



# Salt Lake City Multi-Tenant Industrial Portfolio

SALT LAKE CITY, UTAH

3 INSTITUTIONAL QUALITY INDUSTRIAL PROPERTIES • 9 BUILDINGS • 490,177 SQUARE FEET • 97% LEASED TO 34 TENANTS



Landmark Commerce Center



Landmark III



Western Commerce Center

# Executive Summary

## The Offering

CBRE, Inc., as an exclusive broker, is pleased to offer for sale the **EJM Salt Lake City Multi-Tenant Industrial Portfolio (the "Portfolio")**, 3 industrial properties totaling 490,177 square feet. Rare opportunity to purchase a critical mass of institutional quality product in Salt Lake City. The assets are 97% leased to 34 quality tenants and are strategically located in the California Avenue submarket. The buildings offer high quality features and excellent access to critical transportation routes. As a separate offering, 8 acres of additional land located directly north & west of Western Commerce Center is available.

## Property Specifications

Portfolio Summary	City, State	Square Footage	Occupancy	# of Buildings	# of Tenants	Clear Height	Year Built	Year 1 NOI
<b>LANDMARK COMMERCE CENTER</b> 1670 South 5500 West & 5570 West 1730	Salt Lake City, UT	139,792	95%	2	10	±24'	2006	\$1,004,261
<b>LANDMARK III</b> 1737, 1795 & 1851 South 5350	Salt Lake City, UT	177,592	100%	1	2	±30'	2000	\$719,264
<b>WESTERN COMMERCE CENTER</b> 3050-3070 & 3110-3130 West California Ave	Salt Lake City, UT	172,793	95%	6	22	±18'-20'	1999	\$1,260,707
<b>TOTALS</b>		<b>490,177</b>	<b>97%</b>	<b>9</b>	<b>34</b>	<b>±18'-30'</b>	<b>1999-2006</b>	<b>\$2,984,232</b>

Please note that it is the intent of the Seller to sell the assets with the existing debt (as generally outlined in the Existing Debt Summary available in the OM on page 34) in place with the buyer responsible for the loan assumption fees or to have the buyer be responsible for the associated pre-payment penalties if the buyer chooses to pursue market based debt or otherwise not assume the existing loans.

# Key Investment Highlights



## PROPERTY HIGHLIGHTS

### Unique Salt Lake City Opportunity

- » Extremely rare opportunity to purchase a critical mass of institutional quality industrial product in Salt Lake City
- » The portfolio features 3 institutional industrial assets totaling 490,177 square feet
- » Complimentary parks with varying unit sizes and ability to have tenants grow within the portfolio
- » Market appropriate features including  $\pm 18'$ - $30'$  clearance and ample loading and parking
- »  $\pm 8$  acres of land located directly north & west of Western Commerce Center available as a separate offering

## TENANCY HIGHLIGHTS

### 97% Leased to 34 Quality Tenants with Steady Cash

- » Steady cash flow with staggered lease expirations and opportunity for future NOI upside with 8% below market rents
- » Credit worthy tenants include Peloton, Overhead Door, Black & Decker (NYSE: SWK), Northrop Grumman (NYSE: NOC) and Pepperidge Farm
- » High quality, stable tenancy as demonstrated by 93% average rent collection April-August 2020
- » Excellent tenant retention with 7.7 years of weighted average lease term from inception

## LOCATION HIGHLIGHTS

### Strategic Salt Lake City Location with Diverse Economy & Strong Demographics

- » Excellent location with quick access to I-15 and I-80 freeways, known as the crossroads of the west
- » Located within 6 miles of Salt Lake City International Airport which is undergoing a \$4 billion expansion
- » Strategic location with access to a population of over 62 million customers within a day's drive
- » Tenants are increasingly choosing Salt Lake City as their hub for the intermountain west and west coast markets & other major tenants are expanding their footprint including, Amazon and Tyson's Foods
- » Adjacent to strong labor market with a young median age

## MARKET HIGHLIGHTS

### Strong Market Dynamics

- » Strong Salt Lake City industrial market dynamics evidenced by a current vacancy rate of 3.0% and net absorption of 2.1 MSF YTD
- » Overall industrial base has grown by an average of 3.3 MSF per year over the last 5 years – with a 2-year average of 4.35 MSF per year
- » The diverse local economy is not dependent on any one industry, providing stability during economic downturns
- » Utah's labor market growth rate ranked #1 nationally at +3.2% year-over-year in 2019; this outpaced the national labor growth rate of +1.4%
- » The Portfolio is located in the California Avenue submarket, which is the largest submarket in Salt Lake City comprised of 48.0 MSF
- » Low vacancy of 3.1% and highest new absorption of any submarket of 2.7 MSF YTD

#### SALT LAKE CITY

<b>138.9 MSF</b> BASE	<b>3.0%</b> VACANCY RATE	<b>4.5 MSF</b> YTD NET ABSORPTION	<b>11.0%</b> 3 YEAR RENT GROWTH
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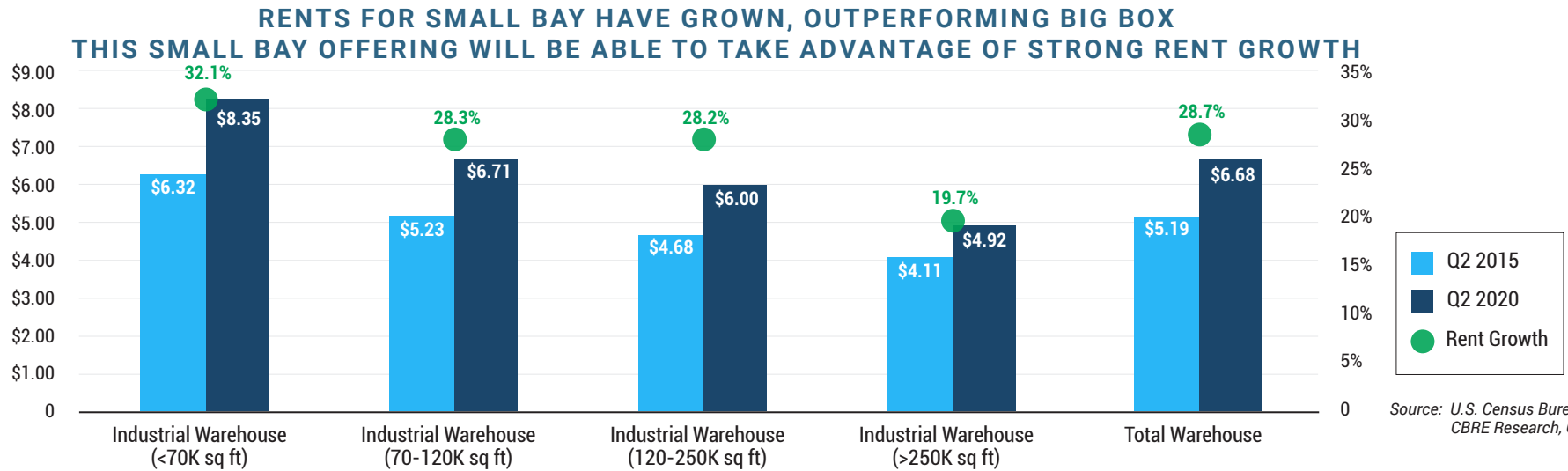
#### CALIFORNIA AVENUE

<b>48.0 MSF</b> BASE	<b>3.1%</b> VACANCY RATE	<b>2.7 MSF</b> YTD NET ABSORPTION	<b>13.3%</b> 2019 RENT GROWTH
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Landmark Commerce Center

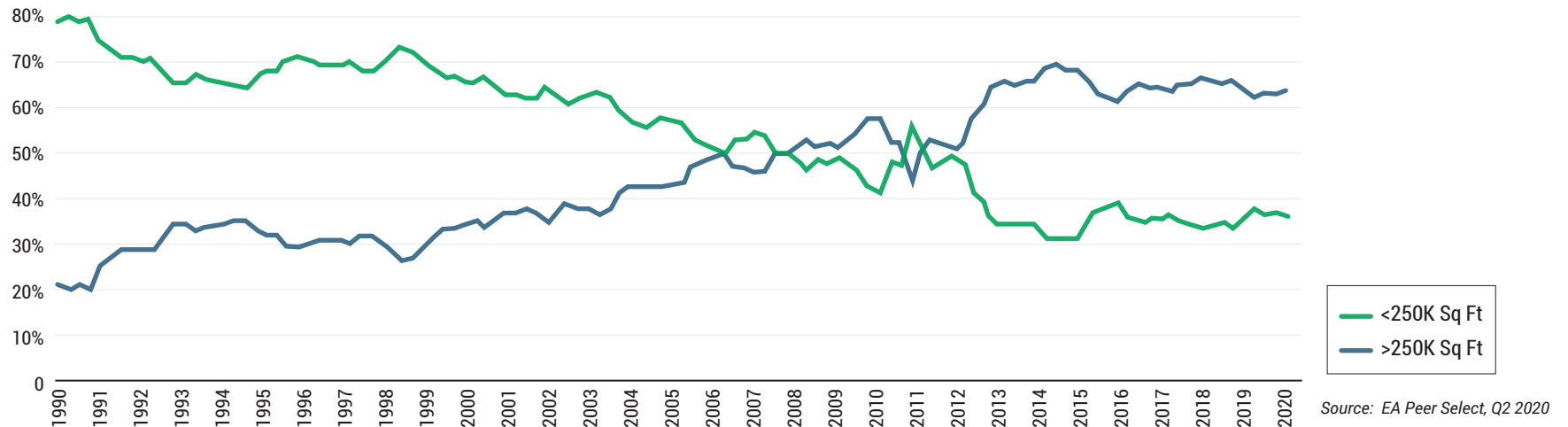
# Small Bay Outpacing Big Box Industrial

## INDUSTRIAL WAREHOUSE RENT GROWTH BY BUILDING SIZE SEGMENT

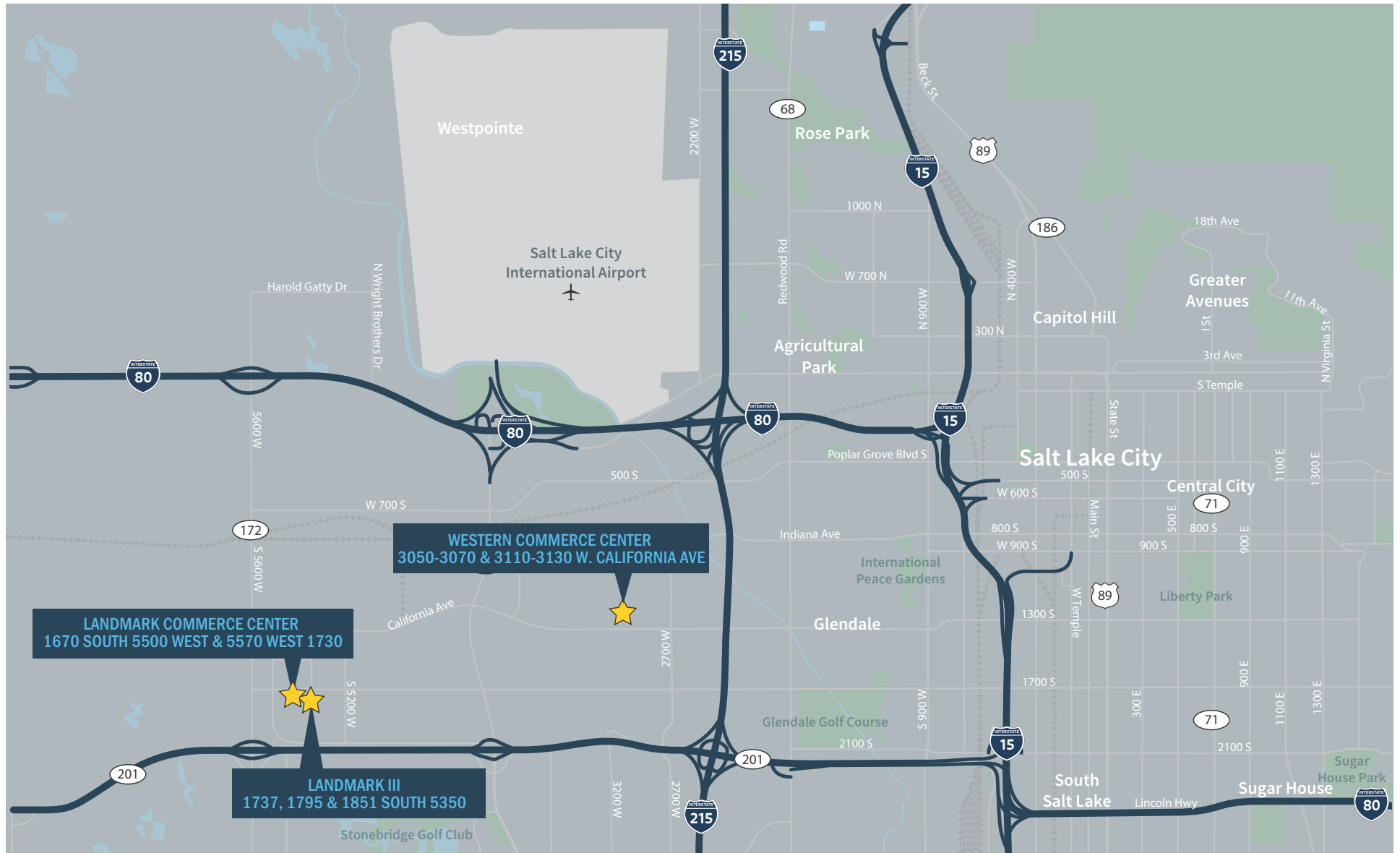


## HISTORIC TREND OF DWINDLING SUPPLY IN SMALL BAY SPACE

### UNDER SUPPLIED PRODUCT TYPE WITH HIGH BARRIERS TO ENTRY & LIMITED DEVELOPMENT PIPELINE



# Salt Lake City, UT Regional Map

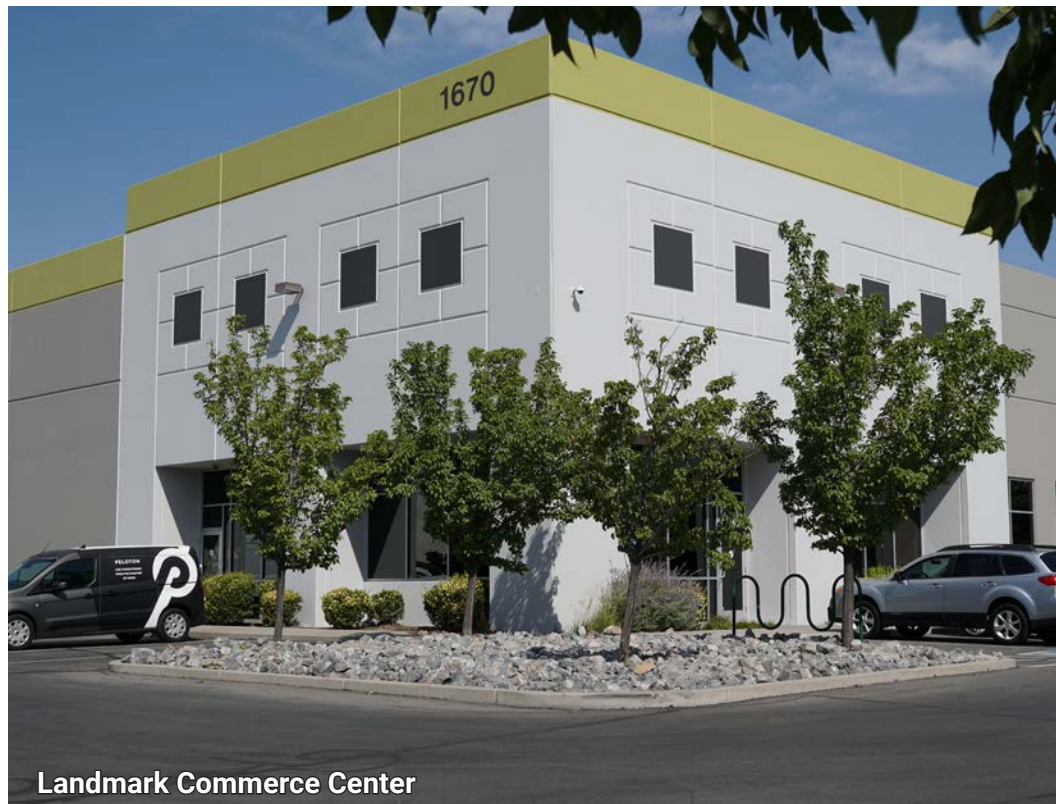




Western Commerce Center

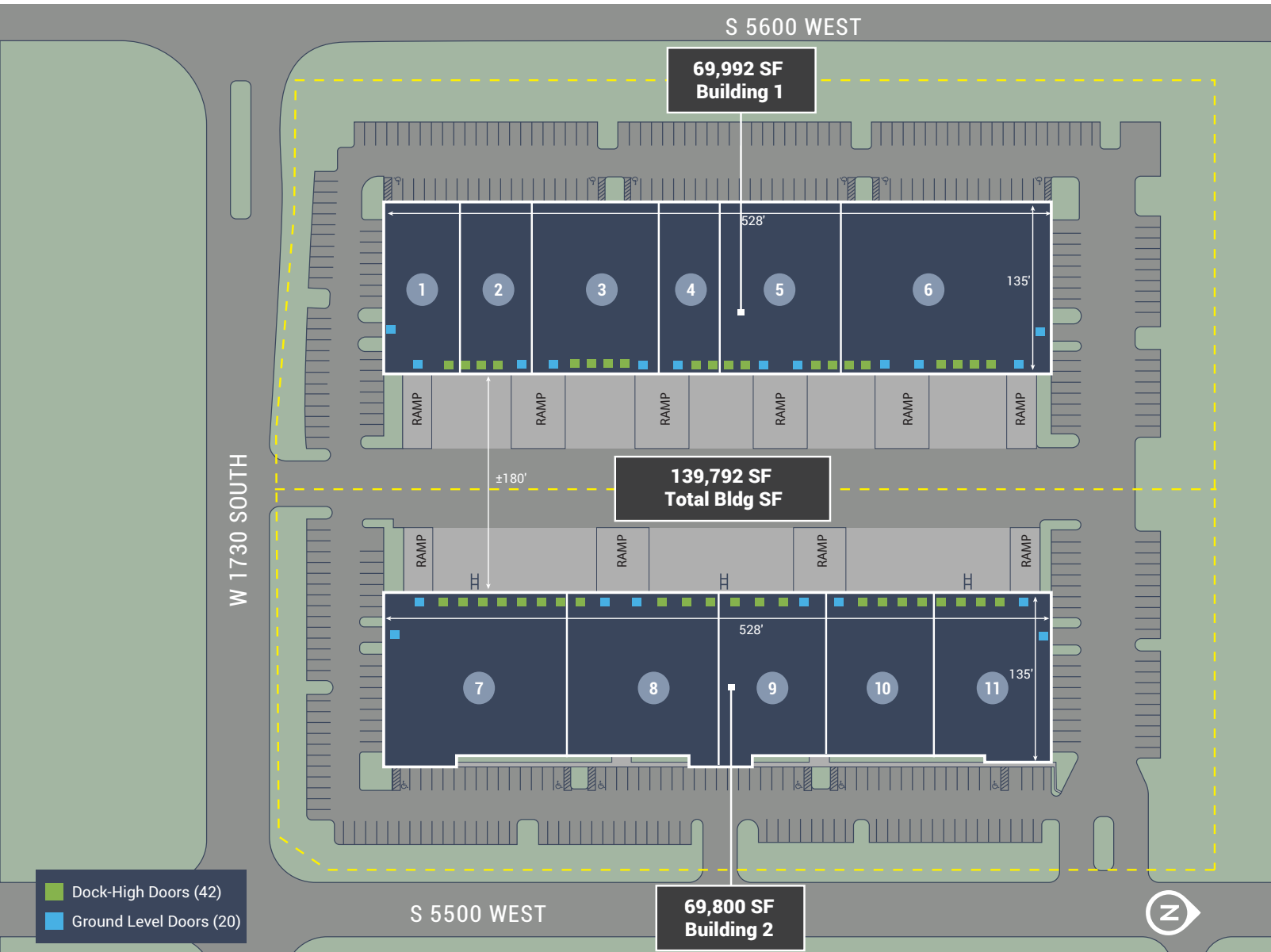


Landmark III



Landmark Commerce Center

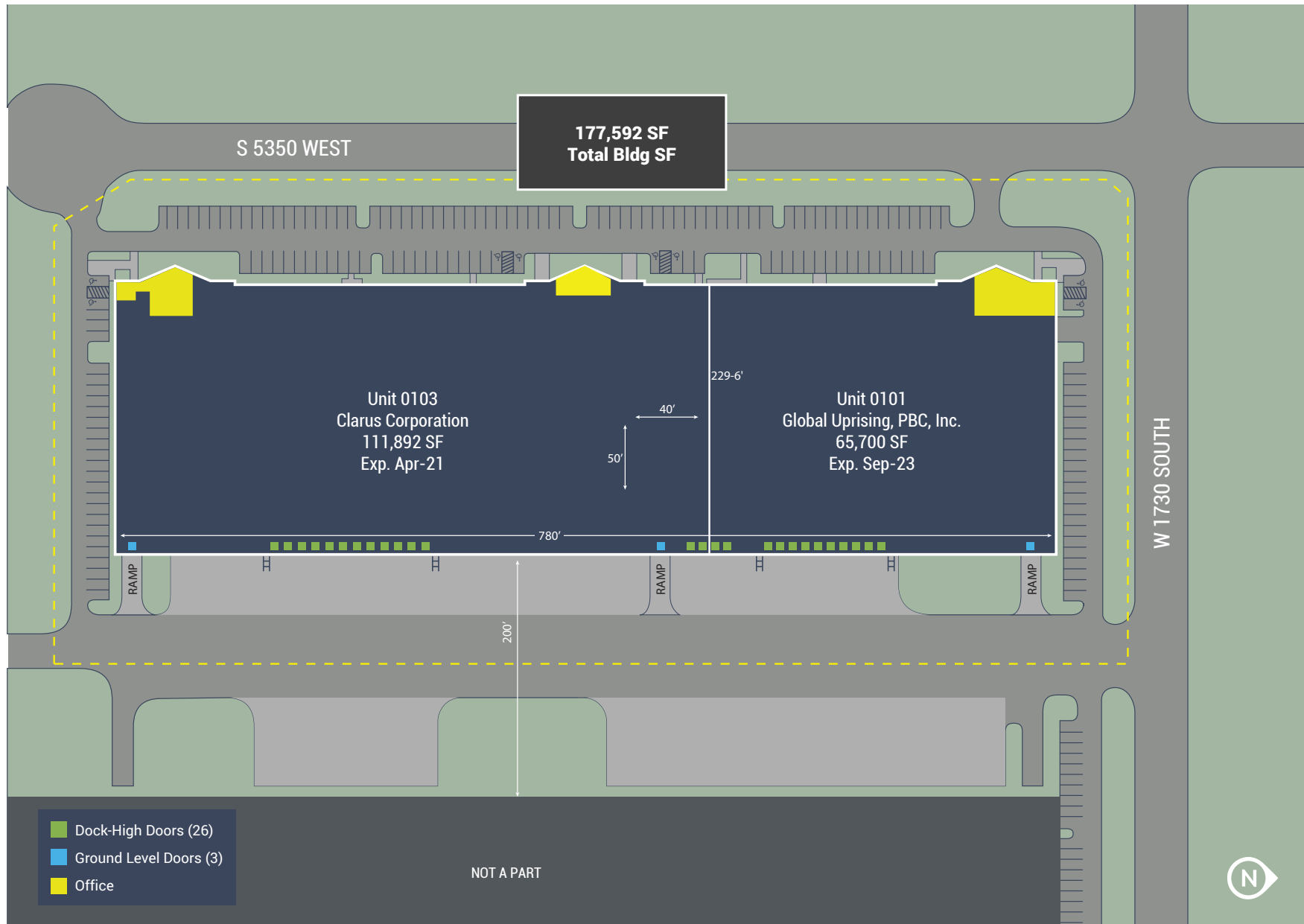
# Site Plan – Landmark Commerce Center



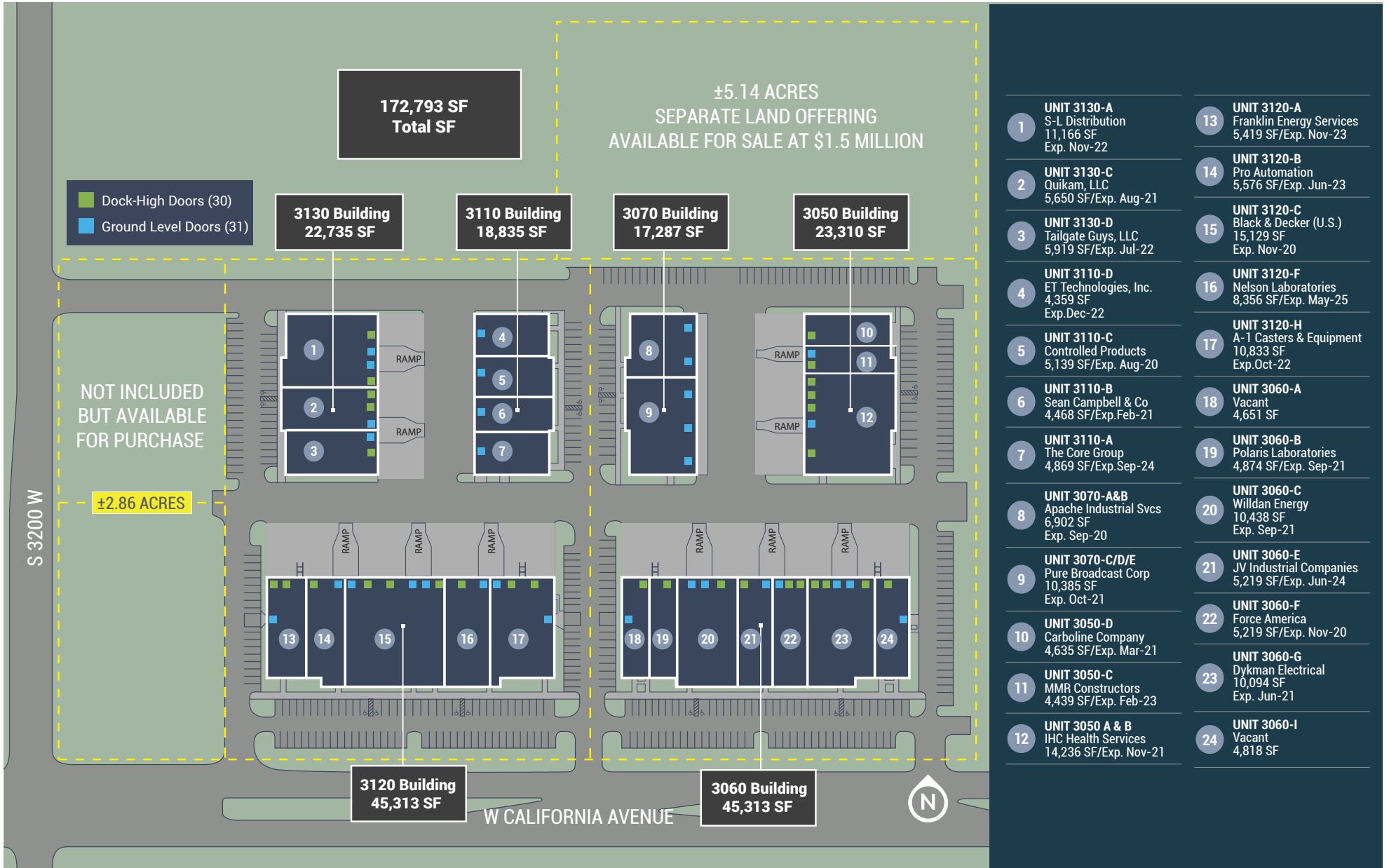
1	<b>UNIT 1 - 1000</b> Ragnar Holdings, LLC 8,076 SF/Exp. Jul-24
2	<b>UNIT 1 - 900</b> Vacant 7,336 SF
3	<b>UNIT 1 - 800</b> ABS Facility Services 13,104 SF/Exp. Apr-23
4	<b>UNIT 1 - 600</b> Southwest Office Supply 6,480 SF/Exp. Mar-23
5	<b>UNIT 1 - 400</b> Interior Specialists 12,772 SF/Exp. Mar-23
6	<b>UNIT 1 - 100</b> Overhead Door Corporation 22,224 SF/Exp. Jun-21
7	<b>UNIT 2 - 550 - 600</b> Peloton Interactive 18,556 SF/Exp. Apr-23
8	<b>UNIT 2 - 400 - 500</b> Corporate Staging Resources 16,344 SF/Exp. Jul-21
9	<b>UNIT 2 - 300</b> Pepperidge Farm 10,580 SF/Exp. Nov-21
10	<b>UNIT 2 - 200</b> Grimco, Inc 11,528 SF/Exp. Feb-25
11	<b>UNIT 2 - 100</b> Northrop Grumma 12,792 SF/Exp. Oct-21



# Site Plan – Landmark III



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SALT LAKE CITY, UTAH

# EJM Salt Lake City Multi-Tenant Industrial Portfolio

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