

USAA Real Estate Company (“USAA RealCo”) has a 20+ year history of successful joint ventures for office development throughout the United States, providing equity to developers for vertical development. Over the past three years, USAA RealCo and thirteen development partners have developed \$1.9 billion of vertical office totaling 5.4 million square feet in nine states. USAA RealCo equity and third party debt provided via superb relationships with construction lenders assist developers in executing office product nationally.

US OFFICE DEVELOPMENT PROGRAM OBJECTIVES: EQUITY FOR OFFICE DEVELOPMENT

In addition to balance sheet and one-off projects, the US Office Development Program (“ODP”) is an investment strategy to develop exceptional, institutional quality, state-of-the-art office buildings in select U.S. markets. Projects include a blend of pre-leased, build-to-suit, and speculative office within the top MSA’s of the United States.

To-date, ODP has committed approximately \$250 million of equity in eight projects totaling over 2.1 million square feet in five states with eight different developers. ODP currently has approximately \$450 million of equity for the strategy.

SPONSOR:
USAA REAL ESTATE COMPANY

STRATEGY:
BUILD TO SUIT, PRE-LEASE, SPEC;
CLASS-A OFFICE BUILDINGS \$20 MILLION OR
GREATER IN PROJECT COST

GEOGRAPHIC FOCUS:
DOMESTIC; GATEWAY, PRIMARY, & SECONDARY MARKETS

TARGET PORTFOLIO SIZE:
TOTAL CAPITALIZATION OF APPROXIMATELY
\$2.5 BILLION

LOAN-TO-VALUE:
APPROXIMATELY 65%

TARGET RETURN:
20% LEVERAGED IRR & 1.7 MULTIPLE AT
PROJECT LEVEL

FLEXIBLE STRUCTURE:
95/5 EQUITY PARI PASSU UP TO 10%;
DEVELOPER PROVIDES COMPLETION GUARANTY AND RECOURSE, IF ANY;
DEVELOPMENT FEES: 3-5% OF CONTROLLABLE COSTS;
PROMOTES ABOVE 10%, 15%, & 20% LEVERAGED, SUBJECT TO RISK PROFILE.

SPONSOR OVERVIEW:

USAA is one of America’s leading financial services companies with over \$240 billion of assets under management and 12 million members (each whom has served in our military, honorably, or their dependents), maintaining top financial ratings throughout all business cycles. USAA’s real estate investment management arm, USAA Real Estate Company, provides consistently superior returns co-investing for USAA’s membership and over 95 foreign and domestic partners. More than \$17 billion of assets under management, including over 60 million square feet of office, industrial, retail, multifamily, and hotel assets. USAA combines disciplined investing with the highest level of integrity and service.

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438,837 SQUARE FEET
WHITE OAK / CA VENTURES
CHICAGO, IL



TOLLWAY CENTER
197,345 SQUARE FEET
CAWLEY PARTNERS
DALLAS, TX



3400 OVERTON
172,906 SQUARE FEET
TPA GROUP
ATLANTA, GA