

EXECUTIVE SUMMARY

INTRODUCTION

Jones Lang LaSalle ("JLL"), as exclusive advisor to Industrial Commercial Properties ("ICP"), is pleased to offer for sale the fee-simple interest in Lakeside Commerce Center (the "Offering" or the "Property"), a 295,109 SF manufacturing and logistics center equipped with 4,000 amps of power and crane bays, positioned in an infill location three miles east of Downtown Cleveland. 100% leased to three tenants with 6.2 years of weighted average lease term, the Property's rent roll features an investment-grade guaranty from its largest tenant, Sandvik, Inc. (S&P: A-; 119,672 SF), and a staggered rollover schedule providing a stable in-place cash flow without concentrated lease-up risk. Additionally, given significant increases in land and construction costs, the Lakeside Commerce Center offers investors an opportunity to acquire stabilized, infill industrial product at a significant discount totoday's replacement cost, while benefiting from its above-average clear height and outside storage yard.

The recent leasing success at the Property, namely Sandvik's 10-year lease in 2022 and AllFreight Delivery's recently executed 5-year lease, is attributable to user demand for accessible space in the Cleveland industrial market and the MSA's strong real estate fundamentals. Lakeside Commerce Center is a 2-minute drive from I-90, connecting users to the deep labor pools of the Cleveland MSA and the city's major transportation infrastructure including I-77, I-71, and the Cleveland Hopkins International Airport. In addition to sustained user demand, Cleveland's industrial market fundamentals position the region for significant rent growth. In the first half of 2024, the market has only seen 208,000 SF of new product delivered. Coupling a lack of new supply with a 3.5% vacancy rate, users will have increasingly limited options when seeking space with features like high power capacity and crane bays in the centrally located Cleveland industrial market.

TRANSACTION SUMMARY	TRANSAC	HON S	UMMARY
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ADDRESS	5300 Lakeside Avenue East	
CITY, STATE	Cleveland, Ohio	
RENTABLE SQUARE FOOTAGE(1)	295,109 SF	
YEAR BUILT	1934 / 1961 / 2021	
TENANCY	Sandivk, American Iron & Metal, AllFreight Delivery	
OCCUPANCY	100.0%	
WALT (YRS.)(2)	6.2	

(1) Per the site plan provided by Ownership, JLL has assumed the Property's footprint to be 295,109 SF.

(2) Per 1/1/2025 analysis start date.



ATTRACTIVE INVESTMENT BASIS WELL BELOW REPLACEMENT COST

- + Industrial land in Cleveland represents a finite economic resource that will continue to face diminishing supply and increasing demand as demographic trends favor urban revitalization. The state of Ohio, and the Cleveland metro market, have seen industrial land prices increase especially given the lack of larger land sites over 50 acres or more to accommodate large warehouse and distribution builds.
- + In an era where inflation has pushed material and labor costs to unprecedented highs, the Property offers investors an opportunity to enter the Cleveland industrial market at a basis approximately 50% below today's replacement cost.
- + The Property's discount to replacement cost provides investors with potential for immediate value appreciation and favorable return on investment. Lakeside Commerce Center is positioned to be competitive in Cleveland against both second generation space and new construction, with the ability to offer desirable market rents.



STRATEGIC INFILL LOCATION WITH ACCESS TO DEEP LABOR POOLS

- + The Property's strategic infill location, situated just three miles east of Downtown Cleveland, offers significant advantages for current and future tenants. Its close proximity to Downtown Cleveland also offers access to a wide range of amenities and a thriving business environment.
- + The Property provides convenient access to major transportation infrastructure, including nearby on/off ramps at Exit 175 of I-90, ensuring easy connectivity for tenants and efficient transportation of goods.
- + The strategic infill location enhances the Property's desirability and potential for attracting and retaining tenants.

DEMOGRAPHIC OVERVIEW					
	2 MILES	10 MILES	20 MILES		
POPULATION	33,206	206,372	761,979		
WORKFORCE	39,430	316,867	584,388		
BLUE COLLAR %	26.4%	10.0%	18.7%		





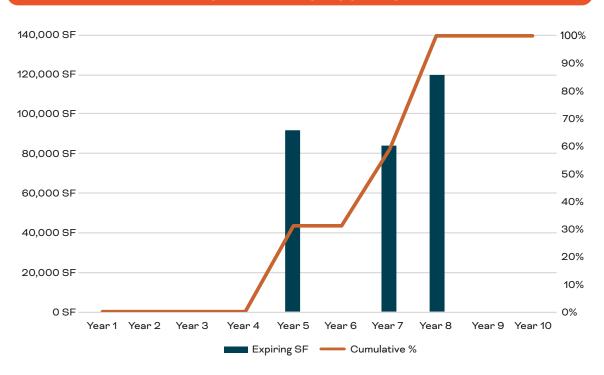
STABLE IN-PLACE CASH FLOW WITH DIVERSIFIED ROLLOVER

- + The Property presents a unique opportunity to investors through a diverse tenant mix that limits industry-specific downside risk and the potential impact of industry-specific economic fluctuations. At 100% occupancy, investors benefit from an executed business plan with committed tenants. Notable, occupying the largest portion of the Property is Sandvik, credit-rated A- (S&P). The investment-grade Tenant's rent income accounts for approximately 52% of the total net operating income.
- + The Property has a stable in-place cash flow with a WALT (Weighted Average Lease Term) of 6.2 years across its three tenants as of January 1, 2025. This offers investors steady cash flow over the earlier years of their investment.
- Over a 10-year period, the lease expirations of the three tenants are staggered over the course
 of future ownership's hold, as seen in the below graph. This staggered rollover schedule minimizes
 the risk of all leases expiring simultaneously and provides a consistent cash flow stream over the
 investment horizon.

OPTION SUMMARY				
TENANT	SF	LXP	RENEWAL OPTION	
SANDVIK	119,672	10/31/2032	Two (2) options to extend the Term for five (5) additional years. The Base Rent shall initially be \$79,747.46 per month, based on \$8.00 per rentable square foot per year, grown at 2.00% annually thereafter.	
ALLFREIGHT DELIVERY	91,737	4/30/2029	One (1) option to extend the Term for five (5) additional years. The Base Rent shall initially be \$44,721.79 per month, based on \$5.85 per rentable square foot per year, grown at 3.00% annually thereafter.	
AMERICAN IRON & METAL	83,700	1/31/2031	One (1) option to extend for an additional period of five (5) years. The Base Rent shall be \$26,505.00 per month, based upon \$3.80 per rentable square foot per year.	



LEASE EXPIRATION SCHEDULE



FUNCTIONAL REAL ESTATE AT AN ATTRACTIVE BASIS

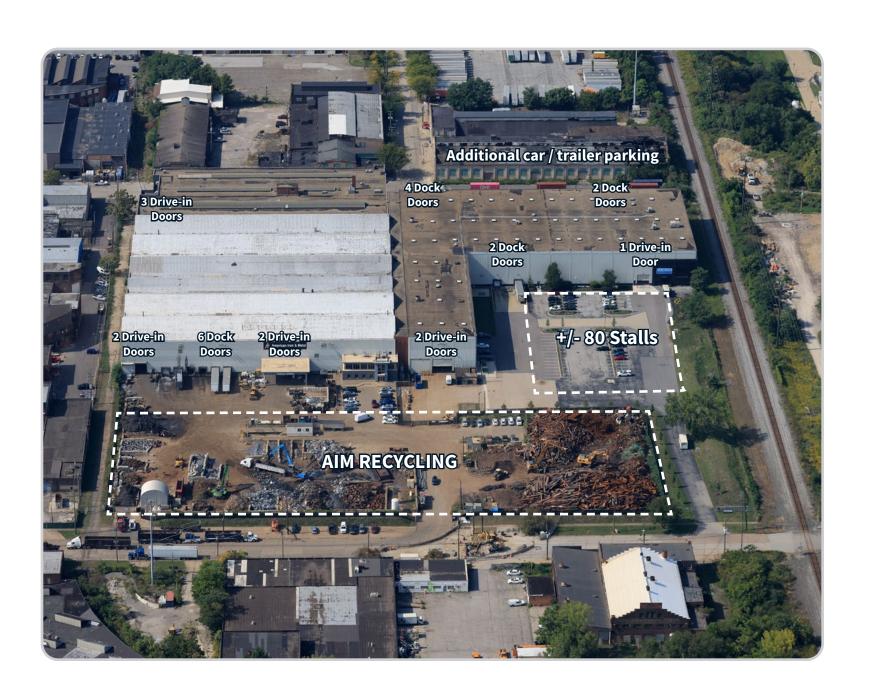
- + The Property's flexible space configuration—with an above average 32' clear height and substantial 4,000 amps of power—makes it ideal for multi-tenant industrial use, accommodating various tenant sizes and needs. The inclusion of crane bays and an expansive outside storage yard further enhances its versatility. Additionally, the Property offers sufficient parking and loading access at both the front and rear.
- + Located in an excellent area, the Property serves as an ideal spot for manufacturing and logistics businesses. The strategic presence of crane bays and high power capacity caters effectively to the demands of the increasing population in the dense surrounding area.
- + The Property's strategic infill location and functionality attract diverse tenancy, driving strong income and yield. With its above-average clear height, outside storage options, and potential yield upside given the attractive basis, future ownership can maximize returns in today's economic environment.



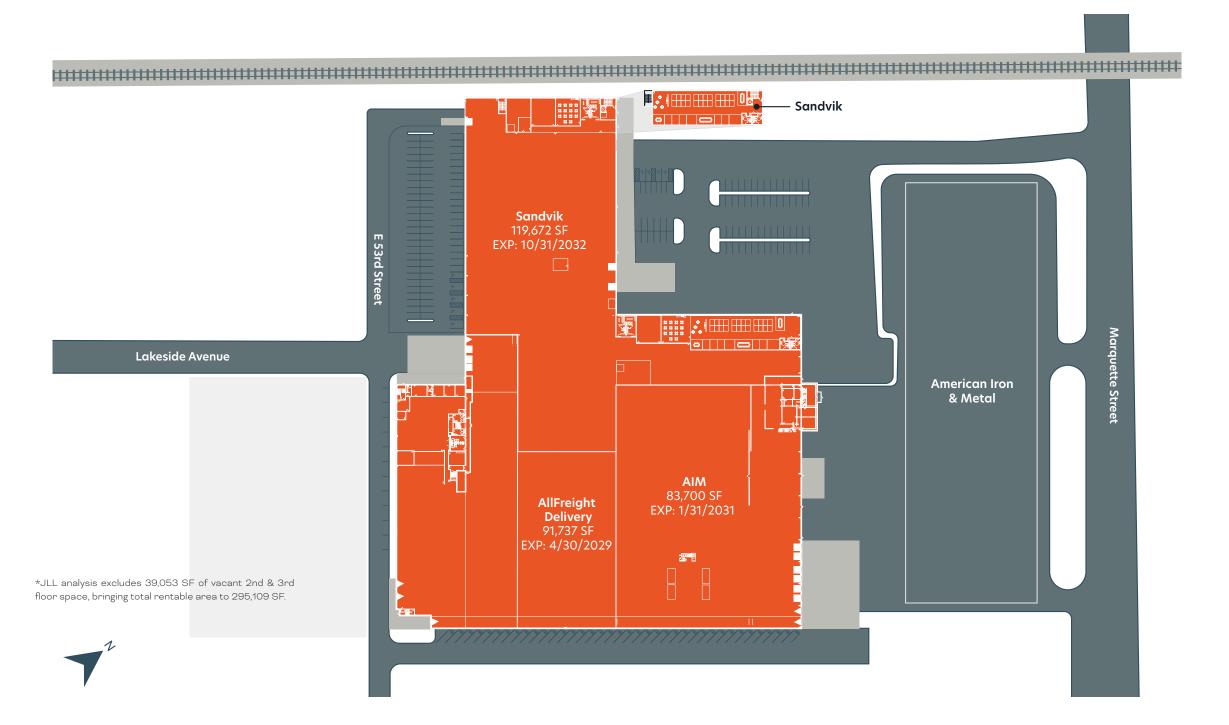
5300 LAKESIDE

ADDRESS	5300 Lakeside Avenue E
CITY, STATE	Cleveland, OH
YEAR BUILT	1934 / 1961 / 2021
BUILDING AREA ¹	334,162 SF
RENTABLE AREA	295,109 SF
LOT SIZE	16 ac.
CLEAR HEIGHT	32'
LOADING DOCKS	14
DRIVE-IN DOORS	10
PARKING	178
POWER	4,000 amps
CRANES	Yes

^{1.} Includes $39,053 \, \mathrm{SF}$ of vacant $2 \mathrm{nd} \, \& \, 3 \mathrm{rd}$ floor space, which is omitted for all underwriting purposes.







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