



WESTFIELD-HARMONY, LLLP
Office acquisition in Fort Collins, Colorado

Partnership originated in November 2013

177,500 SF suburban Class A office complex

Investment basis 23% below replacement cost

\$35,480,000 total capitalization

Harmony Corporate Center

Harmony Corporate Center (the “Property”) is the premier Class A office property in Northern Colorado located at 2950 E. Harmony Road in Fort Collins. The two, 3-story buildings were constructed in 1999 and 2008, and the combined net rentable area for the property is approximately 177,500 square feet. Harmony Corporate Center is located less than one mile west of Interstate 25 along the Harmony Road corridor, which has become the grand entrance into Fort Collins and serves as the city’s employment and economic hub. The Partnership’s purchase price (\$180 psf) is approximately 23% below today’s replacement cost (estimated at \$235 psf) and the acquisition was conservatively leveraged (65%) with favorable fixed rate debt at 4.35%. At the time of acquisition, the asset was 92% leased to 12 established tenants, providing rent roll diversity and a very stable income stream.

Fort Collins is a dynamic college town, home to Colorado State University. Many high-tech companies including AMD, JDSU, Broadcom, Intel, HP, Computer Associates, among others, have

established a presence in Fort Collins to take advantage of the skilled labor force and proximity to CSU research facilities. Up and coming industries within the area include clean energy, bioscience, and agri-tech businesses. With a civilian labor force of approximately 184,000, Fort Collins boasts a low unemployment rate — estimated to be 5.3% (May 2013). Among its many recognitions, Money Magazine consistently ranks Fort Collins as one of the best places to live in America (#1 in 2006), proclaiming that “great schools, low crime, good jobs in a high-tech economy and a fantastic outdoor life make Fort Collins a top overall place to live.”

The estimated returns for the Partnership are a dividend rate of 7% over the expected 5-year holding period (paid quarterly), a 1.7 equity multiple (70% total return on investment including dividend), and a 13% IRR. The Partnership’s projected investment returns reflect a sale in year five at \$238 psf, approximately equal to today’s replacement cost.



WESTFIELD

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