

# Highline Village Center

10731-10761 E. Alameda Avenue  
Aurora, Colorado 80012



Confidential Offering Memorandum Presented By

**Sanford R. Feld**

+1 303 565 3024

[sfeld@shamesmakovsky.com](mailto:sfeld@shamesmakovsky.com)

**Jake Malman**

+1 303 565 3042

[jmalman@shamesmakovsky.com](mailto:jmalman@shamesmakovsky.com)





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1400 Glenarm Place, Suite 100  
Denver, CO 80202  
naishamesmakovsky.com

**Sanford R. Feld**  
+1 303 565 3024  
sfeld@shamesmakovsky.com

**Jake Malman**  
+1 303 565 3042  
jmalman@shamesmakovsky.com





**SHEBELE  
MARKET**

**TAZ INDIAN  
RESTAURANT**

**STARBUCKS COFFEE**  
DRIVE THRU

**NAGOYA  
HIBACHI EXPRESS**



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# Offering Summary

<b>Address</b>	10731-10761 E. Alameda Avenue   Aurora, Colorado 80012		
<b>Offering Price</b>	\$3,500,000		
<b>Parcel ID</b>	1973-11-3-41-001 1973-11-3-41-002	<b>Building Size</b>	9,748 SF - Retail 3,600 SF - Retail
<b>Land Area</b>	2.00 AC (87,122 SF)	<b>Zoning</b>	MU-C
<b>Cap Rate</b>	6.24%	<b>Zoning Description</b>	Mixed-Use Corridor
<b>Occupancy</b>	74.44%	<b>2018 Taxes</b>	\$70,160
<b>Tenants</b>	5	<b>Year Built</b>	2006
<b>NOI</b>	\$221,309	<b>Parking</b>	65 Surface Spaces



# Key Highlights

- 74.44% leased retail center
- Highly desired location in Aurora for traffic & visibility
- Strong population in the surrounding area
- Excellent occupancy history - low vacancy
- Low maintenance and ease of management





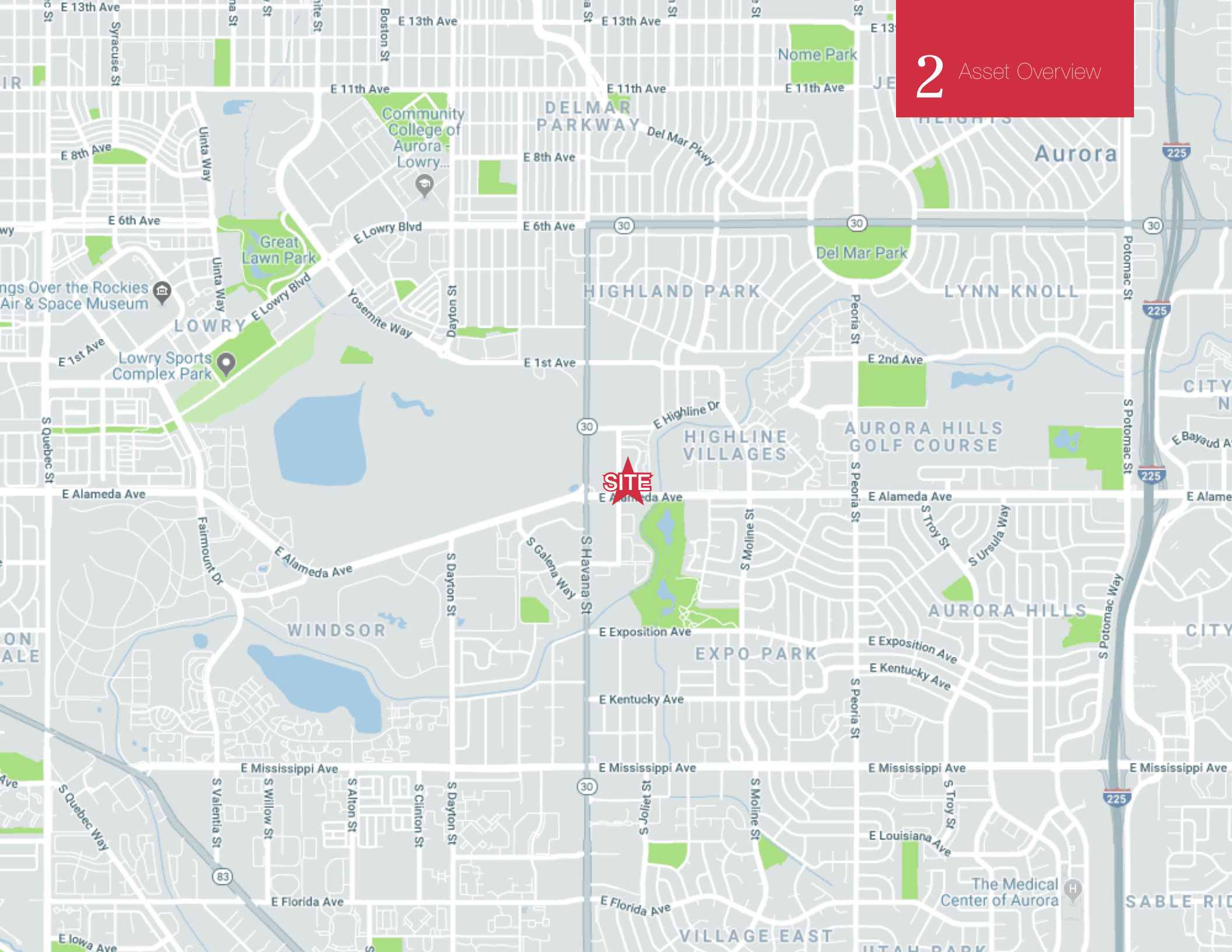
## Property Description

**NAI Shames Makovsky is pleased to present to qualified investors the opportunity to acquire Highline Village Center located at 10731-10761 East Alameda Avenue in Aurora, Colorado.**

At the intersection of Alameda and Havana, this shopping center built in 2006 anchored by Starbucks is a great opportunity for a wide variety of investors. The property is comprised of two buildings totalling 13,348 square feet on two (2) acres of land (87,122 square feet).

The NEC of Alameda and Havana features a unique tenant mix, in a strong trade area with high traffic counts and area population. This property provides an opportunity for an investor to enjoy the cash flow the property is producing, as appreciation in the area continues to rise.







S Jamaica Way

S Ironton St

SITE

37,000 VPD

E Alameda Ave

S Havana St

43,000 VPD







  
**NAGOYA**  
HIBACHI EXPRESS

  
**STARBUCKS**  
COFFEE

**TAZ** INDIAN RESTAURANT

VACANT

  
**LC**  
Nails & Spa

  
**Mrs. SHEBELLE**  
Market

VACANT



# Income & Operating Expenses

Rent Roll						
Tenant	Suite	Leased SF	2019		2019	
			Base Rent PSF	Annual Base Rent	Lease Expiration	Renewal Option
Fresh Cleaners	A1	1,777	\$10.23	\$ 18,180.00	1/15/2020	N/A
Starbucks	A2	1,940	\$26.10	\$ 50,634.00	4/30/2027	3.0% Inc. in 2027
Tuluu Hamza	B1 & D1	3,161	\$17.33	\$ 54,780.12	4/30/2023	N/A
China Moon	B2	1,667	\$18.77	\$ 31,295.19	7/31/2023	N/A
LC Nails	E1	1,749	\$17.69	\$ 30,945.61	5/31/2022	N/A
VACANT	F1	1,756	\$0.00	\$ -	Vacant	N/A
Padam S. Khandka	G1	1,770	\$19.70	\$ 34,860.33	9/30/2019	N/A
<b>TOTAL:</b>		<b>13,820</b>		<b>\$ 220,695.25</b>		

Annual Cash Flows					
	2019	2020	2021	2022	2023
<b>Gross Revenue</b>					
Base Rent Revenue	\$220,695	\$253,219	\$276,062	\$283,939	\$292,230
Expense Reimbursement Revenue	\$122,671	\$156,527	\$172,161	\$177,280	\$182,553
General Vacancy Factor - 7.00%	\$0	(\$28,682)	(\$31,376)	(\$32,285)	(\$33,235)
<b>Total Gross Revenue (Incl. CAM &amp; General Vacancy)</b>	<b>\$343,366</b>	<b>\$381,064</b>	<b>\$416,848</b>	<b>\$428,934</b>	<b>\$441,548</b>
<i>PSF</i>	<i>\$24.85</i>	<i>\$27.57</i>	<i>\$30.16</i>	<i>\$31.04</i>	<i>\$31.95</i>
<b>Operating Expenses</b>					
Utilities	(\$29,232)	(\$30,109)	(\$31,012)	(\$31,942)	(\$32,900)
Insurance	(\$5,828)	(\$6,003)	(\$6,183)	(\$6,368)	(\$6,559)
CAM	(\$42,768)	(\$44,051)	(\$45,372)	(\$46,734)	(\$48,136)
Property Mgmt Fee - 100,000.00%	(\$12,000)	(\$12,000)	(\$12,000)	(\$12,000)	(\$12,000)
Property Taxes	(\$63,299)	(\$65,198)	(\$67,154)	(\$69,169)	(\$71,244)
Owner Expenses	(\$2,325)	(\$2,395)	(\$2,467)	(\$2,541)	(\$2,617)
<b>Total Operating Expenses</b>	<b>(\$155,451)</b>	<b>(\$159,755)</b>	<b>(\$164,188)</b>	<b>(\$168,753)</b>	<b>(\$173,456)</b>
<i>PSF</i>	<i>(\$11.25)</i>	<i>(\$11.56)</i>	<i>(\$11.88)</i>	<i>(\$12.21)</i>	<i>(\$12.55)</i>
<b>Net Operating Income</b>	<b>\$187,915</b>	<b>\$221,309</b>	<b>\$252,660</b>	<b>\$260,180</b>	<b>\$268,093</b>
<i>PSF</i>	<i>\$13.60</i>	<i>\$16.01</i>	<i>\$18.28</i>	<i>\$18.83</i>	<i>\$19.40</i>
<b>Total Leasing, Capital, &amp; Reserves</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow After Leasing, Capital, &amp; Reserves</b>	<b>\$187,915</b>	<b>\$221,309</b>	<b>\$252,660</b>	<b>\$260,180</b>	<b>\$268,093</b>



## Cash Flow Years 1-5

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Gross Revenue</b>						
Fresh Cleaners	\$ 18,180	\$ 32,946	\$ 33,934	\$ 34,952	\$ 36,001	\$ 37,081
Starbucks	\$ 50,634	\$ 50,634	\$ 50,634	\$ 51,643	\$ 52,147	\$ 52,147
Tuluu Hamza	\$ 54,780	\$ 56,434	\$ 58,131	\$ 59,880	\$ 62,849	\$ 65,960
China Moon	\$ 31,295	\$ 32,236	\$ 33,200	\$ 34,197	\$ 34,366	\$ 34,785
LC Nails	\$ 30,946	\$ 31,876	\$ 32,830	\$ 33,914	\$ 35,433	\$ 36,496
VACANT	\$ -	\$ 16,278	\$ 33,533	\$ 34,539	\$ 35,575	\$ 36,642
Padam S. Khandka	\$ 34,860	\$ 32,816	\$ 33,800	\$ 34,814	\$ 35,859	\$ 36,934
Expense Reimbursement Revenue	\$ 122,671	\$ 156,527	\$ 172,161	\$ 177,280	\$ 182,553	\$ 187,984
General Vacancy Factor - 7.00%	\$ -	\$ (28,682)	\$ (31,376)	\$ (32,285)	\$ (33,235)	\$ (34,162)
<b>Total Gross Revenue (Incl. CAM &amp; General Vacancy)</b>	<b>\$ 343,366</b>	<b>\$ 381,064</b>	<b>\$ 416,848</b>	<b>\$ 428,934</b>	<b>\$ 441,548</b>	<b>\$ 453,868</b>
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
<b>Operating Expenses</b>						
Utilities	\$ (29,232)	\$ (30,109)	\$ (31,012)	\$ (31,942)	\$ (32,900)	\$ (33,887)
Insurance	\$ (5,828)	\$ (6,003)	\$ (6,183)	\$ (6,368)	\$ (6,559)	\$ (6,756)
CAM	\$ (42,768)	\$ (44,051)	\$ (45,372)	\$ (46,734)	\$ (48,136)	\$ (49,580)
Property Mgmt Fee - 100,000.00%	\$ (12,000)	\$ (12,000)	\$ (12,000)	\$ (12,000)	\$ (12,000)	\$ (12,000)
Property Taxes	\$ (63,299)	\$ (65,198)	\$ (67,154)	\$ (69,169)	\$ (71,244)	\$ (73,381)
Owner Expenses	\$ (2,325)	\$ (2,395)	\$ (2,467)	\$ (2,541)	\$ (2,617)	\$ (2,695)
<b>Total Operating Expenses</b>	<b>\$ (155,451)</b>	<b>\$ (159,755)</b>	<b>\$ (164,188)</b>	<b>\$ (168,753)</b>	<b>\$ (173,456)</b>	<b>\$ (178,299)</b>
<b>Net Operating Income</b>	<b>\$ 187,915</b>	<b>\$ 221,309</b>	<b>\$ 252,660</b>	<b>\$ 260,180</b>	<b>\$ 268,093</b>	<b>\$ 275,569</b>
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
<b>Leasing and Capital Costs</b>						
Tenant Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Leasing Commissions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Leasing, Capital, &amp; Reserves</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash Flow After Leasing, Capital, &amp; Reserves</b>	<b>\$ 187,915</b>	<b>\$ 221,309</b>	<b>\$ 252,660</b>	<b>\$ 260,180</b>	<b>\$ 268,093</b>	<b>\$ 275,569</b>
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE



## Cash Flow Years 6-10

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
<b>Gross Revenue</b>						
Fresh Cleaners	\$ 36,001	\$ 37,081	\$ 38,193	\$ 39,339	\$ 40,519	\$ 41,734
Starbucks	\$ 52,147	\$ 52,147	\$ 52,147	\$ 52,147	\$ 53,190	\$ 53,712
Tuluu Hamza	\$ 62,849	\$ 65,960	\$ 67,939	\$ 69,977	\$ 72,077	\$ 74,239
China Moon	\$ 34,366	\$ 34,785	\$ 35,829	\$ 36,904	\$ 38,011	\$ 39,151
LC Nails	\$ 35,433	\$ 36,496	\$ 37,591	\$ 38,719	\$ 39,880	\$ 41,077
VACANT	\$ 35,575	\$ 36,642	\$ 37,742	\$ 38,874	\$ 40,040	\$ 41,241
Padam S. Khandka	\$ 35,859	\$ 36,934	\$ 38,043	\$ 39,184	\$ 40,359	\$ 41,570
Expense Reimbursement Revenue	\$ 182,553	\$ 187,984	\$ 193,578	\$ 199,339	\$ 205,274	\$ 211,386
General Vacancy Factor - 7.00%	\$ (33,235)	\$ (34,162)	\$ (35,074)	\$ (36,014)	\$ (37,054)	\$ (38,088)
<b>Total Gross Revenue (Incl. CAM &amp; General Vacancy)</b>	<b>\$ 441,548</b>	<b>\$ 453,868</b>	<b>\$ 465,987</b>	<b>\$ 478,469</b>	<b>\$ 492,295</b>	<b>\$ 506,023</b>
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
<b>Operating Expenses</b>						
Utilities	\$ (32,900)	\$ (33,887)	\$ (34,904)	\$ (35,951)	\$ (37,030)	\$ (38,141)
Insurance	\$ (6,559)	\$ (6,756)	\$ (6,959)	\$ (7,167)	\$ (7,382)	\$ (7,604)
CAM	\$ (48,136)	\$ (49,580)	\$ (51,067)	\$ (52,599)	\$ (54,177)	\$ (55,802)
Property Mgmt Fee - 100,000.00%	\$ (12,000)	\$ (12,000)	\$ (12,000)	\$ (12,000)	\$ (12,000)	\$ (12,000)
Property Taxes	\$ (71,244)	\$ (73,381)	\$ (75,583)	\$ (77,850)	\$ (80,186)	\$ (82,591)
Owner Expenses	\$ (2,617)	\$ (2,695)	\$ (2,776)	\$ (2,859)	\$ (2,945)	\$ (3,034)
<b>Total Operating Expenses</b>	<b>\$ (173,456)</b>	<b>\$ (178,299)</b>	<b>\$ (183,288)</b>	<b>\$ (188,427)</b>	<b>\$ (193,720)</b>	<b>\$ (199,171)</b>
<b>Net Operating Income</b>	<b>\$ 268,093</b>	<b>\$ 275,569</b>	<b>\$ 282,698</b>	<b>\$ 290,042</b>	<b>\$ 298,576</b>	<b>\$ 306,851</b>
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE
<b>Leasing and Capital Costs</b>						
Tenant Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Leasing Commissions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Leasing, Capital, &amp; Reserves</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash Flow After Leasing, Capital, &amp; Reserves</b>	<b>\$ 268,093</b>	<b>\$ 275,569</b>	<b>\$ 282,698</b>	<b>\$ 290,042</b>	<b>\$ 298,576</b>	<b>\$ 306,851</b>
	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE



## Property Valuation

### Valuation Assumption

Starbucks NOI Capitalization Rate	4.25%
Remaining Tenants NOI Capitalization Rate	7.25%
Year of Capitalized NOI	2020

### Estimated Net Operation Income

2020 Est. Starbucks NOI	\$	50,634
2020 Est. Remaining Tenant's NOI	\$	170,675
Est. Combined NOI	\$	<b>221,309</b>

### Property Valuation

Est. Capitalized Value (Based on Starbucks NOI)	\$	1,191,388
Est. Capitalized Value (Based on Remaining Tenant's NOI)	\$	2,354,143
Combined Est. Property Capitalized Value	\$	<b>3,545,531</b>
Blended Capitalization Rate		6.24%
Estimate Value PSF	\$	256.55

### Property Valuation Sensitivity Based on Year of Sale & Cap Rate

Cap Rate (+/- 0.25%)	Year of Sale					
	2019	2020	2021	2022	2023	2024
5.74%	\$3,384,028	\$3,878,764	\$4,343,217	\$4,466,588	\$4,589,785	\$4,700,541
5.99%	\$3,227,003	\$3,704,069	\$4,151,935	\$4,270,180	\$4,388,616	\$4,495,416
6.24%	\$3,084,915	<b>\$3,545,531</b>	\$3,977,953	\$4,091,506	\$4,205,552	\$4,308,669
6.49%	\$2,955,609	\$3,400,871	\$3,818,880	\$3,928,120	\$4,038,100	\$4,137,780
6.74%	\$2,837,343	\$3,268,242	\$3,672,766	\$3,778,026	\$3,884,229	\$3,980,694

### Starbucks NOI Valuation Sensitivity Based on Year of Sale & Cap Rate

Cap Rate (+/- 0.25%)	Year of Sale					
	2019	2020	2021	2022	2023	2024
3.75%	\$1,350,240	\$1,350,240	\$1,350,240	\$1,377,141	\$1,390,592	\$1,390,592
4.00%	\$1,265,850	\$1,265,850	\$1,265,850	\$1,291,070	\$1,303,680	\$1,303,680
4.25%	<b>\$1,191,388</b>	<b>\$1,191,388</b>	<b>\$1,191,388</b>	\$1,215,125	\$1,226,993	\$1,226,993
4.50%	\$1,125,200	\$1,125,200	\$1,125,200	\$1,147,618	\$1,158,827	\$1,158,827
4.75%	\$1,065,979	\$1,065,979	\$1,065,979	\$1,087,217	\$1,097,836	\$1,097,836

### Remaining Tenants NOI Valuation Sensitivity Based on Year of Sale & Cap Rate

Cap Rate (+/- 0.25%)	Year of Sale					
	2019	2020	2021	2022	2023	2024
6.75%	\$2,033,788	\$2,528,524	\$2,992,977	\$3,089,447	\$3,199,193	\$3,309,949
7.00%	\$1,961,153	\$2,438,219	\$2,886,085	\$2,979,110	\$3,084,936	\$3,191,736
7.25%	\$1,893,527	<b>\$2,354,143</b>	\$2,786,565	\$2,876,382	\$2,978,559	\$3,081,676
7.50%	\$1,830,409	\$2,275,671	\$2,693,680	\$2,780,502	\$2,879,273	\$2,978,954
7.75%	\$1,771,364	\$2,202,263	\$2,606,787	\$2,690,809	\$2,786,394	\$2,882,858



# 3 Financial Analysis

**Market Leasing Assumptions:**

Market Lease Rate	\$18.00 PSF
Rent Escalations	3.00% Inc./Yr
Tenant Improvement Allowance:	\$ .00 PSF
Leasing Commissions	0.00%
Lease Term	5 Years

Market Rate:	\$18.00 PSF	\$18.54 PSF	\$19.10 PSF	\$19.67 PSF	\$20.26 PSF	\$20.87 PSF	\$21.49 PSF	\$22.14 PSF	\$22.80 PSF	\$23.49 PSF
YoY Growth:		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

	Suite	SF	Lease Expiration	Year 1 2019	Year 2 2020	Year 3 2021	Year 4 2022	Year 5 2023	Year 6 2024	Year 7 2025	Year 8 2026	Year 9 2027	Year 10 2028
<b>Base Rent Revenue</b>													
Fresh Cleaners	A1	1,777 SF	1/15/2020	\$ 18,180.00	\$ 32,945.58	\$ 33,933.95	\$ 34,951.97	\$ 36,000.52	\$ 37,080.54	\$ 38,192.96	\$ 39,338.75	\$ 40,518.91	\$ 41,734.48
				\$ 10.23	\$ 18.54	\$ 19.10	\$ 19.67	\$ 20.26	\$ 20.87	\$ 21.49	\$ 22.14	\$ 22.80	\$ 23.49
Starbucks	A2	1,940 SF	4/30/2027	\$ 50,634.00	\$ 50,634.00	\$ 50,634.00	\$ 51,642.80	\$ 52,147.20	\$ 52,147.20	\$ 52,147.20	\$ 52,147.20	\$ 53,190.16	\$ 53,711.64
				\$ 26.10	\$ 26.10	\$ 26.10	\$ 26.62	\$ 26.88	\$ 26.88	\$ 26.88	\$ 26.88	\$ 27.42	\$ 27.69
Tuluu Hamza	B1 & D1	3,161 SF	4/30/2023	\$ 54,780.12	\$ 56,434.36	\$ 58,130.80	\$ 59,879.88	\$ 62,849.44	\$ 65,960.38	\$ 67,939.19	\$ 69,977.36	\$ 72,076.68	\$ 74,238.98
				\$ 17.33	\$ 17.85	\$ 18.39	\$ 18.94	\$ 19.88	\$ 20.87	\$ 21.49	\$ 22.14	\$ 22.80	\$ 23.49
China Moon	B2	1,667 SF	7/31/2023	\$ 31,295.19	\$ 32,235.62	\$ 33,199.68	\$ 34,197.10	\$ 34,366.00	\$ 34,785.18	\$ 35,828.73	\$ 36,903.60	\$ 38,010.70	\$ 39,151.02
				\$ 18.77	\$ 19.34	\$ 19.92	\$ 20.51	\$ 20.62	\$ 20.87	\$ 21.49	\$ 22.14	\$ 22.80	\$ 23.49
LC Nails	E1	1,749 SF	5/31/2022	\$ 30,945.61	\$ 31,875.53	\$ 32,830.20	\$ 33,913.63	\$ 35,433.27	\$ 36,496.27	\$ 37,591.15	\$ 38,718.89	\$ 39,880.46	\$ 41,076.87
				\$ 17.69	\$ 18.23	\$ 18.77	\$ 19.39	\$ 20.26	\$ 20.87	\$ 21.49	\$ 22.14	\$ 22.80	\$ 23.49
VACANT	F1	1,756 SF	Vacant	\$ -	\$ 16,278.12	\$ 33,532.93	\$ 34,538.92	\$ 35,575.08	\$ 36,642.33	\$ 37,741.60	\$ 38,873.85	\$ 40,040.07	\$ 41,241.27
				\$ -	\$ 9.27	\$ 19.10	\$ 17.80	\$ 18.34	\$ 18.89	\$ 19.45	\$ 20.04	\$ 20.64	\$ 21.26
Padam S. Khandka	G1	1,770 SF	9/30/2019	\$ 34,860.33	\$ 32,815.80	\$ 33,800.27	\$ 34,814.28	\$ 35,858.71	\$ 36,934.47	\$ 38,042.51	\$ 39,183.78	\$ 40,359.29	\$ 41,570.07
				\$ 19.70	\$ 18.54	\$ 19.10	\$ 19.67	\$ 20.26	\$ 20.87	\$ 21.49	\$ 22.14	\$ 22.80	\$ 23.49
<b>Total Base Rent Revenue</b>		<b>13,820 SF</b>		<b>\$ 220,695.25</b>	<b>\$ 253,219.01</b>	<b>\$ 276,061.83</b>	<b>\$ 283,938.58</b>	<b>\$ 292,230.23</b>	<b>\$ 300,046.37</b>	<b>\$ 307,483.34</b>	<b>\$ 315,143.43</b>	<b>\$ 324,076.27</b>	<b>\$ 332,724.34</b>

	Suite	SF	Lease Expiration	Year 1 2019	Year 2 2020	Year 3 2021	Year 4 2022	Year 5 2023	Year 6 2024	Year 7 2025	Year 8 2026	Year 9 2027	Year 10 2028
<b>Expense Reimbursement Revenue</b>													
Fresh Cleaners	A1	1,777		\$ -	\$ 20,541.57	\$ 21,157.81	\$ 21,792.55	\$ 22,446.32	\$ 23,119.71	\$ 23,813.31	\$ 24,527.70	\$ 25,263.54	\$ 26,021.44
				\$ -	\$ 11.56	\$ 11.91	\$ 12.26	\$ 12.63	\$ 13.01	\$ 13.40	\$ 13.80	\$ 14.22	\$ 14.64
Starbucks	A2	1,940		\$ 21,172.64	\$ 21,807.82	\$ 22,462.05	\$ 23,135.92	\$ 23,829.99	\$ 24,544.89	\$ 25,281.24	\$ 26,039.68	\$ 26,820.87	\$ 27,625.49
				\$ 10.91	\$ 11.24	\$ 11.58	\$ 11.93	\$ 12.28	\$ 12.65	\$ 13.03	\$ 13.42	\$ 13.83	\$ 14.24
Tuluu Hamza	B1 & D1	3,161		\$ 38,437.20	\$ 39,590.32	\$ 40,778.03	\$ 42,001.37	\$ 43,261.41	\$ 44,559.25	\$ 45,896.03	\$ 47,272.91	\$ 48,691.09	\$ 50,151.83
				\$ 12.16	\$ 12.52	\$ 12.90	\$ 13.29	\$ 13.69	\$ 14.10	\$ 14.52	\$ 14.96	\$ 15.40	\$ 15.87
China Moon	B2	1,667		\$ 20,270.42	\$ 20,878.53	\$ 21,504.89	\$ 22,150.04	\$ 22,814.54	\$ 23,498.97	\$ 24,203.94	\$ 24,930.06	\$ 25,677.96	\$ 26,448.30
				\$ 12.16	\$ 12.52	\$ 12.90	\$ 13.29	\$ 13.69	\$ 14.10	\$ 14.52	\$ 14.96	\$ 15.40	\$ 15.87
LC Nails	E1	1,749		\$ 21,267.65	\$ 21,905.68	\$ 22,562.85	\$ 23,239.74	\$ 23,936.93	\$ 24,655.04	\$ 25,394.69	\$ 26,156.53	\$ 26,941.22	\$ 27,749.46
				\$ 12.16	\$ 12.52	\$ 12.90	\$ 13.29	\$ 13.69	\$ 14.10	\$ 14.52	\$ 14.96	\$ 15.40	\$ 15.87
VACANT	F1	1,756		\$ -	\$ 9,635.00	\$ 20,862.04	\$ 21,442.15	\$ 22,039.68	\$ 22,655.12	\$ 23,289.04	\$ 23,941.96	\$ 24,614.48	\$ 25,307.17
				\$ -	\$ 5.49	\$ 11.88	\$ 12.21	\$ 12.55	\$ 12.90	\$ 13.26	\$ 13.63	\$ 14.02	\$ 14.41
Padam S. Khandka	G1	1,770		\$ 21,522.89	\$ 22,168.58	\$ 22,833.63	\$ 23,518.64	\$ 24,224.20	\$ 24,950.93	\$ 25,699.46	\$ 26,470.44	\$ 27,264.55	\$ 28,082.49
				\$ 12.16	\$ 12.52	\$ 12.90	\$ 13.29	\$ 13.69	\$ 14.10	\$ 14.52	\$ 14.96	\$ 15.40	\$ 15.87
<b>Total Expense Reimbursement Revenue</b>				<b>\$ 122,670.80</b>	<b>\$ 156,527.49</b>	<b>\$ 172,161.30</b>	<b>\$ 177,280.40</b>	<b>\$ 182,553.07</b>	<b>\$ 187,983.92</b>	<b>\$ 193,577.69</b>	<b>\$ 199,339.28</b>	<b>\$ 205,273.72</b>	<b>\$ 211,386.18</b>

<b>General Vacancy Factor - 7.00%</b>				\$ -	\$ (28,682.26)	\$ (31,375.62)	\$ (32,285.33)	\$ (33,234.83)	\$ (34,162.12)	\$ (35,074.27)	\$ (36,013.79)	\$ (37,054.50)	\$ (38,087.74)
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<b>Total Gross Revenue (Incl. CAM &amp; General Vacancy)</b>				<b>\$ 343,366.05</b>	<b>\$ 381,064.25</b>	<b>\$ 416,847.51</b>	<b>\$ 428,933.65</b>	<b>\$ 441,548.47</b>	<b>\$ 453,868.16</b>	<b>\$ 465,986.76</b>	<b>\$ 478,468.92</b>	<b>\$ 492,295.49</b>	<b>\$ 506,022.79</b>
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	OpEx PSF	Annual Growth Rate:	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
<b>Operating Expenses</b>													
Utilities	\$2.12 PSF		\$ (29,231.63)	\$ (30,108.58)	\$ (31,011.83)	\$ (31,942.19)	\$ (32,900.45)	\$ (33,887.47)	\$ (34,904.09)	\$ (35,951.21)	\$ (37,029.75)	\$ (38,140.64)	\$ (39,295.88)
Insurance	\$0.42 PSF		\$ (5,827.74)	\$ (6,002.57)	\$ (6,182.65)	\$ (6,368.13)	\$ (6,559.17)	\$ (6,755.95)	\$ (6,958.63)	\$ (7,167.39)	\$ (7,382.41)	\$ (7,603.88)	\$ (7,831.64)
CAM	\$3.09 PSF		\$ (42,767.82)	\$ (44,050.86)	\$ (45,372.39)	\$ (46,733.56)	\$ (48,135.56)	\$ (49,579.63)	\$ (51,067.02)	\$ (52,599.03)	\$ (54,177.00)	\$ (55,802.31)	\$ (57,453.55)
Property Mgmt Fee - \$1,000 / Month	\$0.87 PSF		\$ (12,000.00)	\$ (12,000.00)	\$ (12,000.00)	\$ (12,000.00)	\$ (12,000.00)	\$ (12,000.00)	\$ (12,000.00)	\$ (12,000.00)	\$ (12,000.00)	\$ (12,000.00)	\$ (12,000.00)
Property Taxes	\$4.58 PSF		\$ (63,299.22)	\$ (65,198.19)	\$ (67,154.14)	\$ (69,168.76)	\$ (71,243.83)	\$ (73,381.14)	\$ (75,582.57)	\$ (77,850.05)	\$ (80,185.55)	\$ (82,591.12)	\$ (85,088.88)
Owner Expenses	\$0.17 PSF		\$ (2,324.95)	\$ (2,394.70)	\$ (2,466.54)	\$ (2,540.53)	\$ (2,616.75)	\$ (2,695.25)	\$ (2,776.11)	\$ (2,859.39)	\$ (2,945.17)	\$ (3,033.53)	\$ (3,124.55)
<b>Total Operating Expenses</b>	<b>\$11.25 PSF</b>		<b>\$ (155,451.35)</b>	<b>\$ (159,754.90)</b>	<b>\$ (164,187.54)</b>	<b>\$ (168,753.17)</b>	<b>\$ (173,455.76)</b>	<b>\$ (178,299.44)</b>	<b>\$ (183,288.42)</b>	<b>\$ (188,427.07)</b>	<b>\$ (193,719.88)</b>	<b>\$ (199,171.48)</b>	<b>\$ (204,800.00)</b>

<b>Net Operating Income</b>				<b>\$ 187,914.70</b>	<b>\$ 221,309.35</b>	<b>\$ 252,659.97</b>	<b>\$ 260,180.48</b>	<b>\$ 268,092.70</b>	<b>\$ 275,568.73</b>	<b>\$ 282,698.34</b>	<b>\$ 290,041.85</b>	<b>\$ 298,575.61</b>	<b>\$ 306,851.30</b>
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<b>Leasing and Capital Costs</b>													
Tenant Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Leasing Commissions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Leasing, Capital, &amp; Reserves</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Cash Flow After Leasing, Capital, &amp; Reserves</b>				<b>\$ 187,914.70</b>	<b>\$ 221,309.35</b>	<b>\$ 252,659.97</b>	<b>\$ 260,180.48</b>	<b>\$ 268,092.70</b>	<b>\$ 275,568.73</b>	<b>\$ 282,698.34</b>	<b>\$ 290,041.85</b>	<b>\$ 298,575.61</b>	<b>\$ 306,851.30</b>
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# Tenants

## Hibachi Express



## Starbucks



## TAZ Indian



## LC Nails & Spa



## Shebelle Market



<b>Address</b>	10761 E Alameda Ave	10761 E Alameda Ave	10731 E Alameda Ave	10731 E Alameda Ave	10731 E Alameda Ave
<b>Suite</b>	Suite B2	Suite A2	Suite G1	Suite E1	Suite B1 & D1
<b>Premises</b>	1,667 SF	1,940 SF	1,770 SF	1,749 SF	3,161 SF
<b>Lease Ends</b>	7/31/2023	4/30/2027	9/30/2019	5/31/2022	4/30/2023





# Denver Retail Market Report

Denver retail fundamentals are on firm footing even with the rise of e-commerce and evolving buying patterns. With excellent demographic trends but limited supply, the change in buying power per SF of retail in Denver outperformed nearly all major metros since the recession.

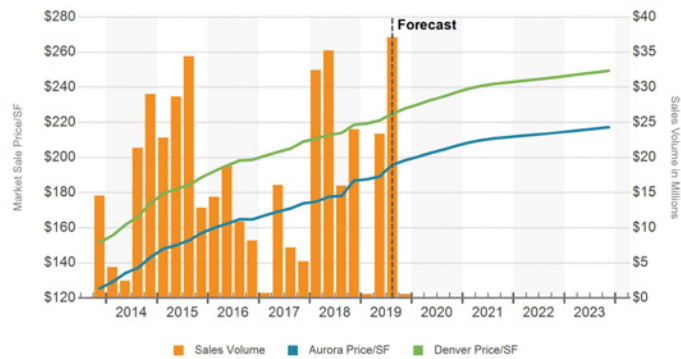
Trade area demographics are buttressing strong consumer demand as the metro has experienced robust growth in population, employment, and buying power this cycle. Although leading retail indicators have been encouraging, development activity has been rather minimal. Since 2010, Denver's retail stock has only grown by 5.4% cumulatively—near the national average despite far superior demographic trends.

Today, vacancies that peaked at 9% during the downturn are historically tight, in the low-to-mid 4% range in 19Q3, or the lowest in at least 15 years.

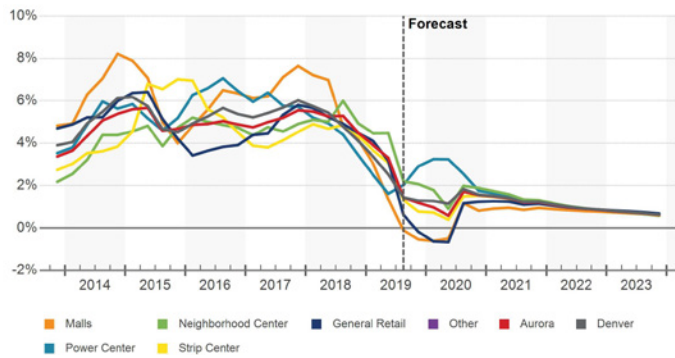
Retail rents in Denver increased at a year-over-year rate of at least 4% continuously from mid-2014 through mid-2018, and have grown by just over 5% annually on average over the past five years. Following the national trend, rent growth has fallen off of the peak growth rates observed earlier in the cycle, and signs of a rent growth slowdown have firmed in 2019 to-date.



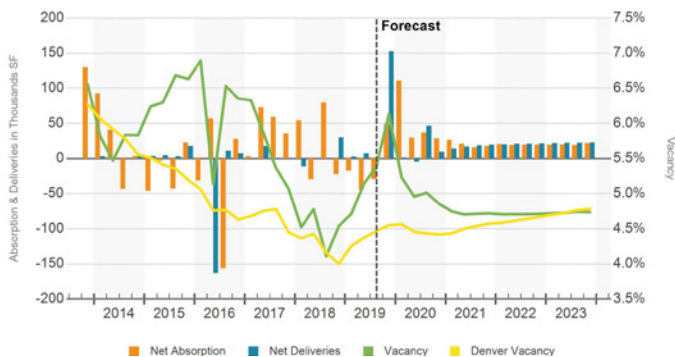
## Sales Volume & Market Sale Price Per SF



## Market Rent Growth



## Net Absorption, Net Deliveries, & Vacancy



\*Source: CoStar

12 Mo Deliveries in SF

**55.9 K**

12 Mo Net Absorption in SF

**(127 K)**

Vacancy Rate

**5.7%**

12 Mo Rent Growth

**1.4%**

Although Denver's overall employment growth has shown signs of a slight slowdown along with the national index, the greater Denver area is adding tech jobs at an accelerating pace. Employment in Professional, Scientific & Technical Services grew by more than 8% year-over-year as of July, a new high watermark for the cycle. Corporate expansions and relocations by tech companies such as Amazon, Slack, and Conga are driving employment gains as the war for talent rages on in a historically tight U.S. job market.

Denver has been frequently lauded as a destination for young, educated job seekers throughout this cycle, and current labor conditions reinforce this proposition today. Headwinds could come from housing costs, which are dramatically higher today for both renters and prospective owners. While home prices continue to climb into the stratosphere (albeit at a slower rate than the peak years of this cycle), apartment rent growth has moderated alongside elevated levels of construction, which may provide a relief valve for those considering the metro for its otherwise robust employment prospects.

Geographic isolation remains an economic liability in some respects. The geographic separation from large business and financial centers makes locating a corporate headquarters here difficult for companies that benefit from proximity to suppliers, competitors, financiers, and customers, although firms that draw on Denver's natural resources and brainpower have thrived. As a result, the metro has had to rely on its own brand of specialization in high-value-add industries like engineering, energy, communications, and high tech to drive growth.



**NAI Shames Makovsky**

NAI Shames Makovsky  
1400 Glenarm Place, Suite 100  
Denver, CO 80202  
+1 303 534 5005  
[naishamesmakovsky.com](http://naishamesmakovsky.com)