

For Sale Redwood Business Park & Broadbent Business Park

Investment Offering Memorandum 198,590 SF multi-tenant industrial portfolio consisting of 11 buildings on a combined 13.19 acres of land. Newly renovated and experiencing unprecedented rent growth and leasing activity. A diverse mix of retail, office and warehouse tenants offer a truly unique investment opportunity.



Redwood Business Park

2850 South Redwood Road ▪ West Valley City, UT

Broadbent Business Park

3607-3667 West 1987 South ▪ Salt Lake City, UT



IPG COMMERCIAL REAL ESTATE

www.ipgcre.com | 801.746.7295

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REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Executive Summary

Executive Summary

The Offering

IPG Commercial is pleased to offer Investors an opportunity to acquire Redwood Business Park and Broadbent Business Park, a 198,590 square foot multi-tenant industrial portfolio consisting of 11 buildings on a combined 13.19 acres of land. The combined projects are 72% occupied to 71 tenants.

The properties are enviably located along major business corridors with nearby freeway on/off ramps. The buildings and grounds have been well cared for and promote a professional image.

The Salt Lake industrial market continues to be one of the most robust in the country. Specifically the overall vacancy rate for space less than 5,000 square feet is under 4% and rental rates have increased in excess of 7% for each of the previous two years.

Redwood Business Park

Size 78,351 square feet

Occupancy 80%

In Place Income \$402,462

Proforma Income \$469,000

Broadbent Business Park

Size 120,239 square feet

Occupancy 67%

In Place Income \$482,500

Proforma Income \$675,500

Investment Highlights

| | |
|---------------------------------|--|
| Below Replacement | The asking price is significantly below new construction costs for similar product. Competition is restricted due to the cost barrier of entry. |
| Rent Growth | As the economy continues to improve, small business has roared back. In place rental rates reflect significant year-over-year growth and are expected to continue to climb in excess of general inflation due to strong demand and limited supply. |
| Inflation Hedge | Short term leases allow the owner to be more responsive to an improving market. Rolling leases will provide the investor upside potential and little downtime risk with current market conditions. |
| Functional and Versatile | Both Parks boast diverse user types, with suites ranging from 600 to nearly 10,000 square feet. |
| Separate Parcels | All buildings at Broadbent are separately parceled and could be sold individually at a much higher price than the anticipated acquisition price. Both projects are excellent business condominium candidates. |

Property Information

- Redwood Business Park
- Broadbent Business Park
- Oblique Aerial, Redwood
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- Property Photos, Broadbent
- Zoomed Out Aerial Map, Redwood
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REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

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Redwood Business Park

The project consists of three buildings constructed in 1986 and improved for multi-tenant occupancy. Each unit is individually metered and has adequate parking. The property has been well maintained, and has good curb appeal.



| | |
|-------------------|---|
| Clear Height | 12' |
| Loading | Grade Level |
| Office HVAC | TBD (Interior Space Heaters) |
| Warehouse HVAC | Gas forced air |
| Lighting | Fluorescent |
| Parking | 2.2/1,000 SF |
| Roof | Membrane with tar and gravel overlay, over wood truss |
| Number of Tenants | 28 |
| Occupancy | 80% |

| | |
|-------------------------------|---|
| Address | 2850 South Redwood Road, West Valley City, UT |
| Parcel Number | 1527126061 |
| Total Rentable Square Footage | 78,351 SF |
| Number of Buildings | 3 |
| Land Size | 4.84 Acres |
| Zoning | C-3 - Transitional Commercial Zone |
| Year Built | 1986 |
| Construction | Masonry/Reinforced Concrete with Stucco |



REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Property Information

Property Information

Broadbent Business Park

The project consists of eight buildings constructed in 1977 and improved for multi-tenant occupancy. Each unit is individually metered and each building is on its own plated parcel. The property is well known and iconic in the market.



| | |
|-------------------------------|---|
| Address | 3607-3667 West 1987 South, Salt Lake City, UT |
| Parcel Numbers | 1517301001 through 1517301008 |
| Total Rentable Square Footage | 120,239 SF |
| Number of Buildings | 8 |
| Land Size | 8.35 Acres |
| Zoning | M-1 (Light Manufacturing) |
| Year Built | 1977 |
| Construction | Concrete Tilt-Up |

| | |
|-------------------|--|
| Clear Height | 12' |
| Loading | Grade Level |
| Office HVAC | Full HVAC (Gas forced Air, Air Conditioning Units) |
| Warehouse HVAC | Gas forced air |
| Lighting | Fluorescent & Incandescent |
| Parking | 2.7/1,000 SF |
| Roof | Tar with gravel overlay, over wood truss |
| Number of Tenants | 43 |
| Occupancy | 67% |



REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Property
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Property Information

Oblique Aerial, Redwood



REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

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Property Information

Oblique Aerial, Broadbent



REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

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Property Photos, Redwood



REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Property
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Property Information

Property Photos, Redwood



Property Information

Property Photos, Redwood



Property Information

Property Photos, Redwood



Property Information

Property Photos, Broadbent



Property Information

Property Photos, Broadbent



Property Information

Property Photos, Broadbent



Property Information

Property Photos, Broadbent



**Property
Information**

Property Information

Zoomed Out Aerial Map, Redwood



Rent Roll

- Rent Roll, Redwood
- Rent Roll, Broadbent

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Rent Roll

Rent Roll

Rent Roll, Redwood *page 1 of 2*

2850r - P - Redwood Business Park, West Valley City
Current Leases

| Property | Suite | Tenant | Occupied Square Feet | Vacant Square Feet | Monthly Rent | Monthly Rent PSF | Annual Rent | CAM | HVAC Fee | Lease Comm | Lease Expire | Security Deposit |
|------------|--|------------------------------------|----------------------|--------------------|--------------|------------------|-------------|------------|----------|------------|--------------|------------------|
| Building 1 | A-01 | EUROPA MARKET INC | 1200 | | \$1,200.00 | \$1.00 | \$14,400.00 | \$180.00 | | 12/1/01 | 6/30/21 | \$1,530.61 |
| | A-02 | VACANT | | 1200 | | | | | | | | |
| | A-03 | SAMIR SKENDER/EUROPEAN PIZZA | 1200 | | \$1,200.00 | \$1.00 | \$14,400.00 | \$180.00 | | 7/1/16 | 8/31/19 | \$960.00 |
| | A-04 | ROMINA RAFFO/ NATIONWIDE INC. | 1151 | | \$1,011.35 | \$0.88 | \$12,136.20 | \$172.65 | \$25.00 | 6/1/09 | 5/31/20 | \$932.31 |
| | A-05 & 06 | VACANT | | 2400 | | | | | | | | |
| | A-07 | VACANT | | 1200 | | | | | | | | |
| | A-08 | KIRKCO INC/WORKFORCE | 1200 | | \$1,080.00 | \$0.90 | \$12,960.00 | \$180.00 | | 2/1/14 | 3/31/17 | \$1,140.00 |
| | A-09 & 10 | RYAN BAXTER/AAA PRO TINT | 2400 | | \$2,136.00 | \$0.89 | \$25,632.00 | \$360.00 | | 6/19/15 | 6/30/20 | |
| | A-11 & A-12 | MAURICIO OLIVA GARCIA/ LA TIENDITA | 2400 | | \$1,888.23 | \$0.79 | \$22,658.76 | \$360.00 | | 8/20/13 | 7/31/17 | \$3,000.00 |
| | Building 2 | B-01 | VACANT | | 1600 | | | | | | | |
| B-02 | | RAINBOW SIGN | 1600 | | \$665.00 | \$0.42 | \$7,980.00 | \$240.00 | \$7.00 | 1/7/13 | 1/31/17 | \$800.00 |
| B-03 | | MICHAEL MONTY MONDROS/BLACK LABEL | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | \$7.00 | 3/16/15 | 9/30/18 | \$1,780.00 |
| B-04 | | VACANT | | 1600 | | | | | | | | |
| B-05 | | OBED HERNANDEZ | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | | 5/1/16 | 4/30/17 | \$1,120.00 |
| B-06 | | SEND OUT CARDS | 1600 | | \$681.00 | \$0.43 | \$8,172.00 | \$240.00 | \$7.00 | 3/1/15 | 1/31/17 | \$800.00 |
| B-07 & 08 | | RANDY TASSIE | 3200 | | \$1,760.00 | \$0.55 | \$21,120.00 | \$480.00 | | 7/1/16 | 6/30/17 | \$2,240.00 |
| B-09-14 | | RANDY TASSIE | 9600 | | \$4,039.00 | \$0.42 | \$48,468.00 | \$1,440.00 | \$25.00 | 11/1/99 | 2/28/17 | |
| B-15 | | VACANT | | 1600 | | | | | | | | |
| B-16 | | VACANT | | 1600 | | | | | | | | |
| B-17 | COMMUNITY NURSING SERVICES | 1600 | | \$663.00 | \$0.41 | \$7,956.00 | \$240.00 | \$25.00 | 4/1/15 | 4/30/17 | \$850.00 | |
| B-18 | JM SEAFOOD | 1600 | | \$880.00 | | \$10,560.00 | \$240.00 | | 7/1/16 | 7/31/19 | \$2,403.00 | |
| B19 & B20 | ANGELA & ROBERT MONTOYA/CHURCH OF CHRIST | 3200 | | \$1,281.00 | \$0.40 | \$15,372.00 | \$480.00 | \$14.00 | 11/15/09 | 6/30/17 | \$820.00 | |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Rent Roll

Rent Roll

Rent Roll, Redwood *page 2 of 2*

2850r - P - Redwood Business Park, West Valley City
Current Leases

| Property | Suite | Tenant | Occupied Square Feet | Vacant Square Feet | Monthly Rent | Monthly Rent PSF | Annual Rent | CAM | HVAC Fee | Lease Comm | Lease Expire | Security Deposit |
|---------------|-------------|--|----------------------|--------------------|--------------------|------------------|---------------------|-------------------|----------|------------|--------------|--------------------|
| Building 3 | C-01 & C-02 | VACANT | | 3200 | | | | | | | | |
| | C-03 | PETER NIELSON/ CLEANING AUTHORITY | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | | 10/1/16 | 9/30/18 | \$811.00 |
| | C-04 | ROOF DOCTOR | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | | 9/1/16 | 9/30/18 | \$1,174.00 |
| | C-05 | JACQUELINE GIFFORD-DILLEY/FARMERS DAUGHTER | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | | 10/1/11 | 9/30/18 | \$785.00 |
| | C-06 | FCI/DANNY FITCH | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | | 4/1/16 | 3/31/17 | \$1,120.00 |
| | C-07 | VACANT | | 1600 | | | | | | | | |
| | C-08 | PAT WALL/WALL SERVICES | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | | 9/1/16 | 9/30/18 | \$1,174.00 |
| | C-09 | GREAT RIDES - Moving | 1600 | | \$643.00 | \$0.40 | \$7,716.00 | \$240.00 | \$7.00 | 4/1/15 | 3/31/16 | \$890.00 |
| | C-10 | VICTOR KIRTON/DREAM & IMAGINE | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | \$7.00 | 11/1/11 | 9/30/18 | \$890.00 |
| | C-11 | IGNACIO ABARCA/LA BAGUETTE | 1600 | | \$576.26 | \$0.36 | \$6,915.12 | \$240.00 | | 7/1/12 | 6/30/17 | \$800.00 |
| | C-12 | TUYET TRAN/ UNITED SEAT COVER | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | | 2/28/06 | 2/29/20 | |
| | C-13 & 14 | STEVE AND BRENDA MARSHALL | 3200 | | \$1,760.00 | \$0.55 | \$21,120.00 | \$480.00 | | 5/1/14 | 10/31/18 | \$800.00 |
| | C-15 | JOSEPH COON/UPPER LIMIT | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | | 9/5/13 | 10/31/18 | \$800.00 |
| | C-16 | RICHARD PORTILLO/GRUPO OXFORD | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | \$25.00 | 8/1/14 | 9/30/18 | \$800.00 |
| | C-17 & 18 | DAVID WATSON/AFFORDABLE FURNITURE | 3200 | | \$1,760.00 | \$0.55 | \$21,120.00 | \$480.00 | | 9/1/16 | 9/30/21 | \$2,520.30 |
| | C-19 | VACANT | | 1600 | | | | | | | | |
| | C-20 | VICTORY GYM MMA | 1600 | | \$880.00 | \$0.55 | \$10,560.00 | \$240.00 | | 4/1/16 | 3/31/18 | \$1,146.40 |
| Totals | | | 62351 | 16000 | \$33,783.84 | | \$405,406.08 | \$9,112.65 | | | | \$32,086.62 |

Additional Information
Total SF 78,351
Occupied..... 79.58%
Vacant 20.42%
Total Tenants 28



REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Rent Roll

Rent Roll

Rent Roll, Broadbent *page 1 of 4*

3607b - P - Broadbent Business Park, Salt Lake City
Current Leases

| Property | Suite | Tenant | Occupied Square Feet | Vacant Square Feet | Monthly Rent | Monthly Rent PSF | Annual Rent | CAM | HVAC Fee | Lease Comm | Lease Expire | Security Deposit |
|------------|--------------------|--------------------------------------|----------------------|--------------------|--------------|------------------|-------------|----------|----------|------------|--------------|------------------|
| Building 1 | 3608 | VACANT | | 1000 | | | | | | | | |
| | 3610 | ACQUIRE MEDIA CORP | 1007 | | \$553.85 | \$0.55 | \$6,646.20 | \$151.05 | | 5/1/15 | 4/30/17 | \$245.00 |
| | 3612 | VACANT | | 2030 | | | | | | | | |
| | 3614 | PENSCOTT FLOORS | 2038 | | \$1,222.80 | \$0.60 | \$14,673.60 | \$305.70 | | 9/1/16 | 9/30/18 | \$1,602.97 |
| | 3616 | PREMIER EMPLOYEE | 2250 | | \$1,867.50 | \$0.83 | \$22,410.00 | \$337.50 | | 4/15/16 | 3/31/19 | \$500.00 |
| | 3620 | LOGO CARRIERS | 1117 | | \$670.20 | \$0.60 | \$8,042.40 | \$176.75 | | 6/1/16 | 5/31/17 | \$647.00 |
| | 3626 | VACANT | | 1713 | | | | | | | | |
| | 3628 | VACANT | | 937 | | | | | | | | |
| Building 2 | 3636 | SUBWAY REAL ESTATE | 2229 | | \$1,214.18 | \$0.54 | \$14,570.16 | | | 6/1/14 | 5/31/19 | |
| | 3638 | VACANT | | 1306 | | | | | | | | |
| | 3640 | D-7 ROOFING | 1423 | | \$601.55 | \$0.38 | \$7,218.60 | \$213.45 | \$25.00 | 6/1/15 | 11/30/16 | \$800.00 |
| | 3642 | SAMAR AUDIO | 1400 | | \$840.00 | \$0.60 | \$10,080.00 | \$210.00 | | 11/1/13 | 9/30/18 | \$448.00 |
| | 3644 | HIGHLAND ARMS ENTERPRISES/PRECI-SION | 2463 | | \$783.90 | \$0.60 | \$9,406.80 | \$369.45 | | 11/1/13 | 11/30/16 | \$570.00 |
| | 3646 | ACCENT CUSTOMS | 1600 | | \$916.50 | | \$10,998.00 | \$265.00 | \$25.00 | 4/1/15 | MTM | \$850.00 |
| | 3648 | SMS-SYSTEMS MAINTENANCE | 2413 | | \$1,366.96 | \$0.57 | \$16,403.52 | \$465.77 | | 8/1/14 | 9/30/18 | \$1,447.80 |
| | 3650 | US FOOD SERVICE | 1600 | | \$960.00 | \$0.60 | \$11,520.00 | \$240.00 | | 10/1/10 | 4/30/18 | \$870.00 |
| | 3652 | VACANT | | 1177 | | | | | | | | |
| | 3656 | VACANT | | 605 | | | | | | | | |
| 3658 | PANASONIC AVIONICS | 611 | | \$336.05 | \$0.55 | \$4,032.60 | \$91.65 | | 2/1/15 | 1/31/17 | | |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Rent Roll

Rent Roll

Rent Roll, Broadbent *page 2 of 4*

3607b - P - Broadbent Business Park, Salt Lake City
Current Leases

| Property | Suite | Tenant | Occupied Square Feet | Vacant Square Feet | Monthly Rent | Monthly Rent PSF | Annual Rent | CAM | HVAC Fee | Lease Comm | Lease Expire | Security Deposit |
|------------|----------------|---|----------------------|--------------------|--------------|------------------|-------------|------------|----------|------------|--------------|------------------|
| Building 3 | 3662 | VACANT | | 1020 | | | | | | | | |
| | 3664 | VACANT | | 1534 | | | | | | | | |
| | 3666 | STORAGEENERGY TECHNOLOGY | 2132 | | \$870.20 | \$0.41 | \$10,442.40 | \$237.35 | \$25.00 | 1/1/16 | 12/31/16 | \$1,215.00 |
| | 3668 | SINGLE SOURCE BUSINESS | 1968 | | \$1,172.70 | \$0.60 | \$14,072.40 | \$295.20 | \$25.00 | 3/1/15 | MTM | \$1,100.00 |
| | 3670 | BACCHUS EVENT SERVICE - MICHAEL ROUSSIN | 2043 | | \$1,123.55 | \$0.55 | \$13,482.60 | \$306.45 | | 2/13/13 | 4/30/18 | \$653.76 |
| | 3672 | EXECUTIVE PARCEL | 1100 | | \$605.00 | \$0.55 | \$7,260.00 | \$165.00 | | 2/1/16 | 1/31/18 | \$1,576.30 |
| | 3674 | DLK SERVICE GROUP | 1100 | | \$605.00 | \$0.55 | \$7,260.00 | \$150.00 | | 3/1/16 | 3/31/18 | \$550.00 |
| | 3678 | JOSE CHAVEZ | 2689 | | \$1,050.00 | \$0.39 | \$12,600.00 | \$535.00 | | 6/16/15 | 5/31/20 | \$1,690.00 |
| Building 4 | 3684 | METTLER TOLEDO | 625 | | \$354.06 | \$0.57 | \$4,248.72 | \$102.14 | | 7/1/13 | 9/30/17 | \$470.00 |
| | 3686 | VACANT | | 1250 | | | | | | | | |
| | 3690 | VACANT | | 625 | | | | | | | | |
| | 3692 | COMMERCIAL SERVICES | 2500 | | \$1,625.00 | \$0.65 | \$19,500.00 | \$375.00 | | 10/1/16 | 11/30/19 | \$2,151.00 |
| | 3694 | ROMAINE ELECTRIC | 6751 | | \$3,713.05 | \$0.55 | \$44,556.60 | \$1,012.65 | | 4/1/12 | 12/31/18 | \$1,575.68 |
| | 3698 | VACANT | | 688 | | | | | | | | |
| | 3700 | GANDY'S CANDY | 688 | | \$375.00 | \$0.55 | \$4,500.00 | \$103.00 | \$25.00 | 8/1/14 | MTM | \$350.00 |
| | 3702-3704-3706 | VACANT | | 4310 | | | | | | | | |
| Building 5 | 3691 | MEADOW GOLD EMPLOYEE CREDIT UNION | 1298 | | \$685.46 | \$0.53 | \$8,225.52 | \$250.54 | \$50.00 | 9/1/09 | 5/31/20 | \$1,095.00 |
| | 3695 | VACANT | | 1217 | | | | | | | | |
| | 3697 | VACANT | | 2265 | | | | | | | | |
| | 3699 | GALBRAITH | 1800 | | \$1,080.00 | \$0.60 | \$12,960.00 | \$270.00 | | 7/15/16 | 6/30/18 | |
| | 3701 | VACANT | 1987 | | | | | | | | | |
| | 3703/3705 | DAVID MOTT | 2256 | | \$922.60 | \$0.41 | \$11,071.20 | \$338.40 | \$25.00 | 12/1/14 | 10/31/16 | \$1,286.00 |
| | 3707 | DAVID MOTT | 2256 | | \$902.75 | \$0.40 | \$10,833.00 | \$338.25 | \$25.00 | 2/1/15 | 1/31/16 | \$1,266.00 |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Rent Roll

Rent Roll

Rent Roll, Broadbent *page 3 of 4*

3607b - P - Broadbent Business Park, Salt Lake City
Current Leases

| Property | Suite | Tenant | Occupied Square Feet | Vacant Square Feet | Monthly Rent | Monthly Rent PSF | Annual Rent | CAM | HVAC Fee | Lease Comm | Lease Expire | Security Deposit |
|------------|-------|----------------------------|----------------------|--------------------|--------------|------------------|-------------|----------|----------|------------|--------------|------------------|
| Building 6 | 3661 | VACANT | | 617 | | | | | | | | |
| | 3663 | VACANT | | 625 | | | | | | | | |
| | 3665 | VACANT | | 1187 | | | | | | | | |
| | 3669 | VACANT | | 2046 | | | | | | | | |
| | 3671 | RHINO MOVERS LLC | 2292 | | \$963.20 | \$0.42 | \$11,558.40 | \$343.80 | \$25.00 | 11/1/14 | 10/31/16 | \$1,286.00 |
| | 3673 | JS VENDING - JUSTIN WESSEL | 1482 | | \$815.10 | \$0.55 | \$9,781.20 | \$222.30 | | 4/1/15 | 3/31/18 | \$860.00 |
| | 3675 | S&S ELECTRICAL | 2463 | | \$1,354.65 | \$0.55 | \$16,255.80 | \$369.45 | | 7/1/16 | 6/30/18 | \$1,300.00 |
| | 3677 | JOOST | 1414 | | \$777.70 | \$0.55 | \$9,332.40 | \$212.10 | | 10/1/16 | 10/31/19 | \$1,037.16 |
| | 3679 | UTAH DESIGN BUILDERS | 1412 | | \$776.60 | \$0.55 | \$9,319.20 | \$211.80 | | 5/1/16 | 4/30/18 | \$1,011.70 |
| | 3681 | UTAH DESIGN BUILDERS | 1415 | | \$589.92 | \$0.42 | \$7,079.04 | \$245.08 | \$25.00 | 6/1/15 | 5/31/17 | \$1,415.00 |
| | 3683 | LA BREAD TWO INC | 2002 | | \$1,101.10 | \$0.55 | \$13,213.20 | \$300.30 | | 3/1/16 | 2/28/18 | \$1,155.00 |
| Building 7 | 3641 | PARAGON BIOCHEM | 1562 | | \$859.10 | \$0.55 | \$10,309.20 | \$234.15 | | 4/1/15 | 5/31/17 | \$875.00 |
| | 3643 | TCC FABRICATION | 1100 | | \$605.00 | \$0.55 | \$7,260.00 | \$165.00 | | 3/1/16 | 2/28/17 | \$770.00 |
| | 3645 | BOWERS INDUSTRIAL | 1100 | | \$605.00 | \$0.55 | \$7,260.00 | \$165.00 | | 4/1/15 | 3/31/17 | \$677.00 |
| | 3647 | HIGHT WEST CONTRACTORS | 1100 | | \$605.00 | \$0.55 | \$7,260.00 | \$165.00 | | 4/1/16 | 3/31/18 | \$788.15 |
| | 3649 | VISION AIR | 2026 | | \$891.10 | \$0.44 | \$10,693.20 | \$303.90 | \$25.00 | 4/1/15 | 3/31/17 | \$1,050.00 |
| | 3651 | BUG BUSTERS | 2025 | | \$1,113.75 | \$0.55 | \$13,365.00 | \$303.75 | | 3/1/16 | 2/28/18 | \$1,450.91 |
| | 3653 | HOGGAN SCIENTIFIC | 4046 | | \$1,295.15 | \$0.32 | \$15,541.80 | \$607.00 | | 3/1/12 | 8/31/17 | \$4,000.00 |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Rent Roll

Rent Roll

Rent Roll, Broadbent *page 4 of 4*

3607b - P - Broadbent Business Park, Salt Lake City
Current Leases

| Property | Suite | Tenant | Occupied Square Feet | Vacant Square Feet | Monthly Rent | Monthly Rent PSF | Annual Rent | CAM | HVAC Fee | Lease Comm | Lease Expire | Security Deposit | |
|------------|---------------|-------------------|----------------------|--------------------|--------------|--------------------|-------------|---------------------|--------------------|-----------------|--------------|------------------|--------------------|
| Building 8 | 3611 | MANAGER OFFICE | 644 | | | | | | | | | | |
| | 3613 | VACANT | | 625 | | | | | | | | | |
| | 3615 | ARCSINO INC | 633 | | \$348.15 | \$0.55 | \$4,177.80 | \$94.95 | | 5/1/16 | 4/30/18 | \$453.54 | |
| | 3617 | VACANT | | 625 | | | | | | | | | |
| | 3619 | VACANT | | 2968 | | | | | | | | | |
| | 3621 | HOWARD LUND | 1982 | | \$866.34 | \$0.44 | \$10,396.08 | \$323.66 | \$25.00 | 4/1/14 | 5/31/17 | \$1,075.00 | |
| | 3623 | VACANT | | 2310 | | | | | | | | | |
| | 3625 | VACANT | | 2477 | | | | | | | | | |
| | 3627 | VACANT | | 2487 | | | | | | | | | |
| | 3629 | VACANT | | 1604 | | | | | | | | | |
| | 3633 | CLEARLY CORPORATE | 950 | | \$399.50 | \$0.42 | \$4,794.00 | \$142.50 | \$25.00 | 3/1/15 | 2/28/17 | \$1,350.00 | |
| | B8 | DMARK LOCATION | | 167 | | | | | | | | | |
| | Totals | | | 81159 | 39248 | \$40,384.22 | | \$484,610.64 | \$11,715.04 | \$350.00 | | | \$43,513.97 |

Additional Information

Total SF 120,407
Occupied.....67.4%
Vacant 32.60%
Total Tenants..... 43

Financial Analysis

- Proforma Cash Flow, Redwood
- Proforma Cash Flow, Broadbent
- Consolidated Proforma Cash Flow
- Redwood Assumptions
- Broadbent Assumptions



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Proforma Cash Flow, Redwood *page 1 of 3*

Schedule Of Prospective Cash Flow In Inflated Dollars for the Fiscal Year Beginning 1/1/2017

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| For the Years Ending | Dec-2017 | Dec-2018 | Dec-2019 | Dec-2020 | Dec-2021 | Dec-2022 | Dec-2023 | Dec-2024 | Dec-2025 | Dec-2026 | Dec-2027 |
| Potential Gross Revenue | | | | | | | | | | | |
| Base Rental Revenue | \$558,367 | \$585,527 | \$598,922 | \$618,959 | \$638,880 | \$656,916 | \$676,719 | \$696,545 | \$718,119 | \$739,556 | \$761,427 |
| Absorption & Turnover Vacancy | -45,760 | | | -11,778 | -5,943 | | -12,873 | -6,495 | | -14,064 | -4,730 |
| Base Rent Abatements | -8,952 | -5,343 | -3,929 | -6,730 | -6,150 | -4,438 | -8,163 | -5,795 | -5,805 | -8,509 | -6,158 |
| Scheduled Base Rental Revenue | 503,655 | 580,184 | 594,993 | 600,451 | 626,787 | 652,478 | 655,683 | 684,255 | 712,314 | 716,983 | 750,539 |
| Expense Reimbursement Revenue | | | | | | | | | | | |
| CAM & Insurance | 78,098 | 89,356 | 91,404 | 91,481 | 94,843 | 98,215 | 98,242 | 101,873 | 105,547 | 105,538 | 109,840 |
| Real Estate Taxes | 61,365 | 69,341 | 71,411 | 72,024 | 74,989 | 78,047 | 78,694 | 81,954 | 85,267 | 86,009 | 89,868 |
| Total Reimbursement Revenue | 139,463 | 158,697 | 162,815 | 163,505 | 169,832 | 176,262 | 176,936 | 183,827 | 190,814 | 191,547 | 199,708 |
| Total Potential Gross Revenue | 643,118 | 738,881 | 757,808 | 763,956 | 796,619 | 828,740 | 832,619 | 868,082 | 903,128 | 908,530 | 950,247 |
| General Vacancy | | -36,944 | -37,890 | -27,009 | -34,185 | -41,437 | -29,402 | -37,234 | -45,156 | -32,066 | -43,019 |
| Effective Gross Revenue | 643,118 | 701,937 | 719,918 | 736,947 | 762,434 | 787,303 | 803,217 | 830,848 | 857,972 | 876,464 | 907,228 |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

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Proforma Cash Flow, Redwood *page 2 of 3*

Schedule Of Prospective Cash Flow In Inflated Dollars for the Fiscal Year Beginning 1/1/2017

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| For the Years Ending | Dec-2017 | Dec-2018 | Dec-2019 | Dec-2020 | Dec-2021 | Dec-2022 | Dec-2023 | Dec-2024 | Dec-2025 | Dec-2026 | Dec-2027 |
| Operating Expenses | | | | | | | | | | | |
| Payroll | 5,552 | 5,663 | 5,776 | 5,892 | 6,010 | 6,130 | 6,252 | 6,378 | 6,505 | 6,635 | 6,768 |
| Repairs & Maint | 25,520 | 26,030 | 26,551 | 27,082 | 27,624 | 28,176 | 28,740 | 29,314 | 29,901 | 30,499 | 31,109 |
| Utilities | 19,135 | 19,518 | 19,908 | 20,306 | 20,712 | 21,127 | 21,549 | 21,980 | 22,420 | 22,868 | 23,325 |
| Management Fees | 25,725 | 28,077 | 28,797 | 29,478 | 30,497 | 31,492 | 32,129 | 33,234 | 34,319 | 35,059 | 36,289 |
| Real Estate Taxes | 67,319 | 69,339 | 71,419 | 73,561 | 75,768 | 78,041 | 80,382 | 82,794 | 85,278 | 87,836 | 90,471 |
| Insurance | 9,763 | 10,056 | 10,358 | 10,668 | 10,988 | 11,318 | 11,658 | 12,007 | 12,367 | 12,739 | 13,121 |
| Non Recoverable | 230 | 235 | 239 | 244 | 249 | 254 | 259 | 264 | 269 | 275 | 280 |
| Total Operating Expenses | 153,244 | 158,918 | 163,048 | 167,231 | 171,848 | 176,538 | 180,969 | 185,971 | 191,059 | 195,911 | 201,363 |
| Net Operating Income | 489,874 | 543,019 | 556,870 | 569,716 | 590,586 | 610,765 | 622,248 | 644,877 | 666,913 | 680,553 | 705,865 |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

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Proforma Cash Flow, Redwood *page 3 of 3*

Schedule Of Prospective Cash Flow In Inflated Dollars for the Fiscal Year Beginning 1/1/2017

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| For the Years Ending | Dec-2017 | Dec-2018 | Dec-2019 | Dec-2020 | Dec-2021 | Dec-2022 | Dec-2023 | Dec-2024 | Dec-2025 | Dec-2026 | Dec-2027 |
| Leasing & Capital Costs | | | | | | | | | | | |
| Tenant Improvements | 37,395 | 23,036 | 17,058 | 32,029 | 26,928 | 19,086 | 36,771 | 25,665 | 24,728 | 39,064 | 26,237 |
| Leasing Commissions | 24,765 | 14,127 | 11,633 | 24,740 | 20,019 | 12,819 | 28,502 | 18,385 | 17,606 | 29,968 | 18,678 |
| Capital Reserves | 11,753 | 11,988 | 12,227 | 12,472 | 12,721 | 12,976 | 13,235 | 13,500 | 13,770 | 14,046 | 14,326 |
| Total Leasing & Capital Costs | 73,913 | 49,151 | 40,918 | 69,241 | 59,668 | 44,881 | 78,508 | 57,550 | 56,104 | 83,078 | 59,241 |
| Cash Flow Before Debt Service | 415,961 | 493,868 | 515,952 | 500,475 | 530,918 | 565,884 | 543,740 | 587,327 | 610,809 | 597,475 | 646,624 |
| Debt Service | | | | | | | | | | | |
| Interest Payments | 174,403 | 171,113 | 167,697 | 164,151 | 160,470 | 156,648 | 152,681 | 148,562 | 144,286 | 139,847 | |
| Principal Payments | 86,239 | 89,529 | 92,944 | 96,490 | 100,172 | 103,993 | 107,961 | 112,080 | 116,356 | 120,795 | |
| Origination Points & Fees | 46,900 | | | | | | | | | | |
| Total Debt Service | 307,542 | 260,642 | 260,641 | 260,641 | 260,642 | 260,641 | 260,642 | 260,642 | 260,642 | 260,642 | |
| Cash Flow After Debt Service | \$108,419 | \$233,226 | \$255,311 | \$239,834 | \$270,276 | \$305,243 | \$283,098 | \$326,685 | \$350,167 | \$336,833 | \$646,624 |
| But Before Taxes | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

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Proforma Cash Flow, Broadbent *page 1 of 3*

Schedule Of Prospective Cash Flow In Inflated Dollars for the Fiscal Year Beginning 1/1/2017

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 |
|--------------------------------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| For the Years Ending | Dec-2017 | Dec-2018 | Dec-2019 | Dec-2020 | Dec-2021 | Dec-2022 | Dec-2023 | Dec-2024 | Dec-2025 | Dec-2026 | Dec-2027 |
| Potential Gross Revenue | | | | | | | | | | | |
| Base Rental Revenue | \$809,384 | \$840,340 | \$860,944 | \$888,516 | \$918,161 | \$945,707 | \$974,073 | \$1,003,299 | \$1,033,397 | \$1,064,397 | \$1,096,332 |
| Absorption & Turnover Vacancy | -102,685 | -3,223 | | | | | | | | | |
| Base Rent Abatements | -3,943 | -3,030 | -9,730 | -4,784 | -10,320 | -5,075 | -10,945 | -5,384 | -11,615 | -5,713 | -12,325 |
| Scheduled Base Rental Revenue | 702,756 | 834,087 | 851,214 | 883,732 | 907,841 | 940,632 | 963,128 | 997,915 | 1,021,782 | 1,058,684 | 1,084,007 |
| Expense Reimbursement Revenue | | | | | | | | | | | |
| CAM & Insurance | 84,122 | 98,004 | 100,510 | 102,664 | 104,858 | 107,123 | 109,413 | 111,760 | 114,159 | 116,622 | 119,131 |
| Real Estate Taxes | 80,718 | 94,839 | 98,063 | 101,007 | 104,044 | 107,158 | 110,373 | 113,689 | 117,097 | 120,605 | 124,228 |
| Total Reimbursement Revenue | 164,840 | 192,843 | 198,573 | 203,671 | 208,902 | 214,281 | 219,786 | 225,449 | 231,256 | 237,227 | 243,359 |
| Total Potential Gross Revenue | 867,596 | 1,026,930 | 1,049,787 | 1,087,403 | 1,116,743 | 1,154,913 | 1,182,914 | 1,223,364 | 1,253,038 | 1,295,911 | 1,327,366 |
| General Vacancy | | -48,285 | -52,489 | -54,370 | -55,837 | -57,746 | -59,146 | -61,168 | -62,652 | -64,796 | -66,368 |
| Effective Gross Revenue | 867,596 | 978,645 | 997,298 | 1,033,033 | 1,060,906 | 1,097,167 | 1,123,768 | 1,162,196 | 1,190,386 | 1,231,115 | 1,260,998 |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

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Proforma Cash Flow, Broadbent *page 2 of 3*

Schedule Of Prospective Cash Flow In Inflated Dollars for the Fiscal Year Beginning 1/1/2017

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| For the Years Ending | Dec-2017 | Dec-2018 | Dec-2019 | Dec-2020 | Dec-2021 | Dec-2022 | Dec-2023 | Dec-2024 | Dec-2025 | Dec-2026 | Dec-2027 |
| Operating Expenses | | | | | | | | | | | |
| Payroll | 9,227 | 9,412 | 9,600 | 9,792 | 9,988 | 10,187 | 10,391 | 10,599 | 10,811 | 11,027 | 11,248 |
| Repairs & Maint | 36,142 | 36,865 | 37,602 | 38,354 | 39,121 | 39,904 | 40,702 | 41,516 | 42,346 | 43,193 | 44,057 |
| Utilities | 37,778 | 38,534 | 39,304 | 40,090 | 40,892 | 41,710 | 42,544 | 43,395 | 44,263 | 45,148 | 46,051 |
| Management Fees | 34,704 | 39,146 | 39,892 | 41,321 | 42,436 | 43,887 | 44,951 | 46,488 | 47,615 | 49,245 | 50,440 |
| Real Estate Taxes | 92,935 | 95,723 | 98,595 | 101,553 | 104,599 | 107,737 | 110,969 | 114,298 | 117,727 | 121,259 | 124,897 |
| Insurance | 13,706 | 14,117 | 14,541 | 14,977 | 15,426 | 15,889 | 16,366 | 16,857 | 17,362 | 17,883 | 18,420 |
| Total Operating Expenses | 224,492 | 233,797 | 239,534 | 246,087 | 252,462 | 259,314 | 265,923 | 273,153 | 280,124 | 287,755 | 295,113 |
| Net Operating Income | 643,104 | 744,848 | 757,764 | 786,946 | 808,444 | 837,853 | 857,845 | 889,043 | 910,262 | 943,360 | 965,885 |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

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Proforma Cash Flow, Broadbent *page 3 of 3*

Schedule Of Prospective Cash Flow In Inflated Dollars for the Fiscal Year Beginning 1/1/2017

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 |
|--|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| For the Years Ending | Dec-2017 | Dec-2018 | Dec-2019 | Dec-2020 | Dec-2021 | Dec-2022 | Dec-2023 | Dec-2024 | Dec-2025 | Dec-2026 | Dec-2027 |
| Leasing & Capital Costs | | | | | | | | | | | |
| Tenant Improvements | 84,816 | 32,885 | 59,348 | 28,715 | 62,965 | 30,466 | 66,797 | 32,320 | 70,862 | 34,290 | 75,176 |
| Leasing Commissions | 39,563 | 17,429 | 35,883 | 17,405 | 38,070 | 18,464 | 40,384 | 19,585 | 42,844 | 20,779 | 45,453 |
| Capital Reserves | 18,036 | 18,577 | 19,134 | 19,708 | 20,300 | 20,908 | 21,536 | 22,182 | 22,847 | 23,533 | 24,239 |
| Total Leasing & Capital Costs | 142,415 | 68,891 | 114,365 | 65,828 | 121,335 | 69,838 | 128,717 | 74,087 | 136,553 | 78,602 | 144,868 |
| Cash Flow Before Debt Service | 500,689 | 675,957 | 643,399 | 721,118 | 687,109 | 768,015 | 729,128 | 814,956 | 773,709 | 864,758 | 821,017 |
| Debt Service | | | | | | | | | | | |
| Interest Payments | 251,192 | 246,453 | 241,534 | 236,427 | 231,124 | 225,620 | 219,906 | 213,973 | 207,815 | 201,421 | |
| Principal Payments | 124,209 | 128,948 | 133,868 | 138,975 | 144,277 | 149,781 | 155,496 | 161,428 | 167,587 | 173,980 | |
| Origination Points & Fees | 67,550 | | | | | | | | | | |
| Total Debt Service | 442,951 | 375,401 | 375,402 | 375,402 | 375,401 | 375,401 | 375,402 | 375,401 | 375,402 | 375,401 | |
| Cash Flow After Debt Service | \$57,738 | \$300,556 | \$267,997 | \$345,716 | \$311,708 | \$392,614 | \$353,726 | \$439,555 | \$398,307 | \$489,357 | \$821,017 |
| But Before Taxes | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

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Consolidated Proforma Cash Flow

Schedule Of Prospective Cash Flow In Inflated Dollars for the Fiscal Year Beginning 1/1/2017

| For the Years Ending | Year 1 Dec-2017 | Year 2 Dec-2018 | Year 3 Dec-2019 | Year 4 Dec-2020 | Year 5 Dec-2021 | Year 6 Dec-2022 | Year 7 Dec-2023 | Year 8 Dec-2024 | Year 9 Dec-2025 | Year 10 Dec-2026 | Year 11 Dec-2027 |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| Gross Revenue | | | | | | | | | | | |
| Potential Rental Revenue | \$1,017,380 | \$1,051,826 | \$1,088,590 | \$1,122,945 | \$1,153,822 | \$1,187,141 | \$1,223,492 | \$1,259,454 | \$1,297,875 | \$1,336,288 | \$1,336,288 |
| Absorption & Turnover Vacancy | -42,194 | -10,888 | -21,533 | -13,866 | -27,097 | -8,050 | -30,728 | -11,992 | -26,960 | -16,581 | -16,581 |
| Base Rent Abatements | -21,884 | -15,016 | -17,129 | -18,177 | -21,486 | -13,873 | -25,458 | -15,227 | -24,012 | -22,358 | -22,358 |
| Scheduled Base Rental Revenue | 953,302 | 1,025,922 | 1,049,928 | 1,090,902 | 1,105,239 | 1,165,218 | 1,167,306 | 1,232,235 | 1,246,903 | 1,297,349 | 1,297,349 |
| Expense Reimbursement Revenue | 345,884 | 368,707 | 376,518 | 390,124 | 396,139 | 415,110 | 419,230 | 439,043 | 446,871 | 464,427 | 464,427 |
| Total Gross Revenue | 1,299,186 | 1,394,629 | 1,426,446 | 1,481,026 | 1,501,378 | 1,580,328 | 1,586,536 | 1,671,278 | 1,693,774 | 1,761,776 | 1,761,776 |
| General Vacancy | -24,875 | -59,388 | -50,866 | -60,879 | -49,327 | -71,369 | -50,136 | -72,172 | -59,077 | -72,337 | -72,337 |
| Effective Gross Revenue | 1,274,311 | 1,335,241 | 1,375,580 | 1,420,147 | 1,452,051 | 1,508,959 | 1,536,400 | 1,599,106 | 1,634,697 | 1,689,439 | 1,689,439 |
| Operating Expenses | | | | | | | | | | | |
| Reimbursable Expenses | 359,493 | 369,887 | 379,666 | 389,833 | 399,720 | 410,839 | 421,013 | 432,843 | 443,840 | 455,859 | 455,859 |
| Total Operating Expenses | 359,493 | 369,887 | 379,666 | 389,833 | 399,720 | 410,839 | 421,013 | 432,843 | 443,840 | 455,859 | 455,859 |
| Net Operating Income | 914,818 | 965,354 | 995,914 | 1,030,314 | 1,052,331 | 1,098,120 | 1,115,387 | 1,166,263 | 1,190,857 | 1,233,580 | 1,233,580 |
| Leasing & Capital Costs | | | | | | | | | | | |
| Tenant Improvements | 91,926 | 77,019 | 99,440 | 85,081 | 111,083 | 82,234 | 122,683 | 89,179 | 125,565 | 104,196 | 104,196 |
| Leasing Commissions | 35,068 | 24,827 | 35,531 | 28,436 | 41,527 | 24,829 | 47,197 | 27,356 | 46,859 | 35,757 | 35,757 |
| Capital Costs & Reserves | 48,862 | 49,839 | 50,835 | 51,852 | 52,888 | 53,946 | 55,026 | 56,126 | 57,248 | 58,394 | 58,394 |
| Total Leasing & Capital Costs | 175,856 | 151,685 | 185,806 | 165,369 | 205,498 | 161,009 | 224,906 | 172,661 | 229,672 | 198,347 | 198,347 |
| Cash Flow Before Debt Service | 916,650 | 1,169,825 | 1,159,351 | 1,221,593 | 1,218,027 | 1,333,899 | 1,272,868 | 1,402,283 | 1,384,518 | 1,462,233 | 1,467,641 |
| Debt Service | | | | | | | | | | | |
| Principal Payments | 205,592 | 213,776 | 222,286 | 231,135 | 240,336 | 249,904 | 259,852 | 270,196 | 280,952 | 292,136 | 292,136 |
| Interest Payments | 330,256 | 322,071 | 313,561 | 304,713 | 295,511 | 285,944 | 275,996 | 265,651 | 254,895 | 243,711 | 243,711 |
| Origination Points & Fees | 85,400 | | | | | | | | | | |
| Total Debt Service | 621,248 | 535,847 | 535,847 | 535,848 | 535,847 | 535,848 | 535,848 | 535,847 | 535,847 | 535,847 | 535,847 |
| Cash Flow After Debt Service | \$117,714 | \$277,822 | \$274,261 | \$329,097 | \$310,986 | \$401,263 | \$354,633 | \$457,755 | \$425,338 | \$499,386 | \$499,386 |
| But Before Taxes | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

Financial Analysis

Redwood Assumptions *page 1 of 2*

GENERAL ASSUMPTIONS

| | |
|-----------------------------------|-----------------------------------|
| General and Market Rent Inflation | 3% |
| Management Fee | 4% of EGR |
| Reserves | \$0.15 PSF growing at 2% per year |
| Vacancy Loss | 5% |
| Credit Loss | None |
| Analysis Start Date | January 2017 |

PROPERTY STATISTICS

| | |
|---------------------------------|--------|
| Actual Occupancy as of Jan 2017 | 91.2% |
| Number of Tenants | 30 |
| Number of Lease Spaces | 40 |
| Rentable Square Feet | 78,351 |

LEVERAGED ASSUMPTIONS

| | |
|---------------------|----------|
| LTV | 70% |
| Amortization Period | 30 Years |
| Call/Balloon | 10 Years |
| Rate | 3.75% |
| Points | 1.00% |
| Leveraged IRR | 19.99% |

PROJECTED ASKING PRICE

| | |
|-----------------------|-------------|
| Sale Price | \$6,700,000 |
| Per RSF | \$85.51 |
| Implied Cap Rate Yr 1 | 7.31% |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Financial Analysis

Financial Analysis

Redwood Assumptions *page 2 of 2*

| MLA Categories | 1,000 - 1,200 SF FRONT | 2,400 SF FRONT | 3,600 SF FRONT | 1,600 SF BACK | 3,200 SF BACK | 6,400 SF BACK |
|--------------------------|------------------------|----------------|----------------|---------------|---------------|---------------|
| Renewal Probability | 75.00% | 75.00% | 75.00% | 75.00% | 75.00% | 75.00% |
| Market Rent (per month) | \$1.00 | \$1.00 | \$1.00 | \$0.55 | \$0.55 | \$0.55 |
| Downtime (Unblended) | 1.00 | 1.00 | 2.00 | 1.00 | 2.00 | 3.00 |
| TI (New) | \$2.00 | \$2.00 | \$2.00 | \$2.00 | \$2.00 | \$2.00 |
| TI (Renewal) | \$0.25 | \$0.25 | \$0.25 | \$0.25 | \$0.25 | \$0.25 |
| Commissions (New) | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% |
| Commissions (Renewal) | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| Abatement Mos (New) | 1 | 1 | 1 | 1 | 1 | 1 |
| Abatement Mos (Renewal) | 0 | 0 | 0 | 0 | 0 | 0 |
| Rent Changes During Term | 2.0% per yr | 2.0% per yr | 2.0% per yr | 3.0% per yr | 3.0% per yr | 3.0% per yr |
| Expense Pool | NNN | NNN | NNN | NNN | NNN | NNN |
| Term (Years) | 2 | 2 | 2 | 2 | 3 | 3 |

Financial Analysis

Broadbent Assumptions *page 1 of 2*

GENERAL ASSUMPTIONS

| | |
|-----------------------------------|-----------------------------------|
| General and Market Rent Inflation | 3% |
| Management Fee | 4% of EGR |
| Reserves | \$0.15 PSF growing at 2% per year |
| Vacancy Loss | 5% |
| Credit Loss | None |
| Analysis Start Date | January 2017 |

PROPERTY STATISTICS

| | |
|---------------------------------|---------|
| Actual Occupancy as of Jan 2017 | 86.9% |
| Number of Tenants | 54 |
| Number of Lease Spaces | 71 |
| Rentable Square Feet | 120,239 |

LEVERAGED ASSUMPTIONS

| | |
|---------------------|----------|
| LTV | 70% |
| Amortization Period | 30 Years |
| Call/Balloon | 10 Years |
| Rate | 3.75% |
| Points | 1.00% |
| Leveraged IRR | 17.89% |

ASKING PRICE

| | |
|-----------------------|-------------|
| Sale Price | \$9,650,000 |
| Per RSF | \$80.26 |
| Implied Cap Rate Yr 1 | 6.66% |

Financial Analysis

Broadbent Assumptions *page 2 of 2*

| MLA Category | <1,000 SF | 1,000 - 1,999 SF | 2,000 - 2,999 SF | 3,000 - 3,999 SF | 4,000 - 7,000 SF |
|--------------------------------|-------------|------------------|------------------|------------------|------------------|
| Base Rent | \$4.92 | \$4.87 | \$4.87 | \$4.80 | \$4.80 |
| NNN | \$1.80 | \$1.80 | \$1.80 | \$1.80 | \$1.80 |
| Gross Rent (\$/SF) | \$6.72 | \$6.67 | \$6.67 | \$6.60 | \$6.60 |
| Gross per month | \$0.56 | \$0.56 | \$0.56 | \$0.55 | \$0.55 |
| Annual Rent Increase | N/A | N/A | 3% | 3% | 3% |
| Term Length (Years) | 1 | 1 | 2 | 2 | 3 |
| Free Rent (# Months) - New | 0 | 1 | 1 | 1 | 1 |
| Free Rent (# Months) - Renewal | 0 | 0 | 0 | 0 | 1 |
| # Months Vacant | 1 | 1 | 2 | 2 | 3 |
| TI | \$1 - \$.50 | \$1 - \$.50 | \$1 - \$.50 | \$1 - \$.50 | \$1 - \$.50 |
| Commissions | 6% - 2% | 6% - 2% | 6% - 2% | 6% - 2% | 6% - 2% |
| Renewal Probability % | 75% | 75% | 75% | 75% | 75% |

Market Information

- Competition For Lease
- Lease Comparables
- Investment Sale Comparables
- Market Report



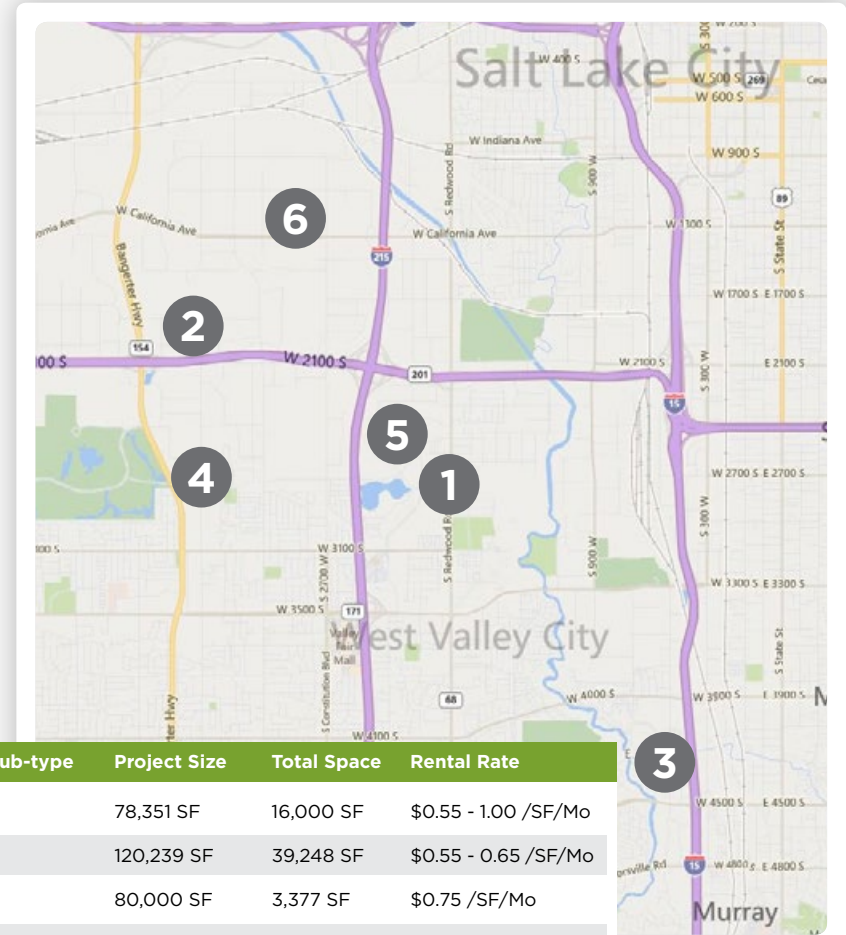
REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Market Information

Market Information

Competition For Lease



Instructions

HOVER over an address below to display the property on the map.

| 📍 | Project Name | Property Address | Property Type | Property Sub-type | Project Size | Total Space | Rental Rate |
|---|--|---|---------------|-------------------|--------------|-------------|----------------------|
| 1 | Redwood Business Park | 2850 South Redwood | Industrial | Flex | 78,351 SF | 16,000 SF | \$0.55 - 1.00 /SF/Mo |
| 2 | Broadbent Business Park | 3673 West 1987 South | Industrial | Flex | 120,239 SF | 39,248 SF | \$0.55 - 0.65 /SF/Mo |
| 3 | Bonneville Business Center | 4391 South 500 West | Industrial | Flex | 80,000 SF | 3,377 SF | \$0.75 /SF/Mo |
| 4 | Lake Crest Business Park | 2702-2734 South 3600 West | Industrial | Flex | 71,000 SF | 1,220 SF | \$0.65 - 0.70 /SF/Mo |
| 5 | Interstate Business Center | 2550 South 2300 West | Industrial | Flex | 211,792 SF | 7,600 SF | \$0.65 /SF/Mo |
| 6 | Western Commerce Center | 3120 West California Avenue | Office | Flex | 174,190 SF | 17,287 SF | \$0.55 - 0.69 /SF/Mo |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

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Lease Comparables *page 1 of 2*

| Lessee | Property Name | Address | City | Transaction Date | Total Size | Rate SF/Mo | Concessions Escalations/CAM |
|-----------------------------|----------------------------|-----------------------------------|------------------|------------------|------------|------------|---|
| Associated Packaging | | 4980 Amelia Earhart Dr | Salt Lake City | 8/31/2016 | 2,132 | \$0.55 | No TI, no concessions, or escalations |
| On the Dot Distribution | | 2020-2056 W 2200 S, Ste 2028 | West Valley City | 8/15/2016 | 3,000 | \$0.57 | 2.5% escalations, no TI, no concessions |
| Dynamic Medical Systems LLC | | 2195-2199 S West Temple, Ste 2195 | South Salt Lake | 10/19/2016 | 4,000 | \$0.58 | No TI, no concessions |
| Leary Lawn and Gardens LLC | | 2020-2056 W 2200 S | West Valley City | 9/27/2016 | 2,000 | \$0.60 | 3% escalations, no TI, no concessions |
| Rockwell Contractors LLC | | 2066-2084 W 2200 S | West Valley City | 6/25/2016 | 2,750 | \$0.60 | |
| Temperature Difference LLC | 4000 South Industrial Park | 4030-4050 S. 500 W. | Salt Lake City | 3/1/2016 | 1,370 | \$0.60 | |
| Q-West Sales Inc. | | 3570-3588 S. 500 W, Ste 3578 | Salt Lake City | 11/7/2016 | 1,600 | \$0.61 | 5% Escalations, no TI, no concessions |
| Feng Liu | | 363 West 2720 South | South Salt Lake | 6/21/2016 | 2,590 | \$0.63 | 3% escalations, no TI, no concessions |
| Josh Wood Photography LLC | | 3570-3588 S 500 W | Salt Lake City | 10/1/2016 | 1,600 | \$0.65 | 3% escalations, no TI, no concessions |
| Perfect Surface LLC | | 3570-3588 S 500 W | Salt Lake City | 7/18/2016 | 1,600 | \$0.65 | |
| Randum LLC | | 36 W. Fayette Ave, Ste 5 | Salt Lake City | 10/26/2016 | 2,030 | \$0.67 | MG lease, 3% escalations |
| Diathrive | Central Plaza | 3855 S 500 W | Salt Lake City | 9/27/2016 | 1,562 | \$0.67 | 3% escalations, no TI, no concessions |

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

Market Information

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Lease Comparables *page 2 of 2*

| Lessee | Property Name | Address | City | Transaction Date | Total Size | Rate SF/Mo | Concessions Escalations/CAM |
|-----------------------------------|-----------------------------|-------------------------------------|------------------|------------------|------------|------------|---------------------------------------|
| Gordon Johnson & Sons Auto-motive | | 2340-2386 S Redwood Road | Salt Lake City | 9/6/2016 | 1,440 | \$0.68 | 3% escalations, no TI, no concessions |
| XL Cable | | 721 S 5500 W | Salt Lake City | 9/1/2016 | 3,700 | \$0.69 | 3% escalations, no TI, no concessions |
| Larkin HVAC of Utah Inc | Decker Lake Industrial Park | 2340 S - 2386 S Redwood Road | West Valley City | 2/23/2016 | 1,440 | \$0.70 | |
| AET Environmental Services | | 3651 S 700 W | South Salt Lake | 5/10/2016 | 1,500 | \$0.73 | |
| Ryan Miller | | 2195 - 2199 S West Temple, Ste 2199 | South Salt Lake | 1/25/2016 | 3,122 | \$0.73 | |
| Freevolt LLC | Metro Business Park | 1555 W 2200 S, Ste B | West Valley City | 5/19/2016 | 3,154 | \$0.74 | |
| Neopost USA, Inc. | | 1270 W 2320 S, Ste C | Salt Lake City | 6/29/2016 | 2,188 | \$0.75 | |
| ICS Communications | | 3260 S. Eldredge St. | Salt Lake City | 4/1/2016 | 3,500 | \$1.17 | |

We obtained this information from sources we believe to be reliable. However, we have not verified its accuracy and make no guarantee, warranty or representation about it. It is submitted subject to the possibility of errors, omissions, change of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. We include projections, opinions, assumptions or estimates for example only, and they may not represent current or future performance of the property. You and your tax and legal advisors should conduct your own investigation of the property and transaction.

REDWOOD BUSINESS PARK & BROADBENT BUSINESS PARK

Investment Offering Memorandum

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Investment Sale Comparables

| PROPERTY | ADDRESS | CITY | TRANSACTION DATE | BUYER | SIZE | CAP RATE | ACRES | NOI | SALES PRICE | PRICE S/F |
|-------------------------------|--------------------------|----------------|------------------|-----------------------|---------|----------|-------|-------------|----------------|-----------|
| Quality Distribution - Compax | 431 N Neil Armstrong Rd | Salt Lake City | 1/14/16 | Ninigret Group | 123,486 | TBD | 5.1 | TBD | \$8,850,000 | \$71.67 |
| Crossroads Corporate Center 2 | 1070 S 3800 W | Salt Lake City | 2/1/16 | Exeter Property Group | 191,422 | 6.72 | 9.61 | \$894,706 | \$13,303,829 | \$69.50 |
| Crossroads Corporate Center 4 | 1110 S. 3800 W. | Salt Lake City | 2/11/16 | LBA Realty | 150,288 | 6.72 | 5.86 | \$702,446 | \$10,445,016 | \$69.50 |
| Pacific Landing A&B | 4752 West California Ave | Salt Lake City | 1/21/15 | Parkstone | 133,920 | 7.44 | 8.88 | \$1,005,516 | \$13,515,000 | \$100.88 |
| Pickett Circle | 514 W Pickett Circle | Salt Lake City | 9/8/15 | Pioneer News Group | 104,000 | 7.18 | 5.06 | \$430,800 | \$6,000,000 | \$57.69 |
| Tradestar Corp | 1590 S Gladiola St | Salt Lake City | 2/11/16 | LBA Realty | 103,179 | 7 | 4.08 | \$616,584 | \$8,800,000 | \$85.29 |
| 6507 South 400 West | 6507 S. 400 W. | Murray | 1/26/2016 | Clayburn, LLC | 70,775 | 7.27 | 1.8 | \$363,136 | \$4,995,000.00 | \$70.58 |
| Workflow One Building | 4517 W 1730 S | Salt Lake City | 1/5/16 | DSF Bangerter, LLC | 82,704 | 6.89 | 5.2 | \$320,729 | \$4,655,000.00 | \$56.29 |
| Hudson Printing | 241 W 1700 S | Salt Lake City | 3/15/16 | S-Devcorp | 98,585 | 6.34 | 5.1 | \$443,800 | \$7,000,000.00 | \$71.00 |

Weighted Average Cap Rate 6.95%

Weighted Average Price/SF \$87.73

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Market Information

Market Report *page 1 of 3*

2016 Mid-Year Salt Lake Industrial Review

2016 marks a historic benchmark in the last 25 years, and perhaps longer, for sustained new speculative construction, rent and sales value increases, positive net absorption, decreasing capitalization rates, and overall wealth creation.

The Last Look seeks to provide a balanced and concise view of the Salt Lake Industrial Market. By utilizing our internal research and a comprehensive review of our competitors data, we are able to provide a thorough, and validated report on what is happening now, and project impacts in the market effecting those we serve.

Just like Elon Musk with Tesla's "Ludicrous Mode", the Salt Lake City Industrial Market has been "Launched" into a new realm of market activity. In terms of deal sizes, rental rates, sale prices, etc., everything in the industrial sector has grown, with the exception being mining/natural resource production.

We anticipate an easing off the gas pedal slightly through 2016, with the presidential election and uncertainties abroad. So long as no cataclysmic events happen, we feel the Salt Lake City Industrial market will remain strong and balanced on the supply side, as new companies to the state rush to take advantage of all that Utah and Salt Lake City has to offer.



MICHAEL JEPPESEN, CCIM, SIOR, LEED AP
PRESIDENT & MANAGING BROKER
IPG COMMERCIAL REAL ESTATE

VACANCY:

5.31%

NET ABSORPTION:
APPROXIMATELY 1.256
MILLION SQUARE FEET

AVERAGE LEASE RATE:
\$.41/SF/MONTH

COMPLETED CONSTRUCTION:
1,019,718 SQUARE FEET

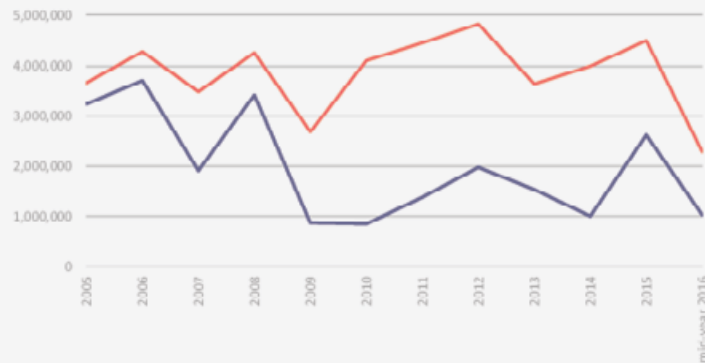
AVERAGE CAPITALIZATION RATE::
6.85%

Market Information

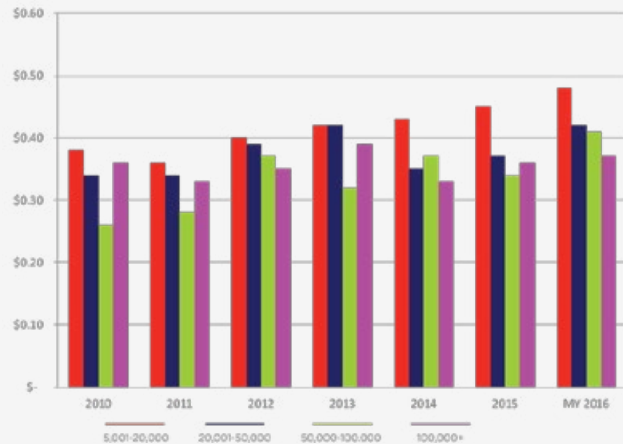
Market Report *page 2 of 3*

2016 Mid-Year Salt Lake Industrial Review

Salt Lake County Lease Activity & Construction Comparison



Historical Lease Rates



Leasing

- Leasing activity on pace for another banner year with 2.3 million leased YTD
- Average lease transaction size dips with highest transaction velocity occurring under 100K SF

Sales

- 1,482,409 SF total activity (10,000 SF and up)
- Sale transaction volume already exceeds total transaction volume for all of 2015
- Limited inventory of owner/user “for sale” buildings

Asking Rates & Achieved Prices

- Salt Lake County lease rates are up across the board with the average rate at \$0.41/SF NNN
- Highest achieved lease rates are south valley and in small and mid-box buildings.
- Small and Mid-Box lease rates rise enough to justify new speculative development
- Average building sale price rises to \$71.91 bolstered by flex product comps.

Construction & Land Activity

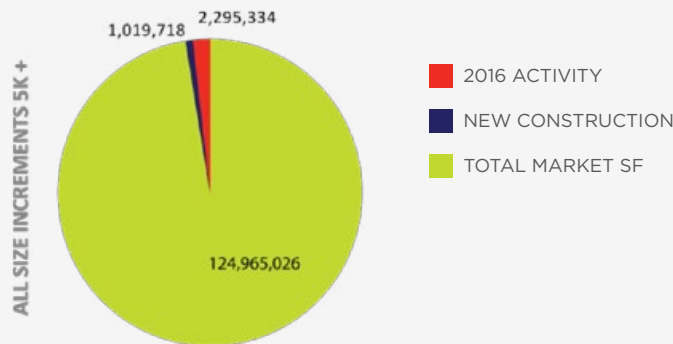
- Prime development land more and more constrained forcing land prices up.
- Construction activity expected near 2015 levels as Salt Lake City impact fee moratorium motivates third quarter construction starts

Market Information

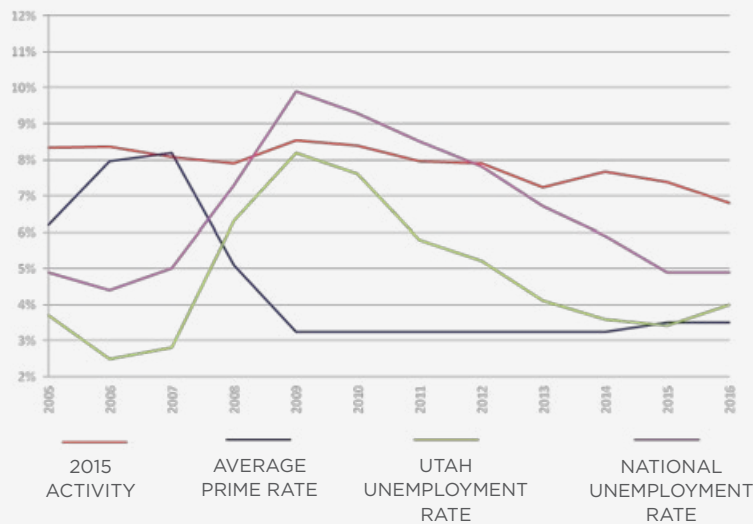
Market Report *page 3 of 3*

2016 Mid-Year Salt Lake Industrial Review

Inventory Analysis



Key Performance Indicators



Inventory & Vacancy Rates

- Vacancy rate slightly increases to 5.31% from year end 4.81%
- Tight supply of spaces under 20,000 SF spurred new construction activity
- Net absorption ahead of mid year 2015 at 1,256,000 absorbed YTD

Investment Activity

- Utah average cap rates continue to decline with average cap rate at 6.85% Bulk Distribution buildings achieved the lowest cap rates so far this year
- Investment volume on pace with 2015 mid year levels at \$126 million YTD
- Building values on the rise as cap rates drop and lease rates rise amid favorable interest rate environment

2016 Forecast

- Prime land sites will be in high demand and land prices are expected to rise as build to suit developers and owner users compete for well located sites
- Increasing land prices and labor constrained construction costs will continue to put pressure on lease rates to rise
- Lower cap rates, rising lease rates, continued historically low interest rates, and abundant motivated capital will continue to push investors to compete hard for investment opportunities
- Fever pitch construction activity and a constrained labor pool are expected to push construction costs up.

Additional Downloads

- [Redwood & Broadbent Capital Expenditures](#)
- [Redwood & Broadbent ALTA](#)
- [Redwood & Broadbent Preliminary Title Report](#)



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