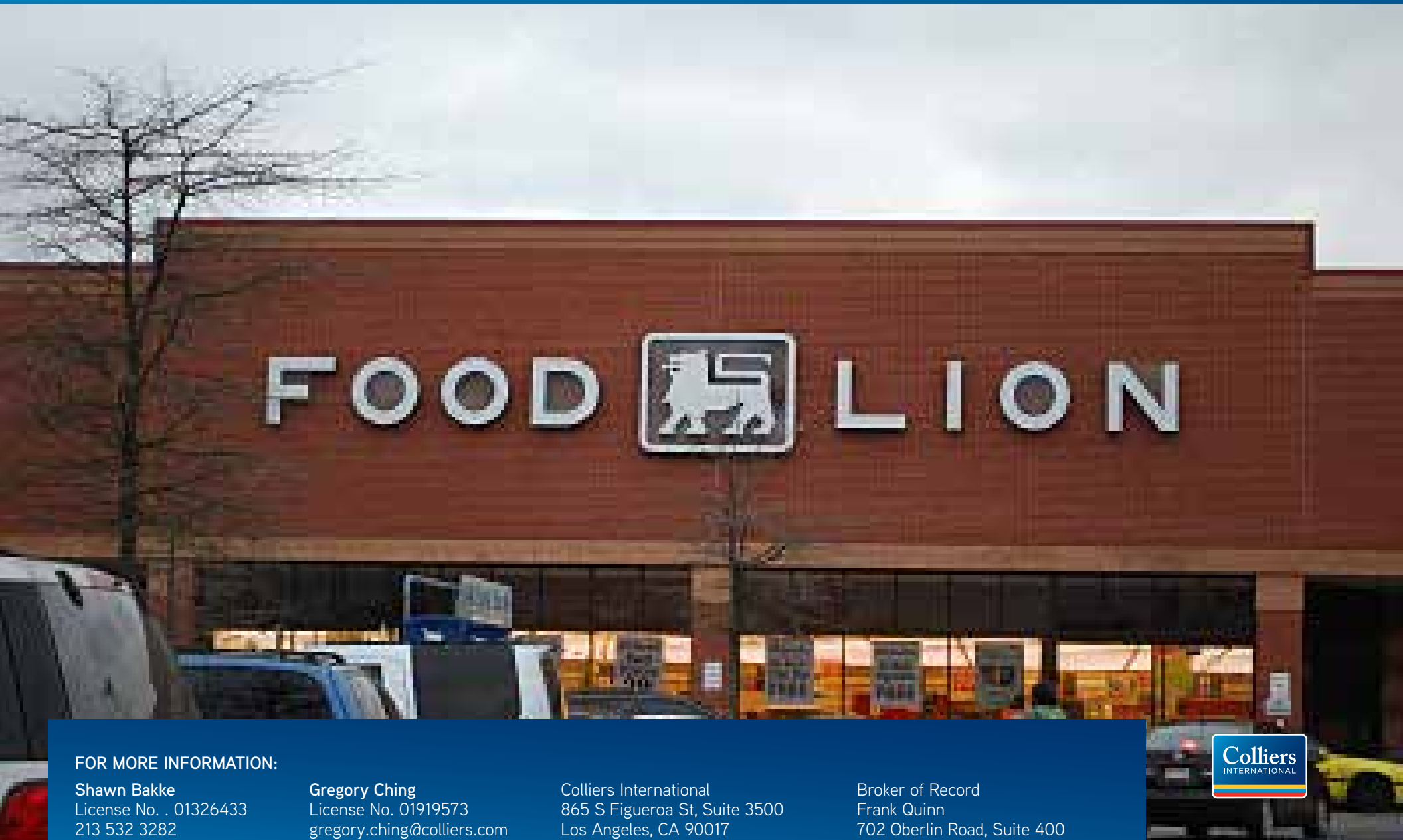


7071 Raeford Road
Fayetteville, NC 28304
Offering Memorandum
For Sale | Investment Property

*representative photograph

Rayconda Plaza



FOR MORE INFORMATION:

Shawn Bakke
License No. . 01326433
213 532 3282
shawn.bakke@colliers.com

Gregory Ching
License No. 01919573
gregory.ching@colliers.com

Colliers International
865 S Figueroa St, Suite 3500
Los Angeles, CA 90017

Broker of Record
Frank Quinn
702 Oberlin Road, Suite 400
Raleigh, NC 27605



Table of Contents

› EXECUTIVE OVERVIEW	
Offering Summary.....	4
» Investment Summary	
» Asset Highlights	
› FINANCIAL OVERVIEW	
Financial Summary.....	6
Investment Summary.....	7
› PROPERTY OVERVIEW	
Property Aerial.....	12
› MAJOR TENANTS OVERVIEW	
Tenant Summary.....	14
› TRADE AREA OVERVIEW	
Local Area Overview.....	16
Local Map.....	17
Local Area Statistics.....	18
» Demographics	
Regional Map.....	19

Rayconda Plaza

> Executive Overview

Offering Summary.....4

» Investment Summary

» Asset Highlights



DOLLAR GENERAL

Offering Summary

Investment Summary

Colliers International presents the fee simple interest in a Grocery Anchored Shopping Center ("Property") located in Fayetteville, NC. The immediate surrounding area includes local elementary and a high school along US Business 401.

The shopping center is anchored by Food Lion, and includes seven tenants on the premises. A Dollar General, regional nails and local restaurants comprise the remaining businesses located at the plaza.

With below-market rents and priced below replacement cost, this asset will deliver significant value with potential upside in the future.

Asset Highlights:

- » Nearby real estate includes McDonald's, Pizza Hut, Burger King, Exxon and a local high school / elementary school
- » Above average demographics in affluent area of North Carolina
- » 5-mile radius 2013 population: 139,075
- » Diverse tenant mix with long operating histories
- » Food Lion Base Rent is 60% below current on market North Carolina Food Lion locations
- » New VA Hospital under construction on Raeford Road.

> PROPERTY OVERVIEW

List Price..... **\$3,452,232**

Cap Rate..... **9.08%**

Property Address.....7071 Raeford Rd

OwnershipFee Simple

Building Size (SF)..... ±40,760

Lot Size **5.28 Acres** / 229,997 SF

> FINANCIAL OVERVIEW

Base Rent \$352,226

NOI **\$313,297**

**All cash or assumption -- contact agent for details*

Rayconda Plaza

> Financial Overview

Rent Roll.....	6
Investment Summary.....	7



DOLLAR GENERAL

Rent Roll

RENT ROLL

Tenant	Base Rent	SF (GLA)	%	Rent/SF	CAM	Expenses	Lease Expiration	Options
Food Lion	\$224,750	29,000	68.7%	\$7.75	Full	Pro Rata taxes, insurance, CAM	Jul-17	Four 5-yr
Dollar General	\$46,800	7,200	17.1%	\$6.50	NONE	Pro Rata tax %	Mar-15	One 2-yr
MC Nails	\$27,600	2,400	5.7%	\$11.50	Full	Pro Rata taxes, insurance, CAM	Jun-17	-
China Wok	\$15,876	1,200	2.8%	\$13.23	Full	Pro Rata taxes, insurance, CAM	May-17	Two 5-yr, 5% rent incr
NC Tobacco	\$14,400	1,200	2.8%	\$12.00	Full	Pro Rata taxes, insurance, CAM	Jun-16	-
The Wing Company	\$15,000	1,200	2.8%	\$12.50	Full	Pro Rata taxes, insurance, CAM	July-19	Two 5-yr, various rent incr
ATM	\$7,800						Feb-16	One 3-year
Total	\$352,225	42,200	100%	\$10.58				

Investment Summary

ANNUALIZED OPERATING DATA

Year 1	In Place CAM
Base Rent	
Food Lion	\$224,750
Dollar General	\$46,800
MC Nails	\$27,600
China Wok	\$15,876
NC Tobacco	\$14,400
Wing Company	\$15,000
Wachovia ATM	\$7,800
Base Rent	\$352,226
Expense Reimbursement	\$75,808
Total Potential Gross Revenue	\$428,034
Less Vacancy (5%)	\$(17,611)
Effective Gross Income	\$410,423
Operating Expenses	
CAM	\$38,311
Property Taxes	\$40,762
Property Insurance	\$3,964
Management (4%)	\$14,089
Total Expenses	\$97,126
Net Operating Income	\$313,297

ACTUAL REIMBURSABLE EXPENSES

	CAM	Tax	Insurance
Food Lion	x	x	x
Dollar General	\$38,311 (\$6,551)	x	\$3,964 (\$678)
MC Nails	x	x	x
China Wok	x	x	x
NC Tobacco	x	x	x
Wing Company	x	x	x

Comparable On-Market Properties

COMPARABLE PROPERTIES SUMMARY					
Location	SF	Rent PSF	Cap Rate	Years Remaining	Price
Boone, NC	33,702	\$11.89	8.00%	2024	\$5,443,300
Newton, NC	28,657	\$10.56	8.25%	2025	\$3,963,200
Milles Creek, NC	29,000	\$10.79	9.00%	2020	\$4,722,589
Fayetteville, NC	34,928	\$16.39	7.50%	2031	\$8,723,613
Lexington, NC	25,018	\$12.95	7.75%	2028	\$4,991,884
Average		\$12.51	8.10%	11.20 years	\$5,566,917
Subject Site (Fayetteville, NC)	29,000	\$7.75 (61% less)	9.08%	3 years (2017)	\$3,452,232 (61% Higher than market)

Rayconda Plaza

> Property Overview

Property Aerial.....12



DOLLAR GENERAL

Property Aerial



Rayconda Plaza

> Major Tenants Overview

Tenant Summary.....14



DOLLAR GENERAL

Food Lion Tenant Summary

Food Lion LLC is a subsidiary of Brussels-based Delhaize Group (NYSE: DEG). Founded as Food Town in 1957, today Food Lion is one of the largest supermarket companies in the United States. Food Lion LLC operates approximately 1,300 supermarkets, either directly or through affiliated entities, under the names of Food Lion, Bloom, Bottom Dollar, Harveys and Reid's.

These stores meet local customer needs and preferences for the freshest and best quality products. Supermarket locations include 11 Mid-Atlantic and South Atlantic states as well

as Georgia, Kentucky, Tennessee, Virginia and West

Virginia under the Food Lion banner.

- » Approximately 48,000 employees
- » Largest subsidiary of Delhaize Group (food retailer headquartered in Belgium, which operates in 7 countries)
- » The repositioned Food Lion stores delivered comparable store sales and volume growth (both transactions and items) during the quarter.
- » In the U.S., comparable store sales growth was 1.9% (3.0% including a +1.1% calendar impact), fueled by favorable weather conditions and continued good volume trends in the Food Lion

Tenant Name.....Food Lion
 Lease Commencement.....7/22/97
 Lease Expiration.....7/22/17
 Original Lease Term.....20 years
 Option TermFour 5-yr
 Gross Leasable Area.....29,000 SF
 Headquartered.....Salisbury, NC
 No. of Locations.....1,300+
 Percentage of SF Occupied.....68.7%
 No. of Locations.....1,300+

repositioned stores and at Hannaford.

Source: Wikipedia, delhaizegroup.com

LEASE SUMMARY

BASE RENT

LEASE YEARS	ANNUAL RENT	ANNUAL RENT PSF	MONTHLY RENT PSF	ANNUAL RENT INCREASE
7/13-7/17	\$224,750	\$7.75	\$0.65	-

OPTION

7/17-6/22	\$224,750	\$7.75	\$0.65	\$-
7/22-6/27	\$224,750	\$7.75	\$0.65	\$-
7/27-6/32	\$224,750	\$7.75	\$0.65	\$-
7/32-7/37	\$224,750	\$7.75	\$0.65	\$-



Corporate Dollar General (NYSE: DG) Summary

Dollar General Corporation is a U.S. chain of variety stores headquartered in Goodlettsville, Tennessee. As of January 2012, Dollar General operated over 10,700 stores in 40 U.S. states.

On January 3, 2011, Dollar General announced plans to add 625 new stores in the 35 states where the chain already has stores plus Connecticut, Nevada and New Hampshire, and to hire 6,000 employees.

DOLLAR GENERAL®

In 2007, the company was acquired by the private equity firm Kohlberg Kravis Roberts & Co. (KKR), which took the company public in 2009

» Same Store Sales growth of 2.6% as of May 2013



LEASE SUMMARY				
BASE RENT				
LEASE YEARS	ANNUAL RENT	ANNUAL RENT PSF	MONTHLY RENT PSF	ANNUAL RENT INCREASE (5.13%)
4/13-3/15	\$46,800	\$6.50	\$0.54	\$-
OPTION				
4/15-3/17	\$49,200	\$6.83	\$0.57	\$2,400

Tenant Name.....Dollar General
 Lease Commencement.....4/1/1998
 Lease Expiration.....3/31/15
 Original Lease Term.....10 years
 Option TermOne 2-year
 Gross Leasable Area.....7,200 SF
 Headquartered.....Goodlettsville, TN
 Percentage of SF Occupied.....17.1%
 Revenue.....\$16.35 B
 Market Cap.....\$17.7 B

Source: Wall Street Journal and Wikipedia

The Wing Company Lease Summary

- » The Wing Company is a regional restaurant chain specializing in chicken wings, burgers and Sandwiches. The company has six locations and a travelling food truck located throughout North Carolina.

LEASE SUMMARY				
BASE RENT				
LEASE YEARS	ANNUAL RENT	ANNUAL RENT PSF	MONTHLY RENT PSF	ANNUAL RENT INCREASE
2/1/2014-7/31/19	\$15,000	\$12.50	1.04	\$-
OPTION				
8/1/19-7/31/21	\$18,600	\$15.50	\$1.29	24.00%
8/1-21-7/31/23	\$21,000	\$17.50	\$1.46	12.90%
8/1/23-7/31/24	\$22,200	\$18.50	\$1.54	5.71%
8/1/24-7/31/25	\$22,644	\$18.87	\$1.57	2.00%
8/1/25-7/31/26	\$23,097	\$19.25	\$1.60	2.00%
8/1/26-7/31/27	\$23,559	\$19.63	\$1.64	2.00%
8/1/27-7/31/28	\$24,030	\$20.02	\$1.67	2.00%
8/1/28-7/31/29	\$24,511	\$20.43	\$1.70	2.00%



Tenant Name.....The Wing Company
 Lease Commencement..... 2/1/14
 Lease Expiration..... 7/31/19
 Original Lease Term..... 5 years
 Option TermTwo 5-year
 Gross Leasable Area.....1,200 SF
 Percentage of SF Occupied.....2.8%

Source: Company website



Rayconda Plaza

> Trade Area Overview

Local Area Overview.....	16
Local Map.....	17
Local Area Statistics.....	18
» Demographics	
Regional Map.....	19



DOLLAR GENERAL

LOCAL AREA OVERVIEW

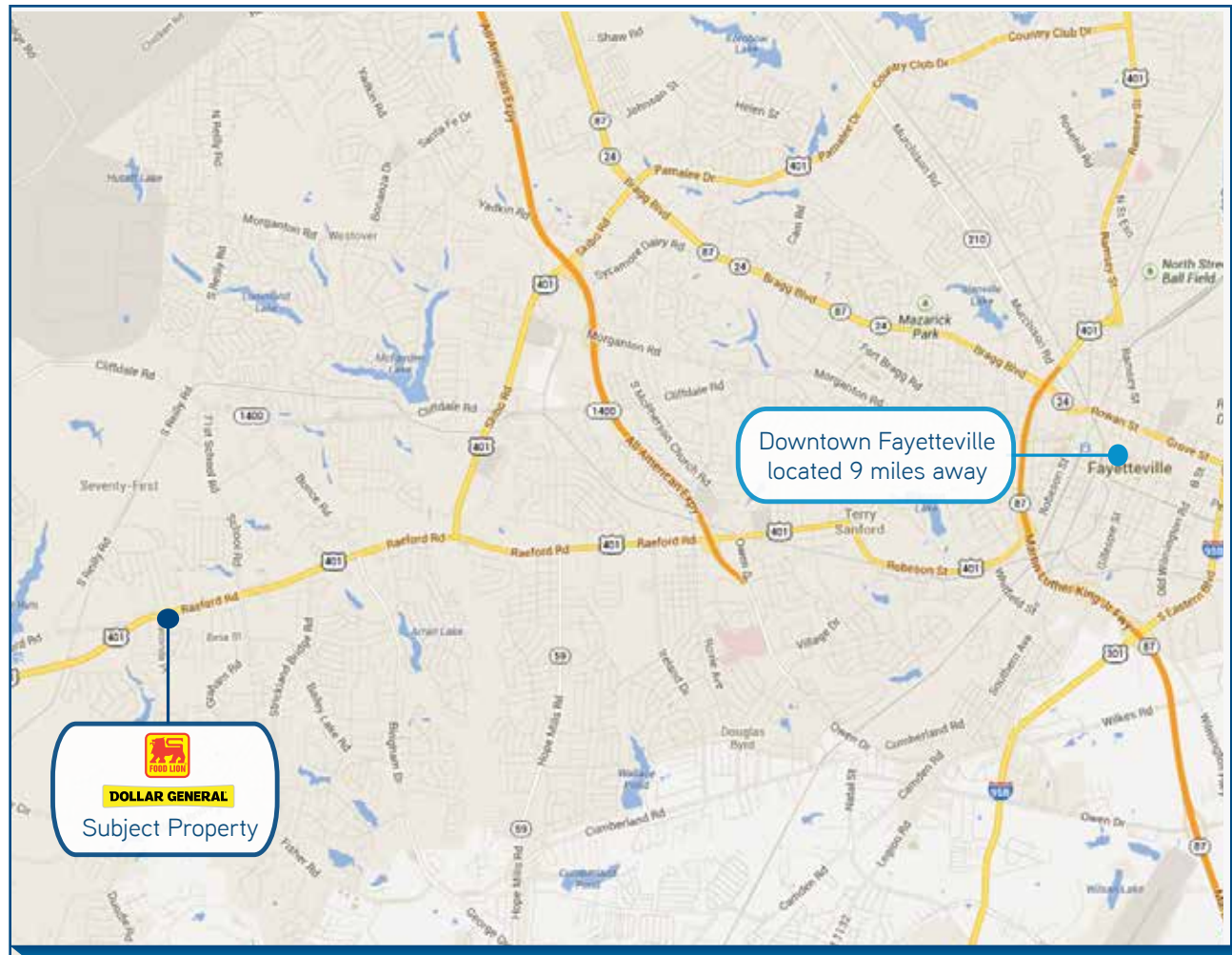
Fayetteville, NC

- » Best known as the home of Fort Bragg, a major U.S. Army installation northwest of the city.
- » According to the 2011 United States Census estimate, the city has a population of 205,678
- » According to the United States Census Bureau, the city has a total area of 60.0 square miles, of which 58.8 square miles is land and 1.2 square miles is water.
- » Fort Bragg is the backbone of the county's economy. Fort Bragg and Pope Army Airfield pumps about \$4.5 billion a year into the region's economy, making Fayetteville one of the best retail markets in the country. Fayetteville serves as the region's hub for shops, restaurants, services, lodging, health care and entertainment. Fayetteville boasts a low unemployment rate with a large labor pool of trained professionals.
- » The Fayetteville area has a large and growing Defense Industry and was ranked in the Top 5 Defense Industry Development areas in US for 2010. Eight of the ten top American defense contractors are located in the area, including Lockheed Martin, Boeing, Northrop Grumman, General Dynamics, and L3 Communications.

DEMOGRAPHICS

	1 - Miles	3 - Miles	5 - Miles
Projected Growth (2018-2013)	4.98%	6.60%	6.58%
2018 Projection	6,852	66,669	148,228
2013 Estimate	6,527	62,539	139,075
2010 Census	6,346	59,989	133,337
Historical Annual Growth 2000-2010	17.42%	19.29%	15.25%
2013 Average HH Income	\$63,465	\$57,825	\$59,672

Local Map



LOCAL AREA STATISTICS

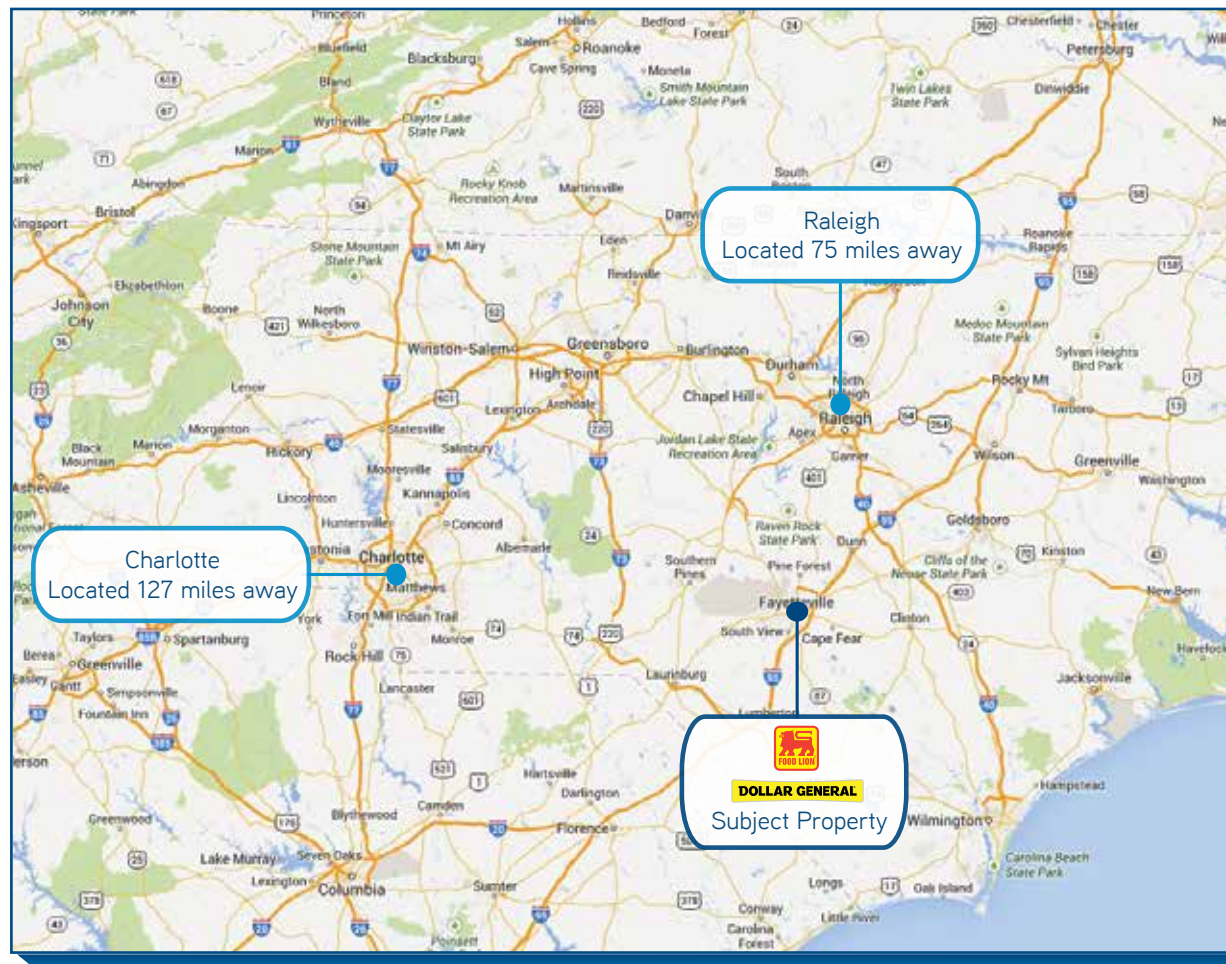
Fayetteville, NC

- » The Department of Veterans Affairs (VA) has selected Ohio-based Fedcar Company Ltd., a subsidiary of Carnegie Inc., to build a new Health Care Center (HCC) in Fayetteville, N.C. The new clinic will be located at the intersection of Old Raeford Road and Reilly Road, approximately 10 miles from the Fayetteville VA Medical Center's main campus. The new HCC facility, an ancillary of the Fayetteville VA Medical Center is slated to be completed in 2015.
- » The 20-year lease calls for a 259,000 square foot facility with 1,360 parking spaces for which VA will pay an annual rent of \$10.5 million.
- » The Fayetteville VA Medical Center and its Community Based Outpatient Clinics currently serve more than 90,000 Veterans from 19 counties in southeastern North Carolina and two counties in northeastern South Carolina. The Medical Center is located within 10 miles of Fort Bragg and Pope Army Air Field.

DEMOGRAPHICS			
	10 - Miles	15 - Miles	20 - Miles
Projected Growth (2018-2013)	7.06%	7.07%	7.55%
2018 Projection	318,966	396,041	483,337
2013 Estimate	297,930	369,885	449,411
2010 Census	284,381	353,014	427,008
Historical Annual Growth 2000-2010	19.26%	16.30%	18.29%
2000 Average HH Income	\$46,022	\$45,768	\$45,249



Regional Map



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the Property at **7071 Raeford Road, Fayetteville, NC 28304**. It has been prepared by Colliers International. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Owner or Colliers International. The material is based in part upon information supplied by the Owner and in part upon financial information obtained by Colliers International from sources it deems reliable. Neither Owner, nor their officers, employees, or agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum from Colliers International, you agree:

- 1) The Offering Memorandum and its contents are confidential;
- 2) You will hold it and treat it in the strictest of confidence; and
- 3) You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Owner.

Owner and Colliers International expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of **the Rayconda Plaza** or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Colliers International or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

Rayconda Plaza

Offering Memorandum



FOR MORE INFORMATION:

Shawn Bakke
213 532 3282
shawn.bakke@colliers.com

Gregory Ching
213 532 3209
gregory.ching@colliers.com

Broker of Record
Frank Quinn
702 Oberlin Road, Suite 400
Raleigh, NC 27605

COLLIERS INTERNATIONAL
865 S. Figueroa Street, Suite 3500
Los Angeles, CA 90017