

OFFERING MEMORANDUM

EMERSON BLOCK
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DENVER, CO 80218



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EXECUTIVE SUMMARY



PROPERTY HIGHLIGHTS

- ◆ Seller financing available - call for details.
- ◆ Unique mixed-use asset located in the heart of Capitol Hill.
- ◆ Abundance of parking for both retail and residential tenants.
- ◆ Desirable C-MS-5 zoning.
- ◆ Perfectly positioned for operational overhaul to maximize returns.
- ◆ Long-term covered land play opportunity.





PROPERTY OVERVIEW



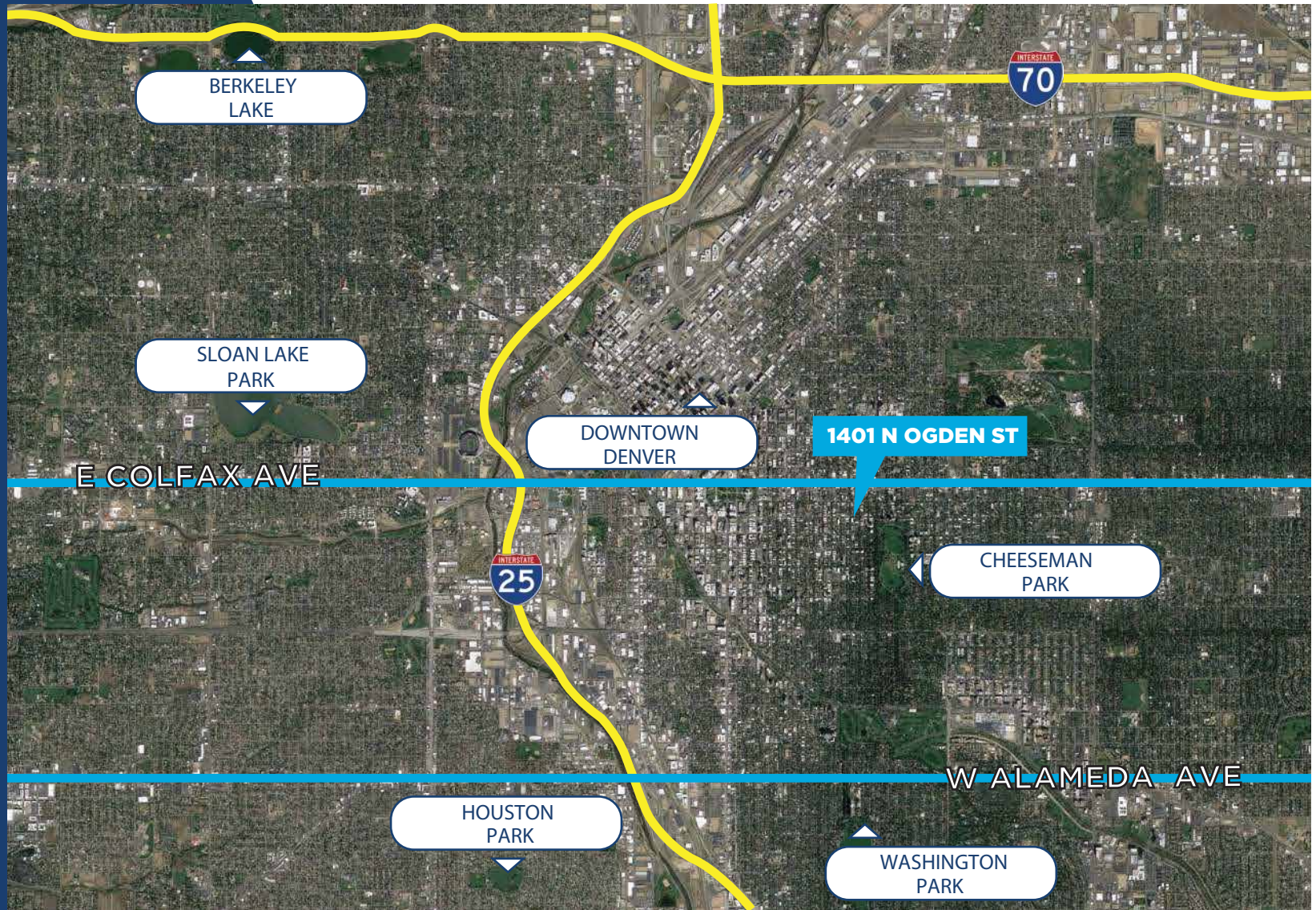
AREA STREET MAP



LOCATION MAP



AREA MAP



NEIGHBORHOOD MAP

DINING

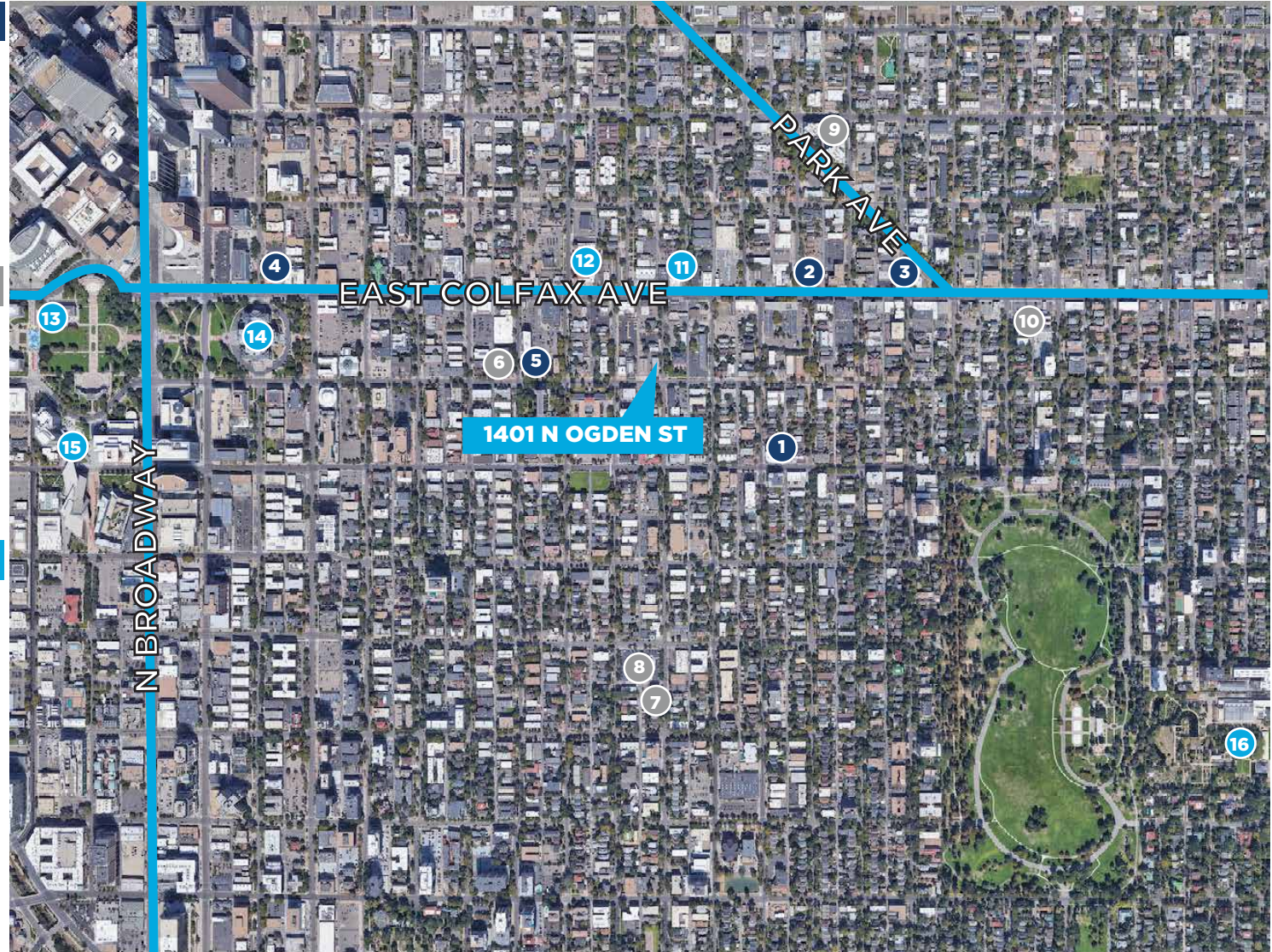
- 1 Thump Coffee
- 2 The Mansion on Colfax
- 3 Voodoo Doughnut - Colfax
- 4 Bourbon Grill
- 5 Wendy's

RETAIL

- 6 Natural Grocers
- 7 Ideal Market Denver
- 8 Marczyk Fine Foods
- 9 Kum & Go
- 10 Family Dollar

LIFESTYLE

- 11 Odgen Theater
- 12 Fillmore Auditorium
- 13 McNichols Civic Center Building
- 14 Colorado State Capitol
- 15 Denver Art Museum
- 16 Denver Botanic Gardens



PHOTOS

1401 N OGDEN ST



PHOTOS

1401 N OGDEN ST



LOWER LEVEL FLOORPLAN

1401 N OGDEN ST

1401 Ogden Street
Denver, Colorado

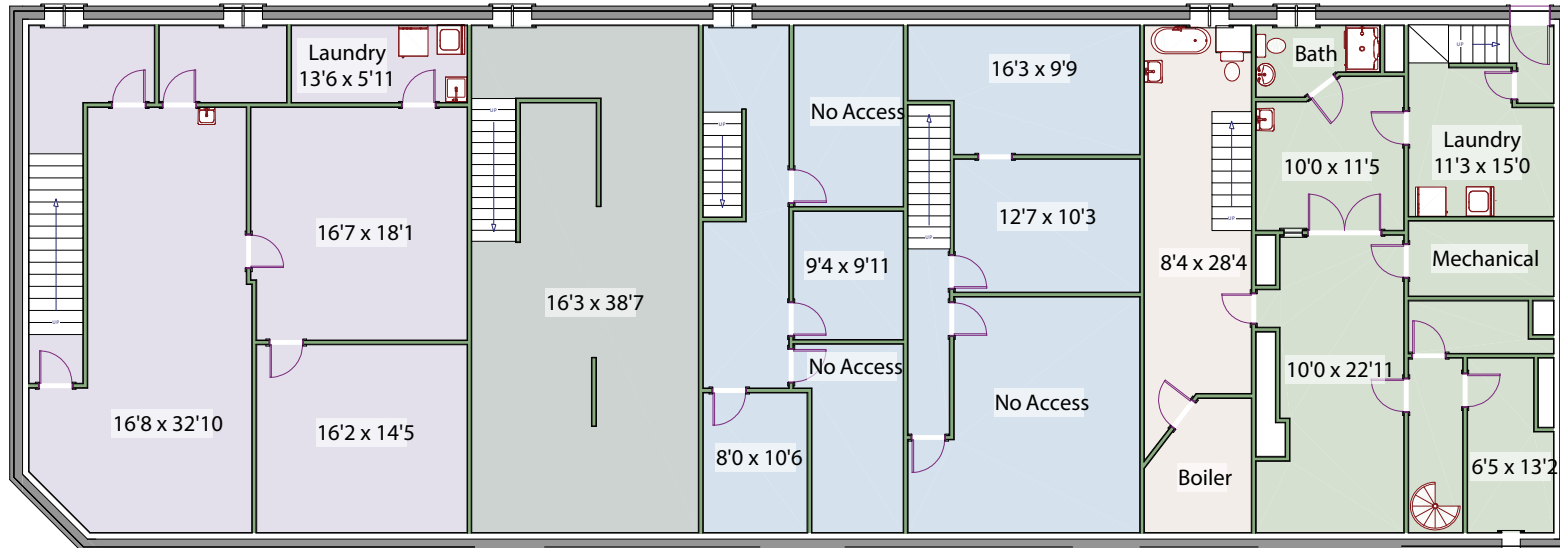
Lower Level - 5045 square feet +/-

Yoga/Massage - 1431 square feet +/-

Apartment 1 - 1030 square feet +/-

Coffee Shop/Restaurant - 1479 square feet +/- Apothecary - 744 square feet +/-

Apartment 2 - 360 square feet +/-

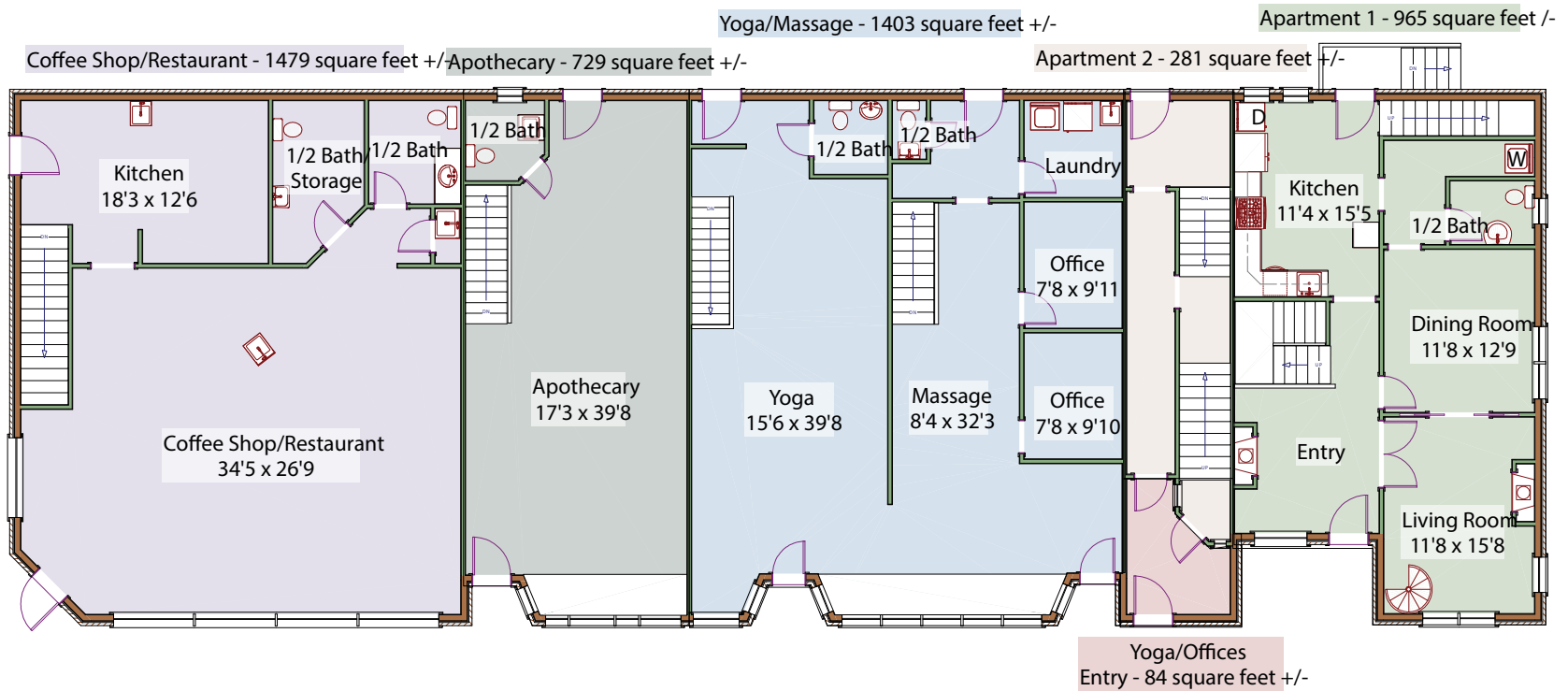


MIDDLE LEVEL FLOORPLAN

1401 N OGDEN ST

1401 Ogden Street
Denver, Colorado

Main Level - 4941 square feet +/-

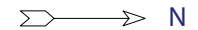
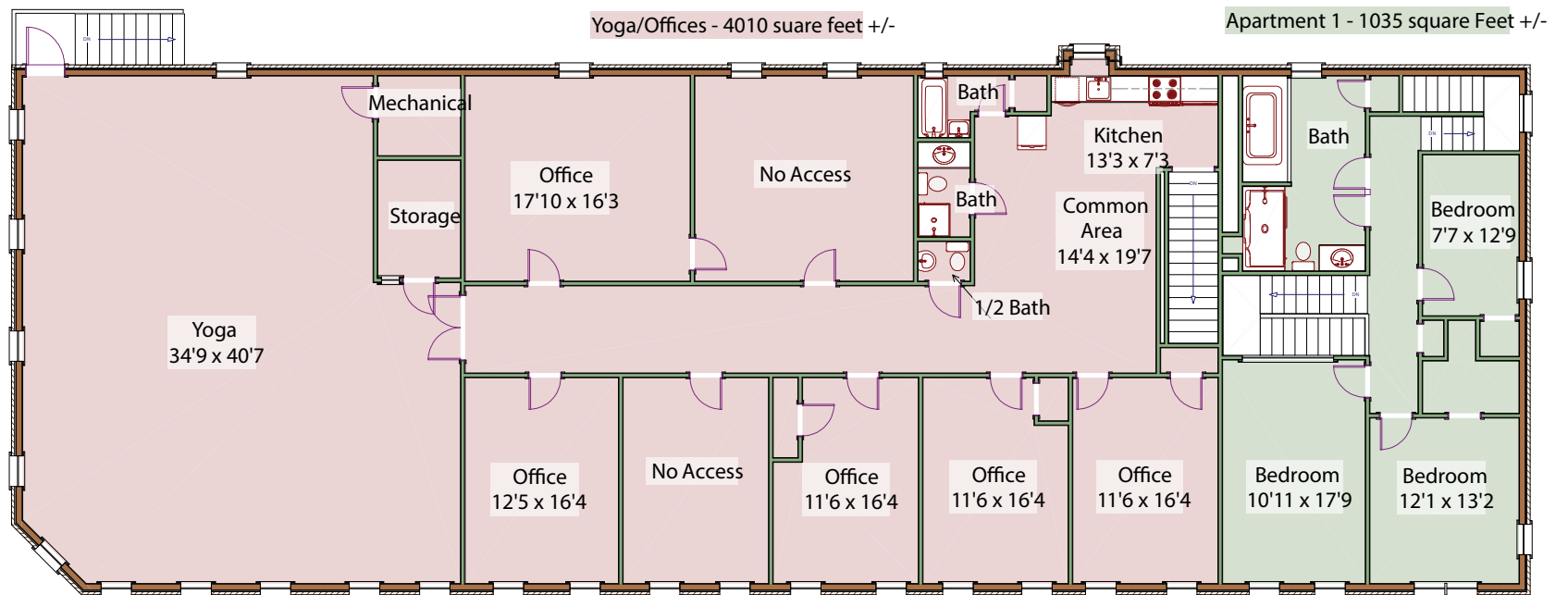


UPPER LEVEL FLOORPLAN

1401 N OGDEN ST

1401 Ogden Street
Denver, Colorado

Upper Level - 5045 square feet +/-



PROPERTY DETAILS

1401 N OGDEN ST

UNIT MIX & CURRENT RENTS

Unit Type	Unit Amount	Unit SF	Current Avg. Rent	Current Rent/SF	Market Rent	Market Rent/SF
5 Bed / 3 Bath	1	3,030	\$6,250	\$2.06	\$6,400	\$2.11
Studio	1	641	\$0	\$0.00	\$1,035	\$1.61
The Corner Beet Coffeeshop	1	2,958	\$67,718	\$22.89	\$80,753	\$27.30
Balanced Root Apothecary	1	1,473	\$33,722	\$22.89	\$40,213	\$27.30
Rooted Heart Yoga & Wellness	1	2,834	\$64,880	\$22.89	\$77,368	\$27.30
Upstairs Office	1	4,094	\$105,600	\$25.79	\$128,961	\$31.50
Total / Average	6	15,030	\$46,362	\$16.09	\$55,788	\$19.52

BUILDING DETAILS

Units:	6
Building SF:	15,031
Parking:	20
Land:	13,070
Zoning:	C-MS-5
Year Built:	1882

SYSTEMS

Gas/Elec Meters:	Separate / Separate
Water:	Master
Trash:	Republic
Roof:	Flat
Heating:	Furnace & Boiler
Cooling:	Evaporative





FINANCIAL OVERVIEW



INVESTMENT & DEBT SUMMARY

INVESTMENT SUMMARY

Purchase Price:	\$5,500,000	\$4,680,000
Total SF:		15,031
Price Per SF:		\$311
T12 Cap Rate:		5.67%
Year 1 Cap Rate:		6.62%
Year 1 Cash Flows:		\$195,888
5 Year IRR:		18.92%

DEBT SUMMARY

CALL FOR DETAILS PLEASE



KEY UNDERWRITING ASSUMPTIONS



INCOME:

- 2% Vacancy assumed.
- 3% increase on all Market rents year over year.



EXPENSES:

- 2% inflation assumed on all operating expenses annually.



DEBT:

- Call for details.



CASHFLOW PROJECTIONS

	T12	Year 1	Year 2	Year 3	Year 4	Year 5
REVENUE						
Gross Residential Revenue	\$75,000	\$89,220	\$91,897	\$94,653	\$97,493	\$100,418
Vacancy	(\$1,500)	(\$1,784)	(\$1,838)	(\$1,893)	(\$1,950)	(\$2,008)
Residential Rental Revenue	\$73,500	\$87,436	\$90,059	\$92,760	\$95,543	\$98,410
Commercial Income	\$271,920	\$327,296	\$337,114	\$347,228	\$357,645	\$368,374
Effective Gross Revenue	\$345,420	\$414,731	\$427,173	\$439,988	\$453,188	\$466,784

EXPENSES						
Utilities	(\$5,850)	(\$5,850)	(\$5,967)	(\$6,087)	(\$6,209)	(\$6,333)
Insurance	(\$19,247)	(\$19,247)	(\$19,632)	(\$20,025)	(\$20,425)	(\$20,834)
Real Estate Taxes	(\$54,862)	(\$54,862)	(\$55,959)	(\$57,078)	(\$58,220)	(\$59,384)
Property Management	\$0	(\$24,884)	(\$25,630)	(\$26,399)	(\$27,191)	(\$28,007)
Total Expenses	(\$79,959)	(\$104,843)	(\$107,189)	(\$109,589)	(\$112,045)	(\$114,557)
Expenses Per Unit	(\$13,327)	(\$17,474)	(\$17,865)	(\$18,265)	(\$18,674)	(\$19,093)

NET OPERATING INCOME						
	\$265,461	\$309,888	\$319,984	\$330,399	\$341,143	\$352,226
Cap Rate	5.67%	6.62%	6.84%	7.06%	7.29%	7.53%
Debt Service - Yr 1	(\$114,000)	(\$114,000)	(\$114,000)	(\$168,945)	(\$168,945)	(\$168,945)
Total Cash Flow	\$151,461	\$195,888	\$205,984	\$161,455	\$172,199	\$183,282
Cash on Cash Return	3.24%	4.19%	4.40%	3.45%	3.68%	3.92%

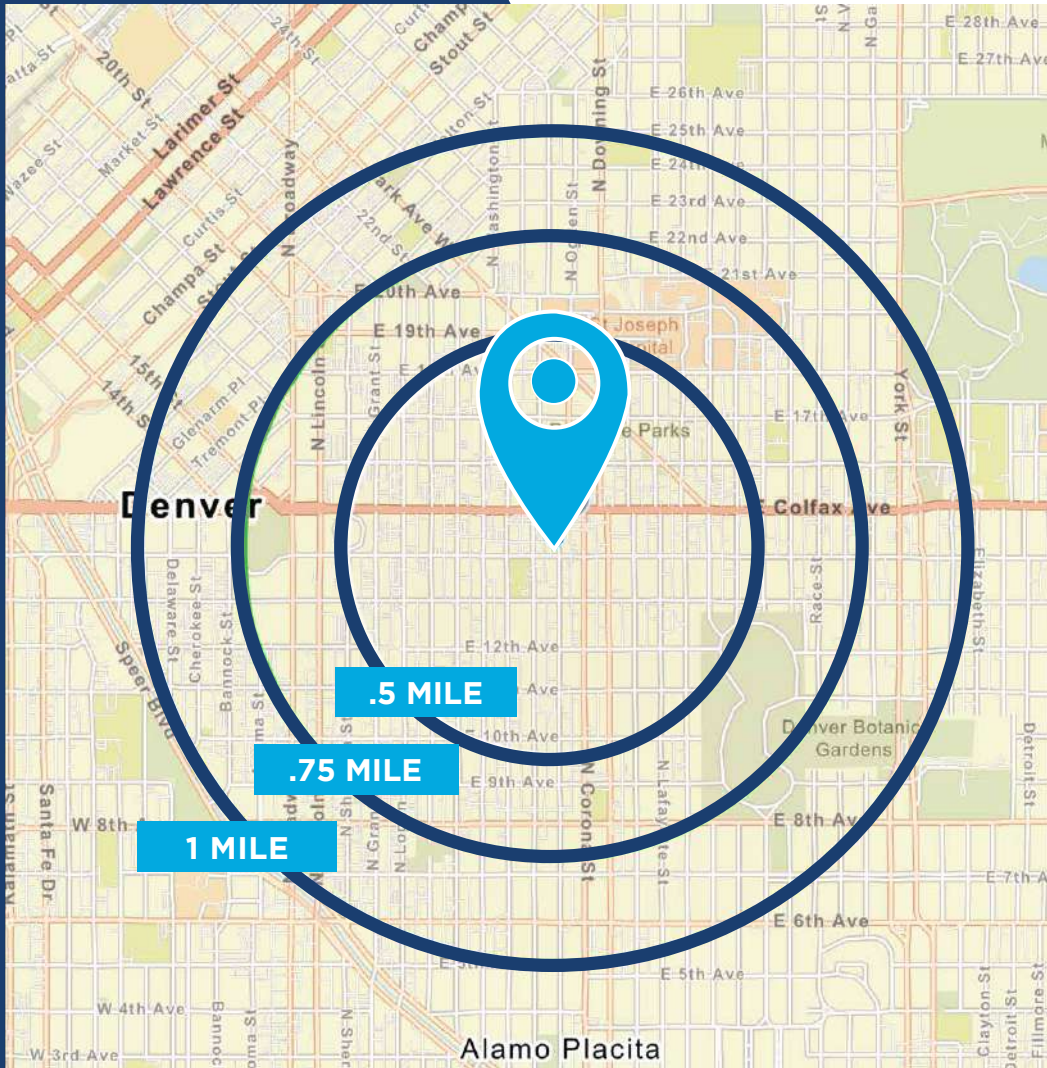


An aerial photograph of a city skyline, likely Denver, Colorado, featuring a prominent gold-domed capitol building on the left and a dense cluster of skyscrapers in the center. The image is overlaid with a large, dark blue circular graphic. The text 'LOCATION OVERVIEW' is centered within this circle in a bold, white, sans-serif font. The background shows a mix of modern high-rises and older, lower-rise buildings, with a clear sky and some clouds visible in the distance.

LOCATION OVERVIEW



DEMOGRAPHICS



2022 SUMMARY	.5 Mile	.75 Mile	1 Mile
Population	18,775	36,212	56,079
Households	12,594	24,060	35,368
Families	1,572	3,237	5,893
Average Household Size	1.44	1.45	1.52
Owner Occupied Housing Units	2,549	5,590	8,838
Renter Occupied Housing Units	10,044	18,469	26,530
Median Age	34.2	35.0	35.5
Median Household Income	\$59,377	\$68,081	\$72,526
Average Household Income	\$89,933	\$101,721	\$108,019

2027 SUMMARY	.5 Mile	.75 Mile	1 Mile
Population	19,430	37,708	58,581
Households	13,025	25,052	36,936
Families	1,623	3,373	6,152
Average Household Size	1.44	1.45	1.52
Owner Occupied Housing Units	2,734	6,028	9,460
Renter Occupied Housing Units	10,291	19,024	27,477
Median Age	36.1	36.8	36.8
Median Household Income	\$77,793	\$90,746	\$94,879
Average Household Income	\$114,913	\$129,255	\$135,848



CAPITOL HILL

Capitol Hill is Denver's most densely populated neighborhood, located just half of a mile away from the Colorado State Capitol building with the famed "Mile High" marker on the 13th step, and two miles southeast of Downtown Denver's Union Station. It is approximately one square mile in size and is home to more than 37,660 residents. This historic neighborhood is more than 150 years old and is ranked as one of the top 10 most beautiful neighborhoods in the United States. Capitol Hill was once home to some of Denver's wealthiest residents and is now an exuberant residential, governmental, and commercial center. The neighborhood continues to be highly desirable due its location and amenities.

- ◆ 50+ Galleries
- ◆ Fine Art Studios
- ◆ Museums
- ◆ Specialty Stores
- ◆ Restaurants
- ◆ Night Clubs
- ◆ Coffee Houses
- ◆ Bistros
- ◆ Convert Venues

It is near Civic Center Park, which features live music and food trucks, Nearby museums include the Kirkland Museum of Fine and Decorative Art and the Molly Brown House. Popular music venues include The Fillmore Auditorium, Ogden Theatre, and the Bluebird Theater. East Colfax Avenue is the heart of Capitol Hill and serves as the neighborhood's main commercial area.



DENVER GROWTH

Ranked as the top place to live in the U.S. by U.S. News & World Report, the city of Denver is home to over 705,439 residents (as of May 2019). An estimated 2.9 million people live in Denver Metro as a whole, with more people moving to the area each year, as this number is expected to grow by 12.6 percent over the next five years, compared to 3.7 percent nationally. Currently 100+ people are immigrating to the city each day. The Denver Metro accounts for over half of the population in the entire state of Colorado, which is home to an estimated 5.5 million people.

CONSTRUCTION

As one of the fastest-growing metros in the nation, Denver is thriving with new construction. This new construction will help accommodate the population growth throughout the metro. Some current projects include:

- ◆ 17th & Peal Apartments, a 315-unit apartment with 9,000 sq. ft. of retail.
- ◆ Alexan 20th St Station, a 358-unit apartment with street level retail. Block 162, a full block project that included a 680,000 sq. ft. office tower and separate tower hotel.
- ◆ Tabor Center Tower Two, a 33 story 700,000 sq. ft. office tower would be the largest development in Denver since 1985.
- ◆ Market Station, Lodo, comprised of nearly a full block off the 16th St Mall in Downtown Denver, the development consists of 80,000 SF retail space, 95,000 SF office space & 225 apartments.
- ◆ McGregor Square, Lodo, a project located across the street from Coors Field, it features 3 connected structures - an 11-story office building, a 13 story condominium and hotel buildings surrounding a center courtyard. Lower floors will feature retail tenants.



DENVER INTERNATIONAL AIRPORT (DIA)

Denver International Airport (DEN), also known as DIA, opened to the public on February 28, 1995 and at 34,000 acres, remains the largest and newest commercial airport in the United States, and the 2nd largest airport in the world by size and became the 3rd busiest airport in the world in 2021. It's known around the world for its striking tented roof structure and technologically advanced operations. Over the past twenty years, DIA has established itself as the primary employer and economic driver in the Denver metro, supporting nearly 190,000 jobs and generating more than \$33.5 billion in annual revenue. DIA served 58.5 Million passengers in 2021.

The airport serves over 215 non-stop destinations, including 28 international cities in fourteen countries. About 180 of the destinations are in the United States, making DIA a major domestic hub for air transportation.

DIA is just 30 minutes from Union Station via the East Rail line. DIA has room to double its current capacity to remain competitive in the growing global aviation marketplace. DIA broke ground in May of 2018 on a \$2.0 billion gate expansion project. The project will add 39 gates across all three concourses in the next four years, bringing the total to 150. Phase 1 of the project was completed in October of 2021. The second phase kicked off in July of 2021 and will complete the work by mid 2024. The final phase of the project - The Great Hall Completion will begin in 2022 and is expected to be completed by summer of 2028.

DIA is among the first airports in North America to secure internationally recognized accreditation for measuring and reducing carbon emissions.



DENVER METRO

Located on the front range of the Rocky Mountains, the Denver Metro is a thriving urban epicenter famous for its breathtaking views, world-class dining, champion sports teams, exhilarating recreation, and eclectic arts and entertainment. It's no wonder this metropolis is one of the biggest in the nation!

ATTRACTIONS

- ◆ Denver Art Museum
- ◆ Denver Museum of Nature and Science
- ◆ Denver Zoo
- ◆ Denver Aquarium
- ◆ Six-Flags Elitch Gardens
- ◆ Hyland Hills Water World
- ◆ Denver Aquarium
- ◆ Rocky Mountains
- ◆ RiNo District
- ◆ Red Rocks

SPORTS

- ◆ Basketball: Denver Nuggets
- ◆ Hockey: Colorado Avalanche
- ◆ Football: Denver Broncos
- ◆ Baseball: Colorado Rockies
- ◆ Soccer: Colorado Rapids



CITY OF DENVER

NOTABLE RANKINGS

#14 BEST PLACES TO LIVE

(U.S. NEWS & WORLD REPORT 2021)

**#6 BEST SPORTS CITY
IN THE U.S.**
(WALLETHUB.COM, 2021)

**4th BEST PLACE IN
AMERICA FOR
BUSINESS & CAREERS**
(FORBES, 2019)

**#1 FOR ECONOMY
IN THE US**
(US & WORLD NEWS, 2022)

**#2 HEALTHIEST
COUNTY IN THE US -
DOUGLAS COUNTY**
(USNEWS.COM, 2021)

**12TH FASTEST
GROWING METRO
AREA IN THE U.S.**
(US CENSUS, 2020)

**3RD BEST PLACE TO
LIVE IN COLORADO**
(USNEWS.COM, 2021)

**11TH BEST
PERFORMING LARGE
CITY**
(MILKEN INSTITUTE, 2021)

**#12 TOP CITY FOR
YOUNG
PROFESSIONALS**
(NICHE.COM, 2022)

**#9 IN THE US IN
TECHNOLOGY
TALENT**
(CBRE REPORT, 2021)

**4TH MOST DESIRED
CITY TO LIVE FOR
COLLEGE GRADS**
(AXIOS, 2022)



EMPLOYERS IN THE DENVER METRO

The Denver metro is a hub for various industries, including aviation, health, business, finance, and technology. Outside of city, state, and school services, major employers in the Denver metro area include:

- ◆ Denver International Airport
- ◆ HealthONE Corporation
- ◆ Lockheed Martin
- ◆ Centura Health
- ◆ SCL Health Systems
- ◆ CenturyLink
- ◆ Kaiser Permanente
- ◆ Ball Corporation
- ◆ Dish Network
- ◆ Liberty Tax Service
- ◆ Western Union
- ◆ Comcast
- ◆ University of Colorado Health
- ◆ Children's Hospital Colorado
- ◆ Wells Fargo
- ◆ Davita Healthcare Partners
- ◆ Arrow Electronics
- ◆ Envision Healthcare Holdings

Part of the Mile High City's appeal includes its large pool of tech workers. The area had a 31 percent increase in the number of tech workers in the last five years. Denver is noted for its live-work-play atmosphere with a myriad of outdoor activities available to young workers.

Furthermore, the State of Colorado offers tax incentives to attract large employers, and Denver is a great place to live thanks to its plentiful sunshine, invigorating outdoor activities, strong neighborhood character, and a myriad of independent businesses, including oodles of coffee shops, restaurants, and breweries.



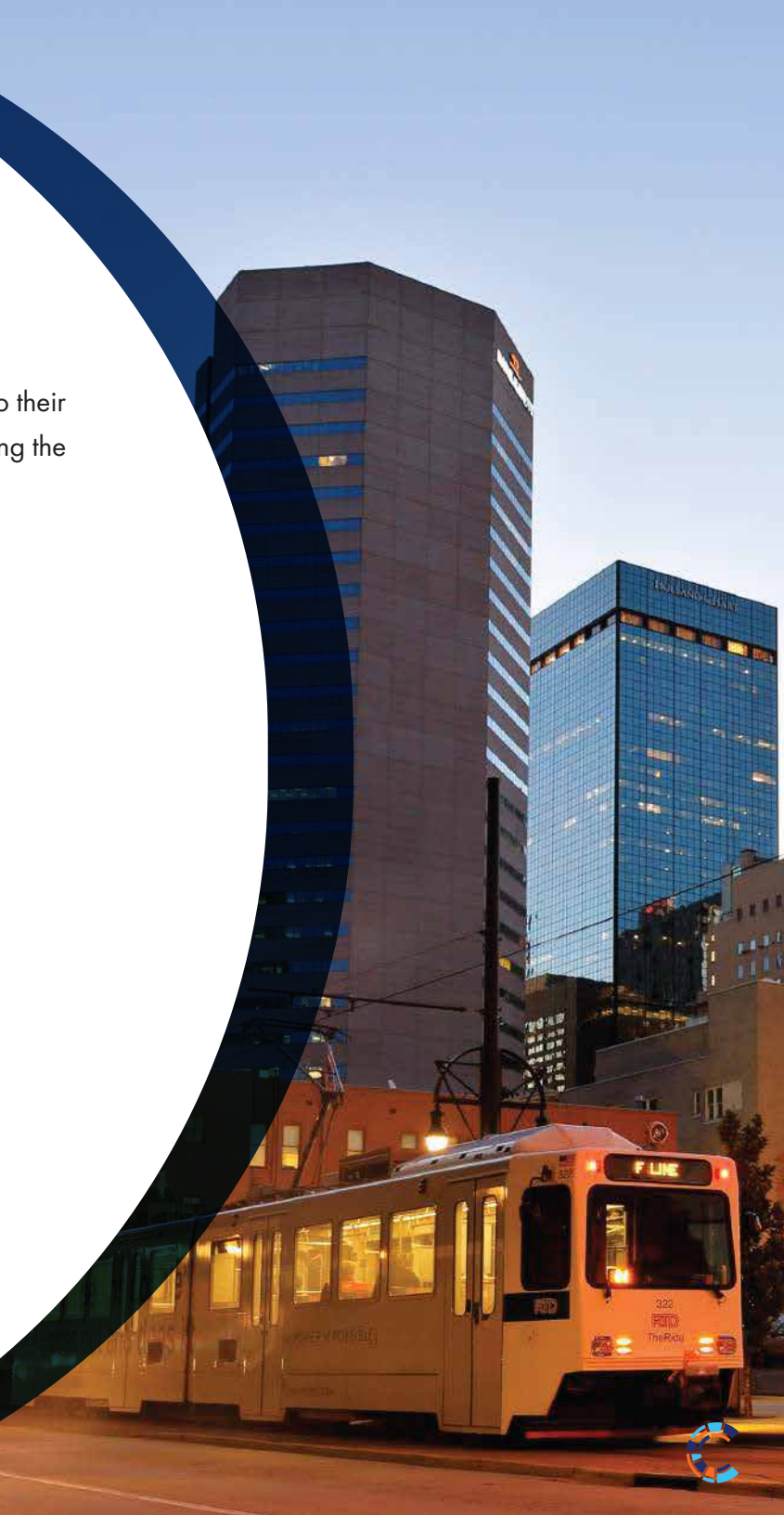
LIGHT RAIL

The Regional Transportation District (RTD) operates 365 days a year to quickly connect travelers to their destination. As part of RTD, the 58-mile rail system features nine rail lines servicing 62 stations along the Denver metro's North, East, Southeast, Southwest, and West rail corridors.

Popular destinations include:

- ◆ Union Station
- ◆ Denver International Airport (DIA)
- ◆ Theatre District
- ◆ Convention Center
- ◆ Sports Authority Field at Mile High
- ◆ Pepsi Center
- ◆ 16th Street Mall
- ◆ Park Meadows Mall.

RTD's rail system has transformed people's commutes and the communities they live in. The 23-mile stretch from Downtown Denver to DIA is now just an inexpensive 30-minute ride via light rail. The light rail is also attributed with revitalizing neighborhoods across the Denver metro, including Five Points and West Colfax. An average of 64,000 people utilize the light rail each day, making it eighth-largest system in the country, even though Denver is 21st in the nation in terms of population.



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