

Cobblestone Plaza

13275 E Fremont Pl.
Centennial, CO 80012

Offering Memorandum

MULTI TENANT LEASED INVESTMENT
35,514 SF, 3 STORY OFFICE ON 1.38 AC



Greg Knott
Executive Vice President
303-521-3648
gknott@uniqueprop.com

Earl Duffy
Broker Associate
303.968.4929
eduffy@uniqueprop.com



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EXECUTIVE SUMMARY



THE OFFERING

Unique Properties, Inc. is pleased to present the opportunity to acquire the fee simple interest in Cobblestone Plaza – 13275 E Fremont Pl. Centennial, CO 80112. The offering is a recently renovated (2019) 35,514 RSF multi-tenant office building. This 3-story building sits on an expansive 1.4 AC site in the Dove Valley neighborhood of Centennial – one of Denver-Metros most sought-after suburban office corridors. With neighboring institutions such as the Denver Broncos Headquarters & Training Facility, the Arapahoe County Courthouse & Governmental Offices, Centennial Airport, and Boom Supersonic to name a few. This property is well positioned for continued growth and long-term success. Cobblestone Plaza is currently over 89% occupied by a multitude of tenants ranging from Insurance Providers to Technology Companies and Construction Management. These tenants have an array of suite sizes and lease terms, creating a diversified investment able to capitalize on changing market dynamics. The average suite size is a little over 1,900 SF which creates a nimble, easier to fill unit size.

Many of the suites have been upgraded with new entrances, flooring, cabinets, appliances, and sealed concrete flooring. The plaza provides both covered and uncovered parking creating an additional income stream for those snowy Colorado winters.

Many of the country's top economic outlooks show suburban office recovering far quicker than downtowns – providing an investor the ideal opportunity to enter this ever-expanding office submarket that has stood the test of time.

PROPERTY DETAILS



ADDRESS

13275 E FREMONT PL
CENTENNIAL, CO 80112



COUNTY

ARAPAHOE



BUILDING SIZE

35,514 SF



SITE SIZE

1.38 AC | 60,069 SF



ZONING

PUD



PRICING

\$4,275,000 | \$120.38 / SF

PROPERTY DESCRIPTION



PROPERTY DESCRIPTION

LOCATION

Dove Valley in the SE Submarket

NET INCOME

\$323,027.79 (2022 Annualized)

EXISTING CAP RATE

7.55%

LOT SIZE

1.38 AC

YOC/Renovation

1983/2019

PRICE PER SF

\$120.38

INVESTMENT HIGHLIGHTS

- EXCELLENT MIX OF SUITE SIZES
- LARGE WINDOW LINES, BRIGHT OPEN FEEL
- GREAT ACCESS OFF I-25 AND ARAPAHOE ROAD – EASY ACCESS IN ALL 4 DIRECTIONS VIA I-25, I-225 AND C-470
- SURROUNDED BY DOZENS OF RESTAURANTS, GYMS, PARKS/OPEN SPACE
- COVERED PARKING (INCOME GENERATING)
- BALCONIES ON 2ND AND 3RD FLOOR UNITS



PROPERTY DESCRIPTION



PARKING

3:1000 – 64 Surface, 44 Covered/Reserved and 2 Handicap – Striped 2019



ROOF

New EPDM Roof 2019 Transferable Warranty



HVAC

New 60 Ton Trane Unit (2019)



ELEVATOR

Yes – Otis



TENANTS

13 (Current)



AVG SUITE SIZE

1,977 SF



CITY/COUNTY

Centennial / Arapahoe



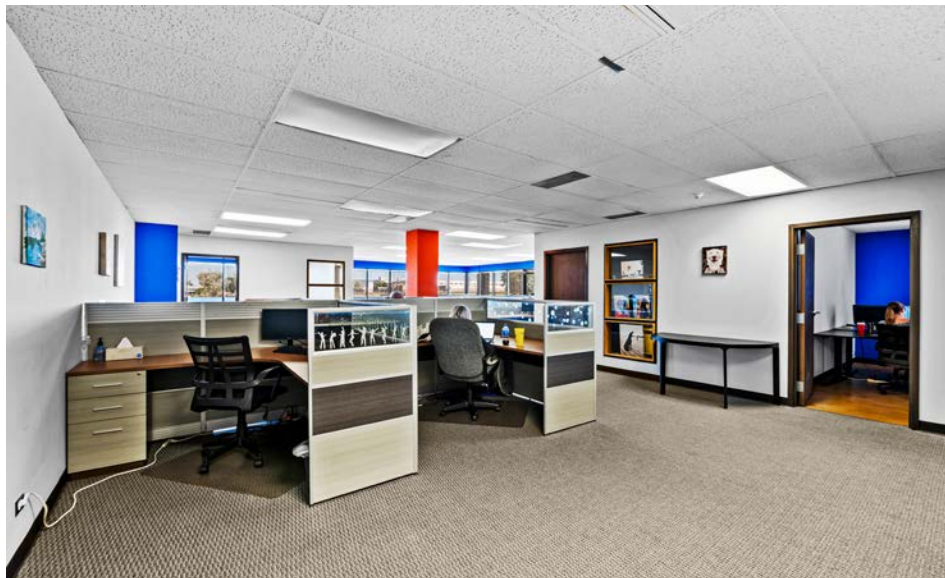
TAXES (2021)

\$45,492 | \$1.28 / SF

PROPERTY PHOTOS



PROPERTY PHOTOS



PROPERTY PHOTOS



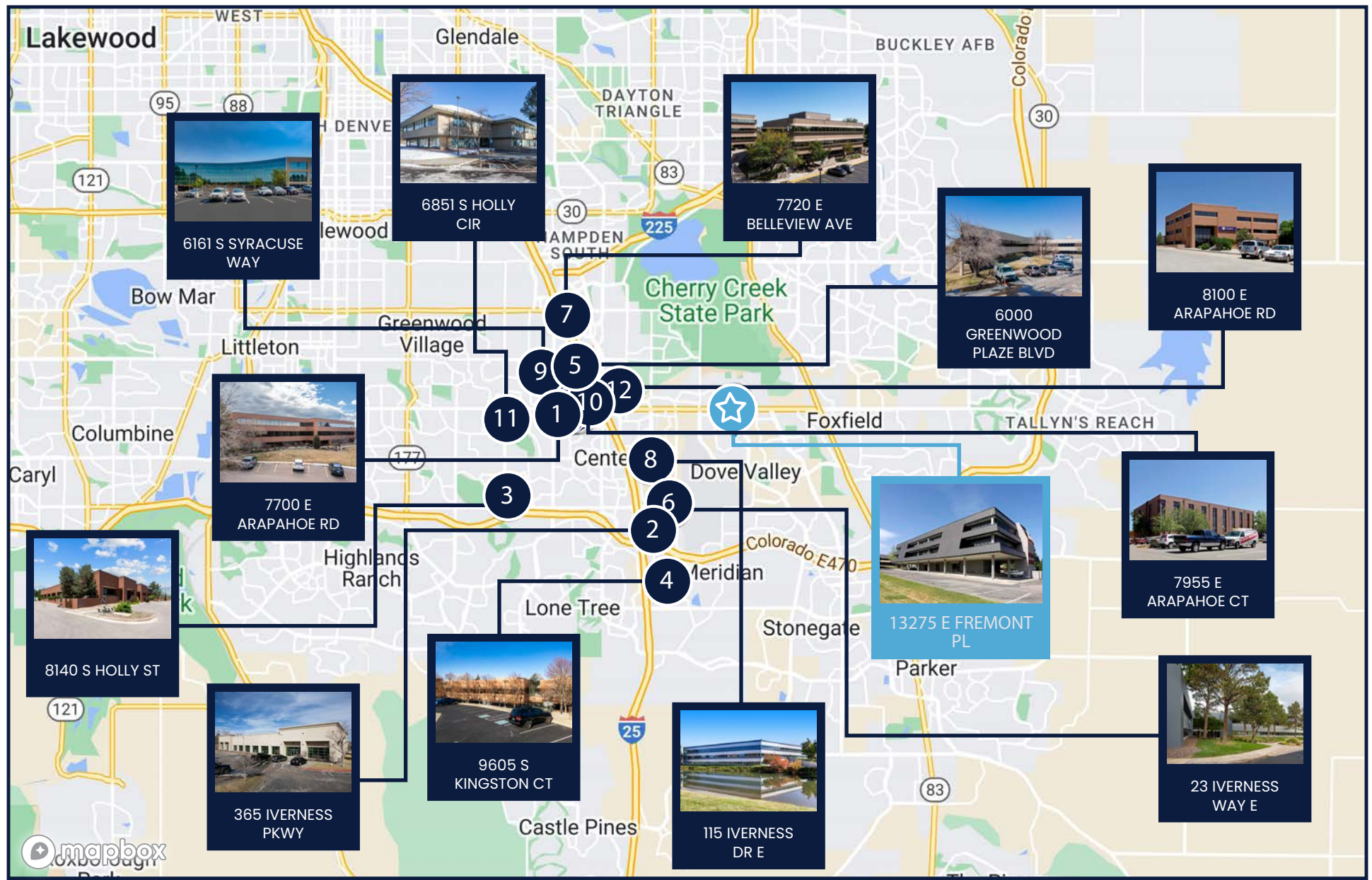
COMPARABLE PROPERTIES



COMPARABLE PROPERTIES SUMMARY

	PROPERTY NAME	PROPERTY ADDRESS	PROPERTY CITY	SALE PRICE	PRICE PER SF	SIZE	SALE DATE	ACTUAL CAP RATE
1.	Arapahoe Plaza	7700 E Arapahoe Rd	Centennial	\$6,250,000	\$149.88	41,701	6/27/2022	
2.	Inverness Parkway Center	365 Inverness Pky (Part of Multi-Property Sale)	Englewood	\$5,202,727	\$197.07	26,400	3/14/2022	
3.	8140 S Holly St	8140 S Holly St	Littleton	\$4,800,000	\$137.14	35,000	1/21/2022	
4.	Meridian Greens	9605 Kingston Ct	Englewood	\$4,425,000	\$141.87	31,191	12/29/2021	
5.	The Commons 6000	6000 Greenwood Plaza Blvd	Greenwood Village	\$7,300,000	\$144.27	50,599	10/13/2021	
6.	Inverness Business Park	23 Inverness Way E	Englewood	\$8,950,000	\$158.51	56,465	10/1/2021	
7.	Financial Plaza - Bldg B	7720 E Belleview Ave	Greenwood Village	\$7,847,477	\$176.29	44,514	8/16/2021	
8.	115 Inverness	115 Inverness Dr E	Englewood	\$9,362,500	\$169.97	55,084	12/21/2020	6.46
9.	SH III	6161 S Syracuse Way	Greenwood Village	\$6,800,000	\$147.23	46,187	9/16/2020	7.28
10.	Arapahoe Plaza East II	7955 E Arapahoe Ct	Centennial	\$3,525,000	\$120.97	29,140	4/10/2020	
11.	Homestead Office park	6851 S Holly Cir	Centennial	\$4,225,000	\$159.22	26,535	12/20/2019	7.39
12.	Compass Bank	8100 E Arapahoe Rd	Englewood	\$3,875,000	\$125.06	30,986	11/27/2019	
AVGS/TOTALS					\$152.29			7.04%

COMPARABLE SALE PROPERTIES MAP



FINANCIAL OVERVIEW



INCOME AND EXPENSES

COBBLESTONE PLAZA	Jan - Dec 2021	Jan - Jul 2022	2022 Annualized
Gross Income	473,229.31	315,990.64	541,698.24
Expenses			
Insurance Expenses	1,181.57	5,245.87	8,992.92
Maintenance Expenses	77,041.58	30,146.15	53,883.30
Janitorial Expense	27,434.57	16,180.72	27,738.38
Property Taxes	45,491.68	28,000.00	45,492.00
Utilities Expenses	81,195.55	47,527.27	81,475.32
Other Expenses	14,038.73	0	0
Total Expense	246,383.68	127,628.01	218,487.06
Net Income	226,497.59	188,255.65	323,027.79

PLEASE CONTACT BROKERS TO EXECUTE CONFIDENTIALITY AGREEMENT TO RECEIVE DETAILED FINANCIALS AND RENT ROLL



MARKETS – SUBURBAN VS DOWNTOWN OFFICE

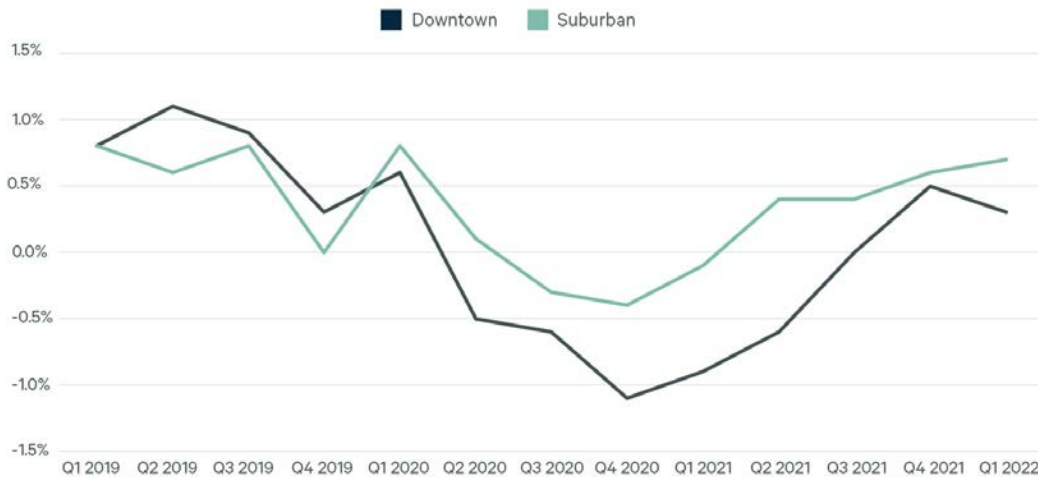


Figure 1: Downtown & Suburban Office Rent Growth

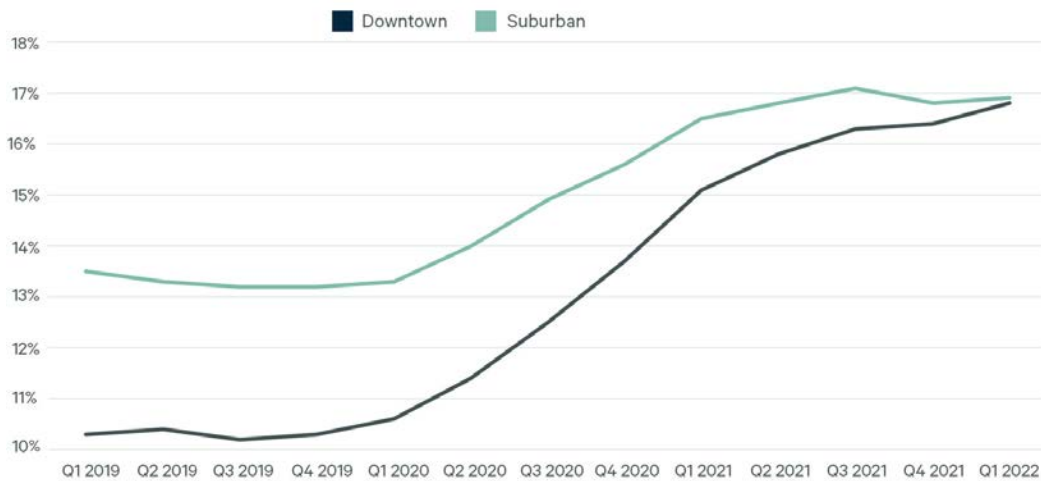


Figure 2: Downtown & Suburban Office Vacancy Rates

U.S. suburban office markets are recovering at a faster pace than downtown markets with stronger rent growth and vacancy reduction. In most markets, downtown office buildings remain impacted by the slow return of residents and office workers who fled during the height of the pandemic.

The average suburban asking rent increased by 0.7% quarter-over-quarter in Q1, while the downtown average rose by 0.3%.

The overall downtown office vacancy rate increased by 6.2 percentage points since Q1 2020, while the suburban office vacancy rate increased by only 3.6 percentage points. The suburban vacancy rate of 16.9% is 20 bps lower than its pandemic-era high, while the downtown vacancy rate of 16.8% is the highest in the past 20 years. The 10-basis-point gap between downtown and the suburbs is the narrowest it has been in more than 20 years.

Credit:

<https://www.cbre.com/insights/briefs/suburban-office-markets-recovering-faster-than-downtowns>



LOCATION OVERVIEW





ACCESS MAP



An aerial night view of the Denver skyline, showing illuminated skyscrapers and city lights against a dark sky. The image is used as a background for the entire page.

WHY DENVER?



WHY DENVER?

Growth & Talent

- #1** Economy in the nation for 3 straight years.
- Denver ranks **#3** Top Moving Destination and Colorado ranks **#5** in states where people are moving to. (2020, Penske + Uhaul)
- Denver is currently growing at **1.48%** annually and its population has increased by **24.82%** (2021) since the 2010 census.
- Denver ranks **#12** for tech talent across North America. The number of tech workers has grown **31.1%** since 2015.
- Denver's millennial population, aged 22 to 36, has grown **20.1%** since 2014 making it the **#3** most concentrated market of millennials in the country.
- Denver's average salary is \$107,481 which ranks **#9** for cities across North America.

#1

Best State
Economy
U.S. News

#2

Best Place
to Live
U.S. News

#3

Fastest Growing
State This Decade
U.S. Census

A BURGEONING BUSINESS HUB



AEROSPACE & DEFENSE



ENERGY



LIFE SCIENCE



Finance



EDUCATION



FOOD & BEVERAGE



BIOSCIENCE



TECHNOLOGY & TELECOM



GOVERNMENT

WHY DENVER?

ECONOMY AT-A-GLANCE: DENVER CONTINUES TO THRIVE

Continued Multi-Family Development

- Apartment Sales volume has reached \$6.6 billion in the last 12 months as investors continue to deploy capital in the Denver market. Denver has emerged as one of the strongest apartment markets in the country, and real estate investment trusts and investment firms are actively searching for assets to expand their Denver presence.
- Since the start of 2021, rents have increased by 12%, outperforming the national benchmark for the first time since the pandemic began.
- Downtown Denver and West Denver easily command the highest rents per unit and have been the most active submarkets for apartment development. Among U.S. submarkets, Downtown Denver ranks number one in terms of units under construction with 7,000 units underway.

Construction

- Over the past five years, there have been 84 completed projects in downtown Denver totaling \$5.7 billion. Going forward, the Denver International Airport is currently underway on a \$3.5 billion renovation project, while the National Western Center, which will be the epicenter of the agribusiness in the Rockies, is undergoing a \$1.0 billion redevelopment project.

National Tech Hub

- Denver's emergence as a bona fide technology market this cycle has helped insulate it from the impact of the coronavirus-induced downturn. Tech employers typically allow the flexibility of telecommuting, and many office-using employers have the capacity to facilitate a work-from-home transition. Office-using jobs in Denver have grown above the national average the past five years at about 3% annually.
- Even though Denver's overall employment growth showed signs of a slowdown last year along with the national index, it added tech jobs at an accelerating pace. Employment in Professional, Scientific & Technical Services grew by more than 7% annually in 2019, one of the best growth rates in the country.
- Corporate expansions and relocations by tech companies such as Amazon, Slack, and Conga drove employment gains and epitomize the trend of West Coast firms choosing to expand in Denver for its robust workforce, quality of life, and cost of doing business.

Office Market

- Tech and aerospace companies have announced relocations to the Mile High City this year, even as the movement of people has been restricted across the U.S. At about \$28.00/SF, Denver's office space comes at a substantial discount relative to other tech markets. Denver continues to be an attractive location for out-of-state companies looking to expand, which leaves little doubt that the market can return to strong rent growth post-recession.



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P R O P E R T I E S

TCN
WORLDWIDE
REAL ESTATE SERVICES

Greg Knott

Executive Vice President
303-521-3648
gknott@uniqueprop.com

Earl Duffy

Broker Associate
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eduffy@uniqueprop.com