

# ASSET MANAGEMENT PLAN | MID-AMERICA GROCERY-ANCHORED PORTFOLIO

To realize this potential, 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

The foundation of the business plan is driven by the ability to generate consistent levels of high annual income that will increase during the holding period from a stable mix of e-commerce resistant tenants in centers that are anchored by essential operating grocery tenants with excellent sales.

2

Multiple opportunities exist for value creation that starts with the lease up of over 70,000 square feet of rentable vacant space which has the potential to increase rental revenue at the centers by over 23% – which is approximately \$1.18mm dollars.

3

Utilize our world class operating platform and full-time staff of over 130 real estate professionals, led by our industry-leading in-house leasing team, to implement our asset management plan to increase occupancy while operating the properties in a more efficient manner to reduce expenses and increase net operating income during the holding period.

4

Leverage our existing presence and market knowledge in Missouri and Indiana to enhance operating efficiencies and drive value.

5

Utilize our strong institutional relationship with Kroger and Fresh Thyme to pursue a long-term lease extension on their stores.

6

Implement a cost segregation study to accelerate the depreciation of the properties which will provide significant tax benefits to our partners throughout the holding period. These tax benefits have the potential for additional upside as a result of the recent passage of the CARES Act in March 2020.

7

The final element of the business plan is to exit with a sale in Year 3. The successful execution of the components of the Business Plan will allow for the sale of the properties at a similar cap rate with significantly higher net operating income at the conclusion of our hold period.

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