

CARMICHAEL PROFESSIONAL BUILDING

HUDSON, WI



OFFERING MEMORANDUM

KW COMMERCIAL
14665 Galaxie Avenue, Suite 350
Apple Valley, MN 55124

PRESENTED BY:

MATTHEW KLEIN, CCIM
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Confidentiality & Disclaimer

HUDSON, WI

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EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. KW Commercial makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. KW Commercial does not serve as a financial advisor to any party regarding any proposed transaction.

All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property. Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by KW Commercial in compliance with all applicable fair housing and equal opportunity laws.

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We obtained the information above from sources we believe to be reliable. However, we have not verified its accuracy and make no guarantee, warranty or representation about it. It is submitted subject to the possibility of errors, omissions, change of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. We include projections, opinions, assumptions or estimates for example only, and they may not represent current or future performance of the property. You and your tax and legal advisors should conduct your own investigation of the property and transaction.



CARMICHAEL PROFESSIONAL BUILDING

PROPERTY INFORMATION

1

EXECUTIVE SUMMARY

SALIENT INFORMATION

SITE PLAN

FLOOR ONE

FLOOR TWO

ADDITIONAL PHOTOS

ADDITIONAL PHOTOS

ADDITIONAL PHOTOS

Executive Summary



OFFERING SUMMARY

SALE PRICE: \$3,700,000

LOT SIZE: 3.21 Acres

BUILDING SIZE: 26,517

PRICE / SF: \$139.53

CURRENT OCCUPANCY 100%

2020 NOI: \$346,314

CAP RATE: 9.36%

PROPERTY OVERVIEW

Nicely appointed office building with higher-end finishes in the core of Hudson, Wisconsin. This established development is surrounded by leading area and regional businesses. Demand and growth in this area continues to increase.

The City of Hudson is located on the western edge of Wisconsin along the St. Croix River and the St. Croix National Scenic Riverway. Hudson is approximately 15 minutes east of St. Paul, MN and 30 minutes east of Minneapolis, MN, and is part of the Twin Cities metropolitan area.

PROPERTY HIGHLIGHTS

- Two-story 26,517 square foot professional office and medical building
- Good mix of office and medical tenants with staggered lease expirations
- Priced well below replacement cost
- Situated on 3.21 acres of zoned B2 (General Business)
- Ample surface parking | Card Key Access | Energy Efficient
- Convenient access to I-94
- Immediate proximity to area hospital, restaurants and other retail

Salient Information

LOCATION INFORMATION

Building Name	Carmichael Professional Building
Street Address	1610 Maxwell Drive
City, State, Zip	Hudson, WI 54016
County	Saint Croix
Cross-Streets	Carmichael Road and Maxwell Drive
Signal Intersection	Yes
Nearest Highway	I-94

PROPERTY INFORMATION

Property Type	Office /Medical/Dental
APN #	236.1975.09.204
Parcel Size	3.21 Acres

BUILDING INFORMATION

Building Size	26,517 SF
Number Of Floors	2
Year Built	2005
Construction Status	Existing
Building Class	B+

PARKING & TRANSPORTATION

Parking Type	Surface
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MAJOR TENANTS

Phillips Medisize	8,918 SF Gross Lease
The Oral Surgery Center	4,958 SF Net Lease
Forefront Dermatology	3,211 SF Net Lease
Hudson Innovation Center	2,763 SF Net Lease
Pediatric And Young Adult Medicine	1,852 SF Net Lease
Guardian Resources	1,486 SF Net Lease
Edward Jones	1,239 SF Net Lease

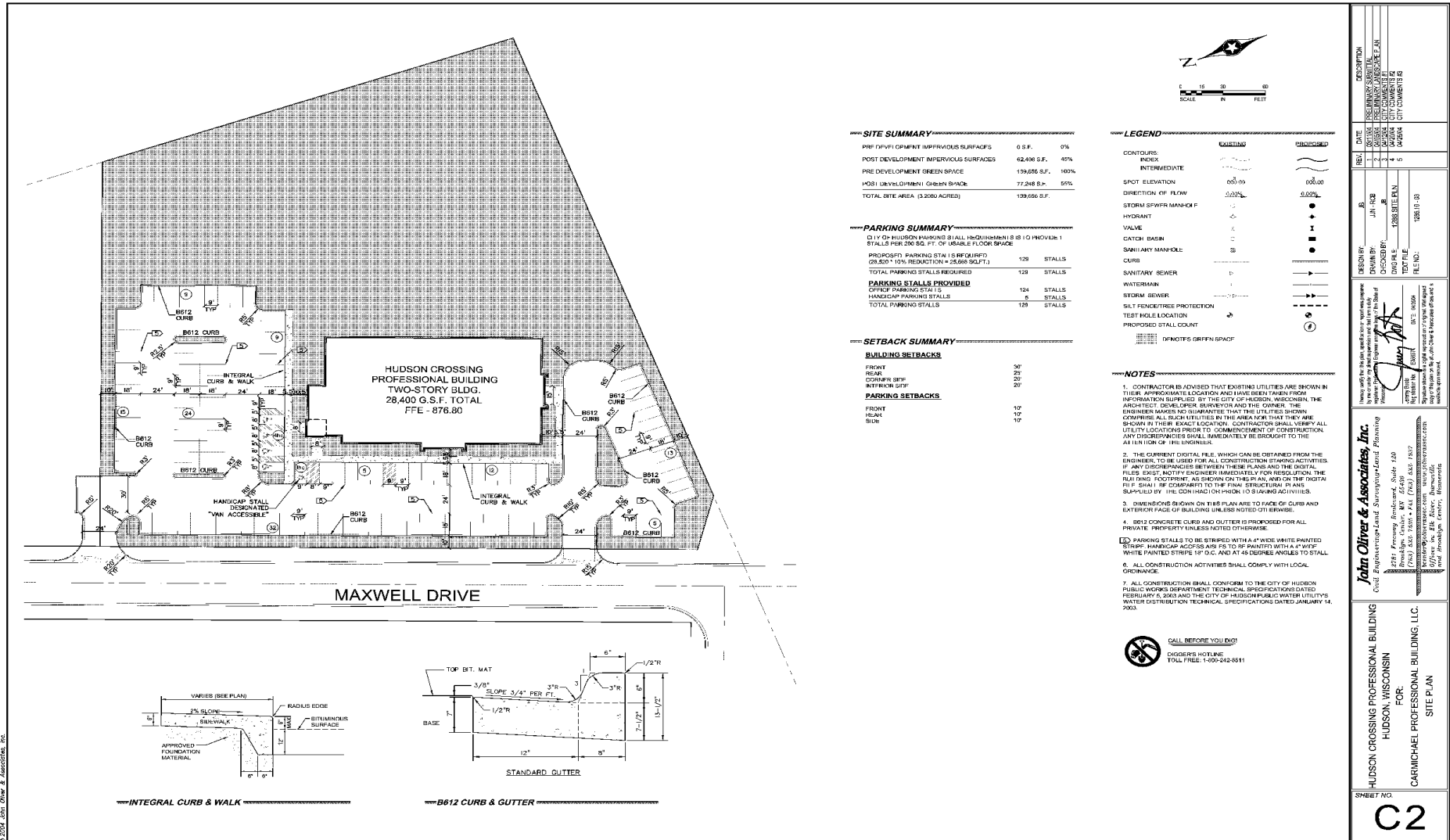
AREA MAJOR EMPLOYMENT INDUSTRIES

Health Care And Social Services	1,072 Employees
Manufacturing	1,064 Employees
Retail	691 Employees

DEMOGRAPHICS

Population (2018)	13,456
Median Household Income	\$69,065
Median Property Value	\$231,500

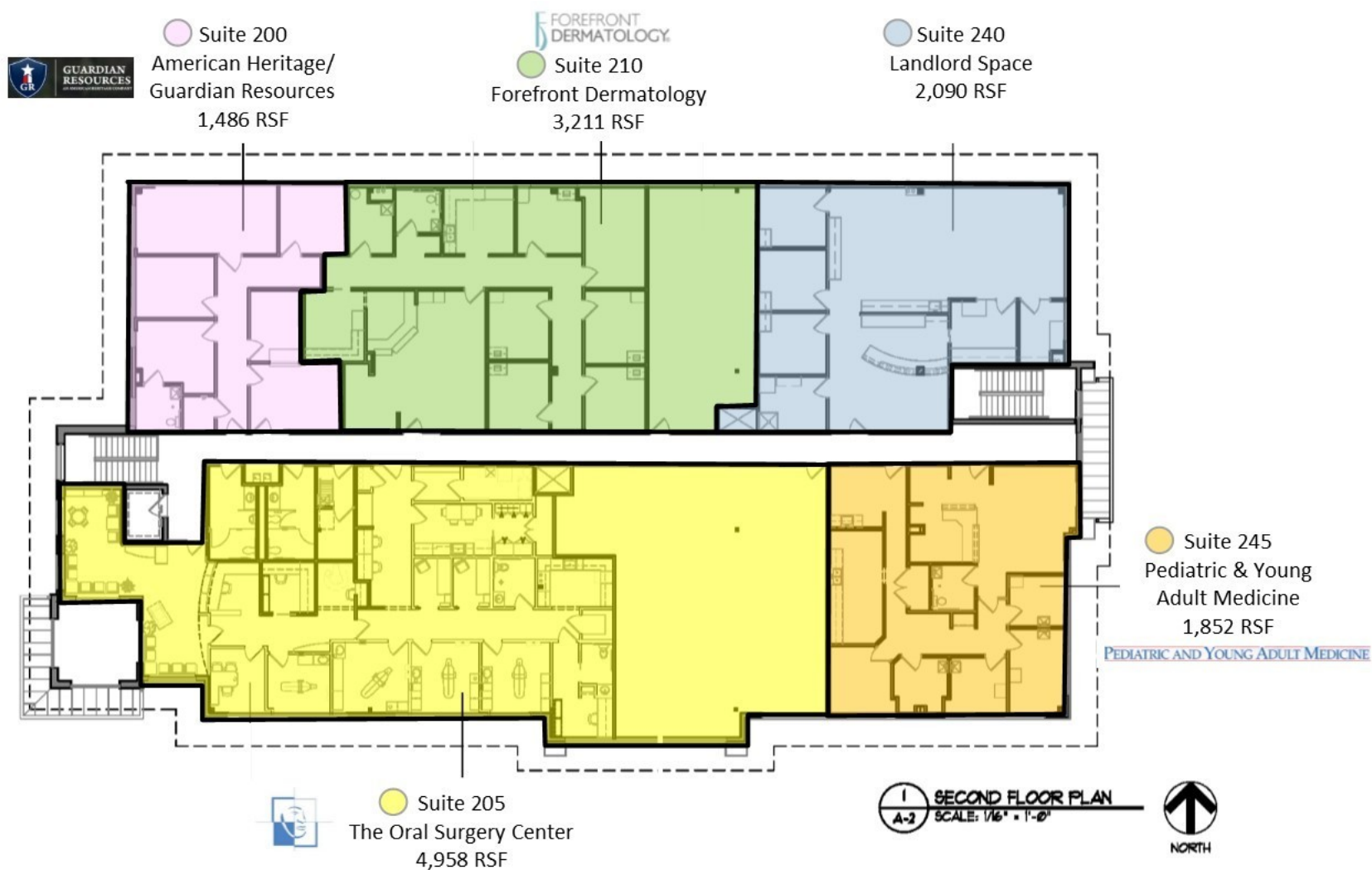
Site Plan



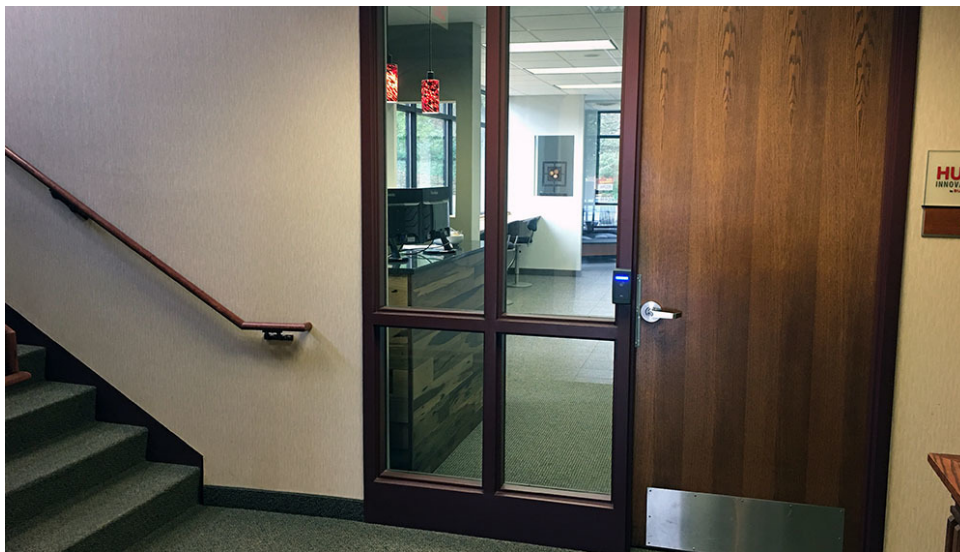
Site Plan - Floor One



Floor Two



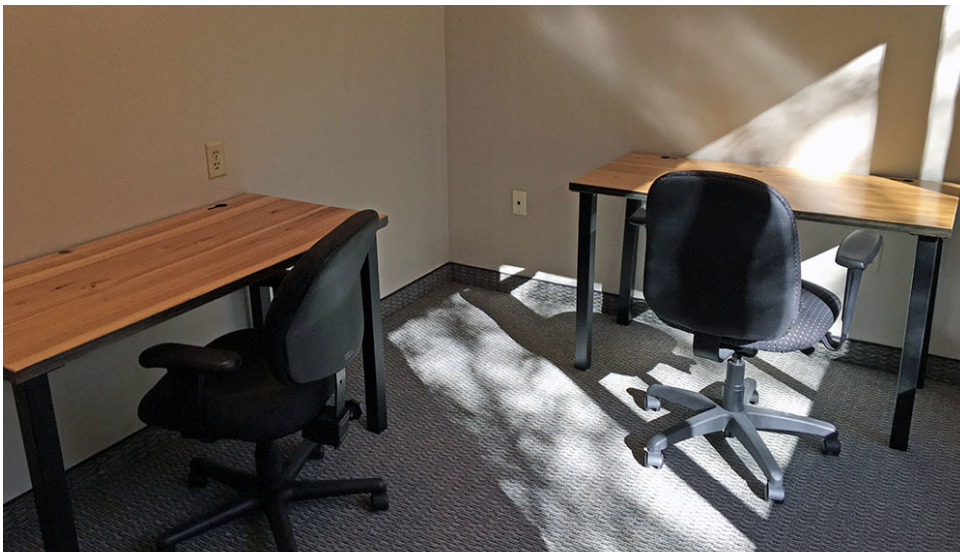
Additional Photos



Additional Photos



Additional Photos



CARMICHAEL PROFESSIONAL BUILDING

LOCATION INFORMATION

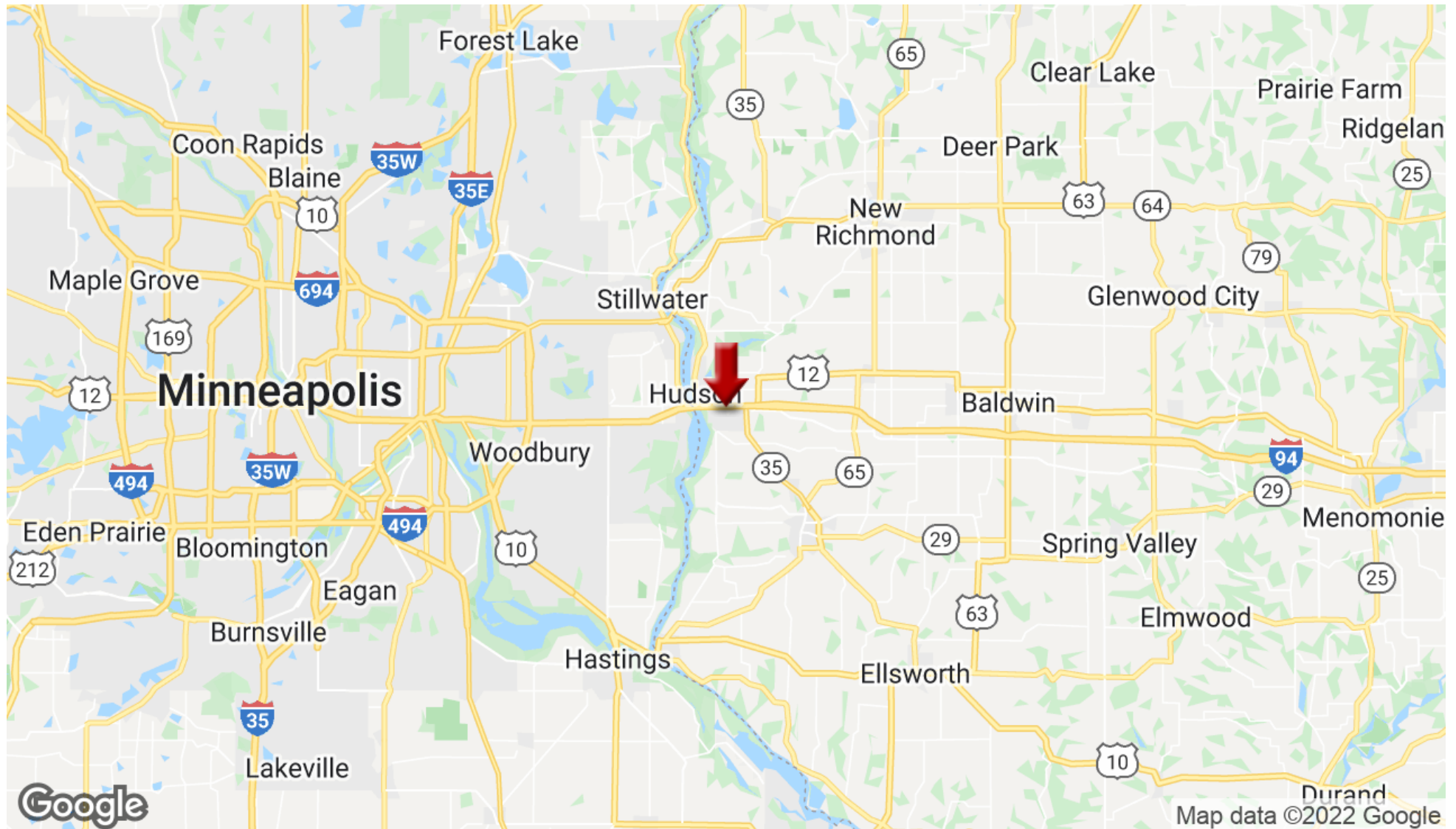
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REGIONAL MAP

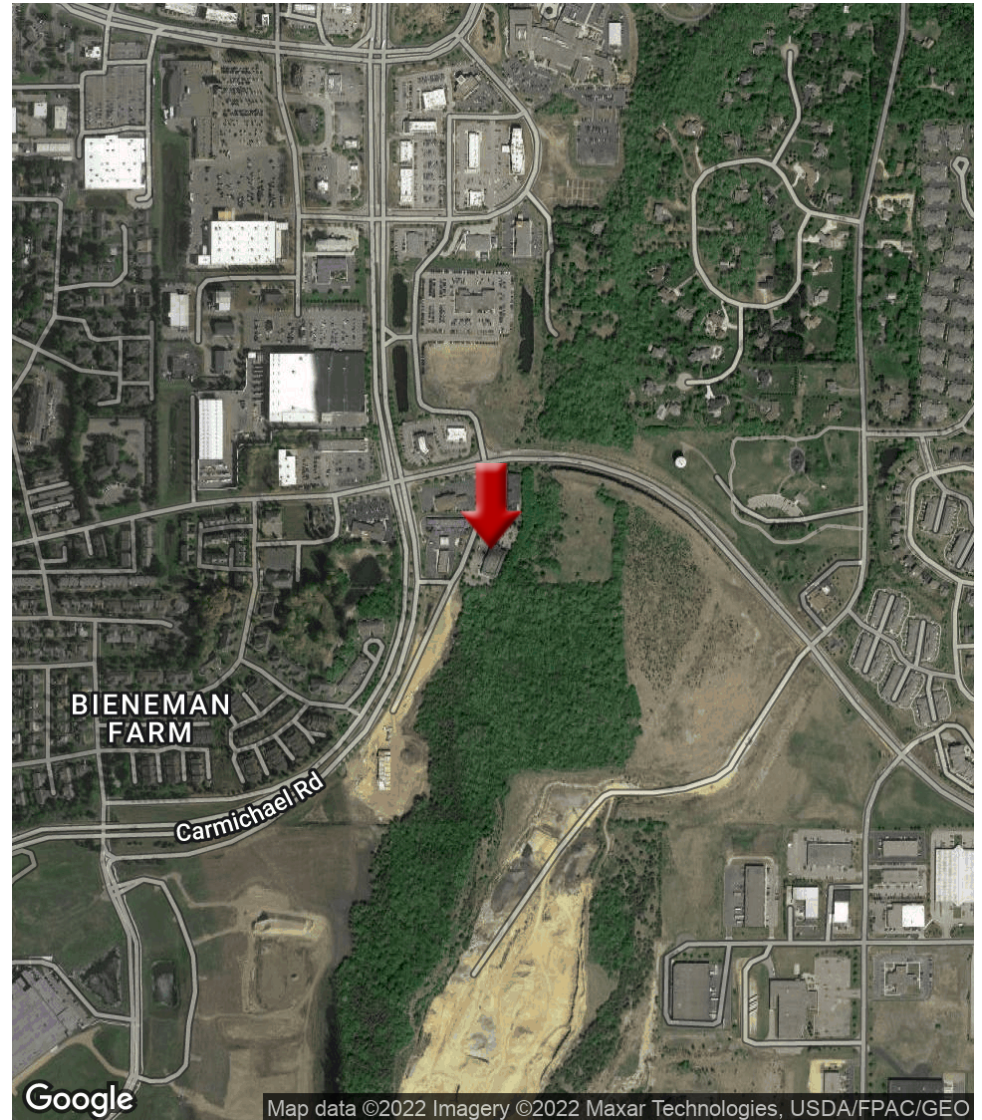
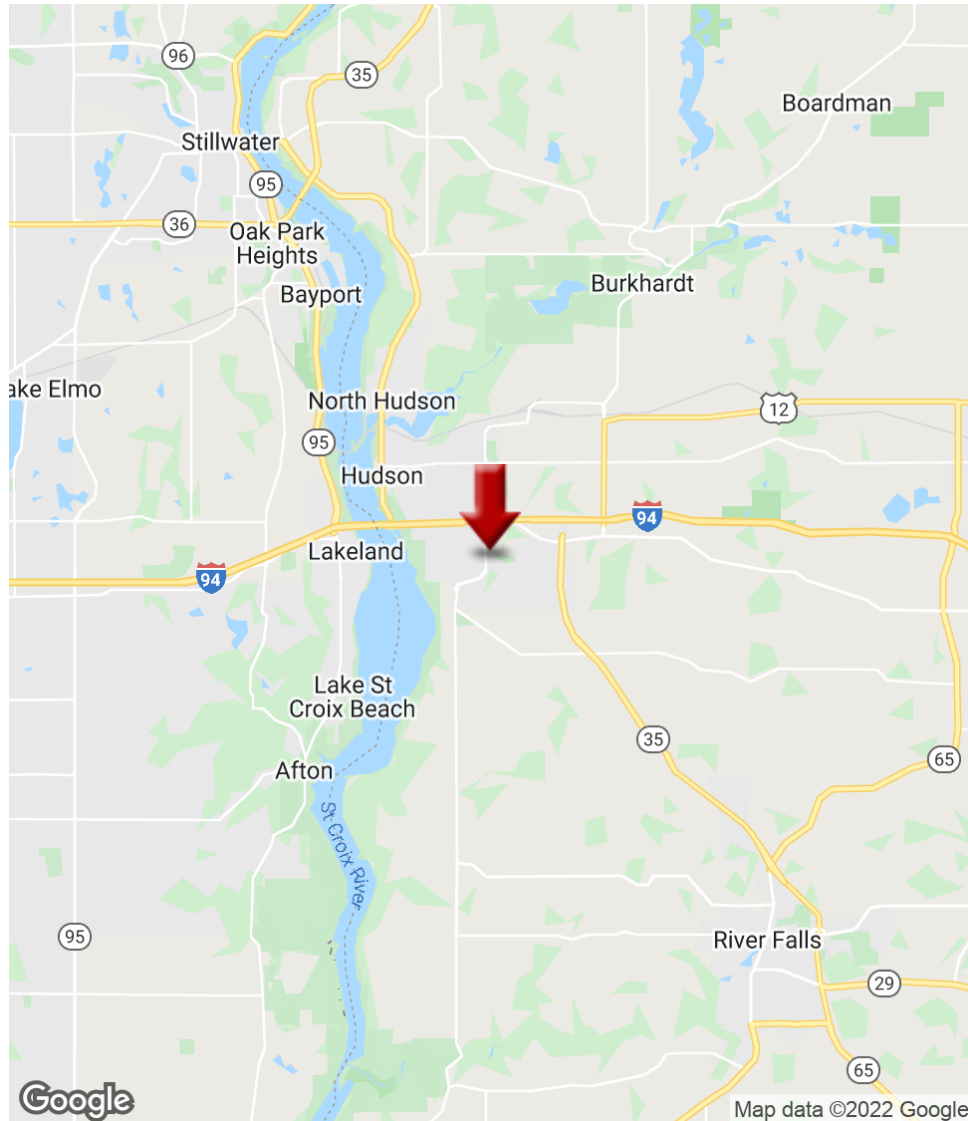
LOCATION MAPS

AERIAL MAP

Regional Map



Location Maps



Aerial Map



CARMICHAEL PROFESSIONAL BUILDING

DEMOGRAPHICS

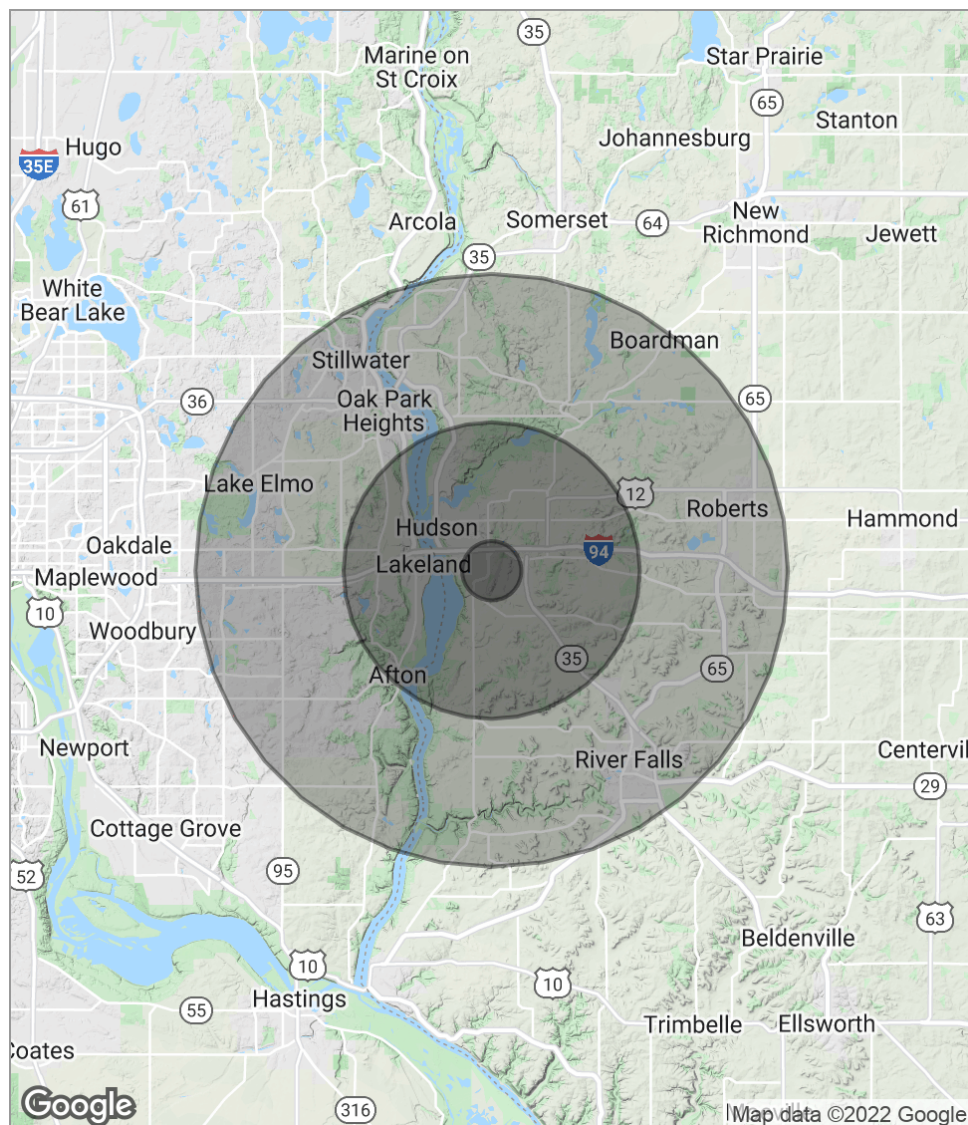
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DEMOGRAPHICS MAP

WI_ADDENDUM.PDF

TENANT OVERVIEWS

Demographics Map



POPULATION

	1 MILE	5 MILES	10 MILES
Total Population	964	37,252	97,019
Median Age	34.7	37.3	38.1
Median Age (Male)	34.2	36.8	37.7
Median Age (Female)	35.6	38.3	38.6

HOUSEHOLDS & INCOME

	1 MILE	5 MILES	10 MILES
Total Households	381	14,382	37,578
# Of Persons Per HH	2.5	2.6	2.6
Average HH Income	\$105,993	\$95,994	\$91,059
Average House Value	\$341,881	\$324,144	\$334,431

* Demographic data derived from 2010 US Census

BROKER DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the Broker must provide you the following disclosure statement:

2 **BROKER DISCLOSURE TO CUSTOMERS**

3 You are a customer of the broker. The broker is either an agent of another party in the transaction or a subagent of another broker
4 who is the agent of another party in the transaction. The broker, or a salesperson acting on behalf of the broker, may provide
5 brokerage services to you. Whenever the broker is providing brokerage services to you, the broker owes you, the customer, the
6 following duties:

7 ■ The duty to provide brokerage services to you fairly and honestly.

8 ■ The duty to exercise reasonable skill and care in providing brokerage services to you.

9 ■ The duty to provide you with accurate information about market conditions within a reasonable time if you request it, unless
10 disclosure of the information is prohibited by law.

11 ■ The duty to disclose to you in writing certain material adverse facts about a property, unless disclosure of the information is
12 prohibited by law (See Lines 47-55).

13 ■ The duty to protect your confidentiality. Unless the law requires it, the broker will not disclose your confidential information or the
14 confidential information of other parties (See Lines 22-39).

15 ■ The duty to safeguard trust funds and other property the broker holds.

16 ■ The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the advantages and
17 disadvantages of the proposals.

18 Please review this information carefully. A broker or salesperson can answer your questions about brokerage services, but if you
19 need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home inspector.

20 This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a plain-language summary of
21 a broker's duties to a customer under section 452.133 (1) of the Wisconsin statutes.

22 **CONFIDENTIALITY NOTICE TO CUSTOMERS**

23 BROKER WILL KEEP CONFIDENTIAL ANY INFORMATION GIVEN TO BROKER IN CONFIDENCE, OR ANY INFORMATION
24 OBTAINED BY BROKER THAT HE OR SHE KNOWS A REASONABLE PERSON WOULD WANT TO BE KEPT CONFIDENTIAL,
25 UNLESS THE INFORMATION MUST BE DISCLOSED BY LAW OR YOU AUTHORIZE THE BROKER TO DISCLOSE PARTICULAR
26 INFORMATION. A BROKER SHALL CONTINUE TO KEEP THE INFORMATION CONFIDENTIAL AFTER BROKER IS NO LONGER
27 PROVIDING BROKERAGE SERVICES TO YOU.

28 THE FOLLOWING INFORMATION IS REQUIRED TO BE DISCLOSED BY LAW:

29 1. MATERIAL ADVERSE FACTS, AS DEFINED IN SECTION 452.01 (5g) OF THE WISCONSIN STATUTES (SEE LINES 47-55).

30 2. ANY FACTS KNOWN BY THE BROKER THAT CONTRADICT ANY INFORMATION INCLUDED IN A WRITTEN INSPECTION
31 REPORT ON THE PROPERTY OR REAL ESTATE THAT IS THE SUBJECT OF THE TRANSACTION.

32 TO ENSURE THAT THE BROKER IS AWARE OF WHAT SPECIFIC INFORMATION YOU CONSIDER CONFIDENTIAL, YOU MAY LIST
33 THAT INFORMATION BELOW (SEE LINES 35-36). AT A LATER TIME, YOU MAY ALSO PROVIDE THE BROKER WITH OTHER
34 INFORMATION YOU CONSIDER TO BE CONFIDENTIAL.

35 **CONFIDENTIAL INFORMATION:** _____

36

37 **NON-CONFIDENTIAL INFORMATION** (The following information may be disclosed by Broker): _____

38

39 (INSERT INFORMATION YOU AUTHORIZE THE BROKER TO DISCLOSE SUCH AS FINANCIAL QUALIFICATION INFORMATION.)

40 **CONSENT TO TELEPHONE SOLICITATION**

41 I/We agree that the Broker and any affiliated settlement service providers (for example, a mortgage company or title company) may
42 call our/my home or cell phone numbers regarding issues, goods and services related to the real estate transaction until I/we
43 withdraw this consent in writing. **List Home/Cell Numbers:** _____

44 **SEX OFFENDER REGISTRY**

45 Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the
46 Wisconsin Department of Corrections on the Internet at: <http://offender.doc.state.wi.us/public/> or by phone at 608-240-5830.

47 **DEFINITION OF MATERIAL ADVERSE FACTS**

48 A "material adverse fact" is defined in Wis. Stat. § 452.01(5g) as an adverse fact that a party indicates is of such significance, or that
49 is generally recognized by a competent licensee as being of such significance to a reasonable party, that it affects or would affect
50 the party's decision to enter into a contract or agreement concerning a transaction or affects or would affect the party's decision
51 about the terms of such a contract or agreement. An "adverse fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence
52 that a competent licensee generally recognizes will significantly and adversely affect the value of the property, significantly reduce
53 the structural integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
54 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a contract or
55 agreement made concerning the transaction.

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.

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TENANT PROFILE OVERVIEW



Phillips-Medisize created a unified information-sharing and analytics platform that enables pharmaceutical companies to connect medication and diagnostic information across their therapy areas on a commercial scale. The novel cloud-based CHP provides a customizable, scalable medical device data system (MDDS) for pharmaceutical companies and drug delivery device developers.

The CHP provides customers with a strong technological foundation and complements Phillips-Medisize's end-to-end services which span front-end innovation, early stage development, manufacturing development, clinical supply through commercial manufacturing, and post-launch services. We employ over 5,500 people and have 26 production locations around the world.

Rent Commencement	January 2019
Gross Leasable Area	8,918 SF
Lease Rate	\$20.50 SF/Yr (Gross)
Headquartered	New Richmond, WI
Number of Locations	26
Website	phillipsmedisize.com



THE ORAL SURGERY CENTER

For more than a quarter of a century, The Oral Surgery Center has served the Twin Cities and St. Croix Valley. Our tradition is a story of innovation, quality care, and a commitment to exceed your expectations. Our team provides exceptional care designed for your convenience with the latest, proven technologies. You can be confident that you are our top priority.

Our specialty is a unique blend of medicine and dentistry and our surgeons offer a full scope of oral and maxillofacial surgery services. To learn more about each procedure, please choose from the menu above.

Rent Commencement	September 2018
Gross Leasable Area	4,958 SF
Lease Rate	\$21.92 SF/Yr (Net)
Headquartered	New Richmond, WI
Number of Locations	6
Website	phillipsmedisize.com



What began as a single practice has quickly grown into a thriving organization seeking to advance the world of dermatology. Each Forefront physician brings extensive expertise to the practice, and employs the latest, most innovative technologies and techniques possible. Whether you're suffering from acne, or need a skin cancer screening, you know you're getting the best care

Rent Commencement	August 2018
Gross Leasable Area	3,211 SF
Lease Rate	\$16.00 SF/Yr (Net)
Headquartered	Manitowoc, WI
Number of Locations	144
Website	forefrontdermatology.com

PEDIATRIC AND YOUNG ADULT MEDICINE

We have proudly served St. Paul and the surrounding communities for over 65 years. With eleven pediatric providers in five convenient locations, we provide the highest quality of comprehensive medical care to children and young adults from birth to age 21. Our services include routine checkups with immunizations, sports and camp physicals, allergy evaluations with immunotherapy, ill child care for acute and chronic conditions, and hospital care for newborns. Our partners, Allina Hospitalists, are specialized to provide our ill patients top quality care in cooperation with your primary pediatrician.

Rent Commencement	December 2017
Gross Leasable Area	1,852 SF
Lease Rate	\$22.48 SF/Yr (Net)
Headquartered	St. Paul, MN
Number of Locations	5
Website	www.pyam.com

TENANT PROFILE OVERVIEW



professionals in our office — including estate-planning attorneys, Certified Public Accountants, wealth advisors and Medicare agents — to ensure your strategy covers all your retirement concerns.

At Guardian Resources, we believe everyone should be able to live the retirement they've always wanted. Using a variety of investments and insurance products and services, our team of professionals can help you create a well-thought-out strategy that addresses your financial needs and concerns. We also work with various other

Rent Commencement	January 2019
Gross Leasable Area	1,486 SF
Lease Rate	\$13.00 SF/Yr (Net)
Headquartered	Hudson, WI
Number of Locations	3
Website	myguardianresources.com



Edward Jones serves nearly 7 million investors from more offices than any other investment firm in America. We attribute a great deal of our success to our principles and personal, long-term approach to investing.

We have consistently been ranked among the best companies to work for by FORTUNE magazine, and our employees tend to stay with us for years. As a privately owned company, Edward Jones has a very personal feel that's almost like family. And we're very proud of that.

Rent Commencement	February 2018
Gross Leasable Area	1,239 SF
Lease Rate	\$14.00 SF/Yr (Net)
Headquartered	St. Louis, MO
Number of Locations	13,000+
Website	edwardjones.com

