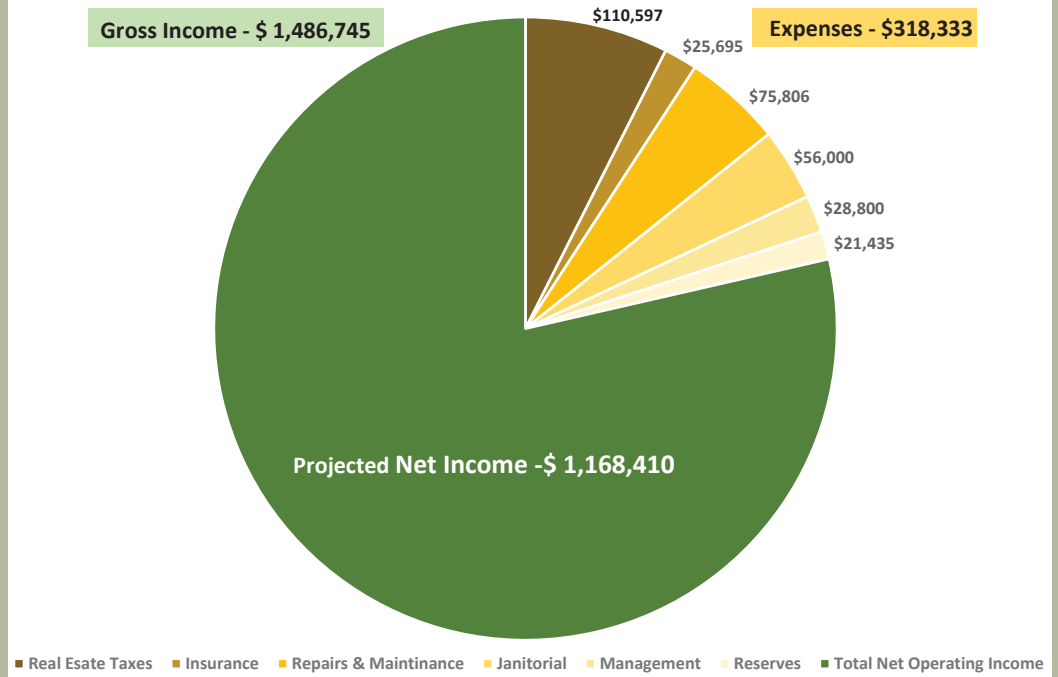


GSA LEASE

United States Government General Services Administration (GSA) has leased the property since January 1997, for a term of twenty years, which was subsequently extended to October 31, 2019. Current lease rate is \$78,869 per month through April 30, 2019, at which time the lease rate increases to \$106,478 per month until its expiration.

The modified gross lease is scheduled to generate from July 1, 2018 to October 31, 2019, an estimated \$1,168,000 Net Operating Income. Tenant is responsible for all utilities. Other expenses are responsibility of owner. Landlord/owner is reimbursed for real estate taxes in excess of \$38,557 base amount included in the lease rate. Lease documents are included in Supplemental Information Package.

Projected 16 Month Pro Forma - July 1, 2018 to October 31, 2019



ENTERPRISE and E-COMMERCE

Property is within Clackamas County Enterprise Zone and City of Sandy E-Commerce Zone, both of which provide financial and tax incentives for businesses locating, or expanding, within City of Sandy.

Enterprise Zone

Businesses eligible for Enterprise Zone include manufacturers, processors, shippers and other trade-sector businesses, as well as call centers and headquarter facilities. Hotel and resort businesses are also eligible. There is property tax abatement for a period of from three to five years for new investments in building, construction and improvement, machinery and equipment.

E-Commerce Zone

City of Sandy is one of fifteen cities within Oregon that has received E-Commerce Zone to encourage electronic commerce investments. There is a credit towards annual state income tax or corporate excise tax liability for investment in capital assets used in electronic commerce. Information pertaining to eligibility and incentives are found at www.ci.sandy.or.us/local-incentives-for-business-in-sandy by contacting David Snider, Economic Development Manager, at 503-489-2159 or dsnider@cityofsandy.com

ENVIRONMENTAL ASSESSMENT

The Seller had a Phase Environmental Site Assessment prepared in January 2017, by Alpine Environmental Consultants, LLC. Based on the report, the property does not have any recognized environmental conditions. Report is part of Supplemental Information Package with Bid Documents.

Zoning

The property is zoned I 2 – Light Industrial. A wide range of manufacturing, assembly, automotive, retail, and self-storage uses are allowed, along with a variety of community services which include academic, religious, community centers and government buildings. Zoning and contact information for City of Sandy is included in Supplemental Information Package.

Utilities

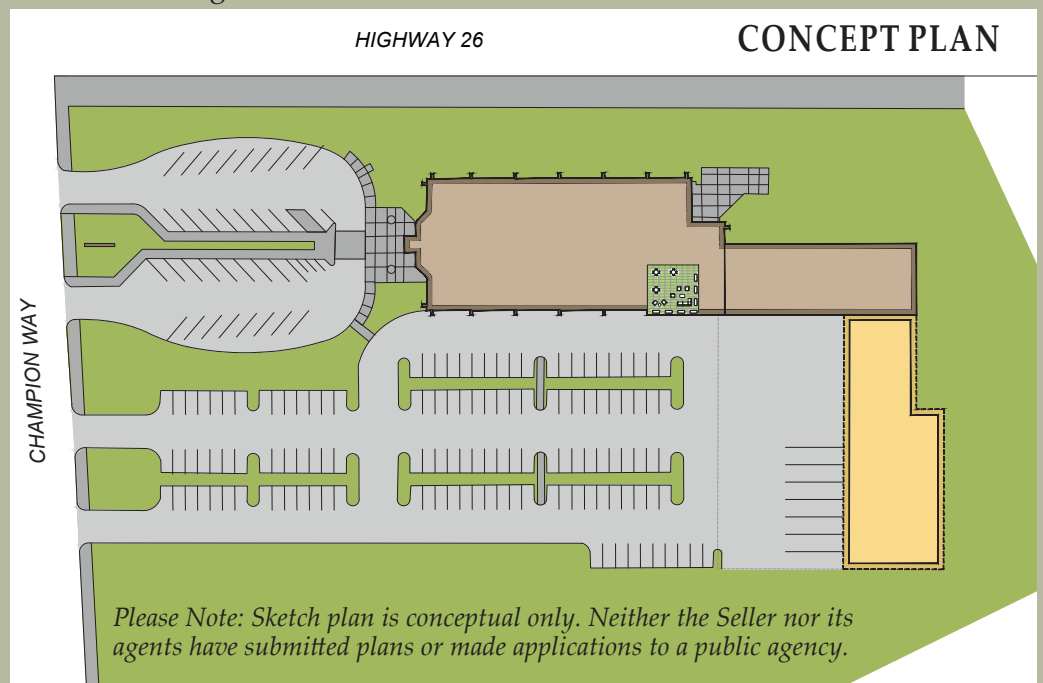
The complex is serviced by all utilities.

Gigabit Fiber

High speed internet service is available from SandyNet, City of Sandy municipal-owned internet provider.

Taxes

Total 2017 real estate taxes were \$81,164. Property Taxes are reimbursed to seller by tenant.



Opportunity to develop additional warehouse or flex-space to provide re-use options for building complex