

**PARTNERSHIP****SUMMARY****WESTFIELD-FREIGHT, LLLP***Truck Terminal in Aurora, Colorado*

Partnership originated in October 2014

32.5 acres with a 52,800 SF truck terminal

Long-term master lease to YRC Freight

\$9,500,000 total capitalization

**14700 Smith Road**

The asset consists of 32.5 prime acres in an excellent industrial location improved with a 52,800 square foot truck terminal. The YRC Freight lease is long-term and for each calendar year the base rent is adjusted by the 100% change in the Consumer Price Index. The Denver facility is heavily utilized and is a critical hub for YRC's business strategy. It is ideally located to receive inbound freight via I-70 and to access the front range with outbound service via I-25. In terms of volume, it is second only to their Atlanta location.

As the Denver economy continues to outpace the national recovery, the market has experienced increased demand from key industries such as construction, energy and food production. Due to these recent trends, metropolitan Denver is facing a supply/demand imbalance for industrial space and developers are searching for quality infill development sites. Industrial rental rates and land prices are expected to continue to rise due

to limited new construction and a general lack of availability. Additionally, institutional investment demand for existing industrial assets is currently very robust. Capitalization rates for comparable freight terminals with similar investment characteristics currently trade at 6.50% +/- . The Partnership paid an 8.5% capitalization rate based on current income.

The Partnership purchased the asset with 100% equity (no debt). The absence of debt lowers the risk profile of the investment and protects against loss of principal in the event of a tenant default. If default were to occur, the Partnership will be in a secure situation to release the facility to another trucking company or to redevelop the site with new industrial space. Given the strength and centrality of the location, the site could be redeveloped into a state-of-the-art industrial distribution park.



WESTFIELD

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