

THE Towers

ON ALLEN PARKWAY

CBRE

ASSET UPDATE & LEASING/MANAGEMENT STRATEGY

DEC. 2020



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01 | THE RIGHT TEAM

ASSET UPDATE & LEASING/MANAGEMENT STRATEGY

01

THE Right Team

Makes All The Difference

Core Team Experience

54
YEARS

Combined Years of
Office Leasing
Experience

100
YEARS

Combined Years of
Property Management
Experience

10_{MSF}

Of Office Leasing
Deals by This
Team Since 2014

90%

Tenant Satisfaction
Rating*
(*compared to Kingsley index
average of 71%)

#1

Firm in Houston Office Leasing & Property
Management Market Share



EXECUTIVE OVERSIGHT



Mark Taylor
SR. MANAGING DIRECTOR
INVESTOR SERVICES



Lori Bryant
MANAGING DIRECTOR
PROPERTY MANAGEMENT

AGENCY LEASING



Elliott Hirshfeld
SR. VICE PRESIDENT



Kristen Rabel
SR. VICE PRESIDENT



Nina Seyyedini
SR. ASSOCIATE



Janet Shipley
ASSOCIATE DIRECTOR

PROPERTY MANAGEMENT



THE **Towers**
ON ALLEN PARKWAY

02

WHERE WE'VE BEEN
CBRE & AIG

ASSET UPDATE & LEASING/MANAGEMENT STRATEGY

02

WHERE WE'VE BEEN **CBRE & AIG**

Our partnership has yielded important milestones and excellent results for your organization.



Campus Situation - 2013

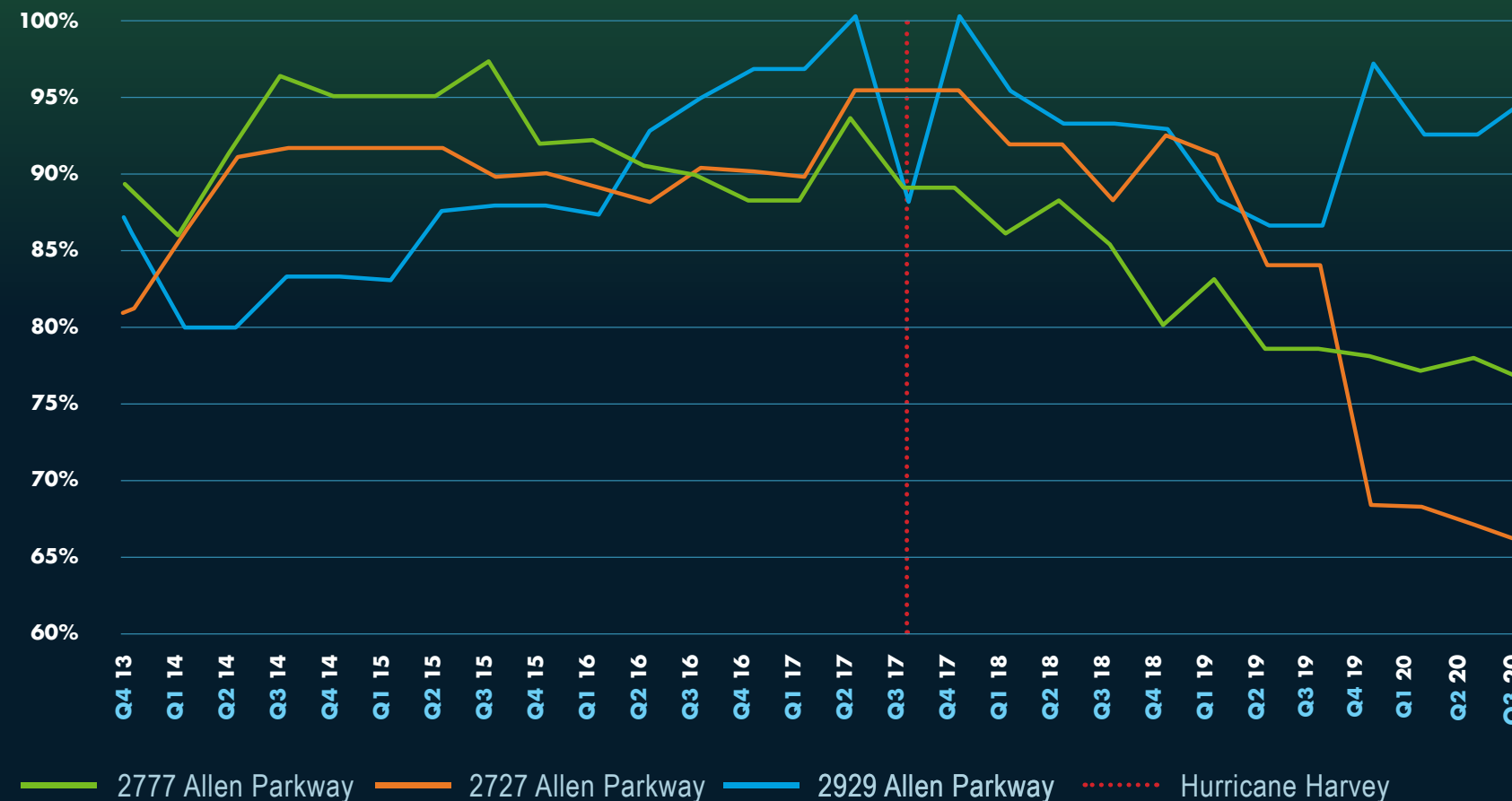
- 80% Campus Occupancy
- Common Areas & Amenities in Need of Refresh
- Tight Security
- Less Desirable Visitor Experience
- Challenging Market Perception

02

WHERE WE'VE BEEN CBRE & AIG

Portfolio Occupancy

Increased occupancy from **80%** to **94%**
Raised net rental rates by **20%**



Hurricane Harvey

August 2017

Situation:

- 27 feet of water
- 6 months without power
- 2+ years of remediation

CBRE Actions:

- Assisted tenants with critical items
- Restructured lease terms
- Provided short-term storage
- Relocated barbershop and dentist
- Property management on-site 24/7
- Moved critical systems 5 feet above Harvey flood levels

02

WHERE WE'VE BEEN CBRE & AIG



Notable CBRE Actions Implemented:

- Best in Class Tours
- Softened Security for Lease Prospects
- Created Up Front Prospect Parking Spaces
- Updated Elevator Lobbies and Restrooms
- Plaza Refresh
- Exterior Wayfinding
- White Box Vacancies
- Improved Responsiveness on Proposals and Leases
- Leveraged Our Brokerage Relationships
- Communicated the Value of The Campus
- Broker Lunches on Campus
- Managed Reputation of Campus
- Starbucks/Refreshments for Prospects
- Upgraded Food Service in America Tower
- Leasing & Property Management Partner to Enhance Tenant Relations/Communications
- Created Newsletter for The Campus
- Weekly Onsite Meetings
- Expanded Parking Garage By 1200 Spaces
- Added Sundry Shop
- Digital Directory
- New accounting services introduced
- CBRE navigates transition through internal entity sale by building ownership



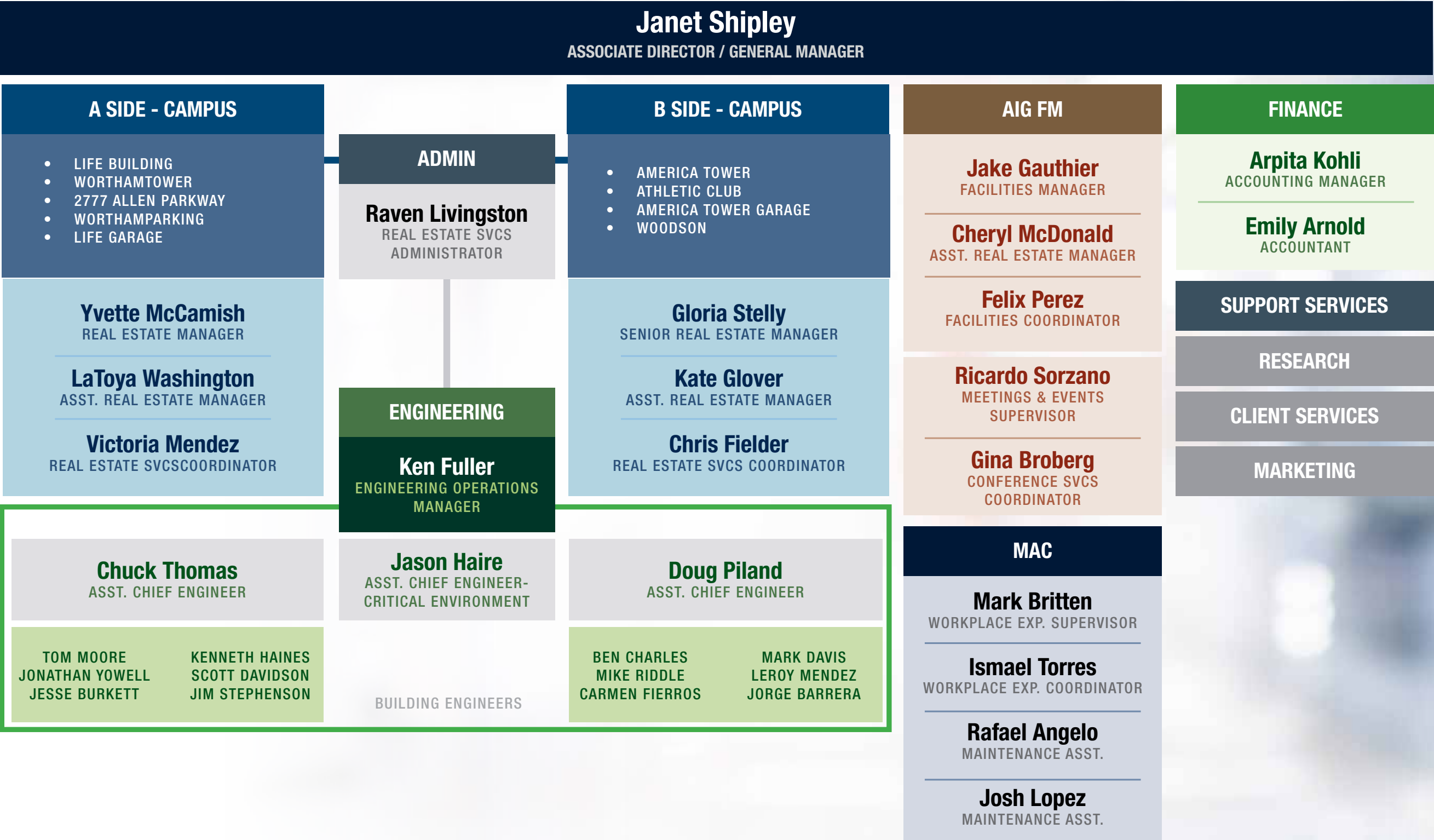
03 ASSET UPDATE

ASSET UPDATE & LEASING/MANAGEMENT STRATEGY

03

ASSET UPDATE

Houston Property Management & Support Services



03

ASSET UPDATE

Wortham Tower

2727 ALLEN PARKWAY

Completed Projects:

- Ground Conference Room
- Restroom and Corridor Remodels (Levels 13, 15 and 18)
- The Commons (Dining Facility)
- 3rd Party Tenant Improvement Projects (Levels 13, 14, 15, and 16)
- Spec Suite (Level 13)
- Guest Services Lobby
- Infrastructure Pipe Projects
- Loading Dock Security Office
- Shuttle Elevator Modernization
- Replacement of 6 AHU's
- Façade Inspection
- Visitor Parking



PROJECTS COMPLETED IN THE LAST 12 MONTHS

03

ASSET UPDATE

2777 Allen Parkway

2777 ALLEN PARKWAY

Completed Projects:

- Transformer & Platform Installation
- Spec Suite (Level 4)
- Restroom and Corridor Remodels (Level 4)
- 3rd Party Tenant Improvement Projects (Levels 4, 5 and 6)
- Elevator Panel Replacement (Levels 11 and 12)
- Central Plant Build Out



PROJECTS COMPLETED IN THE LAST 12 MONTHS

03

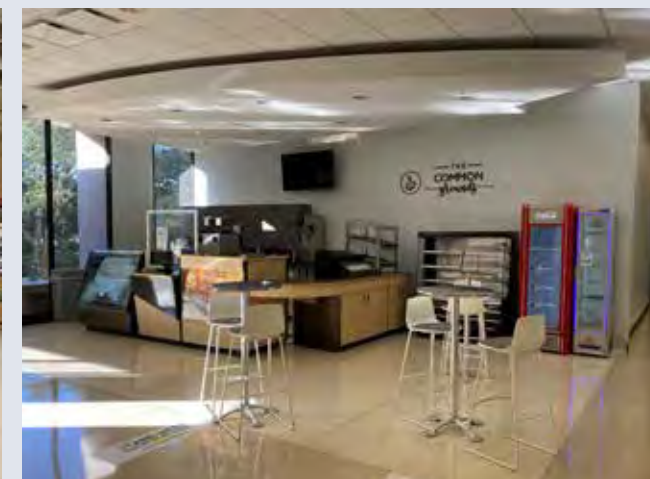
ASSET UPDATE

Woodson Tower

2919 ALLEN PARKWAY

Completed Projects:

- Ground Conference Room
- Full Floor Renovation (Levels 5, 8, 10 and 11)
- Central Plant (New Build)
- Plaza Corridor Remodel
- Elevator Lobby Remodel
- Conference Room Carpet Replacement
- The Common Grounds Coffee Café



PROJECTS COMPLETED IN THE LAST 12 MONTHS

03

ASSET UPDATE

Life Building

2727 ALLEN PARKWAY

Completed Projects:

- Renovation (Level 6)
- Ground Corridor and Exit Remodel
- Plaza Remodel



PROJECTS COMPLETED IN THE LAST 12 MONTHS

03

ASSET UPDATE

America Tower

2929 ALLEN PARKWAY

Completed Projects:

- 3rd Party Tenant Improvement Projects (Levels 11, 12, 13, 20, 21, 22, 23, 24, 25 and 26)
- Elevator Modernization
- Affiliate Improvement Projects (Levels 5 and 10)
- Insurance Claim Incidents (Levels 14 and 33)
- Façade Inspection



PROJECTS COMPLETED IN THE LAST 12 MONTHS

03 | ASSET UPDATE

Common Areas

Completed Projects:

- Flood Mitigation (Phase 1)
- Pressure Washing Services
- Sidewalk and Patio Replacements
- Window Washing Services
- Severe Weather Storage Facility – **under review**
- Skywalk Carpet Replacement (4 locations)
- Wayfinding Signage (Interior - All Buildings)



Wortham Tower Skywalk



Wortham Tower Guest Services

PROJECTS COMPLETED IN THE LAST 12 MONTHS

03

ASSET UPDATE

Continue Robust Tenant Relations Program

FEBRUARY

- Go Texan and Houston Livestock and Rodeo Day
- Valentine's Day
- Donate Canned Foods for Interior Plant Rotation

APRIL

- Blood Drive
- MS 150 Bike Ride
- Earth Day E-Waste Drive
- Dress for Success – Women's Clothing Drive

MAY

- Severe Weather Awareness Day
- Mother's Day
- Discounted Regal and Cinemark theater movie tickets
- Donate Canned Foods for Interior Plant Rotation

JUNE

- Fire Drill
- Schlitterbahn – Galveston: Discounts are available for admission, season passes, accommodations and more.
- Donate Canned Foods for Interior Plant Rotation

JULY

- Ice Cream Social
- Active Shooter Alarm Test and Training
- Back to School Supply Drive

AUGUST

- Men's Clothing Drive

SEPTEMBER

- Flu Shots

OCTOBER

- Breast Cancer Awareness
- Donate Canned Foods for Interior Plant Rotation
- Halloween Event

NOVEMBER

- Full Building Shutdown
- Thankful Campaign

DECEMBER

- Angel Tree Benefiting Betsy Ross Elementary – Toy Drive
- Santa Day and Gingerbread Holiday Event
- Fire Drill

CBRE

03

ASSET UPDATE

Continue Robust Tenant Relations Program



LOBBY SCREENS:

Display screens for general announcements.

SORRY WE MISSED YOU:

Engineers leave a card detailing service if tenant is not available.

EMAIL BLASTER/LOBBY POSTERS:

Branded emails and posters keep tenants informed of building events, building street closures, maintenance and security news, garage safety, etc.

TENANT HANDBOOK ANNIVERSARY AND BIRTHDAY RECOGNITION TENANT LUNCHES EVENT TICKETS

TENANT SERVICE REQUESTS:

Seeking approval for Building Engines or Angus Software for dispatching, tracking and reporting via computer or engineers' smart phones. Tenants submit and track progress online for real time updates.

TENANT AMENITIES:

- Officers greet and assist tenants and guests 24/7 at the Security and Concierge Desk.
- METRO Public Transport and Uber/Lyft Drop Zones
- The Common Grounds Coffee Bar
- Full Service Dining and Catering Facility with Private Rooms at The Commons
- Deli
- Fitness Center with Full Service Locker Rooms, Showers and Towel Service
- Conference Room Facilities
- Car Butler - Detailing service with in-office key pick-up/drop-off.
- Park Environment
- Security Command Center
- Sundry Shop
- Barber Shop
- Dentist
- Credit Union
- WiFi Internet and Fiber Optic Capabilities
- Onsite Parking Management Office

CBRE

03 | ASSET UPDATE

Enhance Tenant Experience

HOST APP

- Host is a powerful hospitality platform offered by CBRE that combines world-class service professionals and training with an intuitive mobile app designed to facilitate a world class workplace experience.
- Our team revolutionizes your approach to community and visitor management, events and meetings, mail and document services and so much more to enhance the workforce's daily journey.



CBRE | *host*

03

WHERE WE ARE ASSET UPDATE



Tenants & Covid-19

REENTERING THE WORLD'S WORKPLACES



In May 2020, CBRE presented a property reentry guide to tenants highlighting new safety amenities and protocols.

From April to October 16, we have provided recommendations and advised on the response to 16 significant relief requests from tenants.



03

WHERE WE ARE ASSET UPDATE

Financials & Cash Flow

THE TOWERS ON ALLEN PARKWAY

- COVID-19 Occupancy Levels average 15% on daily basis
- CBRE has produced **\$3,309,6335** of cost savings as of Q3 2020
- Annual Audit Completion with PWC
- Remodel Projects include restroom/corridors, security and guest entry locations and plaza level lobbies

CBRE provides regular, detailed financial and accounting information to ensure you have the information needed to make strategic decisions. Our interactive reporting allows you to quickly navigate to key information, and serves as an important tool when assessing the financial and operational health of the property.

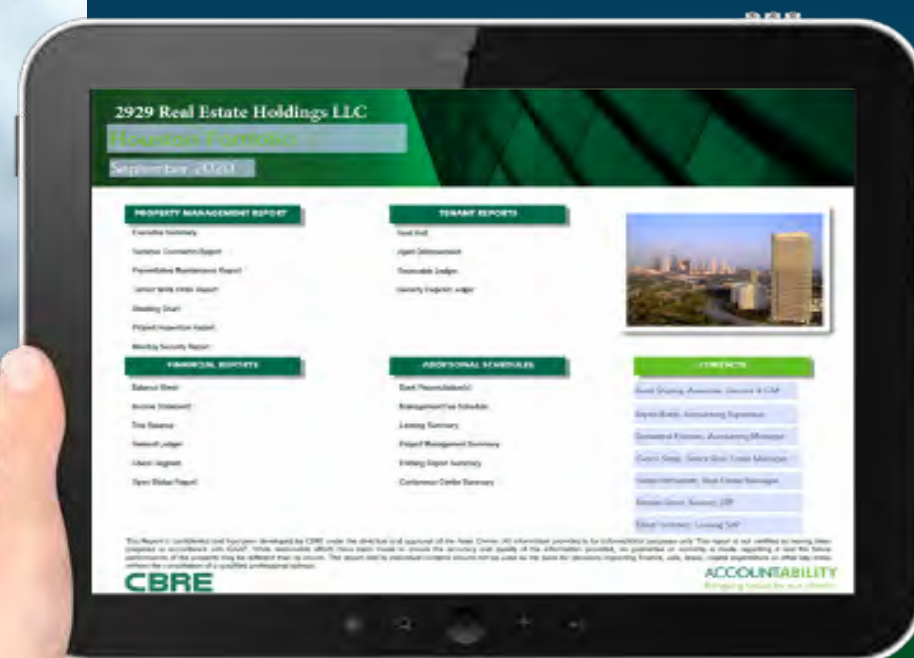
FAST FACTS

AIG OCCUPIED	712,525 SF
AIG AVAILABLE	142,389 SF
3RD PARTY	943,988 SF
VACANT	349,670 SF
UNLEASEABLE	99,900 SF

2.2 MSF

2020 Operating Expenses

BUILDING ADDRESS	OPEX/SF
The Towers on Allen Parkway (Portfolio Average)	\$14.05/SF
CBD	
One Allen Center	\$15.69/SF
Two Allen Center	\$14.97/SF
Three Allen Center	\$15.17/SF
GREENWAY PLAZA	
3 Greenway Plaza	\$14.84/SF
8 Greenway Plaza	\$14.95/SF
9 Greenway Plaza	\$15.73/SF
11 Greenway Plaza	\$15.81/SF
12 Greenway Plaza	\$14.99/SF
3800 Buffalo Speedway	\$12.99/SF
INNER LOOP	
2323 Shepherd	\$13.39/SF
5300 Memorial	\$12.13/SF
55 Waugh	\$14.10/SF
GALLERIA AREA	
1500 Post Oak Blvd.	\$23.26/SF
1717 West Loop S.	\$18.69/SF
1330 Post Oak Blvd.	\$17.69/SF
2000 Post Oak Blvd.	\$15.81/SF
5555 San Felipe	\$15.50/SF
1990 Post Oak Blvd	\$15.19/SF



03

WHERE WE ARE

ASSET UPDATE

Property Management Platform

REPORTING



- We are investor- and landlord- focused
- Long-term strategy approach for value add initiatives
- **On site team has dual reporting to client asset manager and CBRE local Houston leadership**
- **Value creation through coordination of goals between Asset Manager, leasing and property management**

ACCOUNTING



- Investment-driven reporting
- **Clear NOI target and reconciliations**
- **Operating cost reconciliation specialist**
- **Accounting reports tailored to client requirements**
- **Accounting costs are included in management fee**
- **Minneapolis accounting hub works primarily on Asset Services business and are landlord specialists**

STAFFING



- **Property management staff assimilated under property management focus and world-class platform**
- **Market support from local leadership**
- **CBRE Property Managers across market share best practices within peer group**
- Offers reduction in Project Management FTE as local market solution involves variable resources at a competitive market-based fee

TENANT RELATIONS



- **World-class customer service training**
- **Tenant relations program with ongoing satisfaction assessment**
- **Boost overall property image (focus on path of travel for tenants and prospects)**
- **CBRE @ Your Service program to enhance tenant experience**
- **A key component of Asset Services - Global Standards, supported by local specialists and national resources**
- **Dedicated Tenant Relations Coordinator**

VENDOR SERVICES



- **Use local and national vendors to secure ideal vendor scenarios for property**
- **Local market relationships with national vendors**
- **Scope refinements (as necessary) specific to Houston**
- **Eliminate layers of construction management on tenant improvement projects**

03

WHERE WE ARE

ASSET UPDATE

Property Management Platform

OUR PLATFORM

CBRE's robust service platform offers 2929 Real Estate Holdings, LLC and AIG benefits specifically designed for multi-tenant income-producing properties. A few of our programs that will add value to your properties are:



- **TENANT SERVICES**—CBRE has developed a world-class program that enhances tenant relations and communication, increases tenant retention and elevates the level of customer service at each property.



- **LEASE ADMINISTRATION**—The property management team will provide meticulous lease administration to maximize the earning potential across current leases at the property, with close involvement in negotiation and enforcement.



- **REAL ESTATE ACCOUNTING SERVICES**—CBRE's enhanced service will provide improved accounting practices, budgeting and operating & expense reconciliations. Flexible and comprehensive accounting and reporting solutions are customized to meet each client's needs.



- **PROCUREMENT**—We leverage our national and local buying power to bring our clients the most cost savings and expense reduction.



- **QUALITY CONTROL**—Our Global Standards program ensures meticulous attention to detail and transparency through our internal auditing system.



- **PROJECT MANAGEMENT**—CBRE project management professionals can provide assistance to the management staff to manage a diverse range of projects, including build-to-suit, tenant improvements, developer monitoring, national programs, due diligence, and renovation and rehabilitation projects.

03

WHERE WE ARE

ASSET UPDATE

Property Management Platform

OUR ACCOUNTING

On site accountants fully immersed and dedicated to the property, working in conjunction with Real Estate Accounting Services.



OUR ACCOUNTING TECHNOLOGY OFFERS OUR CLIENTS:

- A comprehensive database that assures consistent, real-time access to important leasing and financial information
- Receivables management
- Payables processing
- Lease and critical date administration
- An adaptable financial reporting tool
- An interface to industry leading cash management and payables workflow systems
- A web interface for accessing the accounting application wherever there is a network connection
- A detailed security structure ensuring CBRE, as a third-party service provider, meets all SSAE 16 audit requirements



FLEXIBLE, CONFIGURABLE
LEASING SOFTWARE

TAILORING THE ACCOUNTING EXPERIENCE TO CLIENT NEEDS

- One core solution that integrates all commercial real estate operations, from property management to accounting—creating cost efficiencies
- Cost included with fee
- Integration between budgeting/recoveries/leasing/and payable modules ensures consistent accurate information
- Seamless integration to all other technology solutions (PayMode, PAYplus, COLLECTplus)



04

MARKET OVERVIEW

ASSET UPDATE & LEASING/MANAGEMENT STRATEGY

04 | MARKET OVERVIEW

Houston Market Overview

ENERGY SECTOR



\$3.7B IN RENEWABLE ENERGY INVESTMENT SINCE 2014

25% OF ALL OIL AND GAS EXTRACTION JOBS IN THE US ARE LOCATED IN HOUSTON

237K ENERGY RELATED EMPLOYMENT

4,600+ ENERGY RELATED ESTABLISHMENTS LOCATED WITHIN THE GREATER HOUSTON AREA

25% OF THE US REFINING CAPACITY IS ALONG THE TEXAS GULF COAST WITH A REFINING CAPACITY OF 4.8M BARRELS/DAY

HOUSTON COMPANIES CONTROL OVER 103K MILES OF US PIPELINE

Source: Greater Houston Partnership, April 2019

PORT OF HOUSTON



RANKED 1ST IN FOREIGN TONNAGE, IMPORTS, EXPORT TONNAGE, & BREAKBULK AMONG US PORTS

LARGEST TEXAS PORT

4 REGIONAL SEAPORTS
HOUSTON, TEXAS CITY, FREEPORT, GALVESTON

194.3M METRIC TONS IN TRADE PER ANNUM

LARGEST GULF COAST CONTAINER PORT HANDLING 68% OF US GULF COAST CONTAINER TRAFFIC & 96% OF TEXAS CONTAINER TRAFFIC

Source: Greater Houston Partnership, March 2019

PETROCHEMICAL INDUSTRY



LARGEST PETROCHEMICAL INDUSTRY IN THE U.S.
2ND LARGEST IN THE WORLD

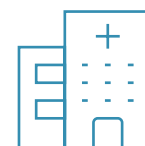
HOUSTON ALONE ACCOUNTS FOR OVER 42% OF THE NATION'S BASE PETROCHEMICAL CAPACITY

CREATION OF APPROXIMATELY 1.175M JOBS IN THE STATE OF TEXAS
2.7M JOBS NATIONWIDE

HOUSTON EXPORTS 74% OF U.S. POLYETHYLENE (PLASTIC)

Sources: Greater Houston Partnership, March 2019, Ocean Insight

TEXAS MEDICAL CENTER



THE LARGEST MEDICAL CENTER IN THE WORLD

106,000+ EMPLOYEES

10M PATIENT VISITS PER YEAR

8TH LARGEST BUSINESS DISTRICT IN THE US

\$3B IN CONSTRUCTION PROJECTS UNDERWAY

TMC'S CAMPUS ENCOMPASSES 50M DEVELOPED SQ.FT

Source: The Texas Medical Center, October 2018

HOUSTON AIRPORT SYSTEM



58.1M PASSENGERS IN THE 12 MONTHS ENDING IN NOVEMBER 2018, UP 7.5% YEAR-OVER-YEAR

182 NON-STOP DESTINATIONS TO 37 COUNTRIES

6 DOMESTIC & 20 INTERNATIONAL CARRIERS AT GEORGE BUSH INTERCONTINENTAL (IAH) AIRPORT

5 DOMESTIC & 1 INTERNATIONAL CARRIERS AT WILLIAM P. HOBBY AIRPORT

Sources: Greater Houston Partnership, HAS, January 2019

AEROSPACE/AVIATION



\$4.5B TOTAL ECONOMIC IMPACT ANNUALLY

ONE OF THE NATION'S LICENSED SPACEPORTS

100+ MAJOR EMPLOYERS INCLUDES:
BOEING,
LOCKHEED MARTIN,
BROWN & ROOT,
AND
JOHNSON ENGINEERING

Source: Greater Houston Partnership, October 2017

04

MARKET OVERVIEW

Houston Office Market Statistics



INVENTORY

215 MSF **116 MSF**
TOTAL CLASS A



AVAILABLE SUBLEASE

5.6 MSF **3.7 MSF**
(11.4MSF PEAK IN 2016) CLASS A



-2.98 MSF

Q3 2020 NET ABSORPTION

-1.93 MSF **-790K SF**
CLASS A CLASS B



VACANCY

22.3%

21.3 MSF
CLASS A

AVAILABILITY

25.9%

25.4 MSF
CLASS A

	2016	2017	2018	2019	2020 (YTD)
Absorption	-909,165	-2,000,480	-1,140,086	-605,677	-2,982,208
Asking Rent (Gross Avg. Annual \$/SF)	\$28.71	\$29.41	\$29.04	\$28.78	\$28.92
Delivered Construction	4,737,220	1,892,631	1,837,584	778,344	430,630
Vacancy Rate (%)	15.70%	17.30%	18.70%	19.30%	22.30%

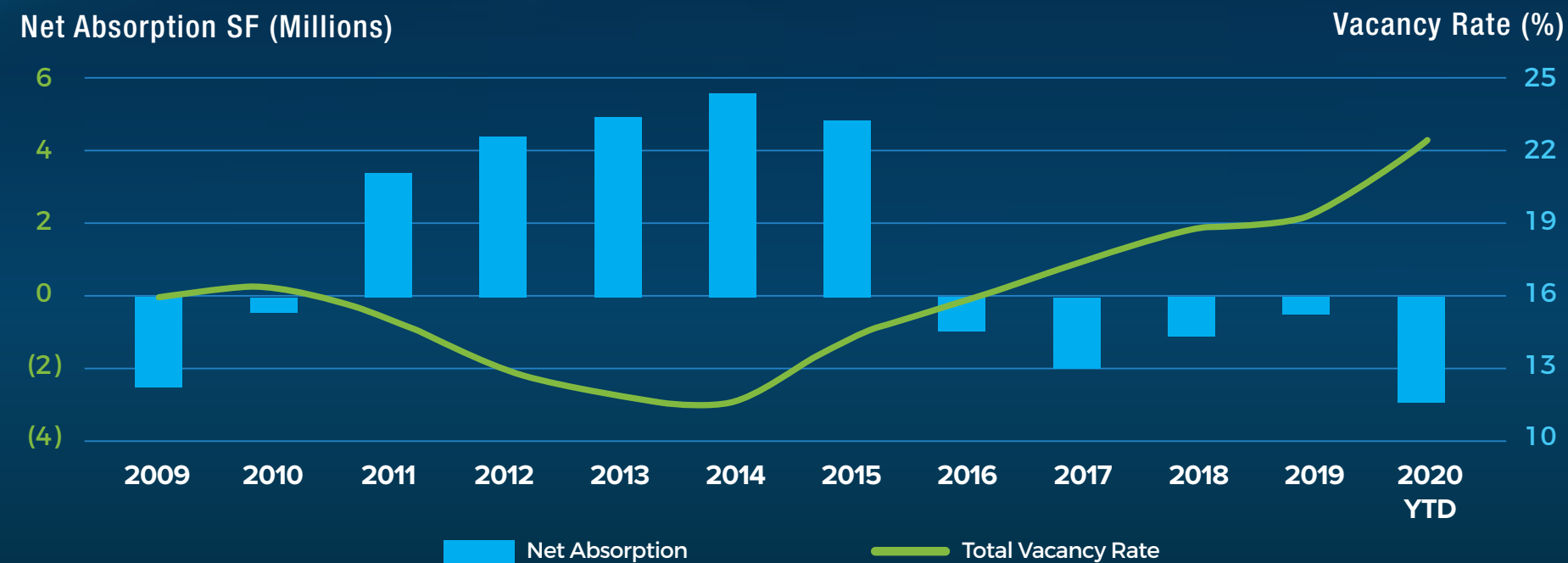


04

MARKET OVERVIEW

Houston Fundamentals Hold

Historical Net Absorption and Vacancy | Q3 2020



Quarterly Change

↑ Vacancy Rate
22.3%

↓ Net Absorption
(1,270,389)

↑ Avg. Asking Rate
\$28.92

Source: CBRE Research, Q3 2020

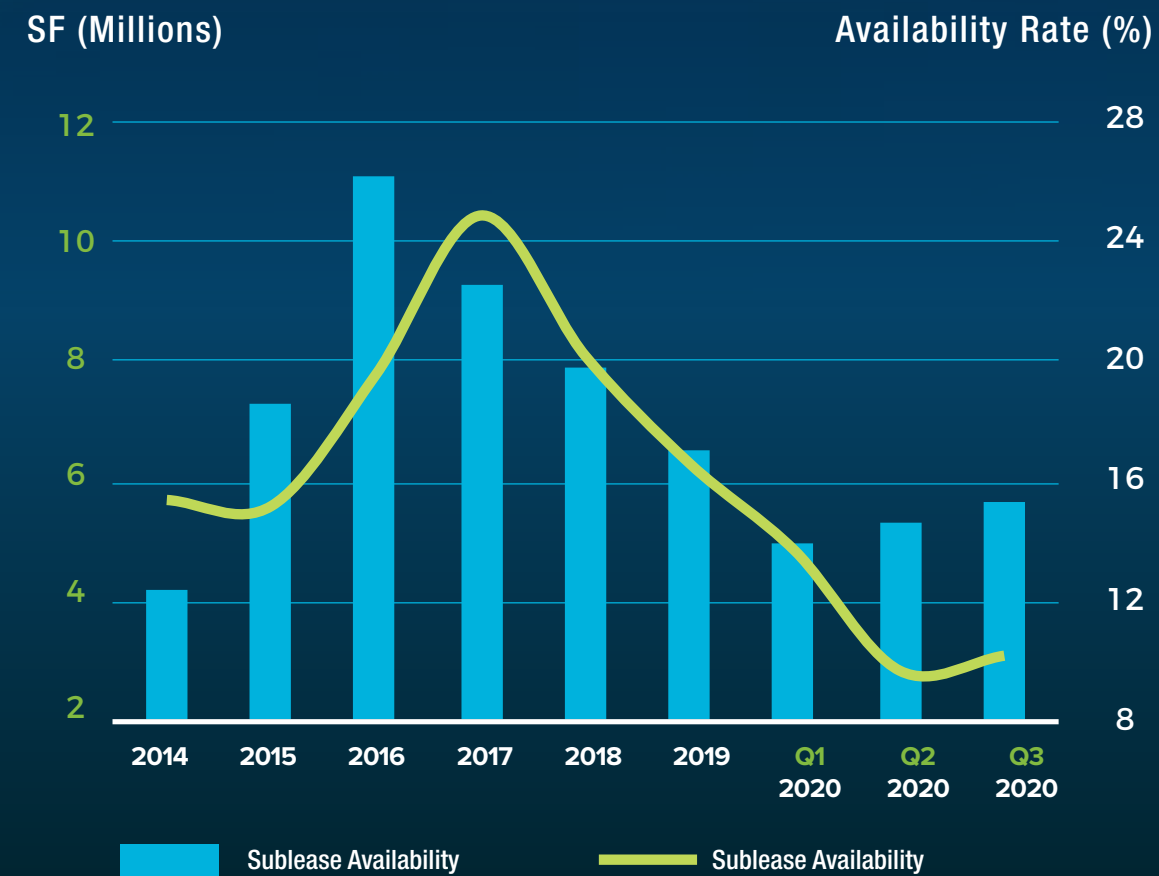


04

MARKET OVERVIEW

Sublease Space Rising

Historical Sublease Availability | Q3 2020



Construction Pipelines Fall

↑ Deliveries
430,630

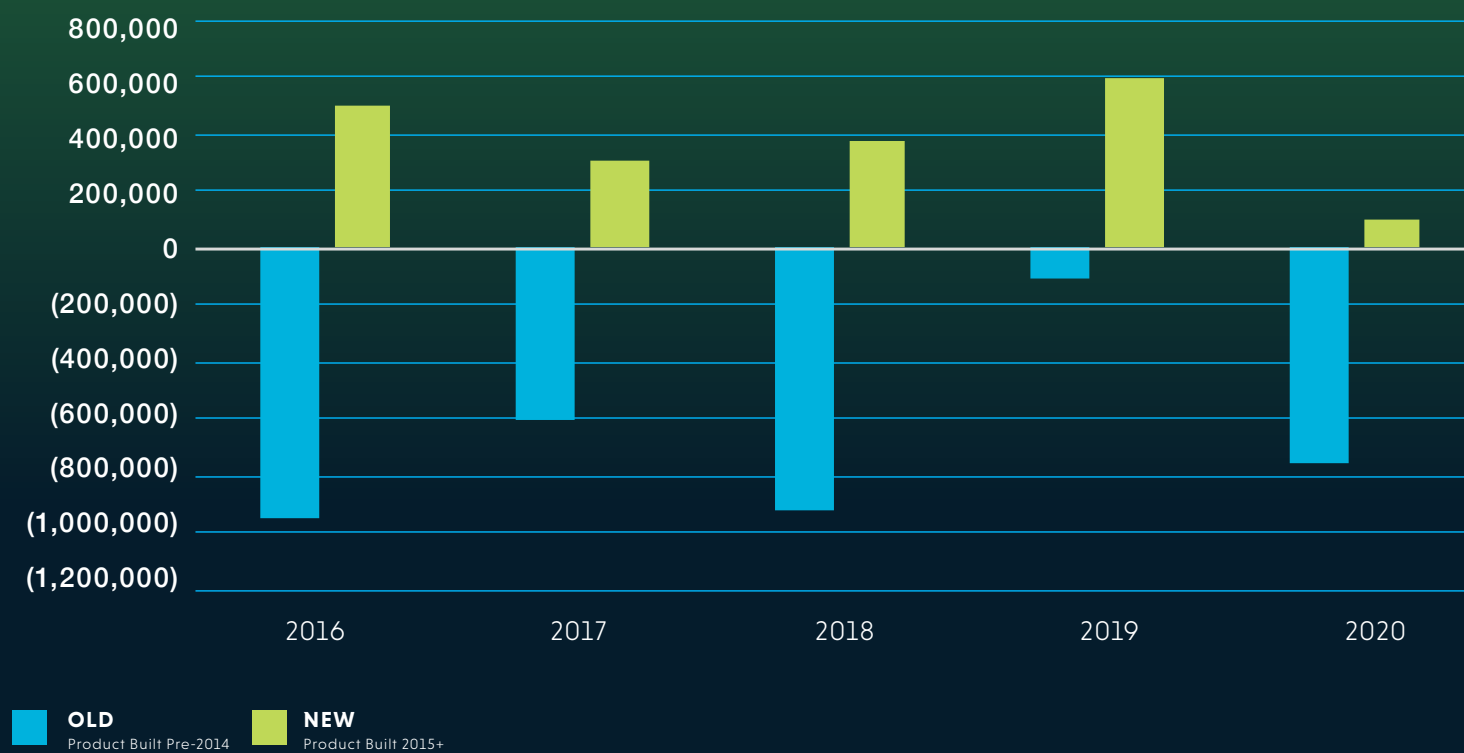
↓ Under Construction
4,121,953

Quarterly Change



Flight to Quality Endures

CBD CLASS-A ABSORPTION BY YEAR BUILT



**LARGE USERS PREFER NEW
CONSTRUCTION/RENOVATED PRODUCT
WITH AMENITIES**

**NEW CONSTRUCTION DOMINATES
RELOCATIONS**

**OCCUPIERS CONTINUE TO RECALIBRATE
THEIR FOOTPRINTS**

04

MARKET OVERVIEW

SURVEY STATISTICS



32 COMPANIES
10K RESPONSES
18 COUNTRIES

SURVEY CONDUCTED FROM JUNE 16, 2020 TO AUGUST 7, 2020.

1

REMOTE WORK LOOKS AND FEELS PRODUCTIVE TO MOST

90%+

of employees and company leaders feel productivity is the same or greater while working remotely.

2

REMOTE WORK IS HERE TO STAY

85%

of employees prefer to work remotely at least two to three days a week in the future.

3

THE OFFICE IS HERE TO STAY

60%

of respondents will return to the office in the future for community and collaboration.

4

REAL ESTATE PORTFOLIOS MIGHT LOOK DIFFERENT

43%

of respondents would consider working from a company-provided location nearer to their home at least a few times a week.

5

THERE IS NO ONE-SIZE-FITS-ALL FOR REMOTE POLICIES

54%

of company leaders prefer a hybrid arrangement for their team that combines working remotely and from the office.



THE **Towers**
ON ALLEN PARKWAY

05

SUBMARKET OVERVIEW

ASSET UPDATE & LEASING/MANAGEMENT STRATEGY

05

SUBMARKET OVERVIEW

Inner Loop Q3 2020

Inner Loop posts flat absorption activity in Q3 2020

- The Inner Loop submarket posted absorption of 2,366 sq. ft. in Q3 2020, yielding -213,393 sq. ft. of net absorption year-to-date.
- Asking rates increased from \$31.47 in Q2 2020 to \$32.11 in Q3 2020 on a gross basis.
- Projects under construction in the Inner Loop total more than 550,000 sq. ft. and include the Ion and Montrose Collective, among other developments.



Market Size
4,702,606 RSF



Vacancy
16.0%



Rental Rate
\$32.11 RSF



Absorption
42,366 RSF

CLASS	MARKET SIZE (RSF)	DIRECT VACANT (RSF)	SUBLEASE AVAILABLE (RSF)	AVAILABLE RATE	ASKING GROSS RATE (\$/RSF)
Class A	2,636,741	429,155	2,500	20.60%	\$36.94
Class B	1,616,566	237,052	37,841	18.50%	\$27.97
Class C	449,299	48,042	0	16.50%	\$23.10
All Classes	4,702,606	714,249	40,341	19.50%	\$32.11

Source: CBRE Research, 2020.

05

SUBMARKET OVERVIEW

COMPETING SUBMARKETS



Competing Submarkets

SUBMARKET	MARKET SIZE (RSF)	DIRECT VACANT (RSF)	SUBLEASE AVAILABLE (RSF)	AVAILABLE RATE	ASKING GROSS RATE (\$RSF)
West Loop/Galleria	30,786,847	6,220,645	877,670	27.50%	\$33.05
CBD	44,415,233	9,432,034	1,405,309	27.30%	\$40.97
Greenway Plaza	10,671,819	1,880,812	328,978	23.30%	\$31.62
Inner Loop	4,702,606	714,249	40,341	19.50%	\$32.11
Houston Total	215,306,258	48,013,295	5,679,913	25.90%	\$28.92

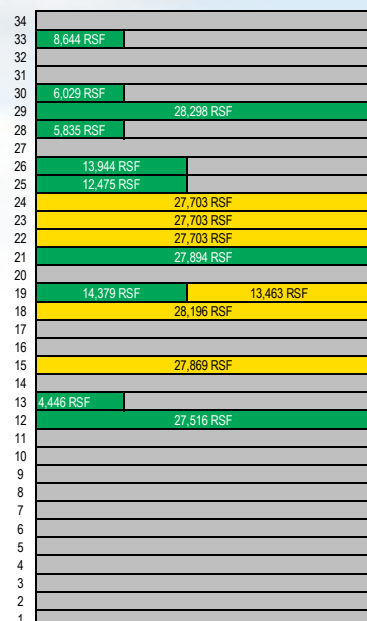
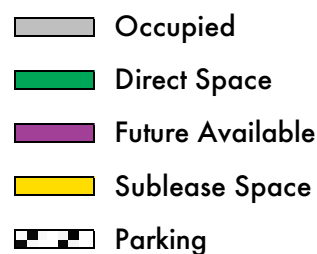
2020 Market Comparables

TENANT	SIZE	RENT (NNN)	TERM (MO's)	ABATEMENT (MO'S)	TIA	NER
Architecture	15 KSF	\$22.00	138	18	\$81	\$6.76
Accounting	60 KSF	\$22.00	135	15	\$112	\$3.61
Real Estate Fin	9 KSF	\$21.00	143	11	\$66.50	\$6.46
Financial Services	250 KSF	\$19.50	136	16	\$100	\$2.20

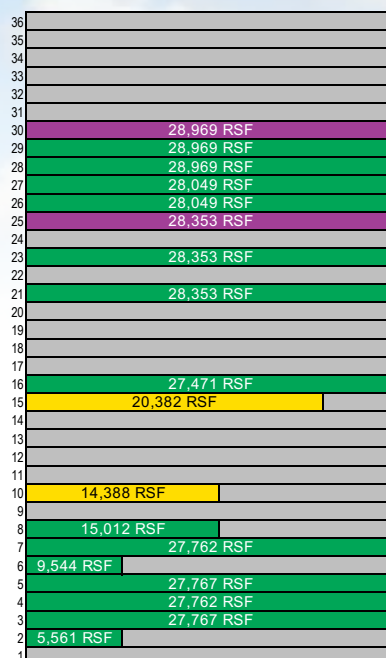
Source: CBRE Research, 2020.

SUBMARKET OVERVIEW

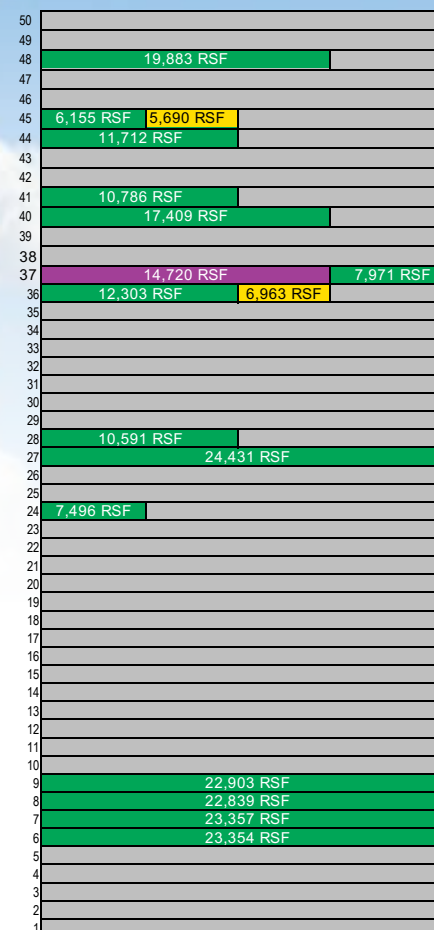
Competitive Set Skyline



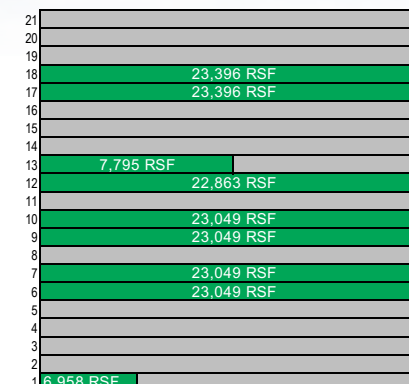
One Allen Center



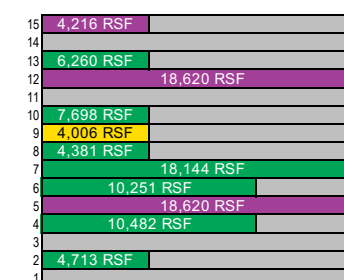
Two Allen Center



Three Allen Center



3 Greenway Plaza



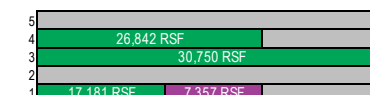
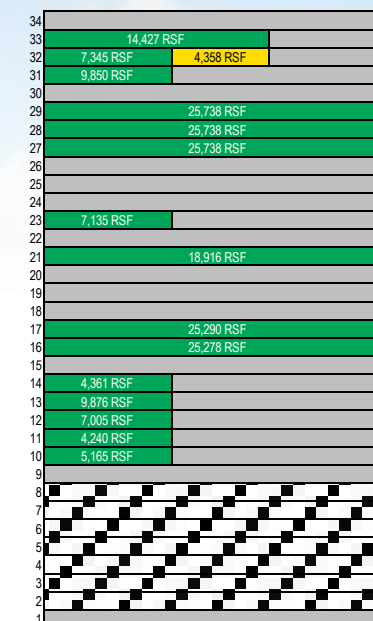
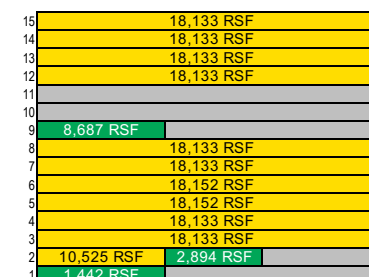
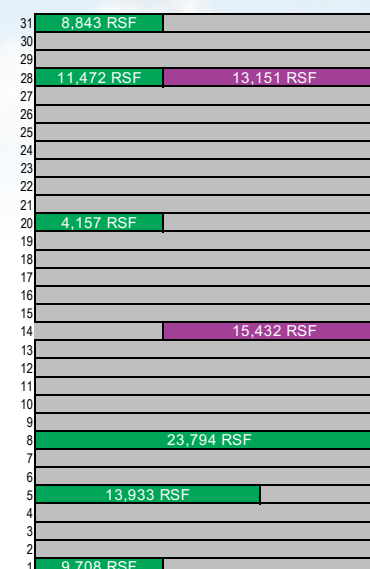
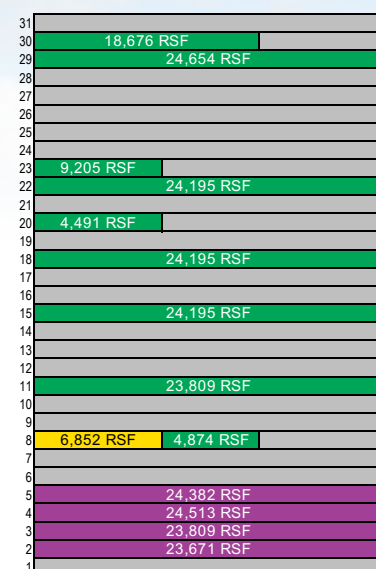
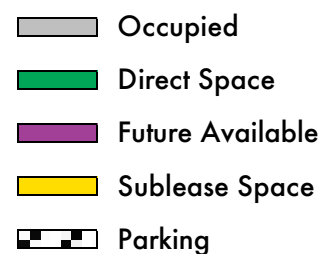
8 Greenway Plaza

Total Area	993,775 RSF	995,623 RSF	1,194,719 RSF	518,578 RSF	255,305 RSF
Typical Floor Plate	29,229 RSF	26,613 RSF	25,000 RSF	24,694 RSF	17,020 RSF
Available Direct	155,612 RSF	402,892 RSF	235,820 RSF	176,604 RSF	106,244 RSF
Available Sublet	152,637 RSF	34,720 RSF	12,653 RSF	0 RSF	4,006 RSF
Total Available	308,249 RSF	437,612 RSF	248,473 RSF	176,604 RSF	110,250 RSF
% Leased	85.0%	65.9%	85.8%	65.9%	74.6%
Starting Asking Net Rent	\$30.00/RSF	\$30.00/RSF	\$31.00/RSF	\$23.00/RSF	\$18.00/RSF
Est. Operating Expenses	\$15.69/RSF	\$14.97/RSF	\$15.17/RSF	\$14.84/RSF	\$14.95/RSF
Gross Rent	\$45.69/RSF	\$44.97/RSF	\$46.17/RSF	\$37.84/RSF	\$32.95/RSF
Parking Ratio	1.0/1000 RSF	1.0/1000 RSF	1.0/1000 RSF	3.5/1000 RSF	3.0/1000 RSF
Completed	1972	1978	1980	1971	1982
Owner	Brookfield	Brookfield	Brookfield	CPP Investments	CPP Investments

05

SUBMARKET OVERVIEW

Competitive Set Skyline

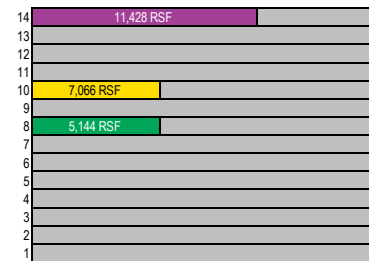
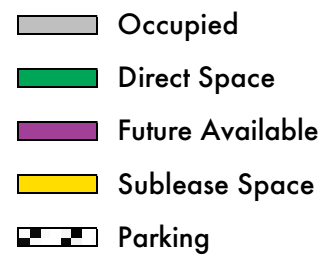


Total Area	746,824 RSF	745,956 RSF	254,920 RSF	299,147 SF	172,532 RSF
Typical Floor Plate	24,195 RSF	23,311 RSF	16,995 RSF	18,502 RSF	34,000 RSF
Available Direct	254,669 RSF	100,490 RSF	13,023 RSF	178,668 RSF	178,668 RSF
Available Sublet	6,852 RSF	0 RSF	191,893 RSF	0 RSF	0 RSF
Total Available	261,521 RSF	100,490 RSF	204,916 RSF	178,668 RSF	178,668 RSF
% Leased	78.8%	86.5%	94.9%	53%	71.4%
Starting Asking Net Rent	\$22.50/RSF	\$22.50/RSF	\$18.00/RSF	\$20.00/RSF	\$15.00/RSF
Est. Operating Expenses	\$15.73/RSF	\$15.81/RSF	\$14.99/RSF	\$14.51/RSF	\$12.99/RSF
Gross Rent	\$38.23/RSF	\$38.31/RSF	\$32.99/RSF	\$34.51/RSF	\$27.99/RSF
Parking Ratio	3.0/1000 RSF	3.0/1000 RSF	3.0/1000 RSF	3.5/1000 RSF	3.0/1000 RSF
Completed	1978	1979	1981	1984	1978
Owner	CPP Investments	CPP Investments	CPP Investments	Nuveen Real Estate	CPP Investments

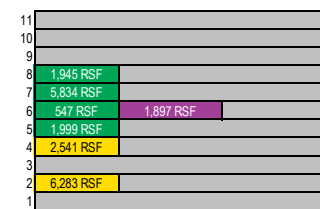
05

SUBMARKET OVERVIEW

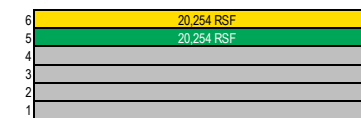
Competitive Set Skyline



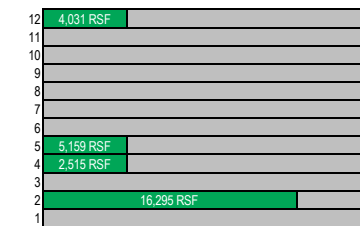
2323 Shepherd



5300 Memorial



100 Waugh



55 Waugh

Total Area	119,545 RSF	153,626 RSF	121,524 RSF	248,457 RSF
Typical Floor Plate	17,393 RSF	15,362 RSF	20,254 RSF	20,705 RSF
Available Direct	16,572 RSF	14,763 RSF	20,254 RSF	28,000 RSF
Available Sublet	7,066 RSF	8,824 RSF	20,254 RSF	0 RSF
Total Available	23,638 RSF	23,587 RSF	40,508 RSF	28,000 RSF
% Leased	95.7%	93.3%	83.3%	88.7%
Starting Asking Net Rent	\$27.00/RSF	\$26.50/RSF	\$16.50/RSF	\$24.00/RSF
Est. Operating Expenses	\$13.39/RSF	\$12.13/RSF	\$10.50/RSF	\$14.10/RSF
Gross Rent	\$40.39/RSF	\$38.63/RSF	\$27.00/RSF	\$38.10/RSF
Parking Ratio	3.0/1000 RSF	3.0/1000 RSF	3.5/1000 RSF	3.0/1000 RSF
Completed	1984	1983	1973	1982
Owner	Principal Real Estate Investors	Equus Capital Partners	SG Interests	SG Interests



06 | LEASING UPDATE

ASSET UPDATE & LEASING/MANAGEMENT STRATEGY

06

LEASING UPDATE

Portfolio Leasing Transactions

Over 975,00 RSF of leases signed for this portfolio.

	LEASE TOTALS	NEW LEASES	RENEWALS
2013	48,620	44,046	4,574
2014	137,834	77,846	59,988
2015	96,939	47,437	49,502
2016	176,721	85,516	91,205
2017	26,932	-	26,932
2018	182,091	130,089	52,002
2019	169,598	133,556	36,042
2020	149,168	72,619	76,549
	987,903	591,109	396,794



CBRE

06 Leasing Update



Portfolio Availability & Leasing Priorities

BUILDING	WORTHAM TOWER	2777 ALLEN PARKWAY	AMERICA TOWER	TOTAL
Large: 35-70 KSF	1	0	2	3
Medium: 15-22 KSF	2	2	4	8
Small: 3.5-10 KSF	10	3	2	15
Total	13	5	8	26



06 Leasing Update

Wortham Tower Priorities

NO	FLOORS	SIZE	COMMENTS
1	20, 21, 22, 23 & 24	69 KSF	Former JL Wortham Insurance Space
2	9	16 KSF	Former Law Firm Space
3	13	5 KSF	Spec Suite

BOOST OCCUPANCY BY 21%

2777 Allen Parkway Priorities

NO	FLOORS	SIZE	COMMENTS
1	7 & 8	24 KSF	Former Law Firm Space, Chopped Up
2	14	17 KSF	Former Law Firm Space, RR Need ADA Work
3	11	7 KSF	Former Financial Services

BOOST OCCUPANCY BY 18%

America Tower Priorities

NO	FLOORS	SIZE	COMMENTS
1	17, 18, & 19	68 KSF	Former BDO Space
2	27 & 28	37 KSF	Former Legacy Health Space
3	9, 6 or 4	22 KSF	Former AIG Space

BOOST OCCUPANCY BY 13%

06

LEASING UPDATE

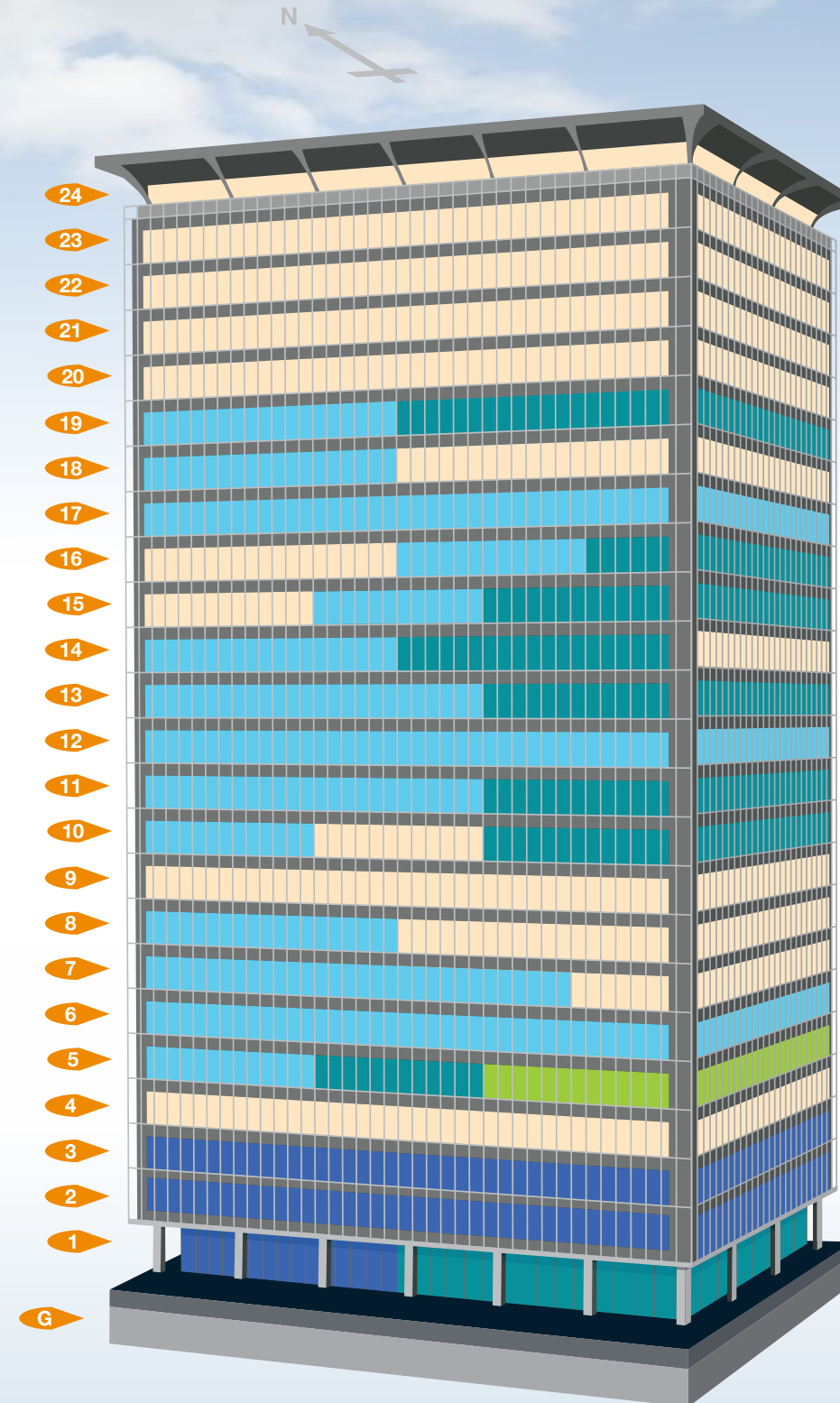
Wortham Tower

Wortham Tower Summary

BUILDING SIZE	416, 685 SF
AIG OCCUPIED	16,297 SF
THIRD PARTY OCCUPIED	168,583 SF
TOTAL AVAILABILITY	163,234 SF
TOTAL UNLEASABLE	68,571 SF
% OCCUPIED	61%
2021 EXPIRATIONS	13,486 SF
2022 EXPIRATIONS	0
2023 EXPIRATIONS	15,640 SF
2024 EXPIRATIONS	21,621 SF
2025 EXPIRATIONS	41,692 SF

Vacant
 AIG

 3rd Party



06

LEASING UPDATE

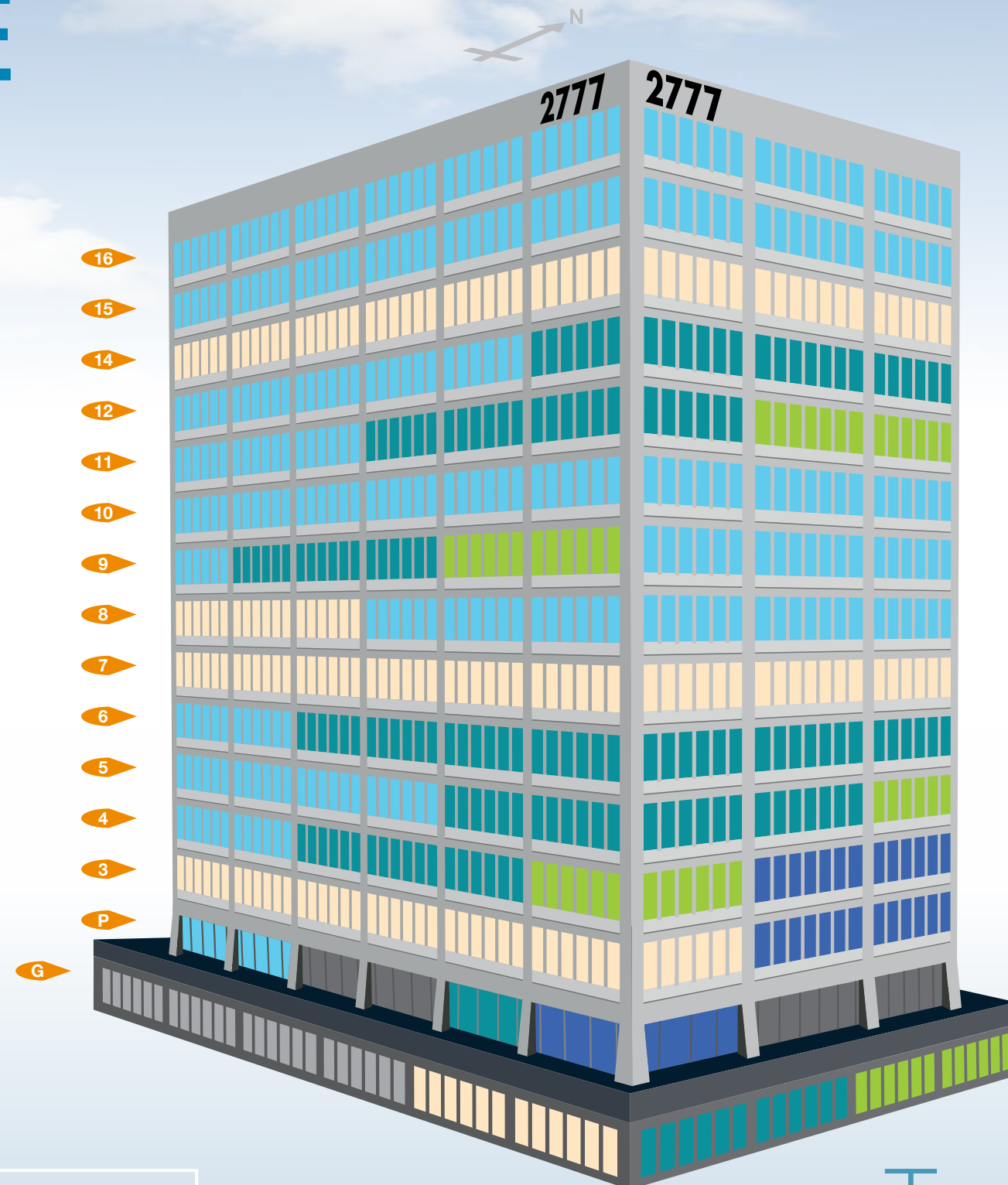
2777 Allen Parkway

2777 Allen Parkway Summary

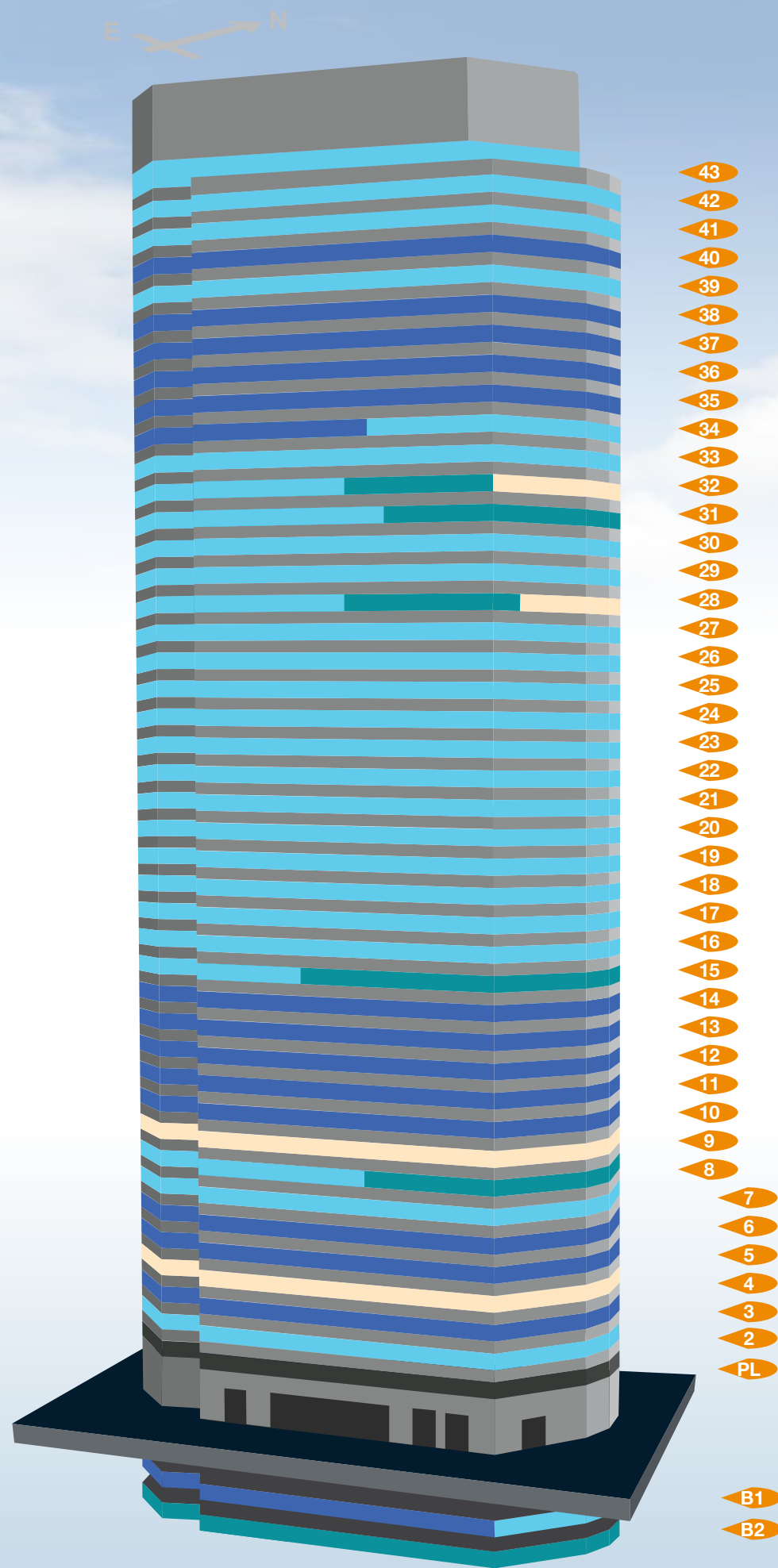
BUILDING SIZE	254,335 SF
AIG OCCUPIED	9,624 SF
THIRD PARTY OCCUPIED	156,777 SF
TOTAL AVAILABILITY	81,408 SF
TOTAL UNLEASABLE	6,526 SF
% OCCUPIED	68%
2021 EXPIRATIONS	29,116 SF
2022 EXPIRATIONS	9,769 SF
2023 EXPIRATIONS	19,665 SF
2024 EXPIRATIONS	2,027 SF
2025 EXPIRATIONS	26,506 SF

Vacant
 AIG

 3rd Party
 Lobby



THE **Towers**
ON ALLEN PARKWAY



06

LEASING UPDATE

America Tower

America Tower Summary

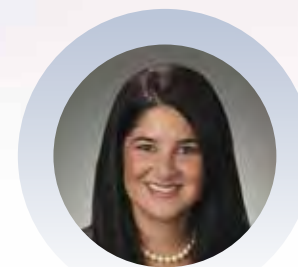
BUILDING SIZE	952,080 SF
AIG OCCUPIED	203,621 SF
THIRD PARTY OCCUPIED	618,628 SF
TOTAL AVAILABILITY	105,028 SF
TOTAL UNLEASABLE	24,803 SF
% OCCUPIED	89%
2021 EXPIRATIONS	133,378 SF
2022 EXPIRATIONS	0
2023 EXPIRATIONS	72,838 SF
2024 EXPIRATIONS	40,503 SF
2025 EXPIRATIONS	33,433 SF

Vacant	AIG	3rd Party	Lobby
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06 Leasing Update: The Team



THE **Towers**
ON ALLEN PARKWAY



Kristen Rabel
SR. VICE PRESIDENT



Elliott Hirshfeld
SR. VICE PRESIDENT



Nina Seyyedini
SR. ASSOCIATE

BROKER ATTRIBUTES

Strong financial and analytical background (CCIM)

25 years of Agency Leasing Experience

Proactive in finding and attracting tenant prospects across the market

Maintains consistent and excellent communication with clients

Consistent high energy and activity throughout the negotiation process

Tenacious seller – unmatched ability to close deals

Extensive experience with large office transactions

Effective in follow up and maintaining interest in his projects

Experienced in navigating both strong and challenging market conditions

Deep, longstanding, and valuable relationships throughout the Houston business community

Digital technology and social media expert

An attorney bringing value in documenting LOI and to lease negotiations

Effective in developing project marketing plans and deliverables

Provides new energy and a unique perspective to the team's leasing efforts

SUPPORT TEAM

LINDSAY ARBOUR
TRANSACTION ANALYST

GLENNA CLEARE
CLIENT SERVICES COORDINATOR

KELLY SCHEID
CLIENT SERVICES COORDINATOR

MARKETING TEAM

TIM GARFIELD
SENIOR MARKETING MANAGER

CHRIS NORRIS
SENIOR MARKETING MANAGER

ANETE FREIMANE
MARKETING SPECIALIST

RESEARCH TEAM

ALEXIS VON RETTBERG
RESEARCH DATA ANALYST

LAUREN VASQUEZ
FIELD RESEARCH MANAGER

06 Leasing Update: The Team

All Hands On Deck

FOLLOW UP ON LEADS WEEKLY

EXECUTE PROSPECT TOURS

SEND TOUR FOLLOW UP GIFTS

COMPLETE REQUIRED BUDGET AND
REPORTING ITEMS

ONGOING, COLLABORATIVE PROSPECTING



Team Responsibilities

Kristen Rabel
SR. VICE PRESIDENT

- **REVIEW** proposals
- **PREPARE** financial analysis of deal structures
- Submit deal **RECOMMENDATIONS** to client for approval
- **NEGOTIATE** and complete transactions
- Large transaction identification & **PROCUREMENT**

Elliott Hirshfeld
SR. VICE PRESIDENT

- **REVIEW** proposals
- Submit deal **RECOMMENDATIONS** to client for approval
- Negotiate and complete transactions
- Large transaction identification & **PROCUREMENT**
- Maintain **ENGAGEMENT** & pressure on active deals

Nina Seyyedini
SR. ASSOCIATE

- Weekly VTS **REPORT** maintenance & cleanup
- Schedule and prepare **TOUR MATERIALS**
- **DRAFT** proposals
- Lead and coordinate all digital and print **MARKETING MATERIALS**
- Coordinate and schedule all **ADVERTISING**
- Assist transaction analyst in lease routing **DOCUMENTATION**
- Assist transaction analyst with **POST-EXECUTION** action items



07

MARKETING & LEASING STRATEGY 2021

ASSET UPDATE & LEASING/MANAGEMENT STRATEGY

Branding & Marketing Recommendations

ADVERTISING

RECOMMEND \$10,000

Houston Business Journal
Houston Chronicle
Bisnow

NOTES: Propose 4 advertisements throughout the year.



SOCIAL MEDIA ADVERTISING

Realty Ads

RECOMMEND \$1,500/MONTH (TOTAL:\$18,000)

Typical Turn: 1-3 days to launch

NOTES: Targeted scalable marketing across social media platforms (Facebook, Instagram, LinkedIn, Google). Leverages existing marketing; can include photos and videos, as well as interesting facts and updates on upcoming or in process improvements. Consider reducing email blast frequency to rely more on more engaging SM ads.



TOUR BROCHURES

RECOMMEND \$4,000

Fold-Out One-Pager for Tours

Typical Turn: week for printing

NOTES: majority of cost is in the printing as we recommend high end uniquely shaped piece to be used for large tours only.

TOUR FOLLOW UP LUNCHESES/BROKER INCENTIVES

RECOMMEND \$2,400

Wine, restaurant gift cards, tickets to sporting events

NOTE: Tour incentives to targeted brokers working on deals.

BROKER ANNUAL HOLIDAY/APPRECIATION GIFT

RECOMMEND \$4,000

NOTE: Proposed custom snow globe paperweight with the Houston skyline including Towers on Allen Parkway

INITIAL RECOMMENDATIONS TOTAL: \$38,400.00



Branding & Marketing Recommendations

Additional Items To Discuss/Consider:

BROKER EVENTS IN 2021

RECOMMENDED \$25,000

Series of lunches showcasing The Commons and broker giveaways

VACANCY ENHANCEMENTS AND MOVE-IN READY SPEC SUITES

RECOMMEND TBD

BROKER GIVEAWAYS FOR ROAD SHOW PRESENTATIONS

RECOMMEND \$3,000

100% COMMISSIONS PAID ON ALL NEW DEALS UPON EXECUTION

HOST NAIOP OR BOMA EVENT ON CAMPUS

MATTERPORT VIRTUAL TOURS

RECOMMEND \$0.07/RSF

BUILDING WEBSITE



OBJECTIVES COMPLETED IN 2020:

- Digital Brochure
- Virtual Fly Through Video
- Social Media (weekly LinkedIn postings)
- Tour Follow Up Gifts
- CampaignLogic Advertising
- Completed Two Spec Suites
- CBRE Global Listings Page

Part 1. Identifying The Prospect



TARGETED PROSPECTS



TENANTS IN THE MARKET TODAY



CBRE SINGLE POINT OF CONTACT LIST



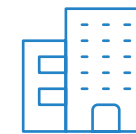
UNSOLICITED PROPOSALS



GENERATE AWARENESS OF IMPROVEMENTS THROUGH BROKER CONTACT



IN PERSON BROKER MEETINGS
EACH TEAM MEMBER TO CONNECT WITH 2 BROKERS PER WEEK



IDENTIFY OWNER OCCUPIED BUILDINGS



IDENTIFY PROSPECTS WITH TERMINATION RIGHTS AND/OR BUYOUT OPPORTUNITY



IDENTIFY BUILDINGS AT RISK AND TENANTS WITHIN

UPCOMING MARKET EXPIRATIONS BY SF

NO	50 K +	10 - 50K	LESS THAN 10 K
2025	12	48	48
2024	11	66	47
2023	12	92	47
2022	12	106	66
2021	12	121	63
	59	433	271

*INCLUDES INL, CBD, GWP WEL

TENANTS IN THE MARKET



BUCKEYE PARTNERS, L.P.



WCB Wright Close & Barger
Trials and Appeals in Civil Cases



GRAY REED
ATTORNEYS & COUNSELORS



ENCAP INVESTMENTS L.P.



DENHAM CAPITAL

Part 2. Captivating The Tenant

UNRIVALED TOUR EXPERIENCE

ELEVATED TOUR ARRIVAL

GREET PROSPECTS WITH
CUSTOM COFFEE AND/OR
WATER BOTTLES

OFFER CAR DETAIL SERVICE
FOR BROKER AND TENANT

PROMOTE OWNERSHIP,
MANAGEMENT AND CAPITAL
IMPROVEMENTS

ELIMINATE CAMPUS
WAYFINDING OBJECTIONS

SUPERIOR BROCHURE
AND TAKEAWAY

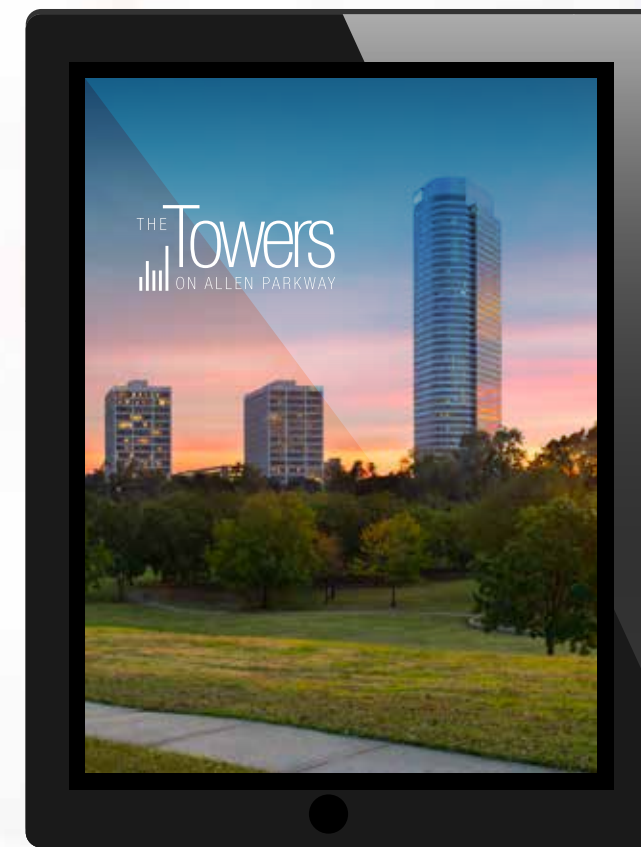
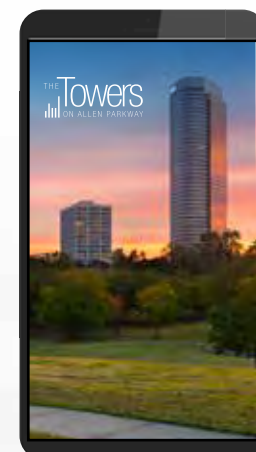
TOUR FOLLOW UP
AND GIFT CERTIFICATE
TO THE COMMONS

BUILDING AMENITY MAP

TECHNOLOGY RICH TOUR

UTILIZE CBRE FLOORED
SPACE PLAN

EXPERIENTIAL FLOOR



Elevating The Tenant Experience



MODERN, TECH-FORWARD BUILDING

- HOST App/Concierge Service
- Building Shared Technology Bar
- Wi-Fi Enabled Indoor and Outdoor Areas
- Cellphone Booster
- Touchless Entry: Bluetooth-Controlled Access
- Voice Enabled Access
- TV/Game Zone
- Upgraded Turnstiles
- Platform/Software Utilization

FIRST-IN-CLASS TENANT EXPERIENCE

- New Common Area Ceilings
- Open Front Doors
- Spec Suites
- Build and lease flexible space - in lieu of coworking
- Continue Best-In-Class Cleanliness Standards
- Create Outdoor Tenant Lounge
- Tenant-Focused App

WORKPLACE LIFESTYLE

- Amazon Lockers
- Wine Storage
- Bike Chalet
- Programmed Exercise Events
- Modernize Fitness Facility

ACTIVATE THE GREENSPACE

- Lounge Chairs in Green Space
- Outdoor Farmers Market
- Bikeshare Experience
- Pop-Up Restaurants
- Garden & Beehives
- Movie Mondays



**EXECUTE NEAR
TERM DEALS**

**POSITION
ASSET**

**ACHIEVE
STABILIZATION**

**PROVEN RECORD AND SUCCESS WITH LARGE ASSET
STABILIZATION**

+

ENERGIZED, PROACTIVE AND EFFECTIVE LEASING TEAM

=

ASSURED VICTORY



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ASSET UPDATE & LEASING/MANAGEMENT STRATEGY