



LAHSER CENTER

Stabilized Education & Office Campus



Lahser Center

26400/26200 Lahser Road, Southfield, MI 48033

BRIEF OVERVIEW

The Lahser Center Campus was Purchased in January 2019 with approximately 20% occupancy at the time. Split into a 100,000 square foot, 4-story building (Lahser One) and a 75,000 square foot 3-story building (Lahser Two), the Lahser Center campus has now achieved a 95% occupancy rate with a list of diverse and well-capitalized tenants.

At the time of purchase, the elevators were inoperable, the landscaping was tired, and the lobbies were in need of a refresh. The Sponsor replaced the two main elevators within the first few months of owning the property, and completely redid the corridors and lobby, added a building conference center, installed a grab-and-go cafeteria, and invested over \$5M in tenant improvements between the two buildings.



LOCATION MAP

SOUTHFIELD, MI



Lahser Center is conveniently located in the Detroit MSA within the Southfield Submarket. Southfield's Class-A rents are approximately \$20-\$23/sf gross, Class-B rents are \$15-\$18/sf gross, and Class-C rents are \$8-\$12/sf. Lahser Center is considered a Class-B property, on the higher end, with typical property amenities and level of quality.

There are a variety of fast-casual restaurants and conveniences within walking or short driving distance, which makes Lahser Center an appealing option for prospective tenants. Additionally, Lahser Center is extremely close to the Southfield Town Center, which is considered a major Class-A office complex, which draws tenants and commerce to Lahser Center and Southfield in general.



PROPERTY INFORMATION

Property Name:	Lahser Center
Address:	26400/26200 Lahser Road
City/State/Zip:	Southfield, MI 48033
SF:	175,067
Property Type:	Office & Education Campus
Year Built / Year Renovated:	1975/2024

STABILIZED PRO FORMA

LAHSER CENTER Cash Flow Analysis	2025 Budget		As-Stabilized	
	Pro-Forma	\$/SF		\$/SF
Gross Potential Rent	2,822,741	\$16.12	2,944,542	\$16.82
Less: Vacancy Loss	-	\$0.00	-	
Net Base Rent	2,822,741	\$16.12	2,944,542	\$16.82
Utilities & Reimbursements	300,209	\$1.71	369,623	\$2.11
		\$0.00		\$0.00
Other Income	-	\$0.00	-	\$0.00
Other Income	300,209	\$1.71	369,623	\$2.11
Total Income	3,122,950	\$17.84	3,314,165	\$18.93
Payroll	154,859	\$0.88	162,757	\$0.93
Utility Expense	366,200	2.09	371,000	2.12
Other Building Expenses	23,440	0.13	25,440	0.15
Professional Fees	11,800	0.07	13,250	0.08
Other Administrative Expenses	103,888	0.59	109,625	0.63
Contract Expenses	212,125	1.21	236,365	1.35
Repairs and Maintenance	38,590	0.22	42,590	0.24
Taxes and Insurance	327,000	1.87	348,000	1.99
Advertising	4,000	0.02	5,000	0.03
		0.00	-	0.00
		0.00	-	0.00
Total Expenses	1,241,902	\$7.09	1,314,027	\$7.51
Expense Ratio	39.8%		39.6%	
Net Operating Income	1,881,048	\$10.74	2,000,138	\$11.42
Leasing Commissions		\$0.00	262,601	\$1.50
Replacement Reserves		\$0.00	35,013	\$0.20
Total Leasing & Capital Costs	-	\$0.00	297,614	\$1.70
Net Cash Flow	1,881,048	\$10.74	1,702,524	\$9.72
Operating Margin	60.2%		51.4%	
Annual Debt Service			1,362,056	\$7.78
Cash Flow After Debt Service			340,468	\$1.94
DSCR			1.25x	
NOI Debt Yield			11.43%	
NCF Debt Yield			9.73%	

FINANCIAL PROJECTIONS