

# ZACHRY

## SINGLE TENANT NNN LEASE

Marcus & Millichap  
DUONG INVESTMENT GROUP



Total of  $\pm 7,000$  acres  
Largest chemical manufacturing  
site in the world



**SUBJECT PROPERTY**

288  
TEXAS

1501 YELLOWSTONE ST, FREEPORT, TX 77541

OFFERING MEMORANDUM



# ZACHRY

## SINGLE TENANT NNN LEASE



### Exclusively Listed By

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# INVESTMENT OVERVIEW

## Investment Highlights



**ZACHRY Group is a Highly Respected Industrial Tenant, Generating \$5.4 Billion in Annual Revenue and Operating 400+ Locations Across North America**



**3-Year Lease with No Options to Renew – Allows for Value-Add Potential for Future Landlord to Negotiate New Lease with the Tenant**



**Located on the Nolan Ryan Expressway (Hwy 288), a Main Regional Connector Between Freeport, Coastal Communities, and the Greater Houston Area, with Traffic Counts Exceeding 26,000 Vehicles Per Day.**

## Strong Real Estate Fundamentals

- ▶ **E-Commerce & Recession-Resilient:** Tenant's Business Model Is Well-Suited to Thrive in Various Economic Conditions
- ▶ **Located within 1-Mile from 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

### Zachry

Zachry Group is a leading North American engineering, construction, maintenance, turnaround, and fabrication services provider headquartered in San Antonio, Texas. Founded in 1924, the company has built a century-long legacy delivering critical infrastructure solutions across the energy, chemicals, power, manufacturing, and industrial sectors.



Zachry's integrated service model supports customers through the full project lifecycle — from front-end engineering and design to construction execution and long-term maintenance. The company's focus on safety, technical expertise, and reliable execution has established it as a trusted partner for complex capital projects and ongoing facility support.

Annual Revenue	<b>\$5.4 Billion</b>
Founded	<b>1924</b>
Headquarters	<b>San Antonio, TX</b>
# of Employees	<b>~10,000+*</b>

\*Revenue and employee figures are based on the most recent industry estimates and filings.



### Company Growth

Over its long history, Zachry Group has evolved from a regional contractor to a diversified engineering and construction firm with deep capabilities across capital projects, maintenance services, and fabrication. The company's growth strategy emphasizes expanding technical services, enhancing execution efficiency through advanced engineering practices, and responding to long-term customer needs in energy and industrial markets.

Zachry's commitment to innovation includes investments in front-end engineering design, advanced work packaging, and integrated project delivery models that improve schedule predictability and cost performance on major capital programs. These strategic competencies support Zachry's role as a reliable partner on high-complexity projects across the United States and internationally.

Website	<b><a href="https://zachrygroup.com">zachrygroup.com</a></b>
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### Why Choose Zachry?

Zachry Group represents a strong industrial tenant with a proven operating history, diversified service offerings, and a legacy of executing essential infrastructure work. Its necessity-based services — spanning engineering, construction, and long-term maintenance — are integral to the ongoing operations of energy, manufacturing, and industrial facilities, contributing to stable demand across economic cycles.

For commercial real estate investors, Zachry offers a tenancy backed by a resilient business model, long project durations, and established relationships with major corporate and public sector clients. The company's operational depth, technical expertise, and multi-decade presence support its stability and long-term occupancy potential, aligning with net lease investment objectives.





# INVESTMENT OVERVIEW

## Aerial Photo





# FINANCIAL ANALYSIS

## Offering Summary

Property Name	ZACHRY
Property Address	1501 Yellowstone St Freeport, TX 77541
Assessor's Parcel Number	2114-0007-000
Year Built	2000
Gross Leasable Area (GLA)	±6,000 Square Feet
Lot Size	±0.74 AC (±32,234 Square Feet)

## Pricing

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

## Annualized Operating Data

Gross Potential Rent	\$113,465
Less Expenses	NNN
<b>Net Operating Income</b>	<b>\$113,465</b>

## Lease Information

Lease Commencement Date	03/01/2019
Lease Expiration Date	02/28/2029
Total Lease Term	±10 Years
Lease Term Remaining	±3 Years
Increases	None
Options	None
Lease Type	NNN
Lease Type Details	Landlord responsible for roof & structure.

The logo for ZACHRY, featuring the word "ZACHRY" in a bold, green, sans-serif font. The letters are slightly shadowed, giving it a 3D appearance.

# 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  $\pm 4.3$ -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

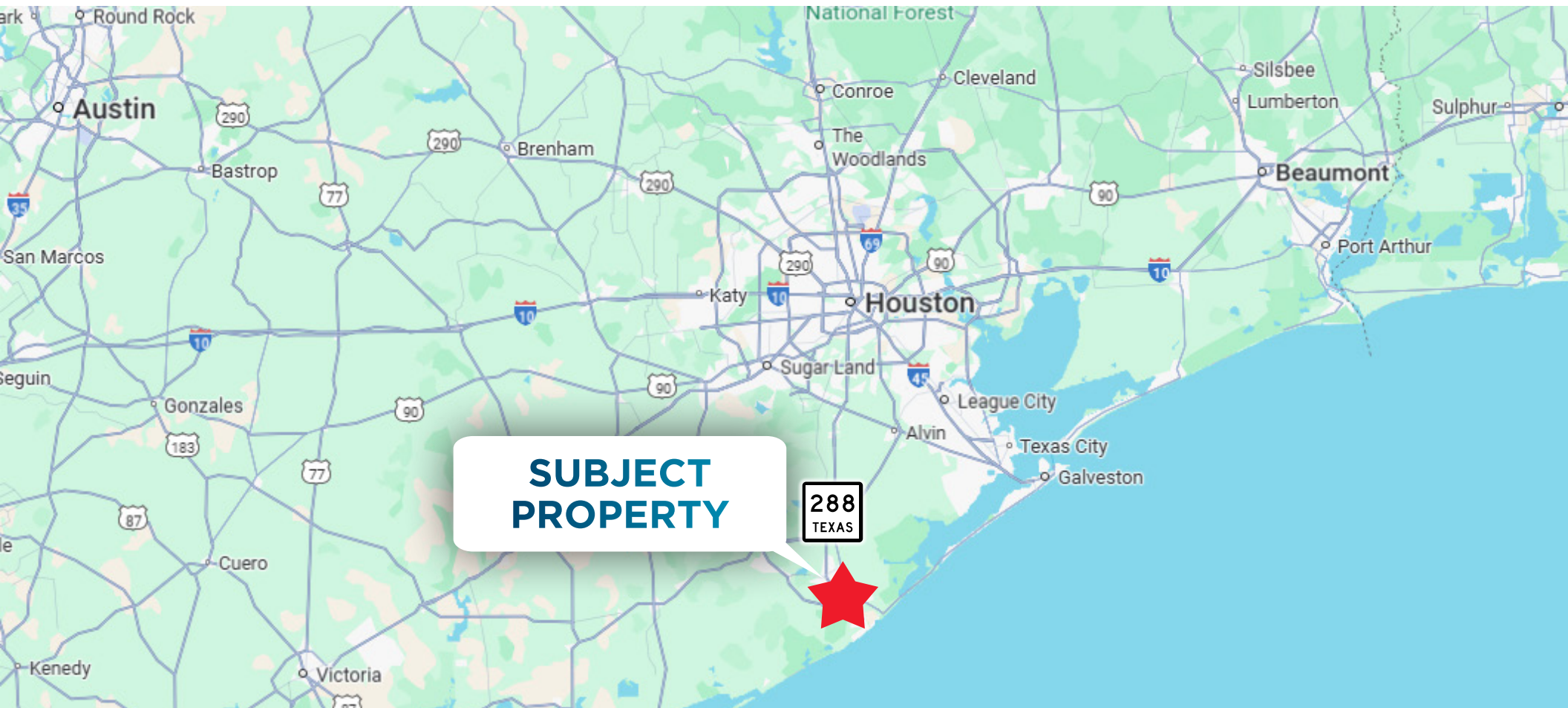
Price: \$1,900,000  
Cap Rate: 7.58%  
Price/SF: \$202.13

- 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

1

2

3

MARKET OVERVIEW



# 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	\$84,087	\$96,350	\$101,612
AHHI: \$100,000 - \$149,999	17.5%	21.1%	20.8%
2025 Daytime Population	46,298	63,564	70,159

### Population

2030 Population	33,335	58,604	70,079
2025 Population	32,159	56,684	67,787
2010 Population	32,887	55,153	64,797

### Households

2030 Households	13,186	23,069	27,482
2025 Households	12,634	22,184	26,386
2010 Households	11,576	20,427	24,284



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