

# ASSET MANAGEMENT PLAN | TROPICANA CENTRE

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 that is anchored by an essential operating grocery store that benefits from Walmart's strong credit rating and fortress balance sheet.
- 2** Multiple opportunities exist for value creation that starts with the lease up of approximately 26,085 square feet of rentable vacant space which has the potential to increase rental revenue at the center by over 7% - which is approximately \$397,000 dollars.
- 3** Utilize our world class operating platform and full-time staff of over 100 real estate professionals, led by our industry-leading in-house leasing team, to implement our asset management plan to increase occupancy while operating the property in a more efficient manner to reduce expenses and increase net operating income during the holding period.
- 4** Implement a cost segregation study to accelerate the depreciation of the property 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.
- 5** 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 property at a lower cap rate with a higher net operating income at exit than at current levels.

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