Holliday Fenoglio Fowler, L.P., acting by and through Holliday GP Corp., a North Carolina licensed real estate broker ("HFF"), has been retained as the exclusive sales representative for the Venable Center (the “Property”), a 87,416 square foot, institutional-quality creative office building located in Downtown Durham, North Carolina. Ideally positioned in one of the country’s leading innovation markets, the property is 100% leased to an attractive tenant roster anchored by STEM tenants. This core investment opportunity features exceptional historical performance and is poised for a tremendous long-term outlook as Venable Center offers an unmatched ability to attract and retain tenants due to relentless demand for office space in the submarket, proximity to a market-leading amenity base, world class universities, and access to one of the country’s top-ranked labor forces. The asset is a generational investment presenting investors with the unique opportunity to acquire Raleigh-Durham’s premier creative office property and establish a beachhead in downtown Durham.

**OPPORTUNITY TO ACQUIRE DESIRABLE BRICK-&-BEAM CREATIVE OFFICE BUILDING**

**DYNAMIC CBD LOCATION**

**ATTRACTIONS LONG-TERM STABILITY**

**STRATEGIC CENTER OF INNOVATION**

**SIGNIFICANT UPSIDE POTENTIAL WITH FUTURE DEVELOPMENT OPPORTUNITY**
INVESTMENT SUMMARY

INSTITUTIONAL-QUALITY OFFICE PORTFOLIO

Venable Center features three distinct, Class A, creative office/R&D buildings in the highly coveted downtown Durham submarket. Investors have the opportunity to gain an instant foothold in one of the country’s largest innovation markets through the acquisition of the region’s premier creative office asset.

ADDRESS
Venable Center
302 E Pettigrew Street
Durham, NC 27701

YEAR BUILT (RENOVATED)
Dibrell Warehouse - 1905 (2006)
The Prizery - 1930 (2006)
Receiving Room - 1952 (2006)

NET RENTABLE AREA
87,416 SF

ACRES
3.76

OCCUPANCY
100%

STORIES
Dibrell Warehouse: 2
The Prizery: 3
Receiving Room: 1
OPPORTUNITY TO ACQUIRE DESIRABLE BRICK-&-BEAM CREATIVE OFFICE BUILDING IN A SOUTHEAST GROWTH MARKET WHERE INVENTORY OF SIMILAR PRODUCT IS LIMITED

Venable Center was originally constructed as a tobacco warehouse in the early 1900s and underwent extensive renovations in 2006 converting the property to pristine creative office and R&D space. The structures at Venable Center cannot be replicated today due to the construction methods used in the early 20th century, and sheer authenticity that comes with such workspaces. The unique physical properties and open layout of the building foster a culture of collaboration that is difficult to replicate in traditional office space. For these reasons, and many others, institutional investors and tenants alike are flocking to former warehouses and other re-purposed structures. These assets have a permanency not found in commodity office product.

CUTTING EDGE LIFE SCIENCE + R&D UPFIT

Venable Center features approximately 20,000 SF of premier R&D and lab space perfectly suited for Raleigh-Durham’s high concentration of life sciences and technology tenants.

Availability of urban lab space is extremely limited in the region, leaving tenants clamoring for any availabilities despite the higher asking rates.

Further, Venable Center’s high cost build out suggests stickier tenancy ultimately enhancing future stability of the property.
MAKING THE CASE FOR CREATIVE SPACE

CHARACTER
The property features polished wood floors, lofted ceilings, exposed brick, heart-pine beams, an open layout, updated building systems and industrial hardware and accents.

LOCATION
Situated in the walkable, rapidly evolving Downtown Durham submarket, the property is poised to take advantage of economic growth in the immediate vicinity. Future infrastructure investments, including the proposed Durham-Orange Light Rail and the Dillon Street Station adjacent to the property, will further solidify Venable Center’s reputation in a premier live-work-play district.

FLOORPLATES
Diverse floor plates at the property and the development potential on the site allows ownership to support tenants throughout future growth and consolidation. Additionally, floorplate variety allows the property owner to capture the deepest part of the leasing market while also being able to accommodate larger users.

AMENITIES
Venable Center boasts an extensive nearby amenity base of food, breweries, arts & cultural venues, shopping, and fitness.
EXECUTIVE SUMMARY

FLEXIBILITY WITH EVOLVING PERSONNEL NEEDS

DYNAMIC LAYOUT ALLOWS FOR HIGHER DENSITY, RESULTING IN REDUCED COST PER EMPLOYEE.

CRUCIAL FOR RECRUITMENT OF TOP NOTCH TALENT

BUSINESS ADVANTAGES

FLEXIBILITY WITH EVOLVING PERSONNEL NEEDS

DYNAMIC LAYOUT ALLOWS FOR HIGHER DENSITY, RESULTING IN REDUCED COST PER EMPLOYEE.

CRUCIAL FOR RECRUITMENT OF TOP NOTCH TALENT

EMPLOYEE ADVANTAGES

EFFICIENCY

CAMARADERIE AMONGST COLLEAGUES

NATURAL LIGHT

SUPERIOR WORK ENVIRONMENT

CREATIVE SPACE CREATES
Venable Center sits at the eastern gateway to Durham, with any commuter entering Downtown Durham from Research Triangle Park or Raleigh passing directly by the iconic property. Rapid growth is occurring at sites across Durham, but growth is especially notable to the south and west, where abundant mixed-use projects and entertainment destinations have engulfed the area, creating an optimal live-work-play destination.

**Dynamic CBD Location**

Poised for future growth

Venable Center

**Walking Time**

- Durham Bulls Athletic Park: 05 minutes
- Downtown (Main St & Mangum St): 07 minutes
- Ponymaurus Brewing: 07 minutes
- American Tobacco Campus: 08 minutes

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**Demand for Living Space Has Surged in Downtown Durham, a Testament to the Area’s Appeal**

<table>
<thead>
<tr>
<th>Year</th>
<th>Multifamily Units</th>
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</thead>
<tbody>
<tr>
<td>2000</td>
<td>2,574</td>
</tr>
<tr>
<td>2010</td>
<td>3,071</td>
</tr>
<tr>
<td>2018</td>
<td>4,982</td>
</tr>
<tr>
<td>Under Construction</td>
<td>863</td>
</tr>
<tr>
<td>Proposed</td>
<td>1,098</td>
</tr>
</tbody>
</table>
EXECUTIVE SUMMARY

AMERICAN TOBACCO CAMPUS
555 S MANGUM
418 Multifamily units
Under Construction
241,404 SF Proposed Office

THE BULLHOUSE
200 units recently delivered
105 units under construction

DURHAM ID
309,000 SF Office Under Construction
(50% preleased)

ONE CITY CENTER
150,000 SF Office Under Construction
(91% preleased)
109 Luxury Apartments

555 S MANGUM
418 Multifamily units
Under Construction
241,404 SF Proposed Office

LENNAR MULTIFAMILY
PROJECT
250 units proposed

DURHAM BULLS
ATHLETIC PARK

CENTRAL PARK DISTRICT

DURHAM PERFORMING ARTS CENTER

DOWNTOWN DURHAM

DUKE UNIVERSITY MAIN CAMPUS (.5 mile)

DUKE UNIVERSITY EAST CAMPUS

WEST VILLAGE / BRIGHTLEAF SQUARE

DURHAM ID
309,000 SF Office Under Construction
(50% preleased)
The depleted stock of historic property redevelopment opportunities in Durham, coupled with high demand for restored creative space, positions Venable Center at the top of tenants’ wish list. Future ownership has the option to build an additional office building on the property in order to accommodate growing tenants in Venable Center or capitalize on razor thin vacancy and pent up demand for Class A space in Downtown Durham.
The property’s largest tenant, Precision Biosciences, has been rapidly expanding in the building and has must take provisions for expansion space on more than 28,000 SF currently occupied by other tenants. By 2020, Precision Biosciences will occupy more than 68,000 SF at Venable Center, a 59,000 SF rise over their initial footprint at the property in 2010. Precision Biosciences space consists of a mixture of premier office and cutting edge life science R&D space.

Preliminary site analysis has been conducted to transform the current surface parking lot into an additional 78,720 SF office building and 422 space parking deck to service the entire project. Current zoning for the parcel is Downtown Design Core (DD-C), which actually allows for additional development beyond the 78,720 SF building that the seller had designed.
STRATEGIC CENTER OF INNOVATION POISED FOR FUTURE GROWTH
RALEIGH-DURHAM

Raleigh-Durham has emerged as one of the country’s leading innovation markets. STEM (Science, Technology, Engineering, and Mathematics) employment growth is a primary economic driver in the Raleigh-Durham market, and the area boasts the second highest Tech industry job growth in the country. As an innovation hub, the Raleigh-Durham market has attracted unprecedented capital investment and relocation of major technology and life sciences employers. As the innovative market expands, Raleigh-Durham is poised for strong future growth driven by superior fundamentals and the presence of three of the country’s top research universities (Duke University, University of North Carolina Chapel Hill and North Carolina State University).

DURHAM STEM EMPLOYERS

ROIVANT SCIENCES  NUTANIX  Bronto
Avalara  VALIDIC  biolabs
Duke Clinical Research Institute

NIH FUNDING AT REGION’S THREE TIER-1 UNIVERSITIES

$2.5 BILLION+
NSF, 2017

TOP 10 BIOPHARMA CLUSTER

US GOVERNMENT

GEN News, 2017

MAJOR STEM EMPLOYERS

NIH FUNDING AT REGION’S THREE TIER-1 UNIVERSITIES

$2.5 BILLION+
NSF, 2017

Top 10 Biopharma Cluster

US Government

GEN News, 2017

Major Stem Employers

NIH Funding at Region’s Three Tier-1 Universities

$2.5 Billion+
NSF, 2017

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STEM EMPLOYERS

ROIVANT SCIENCES  NUTANIX  Bronto
Avalara  VALIDIC  biolabs
Duke Clinical Research Institute

TOP 10 BIOPHARMA CLUSTER

US GOVERNMENT

GEN News, 2017

Major Stem Employers

NIH Funding at Region’s Three Tier-1 Universities

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NSF, 2017

Recent News Headlines

• Aerie changes HQ to Durham, giving the Triangle another public company (TBJ, 2018)
• With $75 million, this Durham company hopes to get closer to product approval (TBJ, 2018)
• Durham’s Windsor Circle becomes latest local startup to be acquired (TBJ, 2018)
• Ford acquires Durham’s Transloc (WRAL TechWire, 2018)
• Durham food tech firm raises another $8M (TBJ, 2018)
• TransEnterix plans to double the number of procedures its surgical robot can treat (TBJ, 2018)
• Dova looks to raise roughly $93M in public offering (TBJ, 2018)
• Cary-based kidney transplant drug company scores $60M (TBJ, 2018)
• Canadian Investor funds stealthy, solar-powered cryptocurrency data center in Cary (TBJ, 2018)

No. 01
STARTUP HUB

in the United States

U.S. Chamber of Commerce Foundation
Acquiring Class A product in the downtown Durham office market has become increasingly competitive, driven by a deep investor pool and limited available supply. Access to three assets with 87,416 SF of institutionally maintained, Class A creative office space that is 100% occupied and poised for significant upside potential is a rare prospect for investors. Moreover, Venable Center represents an exceptional opportunity to obtain a desirable beachhead in Raleigh-Durham's tightest submarket. With an estimated replacement cost of $350+ per square foot, buyers are presented with an excellent opportunity to invest at an attractive basis, in turn, driving significant bottom line growth. Bolstered by unmatched regional connectivity and strong economic fundamentals, investment opportunities such as Venable Center are truly rare.