



H-E-B Memorial at Dairy Ashford

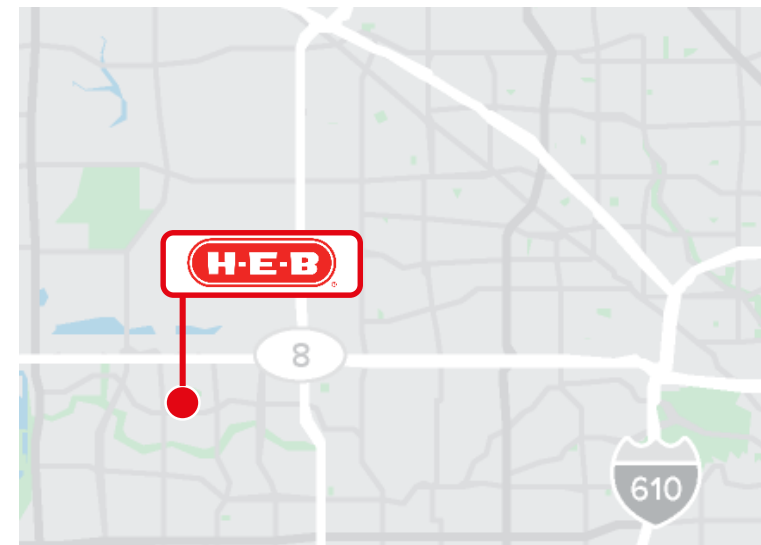
36,874 SQUARE FOOT, NNN H-E-B GROUND LEASE FULFILLMENT CENTER





Property Summary

LOCATION:	720 Dairy Ashford Rd, Houston, TX 77049
YEAR BUILT:	1974
GROSS LEASABLE AREA:	36,874 SF
LAND AREA:	2.732 Acres (119,000 SF)
OCCUPANCY:	100.0%
PARKING	171 Spaces (4.64/1000 SF)
TRAFFIC COUNTS (VPD):	Dairy Ashford: 35,000 Memorial: 23,500



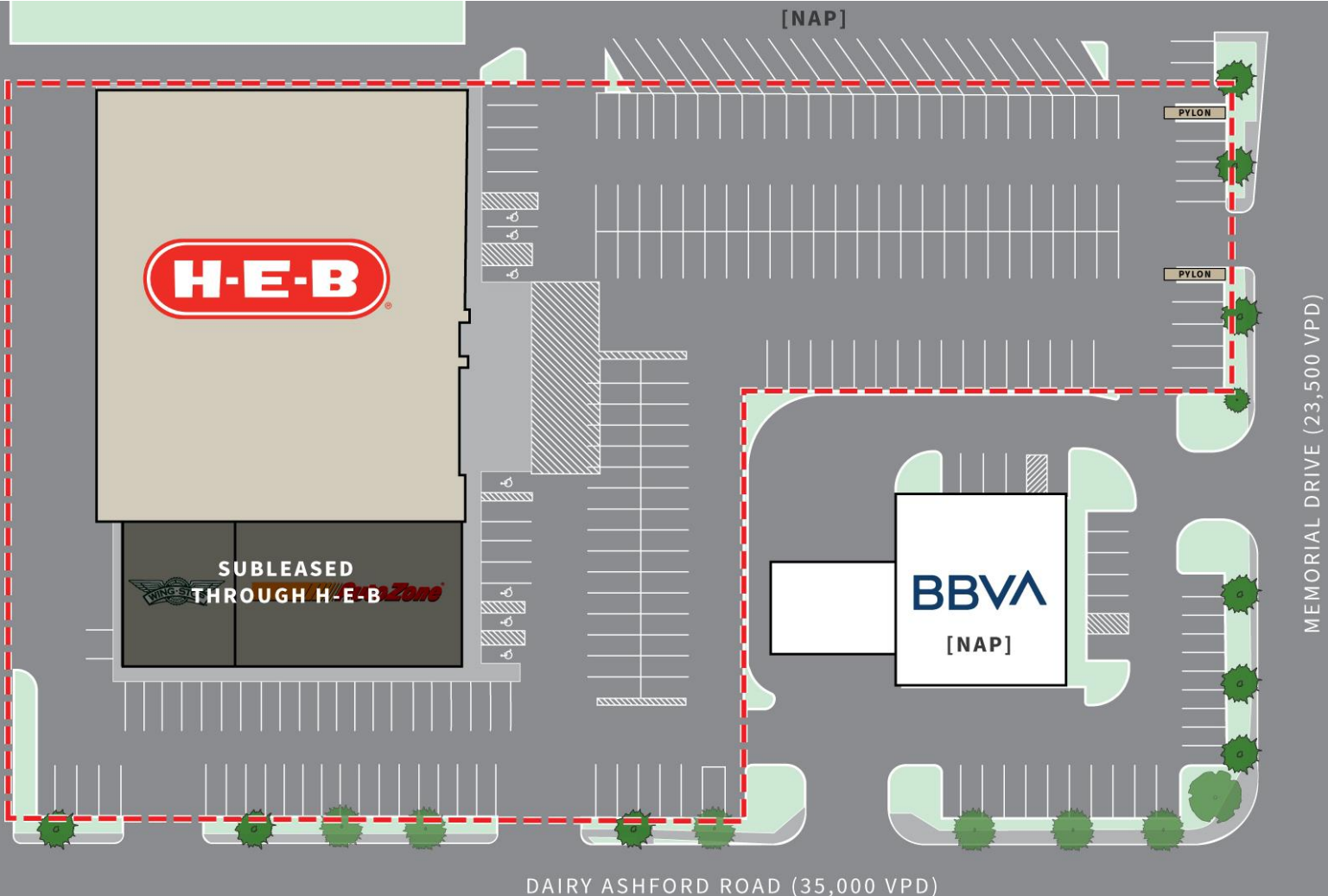
#1
GROCER IN
AMERICA*

NEAR-TERM
RENT
INCREASE

ESSENTIAL
STORE
CONCEPT

134,000+
3-MILE
POPULATION

*Source: Dunnhumby Retailer Preference Index 2020



CBD

Galleria

Memorial City

Westchase

CityCentre

LAKESIDE COUNTRY CLUB



MEMORIAL
HOME VALUES
(\$400K - \$2MM+)

BRIAR FOREST
HOME VALUES
(\$800K - \$3MM+)

MEADOWWOOD ELEMENTARY

SPRING FOREST MIDDLE SCHOOL

STRATFORD HIGH SCHOOL

Memorial Drive [23,500 VPD]



69 Dairy Ashford Road [35,500 VPD]

CBD

DOMAIN WEST
333 UNITS



Barker Reservoir

6

TopGolf

ENERGY CORRIDOR

26+ MM Square Feet of Office Space
300+ Companies
104,000+ Employees

TERRY HERSHEY PARK

WESTLAKE PARK



MEMORIAL WEST
288 UNITS

ELDRIDGE PLACE

ENERGY CENTER III, IV, & V

DOMAIN
MEMORIAL
313 UNITS

MEMORIAL
HOME VALUES
(\$400K - \$2MM+)

DOMAIN WEST
333 UNITS

Dairy Ashford Road [35,500 VPD]

DARRELL TULLY
STADIUM



STRATFORD HIGH SCHOOL

THE ABBEY AT
MEMORIAL
296 UNITS



Memorial Drive [23,500 VPD]



Investment Highlights



Best in class, top performing grocery tenant utilizing a new fulfillment center store format



Absolute NNN ground lease with no landlord responsibilities



Prominent Retail location along 2 major West Houston thoroughfares with visibility to +58,500 VPD



The Katy Freeway West retail market is extremely well leased with a 10-year average occupancy rate of 94.4%



A Core Real Estate Location

- The property is located in the heart of west Houston, surrounded by key traffic generators
- Mission critical location for H-E-B with access to Katy Freeway – this center is centrally located, offering ease of access to most Houston area stores
- West Houston is the third-largest employment center in the region with more than 104,000 employees
- Memorial Drive Reconstruction is now complete
- OEA between adjacent shopping center has expired



West Houston: A dense population center

- The property is adjacent to Stratford High School which has an enrollment of over 2,100 students
- Over 134,000 residents and 58,000 households within a 3-mile radius
- The surrounding urban environments is unique to Houston and has continued to densify in recent years with over 5,400 multifamily units being delivered since 2008 with a current average occupancy of 91%
- Average household income of \$115,000+ in a 3-mile radius



Expanding residential base

- Over 2,000 units currently under construction in a 3-mile radius
- Dense surrounding population with +21,000 residents within a 1-mile radius, up 20% since 2000



H-E-B took home the #1 spot in a consumer survey by consumer research firm, Dunnhumby, which evaluated more than 60 grocery retailers in the U.S. In its 3rd Annual Retailer Preference Index report, the firm surveyed 7,500 consumers to get their thoughts and feelings about the U.S. grocery industry.

#1

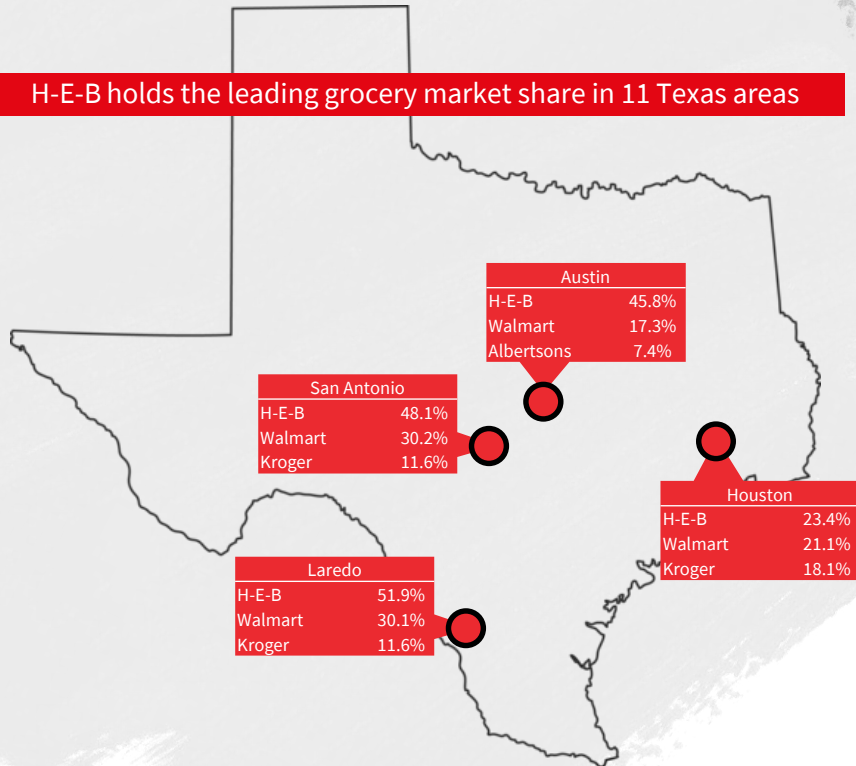
#2

#3

#4



H-E-B holds the leading grocery market share in 11 Texas areas



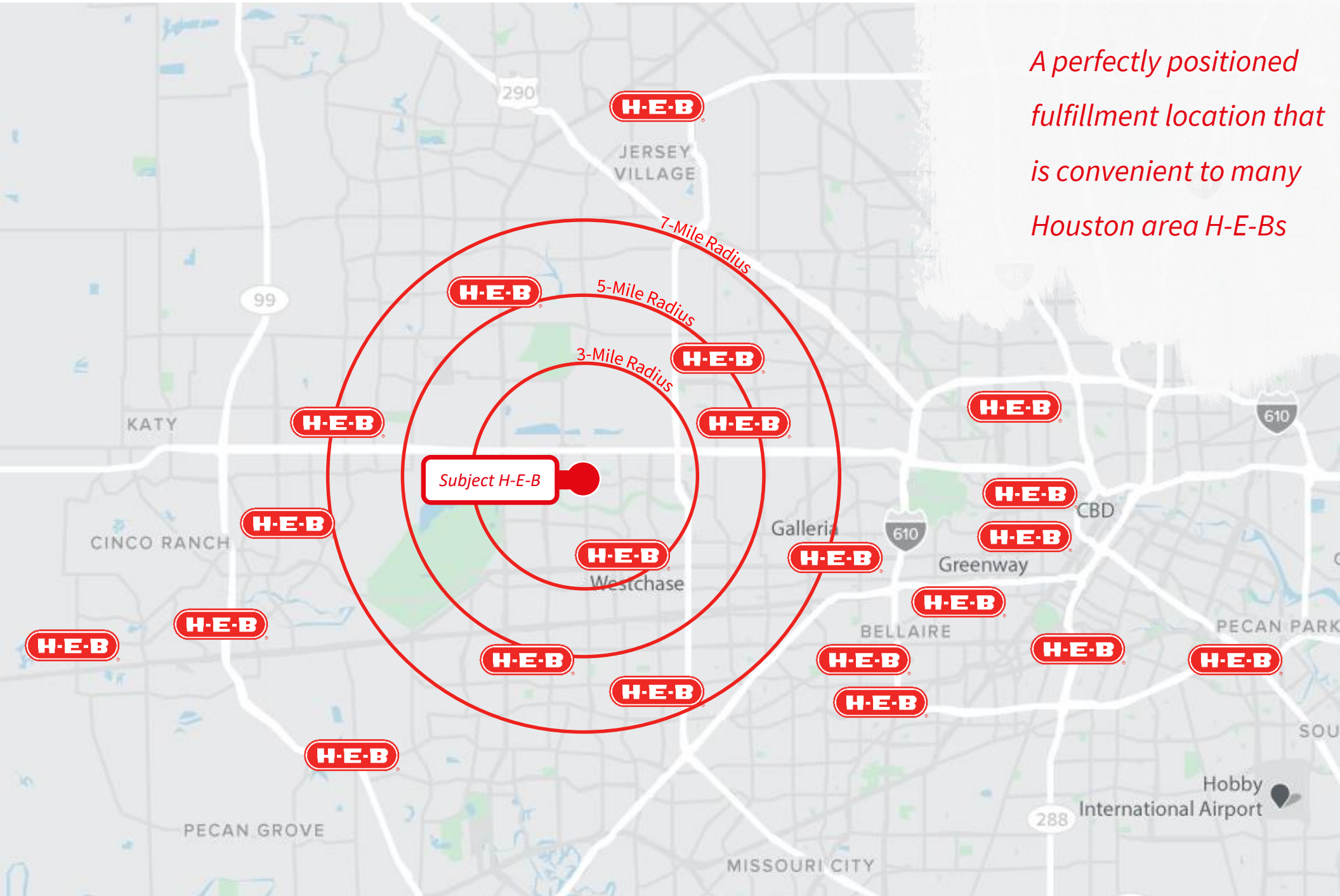
With more than 400 stores in Texas and Mexico and 120,000 employees, H-E-B's total transaction volume exceeded \$28 billion in 2020. The privately-held company is based in San Antonio, was founded in 1905, and continues to expand its presence throughout Texas, and more specifically in Houston.

The grocer has become a favorite of Texans due to its competitive price points, superior customer service and high-quality product, allowing the company to gain a 25% market share throughout the state.

This fulfillment center allows H-E-B to efficiently fulfill online orders and offer same-day delivery services to nearby consumers. The COVID-19 pandemic has rapidly increased the demand for ecommerce grocery services. Online grocery sales are expected to account for over 21.5% of total grocery sales by 2025, which is a 60% increase over pre-pandemic levels.

Source: Mercatus

A perfectly positioned fulfillment location that is convenient to many Houston area H-E-Bs



Location Highlights

PREMIER LOCATION IN WEST HOUSTON

Located in the heart of the west Houston and conveniently located along Dairy Ashford, connecting the property to the affluent Memorial Villages. The H-E-B is in close proximity to a number of master-planned suburban communities that house much of west Houston's employment base

MICRO MARKET OVERVIEW

- The Memorial Drive / Dairy Ashford corridor is well-positioned to capture the benefits of Houston's historical westward migration.
- The nearby Briarforest and Memorial neighborhoods, provide well-located and high-quality housing for employees of many nearby large corporations, including the headquarters of BP, Conoco Phillips, and Sysco.
- Corporate offices in this area enjoy the rare combination of being highly visible and accessible yet also being surrounded by expanses of trees and green space on Memorial Drive, one of Houston's most desirable streets.
- The immediate area is the third largest employment center in Houston and a hotbed for business and development in the Houston Metropolitan Area.
- The recently completed Memorial Drive Reconstruction Project allows for increased traffic flow, extensive landscaping and pedestrian walkways at the major intersection less than half a mile east of the property.



HOUSTON MSA AT A GLANCE

GEOGRAPHY

9 COUNTIES
in the Houston MSA

10,000
square miles
larger than the state of NJ



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

CLUTCH CITY



INTERNATIONAL HUB

4TH LARGEST
MULTI-AIRPORT SYSTEM
IN THE U.S.
58.3 MILLION
PASSENGERS

GLOBAL HUB FOR
AEROSPACE
TECHNOLOGY

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]



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

64,400
NEW JOBS CREATED IN 2019

42,300
NEW JOBS FORECASTED IN 2020

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

GLOBAL TRADE CITY

73 FOREIGN-OWNED FIRMS



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

LARGEST GULF COAST
CONTAINER PORT

1st
IN FOREIGN
WATERBORNE
TONNAGE

TEXAS MEDICAL CENTER

LARGEST MEDICAL COMPLEX IN THE WORLD

HOUSTON
Methodist
LEADING MEDICINE

THE UNIVERSITY OF TEXAS
MD Anderson
Cancer Center

MEMORIAL
HERMANN

Texas Children's
Hospital

\$25 BILLION
IN LOCAL GDP

8th LARGEST
BUSINESS DISTRICT IN THE U.S.

10 MILLION
PATIENT ENCOUNTERS PER YEAR

106,000+
EMPLOYEES AT TMC

Contact Information

Advisors

Ryan West
Senior Managing Director
JLL Capital Markets
+1 713 852 3535
ryan.west@am.jll.com
TX License #478560

John Indelli
Director
JLL Capital Markets
+1 713 852 3407
john.indelli@am.jll.com
TX License #457270

Bryan Strode
Analyst
JLL Capital Markets
+1 713 212 6551
bryan.strode@am.jll.com

Katherine Miller
Analyst
JLL Capital Markets
+1 713 852 3485
Katherine.miller@am.jll.com

Debt & Finance

Michael Johnson
Director
JLL Capital Markets
+1 713 852 3474
mfjohnson@am.jll.com



9 Greenway Plaza, Suite 700 | Houston, Texas 77046

www.us.jll.com/capitalmarkets

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