

Investment Sale Offering

DENVER PREMIER INFILL PORTFOLIO

6981 S. Quentin Street, Englewood, CO 80112 | 4925-4975 Nome Street, Denver, CO 80239
5025 Nome Street, Denver, CO 80239 | 5000 & 5050 Moline Street, Denver, CO 80239

Executive Summary

Prepared by:



Accelerating success.

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 **DenverIndustrialPortfolio.com**

The Opportunity



Northeast/I-70
Industrial Portfolio

Centennial Park
Business Center

Total

3	234,594	21'-24'	10.05	1977-1978	100%	4
1	77,136	24'	5.72	2001	100%	4
4	311,730		15.77		100%	8
Buildings	Square Feet	Clear Height	Acres	Year Built	Occupied	Tenants

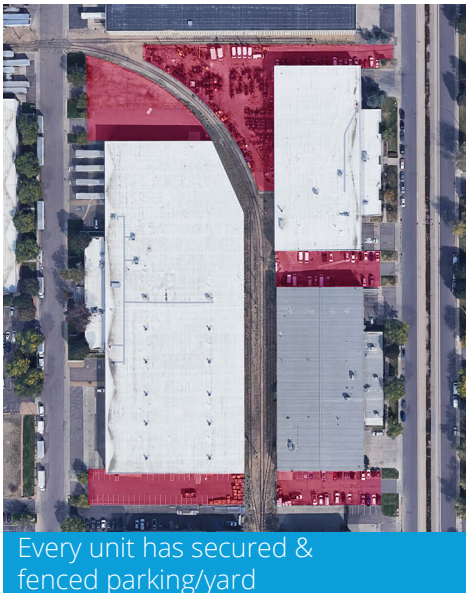
The Denver Premier Infill Portfolio represents the rare opportunity to acquire four quality, fully leased industrial buildings in two of Denver's most sought after **Submarkets that rank #1 and #3 for leasing activity** in the Denver Metro. Both infill locations provide competitive advantages in terms of distribution for their submarkets with immediate interstate access. The portfolio is

comprised of a diversified rent roll with staggered expirations, varying unit sizes, and **market rents 15% below market**. With **4.27 years of WALT** on the portfolio, Investors are able to achieve stable cash flow, balanced with a mark-to-market play, as spaces roll. **Immediate upside is achievable** through near term rollover and mark to market play.



Northeast/I-70 Industrial Portfolio

- Offered at a significant 50% discount to replacement cost and below 12% office
- Located in Denver's primary distribution submarket with the most institutional investment
- Denver Business Center / Montbello micro market experienced **10% rental growth in 2022 and is currently 3.0% vacant**
- Most new development located closer to Airport in non-infill locations
- Insatiable tenant demand with over 1.6 million square feet of industrial leasing activity in the submarket in 2022



Every unit has secured & fenced parking/yard

- Efficient functionality
- 21-24' clear meets tenant demand for bay size
- 3 of 5 spaces upgraded to ESFR
- Considered infill for I-70 corridor
- Low Op. Ex. (no improvement district)
- Every tenant uses secured yard/parking
- Rail available



Centennial Park Business Center

- Class A Industrial Asset with modern functionality
- Office percentage is perfect to meet market demand
- Immediate proximity to executive housing and abundant nearby amenities
- Institutionally sought after submarket with robust market fundamentals
- Ideal distribution location in Southeast Submarket and most immediate highway access of competitive set



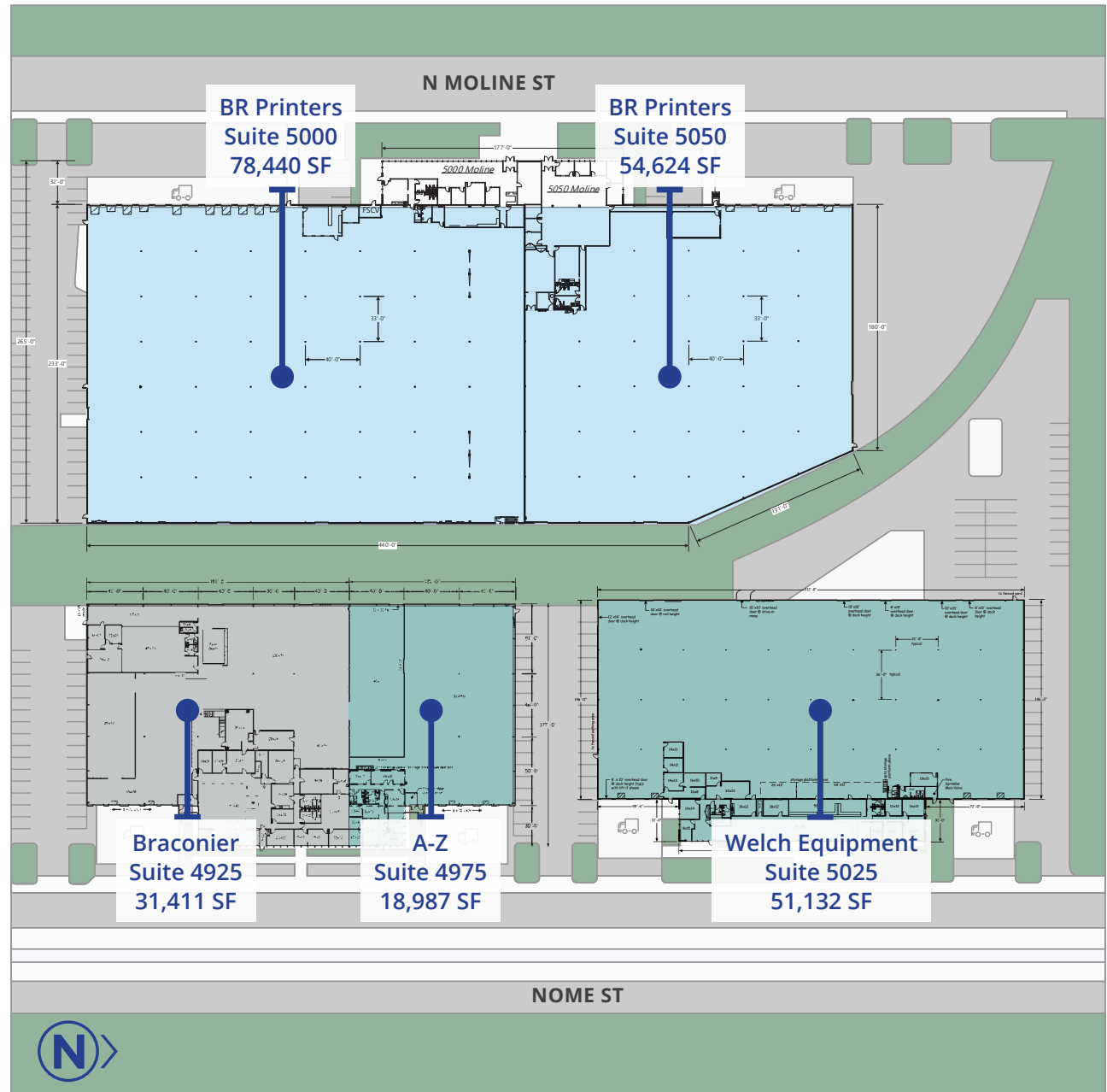
Best parking ratio at 24' clear in Southeast Market

- Excellent executive demographics
- Proximity to abundant amenities on Arapahoe Rd. is second to none
- Significant barriers to entry in submarket
- 24' clear is strong for submarket
- Best parking ratio of comp set (2.5:1,000)
- Prominent signage
- ESFR (full buildout)

Northeast/I-70 Industrial Portfolio

Property Overview

ADDRESS:	4925-4975 Nome Street 5025 Nome Street 5000-5050 Moline Street
CITY:	Denver, CO 80239
COUNTY:	Denver
SQUARE FOOTAGE:	4925-4975 Nome Street 50,398 SF 5025 Nome Street 51,132 SF 5000-5050 Moline Street 133,064 SF
SITE SIZE:	10.05 AC (53.6% FAR)
YEAR BUILT:	1977-1978
ZONING:	I-B
PARKING RATIO:	1.1:1,000 SF
SPRINKLERS:	4925-4975 Nome Street 4925: General Duty 4975: ESFR 5025 Nome Street General Duty 5000-5050 Moline Street ESFR
LOADING:	4925-4975 Nome Street 10 Dock High, 1 Drive-in 5025 Nome Street 13 Dock-High, 2 Drive-Ins 5000-5050 Moline Street 20 Dock High, 2 Drive-Ins
CLEAR HEIGHT:	4925-4975 Nome Street 21' 5025 Nome Street 21' 5000-5050 Moline Street 24'
BUILDING DEPTH:	4925-4975 Nome Street 147' 5025 Nome Street 146' 5000-5050 Moline Street 233'



Northeast

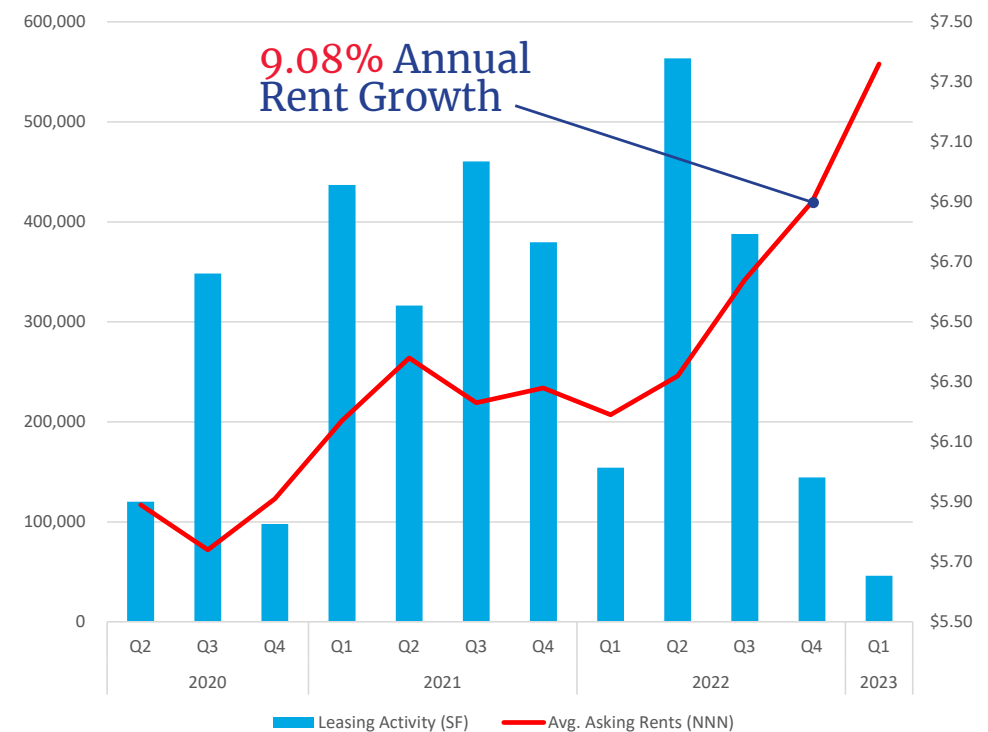
Since 2020, **91%** of deals completed (653 of 715) have been under 75,000 SF. The Northeast/I-70 portfolio perfectly meets demand for the majority of the tenant pool.

	<75K SF		75-150K SF		150K+ SF	
Deals:	653	10,705,557 Sq. Ft.	47	4,692,023 Sq. Ft.	15	5,502,252 Sq. Ft.
	91.33%	51.22%	6.57%	22.45%	2.10%	26.33%

During this time period from of 2020-2022, the infill location of Denver Business Center / Montbello has experienced profound rent growth of 9.08% annually. The Airport submarket's new construction is not designed to split below 20,000 square feet. Of the 5.5 million square feet currently under construction, only three projects will have the ability to demise below 20,000 square feet and none will be competitive when comparing lease rates.

Property Features

- **Every tenant has secured fence yard and parking** on the side of their unit. Secured yard and parking are difficult to accommodate with more modern building design. In a competitive leasing environment, this single attribute can be the differentiator. **All 4 tenants chose these assets because of this unique building feature.**
- Offered at **over a 50% discount to replacement cost** and below 12% office.
- Located in **Denver's primary distribution submarket** with the most institutional investment.



Centennial Park **Business Center**

Property Overview

ADDRESS: 6981 S. Quentin St.

CITY: Englewood, CO 80112

COUNTY: Arapahoe

**SQUARE
FOOTAGE:** 77,136 SF

SITE SIZE: 5.72 AC (31.0% FAR)

YEAR BUILT: 2001

ZONING: BP100

PARKING RATIO: 2.5:1,000 SF

SPRINKLERS: ESFR

LOADING: 6 Dock High
4 Drive-Ins

CLEAR HEIGHT: 24'

BUILDING DEPTH: 160'



Southeast

Quentin is unique from the rest of the new construction due to its parking ratio and 30% office finish which meets tenant demand in the market.

With the latest construction estimates for a 5,000 square foot spec office topping **\$141/SF**, competitive properties in this submarket will be challenged to offer a competitive rate to the subject with similar office finish. With average in-place rents at Quentin at \$11.14/SF and the market leasing assumptions at \$12.50/SF, the discount and minimal delivery time for a new tenant has been indicative of the leasing success at the project.

Having this office infrastructure meets demand for the submarket which has historically higher office finishes than a submarket such as the Airport market.

2023 Tenant Improvement Cost Comparison (Office Spec Suite)

SCOPE	PRICE	NOTES
1,500 spec office	\$323 / square foot	No warehouse (Add extra \$8-10/SF)
2,500 spec office	\$248 / square foot	No warehouse (Add extra \$8-10/SF)
5,000 spec office	\$141 / square foot	No warehouse (Add extra \$8-10/SF)

- A.** To demonstrate the strength of the market for **buildings with existing office**, we surveyed existing buildings built prior to 2019 and **the vacancy rate is only 0.4%**.
- B.** Colliers is currently tracking **over 2MM SF of Tenant's in the Market** for the SE (highest ever per tracking sheet).
- C.** **The southeast market experienced record leasing activity of 1,597,000 SF in 2022** (compared to a historical average of 749,000 annually) substantiating growing demand in the submarket. The southeast market recorded 52 leases in the 7,000-25,000 SF range last year, and 92.9% of all leases signed in the southeast were for 25,000 SF or less.
- D.** There are currently 0 options for USC to consider in the southeast that are 5,000-10,000, 24'+ clear

Property Features

- Quentin has the highest parking ratio of any of the new construction that has delivered since 2010.
- Frontage/Signage on Peoria (a rarity for the covenant-controlled business park)
- Tenants prefer the proximity to Arapahoe Road (amenities) compared to the stock of new supply farther south in Dove Valley/Douglas County