



CASE STUDY:	Government Grant Leads to Huge Expansion
TENANT:	Veterans Green Jobs
TENANT REP:	Rare Space Inc.



Veterans Green Jobs is a non-profit organization with the mission of creating jobs in sustainable industries for military veterans. Founded in early 2008, it was initially a one-man operation incubated with 30 other non-profits in the Alliance Building in downtown Denver. A year of astounding growth through partnerships with entities including Walmart, Sam's Club, NREL, Whole Foods, Tendril Networks, and many others have catapulted their reach and capabilities. Recently, while being considered for a multi-year grant through the Governor's Energy Office, the time came to do an expansion.

Veterans' search began as many do – with executives in a car chasing 'for lease' signs. Their expansion plans included a 20,000 square foot or larger office space to accommodate their rapidly growing staff plus space for a "Green Home Resource Center" to warehouse and sell insulation and other construction materials. They focused on large flex spaces, and a vacant King Soopers grocery store became the first candidate. As the Veterans team started to delve into researching the terms of the deal, however, they realized that the time had come to call in the experts. Acting on a referral, they enlisted the help of Rare Space.

Rare Space worked with Veterans Green Jobs to create a needs analysis model and figure out a long term strategy. After touring a dozen available spaces in the Denver industrial areas, a 90,000 square foot building just off the 6th Avenue and Interstate 25 was identified. This perfect location would allow a high level of visibility from key traffic areas and allow easy access for their retail store. Over the course of negotiations on the building the Rare Space team handled several things to ensure a smooth ownership transition:

- Initial one year lease term including 4 months of free rent in exchange for Veterans' completing specified tenant improvement tasks to the building
- Lease-to-own deal structure with first year rental rate under \$2/sf and a locked in sale price of \$2.85 million or \$31/sf
- Seller financing rate of 5.75%, interest-only structure for initial two years of financing term, 10% down payment required

"I can't say how much I appreciated your experience through the process."

- Chuck Watkins, Director of Veterans Green Jobs