

# WAKE FOREST UNIVERSITY

CHARLOTTE CENTER



WAKE FOREST  
UNIVERSITY  
CHARLOTTE CENTER

200



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# EXECUTIVE SUMMARY

WAKE FOREST  
UNIVERSITY  
CHARLOTTE CENTER

Holiday Inn



FOOD

**FITZGERALD'S**  
EST. 1915  
IRISH PUB

SPIRITS

FOR LEASE  
6,300 SF  
704.714.7600  
www.fitzgeralds.com

# WAKE FOREST UNIVERSITY CHARLOTTE CENTER

A 455,884 SQUARE FOOT MID-RISE OFFICE ASSET PRIME FOR REPOSITIONING LOCATED IN CHARLOTTE, ONE OF THE NATIONS TOP RANKED REAL ESTATE MARKETS

Jones Lang LaSalle Americas, Inc. (“JLL”) has been retained as the exclusive sale representative for Wake Forest University Charlotte Center (the “Property”, “WFUCC”), a 455,884 square foot mid-rise office asset prime for repositioning located in Charlotte, one of the nations top ranked real estate markets. The Property occupies a full city block next to the Spectrum Center, home of the Charlotte Hornets, in a highly infill location seeing large scale redevelopments and repositionings in Charlotte’s CBD. Featuring premier accessibility with an adjacent light rail station and numerous parking options within a one block radius, the location is prime for creative office space and retail with zoning at the Property providing optionality in repositioning, which is supported by strong market and location dynamics.

Wake Forest University Charlotte Center presents investors with a rare investment opportunity to acquire significant scale in Charlotte’s CBD at an attractive basis when compared to development opportunities in Charlotte’s CBD. The unique optionality in repositioning will allow an investor to implement their own unique vision for the Property, which will benefit from the strong long-term outlook for the micromarket and Uptown Charlotte.



## ADDRESS

200 N College St  
Charlotte, NC 28202

## SQUARE FEET

455,884

## YEAR BUILT (STORIES)

1920 (5) with a partial basement

## % LEASED

8.0%

## SITE AREA (ACRES)

3.47 acres

## PARKING

805 Spaces (1.8 per 1,000 SF)





# OPTIONALITY IN REPOSITIONING

## OPTIONAL MIXED-USE ZONING

Wake Forest University Charlotte Center is zoned for optional mixed-use (UMUD-O), which encourages the coordinated development of retail, office, hotels, high density residential, structured parking, and convention and conference centers. Additionally, the zoning has no height restrictions allowing for increased vertical density. The zoning at WFUCC allows investors to seamlessly implement their unique vision for the asset regardless of height or asset class.



RENDERING



## CREATIVE OFFICE AND HIGH STREET RETAIL

The Charlotte market has seen rates in the mid to upper \$30 PSF range for new adaptive reuse office space, however, this fails to capture Uptown as the submarket has yet to see any of this product. With new Uptown office assets trading in the \$40 PSF range, a repositioning of WFUCC to creative office amenitized with high street retail would garner rates in the high \$30 to low \$40 PSF range.

\$37.52

**AVERAGE RENTAL RATE**

*FOR NEW ADAPTIVE REUSE  
IN CHARLOTTE*

NEWLY BUILT / RENOVATED UPTOWN OFFICE ASKING RATES		
PROPERTY	YEAR BUILT / RENOVATED	RENT PSF
One South	1974 / 2019	\$40-\$42
Bank of America Tower	2019	\$35-\$43
Legacy Union Phase II	2021	\$35-\$41
Truist Center	2002 / 2020	\$41
300 South Tryon	2017	\$44
FNB Tower	2021	\$35-\$41
Ally Charlotte Center	2021	\$38-\$44
<b>AVERAGE</b>		<b>\$40.14</b>







Alternatively, the property is well positioned to thrive as a high street retail hub with a small portion of creative office. Surrounded by office towers, event space, hotels, and massive redevelopments, WFUCC would attract droves of office workers on lunch and would be a popular destination after a Hornets game or a show at one of the surrounding theaters. The Property has numerous parking options through three surrounding parking decks and surface parking usually utilized for events at the Spectrum Center. The adjacent light rail station adds to the accessibility of the Property and will draw in the large millennial demographic from South End.



>2,000  
STRUCTURED PARKING  
SPACES WITHIN A  
1 BLOCK RADIUS

\$37.74|SF  
AVERAGE NNN RENTAL RATE  
FOR CLASS A RETAIL IN  
CHARLOTTE'S CBD



CREATIVE OFFICE, RETAIL, & MULTIFAMILY	
Built:	1926
Repositioned:	2014
Total Square Feet:	2,000,000

CASE STUDY

PONCE CITY MARKET

Ponce City Market and WFUCC share major similarities in terms of their vintage, urban infill locations, and attractive scale for repositioning (although Ponce is much larger). The creative office and retail portion of Ponce City Market were the first phases in the repositioning and have been achieving some of the highest rents in the submarket across both asset classes.

# CHARLOTTE'S BANKING AND ENTERTAINMENT HUB

## PROXIMITY TO MAJOR ENTERTAINMENT HUB



**RENT PREMIUMS AT THE BATTERY,  
HOME OF THE ATLANTA BRAVES**

**\$4.49/SF**  
OFFICE PREMIUM

**\$6.21/SF**  
RETAIL PREMIUM

In Atlanta, the Battery (a mixed-use hub) surrounds Truist Park, home to the Atlanta Braves, and sees strong performance and rent premiums for both office and retail space as retail space is bolstered by events at the venue as well as the office lunch crowd. This lively environment helps to bring forward thinking office users to the area targeting top talent in their employees and creating strong demand and a rent premium for office space. WFUCC features the size, proximity, and entertainment destinations to take advantage of similar dynamics while also featuring much stronger transportation with the adjacent light rail station.



**\$10M IN RENOVATIONS**

**HOTEL UPGRADING FLAGS**

THE CONNECTED HOLIDAY INN WILL BE TRANSITIONING FROM A HOLIDAY INN TO A DOUBLE TREE HILTON BY NOVEMBER 2023



**CHARLOTTE TRANSPORTATION CENTER**  
FUTURE MIXED-USE DEVELOPMENT

**SPECTRUM CENTER**  
HOME TO CHARLOTTE HORNETS

**CHARLOTTE TRANSPORTATION CENTER LIGHT RAIL STATION**

**PARKING GARAGE**

**HOLIDAY INN**



## SUSTAINED PARKING REVENUE

WFUCC has seen a strong resurgence in parking since the pandemic, which shows little signs of slowing. Bank of America will retain some of their monthly spaces due to their ownership and occupancy of 1 Bank of America Center and Bank of America Corporate Center which equates to nearly 1.7M square feet. The parking deck supporting these assets features a parking ratio of less than 1/1,000 SF meaning Bank of America will require spaces in nearby decks, especially as they continue to execute their return to office plan.

MONTHLY PARKING BREAKDOWN				
Monthly Rate	Customer Count	Monthly Revenue	Annual Revenue	Comments
\$0	156	\$0	\$0	149 Holiday Inn Spaces, 6 Property Management Spaces, and 1 Coffee Shop Space. (Holiday Inn pays a fixed \$179,556 annually for their parking spaces)
\$50	17	\$850	\$10,200	Security Rate
\$75	3	\$225	\$2,700	Afterhours
\$155	227	\$35,185	\$422,220	Bank of America spaces reduced by 35% for 2023 per parking survey. Bank of America occupies office space in surrounding buildings and will continue to need parking at WFUCC.
\$165	272	\$44,880	\$538,560	Standard monthly rate - includes all monthly groups including groups from surrounding assets parking at WFUCC
\$225	3	\$675	\$8,100	Reserved rate
<b>TOTALS</b>	<b>678</b>	<b>\$81,815.00</b>	<b>\$981,780</b>	

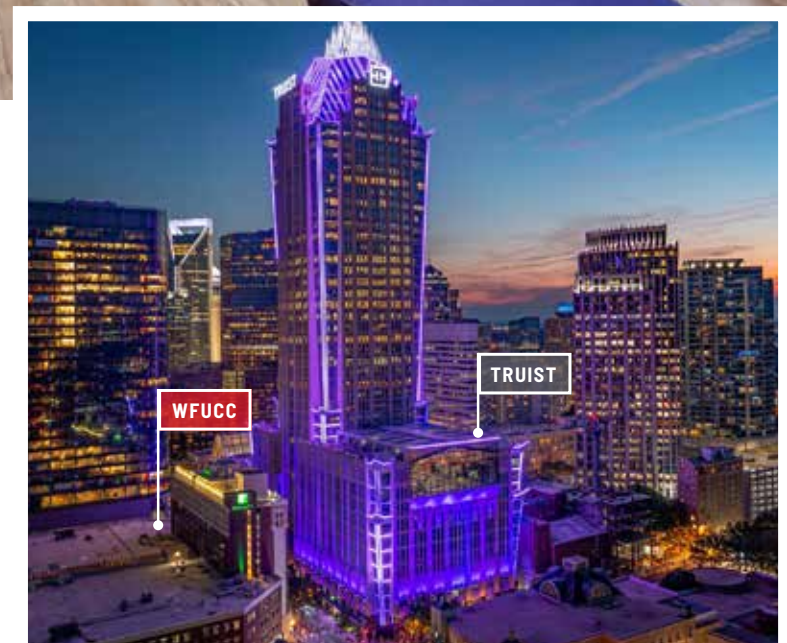
## EASE OF TRANSIT

WFUCC features an adjacent light rail station but will also benefit from the redevelopment of the Charlotte Transportation Center just a few blocks away. The new Transportation Center will feature electric charging bus infrastructure as well as improved connectivity to both the Charlotte Blue and Gold Line lightrail tracks, bringing more visitors from all over Charlotte to the area.



## HIGHLY DESIRABLE MARKET FOR RELOCATION

Charlotte has been the benefactor of major corporate relocations from internationally recognized firms, and a repositioning of WFUCC would be a very attractive offering for a corporation seeking optionality and control in their buildout. As firms look to upgrade their space to attract top talent, opportunities may arise from groups within Charlotte. Lending Tree, who was already well established in the market, announced in 2019 they would be moving to a new creative office location allowing them to implement their own vision for their buildout. Additionally, Bank of America utilized this asset as support for their operation at Hearst Tower, which is now occupied by Truist who could potentially utilize the space for a similar purpose.



# POTENTIAL FOR CORPORATE RELOCATION

## MAJOR COPORATE RELOCATIONS SINCE 2019

FIRM	DATE ANNOUNCED	SQUARE FEET	JOBS CREATED	CAPITAL INVESTMENT	NOTES
<b>Albemarle Corporation</b>	Dec-22	Undis-closed	200	\$200M +	State of the art technology park focused on next gen lithium products Global specialty chemicals company
<b>Credit Karma</b>	May-21	Undis-closed	600	\$13M	East Coast HQ
<b>Arrival</b>	Dec-20	43,000	150	\$3M	North American HQ London based electric vehicle manufacturer breaking into the US market
<b>Lowe's</b>	Jun-19	357,000	1,900	\$153M	31 on the Fortune 500 list Employees here will overhaul the IT system for Lowe's and create a tech saavy retail experience globally
<b>Truist</b>	Jun-19	550,000	2,000	\$455M	Corporate HQ Purchased asset for \$455M 119 on the Fortune 500 list
<b>Lending Tree</b>	Apr-19	176,000	500	\$26M	Relocated from within Charlotte, moving over 600 employees to this location and planning to add anouther 500 over 4 years

## IMPACT OF TRUIST RELOCATION

Truist announced their purchase of Hearst Tower in 2019 with plans to occupy 550,000 SF of the trophy tower asset. Due to work-from-home dynamics, Truist's benefit to the micromarket has yet to be realized. The Fortune 500 bank has recently announced an optional return to the office and plans to move to a hybrid schedule as conditions improve. The presence of Truist's 2,000 employees that will occupy the tower would lead to increased retail and hospitality activity as Truist clients fly in for meetings and employees reinvigorate the Uptown restaurant scene.

## ATTRACTIVE BASIS

The offering presents investors with an attractive basis at a fraction of the land value. Additionally, the ability to reposition the existing structure stands as a major benefit with construction costs for CBD assets rising to above the \$500/SF level.

**\$250-\$300**

**UPTOWN LAND PRICING**  
PER LAND FOOT

**\$500+**

**UPTOWN OFFICE  
DEVELOPMENT COSTS**  
PER SQUARE FOOT



## HIGHLY INFILL LOCATION

WFUCC will be a major benefactor of the highly infill nature of the North Tryon Micromarket. The area is slated for multiple redevelopments spearheaded by the now completed Ellis multifamily asset. These redevelopments will add over 40 stories of office space to the area as well as 250 hotel rooms, and small ground level retail additions.

## REVITALIZATION OF THE MICROMARKET



**>40 STORIES**  
of planned  
office space



**250**  
planned  
hotel rooms



**>\$650M**  
in redevelopment  
capital



**BANK OF AMERICA STADIUM**  
HOME TO CAROLINA PANTHERS & CHARLOTTE FOOTBALL CLUB

**NEW DUKE ENERGY HEADQUARTERS**  
1M SF OF OFFICE SPACE DELIVERING Q4 2022

**TRUIST FIELD**  
HOME TO THE CHARLOTTE KNIGHTS

**BANK OF AMERICA HEADQUARTERS**  
16,000 EMPLOYEES IN UPTOWN

**SOUTH END**

**UPTOWN 550**  
BUILT 2020  
421 UNITS

**WELLS FARGO CENTER**



**CHARLOTTE CONVENTION CENTER**

**ONE SOUTH**

**TRUIST HEADQUARTERS**  
2,800 EMPLOYEES

**NASCAR HALL OF FAME**

**CHARLOTTE PLAZA**

**AVENUE CONDOMINIUMS**

**EMBASSY SUITES UPTOWN CHARLOTTE**



**ONE BANK OF AMERICA**

**FIFTH THIRD CENTER**

**HYATT PLACE CHARLOTTE DOWNTOWN**  
ROOFTOP BAR FAHRENHEIT

**BELK THEATER**

**CAROLINA THEATER AND INTERCONTINENTAL HOTEL**

**SPECTRUM CENTER**  
HOME TO CHARLOTTE HORNETS

**DISCOVERY PLACE SCIENCE CENTER**



**7TH & TRYON REDEVELOPMENT**

**SKYHOUSE UPTOWN**

**COURTSIDE CONDOS**  
PRICED IN MID \$400S

**WAKE FOREST UNIVERSITY CHARLOTTE CENTER**

**THE ELLIS**  
DELIVERED MAR 2021

**CHARLOTTE LIBRARY REDEVELOPMENT**

**TEN TRYON**

**FIRST WARD PARK**

- MULTIFAMILY
- OFFICE
- ECONOMIC DRIVERS
- BLUE LINE TRANSIT
- FUTURE DEVELOPMENT

**NORTH TRYON REDEVELOPMENT**  
>\$650M IN AGGREGATE DEVELOPMENT COSTS. NUMEROUS PROJECTS ADDING OFFICE, MULTIFAMILY, RETAIL, AND REINVENTED PUBLIC SPACE IN THE AREA TO CREATE A LIVE-WORK-PLAY ENVIRONMENT.

**CHARLOTTE TRANSPORTATION LIGHT RAIL**  
15,000 USERS PER DAY



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