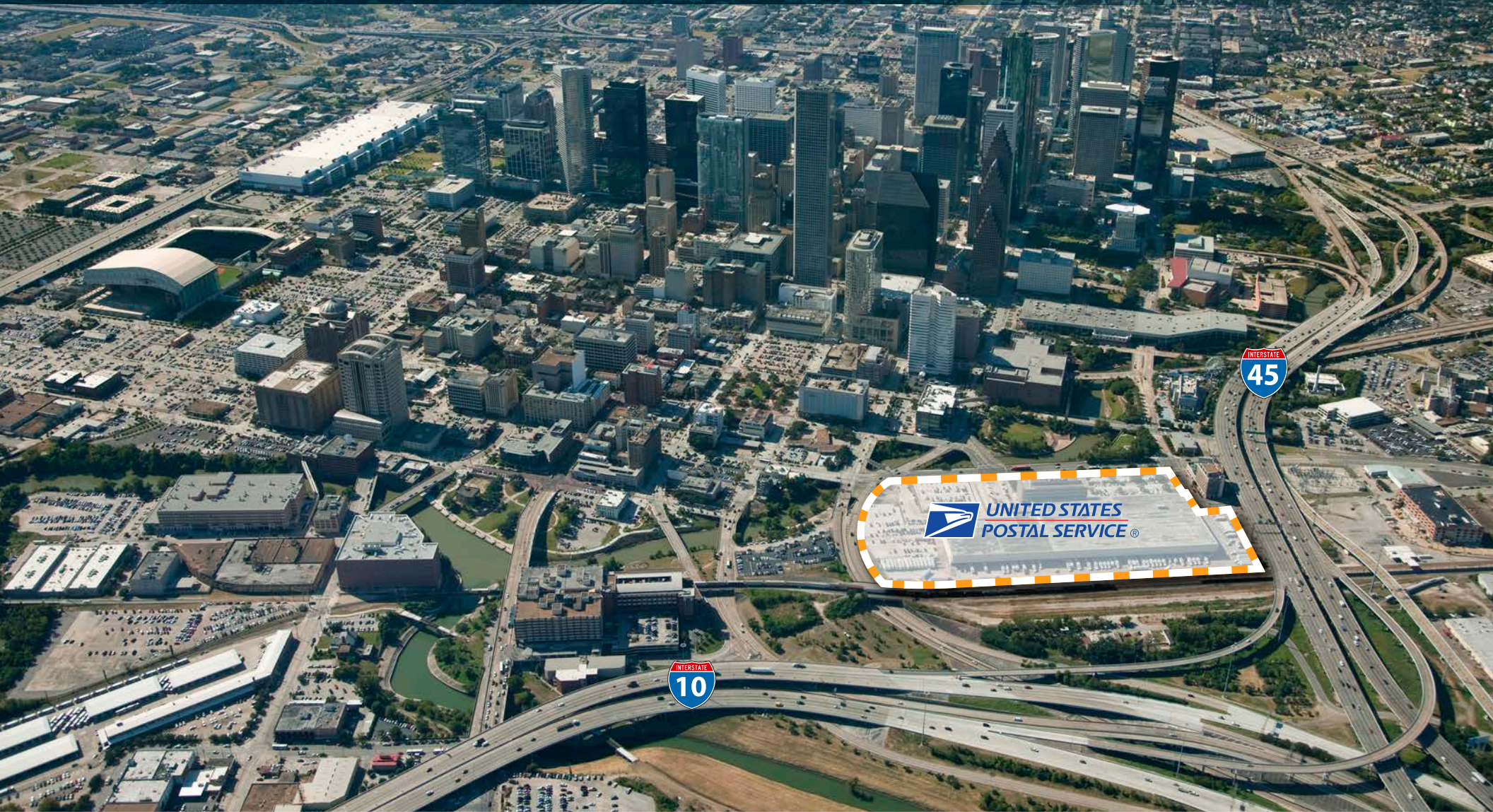




UNITED STATES
POSTAL SERVICE®

Houston CBD Property

401 Franklin Street



Capital Markets | Investment Properties

CBRE

INVESTMENT HIGHLIGHTS

EXCEPTIONAL CBD DEVELOPMENT OPPORTUNITY

With an intrinsically valuable CBD location at the true center of Houston, in close proximity to Allen's Landing and the Buffalo Bayou where Houston was founded in 1836, the Property represents the most compelling development opportunity in the Houston market. The USPS Houston CBD Property is bounded by Franklin Street to the south, Smith Street to the east, the Union Pacific rail lines to the north, and Interstate-45 and Bagby Street to the west.

HIGHLY VISIBLE 16.4-ACRE DEVELOPMENT PROPERTY WITH EXCEPTIONAL VIEWS

With an exceptional view of the Houston CBD skyline, the Property also offers visibility to Interstate-45 to the west as well as to Interstate-10 to the north.

LACK OF ZONING RESTRICTIONS ALLOWS FOR SIGNIFICANT FLEXIBILITY

This premier offering provides investors tremendous flexibility with respect to their ultimate selection of the future use of the Property. With no formal zoning code, Houston's entitlement process allows investors to consider a wide variety of future uses and mixed-use combinations when evaluating this redevelopment.

HOUSTON CBD MULTI-FAMILY RESIDENTIAL DEVELOPMENT INCENTIVES

The City of Houston recently implemented several entitlement programs to incentivize developers to build new multi-family residential projects in the CBD including the TIRZ Downtown Living Initiative Program. These programs are designed to promote multi-family and mixed-use development in downtown Houston and expire June 30, 2016, or when the first 2,500 multi-family units have obtained the necessary approvals. The program provides for financial incentives that allow a qualifying project in the program to receive a reimbursement of the lesser of \$15,000 per residential unit or equal to seventy-five percent (75%) of the incremental City of Houston property tax and the Houston Downtown Management District (HDMD) incremental assessment paid per unit over 15 years from the project's completion.

WORLD CLASS CBD AMENITIES

Today, Houston reaps the benefits of unprecedented private and public investment of nearly \$6 billion since 1995. With this commitment to downtown, Houston's CBD continues to transform into a truly cosmopolitan, world-class destination city. The Property, located in the heart of the CBD, is the largest single development tract in Houston's CBD, with unparalleled access to a wide array of world-class amenities including restaurants, retail, entertainment venues, hotels, performing arts, sporting events, as well as civic and park space.

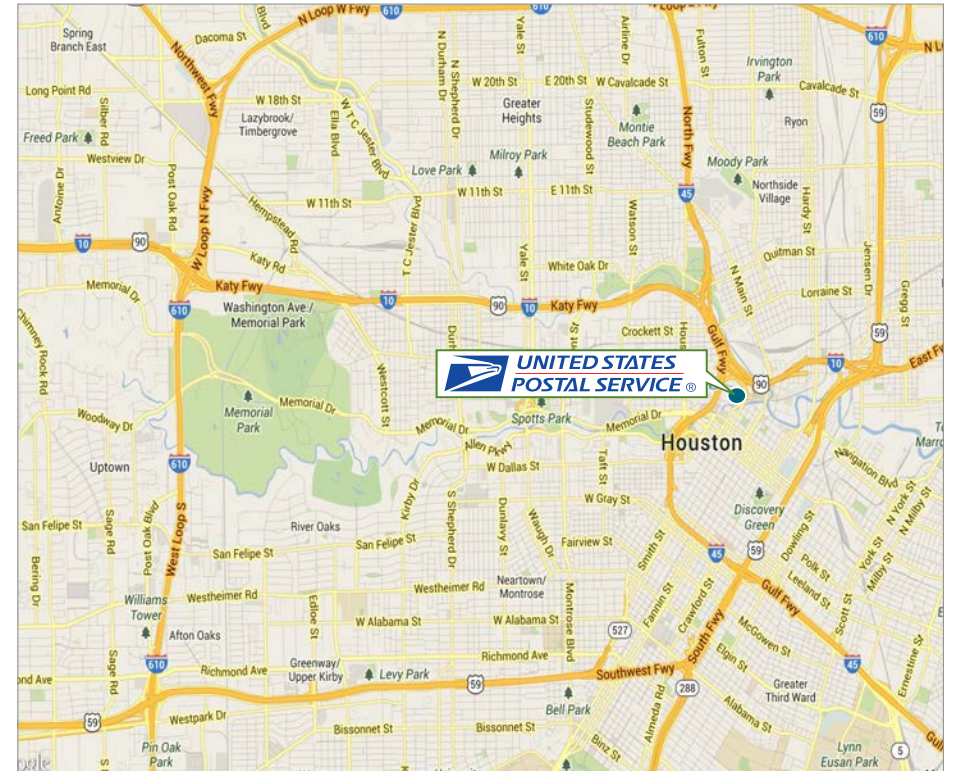
METRO LIGHT-RAIL ACCESS NEAR THE PROPERTY

With Metro's Main Street light-rail located approximately 2 blocks to the east of the Property, this Property has convenient access to this 7.5-mile light-rail line which follows the Main Street Corridor, linking downtown, Midtown, the Museum District, Hermann Park, the Texas Medical Center and Reliant Park. The current light-rail infrastructure encompasses only a portion of a projected 73 miles of light-rail service in Houston by the year 2025. Additionally, the East and West lines of the future Southeast METRORail line will run along both Rusk and Capitol streets. The East/West line is under construction and projected to be fully operational by 2014.



ASSET OVERVIEW

Address:	USPS Houston CBD Property 401 Franklin Street Houston, Texas 77201
Site Size:	16.4 Acres (714,384 Square Feet) Property is within TIRZ#3 Zone in Houston's CBD
Frontage:	Franklin Street ±950 Feet (South Line) Smith Street ±500 Feet (East Line) Union Pacific Rail Lines ±1,207 Feet (North Line) Interstate 45 ±350 Feet (West Line) Bagby Street ±275 Feet (West Line)
Existing Improvements:	516,978 square feet of building area contained within a 5-story office building and a processing/warehouse facility
Year Built:	1962



Houston

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CBD Property - 401 Franklin

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