OFFERING MEMORANDUM

Marcus & Millichap
TAG INDUSTRIAL GROUP

1300 EAST UPAS AVENUE

McALLEN, TX 78501

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TEXAS NOTICE

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.

Marcus & Millichap
TAG INDUSTRIAL GROUP

OFFICES THROUGHOUT THE U.S. AND CANADA
www.marcusmillichap.com

1300 EAST UPAS AVENUE
MCALLEN, TX 78501

PRESENTED BY

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

TYLER RANFT
Director Investments
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

BROKER OF RECORD

TIM SPECK
Texas Broker of Record
5001 Spring Valley Road, Suite 1100W
Dallas TX
Tel: (972) 755-5200
Tim.Speck@MarcusMillichap.com
License: 9002994

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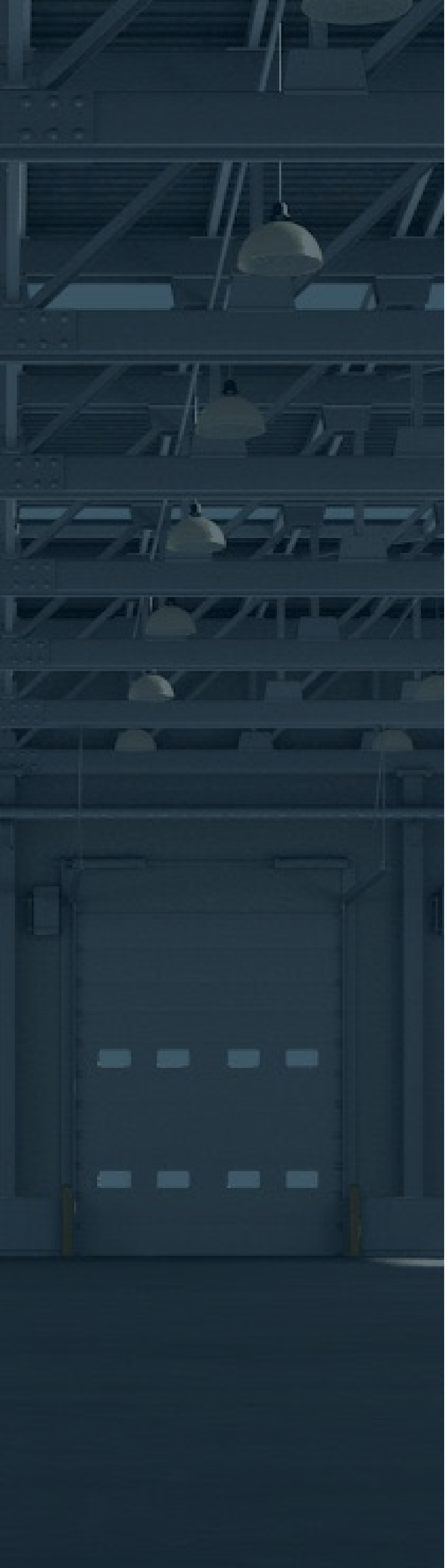


SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

OFFERING SUMMARY

- Vacant Two-Building 26,000-Square-Foot Industrial Property Situated on 2.51 Acres of Land | Move-in Ready for Owner-Use or Lease-Up Opportunity
- Featuring a Functional Layout with Potential Showroom/Retail/Office Space, 19,000 SF of Climate-Controlled Space Served by Ten HVAC Units, 16' and 30' Clear Heights, Two Docks, Four Drive-Ins, and Three-Phase Heavy Power with 400A and 277-480V
- Recent 2024 Roof Improvements to Skylight and Seam Repairs | 24% FAR Provides Ample IOS
- Strategically Located Less than Two Miles from I-69 and I-2 Interchange | 16 Miles North of Pharr-Reynosa International Bridge
- Priced Well Below Replacement Costs at $85/SF | 9.2% Cap Rate on Conservative $7.80/SF Pro Forma Rent
- Q2 4.0% Vacancy Rate and $9.90/SF Market Rent Among Comparable 10,000-50,000 SF Industrial Properties in the McAllen Market

The property is a vacant two-building 26,000-square-foot industrial asset situated on 2.51 acres of land. It is move-in ready for owner-use or a lease-up opportunity, providing flexibility for potential buyers. The functional layout features office space, which could be used for showroom or retail, making it suitable for various types of businesses. The property has 19,000 square feet of climate-controlled space served by ten HVAC units, ensuring a comfortable working environment. The space also features 16′ and 30′ clear heights, allowing for efficient use of the area. Additionally, the property has two dock-high doors, four drive-in doors, and three-phase heavy power with 400amps at 480Y/277 volts, catering to businesses with specific operational requirements. The recent 2024 roof improvements to skylight and seam repairs ensure the property is well-maintained.

Located less than two miles from the Interstate 69 and Interstate 2 interchange, the property is strategically located. This proximity makes it an attractive option for businesses that rely on efficient logistics and transportation. The property is also 16 miles north of the Pharr-Reynosa International Bridge, further enhancing its accessibility. The 24 percent floor area ratio provides ample industrial outdoor storage space and allows for potential expansion or additional development. The property's pricing is competitive, with an offering price well below replacement costs at $85 per square foot. At this price, the property can generate an above-market 9.2 percent cap rate on a conservative pro forma rent of $7.80 per square foot. During Q2 2026, the vacancy rate stood at 4.0 percent, with average market rents at $9.90 per square foot among comparable industrial properties in the McAllen market.

PROPERTY DETAILS

1300 EAST UPAS AVENUE, MCALLEN, TX 78501

Number of Suites	1
Number of Buildings	2
Total Square Feet	26,000 SF
Warehouse Square Feet	14,120 SF
Office Square Feet	11,880 SF
Office Ratio	45.69%
Year Built	1995/2014
Lot Size	2.51 acres
Type of Ownership	Fee Simple
Clear Height	16'-30'
Parking Spaces	24
Parking Surface	Asphalt
Building Class	B
Tenancy	Single-Tenant
Dock-High Doors	2
Drive-In Doors	4
Construction	Metal
Power	400A / 480/277V / 3-Phase
Type of Lighting	LED
Zoning	I-1 Light Industrial
Roof Type	Metal
Age/Condition of Roofs	Original Roofs From 1995 and 2014 - Repairs in 2024
HVAC Units	10.0
Age/Condition of HVAC	Various
Sprinklers	N/A
Market	TX-The Valley
Submarket	McAllen
Market Vacancy	4.00%

OFFERING HIGHLIGHTS

1300 EAST UPAS AVENUE

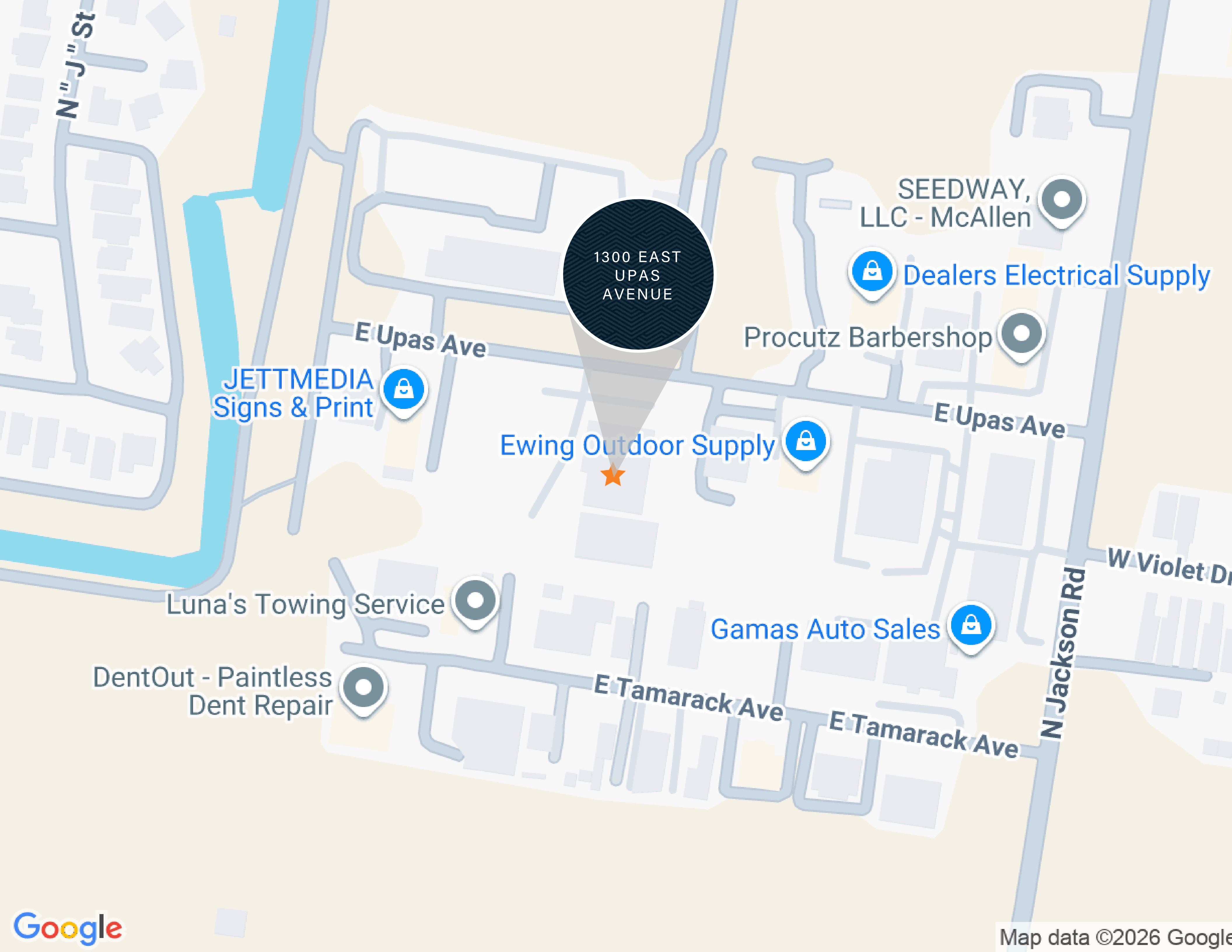
OFFERING PRICE	PRO FORMA CAP RATE
$2,210,000	9.18%

Offering Price	$2,210,000
Pro Forma Cap Rate	9.18%
Price/SF	$85.00
Total Square Feet	26,000
Tenancy	Vacant
Occupancy	0.00%

OPERATING STATEMENT

Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	0		0.00	202,800		7.80
Expense Reimbursement Income						
Net Lease Reimbursement						
CAM	0		0.00	31,600		1.22
Insurance	0		0.00	16,900		0.65
Real estate Taxes	0		0.00	41,676		1.60
Total Reimbursement Income	$0	0.0%	$0.00	$90,176	100.0%	$3.47
Effective Gross Revenue	$0		$0.00	$292,976		$11.27

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Electric	19,000	0.73	19,000	0.73
Water	5,400	0.21	5,400	0.21
Trash/Waste	3,600	0.14	3,600	0.14
Landscaping	3,600	0.14	3,600	0.14
Insurance	16,900	0.65	16,900	0.65
Real Estate Taxes	41,676	1.60	41,676	1.60
Total Expenses	$90,176	$3.47	$90,176	$3.47
Expenses as % of EGR	0.0%		30.8%	
Net Operating Income	-$90,176	($3.47)	$202,800	$7.80



N "J" St
1300 EAST UPAS AVENUE
SEEDWAY, LLC - McAllen
Dealers Electrical Supply
E Upas Ave
Procutz Barbershop
JETTMEDIA Signs & Print
Ewing Outdoor Supply
E Upas Ave
W Violet Dr
Luna's Towing Service
Gamas Auto Sales
N Jackson Rd
DentOut - Paintless Dent Repair
E Tamarack Ave
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1300 EAST
UPAS
AVENUE


1300





13.2

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 our 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 1,659 Debt and equity financings in 2025

National platform operating within the firm's brokerage offices

$11.9 billion total national volume in 2025

Access to more capital sources than any other firm in the industry

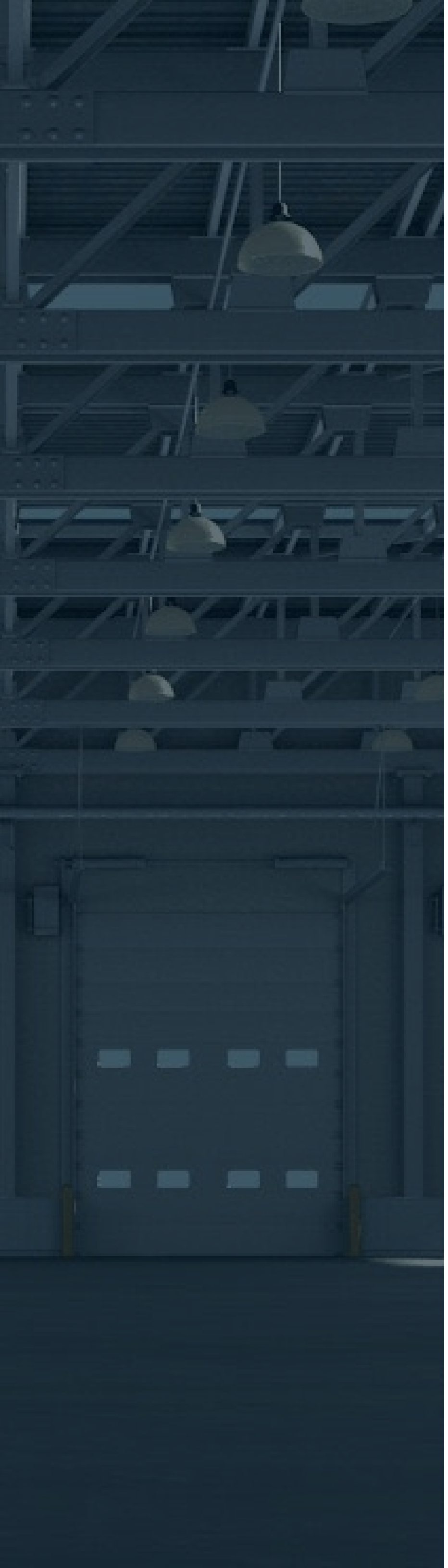
WHY MMCC?

Optimum financing solutions to enhanced 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

MCALLEN | EDINBURG | MISSION
TEXAS

The McAllen-Edinburg-Mission metro is located 250 miles south of San Antonio near the Texas-Mexico border and encompasses Hidalgo County. The University of Texas, Rio Grande Valley has facilities in Edinburg, McAllen, and Weslaco. The Rio Grande River also runs through the area, providing recreational opportunities for locals and visitors. The metro is growing at a rapid pace and is expected to add roughly 38,000 residents over the next five years.

LOGISTICS INDUSTRY

HEALTH CARE

FOOD STORAGE AND PROCESSING

ECONOMY

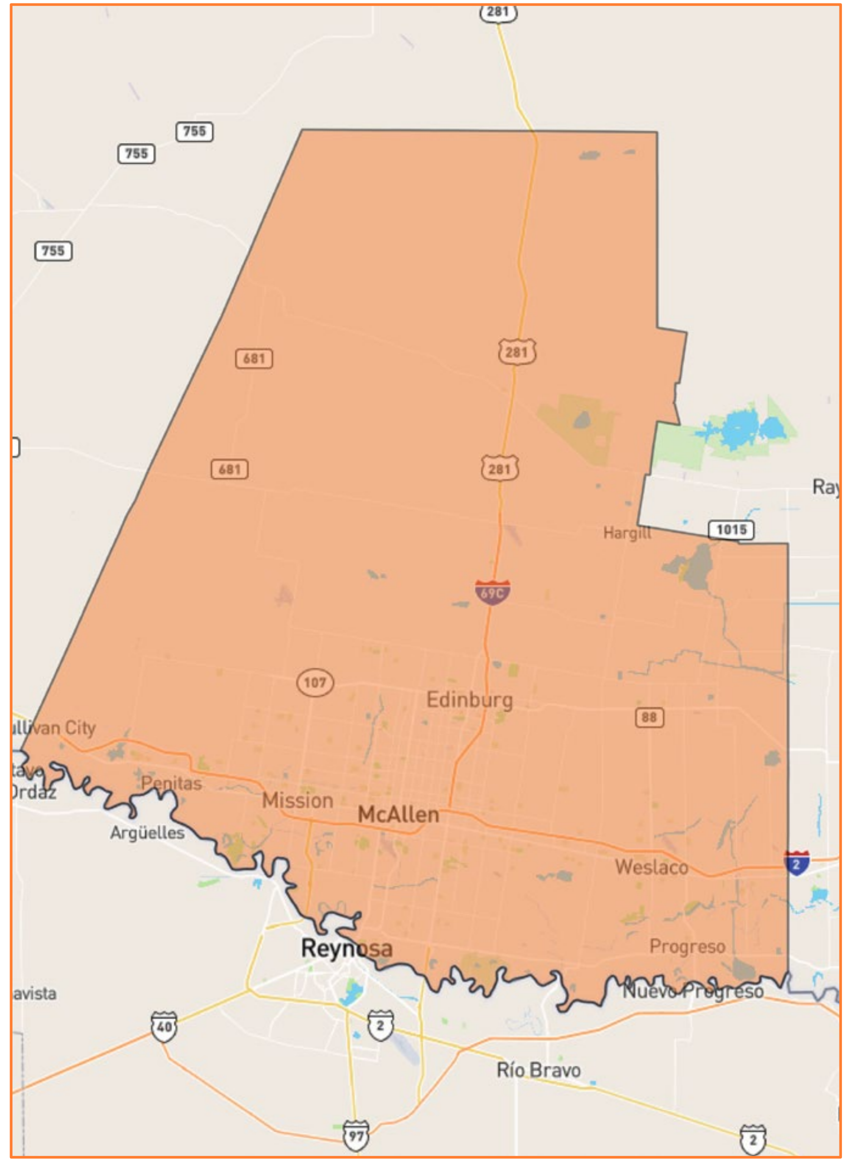
The metro has a diverse employment base, featuring sectors such as health care, retail and trade. Health care is a significant part of the economy; several large hospitals are located here, including Rio Grande Regional Hospital, South Texas Health System McAllen and McAllen Heart Hospital. GE Aerospace and Royal Technologies Corp. have major manufacturing facilities in the metro, supplying hundreds of jobs. South Texas College is located within McAllen and provides manufacturing training. Texas A&M University also maintains a satellite campus in Tres Lagos.

POPULATION
912K
2025-2029* Growth
4.2%

HOUSEHOLDS
278K
2025-2029* Growth
5.2%

MEDIAN AGE
31
U.S. Median
39

MEDIAN HOUSEHOLD INCOME
$53,700
U.S. Median
$76,100



EQUAL HOUSING OPPORTUNITY

Information About Brokerage Services

11-03-2025

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.
• **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.

WRITTEN AGREEMENTS ARE REQUIRED IN CERTAIN SITUATIONS: A license holder who performs brokerage activity for a prospective buyer of residential property must enter into a written agreement with the buyer before showing any residential property to the buyer or if no residential property will be shown, before presenting an offer on behalf of the buyer. This written agreement must contain specific information required by Texas law. For more information on these requirements, see section 1101.563 of the Texas Occupations Code, **Even if a written agreement is not required, to avoid disputes, all agreements between you and a broker should be in writing and clearly establish: (i) the broker's duties and responsiblities to you and your obligations under the agreement; and (ii) the amount or rate of compendation the broker will receive and how this amount is determined.**

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. **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 oEtain the Zritten aJreement 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.
• 0ust not unless specifically authori]ed in ZritinJ to do so Ey the party disclose
  0 that the owner will accept a price less than the written asking price;
  0 that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  0 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.

A LICENSE HOLDER CAN SHOW PROPERTY TO A BUYER/TENANT WITHOUT REPRESENTING THE BUYER/TENANT IF:
• The broker has not agreed with the buyer/tenant, either orally or in writing, to represent the buyer/tenant;
• The broker is not otherwise acting as the buyer/tenant's agent at the time of showing the property;
• The broker does not provide the buyer/tenant options or advise regarding the property or real estate transactions generally; and
• The broker does not perform any other act of real estate brokerage for the buyer/tenant.

Before showing a residential property to an unrepresented prospective buyer, a license holder must enter into a written agreement contains the information requred by section 1101.563 of the Texas Occupations Code. The agreement may not be exclusive and must be limited to no more than 14 days.

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	tim.speck@marcusmillichap.com	972-755-5200
Licensed Broker/Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Tim A. Speck	432723	tim.speck@marcusmillichap.com	972-755-5200
Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/Associate	License No.	Email	Phone
Adam Abushagur	661916	adam.abushagur@marcusmillichap.com	972-755-5223
Sales Agent/Associate's Name	License No.	Email	Phone

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

IABS 1-2

Buyer/Tenant/Seller/Landlord's Initials

Date

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MCALLEN, TX 78501

PRESENTED BY

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

TYLER RANFT
Director Investments
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

BROKER OF RECORD

TIM SPECK
Texas Broker of Record
5001 Spring Valley Road, Suite 1100W
Dallas TX
Tel: (972) 755-5200
Tim.Speck@MarcusMillichap.com
License: 9002994

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