

# OFFERING MEMORANDUM

## PROSPECT 101

**41,169 S/F OFFICE/RESTAURANT INVESTMENT**

**101 E. Milwaukee St. Janesville, WI 53545**



### INVESTMENT OVERVIEW

Artisan Graham Real Estate is pleased to bring to market this premier office building in downtown Janesville, Wisconsin. This building, known as “Prospect 101”, is located at the prominent intersection of E. Milwaukee and Main St., right in the heart of downtown. This heavily trafficked “Central Business District” location makes Prospect 101 one of the most recognizable buildings in the city. The building sits adjacent (and connected) to a public parking ramp which provides 286 free parking stalls for tenants, clients, visitors and diners. This property is comprised of 6 floors, 41,169 s/f with office space on floors 2-6 and a wildly successful restaurant on the first floor.

This property is being offered at a 7.7% Cap Rate based on existing rents and pending leases. Given the low price per s/f (\$60.73), below market rents, and the continued redevelopment of the downtown Janesville CBD, this property is a perfect addition to any real estate investor portfolio.



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# FOR SALE

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### JANESVILLE, WISCONSIN

Downtown Janesville is a vibrant part of the Janesville community where commerce, culture, entertainment and history intersect. Nestled around the Rock River and on a backdrop of beautiful historic architecture, the amenities in downtown Janesville provide fun opportunities for everyone. The downtown stretches from Rotary Botanical Gardens at the south end to the Rock County Historical Society campus at the north, and is home to the Janesville Performing Arts Center, Hedberg Public Library, the Janesville Senior Center, an endless array of dining and shopping options, and many other attractions. Accommodations include the Cobblestone Hotel & Suites and Guardian Angel Bed & Breakfast, and you can enjoy live music and other activities at outdoor venues including Janesville's Town Square and the Marvin W. Roth Community Pavilion. Wander the area to see an array of artwork, including sculptures by O.V. Shaffer and more than a dozen outdoor wall murals. Each year Downtown Janesville sees the return of spectacular events, including Art Infusion in September, the Janesville Farmers Market from May through October, Janesville Town Square Gran Prix in June, Downtown Wine Walks in spring and fall , and Music at the Marv throughout the Summer.



### OFFERING SUMMARY

**Offering Price:** **\$2,500,000**

**Tour Guidelines:** Tours by appointment only. Please contact Jeff Hoeye to schedule property tours. Minimum 24 hour notice must be provided.

**Offering Guidelines:** Offers or Letters of Intent (LOI) should include at minimum:

- Purchase Price
- Earnest Money
- Due Diligence Period
- Contingencies
- Closing Date

**Direct Questions and Offers To:** **Jeff Hoeye**  
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### INTERIOR PHOTOS



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### EXTERIOR PHOTOS



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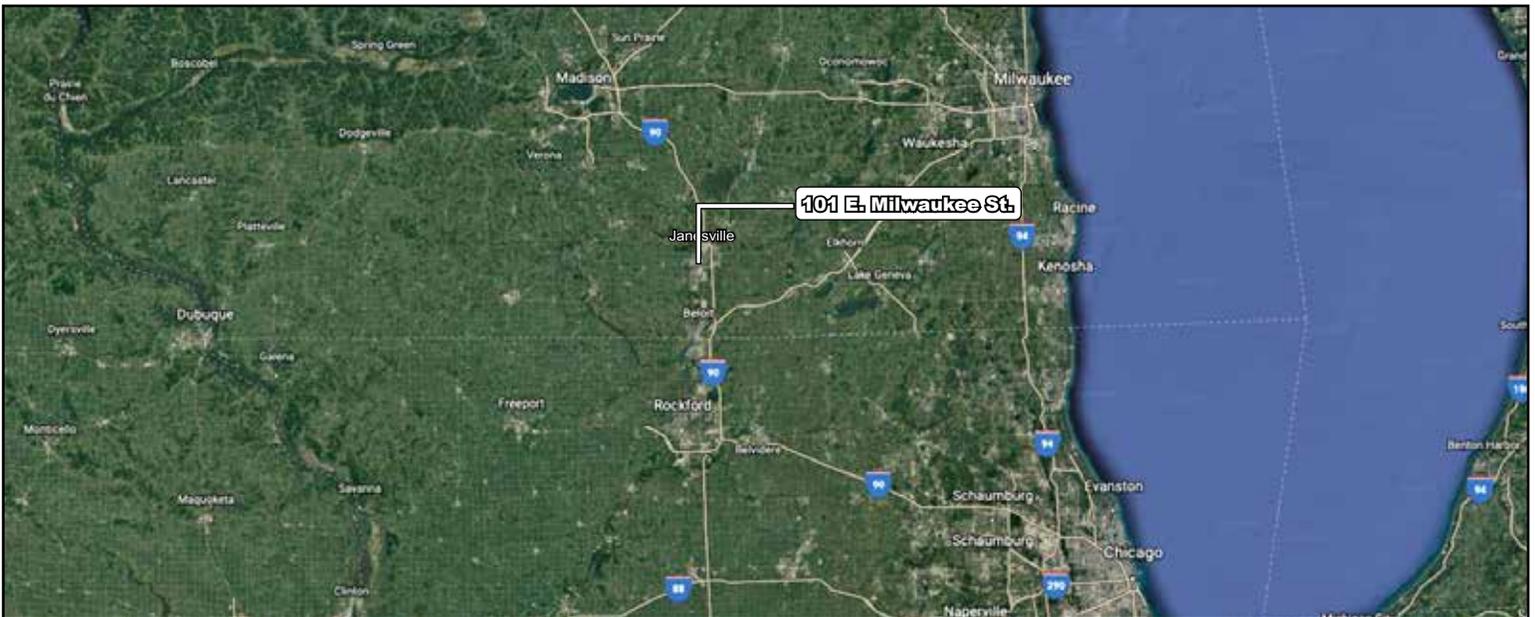
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### MAP / LOCATION



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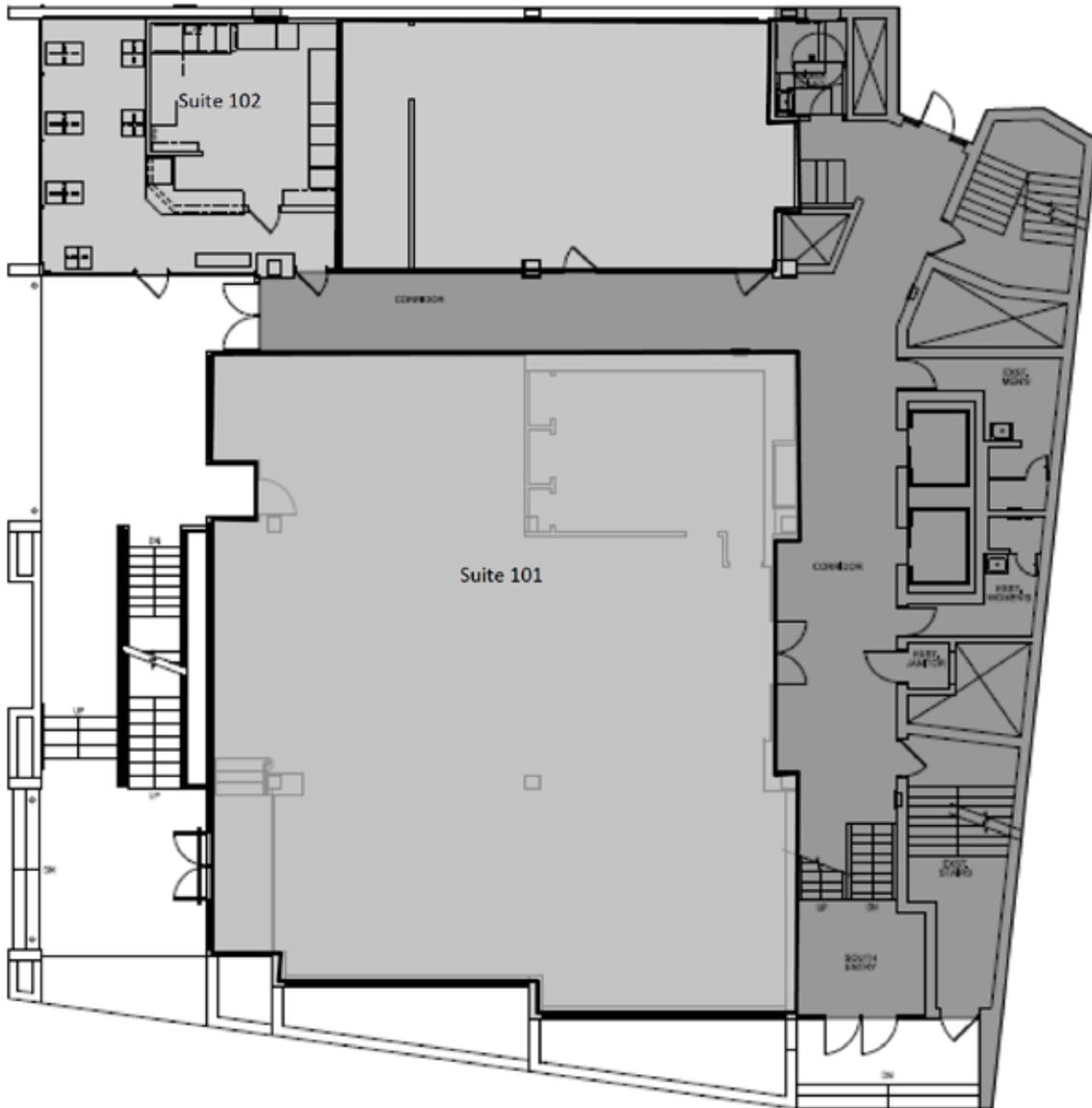
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### 1st Floor



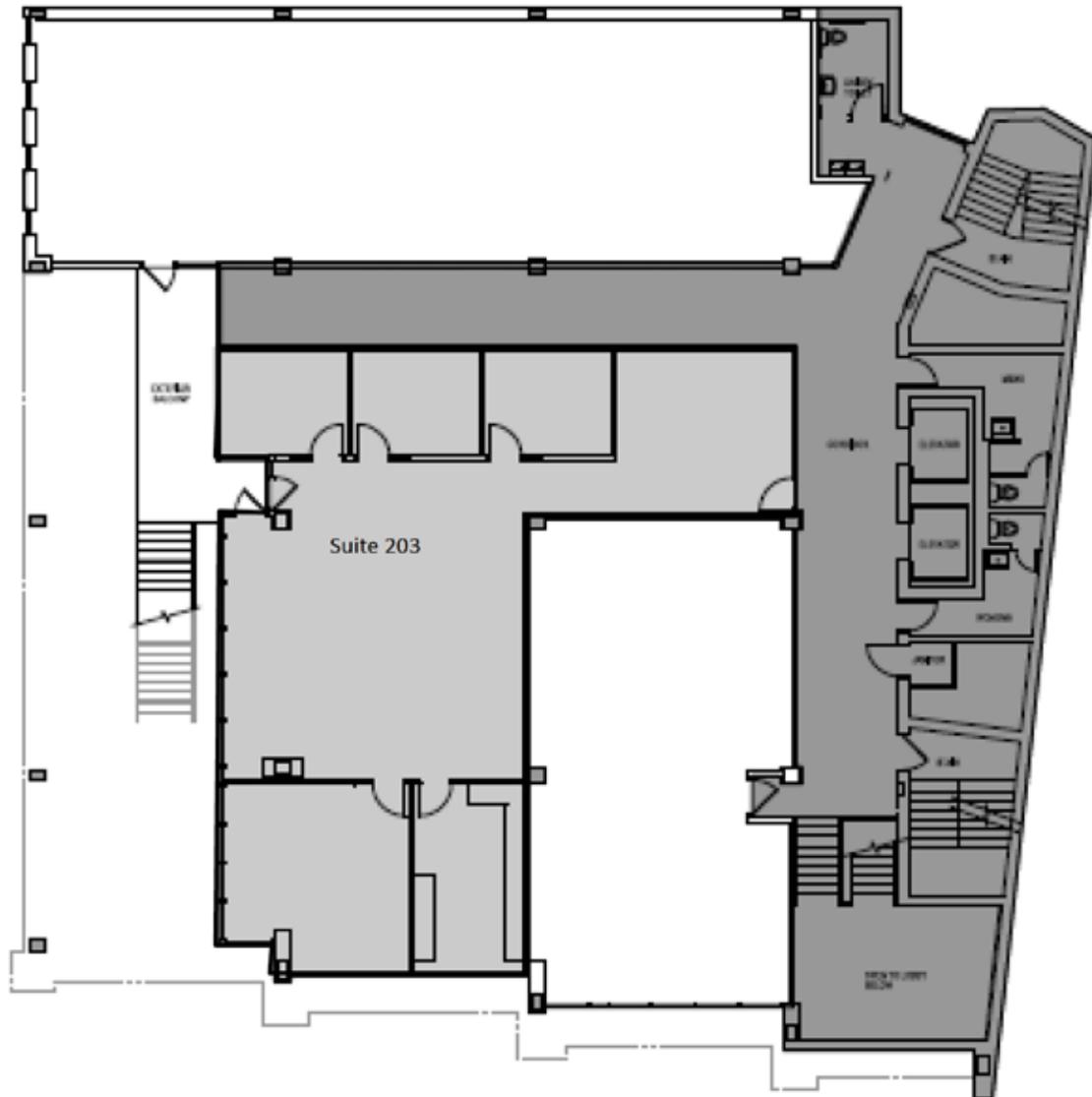
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### 2nd Floor



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### 3rd Floor



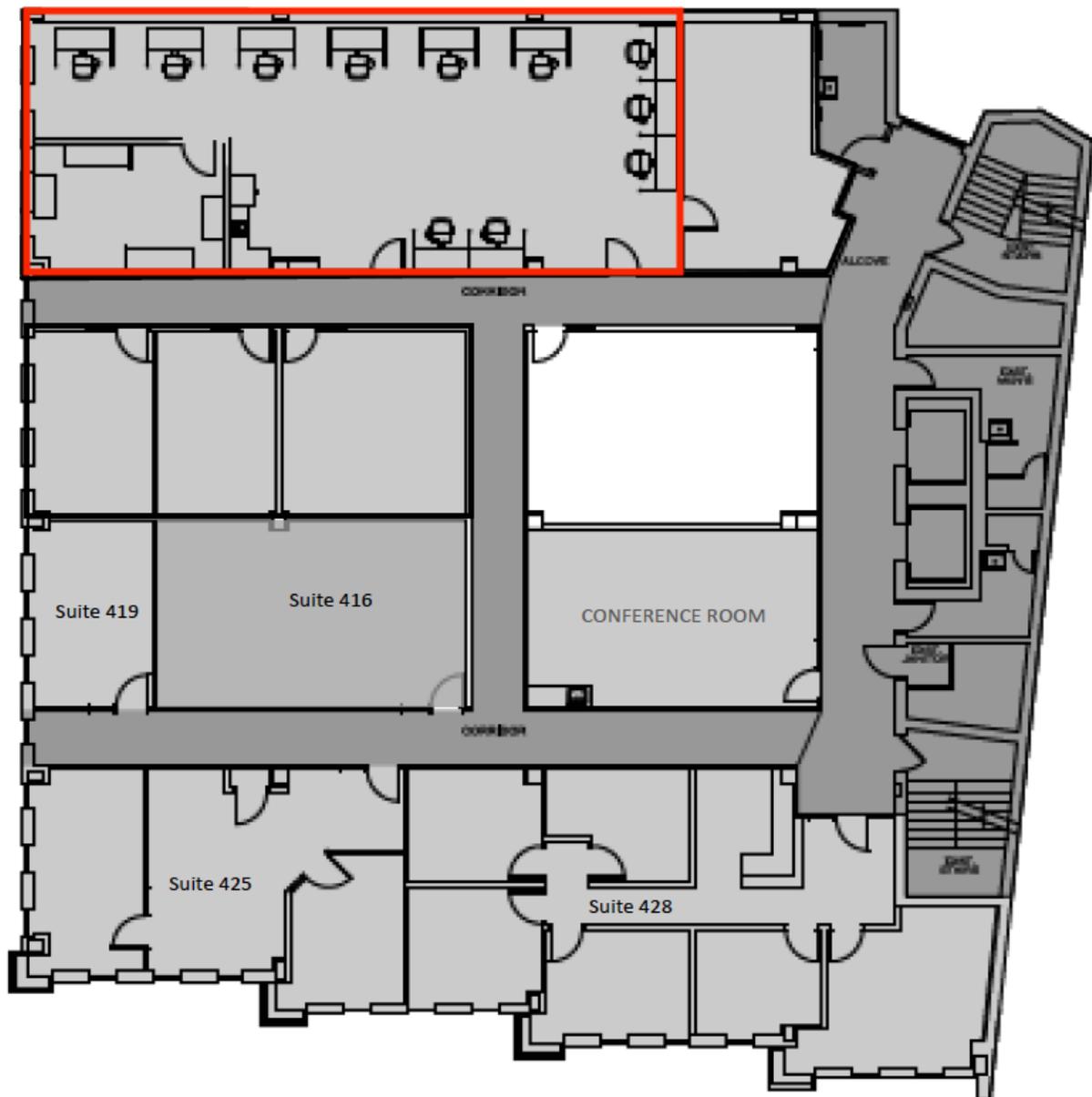
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### 4th Floor



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### 5th Floor



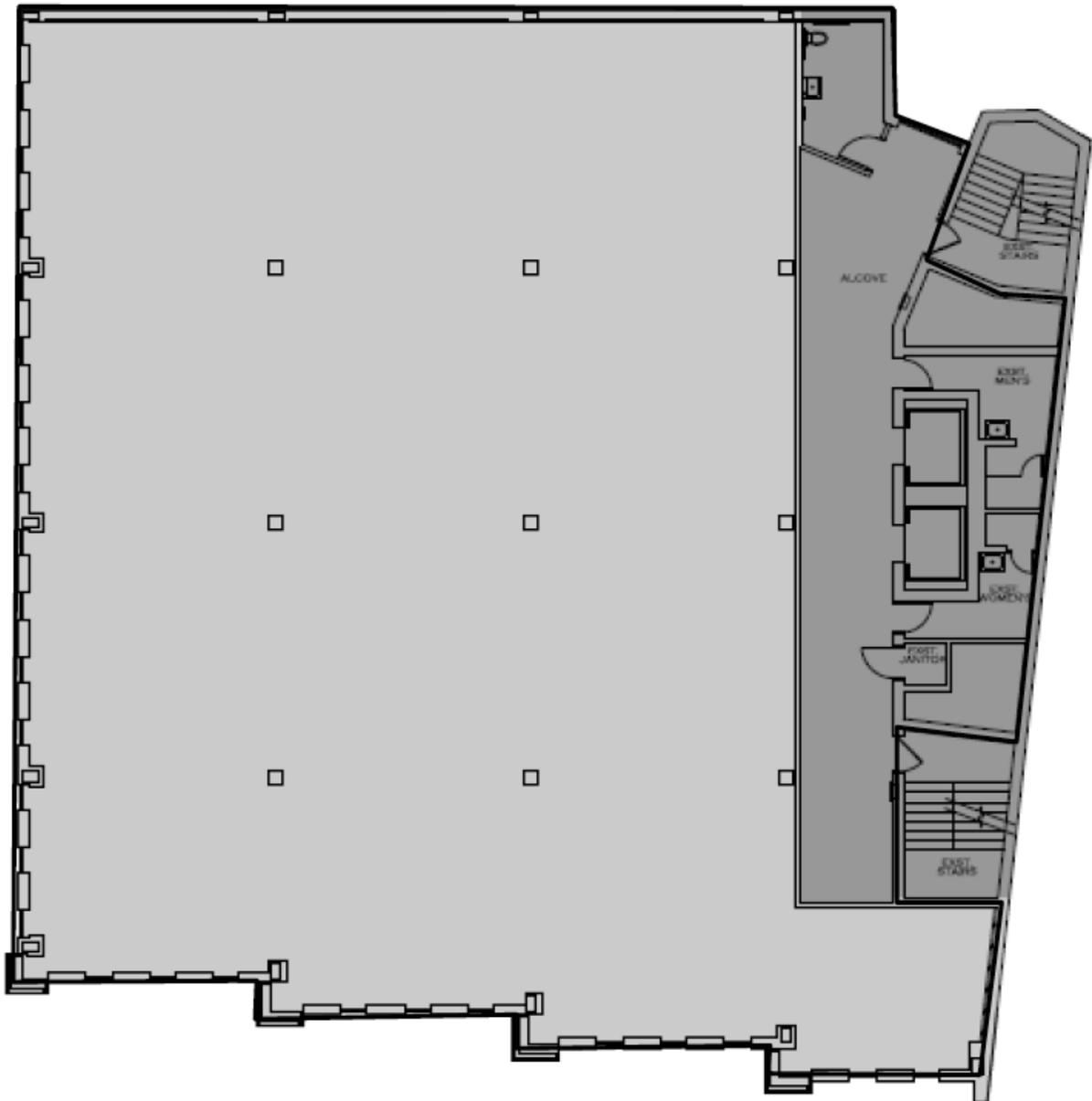
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### 6th Floor



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### Rock County Submarket Summary

The vacancy rate has risen significantly over the past 12 months, but at 3.6%, the rate was substantially below the 10-year average as of 2021Q2.

Annual net absorption came in at a decrease of 54,000 SF over the past year. The story improves over a longer timeframe: Over the past five years, the submarket has posted net absorption of about 36,000 SF per year, on average. Rents fell by 2.1% over the past year. Things do look somewhat better longer timescale, however, as rents have managed an average annual gain of 1.1% per year over the past 10 years.

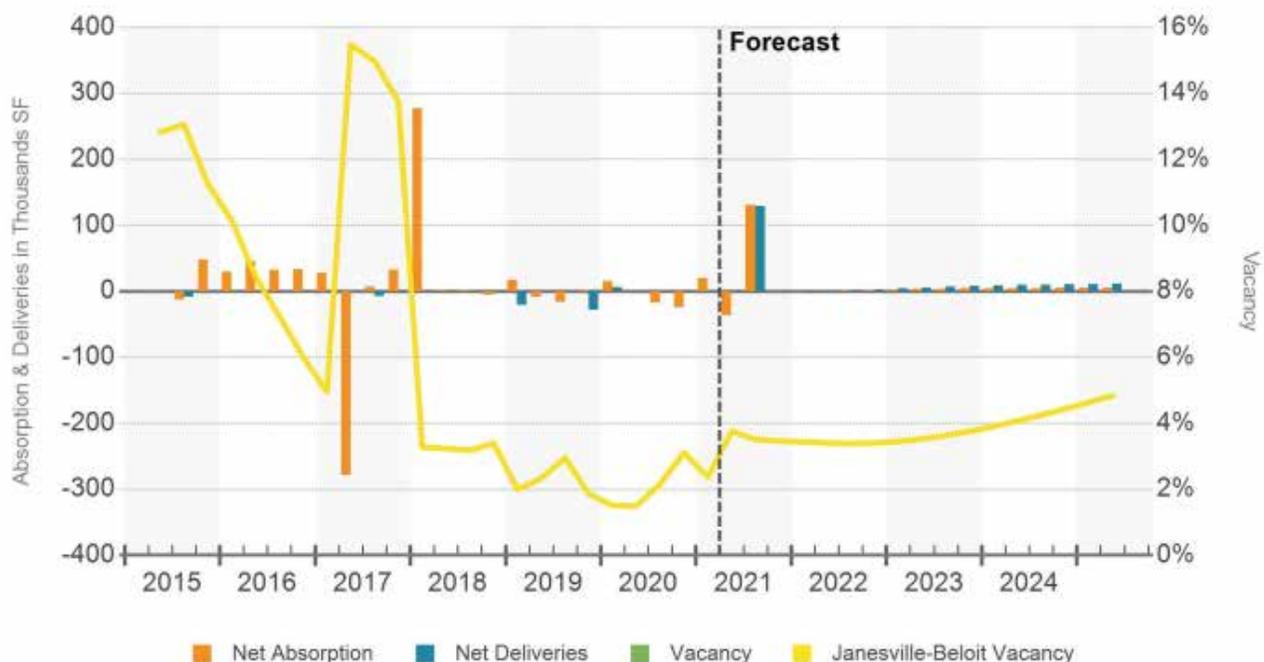
The 130,000 SF currently underway in Rock County represents a significant expansion to the

inventory. While this is not the only construction the submarket has seen in recent memory, it does represent a turnabout from the overall trend. Specifically, the inventory has contracted over the past 10 years, as demolition activity has outpaced new construction.

This has been a somewhat active submarket for office transactions in recent years, and the number of properties sold in the past year has surpassed the three-year average. The coronavirus remains a major disrupter to the economy at large and creates profound uncertainty in many markets. The effects of the pandemic could already be impacting the submarket's key metrics which indicates a strong and potentially fast recovery for the submarket.



#### NET ABSORPTION, NET DELIVERIES & VACANCY



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# CONFIDENTIALITY

ARTISAN GRAHAM REAL ESTATE (“AGENT”) HAS BEEN ENGAGED AS AN AGENT FOR THE SALE OF 101 E. MILWAUKEE. STREET, JANESVILLE, WISCONSIN (THE “PROPERTY”).

Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. Neither the enclosed materials, nor any information contained herein, are to be used for any other purpose, or made available to any other person, without the express written consent of the Seller.

The enclosed materials are being provided solely to facilitate the Prospective Purchaser’s own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, expressed or implied, is being made by Agent or Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners, and directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither Agent nor Seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein or any other written or oral communication or information transmitted or made available or any action taken or decision made by the recipient with respect to the Property. Interested parties are to make their own investigations, projections, and conclusions without reliance upon the material contained herein.

Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Seller and Agent each expressly reserves the right, at its sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions, correction of errors, change of price or other terms, prior to sale, or withdrawal from the market without notice. Agent is not authorized to make representations or agreements on behalf of the Seller. Seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered, and approved by Owner and any conditions to Owner’s obligations hereunder have been satisfied or waived.

**By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a confidential nature and will be held in the strictest confidence; (b) the recipient shall not contact employees of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of Seller or Agent; (c) the recipient shall make no attempt to visit the Property and/or grounds without the prior approval of Seller or Agent; and (d) no portion of the enclosed materials may be reproduced without the prior authorization of Seller or Agent.**

Seller shall be responsible for any commission due to Agent of Seller in connection with a sale of the Property. Each Prospective Purchaser shall be responsible for any claims for commission by any other broker including agent of Purchaser in connection with a sale of the Property if such claims arise from acts of such Prospective Purchaser or its broker/agent unless formally registered.



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# STATE OF WISCONSIN BROKER DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

**Wisconsin law requires all real estate licensees to give the following information about brokerage services to prospective customers.**

Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the following disclosure statement.

## **BROKER DISCLOSURE TO CUSTOMERS**

You are the customer of the brokerage firm (hereinafter Firm). The Firm is either an agent of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A broker or a salesperson acting on behalf of the Firm, may provide brokerage services to you. Whenever the Firm is providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the customer, the following duties:

- The duty to provide brokerage services to you fairly and honestly.
- The duty to exercise reasonable skill and care in providing brokerage services to you.
- The duty to provide you with accurate information about market conditions within a reasonable time if you request it, unless disclosure of the information is prohibited by law.
- The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the information is prohibited by law (see "Definition of Material Adverse Facts" below).
- The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your confidential information or the confidential information of other parties (see "Confidentiality Notice To Customers" below).
- The duty to safeguard trust funds and other property held by the Firm or its Agents.
- The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the advantages and disadvantages of the proposals.

Please review this information carefully. An agent of the Firm can answer your questions about brokerage services, but if you need legal advice, tax advice, or a professional property inspection, contact an attorney, tax advisor, or property inspector.

This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a plain-language summary of a broker's duties to a customer under section 452.133 (1) of the Wisconsin statutes.

## **CONFIDENTIALITY NOTICE TO CUSTOMERS**

The Firm and its Agents will keep confidential any information given to the Firm or its Agents in confidence, or any information obtained by the Firm or its Agents that a reasonable person would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the Firm is no longer providing brokerage services to you.

The following information is required to be disclosed by law:

1. Material Adverse Facts, as defined in section 452.01 (5g) of the Wisconsin statutes (see "definition of material adverse facts" below).
2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection report on the property or real estate that is the subject of the transaction.

To ensure that the Firm and its Agents is aware of what specific information you consider confidential, you may list that information below or provide that information to the Firm or its Agents by other means. At a later time, you may also provide the Firm or its Agents with other information that you consider to be confidential.

CONFIDENTIAL INFORMATION: \_\_\_\_\_

NON-CONFIDENTIAL INFORMATION (The following information may be disclosed by the Firm and its Agents): \_\_\_\_\_

(INSERT INFORMATION YOU AUTHORIZE TO BE DISCLOSED SUCH AS FINANCIAL QUALIFICATION INFORMATION)

## **SEX OFFENDER REGISTRY**

Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at <http://www.doc.wi.gov/> or by phone at 608-240-5830.

## **DEFINITION OF MATERIAL ADVERSE FACTS**

A "Material Adverse Fact" is defined in Wis. Stat. 452.01 (5g) as an adverse fact that a party indicates is of such significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction or affects or would affect the party's decision about the terms of such a contract or agreement.

An "Adverse Fact" is defined in Wis. Stat. 452.01 (1e) as a condition or occurrence that a competent licensee generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a contract or agreement made concerning the transaction.

No representation is made as to the legal validity of any provision or the adequacy of any provision on any specific transaction.



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