



Novares US Industrial Sale-Leaseback Opportunity

20 Year Term | Absolute Net | 2.50% Annual Escalations | Howell, MI

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The Offering

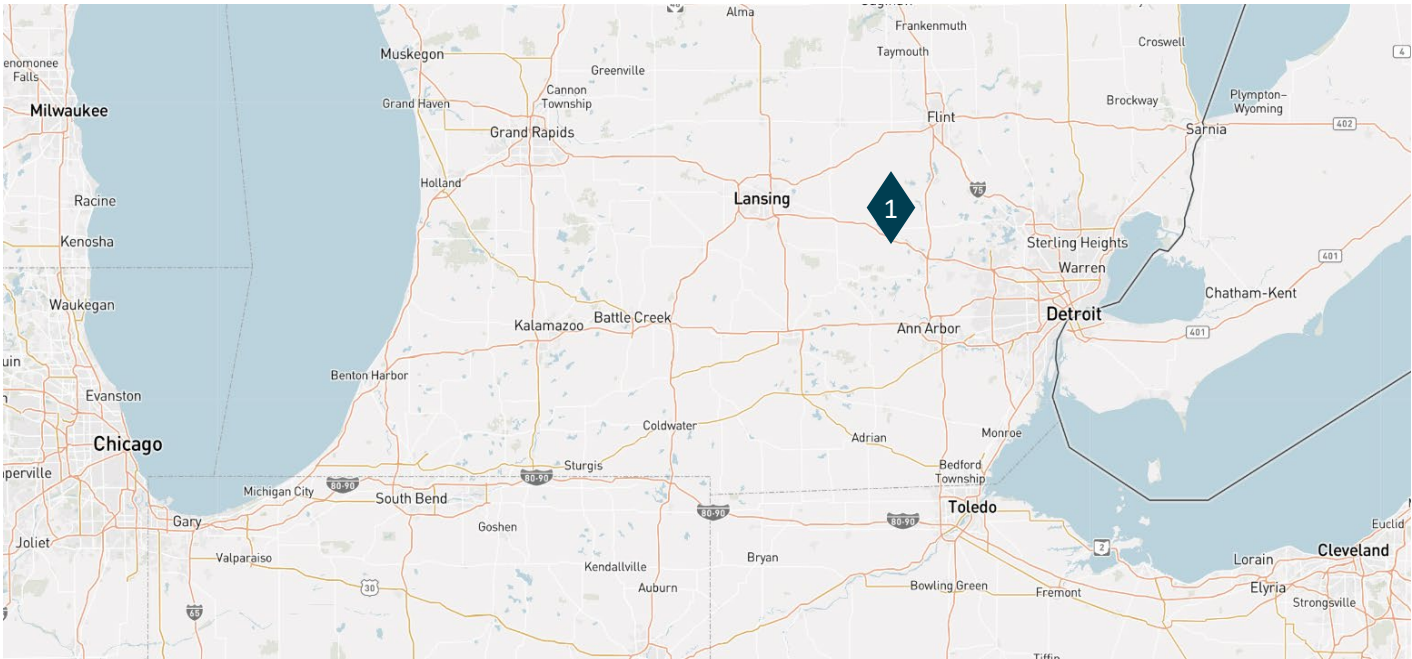
JLL is pleased to exclusively offer for sale the Novares Sale-Leaseback, comprised of a single-tenant industrial manufacturing property totaling 119,436 SF on 12.38 acres (the “**Property**” or “**Asset**”). The Property is located at **1301 McPherson Park Dr, Howell, MI** and is 100% occupied by Novares US, LLC (“**Novares**” or “**Tenant**”) as a core manufacturing and distribution facility for its Americas Body Parts operating unit. At close of this transaction, the Tenant will commit to a 20-year initial lease term and absolute triple-net master lease structure with four (4) x 5-year renewal options (at the greater of FMV or continued 2.50% increases), providing 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 with proximity to key customers within a dense industrial submarket of Detroit.

Founded in 1955, Novares, (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. Headquartered in France with operations across 22 countries, Novares Group S.A.S. 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 summary	
Building area (SF)	119,436 SF
Total land area (AC)	12.38 acres
Occupancy	100%
Tenant	Novares US, LLC
Guarantor	Novares Group S.A.S.
Initial lease term	20 years, four (4) x 5-year renewal options
Lease structure	Absolute NNN lease
Initial rent	\$716,620 (\$6.00 PSF)
Escalations	2.50% annually

Southeast Michigan MSA

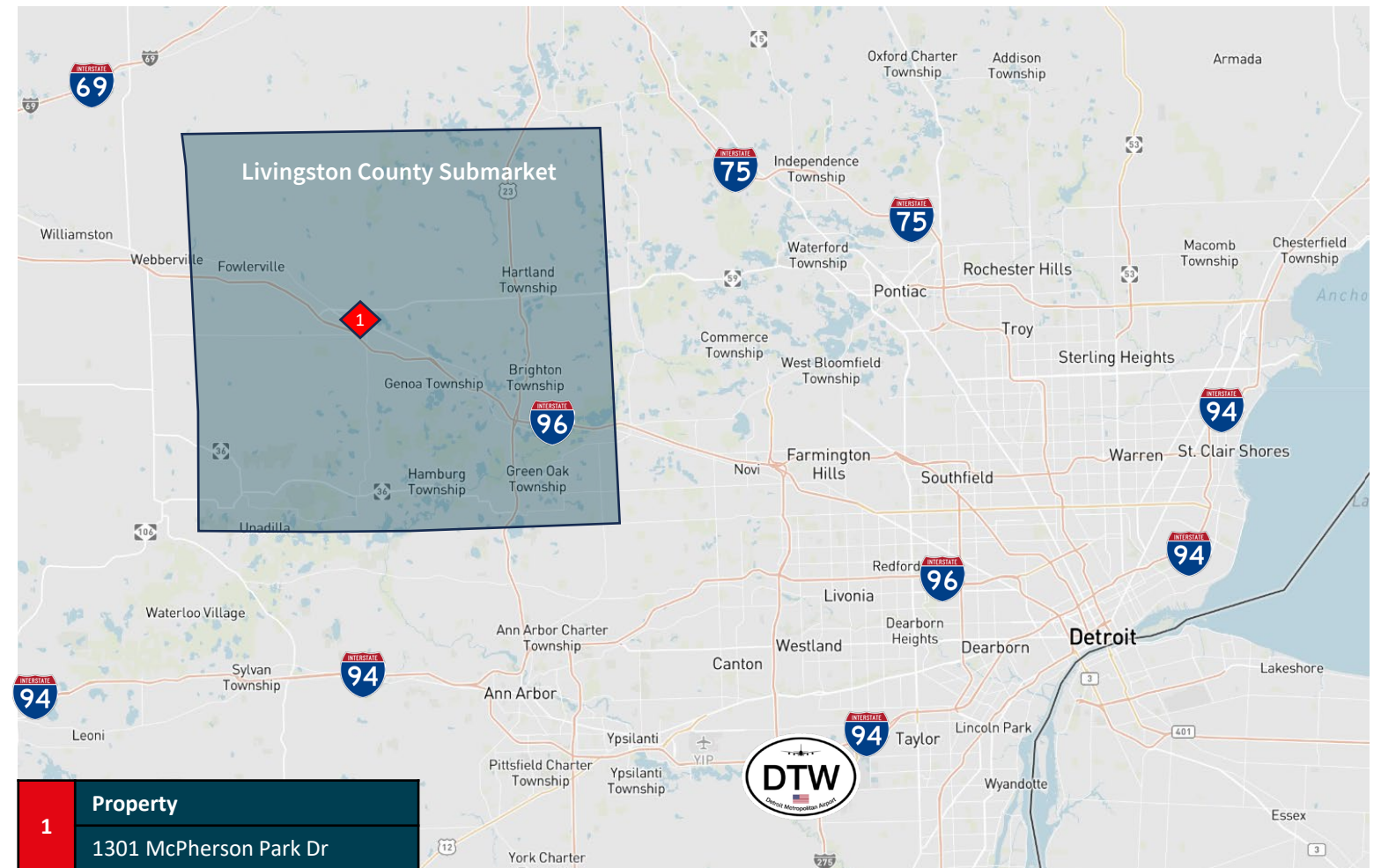


Investment Highlights

Strong Industrial Submarket with Excellent Connectivity

Howell is a suburb of Detroit, located in the well-established Livingston County submarket. The Property is just off Interstate 96 nearby the interchange I-96 and US-23, providing convenient access to Detroit, Ann Arbor, Lansing and Flint – all less than 45 miles away. Livingston County has 16.0 MSF of industrial inventory, the vast majority of which is located within the desirable I-96 Corridor where the Novares facility is located.

The submarket is supported by exceptional fundamentals, evidenced by a 2.8% vacancy rate and just 90,000 SF of inventory under construction, which represents a minor 0.6% expansion of product. Due to constrained supply coupled with strong demand from industrial users, the market has experienced impressive 17.0% cumulative rent growth over the last three years.



Livingston County Submarket (Q2'24)

2.80%
Vacancy

3.40%
YoY Rent Growth

Detroit Market (Q2'24)

4.12%
Vacancy

3.59%
YoY Rent Growth

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 9,500 personnel in 22 countries, servicing global automotive OEM's such as Stellantis, Ford, Renault, BMW, GM, Nissan, Honda, Rivian, 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 8.5% as of year-end 2023. Novares is deeply entrenched with its customer base of leading OEMs. Novares Group works alongside its customers for all R&D efforts to collaborate and create product solutions specific to each customers unique needs.



Mission-Critical Operations

The Property houses the American Body Parts segment that manufactures, paints and assembles plastics components primarily for door handles, lift gates, fuel panels and bumper panels. The plant operates with a schedule of 3 x 8-hour shifts per day, 5-days per week. The Property combines production with 20+ injection molding machines, automated assembly lines and extensive painting capabilities to produce highly specialized and customized plastic components for key customers such as Ford, Volkswagen, BMW, Stellantis and Yanfeng.

Manufactured Items



Fuel Doors



Rear Applique



Door Handles



IP Components

Investment Highlights

Long Term Absolute NNN Lease

The Tenant will execute a 20-year lease from close, featuring an absolute triple-net structure 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, and passive income stream.

Strong Industrial Tailwinds, Growing EV Exposure

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. According to the International Energy Agency, in 2023 electric vehicles accounted for 18% of all cars sold, up from just 2% of total auto sales 5 years ago. This number that is expected to quadruple by 2030. Novares has grown quickly with existing customers and new fast growing leading EV companies such as Rivian - as Novares now has a position on 47% of Rivian vehicles.



Transaction Guidelines

Buyer selection

This offering is being distributed exclusively by JLL to a select group of prequalified investors. The prospective investor will be selected by the Owner in its sole and absolute discretion based on several factors, including but not limited to:

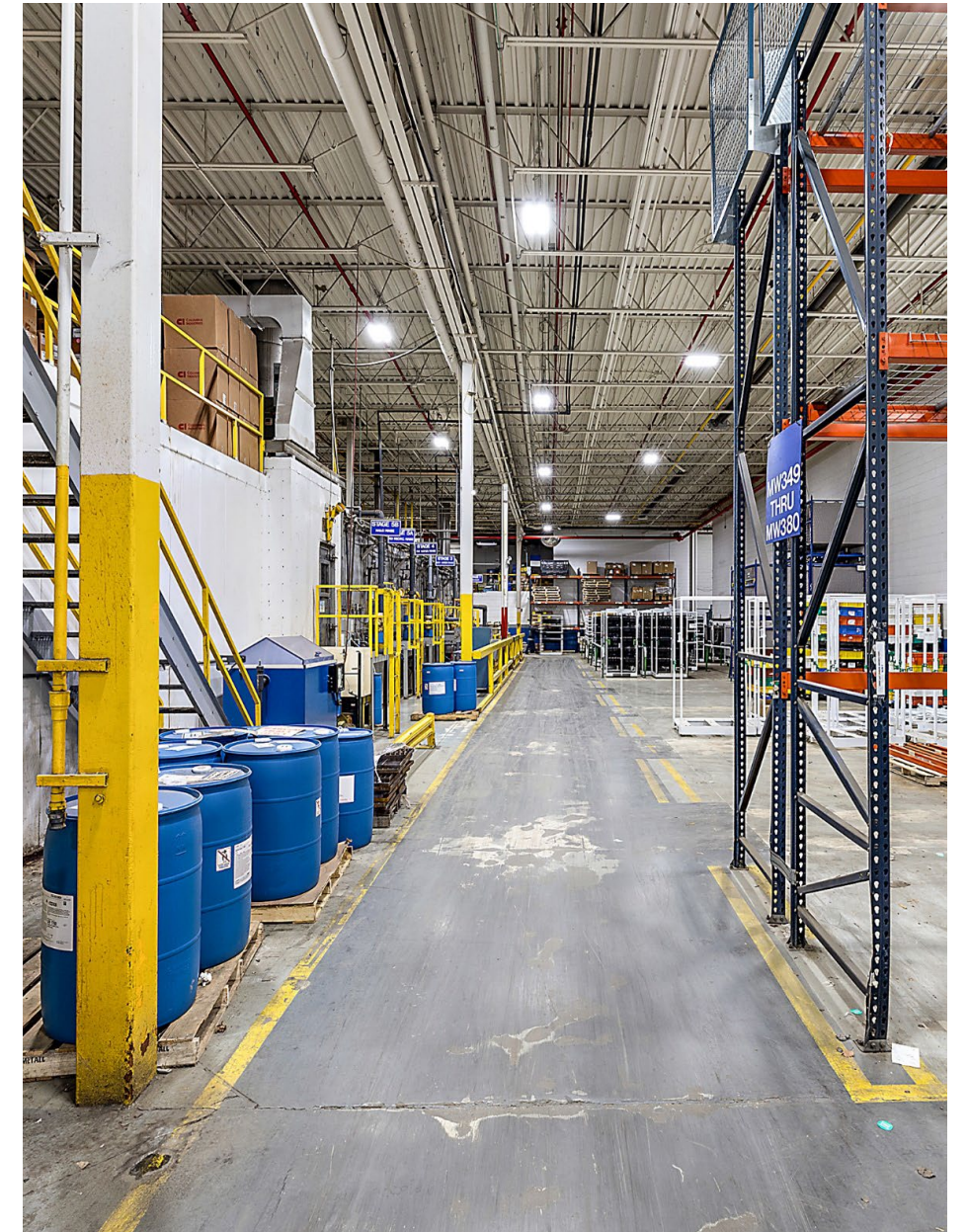
- Offer price
- Capitalization rate
- Investor's financial strength
- Level of discretion over funds
- Ability to close quickly
- Time to hard earnest money
- Experience closing similar transactions
- Industry reputation
- Level of due diligence completed to date

Letters of intent

Letters of intent to purchase the Portfolio should outline the following information:

- Purchase price
- Confirmation of underwritten / proposed NOI
- Acceptance of lease term length and rental escalations
- Acceptance of key lease provisions / concepts
- Proposed split of transaction costs (e.g., local custom)
- Approval and decision-making process
- Due diligence required to complete the transaction
- Timing for due diligence and closing periods
- Likely capital structure to be used for the investment

The Property is being offered without an asking price. Registered investors will be invited to submit offers by a bid deadline which will be communicated to qualified investors. Owner and JLL reserve the right to alter the Transaction Guidelines at their sole discretion. Following the distribution of the offering materials, JLL team members will be available to review information contained in the Offering Memorandum and assist prospective investors. All questions and inquiries should be directed to the JLL representatives listed herein.



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