

A photograph of a modern, multi-story office building with a glass facade, surrounded by lush green trees. The building is reflected in the glass windows. The scene is set against a clear blue sky. A dark blue circular graphic is overlaid on the left side of the image, containing the text.

# The Raleigh-Durham Collection

5 BUILDINGS | 408,673 SF  
VALUE-ADD OFFICE PORTFOLIO



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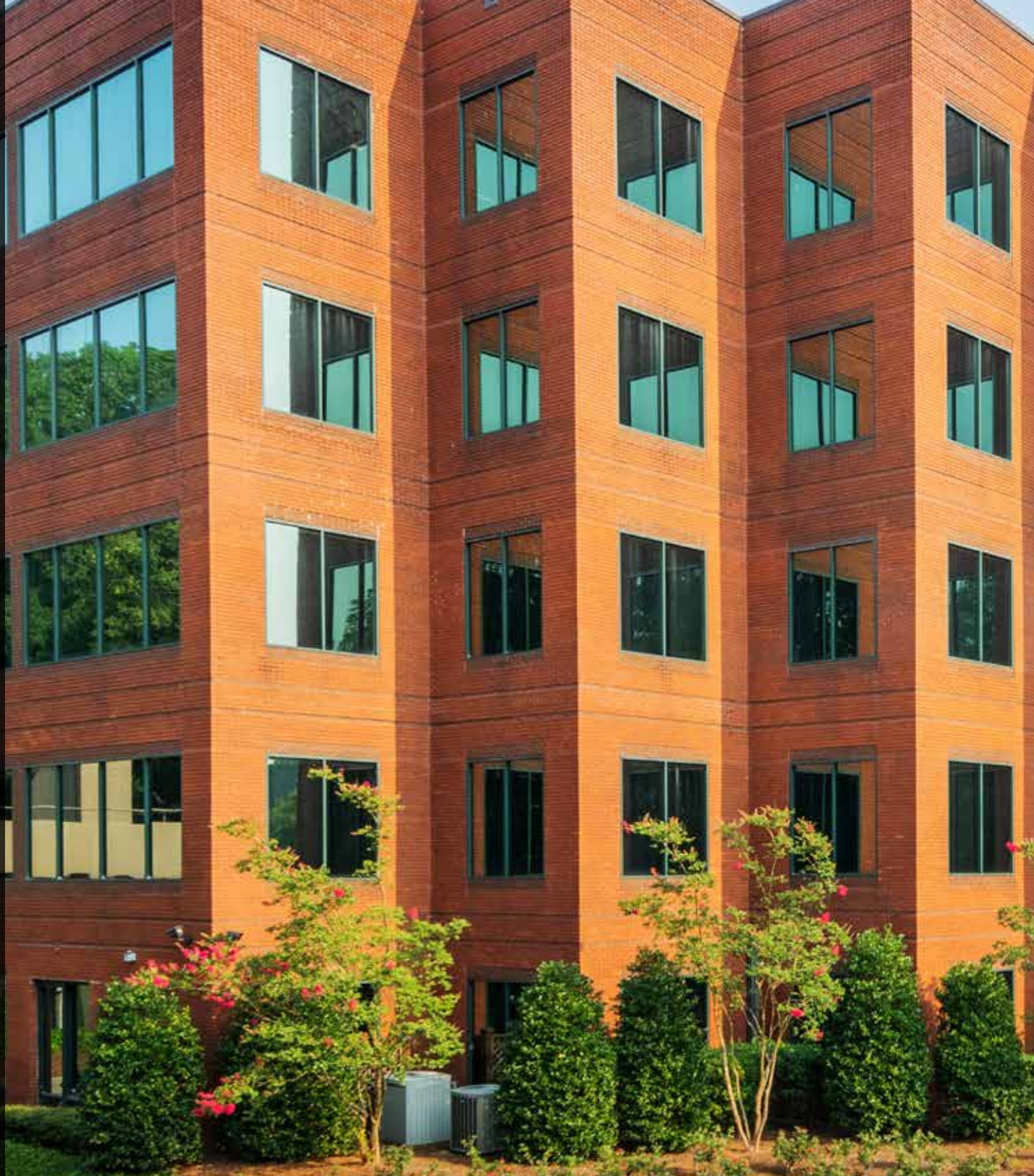
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## The Concourse

130,633 SF | 81% OCCUPANCY

# The Offering

### ADDRESS

1 Copley Parkway  
1000 Park Forty Plaza Dr.  
3131 RDU Center Dr.  
11635 & 11640 North Park Dr.

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### NET RENTABLE AREA

Portfolio: 408,673 SF  
The Concourse: 130,633 SF  
Park40 Plaza: 122,311 SF  
RDU Center II: 61,606 SF  
North Park Medical Plaza I & II: 94,123 SF

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### OCCUPANCY

Portfolio: 65%  
The Concourse: 81.1%  
Park40 Plaza: 70.0%  
RDU Center II: 9.7%  
North Park Medical Plaza I & II: 67.0%

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### PARKING

The Concourse: 3.3 / 1,000  
Park40 Plaza: 4.0 / 1,000  
RDU Center II: 5.0 / 1,000  
North Park Medical Plaza I & II: 4.5 / 1,000

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### FINANCIAL PROJECTIONS

Year 1 NOI Projection: \$2,683,102  
Year 5 NOI Projection: \$6,890,514



## North Park Medical Plaza I & II

94,123 SF | 67% OCCUPANCY



## Park40 Plaza

122,311 SF | 70% OCCUPANCY



## RDU Center II

61,606 SF | 10% OCCUPANCY



# Executive Summary

Stream Realty Partners is pleased to present the opportunity to acquire The Raleigh-Durham Collection, a five-building office portfolio located in one of the fastest growing metropolitan areas in the country. The Collection encompasses 408,673 square feet within two distinct and highly regarded submarkets, providing investors immediate scale and diversification across Raleigh-Durham. The 63% leased portfolio is home to an impressive tenant roster and with just 2.8 years of weighted average lease term remaining, provides investors with exceptional upside and value-creation in the near-term.

The Raleigh-Durham Collection includes The Concourse, Park Forty Plaza, and RDU Center II, three multi-tenant office assets which total 314,550 SF. These three assets are centrally located along I-40 in the RTP/RDU submarket, boasting phenomenal connectivity to the Research Triangle Park, RDU International Airport, and virtually anywhere in the Raleigh-Durham-Chapel Hill MSA.

North Park Medical Plaza I & II is also being offered as part of The Collection, which totals 94,123 SF of predominantly medical use. North Park Medical Plaza is strategically located to the northeast of Downtown Raleigh in the Six Forks/Falls of Neuse submarket, which boasts direct vacancy of just 6.5%, one of the tightest in the entire Raleigh-Durham market.

This incredibly rare offering presents investors with outsized risk-adjusted returns, and a genuine value-add profile with the opportunity to drastically increase NOI through lease-up, mark-to-market rent growth, and further repositioning efforts.



# Investment Highlights

- #1 408,673 SF, Value-Add Portfolio
- #2 Suburban Migration
- #3 Outsized Deal Returns
- #4 Diverse Tenant Roster
- #5 Top-Tier Submarkets & Market Diversification





# Investment Highlights

#1

## 408,673 SF, VALUE-ADD PORTFOLIO

The Raleigh-Durham Collection is currently 65% occupied and offers a cash flowing acquisition with significant, near-term value potential. The portfolio consists of five office buildings spread across 408,673 SF presenting immediate scale and a genuine value-add investment. In-place cash flow will support investors as they try to capitalize on future repositioning strategies and lease-up opportunities to dramatically grow NOI. Class A rental rates in the RTP/I-40 submarket have seen explosive growth over the last few years, increasing nearly 30% since 2016. Average in-place rents for The Concourse, Park40 Plaza and RDU Center II are \$22.15 psf compared to the submarket's Class A average of \$27.93 psf. In addition, there is approximately 2.8 years of weighted average lease term throughout with advantageous rollover schedules to capture mark-to-market rent growth.





# #2

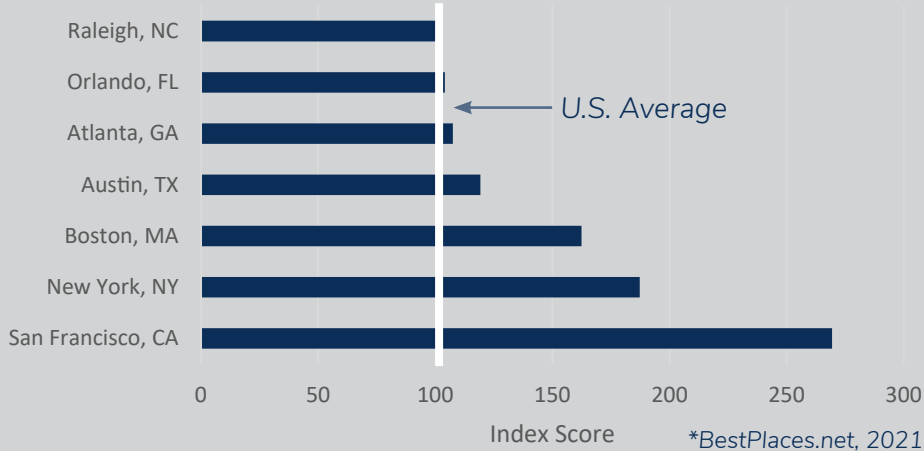
## SUBURBAN MIGRATION

Already recognized as a top city for corporate and employee migration before the COVID-19 pandemic, Raleigh-Durham is positioned to be one of the main benefactors and leading markets to recover. The area's low cost of living, sprawling technology and life science innovation hubs and growing business environments allow for one of the best places for talent recruiting and retention. The Raleigh-Durham region is surrounded by the state's most renowned universities in Duke University, University of North Carolina at Chapel Hill and North Carolina State University. All three leading universities produce some of the Triangle's most elite workforce for technology and life sciences.

As of Q2 2021, the Raleigh-Durham unemployment rate is 3.8%, well below the country's average of 5.8%. A larger part of the region's fast rebound can be attributed to employees moving to the Triangle. The recent exodus of companies out of the Northeast and West coast due to rising corporate tax rates and higher cost of living compared to the Southeast will also further arm The Raleigh-Durham Collection to see more opportunities and tenant demand.



### 2021 COST OF LIVING INDEX



# #3

## OUTSIZED DEAL RETURNS

Capitalizing on mark-to-market rent growth, near-term roll, and future leasing upside through a light repositioning effort will generate outsized return multiples for equity investors. The Collection presents impressive risk-adjusted returns on a 5-year hold period and unparalleled IRR targets for cash flow driven investors.

In addition, the five assets provide investors various exit strategies as leasing continues.

WakeMed 

Duke  
UNIVERSITY

Charter  
COMMUNICATIONS

raleigh  
radiology

 MetaMetrics®

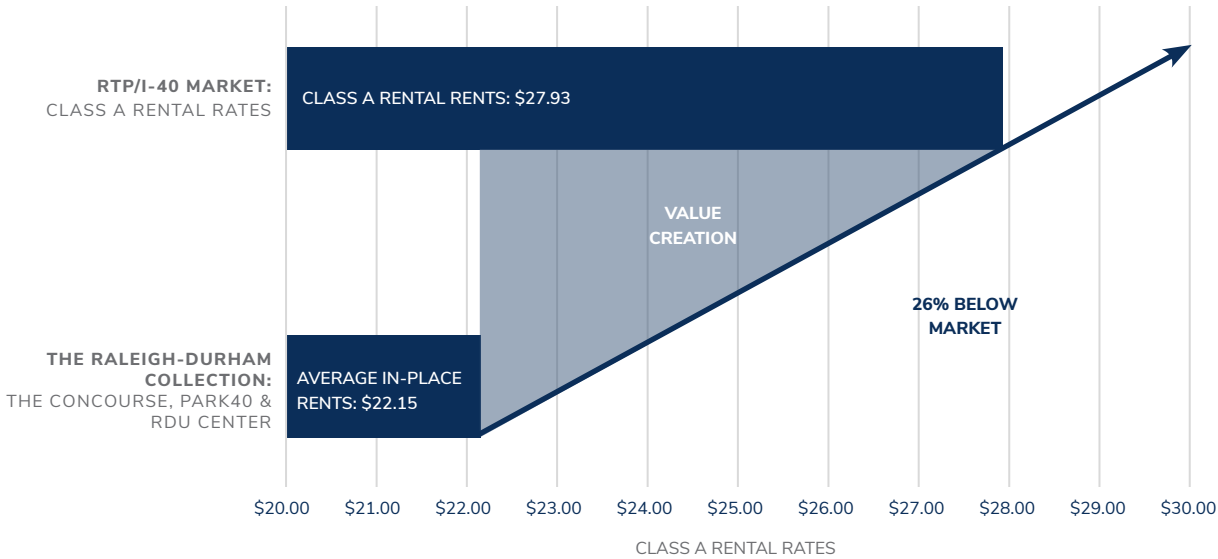
Consilio 

 GLOBAL  
FOUNDRIES



1-800-  
PACK-RAT   
Moving & Storage Made Simple

MARK-TO-MARKET OPPORTUNITY



#4

DIVERSE TENANT ROSTER AND MARKET DIVERSIFICATION

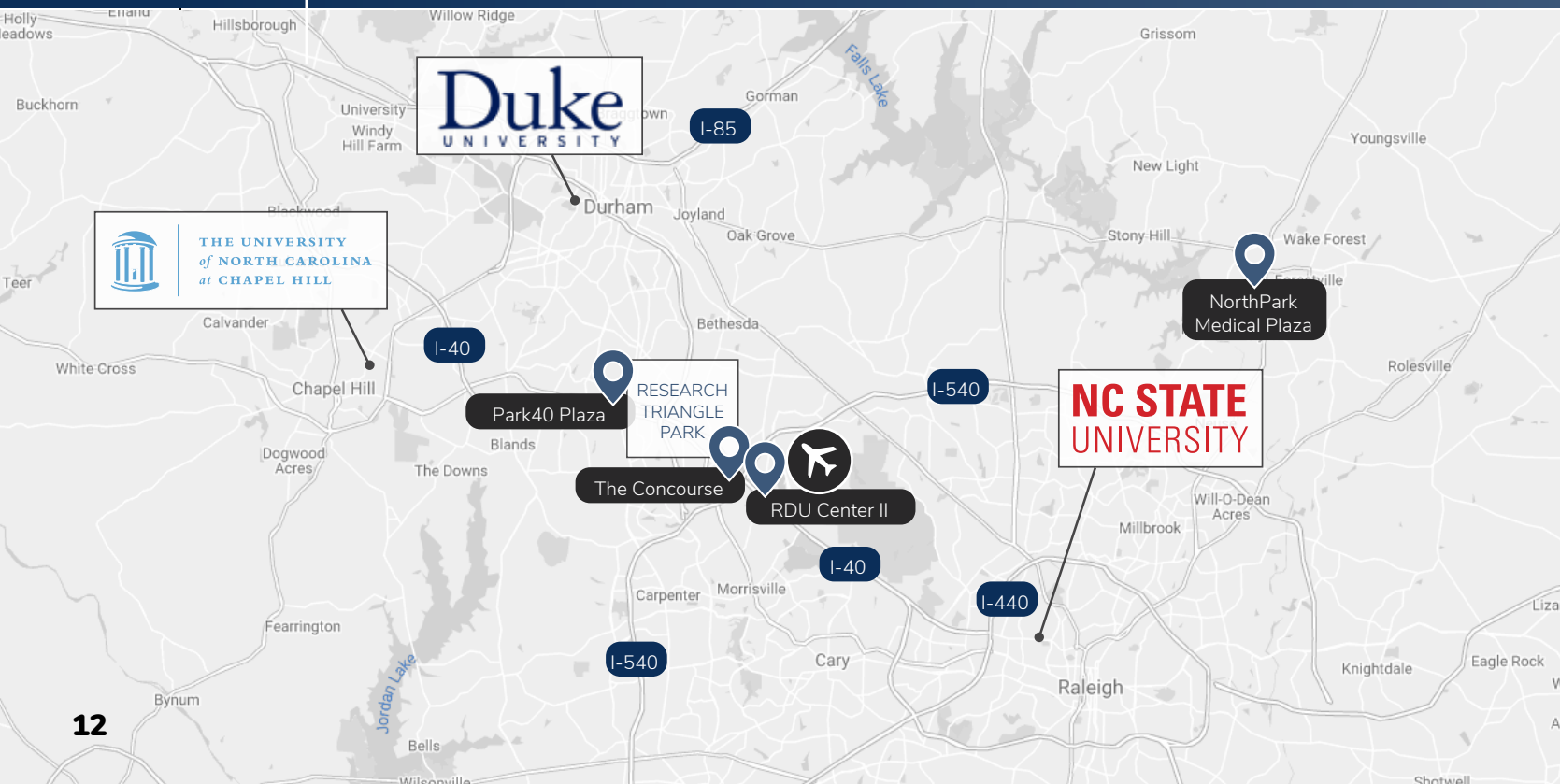
The Raleigh-Durham Collection presents investors with a tenant roster consisting of publicly traded companies, international businesses and well-known local firms. Making up a wide range of industries and business units, from Healthcare, Technology, Telecommunications and Government, the portfolio is well protected against over leverage and future downside risk. Major tenants include Spectrum, Transportation Security Administration, WakeMed, Duke University, and Global Foundries. Moreover, many of the tenants within the Collection have held long term tenancies, signifying their commitment to the properties and local talent pool.



# #5

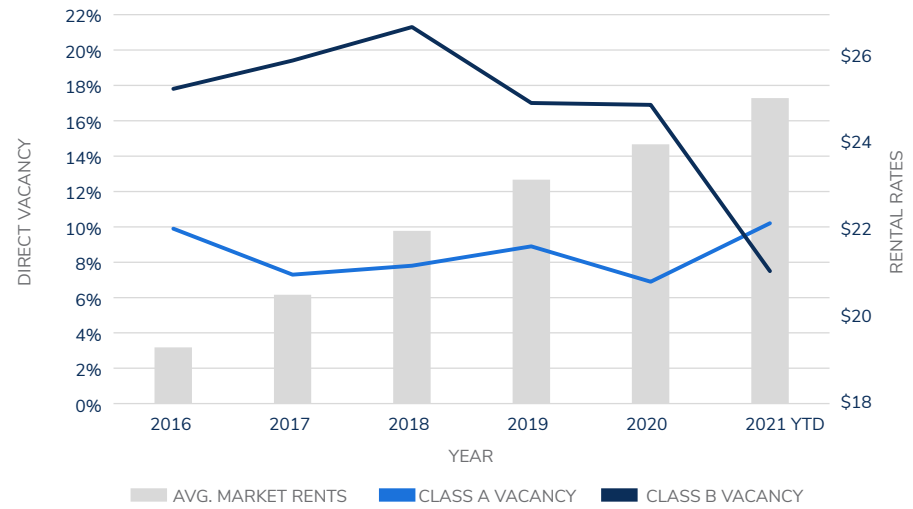
## TOP-TIER SUBMARKETS

77% of the portfolio is concentrated in the RTP, the Triangle's strongest submarket, with the remaining 23% of predominately medical office strategically located northeast of Raleigh's downtown. The RTP/I-40 submarket is the epicenter for business innovation and economic growth for the region. In just the last 18 months some of the world's most recognizable and profitable companies announced expansion plans and commitment to the Triangle. Of these, over 90% are dedicated to the science, technology, engineering and math ('STEM') industries. Furthermore, the Triangle's grant funding has seen prolific investments from the National Institute of Health ('NIH'), the nation's primary biomedical and public health research agency and provides research funding. In 2020, North Carolina's NIH grant funding totaled \$2.2B – 88% was directed to Raleigh-Durham's institutions.

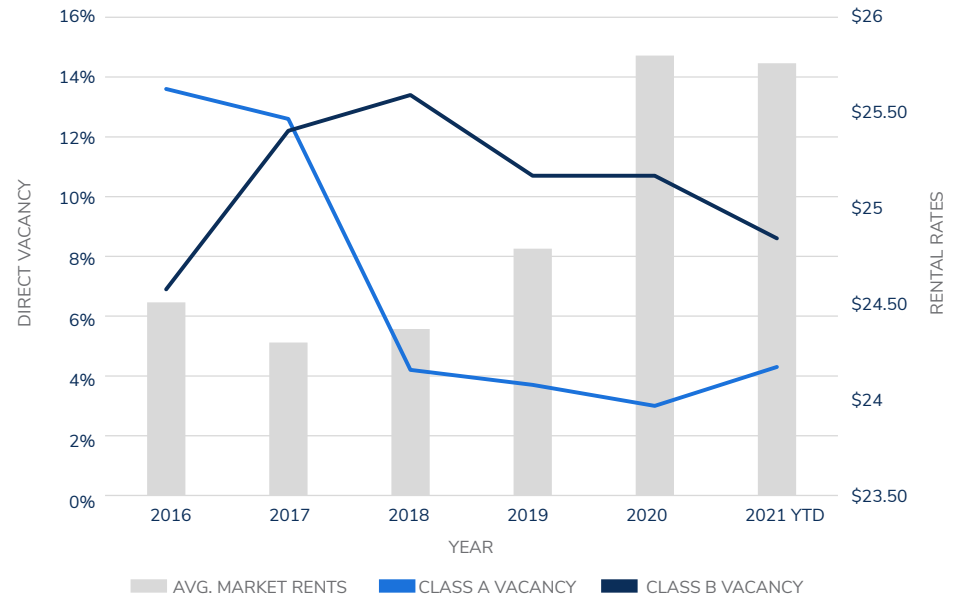




RTP/I-40 VACANCY VS. RENTAL RATE



SIX FORKS/FALLS OF NEUSE VACANCY VS. RENTAL RATE



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**STREAM**