

# ASSET MANAGEMENT PLAN | CHRISTINA CROSSING

A straightforward business plan focused on creating value has been developed by First National Realty Partners' Asset Management Team to maximize investor returns. The Business Plan consists of the following key criteria:

- 1** FNRP will work to procure tenants for the existing 4,000 SF of vacant space. Leasing these spaces will increase net operating income, enhance the tenant mix and drive additional cross shopping at the property.
- 2** Two mid-box tenants totaling 14,000 SF are anticipated to vacate on or before lease expiration. FNRP plans to re-lease these spaces at positive rent spreads to expiring rent. There is an additional 9,900 SF of expiring inline tenants that FNRP anticipates renewing during the hold period.
- 3** Our discussions with the Shop Rite franchisee has indicated that they believe this is a strong performing location. During our ownership, FNRP will pursue a longer-term lease extension with ShopRite beyond its typical five-year renewal periods.
- 4** There are two outparcels at the shopping center that are currently undeveloped. FNRP will explore options to monetize these outparcels including ground lease, sale and/or development.
- 5** FNRP will leverage our existing ownership presence and local market knowledge, including over 1.3 million SF of owned and operated grocery-anchored retail in the nearby Pennsylvania market, to drive operating efficiencies at the property.
- 6** Implement a cost segregation study to accelerate the depreciation of the property which will provide significant tax benefits to our investors throughout the holding period. These tax benefits, which are not reflected in our underwriting, have the potential for additional upside as a result of the passage of the CARES Act in March 2020.
- 7** The final element of the business plan is to exit with a sale in Year 5. The successful execution of the components of the Business Plan will allow for the sale of the property at a significantly higher net operating income at the conclusion of our hold period.

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