



# WESTCHASECOMMONS

Houston, Texas | Confidential Offering Memorandum





Jones Lang LaSalle Americas, Inc. is pleased to present the opportunity to acquire a fee-simple interest in Westchase Commons, a single story 3-building office/flex industrial complex totaling 149,893 SF strategically located within Houston's Westchase District. The complex provides a wide range of optionality to prospective tenants with grade-level, semi-dock, and dock-high loading areas all available. Currently occupied by tenants with heavy office build-outs, the buildings are designed to allow for easy conversion to warehouse use should tenants desire. The Property is currently 77% leased to a high quality tenant roster with 6.6 years of WALT with 31% total square footage leased to investment grade tenancy. New ownership will benefit from a stable in-place cashflow with the opportunity to generate a value-add return via lease-up of remaining vacancy.

#### WESTCHASE COMMONS PROPERTY SUMMARY

|                         |                      |
|-------------------------|----------------------|
| Street Address          | 3100-3120 Hayes Road |
| City, State, Zip Code   | Houston, TX 77082    |
| County                  | Harris               |
| Rentable Square Feet    | 149,893 SF           |
| Lot Size                | 13.93 Acres          |
| Stories                 | 1                    |
| Buildings               | Three                |
| Occupancy               | 77.2%                |
| Year Built / Reno       | 2001                 |
| Rentable Parking Spaces | 919 Spaces           |
| Parking Ratio           | 6.13/1,000 SF        |

# INVESTMENT HIGHLIGHTS



VALUE-ADD PROFILE WITH ATTRACTIVE IN-PLACE RETURNS



STRONG TENANT COMMITMENT



FLEXIBLE BUILDING DESIGN



WELL ABOVE MARKET PARKING RATIO



INVESTMENT GRADE TENANCY



LARGE SURROUNDING CORPORATE PRESENCE



HIGHLY AMENITIZED LOCATION



EXCEPTIONAL REGIONAL ACCESS



# INVESTMENT HIGHLIGHTS

## VALUE-ADD PROFILE WITH ATTRACTIVE IN-PLACE RETURNS

Currently 77.2% leased, the Property provides investors the opportunity to achieve value-add returns via the lease-up of the **existing 34,106 SF contiguous vacancy**, which can be leased to a single user or demised into multiple suites to appeal to the smaller users which make up a significant portion of the current leasing market.

## STRONG TENANT COMMITMENT

The largest in-place tenant, Conduent Commercial Solutions, previously Xerox, recently renewed their lease through May 2030. With this re-commitment, the Property provides reliable long-term income with **6.6 years of weighted average lease term and no tenant expirations until September 2023**. In addition to this recent lease extension, in-place tenants have spent significant capital to improve their spaces - BASF invested in a high quality lab build-out in a portion of their space and ABB added a highly specialized data center buildout, a critical component to their operations.

## FLEXIBLE BUILDING DESIGN – TRULY DIFFERENTIATED AMONG COMPETITIVE SET

Designed with flexibility in mind, these one-story buildings were designed with oversized windows which can be removed and replaced by industrial dock doors for future industrial users. Additionally, in order to meet the needs of a wide range of tenants, each of the three buildings are set at different loading dock levels - building 3100 at grade level, 3110 at dock-high, and 3120 at semi-dock high. These factors, combined with open floorplan layouts and above average parking ratio, differentiate the property from anything in the submarket and remain attractive to tenants in any leasing market.

## ABUNDANT TENANT PARKING

The Property boasts an impressive parking ratio of 6.13/1,000 SF, significantly higher than the 3.5-4.0/1,000 SF range which is commonly offered within the submarket. With both standard and covered spaces onsite, the Property is **one of only six in Westchase with a parking ratio higher than 6.0/1,000 SF**, all of which are either fully leased or entirely non-competitive with Westchase Commons. Given this competitive advantage, tenants with high parking requirements are highly drawn to the Property.

## SPOTLESS RENT COLLECTIONS

Despite requests for rent relief by tenants across the country, Westchase Commons has successfully collected 100% of rent for the months of April, May, and June.



# INVESTMENT HIGHLIGHTS

## INVESTMENT GRADE TENANCY

The Property is currently leased to three publicly traded companies, two of which (ABB and BASF) hold A credit ratings according to S&P while the other (Conduent) holds a credit rating of "B+" according to S&P. With 40% of leased square footage occupied by investment grade tenants, the property provides surety of cash flow during a tumultuous economic period. In addition, **79% of gross revenue in the first 3 years is attributed to existing contractual cash flow.**

## LARGE SURROUNDING CORPORATE PRESENCE

The Property is positioned at the gateway of Westchase, Houston's 4th largest office submarket, with 18.3 million SF of rentable space and a daytime population of nearly 100,000. Westchase is home to more than 1,500 businesses and major global employers, including several from the Fortune 200: Kroger, Bank of America, Phillips 66, Target, Cisco, Equinor ASA, Honeywell, National Oilwell Varco, and Office Depot. In addition to the aforementioned firms, the Westchase market contains a large concentration of engineering and construction companies, including ABB, Aker Solutions, Brown and Gay Engineers Inc., CB&I, Costello, Inc., Hoar Construction, Lockwood Andrews & Newnam and LJA Engineering.



# INVESTMENT HIGHLIGHTS

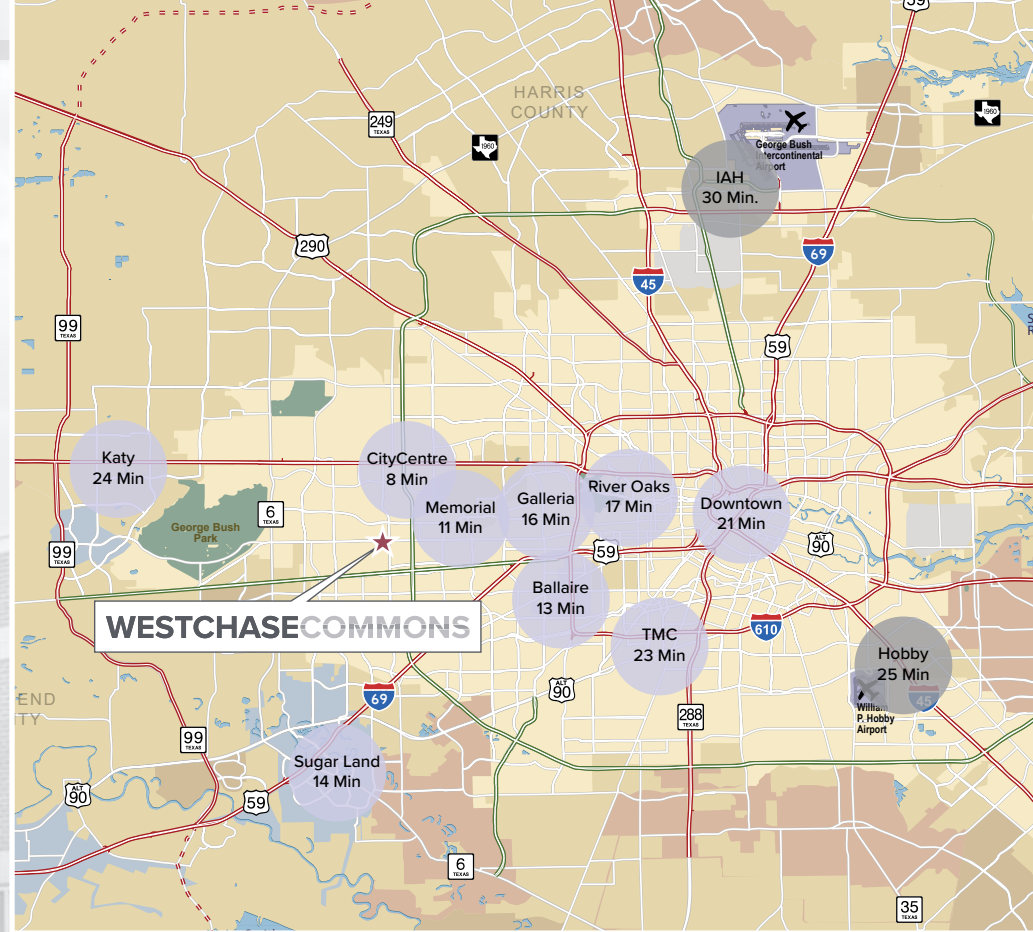
## EXCEPTIONAL REGIONAL ACCESS

Located, on Hayes Road in between Westheimer Road and Richmond Avenue, two of Houston's main east-west arteries, Westchase Commons benefits from unparalleled access to some of Houston's most prestigious communities and employment centers. With immediate access to Beltway 8, I-10, US 59 and Westpark Tollway, the Westchase District is rarely more than 30 minutes away from any major destination within Houston, including both major airports, the Texas Medical Center, Katy, Memorial, River Oaks, Bellaire, Sugar Land, Downtown, the Galleria, City Centre and Greenway Plaza.

| <b>FREEWAYS AND ROADS</b> | <b>VPD</b> |
|---------------------------|------------|
| Interstate 10             | 328,252    |
| Highway 59                | 290,626    |
| Beltway 8                 | 255,040    |
| Westheimer                | 55,871     |
| Westpark Tollway          | 50,250     |

| <b>AREA</b>          | <b>MILES</b> | <b>DRIVE TIME (MIN)</b> |
|----------------------|--------------|-------------------------|
| IAH                  | 33.1         | 30                      |
| Hobby Airport        | 22.6         | 25                      |
| Katy                 | 20.4         | 24                      |
| Downtown             | 15.1         | 21                      |
| TMC                  | 13.1         | 23                      |
| Sugar Land           | 11.6         | 14                      |
| River Oaks           | 10.5         | 17                      |
| Greenway/Upper Kirby | 9.9          | 14                      |
| Bellaire             | 9.2          | 13                      |
| Galleria             | 8.4          | 16                      |
| Memorial             | 6.6          | 11                      |
| City Centre          | 3.7          | 8                       |





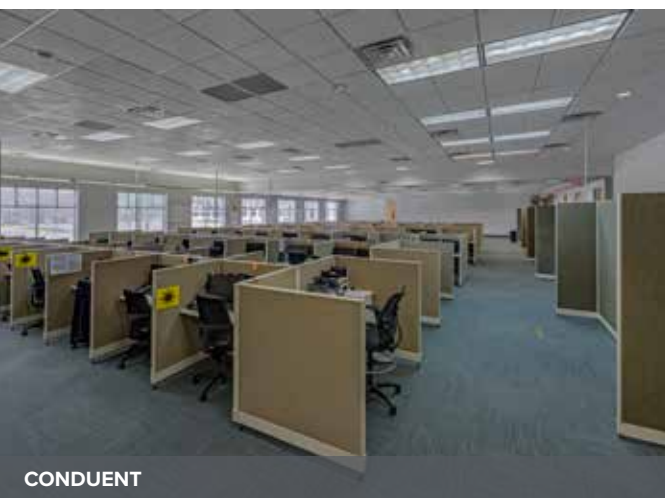
CONDUENT



ABB



CONDUENT



CONDUENT



SUITE 300 (VACANCY)



BASF

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