

# BRITANNIA BUSINESS CENTER I

A 291,591 SF OFFICE / R&D CAMPUS | PLEASANTON, CA



## *A PREFERRED EQUITY, VALUE ADD INVESTMENT OPPORTUNITY*

- 30% IRR Hurdle to preferred equity investors
- Strong leasing momentum with a new ADP lease extension
- Value add opportunity through lease up of vacant space
- Prime location in San Francisco's East Bay market
- Excellent market fundamentals

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Clear Vista Asset Management
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# *SECTION I*

## *THE OPPORTUNITY*

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## Investment Summary

A Value Add Investment opportunity, providing short term equity growth. The Preferred Equity investment in Britannia Business Center I will be used to supplement the current owners efforts to recapitalize, stabilize and lease up remaining vacant space. Upon stabilization the property will be sold or recapitalized in 24-36 months.



Investment Strategy:	Short Term Equity Growth
Investment Type:	Value Add
Projected Return:	30% IRR
Term:	24-36 Months
Property Type:	Office / R&D Campus
Underlying Security:	Preferred Equity
Total Offering:	Up to \$9,000,000
Minimum Investment:	\$25,000

Projected Return / Hurdle Rate

**30%**

IRR– Internal Rate of Return

Investment Term

**24-36**

Months

## Key Deal Points

**Significant Value Increase** ~ Upon stabilization in two years, the sponsor anticipates strong increases in property value because of increased cash flow and new long term leases. Preferred Equity investors are buying in at a substantial discount to stabilized value, projected stabilized value of \$78.8MM - \$85.4MM in 24-36 months.

**Attractive Investment Performance** ~ Strong investment opportunity leased to several Fortune 500 companies. These “A” credit tenants provide stable in place cash flows with a significant value add component upon stabilized occupancy. Britannia is currently under occupied when compared to market vacancy. The market has shown exceptional leasing velocity and increasing property rental rates providing attractive investor returns.

**Excellent San Francisco Bay / Silicon Valley Area Location** ~ Located in the Tri-County Sub-Market of the Silicon Valley, Pleasanton is within close proximity to the San Francisco & San Jose metros. Pleasanton boasts above average employment growth, high tech economy, connectivity to large employers and cost competitive space that supports more than 4,000 companies and 53,000 jobs in the city.

**Strong Investment Hurdles** ~ The preferred equity investors will be in a priority position sweeping proceeds until achieving a 30% IRR on their investment. Current owners will only participate in the value increase of Britannia after preferred equity investors receive a 30% IRR on the (up to) \$9,000,000 equity investment.

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## Property Profile

*4125, 4155, 4255 Hopyard Rd.,  
Pleasanton, CA*

Square Feet: 291,591+/-  
 Buildings: 4  
 Type: Office/R&D  
 Year Built: 1997  
 Parking: 3.9 : 1,000  
 Class: B+  
 Lease Types: NNN &  
 Modified Gross

MSA: San Francisco  
 Oakland  
 Fremont

Submarket: South I-680

### Major Tenants:

ADP: 94,080 SF (32%)  
 Exp 10/2020

Carl Zeiss: 56,505 SF (19%)  
 Exp 9/2019

Roche: 40,164 SF (13%)  
 Exp 1/2017



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## Pleasanton, California\*

With close proximity to the San Francisco and San Jose metropolitan areas, Pleasanton's ambiance is accented with a metropolitan edge that offers residents and businesses a long list of amenities. With infrastructure to suit contemporary Business needs, proximity to major business markets, a highly educated population, and high value, cost-competitive space supports Pleasanton's more than 4,000 companies support 53,000+ jobs and economic strengths including:

**Strong employment growth** with long term growth outpacing the Tri-Valley and East Bay. Pleasanton's total employment grew 63% between 1995 and 2009, outpacing the Tri-Valley (53%) and surpassing the East Bay's growth (20%).

**Innovation economy** featuring high-technology industry sectors that draw highly-educated workers and increasing amounts of entrepreneurial activity and venture capital investment.

**Business connectivity** among the city's largest employers, such as Workday, ADP, Safeway, EMC, Oracle, Thoratec and Roche Molecular Systems, are economic anchors that attract talented employees and additional business activity through the growth of the supply chain network and the creation of new, related businesses.

**Strong retail centers** with the city commanding more taxable retail sales than any other city in the Tri-Valley.

\*www.cityofpleasantonca.gov

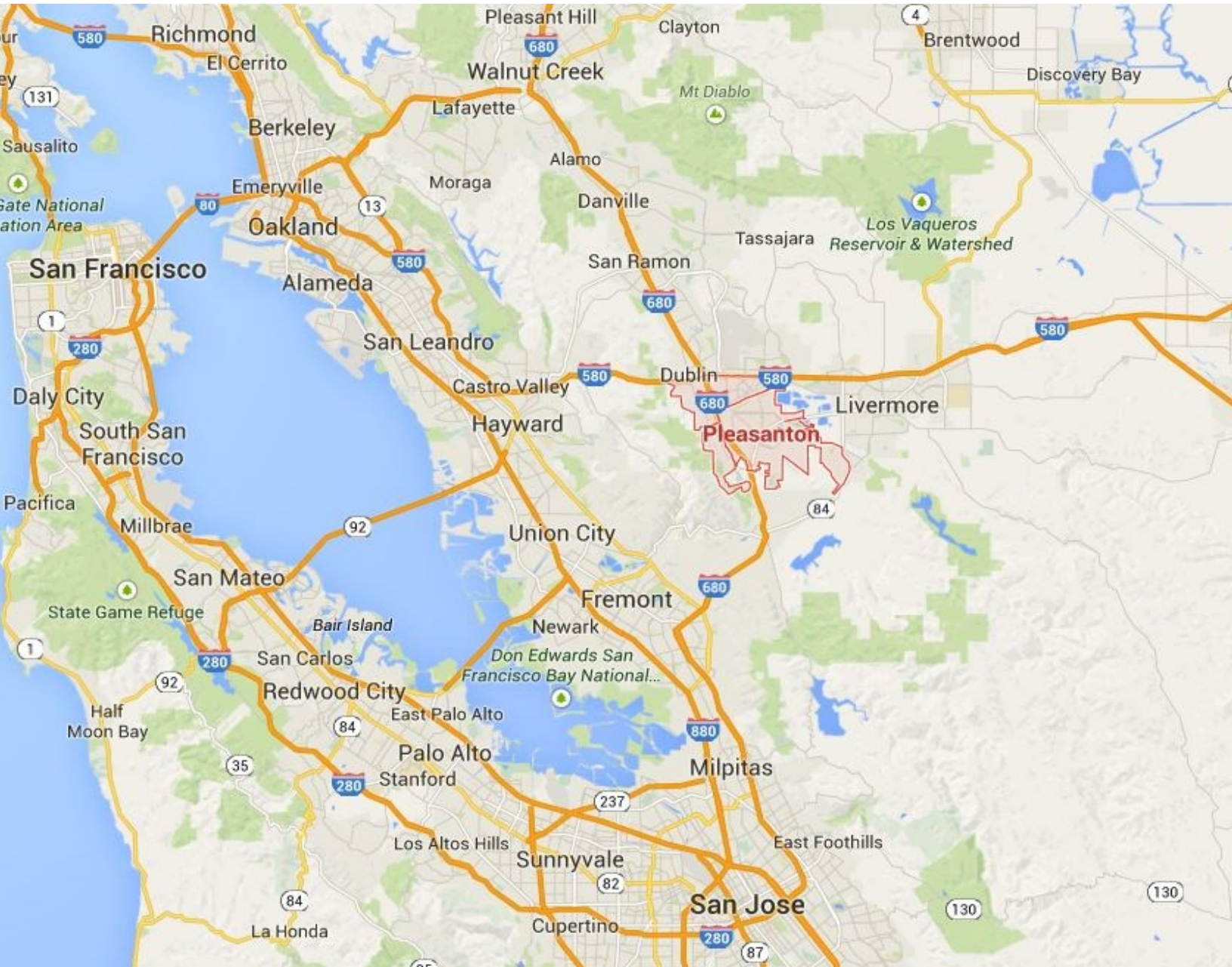
### At A Glance

Population : 73,067

Median Income : \$118,129

Avg. Single Family Home : \$910,000

College Degrees : 56% of adults



## Executive Summary

Virtua Partners LLC (“Virtua and/or “Sponsor”) is pleased to provide qualified investors (“Investors”) with the opportunity for preferred equity investment into Britannia Business Center I. Virtua is seeking \$8,200,000 (up to \$9,000,000) in Preferred Equity to restructure and stabilize Britannia Business Center I, a four building 291,591+/- SF Office/R&D Campus outside of San Francisco in Pleasanton, CA. A market known for increasing rental rates, low unemployment and quality population demographics.

Investors will receive all proceeds up to a 30% IRR and have a priority position to Common Members. Investors’ principal and profits are anticipated to be paid back in 24 months through a recapitalization or sale of the project upon stabilization.

Recently, Advanced Data Processing (“ADP”) completed a 94,302+/- SF, 5 year lease extension through April 2020. The previous property manager and sponsor were replaced in favor of Virtua and its affiliated Asset Manager, Clear Vista Management, LLC (“Clear Vista”). With new management, Britannia immediately experienced improved property operations, decreasing operating expenses by 5%. The property has continued to see improving lease rates and increasing leasing interest for vacant units.

Investors’ preferred equity will be used to supplement operational costs during recapitalization, fund tenant improvements for new and future leases, and transition the project from an anticipated 50% rollover through to stabilization in 24-36 months.

Virtua is sourcing an estimated \$55,600,000+/- in bridge and mezzanine financing to pay off the current loan maturing in November 2015. The bridge financing will also pay a majority of the tenant improvements and some of the recapitalization costs.

The property was originally acquired in October 2005 for \$82,900,000 with an all in investment of \$88,450,000 by the current Tenant In Common investors. During the 2008 recession, revenue began dropping with the loss of tenants and reduced rental rates. Due to decreased cash flow, excess costs and upcoming vacancy the owners engaged a 3rd party advisor to investigate and evaluate the property management aspects of Britannia. The analysis found the prior manager was significantly deficient, citing “under market” rent reductions, “over market” tenant improvement allowances, excessive lease commissions, and conflicts of interest with the sitting sponsor. Left with significant lease expirations during the year of loan maturity, the owners will require preferred equity capital and a bridge loan to restructure and recapitalize the project. The current owners will hold a minority interest in the property (“Common Members”), participating in equity appreciation of the project after the preferred equity members earn a 30% IRR on their investment of up to \$9MM.

Virtua, in association with its affiliate Clear Vista as the new asset manager, represented the current owners in removing the previous sponsor and replacing the asset manager, property manager and leasing team. The positive effects of these changes were seen immediately with strong leasing interests and reductions in operational expenses. This team efficiently negotiated and completed the 5 year ADP lease extension.

The Sponsor will continue to expand on the recent success as it executes its business plan including, but not limited to: bridge loan refinance, transition to stabilization, continued property operation improvements, restructure the existing tenant-in-common owners into a SPE LLC, increase leasing activity and secure financing to fund future leases.

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## Business Plan

Britannia Business Center I is an excellent campus project in a strong performing market. The business plan emphasizes on transitioning from a single tenant dominated office project to a multi tenant project servicing highly regarded corporate office/R&D users from 15,000 SF and up. Britannia is experiencing strong absorption and leasing activity and is well positioned for significant upside.

Recent accomplishments include:

- ◆ **ADP lease renewal:** completed the 5 year lease renewal with partial space giveback for a total leased square footage of 94,106 SF. Leased at \$1.97 PSF / Month, modified gross. With 3% annual increases and \$15.00 PSF TI allowance.
- ◆ **New property management & leasing team:** New property management and leasing teams have successfully increased potential leasing traffic.
- ◆ **Operation improvements:** Property expenses have decreased by over 5% since RiverRock Real Estate Group (“RiverRock”) has taken over property management. The leasing team has increased the number of property tours and prospect LOIs. Clear Vista Management, LLC (“Clear Vista”) serves as Asset Manager and has visited with each tenant to develop stronger relations in an effort to begin further lease renewal discussions.

Upcoming action items include:

- \* **Complete bridge loan refinance:** The bridge loan will provide financing for TI/LC and capital expense items to re-lease vacant and expiring tenants.
- \* **Execute leasing program:** Clear Vista and RiverRock have significantly increased leasing activity at the property. The leasing interest has been substantial averaging 15,000-30,000 SF per tenant requirement. Britannia has received four Letters of Intent that are in various stage of counter-offers in the last 90 days.
- \* **Improve marketability:** The new equity investments will provide certainty to execute the business plan and provide funding for lease up, tenant improvements and leasing commissions.
- \* **Sell or Refinance upon stabilization:** Projected property values are anticipated to be between \$78.8MM and \$85.4MM allowing for the payoff of bridge financing. Project stabilization is anticipated within 24-36 months. With projected 2016-2017 lease rates between \$15-\$17 PSF NOI is estimated to be \$4.7M.



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## Preferred Equity Investment & Property Highlights

### INVESTOR PREFERRED EQUITY INVESTMENT

Minimum Need: \$7,300,000

Maximum Need: \$9,000,000

Min Investment: \$25,000

Equity Participation: 90% to a 30% IRR

Term: 3 Years, with two 6-mo. options

Anticipated Return: 30% IRR

Current Distributions: None

### STABILIZED ECONOMICS BRIDGE & FORTRESS PREF EQUITY

LTV: 71%

DY: 8.8%

DSCR: 1.30+

Loan/SF: \$199

### FINANCIAL SNAPSHOT

T12 NOI (2/15): \$5,777,727

Stabilized Y2 NOI: \$4,805,108

Y3 NOI: \$5,121,039

Projected TILC: \$3,289,437

Current Occupancy: 69.5%

Stabilized Occupancy: 92.0%

**Significant Leasing Upside:** Recent project leasing activity has been strong since new management has been established. Market lease rates have increased 13% year over year.

**Strong Economic Coverage:** Stabilized economics are exceptional with a projected debt yield of 7.8% and NOI of \$4.7MM.

**Significant Employment Growth:** Since 2009, employment in the related metro grew 7.0% compared to 5.6% nationally. The unemployment rate for Alameda County dropped to 5.7% as of April 2014 putting Alameda County among the top 10 lowest employment rates in all of California.

**Excellent Location:** Located within the area's premier business park "Hacienda Business Center" Britannia I has excellent ingress/egress and easy access to the 580 and 680 freeways connecting to San Jose, San Francisco, Silicon Valley and Sacramento.

**Strong Demographic:** Ranked the "wealthiest middle-sized city in the US by the Census Bureau in 2005 and 2007, Pleasanton is home to headquarters of Safeway, Blackhawk Network and Ross Stores.

**New Management:** New Asset and Property Management have identified and are correcting previous deficiencies. Tenant relationships have shown significant improvement and operating expenses have been reduced by 5% and leasing interest has substantially increased.

**Easy Commuter Access:** Located nearby the Dublin/Pleasanton BART light rail Station and "Delta Express" providing "luxury" commuter express bus service servicing Silicon Valley, Contra Costa County and the Central Valley with easy access to the 680 and 580 freeways.

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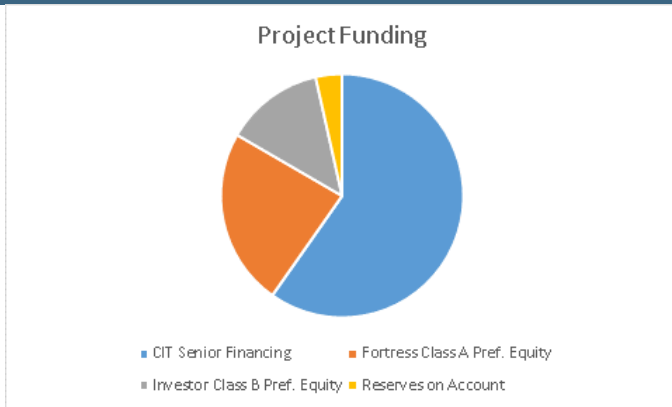
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## Capital Stack



CIT Senior Financing :	\$40,475,000
Fortress Preferred Equity:	\$15,107,812
Investor Preferred Equity:	\$8,200,000
Reserves on Account	\$2,330,041

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**Total Capitalization: \$66,12,853**

Preferred Equity is anticipated to be \$7.3MM—\$9.0MM dependent on final lender terms, tax, insurance and debt service reserves.

**Investor Preferred Equity:** Investor Preferred Equity (“Investors”) is A Value Add Investment opportunity providing near term equity growth. Investors are targeted to earn a 30% IRR paid upon the recapitalization or sale of the property in 24-36 months. The investment will be used to supplement the current owners efforts to recapitalize, stabilize and lease up remaining vacant space. Investors will receive membership interests in Britannia Preferred Equity, LLC (“The Company”). These interests will have priority over the Common Members. Investors will receive 90% of all equity cash flows until they receive a return of original investment and a 30% IRR on the original investment. Investors are subordinate to Fortress. Fortress’ return of principal and 15% preferred rate of return would be paid back prior to Investors and further described in the following waterfall.

**Fortress Preferred Equity:** Fortress' investment of \$15.1MM holds a priority position to Investors and Common Members, yet subordinate to the CIT Senior Financing. In exchange for the \$15.1MM investment Fortress will earn a preferred rate of return of 15% and 10% of equity proceeds upon capitalization event.

**CIT Senior Financing:** The Sponsor will enter into agreement for Senior Financing and subject to Due Diligence. Senior Financing is anticipated to be provided under the following terms:

Loan: Approximately \$40.475MM. Provided in the initial amount of \$37.275MM or up to 65% appraised value, and an additional draw for TL/ LCs of \$3.2MM+/-.

Term: 3 Years

Rate: 1 month LIBOR plus 300 basis points

LTV: 65% of appraised value

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**Capital Stack ~ Continued****Reserves on Account:**

Cash Reserves of approximately \$2.3M will be credited to the sources and uses from the Common Members. Common Members will receive no distributions or proceeds until all loans and preferred equity is paid in full, all preferred returns are paid and the Investors receive a 30% IRR on their investment. Thereafter Common Members will receive 90% and Fortress 10% of proceeds.

## Project Sources & Uses

Total Project Sources	
CLT Senior Loan Initial Funding	\$37,275,000
CLT Senior Loan - Future Funding TL/LC	\$3,200,000
Fortress Pref Equity Class A - Initial Funding	\$15,107,812
Fortress Pref Equity Class A - Future Funding	\$0
Investors : Preferred Equity Class B	\$8,200,000
Tax & Escrow Reserves on Account	\$2,330,041
<b>Total Sources</b>	<b>\$66,112,853</b>

Total Project Uses	
Subtotal: Existing Payoffs	\$58,258,449
Subtotal: Sr. Bridge Loan Charges	\$581,063
Subtotal: Fortress   Preferred Equity Class A Charges	\$226,078
Subtotal: Investors   Preferred Equity Class B Charges	\$125,000
Subtotal: Third Party Reports	\$31,250
Subtotal: Escrow & Title Charges	\$137,690
Subtotal: Entity Charges	\$79,250
Subtotal: Guarantor Charges	\$565,828
Origination Fees	\$1,040,000
Tax & Insurance Upfront Reserves/2015 Payment	\$691,983
Upfront Reserve : TL / LC	\$3,200,000
Virtua Sponsorship Fee	\$318,914
Cap-X & Tenant Credits	\$500,000
Contingency	\$357,348
<b>Total Uses</b>	<b>\$66,112,853</b>

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## Equity Waterfalls

Distributions of net capital proceeds from capital transactions, including, but not limited to, a sale or refinancing of the Property, after the payment of expenses shall be distributed in the following priority:

- First:** Repayment of the CIT senior loan, interest and any other applicable expenses.
- Second:** To Fortress Preferred Equity ~ Class A until full payment of the outstanding Preferred Return and then return of the invested Fortress principal.
- Third:** 90% to Investor Preferred Equity ~ Class B until full return of Investors principal investment and full payment of Investors 30% IRR Preferred Return and 10% to Fortress.
- Fourth:** To Common Members on proceeds beyond a 30% IRR to the Investors.



## Exit Valuation

Capital Stack at Exit ~ Sensitivity Analysis				Stress Test
Cap Rate	6.00%	6.25%	6.50%	6.91%
\$PSF Value	\$292.88	\$280.87	\$270.24	\$254.47
<b>Year 2 Valuation</b>	<b>\$85,400,000</b>	<b>\$81,900,000</b>	<b>\$78,800,000</b>	<b>\$74,200,000</b>
Y2 CF from Operations	(\$123,467)	(\$123,467)	(\$123,467)	(\$123,467)
Proceeds at Stabilization	\$85,276,533	\$81,776,533	\$78,676,533	\$74,076,533
Cost of Sales/Refinance	\$1,708,000	\$1,638,000	\$1,576,000	\$1,484,000
CIT Senior Loans	\$40,475,000	\$40,475,000	\$40,475,000	\$40,475,000
Fortress Return of Principal ~ Class A	\$15,107,812	\$15,107,812	\$15,107,812	\$15,107,812
Fortress Profit Split ~ Class A	\$2,455,572	\$2,455,572	\$2,455,572	\$2,455,572
<b>Investor Return of Principal ~ Class B</b>	<b>\$8,200,000</b>	<b>\$8,200,000</b>	<b>\$8,200,000</b>	<b>\$8,200,000</b>
Investors Last Dollar as % of Value	80%	83%	86%	91%
Proceeds Avail for Distribution	\$17,330,149	\$13,900,149	\$10,862,149	\$6,354,149
Investor Profits ~ Class B   30% IRR	\$5,659,000	\$5,659,000	\$5,659,000	\$5,659,000
Investor Profits as % of Value	86%	90%	93%	99%
Distribution to Common Members	\$11,671,149	\$8,241,149	\$5,203,149	\$695,149

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## Tenant Summary



A Britannia tenant since 1997, ADP recently completed a 5 year lease renewal commencing April 2015 for 94,302 SF. Established 65 years ago in 1949, ADP is one of the world's largest providers of business outsourcing solutions, with about \$10B revenues and approximately 620,000 clients. The company is the leader in payroll processing in the United States. A publicly traded company, ADP offers a wide range of human resource, payroll, tax and benefits administration solutions from a single source. ADP has a credit rating of AA/Stable. The company is one of only a few S&P 500 companies with such a rating. Since 2008 ADP has spent over \$1B to acquire more than 20 companies.



Diebold, Inc. is a United States-based financial self-service, security and services corporation that is engaged primarily in the sale, manufacture, installation and service of self-service transaction systems (such as ATMs), electronic and physical security products (including vaults and currency processing systems), and software and integrated systems for global financial and commercial markets. Diebold is the largest U.S. manufacturer of ATMs. Diebold was incorporated under the laws of the State of Ohio in August 1876, and is headquartered in the Akron-Canton area.

ZEISS is one of the world leading manufacturers of microscopes. In addition to excellent light-/ion- and electron microscopes, ZEISS also manufactures a diverse range of fluorescence optical sectioning systems as well as high-resolution x-ray microscopes. Carl Zeiss Microscopy is a leading provider of microscope solutions in the life sciences and materials research markets and QA/QC and also manufactures optical sensor systems for integrated process analysis. Microscope systems by Carl Zeiss are much more than just hardware. A dedicated and well-trained sales force, an extensive support infrastructure and a responsive service team enable customers to use their ZEISS instruments to their full potential.



Headquartered in Pleasanton, California, Roche Molecular Diagnostics (RMD) is a business area of Roche Diagnostics (Basel, Switzerland) that develops, manufactures and supplies a wide array of innovative medical diagnostic products, services, tests, platforms and technologies. With its broad portfolio of oncology, virology, microbiology and blood screening tests, RMD's clients include researchers, physicians, patients, hospitals, laboratories and blood banks around the world. The business was founded in the early 1990s following the acquisition of the revolutionary, Nobel-prize winning Polymerase Chain Reaction Technology (PCR). PCR quickly replicates a single specific fragment of DNA or RNA to quantities sufficient for accurate laboratory analysis.

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## Market Highlights ~ Office / Flex-R&D

Pleasanton is located within the Tri-Valley (South 680) submarket of the San Francisco MSA. The submarket includes the communities of Pleasanton, Livermore, Dublin, San Ramon, and Danville.

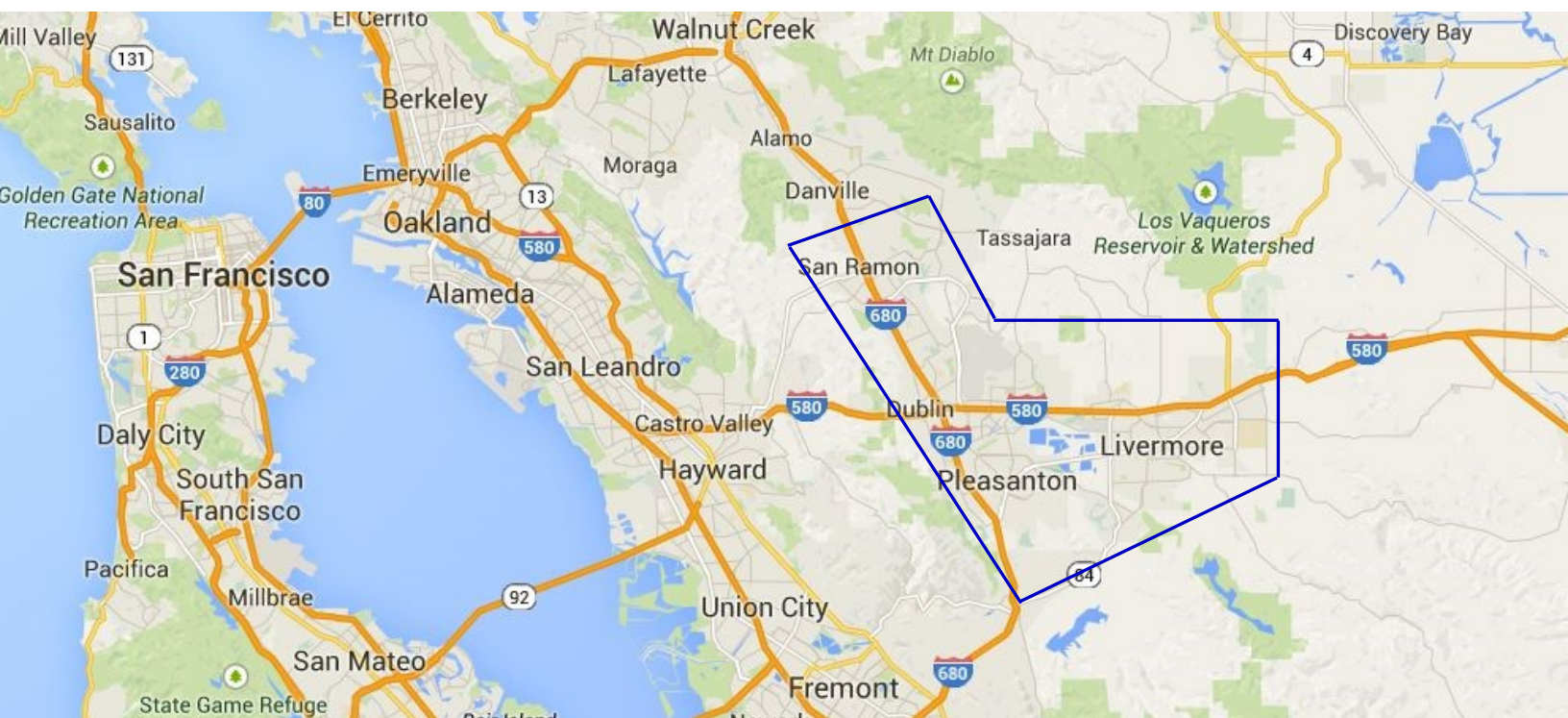
- Vacancy has decreased to 10.16%.\*
- Pleasanton office/flex rents improved \$0.23 or 13.6% year over year to \$1.92 PSF.\*\*
- Pleasanton Class A rates enjoyed a good year increasing 11.5% to \$2.53 PSF.\*\*
- Class B rates were also strong increasing 17.8% to \$2.25 PSF.\*\*
- Strong positive absorption year over year.
- Britannia Business Center I is well positioned for the continued flight to value as evidenced by the the rent delta between Class A and Class B properties.

### MARKET INDICATORS

	Q4-14	Projected Q1-15
VACANCY	↓	↓
NET ABSORPTION	↓	↑
CONSTRUCTION	↔	↔
RENTAL RATE	↑	↑

\*Newmark Cornish & Carey, Quarterly Report, Q4 2014

\*\*Market Indicators provided within Colliers Q4 2014 Office / Industrial Reports



Britannia is a four building Office/R&D Campus located within the 900 acre, mixed use, Hacienda Business Park. Featuring easy commuter access located nearby the Dublin/Pleasanton BART Station and “Delta Express” providing “luxury” commuter express bus service servicing Silicon Valley, Contra Costa County and the Central Valley with easy access to the 680 and 580 freeways. The 4 building campus is walking distance to restaurants and retail amenities. The project can accommodate an array of uses including office, lab, R&D and more.

### Commute Times

#### *San Francisco*

Drive Time: 45 Min / BART: 50 Min

#### *Oakland Airport*

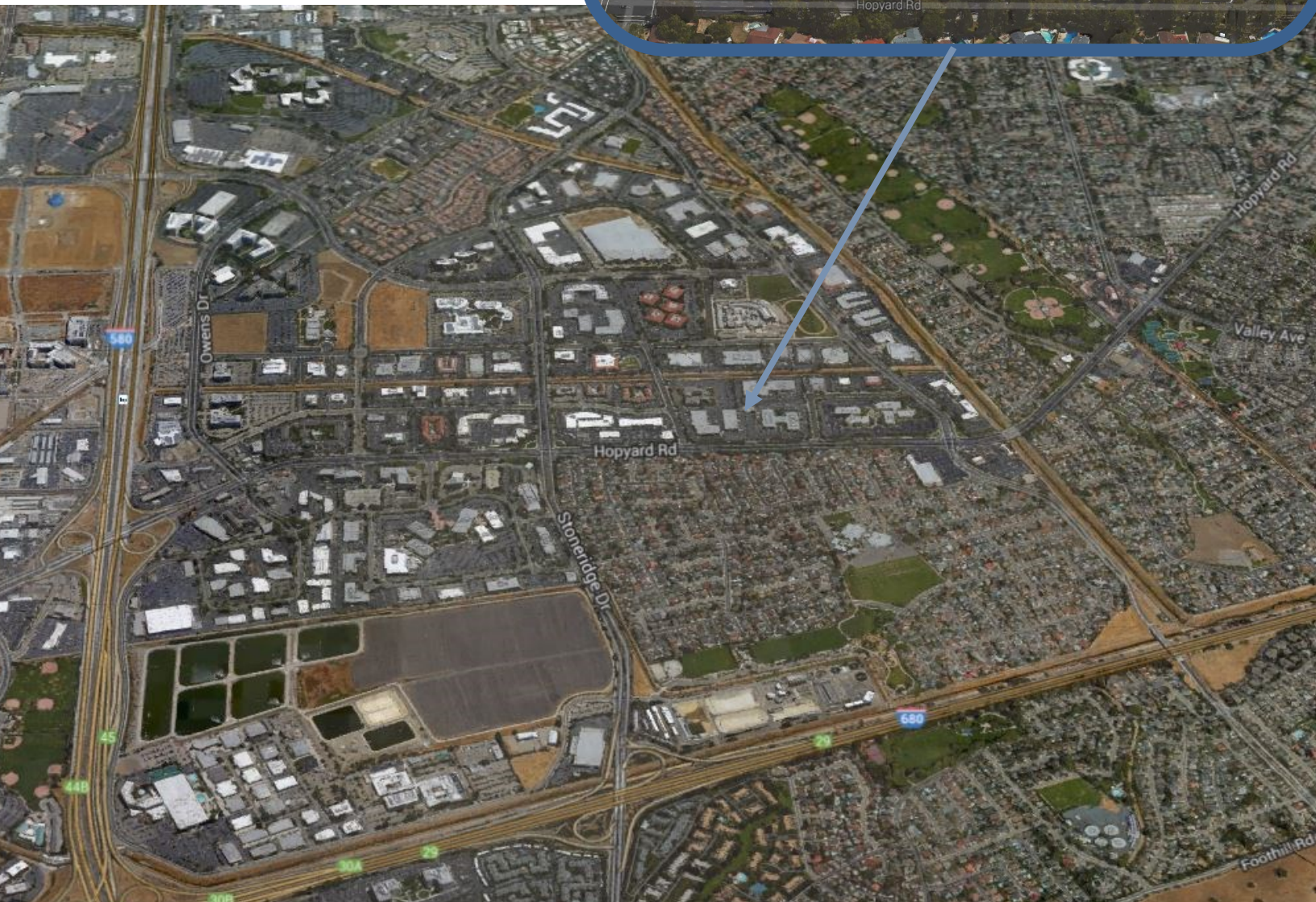
Drive Time: 30 Min / BART: 35 Min

#### *San Jose*

Drive Time: 30 Min / ACE: 60 Min

#### *Stockton*

Drive Time: 55 Min / ACE: 75 Min



## Transaction History

Britannia Business Center I is a quality asset, surrounded by an excellent demographic. Bridge financing would be successful in managing lease rollover and tenant improvements for new leases. Asset Management and Property Management were replaced in April 2014 with Clear Vista Management, LLC (an affiliate of the Sponsor). (“Clear Vista”) has implemented significant improvements in operations, leasing, and cost reductions. Previous management did not have the foresight or pro-active consideration to plan around upcoming lease rollover. With their removal and the replacement of asset management and property management the asset is positioned for strong performance and turn around.

The property was originally acquired in October 2005 for \$82,900,000 with an all in investment of \$88,450,000 by a group of Tenant In Common investors. Due to the 2008 recession, revenue began dropping with tenant loss and reduced rental rates. Property vacancies in June of 2010 accounted for over 20% of lost gross income. Replacement leases were completed at 50% of the previous leasing rates. These events, along with the commencement of loan amortization in late 2010, led to the decline of cash flow after debt service.

Due to decreased cash flow, excess costs and upcoming vacancy the owners engaged a 3rd party advisor to investigate and evaluate the property management aspects of Britannia. The analysis focused on 1) Asset Management; 2) Broker Leasing Agreement; 3) Property Management; and 4) Accounting and Financial Data. The report found the previous sponsor and asset manager to be significantly deficient citing: “under market” rent reductions, “over market” tenant improvement allowances, premature consideration of “early termination clauses”, lease commissions exceeding rates specified in the Broker Agreement; inappropriate payment of lease commission fees, and potential conflicts of interest by leasing brokers.

The previous sponsor, asset manager and property manager were removed in April 2014, with new management provided by Clear Vista, RiverRock and leasing provided by Jones Lang Lasalle.

The positive impact of these changes was quickly evident as Clear Vista reduced costs by 5% immediately. Clear Vista established a strong relationship with ADP leading to a 5 year lease extension. ADP will remain in 94,302 SF or 32% of the project with a new lease expiration of May 2020.

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## ABOUT THE SPONSOR/BORROWER

Led by Lloyd W. Kendall, Jr. and Quinn Palomino, Virtua Partners LLC (“Virtua”) offers and manages the highest quality commercial real estate investments across the country. Tapping into an expansive expertise in property operations to maximize cash flow and utilizing deep relationships with national credit tenants to increase investor wealth through unparalleled investment performance and appreciation.

Virtua seeks to provide tax advantaged investments for individual real estate investors. Seeking to purchase investment grade office and industrial properties with an emphasis on high quality tenants and steady returns. With a strict focus on cost control in all aspects of a transaction - acquisition (load), management, operating costs, and disposition. And providing the highest levels of customer service to tenants, which enhances the long-term value of properties.

Virtua professionals have advised real estate funds with over \$5,000,000,000 in assets under management. Taking these institutional experiences from Wall Street to the investors of Main Street. Virtua’s investments have specific objectives, providing balance to an individual investor portfolio. Through the synergies of Virtua's relationships and affiliated funds, they provide flexible options to clients in today’s turbulent investment real estate market.

## LEADERSHIP

### Lloyd W. Kendall, Jr. – Principal

Lloyd is the Chairman and co-founder of Bay Commercial bank. He is a lawyer and has practiced in the bay area since 1978, specializing in real estate and tax law. His specialty is tax free exchanges and related matters. Lloyd started his career at the Internal Revenue Service. After leaving the IRS, Lloyd founded Lawyers Asset Management, Inc. acting a "Qualified Intermediary" for tax free exchanges under §1031(a) of the Internal Revenue Code; in 2006, his company merged with Commercial Capital Bank. Lloyd has overseen more than 30,000 individual 1031 transactions. He served as tax counsel for several title companies and was the President of Equity Investment Exchange, Inc., a competitor owned by Mercury Title Companies of Colorado. He has lectured extensively throughout the U.S. providing continuing education for Lawyers and Real Estate Professionals across the country. Lloyd is the author of 1031 Exchange Concepts, a treatise on tax deferred investment strategies.

### Quynh “Quinn” Palomino – Principal

Quinn Palomino is a Principal of Virtua, Clear Vista Management, LLC, and Versant Commercial Brokerage, Inc., and serves as manager for the family of funds that Virtua and its affiliates currently sponsor. Her experience spans over \$2,000,000,000 of commercial real estate activities. Her Asset Management portfolio consists of over 1.5MM square feet of commercial real estate nationwide. Prior to her current roles within the fully-integrated real estate firms, Quinn was the Director of Business Development for Breakwater Equity Partners, LLC. Previously, Quinn was a partner at a San Diego based construction and development firm, where she worked on development projects with government agencies, including the California Department of Parks and Recreation and the City of Pittsburg, California Redevelopment Agency.

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## VIRTUA RECENT TRANSACTIONS

### **UNITED HEALTHCARE OFFICE BUILDING, Las Vegas, Nevada**

**Sponsor/Borrower • 2014**

Estimated Value: \$62,200,000

The West Coast Headquarters and Worldwide Training Center for United Healthcare. A 204,123+/- SF, Class A, office building occupied by United Healthcare a Worldwide, AAA credit company. After completing a 10 year lease extension this stable asset will be held for long term cash flow and asset appreciation.

### **LOCKHEED MARTIN OFFICE BUILDING, Dallas, Texas**

**Sponsor/Borrower • 2014**

Estimated Value: \$7,700,000

A 111,471 SF, R&D office building occupied by Lockheed Martin. Completed a 1031 exchange into the property. Lockheed Martin has occupied the property for 24 years. With upcoming lease extensions and increases, the property is well positioned for both strong cash on cash returns and opportunistic valuation increase associated with the rental increases.

### **SATELLITE PLACE OFFICE PARK, Duluth, Georgia**

**Sponsor/Borrower • 2014**

Estimated Value: \$19,200,000

Two single story office buildings consisting of 177,914 SF. One office building is leased to Assurant, a Fortune 500 provider of insurance services. With a historic 100% occupancy and current occupancy of 88%, the project will provide consistent cash flow and long term asset appreciation.

### **MET CENTER 10, Austin, Texas**

**Sponsor/Borrower • 2014**

Estimated Value: \$44,000,000

A 345,600 SF, Class A, R&D office building occupied by Pharmaceutical Product Development (PPD) and the Texas Department of Insurance. After completing a long term PPD lease and new 10 year financing, this stabilized asset will be held for long term cash flow and asset appreciation.

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**RISK FACTORS**

An investment in the company involves a high degree of risk and should be undertaken only by qualified investors. The following risk factors, together with other factors identified in the PPM, should be considered carefully, but are not meant to be an exhaustive list. Investors should consult with their financial, legal and tax advisors prior to investing in interests.

**No Registration & Limited Governmental Review:** This Offering has not been registered with, or reviewed by, the U.S. Securities and Exchange Commission (the "SEC") or any state agency or regulatory body. There is no public market for Interests in the Company and one is not expected to develop.

**Speculative Nature of Investment:** Investment in these Interests is speculative and, by investing, each Investor assumes the risk of losing the entire investment. The most significant risk to the Company is the inability to make distributions of available cash to the Company in a timely manner or at all due to the nature of the Property and the risks associated with each. Distributions are solely dependent on rents from the Property. Such cash flow must first be sufficient to pay all expenses, debt service and other fees of the Property and is highly dependent on the performance of the Property.

**Risks of Real Estate Ownership:** There is no assurance that the Property will be profitable or that cash from operations will be available for distribution. The marketability and value of the Property will depend upon many factors beyond the control of the Manager.

**Diversification of Risk:** Funds from the Offering will be used by the Company to make only one investment in real estate and the Company's investment will not be widely diversified geographically or by asset class.

**Illiquid and Less Marketable Assets:** The return of capital and the realization of gains, if any, from the Property will generally occur only upon the partial or complete disposition or refinancing of the Property. While the Property may be sold or refinanced at any time, it is not anticipated that this will occur prior to two (2) years from the closing. In addition, less marketable or illiquid assets may be more difficult to value due to the unavailability of reliable market.

**Risks of Leveraging the Company and the Property:** The SPE will use the Bridge Loan in connection with the recapitalization of the Property increasing the exposure of the Property to adverse economic factors such as significantly rising interest rates, economic downturns or deteriorations in the condition of the Property or its market.

**Potential Adverse Economic Conditions:** General economic conditions in the U.S. and abroad, as well as conditions of financial markets, may adversely affect the Property. Economic events resulting in a reduction of income of a substantial number of tenants could have a material adverse effect on the value of the Property. Fluctuation in interest rates or other financial market volatility may restrict the availability of financing in the future.

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**DISCLAIMER**

The above summary is provided for informational purposes only and does not constitute an offer or solicitation to acquire interests in the investment or any related or associated company. Any such offer or solicitation may be made only by means of the confidential Private Placement Memorandum (“Memorandum”) and in accordance with the terms of all applicable securities and other laws. All information contained herein is subject to and qualified by the contents of the Memorandum. As more fully described therein, participation in any securities offering is limited to Accredited Investors. Please contact the Manager or Versant to inquire about obtaining a copy of the Memorandum.

The information and any statistical data contained herein have been obtained from sources which we believe to be reliable, but we do not represent that they are accurate or complete, and they should not be relied upon as such. All opinions expressed and data provided herein are subject to change without notice. Versant Commercial Brokerage, Inc. and/or its members, directors, officers, consultants and/or employees, may have agreements involving equity or other financial interests in the subject property, or deal as principals in the investment discussed herein.

This potential investment opportunity may not be suitable for all types of investors. All investments involve different degrees of risk. You should be aware of your risk tolerance level and financial situations at all times. Furthermore, you should read all transaction documents and statements. Read any and all information presented carefully before making any investment decisions. You are free at all times to accept or reject all investment recommendations made by Versant Commercial Brokerage, Inc. All investments presented are subject to market risk and may result in the entire loss of investment. Past performance is no guarantee of future results, and current performance may be lower or higher than the performance data quoted.

The information contained herein should not be used in any actual transaction without the advice and guidance of legal counsel and a professional tax advisor who is familiar with all the relevant facts. The information contained here is general in nature and is not intended as legal, tax or investment advice. Furthermore, the information contained herein may not be applicable to or suitable for an individual’s specific circumstances or needs and may require consideration of other matters. Versant Commercial Brokerage, Inc. and its members, directors, officers, employees and consultants assume no obligation to inform any person of any changes in the tax law or other factors that could affect the information contained herein.

These materials may include forward-looking statements including financial projections, plans, target and schedules on the basis of currently available information and are intended only as illustrations of potential future performance, and all have been prepared internally. Nothing herein was prepared by an independent third-party. Forward-looking statements, by their very nature, are subject to uncertainties and contingencies and assume certain known and unknown risks. Since the impact of these risks, uncertainties and other factors is unpredictable, actual results and financial performance may substantially differ from the details expressed or implied herein. Versant Commercial Brokerage Inc. assumes no obligation to release updates or revisions to forward-looking statements after the issuance of this report.

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# *SECTION II*

# *ECONOMICS*

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2 YEAR WATERFALL ~ BRITANNIA BUSINESS CENTER I				
Distribution Waterfall - Preferred Equity Structure				
		Year 1	Year 2	Year 3
For the Years Ending		Nov-15	Nov-16	Nov-17
		2,709,672	4,805,108	5,121,039
Cash Flow from Operations		1,280,863	3,275,810	
Net Residual Sales Proceeds	6.25%	0	39,787,000	
<b>Total Project Level Cash Flow</b>	<b>(\$23,307,812)</b>	<b>1,280,863</b>	<b>43,062,810</b>	
Project IRR	38.70%			
Project Multiple	1.90x			
<b>Cash Flow Available for Pref Return</b>		<b>1,280,863</b>	<b>43,062,810</b>	
Fortress Preferred Return BOP		0	985,309	
Fortress Preferred Return Accrual	15.0%	2,266,172	2,413,968	
Fortress Preferred Return Paid		(1,280,863)	(3,399,277)	
<b>Fortress Ending Pref Return Balance</b>		<b>985,309</b>	<b>0</b>	
<b>Cash Flow Available for Return of Fortress Pref Equity</b>		<b>0</b>	<b>39,663,533</b>	
Fortress Beginning Balance	\$15,107,812	15,107,812	15,107,812	
Fortress Contributions		0	0	
Fortress Return of Capital		0	(15,107,812)	
<b>Ending Fortress Equity Balance</b>		<b>15,107,812</b>	<b>0</b>	
<b>Cash Flow Available for Profit Split</b>		<b>0</b>	<b>24,555,721</b>	
Fortress Profit Split	10%	0	2,455,572	
Investor & Common Profit Split	90%	0	22,100,149	
<b>Distribution Of Investment Proceeds</b>		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Base Exit Assumptions	6.25%	81,900,000	Year	2
<b>Fortress Cash Flows</b>	<b>(\$15,107,812)</b>	<b>1,280,863</b>	<b>20,962,661</b>	
Investor Profit	\$7,135,712			
Investor IRR	22.11%			
Investor Multiple of Capital	1.47x			
<b>Investor Class B &amp; Common Member Cash Flow</b>		<b>0</b>	<b>22,100,149</b>	
Investor & Common Total CF	\$22,100,149			
<b>Investor Preferred Equity Distributions</b>	<b>(\$8,200,000)</b>	<b>0</b>	<b>13,859,000</b>	
Investor IRR	30.00%			
Investor Multiple of Capital	1.69x			
<b>Common Member Distributions</b>		<b>0</b>	<b>8,241,149</b>	
Common Member Gross Recovery	\$8,241,149			

3 YEAR WATERFALL ~ BRITANNIA BUSINESS CENTER I					
Distribution Waterfall - Preferred Equity Structure					
		Year 1	Year 2	Year 3	Year 4
For the Years Ending		Nov-15	Nov-16	Nov-17	
<b>Net Operating Income</b>		<b>2,709,672</b>	<b>4,805,108</b>	<b>5,121,039</b>	<b>\$5,271,879</b>
Cash Flow from Operations		1,280,863	3,275,810	3,554,494	\$0
Net Residual Sales Proceeds	6.25%	0	0	39,787,000	\$0
<b>Total Project Level Cash Flow</b>	<b>(\$23,307,812)</b>	<b>1,280,863</b>	<b>3,275,810</b>	<b>43,341,494</b>	<b>\$0</b>
Project IRR	28.69%				
Project Multiple	2.06x				
<b>Cash Flow Available for Pref Return</b>		<b>1,280,863</b>	<b>3,275,810</b>	<b>43,341,494</b>	<b>\$0</b>
Fortress Preferred Return BOP		0	985,309	123,467	\$0
Fortress Preferred Return Accrual	15.0%	2,266,172	2,413,968	2,284,692	\$0
Fortress Preferred Return Paid		(\$1,280,863)	(\$3,275,810)	(\$2,408,158)	\$0
<b>Fortress Ending Pref Return Balance</b>		<b>985,309</b>	<b>123,467</b>	<b>0</b>	<b>\$0</b>
<b>Cash Flow Available for Return of Fortress Pref Equity</b>		<b>0</b>	<b>0</b>	<b>40,933,335</b>	<b>\$0</b>
Fortress Beginning Balance	\$15,107,812	15,107,812	15,107,812	15,107,812	\$0
Fortress Contributions		0	0	0	\$0
Fortress Return of Capital		0	\$0	(\$15,107,812)	\$0
<b>Ending Fortress Equity Balance</b>		<b>15,107,812</b>	<b>15,107,812</b>	<b>0</b>	<b>\$0</b>
<b>Cash Flow Available for Profit Split</b>		<b>0</b>	<b>0</b>	<b>25,825,523</b>	<b>\$0</b>
Fortress Profit Split	10%	0	0	2,582,552	
Investor & Common Profit Split	90%	0	0	23,242,971	
<b>Distribution Of Investment Proceeds</b>		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	
Base Exit Assumptions	6.25%	81,900,000	Year	3	
<b>Fortress Cash Flows</b>	<b>(\$15,107,812)</b>	<b>1,280,863</b>	<b>3,275,810</b>	<b>20,098,523</b>	
Fortress Profit	\$9,547,384				
Fortress IRR	19.60%				
Fortress Multiple of Capital	1.63x				
<b>Investor Class B &amp; Common Member Cash Flow</b>		<b>0</b>	<b>0</b>	<b>23,242,971</b>	
Investor & Common Total CF	\$23,242,971				
<b>Investor Preferred Equity Distributions</b>	<b>(\$8,200,000)</b>	<b>0</b>	<b>0</b>	<b>18,015,000</b>	
Investor IRR	30.00%				
Investor Multiple of Capital	2.20x				
<b>Common Member Distributions</b>		<b>0</b>	<b>0</b>	<b>5,227,971</b>	
Common Member Gross Recovery	\$5,227,971				



<b>1 YEAR WATERFALL ~ BRITANNIA BUSINESS CENTER I</b>			
Distribution Waterfall - Preferred Equity Structure			
		<b>Year 1</b>	<b>Year 2</b>
<b>For the Years Ending</b>		<b>Nov-15</b>	<b>Nov-16</b>
			<b>Year 3</b>
			<b>Nov-17</b>
		<b>2,709,672</b>	<b>4,805,108</b>
Cash Flow from Operations		1,280,863	3,275,810
Net Residual Sales Proceeds	6.25%	39,697,563	
<b>Total Project Level Cash Flow</b>	<b>(\$23,307,812)</b>	<b>40,978,426</b>	<b>3,275,810</b>
Project IRR	83.47%		
Project Multiple	1.90x		
<b>Cash Flow Available for Pref Return</b>		<b>40,978,426</b>	
Fortress Preferred Return BOP		0	
Fortress Preferred Return Accrual	<b>15.0%</b>	2,266,172	
Fortress Preferred Return Paid		(2,266,172)	
<b>Fortress Ending Pref Return Balance</b>		<b>0</b>	
<b>Cash Flow Available for Return of Fortress Pref Equity</b>		<b>38,712,254</b>	
Fortress Beginning Balance	\$15,107,812	15,107,812	
Fortress Contributions		0	
Fortress Return of Capital		(15,107,812)	
<b>Ending Fortress Equity Balance</b>		<b>0</b>	
<b>Cash Flow Available for Profit Split</b>		<b>23,604,442</b>	
Fortress Profit Split	<b>10%</b>	2,360,444	
Investor & Common Profit Split	90%	21,243,998	
<b>Distribution Of Investment Proceeds</b>		<b>Year 1</b>	<b>Year 2</b>
			<b>Year 3</b>
Base Exit Assumptions	<b>6.25%</b>	81,900,000	Year <b>1</b>
<b>Fortress Cash Flows</b>	<b>(\$15,107,812)</b>	<b>19,734,428</b>	
Investor Profit	\$4,626,616		
Investor IRR	30.62%		
Investor Multiple of Capital	1.31x		
<b>Investor Class B &amp; Common Member Cash Flow</b>		<b>21,243,998</b>	
Investor & Common Total CF	\$21,243,998		
<b>Investor Preferred Equity Distributions</b>	<b>(\$8,200,000)</b>	<b>10,660,000</b>	
Investor IRR	30.00%		
Investor Multiple of Capital	1.30x		
<b>Common Member Distributions</b>		<b>10,583,998</b>	
Common Member Gross Recovery	\$10,583,998		





Total Project Sources	
CIT Senior Loan Initial Funding	\$37,275,000
CIT Senior Loan - Future Funding TI/LC	\$3,200,000
Fortress Pref Equity Class A - Initial Funding	\$15,107,812
Fortress Pref Equity Class A - Future Funding	\$0
Investors : Preferred Equity Class B	\$8,200,000
Tax & Escrow Reserves on Account	\$2,330,041
<b>Total Sources</b>	<b>\$66,112,853</b>

Total Project Uses	
Subtotal: Existing Payoffs	\$58,258,449
Subtotal: Sr. Bridge Loan Charges	\$581,063
Subtotal: Fortress   Preferred Equity Class A Charges	\$226,078
Subtotal: Investors   Preferred Equity Class B Charges	\$125,000
Subtotal: Third Party Reports	\$31,250
Subtotal: Escrow & Title Charges	\$137,690
Subtotal: Entity Charges	\$79,250
Subtotal: Guarantor Charges	\$565,828
Origination Fees	\$1,040,000
Tax & Insurance Upfront Reserves/2015 Payment	\$691,983
Upfront Reserve : TI / LC	\$3,200,000
Virtua Sponsorship Fee	\$318,914
Cap-X & Tenant Credits	\$500,000
Contingency	\$357,348
<b>Total Uses</b>	<b>\$66,112,853</b>

BRITANNIA BUSINESS CENTER I						
PROFORMA CASH FLOW						
		Nov-15	Nov-16	Nov-17	Nov-18	Nov-19
	2014	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Potential Gross Revenue</b>				Stabilized		
Base Rental Revenue	\$6,471,417	\$5,720,098	\$5,852,567	\$6,026,272	\$6,225,063	\$6,755,710
Absorption & Turnover Vacancy	(\$309,904)	(1,191,866)	(66,190)		(98,791)	
Base Rent Abatements	\$0	(981,509)	(407,833)			(305,265)
<b>Scheduled Base Rental Revenue</b>	<b>\$6,161,513</b>	<b>\$3,546,723</b>	<b>\$5,378,544</b>	<b>\$6,026,272</b>	<b>\$6,126,272</b>	<b>\$6,450,445</b>
Reimbursement Revenue	\$1,356,161	558,691	915,824	1,078,396	1,084,418	1,073,810
<b>Total Potential Gross Revenue</b>	<b>\$7,517,673</b>	<b>\$4,105,414</b>	<b>\$6,294,368</b>	<b>\$7,104,668</b>	<b>\$7,210,690</b>	<b>\$7,524,255</b>
General Vacancy*	7.0%	\$0		(451,970)	(368,089)	(483,783)
<b>Effective Gross Revenue</b>	<b>\$7,517,673</b>	<b>\$4,105,414</b>	<b>\$6,294,368</b>	<b>\$6,652,698</b>	<b>\$6,842,601</b>	<b>\$7,040,472</b>
<b>Operating Expenses</b>						
CAM-Repair & Maint	\$209,472	287,838	296,473	305,367	314,528	323,964
Utilities	\$51,097	53,362	54,963	56,612	58,310	60,059
Management Fees	\$111,047	102,635	157,359	166,317	171,065	176,012
Insurance	\$233,741	231,000	237,930	245,068	252,420	259,993
Property Taxes	\$1,052,999	632,520	651,496	664,526	677,816	691,372
Administration	\$62,557	59,285	61,064	62,895	64,782	66,726
Non-Recoverable	\$19,033	29,102	29,975	30,874	31,801	32,755
<b>Total Operating Expenses</b>	<b>\$1,739,946</b>	<b>\$1,395,742</b>	<b>\$1,489,260</b>	<b>\$1,531,659</b>	<b>\$1,570,722</b>	<b>\$1,610,881</b>
<b>Net Operating Income</b>	<b>\$5,777,727</b>	<b>\$2,709,672</b>	<b>\$4,805,108</b>	<b>\$5,121,039</b>	<b>\$5,271,879</b>	<b>\$5,429,591</b>
<b>Ownership Costs</b>						
Asset Management Fee	2.0%	82,108	125,887	133,054	136,852	140,809
Other Professional		12,000	12,360	12,731	13,113	13,506
License & Fee		30,200	31,106	32,039	33,000	33,990
Capital Expense		66,337	68,327	70,377	72,488	74,663
<b>Total Ownership Costs</b>		<b>\$190,645</b>	<b>\$237,680</b>	<b>\$248,201</b>	<b>\$255,453</b>	<b>\$262,968</b>
<b>Cash Flow Available for Debt</b>		<b>\$2,519,027</b>	<b>\$4,567,428</b>	<b>\$4,872,838</b>	<b>\$5,016,426</b>	<b>\$5,166,623</b>
<b>Bridge Loan Summary</b>						
Beginning Loan Balance		\$37,275,000	\$38,919,719	\$40,564,438		
TI/LC Draws		1,644,719	1,644,719			
Interest Accrued	3.25%	\$1,238,164	\$1,291,618	\$1,318,344		
Interest Paid		(\$1,238,164)	(\$1,291,618)	(\$1,318,344)		
Loan Payoff		\$0	\$0	(\$40,564,438)		
<b>Ending Loan Balance</b>		<b>\$38,919,719</b>	<b>\$40,564,438</b>	<b>\$0</b>		
<b>Cash Flow Available for Sub Debt</b>		<b>\$1,280,863</b>	<b>\$3,275,810</b>	<b>\$3,554,494</b>		

# *SECTION III*

# *MANAGEMENT*

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## CLEAR VISTA MANAGEMENT

Clear Vista Management is a real estate asset management company that delivers comprehensive and specialized services to Tenant in Common (TIC) investors to maximize the value of their properties.

Clear Vista Management manages over a million square feet in commercial real estate properties nationwide.

### *Our relationships and experience set us apart.*

Clear Vista Management understands the complex nature of TIC investments, with a multi-owner structure — they need centralized management, a single point of contact, prompt answers, and better solutions. Our dedicated asset management team is intimately involved with all aspects of the real estate business and brings hands-on experience and insight to the properties. We believe that TIC investors deserve a trusted advisor with a genuine commitment to exceed the highest of expectations with expertise, personalized service, communication, and transparency.

Every stage of a property's life cycle benefits from rigorous financial management and at Clear Vista Management our approach enhances the long-term value of the asset. We "work" each property and its service providers to maintain the bricks and mortar and efficiently keep the operating costs down. Clear Vista Management promises: meticulous oversight of property management, a keen focus on the bottom line, to work every day to enhance relationships with existing tenants, to recommend creative campaigns to secure new tenants, and a finger-on-the pulse market sensitivity to stay ahead of trends and to protect each property's value through all economic cycles.

We understand the asset, the market and, most importantly, the nuances associated with the TIC ownership structure, especially the investor's desire to improve cash flow and maintain tax deferrals.

We are committed to positive client relationships and service that extends down to the last detail.

### OUR PARTNERS

- River Rock Real Estate Group
- Cornish & Carey Commercial  
Newmark Knight Frank
- Wiedmayer + Co
- Vantage Point Consulting
- First Foundation Bank
- Joseph Vu & Co., Inc.
- Synergy Hospitality, Inc.
- Boxer Property Management Corp.

### CLEAR VISTA MANAGEMENT

1421 West Lewis Street  
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ClearVistaManagement.com



## ASSET MANAGEMENT

Clear Vista Management acts as the agent and advisor for Tenant in Common investor. We assist TIC investors to plan and achieve success for their real estate investment by focusing on both short- and long-term strategic financial planning, including the day-to-day operations of the property. Clear Vista Management oversees and coordinates the following: property management, leasing, operational and financial reporting (including operating budgets), appraisals, audits, market review, accounting and reporting procedures, refinancing, lender negotiations, tax planning, and asset disposition plans.

With a deep understanding of the TIC structure and the markets in which we operate, Clear Vista Management has the know-how to maximize the value of the real estate investment. We provide our TIC investors with the resources necessary to take advantage of opportunities presented in today's ever-changing commercial real estate market.

By leveraging the expertise of a trusted asset management company, TIC investors can improve cash flow and significantly enhance the value of their real estate investment portfolio. Our approach to asset management is to add value by solving hard problems.

## INVESTOR RELATIONS MANAGEMENT

Clear Vista Management provides investor relation services to Tenant in Common investors. Due to the complex TIC multi-ownership structure, communication and record maintenance of investor contact information is crucial. Many TIC investors view their ownership as a passive investment — thereby retain Clear Vista Management to maintain current records of investor contact information and to notify owners of any changes, including death. As a centralized agent, Clear Vista Management offers administrative services to disseminate information to all owners quickly and to property management and vendors efficiently.

- Continuous collection and database management of investor records
- Support every TIC investor with tailored guidance to meet their personal long-term goals
- Professional and prompt response to investor and tenant concerns
- Develop real estate strategies, goals and objectives
- Refinance support
- Match investors with debt and equity financing
- 721 roll-up services
- Manage TIC 0
- Contract negotiation and execution
- Deliver practical and cost effective business solutions
- Sales process management
- Routine maintenance inspections and site visits
- Supervise building maintenance staff
- Contract with and oversight of third-party service providers
- Monitor property management's bid & award process and repair & improvement work.
- Coordinate tenant improvements and the move-in process
- Manage preparation and presentation of monthly financial reports
- Manage creation of annual operating budgets
- Manage lease administration
- Manage monthly rental billings and annual pass-through reconciliations
- Manage rent collections, court filings, and evictions
- Manage year-end tax preparation
- Manage property tax appeals

## OUR TEAM



**Quinn Palomino** is the Founder and Principal of Clear Vista Management, which provides specialized services to Tenant in Common investors, including asset management and Section 721 rollup consulting. Quinn understands the complex nature of TIC investments, and offers TIC clients individual, personalized service, with an emphasis on communication and transparency. Prior to launching Clear Vista Management, Quinn was the Director of Business Development for Breakwater Equity Partners, where she worked on more than \$2B of TIC investments. Prior to Breakwater, Quinn was a partner at a San Diego based construction and development company, where she worked on development projects with government agencies, including the California Department of Parks and Recreation and the City of Pittsburg, California Redevelopment Agency.



**Kathy Robinson** is the Founder and Principal of Vantage Point Consulting. Kathy has assisted 16 different tenant-common groups with asset management, Section 721 roll up consulting, or TIC bankruptcy asset management. Prior to forming Vantage Point Consulting Kathy managed property operations for over 14 years for The Greenfield Group which provides property management, brokerage and leasing services and development solutions for over 2 million square feet of medical space. Kathy has an extensive background in budget and business plan preparation and she is deeply familiar with the daily operational oversight responsibilities of a property.



**Ed Reichenberg** has more than 40 years of experience in real estate development and acquisitions, working on a wide range of projects including residential, commercial, industrial, and civic real estate. Ed has conducted research and managed conceptual designs, preliminary plans, and entitlements. He has performed primary due diligence on over 100 projects in the last four years alone, on retail, office, and industrial projects across the country. Ed has a Bachelor of Architecture Degree from Arizona State University, and has received several awards for creative planning.



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## CLEAR VISTA MANAGEMENT

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# EXPERIENCE PROPERTY MANAGEMENT THE WAY IT SHOULD BE.

When RiverRock manages your property, you get results. Some are bold with immediate impact, others take more time. Either way, our blueprint for success is based on two simple things. A strategy tailored to your specific asset – and passionate, experienced professionals with local expertise.

That's how we've earned our reputation as the best property management firm in the west. Currently managing over 27 million square feet of office, retail and industrial investments throughout California and Arizona, RiverRock services support the success of:

- Owners (private or institutional)
- Financial institutions
- Servicers
- REITs
- Developers

## THE RIVERROCK DIFFERENCE

### Privately Owned. Publicly Successful.

A privately owned company, RiverRock delivers superior, broker-neutral property management services in a boutique environment.

Our principal partner and senior-level talent are involved in every project, developing the personalized approach that will maximize return on your property.

Bottom line? You receive consistently superior, institutional-level service and results, at a competitive value.

RiverRock has earned the Accredited Management Organization (AMO®) designation from the Institute of Real Estate Management (IREM®). The AMO® accreditation recognizes excellence among real estate management firms and has only been awarded to select firms worldwide. Only those firms that achieve the highest level of performance, experience, financial stability and have a CPM® in an executive position can earn the AMO® credential.





CONSTRUCTION MANAGEMENT

**235** PROJECTS  
ANNUALLY

**43** MILLION  
TOTAL CONTRACT VALUE  
ANNUALLY

**5,500,000,000**  
- OVER \$5.5 BILLION IN ASSETS MANAGED -

**30** OFFICES  
IN **2** STATES

## SERVICES

We tailor asset and property management strategies for each client. Get the results you want, using only the services you need.

### **Property/Asset Management**

We take care of the details, so you can focus on the big picture. From tenant services and building operations to property accounting, our comprehensive property/asset management program includes everything you need.

### **Construction Management/Engineering & Technical**

Unlike general contractors, we act as your independent advocate. Capital improvement. Ongoing maintenance. Tenant build-out projects. Our team of seasoned professionals ensure construction activities are delivered at the highest level of quality and value, at competitive costs.

### **Property Accounting**

At RiverRock, we get it. Your accounting and financial reporting requirements will evolve over time. And at any point, you will base critical decisions on the accounting information we provide. We deliver property accounting services you can trust, and we remain flexible as your needs change.

### **Due Diligence & Financial Management**

From due diligence to maximizing cash flow and increasing exit strategy value, RiverRock professionals work very closely with ownership to acquire properties and then ensure financial management is carried out to their expectations.

## PROPERTY TYPE SPECIALISTS

Wherever you are in the western United States, RiverRock property managers understand your business and speak its language. Our specialists have local and regional knowledge in your property type:

- Office
- Industrial
- Retail

That helps your assets perform better. How do we know? Our client-centric model has been proven to add value, over the course of many years and billions of dollars in transactions.

## ROCK SOLID LEADERSHIP

RiverRock's client-centric focus begins at the top. Under the guidance of Founder John Combs and President Steve Core, RiverRock succeeds by creating an environment unlike any other in the industry – creative, passionate, responsible, personal. While RiverRock is innovative, its leadership is comprised of individuals who have decades of experience overseeing national institutional portfolios, working in competitive markets, managing world-class, premier properties, and handling complex management contracts.