

PrimeCenter @ NORTH RIDGE

125K SF | CLASS-A FLEX OFFICE R&D | 6.2 YEARS WALT | 100% OCCUPIED | 62% CREDIT TENANCY



Executive Summary



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Flex Office R&D | 100% Occ. | 6.2 WALT | 62% Credit Tenancy

Jones Lang LaSalle Americas, Inc. ("JLL") is pleased to offer for sale PrimeCenter at Northridge (the "Property" or "PrimeCenter"). PrimeCenter is comprised of two Class-A single story flex office R&D assets totaling 124,945 square feet located in Westminster, CO (Denver MSA), with an above average parking ratio of 6.19 : 1,000 SF.

The Property is 100% leased to 7 tenants at in-place rents that are 17.4% below market and with a weighted average remaining lease term of 6.2 years. In addition, PrimeCenter features 62% investment grade tenancy, providing a combination of durable cash flows in the near term with significant upside via a mark-to-market strategy.

Anchored by Poly Inc./HP Inc. (NYSE: HPQ, S&P: BBB+) PrimeCenter represents a compelling mix of flex office R&D and healthcare tenancy that serves the community. PrimeCenter's historically strong rent growth as well as fair market rent provisions will allow an investor to capture future rent growth potential of 56% over 10 years. PrimeCenter is located in a high growth area of North Denver's innovation hub, where vacancy is 8.8%, substantially lower than the 15% average vacancy across the Denver metro area.



Asset Summary	
Property Name	PrimeCenter @ NorthRidge
Property Address	1765 & 1865 121 st Ave
Year Built	2001
RBA	124,945 SF
Occupancy	100%
Tenants	7
Avg. In-Place Rent	\$16.10 NNN
Year 1 NOI	\$1,851,147
Land Size	12.72 Acres
Lot Coverage Ratio	22.5%
WALT	6.2 Years
Parking	773 Surface Spaces
Parking Ratio	6.19 : 1,000 SF
Parcel Number	1573-33-3-02-003
Zoning	PUD (Office/R&D/Education)
Flood Zone	Zone B & X (Moderate to Low Risk)

100% Occupancy | **6.2** Year WALT | **125K** SF | **6.19** Parking Ratio

Investment Highlights



Best-in-class, flex office R&D asset with highly versatile features that allow for future optionality.



Fortress tenancy with an extraordinary combination of investment-grade credit, tech, healthcare, education, and lab uses.



Anchored by Poly Inc./HP Inc. (S&P: BBB+) with 20 years of history at PrimeCenter, a recent lease renewal and significant tenant investment.



Mark-to-Market opportunity supported by historically strong rent growth and fair market rent provisions to capture future growth potential.



High-growth location in North Denver's innovation hub that has seen a 62% rental growth since 2011 and forecasts a 15% rent increase by 2025.



PrimeCenter is one of the newest flex office R&D asset in a submarket that boasts a 91% occupancy rate. The supply of high quality assets, similar to PrimeCenter, is limited and there is no new office/flex construction planned.

NORTH DENVER Office Market

91%
Occupancy
2022

62%
Rent Growth
(Since 2011)

4.5%
CAGR
(Since 2011)

15%
Projected
Rent Increase
(By 2025)

Versatile, Best-in-Class Asset

Optionality That Attracts A Diverse Tenant Base

PrimeCenter @ NorthRidge is a versatile asset which provides optionality that has attracted a diverse tenant base. These unique qualities make PrimeCenter a Best-in-Class asset within North Denver.

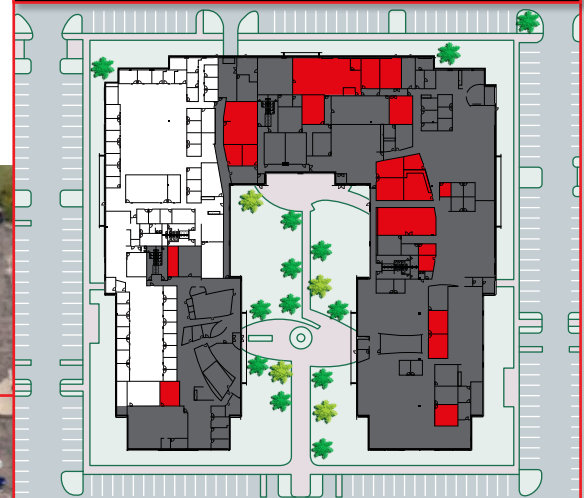
AMPLE PARKING
773 parking spaces at a
6.19 : 1,000 ratio

LOADING DOCK
End-User distribution loading
dock 14' slab-to-deck

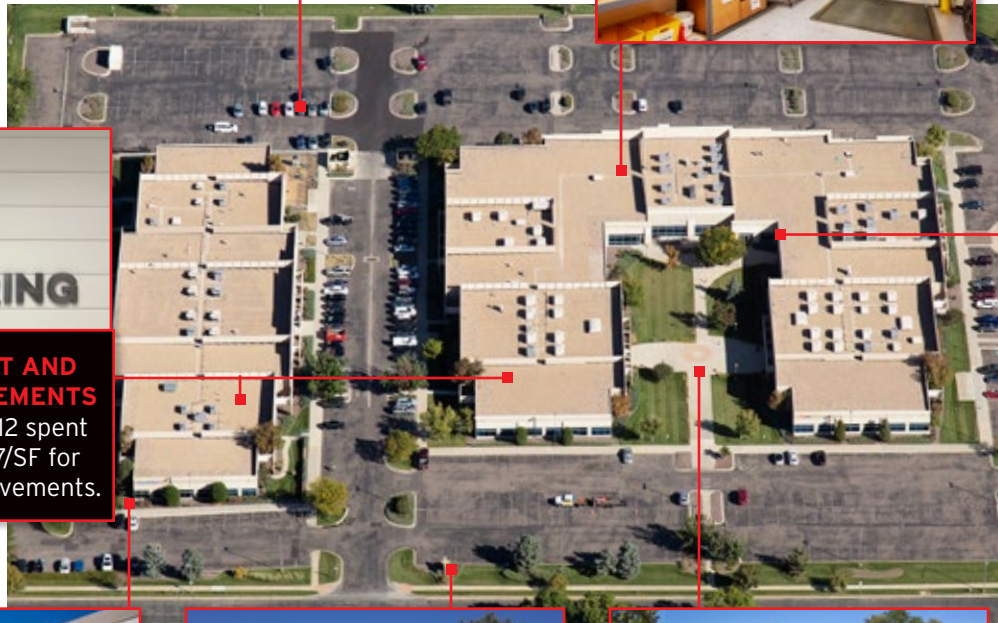
POLY HAS 50% R&D LAB SPACE
Significant Improvements by anchor tenant,
Poly Inc., with over 50% R&D lab space with
custom built networking



**NEW TENANT BUILDOUT AND
BASE BUILDING IMPROVEMENTS**
LJA Engineering & Adams 12 spent
TI of \$77.69/SF and \$80.67/SF for
premier build-out and improvements.



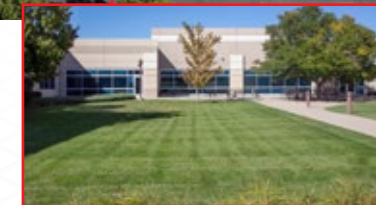
■ POLY ■ DEDICATED R&D



DIRECT CUSTOMER ACCESS
Private suite access for tenants
and customers throughout
entire complex



MONUMENT SIGNAGE
Clearly showcases all tenants









COURTYARD
Open space between suites

Fortress Tenancy

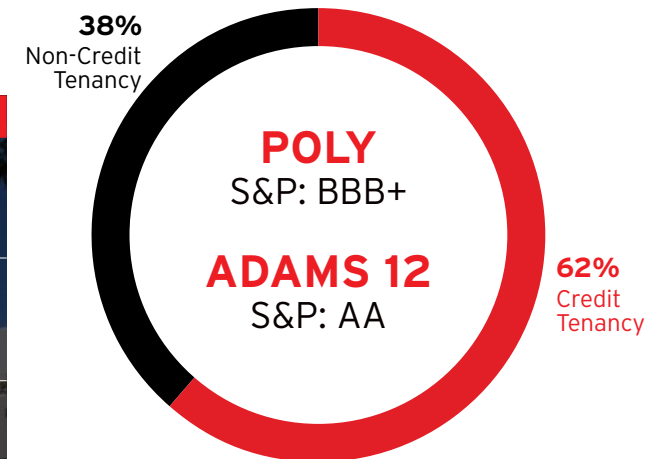
Strong Credit Profile & WALT

PrimeCenter is 100% leased to 7 tenants, 62% of RBA is occupied by tenants with investment grade credit. Combined with a long WALT of 6.2 years, a reliable and durable cashflow stream can be expected during the hold period.

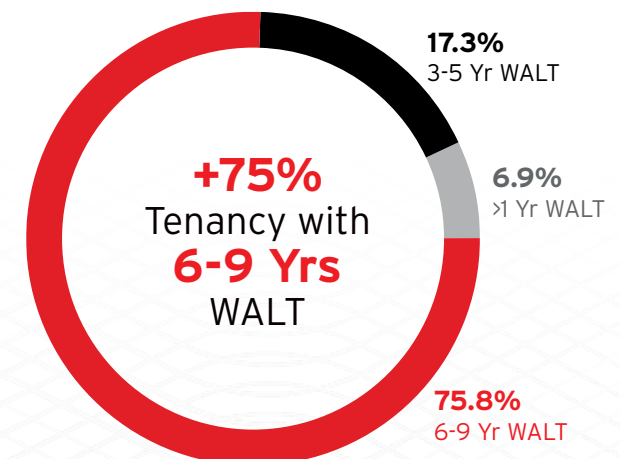
Tenant	GLA	% of GLA	WALT (Yrs)	Highlights	
1765   	Poly Inc. / HP Inc.	61,984	50%	6.67	Investment grade tenant (S&P: BBB+). Poly has a net revenue of \$1.73B and was acquired by HP in 2022 for \$3.3B
	Niman Ranch	16,540	13%	3.75	Subsidiary of Perdue Farms with \$8B of revenue in 2021 and 21,000+ national employees
	LJA Engineers, Inc.	5,076	4%	4.92	Acquired by LJA Engineering in 2022 with \$200M+ in revenue
1865    	Hopebridge Autism Therapy	10,607	8%	7.92	An estimated 2021 revenue of \$300M+ with 125 national locations
	Action Behavior Centers, LLC	7,246	6%	9.00	Over 3,000 autism professionals & 127 national locations
	American Renal Associates	8,639	7%	0.75	Acquired by Nautic Partners/ Innovative Renal Care in 2021, with 200+ locations. Revenue of \$822.5M in 2019
	Adams 12 Five Star Schools	14,853	12%	7.83	Recently signed, investment grade tenant with a Moody's rating of Aa2
TOTAL	124,945	100%	6.2 Yrs		

Weighted Average Remaining Lease Term (WALT) calculation based on valuation start date of January 2023

INVESTMENT-GRADE TENANCY



WALT



Anchor Tenant Poly/Hewlett-Packard



ABOUT POLY

On March 28, 2022, HP Inc. (NYSE: HPQ) announced a definitive agreement to acquire Poly (NYSE: POLY), a leading global provider of workplace collaboration solutions, in an all-cash transaction for \$40 per share, implying a total enterprise value of \$3.3 billion, inclusive of Poly's net debt.

Long History at PrimeCenter

Poly has been at the PrimeCenter location for 20 years and has recently signed an extension through 2029, in September 2020. The tenant has made significant investment to their space, including transforming around 50% of their RSF into lab R&D, which is supported by exclusive lab related networking systems throughout the suite. The personnel at this location are considered the top minds of the industry, with over 60% of their staff having engineering degrees and tasked with developing high-tech conferencing hardware and software for many of the largest companies around the world. PrimeCenter is Poly's frontier office for research and development. The company's day-to-day operations depend on the loading dock for incoming materials and end-user shipping, making the location near I-25 ideal for their business.

3,500+

Poly Inc. Employees

\$27.6B

Market Cap as of Oct. 2022

BBB+

(S&P) / Baa2 (Moody's)
Credit Rating

\$63.5B

Net Revenue from HP
and its subsidiaries

\$1.73B

Net Revenue for Poly
(\$409.6 Million Net Income)

Twenty Years of History

30K+ SF

of Dedicated Lab Space

4

Break Rooms & Large Cafeteria

60%

of Personnel Are Engineers

~\$1.5M+

in Tenant Investment

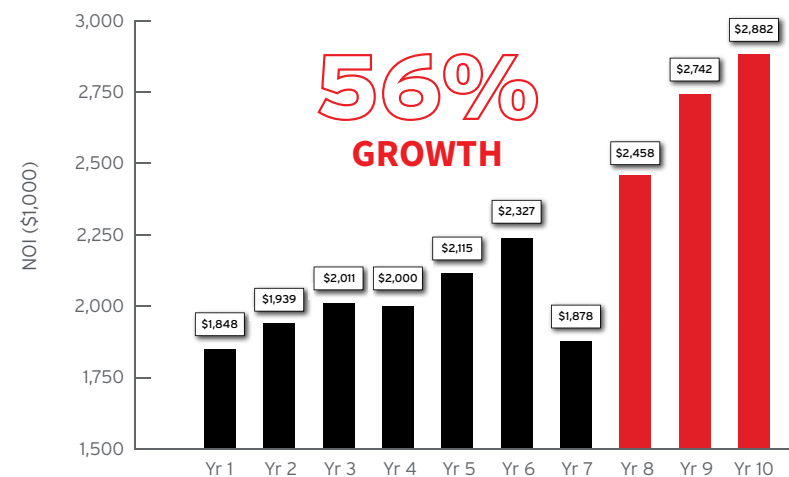
Mark-to-Market Opportunity

Below market rents, plus fair market rent provisions in the leases at PrimeCenter allow for significant NOI growth potential of 56% from year 1 to year 10.

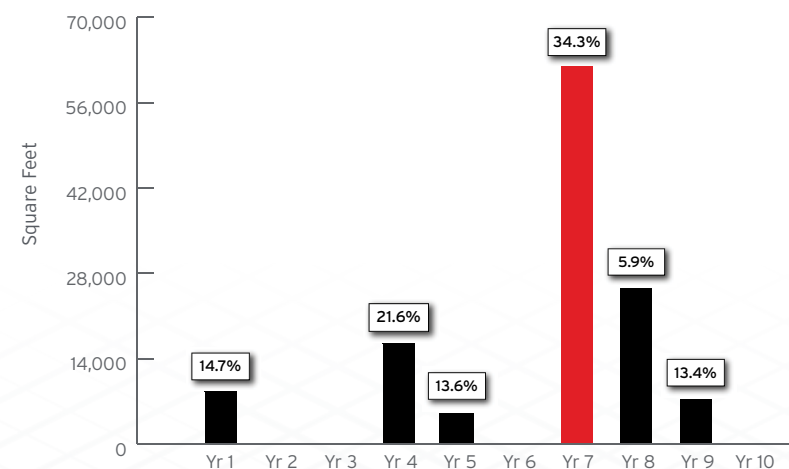
	Exp. Tenants	SF Exp.	In-Place Rents	Rent @ Exp.	Market Rent @ Exp	MTM
Year 1	Renal Dialysis	8,639	\$17.00	\$17.00	\$19.50	↑ 14.7%
Year 4	Niman Ranch	16,540	\$16.20	\$17.70	\$21.52	↑ 21.6%
Year 5	LJA Engineering	5,076	\$17.50	\$19.50	\$22.16	↑ 13.6%
Year 7	Poly Inc. / HP Inc.	61,984	\$14.50	\$17.50	\$23.51	↑ 34.3%
Year 8	Adams12/ Hopebridge	25,460	\$19.37	\$22.86	\$24.22	↑ 5.9%
Year 9	Action Behavior	7,246	\$18.00	\$22.00	\$24.94	↑ 13.4%



PROJECTED NOI GROWTH



EXPIRING SQUARE FOOTAGE



Renal Dialysis LXD: 9/30/2023

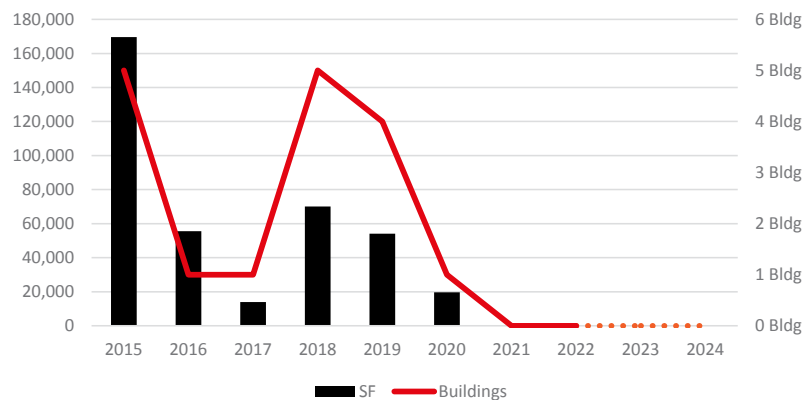
High-Growth Location with Limited Supply

Population and residential density has exploded in a 5-mile radius, with a population increase of 20.2% since 2010. During the same period, few new office/flex assets were delivered and PrimeCenter will benefit from the population influx as tenants will want to locate near young and highly educated talent.

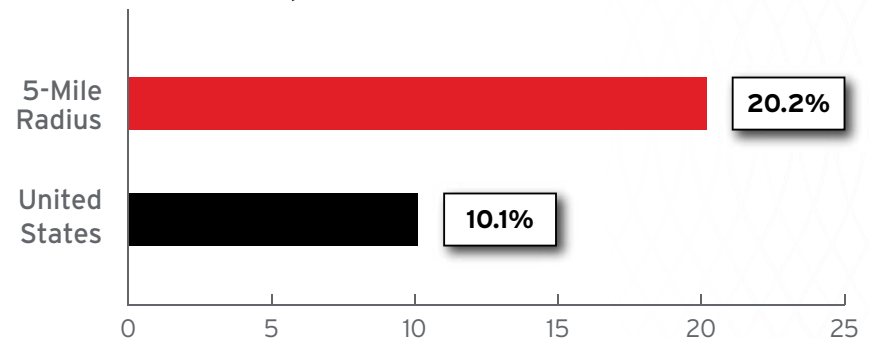
Since 2015, the residential area within a 10-mile radius of the Property has seen multifamily development take off, with more than 11,724 multifamily units delivered and another 4,769 either proposed or currently under construction.

In addition to the multifamily deliveries stated above, the City of Broomfield approved a 1,100 acre master planned residential neighborhood just 10-minutes north of PrimeCenter at the southwest intersection of I-25 and Baseline Road/State Highway 7. The proposed Baseline Neighborhood will bring over 9,000 starter homes to the community and is expected to attract young and highly educated talent to the current and future tenants of PrimeCenter.

Office Deliveries in North Denver Submarket



Population Growth Since 2010



11,724

MF Units Delivered
(10-Mile Radius)

4,769

MF Units Proposed
(10-Mile Radius)

35%

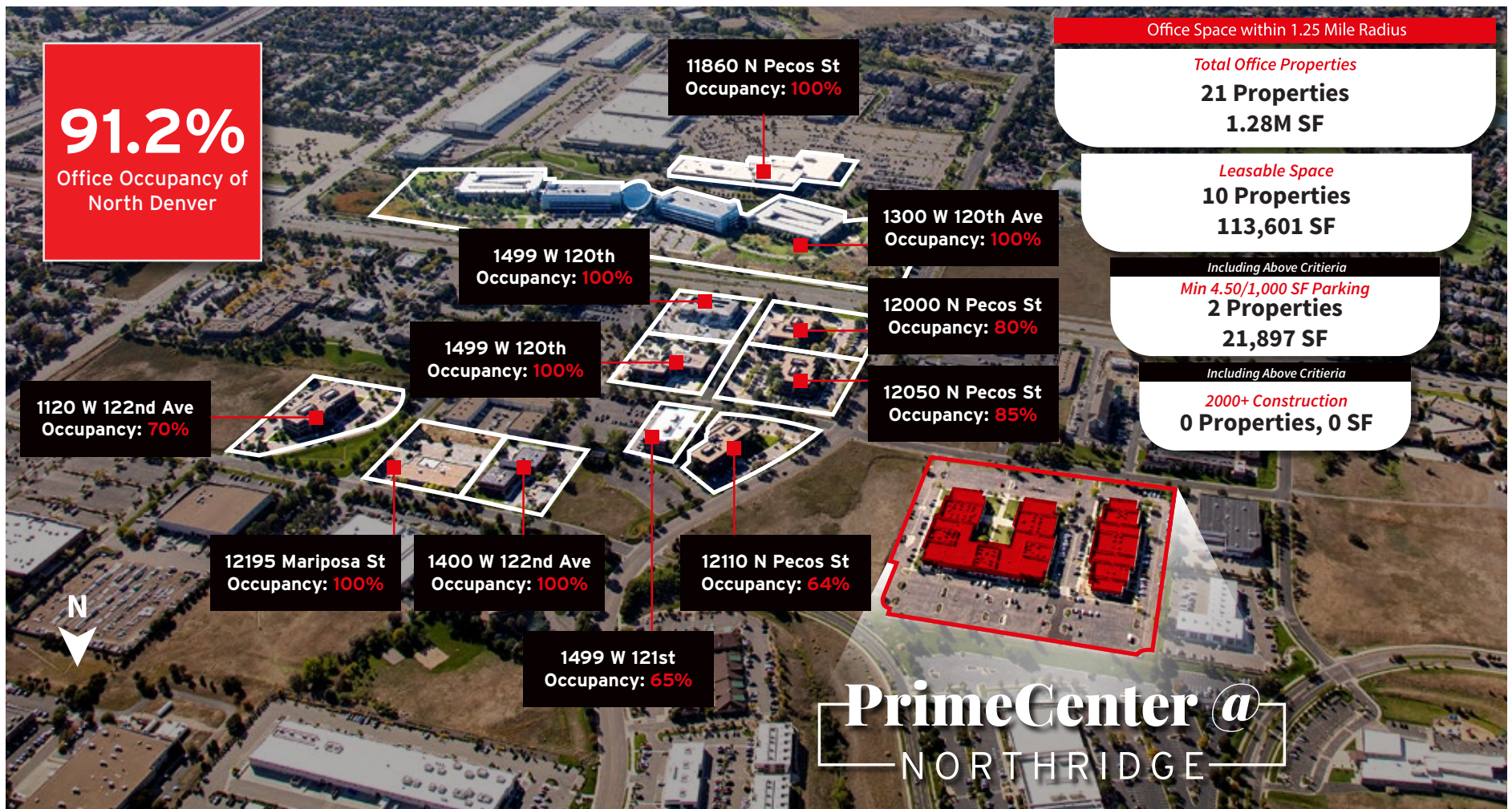
Residents with Bachelor's Degree +
(3-Mile Radius; 50% at 1-Mile Radius)

9,000

Starter Homes Proposed
(at Baseline Development ~10 Mins)

Lack of Existing Office Options in the Area

PrimeCenter is strategically located in the I-25 corridor and near a densely populated residential area. **With a rare and desirable combination of building attributes such as the 6.19 parking ratio, large single story/2000's construction, exterior loading capabilities, and loading dock, there are few to no comparable assets in the vicinity.** An area occupancy of 91.2% and limited leasing alternatives, position this asset to capture a scarcity premium that will support a mark-to-market opportunity for PrimeCenter and is expected to **increase the NOI by 56% over a 10-year period.**



Irreplaceable Infill Location

PrimeCenter's position off I-25 and W 120th Ave give it easy accessibility from all directions. The Property is conveniently located within 16 miles of Boulder, 11 miles from Denver, and 17 miles from the Denver International Airport. This accessibility fulfills the logistical needs of Poly Inc. / HP Inc. and is one reason why they have remained here for over 20 years and continue to renew their lease. Additionally, the Property is center to some of Colorado's most desirable neighborhoods with a healthy mix of executive and white collar housing.



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