

Marcus & Millichap
TAG INDUSTRIAL GROUP

355 COUNTY ROAD 142

ALVIN, TX 77511

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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. 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.

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SECTION 1

INVESTMENT OVERVIEW

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OFFERING SUMMARY

- Property Sits in Proximate Access to Major Freeways
- Excess Land for Future Development or Stabilized Yard for Trucking
- Three-Phase Power to Cater to Tenants Needing Higher Power Usage
- 20' Clear Height with Four Grade-Level Doors for Shipping and Distribution
- Tough Barrier-to-Entry Market with a 2.4% Vacancy Rate (Costar)

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 355 County Road 142 in Alvin, Texas. The subject property consists of approximately 52,170 square feet of warehouse space and is situated on 4.93 acres of land. The asset features a clear height of 20', four grade-level doors, and three-phase power. While the property is ideal for shipping and distribution, it can also facilitate tenants with high power needs. With excess land, the property can also sustain future development or be used as a stabilized truck yard. Located in close proximity to major state highways, the property is primely situated within the South Highway 35 Submarket.

Containing 43.7 million square feet of industrial space and stretching from Interstate 610 South Loop to the Gulf of Mexico, South Highway 35 is one of Houston's largest submarkets geographically and by volume. The submarket is anchored by a strong presence of oil and natural gas companies, particularly near the Gulf. With prices of oil and natural gas products hitting historic high levels in 2022, annual net absorption has nearly doubled the five-year average for four consecutive quarters, finishing Q3 at 1.1 million square feet. As a result, vacancy rates dropped within 30 basis points of the lowest level on record to 2.4 percent during Q3. Sitting 340 basis points lower than the metro average, South Highway 35 maintains the lowest vacancy rate among all of Houston's 29 submarkets. Tight supply helped push market rent growth up to 5.1 percent year-over-year in Q3. Market rents now average about \$7.80 per square foot, offering tenants a slight discount compared to the overall market. While a record 1.6 million square feet of industrial space is currently under construction, the new supply represents just 3.7 percent of inventory (CoStar). With oil and natural gas prices poised to benefit from global inflation, this new development should be easily absorbed as vacancies usually fall when prices rise.

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

355 COUNTY ROAD 142,
ALVIN, TX 77511

Number of Suites	1
Number of Buildings	1
Total Square Feet	52,170
Year Built	1983/1989
Lot Size	4.93 Acres
Type of Ownership	Fee Simple
Clear Height	20'
Parking Surface	Asphalt
Building Class	C
Tenancy	Owner-User
Grade Level Doors	4 tot./12'w x 12'h
Construction	Metal
Power	3 Phase
Roof Type	Pitched Metal
Market	Houston
Submarket	South Hwy 35
Market Vacancy	2.20%





OFFERING HIGHLIGHTS

355 COUNTY ROAD 142

ALVIN, TX 77511

OFFERING PRICE
\$1,650,000

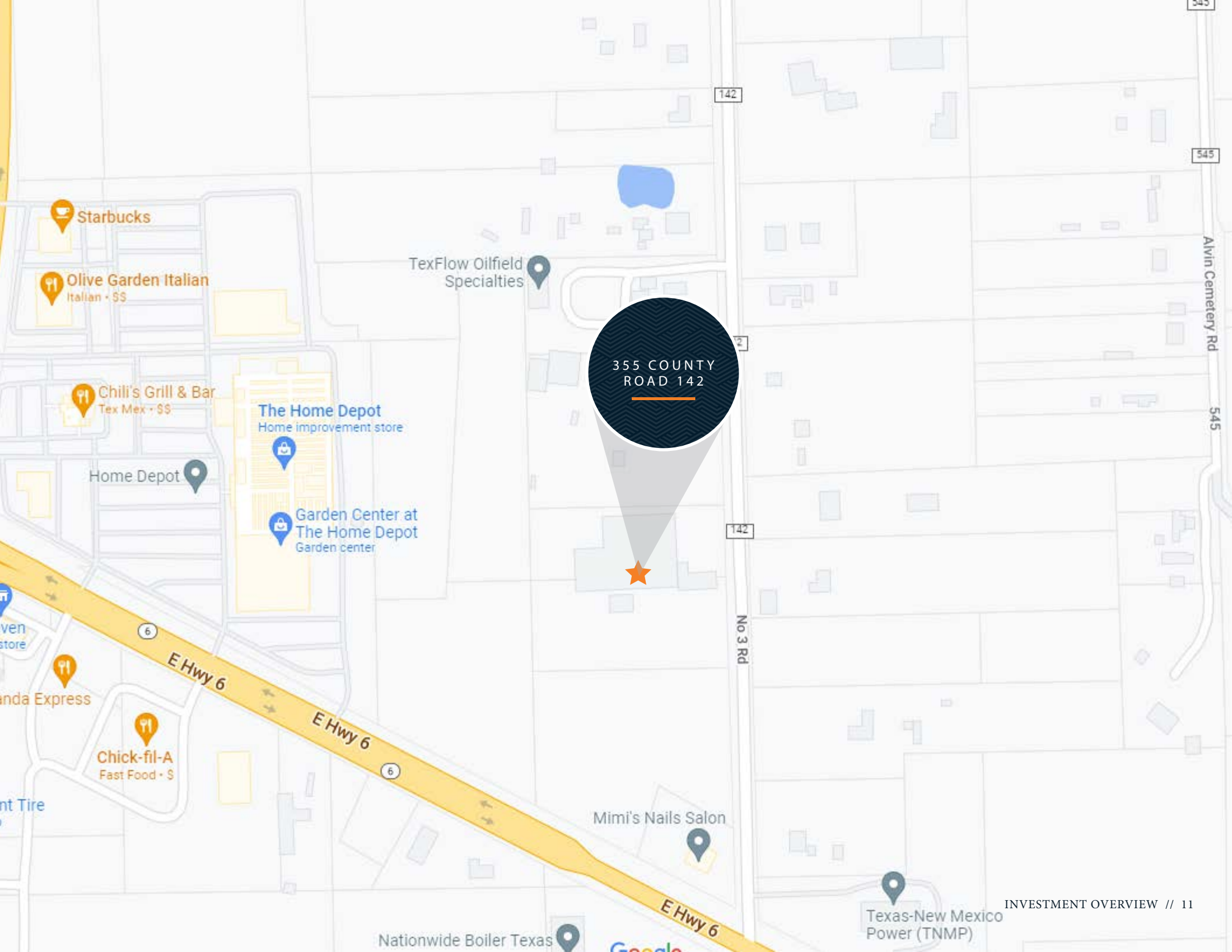
PRO-FORMA CAP RATE
11.07%

Offering Price	\$1,650,000
Pro-Forma Cap Rate	11.07%
Price/SF	\$31.63
Total Square Feet	52,170
Rental Rate	\$3.50
Tenancy	Owner-User
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: ZAD0040402)

OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	0	0.00	182,595	3.50
Expense Reimbursement Income				
Net Lease Reimbursement				
Insurance	0	0.00	19,240	0.37
Real estate Taxes	0	0.00	17,521	0.34
Total Reimbursement Income	\$0 0.0%	\$0.00	\$36,761 100.0%	\$0.70
Effective Gross Revenue	\$0	\$0.00	\$219,356	\$4.20
Operating Expenses	Current	Per SF	Pro Forma	Per SF
Insurance	19,240	0.37	19,240	0.37
Real Estate Taxes	17,521	0.34	17,521	0.34
Total Expenses	\$36,761	\$0.70	\$36,761	\$0.70
Expenses as % of EGR	0.0%		16.8%	
Net Operating Income	-\$36,761	(\$0.70)	\$182,595	\$3.50



355 COUNTY
ROAD 142





355 COUNTY
ROAD 142

No 3 Rd

142

142

358



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

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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

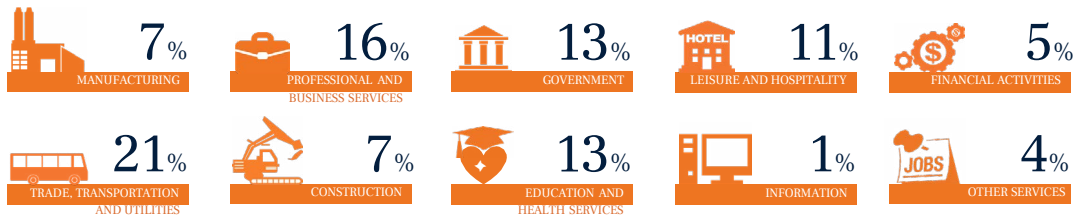


LOW COST OF LIVING,
DOING BUSINESS

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

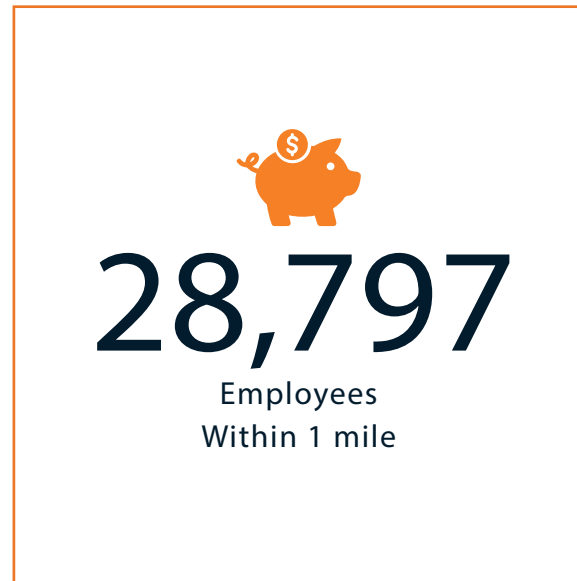
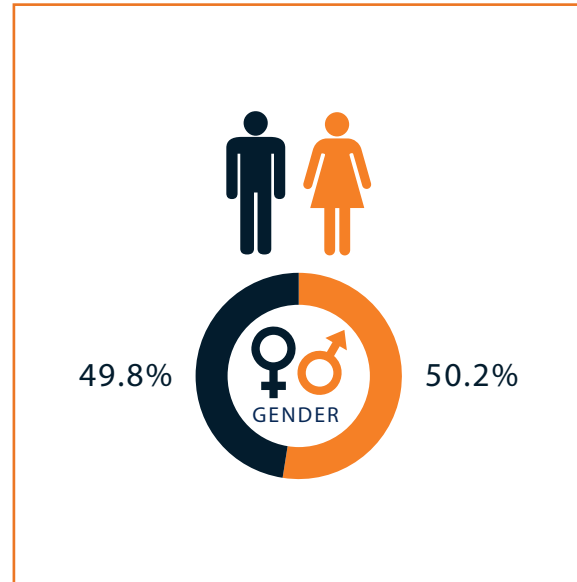
The Houston metro is expected to add 720,700 people through 2025, translating to the formation of roughly 263,600 households, generating demand for housing. The homeownership rate of 61 percent slightly trails the national rate of 64 percent. The median home price of roughly \$282,000 is \$40,000 below 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



DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Population	2,557	30,271	57,839
2022 Estimate			
Total Population	2,403	28,003	53,126
2010 Census			
Total Population	2,125	23,830	44,247
2000 Census			
Total Population	1,602	21,523	39,164
Daytime Population			
2022 Estimate	3,383	28,655	46,359
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Households	927	11,133	20,478
2022 Estimate			
Total Households	873	10,285	18,762
Average (Mean) Household Size	2.7	2.8	2.8
2010 Census			
Total Households	770	8,656	15,422
2000 Census			
Total Households	561	7,917	13,593

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2022 Estimate			
\$200,000 or More	2.7%	4.0%	7.9%
\$150,000-\$199,999	3.5%	5.1%	8.1%
\$100,000-\$149,999	13.8%	17.4%	20.6%
\$75,000-\$99,999	10.7%	13.8%	13.8%
\$50,000-\$74,999	25.1%	18.5%	16.4%
\$35,000-\$49,999	15.2%	13.5%	11.0%
\$25,000-\$34,999	9.0%	8.8%	7.5%
\$15,000-\$24,999	10.6%	10.1%	7.8%
Under \$15,000	9.4%	8.8%	7.0%
Average Household Income	\$66,792	\$79,221	\$102,077
Median Household Income	\$53,629	\$59,573	\$75,633
Per Capita Income	\$24,269	\$29,110	\$36,059
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2022 Estimate Total Population	2,403	28,003	53,126
Under 20	29.6%	27.4%	27.0%
20 to 34 Years	24.8%	23.3%	21.1%
35 to 39 Years	7.7%	7.2%	6.9%
40 to 49 Years	12.8%	12.3%	13.0%
50 to 64 Years	14.2%	16.2%	18.2%
Age 65+	10.9%	13.7%	13.7%
Median Age	32.6	34.6	36.4
Population 25+ by Education Level			
2022 Estimate Population Age 25+	1,530	18,415	35,242
Elementary (0-8)	9.3%	7.5%	6.6%
Some High School (9-11)	10.7%	10.4%	8.8%
High School Graduate (12)	30.6%	29.3%	27.4%
Some College (13-15)	27.2%	26.4%	25.6%
Associate Degree Only	8.0%	9.5%	9.3%
Bachelor's Degree Only	10.3%	12.0%	15.6%
Graduate Degree	3.9%	4.8%	6.6%
Travel Time to Work			
Average Travel Time to Work in Minutes	31.0	33.0	34.0



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.

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Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date

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