100% LEASED MANUFACTURING FACILITY

20 Central Industrial Drive
Granite City, IL 62040

INDUSTRIAL INVESTMENT OPPORTUNITY

CBRE

AFFILIATED BUSINESS DISCLOSURE

CBRE, Inc. operates within a global family of companies with many subsidiaries and/or related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates may represent various clients with competing interests in the same transaction. For example, this Memorandum may be received by our Affiliates, including CBRE Investors, Inc. or Trammell Crow Company. Those, or other, Affiliates may express an interest in the property described in this Memorandum (the "Property") may submit an offer to purchase the Property and may be the successful bidder for the Property. You hereby acknowledge that possibility and agree that neither CBRE, Inc. nor any involved Affiliate will have any obligation to disclose to you the involvement of any Affiliate in the sale or purchase of the Property. In all instances, however, CBRE, Inc. will act in the best interest of the client(s) it represents in the transaction described in this Memorandum and will not act in concert with or otherwise conduct its business in a way that benefits any Affiliate to the detriment of any other offeror or prospective offeror, but rather will conduct its business in a manner consistent with the law and any fiduciary duties owed to the client(s) it represents in the transaction described in this Memorandum.

CONFIDENTIALITY AGREEMENT

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and CBRE, Inc. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations.

Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or CBRE, Inc, nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

TABLE OF CONTENTS

For more information contact:

Austin Baier
Executive Vice President
+1 816 968 5841
austin.baier@cbre.com

Brian Bush
Senior Vice President
+1 314 655 6052
brian.bush@cbre.com

EXECUTIVE SUMMARY

Executive Summary

CBRE is pleased to present the opportunity to acquire a well-located industrial property in Northgate Industrial Park, located in Granite City, Illinois. The offering includes 117,245+/- square feet and sits on approximately 6.57+/- acres of land. This opportunity provides an absolute net cash flow based on a single tenant that occupies and maintains 100% of the property.

The property is just minutes from Interstate 270 & 255, 19.5 miles from St Louis Lambert International Airport. The convenient location provides easy access to major highways, downtown St. Louis, and the surrounding workforce.

Investment Highlights

- 100% occupied by ProAmpac.
- Leased through mid-2027 with a below market lease rate.
- Tenant has occupied the building for 15+ years with major infrastructure in place.
- Absolute NNN lease structure
- Heavy power
- Partially air conditioned

OFFERING SUMMARY

OFFERING PRICE
$7,550,000 ($64.34 psf)

TERMS
All cash due at closing, no debt to be assumed

STRUCTURE
Investors should base their offers on an "As-Is" and "Where-Is" basis

SQUARE FEET
117,245±

OCCUPANCY
100%

ACREAGE
6.57±

YEAR BUILT
2003

PROPERTY OVERVIEW

PROPERTY OVERVIEW

Site Address:	20 Central Industrial Drive, Granite City, IL 62040
Zoning:	M-4
Occupancy:	Gateway Packaging Co. LLC, a ProAmpac Company
Construction Type:	Metal with Partial CMU Office
Size:	117,245+/- Square Feet
Lot Size:	6.5+/- Acres
Dock Doors:	8
Drive-In Doors:	2
Ceiling Height:	Varies 15’5”-24’
Fire Protection:	Wet
Temp Control:	Partial
Power:	480/277 Volt 3-Phase in Excess of 10,000 Amps


GEODIS Logistics (Ozburn)
Genoa Healthcare
Air Products & Chemicals
Precoat Metals
Heidtman Steel Products
Ehrhardt Automation Systems
Central Industrial Drive
SUBJECT
St. Louis Thermal Spray and Grinding
3
Lewis & Clark Boulevard
N

SITE PLAN

8
DOCK DOORS
2
DRIVE-IN DOOR
CENTRAL INDUSTRIAL DR
120'
159'
211'
470'
20
CENTRAL
INDUSTRIAL DR
LEWIS AND CLARK BLVD
3
3

TENANT PROFILE

ProAmpac is a leading global company specializing in flexible packaging solutions. They offer a wide range of creative packaging options, industry-leading customer service, and award-winning innovations. ProAmpac focuses on sustainability through their ProActive Sustainability® initiative, which aims to help brands achieve their environmental goals.

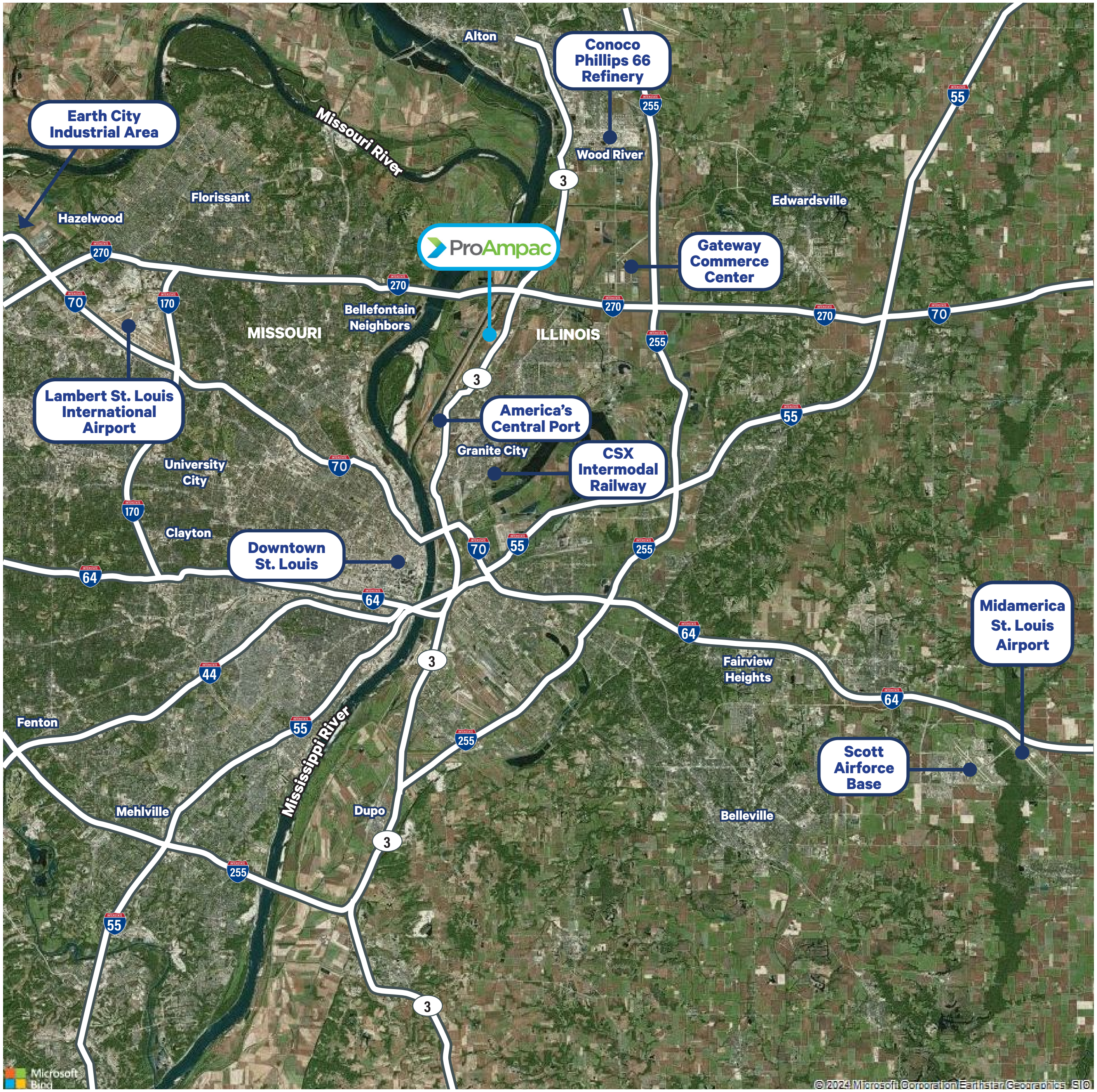
Their expertise spans various markets, and they emphasize collaboration, innovation, and a strong company culture rooted in core values like integrity and involvement. ProAmpac is part of Pritzker Private Capital, which supports middle-market companies in North America.

ProAmpac Current Locations

MARKET OVERVIEW

St Louis Market Overview

The Metro East (Illinois) submarket consists of 36.8 million SF and features a vacancy rate that is sub 1% for vacancies 300,000 SF or less. The submarket includes a high proportion of heavy industry and manufacturing related users, including the Conoco Phillips refinery in Hartford, Illinois as well as Boeing's recently announced 300,000 SF drone manufacturing plant near the MidAmerica St. Louis Airport in St. Clair County. Metro East is home to St. Louis' premier big box distribution location, Gateway Commerce Center, that includes tenants such as Amazon, P&G, Tesla, Unilever, World Wide Technology and Geodis Logistics. The Property is well located within the Metro East less than 1 mile south of I-270 along IL Route 3, and only 5 miles to I-255 and Gateway Commerce Center. The Property's central location provides connectivity to the North County and Earth City submarkets in Missouri via the Chain of Rocks Bridge, as well as Downtown St. Louis (10 miles) via the Stan Musial Veterans Memorial Bridge. America's Central Port, one of the largest freight hubs in the Midwest, is located approximately 5 miles directly south along IL Route 3 and offers barge and rail access, including connectivity to six Class-I railroads.



The highway system is also integral to the East St. Louis MSA's logistics and manufacturing industries, providing immediate "day's drive" access to a significant portion of the country's population. Recent infrastructure improvements, such as the Chain of Rocks Bridge and Illinois Route 3 connector projects, have enhanced access and connectivity within the region1. These developments are part of a broader $3.7 billion investment in the St. Louis Regional Freightway's 2024 Priority Projects, aimed at strengthening critical roads, bridges, rail infrastructure, and port facilities across the bi-state area

ST. LOUIS | INDUSTRIAL | Q2 2024

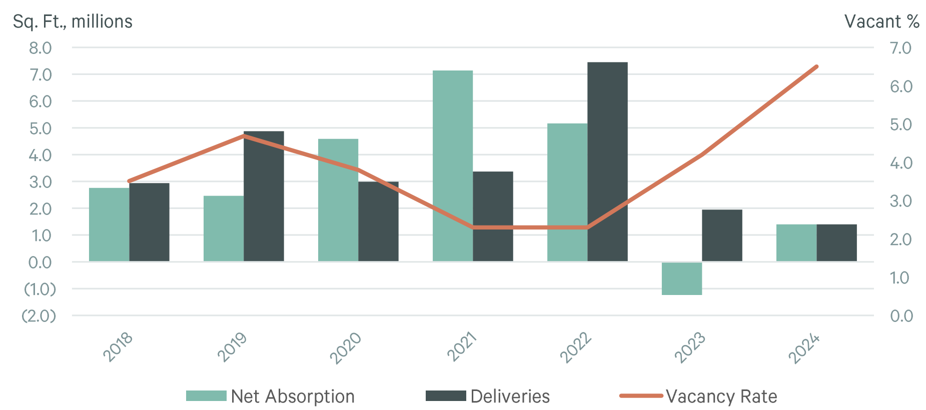
After long pause, St. Louis speculative construction begins to recover.

▼ 4.6%	▲ 4.0%	▼ 9.3%	▲ 790,664	▲ 2.8 MSF	▲ $5.60
St. Louis Metro Vacancy Rate	Metro West Vacancy Rate	Metro East Vacancy Rate	SF Net Absorption	SF Under Construction	NNN / Lease Rate

Note: Arrows indicate change from previous quarter.

- Transaction volume experienced a sizeable decline from 2.3 MSF in the first quarter to 962,000 SF in the second quarter. Deals under 100,000 SF continued to drive the majority of leasing activity this quarter as larger users wait on the sidelines. Only 12.5% of transactions executed in Q2 were greater than 100,000 SF.
- Vacancy fell by 20 bps to 4.6% in the second quarter. Metro East averaged 9.3%, down 130 bps from the first quarter as World Wide Technology Occupied Gateway Panattoni 2. In the Metro West, vacancy rose by 40 bps to 4.0%.
- Average direct asking rents increased by $0.17 to $5.60 in the second quarter. This increase was primarily driven by new modern bulk product across the metro.
- Investment sales activity improved slightly to $96 Million but remains historically low due to the unfavorable lending environment. The Federal Reserve is penciling in one rate cut before the end of 2024.
- Although construction deliveries remain at a five-year low, the second quarter saw the first major speculative starts of 2024.

FIGURE 1 : Net Absorption, Construction Completions, and Vacancy Rates



Source: CBRE Research, Q2 2024.

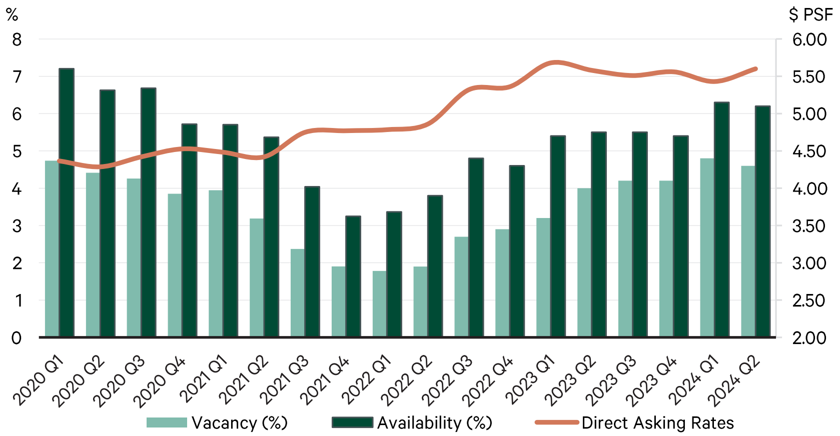
Market Activity

Transaction volume experienced a sizeable decline from 2.3 MSF in the first quarter to 962,000 SF in the second quarter. Deals under 100,000 SF continued to drive the majority of leasing activity this quarter as larger users wait on the sidelines. Only 12.5% of transactions executed in Q2 were greater than 100,000 SF.

Although construction deliveries remain at a five-year low, the second quarter saw the first major speculative starts of 2024. Northpoint commencing construction on Riverport Logistics Center 2 (357,000 SF) in the Maryland Heights submarket. Several additional speculative buildings below 100,000 SF in size broke ground across the metro. BTS activity remains strong with a major expansion underway at the Boeing Defense campus as well as a new freezer cooler facility for Performance Food Group breaking ground this quarter. Davidson Logistics is also expected to take delivery of their new 385,000 SF facility in North County next quarter.

Vacancy fell by 20 bps to 4.6% in the second quarter. Metro East averaged 9.3% down 130 bps from the first quarter as World Wide Technology Occupied Gateway Panattoni 2. In the Metro West, vacancy rose by 40 bps to 4.0%.

FIGURE 2 : Vacancy, Availability and Average Direct Asking Lease Rates



Source: CBRE Research, Q2 2024.

FIGURE 3: Construction Completions – Build to Suit & Speculative

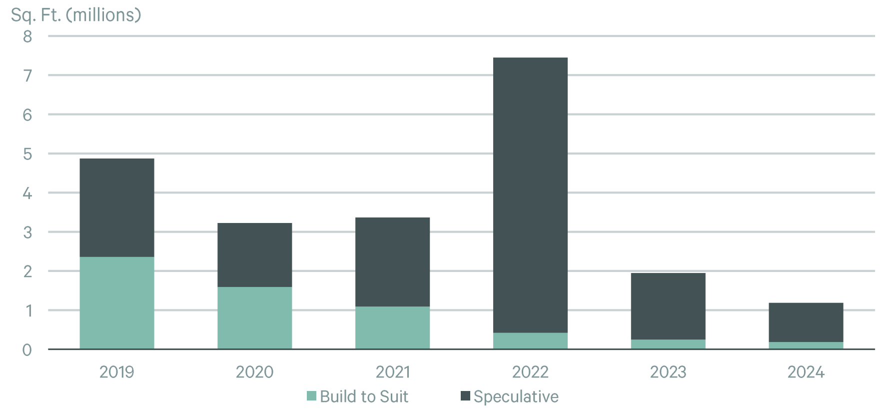
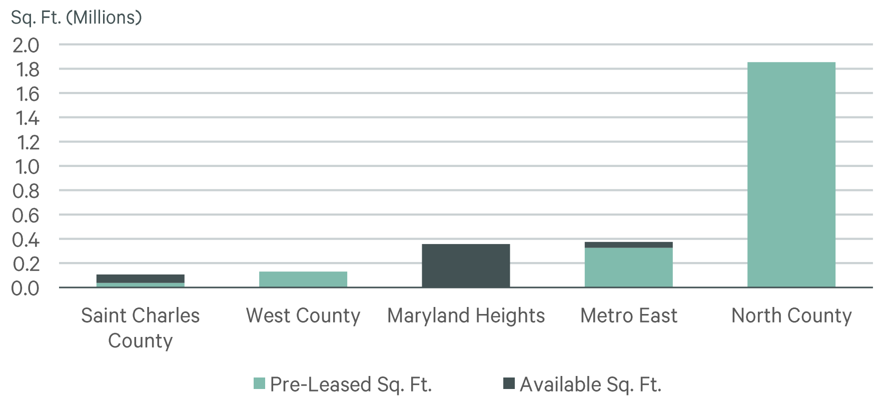


FIGURE 4: Under Construction by Property Type (Sq. Ft.)



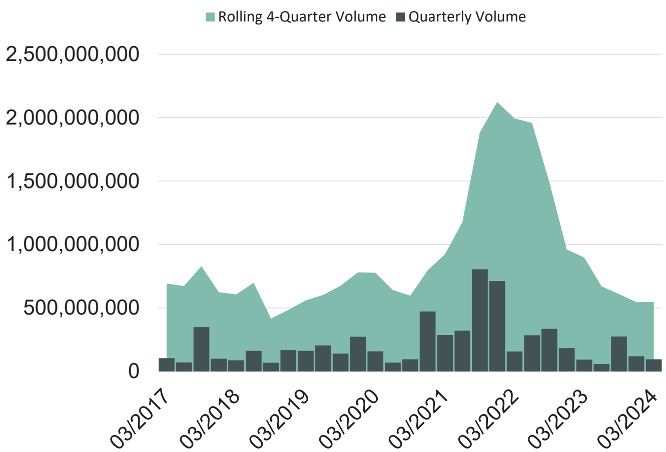
Source: CBRE Research, Q2 2024.

Leasing & Sales Activity

Investment sales activity improved slightly to $96 Million but still remains historically low due to the unfavorable lending environment. The Federal Reserve is penciling in one rate cut before the end of 2024.

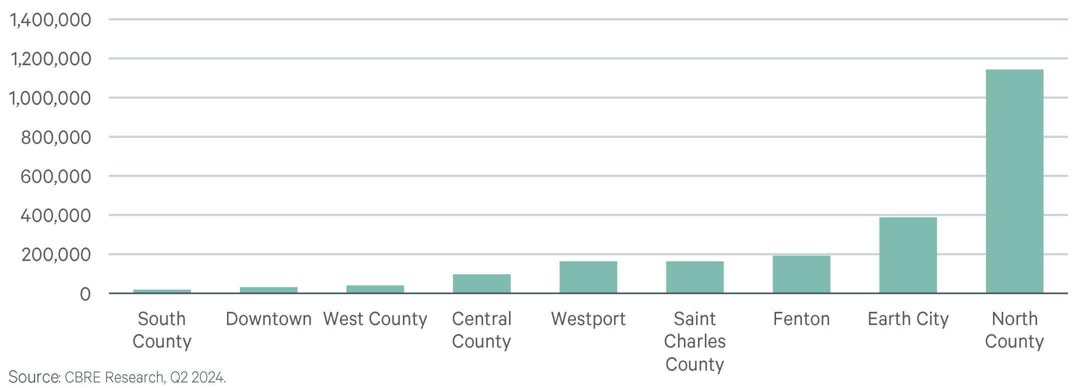
The top three deals by size this quarter were all signed in the North County submarket. Dr. Browns Baby Products which produces a variety of products for infants, expanded their facility in North county (345,000 SF). Concrete Strategies, after a series of negotiations, opted to relocate their new headquarters/training and employment center (191,000 SF) to North County instead of St. Louis City. Finally, Planet Warehouse signed a new lease (131,000 SF) at Park 370 1.

FIGURE 5: Investment Sale Volume



Source: Real Capital Analytics, Q2 2024.

FIGURE 6: 2023 YTD Leasing Activity by Submarket.



Source: CBRE Research, Q2 2024.

FIGURE 7: Key Lease Transactions

Lease Transaction Type	Area Leased	Tenant	Property Name
New Lease	345,000	Dr. Brown's Baby Products	Lindbergh Distribution Center
New Lease	191,000	Concrete Strategies	Concrete Strategies
New Lease	131,066	Planet Warehouse	Park 370 - Building 1
New Lease	60,000	Boone Center (BCI Packaging)	Lakeside Logistics Center 5
New Lease	40,000	B2B Renew	Lennox
New Lease	30,024	Nexgen	Hazelwood Business Park
Renewal	24,000	Vicarli USA	Lennox

Source: CBRE Research, Q2 2024.

FIGURE 8 : Market Statistics

Submarket	Rentable Area (SF)	Vacancy Rate (%)	Availability Rate (%)	Q2 2024 Absorption (SF)	YTD Net Absorption (SF)	Under Construction (SF)	Avg Dir Asking Rate ($/SF/Yr)
Downtown	50,214,046	2.6%	3.5%	(14,918)	(161,791)	0	$5.29
Metro East	36,770,818	9.3%	11.9%	517,400	446,826	375,000	$4.24
North	34,765,350	6.8%	6.7%	161,397	752,532	1,853,779	$5.52
St. Charles County	29,476,367	3.8%	5.1%	(15,000)	2,455	37,500	$5.65
Central County	20,938,545	1.5%	3.5%	20,689	144,409	0	$8.12
Earth City	20,080,070	4.9%	9.4%	(115,683)	(97,878)	0	$5.90
Westport	13,586,261	1.5%	3.9%	2,790	922	0	$6.43
Fenton	9,805,962	3.2%	5.4%	(4,479)	99,839	0	$7.80
South County	7,314,782	1.3%	2.9%	11,900	(18,950)	0	$7.97
West County	6,866,762	0.9%	3.5%	0	(41,386)	130,000	$9.19
Maryland Heights	3,684,734	13.6%	13.6%	226,568	271,406	357,056	$6.52
Market Totals	233,503,697	4.6%	6.2%	790,664	1,398,437	2,822,735	$5.60

Source: CBRE Research, Q2 2024.

Economic Overview and St. Louis Fundamentals

Following a year of expectation-busting growth, which has given us interest rates higher for much longer, it seems we will get a "soft landing" in 2024. Last year's expansion was almost certainly driven by fiscal stimulus that far exceeded other western countries. Today, stimulus effects are fading, and higher interest rates continue to bite. There is evidence of this on the consumer front, wherein delinquency rates are trending upward, and credit growth is quickly slowing. The latter signals that consumption—a key driver of GDP growth in recent quarters—is poised to slow further. This partly explains why we believe growth will settle at the mid-1% range this year.

A more severe contraction in consumption would require the labor market to contract. Presently, conditions are merely softening. Both job openings and hours worked are falling. Also, most of the job growth is clustered in sectors that are immune to higher interest rates and receive at least some public funding, such as education, healthcare and government jobs. Leisure & hospitality has been a growth sector, but these cooling trends are evident here too. A soft landing in consumption and hiring point to further disinflation. Labor-intensive service costs are poised to soften and falling rents across the Sun Belt suggest weaker housing inflation is on the horizon. Fed rate cuts are downstream of disinflation, and a most welcome outcome within the commercial real estate space where higher financing costs and devaluations are triggering distress. The prospect of a rate cut this autumn will at least help ease rate volatility, put cap rates on a slight downward trajectory, and generate more common ground between buyers and sellers in coming quarters.

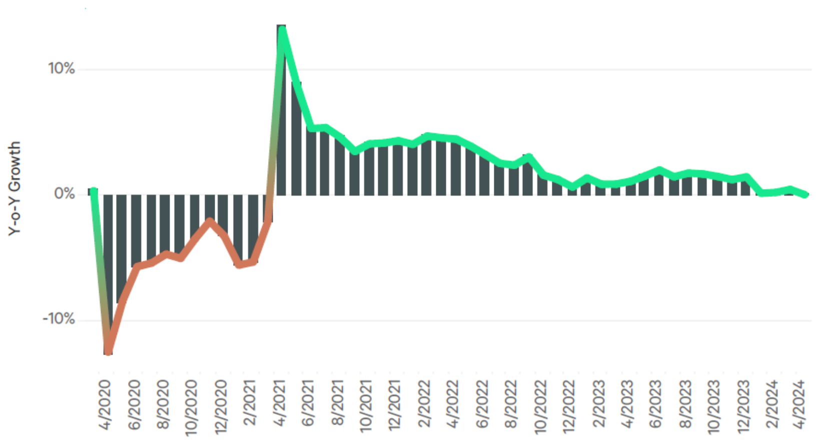
3.3%
Unemployment Rate

344.8k
Office Using Jobs

1.5M
Labor Force

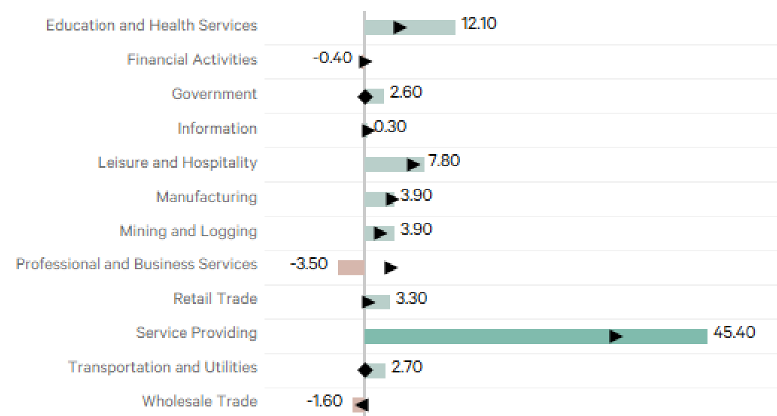
381.2k
Industrial Using Jobs

Job Growth - Year over Year Trend



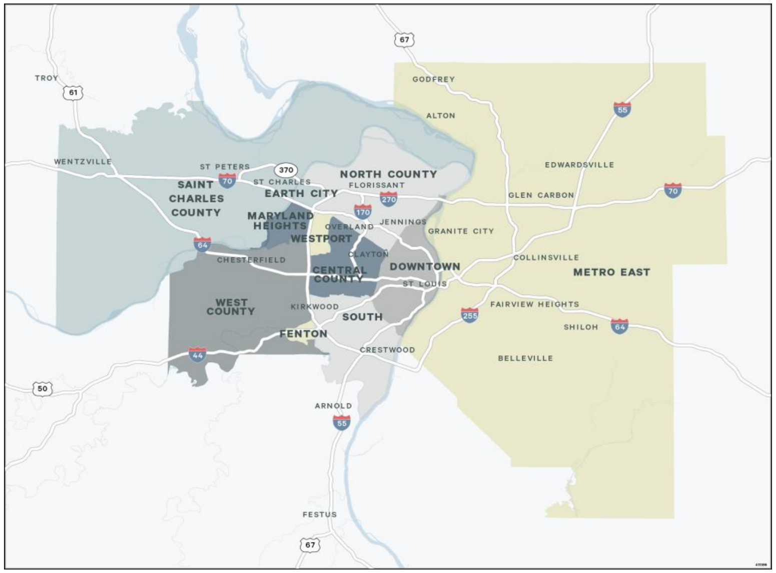
Employment Change by Sector - Yearly & Monthly

Bars indicate yearly trend, arrows indicate monthly trend



Source: US BLS April 2024

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the "drip line" of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the "net" costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days.

Survey Criteria

Industrial buildings 10,000 sq. ft. or greater.

Contact

Joshua Allen
Midwest Research Manager
Joshua.Allen@cbre.com

Marissa LaRue
Data Research Analyst
Marissa.Larue@cbre.com

100% LEASED MANUFACTURING FACILITY

20 Central Industrial Drive
Granite City, IL

CBRE

Contacts

Austin Baier
Executive Vice President
+1 816 968 5841
austin.baier@cbre.com

Brian Bush
Senior Vice President
+1 314 655 6052
brian.bush@cbre.com