

KIRBY INTERCHANGE OFFERING MEMORANDUM 8900 KIRBY DRIVE

CASH FLOW / COVERED LAND INVESTMENT
TEXAS MEDICAL CENTER
PATH OF GROWTH



8 OFFICE / INDUSTRIAL BUILDINGS — 293,466 SF — HOUSTON, TX

CBRE

KIRBY INTERCHANGE MAP OVERVIEW

WEST
UNIVERSITY

RICE
UNIVERSITY

TEXAS MEDICAL
CENTER

DOWNTOWN

NRG
STADIUM

ASTRODOME



PAPPADEAUX

PAPPASITOS
Cantina

Mike Calvert
TOYOTA

ARIUM
CITY LAKE
A CARROLL COMMUNITY

KIRBY
interchange

KIRBY
interchange





Kirby Interchange boasts an irreplaceable location with immediate access to Loop 610 and Highway 288.

The properties are strategically located one block south of the intersection of Kirby and Loop 610 seconds away from NRG Stadium and in the growth path of the Texas Medical Center, the largest Medical Center in the world. The location offers solid real estate fundamentals, access to deep labor pools, educated and skilled work forces, growth populations and desirable qualities of life.

THE OFFERING

CBRE is pleased to present Kirby Interchange, an eight (8) building, 293,466 SF office/ industrial project, strategically located one block south of Interstate 610 along Kirby Drive. Kirby Interchange contains 14.53 acres of land in the growth corridor of the Texas Medical Center. Kirby Interchange is currently 80% leased to a mix of regional and local tenants comprised of a large range of business sectors that continue to see tremendous growth. Most notable are the numerous medical users with needs to be close to the medical center.

OFFERING SUMMARY

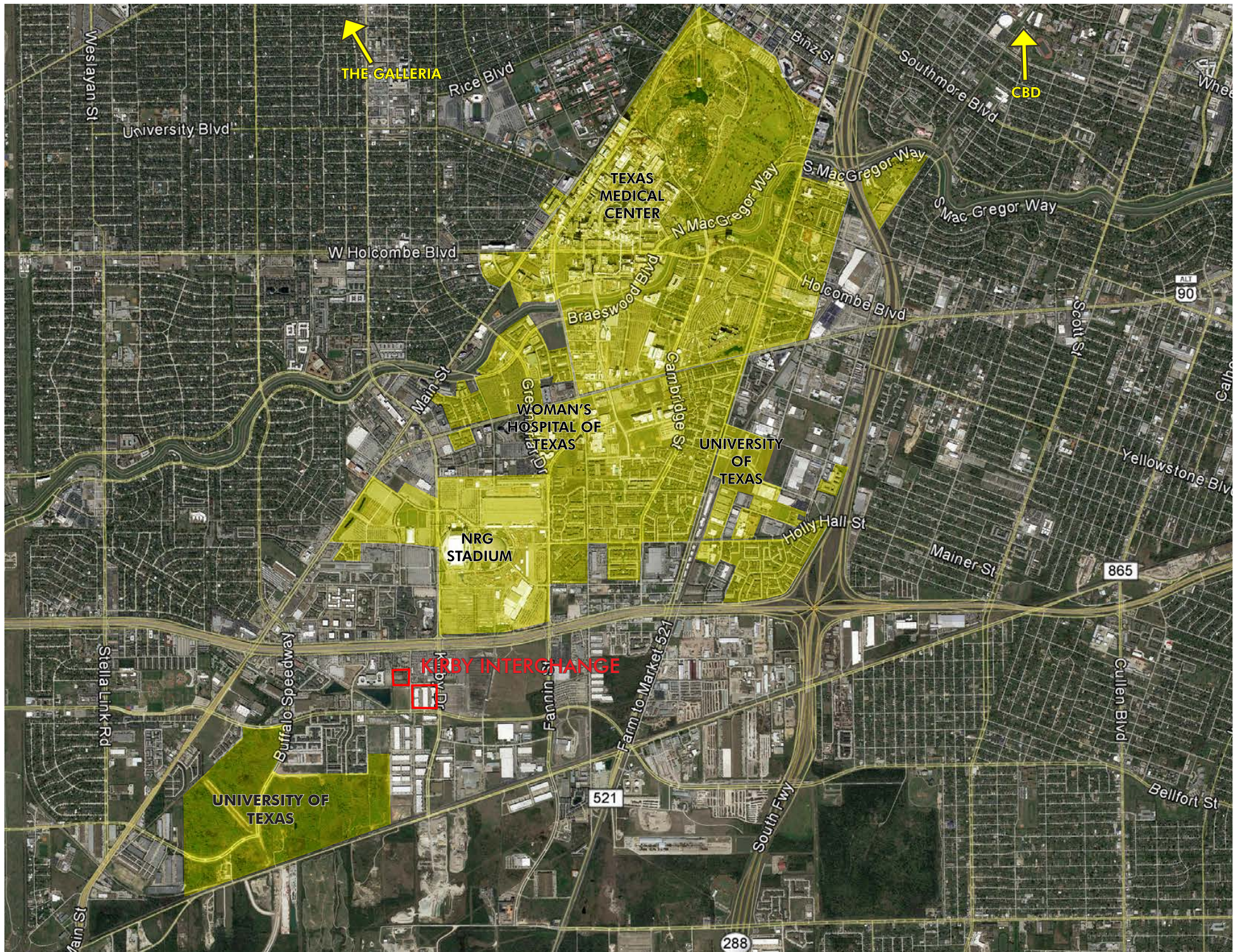
Address	8900 Kirby Drive Houston, TX, 77054
Rentable Area	293,466 SF
Land Area	14.53 Acres
No. of Buildings	Eight (8)
Year Built	1980 -1983
Parking Spaces	640 Spaces
Construction	Concrete Tilt-Wall
Foundation	Concrete Slab
Roofs	Buildings E, F1 & F2 - 2013 Buildings D1 & D2 - 2015 Buildings A,B,C - 2016
Fire Protection	Bldg. E - Wet Sprinkler
Annualized June 2017 NOI	\$2,221,500
Asking Price	\$27,000,000
Cap Rate	8.23%
Price PSF/Land	\$42.66



THE MEDICAL
CENTER

CBD





THE GALLERIA

CBD

TEXAS MEDICAL CENTER

WOMAN'S HOSPITAL OF TEXAS

UNIVERSITY OF TEXAS

NRG STADIUM

UNIVERSITY OF TEXAS

KIRBY INTERCHANGE

521

288

90

865



NEAR TERM VALUE CREATION

- With approximately 20% of the Property remaining to be leased, the Property offers the opportunity to increase value through lease-up in a sub-market that is 96.5% leased.
- Approximately 63% of the tenants by square footage are operating on gross leases. The opportunity for lease conversion to NNN offers another avenue of value creation in the short term, especially given the average remaining lease term of 2.97 years.
- The property maintains consistent cash flow as some tenants have occupied their spaces for 20+ years.

SIGNIFICANT CAPITAL IMPROVEMENTS

- The current ownership has invested approximately \$1,293,000 in tenant improvements and \$2,327,000 in new roofs, HVAC, and capital upgrades.
- Ownership has upgraded the landscaping and has made significant upgrades to the building facades on various buildings.
- Building D-1 has had all of the window gaskets replaced.

MEDICAL CENTER PATH OF GROWTH

- The Texas Medical Center is the largest Medical Center in the world. It is at the forefront of advancing life sciences, and is the leader in nurturing cross-institutional collaboration, creativity, and innovation.
- Comprised of 50 million square feet situated on 1,345 acres, Texas Medical Center is the 8th largest business district in the United States. There are more than 106,000 employees.
- There are approximately \$3 billion in construction projects underway, and Texas Medical Center's current footprint covers approximately 50 million developed square feet.

8 million

PATIENT VISITS PER YEAR

180,000+

ANNUAL SURGERIES

TMC begins 1 surgery every 3 minutes

750,000

ER VISITS PER YEAR

Home to the

WORLD'S LARGEST
CHILDREN'S HOSPITAL

TEXAS CHILDREN'S HOSPITAL

&

Home to the

WORLD'S LARGEST
CANCER HOSPITAL

MD ANDERSON CANCER CENTER

With 1,345 total acres, TMC is the

8th largest

BUSINESS DISTRICT IN THE U.S.

TMC offers over

9,200

TOTAL PATIENT BEDS

TMC's campus encompasses

50 million

DEVELOPED SQUARE FEET

OVER 25,000 BABIES DELIVERED PER YEAR

TMC delivers 1 baby every 20 minutes, resulting in approximately 26,280 births per calendar year.



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