



# OFFERING MEMORANDUM

ZIPS CAR WASH | 7525 Mountain Grove Knoxville, TN 37920

**RRG**  
RISER RETAIL GROUP



CONFIDENTIALITY & DISCLAIMER..... 2

OFFER PROCEDURE..... 3

INVESTMENT SUMMARY ..... 4

PROPERTY INFORMATION..... 5

PROPERTY PHOTOS ..... 6

AERIAL..... 9

TENANTPROFILE..... 10

LEASE ABSTRACT ..... 11

OPERATING INFORMATION ..... 12

10 YEAR CASH FLOW..... 13

UNLEVERAGED PRESENT VALUE ..... 14

AREA OVERVIEW ..... 15

DEMOGRAPHIC SUMMARY ..... 16

SAMPLE LOI ..... 20

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All potential buyers must take appropriate measures to verify all of the information set forth herein.

All property showings are by appointment only.  
Please consult your Riser Retail Group agent for more details.



An Investor will be selected based on the ability and willingness of the Investor to close the transaction swiftly. Investors are required to submit offers on the Letter of Intent (LOI) template (See Exhibit A). The Investor's ability to close the transaction will be evaluated using a number of factors including:

1. Available financial resources for the transaction.
2. Level of discretion to invest funds
3. Experience in closing similar transactions
4. Ability to source and place debt
5. On-site visit and inspection before contract phase
6. Willingness to accept the terms detailed in the Sellers standard (LOI)
7. Willingness to commit adequate resources necessary to close the transaction

A Letter of Intent (LOI) template (Exhibit A) is attached at the end of this package. An Investor may, at their discretion, draft and submit their own LOI stating the price and terms they are proposing. Seller reserves the right at their own discretion to accept or reject any and all offers.

Offers should include, at minimum, the following transaction framework:

1. Purchase Price
2. Earnest Money Deposit
3. Name of the Ultimate Beneficial Owner(s)/Purchaser
4. Respective Interests if More than One Owner/Partnership
5. Evidence Financial Ability to Complete the Transaction
6. Method of Financing
7. Terms and Conditions of Closing
8. Due Diligence and Closing Periods



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Please submit all offers to:

**JOHN F. RISER**  
**RISER RETAIL GROUP**  
**600 East 96th Street**  
**Suite 590**  
**Indianapolis, IN 46240**  
**Phone: 317.844.0700**  
**Fax: 317.844.0701**  
**[jriser@riserretailgroup.com](mailto:jriser@riserretailgroup.com)**

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## INVESTMENT SUMMARY

Price:	\$5,800,000
Cap Rate:	6.73%
2021 Cap Rate:	7.04%
GLA:	4,100 Sq Ft.
Lease Term:	20 Years
Site Area:	1 Acres

- Brand New 20 Year NNN Lease
- Corporate Lease Guaranty
- Annual 1.5% Rent Increases
- Strong Increasing Sales at This Location
- 2nd Largest Express Car Wash Operator
- Fastest Growing Chain in the US
- Recent Renovation in Q4 2017
- New Cutting Edge LED Lighting
- Tax Advantages to Ownership
- Bonus Depreciation in 1st Year as a Result of Recent Tax Reform
- Outparcel to Lowe's & Food City Grocery
- Adjacent to Wal-Mart & Home Depot
- Located on Main Retail Corridor
- Strong Traffic Counts
- 200,000+ People within 10 Miles







7525 Mountain Grove Knoxville, TN 37920

COUNTY:	Knox
GLA:	4,100 Square Feet
SITE AREA:	1 Acres
OWNERSHIP:	Fee Simple
TAX PARCEL ID:	137 23511
ZONING:	Commercial
YEAR BUILT:	2009 (Renovated 2017)
LEASE TYPE:	NNN
LEASE TERM:	20 Years
PARKING SPACES:	Ample
FRAMING:	Structural Steel
WINDOWS:	Plate Glass in Aluminum Frames
EXTERIOR:	EIFS
FOUNDATION:	Concrete Slab w/Spread Footings
HVAC:	Ground Mounted Units
ROOF:	Metal
PARKING LOT:	Concrete























Trade Name:	Zips Car Wash
HQ:	Jonesboro, Arkansas
Web Site:	<a href="http://www.zipscarwash.com">www.zipscarwash.com</a>
Owner:	Private
Locations:	122



Zips Car Wash is an express tunnel car wash, located in 11 states with 122 customer service centers. Zips proudly boast 130,000 monthly subscription members. Founded in 2004 in Jonesboro, Arkansas, Zips has rapidly grown its portfolio over the past couple of years making it the 2nd largest tunnel car wash company in the U.S. In 2016 alone, Zips tripled its size by adding 40 locations through the acquisitions of CarBux, Boomerang Car Wash and Splash Car Wash. Most recently, Zips acquired Snappy Express Car Wash on September 26th, 2017.

Founded on service and leadership, Zips goal is to provide the best customer service and quality wash in the industry. With the help of exceptional team members, Zips makes sure their customers are satisfied with a shining, like-new ride. Zips' technological advancements have allowed them to provide a safe and gentle wash towards vehicles and the environment. At each location all chemicals used are eco-friendly, plus a recycling system that saves energy and water with every wash.

## TENANT LEASE INFORMATION

Tenant Name	Zips Car Wash
Suite	
Net Rentable Area	4,100 SF
Lease Commencement Date	Aug-2018
Rent Commencement Date	Aug-2018
Lease Expiration Date	Jul-2038
Lease Term	240 Months
Options to Renew	
Options to Terminate	
Options to Purchase	

## TENANT EXPENSE REIMBURSEMENT

Tenant Lease Type (NET, BASE or GROSS)*					Base Stop \$
NET					\$0.00 SF/YR
	Reimbursed by Tenant	Base Stop	Reimbursed Minimum	Reimbursed Maximum	Admin Fee
CAM	YES				0%
Real Estate Taxes	YES				0%
Insurance	YES				0%
Mgmt Fee	NO				0%

\* NET = Pro-rata reimbursement of respective expense line item; BASE = "Base Stop" amount of operating expenses above which the tenant will pay its pro-rata share; GROSS = No expense reimbursement

## TENANT BASE RENT SCHEDULE

Date	Mth of Lease	Base Rent Per Mth	Base Rent SF/Mth	Base Rent Per YR	Base Rent SF/YR
Aug-2018	1	\$32,544.83	\$7.94 SF	\$390,538.00	\$95.25 SF
Aug-2019	13	\$33,033.01	\$8.06 SF	\$396,396.07	\$96.68 SF
Aug-2020	25	\$33,528.50	\$8.18 SF	\$402,342.01	\$98.13 SF
Aug-2021	37	\$34,031.43	\$8.30 SF	\$408,377.14	\$99.60 SF
Aug-2022	49	\$34,541.90	\$8.42 SF	\$414,502.80	\$101.10 SF
Aug-2023	61	\$35,060.03	\$8.55 SF	\$420,720.34	\$102.61 SF
Aug-2024	73	\$35,585.93	\$8.68 SF	\$427,031.15	\$104.15 SF
Aug-2025	85	\$36,119.72	\$8.81 SF	\$433,436.61	\$105.72 SF
Aug-2026	97	\$36,661.51	\$8.94 SF	\$439,938.16	\$107.30 SF
Aug-2027	109	\$37,211.44	\$9.08 SF	\$446,537.23	\$108.91 SF

## MARKET LEASING ASSUMPTIONS

Market Rent (SF/YR)	\$95.25 SF/YR	
General Inflation Rate	2.50% YR	
Renewal Probability	80%	
Downtime	6 Months	
Rent Escalation	0.00% YR	
Lease Term	5.0 Years	
	New	Renewal
Tenant Improvements	\$3.00 SF	\$2.00 SF
Leasing Commissions	5.00%	3.00%
Comments: NNN		

## INDIVIDUAL TENANT CASH FLOWS

	1	2	3	4	5	6	7	8	9	10
For the Years Ending:	Jul-2019	Jul-2020	Jul-2021	Jul-2022	Jul-2023	Jul-2024	Jul-2025	Jul-2026	Jul-2027	Jul-2018
Market Base Rent Potential *	\$390,538	\$400,301	\$410,309	\$420,567	\$431,081	\$441,858	\$452,904	\$464,227	\$475,833	\$487,728
Base Rental Revenue Potential	\$390,538	\$396,396	\$402,342	\$408,377	\$414,503	\$420,720	\$427,031	\$433,437	\$439,938	\$446,537
Percentage Above (Below) Market	(0.0%)	(1.0%)	(1.9%)	(2.9%)	(3.8%)	(4.8%)	(5.7%)	(6.6%)	(7.5%)	(8.4%)
Absorption & Turnover Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Expense Reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Base Stop Reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Lease Reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CAM	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expense Reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Tenant Occupancy Cost	\$95.25 SF	\$96.68 SF	\$98.13 SF	\$99.60 SF	\$101.10 SF	\$102.61 SF	\$104.15 SF	\$105.72 SF	\$107.30SF	\$108.91 SF
Tenant Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasing Commissions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenant Net Cash Flow	\$390,538	\$396,396	\$402,342	\$408,377	\$414,503	\$420,720	\$427,031	\$433,437	\$439,938	\$446,537





## 2018 OPERATING INFORMATION

Zips Car Wash 7525 Mountain Grove Knoxville, TN 37920

Price:	\$5,800,000	First Loan Amount:	\$4,350,000
Down Payment	25% \$1,450,000	Terms:	5.00% Interest
Current CAP:	6.73%		30 yr Amortization
Pro Forma 2021 Cap Rate:	7.04%		10 yr Term
Approx. Gross Square Feet:	4,100	Monthly Payment:	\$23,351.74
Cost per Gross Square Foot:	\$1,414.63		
Site Area (Acres):	1		

CURRENT OPERATING DATA				CURRENT EXPENSES	
	Current Rents		Pro Forma 2021 Rents		
Gross Potential Rent:	\$390,538		\$408,377		
CAM Recapture:	NNN		NNN		CAM \$0.00
Tax Recapture:	NNN		NNN		Taxes \$0.00
Insurance Recapture:	NNN		NNN		Insurance \$0.00
Mgmt. Recapture:	\$390,538		\$408,377		Management \$0.00
Effective Gross Income:	\$0		\$0		
Less Expenses:	\$390,538		\$408,377		
Net Operating Income:	\$280,221	6.73%	\$280,221	7.04%	
Loan Payments:	\$110,317		\$128,156		
Pre Tax Cash Flow:	\$64,178	7.61%	\$74,541	8.84%	
Plus Principal Reduction:	\$174,496		\$202,698		Total Expenses: \$0.00
Total Return Before Taxes:	\$145,077	12.03%	\$163,354	13.98%	Per Rentable Square Foot: \$0.00

This information has been secured from sources we believe to be reliable, but we make no representations or References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies.

# 10 YEAR CASH FLOW

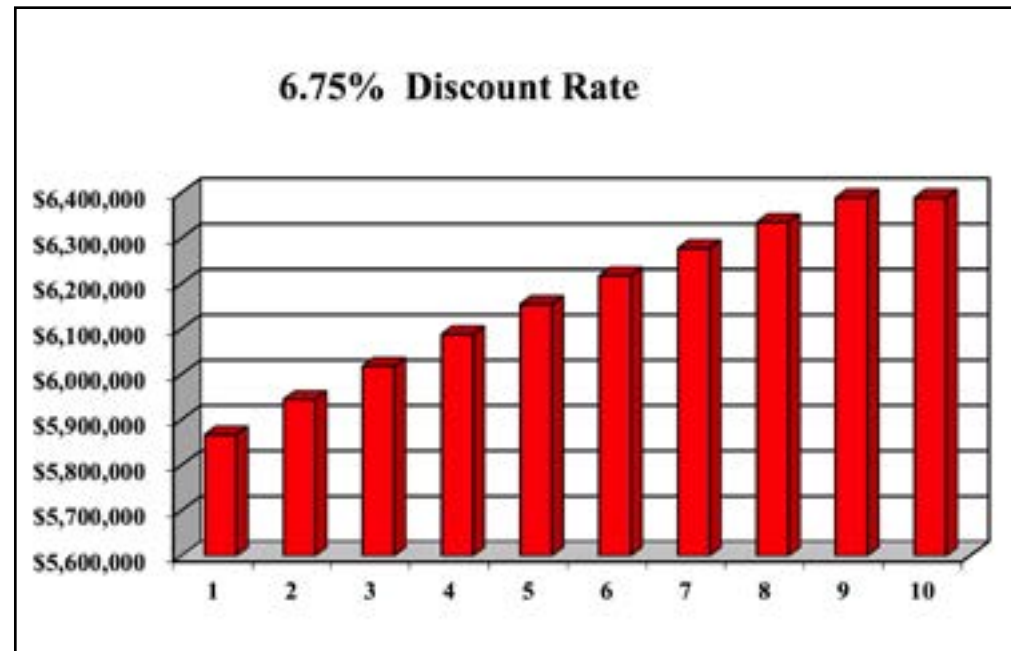
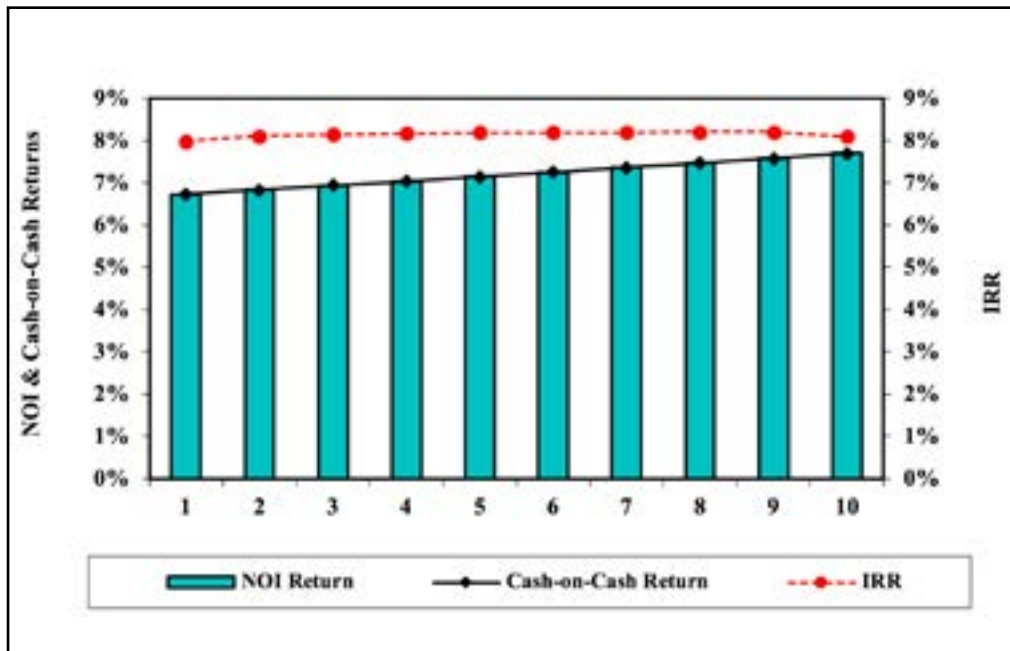
	1	1	2	3	4	5	6	7	8	9	10
Year Ending:	\$/SF	Jul-2019	Jul-2020	Jul-2021	Jul-2022	Jul-2023	Jul-2024	Jul-2025	Jul-2026	Jul-2027	Jul-2028
INCOME											
Base Rental Revenue	\$95.25	\$390,538	\$396,396	\$402,342	\$408,377	\$414,503	\$420,720	\$427,031	\$433,437	\$439,938	\$446,537
Absorption & Turnover Vacancy	0.00	0	0	0	0	0	0	0	0	0	0
Scheduled Base Rental Income	\$95.25	\$390,538	\$396,396	\$402,342	\$408,377	\$414,503	\$420,720	\$427,031	\$433,437	\$439,938	\$446,537
EXPENSE REIMBURSEMENT INCOME											
Base Stop Reimbursement	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Lease Reimbursement											
CAM	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Real Estate Taxes	0.00	0	0	0	0	0	0	0	0	0	0
Insurance	0.00	0	0	0	0	0	0	0	0	0	0
Management Fee	0.00	0	0	0	0	0	0	0	0	0	0
Total Reimbursement Income	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER INCOME											
TBD	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TBD	0.00	0	0	0	0	0	0	0	0	0	0
Total Other Income	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GROSS POTENTIAL INCOME	\$95.25	\$390,538	\$396,396	\$402,342	\$408,377	\$414,503	\$420,720	\$427,031	\$433,437	\$439,938	\$446,537
Vacancy & Collection Allowance	0.00	0	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$95.25	\$390,538	\$396,396	\$402,342	\$408,377	\$414,503	\$420,720	\$427,031	\$433,437	\$439,938	\$446,537
OPERATING EXPENSES											
CAM	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Real Estate Taxes	0.00	0	0	0	0	0	0	0	0	0	0
Insurance	0.00	0	0	0	0	0	0	0	0	0	0
Management Fee	0.00	0	0	0	0	0	0	0	0	0	0
Owner's Expense	0.00	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET OPERATING INCOME	\$95.25	\$390,538	\$396,396	\$402,342	\$408,377	\$414,503	\$420,720	\$427,031	\$433,437	\$439,938	\$446,537



## Present Values at Various Discount Rates & Holding Periods - Unleveraged Cash Flows & Reversion

### PRESENT VALUES

		1	2	3	4	5	6	7	8	9	10
		Jul-2019	Jul-2020	Jul-2021	Jul-2022	Jul-2023	Jul-2024	Jul-2025	Jul-2026	Jul-2027	Jul-2028
Discount Rate	5.75%	\$5,922,526	\$6,053,809	\$6,179,813	\$6,300,759	\$6,416,834	\$6,528,252	\$6,635,195	\$6,737,831	\$6,836,346	\$6,874,168
	6.00%	\$5,908,558	\$6,026,156	\$6,138,759	\$6,246,587	\$6,349,828	\$6,448,694	\$6,543,366	\$6,634,008	\$6,720,807	\$6,748,512
	6.25%	\$5,894,655	\$5,998,696	\$6,098,082	\$6,193,031	\$6,283,725	\$6,370,373	\$6,453,150	\$6,532,217	\$6,607,753	\$6,625,793
	6.50%	\$5,880,818	\$5,971,426	\$6,057,779	\$6,140,082	\$6,218,512	\$6,293,267	\$6,364,516	\$6,432,410	\$6,497,120	\$6,505,931
	6.75%	\$5,867,046	\$5,944,347	\$6,017,844	\$6,087,732	\$6,154,173	\$6,217,354	\$6,277,431	\$6,334,544	\$6,388,852	\$6,388,852
	7.00%	\$5,853,338	\$5,917,455	\$5,978,274	\$6,035,972	\$6,090,695	\$6,142,612	\$6,191,864	\$6,238,575	\$6,282,889	\$6,274,481
	7.25%	\$5,839,694	\$5,890,748	\$5,939,064	\$5,984,794	\$6,028,064	\$6,069,020	\$6,107,784	\$6,144,461	\$6,179,175	\$6,162,748
	7.50%	\$5,826,113	\$5,864,226	\$5,900,210	\$5,934,191	\$5,966,266	\$5,996,558	\$6,025,162	\$6,052,161	\$6,077,656	\$6,053,583
	7.75%	\$5,812,595	\$5,837,887	\$5,861,709	\$5,884,154	\$5,905,289	\$5,925,205	\$5,943,968	\$5,961,634	\$5,978,280	\$5,946,919



## KNOXVILLE MARKET OVERVIEW

- 3rd Largest City in Tennessee
- Home to the Headquarters of the TN Valley Authority
- Home to the University of Tennessee
- County Seat of Knox County
- Kiplinger ranked Knoxville at #5 in its list of Best Value Cities
- Gateway to the Great Smoky Mountain National Park

After the arrival of the railroads in the 1850s, Knoxville grew to become a major wholesaling and manufacturing center. Following the collapse of the city's textile industry in the 1950s, Knoxville's economy grew more diversified. In 2011, 15.9% of the Knoxville MSA work force was employed by government entities, while 14.1% were employed in the professional service sector, 14% worked in education or health care, 12.7% were employed in the retail sector, 10.5% worked in leisure and hospitality, and 8.9% worked in the manufacturing sector.

Kiplinger ranked Knoxville at #5 in its list of Best Value Cities 2011 citing "college sports, the Smoky Mountains and an entrepreneurial spirit." In April 2008, Forbes magazine named Knoxville among the Top 10 Metropolitan Hotspots in the United States, and within Forbes' Top 5 for Business & Careers, just behind cities like New York and Los Angeles.

The Tennessee Valley Authority (TVA), the nation's largest public power provider, is a federally owned corporation headquartered in Knoxville. TVA reported \$11.8 billion in revenue in 2011, and employs over 12,000 region-wide. The largest publicly traded company based in Knoxville (in terms of revenue) is movie theater chain Regal Entertainment Group, which reported \$2.81 billion in revenue in 2010. Regal is the only Knoxville-based company listed in the Fortune 1000 (#724). The second largest publicly traded company in Knoxville is Discovery, Inc. (formerly Scripps Networks Interactive) (\$2.07 billion), followed by the health care-staffing firm TeamHealth (\$1.52 billion).

The largest privately held company based in Knoxville is Pilot Flying J, the nation's largest truck stop chain and sixth largest private company, which reported over \$29.23 billion in revenue in 2012. Knoxville is also home to the nation's fourth largest wholesale grocer, The H. T. Hackney Company, which reported \$3.8 billion in revenue in 2012, and one of the nation's largest digital-centric advertising firms, Tombras Group, which reported \$80 million in revenue in 2011. Other notable privately held companies based in the city include Bush Brothers, Sea Ray (and its parent company, Brunswick Boat Group), Thermocopy, Petro's Chili & Chips, EdFinancial, 21st Mortgage and AC Entertainment.

Over 700 manufacturing establishments are scattered throughout the Knoxville area. Sea Ray Boats is the city's largest manufacturer, employing 760 at its southeast Knoxville complex in 2009. The city is home to several automobile parts operations, including ARC Automotive (air bag actuators) and a Key Safety Systems plant (seat belts and other restraints). Other major manufacturing operations include a Melaleuca plant (personal care products), a Coca-Cola bottling plant, and a Gerdau Ameristeel plant that produces steel rebar.

Major manufacturing operations in the Knoxville MSA are conducted at the Y-12 plant in Oak Ridge, the DENSO plant and the Clayton Homes manufacturing center (both in Maryville), and the ALCOA plants in Alcoa.



		1 mi radius	5 mi radius	10 mi radius
POPULATION	2018 Estimated Population	1,703	38,817	211,979
	2023 Projected Population	1,808	41,006	224,067
	2010 Census Population	1,628	37,172	200,047
	2000 Census Population	1,519	35,394	186,901
	Projected Annual Growth 2018 to 2023	1.2%	1.1%	1.1%
	Historical Annual Growth 2000 to 2018	0.7%	0.5%	0.7%
HOUSEHOLDS	2018 Median Age	44.5	40.2	37
	2018 Estimated Households	746	16,699	89,905
	2023 Projected Households	795	17,639	95,258
	2010 Census Households	697	15,660	82,614
	2000 Census Households	616	14,798	79,016
	Projected Annual Growth 2018 to 2023	1.3%	1.1%	1.2%
RACE AND ETHNICITY	Historical Annual Growth 2000 to 2018	1.2%	0.7%	0.8%
	2018 Estimated White	95.3%	91.7%	79.6%
	2018 Estimated Black or African American	1.4%	4.5%	14.4%
	2018 Estimated Asian or Pacific Islander	0.8%	0.8%	1.4%
	2018 Estimated American Indian or Native Alaskan	0.2%	0.3%	0.3%
	2018 Estimated Other Races	2.3%	2.7%	4.2%
INCOME	2018 Estimated Hispanic	2.3%	2.9%	4.5%
	2018 Estimated Average Household Income	\$71,346	\$64,312	\$61,527
	2018 Estimated Median Household Income	\$59,756	\$47,863	\$44,506
	2018 Estimated Per Capita Income	\$31,263	\$27,687	\$26,385
EDUCATION (AGE 25+)	2018 Estimated Elementary (Grade Level 0 to 8)	1.8%	3.1%	3.9%
	2018 Estimated Some High School (Grade Level 9 to 11)	6.0%	8.5%	8.2%
	2018 Estimated High School Graduate	36.9%	34.5%	31.3%
	2018 Estimated Some College	20.0%	21.5%	21.3%
	2018 Estimated Associates Degree Only	15.8%	9.1%	9.2%
	2018 Estimated Bachelors Degree Only	13.4%	15.0%	15.7%
	2018 Estimated Graduate Degree	6.2%	8.3%	10.4%
BUSINESS	2018 Estimated Total Businesses	190	1,196	11,134
	2018 Estimated Total Employees	2,043	10,905	143,252
	2018 Estimated Employee Population per Business	10.7	9.1	12.9
	2018 Estimated Residential Population per Business	8.9	32.4	19.0

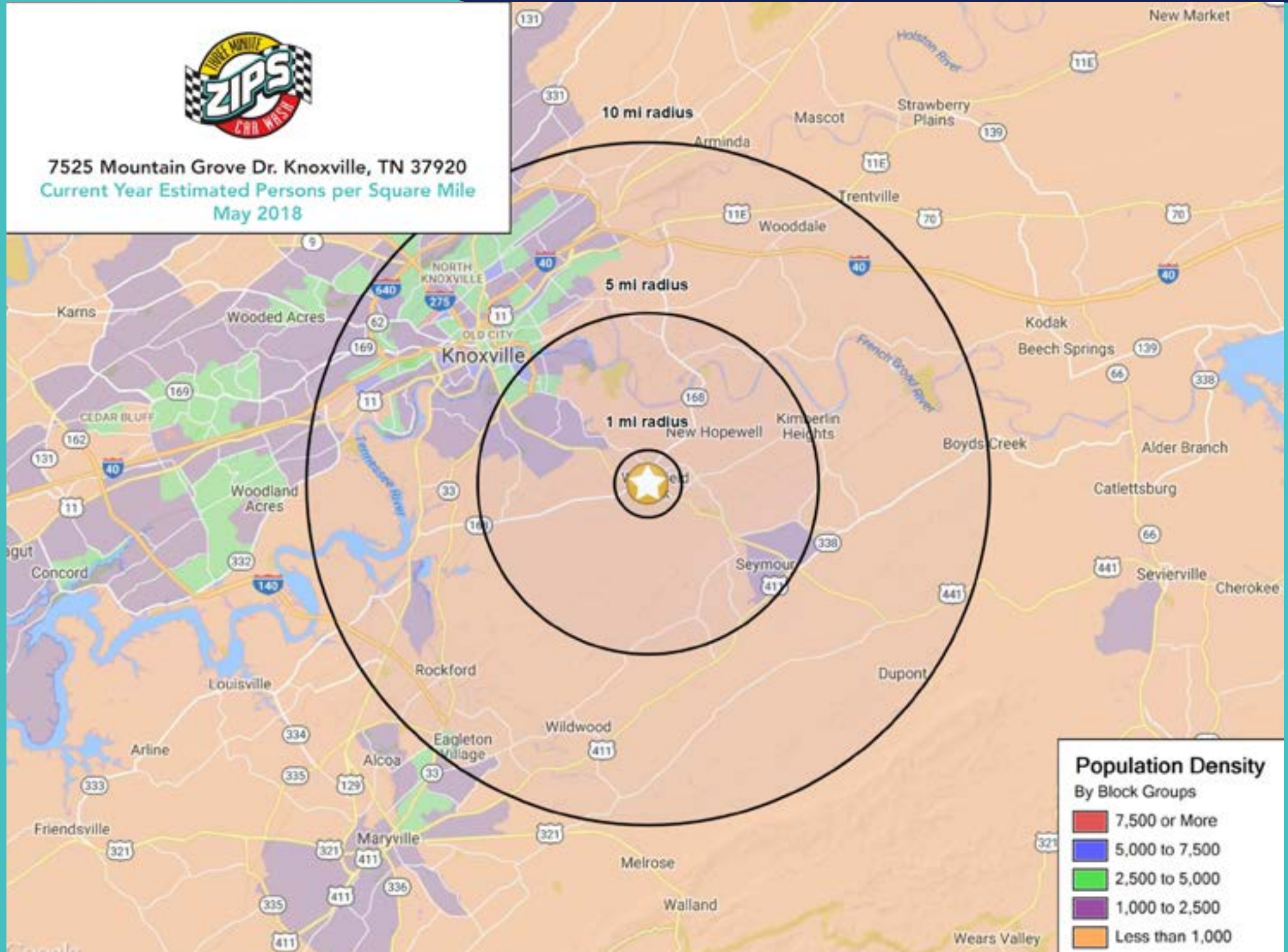
**Average HH Income**  
By Block Groups

- \$75,000 or more
- \$60,000 to \$75,000
- \$45,000 to \$60,000
- \$30,000 to \$45,000
- Less than \$30,000





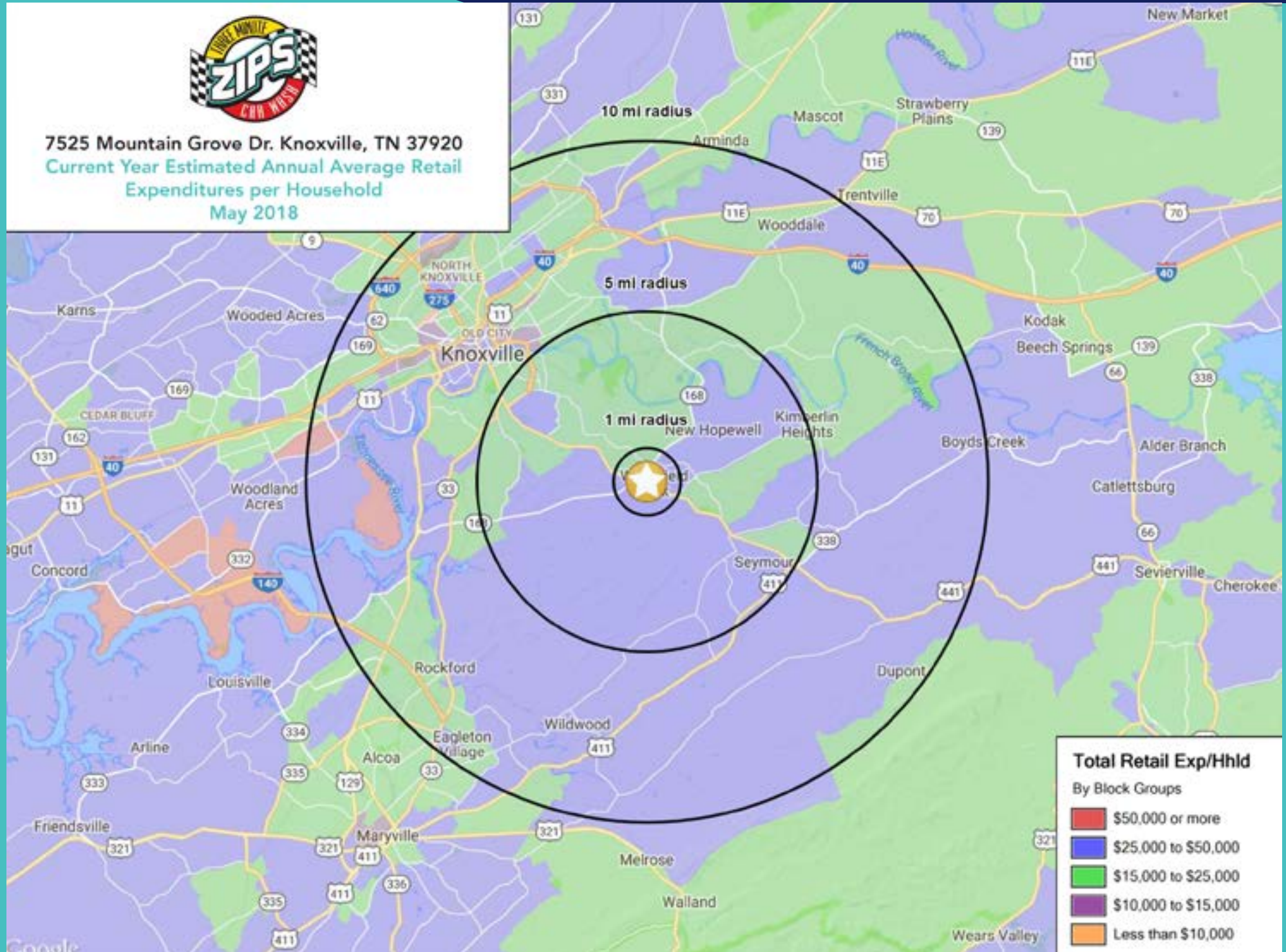
**7525 Mountain Grove Dr. Knoxville, TN 37920**  
**Current Year Estimated Persons per Square Mile**  
**May 2018**







7525 Mountain Grove Dr. Knoxville, TN 37920  
 Current Year Estimated Annual Average Retail  
 Expenditures per Household  
 May 2018





Re: Offer for the purchase of ZIPS CAR WASH located at 7525 Mountain Grove Dr. Knoxville, TN 37920 & here in after referred to as the "Property":

\_\_\_\_\_ and/or Related Assignee(s) ("Buyer")

For your consideration please find the following Letter of Intent for the above referenced Property. This letter set forth the general terms and conditions for the proposed acquisition of the Property, but shall remain non-binding:

1. Purchase Price: \$\_\_\_\_\_
2. Conditions: The transaction shall be subject to Buyer's review of the following items ("Due Diligence Items"):
  - a. Executed leases between Tenants and the Seller;
  - b. Title Commitment and exception documents;
  - c. All Environmental Reports in Seller's possession; and
  - d. Survey.

The above referenced due diligence items shall be delivered to Buyer within seven (7) days of the execution of a Purchase and Sale Agreement ("Purchase Agreement"). There may be additional due diligence required that may be added to the Purchase Agreement.

Buyer shall have twenty-one (21) days from the later of receipt of the Due Diligence Items ("Due Diligence Period") to review and approve the same for the Property. If Buyer notifies Seller prior to the expiration of the Due Diligence Period that it has elected to terminate the Purchase Agreement, the Purchase Agreement between Buyer and Seller shall be null and void, and Buyer and Seller shall have no further obligations there under.

Buyer shall pay all costs associated with its review of the above items, as well as any and all due diligence costs incurred by Buyer.

3. Deposits: Upon execution of the Purchase Agreement, Buyer will deposit \$50,000.00 with Title company of seller's choice as an earnest money deposit.

4. Closing Costs: Buyer will pay all closing costs including the base premium of the Owner's Title Policy, any endorsements to the Owner's Title Policy, the cost of the Mortgage Title Policy, and the cost of any new or updated survey.
5. Loan Contingency: None (All Cash)
6. Closing Date: 30 Days after Due Diligence
7. Commission: Commission shall be per the terms of the separate Representation Agreement between Seller and Riser Retail Group.
8. 1031 Exchange: The undersigned Buyer hereby represents and warrants that the Property will be nominated by Buyer as the number one replacement property on Buyer's 1031 starker list submitted to its accommodator. If for any reason Buyer does not nominate this Property as the number one replacement Property on said starker list, Seller may at any time under its sole discretion cancel any subsequent Purchase and Sale Agreement and keep the Deposit as damages. Buyer will submit its starker list to Seller within five (5) calendar days or this agreement shall be null and void.

Any additional terms not stated herein shall be further defined in any subsequent Purchase and Sale Agreement between Buyer and Seller.

This letter is an expression of interest in Seller's and Buyer's mutual intent and will constitute a non-binding agreement while Seller and Buyer make a good faith, diligent effort to complete and execute a mutually acceptable Purchase and Sale Agreement on the Property that reflects the basic terms contained in this letter.

Sincerely,

\_\_\_\_\_  
Buyer Date

Agreed and Accepted: \_\_\_\_\_  
Seller or Seller's Authorized Agent Date





**RRG**  
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