

**SW Cypresswood, LP
Investment Returns**

Project: Existing 17 acre shopping center with 34,730 sq. ft. of retail space in Houston area, with grocery anchor.

Strategy: Stabilize and remarket under performing retail center.

Acquisition: Purchase dated November 2, 2005.

Date Sold: May 1, 2014

Financial:	<u>Acquisition</u>	<u>Projected Sales and Profit</u>
	\$ 8,247,711 Acquisition cost	\$10,000,000 Sale
	<u>266,944</u> Closing Costs & adjustments	(859,992) Cost of sales, including defeasance
	\$ 8,514,655 Total cost	(6,518,261) Less debt & interest
		<u>1,634,655</u> Distributions rec'd annually
	<u>(6,880,000)</u> Debt from financial institution	
	<u>\$ 1,634,655</u> Capital invested	<u>\$ 4,256,402</u> Total distributions received

Total IRR: 14.67% **Investor IRR:** 14.12%

Capital: Internally capitalized by SWIG principals with one external institutional investor

Discussion: A 95% occupied retail center renovated in 2006 by SWPC partners and one external investor had lease-up and value add opportunity. With minor capital improvements and re-tenanting the center has improved cash flow and occupancy. Additional value is available for continued lease up efforts to the new owner.