Fullerton Crossings

FULLERTON, CA

MAY 2020

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EASTDIL SECURED

Fullerton Crossings

FULLERTON, CA

EASTDIL SECURED

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Fullerton Crossings

The Offering:
Home Depot and Sam's Club at Fullerton Crossings

Eastdil Secured and Hanley Investment Group are pleased to present the opportunity to acquire an interest in Fullerton Crossings comprised of 286,275 square feet and 100% leased to Home Depot (149,484 square feet) and Sam's Club (137,840 square feet). Fullerton Crossings' irreplaceable location along State Route 57 provides ample foot traffic in the coveted Orange County market; the third largest county in California by population. The remaining portions of the site are to be retained and developed by current ownership, Merlone Geier Partners.

Investment Highlights:

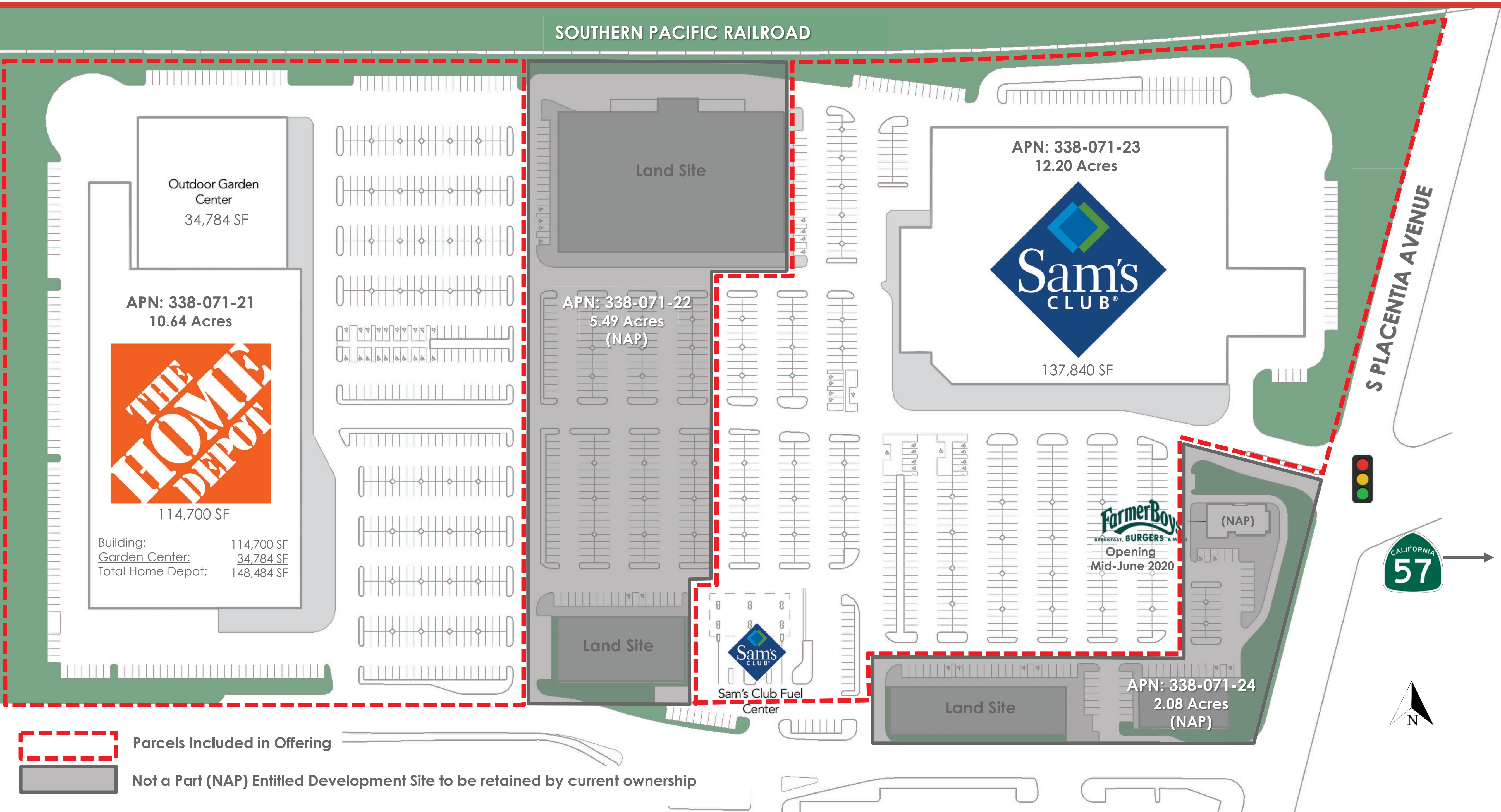
- Home Depot and Sam's Club have anchored Fullerton Crossings since the 1980s and signed new long-term NNN leases in conjunction with their recently constructed stores at the property in 2012 and 2015.
- With over 2,200 stores across North America, Home Depot (NYSE: HD, S&P: A) is the largest home improvement retailer in the world.
- Sam's Club is an affiliate of Walmart Stores, Inc. (NYSE: WMT, S&P: AA), the world's largest company by revenue in 2018 and 2019.
- Fullerton Crossings provides a steady cash flow stream from two of the most dominant investment-grade retail tenants in the industry with 17.5 and 14.5 years of initial term remaining for Home Depot and Sam's Club.
- The center is entitled for more than 80,000 SF of additional retail to be developed and managed by current ownership, further enhancing foot traffic and establishing Fullerton Crossings as a premier retail destination.
- In addition to the net lease structures, current ownership will continue to manage and maintain the common areas at the center allowing an investor to significantly reduce property management costs.

PROPERTY SUMMARY	
Home Depot Address	625 S. Placentia Avenue Fullerton, CA 92831
Sam's Club Address	603 S. Placentia Avenue Fullerton, CA 92831
Year Built	Home Depot – 2012 Sam's Club – 2015
Offering Square Feet	287,324 Square Feet
Entitled Retail Square Feet (NAP)	83,103 Square Feet *(Includes Farmer Boys 3,300 SF)*
Total Center Parking	1,537 Surface Stalls
Total Center Parking Ratio	4.2 Stalls / 1,000 Square Feet
Zoning & Additional Uses per Conditional Use Permit	MP200 (Manufacturing Park) Retail and two drive-through restaurants
Interest	Fee Simple
Debt	Unencumbered

PARCEL SUMMARY

APN	Description	Land SF	Acres
338-071-21	Home Depot	463,526	10.641
338-071-23	Sam's Club	531,388	12.199
Total Offering		**994,914**	**22.840**
338-071-22	Entitled Development Site (NAP)	239,171	5.491
338-071-24	Farmer Bros and Entitled Land (NAP)	90,492	2.077
Total Center		**1,324,577**	**30.408**

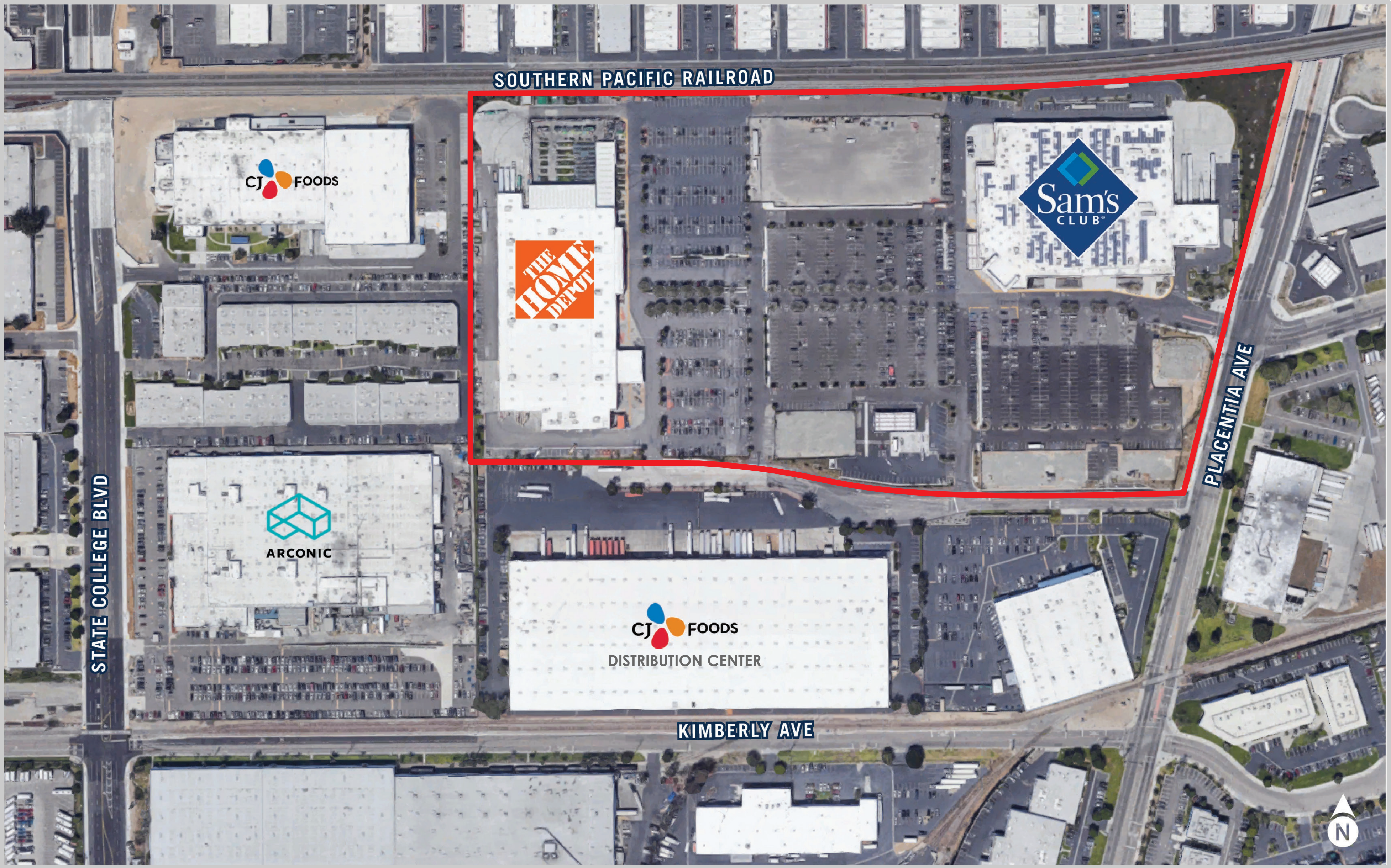
Fullerton Crossings



Parcels Included in Offering

Not a Part (NAP) Entitled Development Site to be retained by current ownership

Fullerton Crossings



500,441
Population (5-Mile Radius)

154,476
Households (5-Mile Radius)

$115K
Avg. Household Income (5-Mile Radius)

270,000+
Traffic Count on Interstate 57

4.2 Stalls per 1,000 RSF
Total Center Parking Ratio

30.4 Acres
Total Center Area

LEASE SUMMARY

Premises	149,484 RSF
Year Built	2012
Rent Commencement	September 24, 2012
Term	25 Years
Initial Term Expiration	January 31, 2038
Renewal Options	Six 5-year options to renew with 6 months notice
Option Rents	Fixed (5% increase over prior period)
Fully Extended Expiration	January 31, 2068
Reimbursements	NNN (excluding roof and structure) plus 10% CAM administration fee
Prop 13 Protection	Tenant does not pay increases in taxes resulting from a change in ownership reassessment more than once during any 3-year period. *Prop 13 would not apply as a result of this transaction*

Term	Dates	Annual Amount	PSF/Yr.	Monthly Amount	% Inc.
Initial Term:	Sep 24, 2012 - Jan 31, 2018	$1,998,084.00	$13.37	$166,507.00	-
	Feb 1, 2018 - Jan 31, 2023	$2,263,812.00	$15.14	$188,651.00	13.30%
	Feb 1, 2023 - Jan 31, 2028	$2,440,920.00	$16.33	$203,410.00	7.82%
	Feb 1, 2028 - Jan 31, 2033	$2,706,588.00	$18.11	$225,549.00	10.88%
	Feb 1, 2033 - Jan 31, 2038	$2,841,917.00	$19.01	$236,826.00	5.00%
Option 1:	Feb 1, 2038 - Jan 31, 2043	$2,984,012.85	$19.96	$248,667.74	5.00%
Option 2:	Feb 1, 2043 - Jan 31, 2048	$3,133,213.49	$20.96	$261,101.12	5.00%
Option 3:	Feb 1, 2048 - Jan 31, 2053	$3,289,874.17	$22.01	$274,156.18	5.00%
Option 4:	Feb 1, 2053 - Jan 31, 2058	$3,454,367.88	$23.11	$287,863.99	5.00%
Option 5:	Feb 1, 2058 - Jan 31, 2063	$3,627,086.27	$24.26	$302,257.19	5.00%
Option 6:	Feb 1, 2063 - Jan 31, 2068	$3,808,440.58	$25.48	$317,370.05	5.00%

THE HOME DEPOT INC. (NYSE: HD)

S&P / Moody's Rating	A / A2
Outlook	Stable
Total Liquidity	$4.2 Billion
5 - Year Revenue CAGR	5.64%
Current Ratio	1.08x
Quick Ratio	0.23x
Debt / EBITDA	1.94x
Interest Coverage	13.19x

Source: FactSet, S&P Global Market Intelligence; Financials as of most recent fiscal quarter end

The Home Depot Inc. – The Nation's Largest Home Improvement Retailer

- Competitive market positioning leading the U.S. with $110 billion in revenues within the highly fragmented home improvement market and enhanced distribution capabilities with its acquisition of Interline Brands, Inc. in 2015.
- Consistently sound business execution with reliable demand and margin improvement through supply chain optimization and expense discipline.
- Excellent liquidity profile with over $2.2 billion in cash ad credit facilities with significant covenant cushion.
- Prudently managed financials with a track record of maintaining Debt to EBITDA within range of its 2.0x guidance to market and predictable cash flow.

GROUND LEASE SUMMARY

Premises	137,840 RSF
Year Built	2015
Ground Lease Commencement	December 4, 2014
Term	20 Years
Initial Term Expiration	December 3, 2034
Renewal Options	Sixteen 5-year options to renew with 120 days notice
Option Rents	Fixed (5% increase over prior period)
Fully Extended Expiration	December 3, 2114
Reimbursements	Absolute NNN plus 10% CAM administration fee
Prop 13 Protection	None
Guarantor	Wal-Mart Stores, Inc.

Term	Dates	Annual Amount	PSF/Yr.	Monthly Amount	% Inc.
Initial Term:	Dec 4, 2014 - Dec 3, 2034	$1,975,000.00	$14.33	$166,507.00	-
Option 1:	Dec 4, 2034 - Dec 3, 2039	$2,073,750.00	$15.04	$172,812.50	5.00%
Option 2:	Dec 4, 2039 - Dec 3, 2044	$2,177,437.50	$15.80	$181,453.13	5.00%
Option 3:	Dec 4, 2044 - Dec 3, 2049	$2,286,309.38	$16.59	$190,525.78	5.00%
Option 4:	Dec 4, 2049 - Dec 3, 2054	$2,400,624.84	$17.42	$200,052.07	5.00%
Option 5:	Dec 4, 2054 - Dec 3, 2059	$2,520,656.09	$18.29	$210,054.67	5.00%
Option 6:	Dec 4, 2059 - Dec 3, 2064	$2,646,688.89	$19.20	$220,557.41	5.00%
Option 7:	Dec 4, 2064 - Dec 3, 2069	$2,779,023.33	$20.16	$231,585.28	5.00%
Option 8:	Dec 4, 2069 - Dec 3, 2074	$2,917,974.50	$21.17	$243,164.54	5.00%
Option 9:	Dec 4, 2074 - Dec 3, 2079	$3,063,873.23	$22.23	$255,322.77	5.00%
Option 10:	Dec 4, 2079 - Dec 3, 2084	$3,217,066.89	$23.34	$268,088.91	5.00%
Option 11:	Dec 4, 2084 - Dec 3, 2089	$3,377,920.23	$24.51	$281,493.35	5.00%
Option 12:	Dec 4, 2089 - Dec 3, 2094	$3,546,816.24	$25.73	$295,568.02	5.00%
Option 13:	Dec 4, 2094 - Dec 3, 2099	$3,724,157.06	$27.02	$310,346.42	5.00%
Option 14:	Dec 4, 2099 - Dec 3, 2104	$3,910,364.91	$28.37	$325,863.74	5.00%
Option 15:	Dec 4, 2104 - Dec 3, 2109	$4,105,883.15	$29.79	$342,156.93	5.00%
Option 16:	Dec 4, 2109 - Dec 3, 2114	$4,311,177.31	$31.28	$359,264.78	5.00%

WALMART (NYSE: WMT)

S&P / Moody's Rating	AA / Ae2
Outlook	Stable
Total Liquidity	$27.5 Billion
5 - Year Revenue CAGR	1.92%
Current Ratio	0.80x
Quick Ratio	0.20x
Debt / EBITDA	2.02x
Interest Coverage	8.26x

Source: FactSet, S&P Global Market Intelligence; Financials as of most recent fiscal quarter end

Sam's Club – The Membership Warehouse Segment of the World's Largest Retailer

- Size and scale allowing for easy competitive enhancement across segments such as food, apparel, dog food, and toys.
- Sustainable margins driven by world-class supply chain and sourcing capabilities allowing for compelling value proposition to target customers globally and a solidified market leadership position, aiding Sam's Club as a strong competitor in the warehouse club segment.
- Bulletproof balance sheet and liquidity profile with over $27 billion in liquidity enhanced by robust operating cash flow and predictable seasonality.
- Demographic and geographic diversity with more than 11% of consolidated revenues generated by Sam's Club and 23% by Walmart International add further strength to the company's risk profile.

Fullerton Crossings

CONSOLIDATED PRO FORMA CASH FLOW

16-Year Holding Period Beginning 7/01/2020	Year 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
For Fiscal Year Ending June 30,	PSF	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
NET RENTABLE AREA: OWNED (RSF)		287,324															
NNN SCHEDULED BASE RENTAL INCOME PSF/YR.		$14.75	$14.75	$15.01	$15.37	$15.37	$15.37	$15.37	$15.75	$16.29	$16.29	$16.29	$16.29	$16.49	$16.76	$16.97	$17.11
TOTAL OPERATING EXPENSES PSF/YR.		$2.79	$2.86	$2.93	$3.01	$3.08	$3.16	$3.24	$3.32	$3.40	$3.48	$3.57	$3.66	$3.75	$3.85	$3.94	$4.04
LEASED RSF EXPIRING (INITIAL TERM ONLY)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	137,840	0
LEASES EXPIRING (CUMULATIVE %)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	47.8%	47.8%
ABSORPTION & TURNOVER VACANCY %		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
INCOME																	
Potential Rental Revenue	**$14.75**	**$4,238,812**	**$4,238,812**	**$4,312,607**	**$4,415,920**	**$4,415,920**	**$4,415,920**	**$4,415,920**	**$4,526,615**	**$4,681,588**	**$4,681,588**	**$4,681,588**	**$4,681,588**	**$4,737,975**	**$4,816,917**	**$4,874,521**	**$4,915,667**
Scheduled Base Rental Revenue	**$14.75**	**$4,238,812**	**$4,238,812**	**$4,312,607**	**$4,415,920**	**$4,415,920**	**$4,415,920**	**$4,415,920**	**$4,526,615**	**$4,681,588**	**$4,681,588**	**$4,681,588**	**$4,681,588**	**$4,737,975**	**$4,816,917**	**$4,874,521**	**$4,915,667**
Expense Reimbursement Revenue	$2.79	802,280	822,187	842,609	863,558	885,050	907,097	929,717	952,922	976,731	1,001,157	1,026,220	1,051,934	1,078,319	1,105,391	1,133,171	1,161,676
EFFECTIVE GROSS INCOME	**$17.54**	**$5,041,092**	**$5,060,999**	**$5,155,216**	**$5,279,478**	**$5,300,970**	**$5,323,017**	**$5,345,637**	**$5,479,537**	**$5,658,319**	**$5,682,745**	**$5,707,808**	**$5,733,522**	**$5,816,294**	**$5,922,309**	**$6,007,692**	**$6,077,343**
OPERATING EXPENSES																	
Utilities	$0.05	14,279	14,708	15,149	15,603	16,071	16,554	17,050	17,562	18,089	18,631	19,190	19,766	20,359	20,970	21,599	22,247
Common Area Maintenance	$1.13	324,520	334,255	344,283	354,611	365,250	376,207	387,493	399,118	411,092	423,424	436,127	449,211	462,687	476,568	490,865	505,591
General & Administrative	$0.11	32,452	33,426	34,428	35,461	36,525	37,621	38,749	39,912	41,109	42,342	43,613	44,921	46,269	47,657	49,086	50,559
Insurance	$0.05	14,950	15,398	15,860	16,336	16,826	17,331	17,851	18,387	18,938	19,506	20,091	20,694	21,315	21,954	22,613	23,292
Real Estate Taxes	$1.45	416,079	424,401	432,889	441,547	450,378	459,385	468,573	477,944	487,503	497,253	507,198	517,342	527,689	538,243	549,008	559,988
TOTAL OPERATING EXPENSES	**$2.80**	**$802,280**	**$822,187**	**$842,609**	**$863,558**	**$885,050**	**$907,097**	**$929,717**	**$952,922**	**$976,731**	**$1,001,157**	**$1,026,220**	**$1,051,934**	**$1,078,319**	**$1,105,391**	**$1,133,171**	**$1,161,676**
In-Place NOI : 7/01/20																	
NET OPERATING INCOME $4,238,812	**$14.81**	**$4,238,812**	**$4,238,812**	**$4,312,607**	**$4,415,920**	**$4,415,920**	**$4,415,920**	**$4,415,920**	**$4,526,615**	**$4,681,588**	**$4,681,588**	**$4,681,588**	**$4,681,588**	**$4,737,975**	**$4,816,917**	**$4,874,521**	**$4,915,667**
NET CASH FLOW	**$14.81**	**$4,238,812**	**$4,238,812**	**$4,312,607**	**$4,415,920**	**$4,415,920**	**$4,415,920**	**$4,415,920**	**$4,526,615**	**$4,681,588**	**$4,681,588**	**$4,681,588**	**$4,681,588**	**$4,737,975**	**$4,816,917**	**$4,874,521**	**$4,915,667**

HOME DEPOT PRO FORMA CASH FLOW

16-Year Holding Period Beginning 7/01/2020	Year 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
For Fiscal Year Ending June 30,	PSF	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
NET RENTABLE AREA: OWNED (RSF)		149,484															
NNN SCHEDULED BASE RENTAL INCOME PSF/YR.		$15.14	$15.14	$15.64	$16.33	$16.33	$16.33	$16.33	$17.07	$18.11	$18.11	$18.11	$18.11	$18.48	$19.01	$19.01	$19.01
TOTAL OPERATING EXPENSES PSF/YR.		$2.39	$2.45	$2.51	$2.57	$2.64	$2.70	$2.77	$2.84	$2.91	$2.99	$3.06	$3.14	$3.22	$3.30	$3.38	$3.47
LEASED RSF EXPIRING (INITIAL TERM ONLY)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LEASES EXPIRING (CUMULATIVE %)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ABSORPTION & TURNOVER VACANCY %		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
INCOME																	
Potential Rental Revenue	**$15.14**	**$2,263,812**	**$2,263,812**	**$2,337,607**	**$2,440,920**	**$2,440,920**	**$2,440,920**	**$2,440,920**	**$2,551,615**	**$2,706,588**	**$2,706,588**	**$2,706,588**	**$2,706,588**	**$2,762,975**	**$2,841,917**	**$2,841,917**	**$2,841,917**
Scheduled Base Rental Revenue	**$15.14**	**$2,263,812**	**$2,263,812**	**$2,337,607**	**$2,440,920**	**$2,440,920**	**$2,440,920**	**$2,440,920**	**$2,551,615**	**$2,706,588**	**$2,706,588**	**$2,706,588**	**$2,706,588**	**$2,762,975**	**$2,841,917**	**$2,841,917**	**$2,841,917**
Expense Reimbursement Revenue	$2.39	357,316	366,232	375,381	384,767	394,397	404,278	414,416	424,819	435,493	446,446	457,685	469,218	481,053	493,199	505,663	518,455
EFFECTIVE GROSS INCOME	**$17.53**	**$2,621,128**	**$2,630,044**	**$2,712,988**	**$2,825,687**	**$2,835,317**	**$2,845,198**	**$2,855,336**	**$2,976,434**	**$3,142,081**	**$3,153,034**	**$3,164,273**	**$3,175,806**	**$3,244,028**	**$3,335,116**	**$3,347,580**	**$3,360,372**
OPERATING EXPENSES																	
Utilities	$0.04	6,547	6,743	6,945	7,154	7,368	7,589	7,817	8,052	8,293	8,542	8,798	9,062	9,334	9,614	9,902	10,199
Repairs & Maintenance	$1.00	148,784	153,247	157,845	162,580	167,457	172,481	177,656	182,985	188,475	194,129	199,953	205,952	212,130	218,494	225,049	231,800
General & Administrative	$0.10	14,878	15,325	15,784	16,258	16,746	17,248	17,766	18,299	18,847	19,413	19,995	20,595	21,213	21,849	22,505	23,180
Insurance	$0.05	6,854	7,060	7,272	7,490	7,714	7,946	8,184	8,430	8,683	8,943	9,211	9,488	9,772	10,066	10,368	10,679
Real Estate Taxes	$1.21	180,253	183,858	187,535	191,285	195,111	199,013	202,994	207,054	211,195	215,418	219,727	224,121	228,604	233,176	237,839	242,596
TOTAL OPERATING EXPENSES	**$2.39**	**$357,316**	**$366,232**	**$375,381**	**$384,767**	**$394,397**	**$404,278**	**$414,416**	**$424,819**	**$435,493**	**$446,446**	**$457,685**	**$469,218**	**$481,053**	**$493,199**	**$505,663**	**$518,455**
In-Place NOI : 7/01/20																	
NET OPERATING INCOME $2,263,812	**$15.14**	**$2,263,812**	**$2,263,812**	**$2,337,607**	**$2,440,920**	**$2,440,920**	**$2,440,920**	**$2,440,920**	**$2,551,615**	**$2,706,588**	**$2,706,588**	**$2,706,588**	**$2,706,588**	**$2,762,975**	**$2,841,917**	**$2,841,917**	**$2,841,917**
NET CASH FLOW	**$15.14**	**$2,263,812**	**$2,263,812**	**$2,337,607**	**$2,440,920**	**$2,440,920**	**$2,440,920**	**$2,440,920**	**$2,551,615**	**$2,706,588**	**$2,706,588**	**$2,706,588**	**$2,706,588**	**$2,762,975**	**$2,841,917**	**$2,841,917**	**$2,841,917**

SAM'S CLUB PRO FORMA CASH FLOW

16-Year Holding Period Beginning 7/01/2020	Year 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
For Fiscal Year Ending June 30,	PSF	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
NET RENTABLE AREA: OWNED (RSF)		137,840															
NNN SCHEDULED BASE RENTAL INCOME PSF/YR.		$14.33	$14.33	$14.33	$14.33	$14.33	$14.33	$14.33	$14.33	$14.33	$14.33	$14.33	$14.33	$14.33	$14.33	$14.75	$15.04
TOTAL OPERATING EXPENSES PSF/YR.		$3.23	$3.31	$3.39	$3.47	$3.56	$3.65	$3.74	$3.83	$3.93	$4.02	$4.12	$4.23	$4.33	$4.44	$4.55	$4.67
LEASED RSF EXPIRING (INITIAL TERM ONLY)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	137,840	0
LEASES EXPIRING (CUMULATIVE %)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
ABSORPTION & TURNOVER VACANCY %		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
INCOME																	
Potential Rental Revenue	**$14.44**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$2,032,604**	**$2,073,750**
Scheduled Base Rental Revenue	**$14.44**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$2,032,604**	**$2,073,750**
Expense Reimbursement Revenue	$3.23	444,964	455,955	467,228	478,791	490,653	502,820	515,300	528,104	541,238	554,712	568,535	582,716	597,265	612,193	627,508	643,221
EFFECTIVE GROSS INCOME	**$17.56**	**$2,419,964**	**$2,430,955**	**$2,442,228**	**$2,453,791**	**$2,465,653**	**$2,477,820**	**$2,490,300**	**$2,503,104**	**$2,516,238**	**$2,529,712**	**$2,543,535**	**$2,557,716**	**$2,572,265**	**$2,587,193**	**$2,660,112**	**$2,716,971**
OPERATING EXPENSES																	
Utilities	$0.06	7,733	7,965	8,203	8,450	8,703	8,964	9,233	9,510	9,795	10,089	10,392	10,704	11,025	11,356	11,696	12,047
Repairs & Maintenance	$1.27	175,736	181,008	186,438	192,031	197,792	203,726	209,838	216,133	222,617	229,295	236,174	243,259	250,557	258,074	265,816	273,791
General & Administrative	$0.13	17,574	18,101	18,644	19,203	19,779	20,373	20,984	21,613	22,262	22,930	23,617	24,326	25,056	25,807	26,582	27,379
Insurance	$0.06	8,096	8,339	8,589	8,846	9,112	9,385	9,667	9,957	10,255	10,563	10,880	11,206	11,543	11,889	12,246	12,613
Real Estate Taxes	$1.71	235,827	240,543	245,354	250,261	255,266	260,372	265,579	270,891	276,309	281,835	287,471	293,221	299,085	305,067	311,168	317,392
TOTAL OPERATING EXPENSES	**$3.23**	**$444,964**	**$455,955**	**$467,228**	**$478,791**	**$490,653**	**$502,820**	**$515,300**	**$528,104**	**$541,238**	**$554,712**	**$568,535**	**$582,716**	**$597,265**	**$612,193**	**$627,508**	**$643,221**
In-Place NOI : 7/01/20																	
NET OPERATING INCOME $1,975,000	**$14.33**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$2,032,604**	**$2,073,750**
NET CASH FLOW	**$14.33**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$1,975,000**	**$2,032,604**	**$2,073,750**

PRO FORMA ASSUMPTIONS

GROWTH RATES	
General Inflation	2.0%
Real Estate Tax Growth Rate	2.0%
Expense Growth Rate	3.0%
Inflation Timing	Calendar Year

OPERATING EXPENSES

- Operating Expenses are based on current ownership's 2019 expenses and grown by 3% per annum (excluding General & Administrative and Real Estate Taxes).
- Upon a sale, current ownership will continue to manage and maintain the common areas within the center.
- Common Area Maintenance includes landscaping, sweeping, janitorial, security contracts, parking lot maintenance, and other general repairs and maintenance.
- General & Administrative expenses are set to reflect the 10% administrative fee on Common Area Maintenance. 2019 General & Administrative expenses were $44,239. *Prospective investors should make their own assumptions regarding the cost to manage the property.*
- Insurance includes general liability insurance, umbrella policy, and rent loss insurance.
- Real Estate Taxes reflect the 2019-2020 tax bills grown by 1% to project calendar year 2020 taxes and are grown by 2% thereafter.

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