

ORO VALLEY TUCSON, AZ 85755





OFFERING MEMORANDUM DISCLAIMER

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Executive Managing Director, Life Sciences Advisory Group Cushman & Wakefield, Inc. T +1 858 558 5663 M +1 858 354 1489 greg.bisconti@cushwake.com CA Lic #01167920 This Confidential Offering Memorandum ("Memorandum") is being delivered subject to the terms of the Confidentiality Agreement (the "Confidentiality Agreement") signed by you and constitutes part of the Confidential Information (as defined in the Confidentiality Agreement). It is being given to you for the sole purpose of evaluating the possible investment in 2090 E. Innovation Park Drive, Tucson AZ 85755 (the "Project"), and is not to be used for any other purpose or made available to any other party without the prior written consent of Alexander Development Group ("Managing Member"), or its exclusive broker, Cushman & Wakefield. This Memorandum was prepared by Cushman & Wakefield based primarily on information supplied by Managing Member. It contains select information about the Project and the real estate market but does not contain all the information necessary to evaluate the Project. The financial projections contained herein (or in any other Confidential Information) are for general reference only. They are based on assumptions relating to the overall economy and local competition, among other factors. Accordingly, actual results may vary materially from such projections. Various documents have been summarized herein to facilitate your review; these summaries are not intended to be a comprehensive statement of the terms or a legal analysis of such documents. While the information contained in this Memorandum and any other Confidential Information is believed to be reliable, neither Cushman & Wakefield nor Managing Member guarantees its accuracy or completeness. Because of the foregoing and since the investment in the Project is being offered on an "As Is, Where Is" basis, a prospective investor or other party authorized by the prospective investor to use such material solely to facilitate the prospective purchaser's investigation, must make its independent investigations, projections and conclusions regarding the investment in the Project without reliance on this Memorandum or any other Confidential Information. Although additional Confidential Information, which may include engineering, environmental or other reports, may be provided to qualified parties as the marketing period proceeds, prospective purchasers should seek advice from their own attorneys, accountants, engineers and environmental experts. Neither Cushman & Wakefield nor Managing Member guarantees the accuracy or completeness of the information contained in this Memorandum or any other Confidential Information provided by Cushman & Wakefield and Managing Member. Managing Member expressly reserves the right. at its sole discretion, to reject any offer to invest in the Project or to terminate any negotiations with any party at any time with or without written notice. Managing Member shall have no legal commitment or obligations to any prospective investor unless and until a written sale agreement has been fully executed, delivered and approved by Managing Member and any conditions to Managing Member's obligations thereunder have been satisfied or waived. Managing Member has retained Cushman & Wakefield as its exclusive broker and will be responsible for any commission due to Cushman & Wakefield in connection with a transaction relating to the Project pursuant to a separate agreement. Cushman & Wakefield is not authorized to make any representation or agreement on behalf of Managing Member. Each prospective investor will be responsible for any claims for commissions by any other broker in connection with an investment in the Project if such claims arise from acts of such prospective investor or its broker. This Memorandum is the property of Managing Member and all parties approved by Managing Member and may be used only by parties approved by Managing Member. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as permitted under the Confidentiality Agreement.









Built with the attention and care of a private final residence, the lcagen facility was built to perfection in a beautiful and affluent setting. Positioned in the path of growth for Tucson's boutique life sciences hub, 2090 E. Innovation Park Drive is located in the picturesque Oro Valley area of Tucson.

EXCEPTIONAL OWNER/USER OPPORTUNITY: Given the tremendous amount of investment in building, improvements, and infrastructure, the Offering represents a rare opportunity to secure a fully plug and play lab operation.

BELOW REPLACEMENT COST: The total project cost including site acquisition, construction and improvements totaled over \$90,000,000, or \$803/sf. Given today's costs of construction and required timeline, to replicate this facility in today's market could arguably take 24-30 months to construct and cost over \$500 per square foot for the building alone. The offering contemplates millions of dollars of furniture, fixtures, and equipment, as well as robust infrastructure elements.

UNIQUE LOCATION: Tucson is home to University of Arizona, which has an established and growing STEM education focus, providing employers the opportunity to draw from the region's educated workforce and to create a "sticky" employment center. The local government is probusiness and proactive in supporting employers' skilled labor force needs. Oro Valley is a desirable and affordable residential community, offering locals and transplants a high quality of life. Adjacent to the subject property is Roche Diagnostics successful and growing diagnostics division, validating the location as an attractive location for a life sciences employer.

AREA	FUNCTION	AREA	DESCRIPTION
2nd Floor OFFICE	Office	6,275 sf	Admin/Exec Office Space
2nd Floor LABS	Biology Labs	26,327 sf	5 main labs, 2 Tissue culture areas
1st Floor OFFICE	Office	6,275 sf	Admin/Tech Office Space
1ST Floor LABS	Chemistry Labs	26,327 sf	5 main labs, 2 Tissue culture areas
Basement	Lab Support / Infrastructure	26,327 sf	Support and mechanical areas
Other Common Areas	Support & Admin	20,969 sf	Reception, meeting space, circulation, infastructure
TOTAL		112,500 SF	SITE IS ENTITLED FOR AN ADDITIONAL 56K SF OF EXPANSION.

YEAR BUILT AND IMMACULATELY MAINTAINED TO PHARMA STANDARDS

112,500 SF

RENTABLE BUIDING AREA WITH TWO STORIES OVER BASEMENT, SITE IS ENTITLED FOR AN ADDITIONAL 56K SF OF EXPANSION.

11.54

ACRES

AVAILABLE

1.3 / 1,000 **PARKING**

BUILD-OUT

PHARMACEUTICAL R&D CENTER. ~60:40 LAB: OFFICE RATIO

BELOW REPLACEMENT COST

\$90+M TO CONSTRUCT AND EQUIP

NEARBY AMENITIES





BUILDING SPECIFICATIONS

2090 E. INNOVATION PARK DRIVE

Tucson (Oro Valley), AZ 85755

TOTAL NRSF 112,500 rsf (two/three stories)

Laboratory Wing

Basement: 26,327 rsfFirst Floor: 26,327 rsfSecond Floor: 26,327 rsf

Office Wing

First Floor: 6,275 rsfSecond Floor: 6,275 rsf

Atrium, Conference, and Support Area (all levels combined)

• 20,969 rsf

SITE 11.54 acres (Pima County Assessor)

YEAR COMPLETED 2009

BUILDING USE Drug Discovery Research Lab

PARKING 147 surface spaces (1.3/1,000), mostly covered

FLOORS 2 above grade, 1 below grade

CEILING HEIGHTS• 16 feet for above ground floors, hung at 10 feet typical, except for atrium

• 21 feet for basement

LOADING DOCKS 1 existing dock, with separate access and loading area

CONSTRUCTION Steel Frame / Class A







POWER	13,800 AMP, 480 Volt
GENERATOR	1,500 kW generator and base fuel tank serving critical loads
ELEVATORS	Two (2): 2,500/5,000 lb capacity - 5,000 lb elevator with rooftop access
HVAC	 VAV, 100% single pass air, with 2 600-ton Chill Paks
	 Convection cooling in office wing
SECURITY	Card key access/CCTV
NETWORK/ BANDWIDTH	 Provider: Comcast (cable) and CenturyLink (fiber), up to 10 Gbps
	 Structured cable CAT 6, 40 Gbps fiberoptic backbone
	 4 ports per office cubicle, 8 ports per office, about 2 ports per laboratory work bench.

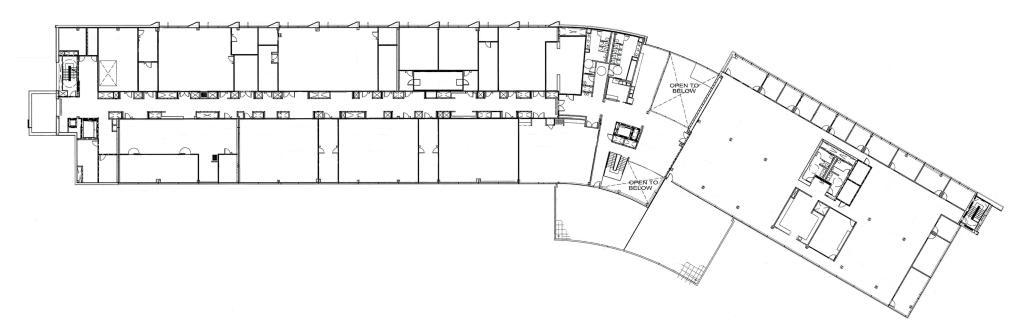


EXTERIOR	 The exterior wall system consists of sandstone tiles over steel frame on west side Black metal tiles on east side 	
	 Contemporary glass panels and aluminum accents. 	
ROOF	The roof systems are steel decking finished with a mineral-surfaced cap sheet over a multi-ply, bituminous, built-up membrane.	
BUILDING	Autoclave and glass wash	
SERVICES	 Nitrogen, 800-gallon tank (leased from Praxair) 	
	 Compressed air 	
	• Vacuum	
	• DI water	
	 Chilled water pumps in building 	
	 Solvent delivery and recovery system to laboratory with multiple enclosed and ventilated access points. 	
RESTROOMS	 Each floor has one man's and one women's restroom per wing. 	
	 Restroom improvements generally include ceramic tile walls and floors with painted drywall ceiling, and porcelain toilet fixtures. 	
	 Basement facilities include showers and lockers. 	
ADA	Fully compliant and handicap accessible.	
LEED GOLD CERTIFIED	Solar heated waterHeat-exchangers for laboratory airConvection temperature control in office wing	
LANDSCAPING	Native Sonoran desert vegetation	

1 S T F L O O R



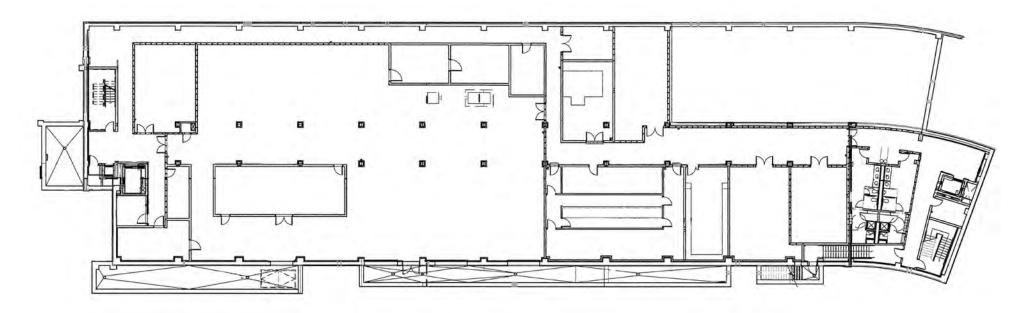
2ND FLOOR







BASEMENT







PHYSICAL DESCRIPTION

NET SITE AREA	11.54 Acres / 502,489 SF
PRIMARY ROAD FRONTAGE	Innovation Park Drive / 875 Feet
AVERAGE DEPTH	685 Feet
EXCESS LAND AREA	None
SURPLUS LAND AREA	None
SHAPE	Irregular
TOPOGRAPHY	Moderate Slope
ZONING DISTRICT	PAD, Planned Area Development (Oro Valley)
FLOOD MAP PANEL NO. & DATE	04019C1080L / 16-Jun-11
FLOOD ZONE	Zone X (Unshaded)
ADJACENT LAND USES	Commercial and residential uses
EARTHQUAKE ZONE	N/A

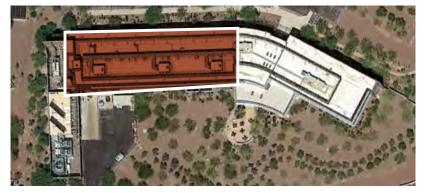


UTILITIES

UTILITIES	PROVIDER	ADEQUACY
Water	Town of Oro Valley	Yes
Sewer	Pima County Waster Water	Yes
Natural Gas	Southwest Gas	Yes
Electricity	Tucson Electric Power	Yes
Telephone	Comcast, Cox, CenturyLink	Yes
Mass Transit	SunTran	Yes







CHEMISTRY WING 2

FUME HOODS	11-six foot hoods 2-ten foot hoods 47-twelve foot hoods
NMR SUITES	One (1)
COLD ROOMS	One (1)
SPECIALTY LABS	Three (3), one (1) with full UPS
CHEMICAL INVENTORY STORAGE	One (1)
AIR HANDLERS	Two (2)

WOODWARD WING

FUME HOODS	6-ten foot hoods 8-ten foot walk-in hoods 16-twelve foot hoods 2-twelve foot walk-in hoods
COLD ROOMS	One (1), 4 degrees C
AIR HANDLERS	Two (2)
HYDROGEN LAB	Hydrogen sensor and separately controlled by PLC



CHEMISTRY WING

56-six foot hoods **FUME HOODS** 12-ten foot hoods

6-ten foot walk-in hoods

1-twelve foot hood

One (1) NMR SUITES

Two (2), 4 degrees C **COLD ROOMS**

SPECIALTY LABS Three (3)

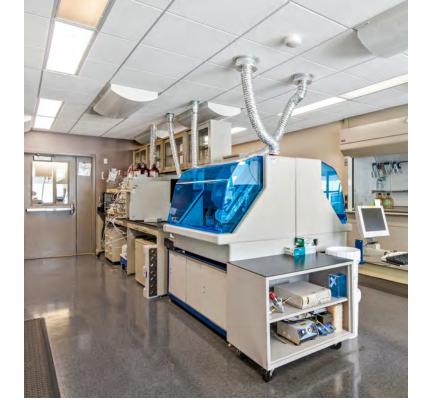
Six (6), with epoxy floors, non-HIGH REACTOR LABS

porous furniture, pressurized

breathing air in hoods, individual chiller rooms

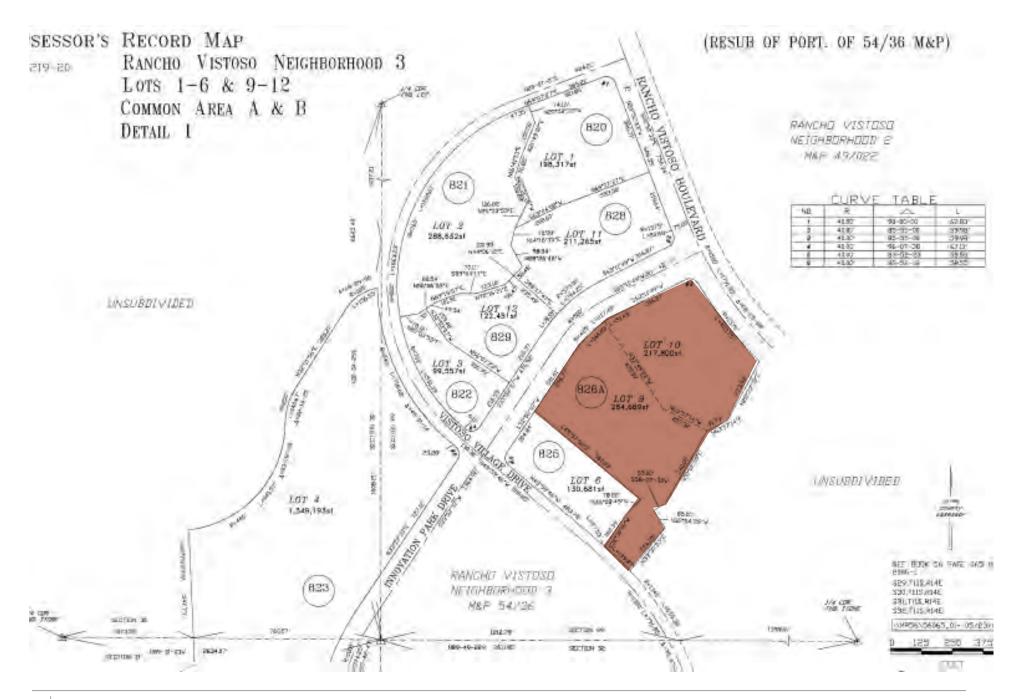
One (1) CHEMICAL INVENTORY STORAGE

Four (4) AIR HANDLERS





PARCEL MAP











PROPERTY DESCRIPTION





ORO VALLEY & TUCSON METROPOLITAN

ARIZONA: THE BEST STATE FOR BUSINESS

QUALITY JOBS TAX CREDIT*: Provides up to \$9,000 of income or premium tax credits over a three-year period for each net new job to the state and concurrent qualifying capital expenditures.

QUALITY FACILITY TAX CREDIT*: Provides refundable income tax credits up to \$20,000 per qualifying net new job to eligible manufacturing companies that invest in one or more qualifying facilities.

ADDITIONAL DEPRECIATION*: Accelerates depreciation to substantially reduce business personal property taxes.

EXEMPTION FOR MACHINERY AND EQUIPMENT & ELECTRICITY*:

Provides Transaction Privilege Tax (sales tax) and Use Tax exemptions.

RESEARCH & DEVELOPMENT TAX CREDIT*: Provides an Arizona income tax credit for increased research and development activities conducted in this state. The R&D tax credit is equal to 24% of the first \$2.5 million in qualifying expenses, plus 15% of the qualifying expenses in excess of \$2.5 million. Beginning in 2023, the tax credit rates will be 20% of the first \$2.5 million in qualifying expenses plus 11% of the qualifying expenses in excess of \$2.5 million.



^{*} Source: AZCommerce.com



DIVERSE WORKFORCE: As one of the fastest growing megaregions in the U.S., the continuing in-migration of talent at all levels positively impacts the regional economy and translates into increased workforce availability. The local military installations have over 8,000 active airmen and provide a skilled veteran pool for businesses to tap. Source: Sun Corridor, Inc.

ORO VALLEY & TUCSON METRO: GROWING BUSINESS

ORO VALLEY PRIMARY EMPLOYER PROGRAM: This incentive program facilitates long-term community financial sustainability through the creation of new primary job opportunities and the generation of new capital investment in Oro Valley. This program encourages expansion of existing businesses and also attracting new primary employers to the Town. New capital investment revenues may be reimbursed to qualified primary employers for allowable expenses based upon the economic impact of their project and business to the Town of Oro Valley.

ARIZONA COMMERCE AUTHORITY (ACA): Several incentive options to new and expanding businesses in the State of Arizona are offered by the ACA, such as programs focused on tax relief, talent and training, innovation and entrepreneurship, small businesses, manufacturing, economic development, and international trade. More information is available based on the specific business model. Source: Town of Oro Valley July 2020

FOREIGN TRADE ZONE: Any property in Pima County and Southern Pinal County can be designated and activated as a Foreign Trade Zone (FTZ). This allows companies to reduce costs from customs duties, taxes and tariffs, improve global market competitiveness, and minimize bureaucratic regulations.

ORO VALLEY & TUCSON METRO: GROWING BUSINESS

RIO NUEVO TAX INCREMENT FINANCE DISTRICT: Rio Nuevo is the only tax increment finance district (TIF) in the state of Arizona. In partnership with developers, investors and lenders, Rio Nuevo invests in projects designed to expand the tax base and bring patrons and new businesses to Downtown Tucson. Rio Nuevo helps defray the steep costs of major new development and property improvements.

TOWN OF MARANA: JOB CREATION INCENTIVE PROGRAM: Helps businesses to locate or expand in Marana by receiving reimbursement from reallocation of construction sales tax on new construction or expansion projects to qualifying employers. *Source: Sun Corridor, Inc.*

ORO VALLEY

Oro Valley is located in northern Pima County approximately three miles north of the Tucson city limits. Nestled between the Catalina and Tortolita mountain ranges, the town sits at an elevation of 2,620 feet and covers more than 36 square miles.

Incorporated in April 1974 and home to more than 45,184, the Town of Oro Valley employs the council-manager form of municipal government. Oro Valley is administered by a seven-member Town Council. *Source: orovalleyaz.gov*

ORO VALLEY SCIENCE & TECHNOLOGY: There is a significant transformational change that is reshaping and expanding the export-driven economy in Oro Valley. The UA Veterinarian College and the UA Center for Innovation at Oro Valley (UACIOV) will generate advanced research and development of new technology transfers across a myriad of academic and commercial platforms. The new UACIOV business incubator is located next door to Roche and very close to the new UA Veterinary College. The UA Vet College will welcome its first class of 110 diverse students in the fall of 2020.



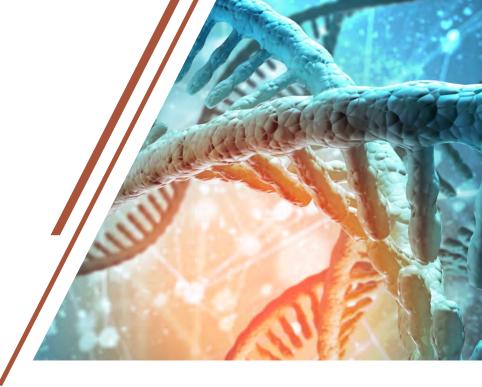
With the launch of the UACIOV bioscience incubator/accelerator in Oro Valley later this year, bioscience entrepreneurs will have offices, lab space and immediate access to subject matter experts. As a result, Oro Valley will have available space to house budding bioscience startups for research, clinical trials, and other development activities. The incubator will open this fall along with the UA Veterinary College. Both projects will greatly enhance the bright future of precision diagnostics and advanced innovation in Oro Valley.

The expansion of innovative technology applications will significantly enhance the region's precision diagnostic capabilities for people and animals located across Arizona. Everyone who faces a difficult cancer diagnosis can be assured that some of the best cancer researchers in the world are right here in southern Arizona. For example, the Roche Tissue Diagnostics operation in Oro Valley is a global supplier of precision cancer diagnostics. Roche employs more than a thousand workers in the community.

These organizations will both inspire and expand the commercialization of translational science in the areas of genomics and artificial intelligence, among other evolving industries. This will further attract new bio economy entrants into our community.

As the fourth industrial revolution evolves, we will be hearing more about breakthroughs in precision technologies. Bioinformatics, translational genomics (T-GEN) and other precision-driven technologies will be discovered and launched from Oro Valley.

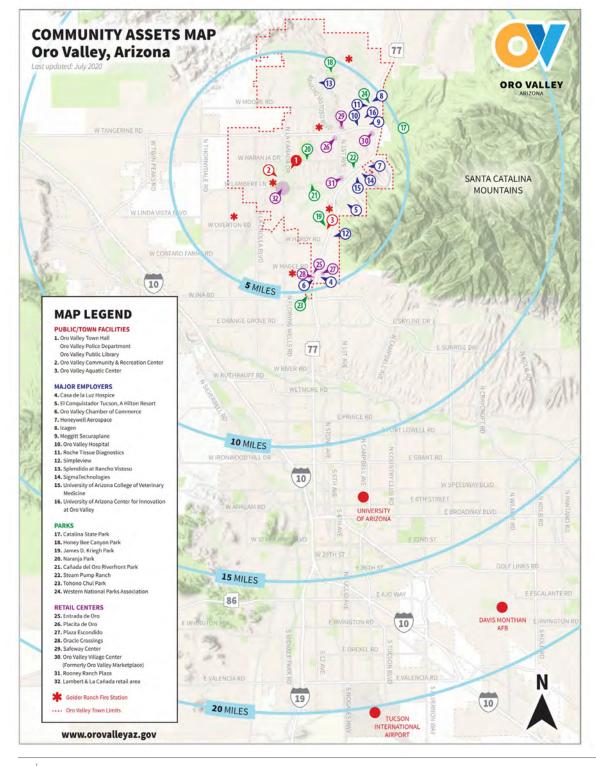
Other leading-edge technology employers will also be attracted to our region, including advanced business services, aerospace and defense, artificial intelligence, autonomous vehicles, engineering, information technology/ software, ubiquitous mobile supercomputing, just to name a few. Source: Trend Report May 2020



ORO VALLEY COMMUNITY ASSETS: Please refer to Oro Valley map on the following page which highlights primary employers in Oro Valley via their proximity to key regional assets such as public parks and retail centers. Note that the Icagen facility is identified on the map as number 8 amongst the list of major employers.

ORO VALLEY BIOPHARMA, MEDICAL & HIGH **TECHNOLOGY EMPLOYMENT:** Oro Valley's top employer is

Roche Tissue Diagnostics, with 1,300 employees. Honeywell Aerospace has 650 employees, Simpleyiew employs 213, and Meggit Securaplane has 157 employees. Oro Valley Hospital has 605 employees. Source: Town of Oro Valley July 2020



TECHNOLOGY & ENTREPRENEURSHIP

Oro Valley & Tucson Metro area is an up-and-coming national hot spot for technology-based companies and knowledge workers. The hub of innovation in Oro Valley & Tucson Metro area and across Southern Arizona stems from the University of Arizona, which is consistently ranked as a Top 25 research university. When combined with a business-friendly operating environment and low cost-of-living, Oro Valley & Tucson Metro area is positioned to be the next technology hub.

STARTUP TUCSON: Working to transform the region's economy through entrepreneurship and innovation. Provides free networking events, education courses, mentoring, and annual pitch competition for entrepreneurs and startups in the early to mid-stages of growth.

TECH LAUNCH ARIZONA (TLA): Tech Launch Arizona helps to bring discoveries to the world through commercial pathways, with a primary focus on ensuring that technologies and innovations originating with University of Arizona researchers find meaningful application. TLA has become the foundation for successful companies like Cancer Prevention Pharmaceuticals, SPLIT Engineering, and REhnu – all of whom continue to explore and develop new ideas.



UNIVERSITY OF ARIZONA CENTER FOR INNOVATION:

The UA Center for Innovation is a startup incubator network with outposts across the Southern Arizona region and a mission to grow scalable startup ventures that fuel the Arizona economy. Created in 2003, the program has directly served more than 120 companies and impacted thousands of entrepreneurs. This is done through providing access to people, programming and places that help entrepreneurs take their companies from idea to market. The UA Center for Innovation offers companies connectivity to the University of Arizona and its people and resources including Tech Launch Arizona.

MCGUIRE CENTER FOR ENTREPRENEURSHIP: Established in 1984 as one of the first university-based centers for entrepreneurship. the McGuire Center for Entrepreneurship is among only a handful of entrepreneurship programs in the nation that has maintained toptier rankings in both undergraduate and graduate rankings in all major surveys for the last decade. A pioneer in entrepreneurship education, the McGuire Center continues to be recognized as one of the nation's elite entrepreneurship centers, offering a variety of rigorous and enriching educational opportunities to more than 1,100 students from across the University of Arizona each year.

ARIZONA TECHNOLOGY COUNCIL: Established in 2002, the AZ Tech Council is the premier trade association for science and technology companies. With a team of staff in Oro Valley & Tucson Metro area and more than 800 members across the state of Arizona, the Council works toward furthering the advancement of technology in Arizona through leadership, education, legislation, and social action.

DESERT ANGELS: Formed in 2000, Desert Angels is one of the leading angel investment groups in the country focused on funding entrepreneurial ventures and startup or early stage companies. Desert Angels have helped launch more than 100 companies.

TENWEST IMPACT FESTIVAL: TENWEST Impact Festival helps the curious and the impassioned solve the great economic, social, cultural and environmental challenges facing our communities. Each October, through ten days of exhibitions, talks, and interactive experiences, national experts and local heroes will inspire the ideas and facilitate the connections that will empower us to act. *Source: Sun Corridor, Inc.*



45.7 K

POPULATION

Source: 2020 ESRI Population Estimate

\$113,785

AVERAGE HOUSEHOLD INCOME

Source: 2020 ESRI Population Estimate

\$331,698 MEDIAN HOME PRICE

Source: Zillow Home Value Index, Aug. 2020



41.8 K

POPULATION

Source: Applied Geographic Solutions, 2020

\$92,314

AVERAGE HOUSEHOLD INCOME

Source: Applied Geographic Solutions, 2020

\$281,437

MEDIAN HOME PRICE

Source: Zillow Home Value Index, Aug. 2020



1MM+

MSA POPULATION

Source: Census Bureau, 2019

\$35,500

AVERAGE HOUSEHOLD INCOME

Source: Arizona Commerce Authority 2020

\$215,965

MEDIAN HOME PRICE

Source: Zillow Home Value Index, Aug. 2020







OFFERING CONDITIONS

It is the primary objective of the seller to sell the real estate and to close the transaction during the first quarter of 2021. The property will be delivered vacant, inclusive of all existing inventory, furniture fixtures and equipment.

The seller may entertain lease proposals from credit tenants, provided mutually acceptable economic terms and no less than 10 years in term length.

Serious buyers will be afforded site visits as well as virtual tours and access to market standard due diligence materials.

The prospective buyer will be selected by the Seller based upon an array of factors including, but not limited to:

- Ability to close by 1Q 2021
- Financial strength of buyer
- Experience in closing similar transactions
- Absence of contingencies
- Net of all seller closing costs

All offers must be in writing and should include:

- The source of purchaser's capital (including equity and debt)
- The amount of earnest money deposit
- An outline of the proposed schedule for due diligence and closing
- A description of any physical or environmental assumptions which affect the price being offered
- A list of any contingencies, including committee approvals, required to close the transaction







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