



NOVARES



Novares US Industrial Sale-Leaseback Opportunity
20 Year Term | Absolute Net | 2.5% Annual Escalations | Grand Rapids, MI

 **JLL** SEE A BRIGHTER WAY

The Offering



Property Summary

Address	5375 International Parkway SE, Grand Rapids, MI 49512
Rentable Area	118,751 SF (90% industrial; 10% office)
Site Size	9.2 acres
Year Built	2000



Transaction Summary

Tenant	Novares US, LLC
Guarantor	Novares Group S.A.
Occupancy	100%
Lease Structure	Absolute NNN
Primary Lease Term	20 Years from Close
Proposed Year 1 Rent / PSF	\$534,400 / \$4.50 PSF
Annual Escalations	2.50%

Jones Lang LaSalle Americas, Inc. (“JLL”), as exclusive broker, is pleased to exclusively offer qualified investors the opportunity to acquire the fee simple interest in **5375 International Parkway SE, Grand Rapids, Michigan** (the “Property”) – a 118,751 square foot, 100% occupied manufacturing facility. The Property is currently owned and occupied by **Novares US LLC** (“Novares”, “Tenant”, or the “Company”) for operations of its Americas Body Parts operating unit. Novares will execute a 20 year absolute net lease upon closing of the sale.

The offering provides investors the opportunity to acquire a passive investment with contractually growing long-term cash flow backed by a market-leading global tenant at its strategically located facility nearby its key customers within a dense industrial submarket of Grand Rapids, MI.

ABOUT NOVARES

Headquartered in France with operations across 22 countries, Novares Group S.A. (the “Parent” or “Guarantor”) is a leading global Tier I/Tier II automotive OEM supplier that designs and manufactures complex plastic components and systems serving leading players across the industry. The Company innovates with cutting edge plastic injection for cleaner, lighter, more connected cars to lead the future of the automotive industry. As of today, **Novares products are in one-third of every car, globally.**

Investment Highlights

STRONG INDUSTRIAL MARKET, EXCELLENT CONNECTIVITY

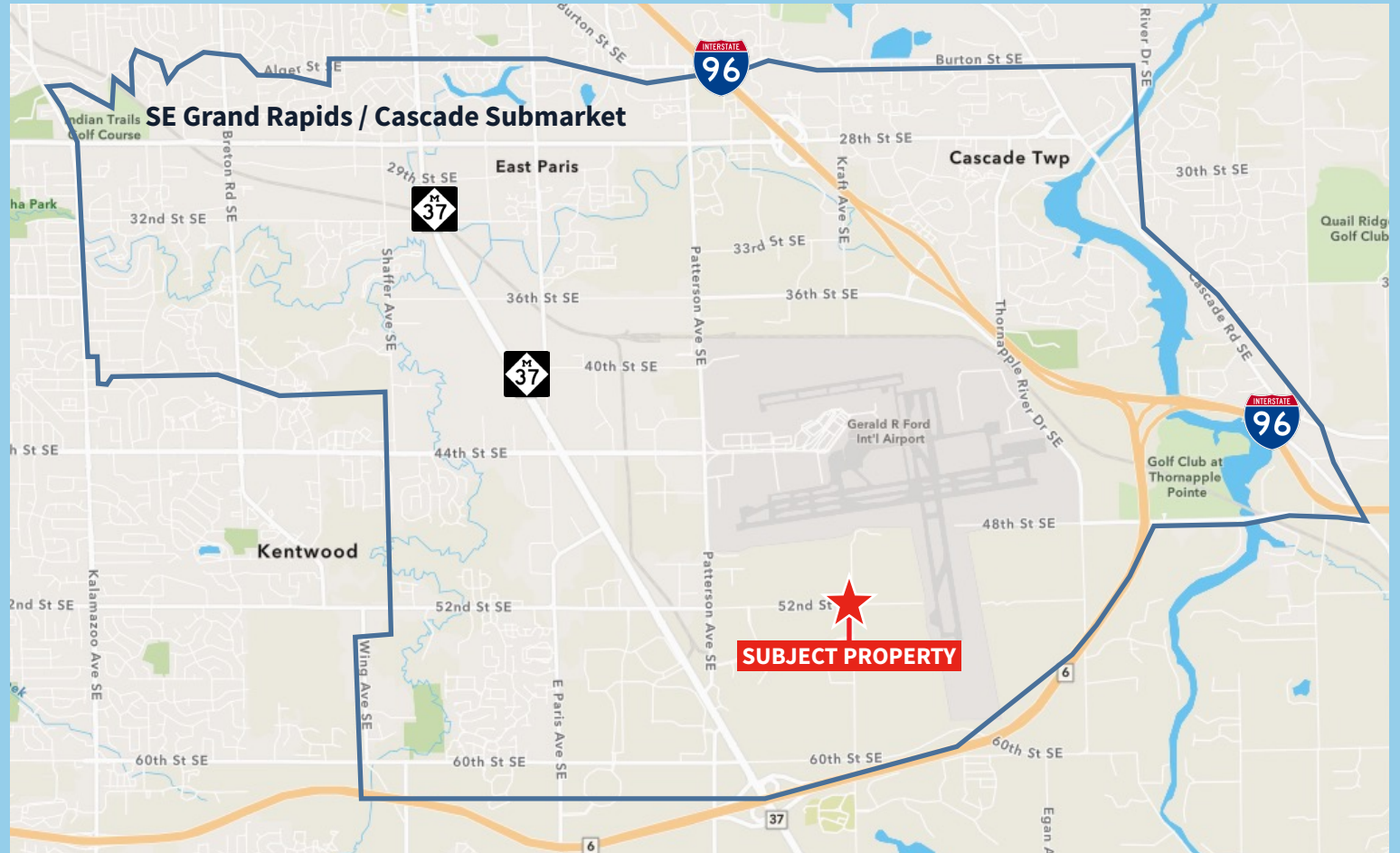
The Property is located adjacent to the Gerald R. Ford International Airport in Grand Rapids, a logistics hub located between Chicago and Detroit with excellent connectivity, through Interstates 96 & 196, and Highways 37, 6 & 131, to population Centers in the Midwest; Milwaukee, Chicago, Indianapolis, Cleveland, and Columbus are all within a 5-hour drive of the Property.

The market is supported by exceptional fundamentals, evidenced by a 2.5% vacancy rate and 2.8 million square feet of absorption in 2022. Due to constrained supply, the market has seen excellent rent growth including 10.1% through 2022.

SUPPLY CONSTRAINED SUBMARKET, ATTRACTIVE RENTAL RATE

Over 34.7 MSF of industrial space comprises the SE Grand Rapids / Cascade Submarket, with logistics and manufacturing dominating the makeup. Kent County owns large amounts of land surrounding the airport, limiting available land for development and largely contributing to this growth.

The Property's initial proposed rent of \$4.50 PSF NNN compares very favorably to the submarket's average of \$5.52 PSF NNN. The Property features a quality concrete tilt-up construction and is fully air conditioned.



GRAND RAPIDS MARKET

2.5%
Vacancy

\$5.22 NNN
(10.1% Growth YoY)

SE GRAND RAPIDS SUBMARKET

1.2%
Vacancy

\$5.52 NNN
(8.6% Growth YoY)

Investment Highlights

GLOBAL-LEADING TENANT, PROVEN OPERATING HISTORY

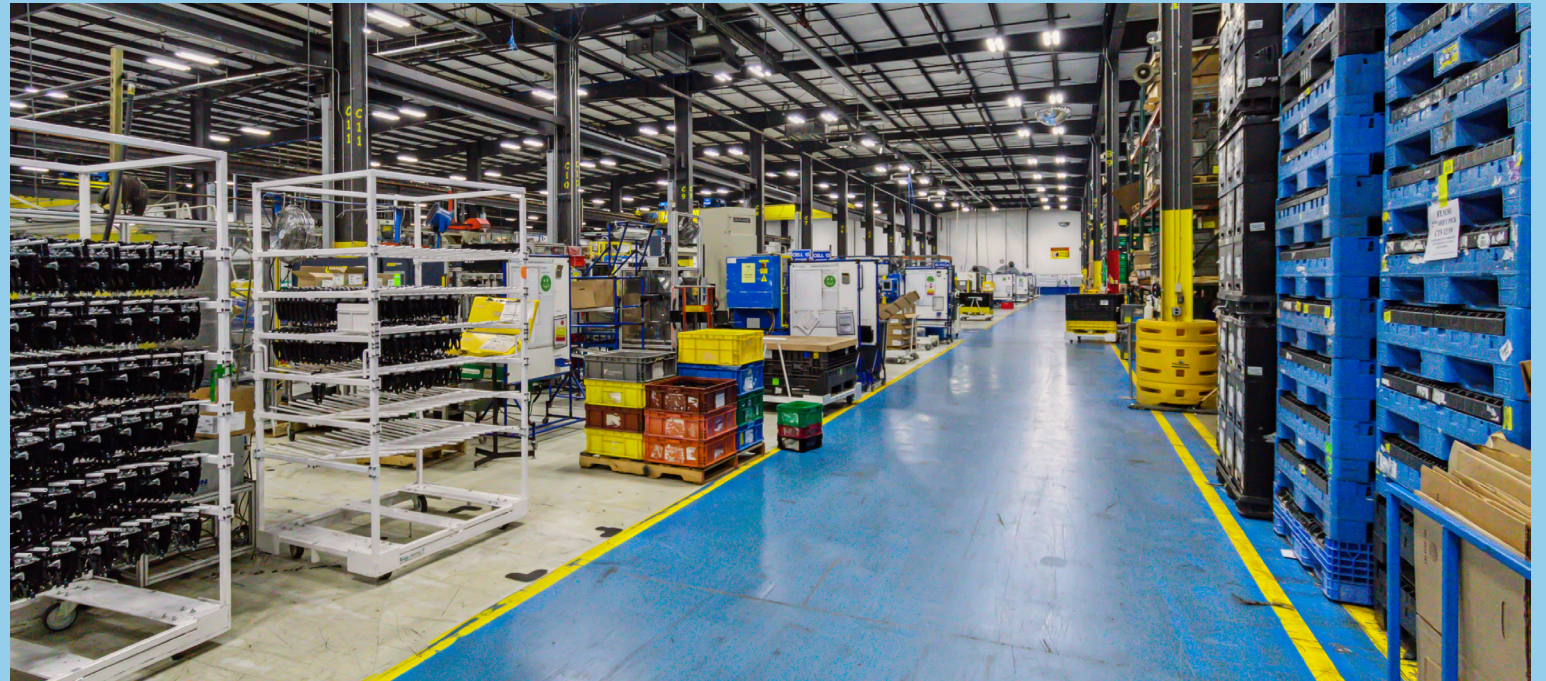
The MecaPlast Group was founded in 1955, and became the Novares Group after merging with Key Plastics in 2017. Novares employs over 9,000 personnel in 22 countries, servicing global automotive OEM's such as Stellantis, Ford, Renault, BMW, GM, Nissan, Honda, VW and more. In total, Novares has components in 1 in 3 cars in the world, generating revenues in excess of \$1.3 billion while operating at an EBITDA margin of 8.1% in 2022.

Novares is deeply entrenched with its customer base of leading OEMs. The Tenant works alongside its customers for all R&D efforts to collaborate and create product solutions specific to each customer's unique needs.

MISSION-CRITICAL OPERATIONS

The Property houses the American Body Parts segment that manufactures components for opening systems (door handles and fuel tank covers) and plastic fuel tanks.

Operating as a three-shift plant, the Tenant produces tens of thousands of parts per day and over one million parts per month. The Property combines fully-automated production with 20+ injection molding machines to produce highly specialized and customized plastic components for five key OEM customers and three Tier 1 suppliers.



Fuel Tanks



Exterior Door Handles



Interior Door Handles



Fuel Tank Covers

Investment Highlights



LONG TERM ABSOLUTE NNN MASTER LEASE

The Tenant will execute a 20-year lease from close, featuring an absolute triple-net structure with below-market rents and annual increases of 2.50%. The Tenant will be responsible for real estate taxes, expenses, and repairs and replacements, providing investors with a long-term, growing, passive income stream at an attractive basis.

AUTOMOTIVE COMPONENTS, STRONG INDUSTRY TAILWINDS

The automotive manufacturing industry is expected to achieve outputs of over 122 million units by 2030, up 44% from output in 2020. Novares' initiatives to use high-precision plastic moldings as opposed to its metal parts manufacturing competitors position them well to capture market share on multiple platforms in an automotive industry that is seeking lighter, more fuel-efficient cars. In 2022 alone, electric vehicles accounted for 10% of global auto sales, a number that is expected to quadruple by 2030.

Site Plan





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