

HOWELL MEDICAL PLAZA

7855 HOWELL BLVD. | BATON ROUGE, LA

100% LEASED | 6.8 YEARS OF WALT | 44,589 SF



NEWMARK

CONFIDENTIAL OFFERING MEMORANDUM

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HOWELL MEDICAL PLAZA

7855 HOWELL BLVD. | BATON ROUGE, LA

Newmark (the "Agent") has been engaged as the exclusive sales representative for the sale of the Howell Medical Plaza (the "Property") by 'Ownership' (the "Seller").

This Memorandum does not constitute a representation that the business or affairs of the Property or Seller since the date of preparation of this Memorandum have remained the same. Analysis and verification of the information contained in this Memorandum are solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request of interested and qualified prospective purchasers. Seller and Agent each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any party at any time with or without notice. Seller reserves the right to change the timing and procedures for the Offering process at any time in Seller's sole discretion. Seller shall have no legal commitment or obligations to any party reviewing this Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, and a written agreement for the purchase of the Property has been fully executed and delivered by Seller and the Purchaser thereunder.

This Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not forward, photocopy or duplicate it, that you will not disclose this Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Seller or Agent, and that you will not use this Memorandum or any of the contents in any fashion or manner detrimental to the interest of Seller or Agent.

EXCLUSIVE ADVISOR:

Bryan Walsh

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(Licensed in Louisiana as Newmark)

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EXECUTIVE SUMMARY

As exclusive advisor to Ownership, Newmark is pleased to present for sale, the Howell Medical Plaza (the "Subject Property", the "Medical Building", the "Project" or the "Offering"). This Offering represents fee simple interest in a 100% leased, multi-tenant medical office building that is attached to the separately owned, Oceans Behavioral Healthcare Baton Rouge inpatient psychiatric hospital (the "Hospital"). The Property features a wide range of complimentary services including outpatient behavioral health, primary care, women's services, pediatrics, lab and imaging among others.

The Property was acquired by Ownership in 2020 along with the adjacent Hospital building. At that time, the Medical Building was only 3% occupied and the hospital building was completely vacant. Following acquisition, Ownership completely renovated the hospital building for Oceans Healthcare (100%

occupied) and subsequently shifted focus to backfilling the Subject Property. In that time, they have successfully increased occupancy in the Subject Property by 97% and made substantial improvements to the building and tenant spaces. The site's current occupancy demonstrates tremendous leasing velocity and extremely strong demand for healthcare services at this location.

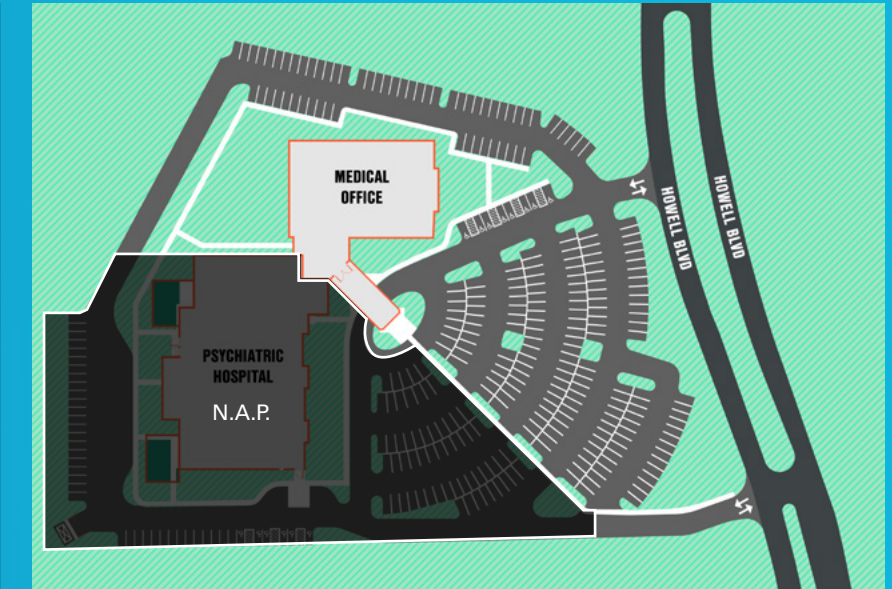
The Property is currently 100% leased to seven tenants, all on a NNN basis. The Weighted Average Lease Term (WALT) remaining is just under 7 years, helped by a recent early renewal of Oschner Health's space and a newly executed Caresouth lease for 10 years. Additionally, all of the leases feature annual rental escalations of 1.5%-3.0%.

Currently, Year 1 NOI is projected to be \$757,533.



BATON ROUGE HOSPITAL & MOB

OVERVIEW	
Property Name	Howell Medical Plaza
Address	7855 Howell Blvd, Baton Rouge, LA 70807
SITE OVERVIEW	
Year Built / Renovated	2005 / 2021
Tax Parcel ID	1788868
Zoning	C2: Heavy Business Commerical
Total Building Area	44,589 rentable square feet
Stories	Three (3)
Site Area	4.58 acres
Parking Spaces	327 spaces - 230 allotted to MOB
Electric	Entergy
Sewer and Water	Baton Rouge Water Co.
Gas	Entergy
Roof	TPO Roof (Installed Aug. 2023)
HVAC	Three (3) rooftop units
Life Safety	Wet pipe sprinkler system operated from domestic water pressure, fire extinguishers, fire alarms, strobe lights, and smoke detectors located throughout the building
Interior Finishes	Lobby has granite flooring, painted drywall and wood paneled walls, and a lay-in acoustical ceiling with a sheetrock "cloud"; Tenant common corridors have carpeting, painted sheetrock walls and lay-in ceilings; common toilet rooms have ceramic tile flooring, wet walls, painted sheetrock walls and ceilings.
Elevators	Two (2) hydraulic 3,500-pound passenger elevators
BUILDING OVERVIEW	
Steel floor and metal roof joists constructed over a foundation with drilled steel reinforced concrete piers with a slab-on-grade; supported floors composed of metal decking, exterior walls are masonry wall construction with exterior metal canopies, cornices and accents and fixed insulating windows in metal frames.	



INVESTMENT HIGHLIGHTS



HIGH-CALIBER TENANCY & STABLE CASHFLOW

- Tenant roster comprised of dominant national and regional healthcare providers
- WALT of just under 7 years provides good long-term, contractual cashflow
- Built in rental escalations of 1.5%-3.0% annually provide reliable income growth
- NNN reimbursement structure for all tenants creates very passive investment



STRATEGIC AND DESIRABLE LOCATION FOR HEALTHCARE SERVICES

- Hospital and medical building taken from almost entirely vacant in 2020 to 100% occupied in 2025
- Tremendous leasing volume and velocity demonstrates high demand for location
- Proximity to inpatient hospital creates mission critical nature for several of the major outpatient behavioral uses



HIGH VISIBILITY AND ACCESSIBILITY

- Located directly East of Interstate 101 & North of US-190
- Directly South of the Baton Rouge Metropolitan Airport
- Surrounded by diverse mixture of retail, hospitality, educational medical and civic uses
- Southern University and A&M College located 5 minutes to the West



ATTRACTIVE YIELDS AND RENT ROLL

- Staggered lease expirations limit exposure to major rollover
- Low rents help ensure high tenant retention and little risk of replacing income
- Ability to acquire stabilized asset at attractive yields with room for upside
- Low price per square foot compared to replacement cost



BUILDING LEASE-UP + TRANSFORMATION



SUBSTANTIAL CAPITAL INVESTED INTO BUILDING

- Total capital improvements close to \$1MM
- Roof - repair and replacement (2024)
- HVAC - repair and replacements
- Parking lot – repair, seal coat, stripe, curb repairs (2024)
- Elevator repairs
- Building exterior – signage, power wash, general improvement



SIGNIFICANT TENANT IMPROVEMENTS

- Total investment into tenant suites of over \$4MM since late 2020



TREMENDOUS LEASING VELOCITY AND ACTIVITY

- Acquired in the heart of the COVID pandemic
- Entire site was effectively vacant upon acquisition in 2020
- Ownership has subsequently leased entire site to 100%
- Demonstrates tremendous demand for this location from healthcare users
- Lack of comparable, high-quality medical assets in the surrounding market
- Multiple tenants in building have expanded from their initial footprint within short time frame












PROPERTY OVERVIEW

OFFERING OVERVIEW

 ASKING PRICE	\$9,500,000
 CAP RATE	8%
 YEAR 1 NOI	\$757,533
 ASKING PRICE PSF	\$213 PSF



 NOTABLE USES	Outpatient behavioral health, primary care, imaging, pediatrics, lab, pharmacy
 ADDRESS	7855 Howell Boulevard, Baton Rouge, LA 70807
 YEAR BUILT/RENOVATED	2005/2020 - present
 TOTAL SF	44,589 SF
 OCCUPANCY	100%
 NOTABLE TENANTS	Oschner Health, Oceans Healthcare, CareSouth, Capital Area Human Services
 REIMBURSEMENT	NNN
 RENT ESCALATIONS	1.5%-3.0% (Annually)
 PARKING (RATIO)	230 spaces 5.2/1,000 SF
 ACRES	4.58 acres





TENANT OVERVIEW



Ochsner Community Health – Brees Family Center (Howell Boulevard) offers primary and specialty care services to North Baton Rouge residents.

Primary Care

Our primary care team will monitor and track your health over time. We'll help you lead a healthy lifestyle and watch for issues or changes that need to be addressed. If your doctor determines that more specialized care is needed, we'll make sure you'll get it.

Specialty Services

The following services offered:

- Primary care
- Pediatrics
- Women's Services
- Obstetrics and Gynecology
- Smoking Cessation Services
- Laboratory and X-rays



Oceans Healthcare is a growing behavioral health provider focused on healing and long-term recovery. Founded in 2004, Oceans provides inpatient and outpatient treatment in 48 facilities under its family of hospitals – Oceans Behavioral Hospital and Haven Behavioral Hospital – across nine states. The company consistently achieves industry-leading performance metrics on national quality and safety measurements, as determined by the Centers for Medicare and Medicaid Services (CMS) and The Joint Commission. Oceans is an industry leader and is among very few behavioral health providers to implement a companywide electronic health records system.

Headquartered in Plano, Texas, Oceans' centralized support model provides Oceans' hospitals and care teams with the operational resources and expertise to provide high quality, compassionate behavioral healthcare to patients and families. The expert team provides a progressive inpatient/outpatient treatment model for their patients and coordinates management of behavioral disorders for patients with extensive co-morbidities like diabetes, heart disease and COPD.

Oceans Healthcare is committed to caring for this population with dignity for the patients and their families; with a keen awareness of the importance of treating the whole person; with a focus on progressive behavioral therapies; and with respect for their employees, physicians, healthcare providers and their communities.

Oceans Healthcare is owned by Webster Equity Partners. As a platform company of Webster Equity Partners, this allows the organization to accelerate already significant growth and build on its mission to provide high-quality services in underserved markets nationwide.

QUICK FACTS

- Founded in 2004, headquartered in Plano, Texas
- Providing inpatient and outpatient behavioral health services for adolescents, adults, and seniors
- 48 locations with 1,512 licensed beds
- Located across nine (9) states (AZ, ID, LA, MS, NM, OH, OK, PA & TX)
- 50,000+ patients served annually
- Intensive outpatient (IOP) programs



CareSouth is a private non-profit Federally Qualified Health Center (FQHC) that provides a comprehensive range of community-based medical, dental and behavioral health services. Our health center is guided by a consumer-majority volunteer board of directors. CareSouth's mission is to provide comprehensive, affordable, high quality health care with compassion and respect for all.

This health center receives Health and Human Services (HHS) funding and has Federal Public Health Service (PHS) deemed status with respect to certain health or health-related claims for itself or its covered individuals.



Dedicated to serving the needs of those in the behavioral health and substance use disorder communities, and others who have complex, chronic health conditions, Genoa Healthcare® is the largest provider of behavioral health pharmacy and clinical services for individuals with behavioral health and other complex, chronic health conditions in the U.S.

With 20 years of experience, Genoa Healthcare serves over one million individuals annually across the United States. Everything we do is informed by our CARE values: Caring, Accountable, Results-Oriented and Ethical.



The mission of Capital Area Human Services District (CAHSD) is to deliver caring and responsive services, leading to a better tomorrow. **The CAHSD is a political subdivision created by the Louisiana Legislature to directly operate and manage community-based mental health, addictive disorders, developmental disabilities, and certain public health functions in the parish of Ascension, East Baton Rouge, East Feliciana, Iberville, Pointe Coupee, West Baton Rouge and West Feliciana.**

Functions and funds relative to the operation of these services were transferred to CAHSD from the Louisiana Department of Health (LDH) through a Memorandum of Understanding (MOU) monitored by the LDH Secretary. Some funds relative to these functions are also appropriated directly to CAHSD. To increase responsiveness to local human services needs, CAHSD is governed by a board comprised of members nominated by the respective parish governing bodies, and appointed by the Governor of Louisiana. The District became operational July 01, 1997.



FINANCIAL SUMMARY

CASH FLOW*

	YEAR-1	YEAR-2	YEAR-3	YEAR-4	YEAR-5	YEAR-6	YEAR-7	YEAR-8	YEAR-9	YEAR-10	YEAR-11	
FOR THE YEAR BEGINNING	JUN-26	JUN-27	JUN-28	JUN-29	JUN-30	JUN-31	JUN-32	JUN-33	JUN-34	JUN-35	JUN-36	
FOR THE YEAR ENDING	MAY-27	MAY-28	MAY-29	MAY-30	MAY-31	MAY-32	MAY-33	MAY-34	MAY-35	MAY-36	MAY-37	
AVERAGE OCCUPANCY	100.00%	100.00%	100.00%	96.30%	98.27%	100.00%	100.00%	100.00%	94.93%	98.27%	100.00%	
REVENUE	PSF YEAR 1											
Rental Revenue	16.99	757,506	769,789	784,018	795,911	800,466	816,940	837,941	859,522	890,414	924,196	949,020
Absorption & Turnover Vacancy	-	-	-	-	(29,699)	(14,324)	-	-	-	(47,192)	(16,606)	-
Total Expense Recoveries	7.84	349,388	359,881	370,669	367,438	386,351	405,035	417,198	429,706	419,786	447,888	469,554
Total Gross Income	24.82	1,106,894	1,129,670	1,154,687	1,133,650	1,172,493	1,221,975	1,255,139	1,289,228	1,263,008	1,355,478	1,418,574
Credit / Vacancy Loss	-	-	(38,489)	(39,202)	(10,096)	(25,699)	(40,848)	(41,896)	(42,977)	-	(29,604)	(47,451)
EFFECTIVE GROSS INCOME	24.82	1,106,894	1,091,181	1,115,485	1,123,554	1,146,794	1,181,127	1,213,243	1,246,251	1,263,008	1,325,874	1,371,123
OPERATING EXPENSES												
R&M Operations	2.60	115,868	119,345	122,924	126,612	130,410	134,323	138,353	142,504	146,777	151,182	155,718
Utilities	2.45	109,194	112,468	115,842	119,320	122,898	126,584	130,383	134,293	138,323	142,471	146,748
General & Administrative	0.97	43,431	44,732	46,076	47,458	48,881	50,349	51,859	53,414	55,017	56,667	58,367
Insurance	0.80	35,674	36,746	37,849	38,982	40,155	41,357	42,599	43,875	45,193	46,548	47,946
Property Tax	1.01	45,194	46,550	47,947	49,384	50,866	52,393	53,963	55,583	57,252	58,967	60,737
Total Expenses	7.84	349,361	359,841	370,638	381,756	393,210	405,006	417,157	429,669	442,562	455,835	469,516
Net Operating Income	16.99	757,533	731,340	744,847	741,798	753,584	776,121	796,086	816,582	820,446	870,039	901,607

*All calculations based on analysis start date of: 06/01/26.

RENT ROLL*

SUITE	TENANT	RSF	% OF BLDG	LEASE START	LEASE END	MONTHS REMAINING	RECOVERY	CURRENT RENT - PER RSF / YEAR	CURRENT RENT - ANNUALIZED	% INC.	NEXT INC. DATE	RENEWAL OPTIONS
120	Genoa Pharmacy	574	1.3%	11/18/22	9/30/29	40	NNN	\$18.57	\$10,659	2.0%	10/1/26	3x - 1 Year
130A	Louisiana Center for Eyes	2,581	5.8%	2/1/20	1/31/30	44	NNN	\$16.87	\$43,541	2.0%	2/1/27	2x - 5 Years
130B	Louisiana Center for Eyes	1,243	2.8%	11/1/23	1/31/30	44	NNN	\$16.87	\$20,969	2.0%	2/2/27	2x - 5 Years
140	LA South Lab DOT Drug Testing and Training	1,388	3.1%	8/15/25	9/30/30	52	NNN	\$16.75	\$23,249	3.0%	8/15/26	2x - 5 Years
190	Oceans Healthcare	8,195	18.4%	6/1/21	5/31/41	180	NNN	\$17.14	\$140,462	1.50%	6/1/27	2x - 10 Years
200	Capital Area Human Services	15,393	34.5%	4/1/20	3/31/30	46	NNN	\$17.17	\$264,298	2.0%	4/1/27	2x - 5 Years
320	Ochsner Health System	5,201	11.7%	1/14/21	1/31/31	55	NNN	\$17.51	\$91,070	1.5%	2/1/27	1x - 5 Years
300A	Ochsner Health System	1,088	2.4%	11/1/22	1/31/31	55	NNN	\$17.51	\$19,051	1.5%	2/1/27	1x - 5 Years
300B	Ochsner Health System	1,590	3.6%	10/1/23	1/31/31	55	NNN	\$17.51	\$27,841	1.5%	2/1/27	1x - 5 Years
330	Caresouth	7,336	16.5%	3/7/25	3/31/35	106	NNN	\$15.50	\$113,708	2.0%	3/1/28	2x - 5 Years
									\$754,848			
Total Occupied		44,589	100.0%			82 Months						
Total Vacant		0	0.0%			6.8 Years						
Property Size		44,589	100.0%									

*All calculations based on analysis start date of: 06/01/26.

**Capital Area Human Services (CAHS) is a Political Subdivision of the State of Louisiana

ASSUMPTIONS

GENERAL ASSUMPTIONS

ANALYSIS PERIOD	
Analysis Start Date	Jun-26
Occupancy as of Start Date - %	100.00%
Actual Occupancy (as of 3/1/26)	100.00%

RENTABLE SQUARE FEET (RSF)	
Occupied	44,589
Available	0
Total	44,589

GROWTH / INFLATION RATES	
Consumer Price Index (CPI)	3.00%
Market Rent	3.00%
Expenses	3.00%
Property Taxes	3.00%

ALLOWANCES	
Vacancy	Year 1: 0%, Thereafter: 5%
Capital Reserve (PSF / YR)	\$0.15

EXIT STRATEGY	
Residual Cap Rate	6.50%
Cost of Sale in Disposition Year	2.00%

SPECULATIVE RENEWALS

Retention Ratio	85.0%
Lease Term (Months)	60

MARKET RENT (2026)	MONTHLY	ANNUAL
General Medical Office (NNN)	\$1.33	\$16.00
Rental Escalations	3.0% Annually	

TENANT IMPROVEMENTS	
New Tenant	\$80.00
Renewal Tenant	\$25.00
Weighted Average	\$33.25

LEASING COMMISSIONS	
New Tenant	5.00%
Renewal Tenant	2.50%
Weighted Average	2.88%

DOWNTIME BETWEEN NEW LEASES	
Vacancy Period (months)	6
Weighted Average (months)	1



MARKET OVERVIEW

BATON ROUGE, LOUISIANA

NO. 11 IN HEALTH CARE

Schoolaro

NO. 37 BEST CITIES TO RAISE A FAMILY

Schoolaro

NO. 37 QUALITY OF LIFE

Schoolaro



BY THE NUMBERS

882,440

TOTAL POPULATION

0.21%

POPULATION GROWTH RATE

\$93,642

AVERAGE HOUSEHOLD INCOME

\$254,264

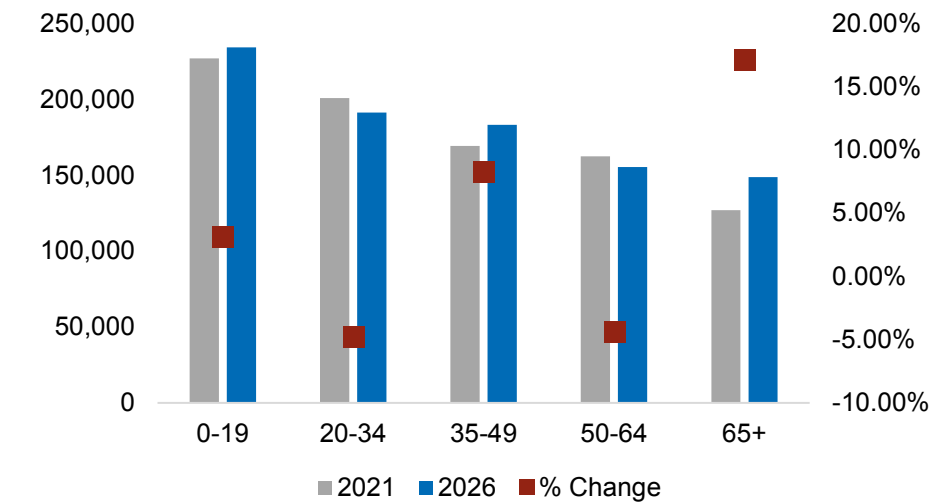
MEDIAN HOME VALUE

37.2

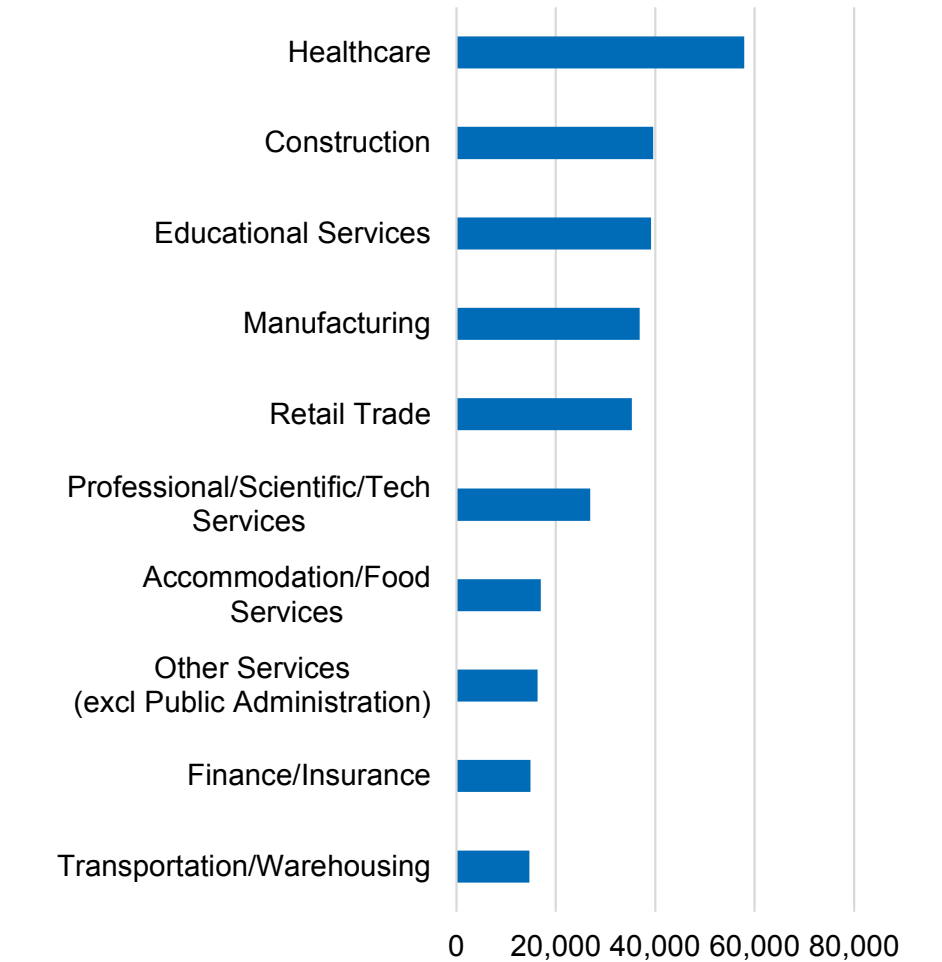
MEDIAN AGE

The Baton Rouge, LA metropolitan statistical area ("MSA") is located in southern Louisiana and is the capital of the state. It is a sprawling metropolitan area with nearly 900,000 residents and located 75 miles north of New Orleans. Baton Rouge is considered Louisiana's economic engine and is one of the most cost friendly mid-sized cities for business in the country. It has a favorable business climate and industry success, including its target industries of Agribusiness, Life Sciences, Logistics, Petrochemical, Software Development, Transitional Energy and Water. Baton Rouge is home to a variety of best-in-class hospitals, research facilities and cutting-edge health care. Franciscan Missionaries of Our Lady Health System, Baton Rouge General and Ochsner Health System are the major health care systems in the market.

AGE DISTRIBUTION



LABOR FORCE



CUSTOMER INFO. FORM



Customer Information Form

What Customers Need to Know When Working with Real Estate Brokers or Licensees

This document describes the various types of agency relationships that can exist in real estate transactions.

AGENCY means a relationship in which a real estate broker or licensee represents a client by the client's consent, whether expressed or implied, in an immovable property transaction. An agency relationship is formed when a real estate licensee works for you in your best interest and represents you. Agency relationships can be formed with buyers/sellers and lessors/lessees.

DESIGNATED AGENCY means the agency relationship that shall be presumed to exist when a licensee engaged in any real estate transaction, except as otherwise provided in LA R.S. 9:3891, is working with a client, unless there is a written agreement providing for a different relationship.

- The law presumes that the real estate licensee you work with is your designated agent, unless you have a written agreement otherwise.
- No other licensees in the office work for you, unless disclosed and approved by you.
- You should confine your discussions of buying/selling to your designated agent or agents only.

DUAL AGENCY means an agency relationship in which a licensee is working with both buyer and seller or both landlord and tenant in the same transaction. Such a relationship shall not constitute dual agency if the licensee is the seller of property that he/she owns or if the property is owned by a real estate business of which the licensee is the sole proprietor and agent. A dual agency relationship shall not be construed to exist in a circumstance in which the licensee is working with both landlord and tenant as to a lease that does not exceed a term of three years and the licensee is the landlord. Dual agency is allowed only when informed consent is presumed to have been given by any client who signed the dual agency disclosure form prescribed by the Louisiana Real Estate Commission. Specific duties owed to both buyer/seller and lessor/lessee are:

- To treat all clients honestly.
- To provide factual information about the property.
- To disclose all latent material defects in the property that are known to them.
- To help the buyer compare financing options.
- To provide information about comparable properties that have sold, so that both clients may make educated buying/selling decisions.

- To disclose financial qualifications to the buyer/lessee to the seller/lessor.
- To explain real estate terms.
- To help buyers/lessees arrange for property inspections
- To explain closing costs and procedures.

CONFIDENTIAL INFORMATION means information obtained by a licensee from a client during the term of a brokerage agreement that was made confidential by the written request or written instruction of the client or is information the disclosure of which could materially harm the position of the client, unless at any time any of the following occur:

- The client permits the disclosure by word or conduct.
- The disclosure is required by law or would reveal serious defect.
- The information became public from a source other than the licensee.

By signing below, you acknowledge that you have read and understand this form and that you are authorized to sign this form in the capacity in which you have signed.

Buyer/Lessee:

By: _____

Title: _____

Date: _____

Licensee: _____

Date: _____

Seller/Lessor:

By: _____

Title: _____

Date: _____

Licensee: _____

Date: _____



HOWELL MEDICAL PLAZA

7855 HOWELL BLVD. | BATON ROUGE, LA

100% LEASED | 6.8 YEARS OF WALT | 44,589 SF

EXCLUSIVE ADVISOR:

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