



6330

WEST LOOP SOUTH

HOUSTON, TX



Confidential Offering Memorandum

THE OFFERING

Jones Lang LaSalle ("JLL"), as exclusive advisor, is pleased to present for sale a 100% fee simple interest in **6330 West Loop South** ("the Property"), a 278,489 square-foot, Class A office building located in an irreplaceable urban infill, walkable location with close proximity to some of Houston's most prestigious residential neighborhoods and commercial districts. The Property is located immediately south of the Houston Galleria, a 2.4 million square foot shopping mall that sees over 30 million annual visitors, and Uptown, one of the largest business districts in the U.S. At 100% leased with 9.81 years of WALT, and the 3 largest tenants comprising over 90% of the NRA with a WALT of 10.3 years, the Property offers investors stable contractual cash flow secured by medical and engineering tenancy.

Nearly 65% of the Property is leased to Texas Children's Hospital and Texas Children's Health Plan, the health plan founded by Texas Children's Hospital and the nation's first HMO created just for children. 6330 West Loop South is home to over 150,000 square feet of hospital administrative space of Texas Children's and represents a mission-critical location for the tenant due to the Property's operational clinic on the second floor and its immediate proximity to the Texas Medical Center - the largest medical complex in the world that generates over \$25 billion in GDP annually.

6330 West Loop South offers new investors the rare opportunity to purchase a fully stabilized asset with long-term WALT and credit tenants who proactively expanded and renewed their leases in 2021.





PROPERTY OVERVIEW

ADDRESS 6330 West Loop South
CITY, STATE, ZIP Houston, TX 77401
COUNTY Harris
RENTABLE SQUARE FEET 278,489
% LEASED 100.0% (NRA)
YEAR BUILT/RENOVATED 1976/2009
PARKING SPACES 1,046
PARKING RATIO 3.76/1,000
STORIES 14
LAND PARCEL 5.11 Acres
WALT 9.81 Years
MAJOR TENANTS Texas Children's Health Plan, Quiddity Engineering, Southside Pharmaceutical, Bellaire Eye Consultants

INVESTMENT HIGHLIGHTS

PREFERRED TENANCY IN RAPIDLY GROWING MICRO-MARKET

6330 West Loop South benefits from its location and frontage along 610, and is situated in a micro-market that is continually evolving. Due to this site's location relative to the Texas Medical Center (10 minutes west) and its centrality within several of Houston's most affluent and desirable residential neighborhoods, 6330 West Loop South and the surrounding office product has benefited significantly from the westward migration of Houston's population base as well as recent relocations from tenants across the city. Recent examples of high-profile corporate migrations include Harris Health System recently relocating to Bellaire Place, less than one mile from the Property, signing a long-term lease for over 300,000 SF and establishing the micro-market as their long-term home base for administrative offices and outpatient rehabilitation services. Further, West Loop 1 and Bellaire Park (located directly across 610 from the Property) recently found abundant success in attracting medical users, once again establishing the 610/Bissonnet corridor as a new alternative for medical users in Houston.

Further development and investment in this micro-market can be found directly northwest of 6330 West Loop South in the form of a brand new mixed-use property. Bellaire Place, located at a former Chevron office campus, will be a mixed-use office, dining, retail and entertainment property that is expected to break ground in 2023. The 30-acre development is a big step forward in the Comprehensive Plan for the City of Bellaire, an ordinance passed by the Bellaire City Council that is for the promotion of new commercial development and vitalization of the area. Bellaire Place signifies one of the first steps in the plan to create a new community character, a plan that will greatly enhance the surrounding area of the Property, and will serve as a long-term amenity to future ownership and tenants alike.





IMMEDIATE PROXIMITY TO TEXAS MEDICAL CENTER AND ABUNDANT WORKFORCE POPULATION

6330 West Loop South is located only 10 minutes west of the Texas Medical Center, the largest medical complex in the world and one of Houston's primary employment centers. The Property benefits from its location relative to the Medical Center and the surrounding workforce population, offering medical tenants an extremely attractive alternative to their existing space, specifically for their health plan and administrative offices.

The Texas Medical Center

- The Texas Medical Center (TMC) encompasses 50 million developed square feet with over 106,000 employees and 8 million patient visits per year.
- The TMC is the 8th largest business district in the U.S. and accounts for \$25 billion of economic impact.
- The TMC is the largest concentration of doctors and patients in the country.
- Houston has 1,760 life sciences companies, cutting edge healthcare facilities, and research institutions.
- The Houston MSA contains internationally recognized universities that offer pre-med courses or colleges of medicine. This includes Rice University, University of Houston, Baylor College of Medicine, Texas A&M, UTMB, and Houston Baptist University.

Access to a rapidly growing population and workforce

- Houston has grown by 20.7% since 2010 and is projected to add 2.5 million residents between now and 2040.
- Houston has 410,000 people with STEM degrees – This is the 7th most of any MSA across the country.
- Houston has seen life sciences employment growth increase 16% over the last five years, which is 4th in the country.
- Houston produces more medical doctorates than any other MSA and more research doctorates in biology/physical sciences than San Francisco, San Diego, and Boston.

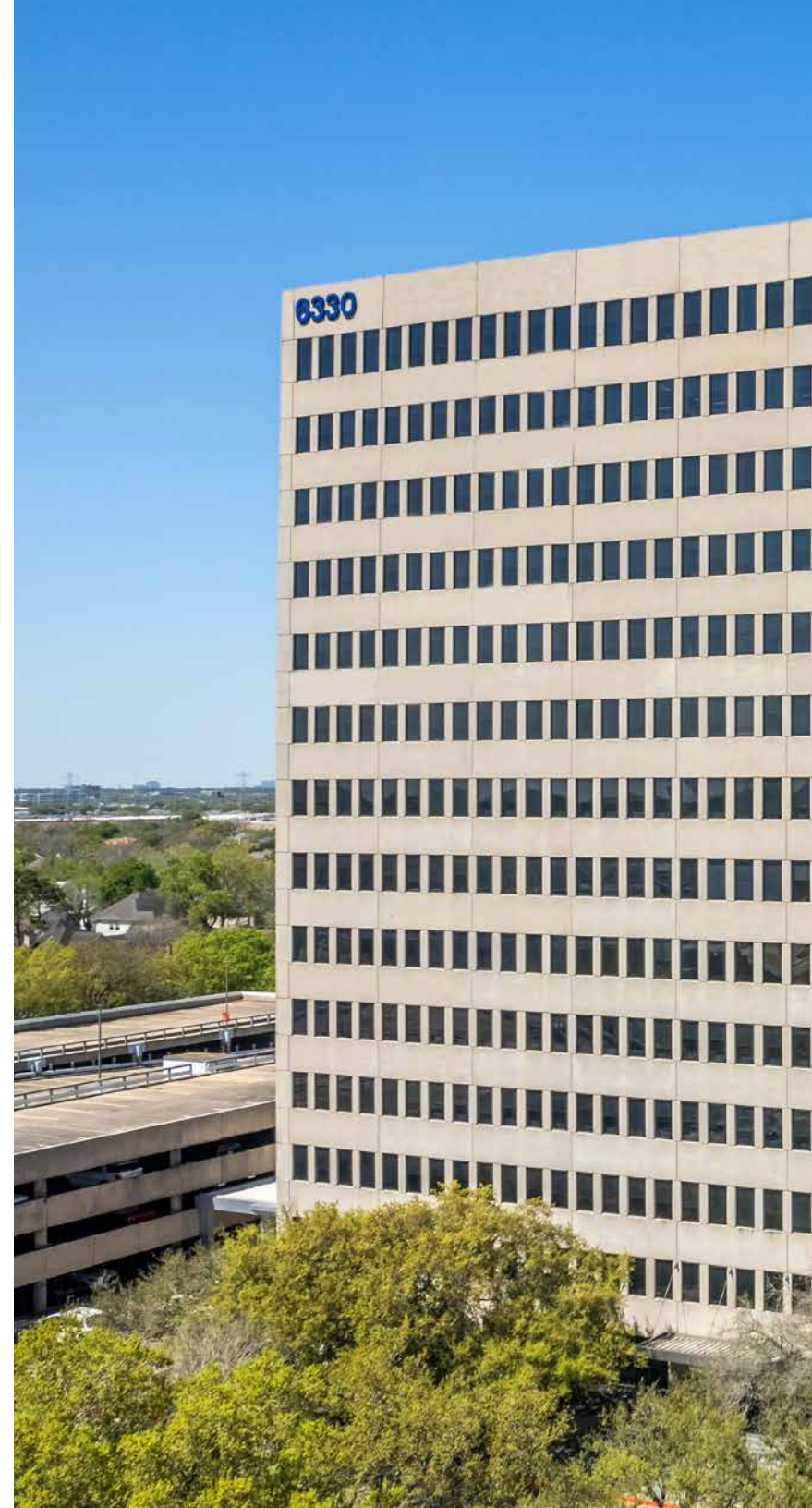
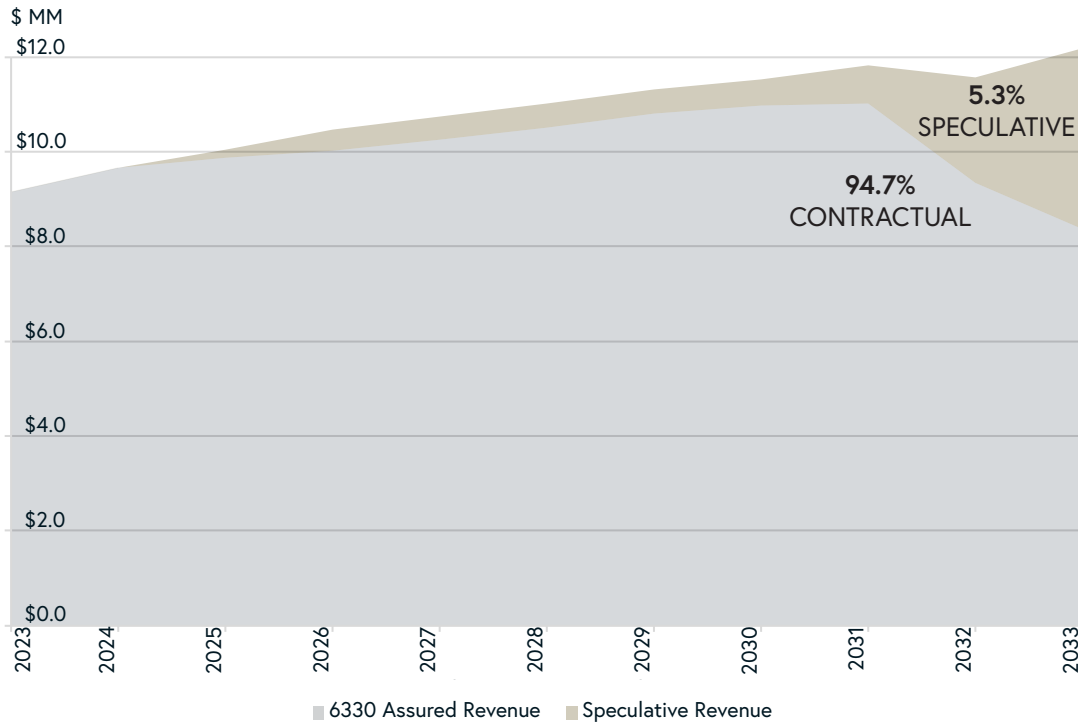
INVESTMENT HIGHLIGHTS

9.81 YEARS OF WALT AND ROBUST CONTRACTUAL CASH FLOW

The Property is currently 100% leased with no major tenant expiring prior to November 2030 and a total WALT of 9.81 years. Further, 94.7% of total revenue at the Property is contractual through a 10-year hold period, offering investors stable in-place cash flow with opportunities to push market rates at the expiration of the Property's smaller tenants. 6330 West Loop South offers exceptional long-term economics with little-to-no capital expenditure requirements.

6330 West Loop South provides exposure to two of Houston's fastest growing sectors - healthcare and engineering - in a market that benefits from the direct and auxiliary employment generated by the Texas Medical Center.

RENTAL REVENUE - CONTRACTUAL VS. SPECULATIVE - 10 YEARS





UNIQUE, FULLY STABILIZED CLASS-A ASSET

At 100% leased with 9.81 years of WALT, 6330 West Loop South represents one of the first fully stabilized, multi-tenant office opportunities in Houston since 2020. As the three largest tenants - Texas Children's Health Plan, Quiddity Engineering, and Southside Pharmaceuticals - have a combined 10.3 year WALT, investors are offered significant lease term through three tenants that encompass two of Houston's many economic pillars: medical and engineering. Additionally, 6330 West Loop South serves as the headquarters for each of its 3 largest tenants, cementing the Property as these tenant's home base for the foreseeable future and significantly mitigating risk of underutilization. The Property's largest tenant, Texas Children's Health Plan, is a key element in the overall financial strength of Texas Children's Hospital and has been a driving force in the hospital system's ability to achieve investment grade status. Their recent Aa2 rating from Moody's was supported by favorable leverage metrics and strong liquidity that is bolstered by CARES Act funding and very strong operating results at Texas Children's Health Plan, which provided good diversity of cash flow in the last few years. The remaining 24,237 SF of the rent roll has a relatively staggered rollover with rents significantly below market - presenting an opportunity to generate additional yield by marking rents to market upon lease expiration.

TOP 3 TENANTS SUMMARY				
TENANT	SF	% OF NRA	IN-PLACE BASE RENT (PSF)	WALT
Texas Children's Health Plan	178,613	64.14%	\$21.00	10.8 Yrs
Quiddity Engineering	53,371	19.16%	\$21.50	8.8 Yrs
Southside Pharmaceutical	20,027	7.19%	\$20.00	10.0 Yrs
Totals/Averages	252,011	90.5%	\$17.67	10.3 Yrs

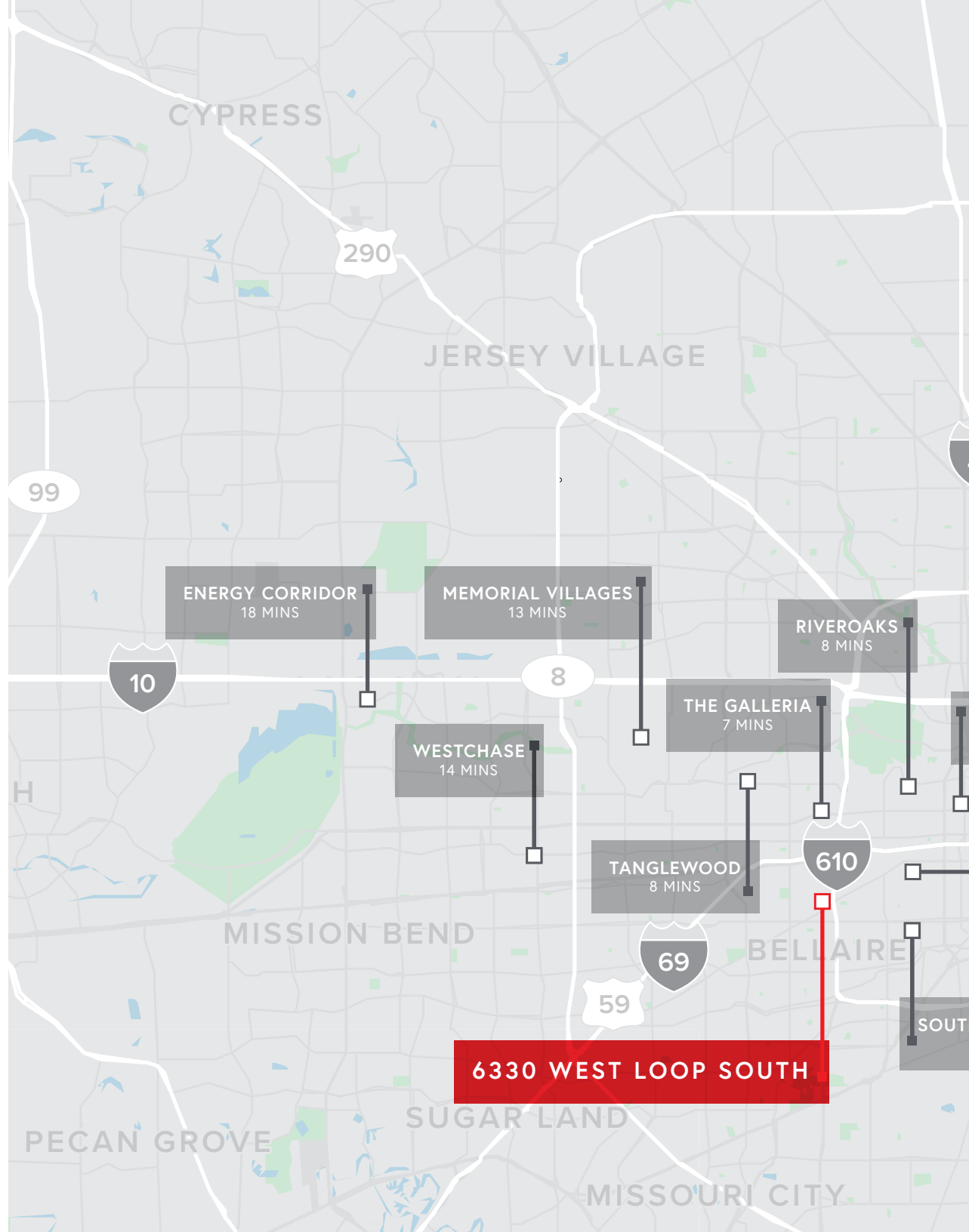
INVESTMENT HIGHLIGHTS

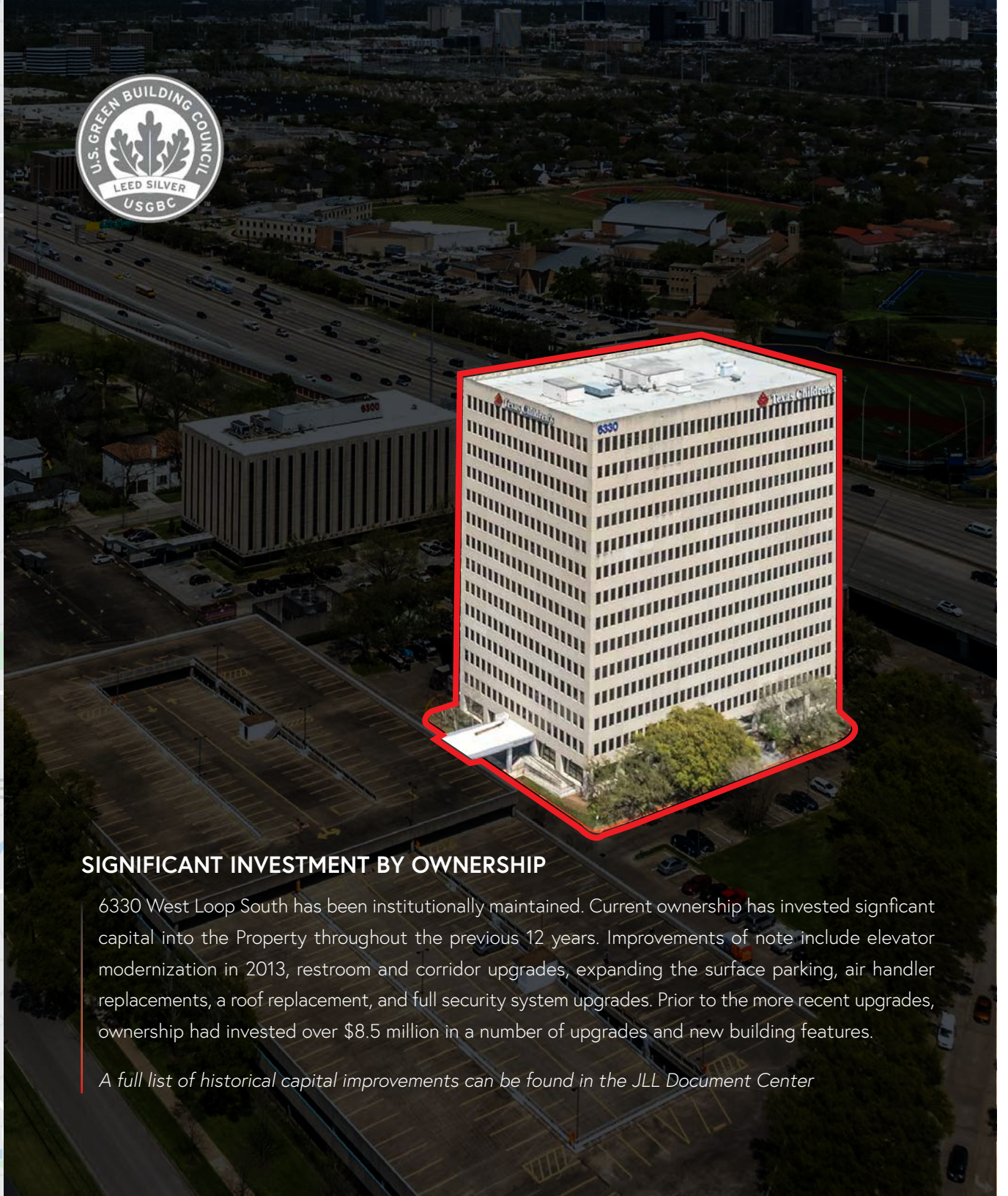
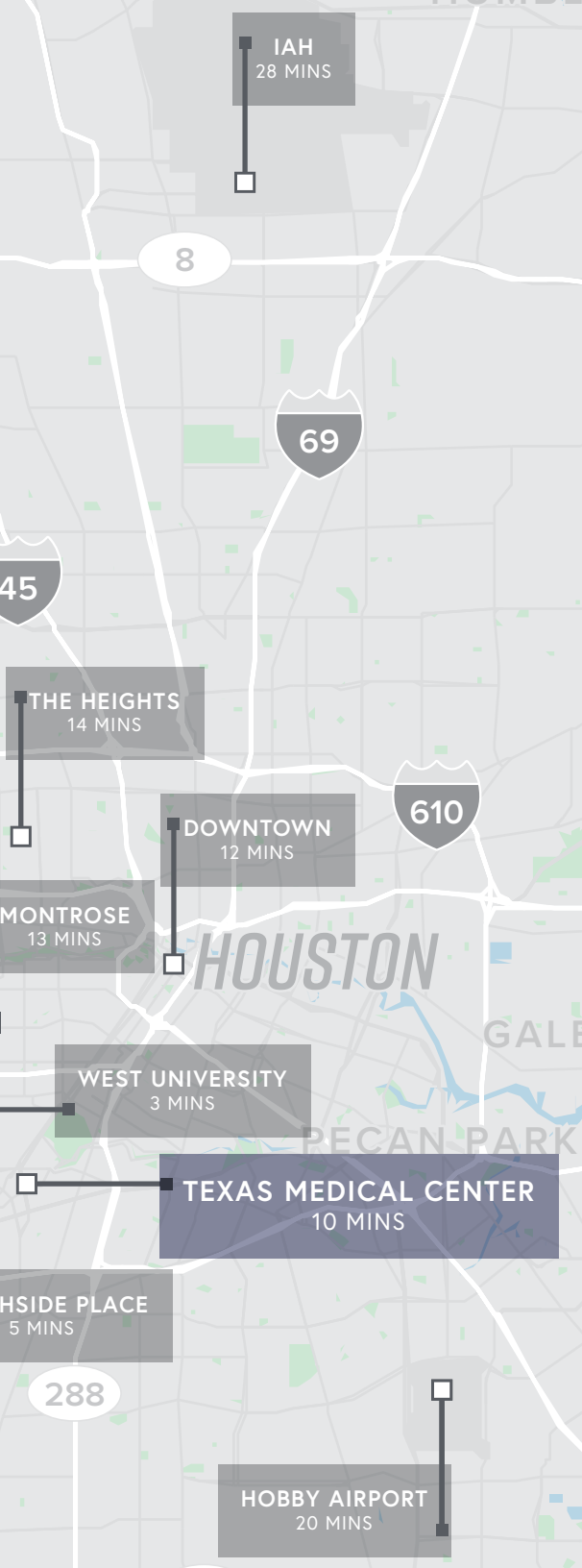
EASILY ACCESSIBLE TO POPULATION CORES IN INFILL HOUSTON

Located at the northwest intersection of 610 and Bissonnet St - the premier intersection of Bellaire - 6330 West Loop South is centrally positioned between some of Houston's major commercial centers and residential hubs. Being on the west side of West University Place and directly south of the Galleria, 6330 West Loop South benefits from its location relative to one of Houston's wealthiest neighborhoods and strongest workforce population. The surrounding demographics at the Property feature an average home value of **\$814,516** and a total daytime population of 317,978 - 67% of which is made up of employees (3-mile radius).

DEMOGRAPHICS

	1-MILE	3-MILE	5-MILE
2010 Population	14,171	204,610	457,509
2021 Population	14,493	232,741	523,545
2026 Population (est.)	14,777	251,080	565,455
2021 Total Daytime Population	22,338	317,978	754,676
Median Age	39	35	36
Average Home Value	\$944,848	\$814,516	\$723,333
Average Household Income	\$181,527	\$131,877	\$118,986





SIGNIFICANT INVESTMENT BY OWNERSHIP

6330 West Loop South has been institutionally maintained. Current ownership has invested significant capital into the Property throughout the previous 12 years. Improvements of note include elevator modernization in 2013, restroom and corridor upgrades, expanding the surface parking, air handler replacements, a roof replacement, and full security system upgrades. Prior to the more recent upgrades, ownership had invested over \$8.5 million in a number of upgrades and new building features.

A full list of historical capital improvements can be found in the JLL Document Center

INVESTMENT HIGHLIGHTS



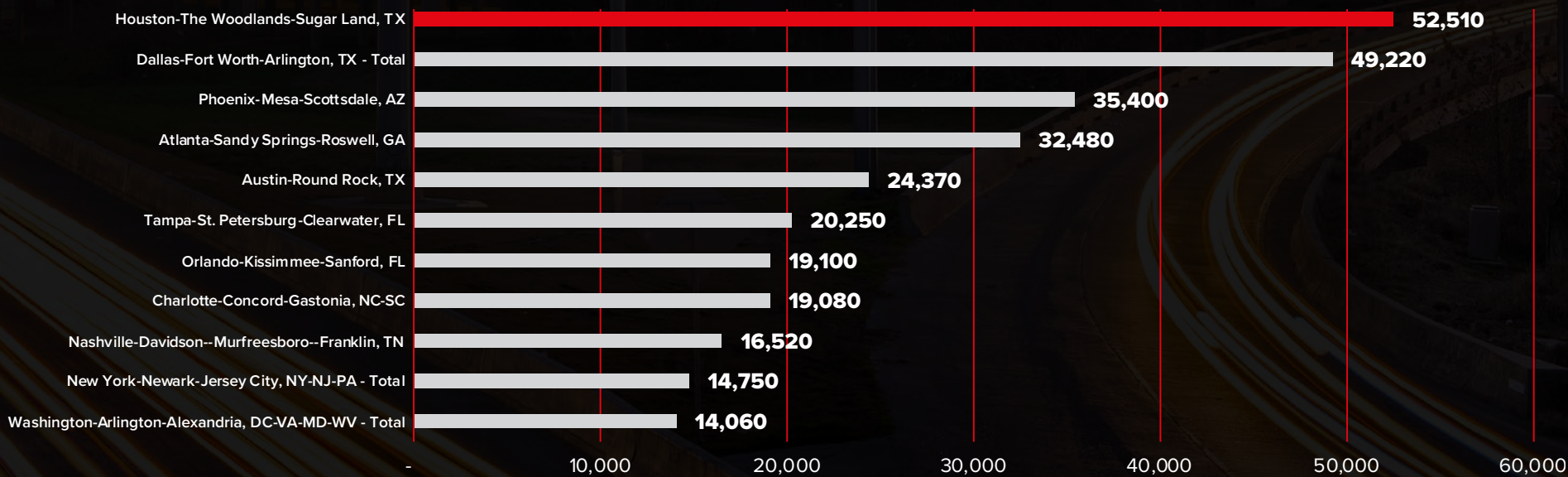
HOUSTON: NATION LEADING GROWTH

In the last decade, Houston has filed for more single-family home permits than those in any other metropolitan area in the country. Since 2011, 363,067 permits have been filed, which is close to 71,000 more than the No. 2 metro area. Driven by Houston's nation-leading population growth, the Houston housing market shows no signs of slowing down. Single family home sales in 2021 totaled 106,229, a new record in Houston and a 10.3% increase from the previous record of 96,271 set in 2020.

From 2010 to 2020, Houston had gained 1,284,268 residents, ranking second in the U.S. over that time. Over the next ~8 years, Houston is expected to tack on another 1,242,781 residents, representing a population growth rate of 17.2% and bringing the MSA's total population to over 8 million people.

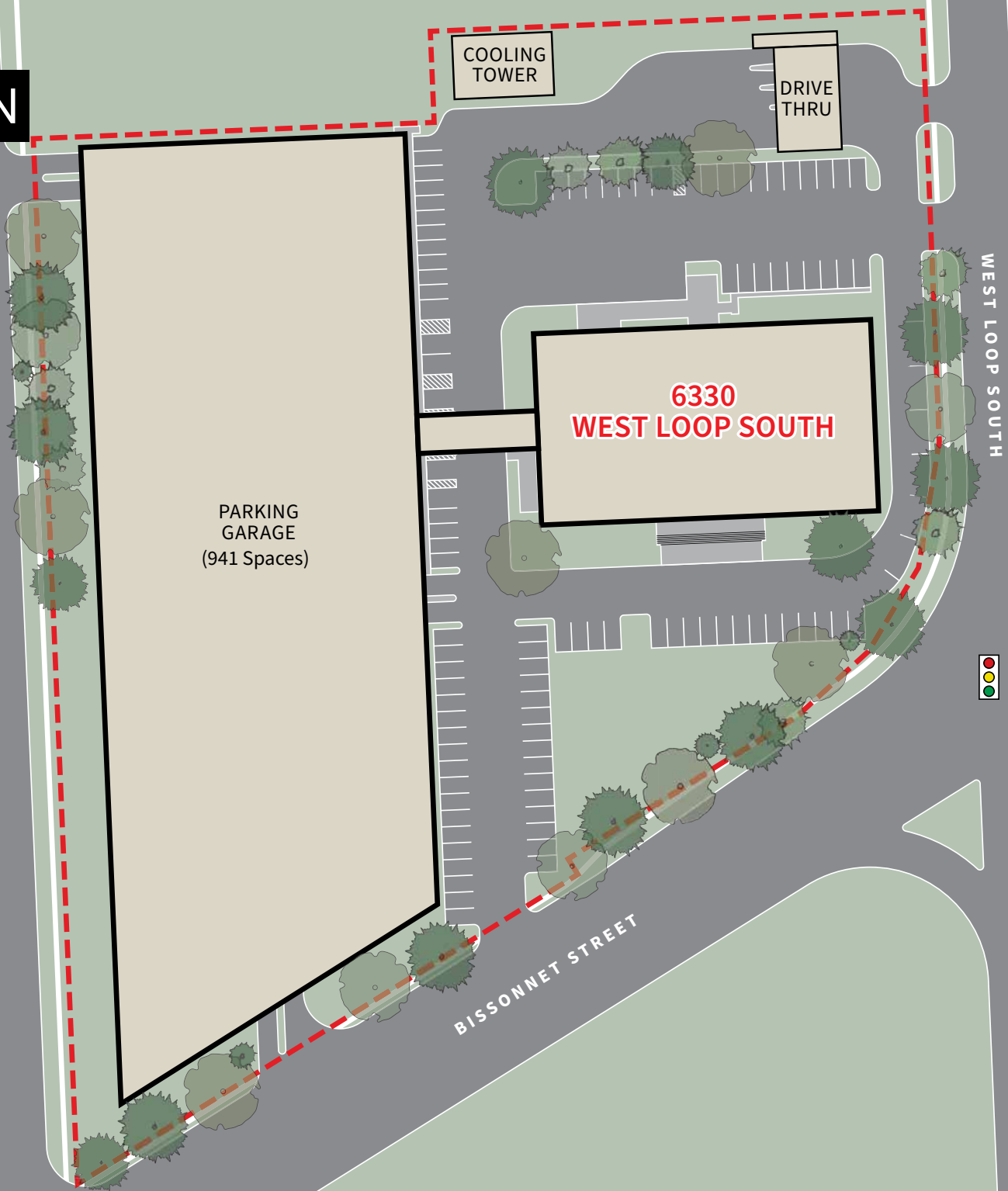


2021 Single Family Housing Starts



Source: Oxford Economics

SITE PLAN



WEST LOOP SOUTH



NORTH 1ST STREET

BISSONNET STREET

EAST FACING AERIAL



HOUSTON CBD

HOUSTON MUSEUM DISTRICT

RICE

TMC
TEXAS MEDICAL CENTER

nrg stadium

RICE VILLAGE
(Avg. Home Value: \$2,000,000)

WEST UNIVERSITY PLACE
(Avg. Home Value: \$2,000,000)

BRAESWOOD PLACE
(Avg. Home Value: \$1,000,000)

GREENWAY PLAZA

EPISCOPAL HIGH SCHOOL

6330 WEST LOOP SOUTH

BELLAIRE
(Avg. Home Value: \$950,000)

6330 WEST LOOP SOUTH PROPERTY OVERVIEW

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

JLL

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