

5555 MORNINGSID E & 5516 CHAUCER – HOUSTON, TEXAS



HighStreet
NET LEASE GROUP
Net Lease Expertise

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HighStreet Net Lease Group believes the information contained herein to be reliable. However, we make no guarantees, representations, or warranties of any kind, expressed or implied regarding this information; including, but not limited to content, accuracy, and reliability. Investors should consult a tax and legal advisor, as well as verify all information prior to the investment.



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CALL FOR OFFERS

HighStreet Net Lease Group is pleased to announce the exclusive listing of two contiguous properties in the heart of Houston's iconic Rice Village. The portfolio consists of two buildings with approximately **23,694 square feet of rentable area** on adjacent land parcels totaling approximately **29,951 square feet**. The assets provide frontage on both Morningside Drive and Chaucer Drive, creating the rare opportunity to acquire a Rice Village real estate portfolio with current stable cash flow and tremendous future upside potential.

Nestled between Rice University, Upper Kirby District, and some of the most affluent neighborhoods in Houston, Rice Village is a vibrant 18 block mixed-use urban district with the largest concentration of authentic street retail space in the entire city of Houston. Rice Village is currently undergoing major upgrades to the areas directly across Morningside Drive from the subject properties, which will include fresh facades, common area amenity additions, enhanced pedestrian/automotive access, and several new contemporary luxury retail tenants to complement the existing strong tenant mix. The subject properties are also directly across Chaucer Drive from an approximately 4 acre site owned by Rice University, which is marked for future development.

These assets will offer qualified investors the unique opportunity to acquire contiguous properties with stabilized occupancy in one of the most desirable and sought after areas of Houston.

OFFER PROCESS

The Properties are being presented in a "Call for Offers" scenario with initial bids due by September 7, 2016. Any offers should be presented in the form of a non-binding Letter of Intent and must include at a minimum:

- 1) Buyer qualifications.
- 2) Purchase price, earnest money deposit, due diligence and closing timeline.
- 3) Funding source.

Offers should be delivered to the attention of Matt Moake via email or fax.

DUE DILIGENCE INFORMATION

To access the due diligence information, please visit the property website at www.ricevillageassets.com.

CONTACT INFORMATION

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West University
Place Neighborhood

Rice Village



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INVESTMENT SUMMARY

OFFERING SUMMARY

PRICE	BEST OFFER
COST/ BUILDING SF	TBD
COST/ LOT SF	TBD
NOI	\$547,668
CAP RATE	CALL FOR GUIDANCE



ADDRESS	5555 Morningside & 5516 Chaucer Houston, Texas 77005
COUNTY	Harris
TOTAL BUILDING AREA	23,694 SF
TOTAL LAND AREA	29,951 SF
BUILT	1984 & 1940



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INVESTMENT OVERVIEW

- Two contiguous Rice Village properties, offering frontage on both Morningside Drive and Chaucer Drive.
- 5555 Morningside – ground floor retail tenants on NNN leases, with upstairs office tenants on gross leases.
- 5516 Chaucer – residential to commercial converted house. Tenants on gross leases with property tax base year.
- Surrounding areas among the most desirable residential neighborhoods in Houston. Average household income within a 1 mile radius of the properties is nearly \$200K.
- Located less than 1 mile from the Texas Medical Center, the largest medical complex in the world.
- Properties are 1 block from Rice University, regularly ranked as one of the premier universities in America.
- Gorgeous Gael bar sales have increased steadily since 2014 opening. Lease includes a percentage rent clause, creating additional future cash flow opportunities.



DEMOGRAPHICS

	1 - MILE	3 - MILE	5 - MILE
POPULATION ESTIMATE	21,302	178,875	456,406
AVERAGE H.H. INCOME	\$195,053	\$129,283	\$108,768
DAYTIME POPULATION	22,337	301,937	759,152



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SITE AERIAL



LITTLE
WOODROWS

* Visual aid and not an accurate depiction of property boundary lines.

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AERIAL PHOTOGRAPHY

The Galleria / Uptown District

Greenway Plaza

River Oaks Neighborhood

Upper Kirby District

U.S. Highway 59

Bissonnet Street

West University Place Neighborhood

Hanover Rice Village

Southampton Neighborhood

Kirby Drive

Rice Village

PROPERTIES

Rice Boulevard

University Boulevard

Morningside Drive

Chaucer Drive

Greenbriar Drive



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AERIAL PHOTOGRAPHY



Texas Medical Center

Rice University

Southgate Neighborhood

Rice Boulevard

University Boulevard

Greenbriar Drive

OWNED BY
RICE UNIVERSITY

Chaucer Drive

PROPERTIES

Morningside Drive

Rice Village

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AERIAL PHOTOGRAPHY



Central Business District

Museum District

Texas Medical Center

Midtown

Southampton Place Neighborhood

Rice University

Hanover Rice Village

Southgate Neighborhood

Rice Village

PROPERTIES

Rice Boulevard

Greenbriar Drive

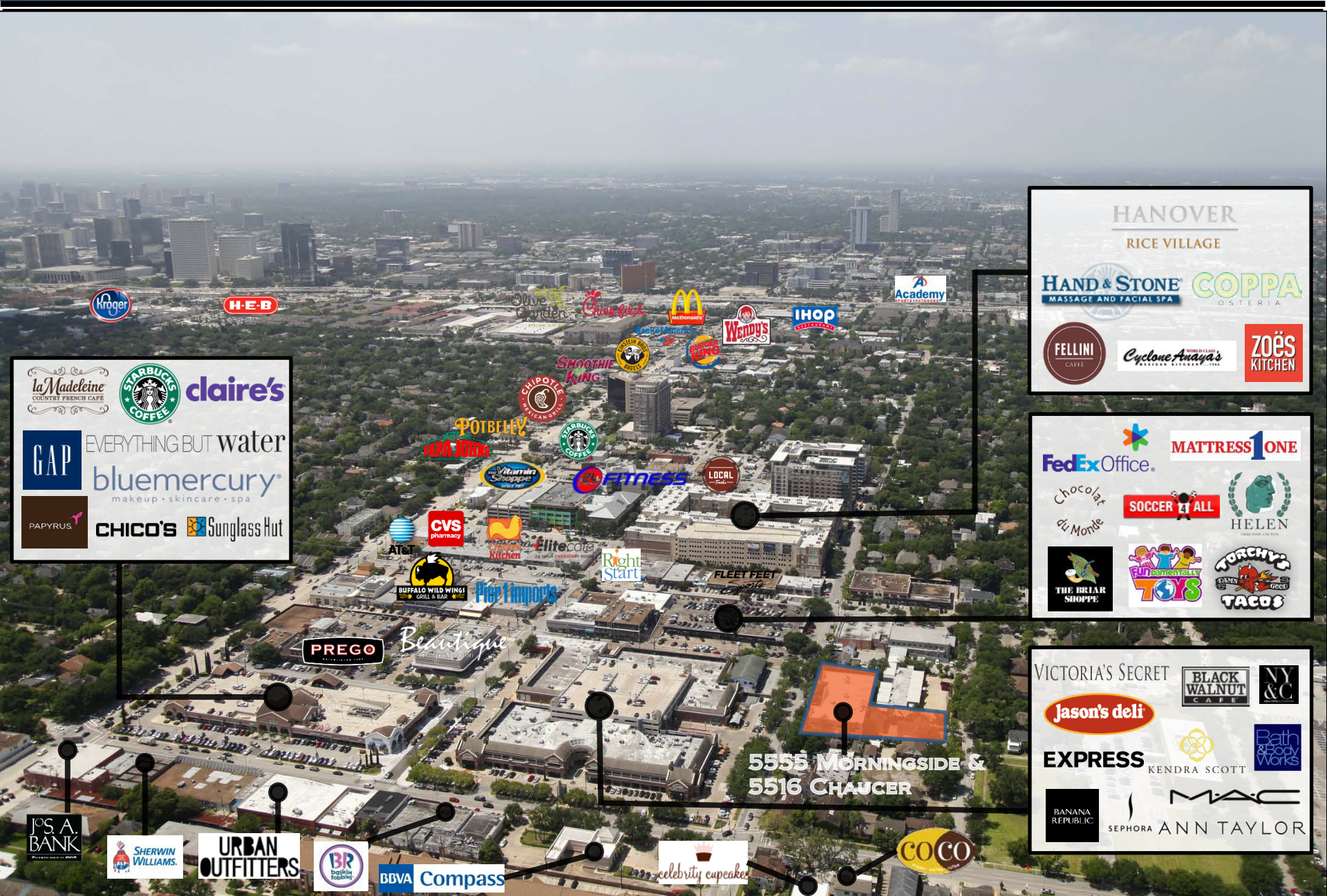
Chaucer Drive

Morningside Drive

University Boulevard

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AREA RETAIL MAP



HANOVER
RICE VILLAGE

HAND & STONE MASSAGE AND FACIAL SPA COPPA OSTERIA

FELLINI CAFE Cyclone Anaya's WORLD CLASS RESTAURANT & BAR ZOE'S KITCHEN

FedEx Office. MATTRESS 1 ONE

Chocolat du Monde SOCCER AT ALL HELEN

THE BRIAR SHOPPE FUN ASSEMBLY TOYS TORCHYS TACOS

VICTORIA'S SECRET BLACK WALNUT CAFE NY & C

Jason's deli Bath & Body Works

EXPRESS KENDRA SCOTT MAC

BANANA REPUBLIC SEPHORA ANN TAYLOR

la Madeleine COUNTRY FRENCH CAFE STARBUCKS COFFEE claire's

GAP EVERYTHING BUT water bluemercury® makeup • skincare • spa

PAPYRUS CHICO'S Sunglass Hut

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JP'S A BANK SHERWIN WILLIAMS URBAN OUTFITTERS BR BIRTHDAY TOBBIN

BBVA Compass celebrity cupcakes COCO

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RICE VILLAGE RETAIL



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MARKET OVERVIEW

Houston, Texas

Houston is the most populous city in Texas with more than 2.2 million people, and the 4th largest city in the United States, behind only New York, Los Angeles, and Chicago. Houston is home to the corporate headquarters of 24 Fortune 500 companies, which is the 3rd most of any metro area in the U.S. Houston is recognized worldwide for its energy industry, which has helped the city top rankings for job creation in recent years, but the economy of the city has become widely diversified amongst healthcare, manufacturing, aeronautics, transportation, finance, information technology, and trade. The Port of Houston is the top ranked port in the U.S. for international tonnage and is the largest container port along the entire Gulf Coast, making it a major economic driver for Houston and the surrounding region.

Houston is the most diverse city in Texas and has been described as the most diverse city in the U.S., thanks to a large and growing international community. The Museum District, located less than 2 miles from the subject properties, is home to a multitude of cultural institutions which attract over 8 million visitors annually.

Even with the adjustment in oil prices starting in late 2014, the Houston metro area added more jobs from July 2014 to July 2015 than any other metro area in America. The Houston population has grown by nearly 740,000 people since 2010, and projections indicate that Houston will overtake Chicago as the 3rd largest city in the U.S. within the next decade.

Rice Village

Covering 67 acres comprised of 18 blocks within the “inner loop” of Houston, Rice Village has been one of the city’s premier shopping destinations since its earliest days tracing back to 1938. Ideally located just 2 blocks west of Rice University, and nestled between the Upper Kirby District and the highly desirable neighborhoods of West University Place, Southampton, and Southgate, Rice Village offers retailers some of the best income demographics and population density available anywhere in Houston.

Rice Village is also located less than 1 mile from the Texas Medical Center, which is the largest medical complex in the world with over 50 million developed square feet and another \$3 billion in construction projects underway. Over 100,000 people are employed within the Texas Medical Center, and there are more than 8 million annual patient visits, which creates a boom to the daytime traffic in nearby Rice Village.

The area has also experienced an influx in mixed-use residential developments in recent years, as more highly educated young wealthy professionals seek the lifestyle offered by such an amenity rich pocket in the heart of one of the nation’s largest cities. Currently there are approximately 2,000 multi-family units available within a 1 mile radius of the center of Rice Village. Rice University began actively acquiring Rice Village land and existing buildings in the 1980’s, and now controls nearly 300,000 SF of retail space within the core of Rice Village, as well as adjacent sites ready for high density mixed-use development in the near future.



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CONFIDENTIALITY AGREEMENT

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from HighStreet Net Lease Group and should not be made available to any other person or entity without the written consent of HighStreet Net Lease Group.

This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, HighStreet Net Lease Group has not verified, and will not verify, any of the information contained herein, nor has HighStreet Net Lease Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.



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Museum District

Texas Medical Center

Rice University

Southgate Neighbor

Southampton Neighborhood



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