

1000 PARKWOOD

| CASE STUDY



| PHYSICAL ASSET

Description	Ten-story office building with a four-story parking deck
Size	212,705 rentable square feet
Location	Cumberland/Galleria submarket in the northeast quadrant of the I-75/I-285 interchange
Land Area	7.15 acres
Year Built	1985

| CAPITAL STRUCTURE

Total Investment	\$28,700,000	Includes acquisition costs, working capital and fees
Equity	\$9,200,000	JV with Angelo, Gordon & Co.
Debt	\$19,500,000	Life company loan at 67% loan-to-cost

| VALUE CREATION

	Purchase	Sale
Date	June 2013	May 2016
Purchase Price	\$28,000,000 (\$132/sf)	\$38,900,000 (\$183/sf)
Occupancy	87.0%	94.3%
Avg. Lease Term In-Place	6.5 years	4.7 years
Net Operating Income	\$1,965,771 (Yr 1 Proforma)	\$2,614,641 (CY 2016 Budget + add back of contractual free rent)

ATLANTA | PROPERTY | GROUP

Peachtree 25th Building
1718 Peachtree St NW, Suite 100 | Atlanta, GA 30309
P | 404.442.6110 | atlantapg.com

| EXCEPTIONAL RETURNS

IRR (3-year hold)	30%	After all fees, before promote
Investment Return Multiple	2.2x	After all fees, before promote
Distributions and Amortization During Hold	\$1.2mm	13% of equity invested

| EXCELLENT REAL ESTATE

Located in the NE quadrant of the I-285/ I-75 interchange in the heart of the Cumberland/Galleria submarket

Location provides great access to tenants with sweeping views of the surrounding submarket, adjacent to Wildwood development

Functional asset with efficient floorplates, 9' ceilings, full-height glass, and ample parking of over 3.1 spaces per 1,000 SF

Within a short drive of an endless list of restaurants, hotels, retail stores and the new \$1.1 billion SunTrust Park (Atlanta Braves)

| OPPORTUNISTIC PURCHASE

Purchased at onset of strong Atlanta and Cumberland/Galleria office market recovery and rental rate growth

APG was able to purchase the property at attractive pricing after two previous groups failed to close, creating a broken sales process and urgency by the seller to transact. APG was awarded the deal because of its ability to close all-cash, 25 days after LOI

Acquired the Property at a purchase price of \$132/sf, a slight discount to the 2004 acquisition price (\$134/sf) and over a 60% discount to replacement cost

| VALUE ADD OPERATING STRATEGY

Used extensive renovations as well as a strong reputation in the brokerage community to reintroduce the Property to the marketplace and create strong leasing momentum which led to a 20% increase in rents over the hold period

During the first year, renewed the only large, near-term tenant expiration (11% of Bldg.) for six years, and stabilized the rent roll

Invested significantly in common area renovations and completed a full elevator modernization to increase the aesthetic appeal and functionality of the building

Marketed and received offers for a 1.66-acre undeveloped retail parcel to justify the potential land value prior to sale

| OPPORTUNISTIC SALE

Sold for nearly \$183/sf, which equates to approximately a 7% cap rate, after achieving 94% occupancy and an average remaining lease term of over 4.7 years

Exited thru an extremely efficient, off-market sales process to an international investor focused on income generating assets, looking to grow quickly in the Atlanta market