

JOHNSTOWN GALLERIA OUTPARCEL

JOHNSTOWN, PENNSYLVANIA



CONFIDENTIAL OFFERING MEMORANDUM

THE
SHOPPING
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EXECUTIVE SUMMARY



David Gonen, 971-673-1141,

is pleased to present Johnstown Galleria Outparcel located in Johnstown, Cambria County, Pennsylvania (the "Property"). The Property comprises a strip center periphery to the Johnstown Galleria regional mall (the "Mall") located along Johnstown's major commercial corridor, Route 219. The Johnstown Galleria Outparcel is a 61,968 SF retail center 100% leased to Staples, Dunham's Sports and Chuck E. Cheese's.

The Property is an opportunity to acquire a quality, stabilized mall periphery asset with excellent tenant tenure and renewal history.

Address	Johnstown Galleria Outparcel 590-594 Galleria Drive Johnstown, PA 15904
Land Area	5.66 acres
Year Built	1993
Parking	308 spaces, 4.97/1,000 SF
Tenancy:	
National	Staples, Chuck E. Cheese's
Regional	Dunham's Sporting Goods
GLA:	
Total	61,968 SF
Occupancy	100.0%



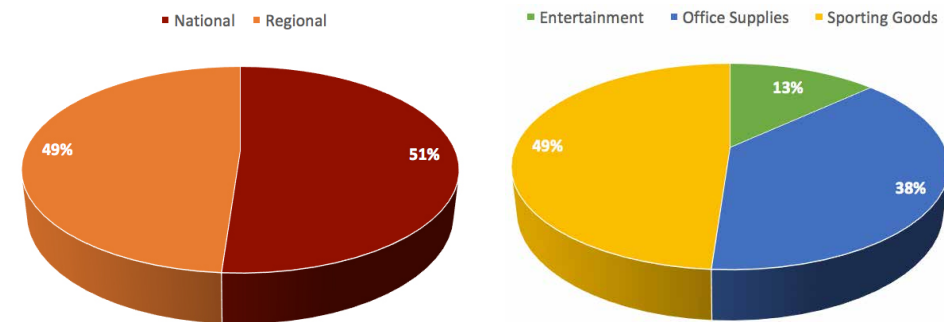
INVESTMENT HIGHLIGHTS

MALL PERIPHERY AND SHADOW-ANCHORED

The Property is located on the ring road of Johnstown Galleria Mall and benefits from mall anchors including Bon-Ton, Boscov's, JC Penney, and Sears. Furthermore, the Property shares cross access with Gander Mountain, Tractor Supply Company and Ashley Furniture. The Property offers complimentary retailers (Dunham's Sports, Staples and Chuck E. Cheese's) to the mall's current lineup.

STRONG RENEWAL HISTORY

Each of the tenants at Johnstown Galleria Outparcel has renewed at least once and has remaining options.



TENANT TABLE	SF	%
National	31,687	51.0
Regional	30,281	49.0
Total	61,968	100.0

TENANT TABLE	SF	%
Entertainment	8,153	13.0
Office Supplies	23,534	38.0
Sporting Goods	30,281	49.0
Total	61,968	100.0

EXTENDED TRADE AREA

None of the tenants has redundant stores or peer competition within a twenty-mile radius. Further, the Johnstown Galleria Mall is the only enclosed regional mall for nearly 40 miles, and serves an extended trade area from Latrobe to Altoona.

ESTABLISHED RETAIL CORRIDOR

State Route 219, a major north/south connector to the Pennsylvania Turnpike, affords the Property excellent connectivity to neighboring communities.

DEMOGRAPHIC OVERVIEW				
	10-MIN DRIVE TIME	20-MIN DRIVE TIME	5-MILE RADIUS	10-MILE RADIUS
2015 Total Population	32,855	103,708	51,033	97,870
2015 Total Households	14,484	45,502	22,564	42,899
2015 Average Household Income	\$54,182	\$54,481	\$51,567	\$54,741
2015 Total Number of Businesses	2,110	4,764	2,680	4,108
2015 Total Number of Employees	27,348	58,926	37,088	51,197

FINANCIAL HIGHLIGHTS

STABLE CASH FLOW

Johnstown Galleria Outparcel is 100% leased to three tenants. Each tenant has recently exercised options providing for a predictable mid to long term cash flow.

NO DEBT TO ASSUME

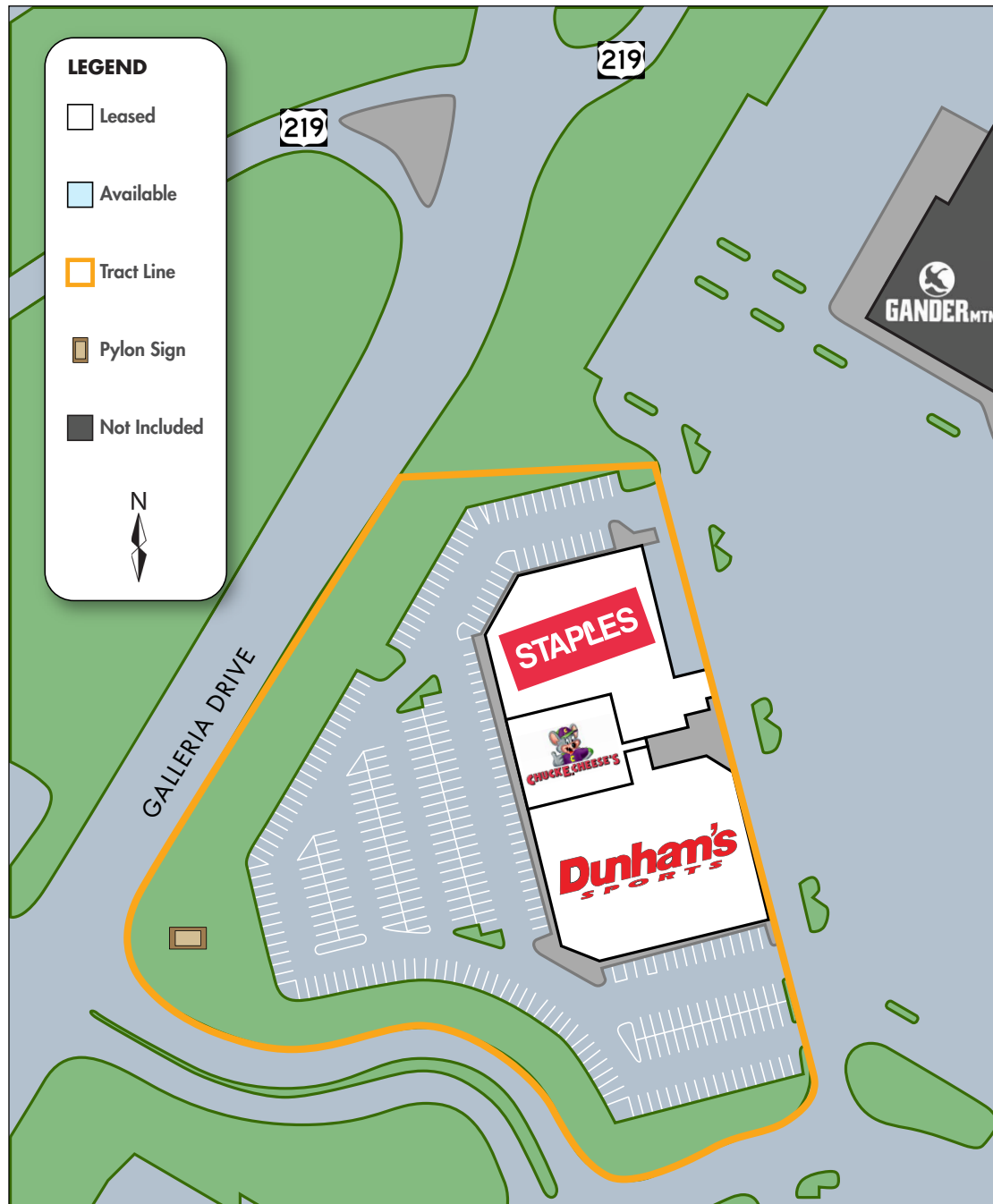
Johnstown Galleria Outparcel will be sold free and clear of debt allowing flexibility for investors to tailor their capital stack to suit their near and long term goals.

Debt quotes are available upon request.

FINANCIAL SUMMARY				
	Year 1 Jun-2017	Year 4 Jun-2020	Year 7 Jun-2023	Year 11 Jun-2027
Effective Gross Revenue	\$652,482	\$677,286	\$721,565	\$792,451
Total Operating Expenses	\$213,064	\$231,747	\$252,683	\$283,808
Net Operating Income	\$439,418	\$445,539	\$468,882	\$508,643
Total Leasing & Capital Costs	\$12,580	\$13,745	\$15,021	\$16,906
Net Cash Flow Before Debt Service	\$426,838	\$431,794	\$453,861	\$491,737



SITE PLAN



Unit	Tenant	SF
1	Dunham's Sports	30,281
2	Chuck E. Cheese's	8,153
3	Staples	23,534
Total		61,968

LOCATION OVERVIEW





Johnstown
Galleria Outparcel

Johnstown
Galleria Outparcel

JOHNSTOWN, CAMBRIA COUNTY, PA

Johnstown is a city located in Cambria County 67 miles east of Pittsburgh and 43 miles southwest of Altoona. The population was 20,978 at the 2010 census and estimated to be 20,402 in 2013. It is the principal city of the Johnstown, Pennsylvania, Metropolitan Statistical Area, which includes Cambria County. Cambria County has an estimated population of 143,272 (2014).

ECONOMIC DEVELOPMENT

Downtown Johnstown has been undergoing a significant revitalization in recent years and has seen significant private and public investment. Several downtown commercial buildings have been redeveloped as apartment and condominium units, and Johnstown's Central Park has been equipped with WiFi technology, hosting numerous summer concerts and festivals.

The Greater Johnstown Regional Technology Park is a recent \$22.5 million redevelopment of the former Sani-Dairy site. The Tech Park involved private funding by Conemaugh Health System as well as several local, state and federal grants and loans to complete. Located in a state-designated Keystone Innovation Zone, the complex is a hub for sharing research and development in the information technology, health science and biotechnology fields, interacting with local universities, including the University of Pittsburgh at Johnstown.

HEALTHCARE

Conemaugh Health System is the largest health care provider in west central Pennsylvania, with hospitals, physician offices, and outpatient centers in five counties. The parent company, Duke LifePoint Healthcare (NASDAQ:LPNT), owns and operates community hospitals, regional health systems, physician practices, outpatient centers, and post-acute facilities in growing regions, rural communities and small towns. It was set up in 1997 and headquartered in Brentwood, Tennessee. For the year ended December 31, 2015, consolidated revenues were \$5.2 billion, an increase of 16.3% from the prior year. Conemaugh Health System is headquartered in Johnstown and employs over 4,500 people.

EDUCATION

Founded in 1927, the University of Pittsburgh – Johnstown is the first and largest regional campus of the University of Pittsburgh, situated on 655 picturesque acres. Current enrollment is estimated at 3,000 students with an additional 500 staff and faculty members. University of Pittsburgh – Johnstown offers its students access to 48 undergraduate majors, 100 student organizations, and 15 NCAA Division II athletic teams.



JOHNSTOWN, CAMBRIA COUNTY, PA (cont.)

TOP 50 EMPLOYERS

1	DLP PARTNER CONEMAUGH LLC	26	GALLIKER DAIRY CO
2	STATE GOVERNMENT	27	MOUNT ALOYSIUS COLLEGE
3	FEDERAL GOVERNMENT	28	LIFESTYLE SUPPORT SERVICES INC
4	CAMBRIA COUNTY	29	AMERISERV FINANCIAL
5	WAL-MART ASSOCIATES INC	30	CAMBRIA CNTY CHILD DEVELOPMENT CORP
6	SAINT FRANCIS UNIVERSITY	31	CHILDRENS BEHAVIORAL HEALTH INC
7	DLP CONEMAUGH PHYSICIAN PRACTICES	32	INTERIM HEALTHCARE OF PITTSBURGH
8	UNIVERSITY OF PITTSBURGH	33	CAMBRIA HEIGHTS SCHOOL DIST
9	CONCURRENT TECHNOLOGIES CORP	34	F N B CORPORATION
10	SHEETZ INC	35	PEERSTAR LLC
11	SARGENT'S PERSONNEL AGENCY INC	36	SKILLS OF CENTRAL PA INC
12	AMERICAN NATIONAL RED CROSS	37	ATLANTIC BROADBAND FINANCE LLC
13	GREATER JOHNSTOWN SCHOOL DIST	38	GOODWILL INDS OF THE CONEMAUGH VLY
14	CAMBRIA CARE CENTER	39	WESTMONT HILLTOP SCHOOL DISTRICT
15	GIANT EAGLE INC	40	INTER-MEDIA MARKETING INC
16	LAUREL TECHNOLOGIES	41	LAURELWOOD CARE CENTER LLC
17	ALLEGHENIES UNLIMITED CARE PROVIDER	42	I-J-L TRUCKING INC
18	METLIFE GROUP INC	43	MCANENY BROTHERS INC
19	LOCKHEED MARTIN AEROPARTS INC	44	RICHLAND SCHOOL DISTRICT
20	ARBUTUS PARK MANOR	45	ALTERNATIVE COMMUNITY RESOURCE PGM
21	FOREST HILLS SCHOOL DISTRICT	46	ALLEGHENY LUTHERAN SOCIAL MINISTRY
22	CENTRAL CAMBRIA SCHOOL DISTRICT	47	MCILWAIN SCHOOL BUS LINES, INC.
23	BOTTLING GROUP LLC	48	H F LENZ CO
24	JOHNSTOWN WELDING & FABRICATION INC	49	NORTHERN CAMBRIA SCHOOL DISTRICT
25	JOHNSTOWN WIRE TECHNOLOGIES INC	50	PENN CAMBRIA SCHOOL DISTRICT



LOOKING EAST

Johnstown
Galleria Outparcel



BON TON

Johnstown Galleria Mall



Johnstown
Regional Airport

Galleria Drive: 18,000 AADT

219

US-219: 30,000 AADT

RETAIL TRADE AREA

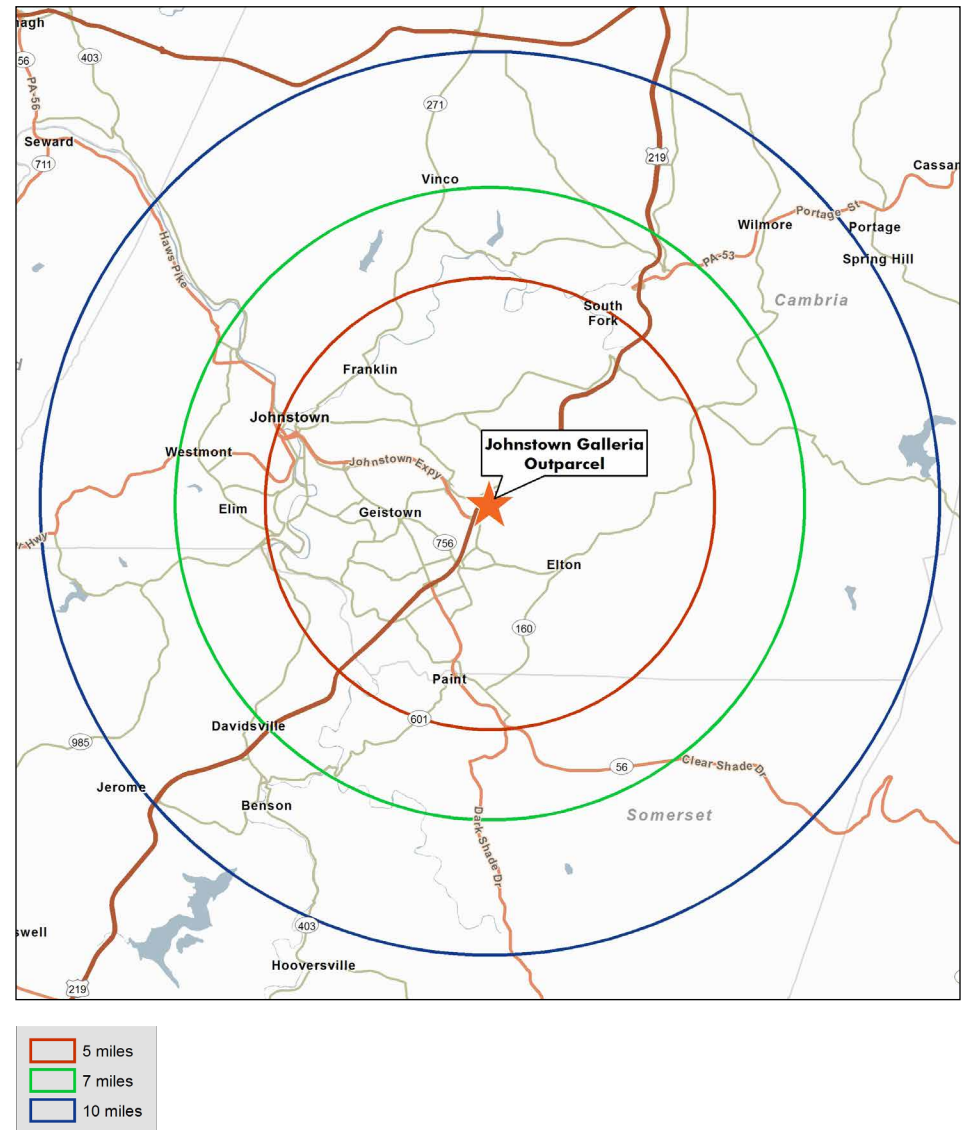
The Property is a periphery center to the Johnstown Galleria, an 894,646 square foot two-level regional mall anchored by Boscov's, JCPenney, Bon-Ton and Sears. The mall is owned by Zamias Services. Anchors comprise approximately 458,176 square feet. Based on a review of the current leasing plan, the Mall is 89.6% leased overall. There are two vacant outparcels available – a 6.8 acre parcel adjacent to Tractor Supply and a 10.4 acre parcel on the east side of the main mall parcel between Sears and Boscov's. Surrounding casual dining options such as Lone Star Steakhouse, Applebee's and Red Lobster as well as supporting fast casual restaurants McDonald's, Burger King, Taco Bell and a Sheetz Fuel Station also drive traffic to the immediate area.

There are no competitive peer retailers or redundant stores for more than twenty miles.



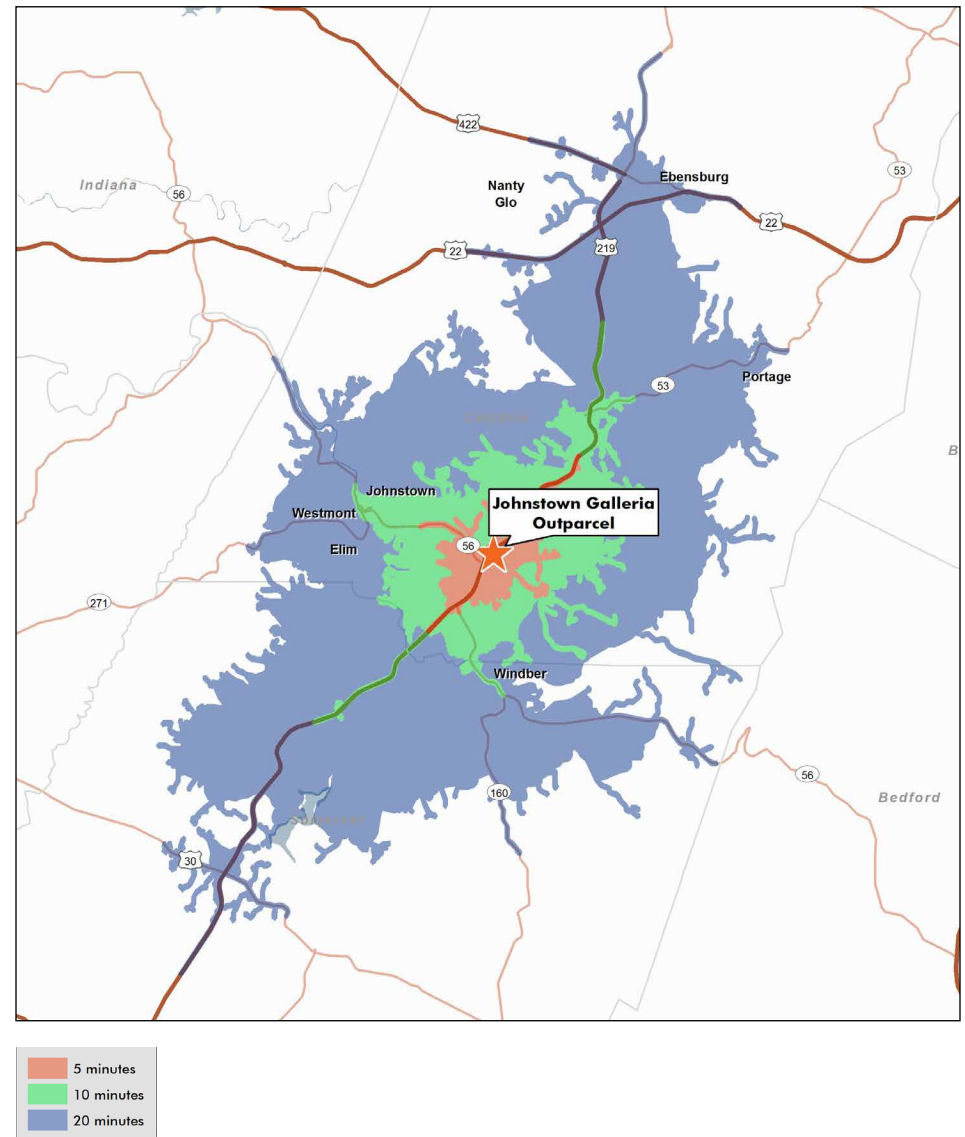
DEMOGRAPHICS - RADII

	5 Miles		7 Miles		10 Miles	
Population						
2015 Total Population	51,033		79,351		97,870	
2020 Projected Total Population	49,725		77,287		95,394	
2010 Total Census Population	52,366		81,546		100,446	
2015 Group Quarters Population	2,299		2,876		3,063	
2010-2015 Population: Ann Grwth Rate	-0.49%		-0.52%		-0.49%	
2015-2020 Population: Ann Grwth Rate	-0.52%		-0.53%		-0.51%	
2015 Male Population	24,484		38,040		47,241	
2015 Female Population	26,549		41,311		50,628	
2015 Median Age	45.7		46.3		46.6	
Households						
2015 Total Households	22,564		35,151		42,899	
2020 Projected Total Households	22,062		34,366		41,972	
2015 Owner Occupied Housing Units	14,274		23,388		29,697	
2015 Median Home Value	\$91,131		\$92,529		\$94,749	
Population by Race						
2015 White Population	46,517	91.2%	73,150	92.2%	91,004	93.0%
2015 Black/African American Population	2,624	5.1%	3,497	4.4%	3,823	3.9%
2015 American Indian/Alaska Native Population	68	0.1%	99	0.1%	116	0.1%
2015 Asian Population	429	0.8%	616	0.8%	699	0.7%
2015 Pacific Islander Population	16	0.0%	27	0.0%	35	0.0%
2015 Other Race Population	211	0.4%	323	0.4%	346	0.4%
2015 Hispanic Population	995	1.9%	1,475	1.9%	1,650	1.7%
Educational Attainment						
2015 Pop Age 25+: Less than 9th Grade	1,234	3.4%	1,815	3.2%	2,242	3.2%
2015 Pop Age 25+: 9-12th Grade/No Diploma	2,959	8.1%	4,232	7.4%	5,059	7.1%
2015 Pop Age 25+: High School Diploma	15,184	41.3%	23,454	40.7%	29,601	41.5%
2015 Pop Age 25+: GED/Alternative Credential	1,578	4.3%	2,242	3.9%	2,658	3.7%
2015 Pop Age 25+: Some College	5,528	15.0%	8,569	14.9%	10,399	14.6%
2015 Pop Age 25+: Associate's Degree	3,064	8.3%	5,061	8.8%	6,395	9.0%
2015 Pop Age 25+: Bachelor's Degree	4,640	12.6%	8,059	14.0%	9,839	13.8%
2015 Pop Age 25+: Graduate/Professional Degree	2,557	7.0%	4,160	7.2%	5,066	7.1%
Income						
2015 Average Household Income	\$51,567		\$53,875		\$54,741	
2015 Median Household Income	\$36,639		\$38,530		\$39,723	
2015 Per Capita Income	\$23,070		\$24,058		\$24,189	
Business						
2015 Total Businesses	2,680		3,711		4,108	
2015 Total Employees	37,088		48,408		51,197	



DEMOGRAPHICS - DRIVE TIMES

	5 Minutes		10 Minutes		20 Minutes	
Population						
2015 Total Population	4,594		32,855		103,708	
2020 Projected Total Population	4,520		32,153		101,142	
2010 Total Census Population	4,527		33,484		106,338	
2015 Group Quarters Population	79		2,064		3,379	
2010-2015 Population: Ann Grwth Rate	0.28%		-0.36%		-0.48%	
2015-2020 Population: Ann Grwth Rate	-0.32%		-0.43%		-0.5%	
2015 Male Population	2,243		15,762		50,059	
2015 Female Population	2,351		17,093		53,649	
2015 Median Age	48.9		46.6		46.3	
Households						
2015 Total Households	2,050		14,484		45,502	
2020 Projected Total Households	2,025		14,238		44,539	
2015 Owner Occupied Housing Units	1,572		9,199		31,030	
2015 Median Home Value	\$128,407		\$100,000		\$94,559	
Population by Race						
2015 White Population	4,435	96.5%	30,101	91.6%	96,715	93.3%
2015 Black/African American Population	30	0.7%	1,547	4.7%	3,836	3.7%
2015 American Indian/Alaska Native Population	1	0.0%	33	0.1%	126	0.1%
2015 Asian Population	75	1.6%	363	1.1%	738	0.7%
2015 Pacific Islander Population	0	0.0%	11	0.0%	36	0.0%
2015 Other Race Population	20	0.4%	125	0.4%	354	0.3%
2015 Hispanic Population	53	1.2%	554	1.7%	1,681	1.6%
Educational Attainment						
2015 Pop Age 25+: Less than 9th Grade	73	2.1%	897	3.8%	2,478	3.3%
2015 Pop Age 25+: 9-12th Grade/No Diploma	227	6.6%	1,910	8.1%	5,345	7.1%
2015 Pop Age 25+: High School Diploma	1,200	34.9%	9,702	41.3%	31,081	41.2%
2015 Pop Age 25+: GED/Alternative Credential	94	2.7%	911	3.9%	2,760	3.7%
2015 Pop Age 25+: Some College	565	16.5%	3,309	14.1%	10,914	14.5%
2015 Pop Age 25+: Associate's Degree	229	6.7%	1,834	7.8%	6,720	8.9%
2015 Pop Age 25+: Bachelor's Degree	647	18.8%	3,088	13.1%	10,568	14.0%
2015 Pop Age 25+: Graduate/Professional Degree	399	11.6%	1,842	7.8%	5,611	7.4%
Income						
2015 Average Household Income	\$69,190		\$54,182		\$54,481	
2015 Median Household Income	\$51,852		\$37,731		\$39,695	
2015 Per Capita Income	\$30,198		\$24,149		\$24,097	
Business						
2015 Total Businesses	415		2,110		4,764	
2015 Total Employees	6,502		27,348		58,926	



PROPERTY DESCRIPTION



SITE DESCRIPTION

Location	590-594 Galleria Drive Johnstown, Cambria County, PA 15904		Parking	308 spaces including 10 handicapped, 4.97 per 1,000 SF GLA													
Area	5.66 Acres Survey proposed by Brian C. Kelly, PLS dated August 20,2012		Landscaping	Grassy area with plantings along the Galleria Drive, Galleria Ring road and access driveway.													
Zoning	C-2 Commercial		Utilities	Electric:	Penetec / First Energy												
				Gas:	Dominion Peoples Gas												
				Water:	Highland Sewer & Water Authority												
				Sanity Sewer:	Highland Sewer & Water Authority												
Taxes	The Property comprises one tax parcel identified as Map No. 50-004-160.009. A summary of taxes is presented in the table below: <table><tr><th>Tax Authority</th><th>Assessed Value</th><th>2015 Taxes</th></tr><tr><td>Cambria County</td><td>\$1,290,650.00</td><td>\$46,798.98</td></tr><tr><td>Richland School District</td><td>\$1,290,650.00</td><td>\$61,913.77</td></tr><tr><td>Total</td><td></td><td>\$108,712.75</td></tr></table> Note: Taxes represent a 2% discount for full payment before August 31st.		Tax Authority	Assessed Value	2015 Taxes	Cambria County	\$1,290,650.00	\$46,798.98	Richland School District	\$1,290,650.00	\$61,913.77	Total		\$108,712.75	Lighting	30' metal pole lighting with dual head fixtures throughout parking area and building mounted high pressure sodium lighting.	
Tax Authority	Assessed Value	2015 Taxes															
Cambria County	\$1,290,650.00	\$46,798.98															
Richland School District	\$1,290,650.00	\$61,913.77															
Total		\$108,712.75															
Frontage	585.85 feet along Galleria Drive 651.08 along Galleria Ring Road		Flood Zone	Zone Designation X per FEMA Map No. 42021C0412D (June 19, 2012)													
Signage	A monument sign with tenant identification is located at the hard corner.		Environmental	No areas of concern were noted.													
Access	Indirect access to Galleria Drive is provided by an Access Easement. Please refer to the summary at the end of this section. Galleria Drive, at the subject property, is a major north/south commercial street that is improved with two lanes of traffic in each direction and offers two fully signaled intersections for access to the Johnstown Galleria Mall and the Property.			Date	Vendor												
				5/1/1997	CEC, Inc.												
				8/8/2005	Property Solutions												
				5/3/2012	AEI Consultants												
					Report												
					Phase 1												
					Phase 1												
					Phase 1												

IMPROVEMENT FEATURES

GLA	61,968 SF		Per tenant specifications -
Age	1993	Interior Finish	- Floors: concrete covered with carpeting or vinyl tile in public areas. - Walls: Painted gypsum/wallboard, painted CMU - Ceiling: Acoustical drop tile with lay-in fluorescent lighting fixtures.
Construction	Slab on grade foundation, concrete block construction with steel framing, beams and deck	HVAC	All units are equipped roof-mounted package units with Gasfired furnaces and direct expansion (DX) cooling
Exterior	Exterior insulation finish system (front façade) and painted concrete block (sides and rear)	Electric	Separately metered
Roof	Mechanically fastened EPDM. The roofs are original. The roof over Staples and Chuck E. Cheese's has been given a restoration treatment (warranties: Karnack manufacturer's 10-year warranty thru 5/2023). Copies of the warranty may be found in the online document center.	Plumbing	Individual rest rooms in each unit. Cast iron sanitary sewer system with copper domestic water mains and distribution lines.
Windows	Aluminum storefronts with double glazed glass	Life Safety	100% sprinklered, wet system
Loading	Staples and Dunham's are served by a loading dock, Chuck E Cheese's has a service corridor to a rear door.		

SUMMARY OF RECIPROCAL EASEMENT AGREEMENTS

Johnstown Galleria Outparcel is part of the larger Johnstown Galleria development which is governed by a series of recorded documents. Below is a summary of the operative agreements. The documents may be found in the online document center.

DATE/RECORD	AGREEMENT	PARTIES	PURPOSE
11/13/1990 Vol. 1252 Page 688	Construction, Operation and Reciprocal Easement	Johnstown Zamas Limited Partnership, Sears Roebuck and Co. Boscov's Department Store and Pax Mall Realty Company	Development of the Johnstown Galleria Mall, permanent access agreement. Article XI addresses Outparcel
5/31/1991 Vol. 1252 Page 769	1st Amendment	Added parties – S. Grumbacher & Son and MBM Land Associates	
8/17/1992 Vol. 1270 Page 303	Amended and Restated Declaration of Easements	Johnstown Zamas Limited Partnership	Dedication of entrance and exit roads for mall and Peripheral Tracts, outlining the contribution for maintenance (pro rata share), parking requirements and use restrictions.
6/3/1993 Vol. 1282 Page 252	Supplemental Agreement	Johnstown Zamas Limited Partnership and Johnstown Mosites Limited Partnership	Establishment of subject Property

TENANT OVERVIEW

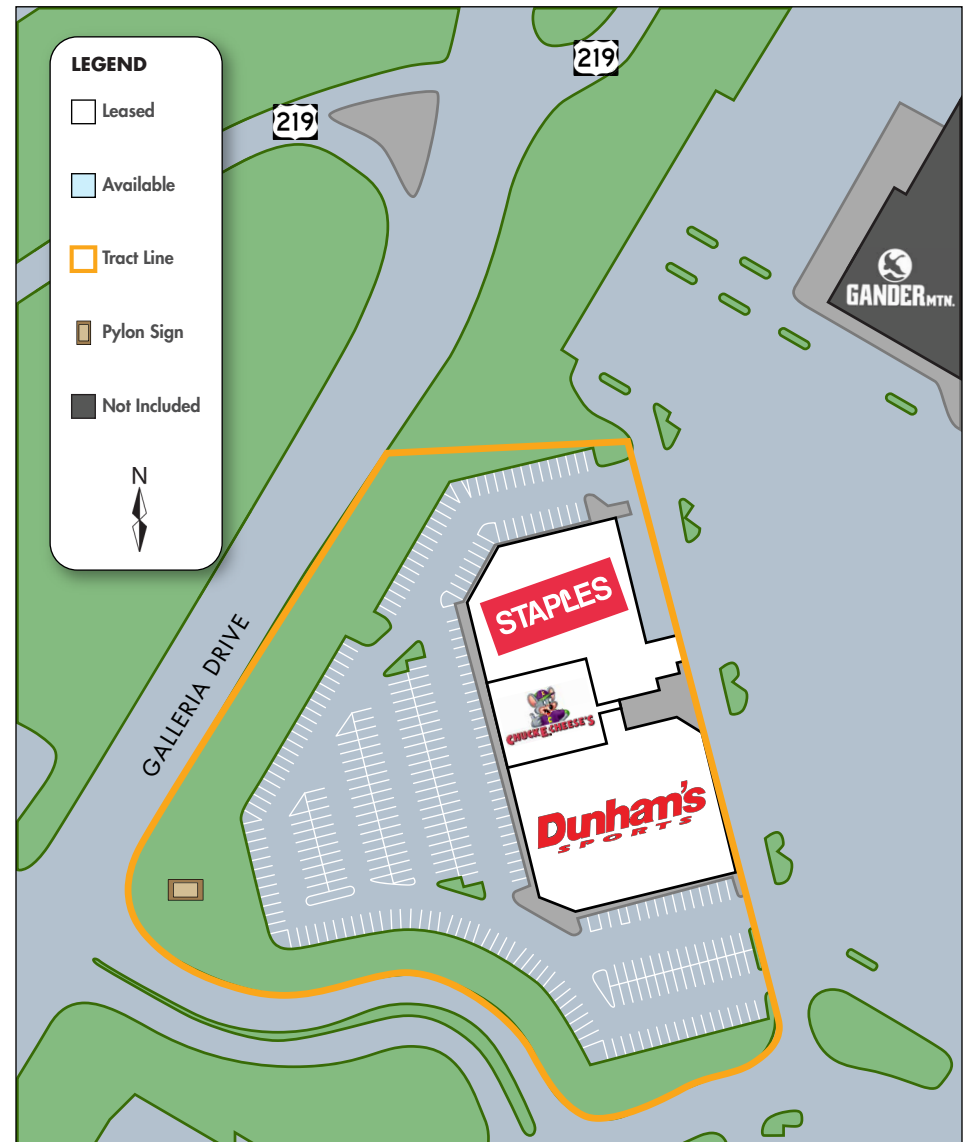


LEASE EXPIRATION AND OPTION TABLE

TENANT	SUITE	CURRENT EXPIRATION	RENEWAL OPTION ¹	YEAR 1 JUN-2017
Chuck E. Cheese's	02	11/30/18	One / 5-Yrs.	8,153
Dunham's Sporting Goods	01	1/31/21	One / 5-Yrs.	30,281
Staples #396	03	1/31/21	One / 5-Yrs.	23,534
Total GLA Expiring				61,968
Percent Of GLA Expiring				100.00%
Cumulative % of GLA Expiring				100.00%



SITE PLAN



Unit	Tenant	SF
1	Dunham's Sports	30,281
2	Chuck E. Cheese's	8,153
3	Staples	23,534
Total		61,968

TENANT PROFILE SNAPSHOT

Unit	Tenant	SF	Merchandise Category	Legal Entity or Parent	Ticker Symbol	Rating / Outlook	Rating Source	Year Founded	Headquarters	No. Stores	Website
01	Dunham's Sports	30,281	Sporting Goods	Dunham's Athleisure Corp	N/A	N/A	N/A	1937	Waterford, MI	200+	dunhamssports.com
02	Chuck E. Cheese's	8,153	Entertainment	CEC Entertainment, Inc.	NYSE: CEC	B3 Stable	Moody's	1946	Irving, TX	590	chuckecheese.com
03	Staples	23,534	Office Supplies	Staples, Inc.	NASDAQ: SPLS	Baa2 Under Review	Moody's	1986	Framingham, MA	357	staples.com



TENANT PROFILES



NASDAQ: SPLS

Staples, Inc., together with its subsidiaries, operates as an office products company. The company sells various office supplies and services, business machines and related products, computers and related products, and office furniture. It also provides high-speed, color and self-service copying, other printing services, faxing, and pack and ship services. It currently has a chain of 1,983 Staples and Staples Express stores in the Americas, Europe, Asia, and Australia. About 1,650 of its superstores are located in North America. In addition to its retail outlets, Staples sells office products via the Internet and through its catalog and direct sales operations, including subsidiary Quill Corporation. Staples also targets large corporate customers worldwide through its Corporate Express business that was acquired in 2008.

In February of 2015, Staples announced a definitive agreement to acquire Office Depot, Inc. The acquisition will better position Staples to serve the changing needs of customers while competing against a large and diverse set of competitors in the office supplies business. The merger has been extended to May 2016 to allow time for the completion of litigation with the FTC.

The company reported Fiscal 2014 Revenues of \$22.5 billion and currently carries an investment-grade credit rating of BBB- from Standard & Poor's.



Dunham's Sports is a regional sporting goods superstore chain owned by Dunham's Athleisure Corporation and is the Midwest's largest sporting goods chain. Founded in 1937 as Dunham's Bait & Tackle, the Waterford, Michigan based corporation offers a full line sporting goods chain serving customers in 200 stores in 19 states, from Nebraska to Maryland. The Dunham's Sports motto is Big Names...Low Prices. Dunham's gives customers the choice of the name brands that they want, at the lowest prices possible.

Staples



CHUCK E. CHEESE'S

CEC Entertainment, Inc. ("CEC") is currently majority-owned and controlled by investment funds affiliated with Apollo Global Management, LLC. The company and its franchisees operate a system of more than 580 Chuck E. Cheese's stores located in 47 states and 10 foreign countries or territories. Currently, 522 company locations in the United States and Canada are owned and operated by the Company and 58 are franchise locations. For more than 35 years, CEC Entertainment has served as the nationally recognized leader in family dining and entertainment and the place Where A Kid Can Be A Kid®. CEC Entertainment is headquartered in Irving, Texas.

FINANCIAL SUMMARY



CASH FLOW PROJECTION

For the Years Ending		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
		Jun-2017	Jun-2018	Jun-2019	Jun-2020	Jun-2021	Jun-2022	Jun-2023	Jun-2024	Jun-2025	Jun-2026	Jun-2027
BASE RENTAL REVENUE	PSF											
All Tenants		482,267	482,267	487,214	490,747	501,958	517,655	517,655	517,612	518,700	537,531	563,044
Total Potential Base Rental Revenue	\$7.78	\$482,267	\$482,267	\$487,214	\$490,747	\$501,958	\$517,655	\$517,655	\$517,612	\$518,700	\$537,531	\$563,044
EXPENSE REIMBURSEMENT REVENUE												
Common Area Maintenance	\$1.02	\$62,964	\$64,751	\$66,592	\$68,485	\$70,435	\$72,431	\$74,497	\$74,576	\$78,794	\$63,790	\$83,347
Management Fee	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	0.17	10,605	10,904	11,209	11,527	11,852	12,186	12,534	12,548	13,249	10,712	14,011
Real Estate Taxes	1.83	113,376	116,778	120,282	123,892	127,606	131,433	135,380	136,381	143,626	115,339	152,368
Total Expense Reimbursement Revenue	\$3.02	\$186,945	\$192,433	\$198,083	\$203,904	\$209,893	\$216,050	\$222,411	\$223,505	\$235,669	\$189,841	\$249,726
Total Potential Gross Revenue	\$10.80	\$669,212	\$674,700	\$685,297	\$694,651	\$711,851	\$733,705	\$740,066	\$741,117	\$754,369	\$727,372	\$812,770
Absorption & Turnover Vacancy	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$(12,626)	\$-	\$(120,265)	\$-
General Vacancy	(0.27)	(16,730)	(16,868)	(17,133)	(17,365)	(17,796)	(18,343)	(18,501)	(5,902)	(18,860)	-	(20,319)
Economic Vacancy % (Net of Credit Tenants)		2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	16.5%	2.5%
EFFECTIVE GROSS REVENUE	\$10.53	\$652,482	\$657,832	\$668,164	\$677,286	\$694,055	\$715,362	\$721,565	\$722,589	\$735,509	\$607,107	\$792,451
Operating Expenses												
Common Area Maintenance	\$1.09	\$67,622	\$69,651	\$71,745	\$73,891	\$76,113	\$78,394	\$80,745	\$83,167	\$85,667	\$88,232	\$90,880
Management Fee	0.32	19,574	19,736	20,044	20,319	20,822	21,460	21,648	21,676	22,067	18,212	23,775
Insurance	0.20	12,490	12,865	13,250	13,646	14,058	14,478	14,913	15,362	15,822	16,295	16,785
Real Estate Taxes	1.83	113,378	116,778	120,283	123,891	127,607	131,437	135,377	139,441	143,622	147,934	152,368
Non-Reimbursable Admin.	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	\$3.44	\$213,064	\$219,030	\$225,322	\$231,747	\$238,600	\$245,769	\$252,683	\$259,646	\$267,178	\$270,673	\$283,808
NET OPERATING INCOME	\$7.09	\$439,418	\$438,802	\$442,842	\$445,539	\$455,455	\$469,593	\$468,882	\$462,943	\$468,331	\$336,434	\$508,643
NOI/SF	-	\$7.09	\$7.08	\$7.15	\$7.19	\$7.35	\$7.58	\$7.57	\$7.47	\$7.56	\$5.43	\$8.21
Cumulative NOI Growth	-	0.00%	-0.14%	0.78%	1.39%	3.62%	6.72%	6.57%	5.30%	6.47%	-21.70%	29.49%
LEASING AND CAPITAL COSTS												
Tenant Improvements	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$12,910	\$-	\$180,807	\$-
Leasing Commissions	-	-	-	-	-	-	-	-	15,195	-	189,418	-
Capital Reserves	0.20	12,580	12,957	13,345	13,745	14,158	14,584	15,021	15,471	15,937	16,413	16,906
TOTAL LEASING & CAPITAL COSTS	\$0.20	\$12,580	\$12,957	\$13,345	\$13,745	\$14,158	\$14,584	\$15,021	\$15,471	\$15,937	\$16,413	\$16,906
NET CASH FLOW BEFORE DEBT SERVICE	\$6.89	\$426,838	\$425,845	\$429,497	\$431,794	\$441,297	\$455,009	\$453,861	\$419,367	\$452,394	\$(50,204)	\$491,737

PROJECTION ASSUMPTIONS

GENERAL ASSUMPTIONS

Projection Start Date	July 1, 2016
Gross Leasable Area (GLA)	61,968 SF
Occupancy at Start Date	100.0%
Expense Growth Rate	3.0%
Market Rent Growth Rate	1.5%

GENERAL VACANCY/COLLECTION LOSS

2.5%

Tenant(s) Excluded:	None
Management Fee (% of EGR)	3.0%
Non-Recoverable Admin.	\$-
Capital Reserves PSF	\$0.20

MARKET LEASING ASSUMPTIONS

Market Rent - Anchor 1	\$6.50 PSF
Market Rent - Shop	\$9.25 PSF
Market Rent - Anchor 2	\$8.31 PSF
Market Rent Escalation (5-Yrs) - Anchors	10%
Market Rent Annual Escalation - Shop	3%
Reimbursement Methodology	NNN + Admin Fee
Renewal Probability	75%

LEASING COSTS

Tenant Improvement		
New Anchors:		\$10.00 PSF
Renewal:		\$0.00 PSF
Blended Assumptions:	\$2.50 (\$10.00/SF X 25% + \$0.00/SF X 75%)	
New Shop Tenants:		\$5.00 PSF
Renewal:		\$0.00 PSF
Blended Assumptions:	\$1.25 (\$5.00/SF X 25% + \$0.00/SF X 75%)	
Leasing Commissions		
New Tenant:		6.0%
Renewal:		3.0%
Blended Assumptions:	3.75% (6% X 25% + 3% X 75%)	

LEASE TERMS

Downtime Between Lease Terms		
Anchor Tenants:		12 months
Renewal:		0 months
Blended Assumptions:	3 (12 X 25% + 0 X 75%)	
Shop Tenant:		8 months
Renewal:		0 months
Blended Assumptions:	2 (8 X 25% + 0 X 75%)	
Lease Term		
Anchors:		10 Years
Shop:		5 Years

HISTORICAL OPERATING

Description	Actual 2013	Actual 2014	Actual 2015
Revenue			
Minimum Rent	\$448,136	\$455,034	\$455,034
Net Rental Income	448,136	455,034	455,034
CAM Income	57,939	64,881	73,587
Real Estate Tax Income	110,211	113,039	108,990
Total Reimbursement Income	168,150	177,919	182,577
Other Income	151	0	0
Ancillary Income	1,500	0	0
Total Other Income	1,651	0	0
Total Gross Revenue	\$617,937	\$632,953	\$637,612
Expenses			
Personnel	\$0	\$0	\$0
Corporate Allocations	-5,047	-6,205	-6,041
Snow Removal	-12,234	-15,169	-19,894
Contract Service & Repair	-20,433	-29,553	-42,026
Insurance	-15,195	-12,826	-11,836
Other CAM Expenses	-11,705	-3,713	-1,990
Total CAM Expenses	-64,614	-67,465	-81,787
Real Estate Taxes	-110,211	-113,039	-108,990
Prior Year Real Estate Tax Exp	0	4,091	0
Total Real Estate Taxes	-110,211	-108,947	-108,990
Vacant Utilities	0	0	0
Operating Other	0	0	0
Management Fees	-15,811	-18,271	-19,128
Total Landlord Expenses	-15,811	-18,271	-19,128
Total Expenses	(\$190,636)	(\$194,683)	(\$209,906)
NOI	\$427,301	\$438,270	\$427,706
Occupancy	100.0%	100.0%	100.0%

RENT ROLL

Unit	Tenant Name	SF PRS	Lease Term		Option(s) (# / Yrs.)	Base Rent Rates			Expense Recovery Method	Assumption upon Expiration
			Start	End		Begin	PSF	Annual		
1	Dunham's Athleisure Corp d/b/a Dunham's Sports #9041	30,281 48.87%	3/24/00	1/31/21	One / 5-Yrs.	Current Option	\$6.50 \$7.00	\$196,827 \$211,967	CAM + 15%	Exercise Option
2	CEC Entertainment, Inc. d/b/a Chuck E. Cheese's #534	8,153 13.16%	11/19/03	11/30/18	One / 5-Yrs.	Current Option	\$8.31 \$9.35	\$67,751 \$76,231	CAM + 12%	Exercise Option
3	Staples, Inc. d/b/a Staples #0396	23,534 37.98%	11/10/93	1/31/21	One / 5-Yrs.	Current Option	\$9.25 \$9.75	\$217,690 \$229,457	Staples	Exercise Option

RENT ROLL SUMMARY

ESTIMATED FOR FYE 2015	SF	PERCENT % OF GLA
Dunham's Sports	30,281	48.9%
Staples	23,534	38.0%
Chuck E. Cheese's	8,153	13.2%
Overall Total	61,968	100.0%

REIMBURSEMENT METHODOLOGY

FYE 2015 Operating Expenses	Argus Year 1		CAM + 15%	CAM + 12%	CAM + 10%
	PSF	Jun-2017			
Rental Revenue					
Snow Removal	\$0.32	\$19,982	PRS + 15%	PRS + 12%	PRS + 10%
Contract Service & Repair	0.74	45,560	PRS + 15%	PRS + 12%	PRS + 10%
Other CAM	0.03	2,080	PRS + 15%	PRS + 12%	None
Total Common Area Expenses	\$1.09	\$67,622			
Management Fee (3% of EGR)	\$0.32	\$19,574	None	None	None
Total Insurance Expenses	\$0.20	\$12,490	PRS	PRS	PRS
Real Estate Taxes	\$1.83	\$113,378	PRS	PRS	PRS
Total Operating Expenses	\$3.44	\$213,064			
Recovery Amount PSF			\$3.29	\$3.25	\$2.59

Tenants Using Recovery Method					
			Dunham's ¹	Chuck E. Cheese's	Staples ²

RENT ROLL NOTES

Common Area Maintenance ("CAM"): Reimbursable CAM expenses include the CAM expenses shown in the Expense Breakdown herein and are based on the historical expenses.

Insurance ("INS"): Reimbursable INS expenses includes all insurance premiums shown in the Expense Breakdown herein and are based on historical expenses.

Real Estate Taxes ("RET"): Reimbursable RET expenses includes all general and special assessments shown in the Expense Breakdown herein. Real Estate Taxes for the first year of the projection are based on the the 2016 budget.

Pro-Rata Share ("PRS"): Tenant's SF over the total GLA of the shopping center.

1. Dunham's has a 5% cumulative annual cap on CAM increases. The cap is significantly higher than actual costs.

2. Staples has a cap on CAM and Insurance passthroughs. Increases may not exceed 7% in any three-year period. The cap is modeled at \$0.75/PSF in year one of the projection.

APPENDIX



LOOKING SOUTHEAST

University of Pittsburgh
at Johnstown
(2 miles)

Johnstown
Regional Airport

Galleria Ring Road

TSC TRACTOR
SUPPLY CO

ASHLEY
FURNITURE
HomeStore

TOYS
R US

Sears

BON TON

Johnstown
Galleria Outparcel

Johnstown Galleria
Mall

GANDER MTN.
WE LIVE OUTDOORS

Dunham's
SPORTS

CHUCK E CHEESE'S

STAPLES

McDonald's

Galleria Drive: 18,000 AADT



Tenant Name	Dunham's Athleisure Corporation d/b/a Dunham's Sporting Goods #9041				
Unit Number	1				
Demised Premises	30,281 SF				
Lease Term	Tenant is operating in its extended term from March 24, 2000 through January 31, 2021. Tenant has renewed three 5-year options.				
Remaining Renewal Option(s)	One, 5-year renewal				
Renewal Option Notice	6 months notice				
Annual Base Rent	2/1/16	to	1/31/21	\$6.50	\$196,827
Option Rent			PSF	Annual	
	Options		\$7.00	\$211,967	
Percentage Rent	2.5% over \$6,000,000. Sales reports are due annually within 45 days of lease year-end.				

Common Area Maintenance Reimbursements	Tenant pays its pro rata share of all costs of insuring, operating, repairing, replacing, managing and maintaining the common facilities, specifically including liability insurance, personnel costs, capital reserves, amortization of capital expenditures and 1.5% administrative fee on all. Pro rata share is calculated naturally over the total GLA maintained by Landlord. Tenant's share of CAM increase (excluding snow removal) will not exceed 5% on a cumulative annual basis.
Insurance Reimbursements	Tenant pays \$3,750.00 annually for its share of Landlord's cost of property damage insurance.
Real Estate Tax Reimbursements	Tenant pays its pro rata share of all real estate taxes and assessments. Pro rata share is calculated naturally over the total GLA on the taxed parcel.
Exclusive Rights	Tenant has the exclusive right to sell athletic footwear, athletic clothing and athletic equipment.
Estoppel Requirement	20 days
Continuous Operation	Not required. Landlord has the right to recapture the Premises if Tenant ceases operating.
Assignment & Subleasing	Tenant may assign or sublet without Landlord's consent to affiliated entities, or to unrelated entities resulting from merger, consolidation or sale of assets.
Radius Restriction	Tenant will not operating a competing location within a 2-mile radius of the shopping center.
Repairs & Maintenance	Landlord is responsible for structural and roof repairs. Tenant is responsible for all other repairs including the HVAC system.



Tenant Name	CEC Entertainment, Inc. d/b/a Chuck E. Cheese's #534			Insurance Reimbursements	Tenant pays its pro rata share of Landlord's casualty and liability insurance. Pro rata share is calculated naturally over the total shopping center GLA.
Unit Number	2			Real Estate Tax Reimbursements	Tenant pays its pro rata share of all real estate taxes and assessments. Pro rata share is calculated naturally over the total shopping center GLA. Tenant will not pay tax increases triggered by a sale more than once during the lease term.
Demised Premises	8,153 SF			Alterations to Shopping Center	Tenant has approval rights over changes to the parking areas in its Critical Common Area.
Lease Term	Tenant is operating in its extended term from November 19, 2003 through November 30, 2018. Tenant has renewed one 5-year option.			Estoppel Requirement	30 days
Remaining Renewal Option(s)	One, 5-year renewal			Exclusive Use	Landlord shall not lease to any tenant within the shopping center or a 2-mile radius thereof for the operation of any (a) restaurant primarily serving pizza; (b) arcade or game room; (c) business primarily providing physical play activities for children; or (d) kiddie rides or games.
Renewal Option Notice	180 days notice			Continuous Operation	Not required. Landlord has the ongoing right of recapture after 180 days.
Annual Base Rent	12/1/13	to	11/30/18		
					\$8.31 \$67,725
Option Rent			PSF	Annual	
	Option		\$9.35	\$76,190	
Percentage Rent	5% over \$1,354,500. Breakpoint changes to \$1,523,800 in the option. Sales reports are due annually within 90 days of fiscal year-end.			Repairs & Maintenance	Landlord is responsible for the roof, signage, sprinkler mains, canopy, gutters, downspouts, wiring, concealed plumbing, pipes, conduits and equipment, building painting and all structural components. Tenant is responsible for plate glass, HVAC and interior of the Premises.
Common Area Maintenance Reimbursements	Tenant pays its pro rata share of all costs of maintaining, operating and repairing the Common Areas, including management fees not to exceed 12% of gross receipts. Pro rata share is calculated naturally over the total shopping center GLA.				



Tenant Name	Staples the Office Superstore East, Inc. d/b/a Staples #0396				
Unit Number	3				
Demised Premises	23,534 SF				
Lease Term	Tenant is operating in its extended term from November 10, 1993 through January 31, 2021. Tenant has renewed two 5-year options and extended for an additional 2 years.				
Remaining Renewal Option(s)	One, 5-year renewal				
Renewal Option Notice	12 months notice				
Annual Base Rent	2/1/16	to	1/31/21	\$9.25	\$217,690
Option Rent				PSF	Annual
	Option			\$9.75	\$229,457
Percentage Rent	None, deleted pursuant to second amendment.				

Common Area Maintenance Reimbursements	Tenant pays its pro rata share of all costs of owning, equipping, operating, administering, managing, maintaining, repairing, relocating, modifying, renovating and replacing the common area including a 10% management/administrative fee, which fee is capped at \$1,200 per month. Liability and casualty insurance is included in Common Area Maintenance. Landlord may pass through amortization of capital expenditures. Tenant's share of CAM shall not increase by more than 7% during any three-year period. In 2014, the cap was \$0.81 PSF. Pro rata share is calculated naturally over the total shopping center GLA.
Insurance Reimbursements	Included in CAM
Real Estate Tax Reimbursements	Tenant pays its pro rata share of all real estate taxes and assessments. Pro rata share is calculated naturally over the total shopping center GLA.
Exclusive Rights	Landlord shall not lease to any other tenant for the sale of office supplies, office furniture, office equipment or the provision of office-related services within the shopping center and a 5-mile radius thereof.
Estoppel Requirement	10 business days
Continuous Operation	Not required.
Assignment & Subleasing	Tenant may not assign or sublet without Landlord's consent.
Repairs & Maintenance	Landlord is responsible for the foundation, roof, outer walls (exclusive of plate glass) and structural components. Tenant is responsible for all other repairs and maintenance.