

DOWNTOWN DALLAS



183
TEXAS

IOS INVESTMENT SALE OPPORTUNITY

1600 AIRPORT FWY. | IRVING, TX

OFFERING MEMORANDUM

DAVIDSON BOGEL
INDUSTRIAL

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OFFERING OVERVIEW

Davidson Bogel Real Estate as an exclusive agent, is pleased to offer the opportunity to acquire 1600 E Airport Freeway – a two (2) building, fully paved, single tenant industrial outside storage property fronting IH 183 in Irving TX. Currently utilized as a vehicle service center/dealership space, the property is leased through May of 2028 to Avis Car Sales and features a total of 20,800 SF of shop/office space and is situated upon 4.08 acres of paved land (11.6% coverage). Strategically positioned between DFW Airport and the Urban Dallas core, the Subject Property benefits from heavily trafficked thoroughfares and provides immediate access to IH 183, IH 114, IH Loop 12, IH 35, IH 30, and IH 20 within a 10 minute drive. 1600 E Airport Freeway presents investors the unique opportunity to acquire a high-quality IOS asset with a stable income stream from A+ credit tenant, at a below market rent, with escalations, within the largest MSA in Texas.

Interest Offered: 100% fee simple

Offering Price: \$6,250,000 (5.82% cap rate)



OFFERING OVERVIEW

Building:	± 20,800 SF Warehouse on ± 4.08 AC Fully Paved
Tenant:	Avis Car Sales
Lease Expiration:	5/31/28
Rental Escalations:	2%
Cap Rate:	5.82%



STABLE IN-PLACE INCOME FROM SINGLE TENANT

- Single-tenant 11.6% lot coverage industrial service facility on a sizeable 4.08 acres of paved land
- Avis Car Sales was founded in 1946 and has 3,100 locations in the United States
- NNN lease with 2% increases every year, providing income and yield growth during the primary term.
- Opportunity to acquire the Property significantly below replacement cost

MARK TO MARKET OPPORTUNITY UPON LEASE EXPIRATION

- 13,400 sf maintenance facility, with office, on 4.08 acres of paved land is in extreme demand from users right now
- Rates have sky rocketed since this lease was signed
- Comps available upon request

EXCELLENT VISIBILITY AND FREEWAY ACCESS

- 315' of freeway frontage on IH 183
- Over 150,000 daily traffic counts
- Pole signage
- Immediate access to IH 183, IH 114, IH Loop 12, IH 35, IH 30, and IH 20 within a 10 minute drive

DFW IOS MARKET OVERVIEW

Dallas/Fort Worth's strategic central location has driven one of the most impressive industrial real estate markets in the United States. As such, the metro is home to some of the strongest industrial activity in the country with consistently high occupancy, absorption and well supported rent growth. The metro's industrial strength is based upon its central location within the US, business friendly tax environment, premier infrastructure, and access to highly skilled labor. DFW has several structural advantages over other national markets, and with such robust infrastructure in place, including the presence of four major intermodal terminals and the Perot Field Fort Worth Alliance Airport, the metro serves as a major inland port.

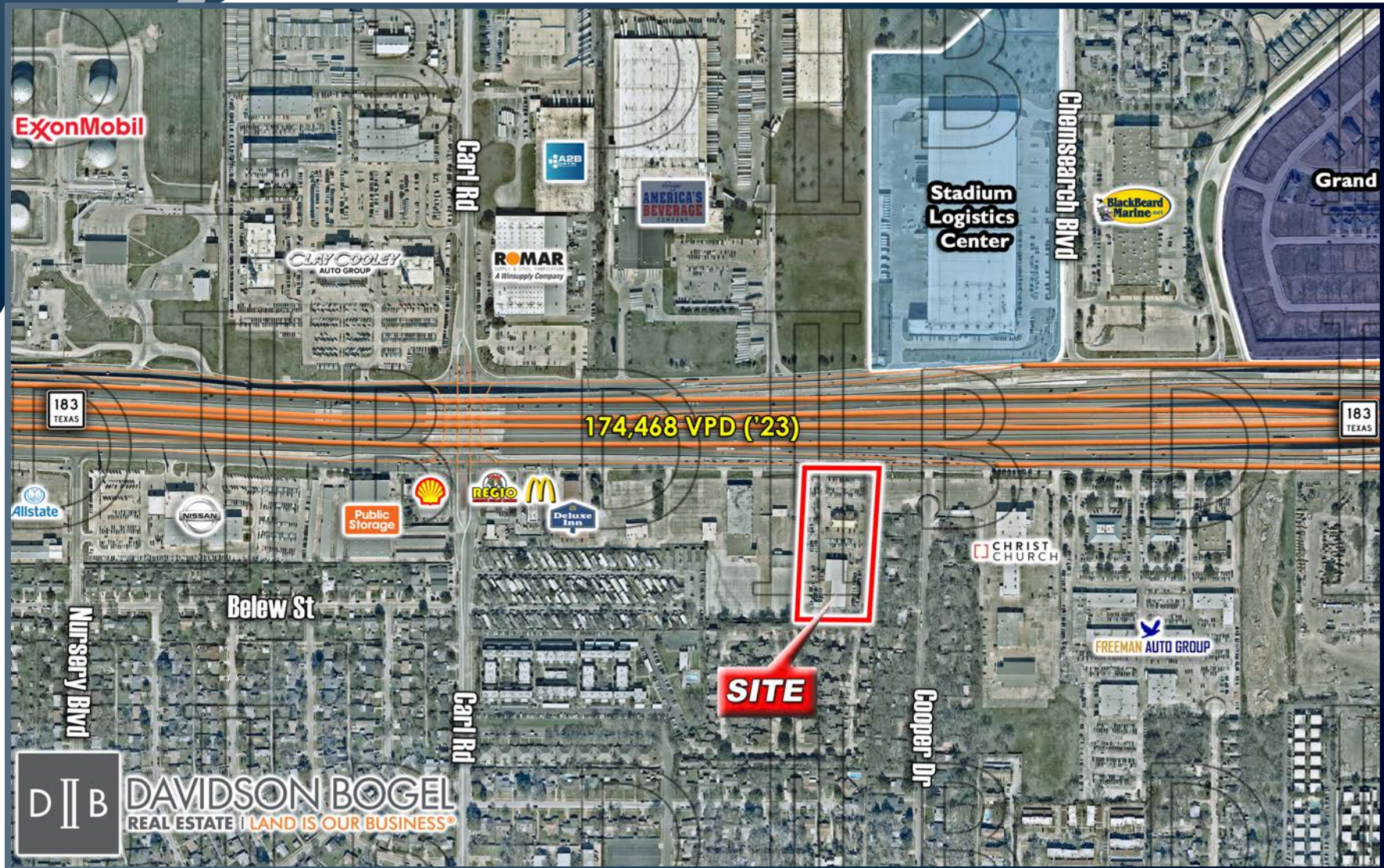
These key factors have driven current construction activity soaring to new heights with 30.1 MSF of industrial space currently underway as of Q4 2023. Speculative sites account for the majority of product under construction at 57.9 MSF (87.9%) which directly affects the IOS market in DFW. Speculative developments of big box industrial, typically max out the amount of building square footage on their site. Developers have not been able to properly value outside storage on their sites and are in turn looking to maximize their PSF rent on their building. With the majority of the lease demand for these spaces being led by ecommerce and logistics occupiers, the question of where are those tenants' trucks, trailers, and equipment going to park becomes very real.

Another key factor that is driving the demand for IOS sites in DFW is that material suppliers, equipment suppliers, and concrete batch plant operators are running at full capacity to even produce enough material to match the demand for all the new construction. All those businesses require trucks to be constantly on the road and coupled with rising fuel costs, having a secure place to store vehicle or equipment at night is more mission critical than ever. Per Jim Ward Freightwaves of the Truckload Carriers Association "With only one truck parking space for every 11 drivers on the road, & over 85% of drivers, citing parking as the No. 1 cause of stress at work, alleviating the truck parking shortage will help retain drivers and prevent the driver shortage from getting worse." (Truck stops are a liability for companies- Hard to park in and cause accidents. Drivers can't park their personal car; you are not allowed to enter and exit the truck stop multiple times a day which is key for distribution).

One factor in DFW specifically that limits the current and future supply of IOS facilities is the availability of zoning. Using Fort Worth as an example, the existing zoning that allows the use by right are: K (Heavy Industrial), J (Medium Industrial), I (Light Industrial), and IP (Industrial Park). All of those are still subject to residential area review (RAR) and the majority of the sites (especially 12 ac +) with those existing entitlements located in last-mile locations have already traded to developers the last 24-48 months. With supply decreasing, demand sky rocketing, and land basis still trading at less than 25% of costs in coastal markets across the US, the market for IOS in DFW remains strong.

IOS sites that have zoning in place to allow the use, within close proximity to new speculative industrial development, intermodals, and material suppliers will continue to rapidly increase in value. The Infill DFW IOS Portfolio fits all those requirements and will continue to see rapid appreciation over the next cycle.

CLOSE UP AERIAL



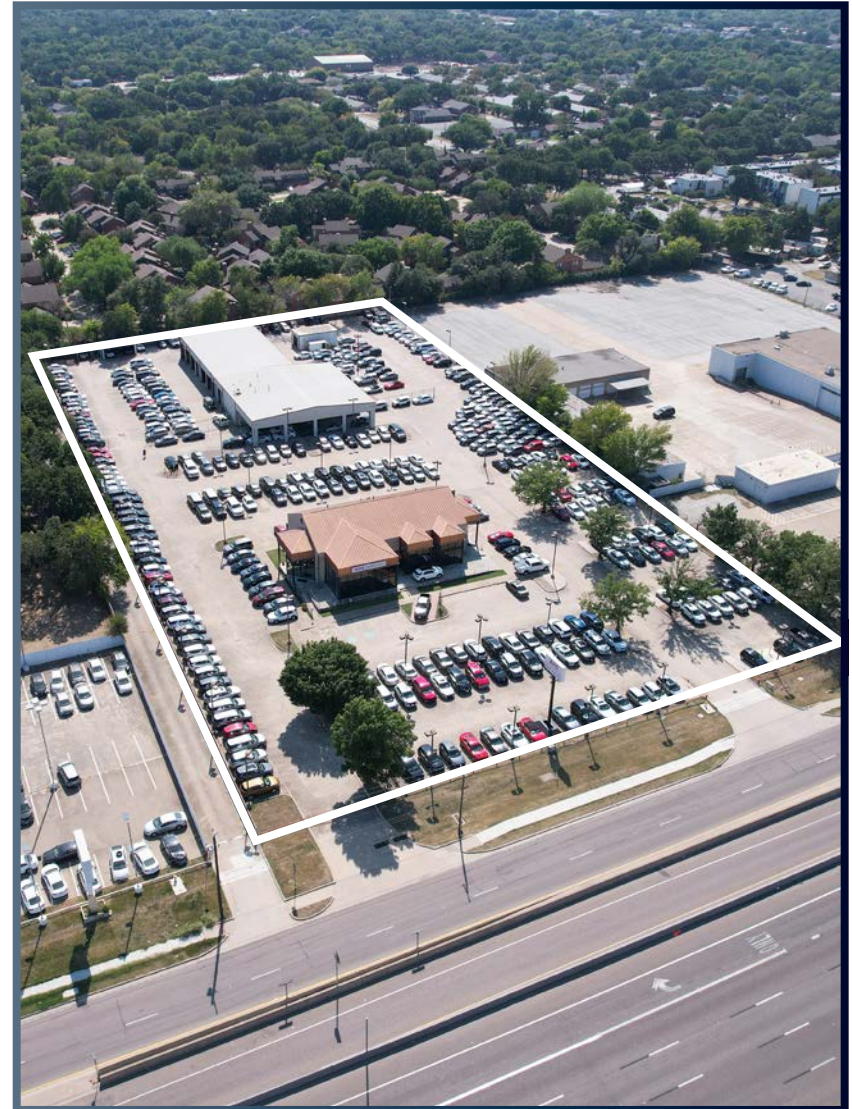
WIDE AERIAL



Any projections used are speculative in nature and do not represent the current or future performance of the site and therefore should not be relied upon. We make no guarantee or warranty regarding the accuracy of the information presented herein. An independent investigation of the property to determine whether it meets your satisfaction and the Seller expressly disclaims any representation or warranty with respect to the accuracy of the Submission Items, and Buyer acknowledges that it is its responsibility to conduct its own due diligence. © Davidson & Bogel Real Estate, LLC. 2024

PROPERTY OVERVIEW

- Building Size:**
1. Bldg. 1 – ± 6,800 SF Office Building, 100% HVAC
 2. Bldg. 2 – ± 13,400 SF Industrial Service Facility
- Year Built:** 2005
- Lot Size:** ± 4.08 AC Fully Paved
- Zoning:** Commercial Outdoor District 2 – within 183 Overlay district
- 15 Drive In/Drive Out Doors
 - 2 Wash Bays with Drains and Compressor
 - Pressurized Air Lines
- Loading:**
- Fencing:** Fully Fenced, Gated, and Secure
- Lighting:** LED Exterior Lighting Throughout the Perimeter of the Yard



TENANT OVERVIEW

AVIS[®] | Car Sales

Company Type:	Public
Avis Budget Group, Inc. Executive Staff:	Joe Ferraro, President and Chief Executive Officer Brian Choi, Chief Financial Officer Izzy Martins, Executive Vice President, Americas
Founded:	1946
Headquarters:	Parsippany-Troy Hills, NJ
Website:	aviscarsales.com



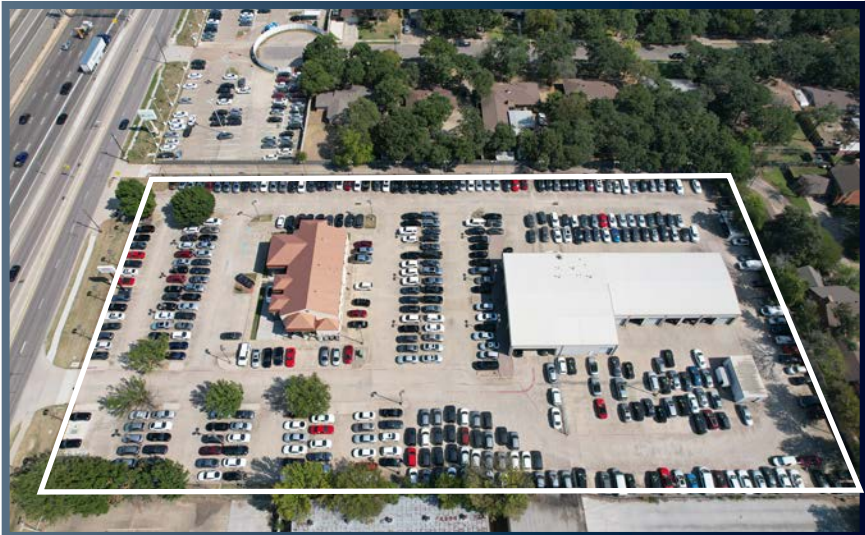
RENT SCHEDULE & LEASE TERMS



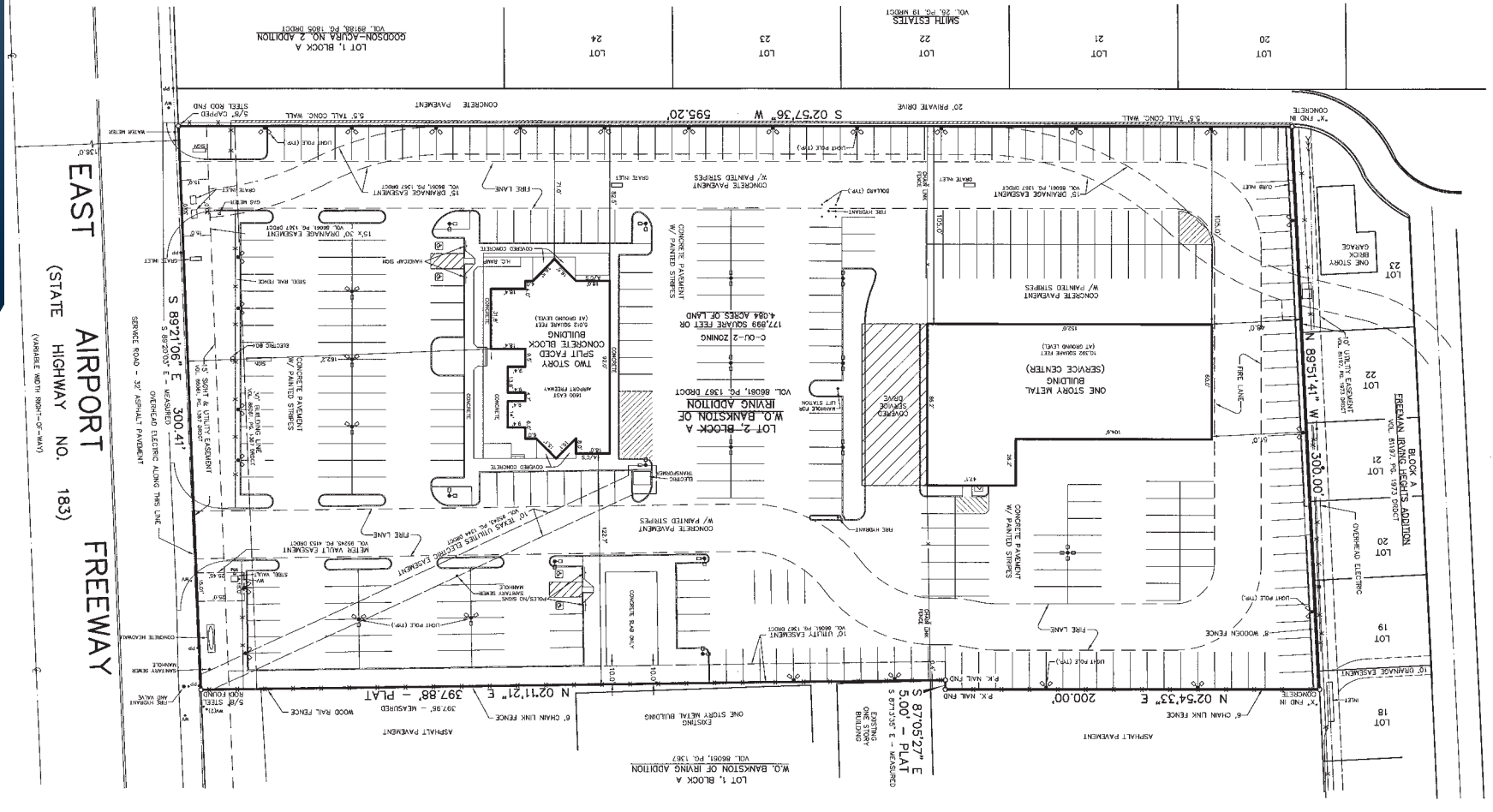
1/1/2025	\$30,307.26	\$363,687.12
1/1/2026	\$30,913.41	\$370,960.86
1/1/2027	\$31,531.67	\$378,380.08
1/1/2028 - 5/31/2028	\$32,162.31	\$160,811.55

- **Lease Type** – NNN – Landlord responsible for roof and structure.
- **Lease Expiration** – 5/31/2028
- **Escalations** – 2%
- **Renewal Options** – Two (2) five (5) year options
- **Option 1** – 2% annual increase from previous base year with 2% escalations
- **Option 2** – Fair Market Value.
- **Tenant’s Termination Right** – one time right to terminate this lease without penalty effective 12/31/2025 as long as they give written notice no later than 6/30/2025.

PROPERTY PHOTOS



SURVEY



EAST AIRPORT FREEWAY
 (STATE HIGHWAY NO. 183)
 (VARIES WITH MP-5-M)

Any projections used are speculative in nature and do not represent the current or future performance of the site and therefore should not be relied upon. We make no guarantee or warranty regarding the accuracy of the survey or the condition of the property. This survey is based on a field investigation of the property to determine whether it meets your satisfaction and the Seller expressly disclaims any representation or warranty with respect to the accuracy of the Submission Items, and Buyer acknowledges that the Buyer is responsible for conducting their own independent investigation of the property to determine whether it meets their requirements. This survey was prepared by the Surveyor, and the Surveyor is not responsible for any errors or omissions. © 2024, Davidson & Bogel Real Estate, LLC. 2024

DEMOGRAPHICS

	1 Mile	3 Miles	5 Miles
2024 Population	14,645	88,015	266,819
% Proj Growth 2024 - 2029	0.09%	-0.16%	-0.08%
2024 Median HH Income	\$55,269	\$77,621	\$69,940
2024 Average HH Income	\$77,115	\$106,846	\$98,927

DISCLAIMER

APPROVED BY THE TEXAS REAL ESTATE COMMISSION FOR VOLUNTARY USE.

TEXAS LAW REQUIRES ALL REAL ESTATE LICENSEES TO GIVE THE FOLLOWING INFORMATION ABOUT BROKERAGE SERVICES TO PROSPECTIVE BUYERS, TENANTS, SELLERS AND LANDLORDS. (01A TREC NO. OP-K)

INFORMATION ABOUT BROKERAGE SERVICES:

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner; buyer: and
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property. With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

IF YOU CHOOSE TO HAVE A BROKER REPRESENT YOU:

You should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

DB URBAN, LLC	9009183	INFO@DB2RE.COM	214-526-3626
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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.

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Designated Broker of Firm	License No.	Email	Phone
David Guinn	643784	dguinn@db2re.com	214-526-3626
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
N/A	N/A	N/A	N/A
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Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

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