

INNOVATION CENTER PORTFOLIO

DUAL OFFERING

Two Best-In-Class Midrise Multifamily Communities *in the Desirable Tri-Cities Submarket*

310 TOTAL UNITS • BUILT 2013 & 2017

THE LOFTS

2895 Pauling Avenue, Richland, WA



THE COMMONS

2894 Salk Avenue, Richland, WA



THE OFFERING

Two Best-in-Class Midrise Apartment Communities *in the Desirable Tri-Cities Submarket*

CBRE has been retained as the exclusive agent for the sale of The Innovation Center Portfolio (“Innovation Center Portfolio” or the “Properties”) consisting of **two properties**, The Lofts and The Commons. **Completed in 2013 and 2017**, respectively, with a **total of 310 units**, future ownership will be able to capitalize on significant efficiency upside by **operating the two properties as one**.

The Innovation Center Portfolio consists of **two best-in-class Midrise style apartment communities** boasting 310-units built in 2013 and 2017, located in the desirable city of Richland, Washington. Richland is the second largest of the three cities that form the area known as the Tri-Cities. The Properties contain a **rare unit mix** consisting of studios, one- and two-bedroom units offering an incredible match for the **expanding Tri-Cities tenant base** that is seeking on-demand convenience, modern floorplans, and amenities that embrace and encourage socialization. The Property features nine-foot ceilings, outdoor decks and patios overlooking an engaging landscape, sleek, modern kitchens and large open floorplans. The Innovation Portfolio also offers an array of resident-first amenities including a 24-hour fitness center, two swimming pools, BBQs, in-unit washers and dryers, and the largest apartment dog park in the tri cities.

Easy access to the surrounding shopping, entertainment, and recreational opportunities contribute to the quality of the residential experience. The combination of convenience, location, and extensive amenities provide a **compelling and enduring competitive advantage**.





The Lofts | Outdoor Pool & Sundeck



The Commons | Resident Lounge with Floor to Ceiling Windows

Investment Highlights



Best-In-Class Suburban Multifamily Assets

- ✓ State-of-the art amenity packages
- ✓ Spacious units with modern finishes
- ✓ **First-of-its-kind** Midrise products in Richland, WA



Ideal Core-Plus Vintage

- ✓ Preferred **2013 and 2017 vintage**
- ✓ Tenants migrating east from Seattle, WA are **willing to pay premium rent for high-end finishes**



Outstanding Property Performance

- ✓ **Significant increases in NOI**
- ✓ Portfolio is **98% Occupied**





Landscaped Walking Path in front of Both Properties



Pacific Northwest National Laboratory | 1 min



Hanford High School
7/10 GreatSchools
| 4 min



Uptown Shopping Center | 8 min

Investment Highlights *(continued)*



Market Fundamentals **Support Growth**

- ✓ 4.4% average annual rent growth since 2015
- ✓ 2.7% average submarket vacancy since 2015
- ✓ 2.4% current vacancy
- ✓ 24% YoY home value increases in Richland
- ✓ Multifamily development pipeline **does not support projected population growth**



Rapidly **Improving Demographics**

- ✓ Tri-Cities total population **313,591**
- ✓ In the next 5 years, the Tri Cities average household income projected to increase by **14%**
- ✓ **29%** of the population in Tri-Cities MSA have a bachelor's degree or higher
- ✓ **35%** of households earn over 100k

Exceptional Richland Location



VINTNER SQUARE
340,000 SF Retail Center • 13-Minute Drive

- Crumbl Cookies
- MOD Pizza
- Famous Footwear
- Krispy Kreme
- Gold's Gym
- Hops n Drops



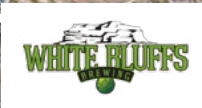
KADLEC
Regional Medical Center
11-Minutes

WEST RICHLAND GOLF COURSE

HORN RAPIDS GOLF COURSE

RICHLAND AIRPORT
7-Minutes

Iconic Brewing



PACIFIC NORTHWEST NATIONAL LABORATORY
4,800 Employees



Innovation Center Portfolio

COLUMBIA POINT GOLF COURSE

RICHLAND

Richland Riverfront Trail

UPTOWN SHOPPING CENTER
8-Minute Drive

- Spudnut Shop
- Family Garden
- Dovetail Joint
- Uptown Theatre
- Bullseye
- Smitty's Gym
- Some Bagels & Gelato
- Lee's Tahitian Richland
- Uptown Bar & Grill

Leslie Groves Park

HANFORD HIGH SCHOOL
7/10 GreatSchools Rating

WASHINGTON STATE UNIVERSITY TRI-CITIES
1,558 Students
3-Minutes



THE LOFTS

Property Summary

Address 2895 Pauling Avenue Richland, WA 99354

Building Type Midrise

Vintage 2013

Unit Count 160

Average Unit Size 844 SF

Net Rentable SF 135,060 SF

Number of Buildings 5 including Clubhouse

Parking Stalls Garages: 34
Surface: 180
ADA: 8

Total: 222 + 400 yards of additional street parking

Parking Ratio 1.4x

Site Size 4.23 acres | 184,493 SF



UNIT MIX

Unit Type	Unit Count	Unit Mix	Avg SF	Total SF
Traditional One Bedroom	60	37.5%	656	39,360
Two Bedroom / Two Bath	100	62.5%	957	95,700
Total/Average	160	100.0%	844	135,060

THE COMMONS



Property Summary

Address 2894 Salk Avenue Richland, WA 99354

Building Type Midrise

Vintage 2017

Unit Count 150

Average Unit Size 634 SF

Net Rentable SF 95,138 SF

Number of Buildings 5 including Clubhouse

Parking Stalls Garages: 36
Surface: 140
ADA: 8

Total: 184 + 400 yards of additional street parking

Parking Ratio 1.2x

Site Size 3.83 acres | 166,835 SF



UNIT MIX

Unit Type	Unit Count	Unit Mix	Avg SF	Total SF
Studio	46	30.7%	369	16,974
Traditional One Bedroom	68	45.3%	655	44,540
Two Bedroom / Two Bath	36	24.0%	934	33,624
Total/Average	150	100.0%	634	95,138

CBRE Recommendation | *Two is Better than One*



CBRE recommends purchasing both assets and managing the properties as one multifamily community

Putting it all together: Convert The Lofts Clubhouse/Fitness Center into a larger amenity space to be shared by both properties

THE COMMONS

THE LOFTS

Salk Ave

Da Vinci St

Pauling Ave

310 Units

10 Buildings
(Including 2 Clubhouses)

8.06 Acres



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