

Marcus & Millichap
TAG INDUSTRIAL GROUP

1202 MAIN AVENUE

LAREDO, TX 78040

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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.

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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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SECTION 1

INVESTMENT OVERVIEW

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OFFERING SUMMARY

- Two Warehouses Totaling 27,179 Square Feet Situated on 0.89 Acres
 - Attractive Seller Financing Structure Available
- Features Four Dock Doors, 11'-14' Clear Height, 3-Phase Power, and Low Tax Assessment
 - Corner Lot One Mile Away from Two International Bridges and I-35
- Vacant Upon Sale Creating Owner-User, Lease-Up, or Redevelopment Opportunity
 - 1.6% Vacancy Rate Among Comparable Properties

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 1202 Main Avenue in Laredo, Texas, leased to Frank Ropa Usada. The subject property consists of approximately 27,179 square feet of warehouse space and is situated on 0.89 acres of land. The two-building asset features a clear height ranging from 11' to 14', four dock-high doors (including two accessible via platform), and three-phase heavy power. Located in Laredo's Downtown Historic District, the corner lot property is situated within a mile of two international ports of entry, including Juárez-Lincoln International Bridge (also known as Laredo International Bridge 2) which feeds directly into Interstate 35. Occupied on a month-to-month term, this sale creates an owner-user or lease-up opportunity upon closing. Thanks to a low tax assessment, holding costs will be relatively low for buyers with redevelopment plans.

Laredo is a relatively small market, containing 46.5 million square feet of industrial space. At the midway point of 2024, the vacancy rate climbed to 4.8 percent as deliveries outpaced positive net absorption, representing 180 basis points lower than the national average. Among comparable properties up to 50,000 square feet, the vacancy rate actually dropped 40 basis points in Q2 to just 1.6 percent. Despite availability remaining relatively tight, annual rent growth across Laredo slowed from 4.5 percent to 2.7 percent in Q2, slipping to the lowest increase since Q2 2013. The average asking rent stood at about \$8.80 per square foot during this time. With 2.8 million square feet of industrial space under construction, the inventory is set to expand by 6.0 percent. However, all of the new supply in Laredo is concentrated in properties over 50,000 square feet (CoStar).

Located on the U.S.-Mexico border, Laredo has a long history as the center of trade between the two countries. Laredo became the first official port of entry on the border in 1851 and today is the leading port in the nation among more than 450 airports, seaports, and border crossings, handling \$320 billion in trade in 2023. Area colleges and universities deepen the advantages for companies, providing thousands of students equipped with the skills to fill in-demand jobs each year. After experiencing a significant decline during the pandemic in 2020, metro Laredo's population stabilized, rising to 269,000 in 2023 (Texas Economic Development Corporation, Laredo Economic Development Corporation). In recent years, Laredo has been the top beneficiary of the ongoing nearshoring movement in which domestic companies have shifted production from China to Mexico in the wake up rising tariffs and the Chinese lockdowns that took place during the pandemic. In early 2023, Mexico surpassed China as America's top importer, providing a windfall for ports of entry primarily along the Texas-Mexico border.

PROPERTY DETAILS

1202 MAIN AVENUE,
LAREDO, TX 78040

Number of Suites	2
Number of Buildings	2
Total Square Feet	± 27,179
Warehouse Square Feet	± 27,000
Office Square Feet	± 179
Office Ratio	1%
Year Built	1969/1981
Lot Size	0.89 Acres
Type of Ownership	Fee Simple
Clear Height	11'-14'
Parking Spaces	10
Parking Surface	Asphalt
Building Class	C
Tenancy	Single
Dock High Doors	4
Construction	Masonry
Power	3-Phase
Type of Lighting	Fluorescent
Zoning	B-3 General Business District
Roof Type	Galvanized Metal R-Panel
Age/Condition of Roofs	Needs Repair
Market	Laredo
Submarket	Other Market Areas
Market Vacancy	4.80%

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1202 MAIN AVENUE

LAREDO, TX 78040

OFFERING PRICE

\$850,000

Offering Price	\$850,000
Price/SF	\$31.27
Total Square Feet	27,179
Rental Rate	\$1.26
Pro Forma Rental Rate	\$5.40
Lease Type	Full Service Gross
Lease Term	Month-to-Month
Tenancy	Single
Occupancy	100.00%

FINANCING

Loan Amount	\$750,000
Loan Type	New
Interest Rate	8.00%
Amortization	25 Years
Year Due	2039

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

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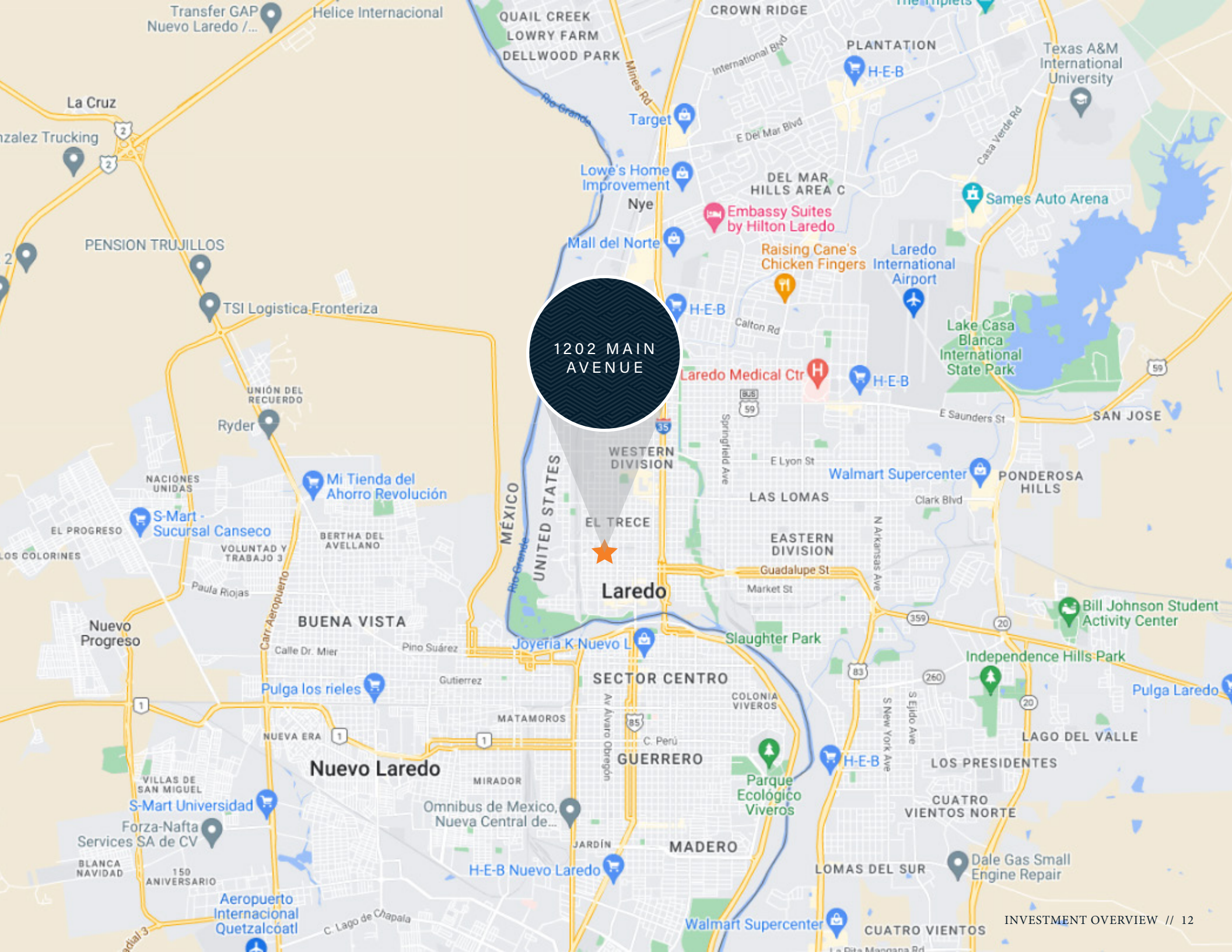
RENT ROLL

Tenant Name	Suite	Square Feet	% Bldg Share	Comm.	Lease Dates Exp.	Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Lease Type
Frank Ropa Usada	1	27,179	100.0%	11/19/18	Month-To-Month	\$1.26	\$2,850	\$34,200	\$146,767	Gross
Total		27,179				\$1.26	\$2,850	\$34,200	\$146,767	
Occupied Tenants: 1				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%		
Total Current Rents: \$2,850						Occupied Current Rents: \$2,850		Unoccupied Current Rents: \$0		

OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	34,200	1.26	146,767	5.40
Expense Reimbursement Income				
Net Lease Reimbursement				
Insurance	0	0.00	13,590	0.50
Real estate Taxes	0	0.00	6,443	0.24
Total Reimbursement Income	\$0	0.0%	\$20,033	93.9%
Effective Gross Revenue	\$34,200	\$1.26	\$166,799	\$6.14

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Insurance	N/A	0.00	13,590	0.50
Real Estate Taxes	6,443	0.24	7,733	0.28
Total Expenses	\$6,443	\$0.24	\$21,323	\$0.78
Expenses as % of EGR	18.8%		12.8%	
Net Operating Income	\$27,757	\$1.02	\$145,476	\$5.35



1202 MAIN AVENUE



1202 MAIN AVENUE







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-tinted photograph of an industrial interior. It shows a high ceiling with a complex network of metal beams and pipes. Several large, white, dome-shaped pendant lights are suspended from the ceiling. In the lower-left corner, a large, white, segmented industrial door is visible. The overall atmosphere is industrial and modern.

SECTION 2

MARKET OVERVIEW

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LAREDO TEXAS

Located on the U.S.-Mexico border, Laredo has a long history as the center of trade between the two countries. Laredo became the first official Port of Entry on the border in 1851 and today is the #1 inland port on the border, handling more than \$231 billion in trade in 2019—a 135% increase over the previous decade. Area colleges and universities deepen the advantages for companies, with thousands of students being equipped with the skills to fill in-demand jobs each year.



LOGISTICS AND
TRANSPORTATION



EDUCATIONAL
OPPORTUNITY



TOP MARKET
FOR TRADE

METROPLEX GROWTH

ECONOMY

Laredo's economic strength is anchored in logistics and transportation, with corporate services and life sciences rounding out the local business landscape. Major employers in Laredo include Concentrix, FedEx Freight, H-E-B, International Bank of Commerce and Laredo Medical Center.



EDUCATION

Traditional students and continuing education learners alike have access to educational opportunity in Laredo. Laredo College educates more than 10,000 students across two campuses in a variety of academic, technical and vocational programs that include business management, computer technology, industrial technology, transportation technology and more. Texas A&M International University leverages its proximity to Mexico to serve as the cultural and intellectual hub of the Laredo area. TAMIU offers undergraduate and graduate degrees in business, engineering, nursing and health sciences and more, as well as certificates in business leadership, logistics and petroleum engineering.

INFRASTRUCTURE

Laredo is a top market for trade thanks to its location and supreme transportation infrastructure. South Texas' extensive highway system connects through Laredo. Laredo is the southernmost point of I-35 highway, a 1,500-plus-mile Interstate Highway that stretches to Duluth, Minnesota, spanning the United States from Mexico to Canada. The Port of Laredo is the #1 inland port on the U.S.-Mexico border and is consistently a top U.S. port overall. Port of Laredo handled \$231 billion in trade in 2019, with vehicles, machinery and electronics representing the top imports and exports. Laredo International Airport is served by Allegiant, American Airlines and United Airlines for passenger travel and FedEx and UPS for cargo. The airport offers on-site 24/7 U.S. Customs (CBP) processing and Mexico Customs (SAT) air cargo processing, and petroleum engineering.



DEMOGRAPHICS



164,776

Total Population
Within 5 Miles



49.0%



51.0%



\$54,788

Average Household Income
Within 5 Miles



72,818

Employees
Within 1 Mile

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2028 Projection			
Total Population	13,746	78,442	172,269
2023 Estimate			
Total Population	13,439	76,386	164,776
2020 Census			
Total Population	13,006	74,770	156,361
2010 Census			
Total Population	15,192	82,952	161,519
Daytime Population			
2023 Estimate	23,020	84,422	158,680
HOUSEHOLDS			
2028 Projection			
Total Households	4,542	25,390	51,863
2023 Estimate			
Total Households	4,396	24,500	49,291
Average (Mean) Household Size	3.1	3.1	3.4
2020 Census			
Total Households	4,299	23,934	47,696
2010 Census			
Total Households	4,428	24,069	44,477

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2023 Estimate			
\$200,000 or More	0.7%	1.0%	2.2%
\$150,000-\$199,999	0.2%	1.0%	1.9%
\$100,000-\$149,999	3.3%	6.4%	8.8%
\$75,000-\$99,999	4.7%	7.6%	9.5%
\$50,000-\$74,999	11.4%	13.4%	15.7%
\$35,000-\$49,999	11.2%	12.6%	12.6%
\$25,000-\$34,999	13.5%	14.2%	14.0%
\$15,000-\$24,999	19.7%	17.1%	14.4%
Under \$15,000	35.4%	26.8%	20.9%
Average Household Income	\$33,616	\$43,129	\$54,788
Median Household Income	\$22,597	\$29,185	\$35,554
Per Capita Income	\$11,269	\$13,986	\$16,542
POPULATION PROFILE			
Population By Age			
2023 Estimate Total Population	13,439	76,386	164,776
Under 20	33.5%	33.0%	34.6%
20 to 34 Years	19.4%	20.8%	21.6%
35 to 39 Years	4.7%	5.2%	5.7%
40 to 49 Years	10.6%	10.5%	11.4%
50 to 64 Years	14.8%	14.9%	14.7%
Age 65+	17.1%	15.7%	12.1%
Median Age	32.2	31.8	30.1
Population 25+ by Education Level			
2023 Estimate Population Age 25+	7,895	45,547	95,017
Elementary (0-8)	29.3%	24.4%	21.0%
Some High School (9-11)	21.8%	19.3%	17.1%
High School Graduate (12)	21.9%	22.4%	23.4%
Some College (13-15)	14.8%	16.6%	17.8%
Associate Degree Only	4.8%	6.6%	6.7%
Bachelor's Degree Only	5.8%	8.0%	10.3%
Graduate Degree	1.8%	2.6%	3.6%
Travel Time to Work			
Average Travel Time to Work in Minutes	22.0	21.0	22.0



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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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