



TMC | TEXAS
MEDICAL
CENTER

The Woman's
Hospital of Texas
HCA Houston Healthcare

nrg park

SITE

FANNIN ST

OFFERING MEMORANDUM

7979 FANNIN ST

7979 FANNIN ST | HOUSTON, TX 77054



BROKERAGE SALES

Brad LyBrand
Senior Vice President

Glenn Dickerson
Vice President

NewQuest Properties has been retained as the exclusive Broker for the disposition of 7979 Fannin Street in Houston, Texas. The subject property is 3.23 acres and is improved with a 167 room exterior corridor Extended Stay America branded hotel built in 1995. The property will be sold free and clear of any encumbrances. The land value now far exceeds the improvements and the site is best suited for redevelopment to an alternative or upgraded use.

The subject site represents a rare opportunity to purchase a property in one of the most tightly controlled real estate markets in the United States. The land is bordered by the Texas Medical Center (TMC) with 100,000+ employees and over 7.5 million patient visitors per year. The subject site abuts Reliant Park, home to the Houston Texans, Houston Livestock Show & Rodeo, and numerous concerts and conventions on an annual basis. Given access to major thoroughfares, Houston Metro Rail, proximity to TMC & Reliant Park, and opportunity zone designation the subject site has limitless potential.



HOUSTON AT A GLANCE

KEY ECONOMIC INDICATORS

Metro Houston created 79,800 jobs, a 2.6 percent increase, in the 12 months ending May '19, according to the Texas Workforce Commission (TWC). Employment now stands at 3,163,600, the highest point on record. At the current pace of growth, the region should top 3.2 million jobs by year's end.



AVIATION

The Houston Airport System (HAS) handled 59.4 million passengers in the 12 months ending May '19. That's another record for Houston and an 8.0% increase from the 55.0 million handled over the preceding 12 months.



BUILDING PERMITS

City of Houston building permits totaled \$909.1 million in May '19, up 81.8 percent from \$500.0 million in May '18, according to the latest data released by the city's Public Works Department.



CONSTRUCTION

Metro Houston's construction starts totaled \$19.6 billion in the 12 months ending May '19, up 9.8% from \$17.9 billion in '18, according to the latest data from Dodge Data & Analytics.



INFLATION

The energy index in the Houston Metro Area ticked down 0.5%, the shelter index increased 3.2% and grocery prices rose 3.2% from May '18 to May '19.



HOME SALES

Houston-area realtors sold 8,346 single-family homes in May, a 2.8% increase from last year, according to data from the Houston Association of Realtors.



VEHICLE SALES

Dealers sold 25,381 new vehicles, a 7.0% jump from May '18, according to TexAuto Facts, published by InfoNation, Inc. of Sugar Land. Year-to-date vehicle sales ticked up 2.7% compared to the first five months of last year.

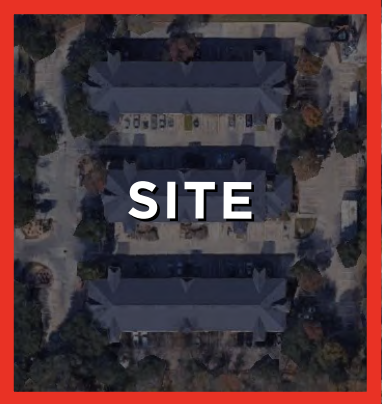
AERIAL VIEW



The Woman's
Hospital of Texas
HCA Houston Healthcare

HOUSTON
Methodist
LEADING MEDICINE

CAMBRIDGE
INTERNATIONAL, LLC
15 ACRE
MEDICAL CAMPUS



SITE

nrg  **park**

FANNIN ST

GREENBRIAR DR

FANNIN ST

METRORAIL

KNIGHT RD

PROPERTY DETAILS

ADDRESS	7979 Fannin Street, Houston, TX
LATITUDE, LONGITUDE	29.689506, -95.402506
TOTAL ACRES	±3.23 Acres
FRONTAGE (APPROX.)	396 ft. on Fannin Street
ACCESS	Fannin Street
UTILITIES	City of Houston
SCHOOL DISTRICT	Houston ISD

LOCATED IN AN OPPORTUNITY ZONE

ADDITIONAL PROPERTY DETAILS

PARCEL ID	1182320010001
OWNER	ESA P Portfolio, LLC
PROPERTY	7979 Fannin Houston, TX 77054
LEGAL	Res A Blk 1 Homestead Village Astrodome
PRICING	To Be Determined by Market

2019 TAX RATES

001	Houston ISD	1.206700
040	Harris County	0.418580
041	Harris County Flood Control	0.028770
042	Port of Houston Authority	0.011550
043	Harris County Hospital District	0.171080
044	Harris County Education Dept	0.005190
048	Houston Community College	0.100263
061	City of Houston	0.588310
TOTAL		2.530443

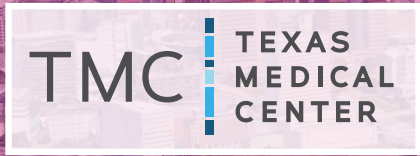
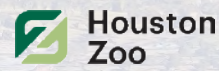
2019 DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2019 Estimated Population	17,488	132,587	392,496
5-YR Est. Population Growth	0.6%	0.7%	0.8%
Average Household Income	\$62,061	\$122,927	\$119,830
Median Owner-Occupied Housing Value	\$172,518	\$390,836	\$333,831

MEDIAN HOUSEHOLD INCOME

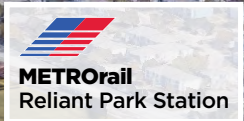
	1 MILE	3 MILES	5 MILES
2024 Projected Median HHI	\$64,438	\$87,524	\$88,772
2019 Estimated Median HHI	\$55,452	\$77,012	\$77,827
2010 Census Median HHI	\$41,976	\$68,377	\$64,460
2000 Census Median HHI	\$37,776	\$55,402	\$51,439

AERIAL VIEW



OLD SPANISH TRAIL

FM 521



- NRG Center - 1.4M SF exhibit and conference facility
- NRG Stadium - 71,500 seating capacity, 97,000 SF natural grass playing field
- NRG Arena - 349,000 SF event facility
- NRG Astrodome - 1M SF football/baseball/concert facility, 70,000 max seating capacity

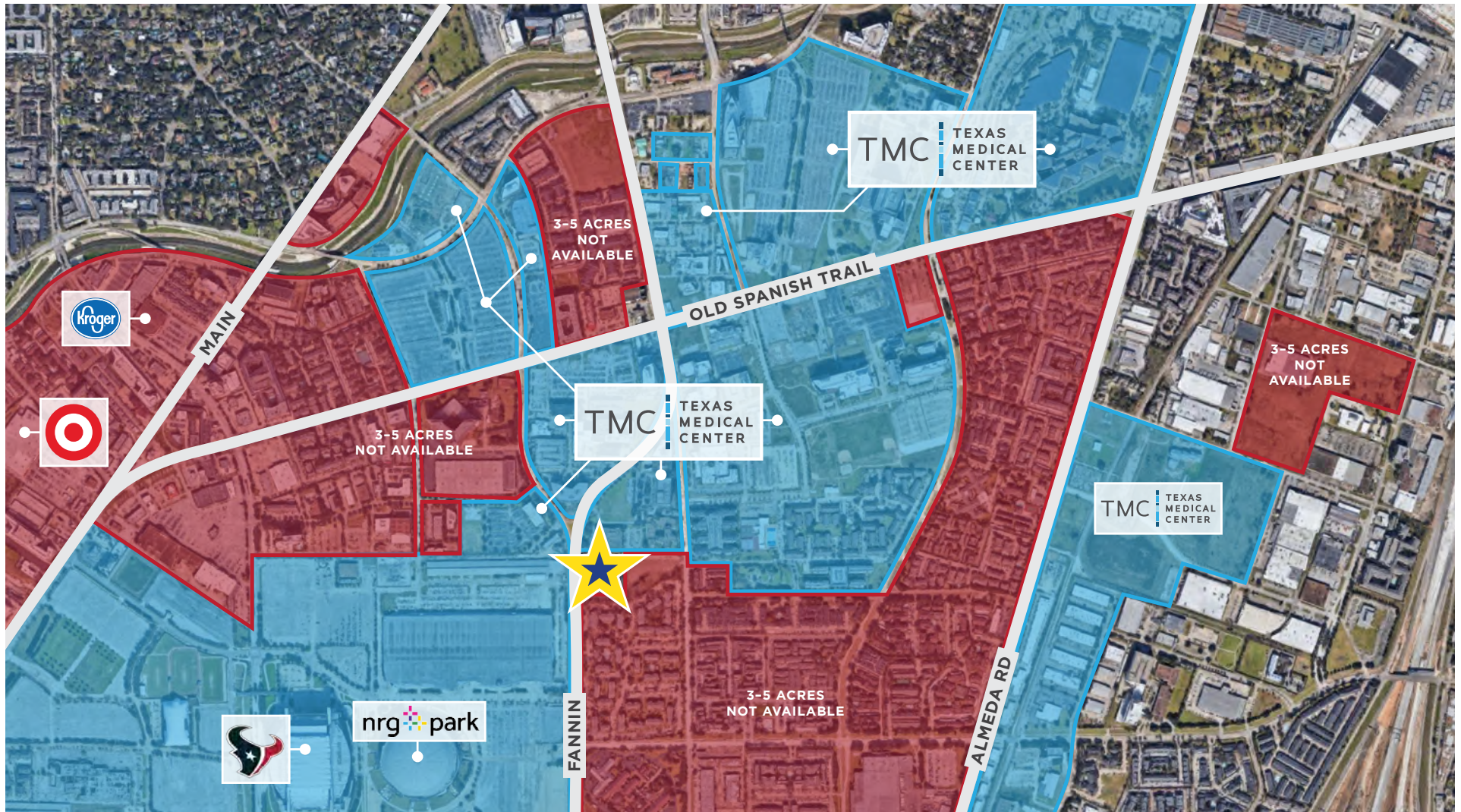
- 2019 Total Attendance: 2.5+ million
- \$227 Economic Impact
- \$391 economic activity

KIRBY DR

FANNIN ST



TRADE AREA LAND SCARCITY



Areas shaded in blue are part of The Texas Medical Center or Harris County and are not available. Areas shaded in red are primarily condominiums, retail and Multifamily. Most all of these properties are owned by institutional investors or private capital, and are not for sale.

There are no properties in 3 - 5 acre range that are available or being marketed for sale in the trade area. The subject property represents a truly unique opportunity for a purchaser to acquire land in one of the most tightly controlled markets in the greater Houston MSA.

TEXAS MEDICAL CENTER

TEXAS MEDICAL CENTER

<1 MILE FROM THE PROPERTY

The largest medical center in the world, and home to Texas Children's Hospital.

The TMC encompasses:

- 1,345 total acres
- 50 million developed square feet
- 8th largest business district in the United States
- 9,200+ total patient beds
- 8 million patient visits per year
- 13,600+ total heart surgeries
- 25,000+ babies delivered per year
- 59 member institutions
- \$2 billion in research conducted each year
- \$35 billion estimated regional economic impact
- 106,000+ total employees

UPCOMING DEVELOPMENTS

\$8.2 billion in new construction projects are underway in the Texas Medical Center

TMC3

TMC3, the medical center's translational research campus, will bring together several member institutions, including Baylor College of Medicine, Texas A&M University and The University of Texas System; the campus has an estimated economic impact of \$5.2 billion once the campus gets underway in the next couple of years. TMC3 recently kicked off a new \$25 million venture fund.

Texas Children's Hospital

- \$506 million expansion
- Adding 19 floors to existing tower for new heart center, expanded critical care, and diagnostic and therapeutic services
- Expected completion: 2019

Memorial Hermann

- \$650 million renovation and expansion
- Building new patient care building and upgrading infrastructure
- Adding 1.3 million square feet in a new space and increasing their size by 50%
- Expected completion: 2019

Baylor St. Luke's McNair Campus

- New 1.2MM SF facility on 27.5 acres
- In various stages of completion, renovation and construction
- Second patient tower with 650 patient beds and medical office building planned
- Expected completion: 2019

MAJOR EDUCATIONAL INSTITUTIONS

Baylor College of Medicine

- Leaders for biomedical research.
- Hosts approximately, 3,378 faculty and 1,211 students
- Ranks 7th in the nation for primary care and 13th for research according to the U.S. News and World Report

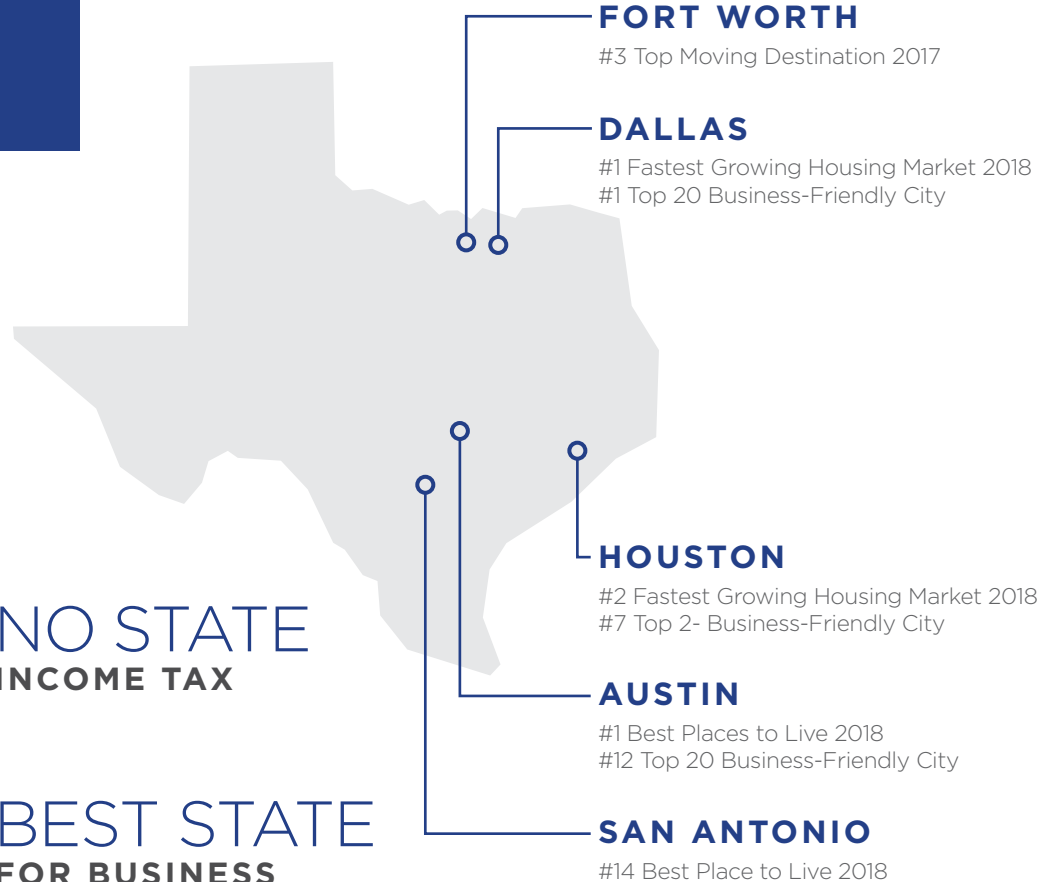
Rice University

- Comprehensive research university consistently ranked among top 20 universities in the U.S. overall
- One of only three Tier One universities in Texas
- 665 full-time and 197 part-time instructional faculty
- 98% of full-time instructional faculty have a doctorate or terminal degree in their field
- 3,879 undergraduate and 2,744 graduate degree-seeking students

The University of Texas Health Science Center

- Fills three million square feet of the TMC
- Hosts more than 350 undergraduate students, 3,399 post graduate students, and 1,261 faculty members

LOCATION OVERVIEW



POPULATION
27,939,904



**2ND FASTEST
GROWING ECONOMY
IN THE U.S.A.**



**NO STATE
INCOME TAX**



**TOP STATE FOR
JOB GROWTH
13+ MILLION WORKERS**



**BEST STATE
FOR BUSINESS
10TH YEAR IN A ROW**

54

**FORTUNE 500
COMPANIES
CALL TEXAS HOME**



**LARGEST
MEDICAL CENTER
2ND LARGEST CANCER CENTER
MD ANDERSON, HOUSTON**



**AWARDED 2014 GOVERNOR'S CUP
FOR THE MOST NEW AND EXPANDED
CORPORATE FACILITIES: 689**

**OVER 3,000 COMPANIES HAVE
LOCATED OR EXPANDED
FACILITIES IN TEXAS SINCE 2009**

LOCATION HIGHLIGHTS

As the fifth most populous metro area in the U.S., Houston houses roughly 6.9 million people in southeastern Texas. The market is composed of nine counties: Harris, Galveston, Brazoria, Fort Bend, Chambers, Montgomery, Austin, Liberty and Waller. The Gulf of Mexico, which borders the metro to the southeast, provides access to markets around the world via the Port of Houston, making it a prime location for exports. Local industries have diversified from oil to technology and healthcare. Many companies provide goods and services for the large population growth, which has sprawled, primarily to the north and west. The city of Houston is the largest in the metro with 2.3 million residents.

METRO HIGHLIGHTS

CORPORATE GROWTH

Houston will remain a top destination for corporate relocations due to its business-friendly environment. More than 20 Fortune 500 companies are headquartered in the metro.

HIGHER EDUCATION

Over 40 post-secondary educational institutions are located in the metro. Nearly 31 percent of residents have attained a bachelor's degree, with 11 percent also holding a graduate or professional degree.

LOW COST OF LIVING, DOING BUSINESS

Houston has a lower cost of living than many major metros, no state income tax and a median home price below the national level.



LOCATION DEMOGRAPHICS

HOUSTON, TEXAS 77054 - 5 MILE RADIUS

POPULATION
392,496

HOUSEHOLDS
182,750

MEDIAN AGE
35.2

MEDIAN INCOME
\$77,827



2019 POPULATION BY AGE

MAJOR AREA EMPLOYERS

Baylor College of Medicine
 Baylor St. Luke's Medical Center
 MD Anderson Cancer Center
 Memorial Hermann
 Methodist Hospital
 Rice University
 Texas Children's Hospital
 Texas Medical Center
 UT Health Science Center

LARGEST EMPLOYERS IN TEXAS

AT&T
 Keller Williams
 American Airlines
 Livestock Investors Ltd
 Tenet Healthcare
 JCPenney
 Dell
 Schlumberger
 H-E-B Foods

POPULATION	1 MILE	3 MILES	5 MILES
2024 Projected Population	18,026	137,426	407,482
2019 Estimated Population	17,488	132,587	392,496
2010 Census Population	15,927	117,382	349,132
2000 Census Population	14,409	103,705	311,651

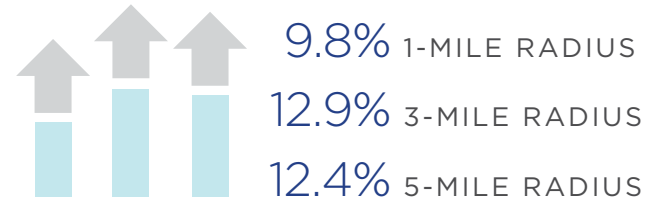
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2024 Projected Households	10,691	67,674	196,819
2019 Estimated Households	9,984	62,990	182,750
2010 Census Households	8,673	52,528	152,567
2000 Census Households	8,032	46,737	135,050
2019 Total Occupied Units	9,984	62,990	182,750

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
\$150,000 or More	7.8%	19.8%	19.9%
\$100,000 to \$149,000	12.1%	12.5%	13.4%
\$75,000 to \$99,999	12.0%	11.0%	11.4%
\$50,000 to \$74,999	23.1%	17.2%	17.3%
\$35,000 to \$49,999	13.5%	10.8%	10.6%
Under \$35,000	31.6%	28.7%	27.4%
Average Household Income	\$62,061	\$122,927	\$119,830
Median Household Income	\$55,452	\$77,012	\$77,827
Per Capita Income	\$35,654	\$58,611	\$55,995

LOCATION DEMOGRAPHICS

HOUSTON, TEXAS 77054

POPULATION GROWTH 2010-2019



HOUSEHOLDS BY EXPENDITURE

	1 MILE	3 MILES	5 MILES
Total Monthly Retail Expenditures	\$1,972	\$3,154	\$3,099
Consumer Expenditure Top 10 Categories			
Apparel	\$148	\$242	\$237
Contributions	\$130	\$233	\$228
Education	\$122	\$228	\$221
Entertainment	\$230	\$386	\$379
Food and Beverages	\$628	\$983	\$965
Furnishings and Equipment	\$144	\$238	\$234
Health Care	\$351	\$549	\$541
Shelter	\$915	\$1,442	\$1,415
Transportation	\$759	\$1,207	\$1,187
Utilities	\$319	\$478	\$471

POPULATION PROFILE

	1 MILES	3 MILES	5 MILES
2019 Estimate Total Population	17,488	132,587	392,496
Under 20	3,064	29,807	89,700
20 to 34 Years	7,993	38,860	107,409
35 to 39 Years	1,475	10,059	29,006
40 to 49 Years	1,724	15,606	48,036
50 to 64 Years	2,004	21,946	67,456
Age 65+	1,227	16,309	50,888
Median Age	29.5	34.4	35.2
Population 25+ by Education	12,125	91,303	270,762
Elementary (0 to 8)	132	2,893	13,681
Some High School (9 to 11)	173	3,360	14,548
High School Graduate (12)	829	11,217	41,180
Some College (13-15)	1,952	13,986	44,846
Associate Degree Only	749	4,410	12,815
Bachelor Degree Only	3,452	24,923	72,191
Graduate Degree	4,839	30,514	71,500

LOCATION DEMOGRAPHICS

POPULATION

In 2019 the population in your selected geography is 392,496. The population has changed by 12.4% since 2000. It is estimated that the population in your area will be 407,482 five years from now, which represents a change of 3.8% from the current year. The current population is 49.4% male and 50.6% female. The median age of the population in your area is 35.2 compare this to the US average which is 37.95. The population density in your area is 5,569 people per square mile.

HOUSEHOLDS

There are currently 182,750 households in your selected geography. The number of households has changed by 35.32% since 2000. It is estimated that the number of households in your area will be 196,819 five years from now, which represents a change of 7.69% from the current year. The average household size in your area is 2.1 persons.

HOUSING

The median housing value in your area was \$333,831 in 2019, compare this to the US average of \$201,842. In 2019, there were 77,203 owner occupied housing units in your area and there were 105,548 renter occupied housing units in your area. The median rent at the time is \$1,036.

RACE & ETHNICITY

The current year racial makeup of your selected area is as follows: 46.3% White, 33.1% Black, 0.4% Native American and 9.6% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race. People of Hispanic origin make up 24.6% of the current year population in your selected area. Compare this to the US average of 18.01%.

INCOME

In 2019 the median household income for your selected geography is \$77,827; compare this to the US average which is currently \$58,754. The median household income for your area has changed by 51.29% since 2000. It is estimated that the median household income in your area will be \$88,772 five years from now, which represents a change of 14.06% from the current year. The current year per capita income in your area is \$55,995; compare this to the US average, which is \$32,356. The current year average household income in your area is \$119,830; compare this to the US average which is \$84,609.

EMPLOYMENT

In 2019, there are 486,956 employees in your selected area, this is also known as the daytime population. 2019 demographic studies revealed that 73.6% of employees are employed in white-collar occupations in this geography, and 26.4% are employed in blue-collar occupations. Unemployment in this area is 2.5%. The average time traveled to work is 21.5 minutes.

MEET THE TEAM



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CONTACT BROKER FOR DUE DILLIGENCE INFORMATION



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P.O. BOX 12188
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