



CASE STUDY

**LONE STAR LOGISTICS PARK
SUBLEASE SUCCESS**

CLASS A INDUSTRIAL SUBLEASE

LONE STAR LOGISTICS PARK SUBLEASE SUCCESS

LONE STAR LOGISTICS PARK, 2304
REED RD, BUILDING A, HOUSTON, TX

CLIENT OVERVIEW

In a challenging industrial market, our client faced a unique situation with the long-term prime lease at Lone Star Logistics Park. They aimed to sublease the property at the highest possible recovery rate to minimize financial strain on their business. This goal was further compounded by slowing market demand for larger bay industrial spaces, particularly affecting newly built properties like this build-to-suit facility. The client referred to the lease as a “boat anchor,” slowing their progress on core business objectives. Our mission was clear: relieve the client of this “anchor” and maximize their recovery to free up cash flow.

58,192 SF

30' Clear Height

52' x 60' Column Spacing

Adjacent Land for Storage

Power Capacity of 4,000A
at 480/277V



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CHALLENGES

The market for larger bay industrial properties was experiencing a slowdown, and with the building being a recent build-to-suit, we knew it would take a targeted and aggressive approach to find the right subtenant. The timing was also impacted by Hurricane Beryl, which had led to delays in city and utility infrastructure. However, this became a point of leverage, as the facility was one of the few properties in Houston with a padmount transformer capable of supplying 4,000 amps at 480/277 volts—an essential feature for specific industrial users.

OUR APPROACH

Our team devised a comprehensive, multi-channel strategy to maximize exposure and attract ideal tenants:

- **High-End Marketing Materials:** We created detailed, high-quality marketing materials to showcase the property's strengths and unique features, including its heavy power capacity and high parking availability.
- **Automated Follow-Up Systems:** An automated follow-up system was implemented to ensure inquiries stayed top-of-mind for prospective tenants.
- **Broker Engagement:** We reached out directly to active industrial brokers in the city, ensuring that the property was front and center for their clients.
- **Curated Tenant Targeting:** By calling through a curated list of industries and tenants who could specifically benefit from the property's power and parking capabilities, we honed in on the most viable subtenant options.



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RESULTS

Ultimately, our efforts paid off. The sublease not only relieved the client of a significant financial burden but also freed up valuable cash flow, allowing them to refocus on building their core business. Leveraging the unique power capabilities post-Hurricane Beryl gave the client substantial market power, resulting in one of the highest recovery rates achieved in the market.

CLIENT-CENTRIC DECISION-MAKING

Throughout the process, we kept the client involved in every step. Our team provided financial modeling for each prospective subtenant and presented options on a deal board, scoring them based on the client's preferences. This approach allowed the client to have full authority over deal selection, and we pursued top-ranked prospects aggressively while keeping less desirable options on standby. This flexibility gave the client control without missing out on any potential opportunities.



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