



629 Pike Springs Rd

Phoenixville, PA 19460

**Industrial
Investment Opportunity**
Offering Memorandum



MATTHEWS™

Exclusively Listed By



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Executive Overview

US LBM

629 Pike Springs Rd | Phoenixville, PA 19460



Investment Highlights

Rare Low-Coverage Industrial Asset with Substantial Outdoor Storage:

±12,000 SF industrial facility situated on ±4.0 acres, reflecting a low site coverage ratio of 6.89% —an exceptionally scarce configuration within the Philadelphia MSA. The expansive yard area supports a range of outdoor-intensive operations such as building materials distribution, while also offering significant flexibility for truck circulation, inventory management, and future expansion or redevelopment.

Compelling Rental Upside with Long-Term Hold Appeal:

In-place rent is currently more than 70% below prevailing market rates, presenting a strong value-add opportunity. Located in a supply-constrained submarket with high barriers to new development, the asset combines near-term income growth potential with durable long-term value rooted in underlying land scarcity.

Strong Corporate Guarantee with Institutional Sponsorship:

Fully leased to US LBM, a national building materials distributor operating 460+ locations across the U.S. The tenant is backed by Bain Capital and Platinum Equity and reported approximately \$6.9 billion in revenue in 2025. This corporate-backed lease structure provides investors with stable, long-term cash flow and minimized credit risk.

Strategic Location in Affluent Philadelphia MSA Submarket:

Located in Phoenixville, a desirable and demographically strong submarket of the Philadelphia MSA. The property benefits from proximity to major transportation routes including I-76, I-276, and PA-23, enhancing tenant accessibility and operational efficiency. Limited industrial inventory in the area further supports continued demand for this asset type.



Financial Overview

US LBM

629 Pike Springs Rd | Phoenixville, PA 19460



Financial Summary



\$1,600,000

List Price



6.10%

Cap Rate



±12,000 SF

Building Size



±4 AC

Lot Size

Lease Summary

Guarantor	US LBM Holdings, LLC
Lease Commencement	5/1/2013
Lease Expiration	4/30/2028
Lease Term Remaining	1.7-Years
Options to Renew	(1) 5-Year Option
Monthly Rent	\$8,131.29
Annual Rent	\$97,575.48
Rent/SF	\$8.13
Rent/SF Land	\$0.56
Rent/AC/Mo	\$2,032.82
Rental Increases*	50% of Cumulative CPI Every 3 Years
Lease Type	Industrial NNN
Tenant Responsibilities	Taxes, Insurance, Utilities, Paving, HVAC, Maintenance, etc.
Landlord Responsibilities	Roof & Structure

*See Explanation Next Page

**See Table Next Page

***Contact Broker for Further Information

Property Summary

Price	\$1,600,000
Cap Rate	6.10%
Fair Market Cap Rate**	±12.91%
Price/SF	\$133.53
Price/SF Land	\$9.18
Price/AC	\$400,000
Total Building Square Feet	±12,000
Lot Square Feet	±174,240 SF
Building/Lot Coverage	6.89%
Year Built/Renovated	1966/2019
Zoning***	R-2

Financing Inquiries

For financing options, please reach out to:

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Annualized Operating Data

Year	Annual Rent	Monthly Rent	Rent/SF	Rent/SF Land	Rent/AC/Month	% Rent Increases	Cap Rate	Market Rent Analysis 3% Annual Growth Rate***	
								Rent/SF	Rent/AC/Month
5/1/2026 - 4/30/2027	\$97,575.48	\$8,131.29	\$8.13	\$0.56	\$2,032.82	-	6.10%	\$14.00	\$3,500.00
5/1/2027 - 4/30/2028	\$97,575.48	\$8,131.29	\$8.13	\$0.56	\$2,032.82	-	6.10%	\$14.42	\$3,605.00
One, 5-Year Option									
5/1/2028 - 4/30/2029	\$105,381.52	\$8,781.79	\$8.78	\$0.60	\$2,109.05	3.75%	6.33%	\$14.85	\$3,713.15
5/1/2029 - 4/30/2030	\$105,381.52	\$8,781.79	\$8.78	\$0.60	\$2,109.05	-	6.33%	\$15.30	\$3,824.54
5/1/2030 - 4/30/2031	\$105,381.52	\$8,781.79	\$8.78	\$0.60	\$2,109.05	-	6.33%	\$15.76	\$3,939.28
5/1/2031 - 4/30/2032	\$113,812.04	\$9,484.34	\$9.48	\$0.65	\$2,188.14	3.75%	6.56%	\$16.23	\$4,057.46
5/1/2032 - 4/30/2033	\$113,812.04	\$9,484.34	\$9.48	\$0.65	\$2,188.14	-	6.56%	\$16.72	\$4,179.18
No Options To Renew									
PROFORMA MARKET RENT ANALYSIS**									
5/1/2033-4/30/2034	\$212,817.37	\$17,734.78	\$17.73	\$1.22	\$4,433.70	96.72%	12.91%	\$17.22	\$4,304.56
5/1/2034-4/30/2035	\$219,201.89	\$18,266.82	\$18.27	\$1.26	\$4,566.71	3.00%	13.30%	\$17.73	\$4,433.70
5/1/2035-4/30/2036	\$225,777.95	\$18,814.83	\$18.81	\$1.30	\$4,703.71	3.00%	13.70%	\$18.27	\$4,566.71
5/1/2036-4/30/2037	\$232,551.29	\$19,379.27	\$19.38	\$1.33	\$4,844.82	3.00%	14.11%	\$18.81	\$4,703.71
5/1/2037-4/30/2038	\$239,527.83	\$19,960.65	\$19.96	\$1.37	\$4,990.16	3.00%	14.53%	\$19.38	\$4,844.82

*Over the past 3 Years, Consumer Price Index of the Bureau of Labor and Statistics of the U.S. Department of Labor for Urban Wage Earners and Clerical Workers, Philadelphia-Trenton-Wilmington, (1984=100) "all items" experienced ±5.6% average annual growth, resulting in a 8.42% rent increase on 5/1/2025.
However, The Annualized Operating Table applies a more conservative 2.50% annual CPI growth rate to estimate the upcoming 3.75% rental increases (2028 / 2031).

**Over the past 5 Years, the Chester County submarket of Philadelphia experienced ±11.58% average annual industrial rent growth.
However, The Proforma Market Analysis applies a more conservative 3.00% annual to calculate the Fair Market Value rental rate when there are no option to renew in 2033.

**The Market Industrial Outdoor Storage Rent in the Chester County Submarket of Philadelphia is estimated to be approximately \$5,000/Acre/Month. (Contact Broker for Comps)
However, The Proforma Market Rent Analysis applies a more conservative current 2026 Industrial Outdoor Storage Market Rent estimate of \$3,500/Acre/Month in this case \$14/SF.

The Proforma Market Analysis are estimates based on current/historical data and not guaranteed.





Tenant Overview

Year Founded
2009

Headquarters
Atlanta, GA

Ownership Status
Private

Employees
15,000+

Locations
460+

Parent Companies
Platinum Equity/Bain Capital

Annual Revenue
\$6.8 Billion



Tenant Overview

US LBM is a leading distributor of specialty building materials in the United States. Headquartered in Atlanta, Georgia, the company operates over 460 locations nationwide, supplying builders, remodelers, and contractors with everything from framing and roofing to windows, doors, and cabinetry. Combining local expertise with national scale, US LBM delivers innovative solutions to support residential and commercial construction projects.

Why Invest in US LBM?

- **Financial Strength:** Consistent revenue growth with annual sales exceeding \$6.8 billion, supported by a solid financial foundation and diverse customer base.
- **Extensive Scale and Reach:** Operates more than 460 locations nationwide, giving US LBM a strong presence in a fragmented building materials market and delivering cost and service advantages.
- **Credit Profile with Growth Potential:** Holds speculative-grade credit ratings with a stable outlook, supported by steady cash flows and market demand for building products.
- **Growth Through Acquisitions and Organic Expansion:** Demonstrates a proven strategy of acquiring local market leaders and expanding product offerings, while also driving organic growth through innovation and service.
- **Strong Brand and Market Leadership:** Recognized as a top U.S. distributor of specialty building materials, US LBM combines national resources with local expertise, serving as a trusted partner for builders, remodelers, and contractors.

Area Map



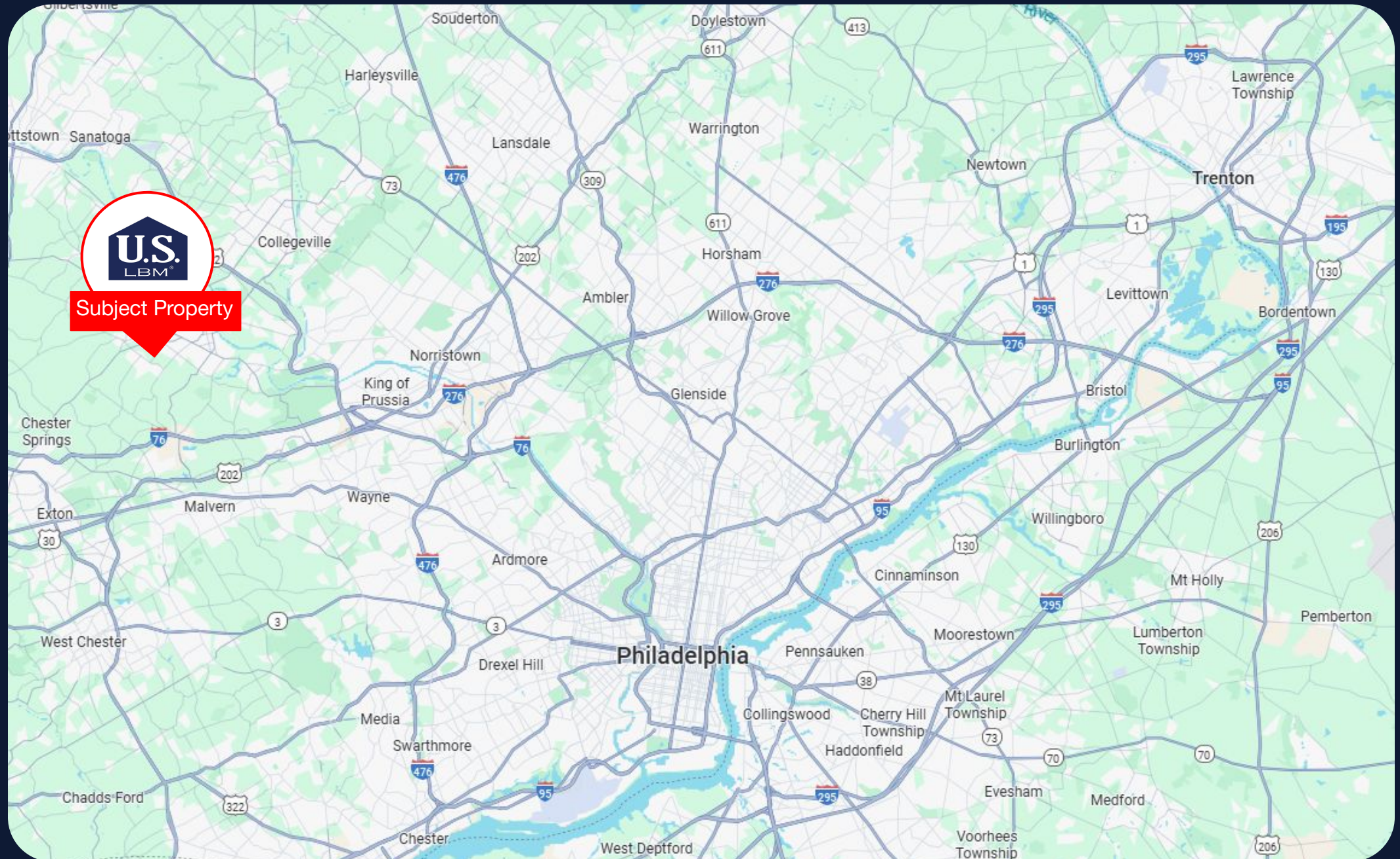
King of Prussia

Google Earth

Market Overview

US LBM

629 Pike Springs Rd | Phoenixville, PA 19460



Chester County, PA

Market Demographics



541,000

Total Population

\$123,041

Median HH Income

198,160

of Households

40.7

Median Age

74.9 %

Homeownership Rate

Local Market Overview

Chester County lies within the dynamic Philadelphia–Lehigh Valley industrial corridor, offering logistics and manufacturing users efficient access to major highways including I-76, I-476, US-202, and US-322. In recent years, the county has demonstrated steady population growth and rising household incomes, undergirding demand for employment-serving industrial space (e.g. for last-mile, manufacturing, warehousing). The county's affluent residential base also supports strong local consumer demand, making Chester industrial sites attractive for e-commerce, distribution, and supply chain users.

Traffic volumes and roadway connectivity are favorable: many of the county's major arterial and collector routes now carry daily counts well above 20,000–30,000 vehicles, with heavy truck movements along key freight corridors. Proximity to interchanges on the Pennsylvania Turnpike and direct routes into suburban Philadelphia provide compelling connectivity advantages. Industrial users often benefit from shorter transit times compared to deeper inland locations, supporting faster turnaround and cost efficiencies.

Property Demographics

Population	5-Mile	10-Mile	15-Mile
Current Year Estimate	83,410	398,554	878,372
Households	5-Mile	10-Mile	15-Mile
Current Year Estimate	33,627	154,424	336,703
Income	5-Mile	10-Mile	15-Mile
Average Household Income	\$172,795	\$179,243	\$174,267

Philadelphia, PA MSA

Greater Philadelphia serves as a historic, cultural, and economic anchor on the East Coast, with an estimated 2024 population of over 6,050,000, continuing steady growth fueled by a strong healthcare, education, and technology base. Known for its world-class universities and medical institutions, the region attracts students, researchers, and professionals, reinforcing Philadelphia's role as a hub of innovation and talent. Its strategic location between New York and Washington, D.C. enhances its appeal for long-term residence, investment, and commerce.

The metro demonstrates robust economic fundamentals, with a 2024 median household income of about \$75,000, supported by leading industries such as life sciences, financial services, logistics, and higher education. While affordability challenges exist, Philadelphia remains more accessible compared to other major U.S. metros, sustaining housing demand and consumer spending. Its blend of historic character and modern economic diversity continues to make the city resilient for both developers and investors.

Total Population

1,585,010

Annual Visitors

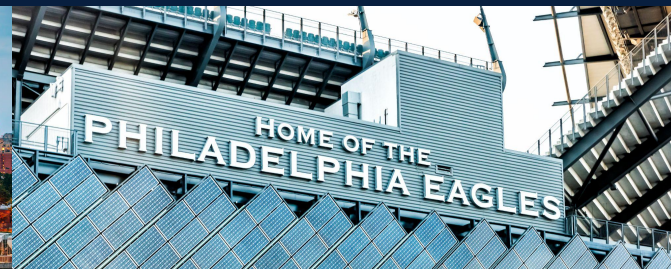
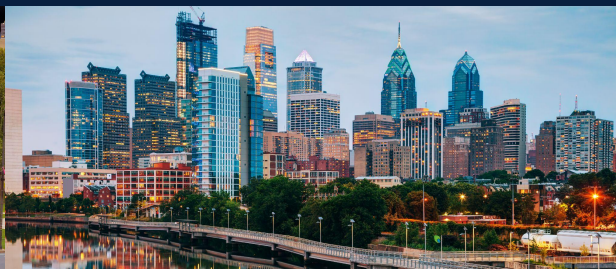
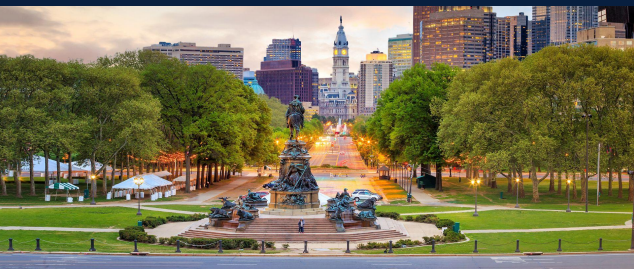
46 Million

Tourism Economic Impact

\$12.4 Billion

GDP

\$500+ Billion



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