



2421 Tangley



Boutique Asset in a Bustling Retail Corridor

2421 Tangley

property *summary*

ADDRESS	2421 Tangley St Houston, TX 77005
YEAR BUILT	1940
GLA	5,200 SF
LAND AREA	0.28 acres
OCCUPANCY	87.98%
PARKING	11 Surface Spaces 2.12 / 1,000 SF





financial summary

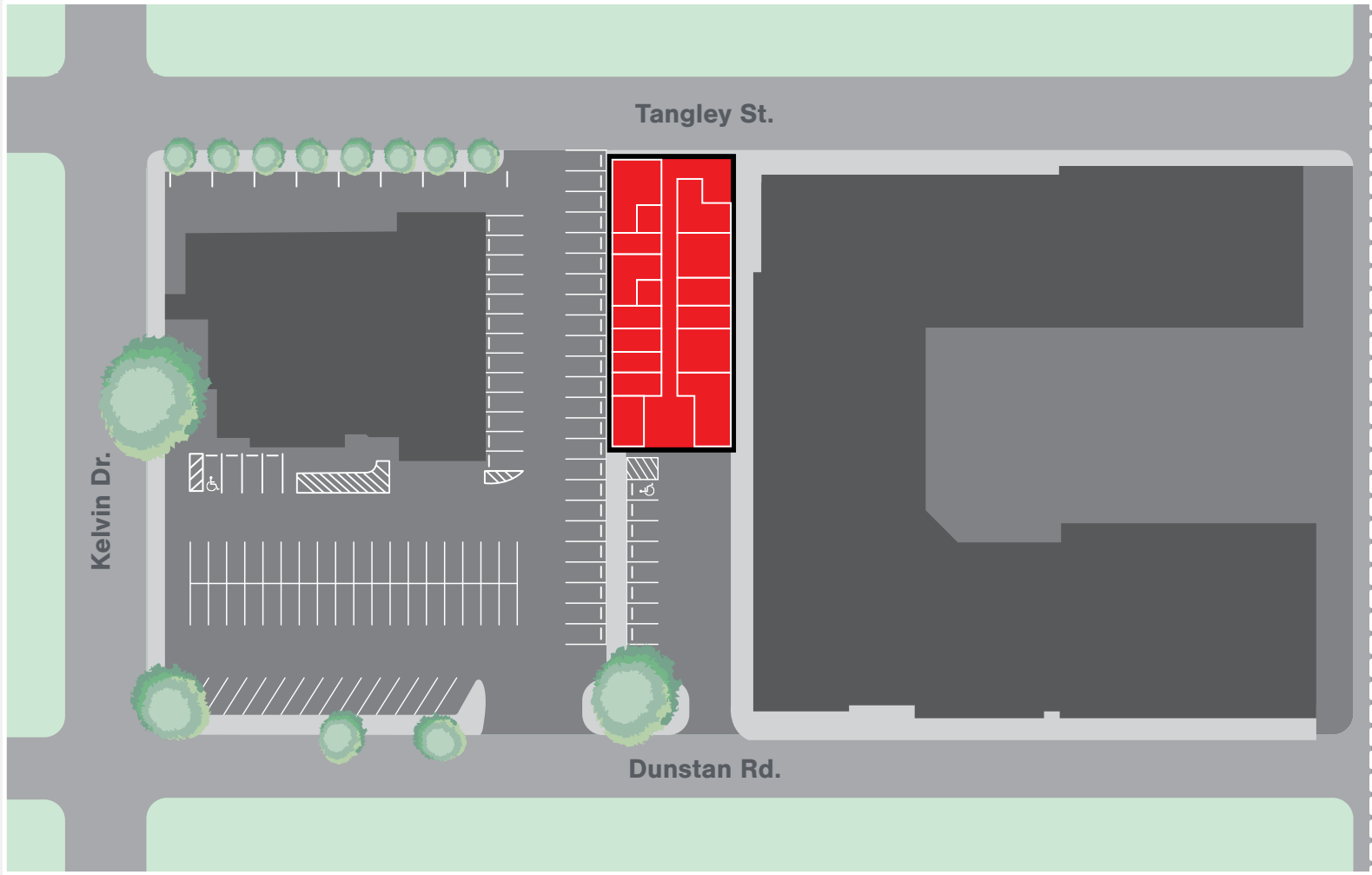
PRO FORMA NOI	\$117,451
AS-IS NOI	\$108,415
WTD. AVERAGE TENURE	1 Year, 8 Months

tenant summary

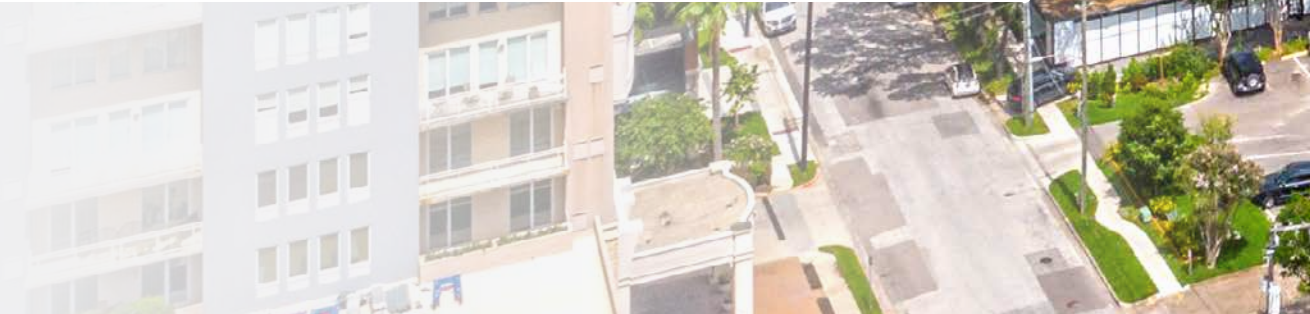
TENANT	NRA	% OF PROPERTY	TENURE
Stitches-in-Time	550	10.6%	3.8 Years
Dear James	550	10.6%	0.3 Years
Bender Reid Realty	250	4.8%	10.8 Years
Camco International	250	4.8%	3.8 Years
Tracy Design Studio	375	7.2%	0.3 Years
Willis Park Partners	725	13.9%	0.3 Years
Southampton Medical Group	375	7.2%	0.2 Years
BKO Services	500	9.6%	0.2 Years
Phil Arnett	250	4.8%	0.9 Years
Cate Collaborative	250	4.8%	0.6 Years
Petronella Law Firm	250	4.8%	0.3 Years
Clesi LLC	250	4.8%	2.9 Years
	4,575		1.7 YEARS



site plan



* Spaces are approximate



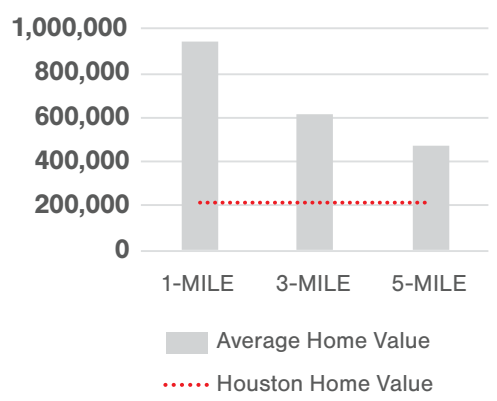




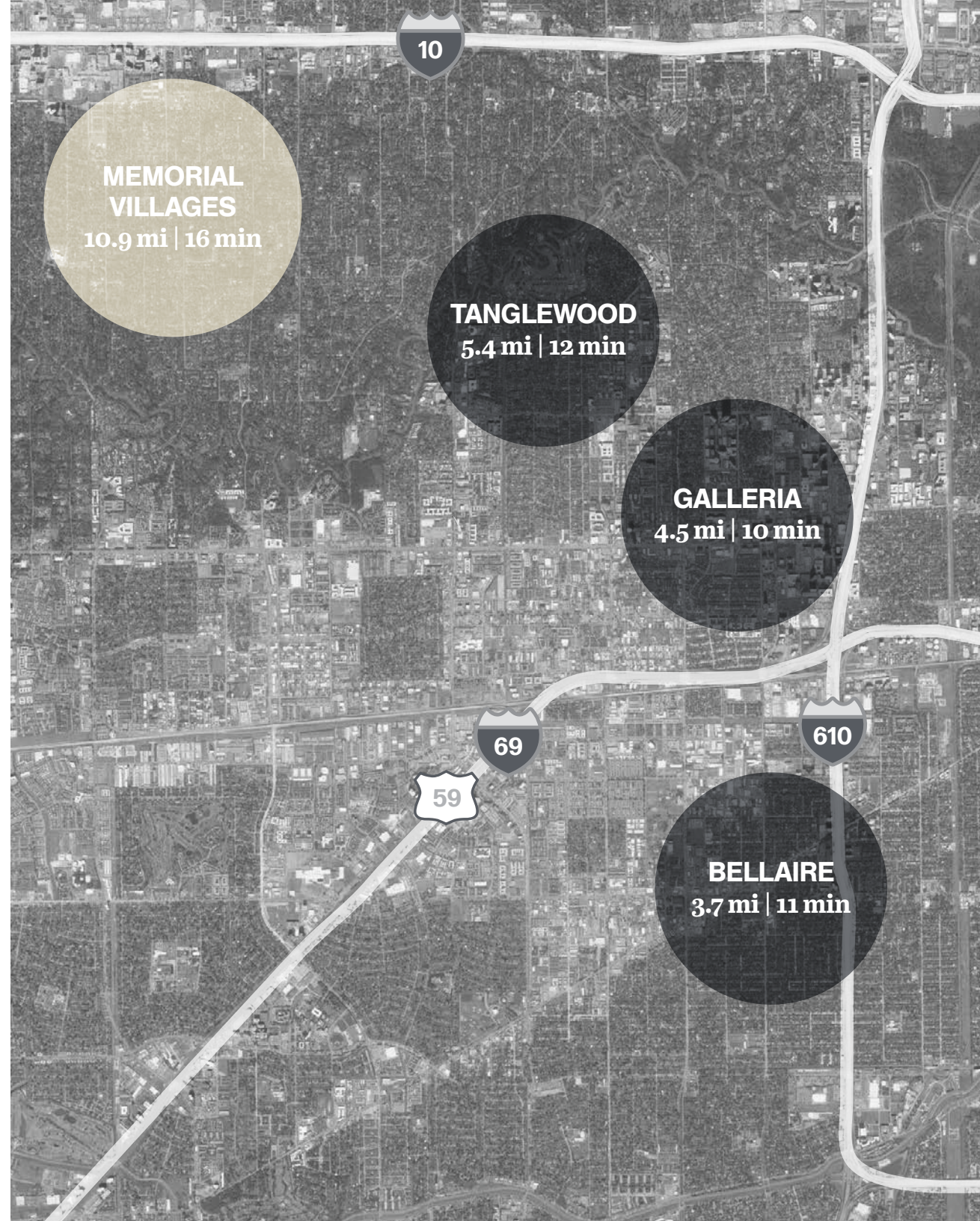
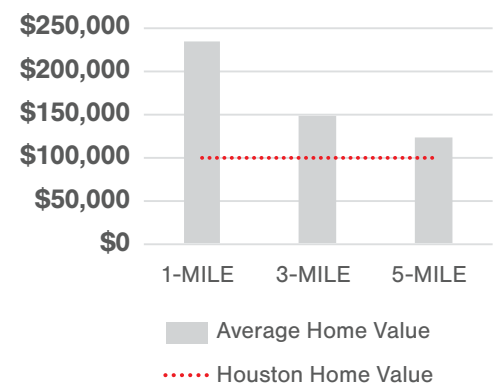
EMBEDDED IN THE HEART OF A HIGHLY EDUCATED AND AFFLUENT RESIDENTIAL AREA

- Over 80% of the population has a college degree or higher, the median home value is \$950K and the average household income is \$205,000 within a one-mile radius of the property.

Home Values



Household Income





2421 Tangley

RIVER OAKS
2.9 mi | 9 min

GREENWAY PLAZA
1.9 mi | 6 min

RICE UNIVERSITY
0.7 mi | 4 min

TEXAS MEDICAL CENTER
1.3 mi | 5 min

DOWNTOWN
5.3 mi | 10 min



SURROUNDED BY TOP RETAIL IN ONE OF HOUSTON'S PREMIER WALKABLE SHOPPING DISTRICTS

- Popular specialty retailers include Warby Parker, Sunglass Hut, Bluemercury, Sephora, MAC Cosmetics, and Athleta.
- Prominent dining options include Mendocino Farms, Sweetgreen, Sixty Vines, Local Foods, and Shake Shack.



UNIQUE RETAIL CENTER WITH HIGH DOLLAR NET RENTS

- Existing tenants have an average in place rent of \$44.21 PSF



DIVERSE TENANT MIX

- Tenant industries include legal, real estate and consumer products



CENTRAL LOCATION

- Five minutes from Texas Medical Center, the largest medical center in the world, and just blocks from the Rice University campus, and can be easily accessed on foot, by bicycle, or by car.
- Residents in the surrounding neighborhoods can also access the Property within minutes with or without driving.

West University at a glance

Just south of US Highway 59 located within the 610 Loop, West University is consistently ranked as one of the best neighborhoods in the Houston MSA. West U has some of the city's most expensive real estate, nationally recognized schools, and a safe community protected by a private police and fire department resulting in one of the lowest crime rates in all of Houston.

Amenities & Community

- One of Houston's most walkable neighborhoods
- West University Little League is the largest little league group in the nation with over 1,200 players
- Popular Neighborhood Venues: Rice Village, Rice University, West U Library System
- Top Ranked Restaurants Nearby: Sixty Vines, Benjy's, Houston's, Hu's Cooking
- Trails & Parks: West University Park System, Rice University Running Trails

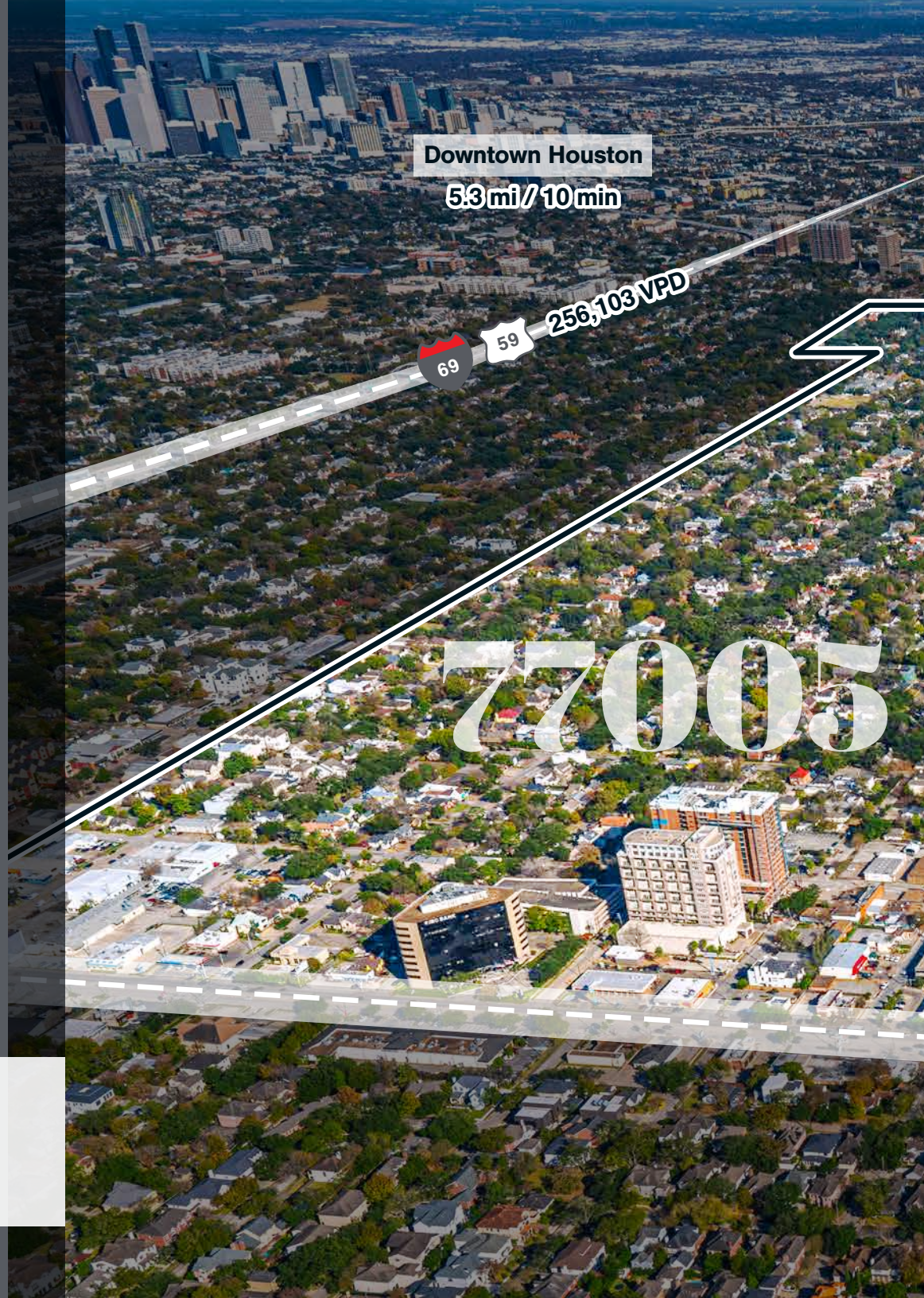
Education

- Highly ranked public schools include West University Elementary and DeBakey High School, a medical-centric program ranked #2 in Houston and #7 in the state
- Proximate to top private schools in the area including St. Marks Episcopal School, Episcopal High School and the Post Oak School
- Rice University is a 300-acre tree-lined campus that is ranked among the nation's top 20 universities by U.S. News & World Report.



Did You Know?

Almost all street names in West University Place are allusions to universities, colleges, and poets.





Houston Museum District

2.2 mi / 8 min

TMC | TEXAS MEDICAL CENTER

1.3 mi / 5 min



0.7 mi / 4 min

Texas Medical Center

- World's Largest Medical Center with over 106,000 employees operating on a \$15 billion annual budget
- Encompasses 50 million square feet and would be the 8th largest US business district on its own.
- Approximately 12% of Houston's GDP (\$59 billion) is healthcare related
- Very high concentration of healthcare professionals in West U due to proximity to Texas Medical Center

Hanover Southampton

2421 Tangley



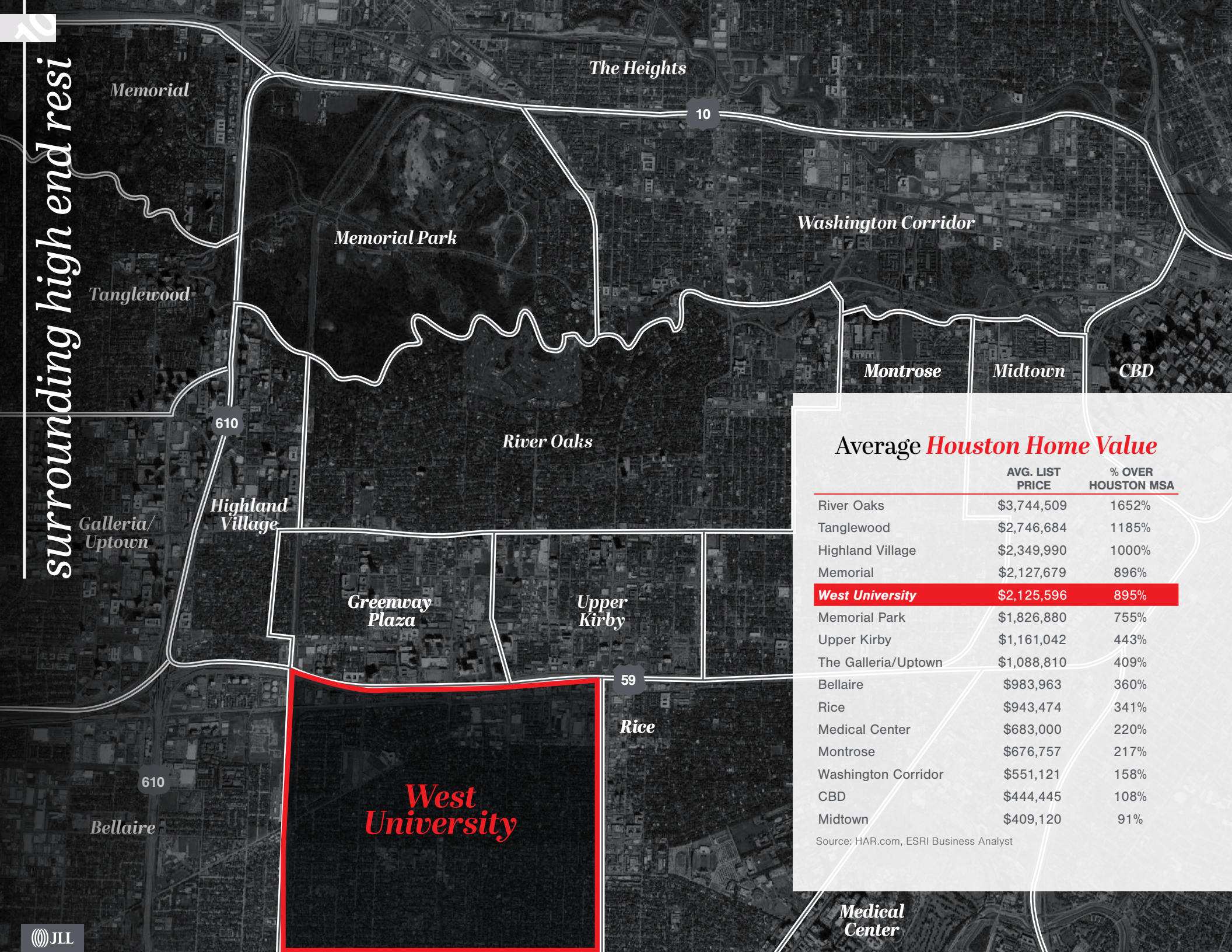
Rice Village

- Houston's largest urban shopping district
- A vibrant 18-block, 67 acre urban district that includes over 300 shops and restaurants

Kirby Dr. - 79,621 VPD



surrounding high end resi



Average *Houston Home Value*

	AVG. LIST PRICE	% OVER HOUSTON MSA
River Oaks	\$3,744,509	1652%
Tanglewood	\$2,746,684	1185%
Highland Village	\$2,349,990	1000%
Memorial	\$2,127,679	896%
West University	\$2,125,596	895%
Memorial Park	\$1,826,880	755%
Upper Kirby	\$1,161,042	443%
The Galleria/Uptown	\$1,088,810	409%
Bellaire	\$983,963	360%
Rice	\$943,474	341%
Medical Center	\$683,000	220%
Montrose	\$676,757	217%
Washington Corridor	\$551,121	158%
CBD	\$444,445	108%
Midtown	\$409,120	91%

Source: HAR.com, ESRI Business Analyst

within 1-mile radius



\$1.3 M
median home value



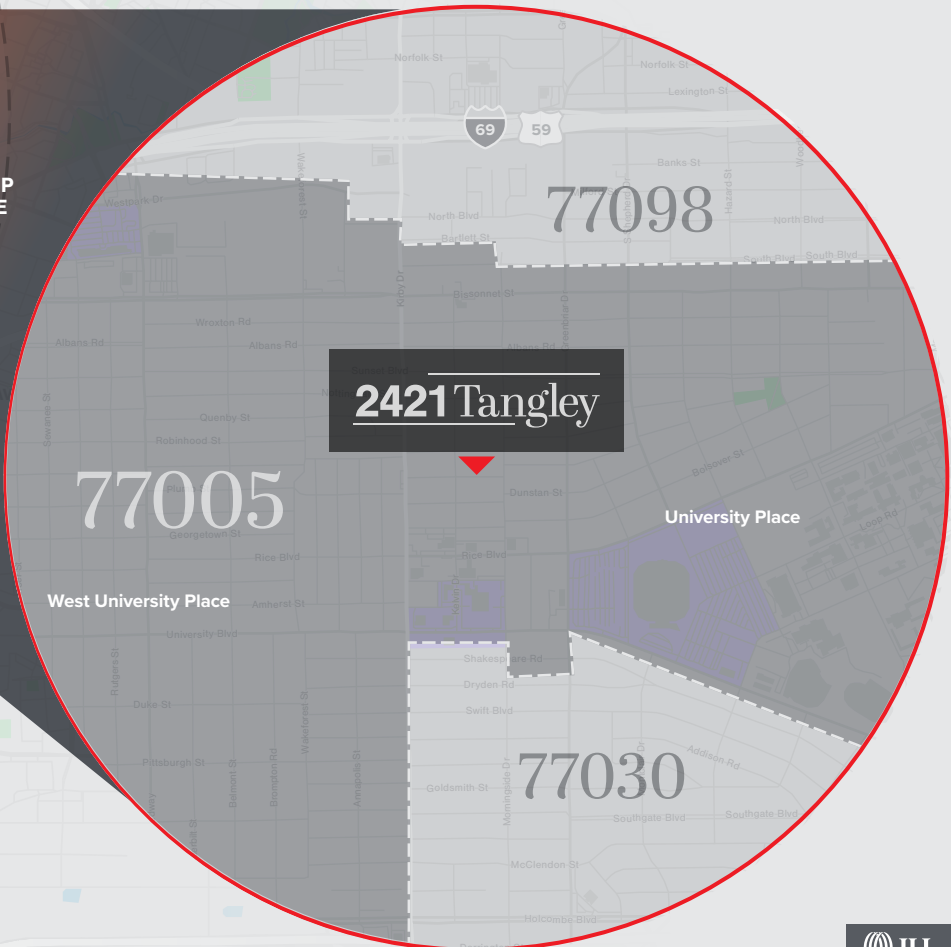
82%
have college degree or higher (national average 25%)



\$800K-\$3.0M
home value price range



\$235,000
annual average household income



	3 MILE	5 MILE
2020 POPULATION	190,000	490,000
MEDIAN HOME VALUE	\$695,000	\$465,000
UNDERGRADUATE DEGREE +	71%	59%
AVG HOUSEHOLD INCOME	\$150,000	\$125,000

- Houston's retail sector is directly affected by *the Covid-19 pandemic*, however, when the virus abates, pent-up demand should revive retail activity.
- Prior to the pandemic, Houston was one of several non-coastal cities seeing *massive investment and growth*.
- Houston's retail market has *weathered negative headlines*, including the 2015-2016 oil downturn, Harvey, and department store closings nationally.
- Since 2010, 80% of Harris County *population growth has occurred outside the city limits* of Houston, resulting in more Harris County residents living outside Beltway 8 than within it
- *Retail development trails this growth pattern* as Harris County's unincorporated area is anticipated to be home to more residents than Houston by year-end 2020
- Unlike the super-regional malls of decades past, most new retail projects are part of *smaller centers and mixed-use developments*, helping assuage the risk of oversupply

INVENTORY & CONSTRUCTION



- Houston ranked *number three in SF under construction*, with 3.1 MSF, trailing only New York and Dallas-Fort Worth
- Most of the new development that is taking place is occurring in *outlying suburban areas chasing rooftop growth*
- Areas that used to feel fairly distant from the city center are *starting to grow rapidly and densify*

NET ABSORPTION & DELIVERIES



- Houston ranked the *highest in the nation in trailing 12-month net absorption*, with 3.4 MSF, and *number one in net deliveries*, with 4.6MSF, as of 2020Q2

RENTAL RATES



- Fueled by consistently low vacancies, as well as a general lack of deliveries, *asking rents in Houston grew every year this past cycle*
- Cumulatively, *rents increased more than 25% since 2010*, standing at \$20.00/SF today

VACANCY



- Houston's retail market also continues to experience *near-record low vacancy* at a rate of 5.7%.
- Houston's vacancy rate has remained under 6% since 2014 due to Texas' *low-cost, low-tax, high-quality-of-life model*

West University {77005}



INVENTORY

- 224 Buildings
- 2,229,399 Total GLA



DELIVERIES

- 0 SF



VACANCY

- 75,454 Direct SF
- 76,854 Total SF
- 3.4% Vacant



UNDER CONSTRUCTION

- 1 Building
- 21,872 Total GLA



NET ABSORPTION

- Q2 2020: -14,834 SF
- T-12: 952 SF



RENTAL RATES

- \$38.79 Avg. Quoted Rate

Houston MSA



INVENTORY

- 27,729 Buildings
- 397,319,112 Total GLA



DELIVERIES

- 1,658,146 SF



VACANCY

- 22,047,880 Direct SF
- 22,447,149 Total SF
- 5.7% Vacant



UNDER CONSTRUCTION

- 17 Buildings
- 323,747 Total GLA



NET ABSORPTION

- Q2 2020: 49,165 SF
- T-12: 106,102 SF

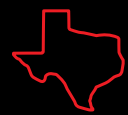


RENTAL RATES

- \$21.17 Market Rent PSF



EMPLOYMENT



3.2 MILLION JOBS IN THE HOUSTON MSA
more than 35 states and nearly a quarter of Texas' entire employment base

2ND LARGEST
NUMBER OF JOBS CREATED IN 2018
OUT OF ANY MSA IN THE NATION

↓ 3.6%
unemployment rate

64,400
NEW JOBS CREATED IN 2019



ECONOMY

26TH LARGEST
economy in the world if Houston were an independent nation



7TH LARGEST
U.S. metro economy in the nation



\$480 BILLION GDP [2018]



GLOBAL TRADE CITY
LARGEST GULF COAST CONTAINER PORT

73 FOREIGN-OWNED FIRMS



1ST
IN FOREIGN WATERBORNE TONNAGE

1ST IN IMPORT AND EXPORT
1ST GULF COAST CONTAINER PORT



POPULATION & DEMOS

7 MILLION
residents in the Houston MSA

2.3 MILLION
residents in the city of Houston



1 IN 4 Houstonians are foreign-born
5TH MOST POPULOUS MSA IN THE NATION • 4TH MOST POPULOUS CITY IN THE NATION



CORPORATE HEADQUARTERS

22 FORTUNE 500
companies call Houston home

3RD LARGEST
NUMBER OF FORTUNE 1000
companies in the nation

4TH LARGEST
NUMBER OF FORTUNE 500
companies in the nation



GEOGRAPHY

10,000 SQUARE MILES
larger than the state of NJ

9 COUNTIES in the Houston MSA



CLUTCH CITY



GATEWAY TO THE WORLD

4TH LARGEST
MULTI-AIRPORT SYSTEM
IN THE U.S.
58.3 MILLION PASSENGERS
GLOBAL HUB FOR
AEROSPACE TECHNOLOGY



THE TEXAS MEDICAL CENTER
LARGEST MEDICAL COMPLEX IN THE WORLD



\$25 billion
IN LOCAL GDP

8TH largest
BUSINESS DISTRICT IN THE U.S.

10 million
PATIENT ENCOUNTERS PER YEAR

106,000+
EMPLOYEES AT TMC



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.

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.

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.

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_____ Licensed Supervisor of Sales Agent/Associate	_____ License No.	_____ Email	_____ Phone
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