

Marcus & Millichap  
TAG INDUSTRIAL GROUP

902 SAN PEDRO AVENUE &  
408 WEST LAUREL STREET

SAN ANTONIO, TX 78212



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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.

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TAG INDUSTRIAL GROUP

OFFICES THROUGHOUT THE U.S. AND CANADA  
[www.marcusmillichap.com](http://www.marcusmillichap.com)

902 SAN PEDRO AVENUE &  
408 WEST LAUREL STREET  
SAN ANTONIO, TX 78212

PRESENTED BY

---

**ERNESTO MELGAR CAMPOS**

Associate  
Office & Industrial Division  
San Antonio Office  
Office (210) 343-7817  
Ernesto.MelgarCampos@MarcusMillichap.com  
License: TX 788700

**TYLER RANFT**

Senior Associate  
Office & Industrial Division  
Austin Office  
Office (512) 338-7883  
Tyler.Ranft@MarcusMillichap.com  
License: TX 732964

**ADAM ABUSHAGUR**

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

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Market Analysis • Demographic Analysis

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The background of the slide is a dark, blue-toned photograph of an industrial interior. It features a complex network of steel beams, girders, and hanging industrial lights, creating a sense of depth and structure.

## SECTION 1

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### INVESTMENT OVERVIEW

Marcus & Millichap

## OFFERING SUMMARY

- Vacant 4,992-Square-Foot Flex Asset Situated on 0.38 Acres
- Features 10' Clear Height, One Grade Door, Heavy Power, and Adjacent 0.13 Acre Parking Lot
- Corner Lot with Frontage on San Pedro Avenue | +17,000 Annual Average Daily Traffic (TxDot)
- Formerly Occupied by City Motor Supply, Ideal for Owner Use or Lease-Up
- Located in High-Growth North Central Submarket with 3.7% Vacancy Among Comparables

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 902 San Pedro Avenue in San Antonio, Texas. The subject property consists of approximately 4,992 square feet of flex space and is situated on 0.38 acres of land. The single-tenant asset features a clear height of  $\pm 10'$ , one grade-level door, and three-phase power with 200 amps and 120 to 208 volts. Adjacent to the masonry building is an included 0.13-acre concrete lot with 22 parking spaces. With frontage along San Pedro Avenue, the corner lot property is accessible to 17,000 commuters who drive by each day on average throughout the year (Texas Dept. of Transportation). The property has proximate access to multiple thoroughfares, including Interstates 10 and 35. Located near San Antonio College, the property sits just one mile outside of San Antonio's central business district. Formerly occupied by engine remanufacturer, City Motor Supply, the vacant asset is ideal for industrial use and offers a lease-up investment opportunity.

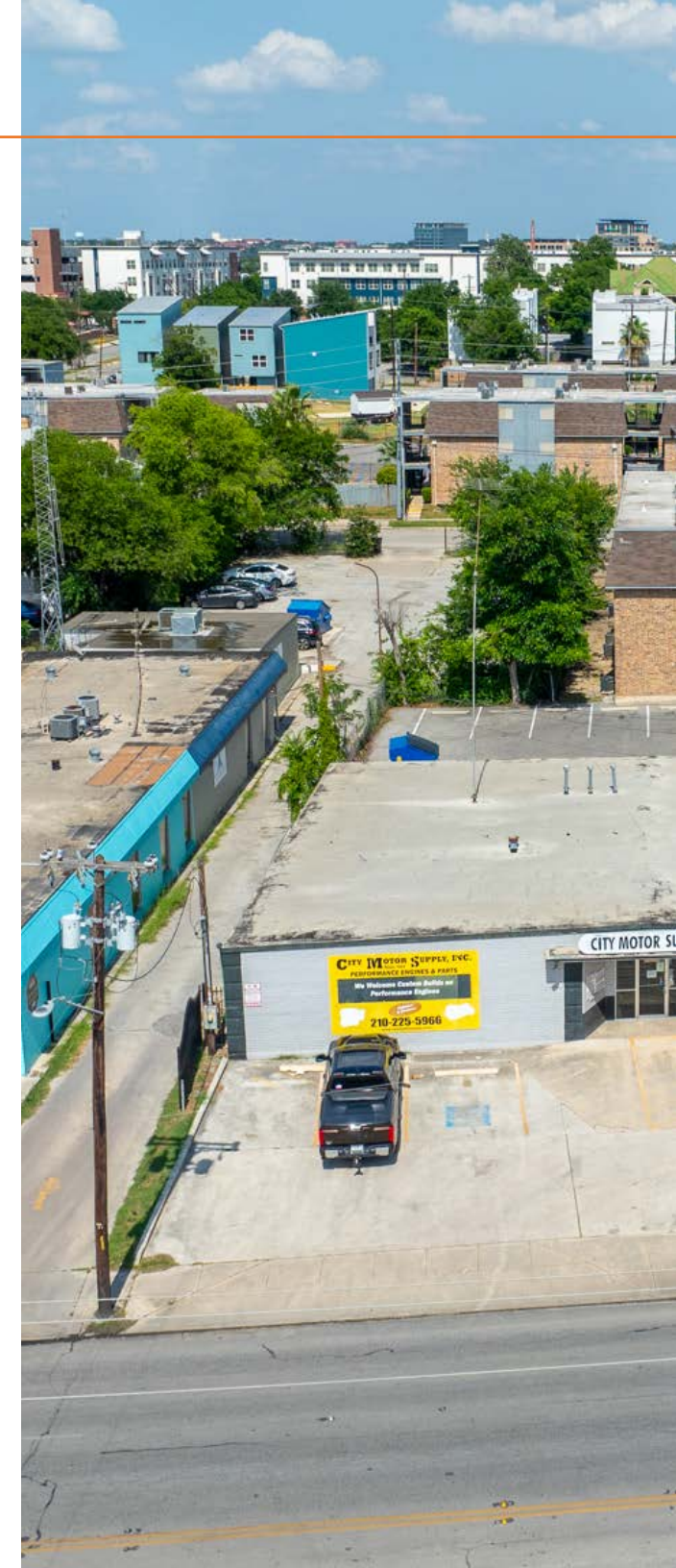
The subject property is primely situated in North Central, a midsize submarket containing 17.2 million square feet of industrial space. Given its proximity to Downtown San Antonio, North Central's industrial inventory essentially experienced no growth over the last decade until the delivery of the 689,000-square-foot Interpark Logistics Center by Stream Realty in Q1 2024. The largest development in North Central increased the vacancy rate by 410 basis points to 7.5 percent in Q1, picking up another 10 basis points toward the end of Q2. However, among comparable properties under 10,000 square feet, the vacancy rate remained low at 3.7 percent. Year-to-date, net absorption across North Central was slightly in negative territory by roughly 52,000 square feet, putting pressure on asking rents. During Q2, annual rent growth slipped to its pre-pandemic trendline of 3.8 percent, down from 5.0 percent in Q1. With only 6,500 square feet of industrial space under construction in North Central, supply will again be a nonfactor on rents and vacancies for the foreseeable future (CoStar).

Home to the Alamo and famous River Walk, San Antonio metro is the primary residence of 2.5 million people. San Antonio is the second most populous city in Texas behind Houston, housing more than 1.5 million residents. The local economy is anchored by the industries of healthcare, tourism, and national defense. An extensive transportation network provides shipping options to domestic and international markets. Additionally, the formation of the Eagle Ford Shale that runs through Atascosa and Wilson counties has cultivated a thriving energy sector. Valero Energy, one of the largest oil companies in the U.S., is headquartered in San Antonio. Major private employers include AT&T, Wells Fargo, USAA, and Toyota. San Antonio offers a high quality of life with a variety of entertainment including the NBA's San Antonio Spurs, SeaWorld, and Six Flags.

## PROPERTY DETAILS

902 SAN PEDRO AVENUE & 408 WEST LAUREL STREET,  
SAN ANTONIO, TX 78212

Number of Suites	1
Number of Buildings	1
Total Square Feet	4,992
Year Built	1962
Lot Size	0.50 Acres
Type of Ownership	Fee Simple
Clear Height	± 10'
Parking Spaces	11
Parking Surface	Concrete
Building Class	C
Tenancy	Single
Grade Level Doors	1
Construction	Masonry
Power	3-Phase 200 Amp 120/208 V
Type of Lighting	Fluorescent
Zoning	C-3
Roof Type	Built-Up
HVAC Units	2
Age/Condition of HVAC	2018
Market	San Antonio
Submarket	North Central
Submarket Vacancy	4.80%



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## OFFERING HIGHLIGHTS

### 902 SAN PEDRO AVENUE & 408 WEST LAUREL STREET

SAN ANTONIO, TX 78212

OFFERING PRICE

**\$700,000**

PRO FORMA CAP RATE

**11.77%**

Offering Price	\$700,000
Pro-Forma Cap Rate	11.77%
Price/SF	\$140.22
Total Square Feet	4,992
Pro Forma Rental Rate	\$16.50
Pro Forma Lease Type	Triple-Net (NNN)
Tenancy	Single
Occupancy	0.00%

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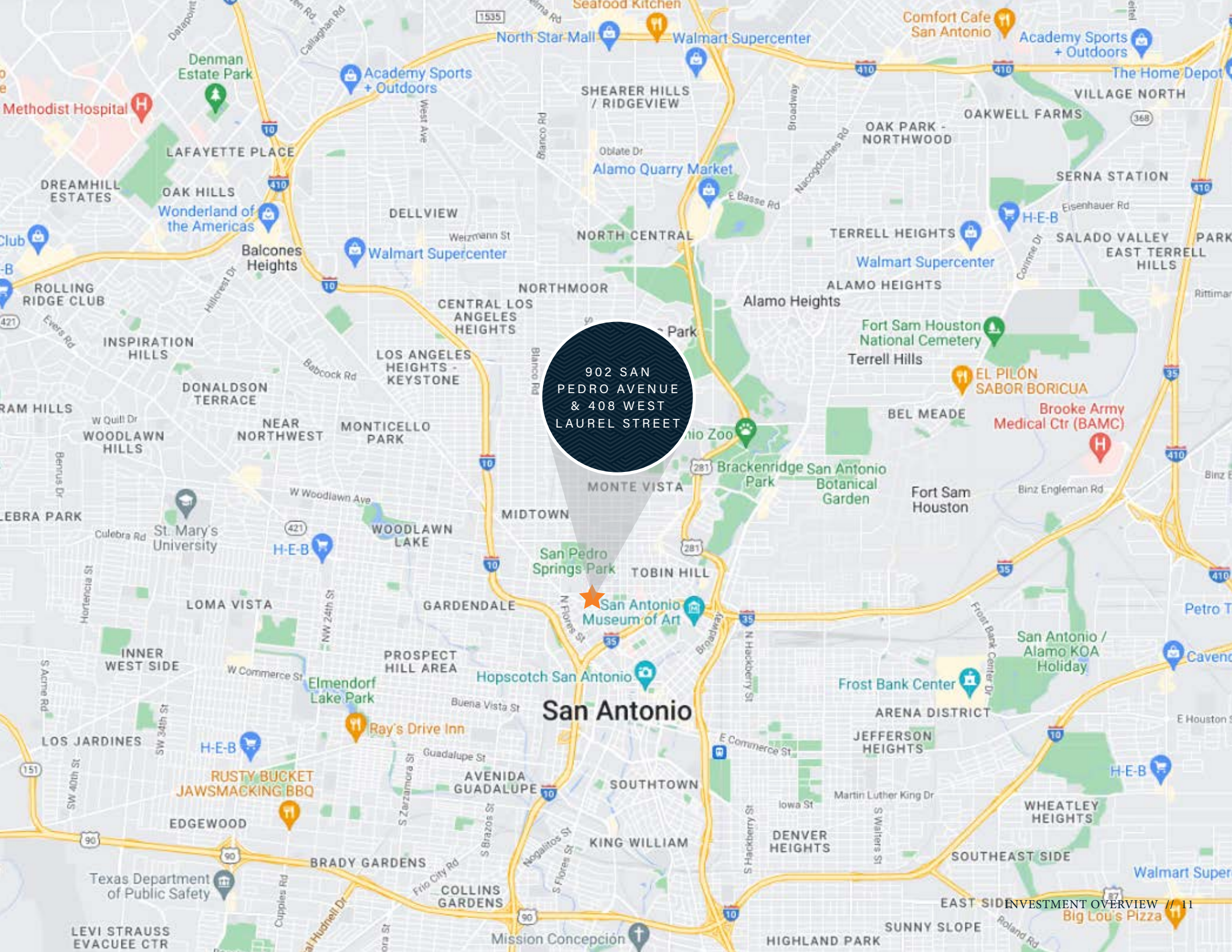
## OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	0	0.00	82,368	16.50
Expense Reimbursement Income				
Net Lease Reimbursement				
Insurance	0	0.00	3,744	0.75
Real Estate Taxes	0	0.00	24,414	4.89
Total Reimbursement Income	\$0 0.0%	\$0.00	\$28,158 100.0%	\$5.64
Effective Gross Revenue	\$0	\$0.00	\$110,526	\$22.14

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Insurance	3,245	0.65	3,744	0.75
Real Estate Taxes	22,193	4.45	24,414	4.89
Total Expenses	\$25,438	\$5.10	\$28,158	\$5.64
Expenses as % of EGR	0.0%		25.5%	
Net Operating Income	-\$25,438	(\$5.10)	\$82,368	\$16.50





902 SAN  
PEDRO AVENUE  
& 408 WEST  
LAUREL STREET

San Antonio

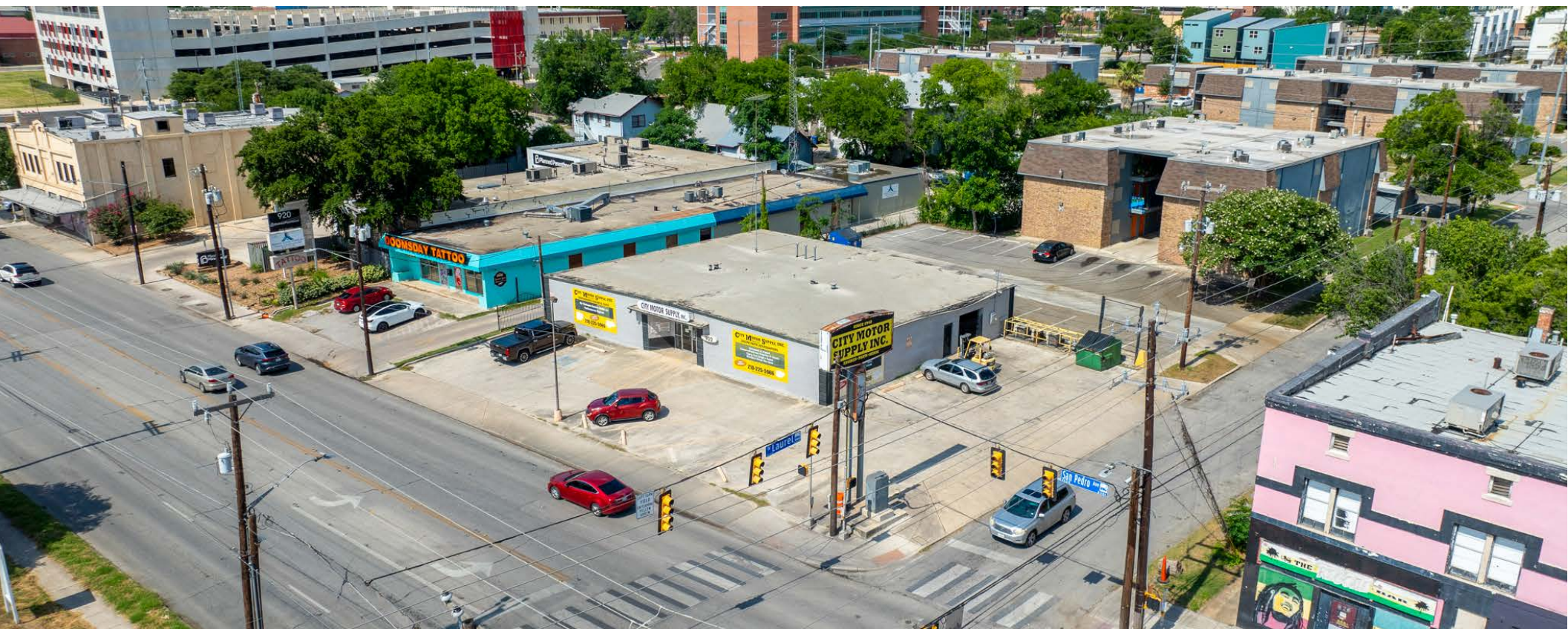




902 SAN  
PEDRO  
AVENUE

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LAUREL  
STREET











## 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

The background of the slide is a dark, blue-toned photograph of an industrial interior. It features a complex network of steel beams, girders, and hanging industrial lights, creating a sense of depth and structure.

## SECTION 2

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### MARKET OVERVIEW

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# SAN ANTONIO TEXAS

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Home to the Alamo and famous River Walk, the San Antonio metro is located in the southern portion of central Texas and straddles the Interstate 35 corridor, one of the fastest-growing areas in the state. The metro encompasses eight counties: Bander, Atascosa, Kendall, Comal, Bexar, Guadalupe, Medina and Wilson. Situated only 160 miles from Nuevo Laredo, Mexico, San Antonio is an easy drive on I-35 from the border and serves as a major gateway between the United States and Mexico. The area is further enhanced by an extensive transportation network that provides shipping options to domestic and international markets, as well as the Eagle Ford Shale formation that runs through Atascosa and Wilson counties. San Antonio is the most populous city in the metro, housing nearly 1.5 million residents. New Braunfels also has a local population above 100,000 citizens.



ROBUST  
JOB CREATION



STRONG POPULATION  
GROWTH



LOW COST-OF-LIVING  
AND DOING BUSINESS



## METROPLEX GROWTH

### ECONOMY

The Eagle Ford Shale deposit has contributed to the diversification of jobs into the energy sector. Valero's corporate headquarters are here, as well as firms like NuStar Energy. Lackland Air Force Base, Randolph Air Force Base, Fort Sam Houston and Camp Bullis are among the myriad military installations located in the metro. An important component of the health care industry is South Texas Medical Center — a conglomerate of hospitals, clinics and research, as well as higher education facilities.



**5%**  
MANUFACTURING



**14%**  
PROFESSIONAL AND  
BUSINESS SERVICES



**16%**  
GOVERNMENT



**12%**  
LEISURE AND HOSPITALITY



**9%**  
FINANCIAL  
ACTIVITIES



**18%**  
TRADE, TRANSPORTATION,  
AND UTILITIES



**5%**  
CONSTRUCTION



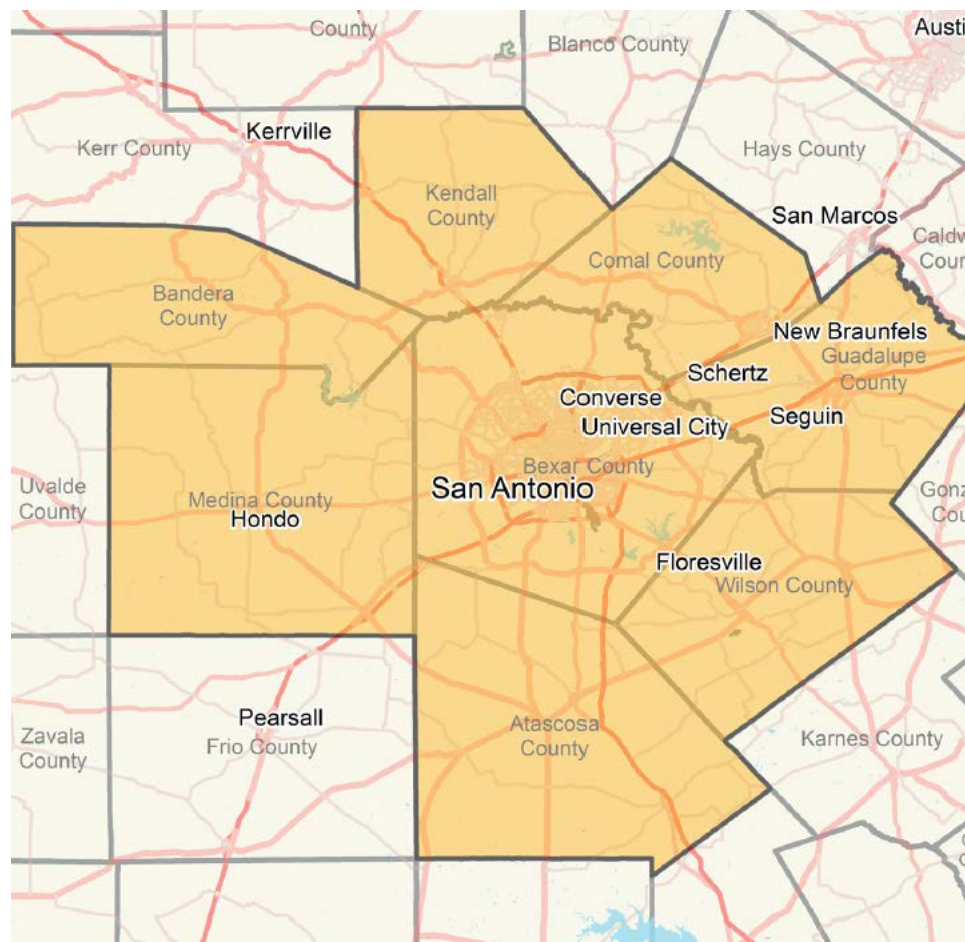
**15%**  
EDUCATION AND  
HEALTH SERVICES



**2%**  
INFORMATION



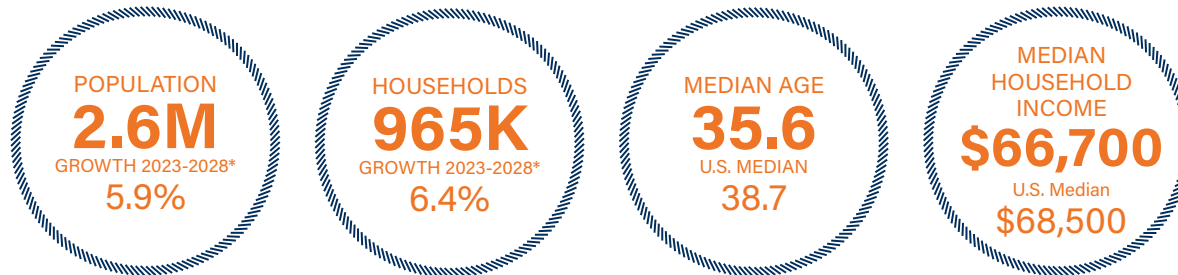
**4%**  
OTHER SERVICES



## METROPLEX GROWTH

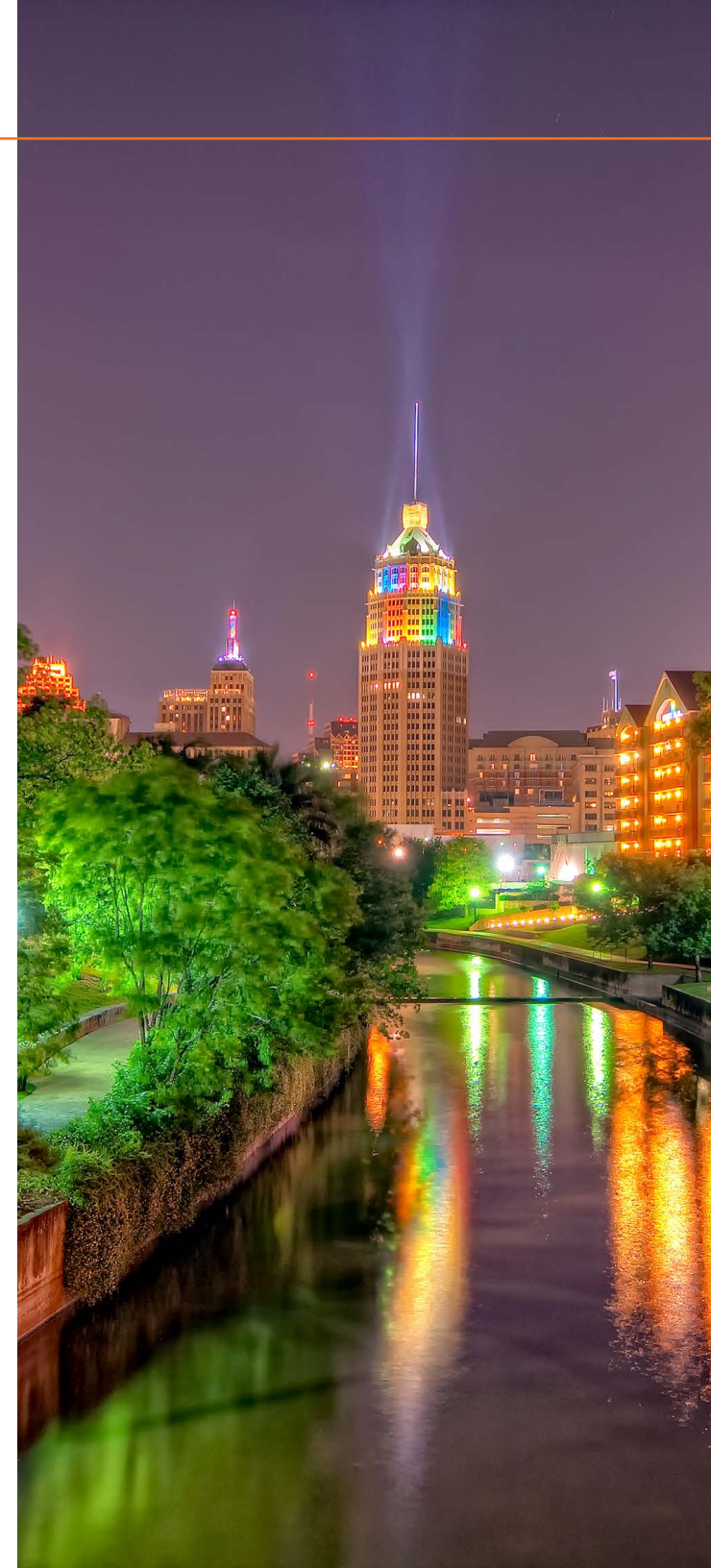
### DEMOGRAPHICS

The metro is expected to add more than 153,000 people through 2028, resulting in the formation of roughly 62,000 households. A relatively youthful population contributes to a homeownership rate of 63 percent, which is slightly below the national rate of 64 percent. Roughly 28 percent of residents ages 25 and older hold a bachelor's degree; 10 percent of residents have also earned a graduate or professional degree.



### QUALITY OF LIFE

Culture and history abound in places like La Villita, the Spanish Governor's Palace, San Fernando Cathedral, Casa Navarro State Historic Site and the Alamo. Tradition blends with more modern attractions, such as the River Walk, a 2.5 mile stretch of parks, cafes, nightclubs and hotels. Upscale apartments built along the walk have brought more residents into the city. The metro is also home to numerous sporting events and teams, including the NBA's San Antonio Spurs, San Antonio FC Soccer and AA Baseball's Missions. Also, the University of Texas at San Antonio Roadrunners play NCAA Division 1 football. Art enthusiasts can visit many museums and cultural centers in San Antonio.



## DEMOGRAPHICS



370,071

Total Population  
Within 5 Miles



50.3%



49.7%



\$64,800

Average Household Income  
Within 5 Miles



165,121

Employees  
Within 1 Mile



## DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
<b>2028 Projection</b>			
Total Population	15,033	142,756	375,204
<b>2023 Estimate</b>			
Total Population	14,761	140,695	370,071
<b>2020 Census</b>			
Total Population	13,870	135,713	364,879
<b>2010 Census</b>			
Total Population	13,833	141,175	378,454
<b>Daytime Population</b>			
2023 Estimate	44,334	237,505	478,024
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
<b>2028 Projection</b>			
Total Households	6,544	54,436	139,480
<b>2023 Estimate</b>			
Total Households	6,339	53,022	136,245
Average (Mean) Household Size	2.0	2.5	2.6
<b>2020 Census</b>			
Total Households	6,185	52,031	134,025
<b>2010 Census</b>			
Total Households	5,944	48,927	130,048

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
<b>2023 Estimate</b>			
\$200,000 or More	4.2%	4.5%	4.0%
\$150,000-\$199,999	2.8%	3.3%	3.3%
\$100,000-\$149,999	5.8%	8.3%	8.7%
\$75,000-\$99,999	7.2%	8.2%	9.6%
\$50,000-\$74,999	15.5%	16.3%	16.9%
\$35,000-\$49,999	11.7%	12.5%	13.3%
\$25,000-\$34,999	11.0%	12.5%	12.4%
\$15,000-\$24,999	14.3%	13.4%	13.2%
Under \$15,000	27.4%	21.0%	18.7%
Average Household Income	\$57,087	\$64,450	\$64,800
Median Household Income	\$32,658	\$38,458	\$41,063
Per Capita Income	\$28,068	\$25,226	\$24,344
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
<b>Population By Age</b>			
2023 Estimate Total Population	14,761	140,695	370,071
Under 20	19.6%	26.3%	27.7%
20 to 34 Years	24.1%	23.7%	22.4%
35 to 39 Years	7.1%	6.9%	6.8%
40 to 49 Years	12.6%	12.2%	12.0%
50 to 64 Years	19.4%	17.1%	17.0%
Age 65+	17.2%	13.7%	14.2%
Median Age	39.4	35.0	34.9
<b>Population 25+ by Education Level</b>			
2023 Estimate Population Age 25+	10,892	92,246	239,899
Elementary (0-8)	15.3%	16.5%	14.8%
Some High School (9-11)	11.7%	14.5%	13.8%
High School Graduate (12)	26.7%	27.1%	29.0%
Some College (13-15)	19.6%	17.9%	19.1%
Associate Degree Only	4.8%	4.6%	5.0%
Bachelor's Degree Only	13.2%	11.3%	11.0%
Graduate Degree	8.7%	8.0%	7.3%
<b>Travel Time to Work</b>			
Average Travel Time to Work in Minutes	23.0	24.0	25.0



## 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.

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

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

\_\_\_\_\_  
Date



# 902 SAN PEDRO AVENUE & 408 WEST LAUREL STREET SAN ANTONIO, TX 78212

PRESENTED BY

## ERNESTO MELGAR CAMPOS

Associate

Office & Industrial Division

San Antonio Office

Office (210) 343-7817

[Ernesto.MelgarCampos@MarcusMillichap.com](mailto:Ernesto.MelgarCampos@MarcusMillichap.com)

License: TX 788700

## TYLER RANFT

Senior Associate

Office & Industrial Division

Austin Office

Office (512) 338-7883

[Tyler.Ranft@MarcusMillichap.com](mailto:Tyler.Ranft@MarcusMillichap.com)

License: TX 732964

## ADAM ABUSHAGUR

Senior Managing Director Investments

Office & Industrial Division

Dallas Office

Office (972) 755-5223

[Adam.Abushagur@MarcusMillichap.com](mailto:Adam.Abushagur@MarcusMillichap.com)

License: TX 661916

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