

FIELD SHOPPING CENTER

1909 - 2137 S. MAIN STREET

MORTON, IL



:: ±137,643 SF RETAIL

:: SIGNALIZED INTERSECTION IN HIGH TRAFFIC CORRIDOR

:: VALUE-ADDED INVESTMENT - 59% LEASED

:: 1.5 MILES SOUTH OF I-74 & I-55

:: RETAIL LOCATION FOR WIDE VARIETY OF SMALL TENANT USES



Subject property is in the concentration of commercial uses just off I-55 at the Queenwood Road exit in Morton, IL. It offers low cost space to a wide variety of retail, industrial and service tenants. The property has street frontage on 4 sides and 3 overhead doors. Over 25,000 people live within 5 miles. Tenants are migrating there from nearby Peoria County.



EXCLUSIVE AGENT

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01

EXECUTIVE SUMMARY

The Offering
Investment Summary
Investment Highlights

EXECUTIVE SUMMARY

The Offering

As exclusive agent for the receiver, MCRE is offering for sale the fee simple interest in this 137,643 square foot retail/flex building in Morton, IL.

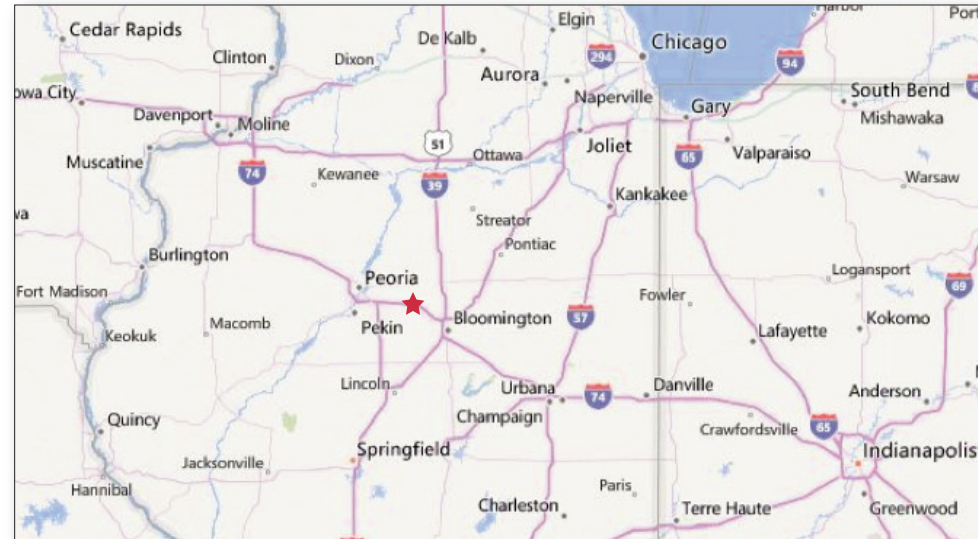
The property was constructed in 1968, remodeled in 1990 and is 59% leased. The location is at a signalized intersection with a traffic count of 10,000 vehicles per day. Property is attractive to retailers, contractors and other service providers because it has a variety of small, accessible, low cost spaces.

The subject property is in the heart of the I-55 growth corridor in Tazewell County. Due to its large supply of low cost, close-in residential land, Tazewell County is one of the fastest growing counties in the state.

The \$4,500,000 price is \$33 per square foot, a fraction of replacement cost. Rental income from existing tenants is \$251,000. When the property is leased to 80% occupancy, projected NOI is \$511,000.

We estimate the cost of leasing the vacant spaces and upgrading building systems at \$396,000. Buyer's total investment when building is renovated and fully leased is projected at \$4,896,000 (\$4,500,000 price plus \$396,000 costs). At 80% occupancy, property will be worth \$4,900,000 at a 10% cap rate.

Subject property is in receivership due to foreclosure and is being offered "as is". Seller and Maloof Commercial Real Estate make no representations concerning the accuracy or completeness of the estimates or information included in our marketing materials.



INVESTMENT SUMMARY

Offering:	±137,643 SF Flex/Retail building	Price:	\$4,500,000.00
Location:	1909 - 2137 S. Main Street Morton, IL	Tenant Improvements:	\$ 575,000.00
Occupancy:	59% occupied by 17 tenants	Leasing Commissions:	\$ 121,000.00
Use:	95% Retail 5% Flex	Sale of Outlots:	\$ 300,000.00
Parking:	±300 vehicles	Lease-Up:	\$ <u>396,000.00</u>
Loading:	3 overhead doors	Total Investment:	\$4,896,000.00
Clear Height:	±16 feet		
Site:	±11 Acres (483,513.80 sf)		
Zoning:	C-2		

INVESTMENT HIGHLIGHTS

VALUE ADDED INVESTMENT

Buyer can profit from renovating property and leasing vacant space. Current owner has not had the resources to do this.

SMALL TENANT BUILDING

Property is demised for 30 units -- the average unit size is 3,000 square feet. Small tenants provide stable income because they move infrequently and are quickly replaced if they do leave.

VARIETY OF AVAILABLE SPACES

Property has attractive features for a wide variety of tenants:

- It has road frontage on two sides for tenants that need exposure
- It has ample loading and parking for contractors and service providers
- Many units have a small front office and large open work space
- Two pylon signs and building signage are available for tenant names

PRICE IS A FRACTION OF REPLACEMENT COST

Even after spending substantial amounts on renovation and lease-up, owner will have a low cost basis allowing the ability to offer highly competitive rents.

2013 real estate tax payable in 2014 is only \$0.71 per square foot. Tenants are migrating to Tazewell County from nearby Peoria County seeking lower taxes.





02

AREA OVERVIEW

Location Highlights

The Market

Competitive Properties

Competitive Properties Location Map

Sales Comparables

Sales Comparables Location Map

AREA OVERVIEW

Location Highlight

MORTON - VOTED AS FAMILY CIRCLE'S TOP 10 BEST TOWN IN 2013

Morton is located 10 miles east of Peoria and 25 miles west of Bloomington-Normal, two growing, metro areas. The community is also strategically placed 3 hours or less from several cities including Chicago, Illinois and Saint Louis, Missouri. There are about 200 businesses in Morton. Morton is home to an array of employers including Neovia Logistics (formerly Caterpillar Logistics Services), Nestle, CORE Construction, American Tire Distributors, Yinlun USA Inc, and Morton Buildings. Recent local business expansions, new residential and commercial developments, and community projects:

- Blain's Farm & Fleet joined the Wal-Mart Supercenter on Main & Courtland when they built their new 127,000 square foot facility in late 2014
- FedEx warehouse expansion by 53,000 square feet in January 2014
- Yinlun PURitech Emission Technologies, Inc. joined Yinlun Machinery in May 2014
- The Village of Hollybrook constructed a new 50-unit assisted living facility
- Morton Community High School purchased 125 acres for new location across from Field Shopping Center

ACCESS TO YOUR WORKFORCE

Morton's employers have been successful at attracting a skilled workforce to the community from throughout Central Illinois, a metro area that exceeds 350,000 people. The number of Primary Jobs located in Morton has increased by 24% from 2002-2008 compared to the MSA which has grown 7.2% in the same time period and only 2.3% in the State of Illinois. Both age distribution and distribution of earnings paid is consistent with that of the Peoria MSA and the State of Illinois.

TRADE AREA

Morton has over 1 million people located within a 60 mile radius of the community... and that number keeps growing. Over the next 5 years the population of this area is projected to increase .44%. Median age is 44 years, average income is \$83,509 and median home value is \$190,990.

I-55 & I-74 GROWTH CORRIDOR

Morton lies at the crossroads of Interstate 74 and Interstate 155, two heavily traveled Interstates with access across the nation. Both of these interstates connect to Interstate 55 and Interstate 39 less than 25 miles from Morton. It is also home to several large logistics companies including CAT Logistics, G&D Integrated, CRST, Central Truck, Inc. and Air-Land Transport Service. I-55 & I-74 corridor is undergoing a \$120 million renovation until 2017, which will give the corridor better accessibility to national, regional and local markets. Companies are attracted by the area's large labor force, affordable housing, taxes and public transportation.

BEST SCHOOLS IN THE REGION

Morton District 709 is recognized for "excellence in education" and continues to strive to meet the needs of all students. The Class of 2014 continues that tradition with 45 Illinois State Scholars, 2 National Merit Commended Students, 3 Golden Apple Scholars and 75 Mid-Illini Scholar Athletes. Morton High School has been recognized consistently during the last 5 years as a Bronze Level School by US News and World Reports and was named the 25th best high school in the state of Illinois again in 2013. Lincoln Elementary was honored as a 2013 Blue Ribbon School by the United States Department of Education.

Highlights from the 2013-14 school year:

- MHS Math team places 3rd at state
- Lincoln Elementary – 2013 Blue Ribbon School by US Department of Education
- Implemented an English Language Learner program district-wide
- Opened the new bus facility on Courtland Ave.
- Purchased 125 acres on land, west side of Fourth Ave. about half mile south of Queenwood Road
- MHS named a Bronze School by US News and World Report
- MHS named 25th best high school in the state by the Chicago Sun-Times
- MJHS students volunteered in our community with the first Help-A-Thon Fundraiser
- Implemented an extended day Kindergarten program at Jefferson Elementary
- MHS Marching Band won their 9th straight state title
- Gameball Run event raised over \$30,000 for Children's Hospital of Illinois
- One student at MHS scored a perfect 36 on the ACT

TAZEWELL COUNTY

Tazewell County was established in 1827 and has a population of 135,394, according to 2010 U.S. Census data, encompassing 658 square miles of which 649 square miles is land and nine square miles is water. The county contains 16 incorporated communities, with populations ranging from a few hundred to more than 23,000, with Morton's population reaching almost 17,000.



	1 mile	3 miles	5 miles
Population			
2000 Population	2,488	13,244	23,375
2010 Population	2,791	13,924	24,843
2014 Population	2,762	13,916	25,442
2019 Population	2,743	13,965	26,011
2000-2010 Annual Rate	1.16%	0.50%	0.61%
2010-2014 Annual Rate	-0.25%	-0.01%	0.56%
2014-2019 Annual Rate	-0.14%	0.07%	0.44%
2014 Male Population	46.8%	48.2%	48.7%
2014 Female Population	53.2%	51.8%	51.3%
2014 Median Age	44.8	41.2	42.3

In the identified area, the current year population is 25,442. In 2010, the Census count in the area was 24,843. The rate of change since 2010 was 0.56% annually. The five-year projection for the population in the area is 26,011 representing a change of 0.44% annually from 2014 to 2019. Currently, the population is 48.7% male and 51.3% female.

Median Age

The median age in this area is 44.8, compared to U.S. median age of 37.7.

Median Household Income			
2014 Median Household Income	\$69,193	\$64,048	\$66,164
2019 Median Household Income	\$78,834	\$74,953	\$77,306
2014-2019 Annual Rate	2.64%	3.19%	3.16%
Average Household Income			
2014 Average Household Income	\$83,201	\$79,182	\$83,509
2019 Average Household Income	\$93,909	\$88,709	\$95,748
2014-2019 Annual Rate	2.45%	2.30%	2.77%
Per Capita Income			
2014 Per Capita Income	\$34,399	\$32,870	\$33,947
2019 Per Capita Income	\$39,159	\$36,953	\$38,997
2014-2019 Annual Rate	2.63%	2.37%	2.81%

Households by Income

Current median household income is \$66,164 in the area, compared to \$52,076 for all U.S. households. Median household income is projected to be \$77,306 in five years, compared to \$59,599 for all U.S. households

Current average household income is \$83,509 in this area, compared to \$72,809 for all U.S. households. Average household income is projected to be \$95,748 in five years, compared to \$83,937 for all U.S. households

Current per capita income is \$33,947 in the area, compared to the U.S. per capita income of \$27,871. The per capita income is projected to be \$38,997 in five years, compared to \$32,168 for all U.S. households

The Market

COMPETITIVE PROPERTIES

As shown on pages 10 - 14, the subject property competes with other area retail buildings.

- Asking retail rent at competitive buildings ranges from \$10.00 - \$20.00 per square foot gross.
- Asking retail rent at the subject property ranges from \$7.00 - \$10.00 per square foot gross.

We project the subject property can be leased to 80% occupancy on the following terms:

1. Net rent for retail with frontage on Main Street is \$7.00 - \$10.00 per square foot net.
2. Tenant improvements for retail space is \$5.00 - \$10.00 per square foot.









The Market

COMPETITIVE PROPERTIES

MAP KEY	PHOTO	LOCATION	SIZE (SF)	VACANT SPACE (SF)	VACANCY RATE (%)	USE	ASKING GROSS RATE (PSF)
*		Field Shopping Center 1909 - 2137 S. Main St Morton, IL	137,643	57,454	41.07%	Retail	\$8.53
1		1401 Vaughn Road Wood River, IL	85,724	68,000 2,000 1,500 4,800	79% 2% 2% 5%	Flex Retail Retail Flex	\$3.00 \$5.10 \$6.00 \$6.00
2		1000 N. Rohlwing Road Lombard, IL	114,224	3,549 1,200 1,149	3% 1% 1%	Retail Retail Retail	\$17.33 \$16.00 \$16.00
3		2323 - 2411 W. Pioneer Pkwy Peoria, IL	128,955	2,734 1,487	2% 1%	Retail Retail	\$16.86 \$16.86
4		Evergreen Square 801 W. Lake Avenue Peoria, IL	110,726	2,680	2%	Retail	\$18.89
5		Willow Lane Plaza 19450 S. La Grange Road Mokena, IL	71,362	48,611	48%	Retail Retail Flex	\$19.50 \$16.50 \$9.50
6		Hickory Creek Marketplace 19917 - 19991 S. La Grange Rd. Mokena, IL	108,505	82,285	76%	Retail	\$25.17
7		214 - 324 Geneva Road Wheaton, IL	116,759	1,800 3,535 4,000	2% 4% 5%	Retail Retail Retail	\$19.89 \$13.00 \$16.00
8		Broadway Village 1101 - 1111 Broadway Pekin, IL	69,584	15,426 7,641 10,562 3,822	22% 11% 15% 6%	Retail Retail Retail Retail	\$3.00±
9		4530 N. Brandywine Drive Peoria, IL	31,500	6,000	5%	Retail	\$6.00

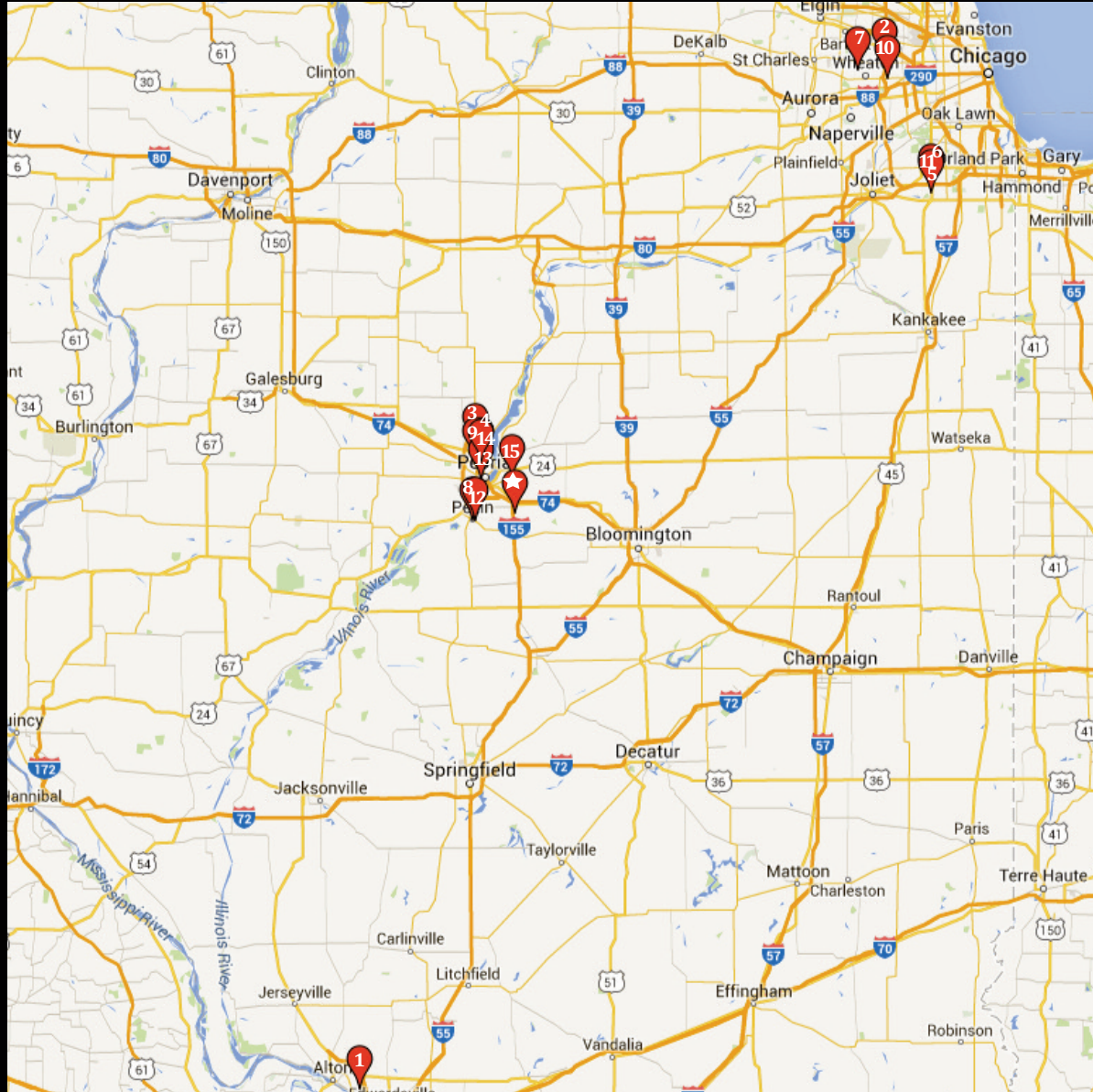
The Market

COMPETITIVE PROPERTIES

MAP KEY	PHOTO	LOCATION	SIZE (SF)	VACANT SPACE (SF)	VACANCY RATE (%)	USE	ASKING GROSS RATE (PSF)
10		Roosevelt Road Center 201 - 275 W. Roosevelt Rd. Lombard, IL	125,378	0	0%	Retail	N.A.
11		8400 - 8500 W. 191st Mokena, IL	89,970	10,000	11%	Flex	\$13.50
12		Kroger Plaza 1607 Broadway Street Pekin, IL	38,000	0	0%	Retail	N.A.
13		MacArthur Plaza 200 N. MacArthur Peoria, IL	22,900	0	0%	Retail	N.A.
14		Sheridan Village 4125 Sheridan Road Peoria, IL	303,915	11 suites totalling 44,035 sf	15%	Retail	\$22.00
15		Sunnyland Plaza 2273 Washington Street Sunnyland, IL	100,000	10 Suites totalling 37,542 sf	38%	Retail	\$5.00 - \$15.00

The Market

COMPETITIVE PROPERTIES LOCATION MAP



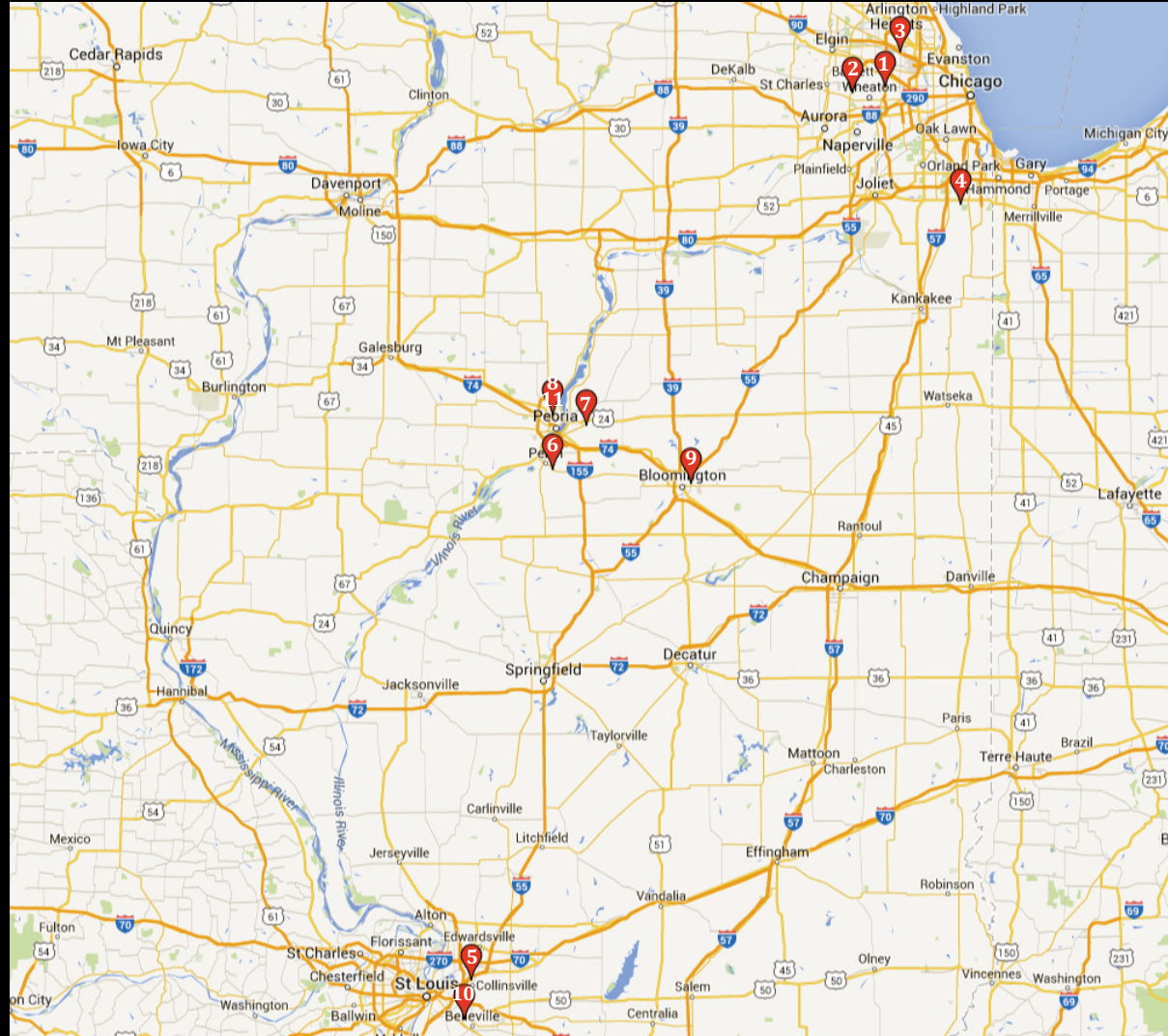
The Market

SALES COMPARABLES

MAP KEY	PHOTO	LOCATION	SIZE (SF)	PRICE	PRICE (PSF)	SALE DATE
1		1000 Rowling Road Lombard, IL	91,379	\$4,100,000	\$44.87	4/2008
2		Geneva Plaza 875-901 E. Geneva Rd Carol Stream, IL	52,600	\$5,800,000	\$110.27	12/2014
3		Mt. Prospect Retail 1850 S. Busse Road Mount Prospect, IL	58,000	\$505,100	\$9.00	12/2014
4		Norwood Square 100 - 800 Norwood Sq. Park Forest, IL	132,000	\$347,600	\$2.63	9/2010
5		Beltline Road Collinsville, IL	131,296	\$10,700,000	\$81.50	5/2005
6		Courtside Center 3245 - 83 Court St. Pekin, IL	72,052	\$2,275,000	\$31.57	8/2009
7		Cherry Tree Center Route 24 @ Cummings Washington, IL	111,707	\$3,390,000	\$30.35	12/2014
8		Evergreen Center 801 W. Lake Ave. Peoria, IL	116,989	\$7,500,000	\$64.11	1/2014
9		Lakewood Plaza 1407-1409 N. Veterans Bloomington, IL	92,609	\$6,900,000	\$74.51	5/2013
10		Bellevue Park Plaza 4600 W. Main Street Belleville, IL	84,839	\$2,650,000	\$31.24	3/2005
11		Sheridan Village 4125 Sheridan Road Peoria, IL	303,915	\$11,500,000	\$37.84	1/2015

The Market

SALES COMPARABLES LOCATION MAP





03

PROPERTY OVERVIEW

- The Property
- Site Plan
- Floor Plan
- Plat Map

PROPERTY DESCRIPTION

The Property

SITE

- ±11 Acres (483,513.80 square feet)
- Zoning is C-2 in Morton, IL
- Asphalt parking lot has an estimated ±300 spaces (4.1 per 1,000 square feet)
- Frontage is on I-55 & Main Street
- 2 Pylon signs with tenant names are at entrance to center
- Access is via 5 curb cuts on Main Street
- Site is rectangular, level, at grade with adjacent street and property and not in a flood plain

REAL ESTATE TAXES

- 2013 tax payable in 2014 is \$98,563.30 (\$0.71 per square foot)
- Assessed value is \$1,385,470
- Permanent Index Numbers: 06-06-29-300-004
06-06-29-300-017
06-06-29-300-028
06-06-29-300-030
06-06-29-300-029
06-06-29-300-008
06-06-29-300-009
06-06-29-300-014
06-06-29-300-015
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STRUCTURE

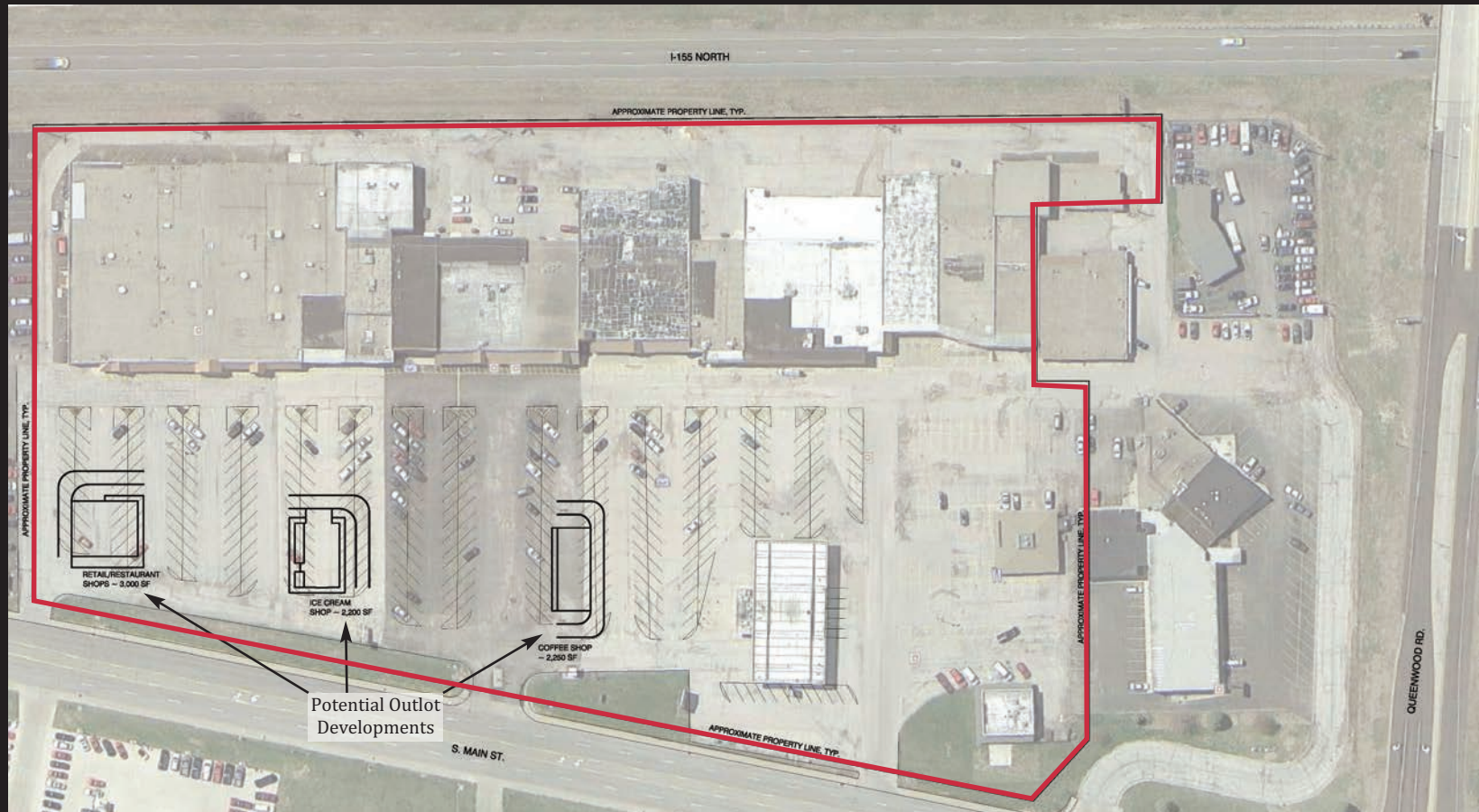
- ±137,643 square foot retail building constructed in 1960's & remodeled in 1980's
- 95% of the building is retail space. 5% is flex space.
- Building is divided into 30 units, with the average suite size between 2,800 - 5,000 square feet
- Conventional Construction
- The roofing system consists of metal deck and two layers - a built-up roof, insulation, and some newer hot asphalt portions
- The HVAC system consists of ± 25 rooftop units ranging from 3.5 to 10.0 tons

EXISTING CONDITIONS

As the subject property is in receivership due to foreclosure, the receiver is offering it in "as is" condition. The attached financial projection includes \$50,000 to correct deferred maintenance and for property upgrades. Seller and MCRE make no representations concerning the accuracy or completeness of this estimate. The buyer will have the opportunity to complete its own inspections and cost estimates during due diligence.







Existing parking ratio is 3.36 per 1,000 square feet of total space. Morton requirement is 5 spaces per 1,000 square feet of usable space.



04

FINANCIALS

Financial Ratios
"As Is" NOI
Pro Forma NOI
Expenses

FINANCIAL RATIOS

	PRO-FORMA
Occupancy Rate	80%
Price	\$4,500,000
Plus Cost to Renovate and Lease Vacant Space	
Tenant Improvements	\$575,000
Leasing Commissions	\$121,000
Proceeds from sale of outlots	(\$300,000)
Total Lease-Up Cost	<u>\$396,000</u>
Total Investment	\$4,896,000
Net Operating Income (see attached schedules)	\$512,000
Rentable Square Feet	137,643
Total Investment Per Square Foot	\$36
Cap Rate (NOI divided by Total Investment)	10.5%

As Is NOI

Tenant Name	Lease Expires	Rentable Sq. Ft	% Ctr	Total Rent	
				Annual	PSF
<u>Main Building</u>					
Carousel Dance Studio	in process	4,500	3.22%	\$18,414.00	\$4.09
CEFCU	1/31/2017	ground	n/a	\$6,685.56	
Dollar General Store #563	4/30/2018	9,000	6.43%	\$56,564.00	\$6.28
EweNique /Yarns (Sublet of Pumpkin Glass)			0.00%		
Field Cooking School (William Turney)	4/30/2015	2,699	1.93%	\$18,432.00	\$6.83
Home Theatre Concepts (Scott Berger)	4/30/2015	4,811	3.44%	\$31,329.00	\$6.51
Inspired Arts Academy	8/31/2018	5,436	3.89%	\$38,931.96	\$7.16
McSparin, Mark (VIP Theatres)	1/31/2019	14,812	10.59%	\$55,808.00	\$3.77
Midwest Podiatry Group (Dr Kancius)	12/31/2017	1,600	1.14%	\$16,453.02	\$10.28
Mission Mart (South Side Mission)	4/30/2019	14,253	10.19%	\$119,867.88	\$8.41
MNT Investments, LLC	1/31/2016	2,128	1.52%	\$12,576.48	\$5.91
Quilt Corner (Michelle Lohrenz)	8/31/2015	4,988	3.57%	\$35,372.04	\$7.09
Tazwood Community Services Inc	2/28/2018	3,990	2.85%	\$28,677.96	\$7.19
Yogi's Super Liquors	1/31/2018	2,500	1.79%	\$17,964.00	\$7.19
<u>Vacant Spaces</u>					
Vacant		4,030	2.88%		
Vacant		923	0.66%		
Vacant		4,983	3.56%		
Vacant (formerly Custom Cleaners)		2,495	1.78%		
Vacant (formerly Tazwood Comm Sv)		17,542	12.54%		
Vacant (formerly Mission Mart Old)		8,300	5.93%		
Vacant (formerly DayCare Resources)		7,020	5.02%		
Vacant (formerly Fairfield)		1,862	1.33%		
Vacant (formerly Classic Cutters moved to 1915)(Natalie Sh		799	0.57%		
Vacant (formerly A Perfect Promotion)		1,500	1.07%		
Vacant (formerly Pumpkin Glass)		8,000	5.72%		
<u>Common Areas of Building</u>					
Common Corridor-shared by tenants		237	0.17%		
Common Corridor		2,209	1.58%		

As Is NOI, CONT.

Field Outlots

Chris Kimmey/Julie McFarlane (formerly Class Game 7 Sports LLC (formerly Double T's)	7/31/2017	1,000	0.71%	\$8,010.00	\$8.01
	3/31/2019	2,392	1.71%	\$20,140.60	\$8.42
La Gondola	1/31/2016	1,500	1.07%	\$27,689.04	\$18.46
Medical Resources Group Ltd	12/31/2017	1,560	1.12%	\$7,802.40	\$5.00
Big Mart (Morton Big Mart, Inc.)	4/30/2017	3,020	2.16%	\$30,000.00	\$9.93
Variations in Leases and GLA		(196)	-0.14%		
Gross Leaseable Area (GLA)		<u>139,893</u>	<u>100.00%</u>	<u>\$550,717.94</u>	<u>\$3.94</u>
Occupied		82,439	58.93%	\$550,717.94	\$6.68
Vacant		57,454	41.07%		

FIELD SHOPPING CENTER

AS IS NOI

As Of: April 30, 2015

Base Rent	\$437,978	\$3.13
Recoveries	\$112,740	\$0.81
Total Potential Income	\$550,718	\$3.94
Less Vacancy	n.a.	n.a.
Effective Gross Income	\$550,718	\$3.94
Less Operating Expense		
Management Fees	\$45,000	\$0.32
Repairs & Maintenance	\$27,404	\$0.20
Insurance	\$21,000	\$0.15
Common Area Maintenance	\$60,500	\$0.43
Utilities	\$21,800	\$0.16
Contingency (2% of Revenue)	\$11,014	\$0.08
Sub-Total -- CAM	\$186,718	\$1.33
Real Estate Tax	\$103,000	\$0.74
Total Recoverable Expense	\$289,718	\$2.07
Non-Recoverable Expense	\$10,000	\$0.07
Total Expenses	\$299,718	\$2.14
Net Operating Income	\$251,000	\$1.79

PRO FORMA NOI

80% OCCUPANCY

Tenant Name	Lease Expires	Rentable Sq. Ft	% Ctr	Total Rent	
				Annual	PSF
<u>Main Building</u>					
Carousel Dance Studio	in process	4,500	3.22%	\$18,414	\$4.09
CEFCU	1/31/2017	ground	n/a	\$6,686	
Dollar General Store #563	4/30/2018	9,000	6.43%	\$56,564	\$6.28
EweNique /Yarns (Sublet of Pumpkin Glass)			0.00%		
Field Cooking School (William Turney)	4/30/2015	2,699	1.93%	\$18,432	\$6.83
Home Theatre Concepts (Scott Berger)	4/30/2015	4,811	3.44%	\$31,329	\$6.51
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McSparin, Mark (VIP Theatres)	1/31/2019	14,812	10.59%	\$55,808	\$3.77
Midwest Podiatry Group (Dr Kancius)	12/31/2017	1,600	1.14%	\$16,453	\$10.28
Mission Mart (South Side Mission)	4/30/2019	14,253	10.19%	\$119,868	\$8.41
MNT Investments, LLC	1/31/2016	2,128	1.52%	\$12,576	\$5.91
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Tazwood Community Services Inc	2/28/2018	3,990	2.85%	\$28,678	\$7.19
Yogi's Super Liquors	1/31/2018	2,500	1.79%	\$17,964	\$7.19
<u>Vacant Spaces</u>					
New Tenant		4,030	2.88%	\$35,666	\$8.85
New Tenant		923	0.66%	\$8,169	\$8.85
New Tenant		4,983	3.56%	\$44,100	\$8.85
New Tenant		2,495	1.78%	\$22,081	\$8.85
New Tenant		17,542	12.54%	\$155,247	\$8.85
New Tenant		8,300	5.93%	\$73,455	\$8.85
New Tenant		7,020	5.02%	\$62,127	\$8.85
New Tenant		1,862	1.33%	\$16,479	\$8.85
New Tenant		799	0.57%	\$7,071	\$8.85
New Tenant		1,500	1.07%	\$13,275	\$8.85
New Tenant		8,000	5.72%	\$70,800	\$8.85
<u>Common Areas of Building</u>					
Common Corridor-shared by tenants		237	0.17%		
Common Corridor		2,209	1.58%		
<u>Field Outlots</u>					
Chris Kimmey/Julie McFarlane (formerly Class Game 7 Sports LLC (formerly Double T's)	7/31/2017	1,000	0.71%	\$8,010	\$8.01
La Gondola	3/31/2019	2,392	1.71%	\$20,141	\$8.42
Medical Resources Group Ltd	1/31/2016	1,500	1.07%	\$27,689	\$18.46
Big Mart (Morton Big Mart, Inc.)	12/31/2017	1,560	1.12%	\$7,802	\$5.00
Variations in Leases and GLA	4/30/2017	3,020	2.16%	\$30,000	\$9.93
Gross Leaseable Area (GLA)		(196)	-0.14%		
		<u>139,893</u>	<u>100.00%</u>	<u>\$1,059,186</u>	<u>\$7.57</u>
Occupied		82,439	58.93%	\$1,059,186	\$12.85
New Tenant		57,454	41.07%		

PRO FORMA NOI, CONT.

80% OCCUPANCY

Base Rent	\$840,156	\$6.01
Recoveries	\$219,030	\$1.57
Total Potential Income	\$1,059,186	\$7.57
Less Vacancy @ 20%	-\$211,837	-\$1.51
Effective Gross Income	\$847,349	\$6.06
Less Operating Expense		
Management Fees	\$45,000	\$0.32
Repairs & Maintenance	\$52,865	\$0.38
Insurance	\$21,000	\$0.15
Common Area Maintenance	\$60,500	\$0.43
Utilities	\$21,800	\$0.16
Contingency (2% of Revenue)	\$21,184	\$0.15
Sub-Total -- CAM	\$222,349	\$1.59
Real Estate Tax	\$103,000	\$0.74
Total Recoverable Expense	\$325,349	\$2.33
Non-Recoverable Expense	\$10,000	\$0.07
Total Expenses	\$335,349	\$2.40
Net Operating Income	\$512,000	\$3.66
Less Capital Reserves @ \$.25 PSF	(\$34,973)	-\$0.25
Cash Flow before Debt Service	\$477,027	\$3.41

Market Rent Assumption			
	Sq. Ft.	Rent PSF	Total Cost
Total Vacant Space	57,454	\$7.00	\$402,178

Tenant Improvement Costs*			
	Sq. Ft.	Remt PSF	Total Cost
Total Vacant Space	57,454	\$10.00	\$574,540

* Assumes build-out at \$5 PSF

Leasing Commission Costs*			
	Sq. Ft.	Remt PSF	Total Cost
Total Vacant Space	57,454	\$2.10	\$120,653

* Assumes 5 year lease at 6% of total rents.

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property. This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and MCRE. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All reference to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or MCRE, nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreements(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or MCRE. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or MCRE.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to MCRE.

MCRE **Exclusive Agent**

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