

SALES OFFERING MEMORANDUM

SVN LISTING 69263



THE SOCIAL SECURITY ADMINISTRATION BUILDING

AN 11,584 SQUARE FOOT OFFICE BUILDING IN

4314 WENDOVER | WICHITA FALLS, TEXAS 76309



PRESENTED BY: 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



WICHITA FALLS SOCIAL SECURITY BUILDING

4314 WENDOVER, WICHITA FALLS, TEXAS 76309

PROJECT TYPE:	SINGLE TENANT OFFICE
BUILDING SIZE	11,854
LAND AREA IN ACRES	1.88
LAND AREA IN SQUARE FEET	89,728
PROPERTY SALES PRICE	\$1,940,000
ANTICIPATED FIRST MORTGAGE LOAN	<u>\$1,100,000</u>
PROPOSED EQUITY CAPITAL CONTRIBUTION	\$840,000
PROPOSED EQUITY CAPITAL REQUIREMENT	\$163.66
EQUITY AS A % OF PURCHASE PRICE	43.30%
DEBT AS A % OF PURCHASE PRICE	56.70%



NET OPERATING INCOME IN 2009	\$150,350
NET OPERATING INCOME IN 2010	\$150,350
LEASE TYPE	GROSS
LEASE EXPIRATION DATE [NON-CANCELLABLE TERM]	JUN 06, 2016
LEASE EXPIRATION DATE [FULL LEASE TERM]	JUN 05, 2021
ANTICIPATED FIRST LIEN MORTGAGE INTEREST RATE	6.00%
ANTICIPATED FIRST LIEN AMORTIZATION	25
CURRENT OCCUPANCY	100.00%
FIVE YEAR REVERSION PROFIT	\$1,072,950
PROJECTED 2010 CAP RATE	7.75%



5 YEAR INTERNAL RATE OF RETURN	5.76%
10 YEAR INTERNAL RATE OF RETURN	5.84%
ANTICIPATED CASH FLOW IN 2010	\$65,302
AMORTIZATION ON FIRST LIEN	\$19,581
TOTAL YIELD 2010 INCLUDING PRINCIPAL	\$84,883
PRO-FORMA CASH-ON-CASH RETURN 2010	7.77%
TOTAL YIELD 2010 INCLUDING PRINCIPAL	10.11%



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

SPERRY VAN NESS | DATAVEST



WWW.DVSVN.COM



ACQUISITION COST AND PROJECT INCOME AND EXPENSE ANALYSIS
WICHITA FALLS SOCIAL SECURITY BUILDING

		Per SF	Percent	Pricing
1	Project Purchase Price	\$163.66	100%	\$1,940,000
2	Anticipated First Mortgage	\$92.80	57%	\$1,100,000
3	Contemplated Equity Requirement	\$70.86	43%	\$840,000

4	Income Statement Synoptic Overview	Current/Month	Per NSF	[2010]	%	[2011]	Per NSF	[2012]
5	Base Rent on Leased Space	21,120	\$21.38	253,439	99.07%	253,439	\$21.38	253,439
6	Operating Cost Base Reimbursement	0	\$0.00	0	0.00%	0	\$0.00	0
7	Tenant Improvement Allowance Reimbursements	0	\$0.00	0	0.00%	0	\$0.00	0
8	Current CPI Increase Reimbursements	189	\$0.19	2,272	0.93%	2,324	\$0.20	2,377
9	Potential Gross Income	21,309	\$21.57	255,711	100.00%	255,763	\$21.58	255,816
10	Vacancy Factor/Collection Loss	0	\$0.00	0	0.00%	0	\$0.00	0
11	Effective Gross Income	21,309	\$21.57	255,711	100.00%	255,763	\$21.58	255,816
12	Operational Expense [General & Administrative]	(82)	(\$0.08)	(984)	-0.40%	(1,000)	(\$0.09)	(1,023)
13	Operational Expense [Contract Services]	(805)	(\$0.81)	(9,660)	-4.00%	(10,000)	(\$0.86)	(10,228)
14	Operational Expense [Janitorial]	(1,450)	(\$1.47)	(17,400)	-6.96%	(17,400)	(\$1.50)	(17,796)
15	Operational Expense [Utilities]	(2,176)	(\$2.20)	(26,112)	-10.59%	(26,500)	(\$2.29)	(27,103)
16	Operational Expense [Management Fees]	(857)	(\$0.87)	(10,288)	-4.20%	(10,500)	(\$0.91)	(10,739)
17	Operational Expense [Insurance]	(258)	(\$0.26)	(3,091)	-1.24%	(3,100)	(\$0.27)	(3,171)
18	Operational Expense [Property Taxes]	(2,738)	(\$2.77)	(32,851)	-13.40%	(33,508)	(\$2.89)	(34,270)
19	Operational Expense [Non-Billback Expenses]	0	\$0.00	0	0.00%	0	\$0.00	0
20	Operational Expense [Repair & Maintenance]	(415)	(\$0.42)	(4,975)	-2.00%	(5,000)	(\$0.43)	(5,114)
21	Capital Expense [Capital Reserve]	0	\$0.00	0	0.00%	0	\$0.00	0
22	Sub-Total Operational Expenditures	(8,780)	(\$8.89)	(105,361)	-43%	(107,008)	(\$9.23)	(109,442)
23	Net Operating Income <N.O.I.>	12,529	\$12.68	150,350	57.22%	148,755	\$12.35	146,374
24	Less First Mortgage Debt Service	(7,087)	6.00%	(85,048)	-33.25%	(85,048)	(\$7.17)	(85,048)
25	Net Cash Flow	5,442	Years	65,302	23.97%	63,707	\$5.17	61,326
26	First Year's Principal Reduction on Loan	1,632	\$1.65	19,581	8.13%	19,581	\$1.75	20,788
27	Cash Flow Plus 1st Years Principal Reduction	7,074	\$7.16	84,883	32.10%	83,288	\$6.93	82,114
28	NOI as a % of Acquisition Cost [Cap Rate]	<Unleveraged>	-	7.75%	-	7.67%	-	7.55%
29	Cash-On Cash Return	<Leveraged>	-	7.77%	-	7.58%	-	7.30%
30	Additional Yield Return [Principal Reduction on First Lien]	<Leveraged>	-	2.33%	-	2.33%	-	2.47%
31	Total Annual Return [Cash-on-Cash + Principal Reduction]	<Leveraged>	-	10.11%	-	9.92%	-	9.78%
32	Project Internal Rate of Return <5 Yr. & 10 Yr.>	<Leveraged>	-	-	-	5.76%	-	5.84%

TENANT RENT ROLL



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	Base Rent Per Year	Rent Per SF	Gross Rent Per Year
1 Tenant [1]	UNITED STATES SOCIAL SECURITY ADMINISTRATIVE	Jun 06, 2006	Jun 05, 2021	100	11,854	\$21,119.92	\$0.00	\$21,120	99.11%	\$253,439	\$21.38	\$253,439
2 Tenant [1]	UNITED STATES SOCIAL SECURITY ADMINISTRATIVE	Jun 06, 2006	Jun 05, 2021	-	-	-	-	-	-	-	-	-
3 Tenant [1]	U.S. SSA OPERATING COST BASE	Jun 06, 2006	Jun 05, 2021	-	-	-	\$0.00	-	0.00%	\$0	\$0.00	\$0
4 Tenant [1]	U.S. SSA TENANT IMPROVEMENT ALLOWANCE	Jun 06, 2006	Jun 05, 2006	-	-	-	\$0.00	-	0.00%	\$0	\$0.00	\$0
5 Tenant [1]	U.S. SSA REIMBURSEMENT [AGGREGATED CPI INCREASE]	Jun 06, 2006	Jun 05, 2021	-	-	-	\$189.34	-	0.89%	\$2,272	\$0.19	\$2,272
6 Tenant [1]	SUB-TOTAL [ADDITIONAL RENT]	-	=	-	-	-	\$189.34	\$189	0.89%	\$2,272	\$0.19	\$2,272
GRAND TOTALS PRIMARY TERM		-	-	-	11,854	\$21,119.92	\$189.34	\$21,309.26	100.00%	\$253,439	\$21.57	\$255,711
8 Tenant [2]	-	-	-	-	-	-	-	-	-	-	-	-
9 Tenant [2]	-	-	-	-	-	-	-	-	-	-	-	-
SUB-TOTAL UNLEASED RENTAL INCOME		-	-	-	-	-	-	-	-	-	-	-
Sub-Total Base Rent On Leased Space		Occupancy	100.00%	-	11,854	-	-	\$21,120	100.00%	\$253,439	\$21.57	\$255,711
Sub-Total Base Rent For Lease		-	Vacancy @	0.00%	0	\$0	\$0.00	\$0	0.00%	\$0	\$0	\$0
Sub-Total Rent Income Prior to Additional Rent [Base Rent Only]		Total @	100.00%	-	-	-	-	\$21,120	99.11%	\$253,439	\$21.38	\$253,439
Add Back Additional Rent Above Scheduled Rent		Physical Occ. @ -->	100.00%	100.00%	100.00%	<-- Economic Occupancy	-	\$189	0.89%	\$2,272	\$0.19	\$2,272
Total Potential Gross Income		-	Totals	100.00%	11,854	-	-	\$21,309	100.00%	\$255,711	\$21.57	\$255,711

1. Summary of Salient Facts



Summary of Salient Facts on SVN Listing 69263

“Deal Cliff Notes”

- Property Type:** Office Building [Single Tenant]
- Building Size:** 12,188 Square Feet [Gross]
11,854 Square Feet [Net Rentable Area]
10,307 Square Feet [Net Usable]
- Address:** 4314 Wendover Street in Wichita Falls [Wichita County], Texas 76309
- Lease Status:** 100% Leased to the United States of America for the Social Security Administration
- Lease Term:** 15 Years with a 10 Years Non-Cancellation Provision.
- Lease Inception:** June 6, 2006
- Lease Expiration:** June 5, 2021
- Average Base Rent:** \$ 253,459 / Yr. or \$21.38 Per SF [on a Modified Gross Lease Basis]

\$ <u>2,272</u>	\$ <u>.19</u>	Per Square Foot	[CPI Exp. Reimbursement]
\$ 253,459	\$ 21.57	Per Square Foot	[Total Revenue]
- Lease Type:** The subject property is being leased on a Modified Gross Basis.
- Land Area:** 82,067 Square Feet [1.884 Acres]
- Purchase Price:** \$1,940,000
- Price Per Sq. Ft.:** \$159.11 Per Gross SF \$163.66 Per Net Square Foot
- Government Lease:** The subject property is 100% to the United States of America for the Social Security Administration. The lease term is for 15 years on a modified gross basis with a 10 year non-cancellable provision within this lease.
- Escalations:** Escalations are tied to CPI Increases. [Last 10 Yr. Average @ 2.25%]



Anticipated Debt: \$1,100,000 [57%] 6.0% @ 25 Year Amortization [Treat As Free & Clear]

Equity Required: \$ 840,000 [43%] Anticipated

Cap Rate: 2010 @ 7.75%

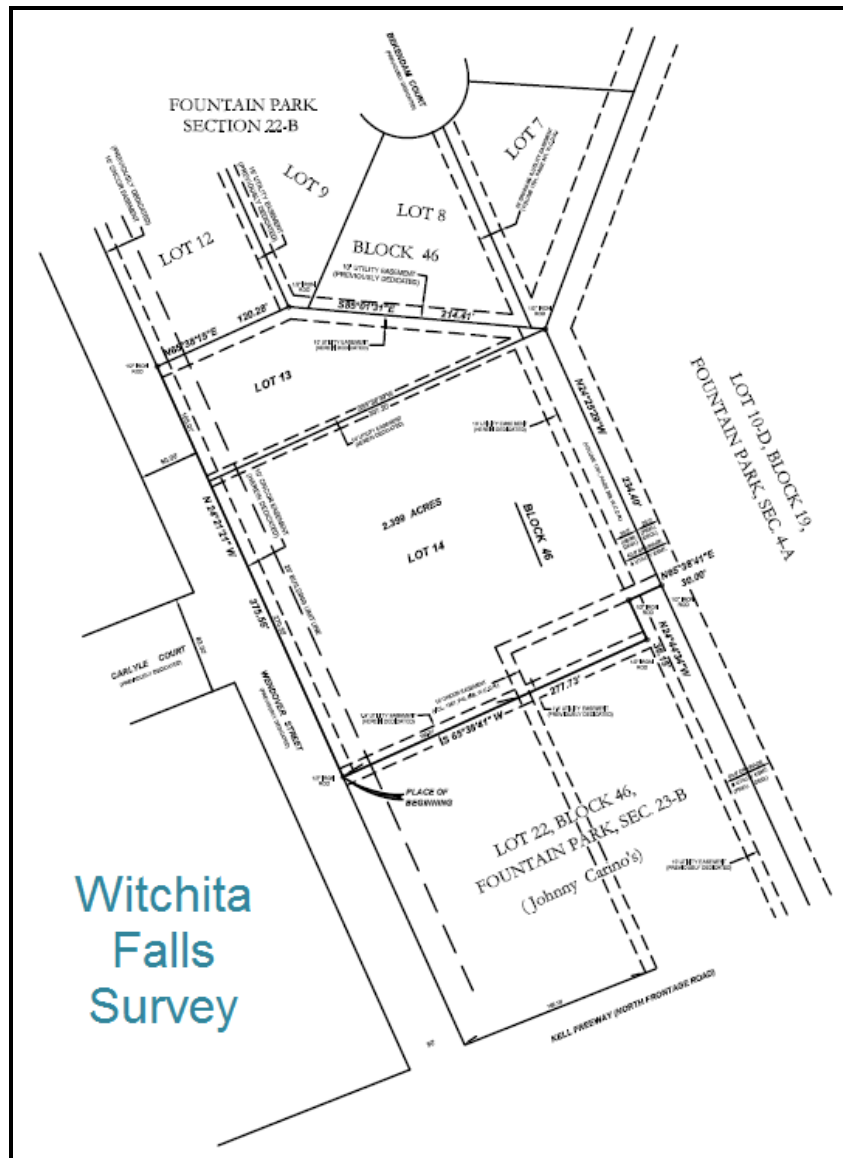
Current Vacant SF: 0 Square Feet

Occupancy	@ 100% Occupancy	Per Square Foot	@ Percent of Total
Income:	2010: \$ 253,459	2010: \$ 21.38	99.07%
Additional Income:	2010: \$ 2,272	2010: \$.19	.93%
Total Revenue:	2010: \$ 255,711	2010: \$ 21.57	100.00%
Expenses:	2010: \$ 105,361	2010: \$ 8.89	42.78%
NOI:	2010: \$ 150,361	2010: \$ 12.68	57.22%
Debt Service:	2010: \$ 85,048	2010: \$ 92.80	33.25%
Cash-Flow:	2010: \$ 65,302	2010: \$ 5.50	23.97%
Amortization:	2010: \$ 19,581	2010: \$ 1.65	8.13%
Total Benefits:	2010: \$ 84,883	2010: \$ 7.16	32.10%
Cash-On-Cash:	2010: 7.75%	2010: 7.77%	-
Amortization:	2010: 2.33%	2010: 2.33%	-
Total Yield:	2010 10.11%	2010: 10.11%	-

Property Description:

The subject property consists of an attractive single one-story single tenant office building which was built as a build-to-suit for the Social Security Office branch of the United States of America. The project is constructed of an attractive brick exterior and features metal mansard accent canopies. The roof is a standing-seam metal roof. Parking is provided for 56 vehicles in a ratio of 4.72 per 1,000. The property has private secure parking areas for SSA employees which are fenced off with an attractive ornamental iron fencing. The project is well landscaped. A sophisticated energy management system provides cost-effective electrical, water, and HVAC operational capability.

Property Survey:





Exterior View of the SSA Building.



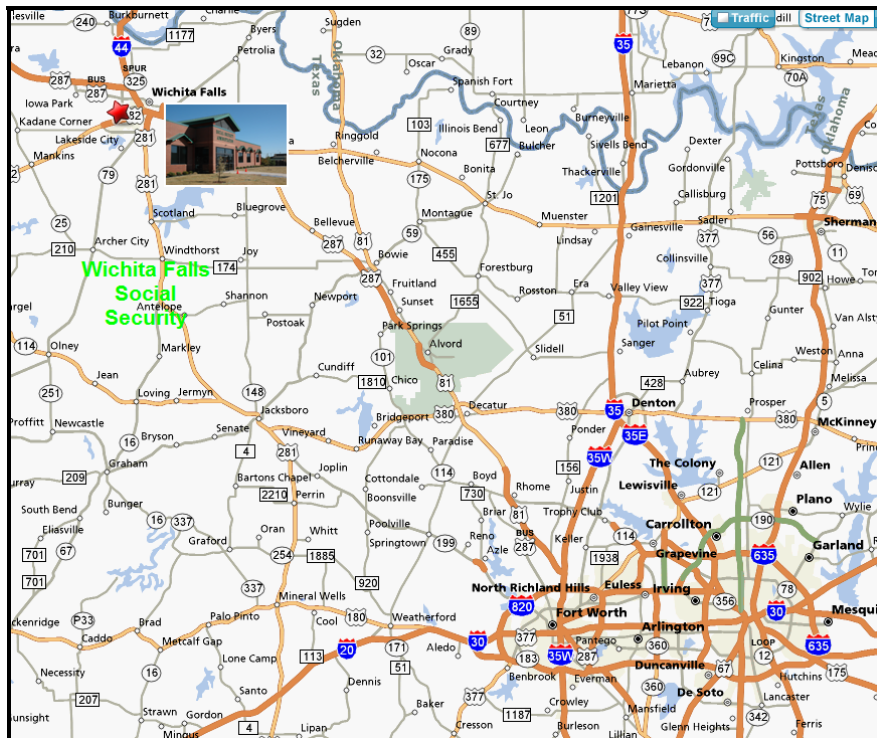


Interior Views of the SSA Building.





Neighborhood Aerial and Locational Maps.



**Vehicular
Accessibility:**

Wichita Falls is strategically located at the confluence of SH 175 and SH 287 and SH 281. The subject property is situated just off of US 82 in a well established business area.

**Locational
& Neighborhood
Data:**

The project is situated at 4314 Wendover Street in Wichita, Texas. The site is contiguous to a Johnny Carino’s Restaurant to the south and an AT&T Executive Office building to the East. Various high-end retail is situated to the East as is a Cheddar’s Restaurant. Medical offices are situated to the West along US 82. Numerous Banks including Fidelity Bank and Smith Barney are within close proximity of the subject property.



Various retail facilities are likewise situated within close proximity to the site and these include Fountain Park Village with retailers including NTS Communications, Texas State Optical, Edward Jones, First Bank, Citi-Financial and Texas Roadhouse.



Additional retailers in the area include Circuit City, Sam’s Club, and Home Depot.

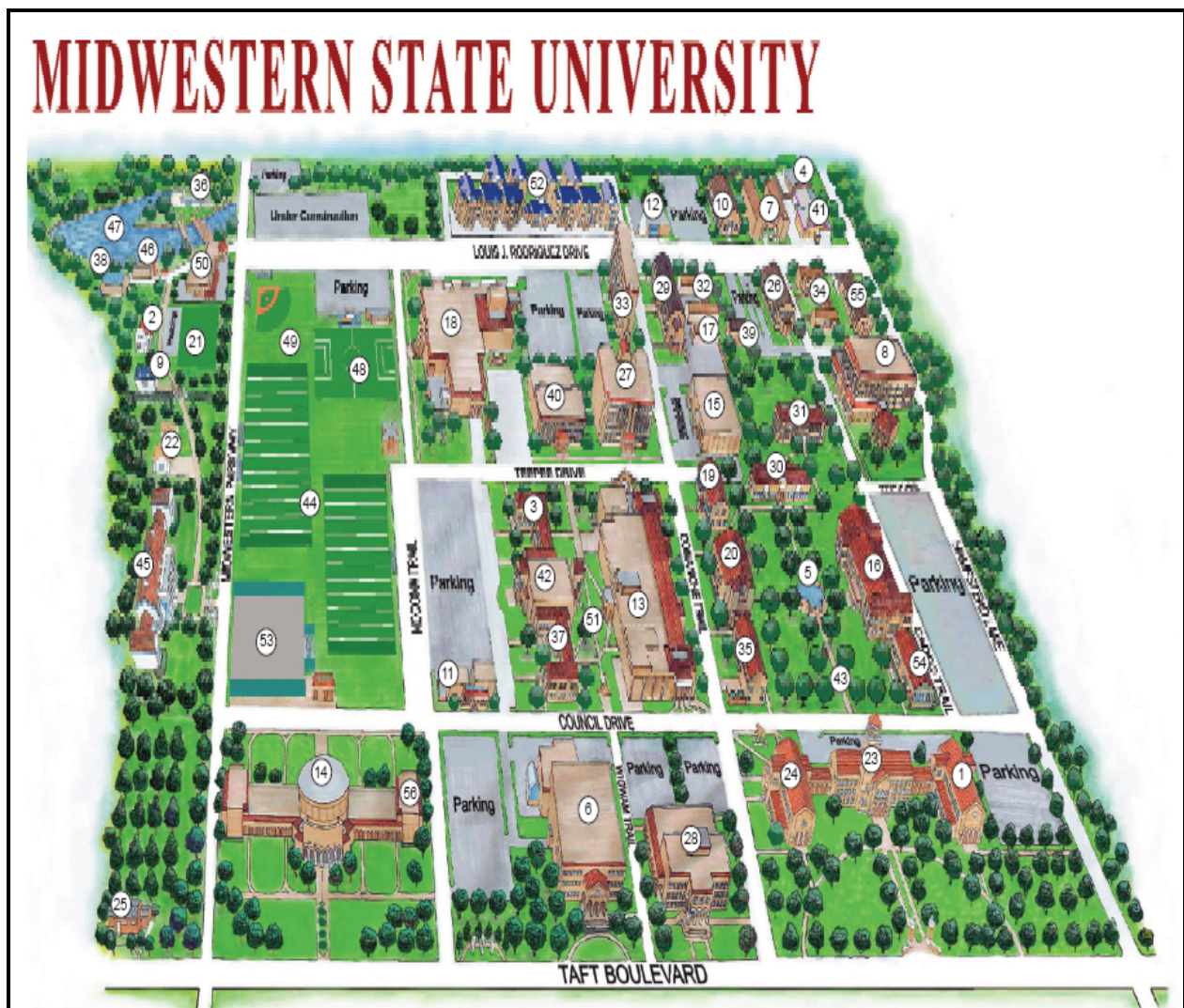


Midwestern:

Wichita Falls is also home to Midwestern State University. The school has a current enrollment of approximately 6,100 students and offers 43 undergraduate programs and 23 graduate school programs.



A view of the College Campus Map is pictured below:





Views of the Midwestern State University are shown.



WICHITA FALLS, TEXAS



**The City of
Wichita Falls:**

The City of Wichita Falls has an impressive employment base which includes the following major employers:

<u>Employer</u>	<u>Product</u>	<u>Employees</u>
Sheppard Air Force Base	Military	12,201
Wichita Falls ISD	Public School System	2,000
North Texas State Hospital-2 locations	MHMR Hospital	1,987
United Regional Healthcare System	Med/Surg Hospital	1,794
City of Wichita Falls	City Government	1,576
Midwestern State University	Degree + University	1,222
Howmet Corp WF Casting Division	Gas Turbines/Engine Components	1,020
James V Allred Unit	State Maximum Security Prison	908
AT&T & AT&T Wireless	Communications/Customer Service	761
Cryovac Division-Sealed Air Corp-2 locations	Flexible Packaging	735
Vetrotex America Div of Saint-Gobain	Fiberglass Reinforcements	725
Work Services Corp	Paper Clips, Wood Products, Sub-cont labor	719
Burkburnett ISD	Public School System	575
Wichita County	County Government	485
Lear Seigler Service Inc	Aircraft Maintenance	485
Wal-Mart Lawrence Road	Department Store	430
Wal-Mart I-44	Department Store	420
Blue Cross/Blue Shield	Customer Service/Claims Processing	380
Clinics of North Texas	Med/Surg/MH Clinics	352
United Market Street	Supermarket-Grocery	350
PPG Industries	Flat Glass Products	345
Wal-Mart Southwest Pkwy.	Department Store	338
Tranter Inc Texas-Division	Plate & Frame Heat Exchangers & Transfer Units	318
Kell West Regional Hospital	Med/Surg Hospital	285
Helen Farabee	MHRC Outpatient Clinics	260
Texoma Christian Care Center	Independent living, Alzheimers Care, Geriatric Rehab	260
US Postal Service	Postal Service	255
Iowa Park ISD	Public School System	252
Patterson Auto Center	New/Used Automobile Dealer & Service Center	250
ABB Control	Disconnect Switches, Power Connectors	250
Budget Rent a Car	Reservation Call Center	250
NATCO	Pressure Vessels-Oil Field Petrochemical Indus	248
Vernon College	Degree, Certificate and Cont Education Programs	217
Wichita Falls Refurbishment-Pratt Whitney	Refurbish Jet Engine Parts	204
HealthSouth Rehabilitation Hospital of WF	Rehabilitation Hospital	200
Lowe's Home Improvement	Building & Home Improvement	160
City View Independent School District	Public School System	155
Ameron Fiberglass Pipe	Fiberglass Piping Systems	149
United Electric-Magicaire	AC Coils, Air Handling Products	144
Times Publishing	Newspaper/Publishing	143
Washex Inc	Industrial Laundry Equipment	135
United Supermarkets-Iowa Park Rd.	Supermarket-Grocery	130
United Supermarkets-Jacksboro Hwy.	Supermarket-Grocery	117
Covercraft Industries Inc	Fabric covers for Cars & OEM Auto Accessories	115



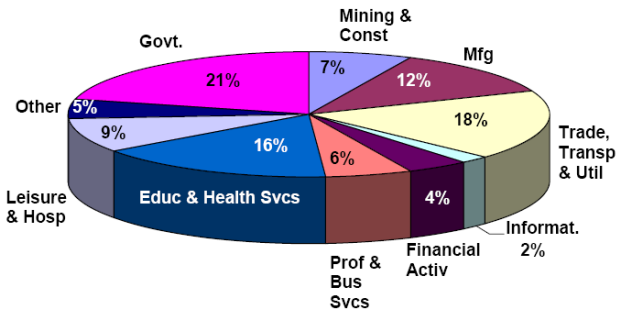
Sheppard Air Force Base is based in Wichita Falls

The City:

Wichita Falls is located approximately located approximately 1 1/2 hours from Dallas/Fort Worth. It is situated about 15 miles from the Red River which marks the Texas-Oklahoma Border. The city serves as an economic hub for north Texas and south central Oklahoma. The City dates back to the 1700's when the Wichita Indians migrated to the area. The regional trade area encompasses approximately 60 miles and this has an estimated population of 371,892 person trade area. The actual city has a population of 187,000. Major employers in the city include Sheppard Air-Force Base, Cendant Corporation, CoverCraft, Cingular Wireless, PPG Industries, United Electric, Howmet Corporation, Cryovac Division-Sealed Air Corporation, and United Regional Healthcare.

Sheppard Air Force Base has approximately a work-force of approximately 19,389 and an annual payroll of \$541 million. It provides training for Army, Navy, Marine, and Air Force personnel in areas such as aircraft maintenance, civil engineering, bi-medical equipment maintenance and combat medicine and communications. A brief overview of the city's employment is depicted below:

Industry Composition - Wichita Falls MSA



Terms of Sale: \$2,650,000 (All Cash to the Seller). This property should be treated as free and clear. Should the purchaser desire financing on the property it is contemplated that a First Mortgage Loan representing 65% of the purchase price could be arranged by the purchaser as there is no underlying financing on the subject property which is assumable.

Proposed Terms of First Lien Loan As Non-Owner User:	Original Principal Loan Amount	\$1,100,000 [\$92.80 per square foot]
	Interest Rate	6.00%
	Basis Point Spread	237 BP
	10 Year Treasury Note Yield:	3.62%
	Amortization	25 Years
	Monthly Principal & Interest	\$7,087.32 per month
	Annual Principal & Interest	\$66,000 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: Wichita Falls SSA Ltd.
c/o DataVest, Inc.
5057 Keller Springs Road, Suite 110
Addison, Texas 75001

For Further Information Contact:



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



SSA Lease Wichita Falls

GSA Lease Number	GS-07B-15507
Tenant	The United States of America
Property Street Address	4314 Wendover
Property City/State/Zip	Wichita Falls, Texas 76309
Land Area	1.884 Acres
Gross Square Feet	12,446
Net Rentable Square Feet	11,854
Net Usable Square Feet	10,307
Annual Base Rate	\$253,439
Monthly Base Rate	\$21,120
Rent/	\$ 21.38
Total Rent Including CPI Reimbursements	\$255,711
Parking Space	56
Common Area Factor	15%
Lease Term	15 Years
Lease Term Firm [No Cancellation Provisions]	10 Years
Lease Term Firm Expiration Date	9/30/2014
Remaining Months of Lease from 10/1/2008	72 Months
Lease Inception Date	6/06/2006
Lease Expiration Date	6/5/2021
Termination Provision	60 Day Prior Written Notice after 6/6/2016
Expense Passthroughs	Paragraph 3.5 Operating Costs Definition: Cleaning services, materials, maintenance, trash removal landscaping, water, sewer charges, heating, electricity, misc. administrative expenses
Annual Adjustment Calculation	Adjustment calculated by taking Base Rate X % change in Cost of Living Index
Lease Amendment Date [1]	1/13/2005
Lease Amendment Date [2]	Not Applicable
Building Operation Hours [Monday-Friday]	6:30 AM-5:30 PM
Building Operation Hours [Saturday]	7:00 AM-12:00 PM
Overtime Use of HVAC System Per Hour Rate	\$10.00
Operating Cost Escalation Per Net Rentable Square Foot	\$3.04
Operating Cost Escalation Per Net Usable Square Foot	\$3.50
Operating Base Cost of Services Per Annum	\$36,036
Legal Description	Lot Fourteen (14), Block 46, Fountain Park, Section Twenty-Two "B" (22-B), an Addition to the City of Wichita Falls, Wichita County Texas, according to the plat of record in Volume 27, Pages 1544-1545
Landlord	Wichita Falls SSA, Ltd.
General Partner	Carotex SCP Ventures, L.L.C.
Landlord Address	P.O. Box 551
Landlord City/State	Franklin, Texas 77856
Landlord	Wichita Falls SSA, Ltd.

Financial Summary

Rent Roll Summary

Space Number	Tenant Name	Start Date	End Date	Occupied S.F.	Vacant S.F.	Annual Rent S.F.	Occupied Rent	Vacant Rent	% of Total	Escalations / Options / Comments
Building	Social Security Administration	6/1/2006	6/1/2021	11,854		\$21.57	\$255,711	\$0	100.0 %	Includes \$2,272 of CPI Increase Reimbursement 15 Year Lease with no cancellations for first 10 years of the lease.
Total				11,854			\$255,711	\$0	100.0 %	

Potential Annual Income	\$255,711
Total S.F.	11,854
Avg. Annual Per S.F.	\$21.57
S.F. Vacancy (%)	
Rent Vacancy (%)	

WICHITA FALLS SSA BUILDING

Executive Summary



4314 Wendover, Wichita Falls, TX 76309

HIGHLIGHTS

- in Wichita Falls, Texas home of Sheppard Air Force
- on 2006-Built All Brick Office Building priced at
- a 7.75% Cap & 10.11% All In Benefits [w/principal]
- Priced @ \$92.80/sf requiring @ \$840,000 Cash

Cross Street	
Tax Parcel No.	
Market	
Sub Market	
Year Built	2006
Building Class	A
Location Class	A
Zoning Type	
Mixed-Use	
No. of Buildings	1
No. of Stories	
No. of Tenants	
No. of Parking Spaces	56
HVAC	
Elevators	

List Price	\$1,940,000.00
Price Per Sq.Ft.	\$159.17
NOI	\$150,350
CAP	7.75 %
Building Sq.Ft.	12,188
Rentable Sq.Ft.	11,854
Land Acres	1.88
Load Factor	- -
Occupancy	100%

PROPERTY DESCRIPTION

Major Tenants

This property is leased for a 15 year term to the United States of America for a Social Security Office in Wichita Falls, Texas. The lease provides for non-cancellation for 10 years from the lease inception date.

Construction

The property features an attractive all-brick exterior. The building has metal-seamed accent canopies over the window areas. The roof on this property is a standing-seam metal roof. The property has concrete parking.

Parking

Parking is constructed of concrete and there are 56 parking spaces on the property. This represents a ratio of 5.13 per 1000. SSA Employee parking is control-gate accessed and secured with ornamental iron fencing in the back portion of the property.

Area

The property is situated in a high-profile commercial area. Immediately to the south is a newly constructed Johnny Carino's restaurant and immediately to the East is a substantial Class A, AT&T executive office development. Numerous banks are located nearby and these include Fidelity Bank. Other area tenants include First Bank, Edward Jones, Smith Barney, and Citibank Financial. Area Restaurants include Cheddar's Texas Roadhouse. Other area retailers include Sam's club, Home Depot and Circuit City. Mineral Wells is home of Midwestern University and Shepard Air Force Base. The trade area of Mineral Wells encompasses a population of 371,892 persons.

Exclusively Listed By:

Bruce Marshall

(214)261-6306
bruce.marshall@svn.com

Financial Summary

Estimated Annualized Operating Data	2010 [Yr. 1]	2011 [Yr 2.]	2012 [Yr. 3]
Scheduled Income	\$253,439	\$253,439	\$253,439
CPI Reimbursable Escallat	\$2,272	\$2,324	\$4,735
100% Tax Pass Through		\$1,313	\$1,419
Less Vacancy	\$0	\$0	\$0
Gross Operating Income	\$255,711	\$257,076	\$259,593
Less Expenses	\$105,361	\$107,008	\$109,444
Net Operating Income	\$150,350	\$150,068	\$150,149
Less Loan Payment	\$85,048	\$85,048	\$85,048
Pre-Tax Cash Flow	\$65,302	\$65,020	\$65,101
Cash on Cash Return	7.77 %	7.74 %	7.75 %

Estimated Expense Summary	2010 [Yr. 1]	2011 [Yr 2.]	2012 [Yr. 3]
Total Estimated Expense	\$105,361	\$107,008	\$109,444

Proposed Financial Summary	Anticipated 1st Lien
Loan Amount	\$1,100,000
Interest Rate	6.00%
Annual Payment	\$85,048
Annual Principal Reduction	\$19,581
Loan Type	Fixed

Terms and Description

Investment Information

WICHITA FALLS SSA BUILDING

4314 Wendover Wichita Falls, TX 76309

Listing Price	\$1,940,000	Building S.F.	12,188
2010 [Yr. 1] CAP	7.75 %	Rentable S.F.	11,854
2011 [Yr 2.] CAP	7.74 %	No. of Parking Spaces	56
Price Per S.F.	\$159.17	Parking Ratio	4.72
Expenses Per S.F.	\$8.64	Land Acres	1.88
		Loan Amount	\$1,100,000
		Down Payment	\$840,000

Loan Description

Estimated Annualized Operating Data	2010 [Yr. 1]	2011 [Yr 2.]	2012 [Yr. 3]
Scheduled Income	\$253,439	\$253,439	\$253,439
CPI Reimbursable Escallat	\$2,272	\$2,324	\$4,735
100% Tax Pass Through		\$1,313	\$1,419
Less Vacancy	\$0	\$0	\$0
Gross Operating Income	\$255,711	\$257,076	\$259,593
Less Expenses	\$105,361	\$107,008	\$109,444
Net Operating Income	\$150,350	\$150,068	\$150,149
Less Loan Payment	\$85,048	\$85,048	\$85,048
Pre-Tax Cash Flow	\$65,302	\$65,020	\$65,101
Cash on Cash Return	7.77 %	7.74 %	7.75 %

Estimated Annualized Expenses

	2010 [Yr. 1]	2011 [Yr 2.]
Projected Taxes	\$32,851	\$33,508
Insurance	\$3,091	\$3,100
Off-Site Management	\$10,288	\$10,500
Janitorial	\$17,400	\$17,400
Maintenance	\$4,975	\$5,000
Administration	\$984	\$1,000
Utilities	\$26,112	\$26,500
Contract Services	\$9,660	\$10,000
Total Expenses	\$105,361	\$107,008
Expenses Per S.F.	\$8.64	\$8.78

Highlights

- in Wichita Falls, Texas home of Sheppard Air Force
- on 2006-Built All Brick Office Building priced at
- a 7.75% Cap & 10.11% All In Benefits [w/principal]
- Priced @ \$92.80/sf requiring @ \$840,000 Cash