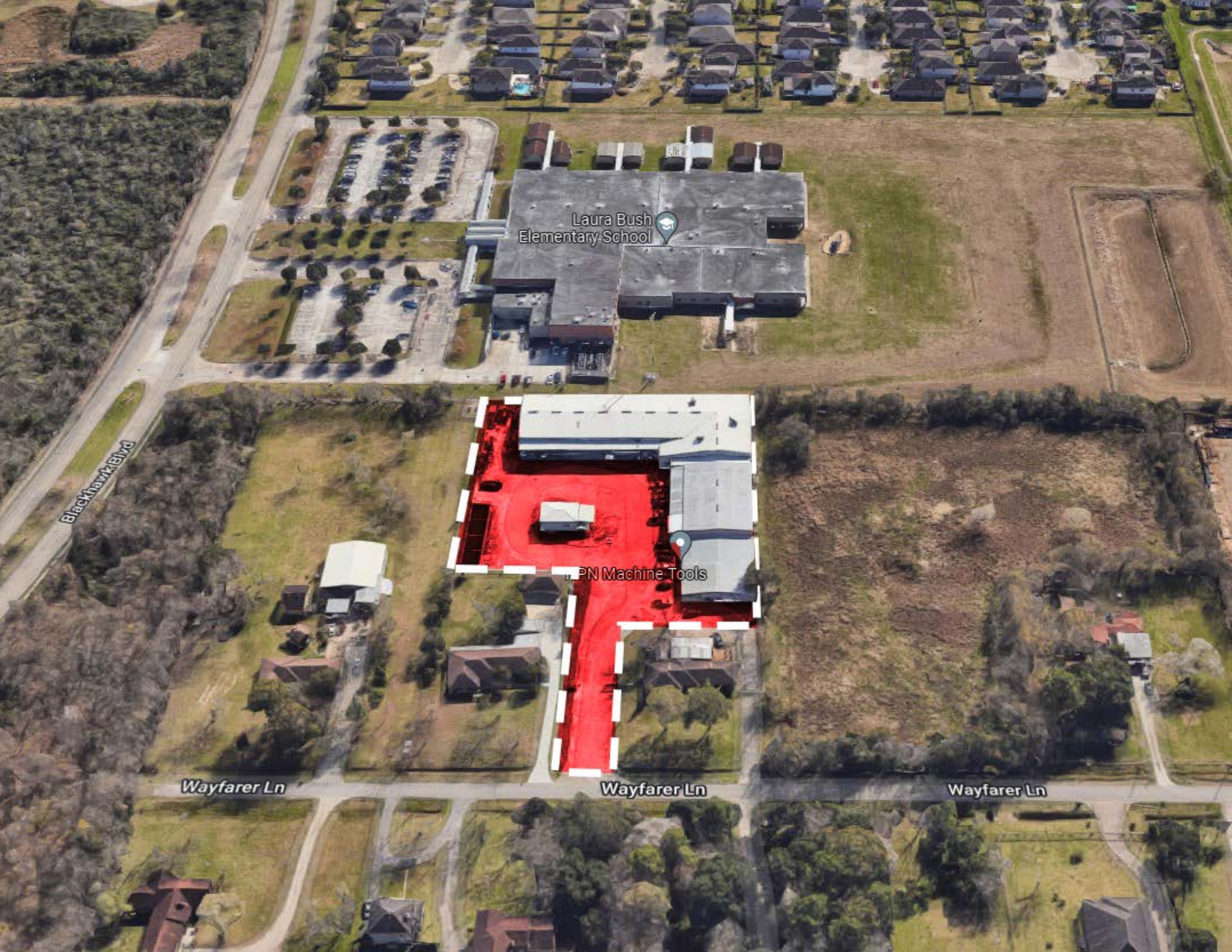
Senior Managing Director Investments
Office & Industrial Division
Dallas Office
Office 972.755.5223
Adam.Abushagur@MarcusMillichap.com
License TX 661916

DEBT CONTACT

BRAD KORNDORFFER

Associate Director
3 Riverway, #800
Houston, TX 77056
Tel: (713) 239-0507
Brad.Korndorffer@MarcusMillichap.com

Marcus & Millichap
TAG INDUSTRIAL GROUP



Laura Bush
Elementary School

Blackhawk Blvd

PN Machine Tools

Wayfarer Ln

Wayfarer Ln

Wayfarer Ln



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SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

OFFERING SUMMARY

- Upon Sale, the Tenant Will Execute Three-Year Leaseback
- Property Sits in Close Proximity to the Sam Houston Tollway and Interstate 45
 - Tough Barrier-to-Entry Market with Vacancy Rates at 2.6% (Costar)
- Concrete Laydown Yard for Future Outside Storage Capabilities or Deliveries
 - Eight Grade-Level Doors (14'x14', 16'x14')
- Ability to Convert to Multi-Tenant in the Future for Increased Rental Rates
- 20' Clear Height with 26' Ceiling Heights at the Peak for Inside Storage

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 9130 Wayfarer Lane in Houston, Texas, occupied by the owner, who is also the tenant. Upon sale of the property, “Tenant 1” plans to execute a three-year triple net leaseback. The subject property consists of approximately 32,482 square feet of warehouse space and is situated on about 2.21 acres of land. The asset features eight grade-level doors, measuring 14' by 14' and 16' by 14', and a concrete laydown yard, suitable for outside storage or deliveries. With a clear height of 20' and a maximum ceiling height of 26', the property can easily accommodate inside storage. While the asset is currently for single-tenant use, the property can be converted into multi-tenancy for future increased rental rates.

Located in the South Highway 35 submarket, the property sits in close proximity to the Sam Houston Tollway and Interstate 45. South Highway 35 is a tough barrier-to-entry submarket containing a massive 43.7 million square feet of industrial space. Wholesale trade tenants serving the oil and gas industry make up a large portion of the tenant base. Over the last decade, the population growth in Suburban South Houston has boosted demand for e-commerce and distribution facilities. During this time, 5.3 million square feet of industrial space was delivered in South Highway 35, representing a 13.8 percent expansion in inventory. Thanks to an annual net absorption of 1.27 million square feet, the vacancy rate has dropped 210 basis points to a decade's low of 2.6 percent by the end of Q2 2022. As a result, market rent growth jumped to a fresh 20-year high of 6.5 percent annually during this time. At 6.5 percent, the average market cap rate has remained in record low territory below 7 percent since 2015 (CoStar).

As the fifth most populous metro area in the U.S., Houston houses over seven 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

9130 WAYFARER LANE,
HOUSTON, TX 77075

Number of Suites	1
Number of Buildings	1
Total Square Feet	32,482
Warehouse Square Feet	30,792
Office Square Feet	1,690
Office Ratio	5%
Year Built	1980s/2011
Lot Size	~2.21 Acres
Type of Ownership	Fee Simple
Clear Height	20' Eave, 26' Peak
Parking Surface	Concrete
Building Class	C
Tenancy	Single
Grade Level Doors	8
Construction	Metal
Power	3 Phase
Roof Type	Pitched Metal
Market	Houston
Submarket	South Highway 35
Market Vacancy	2.6%





OFFERING HIGHLIGHTS

9130 WAYFARER LANE

HOUSTON, TX 77075

OFFERING PRICE	CAP RATE	PRO-FORMA CAP RATE
\$4,500,000	8.00%	8.10%

Offering Price	\$4,500,000
Cap Rate	8.00%
Pro-Forma Cap Rate	8.10%
Price/SF	\$138.54
Total Square Feet	32,482
Rental Rate	\$11.08
Tenancy	Single
Occupancy	100.00%

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. © 2022 Marcus & Millichap. All rights reserved. (Activity ID: ZAD0060864)

DEBT QUOTE

Loan Program	Bank	Bank
Loan Product	Fixed Rate - 5-Year	Floating Rate
Loan Amount	\$3,375,000	\$3,375,000
Maximum LTV	Up to 75%	Up to 75%
Minimum DSCR	1.25x	1.25x
Term	5 Years	5 Years
Interest-Only	Up to 12 Months	Up to 12 Months
Amortization	25 Years	25 Years
All-In Rate as of 7/22/2022	5.50%	5.25%
Annual Amortized Debt Service	\$248,705	\$242,695
Annual Interest-Only Debt Service	\$185,625	\$177,188
Lender Fee	0.50%	0.50%
Prepayment	Step-Down	Step-Down
Recourse	Full Recourse	Full Recourse

- Loan amount and interest rate are subject to final underwriting and market conditions at time of loan commitment.
- Loan amount subject to minimum debt yields and debt coverage service ratio.
- 75% LTV Terms assume strong sponsorship.
- Monthly Net Rental Income of \$30,000 plus NNN expenses.
- Property Taxes and Insurance UW at Broker's Opinion.

BRANDON BROWN

Associate Director
3 Riverway, #800
Houston, TX 77056
Tel: (713) 239-0506
Brandon.Brown@MarcusMillichap.com

JAMIE MULLIN

Associate Director
3 Riverway, #800
Houston, TX 77056
Tel: (713) 239-0502
Jamie.Mullin@MarcusMillichap.com

BRAD KORNDORFFER

Associate Director
3 Riverway, #800
Houston, TX 77056
Tel: (713) 239-0507
Brad.Korndorffer@MarcusMillichap.com

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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	Lease Type
				Comm.	Exp.						
Tenant 1	Suite 1	32,482	100.0%	COE	3 Years	\$11.08	\$30,000	\$360,000	\$364,500	Annual Increase	NNN
Total		32,482				\$11.08	\$30,000	\$360,000	\$364,500		
Occupied Tenants: 1				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%			
Total Current Rents: \$30,000						Occupied Current Rents: \$30,000		Unoccupied Current Rents: \$0			

Notes:

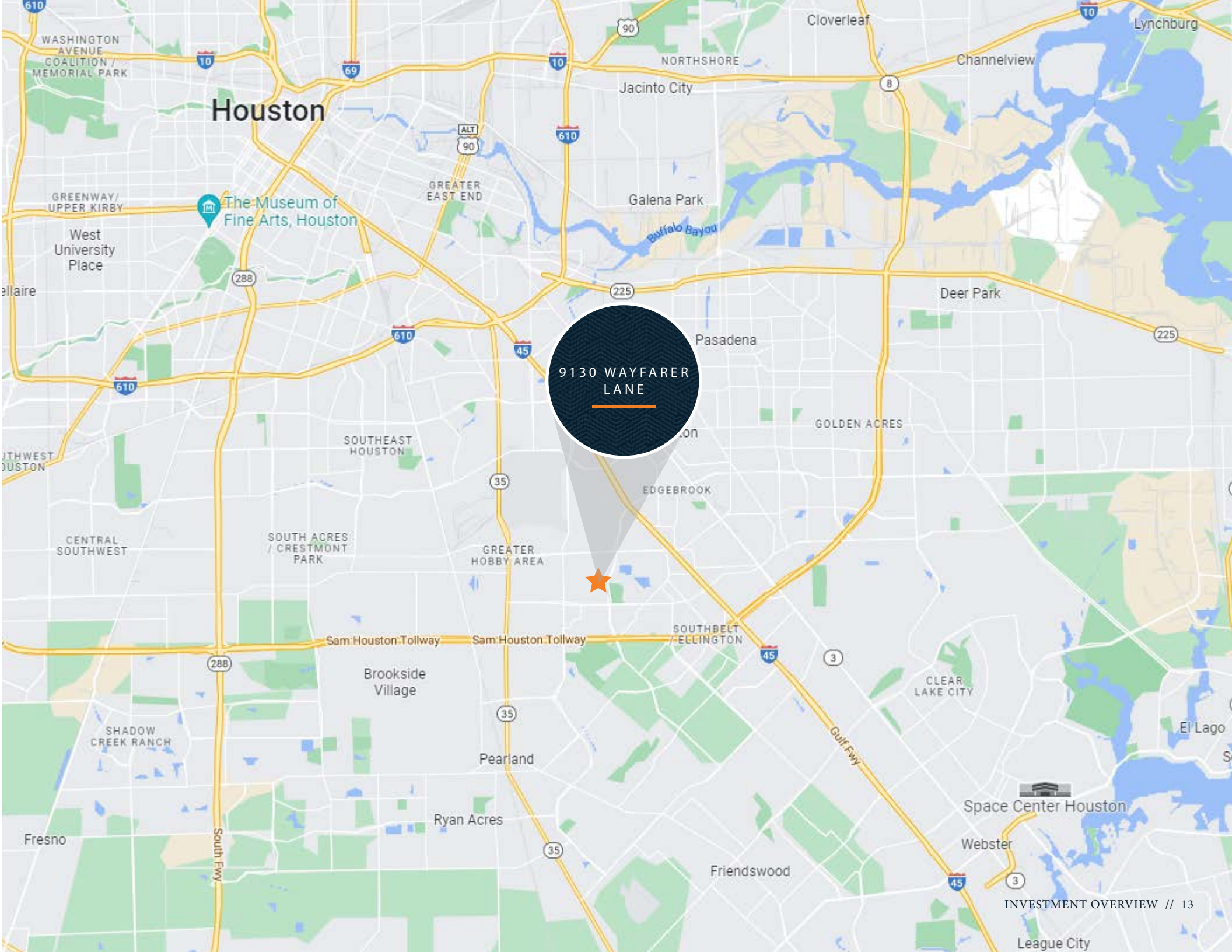
Tenant has right to purchase at an agreed to rate

Tenant has right of first refusal

Property needs to be re-surveyed to remove additional acreage

OPERATING STATEMENT

Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	360,000		11.08	364,500		11.22
Expense Reimbursement Income						
Net Lease Reimbursement						
Insurance	21,566		0.66	21,566		0.66
Real estate Taxes	46,351		1.43	46,351		1.43
Total Reimbursement Income	\$67,917	100.0%	\$2.09	\$67,917	100.0%	\$2.09
Effective Gross Revenue	\$427,917		\$13.17	\$432,417		\$13.31
Operating Expenses	Current		Per SF	Pro Forma		Per SF
Insurance	21,566		0.66	21,566		0.66
Real Estate Taxes	46,351		1.43	46,351		1.43
Total Expenses	\$67,917		\$2.09	\$67,917		\$2.09
Expenses as % of EGR	15.9%			15.7%		
Net Operating Income	\$360,000		\$11.08	\$364,500		\$11.22

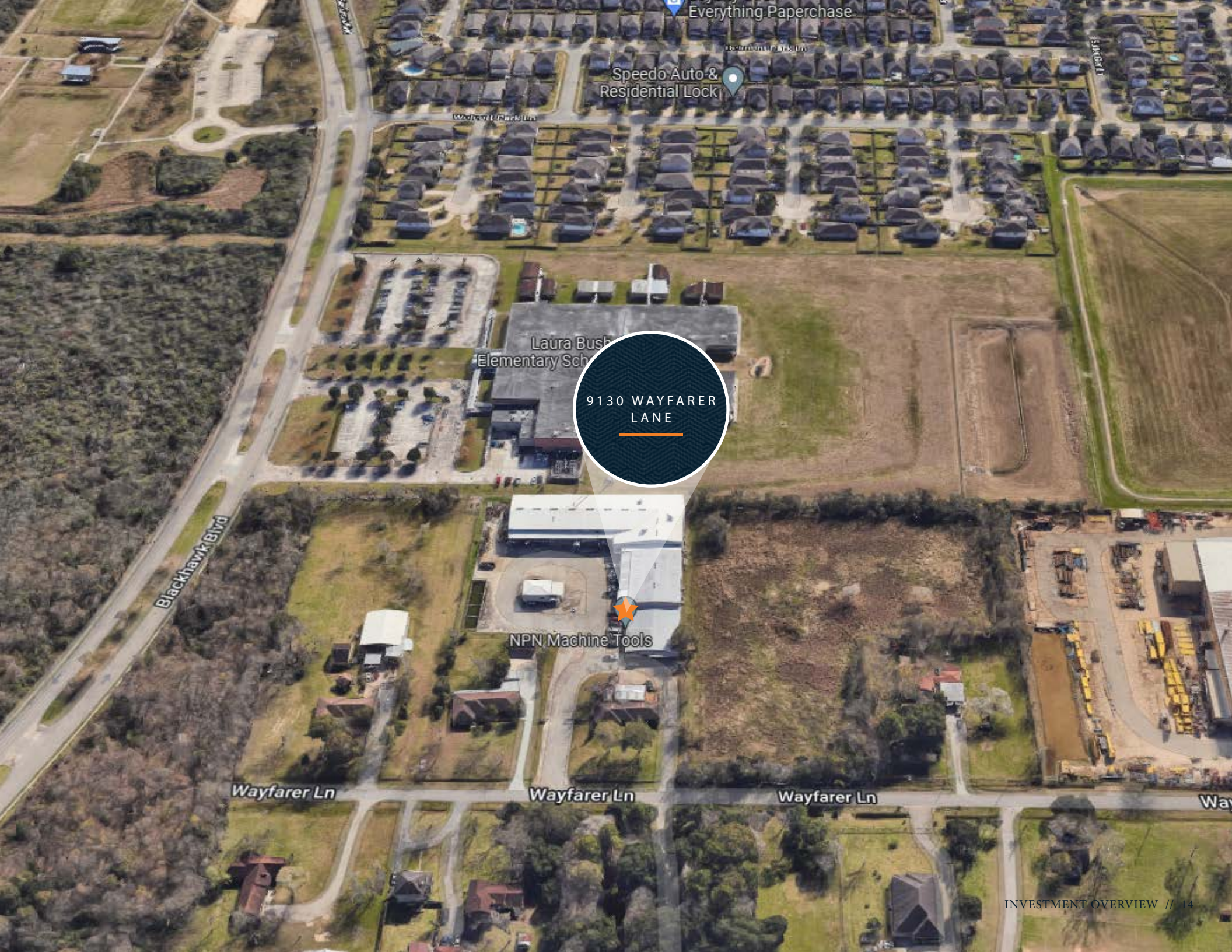


Houston

The Museum of Fine Arts, Houston

9130 WAYFARER LANE





9130 WAYFARER LANE

Speedo Auto & Residential Lock

Everything Paperchase

Laura Bush Elementary Sch

NPN Machine Tools

Blackhawk Blvd

Wayfarer Ln

Wayfarer Ln

Wayfarer Ln

Way



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

HOUSTON TEXAS

As the fifth most populous metro area in the United States, Houston houses more than 7.1 million people in southeastern Texas. Roughly one-third of residents live in the city of Houston. 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 health care. Many companies provide goods and services for the large population growth, which has sprawled, primarily to the north and west.



CORPORATE
GROWTH



HIGHER
EDUCATION



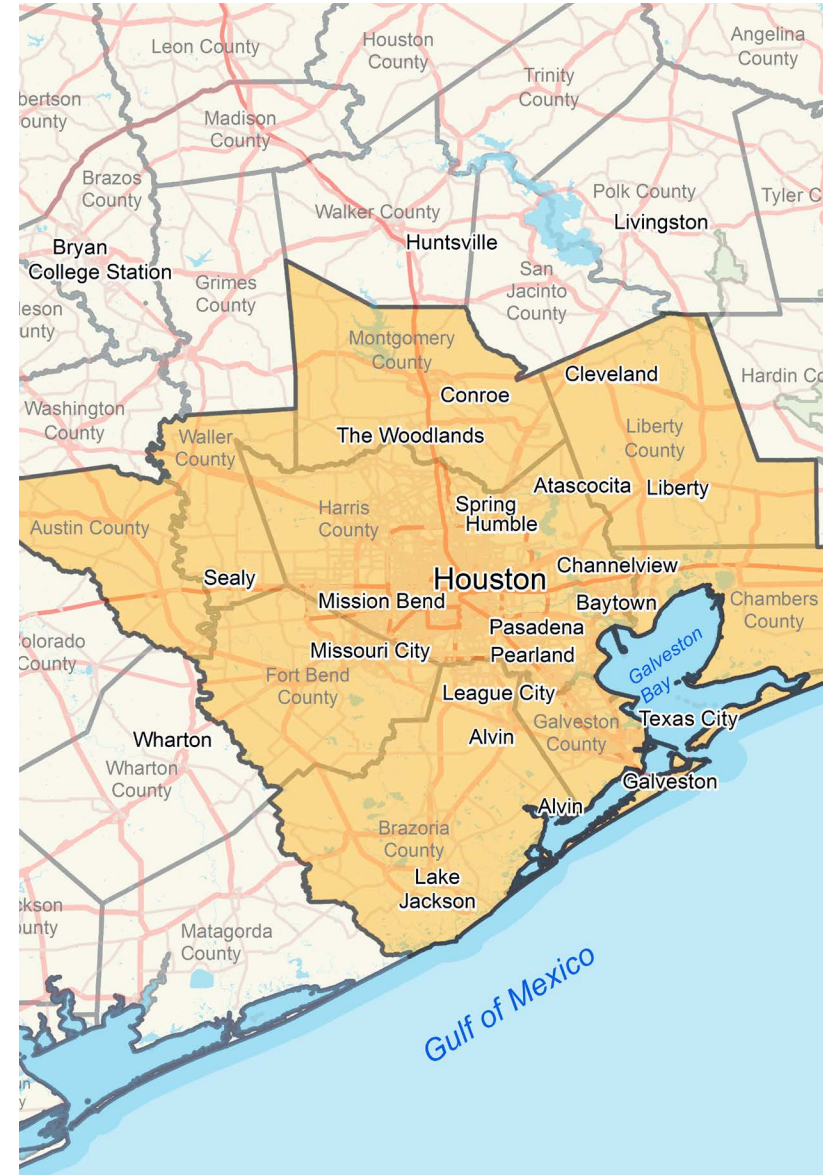
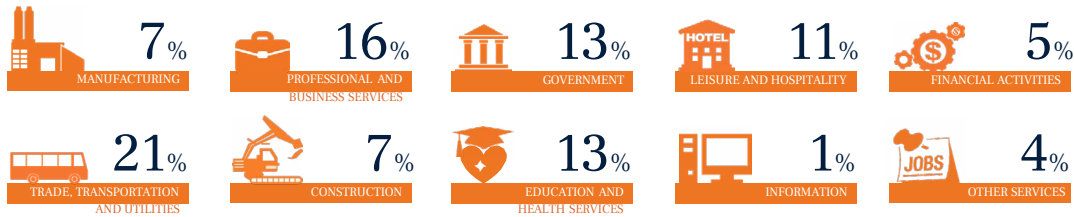
LOW COST OF LIVING,
DOING BUSINESS



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. Health care 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 720,700 people through 2025, translating to the formation of roughly 263,600 households, generating demand for housing. The home-ownership rate of 61 percent slightly trails the national rate of 64 percent. The median home price of roughly \$282,000 is \$40,000 below the U.S. average. The metro's median household income exceeds \$68,000, surpassing the national rate by roughly \$5,000.



The metro's favorable location and climate translates to an abundance of outdoor activities. More than a dozen state parks and recreation areas lie within a short drive of Houston, as well as more than 500 local parks and open spaces, 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 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



277,924

Total Population
Within 5 miles



49.5%



50.5%



\$73,648

Average Household Income
Within 5 miles



130,278

Employees
Within 1 mile

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Population	19,164	120,112	292,729
2021 Estimate			
Total Population	17,666	112,345	277,924
2010 Census			
Total Population	15,478	99,223	250,888
2000 Census			
Total Population	6,249	72,006	203,168
Daytime Population			
2021 Estimate	10,981	98,310	253,626
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Households	5,752	38,136	96,247
2021 Estimate			
Total Households	5,380	35,853	91,292
Average (Mean) Household Size	3.3	3.1	3.0
2010 Census			
Total Households	4,744	31,559	81,694
2000 Census			
Total Households	2,380	24,765	69,038

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2021 Estimate			
\$200,000 or More	1.6%	2.8%	2.9%
\$150,000-\$199,999	4.4%	4.7%	4.6%
\$100,000-\$149,999	15.7%	14.9%	14.6%
\$75,000-\$99,999	20.1%	15.5%	14.2%
\$50,000-\$74,999	25.9%	21.8%	19.8%
\$35,000-\$49,999	14.5%	15.1%	14.3%
\$25,000-\$34,999	8.2%	9.9%	10.6%
\$15,000-\$24,999	5.2%	8.5%	10.1%
Under \$15,000	4.4%	7.0%	8.9%
Average Household Income	\$77,369	\$75,058	\$73,648
Median Household Income	\$65,803	\$60,102	\$56,998
Per Capita Income	\$23,561	\$23,955	\$24,215
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2021 Estimate Total Population	17,666	112,345	277,924
Under 20	34.6%	32.2%	31.2%
20 to 34 Years	24.6%	23.4%	23.0%
35 to 39 Years	8.6%	8.0%	7.7%
40 to 49 Years	13.2%	12.8%	12.7%
50 to 64 Years	12.7%	14.1%	14.9%
Age 65+	6.3%	9.5%	10.4%
Median Age	29.7	31.6	32.3
Population 25+ by Education Level			
2021 Estimate Population Age 25+	10,286	68,461	172,113
Elementary (0-8)	13.2%	13.9%	14.1%
Some High School (9-11)	10.2%	11.3%	11.2%
High School Graduate (12)	28.3%	28.9%	28.9%
Some College (13-15)	23.1%	22.6%	21.9%
Associate Degree Only	7.0%	6.8%	6.6%
Bachelor's Degree Only	13.9%	11.8%	12.2%
Graduate Degree	4.3%	4.7%	5.1%
Travel Time to Work			
Average Travel Time to Work in Minutes	31.0	31.0	31.0



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.

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- 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.

<u>MARCUS & MILLICHAP</u>	<u>9002994</u>	<u>TIM.SPECK@MARCUSMILLICHAP.COM</u>	<u>972-755-5200</u>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
<u>TIM A. SPECK</u>	<u>432723</u>	<u>TIM.SPECK@MARCUSMILLICHAP.COM</u>	<u>972-755-5200</u>
Designated Broker of Firm	License No.	Email	Phone
<u>TIM A. SPECK</u>	<u>432723</u>	<u>TIM.SPECK@MARCUSMILLICHAP.COM</u>	<u>972-755-5200</u>
Licensed Supervisor of Sales Agent/Associate	License No.	Email	Phone
<u>ADAM ABUSHAGUR</u>	<u>661916</u>	<u>ADAM.ABUSHAGUR@MARCUSMILLICHAP.COM</u>	<u>972-755-5223</u>
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date

9130 WAYFARER LANE

HOUSTON, TX 77075

PRESENTED BY

MAX LOZMACK

Associate
Office & Industrial Division
Houston Office
Office (713) 452-4264
Max.Lozmack@MarcusMillichap.com
License: TX 724493

ADAM ABUSHAGUR

Senior Managing Director Investments
Office & Industrial Division
Dallas Office
Office 972.755.5223
Adam.Abushagur@MarcusMillichap.com
License TX 661916

DEBT CONTACT

BRAD KORNDORFFER

Associate Director
3 Riverway, #800
Houston, TX 77056
Tel: (713) 239-0507
Brad.Korndorffer@MarcusMillichap.com

Marcus & Millichap
TAG INDUSTRIAL GROUP