

Confidential Real Estate Investment Summary
October 14, 2005

Palmer Town Center *Easton, Pennsylvania*

(Approximately 5 miles from New Jersey and 75 miles from New York and Philadelphia)



Minimum TIC Investment **\$350,000**

- **\$40,810,000** acquisition price
- **\$17,875,200** equity investment
- **6.32%** CAP rate
- **6.51%** year one cash-on-cash yield (pro forma)
- Anchored by **Giant Foods**, one of the Northeast Region's dominant grocers and Shadow Anchored by **Home Depot** (NAP)
- **Brand New Construction**
- Total leasable square feet – **153,400**
- **90.83%** occupancy (as of 10/5/05)
- Over 79% of the GLA is comprised of national and regional retail tenants
- National Tenants with excellent lease terms and strong trade area demographics

EXECUTIVE SUMMARY (FROM THE CB RICHARD ELLIS (“CBRE”) OFFERING MEMORANDUM)

LOCATION

721 S 25th Street, Easton, PA 18045

THE PROPERTY

Palmer Town Center is a grocery-anchored shopping center containing 153,400 square feet and conveniently located at the intersection of William Penn Highway and 25th Street. The Center is newly constructed and its anchor tenant, Giant Foods, opened on February 23, 2005. Giant Foods' 20 year lease is guaranteed by its parent company Royal Ahold, which maintains an S&P credit rating of BB-. Giant Foods consists of nearly 40% of the base rent. Additionally, over 79% of the GLA is comprised of national and regional retail tenants.

Palmer Town Center is shadow anchored by a 97,895 square foot Home Depot. The Center is situated within one of the most active growth areas in the Lehigh Valley. Other national and regional tenants include A.J. Wright (TJX Companies), Hollywood Video, LA Weight Loss, Dairy Queen, Regis Corporation, Aspen Dental and Bear Rock Cafe.

Due to its location at an interchange for Route 22, Palmer Township has evolved into a popular retail destination. This area contains approximately 1.0 million square feet of retail space consisting of numerous national and regional retailers including Wegman's, Wal-Mart Supercenter, Weis, Boscov's and Bon-Ton.

