SMARTCAP

Industrial Acquisitions and Development

Investing Where Industry Meets Growth

WASHINGTON | OREGON | PHOENIX/TUCSON | SALT LAKE CITY

WHAT WE DO

SMARTCAP is a vertically integrated industrial real estate investment and development firm focused on acquiring, developing, and operating industrial assets in high-growth Western U.S. markets. Since 2014, SMARTCAP has specialized in industrial properties serving manufacturing, distribution, logistics and aerospace users, with an emphasis on flexible facilities designed to meet evolving tenant demand.

CORE STRATEGIES

- Industrial Acquisitions
- Ground-Up Development
- Value-Add Repositioning
- Build-to-Suit Opportunities
- Industrial Portfolio Expansion

SMARTCAP BY THE NUMBERS

Assets Under Management	$460M+
Total Transaction Volume	$478M+
Industrial SF Under Management	1.77M SF
Industrial SF Developed	970,000+ SF
Development Pipeline	1.1M SF
Buildings Delivered Since 2021	7
Assets Lost During Last Cycle	0

HOW WE WORK

SOURCE

Leverage relationships and proprietary AI to power a data-driven asset ranking system.

ANALYZE

Evaluate market fundamentals, tenant demand, supply pipelines, and replacement costs.

EXECUTE

Acquire, entitle, develop, or reposition industrial assets using an experienced in-house team.

OPERATE

Drive value through leasing, asset management, and strategic portfolio growth.

SMARTCAP ADVANTAGE

1. **Data Driven.** We combine proprietary analytics with deep industrial market expertise to identify opportunities and make informed decisions.
2. **Disciplined.** Our investment approach is rooted in conservative underwriting, thoughtful risk management, and strategic capital deployment.
3. **Relationship Focused.** We build partnerships with brokers, owners, tenants, municipalities, and investors to create long-term value.
4. **Best Communication.** We prioritize transparency, responsive execution, and clear communication throughout the investment lifecycle.

RECENT ACTIVITY AND PIPELINE (SINCE 2021)

7 BUILDINGS DELIVERED

1.1M SF DEVELOPMENT PIPELINE

100% ON-TIME DELIVERY TRACK RECORD

FOCUSED IN HIGH-GROWTH INFILL MARKETS

SHALLOW-BAY INDUSTRIAL STRATEGY

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Shallow-Bay Industrial Case Study

A developed-to-core industrial portfolio in Arlington & Marysville, WA (North Seattle / Snohomish County)

Five infill warehouse/flex buildings, 100% leased and outperforming the original underwriting on rents, mark-to-market, and capital reutrned to investors.

5	572,745	100%	~8%	+49%	47%
BUILDINGS	SQUARE FEET	LEASED	PER YEAR RENT GROWTH 2.6x the 3% underwritten	AVG. MARK-TO-MARKET ON TURNOVER	OF EQUITY RETURNED TO INVESTORS

WHY WE LIKE SHALLOW-BAY INDUSTRIAL

Granular Tenant Demand

- Diverse local and regional users
- Reduced single-tenant concentration risk

Reduced Tenant Rollover Risk

- Staggered lease dates
- Faster NOI growth

Infill Supply Constraints

- Limited replacement inventory
- Durable pricing power

PORTFOLIO SNAPSHOT

Arlington Air A

Arlington Air B

188th Industrial Park

180th Industrial Park

DC North, Bldg B

PERFORMANCE HIGHLIGHTS

RENTS BEAT UNDERWRITING

Achieved rents exceeded underwriting by **11%-15%** on core assets, while market rents grew **~8%** annually versus 3% modeled.

VALUE CREATION

Re-leasing and renewals generated approximately **$7.7M** in incremental value, capitalized at a 6% cap rate.

CAPITAL RETURNED

$11.95M distributed to investors, representing **47%** of the **$25.4M** of equity -- including at **$4.0M** return of capital on one building.

THE SMARTCAP EDGE

Submarket Selection

Supply-constrained infill industrial with deep, granular tenant demand.

Develop-to-Core Execution

Delivered and leased on schedule to 100% occupancy, with minimal downtime on turnover.

Active Asset Management

Renewals and backfills capture ~20%-69% mark-to-market and ~$7.7M of created value

Conservative Underwriting

The market outran our models: ~8% realized rent growth vs. the 3% modeled, with capital returned ahead of or in line with plan.

SMARTCAP