

5335 XENON ST

ARVADA, CO 80002



One Broadway Suite A300
Denver, CO 80203
303.962.9555 | www.PinnacleREA.com



Schneider Grimes
INVESTMENT SERVICE GROUP

Mark Alley, Advisor
Paul Schneider, Principal
Chase Grimes, Vice President
Anna Givens, Manager of Team Operations



PROPERTY DESCRIPTION

5335 Xenon Street is a prime commercial property offering 15,975 square feet of premium space on a one-acre lot. Built in 2016, the building boasts top-of-the-line amenities, providing an exceptional environment for business operations.

The property is currently leased to Alio, a reputable publicly traded company, ensuring a stable and secure income stream. Alio has committed to a new 5-year lease agreement, featuring 3% annual escalations, and holds an option for a 3-year extension, reflecting their long-term investment in the location.

The Property is close to numerous restaurants, offering diverse dining options. Additionally, the RTD light rail provides convenient public transportation access, and Old Town Arvada is nearby, featuring charming shops, cafes, and cultural attractions. This combination of a high-quality work environment and a desirable location enhances both employee satisfaction and business success.

The combination of a strong tenant, contemporary amenities, and strategic lease terms make 5335 Xenon Street an outstanding investment opportunity.

OFFERING SUMMARY

List Price:	\$5,300,000
Cap Rate:	6.11%
Lot Size:	1 Acre
Building Size:	15,975 SF

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ABOUT ALIO - PASSION IN MOTION

ALIO Industries has been providing world-class motion control solutions since 2001. In Latin, ALIO means "A Better Way".

Our advanced machine shop, cutting-edge technologies, and controlled environments allow us to produce optimized motion control solutions, including Hexapod robotic systems, air bearing systems, and nano-precision linear and rotary systems with both mechanical and air bearings guides. With over 20 years' experience, we provide high-end off-the-shelf or customized motion control solutions to meet your specific requirements.

To achieve the precision and quality that our customers demand, we make everything under one roof in our state-of-the-art advanced machine shop, using cutting-edge technologies in controlled environments to ensure the production of optimized motion control solutions. ALIO has 100%-part verification which is unique in the motion control industry.

With design, machining, metrology, manufacturing, and assembly teams all working together, ALIO nurtures cross-company collaboration every day. This allows us to be flexible and nimble as we work with our customers to provide the ultimate in high quality ultra-precise solutions.



TENANT OVERVIEW

Company:	ALIO Industries
Founded:	2001
Acquired:	2021 (Allient Technologies)
Website:	https://alioindustries.com/

PRODUCTS & SYSTEMS

- Rotary Motion Systems
- Hybrid Hexapod
- Linear Motion Systems
- Air Bearing Systems
- Custom Solutions
- Gantry Systems
- Micron 2 Motion Systems
- Z-Lift & Vertical Motion Stages

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5335 XENON STREET

Arvada , CO 80002

PROPERTY DESCRIPTION

Building Type:	Industrial
Building Size:	15,975 SF
Lot Size:	1 Acre
County:	Jefferson
YOC:	2016

INVESTMENT HIGHLIGHTS

- Strong Tenant - The Property is 100% leased to Alio, a unique tenant who specializes in providing world-class motion control solutions
- Tenant Recently Executed New, 5-Year NNN Lease - Lease includes a 3-year option, all with 3% annual escalations
- Strategic Location - The Property has excellent accessibility (access to CO-72, CO-58 & I-70) and sits in a desirable industrial submarket that has low inventory for its product type
- Newly Built Building - The Property was built in 2016 and features state-of-the-art amenities

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PARCEL OUTLINE



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INTERIOR PHOTOS



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INVESTMENT ANALYSIS

<i>Investment Analysis</i>	<i>Current</i>	<i>PSF</i>	<i>Year 5</i>	<i>PSF</i>
SCHEDULED BASE RENTAL INCOME	\$324,000	\$20.28	\$364,664	\$22.83
Expense Reimbursement Revenue	\$107,672	\$6.74	\$107,672	\$6.74
TOTAL POTENTIAL GROSS REVENUE	\$431,672	\$27.02	\$472,336	\$29.57
GROSS REVENUE	\$431,672	\$27.02	\$431,672	\$27.02
Total Operating Expenses (EST.)	\$107,672	\$6.74	\$107,672	\$6.74
NET OPERATING INCOME	\$324,000	\$20.28	\$364,664	\$22.83
Cap Rate (based on Acquisition Price)	6.11%		6.88%	
Debt Service	(\$272,707)		(\$272,707)	
Before Tax Cash Flow	\$51,293		\$91,957	
Cash on Cash	2.77%		4.96%	
Principal Reduction	\$59,068		\$59,068	
Total Return	5.95%		8.14%	
<u>ACQUISITION PRICE:</u>	\$5,300,000	\$331.77 psf	\$5,300,000	\$331.77 psf
Loan Amount	\$3,445,000	65.00% LTV	\$3,445,000	65.00% LTV
Initial Equity	\$1,855,000	35.00%	\$1,855,000	35.00%
Interest Rate/Amortization	6.250%	25 Years	6.250%	25 Years
Monthly/Annual Amortization Payments	\$22,726	\$272,707	\$22,726	\$272,707
Property Square Feet:	15,975 SF		15,975 SF	

FINANCING POSSIBILITIES - SLATT CAPITAL



Industrial	Traditional OOCRE Lender	Traditional Lender	Traditional Lender	LifeCo Lender
Value	\$5,400,000	\$5,400,000	\$5,400,000	\$5,400,000
EBITDA / NOI	\$380,000	\$324,000	\$324,000	\$324,000
Projected Cap Rate		6.00%	6.00%	6.00%
LTC/LTV	75%	57%	59%	50%
Proposed Terms				
Loan Amount	\$4,050,000	\$3,097,933	\$3,199,018	\$2,700,000
Interest Rate	6.20%	6.75%	6.50%	5.44%
Term	5-yr	5-yr	5-yr	5-yr
Amortization	25	30	25	25
Annual Debt Service	\$319,099	\$241,118	\$259,200	\$197,805
Projected DSCR	1.19	1.34	1.25	1.64
Equity Contribution	\$1,350,000	\$2,302,067	\$2,200,982	\$2,700,000
Excess Cash Flow - Annual	\$60,901	\$82,882	\$64,800	\$126,195
Recourse	Full Recourse	Full Recourse	Full Recourse	Negotiable
Prepayment Penalty	Stepdown	None	None	Stepdown
Interest Only	N/A	N/A	N/A	Potentially
Notes				

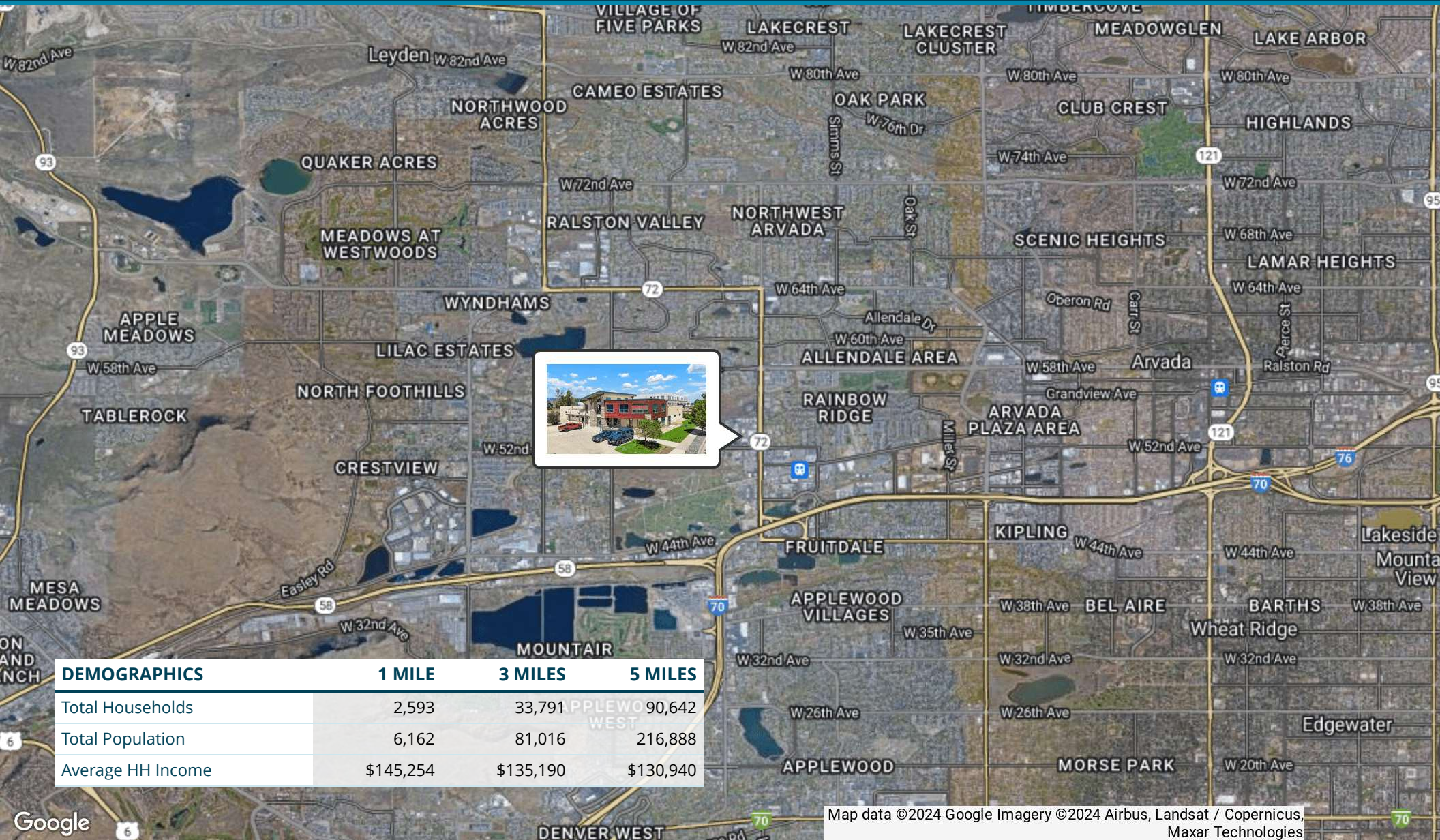
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LOCATION OVERVIEW



DEMOGRAPHICS	1 MILE	3 MILES	5 MILES
Total Households	2,593	33,791	90,642
Total Population	6,162	81,016	216,888
Average HH Income	\$145,254	\$135,190	\$130,940

Map data ©2024 Google Imagery ©2024 Airbus, Landsat / Copernicus, Maxar Technologies

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ARVADA

Arvada is currently experiencing a time of extensive redevelopment and rapid growth. The comprehensive plan for the city includes over 20 major projects, including a 9-acre TOD Site providing a large influx of retail, commercial, and multi-family projects through 2020. In total, the City of Arvada is slated to deliver over 8,000 residential units and another 1,200 units are in for review for permitting. Due to the rapid growth of Denver, Arvada presents an attractive and affordable suburb.

MOST POPULOUS CITY IN COLORADO

#7

115,320 RESIDENTS U.S. CENSUS BUREAU

TOTAL VALUE IN 5 BLOCK AREA

\$227M

PROJECTS SPURRED BY LIGHT RAIL STOP

QUALITY OF LIFE

Arvada's land encompasses nearly 40 square miles, many of which are dedicated to an extraordinary trail system which links the Denver trails on the east and the foothills of the Rocky Mountains to the west. Additionally, there are thousands of acres of parks and open spaces. The city is also easily connected to the larger metropolitan area via three proximate interstate highways. Arvada will soon have three transit stops along the Gold Line commuter rail line, part of the metropolitan FasTracks light rail system.

BUSINESS

Arvada is known for its award winning business retention program. The Arvada Economic Development Association (AEDA) facilitates business growth by offering a variety of financial assistance and tax credits for businesses in targeted industries. These programs allow businesses to start, expand, renovate, or relocate in Arvada.

WORKFORCE

Residents and businesses have easy access to resources and an incredible workforce coming from world-class research institutions including the University of Colorado and Colorado School of Mines. In addition, the Arvada campus of Red Rocks Community College provides training assistance to meet employer needs. As a result, Jefferson County has the second-lowest unemployment rate in the nation as of September 2019 at three percent.

DISCLOSURE



This confidential Offering Memorandum, has been prepared by Pinnacle Real Estate Advisors, LLC ("Pinnacle REA") for use by a limited number of qualified parties. This Offering Memorandum has been provided to you at your request based upon your assurances that you are a knowledgeable and sophisticated investor in commercial real estate projects and developments. Pinnacle REA recommends you, as a potential buyer/investor, should perform your own independent examination and inspection of the property described herein as 5335 Xenon Street located in Arvada , CO (the "Property") and of all of the information provided herein related to the Property. By accepting this Offering Memorandum, you acknowledge and agree that you shall rely solely upon your own examination and investigation of the Property and you shall not rely on any statements made in this Offering Memorandum or upon any other materials, statements or information provided by Pinnacle REA or its brokers.

Pinnacle REA makes no guarantee, warranty or representation about the completeness or accuracy of the information set forth in this Offering Memorandum. You are responsible to independently verify its accuracy and completeness. Pinnacle REA has prepared the information concerning the Property based upon assumptions relating to the general economy, its knowledge of other similar properties in the market, and on other market assumptions including factors beyond the control of the Pinnacle REA and the Owner of the Property. Pinnacle Real Estate Advisors make no representation or warranty as to either the accuracy or completeness of the information contained herein, and the information set forth in this Offering Memorandum in not intended to be a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be accurate, Pinnacle REA and the Property Owner disclaim any responsibility or liability for any inaccuracies. Further, Pinnacle REA and the Property Owner disclaim any and all liability for any express or implied representations and warranties contained in, or for any omissions from, the Offering Memorandum and for any other written or oral communication transmitted or made available to you. Pinnacle REA shall make available to you, as a qualified prospective investor, additional information concerning the Property and an opportunity to inspect the Property upon written request.

This Offering Memorandum and the contents are intended to remain confidential except for such information which is in the public domain or is otherwise available to the public. By accepting this Offering Memorandum, you agree that you will hold and treat Offering Memorandum in the strictest confidence, that you will not photocopy or duplicate it, or distribute it. You agree you will not disclose this Offering Memorandum or its contents to any other person or entity, except to outside advisors retained by you and from whom you have obtained an agreement of confidentiality, without the prior written authorization of Pinnacle REA. You agree that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the Property. If you determine you have no interest in the property, kindly return the Offering Memorandum to Pinnacle REA at your earliest convenience.



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