

## **KROGER LEASE**

### **Location:**

244 Hall Road  
Alcoa, Tennessee

### **Property Improvements:**

Complete remodeling in 2003  
Addition of fuel station in 2003  
Considerable store expansion over the last  
10 years

### **Lot Size:**

4.74 Acres

### **Building Size:**

59,460 Sq Ft

### **Lease Type:**

NNN-tenant reimbursement for all expenses  
Tenant covers building insurances  
Pro rata share of taxes

### **First Lease Origination Date:**

5<sup>th</sup> March 1980

### **Lease Amendment Dates:**

LMA1           7<sup>th</sup> July 1980  
LMA2           30<sup>th</sup> April 1988  
LMA3           24<sup>th</sup> August 1991  
LMA4           12<sup>th</sup> October 1992  
Second Lease/LMA   24<sup>th</sup> August 1991

Third Lease    12<sup>th</sup> October 1991

### **Taxes 2007:**

Pro rata share \$50,247\*86%  
                      =\$43,212

### **Assessor Notes:**

Commercial @ 40% of fair market value  
Last assessment 2001  
Sale does not constitute a re-assessment,  
Capital improvement will  
Next assessment schedule for 2010

### **Lease Expiration:**

31<sup>st</sup> May 2012

### **Renewal Options:**

2-5 year terms  
\*no noted negotiation on rate

### **Lease Rates:**

Per Sq Ft       \$5.16  
Per Month      \$25,570  
Per Year        \$306,840

### **Percentage Lease:**

1.5% of sales exceeding \$36,000,000 to a  
maximum of \$75,000; excluding fuel sales

\* One Capital Expenditures in last three  
years-Parking lot was recently resurfaced