

OFFERING PREVIEW



M • A • D • I • S • O • N

LIFESTYLE OFFICE PORTFOLIO

A 2.5 MILLION SQUARE FOOT, HIGH QUALITY OFFICE PORTFOLIO LOCATED IN MADISON, WISCONSIN



CBRE

CBRE, Inc. has been retained by Vanta Commercial as the exclusive advisor for the sale of the Madison Lifestyle Office Portfolio. The Madison Lifestyle Office Portfolio consists of an institutional quality collection of 26 office properties totaling 2,474,731 square feet. The Portfolio represents the unique opportunity to become the leading owner of Class A office properties in the dynamic Madison, Wisconsin economy and office market with land positions allowing for additional multi-family, retail, and office development. The portfolio is concentrated in Madison's largest and fastest growing submarkets in walkable locations poised for additional market rent and NOI growth.



INVESTMENT HIGHLIGHTS

LIFESTYLE OFFICE PORTFOLIO

The Madison Lifestyle Office Portfolio consists of 2,474,731 square feet of high quality amenity-rich office buildings surrounded by walkable retail and housing connected by a network of in-building fitness centers, recreation rooms, and auditoriums. These qualities allow portfolio tenants to experience the comforts of home improving work-life balance. From an investor's perspective, a national study outlined in "Foot Traffic Ahead: Ranking Walkable Urbanism in America's Largest Metros" found that walkable office properties command a significant rent premium over drivable only properties. These vibrant center characteristics are consistent with Madison's quality of life culture recognized by Livability.com, which ranks Madison as the 2015 top place to live in the United States.



PREMIER SERVICE PROVIDER

The Madison Lifestyle Office Portfolio is operated by Vanta Commercial, the largest provider of office management and leasing services in the Madison market. 88% of the Madison Lifestyle Office Portfolio tenants surveyed in 2014 rated their overall satisfaction with the service provided by Vanta at five stars out of five possible stars. Vanta has achieved a 78% long-term tenant retention ratio. Vanta has a full service platform with a history of partnering with institutional investors.



IMPACT OF TOP RANKED RESEARCH UNIVERSITY

The University of Wisconsin ranks third among U.S. universities with \$1.2 billion in annual research and development investment, ahead of Stanford, MIT, and Harvard. The University of Wisconsin educates 48,000 students from over 130 countries each year, awards the second highest number of doctorate degrees in the nation, and is the fourth leading producer of Fortune 500 CEOs. The University migrates publicly funded research into the private sector through the Wisconsin Alumni Research Foundation (WARF) currently working with approximately 60 active startups whose business markets include biotech, clean technology, high-tech, medical devices, research tools, stem cells and therapeutics. Many of these startups continue their development in the University Research Park, home to 128 emerging technology tenants.

TOP 10 UNIVERSITIES IN R&D SPENDING - 2015 (\$ in billions)

1	Johns Hopkins University – Baltimore, MD	\$2.1
2	University of Michigan – Ann Arbor, MI	\$1.3
3	University of Wisconsin – Madison, WI	\$1.2
4	University of Washington – Seattle, WA	\$1.1
5	University of California, San Diego – San Francisco, CA	\$1.1
6	University of California, San Francisco – San Francisco, CA	\$1.0
7	Duke University – Durham, NC	\$1.0
8	University of California, Los Angeles – Los Angeles, CA	\$1.0
9	Stanford University – Palo Alto, CA	\$0.9
10	Columbia University – New York, NY	\$0.9

Source: Bestcolleges.com

TECH EMPLOYMENT GROWTH

Madison ranked ninth in U.S. tech job growth in 2014 with a 16% gain in high tech jobs from 2011 to 2013. The Madison Lifestyle Office Portfolio major tenant roster is headlined by growing technology firms with a history of partnering with Vanta to accommodate their expansion needs including TDS, PPD, and Catalent Pharma Solutions. In Madison's tech market, health care software company Epic Systems leads the way in tech growth with a projected Madison workforce of over 10,000 people by 2018, all located on Madison's west side. Epic's growth has spawned over 2,000 consulting firms including Huron Consulting Group, an Epic spin-off located at 8215 Greenway. Epic is also a major account for technical service providers located within the portfolio, including Dell at 525 Junction Road.

TECH PEER MARKETS

	MADISON, WI	AUSTIN, TX	RALEIGH-DURHAM, NC	SALT LAKE CITY, NV
Total University R&D \$ (2015, in billions)	\$1.2	\$0.6	\$1.01	\$0.4
US 2014 Top Tech Market Ranking*	9	2	8	10
High Tech Job Growth 2011-2013*	16.0%	34.2%	16.8%	15.7%
GDP Growth 2011-2013	4.60%	5.80%	5.30%	6.00%

*Source: CBRE Research and Bureau of Labor Statistics



HEALTHY MADISON OFFICE MARKET

The Madison office market totals 30.9 million square feet of single- and multi-tenant space. The market experienced 2.8 million square feet of positive net absorption since 2007. The overall market has a current vacancy rate of 7.8% with limited amounts of new office supply.

2.8 M
SQUARE FEET

POSITIVE NET ABSORPTION
SINCE 2007

\$30.9
MILLION

TOTAL SQUARE FEET OF SINGLE
AND MULTI TENANT SPACE

DYNAMIC MADISON REGION ECONOMY

The Madison Region is home to 1,024,185 people and experienced 4.6% average annual GDP growth from 2011 to 2013. The Madison Region benefits from the stability of being home to the State Capitol of Wisconsin with 35,706 state workers earning an average salary of \$56,727 within Dane County. Madison unemployment stands at 3.4%, substantially below the 5.5% national average.

1,024,185
TOTAL POPULATION

IN THE 8-COUNTY
MADISON REGION

\$56,435
MEDIAN

HOUSEHOLD INCOME – 9.2%
ABOVE THE NATIONAL AVERAGE

SECURITY OF CREDIT TENANCY AND LIMITED EXPIRATIONS

65% of the Portfolio's net operating income is generated by companies with credit ratings of BB- or better. The average remaining lease term within the portfolio is 6.2 years.

0.2
PERCENT

5-YEAR AVERAGE CREDIT
LOSS PERCENTAGE








BB-
OR BETTER

65% OF THE
PORTFOLIO'S NOI

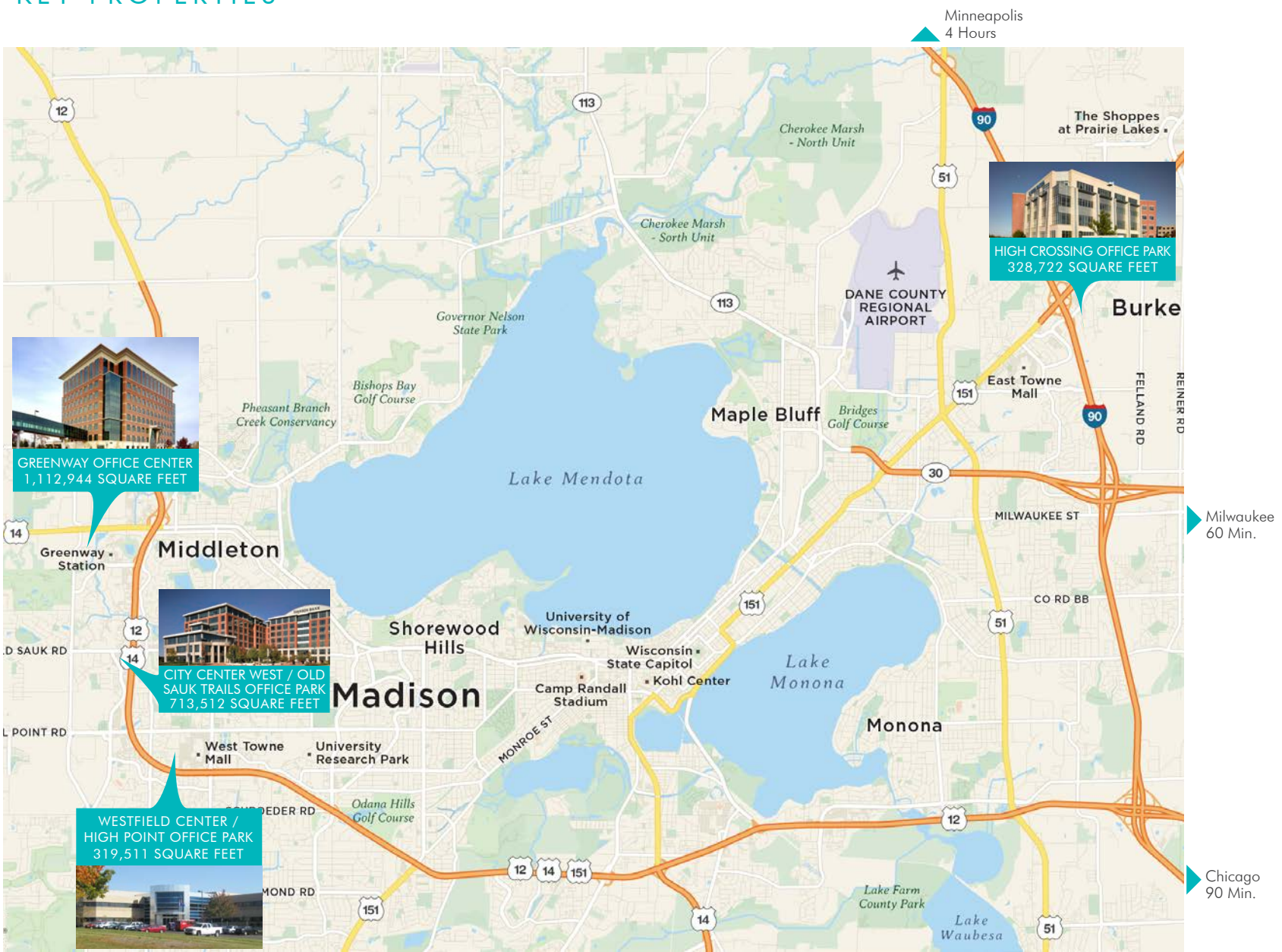
6.2
YEARS






AVERAGE REMAINING
LEASE TERM

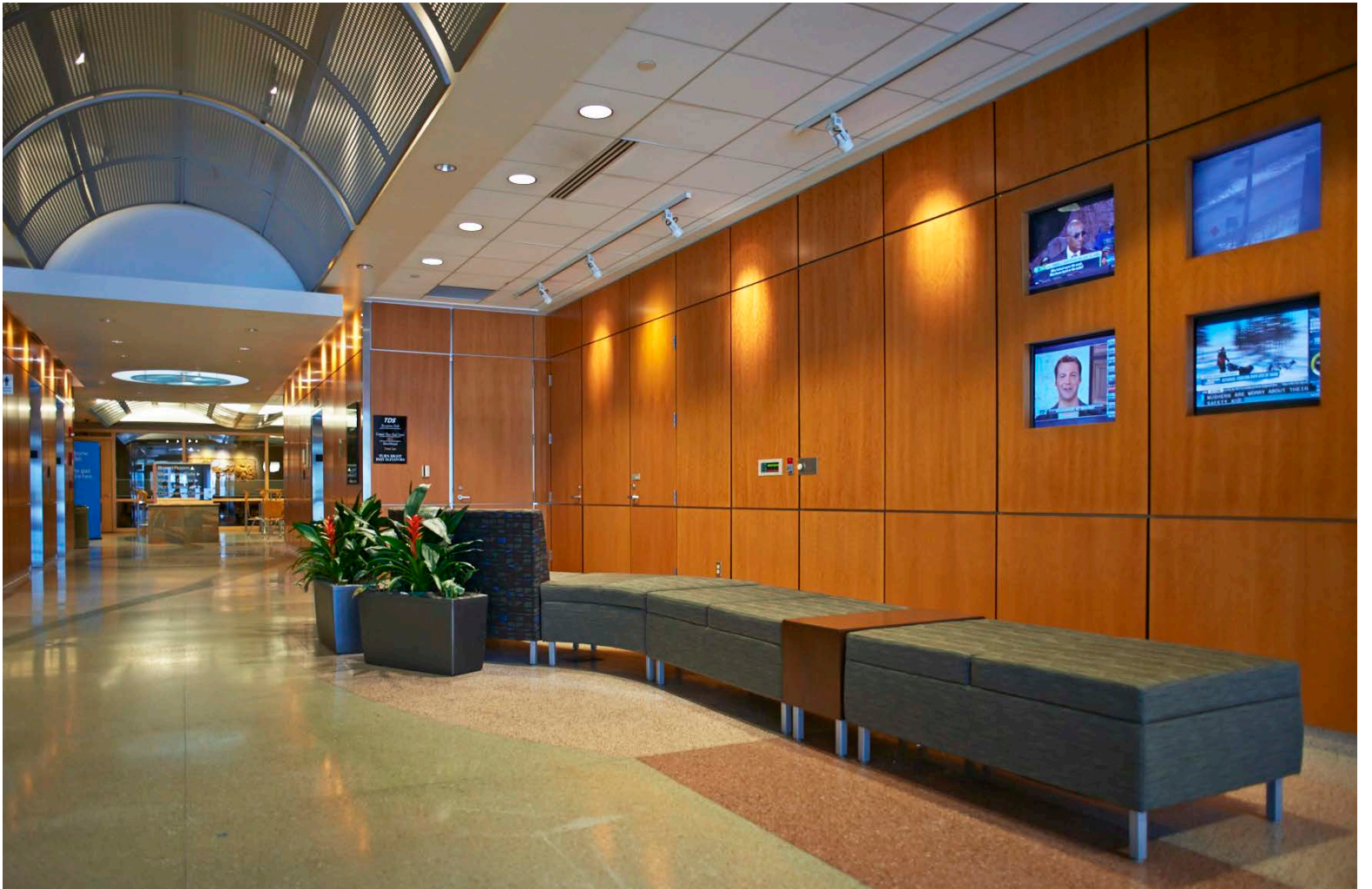
MAJOR TENANTS

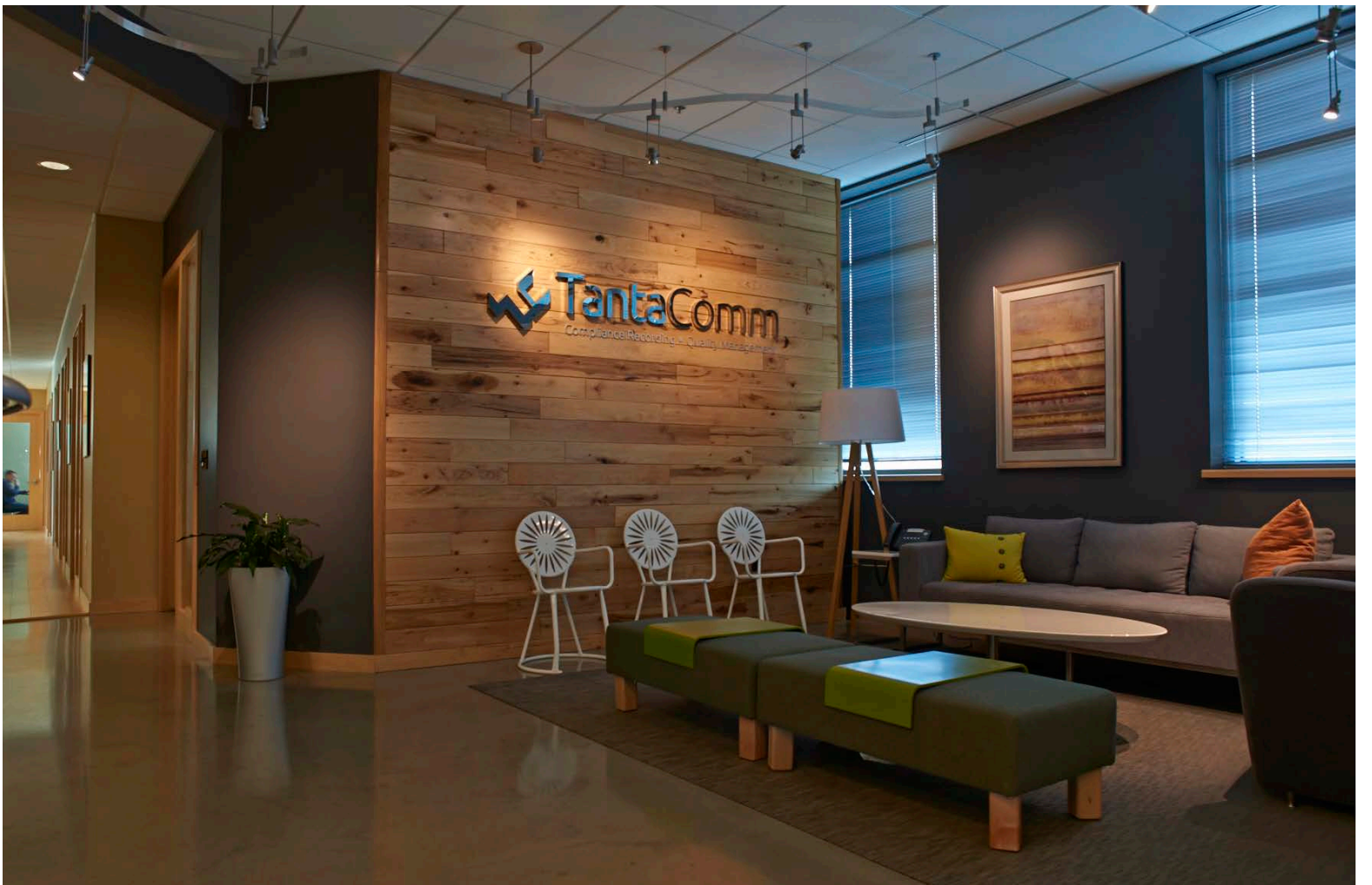
TENANT	TICKER SYMBOL	SQUARE FEET	% OF NOI	CREDIT
	TDS	330,643	15%	Moody's: Baa3
	Private	245,957	13%	Moody's: Ba2
	CTLT	102,850	4%	S&P: BB-
	Private	102,106	5%	S&P: A+
	Private	64,206	2%	S&P: A+
	HUM	53,087	2%	S&P: BBB+
	Y	52,656	2%	AM Best: A

KEY PROPERTIES



PROPERTY	OCCUPANCY	SQUARE FEET	YEAR BUILT	MAJOR TENANT/ CREDIT RATING
 525 Junction Road Madison, WI	92%	368,107	2001 & 2003	TDS/ Moody's: Baa3
 8551 & 8550 Research Way Middleton, WI	100%	233,490	1997	PPD/ Moody's: Ba2
 8401 Greenway Boulevard Middleton, WI	100%	257,913	1991	TDS/ Moody's Baa3
 1600 Aspen Commons Middleton, WI	92%	226,346	2001	Humana, Inc./ S&P: BBB+
 726 Heartland Trail Madison, WI	83%	159,326	1999	Catalent Pharma Solutions, Inc./ S&P: BB-





M · A · D · I · S · O · N

LIFESTYLE OFFICE PORTFOLIO

CONTACTS

Capital Markets | Institutional Properties

Steven Buss

Executive Vice President
+1 952 924 4618
steven.buss@cbre.com

Ryan Watts

Senior Vice President
+1 952 924 4657
ryan.watts@cbre.com

Judd Welliver

Vice President
+1 952 924 4818
judd.welliver@cbre.com

Paul Lundstedt

Executive Vice President
+1 312 935 1481
paul.lundstedt@cbre.com

Dan Deuter

Senior Vice President
+1 312 861 7821
dan.deuter@cbre.com

CBRE

