INTERSTATE BUSINESS PARK

NEWMARK

124,032 SF | 81.4% LEASED | I-35 FRONTAGE | 2.6 ACRES OF POTENTIAL OUTDOOR STORAGE | SAN MARCOS, TX

THE OFFERING

Newmark is pleased to exclusively offer for sale Interstate Business Park (the "Property"), a 124,032 SF industrial building with direct IH-35 frontage and centrally located in the Austin-San Antonio Corridor in San Marcos, Texas. The Property is currently 81.4% leased to CoTECHNO Group, Inc. and Arlington Recycle Warehouse (operating as Texas Recycle Warehouse), and offers an immediate value-add opportunity through the lease-up of a single remaining vacant suite of 23,082 SF. Interstate Business Park includes 2.6-acres of unimproved land that is currently not monetized and presents a strong value-creation opportunity via outdoor storage or future development. The Property gives investors the opportunity to acquire a well-located, income-producing logistics asset in one of the fastest growing corridors in the nation, with multiple distinct value-enhancement paths at a basis below replacement cost.

ADDRESS
1942 S IH-35, SAN MARCOS, TX 78666

TOTAL ACREAGE
10.83

SQUARE FOOTAGE
124,032

% LEASED
81.4%

 # OF SUITES
5

LOADING DOORS
11

CLEAR HEIGHT
UP TO 16'

OFFICE %
5.0%

PARKING RATIO
0.52/1,000 SF

REGIONAL MAP

I-35
0.1 MI | 1 MIN

US 80
3.1 MI | 5 MIN

SH-45
19.9 MILES | 18 MIN

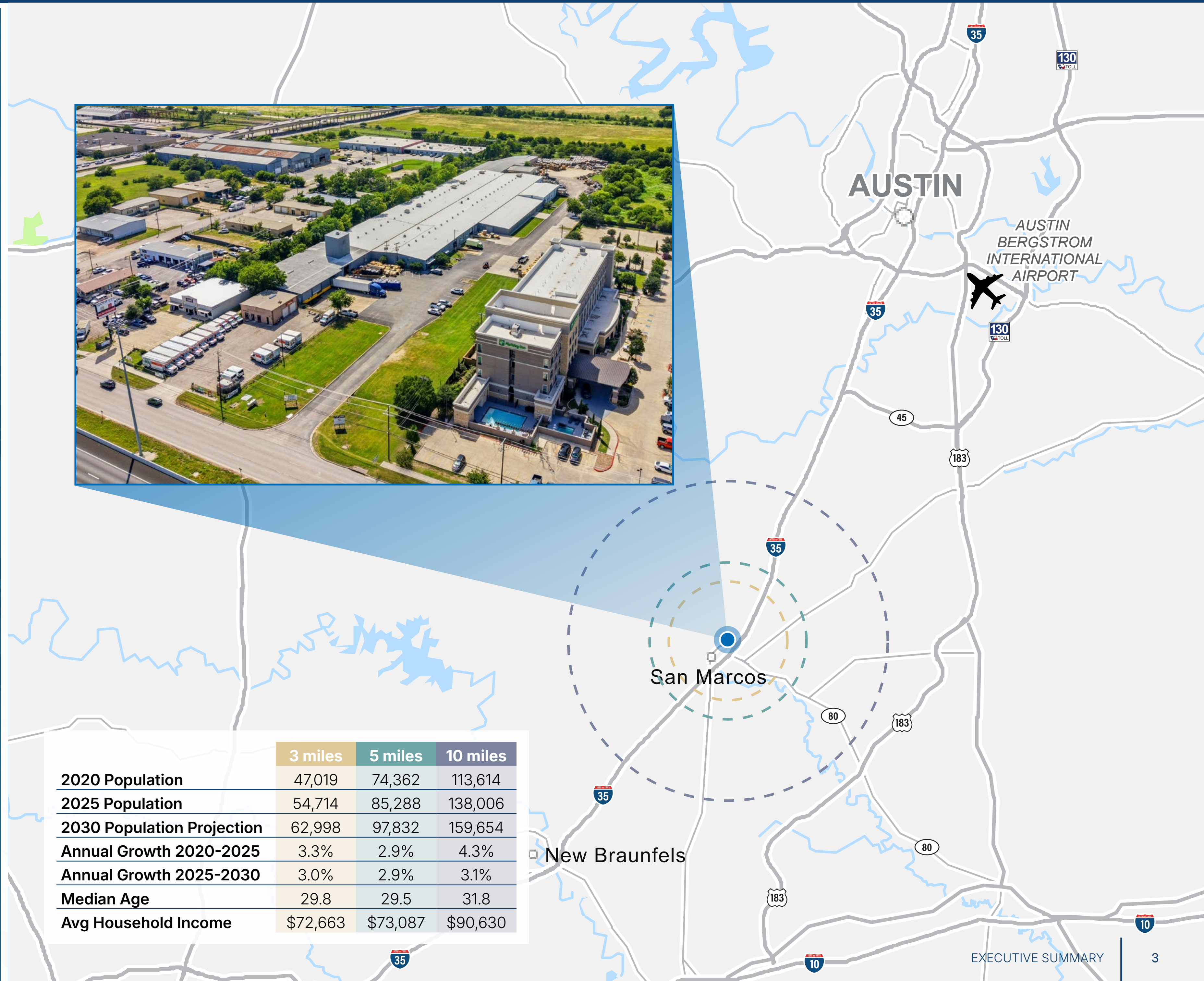
IH-10
19.0 MI | 24 MIN

US 183
19.9 MI | 26 MIN

SH 130
19.9 MI | 26 MIN

DOWNTOWN AUSTIN
33.0 MI | 40 MIN

AUSTIN AIRPORT
35.2 MI | 40 MIN



	3 miles	5 miles	10 miles
2020 Population	47,019	74,362	113,614
2025 Population	54,714	85,288	138,006
2030 Population Projection	62,998	97,832	159,654
Annual Growth 2020-2025	3.3%	2.9%	4.3%
Annual Growth 2025-2030	3.0%	2.9%	3.1%
Median Age	29.8	29.5	31.8
Avg Household Income	$72,663	$73,087	$90,630

INVESTMENT HIGHLIGHTS

IRREPLACEABLE I-35 CORRIDOR LOCATION WITH MINIMAL COMPETING SUPPLY

Interstate Business Park sits along the I-35 corridor directly between Austin and San Antonio, two of the fastest-growing major metro areas in the country.

The Property benefits from the scale and growth of both metro populations, supporting sustained tenant demand for industrial space in the San Marcos submarket.

Well-located, improved industrial sites remain scarce in San Marcos, where nearly all new construction is concentrated in large-format bulk product, leaving little supply that competes directly with the Property. The Property's combination of dock-high and grade-level loading, above-average power capacity to multiple suites, and a rare 2.6-acre on-site yard would be costly and difficult to replicate at today's construction costs, insulating the asset from future competitive supply and supporting upward pressure on rents as leases roll.

VALUE ADD THROUGH LEASE-UP ALONGSIDE STABLE CASH FLOW DAY ONE

Stable in-place cash flow from day one: the Property is 81.4% leased and anchored by CoTECHNO GROUP, which has occupied 40.6% of the project since January 2022 and is underwritten at an 80% renewal probability due to ownership expectations.

Immediate, clearly defined value-add opportunity: in-place rents average approximately 3.2% below market on a short 2.05-year WALT, and the 12,474 SF suite rolling in October 2027 sits roughly 16% below market.

Lone vacancy, Suite 106 (23,082 SF, or 18.6% of the Property), is made-ready and leasable today at approximately $7.75 NNN, with absorption conservatively underwritten to February 2028.

As the vacancy fills and below-market leases mark to market, NOI climbs from approximately $585,000 in Year 1 to approximately $944,000 by Year 3, growth of roughly 61% over the hold period.

FUNCTIONAL, WELL-EQUIPPED BUILDING DESIGN

16'
CLEAR HEIGHT

6
DOCK-HIGH DOORS

5
GRADE-LEVEL DOORS

65
PARKING SPACES (0.52 / 1,000 SF)

2.6 AC
UNIMPROVED EXCESS YARD

INVESTMENT HIGHLIGHTS

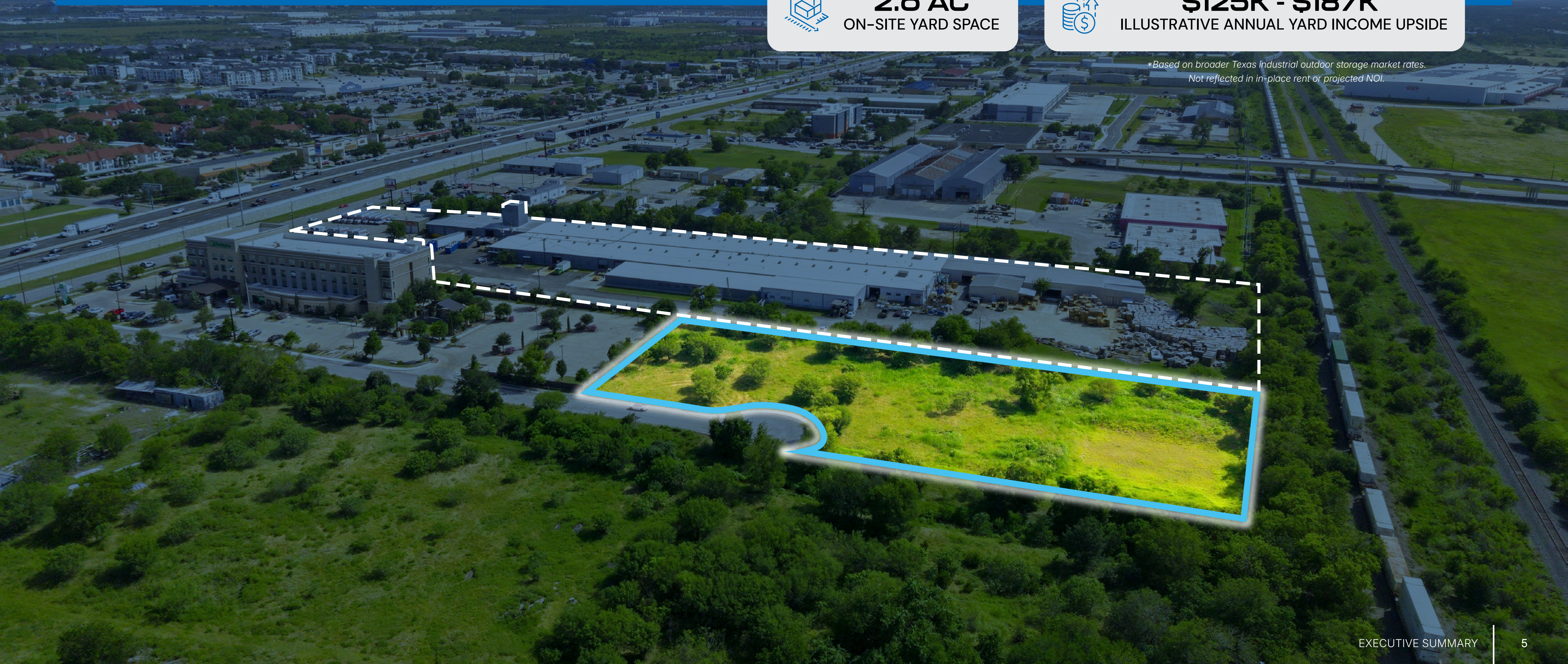
RARE 2.6-ACRE YARD CREATES A SEPARATE, UNDERWRITTEN INCOME STREAM

Interstate Business Park includes 2.6-acres of raw unimproved land with two separate access points via Bintu Drive and the Property's truck court. The 2.6-acres is currently not being utilized by in-place tenants and presents a distinct value-enhancement opportunity to improve the excess land for industrial outdoor storage or parking for future or existing tenants. Applying a conservative $4,000-6,000 rent per month per acre for improved outdoor storage space generates approximately $125,000-187,000 in additional income.

2.6 AC
ON-SITE YARD SPACE

$125K - $187K*
ILLUSTRATIVE ANNUAL YARD INCOME UPSIDE

**Based on broader Texas industrial outdoor storage market rates. Not reflected in in-place rent or projected NOI.*



INVESTMENT HIGHLIGHTS

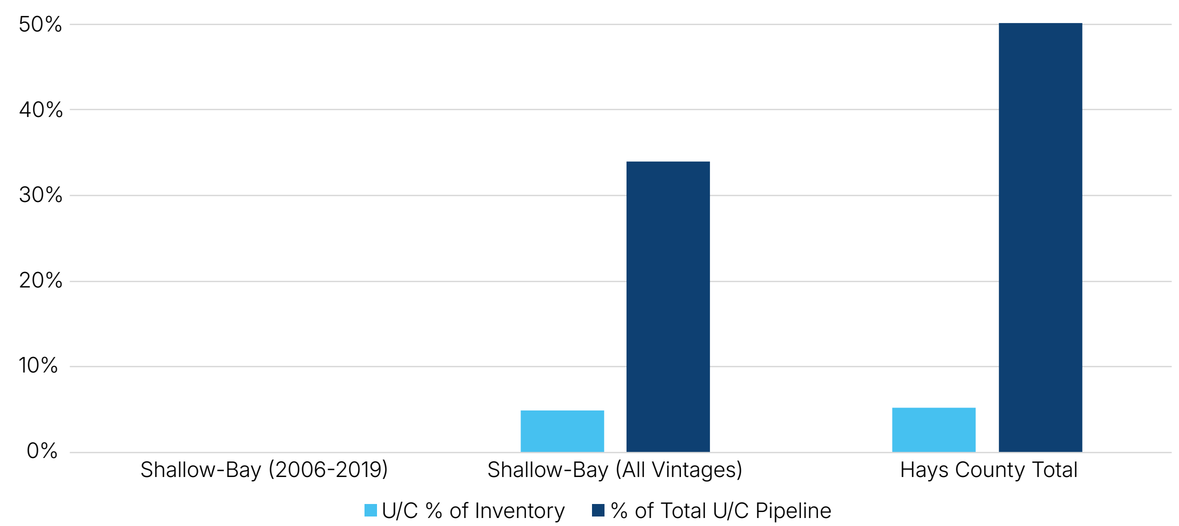
CONSISTENTLY STRONG TENANT DEMAND FOR SHALLOW-BAY INDUSTRIAL SPACE

Shallow-bay industrial and flex space continues to see resilient tenant demand across the San Marcos submarket and broader Hays County market. Industrial product built before 2019, the vintage and format Interstate Business Park represents, is currently 91.5% leased, with vacancy holding near 8.5% versus 18.9% vacancy across the Hays County industrial market as a whole. Infill users in this size range tend to be smaller, stickier, and less rate-sensitive than big-box tenants, supporting the durability of in-place rents and occupancy at the Property.

SHALLOW-BAY PRODUCT STRUCTURALLY INSULATED FROM THE CURRENT SUPPLY WAVE

Hays County's construction pipeline is overwhelmingly concentrated in large-format bulk product, with approximately 1.1 million SF currently under construction countywide, effectively none of it shallow-bay product under 100,000 SF, the segment in which Interstate Business Park competes. That imbalance has driven nearly all of the county's recent vacancy increase into larger buildings while leaving existing shallow-bay assets like Interstate Business Park structurally undersupplied. Replicating the Property's infrastructure today, including its loading configuration, power capacity, and 2.6-acre yard, would require new construction at costs that are not supportable at current market rents, further protecting the asset from future competition.

LIMITED SHALLOW-BAY CONSTRUCTION RELATIVE TO SHARE OF INVENTORY



GAP BETWEEN SHALLOW-BAY/BULK AVAILABILITY AMONG WIDEST ON RECORD IN AUSTIN

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