



BROOKSTONE COLLEGE OF BUSINESS

10125 BERKELEY PLACE DRIVE, CHARLOTTE, NC 28262

NNN Investment Offering Memorandum



BERTOLINA

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By accepting the Offering Memorandum, you agree to indemnify, defend, protect and hold Seller and Broker and any affiliate of Seller or Broker harmless from and against any and all claims, damages, demands, liabilities, losses, costs or expenses (including reasonable attorney’s fees, collectively “Claims”) arising, directly or indirectly from any actions or omissions of Buyer, its employees, officers, directors or agents.

Buyer shall indemnify and hold Seller and Broker harmless from and against any claims, causes of action or liabilities, including, without limitation, reasonable attorney’s fees and court costs which may be incurred with respect to any claims for other real estate commissions, broker’s fees or finder’s fees in relation to or in connection with the Property to the extent claimed, through or under Seller.

The Seller and Broker each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time with or without notice. The Seller shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered, and approved by the Seller and its legal counsel, and any conditions to the Seller’s obligation thereunder have been satisfied or waived.

The Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting the Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose the Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make an offer and from whom you have obtained an agreement of confidentiality) without prior written authorization of the Seller or Broker, and that you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of the Seller or Broker.

No employee of seller or at the subject property is to be contacted without the written approval of the listing agents and doing so would be a violation of this confidentiality agreement.

Broker and their prospective buyers agree not to contact the tenants, their employees or customers of any business on the Property without prior permission from the Landlord.



EXECUTIVE OVERVIEW

Investment Highlights

PROPERTY OVERVIEW

Site Plan
Area Map, Photos & Aerials

AREA & MARKET OVERVIEW

Charlotte Overview

FINANCIAL OVERVIEW

Lease Abstract
Rent Roll Summary
Rent Schedule



EXECUTIVE OVERVIEW

Colliers International | Charlotte and Bertolina Commercial Real Estate Services have been retained on an exclusive basis by the owner, Brookstone Development Partners, LLC (“Owner”), to arrange the fee simple sale of 10125 Berkeley Place Drive Street. 10125 Berkeley Place Drive is located in Charlotte, North Carolina, approximately 11 miles northeast of Charlotte’s Central Business District and less than two miles from UNC-Charlotte within the University Area submarket. The offering is a single story; 15,779 square foot office building that serves as Brookstone’s education center. The building was constructed in 2004 with a brick façade. The

exterior of the site has an open concept feel with excellent ingress and egress, coupled with ample parking and plenty of multifamily and retail shops nearby. They have been the only tenant in the building since 2004 and have a strong operating history.



INVESTMENT HIGHLIGHTS

10125 Berkeley Place Drive is leased in its entirety to Brookstone College of Business. A new 5 year lease will be put in place at the time of closing or transfer of title.

Berkeley represents a unique opportunity in today's investment market in that there are few offerings available that feature such benefits in this location. Berkeley was originally constructed in 2004 and features a clean design, brick façade, and ample parking.

The University Area is located approximately 11 miles from the central business district and is the second largest employment submarket in

the Charlotte metro area. Future growth of this submarket is favorable and will continue to see growth with the construction and completion of Charlotte's Light Rail Blue Line Extension that is scheduled to be in operation by 2017.



TENANT HIGHLIGHTS

Established in 1939, Brookstone College of Business was previously known as Ashmore Business College and Asheboro Business College. These two schools became Brookstone College in 1984 and relocated to the Greensboro area. Charlotte campus was opened in 1987 and has now been providing quality education and career opportunities in the area for over 25 years. Today Brookstone College is established as a private business college for the primary purpose of providing postsecondary training and education for business and professional careers offering programs that culminate in the awarding of a certificate or diploma.

BROOKSTONE COLLEGE OF BUSINESS



OFFERING SUMMARY

Address:	10125 Berkeley Place Drive Street Charlotte, North Carolina 28262
Location:	Located in the University Area of Charlotte, NC; approximately 1 mile southeast of I-85 off of W Mallard Creek Church Road.
Lot Size:	4.089 Acres; 178,117 SF
Parking:	189 surface spaces (6 handicap, 36 compact, 1 loading space); 11:1,000 parking ratio
Year Built:	2004
Floors:	One
Rentable Area:	15,779 SF
Occupancy:	100%

BROOKSTONE COLLEGE OF BUSINESS LEASE HIGHLIGHTS

Tenant:	Brookstone College of Business			
Lease Term:	60 months (5 years) will be put in place upon closing			
Lease Structure:	Triple Net (NNN). Tenant pays all taxes, insurance, and CAM expenses including gas, electricity, water, sewer, and any association dues. Landlord shall be responsible for the roof and structure.			
Initial Term Base Rent Structure:	<u>Date (est)</u>	<u>Annual</u>	<u>PSF</u>	<u>Increase</u>
	11/1/2014	\$ 189,348	\$ 12.00	N/A
	11/1/2015	\$ 195,028	\$ 12.36	3.0%
	11/1/2016	\$ 200,879	\$ 12.73	3.0%
	11/1/2017	\$ 206,906	\$ 13.11	3.0%
	11/1/2018	\$ 213,113	\$ 13.51	3.0%
	11/1/2019	\$ 219,506	\$ 13.91	3.0%

PROPERTY DESCRIPTION

Access:	Primary highway access to the area via I-85, located less than 1 mile to the north.								
Tax Parcel:	047-181-22								
Zoning:	CC (Commercial Center)								
Flood Hazard:	None								
Topography:	Generally level and at street grade								
HVAC:	Commercial single-zone rooftop A/C and heating with VAV controls.								
Fire Protection:	100% wet system								
Security:	Exterior security cameras cover all exterior doors								
Lighting:	2x4 recessed fluorescent, 3" deep, 18 cell parabolic louvers; 1x4 recessed fluorescent, full size lens frames; and various recessed can lights								
Utilities:	<p>Utilities are provided as follows:</p> <table style="margin-left: 20px;"> <tr> <td>Water / Sewer:</td> <td>City of Charlotte</td> </tr> <tr> <td>Electricity:</td> <td>Duke Energy</td> </tr> <tr> <td>Phone:</td> <td>Various Providers</td> </tr> <tr> <td>Natural Gas:</td> <td>Piedmont Natural Gas</td> </tr> </table>	Water / Sewer:	City of Charlotte	Electricity:	Duke Energy	Phone:	Various Providers	Natural Gas:	Piedmont Natural Gas
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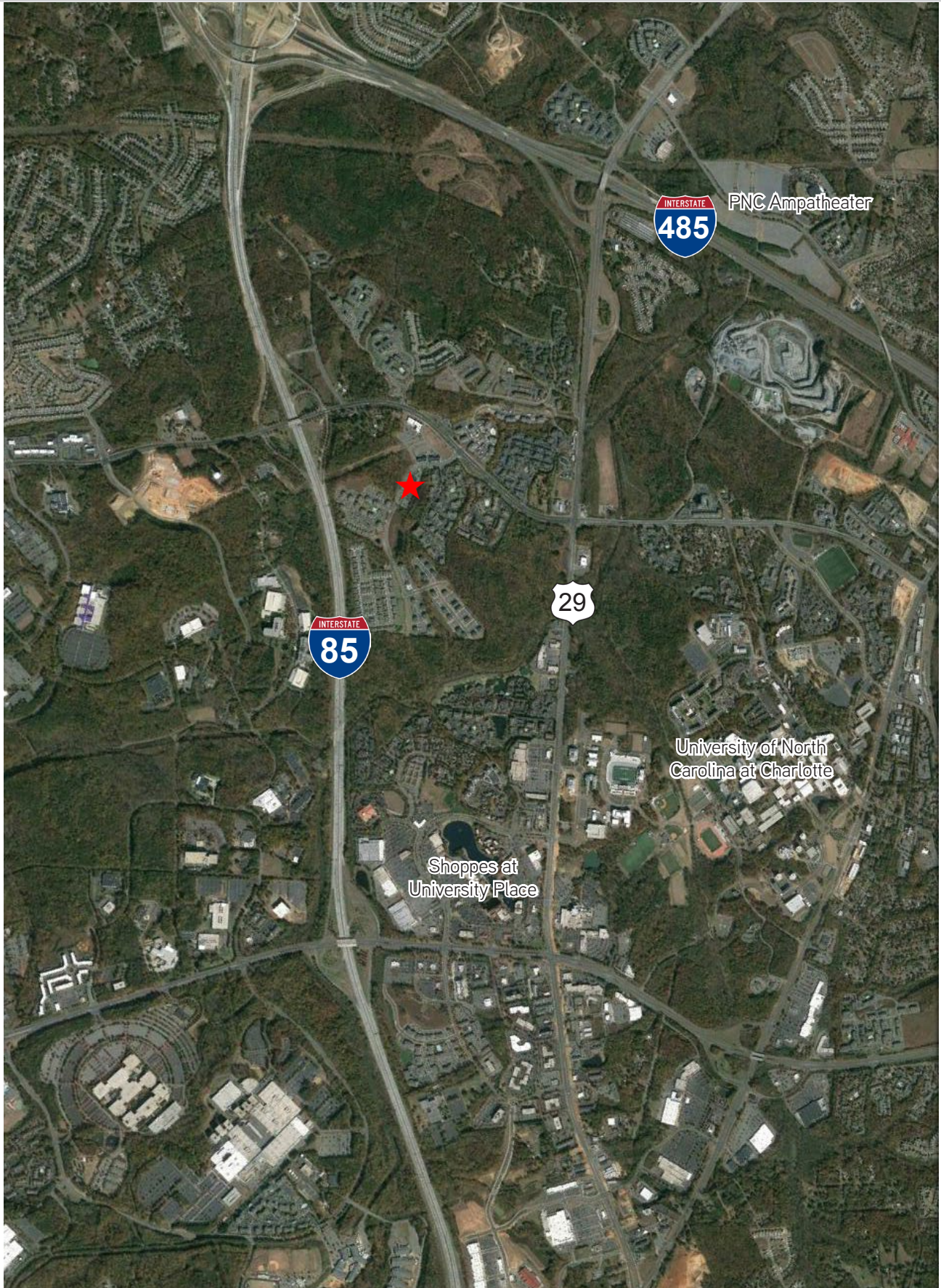
PROPERTY DESCRIPTION (continued)

Environmental:	No known adverse environmental conditions exist at the Property. However, prospective purchases should perform their own independent analysis and review of environmental conditions.
Year Built:	2004
Developer and General Contractor:	Pinnacle Point, LLC / A. Watts, Inc.
Architect:	Little & Associates
Foundation / Framing:	Foundation: 4" thick of crushed stone over compacted earth; 4" thick 3,000 PSI concrete slab. Framing: 6" 18 gauge metal studs on 16" centers
Interior Finishes:	The interior corridors and classrooms are a combination of carpet and VCT flooring, painted drywall and 2x2 acoustic tiles.
Façade:	Exterior walls are a combination of CMU's and brick. 4" veneer anchoring system over 2" air space with 1/2" exterior grade gypsum board
Windows:	Tempered glass on all exterior doors and windows
Exterior Doors:	Double entry medium stile doors and various single medium stile exit doors on all sides of property. Interior doors are solid wood.
Ceiling Heights:	10'
Roof:	.045 Mil. EPDM Fully Adhered STD roof membrane; Roof insulation is R-22 rigid insulation tapered for drainage; Roof deck is 1-1/2", 22 gauge type "B" with baked rust inhibitive paint in accordance with the steel deck institute specifications. Roof is under warranty until April 2019.

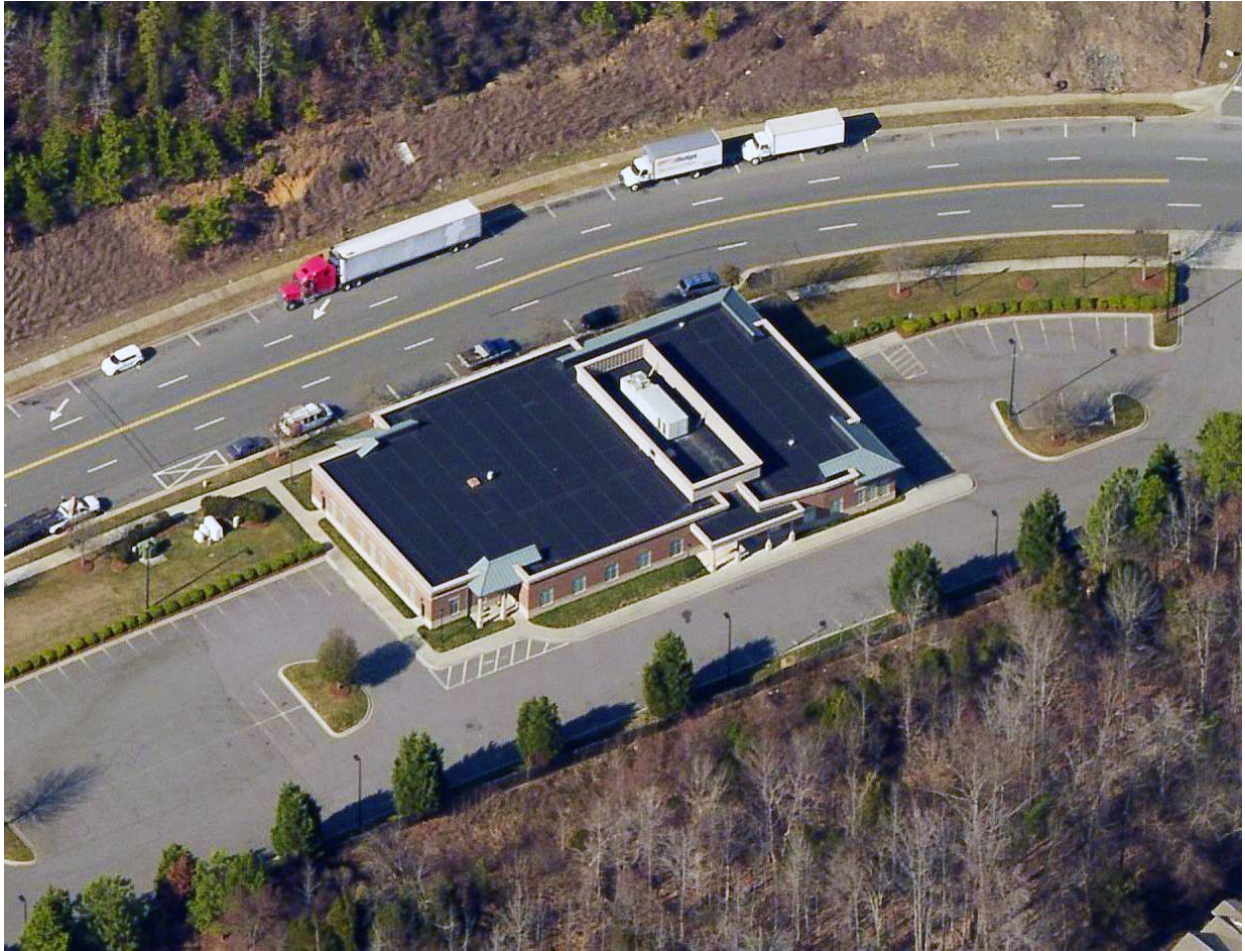
REGIONAL MAP



SUBMARKET MAP



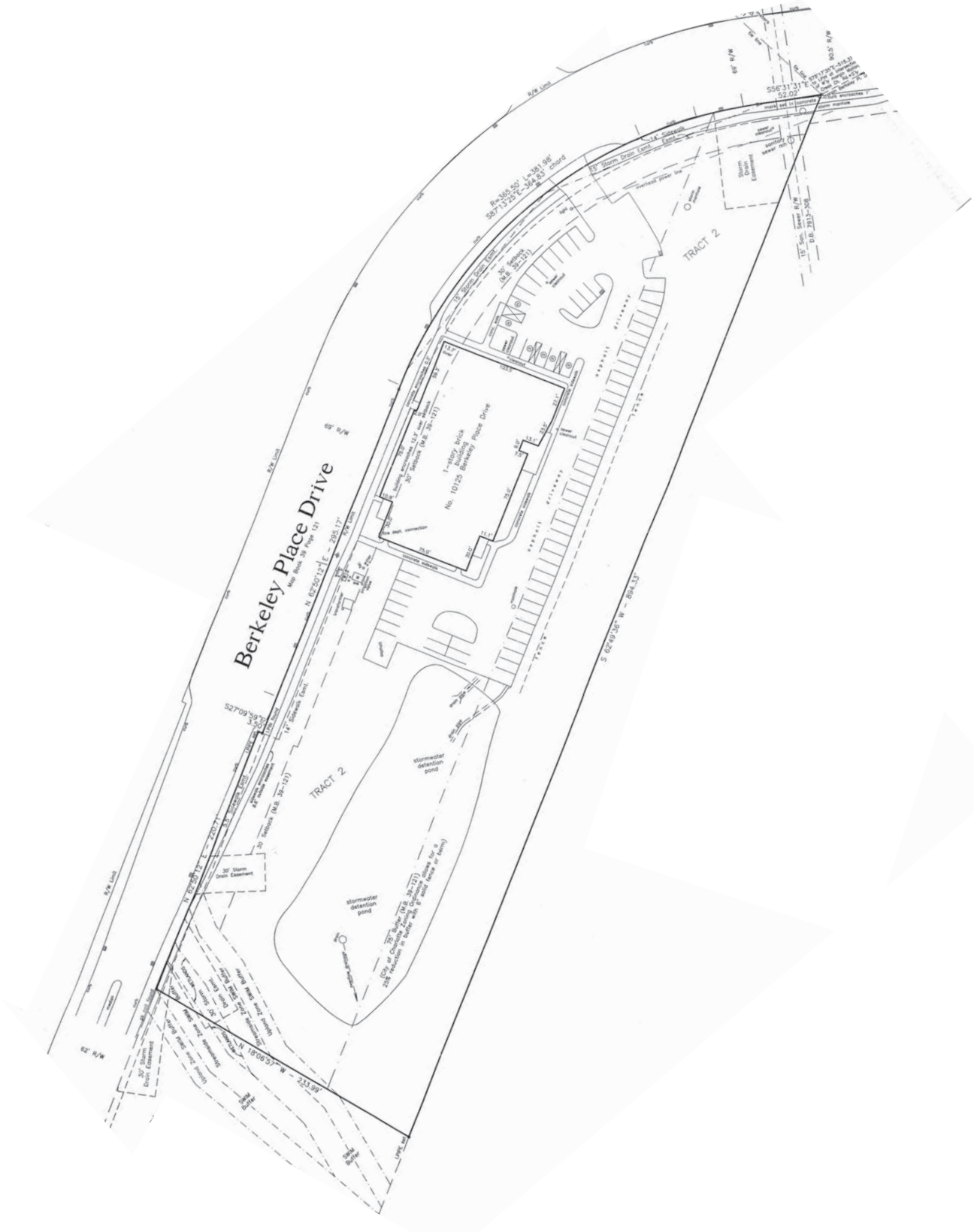
AERIAL



AERIAL



SITE PLAN - 10125 BERKELEY PLACE DRIVE



CHARLOTTE OVERVIEW



BOTH COMPANIES AND INDIVIDUALS are attracted to the thriving Charlotte region. Booming with economic and commercial activity, Charlotte has all the advantages of one of the most rapidly growing metropolitan areas in the nation. Yet the people are warm and friendly, and many areas still retain their small town flavor.

Located in the Piedmont region of the Carolinas, Charlotte is two hours east of the Appalachian Mountains and three hours west of the Atlantic Ocean. New York City is 631 miles to the northeast, and Atlanta is 256 miles to the southwest.

RICH IN HISTORY

Although settled by the Scotch-Irish in the 1740s, the Charlotte area also felt the strong influence of

BOOMING WITH ECONOMIC AND COMMERCIAL ACTIVITY, CHARLOTTE HAS ALL THE ADVANTAGES OF ONE OF THE MOST RAPIDLY GROWING METROPOLITAN AREAS IN THE NATION.

German colonists who came south about the same time. In fact, the city owes its name to German-born Queen Charlotte, wife of England's King George III, and the county to her birthplace of Mecklenburg. That is also why Charlotte is referred to as the "Queen City" and why the Bank of America building has a crown architecturally incorporated in its design.

From its modest beginnings as a small village, Charlotte abruptly attained city status with America's first discovery of gold in 1799. It was also the first small step in establishing the city as a financial center. Charlotte quickly became the gold mining capital of the country until the California Gold Rush fifty years later. It was about that time that the cotton industry moved south from New England.



By 1903, the Charlotte area was clearly defined as a textile leader. But the real driving force propelling business activities was the arrival of the railroad. Today, Charlotte is a major distribution hub and is at the center of the largest consolidated rail system in the United States.

EXCEPTIONAL MARKET ACCESS

Charlotte is the 17th largest U.S. city with a population of 796,921, making it the largest city within the region. Of the major metro centers in the Southeast, Charlotte has 7.4 million and Atlanta has 8.3 million people living within a 100-mile radius. This radius population well exceeds Miami's six million and the 2.6 million around Memphis. As a result, Charlotte has emerged as a financial, distribution and transportation center for the entire urban region. In addition, Charlotte has developed into a major wholesale center with the highest per capita sales in the United States.

QUALITY BUSINESS ENVIRONMENT

Charlotte serves as headquarters for many major national and international companies. During the past ten years, 6,940 new firms have invested more than \$10 billion in new Charlotte facilities. Abundant modern office space is conveniently located throughout the city. At any given time, Charlotte has eight million square feet vacant and available for lease. Hoover's lists 4,277 companies with facilities in Charlotte-Mecklenburg in their database of companies with \$1 million or more in revenue. In addition, 270 of the Fortune 500 companies have facilities here, six of which are headquartered in Charlotte, ranking Charlotte sixth nationally in the number of headquartered firms.



LARGEST EMPLOYERS



CHARLOTTE MARKET OVERVIEW

The Charlotte office market has continued to see steady activity over the 1st Q 2014. The market is continuing to move from a pro-tenant market to a pro-landlord market based on the low supply of large blocks of contiguous Class A & B space. Current buildings that can offer expansion options and an above average parking ratio will have significant advantages as we move into the 2nd quarter of 2014. Rental rates are increasing, vacancy rates decreasing and construction activity returning. Leasing activity continues to be strong in the Airport and University submarkets. Landlords have been poised to increase rental rates and decrease concession on well positioned properties.

Build-to-suit and new construction is becoming a viable option for tenants. The market has seen recent high profile announcements for new speculative buildings. Lincoln Harris is planning to break ground on two 10-story Class A office buildings in the SouthPark submarket

totaling 480,000 SF. Portman Holdings plans to build a 360,000 SF Class A office tower at 615 South College St. in the CBD, above the Westin Hotel parking deck. Crescent Commercial has also announced plans for Tryon Place, a 715,000 SF Class A office tower located on the corner of Stonewall and Tryon St. in the CBD.

The largest projects underway at the end of the 1st quarter of 2014 were Sharon Square, a 105,00 SF Class

	OVERALL	CLASS A
Inventory	68,394,836 SF	32,942,802 SF
Deliveries YTD	39,975 SF	0 SF
Absorption YTD	43,615 SF	-1,015 SF
Construction	176,754 SF	139,346 SF
Vacancy Q1	12.1%	12.3%
Avg. Ask Rate Q1	\$20.44 FS	\$23.19 FS



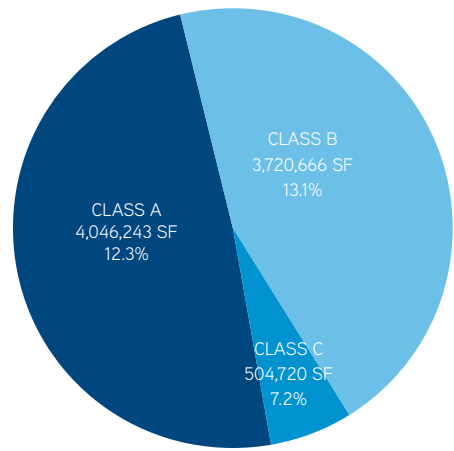


MARKET TRENDS

ALL CLASSES

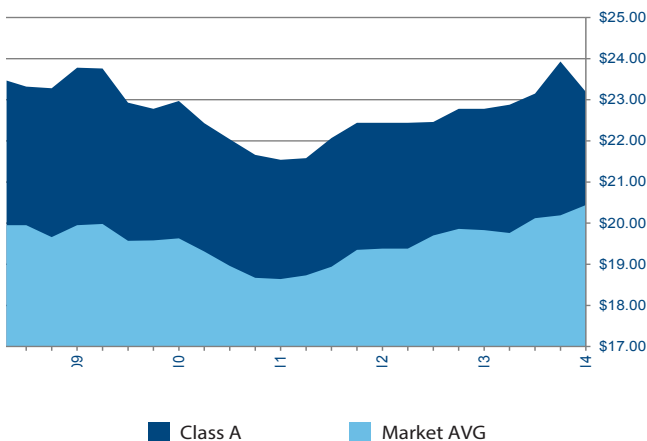
Number of Buildings	983
Overall Market Size	68,394,836
Average Lease Rate	\$20.44
Vacancy	12.1%
Net Absorption YTD	43,615
New Supply YTD	39,975
SF Under Construction	176,754

1ST QTR 2014 | Vacant Space By Class

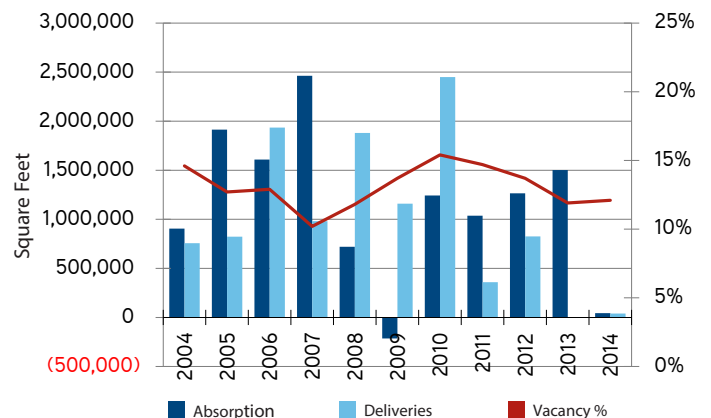


Class A Class B Class C

1ST QUARTER 2014 | Charlotte Rental Rates



CHARLOTTE OFFICE MARKET



FINANCIAL ANALYSIS

Lease Abstract

Term	5 years
Lease Type	NNN
Lease Beginning Date*	11/1/2014
Lease Ending Date	10/31/2019
Occupancy Date	11/1/2014
Rent Commencement Date	11/1/2014
Price/SF	\$12.00
Annual Rent (1st year)	\$189,348
Escalations	3.0%

* Subject to timing of close of transaction

Rent Roll

Brookstone

RSF:	15,779
\$/SF:	\$12.00
Lease Start Date:	11/1/2014
Lease End Date:	10/31/2019

Rent Schedule

Date (est)	PSF	Annual	Increase
11/1/2014	\$12.00	\$189,348	N/A
11/1/2015	\$12.36	\$195,028	3.0%
11/1/2016	\$12.73	\$200,879	3.0%
11/1/2017	\$13.11	\$206,906	3.0%
11/1/2019	\$13.91	\$219,506	3.0%



COLLIERS INTERNATION OVERVIEW



1.46B*
SF UNDER
MANAGEMENT



\$2.1B
IN REVENUE



485
OFFICES



63
COUNTRIES



15,800
BROKERS
PROFESSIONALS
AND STAFF



\$75B
TRANSACTION VALUE

#1

Ranked U.S. Real Estate Company
COMMERCIAL PROPERTY EXECUTIVE & MULTI-HOUSING
NEWS 2011

#2

Most Recognized Commercial Real Estate
Brand
THE LIPSEY COMPANY 2014
Ranked in Global Transaction Volume



ROYAL INSTITUTION OF CHARTERED SURVEYORS (RICS)

#1 Industrial Sales Agency – Australia, New Zealand 2009, 2011
#1 Retail Sales Agency – New Zealand 2009, 2011
#1 Industrial Sales Agency – New Zealand 2009, 2011

*The combination of Colliers International and FirstService results in 2.5 Billion under management (2nd largest in the world)



BROKERAGE AND AGENCY

CORPORATE SOLUTIONS

VALUATION AND ADVISORY SERVICES

TENANT REPRESENTATION

INVESTMENT SERVICES

LANDLORD REPRESENTATION

REAL ESTATE MANAGEMENT SERVICES

HOTEL

LAND

MULTIFAMILY

RETAIL

OFFICE

INDUSTRIAL



INTERNATIONAL PROPERTY AWARDS

Best Property Consultancy – Hong Kong, Indonesia 2010
Best Commercial Real Estate Agency – Hong Kong 2009



EUROPAPROPERTY AWARDS

SEE Consultant of the Year 2005, 2006 and 2007
CEE Capital Markets Agency of the Year 2009
CEE Industrial and Logistics Agency of the Year 2009

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B E R T O L I N A

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