



## | PHYSICAL ASSET

<b>Description</b>	Two, four-story office buildings with surface parking containing 498 spaces
<b>Size</b>	151,219 rentable square feet
<b>Location</b>	Atlanta, GA within the Central Perimeter and Peachtree Corners submarkets
<b>Land Area</b>	11.0 acres
<b>Year Built</b>	1985

## | CAPITAL STRUCTURE

<b>Total Investment</b>	\$16,530,000	Includes acquisition costs, working capital and fees
<b>Equity</b>	\$6,850,000	\$6.35M from APG Fund II plus \$500K from sidecar investor in Waterford Centre
<b>Total Debt Commitment</b>	\$11,100,000	Bank loan (5871 Glenridge) and Life Co. (Waterford Centre) at an initial 59% blended loan-to-cost
<b>Refinance Proceeds</b>	\$480,000	After stabilization, refinanced 5871 Glenridge for \$480K of incremental proceeds

## | VALUE CREATION

	<b>Purchase</b>	<b>Sale</b>
<b>Date</b>	August 2016	May 2020
<b>Purchase/Sale Price</b>	\$14,700,000 (\$97/SF)	\$21,883,000 (\$145/SF)
<b>Occupancy</b>	76%	97%
<b>Avg. Lease Term In-Place</b>	4.2 years	4.4 years
<b>Net Operating Income</b>	\$1,025,058 (Yr 1 Proforma)	\$1,865,711 (Yr 1 Sale Proforma)
<b>Market Rent</b>	\$20.50/SF and \$19.50/SF	\$24.50/SF and \$22.50/SF

## | EXCEPTIONAL RETURNS

<b>IRR (3.8-year hold)</b>	17.4%	After all fees, before promote
<b>Investment Return Multiple</b>	1.8x	After all fees, before promote
<b>Distributions and Amortization During Hold</b>	\$1.9M	28% of equity invested

## | EXCELLENT REAL ESTATE

5871 Glenridge is located within the western portion of the Central Perimeter submarket, providing tenants with easy and uncongested access that is superior to other areas of the greater Central Perimeter submarket

Waterford Centre is located at the epicenter of the Peachtree Corners submarket, less than half a mile from The Forum lifestyle center, Wesleyan School, and newly built Town Center

Both buildings are surrounded by affluent neighborhoods that contain a high concentration of decision makers

The buildings both have excellent 'bones,' with 9-foot ceilings and full height glass as well as highly functional floor plates and an abundant parking ratio of 3.1 / 3.4 spaces per 1,000 SF

## | OPPORTUNISTIC PURCHASE

APG acquired the assets from a legacy institutional fund in which 5871 Glenridge and Waterford Centre were the last two income producing properties remaining

The Seller had hired an investment broker to market only Waterford Centre for sale. They received offers from buyers willing to pay substantially more than APG's purchase price. However, the Seller was focused on certainty of close and selected APG as the buyer

APG's offer to acquire Waterford Centre was contingent upon the Seller also including 5871 Glenridge as part of the sale. APG was awarded both properties based on its successful closing track record, accelerated closing process, committed equity, and relationships within the Atlanta investment community

## | VALUE ADD OPERATING STRATEGY

Used extensive renovations as well as a strong reputation in the brokerage community to reintroduce the properties to the marketplace and create strong leasing momentum

Focused leasing efforts on cost conscious, small business owners and entrepreneurs who lived in the surrounding area and were looking for functional, affordable space

At 5871 Glenridge, implemented APG's highly successful 'move-in ready' suite program and successfully took the occupancy from 61% to 82% in the first year of ownership

Utilized the initial bank loan's follow-on proceeds to fund leasing capital at 5871 Glenridge. Once stabilized, refinanced the property with a Life Co. at a lower interest rate generating \$480K of incremental proceeds

At Waterford Centre, during the first week of ownership, renewed the only near term roll (6,050 SF) and expanded the largest tenant by 8,547 SF, increasing the occupancy to 98%

Invested over \$300,000 at each property during the first year of ownership in common area renovations to increase the aesthetic appeal of the buildings as well as invested over \$200,000 at 5871 Glenridge and over \$500,000 at Waterford Centre on systems upgrades

## | OPPORTUNISTIC SALE

Sold for \$145/SF after proving out market rates 20% higher than at acquisition and successfully repositioning both 5871 Glenridge and Waterford Centre to fully-renovated, stabilized properties

Bifurcated exit to maximize proceeds

5871 Glenridge sold off-market to a motivated, 1031 Buyer, thereby helping to mitigate transaction risk

Waterford Centre sold off-market to a partnership between an existing tenant and a traditional real estate investor