

2800 NAZARETH ROAD

WELLFORD, SOUTH CAROLINA

100% LEASED TO PPA INDUSTRIES, INC.
242,652 SF INDUSTRIAL FACILITY
6.0 YEARS OF REMAINING LEASE TERM



PROTECT PLUS AIR

85

29



2800 NAZARETH ROAD

100% LEASED, GREENVILLE - SPARTANBURG INDUSTRIAL FACILITY

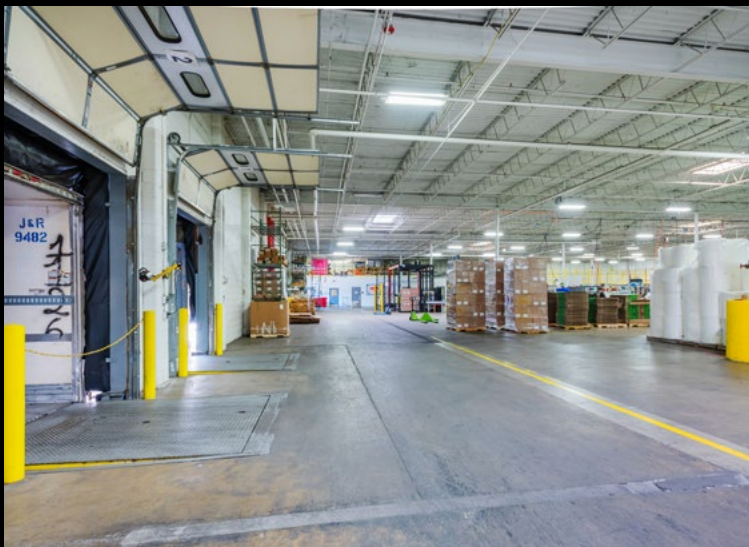
Jones Lang LaSalle Americas, Inc. (“JLL”) has been retained as the exclusive sales representative for **2800 Nazareth Road (the “Property”)** – a 242,652 square foot industrial facility located in Greenville-Spartanburg, South Carolina. The Property is 100% leased to PPA Industries, Inc. (“Protect Plus Air”) with 6.0 years of remaining lease term and under a Guaranty by PPA Holdings, Inc. Protect Plus Air is a global leader in the residential and commercial air filtration space that manufactures products for name-brands such as Arm & Hammer, DuPont, Honeywell, and Yankee Candle, among others. **2800 Nazareth Road** serves as a capable logistics complement to other firm operations, including the Protect Plus Air headquarters in Hickory, North Carolina.

2800 Nazareth Road presents an opportunity to acquire a fully-leased industrial facility featuring strong access characteristics and capabilities. The warehouse and distribution facility is ideally positioned less than two (2) miles from US-29 and I-85, the industrial backbone of the Southeast that provides access to nearly every significant metropolitan area from Alabama to Virginia. This location gives the Property unparalleled access to the largest population centers in the US and the international shipping and distribution hubs at the Inland Port of Greer and Greenville-Spartanburg International Airport (GSP). Moreover, due to the feverish rise of construction costs and land premiums, the Property is being offered at a basis well below replacement cost in comparison to similar product in the market.

INVESTMENT SUMMARY

| | |
|---|--|
| Address | 2800 Nazareth Road Wellford, South Carolina 29385 |
| Rentable Building Area | |
| Warehouse | ±240,252 SF (99.0%) |
| Office | ±2,400 SF (1.0%) |
| Total | 242,652 SF |
| Occupancy | 100.0% |
| Clear Height | 21.2'-24.5' |
| Tenant | PPA Industries, Inc. |
| Guarantor | PPA Holdings, Inc. |
| Parent Entity | HKW & Co. |
| Lease Term Remaining¹ | 6.0 Years |
| Lease Structure | NNN |
| Annual Escalations | 1.67% |
| NOI¹ | \$714,839 |

¹Assumes 11/1/2021 Analysis Start Date





LOGISTICS FACILITY WITH SOLID ACCESS TO GREENVILLE - SPARTANBURG MARKET

STABLE, IN-PLACE CASH FLOWS

- 100% leased to PPA Industries, Inc. ("Protect Plus Air") with 6.0 years of remaining lease term
- Lease is fully guaranteed by PPA Holdings, Inc.

BELOW REPLACEMENT COST ACQUISITION

- The Property is being offered significantly below replacement cost, given its small footprint and the meteoric rise of development costs

WELL-LOCATED LOGISTICS PRODUCT

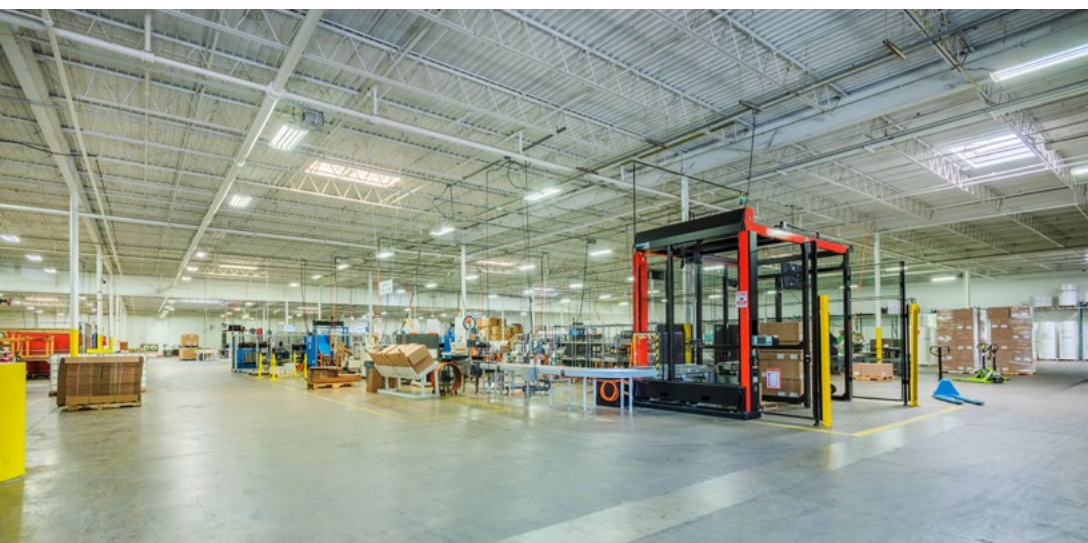
- Advantageously positioned less than two (2) miles from I-85, the backbone of the Southeast, the Property has access to the Greenville-Spartanburg market and nearly all major MSA's in the region
- Close proximity to international distribution networks at the Inland Port of Greer (within nine (9) miles) and the Greenville-Spartanburg International Airport (GSP) (within three (3) miles)

INSTITUTIONAL-QUALITY, FUNCTIONAL BUILDING DESIGN

- Minimal office buildout, highly sought-after front load configuration, and abundant trailer parking spaces
- Remaining warranty on roof (expires 10/7/2028) significantly reduces potential capital requirements

ACCESS TO GREENVILLE-SPARTANBURG MARKET

- Cumulative population growth of 14.7% since 2010, with 8.00% projected growth in the next three (3) years
- Strong industrial fundamentals with 8.6 million square feet of net absorption in 2019-2020, over 34% rental rate growth since 2014, and 93% occupancy
- A leading market for foreign investment and large global logistics presence anchored around the BMW manufacturing and distribution infrastructure located less than eight (8) miles away



TENANT PROFILE



PPA INDUSTRIES, INC.

242,652 SF | 10/31/2027 LXD | PARENT ENTITY: HKW | GUARANTOR: PPA HOLDINGS, INC.

PPA Industries, Inc. ("Protect Plus Air") holds and manages multiple air filter manufacturing firms specializing in commercial and residential HVAC filtration. Protect Plus Air employs over 900 people across the US and serves more than 45,000 retail stores in 48 states, ranking it in as the **second-largest producer of residential air filters for HVAC and heating units in the United States**. Headquartered in Hickory, North Carolina, Protect Plus Air has long been an industry player with a reliable growth model focused on product lifecycles and innovative offerings.

Protect Plus Air's brand holdings include Arm & Hammer, DuPont, Honeywell, and Yankee Candle. In addition, Protect Plus Air offers support to clients via maintenance and service of its product lines. The firm's core competencies include the brands, distribution networks, production synergies and operations platforms that the firm has developed.

Protect Plus Air boasts industry award-winning safety and health certifications, focusing on safety and reliability above all else. Due to recent global events, the firm has partnered with municipalities to provide solutions for grappling with infrastructure and public health concerns. In September 2017, the company was acquired by private equity firm HKW.

PPA INDUSTRIES, INC.

AT THIS LOCATION:

- Warehouses and distributes the air filtration products and offerings of its name-brand holdings including Arm & Hammer, Honeywell, DuPont, Yankee Candle, and more
- Remains in close proximity to its headquarters in Hickory, North Carolina and other operations within the Southeast
- Deliver goods to shelves in a vast number of retail locations around the country, including retailers such as CVS, Walmart and ACE Hardware

RETAILERS



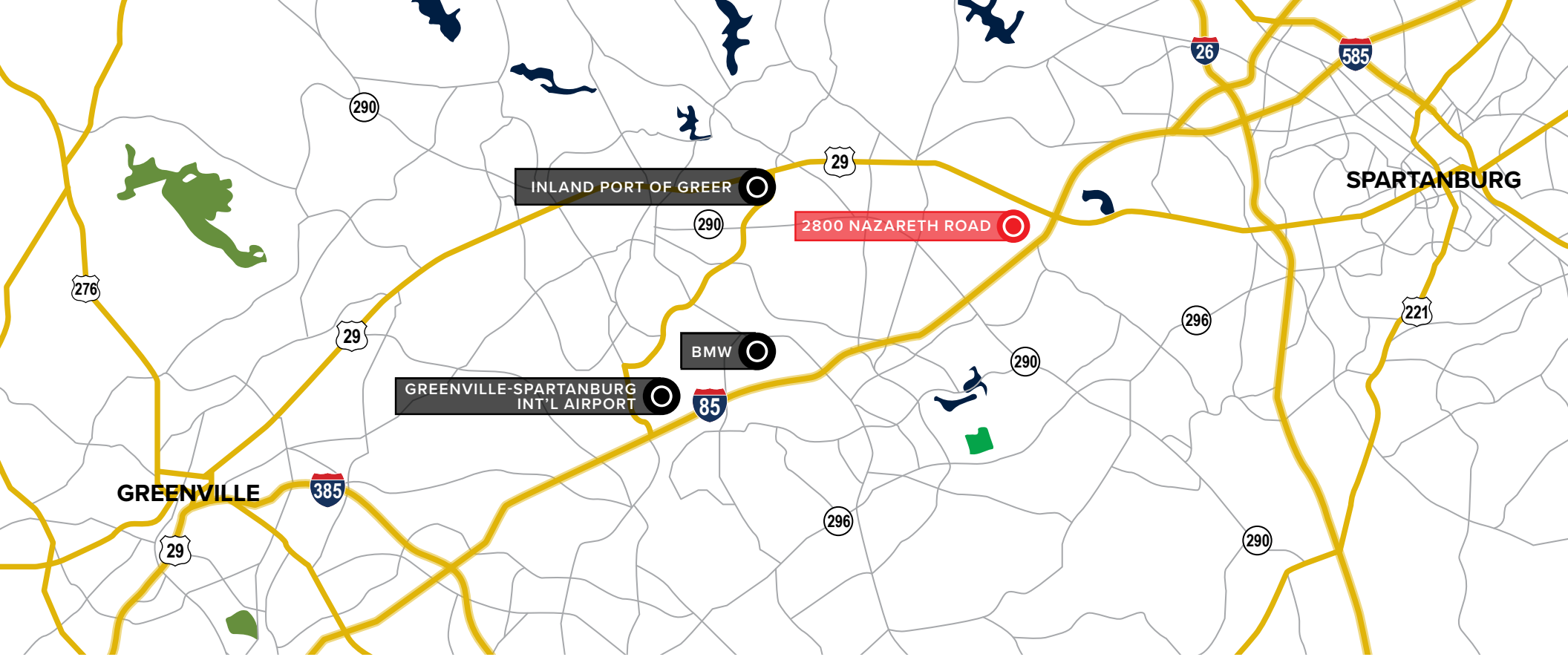
BRAND HOLDINGS



Honeywell



YANKEE
CANDLE®



CAPABLE LOGISTICS CONNECTIVITY

The Property's proximity to US-29 and I-85 lends solid access characteristics. These important commercial causeways navigate nearly every metropolitan area from Alabama to Virginia, including Charlotte, Raleigh, and Atlanta. The Property's adjacency to both the Greenville-Spartanburg International Airport (GSP) and the Inland Port of Greer provide further linkages to global commerce networks and hubs.

PROXIMITY

| | |
|--|----------|
| US Hwy 29 | ±0.7mi |
| I-85 | ±1.1mi |
| Greenville-Spartanburg Int'l Airport (GSP) | ±2.7mi |
| I-26 | ±5.8mi |
| BMW Manufacturing Facility | ±7.3mi |
| Inland Port of Greer | ±8.7mi |
| Spartanburg CBD | ±9.4mi |
| I-385 | ±16.6mi |
| Greenville CBD | ±21.0mi |
| Charlotte CBD | ±82.2mi |
| Atlanta CBD | ±165.0mi |
| Charleston CBD | ±207.0mi |

Nº. 1

RANKED STATE FOR
FOREIGN DIRECT
INVESTMENT

Nº. 2

LARGEST MSA IN
SOUTH CAROLINA

14.7%

POPULATION GROWTH
SINCE 2010

8.00%

PROJECTED
POPULATION GROWTH
IN 3 YEARS

50,000

TONS OF CARGO
HANDLED PER YEAR
FROM GSP INT'L

100

FOREIGN PORTS
SERVED BY INLAND
PORT OF GREER



GREENVILLE - SPARTANBURG INDUSTRIAL MARKET

THE GREENVILLE-SPARTANBURG INDUSTRIAL MARKET is among the top industrial markets in the Southeast, offering an advantageous supply chain position, highly skilled workforce, low cost of operations and a pro-business government. Comprised of 173 million square feet of industrial space across the market, the occupancy rate sits at 92.8%. Between 2018 and 2020, the market has seen over 13.3 million square feet of positive net absorption. Displaying solid rental rate momentum, the Greenville-Spartanburg industrial market has experienced an uptick in rental rates with asking rents growing by approximately 14% over the last 24 months alone.

The Greenville-Spartanburg market continues to experience an influx of world-class industrial users including BMW, Magna, Michelin, Adidas, FedEx, Rite Aid, Techtronic Industries, and Amazon. Since 2017 corporate investment has totaled more than \$3.0 billion, with BMW and Michelin having since announced major expansion plans. Industrial users benefit from the region's extensive logistics infrastructure, including the Inland Port of Greer, which started an additional 50-acre expansion in 2019 in addition to the Port of Charleston that recently delivered a \$2.0 billion expansion and deepening project.

173.8 MSF
Total Inventory

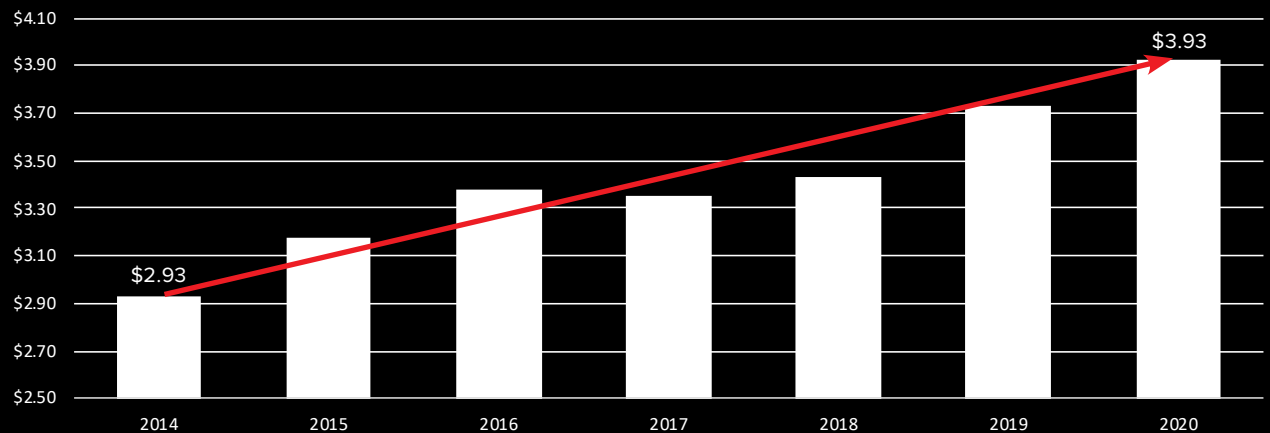
92.8%
Occupancy

13.3 MSF
Net Absorption
Past 24 Mos

+34%
Rent Growth
Since 2014

AVERAGE NNN ASKING RENTS

GREENVILLE-SPARTANBURG INDUSTRIAL MARKET (2015-2020)



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