

Investment Summary

Location:	19 miles south of downtown Nashville near the intersection of I-65 and McEwen Drive between Kohl's and Walmart			
Land Size:	+/- .45 Acres			
Building Size:	+/- 10,903 SF			
Building Age:	New construction completed in July 2014			
Tenant/Guarantor:	PETCO Animal Supplies Stores, Inc. (Corporate)			
Lease Type:	Double Net Lease			
Lease Commencement:	July 7, 2014			
Base Lease Term:	10 Years (expires 1/31/25)			
Option Terms:	3 for 5 years each			
Landlord Responsibility:	Roof, Structure, Foundation and HVAC repair/replacement (year 1 only)			
Tenant Responsibility:	CAM, Taxes, Insurance, Parking Lot, Utilities, HVAC Maintenance, Kohl's REA Contribution			
Signage:	Exterior signs on front, side, and rear of building with shared monument signage on Mallory Lane			
Access:	Via Spring Creek Drive and a signalized intersection with Mallory Lane			
Parking:	+/- 43 protected spaces including 2 handicap spaces			
Zoning:	GC - General Commercial District			
Declaration:	Property subject to Reciprocal Easement and Operation Agreement with Kohl's			
Ongoing Co-Tenancy:	None			
Right of First Refusal:	20 days after receipt of landlord's notice to exercise purchase option			
Traffic Counts:	+/- 91,500 cars per day behind property on I-65 (2012 AADT) +/-18,000 cars per day on Mallory Lane (2012 AADT)			
Demographics:	<u>2013</u>	<u>3-Mile</u>	<u>5-Mile</u>	<u>7-Mile</u>
	Population	39,465	88,072	121,635
	Households	15,894	32,799	44,155
	Average HH Income	\$109,073	\$115,784	\$127,909
	Median HH Income	\$77,642	\$82,088	\$91,348

Financial Summary

Purchase Price:	\$3,313,000
Annual Base Rent:	\$215,334.25 (\$19.75 PSF years 1-5)
	\$226,782.40 (\$20.80 PSF years 6-10)
Option Base Rent:	\$248,588.40 (\$22.80 PSF years 11-15)
	\$270,394.40 (\$24.80 PSF years 16-20)
	\$292,200.40 (\$26.80 PSF years 21-25)
Cap Rate:	6.50% (years 1-5)
	6.85% (years 6-10)
Option Cap Rate:	7.50% (years 11-15)
	8.16% (years 16-20)
	8.82% (years 21-25)
Blended Cap Rate:	6.68% (years 1-10)
	7.57% (years 1-25)
CAM:	Estimated at \$1.25 PSF in year 1 with 3% annual increases (Tenant pays)
Taxes:	Estimated at \$1.00 PSF in year 1 with no annual increase cap (Tenant pays)
Insurance:	Included in CAM costs
Administrative Fee:	None
Kohl's REA Contribution:	\$6,543 in year 1 with 3% annual increases (Tenant pays)
Assumable Financing:	Property delivered free and clear of debt at closing
Available Financing:	65-70% loan-to-value (\$995K-1.16M down payment)
	10 year term
	20-25 year amortization
	4.25-4.50% interest rate
	\$139,993.00 annual debt service (based on 65% LTV, 25 year amortization, 4.25% interest)
	\$75,341.25 after debt cash flow
	6.50% cash-on-cash return
Tenant Financials:	Contact broker for a Confidentiality Agreement