



CO L O R A D O
**HEALTH
BENEFIT**
E X C H A N G E

Customer Service Center Selection
April 22, 2013

Customer Service Center – Location Selection

- **Evaluated based on proximity, access and labor pool**
 - Pueblo
 - North Eastern Colorado
 - Western Slope
 - Colorado Springs
- **Colorado Springs selected because:**
 - Many site options
 - Great labor pool
 - Reasonable labor cost
 - Close proximity to Denver



Customer Service Center – Site Criteria

- Cost
- Age and condition of building
- Location; access to:
 - Mass transit
 - Daycare
 - Eateries
 - Labor pool
- Opportunity for expansion
- Safe neighborhood



Customer Service Center – Site Visits

- Started with 31 possible sites
- Completed 21 site visits
- Sites varied in price from \$8 to \$19/square foot, including operating expenses for Common Area Maintenance, Property Taxes and Property Insurance



Customer Service Center – Site Selected

- Located in central Colorado Springs
- 25,000 sq. feet
- Good neighborhood
- Easy access for staff
- Met all space and location requirements
- Ample parking
- Reputable management company
- Secure facility
- Ease of doing business with management company
- Cost effective



Customer Service Center– Lease Components

- **Site selected offers:**

- Excellent rate with an option to purchase
- Full control over tenant improvements
- Flexibility to sublease or expand as desired
- Annual Cost (Lease)

• Base Rent	\$4.50/square foot	\$112,500
• Annual Increases	9%	
• Operating Expenses	\$2.58/square foot	\$ 64,500
• Insurance		\$ 10,500

