

CONFIDENTIAL INVESTMENT MEMORANDUM 99930

DATAVEST, INC. | SPERRY VAN NESS



PREPARED FOR: SVN NOBBS FT DALLAS

ATTENTION: BURTON. YOUNG



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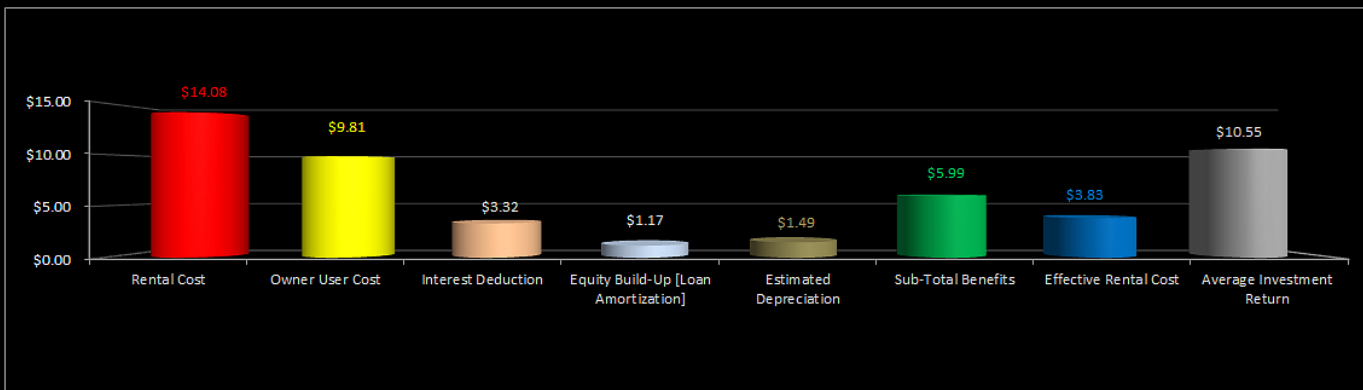


Summary of Salient Facts on SVN Listing 99930

“Deal Cliff Notes”

Property Type:	Multi-Tenant Office
Building Size:	47,973 Square Feet Net Rentable
Address:	14240 in Farmers Branch [Dallas], Texas
Lease Status:	67% Leased
Average Rent:	\$12.21 Per Square Foot [on existing leases] \$11.50 Per Square Foot [on Spaces for Leases]
Gross Leases:	The subject property is leased on Gross Lease Basis.
Land Area:	161,259 Square Feet [3.70 Acres]
Purchase Price:	\$3,250,000
Price Per Sq. Ft.:	\$67.65
Owner User:	The subject property is currently 67% leased and well-suited for an owner-user purchaser with 15,754 square feet of immediate space available for lease. The existing tenancy of 32,219 square feet gives expansion opportunity for this potential purchaser with 19,956 square feet of leased space expiring July of 2013.

Purchase Verses Lease Analysis for an Owner-User Per Sq. Ft. Graphic



Owner-User Structure:

An owner-user acquisition contemplates a 90% SBA Loan anticipated in the amount of \$2,925,500 resulting in an equity contribution requirement of \$390,000. A synopsis of the transaction economics based upon this owner-user approach is as follows:

Owner User Rental User Module	
Building Size	47,973
Purchase Price	\$3,250,000
Anticipated First Lien Financing	\$2,925,000
Initial Equity [Pre-Closing Cost]	\$325,000
Loan Fees/Closing Costs Estimate [\$]	\$65,000
Total Equity Requirement	\$390,000
Purchase Price Per Sq. Ft. of Building	\$67.75
Anticipated First Lien Financing	90%
Initial Equity [Pre-Closing Cost]	10%
Additional Cost Estimate in Points	2%
Total Equity Requirement	12%

Loan Information	Price PSF/Year	
Annual Mortgage Loan Payment	\$4.38	\$210,336
Mortgage Loan Interest Per Annum	\$3.22	\$154,267
Mortgage Loan Amortization Per Annum	\$1.17	\$56,069
Mortgage Loan Interest Rate	-	5.25%
Mortgage Loan Amortization	-	25
Mortgage Loan Constant	-	0.071910
Monthly Mortgage Payment	\$4.38	\$17,528
Monthly Building Operational Cost	<u>\$5.32</u>	<u>\$21,270</u>
Total Monthly Cost	\$9.70	\$38,797

Monthly Benefits Analysis	Price PSF/Year	
Estimated Monthly Interest Deduction	\$3.22	\$12,856
Estimated Monthly Amort. [Equity Build-Up]	\$1.17	\$4,672
Estimated Monthly Building Depreciation	\$1.49	<u>\$5,965</u>
Sub-Total Benefits	\$5.88	\$23,493
Total Effective Monthly Cost	\$3.83	\$15,305
Gross Sales Price in Year 10		\$6,006,359
Cost of Sale		<u>\$209,344</u>
Net Sales Proceeds Less Initial Equity		\$5,797,016
Less Loan Amount Outstanding --->		<u>\$2,180,431</u>
Reversion Profit		\$3,616,585
Return On Equity Investment		927%
Avg. Return On Equity Investment		\$30,138

Typical Investment Ownership Structure if Non-Owner User

Purchase Price: \$3,250,000

Anticipated Debt: \$1,950,000 [60%] @ 5.5% 25 Year Amortization [Treat As Free & Clear]

Equity Required: \$1,300,000 [40%]

Cap Rate: 2012 @ 7.36% at Pro-Forma Occupancy of 67%
 2015 @ 12.18% at Pro-forma Occupancy of 90%
 2018 @ 14.78% at Pro-forma Occupancy of 95%

Current Vacant SF: 15,754 Square Feet

5 Year IRR: 34.63%
10 Year IRR: 29.30%

Pre-Cap X	@ 67% Occupancy	@ 90% Occupancy	@ 95% Occupancy
Income:	2012: \$494,367	2015: \$ 659,396	2018: \$761,938
Expenses:	2012: \$255,234	2015: \$ 263,390	2018: \$281,572
NOI:	2012: \$239,133	2015: \$ 396,006	2018: \$480,366
Debt Service:	2012: \$ 95,436	2015: \$ 143,696	2018: \$143,696
Cash-Flow:	2012: \$-23,546	2015: \$ 252,309	2018: \$336,669
Cash-On-Cash:	2012: 7.34%	2015: 19.41%	2018: 25.90%
Amortization:	2012: 2.88%	2015: 3.39%	2018: 4.00%
Total Yield:	2012: 10.22%	2015: 22.80%	2018: 29.89%
 Cap Rate:	 2012: 7.36 %	 2015: 12.18%	 2018: 14.78%

Property Description: The subject property consists of an attractive single one-story multi-tenant office building constructed with full-brick exteriors and a tile roof. The project has an extremely attractive and heavily landscaped courtyard in the middle of the complex which was built in 1984. A central corridor is situated in the property providing access to the individual project suites. Individual suite sizes available for lease currently vary from 2,156 square feet to 7,040 square feet. The property is zoned LI. Parking is provided for 64 vehicles which represents a parking ratio of 4 per 1000 square foot of office space. The project is very well suited for an owner-user. The front buildings consist of two free-standing buildings of 11,600 square feet and the back building consists of 24,836 square feet. The property is fully sprinklered and has high-speed network wiring. The property is located in the Quorum Bent-Tree Sub-Market.



Looking to the South and to the North at the 14240 Midway Road Office Property.



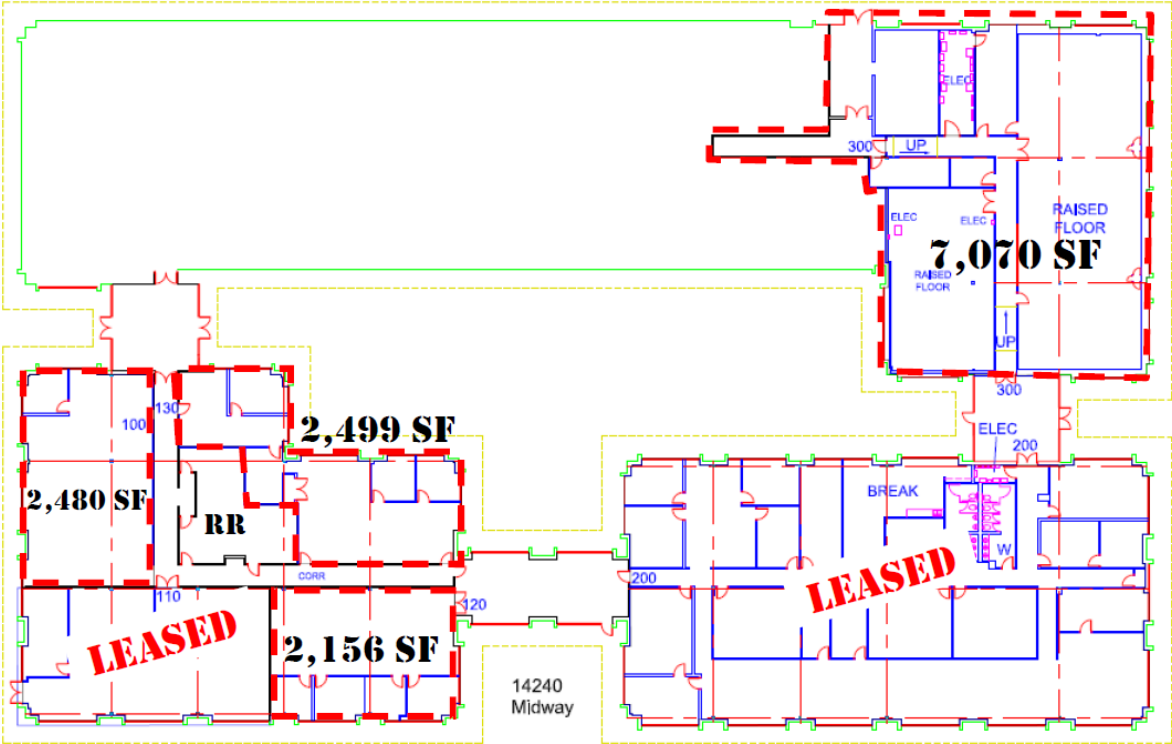


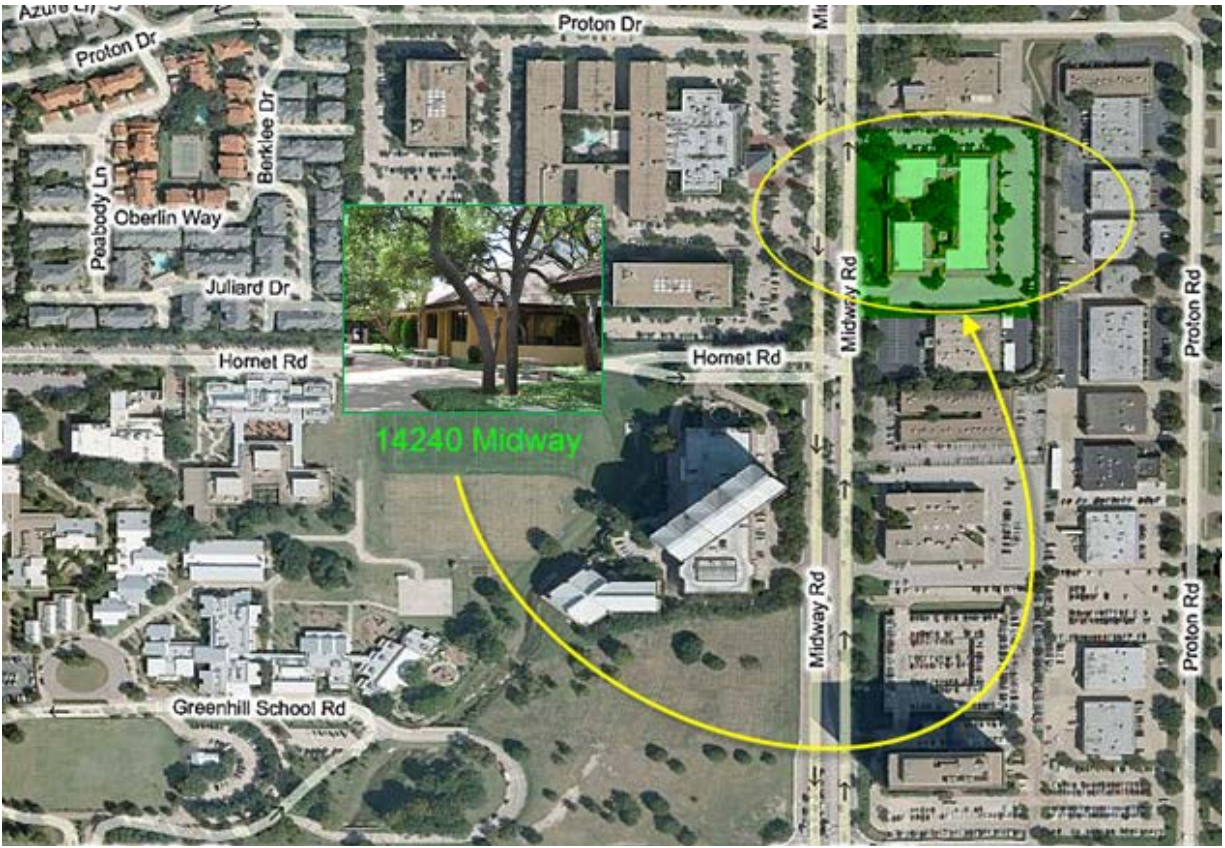
Interior Courtyard Views of the 14240 Midway Road Property.



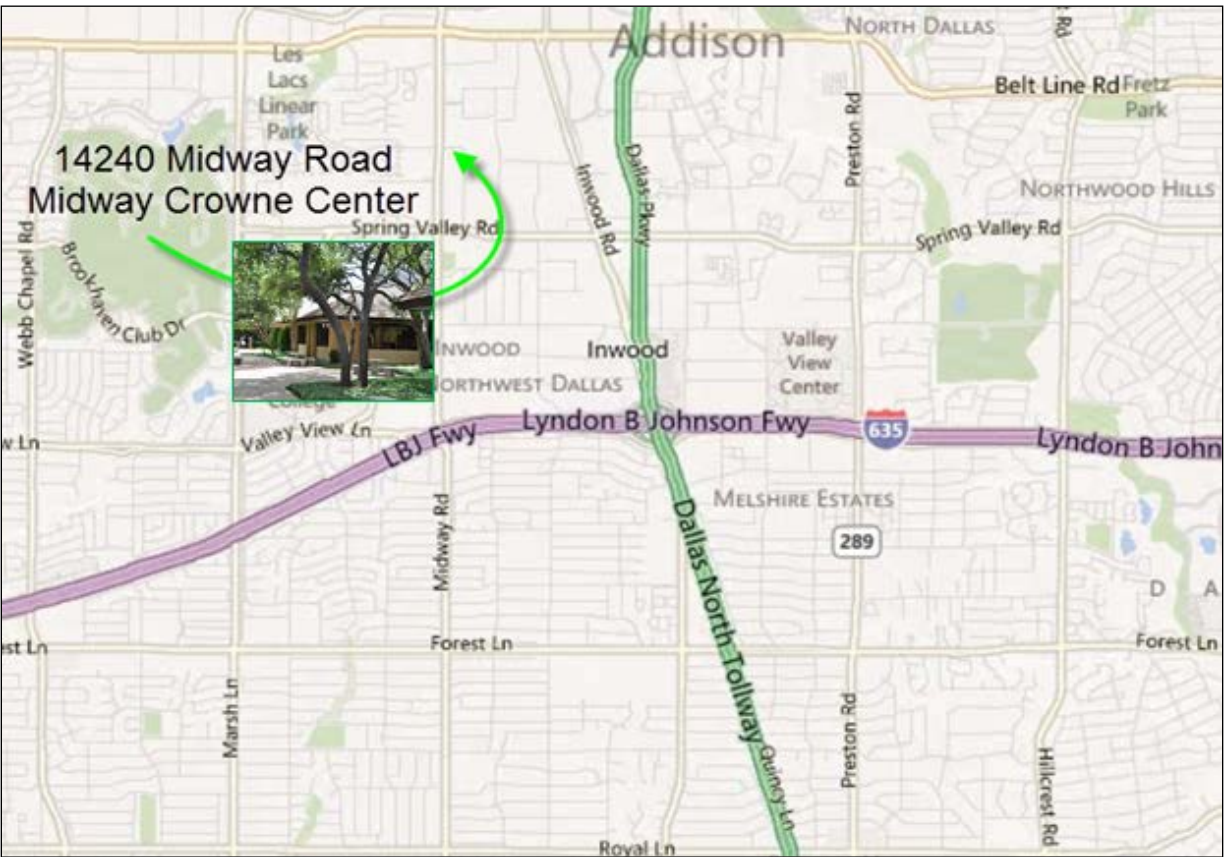


A view of the 14240 Midway Office Development Courtyard and Floor Plan





Location Map and Aerial Locational Views of 14240 Midway.



**Vehicular
Accessibility:**

Midway Road is strategically located with close proximity to Loop 635 also known as LBJ Freeway. US 75 one of the three primary north/south arteries is situated to the east approximately 3 miles. The Dallas North Tollroad another primary north south artery bisecting the City of Dallas is situated approximately ½ mile to the East and I-35 East also known as the NAFTA Highway is situated approximately 2 miles to the West. LBJ Freeway links travelers into US 80 and I-20 to the east I-20 provides access to Memphis and US 80 offers access into Arkansas. I-35 links Texas with Oklahoma to the North and Mexico to the South. Midway Road is a primary north south traffic artery. The site is north Spring Valley an east-west traffic artery which links the property with the Dallas Tollroad. Beltline is the next primary east-west traffic artery north of this Midway Road location. Driving time to Dallas Love Field Airport is 11.4 minutes and the distance is 21 miles. Driving time to DFW International Airport is 24 minutes and that distance is 24 miles from the site. The property is located in the Quorum Bent-Tree Sub-Market.

Locational Data: The subject property is located at 14240 Midway Road directly across the street from the Crowne Plaza Hotel located at 14315 Midway. This is a excellent location situated just north of LBJ Freeway the major loop around Dallas which circumvents the city known also as Loop 635. The property is located within the city limits of Farmers Branch which is situated in the North Dallas/Carrollton, Addison/Farmers Branch Sub-market. This submarket is a very well established office and commercial area which is often referred to as the Designers District. Numerous restaurants are located within blocks of the property and include Jaxx Café, Norma's Café, Arthur's Prime Stakes, Blue Mesa Grill, Blue Goose Cantina, Jen's Restaurant, McDonalds, Outback Steak House and Salt Grass Steak House, Chamberlain's Fish Market, Chamberlain's Steak, Chili's, Chipolte Mexican Grill, Dicky's Barbecue, Fogo De Chao, Genghis Grille, Hooters, Kobe's Steaks, La Madeleine French Bakery, Lawry's Prime Rib, Original Pancake House, Outback Steak House, Remington's Seafood Grill, T.G.I. Friday's, and Truluck's Steak and Stone Crab.

The property is situated just to the east of Brookhaven College.



Brookhaven College is one of seven county community colleges and has approximately 10,000 undergraduate students in its program and an additional 4,000 students in continuing education programs.

The subject property is situated within minutes of the Dallas Galleria which is a landmark shopping mall developed by Gerald Hines with numerous high density office high-rise towers and a Westin Hotel. Numerous restaurants area also situated within close proximity to the subject site and these include the

**The City of
Farmers
Branch:**

The City of Farmers Branch is 12.1 square miles and is situated just to the West of the Dallas City Limits. Farmers Branch serves as home to 2,500 companies and serves as Corporate Headquarters to 70 Corporations. Some of the more notable companies headquartered in Farmers Branch include I-2, Occidental Petroleum, Celanese Corporation, Taco Bueno, and Dallas Semiconductor.



**Major
Employers:**

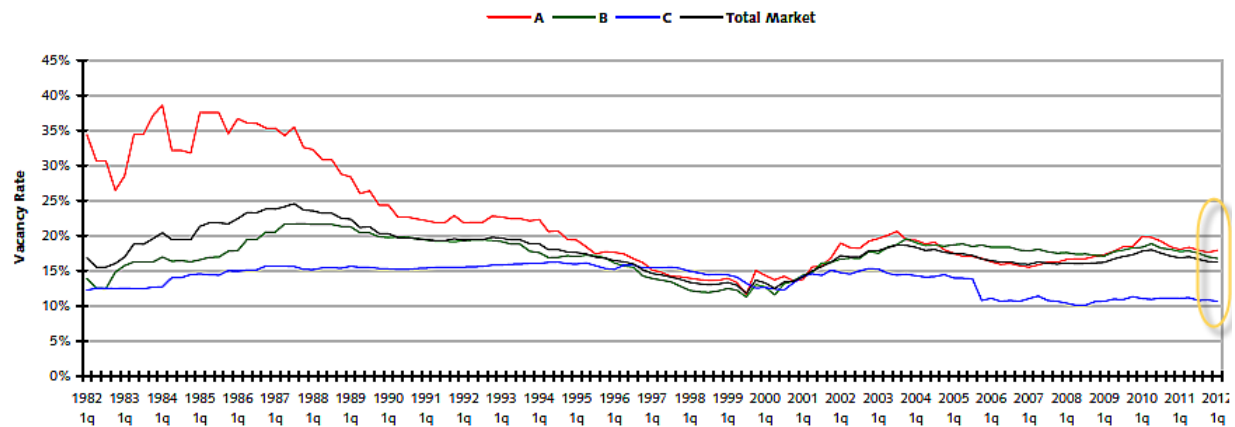
Major employers within the Dallas suburb of Farmers Branch include the following:

Name of Company	Product/Service	No of Employees
IBM Corporation	Office Products	3,200
JPMorgan Investment Services	Financial Services	2,390
Dallas Semiconductor	Semiconductors	1,352
GEICO	Insurance	1,200
Tuesday Morning	Decorative & Gift Items	1,000
Telvista	Telecommunications	950
AT&T	Telecommunications	830
TD Industries	Heating & Air Conditioning	811
Essilor Labs of America	Eye Wear	751
Celanese Corp.	Chemicals	700

Market Data:

The Dallas Fort Worth Office Market ended first quarter 2012 with an overall city vacancy rate of 16.2% down from 16.3% vacancy in the prior quarter. Positive space absorption amounted to 328,436 for the 1st quarter of 2012 with rental rates averaging \$19.59 per square foot across the metroplex. Class A Space Rental Rates were \$22.52 per square foot this quarter while Class B rental Rates were \$17.88 with Class C Rental Rates averaging \$14.39. Average Class B Rental Rates in the Quorum Bent Tree area represented \$16.18 per square foot and Class C Rental Rates in this submarket were \$14.01 per square foot. Class A space in this submarket rents for \$22.80 per square foot.

VACANCY RATES BY CLASS 1982-2012

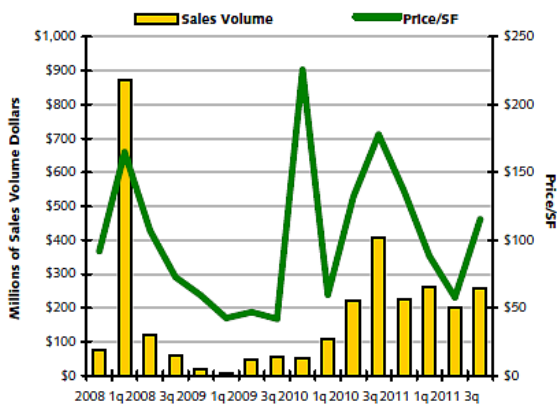


Source: CoStar Property®

A Graphic View of Office Sales Price and Sales Volume on DFW Offices is as follows:

SALES VOLUME & PRICE

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

SALES ANALYSIS BY BUILDING SIZE

Based on Office Building Sales From Jan. 2011 - Dec. 2011

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 50,000 SF	41	507,067	\$ 69,205,172	\$ 136.48	9.07%
50K-249K SF	29	3,254,942	\$ 422,865,800	\$ 129.92	8.74%
250K-499K SF	6	2,027,522	\$ 258,250,000	\$ 127.37	8.28%
>500K SF	6	4,769,613	\$ 224,275,000	\$ 47.02	7.71%

Source: CoStar COMPS®

Major DFW Area Employers: Major Defense Contractors/Employers in the area include Lockheed Martin (15,500 employees),

Defense Contractors:



Lockheed Martin was recently awarded a \$200 Billion Joint Strike Fighter contract during 2001 for the development of jet fighters. This will create thousands of direct jobs for the surrounding community residents.

Defense Contractors:



Raytheon (8,000 employees)



Bell Helicopter Textron (5,700 employees)



Vought Aircraft (3,549 employees)



Boeing (2,500 employees)

Other DFW Employers:

Other major DFW area employers include Bank of America



Bank of America (8,700 employees)



Other Major Employers:

Bank one of Texas / JP Morgan Chase (8,450 employees), TXU Corporation (7,778 employees), Halliburton (1,935 employees) and Exxon Mobil (1,200 employees), Electronic Data Systems (8,814 employees, Affiliated Computer Services (5,000 employees), Perot Systems, 1,980 employees, IBM Corporation (5,000 employees), Radio Shack (4,418 employees), Nortel Networks (6,000 employees, Alcatel USA (5,000 employees), AT&T (4,250 employees), Ericsson (1,700 employees), AMR Corporation (American Airlines with 29,969 employees) and Texas Instruments (10,100 employees).



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:

SVN Nobbs FT Dallas
c/o DataVest, Inc.
5057 Keller Springs Road, Suite 110
Addison, Texas 75001

For Further Information Contact:



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DataVest | Sperry Van Ness

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 sub-agency 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: