



# Travis South Industrial

Austin, Texas







## Who We Are

NHK Capital Partners (NHK) was founded by the Hogan family with a focus on providing investment opportunities in commercial real estate that were, otherwise, traditionally reserved for institutional investors.

NHK has successfully raised over \$160 million to fund investment opportunities that span single-family rental communities (SFR), build-to-rent communities (BTR), multi-family, industries and logistics, hospitality, and office.



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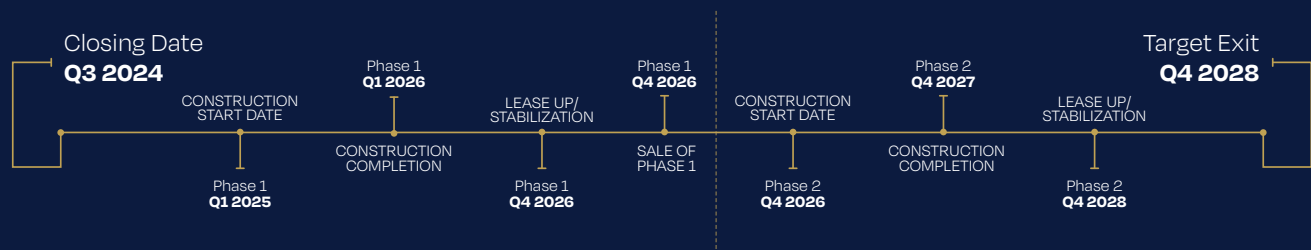




## The Project

Travis South Industrial is a two-phase, Class A industrial project, collectively totaling four buildings (two per phase). The total leasable area is anticipated to comprise of 576,061 square feet. Located just southwest of downtown Austin, the development is approximately 20 miles from Tesla's Gigafactory Texas and 33 from the Samsung semiconductor plant. The site has frontage on Interstate 35, with immediate accessibility to Texas State Highway 45.

## Project Timeline





# Investment Summary

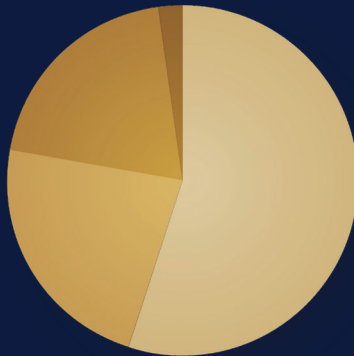
This investment is structured as equity participation through a joint venture between the Developer Stillwater Capital, and NHK.

Target Investment Term:	50 Months
Minimum Investment:	\$100,000
Target IRR*:	32.04%
Target Equity Multiple*:	2.22X

## TOTAL PROJECT COST\*\*

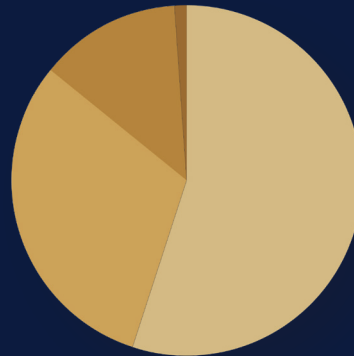
\$100,657,048

### PHASE 1



- Senior Loan Phase 1  
\$28,000,000
- Mezzanine Loan Phase 1  
\$12,000,000
- NHK Equity Phase 1  
\$10,167,438
- SWC Equity Phase 1  
\$1,129,715

### PHASE 2



- Senior Loan Phase 2  
\$27,147,942
- Mezzanine Phase 2  
\$15,200,000
- NHK Equity Phase 2  
\$6,310,758
- SWC Equity Phase 2  
\$701,195

\*Target Internal Rate of Return (IRR) and Target Equity Multiple are targeted fund level returns. Actual investor level returns are subject to further adjustments, including general partner fees and fund waterfall structure. \*\*Figure subject to change.

## Why Texas?



Texas produces **9.4%** of U.S. Gross Domestic Product (GDP) and **22%** of all U.S. exports. In 2023, Texas noted a **7.4%** annual GDP growth rate and a U.S. annual rate of **2.9%**.



No corporate or personal income state tax.



Texas produces **9%** of all U.S. manufactured goods.



**15.2M** people in civilian labor force, and **#1** state in the nation for job creation, adding 326,700 new jobs in 2023.



Texas has been the top state for population growth for 18 consecutive years, with a total population of **30.5M**.



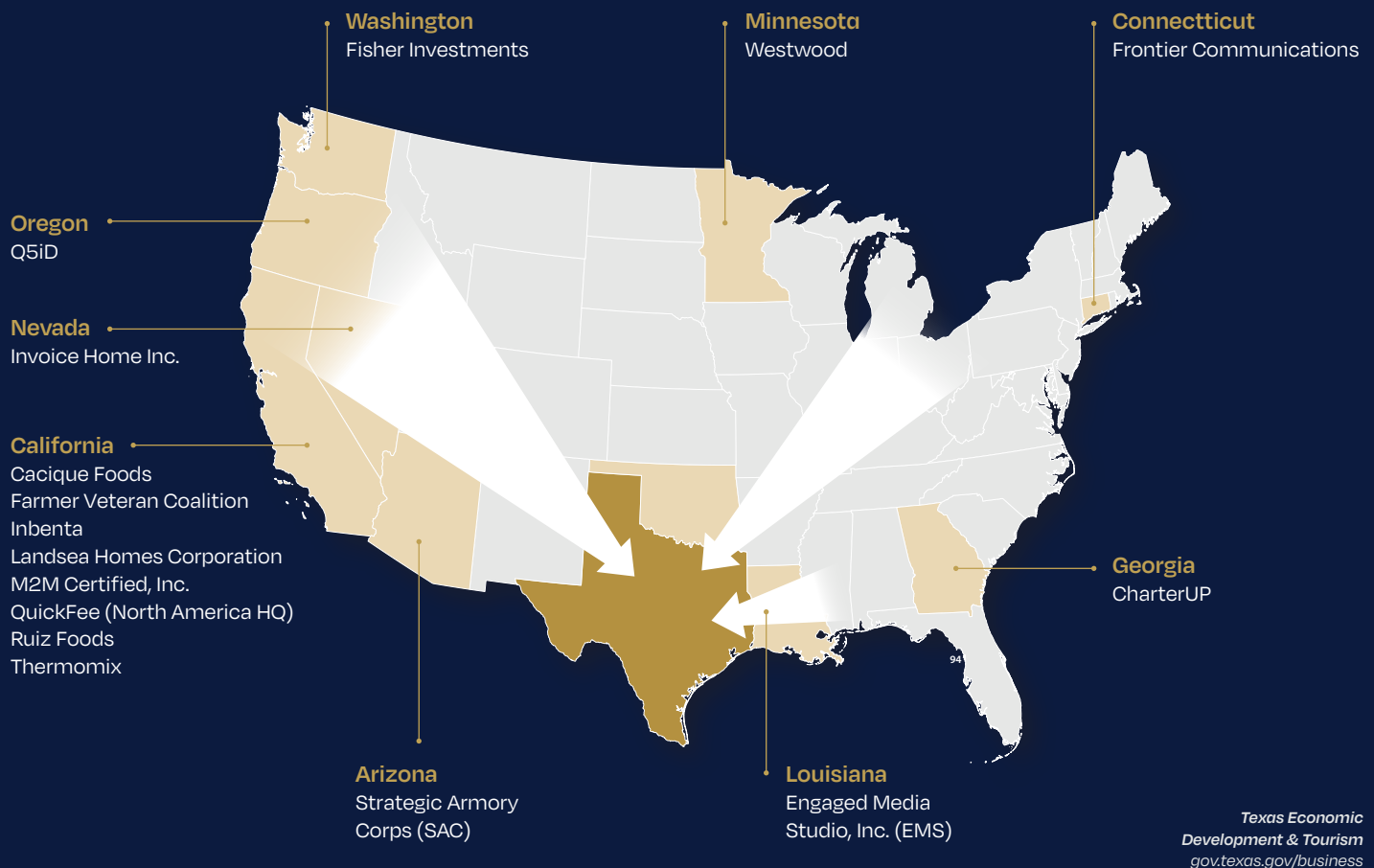
Ranked **#1** in the U.S. for semiconductor manufacturing capacity and has **\$288 billion+** of new investments. In 2023, Texas was the **#1** U.S. exporter, marking the 22<sup>nd</sup> consecutive year of this achievement, including being **#1** in the nation for tech exports.



8<sup>th</sup> largest economy in the world (larger than Russia and Canada) - \$2.6 trillion.



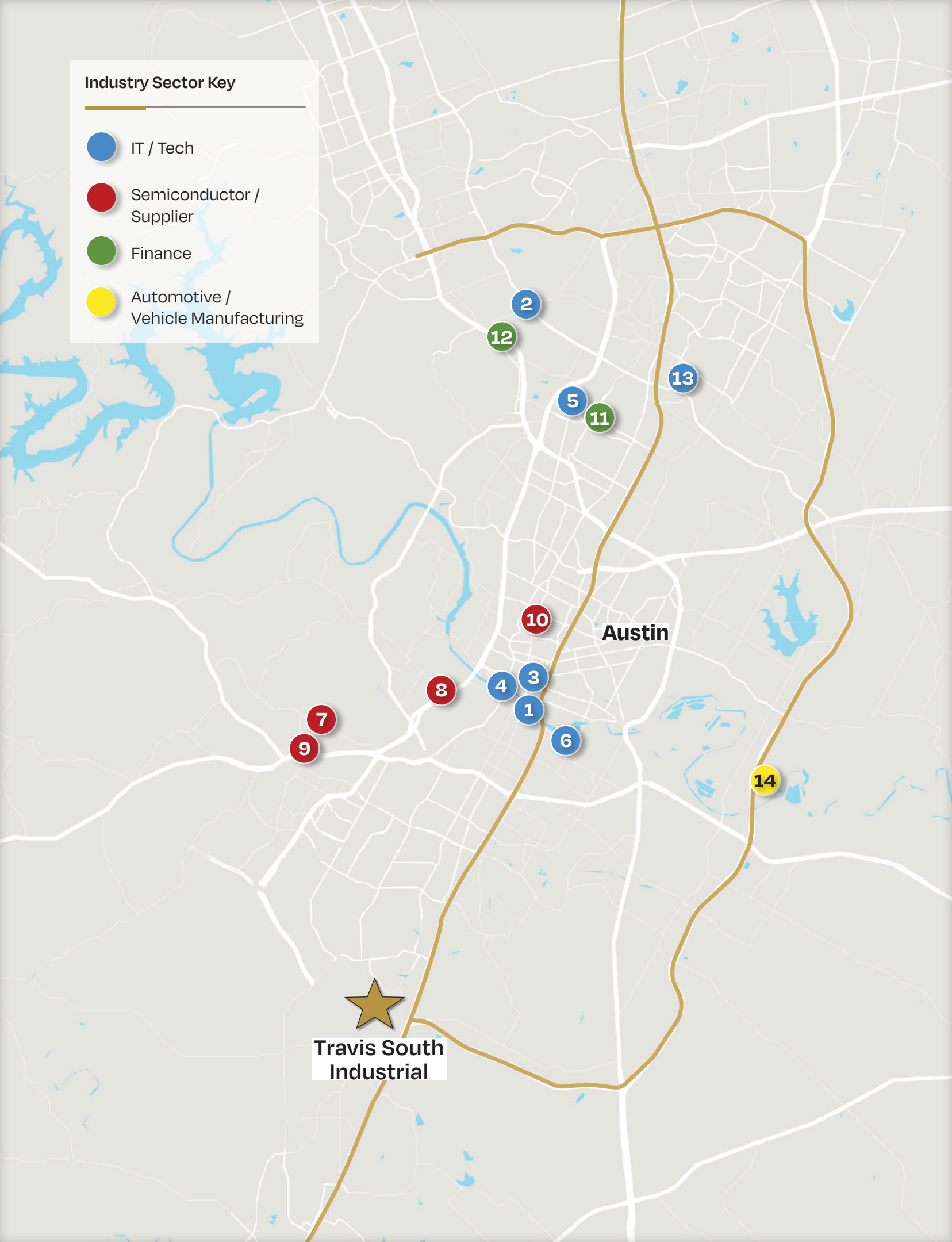
## 2023 U.S. Company Headquarters Relocations to Texas



- Texas is considered a business-friendly environment, with no state income tax and a lower cost-of-living, when compared to states like California.
- Since 2015, a total of 297 headquarters have relocated to Texas.
- Texas is the home of 52 Fortune 500 headquarters.
- Austin has become a sought-after destination for businesses and is the home to the headquarters of Tesla, Dell Technologies, Whole Foods, and National Instruments, among others.

### Industry Sector Key

- IT / Tech
- Semiconductor / Supplier
- Finance
- Automotive / Vehicle Manufacturing





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## Top Employers in the Area

- |   |                   |    |                |
|---|-------------------|----|----------------|
| 1 | Accenture         | 8  | Intel          |
| 2 | Apple             | 9  | NXP            |
| 3 | Dell Technologies | 10 | Samsung        |
| 4 | Google            | 11 | Charles Schwab |
| 5 | IBM               | 12 | Visa           |
| 6 | Oracle            | 13 | General Motors |
| 7 | AMD               | 14 | Tesla          |

\* The Partnership is not affiliated with any of the employers listed.

## Site Location

- Travis South Industrial will provide superior Class A industrial space for its future tenants as well as prime accessibility to major highways.
- Just southwest of downtown Austin, the development is approximately 20 miles from Tesla's Gigafactory Texas and 33 from the Samsung semiconductor plant. The site has frontage on Interstate 35, with immediate accessibility to Texas State Highway 45.

## Notable Expansions

- In October 2024, Tesla submitted permits to add approximately 5 million square feet to their existing Gigafactory Texas in Austin, Texas. Construction reportedly began immediately after the submission, and the expansion is expected to be completed by the end of 2025. Tesla plans to invest at least \$1.06 billion in the Gigafactory Texas through this expansion, according to public filings.

## Texas Trade

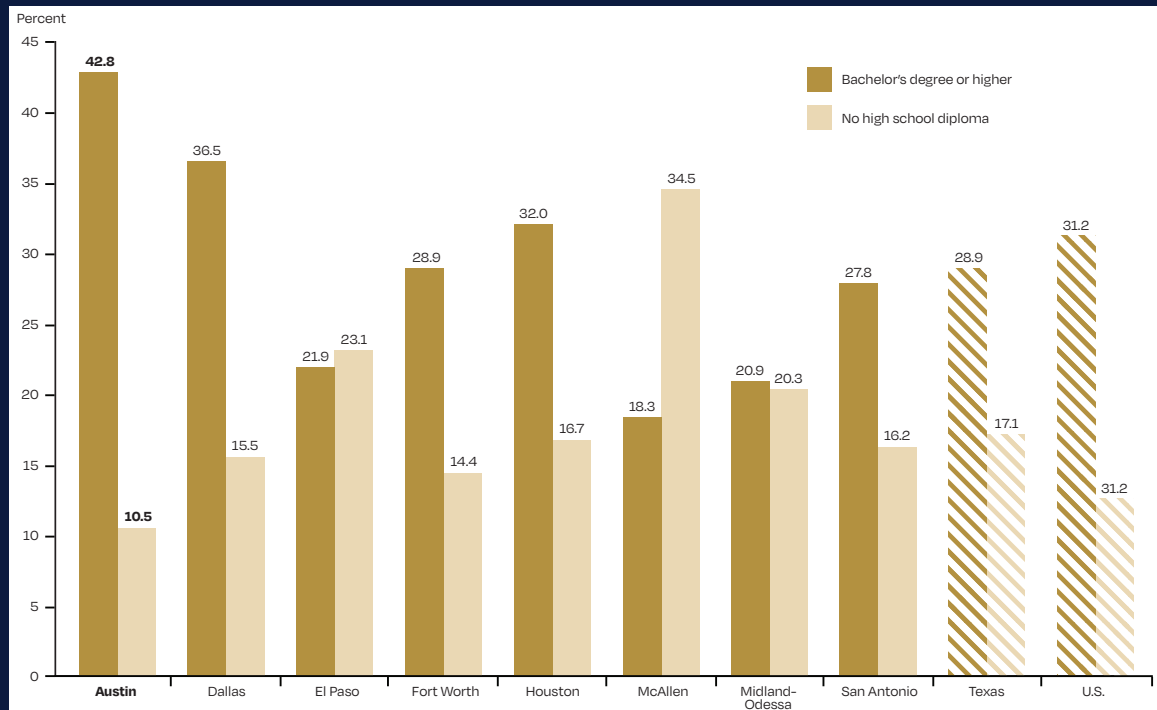
In 2023, trade between Texas and Mexico totaled \$272.2 billion, ranking Mexico as Texas' primary trading partner. I-35 is the major artery for trade between Texas and Mexico, providing a direct route from the Mexican border, through Austin, and into the Dallas-Fort Worth metroplex. Texas has twenty-six commercial airports, nineteen seaports, and fifty-eight freight railroads, with Port of Houston being the number 1 port in the United States for waterborne foreign trade and Port Laredo as the number 1 inland port along the US Mexico border. Over three-quarters of the land trade between both countries crosses through Texas ports of entry.

Continued trade increase with Mexico will lead to increased demand for logistic/warehouse/flex space across Texas and strategic assets along I-35 close to major metroplexes as Austin.





## Austin: The Higher-Education Nucleus of Texas



Austin is home to four major universities, boasting an annual student population of 120,000+, making Austin home to the most educated population of major Texas metros. Employers leverage Austin to enhance their research and development (R&D) capabilities, through both direct hires and institutional collaboration with the universities.



## The Developer



### Stillwater Capital

Stillwater Capital has constructed more than 2,136 multifamily units and has more than 704 BTR/SFR units delivered or under construction with NHK and its Hogan Family Company affiliate, CMB Regional Centers, as a capital partner.



## General Contractor



### Zapalac/Reed

Established in 1996 in Austin, Zapalac/Reed has delivered 70+ industrial developments and 141+ industrial buildings, contributing to a track record of more than 12 million square-feet developed across Texas.



*\*The Partnership is not affiliated with Zapalac/Reed nor directly with Stillwater Capital*







## Our National Logistics and Warehouse Experience

Our Team at NHK Capital Partners, including its affiliate company CMB Regional Centers, has successfully raised on 31 different partnerships specifically in the warehousing and logistics sector. Our team has capitalized on developments not only in the state of Texas but also in California, Florida, Pennsylvania, Illinois, New Jersey, Michigan, Ohio, and most recently Colorado. In total, our 31 partnerships collectively consist of 72 different buildings, ranging in building sizes from 37,000 SF, to more than 2,000,000 SF.

The CMB Group 19 project (pictured) included the two largest (non-terminal) buildings built, to-date, at the Dallas-Fort Worth International Airport.



NHK 121 Technology Park  
Allen, Texas



CMB Group 60 (Hillwood Renaissance)  
Rialto, California



CMB Group 19 (HW DFW 1)  
Dallas/Fort Worth, Texas





## NHK/CMB Industrial & Warehouse Track Record

Total Capital Raised\*  
**\$990,400,000**

Total Investments in Partnerships\*  
**\$4,541,400,000**

**31** Partnerships\*

**72** Logistics and Warehouse Buildings

*\*logistics & warehouse partnerships only*



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