



MCKINNEY
MARKETPLACE
McKINNEY, TEXAS



EXECUTIVE SUMMARY

JLL is pleased to exclusively offer McKinney Marketplace (the "Property"), a 118,967 square-foot shopping center located in the burgeoning Dallas/Fort Worth suburb of McKinney, Texas. Currently 96% leased, the Property benefits from a prominent location at the established retail intersection of U.S. Highway 75 and Eldorado Parkway. The Property has a dedicated tenant base with an average tenure of ~18 years and includes Kohl's (anchor), Albertson's (shadow anchor), and a complement of internet resistant retailers including Subway, Wendy's, Dollar Tree, and Supercuts. The Property's stable performance from a committed tenant base, prominent location in an established retail node and the upside potential through the mark to market of rents provides investors an opportunity with downside protection and the foundation for sustained long-term value appreciation.

PROPERTY OVERVIEW

Location: 3001 South Central Expressway
McKinney, TX 75070





Occupancy: 96.1%

Square Footage: 118,967 SF

Year Built: 2000

In-Place NOI: \$1,137,360

MAJOR TENANTS

Tenant	SF	% GLA	Lease Expiration
	86,842	73.0%	Jan-26
	8,625	7.2%	Jan-26
 <i>Look Smart. Buy Smart.</i>	4,000	3.4%	Jan-25
	3,000	2.5%	Dec-25



COMMITTED TENANCY PROVIDING STABLE, LONG TERM CASH FLOW

WELL PERFORMING ANCHOR - KOHL'S

- ◆ Operating at the Property for 20+ years and recently renewed and recommitted to the center
- ◆ Secures over 75% of the annual NOI
- ◆ Investment Grade Credit (S&P: BBB)
- ◆ Stable annual sales and strong health ratio
- ◆ Only location in trade area
- ◆ Shadow anchored by Albertson's and Valero Fuel Station

COMMITTED TENANT BASE

- ◆ Average tenant tenure of the Property is approximately 18 years
- ◆ 97% of the GLA has exercised at least one renewal option

INTERNET RESISTANT RETAIL

- ◆ Albertson's (grocery shadow anchor) and 38% of the shop space are internet resistant, essential retail and therefore mitigate the risk from the rising trends in online sales.

PADS

- ◆ Newly approved opportunity to develop a +/-5,000 SF pad site in front of Kohl's allowing investors to create income and potentially lower basis
- ◆ Ability to spin off separately platted Wendy's ground lease to potentially lower basis

VACANCY LEASE-UP

- ◆ 4,675 SF of in-place vacancy that can create up to +/- \$145k in NOI when leased-up at market rates

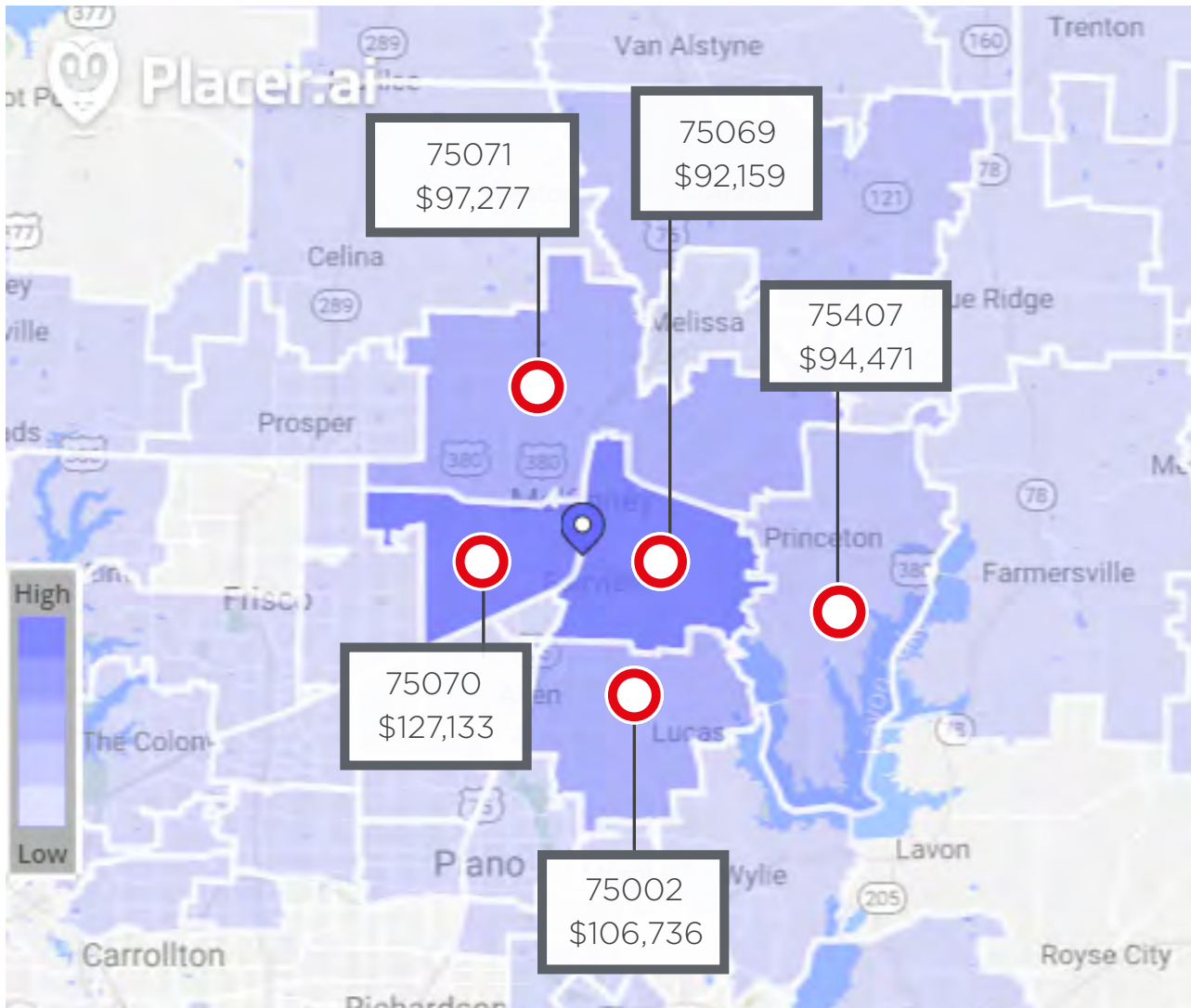


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STRATEGIC LOCATION

McKinney Marketplace benefits from its strategic location at one of McKinney's most traveled intersections - U.S. 75 and Eldorado Parkway. Situated within the heart of the area's master planned communities, this intersection experiences high traffic counts from an affluent customer base.

TRADE AREA MEDIAN HOUSEHOLD INCOMES



AFFLUENT CONSUMER BASE OF MCKINNEY TEXAS

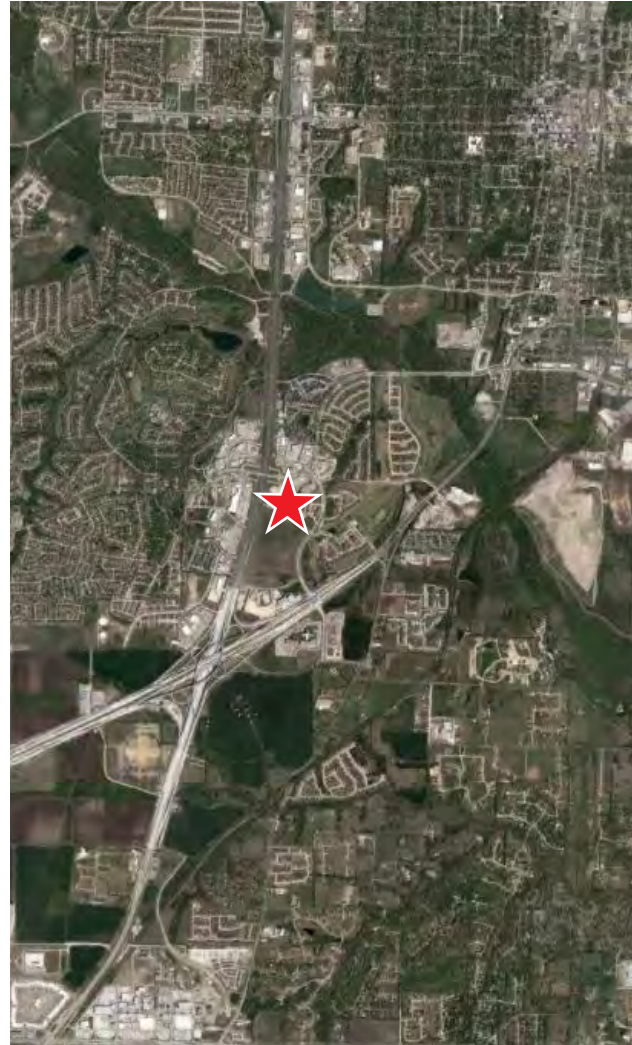
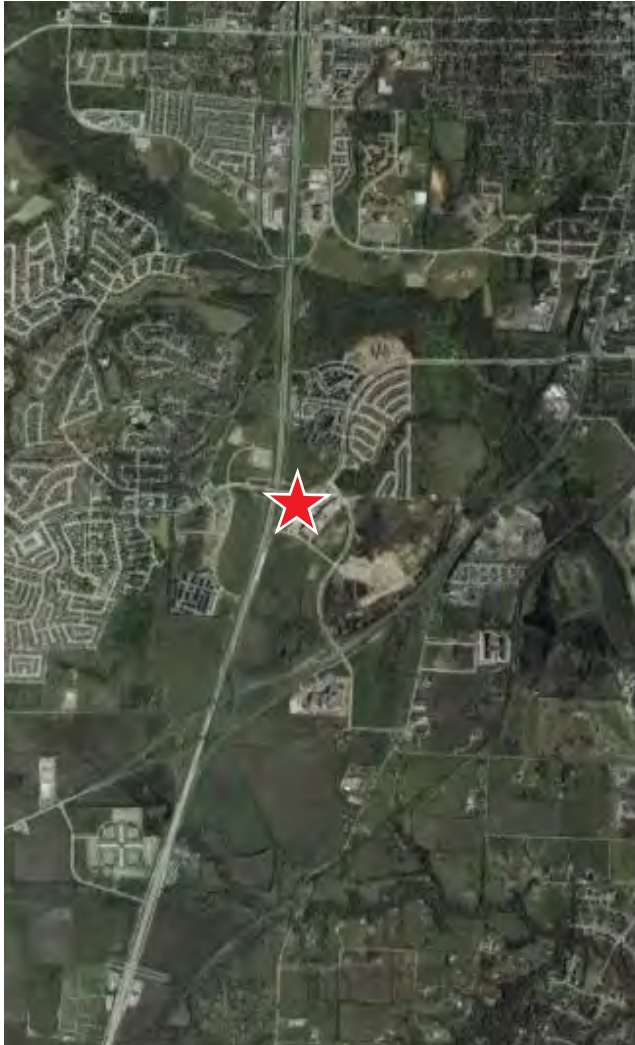
McKinney Marketplace benefits tremendously from its location within the prospering suburb of McKinney, Texas. The suburb has more than tripled in population since 2000 and has a current average household income of +\$120,000, far exceeding nationwide statistics. Within a 5-mile radius of the Property there is **over \$8.4 billion in spending power**, thus attracting and retaining best-in-class retailers.

	1 Mile Radius	3 Mile Radius	5 Mile Radius
2010 Population	7,525	61,225	145,591
2020 Population	10,063	80,991	199,528
Histoical Growth ('10-'20)	34%	32%	37%
2025 Projected Population	11,389	91,574	226,297
Projected Growth ('20-'25)	13%	13%	13%
Average Household Income	\$97,885	\$107,850	\$120,444

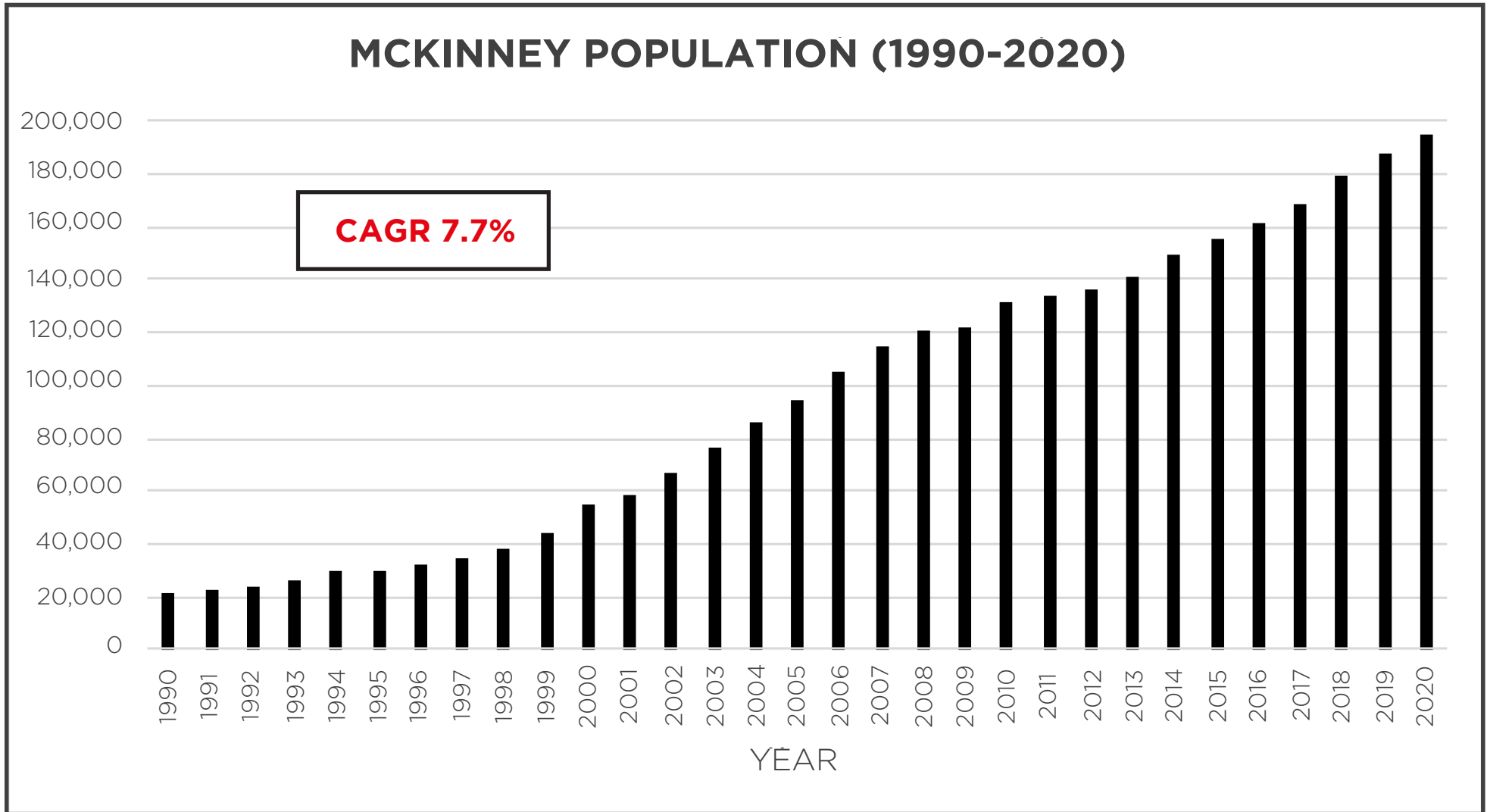


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HIGHLY AFFLUENT CUSTOMER BASE WITH ROBUST TRADE AREA GROWTH



The McKinney Marketplace trade area has experienced exponential growth and densification over the past 19 years with continued projected growth. Since 2000, the population of the McKinney Marketplace’s trade area has **grown 360%**. During the same time period, the trade area’s commercial and residential investment has **grown 180%**.



DALLAS-FORT WORTH RESILIENCY

SUPERIOR JOB RECOVERY

DFW ONLY LOST 3.7% OF ITS JOB BASE, THE 3RD LEAST AMONG US' MSAS. AS OF JUNE 2020, DFW HAS RECOVERED THE 3RD MOST JOBS (35%) BEHIND LA AND NY.

CORPORATE RELOCATION ACTIVITY

SINCE THE BEGINNING OF 2019, THE CHAMBER OF COMMERCE HAS RECEIVED 60 CALLS PER MONTH ABOUT CORPORATE RELOCATIONS, THE MOST EVER, EVEN BEFORE THE PANDEMIC.

ATTRACTIVE LOW COST OF LIVING/DOING BUSINESS

TEXAS'S FAVORABLE TAX ECONOMY WITH 0% STATE/LOCAL TAX HAS POSITIONED DALLAS TO BE RANKED THE #1 CITY FOR DOING BUSINESS OVER THE LAST 14 YEARS.

DFW TECH SECTOR LEGACY AND NEW GROWTH

THE DFW REGION HAS A LEGACY OF BEING A TECHNOLOGY LEADER WITH COMPANIES SUCH AS TEXAS INSTRUMENTS AND EDS WHICH STARTED IN THE 1980S. MORE RECENTLY, DFW HAS ATTRACTED INNOVATION HUBS SUCH AS BOEING, UBER, FACEBOOK, AND GOOGLE.

DIVERSIFIED EMPLOYMENT SECTORS

NO JOB SECTOR ACCOUNTS FOR MORE THAN 20% OF DFW'S EMPLOYMENT BASE. BASED ON MOODY'S ANALYTICS, DFW RANKS IN THE TOP 5 OF THE US' MOST DIVERSIFIED EMPLOYMENT BASE.

ADDITIONALLY, THE REGION HAS REDUCES ITS RELIANCE ON OIL & GAS, FROM 5.8% OF GDP IN 1982 TO 1.6% IN 2018.

STRONG OFFICE MARKET FUNDAMENTALS

DFW'S GENERAL LACK OF OVERBUILDING AND DIVERSE ECONOMY HAS LED TO CONSISTENT RENT GROWTH AND OCCUPANCY INCREASES OVER THE MILLENNIUM, RANKING IN THE TOP 10 FOR MAJOR US CITIES IN BOTH CATEGORIES.

WHY DALLAS-FORT WORTH?



#1 REAL ESTATE MARKET FOR 2019

URBAN LAND INSTITUTE/PWC



#1 MSA FOR PROJECTED POPULATION GROWTH

461,800 NEW RESIDENTS PROJECTED OVER THE NEXT 5 YEARS



#1 MSA FOR JOB GROWTH IN 2019

127,600 JOBS ADDED



OVER 1,000,000 JOBS

ADDED SINCE 2010



3.0%

UNEMPLOYMENT RATE PRE-COVID



RANKED TOP METRO FOR LEASING VOLUME

438 MILLION SF WITH VACANCY RATES FALLING TO 5%



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ADDITIONAL INFORMATION

If you have any questions or require additional information, please contact any of the individuals below.

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