

Marcus & Millichap
TAG INDUSTRIAL GROUP

ALLGREENS

1235 SOUTH HURON STREET

DENVER, CO 80223

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Marcus & Millichap
TAG INDUSTRIAL GROUP

OFFICES THROUGHOUT THE U.S. AND CANADA
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Marcus & Millichap

The background of the slide is a dark, blue-toned photograph of an industrial interior. It features a complex network of steel beams, pipes, and several large, dome-shaped industrial lights hanging from the ceiling. The lighting is dim, creating a moody atmosphere.

SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

OFFERING SUMMARY

- Single-Tenant 4,675-Square-Foot Industrial Property Situated on 0.22 Acres
- Features 16' Clear Height, Masonry Construction, and Eight Parking Spaces
 - Five-Year Triple-Net Sale-Leaseback with 3.0% Rent Escalations
- Occupied by Allgreens, Holder of First Medical Cannabis State License
- Proximity to I-25 in Outperforming Submarket with 5.3% Vacancy Rate

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 1235 South Huron Street in Denver, Colorado, occupied by the current owner, Allgreens. The subject property consists of approximately 4,675 square feet of industrial space and is situated on 0.22 acres of land. The single-tenant asset features a clear height of 16', masonry construction, and eight parking spaces. With proximity to Interstate 25 via South Santa Fe Drive, the property sits four miles south of Downtown Denver. Upon the sale of the property, Allgreens plans to execute a five-year triple net leaseback at \$24.39 per square foot with 3.0 percent rent escalations and two five-year renewal options. Established in 2009, Allgreens is a medical and recreational-use dispensary, holding the first license for providing medical cannabis in the state of Colorado.

The subject property is located within Upper South Central, a relatively small submarket containing 4.8 million square feet of industrial space. In the third quarter of 2024, the vacancy rate slightly increased 20 basis point to 5.3 percent and remained comfortably below the Denver market average of 7.6 percent. Early reports show Upper South Central vacancies receding noticeably in Q4 as net absorption jumped back into positive territory. Annual asking rent growth decelerated in Q3, falling 210 basis points to 1.5 percent, representing the slowest pace since Q4 2010. Going into the last quarter of the year, there were no industrial properties under construction in Upper South Central thanks to the lack of available land to develop. Without the threat of new supply, rent growth and vacancies will be affected by demand for the foreseeable future (CoStar).

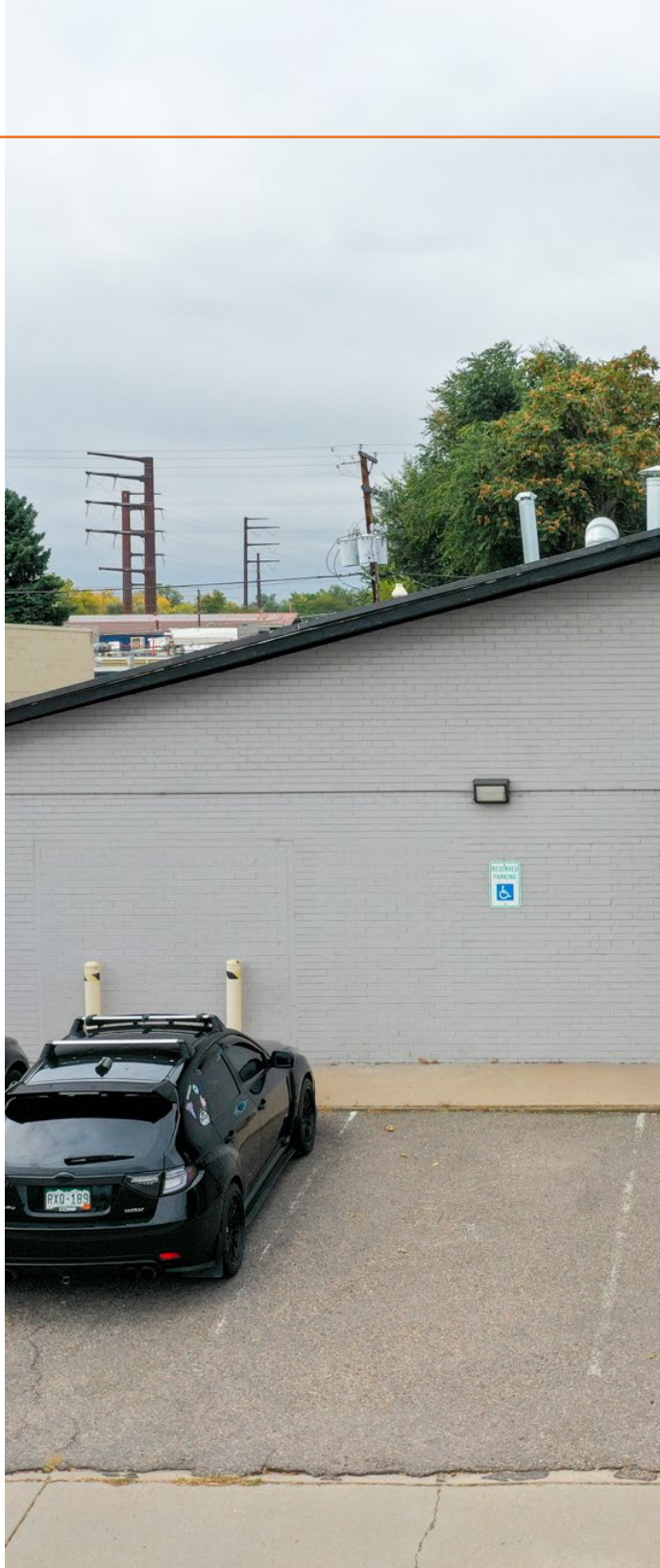
Denver-Aurora-Lakewood metro is home to three million people among 10 counties. Known as the Mile High City, Denver, which is also a county, serves as the state's capitol and largest city, with approximately 742,800 residents. Metro Denver houses 10 Fortune 500 companies, including Newmont Goldcorp, Arrow Electronics, and DISH Network. Aerospace, financial services, and health care are some of the industries that have driven economic growth in the new millennium. The passage of Amendment 64 in November 2012, created a new industry in marijuana, largely consisting of young thriving businesses. Metro Denver provides a high quality of life with rural and urban amenities. Rocky Mountain National Park is less than two hours driving from the metro area, and the city houses franchises for all four major sports.

PROPERTY DETAILS

1235 SOUTH HURON STREET, DENVER, CO 80223

Number of Suites	1
Number of Buildings	1
Total Square Feet	4,675 SF
Warehouse Square Feet	3,000 SF
Office Square Feet	1,675 SF
Office Ratio	35.83%
Year Built	1959
Lot Size	0.22 Acres
Clear Height	16'
Parking Spaces	8
Parking Surface	Asphalt
Building Class	C
Tenancy	Single-Tenant
Construction	Masonry
Type of Lighting	LED
Zoning	I-1
Roof Type	Metal
Market	CO-Denver MSA
Submarket	Upper South Central
Market Vacancy	4.20%

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OFFERING HIGHLIGHTS

ALLGREENS

1235 SOUTH HURON STREET, DENVER, CO 80223

OFFERING PRICE	CAP RATE	PRO FORMA CAP RATE
\$1,163,265	9.80%	10.09%
<hr/>		
Offering Price	\$1,163,265	
Cap Rate	9.80%	
Pro Forma Cap Rate	10.09%	
Price/SF	\$248.83	
Total Square Feet	4,675	
Rental Rate	\$24.39	
Lease Type	Triple-Net (NNN)	
Lease Term	Five Years	
Rental Increases	3%	
Tenancy	Single	
Occupancy	100.00%	

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RENT ROLL

Tenant Name	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Changes on	Rent Increase	Lease Type	Renewal Options and Option Year Rental Information
Allgreens	4,675	100.0%	COE	COE + 5-Years	\$24.39	\$9,500	\$114,000	\$117,420	COE + 1-Year	3.00%	NNN	3% Annual Increases. Two (2) 5-Year Renewal Options.
Total	4,675				\$24.39	\$9,500	\$114,000	\$117,420				
Occupied Tenants: 1			Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%					
Total Current Rents: \$9,500					Occupied Current Rents: \$9,500		Unoccupied Current Rents: \$0					

OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	114,000	24.39	117,420	25.12
Expense Reimbursement Income				
Net Lease Reimbursement				
Insurance	1,636	0.35	1,636	0.35
Real estate Taxes	21,024	4.50	21,024	4.50
Total Reimbursement Income	\$22,660 100.0%	\$4.85	\$22,660 100.0%	\$4.85
Effective Gross Revenue	\$136,660	\$29.23	\$140,080	\$29.96

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Insurance	1,636	0.35	1,636	0.35
Real Estate Taxes	21,024	4.50	21,024	4.50
Total Expenses	\$22,660	\$4.85	\$22,660	\$4.85
Expenses as % of EGR	16.6%		16.2%	
Net Operating Income	\$114,000	\$24.38	\$117,420	\$25.12

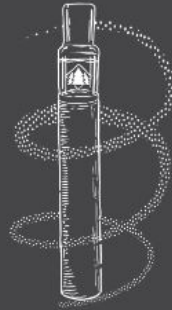




ALLGREENS



TENANT SUMMARY



“Our goal is simple: to prove that growth doesn’t have to mean sacrificing standards.”

TENANT
Allgreens

HEADQUARTERS
Denver, CO

DATE FOUNDED
2009

www.allgreens.co



As the first licensed medical cannabis provider in Colorado (License #00001), Allgreens has been serving the Denver community longer than any dispensary in the state. Allgreens specializes in growing, extracting, and retailing medical and recreational-use cannabis. The dispensary’s highest grossing products include top-shelf rosin and solventless extracts available in edibles. Allgreens built its reputation on quality, prioritizing purity and craft over mass production. By doing so, Allgreens has been able to continue thriving in a dynamic and volatile market when competing dispensaries expanded too quickly.

CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources, providing the most competitive rates and terms.

We leverage out prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac, and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 2,143 debt
and equity
financings in 2023



National platform operating
within the firm's
brokerage offices



\$86.3 billion total
national volume
in 2023



Access to more capital
sources than any other firm
in the industry

WHY MMCC?

.....

Optimum financing solutions to
enhance value

.....

Enhanced control through MMCC's
ability to qualify investor finance
contingencies

.....

Enhanced control through quickly
identifying potential debt/equity sources,
processing, and closing buyer's
finance alternatives

.....

Enhanced control through MMCC's
ability to monitor investor/due diligence
and underwriting to ensure timely,
predictable closings

.....

The background of the slide is a dark, blue-toned photograph of an industrial interior. It features a complex network of steel beams, pipes, and several large, dome-shaped pendant lights hanging from the ceiling. The lighting is dim, creating a moody atmosphere. The structure appears to be part of a large building or factory.

SECTION 2

MARKET OVERVIEW

Marcus & Millichap

DENVER

COLORADO

The Denver-Aurora-Lakewood metro is at the center of Colorado's Front Range, nestled at the convergence of the Great Plains and the majestic Rocky Mountains. The market consists of 10 counties: Broomfield, Arapahoe, Denver, Adams, Douglas, Jefferson, Clear Creek, Elbert, Gilpin and Park. Denver, which is both a county and a city, is the largest of each, with approximately 742,800 residents. Denver also houses the state capitol. The eastern and northern reaches of the metro are expected to attract most future development, as land in these areas is relatively flat and affordable. Denver's elevation of 5,280 feet above sea level earns it the nickname "Mile High City."



MAJOR
TRANSPORTATION
CENTER



EMPHASIS ON
SKILLED JOBS



THRIVING
ALTERNATIVE
ENERGY SECTOR

METROPLEX GROWTH

ECONOMY

Key drivers of the local economy include aerospace, bioscience, energy, financial services, health care, aviation, information technology and telecommunications. Denver's economy is expanding, with the annual change in gross metropolitan product expected to exceed 2 percent this year. Many of the largest firms are in population-serving businesses, such as retail and health care, and their expansions will track population and income growth. Denver is home to 10 Fortune 500 companies, including Newmont Goldcorp, Arrow Elec-tronics, DISH Network, DaVita, Qurate Retail Group and VF Corporation.



5%
MANUFACTURING



19%
PROFESSIONAL AND
BUSINESS SERVICES



13%
GOVERNMENT



10%
LEISURE AND HOSPITALITY



8%
FINANCIAL
ACTIVITIES



18%
TRADE, TRANSPORTATION,
AND UTILITIES



7%
CONSTRUCTION



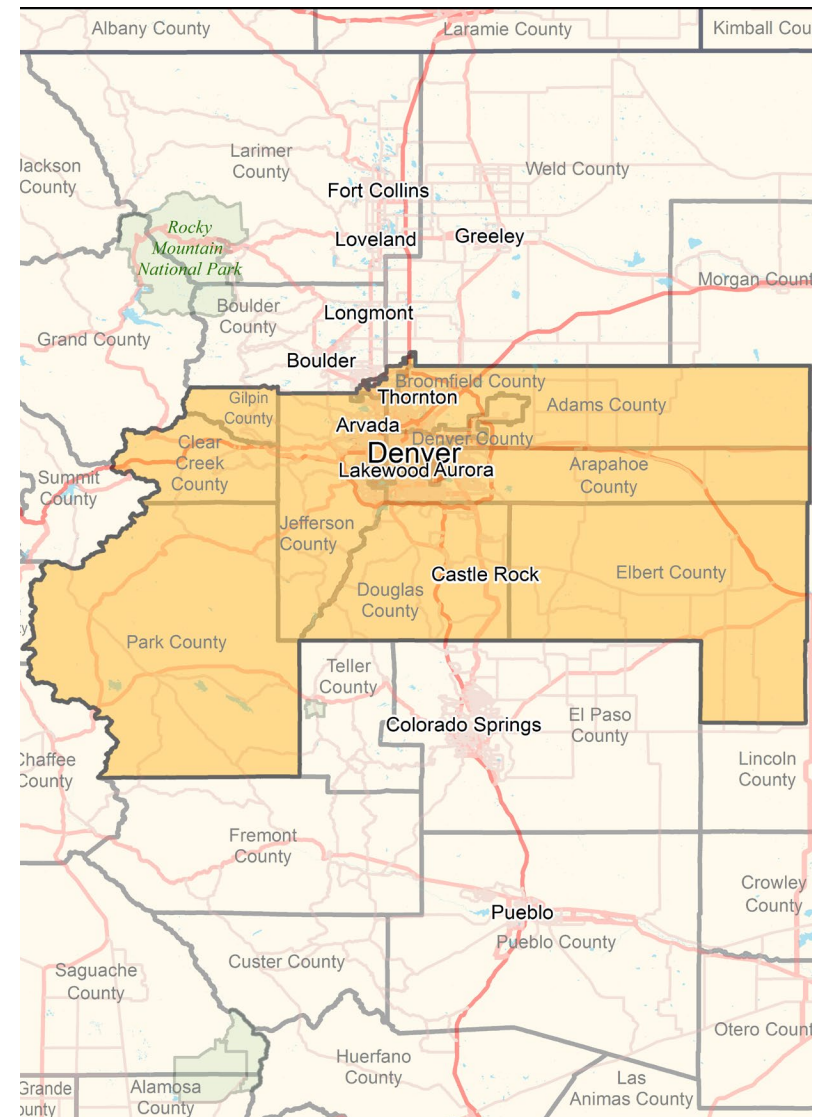
12%
EDUCATION AND
HEALTH SERVICES



3%
INFORMATION



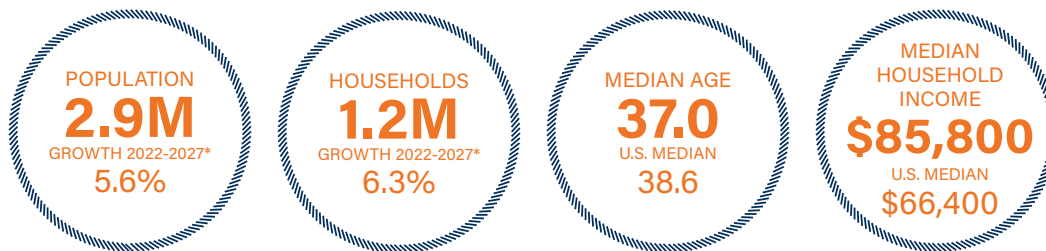
4%
OTHER SERVICES



METROPLEX GROWTH

DEMOGRAPHICS

The metro is expected to add 162,400 new residents during the next five years, as the market benefits from household migration trends that emerged from the health crisis. Gains in higher-paying employment sectors keep the median household income well above the national median. Elevated incomes have allowed 63 percent of households to own their homes, nearly matching the national rate.



QUALITY OF LIFE

The Denver metro area offers residents urban and rural surroundings, in addition to exciting nightlife and outdoor fun. Five professional sports teams play in venues within a short walk or drive of downtown Denver. The local arts community is vibrant, and the city's large park system provides relaxing opportunities to enjoy the outdoors. The allure of the Rocky Mountains keeps residents active. Rocky Mountain National Park is less than two hours from the metro, and offers numerous campsites and hiking trails. Avid skiers and snowboarders are close to world-class ski resorts, such as Vail, Beaver Creek and Copper Mountain. The Denver metropolitan area will continue to grow as the area's high quality of life attracts new residents.



DEMOGRAPHICS



518,913

Total Population
Within 5 Miles



\$117,271

Average Household Income
Within 5 Miles



308,986

Employees
Within 1 Mile

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2028 Projection			
Total Population	16,871	202,194	544,535
2023 Estimate			
Total Population	16,241	192,603	518,913
2020 Census			
Total Population	15,306	190,029	510,361
2010 Census			
Total Population	12,371	171,900	444,128
Daytime Population			
2023 Estimate	22,092	234,013	699,247
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2028 Projection			
Total Households	7,459	92,097	262,019
2023 Estimate			
Total Households	7,143	87,306	248,077
Average (Mean) Household Size	2.3	2.2	2.0
2020 Census			
Total Households	6,973	84,340	239,344
2010 Census			
Total Households	5,031	74,938	202,530

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2023 Estimate			
\$200,000 or More	10.0%	11.6%	12.4%
\$150,000-\$199,999	8.6%	8.1%	8.9%
\$100,000-\$149,999	17.7%	17.0%	17.6%
\$75,000-\$99,999	12.8%	12.6%	12.5%
\$50,000-\$74,999	18.3%	16.4%	15.5%
\$35,000-\$49,999	10.7%	10.3%	9.9%
\$25,000-\$34,999	7.1%	7.0%	6.7%
\$15,000-\$24,999	5.5%	6.5%	6.5%
Under \$15,000	9.3%	10.6%	10.0%
Average Household Income	\$110,907	\$113,049	\$117,271
Median Household Income	\$73,551	\$73,867	\$77,511
Per Capita Income	\$48,862	\$51,533	\$56,400
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2023 Estimate Total Population	16,241	192,603	518,913
Under 20	20.5%	19.9%	18.3%
20 to 34 Years	29.8%	31.1%	30.6%
35 to 39 Years	10.6%	9.6%	9.4%
40 to 49 Years	14.2%	13.1%	13.0%
50 to 64 Years	15.1%	14.8%	15.6%
Age 65+	9.9%	11.6%	13.1%
Median Age	34.9	34.6	35.5
Population 25+ by Education Level			
2023 Estimate Population Age 25+	12,040	141,212	391,800
Elementary (0-8)	8.1%	6.6%	4.5%
Some High School (9-11)	7.8%	7.4%	5.7%
High School Graduate (12)	21.2%	17.6%	17.1%
Some College (13-15)	14.9%	14.2%	15.9%
Associate Degree Only	4.3%	4.5%	5.0%
Bachelor's Degree Only	26.6%	30.4%	31.7%
Graduate Degree	16.9%	19.3%	20.1%
Travel Time to Work			
Average Travel Time to Work in Minutes	28.0	27.0	27.0

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.
(BDB24-10-19) (Mandatory 1-20)

DIFFERENT BROKERAGE RELATIONSHIPS ARE AVAILABLE WHICH INCLUDE SELLER AGENCY, BUYER AGENCY OR TRANSACTION-BROKERAGE.

BROKERAGE DISCLOSURE TO BUYER DEFINITIONS OF WORKING RELATIONSHIPS

Seller's Agent: A seller's agent works solely on behalf of the seller to promote the interests of the seller with the utmost good faith, loyalty and fidelity. The agent negotiates on behalf of and acts as an advocate for the seller. The seller's agent must disclose to potential buyers all adverse material facts actually known by the seller's agent about the property. A separate written listing agreement is required which sets forth the duties and obligations of the broker and the seller.

Buyer's Agent: A buyer's agent works solely on behalf of the buyer to promote the interests of the buyer with the utmost good faith, loyalty and fidelity. The agent negotiates on behalf of and acts as an advocate for the buyer. The buyer's agent must disclose to potential sellers all adverse material facts actually known by the buyer's agent, including the buyer's financial ability to perform the terms of the transaction and, if a residential property, whether the buyer intends to occupy the property. A separate written buyer agency agreement is required which sets forth the duties and obligations of the broker and the buyer.

Transaction-Broker: A transaction-broker assists the buyer or seller or both throughout a real estate transaction by performing terms of any written or oral agreement, fully informing the parties, presenting all offers and assisting the parties with any contracts, including the closing of the transaction, without being an agent or advocate for any of the parties. A transaction-broker must use reasonable skill and care in the performance of any oral or written agreement, and must make the same disclosures as agents about all adverse material facts actually known by the transaction-broker concerning a property or a buyer's financial ability to perform the terms of a transaction and, if a residential property, whether the buyer intends to occupy the property. No written agreement is required.

Customer: A customer is a party to a real estate transaction with whom the broker has no brokerage relationship because such party has not engaged or employed the broker, either as the party's agent or as the party's transaction-broker.

RELATIONSHIP BETWEEN BROKER AND BUYER

Broker and Buyer referenced below have NOT entered into a buyer agency agreement. The working relationship specified below is for a specific property described as:

1235 South Huron Street, Denver, Colorado 80223

or real estate which substantially meets the following requirements:

Buyer understands that Buyer is not liable for Broker's acts or omissions that have not been approved, directed, or ratified by Buyer.

CHECK ONE BOX ONLY:

☒ **Multiple-Person Firm.** Broker, referenced below, is designated by Brokerage Firm to serve as Broker. If more than one individual is so designated, then references in this document to Broker shall include all persons so designated, including substitute or additional brokers. The brokerage relationship exists only with Broker and does not extend to the employing broker, Brokerage Firm or to any other brokers employed or engaged by Brokerage Firm who are not so designated.

☐ **One-Person Firm.** If Broker is a real estate brokerage firm with only one licensed natural person, then any references to Broker or Brokerage Firm mean both the licensed natural person and brokerage firm who shall serve as Broker.

CHECK ONE BOX ONLY:

☒ **Customer.** Broker is the ☒ seller's agent ☐ seller's transaction-broker and Buyer is a customer. Broker intends to perform the following list of tasks: ☒ Show a property ☒ Prepare and Convey written offers, counteroffers and agreements to amend or extend the contract. Broker is not the agent or transaction-broker of Buyer.

☐ **Customer for Broker's Listings – Transaction-Brokerage for Other Properties.** When Broker is the seller's agent or seller's transaction-broker, Buyer is a customer. When Broker is not the seller's agent or seller's transaction-broker, Broker is a transaction-broker assisting Buyer in the transaction. Broker is not the agent of Buyer.

☐ **Transaction-Brokerage Only.** Broker is a transaction-broker assisting the Buyer in the transaction. Broker is not the agent of Buyer.

Buyer consents to Broker's disclosure of Buyer's confidential information to the supervising broker or designee for the purpose of proper supervision, provided such supervising broker or designee does not further disclose such information without consent of Buyer, or use such information to the detriment of Buyer.

DISCLOSURE OF SETTLEMENT SERVICE COSTS. Buyer acknowledges that costs, quality, and extent of service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title companies).

THIS IS NOT A CONTRACT. IT IS BROKER'S DISCLOSURE OF BROKER'S WORKING RELATIONSHIP.

If this is a residential transaction, the following provision applies:

MEGAN'S LAW. If the presence of a registered sex offender is a matter of concern to Buyer, Buyer understands that Buyer must contact local law enforcement officials regarding obtaining such information.

BUYER ACKNOWLEDGMENT:

Buyer acknowledges receipt of this document on _____.

Buyer

Buyer

BROKER ACKNOWLEDGMENT:

On _____, Broker provided _____ (Buyer) with this document via Attachment to emailed Offering Memorandum and retained a copy for Broker's records.

Brokerage Firm's Name: Marcus & Millichap Real Estate Investment Services of Atlanta, Inc.


Broker



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