

AR *A&R Logistics Center*

615,000 SF CLASS A+ WAREHOUSE
100% LEASED WITH 14 YEARS OF TERM
389,500 SF FUTURE EXPANSION UPSIDE
CHARLESTON, SOUTH CAROLINA



DEVELOPED BY

 THE KEITH CORPORATION

 DRONE VIDEO

 JLL



**100% LEASED, MISSION-CRITICAL FACILITY
WITH 14 YEARS OF TERM**

On behalf of The Keith Corporation, Jones Lang LaSalle Americas, Inc. (“JLL”) has been retained as the exclusive sales representative for the **A&R Logistics Center (the “Property”)** - a 615,000 square foot Class A+ industrial facility located in the rapidly-expanding Charleston, South Carolina market. The Property is 100% leased to A&R Logistics, Inc. (“A&R”) featuring nearly 14 years of remaining lease term with 2.00% annual escalations. A&R is the leading provider of supply chain services to the chemical industry providing dry bulk transportation services, warehousing and packaging, distribution, export, and third-party logistics solutions to numerous multinational companies. The mission-critical facility was developed in close cooperation with the South Carolina Ports Authority and CSX, who has invested approximately \$12 million into switching and off-site mainline rail improvements to serve the building and make the Property a designated CSX Select Site. As a result, the A&R Logistics Center possesses unique rail service and rail car storage capabilities with direct access to the Port of Charleston and CSX Intermodal.

Advantageously positioned adjacent to US-52, the Property enjoys straight shot access to I-26, I-526 and US-78 which links the A&R Logistics Center to every corner of the Charleston MSA. Further, the Property benefits from its direct connectivity to Charleston’s world-class logistics infrastructure which includes the Port of Charleston (via rail and road), Charleston International Airport (CHS) and CSX Intermodal. Consisting of timeless tilt-up concrete construction, the front-load building possesses two (2) rail doors on the rear side and a multitude of institutional-quality features such as 36’ clear height, ESFR sprinklers and energy efficient LED lighting throughout. Moreover, the Property is positioned on an 85-acre parcel capable of accommodating an additional 389,500 square feet of expansion space. **Overall, the A&R Logistics Center presents investors with the opportunity to acquire a core industrial asset with long-term, stable cash flows in the explosive Charleston industrial market with future value creation opportunity.**



INVESTMENT SUMMARY

Address	1156 West Branch Way Moncks Corner, SC 29461
Year Built	2020
Rentable Building Area	
Warehouse	611,000 SF (99.3%)
Office	4,000 SF (0.7%)
Total	615,000 SF
Expansion Area	389,500 SF
Clear Height	36'
Occupancy	100.0%
Tenant	A&R Logistics, Inc.
Guarantor	A&R Logistics Holdings, Inc.
Lease Term	13.9 years (as of 10/1/2022)
Lease Structure	NNN
Annual Escalations	2.00%
NOI¹	\$3,374,215

¹ Assumes 10/1/2021 Analysis Start Date



LONG-TERM STABLE CASH FLOWS WITH EXPANSION UPSIDE

STABLE EXISTING CASH FLOW

100% leased to A&R Logistics, Inc. (“A&R”) with approximately 14 years of remaining term and 2.00% annual escalations.

- #1 provider of supply chain services to the chemical industry, outsourcing their nearest competitor by 3x
- Acquired six (6) companies in the past 24 months alone, bolstering A&R’s already dominant market share and further increasing its pricing power
- Guaranteed by A&R Logistics Holdings, Inc.

MISSION-CRITICAL FACILITY

- The Property was developed in close cooperation with the South Carolina Ports Authority and CSX, who has invested approximately \$12 million into switching and off-site mainline rail improvements to serve the building and make the Property a designated CSX Select Site
- Provides A&R with two (2) high-speed packaging lines, sea bulk operations, liquid transload capability, rail service via CSX and direct access to the Port of Charleston and CSX Intermodal
- The company targets high-volume, export-seeking plastics producers and utilizes their high-speed packaging lines to prepare resin pellets – a key piece to the plastic production process
- Servicing contracts for household name petrochemical companies such as Chevron and Shell, among others

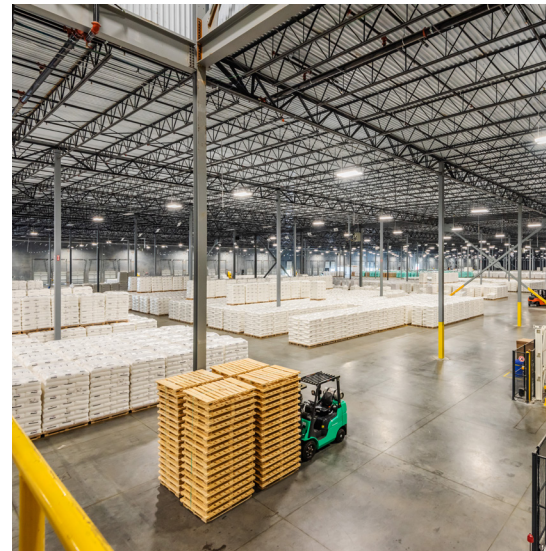
EXPANSION UPSIDE

The Property can accommodate up to 389,500 square feet of additional space via a highly accretive expansion option, providing an avenue for future value creation in addition to existing long-term, stable cash flows.

HIGHLY FUNCTIONAL, VERSATILE BUILDING DESIGN

The functional design of the Property appeals to a broad tenant base.

- 410’-deep front-load configuration
- 36’ clear height
- Abundant dock-high doors with premium dock packages and existing trailer storage with the ability to expand
- Fully secured, 185’-deep truck court
- Highly functional office space (less than 1.0%)
- Best-in-class rail service and rail car storage capabilities



CORE INDUSTRIAL PRODUCT WITH EXPANSION CAPACITY

The state-of-the-art facility consists of distinct tilt-wall construction with modern architectural lines, a sleek accented paint scheme and abundant office glass line.

The 410'-deep front-load facility possesses a multitude of institutional-quality features such as 36' clear height, ESFR sprinklers and motion-sensored LED lighting throughout.

Seventy-two (72), 9'x10' dock-high doors outfitted with premium dock packages inclusive of airbag pit levelers, seals and locks allow the Property to handle high-volume distribution operations.

185'-deep fully fenced truck court with a guard house features a 60' concrete apron and 119 trailer storage positions – a desirable commodity among the Charleston tenant base.

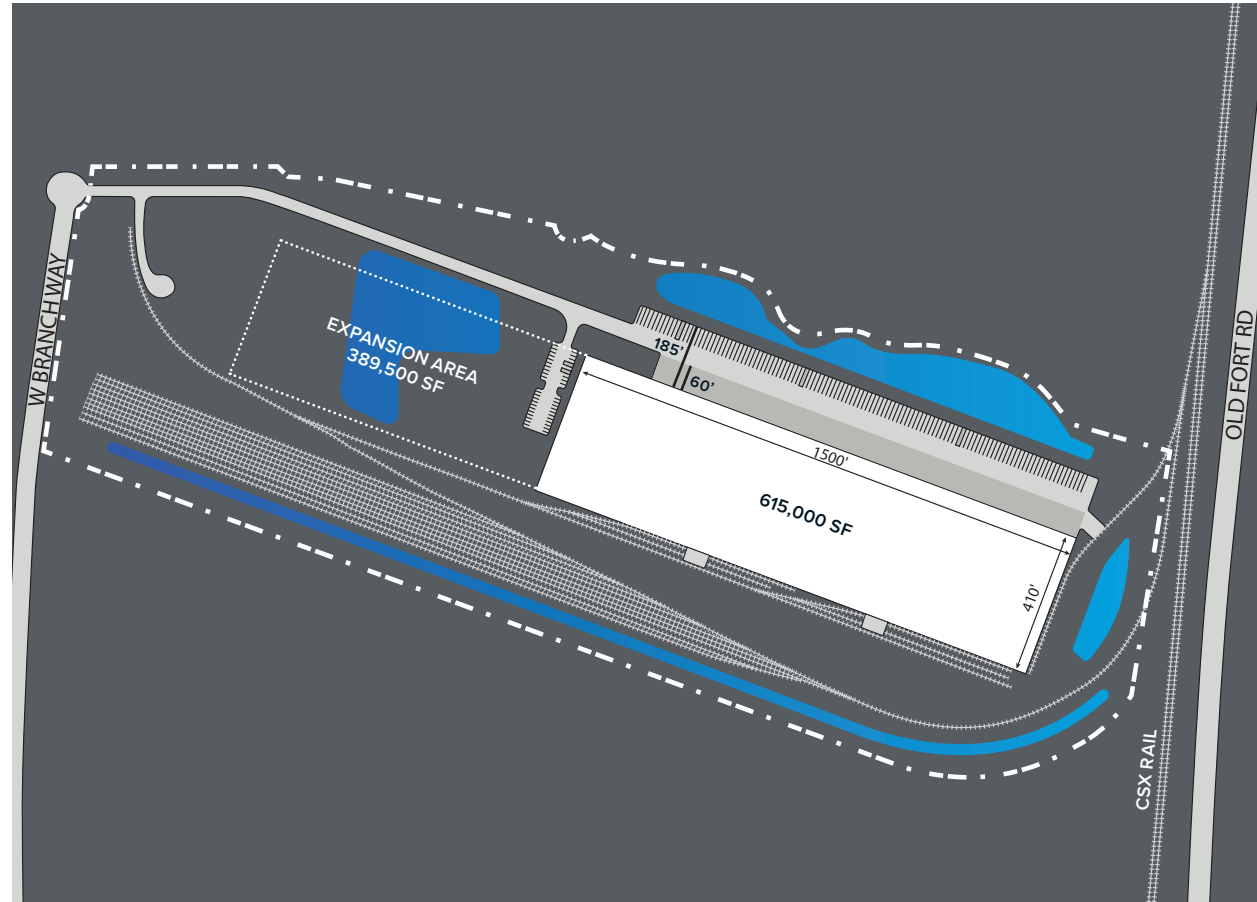
The Property features a 60mil white TPO roof membrane with a 20-year warranty, significantly mitigating future cost of ownership.

EXPANSION CAPACITY

The Property is situated on an 85-acre parcel capable of accommodating up to 389,500 square feet of additional space.

UNIQUE RAIL CAPABILITY

The A&R Logistics Center benefits from its direct access to Charleston's CSX rail line. The Property possesses two (2) rail off-loading points; a bulk loadout spur capable of accommodating three (3), 70'-long rail cars with two (2) adjacent truck scales and 197, 70'-long hopper car storage spaces on 24,500 linear feet of on-site industry track.





A&R LOGISTICS, INC.

Founded in 1965, A&R Logistics, Inc. (“A&R”) has evolved into the largest provider of supply chain services to the chemical industry providing dry bulk transportation services, warehousing and packaging, distribution, export, and third-party logistics solutions to numerous multinational companies such as Chevron and Shell, among many others. The company boasts an extensive network of nearly 50 facilities and the industry’s largest fleet of specialized tractors and pneumatic trailers.

In the past 24 months alone, A&R has acquired six (6) companies throughout the dry and liquid bulk transportation, export services, and plastics resin industries. Totalling over \$150 million in accretive investments, the strategic acquisitions bolster the company’s top line while further increasing its pricing power and an already dominant market share.

A&R AT THIS LOCATION

The brand-new 615,000 square foot facility aligns with its plastic resin business operations, targeting high-volume, export-seeking plastics producers looking for shipping alternatives to the U.S Gulf Coast.

The unique, CSX Select Site offers one-of-a-kind direct rail line access along the rear of the building with abundant docks doors along the front - expediting the distribution process and allowing for seamless import and export access through the booming Charleston Port system.

A combination of the Property’s high speed packaging lines, which are used to prepare resin pellets for export, and its top-tier distribution features enable the facility to operate with outstanding product turn time - increasing profitability and volume out of this location.

HIGHLY-CONNECTED LOGISTICS LOCATION

Positioned directly adjacent to US-52, the A&R Logistics Center benefits from its seamless connectivity to I-26, I-526 and US-78 which links the Property to every corner of the Charleston MSA. The Property also enjoys direct access to the Port of Charleston (via rail and road), Charleston International Airport (CHS) and CSX Intermodal.

US-52	±0.5mi
Volvo Plant	±12.5mi
US-78	±13.1mi
Nexton Parkway	±14.0mi
Daimler Manufacturing Plant	±14.1mi
I-26	±14.7mi
Charleston International Airport (CHS)	±16.6mi
North Charleston Terminal	±17.3mi
Bosch Plant	±17.7mi
Boeing Final Assembly	±18.9mi
Norfolk Southern & CSX Intermodal	±19.2mi
I-526	±19.6mi
Leatherman Terminal	±22.1mi
Wando Welch Terminal	±23.2mi
Downtown Charleston	±24.5mi
I-95	±39.4mi

RED-HOT CHARLESTON MSA

Coined a “millennial talent magnet,” Charleston remains poised for strong future growth behind a diversified economy based around the Port of Charleston, military installations and manufacturing.

802,122

MSA Residents

30

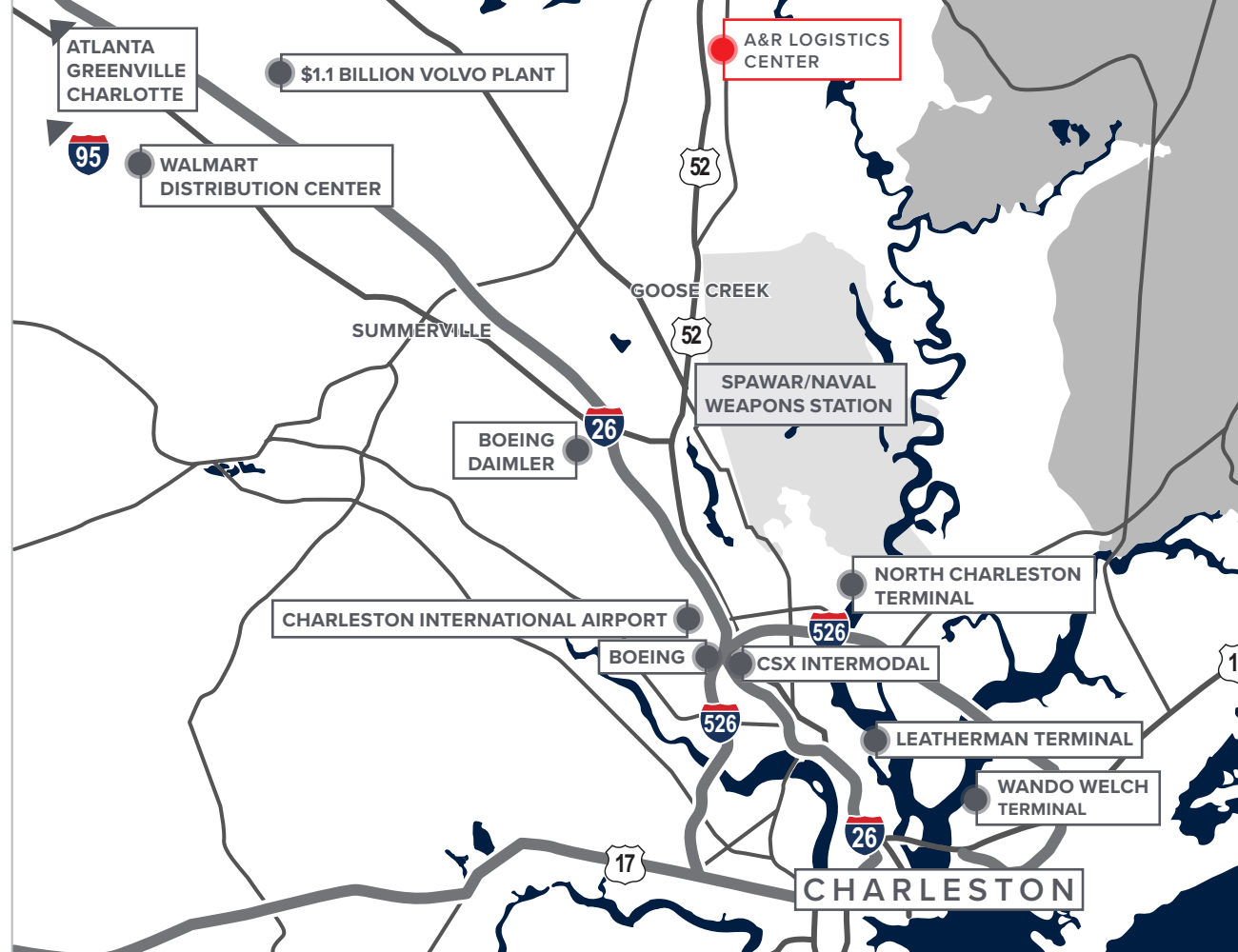
New Residents
per Day

46.1%

Cum. Population
Growth
since 2000

1M+

Est. Population
by 2030



RAPIDLY EXPANDING PORT OF CHARLESTON

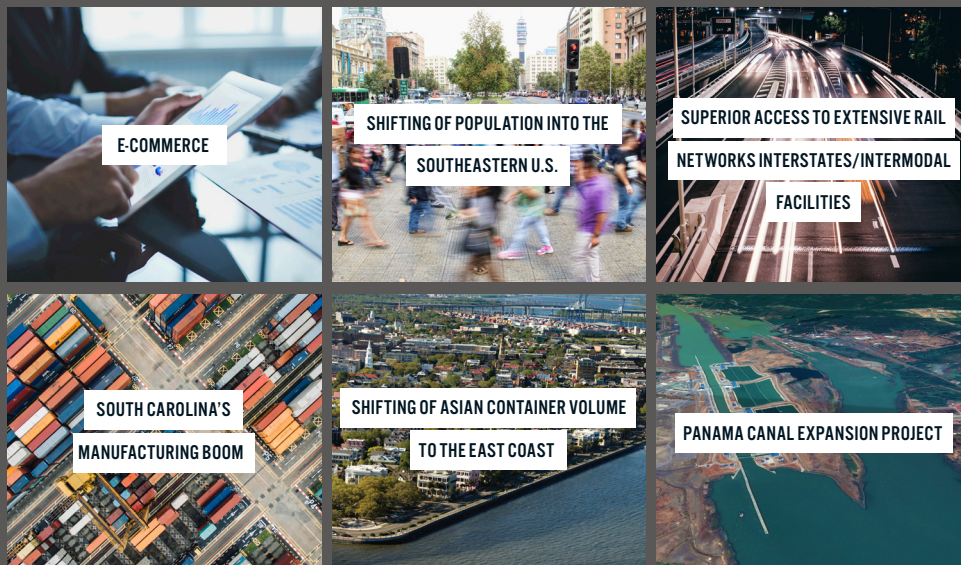
- The Port has experienced outstanding growth in total loaded TEUs over the past decade, most recently reporting record cargo volumes handled in March, April and May 2021, as a result of key drivers such as Southeastern population growth, secular shift from west coast to east coast ports, and more recently shifts in manufacturing from China to other parts of Asia.
- Totalling nearly \$2.8 billion, the Port's game-changing expansion program is well underway including the delivery of the new Leatherman Terminal (Mar-2021), a new access road connecting to I-26 and the new, dual-access intermodal terminal by 2021.
- Charleston Harbor Deepening Project is fully funded and on schedule, putting Charleston Harbor on track to be the deepest East Cost Harbor in 2021. 52' depth ensures mega container ships can access port terminals 24 hours a day without tidal restriction.
- \$63.4 million investment to further modernize the Wando Welch Terminal including three (3) more 155' ship-to-shore cranes and 24 rubber-tired gantry cranes which enable the Port to handle three New-Panamax ships simultaneously.
- Charleston is the only Southeast Port of call for ships on the North Atlantic Express (AX1), which considerably expands the Port's connectivity with Northern Europe.

"WE HAVE NEVER BEEN AS BULLISH ABOUT THE PORT AS WE ARE TODAY."

- MICAH MALLACE, Director of National Accounts at South Carolina Ports Authority



PORT OF CHARLESTON GROWTH DRIVERS



\$63.4B

Statewide Economic Impact

1 DAY

Rail to Inland Port Greer

100

Foreign ports served directly

37

Crane moves per day (most productive in the U.S.)



EXPLOSIVE INDUSTRIAL MARKET WITH IMPRESSIVE FUNDAMENTALS

Charleston has been the beneficiary of numerous corporate investments and announcements from major users. Some of which include:

- Walmart developing a brand-new 3 million square foot distribution center in Ridgeville
- Boeing consolidating production of its 787 Dreamliner jet to North Charleston
- Volvo adding an electric battery manufacturing facility and production line to its \$1.1 billion campus

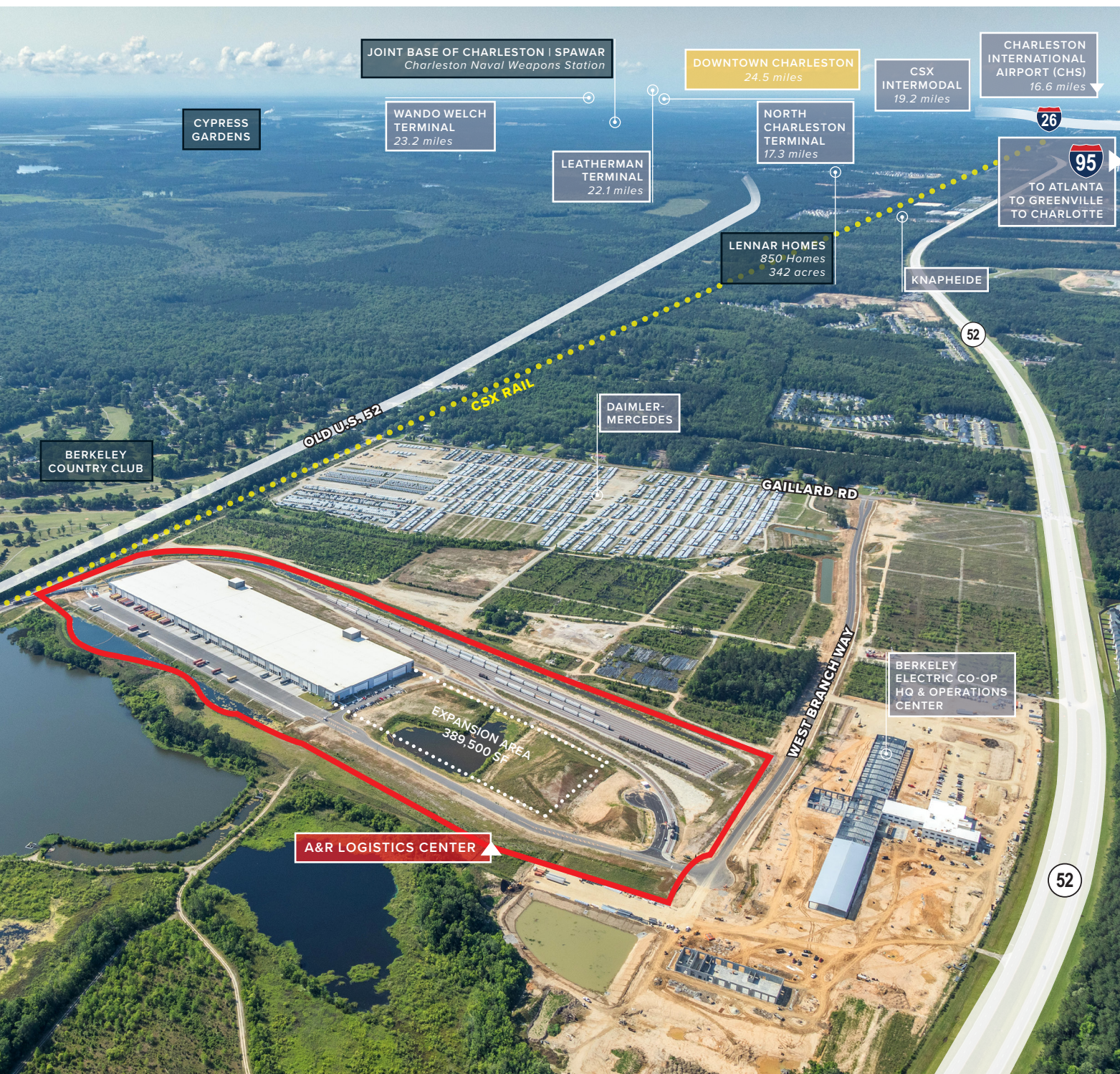
The Charleston market is one of the fastest growing industrial markets in the southeast. As a result, the market is home to a myriad of name-brand institutional owners including Blackstone, LBA Realty, Stockbridge, BentallGreenOak, EQT Exeter, CenterPoint, STAG, Transwestern and ElmTree Funds, among many others.

CHARLESTON MARKET

58.2 MSF	95.8%	5.2 MSF	7.7%
Total Inventory	Occupancy	Net Absorption Past 24 Mos	Rent Growth Pas 24 Mos

GOOSE CREEK/MONCK'S CORNER SUBMARKET

5.2 MSF	98.8%	1.2 MSF	50k SF
Total Inventory	Occupancy	Net Absorption Past 24 Mos	Under Construction



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