

# CONFIDENTIAL INVESTMENT MEMORANDUM 92545



## THE AT&T OFFICE BUILDING PORT HURON, MICHIGAN



PRESENTED BY: PETER COLVIN  
580 CASCADE WEST PARKWAY SE  
GRAND RAPIDS MICHIGAN 49596  
TEL. NO. 616-893-1398  
EMAIL: PETER.COLVIN@SVN.COM

BRUCE MARSHALL  
5057 KELLER SPRINGS ROAD, SUITE 110  
ADDISON, TEXAS 75001  
TEL. NO. 214-262-6306  
EMAIL: BRUCE.MARSHALL@SVN.COM

DATAVEST | SPERRY VAN NESS | THE SILVERI COMPANY

DATAVEST | SPERRY VAN NESS

D. BRUCE MARSHALL  
MANAGING DIRECTOR  
BRUCE.MARSHALL@SVN.COM

**Confidentiality Agreement and Disclaimer Statement**

DataVest | Sperry Van Ness, has prepared this sales information and Offering Memorandum materials, which contain select information pertaining to the business and financial operation of the Property. This Offering Memorandum and related Sales Information does not purport to be all-inclusive or to contain all the information that may be required by a prospective purchaser. Neither the Owner, DataVest | Sperry Van Ness, nor Owner's or DataVest | Sperry Van Ness's respective officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents, any information as defined below or the condition of the Property, and no legal liability is assumed or shall be implied with respect thereto. You will only be able to rely upon those representations and warranties contained in any final agreement entered into between you and the Owner relating to the purchase and sale of the Property.

By acknowledging and accepting the receipt of this Offering Memorandum and sales information, you hereby agree :

- 1) The Offering Memorandum and its contents, and all other information supplied to you, in any manner, by Owner and/or DataVest | Sperry Van Ness (collectively the "information") are confidential;
- 2) You and your shareholders, members, directors, officers, employees, agents and representatives (collectively "Purchaser") will keep the information confidential, and will not disclose or otherwise divulge or permit anyone else to disclose or otherwise divulge any of the information in any manner to any other individual, entity or party. Notwithstanding the foregoing, Purchaser may disclose such information to Purchaser's shareholders, members, directors, officers, employees, agents and representatives who need to know such information in connection with the possible acquisition of the Property, provided that such shareholders, members, directors, officers, employees, agents and representatives agree to maintain the confidentiality of the Information in accordance with this Agreement;
- 3) Purchaser will not use the Information for any purpose other than to evaluate Purchaser's potential acquisition of the Property;
- 4) Purchaser shall not copy or otherwise duplicate any of the Information, and agrees to return upon demand of Owner or DataVest | Sperry Van Ness all Information and destroy any extracts, analyses, summaries, or other documents prepared from or based upon the Information.
- 5) Purchaser / Broker hereby agree not to contact the Owner / Seller directly or circumvent in any way at any time during the negotiation, due diligence, or closing process.

The Property and improvements described in this Offering Memorandum and Sales Information are being offered for sale on an "As Is, Where Is" basis without representations or warranties.

The Owner and DataVest | Sperry Van Ness reserve the right, at their sole and absolute discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any entity or person reviewing this Offering Memorandum and related sales information making an offer to purchase of the Property until a written agreement for the purchase of the Property has been fully executed.

If you do not wish to pursue negotiations leading to the potential acquisition of this Property, or if in the future you discontinue such negotiations, then you agree to return this Offering Memorandum and sales information to pertinent to DataVest | Sperry Van Ness.

This Offering Memorandum and sales offering materials are not be deemed to represent the state of the affairs of the Property or constitute an indication that there has been no change in the state of the affairs of the Property since the date this Offering Memorandum and sale offering was prepared.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Company: \_\_\_\_\_


Phone Number: \_\_\_\_\_ Address: \_\_\_\_\_

Email: \_\_\_\_\_ City, State, Zip \_\_\_\_\_



## Summary of Salient Facts on SVN Listing 80286

“Deal Cliff Notes”

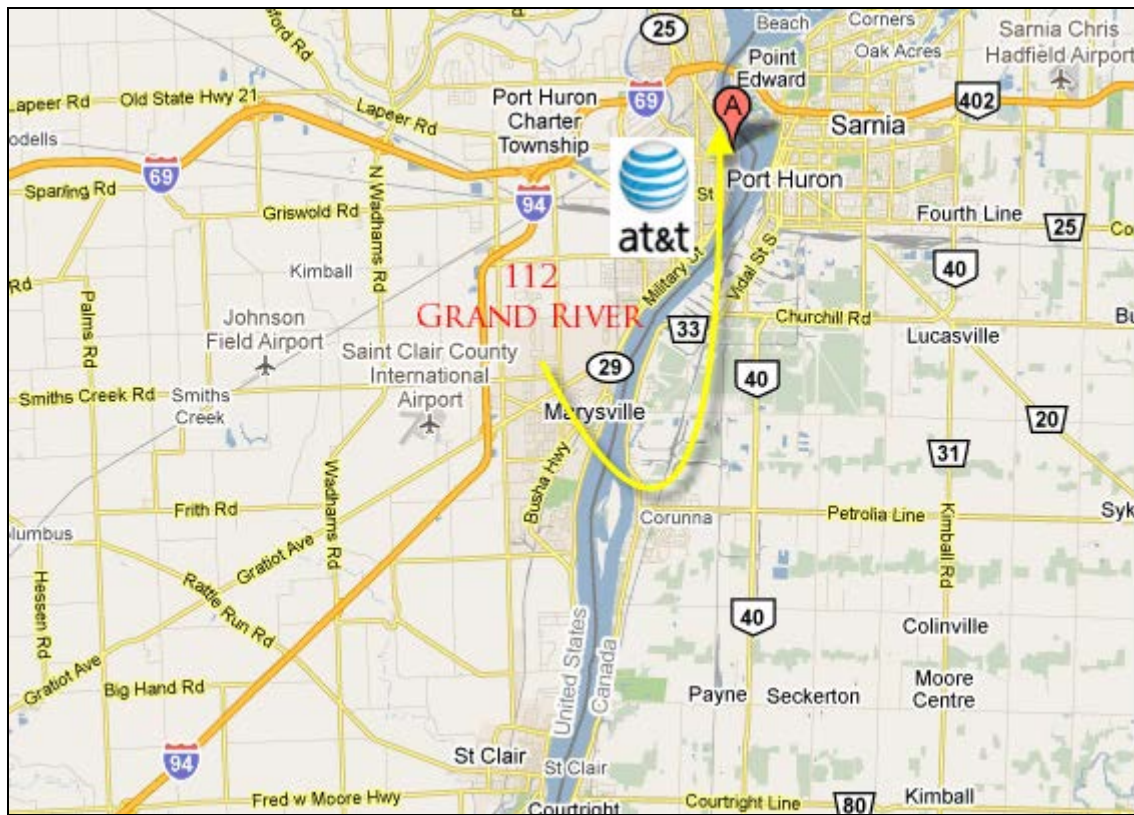
<b>Property Address:</b>	111 Grand Avenue   Port Huron, Michigan 48060
<b>Property Type:</b>	Single Tenant Office
<b>Lease Status:</b>	100% Leased
<b>Tenant:</b>	 AT&T, Inc. [Lease Guaranty from AT&T, Inc. which has a Standard & Poor’s A- Rating]
<b>Lease Basis:</b>	NNN with Annual Rental Escalations [See Lease Abstract for details]
<b>Financials:</b>	AT&T, Inc. had gross sales of \$124,280,000,000 with an EBITA of \$18,238,000,000,000. Their dividend per share was \$1.69.
	See a five year Financial Statement Summary on Page 5 for further amplification of their financial information.
<b>Year Built:</b>	1959
<b>Building Size:</b>	42,840 Square Feet [Net Rentable Area]
<b>Parking:</b>	305 Spaces [7.1/1000]
<b>Tax Parcel:</b>	7406-687-0033-000
<b>Land Area:</b>	114,784 Square Feet [1.52 Acres]
<b>Purchase Price:</b>	\$5,385,000
<b>Price Per S. F. :</b>	\$125.70 Per Net Square Foot
<b>Anticipated Debt:</b>	\$3,586,000 [67%] 5.71% @ 18 Year Amortization [Loan Assumption]
<b>Equity Required:</b>	\$1,798,000 [33%] Anticipated
<b>Cap Rate:</b>	10.20%
<b>Cash-On-Cash:</b>	13.01%
<b>Total Yield:</b>	19.10% [Includes Amortization]



**Property Address:**

112 Grand River Avenue, Port Huron Michigan 48060

Tax ID No. 74-06-687-0033-000



*Legal Description:*

Land in the City of Port Huron, St. Clair County, Michigan described as:

Lots 17, 19, 21, 23 East of Huron Street and Lots 21, 23, 25, 27 West of Merchant Street, Thorn Plat, according to the Plat thereof as recorded I Liber A of Plats, Page 1, St. Clair County register of Deeds Office, also the North 60 feet of vacated Sarnia Street between the West Line of Merchant Street and a line 15 feet West of East Line of Clairmont Street and the East 15 feet of vacated Clairmont Street between Grand River Avenue and Sarnia Street

# Property Aerial Graphic



## Income Analysis Review:

### Income Statement Synoptic Overview

	[2012 @100%]	Per NSF	[2013 @ 100%]
Rent on Leased Space	549,368	\$13.06	559,282
Rent on Vacant Space	0	\$0.00	0
Total Rental Income	549,368	\$13.06	559,282
Other Income [NNN Reimbursements]	55,381	\$1.32	56,600
Potential Gross Income	604,749	\$14.38	615,882
Vacancy Factor/Collection Loss	<u>0</u>	\$0.00	<u>0</u>
Effective Gross Income	<b>604,749</b>	\$14.38	<b>615,882</b>
Operational Expense [Ground Lease Parking Lot]	(20,450)	(\$0.49)	(20,910)
Operational Expense [General & Administrative]	0	\$0.00	0
Operational Expense [Marketing   Advertising]	0	\$0.00	0
Operational Expense [Utilities]	0	\$0.00	0
Operational Expense [Management Fees]	(5,534)	(\$0.13)	(5,534)
Operational Expense [Insurance]	(12,270)	(\$0.29)	(12,270)
Operational Expense [Property Taxes]	(14,059)	(\$0.33)	(14,059)
Operational Expense [Non-Billback Expenses]	0	\$0.00	0
Operational Expense [Repair & Maintenance]	(3,068)	(\$0.07)	(3,068)
Sub-Total NNN Tenant Paid Expenditures	(55,381)	(\$1.30)	(55,841)
Sub-Total Other Non-Reimbursable Expenses	0	\$0.00	0
Total Operational Expense + Reserves	(55,381)	(\$1.30)	(55,841)
Net Operating Income <N.O.I.>	<b>549,368</b>	\$13.05	<b>559,255</b>
Less First Mortgage Debt Service	<u>(315,338)</u>	(\$7.36)	<u>(315,338)</u>
Net Cash Flow	<b>234,030</b>	\$5.69	<b>243,917</b>
First Year's Principal Reduction on Loan	<u>109,496</u>	\$2.72	<u>116,597</u>
Cash Flow Plus 1st Years Principal Reduction	343,526	\$8.42	360,514
NOI as a % of Acquisition Cost [Cap Rate]	<b>10.20%</b>	-	<b>10.39%</b>
Cash-On Cash Return	<b>13.01%</b>	-	<b>13.56%</b>
Additional Yield Return [Principal Reduction on First Lien]	<u>6.09%</u>	-	<u>6.48%</u>
Total Annual Return [Cash-on-Cash + Principal Reduction]	<b>19.10%</b>	-	<b>20.04%</b>
Project Internal Rate of Return <5 Yr. & 10 Yr.>	19.55%	-	17.91%

## AT&T Balance Sheet Q-1 2011:

	2011 Q1	2010 Q4	2010 Q3	2010 Q2	2010 Q1
Period End Date	03/31/2011	12/31/2010	09/30/2010	06/30/2010	03/31/2010
Stmt Source	10-Q	10-K	10-Q	10-Q	10-Q
Stmt Source Date	05/06/2011	03/01/2011	11/05/2010	08/06/2010	05/06/2010
Stmt Update Type	Updated	Updated	Updated	Updated	Updated

### Assets

▶ Cash and Short Term Investments	1,391.0	1,437.0	3,246.0	1,377.0	2,617.0
▶ Total Receivables, Net	13,246.0	13,610.0	13,606.0	13,780.0	14,167.0
Total Inventory	0.0	0.0	0.0	0.0	0.0
Prepaid Expenses	1,674.0	1,458.0	1,686.0	1,666.0	1,820.0
Other Current Assets, Total	3,426.0	3,446.0	3,439.0	4,569.0	3,758.0
<b>Total Current Assets</b>	<b>19,737.0</b>	<b>19,951.0</b>	<b>21,977.0</b>	<b>21,392.0</b>	<b>22,362.0</b>
Property/Plant/Equipment, Total - Net	103,369.0	103,196.0	101,475.0	100,302.0	99,360.0
Goodwill, Net	73,602.0	73,601.0	73,447.0	73,484.0	73,052.0
Intangibles, Net	59,973.0	60,520.0	61,007.0	61,543.0	61,332.0
Long Term Investments	4,845.0	4,515.0	4,544.0	4,346.0	3,278.0
Note Receivable - Long Term	0.0	0.0	0.0	0.0	0.0
Other Long Term Assets, Total	6,559.0	6,705.0	6,802.0	6,489.0	6,317.0
Other Assets, Total	0.0	0.0	0.0	0.0	0.0
<b>Total Assets</b>	<b>268,085.0</b>	<b>268,488.0</b>	<b>269,252.0</b>	<b>267,556.0</b>	<b>265,701.0</b>

### Liabilities and Shareholders' Equity

Accounts Payable	0.0	0.0	0.0	0.0	0.0
Payable/Accrued	18,349.0	20,055.0	18,417.0	18,157.0	18,087.0
Accrued Expenses	0.0	0.0	0.0	0.0	0.0
Notes Payable/Short Term Debt	0.0	0.0	0.0	0.0	0.0
Current Port. of LT Debt/Capital Leases	6,902.0	7,196.0	6,426.0	9,721.0	9,437.0
Other Current Liabilities, Total	8,003.0	6,700.0	7,831.0	8,304.0	9,182.0
<b>Total Current Liabilities</b>	<b>33,254.0</b>	<b>33,951.0</b>	<b>32,674.0</b>	<b>36,182.0</b>	<b>36,706.0</b>
▶ Total Long Term Debt	58,126.0	58,971.0	62,540.0	60,277.0	60,024.0
Deferred Income Tax	23,149.0	22,070.0	20,651.0	25,615.0	25,520.0
Minority Interest	299.0	303.0	299.0	437.0	443.0
Other Liabilities, Total	40,713.0	41,546.0	40,094.0	41,999.0	40,985.0
<b>Total Liabilities</b>	<b>155,541.0</b>	<b>156,841.0</b>	<b>156,258.0</b>	<b>164,510.0</b>	<b>163,678.0</b>
Redeemable Preferred Stock	0.0	0.0	0.0	0.0	0.0
Preferred Stock - Non Redeemable, Net	0.0	0.0	0.0	0.0	0.0
Common Stock	6,495.0	6,495.0	6,495.0	6,495.0	6,495.0
Additional Paid-In Capital	91,636.0	91,731.0	91,748.0	91,628.0	91,557.0
Retained Earnings (Accumulated Deficit)	32,649.0	31,792.0	50,751.0	40,909.0	39,373.0
Treasury Stock - Common	-20,949.0	-21,083.0	-21,112.0	-21,134.0	-21,137.0
Other Equity, Total	2,713.0	2,712.0	-14,888.0	-14,852.0	-14,265.0
<b>Total Equity</b>	<b>112,544.0</b>	<b>111,647.0</b>	<b>112,994.0</b>	<b>103,046.0</b>	<b>102,023.0</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>268,085.0</b>	<b>268,488.0</b>	<b>269,252.0</b>	<b>267,556.0</b>	<b>265,701.0</b>
Total Common Shares Outstanding	5,918.27	5,911.09	5,909.86	5,909.05	5,909.0
Total Preferred Shares Outstanding	0.0	0.0	0.0	0.0	0.0

## AT&T Income Statement Overview:

	2010	2009	2008	2007	2006
Period End Date	12/31/2010	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Period Length	12 Months	12 Months	12 Months	12 Months	12 Months
Stmt Source	10-K	10-K	10-K	10-K	10-K
Stmt Source Date	03/01/2011	03/01/2011	03/01/2011	02/25/2009	02/25/2009
Stmt Update Type	Updated	Restated	Restated	Reclassified	Reclassified
Revenue	113,239.0	111,172.0	111,403.0	107,378.0	55,888.0
Other Revenue, Total	11,041.0	11,341.0	12,040.0	11,550.0	7,167.0
<b>Total Revenue</b>	<b>124,280.0</b>	<b>122,513.0</b>	<b>123,443.0</b>	<b>118,928.0</b>	<b>63,055.0</b>
Cost of Revenue, Total	52,263.0	50,571.0	56,688.0	46,705.0	28,854.0
<b>Gross Profit</b>	<b>60,976.0</b>	<b>60,601.0</b>	<b>54,715.0</b>	<b>60,673.0</b>	<b>27,034.0</b>
Selling/General/Administrative Expenses, Total	33,065.0	31,427.0	48,772.0	30,242.0	14,006.0
Research & Development	0.0	0.0	0.0	0.0	0.0
Depreciation/Amortization	19,379.0	19,515.0	19,673.0	21,577.0	9,907.0
Interest Expense (Income), Net Operating	0.0	0.0	0.0	0.0	0.0
Unusual Expense (Income)	0.0	0.0	0.0	0.0	0.0
Other Operating Expenses, Total	0.0	0.0	0.0	0.0	0.0
<b>Operating Income</b>	<b>19,573.0</b>	<b>21,000.0</b>	<b>-1,690.0</b>	<b>20,404.0</b>	<b>10,288.0</b>
Interest Income (Expense), Net Non-Operating	0.0	0.0	0.0	0.0	0.0
Gain (Loss) on Sale of Assets	0.0	0.0	0.0	148.0	0.0
Other, Net	897.0	152.0	-332.0	497.0	16.0
<b>Income Before Tax</b>	<b>18,238.0</b>	<b>18,518.0</b>	<b>-4,572.0</b>	<b>18,204.0</b>	<b>10,881.0</b>
Income Tax - Total	-1,162.0	6,091.0	-2,210.0	6,253.0	3,525.0
<b>Income After Tax</b>	<b>19,400.0</b>	<b>12,427.0</b>	<b>-2,362.0</b>	<b>11,951.0</b>	<b>7,356.0</b>
Minority Interest	-315.0	-309.0	-261.0	0.0	0.0
Equity In Affiliates	0.0	0.0	0.0	0.0	0.0
U.S. GAAP Adjustment	0.0	0.0	0.0	0.0	0.0
<b>Net Income Before Extra. Items</b>	<b>19,085.0</b>	<b>12,118.0</b>	<b>-2,623.0</b>	<b>11,951.0</b>	<b>7,356.0</b>
▶ Total Extraordinary Items	779.0	20.0	-2.0	0.0	0.0
<b>Net Income</b>	<b>19,864.0</b>	<b>12,138.0</b>	<b>-2,625.0</b>	<b>11,951.0</b>	<b>7,356.0</b>
▶ Total Adjustments to Net Income	0.0	0.0	0.0	0.0	0.0
Basic Weighted Average Shares	5,913.0	5,900.0	5,927.0	6,127.0	3,882.0
Basic EPS Excluding Extraordinary Items	3.23	2.05	-0.44	1.95	1.89
Basic EPS Including Extraordinary Items	3.36	2.06	-0.44	1.95	1.89
Diluted Weighted Average Shares	5,938.0	5,924.0	5,927.0	6,170.0	3,902.0
Diluted EPS Excluding Extraordinary Items	3.22	2.05	-0.44	1.94	1.89
Diluted EPS Including Extraordinary Items	3.35	2.05	-0.44	1.94	1.89
Dividends per Share - Common Stock Primary Issue	1.69	1.65	1.61	1.47	1.35
Gross Dividends - Common Stock	9,985.0	9,733.0	9,506.0	8,945.0	6,079.0
Interest Expense, Supplemental	2,994.0	3,368.0	3,369.0	3,507.0	1,843.0
Depreciation, Supplemental	16,402.0	15,849.0	15,191.0	15,625.0	8,874.0
Normalized EBITDA	39,979.0	41,034.0	17,983.0	41,981.0	20,195.0
Normalized EBIT	20,600.0	21,519.0	-1,690.0	20,404.0	10,288.0
Normalized Income Before Tax	19,265.0	19,037.0	-4,572.0	18,056.0	10,881.0
Normalized Income After Taxes	20,067.55	12,775.29	-2,362.0	11,853.84	7,356.0
Normalized Income Available to Common	19,752.55	12,466.29	-2,623.0	11,853.84	7,356.0
Basic Normalized EPS	3.34	2.11	-0.44	1.93	1.89
Diluted Normalized EPS	3.33	2.11	-0.44	1.92	1.89
Amortization of Intangibles	2,977.0	3,666.0	4,482.0	5,952.0	1,033.0

Financial data in U.S. Dollars  
Values in Millions (Except for per share items)

**Property Description:** The subject property consists of an attractive two-story single-tenant office facility. The property has a brick exterior and glass exteriors. The property has a poured concrete foundation and a membrane roof. The parking lot is constructed of asphalt. The property is situated on 1.52 acres.

**Zoning:** CBD [Commercial Business District]

**Additional Parking:** Owner leases additional parking facilities from the City of Port Huron for \$20,000 per annum. This ground lease is conterminous with the lease and extensions of the AT&T Lease.

[Please see the Ground Lease Abstract for additional details]

**Tenant Stability:** The property has an existing lease on the property with AT&T through April 30, 2015. Thereafter tenant has four 7 year renewal options.

[Please see the lease abstracts for annual escalation bump details]

The original lease had a termination provision in the lease but this was not exercised. The tenant has expended over \$1,000,000 of capital improvements into the facility since occupying the premises.

Tenant and its predecessor corporate identities (formerly SBC Michigan) has occupied the building since 1955. The company employs approximately 350 local citizens the majority of which are union affiliated with local ties to the city of Port Huron. It is believed that this strong local affiliation with the community coupled with four seven-year renewal options could provide economic stability to this investment opportunity.

**NNN:** The property is leased on a NNN basis and this should provide the owner with minimal managerial responsibilities associated with the investment.



Views of the AT&T Office Facility at 112 Grand River Avenue.





Views looking onto the Entrance of the AT&T Port Huron Facility.



**Locational Data:** The AT&T building is located in the community of Port Huron, Michigan. Port Huron links the United States with Canada and the Blue Water Bridge is the second busiest crossing into Canada with 14,000 passengers per day.

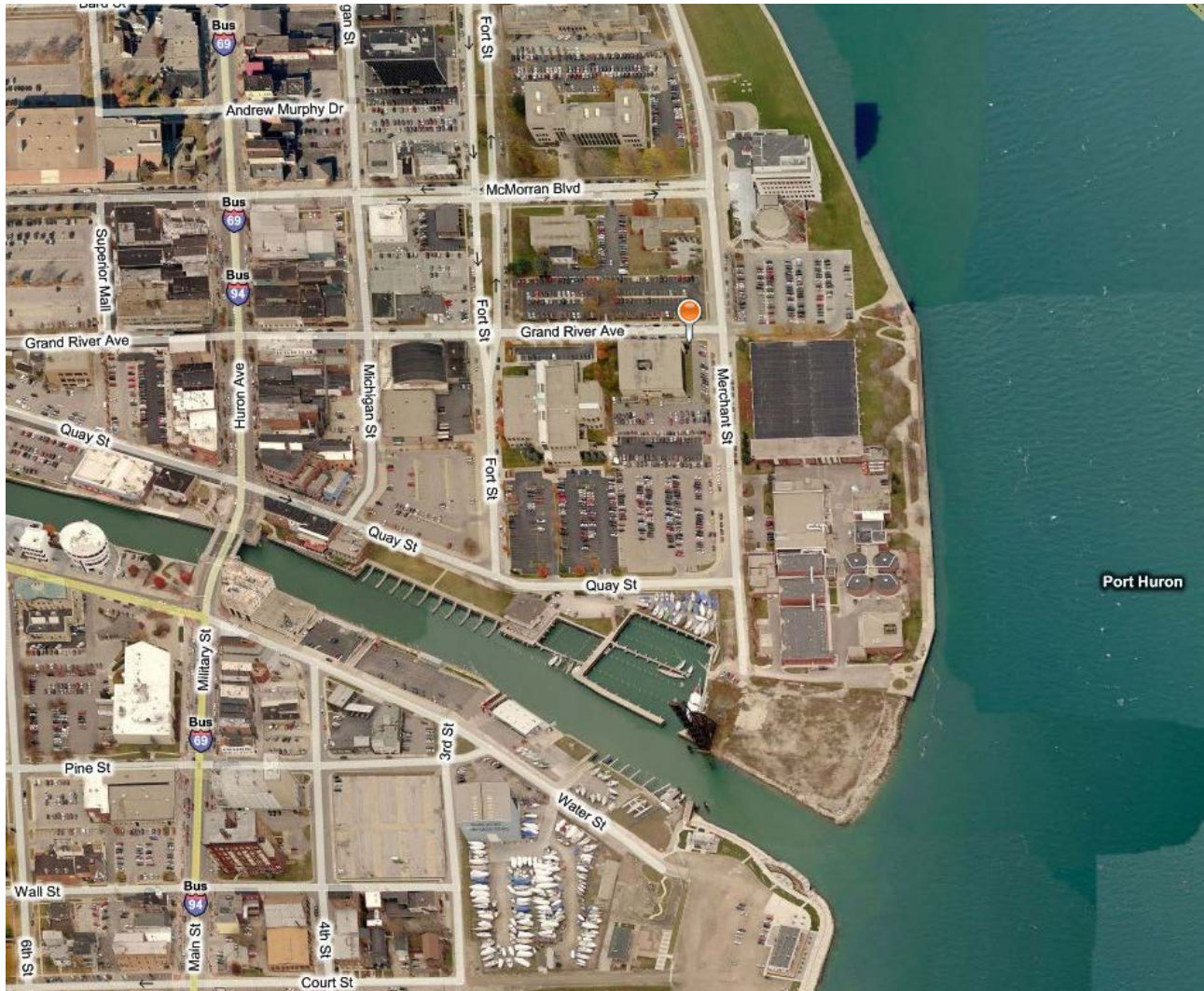


The Blue Water Bridge links Port Huron with Canada.

Port Huron is the county Seat of St. Clair County. The city contains 12.2 square miles and is part of the Flint/Tri-Cities Region. The city contains 32,338 people about 87% of which is white with 7.7% African American.

**Vehicular Access:** The subject property is located at 112 Grand River Avenue. Major Vehicular Arteries providing access to the community include I-69 which enters from the West coming from Lansing and Flint and terminating at the approach of the Blue River Bridge in Port Huron. I-94 enters from the southwest and provides access into Detroit.

## Vehicular Access Aerial to the Property Site



**Terms of Sale:** \$5,385,000 (All Cash to the Seller). This property should be treated as free and clear. Anticipated financing on the project contemplates a First Mortgage Loan representing 50% of the purchase price could be arranged by the purchaser as there is no underlying financing on the subject property which is assumable.

<b>Anticipated First Lien Loan Terms:</b>	Assumed Principal Loan Amount	\$3,586,412
	Interest Rate	5.71%
	Loan Inception Date:	Jan 1, 2012
	Loan Expiration Date:	Oct 14, 2014
	Amortization	18 Years
	Constant:	8.784691
	Monthly Principal & Interest	\$26,278.14 per month
	Annual Principal & Interest	\$315,338 per year

**Sale on “Where  
Is As Is Basis”  
Only:**

Sellers are selling the subject property on a “*where is as-is*” condition basis only. Projections and Income Estimates are to be fully researched by potential purchasers during the due diligence period. Estimates of Income Projections or Expenses may or may not be obtained and the burden of such achievement shall be the full responsibility of Purchaser and not subject to any representations express or implied by Seller or Seller’s agent Sperry Van Ness.

**Ownership:**

The Bernard and Thea Monderer 1992 Revocable Living Trust  
c/o DataVest | Sperry Van Ness | Silveri Company

**For Further  
Information  
Contact:**



Peter Colvin  
National Director-Single Tenant Investments  
580 Cascade West Parkway SE  
Grand Rapids, Michigan 49596  
Tel. No. 616-893-1398

email: [peter.colvin@svn.com](mailto:peter.colvin@svn.com)



D. Bruce Marshall  
Managing Director  
5057 Keller Springs  
Suite Number 110  
Addison, Texas 75001  
Tel. No. 214-261-6306  
Fax No. 214-550-2677

email: [bruce.marshall@svn.com](mailto:bruce.marshall@svn.com)

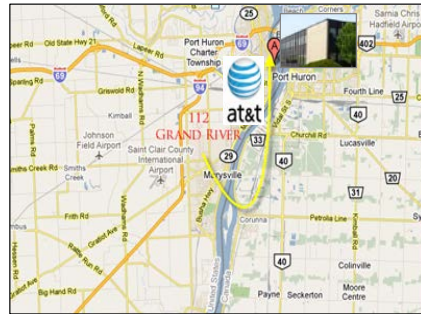
## AT&T BUILDING [ID 92545]

111 GRAND RIVER AVENUE | PORT HURON, MICHIGAN 48060

PROJECT TYPE:	SINGLE TENANT NNN OFFICE
BUILDING SIZE	42,840
LAND AREA IN ACRES	1.52
LAND AREA IN SQUARE FEET	66,211
PROPERTY SALES PRICE	\$5,385,000
EXISTING FIRST MORTGAGE LOAN	<u>\$3,586,412</u>
PROPOSED EQUITY CAPITAL CONTRIBUTION	\$1,798,588
ACQUISITION PRICE PER SQUARE FOOT	\$125.70
EQUITY AS A % OF PURCHASE PRICE	33.40%
DEBT AS A % OF PURCHASE PRICE	66.60%



NET OPERATING INCOME IN 2012	\$549,368
NET OPERATING INCOME IN 2013	\$559,255
LEASE TYPE	NNN
OPERATIONAL EXPENSE BASE PAID BY TENANT	\$1.12
ANTICIPATED FIRST LIEN MORTGAGE INTEREST RATE	5.71%
ANTICIPATED FIRST LIEN AMORTIZATION	18
ANTICIPATED FIRST MORTGAGE LOAN CONSTANT	0.087847
CURRENT OCCUPANCY	100.00%
FIVE YEAR REVERSION PROFIT	\$2,038,572
PROJECTED 2012 CAP RATE [YEAR 1]	10.20%



5 YEAR INTERNAL RATE OF RETURN	19.55%
10 YEAR INTERNAL RATE OF RETURN	17.91%
ANTICIPATED CASH FLOW IN 2013 [YEAR 2]	\$243,917
AMORTIZATION ON FIRST LIEN [YEAR 2]	\$116,597
TOTAL YIELD 2013 INCLUDING PRINCIPAL	\$360,514
PRO-FORMA CASH-ON-CASH RETURN 2013	13.56%
TOTAL YIELD 2013 INCLUDING PRINCIPAL	20.04%



FOR FURTHER INFORMATION CONTACT:

BRUCE MARSHALL, MANAGING DIRECTOR  
 5057 KELLER SPRINGS ROAD, SUITE 110  
 ADDISON, TEXAS 75001  
 TEL. NO. 214-261-6306  
 EMAIL: BRUCE.MARSHALL@SVN.COM

DATAVEST | SPERRY VAN NESS



WWW.DVSVN.COM



**ACQUISITION COST | PROJECT INCOME | EXPENSE ANALYSIS**  
**AT&T BUILDING [ID 92545]**

1	<b>Property Type</b>	-	Loan	-	Loan	<b>Single Tenant NNN Office</b>
2		-	Rate	-	Term	<b>1959</b>
3	<b>Project Square Footage</b>	-	5.71%	-	18	<b>42,840</b>
4	<b>Land Area Square Footage</b>	-	-	-	-	<b>66,211</b>
5	<b>Current Occupancy</b>	-	-	-	-	<b>100.0%</b>
		-	Per SF	-	Percent	
6	<b>Project Purchase Price</b>	-	\$125.70	-	100%	<b>\$5,385,000</b>
7	<b>Anticipated First Mortgage</b>	-	\$83.72	-	67%	<b><u>(\$3,586,412)</u></b>
8	<b>Contemplated Equity Requirement</b>	-	\$41.98	-	33%	<b>\$1,798,588</b>

9	<b>Income Statement Synoptic Overview</b>	<b>Current/Month</b>	Per NSF	<b>[2011 @100%]</b>	%	<b>[2012 @100%]</b>	Per NSF	<b>[2013 @ 100%]</b>
10	Rent on Leased Space	45,104	\$12.63	541,248	90.81%	549,368	\$13.06	559,282
11	Rent on Vacant Space	0	\$0.00	0	0.00%	0	\$0.00	0
12	<b>Total Rental Income</b>	<b>45,104</b>	<b>\$12.63</b>	<b>541,248</b>	<b>90.81%</b>	<b>549,368</b>	<b>\$13.06</b>	<b>559,282</b>
13	Other Income [NNN Reimbursements]	4,514	\$1.26	54,163	9.19%	55,381	\$1.32	56,600
14	<b>Potential Gross Income</b>	<b>49,618</b>	<b>\$13.90</b>	<b>595,411</b>	<b>100.00%</b>	<b>604,749</b>	<b>\$14.38</b>	<b>615,882</b>
15	Vacancy Factor/Collection Loss	0	100.00%	0	0.00%	0	\$0.00	0
16	<b>Effective Gross Income</b>	<b>49,618</b>	<b>\$13.90</b>	<b>595,411</b>	<b>100.00%</b>	<b>604,749</b>	<b>\$14.38</b>	<b>615,882</b>
17	Operational Expense [Ground Lease Parking Lot]	(1,667)	(\$0.47)	(20,000)	-3.40%	(20,450)	(\$0.49)	(20,910)
18	Operational Expense [General & Administrative]	0	\$0.00	0	0.00%	0	\$0.00	0
19	Operational Expense [Marketing   Advertising]	0	\$0.00	0	0.00%	0	\$0.00	0
20	Operational Expense [Utilities]	0	\$0.00	0	0.00%	0	\$0.00	0
21	Operational Expense [Management Fees]	0	\$0.00	0	-0.90%	(5,534)	(\$0.13)	(5,534)
22	Operational Expense [Insurance]	(984)	(\$0.28)	(11,810)	-1.99%	(12,270)	(\$0.29)	(12,270)
23	Operational Expense [Property Taxes]	(1,140)	(\$0.32)	(13,684)	-2.28%	(14,059)	(\$0.33)	(14,059)
24	Operational Expense [Non-Billback Expenses]	0	\$0.00	0	0.00%	0	\$0.00	0
25	Operational Expense [Repair & Maintenance]	(210)	(\$0.06)	(2,514)	-0.50%	(3,068)	(\$0.07)	(3,068)
26	<b>Sub-Total NNN Tenant Paid Expenditures</b>	<b>(4,001)</b>	<b>(\$1.12)</b>	<b>(48,008)</b>	<b>-9.07%</b>	<b>(55,381)</b>	<b>(\$1.30)</b>	<b>(55,841)</b>
27	<b>Sub-Total Other Non-Reimbursable Expenses</b>	<b>0</b>	<b>\$0.00</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>\$0.00</b>	<b>0</b>
28	<b>Total Operational Expense + Reserves</b>	<b>(4,001)</b>	<b>(\$1.12)</b>	<b>(48,008)</b>	<b>-18%</b>	<b>(55,381)</b>	<b>(\$1.30)</b>	<b>(55,841)</b>
29	<b>Net Operating Income &lt;N.O.I.&gt;</b>	<b>45,104</b>	<b>\$12.63</b>	<b>541,248</b>	<b>90.81%</b>	<b>549,368</b>	<b>\$13.05</b>	<b>559,255</b>
30	Less First Mortgage Debt Service	<u>(26,278)</u>	5.71%	<u>(315,338)</u>	-51.20%	<u>(315,338)</u>	(\$7.36)	<u>(315,338)</u>
31	<b>Net Cash Flow</b>	<b>18,826</b>	18 Years	<b>225,910</b>	<b>39.60%</b>	<b>234,030</b>	<b>\$5.69</b>	<b>243,917</b>
32	First Year's Principal Reduction on Loan	8,173	\$2.29	<u>98,078</u>	18.93%	<u>109,496</u>	\$2.72	<u>116,597</u>
33	<b>Cash Flow Plus 1st Years Principal Reduction</b>	<b>26,999</b>	<b>\$7.56</b>	<b>323,988</b>	<b>58.54%</b>	<b>343,526</b>	<b>\$8.42</b>	<b>360,514</b>
34	NOI as a % of Acquisition Cost [Cap Rate]	<Unleveraged>	-	<b>10.05%</b>	-	<b>10.20%</b>	-	<b>10.39%</b>
35	Cash-On Cash Return	<Leveraged>	-	<b>12.56%</b>	-	<b>13.01%</b>	-	<b>13.56%</b>
36	Additional Yield Return [Principal Reduction on First Lien]	<Leveraged>	-	<u>5.45%</u>	-	<u>6.09%</u>	-	<u>6.48%</u>
37	<b>Total Annual Return [Cash-on-Cash + Principal Reduction]</b>	<Leveraged>	-	<b>18.01%</b>	-	<b>19.10%</b>	-	<b>20.04%</b>
38	Project Internal Rate of Return <5 Yr. & 10 Yr.>	<Leveraged>	-	-	-	19.55%	-	17.91%

## TENANT RENT ROLL ANALYSIS

AT&T BUILDING [ID 92545]



Item Designation	Tenant Name	Lease Inception	Lease Expiration	Suite Number	Sq. Ft. Size	Base Rent Per Month	Additional Rent/Month	Pro-Forma Rent Per Month	Percent Sub-Totals	Lease Rent Per Year	Rent Per SF	Base Rent/Year	
1	Tenant [ 1 ]	AT&T	Mar 01, 1999	Apr 30, 2015	100	42,840	\$45,104.00	\$4,000.65	\$49,105	100.00%	\$589,256	\$12.63	\$541,248
2	Tenant [ 2 ]	-	-	-	-	-	-	-	-	-	-	-	-
3	Tenant [ 3 ]	-	-	-	-	-	-	-	-	-	-	-	-
4	Tenant [ 4 ]	-	-	-	-	-	-	-	-	-	-	-	-
5	Tenant [ 5 ]	-	-	-	-	-	-	-	-	-	-	-	-
6	Tenant [ 6 ]	-	-	-	-	-	-	-	-	-	-	-	-
7	Tenant [ 7 ]	-	-	-	-	-	-	-	-	-	-	-	-
8	Tenant [ 8 ]	-	-	-	-	-	-	-	-	-	-	-	-
9	Tenant [ 9 ]	-	-	-	-	-	-	-	-	-	-	-	-
10	Tenant [ 10 ]	-	-	-	-	-	-	-	-	-	-	-	-
11	<b>Sub-Total Leased Rental Income</b>		-	-	-	42,840	\$45,104	\$4,001	\$49,105	100.00%	\$589,256	\$12.63	\$541,248
12	Tenant [ 1 ]	AT&T	Mar 01, 1999	Apr 30, 2015	100	-	-	-	-	-	-	-	-
13	Tenant [ 2 ]	-	-	-	-	-	-	-	-	-	-	-	-
14	Tenant [ 3 ]	-	-	-	-	-	-	-	-	-	-	-	-
15	Tenant [ 4 ]	-	-	-	0	-	-	\$0	0.00%	\$0	-	\$0	
16	Tenant [ 5 ]	-	-	-	-	-	-	-	-	-	-	-	-
17	Tenant [ 6 ]	-	-	-	-	-	-	-	-	-	-	-	-
18	Tenant [ 7 ]	-	-	-	-	-	-	-	-	-	-	-	-
19	Tenant [ 8 ]	-	-	-	-	-	-	-	-	-	-	-	-
20	Tenant [ 9 ]	-	-	-	-	-	-	-	-	-	-	-	-
21	Tenant [ 10 ]	-	-	-	-	-	-	-	-	-	-	-	-
22	<b>Sub-Total Unleased Rental Income</b>		-	-	-	0	\$0	\$0	\$0	0.00%	-	-	\$0
23	<b>Sub-Total Rent On Leased Space</b>		Occupancy	100.00%		42,840	-	-	\$45,104	91.85%	-	-	\$541,248
24	<b>Sub-Total Rent For Lease</b>		Vacancy @	-		0	-	-	-	0.00%	-	-	\$0
25	<b>Sub-Total Rent Income Prior to Additional Rent</b>		Total @	100.00%		42,840	-	-	\$45,104	91.85%	-	-	\$541,248
26	<b>Add Back Additional Rent Above NNN Rent</b>		-	-		-	-	-	\$4,001	8.15%	-	-	\$48,008
27	<b>Potential Gross Income</b>		Total	Gross		42,840	-	-	\$49,105	100.00%	-	-	\$589,256



## TEN YEAR FINANCIAL INCOME AND EXPENSE PRO-FORMA

PROJECT NAME:

111 GRAND RIVER AVENUE | PORT HURON, MICHIGAN 48060

PREPARED BY: BRUCE MARSHALL

1	Cash Flow Analysis <Pro-Forma>	[2011 @100%]	[2012 @100%]	[2013 @ 100%]	Year 1	Year 2	Year 3	Year 4	Year 5
2	Item Description	100%	100%	100.00%	Dec 2011	Dec 2012	Dec 2013	Dec 2014	Dec 2015
3	NNN Base Rental Income Per Square Foot	\$12.63	\$12.82	\$13.06	\$12.63	\$12.82	\$13.06	\$13.29	\$12.48
4	Additional NNN Reimbursement Income Per SF	\$1.29	\$1.29	\$1.32	\$1.29	\$1.29	\$1.32	\$1.35	\$1.38
5	Effective Gross Income Per Square Foot	\$13.90	\$14.12	\$14.38	\$13.90	\$14.12	\$14.38	\$14.64	\$13.86
6	N.O.I. Rent Per Square Foot	\$12.63	\$12.82	\$13.05	\$12.63	\$12.82	\$13.05	\$13.29	\$12.48
7	Annual Increases to Expenses Input:	0.00%	2.250%	2.25%	0.00%	2.25%	2.25%	2.25%	2.25%
8	Expenses Per Sq. Ft.	\$1.26	\$1.29	\$1.32	\$1.26	\$1.29	\$1.32	\$1.35	\$1.38
9									
10	Vacant Space in Square Footage	0	0	0	0	0	0	42,840	42,840
11	Vacancy/Collection Loss	0%	0%	0%	0%	0%	0%	0%	0%
12	Occupancy	100%	100%	100%	100%	100%	100%	100%	100%
15	Rent on Leased Space [Base Rent]	541,248	549,368	559,282	541,248	549,368	559,282	569,390	534,713
16	Rent on Vacant Space [Base Rent]	0	0	0	0	0	0	0	0
18	Total Rental Income	541,248	549,368	559,282	541,248	549,368	559,282	569,390	534,713
19	Other Income [NNN Reimbursements]	54,163	55,381	56,600	54,163	55,381	56,600	57,818	59,037
21	<b>Gross Potential Income</b>	595,411	604,749	615,882	595,411	604,749	615,882	627,208	593,750
24	Less General Vacancy & Collection Loss Allowance	0	0	0	0	0	0	0	0
25	<b>Effective Gross Income</b>	595,411	604,749	615,882	595,411	604,749	615,882	627,208	593,750
26	Less NNN Tenant Paid Operational Expenses	(54,163)	(55,381)	(56,627)	(54,163)	(55,381)	(56,627)	(57,901)	(59,204)
27	Less Ground Lease [Not Applicable]	0	0	0	0	0	0	0	0
28	Operational Expenses + Ground Lease (if applicable)	(54,163)	(55,381)	(56,627)	(54,163)	(55,381)	(56,627)	(57,901)	(59,204)
29	<b>Net Operating Income</b>	541,248	549,368	559,255	541,248	549,368	559,255	569,307	534,545
30	Principal Payment First Lien	(98,078)	(109,496)	(116,597)	(98,078)	(109,496)	(116,597)	(123,529)	(130,873)
31	Interest Payment First Lien	(217,260)	(205,842)	(198,741)	(217,260)	(205,842)	(198,741)	(191,809)	(184,464)
32	Total First Mortgage Debt Service	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)
33	Breakeven Occupancy	369,500	370,719	371,965	369,500	370,719	371,965	373,239	374,542
34	Breakeven Occupancy Percentage	62%	61%	60%	62%	61%	60%	60%	63%
35	Breakeven Occupancy Per Square Foot	\$8.63	\$8.65	\$8.68	\$8.63	\$8.65	\$8.68	\$8.71	\$8.74
36	Total Project Debt Service	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)
37	Project Debt Coverage	1.72	1.74	1.77	1.72	1.74	1.77	1.81	
38	<b>Project Cash Flow</b>	225,910	234,030	243,917	225,911	234,031	243,918	253,970	219,208
39	Cash-On-Cash Return [Annual & Non-Cumulative]	12.56%	13.01%	13.56%	12.56%	13.01%	13.56%	14.12%	12.19%
40	Add Back Loan Amortization as a % of Investment	5.45%	6.09%	6.48%	5.45%	6.09%	6.48%	6.87%	7.28%
41	<b>Total Annual Yield [Cash-On-Cash + Amortization ]</b>	323,988	343,526	360,514	323,989	343,527	360,514	377,499	350,082
42	<b>Total Annual Yield Return Percentage</b>	18.01%	19.10%	20.04%	18.01%	19.10%	20.04%	20.99%	19.46%
43	<b>Capitalization Rate [ NOI/ Total Project Cost ]</b>	10.05%	10.20%	10.39%	10.05%	10.20%	10.39%	10.57%	9.93%

DATAVEST | SPERRY VAN NESS HAS SECURED INFORMATION FROM SOURCES WHICH IS BELIEVED TO BE RELIABLE. HOWEVER, NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, ARE OFFERED BY DATAVEST | SPERRY VAN NESS AS TO THE ACCURACY OF THE INFORMATION AND/OR THE PROBABILITY OF OBTAINING THE ECONOMIC PRO-FORMA PROJECTIONS CONTAINED HEREIN.



## TEN YEAR FINANCIAL INCOME AND EXPENSE PRO-FORMA

PROJECT ADDRESS:

111 GRAND RIVER AVENUE | PORT HURON, MICHIGAN 48060

WWW.DVSVN.COM

1	<b>Cash Flow Analysis &lt;Pro-Forma&gt;</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>	<b>Five Year</b>	<b>Ten Year</b>
2	<b>Item Description</b>	<b>Dec 2016</b>	<b>Dec 2017</b>	<b>Dec 2018</b>	<b>Dec 2019</b>	<b>Dec 2020</b>	<b>Totals</b>	<b>Totals</b>
3	NNN Base Rental Income Per Square Foot	\$12.52	\$12.77	\$13.02	\$13.28	\$13.33	\$12.48	\$13.33
4	Additional NNN Reimbursement Income Per SF	\$1.41	\$1.43	\$1.46	\$1.49	\$1.52	\$1.32	\$1.67
5	Effective Gross Income Per Square Foot	\$13.92	\$14.20	\$14.49	\$14.77	\$14.85	\$14.18	\$13.42
6	N.O.I. Rent Per Square Foot	\$12.51	\$12.76	\$13.01	\$13.26	\$13.30	\$12.86	\$12.25
7	Annual Increases to Expenses Input:	2.25%	2.25%	2.25%	2.25%	2.25%	9.00%	20.25%
8	Expenses Per Sq. Ft.	\$1.41	\$1.44	\$1.48	\$1.51	\$1.54	\$1.48	\$2.16
9								
10	Vacant Space in Square Footage	42,840	42,840	42,840	42,840	42,840	17,136	33,321
11	Vacancy/Collection Loss	0%	0%	0%	0%	0%	0%	110%
12	Occupancy	100%	100%	100%	100%	100%	100%	100%
15	Rent on Leased Space	536,227	546,954	557,898	569,048	570,912	2,754,001	5,535,039
16	Rent on Vacant Space	0	0	0	0	0	0	0
18	Total Rental Income	536,227	546,954	557,898	569,048	570,912	2,754,001	5,535,039
19	Other Income [NNN Reimbursements]	60,256	61,474	62,693	63,912	65,130	282,999	596,465
21	<b>Gross Potential Income</b>	596,482	608,428	620,591	632,960	636,042	3,037,000	6,131,504
24	Less General Vacancy & Collection Loss Allowance	0	0	0	0	0	0	0
25	<b>Effective Gross Income</b>	596,482	608,428	620,591	632,960	636,042	3,037,000	6,131,504
26	Less Operational Expenses	(60,536)	(61,898)	(63,291)	(64,715)	(66,171)	(283,276)	(599,888)
27	Less Ground Lease [Not Applicable]	0	0	0	0	0	0	0
28	Operational Expenses + Ground Lease	(60,536)	(61,898)	(63,291)	(64,715)	(66,171)	(283,276)	(599,888)
29	<b>Net Operating Income</b>	535,946	546,530	557,300	568,245	569,871	2,753,723	5,531,616
30	Principal Payment First Lien	(138,143)	(146,868)	(155,599)	(164,850)	(174,242)	(578,573)	(1,358,276)
31	Interest Payment First Lien	(177,194)	(168,470)	(159,738)	(150,487)	(141,096)	(998,115)	(1,795,101)
32	Total First Mortgage Debt Service	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)	(1,576,688)	(3,153,377)
33	Breakeven Occupancy	375,874	377,236	378,629	380,053	381,509	1,859,965	3,753,265
34	Breakeven Occupancy Percentage	63%	62%	61%	60%	60%	61%	61%
35	Breakeven Occupancy Per Square Foot	\$8.77	\$8.81	\$8.84	\$8.87	\$8.91	\$8.74	\$8.91
36	Total Project Debt Service	(315,338)	(315,338)	(315,338)	(315,338)	(315,338)	(1,576,688)	(3,153,377)
37	<b>Project Cash Flow</b>	220,609	231,193	241,963	252,908	254,534	1,177,038	2,378,245
38	Cash-On-Cash Return [Annual & Non-Cumulative]	12.27%	12.85%	13.45%	14.06%	14.15%	13.09%	357.48%
39	Add Back Loan Amortization as a % of Investment	7.68%	8.17%	8.65%	9.17%	9.69%	32.17%	75.52%
40	<b>Total Annual Yield [Cash-On-Cash + Amortization]</b>	358,752	378,061	397,562	417,758	428,776	1,755,611	3,736,520
41	<b>Total Annual Yield Return Percentage</b>	19.95%	21.02%	22.10%	23.23%	23.84%	97.61%	103.87%
42	<b>Capitalization Rate [ NOI/ Total Project Cost ]</b>	9.95%	10.15%	10.35%	10.55%	10.58%	9.93%	10.58%

DATAVEST | SPERRY VAN NESS HAS SECURED INFORMATION FROM SOURCES WHICH IS BELIEVED TO BE RELIABLE. HOWEVER, NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, ARE OFFERED BY DATAVEST | SPERRY VAN NESS AS TO THE ACCURACY OF THE INFORMATION AND/OR THE PROBABILITY OF OBTAINING THE ECONOMIC PRO-FORMA PROJECTIONS CONTAINED HEREIN.



## TEN YEAR CAPITAL RETURN ANALYSIS AND REFINANCE EVALUATION

PROJECT NAME:

111 GRAND RIVER AVENUE | PORT HURON, MICHIGAN 48060

PREPARED BY: BRUCE MARSHALL

1	Cash Flow Analysis <Pro-Forma>	[2011 @100%]	[2012 @100%]	[2013 @ 100%]	Year 1	Year 2	Year 3	Year 4	Year 5
2	Item Description	100%	100%	100.00%	Dec 2011	Dec 2012	Dec 2013	Dec 2014	Dec 2015
44	<b>Total Initial Investment &lt;Excluding Loan&gt;</b>	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)
45	Project Year End Capital Account Balance	(1,798,588)	(1,798,588)	(1,798,588)	(1,572,677)	(1,338,646)	(1,094,729)	(840,759)	(621,550)
46	Market Value <If Sold>	6,013,867	6,104,089	6,213,940	6,013,867	6,104,089	6,213,940	6,325,635	5,939,394
47	Less Closing Costs/Commissions	<u>175,354</u>	<u>175,354</u>	<u>175,354</u>	<u>175,354</u>	<u>177,654</u>	<u>180,455</u>	<u>183,304</u>	<u>173,455</u>
48	Net Sales Price	5,838,513	5,928,735	6,038,586	5,838,513	5,926,435	6,033,484	6,142,331	5,765,940
49	Less Outstanding Loan Balance <- Principal>	(3,586,313)	(3,476,817)	(3,360,220)	(3,586,313)	(3,476,817)	(3,360,220)	(3,236,691)	(3,105,818)
50	Less Initial Cash Invested	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)
51	<b>Net Project Sales Profit [Net Sale- Debt &amp; Equity]</b>	453,612	653,330	879,778	453,612	651,029	874,676	1,107,052	861,534
52	Plus Cumulative Cash Flow	225,910	234,030	243,917	225,911	459,942	703,859	957,829	1,177,038
53	<b>Net Project Profit + Cumulative Cash Flow</b>	679,522	887,360	1,123,695	679,523	1,110,971	1,578,535	2,064,881	2,038,572
54	<b>Net Project Profit + Cum. Cash Flow/ Investment</b>	37.78%	49.34%	62.48%	37.78%	61.77%	87.77%	114.81%	113.34%
55	Net Present Value	-	-	-	-	-	-	-	-
56	<b>Project Internal Rate of Return</b>	-	-	-	42.67%	28.59%	25.65%	24.00%	19.55%
57	<b>Net Sales Price</b>	5,838,513	5,928,735	6,038,586	5,838,513	5,926,435	6,033,484	6,142,331	5,765,940
58	<b>Projected First Mortgage Loan Refinance Amount</b>	4,642,733	4,712,385	4,797,190	4,642,733	4,712,385	4,797,190	4,883,419	4,585,240
59	<b>Loan as a Function of Proposed Purchase Price</b>	86.22%	87.51%	89.08%	86.22%	87.51%	89.08%	90.69%	85.15%
60	<b>Additional Capital Created On Sale vs. Refinance of 1st</b>	1,195,780	1,216,350	1,241,396	1,195,780	1,214,050	1,236,294	1,258,912	1,180,700

DATAVEST | SPERRY VAN NESS HAS SECURED INFORMATION FROM SOURCES WHICH IS BELIEVED TO BE RELIABLE. HOWEVER, NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, ARE OFFERED BY DATAVEST | SPERRY VAN NESS AS TO THE ACCURACY OF THE INFORMATION AND/OR THE PROBABILITY OF OBTAINING THE ECONOMIC PRO-FORMA PROJECTIONS CONTAINED HEREIN.

JUL 11  
4:26 PM



## TEN YEAR CAPITAL RETURN ANALYSIS AND REFINANCE EVALUATION

PROJECT ADDRESS:

111 GRAND RIVER AVENUE | PORT HURON, MICHIGAN 48060

WWW.DVSVN.COM

1	Cash Flow Analysis <Pro-Forma>	Year 6	Year 7	Year 8	Year 9	Year 10	Five Year	Ten Year
2	Item Description	Dec 2016	Dec 2017	Dec 2018	Dec 2019	Dec 2020	Totals	Totals
43	<b>Total Initial Investment &lt;Excluding Loan&gt;</b>	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)
44	Project Year End Capital Account Balance	(400,941)	(169,748)	72,215	325,123	579,657	(621,550)	579,657
45	Market Value <If Sold>	5,954,956	6,072,557	6,192,223	6,313,830	6,331,903	5,939,394	6,331,903
46	Less Closing Costs/Commissions	<u>173,851</u>	<u>176,850</u>	<u>179,902</u>	<u>183,003</u>	<u>183,464</u>	<u>173,455</u>	<u>183,464</u>
47	Net Sales Price	5,781,105	5,895,707	6,012,322	6,130,827	6,148,440	5,765,940	6,148,440
48	Less Outstanding Loan Balance <- Principal>	(2,967,675)	(2,820,807)	(2,665,208)	(2,500,357)	(2,326,115)	(3,105,818)	(2,326,115)
49	Less Initial Cash Invested	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)	(1,798,588)
50	<b>Net Project Sales Profit [Net Sale- Debt &amp; Equity]</b>	1,014,842	1,276,312	1,548,526	1,831,882	2,023,736	861,534	2,023,736
51	Plus Cumulative Cash Flow	1,397,684	1,628,877	1,870,840	2,123,748	2,378,282	1,177,038	2,378,282
52	<b>Net Project Profit + Cumulative Cash Flow</b>	2,412,526	2,905,189	3,419,366	3,955,630	4,402,018	2,038,572	4,402,018
53	<b>Net Project Profit + Cum. Cash Flow/ Investment</b>	134.13%	161.53%	190.11%	219.93%	244.75%	113.34%	219.93%
54	Net Present Value	-	-	-	-	-	-	5,865,918
55	<b>Project Internal Rate of Return</b>	18.83%	18.69%	18.51%	18.32%	17.91%	19.55%	17.91%
56	<b>Net Sales Price</b>	5,781,105	5,895,707	6,012,322	6,130,827	6,148,440	5,765,940	6,148,440
57	<b>Projected First Mortgage Loan Refinance Amount</b>	4,597,254	4,688,042	4,780,425	4,874,306	4,888,258	4,883,419	4,888,258
58	<b>Loan as a Function of Proposed Purchase Price</b>	85.37%	87.06%	88.77%	90.52%	90.78%	90.69%	90.78%
59	<b>Additional Capital Created On Sale vs. Refinance of 1st</b>	1,183,851	1,207,665	1,231,897	1,256,521	1,260,181	882,521	1,260,181

DATAVEST | SPERRY VAN NESS HAS SECURED INFORMATION FROM SOURCES WHICH IS BELIEVED TO BE RELIABLE. HOWEVER, NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, ARE OFFERED BY DATAVEST | SPERRY VAN NESS AS TO THE ACCURACY OF THE INFORMATION AND/OR THE PROBABILITY OF OBTAINING THE ECONOMIC PRO-FORMA PROJECTIONS CONTAINED HEREIN.

JUL 11  
4:28 PM



AT&T BUILDING [ID 92545]

TENANT RENTAL ESCALATION ANALYSIS PREPARED BY SPERRY VAN NESS

MON JUL 11, 2011

4:29:17 PM

1	Name Of	Suite	Suite	Percent	Lease	Base Rent	Additional	Pro-Forma	Percent	Lease Rent	Rent Per	Base Rent
2	Tenant	No.	Size	of Total	Expiration	Rent Per Month	Rent Per Month	Rent/Month	of Total	Per Year	Square Foot	Year
3	AT&T	100	42,840	100.00%	Apr 2015	\$45,104.00	\$4,000.65	\$49,105	100.00%	\$589,256	\$12.63	\$541,248
4	-	-	-	-	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-	-	-	-
13	Sub-Total [Leased]	-	42,840	100.00%	-	\$45,104	\$4,001	\$49,105	100.00%	\$589,256	\$12.63	\$541,248
14	AT&T	100	0	-	Apr 2015	-	-	-	-	-	-	-
15	-	-	0	-	-	-	-	-	-	-	-	-
16	-	-	0	-	-	-	-	-	-	-	-	-
17	-	-	0	-	-	-	-	-	-	-	-	-
18	-	-	0	-	-	-	-	-	-	-	-	-
19	-	-	0	-	-	-	-	-	-	-	-	-
20	-	-	0	-	-	-	-	-	-	-	-	-
21	-	-	0	-	-	-	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-	-	-	-	-
24	For Lease [Vacant] Sub-Total	-	0	0.00%	-	\$0	\$0.00	\$0	-	\$0	\$0	\$0
25	Sub-Totals Per Month [Vacant + Leased]	-	42,840	-	-	\$45,104	\$4,001	\$49,105	-	\$589,256	\$0	\$0
26	<b>Totals</b>	-	<b>42,840</b>	<b>100%</b>	<b>0</b>	<b>100.00%</b>	<-- Physical Occupancy-Economic-->	<b>100.00%</b>	<b>\$0.00</b>	<b>\$13</b>	<b>\$541,248</b>	

DataVest | Sperry Van Ness has secured information from sources which is believed to be reliable. However, no representations or warranties, expressed or implied, are offered by DataVest | Sperry Van Ness as to the accuracy of the information and/or the probability of obtaining the economic pro-forma projections contained herein.



**AT&T BUILDING [ID 92545]**

TENANT RENTAL ESCALATION ANALYSIS PREPARED BY SPERRY VAN NESS

MON JUL 11, 2011

4:29:17 PM

1	Name Of	Suite	Suite	Percent	Lease	Base Rent	Additional	Pro-Forma	Percent	Lease Rent	Rent Per	Base Rent
2	Tenant	No.	Size	of Total	Expiration	Rent Per Month	Rent Per Month	Rent/Month	of Total	Per Year	Square Foot	Year
3	AT&T	100	42,840	100.00%	Apr 2015	\$45,104.00	\$4,000.65	\$49,105	100.00%	\$589,256	\$12.63	\$541,248
4	-	-	-	-	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-	-	-	-
13	<b>Sub-Total [Leased]</b>	-	42,840	100.00%	-	<b>\$45,104</b>	\$4,001	\$49,105	100.00%	\$589,256	\$12.63	<b>\$541,248</b>
14	AT&T	100	0	-	Apr 2015	-	-	-	-	-	-	-
15	-	-	0	-	-	-	-	-	-	-	-	-
16	-	-	0	-	-	-	-	-	-	-	-	-
17	-	-	0	-	-	-	-	-	-	-	-	-
18	-	-	0	-	-	-	-	-	-	-	-	-
19	-	-	0	-	-	-	-	-	-	-	-	-
20	-	-	0	-	-	-	-	-	-	-	-	-
21	-	-	0	-	-	-	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-	-	-	-	-
24	<b>For Lease [Vacant] Sub-Total</b>	-	0	0.00%	-	\$0	\$0.00	\$0	-	\$0	\$0	\$0
25	<b>Sub-Totals Per Month [Vacant + Leased]</b>	-	42,840	-	-	\$45,104	\$4,001	\$49,105	-	\$589,256	\$0	\$0
26	<b>Totals</b>	-	42,840	100%	0	100.00%	<-- Physical Occupancy-Economic-->	100.00%	\$0.00	\$13	\$541,248	

DataVest | Sperry Van Ness has secured information from sources which is believed to be reliable. However, no representations or warranties, expressed or implied, are offered by DataVest | Sperry Van Ness as to the accuracy of the information and/or the probability of obtaining the economic pro-forma projections contained herein.



**AT&T BUILDING [ID 92545]**

**TENANT RENTAL ESCALATION ANALYSIS PREPARED BY SPERRY VAN NESS**

MON JUL 11, 2011

4:29: PM

1	Name Of	Suite	Suite	Percent	Lease	Base Rent/Year	Year 1	Year 2	Year 3	Year 4
2	Tenant	No.	Size	of Total	Expiration	[Pre-Pass-Throughs]	Dec 2011	Dec 2012	Dec 2013	Dec 2014
3	AT&T	100	42,840	100.00%	Apr 2015	\$541,248	\$541,248	\$549,368	\$559,282	\$569,390
4	-	-	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-	-
13	<b>Sub-Total [Leased]</b>	-	42,840	100.00%	-	\$541,248	\$541,248	\$549,368	\$559,282	\$569,390
14	AT&T	100	0	-	Apr 2015	-	-	-	-	-
15	-	-	0	-	-	-	-	-	-	-
16	-	-	0	-	-	-	-	-	-	-
17	-	-	0	-	-	-	-	-	-	-
18	-	-	0	-	-	-	-	-	-	-
19	-	-	0	-	-	-	-	-	-	-
20	-	-	0	-	-	-	-	-	-	-
21	-	-	0	0.00%	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-	-	-
24	<b>For Lease [Vacant] Sub-Total</b>	-	0	0.00%	-	\$0	\$0	\$0	\$0	\$0
25	<b>Sub-Totals Per Month [Vacant + Leased]</b>					-	\$541,248	\$549,368	\$559,282	\$569,390
26	<b>Totals</b>	-	42,840	100%	-	\$541,248	\$541,248	\$549,368	\$559,282	\$569,390

DataVest | Sperry Van Ness has secured information from sources which is believed to be reliable. However, no representations or warranties, expressed or implied, are offered by DataVest | Sperry Van Ness as to the accuracy of the information and/or the probability of obtaining the economic pro-forma projections contained herein.



AT&T BUILDING [ID 92545]

TENANT RENTAL ESCALATION ANALYSIS PREPARED BY SPERRY VAN NESS

MON JUL 11, 2011

4:30: PM

1	Name Of	Suite	Suite	Percent	Lease	Prior Year Rent	Year 5	Year 6	Year 7
2	Tenant	No.	Size	of Total	Expiration	Year 4	Dec 2015	Dec 2016	Dec 2017
3	AT&T	100	42,840	100.00%	Apr 2015	\$569,390	\$534,713	\$536,227	\$546,954
4	-	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-
13	Sub-Total [Leased]	-	0	100.00%	-	\$569,390	\$534,713	\$536,227	\$546,954
14	AT&T	100	0	-	Apr 2015	-	-	-	-
15	-	-	0	-	-	-	-	-	-
16	-	-	0	-	-	-	-	-	-
17	-	-	0	-	-	-	-	-	-
18	-	-	0	-	-	-	-	-	-
19	-	-	0	-	-	-	-	-	-
20	-	-	0	-	-	-	-	-	-
21	-	-	0	0.00%	-	-	-	-	-
22	-	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-	-
24	For Lease [Vacant] Sub-Total	0	0	0.00%	-	\$0	\$0	\$0	\$0
25	Sub-Totals Per Month [Vacant + Leased]	-	-	-	-	-	\$534,713	\$536,227	\$546,954
26	Totals	-	0	100%	-	\$569,390	\$534,713	\$536,227	\$546,954

DataVest | Sperry Van Ness has secured information from sources which is believed to be reliable. However, no representations or warranties, expressed or implied, are offered by DataVest | Sperry Van Ness as to the accuracy of the information and/or the probability of obtaining the economic pro-forma projections contained herein.



AT&T BUILDING [ID 92545]

TENANT RENTAL ESCALATION ANALYSIS PREPARED BY SPERRY VAN NESS

MON JUL 11, 2011

4:30: PM

1	Name Of	Suite	Suite	Percent	Lease	Prior Year	Year 8	Year 9	Year 10	5 Year	10 Year	10 Year
2	Tenant	No.	Size	of Total	Expiration	Year 7	Dec 2018	Dec 2019	Dec 2020	Sub-Total	Sub-Total	Avg. Per Year
3	AT&T	100	42,840	100.00%	Apr 2015	\$546,954	\$557,898	\$569,048	\$570,912	\$2,754,001	\$5,535,039	\$553,504
4	-	-	-	-	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-	-	-	-
13	Sub-Total [Leased]	-	42,840	100.00%	-	\$546,954	\$557,898	\$569,048	\$570,912	\$2,754,001	\$5,535,039	\$553,504
14	AT&T	100	0	-	Apr 2015	-	-	-	-	-	-	-
15	-	-	0	-	-	-	-	-	-	-	-	-
16	-	-	0	-	-	-	-	-	-	-	-	-
17	-	-	0	-	-	-	-	-	-	-	-	-
18	-	-	0	-	-	-	-	-	-	-	-	-
19	-	-	0	-	-	-	-	-	-	-	-	-
20	-	-	0	-	-	-	-	-	-	-	-	-
21	-	-	0	0.00%	-	-	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-	-	-	-	-
23	-	-	-	-	-	-	-	-	-	-	-	-
24	For Lease [Vacant] Sub-Total	0	0	0.00%	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	Sub-Totals Per Month [Vacant + Leased]	-	-	-	-	-	\$557,898	\$569,048	\$570,912	\$2,754,001	\$5,535,039	\$553,504
26	Totals	-	42,840	100%	-	\$546,954	\$557,898	\$569,048	\$570,912	\$2,754,001	\$5,535,039	\$553,504

DataVest | Sperry Van Ness has secured information from sources which is believed to be reliable. However, no representations or warranties, expressed or implied, are offered by DataVest | Sperry Van Ness as to the accuracy of the information and/or the probability of obtaining the economic pro-forma projections contained herein.



### AT&T BUILDING [ID 92545]

111 Grand River Avenue | Port Huron, Michigan 48060

#### 2011 Actual YTD + Budget for Year Remainder

Month	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	% of Total	PSF	2011 Annual
<b>Major Category Title</b>															
- Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>YTD</b>
- Base Rental Income	44,308.00	45,104.00	45,104.00	45,104.00	45,104.00	45,104.00	45,104.00	45,104.00	45,104.00	45,104.00	45,104.00	45,104.00	84.68%	12.62	540,452
- Additional Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Property Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,810.00	0.00	0.00	0.00	0.00	1.85%	0.28	11,810.00
- Property Taxes	0.00	0.00	0.00	0.00	0.00	0.00	13,212.04	0.00	0.00	0.00	0.00	471.66	2.14%	0.32	13,683.70
- Interest Income	96.71	87.51	21.30	23.28	29.38	0.00	96.02	84.91	76.13	79.19	92.32	94.52	0.12%	0.02	781.27
- Sub-Total Additional Income	96.71	87.51	21.30	23.28	29.38	0.00	13,308.06	11,894.91	76.13	79.19	92.32	566.18	4.12%	0.61	26,274.97
<b>Total Revenue</b>	<b>44,405</b>	<b>45,192</b>	<b>45,125</b>	<b>45,127</b>	<b>45,133</b>	<b>45,104</b>	<b>58,412</b>	<b>56,999</b>	<b>45,180</b>	<b>45,183</b>	<b>45,196</b>	<b>45,670</b>	100%	13.23	<b>566,727</b>
<b>OPERATING EXPENSES</b>															
1 Ground Lease [On Additional Parking Lot Only]	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	3.13%	0.47	20,000.04
6 Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,810.00	0.00	0.00	0.00	0.00	1.85%	0.28	11,810.00
10 Legal Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
10 Accounting Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
9 Repairs and Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	214.00	2,300.00	0.00	0.00	0.00	0.00	0.39%	0.06	2,514.00
7 Property Taxes	0.00	0.00	0.00	0.00	0.00	0.00	13,212.04	0.00	0.00	0.00	0.00	471.66	2.14%	0.32	13,683.70
5 Managgement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
2 Misceallenous Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
<b>Total Reimbursable Expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>15,092.71</b>	<b>15,776.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>2,138.33</b>	7.52%	1.12	<b>48,008</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>15,092.71</b>	<b>15,776.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>2,138.33</b>	7.52%	1.12	<b>48,008</b>
<b>NET OPERATING INCOME</b>	<b>42,738</b>	<b>43,525</b>	<b>43,459</b>	<b>43,461</b>	<b>43,467</b>	<b>43,437</b>	<b>43,319</b>	<b>41,222</b>	<b>43,513</b>	<b>43,517</b>	<b>43,530</b>	<b>43,532</b>	81.28%	12.11	<b>518,719</b>
- Interest Expense	18,186.69	18,727.76	16,354.29	17,477.75	17,434.94	17,974.88	17,949.86	17,910.23	17,870.41	17,830.41	17,790.21	17,749.82	33.41%	4.98	213,257.25
- Loan Principal	8,091.45	7,550.38	9,923.85	8,800.39	8,843.20	8,303.26	8,328.28	8,367.91	8,407.73	8,447.73	8,487.93	8,528.32	15.99%	2.38	102,080.43
<b>Total Debt Service</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	49.41%	7.36	<b>315,338</b>
<b>Pre-Tax Cash Flow</b>	<b>16,460</b>	<b>17,247</b>	<b>17,180</b>	<b>17,182</b>	<b>17,189</b>	<b>17,159</b>	<b>17,041</b>	<b>14,944</b>	<b>17,235</b>	<b>17,238</b>	<b>17,252</b>	<b>17,254</b>	31.87%	4.75	<b>203,382</b>



## AT&T BUILDING [ID 92545]

111 Grand River Avenue | Port Huron, Michigan 48060

### 2010 Owner's P&L Statements

Month	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Jun 2010	Jul 2010	Aug 2010	Sep 2010	Oct 2010	Nov 2010	Dec 2010	% of Total	PSF	2010 Annual
<b>Major Category Title</b>															
- Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>TD</b>
- Base Rental Income	43,527.00	44,308.00	44,308.00	44,308.00	44,308.00	44,308.00	44,308.00	44,308.00	44,308.00	44,308.00	44,308.00	44,308.00	83.19%	12.39	530,915
- Additional Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Property Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,810.00	0.00	0.00	0.00	0.00	1.85%	0.28	11,810.00
- Property Taxes	473.08	0.00	0.00	0.00	0.00	0.00	13,212.04	0.00	0.00	0.00	0.00	471.66	2.22%	0.33	14,156.78
- Interest Income	134.49	145.32	181.02	179.29	129.22	130.07	96.02	84.91	76.13	79.19	92.32	94.52	0.22%	0.03	1,422.50
- Sub-Total Additional Income	607.57	145.32	181.02	179.29	129.22	130.07	13,308.06	11,894.91	76.13	79.19	92.32	566.18	4.29%	0.64	27,389.28
<b>Total Revenue</b>	<b>44,135</b>	<b>44,453</b>	<b>44,489</b>	<b>44,487</b>	<b>44,437</b>	<b>44,438</b>	<b>57,616</b>	<b>56,203</b>	<b>44,384</b>	<b>44,387</b>	<b>44,400</b>	<b>44,874</b>	100%	13.03	<b>558,304</b>
<b>OPERATING EXPENSES</b>															
1 Ground Lease [On Additional Parking Lot Only]	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	3.13%	0.47	20,000.04
6 Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,810.00	0.00	0.00	0.00	0.00	1.85%	0.28	11,810.00
10 Legal Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
10 Accounting Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
9 Repairs and Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	214.00	2,300.00	0.00	0.00	0.00	0.00	0.39%	0.06	2,514.00
7 Property Taxes	0.00	0.00	0.00	0.00	0.00	0.00	13,212.04	0.00	0.00	0.00	0.00	471.66	2.14%	0.32	13,683.70
5 Manaqgement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
2 Miscceallenous Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
<b>Total Reimbursable Expenses</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>15,092.71</b>	<b>15,776.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>2,138.33</b>	7.52%	1.12	<b>48,008</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>15,092.71</b>	<b>15,776.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>2,138.33</b>	7.52%	1.12	<b>48,008</b>
<b>NET OPERATING INCOME</b>	<b>42,468</b>	<b>42,787</b>	<b>42,822</b>	<b>42,821</b>	<b>42,771</b>	<b>42,771</b>	<b>42,523</b>	<b>40,426</b>	<b>42,717</b>	<b>42,721</b>	<b>42,734</b>	<b>42,736</b>	79.96%	11.91	<b>510,297</b>
- Interest Expense	18,064.30	19,828.81	16,793.63	17,355.56	17,911.14	19,060.20	17,238.15	18,386.74	18,939.08	17,126.77	19,444.28	16,464.67	33.94%	5.06	216,613.33
- Loan Principal	8,213.84	6,449.33	9,484.51	8,922.58	8,367.00	7,217.94	9,039.99	7,891.43	7,339.06	9,151.37	6,833.86	9,813.47	15.47%	2.30	98,724.38
<b>Total Debt Service</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	49.41%	7.36	<b>315,338</b>
<b>Pre-Tax Cash Flow</b>	<b>16,190</b>	<b>16,509</b>	<b>16,544</b>	<b>16,542</b>	<b>16,492</b>	<b>16,493</b>	<b>16,245</b>	<b>14,148</b>	<b>16,439</b>	<b>16,442</b>	<b>16,456</b>	<b>16,458</b>	30.55%	4.55	<b>194,959</b>



AT&T BUILDING [ID 92545]

111 Grand River Avenue | Port Huron, Michigan 48060

2009 Owner's P&L Statements

Month	Jan 2009	Feb 2009	Mar 2009	Apr 2009	May 2009	Jun 2009	Jul 2009	Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009	% of Total	PSF	2009 Annual
<b>Major Category Title</b>															
- Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>TD</b>
- Base Rental Income	42,762.00	43,527.00	43,527.00	43,527.00	43,527.00	43,527.00	43,527.00	43,527.00	(43,527.00)	0.00	43,527.00	43,527.00	61.26%	9.13	390,978
- Additional Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Property Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,370.00	0.00	0.00	0.00	1.78%	0.27	11,370.00
- Property Taxes	0.00	0.00	453.14	0.00	0.00	0.00	13,251.80	0.00	0.00	0.00	0.00	0.00	2.15%	0.32	13,704.94
- Interest Income	143.36	156.51	193.46	207.96	204.30	205.83	204.97	198.96	147.27	101.46	117.48	133.65	0.32%	0.05	2,015.21
- Sub-Total Additional Income	143.36	156.51	646.60	207.96	204.30	205.83	13,456.77	198.96	11,517.27	101.46	117.48	133.65	4.24%	0.63	27,090.15
<b>Total Revenue</b>	<b>42,905</b>	<b>43,684</b>	<b>44,174</b>	<b>43,735</b>	<b>43,731</b>	<b>43,733</b>	<b>56,984</b>	<b>43,726</b>	<b>-32,010</b>	<b>101</b>	<b>43,644</b>	<b>43,661</b>	<b>100%</b>	<b>9.76</b>	<b>418,068</b>
<b>OPERATING EXPENSES</b>															
1 Ground Lease [On Additional Parking Lot Only]	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	0.00	0.00	0.00	0.00	0.00	0.00	1.57%	0.23	10,000.02
6 Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,370.72	0.00	0.00	0.00	0.00	1.78%	0.27	11,370.72
10 Legal Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	412.50	471.20	0.00	0.00	0.00	0.14%	0.02	883.70
10 Accounting Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
9 Repairs and Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
7 Property Taxes	0.00	453.14	0.00	0.00	0.00	0.00	13,251.80	0.00	0.00	0.00	0.00	473.08	2.22%	0.33	14,178.02
5 Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
2 Miscellaneous Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
<b>Total Reimbursable Expenses</b>	<b>1,666.67</b>	<b>2,119.81</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>13,251.80</b>	<b>11,783.22</b>	<b>471.20</b>	<b>0.00</b>	<b>0.00</b>	<b>473.08</b>	<b>5.71%</b>	<b>0.85</b>	<b>36,432</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>1,666.67</b>	<b>2,119.81</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>13,251.80</b>	<b>11,783.22</b>	<b>471.20</b>	<b>0.00</b>	<b>0.00</b>	<b>473.08</b>	<b>5.71%</b>	<b>0.85</b>	<b>36,432</b>
<b>NET OPERATING INCOME</b>	<b>41,239</b>	<b>41,564</b>	<b>42,507</b>	<b>42,068</b>	<b>42,065</b>	<b>42,066</b>	<b>43,732</b>	<b>31,943</b>	<b>(32,481)</b>	<b>101</b>	<b>43,644</b>	<b>43,188</b>	<b>59.80%</b>	<b>8.91</b>	<b>381,636</b>
- Interest Expense	17,889.46	19,086.26	17,208.69	19,010.68	18,356.72	20,150.78	17,068.13	18,858.02	20,030.55	16,965.77	18,745.27	18,706.66	34.80%	5.18	222,076.99
- Loan Principal	8,388.68	7,191.88	9,069.45	7,267.45	7,921.42	6,127.36	9,210.01	7,420.12	6,247.00	9,312.37	7,532.87	7,571.48	14.61%	2.18	93,260.09
<b>Total Debt Service</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>49.41%</b>	<b>7.36</b>	<b>315,337</b>
<b>Pre-Tax Cash Flow</b>	<b>14,961</b>	<b>15,286</b>	<b>16,229</b>	<b>15,790</b>	<b>15,786</b>	<b>15,788</b>	<b>17,454</b>	<b>5,665</b>	<b>(58,758)</b>	<b>(26,177)</b>	<b>17,366</b>	<b>16,909</b>	<b>10.39%</b>	<b>1.55</b>	<b>66,299</b>



**AT&T BUILDING [ID 92545]**

111 Grand River Avenue | Port Huron, Michigan 48060

**2008 Owner's P&L Statements**

Month	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	% of Total	PSF	2008 Annual
<b>Major Category Title</b>															
<b>Revenues</b>															<b>TD</b>
- Base Rental Income	42,012.00	42,762.00	42,762.00	42,762.00	42,762.00	42,762.00	42,762.00	42,762.00	42,762.00	42,762.00	42,762.00	42,762.00	80.29%	11.96	512,394
- Additional Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Property Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,134.00	0.00	0.00	0.00	1.59%	0.24	10,134.00
- Property Taxes	85,565.27	14,091.71	0.00	0.00	164,590.63	0.00	12,693.31	(164,590.63)	0.00	0.00	0.00	0.00	17.60%	2.62	112,350.29
- Interest Income	285.51	201.99	240.14	219.31	417.15	485.73	488.89	373.71	246.68	164.10	90.32	123.43	0.52%	0.08	3,336.96
- Sub-Total Additional Income	85,850.78	14,293.70	240.14	219.31	165,007.78	485.73	13,182.20	(164,216.92)	10,380.68	164.10	90.32	123.43	19.71%	2.94	125,821.25
<b>Total Revenue</b>	<b>127,863</b>	<b>57,056</b>	<b>43,002</b>	<b>42,981</b>	<b>207,770</b>	<b>43,248</b>	<b>55,944</b>	<b>-121,455</b>	<b>53,143</b>	<b>42,926</b>	<b>42,852</b>	<b>42,885</b>	<b>100%</b>	<b>14.90</b>	<b>638,215</b>
<b>OPERATING EXPENSES</b>															
1 Ground Lease (On Additional Parking Lot Only)	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	3.13%	0.47	20,000.04
6 Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,141.00	0.00	0.00	0.00	0.00	1.59%	0.24	10,141.00
10 Legal Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
10 Accounting Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
9 Repairs and Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,205.90	0.00	1,359.00	0.00	0.40%	0.06	2,564.90
7 Property Taxes	85,565.27	14,091.71	0.00	0.00	0.00	0.00	12,693.31	0.00	0.00	0.00	0.00	0.00	17.60%	2.62	112,350.29
5 Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00%	0.00	10.00
2 Miscellaneous Expenses	0.00	0.00	0.00	0.00	0.00	10.00	10.00	0.00	10.00	0.00	0.00	0.00	0.00%	0.00	30.00
<b>Total Reimbursable Expenses</b>	<b>85,565.27</b>	<b>14,091.71</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10.00</b>	<b>12,703.31</b>	<b>10,141.00</b>	<b>1,225.90</b>	<b>0.00</b>	<b>1,359.00</b>	<b>0.00</b>	<b>22.73%</b>	<b>3.39</b>	<b>145,096</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>87,231.94</b>	<b>15,758.38</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,666.67</b>	<b>1,676.67</b>	<b>14,369.98</b>	<b>11,807.67</b>	<b>2,892.57</b>	<b>1,666.67</b>	<b>3,025.67</b>	<b>1,666.67</b>	<b>22.73%</b>	<b>3.39</b>	<b>145,096</b>
<b>NET OPERATING INCOME</b>	<b>40,631</b>	<b>41,297</b>	<b>41,335</b>	<b>41,315</b>	<b>206,103</b>	<b>41,571</b>	<b>41,574</b>	<b>(133,263)</b>	<b>50,250</b>	<b>41,259</b>	<b>39,827</b>	<b>41,219</b>	<b>77.27%</b>	<b>11.51</b>	<b>493,119</b>
- Interest Expense	20,176.00	18,884.27	18,224.11	20,068.25	18,154.88	19,371.36	19,336.88	18,677.44	20,506.53	17,371.42	19,195.46	19,774.03	36.00%	5.36	229,740.63
- Loan Principal	6,102.14	7,393.87	8,054.03	6,209.89	8,123.26	6,906.78	6,941.26	7,600.70	5,771.61	8,906.72	7,082.68	6,504.11	13.41%	2.00	85,597.05
<b>Total Debt Service</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>26,278</b>	<b>49.41%</b>	<b>7.36</b>	<b>315,338</b>
<b>Pre-Tax Cash Flow</b>	<b>14,353</b>	<b>15,019</b>	<b>15,057</b>	<b>15,037</b>	<b>179,825</b>	<b>15,293</b>	<b>15,296</b>	<b>(159,541)</b>	<b>23,972</b>	<b>14,981</b>	<b>13,549</b>	<b>14,941</b>	<b>27.86%</b>	<b>4.15</b>	<b>177,781</b>



### AT&T BUILDING [ID 92545]

111 Grand River Avenue | Port Huron, Michigan 48060

2011 Actual YTD + Budget for Year Remainder

- Chart of Account	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	% of Total	PSF	2011 Annual
<b>Major Category Title</b>															
<b>Expense Summary Line Item Breakdown</b>															
1 Operational Expense [Ground Lease Parking Lot]	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	4.78%	0.47	20,000
2 Operational Expense [General & Administrative]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
3 Operational Expense [Marketing   Advertising]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
4 Operational Expense [Utilities]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
5 Operational Expense [Management Fees]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
6 Operational Expense [Insurance]	0	0	0	0	0	0	0	11,810	0	0	0	0	2.82%	0.28	11,810
7 Operational Expense [Property Taxes]	0	0	0	0	0	0	13,212	0	0	0	0	472	3.27%	0.32	13,684
8 Operational Expense [Non-Billback Expenses]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
9 Operational Expense [Repair & Maintenance]	0	0	0	0	0	0	214	2,300	0	0	0	0	0.60%	0.06	2,514
<b>- Operational Expense [Sub-Total]</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>15,093</b>	<b>15,777</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>2,138</b>	<b>8.47%</b>	<b>1.12</b>	<b>48,008</b>
10 Capital Expense [Professional Fees + Misc. Res]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
11 Capital Expense [TI + Leasing Commisions   Cap]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
12 Sub-Total Other Non-Reimbursable Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
<b>- Total Capital Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00</b>	<b>0</b>
<b>- Total Operational + Capital Expenses</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>15,093</b>	<b>15,777</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>2,138</b>	<b>8.47%</b>	<b>1.12</b>	<b>48,008</b>



## AT&T BUILDING [ID 92545]

111 Grand River Avenue | Port Huron, Michigan 48060

2010 Owner's P&L Statements

- Chart of Account	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Jun 2010	Jul 2010	Aug 2010	Sep 2010	Oct 2010	Nov 2010	Dec 2010	% of Total	PSF	2010 Annual
<b>Major Category Title</b>															
<b>Expense Summary Line Item Breakdown</b>															
1 Operational Expense [Ground Lease Parking Lot]	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	4.78%	0.47	20,000
2 Operational Expense [General & Administrative]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
3 Operational Expense [Marketing   Advertising]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
4 Operational Expense [Utilities]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
5 Operational Expense [Management Fees]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
6 Operational Expense [Insurance]	0	0	0	0	0	0	0	11,810	0	0	0	0	2.82%	0.28	11,810
7 Operational Expense [Property Taxes]	0	0	0	0	0	0	13,212	0	0	0	0	472	3.27%	0.32	13,684
8 Operational Expense [Non-Billback Expenses]	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
9 Operational Expense [Repair & Maintenance]	0	0	0	0	0	0	214	2,300	0	0	0	0	0.60%	0.06	2,514
<b>- Operational Expense [Sub-Total]</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>15,093</b>	<b>15,777</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>2,138</b>	<b>8.60%</b>	<b>1.12</b>	<b>48,008</b>
10 Capital Expense [Professional Fees + Misc. Rese	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
11 Capital Expense [TI + Leasing Commisions   Cap	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
12 Sub-Total Other Non-Reimbursable Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
<b>- Total Capital Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00</b>	<b>0</b>
<b>- Total Operational + Capital Expenses</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>15,093</b>	<b>15,777</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>2,138</b>	<b>8.60%</b>	<b>1.12</b>	<b>48,008</b>



AT&T BUILDING [ID 92545]

111 Grand River Avenue | Port Huron, Michigan 48060

2009 Owner's P&L Statements

- Chart of Account	Jan 2009	Feb 2009	Mar 2009	Apr 2009	May 2009	Jun 2009	Jul 2009	Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009	% of Total	PSF	2009 Annual
--------------------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	------------	-----	-------------

Major Category Title

Expense Summary Line Item Breakdown

1	Operational Expense	[Ground Lease Parking Lot]	1,667	1,667	1,667	1,667	1,667	1,667	0	0	0	0	0	2.39%	0.23	10,000
2	Operational Expense	[General & Administrative]	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
3	Operational Expense	[Marketing   Advertising]	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
4	Operational Expense	[Utilities]	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
5	Operational Expense	[Management Fees]	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
6	Operational Expense	[Insurance]	0	0	0	0	0	0	0	11,371	0	0	0	2.72%	0.27	11,371
7	Operational Expense	[Property Taxes]	0	453	0	0	0	0	13,252	0	0	0	473	3.39%	0.33	14,178
8	Operational Expense	[Non-Billback Expenses]	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
9	Operational Expense	[Repair & Maintenance]	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
-	<b>Operational Expense</b>	<b>[Sub-Total]</b>	<b>1,667</b>	<b>2,120</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>13,252</b>	<b>11,371</b>	<b>0</b>	<b>0</b>	<b>473</b>	<b>8.50%</b>	<b>0.83</b>	<b>35,549</b>
10	Capital Expense	[Professional Fees + Misc. Re:	0	0	0	0	0	0	413	471	0	0	0	0.21%	0.02	884
11	Capital Expense	[TI + Leasing Commisions   Ca	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
12	Sub-Total Other Non-Reimbursable Expenses		0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0
-	<b>Total Capital Expenses</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>413</b>	<b>471</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.21%</b>	<b>0.02</b>	<b>884</b>
-	<b>Total Operational + Capital Expenses</b>		<b>1,667</b>	<b>2,120</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>13,252</b>	<b>11,783</b>	<b>471</b>	<b>0</b>	<b>0</b>	<b>473</b>	<b>8.71%</b>	<b>0.85</b>	<b>36,432</b>



### AT&T BUILDING [ID 92545]

111 Grand River Avenue | Port Huron, Michigan 48060

2008 Owner's P&L Statements

- Chart of Account	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	% of Total	PSF	2008 Annual
--------------------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	------------	-----	-------------

#### Major Category Title

#### Expense Summary Line Item Breakdown

1	Operational Expense	[Ground Lease Parking Lot]	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	3.13%	0.47	20,000.04
2	Operational Expense	[General & Administrative]	0	0	0	0	0	10	10	0	10	0	0	0.00%	0.00	30.00
3	Operational Expense	[Marketing   Advertising]	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0.00
4	Operational Expense	[Utilities]	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0.00
5	Operational Expense	[Management Fees]	0	0	0	0	0	0	0	10	0	0	0	0.00%	0.00	10.00
6	Operational Expense	[Insurance]	0	0	0	0	0	0	10,141	0	0	0	0	1.59%	0.24	10,141.00
7	Operational Expense	[Property Taxes]	85,565	14,092	0	0	0	12,693	0	0	0	0	0	17.60%	2.62	112,350.29
8	Operational Expense	[Non-Billback Expenses]	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0.00
9	Operational Expense	[Repair & Maintenance]	0	0	0	0	0	0	1,206	0	1,359	0	0	0.40%	0.06	2,564.90
-	<b>Operational Expense</b>	<b>[Sub-Total]</b>	<b>87,232</b>	<b>15,758</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>14,370</b>	<b>11,808</b>	<b>2,893</b>	<b>1,667</b>	<b>3,026</b>	<b>1,667</b>	<b>22.73%</b>	<b>3.39</b>	<b>145,096</b>
10	Capital Expense	[Professional Fees + Misc. Re	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0.00
11	Capital Expense	[TI + Leasing Commissions   C	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0.00
12	Sub-Total Other Non-Reimbursable Expenses		0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00	0.00
-	<b>Total Capital Expenses</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00</b>	<b>0</b>
-	<b>Total Operational + Capital Expenses</b>		<b>87,232</b>	<b>15,758</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>14,370</b>	<b>11,808</b>	<b>2,893</b>	<b>1,667</b>	<b>3,026</b>	<b>1,667</b>	<b>22.73%</b>	<b>3.39</b>	<b>145,096</b>



PROJECT IRR CALCULATION TABLE

Item Designation	Present 2010	Pro-Forma 2011	Yr. 1 2011	Yr. 2 2012	Yr. 3 2013	Yr. 4 2014	Yr. 5 2015	Yr. 6 2016	Yr. 7 2017	Yr. 8 2018	Yr. 9 2019	Yr. 10 2020
Cash Flow	225,910	234,030	225,911	234,031	243,918	253,970	219,208	220,609	231,193	241,963	252,908	254,534
Real Estate Commissions & Capital Expenditures (CapX)	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow After Comissions & CapX Expenses	225,910	234,030	225,911	234,031	243,918	253,970	219,208	220,609	231,193	241,963	252,908	254,534
Hand Calculated HP Verification	98,078	98,078	98,078	109,496	116,597	123,529	130,873	138,143	146,868	155,599	164,850	174,242
Payments Left	272	284	272	284	296	308	320	332	344	356	368	380
Outstanding Principal [HP Calculated]	2,366,454	2,283,808	2,283,808	2,239,056	2,191,851	2,142,057	2,089,532	2,034,127	1,975,686	1,914,038	1,849,012	1,780,419
Principal Payment Calculators	98,078	98,078	98,078	109,496	116,597	123,529	130,873	138,143	146,868	155,599	164,850	174,242
Principal Payment Calculators (Cumulative)	98,078	98,078	98,078	207,574	324,171	447,700	578,573	716,716	863,584	1,019,183	1,184,034	1,358,276
Gross Sales Price	6,013,867	6,213,940	6,013,867	6,104,089	6,213,940	6,325,635	5,939,394	5,954,956	6,072,557	6,192,223	6,313,830	6,331,903
Less Closing Costs	175,354	180,455	175,354	177,654	180,455	183,304	173,455	173,851	176,850	179,902	183,003	183,464
Net Sales Price	5,838,513	6,033,484	5,926,435	5,926,435	6,033,484	6,142,331	5,765,940	5,781,105	5,895,707	6,012,322	6,130,827	6,148,440
First Mortgage Loan O/B Balance With Amortization	-3,476,817	-3,360,220	-3,586,313	-3,476,817	-3,360,220	-3,236,691	-3,105,818	-2,967,675	-2,820,807	-2,665,208	-2,500,357	-2,326,115
Less Equity Capital Contribution	-1,798,588	-1,798,588	-1,798,588	-1,798,588	-1,798,588	-1,798,588	-1,798,588	-1,798,588	-1,798,588	-1,798,588	-1,798,588	-1,798,588
Net Project Sales Profit [Net Sales Price - Debt & Equity]	563,108	874,676	541,534	651,029	874,676	1,107,052	861,534	1,014,842	1,276,312	1,548,526	1,831,882	2,023,736
Annual Project Cash Flow	234,030	243,917	225,911	234,031	243,918	253,970	219,208	220,609	231,193	241,963	252,908	254,534
Cumulative Project Cash Flow	234,030	243,917	225,911	459,942	703,859	957,829	1,177,038	1,397,647	1,628,840	1,870,803	2,123,711	2,378,245
Net Project Profit + Cumulative Cash Flow	797,138	1,118,593	767,445	1,110,971	1,578,535	2,064,881	2,038,572	2,412,489	2,905,152	3,419,329	3,955,593	4,401,981
Total Cash Flow Per Year	Cumulative Equity	Initial Equity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Total Cash Flow Yr. 1	-1,798,588	-1,798,588	2,566,033	<-----	[Net Sales Price - Loan Balance + Current Year's Cash Flow]			[Reversion Assumes Sale at Year End]				
Total Cash Flow Yr. 2	-1,798,588	-1,798,588	225,911	2,683,648								
Total Cash Flow Yr. 3	-1,798,588	-1,798,588	225,911	234,031	2,917,181							
Total Cash Flow Yr. 4	-1,798,588	-1,798,588	225,911	234,031	243,918	3,159,610						
Total Cash Flow Yr. 5	-1,798,588	-1,798,588	225,911	234,031	243,918	253,970	2,879,330					
Total Cash Flow Yr. 6	-1,798,588	-1,798,588	225,911	234,031	243,918	253,970	219,208	3,034,039				
Total Cash Flow Yr. 7	-1,798,588	-1,798,588	225,911	234,031	243,918	253,970	219,208	220,609	3,306,093			
Total Cash Flow Yr. 8	-1,798,588	-1,798,588	225,911	234,031	243,918	253,970	219,208	220,609	231,193	3,589,077		
Total Cash Flow Yr. 9	-1,798,588	-1,798,588	225,911	234,031	243,918	253,970	219,208	220,609	231,193	241,963	3,883,378	
Total Cash Flow Yr. 10	-1,798,588	-1,798,588	225,911	234,031	243,918	253,970	219,208	220,609	231,193	241,963	252,908	4,076,858
Total Cash Flow Per Annum Sub-Totals	-	-	225,911	234,031	243,918	253,970	219,208	220,609	231,193	241,963	252,908	4,076,858
Reversion Profit	-	-	767,445	1,110,971	1,578,535	2,064,881	2,038,572	2,412,489	2,905,152	3,419,329	3,955,593	4,401,981
IRR Returns	-	-	42.67%	28.59%	25.65%	24.00%	19.55%	18.83%	18.69%	18.51%	18.32%	17.91%
Net Present Value <10 Year>	5,865,918	-	225,911	234,031	243,918	253,970	219,208	220,609	231,193	241,963	252,908	4,076,858

FINANCIAL RATIO ANALYSIS

AT&T BUILDING [ID 92545]  
111 GRAND RIVER AVENUE | PORT HURON, MICHIGAN 48060



-e-1>	Lot Coverage [Space/Land Size]	64.70%
-e-2>	Project Size <Net Sq. Ft.>	42,840
-e-3>	Project Size <Gross Square Footage>	42,840
-e-4>	Land Area < Sq. Ft.>	66,211
-e-6>	Land Area <In Acres>	1.52
-e-6>	Loan Request	\$3,586,412
-e-7>	Loan Request Per Sq. Ft.	\$83.72
-e-8>	Current Effective Gross Income Per Month	\$49,618
-e-9>	Pro-Forma Effective Gross Income Per Month	\$51,323
-e-10>	Breakeven Average Income/Month	\$21,625
-e-11>	Current Annual Expenses/Month	(\$4,001)
-e-12>	Pro-Forma Annual Expenses	(\$48,008)
-e-13>	Current Taxes Per Annum	\$1.81
-e-14>	Pro-Forma Taxes After Property Acquisition	\$1.81
-e-14>	Pro-Forma Taxes After Property Acquisition Pro-Rated to Tenants on Pass-Throughs	\$1.81
-e-15>	Current Taxes Per Annum	\$77,355
-e-16>	Pro-Forma Taxes After Property Acquisition	\$77,355
-e-17>	Pro-Forma Average Expenses/SF of NRA/Month	\$4,001
-e-18>	Pro-Forma Average Income/SF of NRA/Year	<u>\$595,411</u>
-e-19>	Pro-Forma Average Income/SF of NRA [Gross]	\$13.90
-e-19>	Pro-Forma Average Income/SF of NRA [Includes Tax Reimbursement]	\$13.90
-e-20>	Breakeven Occupancy Per Month	\$21,625
-e-21>	Breakeven Occupancy Per Annum	\$259,496
-e-22>	Breakeven Occupancy Per Year	60.40%
-e-23>	Breakeven Occupancy Per Square Foot	\$8.68
-e-24>	Parking Spaces	257
-e-25>	Parking Spaces Per 1000 SF of Space	6.00
-e-26>	Estimated Capitalization Rate	9.00%
-e-27>	Appraised Value Estimate	\$6,213,940
-e-28>	Appraised Value Per Sq. Ft.	\$145.05
-e-29>	Appraised Value Per Square Foot of Land	\$93.85
-e-30>	Loan to Value Ratio	57.72%
-e-31>	Total Project Cost Per SF of Land	\$81.33
-e-32>	Total Project Cost Per Net Square Foot of Building	\$125.70
-e-33>	Current Net Operating Income As a % of Acquisition Cost	10.20%
-e-34>	Current Net Operating Income As a % of Total Investment Cost [Cap Rate]	10.05%
-e-36>	Debt Coverage Ratio Analysis Based upon Current Income & Pro-Forma Expenses	2.06
-e-38>	Square Footage of Unleased Space to Lease	0
-e-38>	Real Estate Commissions to Lease Space to Target Occupancy @ ---->	\$0
-e-36>	Project Internal Rate of Return Yr. 5	19.55%
-e-36>	Project Internal Rate of Return Yr. 10	17.91%

**AT&T BUILDING [ID 92545]  
EXISTING LOAN ASSUMPTION LOAN EVALUATOR**



Project Acquisition Cost	<b>\$5,385,000.00</b>	
Sales Valuation	<b>\$6,104,088.89</b>	
Loan Percentage	Of Cost	Of Value
60% Loan	\$3,769,500	\$3,662,453
65% Loan	\$3,769,500	\$3,967,658
70% Loan	\$3,769,500	\$4,272,862
75% Loan	\$4,038,750	\$4,578,067
80% Loan	\$4,308,000	\$4,883,271
85% Loan	\$4,577,250	\$5,188,476
90% Loan	\$4,846,500	\$5,493,680

**Anticipated Loan Terms**

**Anticipated Acquisition Financing Loan Terms**

Anticipated Loan Amount	<b>\$3,586,412</b>
Loan Amount Per Square Foot	\$84
Loan Amount as Percentage of Acquisition Cost	66.60%
Loan Debt Coverage Proposed	<b>1.25</b>
Loan Spread Over 10 Year T-Bill Estimate	<b>2.58%</b>
10 Year T-Bill Rate Estimate as of Jul 11, 2011	<b>3.13%</b>
Rate	<b>5.71%</b>
Amortization Yrs.	<b>18.41666667</b>
Optimal Loan	\$5,002,958
Constant	0.08784691
If Interest Only in Year	Rate is 5.71%
Interest Only Debt Service Year 1	\$204,605
Interest Only Debt Service Year 2	\$204,605
Interest Only Debt Service Year 3	\$204,605
Annual Debt Service With Amortization	\$204,606
First Year Amortization	
Proposed Debt Coverage	<b>1.25</b>
Monthly Payment	\$26,278.14
Monthly Payment If Interest Only	\$17,050.40
Annual Payment If Amortized	(\$315,338)
Annual Payment If Interest Only	\$204,605
Cash Flow Savings if Interest Only	(\$519,942)
Cash Flow Savings if Interest Only As % of Investment	-28.91%

**LOAN AMORTIZATION ON NEW REFINANCED LOAN**

Year	HP Hand-Calculated Amortization	221	Payment No.	\$0	Original Loan Amount	% of Equity
	Current Loan Balance	221	1	\$3,586,412		
Year 1	Dec 2011	209	13	\$3,586,313	\$98,078	5.45%
Year 2	Dec 2012	197	25	\$3,476,817	\$109,496	6.09%
Year 3	Dec 2013	185	37	\$3,360,220	\$116,597	6.48%
Year 4	Dec 2014	173	49	<b>\$3,236,691</b>	\$123,529	6.87%
Year 5	Jan 1900	161	61	\$3,105,818	\$130,873	7.28%
Year 6	Dec 2016	149	73	\$2,967,675	\$138,143	7.68%
Year 7	Dec 2017	137	85	\$2,820,807	\$146,868	8.17%
Year 8	Dec 2018	125	97	\$2,665,208	\$155,599	8.65%
Year 9	Jan 1900	113	109	\$2,500,357	\$164,850	9.17%
Year 10	Dec 2020	101	121	\$2,326,115	\$174,242	9.69%
Year 11	Dec 2021	89	133	\$2,141,105	\$185,011	10.29%
Year 12	Dec 2022	77	145	\$1,945,094	\$196,011	10.90%

LOAN AND PROPERTY MARKET VALUATION

AT&T BUILDING [ID 92545]



MARKET LOAN EVALUATION WITH DIFFERENT DEBT COVERAGE RATIOS ON EXISTING RENTAL INCOME

1	<u>Item Description</u>	<u>DCR</u>	<u>PSF Land</u>	<u>Per Sq. Ft.</u>	<u>Loan Amount</u>
2	Recommended Loan Amount With a Debt Coverage of	1.10	\$84.60	\$130.75	\$5,601,149
3	Recommended Loan Amount With a Debt Coverage of	1.15	\$80.92	\$125.06	\$5,357,621
4	Recommended Loan Amount With a Debt Coverage of	1.20	\$77.55	\$119.85	\$5,134,386
5	Recommended Loan Amount With a Debt Coverage of	1.25	\$74.44	\$115.06	\$4,929,011
6	Recommended Loan Amount With a Debt Coverage of	1.30	\$71.58	\$110.63	\$4,739,434
7	Recommended Loan Amount With a Debt Coverage of	1.35	\$68.93	\$106.53	\$4,563,899
8	Recommended First Mortgage Loan <Ceiling>	1.77	\$54.17	\$83.72	\$3,586,412

MARKET LOAN EVALUATION WITH DIFFERENT DEBT COVERAGE RATIOS ON PRO-FORMA RENTAL INCOME

9	<u>Item Description</u>	<u>Cap Rate</u>	<u>PSF Land</u>	<u>Per Sq. Ft.</u>	<u>Valuation</u>
10	Recommended Loan Amount With a Debt Coverage of	1.10	\$87.41	\$135.10	\$5,787,491
11	Recommended Loan Amount With a Debt Coverage of	1.15	\$83.61	\$129.22	\$5,535,861
12	Recommended Loan Amount With a Debt Coverage of	1.20	\$80.13	\$123.84	\$5,305,200
13	Recommended Loan Amount With a Debt Coverage of	1.25	\$76.92	\$118.88	\$5,092,992
14	Recommended Loan Amount With a Debt Coverage of	1.30	\$73.96	\$114.31	\$4,897,108
15	Recommended Loan Amount With a Debt Coverage of	1.35	\$71.22	\$110.08	\$4,715,734
16	Recommended First Mortgage Loan <Floor>	1.74	\$54.17	\$83.72	\$3,586,412

PROPERTY EVALUATION WITH DIFFERENT CAP RATES ON CURRENT RENTAL INCOME

17	<u>Item Description</u>	<u>Cap Rate</u>	<u>PSF Land</u>	<u>Per Sq. Ft.</u>	<u>Valuation</u>
18	Recommended Loan Amount With a Debt Coverage of	7.50%	\$108.99	\$168.46	\$7,216,640
19	Recommended Loan Amount With a Debt Coverage of	8.00%	\$102.18	\$157.93	\$6,765,600
20	Recommended Loan Amount With a Debt Coverage of	8.50%	\$96.17	\$148.64	\$6,367,624
21	Recommended Loan Amount With a Debt Coverage of	9.00%	\$90.83	\$140.38	\$6,013,867
22	Recommended Loan Amount With a Debt Coverage of	9.50%	\$86.05	\$132.99	\$5,697,347
23	Recommended Loan Amount With a Debt Coverage of	10.00%	\$81.75	\$126.34	\$5,412,480
24	Projected NOI As A % of Total Investment	-	\$81.33	\$125.70	\$5,385,000

PROPERTY EVALUATION WITH DIFFERENT CAP RATES ON PRO-FORMA RENTAL INCOME

25	<u>Item Description</u>	<u>Cap Rate</u>	<u>PSF Land</u>	<u>Per Sq. Ft.</u>	<u>Valuation</u>
26	Recommended Loan Amount With a Debt Coverage of	7.50%	\$112.62	\$174.06	\$7,456,728
27	Recommended Loan Amount With a Debt Coverage of	8.00%	\$103.72	\$160.30	\$6,867,100
28	Recommended Loan Amount With a Debt Coverage of	8.50%	\$97.61	\$150.87	\$6,463,153
29	Recommended Loan Amount With a Debt Coverage of	9.00%	\$92.19	\$142.49	\$6,104,089
30	Recommended Loan Amount With a Debt Coverage of	9.50%	\$87.34	\$134.99	\$5,782,821
31	Recommended Loan Amount With a Debt Coverage of	10.00%	\$82.97	\$128.24	\$5,493,680
32	Pro-Forma NOI As A % of Total Investment	-	\$81.33	\$125.70	\$5,385,000

AT&T BUILDING [ID 92545]  
DATA INPUT SECTION [PAGE ONE]



AT&T Building [ID 92545]  
111 Grand River Avenue | Port Huron, Michigan 48060

Jul-11-2011  
4:37:56 PM

Item Designation	Suite	Size	Tenant
1			
2	Suite Size in Square Feet [ Tenant 1 ]	100	AT&T
3	Suite Size in Square Feet [ Tenant 2 ]	-	-
4	Suite Size in Square Feet [ Tenant 3 ]	-	-
5	Suite Size in Square Feet [ Tenant 4 ]	-	-
6	Suite Size in Square Feet [ Tenant 5 ]	-	-
7	Suite Size in Square Feet [ Tenant 6 ]	-	-
8	Suite Size in Square Feet [ Tenant 7 ]	-	-
9	Suite Size in Square Feet [ Tenant 8 ]	-	-
10	Suite Size in Square Feet [ Tenant 9 ]	-	-
11	Suite Size in Square Feet [ Tenant 10 ]	-	-
12	Suite Size in Square Feet [ Tenants 1- 10 ]	-	Leased Sub-Total
13	Suite Size in Square Feet [ Tenant 1 ]	100	-
14	Suite Size in Square Feet [ Tenant 2 ]	-	-
15	Suite Size in Square Feet [ Tenant 3 ]	-	-
16	Suite Size in Square Feet [ Tenant 4 ]	-	0
17	Suite Size in Square Feet [ Tenant 5 ]	-	-
18	Suite Size in Square Feet [ Tenant 6 ]	-	-
19	Suite Size in Square Feet [ Tenant 7 ]	-	-
20	Suite Size in Square Feet [ Tenant 8 ]	-	-
21	Suite Size in Square Feet [ Tenant 9 ]	-	-
22	Suite Size in Square Feet [ Tenant 10 ]	-	-
23	Suite Size in Square Feet [ Tenant 1,2,3,4,5 ]	Sub-Total	0
24	Sub-Total Rent On Leased Space	Occupied	42,840
25	Sub-Total Rent For Lease	Vacancy @	0
26	Sub-Total Square Feet [ Tenant 1-10 ]	Total @	42,840
27			100.00%
28	Item Designation	Suite	Rent Per Month
29	Base Rent + Additional Rent Per Month & PSF [ Tenant 1 ]	100	\$45,104.00
30	Base Rent + Additional Rent Per Month & PSF [ Tenant 2 ]	-	-
31	Base Rent + Additional Rent Per Month & PSF [ Tenant 3 ]	-	-
32	Base Rent + Additional Rent Per Month & PSF [ Tenant 4 ]	-	-
33	Base Rent + Additional Rent Per Month & PSF [ Tenant 5 ]	-	-
34	Base Rent + Additional Rent Per Month & PSF [ Tenant 6 ]	-	-
35	Base Rent + Additional Rent Per Month & PSF [ Tenant 7 ]	-	-
36	Base Rent + Additional Rent Per Month & PSF [ Tenant 8 ]	-	-
37	Base Rent + Additional Rent Per Month & PSF [ Tenant 9 ]	-	-
38	Base Rent + Additional Rent Per Month & PSF [ Tenant 10 ]	-	-
39	Base Rent + Additional Rent Per Month & PSF [ Sub-Total (a) ]	-	\$45,104
40	Base Rent + Additional Rent Per Month & PSF [ Tenant 1 ]	100	-
41	Base Rent + Additional Rent Per Month & PSF [ Tenant 2 ]	-	-
42	Base Rent + Additional Rent Per Month & PSF [ Tenant 3 ]	-	-
43	Base Rent + Additional Rent Per Month & PSF [ Tenant 4 ]	-	-
44	Base Rent + Additional Rent Per Month & PSF [ Tenant 5 ]	-	-
45	Base Rent + Additional Rent Per Month & PSF [ Tenant 6 ]	-	-
46	Base Rent + Additional Rent Per Month & PSF [ Tenant 7 ]	-	-
47	Base Rent + Additional Rent Per Month & PSF [ Tenant 8 ]	-	-
48	Base Rent + Additional Rent Per Month & PSF [ Tenant 9 ]	-	-
49	Base Rent + Additional Rent Per Month & PSF [ Tenant 10 ]	-	-
50	Base Rent + Additional Rent Per Month & PSF [ Sub-Total (b) ]	-	\$0
51	ProForma Rent + Additional Rent Per Month & PSF [Sub-Total ]	-	\$45,104.00
52	Base Rent Per Month / Year [ Sub-Total ] on Leased		\$45,104.00
53	Base Rent Per Month / Year [ Sub-Total ] on Vacancy		\$0.00
54	Base Rent Per Month / Year [ Sub-Total ]		\$45,104.00
55			\$541,248.00

For Further Information Contact:

The attached calculations have been prepared by DataVest | Sperry Van Ness and are not to be reproduced in any form or fashion whatsoever without written authorization as this information is considered to be both confidential and and proprietary in substance and nature.



D. Bruce Marshall  
Managing Director  
5057 Keller Springs Road [Suite 110]  
Addison, Texas 75001  
Tel. No. 214-261-6306  
email: bruce.marshall@svn.com  
www.dvsvn.com

**AT&T BUILDING [ID 92545]  
DATA INPUT SECTION [PAGE TWO]**



Item Designation	Suite	Base Rent + Additional Rent	Price Per SF
Base Rent + Additional Rent Per Month & PSF [ Tenant 1 ]	100	\$49,104.65	\$13.75
Base Rent + Additional Rent Per Month & PSF [ Tenant 2 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 3 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 4 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 5 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 6 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 7 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 8 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 9 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 10 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 1-5 ]	-	\$49,104.65	\$13.75
Base Rent + Additional Rent Per Month & PSF [ Tenant 1 ]	100	-	\$0.00
Base Rent + Additional Rent Per Month & PSF [ Tenant 2 ]	-	-	\$0.00
Base Rent + Additional Rent Per Month & PSF [ Tenant 3 ]	-	-	\$0.00
Base Rent + Additional Rent Per Month & PSF [ Tenant 4 ]	-	-	-
Base Rent + Additional Rent Per Month & PSF [ Tenant 5 ]	-	-	\$0.00
Base Rent + Additional Rent Per Month & PSF [ Tenant 6 ]	-	-	\$0.00
Base Rent + Additional Rent Per Month & PSF [ Tenant 7 ]	-	-	\$0.00
Base Rent + Additional Rent Per Month & PSF [ Tenant 8 ]	-	-	\$0.00
Base Rent + Additional Rent Per Month & PSF [ Tenant 9 ]	-	-	\$0.00
Base Rent + Additional Rent Per Month & PSF [ Tenant 10 ]	-	-	\$0.00
Base Rent + Additional Rent Per Month & PSF [ Sub-Total (b) ]	Sub-Total	\$0.00	\$0.00
Base Rent + Additional Rent Per Month [ Sub-Total ] on Leased		\$49,105	\$13.75
Base Rent + Additional Rent Per Month [ Sub-Total ] on Vacancy		\$0	\$0.00
<b>Total Base Rent + Additional Rent Per Month</b>		<b>\$49,105</b>	<b>\$13.75</b>
Lease Inception & Expiration Months [ Tenant 1 ]	100	March 1999	April 2015
Lease Inception & Expiration Months [ Tenant 2 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 3 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 4 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 5 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 6 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 7 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 8 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 9 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 10 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 1 ]	100	March 1999	April 2015
Lease Inception & Expiration Months [ Tenant 2 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 3 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 4 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 5 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 6 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 7 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 8 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 9 ]	-	-	-
Lease Inception & Expiration Months [ Tenant 10 ]	-	-	-

For Further Information Contact:

The attached calculations have been prepared by DataVest | Sperry Van Ness and are not to be reproduced in any form or fashion whatsoever without written authorization as this information is considered to be both confidential and and proprietary in substance and nature.



D. Bruce Marshall  
Managing Director  
5057 Keller Springs Road [Suite 110]  
Addison, Texas 75001  
Tel. No. 214-261-6306  
email: bruce.marshall@svn.com  
www.dvsvn.com

**AT&T BUILDING [ID 92545]  
DATA INPUT SECTION [PAGE THREE]**



AT&T Building [ID 92545]  
111 Grand River Avenue | Port Huron, Michigan 48060

Jul-11-2011  
4:38:55 PM

1	Item Designation	Suite	Rent Escalation Date	Monthly Rent
2	Options/Escalation One [ Tenant 1 ]	100	Jan 31, 2012	\$45,916.00
3	Options/Escalation One [ Tenant 2 ]	-	-	-
4	Options/Escalation One [ Tenant 3 ]	-	-	-
5	Options/Escalation One [ Tenant 4 ]	-	-	-
6	Options/Escalation One [ Tenant 5 ]	-	-	-
7	Options/Escalation One [ Tenant 6 ]	-	-	-
8	Options/Escalation One [ Tenant 7 ]	-	-	-
9	Options/Escalation One [ Tenant 8 ]	-	-	-
10	Options/Escalation One [ Tenant 9 ]	-	-	-
11	Options/Escalation One [ Tenant 10 ]	-	-	-
12	<b>Item Designation</b>	<b>Suite</b>	<b>Rent Escalation Date</b>	<b>Monthly Rent</b>
13	Options/Escalation Two [ Tenant 1 ]	100	-	-
14	Options/Escalation Two [ Tenant 2 ]	-	-	-
15	Options/Escalation Two [ Tenant 3 ]	-	-	-
16	Options/Escalation Two [ Tenant 4 ]	-	-	-
17	Options/Escalation Two [ Tenant 5 ]	-	-	-
18	Options/Escalation Two [ Tenant 6 ]	-	-	-
19	Options/Escalation Two [ Tenant 7 ]	-	-	-
20	Options/Escalation Two [ Tenant 8 ]	-	-	-
21	Options/Escalation Two [ Tenant 9 ]	-	-	-
21	Options/Escalation Two [ Tenant 10 ]	-	-	-
22	<b>Item Designation</b>	<b>Suite</b>	<b>Rent Escalation Date</b>	<b>Monthly Rent</b>
23	Options/Escalation Three [ Tenant 1 ]	100	Jan 31, 2014	\$47,590.00
24	Options/Escalation Three [ Tenant 2 ]	-	-	-
25	Options/Escalation Three [ Tenant 3 ]	-	-	-
26	Options/Escalation Three [ Tenant 4 ]	-	-	-
27	Options/Escalation Three [ Tenant 5 ]	-	-	-
28	Options/Escalation Three [ Tenant 6 ]	-	-	-
29	Options/Escalation Three [ Tenant 7 ]	-	-	-
30	Options/Escalation Three [ Tenant 8 ]	-	-	-
31	Options/Escalation Three [ Tenant 9 ]	-	-	-
32	Options/Escalation Three [ Tenant 10 ]	-	-	-
33	Options/Escalation Four [ Tenant 1 ]	100	May 01, 2015	\$43,953.25
34	Options/Escalation Four [ Tenant 2 ]	-	-	-
35	Options/Escalation Four [ Tenant 3 ]	-	-	-
36	Options/Escalation Four [ Tenant 4 ]	-	-	-
37	Options/Escalation Four [ Tenant 5 ]	-	-	-
38	Options/Escalation Four [ Tenant 6 ]	-	-	-
39	Options/Escalation Four [ Tenant 7 ]	-	-	-
40	Options/Escalation Four [ Tenant 8 ]	-	-	-
41	Options/Escalation Four [ Tenant 9 ]	-	-	-
42	Options/Escalation Four [ Tenant 10 ]	-	-	-

For Further Information Contact:

The attached calculations have been prepared by DataVest | Sperry Van Ness and are not to be reproduced in any form or fashion whatsoever without written authorization as this information is considered to be both confidential and and proprietary in substance and nature.



D. Bruce Marshall  
Managing Director  
5057 Keller Springs Road [Suite 110]  
Addison, Texas 75001  
Tel. No. 214-261-6306  
email: bruce.marshall@svn.com  
www.dvsvn.com

AT&T BUILDING [ID 92545]  
DATA INPUT SECTION [PAGE FOUR]



AT&T Building [ID 92545]  
111 Grand River Avenue | Port Huron, Michigan 48060

Jul-11-2011  
4:39:26 PM

1	Inflation Rate		3.75%
2	Income Escallator Factor		3.75%
3	Expense Escallator Factor		2.25%
4	CAM Escallator Percentage at Rolls		2.50%
5	Year Built		2003
6	Parking Spaces <Estimated>	<Estimate>	257
7	Schedule Rental Collection Income		\$541,248
8	Scheduled Rent Roll Per Month		\$49,105
9	Scheduled Base Rent Current Income Per Annum		\$541,248
10	Vacant Base Rent Current Income Per Annum		\$0
11	Total Potential Gross Rent Current Income Per Annum		\$541,248
12	Scheduled Additional Rent Reimbursements on Rent Roll		\$0
13	Scheduled Additional Rent Reimbursements on Master Lease		\$0
14	Scheduled Additional Rent Reimbursements on Rent Roll		\$0
15	Sub-Total		\$541,248
16	Additional Income Per Annum [NNN Pass-Throughs Income 2011]		\$54,163
17	Additional Income Per Annum [NNN Pass-Throughs Income 2012]		\$55,381
18	Additional Income Per Annum [NNN Pass-Throughs Income 2013]		\$56,600
19	Total Potential Gross Income		\$596,629
20	Current Occupancy Today on Scheduled Rent On An Income Basis		100.00%
21	Stablized Occupancy Factor for 2013		100.00%
22	Today's Occupancy Level	<Column 1>	100.00%
23	Pro-Forma Year One Occupancy	<Column 2>	100.00%
24	Stablized Pro-Forma Occupancy	<Column 3>	100.00%
25	Stablized Pro-Forma Occupancy	<Column 4>	100.00%
26	Operational Expenditures Per NRA <Pro-Forma>		\$1.12
27	Operational Expenditures Per NRA <Pro-Forma+10%>		\$1.26
28	Project Square Footage Gross Area		42,840
29	Project Square Footage Net Rentable Area		42,840
30	Proforma Lease Base Rental Rate		\$28.00
31	Project Land Area in Acres		1.520
32	Land Acquisition Cost Per Square Foot of Land		\$13.84
33	Land Acquisition Cost		\$916,067
34	Land Area in Square Feet		66,211
35	Project Appraised Value	<Estimate>	\$6,213,940
36	Projected Cash Downpayment		\$1,798,588
37	Anticipated Sales Price <Estimated @ Acquisition Cap>		\$6,213,940
38	Project Sales Price <Asking>		\$5,385,000
39	Anticipated Sales Price <Estimated>		\$5,385,000
40	Sub-Total Soft Cost		\$0
41	Total Project Cost Expenditures		\$5,385,000
42	Other Project Related Cost		\$0
43	Estimated Original First Mortgage First Mortgage Loan for Amortization		\$3,586,412
44	Current First Mortgage Outstanding Loan Balance	<Ceiling>	\$3,586,412
45	First Mortgage Loan Request	<Floor>	\$3,586,412
46	Optimal First Mortgage Loan Amount	<Ceiling>	\$4,929,011
47	Existing First Mortgage Loan Amount	<Floor>	\$6,213,000
48	First Mortgage Interest Rate		7.00%
49	First Mortgage Amortization		18.41666667
50	First Mortgage Debt Coverage Ratio		1.25
51	First Mortgage Monthly Payment		\$26,278.14
52	Actual First Mortgage Monthly Payment		(\$26,278.14)
53	First Mortgage Loan Constant		0.08784691
54	First Mortgage Loan Principal @ Yr. 10		\$2,326,115
55	Initial Equity Contribution Requirement Prior to Acquisition Costs		\$1,798,588
56	Subordinated Principal (Interest Only) Debt to LP Partner B		\$0
57	Negative Cash Flow Subsidy/Interest Impound		\$0
58	Investor's Subordinated Debt Service Interest Rate		7.00%
59	Equity Placement Cost Percentage (if required)		7.00%
60	Acquisition Related Cost		\$0.00
61	Operational Expense [Tax Gain if Fully Valued 80%]	\$96,702	\$4,308,000
62	Project Acquisition & Miscellaneous Cost %		\$0

For Further Information Contact:

The attached calculations have been prepared by DataVest | Sperry Van Ness and are not to be reproduced in any form or fashion whatsoever without written authorization as this information is considered to be both confidential and proprietary in substance and nature.



D. Bruce Marshall  
Managing Director  
5057 Keller Springs Road [Suite 110]  
Addison, Texas 75001  
Tel. No. 214-261-6306  
email: bruce.marshall@svn.com  
www.dvsvn.com

AT&T BUILDING (ID 92545)  
DATA INPUT SECTION [PAGE FIVE]



AT&T Building (ID 92545)  
111 Grand River Avenue | Port Huron, Michigan 48060

Jul-11-2011  
4:39:58 PM

Single Tenant NNN Office		2011		2012	
1	Operational Expense [Ground Lease Parking Lot]	\$0.47	\$20,000	\$0.47	\$20,000
2	Operational Expense [General & Administrative]	\$0.00	\$0	\$0.00	\$0
3	Operational Expense [Marketing   Advertising]	\$0.00	\$0	\$0.00	\$0
4	Operational Expense [Utilities]	\$0.00	\$0	\$0.00	\$0
5	Operational Expense [Management Fees]	\$0.00	\$0	\$0.13	\$5,412
6	Operational Expense [Insurance]	\$0.28	\$11,810	\$0.28	\$12,000
7	Operational Expense [Property Taxes]	\$0.32	\$13,684	\$0.32	\$13,750
8	Operational Expense [Non-Billback Expenses]	\$0.00	\$0	\$0.00	\$0
9	Operational Expense [Repair & Maintenance]	\$0.06	\$2,514	\$0.07	\$3,000
10	<b>Operational Expense [Sub-Total]</b>	<b>\$1.12</b>	<b>\$48,008</b>	<b>\$1.26</b>	<b>\$54,163</b>
11	Capital Expense [Professional Fees + Misc. Reserves]	\$0.00	\$0	\$0.00	\$0
12	Capital Expense [TI + Leasing Commissions   Capital Exp.]	\$0.00	\$0	\$0.00	\$0
13	Sub-Total Other Non-Reimbursable Expenses	\$0.00	\$0	\$0.00	\$0
14	<b>Capital Expense + Non-Reimbursables</b>	<b>\$0.00</b>	<b>\$0</b>	<b>\$0.00</b>	<b>\$0</b>
15	<b>Total Operational Expense + Reserves</b>	<b>\$1.12</b>	<b>\$48,008</b>	<b>\$1.26</b>	<b>\$54,163</b>
16	Inflation Rate				3.75%
17	Income Escalator Factor				3.75%
18	Expense Escalator Factor				2.25%
19	CAM Escalator Percentage at Rolls				3.00%
20	Parking Spaces <Estimated>		<Estimated>		171
21					
22	Schedule Rental Collection Income				\$549,368
23	Vacancy / Collection Loss				0.00%
24	Scheduled Rent Roll Per Month				-
25	Additional Income Per Per Annum [CAM]				\$48,008
26	Current Income [Scheduled]				\$589,256
27	Other Income [Scheduled]				\$589,256
28	Pro-Forma Rent Per Square Foot				\$36.00
29	Current Occupancy/Preleased				100.00%
30	Stabilized Vacancy Factor				0.00%
31	Pro-Forma Occupancy				100.00%
32	Current Operational Expenditures Per NRA				\$1.12
33	Operational Expenditures Per NRA <Pro-Forma>				(\$1.29)
34	Project Square Footage				42,840
35	Project Land Area in Acres				1.5200
36	Land Acquisition Cost Per Square Foot of Land				\$13.84
37	Land Acquisition Cost				\$2,132,568
38	Land Area in Square Feet				66,211
39	Project Appraised Value		<Estimated>		\$6,104,089
40	Projected Cash Downpayment				\$1,798,588
41	Anticipated Sales Price <Estimated @ Acquisition Cap>				\$5,385,000
42	Project Sales Price <Asking>		----->		\$5,385,000
43	Anticipated Sales Price <Estimated>				\$5,385,000
44	Estimated Original First Mortgage First Mortgage Loan for Amortization				\$3,586,412
45	Current First Mortgage Outstanding Loan Balance		<Gating @ 1.20 DGR>		\$3,586,412
46	First Mortgage Loan Request		<Floor @ 1.20 DGR>		\$3,586,412
47	Optimal First Mortgage Loan Amount		<Gating>		\$3,586,412
48	Existing First Mortgage Loan Amount		<Floor>		\$3,586,412
49	First Mortgage Interest Rate				5.71%
50	First Mortgage Amortization				18.41666667
51	First Mortgage Debt Coverage Ratio				1.25
52	First Mortgage Monthly Payment				\$26,278.14
53	Actual First Mortgage Monthly Payment				\$26,278.14
54	First Mortgage Loan Constant				0.08784691
55	First Mortgage Loan Principal @ Yr. 10				\$1,708,066
56	Refinanced First Mortgage Interest Rate				6.50%
57	Refinanced First Mortgage Amortization				18.41666667
58	Refinanced First Mortgage Debt Coverage Ratio				1.25
59	Refinanced First Mortgage Loan Constant				(0.00777197)
60	First Mortgage Loan Constant				0.093263691
61	Today's Total Tax Value Assessment Per \$100.00 of Value				-
62	Today's Total Tax Value Including Land at County Records				\$915,808
63	Disposition Capitalization Rate Estimate		----->		9.00%
64	Acquisition Capitalization Rate Estimate				9.00%
65	Investor Preferred Return				0.00%
66	Projected Sales Capitalization Rate on Disposition				9.00%
67	Projected Sales Capitalization Rate on Acquisition				9.00%

For Further Information Contact:

The attached calculations have been prepared by DataVest | Sperry Van Ness and are not to be reproduced in any form or fashion whatsoever without written authorization as this information is considered to be both confidential and and proprietary in substance and nature.



D. Bruce Marshall  
Managing Director  
5057 Keller Springs Road [Suite 110]  
Addison, Texas 75001  
Tel. No. 214-261-6306  
email: bruce.marshall@svn.com  
www.dvsvn.com



LEASE ABSTRACT:

AMENDMENT 3

PAGE 1

Amendment Date: June 18, 2009

Execution Date: July 2, 2009

Successor in:  
Interest: Bernard Monderer and Thea Monderer 1992 Revocable Living Trust

Lease Term: The term of letting shall be extended from January 31, 2015 to April 30, 2015.

Base Rent: Base Rent of Section 4 of the Second Amendment deleted in entirety and replaced with the following:

<i>Period</i>	<i>Rent/Year</i>	<i>Rent/Month</i>
Aug. 1, 2009-Oct. 31, 2009	\$0.00	\$0.00
Nov. 1, 2009-Jan. 31, 2010	\$522,324	\$43,527.00
Feb. 1, 2010-Jan. 31, 2011	\$531,696	\$44,308.00
Feb. 1, 2011-Jan. 31, 2012	\$541,248	\$45,104.00
Feb. 1, 2012-Jan. 31, 2013	\$550,992	\$45,916.00
Feb. 1, 2013-Jan. 31, 2014	\$560,940	\$46,745.00
Feb. 1, 2014-April 30, 2015	\$571,080	\$47,590.00

Renewal Options: Four (4) Seven (7) Year Renewal Options granted to Tenant after the expiration of the Lease beginning February 1, 2015.

Tenant had not exercised any of its four Renewal Options as of the date of this amendment and Tenant shall continue to retain the rights to a total of four (4) Renewal Options for seven (7) consecutive year terms.



LEASE ABSTRACT:

AMENDMENT 2

PAGE 1

Amendment Date: August 20, 2004

Lease Expansion: Per Amendment 1, wherein Landlord leased the entire 2<sup>nd</sup> floor containing an additional 21,420 Square Feet

Lease Term The term of letting shall be extended through January 31, 2015.

	<i>Period</i>	<i>Rent/Year</i>	<i>Rent/Month</i>
Base Rent	Feb. 1, 2005-Jan. 31, 2006	\$486,662	\$40,555.00
	Feb. 1, 2006-Jan. 31, 2007	\$495,316	\$41,276.00
	Feb. 1, 2007-Jan. 31, 2008	\$504,143	\$42,012.00
	Feb. 1, 2008-Jan. 31, 2009	\$513,146	\$42,762.00
	Feb. 1, 2009-Jan. 31, 2010	\$522,329	\$43,527.00
	Feb. 1, 2010-Jan. 31, 2011	\$531,696	\$44,308.00
	Feb. 1, 2011-Jan. 31, 2012	\$541,251	\$45,104.00
	Feb. 1, 2012-Jan. 31, 2013	\$550,996	\$45,916.00
	Feb. 1, 2013-Jan. 31, 2014	\$560,937	\$46,745.00
Feb. 1, 2014-Jan. 31, 2015	\$571,076	\$47,590.00	

Renewal Options: Four (4) Seven (7) Year Renewal Options granted to Tenant after the expiration of the Lease beginning February 1, 2015.

	<i>Period</i>	<i>Rent/Year</i>	<i>Rent/Month</i>	<i>Rent/SF</i>
Renewal OptionOne:	Feb. 1, 2015-Jan. 31, 2016	\$527,439	\$43,953.00	\$12.31
	Feb. 1, 2016-Jan. 31, 2017	\$537,988	\$44,832.00	\$12.56
	Feb. 1, 2017-Jan. 31, 2018	\$548,748	\$45,729.00	\$12.81
	Feb. 1, 2018-Jan. 31, 2019	\$559,723	\$46,644.00	\$13.07
	Feb. 1, 2019-Jan. 31, 2020	\$570,917	\$47,576.00	\$13.33
	Feb. 1, 2020-Jan. 31, 2021	\$582,336	\$48,528.00	\$13.59
	Feb. 1, 2021-Jan. 31, 2022	\$593,982	\$49,449.00	\$13.87



LEASE ABSTRACT:

AMENDMENT 2

PAGE 2

	<i>Period</i>	<i>Rent/Year</i>	<i>Rent/Month</i>	<i>Rent/SF</i>
Renewal OptionTwo:	Feb. 1, 2022-Jan. 31, 2023	\$605,862	\$50,489.00	\$14.14
	Feb. 1, 2023-Jan. 31, 2024	\$617,979	\$51,498.00	\$14.43
	Feb. 1, 2024-Jan. 31, 2025	\$630,339	\$52,528.00	\$14.71
	Feb. 1, 2025-Jan. 31, 2026	\$642,946	\$53,579.00	\$15.01
	Feb. 1, 2026-Jan. 31, 2027	\$655,805	\$54,650.00	\$15.31
	Feb. 1, 2027-Jan. 31, 2028	\$668,921	\$55,743.00	\$15.61
	Feb. 1, 2028-Jan. 31, 2029	\$682,299	\$56,858.00	\$15.93

Renewal OptionThree: At Market

Renewal OptionFour: At Market

Market Rate: Market Rate is to be provided from Landlord in written statement 90 prior to notice date. Tenant shall request Market Rate definition 120 days prior to notice date. A 30 day objection period shall be established for agreeing on market rate or thereafter determined by arbitration as set forth on page 4 of the amendment Paragraph 5E.

Notification: Each Renewal Option shall require 9 months prior written notice to Landlord or such Tenant Option shall become null and void.

Purchase Option: Pursuant to Paragraph 6 of the Second Lease Amendment, Tenant has an option to Purchase the land and building comprising approximately 3.24 acres. If exercised prior to January 31, 2015 said price shall in no event be less than \$3,500,000. If tenant exercises such option after January 31, 2015 sale and purchase shall be at fair market value. Option will require a \$50,000 earnest money deposit within 30 days of exercising the Purchase Option.



LEASE ABSTRACT:

AMENDMENT 2

PAGE 3

**Right of 1<sup>st</sup> Refusal:** Tenant shall have a continuing Right of First Refusal during the Lease Term to match any bona-fide offer to purchase on the building. Tenant is given 10 business days to exercise such First Right of Refusal. Landlord has 8 months thereafter to close the sale with the prospective purchaser at up to 95% of the purchase price. If the sale is not completed with the prescribed 8 month period then Right of First Refusal shall become subject to Purchase by Tenant to which Tenant shall respond within 10 business days.

**Cancellation Option:** Tenant has a one time option to the cancel the Lease at completion of the fifth year of Lease Term (January 31, 2010). Said option would have required a \$560,000 cancellation fee. If cancellation option is exercised after the Early Termination Date of January 31, 2010 then the fee is adjusted based upon a \$371,000 construction allowance for capital improvements into the facility pursuant to Paragraph 9 (c) An additional allowance fee to be paid to Tenant being amortized over 10 years at a rate of 8%.

**Additional Parking:** Landlord provided an additional 200 parking spaces to Tenant at Landlord's cost.

**Elevator:** Landlord agreed to install a two-story elevator into the building.



LEASE ABSTRACT:

AMENDMENT 1

PAGE 1

Lease Expansion:	Tenant expands into 2 <sup>nd</sup> floor increasing its utilization of the building to 42,840 square feet from 21,420 square feet.
Construction: Allowance:	Tenant is provided \$289,200 Construction Allowance for Tenant Improvement work.
Base Rent	Commencement Date on additional 19,710 shall be earlier of 3 weeks from lease signature or February 1, 2000 or final completion of work as evidenced by a Certificate of Occupancy.
Taxes, Insurance CAM:	Increase of Taxes, Insurance, and Common Area Expenses modified to provide Tenant with 100% responsibility for such items.
Term:	Lease Term extended to January 31, 2005.
Additional Parking:	In addition to the 105 on-site parking space provisions, Landlord provides additional parking to provide up to 200 full-size vehicle parks on a lease with the City of Port Huron.
Additional Rent:	Tenant to pay \$40,000 per year or \$3,333.33 per month for said parking.
Maintenance	Landlord to maintain repair, replace and insure and operate parking facilities and such cost shall be allocated to Tenant through Common Area Expenses.
Lighting:	Landlord to install parking light-sensitive sensor for Parking Lot Illumination.



LEASE ABSTRACT

INITIAL LEASE:

PAGE 1

Lease Type: NN

Landlord: Norman R. Murphy and Sarah J. Murphy [A Michigan Municipal Corporation]  
220 Sunrise Avenue, Suite C  
Palm Beach, Florida 33480

Tenant: Ameritech Michigan a/k/a Michigan Bell Telephone Company, a Michigan Corporation

Successor Tenant: AT&T

Successor Tenant: The Bernard Monderer and Thea Monderer 1992 Revocable Living Trust  
15211 Van Owen Street, Suite 210  
Van Nuys, California 91405

Tenant: Port Properties Associates, LLC  
220 Sunrise Avenue, Suite C  
Palm Beach, Florida 33480  
Attention: Norman E. Murphy

Size: 21,420 Square Feet

Location: The northwest corner of Quay Street and Merchant Street

Lease Executed: January 20, 1997

Primary Lease Term: 10 Years

Lease Inception Date: March 1, 1999  
Lease Expiration Date: February 28<sup>th</sup>, 2004



at&t

LEASE ABSTRACT

INITIAL LEASE:

PAGE 2

Options: 1-5 Year Extension  
November 1, 2009-October 31, 2014

Tenant Notification Tenant to give written notice to Landlord 90 days prior to date to exercise said option.

Rental Rate: \$273,105 per annum or \$22,758.75 per month.

Rent Bumps: 2.5% Each Year

Late Fee: 5% Late Payment Fee after 7 days

Optional Renewal: One 5 Year Term

Cancellation Option: Tenant may cancel the option to extend the Lease by giving Landlord written notice of cancellation six months prior to the original lease expiration.

Tenant may cancel the renewal term after three years provided that Tenant gives Landlord notice within 24 months of the commencement of the Renewal. Cancellation required a four month Base Rental Payment prior to their vacating the premises under such circumstances.

Use: general office, administrative, and related telecommunication purposes of tenant incident thereto.

Exclusivity: Tenant shall be the only telecommunications company in the building.

Utilities: Landlord shall provide separate metering for all utilities



LEASE ABSTRACT

INITIAL LEASE:

PAGE 3

Tenant's Cost:	heat, electric, water, sewer, gas,
Landlord's Maintenance Responsibility:	Structural Maintenance including roof, roof skin, utilities lines (exposed and unexposed) and load bearing walls and foundations serving the premises.
Tenant's Maintenance Responsibility:	Non-Structural Maintenance including plate glass, windows, all doors all interior plumbing, the electrical, the elevator and any items which tenant installs or has installed by others. Tenant shall be responsible for repair, and replacement of system components not exceeding \$10,000 per occurrence. Landlord shall be responsible for repair, replacement of electrical and mechanical system components exceeding \$10,000 per occurrence.
Common Area Maintenance	lighting and other utilities, cleaning, janitorial, trash and garbage removal, line painting, repairs, painting of exposed surfaces, lawn services, landscaped and planting areas, irrigation facilities, snow and ice removal, fences and walls, and all utility systems. It does not include ground lease payment, salaries for supervisory management personnel, mortgage payments, depreciation and leasing commissions.
CAM Share:	100%
Tenant Right to Cure Provisions:	Monetary Default: 10 days to correct after written notice Non-Monetary Default: 30 Days
Insurance:	Landlord shall, subject to Tenant's reimbursement as Additional Rent, provide \$1,000,000 per occurrence and \$2,000,000 annual aggregate coverage of commercial general liability insurance and workmen's comp Insurance as required by the State of Michigan.



LEASE ABSTRACT

INITIAL LEASE:

PAGE 4

- Insurance: Self-Insurance permissible providing Tenant's parent company has net worth in excess of \$25,000,000.
- Sub-Letting: Tenant shall not assign its rights without prior written consent of Landlord which consent shall not be unreasonably withheld. Tenant may assign to a wholly owned subsidiary or affiliate or parent providing said entity has a net worth in excess of \$10,000,000.
- 1<sup>st</sup> Refusal Right: Tenant was given a one-time right of first refusal to lease the remainder of the first floor. Said Right of First Refusal had a 14-day notification to Landlord provision to take over said space in an "as-is" condition.
- Tenant Estoppel Provision: Tenant required to provide Landlord an estoppel within 30 days of Estoppel request.
- Parking Spaces: Landlord to provide 55 parking spaces.
- Year 2000: Landlord warranted all building systems to be Year 2000 compliant. This provisions meant that all systems would be able to process communication and mechanical capabilities after the year 2000.



LEASE ABSTRACT GROUND LEASE

AMENDMENT 1:

PAGE 1

Lease Term: Ground Lease extended to January 31, 2015

Option to Extend: Paragraph 3 of the Lease is deleted in entirety and replaced with language such that if Landlord extends its lease with tenant, then the term of the ground lease shall match the term of the extension of the property improvement lease with Tenant.

Rental Increase: Rents payable under the ground lease shall increase by the same percentage as rent payable by the tenant to Landlord pursuant to Paragraph 3.

Termination Rights: Landlord may terminate the lease if its tenant terminates its lease with Landlord.

Execution Date: November 8, 2004

*The remainder of this page intentionally left blank.*



LEASE ABSTRACT:

PAGE 1

Lease Type: Ground Lease

Landlord: County of St. Clair, Michigan [A Michigan Municipal Corporation]  
200 Grand River Avenue, Suite 201  
Port Huron, Michigan 48060-4093  
Attention: Troy L. Feltman

Tenant: Port Properties Associates, LLC  
220 Sunrise Avenue, Suite C  
Palm Beach, Florida 33480  
Attention: Norman E. Murphy

Successor Tenant: The Bernard Monderer and Thea Monderer 1992 Revocable Living Trust  
15211 Van Owen Street, Suite 210  
Van Nuys, California 91405

Tenant: Port Properties Associates, LLC  
220 Sunrise Avenue, Suite C  
Palm Beach, Florida 33480  
Attention: Norman E. Murphy

Land Size: 1.7 Acres

Location: The northwest corner of Quay Street and Merchant Street

Lease Executed: October 21, 1999

Primary Lease Term: 10 Years

Lease Inception Date: November 1, 1999  
Lease Expiration Date: October 31, 2009

Options: 1-5 Year Extension  
November 1, 2009-October 31, 2014



LEASE ABSTRACT:

PAGE 2

Tenant Notification	Tenant to give written notice to Landlord 90 days prior to date to exercise said option.
Rental Rate:	\$20,000 per annum or \$1,666.67
Use:	Parking Lot for the use and benefit of Tenant and the tenants, employers, agents, and customers of the Ameritech (AT&T) Building
Sub-Letting:	Tenant shall not assign its rights without prior written consent of Landlord which consent shall not be unreasonably withheld.
Mortgaging of The Leasehold Estate:	Tenant has right to mortgage and pledge the lease subject to said lease and pledge being subordinate to the ground-lease as more specifically outlined in Paragraph 15 entitled "mortgaging of leasehold estate".
Subordination:	The ground lease shall be subordinate to all mortgages placed by Landlord of the real property as specifically outlined in Paragraph 27 of the ground lease agreement entitled "subordination" of which the Property.
Tenant Pays:	Taxes and Utility Charges (electricity which is separately metered), and public liability and property Insurance, parking lot repairs, resurfacing, and striping of the parking lot, grass mowing, maintenance of the parking lot and keeping clean said lot from rubbish, dirt, snow, and ice.

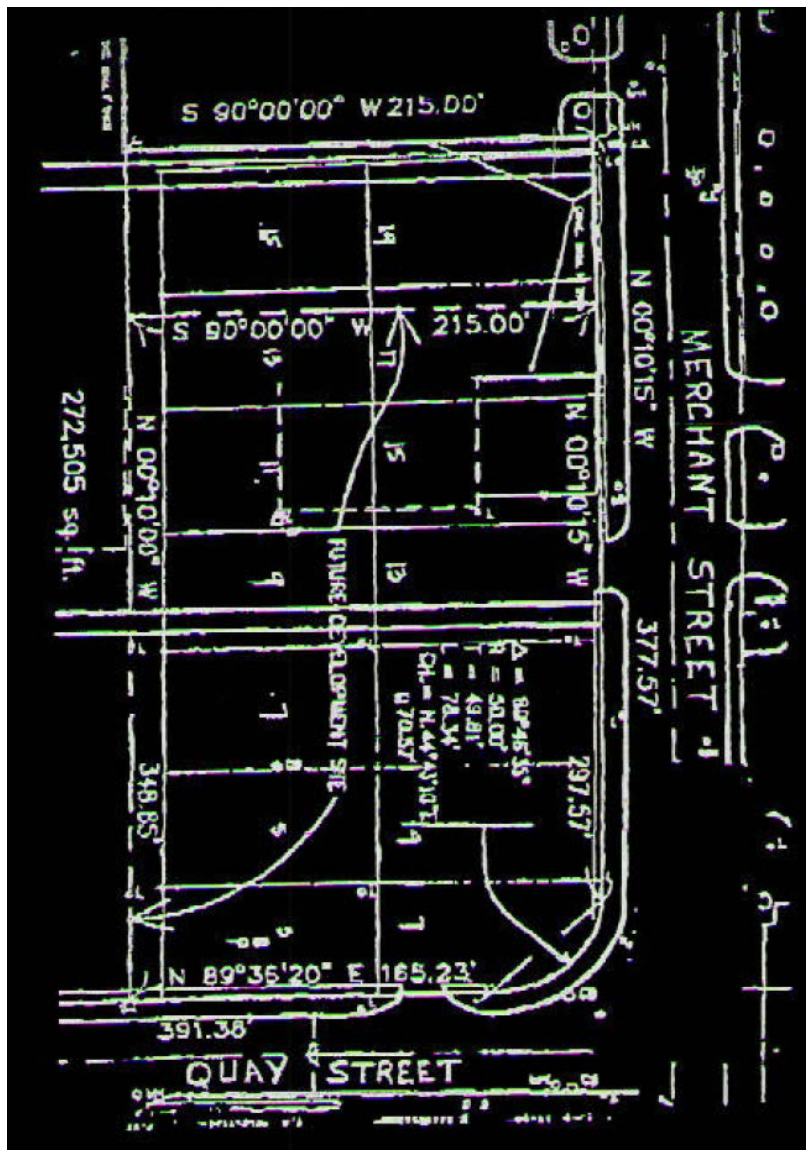
*The remainder of this page is intentionally left blank*



LEASE ABSTRACT:

SITE PLAN

PAGE 3





APPROVED BY THE TEXAS REAL ESTATE COMMISSION FOR VOLUNTARY USE

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers, and landlords.

WHO WILL THE BROKER REPRESENT IN THIS TRANSACTION?

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

WHO WILL THE BROKER REPRESENT IN THIS TRANSACTION?

IF THE BROKER REPRESENTS THE OWNER: The broker become the owner's agent by entering into an agreement with the owner, usually through a written listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER: The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representative agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY: The broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction (1) shall treat all parties honestly; (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner; (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by the Texas Real Estate License Act, or a court order -or if the information materially relates to the condition of the property. With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. You payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

DISCLOSURE OF AGENCY, IF ANY: The broker named below represents:

Owner \_\_\_ Buyer \_\_\_ Owner and Buyer \_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_

ACKNOWLEDGEMENT OF RECEIPT OF AGENCY DISCLOSURE FORM:

I acknowledge I have received a copy of this form. I understand that agreements I may sign may affect agency relationships and that that broker may only represent both the Owner and Buyer with their full knowledge and consent.

Owner (Landlord) or Buyer (Tenant) or Authorized Representative

Date:

Owner (Landlord) or Buyer (Tenant) or Authorized Representative

Date: