

MIDTOWN ENTERTAINMENT PORTFOLIO



2303 SMITH STREET
612 HADLEY STREET
2300 LOUISIANA STREET
HOUSTON, TX 77006

OFFERING MEMORANDUM

MATTHEWS™



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Simon Assaf (In conjunction with Matthews™, a cooperating foreign broker for this listing pursuant to Section 535.4(b) of the Texas Administrative Code)

INVESTMENT HIGHLIGHTS

Top-Tier MSA Performance

Houston continues to be a leading U.S. city for real estate investment, bolstered by robust job growth and a cost of living below the average of the top 20 metropolitan statistical areas (MSAs).

Prime Entertainment & Nightlife Hub

Midtown Houston remains a central hub for entertainment and nightlife, attracting significant patronage and contributing notably to the area's vibrant social scene.

Exceptional Access & Visibility

Strategically located between Louisiana St. and Smith St., the property enjoys exposure to over 50,000 vehicles daily. It's also within a 5-minute walk to the Metro, providing direct access to major employment and educational centers, including the expansive Texas Medical Center, which spans approximately 4.93 square miles and employs over 106,000 individuals.

Booming Residential Growth

Midtown has experienced substantial residential growth, with the multifamily inventory expanding significantly since 2014. The area continues to attract development, reflecting its appeal among residents seeking proximity to employment hubs and urban amenities.

Covered Land / Redevelopment

The property is currently leased by a few bar operators but has future possibilities for redevelopment and existing structures in very good condition.

Houston's Premier Walkable Urban Core

Midtown boasts a Walk Score of 86, classifying it as "Very Walkable," meaning most errands can be accomplished on foot. The area also has excellent public transportation options and is considered very bikeable, enhancing its appeal to residents and visitors seeking a pedestrian-friendly environment.

Affluent, Young Demographic

The neighborhood continues to attract high-earning young professionals drawn to its lifestyle offerings. This demographic trend supports strong demand for residential, retail, and entertainment venues within Midtown.

New Long-Term Leases Secured

Recent lease agreements with prominent entertainment adds to property's appeal and contribute to its long-term income stability.

Grocery-Shadow Anchored Advantage

Situated directly across Spec's which is one of Midtown's busiest grocery stores, the property benefits from consistent foot traffic and the convenience of nearby essential retail services.

PROPERTY OVERVIEW



Suite	Tenant	SF
2303-300	ABD Midtown, LLC	7,900 SF
303-100-202	2303 Entertainment	23,720 SF

Suite	Tenant	SF
2300	Midtown HTX-2300	2,720 SF

Suite	Tenant	SF
612	Midtown HTX-612	6,940 SF

Portfolio Pricing

\$9,100,000

LIST PRICE

8.29%

CAP RATE

\$754,819

PROFORMA NOI

\$220.00

PPSF

±41,280 SF

TOTAL GLA

±47,500 SF

LAND AREA



Rent Roll

Unit #	Tenant	GLA	% of GLA	Term Start	Term End	Annual Rent (\$)	Rent PSF Ann.	Rent PSF Mon.	Monthly Rent (\$)	Lease Type
2300	Midtown HTX-2300	2,720 SF	6.59%	6/23/23	6/23/27	\$210,000	\$77.21	\$6.43	\$17,500	NNN
2303-300	ABD Midtown, LLC	7,900 SF	19.14%	7/1/19	6/30/29	\$168,000	\$21.27	\$1.77	\$14,000	NNN
2303-100,200,202a	2303 Entertainment	23,720 SF	57.46%	8/1/24	7/31/29	\$288,000	\$12.14	\$1.01	\$24,000	NNN
612	Midtown HTX-612	6,940 SF	16.81%	6/23/23	6/23/27	\$186,000	\$26.80	\$2.23	\$15,500	NNN
Occupied Total	4 Suites	41,280 SF	100.00%	WALT (Rent):	1.8 Years	\$852,000	\$20.64 PSF	\$1.72 PSF	\$71,000	
Vacant Total	0 Suites	0 SF	0.00%	WALT (Area):	2.2 Years	\$0	\$0.00 PSF	\$0.00 PSF	\$0	
Total (100%)	4 Suites	41,280 SF	100.00%			\$852,000	\$20.64 PSF	\$1.72 PSF	\$71,000	

Rent Roll (Detail)

VIDA GARDENS

Suite #	Tenant	SF Leased	% of Total SF	Term Start	Term End	Rent Schedule							% of Total Rent	Renewal Options	Lease Type
						Period	Changes On	Monthly Rent	Annual Rent	Rent/SF (Annually)	Rent/SF (Monthly)	Increase			
2300	Midtown HTX-2300	2,720	6.59%	6/23/23	10/23/28	Base	Current	\$17,500	\$210,000	\$77.21	\$6.43	-	24.65%	2 x 5 Year(s)	NNN
						Option 1	10/23/28	\$18,025	\$216,300	\$79.52	\$6.63	3.00%			
						-	10/23/29	\$18,386	\$220,626	\$81.11	\$6.76	2.00%			
						-	10/23/30	\$18,753	\$225,039	\$82.73	\$6.89	2.00%			
						-	10/23/31	\$19,128	\$229,539	\$84.39	\$7.03	2.00%			
						-	10/23/32	\$19,511	\$234,130	\$86.08	\$7.17	2.00%			
						Option 2	10/23/33	\$19,901	\$238,813	\$87.80	\$7.32	2.00%			
						-	10/23/34	\$20,299	\$243,589	\$89.55	\$7.46	2.00%			
						-	10/23/35	\$20,705	\$248,461	\$91.35	\$7.61	2.00%			
						-	10/23/36	\$21,119	\$253,430	\$93.17	\$7.76	2.00%			
						-	10/23/37	\$21,542	\$258,499	\$95.04	\$7.92	2.00%			

FAO

Suite #	Tenant	SF Leased	% of Total SF	Term Start	Term End	Rent Schedule							% of Total Rent	Renewal Options	Lease Type
						Period	Changes On	Monthly Rent	Annual Rent	Rent/SF (Annually)	Rent/SF (Monthly)	Increase			
2303-300	ABD Midtown, LLC	7,900	19.14%	7/1/19	6/30/29	Base	Current	\$14,000	\$168,000	\$21.27	\$1.77	-	19.72%	1 x 5 Year(s)	NNN
						Option 1		MKT (not to exceed 10% of previous)							

Rent Roll (Detail)

MEDELLIN, CAFECITO, KILLER'S BARBERSHOP

Suite #	Tenant	SF Leased	% of Total SF	Term Start	Term End	Rent Schedule							% of Total Rent	Renewal Options	Lease Type
						Period	Changes On	Monthly Rent	Annual Rent	Rent/SF (Annually)	Rent/SF (Monthly)	Increase			
2303-100,200,202a	2303 Entertainment	23,720	57.46%	8/1/24	7/31/29	Base	Current	\$0	\$0	\$0.00	\$0.00	-	0.00%	2 x 5 Year(s)	NNN
				2/1/25		-	8/1/25	\$24,000	\$288,000	\$12.14	\$1.01	-			
						Option 1	8/1/29	\$24,720	\$296,640	\$12.51	\$1.04	3.00%			
						-	8/1/30	\$25,214	\$302,573	\$12.76	\$1.06	2.00%			
						-	8/1/31	\$25,719	\$308,624	\$13.01	\$1.08	2.00%			
						-	8/1/32	\$26,233	\$314,797	\$13.27	\$1.11	2.00%			
						-	8/1/33	\$26,758	\$321,093	\$13.54	\$1.13	2.00%			
						Option 2	8/1/34	MKT (not to exceed 10% of previous)		\$0.00	\$0.00	-100.00%			

PICK YOUR POISON

Suite #	Tenant	SF Leased	% of Total SF	Term Start	Term End	Rent Schedule							% of Total Rent	Renewal Options	Lease Type
						Period	Changes On	Monthly Rent	Annual Rent	Rent/SF (Annually)	Rent/SF (Monthly)	Increase			
612	Midtown HTX-612	6,940	16.81%	6/23/23	6/23/27	Base	Current	\$15,500	\$186,000	\$26.80	\$2.23	-	21.83%	2 x 5 Year(s)	NNN
						Option 1	10/23/28	\$15,965	\$191,580	\$27.61	\$2.30	3.00%			
						-	10/23/29	\$16,284	\$195,412	\$28.16	\$2.35	2.00%			
						-	10/23/30	\$16,610	\$199,320	\$28.72	\$2.39	2.00%			
						-	10/23/31	\$16,942	\$203,306	\$29.29	\$2.44	2.00%			
						-	10/23/32	\$17,281	\$207,372	\$29.88	\$2.49	2.00%			
						Option 2	10/23/33	\$17,627	\$211,520	\$30.48	\$2.54	2.00%			
						-	10/23/34	\$17,979	\$215,750	\$31.09	\$2.59	2.00%			
						-	10/23/35	\$18,339	\$220,065	\$31.71	\$2.64	2.00%			
						-	10/23/36	\$18,706	\$224,467	\$32.34	\$2.70	2.00%			
						-	10/23/37	\$19,080	\$228,956	\$32.99	\$2.75	2.00%			



2300 LOUISIANA ST, HOUSTON, TX

VIDA GARDENS

RENT SCHEDULE

	ANNUAL	MONTHLY
Current - 06/23/2027	\$210,000	\$17,500
Years 6-10	\$216,300	\$18,025
Years 11-15	\$238,812	\$19,901

LEASE STRUCTURE

GLA	±2,720 SF
Lot Size	±14,000 SF
NOI	\$210,000
Lease Type	NNN
Original Lease Term	5 Years
Lease Term Remaining	±2 Years
Rental Increase	2% Annual
Options	Two, 5-Year Options
Early Termination	No

INTERIOR PHOTOS - VIDA GARDENS



612 HADLEY ST, HOUSTON, TX

PICK YOUR POISON

RENT SCHEDULE

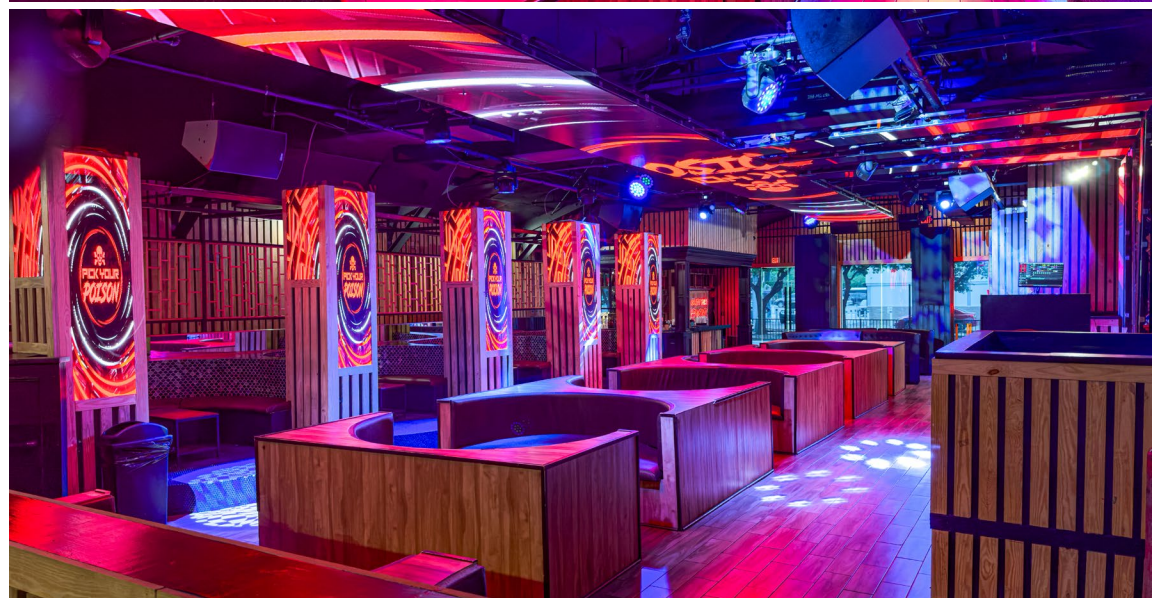
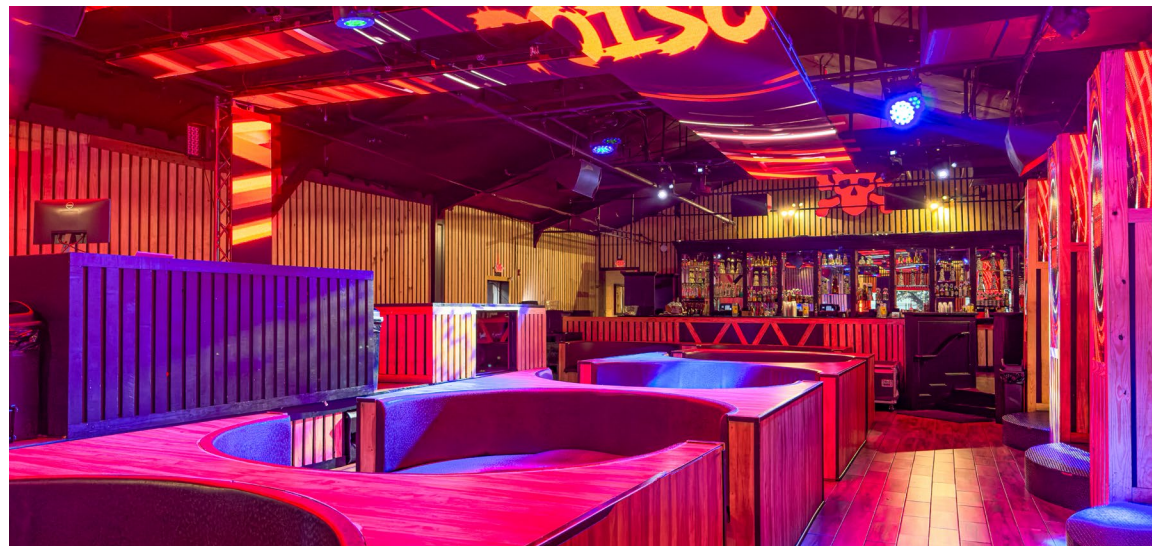
	ANNUAL	MONTHLY
Current - 06/23/2027	\$186,000	\$15,500
Years 6 - 10	\$191,580	\$15,965
Years 11 - 15	\$211,512	\$17,626

LEASE STRUCTURE

GLA	±6,940 SF
Lot Size	±7,500 SF
NOI	\$186,000
Lease Type	NNN
Roof and Structure	Tenant
Original Lease Term	5 Years
Lease Term Remaining	±2 Years
Rental Increases	2% Annual (In the Options)
Options	Two, 5-Year Options
Early Termination	No
Guarantee	Personal



INTERIOR PHOTOS - PICK YOUR POISON



2303 SMITH ST, HOUSTON, TX

MEDELLIN - SUITE 100

CAFECITO - SUITE 201 – UNDER CONSTRUCTION

KILLER'S BARBERSHOP - SUITE 202 – UNDER CONSTRUCTION

RENT SCHEDULE

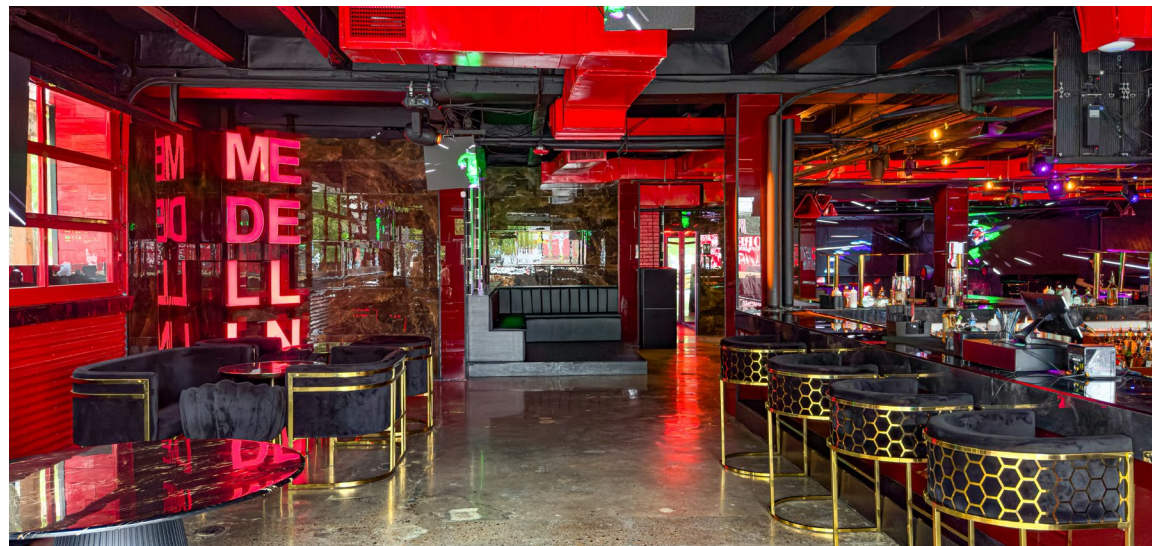
	ANNUAL	MONTHLY
August 1st, 2024 - July 31, 2029	\$288,000	\$24,000
Years 6 - 10	\$296,640	\$24,720
Years 11 - 15	Market Rate or Max 10% Base Rent Increase	

LEASE STRUCTURE

Interior Space	Suite 100 - ±8,383 SF Indoor Space & ±10,000 SF Outdoor Space Suite 201 - ±3,088 SF Suite 202 - ±5,171 SF
Outdoor Space	±10,000 SF
NOI	\$288,000
Lease Type	NNN - Master Lease
Original Lease Term	5 Years
Lease Term Remaining	±4 Years
Rental Increase	2% Annual
Options	Two, 5-Year Options
Early Termination	No



INTERIOR PHOTOS - MEDELLIN





2303 SMITH ST. SUITE 300, HOUSTON, TX

FAO

RENT SCHEDULE

	ANNUAL	MONTHLY
June 24th, 2026 - June 23, 2027	\$174,787	\$14,566
June 24th, 2027 - June 23, 2028	\$178,283	\$14,857
June 24th, 2028 - June 23, 2029	\$181,849	\$15,154

LEASE STRUCTURE

GLA	±7,600 SF
NOI	\$168,000
Lease Type	NNN
Original Lease Term	5 Years
Lease Term Remaining	±4.5 Years
Rental Increase	2% Annual
Options	One, 5-Year Option (Landlords Option)
Early Termination	No

INTERIOR PHOTOS - FAO



Financial Overview

Income	2025	Proforma
Rental Income	\$1,168,990	\$852,000
Reimbursement Revenue	\$0	\$385,971
Vacancy Factor	\$0	(\$61,899)
Effective Gross Revenue	\$1,168,990	\$1,176,073
Expenses		
Real Estate Taxes	\$132,160	\$240,622
Insurance	\$104,463	\$107,597
Repairs & Maintenance	\$23,401	\$24,103
Trash Removal	\$10,451	\$10,765
Security/Porter	\$2,801	\$2,885
Property Management Fee	\$0	\$35,282
Total Operating Expense	\$273,276	\$421,254
Net Operating Income	\$895,713	\$754,819





Downtown Houston

±1.7 Miles



Downtown Transit
Transit Center Station



±228,000 VPD



2016 Main Condominiums
±332 Units



Camden Midtown Apartments
±337 Units

Smith St ±18,700 VPD



Subject Property





 **The Vistas Midtown Apartments**

 **Midtown Arbor Place**
±243 Units

 **Midtown One80**
±201 Units

 **Metro Midtown**
±419 Units

 **222 Smith**
±152 Units

 **Rise Lofts**
±143 Units

 **Camden City Centre**
±647 Units

 **The Edge**
±93 Units

Subject Property



 **Camden Midtown Apartments**
±337 Units



± 228,000 VPD



MID MAIN

DREWERY PLACE



±159,920 VPD

MILAM STREET RETAIL

2600 TRAVIS ST

THE CROSSING AT MIDTOWN

THE PLAZAS AT MIDTOWN II

THE PLAZAS AT MIDTOWN

±231,601 VPD

MIDTOWN CROSSING

LOUISIANA ST.
±26,092 VPD

**SUBJECT
PROPERTY**

SMITH ST. ±24,451 VPD

BAGBY ST. ±55,491 VPD





RETAIL		
	MIDTOWN DISTRICT	DOWNTOWN DISTRICT
INVENTORY (SF)	2,200,000	1,300,000
OCCUPANCY RATE	94.20%	95.10%
VACANCY RATE	5.80%	4.90%
AVERAGE ASKING RENT	\$30.70/SF NNN	\$28.49/SF NNN
OFFICE		
	MIDTOWN DISTRICT	DOWNTOWN DISTRICT
SF/RBA	2,600,000	51,200,000
OCCUPANCY RATE	86.60%	80.60%
AVERAGE GROSS ASKING RENT	\$25.69/SF	\$41.51/SF
MULTI-FAMILY		
	MIDTOWN DISTRICT	DOWNTOWN DISTRICT
TOTAL NUMBER OF UNITS	4,986	4,784
UNITS BUILT SINCE 2000	3,577	4,001
AVERAGE YEAR BUILT	2011	2010
OCCUPANCY	94%	93%
AVERAGE UNIT SIZE	884	956
AVERAGE MONTHLY RATE	\$1,723	\$2,268
AVERAGE RENT/SF	\$1.99	\$2.36

Houston, TX

Houston is one of the nation's premier consumer markets, supported by its large and rapidly expanding population, diverse economic base, and strong visitor activity. As the fifth-largest metropolitan area in the United States, Houston benefits from sustained population growth that continues to drive demand for retail, dining, entertainment, and essential services across the region. The market's economic diversity, anchored by energy, healthcare, aerospace, manufacturing, and technology industries, supports a broad consumer base and strong household spending. Significant tourism and business travel activity further enhance retail demand, reinforcing Houston's position as one of the most attractive retail investment markets in the country.

5th-Largest U.S. Metro

8M+ Total Population

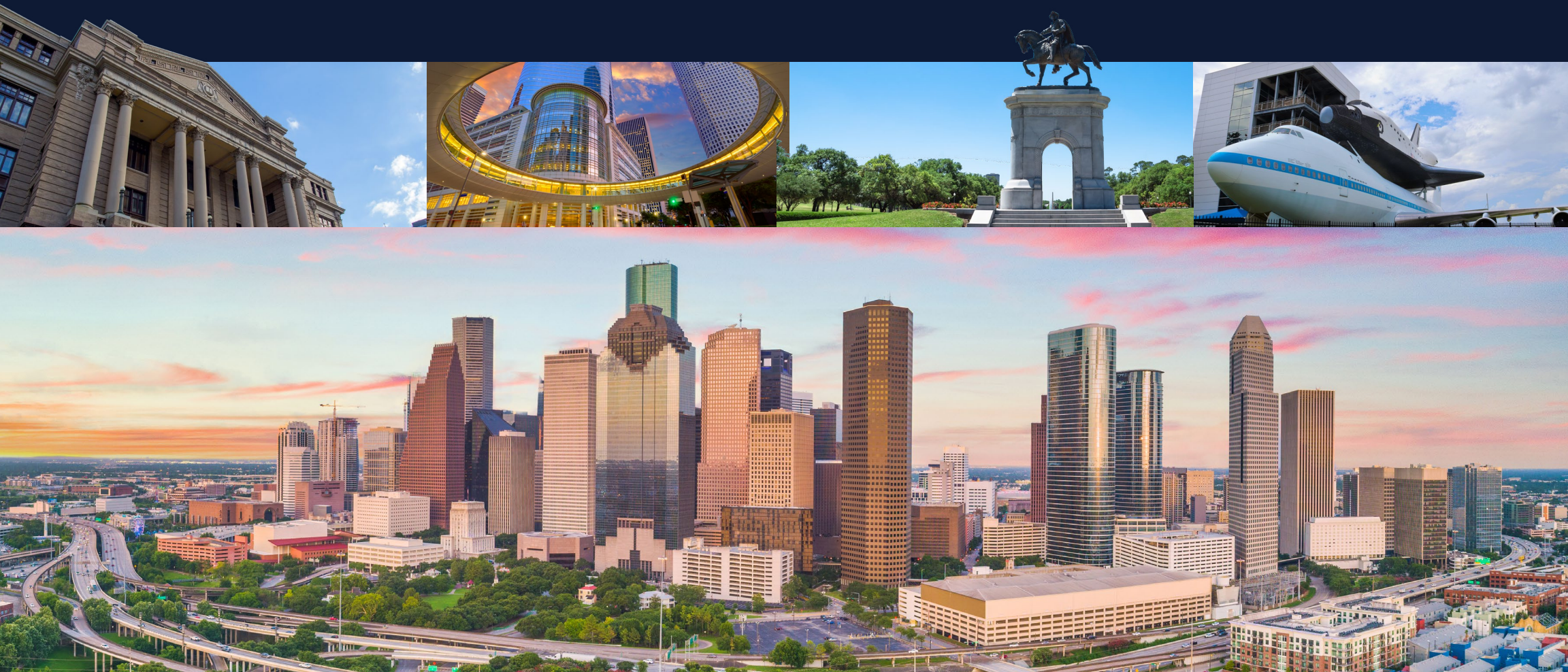
92.6M+

Annual Visitors

\$16.6B+

Visitor Spending (2024)

Source: CoStar Group, Houston First, Houston Facts & Figures | 2025 Dataset



Employment

Houston supports one of the largest and most diversified employment bases in the United States, anchored by globally significant energy, healthcare, manufacturing, aerospace, logistics, and professional services industries. Widely recognized as the Energy Capital of the World, the region has evolved into a major hub for life sciences, technology, and advanced manufacturing while maintaining its leadership in global energy markets. Houston's business-friendly environment, strategic Gulf Coast location, and concentration of Fortune 500 headquarters continue attracting corporate investment and workforce growth.

2025 Employment Statistics

Total Jobs

3.5M+

26 Fortune 500 HQs

#3 in U.S. Metros

Major Job Expansions & Corporate Investment

Axiom Space

1,000+ jobs • **World's first commercial space station**

Eli Lilly

600+ jobs • **\$5.9B-\$6.5B biomanufacturing facility**

Source: U.S. Bureau of Labor Statistics, Greater Houston Partnership, Harris County Economic Development, Fortune 500, Texas Medical Center | **2025 Dataset**

Top Employers

Largest Employer

TMC | TEXAS MEDICAL CENTER

100,000+ Employees

Memorial Hermann Health

30,000+ Employees

Houston Methodist

30,000+ Employees

MD Anderson Cancer Center

25,000+ Employees

United Airlines

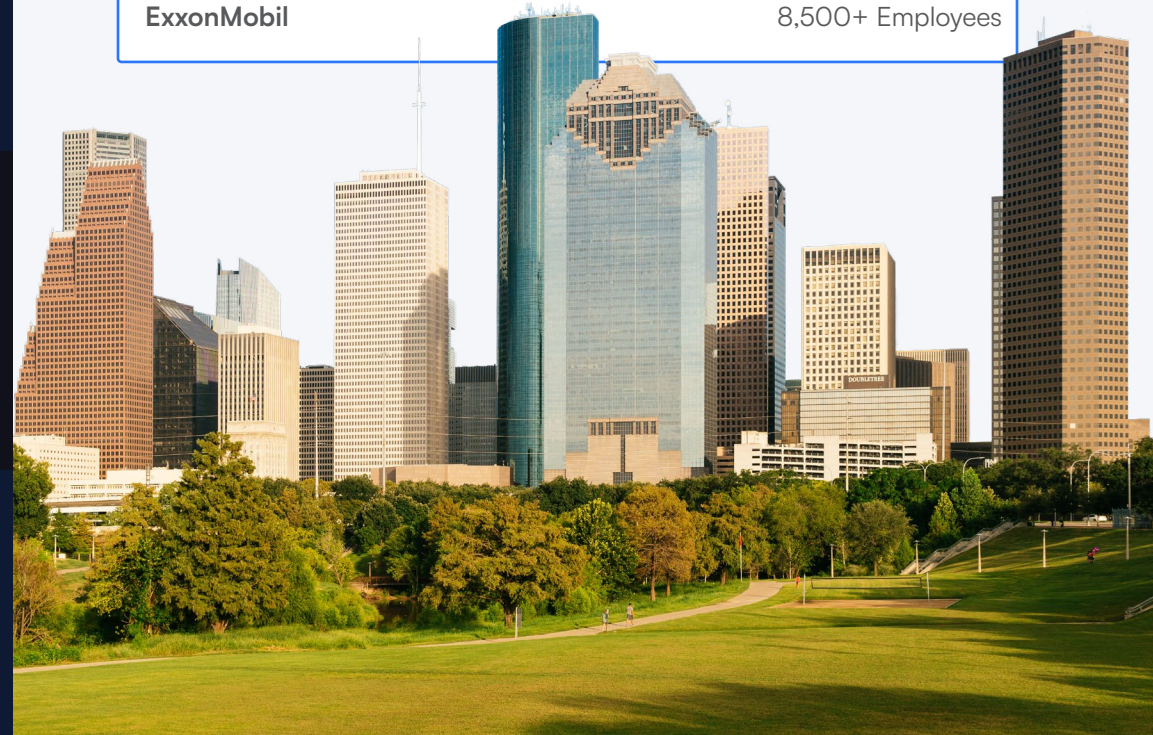
14,000+ Employees

Shell

9,000+ Employees

ExxonMobil

8,500+ Employees



Houston Retail Performance

444M+

Square Feet of
Retail Inventory



5.3%

Vacancy Rate



7.3%

Market Cap Rate

4.4M

SF Under
Construction

\$25.01

Market Asking Rent
Per Square Foot

\$254

Market Sale Price
Per Square Foot

Houston's retail market ranks as one of the nation's largest consumer economies. The region's substantial inventory base, development activity, and relatively low vacancy rate demonstrate retailer demand and confidence in long-term growth. Strong asking rents and sale prices highlight Houston's ability to attract investment, while the current cap rate environment continues to provide opportunities for investors seeking stable income and long-term appreciation. Supported by robust population growth, job creation, and consumer spending, Houston remains one of the most active and resilient retail markets in the United States.

Source: CoStar Group | 2025 Dataset



Submarket Strength

Luxury & Flagship

Uptown Houston

The Galleria • River Oaks

200K+ daytime employees

Historically low 2% retail availability

The Galleria

400+ retailers, restaurants, entertainment

2.4M+ SF

Retail space

30M+

Annual Visitors



Regional Destination

The Woodlands

North Houston • Montgomery County

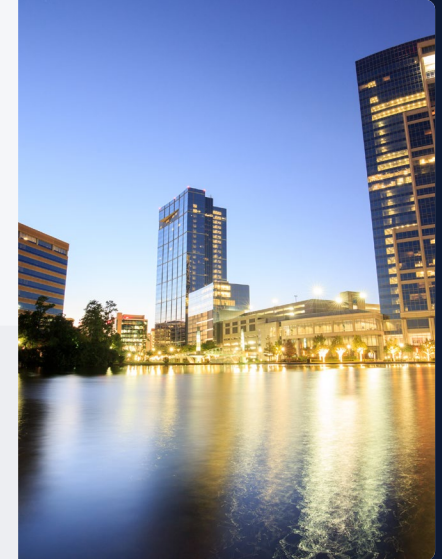
Montgomery County population exceeds 750,000 residents

Woodlands Mall

10M+ annual visitors

120K+ Residents

80K+ Jobs



High-Growth Suburb

West Houston

Katy • Energy Corridor • Cinco Ranch

Energy Corridor supports

94K+ employees in 300+ companies

Katy Independent School District

96,000+ students

Katy Mills

10M+ visitors annually



Affluent Trade Area

Sugar Land

Fort Bend County

Fort Bend County population exceeds 900,000 residents

Sugar Land Town Square

4.5M+ annual visitors

24M+ SF of commercial development





MATTHEWS™

MIDTOWN ENTERTAINMENT

PORTFOLIO

**2303 SMITH STREET, 612 HADLEY STREET, & 2300 LOUISIANA STREET
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Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Designated Broker of Firm	License No.	Email	Phone
Patrick Graham	528005	licensing@matthews.com	866-889-0050
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date