



Walgreens



TWO PROPERTY PORTFOLIO:

6608 GEORGE WASHINGTON MEMORIAL HIGHWAY, YORKTOWN | VA 23692 **PRICE REDUCED**

12400 AUTO DRIVE, CLARKSVILLE | MD 21029 **SOLD**



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TRANSACTION TEAM:

DAVID DIVINE

Senior Vice President

MILOS RADOJKOVIC

Vice President

MICHAEL HOBSON

Vice President

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INVESTMENT HIGHLIGHTS

INVESTMENT GRADE TENANT

Walgreens Boots Alliance, Inc., (Baa2/BBB) together with its subsidiaries, operates a network of drugstores in the United States. It provides consumer goods and services, pharmacy, and health and wellness services through drugstores, as well as through mail, and by telephone and online. As of August 31, 2016, Walgreens operated 8,175 locations in 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The company sales totaled \$117.4BN in the fiscal year ended August 31, 2016. Approximately 76% of the population of the United States lived within live miles of a Walgreens or Duane Reade retail pharmacy. The company also managed approximately 400 Healthcare Clinics and provider practice locations. Walgreens (NASDAQ: WBA) was founded in 1901 and is based in Deerfield, Illinois.

THE PROPERTIES & LOCATIONS

***PROPERTIES CAN BE PURCHASED INDIVIDUALLY*

WALGREENS, CLARKSVILLE, MD: Located in Howard County, Clarksville is one of the wealthiest bedroom communities of Washington, DC and Baltimore MD. It has one of the best public school systems in the USA. The 1 mile average household income is \$197,384, with the median household income at \$171,586. The property is located on the southwest (hard) corner at a signalized intersection, 190 feet away from Route 108 with excellent visibility from the frontage.

SOLD

WALGREENS, YORKTOWN, VA: Yorktown is located in the "Tidewater" area (also known as Hampton Rd.) of Virginia, which includes Norfolk, Virginia Beach, Newport News, Chesapeake, Williamsburg, Poquoson, Portsmouth, Suffolk and Hampton. The total Tidewater population is 1.7 million and it is the 7th largest metro in the Southeast. The property is located on the northeast (hard) corner at a signalized intersection, 285 feet away from of George Washington Memorial Hwy with excellent visibility from the frontage. Property has excellent traffic counts that are over 35,000 vehicles per day (VPD).

LONG TERM LEASES

Both properties have 15 years left on the leases. The Clarksville, MD Walgreens initial lease expires on 2032 and the Yorktown, VA initial lease expires on 2032. This provides the owner with a very stable, consistent, and long term rental income from a very strong credit tenant.



ABOUT WALGREENS

“A history of our company: How a neighborhood drugstore became America’s most trusted pharmacy... and changed the shopping habits of a nation.”

Walgreens is the largest drugstore chain in the U.S., with more than 8,175 stores in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The company had fiscal 2016 sales of more than \$117.4 Billion. In December 2014, Walgreens completed its strategic combination with Alliance Boots to establish Walgreens Boots Alliance, Inc., forging the first global pharmacy-led, health and wellbeing enterprise. The combination brought together two leading companies with iconic brands, complementary geographic footprints,

shared values and a heritage of trusted health care services through community pharmacy care and pharmaceutical wholesaling. Both companies have more than a century’s worth of experience in customer and patient care. Walgreens is part of the Retail Pharmacy USA division of Walgreens Boots Alliance. Walgreens is a public company that is traded on the NASDAQ stock exchange under stock symbol WBA with a market cap of \$188 billion dollars.

With stores located within five miles of 75 percent of Americans, and with popular online offerings and an award-winning mobile app, Walgreens interacts with 8

million customers a day. Whether it is for a prescription, last minute grocery or gift needs, photo prints or beauty products, Walgreens helps customers quickly get in and get what they want with ultimate convenience, often finding an unexpected shopping need to fill along the way.



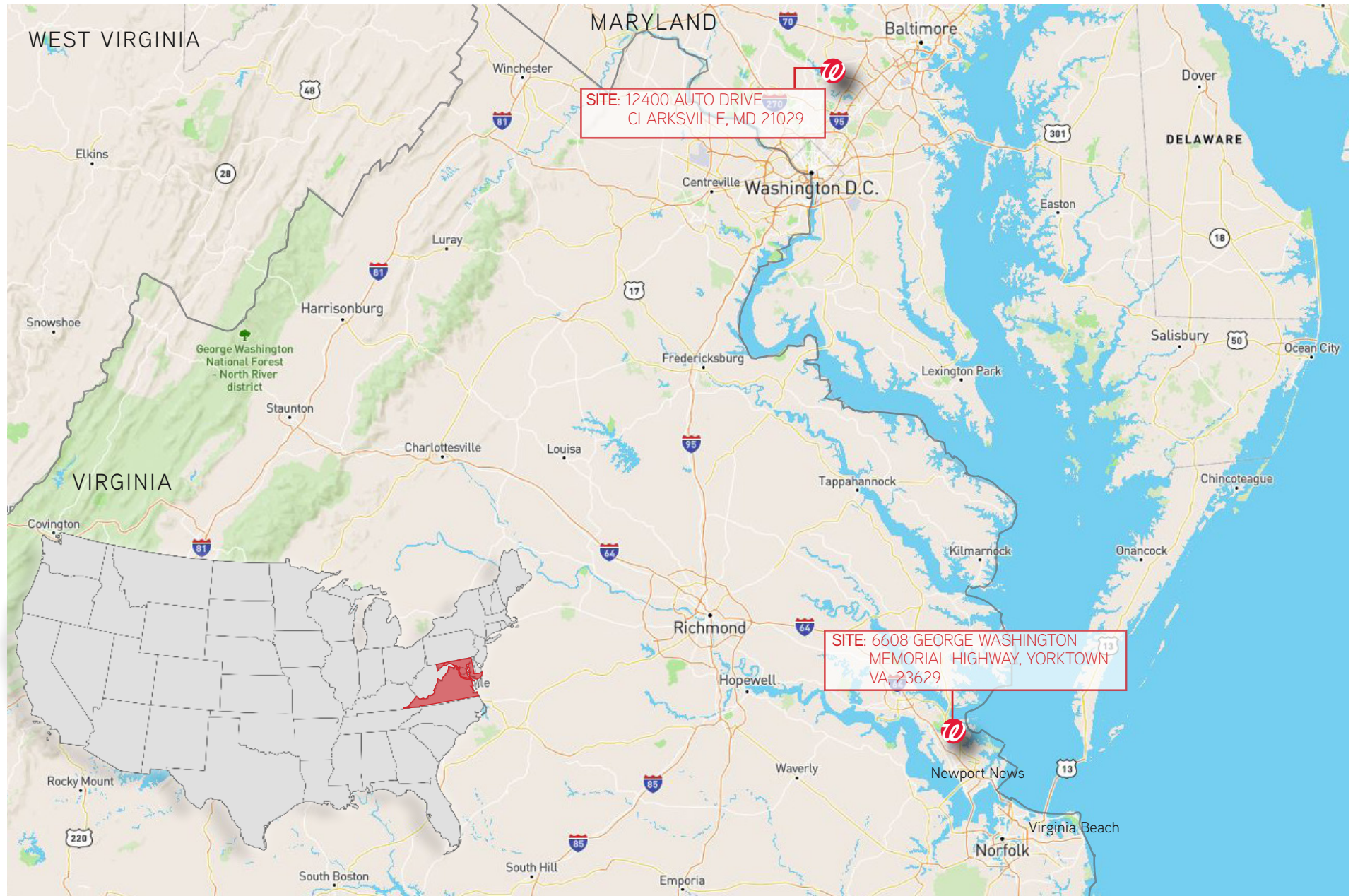
at the corner of
happy
 &
healthy



PROPERTY OVERVIEWS

COLLIERS INTERNATIONAL

MAP | PROPERTY LOCATION



PROPERTY OVERVIEW

PROPERTY DETAILS - YORKTOWN I VA - **PRICE REDUCED**

| | | | |
|-------------------------------|--|----------------------------------|--|
| TENANT | WALGREENS BOOTS ALLIANCE INC | NET OPERATING INCOME | \$388,000 |
| ADDRESS | 6608 GEORGE WASHINGTON MEMORIAL HIGHWAY | TENANT RESPONSIBILITIES | RE TAXES, INSURANCE, CAM & BUILDING MAINTENANCE |
| MARKET | YORKTOWN, VA 23692 | LANDLORD RESPONSIBILITIES | NONE |
| BUILDING SIZE | 14,739 SF (ONE STORY) | RENT ESCALATIONS | NONE |
| LAND SIZE | ±2 ACRES | TERM COMMENCEMENT | 2007 |
| PARKING | 67 SPACES | RENT EXPIRATION | 2032 |
| DRIVE-THROUGH | ONE LANE | LEASE TERM | 25 INTIAL YEARS |
| YEAR BUILT | 2007 | LEASE TERM REMAINING | 15 YEARS |
| BASE RENT | \$26.32/SF (YEARS 1-75) | OPTIONS | 10 - 5 YEARS (THROUGH 2028) |
| RIGHT OF FIRST REFUSAL | 20 DAY NOTICE PERIOD | ASKING PRICE | \$6,750,000 NOW \$6,500,000 |
| LEASE TYPE | NNN | CAP RATE | 5.96% |

CLICK ON THE IMAGE BELOW TO BE REDIRECTED TO A 360 VIEW OF THIS LOCATION



PROPERTY HIGHLIGHTS

Strong Annual Sales

15 years left on initial lease term

VA Department of Transportation - expansion of George Washington Memorial Highway

Institutional grade credit tenant

Hard, signalized corner

Strong demographics

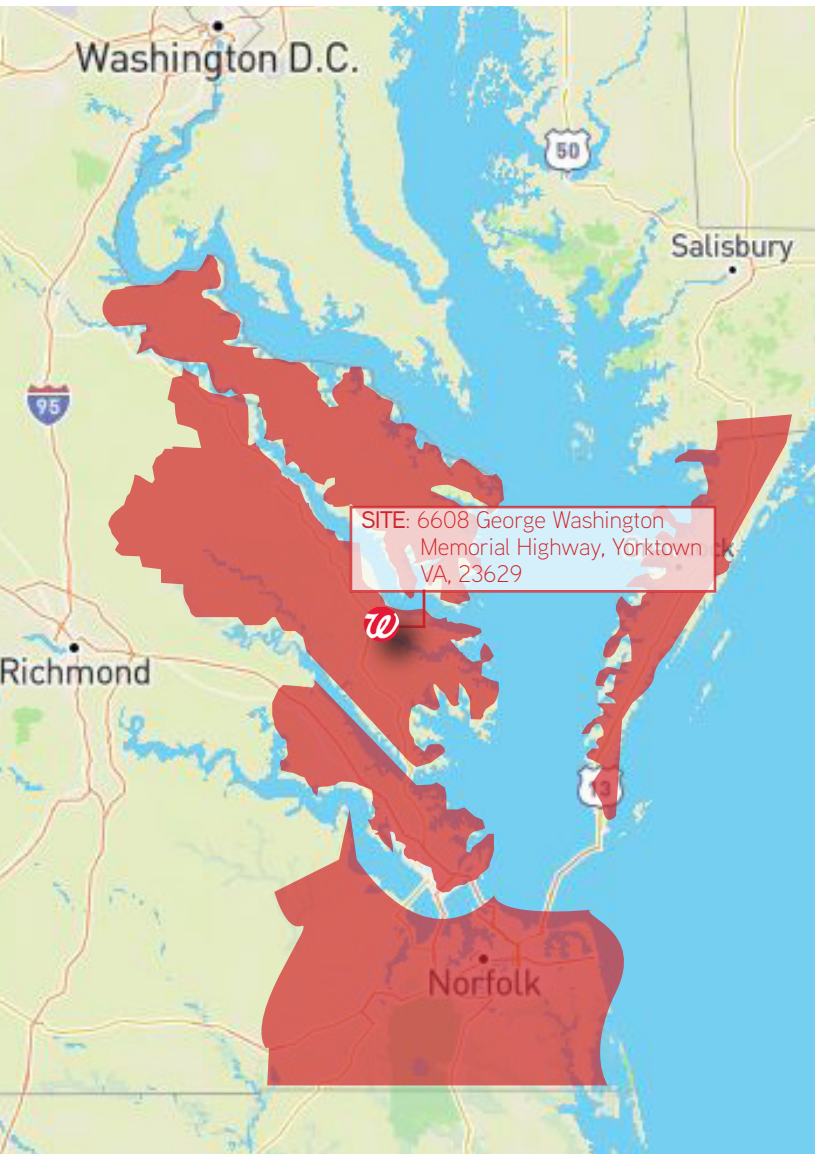
TRAFFIC COUNTS

| | AADT |
|------------------------------------|-------------|
| GW MEMORIAL HWY AT GOODWIN NECK RD | 37,325 |
| GW MEMORIAL HWY AT GRAFTON DR | 36,000 |

PROPERTY OVERVIEW

COLLIERS INTERNATIONAL

YORKTOWN | VA 23692 - **PRICE REDUCED**



2017 TIDEWATER DEMOGRAPHICS

| | 3 MILES | 5 MILES | 10 MILES |
|---------------------------------|-----------------|-----------------|-----------------|
| POPULATION | 31,385 | 100,372 | 279,285 |
| DAYTIME POP | 26,602 | 86,127 | 259,706 |
| TOTAL HOUSEHOLDS | 11,800 | 39,039 | 107,001 |
| AVERAGE HOUSEHOLD SIZE | 2.63 | 2.55 | 2.52 |
| AVERAGE HOUSEHOLD INCOME | <u>\$79,592</u> | <u>\$63,381</u> | <u>\$61,171</u> |
| TOTAL HOUSING UNITS | 12,433 | 41,630 | 114,486 |

TIDEWATER HIGHLIGHTS

(VIRGINIA BEACH, NORFOLK, NEWPORT NEWS & HAMPTON RD.)

Yorktown is the county seat of York County

The Hampton Roads harbor is one of the world's finest natural harbors. It includes the ports of Newport News, Norfolk, Chesapeake, and Portsmouth. Millions of tons of products and goods are loaded into oceangoing ships in Virginia's ports. These ships sail to other ports in the United States and to ports all over the world.

Naval Station Norfolk, a US Navy base is located in Norfolk, VA supports naval forces in the United States Fleet Forces Command those operating in the Atlantic Ocean, Mediterranean Sea, and the Indian Ocean.

Tidewater has a population of 1.7 million and is the seventh largest metro in the Southeast United States and the second largest between Washington, D.C. and Atlanta.

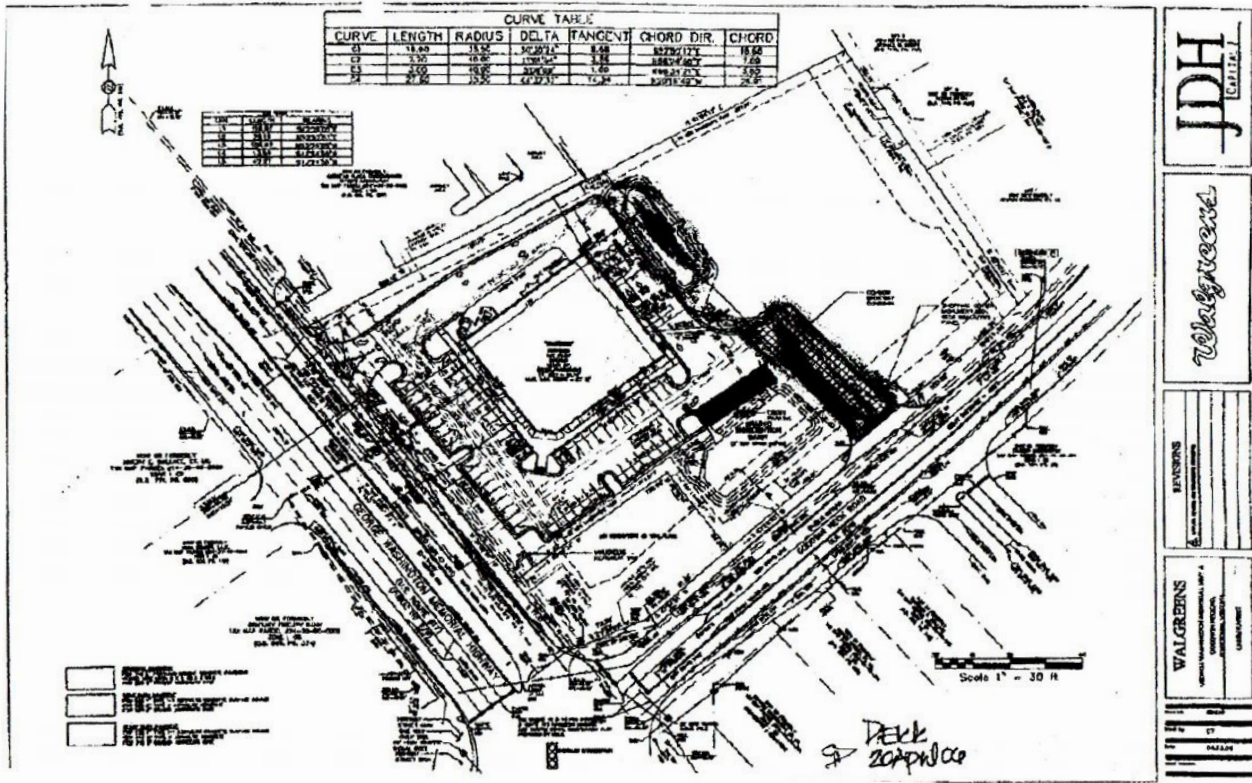
Over 96,000 enrolled university and community college students across the Tidewater region

HIGHLIGHTS: WWW.PLANETWARE.COM/TOURIST-ATTRACTIONS/VIRGINIA
WEB.SCOTT.K12.VA.US/MARTHA2/TIDEWATER.HTM

PROPERTY OVERVIEW

YORKTOWN | VA 23692 - **PRICE REDUCED**

SITE SURVEY



SITE RATINGS

| | |
|-------------------|-----------|
| LOCATION | VERY GOOD |
| ACCESS | EXCELLENT |
| VISIBILITY | VERY GOOD |
| SITE IMPROVEMENTS | EXCELLENT |
| OVERALL SITE | VERY GOOD |

PROPERTY OVERVIEW

COLLIERS INTERNATIONAL

AERIAL IMAGE | YORKTOWN, VA - **PRICE REDUCED**

CLICK ON THE IMAGE BELOW TO BE REDIRECTED TO THIS WALGREENS LOCATION IN GOOGLE MAPS



PROPERTY OVERVIEW

COLLIERS INTERNATIONAL

DETAILS - CLARKSVILLE I MD

| | | | |
|-------------------------------|-----------------------------|----------------------------------|---|
| TENANT | WALGREENS BOOT ALLIANCE INC | NET OPERATING INCOME | \$595,330 |
| ADDRESS | 12400 AUTO DR. | TENANT RESPONSIBILITIES | RE TAXES, INSURANCE, CAM & BUILDING MAINTENANCE |
| MARKET | CLARKSVILLE, MD 21029 | LANDLORD RESPONSIBILITIES | NONE |
| BUILDING SIZE | 16,800SF | RENT ESCALATIONS | NONE |
| LAND SIZE | ±1.299 ACRES | LEASE COMMENCEMENT | 2007 |
| PARKING | 65 SPACES | LEASE EXPIRATION | 2032 |
| DRIVE-THROUGH | DOUBLE LANE | LEASE TERM | 25 YEARS INITIAL TERM |
| YEAR BUILT | 2007 | LEASE TERM REMAINING | 15 YEARS |
| BASE RENT | \$35.44/SF (YEARS 1-7) | OPTIONS | 10 - 5 YEARS (THROUGH 2082) |
| LEASE TYPE | NNN | ASKING PRICE | \$10,450,000.00 |
| RIGHT OF FIRST REFUSAL | 20 DAY NOTICE PERIOD | CAP RATE | 5.7% |

CLICK ON THE IMAGE BELOW TO BE REDIRECTED TO A 360 VIEW OF THIS LOCATION



PROPERTY HIGHLIGHTS

- 15 years left on initial lease term
- Institutional grade credit tenant
- Wealthy and influential surroundings population
- Very strong demographics
- Hard, signalized corner

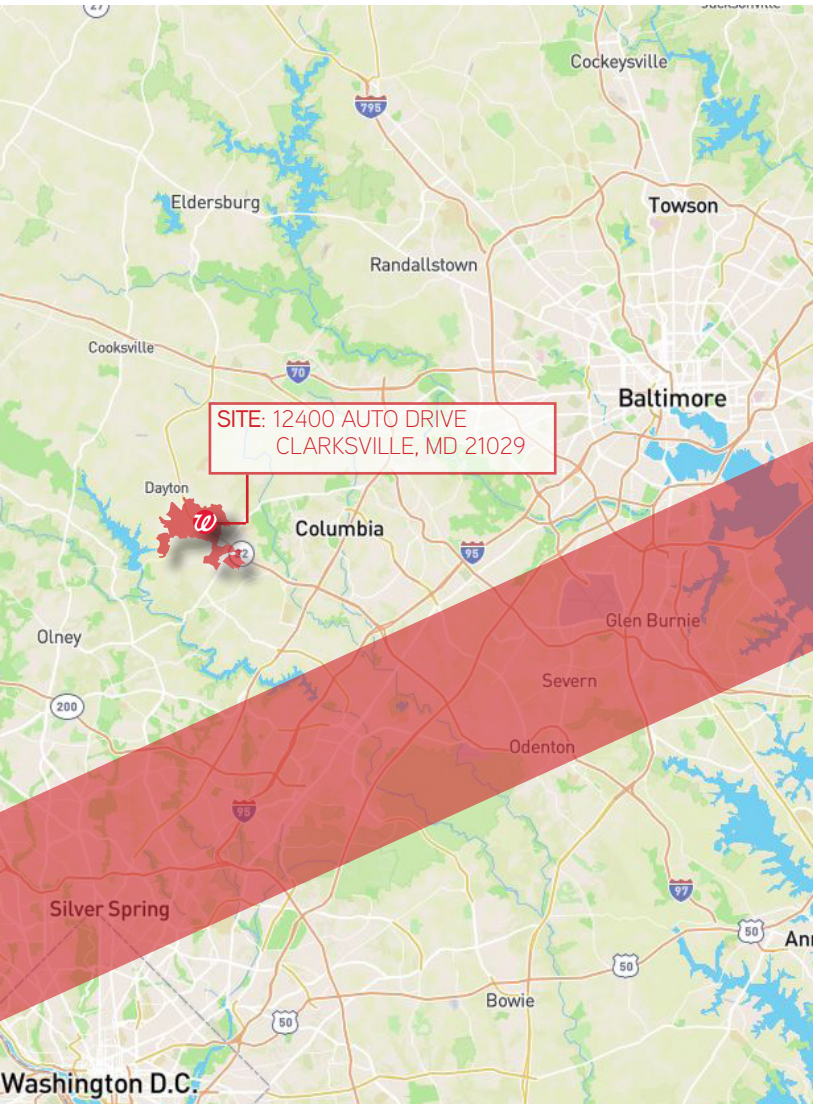
TRAFFIC COUNTS

| | AADT |
|------------------------------------|--------|
| CLARKSVILLE PIKE AT HWY 32 | 45,872 |
| CLARKSVILLE PIKE AT SIGNAL BELL LN | 19,220 |

PROPERTY OVERVIEW

CLARKSVILLE | MD 21029

COLLIERS INTERNATIONAL



2017 CLARKSVILLE DEMOGRAPHICS

| | 1 MILE | 3 MILES | 5 MILES |
|--------------------------|------------------|------------------|------------------|
| POPULATION | 4,845 | 30,455 | 85,436 |
| DAYTIME POP | 4,176 | 21,626 | 89,839 |
| TOTAL HOUSEHOLDS | 1,427 | 10,583 | 31,667 |
| AVERAGE HOUSEHOLD SIZE | 3.40 | 2.86 | 2.69 |
| AVERAGE HOUSEHOLD INCOME | <u>\$174,086</u> | <u>\$144,116</u> | <u>\$124,675</u> |
| TOTAL HOUSING UNITS | 1,442 | 10,964 | 32,851 |

CLARKSVILLE HIGHLIGHTS

Located in Howard County; second wealthiest county in the U.S. (according to U.S. Census Bureau)

One block from the Route 108/Route 32 interchange

Affluent suburban bedroom communities of Washington DC and Baltimore MD, in Western Howard County

Some of the most expensive homes on the East Coast are located in or around the town, whose property values are among the highest in the country

Clarksville's public school system is among the highest-ranked in the nation and often have significantly higher funding than competing private and charter schools.

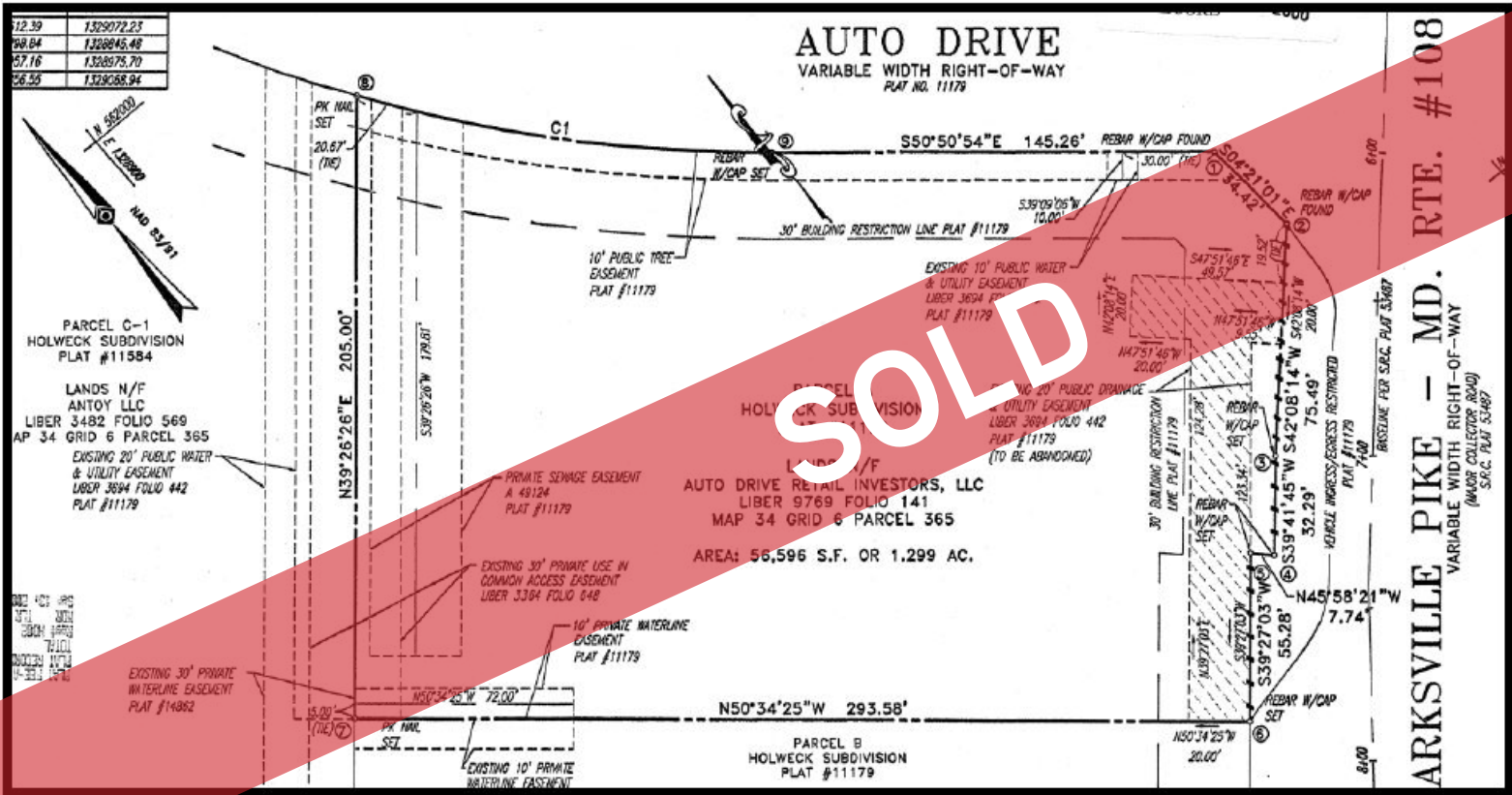
Clarksville sits at the heart of the bi-metropolitan region

HIGHLIGHTS: WWW.HOWARDCOUNTYMD.GOV

PROPERTY OVERVIEW

CLARKSVILLE | MD 21029

SITE SURVEY



SITE RATINGS

| | |
|-------------------|-----------|
| LOCATION | VERY GOOD |
| ACCESS | VERY GOOD |
| VISIBILITY | EXCELLENT |
| SITE IMPROVEMENTS | EXCELLENT |
| OVERALL SITE | VERY GOOD |

PROPERTY OVERVIEW

COLLIERS INTERNATIONAL

AERIAL IMAGE | CLARKSVILLE, MD

CLICK ON THE IMAGE BELOW TO BE REDIRECTED TO THIS WALGREENS LOCATION IN GOOGLE MAPS



COMPARABLES

COLLIERS INTERNATIONAL

WALGREENS COMPS IN MARYLAND, VIRGINIA & NORTH CAROLINA

| DATE | STATUS | PROPERTY NAME | ADDRESS | CITY | STATE | SF | YR BUILT | LAND ACRES | PRICE | \$/SF | CAP RATE | BUYER | SELLER |
|------------|--------|---------------|------------------------|---------------|-------|--------|----------|------------|--------------|----------|----------|---|----------------------|
| DEC - 2017 | SALE | WALGREENS | 12400 AUTO DR. | CLARKSVILLE | MD | 16,800 | 2007 | 1.29 | \$10,500,000 | \$625.00 | 5.9% | N/A | N/A |
| MAR - 2017 | SALE | WALGREENS | 200 HWY 70 E | HILLSBOROUGH | NC | 12,510 | 2006 | 2.65 | \$6,868,000 | \$549.00 | 5.6% | 23 WEST 69TH STREET CORP | CAPROCQ CORE RE FUND |
| MAR - 2017 | SALE | WALGREENS | 1812 HOLLOWAY ST | DURHAM | NC | 11,481 | 2006 | 1.83 | \$7,125,000 | \$621.00 | 5.8% | FRANK SILVERIA | STARPOINT PROPERTIES |
| MAR - 2017 | SALE | WALGREENS | 825 TIMBER DR | GARNER | NC | 14,550 | 2007 | 2.05 | \$5,755,400 | \$348.00 | 5.5% | JEANNE F GRANT | FOULGER PRATT |
| FEB - 2017 | SALE | WALGREENS | 6821 OLD JENKS RD | APEX | NC | 14,490 | 2011 | 3.53 | \$7,091,000 | \$489.00 | 5.2% | PHILIP M SCHRAGER TRUST | ATLANTIC NOCA LLC |
| JAN - 2017 | SALE | WALGREENS | 1630 ANDREWS RD | MURPHY | NC | 14,795 | 2015 | 1.31 | \$6,035,000 | \$408.00 | 5.7% | MOINPOUR INVESTMENTS | HRP MURPHY INC |
| JAN - 2017 | SALE | WALGREENS | 511 W WILLIAMS ST | APEX | NC | 14,820 | 2005 | 2.64 | \$6,290,000 | \$424.00 | 5.8% | UKRAINIAN AMERICAN SOCCER | YORKTOWN 1031 LLC |
| JAN - 2017 | SALE | WALGREENS | 941 DURHAM RD | WAKE FOREST | NC | 14,478 | 2006 | 1.80 | \$5,400,000 | \$373.00 | 6.0% | LWAG FAYETTEVILLE NC LLC | COLE REIT, VEREIT |
| OCT - 2016 | SALE | WALGREENS | 10213 DUMFRIES RD | MANASSAS | VA | 14,820 | 2011 | 2.47 | \$8,600,000 | \$580.00 | 5.0% | CMI REALTY CORP | B KLINE FAMILY LLC |
| AUG - 2016 | SALE | WALGREENS | 13301 STRICKLAND RD | RALEIGH | NC | 13,632 | 2015 | 1.28 | \$6,894,000 | \$506.00 | 5.4% | AMMONS BUILDING CORP | GHK DEVELOPMENTS INC |
| JUN - 2016 | SALE | WALGREENS | 825 TIMBER | GARNER | NC | 14,550 | 2007 | 2.05 | \$4,810,000 | \$331.00 | 5.5% | FOULGER PRATT | EVANS PROPERTIES |
| MAR - 2016 | SALE | WALGREENS | 2201 N HERRITAGE ST | KINSTON | NC | 14,820 | 2006 | 2.85 | \$5,000,000 | \$371.00 | 5.6% | STEVEN J. ROSENBERG; TERRY J. ROSENBERG | COLE REIT |
| MAR - 2016 | SALE | WALGREENS | 2351 FRANKLIN RD SW | ROANOKE | VA | 14,820 | 2009 | 1.18 | \$6,377,551 | \$430.00 | 5.9% | CARL GREGORY ENTERPRISES | COLE REIT, VEREIT |
| FEB - 2016 | SALE | WALGREENS | 1114 BRAWLEY SCHOOL RD | MOORESVILLE | NC | 14,820 | 2009 | 2.51 | \$6,950,000 | \$469.00 | 5.6% | BERKUN FAMILY LLC | EVANS PROPERTIES INC |
| FEB - 2016 | SALE | WALGREENS | 6330 RAEFORD RD | FAYETTEVILLE | NC | 14,820 | 2012 | 2.56 | \$7,650,000 | \$516.00 | 5.7% | WOCOLO LLC | REDWOOD PARTNERS |
| JAN - 2016 | SALE | WALGREENS | 301 N MAIN ST | HOLLY SPRINGS | NC | 14,222 | 2003 | 1.39 | \$4,925,000 | \$346.00 | 5.8% | MERRY HILL NORTH CAROLINA LLC | HUNT MANAGEMENT |

MEDIAN CAP RATE BY LEASE TERM REMAINING

| TERM REMAINING | WALGREENS | CVS | RITE AID |
|----------------|--------------|--------------|------------|
| 20+ | 5.12% | 4.95% | 6.15% |
| 15-19 | 5.50% | 5.60% | N/A |
| 10-14 | 5.85% | 6.00% | 6.75% |
| 6-9 | 6.75% | 6.65% | 7.18% |
| 5 & UNDER | 7.13% | 7.50% | 8.59% |

COLLIERS TEAMS

COLLIERS INTERNATIONAL

Colliers International is a leader in global real estate services, defined by our spirit of enterprise. Through a culture of service excellence and a shared sense of initiative, we integrate the resources of real estate specialists worldwide to accelerate the success of our partners—our clients, professionals and communities.



David Divine | Senior Vice President

With over 20 years of retail, office and industrial investment sales experience, David Divine has a proven track record of maximizing values and returns for his clients. His clients include individual property owners, institutional owners, developers, banks, REIT's, and special servicer. Delivering the Colliers' promise of global teamwork and local expertise, David's mission is to help clients achieve the highest and best return on their real estate investment in order to accelerate their success.



Milos Radojkovic | Vice President

Multi-lingual broker Milos Radojkovic has over a decade of experience specializing in investment properties. Chosen by Jim Anthony and Colliers International for his extensive experience in commercial real estate, condo development projects, and corporate and investment banking, making him a unique asset for all your acquisition and disposition requirements. Prior to joining Colliers International in the Raleigh-Durham market, Milos worked as a commercial real estate broker for HPW Commercial and was a partner at Triumph Investment Properties.



Michael Hobson | Vice President

Michael Hobson serves as an advisor to clients in the acquisition and disposition of commercial real estate. Michael has dedicated over 16 years to the local commercial real estate development and construction history. Having extensive local market knowledge and long-standing relationships within the local brokerage community, he is instrumental in advising his clients on real estate strategies and making informed real estate decisions. During his brokerage career, Michael has completed over 4 million square feet of transactions and has provided advisory services and market analysis to local, regional and national clients.



Sarah Murphy | Senior Marketing Coordinator

Sarah serves in our marketing department for the Raleigh-Durham Office of Colliers International. As Marketing Coordinator, Sarah specializes in creating and executing new marketing strategies, along with providing research and administrative support to the Colliers team. She has over 6 years of marketing and design experience. Sarah has also obtained her Commercial Property Marketing Certification (CPMC) and Commercial Property Research Certification (CPRC) through Colliers, University.

BROKER OF RECORD



TIM HAGUE

VICE CHAIRMAN | MARYLAND (EASTERN REGION)

BROKER OF RECORD



WILLIAM MATTOX

SENIOR VICE PRESIDENT | RICHMOND

DISCLOSURES

WORKING WITH REAL ESTATE AGENTS

NOTE: Effective July 1, 2001, in every real estate sales transaction, a real estate agent shall, at first substantial contact directly with a prospective buyer or seller, provide the prospective buyer or seller with the following information [NC Real Estate Commission Rule 21 NCAC 58A.0104(c)].

When buying or selling real estate, you may find it helpful to have a real estate agent assist you. Real estate agents can provide many useful services and work with you in different ways. In some real estate transactions, the agents work for the seller. In others, the seller and buyer may each have agents. And sometimes the same agents work for both the buyer and the seller. It is important for you to know whether an agent is working for you as your agent or simply working with you while acting as an agent of the other party.

This brochure addresses the various types of working relationships that may be available to you. It should help you decide which relationship you want to have with a real estate agent. It will also give you useful information about the various services real estate agents can provide buyers and sellers, and it will help explain how real estate agents are paid.

SELLERS

Seller's Agent

If you are selling real estate, you may want to “list” your property for sale with a real estate firm. If so, you will sign a “listing agreement” authorizing the firm and its agents to represent you in your dealings with buyers as your seller's agent. You may also be asked to allow agents from other firms to help find a buyer for your property.

Be sure to read and understand the listing agreement before you sign it. Your agent must give you a copy of the listing agreement after you sign it.

Duties to Seller: The listing firm and its agents must:

- Promote your best interests
- Be loyal to you
- Follow your lawful instructions
- Provide you with all material facts that could influence your decisions
- Use reasonable skill, care and diligence
- Account for all monies they handle for you

Once you have signed the listing agreement, the firm and its agents may not give any confidential information about you to prospective buyers or their agents without your permission so long as they represent you. But until you sign the listing agreement, you should avoid telling the listing agent anything you would not want a buyer to know.

Services and Compensation: To help you sell your property, the listing firm and its agents will offer to perform a number of services for you. These may include:

- Helping you price your property
- Advertising and marketing your property
- Giving you all required property disclosure forms for you to complete
- Negotiating for you the best possible price and terms
- Reviewing all written offers with you
- Otherwise promoting your interests.

For representing you and helping you sell your property, you will pay the listing firm a sales commission or fee. The listing agreement must state the amount or method for determining the commission or fee and whether you will allow the firm to share its commission with agents representing the buyer.

DUAL AGENT

You may even permit the listing firm and its agents to represent you and a buyer at the same time. This “dual agency relationship” is most likely to happen if an agent with your listing firm is working as a buyer's agent with someone who wants to purchase your property. If this occurs and you have not already agreed to a dual agency relationship in your listing agreement, your listing agent will ask you to amend your listing agreement to permit the agent to act as agent for both you and the buyer.

It may be difficult for a dual agent to advance the interests of both the buyer and seller. Nevertheless, a dual agent must treat buyers and sellers fairly and equally. Although the dual agent owes them the same duties, buyers and sellers can prohibit dual agents from divulging certain confidential information about them to the other party.

Some firms also offer a form of dual agency called “designated agency” where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each “designated agent” to more fully represent each party. If you choose the “dual agency” option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of:

- What your relationship is with the dual agent
- What the agent will be doing for you in the transaction

BUYERS

When buying real estate, you may have several choices as to how you want a real estate firm and its agents to work with you. For example, you may want them to represent only you (as a buyer's agent). You may be willing for them to represent both you and the seller at the same time (as a dual agent). Or you may agree to let them represent only the seller (seller's agent or subagent). Some agents will offer you a choice of these services. Others may not.

DISCLOSURES

WORKING WITH REAL ESTATE AGENTS

Buyer's Agent

Duties to Buyer: If the real estate firm and its agents represent you, they must:

- Promote your best interests
- Be loyal to you
- Follow your lawful instructions
- Provide you with all material facts that could influence your decisions
- Use reasonable skill, care and diligence
- Account for all monies they handle for you.

Once you have agreed (either orally or in writing) for the firm and its agents to be your buyer's agent, they may not give any confidential information about you to sellers or their agents without your permission so long as they represent you. But until you make this agreement with your buyer's agent, you should avoid telling the agent anything you would not want a seller to know.

Unwritten Agreements: To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement. However, some firms may be willing to represent and assist you for a time as a buyer's agent without a written agreement. But if you decide to make an offer to purchase a particular property, the agent must obtain a written agency agreement before writing the offer. If you do not sign it, the agent can no longer represent and assist you and is no longer required to keep information about you confidential. Be sure to read and understand any agency agreement before you sign it.

Services and Compensation: Whether you have a written or unwritten agreement, a buyer's agent will perform a number of services for you. These may include:

- Helping you
- Find a suitable property
- Arrange financing
- Learn more about the property
- Otherwise promote your best interests

If you have a written agency agreement, the agent can also help you prepare and submit a written offer to the seller.

A buyer's agent can be compensated in different ways. For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the seller or listing agent first, but require you to pay if the listing agent refuses. Whatever the case, be sure your compensation arrangement with your buyer's agent is spelled out in a buyer agency agreement before you make an offer to purchase property and that you carefully read and understand the compensation provision.

DUAL AGENT

You may permit an agent or firm to represent you and the seller at the same time. This "dual agency relationship" is most likely to happen if you become interested in a property listed with your buyer's agent or the agent's firm. If this occurs and you have not already agreed to a dual agency relationship in your (written or oral) buyer agency agreement, your buyer's agent will ask you to amend the buyer agency agreement or sign a separate agreement or document permitting him or her to act as agent for both you and the seller. It may be difficult for a dual agent to advance the interests of both the buyer and seller. Nevertheless, a dual agent must treat buyers and sellers fairly and equally. Although the dual agent owes them the same duties, buyers and sellers can prohibit dual agents from divulging certain confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of:

- What your relationship is with the dual agent
- What the agent will be doing for you in the transaction This can best be accomplished by putting the agreement in writing at the earliest possible time.

SELLER'S AGENT WORKING WITH A BUYER

If the real estate agent or firm that you contact does not offer buyer agency or you do not want them to act as your buyer agent, you can still work with the firm and its agents. However, they will be acting as the seller's agent (or "subagent"). The agent can still help you find and purchase property and provide many of the same services as a buyer's agent. The agent must be fair with you and provide you with any "material facts" (such as a leaky roof) about properties. But remember, the agent represents the seller - not you - and therefore must try to obtain for the seller the best possible price and terms for the seller's property.

Furthermore, a seller's agent is required to give the seller any information about you (even personal, financial or confidential information) that would help the seller in the sale of his or her property. Agents must tell you in writing if they are sellers' agents before you say anything that can help the seller. But until you are sure that an agent is not a seller's agent, you should avoid saying anything you do not want a seller to know. Sellers' agents are compensated by the sellers.

(Note: This brochure is for informational purposes only and does not constitute a contract for service).

The North Carolina Real Estate Commission, P.O. Box 17100, Raleigh, NC 27619-7100 919-875-3700 Web Site: www.ncrec.gov

DISCLAIMER

This Offering 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 Colliers International RDU. 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 Offering Memorandum in any manner.

Neither the Owner or Colliers International RDU, 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 Offering 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 Offering Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Offering 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 obligation therein have been

CONFIDENTIALITY AGREEMENT

This is a confidential Offering Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property. By receipt of this Offering Memorandum, you agree that this Offering Memorandum and its contents are of a confidential nature, that you will hold and treat it in strictest confidence and that you will not disclose this Offering Memorandum or any of its contents to any another entity without the prior written authorization of the Owner or Colliers International RDU. You also agree that you will not use this Offering Memorandum or any of its contents in any manner detrimental to the interest of the Owner or Colliers International RDU. If after reviewing this Offering Memorandum, you have no further interest in purchasing the Property, kindly return this Offering Memorandum to Colliers International RDU.

DISCLAIMER

The information contained in this document has been obtained from sources believed reliable. While Colliers International RDU does not doubt its accuracy, Colliers International RDU has not verified it and makes no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of

the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs. Photos herein are the property of their respective owners and use of these images without the express written consent of the owner is prohibited. Colliers International RDU and the Colliers International logo are service marks of Colliers International and/or its affiliated or related companies in the United States and other countries. All other marks displayed on this document are the property of their respective owners.

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Colliers International RDU operates within a global family of Colliers companies with many subsidiaries and/or related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. In some cases. The names of these Affiliates show no reference to the Colliers Affiliation. At all times different Affiliates may represent various clients with competing interests in the same transaction. For example, this Offering Memorandum may be received by our Affiliates, including AACRE Properties, LLC; AACRE, LLC. Those, or other, Affiliates may express an interest in the property described in this Offering Memorandum (the "Property") may submit an offer to purchase the Property and may be the successful bidder for the Property. You hereby acknowledge that possibility and agree that neither Colliers International RDU nor any involved Affiliate will have any obligation to disclose to you the involvement of any Affiliate in the sale or purchase of the Property. In all instances, however, Colliers International RDU will act in the best interest of the client(s) it represents in the transaction described in this Offering Memorandum and will not act in concert with or otherwise conduct its business in a way that benefits any Affiliate to the detriment of any other offeror or prospective offeror, but rather will conduct its business in a manner consistent with the law and any fiduciary duties owed to the client(s) it represents in the transaction described in this Offering Memorandum.



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