



DEPARTMENT OF GENERAL SERVICES

CENTER FOR INNOVATIVE TECHNOLOGY DISPOSITION PLAN

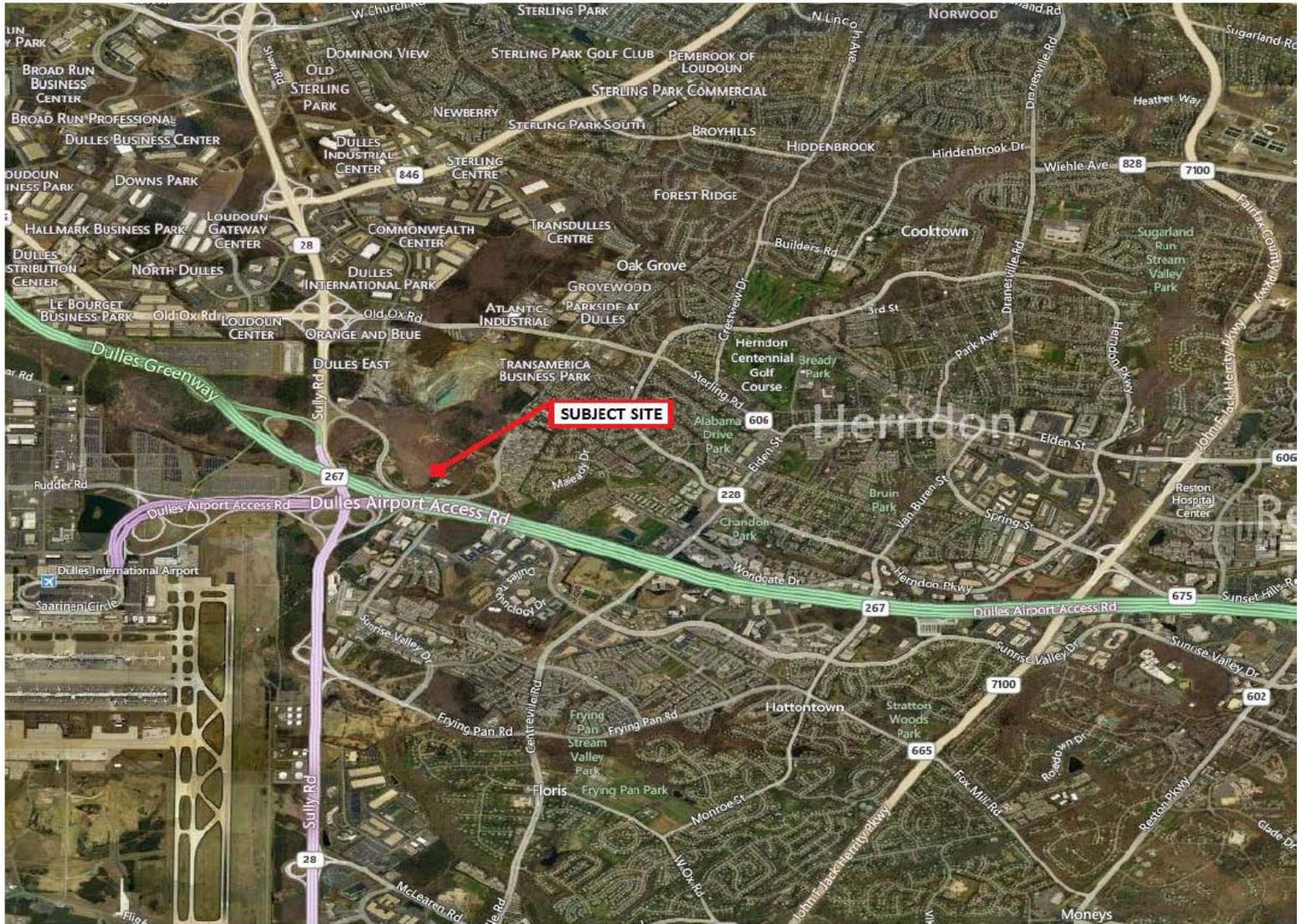
September 19, 2016





DEPARTMENT OF
GENERAL SERVICES

CENTER FOR INNOVATIVE TECHNOLOGY (CIT) COMPLEX SITE MAP

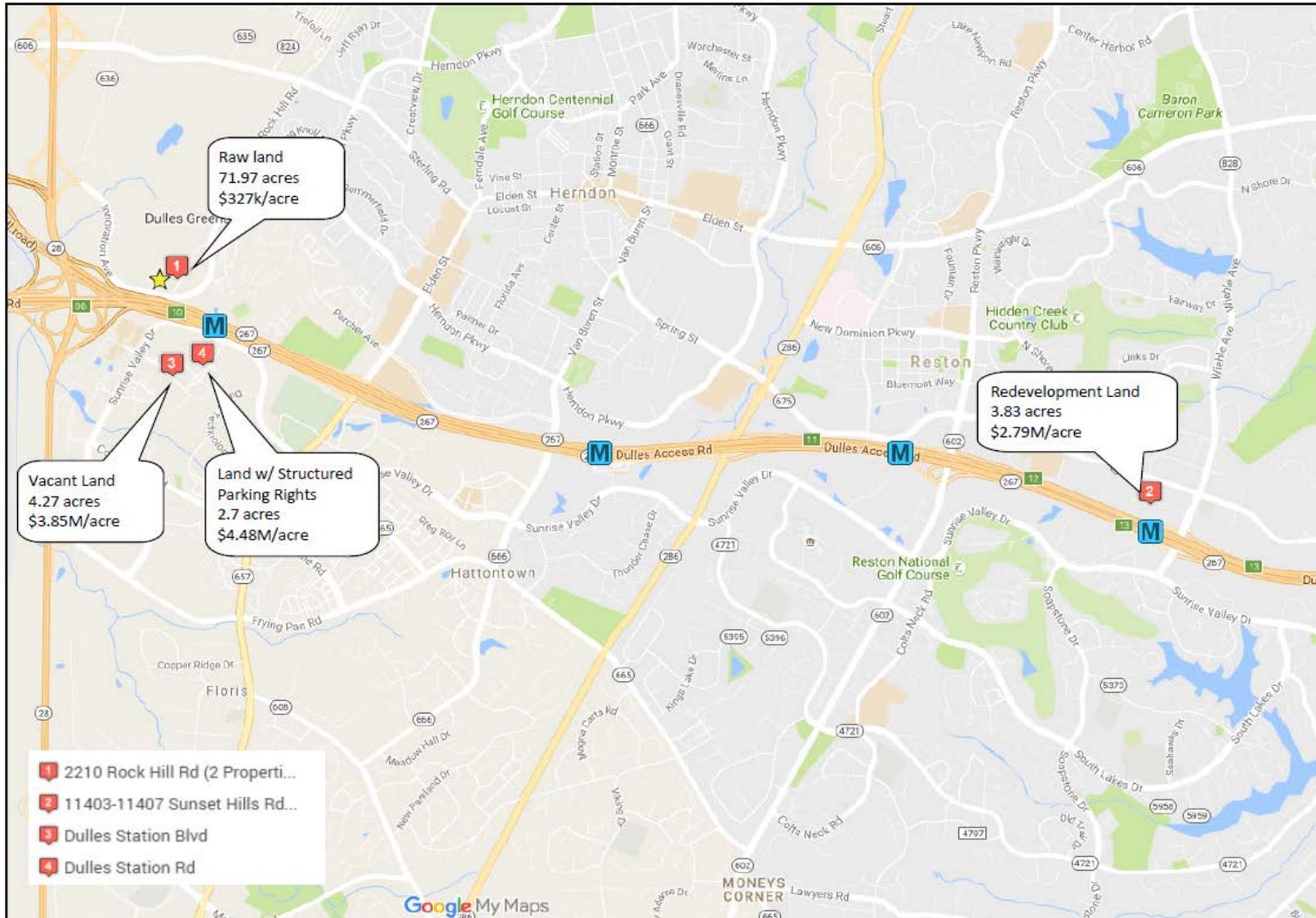




Building Name	Number of Stories	Construction Date	Gross Square Feet
Mid-Rise	3	1989	64,347
Tower	7	1989	58,753
Common Area	1	1989	26,315
Parking Garage	3	1989	181,270
		TOTAL	330,685

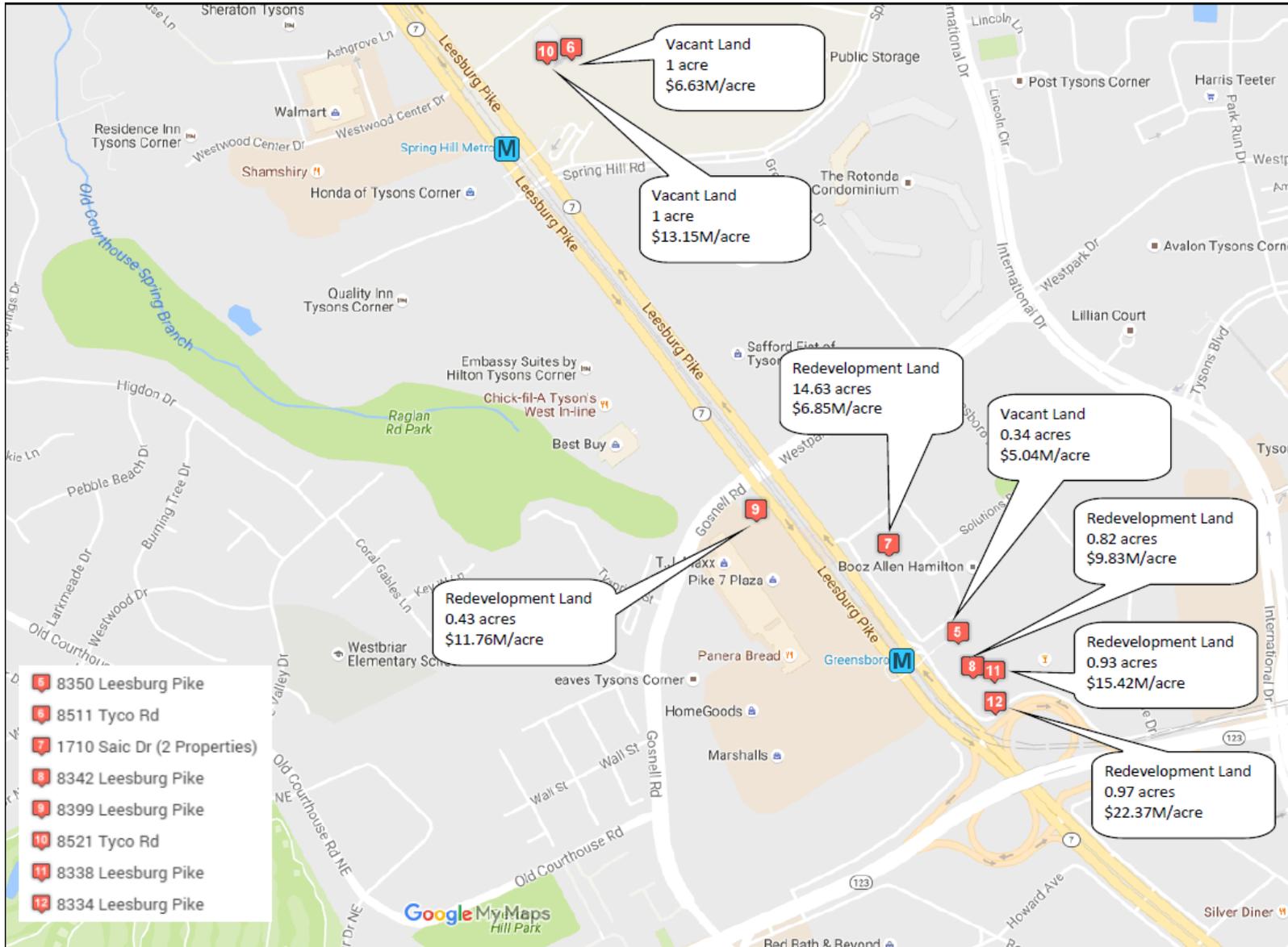


CURRENT LAND MARKET VALUES





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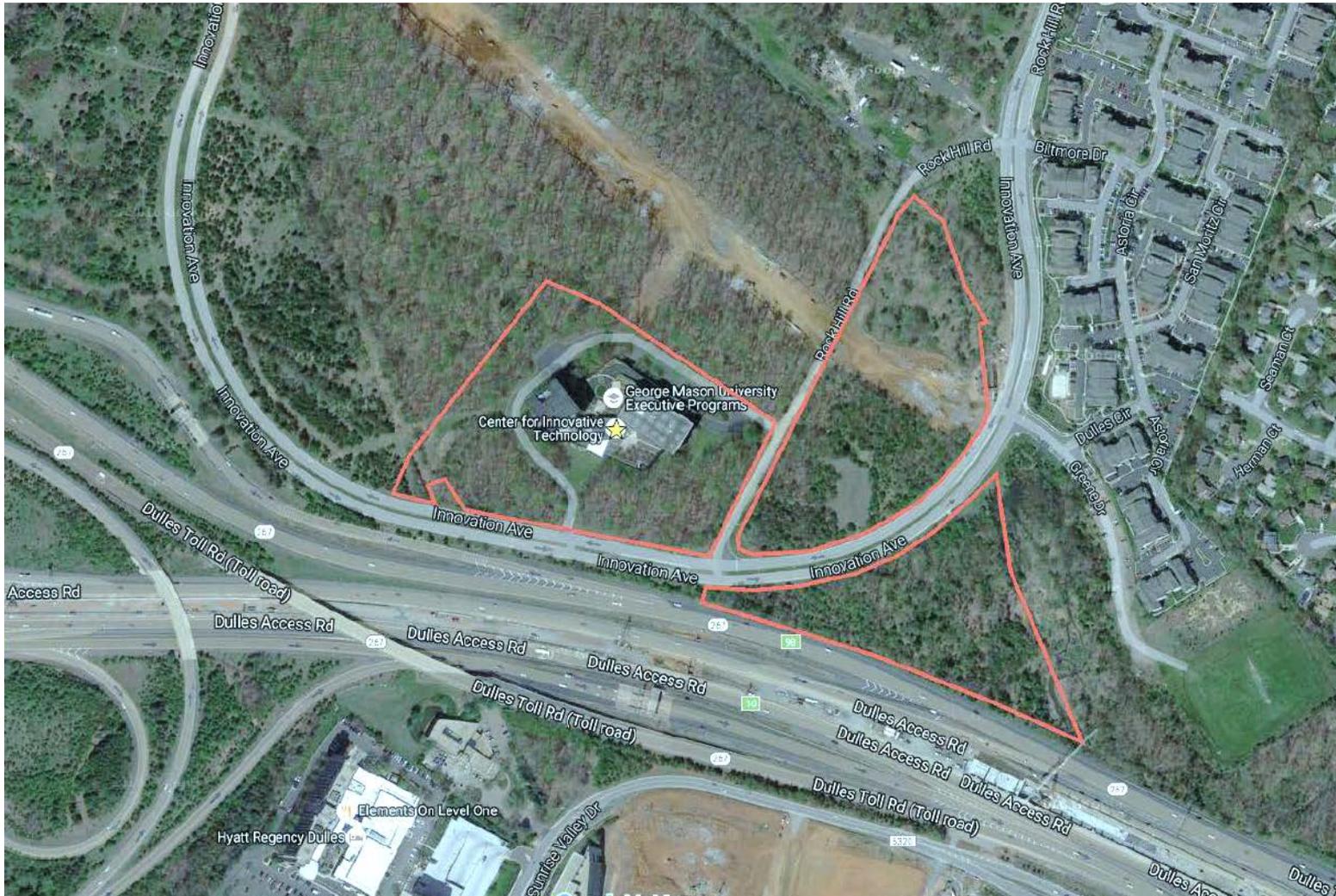


DEPARTMENT OF
GENERAL SERVICES

SURROUNDING PLANNED DEVELOPMENT



Relocation of Innovation Avenue





The Hub – formally known as the Dulles World Center:

- **Location:** Adjacent to the CIT property
- **Details:** 5.5 million square foot development
 - 400,000 square feet of retail space
 - 1,265 multifamily units
 - 350 hotel rooms
 - 3.5 million square feet of office space
- **Timeline:** Development underway by 2020

Source: www.bisnow.com/washington-dc/news/commercial-real-estate June 15, 2016



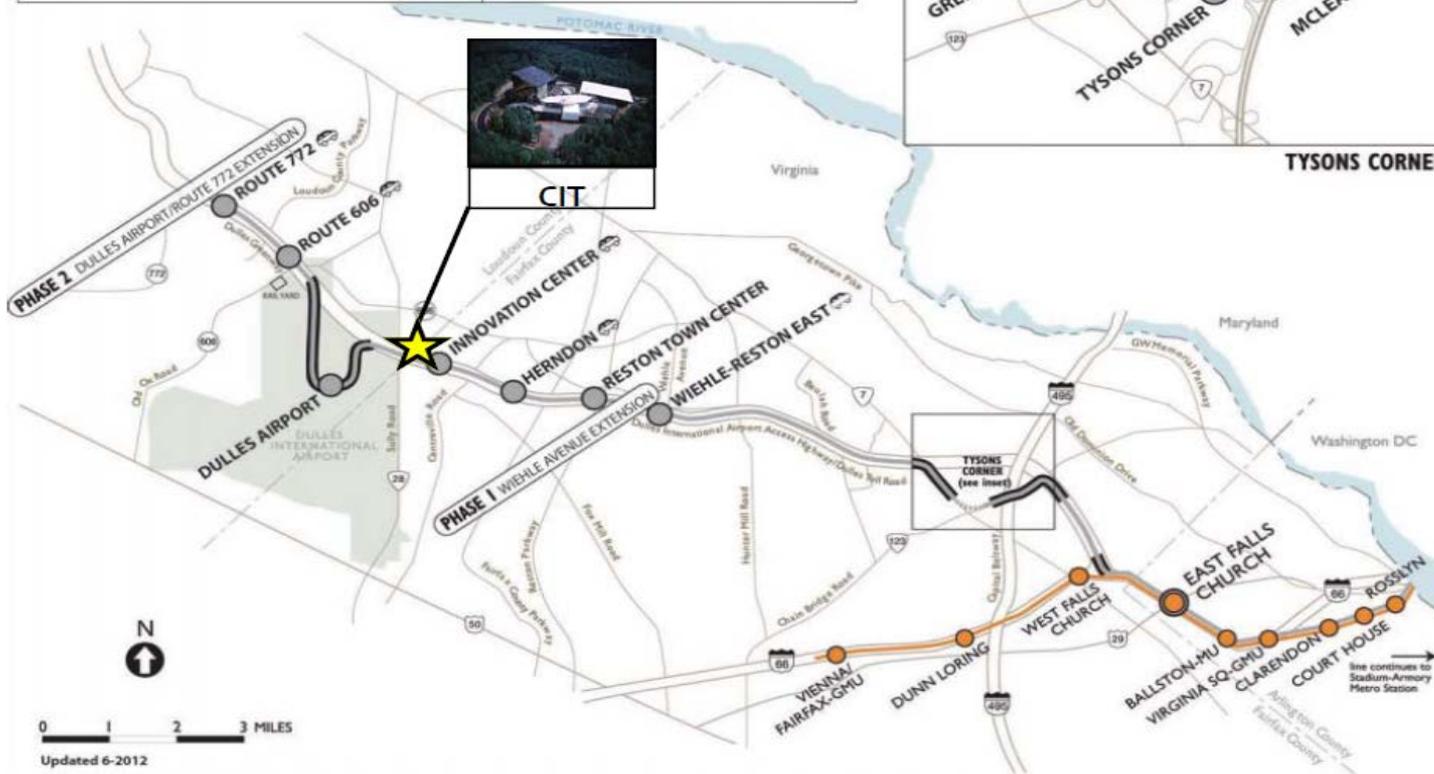
DEPARTMENT OF
GENERAL SERVICES

DULLES CORRIDOR METRORAIL EXTENSION



LEGEND

- Existing Orange Line Track and Station
- Transfer Station
- Parking
- New Station
- Partially Below Surface Station
- Surface Track
- Elevated Track
- Underground Track

Innovation Center Station

- Pedestrian Bridge
- Bus stop
- Kiss & Ride
- Bike & Lockers
- 2,000 parking spaces on the south side of the Metrorail
- Phase 2 opening early 2020

0 1 2 3 MILES
Updated 6-2012



Conveyances listed in the title report and the consideration amounts listed in the deeds:

- **March 5, 2016:** Dedicated **1.10099 acres** to Board of Supervisors of Fairfax County for Dulles Corridor Metrorail Project and **1.38994 acre** permanent ingress-egress easement and a storm sewer easement.
 - Consideration: \$1.00 and density credits
- **April 14, 2013:** Dedicated approximately **1.233 acres** to VDOT for public street purposes (permanent drainage easement).
 - Consideration: \$1.00
- **October 29, 2010:** Dedicated approximately **8.52129 acres** to VDOT for public street purposes (Innovation Ave) .
 - Consideration: \$1.00
- **February 5, 1998:** Dedicated **2.1062 acres** to Board of Supervisors of Fairfax County for public street purposes and a storm water easement.
 - Consideration: \$1.00

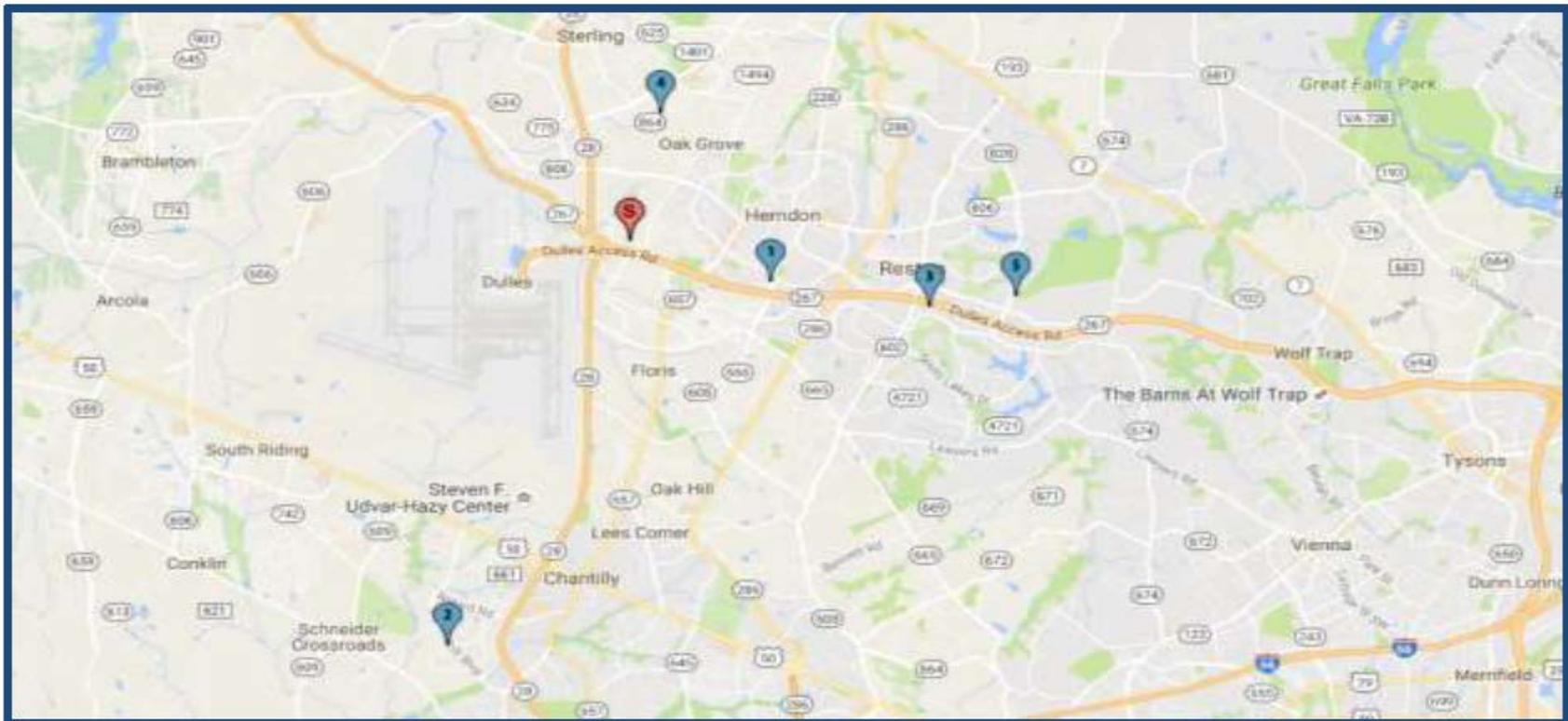
CURRENT IMPROVED PROPERTY MARKET VALUES



Improved Sales Summary

Comp. No.	Date of Sale	Property Name	Location	Municipality, State	Year Built	Net Rentable Area	Unadjusted Sale Price	PSF
1	March-16	The Atrium at Worldgate	205 Van Buren Street	Herndon, Virginia	1988	129,368	\$19,650,000	\$151.89
2	April-15	Independence Center 2	15040 Conference Center Drive	Chantilly, Virginia	2006	115,563	\$27,500,000	\$237.97
3	December-14	Reston Square @ Reston Heights	11790 Sunrise Valley Drive	Reston, Virginia	2007	139,071	\$48,000,000	\$345.15
4	July-14	Rockwell Collins Building	22640 Davis Drive	Sterling, Virginia	2011	178,234	\$39,050,000	\$219.09
5	June-14		1775 Wiehle Avenue	Reston, Virginia	2001	130,048	\$41,000,000	\$315.27

COMPARABLE SALES MAP



RENT ROLL FOR TOWER



Tower Building						
Suite No.	Tenant	Start Date	End Date	RSF	Monthly Rent	PSF Rate
100	Intelligence Consulting Enterprise Solutions, Inc.	04/28/2016	05/31/2019	3,539	\$ 6,636.00	\$ 22.50
110	International Electronic Manufacturing Initiative, Inc.	07/01/2005	6/30/2016*	1,800	\$ 3,975.00	\$ 26.50
200	BNL, Inc.	12/01/2011	11/30/2016	3,300	\$ 6,000.00	\$ 21.82
201	Foreground Security	01/09/2012	08/31/2017	3,446	\$ 7,414.00	\$ 25.82
300	Northern VA Technology Council	12/01/1997	06/30/2022	7,406	\$ 8,899.20	\$ 14.42
400	Vacant**			8,093		\$ -
500	BNL, Inc.	05/01/2016	04/30/2019	3,063	\$ 5,568.00	\$ 21.81
501	Axios Systems, Inc.	03/03/2009	05/31/2018	3,506	\$ 7,614.00	\$ 26.06
501a	Vacant			774		\$ -
502	DHK Enterprises, Inc.**	01/02/2012	12/31/2017	1,348	\$ 2,709.00	\$ 24.12
600	Center for Innovative Technology	07/01/1988	06/30/2018	19,880	\$ -	\$ -
P1-010	Open Mind Systems, Inc.	03/18/2014	07/31/2016*	297	\$ 900.00	\$ 36.36
P2-020	US Data Forensics, LLC	05/01/2012	04/30/2017	850	\$ 1,382.00	\$ 19.51
P3-003	Vacant			664	\$ -	\$ -
P3-001	Management offices ***			846	\$ 1,480.50	\$ 21.00
Cellar	Verizon	09/01/1988	08/31/2018	1,000	\$ 1,037.58	\$ 12.45
				50,281		
					\$ 53,615.28	
						\$ 20.21
						\$24 - \$26
* Amendment for extension pending						
** RSF being verified						
*** Verifying agreement terms.						



RENT ROLL FOR MIDRISE



Midrise Building						
Suite No.	Tenant	Start Date	End Date	RSF	Monthly Rent	PSF Rate
1st floor	Corridor common area			2,167		
150	Foreground Security	04/01/2014	07/31/2017	8,126	\$ 16,321.45	\$ 24.10
160	Vacant/Cypherpath*			3,680	\$ 3,053.46	\$ 9.96
165	Foreground Security	09/24/2012	07/31/2017	1,500	\$ 3,257.00	\$ 26.06
170	Vacant			1,173	\$ -	
180	ESTA International, LLC	09/01/2012	09/01/2018	1,300	\$ 2,463.30	\$ 22.74
190	Xavient	07/02/2012	07/01/2017	2,500	\$ 4,909.43	\$ 23.57
250	Edgeone, LLC	05/19/2014	05/31/2017	1,664	\$ 2,947.00	\$ 21.25
260	Vacant			4,177	\$ -	\$ -
265	ECIA, Inc.	02/14/2014	01/31/2017	1,674	\$ 3,661.45	\$ 26.25
270	Mach37 Cyber Accelerator	07/01/2013	06/30/2020	7,611	\$ 10,700.00	\$ 16.87
280	Vacant			5,320	\$ -	\$ -
350	Honeywell	05/15/2012	07/31/2019	7,515	\$ 19,740.93	\$ 31.52
355	Honeywell	08/20/2014	07/31/2019	5,362	\$ 9,573.18	\$ 21.42
360 & 370	Honeywell		07/31/2019	4,369	\$ 7,798.67	\$ 21.42
380	Children's Science Center**			1,600	\$ 3,213.68	\$ 24.10
390	IT Vertex/Diligent Group	09/05/2014	08/31/2017	1,600	\$ 3,243.00	\$ 24.32
				48,501		
					\$ 90,882.55	
						\$ 22.49
						\$24 - \$26

* Rent collected from Cyperpath. Verifying lease documentation.

** Rent collected from CSC, space to be occupied by Honeywell, verifying lease documentation.



Midrise:

- **Mach37** 7,611 square feet \$15.77/SF
(Cybersecurity Accelerator Incubator)

Tower:

- **CIT** 19,880 square feet \$0/SF

Total Staff on-site: 33



PROJECTED CAPITAL REQUIREMENTS OVER NEXT TEN YEARS



Year	Expenditure *	Description
Immediate	\$12,500	Testing Garage & Roof
2016	1,379,700	Parking Garage & Building Exterior
2017	2,708,580	HVAC, Electrical & Elevators
2018	668,014	HVAC & Restrooms
2019	186,916	Interior Finishes
2020	128,750	Interior Finishes
2021	866,301	Parking Garage & Building Exterior
2022	94,606	Exterior Windows
2023	35,000	Electrical
2024	115,250	Fire Systems
2025	<u>2,877,721</u>	Plaza Decks
Total	\$9,073,338	

* Prepared by Faithful & Gould, Report of Property Condition Assessment, 10/9/2015



Profit & Loss Budget Performance for Tower/Midrise Combined Annual Budget

Total Income \$1,620,367.15

Total Expenses* \$1,617,164.29

Net Income \$3,202.86

*Includes Repairs & Maintenance amount of \$80,580



Summary of space needs:

- DGS available to assist CIT relocation efforts
 - Space needs
 - Location requirements
 - Transaction negotiations
- Estimated need for 33 CIT staff
 - Offices
 - Auditorium
 - Training Room
 - Parking
 - IT requirements
- Total estimated need to be 8,000 - 10,000 square feet based upon DGS space guidelines



Assuming 10,000 square feet of space is required by CIT:

- General office moving expenses are around \$4.00 PSF
- Computer relocation and server relocation expenses are unknown
- Furniture expense are between \$20 and \$30 PSF
 - DGS Surplus furniture may be an economical option



1. The Comps for 8-10,000 square feet of Full Service Class B Office Space, for a 5 year term, in the following markets are:
 - o Northern Virginia Tech Corridor - \$22.50 per square foot
 - o Richmond - \$18.50 per square foot
 - o Hampton Roads - \$19.50 per square foot
 - o Roanoke - \$ 17.50 per square foot
2. Remain in building and negotiate discounted lease as a condition of sale of the property
3. Relocate to surplus owned Commonwealth real estate facility