

HOELSCHER WEATHERSTRIP MANUFACTURING CO., INC.

2400 S. Persimmon St. Tomball, Texas 77375 Phone 713-869-6466 Office Fax: 713-869-6469

November 12, 2025

Tiffani Wooten, CEcD Assistant Director Tomball Economic Development Corporation 29201 Quinn Rd., Suite A Tomball, Texas 77375

Dear Tiffani,

As you are aware, Hoelscher Properties LLC, a Texas limited liability company, ("Hoelscher Properties") purchased from Tomball Economic Development Corporation (TEDC) approximately 16.9 acres of undeveloped land (the Hoelscher Tomball Tract) in the Tomball Business and Technology Park (the Park) in 2018.

Background

The Hoelscher Weatherstrip business was started by Henry Hoelscher and his wife, Esther Hoelscher, in 1958. At that time, the business of Hoelscher Weatherstrip consisted solely of the fabrication and installation of weatherstripping for commercial and residential applications. In a business succession in 1993, Charles Hoelscher, Derek Hoelscher, and Mark Hoelscher (collectively, the Hoelscher Brothers) acquired the business started by their parents.

From its beginning, Hoelscher Weatherstrip operated continuously from the same location on West 23rd Street in the City of Houston. Because of its continued success in the fabrication and installation of weatherstripping, and the expansion of its business into the fabrication, installation, and distribution of doors, Hoelscher Weatherstrip outgrew its home on West 23rd Street. In order to accommodate its growing business, in 2006, Hoelscher Management acquired a 5.048-acre parcel in the West Sam Houston Business Park and built a 65,500-square foot office/warehouse facility from which Hoelscher Weatherstrip conducted its business. Having outgrown this facility, in 2014, the Hoelscher Group constructed on the Hoelscher Houston Oaks Property an additional 44,500-square foot facility, bringing the total of its current office/warehouse to 110,000 square feet.

Because of the continued success of its business, the Hoelscher Group¹ outgrew its facilities at the Hoelscher Houston Oaks Property, and for this reason purchased the 16.9 acres in the Park and constructed a 193,000-square foot office/warehouse facility. Construction began in 2019 and was completed and occupied in April of 2020. The estimated value of the new facility at the time of purchase was \$7,500,000.00.

Development of, and Operations from, Hoelscher Tomball Tract

Hoelscher Weatherstrip will continue its current operations from the Hoelscher Tomball Property, those operations consisting primarily of:

- furnishing and/or installation of exterior doors/door units to Greater Houston area homebuilders and remodelers and retail markets;
- distribution of doors/door units to residential building suppliers throughout the Southeast United States; and,
- wholesale and retail sales of doors and weatherstrip materials over-the-counter.

By relocating its operations to the City of Tomball, Hoelscher Weatherstrip brought over 105 full-time employees, including the owners, and 10 contractors. For the 2018 fiscal year ended in June, Hoelscher Weatherstrip had an employee payroll totaling approximately \$7,500,000.00 and contractor payouts of approximately \$575,000.00. For the most recent fiscal year ending in June (2025), Hoelscher Weatherstrip employed 167 full-time employees, 10 contractors and had an employee payroll totaling approximately \$9,000,000.00 and contractor payouts of approximately \$650,000.00.

Through this expansion and its continued business growth, Hoelscher Weatherstrip can expect to increase its employee roster by 10 in the following 4 years.

Description of Improvements

Because of the continued success of its business, the Hoelscher Group is expanding its facility with the addition of 45,375 SF of warehouse space. It will also be concrete tilt wall building construction. Its primary use will be warehouse and shipping space. The expansion will include additional parking and loading docks.

¹The Hoelscher Group consists of Hoelscher Properties; Hoelscher Property Management Ltd., a Texas limited partnership ("Hoelscher Management"); Hoelscher Weatherstrip Manufacturing Co., Inc., a Texas corporation ("Hoelscher Weatherstrip"). For the sake of accuracy, it is contemplated that the Hoelscher Tomball Tract will be acquired by Hoelscher Management, of which Hoelscher Properties is the sole general partner

² Northwinds Construction constructed the Hoelscher Group facilities at the Hoelscher Houston Oaks Property, and is expected to be the contractor for this project as well. The Hoelscher Group has already had preliminary discussions with Northwinds regarding the new facility.

See attached Exhibit B.

Project Eligibility

The proposed project is eligible for tax abatement under Section 4(a) of the City of Tomball Abatement Policy as a Corporate Headquarters Facility, a Regional Distribution Facility and a Manufacturing Facility.

No work has commenced on this project and the Hoelscher Group is prepared to enter into an abatement agreement with the City of Tomball prior to the commencement of construction should this project be approved.

Minimum Standards for Tax Abatement

With respect to Section 3 of the Guidelines and Criteria of the City of Tomball Tax Abatement Policy, the Hoelscher Group notes the following:

- a. There will be very little use of any hazardous materials at the site. Further, any operations involving hazardous materials will be conducted strictly in accordance with all applicable laws, rules, and regulations.
- b. It is anticipated that the planned development will both stimulate local employment and have a positive impact on local businesses.
- c. New Facilities: As noted above, the project will establish and maintain at least twenty-five (25) jobs in the City of Tomball, and will have a minimum investment in excess of \$1,000,000.
- d. **N/A.**
- e. NIA.
- f. Abatement is requested for the additional tax value resulting from the construction of new facilities.
- g. It is believed that the project will have a high level of visibility and image impact, or will be a significantly higher level of development quality.
- h. Due to the services required to operate the facility, the Hoelscher Group expects the project to attract or retain other high quality industrial/business development.
- While some of the employment will be new, any existing employees will be transferred from facilities outside of the City of Tomball.
- j. All development will conform to the City of Tomball zoning ordinances.
- k. The cost of services required for the development, will not exceed the amount of taxes generated if abatement is granted.

Compliance with Employment Laws

The Hoelscher Group certifies that its employment policy prohibits the employment of undocumented workers and that it will adhere to this policy while the abatement is in effect. The Hoelscher Group understands and agrees that if any of its member entities are convicted of a violation under 8 U.S.C. Section 1324a(f) after receiving a tax abatement, The Hoelscher Group will repay the amount of the tax abatement with interest at the rate of 12% per annum, within 120 days after the City notifies The Hoelscher Group of the violation.

Conclusion

Through the years, the Hoelscher Weatherstrip business model has evolved into a multi-faceted operation, with growth in each division. The acquisition of the Hoelscher Tomball Tract has enabled Hoelscher Weatherstrip to continue to grow and conduct its current operations, and with the expansion, it is positioned to grow even further.

The City of Tomball is a vibrantly growing community. The Hoelscher Group is proud to be a part of that growth over the last 5-plus years and requests the assistance of TEDC as outlined herein.

HOELSCHER WEATHERSTRIP MANUFACTURING CO., INC.

Derek L. Hoelscher, President

Derek L. Hoelscher

EXHIBIT B

Description of Improvements

Because of the continued success of its business, the Hoelscher Group is expanding its facility with the addition of 45,375 sq. ft. of warehouse space. It will also be of concrete tilt wall building construction. It's primary use will be warehouse and shipping space. The expansion will include additional parking, drives and loading docks.

Site Layout

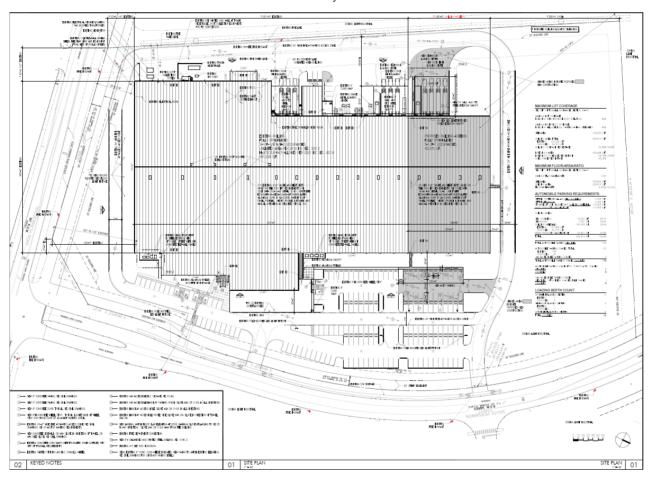


Exhibit B Continued

Description of Improvements

Elevations

