

INVESTMENT GRADE SINGLE TENANT NET LEASE

OFFERING MEMORANDUM

12350

N VISTOSO PARK

TUCSON (ORO VALLEY), AZ



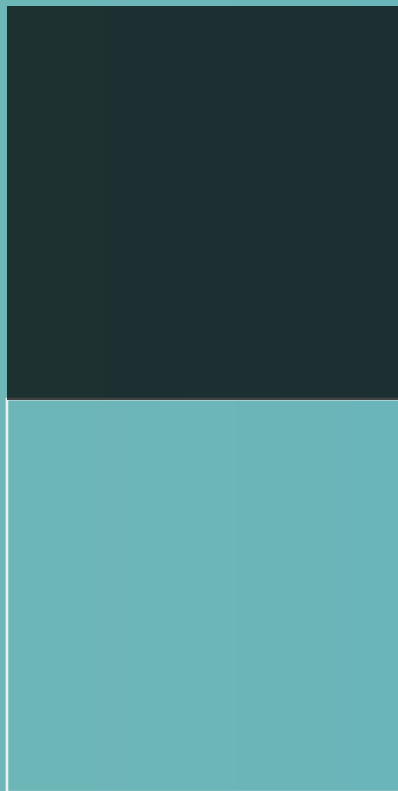
CBRE


INVESTMENT PROPERTIES — PRIVATE CAPITAL PARTNERS





CLICK TO GO TO THE SECTION





12350

N VISTOSO PARK

TUCSON (ORO VALLEY), AZ

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***This listing will be sold/leased through the Arizona licensed real estate agents/brokers above. All questions, comments or other communications should be directed to GEOFFREY TURBOW

INVESTMENT



STRATEGIC STNL INVESTMENT OPPORTUNITY IN TUCSON'S AEROSPACE HUB

CBRE is pleased to present 12350 N Vistoso Park Road, an outstanding opportunity to invest in a high-value asset with a secure, long-term tenant in the expanding aerospace sector. Positioned in Tucson's vibrant tech and aerospace hub, with significant room for future expansion, and robust market and area-level dynamics, this investment stands out as an excellent choice for those looking to capitalize on Tucson's growing aerospace and tech sectors.

PRICING SUMMARY



ASKING PRICE
\$13,495,000



OCCUPANCY
100%



CAP RATE
Y1: 7.08%



ANNUAL INCREASES
± 3.0%



REMAINING LEASE TERM
3 YEARS AS OF APRIL 2026
TENANT HAS ONE FIVE YEAR OPTION TO
RENEW AT 95% OF MARKET VALUE



LEASE STRUCTURE
NNN (SINGLE TENANT)



WEBSITE
www.pcplistings.com/listings/12350nvistosopark/



SECURING GROWTH IN AEROSPACE FOR LONG-TERM CREDIT TENANCY

- ▶ **Significant Physical and Financial Upside:** Freestanding flex industrial research and development building, totaling 55,066 SF on 6.7 acres, originally a build-to-suite for Parker Hannifin's subsidiary, Securaplane Technologies, Inc.
- ▶ **Secure Tenancy with Aerospace Leader:** 100% leased to market-leading aerospace leader Parker Hannifin, this property is a critical site for global operations and yields a stable income stream secured by a lease from a financially robust, publicly-traded company (Moody's: Baa1).
- ▶ **Strategically Designed for Future Growth:** The property well-positioned for any potential expansion, which Parker Hannifin's subsidiary, Securaplane/Meggitt, can utilize for future growth opportunities. Excess land offers the potential for future expansion of approximately 15,000 SF (part of the original RFP process in securing Securaplane to the site), which significantly enhances the property's investment value and commitment from tenancy.
- ▶ **Recent Strategic Partnerships Reinforce Stability:** The tenant's recent collaborations with notable aerospace service providers underscore its strong industry position and the property's long-term income potential.
- ▶ **Multipurpose Usage & Exceptional Maintenance:** Maintained to corporate standards and serving various functions—from manufacturing to executive engineering operations—this property offers flexibility and long-term tenancy appeal.
- ▶ **Ease of Ownership:** The in-place NNN lease, with 4.08 years in remaining lease term and secured investment-grade tenancy, requires minimal management while providing exceptional security.
- ▶ **Recent Landlord and Tenant Investments:** Recent capital expenditures include roof upgrades exceeding \$500,000. Recent tenant allowances for improvements totaled \$375,375.





ADDRESS
12350 N VISTOSO PARK RD,
TUCSON (ORO VALLEY), AZ 85737



LAND SIZE
 $\pm 291,713$ SF / ± 6.7 ACRES



BUILDING SIZE
 $\pm 55,000$ SF



NO. OF BUILDINGS
ONE (1)



YEAR BUILT
2013



STORIES
ONE (1)



PARKING
250 SPACES



BUILDING HEIGHT
 ± 32 FEET
(22-FOOT CLEAR HEIGHT)

1 ORO VALLEY MARKETPLACE



2 FOOTHILL BUSINESS PARK



3 ROONEY RANCH SHOPPING CENTER



1
ORO VALLEY MARKETPLACE



This map is for assessment use only. Map not to scale.

DOWNTOWN TUCSON



ENTRADA
DE ORO
PLAZA

ORACLE
CROSSINGS

2
FOOTHILL
BUSINESS PARK

3
ROONEY RANCH
SHOPPING CENTER

BAGGIN'S
Gourmet Sandwiches



B

WAL*MART
SUPERCENTER

ARIZONA
989

Carbon Health

12350
N VISTOSO PARK

ORO VALLEY
HOSPITAL
NORTHWEST HEALTHCARE

all seasons
ORO VALLEY

4

INNOVATION PARK DR
VISTOSO PARK RD

12350 N VISTOSO PARK RD, TUCSON (ORO VALLEY), AZ 85737

EXCELLENT INDUSTRIAL MARKET FUNDAMENTALS

▶ **Industrial as the Preferred Investment Type:**

The pandemic has shown the resilience and growing demand for industrial properties, with this sector achieving record price per square foot and cap rate compression, emphasizing the robustness of this investment type in current markets.

▶ **Booming Aerospace and Tech Sector in Tucson:**

The local economy's dynamic growth in aerospace, defense, and technology sectors not only drives demand for specialized spaces like this property but also supports high-value employment opportunities, enhancing the property's strategic importance.

▶ **Positive Commercial Real Estate Trends in Tucson:**

With significant positive net absorption in industrial leasing across Tucson, the market exhibits strong growth, particularly in demand for industrial and flex spaces catering to tech and aerospace industries, positioning this property advantageously within the market. Industrial vacancy as of 4Q23 was a mere 4.7%.





±26 mi

TUCSON INTERNATIONAL AIRPORT



±14.3 miles

US 10



±19.8 miles

US 19



±87.4 miles

SR-86



GROWTH REGION WITH STRONG DRIVERS

▶ **Innovation Park – Tucson’s Premier Business Location:** A master planned business park in a contemporary environment for work and play, Innovation Park is situated on a 535-acre campus in the heart of the Tucson bioscience region. This campus serves as Tucson’s primary destination for high-tech, finance, aerospace, and life science uses, underpinning its strategic importance. It is home to the following:



Honeywell

Western
National Parks
Association



MEGGITT
Securaplane

▶ **Strong Local Economy and Workforce:** Oro Valley’s affluent demographics and the presence of high-quality educational institutions contribute to a skilled workforce and vibrant community, supporting and enhancing the value of the property.

▶ **Outstanding Lifestyle and Amenities Support Employee Attraction:** Proximity to high-end amenities—including Oro Valley Marketplace, hospitals, and luxury hospitality—contributes to an attractive living and working environment, which are pivotal to attracting and retaining top talent.





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RANCHO VISTOSO CENTER



RANCHO VISTOSO



RANCHO VISTOSO BLVD



12350

N VISTOSO PARK



12350 N VISTOSO PARK RD, TUCSON (ORO VALLEY), AZ 85737





PROPERTY





PROPERTY SUMMARY



ADDRESS
12350 N VISTOSO PARK RD,
TUCSON (ORO VALLEY), AZ 85737



APN
219-20-9400



ZONING CODE
CPI (CAMPUS PARK INDUSTRIAL) -
CITY OF ORO VALLEY



LAND USE
LIGHT INDUSTRIAL



LAND SIZE
 $\pm 291,713$ SF / ± 6.7 ACRES



BUILDING SIZE
 $\pm 55,000$ SF



NO. OF BUILDINGS
ONE (1)



YEAR BUILT
2013



STORIES
ONE (1)



PARKING
250 SPACES



DRIVE-INS
FOUR (4)



BUILDING HEIGHT
 ± 32 FEET
(22-FOOT CLEAR HEIGHT)



GROUNDS
DESERT LANDSCAPING SURROUNDING THE BUILDING AND PARKING AREAS INCLUDING CACTI, SUCCULENTS, SMALL TREES AND DESERT WILDFLOWERS. TWO CANOPIED OUTDOOR SEATING AREAS.



FOUNDATION
POURED CONCRETE SLAB ON GRADE.



STRUCTURE
CONCRETE MASONRY



ROOFING SYSTEM
BRAND NEW 20-YEAR TPO ROOF.



EXTERIOR IMPROVEMENTS
CONCRETE WALLS WITH PAINTED BRICK COLUMN DESIGN AT ENTRANCE AND ALONG BOTTOM PERIMETER OF THE BUILDING. METAL-FRAMED TINTED GLASS WINDOWS AND DOORS WITH RED PAINTED METAL PROTECTIVE AWNINGS. TWO FLAGPOLES AND ART STRUCTURE AT BUILDING ENTRANCE.



INTERIOR IMPROVEMENTS
ADEQUATE POWER FOR COMMERCIAL AND LIGHT INDUSTRIAL USES.



ELECTRICAL/POWER SYSTEM
1302 AMPS/480V/3PH



HVAC SYSTEM
PACKAGED ROOFTOP UNITS



LIFE SAFETY/FIRE PROTECTION
STANDARD, UP-TO-CODE LIFE SAFETY AND PROTECTION. AUTOMATIC WET-PIPE FIRE SPRINKLER SYTEM.



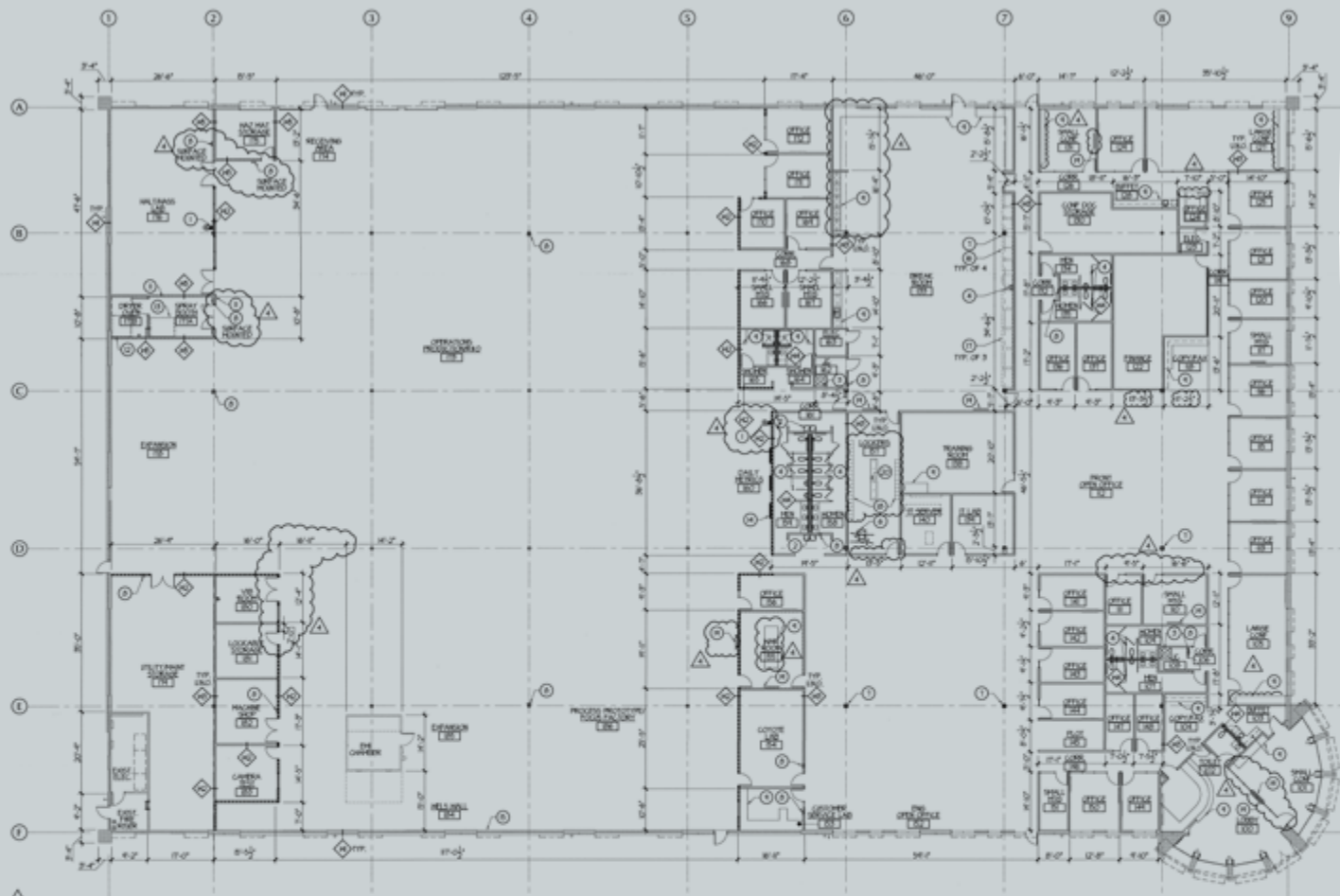
UTILITIES PROVIDERS
GAS: SOUTHWEST GAS
ELECTRIC: TUCSON ELECTRIC POWER
WATER: ORO VALLEY WATER UTILITY
WASTE SERVICES: WASTE MANAGEMENT (WM)
TELECOMMUNICATIONS: XFINITY, T-MOBILE, HUGHESNET AND VIASAT





GG

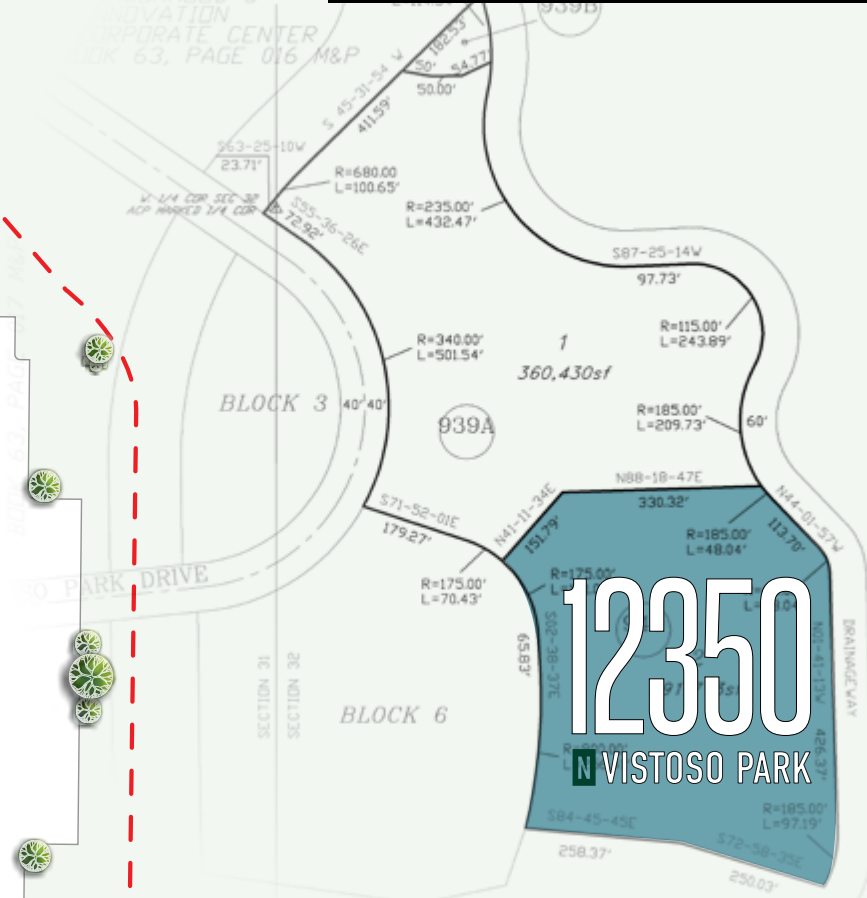
T



N VISTOSO PARK RD



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TENANT





Securaplane

SECURAPLANE TECHNOLOGIES INC.

(a subsidiary of Parker Hannifin Corporation, which is publicly listed)

<https://www.securaplane.com/>

<https://www.parker.com/us/en/home.html>

Parker-Hannifin Corporation

Headquarters: Cleveland, OH

Employees: 62,730

Moody's: Baa1

NYSE: PH

Market Capitalization: \$69.1 Billion (4/18/24)

Total Revenues: \$16.1 Billion (2023)

EBITDA: \$4.1 Billion (2023)

Total Assets: \$30.0 Billion (2023)

Source: Yahoo! Finance

Parker Hannifin is a Fortune 250 global leader in motion and control technologies. For more than a century, it is a leading worldwide diversified manufacturer of motion and control technologies and systems, providing precision engineered solutions for a wide variety of mobile, industrial, and aerospace markets. Founded in Cleveland, Ohio, in 1917, the company currently has over 50,000 team members globally, and manufacturing, service, sales, distribution, and administrative facilities in 49 countries. Parker supplies its products to approximately 464,000 customers in virtually every significant manufacturing, transportation, and processing industry. Parker Meggitt is an international leader in the aerospace, defense and energy markets, employing more than 9,000 people at over 40 manufacturing facilities and regional offices worldwide. Working closely with its customers, Meggitt delivers technologically differentiated systems and products for the most demanding environments with high certification requirements for applications across its core end markets. Through focusing on engineering and operational excellence, Meggitt builds broad installed bases of equipment and provides services and support across a fleet of approximately 73,000 aircraft. Headquartered in the United Kingdom, defence business accounts for 46 percent of Meggitt Group revenue with over 70 percent of revenue derived from its core US market.

Securaplane Technologies Inc. is a leading supplier of various avionics products, including power, motion, and security devices, headquartered in Tucson, Arizona. Its products are utilized by business, commercial, and military aircraft. Most of Securaplane's products are being installed by major aircraft manufacturers such as AgustaWestland, Airbus, Boeing, Bombardiers, Cessna, Dassault, Embraer, Gulfstream, Hawker Beechcraft, and Sikorsky. Securaplane is known for industry-first products such as wireless smoke detection and emergency lighting, aircraft security systems, and cockpit door monitoring. Established in 1986, Securaplane Technologies, Inc. was purchased in 2011 by Meggitt PLC a British International Company specializing in sub-systems for the aerospace, defense, and selected energy markets. In 2021 Parker Hannifin acquired Meggitt PLC for £6.3million pounds or \$7.8 billion dollars. As part of the prestigious Parker Hannifin group, Securaplane Technologies, Inc. continues to operate from its primary hub in Oro Valley, Arizona, with significant global outreach facilitated by additional facilities in Vietnam, the UK, and Singapore.

AREA OVERVIEW





1
TUCSON INTERNATIONAL
AIRPORT
📍 ±26 MILES

2
DAVIS-MONTHAN
AIR FORCE BASE
📍 ±22.6 MILES

3
DOWNTOWN
TUCSON
📍 ±8.4 MILES

4
UNIVERSITY
OF ARIZONA
📍 ±16.5 MILES

5
ORO VALLEY
MARKETPLACE
📍 ±1.1 MILES



12350
N VISTOSO PARK

PIMA COUNTY



TUCSON

Covering an area of approximately 9,200 square miles, Pima County is one of the oldest continuously inhabited areas of the United States. It is situated in the southern part of Arizona with a portion of its southern boundary bordering Mexico. Created in 1864, Pima County includes a large portion of southern Arizona acquired from Mexico by the Gadsden Purchase of 1854. Pima County has purchased thousands of acres of open space and ranches to preserve and protect the stunning landscapes and historic and cultural sites. Pima County contains parts of the Tohono O'odham Nation, as well as all of the San Xavier Indian Reservation, the Pascua Yaqui Indian Reservation, Organ Pipe Cactus National Monument, Ironwood Forest National Monument and Saguaro National Park.

Pima County includes the entirety of the Tucson Metropolitan Statistical Area, and it is the third largest metropolitan area in the Southwestern United States. The Tucson MSA forms part of the larger Tucson-Nogales combined statistical area (CSA) and is the second largest city in Arizona. The County has a vibrant multicultural diversity with an outstanding quality of life along with a low cost of doing business. A major commercial and academic hub, Pima County is home to Tucson. As a leading hub for aerospace and defense, bioscience/ healthcare, renewable energy and logistics, businesses in Tucson are leading the way in innovation. Although the County has five incorporated cities and towns, more than a third of the population lives outside of any incorporated cities or towns. A five-member Board of Supervisors is responsible for implementing the County's governmental and administrative affairs.



1,066,578
POPULATION

40
MEDIAN
AGE / YEARS

513,811
COLLEGE-EDUCATED POPULATION

\$92,825
AVERAGE HOUSEHOLD INCOME

\$325,908
AVERAGE PROPERTY VALUE

\$45.2 B
GROSS REGIONAL PRODUCT

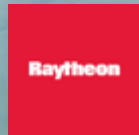
488,794
LABOR FORCE

29,762
NUMBER OF EMPLOYERS

\$35.5 BILLION
ANNUAL HOUSEHOLD SPENDING BUDGET

4.8%
UNEMPLOYMENT RATE

TOP EMPLOYERS



Sources: CBRE Location Analytics & Mapping, Wikipedia.com, St. Louis Fed
Economic Data

TUCSON

TUCSON, AZ

Tucson is a city in Pima County, Arizona, serves as its County seat and is notably home to the University of Arizona. The Spanish name of the city is derived from the meaning “(at the) base of the black (hill),” a reference to a basalt-covered hill now known as Sentinel Peak and is considered “the soul of the Sonoran Desert and flavor of the Southwest.” Tucson is the second most-populated city in Arizona behind Phoenix, both of which anchor the Arizona Sun Corridor.



547,590

POPULATION

35

MEDIAN
AGE / YEARS

HOUSEHOLD

233,481

COLLEGE-EDUCATED POPULATION

\$72,847

AVERAGE HOUSEHOLD INCOME

\$269,576

AVERAGE PROPERTY VALUE

WORK ENVIRONMENT

18,655

NUMBER OF EMPLOYERS

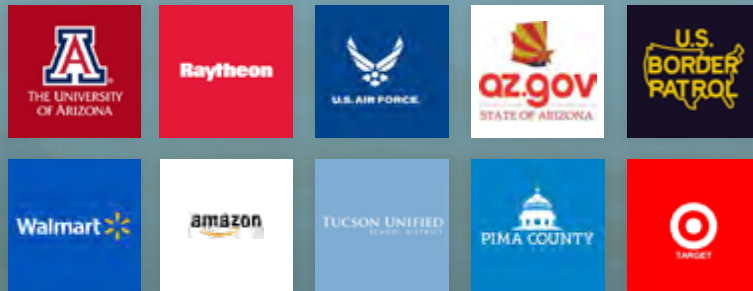
261,074

LABOR FORCE

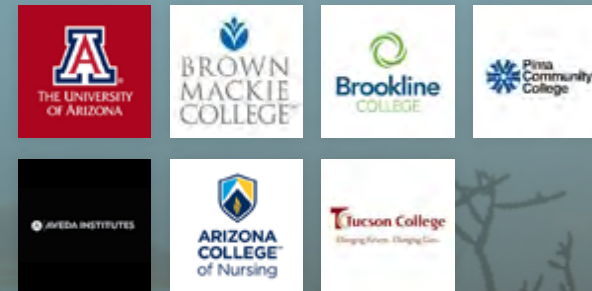
5.5%

UNEMPLOYMENT RATE

TOP EMPLOYERS



SOME SURROUNDING UNIVERSITIES



MAJOR TRANSPORTATION INFRASTRUCTURES



Sources: CBRE Location Analytics & Mapping, Wikipedia.com



ORO VALLEY

ORO VALLEY, AZ

Oro Valley Town, Arizona, is a suburban town in northern Pima County incorporated in 1974 and has received accolades from various organizations over the years. Safewise and Elite Personal Finance recognize Oro Valley as one of the top ten safest places to live in Arizona. The town's finance department is a Triple Crown Winner for financial reporting by the Government Finance Officers Association. Oro Valley's Peak Performance program has won the Society for Human Resource Management award for innovation, technology, and process improvement.

It is nicknamed the "Upscale Tech Mecca" due to various technology employers with branches in Oro Valley. For instance, Oro Valley's Innovation Park houses medical and biotech campuses such as Sanofi-Aventis, Ventana Medical Systems, Honeywell, and Oro Valley Hospital. Moreover, Oro Valley has several country clubs and resorts and has even hosted national golf championships. The town is known for the Oro Valley Festival of Arts, Oro Valley Music Festival, El Trou de Tucson bicycle race, and many other events.

The community is booming with events and places of interest, including Catalina State Park, Romero Ranch, Steam Pump Ranch, Honey Bee Canyon Park, and many others. To ensure seamless travel from place to place, local transportation in Oro Valley is integrated through a partnership between the Tucson Sun Tran system and the Regional



48,376
POPULATION

55.5
MEDIAN
AGE / YEARS

HOUSEHOLD

31,950
COLLEGE-EDUCATED POPULATION

\$139,695
AVERAGE HOUSEHOLD INCOME

\$444,092
AVERAGE PROPERTY VALUE

WORK ENVIRONMENT

1,284
NUMBER OF EMPLOYERS

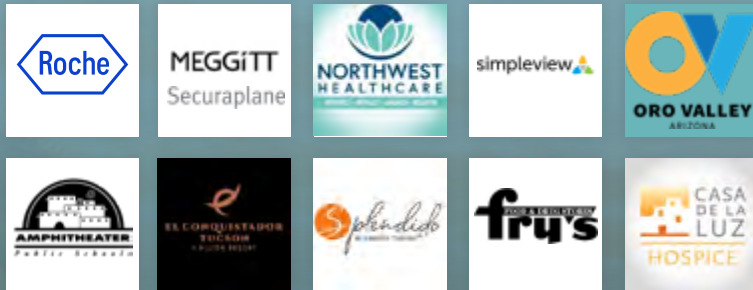
19,554
LABOR FORCE

2.7%
(APRIL 2024) UNEMPLOYMENT RATE

Transportation Authority. Sun Shuttle services offer fixed bus routes and express bus routes. The Park and Rides Foundation offers alternative modes of transport such as carpooling, vanpooling, and biking. Oro Valley is also near major transport infrastructures such as Interstate 10 and Interstate 19.

It is known for beautiful mountains and the breathtaking Sonoran Desert, amazing Southwestern and Mexican cuisine, and for having some of the cleanest air of any major city. Tucson is also famous for its many diverse hobbyist communities, from photography and astronomy clubs to vintage car collectors and rodeo enthusiasts. Visitors enjoy hiking the Santa Catalina Mountains, dining or shopping at its lively downtown and taking in its rich history in art, culture and nature.

TOP EMPLOYERS



SOME SURROUNDING UNIVERSITIES



MAJOR TRANSPORTATION INFRASTRUCTURES



Sources: CBRE Location Analytics & Mapping, Wikipedia.com

WHY TUCSON



**PIMA COUNTY IS #1
FOR BIGGEST GAINS IN
TALENT ATTRACTION**

- EMSI 2021



**TUCSON INCLUDED IN
TOP 10 COMMERCIAL
REAL ESTATE MARKETS
FOR 2021**

- NATIONAL ASSOCIATION
OF REALTORS 2021



**TUCSON RANKS AMONG
TOP 10 UNITED STATES
CITIES FOR LOWEST COST
OF LIVING**

- MOVE.ORG 2021



**IN THE TOP 15
FOR NORTH AMERICA'S
NEXT 25**

- CBRE, 2022



**TUCSON RANKS IN
TOP 20 IN "AMERICA'S
BEST CITIES" ANNUAL
REPORT FOR 2021**

- BIZTUCSON.COM 2021

FLOURISHING EMPLOYERS AND INDUSTRIES



HEALTHCARE

**1,652
LOCATIONS**

**55,360
EMPLOYEES**



MANUFACTURING

**502
LOCATIONS**

**30,070
EMPLOYEES**



WAREHOUSE

**572
LOCATIONS**

**25,650
EMPLOYEES**

EXPANDING INDUSTRIES



OPTICS



**MINING
TECHNOLOGY**



**RENEWABLE
ENERGY**

+70,000

EMPLOYED IN EDUCATION
AND HEALTH SERVICES

Source: azmag.gov, 2020 US Bureau of Labor Statistics, 2022



LARGEST EMPLOYERS



13,830
EMPLOYEES

Raytheon

12,610
EMPLOYEES



12,420
EMPLOYEES



7,550
EMPLOYEES



6,880
EMPLOYEES

EXPANSIONS METRO TUCSON



BELDEN



HIGH QUALITY TALENT PIPELINE



Enrollment in Fall 2021: **49,471**
Degrees Awarded 2021: **11,477**

#1 Nursing Program in Arizona

#1 Public MIS Graduate Program in the US

#3 Public MIS Undergraduate Program in the US

#10 Space Science Program in the US



Enrollment in Fall 2021: **17,603**
Associate Degrees Awarded in 2021: **1,622**
Certificates Awarded in 2021: **1,932**

#1 Community College in Arizona

#1 Associate Degree in Nursing (ADN) Program in the US

Source: U.S. News & Niche, 2022

BASIS

- ▶ No. 27 in the US (Oro Valley)
- ▶ No. 54 in the US (Tucson North)

UNIVERSITY HIGH SCHOOL

- ▶ No. 28 in the US

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT

- ▶ No. 2 school district in AZ

VAIL UNIFIED SCHOOL DISTRICT

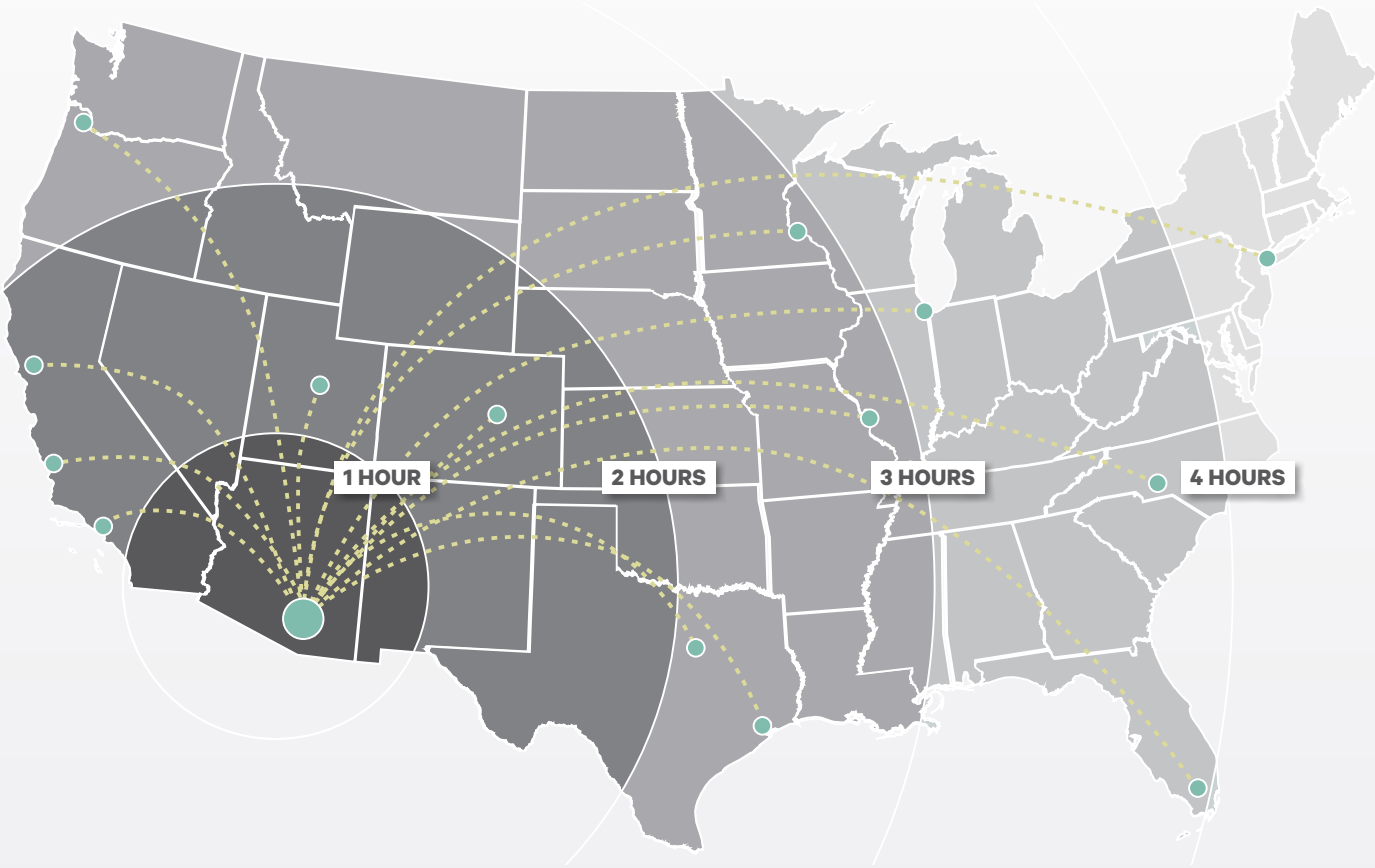
- ▶ No. 4 school district in AZ

JTED

- ▶ Over 30 Career & Technical Education programs
- ▶ Students can earn industry certifications and state licenses
- ▶ 5k+ Industry certifications & licenses earned from 2015 -2020

STRATEGIC LOCATION

Flight Times from Tucson



Total Population Reach from Tucson

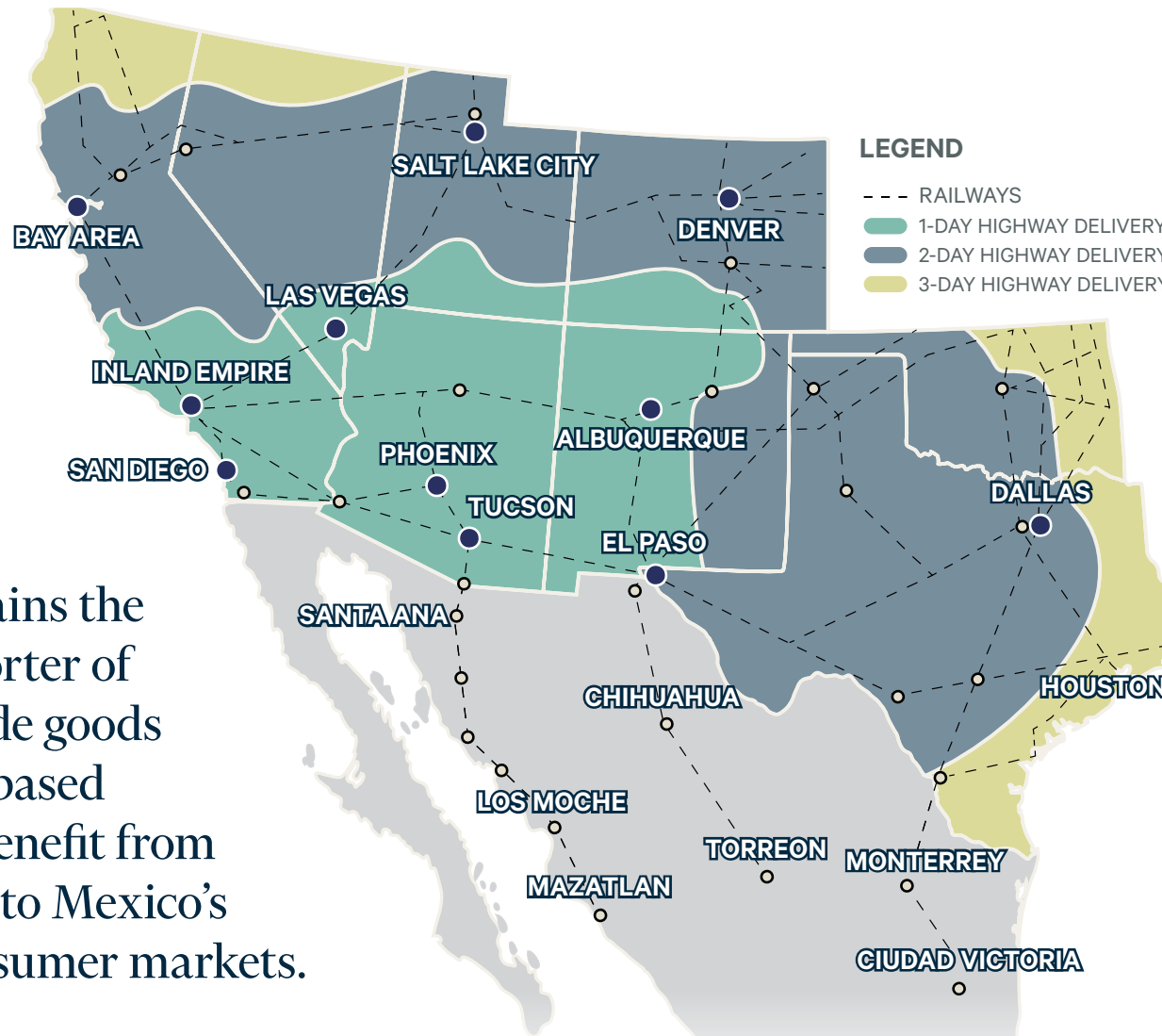
Distance	2022 Total Population	2027 Total Population
100 miles	3,182,255	3,283,120
200 miles	6,745,202	6,978,837
300 miles	8,897,463	9,161,320
400 miles	20,213,953	20,658,594

Distance	2022 Total Population	2027 Total Population
500 miles	35,941,059	36,213,475
600 miles	43,829,623	44,327,954
700 miles	52,253,072	52,965,679
800 miles	73,541,584	74,725,854

Source: CBRE Research, ESRI 2022

STRATEGIC LOCATION CONT'D.

Highway and Rail



Mexico remains the largest importer of Arizona-made goods and Tucson-based businesses benefit from quick access to Mexico's growing consumer markets.

Source: CBRE Research, ESRI 2022

COST OF LIVING INDEX

Metropolitan Area	Total	Grocery Items	Housing	Utilities	Transportation	Healthcare	Misc. Goods & Services
Phoenix	104.2	99.9	114.4	102.3	108.2	100.2	96.2
Las Vegas	101.2	101.2	109.8	97.6	110.9	96.1	91.7
Tucson	101.6	104.9	103.0	96.6	101.6	103.6	99.6
Austin	101.8	87.7	113.4	92.8	90.6	107.5	102.9
Denver	110.0	93.3	129.0	86.5	98.2	100.7	112.3
San Diego	144.7	113.4	215.6	110.0	130.4	107.2	110.1

Business Incentives

GPLET: Up to 8 years of property tax abatement; up to 100% of reimbursement for construction sales tax.

Marana Job Creation Incentive Program (MJCIP):
Reimbursement for construction sales tax.

Pima County Business & Capital Financing Assistance:
In many cases, financing may include tax-free bond loans that substantially reduce payment cost. Pima County also may be able to facilitate financing through various private business and government financial organizations.
Pima.gov.

Global Economic Development District (GEDD):

Small and medium sized businesses looking to develop or expand within Tucson's GEDD may be eligible for incentives including:

- Up to \$10,000 Permit Fee Waiver
- Amount equivalent to the City of Tucson construction sales tax paid to be applied toward job training.

For qualifying businesses leasing an existing facility that will require tenant improvements, the incentive will include:

- Up to \$10,000 Permit Fee Waiver
- Amount equivalent to 5 years of commercial lease tax paid to be applied toward job training.

FINANCIALS



PROPERTY DESCRIPTION

Property Type	Office	Size of Improvements	55,000 SF
Property Address	12350 N Vistoso Park Road Oro Valley, AZ	Currently Vacant as of 12/1/25	0 SF
		Current Occupancy as of 12/1/25	100.00%
		Projected Occupancy as of 4/1/26	100.00%

ACQUISITION AND RESIDUAL SUMMARY

Purchase Price as of April 1, 2026	\$245 PSF	\$13,495,000	
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Capitalization Rate	7.08%	7.30%	7.52%
Unleveraged Cash Return	7.04%	7.25%	7.47%
Leveraged Cash Return	9.34%	9.93%	8.25%
Return on Cost	7.08%	7.29%	7.51%
In-Place Capitalization Rate	7.08%	100.00% Occupancy	
Mark-to-Market Cap Rate	7.13%	100.00% Occupancy	
Cost Segregation Summary:	<u>Year 1</u>	<u>Years 2-5</u>	
Cost Segregation Total Depreciation	\$2,827,337	\$687,705	
Tax Benefit of Cost Segregation Depreciation	\$1,046,115	\$254,451	
	<u>3-Year</u>	<u>5-Year</u>	<u>7-Year</u>
Average Capitalization Rate	7.30%	7.32%	0.00%
Average Cash Return	7.26%	6.36%	0.00%
Average Leveraged Cash Return	9.17%	6.05%	0.00%

Gross Residual Value as of March 31, 2031	\$290 PSF	\$15,959,000
Net Residual Value as of March 31, 2031	\$284 PSF	\$15,640,000
Net Residual Value Adjusted For Inflation	\$245 PSF	\$13,491,201
Residual Capitalization Rate		7.00%
Residual Cost of Sale		2.00%

NOI Compound Annual Growth Rate (CAGR)	Through Residual Year:	3.17%
Existing Rent % Above/(Below) Market Rent:	-0.69%	WALT Remaining: 3.00 Years

ALL CASH IRR	9.08%
ALL CASH EQUITY MULTIPLE	1.48x

LEVERAGE SUMMARY

	<u>MARKET LOAN</u>
Initial Loan Funding (as of Apr-26)	\$8,771,750
Loan-To-Value Ratio (Initial Funding)	65.00%
Funding Date	Apr-26
Maturity Date	Mar-31
Loan Term During Analysis	5.0 Years
Amortization Period	30 Years
Initial Interest Only Period (If Any)	24 Months
Interest Rate Type	Fixed
Interest Rate	5.71%
Interest Rate Quote	5-Yr T + 2.00%
Market Index (As of Date)	11/24/2025
Market Index (Rate)	3.71%
Spread (Rate)	2.00%
Origination Fee on Total Loan Funding	1.00%
Loan Constant	6.97%
Initial Debt Yield	10.90%
Debt Coverage Ratio (NOI Amortizing)	1.56x
Debt Coverage Ratio (NOI Interest Only)	1.91x

Purchase Price as of April 1, 2026	\$13,495,000
Total Initial Loan Principal	(8,771,750)
Total Initial Loan Fees	87,718
Cash Flow Sweeps, Holdbacks and Escrows	0
Initial Equity	<u>\$4,810,968</u>

LEVERAGED IRR	14.10%
LEVERAGED EQUITY MULTIPLE	1.75x

[1] Leveraged analysis is based on financing that a particular investor may or may not be able to obtain.

SUMMARY OF FINANCIAL ASSUMPTIONS

GLOBAL					VACANT SPACE LEASING		SECOND GENERATION LEASING	
Analysis Period					Occupancy and Absorption		Retention Ratio	
Commencement Date		April 1, 2026			Projected Vacant at 4/1/26		85%	
End Date		March 31, 2031			Currently Vacant as of 12/1/25			
Term		5 Years			Percentage Vacant at 12/1/25		0.00%	
Area Measures (NRSF)							Financial Terms	
Rentable Square Feet		55,000 SF					2026 Annual Market Rent	
							\$17.50 PSF	
							Rent Adjustment	
							5 Years, 2 Months	
							Expense Recovery Type	
							NNN	
Growth Rates							Tenancing Costs	
Consumer Price Index (CPI)		3.00%					Free Rent	
Other Revenue		3.00%					New	
Operating Expenses		3.00%					Renewal	
Real Estate Taxes		3.00%					Weighted Average	
Market Rent							Tenant Improvements (\$/NRSF)	
CY 2027		-	3.00%	-	\$18.03 PSF		New	
CY 2028		-	3.00%	-	\$18.57 PSF		Renewal	
CY 2029		-	3.00%	-	\$19.12 PSF		Weighted Average	
CY 2030		-	3.00%	-	\$19.70 PSF			
CY 2031		-	3.00%	-	\$20.29 PSF			
CY 2032		-	3.00%	-	\$20.90 PSF			
CY 2033		-	3.00%	-	\$21.52 PSF			
CY 2034		-	3.00%	-	\$22.17 PSF			
CY 2035		-	3.00%	-	\$22.83 PSF			
CY 2036+		-	3.00%	-	\$23.52 PSF			
General Vacancy Loss					None [1]			
Capital Reserves (CY 2026 Value)					\$0.10 PSF			

Notes:

All market rates are stated on a calendar-year basis.

[1] No General Vacancy Loss modeled in this analysis.

[2] Operating Expenses are based on CY 2025 Budget Reforecast, less one-time and owner related expenses, inflated by 3% for 1 year to CY 2026. Analysis assumes the following expenses are variable: Janitorial Contract (50% variable).

[3] Real Estate Taxes in this analysis have not been reassessed and are equal to the 2025 Budget (plus estimated inflation). It is the responsibility of the investor to reassess taxes.

[4] Market Free Rent months are 2 New / 0 Renewal through Dec-2030, decreasing to 0 New / 0 Renewal thereafter.

[5] Tenant Improvements are based on the last renewal, and are assumed to remain flat for the duration of the analysis.

Fiscal Year Ending - March 31	2027	2028	2029	2030	2031	2032
Physical Occupancy	100.00%	100.00%	100.00%	91.67%	100.00%	100.00%
Overall Economic Occupancy [1]	100.00%	100.00%	100.00%	92.23%	100.00%	100.00%
Weighted Average Market Rent	\$17.63	\$18.16	\$18.70	\$19.27	\$19.84	\$20.44
Weighted Average In Place Rent [2]	\$17.38	\$17.90	\$18.44	\$18.60	\$19.62	\$20.31
Total Operating Expenses PSF Per Year	\$7.54	\$7.76	\$8.00	\$8.08	\$8.48	\$8.74
Lease SF Expiring (Initial Term Only)	0	0	55,000	0	0	0
Lease SF Expiring (Cumulative %)	0.00%	0.00%	100.00%	100.00%	100.00%	100.00%

	[3] FY 2027 \$/SF/YR						
REVENUES							
Scheduled Base Rent							
Gross Potential Rent	\$17.38	\$955,900	\$984,500	\$1,014,200	\$1,051,750	\$1,079,358	\$1,117,136
Absorption & Turnover Vacancy	0.00	0	0	0	(87,646)	0	0
Free Rent	0.00	0	0	0	(26,294)	0	0
Total Scheduled Base Rent	17.38	955,900	984,500	1,014,200	937,810	1,079,358	1,117,136
Expense Recoveries	7.54	414,535	426,969	439,782	414,985	466,652	480,790
TOTAL GROSS REVENUE	24.92	1,370,435	1,411,469	1,453,982	1,352,795	1,546,010	1,597,925
General Vacancy Loss	0.00	0	0	0	0	0	0
EFFECTIVE GROSS REVENUE	24.92	1,370,435	1,411,469	1,453,982	1,352,795	1,546,010	1,597,925
OPERATING EXPENSES							
Cleaning	(2.34)	(128,585)	(132,443)	(136,416)	(135,571)	(144,724)	(149,066)
Repairs & Maintenance	(1.31)	(72,230)	(74,397)	(76,628)	(78,927)	(81,295)	(83,734)
Utilities	(0.37)	(20,122)	(20,725)	(21,347)	(21,988)	(22,647)	(23,327)
Landscaping & Grounds	(0.26)	(14,408)	(14,841)	(15,286)	(15,744)	(16,217)	(16,703)
Parking Lots	(0.07)	(3,632)	(3,741)	(3,853)	(3,969)	(4,088)	(4,211)
General & Administrative	(0.81)	(44,526)	(45,862)	(47,238)	(48,655)	(50,115)	(51,618)
Management Fee	(0.62)	(34,261)	(35,287)	(36,350)	(38,820)	(38,650)	(39,948)
Insurance	(0.23)	(12,410)	(12,783)	(13,166)	(13,561)	(13,968)	(14,387)
Real Estate Taxes	(1.53)	(84,360)	(86,891)	(89,498)	(92,182)	(94,948)	(97,796)
TOTAL OPERATING EXPENSES	(7.54)	(414,535)	(426,969)	(439,782)	(444,418)	(466,652)	(480,790)
NET OPERATING INCOME	\$17.38	\$955,900	\$984,500	\$1,014,200	\$908,378	\$1,079,358	\$1,117,136
CAPITAL COSTS							
Tenant Improvements	0.00	0	0	0	(375,375)	0	0
Leasing Commissions	0.00	0	0	0	(244,601)	0	0
Capital Reserves	(0.10)	(5,541)	(5,707)	(5,879)	(6,055)	(6,237)	(6,424)
TOTAL CAPITAL COSTS	(0.10)	(5,541)	(5,707)	(5,879)	(6,263)	(6,237)	(6,424)
OPERATING CASH FLOW	\$17.28	\$950,359	\$978,793	\$1,008,321	\$282,347	\$1,073,121	\$1,110,712
ACQUISITION & RESIDUAL SALE							
Purchase Price	(\$13,495,000)	0	0	0	0	0	All Cash
Net Residual Value [4]	0	0	0	0	0	15,639,900	IRR
CASH FLOW BEFORE DEBT	(\$13,495,000)	\$950,359	\$978,793	\$1,008,321	\$282,347	\$16,713,021	9.08%
MARKET LOAN [5]							
Loan Funding / Payoff	8,771,750	0	0	0	0	(8,410,328)	
Loan Fees	(87,718)	0	0	0	0	0	Leveraged
Annual Debt Service	0	(500,867)	(500,867)	(611,603)	(611,603)	(611,603)	IRR
CASH FLOW AFTER DEBT	(\$4,810,968)	\$449,492	\$477,926	\$396,719	(\$329,256)	\$7,691,091	14.10%

NOI Return	7.08%	7.30%	7.52%	6.73%	8.00%
NOI Metrics					
Annual % Change in NOI	-	2.99%	3.02%	-10.43%	18.82%
Compound Annual Growth Rate (CAGR)	-	2.99%	3.00%	-1.69%	3.08%
Return on Cost	7.08%	7.29%	7.51%	6.43%	7.63%
Unlevered Return on Cost (@ Market)	7.13%	7.13%	7.12%	6.81%	6.80%
UNLEVERAGED Cash Return	7.04%	7.25%	7.47%	2.09%	7.95%
LEVERAGED Cash Return	9.34%	9.93%	8.25%	-6.84%	9.59%
Debt Coverage Ratio (NOI)	1.91x	1.97x	1.66x	1.49x	1.76x
Rolling - All Cash IRR	9.18%	9.63%	5.43%	8.74%	9.08%
Rolling - Leveraged IRR	13.51%	15.56%	4.19%	13.43%	14.10%

[1] This figure takes into account vacancy/credit loss, absorption vacancy, turnover vacancy, and rent abatements.

[2] This figure does not include any amount related to expense reimbursements. Only Scheduled Base Rent and Fixed/CPI Increases are included in this calculation, which is based on the weighted-average physical occupancy during each fiscal year.

[3] Based on 55,000 square feet.

[4] Net Residual Value is calculated by dividing Year 6 NOI by the Residual Cap Rate of 7.00% and applying a 2.00% Cost of Sale, with a resulting Net Residual Value of \$284 PSF.

[5] Market Debt based on 65% Loan-to-Value, 5.71% Interest Rate, with 24 Months of Interest Only then 30-Year Amortization, and a 1.00% Loan Fee.

IN-PLACE VS. PRO FORMA VS. MARK-TO-MARKET NOI SUMMARY

	In-Place NOI Apr-26, Annualized		Year 1 Pro Forma NOI Apr-26 to Mar-27		Mark-to-Market NOI Apr-26, Annualized	
		\$ PSF		\$ PSF		\$ PSF
Size of Improvements		55,000 SF		55,000 SF		55,000 SF
REVENUES						
Scheduled Base Rent						
Gross Potential Rent	\$955,900	\$17.38	\$955,900	\$17.38	\$962,500	\$17.50
Absorption & Turnover Vacancy	0	0.00	0	0.00	0	0.00
Free Rent	0	0.00	0	0.00	0	0.00
Total Scheduled Base Rent	955,900	17.38	955,900	17.38	962,500	17.50
Expense Recoveries	411,631	7.48	414,535	7.54	414,704	7.54
TOTAL GROSS REVENUE	1,367,531 [1]	24.86	1,370,435	24.92	1,377,204	25.04
General Vacancy Loss	0	0.00	0	0.00	0	0.00
EFFECTIVE GROSS REVENUE	1,367,531	24.86	1,370,435	24.92	1,377,204	25.04
OPERATING EXPENSES						
Cleaning	(127,628)	(2.32)	(128,585)	(2.34)	(128,585)	(2.34)
Repairs & Maintenance	(71,692)	(1.30)	(72,230)	(1.31)	(72,230)	(1.31)
Utilities	(19,972)	(0.36)	(20,122)	(0.37)	(20,122)	(0.37)
Landscaping & Grounds	(14,301)	(0.26)	(14,408)	(0.26)	(14,408)	(0.26)
Parking Lots	(3,605)	(0.07)	(3,632)	(0.07)	(3,632)	(0.07)
General & Administrative	(44,195)	(0.80)	(44,526)	(0.81)	(44,526)	(0.81)
Management Fee	(34,188)	(0.62)	(34,261)	(0.62)	(34,430)	(0.63)
Insurance	(12,318)	(0.22)	(12,410)	(0.23)	(12,410)	(0.23)
Real Estate Taxes	(83,732)	(1.52)	(84,360)	(1.53)	(84,360)	(1.53)
TOTAL OPERATING EXPENSES	(411,631)	(7.48)	(414,535)	(7.54)	(414,704)	(7.54)
NET OPERATING INCOME	\$955,900	\$17.38	\$955,900	\$17.38	\$962,500	\$17.50
Capitalization Rate	7.08%		7.08%		7.13%	
PURCHASE PRICE AS OF APRIL 1, 2026	\$13,495,000	\$245.36	\$13,495,000	\$245.36	\$13,495,000	\$245.36
In-Place Physical Occupancy (At Start of Analysis With No Vacant Lease-Up)		100.00%		100.00%		100.00%
Average Physical Occupancy (Includes Vacant Lease-Up and Rollover)		-		100.00%		100.00%

Notes:

- [1] In-Place Net Operating Income is calculated using contractual rents and expense reimbursements as of April 2026, Annualized (with no General Vacancy Loss).
In-Place NOI does not include vacant lease-up revenue, downtime due to near-term expirations, or future rent increases for existing tenants.

Suite	Tenant Name	Square Feet	% of Property	Lease Term		Rental Rates						Free Rent		Recovery Type	Tenant Improvements	Leasing Commissions	Market Assumption / Market Rent
				Begin	End	Begin	Monthly	PSF	Annually	PSF	Date	% Free					
1	Parker Hannifin Corporation	55,000	100.00%	Dec-2013	Mar-2029	Current	\$79,658	\$1.45	\$955,900	\$17.38	-		NNN	-	-	-	Market - 85.00%
						Apr-2027	\$82,042	\$1.49	\$984,500	\$17.90	2.99%			-	-	\$17.50 NNN	
						Apr-2028	\$84,517	\$1.54	\$1,014,200	\$18.44	3.02%			-	-		
Notes: Tenant has one (1) five-year renewal option remaining, with rent at 95% of market rent. Tenant has a one-time option during the lease term to expand by 25% on the adjacent land. Expansion costs are based on lease terms.																	

TOTALS / AVERAGES	<u>55,000</u>						<u>\$79,658</u>	<u>\$1.45</u>	<u>\$955,900</u>	<u>\$17.38</u>						
OCCUPIED SqFt	55,000	100.0%														
VACANT SqFt	0	0.0%														
TOTAL SqFt	<u>55,000</u>	<u>100.0%</u>														
WEIGHTED-AVERAGE LEASE TERM REMAINING:		3.00 Years														
WEIGHTED-AVERAGE LEASE TERM LAPSED:		<u>12.33 Years</u>														
WEIGHTED-AVERAGE LEASE TERM FROM INCEPTION		15.33 Years														

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