

NEW SMYRNA BEACH REGIONAL SHOPPING CENTER



Offering Memorandum | NSB Regional Shopping Center At State Road 44

CONFIDENTIALITY & DISCLAIMER

This Memorandum contains select information pertaining to the Property and the Owner and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose.

All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form.

These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs. **ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.**

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the investment of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner.

NEW SMYRNA BEACH REGIONAL SHOPPING CENTER

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THE OPPORTUNITY

To participate in the investment of a value add retail center in New Smyrna Beach, FL where the Sponsor is in lease negotiations with 2 new and 1 existing Tenants.

Alakai Capital (“Sponsor”) has successfully secured a retail center and outparcel, known as NSB Regional (“Property” or “Asset”), a value-add retail center and outparcel opportunity in New Smyrna Beach, FL, shadow anchored by a corporately owned, top-performing Publix generating approximately \$57.2M in annual sales. The Property is expected to be stabilized at closing, with leases in place for 100% of the center, providing immediate day-one cash flow and NOI growth through rent commencements and scheduled rate increases.

KEM Associates currently occupies an 18k sq. ft. suite and has requested to downsize, allowing us to recapture 6,800 sq. ft. for 2 new suites. We are actively negotiating leases with Hand & Stone Massage and Cookies Dispensary for this space. This reconfiguration increases overall lease income by raising KEM’s \$/SF while introducing two new tenants at market rates. Many tenants within the Property are under market by today’s standards, so there is potential upside if we need backfill at higher rental rates, establishing a strong value floor for the Asset. Furthermore, we have the option to parcel off and sell off the Starbucks premise to reduce our basis in the retail strip should the market continue to support strong cap rates. The base-case business plan is to execute the KEM reconfiguration and lease-up, stabilize and grow NOI with institutional management and contracted rate increases, and target a sale in years 2-4.



FINANCIAL HIGHLIGHTS



Estimated Hold Period:

2 - 4 years



Equity Requirement:

\$3,700,000.00



Est. Int Only Cash on Cash:

10 - 13%



3 Yr IRR:

±20%



Est. Sales Cap:

7%



Est. Equity Multiple

±1.6

*All forward looking returns are assumptions that are not proven or guaranteed.

*Based on Current Underwriting Projections

INVESTMENT OVERVIEW

| | |
|-------------------------------|---|
| Project Name | NSB Regional Shopping Center |
| Address | 1998 and 1906 FL-44 |
| City, State | New Smyrna Beach, FL 32168 |
| Site and Building Size | 87,721 Sq. Ft. |
| Number of Tenants | 9 |
| Anchor Tenant | Beall’s Outlet and Ollie’s Bargain Outlet |
| Outparcel | Starbucks |
| Parking Spaces | 380 Spaces (4.3 Spaces/1k Sq. Ft.) |

Anchor Tenant Lease in Negotiations:

KEM Associates has requested to downsize, allowing us to recapture 6,800 leasable sq. ft., creating 2 new units, where we have secured Hand & Stone and Cookies Dispensary, to occupy the space at top of market rates. Furthermore, we are able to increase KEM's per square foot lease rate, boosting the lease revenue within the preexisting suite by 83%; and 15.7% across the entire center.

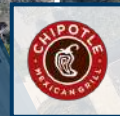




PROPERTY LOCATION

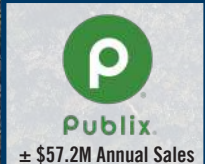
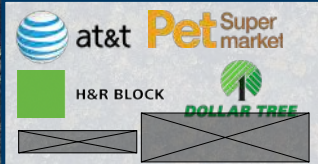
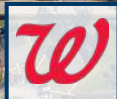


The Publix anchoring the center is a top performing store in the nation, doing +/- \$57.2M in annual sales.



STATE HWY 44

MISSION DR



PROPERTY LOCATION



Major Thoroughfare: State Highway 44 in New Smyrna Beach, Florida, is a high-traffic east–west corridor connecting I-95 to the beach and downtown areas, supporting strong retail, residential, and commercial growth. Any travelers going to/from New Smyrna beach to central Florida must pass by the site on State Highway 44, bringing strong visibility and drive-by traffic. The signalized intersection makes easy access to the center from any direction.

| | 1 Mi | 3 Mi | 5 Mi |
|------------------------|-------|--------|--------|
| Population | 3,669 | 25,594 | 51,365 |
| Households | 1,657 | 11,895 | 24,391 |
| Families | 915 | 6,611 | 14,284 |
| Average Household Size | 2.20 | 2.05 | 2.05 |



Winn-Dixie
 TD Bank
 MATTRESS FIRM
 HALF WALL RESTAURANT
 T-Mobile
 Great Clips

CUBE SMART self storage

WELLS FARGO

Wawa

CUBE SMART self storage

BIG KING'S

GENERAL PUBLIC HOUSE

Advent Health
 New Smyrna Beach

PAPA JOHNS

island DOCTORS

PERRINE'S FRESH FOOD MARKETS

DOLLAR GENERAL
 O'Reilly AUTO PARTS
 AMC THEATRES
 planet fitness
 SHERWIN-WILLIAMS

at&t
 Pet Super market
 Publix
 H&R BLOCK
 DOLLAR TREE
 BUDDY'S HOME FURNISHINGS
 SALLY BEAUTY SUPPLY
 ups

Bank of America
 Denny's
 McDonald's
 TACO BELL

RENT ROLL AT CLOSE

| Suite # | Tenant | Sq. Ft. | % of GLA | \$/Sf | Annual \$ | Lease Exp. | Options | Lease Type | Rent Increases | Tenant Reimbursement Summary |
|--------------|------------------------|---------------|----------------|----------------|-----------------------|------------|------------|------------|---|--|
| 1 | Beall's Outlet | 20,000 | 22.80% | \$9.88 | \$197,600.00 | 4/30/28 | 3 (5-Year) | NNN* | 12% per option period. The current option period is discounted - annual rate will increase to \$238,236.10 (\$11.92/SF) next option period (2028) | NNN - CAM Cap - \$2.00 PSF/Yr; Increases \$0.50/SF each option period |
| 2 | Ollie's Bargain | 37,283 | 42.50% | \$7.58 | \$282,705.50 | 1/31/29 | 4 (5-Year) | NNN* | Base Rent increases \$0.50/SF each option period | PRS RE Taxes and Insurance - \$0.80 PSF/Yr. Common Area Charges Cap (+ \$0.05 each option) |
| 03A | Hand & Stone | 3,000 | 3.42% | \$30.00 | \$90,000.00 | 12/31/31 | 2 (5-Year) | NNN* | 2.5% Annually | PRS RE Taxes and Insurance - \$5.00 PSF/Yr. Common Area Charges Cap |
| 03B | Cookies | 3,800 | 4.33% | \$36.00 | \$136,800.00 | 12/31/36 | 2 (5-Year) | NNN | 3% Annually | Full Pass Through - NNN |
| 4 | KEM Associates | 11,490 | 13.10% | \$13.00 | \$149,370.00 | 10/26/26 | 3 (5-Year) | NNN* | 3% Annually | PRS RE Taxes and Insurance - \$4.85 PSF/Yr. Common Area Charges Cap |
| 5 | Journey Fitness Center | 6,508 | 7.42% | \$13.69 | \$89,106.45 | 10/31/27 | 1 (5-Year) | NNN | 2% Annually | Full Pass Through - NNN |
| 6 | Tobacco Leaf | 1,190 | 1.36% | \$21.68 | \$25,794.08 | 12/31/27 | 1 (5-Year) | NNN* | 2% Annually | PRS RE Taxes and Insurance - \$4.85 PSF/Yr. Common Area Charges Cap |
| 7 | Firehouse Subs | 1,950 | 2.22% | \$21.07 | \$41,076.77 | 3/31/29 | 1 (5-Year) | NNN* | 2% Annually | PRS RE Taxes and Insurance - \$1.25 PSF/Yr. Common Area Charges Cap |
| Outparcel | Starbucks | 2,500 | 2.85% | \$72.00 | \$180,000.00 | 2/28/34 | 6 (5-Year) | NNN | 10% Every 5 years | PRS Taxes and Insurance and Portion of Common Area \$35,500 |
| Total | | 87,721 | 100.00% | \$13.59 | \$1,192,452.81 | | | | | |

YEAR 3 RENT ROLL

| Suite # | Tenant | Sq. Ft. | % of GLA | \$/Sf | Annual \$ | Lease Exp. | Options | Lease Type | Rent Increases | Tenant Reimbursement Summary |
|--------------|------------------------|---------------|----------------|----------------|-----------------------|------------|------------|------------|---|--|
| 1 | Beall's Outlet | 20,000 | 22.80% | \$11.92 | \$238,336.10 | 4/30/33 | 2 (5-Year) | NNN* | 12% per option period. The current option period is discounted - annual rate will increase to \$238,236.10 (\$11.92/SF) next option period (2028) | NNN - CAM Cap - \$2.50 PSF/Yr; Increases \$0.50/SF each option period |
| 2 | Ollie's Bargain | 37,283 | 42.50% | \$8.08 | \$301,063.00 | 1/31/29 | 3 (5-Year) | NNN* | Base Rent increases \$0.50/SF each option period | PRS RE Taxes and Insurance - \$0.85 PSF/Yr. Common Area Charges Cap (+ \$0.05 each option) |
| 03A | Hand & Stone | 3,000 | 3.42% | \$31.52 | \$94,556.25 | 12/31/31 | 2 (5-Year) | NNN* | 2.5% Annually | PRS RE Taxes and Insurance - \$5.00 PSF/Yr. Common Area Charges Cap |
| 03B | Cookies | 3,800 | 4.33% | \$38.19 | \$145,131.12 | 12/31/36 | 2 (5-Year) | NNN | 3% Annually | Full Pass Through - NNN |
| 4 | KEM Associates | 11,490 | 13.10% | \$13.79 | \$158,466.63 | 10/26/31 | 2 (5-Year) | NNN* | 3% Annually | PRS RE Taxes and Insurance - \$4.85 PSF/Yr. Common Area Charges Cap |
| 5 | Journey Fitness Center | 6,508 | 7.42% | \$14.24 | \$92,706.35 | 10/31/32 | none | NNN | 2% Annually | Full Pass Through - NNN |
| 6 | Tobacco Leaf | 1,190 | 1.36% | \$22.55 | \$26,836.16 | 12/31/32 | none | NNN* | 2% Annually | PRS RE Taxes and Insurance - \$4.85 PSF/Yr. Common Area Charges Cap |
| 7 | Firehouse Subs | 1,950 | 2.22% | \$22.35 | \$43,591.00 | 3/31/29 | 1 (5-Year) | NNN* | 2% Annually | PRS RE Taxes and Insurance - \$1.25 PSF/Yr. Common Area Charges Cap |
| Outparcel | Starbucks | 2,500 | 2.85% | \$72.00 | \$180,000.00 | 2/28/34 | 6 (5-Year) | NNN | 10% Every 5 years | PRS Taxes and Insurance and Portion of Common Area \$35,500 |
| Total | | 87,721 | 100.00% | \$14.60 | \$1,280,686.62 | | | | | |



STARBUCKS

| | |
|-----------------|-----------------------|
| Company Website | starbucks.com |
| Company Type | Public (NASDAQ: SBUX) |
| Locations | 40,000+ |
| 2024 Revenue | \$36.18 Billion |
| 2024 Net Income | \$3.76 Billion |
| 2024 Assets | \$31.34 Billion |
| Credit Rating | S&P BBB+ |

Founded in 1971 and headquartered in Seattle, Washington, Starbucks Coffee Company is the world’s leading roaster and retailer of specialty coffee. With more than 40,000 locations worldwide, the company is renowned for ethically sourcing and roasting premium arabica coffee. Guided by its commitment to excellence and core principles, Starbucks delivers its distinctive Starbucks Experience to millions of customers every day, one cup at a time.



BEALLS

| | |
|-----------------|-------------|
| Company Website | bealls.com |
| Company Type | Subsidiary |
| Locations | 650+ |
| Parent | Bealls Inc. |

Founded in 1915 and headquartered in Bradenton, Florida, Bealls Inc. is a privately held, family-owned company that has been in continuous operation for over a century. Today, the company runs more than 650 retail stores across 23 states under the banners bealls, Bealls Florida, Home Centric, and Rugged Earth Outfitters.



OLLIE'S

| | |
|-----------------|-----------------------|
| Company Website | ollies.us |
| Company Type | Public (Nasdaq: OLLI) |
| Locations | 538 |
| 2024 Employees | 11,241 |
| 2024 Revenue | \$2.02 Billion |
| 2024 Net Income | \$181 Million |

Founded in 1982, Ollie's Bargain Outlet, Inc. has grown into one of the largest retailers of closeouts and excess inventory in the United States. Well known for its iconic slogan, "Good Stuff Cheap," Ollie's offers a wide selection of brand-name products across categories such as food, books, housewares, toys, electronics, clothing, furniture, health and beauty, flooring, seasonal merchandise, and more—all at deeply discounted prices.

HAND & STONE®



HAND & STONE

| | |
|-----------------|--|
| Company Website | handandstone.com |
| Company Type | Private company; franchise-based spa chain |
| Locations | 600+ |
| 2024 Employees | 6,600 |
| 2024 Revenue | \$709 million |

Hand & Stone Massage and Facial Spa is a private wellness and spa franchise founded in 2004 by John Marco in the United States. The company specializes in professional massage therapy and skincare services, offering treatments such as Swedish massage, deep tissue massage, hot stone massage, sports massage, and customized facial treatments. Its business operates mainly through a franchise model, where most spa locations are independently owned but follow the company's service standards and membership-based pricing system. Over the years, Hand & Stone has expanded rapidly and now operates more than 600 locations across the United States and Canada, providing accessible and affordable spa and wellness services to a wide range of customers.



COOKIES DISPENSARY

| | |
|-----------------|-----------------------------|
| Company Website | cookies.co |
| Company Type | Private company |
| Locations | 70 |
| 2024 Employees | 1,500 (estimated) |
| 2024 Revenue | \$532.4 million (estimated) |

Cookies (Cookies.co) is a global cannabis company known for its premium cannabis products, retail dispensaries, and strong influence on cannabis culture. Founded in 2010 by rapper and entrepreneur Berner and Bay Area cultivator Jai, the company started with innovative cannabis genetics and quickly grew into one of the most recognized brands in the cannabis industry. Headquartered in San Francisco, Cookies develops proprietary cannabis strains and offers a wide range of products—including flower, edibles, concentrates, and accessories—sold through branded dispensaries and partner retailers worldwide.



RADIOLOGY ASSOCIATES (KEM)

| | |
|-----------------|-------------------------------|
| Company Website | radiologyassociatesimaging.co |
| Company Type | Private |
| Locations | 8+ |

Founded in 1958, Radiology Associates has grown from a single hospital department in Daytona Beach into a network of more than eight state-of-the-art imaging centers across three counties in eastern Central Florida. The group’s team of highly specialized radiologists provides a full range of outpatient imaging, diagnostic interpretations, and interventional procedures.

For over 60 years, Radiology Associates has been recognized as a regional leader in advanced diagnostic imaging and interventional services. Guided by its commitment to remain “Focused on Quality, Centered on Care,” the organization delivers exceptional medical imaging using the latest technology while ensuring a compassionate, patient-centered environment.



JOURNEY FITNESS

| | |
|-----------------|--------------------------|
| Company Website | journeyfitnesscenter.com |
| Company Type | Private |
| Locations | 2+ |

Journey Fitness Center, located at 1998 FL-44, Suite 6, offers members 24/7 access year-round, including holidays. Known for its flexibility, the gym has no contracts or enrollment fees and provides a wide range of fitness services, from strength circuits and group classes to personalized training. Members can also enjoy access to an infrared impulse sauna for an additional monthly fee. Group classes span multiple disciplines, including boxing, yoga, strength training, and more.



FIREHOUSE SUBS

| | |
|-----------------|---------------------------------|
| Company Website | firehousesubs.com |
| Company Type | Franchisee |
| Locations | 1,250+ |
| Parent | Restaurant Brands International |
| 2023 Employees | 9,000 |
| 2023 Revenue | \$7.02 Billion |
| 2023 Net Income | \$1.19 Billion |
| 2023 Assets | \$23.39 Billion |
| 2023 Equity | \$2.87 Billion |
| Credit Rating | S&P BB |

Founded in 1994 in Jacksonville, Florida, by two former firefighters, Firehouse Subs is a fast-casual restaurant chain known for hearty, flavor-packed subs made with premium meats and cheeses. Beyond its food, the brand emphasizes heartfelt service and a strong commitment to community safety through the Firehouse Subs Public Safety Foundation, which supports lifesaving equipment and resources for first responders.

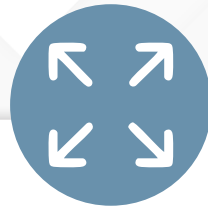


Established in 2016, Alakai Capital is a diversified real estate company that focuses on the investment, development, and management of well positioned, long term real estate holdings. We are opportunistic with a lean structure providing agility in swift decision making. Over the years the company has established a reputation for integrity, honesty, and knowledge that continues to benefit our associates, financial stakeholders, and our local communities.



75

**SUCCESSFUL
INVESTMENTS**



950K+

**SQ. FT.
IN PORTFOLIO**



55±

**PORTFOLIO
PROPERTIES**



500±

**LP
INVESTMENTS**

DEAL TEAM



NICHOLAS JONES
CEO & Acquisitions



ZACH PINEL
Acquisitions Associate



KENDLE THOMPSON
Investor Relations

OPERATIONS



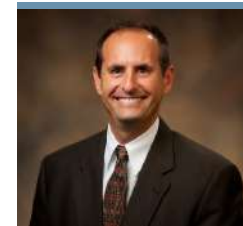
GANNON COFFMAN
Director of Operations



ORESTES LAVASSAS
Property Manager



LANCE SAMARDGE
VP, Asset Management



JEFF CONWAY
Controller

CAPITALIZATION REQUEST

Entity: The Investors and Sponsor (collectively the “Members”) have formed NSB Regional Retail LLC registered in Florida to acquire the land, own and operate the Property.

Project: Value-add acquisition of a 9 unit retail strip including an outparcel, to be 100% occupied upon closing. KEM Associates has requested to downsize, allowing us to recapture 6,800 sq. ft., creating 2 new units, where we have secured Hand & Stone and Cookies Dispensary, to occupy the space at top of market rates. During the hold period, we plan to deliver the new premises to Hand & Stone and Cookies, commencing rent shortly after, allowing the property to cashflow thereafter, realizing scheduled rate increases. The remaining tenants are under market by today’s standards, so if a tenant were to vacate, we can replace at higher rates, providing a high value floor for the center. Furthermore, we can parcel off and sell off the Starbucks outparcel to reduce our basis in the retail strip if the market continues to support strong cap rates.

Project Costs: The total project cost is \$14.525M+/- . Our purchase price for the real estate, existing center, and outparcel is \$13.6M, and we have \$200k budgeted for exterior capex projects for the center. \$250k+/- is for tenant placement/renewals (tenant improvement allowance, leasing commissions, etc.). The remaining budget is allocated to closing costs, fees, and reserves.

Equity: Based upon the development budget and a 75% Loan, the deal requires 25% equity - or \$3.7MM. The equity is structured as follows:

- 20 Shares (\$185,000 per share) with partial share investment allowed
- Estimated Investor multiple: 1.6x + *

Debt: The Sponsor is actively shopping debt with the current assumption that we can achieve the following terms or better: 75% LTC with 12 months IO and interest at 6.25%

Hold Period: The business plan entails selling the property after the second or third year once we have stabilized the tenant base. If we determine the market doesn’t support the sale, we will hold the property, making quarterly distributions on the cashflow, until the proper time to transact.

Asset & Property Management Services: Alakai Capital and Alakai Property Management will provide the management services to the asset. The Property is located an hour from the Sponsor’s headquarters so we are familiar with active contractors and vendors servicing properties within our portfolio in adjacent markets.

Confidentiality: Investors and Sponsor agree that all documents delivered to Investors and all negotiations will remain confidential.

*Based on Current Underwriting Projections

| ACQUISITION BUDGET | | |
|---------------------------------|-----------------|------------------------|
| Budget Item | Per Sq. Ft. | Cost |
| Purchase Price | \$155.04 | \$13,600,000.00 |
| Acquisition Closing Costs | \$0.91 | \$80,000.00 |
| Loan Points | \$0.63 | \$55,000.00 |
| Total Land Cost | \$156.58 | \$13,735,000.00 |
| | | |
| Parking Lot Work | \$0.51 | \$45,000.00 |
| Misc. Repairs/Reserves | \$1.71 | \$150,000.00 |
| Total Construction Costs | \$2.22 | \$195,000.00 |
| | | |
| Lease Commission | \$1.07 | \$94,095.52 |
| TI | \$1.71 | \$150,000.00 |
| Origination Fee | \$3.99 | \$350,000.00 |
| Total Additional Cost | \$6.77 | \$594,095.52 |
| Total Project Cost | \$165.57 | \$14,524,095.52 |

| EQUITY REQUIREMENT | | |
|----------------------|-----------|-----------------|
| | | Total |
| Total Project Cost | | \$14,524,095.52 |
| Total Project Equity | | \$3,700,000.00 |
| Equity per Share | 20 Shares | \$185,000.00 |
| | | |
| LOAN TERMS | | |
| LTC | 74.53% | \$10,824,095.52 |
| Interest Rate | 6.25% | |
| Loan Points | 0.500% | \$54,120.48 |
| Fixed Interest Term | 5 Yr | 60 Months |
| Amortization | 25 Yr | 300 Months |
| IO Period | 12 Mnths | |

Exit Valuation (Yr. 3 Stabilized)

| | | |
|---------------------------|-------|------------------------|
| NOI Yr. 4 | | \$1,233,466.64 |
| Exit Cap | 7.00% | \$17,620,951.97 |
| Sales Comm. | 3.00% | \$528,628.56 |
| Closing Costs | 0.50% | \$88,104.76 |
| Net Sales Proceeds | | \$17,004,218.65 |

Deal Level Cash-On-Cash

| | NOI Yr. 1* | NOI Yr. 3 |
|--------------------------|--------------------|--------------------|
| NOI | \$1,119,646 | \$1,195,956 |
| Non Leveraged COC | 7.71% | 8.23% |
| Leveraged COC | 7.10% | 9.17% |
| Leveraged IO COC | 11.98% | 14.04% |

*Annualized NOI after Hand & Stone and Cookies Rent Commencement

Sales Price Based on Exit Cap (Yr. 3)

| | NOI Yr. 4 |
|----------------|---------------------|
| NTM NOI | \$1,233,467 |
| 6.40% | \$19,272,916 |
| 6.55% | \$18,831,552 |
| 6.70% | \$18,409,950 |
| 6.85% | \$18,006,812 |
| 7.00% | \$17,620,952 |
| 7.15% | \$17,251,282 |
| 7.30% | \$16,896,803 |
| 7.45% | \$16,556,599 |
| 7.60% | \$16,229,824 |

Investor Multiple based on Exit Cap (Yr. 3)

| | NOI Yr. 4 |
|----------------|--------------------|
| NTM NOI | \$1,233,467 |
| 6.40% | 1.99x |
| 6.55% | 1.92x |
| 6.70% | 1.85x |
| 6.85% | 1.79x |
| 7.00% | 1.73x |
| 7.15% | 1.67x |
| 7.30% | 1.62x |
| 7.45% | 1.56x |
| 7.60% | 1.51x |



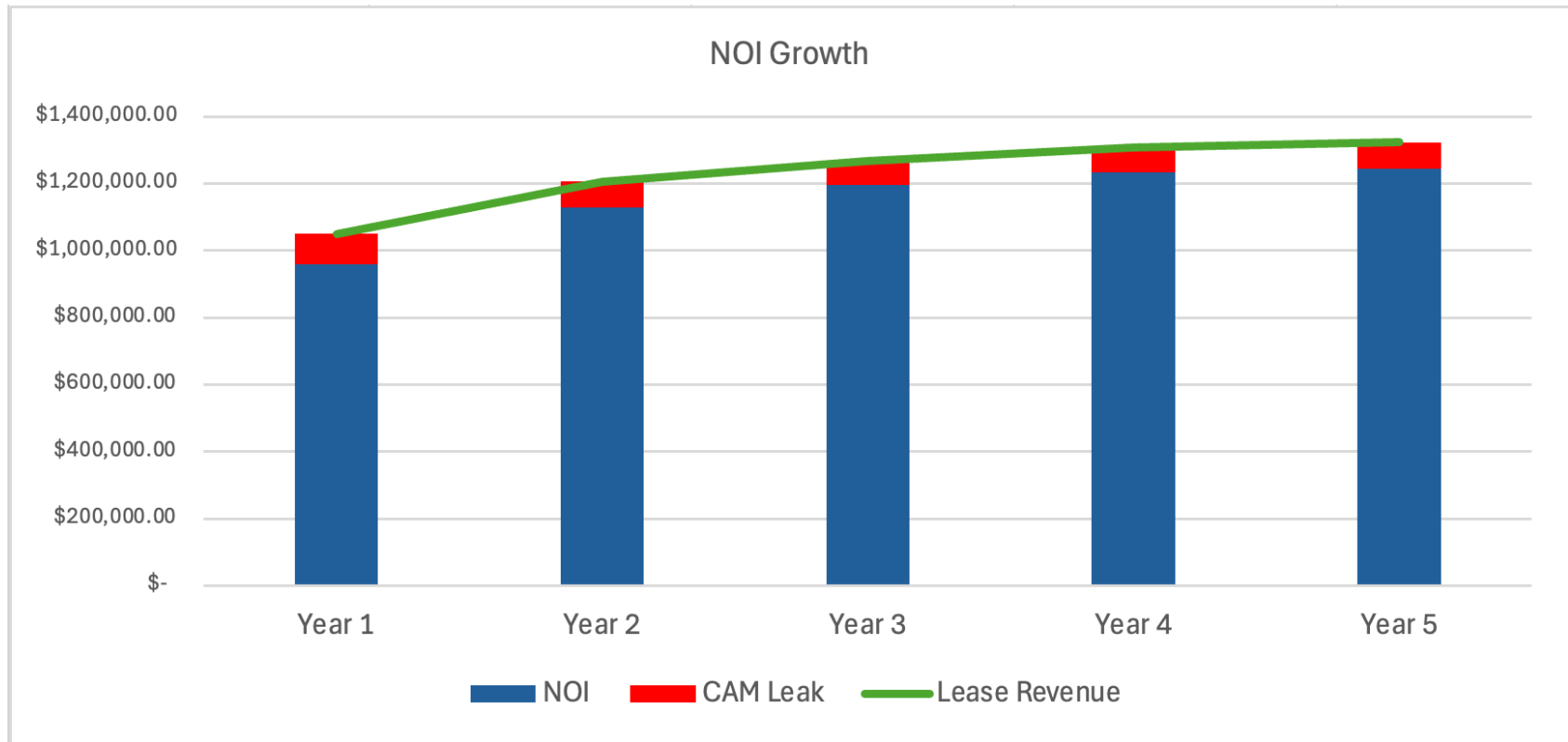
| Tenant Lease Revenue | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Beall's Outlet | \$197,600 | \$200,995 | \$238,336 | \$238,336 | \$238,336 |
| Ollie's Bargain | 282,706 | 282,706 | 288,825 | 301,063 | 301,063 |
| Hand & Stone | 37,500 | 90,938 | 93,211 | 95,541 | 97,930 |
| Cookies | 57,000 | 138,510 | 142,665 | 146,945 | 151,354 |
| KEM Associates | 149,370 | 151,984 | 156,543 | 161,240 | 166,077 |
| Journey Fitness Center | 90,295 | 92,100 | 93,942 | 95,821 | 97,738 |
| Tobacco Leaf | 26,181 | 26,705 | 27,239 | 27,783 | 28,339 |
| Firehouse Subs | 41,214 | 42,038 | 42,879 | 43,736 | 44,611 |
| Starbucks | 180,000 | 180,000 | 184,500 | 198,000 | 198,000 |
| Total Lease Income | \$1,061,865 | \$1,205,975 | \$1,268,140 | \$1,308,466 | \$1,323,447 |
| <i>\$/SF</i> | <i>\$12.11</i> | <i>\$13.75</i> | <i>\$14.46</i> | <i>\$14.92</i> | <i>\$15.09</i> |

| CAM Expense | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Management Fee (4%) | \$(57,224) | \$(63,357) | \$(66,222) | \$(68,222) | \$(69,219) |
| Real Estate Taxes | (184,739) | (189,357) | (194,091) | (198,943) | (203,917) |
| Insurance | (85,000) | (87,125) | (89,303) | (91,536) | (93,824) |
| Landscaping | (24,000) | (24,600) | (25,215) | (25,845) | (26,492) |
| Utilities | (15,000) | (15,375) | (15,759) | (16,153) | (16,557) |
| Misc. | (24,000) | (24,600) | (25,215) | (25,845) | (26,492) |
| R&M | (36,000) | (36,900) | (37,823) | (38,768) | (39,737) |
| Total CAM Expenses | \$(425,963) | \$(441,314) | \$(453,628) | \$(465,314) | \$(476,237) |
| <i>\$/SF</i> | <i>(\$4.86)</i> | <i>(\$5.03)</i> | <i>(\$5.17)</i> | <i>(\$5.30)</i> | <i>(\$5.43)</i> |

| CAM Reimbursement | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Beall's Outlet | \$40,000 | \$40,833 | \$50,000 | \$50,000 | \$50,000 |
| Ollie's Bargain | 144,470 | 147,336 | 150,895 | 155,149 | 158,236 |
| Hand & Stone | 6,146 | 15,093 | 15,514 | 15,913 | 16,287 |
| Cookies | 7,785 | 19,117 | 19,651 | 20,157 | 20,630 |
| KEM Associates | 55,794 | 57,805 | 59,418 | 60,948 | 62,379 |
| Journey Fitness Center | 31,602 | 32,741 | 33,655 | 34,521 | 35,332 |
| Tobacco Leaf | 5,778 | 5,987 | 6,154 | 6,312 | 6,461 |
| Firehouse Subs | 8,434 | 8,645 | 8,861 | 9,082 | 9,309 |
| Starbucks | 35,500 | 36,388 | 37,297 | 38,230 | 39,185 |
| Total CAM Reimbursement | \$335,509 | \$363,944 | \$381,444 | \$390,314 | \$397,819 |
| <i>CAM Leak</i> | <i>\$(90,454)</i> | <i>\$(77,370)</i> | <i>\$(72,184)</i> | <i>\$(75,000)</i> | <i>\$(78,418)</i> |

| NOI | \$971,411 | \$1,128,605 | \$1,195,956 | \$1,233,467 | \$1,245,029 |
|-------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Debt Service | \$(676,506) | \$(856,839) | \$(856,839) | \$(856,839) | \$(856,839) |
| <i>DSCR</i> | <i>1.44</i> | <i>1.32</i> | <i>1.40</i> | <i>1.44</i> | <i>1.45</i> |
| Levered Cash Flow | 294,904.91 | 271,765.64 | 339,117.40 | 376,627.71 | 388,190.47 |
| Levered COC | 7.97% | 7.35% | 9.17% | 10.18% | 10.49% |

| | | | | | |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Preferred Return Hurdle (8%) | \$296,000 | \$297,095 | \$321,329 | \$296,000 | \$296,000 |
| Cashflow After Hurdle | (1,095) | (25,329) | 17,788 | 80,628 | 92,190 |
| Sponsor (40%) | - | - | 7,115 | 32,251 | 36,876 |
| Investor (60%) | - | - | 10,673 | 48,377 | 55,314 |
| Total Annual Sponsor | \$- | \$- | \$7,115 | \$32,251 | \$36,876 |
| Total Annual Investor | \$294,905 | \$271,766 | \$332,002 | \$344,377 | \$351,314 |
| <i>Investor COC</i> | <i>7.97%</i> | <i>7.35%</i> | <i>8.97%</i> | <i>9.31%</i> | <i>9.49%</i> |



| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------|----------------|----------------|----------------|----------------|----------------|
| Lease Revenue | \$1,061,864.73 | \$1,205,974.66 | \$1,268,140.37 | \$1,308,466.44 | \$1,323,447.34 |
| CAM Leak | \$(90,453.85) | \$(77,370.10) | \$(72,184.05) | \$(74,999.80) | \$(78,417.94) |
| NOI | \$971,410.88 | \$1,128,604.56 | \$1,195,956.32 | \$1,233,466.64 | \$1,245,029.40 |

FOR LEASE COMPARISON

| Property | 311 S Ridgewood Ave Edgewater, FL 32132 | 419 Canal St New Smyrna Beach, FL 32168 | 1906-1998 State Road 44 New Smyrna Beach, FL 32168 | 512 N Ridgewood Ave Edgewater, FL 32132 | 1500 S Dixie Fwy New Smyrna Beach, FL 32168 |
|---------------------|---|---|--|---|---|
| Property Type | Retail | Retail | Retail | Retail | Retail |
| Property Subtype | Freestanding | Storefront Retail / Office | Freestanding | Bank | Restaurant |
| Gross Leasable Area | 16,000 SF | 3,120 SF | 87,721 SF | 5,983 SF | 2,496 SF |
| Year Built | 2006 | | 1987 | | 1983 |
| Space Available | 16,000 SF | 3,120 SF | 6,800 SF | 4,266 SF | 2,496 SF |
| Asking Rent | \$15.50 + NNN | \$32.00 + NNN | \$30.00 + NNN | \$35.00 + \$10.00 | \$22.00 + NNN |
| Spaces | 1 Space | 1 Space | 1 Space | 1 Space | 1 Space |

FOR LEASE COMPARISON

| Property | 1700-1722 State Road 44 New Smyrna Beach, FL 32168 | 1910-1988 State Road 44 New Smyrna Beach, FL 32168 | 709 E 3rd Ave New Smyrna Beach, FL 32169 | 512 N Ridgewood Ave Edgewater, FL 32132 |
|---------------------|---|---|---|---|
| Property Type | Retail | | | Retail |
| Property Subtype | Freestanding | | | Supermarket |
| Gross Leasable Area | 18,150 SF | 214,870 SF | 146,171 SF | 54,299 SF |
| Year Built | | 1987 | 1976 | |
| No. Stories | | \$25.00 + \$9.50 | \$25.00 + NNN | |
| Space Available | 1,500 SF | 2,015 SF | 3,872 SF | 9,000 SF |
| Asking Rent | \$24.00 + NNN | Negotiable | Negotiable | Negotiable |
| Spaces | 1 Space | 2 Spaces | 3 Spaces | 1 Space |

NEW SMYRNA BEACH

New Smyrna Beach, a coastal gem in eastern Central Florida, blends a thriving tourism economy with a growing, diverse community. With a population of just over 31,000 residents, the city continues to expand steadily, supported by strategic redevelopment and strong quality-of-life appeal. Median household income has risen to nearly \$78,400, while property values average around \$366,000, reflecting both the city's desirability and economic strength.

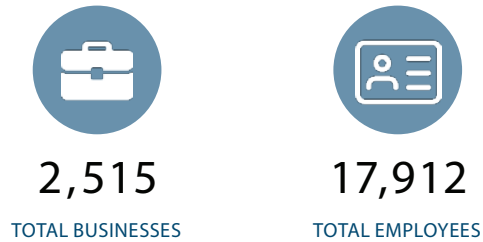
At the heart of the local economy is tourism, long recognized as New Smyrna Beach's engine of growth. Surfing, fishing, shopping, and cultural events attract hundreds of thousands of visitors each year, generating an estimated \$474 million in economic impact. This flow of visitors fuels the city's retail corridors, especially along US-1, A1A, and State Road 44, where the Community Redevelopment Agency continues to revitalize business districts and support entrepreneurial activity.



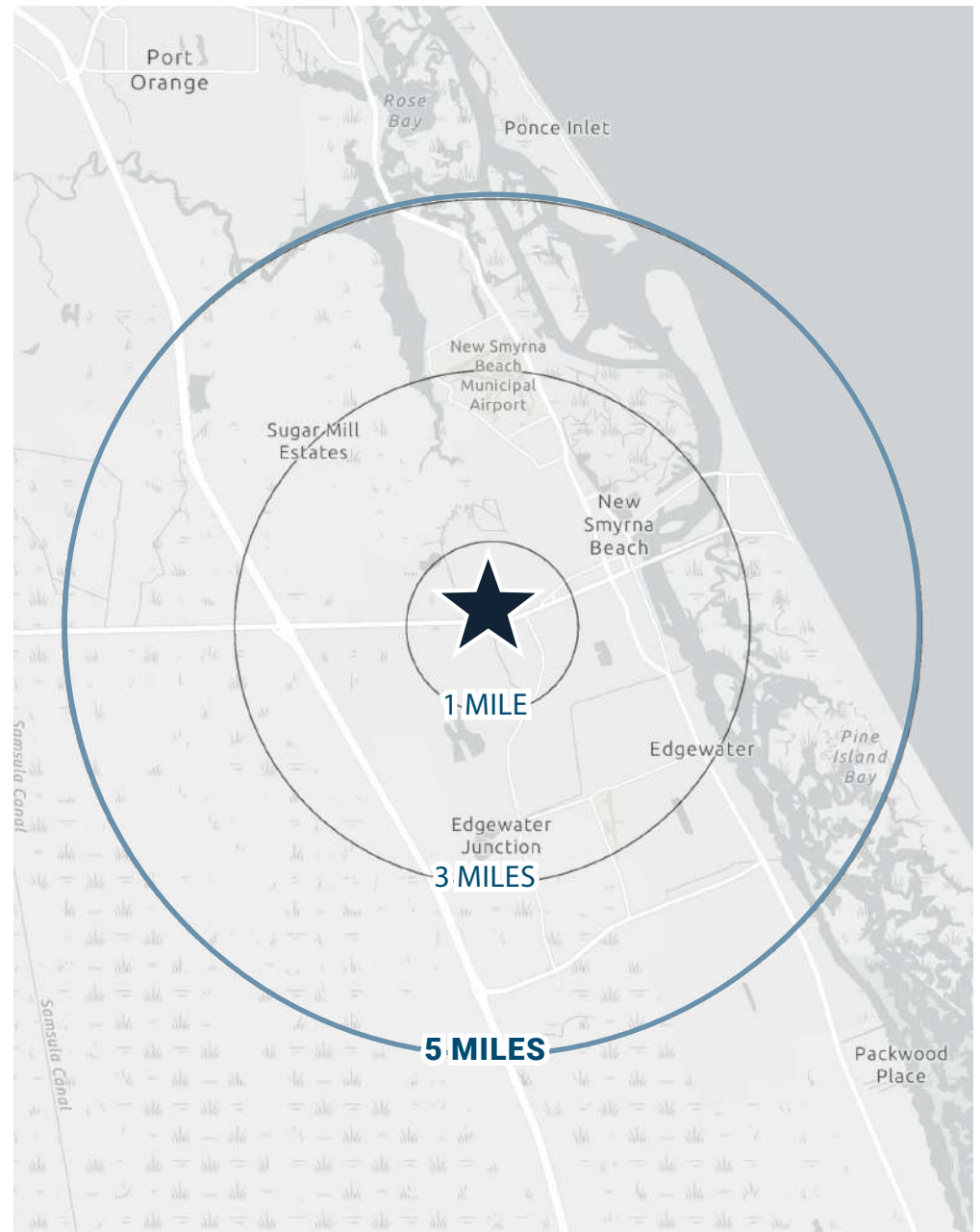
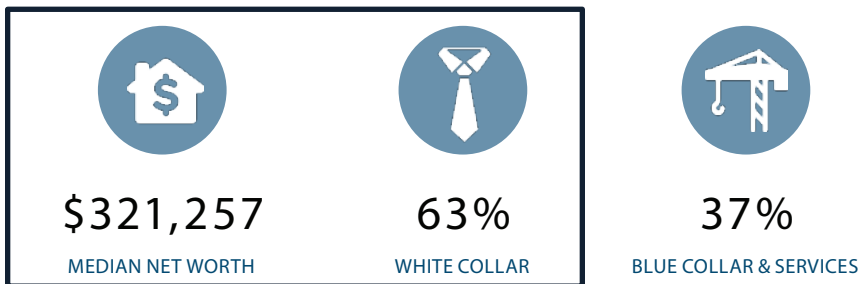
Key Facts



Housing & Business Stats



Housing & Employment





Offering Memorandum | New Smyrna Beach Regional Shopping Center At State Road 44



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