

Marcus & Millichap  
TAG INDUSTRIAL GROUP

2605 SOUTH I-35 FREEWAY

SAN MARCOS, TX 78666



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Texas Real Estate Commission  
P.O. Box 12188  
Austin, Texas 78711-2188  
(512) 936-3000

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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)

# 2605 SOUTH I-35 FREEWAY SAN MARCOS, TX 78666

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The background of the slide is a dark, blue-toned photograph of an industrial interior. It shows a large, multi-level structure with metal beams, pipes, and several hanging industrial lamps. The lighting is dim, creating a moody atmosphere. The structure appears to be a large warehouse or a factory interior.

# SECTION 1

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## INVESTMENT OVERVIEW

Marcus & Millichap



## OFFERING SUMMARY

- Three-Building 12,000-Square-Foot Shallow Bay Industrial Asset Situated on 0.92 Acres
- 100% Leased with Average Rent of \$13.60/SF | Anchored by Endless Paint & Dent Removal
- Featuring Metal Construction, 10 Bays, 10 Grade Doors, 14' Clear Height, and Repaved Driveway
- High Visibility Along I-35 Service Road with Direct Access to Downtown Austin/San Antonio
- Located in High-Growth Hays County Submarket with Positive Absorption & Stable Vacancy Rate

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 2605 South Interstate 35 Freeway in San Marcos, Texas, anchored by Endless Paint & Dent Removal. The subject property consists of approximately 12,000 square feet of shallow bay industrial space and is situated on 0.92 acres of land. The three-building asset features ten suites, each with a grade-level door, a clear height of 14', metal construction and roofing, and 22 parking spaces. With frontage along the service road for Interstate 35, the property has high visibility in the Hays County submarket with direct access to Downtown Austin (36 miles) and Downtown San Antonio (46 miles). At an average of \$13.60 per square foot, the property is fully occupied with nine of the 10 leases running through March and April 2026.

Hays County is a mid-sized submarket, containing 20.6 million square feet of industrial space. In the 12 months through Q2, net absorption remained comfortably in positive absorption at 1.5 million square feet. With 12-month net deliveries nearly matching demand at 1.6 million square feet, the vacancy rate has remained relatively stable over the last year, dropping 280 basis points to 11.9 percent in Q2 2025. Due to the high availability, annual rent growth declined by -2.0 percent in Q2, marking the lowest level since Q1 2010. With 1.9 million square feet under construction at the midway point of 2025, representing 9.2 percent of inventory, supply will impact vacancies and rents for the foreseeable future (CoStar).

With a population of over 2.47 million residents, the population of Metro Austin has grown significantly in recent decades along with economic growth. Known as the home of South by Southwest, the Austin-Round Rock metro covers about 4,225 square miles and consists of five counties in central Texas: Travis, Williamson, Hays, Caldwell, and Bastrop. Austin's population of nearly 980,000 people makes Travis the most populous county in the metro. Employment gains in the tech sector have contributed significantly to the metro's recent population and median household income growth. Tesla's newly constructed Gigafactory is expected to generate at least 5,000 jobs, supporting future relocations and increased demand for housing. The government is a significant driver in the local economy as Austin is the state capital and home to an IRS regional processing center as well as military bases. Located within a border state, the metro benefits significantly from international trade agreements with Mexico.



# PROPERTY DETAILS

## 2605 SOUTH I-35 FREEWAY, SAN MARCOS, TX 78666

Number of Suites	10
Number of Buildings	3
Total Square Feet	12,000 SF
Year Built	1996
Lot Size	0.92 Acres
Parking Spaces	22
Parking Surface	Asphalt
Building Class	C
Tenancy	Multi-Tenant
Grade Level Doors	10
Construction	Metal
Zoning	GC
Roof Type	Metal
Market	TX-Austin
Submarket	Hays County
Market Vacancy	12.80%



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OFFERING HIGHLIGHTS

2605 SOUTH I-35 FREEWAY

SAN MARCOS, TX 78666

OFFERING PRICE	CAP RATE	PRO FORMA CAP RATE
\$2,300,000	5.90%	7.04%
Offering Price	\$2,300,000	
Cap Rate	5.90%	
Pro Forma Cap Rate	7.04%	
Price/SF	\$191.67	
Total Square Feet	12,000	
Rental Rate	\$13.60	
Lease Type	Full Service Gross	
Lease Term	Month-to-Month	
Tenancy	Multi	
Occupancy	100.00%	

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## RENT ROLL

		Square	%	Lease Dates		Annual		Pro Forma				
Tenant Name	Suite	Feet	Bldg Share	Comm.	Exp.	Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Rent Per Year	Changes on	Rent Increase	Lease Type
Glass With Class	100	1,200	10.0%	4/1/25	3/31/26	\$13.50	\$1,350	\$16,200	\$16,200	Mar-2026	0.00%	Gross
Endless Paint & Dent Removal	100A	1,200	10.0%	4/1/25	3/31/26	\$13.50	\$1,350	\$16,200	\$16,200	Mar-2026	0.00%	Gross
Endless Paint & Dent Removal	200	1,200	10.0%	4/1/25	3/31/26	\$13.50	\$1,350	\$16,200	\$16,200	Mar-2026	0.00%	Gross
Endless Paint & Dent Removal	300	1,200	10.0%	4/1/25	3/31/26	\$13.50	\$1,350	\$16,200	\$16,200	Mar-2026	0.00%	Gross
Endless Paint & Dent Removal	400	1,200	10.0%	4/1/25	3/31/26	\$13.50	\$1,350	\$16,200	\$16,200	Mar-2026	0.00%	Gross
Endless Paint & Dent Removal	500	1,200	10.0%	4/1/25	3/31/26	\$13.50	\$1,350	\$16,200	\$16,200	Mar-2026	0.00%	Gross
Texas State University	600	1,200	10.0%	4/30/25	4/30/26	\$14.50	\$1,450	\$17,400	\$16,200	Apr-2026	-6.90%	Gross
J&J Tires & Roadside Services	700	1,200	10.0%	11/1/24	10/1/25	\$13.50	\$1,350	\$16,200	\$16,200	Oct-2025	0.00%	Gross
Endless Paint & Dent Removal	800	1,200	10.0%	4/1/25	3/31/26	\$13.50	\$1,350	\$16,200	\$16,200	Mar-2026	0.00%	Gross
Endless Paint & Dent Removal	900	1,200	10.0%	4/1/25	3/31/26	\$13.50	\$1,350	\$16,200	\$16,200	Jun-2025	0.00%	Gross
Total		12,000				\$13.60	\$13,600	\$163,200	\$162,000			
Occupied Tenants: 10				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%				
Total Current Rents: \$13,600						Occupied Current Rents: \$13,600		Unoccupied Current Rents: \$0				

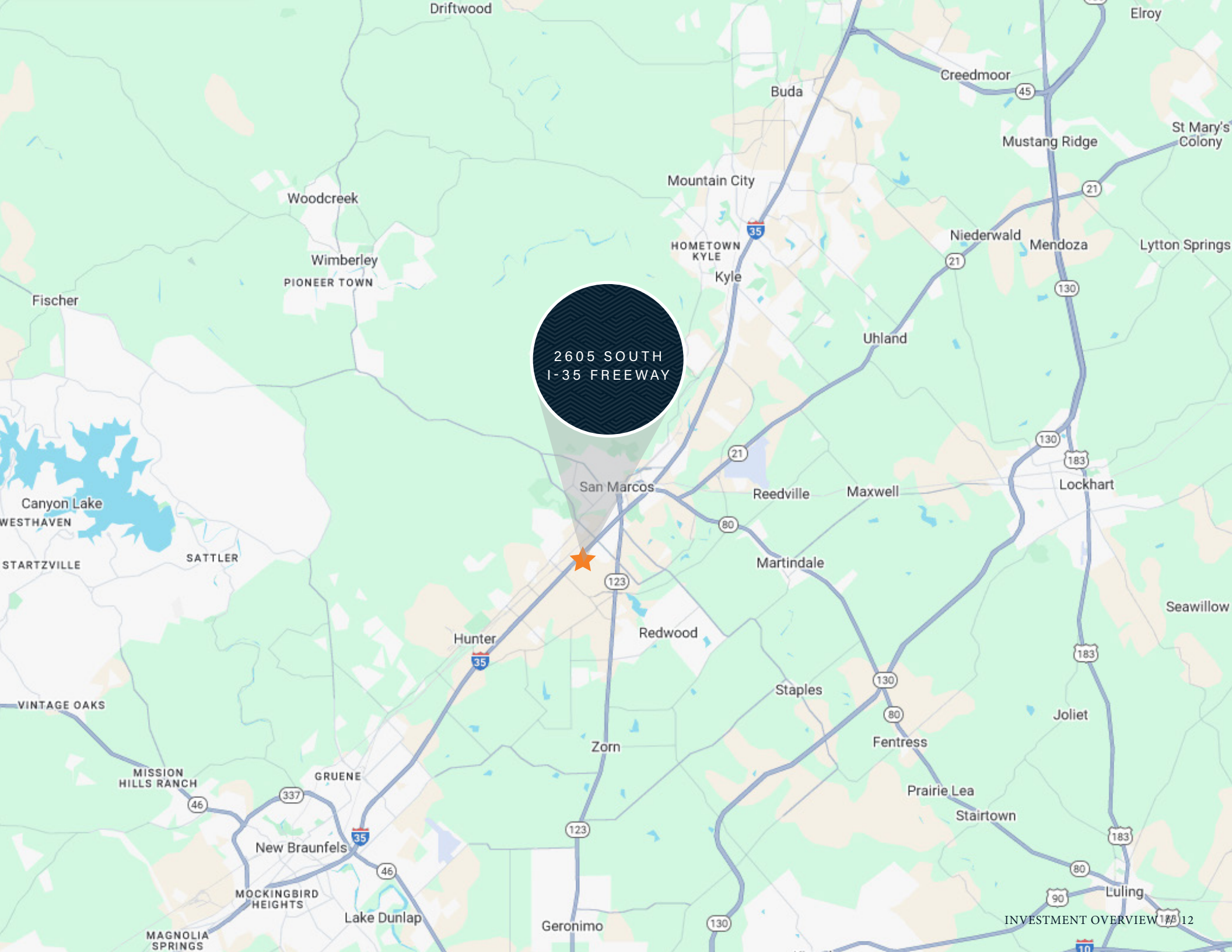
## OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	163,200	13.60	162,000	13.50
Expense Reimbursement Income				
Net Lease Reimbursement				
Insurance	0	0.00	12,733	1.06
Real estate Taxes	0	0.00	14,803	1.23
Total Reimbursement Income	\$0	0.0%	\$27,536	100.0%
Effective Gross Revenue	\$163,200	\$13.60	\$189,536	\$15.79

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Insurance	12,733	1.06	12,733	1.06
Real Estate Taxes	14,803	1.23	14,803	1.23
Total Expenses	\$27,536	\$2.29	\$27,536	\$2.29
Expenses as % of EGR	16.9%		14.5%	
Net Operating Income	\$135,664	\$11.31	\$162,000	\$13.50





2605 SOUTH  
I-35 FREEWAY





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## 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.



1,249 Financing  
Transactions  
in 2024



National platform operating  
within the firm's  
brokerage offices



\$6.7 billion total  
national volume  
in 2024



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 shows a large, multi-level structure with metal beams, pipes, and several hanging industrial lamps. The lighting is dim, creating a moody atmosphere. The structure appears to be a factory or a large warehouse with complex piping and structural elements.

## SECTION 2

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### MARKET OVERVIEW

Marcus & Millichap

# AUSTIN TEXAS

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Known as the home of South by Southwest, the Austin-Round Rock metro covers about 4,225 square miles and consists of five counties in central Texas: Travis, Williamson, Hays, Caldwell and Bastrop. The metro's population increased significantly in recent decades and now exceeds 2.5 million residents. Travis County holds more than half of the metro's population and is home to Austin — the capital of Texas with a population of 1.0 million people. Employment gains in the tech sector have significantly contributed to the metro's recent population and median household income growth. Tesla recently constructed a massive Gigafactory in the city that employs 20,000 workers with plans to triple that count eventually, supporting future relocations and increased demand for housing.



MAJOR TECHNOLOGY  
PRESENCE



STRONG  
POPULATION GAINS



EMPLOYMENT  
GROWTH



## METROPLEX GROWTH

### ECONOMY

Housed in a border state, Austin benefits from international trade agreements. The government is a significant driver in the local economy as Austin is the state capital and home to an IRS regional processing center, as well as military bases. The metro is a vibrant technology hub with industries that include semiconductor and related equipment manufacturing, along with computer and software development. High-tech firms with local operations include Meta, Apple, Tesla, Oracle and Amazon.



**5%**  
MANUFACTURING



**21%**  
PROFESSIONAL AND  
BUSINESS SERVICES



**15%**  
GOVERNMENT



**11%**  
LEISURE AND HOSPITALITY



**6%**  
FINANCIAL  
ACTIVITIES



**16%**  
TRADE, TRANSPORTATION,  
AND UTILITIES



**6%**  
CONSTRUCTION



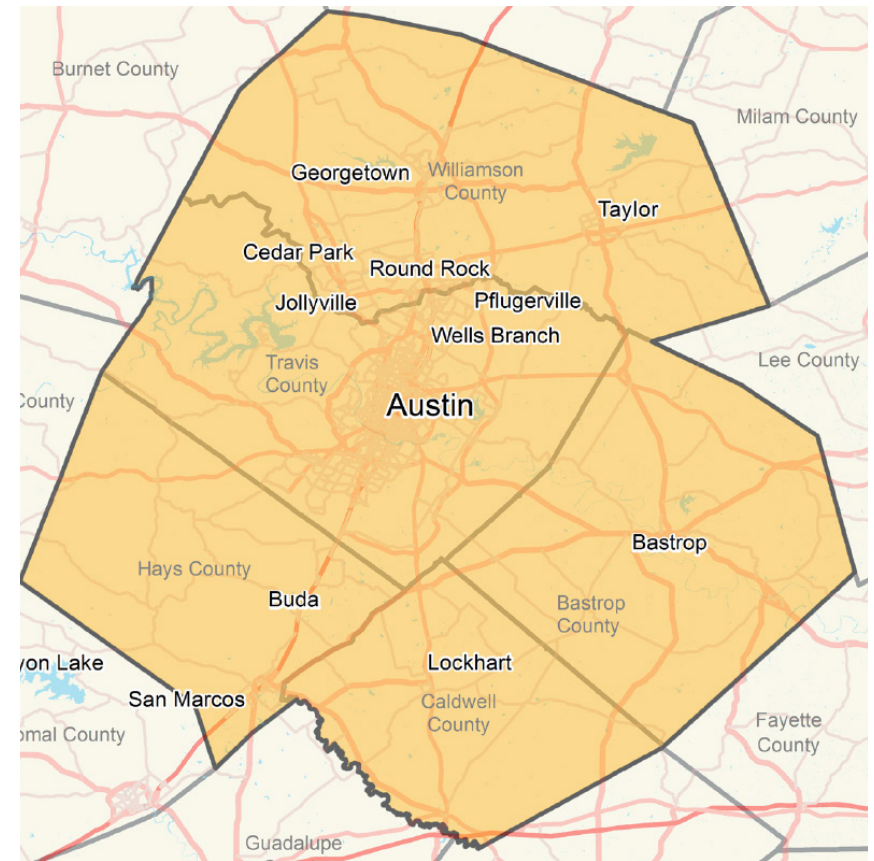
**11%**  
EDUCATION AND  
HEALTH SERVICES



**4%**  
INFORMATION



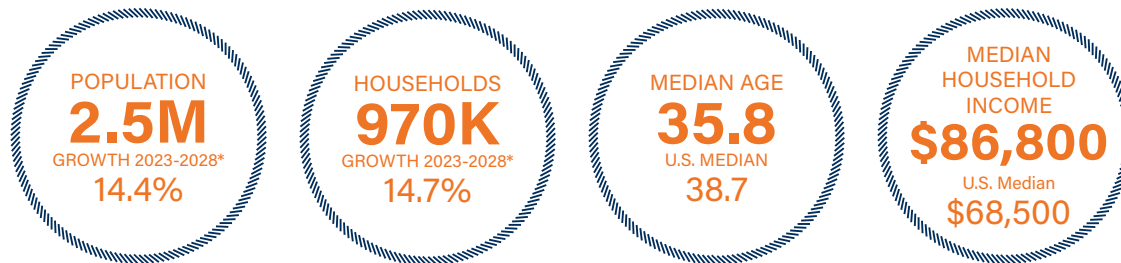
**4%**  
OTHER SERVICES



## METROPLEX GROWTH

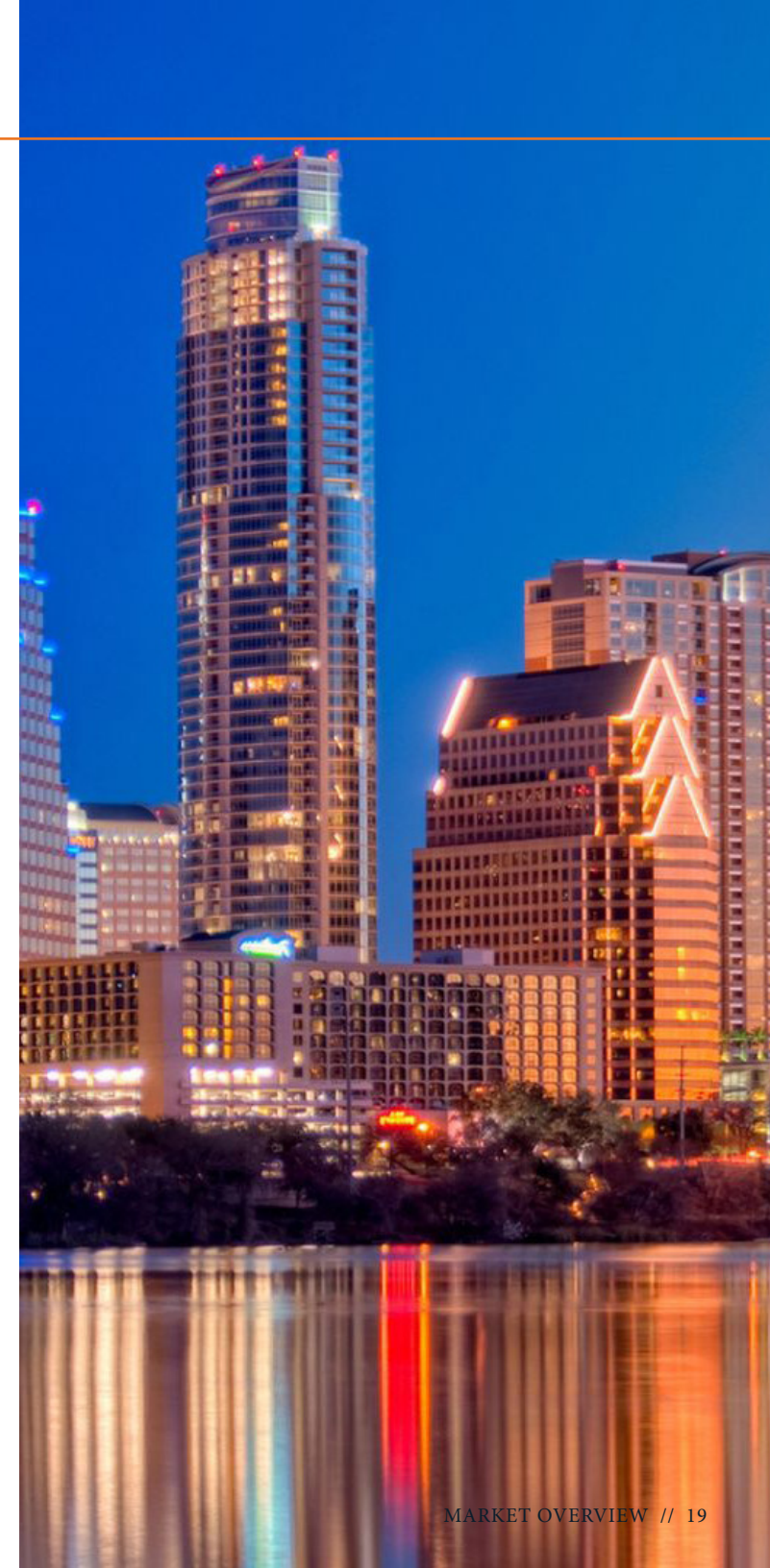
### DEMOGRAPHICS

The metro is expected to add nearly 360,000 people through 2028, resulting in the formation of roughly 142,500 households and generating housing demand. Rising home prices contribute to a lower rate of homeownership, aiding the existing renter pool. The local population of ages 25 and older includes 44 percent of bachelor's degree holders, and 16 percent have earned a graduate or professional degree.



### QUALITY OF LIFE

The region contains lakes, hills, trails, an eclectic arts community, theaters, museums, bookstores, a vibrant live music scene and a favorable climate. The metro is known as “The Live Music Capital of the World” and hosts the South by Southwest festival. The University of Texas has nationally-ranked programs in football, basketball, baseball, swimming, volleyball, and track and field. In addition, the metro is home to Austin FC. The MLS franchise plays at Q2 Stadium, a new venue in north central Austin with a capacity of 20,500. Cultural institutions include the Elisabet Ney Museum, the Austin Symphony Orchestra, the Andrea Ariel Dance Theatre and the O. Henry Museum. Austin is also home to the Texas Memorial Museum, the Contemporary Austin and the Paramount Theatre.





## DEMOGRAPHICS



80,819

Total Population  
Within 5 Miles



50.0%



50.0%



\$61,852

Average Household Income  
Within 5 Miles



59,243

Employees  
Within 1 Mile

## DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
<b>2028 Projection</b>			
Total Population	16,132	70,168	91,098
<b>2023 Estimate</b>			
Total Population	13,293	62,222	80,819
<b>2020 Census</b>			
Total Population	12,034	56,438	73,231
<b>2010 Census</b>			
Total Population	10,110	41,992	55,424
<b>Daytime Population</b>			
2023 Estimate	33,090	103,824	124,087
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
<b>2028 Projection</b>			
Total Households	6,173	29,190	36,707
<b>2023 Estimate</b>			
Total Households	4,763	25,345	31,958
Average (Mean) Household Size	2.2	2.2	2.3
<b>2020 Census</b>			
Total Households	3,855	22,839	28,871
<b>2010 Census</b>			
Total Households	3,171	16,127	20,385

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
<b>2023 Estimate</b>			
\$200,000 or More	3.0%	3.1%	3.6%
\$150,000-\$199,999	3.4%	3.8%	3.9%
\$100,000-\$149,999	9.0%	8.6%	8.9%
\$75,000-\$99,999	10.7%	9.6%	10.2%
\$50,000-\$74,999	13.6%	13.3%	13.8%
\$35,000-\$49,999	12.8%	13.6%	13.8%
\$25,000-\$34,999	11.9%	11.4%	11.1%
\$15,000-\$24,999	15.4%	14.3%	13.7%
Under \$15,000	20.2%	22.4%	21.0%
Average Household Income	\$59,302	\$58,975	\$61,852
Median Household Income	\$37,632	\$36,805	\$38,737
Per Capita Income	\$21,448	\$24,617	\$25,018
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
<b>Population By Age</b>			
2023 Estimate Total Population	13,293	62,222	80,819
Under 20	28.9%	23.1%	23.2%
20 to 34 Years	43.2%	43.6%	42.9%
35 to 39 Years	5.2%	5.4%	5.5%
40 to 49 Years	7.0%	8.0%	8.3%
50 to 64 Years	8.4%	10.2%	10.6%
Age 65+	7.4%	9.6%	9.5%
Median Age	24.1	25.5	25.5
<b>Population 25+ by Education Level</b>			
2023 Estimate Population Age 25+	6,258	32,046	41,540
Elementary (0-8)	7.0%	6.1%	6.4%
Some High School (9-11)	6.5%	6.8%	7.4%
High School Graduate (12)	24.9%	26.5%	27.2%
Some College (13-15)	21.2%	21.3%	21.0%
Associate Degree Only	5.9%	6.1%	6.0%
Bachelor's Degree Only	22.0%	20.9%	20.1%
Graduate Degree	12.5%	12.3%	11.8%
<b>Travel Time to Work</b>			
Average Travel Time to Work in Minutes	23.0	24.0	25.0





## Information About Brokerage Services

2-10-2025

*Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

### TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
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- 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.

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**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. **An owner's agent fees are not set by law and are fully negotiable.**

**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. **A buyer/tenant's agent fees are not set by law and are fully negotiable.**

**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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Licensed Supervisor of Sales Agent/Associate	License No.	Email	Phone
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Sales Agent/Associate's Name	License No.	Email	Phone

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Date

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