

2555 West Midway Blvd



442,986 sf certified GMP facility
with excess land in fast growing
life science hub of Colorado

www.broomfield-bioscience.com



FOUNTAINHEAD
COMMERCIAL

AVISON
YOUNG

Executive Summary

Avison Young and Fountainhead Commercial, acting as advisors to the Seller, are pleased to present the 2555 W. Midway Blvd facility to interested parties for acquisition or redevelopment. The Property is situated on 20.677 acres and is comprised of a two building, 442,986 square foot pharmaceutical industrial campus located at 2555 W. Midway Blvd in Broomfield, CO ("Property"). Situated within the Atlas Industrial Park in the heart of the Boulder – US 36 hi-tech/life science corridor, 2555 W. Midway consists of a highly specialized multi-level, multi-building manufacturing campus with excess land, offering exceptional views of the Boulder Flatirons and direct and easy access to numerous nearby amenities.

Investment Overview

Address	2555 W. Midway Blvd Broomfield, CO 80020
Type	R&D, Manufacturing
Facility Size	442,986 sf
Stories	Two
Site Size	20.677 acres
Year Built	1974
Parking	630 spaces; 9 ADA



This facility has been NSF GMP certified for dietary supplement and cosmetic manufacturing.

The Property is located on the north side of West Midway Boulevard between Hoyt Street and Compton Street in Atlas Industrial Park within the city and county limits of Broomfield, Colorado which itself is located between Denver and Boulder, Colorado along US Highway 36. The campus is improved with a single-tenant manufacturing/processing facility consisting of two, two-story buildings totaling 442,986

square feet (the Main Building and Quality Control Building). The Main Building, totaling 417,500 square feet, is primarily comprised of office, manufacturing processing, packaging, laboratory and warehouse areas. The second floor includes general engineering and office areas, laboratory areas and an employee cafeteria that is accessed via a sky bridge over the roof of the building.

The 25,500 sf QC Building is comprised of laboratory and office areas and is physically separate from the manufacturing building and, as such, has separate utilities with the exception of wastewater and stormwater. The buildings were constructed in 1974 and building additions at the Main Building were completed in 1986 and the mid-1990's. Mile High Labs currently utilizes a portion of the facility but will vacate upon sale or prior to the end of the year.

The facility has historically produced Oral Solid Dose (OSD) products. The original facility was constructed for Cord Laboratories. Sandoz purchased the facility and eventually was purchased by Novartis. Employment numbers have been as high as 1000 employees across three operational shifts. Mile High Labs (MHL) purchased the facility in 2019 and is currently using the manufacturing facility for cannabidiol (CBD) consumer products such as gummies, lotions, tinctures, and other personal products.



Surface parking is provided along the northern, southern, and eastern portions of the Property. A truck service receiving area with loading docks is provided at the northeast corner of the Main Building and a truck service shipping area with loading docks is provided on the south side of the west building section at the Main Building. Other than the Main Building and QC Building at the Property, there is one Storage Building, one Flammable Storage Building, and two Security Buildings. The entire site is fenced and there is access-controlled entries.

Located ten miles southeast of the University of Colorado at Boulder and numerous other high technology and biotech tenants, 2555 W. Midway Blvd provides amenities sought after by corporate users, as well as the growing life sciences sector, including magnificent mountain views, and adjacency to a great road network, open space and numerous trails. Luxury hotels such as the Omni International Resort and the Westin Hotel, in addition to some 5 million square feet of retail and entertainment amenities (including the popular Flatirons Crossing Regional Mall), provide a full compliment of services to this corridor.

Aerial View



Investment Highlights

Significant Discount to Replacement Cost

The complex is currently registered by the FDA as a dietary supplement and cosmetic manufacturing site. It is capable of being registered by new ownership as a drug, dietary supplement, food, or cosmetic manufacturing site. Approximately 68% of the space is dedicated to lab, production and office space with supporting warehouse and distribution areas making up the remainder of the square footage. Manufacturing facilities for life science tenants can cost up to \$500 per square foot to develop.

Specialized improvements at 2055 W. Midway Blvd have a very high cost of construction and would offer considerable up front savings to future R&D/Fabrication/life science users.

Specialized Mechanical and Electrical Improvements

As a former pharmaceutical manufacturing plant for Sandoz/Novartis, the buildings offer highly sophisticated air handling equipment with capacity to maintain constant air temperature and HEPA filtered exchange air as required by the clean rooms. The facility infrastructure provides wet and dry lab space, clean rooms, as well as redundant electrical, heating, and cooling services. Lab amenities include clean dry air, de-ionized water, nitrogen, house vacuum as well as refrigeration equipment, cold storage and stability rooms.

Strong Active Tenant Pool

Technology, life science and biotech tenants have continued to focus on the US Highway 36 corridor as their business home. Nearby users include **IBM, Apple, Google, Ball Corporation, Seagate Technologies, Zimmer Biomet, Aktiv Pharma Group** and **Oracle**.

Boulder is the 10th largest life sciences market in the US and currently employs over 25,000 people in the industry segment. The health and strength of Colorado's life science ecosystem is demonstrated by record fundraising in 2021 from public, private and federal sources. Businesses that specialize in biotech are attracted to this location due to its proximity to the University of Colorado at Boulder and the scientific synergies associated with research and pharmaceutical development. **Array Biopharma, AGC Biologics, Corden, KBI Biopharma, Valley Lab** and **Medtronic** are a few of the nationally recognized businesses that occupy space in this corridor.

There are also extensive personal property systems throughout the building for lab production and distribution. With lab vacancy rates at near record lows nationwide, the GMP facility will be very attractive to a number of regional and national users. The biggest real estate gap in the Broomfield market is for 50,000–150,000 sf blocks of space to house growing bio/life science tenants in the area as other available options better serve the incubator and smaller user needs.



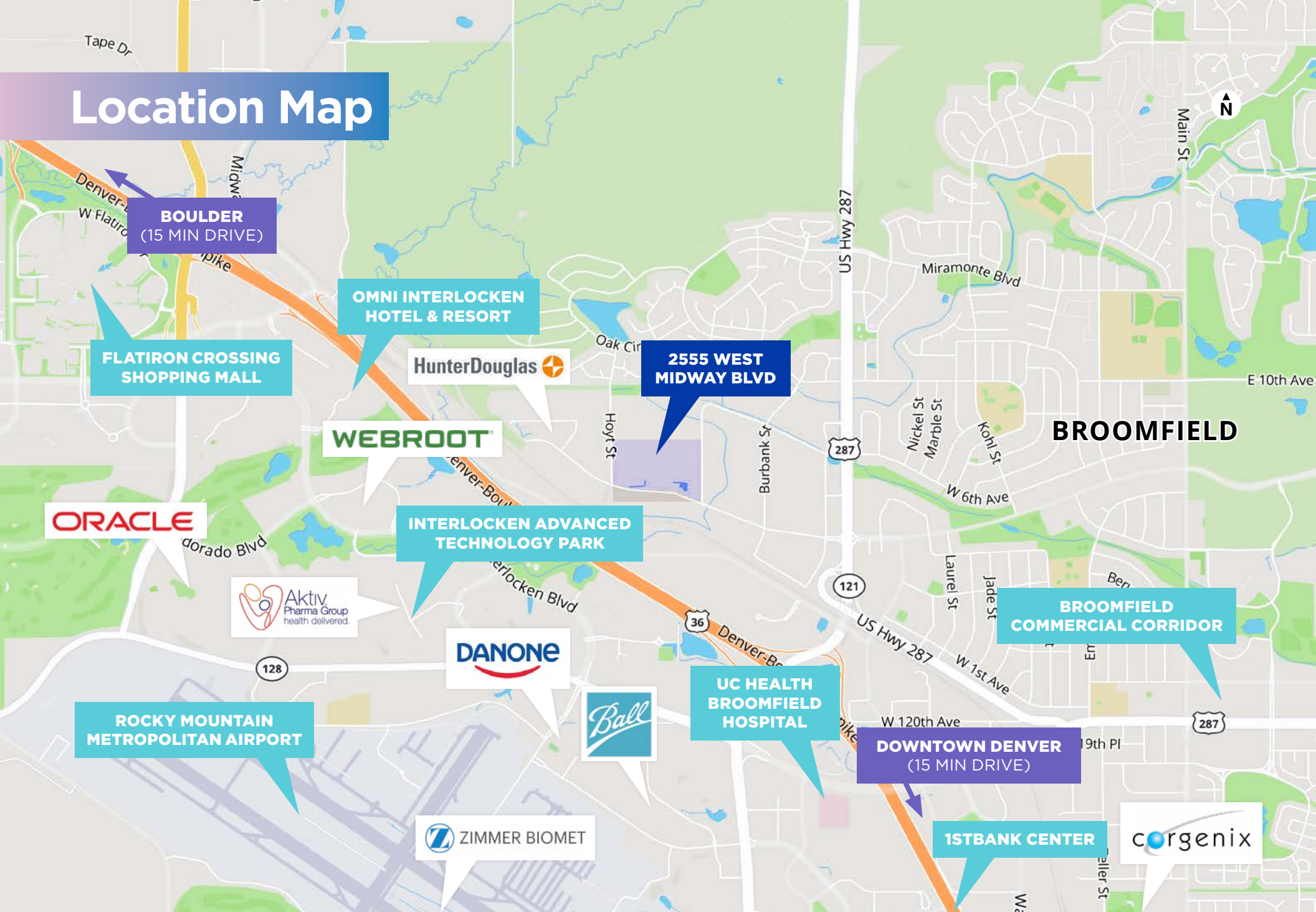
SEAGATE



ORACLE



Location Map



Investment Highlights

Positive Market Trends

With increased demand from both local and out-of-state groups, active tenant requirements continue to grow within the greater Denver market. This high level of demand is expected to persist as life science companies set their sights on Colorado. Life Science demand generally gravitates to tech hubs like Boulder, which has attracted major tech tenants like Google, Apple and Twitter; but CU Denver (located in downtown Denver) and the Fitzsimons Medical Innovation community in Aurora also specialize in life science lab and office space.

Boulder County has always been a hotbed of life sciences research and development, but demand for lab space is now at an all-time high, with available supply virtually nonexistent. According to a report released in June, 2021 by CBRE, the Boulder area had about 2.6 million square feet of life sciences lab space with just a 0.5% vacancy rate. The report states 33 companies are seeking an additional 1.5 million square feet of space in the market. Life science companies make up the largest share of prospects in the pipeline measured by the Metro Denver Economic Development report.

Expansion Potential

Excess land allows for a variety of expansion options, from simply adding a new building on the eastern portion of the site to keeping portions of the existing buildings and redeveloping others for today's user needs and specs. Another option includes tearing down a portion of the east end of the manufacturing facility to build new product on the eastern side of the property.

Strengthening Tenant Market

The overall Denver economy continues to strengthen post-COVID and now has regained almost 95% of the 376,000 jobs lost from February to April, 2020. Additionally, absorption of 87,000 jobs occurred in 2021 and the state is currently projected to add 73,900 jobs in 2022, pushing the number of people working to over 3.1 million, the most ever according to the University of Colorado's *Colorado Business Economic Outlook for 2022*. The prior record of 3.04 million was set in 2019. Colorado's front range has become a favored location for west coast companies in particular as they search for relocation and expansion opportunities or to get a reprieve from the high costs and competitive labor market found on the west coast.



Offering Guidelines

2555 W. Midway Blvd is being offered on an all cash basis to a select group of qualified investors. The Property will be sold on an unencumbered basis free and clear of any debt. The prospective purchaser will be selected by the Owner in consultation with Avison Young and Fountainhead Commercial on the basis of price, financial strength, level of discretion to invest funds, and experience in closing similar transactions.



Information and Property Tours

Avison Young and Fountainhead Commercial will facilitate all communications relating to the *Offering Memorandum*, the dissemination of additional information requests, tours of the Property and purchase offers. We respectfully request that you do not contact either the owner or the management personnel at the Property. Property tours are available upon request. Please contact a member of the disposition team to schedule a convenient time.



Due Diligence War Room

A dedicated Property Due Diligence Room is available for your review online. Upon request to Avison Young and Fountainhead Commercial, qualified investors will be provided authorization to review documentation including reports, an ALTA survey and other relevant materials. Access to the materials will be via Real Capital Markets.



Offers to Purchase

All interested parties must submit non-binding letters of intent to the Investment contacts at either Avison Young or Fountainhead Commercial by **Thursday, April 28th, 2022**, together with documentation on the experience of the purchaser and source(s) of acquisition funds.

Offers may be sent via email to:

Rick Egitto
rick.egitto@avisonyoung.com

Justin Rayburn
jrayburn@fountainheadcommercial.com



For more information, please contact:

Rick Egitto, CCIM

Principal

+1 303 908 0706

rick.egitto@avisonyoung.com

Justin Rayburn

Principal

+1 303 249 3730

jayburn@fountainheadcommercial.com

avisonyoung.com / fountainheadcommercial.com

©2021 Avison Young - Northern California, LTD., Denver Office. All rights reserved.

1801 California Street | Suite 3750 | Denver, CO 80202

www.broomfield-bioscience.com



FOUNTAINHEAD
COMMERCIAL

AVISON
YOUNG