

# 1750 PRODUCTION DRIVE Findlay, Ohio



13-YEAR, SINGLE-TENANT NET LEASE | 216,300 SF | MODERN CONSTRUCTION | MANUFACTURING & DISTRIBUTION FACILITY FOR A GLOBAL TENANT





# EXECUTIVE SUMMARY

## INTRODUCTION

Jones Lang LaSalle (“JLL”), as exclusive representative, is pleased to present for sale 1750 Production Drive (the “Property”), located in Findlay, Hancock County, Ohio. 1750 Production Drive is a 216,300-square-foot manufacturing and distribution facility built-to-suit in 2018 with modern features and substantial tenant investment of approximately \$40-50 million beyond the building’s original construction costs. The Property is situated on 38.5 acres within the greater Tall Timbers Industrial Park, which is home to several other corporate users spanning 300 acres of industrial-zoned land in Northeast Findlay. The site is strategically located three miles from the critical Interstate 75, which bisects the Eastern United States and provides Findlay with exceptional connectivity to the greater Midwest region.

## TRANSACTION SUMMARY

|                  |                          |
|------------------|--------------------------|
| ADDRESS:         | 1750 Production Drive    |
| CITY, STATE:     | Findlay, Ohio            |
| SQUARE FEET:     | 216,300 SF               |
| YEAR BUILT:      | 2018                     |
| SITE SIZE:       | 38.5 Acres               |
| OCCUPANCY:       | 100%                     |
| TENANT:          | ZF Active Safety US Inc. |
| LEASE GUARANTOR: | ZF Friedrichshafen AG    |
| EXPIRATION DATE: | October 31, 2033         |

## THE OFFERING

The Property is currently 100% leased to ZF Active Safety US Inc. (the "Tenant"). The Tenant is a wholly-owned subsidiary of ZF Friedrichshafen AG ("ZF"), a global car parts manufacturer headquartered in Friedrichshafen, Germany. The Lease is fully guaranteed by ZF with an S&P and Moody's credit rating of BB+ and Ba1, respectively. The Lease is for an original term of 180 months with an expiration date of October 31, 2033, and the Tenant possesses two (2) five-year renewal options. The Tenant recently assumed the Lease at the Property following ZF's acquisition in August 2020 of Veoneer, Inc.'s U.S. brake control business. This has given ZF an immediate presence in Findlay as the new tenant entity in one of the area's most recent industrial developments with significant tenant investment. Findlay is a recognized market in the Midwest known for its extensive history of automotive, manufacturing, and logistics firms having established long-lasting footprints due to competitive transportation infrastructure and access to a deep pool of skilled labor. 1750 Production Drive represents the opportunity to acquire a stabilized property featuring modern finishes and a long-term lease to a global tenant that is committed to expanding its already established presence throughout North America.



# INVESTMENT HIGHLIGHTS

## ESTABLISHED AND COMMITTED TENANCY

Initially a build-to-suit project for Veoneer Inc.'s U.S. brake control business, approximately \$40-50 million was invested by the tenant in tooling and production equipment beyond the building's original construction costs. Following the acquisition of Veoneer's U.S. brake control business in August 2020, 1750 Production Drive is now fully occupied by ZF Active Safety US Inc., a wholly-owned subsidiary of ZF Friedrichshafen AG ("ZF"), which acts as the parent company guarantor for the Lease with S&P and Moody's credit ratings of BB+ and Ba1, respectively. Originally founded in 1915, ZF is a global technology company supplying advanced mobility products and systems for passenger cars, commercial vehicles, and industrial technology. ZF employs a workforce of over 147,000, with approximately 35,000 employees in North America among its numerous subsidiaries.

## STRATEGIC LOCATION FOR TENANT

With a primary focus on servicing Ford's auto manufacturing business, the Property is strategically located in Findlay in the northwest corner of Ohio, which is heavily known for its Foreign Trade Zone status and its location in the heart of America's auto belt. The site's selection is well-predicated around Findlay's reputation as a key Midwest automotive, manufacturing, and logistics market with vital connectivity to Interstate 75 and close proximity to the largest customers of automotive suppliers like the subject Tenant. With more than 1.1 million light vehicles and trucks rolling out of Ohio assembly lines each year, Ohio is ranked number two nationally for total Tier 1 automotive suppliers. Half of the nation's auto workers work in Ohio or within 500 miles of the state, which further solidifies the foundation of Ohio's, and specifically Findlay's longevity in the industry of automotive supply.

## ATTRACTIVE LEASE FUNDAMENTALS

The Property is 100% leased on a 180-month original term through October 31, 2033 with a guaranty from ZF Friedrichshafen AG. The Lease is triple net with minimal landlord obligations and annual rent escalations of 2.0% throughout the term. Additionally, the Lease contains two (2) five-year renewal options at fair market rent which is not to be less than the rent at the expiration of the previous term.

## EXTENSIVE TENANT INVESTMENT

One of the newest developments in Findlay's Tall Timbers Industrial Park, the Property was completed in 2018 as a build-to-suit for Veoneer, Inc.'s U.S. brake control business. ZF's acquisition of Veoneer's U.S. brake control business in August 2020 has facilitated a seamless transition of ZF Active Safety US Inc. into the building, as the products and operations of the former tenant are well-aligned with the new tenant entity. The Property is fully air-conditioned via 18 RTUs, and features 28-foot clear heights, sufficient power for manufacturing activities, as well as spacious truck courts and 15 dock positions with potential for future positions to serve the growing operational and distribution needs of the Tenant. In addition, the Property possesses modern finishes such as LED lighting, ESFR sprinkler system, and a 60-mil TPO roof with a 15-year warranty. Specific to the original tenant's investment of an additional \$40-50 million into tooling and production equipment:

- 8-inch thick slab in warehouse space
- Extensive pits in the floor to accommodate machinery (which Tenant would restore)
- +/- 36,000 SF of clean room space for assemblies with electro-static floors, positive pressure air flow, and heavy fire rated walls
- +/- 4,000 SF of metrology and calibration lab space
- Extensive system of underground process piping running from machinery to the filtration room, which separates hydraulic and cooling fluids from metal shavings that come off the stamping presses
- 25-ton crane in filtration room





# PROPERTY OVERVIEW

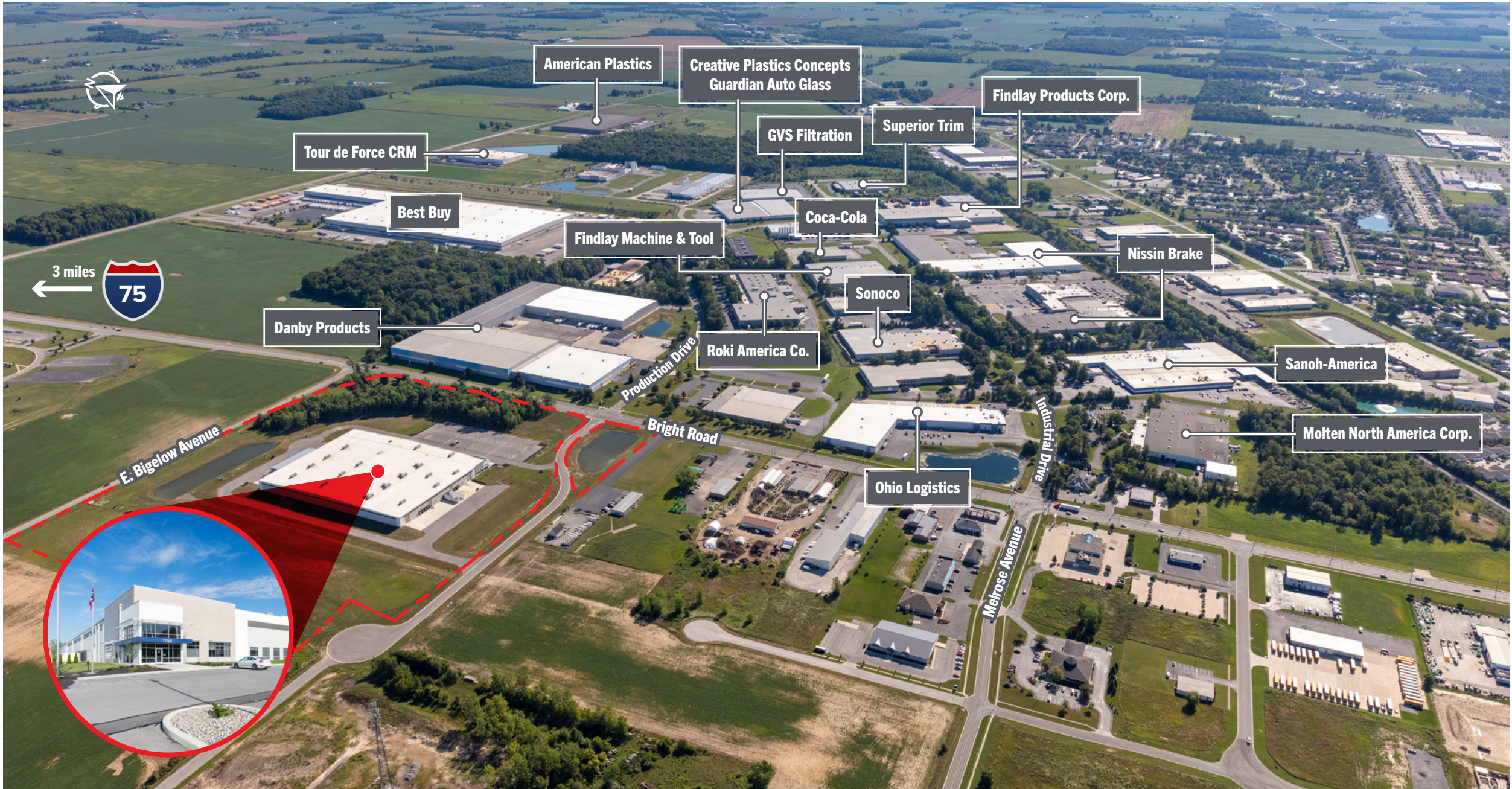
## PROPERTY DESCRIPTION

|                       |   |
|-----------------------|---|
| ADDRESS, CITY, STATE: | 1750 Production Drive   |
| CITY, STATE:          | Findlay, OH   |
| BUILDING SIZE:        | 216,300 SF (6,920 SF filtration room, not included in building RSF)   |
| OFFICE SF / %:        | 21,286 SF / 9.8%  |
| YEAR BUILT:           | 2018  |
| SITE SIZE:            | 38.5 AC   |
| CLEAR HEIGHT:         | 28'   |
| DOCK DOORS:           | 15 active, 19 estimated future (9' x 10' manual overhead)   |
| DRIVE-IN DOORS:       | 3 (two 12' x 14', and one 14' x 14')  |
| AUTO PARKING:         | 246   |
| CONSTRUCTION TYPE:    | Pre-cast concrete panels & structural steel framing with bar joists   |
| BUILDING DIMENSIONS:  | 540' x 400'   |
| COLUMN SPACING:       | 60' x 60'   |
| SPRINKLER:            | ESFR  |
| ELECTRICAL:           | One 8000-amp service; 500 KW generator  |
| LIGHTING:             | LED 30,000LM high bay light fixtures; 60 FC   |
| HVAC:                 | Fully air-conditioned via 18 RTUs   |
| ROOF TYPE:            | 60-mil white TPO, fully adhered welded system on top of two layers of 2.5" Roxul Toprock DD Insulation with ¼" Secureck gypsum-fiber board; Carlisle 15-year warranty |





# TALL TIMBERS INDUSTRIAL PARK | FINDLAY, OH





# CONTACTS



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