

THE FLETCHER

Southlands



Core Plus Investment Opportunity in Metro Denver

VALUE-ADD UPSIDE POTENTIAL

Unmatched Location and Amenities





THE OFFERING

JLL is pleased to present the exclusive listing of The Fletcher Southlands (“Fletcher”), a 320-unit apartment community located in one of Denver’s most affluent and supply-constrained submarkets of Aurora, CO.

Current ownership has completed \$1.4 million in upgrades to common spaces and \$2.1 million in unit renovations. In total, 59% of unit interiors have been renovated, with ownership achieving an average premium of \$179. The proven value-add potential at the property offers a new investor the opportunity to realize significant revenue growth through the renovation of 132 remaining units, including 70 classic units and 62 units updated under prior ownership. In addition to the completion of the current renovation scope in the remaining units, the property offers an opportunity to further grow premiums in previously renovated units through enhancements such as hard-surface countertops.

The attractive value-add opportunity at Fletcher is supported by an excellent location that blends a desirable suburban lifestyle with exceptional access to employment opportunities and lifestyle amenities. Fletcher is located within the low-density suburban submarket of Saddle Rock and is served by Colorado’s top school district, Cherry Creek Public Schools, which consistently serves as a major draw for residents throughout the region. Fletcher also benefits from exceptional proximity to Denver’s largest employment center, the Southeast Business Corridor, a 7-mile corridor home to over 240,000 employees and five of Colorado’s nine Fortune 500 companies. In addition to exceptional employment proximity, residents at Fletcher enjoy easy access to two of the region’s most popular shopping destinations, Southlands and Park Meadows Mall, providing an abundance of world-class shopping and dining opportunities all within ten minutes of the property.

These strong demand drivers have traditionally produced robust rent growth and strong overall performance in the Saddle Rock submarket, with rents consistently outpacing those of many urban submarkets throughout Denver. Continued strong demand for high-quality housing in the area is expected to be confronted by a lack of new supply, a dynamic that will continue to provide ample opportunity for rental growth at Fletcher in years to come.



OFFERING SUMMARY

THE FLETCHER SOUTHLANDS IS OFFERED TO THE MARKET UNPRICED AND FREE AND CLEAR OF ANY EXISTING DEBT

Address	22959 E Smoky Hill Rd Aurora, CO 80015
Residential Units	320
Year of Construction	2001
Asset Type	Garden
Average Unit Size	1,096
Total SF	350,700
Site Size	21.2 Acres
Density	15.1 Units / Acre
No. of Buildings	14 (13 Apartments + 1 Clubhouse)
Parking	682 Spaces
Parking Ratio:	2.13
*Avg Market Rent	\$1,674
*Avg Market Rent/SF	\$1.53
*Occupancy	95.0%

**Based on the January 13, 2021 Rent Roll*



FEATURED HIGHLIGHTS

- Core Plus Opportunity with Value-Add Potential
- Affluent Demographics
- Owning vs. Renting: Barriers to Homeownership
- Excellent Employment Accessibility
- Employment Expansion & Migration Driving Suburban Growth
- Limited Supply Pipeline in Strong Suburban Submarket
- Abundant & Desirable Retail Amenities

CORE PLUS OPPORTUNITY WITH VALUE-ADD POTENTIAL

Current ownership has completed the renovation of 188 units (59%), successfully proving the property's value-add potential through the achievement of monthly premiums averaging \$179. This presents an attractive opportunity for a new investor to complete a comprehensive renovation program on the 132 remaining units, including 83 classic units, as well as 62 units upgraded by previous ownership many years ago. It is estimated that remaining renovations will yield additional yearly revenue of approximately \$285,000 as noted below.

Current ownership has also completed extensive capital improvements to Fletcher, including a complete renovation of the clubhouse, exterior paint, as well as other common area and exterior upgrades, providing a new investor the opportunity to focus on revenue-generating improvements to the remaining unit interiors.

Premium Table			
	Count	Premium Over Existing	Annual Projected Revenue Increase
Unrenovated	132	\$179	\$283,536
Total/Avg	132	\$179	\$283,536

Unit Status Table			
	Unrenovated	Current Ownership Renovation	Total
1x1	40	56	96
2x2	45	71	116
3x2	37	51	88
4x2	10	10	20
Total	132	188	320

Current ownership has identified an opportunity to further grow revenue through the implementation of a property-wide cable & internet agreement with Comcast. Roughly 70% of current residents use Comcast, providing a clear opportunity to achieve significant revenue growth as detailed below:

Comcast		
Units	Est. Monthly Net Revenue Per Unit	Annual Revenue Increase
320	\$35	\$134,400

\$179
PREMIUM ACHIEVED BY CURRENT OWNERSHIP

\$283,000+
EXPECTED ANNUAL REVENUE INCREASE FOLLOWING COMPLETION OF REMAINING RENOVATIONS



CURRENT OWNERSHIP
HAS COMPLETED OVER \$1.4M
IN COMMON AREA AND AMENITY RENOVATIONS,
OFFERING A NEW INVESTOR THE OPPORTUNITY TO
FOCUS ON ADDITIONAL REVENUE-GENERATING
UPGRADES TO UNIT INTERIORS

Investment Highlights

Per square foot **rents at competing properties are more than 16% higher** than the average rent for unrenovated units at The Fletcher Southlands, **providing ample room for rent growth** upon completion of the remaining interior renovations.

THE
FLETCHER
Southlands

- ① Premium Countertops
- ② Upgraded Flooring
- ③ New Appliances
- ④ New Cabinet Fronts & Hardware
- ⑤ Modern Plumbing Fixtures
- ⑥ Premium Lighting Package

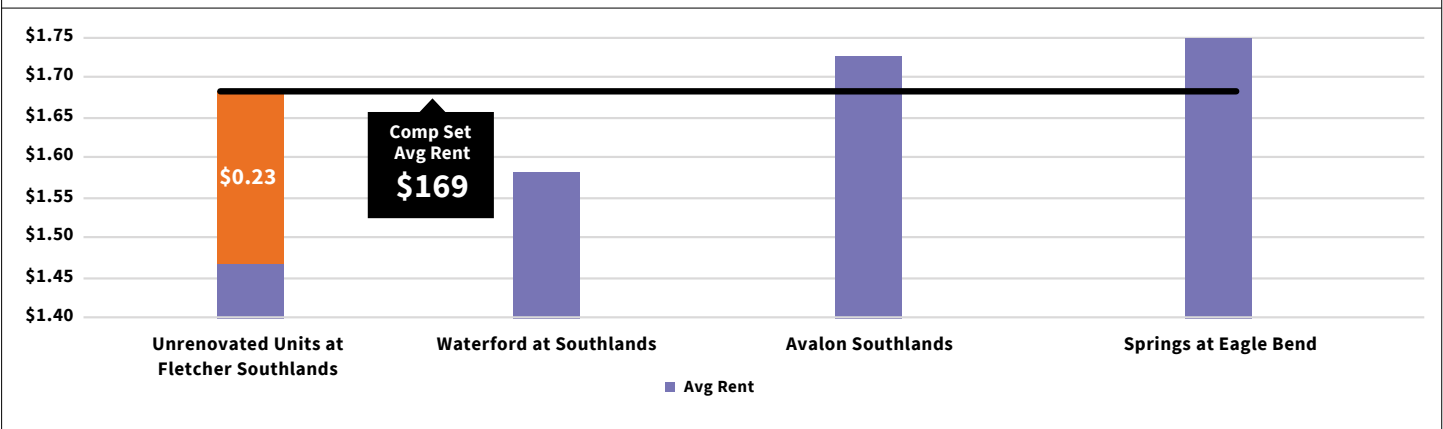
Potential Enhancements not Included in Current Scope

- ⑦ Remove Half Wall
- ⑧ Hard-surface countertops
- ⑨ Undermount sink



Current Premium Unit - Current Renovation Scope

COMPETITIVE SET AVG EFFECTIVE RENT



EXCELLENT EMPLOYMENT ACCESSIBILITY

The Fletcher Southlands is conveniently located **just 10 minutes from Colorado's largest employment center**, the **Southeast Business Corridor**. In addition to the **240,000+ jobs** across a diversity of industries located within this corridor, residents at Fletcher also enjoy convenient access to other significant regional employment centers, including **Fitzsimons Medical District**, **Centennial Airport**, **Buckley Air Force Base**, and **Denver International Airport** – all of which are located within 20 minutes of the property.



1 SOUTHEAST BUSINESS CORRIDOR

[10 Minutes from The Fletcher Southlands]

- 240,000+ Employees
- 30% of Colorado's GDP

The Southeast Business Corridor – largely comprised of the Denver Tech Center, Greenwood Plaza, Inverness, and Meridian International Business Center – is home to a large concentration of high-paying jobs in the media, professional services, engineering, technology, and legal service sectors.

2 BUCKLEY AIR FORCE BASE

[15 minutes from The Fletcher Southlands]

- 13,000+ Employees

Buckley Air Force Base is the primary operations and training base for the Colorado Air National Guard, as well as the 460th Space Wing, the Air Force Space Command, and Colorado's Aerospace Data Facility. Home to thousands of part and full-time military personnel, as well as thousands of civilian contractors and support personnel, Buckley AFB has consistently served as one of the chief economic drivers and employment centers in Aurora and the Denver Metro Area.

3 DENVER INTERNATIONAL AIRPORT

[25 Minutes from The Fletcher Southlands]

- 35,000+ Employees
- 61 Million Annual Passengers

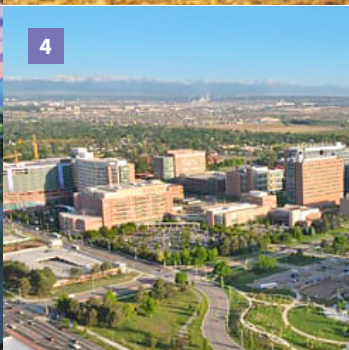
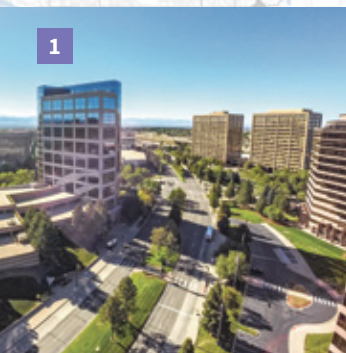
Denver International Airport is the fifth busiest airport in the nation and the third largest employment center in Colorado with 35,000 employees. This major regional economic hub continues to grow in size and significance, and is currently undergoing a \$3 billion expansion that will increase annual capacity to 85 million passengers.

4 FITZSIMONS MEDICAL DISTRICT

[20 Minutes from The Fletcher Southlands]

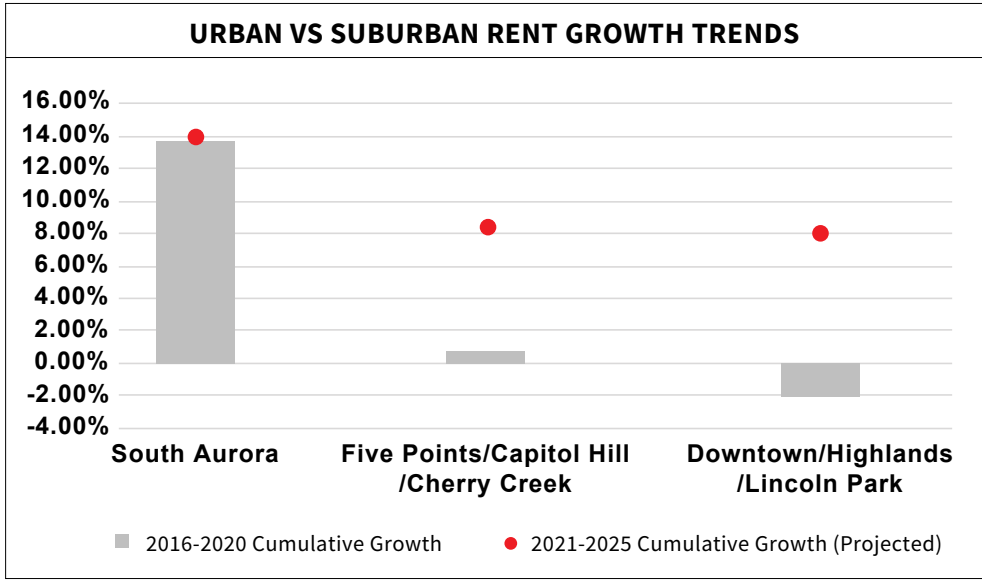
- 25,000+ Employees
- 10M Sq Ft of Medical Facilities

Over the course of the last 15 years, this former Army medical base has been transformed into a cutting-edge hub of science and medicine. Fitzsimons currently plays host to 25,000+ employees within over 10 million square feet of medical, research, and educational facilities. Significant further expansion is planned as part of the Fitzsimons Innovation Community, which is currently under development on the north end of the 580-acre campus.



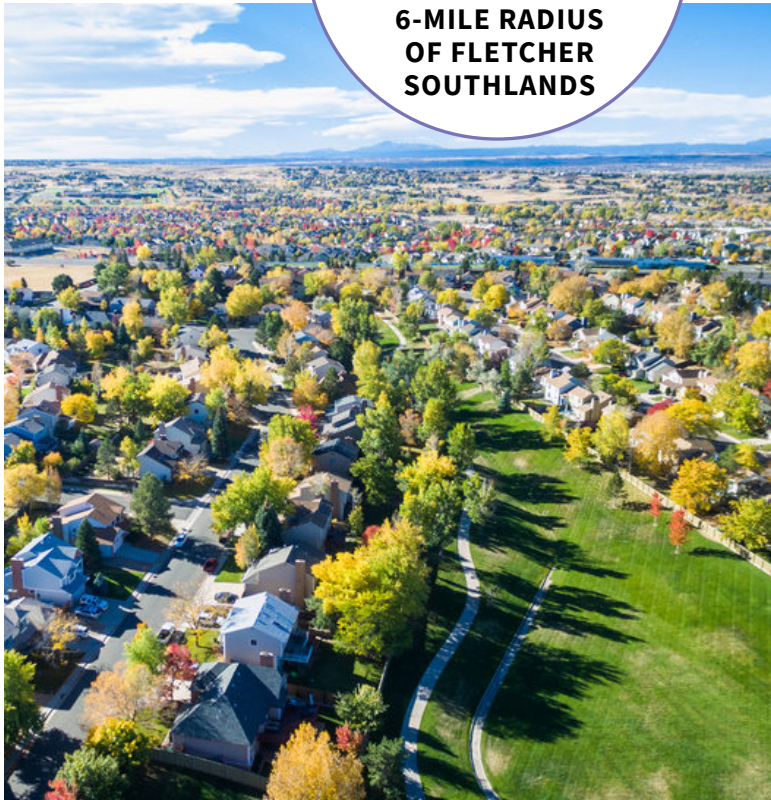
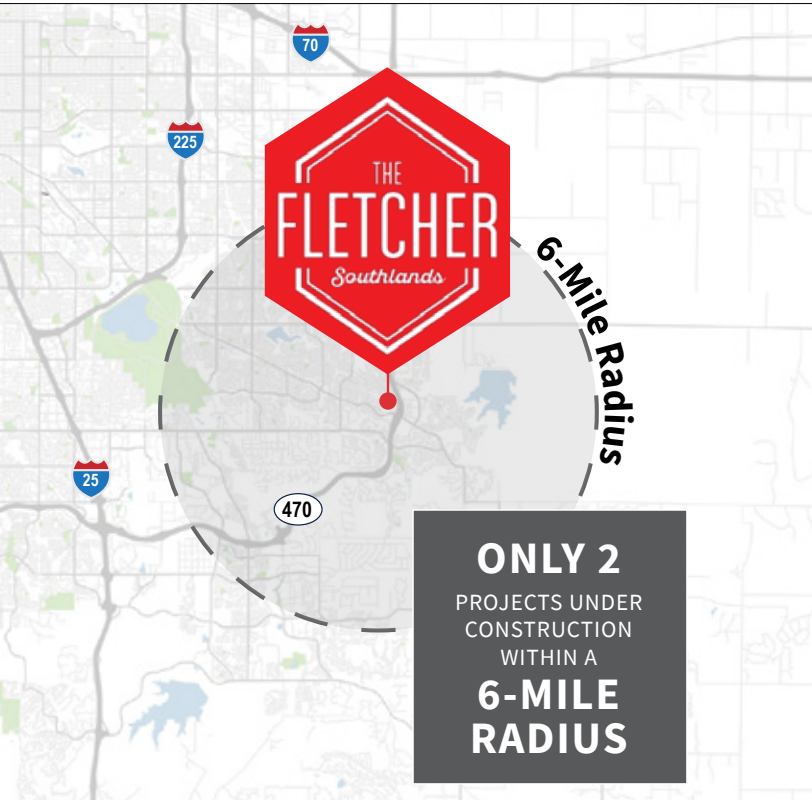
LIMITED SUPPLY PIPELINE IN STRONG SUBURBAN SUBMARKET

Fletcher’s submarket offers renters a value-oriented alternative to central Denver and the Denver Tech Center. Given the submarket’s convenient location, proximity to employment centers and nearby amenities, this area has consistently outperformed the metro area from a rent growth and occupancy standpoint. This, combined with limited supply set to deliver in the near term, leaves The Fletcher Southlands well positioned to capitalize on strong demand drivers within the submarket.



THE SOUTH AURORA SUBMARKET HAS MAINTAINED OVER **95%** OCCUPANCY FOR EACH OF THE LAST TWO QUARTERS

ONLY 536 UNITS CURRENTLY UNDER CONSTRUCTION WITHIN A 6-MILE RADIUS OF FLETCHER SOUTHLANDS



ABUNDANT & DESIRABLE RETAIL AMENITIES



SOUTHLANDS

- 3 Minutes from The Fletcher Southlands
- 1.8M Square Feet of Retail Space

The Fletcher Southlands is three minutes from Southlands, a premium lifestyle center that serves as the area's primary retail destination. From global brands like H&M, to beloved eateries like Chipotle and Buffalo Wild Wings, Southlands offers residents a wide variety of dining and entertainment options, serving as a hub for community activity in this part of the Denver Metro Area.



PARK MEADOWS MALL (& Surrounding Retail)

- 10 Minutes from The Fletcher Southlands
- 4.7M Square Feet of Premium Retail & Dining

The Fletcher Southlands is located only 10 minutes from Park Meadows, a regional shopping destination offering highly sought-after luxury retailers and high-end restaurants.



ADDITIONAL NEARBY RETAIL

Residents also enjoy easy access to a variety of neighborhood retail centers offering daily essentials. All of the following stores are **located within five minutes or less of the property:**



King Soopers 8 Min From Fletcher Southlands

Investment Highlights



UNIT MIX

Unit Type	Description	Count	Sq. Ft.	Current Market Rent	PSF	Annual Rent
Aventine (renovated)	One Bedroom / One Bathroom	56	855	\$1,389	\$1.62	\$933,252
Aventine (unrenovated)	One Bedroom / One Bathroom	40	855	\$1,260	\$1.47	\$604,716
Hampden (renovated)	Two Bedroom / Two Bathroom	60	1,120	\$1,685	\$1.50	\$1,212,840
Hampden (unrenovated)	Two Bedroom / Two Bathroom	32	1,120	\$1,572	\$1.40	\$603,588
Madison (renovated)	Two Bedroom / Two Bathroom	11	1,034	\$1,570	\$1.52	\$207,228
Madison (unrenovated)	Two Bedroom / Two Bathroom	13	1,034	\$1,453	\$1.41	\$226,644
Colonnade (renovated)	Three Bedroom / Two Bathroom	51	1,263	\$2,025	\$1.60	\$1,239,384
Colonnade (unrenovated)	Three Bedroom / Two Bathroom	37	1,263	\$1,865	\$1.48	\$828,192
Winridge (renovated)	Four Bedroom / Two Bathroom	10	1,481	\$2,478	\$1.67	\$297,360
Winridge (unrenovated)	Four Bedroom / Two Bathroom	10	1,481	\$2,330	\$1.57	\$279,600
Total/Average		320	1,096	\$1,675	\$1.53	\$6,432,804



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Southlands



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