



Richard Bowers & Co.
Real Estate

Investment Summary

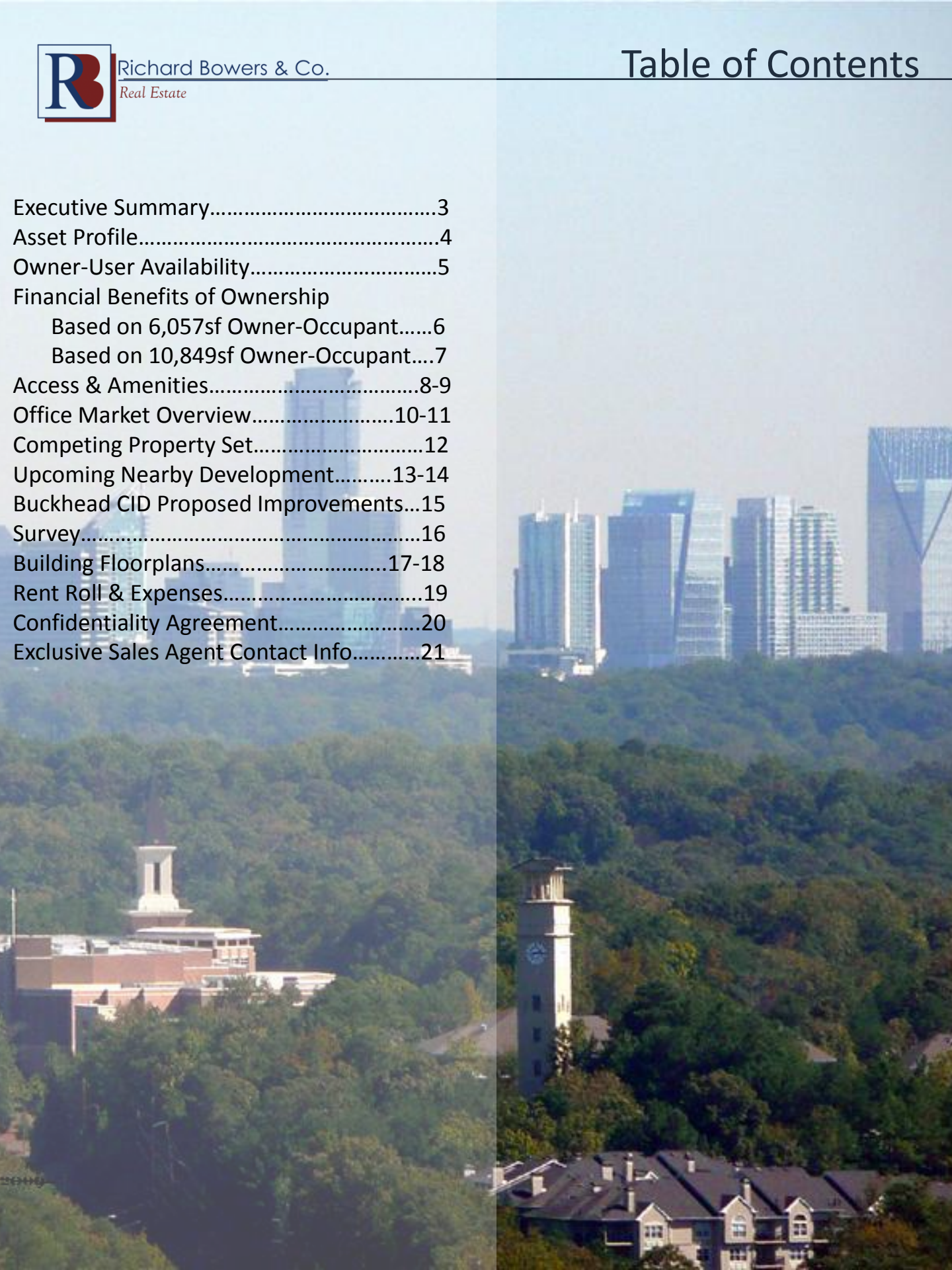
Piedmont Court

3098 Piedmont Road
Atlanta, GA 30305

Richard Bowers & Company is pleased to present the unique opportunity to acquire Piedmont Court, a high performing Buckhead investment office property perfectly positioned for an owner-user seeking to occupy up to 11,000 SF. An owner-user may also capitalize on prominent top-of-the-building signage.



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Richard Bowers & Company is pleased to present the unique opportunity to acquire **Piedmont Court** (the “Property”), a high performing Buckhead investment perfectly positioned to accommodate an owner-user seeking up to 11,000 square feet of upgraded space highlighted by prominent top-of-the-building signage facing Piedmont Road. *Instead of paying a landlord as much as \$250,000 to rent 11,000 SF, a business owner seeking top notch office space in Buckhead can purchase Piedmont Court and secure a high rate of investment return, pay down loan principal, and capture lucrative tax savings available through real estate ownership.*

Piedmont Court is a 4-story, 42,160 SF boutique office building situated in the heart of Buckhead. The Property is currently 97% occupied by sixteen (16) tenants, ranging in size from approximately 500 SF to 11,000 SF. The average remaining lease term is 2.67 years. The building has undergone extensive improvements including a new cooling tower, roof enhancement, upgraded restrooms, and renovated lobby areas. The surrounding area is the most popular office destination in all of Atlanta, and has posted 9 consecutive quarters of positive absorption. In fact, Buckhead had its highest annual absorption ever in 2012. The Buckhead Class B office market currently averages \$19.44 per SF, but is expected to rise as absorption increases and redevelopment continues to reduce the overall supply (over 168,000 SF removed in 2013: 550 Pharr, 3091 & 3109 Maple Dr.)

The Property provides FREE, on-site parking to its Tenants and Guests, and has two entrances and exits which provide convenient access around Buckhead and to the interstates. There are also over thirty (30) restaurants that are within a half-mile walk. A portion of the adjoining property on Maple Drive will become a 250 unit multi-family development in 2014, which will include deck parking that can be used by Piedmont Court tenants. Near the crossroads of East Paces Ferry Road, Piedmont Road, and Peachtree Road, **Piedmont Court** is a *keystone* property flanked by Buckhead’s world-class retail, hotel, office, fine dining and entertainment.

As a result of the combination of quality tenant spaces, convenience, and nearby amenities, **Piedmont Court** has excelled in tenant retention and maintaining high occupancy. The ability to acquire an asset equal to **Piedmont Court** in Buckhead is rare, and we believe this offering will attract significant interest. The buyer will have purchased an outstanding investment well positioned to maintain performance for decades to come.



Property:	Piedmont Court	
Address:	3098 Piedmont Road Atlanta, GA 30305	
LARGEST TENANT	SIZE	EXPIRATION DATE
<i>The List, Inc.</i>	10,839 SF	1/31/2018
Building SF:	42,160 SF	
Occupancy:	97%	
Year One NOI:	\$469,870	
Site Acreage:	1 Acre	
Year Built:	1969	
Year Renovated:	1996/2008	
Parking Info:	174 spaces, 4.2/1,000 SF	
	<ul style="list-style-type: none"> • 62 Controlled spaces • 34 Deck spaces via easement • 78 Spaces via parking agreement 	
Signage:	Landmark monument signage on Piedmont Rd; Building signage visible	
Price:	\$6,635,000	
Price/SF:	\$157/SF	





The fourth floor is currently leased to four tenants, all of which include expiring leases in 2013, relocation rights, or Landlord termination rights. The Seller will vacate their suite upon sale of the property. As larger space is required, additional adjacent space is available up to 10,839 SF.

Many businesses choose **to purchase office buildings because there are a number of benefits.** These advantages, in comparison to leasing office space, include but are not limited to:

- 1) Maintaining control over office occupancy and overall environment (i.e. adjacent tenants)
- 2) Building equity and appreciation in value over time
- 3) Capitalizing on tax savings available through ownership of commercial properties
- 4) Eliminating the possibility of increased rental rates





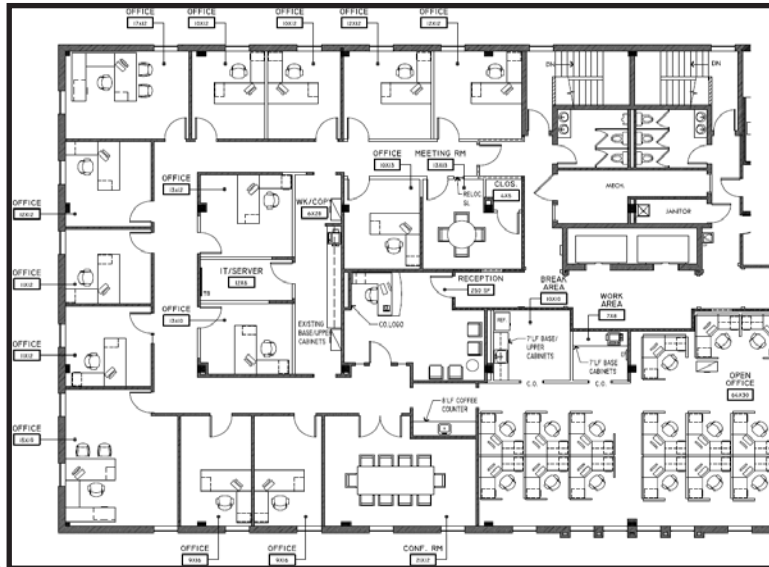
*Based on 6,057 SF Owner-User

10 Year Summary:

- Save \$1,451,120 in rent and parking costs
- Pay down \$1,176,785 in loan principal
- Potential appreciation of \$1,294,439, based on 2% annual increase in value

➔ Increase In Net Worth = \$3,922,344

➔ 23.65 % Average Annual Increase in Net Worth



YEAR 1

Rental Income (Owner-Occupant Pays No Rent)	\$626,792
Less: Operating Expenses	(\$255,896)
Net Operating Income	\$370,896
<u>Less: Principal & Interest</u>	<u>(\$384,745)</u>
Net Cash Flow After Debt Service	(\$13,849)
Rental Income	\$626,792
Less: Operating Expenses	(\$255,896)
Less: Interest	(\$296,162)
Less: Depreciation	(\$112,279)
Taxable Income	(\$37,545)
39.6 % Tax Liability	(\$14,868)
After Tax Cash Flow	\$1,019



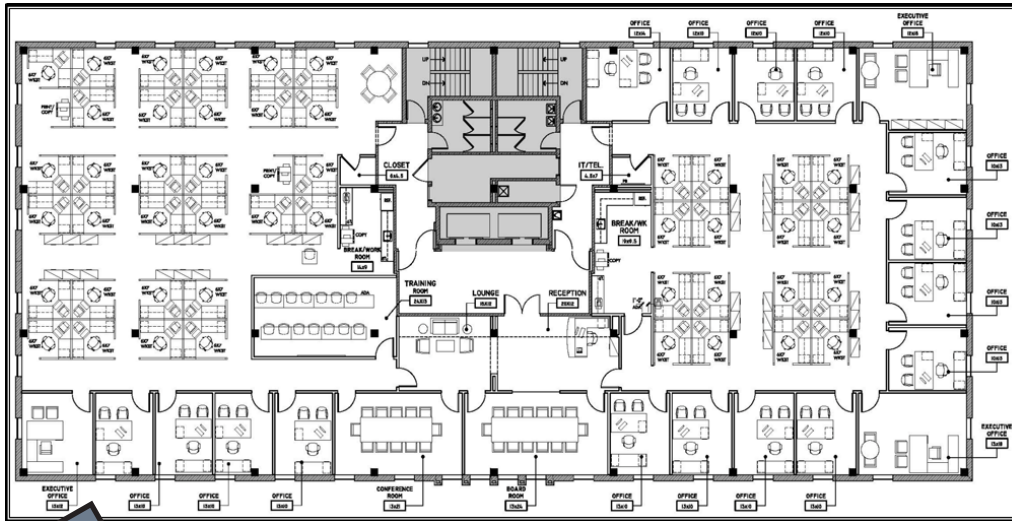
*Based on 10,849 SF Owner-User

10 Year Summary:

- Save \$2,096,460 in rent and parking costs
- Pay down \$1,176,785 in loan principal
- Potential appreciation of \$1,294,439, based on 2% annual increase in value

➔ Increase In Net Worth = \$4,567,684

➔ 35.3 % Average Annual Increase in Net Worth



YEAR 1

Rental Income (Owner-Occupant Pays No Rent)	\$547,440
Less: Operating Expenses	(\$255,896)
Net Operating Income	\$291,544
<u>Less: Principal & Interest</u>	<u>(\$384,745)</u>
Net Cash Flow After Debt Service	(\$93,201)
Rental Income	\$547,440
Less: Operating Expenses	(\$255,896)
Less: Interest	(\$296,162)
Less: Depreciation	(\$112,279)
Taxable Income	(\$116,897)
39.6 % Tax Liability	(\$46,291)
After Tax Cash Flow	(\$46,910)



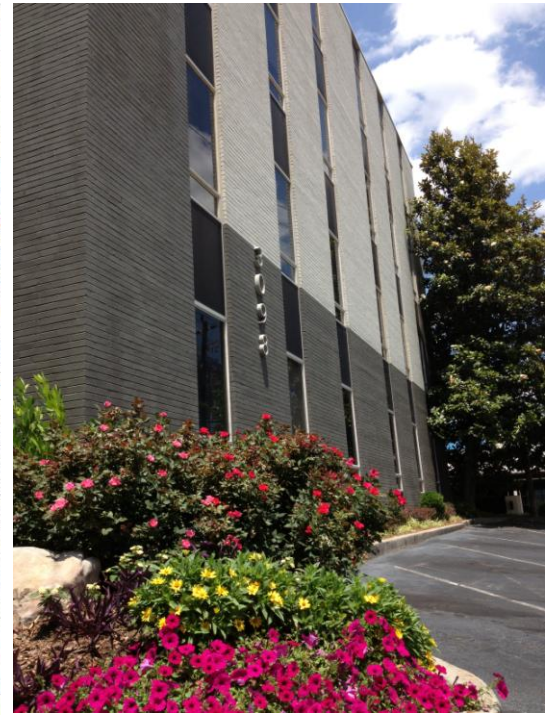
Piedmont Court is a keystone property flanked by Buckhead's world-class retail, hotel, office, fine dining and entertainment. There are over thirty (30) restaurants that are within a half-mile, or ten minute walk and overnight accommodations are right next door at the recently renovated Fairfield Inn. Restaurants within a short stroll include Bone's, Fogo De Chao, Kyma, Buckhead Diner, Corner Café, Pricci & Aria. The Property is less than a quarter mile south of the intersection of Peachtree Road and Piedmont Road, which is by many considered the most prominent intersection in Buckhead. Two entrances/exits to the Property provide convenient access around Buckhead and to the interstates.





Nearby Restaurants





The Atlanta Office Market

Atlanta's first quarter 2013 office market experienced 190,349 square feet of net absorption, reflecting eight consecutive quarters of positive gains. As a direct result of increasing occupancy and an improving economy, average quoted rental rates for all classes increased this quarter to \$21.14/sf, up 53 cents from the first quarter 2012.

The Buckhead Office Submarket

The Buckhead submarket continues to dominate the urban submarkets of Atlanta in terms of performance. 1,074,342 square feet of the Urban Corridor's 1,265,303 square feet of 2012 year-end absorption came from the Buckhead submarket, including 344,972 square feet of positive absorption in the fourth quarter. This 1,074,342 square feet is the highest four-quarter cumulative absorption Buckhead has ever experienced, and increased occupancy by 7.25 basis points within just one year. Rental rates increase over the same period by 31 cents, to an average quoted rental rate of \$25.52/sf.



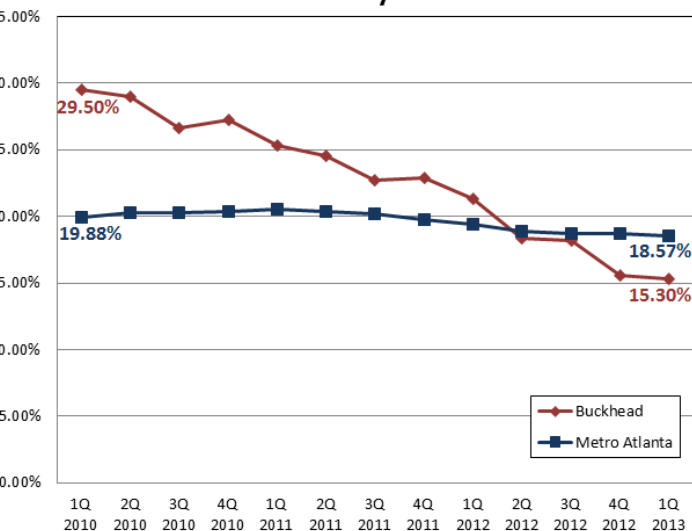
With no new construction, and the ongoing in-migration of businesses, workers and young professionals desiring an urban pedestrian environment, look for the Buckhead submarket to remain on top.

Outlook

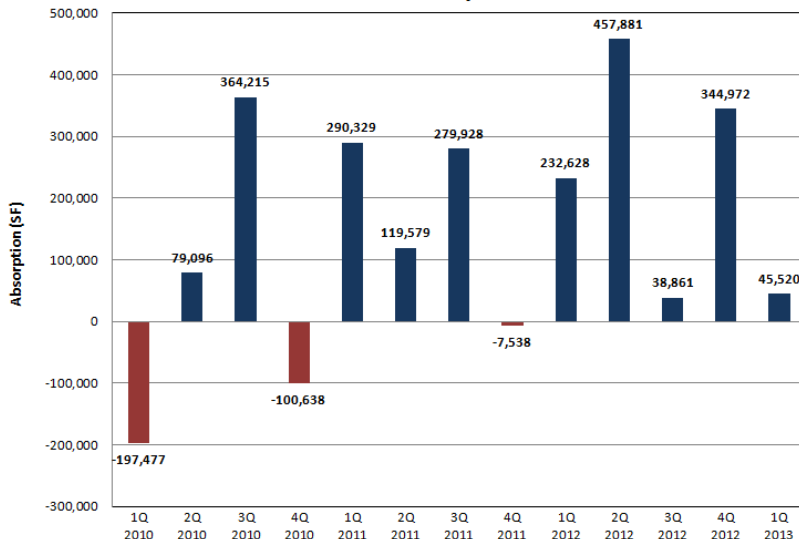
The Atlanta economy continues to show signs of recovery. Projected population growth due to a desirable living destination for young professionals, a favorable climate, a low cost of living, quality housing, excellent educational opportunities, great nightlife, entertainment and numerous athletic events and many other reasons, along with increasing job growth, will position Atlanta to succeed and in fact outperform many other major metropolitan areas over the next several years. With business owners more optimistic, companies are beginning to expand and new start-up firms are entering the market. We expect the Atlanta office market to build on the positive absorption from the previous eight quarters and produce an even better year for 2013, resulting in higher occupancy and rental rates.



Vacancy Rate



Buckhead Absorption





Piedmont Court offers a unique combination of driving convenience, and urban walk ability, which few other Buckhead options can offer.

Most of the land in Buckhead has already been developed, and as a result, a developing trend in Buckhead’s Class B office market is the removal of aging inventory in place of high-end mixed-use development. In the past year, 550 Pharr was vacated for an apartment conversion, and 3091 – 3109 Maple Drive was sold and to be demolished. Simply put, there are very few Class B options with FREE parking and near the center of Buckhead that cater towards small to medium size users.

Piedmont Court has a weighted average rental rate of \$17.14/sf. The average rental rate for this product type is \$19.44/sf in Buckhead. Accordingly, there is an opportunity to raise rents closer to market rent as tenants renew and/or space is released, based on the following benefits:

- Increase rents based on Piedmont Court’s average rental rate being \$2.30/sf below the market average
- Typical floorplate ideal for small to medium sized tenants, and spec suites ranging from 836sf to 2,294sf, built new in 2010, comprising the entire 3rd floor
- Building is in excellent condition due to recent upgrades
- No opportunity to add Piedmont Court product type due to land cost
- Since October 2012, 168,000sf of Class B space in Buckhead has been converted to multi-family, further depleting inventory
- Prominent exterior signage available
- Parking revenue potential, including reserved deck parking
- The Year 1 stabilized Net Operating Income is \$469,870

Competing Property Set		
Property	Rate	Occupancy
Paces Center	\$19.50	90%
Buckhead Centre	\$18.50 - \$21.50	96%
Piedmont Center		
Bldgs 1-4	\$19.00 - \$20.00	79%
Bldgs 5-8	\$19.50 - \$20.50	93%
Bldgs 9-12	\$20.50	80%
Securities Centre, One & Two	\$23.50 / \$19.75	96% / 74%
Piedmont Place	\$20.00	97%
3405 Piedmont Road	\$20.00	80%



Broadstone Maple



Alliance Residential begins construction in 2013 on the development of 250 apartment units immediately adjacent to Piedmont Court. The five-story structure will include deck parking, and Piedmont Court retains rights to utilize up to 34 spaces in the parking deck during the daytime.

Buckhead Atlanta



When completed, Buckhead Atlanta will encompass 1.5 million square feet, with 300,000 square feet of upscale retail stores, restaurants and cafes, more than 100,000 square feet of office space and 370 luxury high-rise residences.

According to Oliver McMillan, "it will be the premier residential, entertainment, shopping and office destination for Atlanta and the Southeast."

Circle Terminus



In March 2013, Crescent Resources broke ground on Circle Terminus, a \$67 million mixed-use community that will be the first apartment-living option in Buckhead's Terminus master development.

The 355-unit apartment development is located within the Terminus complex at the corner of Peachtree and Piedmont roads. Circle Terminus will consist of three separate buildings which each have three levels of parking topped with five stories of apartments.



Post Alexander



In an effort to beat waves of competition to the market, Post Properties will launch a 19-story apartment tower as the second phase of the company's Post Alexander development. The \$76 million, 340-unit development is scheduled to break ground later this year,

Crocker Partners



Crocker Partners LLC filed a rezoning request with the city for a 6.5-acre tract in Buckhead to build two apartment towers of 26 and 19 stories.

The two proposed towers for the site at Piedmont and Lenox roads—at the western end of the Buckhead Loop—would be one of the largest apartment projects in Atlanta.

Crocker Partners reportedly is planning its project in two phases. The first would contain the larger 26-story tower and 380 units. The second phase would house a 19-story tower with about 322 units.



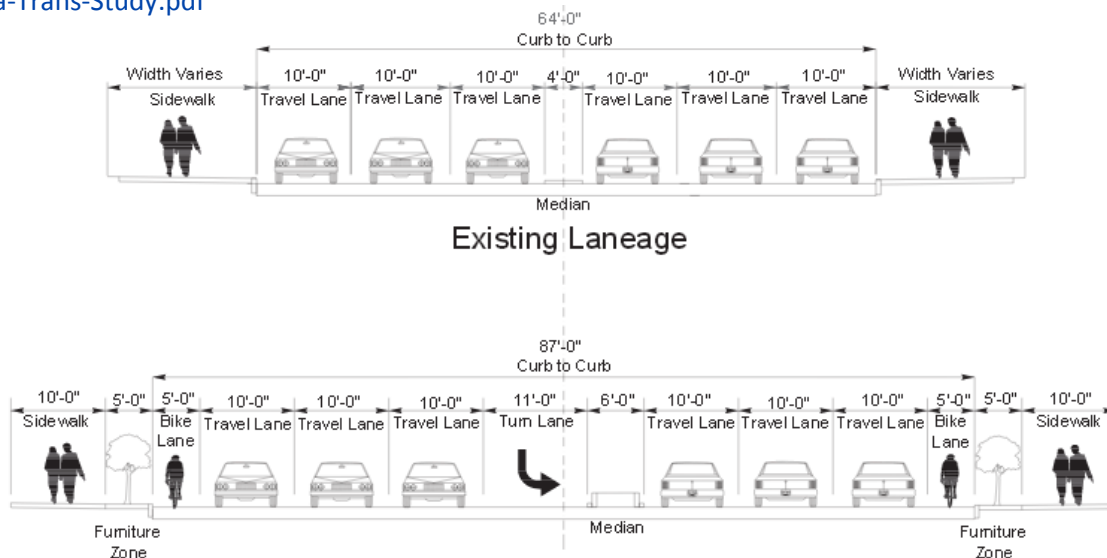
Piedmont Road Corridor

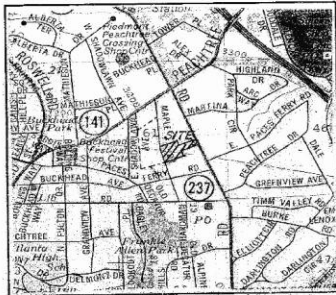
This portion of the corridor currently consists of a six-lane section with shared left-turn lanes at several intersections and a raised concrete median. Sidewalks are provided on both sides of the roadway and average width of six feet. No buffer or furniture zone separates the sidewalk from the roadway. The segment is littered with driveways which attract drivers from all directions, many crossing over the existing four-inch high median. **In anticipation of development along the western side of Piedmont Road, the boulevard with a raised median is recommended for this portion of roadway.** Northbound and southbound five-foot bicycle lanes are also recommended for this portion of roadway. Widening is recommended to occur generally along the center line of the road, with parcels on both the east and west side of the road absorbing some of the widening.

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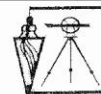
As stated before, this area currently consists of numerous driveways. It is recommended that driveways be consolidated where possible and as new development occurs along the western side of the road that access for these developments occurs along newly constructed roads connecting Piedmont Road to Maple Drive. **A five-foot furniture zone and ten-foot sidewalk is proposed along both sides of Piedmont Road in this location. The six-foot raised median will allow for pedestrian refuge at signalized intersections and discourage mid-block crossing.** This project also consists of construction of an additional northbound left-turn lane from Piedmont Road onto Pharr Road.

More information available at: <http://www.buckheadcid.com/wp-content/uploads/2012/10/Piedmont-Area-Trans-Study.pdf>



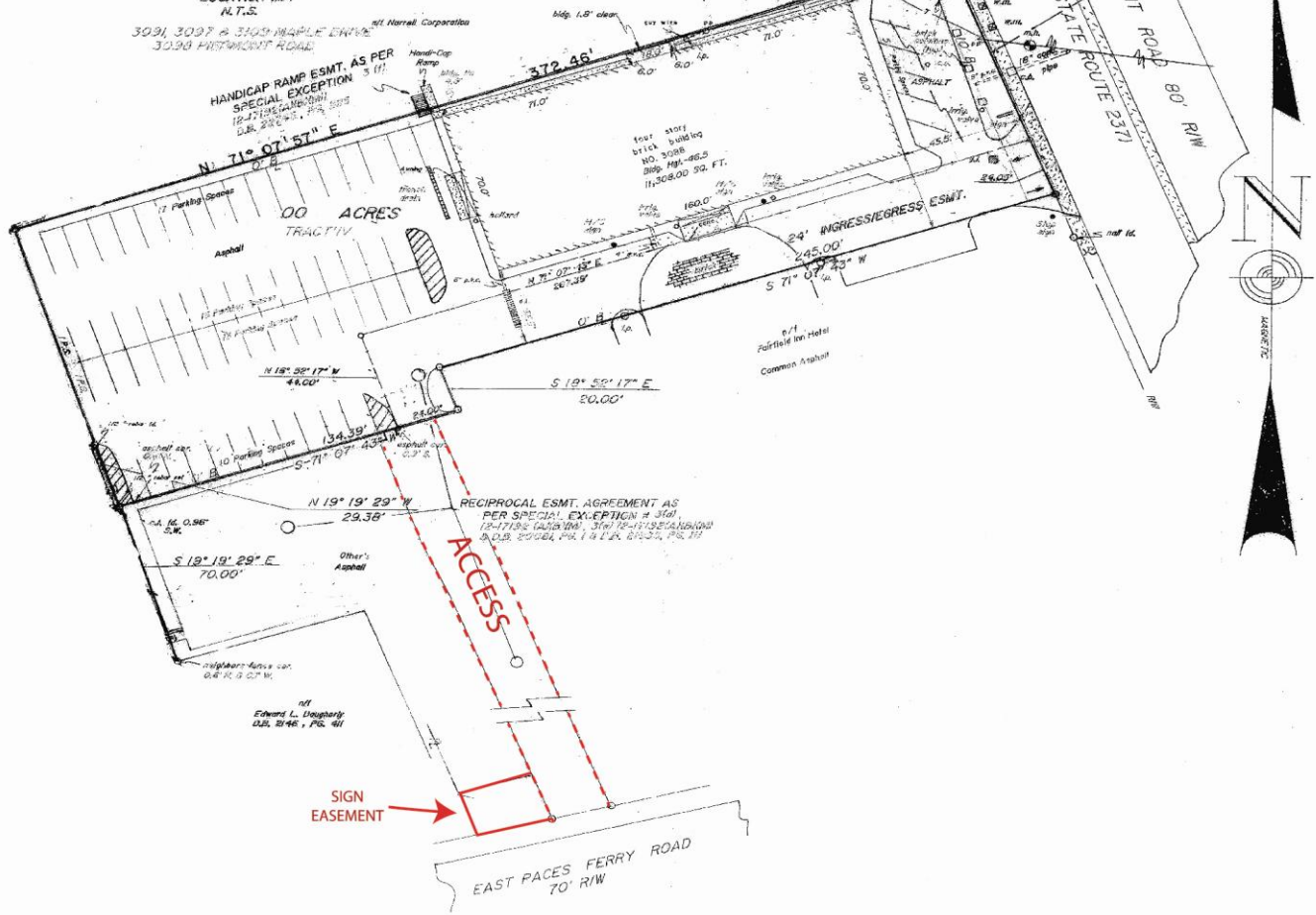


1. PROPERTY ZONED - C-1 (COMMUNITY BUSINESS DISTRICT)
2. SETBACKS - FRONT - 10'
SIDE - 0' EXCEPT IF NOT BUILT TO LOT LINE, IT SHALL BE AT LEAST 5'
REAR - 0'
3. NO HEIGHT RESTRICTIONS LISTED FOR THIS DESIGNATION.
4. BULK RESTRICTION - FOR NON-RESIDENTIAL USES, FLOOR AREA SHALL NOT EXCEED 2.0 TIMES NET LOT AREA.
5. PARKING REQUIREMENT(S) - 1 SPACE FOR EACH 300 SQ. FT. OF FLOOR AREA (OFFICE AREAS)
6. 1 SPACE PER 100 SQ. FT. FLOOR AREA (RESTURANT AREAS)



Pearson & Associates, Inc.

LAND SURVEYING - ENGINEERING - SITE PLANNING
DEVELOPMENT - CONSTRUCTION LAYOUT
536 FOREST PARKWAY
FOREST PARK, GA 30297
(404) 366-7715 (404) 366-0813 (FAX)
B.Mad.pearsonsurvey@pearsoninc.com



ALTA/ACSM LAND TITLE SURVEY FOR:

PIEDMONT ROAD, LLC, MAPLE DRIVE, LLC,
COLUMN FINANCIAL, INC. AND CHICAGO
TITLE INSURANCE COMPANY



LAND LOT 61 - 17th DISTRICT
FULTON COUNTY, GEORGIA
SCALE 1" = 40'
OCT. 3, 1996
GRAPHIC SCALE UPDATED & REVISED 1/23/2001



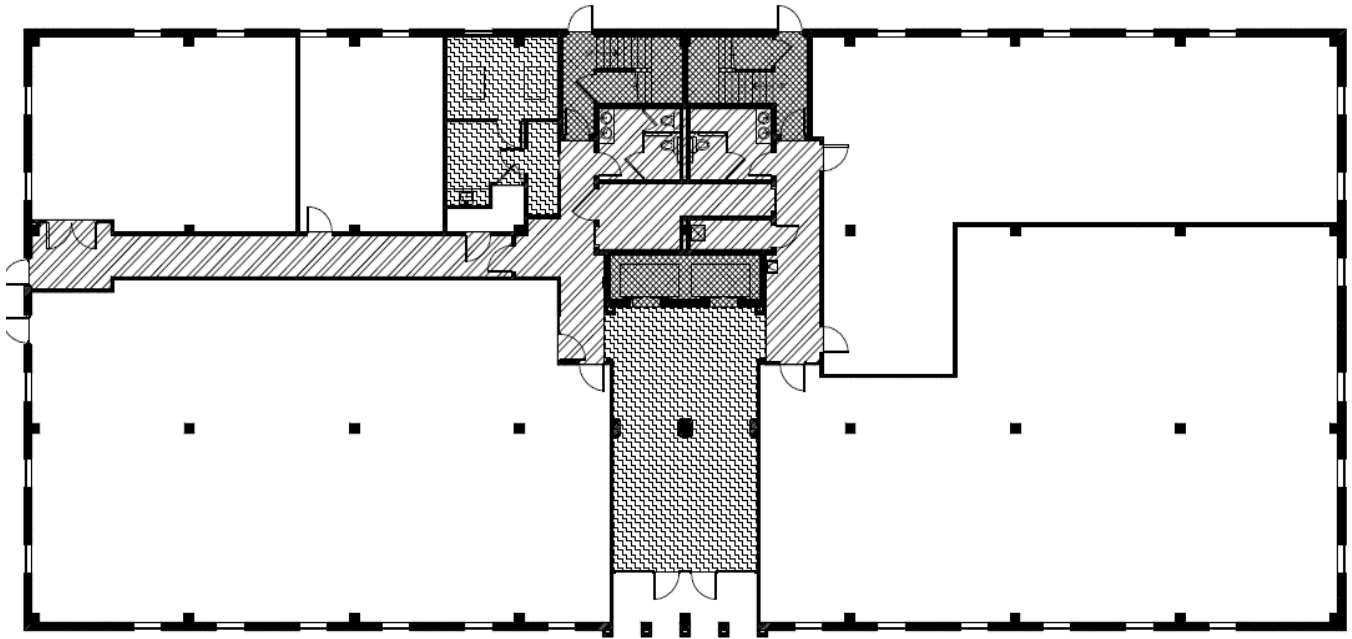
PLAT NO. 96-091323JUC.C.

REVISED: 8/8/05 TO ADD ADDITIONAL LEGALS
REVISED: 2/17/2001 AS PER COMMENTS
REVISED & UPDATED: 7/19/05 TO SHOW CHANGES

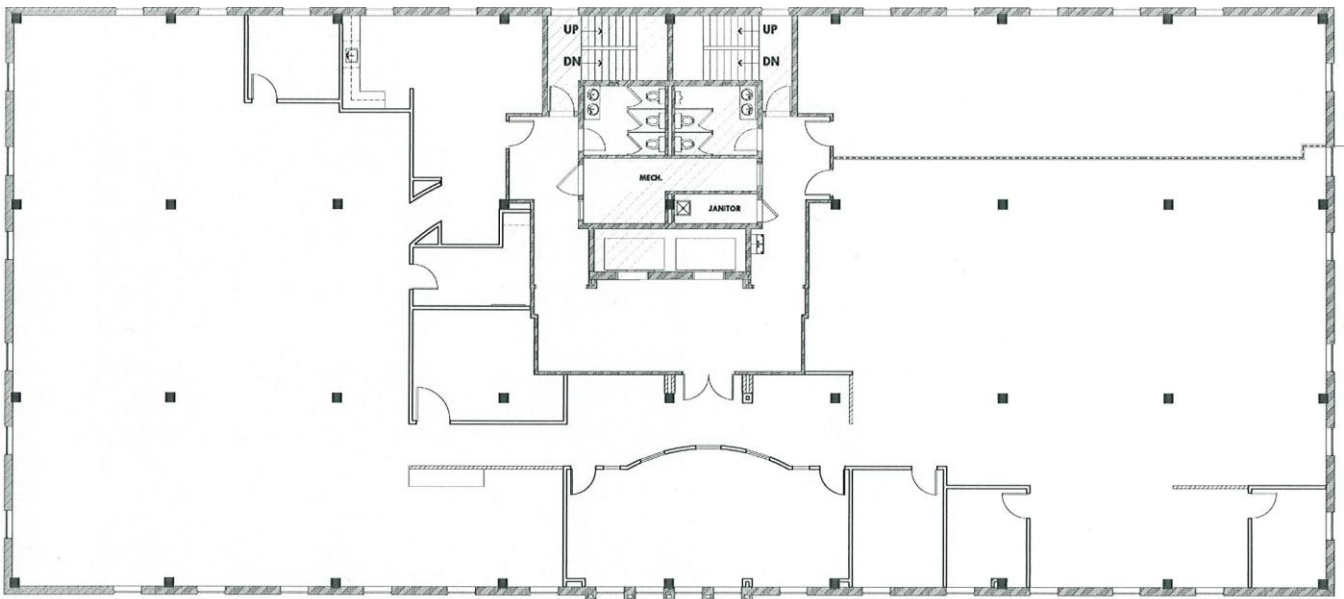


Building Floorplans

First Floor

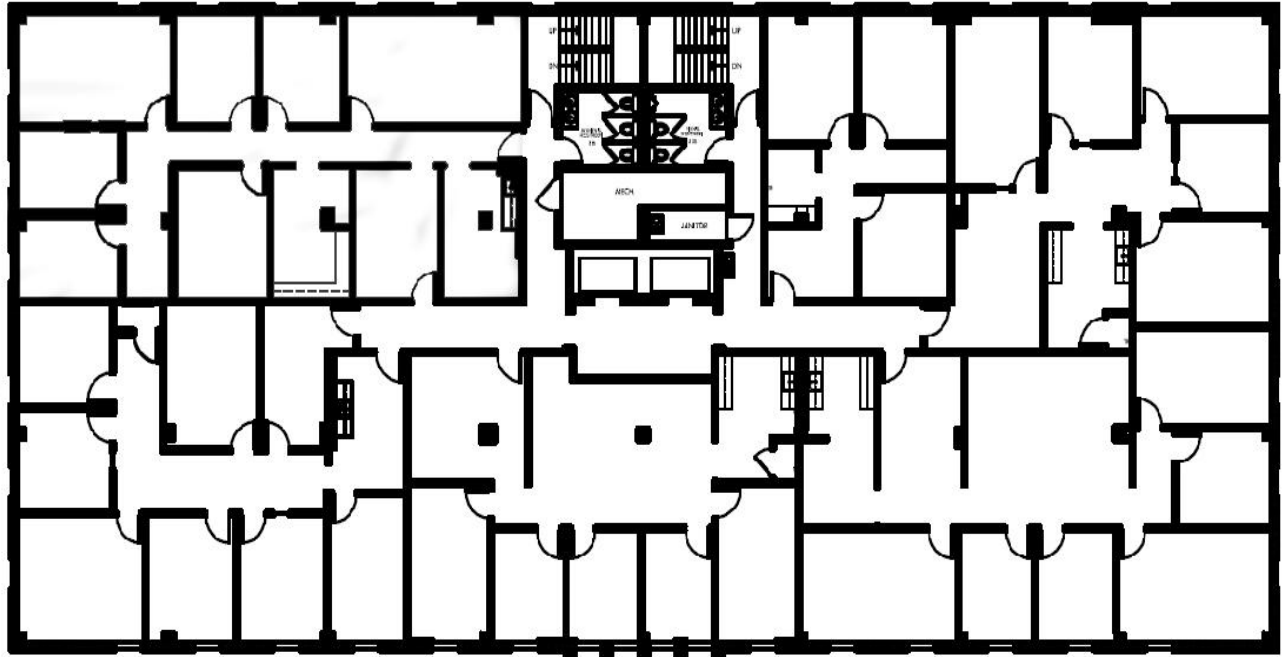


Second Floor

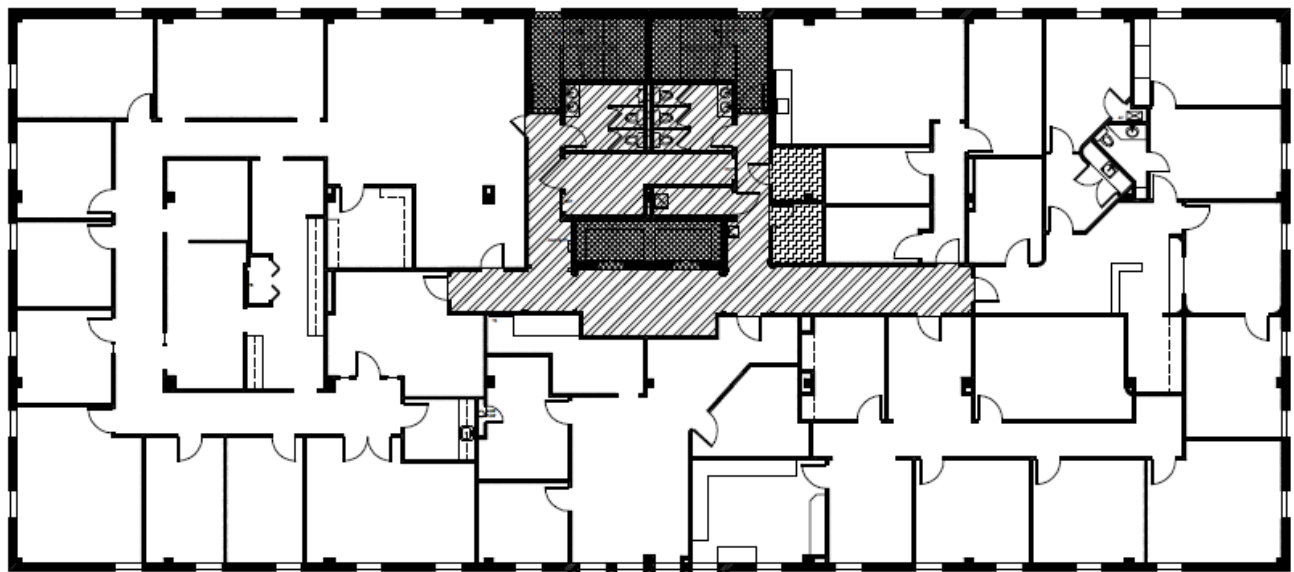




Third Floor- 5 Suites +/-



Fourth Floor- 4 Suites +/-





A detailed rent roll and list of expenses is available with the submission of a completed Confidentiality Agreement which can be found at the end of this package.



**CONFIDENTIALITY AGREEMENT
For the Marketing of Property**

This Confidentiality Agreement ("Agreement") is executed this ____ day of _____, 2013, and is to be signed prior to receiving marketing information (the "Marketing Information") for the sale of **Piedmont Court** (the "Property") located in Fulton County, Georgia, having an address of 3098 Piedmont Road, Atlanta, GA 30305. The Property is being offered for sale by Greg Kindred & Ash Parker of Richard Bowers & Co., a licensed Georgia Real Estate Broker (the "Broker").

The Marketing Information contains selected information pertaining to the Property which information is confidential or proprietary to the owner of the Property (the "Discloser"). Discloser derives economic value from such information not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use. All of the marketing information and the existence thereof (the "Confidential Information") is deemed to be a trade secret in accordance with Georgia's Business Corporation Code O.C. G. A. 10-1-760 et. seq. Neither Broker nor Discloser makes any representation or warranty, expressed or implied, as to the accuracy or completeness of the Confidential Information or any of its contents and no legal liability is assumed by Broker or Discloser with respect hereto. This information is subject to prior replacement, errors, omissions, changes or withdrawal without notice and does not constitute a recommendation or endorsement by Disclosure or Broker.

Discloser is revealing the confidential Information to the undersigned recipient (the "Recipient") for the sole purpose of Recipient's analysis of the property in connection with a potential acquisition of the Property (the "Purpose"). Recipient shall limit the disclosure of the confidential Information to those persons or entities working on its behalf in furtherance of the Purpose, including without limitation, independent contractors, agents and legal counsel, provided that all of such persons or entities shall be directed and required to maintain the Confidential Information in confidence in accordance with the terms hereof. Recipient is representing the principal, if any, disclosed below (the "Principal") and is hereby authorized to disclose the confidential Information to the Principal if disclosed below. If the Principal executes this Agreement, it does so for the sole purpose of acknowledging and agreeing to the terms of this Agreement, as if the Recipient.

All Confidential Information furnished hereunder to Recipient, as well as any copies thereof shall remain the property of the Discloser and shall be returned to Discloser upon request. By acknowledgment of your receipt of the Marketing Information, Recipient agrees that it is acting solely as a principal in this transaction or that it has the authority to act on the behalf of the Principal. Discloser expressly reserves the right in its sole discretion to reject any or all proposals or expressions or interest in the Property and to terminate discussions with any party at any time with or without notice. In the event of breach or threatened breach by Recipient, Recipient agrees that Discloser shall be entitled to pursue all rights and remedies at law or in equity, including, without limitation, injunctive relief.

This Agreement and the rights of the parties hereto shall be governed and construed in accordance with the laws of the State of Georgia.

ACKNOWLEDGED AND AGREED TO BY:

RECIPIENT: _____

By: _____

Name: _____

Company: _____

Title: _____

Phone: _____

Email: _____

Date: _____

Agent Name(s): _____

Agent License #(s): _____



Richard Bowers & Co.
Real Estate

Exclusive Sales Team

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