



4347 AIRPORT WAY OFFICE BUILDING LEASE

February 19, 2025

PHIL WASHINGTON, CHIEF EXECUTIVE OFFICER

JIM STARLING, CHIEF CONSTRUCTION AND INFRASTRUCTURE OFFICER

KEN COPE, SENIOR VICE PRESIDENT OF REAL ESTATE

Approval of contract with Landlord, contract number PLANE-202577720

- Amount: \$ 10,090,100.00
- Term: 10 years
- Purpose: To approve a contract with BL Holdings, LLC for lease with purchase option of an ~43k sf office building
- Vision 100
 - Empowering Our People: This action will provide DEN with direly-needed office space and create a better working environment for City employees.
 - Growing our Infrastructure: This action expands DEN's infrastructure, in alignment with being able to service 100 million annual passengers.

- Rent begins at \$14/SF for the initial 12-month term and increases 2.75% every subsequent 12 months.
- Operating costs (eg. insurance, janitorial services, utility charges, snow removal, landscape maintenance, repairs, taxes, and management fees) are not included in the base rent and DEN will pay 100% of operating expenses for the building and site.
- The landlord will provide to DEN a “Tenant Improvement Fund” not to exceed \$1,743,400 and a “Tenant Improvement Advance” not to exceed \$871,700 for building out interior finishes and workspaces in the existing building.
- There is an option to purchase this building within the first year of rent commencement for a base purchase price of \$6,725,000 plus all unamortized portions of the Tenant Improvement Funds (\$10,090,100).

4347 AIRPORT WAY



Fair Market Value (as appraised):

- Leasehold: \$15/sf/yr
- Purchase (vacant): \$6.975m (\$160/sf)
- Purchase (occupied): \$9.375m (\$215/sf) *

Deal Terms:

- \$14/sf/yr lease rate ; \$6.275M purchase price
- 10-yr term ; option to purchase in 1st year
- \$40/sf Tenant Improvement (TI) allowance; additional \$20/sf amortized into lease payments
- Triple Net Lease lease

Timing (tentative):

- TI Design/Construction: Feb – June
- Final Fit Out / Occupancy: July – Aug

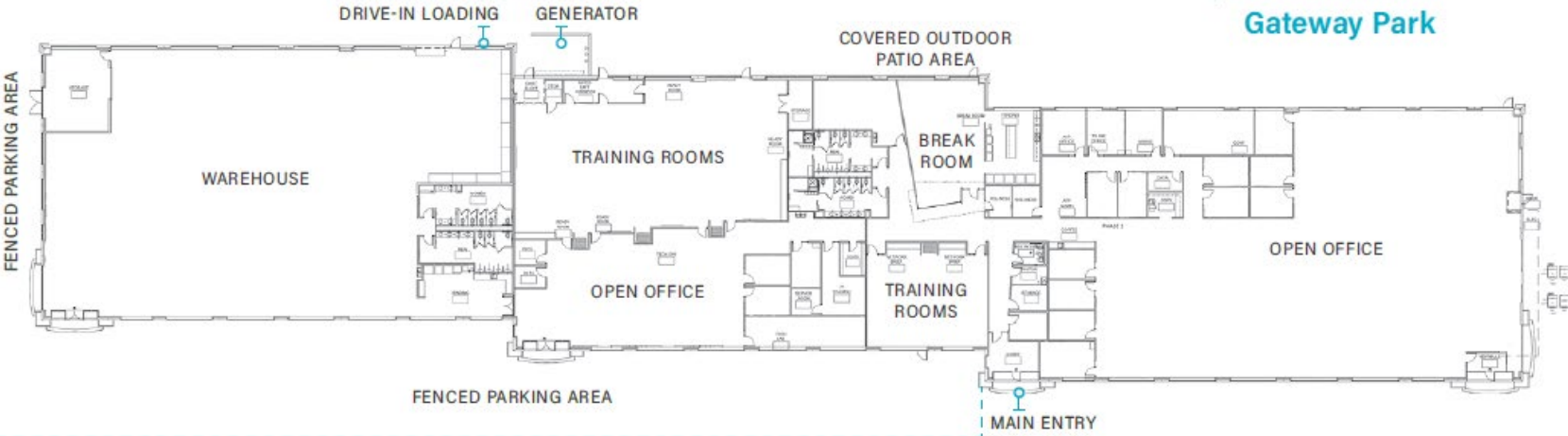


**Does not include value of Phase 2 buildout*

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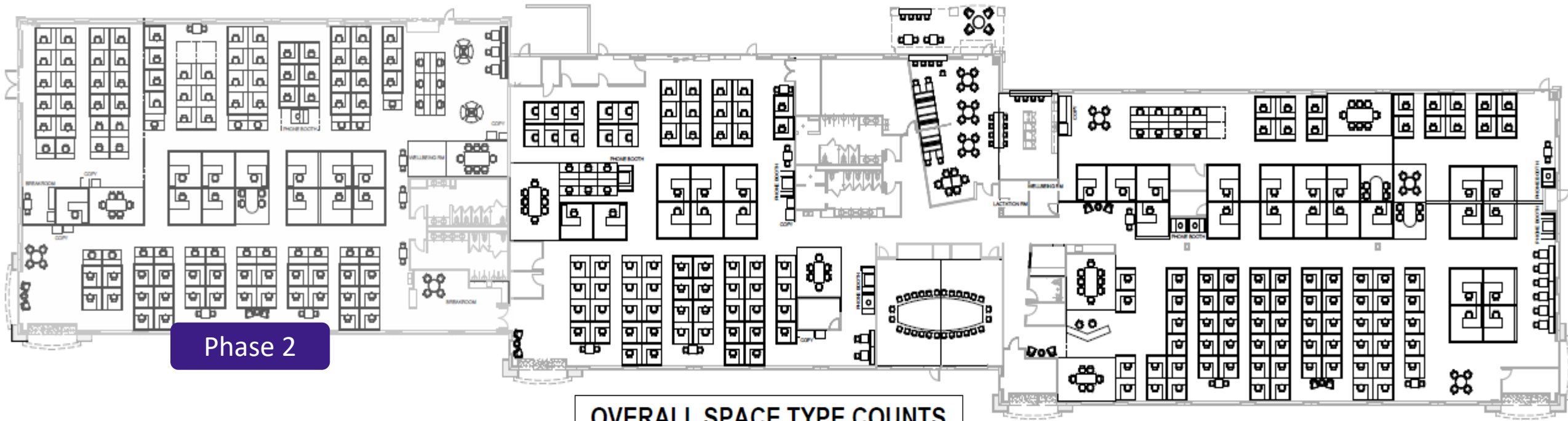
Prime location within Gateway Park



BUILDING HIGHLIGHTS

- 43,585 SF total**
30,427 SF OFFICE
13,630 SF WAREHOUSE
- FENCED, GATED & SECURED PARKING**
6.0/1,000 SF
- LOADING**
1 drive-in door (10'x14'); additional doors possible
- BACK-UP GENERATOR**
CUMMINS 250KW & 400 AMP TRANSFER SWITCH
- Built in 2006**
(NEW BUILDING FINISHES FROM SHELL CONDITION COMPLETED IN 2013)
- SALE PRICE REDUCED**
~~\$10,657,000~~
\$8,600,000
- OP EX**
\$8.21/SF (2 0223)
- CLEAR HEIGHT**
14' TO DECK
- Lease rate:**
Contact Broker
- 100% HVAC**

4347 AIRPORT WAY



Phase 2

OVERALL SPACE TYPE COUNTS

SPACE TYPE	COUNT
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BREAKROOM	3
COPY	7
HOTELLING WS	44
LACTATION RM	1
MEETING RM	12
MEETING RM/FUTURE OFFICE	1
OFFICE	41
PHONE BOOTH	9
WELLBEING RM	2
WORKSTATION	215

ACCESS TO PUBLIC TRANSIT



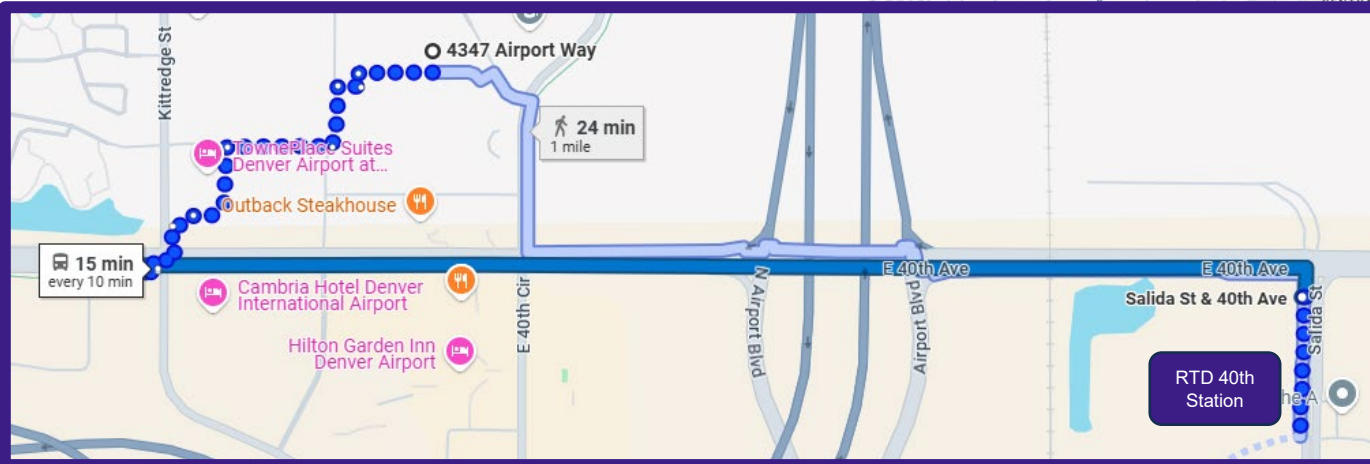
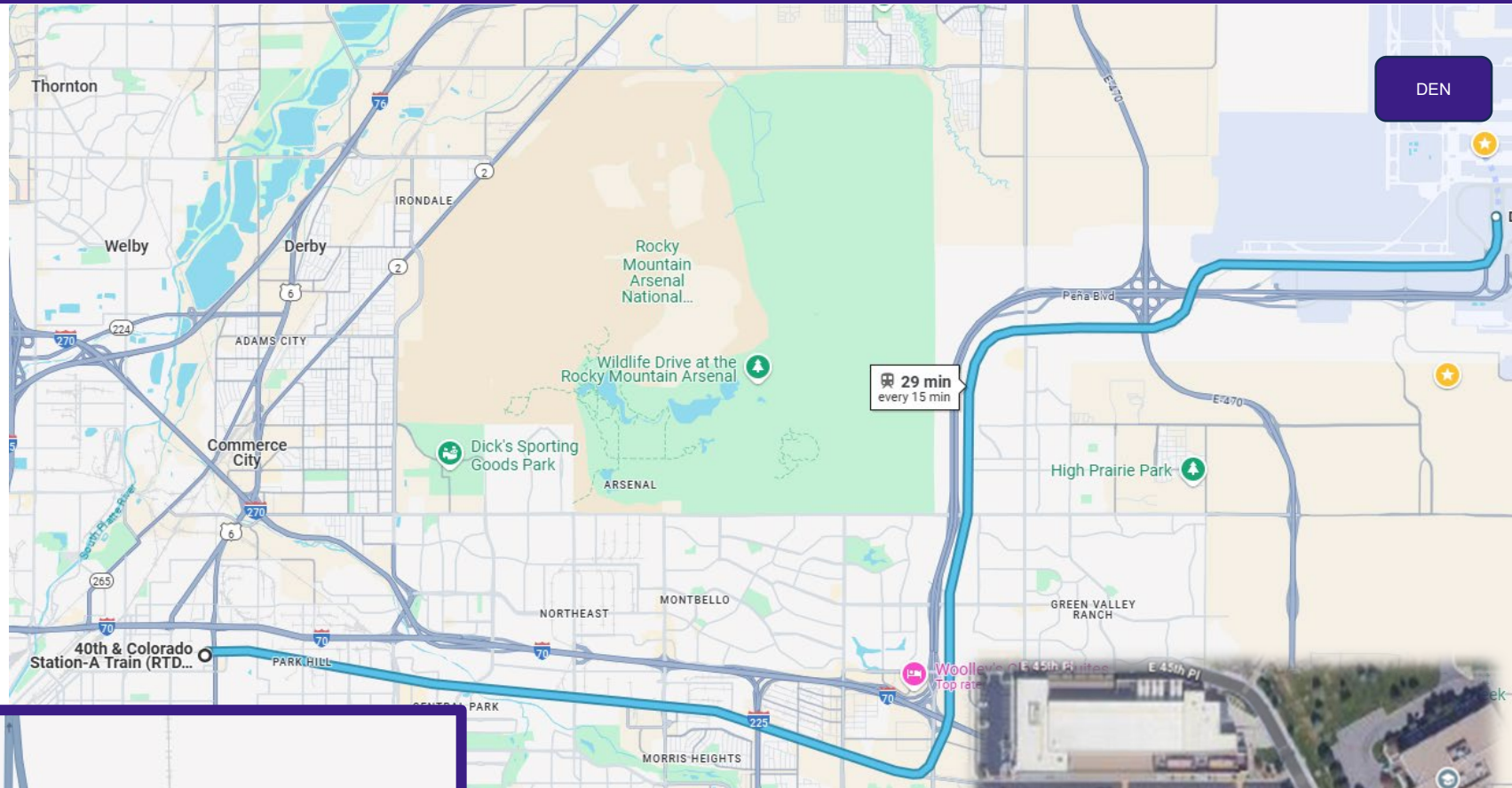
Bus route from 4347 to 40th & Airport

- 15 min bus ride to station
- 24 min walk to station

40th & Airport Station to DEN

- 29min

10+ restaurants and stores within walking distance



Non-Competitive Direct Negotiation | Acquisition of interests in real property through purchase or lease is expressly exempt from XO8 pursuant to Memo 8B



- DEN seeks approval for this contract with BL Holdings, LLC and Denver International Airport (DEN):
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THANK YOU & QUESTIONS?

