

JCPENNEY GROUND LEASE

LAKE HAVASU CITY, AZ

BERKELEY
CAPITAL ADVISORS



ACTUAL SITE

BERKELEY

CAPITAL ADVISORS

BERKELEYCAP.COM

949-506-2500

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IN COOPERATION WITH

ALEXIS SUAREZ

ASI REAL ESTATE INVESTMENTS, LLC
ARIZONA RE LICENSE NO.: BR63375900

LOCATION MAP



5651 AZ-95 North
Lake Havasu City, AZ 86404



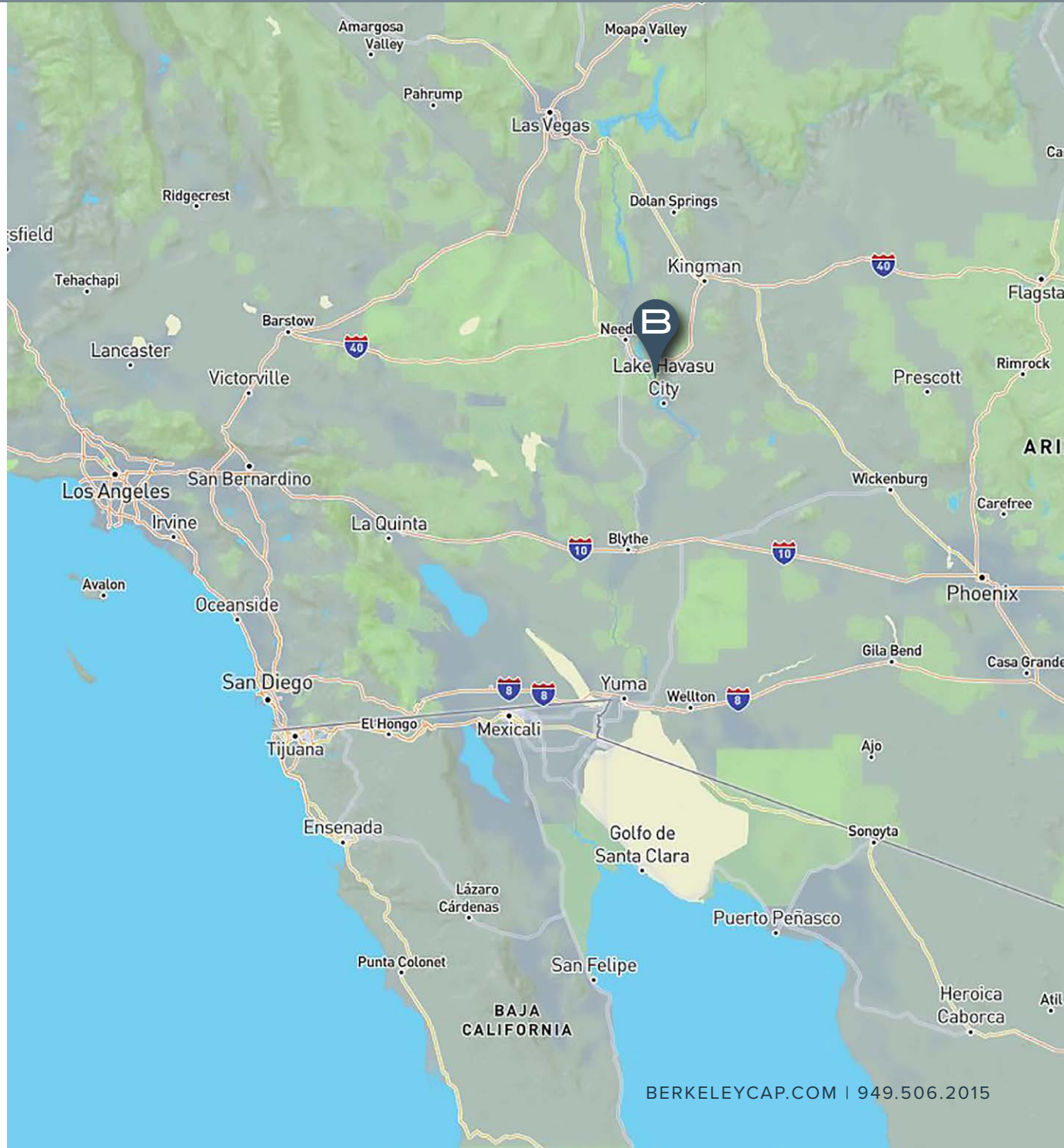
130+

The site benefits from its proximity to Lake Havasu City Airport with 130+ flights per day.



1.5M

Lake Havasu City is a popular vacation destination attracting 1.5M visitors annually.

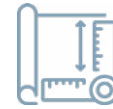


INVESTMENT OVERVIEW

TENANT	J.C. Penney Corporation, Inc.
GUARANTOR	Corporate
ADDRESS	5651 AZ-95 North Lake Havasu City, AZ 86404
NOI	\$302,500
RENT INCREASES	10% in Options
LEASE COMMENCEMENT	March 1, 2008
LEASE EXPIRATION	February 28, 2028
LEASE TYPE	Absolute Net Ground Lease
ORIGINAL LEASE TERM	20 Years
LEASE TERM REMAINING	±7 Years
OPTIONS	Ten, 5-Year
RIGHT OF FIRST REFUSAL	None

Note: All lease provisions to be independently verified by Buyer during the Due Diligence Period.

PROPERTY DETAILS



105,422
Square Feet



6.99
Acres



2008
Year Built



±450
Parking Spaces

RENT SCHEDULE

LEASE YEAR	MONTHLY RENT	ANNUAL RENT	RENT INCREASES	CAP RATE
CURRENT - 2/28/28	\$25,208.33	\$302,500	-	7.29%
OPTION 1	\$27,729.17	\$332,750	10%	8.02%
OPTION 2	\$30,502.08	\$366,025	10%	8.82%
OPTION 3	\$33,552.29	\$402,628	10%	9.70%
OPTION 4	\$36,907.52	\$442,890	10%	10.67%
OPTION 5	\$40,598.27	\$487,179	10%	11.74%
OPTION 6	\$44,658.10	\$535,897	10%	12.91%
OPTION 7	\$49,123.91	\$589,487	10%	14.20%
OPTION 8	\$54,036.30	\$648,436	10%	15.62%
OPTION 9	\$59,439.93	\$713,279	10%	17.19%
OPTION 10	\$65,383.92	\$784,607	10%	18.91%

ASKING PRICE

\$4,150,000

7.29% CAP RATE

PROPERTY OVERVIEW

PROPERTY HIGHLIGHTS

- ±7 Years remaining on the Absolute NNN Ground Lease | Zero Landlord Responsibilities
- Below Market Rent | Tenant is paying \$2.86/SF
- Opportunity to acquire solid real estate at a low PSF (\$39.37/SF)
- Top Performing Store | This location is in the top 10% of all JCPenney locations nationwide and has been for years (Contact Agent for details)
- Strong Tenant Mix | Part of The Shops at Lake Havasu | One of the major shopping centers in Lake Havasu | Co-anchored with Walmart Supercenter, Dilliard's, Home Depot, and Bealls Outlet
- The only JCPenney located in a 100+ mile radius
- Across the street from Lake Havasu City Airport | 130+ flights/day
- Lake Havasu is a popular vacation destination for many Southern California residents | Attracts 1.5M visitors annually
- Home to the London Bridge | Purchased in 1964, was dismantled, shipped from England, and rebuilt in Lake Havasu in 1971
- Strategically located off Highway 95 which boasts nearly 20,000 VPD
- Strong Company bounce-back since filing Chapter 11 Bankruptcy | Closed around 150 stores as part of restructuring, leaving around 670 locations | Improving sales and cash flow and in a strong liquidity position with more than \$1.2 billion of cash and credit available | Click [HERE](#) for more information
- 10% Rent Increases in each Option Period





Havasu Hills
Resort



Refuge Golf &
Country Club

Prospectors RV
Resort & Spa

LAKE HAVASU



Dillard's



GameStop

FAMOUS
footwear

JCPenney

K A Y JEWELERS Great Clips SALLY BEAUTY SUPPLY



 Lake Havasu
City Airport
130 flights/day



Walmart 
Supercenter

MATTRESSFIRM

95
19,500 VPD

FAMOUS
footwear

GameStop

JC Penney

**Our pampered
Home**

PETSMART
bealls
OUTLET

TENANT OVERVIEW



ACTUAL SITE

JCPenney

J. C. Penney Co., Inc. is a holding company, which through its subsidiary, J. C. Penney Corporation, Inc., engages in the selling merchandise and services to consumers through its department stores and website. It offers appliances, handbags, shoes, jewelry, shoes, and clothes. The company was founded by James Cash Penney in April 1902 and is headquartered in Plano, TX.

1902

YEAR FOUNDED

670

TOTAL LOCATIONS



ACTUAL SITE

DEMOGRAPHICS & TRAFFIC COUNTS

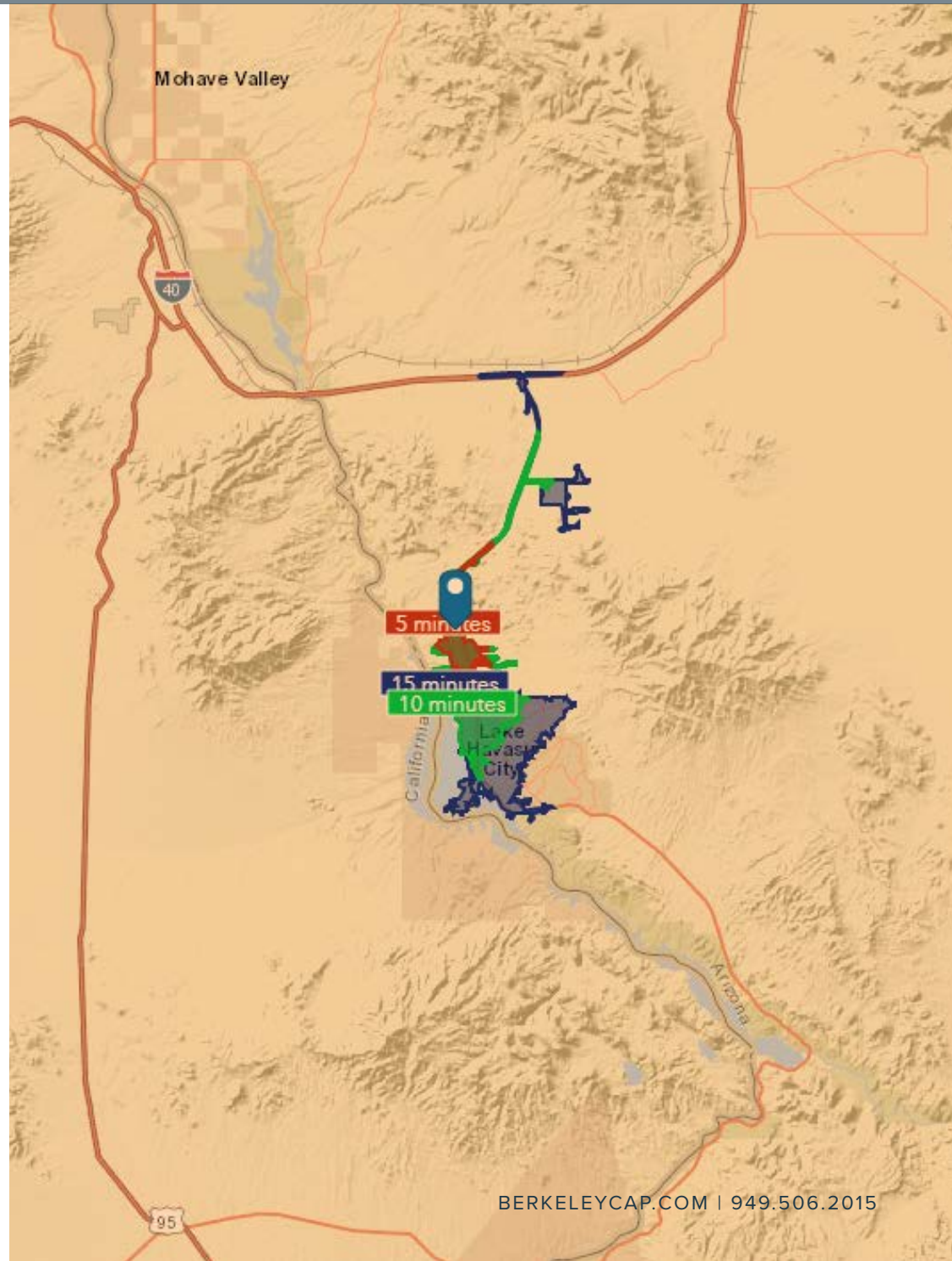
POPULATION	5-MINUTE	10-MINUTE	15-MINUTE
2025 Projection	1,286	11,973	32,701
2020 Population	1,242	11,521	31,398
2010 Census	1,129	10,316	27,940
2000 Census	1,000	8,488	22,855
2020-2025 Annual Rate	0.70%	0.77%	0.82%
2010-2020 Annual Rate	0.93%	1.08%	1.14%
2000-2010 Annual Rate	1.22%	1.97%	2.03%
HOUSEHOLDS			
2025 Total Households	634	5,453	14,917
2020 Total Households	612	5,227	14,275
2010 Households	552	4,627	12,569
2000 Households	471	3,658	10,071
2020-2025 Annual Rate	0.71%	0.85%	0.88%
2010-2020 Annual Rate	1.01%	1.20%	1.25%
2000-2010 Annual Rate	1.60%	2.38%	2.24%
2020 AVG. HH INCOME	\$62,230	\$65,800	\$67,108



TRAFFIC
COUNTS

19,500 VPD

ON HWY 95



CONFIDENTIALITY DISCLAIMER

Berkeley Capital Advisors, LLC ("BCA") has been authorized by the owner of the subject property (the "Seller") to present you with this marketing package. This is a confidential package intended solely for your own limited use and benefit, as a principal, in considering whether you desire to pursue negotiations to acquire the subject property.

Your receipt and acceptance of this package serves to acknowledge your agreement to: (1) hold the information and materials contained herein, and the offering they represent, in the strictest of confidence; (2) not disclose, directly or indirectly, the information and materials contained herein, or the offering they represent, to any other person, firm or entity without prior written authorization from BCA or the Seller; (3) not use the information and materials contained herein in any fashion or manner detrimental to the interest of BCA or the Seller; (4) not disturb any tenants in possession of the subject property nor reveal to them the offering this package represents.

This marketing package was prepared by BCA and it has been reviewed by representatives of the Seller. The information and materials contained herein are selective and limited in nature, and neither BCA nor the Seller purports this to be an all-inclusive report on the subject property. Within this package, certain leases, documents and other materials are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements involved, nor do they purport to constitute a legal analysis of the provisions of those documents. Interested and qualified prospective purchasers will be afforded an opportunity to review additional information and to inspect the subject property, and all such prospective purchasers should conduct their own independent due diligence.

This package is based in part upon information supplied by the Seller and in part upon information obtained by BCA from sources believed to be reliable. All income, expense and/or investment projections contained herein are provided for general reference purposes only, in that they are based on assumptions relating to the general economy, competition and other factors beyond the control of BCA and the Seller, and all such projections are therefore subject to variation. This package shall not be deemed an indication of the state of affairs of the subject property, nor constitute an indication that there has been no change in the business or affairs of the subject property since the date of preparation of this package.

Neither BCA, the Seller, nor any of their respective officers, employees or agents, has made or does make any representation or warranty, expressed or implied, as to the accuracy or completeness of this package or any of its contents, and no legal commitments or obligations shall arise by reason of this package or its contents.

BCA and the Seller expressly reserve the right, at their sole discretion, to alter or amend the terms of this offering, to reject any or all expressions of interest or offers to acquire the subject property and/or to terminate discussions with any entity at any time with or without notice. The Seller shall have no legal commitment or obligation to any entity reviewing this package or making an offer to acquire the subject property unless and until a written agreement for such acquisition has been fully executed, delivered and approved by the Seller and any conditions to the Seller's obligations thereunder have been satisfied or waived.

Parties seeking to act in a third-party brokerage capacity must register their client(s) with BCA prior to receiving or dispersing any marketing information. BCA will not recognize any third-party brokerage relationships without first receiving and approving such written client registration, nor will BCA or the Seller be obligated for any brokerage claims which may result, regardless of such broker's involvement in procuring a purchaser for the subject property.

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If, after reviewing this package, you have no further interest in acquiring the subject property at this time, please return this package in its entirety to BCA. Likewise, if the terms contained in this Confidentiality & Disclaimer section are not acceptable to you, please immediately return this package to BCA.

AGENT'S DUTIES

When you contract with a real estate firm to act as your agent in a real estate transaction, the agent must help you obtain the best price and terms possible, whether you are the buyer or seller. The agent also owes you the duty to:

- Safeguard and account for any money handled for you
- Act with reasonable skill, care and diligence
- Be loyal and follow reasonable and lawful instructions
- Disclose to you any information which might influence your decision to buy or sell

Even if the agent does not represent you, the agent must still be fair and honest and disclose to you all "material facts" which the agent knows or reasonably should know. A fact is "material" if it relates to defects or other conditions affecting the property, or if it may influence your decision to buy or sell. This does not require a seller's agent to disclose to the buyer the minimum amount the seller will accept, nor does it require

AGENTS WORKING WITH SELLERS

A seller can enter into a "listing agreement" with a real estate firm authorizing the firm and its agent(s) to represent the seller in finding a buyer for his property. The listing agreement should state what the seller will pay the firm no matter who finds the buyer.

The listing firm may belong to a listing service to expose the seller's property to other agents who are members of the service. Some of those agents may be working with buyers as buyers' agents; others will be working with buyers but still representing the sellers' interests as an agent or "subagent". When the buyer's agents and seller's subagents desire to share in the commission the seller pays to the listing firm, the listing agent may share the commission with the seller's permission.

AGENTS WORKING WITH BUYERS

A buyer may contract with an agent or firm to represent him (as a buyer's agent), or may work with an agent or firm that represents the seller (as a seller's agent or subagent). All parties in the transaction should find out at the beginning who the agent working with the buyer represents.

If a buyer wants a buyer's agent to represent him in purchasing a property, the buyer should enter into a "buyer agency agreement" with the agent. The buyer agency agreement should state how the buyer's agent will be paid. Unless some other arrangement is made which is satisfactory to the parties, the buyer's agent will be paid by the buyer. Many buyer agency agreements will also obligate the buyer to pay the buyer's agent no matter who finds the property that the buyer purchases.

A buyer may decide to work with a firm that is acting as agent for the seller (a seller's agent or subagent). If a buyer does not enter into a buyer agency agreement with the firm that shows him properties, that firm and its agents will show the buyer properties as an agent or subagent working on the seller's behalf. Such a firm represents the seller (not the buyer) and must disclose that fact to the buyer.

The terms and conditions stated in this Confidentiality & Disclaimer section apply and relate to all of the sections of this package as if stated independently therein.

Prospective purchasers of the subject property are hereby notified that Berkeley Capital Advisors, and its agents, are acting in the capacity of a "Seller's Agent" during the course of this offering, and as such are solely representing the interests of the Seller.

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