



The Grafton Center

12601 Grafton Road
Carleton, Michigan 48117

:: OFFERING MEMORANDUM

CBRE

Driving Price and Adding Value through Experience and Market Knowledge

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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 CB Richard Ellis, Inc. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references 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 CB Richard Ellis, Inc, 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 agreement(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 confident 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 CB Richard Ellis, Inc. 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 CB Richard Ellis, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CB Richard Ellis, Inc.



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01

Executive Summary
Investment Highlights
The Offering
Investment Summary
Financial Overview
Property Details





Investment Highlights

- Value Add Shopping Center, Currently 64 Percent Occupied
- 46% of the Center is Anchored by Busch's Market
- Great Traffic Counts
- Strong Demographics
- Located in Close Proximity to I-275
- Great Visibility and Direct Frontage Along Grafton Road
- Offered Free and Clear of Existing Financing
- Landlord Just Signed a Brand New Five-Year Lease
- 2014 Real Estate Taxes Values Recently Reduced

The Offering

CBRE has been retained by current ownership as the exclusive marketing advisor for the disposition of the Grafton Shopping Center located at 12601 Grafton Road in Carleton, Michigan.

The Summary

The Grafton Center consists of 91,600 square feet and is situated on a 9.07 acre parcel. The center is currently 64 percent occupied by four tenants.

The largest tenant in the center is Busch's Market, a regional grocery store occupying 46 percent (42,000 square feet) whose lease runs through July, 2015. Other tenants include Krzyske Brothers Hardware Store, China Club Restaurant and Calkins Chiropractic.

The majority of the tenants are responsible for reimbursing the landlord for their prorata share of real estate taxes, property insurance and common area maintenance (CAM). In addition, most tenants also pay an administrative fee on top of CAM. Please refer to the rent roll in the financial section for further details.

The Grafton Center provides excellent visibility and accessibility giving it a great presence in the Monroe Retail Market. This is a true value-add opportunity, which would benefit from an experienced, knowledgeable investor who can find the right tenant mix to fit the submarket.



FINANCIAL OVERVIEW	
Asking Sales Price	\$1,750,000
Down Payment-Proposed	50% / \$875,000
Price per Square Foot	\$19.10
CAP Rate (As Is)	15.59%
Financing	Offered Free and Clear of Existing Financing
BUILDING INFORMATION	
Property	The Grafton Center 12601 Grafton Road Carleton, MI 48117
Building Square Feet (RBA)	91,600 Square Feet
Property Type	Multi-Tenant Retail Building
Year Built	1984 / 2005
Parcel Size (Acres)	9.07 Acres
Type of Ownership	Fee Simple
Current Occupancy	64%



PROPERTY DETAILS



GENERAL PROPERTY INFORMATION

Property Address	The Grafton Center 12601 Grafton Road Carleton (Ash Township), Michigan 48117
County	Monroe County
Year Constructed	1984 / 2005
Parcel Number	41-010-068-00
Building Size (Gross Building Area)	91,600 SF
Building Size (Rentable Building Area)	91,600 SF
Parcel Size	9.07 Acres
Zoning	Commercial
Number of Stories	One
Access	Multiple via Grafton Road and Center Street

BUILDING DETAILS

Exterior Walls	Brick Veneer
Roof	Rubber Membrane
Structural	Structural Steel Columns
Foundation	Poured Concrete
Parking Surface	Asphalt Paved
Elevator	None
Fire Protection	To Code
HVAC	Roof Mounted Units
Utilities	All to Site
Plumbing	To Code

SITE PLAN

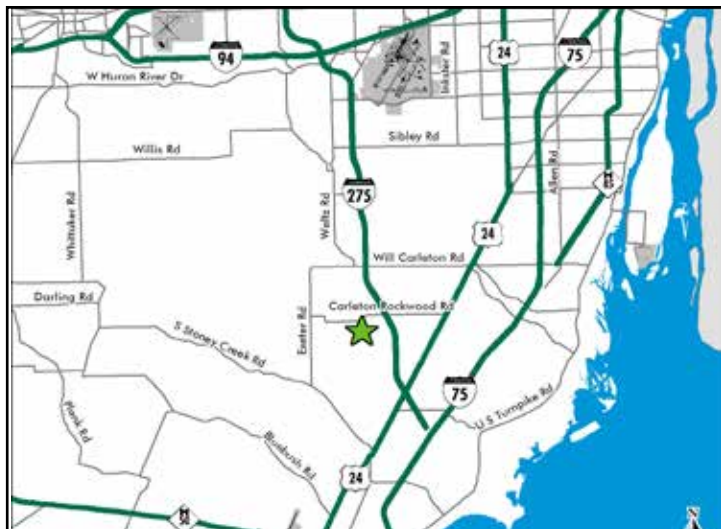


SITE PLAN





AREA OVERVIEW



Location Overview

The subject property is located 12601 Grafton Road in Carleton (Ash Township), Michigan. The property is located at the northwest corner of Grafton Road and Center Street, but just south of Monroe Street. The property is mostly surrounded by single family residences as well as one 24-unit multi-family property, the Carleton Apartments.

Ash Township

Ash Township is located in the northern portion of Monroe County, Michigan. It is bound by Huron Charter Township (Wayne County) to the north, Exeter Township to the west, Berlin Charter Township to the east and Frenchtown Charter Township to the south. Ash Township is approximately 36 square miles in area. The Township is located approximately 20 miles south of Detroit, 35 miles east of Ann Arbor, and 30 miles north of Toledo, Ohio. The township has direct access to I-275, with exits at Oakville-Waltz Rd, Carleton Rockwood Road, and Telegraph. It also have direct access to US-24.

Monroe County

Monroe County, Michigan is Michigan’s southeasternmost County, and is Michigan’s only port on Lake Erie. It is situated directly between Detroit to the north and Toledo, Ohio to the south, with proximity to other cities like Ann Arbor, Michigan and Windsor, Ontario. Its estimated population in January 2009 was 153,817.

Companies Doing
Business in Monroe
County:

Mercy-Memorial
Hospital
DTE Energy

Meijer, Inc.
Monroe Public
Schools

Guardian Industries
Cabela’s

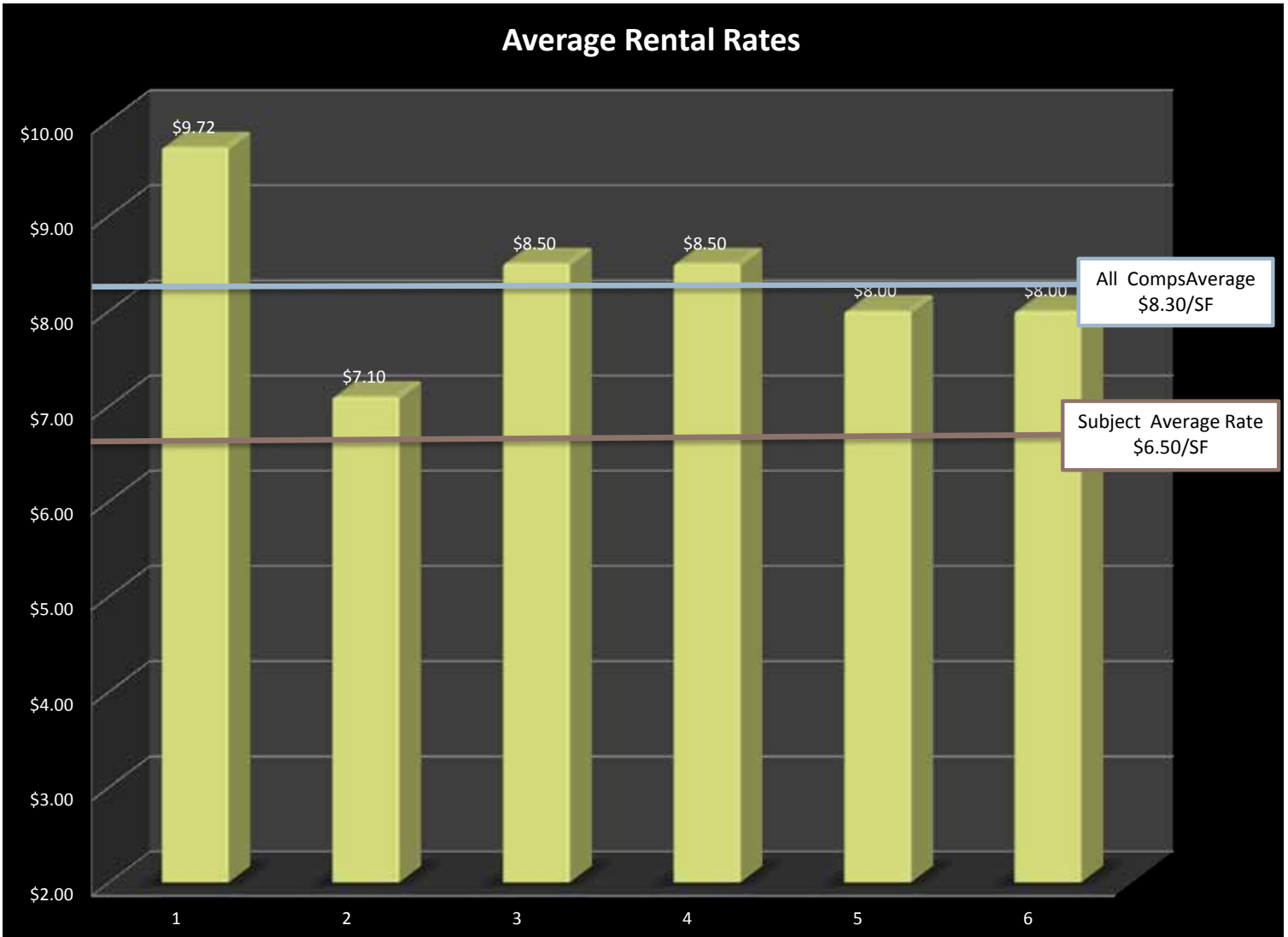
Demographic Report



	12601 Grafton Rd 1 mile radius	12601 Grafton Rd 3 mile radius	12601 Grafton Rd 5 mile radius	
POPULATION	2012 Estimated Population	2,746	6,993	21,427
	2017 Projected Population	2,619	6,841	21,490
	2000 Census Population	2,919	6,874	20,111
	1990 Census Population	3,012	6,628	15,701
	Growth 2000-2012	-5.94%	1.72%	6.55%
	Growth 2012-2017	-4.61%	-2.17%	0.29%
	2012 Estimated Median Age	38.42	39.93	37.32
	2012 Estimated Average Age	37.66	38.74	36.63
HOUSEHOLDS	2012 Estimated Households	1,099	2,662	7,924
	2017 Projected Households	1,037	2,570	7,901
	2000 Census Households	1,129	2,546	7,227
	1990 Census Households	1,065	2,287	5,455
	Growth 2000-2012	-2.69%	4.58%	9.64%
	Growth 2012-2017	-5.66%	-3.45%	-0.28%
	2012 Est. Average Household Size	2.52	2.62	2.70
INCOME	2012 Est. Median Household Income	\$48,698	\$56,317	\$56,682
	2017 Prj. Median Household Income	\$48,658	\$56,627	\$56,965
	2000 Cen. Median Household Income	\$47,926	\$54,702	\$54,397
	1990 Cen. Median Household Income	\$34,234	\$38,565	\$38,898
	2012 Est. Average Household Income	\$58,231	\$67,817	\$66,660
2012 Estimated Per Capita Income	\$23,134	\$26,001	\$24,681	
HOUSING	2012 Estimated Housing Units	1,186	2,836	8,582
	2012 Estimated Occupied Units	1,099	2,662	7,924
	2012 Estimated Vacant Units	88	174	659
	2012 Est. Owner Occupied Units	981	2,404	7,054
	2012 Est. Renter Occupied Units	118	258	870
	2012 Est. Median Housing Value	\$80,306	\$133,413	\$105,146
	2012 Est. Average Housing Value	\$105,336	\$151,241	\$131,549

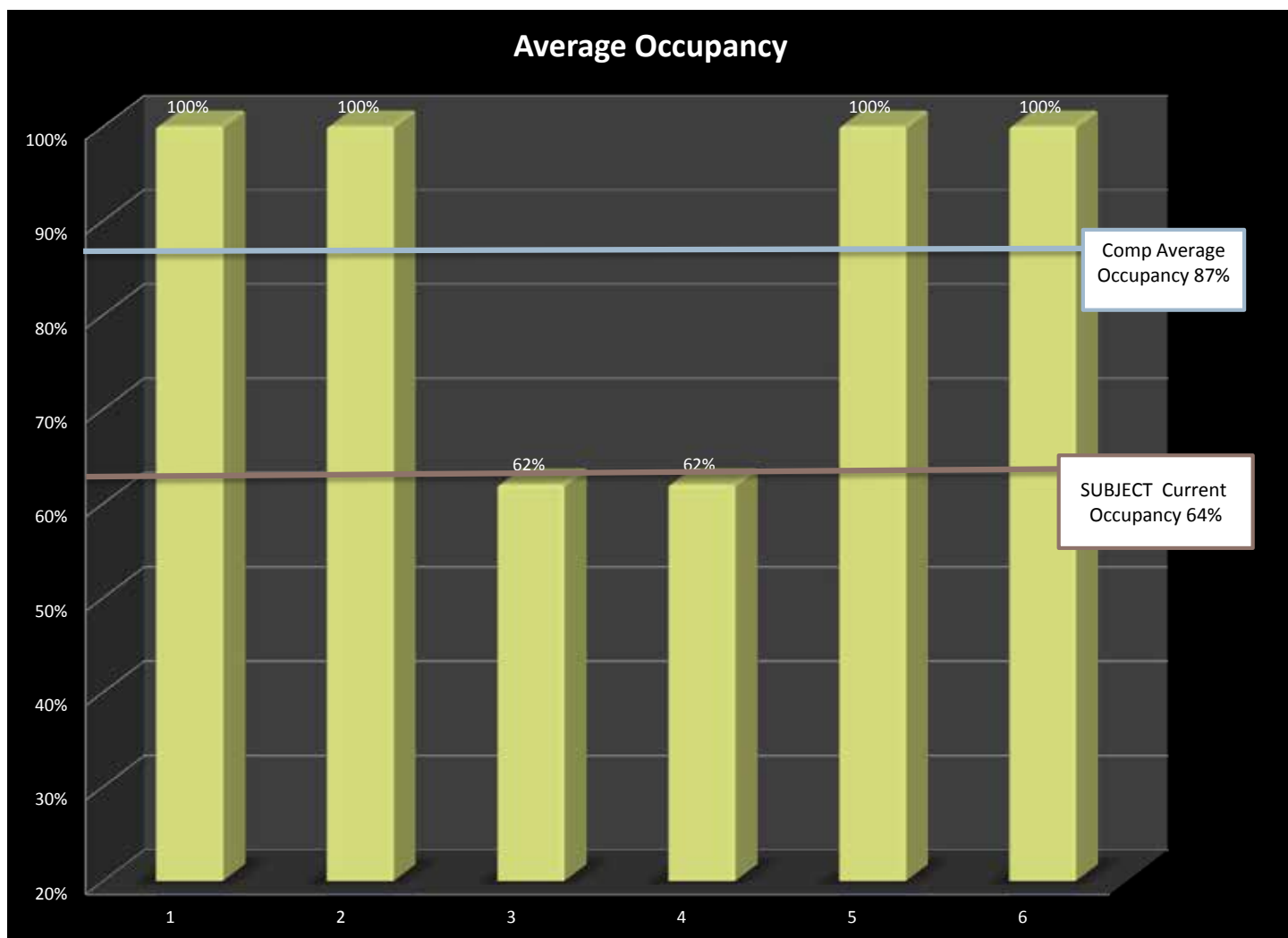


RENT COMPARABLE ANALYSIS



The average rental rate for the comparables shown is \$8.30 per square foot NNN, compared to the subject property which is averaging \$6.50 per square foot NNN, and is operating in line with the market averages.

RENT COMPARABLE ANALYSIS



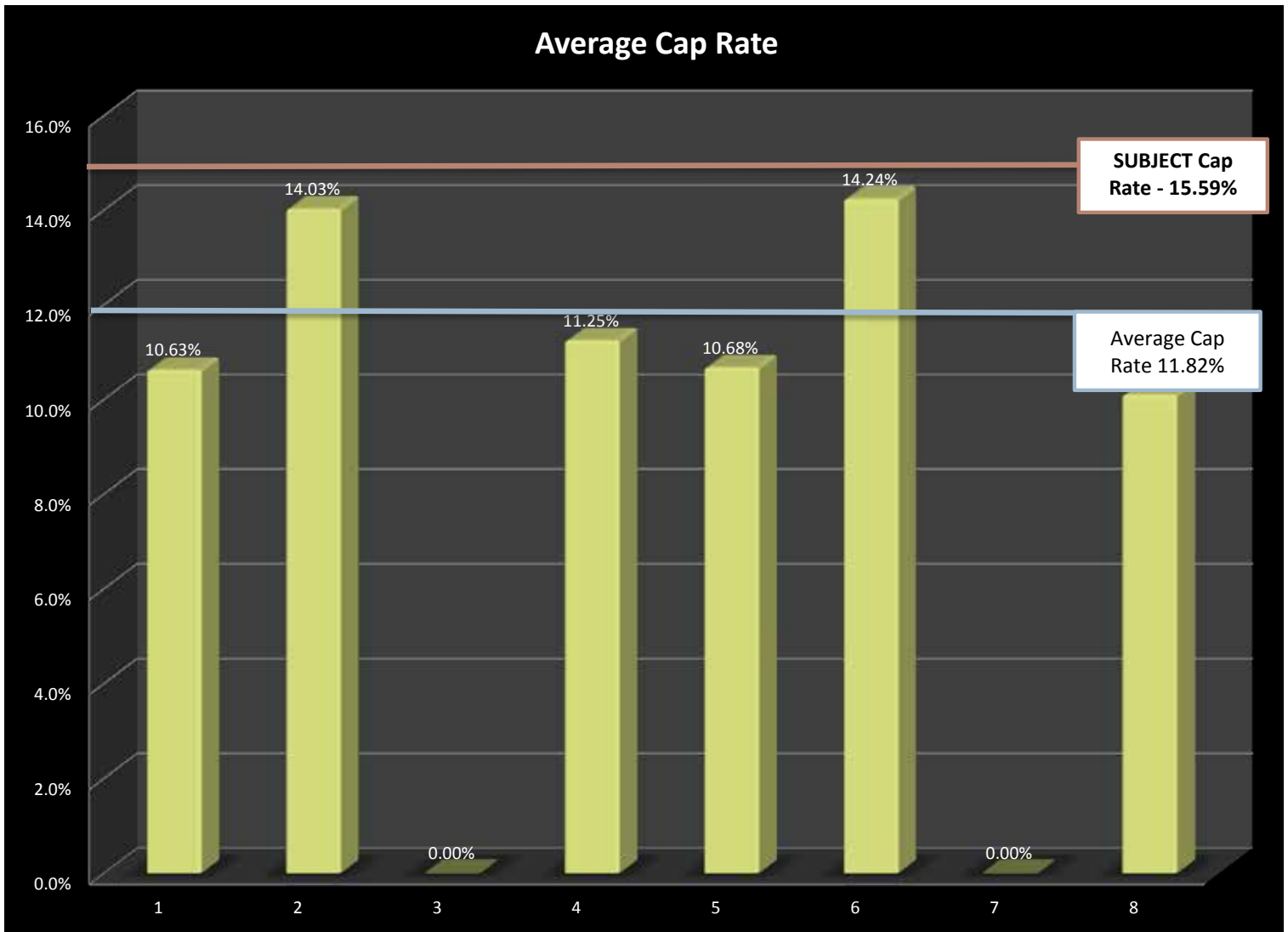
The subject property, currently 64 percent occupied, is operating below the comparables which are operating at an average occupancy of 87 percent.

RENT COMPARABLES

	Building Name Address	Building Size (SF)	Year Built	Current Occupancy	Lease Status	Actual Signed Lease SF / Available SF	Average Rental Rate (NNN)	Expense Recovery Type	Comments
★	 The Grafton Center 12601 Grafton Road Carleton, MI	91,600	1984 / 2005	64%		33,350	\$6.50	NNN	The Grafton Center is currently 57 percent occupied by four tenants. The majority of the tenants are on NNN leases.
1	 Salvation Army 1525 Map Road Monroe, MI	25,531	1997	100%	6/2012 - 6/2022	25,531	\$9.72	NNN	The tenant, Salvation Army, signed a new 10-year lease for \$9.72 per square foot NNN.
2	 Retail Center 15248 Dixie Highway Monroe, MI	10,000	1989	100%	9/2012 - 9/2013	2,000	\$7.10	NNN*	A tattoo tenant signed a 13 month lease with one month of free rent for \$9.60 per square foot gross; therefore, we reduced the rate by \$2.50 per square foot to show the rate on a NNN basis. Asking rate is \$15.00 per square foot.
3	 Riverbend Commons 347-403 South Telegraph Road Monroe, MI	18,000	2001	62%	12/2012 - 12/2013	1,300	\$8.50	NNN	The landlord is currently doing leasing deals between \$8.00 and \$9.00 per square foot NNN. There is a contract out for the former Farmer Jack space between \$11.000 and \$12.00 per square foot. Asking rates are \$12.00 per square foot NNN with net charges of \$2.50 per square foot. Tenant is a health food business.
4	 Riverbend Commons 347-403 South Telegraph Road Monroe, MI	18,000	2001	62%	12-2012 - 12/2013	4,025	\$8.50	NNN	The landlord is currently doing leasing deals between \$8.00 and \$9.00 per square foot NNN. There is a contract out for the former Farmer Jack space between \$11.000 and \$12.00 per square foot. Asking rates are \$12.00 per square foot NNN with net charges of \$2.50 per SF. Tenant is a feather bowling business.
5	 Frenchtown Shopping Center 1475-1575 North Telegraph Road Monroe, MI	121,039	N/A	100%	7/2012 - 6/2015	2,400	\$8.00	NNN	The tenant signed a three year lease for \$8.00 per square foot NNN. Net charges are \$3.00 per square foot.
6	 Frenchtown Shopping Center 1475-1575 North Telegraph Road Monroe, MI	121,039	N/A	100%	7/2012 - 6/2015	1,200	\$8.00	NNN	The tenant signed a three year lease for \$8.00 per square foot NNN. Net charges are \$3.00 per square foot.
All Comparable Averages				87%			\$8.30		

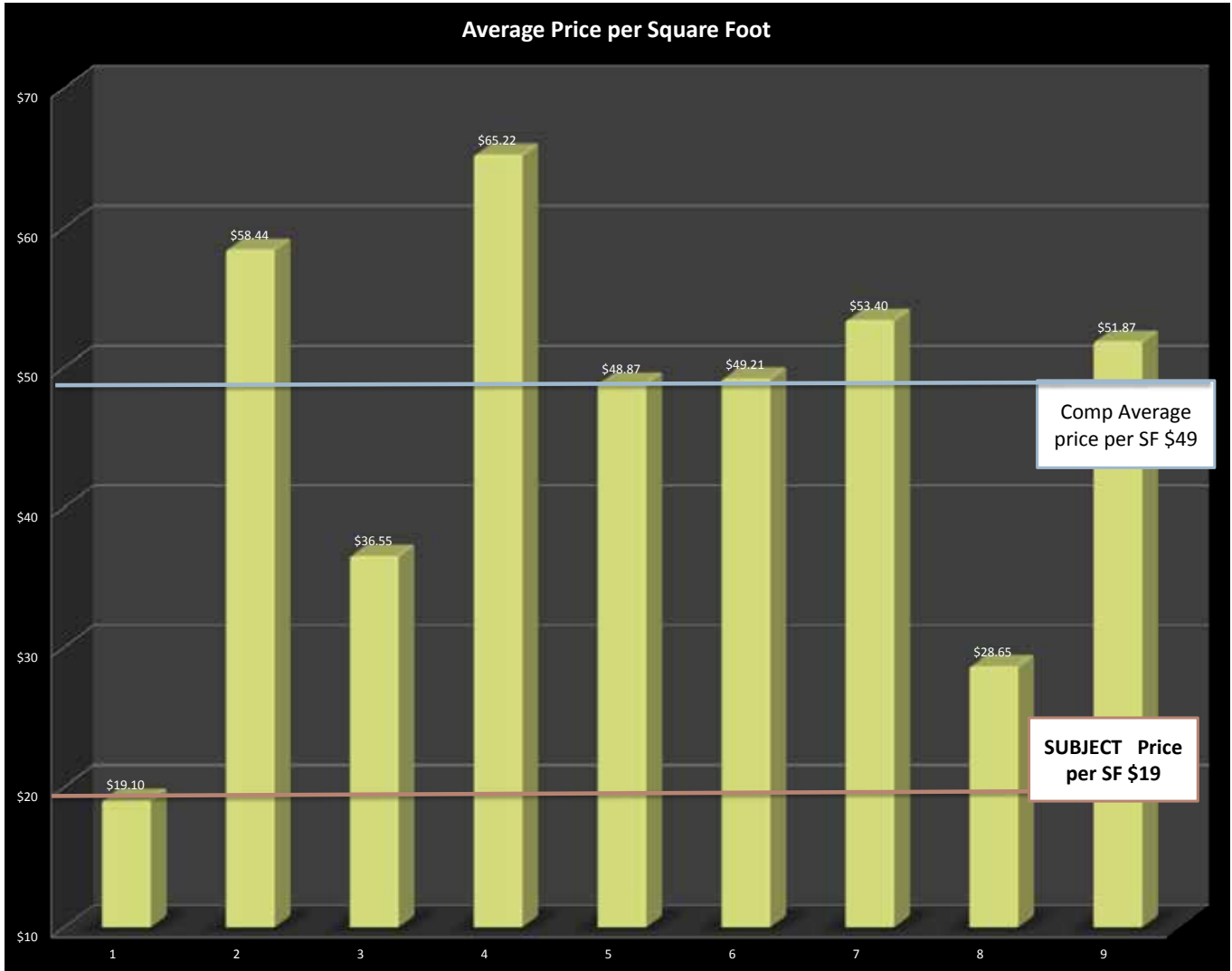


SALE COMPARABLE ANALYSIS



The average cap rate for multi-tenant retail shopping center sales is 11.82 percent, compared to the subject property, priced at a cap rate of 15.59 percent based on as is income only.

SALE COMPARABLE ANALYSIS








The average price per square foot for multi-tenant retail shopping center sales is \$49, compared to the subject property, which is priced more competitively at \$19 per square foot.

SALE COMPARABLES

		Building Name Address	Year Built	Building Size (SF)	Sale Date	Sales Price	Price/SF	Occupancy at Sale	Cap Rate	Comments
★		The Grafton Center 12601 Grafton Road Carleton, MI	1991	91,600		\$1,750,000	\$19.10	64%	15.59%	The Grafton Center is currently 64 percent occupied by four tenants. The majority of the tenants are on NNN leases.
1		Inkster Town Center 27425 Michigan Avenue Inkster, MI	1995	54,755	On Market	\$3,200,000	\$58.44	93%	10.63%	The Inkster Town Center is currently 93 percent occupied by 10 tenants. O'Reilly Auto Parts with an S & P rating of BBB, occupying 18 percent through June, 2019. Rite Aid still has a lease in place for 20 percent of the center through June, 2015 and they are currently subleasing the space to Family Dollar. The remaining are local, regional and national tenants and have varying lease expirations. Exclusively listed by Bill O'Connor with CBRE.
2		Galloway Retail Shopping Center 1602-1648 Perry Street Pontiac, MI	2001 / 2003	49,246	12/1/2012	\$1,800,000	\$36.55	60%	14.03%	Galloway Retail Center is currently 61 percent occupied by 12 tenants. The largest tenant, LaMexicana Restaurant has been a tenant since 2005 and occupies 11 percent of the center through September, 2013. The second largest tenant is the Secretary of State (State of Michigan) and they have been tenants in the property since 2005 with a current lease expiring June, 2015. Flagstar Bank has been a tenant since February, 2000 and recently renewed their lease an additional three years through January, 2014. REO Deal.
3		Golden Gate Plaza 2883-2995 East Big Beaver Troy, MI	1974 / 2005	100,575	11/2/2012	\$6,560,000	\$65.22	98%	N/A	This neighborhood shopping center was occupied by ALDI grocery, ACO Hardware, CVS and Dollar General at the time of the sale.
4		Crystal Commons Shopping Center 40775-40821 Garfield Road Clinton Township, MI	2004	45,013	6/29/2012	\$2,200,000	\$48.87	74%	11.25%	Crystal Commons consists of 45,013 square feet and is currently 74 percent occupied by nine tenants. The largest tenant occupying 21 percent, Dollar Tree, signed a new five-year lease commencing in October, 2010. The second largest tenant, Fitness 19, occupies 15 percent of the property through September, 2015. Metro PCS, occupies 8.4 percent of the center and just extended their lease for an additional five-year term. Exclusively listed and sold by Bill O'Connor with CBRE. REO Deal.

SALE COMPARABLES

		Building Name Address	Year Built	Building Size (SF)	Sale Date	Sales Price	Price/SF	Occupancy at Sale	Cap Rate	Comments
★		The Grafton Center 12601 Grafton Road Carleton, MI	1991	91,600		\$1,750,000	\$19.10	64%	15.59%	The Grafton Center is currently 64 percent occupied by four tenants. The majority of the tenants are on NNN leases.
5		Gratiot Center 5025-5135 Gratiot Saginaw, MI	1967	199,143	4/1/2012	\$9,800,000	\$49.21	98%	10.68%	The center is anchored by Kroger, Kmart and ACO Hardware. The center sites on a 14.66 acre parcel.
6		Orchards Park Shopping Center 1960 Mall Place Benton Harbor, MI	2004	20,787	3/27/2012	\$1,110,000	\$53.40	92%	14.24%	The Orchards Park Shopping Center is currently 92 percent occupied by eight tenants. In addition to the shopping center, the offering also included a second parcel that is adjacent to the shopping center, consisting of 4.03 acres of vacant commercial land. The largest tenant, occupying 23 percent, is the Michigan Secretary of State who has been a tenant since January, 2005 and recently signed an extension through December, 2014. Exclusively listed and sold by Bill O'Connor with CBRE. REO Deal.
7		Von's Plaza 1545-1645 Holmes Road Ypsilanti, MI	1965	69,801	3/2/2012	\$2,000,000	\$28.65	93%	N/A	Von's Plaza is anchored by Von's Supermarket and Dollar Tree.
8		Hayes Center Shoppes 45617 - 45721 Hayes Road Shelby Township, MI	2005	47,234	12/30/2011	\$2,450,000	\$51.87	60%	10.11%	Hayes Center Shoppes consists is currently 60 percent occupied by 13 tenants. The largest tenant, Sherwood Brewing Company, occupies 9.5 percent through March, 2016 with the second largest tenant, the Mediterranean Market, occupying 9 percent of the property through November, 2016. The remaining tenants are local and regional in nature with varying lease expirations. The property was priced based on current income only. Exclusively listed and sold by Bill O'Connor at CBRE. REO Deal.
Comparable Averages							\$49.03	83%	11.82%	



Financials

- Summary of Financial Assumptions
- Analysis Assumptions
- Rent Roll
- Year One Cash Flow



FINANCIAL OVERVIEW

FINANCIAL OVERVIEW		INCOME ESTIMATES															
Sales Price	\$1,750,000	Base Rent - Occupied Rent	The year one base rent includes the existing tenants and includes the rental income as well as expense reimbursements per the lease agreements from 11/2014 - 10/30/15.														
Down Payment-Proposed Financing	50% / \$875,000																
Price Per Square Foot	\$19.10	Base Rent - Vacant Space	Is assumed to remain vacant for the first year.														
CAP Rate	15.59%																
Financing	Offered Free and Clear of Existing Financing	Expense Reimbursements	Expense reimbursement revenue has been estimated based on the lease agreements. The analysis has assumed that all tenants are paying per their existing leases.														
BUILDING INFORMATION																	
Address	The Grafton Center 12601 Grafton Road Carleton, MI 48117	<table border="1"> <thead> <tr> <th colspan="2">EXPENSE ESTIMATES</th> </tr> </thead> <tbody> <tr> <td>Real Estate Taxes</td> <td>Estimated based on the REDUCED 2014 SEV of \$750,000 (same as the 2014 taxable value) and the 2014 non-homestead millage rate of 50.2685.</td> </tr> <tr> <td>Common Area Expense Estimates</td> <td>Estimated based on market expense comparables for similar shopping centers</td> </tr> <tr> <td>Property Insurance</td> <td>Estimated at \$0.25 per square foot of the shopping center</td> </tr> <tr> <td>Management Fees</td> <td>5.00% of EGR</td> </tr> <tr> <td>Vacancy Factor</td> <td>A total of 10% due to the current submarket occupancy of 92%</td> </tr> <tr> <td>Capital Reserves (Included in Operating Expenses)</td> <td>\$0.25 per Square Foot</td> </tr> </tbody> </table>		EXPENSE ESTIMATES		Real Estate Taxes	Estimated based on the REDUCED 2014 SEV of \$750,000 (same as the 2014 taxable value) and the 2014 non-homestead millage rate of 50.2685.	Common Area Expense Estimates	Estimated based on market expense comparables for similar shopping centers	Property Insurance	Estimated at \$0.25 per square foot of the shopping center	Management Fees	5.00% of EGR	Vacancy Factor	A total of 10% due to the current submarket occupancy of 92%	Capital Reserves (Included in Operating Expenses)	\$0.25 per Square Foot
EXPENSE ESTIMATES																	
Real Estate Taxes	Estimated based on the REDUCED 2014 SEV of \$750,000 (same as the 2014 taxable value) and the 2014 non-homestead millage rate of 50.2685.																
Common Area Expense Estimates	Estimated based on market expense comparables for similar shopping centers																
Property Insurance	Estimated at \$0.25 per square foot of the shopping center																
Management Fees	5.00% of EGR																
Vacancy Factor	A total of 10% due to the current submarket occupancy of 92%																
Capital Reserves (Included in Operating Expenses)	\$0.25 per Square Foot																
Building Square Feet	91,600 Square Feet																
Property Type	Multi-Tenant Retail																
Year Built	1984 / 2005																
Parcel Size	9.07 Acres																
Type of Ownership	Fee Simple																
Current Occupancy	100%																
Current Vacancy	64%																
PROPOSED FINANCING TERMS																	
Loan Amount	50% LTV																
Interest Rate	4.75%																
Amortization Schedule	25 Years																
Loan Term	5-10 Years																
Recourse Requirement	Full Recourse																



ANALYSIS ASSUMPTIONS



ANALYSIS ASSUMPTIONS

Analysis Dates - Year One	11/1/2014 - 10/31/2015
Entire Analysis Period	10 Years
Growth Rates	
Global Assumptions	2%
Current Tenants	The analysis assumes that all tenants from the rent roll will remain in the property through their respective lease expiration dates. The analysis assumes that all tenants are current, not behind in rent payments and paying their rental rate as noted in their leases as well as all required expense reimbursements per their leases.
Vacant Space	The vacant space (33,350 square feet / 36 of the property) is assumed to remain vacant for the first year of the as is analysis. There is not any lease up applied until year two / month 13.
Expense Recovery Type	The majority of the tenants are responsible for reimbursing the landlord for their pro rata share of real estate taxes, insurance and common area plus administrative fees on top of CAM items. Please refer to the rent roll on the following pages for expense reimbursement details. Please note that we have assumed that all tenants are current in paying their reimbursement methods as outlined in their specific leases.
Renewal Probability	A renewal probability of 70% has been applied to all current tenants
Downtime	6 months
Market Rental Rate	\$8.00 per square foot
Tenant Improvements	\$15.00 per square foot for new and \$5.00 per square foot for renewals
Leasing Commissions	6.0% for new leases and 3.0% for renewals
Rent Abatements	None
Lease Term	Five
Expense Recovery Type	Triple Net (NNN) with tenants responsible for reimbursing the landlord for their pro rata share of real estate taxes, insurance and common areas and the landlord responsible for replacements to the roof and structure.
Vacancy Factor	A vacancy factor of 10.0% has been applied in the pro forma analysis based on the current submarket vacancy of 8.0%.

ARGUS / Discount Cash Flow Analysis - Available Upon Request

RENT ROLL

The Grafton Center Rent Roll as of September, 2014							
Tenant Name Type & Suite Number	SqFt Pro Rata Share	Amount per Year	Amount per SF	Changes On	Changes To	Reimbursement Method	Comments
1 China Club Retail, Suite: 12509 Jun-2004 to Jun-2014 ¹	2,000 2.18%	\$28,800	\$14.40	Jun-13	\$14.70	NN +5% Admin on CAM	One, three-year option with 90 days notice at \$15.00 per SF with annual increase of 1%
¹ The landlord is currently negotiating a renewal for the tenant. However, until the renewal is signed, we have assumed that they tenant will remain at the property for the first year of the analysis.							
2 Krzyske Brothers Hardware Retail, Suite: 12541 Nov-2004 to Nov-2015 ¹	8,000 8.73%	\$68,000	\$8.50	-	-	NN +5% Admin on CAM	Two, five year options with 90 days notice at \$9.00 per SF for the first option and \$9.50 per SF for the second option, both with annual increases of 1%
3 Busch's (Market Development) Retail, Suite: 12601 Jul-1995 to Jul-2015	42,000 45.85%	\$249,900	\$5.95	-	-	NN +5% Admin on CAM	One, five year option remaining with 180 days notice at \$6.25 per SF
4 Calkins Company Chiropractic ¹ Retail, Suite: 12575 Aug-2012 to Jul-2014 ²	1,250 1.36%	\$13,132	\$10.51	-	-	Gross	One option with 90 days notice.
¹ The lease does not state the tenants square footage so we have estimated their space to be between 1,200 and 1,300 square feet. ² The landlord has negotiated a five-renewal for the tenant. We have assumed that they tenant will remain at the property for the first year of the analysis.							
5 J & D Entertainment Retail, Suite: 12601 Oct-2013 to Sept-2018 ¹	5,000 5.46%	\$22,500	\$4.50	-	-	NN	One three-year option at \$4.80 per SF with 90 days notice
¹ The tenant is to receive free rent for the first six months of the lease. Therefore our analysis has assumed an October start date and the seller will pay any difference in rent collected at the closing. The tenant is demising the space, the landlord is providing HVAC and roof.							
Vacant Space	33,350 36.41%	-	-	-	-	-	-
The analysis has assumed that all tenants are current in their rent and required reimbursements as well as the fact that all tenants are paying the rental rate and reimbursement method per their lease agreements.							
Total Occupied	58,250	64%					
Total Vacant	33,350	36%	Total Rent	\$382,332			
Total Center	91,600				Average Rent on a NN Basis	\$6.50	

YEAR ONE CASH FLOW

The Grafton Center Year One Cash Flow Estimates Proposed Financing				
	Price			\$1,750,000
	Down Payment	50%		\$875,000
	Proposed Financing			\$875,000
	Rentable Square Feet			91,600
	Price per Square Foot			\$19.10
	CAP Rate			15.59%
Income			As Is 11/2014 - 10/2015	Per SF
Base Rent				
Occupied Space	64%	58,250 SF	\$382,932	\$6.57
Vacant Space	36%	33,350 SF	\$0	\$0.00
Total Base Rent			\$382,932	\$4.18
Scheduled Base Rental Revenue			\$382,932	\$4.18
Expense Reimbursement Revenue				
Common Area Maintenance			\$73,909	\$0.81
Insurance			\$14,251	\$0.16
Real Estate Taxes			\$23,462	\$0.26
Management Fee			\$0	\$0.00
Total Expense Reimbursement Revenue			\$111,622	\$1.22
Gross Potential Income			\$494,554	\$5.40
Vacancy/Collection Allowance		10%	\$0	\$0.00
Effective Gross Income			\$494,554	\$5.40
Operating Expense Estimates				
Common Area Maintenance			\$113,584	\$1.24
Insurance			\$22,900	\$0.25
Real Estate Taxes			\$37,701	\$0.41
Total Common Area Expenses (Estimates)			\$174,185	\$1.90
Management Fee	5.0%		\$24,728	\$0.27
Replacement Reserve	\$0.25		\$22,900	\$0.25
Total Expenses			\$221,813	\$2.42
Net Operating Income			\$272,741	\$2.98
Net Cash Flow Before Debt Service			\$272,741	\$2.98
Debt Service - Proposed Financing			(\$60,537)	(\$0.66)
Debt Service Coverage Ratio			4.51	
Net Cash Flow After Debt Service			\$212,204	\$2.32
Year One Cash on Cash Return			24.25%	
Principal Reduction			\$18,703	\$0.20
Total Return			\$230,907	\$2.52
Year One Total Return			26.39%	

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PCG Detroit Capital Markets

Driving Price and Adding Value through Experience and Market Knowledge

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