

3700 SAN CLEMENTE

AUSTIN, TEXAS



OFFERING SUMMARY

249,872 SF CLASS A OFFICE ASSET IN SOUTHWEST AUSTIN

EXECUTIVE SUMMARY

Jones Lang LaSalle (“JLL”) has been exclusively retained to offer qualified investors the opportunity to purchase 3700 San Clemente (the “Property”), a premier asset in Southwest Austin prominently located in the vibrant southwest submarket at the intersection of Capital of Texas Highway (Loop 360) and Westlake Drive.

The five-story, 249,872 square foot, Class A office asset presents a value-add opportunity to investors with 45% of the Property vacating in by November 2022 resulting in an occupancy level of 51% as of December 2022. This provides a new owner an opportunity to increase value in a market that has seen 6.4% average annual rental rate growth since 2013. The remaining tenancy represents a diversified rent roll of local, national and global companies. The building was constructed in 2015 and boasts 50,000 square foot floorplates and best in class onsite and walkable amenities, positioning the asset at the top of the Loop 360 market. Its setting amid Austin’s scenic Hill Country is less than a mile south of Lake Austin and Austin Country Club offering exceptional access to the affluent West Austin residential areas, including West Lake Hills, Rob Roy and Barton Creek. Its location affords the Property outstanding views and is an attractive location for investors given the strong historical performance of the submarket and the significant barriers to entry that exist as a result of its location in a protected, environmentally sensitive area.

➤ **IN-PLACE CASH FLOW –
LEASE TO CORE OPPORTUNITY**

➤ **INSTITUTIONAL
QUALITY ASSET**

➤ **PREMIER LOCATION WITH
WALKABLE AMENITIES**

➤ **SUPERIOR SOUTHWEST
OFFICE MARKET**

➤ **AUSTIN
ECONOMIC PROWESS**



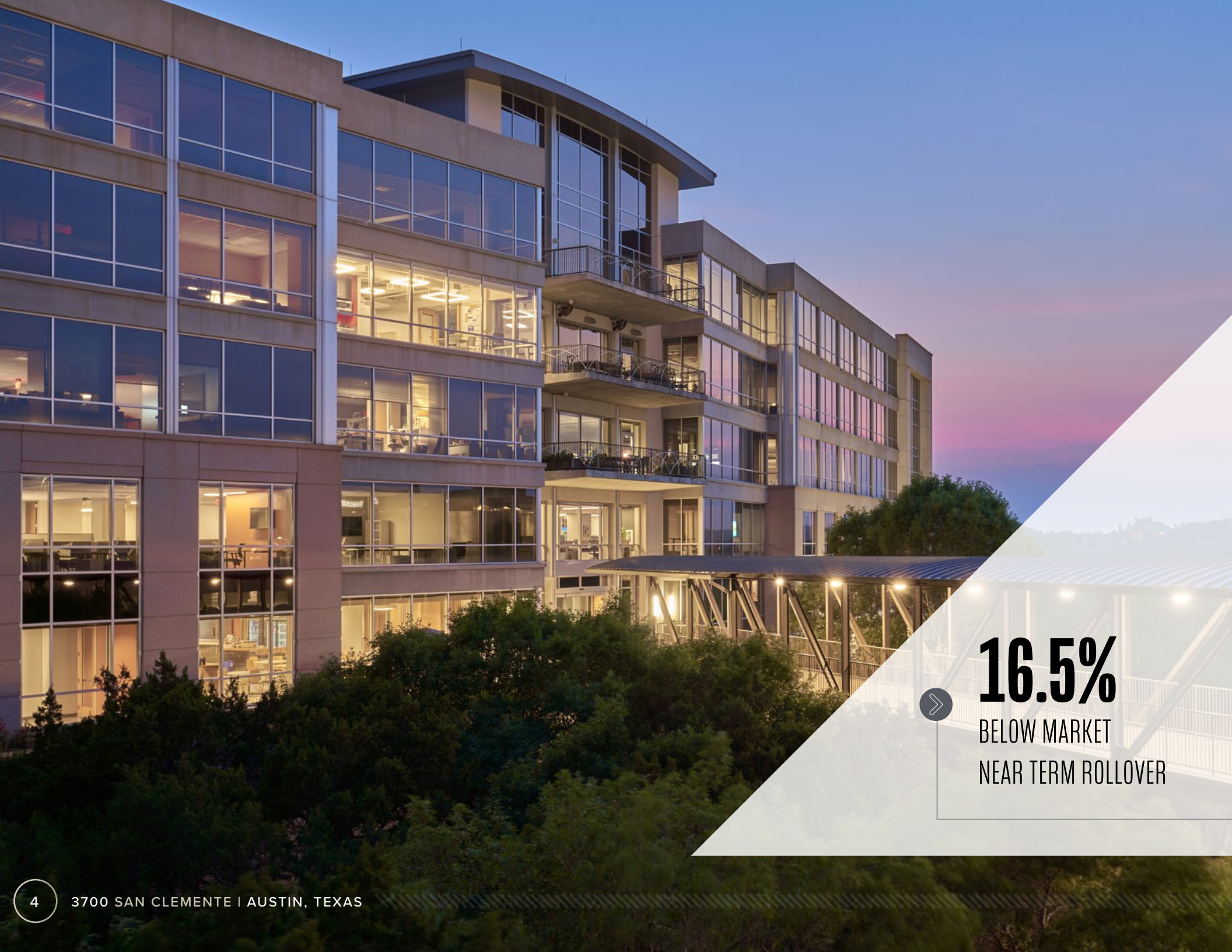


3700
SAN CLEMENTE

PROPERTY OVERVIEW

ADDRESS	3700 N Capital of Texas Hwy Austin, TX 78746
BUILDING SIZE	249,872
% LEASED*	51%
REMAINING WALT	4.8 Years
YEAR BUILT	2015
# OF STORIES	5
AVG. FLOORPLATE	+/- 50,000 SF
PARKING	3.9 : 1,000
SITE AREA	8 Acres

*The Property is 95% leased today with 2 tenants vacating by Nov-22 bringing the occupancy to 51%



16.5%
BELOW MARKET
NEAR TERM ROLLOVER

4.8 Years

WALT OF REMAINING TENANCY

88%

LEASED SUBMARKET

Two

CONTIGUOUS FULL
FLOORPLATES TO OFFER



IN-PLACE CASH FLOW – LEASE TO CORE OPPORTUNITY

3700 San Clemente is currently 95% occupied, with 45% of its tenancy (Spiceworks and Asure Software) vacating by November of 2022, leaving 51% of the rentable square feet occupied by a roster of diverse tenants with 4.8 years of WALT (excluding Spiceworks & Asure Software). The forthcoming vacancy offers an outstanding mark-to-market opportunity, with the expiring leases currently 16.5% below market. The strong fundamentals and high barriers to entry within the Southwest submarket create the dynamic leasing environment needed to execute a lease-to-core investment strategy, with over 6.3M SF of active requirements and over 12 tenants in the market for 10,000+ SF blocks in the Southwest submarket.



BREATHTAKING
**HILL COUNTRY
VIEWS**



INSTITUTIONAL QUALITY CONSTRUCTION

3700 San Clemente is a 249,872 SF Class A office building that was delivered in 2015 as part of the San Clemente mixed-use development. The Property's highly coveted design elements include full-height exterior windows, breathtaking Hill Country balcony views, top-of-the-line fitness center, high-end lobby and 5th floor sky lobby, modernized building systems that are Energy Star certified, and skywalk access to a six-level structured parking garage with a generous 3.9 per 1,000 SF parking ratio.

Best in class office product, such as 3700 San Clemente, has seen an outsized increase in demand compared to its older, lower quality counter parts. Over the last 5 quarters in the Austin office market, post-2015 office product has seen 2.1 million square feet of positive absorption, while pre-2015 office product has seen 1 million square feet of negative absorption.





BEST IN CLASS

COMMON AREAS

ENERGY STAR

CERTIFICATION

3.9 : 1,000

PARKING RATIO

2.1M+ SF

NET ABSORPTION OF
POST-2015 OFFICE SPACE

24%

RENTAL PREMIUM TO
PRE-2015 OFFICE SPACE

PREMIER LOCATION WITH WALKABLE AMENITIES

3700 San Clemente is located at the intersection of Westlake Drive and Loop 360 within the San Clemente mixed-use development, offering walkable amenities unique within the Southwest submarket. In addition to Jack Allen's Kitchen, Halina Day Spa, and Fresa's Chicken (coming soon) adjacent to the Property, 3700 San Clemente is directly across Loop 360 from Davenport Village, a 129,000 SF lifestyle center offering a wide variety of dining and service-oriented retailers including Maudie's, Castle Hill Fitness, Westbank Dry Cleaning, Westlake Wine Bar, and more. Additionally, 3700 San Clemente is a short 5-minute drive from the 350,000 SF Village at Westlake, the only grocery anchored shopping center on Loop 360.

The Property is conveniently located less than 2 minutes from Austin's famous Pennybacker Bridge and Austin Country Club, Austin's most prestigious country club and host of the Dell Matchplay. In addition to its seamless amenity access, 3700 San Clemente is situated a short drive from Austin's most affluent neighborhoods including: West Lake Hills, Rob Roy, Barton Creek, Rollingwood, and Lost Creek.



DOWNTOWN
AUSTIN

AC
Austin Country Club

DAVENPORT VILLAGE

MAUDIE'S
TEX-MEX

360 UNO
pizza coffee wine

Jade
RESTAURANT

WESTLAKE WINE BAR

NORTHWEST HILLS
AT DAVENPORT
PHARMACY

WESTBANK
DRY CLEANING

CHF
CASTLE HILL
FITNESS

CAPITAL OF TEXAS HIGHWAY

3900 SAN CLEMENTE

251K SF
CLASS A OFFICE

WEST LAKE HILLS HOUSING MARKET

\$1,900,000 MEDIAN SALE PRICE
21% YOY INCREASE
100% INCREASE SINCE 2017

3700
SAN CLEMENTE

3500 WESTLAKE

BUILT 2008
175 MF UNITS

3600 SAN CLEMENTE



3600 SAN CLEMENTE

90K SF
CLASS A OFFICE



DRIVE TIMES

▶	SAN CLEMENTE RETAIL	WALKABLE
▶	DAVENPORT VILLAGE	1 MIN
▶	PENNYBACKER BRIDGE	2 MIN
▶	AUSTIN COUNTRY CLUB	5 MIN
▶	VILLAGE AT WESTLAKE	5 MIN
▶	WEST LAKE HILLS	5 MIN
▶	ROB ROY	5 MIN
▶	LOST CREEK	6 MIN
▶	BARTON CREEK	8 MIN
▶	ROLLINGWOOD	10 MIN

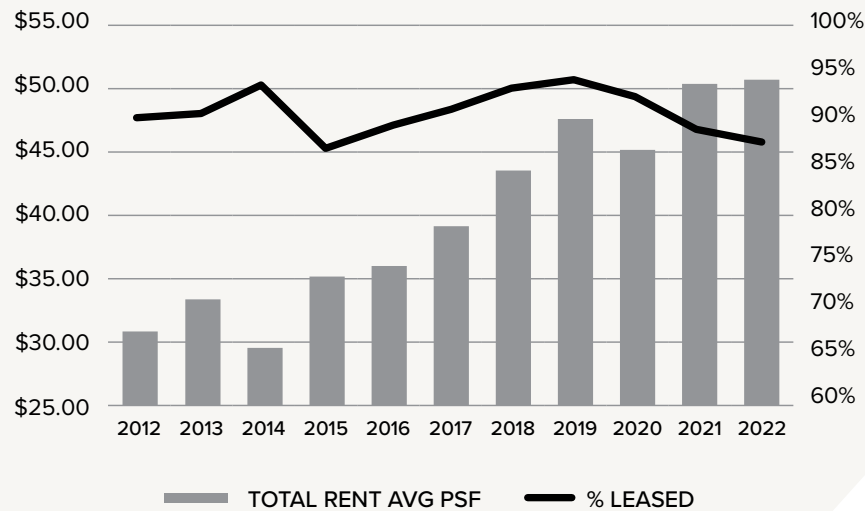
LOOP
360

SOUTHWEST OFFICE MARKET

Defined by its accessibility to Downtown and premier executive housing options in nearby high-end neighborhoods, the Southwest office market is considered to be Austin's strongest suburban submarket. The Southwest Class A office market is a perpetual top performer averaging 6.4% annual rental rate growth, 90% occupancy, and 145,928 SF of annual positive net absorption over the decade preceding 2022. Current Class A market rates of \$50.50 per square foot gross in the Southwest office market are 39% below Downtown Class A rates (parking cost included) of \$81.93 per square foot gross, offering a well-located and economical alternative for companies with executives who live nearby. Trophy office space in the submarket continues to attract major employers including Apple, Dimensional Fund Advisors, Indeed, Yeti, Samsung, Abbott Labs, Epicor, and VMware, among others.

SOUTHWEST SUBMARKET

AVERAGE RENTAL RATES VS % LEASED



HIGH BARRIERS TO ENTRY

- **Development is difficult and costly** due to environmentally protected areas and the Edwards Aquifer recharge zone
- **Only 125,000 SF able to be developed** between the Loop 360 Bridge and MoPac
- **Only 7% inventory growth** since 2017 while **Austin's total inventory has grown 19%**



3700
SAN CLEMENTE

90%

LEASED
FROM 2012 - 2022

6.4%

ANNUAL RENT GROWTH
2012 - 2022

7%

INVENTORY GROWTH
SINCE 2017 -
HIGH BARRIERS TO ENTRY

AUSTIN ECONOMIC PROWESS

NATION LEADING ECONOMY



AUSTIN IS THE “#1 CITY FOR REAL ESTATE INVESTMENT,”

- *AFIRE (2022)*



“FASTEST GROWING CITY IN THE COUNTRY”

- *FORBES*



#1 HOTTEST U.S. JOB MARKET”

- *WALL STREET JOURNAL (2022)*



169 PEOPLE MOVING TO THE CITY PER DAY

- *AUSTIN CHAMBER*



NATION’S FASTEST GROWING JOB MARKET:

3.5% GROWTH | +36K JOBS IN THE LAST YEAR



LED NATION BACK TO WORK AT 60% OCCUPANCY

- *WSJ*



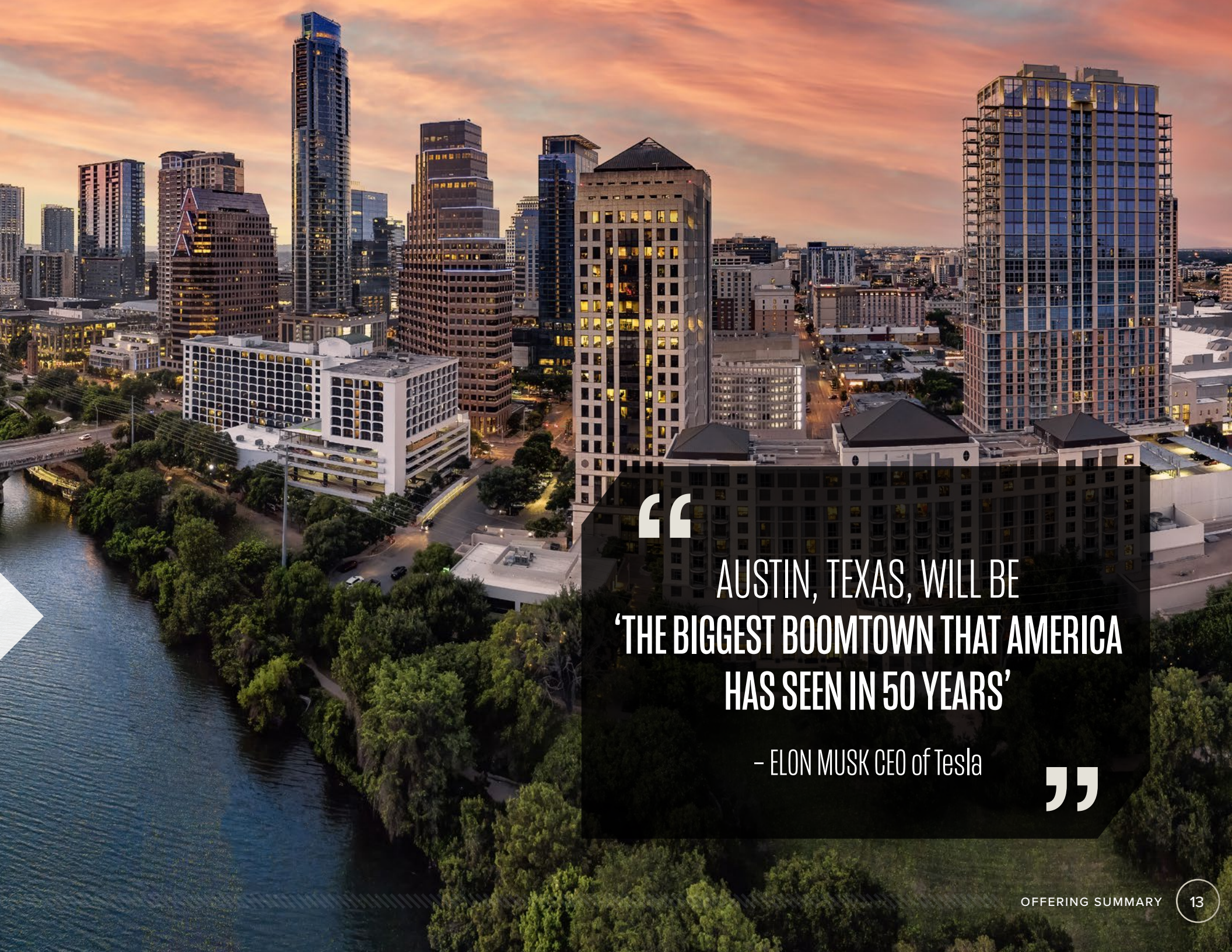
AUSTIN, TEXAS



**TOP RANKED
PLACE TO LIVE**

2017-2021

- *U.S. NEWS & WORLD REPORT*



“
AUSTIN, TEXAS, WILL BE
‘THE BIGGEST BOOMTOWN THAT AMERICA
HAS SEEN IN 50 YEARS’

– ELON MUSK CEO of Tesla

”

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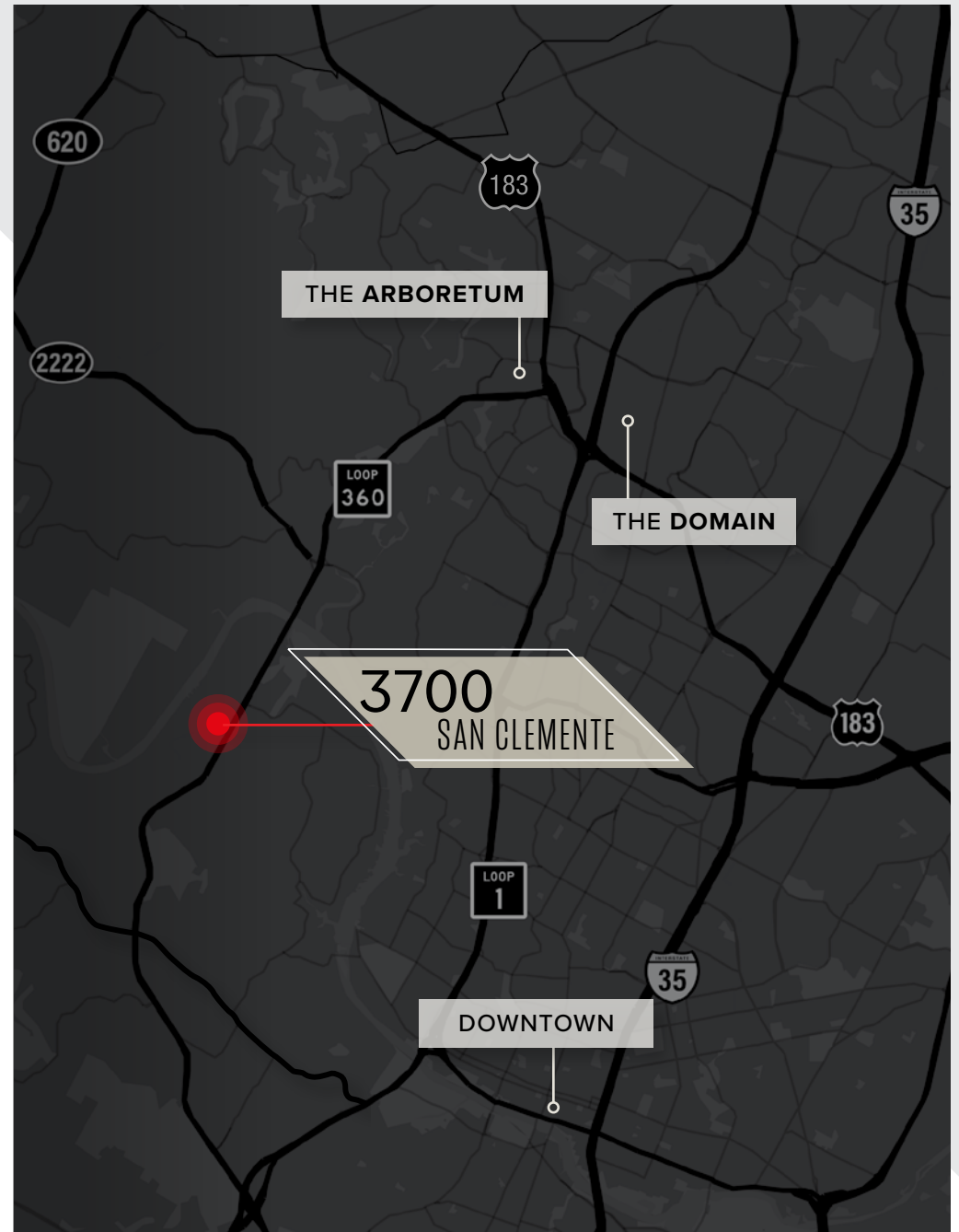
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