



CONFIDENTIAL OFFERING MEMORANDUM

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# THE OFFERING

JLL Capital Markets ("JLL") is pleased to present the opportunity to acquire the fee simple interest in **The Westchester** ("The Property"), a 117,261 square foot stabilized office building prominently located along Interstate-10 in West Houston. The Property benefits from being a cost-effective alternative to the adjacent CityCentre and Memorial City office assets, while providing exceptional accessibility to the amenities of CityCentre, Town & Country Village, Memorial City, and Westchase. The Westchester is a benefactor of the city's continual westward migration, well-positioned proximate to some of Houston's top business and retail destinations.

The Property provides exceptional visibility and direct access via Interstate-10 and Beltway 8, thoughtfully designed tenant and common-area spaces, and a loyal tenant base who demand office space in a highly amenitized lifestyle environment. The Westchester offers a premier combination of institutional quality real estate, a prime location, a durable cash flow stream, and contractual NOI growth. The Westchester offers an extremely rare opportunity to invest in one of the premier "sub-urban" office assets in West Houston.

## PROPERTY OVERVIEW

<b>ADDRESS</b>	11451 Katy Freeway Houston, Texas 77079
<b>SQUARE FOOTAGE</b>	117,261
<b>SITE SIZE</b>	2.00 AC
<b>YEAR BUILT</b>	1999
<b>OCCUPANCY</b>	93.30%
<b>PARKING</b>	4.0 Spaces/1,000 SF
<b>WALT</b>	3.4 Years

# AERIAL



SPRING BRANCH

SPRING VALLEY

DOWNTOWN

MEMORIAL CITY

MEMORIAL  
Home Values:



ARLO MEMORIAL  
414 UNITS

10





# CENTRAL LOCATION

The Westchester is located in the population core of Houston between Katy and Memorial with immediate access to I-10 and Beltway 8, providing ease of access to executive neighborhoods and desirable areas for employee bases with significant apartment concentration. A significant portion of the Houston region can be accessed by car in under 25 minutes.

## THE WESTCHESTER IS POSITIONED TO BENEFIT FROM THE EXPLOSIVE GROWTH IN WEST HOUSTON

Houston's population growth has continued to move to the west of the city's urban core.

The new population center of Houston is estimated to be located in West Houston at the interchange of Interstate 10 and the Sam Houston Tollway.

Over the past 30 years, West Houston's population has grown 155% compared to 86% growth in the Houston metro.

West Houston's share of the region's population has grown from 19% to 26% over the same timeframe.

## DEMOGRAPHICS

	1-MILE	3-MILE	5-MILE
2021 Population	18,305	119,915	317,610
2026 Population Projection	20,154	127,794	338,128
2021-2026 Growth Rate	1.94%	1.28%	1.26%
Median Home Value	\$428,027	\$380,675	\$360,394
Avg Household Income	\$117,401	\$112,347	\$97,902
Bachelor's Degree or Higher	54.9%	56.0%	50.1%
Median Age	38	38	37

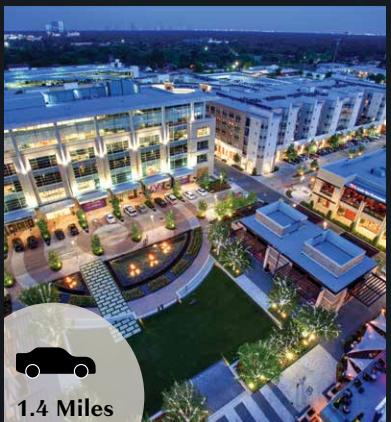
# UNPARALLELED ACCESSIBILITY

The Property is conveniently situated between Sam Houston Parkway and Kirkwood Road, at the epicenter of Houston's population, and minutes west of CityCentre and Memorial City. The Class A and Class B office product within the Katy Freeway East micro-market, beginning just 1.3 miles to the east, is Houston's most stable office market at 93% occupied with a Q1 net absorption of 165,000 square feet. A key component to the overall success, The Westchester offers tenants the same superior access and abundant nearby amenities as its neighboring submarket, while being offered at a fraction of the cost.



## WESTCHASE DISTRICT

The Westchase District spans 2,700 acres, contains 18 million square feet in 117 office buildings, 1.4 million square feet in 42 retail centers and 3,075 hotel rooms in 23 hotels. Major tenants in the Westchase District include ABB, BMC Software, DataVox, Jacobs Engineering, National Oilwell Varco, Phillips 66, Samsung and Schlumberger. It is home to 1,500+ businesses and 93,000+ employees.



## CITYCENTRE

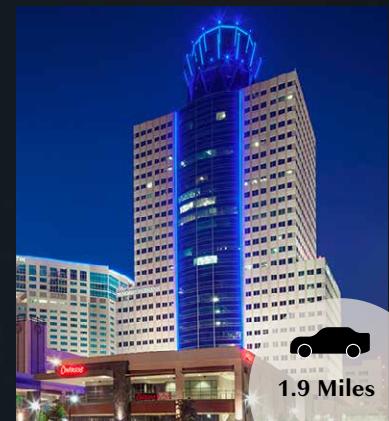
CityCentre is a pedestrian-friendly, mixed-use development situated at the I-10 and Beltway 8 interchange. The 37-acre expanse, especially popular with Energy Corridor residents and those working in the nearby West Houston Medical Center, brings together casual and fine dining, shopping, retail, office space, and residential living.





## MEMORIAL CITY

Memorial City is a 265-acre employment district with 12,500+ employees, 3.6 million square feet of retail space, and 2.9 million square feet of primarily Class A office space. The largest employers are Memorial Hermann Memorial City, Memorial City Mall, Chase Bank and CEMEX's US headquarters.



## TEXAS CHILDREN'S HOSPITAL

The West Campus of Texas Medical Center features 170 acres of satellite hospitals including Texas Children's, Methodist and Memorial Hermann. The TMCW's 170 acres of land is virtually the same size as the original Texas Medical Center and will continue to grow in order to serve the growing west Houston area.

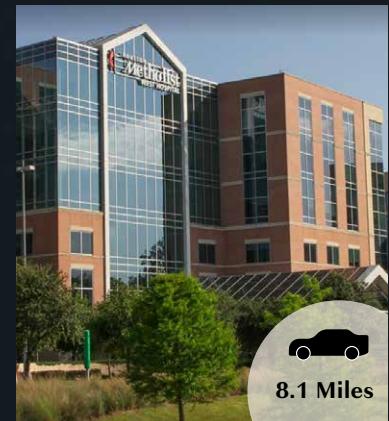


## HOUSTON METHODIST

Houston Methodist's fifth hospital since 1919 with nearly 200 beds

### AWARDS AND RECOGNITIONS

- Pathway to Excellence designation from the American Nurses Credentialing Center
- Exemplary Five Star Award from the Texas Department of State Health Services
- Breast Imaging Center of Excellence designation from the American College of Radiology
- Top 100 Places to Work, recognized by Fortune magazine



# PROXIMITY TO THE REGIONS LARGEST EMPLOYERS

The immediate area surrounding The Westchester is home to some of Houston's largest employers. From multi-national oil companies to Fortune 500 food-services companies - The Westchester is central to Houston's flourishing western office market.

The Energy Corridor is the 3rd largest employment center in Houston, known as the "Central Business District of West Houston", is home to over 300+ companies, 104,000+ employees, and 26+ million square feet of office space.



**Sysco**

ConocoPhillip

**GROUP 1**  
AUTOMOTIVE®

**CC** CROWN  
CASTLE

**NOV**

**#48**

**#60**

**#156**

**#286**

**#457**

**#467**



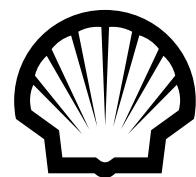


## NOTABLE TENANTS IN THE ENERGY CORRIDOR



THE UNIVERSITY OF TEXAS  
MD Anderson  
Cancer Center

Making Cancer History®



MCDERMOTT

**Technip** **Worley**  
energy | chemicals | resources

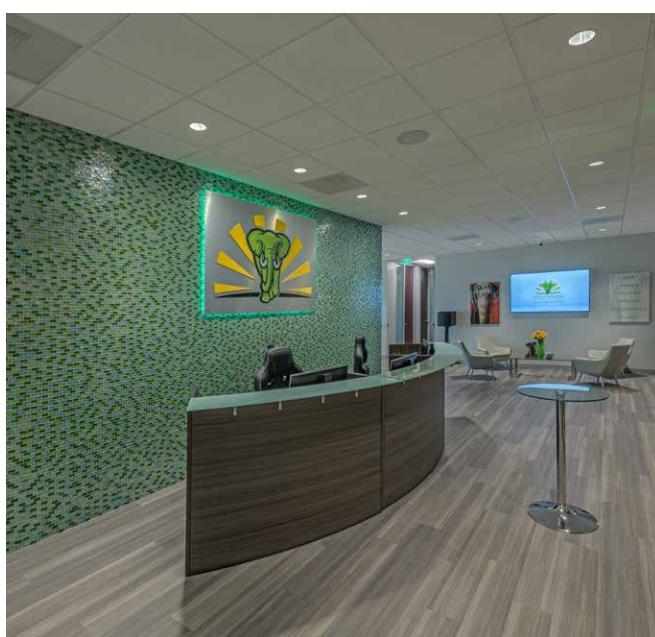
**Transocean**

**Schlumberger**

# DESIRABLE AMENITIES

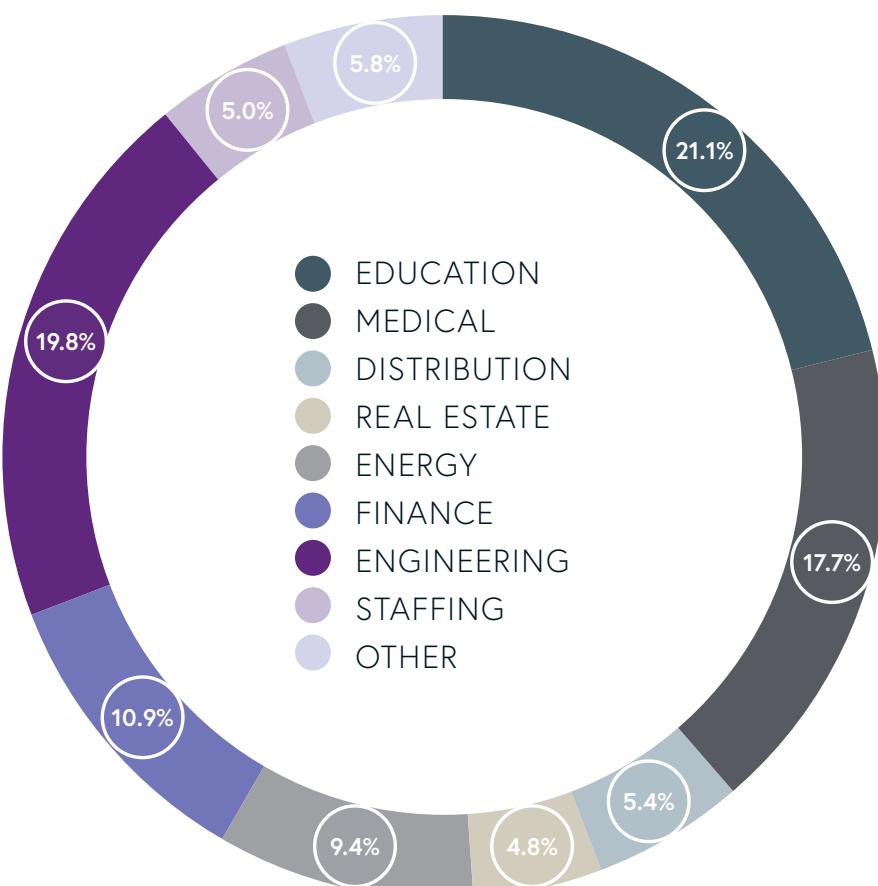
The Westchester offers tenants convenient on-site amenities that create a functional and enjoyable space for teams to work. Amenities include:

- Conference center
- Abundant covered parking with easy access to the building
- Fully landscaped private courtyard with putting green
- On-site deli and outdoor dining space



# DIVERSIFIED RENT ROLL

The Westchester offers an extremely diverse rent roll with 23 unique tenants representing more than 11 different industries, and with no industry accounting for more than 21.1% of the rent roll. This strong, diverse tenant base limits risk and exposure to macro-economic events; notably, the oil and gas industry accounts for only 9.4% of the NRA. Furthermore, medical tenants account for 17.7% of the NRA, providing an opportunity for investors to attract more medical tenants at higher base rents and higher retention rates as compared to standard office spaces.







# HOUSTON ECONOMIC OVERVIEW

Over the last two decades, there has been a remarkable transformation in Houston. Today, the nation's fourth largest city has become a diverse, vibrant metro with talented people who have an undeniable spirit. The Houston economy is strong, the cultures are many, and the quality of life is second to none. Houston has one of the youngest, fastest-growing and most diverse populations anywhere in the world. One in four of the region's 7 million residents is foreign born. From 2010 to 2018, Houston added 1.1 million residents, an 18.3% increase, the fastest rate of population growth among the 10 most populous U.S. metros.

Houston offers a well-developed suite of key global industries - including energy, life science, manufacturing, logistics, & aerospace. As these industries digitize, Houston will become a hotbed of rapid technological development thanks to its access to customers and expertise.

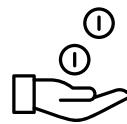


# THE HOUSTON STORY



## LEADING REAL ESTATE MARKET

Most active single-family residential market in the country for the past decade



## FAVORABLE TAX CLIMATE

0% State & Local income tax



## HIGH-QUALITY OF LIFE

Favorable year-round climate and traffic commute time



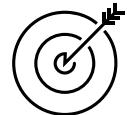
## GLOBAL TRADE CITY

Houston ship channel ranks #1 in the nation | 1st in domestic & foreign waterborne tonnage | 1,700 foreign owned firms



## CRITICAL MASS OF HEADQUARTERS & REGIONAL OFFICES

50+ corporate headquarter relocations since 2017



## MAGNET FOR TOP TALENT IN THE U.S.

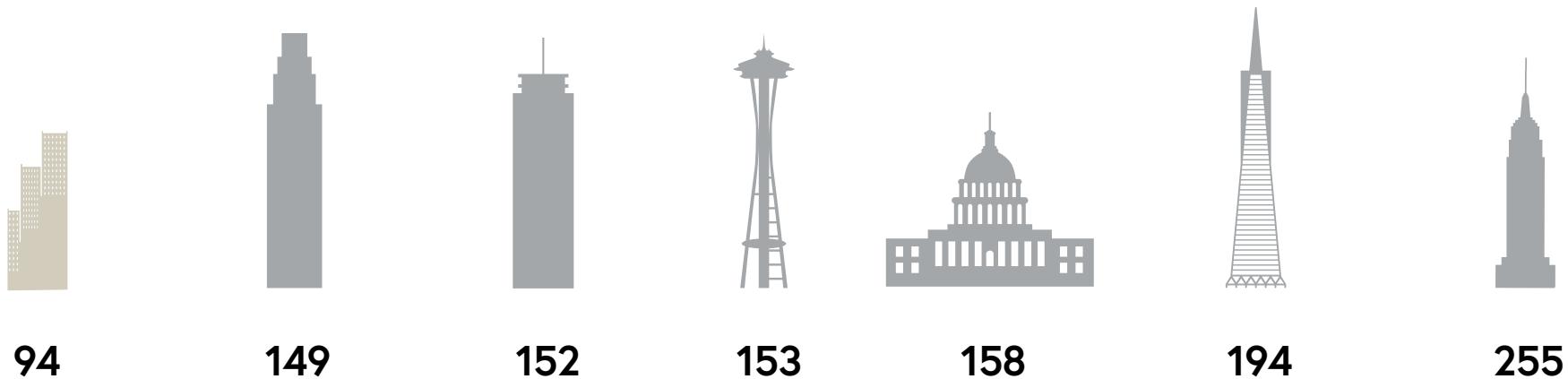
Strong wages and low cost of living create an attractive employment base



## LARGEST MEDICAL COMPLEX IN THE WORLD

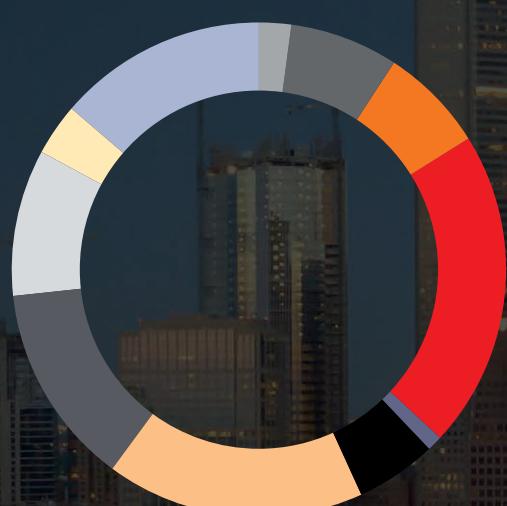
\$25 billion in local GDP | 8th largest business district in the U.S. | 10 million patient encounters per year

# COST OF LIVING INDEX



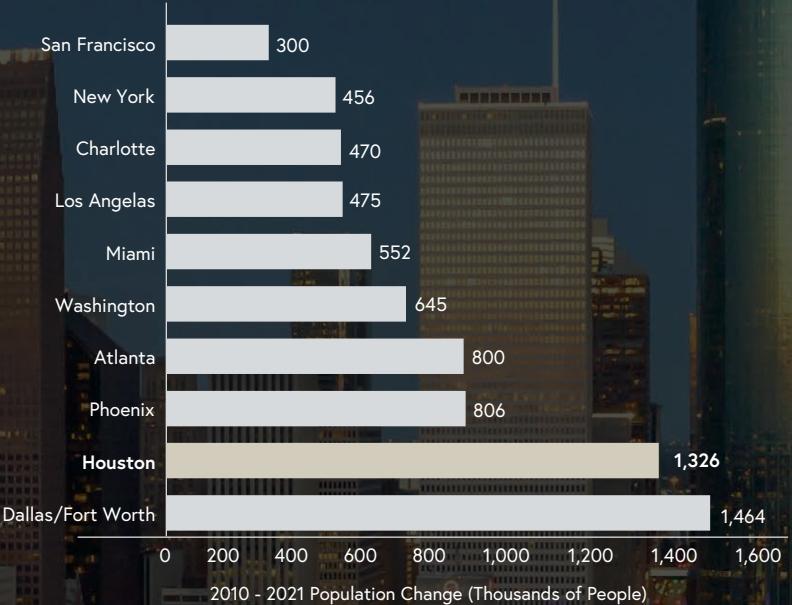
HOUSTON EMPLOYMENT  
BY INDUSTRY (2021)

- Mining and Logging - 2.1%
- Construction - 7.1%
- Manufacturing - 6.9%
- Trade, Transportation, & Utilities - 20.8%
- Information - 1.0%
- Financial Activities - 5.3%
- Professional & Business Services - 16.9%
- Educational & Health Services - 13.2%
- Leisure & Hospitality - 9.6%
- Other Services - 3.4%
- Government - 13.7%



Source: Houston Economic Partnership

#2 METRO FOR  
POPULATION GROWTH



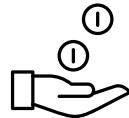
# TOP-RANKED POPULATION GROWTH



## 265 RESIDENTS MOVE TO HOUSTON DAILY

One new resident moves to Houston every seven minutes

Source: US Census Bureau



## 20.8% POPULATION GROWTH

from 2010 – 2020 outpacing the U.S. average

Source: US Census Bureau



## 1.2 MILLION PROJECTED NEW RESIDENTS BY 2030

Representing a 17.2% population growth

Source: US Census Bureau

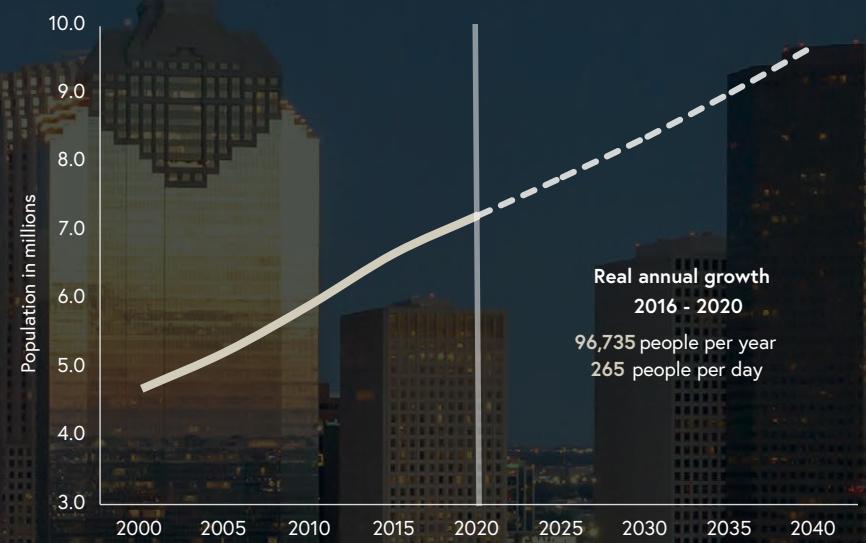


## TOP 5 IN THE COUNTRY FOR TOTAL JOB GROWTH

2020

Source: U.S. Bureau of Labor Statistics

## HOUSTON'S ROBUST POPULATION GROWTH RATES



## NATION-LEADING POSITION IN PROJECTED POPULATION GROWTH



# NATION-LEADING EMPLOYMENT GROWTH



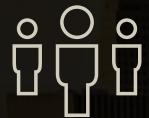
**158,000**

New jobs added in 2021



**+174,000**

Net change in total  
non-farm employment



**3,500,000**

Person workforce, nearing all time  
high for Houston

*(From Jan 2021 to Oct 2021)*



**79%**

Of Houston higher  
education graduates stay and  
work in the region;

*The sixth highest retention rate in the U.S.*



**#7**

In the country for percent  
job growth

*(5.1% in 2021)*



**#1**

In the nation in office  
re-entry levels in the country

**#2 MSA**  
FOR PROJECTED  
POPULATION GROWTH

HOUSTON IS HOME TO  
**25** FORTUNE 500 COMPANIES &  
**40** FORTUNE 1000  
COMPANIES

**50+**  
CORPORATE HEADQUARTER  
RELOCATIONS TO HOUSTON  
SINCE 2017

**4**  
NEW FORTUNE 500  
RELOCATIONS IN 2021

Hewlett Packard Enterprise, NRG Energy, KBR,  
Academy Sports & Outdoors

**LEADING**  
PRO BUSINESS ENVIRONMENT



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