

Park 225

Recently Constructed, 29,954 SF Crane-Served Industrial Building in Houston (MSA), Texas



A 10-Year Lease Net Lease Term Offering leased to Johnson Controls, Inc. (Moody's: Baa2)

Executive Summary



**PREMIER SOUTHEAST LOCATION
NEAR PORT OF HOUSTON**

**INVESTMENT GRADE
TENANCY WITH 10 YEARS OF
REMAINING TERM AND 3%
ANNUAL RENT INCREASES**

**NEW CONSTRUCTION WITH
PROVEN SPONSORSHIP**





**PROXIMITY TO CRITICAL
OPERATIONS/LOCATIONS**

**PETROCHEMICAL HUB OF THE
UNITED STATES**

INVESTMENT SUMMARY


JLL Capital Markets, on behalf of the seller, is pleased to offer qualified investors the opportunity to acquire Park 225 (the “Property”), a 100% leased, 29,954 square foot single-tenant asset located in Houston’s Southeast submarket. The Property was recently completed in 2020 as a build-to-suit and features 40 ton crane capability as well as direct access to both Beltway 8 and Highway 225. The tenant, Johnson Controls International, has 10 years of term remaining and investment grade credit. Park 225 offers investors the opportunity to acquire a stabilized, cash-flowing property in Houston’s institutionally preferred submarket.

INVESTMENT OVERVIEW

-  Premier Southeast Location Near Port of Houston
-  Proximity to Critical Operations/ Locations
-  Investment Grade Tenancy With 10 Years of Remaining Term and 3% Annual Rent Increases
-  Petrochemical Hub of the United States
-  New Construction with Proven Sponsorship


\$7,820,000
PRICE


6.25%
CAP RATE


7.16%
AVERAGE CAP RATE OVER
LEASE TERM

PROPERTY SUMMARY

Address	4111 Greenshadow Dr., Pasadena, TX 77503
Square Feet	29,954 SF
Occupancy	100%
Tenant	Johnson Controls International
Year Built	2020
Remaining Term	9.92 Years
Climate Control	100% Climate Controlled
Parking/Trailer Spaces	45 Spaces
Land	2.75 Acres

INVESTMENT GRADE TENANCY WITH 10 YEARS OF REMAINING TERM AND 3% ANNUAL RENT INCREASES

- Johnson Controls International is a multinational conglomerate with investment grade credit (Moody’s: Baa2 / Stable outlook). JCI’s current market capitalization is approx. \$26B and saw revenue of \$23.97B in 2019. With 9.92 years of remaining lease term and 3% annual rent bumps, Park 225 offers investors a stable, cash-flowing asset with upside via the annual rent escalations.

NEW CONSTRUCTION WITH PROVEN SPONSORSHIP

- Vigavi Realty is a privately held industrial real estate investment and development firm based in Houston, Texas. Vigavi has been investing and developing in Houston for its own account for the past decade, and leverages its deep market knowledge and relationships, solid capital structure and investment discipline, to systematically evaluate the prospects of an investment, while maintaining an entrepreneurial focus. Employing its vertically-integrated development and construction platform, Vigavi delivers a uniquely hands-on and proficient approach to its partners, clients and stakeholders. The 100% climate controlled 2020 tilt-wall construction with 34’ eave height, 110’ truck court depth, expandable building design & two 20-ton cranes offers investors a chance to acquire a versatile asset developed to institutional quality standards.

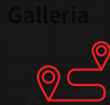
PARK 225

INVESTMENT HIGHLIGHTS

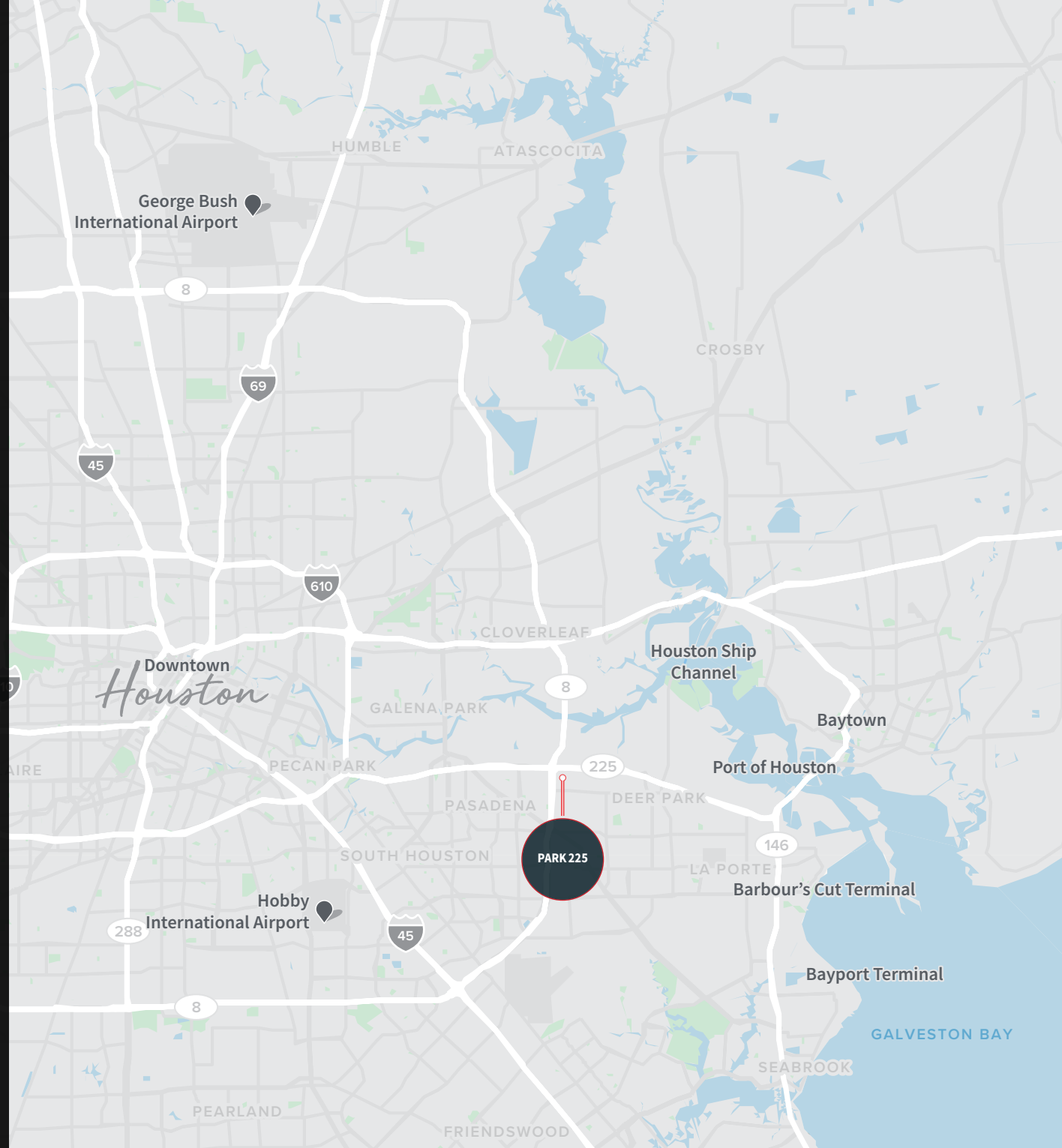
PREMIER SOUTHEAST LOCATION NEAR PORT OF HOUSTON

- Located at the Southeast corner of Beltway 8 & Highway 225, Park 225 is strategically located in Houston's Southeast industrial submarket just 5.5 miles from the Port of Houston, a 25-mile long development servicing 8,200 vessels and 215,000 barges each year, that is currently experiencing double digit annual growth in container volume year over year. The Port of Houston continues to make strategic capital investments that will enhance the Port's waterway, terminal, road, rail and industrial property infrastructure to create the most efficient, productive, and cost-effective system possible. Park 225 is a high caliber, deed-restricted business park with notable tenants such as GE, Kinder Morgan and Emerson.

PROXIMITY TO CRITICAL OPERATIONS/LOCATIONS



Beltway 8	0.01 Miles
Interstate 10	5.3 Miles
Interstate 610	7.8 Miles
Baytown	10.9 Miles
Barbour's Cut Container Terminal	11.9 Miles
Hobby International Airport	12.4 Miles
Bayport Container Terminal	13.6 Miles
Downtown	15.9 Miles
Galleria	22.3 Miles
George Bush International Airport	27.9 Miles
Texas City	33.9 Miles
Sugar Land	34.9 Miles



PARK 225

INVESTMENT HIGHLIGHTS

#	COMPANY	CITY	STATE	WHEN ONSITE
1	Total	Bayport	TX	Q4 2017
2	Ineos Sasoll	Deer Park	TX	Q4 2017
3	Braskem	LaPorte	TX	Q4 2017
4	ExxonMobil	Mount Belvieu	TX	Q4 2017
5	ExxonMobil	Mount Belvieu	TX	Q1 2018
6	Chevron Phillips	Sweeny	TX	Q2 2018
7	Enterprise	Mount Belvieu	TX	Q3 2018
8	Chevron Phillips	Cedar Bayou	TX	Q3 2018
9	Dow	Freeport	TX	Q4 2018
10	Formosa	Point Comfort	TX	Q4 2018
11	Eastman	Longview	TX	Q4 2018
12	ExxonMobil	Baytown	TX	Q4 2018
13	Ingleside Occidental	Ingleside	TX	Q4 2018
14	INEOS	Chocolate Bayou	TX	Q4 2018
15	Dupont	Orange	TX	Q1 2019
16	LyondellBassell	LaPorte	TX	Q4 2019
17	Formosa	Point Comfort	TX	Q3 2019
18	Equistar	LaPorte	TX	Q4 2019
19	ExxonMobil	Beaumont	TX	Q4 2019
20	Total	Port Arthur	TX	Q2 2021
21	ExxonMobil/Sabic	Corpus Christi	TX	Q3 2022

PETROCHEMICAL HUB OF THE UNITED STATES



The cheap feedstock used to produce plastic resin pellets spurred a slew of new and expanded chemical plants in Southeast Houston and along the Gulf Coast making the area home to the largest U.S. petrochemical port and second only to Rotterdam in the world. **ExxonMobil alone predicts** that it will expand its export volume from 50 containers a day to 300 containers a day of raw polyethylene plastic. **Across the U.S., polyethylene inventories are expected to rise by 4.5 billion tons from 2016-2020.**



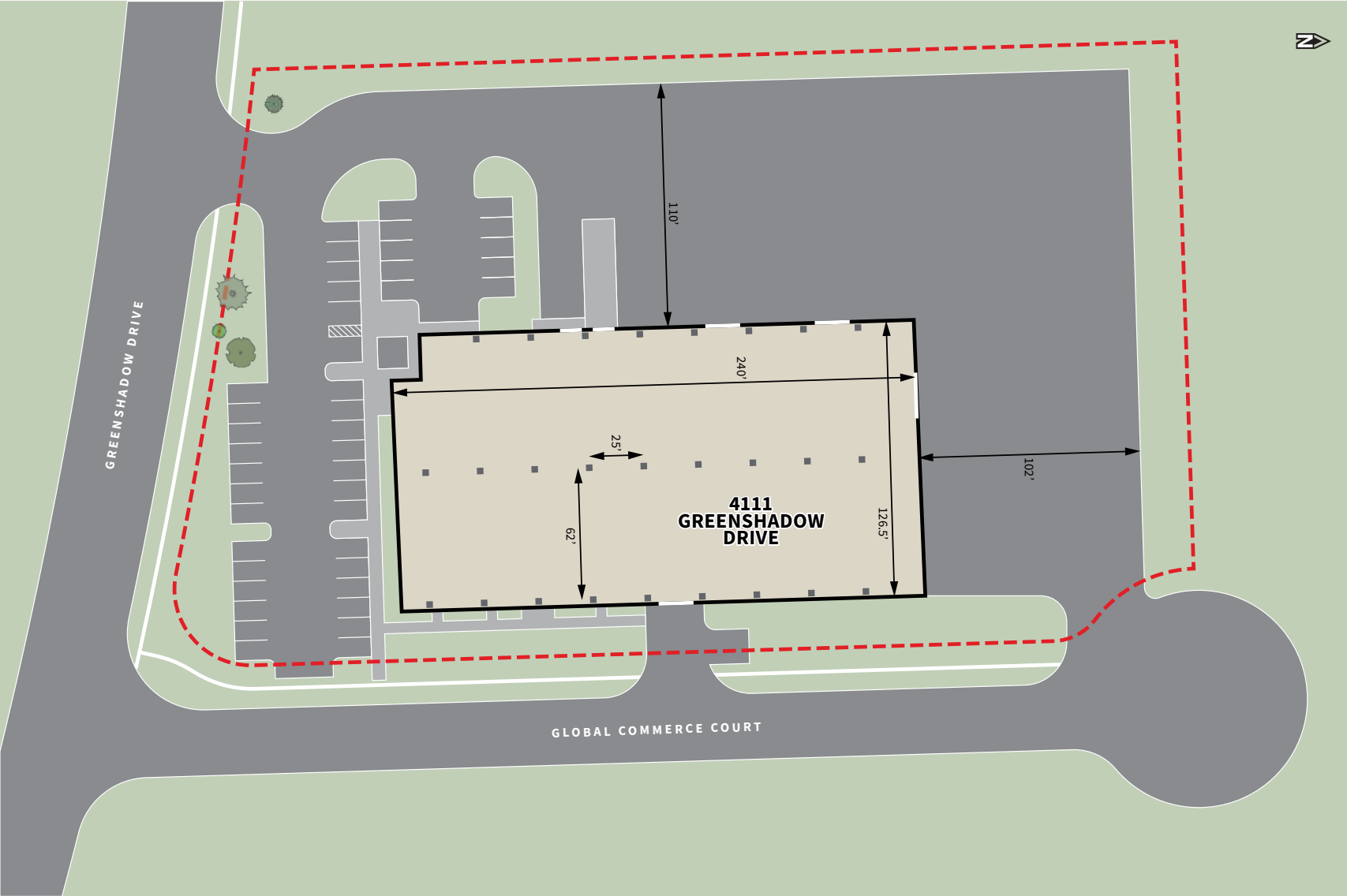
PARK 225 PROPERTY DESCRIPTION

Building	Park 225
Address	4111 Greenshadow Dr., Pasadena TX 77503
Remaining Lease Term	9.92 Years
Square Feet	29,954 SF
Occupied SF	29,954 SF
Year Built	2020
Eave Height	33.8'
Crane Service	Two 20-Ton Deshazo Cranes
Configuration	Freestanding
Climate Control	100% Climate Controlled

Truck Court Depth	110'
Drive Ins (+Ramp)	5
Loading Docks	1
OHD	6
Parking/Trailer Spaces	45 spaces
Office Finish SF	6,569 SF
Office Finish %	22%
Land	2.75 Acres
Construction Material	Tilt Wall Panel
Expansion Capability	Expandable Building Design



PARK 225 SITE PLAN



Houston Southeast Industrial Submarket

LOCATED WITHIN THE PETROCHEMICAL HUB OF THE UNITED STATES

PROXIMITY TO CRITICAL OPERATIONS/LOCATIONS

LOGISTICAL ADVANTAGES WITH ACCESS TO RAIL AND THE PORT OF HOUSTON

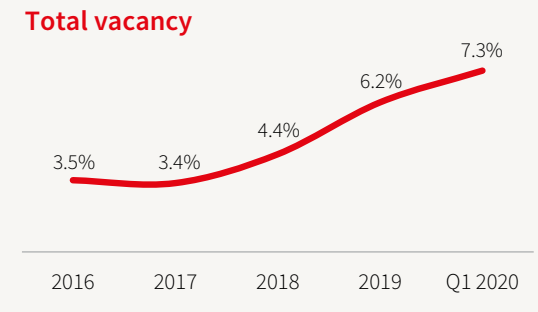
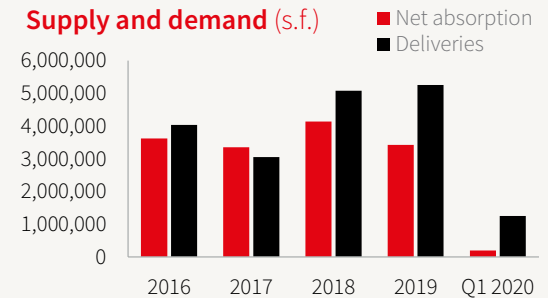
LEADING SUBMARKET FUNDAMENTALS (#1 IN NET ABSORPTION IN 2019 WITH 3.2 MILLION SF)

LEADING SUBMARKET FUNDAMENTALS (#1 IN NET ABSORPTION IN 2019 WITH 3.2 MILLION SF)

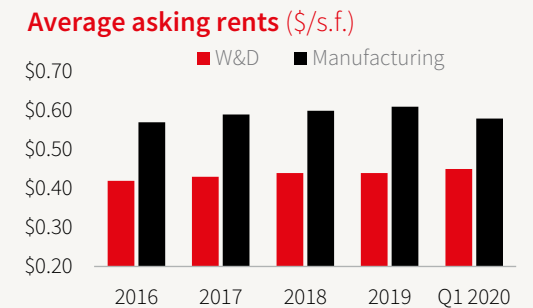
- The Southeast industrial submarket has emerged as a leader in the Houston market and continues to outperform the market as a whole with strong leasing activity and low vacancy. Located east of Loop 610 between Interstate 10 and Interstate 45, the Southeast Industrial submarket offers a number of logistical advantages in Houston, most notably Port Houston. With the port and extensive rail network in the area, the Southeast industrial submarket offers the most convenient access to multi-modal transportation options.



Inventory	87,289,623 s.f.
Q1 2020 net absorption	200,619 s.f.
2020 total net absorption	200,619 s.f.
Under construction	4,388,007 s.f.
Total vacancy	7.3%
Average asking rent (NNN)	\$0.45 p.s.f.
Leasing activity	679,899 s.f.



Southeast	Inventory (SF)	Quarterly	YTD	YTD	Total Vacancy (%)	Total Availability (%)	Average Direct Asking Rent (\$/PSF)	Quarterly Completions (SF)	YTD Completions (SF)	Under Construction (SF)
		Total Net Absorption (SF)	Total Net Absorption (SF)	Total Net Absorption (% of Stock)						
WAREHOUSE & DISTRIBUTION	69,803,082	230,619	230,619	0.3%	8.9%	15.0%	\$0.45	1,256,593	1,256,593	4,268,342
MANUFACTURING	17,466,541	-30,000	-30,000	-0.2%	1.0%	2.8%	\$0.58	0	0	119,665
TOTALS	87,289,623	200,619	200,619	0.2%	7.3%	12.7%	\$0.45	1,256,593	1,256,593	4,388,007



Source: JLL Research



KINDER MORGAN DEEPWATER

NRG ENERGY

PORT OF HOUSTON

AMSPec

ELLIOT ELECTRIC SUPPLY

FRONTIER LOGISTICS

FLOWSERVE PUMP DIVISION

FLOWSERVE SEA DIVISION

WIKA INSTRUMENT

PASADENA FWY

UPS INDUSTRIAL SERVICES

SIEMENS

SILVER EAGLE DISTRIBUTORS

SURVITEC SAFETY

SUNBELT SUPPLY CO

DEERWOOD GLEN BUSINESS PARK

BELTWAY 8

PARK 225

GREENSHADOW DR

ILA LOCAL 28

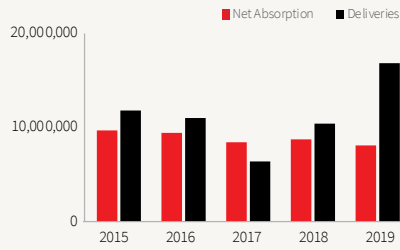
ENERGY COMMERCE CENTER

Houston Industrial Overview

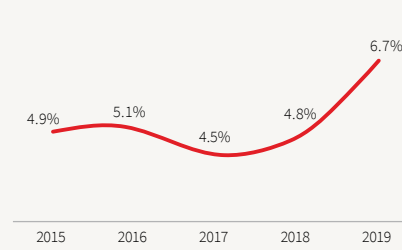
Q1 2020 HIGHLIGHTS

- Industrial construction activity surpassed the fourth quarter total, setting a record for the second consecutive period with 9.4 million square feet of new product breaking ground in the first quarter. Additionally, 8.4 million square feet of industrial product delivered this quarter, which was another new high for the market.
- Leasing activity and net absorption continued their fourth-quarter momentum into the new year. Deal volume totaled 5.2 million square feet, just under the five-year quarterly average of 5.5 million square feet, and absorption totaled 2.6 million square, above the long-term average of 2.3 million square feet.

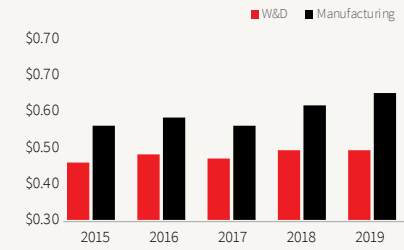
Supply and demand (SF)



Total vacancy



Average asking rents (PSF)



Inventory	Q1 Net Absorption	Under Construction	Total Vacancy	Average Asking Rent (NNN)	Leasing Activity
444,387,208 SF	2,563,701 SF	17,609,757 SF	7.7%	\$0.49/SF	5,160,845 SF

Houston Total	Inventory (SF)	Quarterly Total Net Absorption (SF)	Ytd Total Net Absorption (% of Stock)	Total Vacancy (%)	Total Availability (%)	Average Direct Asking Rent (\$PSF)	Quarterly Completions (S.f)	Ytd Completions (SF)	Under Construction (SF)
WAREHOUSE & DISTRIBUTION	358,072,669	1,245,084	0.3%	9.0%	13.4%	\$0.47	7,158,750	7,158,750	17,391,946
MANUFACTURING	86,314,539	1,318,617	1.5%	2.6%	4.4%	\$0.64	1,256,439	1,256,439	217,811
TOTALS	444,387,208	2,563,701	0.6%	7.7%	11.7%	\$0.49	8,415,189	8,415,189	17,609,757

Source: JLL Research

For more information

Investment Advisory

Trent Agnew, SIOR

Managing Director
JLL Capital Markets
trent.agnew@am.jll.com
(713) 852-3431

Charlie Strauss

Director
JLL Capital Markets
charles.strauss@am.jll.com
(713) 212-6574

Bryan Strobe

Analyst
JLL Capital Markets
bryan.strobe@am.jll.com
(713) 212-6551

Lance Young

Analyst
JLL Capital Markets
lance.young@am.jll.com
(713) 852-3544

For Financing Inquiries

Michael Johnson

Director
JLL Capital Markets
mf.johnson@am.jll.com
(713) 852-3474



9 Greenway Plaza, Suite 700 | Houston, TX 77049 | (713) 852-3500

www.us.jll.com/capitalmarkets

Copyright © Jones Lang LaSalle IP, Inc. 2020

Jones Lang LaSalle Americas, Inc. or its state-licensed affiliate ("JLL") has been engaged by the owner of the property [properties] to market it [them] for [sale] [lease]. Information concerning the property [properties] described herein has been obtained from sources other than JLL, and neither Owner nor JLL, nor their respective equity holders, officers, directors, employees and agents makes any representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all reference to age, square footage, income, expenses and any other property specific information are approximate. Any opinions, assumptions, or estimates contained herein are projections only and used for illustrative purposes and may be based on assumptions or due diligence criteria different from that used by a purchaser. JLL and owner disclaim any liability that may be based upon or related to the information contained herein. Prospective purchasers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change. The Property may be withdrawn without notice. If the recipient of this information has signed a confidentiality agreement regarding this matter, this information is subject to the terms of that agreement. ©2020. Jones Lang LaSalle IP, Inc. All rights reserved.