

Marcus & Millichap  
TAG INDUSTRIAL GROUP

2002 NORTH AVENUE N

LUBBOCK, TX 79403

# NON-ENDORSEMENT & DISCLAIMER NOTICE

## CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc.

© 2022 Marcus & Millichap. All rights reserved.

## NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers. Activity ID: ZAD0060783

## SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

The Texas Real Estate Commission (TREC) regulates real estate brokers and sales agents, real estate inspectors, home warranty companies, easement and right-of-way agents and timeshare interest providers. You can find more information and check the status of a license holder at [www.trec.texas.gov](http://www.trec.texas.gov). You can send a complaint against a license holder to TREC, a complaint form is available on the TREC website. TREC administers two recovery funds which may be used to satisfy a civil court judgment against a broker, sales agent, real estate inspector, or easement or right-of-way agent, if certain requirements are met. If you have questions or issues about the activities of a license holder, the complaint process or the recovery funds, please visit the website or contact TREC at:

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](http://www.marcusmillichap.com)

# 2002 NORTH AVENUE N LUBBOCK, TX 79403

## PRESENTED BY

---

### ADAM ABUSHAGUR

Senior Managing Director Investments  
Office & Industrial Division  
Dallas Office  
Office (972) 755-5223  
Adam.Abushagur@marcusmillichap.com  
License TX 661916

### DAVIS CAGLE

Associate  
Office & Industrial Division  
Dallas Office  
Office (972) 755-5230  
Davis.Cagle@MarcusMillichap.com  
License: TX 722097

### ASHTON BENNETT

Associate  
Office & Industrial Division  
Dallas Office  
Office (972) 755-5164  
Ashton.Bennett@MarcusMillichap.com  
License: TX 765757

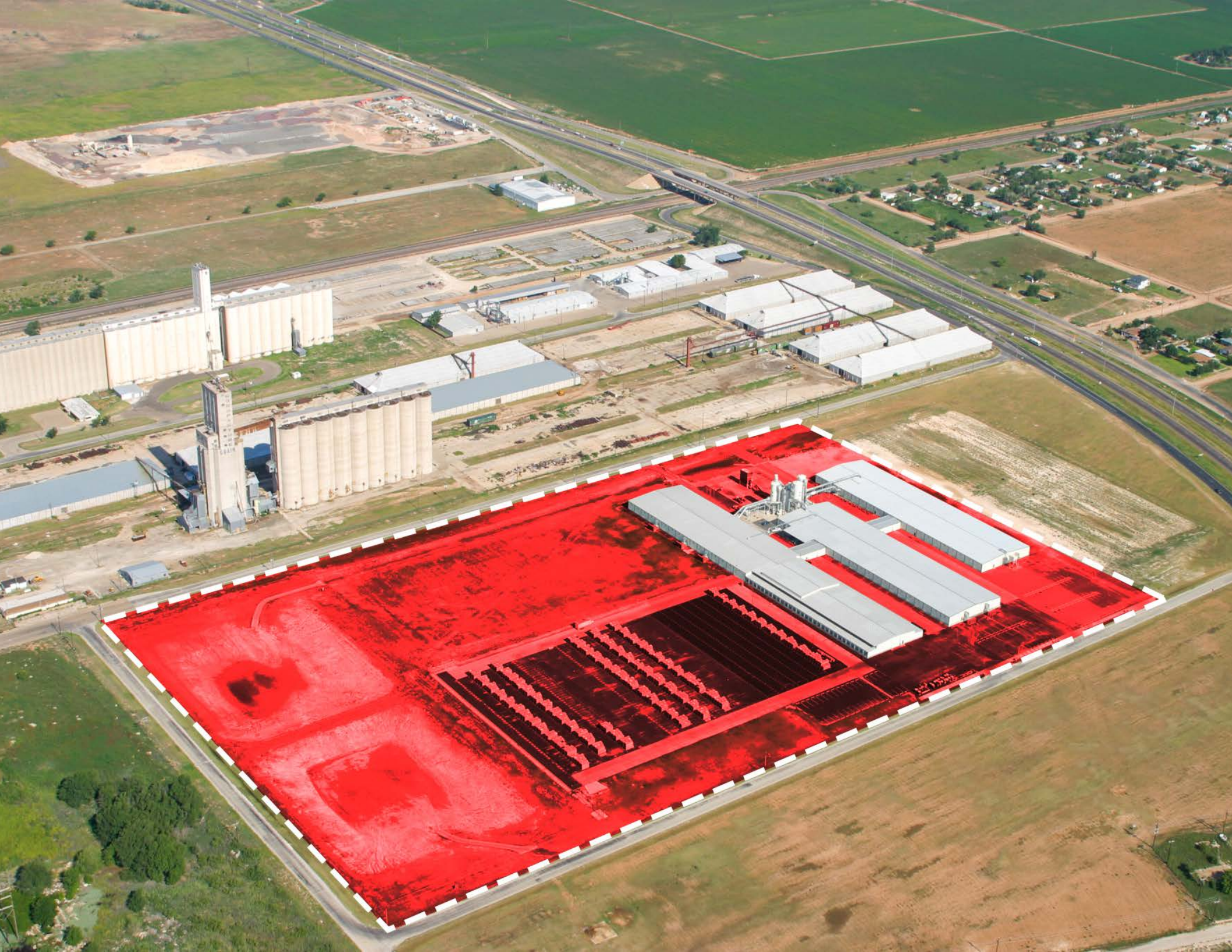
## DEBT CONTACT

---

### DUKE DENNIS

Associate Director  
300 Throckmorton Street, Suite 1500  
Fort Worth, TX 76102  
Tel: 979.777.9910  
Duke.Dennis@MarcusMillichap.com

**Marcus & Millichap**  
TAG INDUSTRIAL GROUP





---

# TABLE OF CONTENTS

01

## INVESTMENT OVERVIEW

### SECTION 1

Offering Summary • Property Details • Offering Highlights • Rent Roll • Operating Statement  
Regional Map • Aerial Map • Property Photos  
Acquisition Financing

02

## MARKET OVERVIEW

### SECTION 2

Market Analysis • Demographic Analysis

Marcus & Millichap



# SECTION 1

---

## INVESTMENT OVERVIEW

Marcus & Millichap

## OFFERING SUMMARY

- 181,800-Square-Foot Industrial Property Situated on 30 Acres
  - Features Three Fully Sprinklered Buildings with Three-Phase Power and Ability to Subdivide
- O’Hair Shutters Will Lease 100 Percent of the Property at Closing Until 6/30/23, After Which They Will Consolidate into 36,000 Square Feet and Renew That Space for Three Years
- After O’Hair Shutters Consolidates, The Remaining 145,800 Square Feet Can Be Leased Up for an Attractive Pro Forma Return
- O’Hair Shutters Has Been in Business for Over 80 Years and Continues to Advance by Integrating State-of-the-Art Design and Manufacturing
  - Strategically Located Within Close Proximity to Major Thoroughfares, Including US 84, Loop 289, and I-27
    - Excess Land for Further Development, Outside Storage, or Trailer Parking
    - Tough Barrier-to-Entry Market with 2.1% Vacancy and 6% Rent Growth

Marcus & Millichap is pleased to present the opportunity to acquire 2002 North Avenue N in Lubbock, Texas, leased to O’Hair Shutters. The property consists of approximately 181,800 square feet of industrial space and is situated on 31.22 acres of land. The asset features three fully sprinklered buildings, equipped with three-phase power, and can be converted into multi-tenant use. With excess land, the property is suitable for future development, outside storage, or trailer parking. Upon sale, O’Hair Shutters will fully occupy the property through June 30, 2023. After this date, O’Hair Shutters will renew its lease for three years and consolidate into 36,000 square feet of the asset’s space. Subsequently, 145,800 square feet will become available, allowing an investor to increase rental rates to achieve pro forma returns. For over 80 years, O’Hair Shutters has manufactured custom hardwood shutters and continues to advance its business by integrating state-of-the-art design and manufacturing processes. The property is desirably located near U.S. Route 84, Texas State Highway Loop 289, and Interstate 27.

The subject property is situated within the North Inner Loop, a submarket containing 5.5 million square feet of industrial space. The submarket primarily consists of logistics facilities, which account for 4.5 million square feet. The remaining inventory pool consists of 1.0 million square feet of specialized space and 60,000 square feet of flex space. Over the past year, the vacancy rate in the North Inner Loop declined and sits just 68 basis points above its 10-year low of 2.9 percent in Q1 2022. In the second quarter, market rent growth for industrial properties in the North Inner Loop rose to a 10-year high of 5.9 percent, comparable to the overall market.

With no inventory currently under construction, there will be no significant supply pressure on vacancies or rents for the foreseeable future (Costar).

Located in the Texas Panhandle, Amarillo thrives as a major transportation hub. With 201,000 residents, Amarillo is the most populous city in a region known as the heart of cattle country. The city is home to the Texas Cattle Feeders Association. Aside from food production, the Amarillo area also features a Boeing manufacturing plant. Situated 124 miles south of Amarillo is Lubbock, a major producer of oil and cotton. One of the largest universities in the state, Texas Tech, is located within Lubbock. Among the western Texas and eastern New Mexico region, Lubbock boasts the highest metropolitan population at 327,000 residents. The city is also known as the birthplace of rock’ n’ roll legend Buddy Holly. The Buddy Holly Center celebrates his life and music with artifacts and mementos.

## PROPERTY DETAILS

### O'HAIR SHUTTERS

2002 NORTH AVENUE N, LUBBOCK, TX 79403

Number of Suites	1
Number of Buildings	3
Total Square Feet	181,800
Warehouse Square Feet	174,710
Office Square Feet	7,090
Office Ratio	4%
Year Built	1993-2001
Lot Size	31.22 Acres
Type of Ownership	Fee Simple
Clear Height	14'-16'
Parking Spaces	120
Parking Surface	Concrete
Building Class	C
Tenancy	Owner-User
Grade Level Doors	5
Sprinklers	Fully Sprinkled
Construction	Metal
Power	3 Phase 480 Volts
Type of Lighting	Metal Halide and Fluorescent
Zoning	Industrial
Roof Type	Metal
Age/Condition of Roofs	1998-2005
Market	Lubbock
Submarket	North Inner Loop
Market Vacancy	2.10%





## 2002 NORTH AVENUE N

LUBBOCK, TX 79403

OFFERING PRICE  
**\$6,060,000**

CAP RATE  
**9.00%**

PRO-FORMA CAP RATE  
**10.50%**

Offering Price	\$6,060,000
Cap Rate	9.00%
Pro-Forma Cap Rate	10.50%
Price/SF	\$33.33
Total Square Feet	181,800
Rental Rate	\$3.00
Lease Type	Triple Net (NNN)
Total Square Feet (Renewal)	36,000
Rental Rate (Renewal)	\$3.50
Initial Lease Term	Until 6/30/23
Pro-Forma Lease Term	3 Years
Tenancy	Owner-User
Occupancy	100.00%

## FINANCING

Loan Amount	\$3,030,000
Loan Type	New
Interest Rate	6.25%
Amortization	25 Years
Year Due	2027

Loan information is subject to change. Contact your Marcus & Millichap Capital Corporation representative.

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: ZAD0060783)

## RENT ROLL

Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Lease Type	Renewal Options and Option Year Rental Information
				Comm.	Exp.					
O'Hair Shutters	A	181,800	100.0%	COE	6/30/23	\$3.00	\$45,450	\$545,400	NNN	Renewal on 36,000 Square Feet for 3 Years
<b>Total</b>		181,800				\$3.00	\$45,450	\$545,400		
Occupied Tenants: 1				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%		
Total Current Rents: \$45,450						Occupied Current Rents: \$45,450		Unoccupied Current Rents: \$0		

## PRO-FORMA 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	Rent Increase	Lease Type	Renewal Options and Option Year Rental Information
				Comm.	Exp.								
O'Hair Shutters	A	36,000	19.8%	7/1/23	6/30/26	\$3.50	\$10,500	\$126,000	\$129,780	Jul-2024	\$10,815	NNN	Three 1-Year Options Each at Fair Market Rent
TBD	B	145,800	80.2%			\$3.50	\$42,525	\$510,300	\$510,300	N/A	N/A	NNN	-
<b>Total</b>		181,800				\$3.50	\$53,025	\$636,300	\$640,080				
Occupied Tenants: 2				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%					
Total Current Rents: \$53,025						Occupied Current Rents: \$53,025		Unoccupied Current Rents: \$0					

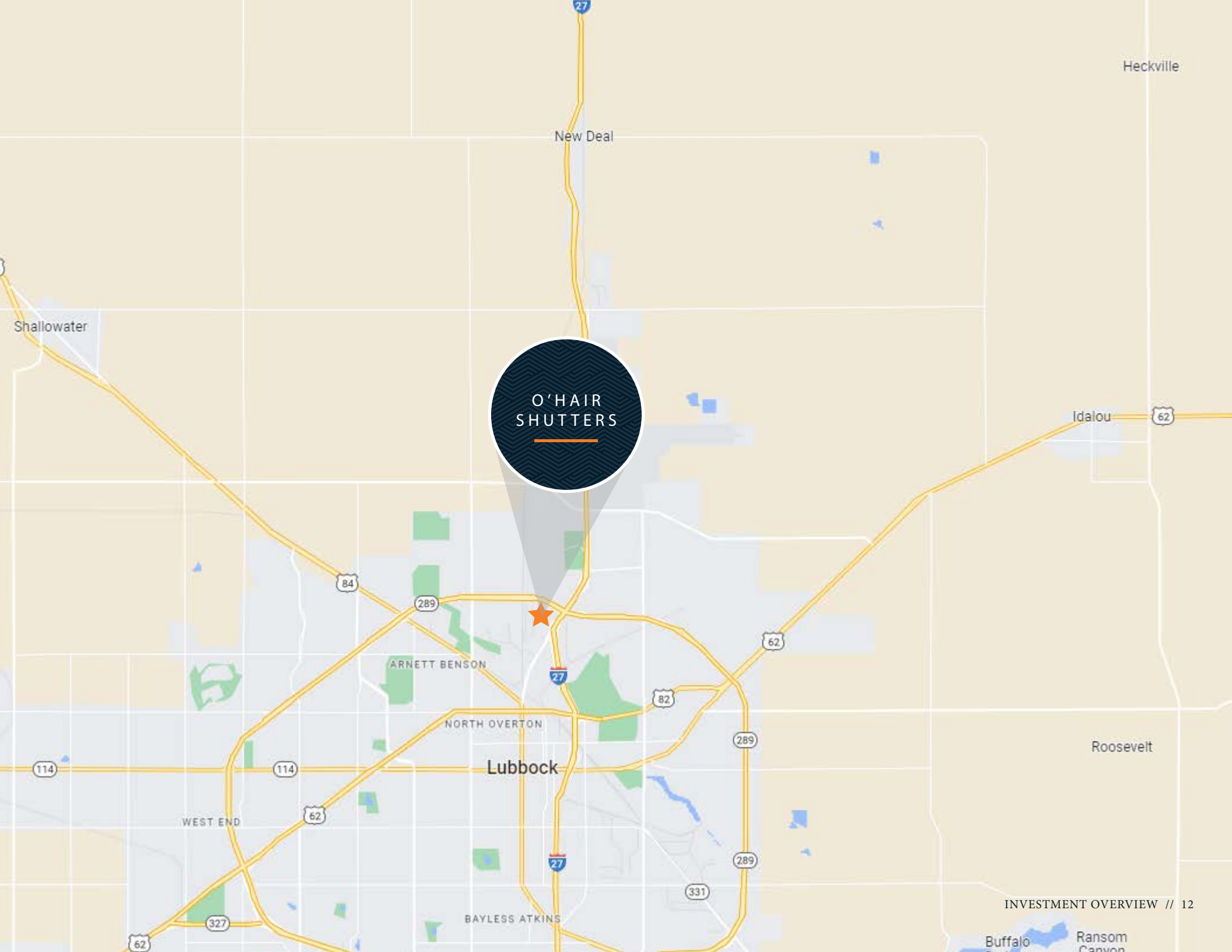
## OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	545,400	3.00	636,300	3.50
Expense Reimbursement Income				
Net Lease Reimbursement				
Insurance	54,540	0.30	54,540	0.30
Real estate Taxes	54,196	0.30	54,196	0.30
Total Reimbursement Income	\$108,736	100.0%	\$108,736	100.0%
Effective Gross Revenue	\$654,136	\$3.60	\$745,036	\$4.10

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Insurance	54,540	0.30	54,540	0.30
Real Estate Taxes	54,196	0.30	54,196	0.30
Total Expenses	\$108,736	\$0.60	\$108,736	\$0.60
Expenses as % of EGR	16.6%		14.6%	
Net Operating Income	\$545,400	\$3.00	\$636,300	\$3.50

\*Insurance Expense Estimated



O'HAIR  
SHUTTERS



O'HAIR  
SHUTTERS







## 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

# LUBBOCK TEXAS

---

Home to Texas Tech, one of the largest universities in the state, Lubbock is also the most populous metro in the western Texas and eastern New Mexico region, made up of Crosby, Lubbock and Lynn counties. It contains a population of 329,000 residents. The metro is known for its oil, cotton production, and education and health care sectors. The Midland Basin, which encompasses Lubbock, is one of the largest contiguous oil fields in the United States. Lubbock is also the region's entertainment and cultural hub.



ADVANCED  
TECHNOLOGY



AGRICULTURAL  
PRODUCTION

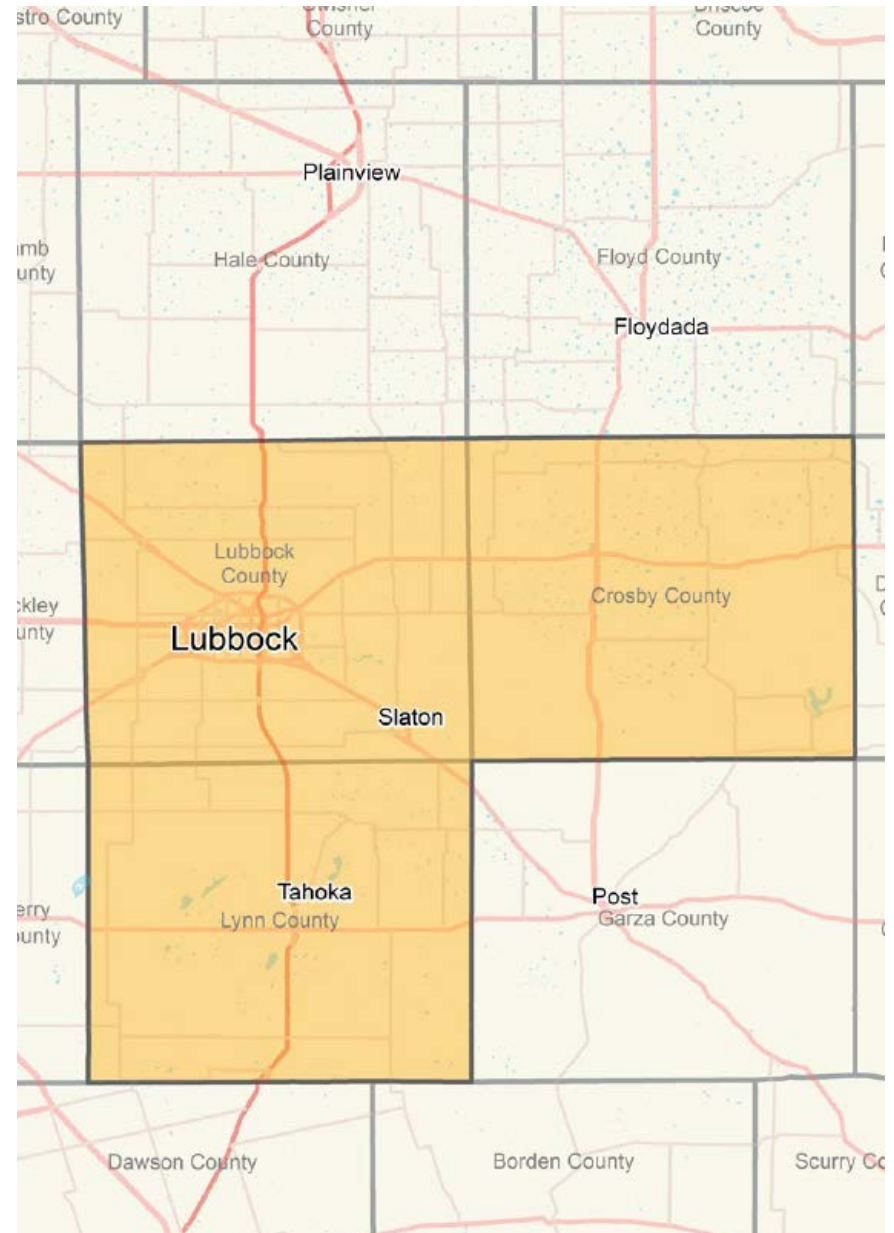


EDUCATIONAL  
INSTITUTIONS

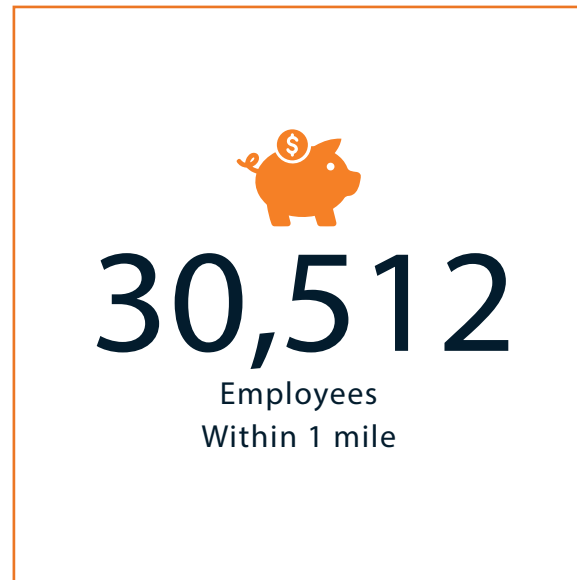
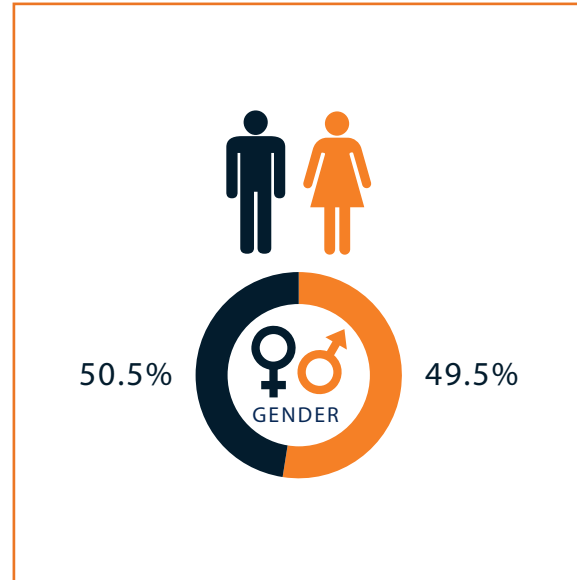
## METROPLEX GROWTH

### ECONOMY

Lubbock is home to Texas Tech University — the largest employer in the metro, with nearly 21,000 jobs. It enrolls more than 40,000 students. Other higher education institutions in the metro are Lubbock Christian University, Wayland Baptist University and South Plains College. The metro's health care industry is also important to the local economy, providing services to the majority of western Texas and eastern New Mexico. Covenant Health is the largest institution, with around 2,500 employees. Grace Clinic and Lubbock Heart Hospital are also located here. Monsanto has built a cotton seed processing facility that contributes to the area's cotton industry, while also bolstering the local economy with higher-paying jobs.



## DEMOGRAPHICS



# DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
<b>2026 Projection</b>			
Total Population	3,928	16,576	67,804
<b>2021 Estimate</b>			
Total Population	3,766	15,865	66,004
<b>2010 Census</b>			
Total Population	3,477	14,577	62,745
<b>2000 Census</b>			
Total Population	3,377	14,870	62,406
<b>Daytime Population</b>			
2021 Estimate	2,668	24,640	114,054
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
<b>2026 Projection</b>			
Total Households	1,328	5,468	22,708
<b>2021 Estimate</b>			
Total Households	1,252	5,144	21,880
Average (Mean) Household Size	3.1	2.9	2.6
<b>2010 Census</b>			
Total Households	1,148	4,673	20,762
<b>2000 Census</b>			
Total Households	1,023	4,547	21,044

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
<b>2021 Estimate</b>			
\$200,000 or More	0.9%	1.4%	1.2%
\$150,000-\$199,999	1.4%	1.7%	1.3%
\$100,000-\$149,999	5.6%	5.3%	5.1%
\$75,000-\$99,999	5.2%	7.3%	6.8%
\$50,000-\$74,999	16.4%	17.3%	14.9%
\$35,000-\$49,999	15.1%	15.8%	14.4%
\$25,000-\$34,999	14.8%	14.1%	14.1%
\$15,000-\$24,999	20.0%	16.4%	17.3%
Under \$15,000	20.6%	20.7%	24.9%
Average Household Income	\$43,957	\$48,035	\$43,890
Median Household Income	\$31,448	\$34,205	\$30,517
Per Capita Income	\$14,687	\$16,316	\$15,998
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
<b>Population By Age</b>			
2021 Estimate Total Population	3,766	15,865	66,004
Under 20	35.3%	30.7%	33.3%
20 to 34 Years	21.3%	21.6%	31.9%
35 to 39 Years	5.9%	6.1%	5.2%
40 to 49 Years	9.1%	11.0%	8.6%
50 to 64 Years	14.9%	16.9%	12.2%
Age 65+	13.4%	13.6%	8.8%
Median Age	29.9	33.1	24.1
<b>Population 25+ by Education Level</b>			
2021 Estimate Population Age 25+	2,126	9,583	31,575
Elementary (0-8)	12.2%	13.2%	15.0%
Some High School (9-11)	15.8%	15.5%	14.6%
High School Graduate (12)	34.0%	35.9%	31.7%
Some College (13-15)	22.1%	21.2%	19.6%
Associate Degree Only	4.1%	4.5%	5.1%
Bachelor's Degree Only	10.1%	6.7%	8.3%
Graduate Degree	1.7%	3.1%	5.8%
<b>Travel Time to Work</b>			
Average Travel Time to Work in Minutes	22.0	20.0	17.0



# 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.

### 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.

<u>MARCUS &amp; MILLICHAP</u>	<u>9002994</u>	<u><a href="mailto:TIM.SPECK@MARCUSMILLICHAP.COM">TIM.SPECK@MARCUSMILLICHAP.COM</a></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><a href="mailto:TIM.SPECK@MARCUSMILLICHAP.COM">TIM.SPECK@MARCUSMILLICHAP.COM</a></u>	<u>972-755-5200</u>
Designated Broker of Firm	License No.	Email	Phone
<u>TIM A. SPECK</u>	<u>432723</u>	<u><a href="mailto:TIM.SPECK@MARCUSMILLICHAP.COM">TIM.SPECK@MARCUSMILLICHAP.COM</a></u>	<u>972-755-5200</u>
Licensed Supervisor of Sales Agent/Associate	License No.	Email	Phone
<u>ADAM ABUSHAGUR</u>	<u>661916</u>	<u><a href="mailto:ADAM.ABUSHAGUR@MARCUSMILLICHAP.COM">ADAM.ABUSHAGUR@MARCUSMILLICHAP.COM</a></u>	<u>972-755-5223</u>
Sales Agent/Associate's Name	License No.	Email	Phone

\_\_\_\_\_  
Buyer/Tenant/Seller/Landlord Initials

\_\_\_\_\_  
Date

# O'HAIR SHUTTERS

2002 NORTH AVENUE N  
LUBBOCK, TX 79403

## PRESENTED BY

---

### ADAM ABUSHAGUR

Senior Managing Director Investments  
Office & Industrial Division  
Dallas Office  
Office (972) 755-5223  
Adam.Abushagur@marcusmillichap.com  
License TX 661916

### DAVIS CAGLE

Associate  
Office & Industrial Division  
Dallas Office  
Office (972) 755-5230  
Davis.Cagle@MarcusMillichap.com  
License: TX 722097

### ASHTON BENNETT

Associate  
Office & Industrial Division  
Dallas Office  
Office (972) 755-5164  
Ashton.Bennett@MarcusMillichap.com  
License: TX 765757

## DEBT CONTACT

---

### DUKE DENNIS

Associate Director  
300 Throckmorton Street, Suite 1500  
Fort Worth, TX 76102  
Tel: 979.777.9910  
Duke.Dennis@MarcusMillichap.com

**Marcus & Millichap**  
TAG INDUSTRIAL GROUP