

Downtown Cincinnati

Thermo
SCIENTIFIC

Subject Property



Offering Memorandum

Thermo Fisher Scientific

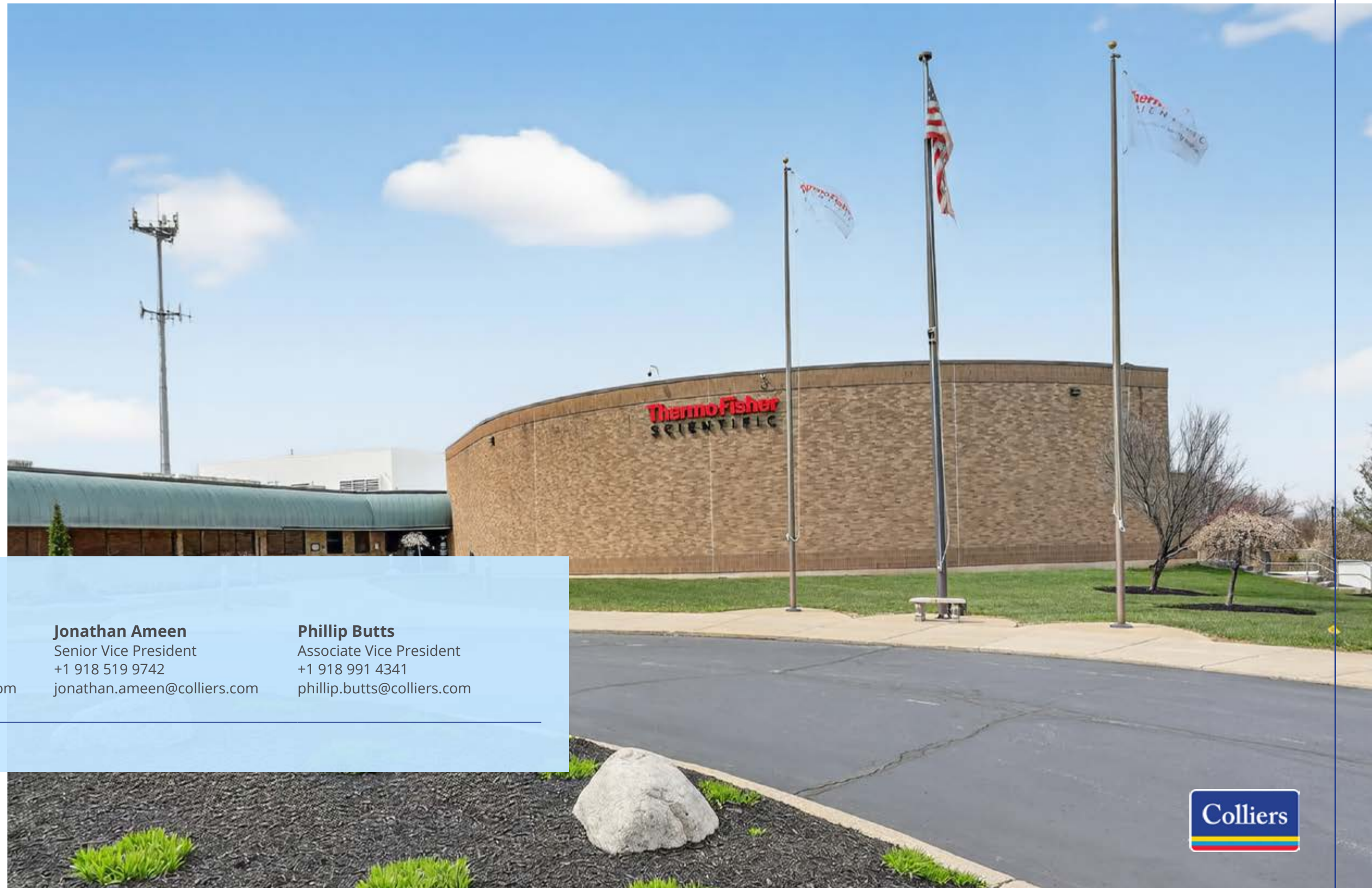
2 Tessener Dr, Highland Heights, KY 41076

100% Single-Tenant Leased – R&D Facility – 20+ Year Occupancy History



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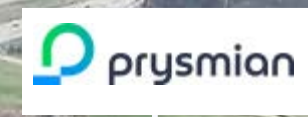
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Northern Kentucky University

Thermo
SCIENTIFIC

Subject Property



The Offering

\$13,673,000
Price

7.00%
Cap Rate

Colliers, as exclusive advisor, is pleased to introduce for sale Thermo Fisher Scientific R&D facility located at 2 Tesseneer Drive in Highland Heights, Kentucky (Cincinnati MSA). The Subject Property is 100% net-leased with approximately 6 years of lease term remaining. The Subject Property is over 70,000 SF situated on nearly 10 Acres and located at the intersection of Interstate 471 and Interstate 275, which connects with Interstate 71 through Cincinnati. Additionally, Subject Property is directly next to Northern Kentucky University, a Division 1 University with over 15,000 student enrollment.

Investment Highlights



Investment Grade Credit:
Standard & Poor's: A-



100% Net Leased



Annual Rent Increases



Direct Interstate Access



Adjacent to
Division 1 University



Below Market Rent





Lease Overview & Rent Schedule



Tenant	PPD Global Central Labs, LLC
Guarantor	Thermo Fisher Scientific Inc. . (Standard & Poor's: A- Rated)
Original Lease Commencement	August 31, 2004
Current Lease Expiration	December 31, 2031
Annual Rent	\$940,277
Rent Increases	2.0% Annual
Renewal Options	One (1), Ten (10) Year Option
Renewal Option Rent	FMV
Landlord Obligations	Structural Walls, Foundation, Underground Plumbing, Roof Replacement

Rent Schedule

Term	Annual Rent	Rent PSF	Increase
1/1/2025 - 12/31/2025	\$921,840	\$12.87	2%
1/1/2026 - 12/31/2026	\$940,277	\$13.13	2%
1/1/2027 - 12/31/2027	\$959,082	\$13.39	2%
1/1/2028 - 12/31/2028	\$978,264	\$13.66	2%
1/1/2029 - 12/31/2029	\$997,829	\$13.93	2%
1/1/2030 - 12/31/2030	\$1,017,786	\$14.21	2%
1/1/2031 - 12/31/2031	\$1,038,142	\$14.50	2%



Tenant	STC Two LLC
Operator/Use	Sprint PCS - Cell Tower Ground Lease
Original Lease Commencement	October 28, 1997
Current Lease Expiration	October 28, 2027
Renewal Options	Four (4), Five (5) Year Options
Renewal Option Rent	10% Increase Every Option

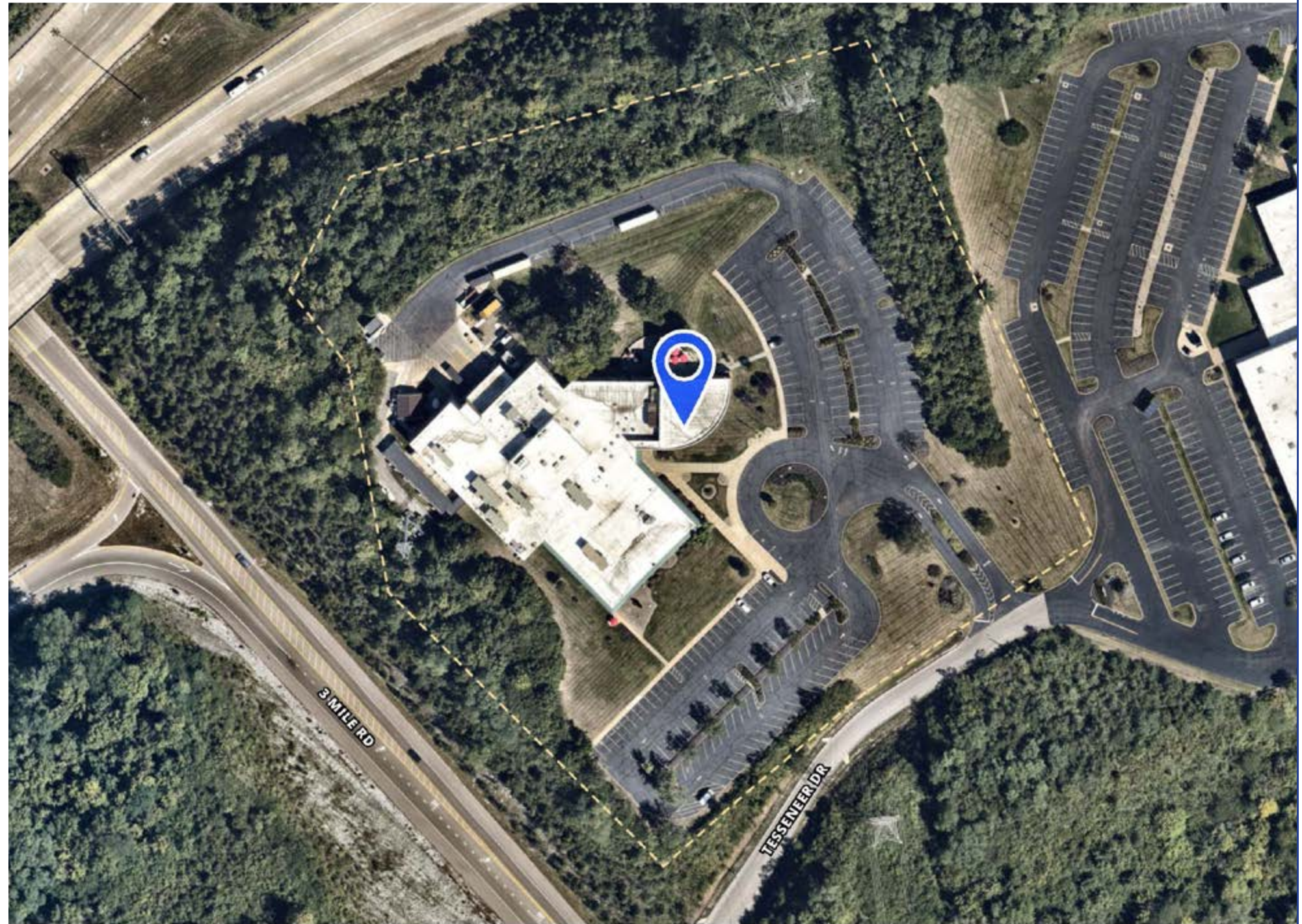
Rent Schedule

Term	Annual Rent	Monthly Rent	Increase
10/29/2022 - 10/28/2027	\$16,837	\$1,403.10	10%
10/29/2027 - 10/28/2032	\$18,521	\$1,543.41	10%
10/29/2032 - 10/28/2037	\$20,373	\$1,697.75	10%
10/29/2037 - 10/28/2042	\$22,410	\$1,867.53	10%
10/29/2042 - 10/28/2047	\$24,651	\$2,054.28	10%



Site Plan

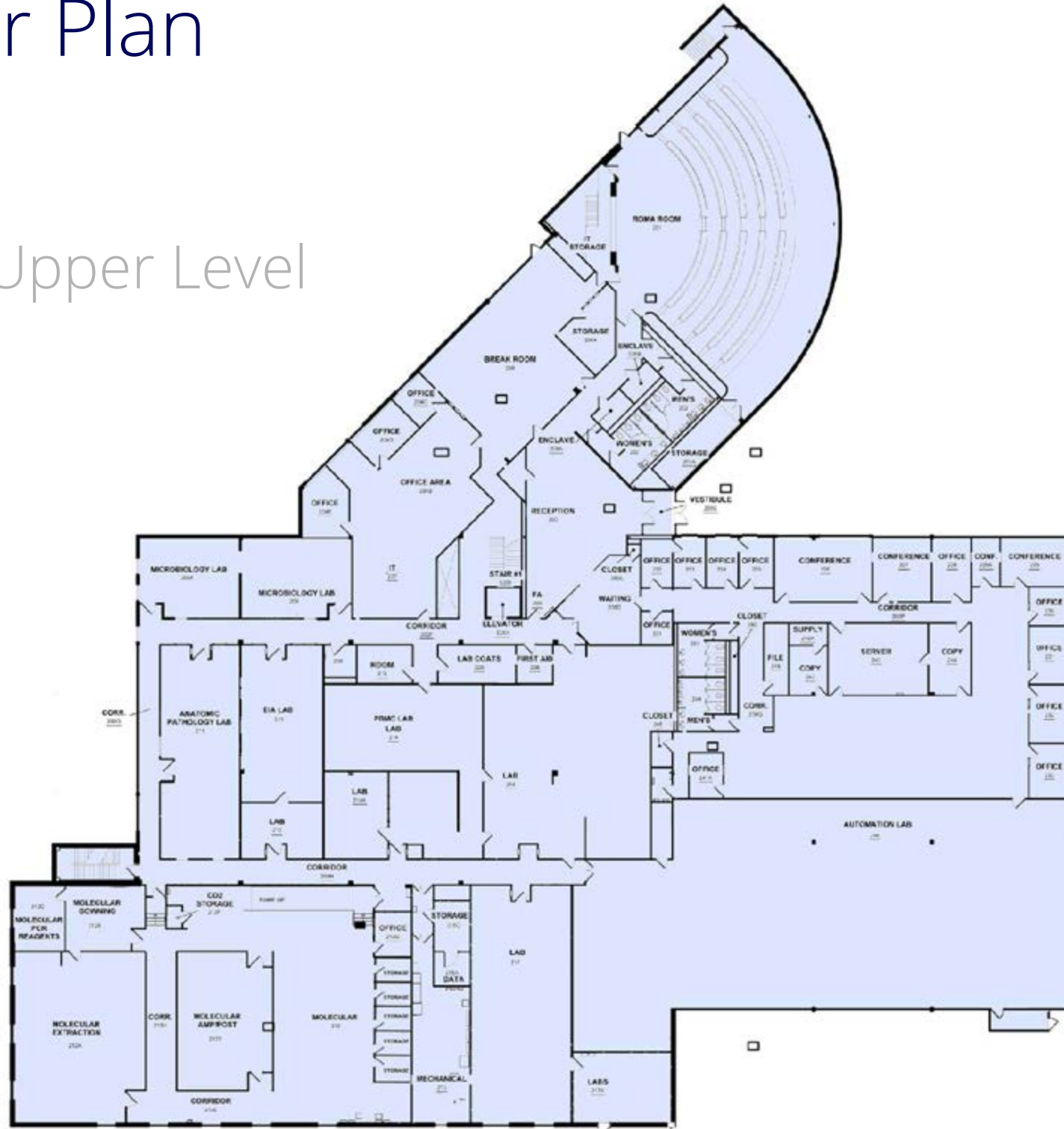
Address	2 Tesseneer Drive, Highland Heights, Kentucky
Parcel Size	+/- 9.71 AC
Total Building Size	+/-71,620 SF
Year Built	1983
Lab Space	+/- 70%
Office	+/- 20%
Support	+/- 10%
Number of Stories	Two (2)
Parking Spaces	193
Parking	Asphalt
Roof	TPO Membrane (Replaced in 2012)
HVAC	Central System with Chillers and Boilers (New Cooling Tower in 2013)
Construction	CMU Walls and Steel Framing
Exterior Façade	Brick Veneer
Loading Docks	Two (2)
Elevator	One (1)
Fire Sprinkler	Wet-Pipe System; 100% Coverage





Floor Plan

Upper Level



Lower Level



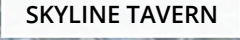
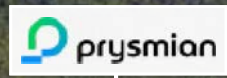
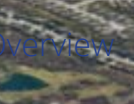
Aerial Map

Executive Summary

Property Overview

Overview

Market Overview



NORSE BLVD



33 MILE RD

UNIVERSITY DR

ALEXANDRIA PIKE

LOUIE BUNN DR

JOHNS HILL RD



Tenant & Guarantor Overview



Founded in 1985



**Acquired for
\$17.4 B in 2021**

PPD (Pharmaceutical Product Development) is a global contract research organization that supports pharmaceutical and biotech companies in developing new drugs and therapies. It provides services such as clinical trial management (Phases I-IV), laboratory testing, regulatory support, and patient recruitment. PPD helps guide products from early development through approval and post-market monitoring. Since being acquired in 2021 by Thermo Fisher Scientific, it operates as the clinical research division of Thermo Fisher, enabling end-to-end drug development services.

PPD is part of Thermo Fisher's Laboratory Products and Biopharma Services segment, the company's largest operating segment, underscoring the scale and strategic importance of its pharmaceutical development and clinical research capabilities within Thermo Fisher's broader life sciences platform.

Standard & Poors A- (Stable)



**NASDAQ:
TMO**



**Market Cap
\$177 Billion**



**2025 Revenue
\$45 Billion**



**Headquarters
Waltham, Massachusetts**



**Worldwide Employees
+/- 125,000**

Thermo Fisher Scientific is a global life sciences company that provides products and services to support scientific research, healthcare, and pharmaceutical development. Its offerings include laboratory equipment, analytical instruments, diagnostics, and contract manufacturing services for drug production. The company serves a wide range of customers, including pharmaceutical and biotech firms, hospitals, academic institutions, and government agencies. Through acquisitions like PPD, Thermo Fisher has expanded its capabilities to deliver end-to-end solutions across the drug development lifecycle.

Among its peers, **Thermo Fisher sits at the very top tier**. The company describes itself as the “**world leader in serving science**” and reports **annual revenue of over \$40 billion**, which places it well ahead of many other major life sciences and tools companies by scale.



Greater Cincinnati Office Market

Market Rent Stability

Cincinnati's office rents remain stable in the low-\$20/SF range, with Class A space exceeding \$23/SF. Modest growth of ~1.8% continues to outperform many national markets, supported by limited new supply and ongoing conversions that are tightening inventory and reinforcing pricing stability.

Outlook & Market Direction

The market is stabilizing rather than declining, with steady construction, rising sales activity, and continued tenant demand for high-quality space. As tenants right-size footprints and prioritize Class A environments, vacancy is expected to remain balanced and absorption to trend positive as new projects deliver.

Role of Northern Kentucky

Northern Kentucky is emerging as a key growth driver, offering below-market vacancy and nearly 6 million SF of inventory. New mixed-use developments and competitive costs position the submarket to capture demand, strengthening its role within the broader Cincinnati office ecosystem.

HISTORIC COMPARISON

	Q4 2024	Q3 2025	Q4 2025
Total Inventory (in millions of SF)	59.4	58.1	58.1
New Supply (in millions of SF)	0.0	0.08	0.0
Net Absorption (in thousands of SF)	27.8	-24.1	-161.9
Overall Vacancy Rate	15.8%	16.0%	17.2%
Under Construction (in thousands of SF)	115.6	488.6	488.6
Overall Asking Lease Rates (FSG)	\$20.56	\$20.57	\$20.57

OVERALL VACANCY RATE

17.2%

NET ABSORPTION (SF)

-162K

UNDER CONSTRUCTION (SF)

488K

OVERALL ASKING LEASE RATES

\$20.57 /SF

Northern Kentucky Submarket

SUBMARKET/ CLASS	TOTAL INVENTORY SF	DIRECT AVAILABILITY RATE	SUBLEASE AVAILABILITY RATE	AVAILABILITY RATE	VACANCY RATE	VACANCY RATE PREVIOUS	NET ABSORPTION CURRENT	NET ABSORPTION YTD	AVG DIRECT ASKING RATE (FSG)
Northern Kentucky									
A	2,419,039	19.2%	0.0%	19.2%	18.2%	18.1%	(1,105)	(18,900)	\$21.14
B	3,307,958	12.0%	0.5%	12.4%	13.0%	12.9%	(4,362)	(51,125)	\$18.40
C	244,219	12.4%	0.0%	12.4%	16.6%	16.0%	--	(10,052)	\$19.48
Total	5,971,216	14.9%	0.3%	15.1%	15.3%	15.1%	(5,467)	(80,077)	\$20.60

Cincinnati – A Hub for Life Sciences

The life sciences industry is a broad, biology-based sector encompassing areas like biotechnology, pharmaceuticals, medical devices, and research, all aimed at improving quality of life. In Cincinnati, the industry is a major economic driver, generating \$6.1 billion in GRP and experiencing significant growth in both business locations and key subsectors such as biotech, pharmaceuticals, and medical devices. The region’s labor market is strong, with nearly 18,000 workers, continued job growth projections, and a robust pipeline of STEM-educated talent supporting future expansion. Cincinnati also outperforms national averages in several key metrics and plays an important role in producing and exporting life sciences goods, reinforcing its position as a leading hub in the industry.

\$2B

In Research at the Cincinnati Innovation District

17%

Increase in STEM Graduates (2018-2023)

#1

Best Children’s Hospital (Cincinnati Children’s Hospital), U.S. News & World Report, 2023

11K+

Annual STEM Graduates



Notable Regional Health Tech Companies



2 Tesseneer Dr
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