

OFFICES AT THE HIVE

Mixed-Use Investment Opportunity at 2019 Center Street, Cleveland, Ohio 44113



Offering Memorandum Disclaimer

The material contained in this Offering Memorandum is confidential and for the purpose of considering the purchase of the Property described herein. It is subject to the terms and provisions of the Confidentiality Agreement signed by the recipient of this material, and is not to be used for any purpose or made available to any other person without the express written consent of Cushman & Wakefield | CRESCO Real Estate (“Broker”).

This Offering Memorandum was prepared by Broker solely for the use of prospective purchasers of The Hive (the “Property”). Neither Broker, the “Seller” nor any of their respective officers, employees or agents, make any representation or warranty, express or implied, as to the completeness or the accuracy of the material contained in the Offering Memorandum or any of its contents, and no legal commitments or obligations shall arise by reason of this package or any of its contents. Seller reserves the right to eliminate any portion or all of the Property from any offer for sale at any time prior to the completion of a binding contract of sale executed by both Seller and a prospective purchaser.

Prospective purchasers of the Property are advised (i) that changes may have occurred in the condition of the Property since the time of this Offering Memorandum or the financial statements therein were prepared; and that (ii) all financial projections are provided for general reference purposes only in that they are based on assumptions relating to the general economy, competition, and other factors beyond the control of Broker and the Seller and, therefore, are subject to material variation. Prospective purchasers of the Property are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

The Offering Memorandum is a solicitation of interest only and is not an offer to sell the Property. The Seller and Broker expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and expressly reserve the right, at their sole discretion, to terminate discussions with any entity at any time with or without notice. The Seller shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the Property unless and until a written agreement satisfactory to the Seller has been fully executed, delivered, and approved by the Seller and any conditions to the Seller thereunder have been satisfied or waived.

This Offering Memorandum is confidential. By accepting the Offering Memorandum, you agree (i) that you hold and treat the Offering Memorandum and its contents in the strictest confidence; (ii) that you will not photocopy or duplicate any part of the Offering Memorandum, (iii) that you will not disclose the Offering Memorandum or any of its contents to any other entity without the prior written authorization of Broker; and (iv) that you will not use the Offering Memorandum in any fashion or manner detrimental to the interest of the Seller or Broker.

The terms and conditions stated in this section will relate to all of the sections of the package as if stated independently therein. If, after reviewing this package, you have no further interest in purchasing the Property at this time, kindly return this brochure to the Broker at your earliest possible convenience.

CONTENTS

The Hive

Executive Summary	3
Property Details.....	5
Tenant Overview	8
Market Overview	12
Financial Analysis.....	18



EXECUTIVE SUMMARY





Executive Summary

Located in the thriving Ohio City Cleveland Suburb, this stabilized mixed-use investment opportunity is anchored by Casa La Luna (formerly Luca Restaurant), which was voted to Cleveland's top Italian restaurant list in subsequent years.

This creative "brick and beam" office environment is home to an array of office occupiers.

Located a few blocks from The Quarter and Church & State that include several hundred premium apartment units, retail, and supporting services.

This investment is inclusive of an adjacent land site that can support extra development for parking or a ground up project. The 6 story, 52,711 SF asset stands at 92% occupancy with promising vacancies to complete stabilization.

building sf
52,711 SF

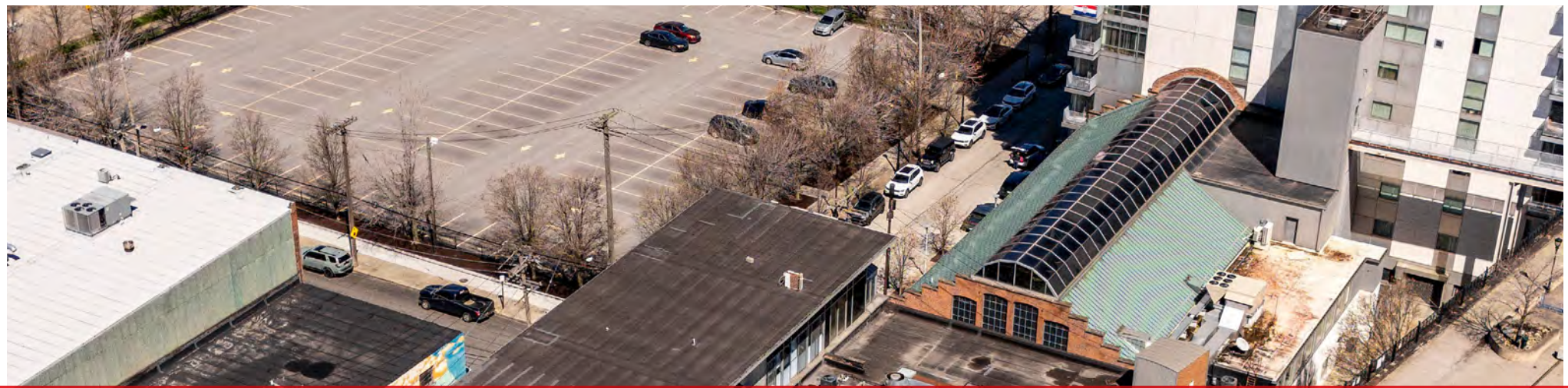
year built
1995

year renovated
2018

additional acreage
0.27

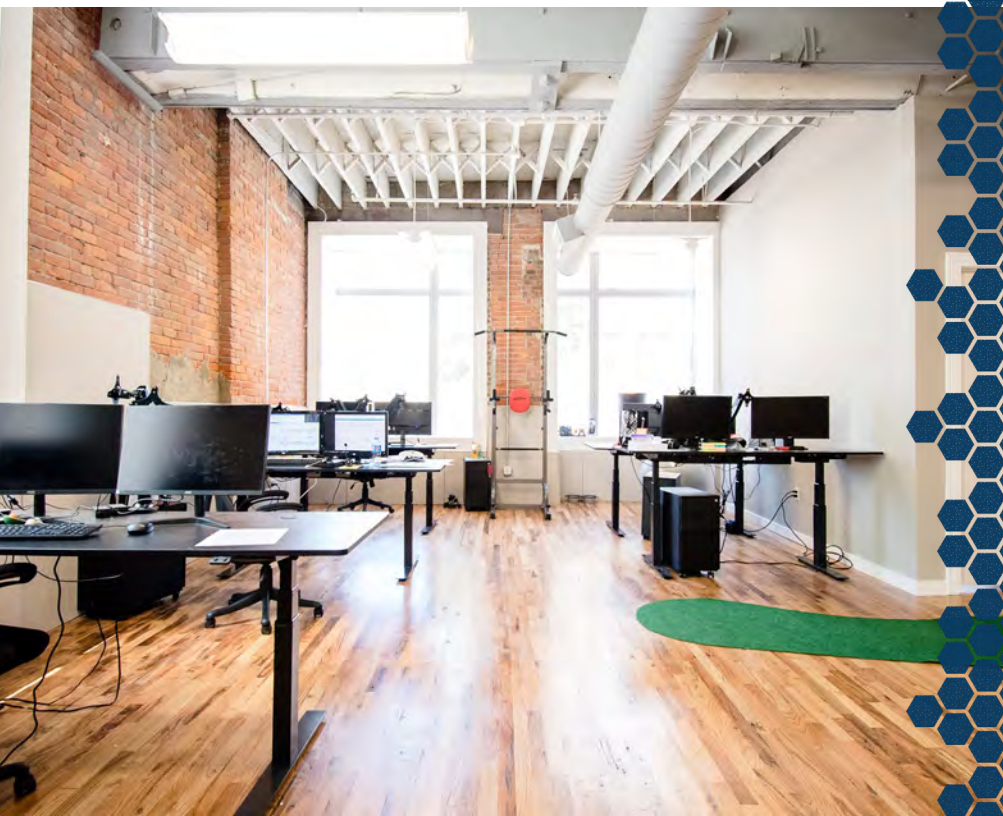
floors
6

occupancy
92%



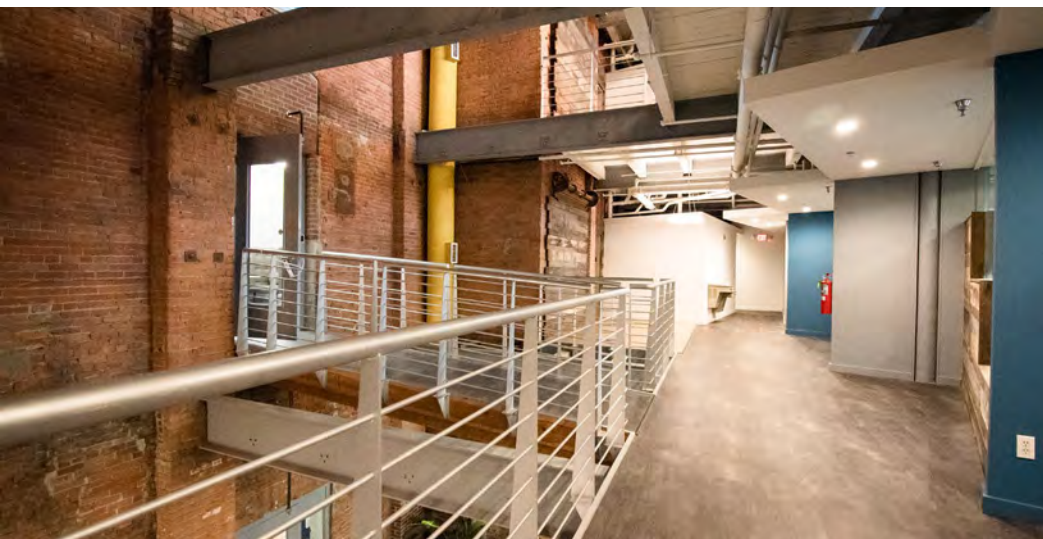
PROPERTY DETAILS





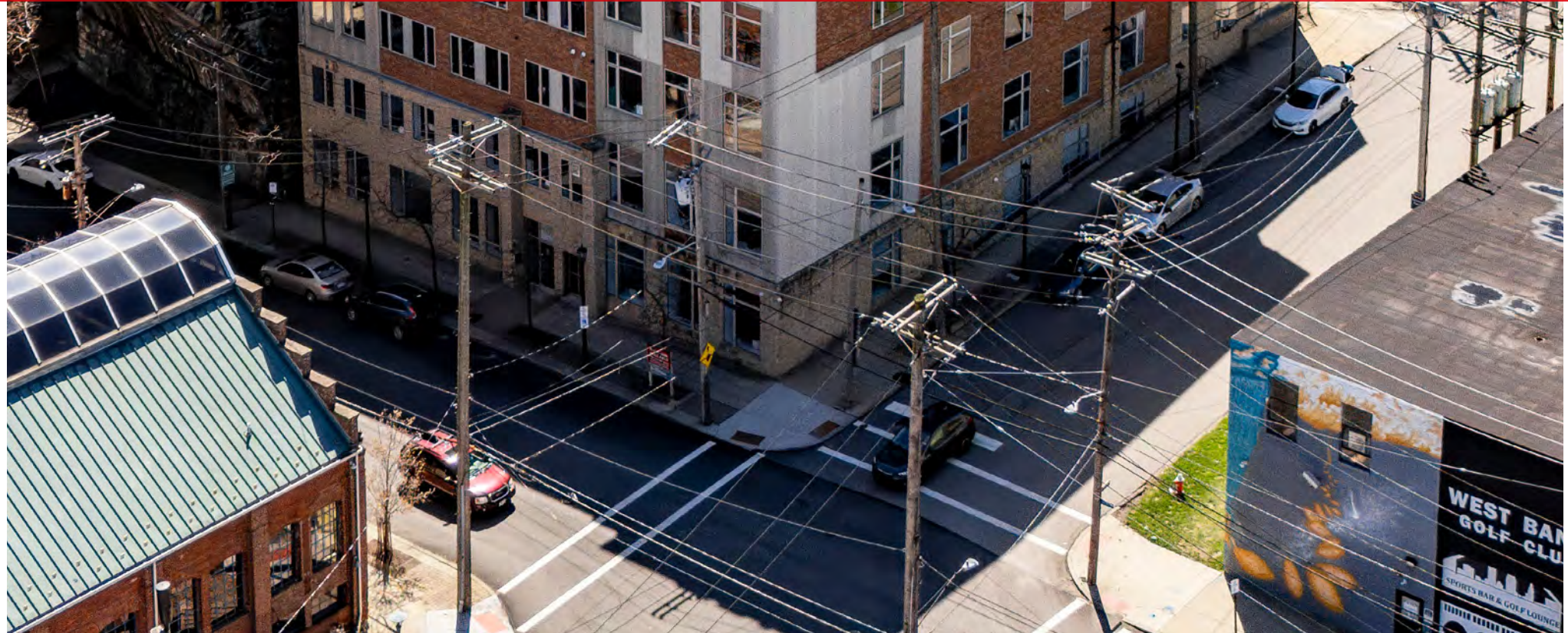
THE HIVE

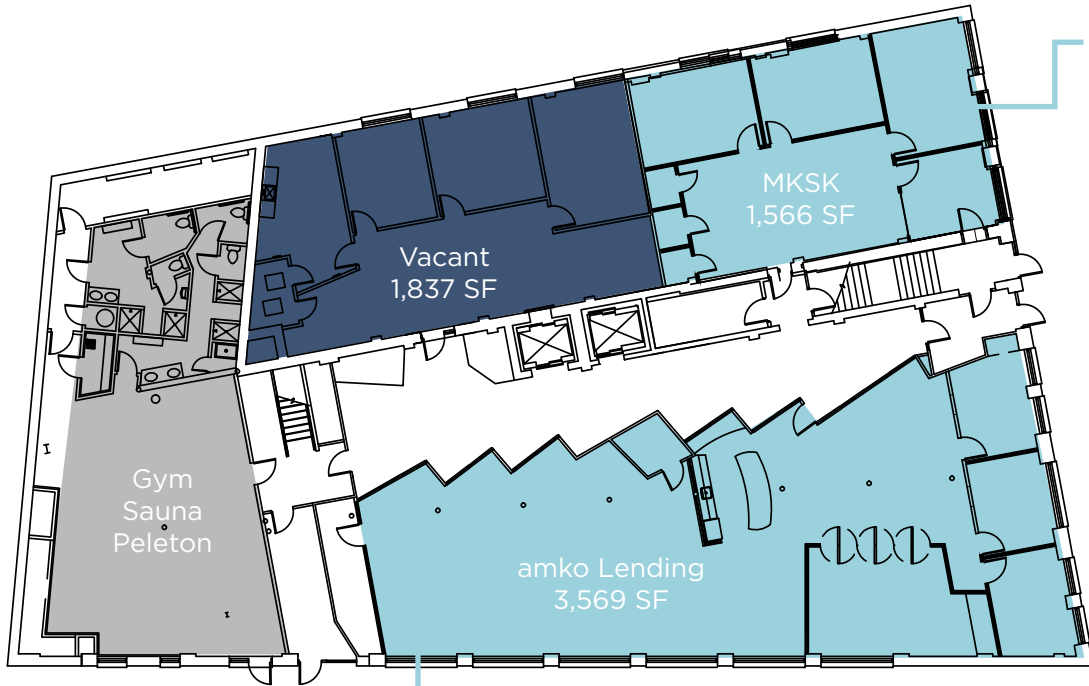
- 52,711 SF mixed-use property in the neighborhood of Ohio City
- Move-in ready spaces are available for immediate occupancy, offering seamless transition for new owners
- A fitness center is provided within the building for the convenience of occupants
- An extra development lot is included, offering opportunities for parking or ground-up development
- Casa La Luna, formerly Luca, recognized as one of Cleveland's top 25 Italian restaurants by Cleveland Magazine, is situated on the fifth floor
- Architectural elements such as timber and brick create a unique and appealing environment
- Situated in Ohio City, a vibrant neighborhood with over 10,000 residents and more than 500 businesses
- Ohio City is renowned for its walkability, offering convenience and accessibility to residents and businesses alike
- Anchor institutions in the neighborhood include the iconic West Side Market, Lutheran Hospital, St. Ignatius High School, and the famed Great Lakes Brewing Company





TENANT OVERVIEW





First Floor

MKSK

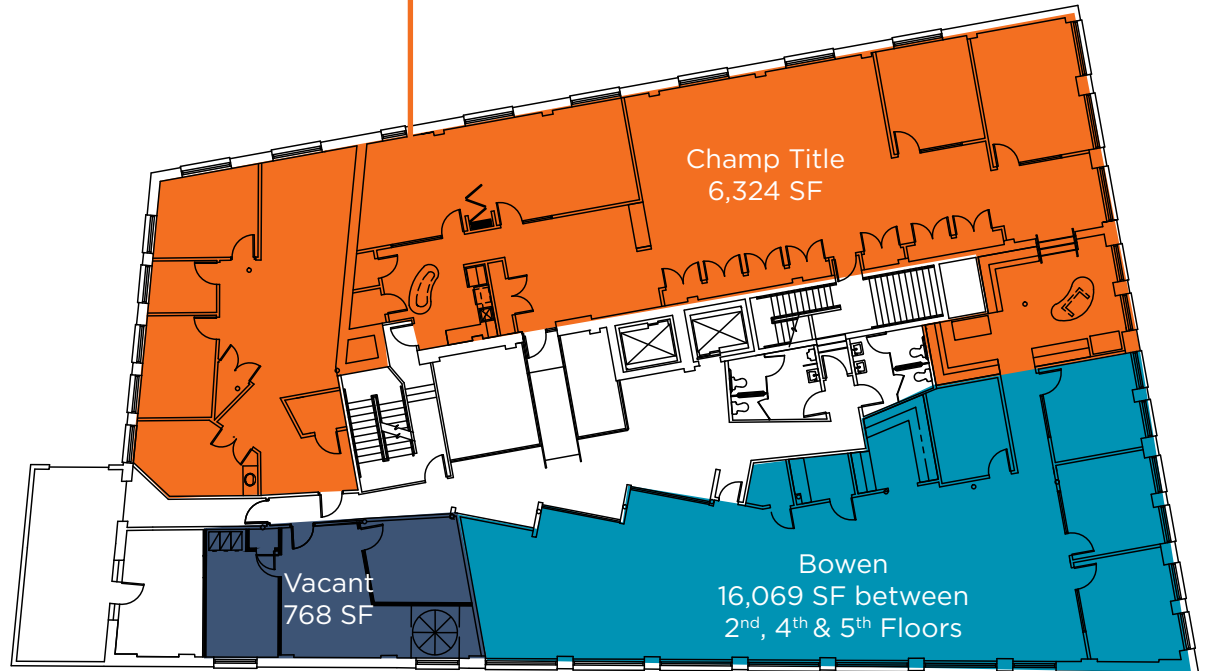
MKSK is a renowned planning and urban design company known for its innovative approaches to shaping vibrant communities. With a commitment to sustainability and community engagement, MKSK delivers tailored solutions that harmonize with the unique character of each locale, fostering inclusive and thriving urban environments



Champ builds technology for government to solve the problems their constituents have with title and registration. Those constituents include vehicle retailers, vehicle wholesalers, insurance carriers, fleet operators, lenders, and all of the service providers that serve each of these industry verticals.



Amko Lending is a reputable financial institution known for its flexible lending solutions tailored to meet clients' diverse needs. With a commitment to transparency and customer satisfaction, Amko Lending strives to provide accessible and efficient loan services to individuals and businesses alike.



Second Floor



Liberty Home Mortgage offers competitive rates and personalized service, guiding clients through the home financing process with transparency and integrity. They aim to make buying or refinancing a home seamless and efficient, helping individuals and families achieve their homeownership goals.



Stern advertising employs a direct and assertive tone to convey messages. It often utilizes strong language and visuals to capture attention and convey urgency. This approach aims to compel the audience to take action swiftly, leaving little room for ambiguity or hesitation.

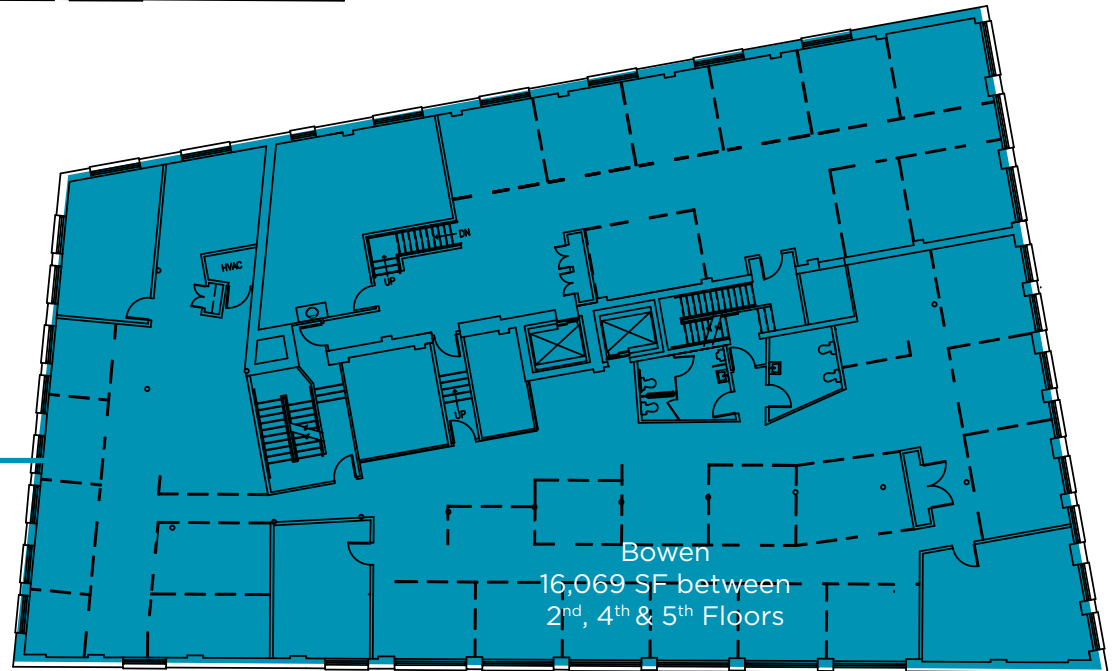
Third Floor



Founded in 2013, Qwickly, Inc. is an Ohio-based educational software company specializing in enhancing learning management systems globally. Their user-centric approach prioritizes efficiency and productivity, ensuring teaching and learning remain at the forefront.



Bowen Architecture Firm is renowned for its innovative approach to design, seamlessly blending functionality with aesthetic appeal. With a commitment to sustainability and client collaboration, Bowen Architecture consistently delivers cutting-edge solutions tailored to meet the unique needs of each project.



Fourth Floor



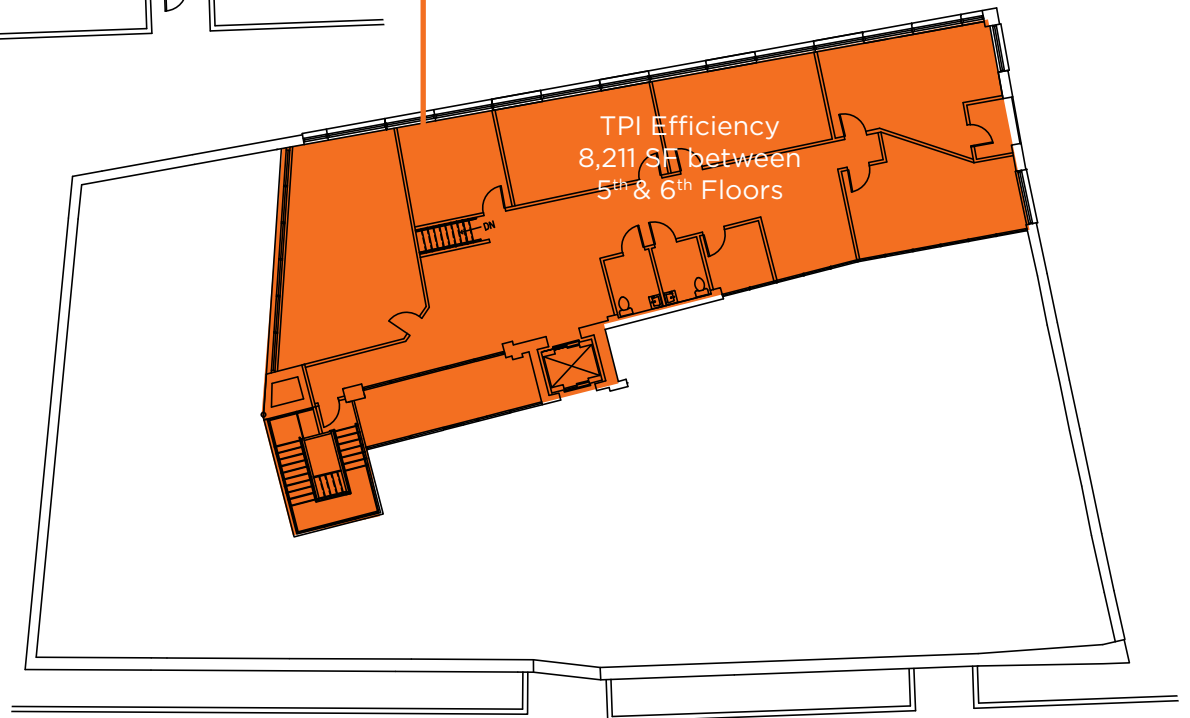
Fifth Floor

CASA
La Luna

Casa La Luna, previously known as Luca Italian Cuisine, was founded in July 2013 by Lola Jacaj, driven by a profound passion for European fine dining. This culinary gem offers a harmonious blend of traditional and contemporary Northern Italian cuisine, promising unforgettable dining experiences. Renowned for its culinary excellence and warm hospitality, Casa La Luna has garnered acclaim, earning a spot among Cleveland's **Top 25 Best Italian Restaurants** by Cleveland Magazine. Beyond its acclaimed dinner service, the restaurant excels in event hosting and catering, showcasing its versatility and culinary expertise. With an expertly curated wine selection and a charming all-season patio, Casa La Luna continues to stand as a premier dining destination in Cleveland, delivering exceptional experiences and culinary mastery.

TPI efficiency

TPI Efficiency is a leading energy consulting company dedicated to helping businesses optimize their energy usage and reduce costs. With a focus on sustainability and efficiency, TPI provides tailored solutions and expert guidance to clients across various industries. Their innovative approach combines cutting-edge technology with industry expertise to deliver measurable results and long-term energy savings. TPI Efficiency empowers businesses to navigate complex energy markets, implement strategic initiatives, and achieve their sustainability goals effectively.



Sixth Floor

A photograph of a modern multi-story building with a mix of brick, metal siding, and stone. The building has several windows and a rooftop structure. A red banner with a white hexagonal pattern is overlaid across the middle of the image, containing the text 'MARKET OVERVIEW'.

MARKET OVERVIEW

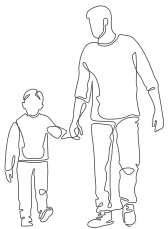


OHIO CITY

Ohio City, one mile west of Downtown Cleveland, is buzzing with energy. In this trendy neighborhood, there's always something going on, especially on West 25th Street. This street is lined with popular dining from high-end cocktail bars and beer gardens to farm-to-table restaurants and unbeatable entertainment hubs with Ohio City's signature artsy feel. One of the most notable landmarks is the 100-year-old West Side Market. With over one million visitors annually, the West Side Market is loved by tourist and locals, with all the fresh meats, cheeses, fruits, veggies, baked goods, flowers, gifts, and crafts from over 100 locally owned and independent businesses. Rated the #2 suburb in Cleveland, Ohio City is home to over 250 local businesses, 60 of which are new in the last three years.

MAIN ATTRACTIONS

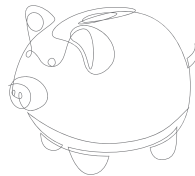
- West Side Market
- Mason's Creamery
- Pins
- Forest City Shuffleboard
- Great Lakes Brewery
- Ohio City Farm



10,305
population



5,345
households



\$76,339
avg hh income



589
businesses



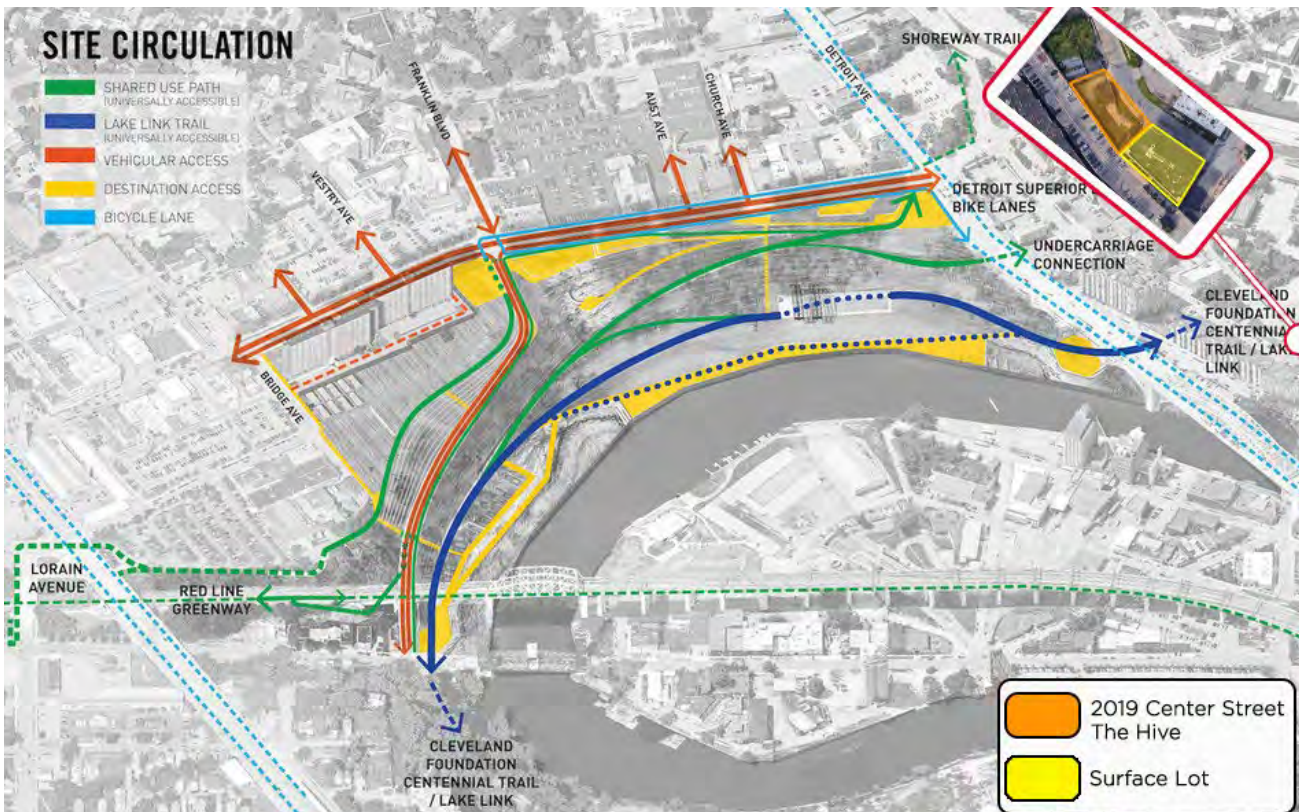
7,041
employees

AREA DEVELOPMENT



Irishtown Bend:

The city of Cleveland has plans to redevelop Irishtown Bend, a 17-acre area in Cleveland that has potential to become a remarkable urban park. The vision for the park combines local and regional interests, aiming to serve both the neighborhood and attract visitors from the wider region. The plan includes various features such as playgrounds, historical and ecological areas, and scenic viewpoints of the downtown skyline. Collaboration between multiple organizations including Ohio City Inc., the Port of Cleveland, the City of Cleveland, and LAND Studio has been crucial in shaping the \$125,000 plan. The park's development is seen as integral to stabilizing the hillside and leveraging recreational trails in the region. Entry plazas, cultural centers, and recreational facilities are planned, with an emphasis on commemorating the area's history and ecology. The project aims to revitalize the area while addressing environmental concerns and fostering community involvement.



AREA DEVELOPMENT



Bridgeworks Project:

The Bridgeworks development in Cleveland's Ohio City neighborhood is poised to commence construction in early summer, marking a significant milestone for the area's revitalization. Situated at the west end of the Detroit-Superior Bridge on a 2.13-acre site, the design features a single seven-story structure with parking on the lower levels to optimize space. Plans for the development include 145 apartments, a Motto By Hilton hotel, retail spaces, and a restaurant offering scenic views, currently undergoing review by the city's design-review boards. Despite challenges like the pandemic and rising construction costs, developers are determined to complete Bridgeworks by early 2025. This project aligns seamlessly with broader revitalization efforts for the area, including proposals for a linear park beneath the Detroit-Superior Bridge and ongoing development of Irishtown Bend Park, promising to rejuvenate and redefine this historic neighborhood for residents and visitors alike.





The top portion of the image shows a panoramic view of a city skyline under a clear blue sky. Several prominent skyscrapers are visible, including one with a distinctive pointed top and another with a blue glass facade. A construction crane is positioned near the blue glass building. The skyline is set against a backdrop of a distant horizon and a body of water.

FINANCIAL ANALYSIS



RENT ROLL

Available upon request

PROFORMA

PPN 003-18-019		Proforma	
Total SF	52,500		\$/SF/Space
Income:			
Rental Income			
101- Vacant	1,837	\$ 41,332.50	\$ 22.50
102 - MKSK	1,566	\$ 29,754.00	\$ 19.00
103 - Amko Lending	3,569	\$ 62,778.71	\$ 17.59
200- Champ Title	1,424	\$ 23,852.00	\$ 16.75
201- Champ Title	4,900	\$ 82,075.00	\$ 16.75
202 - RI Bowen & Associates	2,310	\$ 36,960.00	\$ 16.00
203 - Vacant	768	\$ 17,280.00	\$ 22.50
301 - Qwickly	3,403	\$ 66,937.01	\$ 19.67
302 - Stern Advertising	3,555	\$ 66,585.15	\$ 18.73
303 - Liberty Home Mortgage	3,368	\$ 67,898.88	\$ 20.16
500 - RI Bowen & Associates	13,759	\$ 220,144.00	\$ 16.00
506 - Luca Italian Cuisine	3,830	\$ 103,410.00	\$ 27.00
506/601 - TPI	8,211	\$ 147,798.00	\$ 18.00
Total	52,500		
Effective Gross Income		\$ 966,805.25	\$ 18.42
Other Income			
Parking Income		\$ 60,300.00	\$ 1.15
CAM Charges		\$ 13,263.84	\$ 0.25
Base Year Charges		\$ 12,481.68	\$ 0.24
Utility Income		\$ 86,026.44	\$ 1.64
Maintenance Income		\$ 900.00	\$ 0.02
Total Other Income		\$ 172,971.96	
Total Gross Income		\$ 1,139,777.21	
Operating Expenses:			
Management Fees		\$ 24,000.00	\$ 0.46
Municipal Tax		\$ 10,320.00	\$ 0.20
Real Estate Taxes		\$ 91,729.32	\$ 1.75
Insurance		\$ 18,409.56	\$ 0.35
Repairs and Maintenance		\$ 64,224.36	\$ 1.22
Utilities		\$ 95,395.32	\$ 1.82
Contract Services		\$ 54,466.32	\$ 1.04
Admin Expenses		\$ 37,254.71	\$ 0.71
Total Operating Expenses		\$ 395,799.59	\$ 7.54
Net Operating Income		\$ 571,005.66	\$ 10.88
Vacancy Loss & Credit (10%)		\$ 48,535.48	
Effective NOI		\$ 522,470.18	\$ 9.95
Capitalization Rate			8.707
Asking Price			\$ 6,000,000

Confidential Offering Memorandum

OFFICES AT THE HIVE

Mixed-Use Investment Opportunity at 2019 Center Street, Cleveland, Ohio 44113

RICO A. PIETRO, SIOR

Principal
+1 216 525 1473
rpietro@crescorealestate.com

JIM KRIVANEK

Vice President
+1 216 525 1498
jkrivaneck@crescorealestate.com

6100 Rockside Woods Blvd, Suite 200
Cleveland, Ohio 44131
+1 216 520 1200
crescorealestate.com

Independently Owned and Operated / A Member of the Cushman & Wakefield Alliance

Cushman & Wakefield Copyright 2024. No warranty or representation, express or implied, is made to the accuracy or completeness of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions imposed by the property owner(s). As applicable, we make no representation as to the condition of the property (or properties) in question.

