

TOMBALL

parkway



HFF[®]

OFFERING SUMMARY

TOMBALL *parkway*

Holliday Fenoglio Fowler, L.P. (“HFF”) has been exclusively retained by ownership to offer qualified investors the opportunity to purchase Tomball Parkway Shopping Center (the “Property”), a 21,266 square foot, anchored strip center in Houston, Texas. Strategically located on the southwest corner of State Highway 249 and Jones Rd in Houston’s high-growth northwest corridor amongst several affluent and rapidly growing residential neighborhoods and corporate campuses. Tomball Parkway has excellent visibility and ingress/egress given its location along the area’s primary thoroughfares. The Property is 100% leased to a mix of national tenants, providing investors with stable and increasing cash flow.

PROPERTY OVERVIEW

Shadow Anchor:	Target
Year Built:	1999 & 2017
Property Size:	21,266 SF
Site:	±1.85 acres
Occupancy:	100%
Parking Ratio:	4.00 per 1,000 square feet



263,576

ESTIMATED POPULATION
(5-MILE RADIUS)



\$114,805

ESTIMATED AVERAGE
HOUSEHOLD INCOME
(5-MILE RADIUS)



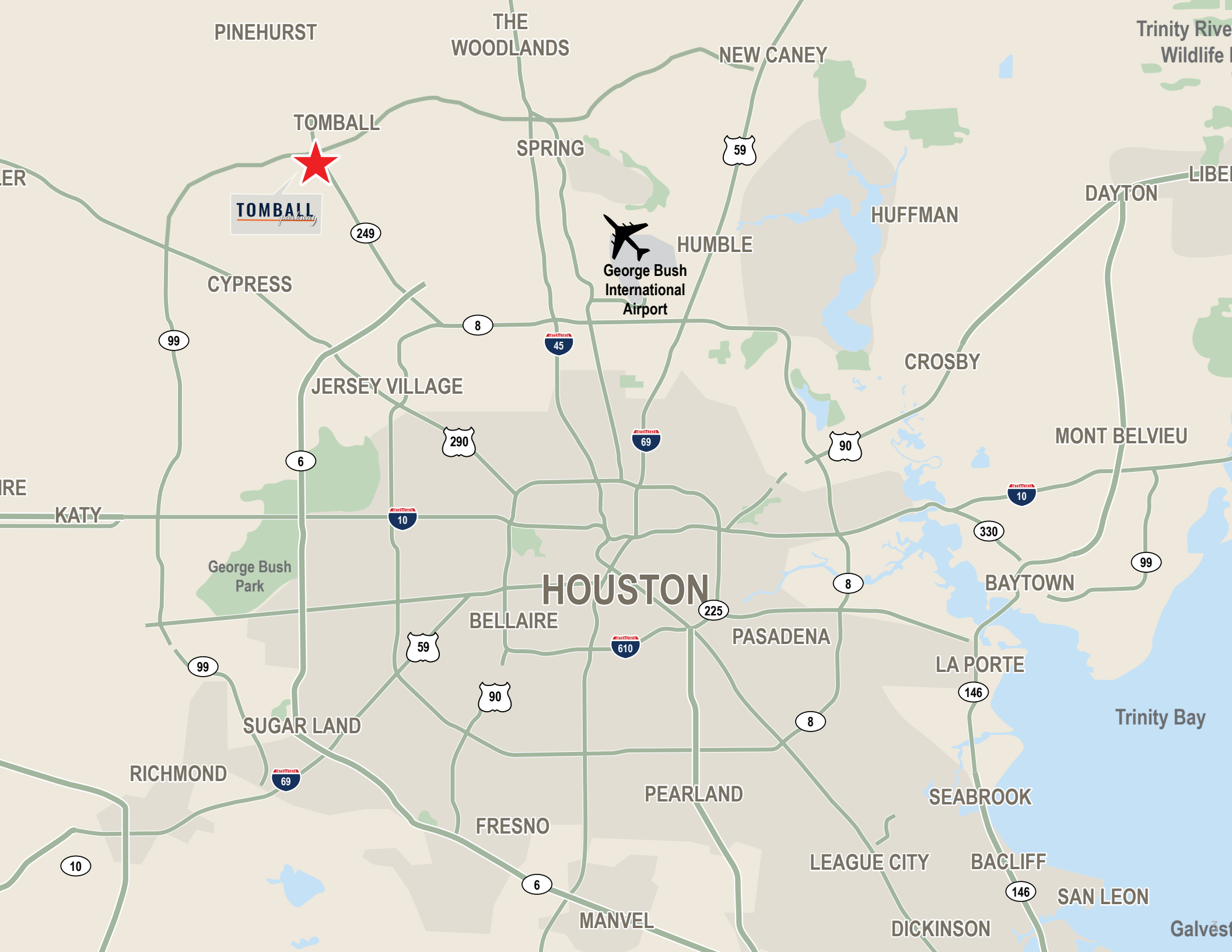
45%

POPULATION WITH A
BACHELOR’S DEGREE OR HIGHER
(DOUBLE THE NATIONAL AVERAGE)



33%

GROWTH IN POPULATION
SINCE 2010



TOMBALL

TOMBALL

George Bush International Airport

HOUSTON

JERSEY VILLAGE

BELLAIRE

George Bush Park

SUGAR LAND

PASADENA

FRESNO

PEARLAND

SEABROOK

RICHMOND

LEAGUE CITY

BACLIFF

SAN LEON

MANVEL

DICKINSON

Galveston

Trinity Bay

Trinity River Wildlife I

PINEHURST

THE WOODLANDS

NEW CANEY

SPRING

59

99

249

8

45

HUMBLE

HUFFMAN

DAYTON

LIBERTY

CYPRESS

CROSBY

MONT BELVIEU

KATY

6

290

69

90

10

330

99

BAYTOWN

8

225

99

59

90

610

LA PORTE

146

SUGAR LAND

PASADENA

8

10

69

6

146

RICHMOND

PEARLAND

SEABROOK

LEAGUE CITY

BACLIFF

SAN LEON

MANVEL

DICKINSON

Galveston

Trinity Bay

Trinity River Wildlife I



WHOLE FOODS MARKET
PEI WEI
Orangetheory
Walgreens

VINTAGE PARK Shopping Village
Salata
El Tiempo Cantina
STAR CINEMAGRILL
hopdoddy
MASSAGE HEIGHTS
STARBUCKS COFFEE

WILLOWBROOK MALL
Your **GGP** shopping destination

noble energy

LONE STAR COLLEGE UNIVERSITY PARK

LOUETTA ROAD

THE HOME DEPOT

H-E-B

FITNESS

Chick-fil-A

282,600 VPD

32,534 VPD

249

TOMBALL parkway

LOUETTA ROAD

249

JONES ROAD
29,775 VPD

Stein Mart
The UPS Store
MATTRESS FIRM
dinevibe
McDonald's
DARQUE TAN

JONES ROAD

Guitar Center
TARGET

TEXAS DIRECT AUTO

SITE PLAN

Suite	Tenant	SF
A	Pho X Trang's (Restaurant)	2,181
B	Castle Dental	2,100
C	Sally' Beauty Supply	1,600
D	Guitar Center	15,385
Total		21,266



NATIONAL AND REGIONAL TENANT MIX



GUITAR CENTER

Tenant: Guitar Center, Inc.

Square Feet: 15,385

Website: www.guitarcenter.com

Public/Private: Private

With \$2.2 billion in revenue, Guitar Center remains the leading retailer of musical instruments, lessons, repairs and rentals in the U.S. with nearly 300 existing locations and one of the top direct sales websites in the industry. The company provides customers with products and services from four different segments which has allowed the organization to remain profitable while coping with the effects of e-commerce. These segments include the following – Omni Channel (brick and mortar), Musician’s Friend (online presence), Music and Arts (inhouse training for children involved with band and orchestra), and Business Solutions (helping other companies with conference centers, studios, bars and restaurants). These silos have allowed Guitar Center to remain cash flow positive with the ability to finance all operations and expansions internally for the last six quarters; as a result, the company has implemented a growth plan with the intent to open an additional 20 to 30 locations a year.



CASTLE DENTAL

Tenant: Castle Dental Centers of Texas, Inc.

Square Feet: 2,100

Website: www.castledental.com

Public/Private: Public (NYSE: CASL)

*Subsidiary of Smile Brands, Inc.

Castle Dental is part of the Smile Brands Group Inc., the largest provider of support services to general and multi-specialty dental groups in the United States based on number of dental offices. All Castle Dental offices are positioned in highly visible retail shopping centers and feature extended office hours for affordable and comprehensive dental care. Smile Brands Inc. was founded in 1998 through the acquisition of three West Coast support services organizations and grew through the acquisitions of Monarch Dental in February 2003 and Castle Dental in June 2004.



SALLY BEAUTY

Tenant: Sally Beauty Holdings, Inc.

Square Feet: 1,600

Website: www.sallybeauty.com

Public/Private: Public (NYSE: SBH)

Sally Beauty Holdings, Inc. (“Sally”) through its affiliates is the world’s largest distributor of professional beauty supplies. Sally provides the channels that allow manufacturers of beauty supplies to reach customers, both professional and non-professional. New store openings and acquisitions continue to guide Sally’s expansion. In 1987, Sally became an international company with the acquisition of an affiliate in the United Kingdom. Today, Sally and its affiliates operate over 4500 stores throughout the United States with international operations now extending to the United Kingdom, continental Europe, Puerto Rico, Canada, Chile, Peru, Colombia, Mexico.

EXCELLENT PROPERTY FUNDAMENTALS

NATIONAL TENANT MIX: The Property is shadow anchored by a high performing Target and leased to national tenants including Guitar Center, Castle Dental, and Sally Beauty.

STABLE CASH FLOW: Income stability and long-term value appreciation provided through minimal rollover, contractual rent increases and a weighted average lease term of 6.6 years.

PROXIMITY TO LOCAL DEMAND DRIVERS: The Property is proximate to Noble Energy's corporate campus, Willowbrook Mall, Vintage Park, HEB and The Home Depot.

ABUNDANCE OF PARKING: The Property boasts an impressive 4.00 per 1,000 parking ratios for its tenants in a parking restrained submarket.

SUPERIOR NORTHWEST HOUSTON LOCATION

EXCELLENT RETAIL FUNDAMENTALS: Tomball Parkway is strategically located in Houston's Northwest retail submarket, which is experiencing average vacancy rates of 5.5%, growing asking rents and increased absorption with 44,000 SF absorbed in 2019 Q2 (29.8k SF absorbed in 2019 Q1).

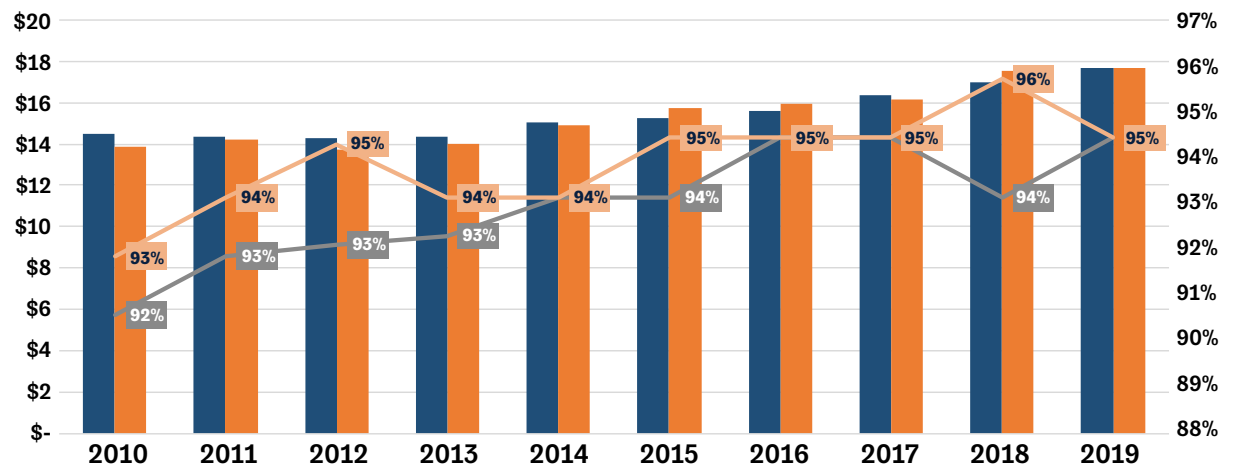
HIGH POPULATION GROWTH: Explosive nearby population growth of nearly 60% since 2010 with 58,000 residents within a 3-mile radius is set to continue with nearly 1,100 multifamily units currently planned or under construction.

TIGHT VACANCY: Over the past four quarters, market vacancy has remained largely unchanged, with occupancy ranging between 94% and 96% from the end of 2017 through the first quarter of 2019.

INCREASED RENTAL RATES: Quoted rents ended the first quarter of 2019 at \$17.73 per square foot per year. That compares to \$17.11 per square foot in the fourth quarter of 2018, \$16.86 per square foot in the third quarter of 2018, and \$16.39 per square foot at the end of the first quarter of 2018.

Houston NNN RENTAL RATES vs OCCUPANCY

■ Houston Rental Rates ■ Northwest Rental Rates
 — Houston Occupancy — Northwest Occupancy

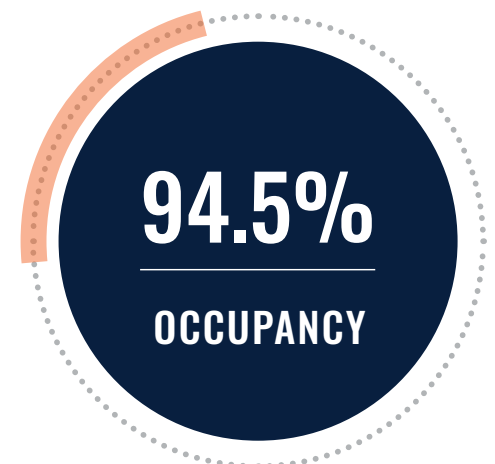




STRONG HOUSTON RETAIL FUNDAMENTALS

Number One (#1) in Retail Investment Returns on 10-Year Hold Basis according to The National Council of Real Estate Investment (NCREIF). Houston retail fundamentals remain strong driven by nation leading employment and population growth.

The Houston retail market remained strong during the first quarter of 2019, with the majority of market fundamentals remaining constant or improving since the end of 2018. The vacancy rate remained at 5.5% at the end of the first quarter. Net absorption in 1Q 2019 was a positive 545,657 SF. Quoted rental rates increased from the third quarter 2018, ended at \$17.65 per square foot per year. A total of 42 buildings with 922,657 square feet of retail space were delivered to the market during the quarter, with over 2.7 million square feet under construction across the Houston MSA at the end of the quarter.



HOUSTON MSA: A THRIVING ECONOMY

The Houston Economy has recovered from the recent energy market correction and is back in full growth mode. Houston added 73,300 jobs in the 12 months ending December 2018, driven by strong growth in Professional and Business Services, Education and Health Services, Manufacturing and Construction. Houston outpaced Texas with 2.4% year over year Employment Growth (compared to 2.3% for the state). Additionally, 94,417 new residents migrated to Houston from July 2016 - July 2017 (2nd in the nation) and the Houston Business Cycle Index grew by 3.9% in 2018, solid evidence of a steadily growing economy.



RECOVERING HOUSTON ECONOMY

#2 POPULATION GROWTH AMONG U.S. METROS SINCE 2010
(#2 in forecasted population growth through 2030)

#2

LARGEST ECONOMY IN THE WORLD IF HOUSTON WERE AN INDEPENDENT NATION THAN THAT OF AUSTRIA AND NORWAY

#2 GDP PER CAPITA IN THE WORLD (2017)
(#4 GDP growth since 2000 among U.S. metros)

73,000

JOBS ADDED IN 2018

#2 JOB GROWTH AMONG U.S. METROS IN 2018

94,417

NEW RESIDENTS FROM JULY 2016 THRU JULY 2017
(#2 in the U.S.)

\$235,000

MEDIAN HOME VALUE AS OF DECEMBER 2018



TARGET

SALLY
BEAUTY SUPPLY

CASTLE DENTAL

PH & TRANG'S

VIETNAMESE RESTAURANT

STOP



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