

# Investment Opportunity

Urban AutoPlex, LLC: Minneapolis, MN

March 08, 2017



*A lifestyle solution for auto enthusiasts.*

UrbanAutoPlex 

Urban AutoPlex, LLC (UAP) is seeking equity investors to develop a portfolio of freestanding, single-tenant, net lease properties. These build-to-suit opportunities are mixed-use facilities that are grounded in a concierge service delivery platform for the sports car industry and serves its passionate community of collectors. The model is distinctive and it's not for every collector.

These facilities are more than storage buildings, service centers, places to work/meet, or even an entertainment retreats ... these lifestyle centers provide a community immersed in performance and where all services come together into a single, synergistic experience. Urban AutoPlex, LLC is a brand that provides aficionados a place to transact business and to connect and share with others that think similarly. It provides an unmatched opportunity for a unique experience. It is a facility that creates a destination to support a way of life that its members are accustomed to and where the expectation is based on quality service.

Our goal is to build a network of properties through a multiple city roll-out with proof-of-concept starting in Minneapolis. As our brand builds, we will quickly seek to expand the portfolio in two other regions while we offer franchise licensing in targeted communities throughout the Midwest and the Southeast United States.

### Asset Requirements

- ◆ Approximately 85% of potential members live southwest and west of downtown Minneapolis. Most desirable location for this asset resides along the I-394 corridor or associated within the convenience of the North Loop neighborhood.
- ◆ Lot size requirements are dependent on configuration and access. Successful proposals will include sites > 1.0 AC.
- ◆ Property use includes: 3,500 SF of office, 3,000 SF hospitality and 15,500 SF long-term storage with auto service.
- ◆ The total rentable area is 23,000 SF with a minimum heights of 24' or 31' clear ceiling heights dependent on lease rates
- ◆ Partial, two-story facilities are preferred for Paddock and office space with accessibility provided by an elevator
- ◆ Provisions for loading dock area with a minimum 48" high dock.
- ◆ The building envelope shall meet or exceed all current building and energy codes as well as accommodate unique needs of tenant's equipment
- ◆ Clear span design are preferred within the storage areas. Lease premiums paid for this additive amenity.
- ◆ HVAC/FP shall be efficient systems that accommodate all code required classifications associated with enclosed parking and assembly occupancies, with in-floor heating throughout service areas of the first level.
- ◆ Maintain storage environment at 60-80F with 35-65% RH year round.
- ◆ Tenant improvements will be finance by the tenant
- ◆ Terms will be based on a fifteen-year fixed, net lease with increases of 2.5% annually and a Year 5 Option to buy.
- ◆ Lease agreements allow for subleasing with associated partner organizations
- ◆ General Partner is able to contribute up to 10% cash and financed contributions with Limited Partners will provide all remaining funds to close on real estate.

### Terms

Cap Rate	7.4
Office / Hospitality Base Lease	\$11 / SF
Net Lease	TBD / SF, including Utilities, Insurance & Taxes
GP Purchase Option YR5	To be negotiated
Lease Option, YR16	To be negotiated
IRR	15% Assumed

### Operating Business Projections

	YR 1	YR 3	YR 5
Storage (Occupancy):	102 (59%)	128 (73%)	151 (87%) [Stabilized]

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