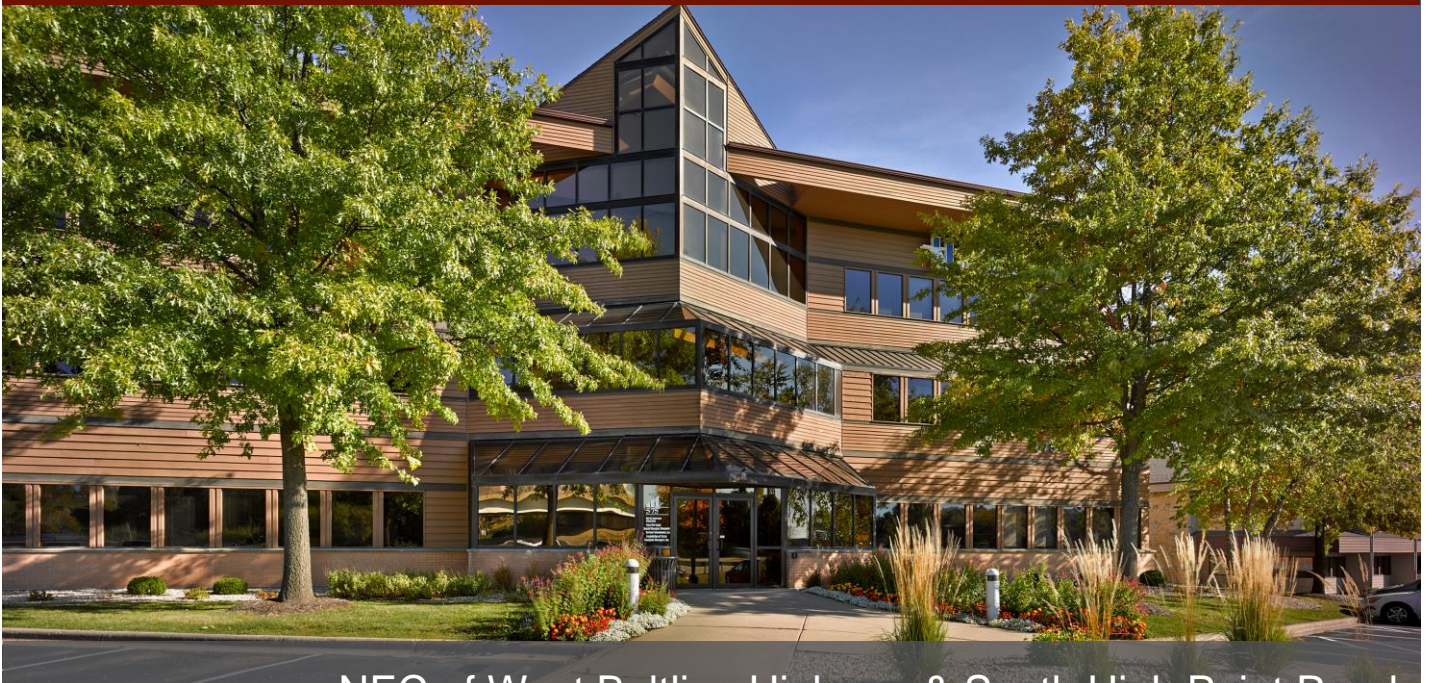




# Executive Summary

## HIGH POINT OFFICE PARK



NEC of West Beltline Highway & South High Point Road  
Madison, WI 53719

PRESENTED BY:

**Patrick Gallagher, CCIM**  
Siegel-Gallagher, Inc.  
D 414.270.4108  
E [pgallagher@sg-re.com](mailto:pgallagher@sg-re.com)

**Matson Holbrook, CCIM**  
Siegel-Gallagher, Inc.  
D 414.225.4407  
E [mholbrook@sg-re.com](mailto:mholbrook@sg-re.com)

**Chuck Redjinski**  
NAI MLG Commercial  
D 608.663.6006  
E [credjinski@mlgcommercial.com](mailto:credjinski@mlgcommercial.com)

**Jack Jacobson**  
NAI MLG Commercial  
D 414.908.9151  
E [jsj@mlgcommercial.com](mailto:jsj@mlgcommercial.com)

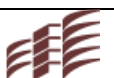
# HIGH POINT OFFICE PARK

Madison, WI



## EXECUTIVE SUMMARY

The Offering	<p>Siegel-Gallagher, Inc., and NAI MLG Commercial, on behalf of the owner, are offering for sale the 217,814-square-foot High Point Office Park, in Madison, Wisconsin. The 11-building business park offers a near-stabilized investment opportunity with value-add components that can boost NOI over the short-term and maximize on the strength of Madison's healthiest office submarket.</p>
Property	<ul style="list-style-type: none"><li>• High Point Office Park, Madison, WI</li></ul>
Property Size	<ul style="list-style-type: none"><li>• 217,841 SF (net rentable area)</li><li>• 11 buildings</li></ul>
Occupancy	<ul style="list-style-type: none"><li>• Current: 83.4%</li><li>• As of January 1, 2015: 79.8% (assumes no new leasing through 2014 year-end)</li></ul>
Price	<ul style="list-style-type: none"><li>• To Be Determined By Market</li></ul>
NOI Projections	<ul style="list-style-type: none"><li>• 2015: \$1,323,000 (in-place, with no new leasing and 75% renewal probability for tenants with leases that expire in 2015)</li><li>• 2017: \$1,780,000</li><li>• 2019: \$1,922,000</li></ul>
Property Highlights	<ul style="list-style-type: none"><li>• Prominent location with excellent visibility along Beltline Highway (63,000+ VPD)</li><li>• Variety of currently available suites and building classes (Class B to A-) provides efficiency in meeting market demand</li><li>• Strong momentum from current owner's repositioning and lease-up<ul style="list-style-type: none"><li>○ Occupancy has climbed from 54.8% in 2010 to over 80% today</li><li>○ NOI growth during that time has ranged from 14.94% to 22.39% annually and could approach 37% in 2014</li></ul></li></ul>
Office Market Highlights	<ul style="list-style-type: none"><li>• Situated in Madison's healthiest and historically strongest office submarket (Far West), with positive vacancy and rental rate growth trends</li><li>• Overall vacancy rate of 9.2% as of 2014 Q2 is lowest of all submarkets and has decreased from 11.2% the previous year</li><li>• Average asking rents of \$22.97/SF as of 2014 Q2 are 6.3% higher than the previous year</li></ul>
Economic Highlights	<ul style="list-style-type: none"><li>• Located in strongest metro area in WI, with 4.3% unemployment rate and population growth outpacing the national average</li><li>• Year-over-year employment growth of 2.3% as of June 2014</li><li>• Numerous growth drivers including the University of Wisconsin's flagship research campus and the state capitol that will ensure long-term viability of this market</li></ul>



---

# HIGH POINT OFFICE PARK

Madison, WI

---



## EXECUTIVE SUMMARY

### Transaction Guidelines

Following the distribution of materials, Siegel-Gallagher and NAI MLG will be available to assist prospective investors with on-site inspections of the property and in the review of the information contained in the Offering Memorandum.

### As-Is Sale

The property is being sold on an “As-Is, Where-Is” basis and the owner will make no representations or warranties as to the condition of the property, the property’s systems, the serviceability or fitness for a particular use or any component of the property, or the accuracy of the offering information provided.

### All offers should include the following:

- ⇒ The offer price;
- ⇒ A description of the investor and its source of capital for the acquisition;
- ⇒ The amount of earnest money deposit;
- ⇒ An outline of the proposed schedule for due diligence and closing;
- ⇒ Description of any contingencies or due diligence requirements; and
- ⇒ A description of any physical or environmental assumptions affecting the price being offered.

### Contacts

All Inquiries related to this Solicitation and Offers should be made directly to the following:

**Patrick Gallagher, CCIM**  
Siegel-Gallagher, Inc.  
Direct: 414.270.4108  
[pgallagher@sg-re.com](mailto:pgallagher@sg-re.com)

**Matson Holbrook, CCIM**  
Siegel-Gallagher, Inc.  
Direct: 414.225.4407  
[mholbrook@sg-re.com](mailto:mholbrook@sg-re.com)

**Chuck Redjinski**  
NAI MLG Commercial  
Direct: 608.663.6006  
[credjinski@mlgcommercial.com](mailto:credjinski@mlgcommercial.com)

**Jack Jacobson**  
NAI MLG Commercial  
Direct: 414.908.9151  
[jsj@mlgcommercial.com](mailto:jsj@mlgcommercial.com)

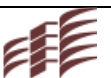


# HIGH POINT OFFICE PARK

Madison, WI



## AERIAL PHOTOS

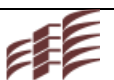
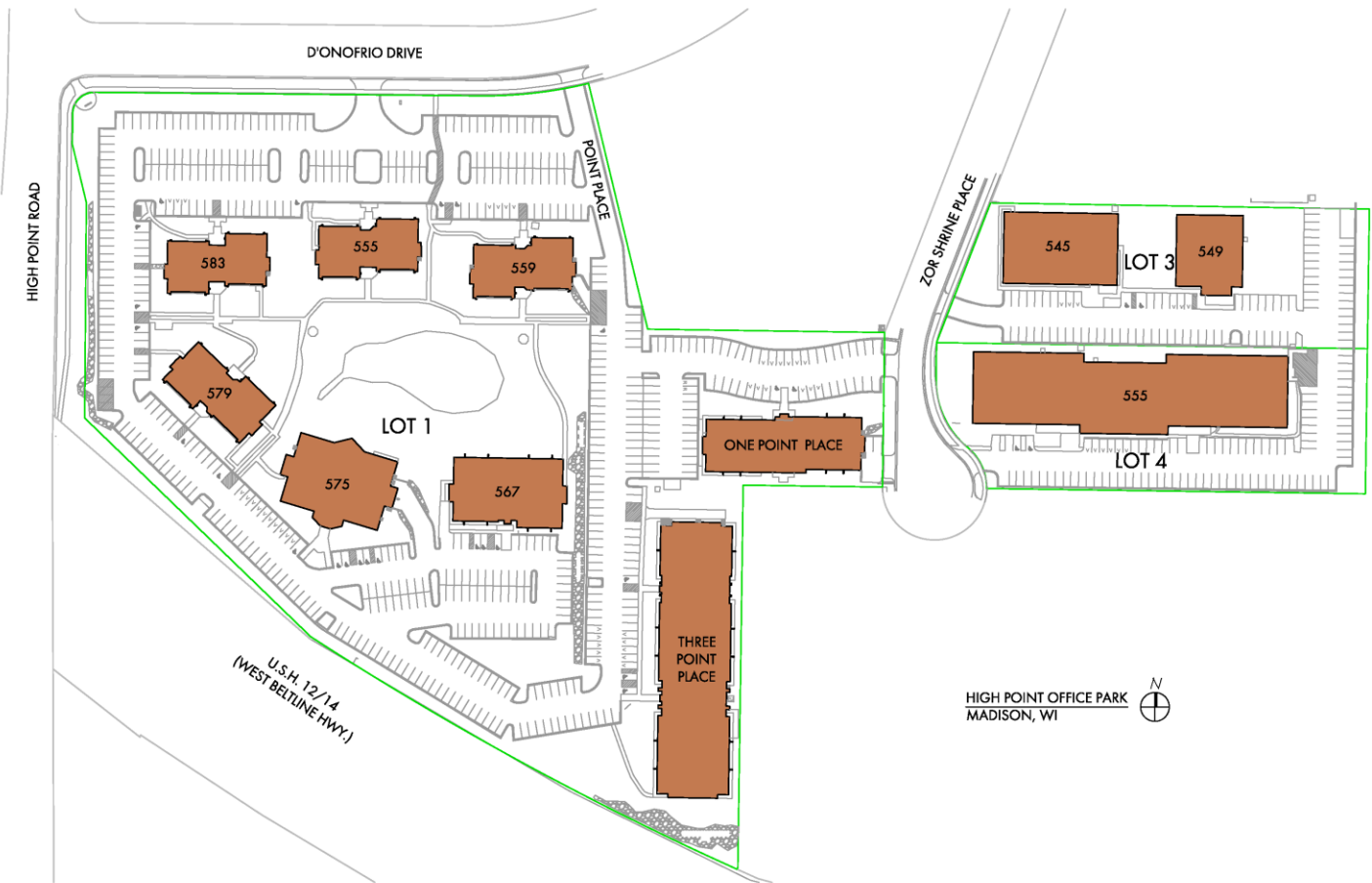


# HIGH POINT OFFICE PARK

Madison, WI



## SITE PLAN

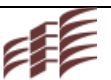
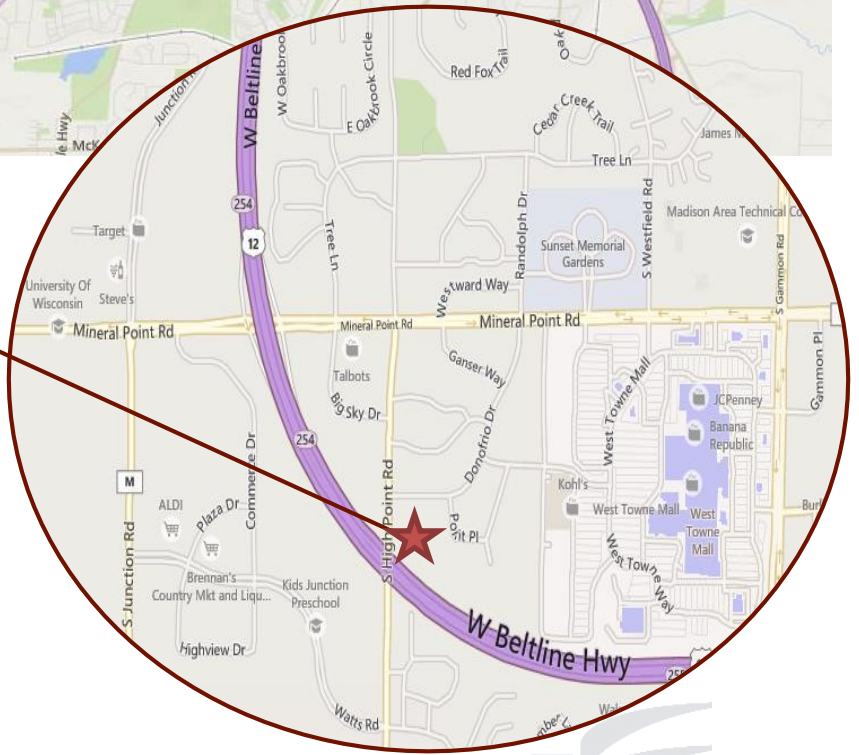
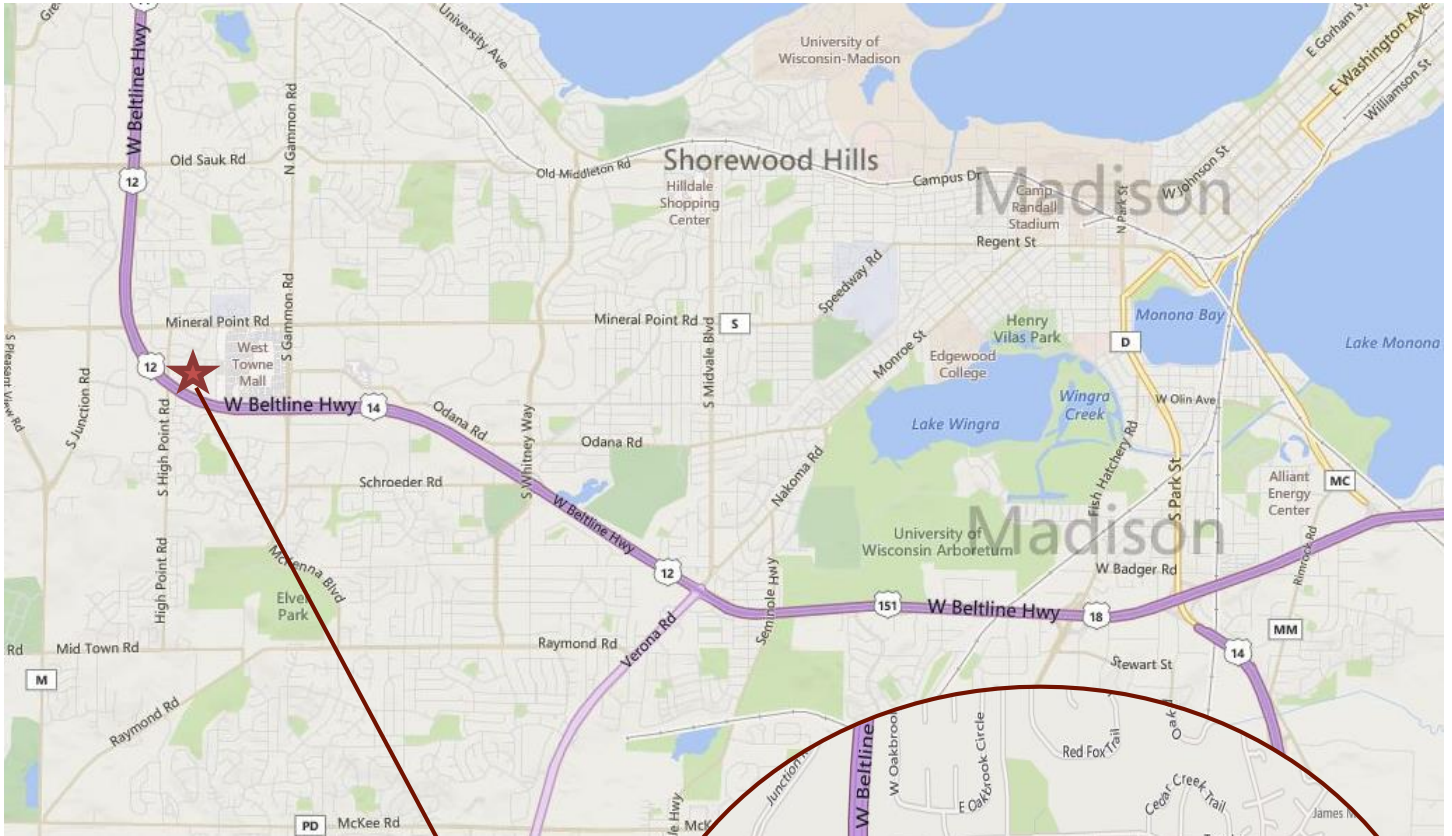


# HIGH POINT OFFICE PARK

Madison, WI



## AREA MAPS



# HIGH POINT OFFICE PARK

Madison, WI



## COMMUNITY OVERVIEW



Madison is Wisconsin's second-largest city, with a current population of approximately 233,209. This population is expected to grow by 16.5% by 2025. Madison is located 77 miles west of Milwaukee, 146 miles northwest of Chicago, and 258 miles southeast of Minneapolis. The downtown district is located on an isthmus between lakes Mendota and Monona; however, the city has long since expanded from the isthmus. Madison is the core city of the Madison Metropolitan Statistical Area, which contains all of Dane County, Iowa County, and Columbia County.

### Quick Facts

Population* (MSA)	233,209
Square Miles	84.7
Miles to Regional Airport	4
Miles to Chicago	142
Miles to Milwaukee	77
Median Resident Age* (MSA)	31
Median Household Income* (MSA)	\$ 59,840
Median House Value* (Dane County)	\$226,900

\* 2010 Census



The Wisconsin State Government and the University of Wisconsin have traditionally been, and still are, Madison's main employers; however, there has been a rise in high-tech based jobs, specifically in the health and biotech industries. Madison has a strong education base from the University of Wisconsin-Madison, Edgewood College, Madison Area Technical College, and Herzing College. Madison has one of the lowest unemployment rates, 4.3 percent, in the nation.

### Madison Area Accolades

- #5 Cities Winning the Battle for Information Jobs, *Forbes*, May 2014
- # 5 Best Places to Live, *Livability.com*, November 2013
- #9 Top 25 Tech Hot Spots, *The Atlantic Cities*, October 2013
- #8 Happiest, Healthiest Cities in America, *Prevention Magazine*, September 2013
- #5 High Tech Jobs, *MarketWatch*, June 2013
- Top 10 Foodie City, *Livability.com*, April 2013
- #10 Best Town to Live, *Outside Magazine*, October 2011
- Best City for Educated Workers, *Huffington Post*, September 2011
- Most Educated City in America, *Men's Health*, September 2011
- #3 Best City for Young Professionals, *Forbes*, July 2011
- #15 Most Socially Networked U.S. City, *Men's Health*, March 2011
- #4 Best Cities for Health Care, *The Daily Beast*, January 2011
- Top 10 Greatest Cycling Cities, *USA Today*, 2011
- Safest City in America for Kids, *Men's Health*, August 2010

# HIGH POINT OFFICE PARK

Madison, WI



## COMMUNITY OVERVIEW

### Employment Trends

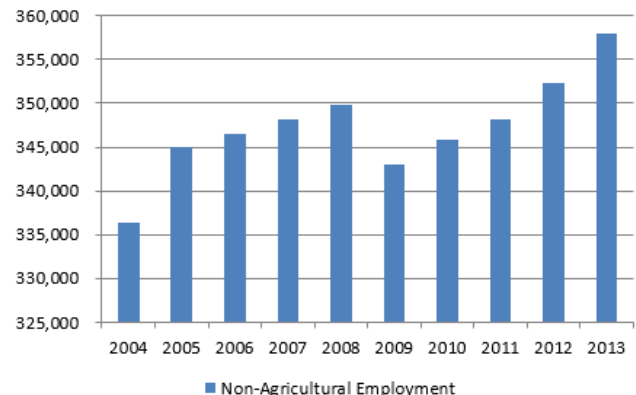
- The Madison MSA comprises Columbia, Dane and Iowa counties.
- As of June 2014, there were 368,200 non-agricultural jobs in the MSA, reflecting an increase of 2.3%, or 8,200 net new jobs, from June 2013
- The Leisure & Hospitality sector grew at the fastest pace over the past one-year period, increasing by 9.4% with the addition of 3,200 net new jobs; the Professional & Business Services and Education & Health Services sectors also experienced gains of 2,800 and 1,000 net new jobs, respectively
- The non-seasonally adjusted unemployment rate for the Madison MSA was 4.3% as of June 2014, down 90 percentage points from the June 2013 level of 5.2%; this compares to the higher state and national unemployment rates of 6.0% and 6.3%, respectively, as of June 2014

#### MADISON MSA EMPLOYMENT TRENDS

NON-AGRICULTURAL									Average	
WAGE & SALARY EMPLOYMENT	2009	2010	2011	2012	2013	Jun-13	Jun-14	2009-2013	6/13-6/14	
Mining, Logging & Construction	13,000	11,700	11,800	12,500	13,800	14,800	15,100	1.5%	2.0%	
Manufacturing	28,300	28,000	28,800	28,500	28,500	29,000	29,200	0.2%	0.7%	
Trade, Transportation & Utilities	56,500	55,800	56,700	57,400	57,900	57,900	57,500	0.6%	-0.7%	
Information	9,900	10,300	11,300	12,000	12,500	12,300	12,900	6.0%	4.9%	
Financial Activities	27,000	26,400	28,300	29,000	28,600	28,900	28,300	1.4%	-2.1%	
Services	<u>123,100</u>	<u>127,400</u>	<u>126,800</u>	<u>129,200</u>	<u>132,500</u>	<u>135,200</u>	<u>142,400</u>	1.9%	5.3%	
Professional & Business Services	35,700	36,500	38,600	40,400	41,800	42,000	44,800	4.0%	6.7%	
Education & Health Services	39,600	42,300	40,000	40,200	41,100	41,200	42,200	0.9%	2.4%	
Leisure & Hospitality	29,700	29,600	30,200	31,100	31,700	34,000	37,200	1.6%	9.4%	
Other Services	18,100	19,000	18,000	17,500	17,900	18,000	18,200	-0.3%	1.1%	
TOTAL PRIVATE	257,800	259,600	263,700	268,600	273,800	278,100	285,400	1.5%	2.6%	
Government	84,200	84,800	84,600	83,700	84,200	81,900	82,800	0.0%	1.1%	
TOTAL WAGE & SALARY EMPLOYMENT	343,000	345,900	348,200	352,400	357,900	360,000	368,200	1.1%	2.3%	
City of Madison Unemployment Rate	5.7%	5.5%	5.0%	4.6%	4.6%	5.2%	4.3%		-0.9%	
Madison MSA Unemployment Rate	6.2%	6.0%	5.3%	5.0%	4.8%	5.3%	4.3%		-1.0%	
WI Unemployment Rate	8.7%	8.5%	7.5%	6.9%	6.7%	7.1%	6.0%		-1.1%	
USA Unemployment Rate	9.3%	9.6%	8.9%	8.1%	7.4%	7.8%	6.3%		-1.5%	

Source: U.S. Department of Labor, Bureau of Labor Statistics

\* Data are non-seasonally adjusted



# HIGH POINT OFFICE PARK

Madison, WI



WISCONSIN REALTORS® ASSOCIATION  
4801 Forest Run Road  
Madison, Wisconsin 53704

Siegel-Gallagher Companies

## BROKER DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the Broker must provide you the following disclosure statement:

### 2 **BROKER DISCLOSURE TO CUSTOMERS**

3 You are a customer of the broker. The broker is either an agent of another party in the transaction or a subagent of another broker  
4 who is the agent of another party in the transaction. The broker, or a salesperson acting on behalf of the broker, may provide  
5 brokerage services to you. Whenever the broker is providing brokerage services to you, the broker owes you, the customer, the  
6 following duties:

- 7 ■ The duty to provide brokerage services to you fairly and honestly.
- 8 ■ The duty to exercise reasonable skill and care in providing brokerage services to you.
- 9 ■ The duty to provide you with accurate information about market conditions within a reasonable time if you request it, unless  
10 disclosure of the information is prohibited by law.
- 11 ■ The duty to disclose to you in writing certain material adverse facts about a property, unless disclosure of the information is  
12 prohibited by law (See Lines 47-55).
- 13 ■ The duty to protect your confidentiality. Unless the law requires it, the broker will not disclose your confidential information or the  
14 confidential information of other parties (See Lines 22-39).
- 15 ■ The duty to safeguard trust funds and other property the broker holds.
- 16 ■ The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the advantages and  
17 disadvantages of the proposals.

18 Please review this information carefully. A broker or salesperson can answer your questions about brokerage services, but if you  
19 need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home inspector.

20 This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a plain-language summary of  
21 a broker's duties to a customer under section 452.133 (1) of the Wisconsin statutes.

### 22 **CONFIDENTIALITY NOTICE TO CUSTOMERS**

23 BROKER WILL KEEP CONFIDENTIAL ANY INFORMATION GIVEN TO BROKER IN CONFIDENCE, OR ANY INFORMATION  
24 OBTAINED BY BROKER THAT HE OR SHE KNOWS A REASONABLE PERSON WOULD WANT TO BE KEPT CONFIDENTIAL,  
25 UNLESS THE INFORMATION MUST BE DISCLOSED BY LAW OR YOU AUTHORIZE THE BROKER TO DISCLOSE PARTICULAR  
26 INFORMATION. A BROKER SHALL CONTINUE TO KEEP THE INFORMATION CONFIDENTIAL AFTER BROKER IS NO LONGER  
27 PROVIDING BROKERAGE SERVICES TO YOU.

28 THE FOLLOWING INFORMATION IS REQUIRED TO BE DISCLOSED BY LAW:

- 29 1. MATERIAL ADVERSE FACTS, AS DEFINED IN SECTION 452.01 (5g) OF THE WISCONSIN STATUTES (SEE LINES 47-55).
- 30 2. ANY FACTS KNOWN BY THE BROKER THAT CONTRADICT ANY INFORMATION INCLUDED IN A WRITTEN INSPECTION  
31 REPORT ON THE PROPERTY OR REAL ESTATE THAT IS THE SUBJECT OF THE TRANSACTION.
- 32 TO ENSURE THAT THE BROKER IS AWARE OF WHAT SPECIFIC INFORMATION YOU CONSIDER CONFIDENTIAL, YOU MAY LIST  
33 THAT INFORMATION BELOW (SEE LINES 35-36). AT A LATER TIME, YOU MAY ALSO PROVIDE THE BROKER WITH OTHER  
34 INFORMATION YOU CONSIDER TO BE CONFIDENTIAL.

35 **CONFIDENTIAL INFORMATION:** \_\_\_\_\_

36 \_\_\_\_\_

37 **NON-CONFIDENTIAL INFORMATION** (The following information may be disclosed by Broker): \_\_\_\_\_

38 \_\_\_\_\_

39 *(INSERT INFORMATION YOU AUTHORIZE THE BROKER TO DISCLOSE SUCH AS FINANCIAL QUALIFICATION INFORMATION.)*

### 40 **CONSENT TO TELEPHONE SOLICITATION**

41 I/We agree that the Broker and any affiliated settlement service providers (for example, a mortgage company or title company) may  
42 call our/my home or cell phone numbers regarding issues, goods and services related to the real estate transaction until I/we  
43 withdraw this consent in writing. List Home/Cell Numbers: \_\_\_\_\_

### 44 **SEX OFFENDER REGISTRY**

45 Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the  
46 Wisconsin Department of Corrections on the Internet at: <http://offender.doc.state.wi.us/public/> or by phone at 608-240-5830.

### 47 **DEFINITION OF MATERIAL ADVERSE FACTS**

48 A "material adverse fact" is defined in Wis. Stat. § 452.01(5g) as an adverse fact that a party indicates is of such significance, or that  
49 is generally recognized by a competent licensee as being of such significance to a reasonable party, that it affects or would affect  
50 the party's decision to enter into a contract or agreement concerning a transaction or affects or would affect the party's decision  
51 about the terms of such a contract or agreement. An "adverse fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence  
52 that a competent licensee generally recognizes will significantly and adversely affect the value of the property, significantly reduce  
53 the structural integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information  
54 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a contract or  
55 agreement made concerning the transaction.

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.

Copyright 2007 by Wisconsin REALTORS® Association

Siegel-Gallagher Companies 301 N. Broom Street, 2nd Floor Madison, WI 53703  
Patrick Gallagher

Phone: (608) 441-9444

Drafted by Attorney Debra Peterson Conrad

Produced with ZipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.ziplogix.com](http://www.ziplogix.com)

Untitled

