

Marcus & Millichap
TAG INDUSTRIAL GROUP

FREIGHT WORLD
5202-5240 SOUTH 38TH STREET
SAINT LOUIS, MO 63116

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.

© 2024 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: ZAF0370093

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.

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

FREIGHT WORLD
5206 SOUTH 38TH STREET
SAINT LOUIS, MO 63116

PRESENTED BY

TYLER SHARP

Vice President of Investments
Office & Industrial Division
Chicago Office
Office (312) 327-5446
Tyler.Sharp@MarcusMillichap.com
License: IL 475.177869

ADAM ABUSHAGUR

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

BROKER OF RECORD

DAVID SAVERIN

Missouri Broker of Record
7800 Forsyth Boulevard, Suite 710
St. Louis, MO 63105
Tel: (314) 889-2500
David.Saverin@MarcusMillichap.com
License #: 2008013520

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

- 57,900-Square-Foot Distribution Warehouse Situated on 1.39 Acres
- Features Five Dock Doors, Masonry Construction, and 16' Clear Height
- Located One Mile From I-55, 13-Minute Drive to Downtown Saint Louis
- Leased to 3PL Freight World Through 12/2025, Creating Lease-Up Opportunity
- Tight Barrier-to-Entry Submarket with 0.1% Vacancy Among Comparables

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 5202 to 5240 South 38th Street in Saint Louis, Missouri, leased to Freight World, LLC. The subject property consists of approximately 57,900 square feet of warehouse space and is situated on 1.39 acres of land. The single-tenant asset features a clear height of 16', five dock-high doors, and masonry construction. Located just one mile West of Interstate 55 and 13 minutes driving from Downtown Saint Louis, the property is ideal for storage and distribution with easy access to major thoroughfares. The modified gross lease with Freight World runs through December 2025, providing buyers with an owner-user, renewal, or lease-up opportunity. Established in 2017, Freight World offers a variety of shipping services, such as third-party logistics warehousing, container loading and unloading, and refrigerated trucks.

The subject property is located in Saint Louis City South, a large submarket containing 36 million square feet of industrial space. As one of Saint Louis' original industrial hubs, 84 percent of the inventory was developed prior to 1979. In 2023, the vacancy rate in Saint Louis City South bucked the national trend and dropped to a record low of 2.5 percent as demand outpaced supply, hitting nearly 415,000 square feet. Among comparable properties between 50,000 and 60,000 square feet, vacancies were largely non-existent last year at just 0.1 percent. Despite the historic tight supply, asking rent growth across Saint Louis City South slowed down by 250 basis points to 4.6 percent. During the first quarter of 2024, only 340,000 square feet of industrial space were under construction, all of which were concentrated in properties over 100,000 square feet (CoStar). As the economy continues to face the impact of the highest interest rate environment in two decades, Saint Louis City South may act as safe haven in the near term for industrial investors seeking protection from high vacancy rates.

The Saint Louis metro is near the geographic center of the United States, within 500 miles of one-third of the U.S. population. About 2.8 million people call the metro area home, with Saint Louis hosting over 319,000 residents. Located at the confluence of the Mississippi and Missouri rivers, the metro area encompasses counties in both Missouri and Illinois. The economy of Saint Louis is anchored by the logistics industry, with trade, transportation, and utilities accounting for the largest share of employment. 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. The Gateway Arch continues to serve as a major tourist attraction and residents enjoy a high quality of life with a variety of entertainment options.

PROPERTY DETAILS

FREIGHT WORLD

5202-5240 SOUTH 38TH STREET, SAINT LOUIS, MO 63116

Number of Suites	1
Number of Buildings	1
Total Square Feet	57,900
Year Built	1942/1970
Lot Size	1.39 Acres
Type of Ownership	Fee Simple
Clear Height	16'; Certain Portions are Higher that Allow for Racking
Parking Spaces	+/-22
Parking Surface	Asphalt
Building Class	C
Tenancy	Single
Dock High Doors	5
Grade Level Doors	1
Sprinklers	Yes
Construction	Masonry
Power	1 Phase
Zoning	Industrial
Roof Type	Single Ply Rolled Roof, 1.5 Inch SPF (Sprayed Polyurethane Foam)
Age/Condition of Roofs	Approximately 60% Repaired in 2023, 15-Year Warranty
Market	Saint Louis
Submarket	Saint Louis City South
Submarket Vacancy	2.90%



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. © 2024 Marcus & Millichap. All rights reserved. (Activity ID: ZAF0370093)

FREIGHT WORLD

5202-5240 SOUTH 38TH STREET, SAINT LOUIS, MO 63116

OFFERING PRICE
\$2,000,000

CAP RATE
9.50%

Offering Price	\$2,000,000
Cap Rate	9.50%
Price/SF	\$34.54
Total Square Feet	57,900
Rental Rate	\$3.87
Lease Type	Modified Gross
WALT	1.82
Rental Increases	3%
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. © 2024 Marcus & Millichap. All rights reserved. (Activity ID: ZAF0370093)

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	Lease Type	Renewal Options and Option Year Rental Information
Freight World, LLC	5206	57,900	100.0%	6/1/23	1/1/26	\$3.87	\$18,680	\$224,160	\$224,160	Modified Gross	Tenant has No Renewal Options
Total		57,900				\$3.87	\$18,680	\$224,160	\$224,160		
Occupied Tenants: 1				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%			
Total Current Rents: \$18,680						Occupied Current Rents: \$18,680		Unoccupied Current Rents: \$0			

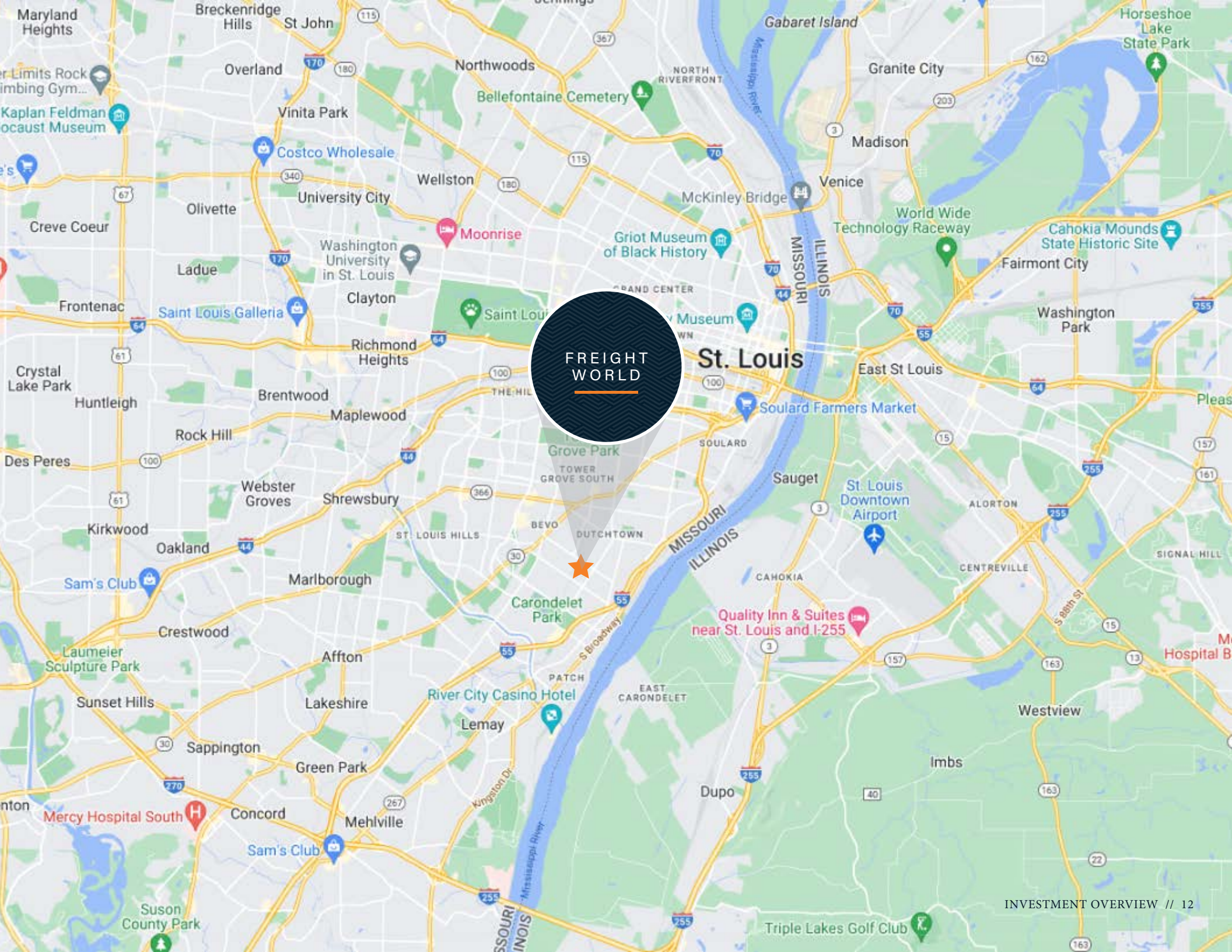
Notes: Underwriting to the 8/1/2024 rent increase. Seller will credit difference in rent at close. Tenant is responsible for reimbursement of repairs and maintenance other than roof and exterior structure.



OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF	Notes
Scheduled Base Rental Income	224,160	3.87	224,160	3.87	
Expense Reimbursement Income					
Net Lease Reimbursement					
Total Reimbursement Income	\$0	0.0%	\$0	0.0%	\$0.00
Effective Gross Revenue	\$224,160	\$3.87	\$224,160	\$3.87	

Operating Expenses	Current	Per SF	Pro Forma	Per SF	
Repairs & Maintenance	13,896	0.24	13,896	0.24	Assuming \$.25/ft. R&M Reserves Tenant is Responsible for Increase if Increase is Due to Tenant's Use Tenant Pays Increase Over Base Year - 2023
Insurance	8,820	0.15	8,820	0.15	
Real Estate Taxes	11,500	0.20	11,500	0.20	
Total Expenses	\$34,216	\$0.59	\$34,216	\$0.59	
Expenses as % of EGR	15.3%		15.3%		
Net Operating Income	\$189,944	\$3.28	\$189,944	\$3.28	



FREIGHT
WORLD



FREIGHT
WORLD



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 2,143 debt and equity financings in 2023



National platform operating within the firm's brokerage offices



\$86.3 billion total national volume in 2023



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

ST. LOUIS MISSOURI

Known for its iconic 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 992,300 people. The city of St. Louis contains around 300,000 citizens and is the only city in the metro with a population of more than 100,000 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 set to be completed in 2025. St. Louis is also home to the Federal Reserve Bank of St. Louis.



CENTRAL
LOCATION



EXCELLENT
TRANSPORTATION
SYSTEM

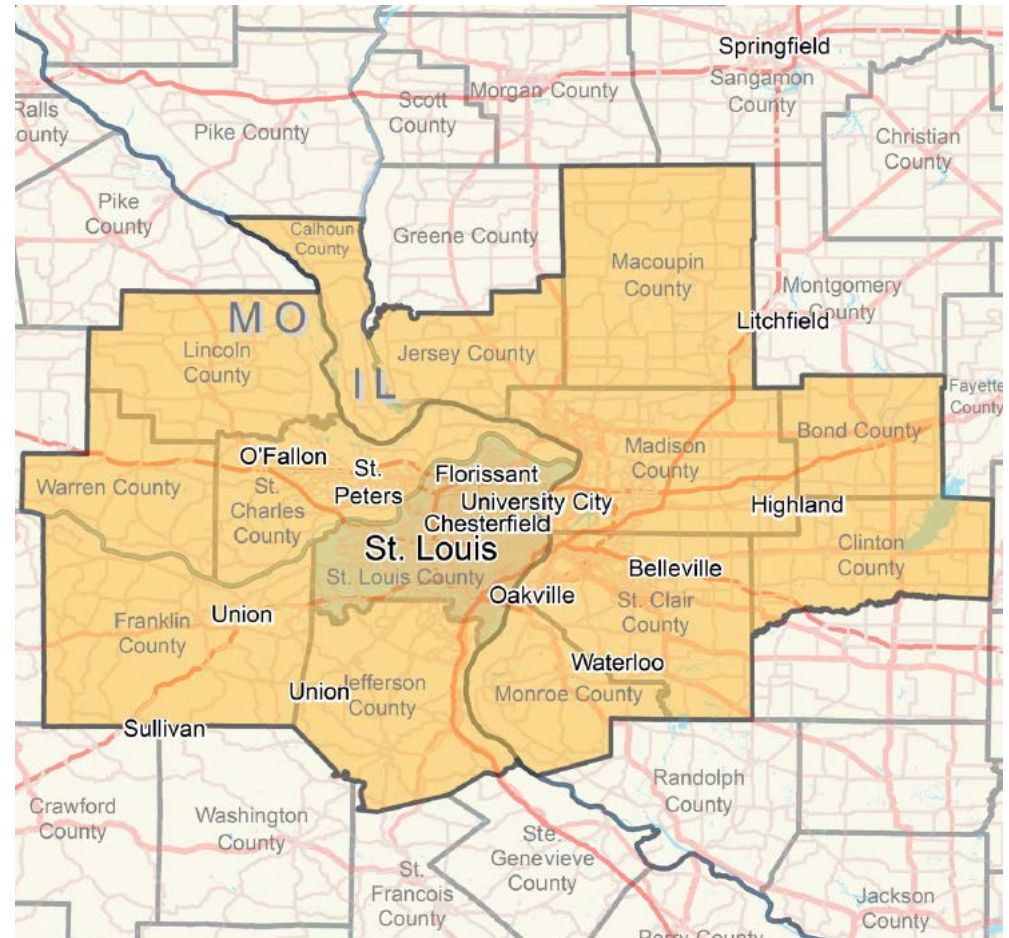
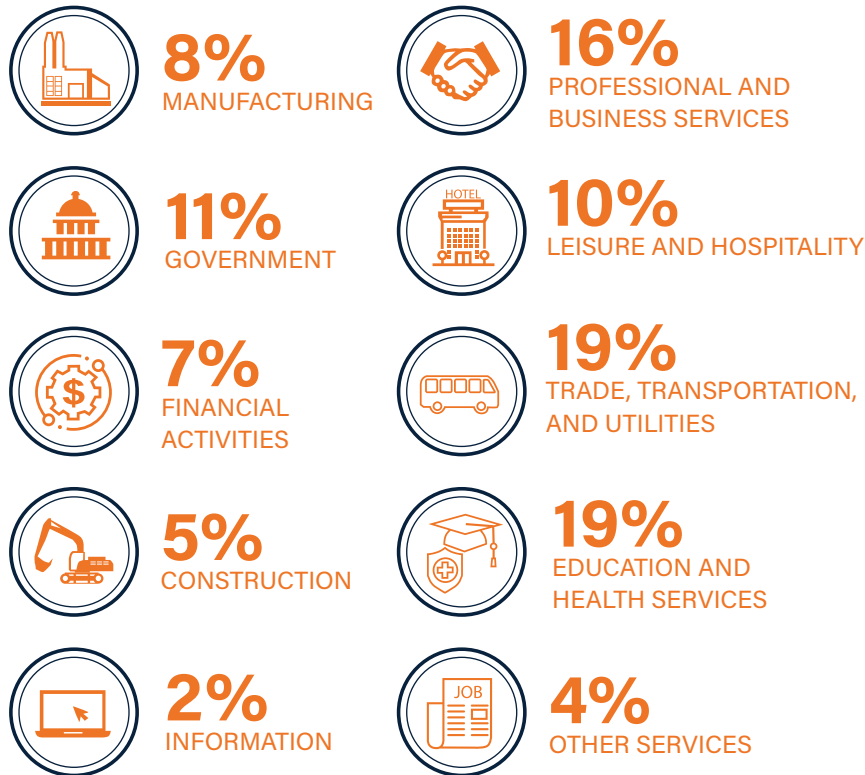


AFFORDABLE
COST-OF-LIVING

METROPLEX GROWTH

ECONOMY

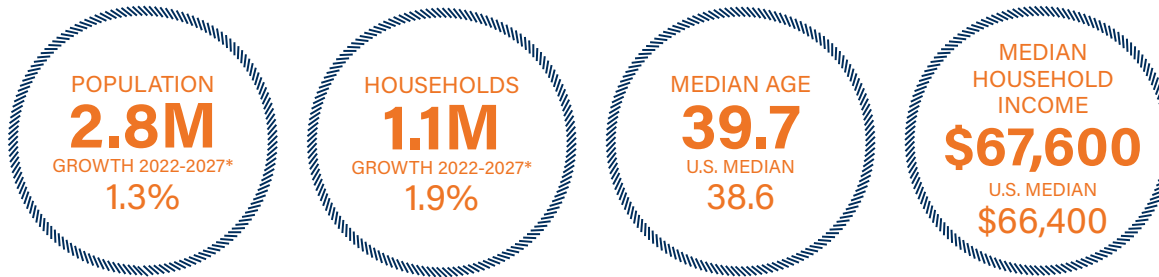
St. Louis is highly ranked for its logistics infrastructure, bolstered by its central location and easy access to major waterways. It is a significant inland port. The region is emerging as a large financial services center, with seven Fortune 500 companies headquartered there: Centene Corp., Emerson Electric, Reinsurance Group of America, Jones Financial, Olin, Ameren and Graybar Electric. Government entities pursue business development and provide resources for startups, along with incubators, with guidance and low-cost office and lab space.



METROPLEX GROWTH

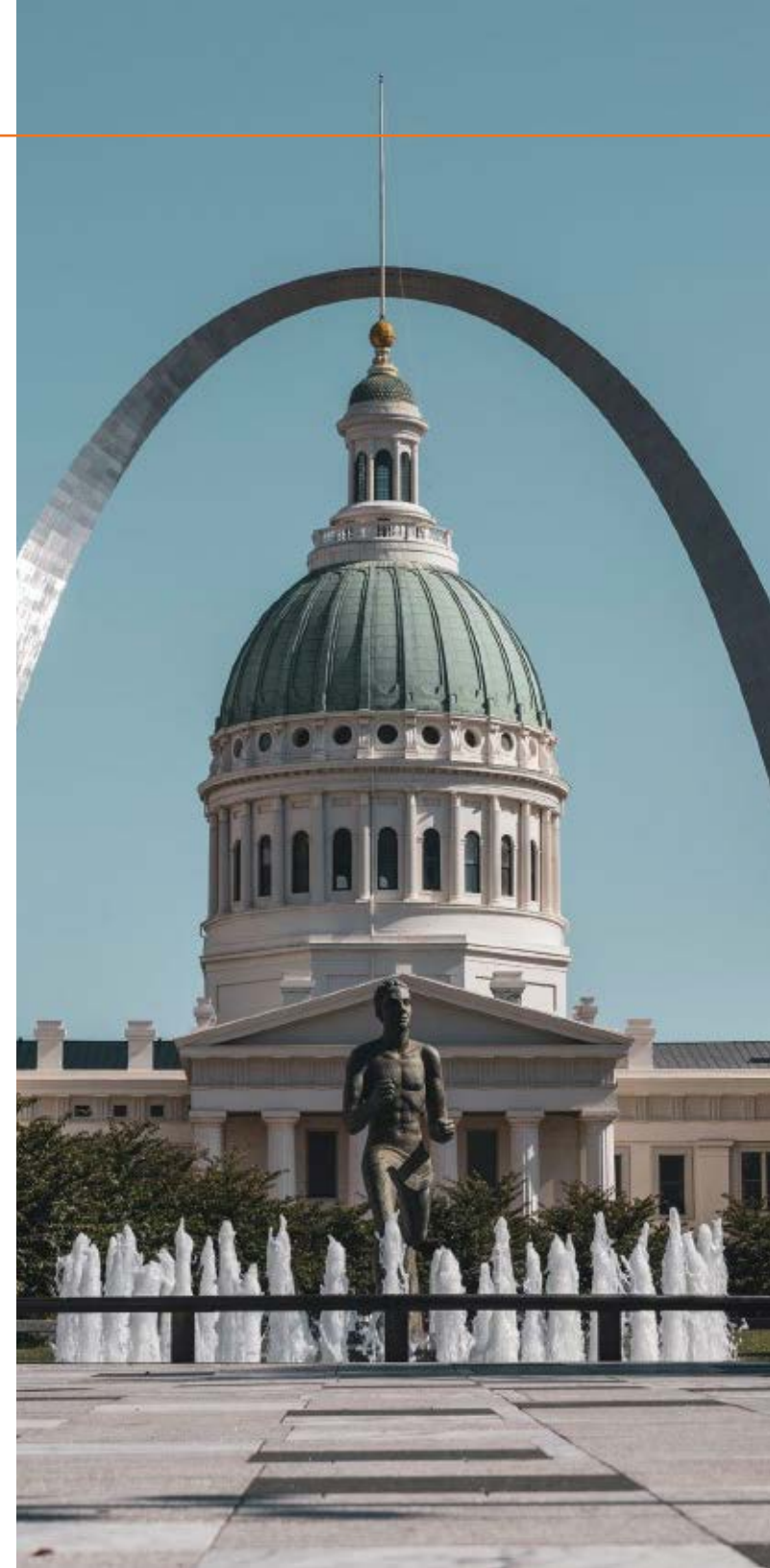
DEMOGRAPHICS

The metro is expected to add more than 36,400 people through 2027, which will result in the formation of approximately 20,900 households. A median home price below the national level has produced a homeownership rate of over 69 percent, which is well above the national rate of 64 percent. Roughly 34 percent of people ages 25 and older hold bachelor's degrees; 14 percent have also earned a graduate or professional degree.



QUALITY OF LIFE

The metro boasts numerous public and private golf courses, more than 100 parks, 200 miles of trails and the Gateway Arch National Park. Many of St. Louis' top attractions — including the Saint Louis Zoo, the Saint Louis Art Museum, the Missouri History Museum and the Municipal Opera — are located in Forest Park. The park features golf courses and athletic fields. The St. Louis Cardinals and the St. Louis Blues are housed in nearby downtown. Lake of the Ozarks is within driving distance, offering destinations for hunting, fishing, camping, hiking and spelunking. There are more than 40 colleges, universities and technical schools in the metro, enrolling around 200,000 students a year. Washington University in St. Louis is highly ranked among U.S. universities.



DEMOGRAPHICS



293,660

Total Population
Within 5 Miles



\$72,862

Average Household Income
Within 5 Miles



139,676

Employees
Within 1 Mile

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Population	25,853	143,599	291,302
2022 Estimate			
Total Population	26,048	145,668	293,660
2010 Census			
Total Population	26,774	150,289	300,151
2000 Census			
Total Population	28,888	163,585	315,007
Daytime Population			
2022 Estimate	14,596	101,568	341,463
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Households	10,940	64,886	134,918
2022 Estimate			
Total Households	10,980	65,281	134,801
Average (Mean) Household Size	2.4	2.2	2.1
2010 Census			
Total Households	11,262	67,366	136,816
2000 Census			
Total Households	12,067	70,260	138,982

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2022 Estimate			
\$200,000 or More	1.3%	3.0%	3.8%
\$150,000-\$199,999	4.2%	5.0%	4.9%
\$100,000-\$149,999	9.3%	10.9%	11.7%
\$75,000-\$99,999	12.4%	12.1%	12.5%
\$50,000-\$74,999	19.2%	20.4%	19.7%
\$35,000-\$49,999	15.9%	15.0%	14.2%
\$25,000-\$34,999	11.8%	10.6%	10.2%
\$15,000-\$24,999	10.7%	9.1%	9.1%
Under \$15,000	15.3%	13.8%	13.8%
Average Household Income	\$60,248	\$70,062	\$72,862
Median Household Income	\$46,084	\$51,528	\$52,868
Per Capita Income	\$25,446	\$31,524	\$33,788
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2022 Estimate Total Population	26,048	145,668	293,660
Under 20	23.1%	21.1%	20.6%
20 to 34 Years	23.8%	25.4%	26.1%
35 to 39 Years	8.4%	8.5%	8.1%
40 to 49 Years	12.8%	12.7%	11.8%
50 to 64 Years	19.2%	18.4%	18.3%
Age 65+	12.8%	13.9%	15.1%
Median Age	36.8	37.0	36.9
Population 25+ by Education Level			
2022 Estimate Population Age 25+	18,712	107,482	215,033
Elementary (0-8)	5.0%	4.7%	3.6%
Some High School (9-11)	8.8%	7.7%	6.7%
High School Graduate (12)	30.4%	25.8%	23.8%
Some College (13-15)	22.2%	20.8%	20.8%
Associate Degree Only	7.8%	6.6%	6.3%
Bachelor's Degree Only	16.4%	20.0%	22.0%
Graduate Degree	9.4%	14.3%	16.8%
Travel Time to Work			
Average Travel Time to Work in Minutes	29.0	27.0	26.0

FREIGHT WORLD

5206 SOUTH 38TH STREET
SAINT LOUIS, MO 63116

PRESENTED BY

TYLER SHARP

Vice President of Investments
Office & Industrial Division
Chicago Office
Office (312) 327-5446
Tyler.Sharp@MarcusMillichap.com
License: IL 475.177869

ADAM ABUSHAGUR

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

BROKER OF RECORD

DAVID SAVERIN

Missouri Broker of Record
7800 Forsyth Boulevard, Suite 710
St. Louis, MO 63105
Tel: (314) 889-2500
David.Saverin@MarcusMillichap.com
License #: 2008013520

Marcus & Millichap
TAG INDUSTRIAL GROUP