OFFERING MEMORANDUM

PRESERVE WEST CAPITAL

Bilfinger

Port Lavaca, TX

This property is listed in conjunction with Texas-licensed real estate broker Delta Commercial.

www.preservewestcapital.com

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Disclaimer

Preserve West Capital ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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Property Highlights

- New 5-Year Net Lease to Bilfinger, Inc.
  - Rare 3% Annual Rental Escalations
  - Sustainable Rent PSF at $18.00
- Strong Credit Tenant Publicly Traded on The Frankfurt Stock Exchange (FBW: GBF)
  - Bilfinger Inc., the lease entity, is a subsidiary of the company operating in North America
- Bilfinger Has Been in the Market for Over 25 Years & Continues to Grow
- Recent Capital Improvements Including New HVAC, Office Build-Out, Upgraded Electrical for Welding Equipment & New Stabilized Yard
- Strategic Location for Bilfinger Neighboring Numerous Major Chemical and Petrochemical Plants
  - Company Provides Engineering and Maintenance Services for Chemical & Petrochemical Companies
  - Major Employers in Port Lavaca Include Formosa Plastics & Dow Chemical
- Central Location Adjacent to Highway 35 Arterial
  - 25,644 Combined AADT
- Robust Demographics within 5 Mile Radius
  - Total Daytime Population of 15,376
  - Average Household Income of $72,671
- Approximately 130 Miles from Houston
- No State Income Tax in Texas

Location

The property is located at 1504 West Main Street in Port Lavaca, Texas.

Lot Size

Approximately 1.91 acres or 83,200 square feet.

Improvements

A 5,000 square foot industrial building, comprised of approximately 2,500 SF of office and 2,500 SF of warehouse.

Year Built/Renovated

2003/2021

Lease

Leased to **Bilfinger, Inc.** for five years from February 1, 2021 through January 31, 2026 at an initial annual rent of $90,000. There are three (3), three-year options to renew the lease. Rent is to increase by 3% annually throughout the primary term and option periods. The lease is net with tenant responsible for all taxes, insurance, and maintenance, excluding roof and structure.

Financing

The property will be delivered free and clear of permanent financing.

PRICE

$1,500,000

6.00% Return

Annual Rent

Year		Annual Rent	Return
1	**(Current)**	**$90,000**	**6.00%**
2		$92,700	6.18%
3		$95,484	6.37%
4		$98,340	6.56%
5		$101,292	6.75%
6	(Option 1)	$104,331	6.96%
7	(Option 1)	$107,461	7.16%
8	(Option 1)	$110,685	7.38%
9	(Option 2)	$114,005	7.60%
10	(Option 2)	$117,425	7.83%
11	(Option 2)	$120,948	8.06%
12	(Option 3)	$124,576	8.31%
13	(Option 3)	$128,314	8.55%
14	(Option 3)	$132,163	8.81%

TENANT INFORMATION

BILFINGER

Bilfinger, SE (FBW: GBF) is a European company, based in Germany, specializing in civil and industrial construction, engineering, and services. The company provides services for industrial plants, power plants, and real estate; major industries for which the company provides engineering services include Chemical & Petrochemical, Energy & Utilities, Oil & Gas, Pharma & Biopharma, and Metallurgy. The company is primarily active in Continental Europe, Northwest Europe, North America, and the Middle East. Bilfinger North America provides a variety of services to enhance the efficiency of assets and reduce maintenance costs throughout the value chain, from consulting, engineering, manufacturing, assembly, maintenance, plant expansion as well as turnarounds and also includes environmental technologies and digital applications. Their services include maintenance, modification, and operations, on-site assembly of parts and components for industrial plants, and insulation, scaffolding, and corrosion protection.

Bilfinger Inc., the lease entity, is a subsidiary of the company operating in North America.

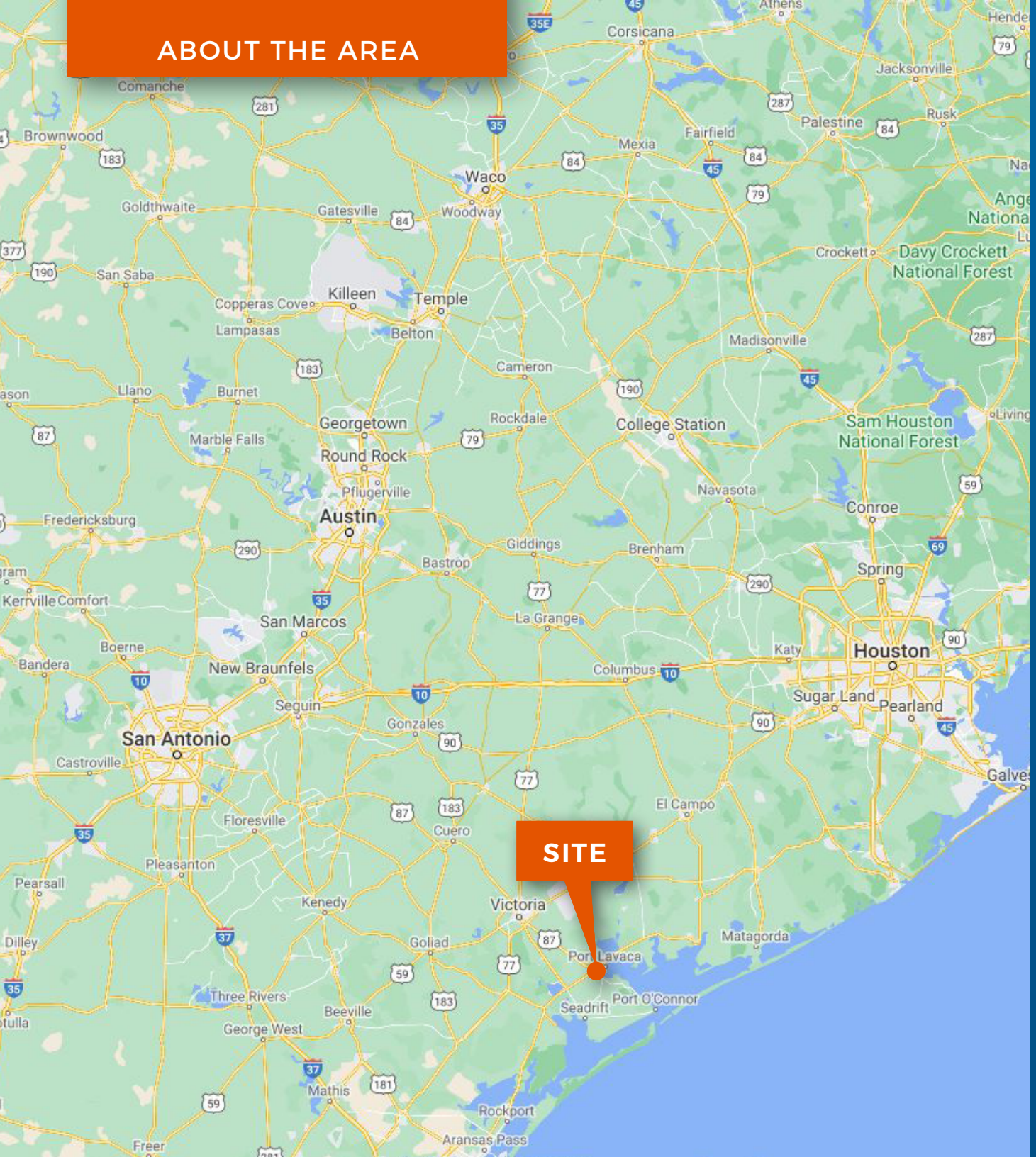
AERIAL

NORTHWEST VIEW

AERIAL

NORTHEAST VIEW

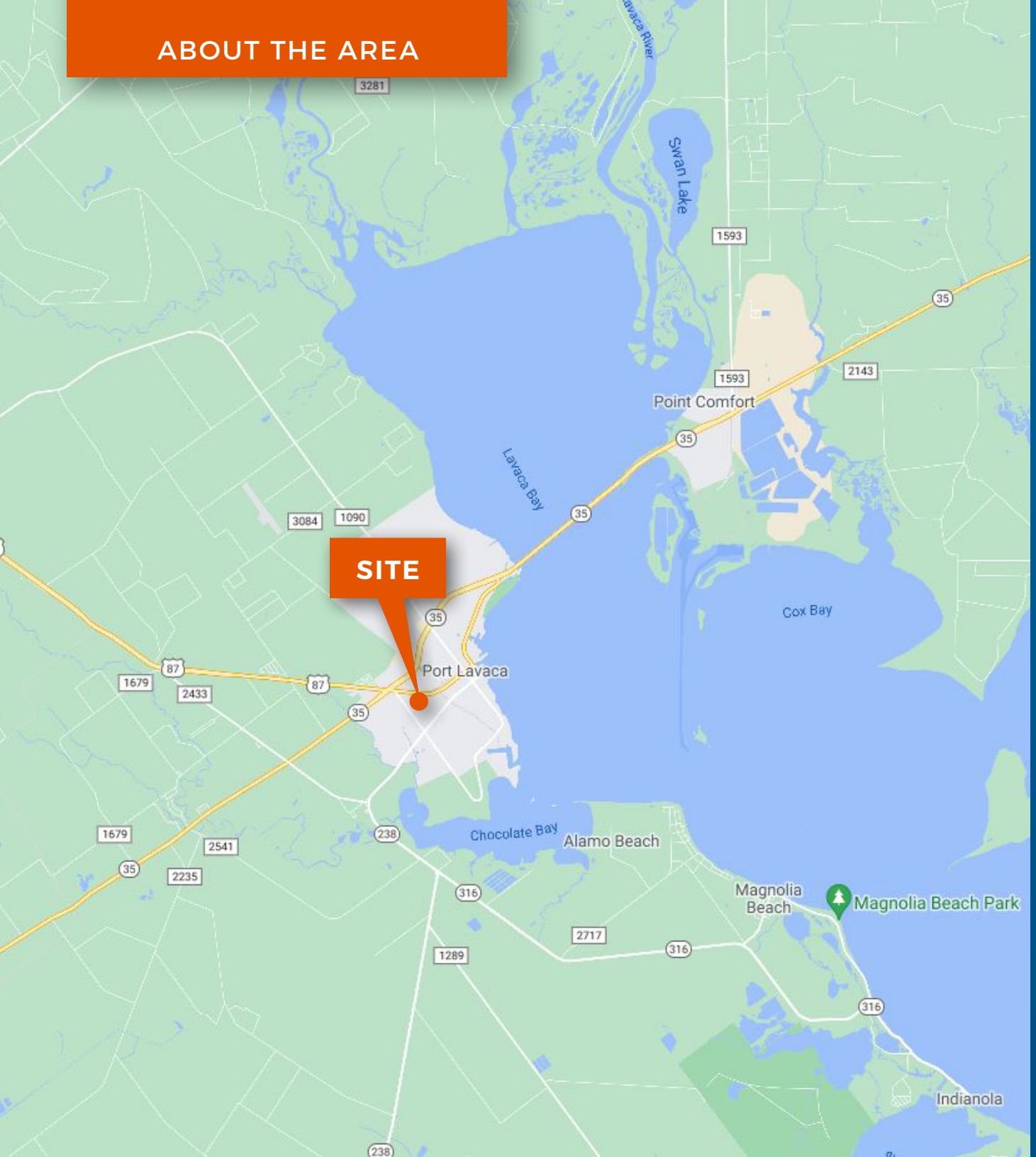
ABOUT THE AREA



General Overview

Port Lavaca (population 12,147) is the seat of Calhoun County, located approximately 130 miles southwest of Houston on the Texas Gulf Coast. The city benefits from a broad economic base in manufacturing, construction, trade, hospitality, medicine, and professional services. The city is part of the Victoria, Texas metropolitan statistical area, with a total population of 99,562.

ABOUT THE AREA



Site Information

The subject property is prominently situated with excellent access and visibility along West Main Street (5,644 AADT) in close proximity to its junction with the Highway 35-S arterial (20,000 AADT), which links Port Lavaca to Houston and Corpus Christi. The site benefits from robust demographics with a total daytime population of 15,376 within a 5 mile radius and average household income of $72,671.

The site benefits from a prominent location neighboring major employers and retailers. Nearby employers include Helena Chemical, Gulfmark Energy, Formosa Plastics, Alcoa, Maxim Crane Works, the Port of Port Lavaca – Point Comfort, and Memorial Medical Center. Nearby shopping centers include Calhoun Plaza, anchored by HEB and CVS. Other major retail tenants include Walmart Supercenter, Walgreens, and Tractor Supply Co.

1504 W Main St | Port Lavaca, TX 77979

2021 POPULATION
15,235

AVG. HOME VALUE
$144,739

AVG. HOUSEHOLD INCOME
$72,671

Population Summary	1 Mile	3 Miles	5 Miles
2010 Total Population	6,713	13,022	14,838
2021 Total Population	6,765	13,087	15,235
2026 Total Population	6,878	13,302	15,548
2021-2026 Annual Rate	0.33%	0.33%	0.41%
Average Household Income			
2021	$63,183	$71,388	$72,671
2026	$67,772	$77,209	$78,734
Average Home Value			
2021	$128,521	$142,832	$144,739
2026	$162,301	$170,034	$171,065

Top Employers in Port Lavaca	# of Employees
Formosa Plastics	3,048
Dow Chemical	611
Calhoun County ISD	572
Orion Marine Group, Inc.	308
Calhoun County	207
Memorial Medical Center	204
INEOS Nitriles (formerly BP)	132
Seadrift Coke	102

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.

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;

(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.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant Date

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or 512-465-3960.

EQUAL HOUSING OPPORTUNITY

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