

RFP Bid

For The Development of City Owned Property

315-335 Record St



Marmot Properties LLC

July 16, 2024

Transmittal/Cover Letter

Batuhan Zadeh, Managing Member

Marmot Properties

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City of Reno

315-335 Record Street RFP Review Committee

Reno, NV 89501

Dear Review Committee Members,

RE: Request for Proposals for the Development of City-Owned Property at 315-335 Record Street

Marmot Properties, led by Managing Member Batuhan Zadeh, is pleased to submit this proposal for the purchase and redevelopment of the property located at 315-335 Record Street. We are committed to transforming this space into a Class A serviced office space, specifically targeting non-profits and public-benefiting entities. Our goal is to lease this space at 50% of the market value rent, providing an affordable option for organizations that contribute positively to our community.

Sincerely,

Batuhan Zadeh

Managing Member

Marmot Properties



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PROPERTIES**



Marmot Properties LLC

EIN: 26-3500164

22 W Taylor St, Reno NV 89509

For the Development of City Owned Property 315-335 Record St

Proposal Submission

July 16, 2023

Project Concept and Development Overview

Vision for Reactivation and Economic Development:

Our vision for the 315-335 Record Street property is to repurpose the existing structures into high-quality, Class A serviced office spaces and lease them at 50% of market rate rent. These spaces will cater to non-profits and public-benefiting entities, offering them affordable, modern, and functional office environments. The building will be equipped with all necessary amenities, including elevators, high-speed internet, and shared conference facilities, to ensure that our tenants can operate efficiently and comfortably.

Address City and State Goals and Objectives

Placemaking and Quality of Life:

By providing affordable office space to nonprofits and public-benefiting entities, our project will directly enhance the quality of life in Reno. These organizations often provide essential services

to the community, including education, healthcare, and social support, thereby fostering a more vibrant and supportive urban environment.

Sustainability:

Our project will focus on sustainability by preserving and repurposing the existing building, avoiding the environmental impact associated with demolition and new construction. The remodel will include energy-efficient systems and materials to minimize the building's carbon footprint and ensure long-term sustainability.

Economic Viability:

Despite offering reduced rental rates, the economic viability of this project is ensured through strategic financial planning and leveraging our expertise in property management and development. Our long-standing relationships with local tenants and our understanding of market demand for non-profit office space ensure that the building will achieve full occupancy quickly, providing a stable and sustainable revenue stream.

Attractive and Vibrant Neighborhood Improvement:

Transforming a currently underutilized building into a bustling hub of non-profit activity will significantly enhance the neighborhood's attractiveness and vibrancy. The influx of organizations and their employees will increase foot traffic, stimulate local businesses, and contribute to a safer, more dynamic community atmosphere.

Team Experience

Team Overview:

Our team at Marmot Properties LLC, led by Batuhan Zadeh, includes experienced professionals dedicated to real estate development, property management, and construction. We have a proven track record of successfully revitalizing properties and managing large-scale projects. We are local licensed Real Estate Brokers, Commercial B-2 licensed General Contractors, and licensed Real Estate Property Managers.

Our Team



Batuhan Zadeh: Reno transplant for over 10 years, Batuhan has opened multiple local businesses of his own including Hookava and Pizzava, as well as helped many local business tenants come to life. General Contractor, Broker and Property Manager license holder of Marmot Properties. Batuhan has over a dozen successful local projects between Downtown and Midtown Reno.

Stefano Hristov: Moving to Reno at an extremely early age from Bulgaria, Stefano has been with Marmot Properties over 10 years leading the property management and design team. Stefano has a keen eye for design, and heightened personal skills to ensure our tenants have a high quality service.

Josh Moseley: Alaska native and UNR Graduate, Josh stayed in Reno after graduation from University of Nevada Reno with a focus in mechanical engineering. Josh worked on many large local projects, including the Atrium in Sparks and the Panasonic office building on Plumb. Josh now leads the construction team at Marmot Properties.

Track Record:

1. **SantaFeBuildingRestoration:** We revitalized the historic Santa Fe building, close to the Record Street property, and re-opened a long-term historic Basque restaurant within it.
2. **Shoshone Bottling Plant (Junkee Building):** We purchased and are currently renovating the historic Shoshone bottling plant in Midtown Reno, bringing it back to life with vibrant businesses while maintaining its historic charm.

Our Projects



121 Vesta

This project is a 44 unit, 4 story new construction. We demo'd a large steel/concrete building, and erected this new apartment building. Target completion date is Q4 of 2024. The first floor contains a new local coffee shop, electric car charging, and more.



960 S Virginia St

We purchased the historic old Junkee Building, which used to be the Shoshone Bottle Plant, and the Resco Restaurant Equipment company. This is the future home of our development office, and we will add 6 retail units to the first floor.



100 N Arlington

We successfully purchased the first floor of Arlington Towers with over 50% vacancy for a total \$1m, renovated and rented the vacant units, and refinanced the building at a \$2.55m valuation 8 months later.



22 Hillcrest Dr

22 Hillcrest Dr has 10 individual business retail units. We purchased at a standing 7.5cap rate with average \$1.20/sqft rents, repositioned the building to \$2.50/sqft rents and will be going on the market for sale soon. The property went a full renovation.



307 Pine St

307 Pine St is a 12 unit multifamily new construction building that was fit into a small parcel. Reaching 4 stories high, the property has a penthouse two story floor for 4 of its 12 units, giving the most luxurious lifestyle in Midtown. Podium off street parking.



235 Lake St

The Santa Fe Building
Purchased in December 2023, Santa Fe building underwent a historic renovation process and stabilized to be a long term Downtown Reno asset. Purchased for \$1.9m, recently appraised at \$5.35m.



120 Court St

17 Unit Apartment Building. 120 Court St was purchased for \$2.5m, renovated in 5 months, sold 8 months into purchase for \$4.2m. Located in Downtown Reno, the property has been brought back to life and will continue to be a key downtown asset.



778 Forest St

778 Forest St is a 10 unit apartment building that was purchased for \$1.4m and sold for \$2.55m exactly 12 months and 1 week later to capture long term capital gains. The property was fully renovated inside and out, leased and sold to a Californian investor.



255 W Moana Ln

This property was purchased with over 65% vacancy for \$1.7m, renovated, leased and sold 16 months later for \$4m. We renovated the property inside and out, placed tenants that are still in the building years later, and sold to a large national family fund.



890 Gentry Way

This property is a 12,000sqft industrial flex building which was purchased for \$1.2m. We recently rented the building for \$1.25/sqft + NNN and are listed on the market at a 6.1cap value of \$2.95m. The construction and renting process took 6 months from closing purchase.

Design

Conceptual New Construction or Rehabilitation Design:

We will retain the existing height, size, and design of the building while performing a full gut remodel to create modern, efficient office spaces. Conceptual elevations and site plans will be provided to illustrate the proposed interior layout and functionality.

Proposed Changes to Existing Zoning or Design Constraints:

No changes to existing zoning or design constraints are necessary for this project.

Parking:

The existing parking facilities will be maintained. If additional parking is required, we will consider constructing a parking garage to accommodate future needs.

Energy Efficiency:

The project will incorporate energy-efficient HVAC systems, LED lighting, and water-saving fixtures. We aim to achieve LEED certification, reflecting our commitment to sustainability and energy efficiency.

Amenities:

A comprehensive landscaping package will be implemented, including green spaces and outdoor seating areas to enhance the aesthetic appeal and provide a pleasant environment for tenants and visitors.

Financial Structure

Demand and Support for Pro-Forma Assumptions:

As local real estate brokers, we have in-depth knowledge of the demand for office spaces for nonprofits. We are in active conversations with multiple potential tenants and are confident in the market demand for this type of building.

Construction Budget:

We are committed to covering all costs required to bring the building to code and achieve a certificate of occupancy. Our budget will include contingencies for worst-case scenarios based on the city's documentation provided.

City Assistance:

No city funding assistance is required for this project. We will self-fund the purchase and renovations.

Operation and Management Structure:

Post-development, Marmot Properties will manage the leasing and maintenance of the property, ensuring a high standard of service for our tenants.

Proposed Offer Price

We propose an offer price of \$1 million in cash for the purchase of the 315-335 Record Street property.

Financial Capacity

Letters of Interest:

Marmot Properties will be self funding the purchase and renovations for this project. After the purchase is complete and permits are issued, we might get construction financing from a local Reno bank depending on the cost numbers coming back from a pre-construction inspection.

Other Financial Obligations:

We have no current or pending financial obligations that might impact our ability to complete this project.

Financing References:

We have used multiple local lenders for our current projects, including Alpen Mortgage, Meadows Bank, Heritage Bank, Plumas Bank, and many more in Reno. We can provide reference letters from almost every bank here locally.

Timeline

Development Schedule:

- Permitting: 4months
- Construction: 12months
- Leasing: Ongoingduringpermittingandconstructionphases,withfulloccupancy expected within 6 months post-completion

The project will be completed in one phase, with no additional phasing required.

This completes our response to the RFP for the development of the property at 315-335 Record Street. We look forward to the opportunity to partner with the City of Reno to bring this vision to life.



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