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Confidential

Offering Memorandum Fairfield Kroger Portfolio

Auburn Plaza
1003-1047 West 7th Street
231 – 237 S. Grandstaff Drive
Auburn, IN 46706



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Auburn, IN 46706

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Investment
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Auburn Plaza



Investment Summary-Auburn Plaza

Auburn Plaza provides the opportunity to acquire the dominant center in the heart of Auburn, Indiana. With a state-of-the-art Kroger that enjoys Kroger gas and a pharmacy at the site, Auburn Plaza is the place to shop in the Auburn market. Anchored by Kroger since 1999, Kroger has a contemporary façade and has a land lease at the site until 2025. The center enjoys strong current and historical occupancy. Other tenants at the site including Dunham's Sports, Aaron's Rent to Own, Advance America, Dollar General, H and R Block and Hungry Howies Pizza. The 162,649± sf project is currently 99% occupied and has an in place NOI of \$802,151. Upside NOI could be \$915,023 (year 3) or higher. The property can potentially be purchased below replacement cost, with lease rates below market. Specific highlights of this outstanding investment opportunity are as follows:

The Auburn Plaza: a 99% Occupied Center in the Heart of the County Seat

Auburn Plaza is a destination in Auburn. A diverse rent roll of 26 different tenants helps to mitigate rent roll risk. Rents are arguably below market. The building is currently 99% occupied. Upside NOI could be \$915,023 (year 3) or higher. Average weighted lease length at the site is 4.75± years. The site is performing very well right now. Few opportunities exist in the market today to obtain a well occupied, cash flowing asset with the level of upside present at Auburn Plaza. Please see the Argus run herein for further details on the anticipated cash flows.

Investment Highlights—Auburn Plaza

Strong, Stable Rent Roll (With Some Percentage Rent) Which Can Be Built Upon

Auburn Plaza could not be much more stable; The center is currently 99% occupied and has had historically high occupancy over the last two decades. The building has 26 tenants which strongly mitigates rollover risk. The tenant roster includes several blue chip tenants beyond Kroger such as Dollar General, H and R Block, Aaron's Rent To Own and Glik's, with strong credit. Consistent percentage rent beyond base rent at the site is further support to its strength. Existing rents could be raised given the strong tenancy at the site.

Great Location/Recipe for Success: Auburn is the County Seat

Auburn Plaza is at the epicenter of the Auburn retail market. Subway, Dunham's Sports, Dollar General, Hungry Howies, H and R Block are a few of the Center's tenant roster. Kroger has a land lease at the site until 2025, where they have been a tenant since 1999. Kroger has a pharmacy and gas station at the site. Their façade has a contemporary, up-to-date design.

The site is surrounded by other retailers helping to make it a shopping destination. Starbucks, Dairy Queen, Auto Zone, McDonald's, Pizza Hut and Wendy's are all nearby. Strong demographics accompany the other with a population of 25,086± within a 5 mile ring. Given the rural location, buyers come from a long way to be able to shop at Kroger in Auburn. Hence, the draw of the site is far beyond the city itself or a several mile ring.

Investment Highlights—Auburn Plaza

Not only is Auburn a great place to raise a family, but it enjoys a strong employment base. It's not a surprise that employers such as Therma-Tru Steel Dynamics, Reike Corporation, Carlex, Metal Technology, and the DeKalb Health Center for employment in the community.

Opportunity to Acquire a Facility Below Replacement Cost/Additional 10 Acre Development Land is Further Upside

Auburn Plaza can potentially be acquired below its current replacement cost. The Center has a contemporary façade. Acquiring ownership at an attractive basis should give the purchaser a cost advantage as they compete with neighboring properties for tenants. Additional development land of approximately 10 acres (available separately) that is zoned "C-2" - General Commercial (retail/office) provides for additional upside. This additional parcel (see aerial photographs) has excellent access.

THE FAIRFIELD KROGER PORTFOLIO IS BEING OFFERED WITH NO ASKING PRICE.

INDIVIDUAL AND/OR PORTFOLIO OFFERS WILL BE CONSIDERED.

LAND IS AVAILABLE SEPARTELY FOR PURCHASE.

BUYERS ARE ASKED TO DETERMINE THEIR OWN PRICING AFTER A REVIEW OF THIS OFFERING MEMORANDUM.

Transaction Guidelines



Financial Analysis Auburn Plaza



Transaction Guidelines

Offering Memorandum

Fairfield Kroger Portfolio

- The Property is being offered on an all-cash “as-is”, “where-is” basis to qualified investors. The prospective purchaser will be selected by the Owner in its discretion considering, without limitation, (i) price, (ii) financial strength, (iii) level of discretion to invest funds, (iv) due diligence time period, (v) closing period, (vi) certainty of closing and experience in closing similar transactions. Interested parties are asked to perform a comprehensive due diligence review prior to the bid date, including a site tour.
- All offers must be presented in writing and include:
 - Purchase Price
 - The source of purchaser’s capital
 - The amount of earnest money deposit
 - An outline of the proposed schedule for due diligence and closing
 - A description of any physical or existing environmental condition assumptions which affect the price being offered
 - A list of any contingencies, including committee approval required to close the transaction
 - Purchase & Sale Agreement with purchaser’s comments (if applicable)

Prospective purchaser should also understand the typical allocation of closing costs the Seller desires should a Purchase Agreement be executed. Some, but not all, costs are highlighted below:

- Title
- Transfer all Security Deposits, to the extent they are held by Seller and have not been applied by Seller prior to Closing.

Purchaser, at Purchaser’s sole cost and expense, shall pay for:

- Ad valorem and similar taxes and assessments relating to the Property shall be prorated between Seller and Purchaser on a “due” date basis as of the Closing Date (with the Closing Date deemed the first day of ownership by Purchaser).
- Purchaser shall pay all recording fees, transfer taxes or documentary stamps associated with the recordation of the Deed.
- Seller and Purchaser shall each pay their respective attorneys’ fees and one half of the escrow fees.

Schedule of Prospective Cash Flow—Auburn Plaza

Auburn Plaza For the Years Ending	Current In-Place	Year 1 Dec-17	Year 2 Dec-18	Year 3 Dec-19	Year 4 Dec-20	Year 5 Dec-21
Potential Gross Revenue						
Base Rental Revenue	\$ 872,503	904,879	939,422	1,044,719	1,079,675	1,098,735
Absorption & Turnover Vacancy		(18,500)	(20,368)	(28,503)	(19,724)	(10,130)
Scheduled Base Rental Revenue	872,503	886,379	919,054	1,016,216	1,059,951	1,088,605
Total Percentage Rent	\$33,000					
Total Expense Recoveries	310,866	305,738	319,414	341,026	361,861	377,687
Effective Gross Revenue	1,216,369	1,192,117	1,238,468	1,357,242	1,421,812	1,466,292
Expenses						
CAM						
Salt	31,393	31,393	32,335	33,305	34,304	35,334
Lawn Care	7,120	7,120	7,334	7,554	7,780	8,014
Parking Lot	43,392	43,392	44,694	46,035	47,416	48,838
Sweeping	1,440	1,440	1,483	1,528	1,574	1,621
Management Fees	36,491	35,763	37,154	40,717	42,654	43,989
Utilities	23,560	23,560	24,266	24,994	25,744	26,517
Trash Pick-Up	1,082	1,082	1,115	1,148	1,183	1,218
Snow Removal	16,416	16,416	16,909	17,416	17,938	18,477
Exterior Lights	13,514	13,514	13,919	14,337	14,767	15,210
Maintenance	17,040	17,040	17,551	18,077	18,620	19,178
Real Estate Taxes	162,764	162,764	167,647	172,677	177,857	183,193
Insurance	32,530	32,530	33,506	34,511	35,546	36,613
Repairs	3,919	3,919	4,036	4,157	4,282	4,410
Roof Repairs	1,846	1,846	1,901	1,958	2,017	2,078
Utilities	2,276	2,276	2,344	2,414	2,487	2,561
Miscellaneous	20,163	20,163	20,767	21,391	22,032	22,693
Total Operating Expenses	414,218	414,218	426,961	442,219	456,201	469,944
Net Operating Income	\$ 802,151	\$ 777,899	\$ 811,507	\$ 915,023	\$ 965,611	\$ 996,348
Leasing & Capital Costs						
Tenant Improvements		31,400	93,730	148,378	71,738	0
Leasing Commissions		11,304	29,826	44,355	23,141	0
Reserve for Replacement		40,662	41,882	43,139	44,433	45,766
Total Leasing & Capital Costs	-	83,366	165,438	235,872	139,312	45,766
Cash Flow Before Debt Service & Taxes	\$ 802,151	\$ 694,533	\$ 646,069	\$ 679,151	\$ 826,299	\$ 950,582

Schedule of Prospective Cash Flow—Auburn Plaza

Income and Expense Notes

Revenues

Reflecting the current rent roll herein, base rental revenue assumes current rents as stated on the rent roll as provided to us, as well as any lease bumps. Any tenant with a defined option rental rate has been renewed at that contractual rate rather than a market rate to reflect consistency with the current leases.

Percentage Rent

Percentage rent figures reflect 2016 data and approximate data from ownership estimates for the current year. Rent roll figures highlight which tenants pay percentage in lieu, if any. All other tenants paying percentage in addition to base rent are modeled in these revenues as well. Any additional information can be found in the data room. For Auburn Plaza, our only tenant who was paying percentage rent has moved to a lease with contractual base rent.

Reimbursement Revenue

Expense reimbursement revenue has been estimated after abstracting the documentation provided. Current tenants reflect their current reimbursement structures, and future tenants are assumed to have a NNN structure.

Removal of Seller's Executive Management Fee

As an expense that has been assumed will not be carried on by future buyers, we have removed the seller's Executive Management Fee to be consistent with market assumptions. Removing this fee allows for a more comparable analysis of this property's expenses to be more in line with what has been assumed to be common in the market.

Operating Expenses

These expenses are based off the 2016 Income-Expense statements received from the seller. Miscellaneous fees include legal fees, accounting fees, consulting fees, subscriptions, and other nominal costs. All other categories listed represent line items from the seller's statements.

Property Taxes

Property taxes are assumed to remain flat with 2016 assessments. The figures in this analysis are only an estimate for future taxes and are subject to change. Please consult your tax advisor for further advisement.

Insurance Expenses

Insurance is written to a market rate of \$.20 psf.

Property Management

Management is estimated at 3% of Effective Gross Revenue. These figures are estimates only and subject to change.

Leasing and Capital Costs

The Reserve for Replacement is meant to capture recurring capital expenditure required to maintain the property, and is derived from an estimate of \$0.25 psf, which we feel is appropriate given the asset profile. These figures are estimates and subject to change.

Disclaimer

This information is from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. No guarantees can be made to the achievability of these figures. The Current In-Place column is a static snap shot of Net Operating Income only and does not make assumptions for below the line costs.

Global Assumptions—Auburn Plaza

Global Assumptions

Analysis Period	5
Analysis Start Date	Jan-17
Property Size SF	162,649

Expenses

Year 1	Total	PSF
Operating Expense	\$414,218	\$2.55

Real Estate Taxes

Parcel ID#	18-06-31-100-010	18-06-31-100-026
2016 Land Value	\$1,420,900	\$83,690
2016 Improvement Value	\$4,378,700	-
2016 Value	\$5,799,600	\$83,690

Reimbursement and Other Revenue

Year 1	Total	PSF
Reimbursement Revenue	\$305,738	\$1.88

Inflation

Year	Analysis Period
General	3.00%

Market Leasing Assumptions

	New	Renewal	Renewal Probability	Term Years	Vacant Months	Tenant Improvements		Leasing Commissions		Changing Rent	Structure
						New	Renewal	New	Renewal		
Big Box < 10K SF	\$9.00	\$9.00	70%	5.0	3.0	\$10.00	\$5.00	6%	3%	N/A	NNN
Big Box > 10K SF	\$6.00	\$6.00	80%	10.0	3.0	\$15.00	\$10.00	6%	3%	N/A	NNN
In-Line	\$12.00	\$12.00	70%	5.0	3.0	\$10.00	\$5.00	6%	3%	N/A	NNN

Rent Roll—Auburn Plaza

Auburn Plaza

Suite	Occupant Name	Total Sq. Ft.	Lease Start	Lease Expiration	Rent Per Sq. Ft.	Monthly Rent	Annual Rent
I	Aaron's Inc.	8,000	Jun-2010	Nov-2020	\$7.01	\$4,673	\$56,080
BB	Advance America	1,350	Nov-2004	Mar-2019	\$10.22	\$1,150	\$13,797
DD	Available	2,100	TBD	TBD	\$9.00	\$1,575	\$18,900
X	Campbell & Fetter Bank	3,267	Jan-1986	Apr-2019	\$14.00	\$3,812	\$45,738
F	Dekalb County Schools	5,900	Aug-2009	Jul-2018	\$3.05	\$1,500	\$17,995
B	Dollar General	9,600	Aug-1992	Dec-2018	\$3.58	\$2,864	\$34,368
C	Dunham's Sports	25,312	May-2008	Jan-2019	\$5.00	\$10,547	\$126,560
J	Family Video	5,000	Mar-2011	Dec-2017	\$7.20	\$3,000	\$36,000
AA	Farmers Insurance	1,000	Jul-2016	Jun-2019	\$11.82	\$985	\$11,820
T	Game Spot	1,000	Dec-2011	Dec-2019	\$10.80	\$900	\$10,800
Q	General Nutrition Corporation	2,000	Mar-1996	Mar-2019	\$9.75	\$1,625	\$19,500
K	Glik's	5,500	Jan-2008	Jan-2018	\$8.79	\$4,029	\$48,345
V	Goodwill of Northern Indiana	8,400	Mar-2012	Jul-2022	\$8.00	\$5,600	\$67,200
Y	H & R Block	2,400	Dec-1987	Apr-2020	\$9.00	\$1,800	\$21,600
CC	Hungry Howies	1,400	Dec-2004	Mar-2020	\$13.00	\$1,517	\$18,200
A	Kroger (Ground Lease)	57,220	Nov-1999	Nov-2025	\$2.48	\$11,825	\$141,906
S	LA Nails	1,200	Dec-1998	Dec-2019	\$11.00	\$1,100	\$13,200
P	Legacy's Hallmark Cards & Gifts	5,000	Nov-1984	Mar-2022	\$7.00	\$2,917	\$35,000
W	Low Bobs Discount Tobacco	1,600	Apr-1995	Jul-2017	\$11.06	\$1,475	\$17,696
M	Classic City Tattoo	1,600	Oct-2012	Nov-2017	\$7.88	\$1,051	\$12,608
H	Peking Buffet	4,500	Apr-2003	Mar-2020	\$6.12	\$2,295	\$27,540
Z	People Link Staffing	1,300	Oct-2007	Oct-2019	\$11.50	\$1,246	\$14,950
N	Sprint Radio Shack	3,000	Feb-1992	Jun-2022	\$8.00	\$2,000	\$24,000
R	Regis/Fiesta Salon	1,800	Jul-2000	Jun-2020	\$10.00	\$1,500	\$18,000
U	Subway Sandwich Sop	2,200	Jan-2005	Feb-2022	\$18.00	\$3,300	\$39,600
O	Available	1,000	TBD	TBD	\$10.00	\$833	\$10,000
Total Future Tenant Square Footage		3,100			Future Tenant Rents (Potential Rents)		\$28,900
Total Occupied Square Footage		159,549			Occupied Rents (Current Rents)		\$872,503
Total Square Footage		162,649			Gross Potential Rents		\$901,403

Rent Roll—Auburn Plaza

Rent Roll Notes

1 *Disclaimer*

This information represents the best available information from up-to-date communications with the seller. Tenants who are remaining in their space and leaving their space are current to the best of the knowledge available. NAI makes no representation about the validity of this data.

2 *Total Occupied Square Footage and Occupied Rents*

The two above line items are calculated based on the existing, current rent roll, assuming each of those tenants' leases runs through the end of 2017. This is to illustrate the current, in place, state of the asset.

3 *Month-to-Month Tenants*

Month-to-Month tenants have been assumed to stay until the end of the year, for the purpose of our analysis.

4 *"Available"*

These are spaces that can be leased out in the future. Rental rates associated with these spaces are market assumptions for achievable rates given a variety of factors, such as the chosen leasing agency as well as TI packages. NAI makes no guarantee that these rates indicate future contracts to be signed with prospective tenants.

5 *Termination Provisions and Other Rights*

Kroger has a right of first refusal on the purchase of the property. Landlord has 7 days to notify tenant of the offer. Tenant then has 30 days to respond to the offer. For more information, please see the lease language in the data room during due diligence period.

Property Photographs Auburn Plaza



Property Photographs — Auburn Plaza

Exterior



Auburn Plaza
1003-1047 West 7th St
Auburn, IN 46706

Property Photographs — Auburn Plaza

Exterior



Property Photographs — Auburn Plaza

Exterior



Property Photographs — Auburn Plaza

Exterior



Property Photographs — Auburn Plaza

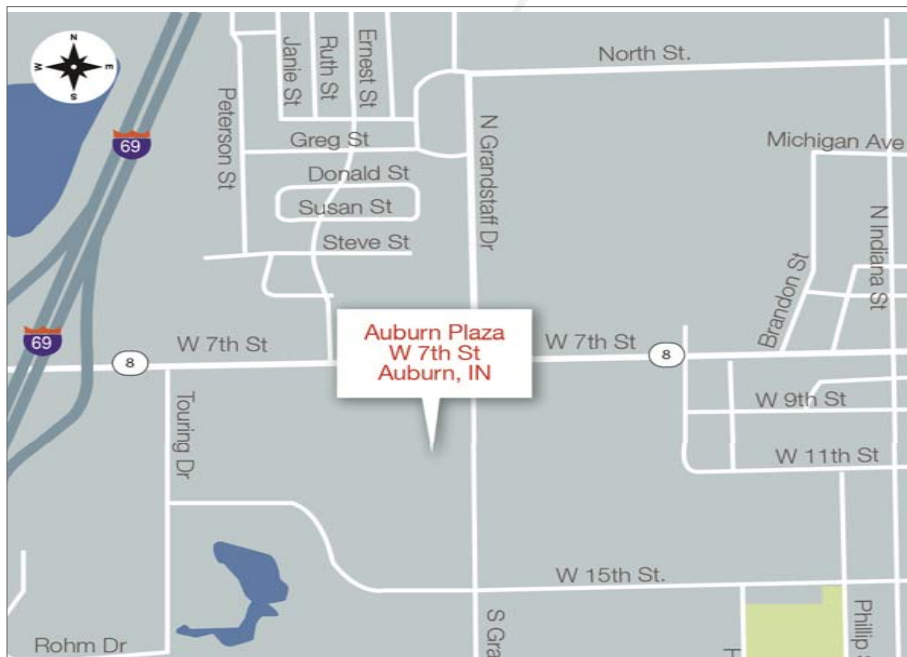
Exterior



Property Data Auburn Plaza



Location Maps-Plymouth Plaza



Disclaimer: Information contained herein is from sources deemed reliable; however, no warranty is made as to the accuracy thereof and it is submitted subject to errors, change of conditions, prior sale or lease or withdrawal without notice.

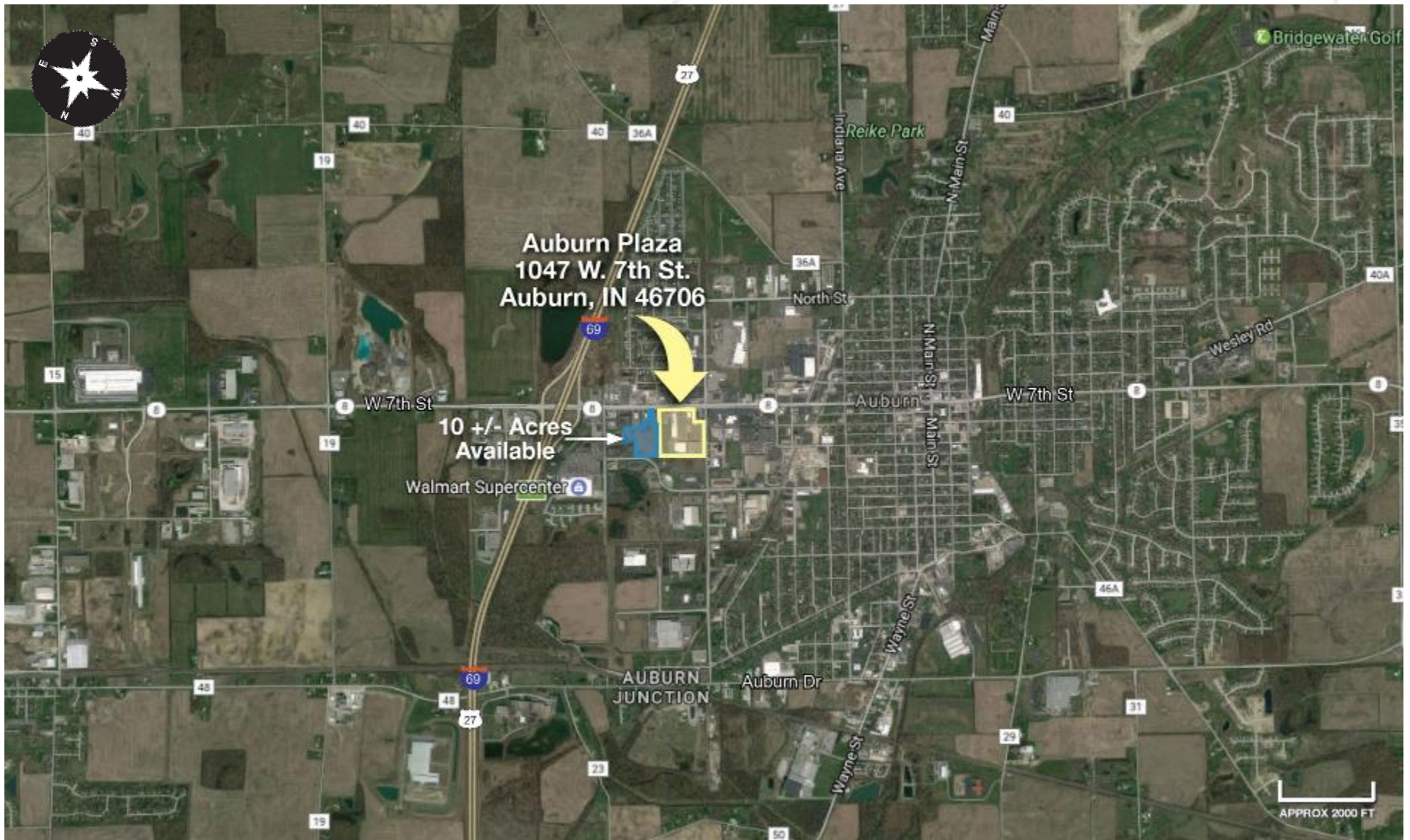
Aerial Photography—Points of Interest—Auburn Plaza



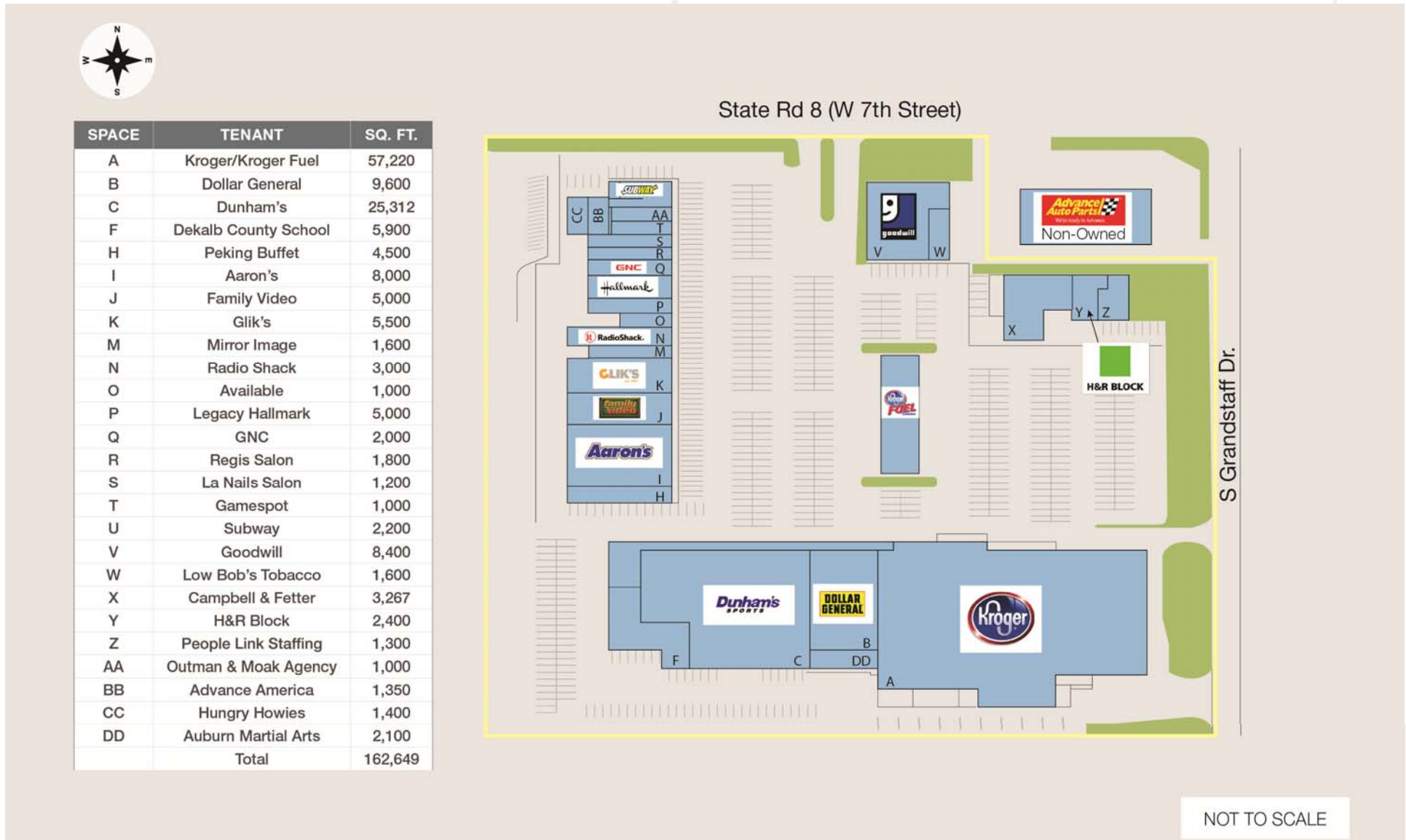
Aerial Photography: Bird's Eye View—Auburn Plaza



Aerial Photography—Auburn Plaza



Site Plan - Auburn Plaza



NOT TO SCALE

Disclaimer: This site plan is only a general rendering and is not to be deemed to be a substitution for an actual field measurement.

Select Tenant Summaries—Auburn Plaza



Kroger

Total Square Footage	57,220 SF
Lease Started	November 1999
Lease Expiration	November 2025
Number of Locations	Worldwide
Year Founded	1883

Kroger is the United States' largest supermarket chain by revenue and is the third largest retailer in the world. It operates over 2,700 supermarket and multi-department stores. The Kroger Co. Family of Stores maintains markets in 34 states with store formats that include grocery and multi-department stores, discount, convenience stores and jewelry stores. Kroger operates 37 food processing or manufacturing facilities, 1,360 supermarket fuel centers and 2,122 pharmacies. Kroger is headquartered in Cincinnati, Ohio and was founded in 1883.



Dunham's

Total Square Footage	25,312 SF
Lease Started	May 2008
Lease Expiration	January 2019
Locations	Over 200
Year Founded	1937

Dunham's is a sporting goods superstore chain founded in Michigan in 1937. It has grown to over 200 stores throughout the Midwestern and Southeastern United States. The chain specializes in athletic equipment, clothing, guns, and other sports-related items.

Select Tenant Summaries—Auburn Plaza



Aaron's

Total Square Footage	8,000 SF
Lease Started	June 2010
Lease Expiration	November 2020
Locations	Over 1,800
Year Founded	1955

Aaron's Inc. is a lease-to-own retailer. The company focuses on leases and retail sales of furniture, electronics, appliances, home appliances and accessories through its more than 1,860 company-operated and franchised stores in 47 states and Canada. Aaron's is headquartered in Atlanta, Georgia.

Family Video

Total Square Footage	5,000 SF
Lease Started	March 2011
Lease Expiration	December 2017
Locations	Over 775

Family Video Movie Club Inc. is an American video rental chain located in the United States and Canada. The family-owned company is headquartered in Glenview, Illinois, and has over 775 stores in North America with the heaviest concentration in the Midwest.

Dollar General

Total Square Footage	9,600 SF
Lease Started	August 1992
Lease Expiration	December 2018
Number of Locations	Worldwide

Dollar General Corporation is an American chain of a variety of stores headquartered in Goodlettsville, Tennessee. As of January 2016, Dollar General operated over 12,400 stores in all U.S. states except: Alaska, Hawaii, Idaho, Montana, Washington and Wyoming. Dollar General offers name brand and generic merchandise.

Dollar General Corporation has been delivering value to shoppers for over 75 years. Dollar General helps shoppers "Save Time. Save money. Every Day!®" by offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, basic apparel, housewares and seasonal items at low everyday prices in convenient neighborhood locations.



Select Tenant Summaries—Auburn Plaza



H&R Block

Total Square Footage	2,400 SF
Lease Started	December 1887
Lease Expiration	April 2020
Locations	12,000
Year Founded	1955

H&R Block is an American Tax preparations company in North America, Australia, Brazil and India. The Kansas City-based company also offers banking, payroll, personal finance, and business consulting services. Founded in 1955, H&R Block operates approximately 12,000 retail tax offices worldwide.



Goodwill

Total Square Footage	8,400 SF
Lease Started	March 2012
Lease Expiration	July 2017
Locations	Worldwide
Year Founded	1902

Goodwill Industries International Inc. is an American nonprofit 501(c)(3) organization that provides job training, employment placement services, and other community-based programs for people who have barriers preventing them from otherwise obtaining a job. Goodwill is funded by a massive network of retail thrift stores which operate as nonprofits as well. Goodwill operates as a network of 164 independent, community-based organizations in South Korea, Venezuela, Brazil, Mexico, Panama, Uruguay, The United States, Canada, and eight other countries.

Select Tenant Summaries—Auburn Plaza



Hallmark

Total Square Footage	5,000 SF
Lease Started	November 1984
Lease Expiration	May 2012
Number of Locations	Approximately 2,250
Year Founded	1910

Hallmark Gold Crown stores make up one of the nation's longest-lived network of specialty retail stores with a focus on helping consumers connect, celebrate and commemorate all of life's special occasions. The stores are known for their breadth of selection and personalized customer service. They carry the widest selection of Hallmark greeting cards, stationery, gifts and gift wrap, as well as products for decorating and entertaining, personal accessories, baby and kids gifts, and gourmet food and candy.



Glik's

Total Square Footage	5,500 SF
Lease Started	January 2008
Lease Expiration	January 2018
Number of Locations	Over 60
Year Founded	1897

Glik's is a retail clothing store based in Granite City, Illinois. The brands and styles sold in these stores are specifically chosen for each community. Glik's follows fashion trends in order to fill their stores with new fashions almost daily. It was founded in 1897 and operates more than 60 locations in the Midwestern United States.

Building and Construction Details - Auburn Plaza

Site Description		Utilities Providers	
Building Name	Auburn Plaza	Water	City of Auburn
Land Area (Total)	12.720± Acres	Sewer	City of Auburn
Land Area Square Footage	554,083± SF	Electricity	NIPSCO
Building Area	162,649± SF	Gas	NIPSCO
Stories	1	Telephone	Auburn Essential Service, AT&T, Media Com and others
Number of Tenant Spaces	26		
Year Built	1972 / 1973 / 1999 / 2000/ 2011		
Zoning	"C-2" - General Commercial (retail/ office)		
Additional Land	10± Acres for development		
		Location	
		Located at 1003-1047 West 7th Street (State Road #8) and 231 – 237 South Grandstaff Drive in Auburn, DeKalb County, Michigan. Located south of West 7th Street and west of South Grandstaff Drive. Easy access to the I-69 freeway (north/south). Located in a highly retail area with restaurants, hotels and shopping.	
Exterior			
Egress & Ingress	The site has ingress/egress to the Auburn Plaza three curb cuts on the north via West 7th Street and two on the east via South Grandstaff Drive.		
Parking	There are 615± asphalt paved parking spaces. A ratio of 3.78± spaces per 1,000 SF of net rentable area.		
Exterior Landscaping	The property is in a retail setting with ample parking and tenants. There is grass on interior areas of the plaza with three pole signs.		
Building Systems			
Roof Structure	The roof is a flat, gravel ballast roof.		
HVAC	The HVAC is a package HVAC system on the roof.		

Market Summary Auburn Plaza



City of Auburn, IN—DeKalb County

Innovation and Progress

Auburn has a rich history of progress—from the time their founders established the city at the cusp of two major trails...to their role in launching the automobile industry in the early 1900s...to today, with the creation of a community-owned, high-speed communications fiber network that provides advanced video, voice and Internet services and enhanced utility operations.

These types of advancements are only possible with collaboration. Their partnerships with residents and business leaders have been instrumental in helping them create a healthy and growing community and proud to call home. The community is always seeking opportunities to further the business, education, community and economic development of Auburn.

Good Location to both Live and Work

Auburn is a city in DeKalb County, Indiana, United States. The population was 13,086± at the 2010 census. Founded in 1836 by Wesley Park (1811–1868), the city is the county seat of DeKalb County. Auburn is also known as Home of the Classics.

Highlights of Auburn, IN

Community-owned fiber optic infrastructure supports delivery of telecommunications services (phone / voice, Internet, and TV), facilitates the utilization of smart grid technology and manages the distribution of electricity throughout the City's service territory

Lowest municipal electric rate in state

Municipally-owned water and sewer system that has been supporting businesses and residents with low rates for decades

Proximity to Internet 2, one of the country's eight major fiber optic cable spines

Central location in the Midwest that is within a day's drive to more than 75 percent of the U.S. and parts of Canada

Close proximity to two airports, rail lines and metro highways

Less than 200 miles from Indianapolis, Chicago and Detroit
Extensive manufacturing and transportation/logistics networks
Employer base that is strong in large corporations/small businesses



City of Auburn, IN—DeKalb County

Points of Interest in Auburn, IN

The Classic Cars are a big draw in Auburn with several museums and surrounded by farming the Country Heritage Winery & Vineyards are popular.

- **Auburn Cord Duesenberg Automobile Museum** – is an automobile museum located in Auburn, IN dedicated to preserving cars built by Auburn Automobile, Cord Automobile and Duesenberg. It was a factory where cars were hand assembled showing about 125 cars and exhibits.
- **Country Heritage Winery & Vineyard** – was named Indiana farm winery of the year for the 2nd year in a row at the Indy International Wine Competition in 2016. They farm on a 12 acre blueberry farm.
- **National Military Center** – is dedicated to helping current and future generations of Americans to understand the American Military.



City of Auburn, IN—DeKalb County

Too Employers in Auburn, IN

The City of Auburn, IN has various manufacturing firms that are international and related to automotive industry. Several are listed below:

Auburn, Indiana Employers

Largest Employers

Company

Artistic Carton

Auburn Gear

C&A Tool

Carlex Glass

Cooper Standard Automotive

DeKalb Health

KeKalb County Central United School Sys-

Eaton Corporation

FXI (Foamex)

Metal X

Metal Technologies, Inc.

Rieke Packaging

Scot Industries

Tower Automotive

Source: City of Auburn, IN



Major Auburn Employers

- **Artistic Carton**—owns and operates a 100% recycled paper-board mill and two manufacturing facilities with over 75 years of packaging expertise.
- **Auburn Gear** has 60 years of gear manufacturing experience. Customers served are international builders of vehicles and machinery for the automotive, truck, bus, aerial lift, agricultural, light and heavy construction, mining, forest products and marine industries.
- **C&A Tool** manufactures products for transportation, medical and other industrial needs.
- **Carlex Glass** includes three automotive glass manufacturing sites and Auburn.
- **Cooper Standard Automotive** a leader global supplier of systems and components for the automotive industry.
- **Eaton Corporation** an international power management company that provides energy-efficient solutions to manage electrical, hydraulic and mechanical power more efficiently and safely.
- **Rieke Packaging** – manufacturer of closures and dispensing systems for the global market.
- **Tower Automotive** – leading global manufacturer of engineered metal components.

Demographics—Auburn, IN

Demographics—Auburn, IN

The demographics in Auburn, IN are listed below as a five mile, ten mile and twenty mile radius.

AUBURN DEMOGRAPHICS

<u>Population:</u>	<u>5 Mile</u>	<u>10 Mile</u>	<u>20 Mile</u>
2021 Projection	25,309	48,649	322,887
2016 Estimate	25,086	47,806	313,138
2010 Census	24,755	46,561	302,407
2016 Population by Race:			
White	24,075	45,944	278,586
Black	152	298	12,484
American Indian & Alaskan	70	108	969
Asian	208	379	7,734
Hawaiian & Pacific Island	11	21	113
Other	570	1,058	13,253
Households:			
2021 Projection	25,309	18,253	124,609
2016 Estimate	25,086	17,923	120,791
2010 Census	24,755	17,434	116,561
Owner Occupied	7,231	14,150	87,343
Renter Occupied	2,532	3,773	33,448
2016 Avg Household Income	\$59,090	\$65,724	\$65,052
2016 Med Household Income	\$48,480	\$53,361	\$52,303
2016 Households by Household Inc:			
<\$15,000	1,015	1,534	11,433
\$15,000 - \$24,999	1,073	1,858	11,815
\$25,000 - \$34,999	1,148	1,857	13,192
\$35,000 - \$49,999	1,778	2,913	20,150
\$50,000 - \$74,999	2,003	4,033	27,168
\$75,000 - \$99,999	1,358	2,708	17,274
\$100,000 - \$149,999	1,145	2,262	13,889
\$150,000 - \$199,999	147	380	3,270
\$200,000+	96	379	2,601

Source: US Census 2010_ESRI Estimate 2016



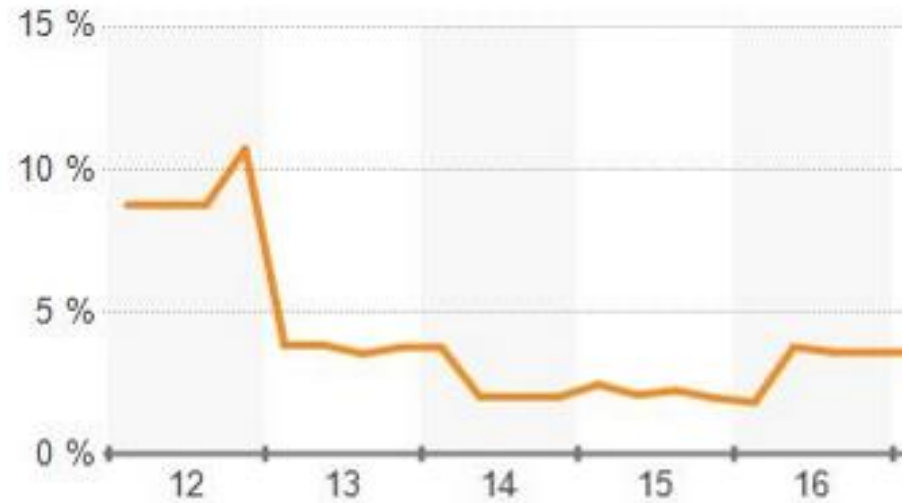
Auburn, IN Retail Market: 3 Mile Radius

Auburn, IN is a thriving locale for commerce and industry. It also has gained a reputation as one of the most innovative and forward-thinking cities in the region. Auburn’s community-owned infrastructure supports smart grid technology and the distribution of electricity—at the lowest rate in the state—providing established and emerging businesses with the connectivity, convenience and low costs they need to reach worldwide. This infrastructure helps enable Auburn’s retail sector to remain in a strong position.

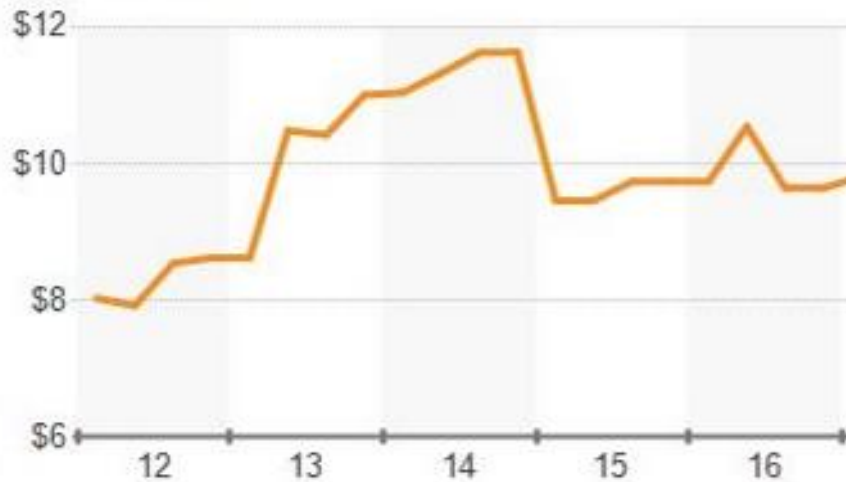
- Vacancy rates have recovered significantly from a high in 2012 and are now below 5%
- Overall absorption over the past several years is positive
- NNN Lease rates have remained stable at around \$10.00/SF

Source: Costar, First Quarter, 2017

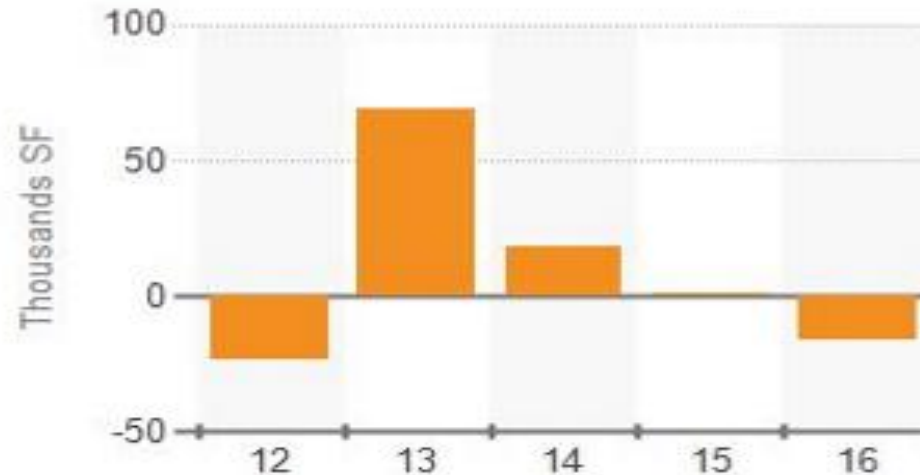
Vacancy Rate



NNN Asking Rent Per SF



Net Absorption



Sales Comparables

1 Carlisle Marketplace



PROPERTY ADDRESS 255 South Spring Garden Street
Carlisle, PA 17013

BUILDING CLASS Grocery Anchored Retail

YEAR BUILT 1996

SQUARE FOOTAGE 90,289 SF

PRICE / PRICE PSF \$16,025,000 / \$177.49 psf

SALE DATE December 21, 2015

COMMENTS

- Located on S. Spring Garden St and E. High Street
- Easy access to I-76 (Pennsylvania Turnpike), I-283 and I-81 freeways
- Near Dickinson College and U.S. Army War College, Carlisle Barracks-2nd oldest US army post in the U.S.
- Anchored tenant is Giant Supermarket with onsite gas station, pharmacy, bank
- At time of sale cap rate was 6.40%

2 Livonia Plaza



PROPERTY ADDRESS 30935 Five Mile Road and
30951-30979 Five Mile Road (two proper-

BUILDING CLASS Grocery Anchored Retail

YEAR BUILT 1987

SQUARE FOOTAGE 137,391 SF

PRICE / PRICE PSF \$19,800,000 / \$144.11 psf

SALE DATE September 20, 2016

COMMENTS

- Livonia Plaza is anchored by Kroger (70,549± SF) on the highly trafficked Five Mile Road
- Tenants include: TJ Maxx, Red win Shoes, Sally Beauty Supply, Subway, GNC, H&R Block, Fantastic Sam's
- Occupancy at time of sale 99%
- Cap rate was 6.95% at time of sale

3 Chippewa Center



PROPERTY ADDRESS 7057-7077 Chippewa Street
Saint Louis, MO 63119

BUILDING CLASS Grocery Anchored Retail

YEAR BUILT 1963 / Renovated in 2001

SQUARE FOOTAGE 147,920 SF

PRICE / PRICE PSF \$10,600,000 / \$71.68 psf

SALE DATE September 14, 2016

COMMENTS

- Grocery anchored retail center on Chippewa Street and U.S.66
- Access to I-44 freeway
- Anchored tenant is Shop n Save, Dollar Tree. Value City Furniture
- Cap rate 8.5% (with Shop and Save— inferior credit to Kroger)

4 Shoppes at Hamilton



PROPERTY ADDRESS 1450 South Erie Boulevard
Hamilton, OH 45011

BUILDING CLASS Grocery Anchored Retail

YEAR BUILT 2006

SQUARE FOOTAGE 77,164 SF

PRICE/ PRICE PSF \$10,254,000 / \$132.90 psf

SALE DATE May 10, 2016

- COMMENTS
- Located on S. Erie Blvd. and Lincoln Avenue
 - Single tenancy with a Kroger anchored retail and fuel center
 - Nearby restaurants are Little Caesars Pizza, Sonic Drive-In and Skyline Chili
 - Easy access to M-127 freeway
 - Cap rate of 6.15% at time of sale

5 Georgesville Square



1585—1675 Georgesville Square
Columbus, OH 43228

Grocery Anchored Retail

1996

270,045 SF

\$33,300,000 / \$123.00 psf

December, 2016

- Kroger anchored retail center located on the highly trafficked Georgesville Road
- Access to I-270 freeway (Jack Nicklaus Freeway)
- Tenants include Lowe's Home Improvement and the Regal Cinemas
- Surrounded by many eateries, banks, car dealers and offices

6 The Orchards Shopping Center



1954 Vandalia Street
Collinsville, IL 62234

Grocery Anchored Retail

1961 / 1990

67,807 SF

\$4,700,000 / \$69.00 psf

November, 2016

- Located on the highly trafficked Illinois Route 159 (Vandalia Street), one mile south of Hwy 55 in Collinsville, IL
- Highly visible property at signalized intersection
- Tenants include: Rent-A-Center, Dollar General, HSHS Medical Group, and various restaurants, cleaners, and others
- Occupancy at time of sale 88%

Offered Exclusively by NAI Farbman/NAI Wisinski of West Michigan

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