



OFFERING MEMORANDUM



PEPSICO

DISTRIBUTION CENTER

PRODUCT EXCHANGE CENTER

SW LOOP 410 & FRONTAGE ROAD
SAN ANTONIO, TX 78242

ACTUAL PHOTO OF THE PROPERTY

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



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Alexander Harrold, Brett Davis, and Issac Wulff are in conjunction with Matthews Real Estate Investment Services, Inc., a cooperating foreign broker for this listing pursuant to Section 535.4(b) of the Texas Administrative Code



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EXECUTIVE SUMMARY

- **FRITO-LAY/ PEPSICO** – Frito-Lay is a market leader of the snack industry nationwide and owned by PepsiCo, Inc. Frito-Lay continues to outperform their competitors through the brands of Lay's, Doritos, Fritos, Cheetos, Tostitos, Sun Chips, Ruffles, and many more. In 2023, Frito-Lay accounted for 27% of PepsiCo's \$91.4 Billion Revenue and 42% of their \$13.8 Billion Operating Profit (13% YOY Increase). With roots dating back to 1898, PepsiCo formed when Frito-Lay merged with Pepsi-Cola in 1965. Today, PepsiCo Inc. maintains an A+ Credit Rating.
- **NEW CONSTRUCTION / FUNCTIONAL INDUSTRIAL** – This 47,547 SF concrete tilt up distribution warehouse serves as a Product Exchange Center for Frito-Lay/PepsiCo all on ±15.2 acres of land (7% Building/Lot Coverage). Featuring 24 docks and abundant yard space for truck loading and parking – this property is a highly functional distribution hub.
- **LONG TERM INDUSTRIAL NNN LEASE / ANNUAL RENT INCREASES** – Rolling Frito-Lay Sales, LP signed a new 10-year Industrial NNN lease with 4, 5-Year Options to Renew featuring 2.00% annual rent increases allowing a strong hedge against inflation.
- **STRATEGIC SAN ANTONIO LOCATION / INCOME TAX FREE STATE** – The subject property is located with frontage on I-410 and less than a mile from I-35 and San Antonio's Intermodal Terminal, providing direct access to downtown San Antonio and the I-10. Frito Lay is strategically located ±5 miles from:
 - **Port San Antonio:** 1,900-acre Tech Port campus home to leading global industries: aerospace, defense, global logistics, manufacturing, cybersecurity, education and more.
 - **Verano Master-Planned Community/Texas A&M:** 2,411-acre Master Planned Community with Texas A&M San Antonio as its centerpiece
 - **Lackland Air Force Base:** 7,000-acre AFB and part of Joint Base San Antonio - the largest joint base in the U.S. military and known for being the sole location for U.S. Air Force BMT.
 - **Toyota Motor Manufacturing Campus of Texas (TMMTX):** Since 2003, TMMTX employs 7,000 workers and is a major hub for Toyota's truck manufacturing in North America.
 - **New Developments:** Amazon Fulfillment Center, Navistar Manufacturing Facility, TJX Companies, and more.



ACTUAL PHOTO OF THE PROPERTY



ACTUAL PHOTO OF THE PROPERTY

FINANCIAL OVERVIEW

Use	Frito Lay Product Exchange Center (P.E.C.)
Tenant/Parent	Rolling Frito-Lay Sales, LP / PepsiCo, Inc
Address	TBD Address, SW Loop 410/Frontage Road
Market	San Antonio, TX
Year Built	2024
Construction	Concrete Tilt Up
Clear Height	24'
Total Building SF	±47,547 SF
Warehouse SF	±40,827 SF
Office Space SF	±5,180 SF
Maintenance Bay SF	±1,540 SF
Acres	±15.205 SF
Lot Square Feet	±662,342 SF
Building/Lot Coverage	7.18%
Dock High Doors	Twenty-Four (24)
Roof	TPO - Carlisle 60 mil - 20 Year Warranty (No Dollar Limit)

Price	\$16,959,854
Current Cap Rate	6.15%
Average Term Cap Rate	6.73%
Price/SF	\$356.70
Price/SF Land	\$25.61
Lease Term	10 Years
Lease Commencement	Estimated October 2024
Lease Expiration	Estimated October 2034
Rental Increases	2.00% Annually
Current Monthly Rent	\$86,919.25
Current Annual Rent	\$1,043,031.00
Average Term Annual Rent	\$1,142,089.84
Rent/SF/Annually	\$21.94
Rent/Acre/Month	\$5,716.49
Options	4, 5-Year Options @ Cont'd 2.00% Bumps
Lease Type	Industrial NNN
Tenant Responsibilities	Operating Expenses - Property Taxes, Insurance, Utilities, Paving, Landscaping, Routine Roof and HVAC Maintenance, Etc.
Landlord Responsibilities	Roof & Structure (CAPEX)

INCOME TABLE

YEAR	MONTHLY RENT	ANNUAL RENT	RENT / SF	RENT / AC / MO	% INCREASE	CAP RATE
Year 1	\$86,919.25	\$1,043,031.00	\$21.94	\$5,716.49	2.00%	6.15%
Year 2	\$88,657.64	\$1,063,891.62	\$22.38	\$5,830.82	2.00%	6.27%
Year 3	\$90,430.79	\$1,085,169.45	\$22.82	\$5,947.44	2.00%	6.40%
Year 4	\$92,239.40	\$1,106,872.84	\$23.28	\$6,066.39	2.00%	6.53%
Year 5	\$94,084.19	\$1,129,010.30	\$23.75	\$6,187.71	2.00%	6.66%
Year 6	\$95,965.88	\$1,151,590.50	\$24.22	\$6,311.47	2.00%	6.79%
Year 7	\$97,885.19	\$1,174,622.31	\$24.70	\$6,437.70	2.00%	6.93%
Year 8	\$99,842.90	\$1,198,114.76	\$25.20	\$6,566.45	2.00%	7.06%
Year 9	\$101,839.76	\$1,222,077.06	\$25.70	\$6,697.78	2.00%	7.21%
Year 10	\$103,876.55	\$1,246,518.60	\$26.22	\$6,831.74	2.00%	7.35%
1st Option						
Year 11	\$105,954.08	\$1,271,448.97	\$26.74	\$6,968.37	2.00%	7.50%
Year 12	\$108,073.16	\$1,296,877.95	\$27.28	\$7,107.74	2.00%	7.65%
Year 13	\$110,234.63	\$1,322,815.51	\$27.82	\$7,249.89	2.00%	7.80%
Year 14	\$112,439.32	\$1,349,271.82	\$28.38	\$7,394.89	2.00%	7.96%
Year 15	\$114,688.10	\$1,376,257.25	\$28.95	\$7,542.79	2.00%	8.11%
2nd Option						
Year 16	\$116,981.87	\$1,403,782.40	\$29.52	\$7,693.64	2.00%	8.28%
Year 17	\$119,321.50	\$1,431,858.05	\$30.11	\$7,847.52	2.00%	8.44%
Year 18	\$121,707.93	\$1,460,495.21	\$30.72	\$8,004.47	2.00%	8.61%
Year 19	\$124,142.09	\$1,489,705.11	\$31.33	\$8,164.56	2.00%	8.78%
Year 20	\$126,624.93	\$1,519,499.21	\$31.96	\$8,327.85	2.00%	8.96%
3rd Option						
Year 21	\$129,157.43	\$1,549,889.20	\$32.60	\$8,494.41	2.00%	9.14%
Year 22	\$131,740.58	\$1,580,886.98	\$33.25	\$8,664.29	2.00%	9.32%
Year 23	\$134,375.39	\$1,612,504.72	\$33.91	\$8,837.58	2.00%	9.51%
Year 24	\$137,062.90	\$1,644,754.82	\$34.59	\$9,014.33	2.00%	9.70%
Year 25	\$139,804.16	\$1,677,649.91	\$35.28	\$9,194.62	2.00%	9.89%
4th Option						
Year 26	\$142,600.24	\$1,711,202.91	\$35.99	\$9,378.51	2.00%	10.09%
Year 27	\$145,452.25	\$1,745,426.97	\$36.71	\$9,566.08	2.00%	10.29%
Year 28	\$148,361.29	\$1,780,335.51	\$37.44	\$9,757.40	2.00%	10.50%
Year 29	\$151,328.52	\$1,815,942.22	\$38.19	\$9,952.55	2.00%	10.71%
Year 30	\$154,355.09	\$1,852,261.06	\$38.96	\$10,151.60	2.00%	10.92%



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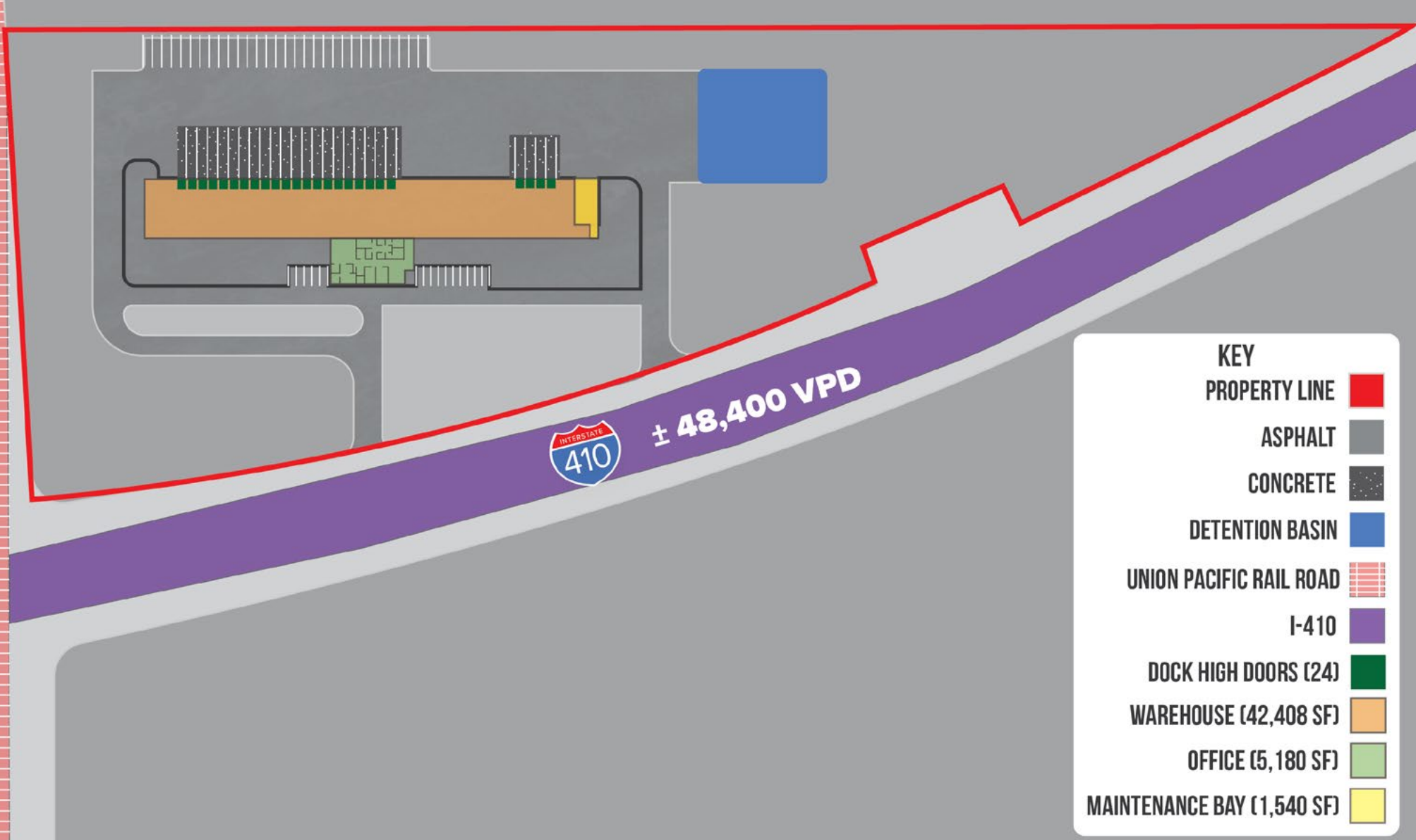


ACTUAL PHOTO OF THE PROPERTY

SITE PLAN



TOTAL BUILDING SF: 47,547 SF
TOTAL LAND ACRES: 15.205 AC
BUILDING/LOT COVERAGE: 7.18%



KEY	
PROPERTY LINE	
ASPHALT	
CONCRETE	
DETENTION BASIN	
UNION PACIFIC RAIL ROAD	
I-410	
DOCK HIGH DOORS (24)	
WAREHOUSE (42,408 SF)	
OFFICE (5,180 SF)	
MAINTENANCE BAY (1,540 SF)	



INTERSTATE 35 ± 51,100 VPD



SUBJECT PROPERTY



FREEPORT BUSINESS CENTRE
FUTURE DEVELOPMENTS
IN PROCESS



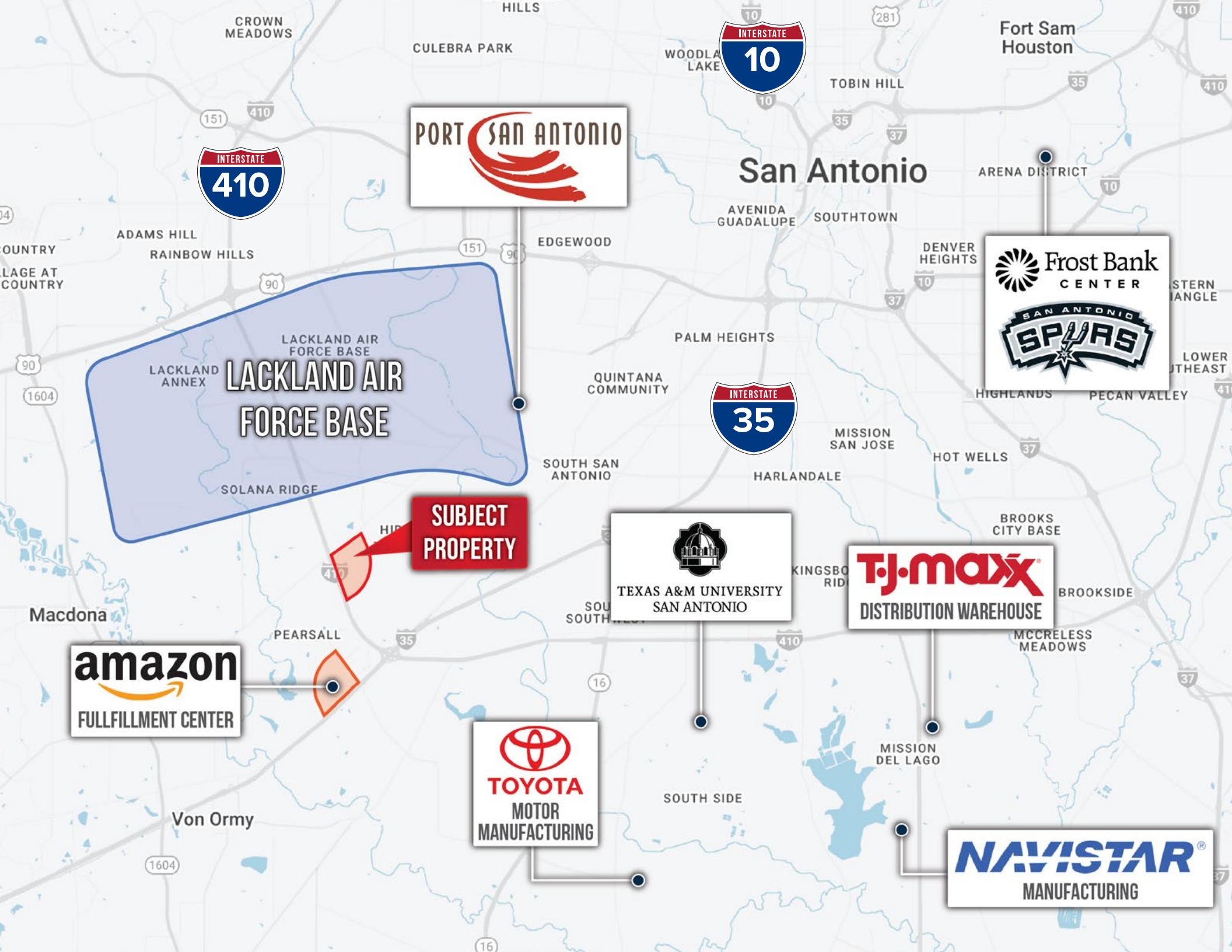
INTERSTATE 410 ± 48,400 VPD

UNION PACIFIC RAIL ROAD



SAN ANTONIO INTERMODAL TERMINAL

300+ ACRE STATE-OF-THE-ART TERMINAL
± 1 MILE AWAY



PORT SAN ANTONIO

LACKLAND AIR FORCE BASE

SUBJECT PROPERTY

amazon
FULLFILLMENT CENTER

TOYOTA
MOTOR
MANUFACTURING

TEXAS A&M UNIVERSITY
SAN ANTONIO

T.J. maxx
DISTRIBUTION WAREHOUSE

NAVISTAR
MANUFACTURING

Frost Bank
CENTER
SAN ANTONIO
SPURS

TENANT OVERVIEW



FRITO-LAY NORTH AMERICA, INC.

Frito-Lay North America, Inc. is the branded food and snack business unit of PepsiCo (NYSE: PEP). Frito-Lay North America sells and distributes its snack foods in Canada and the U.S. Snacks include Lay's and Ruffles potato chips Doritos tortilla chips, Cheetos snacks, Tostitos tortilla chips, and branded dips, Sun Chips multigrain snacks, and Fritos corn chips. FLNA's branded products are sold to independent distributors and retailers. In addition, FLNA's joint venture with Strauss Group makes, markets, distributes, and sells Sabra refrigerated dips and spreads.

Revenues & Profits: In 2023, FLNA had a Net Revenue of \$24,914 Billion and an Operating Profit of \$6.755 Billion.

Employees: Nearly 55,000 Frito-Lay associates throughout North America

Customers Served: Frito-Lay is known for its "Direct Store Delivery" system – the largest DSD system in North America. Frito-Lay delivers its chips directly to retail stores where the products are merchandised by internal employees or the company's independent bottlers.

Frito-Lay's go-to market system also includes warehouse distribution, giving the company additional flexibility that helps drive its strong partnerships with its customers.

Routes & Deliveries: Frito-Lay has approximately 15,000 routes that make over 500,000 weekly service calls on approximately 290,000 customers.

Fleet: Frito-Lay has one of the largest private fleets in North America. In the U.S. specifically, Frito Lay's fleet is made up of approximately 23,000 vehicles, everything from cargo vans to Class 8 tractor-trailers. This includes several different fuel-efficient models, including the largest commercial fleet of EV trucks in the United States, more than 560 compressed natural gas freight trucks (about 38 percent of the company's long-haul investor) and advanced diesel technology from some of the leading manufacturers around the world.



PEPSICO, INC (NASDAQGS: PEP) (PARENT COMPANY)

PepsiCo, Inc. ("Pepsi") is the parent company for both Rolling Frito-Lay Sales, LP and Frito-Lay North America, Inc. PepsiCo, Inc is a leading global food and beverage company with a complementary portfolio of brands including Frito-Lay, Gatorade, Pepsi-Cola, Quaker, Tropicana, and SodaStream. Through operations, authorized bottlers, contract manufacturers and other third parties, the company makes, markets, distributes, and sells a wide variety of convenient beverages, foods and snacks, serving customers and consumers in more than 200 countries and territories. PepsiCo generated more than \$91 billion in net revenue in 2023 and has a product portfolio including 23 brands that generate more than \$1 billion each in estimated annual retail sales. The company was founded in 1898 and is headquartered in Purchase, New York.

FRITO-LAY'S MARKET DOMINATION



POTATO CHIPS (\$8.9 BILLION MARKET)

1. Frito-Lay (Lays, Ruffles) – 58.42% US Market Share
2. Kellogg's (Pringles) – 13.48% US Market Share

TORTILLA/TOSTADA CHIPS (\$6.77 BILLION MARKET)

1. Frito-Lay (Doritos, Tostitos, Santitas) – 66.4% US Market Share
2. Private Label – 11.3% US Market Share

OTHER SALTED SNACKS (\$6.57 BILLION MARKET SHARE)

1. Frito-Lay (Funyuns, Sun Chips, Etc) – 56.6% US Market Share
2. General Mills (Gardettos, Etc) – 4.5% US Market Share

CHEESE SNACKS (\$3.29 BILLION MARKET)

1. Frito-Lay (Cheetos, Chesters) – 74.77% US Market Share
2. UTZ – 6.13% US Market Share

READY-TO-EAT POPCORN (\$1.8 BILLION MARKET)

1. Frito-Lay (Smartfood, Cracker Jack, Cheetos) – 34.8% US Market Share
2. Hersey's (SkinnyPop) – 22.0% US Market Share



PORT SAN ANTONIO

Port San Antonio, officially known as the Port Authority of San Antonio, is a public entity tasked with redeveloping land previously occupied by Kelly Air Force Base in San Antonio, Texas. Spanning 1,900 acres, the campus hosts over 80 tenant/companies that together employ nearly 16,000 people, generating around \$5.6 billion annually in economic activity for the region. Traditionally a center for aerospace, logistics, and manufacturing, the site has diversified in recent years to attract businesses in advanced technology sectors, including cybersecurity, robotics, space-based manufacturing, and automotive innovation. This evolution has positioned the Port as a key player in the city's growing tech economy. The campus also serves as the home of the San Antonio Museum of Science and Technology (SAMSAT), which, in addition to showcasing technological advancements, plays a significant role in promoting STEM and STEAM education through numerous programs that engage schools throughout the region. This blend of industry, education, and innovation has made Port San Antonio a major economic and technological hub for the area.

80+
tenants

\$5.6B

annual economic activity for regional economy

1,900

acre campus in San Antonio, TX





VERANO MASTER PLANNED COMMUNITY/ TEXAS A&M

Verano is a 2,411-acre master-planned community located in San Antonio, anchored by Texas A&M University-San Antonio. WGI provided comprehensive planning and engineering services to shape the community's design, which includes over 3,300 single-family and multifamily housing units, a 75-acre commercial town center, 20 acres dedicated to schools, and over 42 acres of active green spaces. Additionally, the plan allocates more than 800 acres for preservation, research facilities, and industrial development. The industrial component encompasses 562 acres, featuring regional roadways, floodplain and drainage infrastructure, and utility systems. WGI also facilitated discussions with Union Pacific to outline a potential rail service for the site and coordinated with CPS Energy to secure space for a dedicated substation, ensuring the long-term viability of the development.

2,411

Acres of Planned Community

3,300

Single & Multi Family Units

562

Acres of Planned Industrial Park





LACKLAND AIRFORCE BASE

Lackland Air Force Base, part of Joint Base San Antonio (JBSA), is a vital U.S. military installation located in San Antonio, Texas, primarily known as the Air Force's sole site for Basic Military Training (BMT). Covering over 9,000 acres, it trains tens of thousands of recruits annually, while also offering advanced technical and leadership programs in fields such as cybersecurity, intelligence, and medical services. The base is home to the Inter-American Air Forces Academy, which provides training to air force personnel from allied nations in Latin America, enhancing international defense collaboration. Key commands like the 37th Training Wing are stationed at Lackland, furthering its role in both operational readiness and community support. With its comprehensive training programs and strategic importance, Lackland serves as a critical hub for developing airpower for both U.S. and allied forces. focus on family health and wellness.

35,000-40,000
annual recruits

\$31.4 B
estimated contribution annually to local economy

9,000+
acres covered in San Antonio





TOYOTA

TOYOTA MOTOR MANUFACTURING CAMPUS OF TEXAS

Toyota Motor Manufacturing Texas (TMMTX) in San Antonio is a cornerstone of Toyota's North American operations, spanning over 2,000 acres and producing the full-size Tundra and mid-size Tacoma trucks. Since its opening in 2006, TMMTX has evolved into one of the most advanced automotive production facilities in the United States, with an annual capacity of approximately 208,000 vehicles. The plant employs over 7,000 people, including Toyota team members and on-site suppliers, significantly impacting the local economy. TMMTX integrates cutting-edge manufacturing technologies and sustainability practices, including water recycling and waste reduction programs. The facility also emphasizes worker training and development, fostering innovation and efficiency.

181,872

vehicles produced in 2023.

\$4.7 B

invested since 2003

2.2 M

square feet for Toyota operations



AREA OVERVIEW

SAN ANTONIO, TX

San Antonio is the seventh most populous city in the United States and the second most populous city in both Texas and the Southern United States. Straddling the regional divide between South and Central Texas, San Antonio anchors the southwestern corner of an urban megaregion colloquially known as the “Texas Triangle”.

San Antonio is the center of the San Antonio–New Braunfels metropolitan statistical area. Commonly called Greater San Antonio, the metro area has a population of 2,601,940, making it the 24th-largest metropolitan area in the United States and third-largest in Texas. Growth along the Interstate 35 and Interstate 10 corridors to the north, west, and east make it likely that the metropolitan area will continue to expand. With a strong economy, a vast amount of tourist amenities, and multiple institutions of higher education, San Antonio is the place for everyone to thrive.



2ND LARGEST
CITY IN TEXAS



26M
TOURISTS EACH YEAR



#4 BEST
PLACES TO LIVE IN TEXAS



\$134B
GROSS METRO PRODUCT



FOUR FORTUNE 500
COMPANY CORPORATE HEADQUARTERS



2.6M
MILLION PEOPLE

DEMOGRAPHICS

POPULATION	3 MILE	5 MILE	10 MILE
2028 Projection	51,850	115,861	636,658
2023 Estimate	48,404	108,350	598,000
2020 Population	45,703	102,037	583,391
HOUSEHOLDS	3 MILE	5 MILE	10 MILE
2028 Projection	15,561	32,912	208,291
2023 Estimate	14,485	30,629	195,130
2020 Households	13,571	28,653	189,780
INCOME	3 MILE	5 MILE	10 MILE
Avg Household Income	\$56,131	\$57,897	\$63,971



ECONOMY

The City of San Antonio maintains a strong financial position with a “AAA” general obligation bond rating from all three major rating agencies. As the **seventh-largest city in the United States**, San Antonio is experiencing solid economic growth in 21st-century industries such as bioscience and healthcare, aerospace, IT and cybersecurity, and green technologies. **Biotech companies and healthcare systems in San Antonio contribute billions to the local economy.** The aerospace industry remains a dominant economic strength in San Antonio with the presence of several aviation and aerospace corporations, including the military. The military has had a significant relationship with San Antonio for more than 200 years and is home to several military commands. The city is also a cybersecurity hub; nationally recognized as a leader in the field of information security.

San Antonio is positioning itself to be at the forefront of the New Energy Economy in the United States, committed to investing and creating employment opportunities in green industries. The economy has remained steady and prosperous by successfully attracting new businesses and helping existing companies grow. The city has focused on creating new employment opportunities in 21st-century industries, maintaining a great quality of life, and facilitating business growth at the local and international levels.

ATTRACTIONS

The city is home to four animal attractions. SeaWorld, 16 miles west of Downtown in the city’s Westover Hills district, is the number 4 attraction and one of the largest marine life parks in the world. Located at the center of Leon Valley, the San Antonio Aquarium is filled with thousands of species of aquatic animals and features lots of interactive exhibits. The very popular and historic San Antonio Zoo is in the city’s Brackenridge Park. Another animal attraction is SEA LIFE San Antonio Aquarium inside the Shops at Rivercenter in Downtown San Antonio, which was created by Merlin Entertainments.

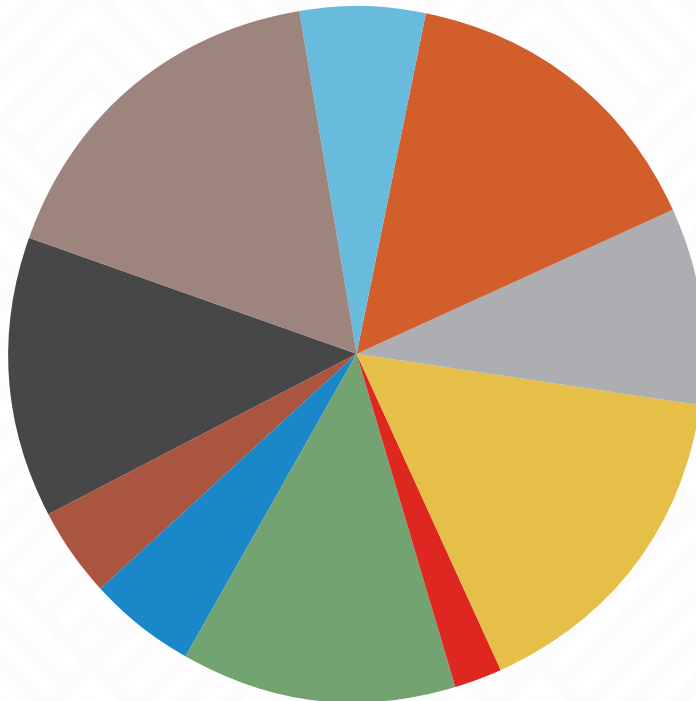
San Antonio is also home to several commercial amusement parks, including Six Flags Fiesta Texas, Splashtown, and Morgan’s Wonderland, a theme park for children with special needs. Kiddie Park, featuring old-fashioned amusement rides for children, was established in 1925 and is the oldest children’s amusement park in the U.S.



SAN ANTONIO, TX MSA LARGEST EMPLOYERS



LARGEST EMPLOYERS BY SECTOR



- 26% Healthcare
- 7% Education
- 6% Manufacturing
- 8% Financial Services
- 14% Logistics
- 5% Government
- 11% Technology
- 6% Construction
- 6% Retail
- 10% Tourism

DRIVE TIME

TEXAS MAP

MIDLAND
± 5 HOURS

FORT WORTH
± 4 HOURS

DALLAS
± 4 HOURS

EL PASO
± 8 HOURS

AUSTIN
± 2 HOURS

HOUSTON
± 3 HOURS

SAN ANTONIO



SHIPPING RADIUS

SAN ANTONIO, TX



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Frito-Lay Distribution Center** located at **SW Loop 410 & Frontage Road, San Antonio, TX 78242** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation’s logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant’s respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers’ particular needs.



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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date