

# Landmark

AT NORTH HILLS



RALEIGH-DURHAM, NORTH CAROLINA





# Executive Summary

A 166,653 SQUARE FOOT INFILL OFFICE ASSET IN RALEIGH-DURHAM, ONE OF THE MOST COVETED U.S. REAL ESTATE MARKETS

Jones Lang LaSalle Americas, Inc. ("JLL") has been retained as the exclusive sale representative for Landmark at North Hills ("Landmark", the "Property"), an infill office asset totaling 166,653 square feet in Raleigh-Durham, one of the most coveted real estate markets in the country and a leading STEM hub. The Property is currently 84.3% occupied and sits on 7+ acres within the vibrant North Hills mixed-use district, allowing multiple avenues to enhance value via leasing, potential densification, and a mark-to-market of weighted-average in-place rents which are currently \$27.00/SF. Nearby rents in new construction are trending toward and exceeding the \$50/SF mark. The Property has been institutionally owned, maintained, and operated by BentallGreenOak ("BGO") for more than 16 years.

The Property is surrounded by high earning residential rooftops, an unmatched walkable amenity set, and excellent access to major North-South and East-West thoroughfares providing ease of access to a deep bench of executive decision makers and employees across the Triangle. Bolstered by recent developments in the submarket and an advantageous mark-to-market opportunity with substantial leasing velocity, Landmark is a premier value-add opportunity in a proven leasing submarket, driven in part by its proximity to North Hills, East End, Midtown Exchange, and Downtown Raleigh.

## OFFERING DETAILS

ADDRESS	4601 Six Forks Rd, Raleigh, NC 27609
YEAR BUILT	1984 & 1986
NET RENTABLE AREA	166,653 SF
ACRES	7.03
OCCUPANCY	84.3%
WALT	3.2
PARKING	3.52/1,000











LAKEMONT / NORTH HILLS NEIGHBORHOOD  
NEW CONSTRUCTION HOMES \$2-3 MM +

FIRST CITIZENS  
CORPORATE CENTER

LANDMARK

BANK OF AMERICA TOWER

AC HOTEL

THE CARDINAL

NORTH HILLS SHOPPING CENTER

THE DARTMOUTH

PARK CENTRAL

THE CARDINAL AT NORTH  
HILLS EXPANSION

OFFICES AT NORTH HILLS

PARK & MARKET

MIDTOWN GREEN

LASSITER AT NORTH HILLS

HIGHLAND NORTH HILLS  
APARTMENTS

CAPTRUST TOWER

HYATT HOUSE

MAIN AT NORTH HILLS

THE EASTERN

MIDTOWN PLAZA

ADVANCE AUTO PARTS TOWER

SIX FORKS ROAD

THE MAIN DISTRICT  
FEATURES OVER 70 RETAIL  
AND DINING OPTIONS

THE PARK DISTRICT  
PLETHORA OF RETAIL AND DINING  
OPTIONS AND OVER 250 HOTEL ROOMS

NHX CREATIVE OFFICE

RENAISSANCE RALEIGH NORTH HILLS HOTEL

ONE NORTH HILLS TOWER



<5 MIN

WALK TO THE MAIN DISTRICT

\$109K

AVERAGE HOUSEHOLD INCOME

\$1,922

MARKET RENT FOR MULTIFAMILY

TOP 1%

OF RETAIL CENTERS NATIONALLY

THE INNOVATION DISTRICT  
33-ACRE DEVELOPMENT OF OFFICE,  
MULTIFAMILY AND RETAIL

THE VINE

TOWER V & CHANNEL  
HOUSE



CLIFF BENSON BELTLINE - 140,000 VPD

- DEVELOPMENT
- OFFICE
- MULTIFAMILY
- HOSPITALITY
- RETAIL
- PROPERTY

# Defines Urban Suburban

LANDMARK IS ADJACENT / WALKABLE TO ALL  
RETAIL / AMENITY OFFERINGS AT NORTH HILLS

## MAIN DISTRICT RETAIL - LESS THAN A 5 MINUTE WALK FROM LANDMARK

### 4120 MAIN AT NORTH HILLS

- Five Guys
- Regal Cinemas
- Omega Sports
- Warby Parker
- Pieology Pizzeria
- Smoothie King
- Sports Clips
- Target
- Chick Fil A
- Ben & Jerry's

- Peloton
- Brighton Collectibles
- Copper Penny
- Monkee's of Raleigh
- Fitness Connection

### 4350 LASSITER AT NORTH HILLS

- Cameron Clothing
- Bluemercury
- Charlotte's Jewelry & Gifts
- Coquette Baserie
- Edible Art Bakery
- Firebird Wood Fired Grill
- LensCrafters
- Paintbase Nail Bar

- Vineyard Vines
- Peter Millar

### 4321 LASSITER AT NORTH HILLS

- Bonobos
- Fink's Jewelers
- Lilly Pulitzer
- Sunglass Hut
- Vermillion
- Paper Source
- Kendra Scott
- Everything but Water

- Bartaco
- Mason's Famous Lobster Rolls

### THE ALEXAN APARTMENTS

- Aladdin's Eatery
- Glo de Vie Med Spa
- Gena Chandler
- Lamb's Ear Children's Clothing

- Marta's
- Pure Barre
- Paperbuzz
- Vivace

- Von kekel Aveda Salon Spa
- The Spectacle
- Learning Express Toy's & Gifts
- Fleur Boutique

### 4421 SIX FORKS AT NORTH HILLS

- Clean Juice
- ArtSource Fine Art Gallery
- Total Wine & More
- Lululemon
- Bul Box
- Starbucks

- GNC
- Panera
- Chipotle
- Verizon
- Bonefish Grill
- Sur La Table

- Cariloha North Hills
- Trellis Floral
- Lee Nail and Spa
- Relax the Back
- UPS Store
- Walgreens

## MAIN DISTRICT - DEVELOPMENT

### NHX CREATIVE OFFICE & ONE NORTH HILLS TOWER

- 346,000 SF of Office Space in two buildings
- Convenient underground parking
- Delivering Fall of 2023

### HIGHLAND NORTH HILLS APARTMENTS

- 12 - story residential apartment tower
- 287 Units with 8th floor amenity deck
- Delivering Summer 2024

### RETAIL

- Active Public Plaza with a concierge center and outdoor event space
- 100,000 SF of ground floor retail
- 3-level Restoration Hardware Gallery
- Village Tavern, Ruth's Chris, Tecovas, Rothy's





# DOWNTOWN RALEIGH

**CAPTRUST TOWER**  
BUILT: 2010  
ASKING RENT: \$46.00

**BANK OF AMERICA TOWER**  
BUILT: 2016  
ASKING RENT: \$44.50

**CREATIVE OFFICE @ NORTH HILLS**  
DELIVERING: 2023  
ASKING RENT: \$45.50

**ONE NORTH HILLS TOWER**  
DELIVERING: 2024  
ASKING RENT: \$47.00

**ADVANCED AUTO PARTS TOWER**  
BUILT: 2020  
ASKING RENT: \$45.00

**MIDTOWN PLAZA**  
BUILT: 2017  
ASKING RENT: \$44.50

**Landmark**  
PHOTOGRAPHY TAKEN ON WEEKEND







## Significant Discount to Rents at New Construction and Replacement Cost

The opportunity to acquire a Class A office asset in North Hills, one of Raleigh's strongest office leasing submarket, has become difficult with high barriers to entry. The North Hills office product has **grown rents by 27% between 2017-2022** and are projected to continue their dramatic rise as tenants duel for a limited stock of highly amenitized space with the cachet of a North Hills address. With North Hills boasting a 1.5% vacancy rate, Landmark is highly competitive with a strong rate as the location has allowed it to draft off North Hills rent growth. The Property and its tenants benefit from the same amenity set / location as the new North Hills office supply, but with surface parking and a \$20/SF discounted rate. The next owner will be stepping into a premier asset with tremendous upside potential due to the surrounding area's growth and new developments with an excellent cost basis, well below the estimated replacement cost of \$600 per square foot.

**\$600/SF**

**REPLACEMENT COST TO  
NEW CONSTRUCTION**

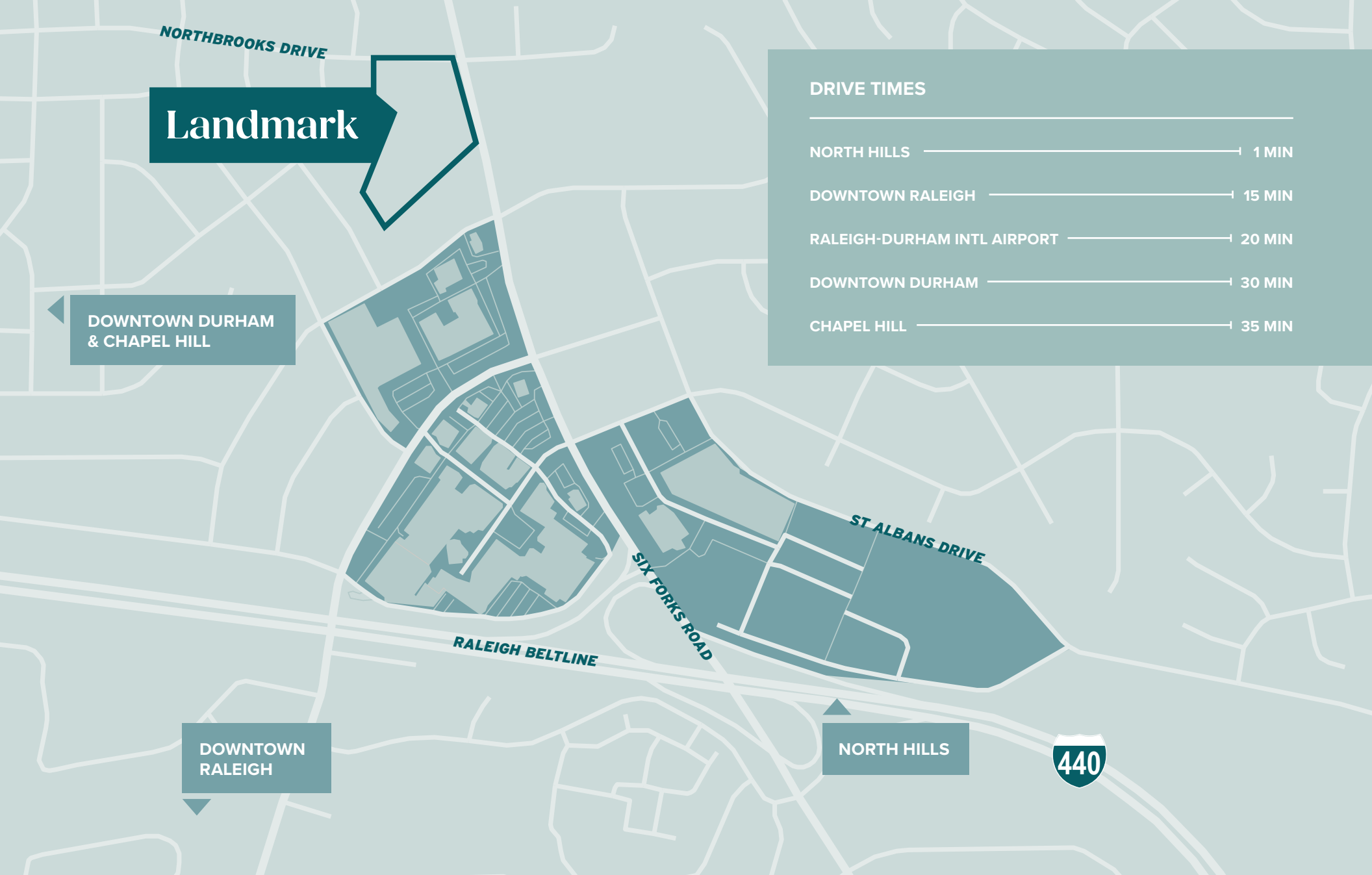
**Strong**

**HISTORICAL  
OCCUPANCY**

**\$20/SF**

**DISCOUNT ON  
RATE**

# Centrally Located with Best-in-Market Access



## DRIVE TIMES

NORTH HILLS	1 MIN
DOWNTOWN RALEIGH	15 MIN
RALEIGH-DURHAM INTL AIRPORT	20 MIN
DOWNTOWN DURHAM	30 MIN
CHAPEL HILL	35 MIN

Landmark

DOWNTOWN DURHAM & CHAPEL HILL

DOWNTOWN RALEIGH

NORTH HILLS





# Value-Add Investment with Immediate Upside Potential

Currently 84.3% leased, Landmark offers investors stabilized cash flow coupled with significant upside potential through lease up of the remaining vacant space. An attractive in-place tenant roster is currently paying weighted average rent of \$27.00/SF, representing a mark-to-market opportunity as tenants roll over the first few years of the hold period.

**\$27.00/SF**

**WEIGHTED AVERAGE  
IN-PLACE RENT**

**30%**

**BELOW MARKET  
IN-PLACE RENTS  
TO RENOVATED PRODUCT**

**Ability to**

**EXTEND AVERAGE  
REMAINING LEASE TERM**

Given Landmark's location, there is a high ceiling on rents. With additional renovations, investors can add a robust collection of on-site amenities for a work environment that goes above and beyond the 9 to 5 mindset pushing rents to \$35/SF+ as seen in the case studies below.



## ONE RENAISSANCE CENTRE

### PROFILE

- A 1999 Class A Office building achieving low \$20/SF rents in Midtown Raleigh

### STRATEGY & AMENITIES

- Renovate and deliver a new level of sophistication to meet the demands of today's tenant. Once amenities are completed, Ownership is hoping to achieve **\$34/SF rates**.
- Renovations include small suites up to full floors, extensive lobby & common area upgrades, a newly constructed parking deck and located in the Exchange District which includes 1000 Social.



## THE GROVE

### PROFILE

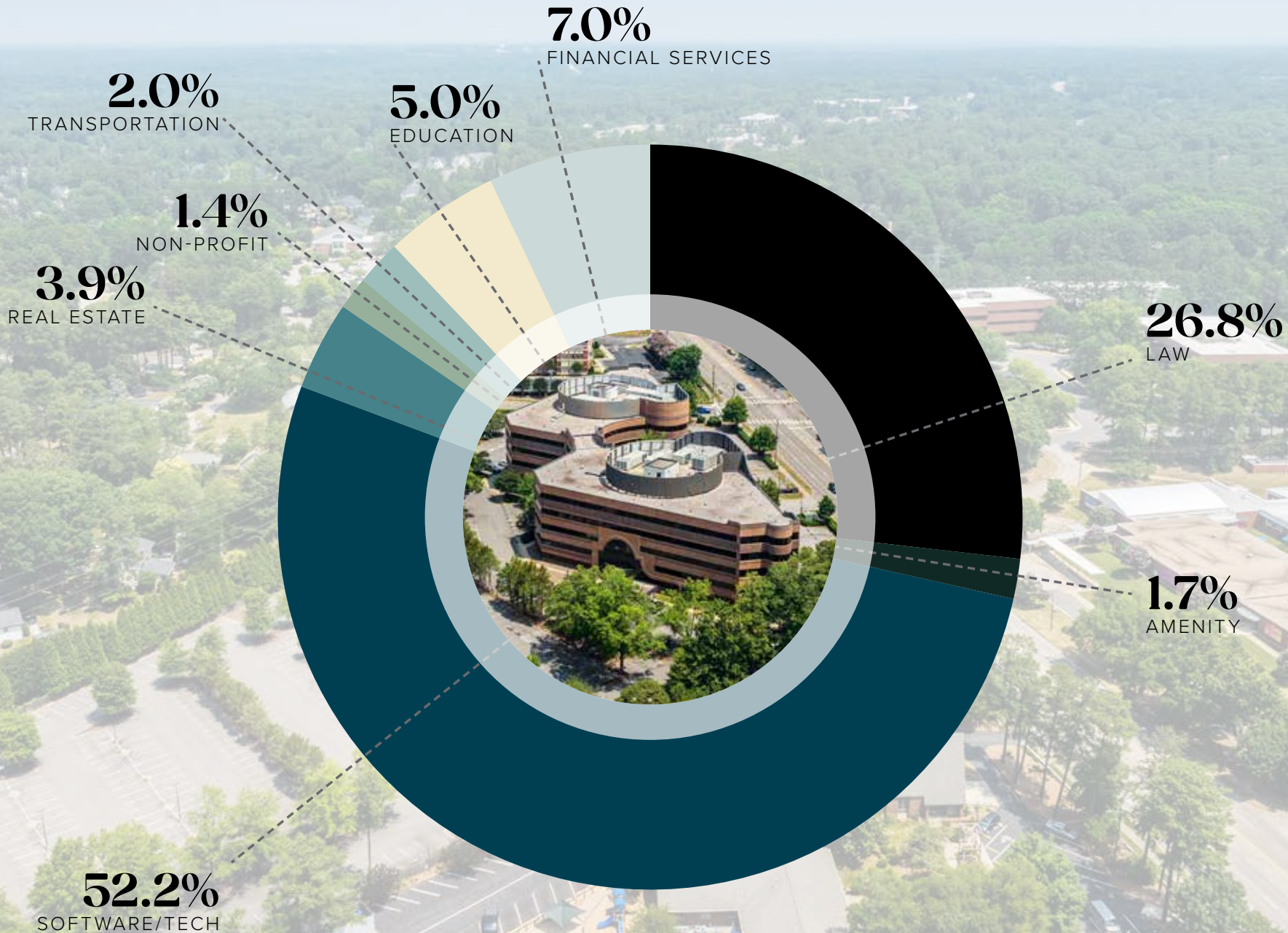
- Two 1980's Class B Office buildings achieving low \$20/SF rents in West Raleigh

### STRATEGY & AMENITIES

- Renovate and deliver prime office space with a robust collection of on-site amenities. With amenities completed in 2023, Ownership is achieving **\$37/SF rates**.
- Amenities consist of a self-serve bar, lounge areas, an extensive fitness center with an indoor pickle-ball court, infrared sauna, massage room, golf simulator and more.



# Diverse and Balanced Tenant Base





7.03 ACRES



## Landmark Opportunities

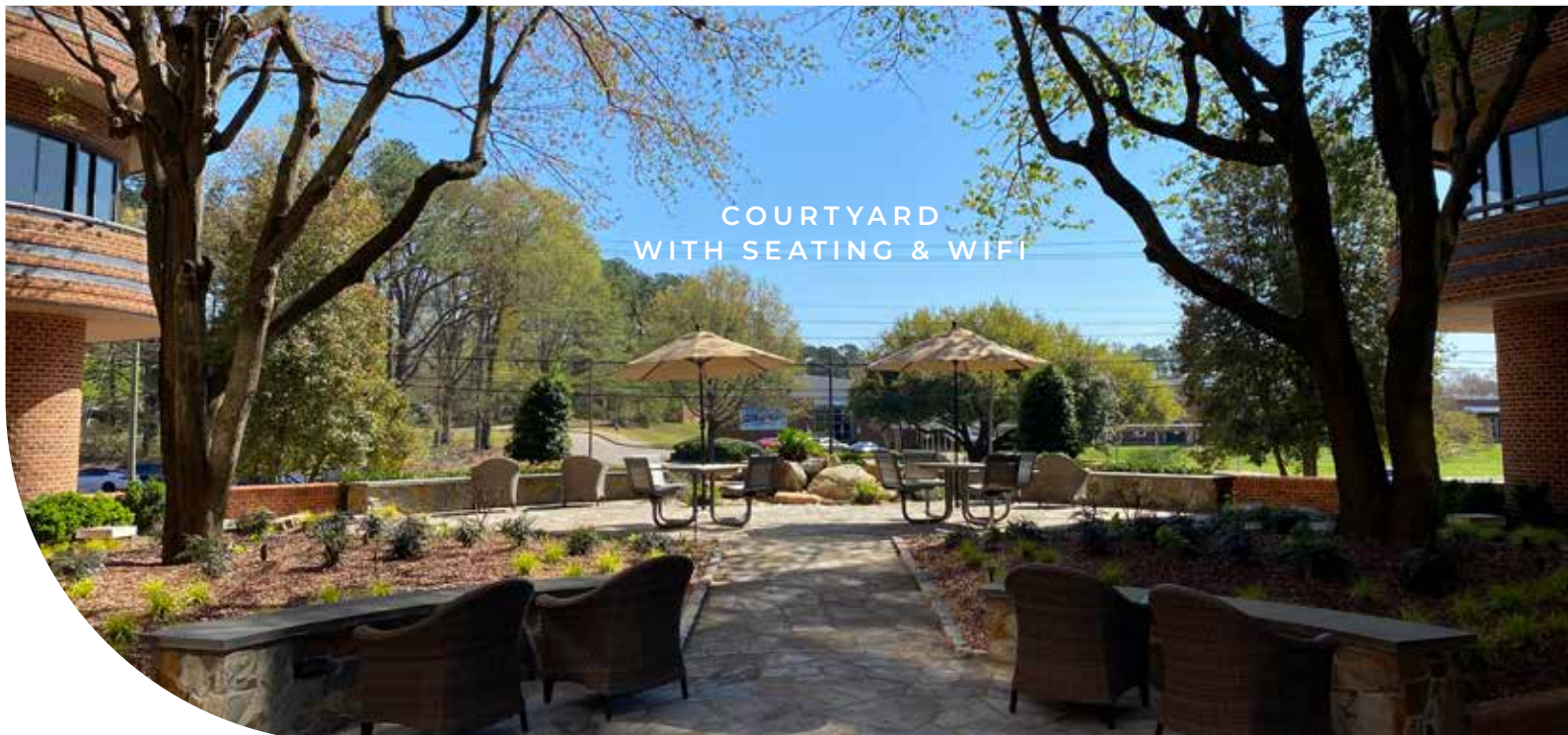
### DEVELOPMENT POTENTIAL

Landmark presents investors with the unique opportunity for potential future development as the property sits on 7 acres. Zoning is currently OX-5-PL which permits office mixed-use including multifamily and limited retail. Future Ownership could ultimately unlock vertical development potential in the future.

### SIX FORKS ROAD WIDENING

The city of Raleigh would like to improve traffic flow on Six Forks and make it safer for pedestrians and bikers between Lynn Rd and Rowan St. as more than 50,000 cars pass by North Hills a day. This over \$100 million project will create pedestrian protected intersections, separated sidewalks, raised medians, wider lanes, and reduce the speed limit. This project is estimated to commence in summer of 2024 and finish in summer of 2026.









587 PARKING SPACES

# Leading Onsite Amenities

Landmark is a renovated office asset, totaling 166,653 SF boasting best-in-class build-outs and a leading amenity package on more than 7 acres. The Property offers recently renovated common areas, break room, lounge area, lobbies with touch screen tenant directories, updated elevator cabs and restrooms.

Building amenities also include a central courtyard with seating and Wi-Fi for tenants to enjoy throughout the week and an above market parking ratio of 3.52/1,000.





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\*\*The outbreak of the COVID-19 virus (novel coronavirus) since the end of January 2020 has resulted in market uncertainty and volatility. While the economic impact of a contagion disease generally arises from the uncertainty and loss of consumer confidence, its impact on real estate values is unknown at this stage.