

FERGUSON[®]

SINGLE TENANT NNN LEASE

Marcus & Millichap
DUONG INVESTMENT GROUP



2730 FM 523 ROAD, FREEPORT, TX 77541

OFFERING MEMORANDUM



SINGLE TENANT NNN LEASE



Exclusively Listed By

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INVESTMENT OVERVIEW

Investment Highlights



Ferguson (NYSE: FERG): A Highly Reputable, BBB+ Rated Industrial Tenant With Over 1,750 Locations Across the U.S. and Canada



Mission-Critical Location: Ferguson Has Operated at This Site for Over 9 Years and Recently Committed to a 3-Year Lease Extension, Underscoring the Site's Importance



Large ±4.3-Acre Lot Provides Ample Space for Highly Desirable Outdoor Storage



High Credit Tenant | Recent Improvements

- ▶ **New Roof:** Roof Replaced in 2025
- ▶ **Strong Corporate Guarantee:** Backed by a Tenant with Over \$30 Billion in Annual Revenue
- ▶ **Market Leadership:** Ferguson Is the Largest U.S. Distributor of Plumbing Supplies, PVF, Waterworks, and Fire and Fabrication Products
- ▶ **Publicly Traded:** The Tenant Is Listed on the NYSE (FERG) with a Market Capitalization Exceeding \$49 Billion
- ▶ **E-Commerce & Recession-Resilient:** Tenant's Business Model Is Well-Suited to Thrive in Various Economic Conditions

Strong Real Estate Fundamentals

- ▶ **Located within 2 Miles of Dow Chemical Company:** Operating the Largest Integrated Chemical Manufacturing Plant in the United States
- ▶ **Deepwater Port:** Located on the Gulf of America Provides Access for Large-Scale Industrial Operations and Shipping
- ▶ **Investor-Friendly:** This NNN Industrial Property Offers Minimal Landlord Responsibilities, Making It Ideal for Out-Of-Market Investors
- ▶ **Prime Industrial Location:** Situated In a Dense Industrial Area Surrounded by National Brands, Including Air Liquide America, Phillips 66, Braskem, Among Others, All In Close Proximity To The Subject Property

INVESTMENT OVERVIEW

Tenant Spotlight

Ferguson



Ferguson is a leading value-added distributor in North America providing expertise, solutions and products from infrastructure, plumbing and appliances to HVAC, fire, fabrication and more. Their products are delivered through a common network of distribution centers, branches and specialist sales associates, counter service, showroom consultants and e-commerce.

Founded in 1953, Ferguson is headquartered in the U.K., with its operations and associates solely focused on North America and managed from Newport News, VA.

Ferguson is an integral part of repair, maintenance, and improvement (RMI) and new construction projects - for both residential and non-residential markets. They bridge the gap between the large 37,000+ supplier base and geographically dispersed customers.

They boast a large footprint with over 1,700 locations across North America, including 11 distribution centers and a 5,600 vehicle fleet. This extensive network places them within 60 miles of 95 percent of customers in North America. In 2021, Ferguson began trading on the New York Stock Exchange (NYSE), with the ticker symbol FERG. Ferguson's success is testament to a diverse and distinguished history of making their customers' complex projects simple, successful and sustainable.

The Ferguson Industrial division supports a wide range of industrial end-markets, supplying critical pipe, valves, fittings, instrumentation, and related products used in plant operations, maintenance, and capital projects. With dedicated project teams and a national distribution network, Ferguson Industrial helps customers reduce downtime, improve efficiency, and ensure safe, reliable facility performance across manufacturing, energy, utilities, and processing sectors. Put simply: Ferguson provides geosynthetic products and tools to help experts everywhere design more efficient, more secure stormwater solutions.

Website	www.ferguson.com
Symbol	NYSE: FERG
Market Cap	\$49.306 Billion - as of November 2025 (+26% YoY)
Revenue (TTM)	\$30.762 Billion - as of November 2025
# of Locations	1,700+, Serving All 50 States
# of Employees	32,000+

Ferguson - Services Offered



SUBJECT PROPERTY



“At Ferguson, we have a very distinctive culture anchored in customer service. We are a relationship business. Together we help build more than homes and office buildings. We help build relationships, trust, confidence and community.” - From Ferguson's "About Us" page

INVESTMENT OVERVIEW

Aerial Photo



Volkswagen Group Port Freeport Facility

- ▶ Opened in Q4 2024
- ▶ Accommodates ±140,000 imports per year
- ▶ Supports 1/3 of U.S. VW dealers



Dow Chemical Plant B

- ▶ Dow Chemical's Freeport operations span ±7,000 acres
- ▶ Largest chemical manufacturing site in the world



SUBJECT PROPERTY

FINANCIAL ANALYSIS

Offering Summary

Property Name	Ferguson
Property Address	2730 FM 523 Road Freeport, TX 77541
Assessor's Parcel Number	2077-0041-000
Year Built	1980
Gross Leasable Area (GLA)	±22,000 Square Feet
Lot Size	±4.27 Acres (±186,001 Square Feet)

Pricing

Price	\$2,816,000
Cap Rate	6.75%
Price/SF	\$128.00

Annualized Operating Data

Gross Potential Rent	\$190,080
Less Expenses	NNN
Net Operating Income	\$190,080

Lease Information

Lease Commencement Date	December 20, 2019
Lease Expiration Date	February 28, 2029
Total Lease Term	±9 Years
Lease Term Remaining	±3 Years
Increases	3% Annual
Options	Two, Three-Year @ CPI (Minimum 5% Per Option)
Lease Type	NNN
Lease Type Details	Landlord responsible for roof & structure.



ADDITIONAL OFFERINGS - FREEPORT



RAIN FOR RENT

Price: \$841,000
Cap Rate: 7.85%
Price/SF: \$146.26

- 65+ Locations Across North America
- Value-Add Potential for Future Landlord



FERGUSON

Price: \$2,816,000
Cap Rate: 6.75%
Price/SF: \$128.00

- Strong Corporate Guarantee
- Large ±4.3-Acre Lot



ZACHRY

Price: \$1,400,000
Cap Rate: 8.10%
Price/SF: \$233.33

- 400+ Locations Across North America
- Highly Respected Industrial Tenant



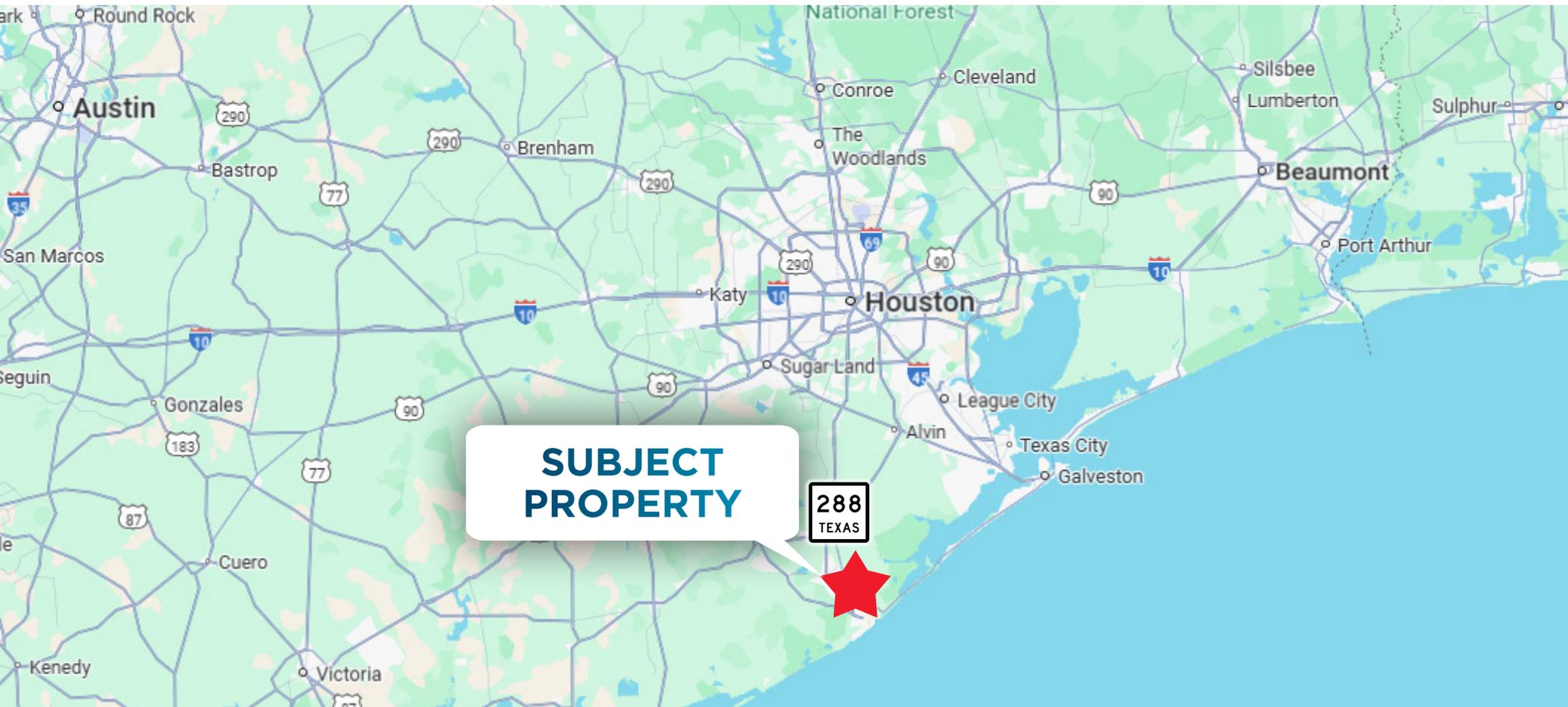
PALACIOS MARINE INDUSTRIAL

Price: \$1,900,000
Cap Rate: 7.58%
Price/SF: \$202.13

- Highly Respected Industrial Tenant
- 3-Year Lease with No Options to Renew

MARKET OVERVIEW

Regional Map



±60 MILES

VIA TX-288
TO HOUSTON, TX



±3 MILES

TO PORT FREEPORT
(MAJOR TRANSIT HUB)



±5 MILES

TO UNION PACIFIC
HOSKINS JUNCTION



±7,000

ACRES OCCUPIED BY NEARBY
DOW CHEMICAL FACILITIES

MARKET OVERVIEW

The City Of Freeport, TX



Freeport, located within Brazoria County and part of the Houston MSA, serves as a key industrial node along the Texas Gulf Coast. The region's industrial market is supported by the Port of Freeport, one of the fastest-growing deepwater ports in the United States, which provides vital connections to global trade lanes.

The area benefits from consistent infrastructure investment aimed at expanding port capacity, improving roadway access, and supporting petrochemical logistics.

Industrial demand in this corridor is driven by large-scale energy, petrochemical, and manufacturing operations, including significant presences from Dow, BASF, and Phillips 66. The Houston MSA's economic base, characterized by strong diversification across energy, logistics, and advanced manufacturing, underpins sustained industrial absorption and stable investor confidence.

Freeport's position within the southern Houston industrial market offers tenants and investors access to both Gulf shipping routes and major inland distribution networks via Highways 288 and 36. Continued expansion of the Gulf Intracoastal Waterway and nearby industrial parks further enhances the area's role as a logistics and processing hub.

With available land and access to maritime, rail, and road infrastructure, the Freeport market remains well-positioned for long-term industrial growth. This location provides a strategic point for users and investors seeking exposure to the Gulf Coast's energy-driven economy and international trade flows.

Nearby Major Infrastructure

PORT FREEPORT



TX-288 HIGHWAY



UNION PACIFIC TEXAS



DOW CHEMICAL TEXAS



VW GULF COAST HUB



Freeport Marina



Surfside Beach - Freeport

Demographics

Income & Economics

	5-Mile	7-Mile	10-Mile
Average Household Income	\$84,614	\$96,267	\$101,600
AHHI: \$100,000 - \$149,999	15.4%	17.5%	17.4%
2024 Daytime Population	47,625	65,803	69,966

Population

2029 Population	37,431	61,272	70,700
2024 Population	35,774	58,866	67,947
2010 Population	36,527	57,727	66,033

Households

2029 Households	14,733	24,535	27,384
2024 Households	14,001	23,409	26,104
2010 Households	13,113	21,138	23,323



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