Ascension Corporate Real Estate Advisory

Basic Industries

A MEMBER OF THE BASIC ENVIRONMENTAL GROUP

Basic Environmental Group | Sale Leaseback

Confidential Offering Memorandum

Industrial Facility

Sale Leaseback Investment Opportunity

Houston, Texas

Table of Contents

Ascension Deal Team:

Chelsea Mandel
Managing Director
(516) 850-6962

Nina Valtchanov
Head of Transactions
(310) 954-6966

Doug Carey
Head of Underwriting
(216) 533-0499

Spencer Freid
Associate
(425) 681-0292

Opportunity Summary

Tenant:	Basic Environmental Group, LLC
Address:	11339 Neeshaw Drive Houston, TX 77065
Property Type:	Industrial
Building Size:	31,900 SF
Lot Size:	1.79 AC
Construction Year:	2004

Annual Starting Rent
$414,700

Monthly Rent
$34,558

Rent / SF
$13.00

Initial Lease Term
15+ Years

Lease Renewal Options
Four 5-Year

Rent Increases
3% Annually

Lease Structure
Absolute Triple Net

Landlord Responsibilities
Zero
(Including Roof & Structure)

Lease Guarantor
Corporate

Investment Highlights

- **Established Industrial General Contractor with Environmental Safety Certifications and Long-Standing Blue-Chip Client Relationships** – Basic Environmental Group is an established industrial general contractor providing field services, subcontracted specialty work, environmental remediation, and equipment rental solutions to commercial, industrial, institutional, and refinery-related customers. The Company has built a proven track record as a qualified prime contractor, supported by specialized environmental safety certifications and credentials, including Mold Contractor, Lead Contractor, and Asbestos Contractor licenses. Basic serves a long-standing base of blue-chip customers and project partners, including ExxonMobil, BP, Shell, NASA, CBRE, JLL, and Compass, with a zero-accident safety record that supports vendor approval, customer retention, and repeat work in highly controlled operating environments.

- **Specialized Infrastructure and High Tenant Investment** – The Subject Property serves as Basic Environmental Group's sole operating facility and central base for equipment storage, project staging, crew dispatch, emergency response, regulated materials handling, and compliant storage for specialized equipment and consumables essential to executing active and incoming projects. The facility also serves as Basic's licensing base of record for its Mold Contractor, Lead Contractor, and Asbestos Contractor credentials, directly supporting the Company's regulatory standing and access to industrial and refinery work. The site has received approximately $2.4 million of tenant investment, including exterior reconstruction, a ~10,000 SF climate-controlled warehouse addition, expanded office space, on-site shower facilities for emergency response personnel, upgraded signage and mechanical gates, a security camera system, and roof coatings designed to extend building life and reduce maintenance risk.

- **Sale Leaseback Proceeds Support Balance Sheet Strengthening and Near-Term Growth** – The transaction provides Basic Environmental Group with an opportunity to unlock embedded real estate equity and strengthen its financial position by retiring outstanding debt, paying down vendor obligations, and strengthening key supplier relationships. The balance of proceeds is expected to be used as working capital to support mobilization and execution of the Company's growing 2026 project pipeline of approximately $10 million, including approximately $2 million already secured and an additional $1 million pending, tied to major industrial and institutional customers.

- **Mission-Critical Facility Supporting Industrial Contracting, Compliance, and Crew Mobilization** – The Subject Property serves as Basic Environmental Group's sole Houston-based headquarters and mission-critical operating facility, supporting the Company's industrial general contracting, environmental remediation, specialty contracting, equipment rental, project staging, crew dispatch, emergency response, and compliant materials storage functions. The facility also serves as Basic's licensing base of record for its Mold Contractor, Lead Contractor, and Asbestos Contractor credentials, directly supporting the Company's regulatory standing, customer prequalification requirements, and continued access to industrial, refinery, commercial, and institutional project sites.

Investment Highlights

- **Stellar Safety Record and Environmental Certifications Supporting Blue-Chip Customer Access** – Basic Environmental Group's zero-accident safety record, environmental safety certifications, and specialized contractor credentials are key differentiators in securing contracts and maintaining long-standing relationships with sophisticated industrial and institutional customers, including ExxonMobil, Shell, BP, NASA, CBRE, JLL, and Compass. In highly controlled industrial and refinery environments where safety performance, regulatory compliance, and vendor qualification are central to ongoing work eligibility, Basic's track record supports customer retention, repeat opportunities, and access to complex project scopes.

- **Growing Demand for Environmental Remediation, Industrial Services, and Emergency Response Capabilities** – Basic Environmental Group operates in service categories supported by recurring regulatory, maintenance, remediation, and emergency response needs across industrial, commercial, and institutional facilities. The Company's ability to provide specialized environmental services, equipment, and field execution capabilities positions it to benefit from ongoing demand for compliant remediation, facility maintenance, and project-based industrial services across the Houston market and broader Texas Gulf Coast.

- **Well-Located Houston Industrial Asset with Strong Regional Demand Drivers** – The Property is strategically located in Houston, Texas, a major industrial market supported by a deep labor pool, extensive transportation infrastructure, and a diverse base of energy, refinery, manufacturing, logistics, construction, and industrial service users. The site benefits from proximity to key regional demand drivers, including Downtown Houston, major highways, George Bush Intercontinental Airport, and the Port of Houston, supporting efficient access to customers, vendors, labor, and project sites.

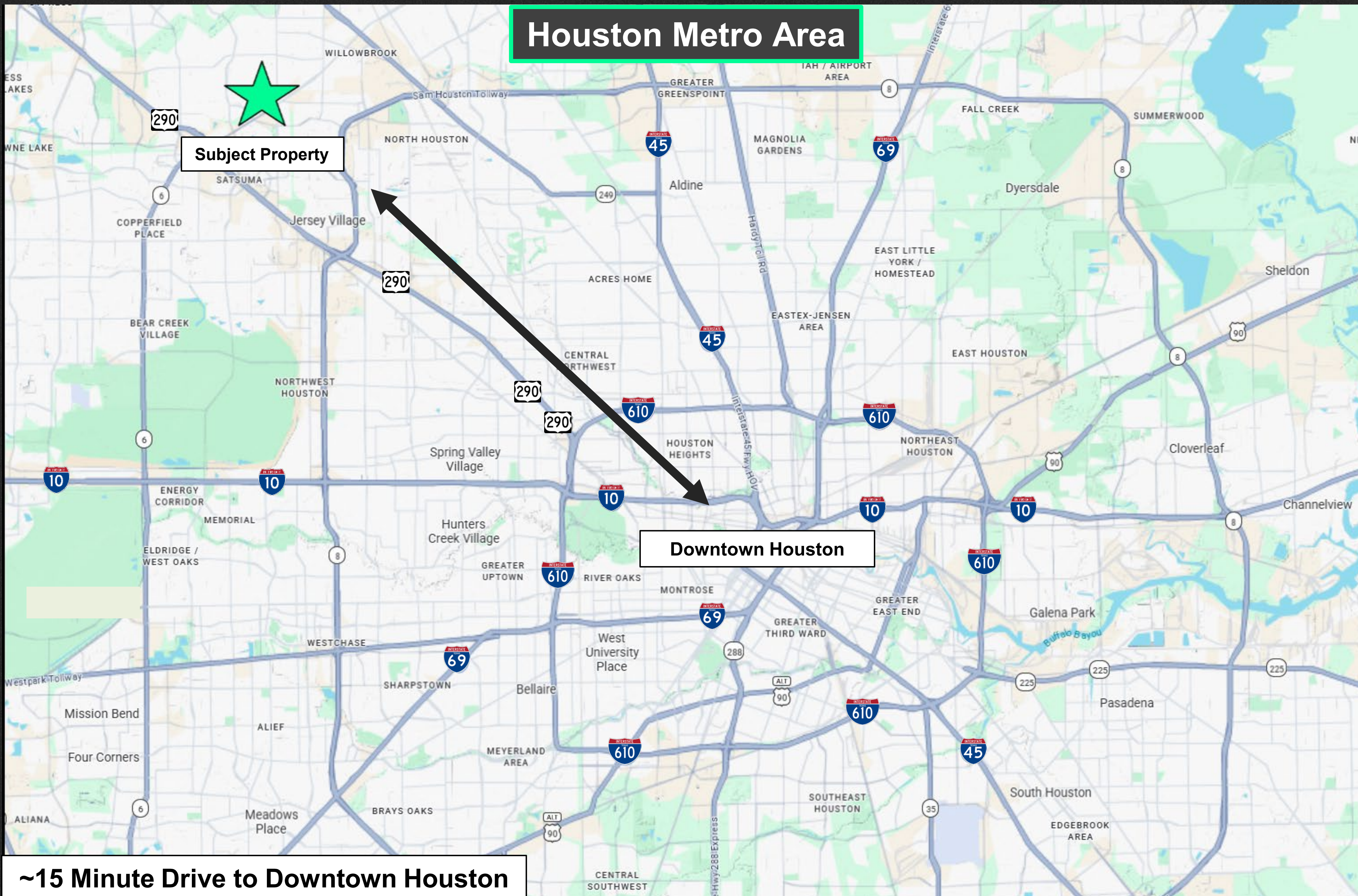
- **Low-Coverage Houston Industrial Asset with Expansion Flexibility** – The Subject Property is a 31,900 SF industrial facility situated on 1.79 acres in Houston, Texas, a deep and highly active industrial market. With approximately 40.9% lot coverage, the site provides excess land and flexibility for future expansion, outdoor storage, or additional operational capacity.

- **Long-Term Absolute Triple-Net (NNN) Lease with Annual Rent Increases** – The Tenant will enter into a new 15+-year absolute triple-net lease, under which the Tenant is fully responsible for the building structure, maintenance, insurance, real estate taxes, and all other operating expenses, providing the Landlord with a passive, low-maintenance investment. The lease will include annual rent escalations of 3.00%, offering predictable long-term cash flow and contractual inflation protection within an industrial asset class supported by durable demand fundamentals.

Rent Schedule

Period	Annual Rent	Monthly Rent	Rent Increase
Year 1	$414,700	$34,558	-
Year 2	$427,141	$35,595	3.00%
Year 3	$439,955	$36,663	3.00%
Year 4	$453,154	$37,763	3.00%
Year 5	$466,749	$38,896	3.00%
Year 6	$480,751	$40,063	3.00%
Year 7	$495,173	$41,264	3.00%
Year 8	$510,029	$42,502	3.00%
Year 9	$525,330	$43,777	3.00%
Year 10	$541,089	$45,091	3.00%
Year 11	$557,322	$46,444	3.00%
Year 12	$574,042	$47,837	3.00%
Year 13	$591,263	$49,272	3.00%
Year 14	$609,001	$50,750	3.00%
Year 15	$627,271	$52,273	3.00%

Regional Map



Facility Overview

Aerial Video: Click Here

Address:	11339 Neeshaw Drive Houston, TX 77065
APN:	1165650000021
Building Size:	31,900 SF
Lot Size:	1.79 AC
Construction Year:	2004 (Renovated 2020)
Clear Height:	18’
Fencing:	Full Property
Environmental:	Oct. 2024 Phase I – No RECs Identified
Excess Land for Expansion:	Yes
Investment into Site:	~$2.4 Million

Mission-Critical Headquarters and Sole Operating Facility

The Subject Property serves as Basic Environmental Group’s sole Houston-based headquarters and mission-critical operating facility, supporting the Company’s field services, environmental remediation, specialty contracting, equipment rental, and project execution functions. The Property provides the operational infrastructure required to stage equipment, store specialized materials and supplies, dispatch crews, and coordinate active and incoming projects across the Houston market and Texas Gulf Coast.

Basic has invested approximately $2.4 million into the site, materially enhancing the facility’s operational capacity, security, and long-term infrastructure value through exterior reconstruction, a ~10,000 SF climate-controlled warehouse addition, expanded office space, on-site shower facilities for emergency response personnel, upgraded signage and mechanical gates, a security camera system, and roof coatings designed to improve durability and reduce maintenance risk. The facility is particularly important to Basic’s work with industrial, refinery, commercial, and institutional customers, and the Company’s decision to pursue a sale leaseback, rather than sell and relocate, underscores the operational importance of the site while allowing Basic to preserve continuity at its only facility and unlock capital to strengthen the balance sheet, restore vendor relationships, and fund growth.

Aerial Photos

Aerial Photos

Aerial Photos

Property Photos



Property Photos

Property Photos

Property Photos

Property Photos

Property Photos

Guarantor Overview

Lease Guarantor

Basic Environmental Group, LLC is a Houston-based industrial general contractor providing field services, environmental remediation, subcontracted specialty work, and equipment rental solutions to commercial, industrial, institutional, and refinery-related customers. The Company has established itself as a qualified prime contractor with a proven ability to execute complex scopes of work across regulated and access-controlled environments. Basic serves a long-standing blue-chip customer and project partner base that includes ExxonMobil, BP, Shell, NASA, CBRE, JLL, and Compass, supported by its sole Houston-based operating facility, specialized environmental safety certifications, field labor capabilities, equipment infrastructure, and zero-accident safety record.

58
Cumulative Years
Of experience and excellence in the construction industry.

14
Years of Safety
Basic Industries has never had a lost time or safety incident.

24
Hours of Response time
Basic Industries is available 7 days a week and 24 hours a day.

Company Founded	2011
Near-Term Pipeline	$10 Million
Core Services	Environmental Services, Specialty Contracting & Equipment Rental

The Company's mission is to provide quality, reliable results for customers while enforcing high safety standard, reflected by their zero-accident status since their founding in 2011.

Market Overview

Houston, TX | Industrial Market

The Houston MSA boasts one of the most vibrant and diverse industrial markets in the United States. Known as the energy capital of the world, Houston's industrial sector is deeply intertwined with the oil and gas industry, but it also encompasses a wide range of other industries, including manufacturing, logistics, healthcare, and technology. The region's strategic location, robust infrastructure, and business-friendly environment have attracted a multitude of businesses, making it a key player in the national and global economy. Houston is one of North America’s most competitive and strategically important industrial real estate markets, combining deep logistics infrastructure, energy-sector dominance, population growth, manufacturing scale, and relative affordability in a way few U.S. markets can match.

Houston’s transport hubs, including George Bush Intercontinental Airport and the Port of Houston, play a crucial role in facilitating the movement of goods, fostering economic growth, and enhancing the city's competitiveness as a global logistics and industrial center.

Ideal Southwestern City for Industrial Operations

$2.2 Billion	871 Million SF	$98.7 Billion
12 Month Sales Volume	*Total Industrial Inventory*	*2026 GDP*

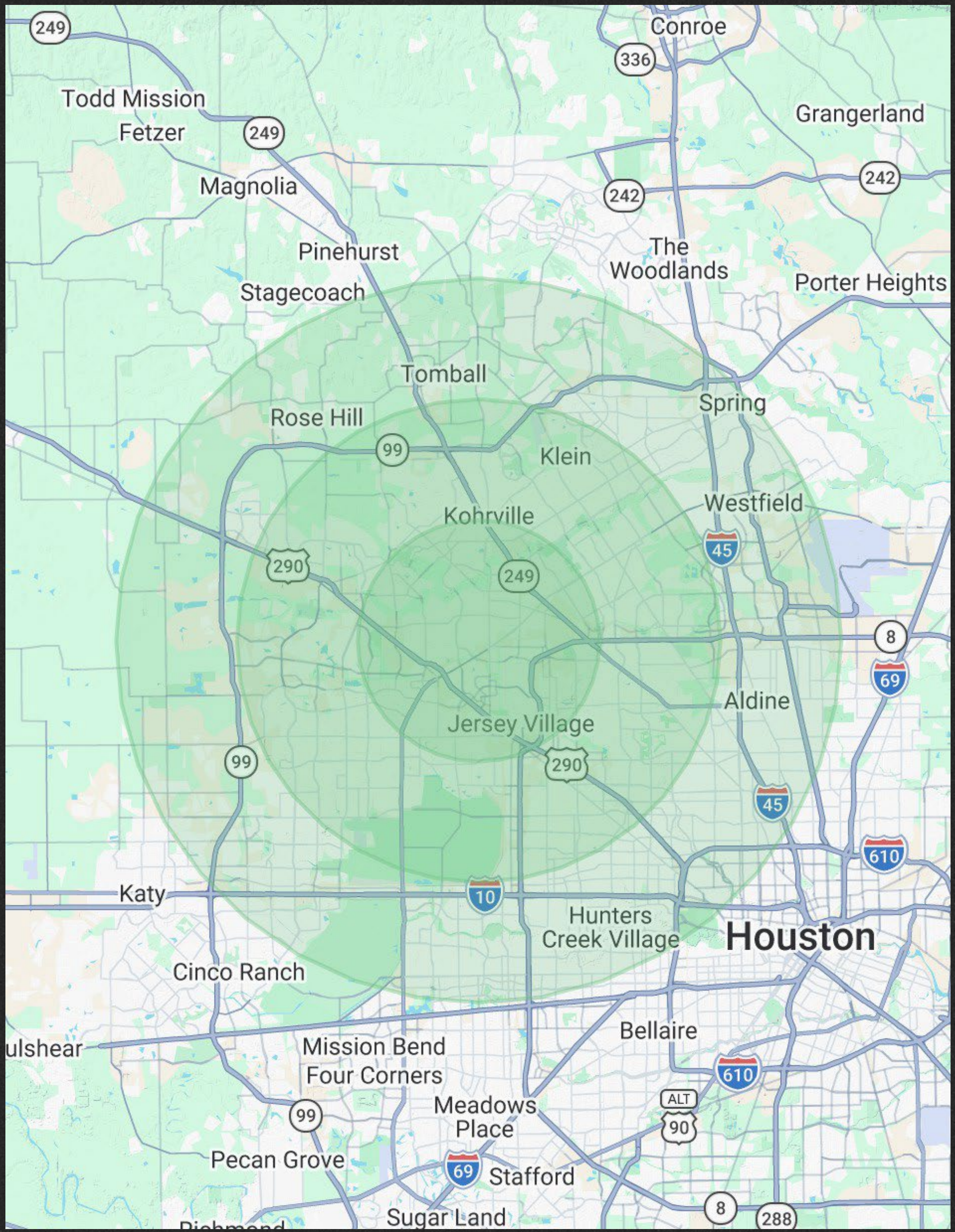
Major Employers

UNITED
ExxonMobil
SEP-PRO SYSTEMS
Walmart
CARPENTER TECHNOLOGY
Westlake
UNIVERSITY OF HOUSTON FOUNDED 1927

Demographics Report

POPULATION	5 MILES	10 MILES	15 MILES
Total Population	266,902	1,091,465	2,129,633
Average Age	37.1	35.2	35.3
Average Age (Male)	35.9	34.1	34.4
Average Age (Female)	38.6	36.3	36.3

HOUSEHOLDS & INCOME	5 MILES	10 MILES	15 MILES
Total Households	99,192	366,529	761,118
# of Persons per HH	2.7	3.0	2.8
Average HH Income	$110,429	$111,773	$116,652
Average House Value	$288,893	$295,083	$360,524



Disclaimer and Confidentiality

The information contained in this Marketing Brochure has been obtained from sources believed to be reliable; however, the accuracy or completeness of such information cannot be guaranteed. Ascension Advisory & Brian Brockman (“Broker”) have not, and will not, verify any of this information, nor has Broker conducted, nor will it conduct, any investigation regarding these matters. Broker makes no representations, guarantees, or warranties of any nature as to the accuracy or completeness of any information provided herein. The information contained in this brochure is in no way a substitute for a thorough due diligence investigation by Buyer.

Broker has made no investigation of, and makes no representations, guarantees, or warranties of any nature with regard to the income and expenses for the property or the future financial performance of the property. In addition, Broker has made no investigation of, and makes no representations, guarantees, or warranties as to the size and square footage of the property, the presence of any contaminating substances at the property, the physical condition of the property, or compliance with any state, local, or federal regulations. Broker has also made no investigation of, and makes no representations, guarantees, or warranties of any nature with regard to the financial condition or future financial condition of any tenants, nor any future plans or intentions of tenants with respect to the continued occupancy of the property.

All parties acknowledge that Broker has no affirmative obligation to conduct a due diligence examination of the property on behalf of any Buyer. Any and all projections or estimates used in this Marketing Brochure are for illustrative purposes only and do not represent the current or future performance of the property. Accordingly, Broker assumes no legal responsibility for the accuracy or completeness of this information and expressly disclaims all representations, guarantees, or warranties related thereto.

The value of the property to any Buyer depends on numerous factors that must be evaluated by Buyer and Buyer’s legal, tax, construction, and financial advisors. Buyer and Buyer’s advisors should conduct a thorough, independent investigation of the property to determine its suitability for Buyer’s intended use. This investment, as with all real estate investments, involves substantial risk. Buyer and Buyer’s legal and financial advisors are strongly encouraged to request and review all legal and financial documentation related to the property and its tenants.

A tenant’s past performance is not a guarantee of future performance. The lease rate stated for certain properties may be based on a tenant’s projected sales, with little or no record of actual performance or comparable rents in the applicable market. Returns are not guaranteed. Tenants may fail to pay rent, property taxes, or other obligations under the lease, or may otherwise default under the terms thereof. Regardless of any tenant performance history and/or any lease guarantors or guarantees, Buyer is responsible for conducting Buyer’s own independent investigation of all matters relating to tenants and lease agreements.

Broker is not responsible for the performance of any tenant or for any breach or default by a tenant under any lease agreement relating to the property. Buyer is solely responsible for evaluating the value of the property, including, without limitation, the value of any long-term leases. Buyer must carefully assess the risk of tenant vacancy or default and the financial impact of securing a replacement tenant. Buyer must also evaluate Buyer’s legal ability to make alternative use of the property in the event of tenant abandonment.

Confidentiality

This Marketing Brochure and the information contained herein are proprietary and strictly confidential. It is intended solely for use by the party receiving it from Broker and may not be made available to any other person or entity without the prior written consent of Broker.

Release

This Marketing Brochure has been prepared to provide basic, unverified information for prospective purchasers. By accepting this Marketing Brochure, the recipient agrees to release and hold harmless Broker from any claim, demand, liability, or loss arising out of, or relating in any way to, the information contained herein or the Buyer’s investigation of the property. In no event shall Ascension Advisory or Broker be liable to any party for any direct, indirect, special, incidental, or consequential damages of any kind whatsoever arising out of the use of this Marketing Brochure or any information contained herein.

Non-Endorsement

Broker is not affiliated with, endorsed by, or sponsored in any way by any tenant or lessee identified in this Marketing Brochure. The inclusion of any entity’s name or logo is not intended to indicate, expressly or implicitly, any affiliation, sponsorship, or endorsement of Broker by such entity.

Contact

Ascension Deal Team:

Chelsea Mandel
Managing Director
(516) 850-6962
chelsea@ascensionadvisory.com

Doug Carey
Head of Underwriting
(216) 533-0499
doug@ascensionadvisory.com

Nina Valtchanov
Head of Transactions
(310) 954-6966
nina@ascensionadvisory.com

Spencer Freid
Associate
(425) 681-0292
spencer@ascensionadvisory.com

Broker of Record

Brian Brockman
Bang Realty-Texas Inc.
(513) 898-1551
bor@bangrealty.com

TX Lic. 701472 | CORP.Lic. 9007017

2-10-2025

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.

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. **An owner's agent fees are not set by law and are fully negotiable.**

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. **A buyer/tenant's agent fees are not set by law and are fully negotiable.**

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.

Bang Realty-Texas, Inc	9007017	bor@bangrealty.com	513-898-1551
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Brian Brockman	701472	brian@bangrealty.com	513-898-1551
Designated Broker of Firm	License No.	Email	Phone
------------N/A-----------			
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
------------N/A-----------			
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials   Date