

Sergi Enterprises, LLC
Acquisition Criteria
Single Tenant Office/Retail Properties

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| Purchasers: | Sergi Enterprises, LLC. We are acting as principals, not brokers. We may be represented by our subsidiary brokerage firm or outside representation on a case by case basis. Contracts executed by the company and assigned at closing to subsidiary single-asset entities owned by the principals. |
| Location: | Kane, DuPage, Cook, Lake, Will, DeKalb, Kendall, Kankakee, Grundy, LaSalle, and McHenry counties. May consider properties outside of market parameters on a case by case basis. |
| Market Characteristics: | No negative population growth, we prefer a diverse employment base and a steady trend in household incomes. |
| Property Profile: | Single-Tenant. Owner or Tenant occupied. Preferably 6,000 square feet or more but smaller may be considered on a case by case basis. Must be freestanding, (no office condos) independent properties, that are not part of a larger community, park, or association. |
| Value Add: | Vacant properties may be acceptable. We prefer underperforming properties showing deferred maintenance, high expense profiles, requiring capital improvements and/or modernizations etc. These are typically C grade or occasionally lower end B grade properties. Special consideration will be given to properties with expansion or turnaround potential. "Flex" office/industrial space acceptable. |
| Investment Grade: | Typically grade A or solid B properties that are stable and well performing. A form of "NET" lease (NNN, NN, or N) is preferred, and NNN is ideal. "Flex" office/industrial space acceptable. |
| | Preferred Tenant Type: Retail: National Credit Tenant, e.g. Walgreens. Local tenants will be considered on a case by case basis. Office: Legal, government, medical, professional. Local tenants acceptable. |
| Age: | Open- If occupied, a <u>minimum</u> of 3-5 years remaining on current lease. |
| Price Range: | \$1.0 -\$10.0 million |
| Management: | Self Managed, fee management contracts evaluated on a case-by-case basis. |
| Financing: | Cash buyer; Existing loans can be assumed. |
| Due Diligence Deliveries: | We require actual operating numbers; no pro forma numbers will be accepted. A 3-5 year history is preferable. Current rent roll with copies of all leases and appropriate data. Copies of current survey, title report, mortgage documents (if applicable), photos, and area demographics. |
| Special Requirements: | Due to current market trends, properties below a 9% cap rate are unlikely to be qualified acquisitions. We will only purchase on actual performance, no pro forma pricing will be used. |
| Brokerage Fees: | Seller paid. |
| Offering Submissions: | Email: property@sergienterprises.com Office: 312-784-7900 |