

## Class A Construction

### What It Means, How Buildings Are Classified, and Why This Property Qualifies

*In commercial real estate, building quality is described using a letter-based classification system: Class A, Class B, and Class C. **160 West 900 South** is a Class A building — and this exhibit explains exactly what that means, what separates it from lesser classifications, and how this property earns that designation on every criterion that matters.*

### Part One: The Classification System Explained

The Building Owners and Managers Association International (BOMA) - the industry's primary standards body, with over 100 years of authority in commercial real estate - defines building classes as a quality rating system that reflects a building's competitive ability to attract tenants. The system uses three designations: Class A, Class B, and Class C.

It is important to understand at the outset that there is no government body that certifies building class. Classification is an industry-wide consensus standard - a shared language used by brokers, investors, tenants, and lenders to quickly communicate quality. That said, the criteria are well-established and consistently applied.

#### The Key Principle

*Building class is always relative to the local market. A Class A building in Salt Lake City is the finest commercial office product available in that market — not compared to Manhattan, but compared to every other building competing for tenants in the same area. Within the Salt Lake metro, **160 West 900 South** is in a category of its own.*

#### 1. The Three Classes at a Glance

- **Class A — The Premier Tier**

Class A represents the most prestigious buildings in a given market. According to BOMA's official definition, these are "premier buildings competing for premier office users with rents above average for the area" featuring "high quality standard finishes, state-of-the-art systems, exceptional accessibility, and a definite market presence." Class A buildings are typically newer, architecturally distinctive, and built to the highest construction standards available. They attract the best-established organizations and command the highest rental rates in the market.

- **Class B — The Functional Middle**

Class B buildings are functional, well-maintained, and generally located in good areas. They compete for a wide range of tenants at average market rents. Finishes are fair to good, systems are adequate but not cutting-edge, and the buildings typically lack the design distinction of Class A. Many Class B buildings are former Class A properties that have aged without significant reinvestment.



- **Class C — The Budget Tier**

Class C buildings are older, often in less desirable locations, and compete on price alone — offering functional space at below-market rents. Finishes are dated, systems may require significant investment, and amenities are minimal. These buildings attract small, cost-constrained tenants and are frequently targeted for renovation or conversion.

Criteria	Class A	Class B	Class C
Construction Quality	Premium — steel, glass, concrete; moment frame seismic	Good — functional, code-compliant	Basic — minimum viable
Age	New or recently built (typically under 10 years)	10–25 years old	Over 20–30 years old
Location	Prime — near CBDs, transit, amenities	Solid — functional, may be suburban	Inferior — low traffic, limited access
Interior Finishes	Highest-end — custom millwork, premium flooring, designer lighting	Fair to good — functional but not exceptional	Dated — limited or deferred maintenance
Building Systems	State-of-the-art HVAC, fiber, LED, elevator, security	Adequate — maintained but not cutting-edge	Basic — may need major updates
Sustainability	LEED standard or certified; high energy efficiency	Some efficiency features	Minimal — code minimum only
Amenities	Conference rooms, kitchens, outdoor space, EV, secure parking	Functional — limited amenities	Bare minimum
Rent Premium	Above market — commands top rates	At market average	Below market
Tenant Profile	Premier organizations seeking best-in-class settings	Wide range of businesses	Small or budget-constrained tenants
160 W 900 S	Yes — exceeds Class A on every criterion	—	—



## Part Two: What Makes a Building Genuinely Class A

The distinction between Class A and Class B is not just about age or aesthetic preference. It reflects fundamental differences in how a building was designed, what materials were used, how the mechanical and technological systems perform, and how the building serves the people inside it. These differences have real consequences for operating cost, occupant experience, and long-term asset value.

### 1. Construction Quality and Structural Integrity

The most durable marker of Class A status is how a building is built — not how it looks from the street, but what is in the bones. Class A buildings use premium structural systems, durable materials, and construction methods that are engineered to last generations rather than decades. The structural choices made at the time of construction cannot be meaningfully changed later. A Class B building cannot be renovated into a moment frame. A Class C building's concrete masonry structure cannot be replaced with steel and glass. Construction quality is the most permanent and irreversible dimension of building class.

### 2. Building Systems

Class A buildings have state-of-the-art mechanical, electrical, life safety, and communications systems. This means HVAC that provides precise climate control and superior air quality, fiber-optic internet infrastructure, modern LED lighting with intelligent controls, certified elevators, and security systems that provide genuine protection rather than minimum compliance. These systems directly affect the daily experience of every person who works in the building.

### 3. Finishes and Design

Interior finishes in a Class A building are selected for durability, aesthetics, and the statement they make about the organization that occupies the space. Custom millwork, premium flooring, architectural lighting, and thoughtful spatial design are hallmarks of Class A. These are not cosmetic choices — they reflect the quality of the building's construction budget and the intent of the people who designed it.

### 4. Amenities and Occupant Experience

Class A buildings are designed around the experience of the people who work in them. Conference facilities, kitchen and food amenities, outdoor spaces, secure parking, privacy spaces, and wellness-oriented design features are all expected at this tier. These are not luxuries — they are the features that allow an organization to attract and retain the talent it needs to succeed.

### 5. Location and Accessibility

Class A buildings are sited where the best tenants want to be. Proximity to downtown activity, public transportation, dining, services, and major transportation corridors is not incidental — it is a defining criterion. Location affects not only the prestige of an address but the daily experience of every employee who commutes to and from the building.



## 6. Sustainability and Operational Efficiency

Increasingly, Class A status requires meaningful commitment to sustainable design and energy efficiency. Buildings designed to LEED standards use less energy, cost less to operate, and provide healthier interior environments. These qualities directly affect both operating expenses and the long-term desirability of the asset.

### Part Three: How 160 West 900 South Qualifies — Point by Point

The following table maps each of the defining criteria for Class A classification directly to the documented features of this property. This is not a marketing assertion — it is a factual account of what was built and what is present in the building today.

Class A Criterion	How 160 W 900 S Qualifies
Premium Construction	Steel, glass, and concrete moment frame — seismic-rated. Type II-B construction. Built 2019.
Exceptional Finishes	Sealed concrete and Interface carpet flooring. Built-in millwork and custom cabinetry throughout. High-end LED lighting fixtures (various). Neutral, timeless palette.
State-of-the-Art Systems	Electric RTU HVAC (inspected April 2026). TKE elevator with 5-year certification (April 2026). First Digital fiber. T-6 network throughout. LED lighting. Radiant bathroom heat.
Sustainability Standard	Designed and built to LEED Silver standards — one of the highest sustainability benchmarks in commercial construction.
Security and Access	Mag lock vestibule entry. Secure outdoor patio. Six gated, secure parking stalls with automated gate access. Motorized shades on east and south exposures.
Conferencing and Amenities	Two fully equipped conference rooms (65" and 85" monitors). Two phone/privacy booths — one with frosted glass as a mother's room. Full kitchen on Level 2. Kitchenette on Level 1 with pebble ice machine.
Outdoor Space	Three balconies on Level 2. Secure landscaped outdoor patio on ground level.
Tenant Experience	Lounge area. Built-in reception desk with 4-monitor grid. WiFi repeaters throughout. Tinted double-pane insulated glass.
Location	Central 9th neighborhood, adjacent to downtown SLC. TRAX access. Walkable to dining, services, outdoor recreation. Quick access to I-15, I-80, and SLC Airport.



## Part Four: Why Class A Status Matters for a Buyer

For a buyer or investor, Class A status is not just a prestige designation. It has direct, measurable implications for how the asset performs over time.

### 1. Commanding Rental Premium

Class A buildings command above-market rents. Tenants who require premier space — law firms, financial services companies, healthcare organizations, technology firms, creative agencies — are willing to pay a meaningful premium for the quality, identity, and employee experience that a Class A building provides. For an investor, that premium translates directly to income.

### 2. Lower Operating Risk

Buildings with state-of-the-art, well-maintained systems have lower ongoing maintenance costs and fewer surprise capital requirements than Class B or C buildings. The HVAC system was inspected and serviced in April 2026. The elevator completed its 5-year certification in April 2026. These are not incidental details — they reflect the operating discipline of a Class A asset and reduce the risk profile for a new owner.

### 3. Superior Tenant Quality and Stability

Tenants who seek Class A space are typically more established, more financially stable, and more committed to long-term leases than tenants who occupy Class B or C buildings. The quality of the space attracts the quality of the tenant. That stability is a significant driver of long-term asset value.

### 4. Preservation of Asset Value Over Time

Class A buildings, properly maintained, hold their classification and their value in ways that lesser buildings cannot. The structural system, the materials, and the quality of the systems all contribute to a longer useful life and a slower depreciation curve. A 2019 Class A building will still be competitive in this market for decades. A 2019 Class C building will not.

### 5. Irreplaceability at Current Construction Costs

Perhaps the most compelling argument for this specific asset is the replacement cost argument. To build 160 West 900 South today — with the same structural system, the same LEED standard, the same fit-out quality, on a comparable site — would cost substantially more than the acquisition cost of the existing building. Class A construction at this scale is not being speculatively built in Salt Lake City. What exists here cannot be replicated without enormous time, cost, and commitment. It is not just the finest small commercial building in Utah. It is one that, for practical purposes, cannot be built again at this price.



## The Bottom Line on Class A

- Class A is the highest quality designation in commercial real estate — reserved for buildings that combine premium construction, exceptional finishes, state-of-the-art systems, desirable location, and superior occupant experience.
- 160 West 900 South meets or exceeds every criterion for Class A classification — moment frame seismic construction, LEED Silver standard, built-in custom millwork, TKE elevator, fiber internet, secure gated parking, three balconies, and a prime Central 9th location.
- No comparable Class A building of this size exists anywhere else in the Utah market. This building is in a category of one.
- The cost to build this building today exceeds what it costs to acquire it. That gap is the clearest possible measure of the value it represents.

