

903  
**KIRBY**  
Wylie, Texas

INVESTMENT  
SUMMARY





## THE OFFERING

Jones Lang LaSalle Americas, Inc. (“JLL”) has been exclusively retained to offer qualified investors the opportunity to acquire 903 W. Kirby (the “Property”), a 40,931 square foot industrial property on 4.42 acres of land which is located in Dallas-Fort Worth within the high-performing Northeast Dallas industrial submarket. The property is fully leased by SRS Distribution with 7.33 years of term remaining. The tenant provides stability and an opportunity to add value at the end of this tenant’s term.

The Property is positioned in the institutional Northeast Dallas Industrial Submarket, known for its ease of accessibility to major thoroughfares (I-635, I-30, and US Hwy 75) that run directly through this submarket. Local, regional and national distributors benefit from the prime location and a population of 7.5 million within D/FW and 58.6 million within a one day’s drive. The Property offers premium a location with exceptional regional accessibility and immediate access to an abundant labor supply.

### PORTFOLIO SUMMARY

40,931 SF  
RENTABLE SQUARE FOOTAGE

+/- 3  
ACRE YARD AREA

100%  
OCCUPANCY

+/- 10%  
OFFICE FINISH

18’  
CLEAR HEIGHT

6 EXT.  
DOCKS

13  
TOTAL OVERHEAD DOCKS

4 GRADE LEVEL  
DRIVE INS

3  
RAMPS

7.33 YEARS  
WALT

1984  
YEAR BUILT

18 SPACES  
0.44/1,000 SF  
PARKING RATIO

# TENANT OVERVIEW



SRS Distribution Inc. (SRS) is a wholesale roofing products distributor with coast-to-coast operations in the United States. SRS is a portfolio company of Leonard Green & Partners and Berkshire Partners. SRS was initially formed to acquire the assets of Suncoast Roofers Supply; now, SRS Distribution has acquired over a total of 60 businesses, and there are 444 companies in the SRS Distribution Inc. corporate family. SRS also aims to become the most attractive distribution partner for their many valued suppliers by forming collaborative relationships built on trust and friendships that date back many decades. This focus allows SRS to enjoy a broader and deeper inventory of roofing products at each location than many of their competitors. SRS has a very narrow product focus with roofing making up almost 95% of sales, generating \$1.85 billion in sales (USD).

## TENANT HIGHLIGHTS

2008  
YEAR STARTED

337  
LOCATIONS IN

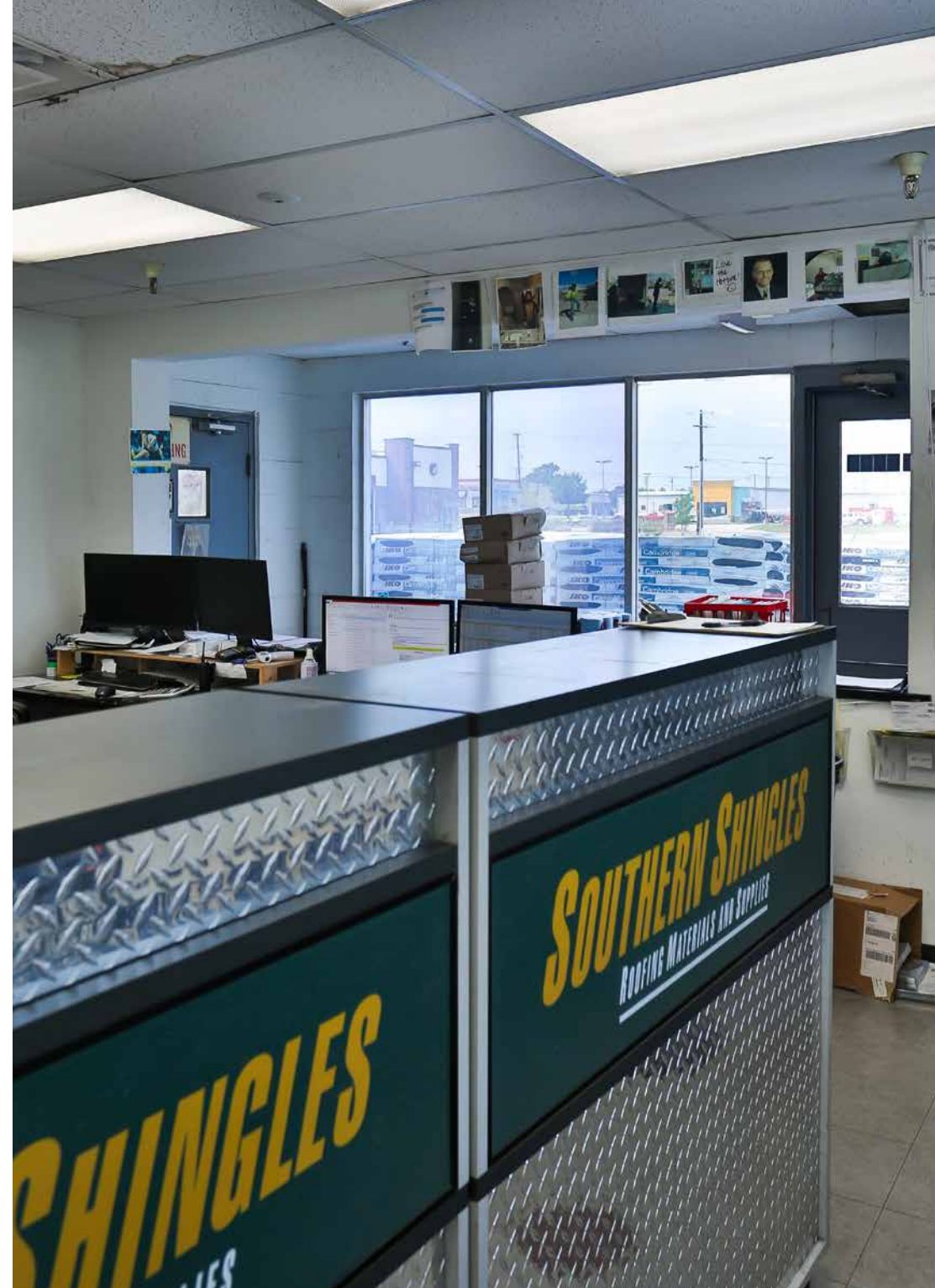
43  
STATES

3,050 +/-  
NUMBER OF EMPLOYEES

B (S&P)  
CREDIT RATING

42  
BRANDS

## BRANDS





## INVESTMENT HIGHLIGHTS

### PRIME, INFILL LOCATION

903 W Kirby presents investors with the rare ability to gain access to a thriving submarket of the DFW industrial market that has extremely limited middle-market acquisition opportunities. The infill location of the Property allows potential buyers a variety of repositioning opportunities upon tenant's lease expiration including mark-to-market and redevelopment due to high barriers-to-entry environment that leads to explosive rental rate and land price growth.

### LONG TERM LEASE WITH HIGH QUALITY STICKY TENANT

SRS Distribution's lease has 7.33 Years of Weighted Average Lease Term remaining and will expire as of March 2029 with approximately 3.00% annual escalations providing potential buyers stable, long-term stream of cash flow.

SRS Distribution, a roofing supplies and materials distributor, has 337 locations in 43 states and has been a tenant at the property since 2016. Founded in February 2008 the continual growth has established SRS as one of the fastest growing building products distribution companies in the U.S.

### STRATEGICALLY POSITIONED WITH EXCELLENT ACCESS TO HOUSEHOLDS

903 W Kirby is located on FM 544 just off of SH-78 south of KCS Intermodal with immediate access to multiple transportation nodes, I-35E, SH-67, and I-45. The Property benefits from direct connectivity to the metro's primary thoroughfares and excellent access to a large, highly skilled labor pool.

### NATIONAL - LEADING INDUSTRIAL MARKET

The Dallas-Fort Worth industrial market has become recognized as one of the most robust and resilient areas across the county for industrial real estate. The fourth largest industrial market in the United States, DFW has more than 682 million square feet of product and a vacancy rate of 7.0% as of Q2 2021.

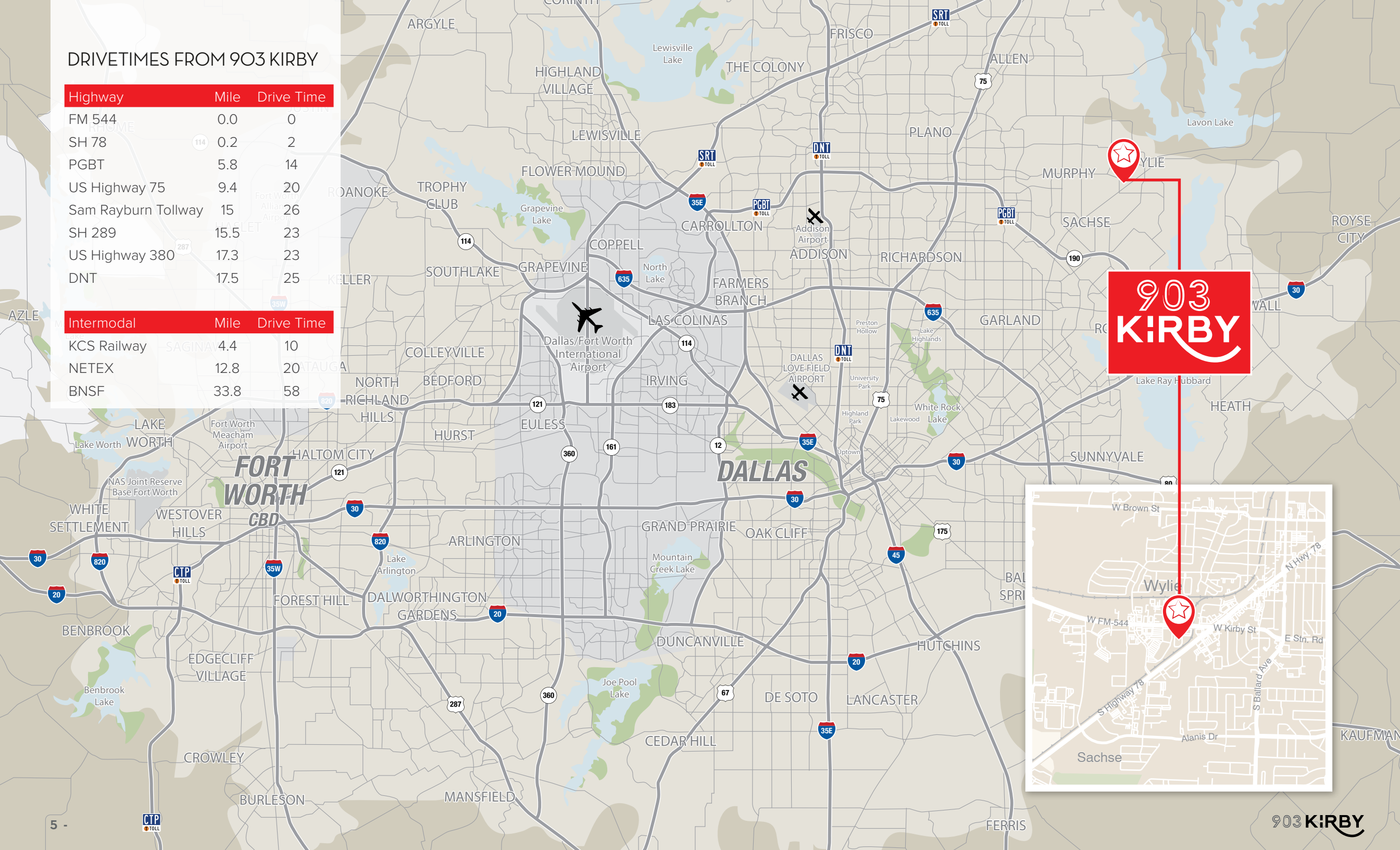
The DFW Industrial Market has experienced a record setting 2021 as we have absorbed over 17.8M SF of space year-to-date. Strong fundamentals and ongoing demand for space in the DFW market will continue to push rents higher. In addition, several owner-user requirements targeting existing and build-to-suit projects are expected to put downward pressure on the market vacancy rate.

Dallas Fort Worth's population projected to grow by 604,410 residents and generate 306,730 new jobs from 2020 through 2025.

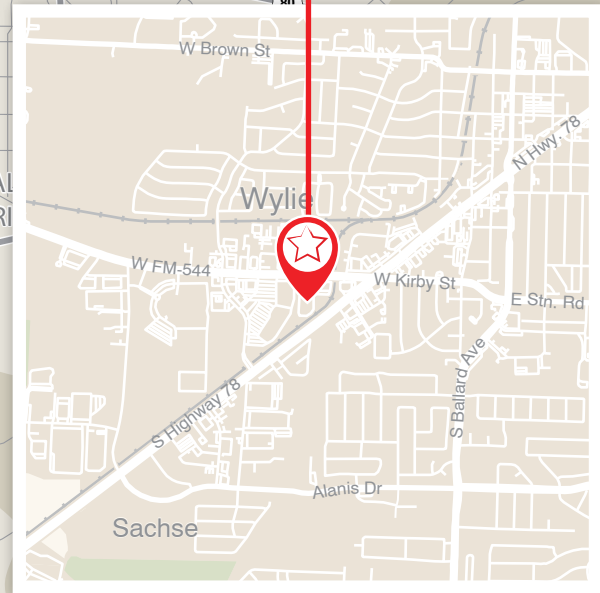
## DRIVETIMES FROM 903 KIRBY

Highway	Mile	Drive Time
FM 544	0.0	0
SH 78	0.2	2
PGBT	5.8	14
US Highway 75	9.4	20
Sam Rayburn Tollway	15	26
SH 289	15.5	23
US Highway 380	17.3	23
DNT	17.5	25

Intermodal	Mile	Drive Time
KCS Railway	4.4	10
NETEX	12.8	20
BNSF	33.8	58



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## IDEAL DISTRIBUTION HUB

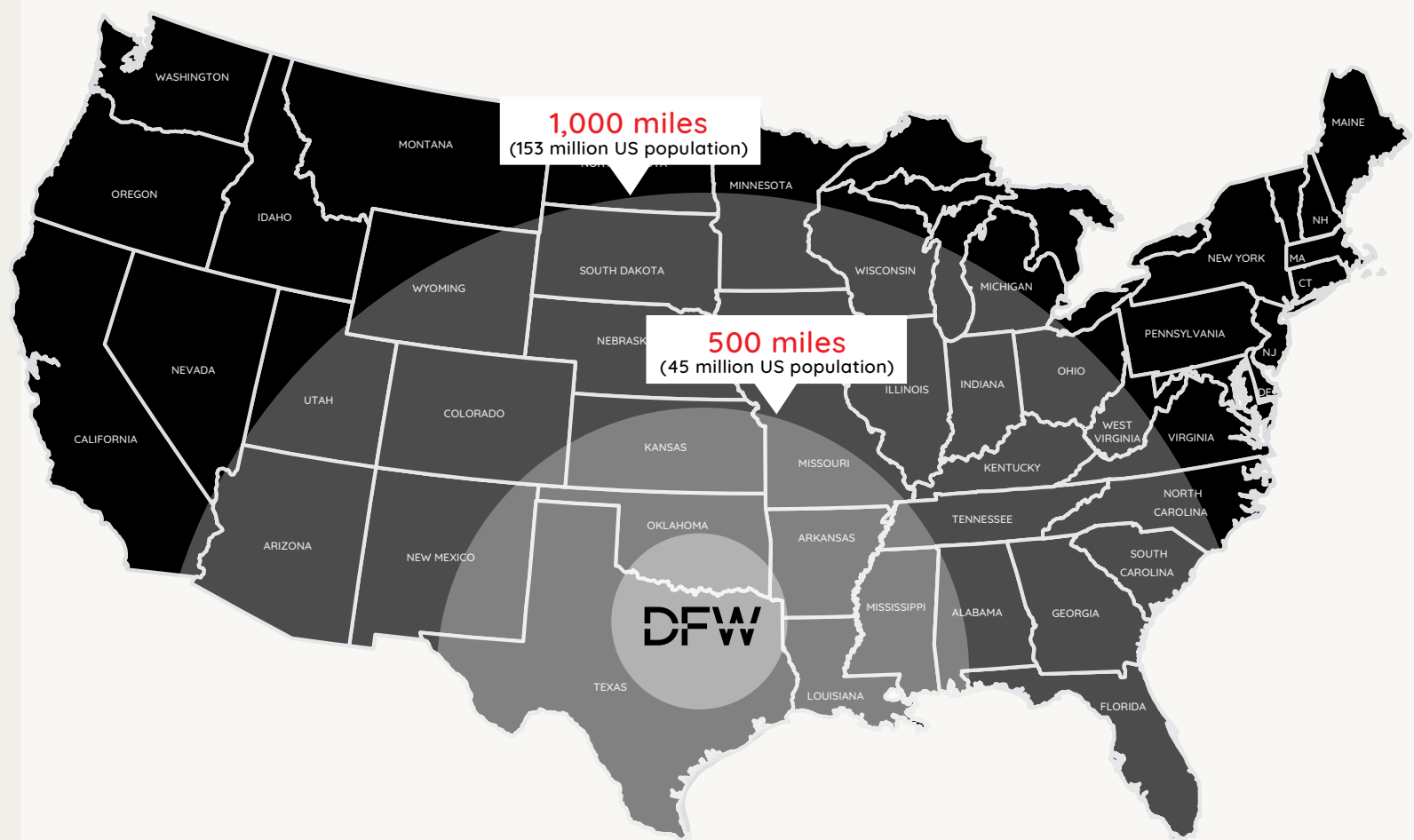
Due to its central location within North America and strong local economy, DFW has become a core logistics hub and a strategic market for institutional investors, making 903 W. Kirby an exceptional investment opportunity. Strategically located at the intersection of E Farm to Market Rd 544 and Texas 78, 903 W. Kirby has easy access to President George Bush Turnpike and U.S. 75. The Project will benefit from Plano's extensive road network, allowing connections to crucial transportation nodes regionally and nationally. This location will also benefit from a growing labor pool in Collin County.

## GROWTH OF E-COMMERCE

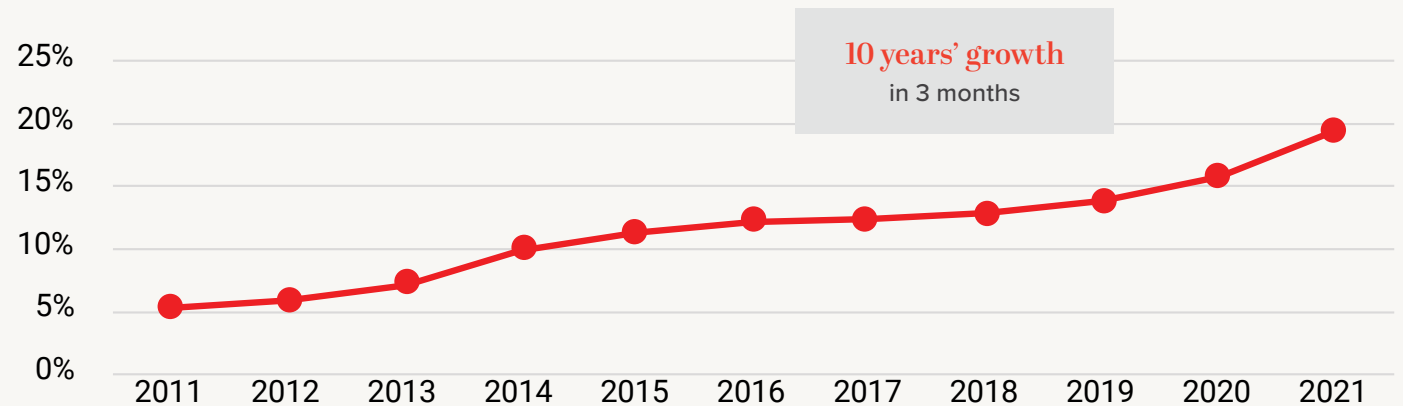
The rapid growth of e-commerce has continued to lead to rampant growth in the industrial property sector. From 2018 to 2019, there was around an 18% increase in e-commerce sales. From 2019 to 2020, there was around a 24% increase in e-commerce sales, resulting in just under \$4.3 trillion spent globally. In the U.S., approximately \$861 billion was spent on e-commerce in 2020, resulting in a 44% from 2019. From 2018 to 2019, there was only around a 14% growth. The Dallas-Fort Worth industrial market continues to see unprecedented growth, setting new records for absorption and construction activity this quarter. After a slowdown in leasing activity at the start COVID-19 pandemic in Q2 2020, demand for space continues to increase due to lasting shifts in the growth of ecommerce and population in the region.

## ROBUST INDUSTRIAL MARKETS

The DFW industrial market is one of the most active industrial markets in the country as record-setting absorption and tenant demand have constrained supply and led to a lack of economically developable land sites. Demand realized in this quarter with 9.1 million square feet of absorption and 16.6 million square feet in signed leases, indicates the continued strength of the current market cycle. The 32 million square feet of space under construction set a new quarterly record for activity. Market-wide asking rates have increased 20% since Q1 2018, with less than 15% of the 93.9 million square feet delivered since currently available. Asking rent growth has yet to slow the number of active deals in the market. During the first half of 2020, the DFW industrial markets lead the nation in construction, deliveries, and absorption. Since 2021, the DFW industrial market has averaged 20 MSF in net absorption annually, showing that DFW industrial remains a national leader.



U.S. E-COMMERCE PENETRATION, %



\*Source: Bank of America Forrester Analytics; SnowSpring Research; US Department of Commerce; McKinsey Analysis

## LOGISTICAL "REGION OF CHOICE"

Centrally located among the four major economic centers of North America: New York, Los Angeles, Mexico City, and Toronto, Dallas/ Fort Worth offers distributors access to 79 U.S. markets, 37% of the U.S. population within 24 hours, and 93% of the population within 48 hours. Dallas/ Fort Worth has three major rail lines and four intermodal hubs currently making the region one of the nation's top intermodal transportation centers.

Proximity to DFW International Airport, the third busiest airport in the U.S. and the 11th largest cargo airport in the U.S., grants distributors access to every major city in the continental U.S. within four hours of flight time. More than 600 motor carriers operate out of DFW Metro, and most major U.S. common carriers have terminals in DFW International Airport.

## E-COMMERCE SHIFT

E-commerce fulfillment efficiency is critical for internet retail companies and a key factor for large corporations trying to capture their share of the growing consumer trend to purchase goods online. The Property's tenants will benefit significantly from the convenient location within the Mesquite/Forney/Terrell submarket, ensuring that goods are delivered to individual doorsteps on time and in a cost-efficient manner.

## IDEAL DISTRIBUTION FACILITY LOCATION

With easy access to the Texas Triangle, the area between DFW, Houston, and San Antonio, the Property's tenants can reach over 25 million people in a matter of hours. Over the next 40 years, the population of the Texas Triangle is projected to grow more than 65%, resulting in 78% of Texans living within the area.

The Dallas-Fort Worth, Houston, Austin, and San Antonio metropolitan areas combine to create one giant megalopolis, which ranks as the seventh largest mega-region in the World. The Dal-Austin megalopolis' \$1.2 trillion in economic output would rank among the world's 25 largest economies. Approximately 18 million people live in the region.



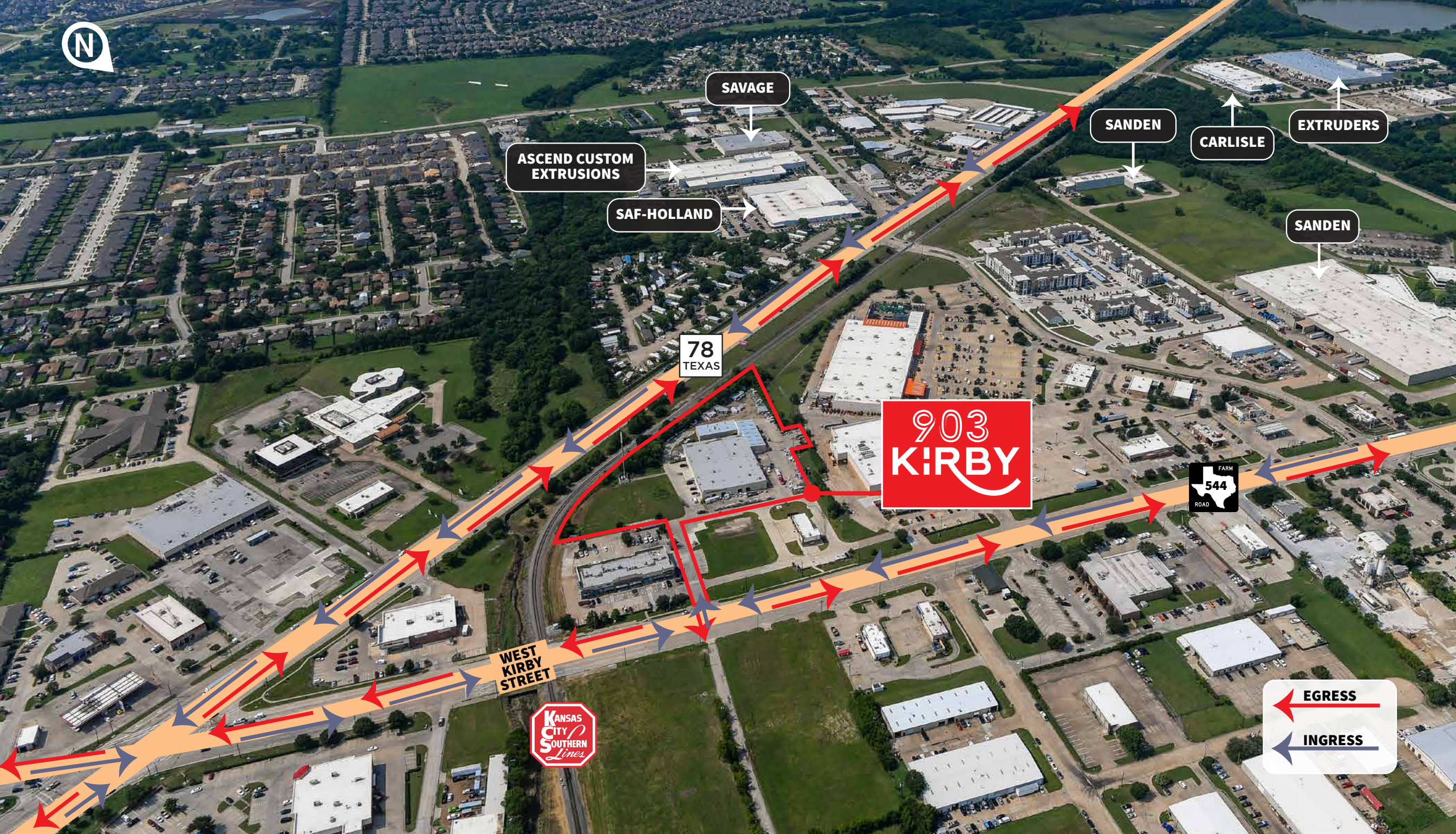
**By 2023,  
e-commerce  
spending is  
expected to reach  
\$6.54 trillion**

# PROPERTY DESCRIPTION

<b>SQUARE FOOTAGE:</b>	40,931 SF
<b>YEAR BUILT:</b>	1984
<b>BUILDING TYPE:</b>	Class B Distribution Building
<b>SUBMARKET:</b>	Northeast Dallas Industrial Submarket
<b>OCCUPANCY:</b>	100%
<b>SITE SIZE:</b>	4.42 acres ( includes +/- 3 acres of expansion land/outdoor storage)
<b>COVERAGE:</b>	21.26%
<b>CONSTRUCTION TYPE:</b>	Cement Block & Metal
<b>CLEAR HEIGHT:</b>	18'
<b>DOCK HIGH DOORS:</b>	9
<b>GRADE LEVEL RAMPS/ DOORS:</b>	3
<b>OFFICE FINISH SF:</b>	+/- 10%
<b>OFFICE FINISH %:</b>	10% (minimal)
<b>PARKING SPACES:</b>	18 spaces
<b>PARKING RATIO:</b>	0.44 per 1,000 SF
<b>HVAC FINISH:</b>	New Units ±2016, Office Area Only
<b>OUTSIDE STORAGE:</b>	+/- 3-Acres
<b>SPRINKLERS:</b>	Fully Sprinklered, Wet System, Sprinkler System Updated in 2016
<b>POWER:</b>	Upgraded 2016
<b>ROOF:</b>	New Roof +/- 2016 Modified +28
<b>SLAB:</b>	Cement Block







PGBT  
TOLL

**PRESIDENT GEORGE BUSH TURNPIKE**  
5.8 MILES  
14 MINUTES

**RAYMOND COOPER JUNIOR HIGH SCHOOL**

**WYLIE HIGH SCHOOL**

**U.S. 75**  
9.4 MILES  
20 MINUTES

**78 TEXAS**

**SANDEN**

**BAYCO**

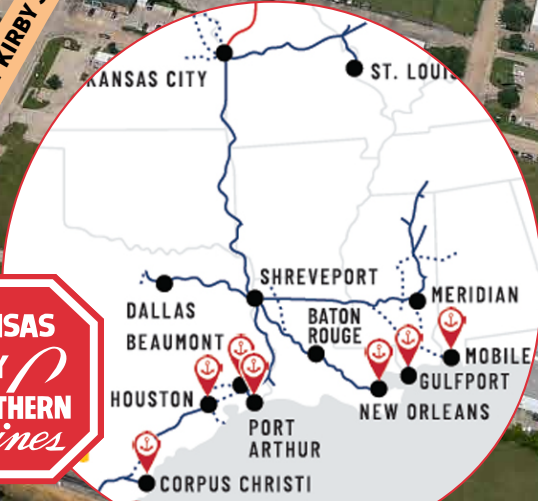
**BaylorScott&White HEALTH**

**SANDEN**

**544 FARM ROAD**

**903 KIRBY**

**WEST KIRBY STREET**



**KIRBY**

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