

PARK CENTRAL

A 93% Leased Class A Office Building Located in North Central Austin, Texas



OFFERING SUMMARY

EXECUTIVE SUMMARY

Jones Lang LaSalle (“JLL”) is pleased to offer the exclusive opportunity to purchase Park Central (the “Property”), a 114,091 square foot Class A suburban office asset located in North Central Austin, Texas. Located less than a half mile south of the Interstate 35/Parmer Lane intersection, Park Central features exceptional highway visibility and instant access to three of Austin’s major traffic thoroughfares allowing for superior connectivity to workforce and executive housing options as well as North Austin’s deep amenity base including nearly 2 million square feet of retail at Parmer Lane.

With 5.1 years of WALT remaining, Park Central is currently 92.5% leased to a diverse set of creditworthy tenants including the State of Texas Comptroller, Lam Research, Retro Studios (subsidiary of Nintendo), NCS Pearson, Diebold Nixdorf and PCE Paragon Solutions (subsidiary of Foxconn). Additionally, in-place rental rates are approximately 29% below market, presenting an exceptional value enhancement opportunity balanced by a secure income stream and strong remaining lease term in one of the nation’s top performing markets, Austin, Texas.

PROPERTY OVERVIEW

- Address:** 12345 N Lamar Blvd, Austin, TX 78753
- Size:** 114,091 Square Feet
- Stories:** Three (3)
- Acreage:** 9.049 Acres
- Occupancy:** 92.5%
- WALT:** 5.1 Years
- Year Built:** 2008
- Parking:** 4.65/1,000





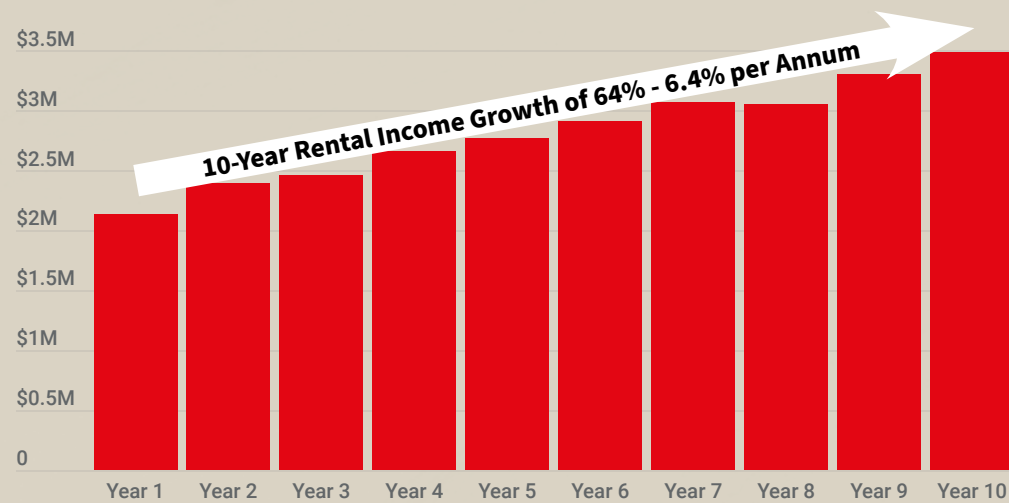


INVESTMENT HIGHLIGHTS

SECURE CASH FLOW WITH LONG-TERM VALUE-ENHANCEMENT OPPORTUNITY

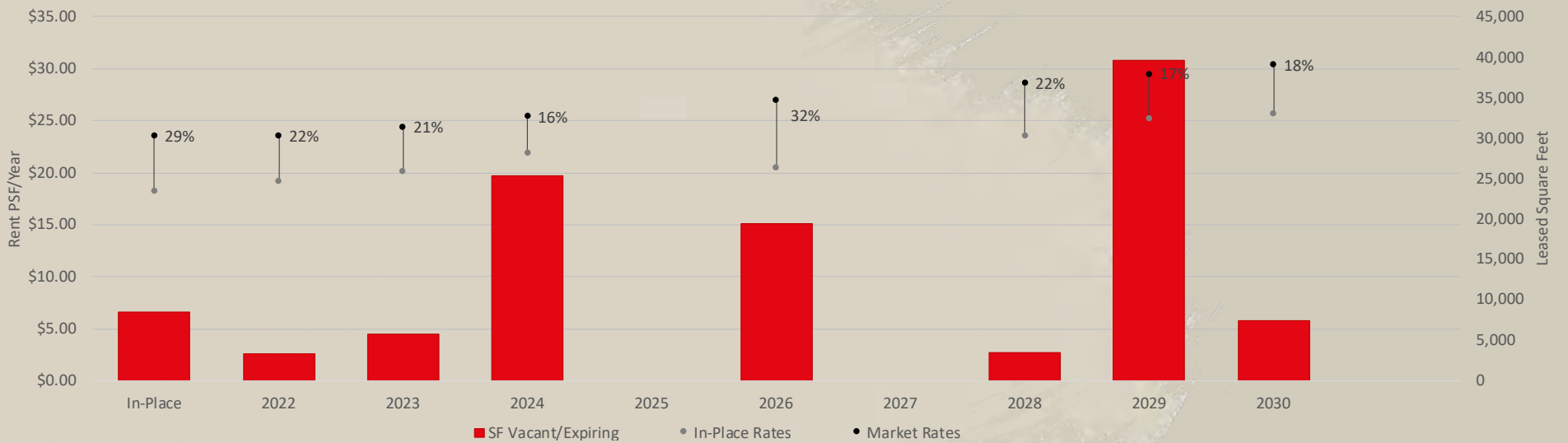
- Currently 92.5% leased to a diverse tenant industry mix including the technology, medical, educational, consulting, and government sectors, mitigating exposure to any one industry and representative of Austin's overall economy
- With 5.1 years of weighted average lease term remaining and in-place rates approximately 29% below market, Park Central presents substantial value-enhancement via mark-to-market opportunities in one of the most robust office markets in the nation that has experienced 89% rental rate growth since 2011
- With no more than 17% of the net rentable area expiring annually through 2028, potential investors have the ability to increase value long-term while experiencing limited rollover exposure each year

PARK CENTRAL
RENTAL INCOME PROJECTIONS





IN-PLACE VS. MARKET RENT AT EXPIRATION



*In-place rental rate calculation includes the State of Texas Comptroller's gross rental rate of \$35.52 PSF converted to a NNN rate of \$20.65 using projected Year 1 operating expenses.

DIVERSE RENT ROLL WITH INVESTMENT GRADE TENANCY AND TERM

Approximately 64% of Park Central's total net rentable area is leased to investment grade tenancy which includes Diebold Nixdorf, LAM Research, NCS Pearson, PCE Paragon Solutions, Retro Studios, and the State of Texas, which have an aggregated weighted average lease term of 5.1 years.

RETRO STUDIOS

A tenant in the Property since 2012 and occupying 35% of the total net rentable area, Retro Studios is a video game development company and subsidiary of Nintendo, one of the world's largest and most popular multimedia companies.

OTHER CREDIT TENANTS INCLUDE:

- Lam Research (NYSE: LRCX, S&P: A-): A U.S. based semiconductor manufacturer
- State of Texas Comptroller (S&P: AAA): The state's chief tax collector, accountant, revenue estimator, treasurer and purchasing manager
- NCS Pearson (S&P: BBB-): Subsidiary of UK-based Pearson, a global education, publishing and assessment corporation
- Diebold Nixdorf, Inc. (NYSE: DBD, S&P: B-): A U.S. based financial and retail firm specializing in transactional systems and software
- PCE Paragon Solutions USA, Inc.: A subsidiary of Taiwanese-based Foxconn (S&P: A-), one of the largest global manufacturers of electronic products

INSTITUTIONAL QUALITY & DESIGN

Developed by the Koontz Corporation, a premier office, industrial and multifamily developer in the region for over 20 years, Park Central is a Class A office asset designed by award winning architect Susan McFarland and features attractive contemporary design and high-quality finishes.

Constructed in 2008 and institutionally maintained since, Park Central sits on an approximately 9.05-acre site infused with rich landscaping, outdoor lounge space, and on-site walking trails.

The Property boasts an above average 4.65 per 1,000 square feet parking ratio among Class A office assets in the North/Domain submarket, of which 17% are reserved covered spaces, increasing renewal probability for in-place tenants and ability to re-lease space in the unlikely event of tenant turnover.



MAJOR TENANTS

Tenant	SF	% of Property	Lease Ends	Remaining Term	Industry	Credit Rating
Retro Studios	39,573	34.7%	May-29	7.4 Years	Consumer Electronics	Nintendo Subsidiary
American Heart Association	19,397	17.0%	Nov-26	4.9 Years	Non-Profit	-
Diebold Nixdorf, Inc.	10,989	9.6%	Nov-24	2.9 Years	Technology	S&P: B-
State of Texas	7,532	6.6%	Feb-30	8.2 Years	Government	S&P: AAA
Foxconn/PCE Paragon Solutions	7,336	6.4%	Apr-24	2.3 Years	Manufacturing	Subsidiary of Foxconn (S&P: A-)
Neurology Solutions	4,561	4.0%	May-23	1.4 Years	Medical	-
LAM Research	4,273	3.7%	Feb-24	2.2 Years	Technology	S&P: A-
NCS Pearson	3,608	3.2%	May-28	6.4 Years	Education	S&P: BBB-
Foxconn/PCE Technology	2,778	2.4%	Mar-24	2.3 Years	Manufacturing	Subsidiary of Foxconn (S&P: A-)
Management Office	884	0.8%	-	-	-	-
Remaining Tenants	4,540	4.0%	-	0.6 Years	-	-
Vacancy	8,603	7.5%	-	-	-	-
BOMA Adjustment	17	0.0%	-	-	-	-
Total	114,091	100.0%		5.1 Years		

IRREPLACEABLE NORTH AUSTIN ADDRESS

Positioned on North Lamar Boulevard and adjacent to Interstate 35, south of Parmer Lane, Park Central boasts immediate access to some of Austin's most traveled thoroughfares and is a 7-minute drive to MoPac Expressway (Loop 1) and State Highway 45.

The exceptional access to major highways and roadways provides favorable travel times to and from high growth residential areas such as The Domain, Pflugerville, Round Rock, Leander, Georgetown and Cedar Park, which are home to both C suite executives and their employees.

Additionally, the Property is situated in close proximity to multiple Fortune 500 presences including:

NORTH AMERICAN APPLE CAMPUS



PARMER INNOVATION CENTER



THE DOMAIN



Shops at Tech Ridge – **3 minutes**

The Domain – **9 minutes**

Mueller – **10 minutes**

The Arboretum – **12 minutes**

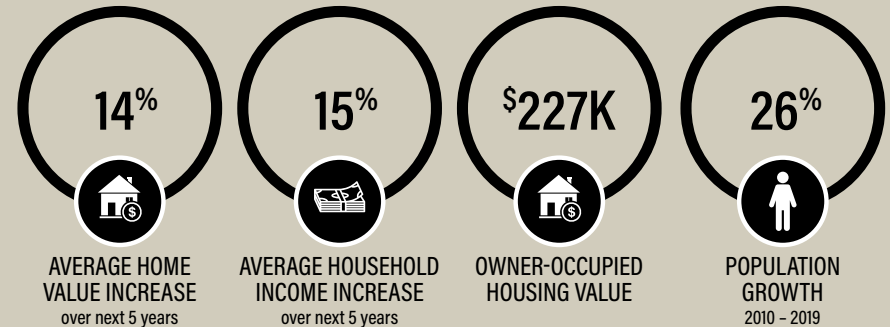
The University of Texas – **12 minutes**

Downtown – **15 minutes**

Austin Bergstrom Airport – **18 minutes**

DEMOGRAPHIC HIGHLIGHTS

WITHIN 3 MILE RADIUS



ROUND ROCK

PFLUGERVILLE

PARMER INNOVATION CENTER
 1.1M Existing Office SF | 314K Office SF Under Construction
 1M Office SF Planned

ST. DAVID'S PERFORMANCE CENTER
 (Austin FC Training Facility, Completed Spring 2021)

TECH RIDGE
 2M SF Flex/Industrial

SHOPS AT TECH RIDGE
 510K SF of Retail

FUTURE AMC DINE IN THEATER

TECH RIDGE CENTER
 215K SF of Retail

190,250+
 VPD



FAIRFIELD INN & SUITES
 BY MARRIOTT
 150 Keys

SPRINGHILL SUITES
 BY MARRIOTT
 132 Keys

RESIDENCE INN
 BY MARRIOTT
 88 Keys

TSUKUMI JAPANESE CUISINE
 & SUSHI BAR



HILTON GARDEN INN
 117 Keys

63,950+
 VPD

27,500+
 VPD

Parmer Lane

Lamar Blvd

PARK CENTRAL



DOWNTOWN AUSTIN
 15 MINUTES

RECENTLY COMPLETED
 NYOS CHARTER SCHOOL
 EXPANSION

NYOS CHARTER SCHOOL

COURTYARD MARRIOTT
 145 Keys

DOMAIN
 9 MINUTES



THE DOMAIN



OFFICE

amazon Google facebook IBM Expedia indeed

RETAIL

Neiman Marcus TESLA Apple LOUIS VUITTON Microsoft
TIFFANY & Co. Omega COACH KENDRA SCOTT

- 304-acres • 1.8 MSF of Retail • 4,022 Multi-Units
- 924 Hotel-Keys • 4 Miles from Park Central

Q2 STADIUM

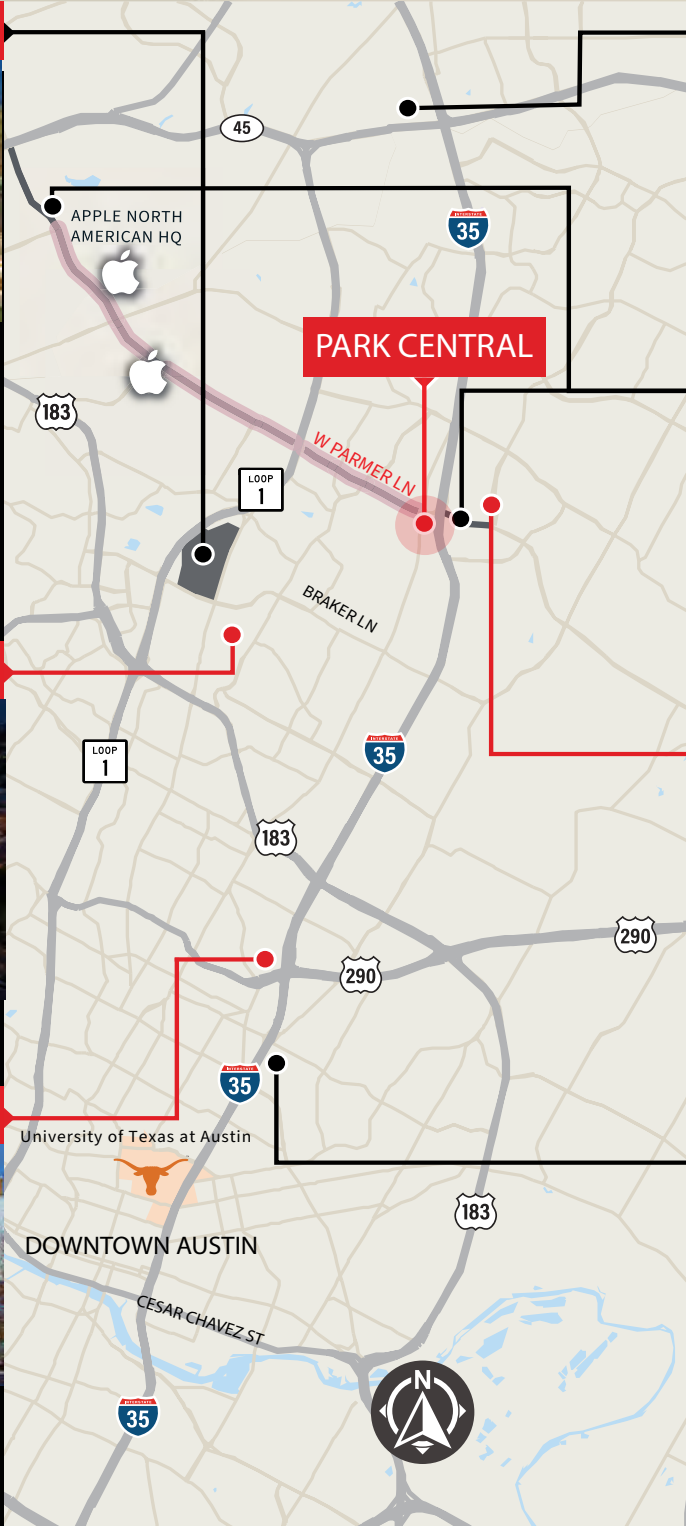


- Home of Austin FC Soccer Stadium
- Completed Spring 2021 • 4 Miles from Park Central

HIGHLAND ACC



- Planned or U/C • 800K of Class A Office
- 1,200 Multi-Units • 100K SF Retail • 3 Signature Parks (7+ Acres)
- 1.3M SF ACC Campus



LA FRONTERA



- 2M SF of Office • 1M SF of Retail • 298 Hotel Keys

PARMER TECH CORRIDOR

Apple DELL facebook accenture
ebay 3M EA Google
ORACLE THE HOME DEPOT PayPal

- 3.9 MSF of Office • Apple North American HQ

ST. DAVID'S PERFORMANCE CENTER



- \$45M • 23-acres • Future Austin FC Training Facility • Spectator Stands
- Walking Trails • Retail & Restaurant • 2-Miles from Park Central

MUELLER

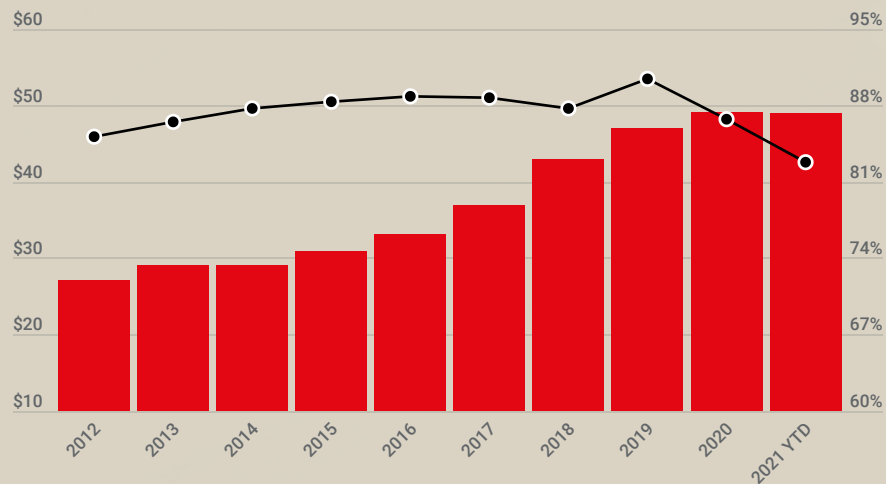


- 4M SF of Commercial Space • 750K SF of Retail
- 2,000+ Multi-Units • 6,200 Homes • 140 Acres of Greenspace

EXCEPTIONAL AUSTIN OFFICE MARKET FUNDAMENTALS

- Anchored by a large presence of rapidly expanding blue chip tech companies, the Austin office market continues to be one of the most robust in the U.S., comprised of nearly 60.2 million square feet, the office market is currently 83.0% leased and has experienced 89% NNN rental rate growth since 2011 or over 8.9% annually
- Park Central is located in the North office submarket that is bounded by MoPac Expressway (Loop 1), Interstate 35, US Highway 138, and State Highway 45, and is adjacent to the Domain mixed-use development, Apple Campus and Parmer Innovation Center
- The north office submarket is one of Austin's smallest submarkets by inventory with 1.3MSF of inventory that is currently 87% leased with average asking rents of \$40.06 PSF gross, which represent a 17% discount to the market's overall average rate and an 126% increase since 2011

AUSTIN OFFICE MARKET
AVERAGE ASKING RENTS (\$ P.S.F) VS OCCUPANCY (%)





ECONOMIC OVERVIEW

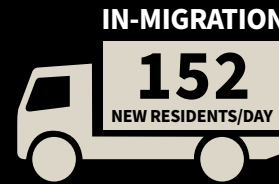
AUSTIN HAS EXPERIENCED POPULATION AND EMPLOYMENT GROWTH AT UNPRECEDENTED LEVELS AND CONSISTENTLY RANKS AS ONE OF THE NATION'S TOP ECONOMIC PERFORMERS, DUE TO:

- Enviably Quality of Life
- Low Cost of Living
- Low Business Costs & Tax Burden
- Thriving Economy
- Highly Skilled Labor Force
- Growing Job Market
- Technology & Startup Hub
- State Capital of Texas

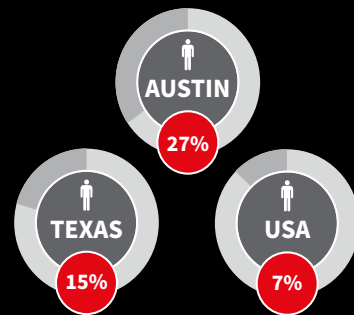
AUSTIN TEXAS

#1 BEST PLACE TO LIVE IN THE U.S.

2017, 2018, 2019 - U.S. News & World Report



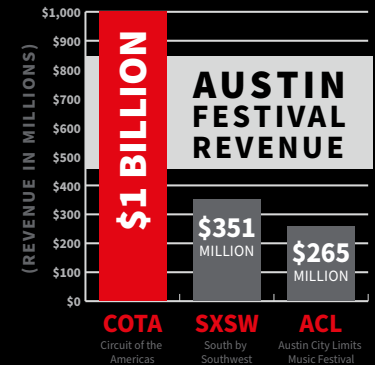
POPULATION GROWTH 2010-2019



ANNUAL VISITOR INFORMATION

27.4
MILLION
ANNUAL
VISITORS

\$8.7 BILLION
ANNUAL ECONOMIC IMPACT FROM
VISITOR SPENDING



#1

Nation's High-Tech Hub
The Wall Street Journal

#1 Best Big City to Live in America
Money Magazine

#1 Rising City For Startups
Inc.

#1 Soaring Tech Salaries
Bloomberg

#1 Market for Real Estate Investment 2020
Emerging Trends in Real Estate® 2020

#2 Best Job Market
Forbes

HIGH TECH HUB

\$202,000
HIGHEST TECH SALARIES IN THE U.S.
ADJUSTED FOR COST OF LIVING

TECH MAKES UP 14%
OF TOTAL AUSTIN EMPLOYMENT
138,000 JOBS

NOTABLE TECH COMPANY RELOCATIONS & EXPANSIONS

DELL
13,000 EMPLOYEES

amazon.com
6,600 EMPLOYEES
(7,400 Potential)

Apple
6,000+ EMPLOYEES
(11,000 Potential)

IBM
6,000 EMPLOYEES

ORACLE
5,000+ EMPLOYEES
(10,000 Potential)

SAMSUNG
3,800 EMPLOYEES

GM
IT INNOVATION CENTER
2,800 EMPLOYEES

facebook
2,700 EMPLOYEES

indeed
1,800+ EMPLOYEES
(4,500 Potential)

HomeAway
Expedia
1,700 EMPLOYEES

Google
500 EMPLOYEES

U.S. ARMY
500 EMPLOYEES

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