

Retail Leasing Proposal

ONE PROGRESS PLAZA *DUKE ENERGY*

411 FAYETTEVILLE ST
RALEIGH, NC 27601

PREPARED FOR: CLARKE HOBSON

BY:

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Project Highlights

Strategic Location

The subject property is prominently positioned in downtown Raleigh on Fayetteville Street. It sits just a couple of blocks from the Memorial Auditorium at Duke Energy Center, the Red Hat Amphitheater, and the Wake County Federal Court House. The property is considered highly walkable and able to pull customers from surrounding Class A office properties and nearby hotels and residential.

Record Growth

Downtown Raleigh set a new record in 2018 in food and beverage sales with over \$240 million in sales, up 7.6% over 2017. During the fourth quarter, 12 new street-level businesses opened in downtown with two more already open in early first quarter of 2019. A total of 45 storefront businesses opened in 2018, the highest net gain in businesses since 2010.

Complementary Draws

The property is located within walking distance to the Memorial Auditorium at Duke Energy Center, and Red Hat Amphitheater, which plays host to numerous concerts by national and global artists. Fayetteville Street is also home to several local bars and restaurants with a highly active nightlife.



Duke Energy Performing Arts Center



Red Hat Amphitheater

Project Challenges

Parking Challenges

Being in a downtown environment can create parking challenges for any retailer looking to be in the CBD, as parking cannot always be readily accessible. The subject property is uniquely located within walking distance to several parking decks, parking lots, and metered on-street parking.

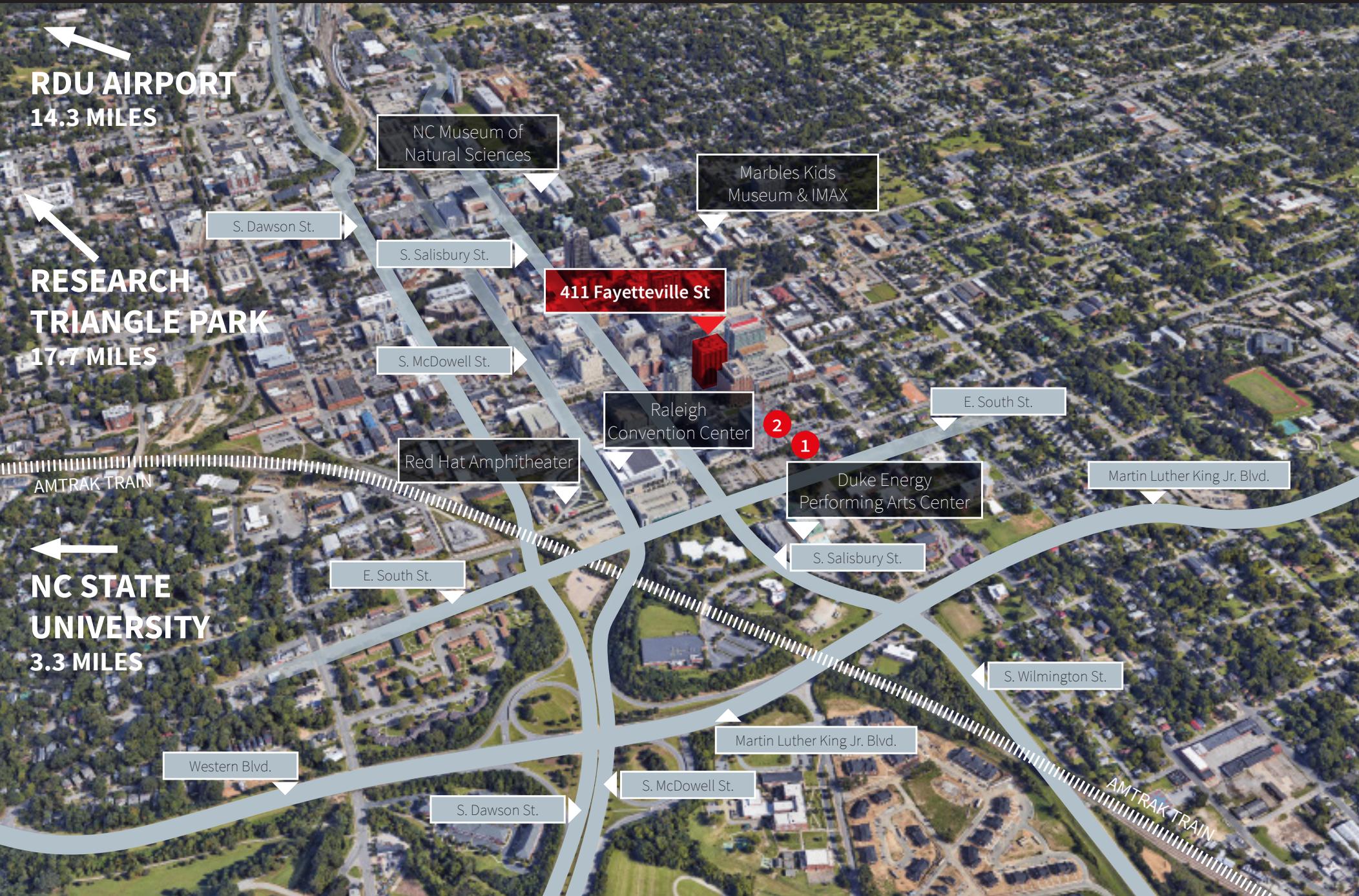


Size

The subject space is 5,400 SF; trends are showing that the more ideal space size for restaurants coming into our market and locating in downtown areas (especially for QSR's) is +/- 3,000 SF with outdoor area. Targeting larger, local/national sit-down restaurants.



Area Amenities



Nearby Competition:

- 1 Charter Square
- 2 FNB Tower



Rental Information

DONE DEALS



510 Glenwood Ave

Size: 4,491 sf
Rent: \$26.00/sf/NNN
Closed: July 2018
Tenant: Southern Charred



555 Fayetteville St

Size: 3,260 sf
Rent: \$100/sf in TI
Closed: January 2018
Tenant: B. Good



319 Fayetteville St

Size: 5,400 sf
Rent: \$30.00/sf/NNN
Closed: December 2017
Tenant: Wahlburger's

CURRENTLY ON THE MARKET



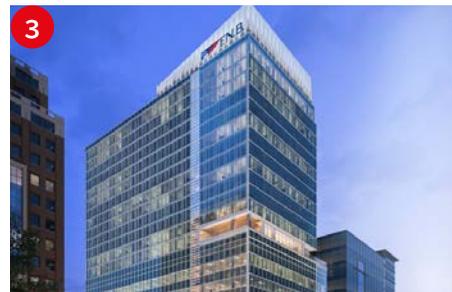
City Market Place

214 E Martin St
Size: +/- 5,000 sf
Rent: \$28 - \$30/sf/NNN



Former Chick-fil-A

400 Fayetteville St
Size: +/- 2,400 sf
Rent: \$30.00/sf/NNN



FNB Tower

501 Fayetteville St
Size: 5,554 sf
Rent: \$35.00/sf/NNN

RENT EXPECTATION

Expected Rent Range:

\$28-\$30/sf

Expected Lease Term:

10 years

Expected Tenant Allowance:

\$30-\$35/sf

Recommended Asking Rent:

\$30/sf/NNN

Target Tenants



AC Restaurants:



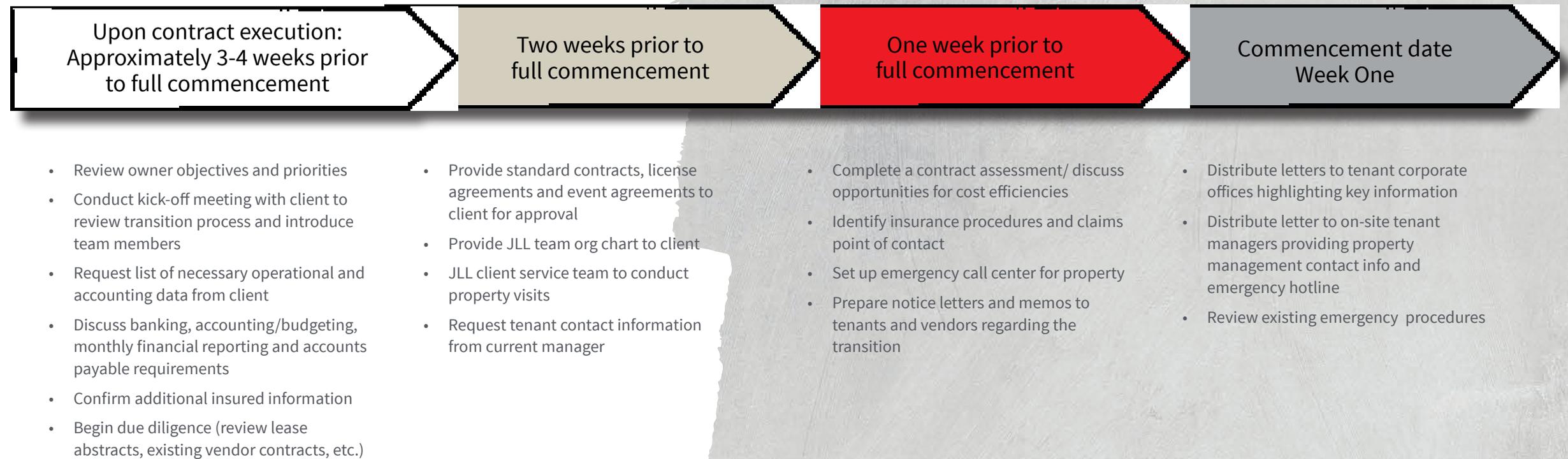
LM Restaurants:



Marketing Strategy

You will experience a seamless transition with JLL's Transition Team and our detailed process for transitioning new assignments. We have developed a proprietary Transition Management Program that has received consistent complimentary feedback from the client. The process immediately focuses in on ownership objectives, employee relations/human resources, IT, property operations and management. The non-disruptive assumption of responsibility by JLL is based on our wealth of experience, developed through numerous other transitions, start-ups and takeovers.

Transition Timeline



Proposed Fee Structure

JLL proposes a 1-year exclusive listing agreement.

Leasing Fees:

- New Leases with no co-operating broker: 4% of total base rent
- New Leases with a co-operating broker: 6% of total base rent
- Total base rent shall include base rent for the initial term of the lease up to 10 years only



Team Bios



Jon Stanley

Vice President

Based in Raleigh, Jon specializes in agency leasing in the Carolinas Market. He serves as an advocate for his clients in identifying, negotiating, and completion of new stores, relocation, expansion and renewals. On behalf of shopping center owners and investors, he is responsible for the overall development and execution of leasing strategies to maximize a property's full potential. Jon brings more than 13 years of experience in brokerage. Prior to joining JLL, Jon worked as a leasing agent for GFD Management Inc., a private development firm. His responsibilities included maintaining a high occupancy rate for a retail shopping center portfolio of over 3 Million Square Feet throughout different regions of North Carolina. Jon received his bachelor's degree in Political Science from North Carolina State University. He holds a real estate license in North Carolina and South Carolina, and is a member of the International Council of Shopping Centers (ICSC).



Stephanie Moore

Vice President

Based in Charleston, Stephanie specializes in tenant representation and agency leasing for the Carolinas market. She serves as an advocate for her clients in the identifying, negotiating and completion of new stores, relocations, expansions and renewals. Stephanie brings more than 15 years of experience in the retail brokerage industry with expertise in leasing, business development and tenant representation. Prior to joining JLL, Stephanie worked as a broker with the Retail Services Team at CBRE specializing in landlord and tenant representation in New York City, Connecticut and Charlotte. In addition to her real estate experience, Ms. Moore's professional background includes healthcare management and sales. She previously served as Vice President of Carolina Medical, an owner of OneCare Pharmacy and President of her own medical sales training company. Stephanie received dual bachelor of science degrees in zoology and biological sciences from North Carolina State University. She is an active member of the International Council of Shopping Centers (ICSC). She holds a real estate license in the states of North Carolina and South Carolina.



Lucy Butler

Associate

Based in Charlotte, Lucy specializes in tenant representation and agency leasing for the Southeast market. She serves as an advocate for her clients in the identifying, negotiating and completion of new stores, relocations, expansions and renewals. Prior to being promoted to Associate with JLL, Lucy was Brokerage Coordinator for Retail Brokerage for the Carolinas and Atlanta markets, she assisted the team in their efforts to secure new business and help maintain relationships with existing clients. Prior to joining JLL, Lucy worked for Axiom Architecture, a Charlotte based multi-family architecture firm. Lucy brought a marketing and financial skillset to the role with responsibilities including handling company billing, proposal development, and coordination of company wide events. Lucy has also previously worked for Johnson Brothers Distributing, as a part of the E&J Gallo Winery sales team. Lucy earned a bachelor of science in commerce and business administration from the University of Alabama. She is a member of the International Council of Shopping Centers (ICSC) and holds a real estate license in the states of North Carolina and South Carolina.

Team Bios



Greg Ix

Senior Vice President

Based in Charlotte, Greg specializes in asset value creation through planning and implementing added value opportunities, leasing and merchandising strategy, redevelopment, acquisition expertise, and Net Operating Income growth. Greg brings more than 25 years of experience in the retail real estate industry. Prior to joining JLL, Greg was responsible for the asset management and overall profitability of a ten million square foot quality retail portfolio located across 7 states and Puerto Rico. As Vice President of the Southern Region at Kimco Realty Corporation, he was responsible for the direct oversight and production of Leasing and Ancillary Income Directors, and the training of junior Leasing Associates. Greg received his Bachelor's degree in Economic Management and Accounting from Ohio Wesleyan University. He holds a real estate license in the states of New Jersey and North Carolina. He is an active member of the International Council of Shopping Centers (ICSC).



Margot Bizon

Vice President

Based in Charlotte, Margot specializes in tenant representation and agency leasing for the Southeast market. She serves as an advocate for her clients in the identifying, negotiating and completion of new stores, relocations, expansions and renewals. She is responsible for overall development and execution of leasing strategies to maximize each property's full potential. Prior to joining JLL, Margot spent 6 years at Katz & Associates, averaging 25-35 transactions per year which included rollouts over the Carolinas for The Habit Burger, Jersey Mikes, and Cycle Bar. Margot also leased over 500,000 SF of various ground-up developments and existing shopping centers. With 15 years of experience in retail brokerage, tenant representation, agency leasing, property management and business development, Margot brings a unique combination of end user and service provider expertise. Margot earned a bachelor of arts in sociology and minored in criminology at Lynchburg College. She is an active member of the International Council of Shopping Centers (ICSC), and currently serves as Operations Chair for NC and SC for ICSC. She served as Next Gen Chair for NC and SC. She holds a real estate license in the states of North Carolina and South Carolina.



Lindsay Stafford

Vice President

Based in Charlotte, Lindsay specializes in tenant representation and agency leasing for the Southeast market. She serves as an advocate for her clients in the identifying, negotiating and completion of new stores, relocations, expansions and renewals. She is responsible for overall development and execution of leasing strategies to maximize each property's full potential. Prior to joining JLL, Lindsay worked for Katz and Associates and has worked with clients such as The Bar Method, Club Pilates, Row House, Stretch Lab, Marco's Pizza, Great Clips and UbreakiFix to identify locations in the Carolinas. Lindsay earned a bachelor of arts in management and society at University of North Carolina Chapel Hill. She is a member of the International Council of Shopping Centers (ICSC). She holds a real estate license in the states of North Carolina and South Carolina.



Intelligence to *achieve* your retail ambitions

To learn more about our Retail Services, please contact:

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