



WESTHEIMER RD | 31,333 VPD

3000 WESLAYAN

W ALABAMA ST | 14,095 VPD

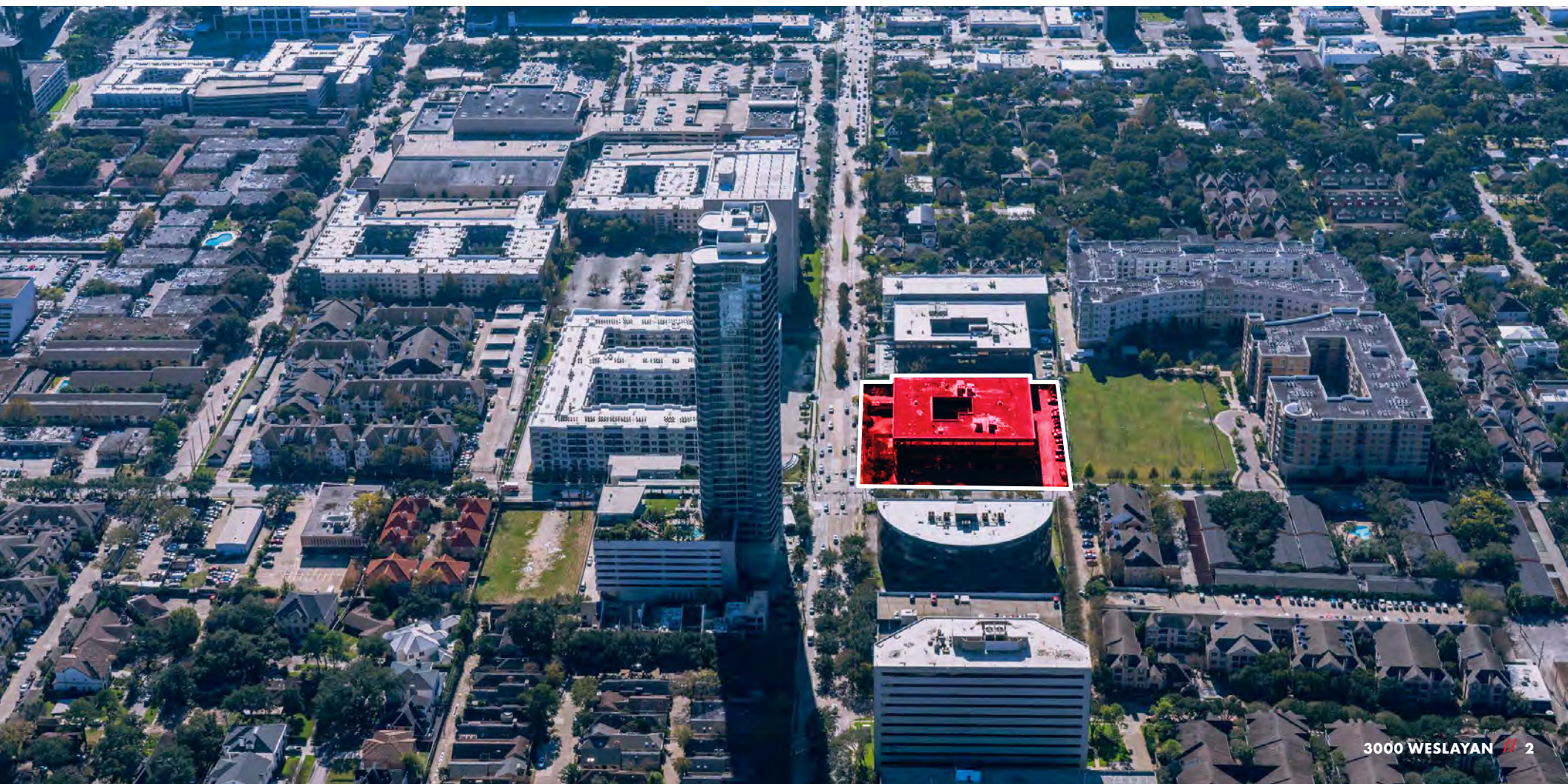
WESLAYAN ST | 26,466 VPD

# 3000 WESLAYAN

2.047 ACRES IN HOUSTON, TX

# EXECUTIVE SUMMARY

On behalf of ownership, Jones Lang LaSalle Americas, Inc. (“JLL”) is pleased to present the opportunity to purchase 3000 Wesleyan (“the Property”), a 78.02% leased, 81,505 SF office building situated on a premier 2.047-acre site located at the lively intersection of Wesleyan St and W Alabama St. The Property boasts an irreplaceable, walkable location adjacent to Houston’s most prestigious residential neighborhoods, upscale retail, luxury apartments/condos, and Class-A office. Centrally located between River Oaks, Afton Oaks, West University, Greenway Plaza, and the Galleria/Uptown, the Property’s location offers a true 24/7 live/work/play environment. With termination options on the existing leases, 3000 Wesleyan provides investors rare flexibility through either keeping and improving the existing office asset or a repurposing of the site through redevelopment.



DOWNTOWN

MONTROSE

UPPER KIRBY

TEXAS MEDICAL CENTER

WEST UNIVERSITY PLACE

RIVER OAKS

2929 WESLAYAN  
253 Units | 88% Occupancy

GREENWAY PLAZA

ALEXAN RIVER OAKS  
381 Units | In Lease-Up

33THIRTYTHREE  
526 Units | 93% Occupancy

NOVEL RIVER OAKS  
324 Units | In Lease-Up

Walgreens

WESLAYAN ST | 26,466 VPD

RICHMOND AVE | 28,589 VPD

GREENWAY COMMONS

COSTCO WHOLESALE LA FITNESS BUFFALO WILD WINGS

3000 WESLAYAN

CAMDEN HIGHLAND VILLAGE  
552 Units | 95% Occupancy

WESTHEIMER RD | 31,333 VPD

CentralMarket

W ALABAMA ST | 14,005 VPD

HIGHLAND VILLAGE:  
Apple RH Crate&Barrel lululemon POTTERY BARN

# EAST FACING AERIAL



MEMORIAL

TANGLEWOOD

10

THE GALLERIA MALL

GALLERIA / UPTOWN

HIGHLAND VILLAGE:  
RH  
Crate&Barrel  
lululemon  
POTTERY BARN

MEMORIAL PARK

610 208,520 VPD

2929 WESLAYAN  
253 Units | 88% Occupancy

WESTHEIMER RD | 31,333 VPD

CentralMarket

NOVEL RIVER OAKS  
324 Units | In Lease-Up

RIVER OAKS

AFTON OAKS

RIVER OAKS SHOPPING DISTRICT:  
HERMÉS  
DOLCE & GABBANA  
EQUINOX  
ST. BERNARD

CAMDEN HIGHLAND VILLAGE  
552 Units | 95% Occupancy

3000 WESLAYAN

Walgreens

33THIRTYTHREE  
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W ALABAMA ST | 14,095 VPD

ALEXAN RIVER OAKS  
381 Units | In Lease-Up

RICHMOND AVE | 28,589 VPD

WESLAYAN ST | 26,466 VPD

GREENWAY COMMONS:  
Costco WHOLESALE  
BUFFALO WILD WINGS  
LA | FITNESS

# NORTHWEST FACING AERIAL

# INVESTMENT HIGHLIGHTS



## POTENTIAL FUTURE DEVELOPMENT WITHIN CORE INFILL HOUSTON

3000 Wesleyan offers investors a rare development opportunity within the dense, urban core of Houston. The Property sits just blocks from Houston's most concentrated amenity cluster and adjacent to the city's most sought after residential neighborhoods. The existing structure sits on 2.047 acres of premier land with over 300 feet of frontage on Wesleyan Street and 294 feet of frontage on W Alabama Street. The Property is surrounded by some of the most renowned institutional owners in the country due to its premier location between Greenway and the Galleria/Uptown.



## VALUE-ADD OPPORTUNITY THROUGH LEASE-UP

The building has been managed to allow flexibility with leases with termination options. At a current occupancy of 78.02%, new ownership has the ability to capture a significant amount of income through the lease-up of the remaining vacant space as well as restructuring longer term leases.



## SIGNIFICANT CAPITAL IMPROVEMENTS

Ownership recently completed the installation of a completely new HVAC and control system, all LED lighting, waterproofing/elastomeric coating, and a new spec suite.



## PREMIER ACCESS & VISIBILITY

3000 Wesleyan is located at one of Houston's most premier commercial intersections with exposure to 40,000+ vehicles per day. The Property benefits from excellent access and visibility with frontage and site line visibility from both W Alabama St and Wesleyan St. The Property also provides excellent ingress and egress to both Highway 59 and Loop 610, two of Houston's major roadways that connect the site to the rest of the metro. Downtown Houston and the Texas Medical Center are both within a 12-minute drive.



## SURROUNDED BY A GROWING POPULATION AND FLOURISHING COMMUNITY

3000 Wesleyan is surrounded by unparalleled demographics. Between 2010 and 2021, the population within a one-mile radius of the Property grew by 34% to a total population of 24,861. This same one-mile radius is projected to grow 22% by 2026. The average household income within a one-mile radius is a wealthy \$149,795. That figure is poised to grow 7% by 2026 to an affluent \$160,286.



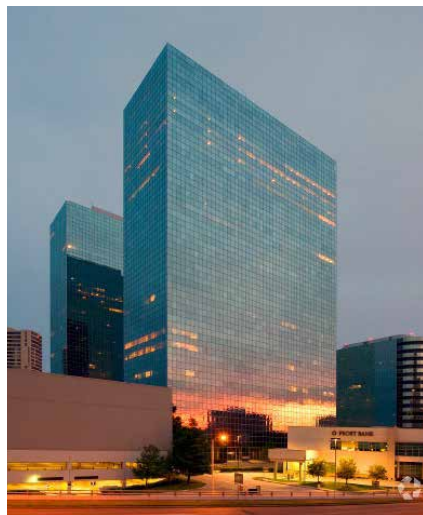
## IRREPLACEABLE LOCATION NESTLED WITHIN HOUSTON'S MOST PROMINENT NEIGHBORHOODS

3000 Wesleyan is strategically located adjacent to the affluent River Oaks neighborhood and within 10 minutes of numerous other high-income residential neighborhoods, including Afton Oaks, West University Place, and Bellaire. 3000 Wesleyan truly sets itself apart from the competition by offering all the urban amenities and walkability but with a suburban feel. The immediate proximity to a highly populated and wealthy residential base propels 3000 Wesleyan as an advantageous location for investors looking to capitalize on a profitable office, multi-family, condominium, or retail opportunity.



**SITUATED BETWEEN TWO OF HOUSTON'S MOST PROMINENT BUSINESS DISTRICTS**

The Property is located within one of Houston's most well recognized submarkets, Greenway Plaza. Located between the Galleria/Uptown District and the CBD, Greenway Plaza is one of the most densely developed submarkets in Houston and has thrived over the decades due to its proximity to decision makers and unparalleled access to the rest of the city. In addition, the chic Galleria/Uptown area sits adjacent to the Property. Only a 5-minute drive away, the Galleria/Uptown submarket is the nation's 15th largest business district. The submarket provides excellent walkability for residents and employees.



**CENTERED WITHIN HOUSTON'S PREMIER RETAIL CORRIDOR**

Houston's most upscale shopping and restaurant hubs surround the Property in all directions. Highland Village, River Oaks Shopping District, Greenway Commons, Upper Kirby District, and The Galleria are all within a 5-minute drive of 3000 Wesleyan, solidifying it as one of Houston's best 24/7 live/work/play locations. The Property is also within a close walking distance to Central Market, Walgreens, and CostCo.



# SITE DESCRIPTION & DEMOS

## SITE DESCRIPTION

Property Name: 3000 Wesleyan

Property Address: 3000 Wesleyan St, Houston, TX 77027

Total Land Area: 2.047 Acres

Total Land SF: 89,167

Total Office SF: 81,505

Year Built: 1979

Occupancy: 78.02%

### Traffic Counts:

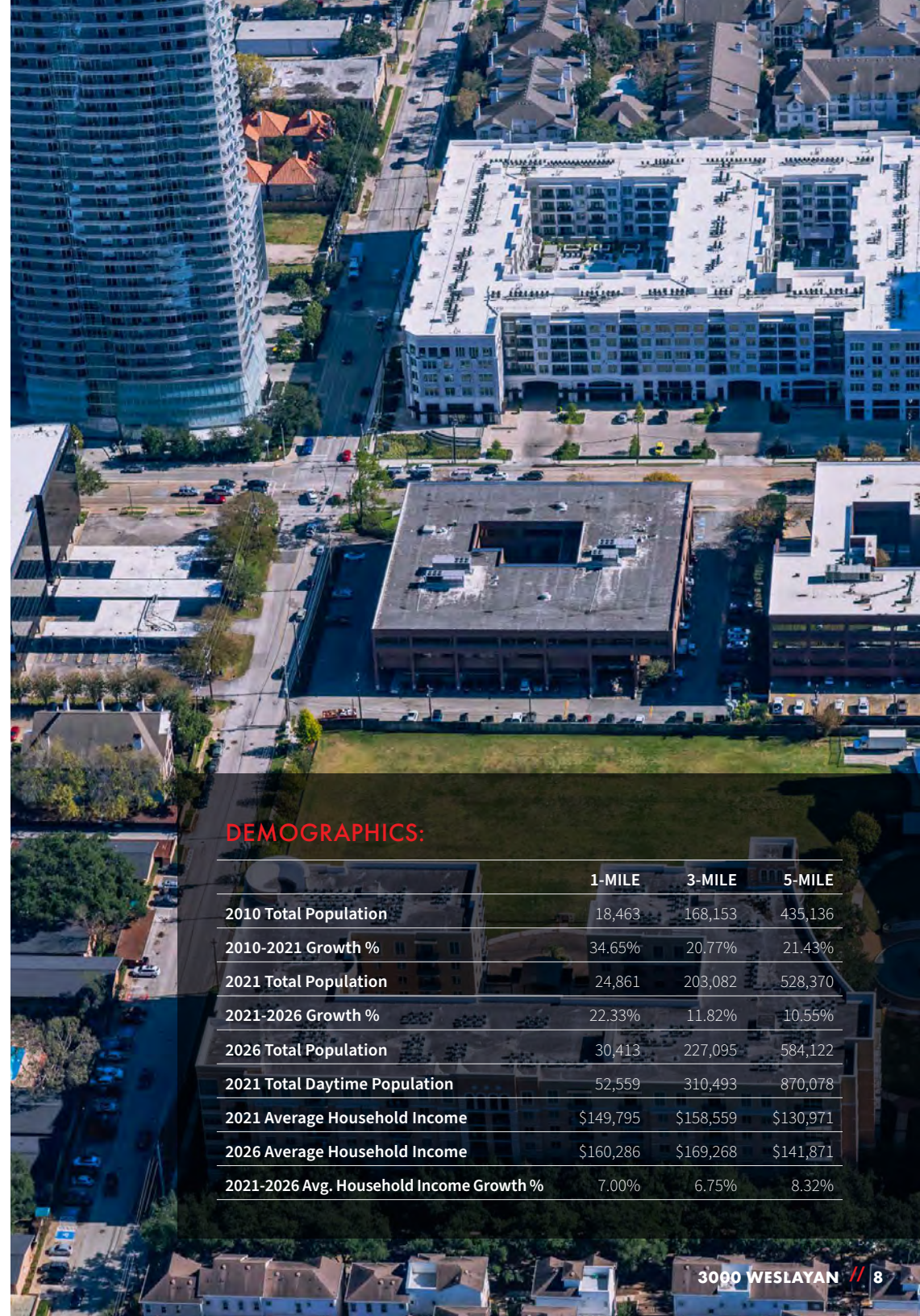
W Alabama 14,095

Wesleyan 26,466

Westheimer 31,333

Hwy 59 300,045

Loop 610 208,520



## DEMOGRAPHICS:

	1-MILE	3-MILE	5-MILE
2010 Total Population	18,463	168,153	435,136
2010-2021 Growth %	34.65%	20.77%	21.43%
2021 Total Population	24,861	203,082	528,370
2021-2026 Growth %	22.33%	11.82%	10.55%
2026 Total Population	30,413	227,095	584,122
2021 Total Daytime Population	52,559	310,493	870,078
2021 Average Household Income	\$149,795	\$158,559	\$130,971
2026 Average Household Income	\$160,286	\$169,268	\$141,871
2021-2026 Avg. Household Income Growth %	7.00%	6.75%	8.32%



# LOCATION OVERVIEW

3000 Wesleyan is located in the population core of Houston with exceptional access to Loop 610 and Highway 59, providing ease of access to executive neighborhoods and desirable areas for employee bases with a large apartment concentration. A significant portion of the Houston region can be accessed by car in under 25 minutes.



## PRIME "INFILL" LOCATION

Surrounded by some of the wealthiest areas in the state, the average household income within a one-mile radius of the property is approximately \$150,000. The immediate area boasts several high-end single and multi-family options along with top hotels and the highest ranked schools in the city.



## 3000 WESLAYAN IS LOCATED IN THE POPULATION CORE OF HOUSTON

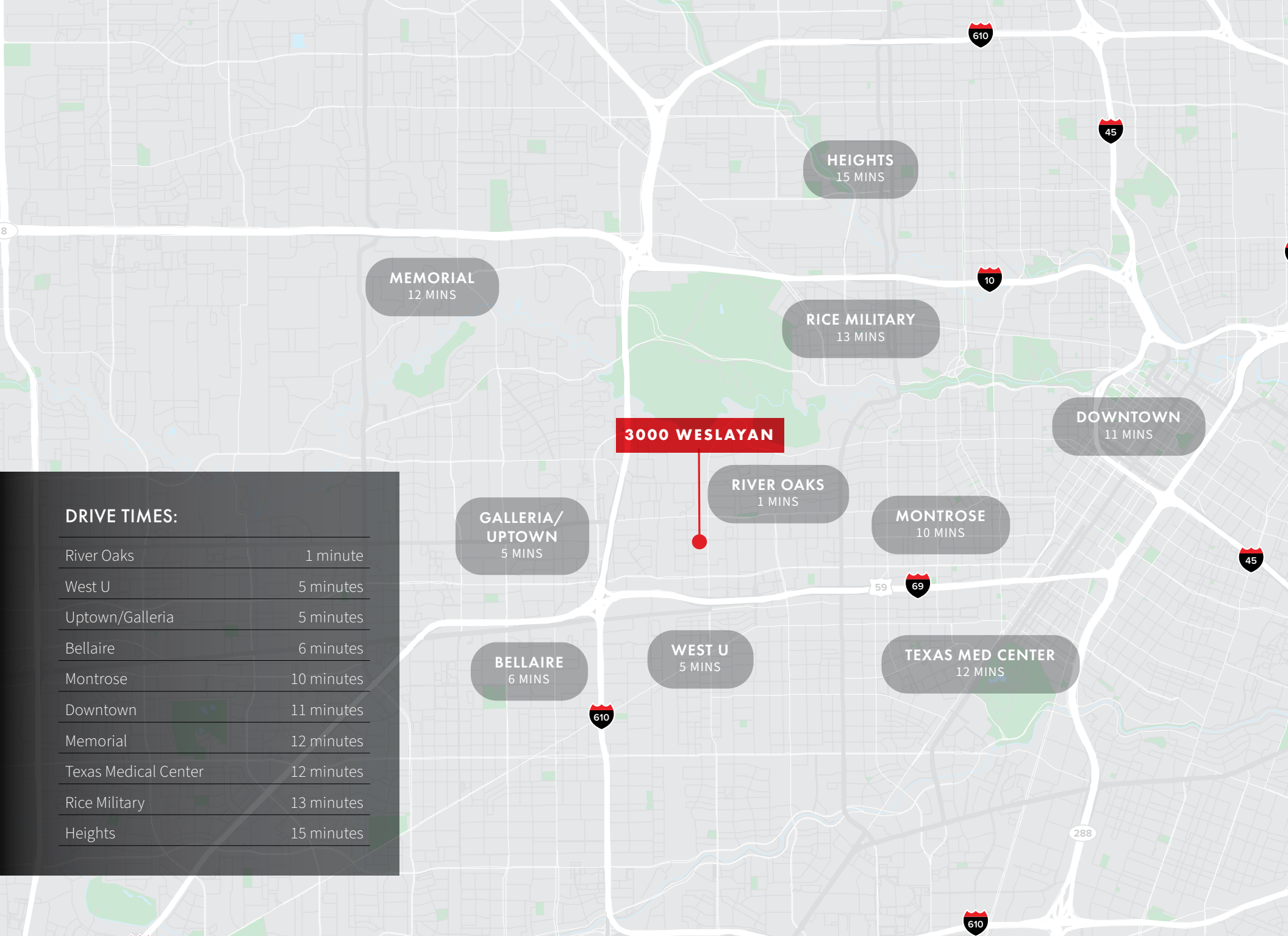
The asset perfectly serves the surrounding demographics with extremely short commute times and easy ingress/egress. In essence, 3000 Wesleyan is one of the best locations for decision makers living in River Oaks, West University, and Afton Oaks, while also being easily accessible to other major neighborhoods such as Tanglewood, Bellaire, and Memorial.

# UNMATCHED ACCESSIBILITY TO DECISION-MAKERS AND AMENITIES

3000 Wesleyan is located within a 15-minute drive of Houston's most prestigious neighborhoods such as River Oaks, Tanglewood and West University Place. In addition to major thoroughfares, there are numerous routes and back roads available that do not require travel on the freeway.

AMENITIES	DISTANCE	DRIVE TIME
Highland Village	1/4 Mile	Walkable
River Oaks District	1/2 Mile	Walkable
The Galleria Mall	1 Mile	4 Min
BLVD Place	1 Mile	5 Min
Uptown Park	1 Mile	5 Min
Memorial Park	1 Mile	5 Min
River Oaks Country Club	1 Mile	7 Min
Houston Country Club	4 Miles	11 Min

NEIGHBORHOOD	HOUSEHOLD INCOME	DRIVE TIME
River Oaks	\$250,000	1 Min
Afton Oaks	\$200,000	1 Min
West University	\$195,000	5 Min
Bellaire	\$125,000	6 Min
Tanglewood	\$150,000	8 Min
Memorial Villages		
Hunters Creek	\$184,000	11 Min
Bunker Hill	\$200,000	12 Min
Piney Point	\$200,000	14 Min



**DRIVE TIMES:**

River Oaks	1 minute
West U	5 minutes
Uptown/Galleria	5 minutes
Bellaire	6 minutes
Montrose	10 minutes
Downtown	11 minutes
Memorial	12 minutes
Texas Medical Center	12 minutes
Rice Military	13 minutes
Heights	15 minutes

# URBANIZATION ON ALL SIDES

## CENTRAL MARKET

Owned by HEB Grocery Company, Central market is a high-end green grocer that offers produce, meat, cheese, seafood, wine, beer, flowers & prepared foods. The Highland Village location receives 1.7 million visits annually and is the ranked 2nd in the state of Texas.

## RIVER OAKS DISTRICT

Houston's most successful and distinguished mixed-use retail development consisting of "high-street" retail, upscale restaurants, a luxury cinema, boutique office space, and 279 Class-A residential units. River Oaks District has been called the "Rodeo Drive of Houston"

## HIGHLAND VILLAGE

Highland Village is one of Houston's most established and trafficked shopping destinations. The high-end, outdoor shopping center features Houston's only Apple flagship store and is recognized by the 400 yards of palm trees that line both sides of Westheimer

## MEMORIAL PARK

One of the largest urban parks in the United States, the park covers approximately 1,466 acres and features miles of hike-and-bike trails, facilities for tennis, softball, swimming, croquet, and volleyball. Memorial Park Municipal Golf Course is home to the PGA Tour's Houston Open

## THE GALLERIA

Developed by Gerald Hines in 1970, the Galleria has been a Houston landmark ever since. With over 3 million square feet of space the Galleria is the largest mall in Texas and the seventh largest shopping mall in the United States

## BLVD PLACE

Luxury retail and office space available in the heart of the Galleria submarket. Anchored by Whole Foods, the center is home to an impressive list of high-end dining, retail and professional services

## MONTROSE

The Montrose neighborhood stands at the forefront of Houston's culture. Known for its vibrant art scene and internationally acclaimed cuisine, Montrose has been called the "Heart of Houston"

## MIDTOWN

Midtown is Houston's premier nightlife scene and a popular residential destination for employees who work Downtown

## HERMANN PARK

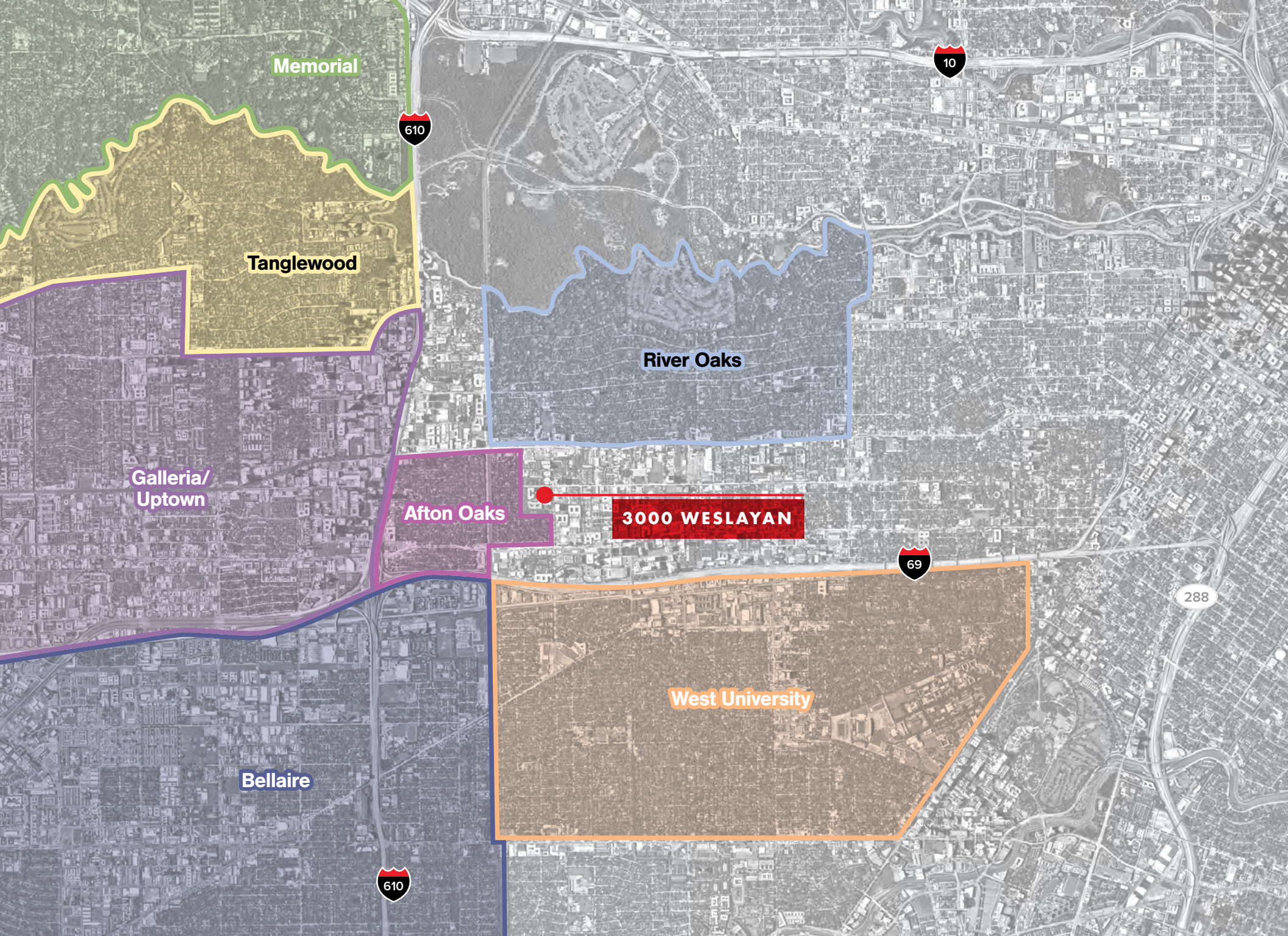
Hermann Park is a 445 acre urban park including a municipal golf course, the world famous Houston Zoo, an outdoor theatre, and numerous gardens

## THE HEIGHTS

The Heights is one of the first planned communities in Texas. The shops, restaurants, and historic homes have made The Heights the preferred residential destination for young professionals

## DOWNTOWN

Downtown Houston is home to ten Fortune 500 companies, the Houston Astros, the Houston Rockets, the Houston Dynamo, and nine major performing arts organizations



Memorial

Tanglewood

River Oaks

Galleria/  
Uptown

Afton Oaks

**3000 WESLAYAN**

West University

Bellaire

# HOUSTON ECONOMIC OVERVIEW

## THE HOUSTON ECONOMY

Houston has the 7th largest economy in the U.S. with \$512 billion in GDP. If Houston were an independent nation, it would have the 27th largest economy in the world, behind Belgium and ahead of Nigeria. Home to 3.2 million jobs, the Houston GDP is expected to more than double between 2022 and 2045 reaching \$665.5 billion by 2025.

## HOUSTON POPULATION GROWTH

Houston is the 4th most populous city in the nation and the 5th most populous MSA.

- ▶ 7.1 million residents in the Houston MSA
- ▶ 2.5 million residents in the city of Houston

Houston's population growth will continue to fuel demand.

- ▶ 2.5 million projected growth from present day to 2040
- ▶ No. 2 in the Nation for population growth over the past 10 years

Houston is the most ethnically diverse city in the nation.

- ▶ 1 in 4 people living in Houston are foreign born

## HOUSTON JOB GROWTH

Houston was 4th in the Nation for YOY jobs gained (139,400 jobs). The Greater Houston Partnership forecasts Houston to add 75,500 jobs during 2022. Oxford Economics predicts employment in Houston will return to pre-pandemic levels by the middle of 2022.

## HOUSTON HOUSING MARKET

Houston is the No. 1 MSA in the nation for "Home-Starts" over the past decade.

- ▶ 363,067 permits filed between 2011 and 2021

The median sales price for single family homes increased by 17.2% in 2021.

## CORPORATE HEADQUARTERS AND RELOCATIONS

Houston overtook Dallas for number of Fortune 500 Headquarters, ranking 3rd in the nation in 2021.

- ▶ 24 Fortune 500 Headquarters
- ▶ 40 Fortune 1000 Headquarters

Four new companies were added to Houston's Fortune 500 list in 2021.

- ▶ Hewlett-Packard Enterprise, NRG, KBR, and Academy Sports & Outdoors

# HOUSTON ECONOMIC OVERVIEW

## HOUSTON'S PROMINENT INDUSTRIES

### Energy

#### Oil & Gas

- ▶ 237,000+ energy employment, nearly 1/3 of the nation's jobs in oil and gas extraction
- ▶ 4,600+ energy-related firms, 1,100 oilfield service companies
- ▶ Oil prices, rig count, and total employment are on the rise

#### Renewables

- ▶ 100 solar-related companies & 35 wind-related companies
- ▶ Texas leads the nation in clean-energy projects installed & under construction
- ▶ Houston ranked No. 1 on the EPA's list of green power users
- ▶ Houston could generate enough solar energy to power 1.7 million homes annually

#### Petrochemicals

- ▶ Greater Southeast Houston is home to the largest petrochemical hub in the country, accounting for 42% of nation's manufacturing capacity
- ▶ \$50 billion in facility construction is underway currently

### Medical

#### Texas Medical Center ("TMC")

- ▶ TMC is the largest medical complex in the world
- ▶ TMC is the 8th largest business district in the nation with 50M SF developed, \$3B under construction, and 106,000 employees
- ▶ 8 million patient encounters per year

### Trade

- ▶ The Port of Houston is Texas's largest port with 40% of market share by tonnage
- ▶ \$339 billion in state-wide economic impact
- ▶ 1st in the U.S. in foreign waterborne tonnage, import and export combined

### Tech

- ▶ Houston is home to 9,290 tech-related firms, including more than 700 venture-backed startups. These companies have received \$2.7 billion in venture capital funding over the last five years.
- ▶ 12th largest tech workforce in the U.S.



# HOUSTON ECONOMIC OVERVIEW

## AEROSPACE

### Johnson Space Center / NASA

- ▶ Johnson Space Center is located 25 miles southeast of Downtown Houston
- ▶ Johnson Space Center is a \$1.5 billion complex occupying 1,620 acres and has served as mission control for U.S. space exploration and astronaut training since 1961
- ▶ The Johnson Space Center managed an annual budget of \$5.56 billion in 2020 and generated more than \$8.7 billion of economic output in 2020.
- ▶ NASA supported 2,950 civil workers (110 of which are astronauts) and 8,942 contractors at JSC in 2020

### Ellington Field Spaceport Expansion

- ▶ Ellington Field, located 17 miles southeast of Downtown Houston, became a Federal Aviation Administration (FAA) designated spaceport in 2015
- ▶ In 2020, Phase I construction of the spaceport development was underway, an \$18.8 million project designed to provide infrastructure and utilities
- ▶ One of only 10 spaceports in the U.S., the project is intended to help attract the relocation of aerospace companies and further solidifies Houston as the international hub for aerospace and space exploration

## AIRPORTS

- ▶ Houston is one of only 8 U.S. cities with two international airports.
- ▶ 4th largest multi-airport system in the U.S. with 58.3 million passengers annually
- ▶ Houston airport system supports more than 230,000 regional jobs and contributes more than \$27 billion to the local economy

## Q1 2022 REAL ESTATE OUTLOOK

### Office

- ▶ Houston is the No. 1 city in the nation back in the office.
- ▶ “Flight-to-Quality” in Houston continues as the city has experienced positive net absorption every year since 2010 for buildings built in 2010 or after
- ▶ The current development pipeline is 50%+ preleased

### Industrial

- ▶ Another 7.9 million square feet of occupancy gains occurred in Q4 2021, setting a new record by far with 25.3 million square feet of total absorption for the year
- ▶ Total vacancy declined for a fourth consecutive quarter, falling to 7.7% in Q4 of 2021
- ▶ Leasing activity totaled 40.1 million square feet in 2021, nearly 73% higher than the average of the previous five years
- ▶ Cap rates are at historical low levels

### Retail

- ▶ Foot traffic and consumer spending is trending upward despite COVID-19
- ▶ Store openings have nearly doubled store closings in 2021
- ▶ Asking rents and construction activity have increased

### Multi-Family

- ▶ Citywide occupancy reached 91.8% in December of 2021
- ▶ 37,000 units were absorbed in 2021 compared to 16,000 units delivered
- ▶ Cap rates are at historical low levels
- ▶ Occupancy and rents at an all-time high



# CONTACTS

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