

OFFERING MEMORANDUM

# Southpoint Plaza

5111 Troup Highway, Tyler, TX 75707

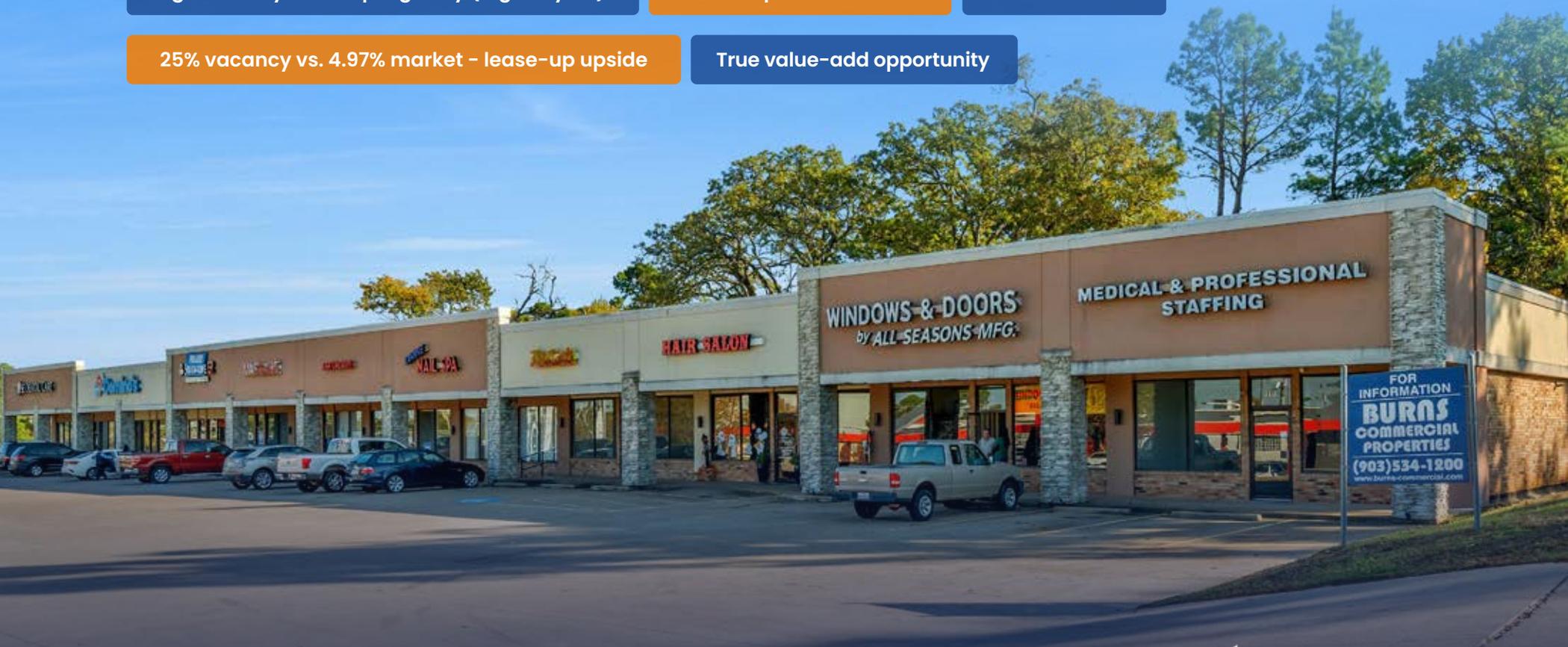
High Visibility on Troup Highway (Highway 110)

Below replacement cost

Motivated Seller

25% vacancy vs. 4.97% market - lease-up upside

True value-add opportunity



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Southpoint Plaza

# EXECUTIVE SUMMARY



# EXECUTIVE SUMMARY

## THE OFFERING

Situated on 2.23 acres along Troup Highway in Tyler, Texas, Southpoint Plaza (the "Property") offers 15,073 square feet of retail space. It is located on a high-traffic corridor with excellent visibility and easy access to downtown, major retail hubs, and The University of Texas at Tyler. The surrounding trade area is densely populated and features above-average household incomes, creating a stable consumer base that supports strong retail demand.

The Property is currently 75% occupied, leaving 3,772 square feet of vacant space and featuring average rents below market. This presents an immediate opportunity to increase revenue by leasing the available space at market rates. Existing tenants at below-market rents provide additional upside as leases expire or renew, allowing for incremental rent growth. Together, these factors offer both near-term cash flow enhancement and long-term income potential.

Tyler continues to expand as a regional hub, supported by employment in healthcare, education, and retail, as well as ongoing residential development. Southpoint Plaza's high visibility, strong demographics, and prime location along a major corridor position the Property to benefit from these trends, delivering a retail asset with stable income today and significant value-add potential for investors.

ASSET OVERVIEW



**Southpoint Plaza**  
5111 Troup Highway, Tyler, TX 75707

<b>\$1,795,000</b> Sale Price	<b>\$119.09</b> Price/SF
<b>6.0%</b> Actual CAP Rate	<b>11.2%</b> Year 2 CAP Rate

<b>Property Type</b>	Retail
<b>Lot Size</b>	2.23 AC
<b>Net Rentable Area</b>	15,073 SF
<b># of Buildings</b>	1



# INVESTMENT HIGHLIGHTS

## STRATEGIC MARKET POSITION

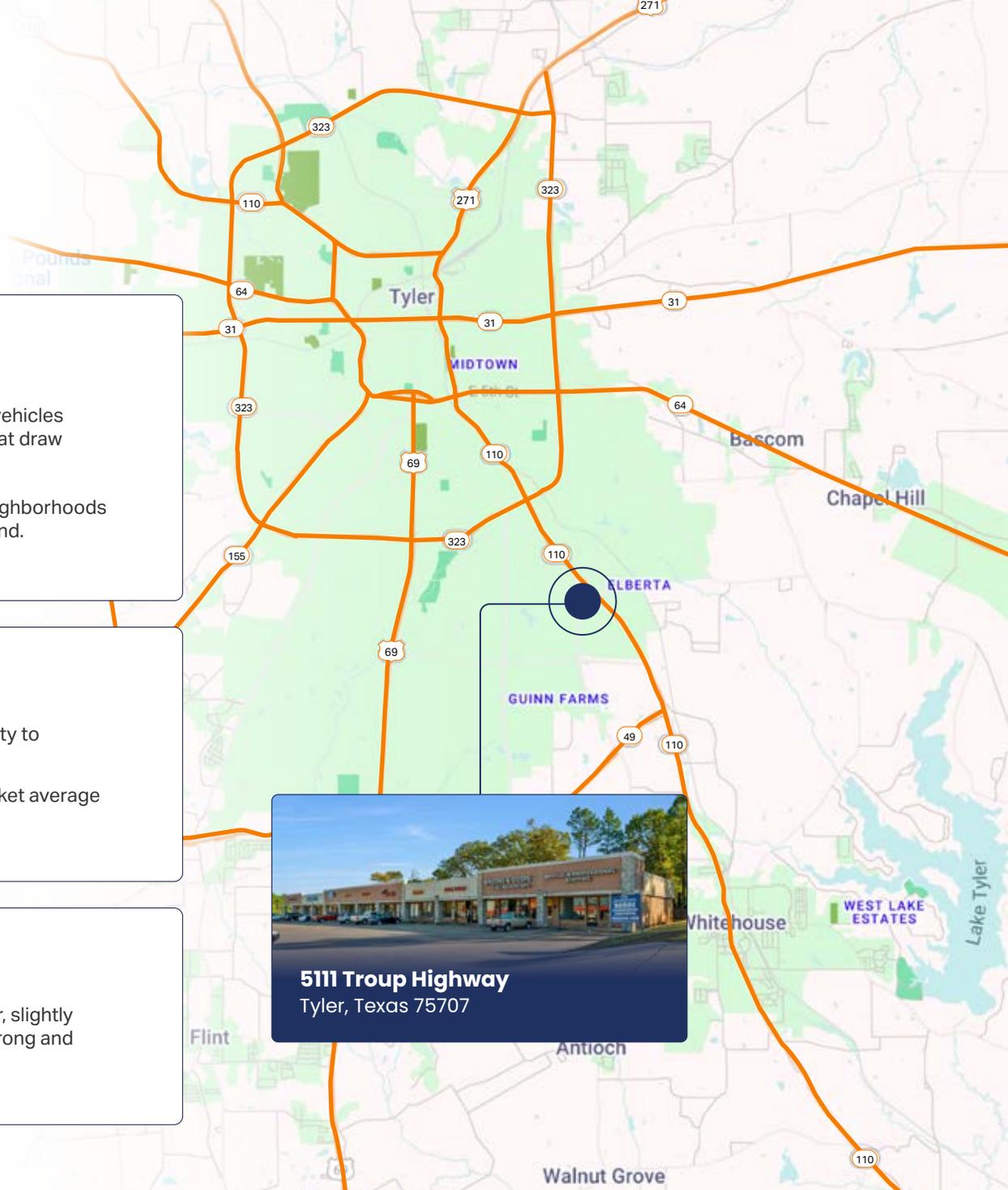
- Located within a high-traffic retail corridor with 18,383 vehicles per day, surrounded by national and regional retailers that draw consistent consumer activity.
- Proximity to shopping centers and dense residential neighborhoods supports steady foot traffic and long-term tenant demand.

## LEASE-UP & UPSIDE POTENTIAL

- 3,772 SF of vacant space provides immediate opportunity to increase cash flow through new leasing.
- Current rents average at \$13.76/SF, below the Tyler market average of \$17.80/SF, indicating substantial potential for growth.

## RETAIL MARKET MOMENTUM

- Tyler's market rents have increased 2.0% year-over-year, slightly above the national growth rate of 1.9%, highlighting a strong and resilient local retail market.



# INVESTMENT HIGHLIGHTS

## TRADE AREA DEMOGRAPHICS

- A dense population of 94,961 within a five-mile radius provides a strong consumer base for neighborhood retail.
- Tyler's population has increased 7% since 2020 and is currently growing at 1.33% annually, supporting long-term retail demand.

## LONG-TERM INVESTMENT APPEAL

- Limited competing retail space in the immediate submarket enhances leasing potential.
- Tyler's growing economy and expanding retail sector support long-term asset appreciation.

## STRONG LOCAL ECONOMY

- Tyler serves as the regional hub for East Texas, driven by healthcare, education, and retail employment sectors.
- Continued job growth and inward migration are driving retail absorption and tenant demand.



Southpoint PLAZA

# PROPERTY OVERVIEW



# PROPERTY SUMMARY

Southpoint Plaza is a 15,073-square-foot retail center located at 5111 Troup Highway in Tyler, Texas. Built in 1984, the single-story property occupies a prominent corner with 195 feet of frontage on Rhones Quarter Road and 159 feet on Troup Highway, each with a dedicated curb cut. The site includes 53 surface parking spaces and a pylon sign, providing high visibility and convenient access for customers.

Strategically located near national retailers including Walmart, regional shopping malls, and dense residential neighborhoods, Southpoint Plaza benefits from a well-established consumer base and consistent daily traffic. Its corner location and proximity to key commercial activity make it a well-positioned, income-producing retail asset with long-term leasing and cash flow potential in Tyler.

<b>Zoning</b>	Zoning C-1 (Light Commercial District)
<b>Submarket</b>	Tyler & Longview

## PROPERTY DETAILS

**Southpoint Plaza**  
5111 Troup Highway, Tyler, TX 75707

**15,073 SF**  
Net Rentable Area

**2.23 AC**  
Lot Size

**1984**  
Year Built

<b># of Stories</b>	1
<b>Parking</b>	53 Surface Spaces   3.53/1,000 SF
<b>Parcel ID</b>	1.50000.1555.04.001000



# AERIAL VIEW



# SOUTHWEST VIEW



# IMMEDIATE AREA

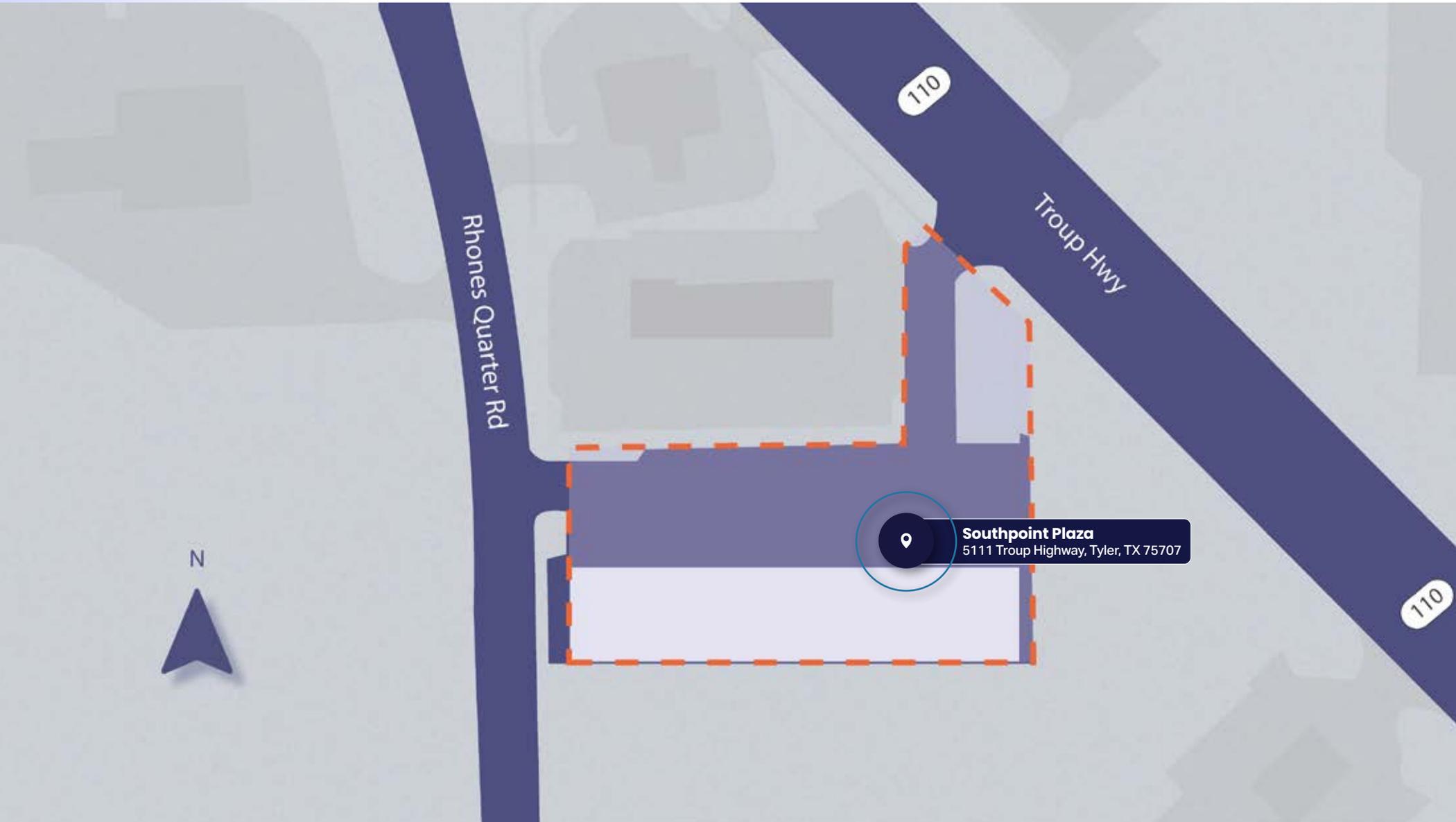


# LOCAL MAP



- 01 Texas Bank
- 02 Texas National Bank
- 03 Cato Fashions
- 04 Chase Bank
- 05 Whataburger
- 06 Spherion Staffing & Recruiting
- 07 Walmart Supercenter
- 08 Shipley Do-Nuts
- 09 Moore Supply Co.
- 10 Mint Storage - Tyler
- 11 The Ortho Spine Clinic
- 12 Tyler Building Systems, L.P.
- 13 ARD Logistics
- 14 Pharmscript of Texas North LLC
- 15 Cavender's Distribution Center
- 16 Peltier KIA Tyler
- 17 Kluber Purchasing
- 18 CHRISTUS Trinity Mother Frances ASB
- 19 Family Dollar
- 20 Workforce Solutions East Texas
- 21 Calloway Road Storage Center
- 22 Taco Bell
- 23 Sonic Drive-In
- 24 KFC
- 25 Texas Roadhouse
- 26 Ivan Smith Furniture
- 27 Subway

# SITE PLAN



# EXTERIOR PHOTOS



# INTERIOR PHOTOS

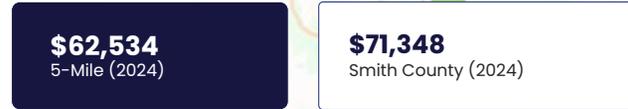


# DEMOGRAPHICS

## POPULATION



## MEDIAN INCOME



## AVG. HOUSEHOLD INCOME



## POPULATION GROWTH

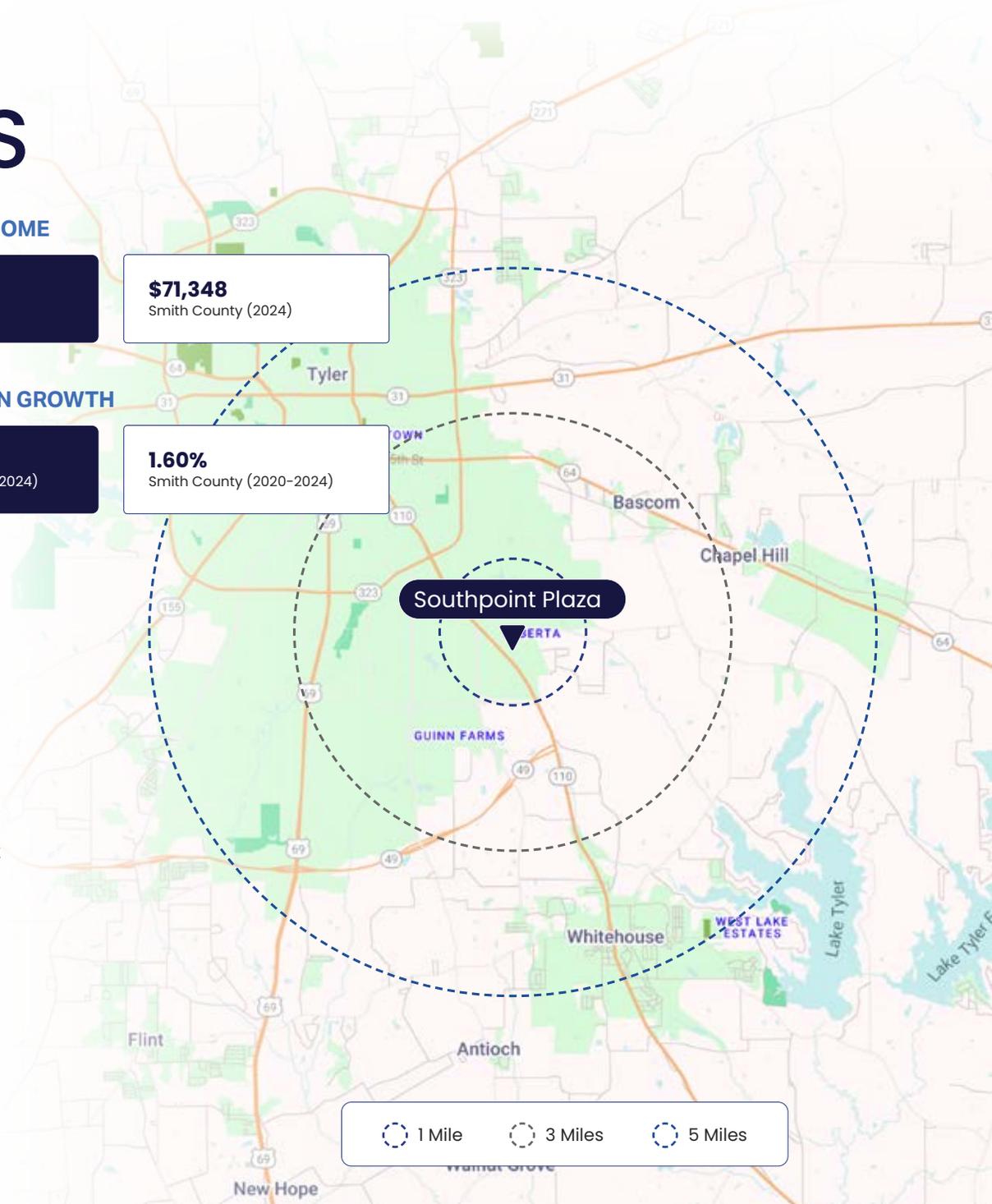


Source: CoStar, FRED, DataUSA, Point2Homes

## STRONG DEMOGRAPHIC FUNDAMENTALS IN SMITH COUNTY

Smith County demonstrates steady demographic momentum supported by both population growth and rising household incomes. Between 2020 and 2024, the county's population expanded to more than 249,000 residents, reflecting a 1.6% increase, while the surrounding 5-mile trade area grew to nearly 95,000 residents at a 1.1% pace. This parallel growth underscores the county's role as a regional anchor while highlighting consistent demand within the immediate trade area.

Income levels further reinforce the market's strength. Median household income in Smith County reached \$71,348 in 2023, outpacing the 5-mile trade area's \$62,534, while average household incomes exceeded \$91,000 and \$87,000, respectively. These figures point to solid purchasing power across both geographies, supporting long-term demand for housing, retail, and services. Together, the combination of population growth and elevated income levels positions Smith County as a stable and attractive submarket within East Texas.



Southpoint Plaza

# FINANCIAL ANALYSIS



# OPERATING STATEMENT SUMMARY

	YE 2025		BUDGET 2026		YEAR 1		YEAR 2	
	ACTUAL	PSF	BUDGET	PSF	UW	PSF	UW	PSF
<b>Income</b>								
Potential Rental Income	\$147,761	\$9.80	\$154,729	\$10.27	\$228,169	\$15.14	\$235,522	\$0.00
Downtime Vacancy	0	0.00	0	0.00	(47,264)	(3.14)	(2,197)	(0.00)
<b>Base Rental Income</b>	<b>\$147,761</b>	<b>\$9.80</b>	<b>\$154,729</b>	<b>\$10.27</b>	<b>\$180,905</b>	<b>\$12.00</b>	<b>\$233,325</b>	<b>\$15.48</b>
Recovery Income	46,796	3.10	43,281	2.87	53,210	3.53	66,801	4.43
Misc. Income	770	0.05	0	0.00	0	0.00	0	0.00
<b>Total Potential Gross Income</b>	<b>\$195,327</b>	<b>\$12.96</b>	<b>\$198,010</b>	<b>\$13.14</b>	<b>\$234,115</b>	<b>\$15.53</b>	<b>\$300,126</b>	<b>\$19.91</b>
<b>Total Income</b>	<b>\$195,327</b>	<b>\$12.96</b>	<b>\$198,010</b>	<b>\$13.14</b>	<b>\$234,115</b>	<b>\$15.53</b>	<b>\$286,381</b>	<b>\$19.00</b>
<b>Expenses</b>								
General & Administrative	\$1,149	\$0.08	\$680	\$0.05	\$680	\$0.05	\$700	\$0.05
Management Fee	0	0.00	5,602	0.37	5,602	0.37	5,770	0.38
Management Fee	9,127	0.61	9,095	0.60	11,706	0.78	14,319	0.95
Repair & Maintenance	13,861	0.92	8,950	0.59	8,950	0.59	9,219	0.61
Contract Services	14,929	0.99	4,200	0.28	4,200	0.28	4,326	0.29
Utilities	16,364	1.09	15,011	1.00	15,011	1.00	15,462	1.03
Insurance	16,559	1.10	17,387	1.15	17,387	1.15	17,909	1.19
Real Estate Taxes	15,656	1.04	16,439	1.09	16,439	1.09	16,932	1.12
<b>Total Operating Expenses</b>	<b>\$87,646</b>	<b>\$5.81</b>	<b>\$77,363</b>	<b>\$5.13</b>	<b>\$79,975</b>	<b>\$5.31</b>	<b>\$84,637</b>	<b>\$5.62</b>
<b>Net Operating Income</b>	<b>\$107,681</b>	<b>\$7.14</b>	<b>\$120,647</b>	<b>\$8.00</b>	<b>\$154,140</b>	<b>\$10.23</b>	<b>\$201,744</b>	<b>\$13.38</b>

1) Income is based on Annual Rent from Rent Roll.

2) Operating expenses: 2026 Budget except for Mgmt Fee which is 5% of EGR

3) Vacancy Loss = 5.0%

4) CapEx Reserve: \$0.20 PSF

# PROFORMA

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	YE Feb-27	YE Feb-28	YE Feb-29	YE Feb-30	YE Feb-31	YE Feb-32	YE Feb-33	YE Feb-34	YE Feb-35	YE Feb-36
<b>Revenues:</b>										
Potential Rental Income	\$228,169	\$235,522	\$244,425	\$254,671	\$263,817	\$272,006	\$280,242	\$288,747	\$298,068	\$307,206
Downtime Vacancy	(47,264)	(2,197)	(8,106)	0	(1,703)	(4,611)	(4,150)	(8,054)	(1,383)	(1,974)
<b>Base Rental Income</b>	<b>\$180,905</b>	<b>\$233,325</b>	<b>\$236,319</b>	<b>\$254,671</b>	<b>\$262,114</b>	<b>\$267,395</b>	<b>\$276,092</b>	<b>\$280,693</b>	<b>\$296,685</b>	<b>\$305,232</b>
Recovery Income	53,210	66,801	70,718	80,115	83,552	87,539	93,813	95,206	100,496	103,542
<b>Total Potential Gross Income</b>	<b>\$234,115</b>	<b>\$300,126</b>	<b>\$307,037</b>	<b>\$334,786</b>	<b>\$345,666</b>	<b>\$354,934</b>	<b>\$369,905</b>	<b>\$375,899</b>	<b>\$397,181</b>	<b>\$408,774</b>
Vacancy Loss	0	(13,745)	(10,925)	(16,739)	(15,956)	(15,025)	(15,677)	(14,797)	(18,545)	(18,865)
<b>Effective Gross Revenue</b>	<b>\$234,115</b>	<b>\$286,381</b>	<b>\$296,112</b>	<b>\$318,047</b>	<b>\$329,710</b>	<b>\$339,909</b>	<b>\$354,228</b>	<b>\$361,102</b>	<b>\$378,636</b>	<b>\$389,909</b>
<b>Operating Expenses:</b>										
General & Administrative	\$680	\$700	\$722	\$743	\$767	\$788	\$811	\$836	\$861	\$887
Payroll	\$5,602	\$5,770	\$5,943	\$6,121	\$6,305	\$6,494	\$6,689	\$6,890	\$7,096	\$7,309
Management Fee	11,706	14,319	14,806	15,902	16,486	16,995	17,711	18,055	18,932	19,495
Repair & Maintenance	8,950	9,219	9,494	9,780	10,074	10,375	10,686	11,008	11,338	11,677
Contract Services	4,200	4,326	4,456	4,589	4,727	4,869	5,015	5,165	5,320	5,480
Utilities	15,011	15,462	15,926	16,403	16,895	17,401	17,924	18,462	19,016	19,586
Insurance	17,387	17,909	18,446	18,999	19,569	20,156	20,761	21,384	22,025	22,686
Real Estate Taxes	16,439	16,932	17,440	17,963	18,502	19,057	19,629	20,218	20,824	21,449
<b>Total Operating Expenses</b>	<b>\$79,975</b>	<b>\$84,637</b>	<b>\$87,233</b>	<b>\$90,500</b>	<b>\$93,325</b>	<b>\$96,135</b>	<b>\$99,226</b>	<b>\$102,018</b>	<b>\$105,412</b>	<b>\$108,569</b>
<b>Net Operating Income</b>	<b>\$154,140</b>	<b>\$201,744</b>	<b>\$208,879</b>	<b>\$227,547</b>	<b>\$236,385</b>	<b>\$243,774</b>	<b>\$255,002</b>	<b>\$259,084</b>	<b>\$273,224</b>	<b>\$281,340</b>
<b>Leasing Cost:</b>										
Tenant Improvements	\$37,680	\$27,668	\$34,659	\$9,305	\$9,159	\$18,929	\$19,287	\$30,154	\$21,112	\$10,618
Leasing Commissions	15,204	11,206	15,270	2,622	3,743	10,134	9,121	13,606	7,259	4,339
<b>Total Leasing Cost</b>	<b>\$52,884</b>	<b>\$38,874</b>	<b>\$49,929</b>	<b>\$11,927</b>	<b>\$12,902</b>	<b>\$29,063</b>	<b>\$28,408</b>	<b>\$43,760</b>	<b>\$28,371</b>	<b>\$14,957</b>
<b>Capital Expenditures:</b>										
Capital Reserves	\$3,015	\$3,105	\$3,198	\$3,294	\$3,393	\$3,495	\$3,600	\$3,708	\$3,819	\$3,933
<b>Total Capital Expenditures</b>	<b>\$3,015</b>	<b>\$3,105</b>	<b>\$3,198</b>	<b>\$3,294</b>	<b>\$3,393</b>	<b>\$3,495</b>	<b>\$3,600</b>	<b>\$3,708</b>	<b>\$3,819</b>	<b>\$3,933</b>
<b>Total Leasing &amp; Capital Costs</b>	<b>\$55,899</b>	<b>\$41,979</b>	<b>\$53,127</b>	<b>\$15,221</b>	<b>\$16,295</b>	<b>\$32,558</b>	<b>\$32,008</b>	<b>\$47,468</b>	<b>\$32,190</b>	<b>\$18,890</b>
<b>Net Income</b>	<b>\$98,241</b>	<b>\$159,765</b>	<b>\$155,752</b>	<b>\$212,326</b>	<b>\$220,090</b>	<b>\$211,216</b>	<b>\$222,994</b>	<b>\$211,616</b>	<b>\$241,034</b>	<b>\$262,450</b>

# MARKET LEASING ASSUMPTIONS

	\$10.00 PSF NNN	\$14.50 PSF NNN	\$19.00 PSF NNN
<b>Market Rental Rate</b>			
New	\$10.00	\$14.50	\$19.00
Renewal	\$10.00	\$14.50	\$19.00
Annual Escalations	3.00%	3.00%	3.00%
<b>Other Market Leasing Terms</b>			
Reimbursements	NNN	NNN	NNN
Lease Term (Mos.)	60	60	60
Renewal Probability	85%	85%	85%
Downtime (Mos.)	6	6	6
<b>Free Rent (Mos.)</b>			
New	0.00	0.00	0.00
Renewal	0.00	0.00	0.00
Weighted	0.00	0.00	0.00
<b>Tenant Improvements</b>			
New	\$15.00	\$15.00	\$15.00
Renewal	\$5.00	\$5.00	\$5.00
Weighted	\$6.50	\$6.50	\$6.50
<b>Leasing Commissions</b>			
New	6.00%	6.00%	6.00%
Renewal	3.00%	3.00%	3.00%
Weighted	3.75%	3.75%	3.75%



# TENANT SUMMARY

## SIGNIFICANT LEASE-UP AND REVENUE GROWTH OPPORTUNITY

Southpoint Plaza is 75% leased, anchored by a diverse mix of medical, food, and specialty tenants. With 25% of space currently available, there is immediate potential to increase occupancy and enhance revenue. Lease expirations extend through 2030, providing a predictable cash flow from existing tenants while creating multiple opportunities for value creation as vacant space is leased.

Rose Dental  
Care of Tyler PL  
2,520 SF

BAMtastic  
Pizza, LLC  
2,488 SF

SHQING WANG &  
JIE YUAN  
1,254 SF

HUNG VAN  
LONGVIEW LLC  
1,252 SF

TABITHA FA-  
BINSKI  
1,252 SF

Unit	Tenant	Unit Size	LEASE TERM		BASE RENT		
			Start	Expiration	Annually	Monthly	PSF
117-100 & 101-CU	ROSE DENTAL CARE OF TYLER PL	2,520 SF	03/01/2015	02/28/2028	\$46,721	\$3,893	\$18.54
117-102 & 103-CU	BAMtastic Pizza, LLC	2,488 SF	09/01/2020	08/31/2030	\$35,460	\$2,955	\$14.25
117-105-CU	SHQING WANG & JIE YUAN	1,254 SF	01/01/2023	12/31/2028	\$16,177	\$1,348	\$12.90
117-107-CU	HUNG VAN LONGVIEW LLC	1,252 SF	04/01/2025	03/31/2030	\$16,890	\$1,407	\$13.49
117-109-CU	TABITHA FABINSKI	1,252 SF	09/01/2023	08/31/2028	\$12,005	\$1,000	\$9.59
117-110-CU	ALL SEASON'S WINDOW & DOOR	1,225 SF	02/01/2024	01/31/2027	\$16,537	\$1,378	\$13.50
117-111-CU	Diamond Energy Tyler Texas, LLC	1,310 SF	11/01/2025	01/31/2029	\$11,751	\$979	\$8.97
<b>Total</b>		<b>11,301 SF</b>			<b>\$155,539</b>	<b>\$12,962</b>	<b>\$13.76</b>

# ONE-LINE RENT ROLL

Unit	Tenant	Area (SF)	PRS	LEASE TERM			IN-PLACE RENT		RECOVERIES		Total Income	Options	MLA Assigned
				Start	Expiration	WALT	Annual	PSF	Annual	PSF			
117-100 & 101-CU	ROSE DENTAL CARE OF TYLER PL	2,520 SF	16.7%	03/01/2015	02/28/2028	2.0 Yrs	\$46,721	\$18.54	\$10,886	\$4.32	\$57,607		\$19.00 PSF NNN
117-102 & 103-CU	BAMtastic Pizza, LLC	2,488 SF	16.5%	09/01/2020	08/31/2030	4.5 Yrs	\$35,460	\$14.25	\$11,793	\$4.74	\$47,253	1, 10 yrs	\$14.50 PSF NNN
117-104-CU	VACANT	1,260 SF	8.4%										\$19.00 PSF NNN
117-105-CU	SHQING WANG & JIE YUAN	1,254 SF	8.3%	01/01/2023	12/31/2028	2.8 Yrs	\$16,177	\$12.90	\$5,944	\$4.74	\$22,121		\$14.50 PSF NNN
117-106-CU	VACANT	1,252 SF	8.3%										\$19.00 PSF NNN
117-107-CU	HUNG VAN LONGVIEW LLC	1,252 SF	8.3%	04/01/2025	03/31/2030	4.1 Yrs	\$16,890	\$13.49	\$5,934	\$4.74	\$22,824		\$14.50 PSF NNN
117-108-CU	VACANT	1,260 SF	8.4%										\$19.00 PSF NNN
117-109-CU	TABITHA FABINSKI	1,252 SF	8.3%	09/01/2023	08/31/2028	2.5 Yrs	\$12,005	\$9.59	\$5,934	\$4.74	\$17,939		\$10.00 PSF NNN
117-110-CU	ALL SEASON'S WINDOW & DOOR	1,225 SF	8.1%	02/01/2024	01/31/2027	0.9 Yrs	\$16,537	\$13.50	\$5,807	\$4.74	\$22,344		\$14.50 PSF NNN
117-111-CU	Diamond Energy Tyler Texas, LLC	1,310 SF	8.7%	11/01/2025	01/31/2029	2.9 Yrs	\$11,751	\$8.97	\$0	\$0.00	\$11,751		\$10.00 PSF NNN
<b>Total/ Wtd. Avg</b>		<b>15,073 SF</b>	<b>100.0%</b>			<b>2.9 Yrs</b>	<b>\$155,539</b>	<b>\$13.76</b>	<b>\$46,299</b>	<b>\$4.10</b>	<b>\$201,838</b>		
<b>Vacant</b>		<b>3,772 SF</b>	<b>25.0%</b>										
<b>Occupied</b>		<b>11,301 SF</b>	<b>75.0%</b>										



ROSE DENTAL CARE

# DETAILED RENT ROLL

Unit	Tenant	Sq.Ft.	PRS	LEASE TERM		RENTAL RATES				Recovery	UPON EXPIRATION	
				Start	Expiration	Start	Annual	PSF	% Inc.	Type	Options	MLA
117-100 & 101-CU	ROSE DENTAL CARE OF TYLER PL	2,520	16.7%	03/01/2015	02/28/2028	Current	\$46,721	\$18.54	-	NNN		\$19.00 PSF NNN
					Rent esc.	03/01/2027	\$48,122	\$19.10	3.00%			
117-102 & 103-CU	BAMtastic Pizza, LLC	2,488	16.5%	09/01/2020	08/31/2030	Current	\$35,460	\$14.25	-	NNN	1, 10 yrs	\$14.50 PSF NNN
					Rent esc.	09/01/2026	\$36,701	\$14.75	3.50%			
					Rent esc.	09/01/2027	\$37,985	\$15.27	3.50%			
					Rent esc.	09/01/2028	\$39,315	\$15.80	3.50%			
					Rent esc.	09/01/2029	\$40,691	\$16.35	3.50%			
					Option 1	09/01/2030	\$42,115	\$16.93	3.50%			
					Option 1	09/01/2031	\$43,589	\$17.52	3.50%			
					Option 1	09/01/2032	\$45,114	\$18.13	3.50%			
					Option 1	09/01/2033	\$46,693	\$18.77	3.50%			
					Option 1	09/01/2034	\$48,328	\$19.42	3.50%			
					Option 1	09/01/2035	\$50,019	\$20.10	3.50%			
					Option 1	09/01/2036	\$51,770	\$20.81	3.50%			
					Option 1	09/01/2037	\$53,582	\$21.54	3.50%			
					Option 1	09/01/2038	\$55,457	\$22.29	3.50%			
	Option 1	09/01/2039	\$57,398	\$23.07	3.50%							
117-104-CU	VACANT	1,260	8.4%									\$19.00 PSF NNN
117-105-CU	SHQING WANG & JIE YUAN	1,254	8.3%	01/01/2023	12/31/2028	Current	\$16,177	\$12.90	-	NNN		\$14.50 PSF NNN

# DETAILED RENT ROLL

Unit	Tenant	Sq.Ft.	PRS	LEASE TERM		RENTAL RATES				Recovery	UPON EXPIRATION	
				Start	Expiration	Start	Annual	PSF	% Inc.	Type	Options	MLA
117-106-CU	VACANT	1,252	8.3%			Current						\$19.00 PSF NNN
117-107-CU	HUNG VAN LONGVIEW LLC	1,252	8.3%	04/01/2025	03/31/2030	Current	\$16,890	\$13.49	-			\$14.50 PSF NNN
						Rent esc.	04/01/2027	\$17,390	\$13.89	2.96%		
						Rent esc.	04/01/2027	\$17,916	\$14.31	3.02%		
						Rent esc.	04/01/2027	\$18,454	\$14.74	3.00%		
117-108-CU	VACANT	1,260	8.4%								\$19.00 PSF NNN	
117-109-CU	TABITHA FABINSKI	1,252	8.3%	09/01/2023	08/31/2028	Current	\$12,005	\$9.59	-	NNN		\$10.00 PSF NNN
						Rent esc.	09/01/2026	\$12,365	\$9.88			
						Rent esc.	09/01/2027	\$12,736	\$10.17			
117-110-CU	ALL SEASON'S WINDOW & DOOR	1,225	8.1%	02/01/2024	01/31/2027	Current	\$16,537	\$13.50	-	NNN		\$14.50 PSF NNN
117-111-CU	Diamond Energy Tyler Texas, LLC	1,310	8.7%	11/01/2025	01/31/2029	Current	\$11,751	\$8.97	-	NNN		\$10.00 PSF NNN
						Rent esc.	02/01/2027	\$12,458	\$9.51	6.02%		
						Rent esc.	02/01/2028	\$13,205	\$10.08	5.99%		
<b>Leased SF</b>		<b>11,301</b>	<b>75.0%</b>				<b>\$155,539</b>	<b>\$13.76</b>				
<b>Vacant SF</b>		<b>3,772</b>	<b>25.0%</b>									
<b>Total Building SF</b>		<b>15,073</b>	<b>100.0%</b>									

[1] As per Lease Agreements, total sqft denominator for Diamond Energy Tyler Texas, LLC, Hung Van Longview LLC and All Season's Window & Door is 15,000 Sqft

[2] As per Lease Agreements, total sqft denominator for BAMtastic Pizza (assignee of EPSI, Inc); Shuqing Wang & Jie Yuan and TABITHA FABINSKI (assignee of Jennifer Tallant) is 15,087 Sqft

[3] Used the total sqft of \$15,087 for Argus calculations, based on the CAMRECS provided.

# LEASE UP SCHEDULE

Unit	SF	Available Date	Commences	Term (Mos.)	Rent PSF	Ann. Inc.	Reimb.	Free (Mos.)	TI	LC
117-104-CU	1,260	03/01/2026	06/01/2026	60	\$19.00	3.0%	NNN	0	\$15.00	6.0%
117-106-CU	1,252	03/01/2026	11/01/2026	60	\$19.00	3.0%	NNN	0	\$15.00	6.0%
117-108-CU	1,260	03/01/2026	04/01/2027	60	\$19.00	3.0%	NNN	0	\$15.00	6.0%
<b>Total/Wtd.Avg.</b>	<b>3,772</b>	<b>Mos. to Stabilized:</b>	<b>13</b>	<b>60</b>	<b>\$19.00</b>	<b>3.0%</b>		<b>0</b>	<b>\$15.00</b>	<b>6.0%</b>

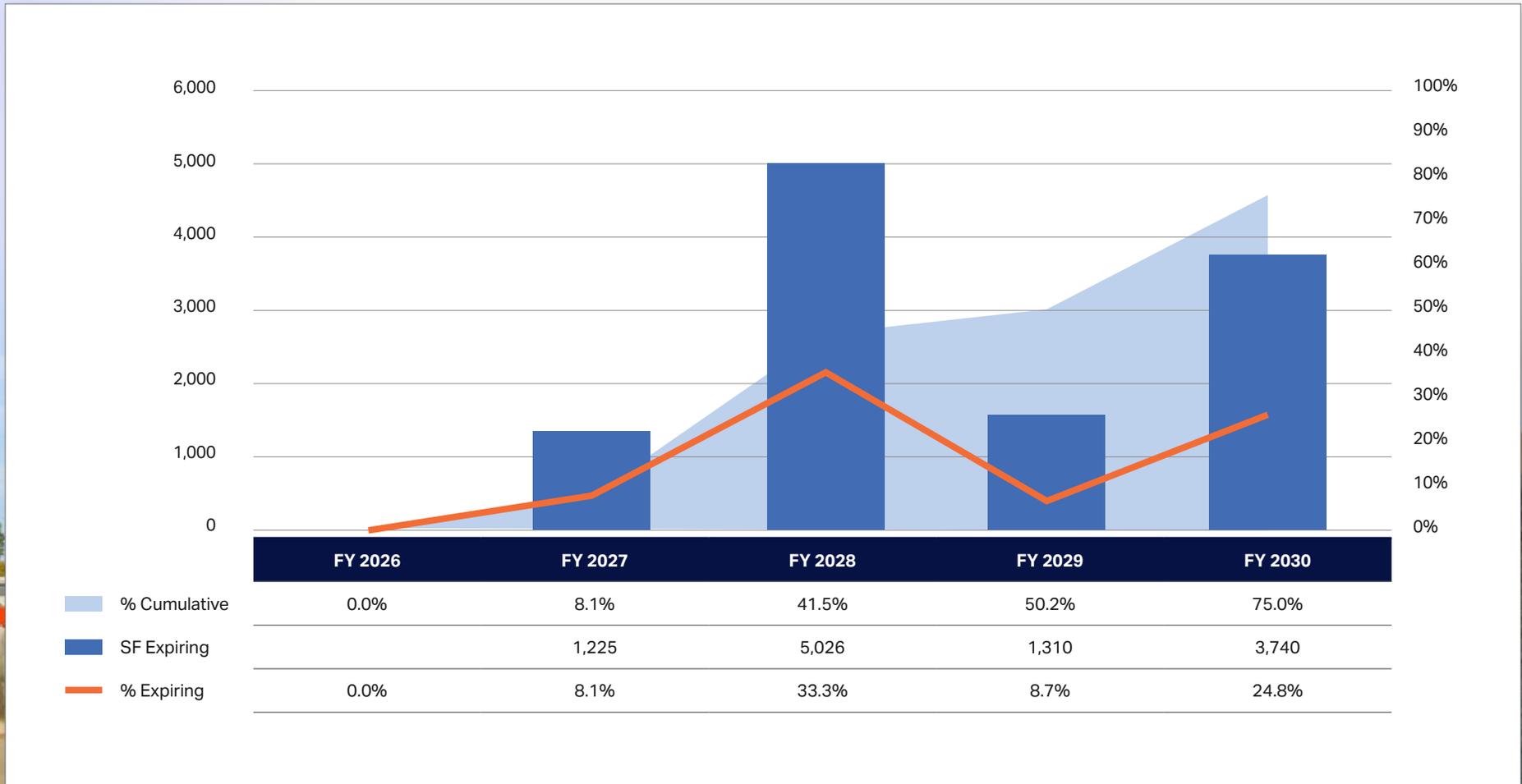


# TENANT EXPIRATION SCHEDULE

Tenant	Unit	SF	PRS	Expires	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30
ALL SEASON'S WINDOW & DOOR	117-110-CU	1,225	8.1%	01/31/2027	-	1,225	-	-	-
ROSE DENTAL CARE OF TYLER PL	117-100 & 101-CU	2,520	16.7%	02/28/2028	-	-	2,520	-	-
TABITHA FABINSKI	117-109-CU	1,252	8.3%	08/31/2028	-	-	1,252	-	-
SHQING WANG & JIE YUAN	117-105-CU	1,254	8.3%	12/31/2028	-	-	1,254	-	-
Diamond Energy Tyler Texas, LLC	117-111-CU	1,310	8.7%	01/31/2029	-	-	-	1,310	-
HUNG VAN LONGVIEW LLC	117-107-CU	1,252	8.3%	03/31/2030	-	-	-	-	1,252
BAMtastic Pizza, LLC	117-102 & 103-CU	2,488	16.5%	08/31/2030	-	-	-	-	2,488
<b>Square Feet Expiring</b>		<b>11,301</b>			<b>0</b>	<b>1,225</b>	<b>5,026</b>	<b>1,310</b>	<b>3,740</b>
<b>Percent Expiring</b>					<b>0.0%</b>	<b>8.1%</b>	<b>33.3%</b>	<b>8.7%</b>	<b>24.8%</b>
<b>Cumulative Square Feet</b>					<b>0</b>	<b>1,225</b>	<b>6,251</b>	<b>7,561</b>	<b>11,301</b>
<b>Cumulative Percent</b>					<b>0.0%</b>	<b>8.1%</b>	<b>41.5%</b>	<b>50.2%</b>	<b>75.0%</b>



# LEASE EXPIRATION TIMELINE

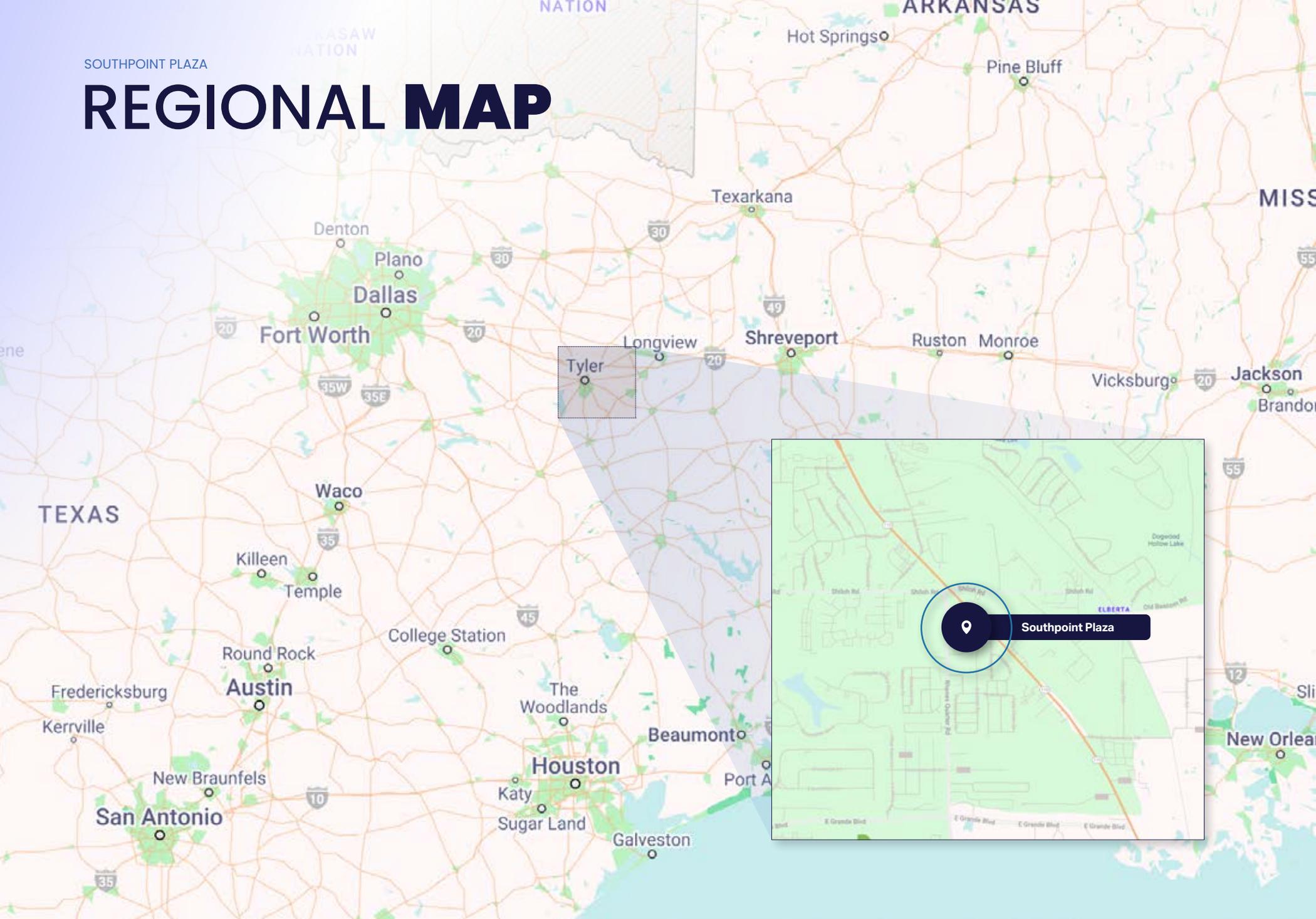


Southpoint Plaza

# MARKET OVERVIEW



# REGIONAL MAP



# TYLER, TX

## HIGHLIGHTS

**249K**

Tyler MSA 2024 Population



**\$15.7B**

Metro Contribution to US GDP in 2023



### Ranks

Among the most attractive mid-sized cities in Texas



## EAST TEXAS CENTER FOR BUSINESS, COMMUNITY, AND CONNECTIVITY

Situated in Smith County roughly 90 miles east of Dallas, Tyler serves as the commercial and cultural heart of East Texas. Known as the “Rose Capital of America,” the city blends a strong economic foundation with a welcoming quality of life. Home to more than 113,000 residents, Tyler is strategically positioned along U.S. Highway 69, State Highway 31, and Interstate 20, offering direct routes to Dallas–Fort Worth, Shreveport, and Houston. The city’s transportation network, complemented by Tyler Pounds Regional Airport, supports a wide range of industries including healthcare, education, retail, and manufacturing.

Tyler consistently ranks among the most attractive mid-sized cities in Texas, combining affordability with a variety of recreational and cultural amenities. The community continues to experience steady residential and commercial growth, underscoring its emergence as a key development corridor within the Texas Triangle. Investment is drawn by its skilled workforce, expanding infrastructure, and pro-business climate. Together, these strengths highlight Tyler’s position as a vibrant and resilient market with enduring appeal for both residents and investors.

## THE ECONOMY

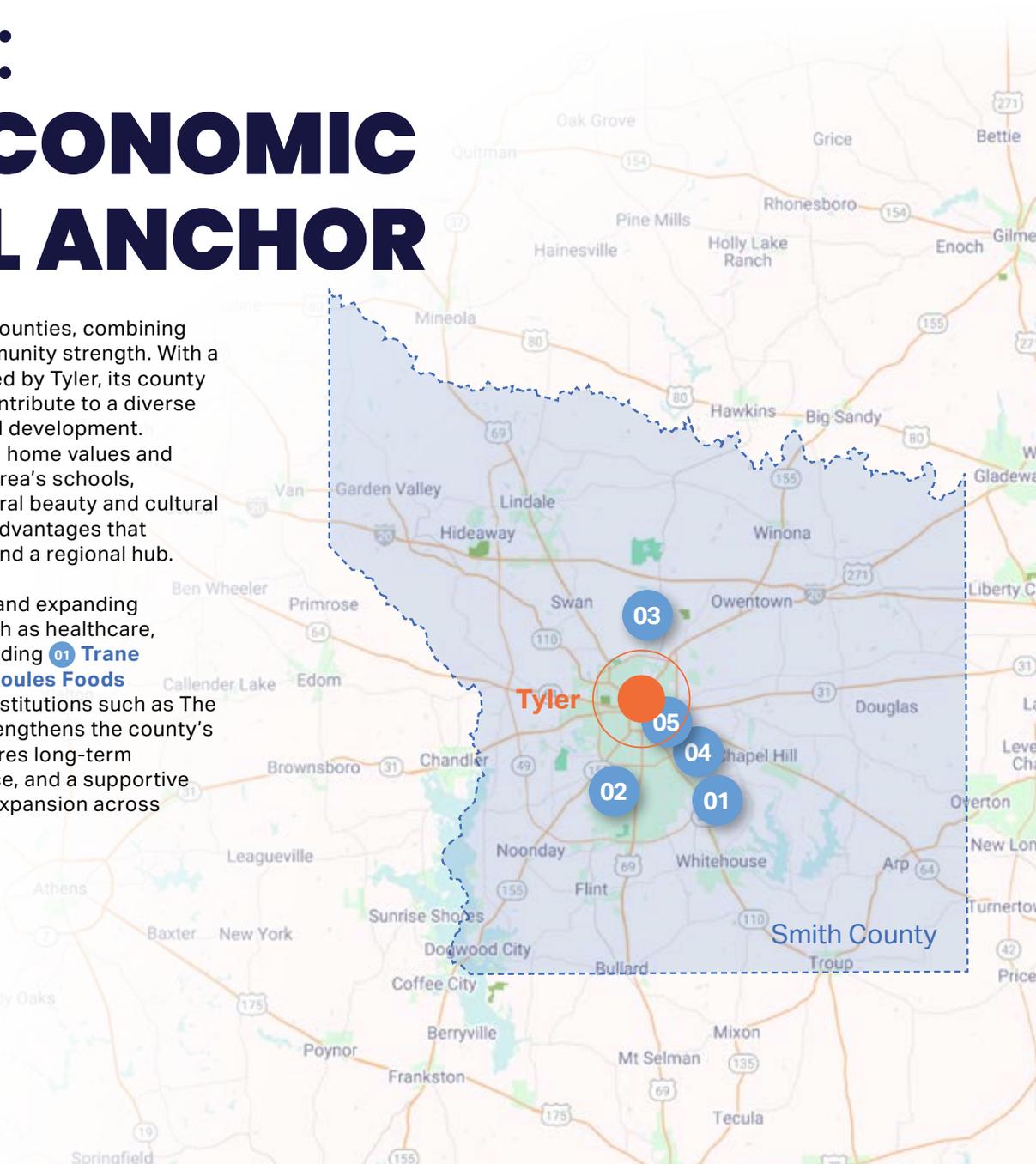
Tyler’s economy is supported by a broad mix of industries that reinforce its role as the primary employment center in Smith County. The city accounts for more than 51,000 jobs, with manufacturing, retail, distribution, and professional services forming the backbone of local employment. Major private-sector employers such as Trane Technologies, Brookshire Grocery Company, John Soules Foods, and Target’s regional distribution facility provide stability and scale, while a growing base of small and mid-sized firms continues to diversify the business landscape. This combination of established anchors and entrepreneurial growth creates a durable foundation for long-term expansion.

The city also benefits from a strong workforce pipeline cultivated through The University of Texas at Tyler, Tyler Junior College, and specialized technical programs that align with employer demand. Ongoing investment in business facilities, logistics infrastructure, and workforce training has attracted new companies while supporting the expansion of existing firms. With its established employer base, skilled labor force, and pro-business climate, Tyler demonstrates the fundamentals of a self-sustaining economy that appeals to investors seeking both stability and growth potential.

# SMITH COUNTY: EAST TEXAS' ECONOMIC AND CULTURAL ANCHOR

Smith County has emerged as one of East Texas' most dynamic counties, combining steady population growth with a reputation for livability and community strength. With a population of more than 249,000 residents, the county is anchored by Tyler, its county seat, and supported by a network of smaller communities that contribute to a diverse mix of suburban convenience, rural character, and new residential development. The housing market has shown consistent momentum, with rising home values and sustained demand from families and professionals drawn to the area's schools, healthcare access, and recreational amenities. Known for its natural beauty and cultural attractions, Smith County offers residents a balance of lifestyle advantages that continue to enhance its appeal as both a residential destination and a regional hub.

Beyond its quality of life, Smith County benefits from a balanced and expanding economic base. Employment is supported by leading sectors such as healthcare, manufacturing, retail, and distribution, with major employers including **01 Trane Technologies**, **02 Brookshire Grocery Company**, and **03 John Soules Foods** providing stability and scale. The presence of higher education institutions such as The **04 University of Texas at Tyler** and **05 Tyler Junior College** strengthens the county's workforce pipeline, while ongoing infrastructure investment ensures long-term competitiveness. With strong demographics, a growing labor force, and a supportive business climate, Smith County is well positioned for continued expansion across residential, commercial, and industrial sectors.



**249K**  
2024 Population 

**\$71,348**  
Median HH Income 

**4.3%**  
Unemployment Rate 

**37.4**  
Median Age 

# TYLER RETAIL SECTOR STRENGTH & MOMENTUM

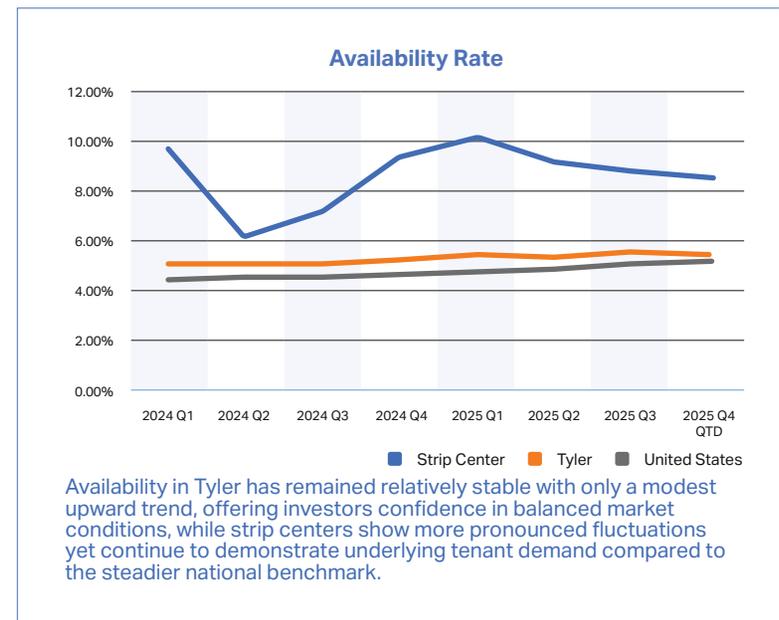
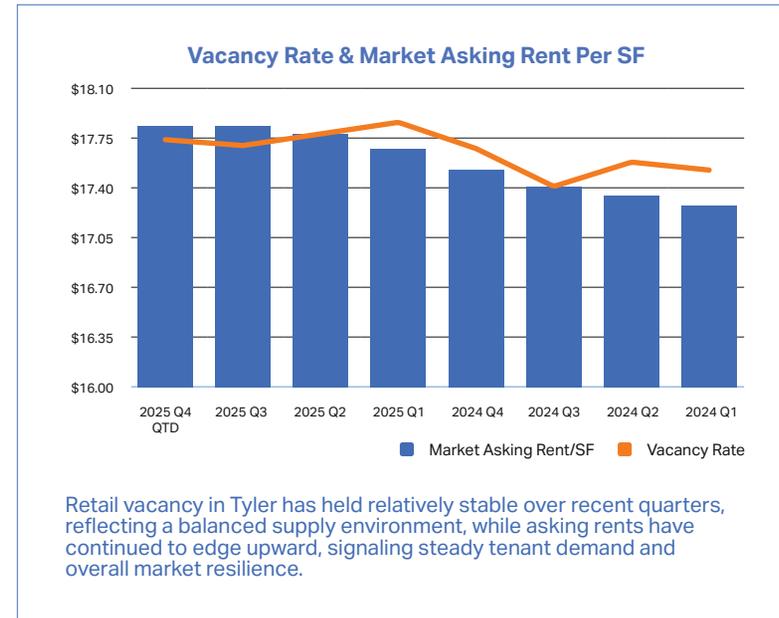
The Tyler retail sector remains stable and resilient, with a market vacancy rate of 4.9% in Q4 2025, closely aligned with its long-term averages. While the past 12 months recorded negative net absorption of 73,000 SF, the impact has been tempered by a modest supply pipeline, with just 16,200 SF delivered and 55,000 SF under construction, nearly 90% of which is pre-leased. Asking rents average \$17.80/SF, reflecting 2.0% annual growth, slightly ahead of the national benchmark. Performance varies by subtype: power centers and malls report 0% vacancy, while neighborhood centers face higher vacancy at 11.0%, underscoring the strength of prime assets relative to secondary formats. Importantly, Tyler’s retail base of 14.4 million SF is diversified across general retail, neighborhood centers, and strip centers, providing a balanced foundation for long-term performance.

Investor activity has been steady, with \$25.3 million in retail sales volume over the past year and pricing averaging \$231/SF, supported by a 7.2% market cap rate in line with national levels. Tyler’s role as the regional retail hub of East Texas continues to drive demand, anchored by national brands, regional grocers, and experiential tenants such as Studio Movie Grill and Cantina Laredo. The city’s strong consumer draw is reinforced by its position as the medical, educational, and cultural anchor of the region, which generates consistent foot traffic and supports retail spending. With limited speculative construction, stable occupancy in top-performing centers, and consistent rent growth, the Tyler retail market is positioned to maintain durable fundamentals and provide investors with reliable long-term opportunities.

## TYLER MARKET SNAPSHOT

<b>4.9%</b> Vacancy Rate	<b>\$17.83</b> Asking Rent/SF	<b>2.0%</b> Rent Growth (YOY)	<b>16.2K</b> Deliveries (12 mos)
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Source: CoStar Market Report



# TYLER METROPOLITAN AREA

## BALANCED AND RESILIENT EMPLOYMENT MARKET

The Tyler Metropolitan Statistical Area (MSA) is home to a labor force of roughly 120,000 workers, reflecting its role as the primary economic hub of East Texas. Employment is distributed across a wide range of industries, with notable strengths in manufacturing, food processing, retail, education, and distribution. Prominent employers such as Trane Technologies, Brookshire Grocery Company, John Soules Foods, and Target's distribution center provide a stable foundation, while educational institutions including The University of Texas at Tyler and Tyler Junior College contribute both workforce training and direct employment opportunities. This combination of established corporations and institutional anchors underscores the metro's balanced economic structure.

The area's accessibility and infrastructure continue to support growth in logistics and industrial activity, while professional services and communications are expanding alongside traditional sectors. Healthcare remains a significant contributor to employment, complemented by steady gains in finance and business services. The Tyler MSA has maintained unemployment rates that are competitive with state and national averages, supported by population inflows and a consistent talent pipeline. These dynamics highlight the metro's ability to sustain a diverse employment base and position it as a durable market for long-term business investment.

## MAJOR CINCINNATI MSA EMPLOYERS

EMPLOYER	NO. OF EMPLOYEES
1 CHRISTUS Mother Francis Hospital	5,000
2 UT Health East Texas	4,500
3 Tyler Independent School District	2,550
4 Trane Technologies	2,500
5 Sanderson Farms	1,750
6 Walmart	1,500
7 Brookshire Grocery Company	1,450
8 UT Health Science Center	1,450
9 The University of Texas at Tyler	1,200
10 Optimum	1,150

Source: Tyler Economic Development Council

# TYLER METROPOLITAN AREA

## STRATEGIC LOCATION & CONNECTIVITY

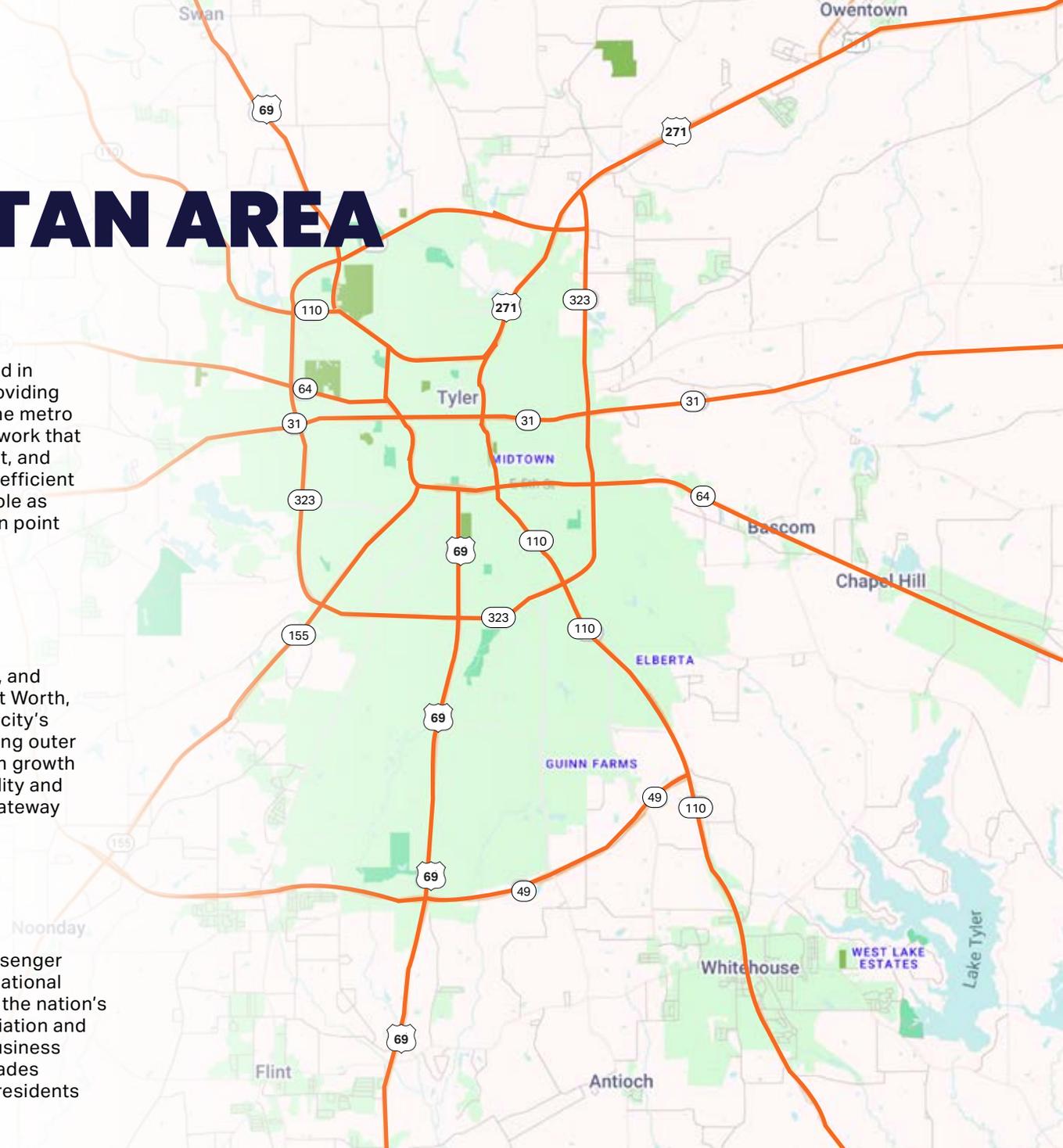
The Tyler Metropolitan Area is strategically positioned in East Texas, approximately 90 miles east of Dallas, providing direct access to major state and regional markets. The metro benefits from a well-developed transportation framework that includes multiple highway corridors, a regional airport, and freight rail service. This multimodal network ensures efficient movement of goods and people, reinforcing Tyler's role as both a regional service hub and a growing distribution point within the Texas Triangle.

## HIGHWAY ACCESS & REGIONAL CORRIDORS

Tyler is served by U.S. Highway 69, State Highway 31, and Interstate 20, which connect the metro to Dallas–Fort Worth, Shreveport, and Houston. Loop 323 functions as the city's inner beltway, while Toll Loop 49 provides an expanding outer loop that enhances access to industrial and suburban growth areas. These corridors support both commuter mobility and long-haul freight, positioning Tyler as a convenient gateway for regional commerce.

## AIR CONNECTIVITY VIA TYLER POUNDS REGIONAL AIRPORT

Tyler Pounds Regional Airport offers commercial passenger service with direct flights to Dallas–Fort Worth International Airport, providing global connectivity through one of the nation's busiest hubs. The airport also supports corporate aviation and air cargo operations, serving as a critical asset for business travel and regional logistics. Its ongoing facility upgrades continue to strengthen Tyler's accessibility for both residents and employers.



# TYLER METROPOLITAN AREA

## FREIGHT RAIL & DISTRIBUTION INFRASTRUCTURE

The metro is served by Union Pacific freight rail, which provides direct links to national rail networks and supports the movement of bulk commodities and manufactured goods. Industrial parks and distribution facilities located along these corridors benefit from seamless access to both rail and highway infrastructure, enhancing Tyler's competitiveness as a logistics and manufacturing hub.

## PUBLIC TRANSIT & LOCAL MOBILITY

Tyler Transit operates fixed-route bus service and paratransit options across the city, ensuring workforce access to major employment centers, educational institutions, and healthcare facilities. Regional planning efforts, including studies by the Tyler Metropolitan Planning Organization, are exploring expanded transit and rail options to meet long-term mobility needs as the metro continues to grow.



# ACADEMIC NETWORK & TALENT DEVELOPMENT

The Tyler Metropolitan Statistical Area is anchored by The University of Texas at Tyler, Tyler Junior College, and Texas College, which together enroll more than 24,000 students annually. These institutions award over 5,000 degrees and certificates each year, supplying the region with a steady pipeline of skilled professionals. Programs in healthcare, engineering, business, and liberal arts align closely with local industry needs, while career schools and technical training centers provide targeted instruction that supports Tyler's manufacturing and service sectors.

K-12 education across Smith County is delivered through multiple independent school districts that consistently perform at or above state benchmarks in graduation rates and college readiness. Combined with higher education and technical programs, these schools create a seamless talent pipeline that supports both immediate workforce needs and long-term economic growth. Strong industry partnerships and continuing education initiatives further connect classrooms to employers, reinforcing Tyler's role as a regional hub for workforce development.



## Tyler Junior College

~13,000 No. of Students



## The University of Texas at Tyler

~10,000 No. of Students



## Texas College

~10,000 No. of Students

Source: Tyler Economic Development Council

# ENTERPRISE CLIMATE & INVESTMENT APPEAL

The Tyler Metropolitan Area offers a well-rounded business landscape that blends stability with opportunity. The local economy is anchored by healthcare, advanced manufacturing, food processing, retail, education, and logistics, each playing a significant role in employment and output. Long-standing employers such as Trane Technologies, Brookshire Grocery Company, John Soules Foods, and Target's regional distribution center provide a reliable foundation, while a growing base of small businesses and entrepreneurial ventures adds flexibility and innovation. This mix of established industries and emerging enterprises creates a business environment that adapts to changing market conditions while maintaining consistent performance.

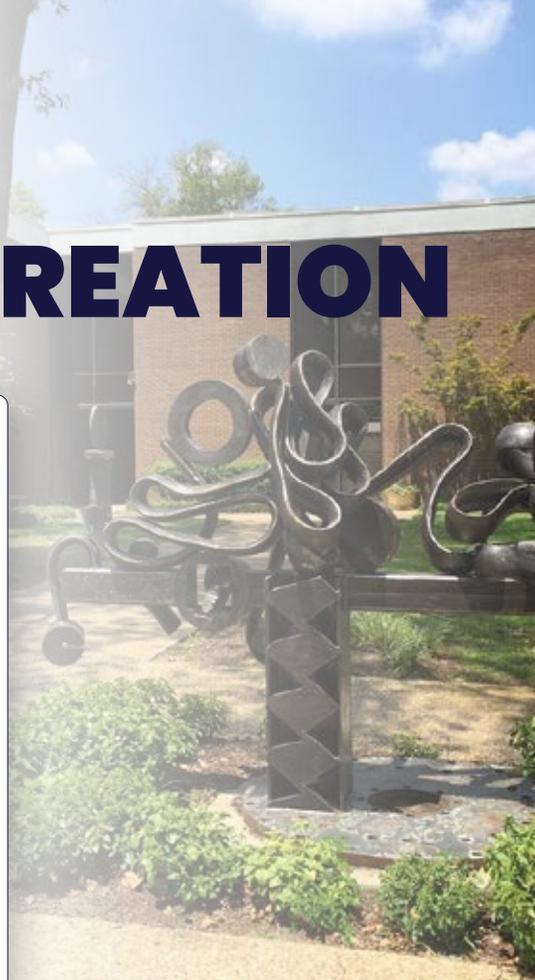
Tyler also benefits from Texas' pro-business framework, including no state income tax, competitive operating costs, and access to statewide incentive programs. Local organizations and higher education institutions actively support workforce development, ensuring employers have access to skilled talent aligned with industry needs. Infrastructure improvements, such as highway expansions and industrial park development, further enhance the metro's competitiveness. With its combination of industry diversity, favorable operating climate, and expanding infrastructure, the Tyler MSA is positioned as both a dependable corporate hub and a growing destination for long-term investment and entrepreneurial growth.



# HOSPITALITY, HERITAGE & RECREATION

The Tyler Metropolitan Area has emerged as a leading tourism destination in East Texas, drawing visitors from across the state and beyond. Known as the Rose Capital of America, the city generates significant economic activity through its hospitality, retail, dining, and recreation sectors. Tourism supports thousands of local jobs and contributes millions in tax revenue, reinforcing its role as a vital driver of regional growth. Annual events such as the Texas Rose Festival and the city's designation as a Tourism Friendly Texas Certified Community underscore Tyler's growing profile as both a leisure and cultural destination.

The metro's appeal is defined by a diverse mix of natural beauty, cultural attractions, and family-friendly experiences. Visitors are drawn to the Tyler Municipal Rose Garden, the nation's largest municipal rose garden, as well as the Caldwell Zoo, Discovery Science Place, and the Tyler Museum of Art. Outdoor enthusiasts enjoy access to nearby lakes, trails, and campgrounds, while the city's historic brick streets, specialty shops, and expanding culinary scene add to the visitor experience. A robust calendar of festivals, concerts, and seasonal events ensures year-round activity, while Tyler's central location in East Texas makes it an accessible getaway for both leisure travelers and business groups. Together, these assets position the Tyler MSA as a premier destination for tourism, culture, and recreation in the region.



# ECONOMIC ENGINES OF THE TYLER METRO AREA

The Cincinnati Metropolitan Area is anchored by a broad and resilient economy, supported by leading industries that provide both stability and long-term growth. Healthcare, advanced manufacturing, logistics and distribution, consumer products, and financial services form the foundation of the metro's economic strength, while emerging sectors such as technology and venture-backed startups are adding new layers of innovation. With strong collaboration between universities, research institutions, and private enterprise, the region fosters a dynamic environment for workforce development, business formation, and sustained competitiveness across the Midwest.

## HEALTHCARE

Healthcare is the largest and most influential sector in the Tyler MSA, employing tens of thousands across leading systems such as UT Health East Texas and CHRISTUS Trinity Mother Frances Health System. Beyond direct employment, the sector attracts regional patients, specialized physicians, and medical research activity, reinforcing Tyler's role as the healthcare hub of East Texas. The concentration of hospitals, specialty clinics, and training programs ensures healthcare remains the metro's most impactful and resilient industry.

## MANUFACTURING

Tyler maintains a strong and diversified manufacturing base, spanning HVAC systems, food processing, fabricated metals, and plastics. Employers such as Trane Technologies and John Soules Foods anchor the sector, supported by a network of suppliers and industrial facilities. Ongoing investment in automation, workforce training, and advanced production processes ensures the region remains competitive in both domestic and global markets, while also supporting steady job creation.

## EDUCATION

Higher education is a major contributor to the regional economy, led by The University of Texas at Tyler, Tyler Junior College, and Texas College. Together, these institutions enroll more than 20,000 students annually and award over 5,000 degrees and certificates each year. Their role in workforce training, research, and cultural activity strengthens the metro's long-term competitiveness, while partnerships with local employers ensure alignment between academic programs and industry needs.

## RETAIL & CONSUMER SERVICES

As the commercial hub of East Texas, Tyler attracts shoppers from across the region. Anchored by Brookshire Grocery Company headquarters and a wide range of national and regional retailers, the sector supports thousands of jobs in sales, logistics, and customer service. Its scale and reach reinforce Tyler's position as the retail center for surrounding counties, while continued investment in shopping centers and mixed-use developments enhances its regional draw.



OFFERING MEMORANDUM

# Southpoint Plaza

5111 Troup Highway, Tyler, Texas 75707

Prime Retail Center with Strong Traffic Counts

High Visibility on Troup Highway (Highway 110)



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