

BANKRUPTCY AUCTION

3 Income producing Medical Office Buildings & Parking Lot

1928 Randolph Road, 1946 Randolph Road, 1960 Randolph Road and 2115 East 7th Street
Charlotte, North Carolina

BID QUALIFICATION DEADLINE: MARCH 6, 2015

AUCTION DATE: MARCH 17, 2015

MINIMUM BID: \$9,000,000



Information Memorandum

Keen-Summit Capital Partners LLC, in conjunction with Keen Realty, LLC (“Keen”) has been engaged by Edward P. Bowers as Chapter 11 Trustee for Langtree Ventures MOB, LLC (“Trustee”) as its exclusive real estate advisor for this offering.

The attached information: (a) has been prepared for informational purposes only, (b) has been prepared from materials supplied by the Trustee, local municipalities and other sources deemed reliable, and, (c) is being furnished through Keen solely for use by interested parties in considering their interest in acquiring the subject properties. By accepting the attached data as well as any additional data (“Data”) from the Trustee and/or Keen, the recipient acknowledges and agrees to the following:

The information contained herein has been prepared to assist interested parties in making their own evaluation of the offering and does not purport to be all-inclusive or to contain all of the information that a interested parties may desire. In all cases, interested parties should conduct their own investigation and analysis of the offering, conduct site inspections and scrutinize the Data. Neither the Keen nor the Trustee has assumed responsibility for independent verification of any of the information contained herein and has not in fact in any way audited such information. The Trustee and its employees and professional advisors, including but not limited to Keen, legal counsel, and/or other advisors and their respective affiliates and representatives (collectively, the “Professionals”) are not making nor will they make and expressly disclaim making any written or oral statements, representations, warranties, promises or guarantees, whether express, implied or by operation of law or otherwise, with respect to the subject properties and with respect to the accuracy, reliability or completeness of the Data, except as may be expressly stated in a Contract executed by the Trustee. The Trustee and its Professionals expressly disclaim any and all liability based on, or relating or pertaining to, any written or oral statements, financial information, projections, representations, warranties, promises or guarantees, whether express, implied or by operation of law or otherwise.

The subject properties are being offered AS-IS, WHERE-IS, with ALL FAULTS.

The Trustee reserves the right to negotiate with one or more interested parties at any time and to enter into an agreement without prior notice to any recipient of this information or other prospective buyers.

All transactions are subject to Bankruptcy Court approval.

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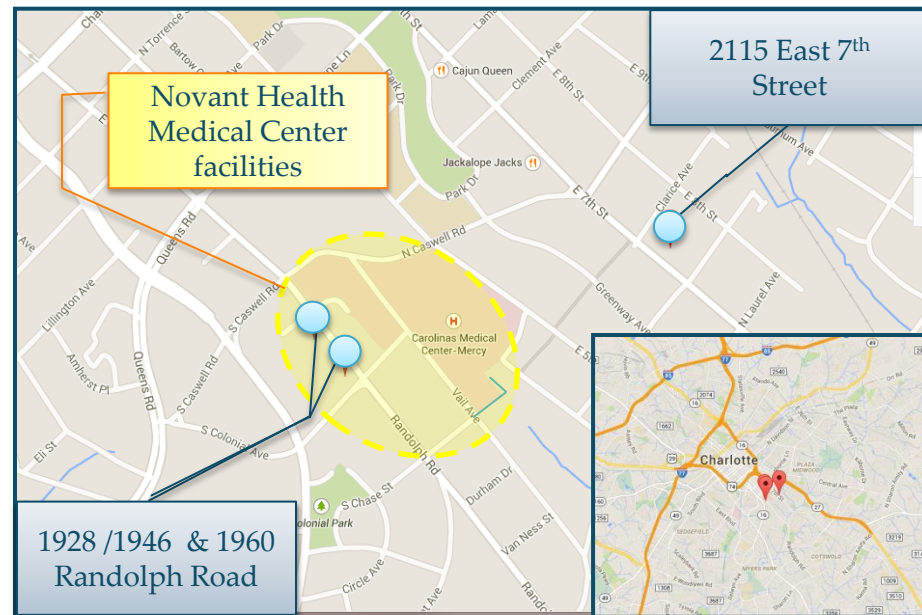
Offering Summary

Minimum Bid: \$9,000,000

Terms: All Cash

Bid Qualification Deadline: March 6, 2015

Auction Date: March 17, 2015



- The portfolio consists of 3 office buildings located at 1928 Randolph Road, 1960 Randolph Road and 2115 East 7th Street and a parking lot located at 1946 Randolph Road. The parking lot adjoins the 1928 and 1960 Randolph Road properties.
- Unbeatable locations in the heart of the Novant Health Presbyterian Medical Center facilities. Novant Health is a leading healthcare provider with 15 hospitals & more than 350 physician practices.
- Two of the three buildings are fully occupied.
- Total monthly rental income (January 1, 2015) is \$73,250*. See Rent Roll for Further Details.
- In August 2014, Langtree Ventures filed for protection under chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Western District of North Carolina. Edward P. Bowers was appointed as Trustee on November 3, 2014.
- On February 3, 2015 a court order was entered approving, among other items, the Bid Procedures, the Auction process, and authorizing the sale of the properties. The court documents are available for review as set forth herein.

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Property Overview – 1928 Randolph Road



Property Overview – 1928 Randolph Road

Property Overview	
Address:	1928 Randolph Road, Charlotte, North Carolina
Parcel ID:	15501212
Site Size:	~0.98 Acres
Zoning:	Office District (O-2)
Taxes:	\$63,597
Building Type:	Class B Medical Office
Gross Building Area :	33,426 sq. ft.
Year Built:	Built in 1964
Stories:	3
Elevator:	One central elevator for passenger service.
Foundation:	Reinforced concrete slab
Framing:	Structural steel with masonry and concrete encasement
Air Conditioning:	100% air conditioned – central cooling tower and two compressors reported to be in good condition.
Heating:	Centralized gas-fired, hot water boiler for most suites, split system central HVAC in select units. Mechanical plant and individual heat pumps are roof-mounted.
Electrical:	Each tenant is separately metered
Ceilings:	Combination textured and painted sheetrock and suspended acoustical tile in office suites and combination of suspended acoustic tile for the common area mezzanines with glass panels, i.e. skylight over the atrium.
Restrooms:	Two common area restrooms are located on each floor.
Parking:	Part of 1946 Randolph Road parcel
Signage:	Monument style sign along Randolph Road

Property Overview – 1946 Randolph Road (Parking Lot)

Property Overview	
Address:	1946 Randolph Road, Charlotte, North Carolina
Parcel ID:	15501210
Site Size:	~0.65 Acres
Zoning:	Office District (O-2)
Taxes:	\$14,796
Building Type:	Parking Lot
Parking:	~138 Parking Spaces

Property Overview – 1960 Randolph Road



Property Overview – 1960 Randolph Road

Property Overview	
Address:	1960 Randolph Road, Charlotte, North Carolina
Parcel ID:	15501209
Site Size:	~ 0.92
Zoning:	Office District (O-2)
Taxes:	\$36,653
Building Type:	Class B Medical Office
Gross Building Area / Net Rentable Area	12,532 sq. ft. / 12,532 sq. ft.
Year Built:	Built in 1974
Stories:	2
Foundation:	Reinforced concrete slab
Framing:	Structural steel with masonry and concrete encasement
Air Conditioning:	Central HVAC – the mechanical plant produces warm and cool air/water that is delivered to air exchangers in the individual zones
Heating:	Forced air
Electrical:	Each tenant is separately metered
Ceilings:	2x4 acoustic tile
Parking:	55 surface (4.4/1,000 sq. ft. NRA)
Signage:	Monument style sign along Randolph Road

Property Overview – 2115 East 7th Street



Property Overview – 2115 East 7th Street

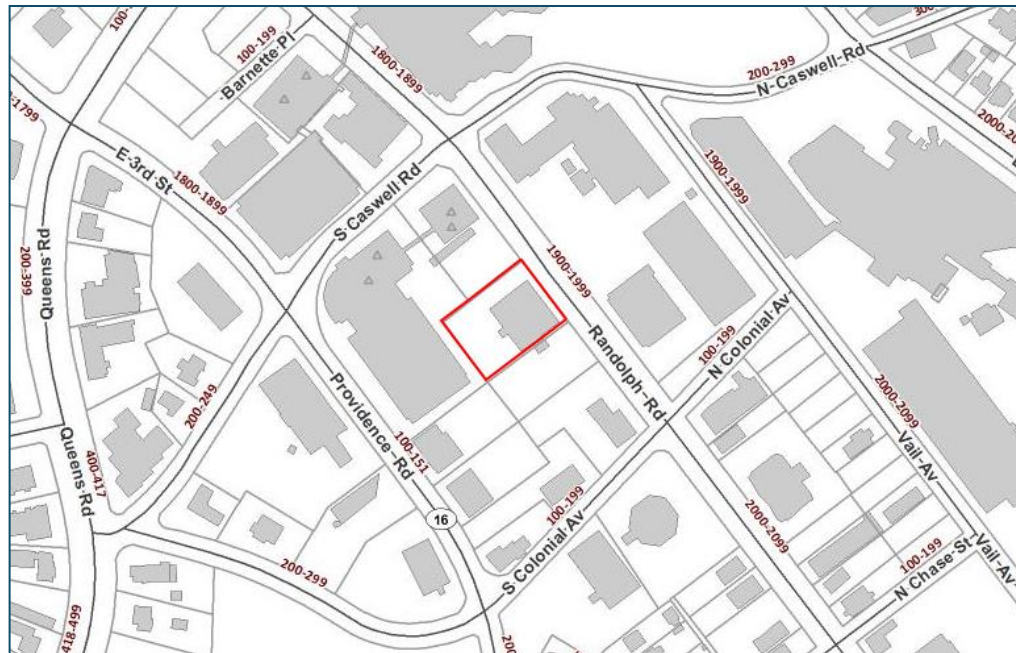
Property Overview	
Address:	2115 East 7 th Street, Charlotte, North Carolina
Parcel ID:	12704407
Site Size:	~ 0.58
Zoning:	Office District (O-2)
Taxes:	\$26,440
Building Type:	Class B Medical Office
Gross Building Area / Net Rentable Area	9,145 sq. ft. / 9,000 sq. ft.
Year Built:	Built in 1973
Stories:	1
Foundation:	Reinforced concrete slab
Framing:	Structural steel with masonry and concrete encasement.
Air Conditioning:	Central HVAC – the mechanical plant produces warm and cool air/water that is delivered to air exchangers in the individual zones.
Heating:	Forced air
Electrical:	Each tenant is individually metered.
Ceilings:	2x4 acoustic tile
Parking:	35 surface (3.9/1,000 sq. ft. NRA)
Signage:	Monument style sign along East 7 th Street at the entrance of the property.

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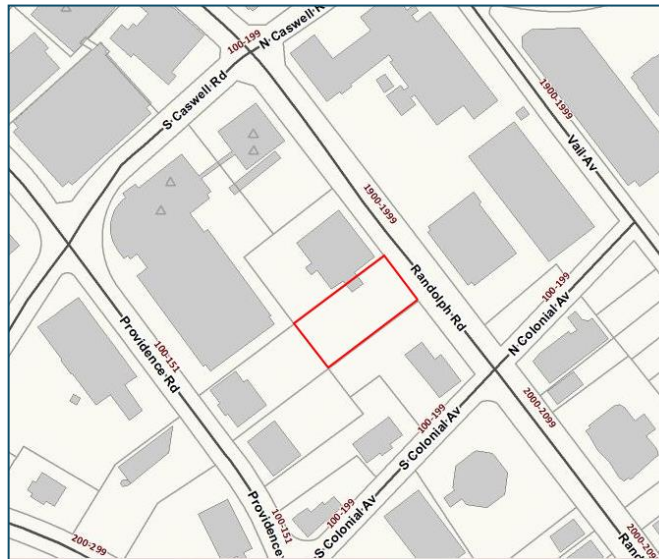
Assessment and Taxes – 1928 Randolph Road

Property Tax Collections Bill Detail					
Property Tax		Real Property			
Description:	LANGTREE VENTURES MOB LLC	Bill Status:	UNPAID		
Location:	L9-11 B2 M230-20	Bill Flag:	BANKRUPTCY CHAPTER 11, DELINQUENT		
Mailing Address:	1928 RANDOLPH RD CHARLOTTE NC 28207	Bill #:	0001870245-2014-2014-0000-00		
Parcel #:	114 VENTANA CT MOORESVILLE NC 28117	Old Bill #:			
Lender:	15501212	Old Account #:			
		Due Date:	9/1/2014		
		Interest Begins:	1/6/2015		
	Value	Rate	Tax Districts	Description	Amount
Real	\$4,854,400	.8157	MECKLENBURG	Tax	\$39,597.34
Deferred	\$0				
Use	\$4,854,400	.4687	CHARLOTTE	Tax	\$22,752.57
Personal	\$0				
Exempt & Exclusion	\$0				
Total Assessed Value					\$4,854,400
					Interest: \$1,247.00
					Total Billed: \$63,596.91



Assessment and Taxes – 1946 Randolph Road (Parking Lot)

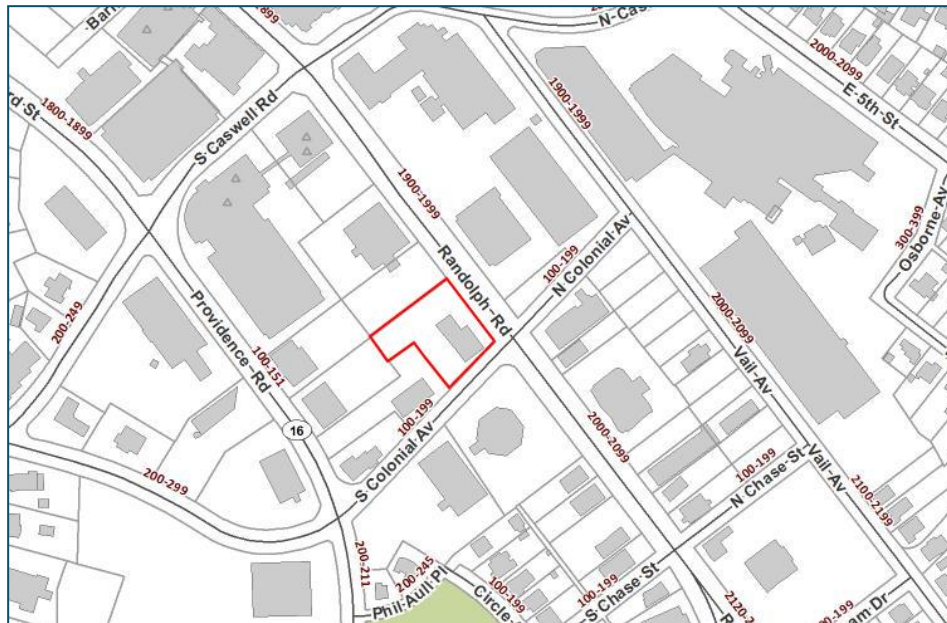
Property Tax Collections Bill Detail					
Property Tax		Real Property			
Description:	LANGTREE VENTURES MOB LLC	Bill Status:	PAID		
Location:	L12 & 13 B2 M230-20	Bill Flag:	BANKRUPTCY CHAPTER 11		
Mailing Address:	1946 RANDOLPH RD CHARLOTTE NC 28207	Bill #:	0001870242-2014-2014-0000-00		
Parcel #:	114 VENTANA CT MOORESVILLE NC 28117	Old Bill #:			
Lender:	15501210	Old Account #:			
		Due Date:	9/1/2014		
		Interest Begins:	1/6/2015		
	Value	Rate	Tax Districts	Description	Amount
Real	\$1,152,000	.8157	MECKLENBURG	Tax	\$9,396.86
Deferred	\$0				
Use	\$1,152,000	.4687	CHARLOTTE	Tax	\$5,399.42
Personal	\$0				
Exempt & Exclusion	\$0				
Total Assessed Value					\$1,152,000
					Interest: \$0.00
					Total Billed: \$14,796.28



Assessment and Taxes – 1960 Randolph Road

Property Tax Collections Bill Detail

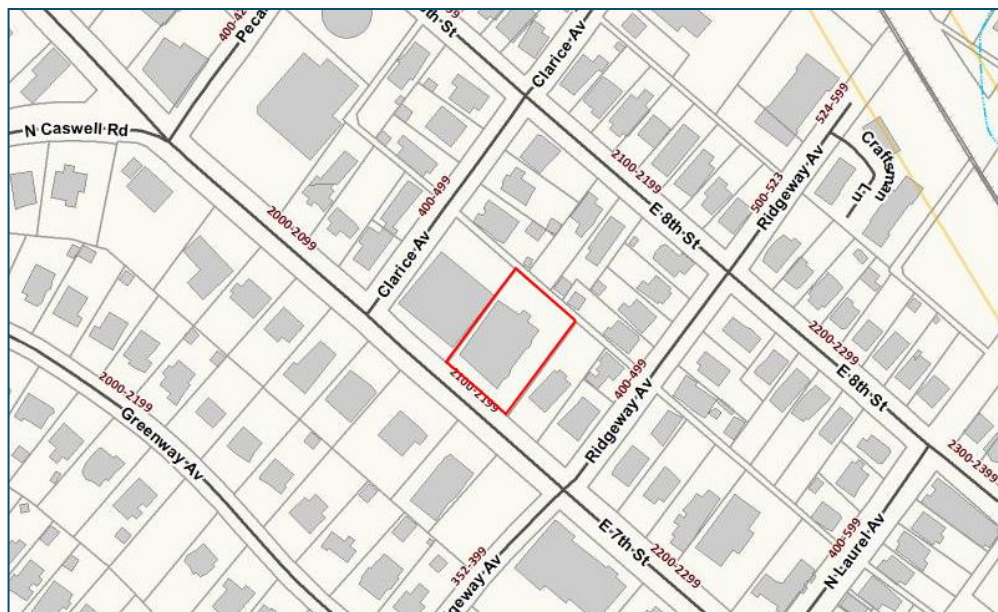
Property Tax		Real Property			
Description:	LANGTREE VENTURES MOB LLC	Bill Status:	PAID		
Location:	L14 P15&16 B2 M230-20	Bill Flag:	BANKRUPTCY CHAPTER 11		
Mailing Address:	1960 RANDOLPH RD CHARLOTTE NC 28207	Bill #:	0001870240-2014-2014-0000-00		
Parcel #:	114 VENTANA CT MOORESVILLE NC 28117	Old Bill #:			
Lender:	15501209	Old Account #:			
		Due Date:	9/1/2014		
		Interest Begins:	1/6/2015		
	Value	Rate	Tax Districts	Description	Amount
Real	\$2,853,700	.8157	MECKLENBURG	Tax	\$23,277.63
Deferred	\$0				
Use	\$2,853,700	.4687	CHARLOTTE	Tax	\$13,375.29
Personal	\$0				
Exempt & Exclusion	\$0				
					Interest: \$0.00
					Total Billed: \$36,652.92
Total Assessed Value		\$2,853,700			



Assessment and Taxes – 2115 East 7th Street

Property Tax Collections Bill Detail

LANGTREE VENTURES MOB LLC		Property Tax		Real Property	
Description:	L3 & 4 B21 M230-54	Bill Status:	UNPAID		
Location:	2115 E 7TH ST CHARLOTTE NC 28204	Bill Flag:	BANKRUPTCY CHAPTER 11, DELINQUENT		
Mailing Address:	114 VENTANA CT MOORESVILLE NC 28117	Bill #:	0001819337-2014-2014-0000-00		
Parcel #:	12704407	Old Bill #:			
Lender:		Old Account #:			
		Due Date:	9/1/2014		
		Interest Begins:	1/6/2015		
	Value	Rate	Tax Districts	Description	Amount
Real	\$2,018,200	.8157	MECKLENBURG	Tax	\$16,462.46
Deferred	\$0				
Use	\$2,018,200	.4687	CHARLOTTE	Tax	\$9,459.30
Personal	\$0				
Exempt & Exclusion	\$0				
		Interest: \$518.44			
Total Assessed Value		\$2,018,200			
		Total Billed: \$26,440.20			



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Current Rent Roll

<u>Property / Tenant</u>	<u>Square Footage</u>	<u>Monthly Rent a/o Jan. 2015</u>	<u>Rent PSF</u>	<u>Lease Expiration</u>	<u>Options Remaining</u>	<u>Security Deposit</u>
1928 Randolph Road:						
Barre Homestyle Cooking *	701	\$1,500.00 *	\$25.68	mtm	mtm	n/a
Suite 100 - VACANT	1,871	-	-	-	-	-
Suite 109- Laboratory Corp. of American Holdings	2,154	\$4,998.48	\$27.85	06/30/15	tbd	-
Suite 102 – VACANT	436	-	-	-	-	-
Suite 1xx - VACANT	2,840	-	-	-	-	-
Suite 205 - Dr. Thomas Armstrong	1,472	\$4,054.34	\$33.05	07/01/17	None	\$3,066.66
Suite 208 - Innergy, LLC	3,204	\$4,895.00	\$18.33	04/30/17	None	\$4,895.00
Suite 215/216 - VACANT	4,519	-	-	-	-	-
Suite 217 - VACANT	1,055	-	-	-	-	-
Suite 206 - Dr. Charles Anikwue **	2,332	\$5,135.25 **	\$26.42	12/31/14	1x5	\$3,862.83
Suite 2xx - Dr. Richardson (**4 mo. ext. being neg.)	1,715	\$4,427.68	\$30.98	2/29/2015 ***	1x3	\$5,056.41
Suite 308 – VACANT	1,972	-	-	-	-	-
Suite 316a – VACANT	3,451	-	-	-	-	-
Suite 316b – VACANT	2,606	-	-	-	-	-
Suite 3xx - Dr. Herbert Hoover	1,368	\$2,949.75	\$25.88	03/31/16	2x3	\$0.00
Suite 312 - Metrolina Surgical Specialists, PLLC	1,962	\$2,575.00	\$15.75	02/07/16	1x1	\$0.00
[44% Occupied / 14,908 sf]	33,658	\$30,535.50	\$25.49			\$16,880.90
<i>* / ** - Non Paying, existing tenants currently operating on Month to Month and expired leases, respectively</i>		\$366,426	Annualized			
1960 Randolph Road:						
Charlotte Radiology	4,356	\$10,578.66	\$29.14	04/30/16	None	\$0.00
Eye Optix	8,250	\$17,340.00	\$25.22	09/30/20	1x7	\$0.00
[100% Occupied]	12,606	\$27,918.66	\$27.18			\$0.00
		\$335,024	Annualized			
2115 East 7th Street:						
Impact Prosthetic Solutions	3,000	\$5,966.28	\$23.87	11/30/15	1x5	\$5,100.00
Dr. Liesman (**** Rent per Lease - \$13,000 / mo.)	6,000	\$9,100.00 ****	\$18.20	08/31/16	2x3	\$8,000.00
[100% Occupied]	9,000	\$15,066.28	\$21.03			\$13,100.00
		\$180,795	Annualized			
TOTALS =	55,264	\$73,520.44				\$29,980.90
		\$882,245	Annualized			

Potential Rent Roll upon 100% Occupancy

<u>Property / Tenant</u>	<u>Square Footage</u>	<u>Monthly Rent</u>	<u>Rent PSF</u>	<u>Lease Expiration date</u>	<u>Options Remaining</u>	<u>Security Deposit</u>
<u>1928 Randolph Road:</u>						
Barre Homestyle Cooking *	701	\$1,500 *	\$25.68	mtm	mtm	n/a
Suite 100 - VACANT **	1,871	\$3,898 **	\$25.00	-	-	-
Suite 101- Laboratory Corp. of American Holdings	2,154	\$4,998	\$27.85	06/30/15	tbd	-
Suite 102 - VACANT **	436	\$908 **	\$25.00	-	-	-
Suite 1xx - VACANT **	2,840	\$5,917 **	\$25.00	-	-	-
Suite 205 - Dr. Thomas Armstrong	1,472	\$4,054	\$33.05	07/01/17	None	\$3,066.66
Suite 208 - Innergy, LLC	3,204	\$4,895	\$18.33	04/30/17	None	\$4,895.00
Suite 215/216 - VACANT **	4,519	\$9,415 **	\$25.00	-	-	-
Suite 217 - VACANT **	1,055	\$2,198 **	\$25.00	-	-	-
Suite 2xx - Dr. Charles Anikwue *	2,332	\$5,135 *	\$26.42	12/31/14	1x5	\$3,862.83
Suite 2xx - Dr. Richardson (**4 mo. ext. being neg.)	1,715	\$4,428	\$30.98	2/29/2015***	1x3	\$5,056.41
Suite 308 - VACANT **	1,972	\$4,108 **	\$25.00	-	-	-
Suite 316a - VACANT **	3,451	\$7,190 **	\$25.00	-	-	-
Suite 316b - VACANT **	2,606	\$5,429 **	\$25.00	-	-	-
Suite 3xx - Dr. Herbert Hoover	1,368	\$2,950	\$25.88	03/31/16	2x3	\$0.00
Suite 3xx - Metrolina Surgical Specialists, PLLC	1,962	\$2,575	\$15.75	02/07/16	1x1	\$0.00
[100% Occupied **]	33,658	\$69,598	\$25.25			\$16,880.90
* See Notes - prior page		\$835,176 **	Annualized			
<u>1960 Randolph Road:</u>						
Charlotte Radiology	4,356	\$10,579	\$29.14	04/30/16	None	\$0.00
Eye Optix	8,250	\$17,340	\$25.22	09/30/20	1x7	\$0.00
[100% Occupied]	12,606	\$27,919	\$27.18			\$0.00
		\$335,024	Annualized			
<u>2115 East 7th Street:</u>						
Impact Prosthetic Solutions	3,000	\$5,966	\$23.87	11/30/15	1x5	\$5,100.00
Dr. Liesman (**** Rent per Lease - \$13,000 / mo.)	6,000	\$9,100****	\$18.20	08/31/16	2x3	\$8,000.00
[100% Occupied]	9,000	\$15,066	\$21.03			\$13,100.00
		\$180,795	Annualized			
TOTALS =	55,264	\$112,583				\$29,980.90
		\$1,350,995 **	Annualized			

** Assumes 100% Occupancy using average rent of \$25 psf for currently vacant units

Disclaimer: All information is from the client and/or other sources deemed reliable and has not been independently verified. No representation, warranty or guarantee, expressed or implied or by operation of law, is made as to the accuracy, reliability, or completeness of this information. This material is submitted subject to errors, omissions, changes, prior sales, or withdrawals without notice. All transactions are subject to Bankruptcy Court approval.

Projected Pro-Forma Income Statement

	<u>1928/1946</u> <u>Randolph Rd.</u>	<u>1960</u> <u>Randolph Rd.</u>	<u>2115</u> <u>7th Street</u>	<u>Totals</u>
Total Sq. Ft.:	33,658	12,606	9,000	55,264
Gross Rental Income:	\$835,176	\$335,024	\$180,796	\$1,350,996
Less: 5% Vacancy/Loss factor	(\$41,759)	(\$16,751)	(\$9,040)	(\$67,550)
Effective Income =	\$793,417	\$318,273	\$171,756	\$1,283,446
<i>Effective Income psf =</i>	<i>\$23.57</i>	<i>\$25.25</i>	<i>\$19.08</i>	<i>\$23.22</i>
Expenses:				
Utilities / Natural Gas	\$45,000	\$21,291	\$14,754	\$81,046
Water	\$39,336	\$6,936	\$4,489	\$50,761
Landscaping	\$9,240	\$9,240	\$2,640	\$21,120
Janitorial	\$28,000	\$14,822	\$11,325	\$54,148
Repairs & Maintenance	\$16,168	\$4,644	\$10,000	\$30,812
Trash Service	\$10,000	\$3,370	\$2,085	\$15,455
Real Estate Taxes	\$78,393	\$36,653	\$26,440	\$141,487
Insurance Expense	\$0	\$0	\$0	\$20,000
Management Fee at 4% of Effective Inc.	<u>\$31,737</u>	<u>\$12,731</u>	<u>\$6,870</u>	<u>\$51,338</u>
Total Operating Expenses =	\$256,626	\$109,688	\$78,604	\$466,167
<i>Total Operating Expenses psf =</i>	<i>\$7.62</i>	<i>\$8.70</i>	<i>\$8.73</i>	<i>\$8.44</i>
Projected NOI =				\$817,279

Note:

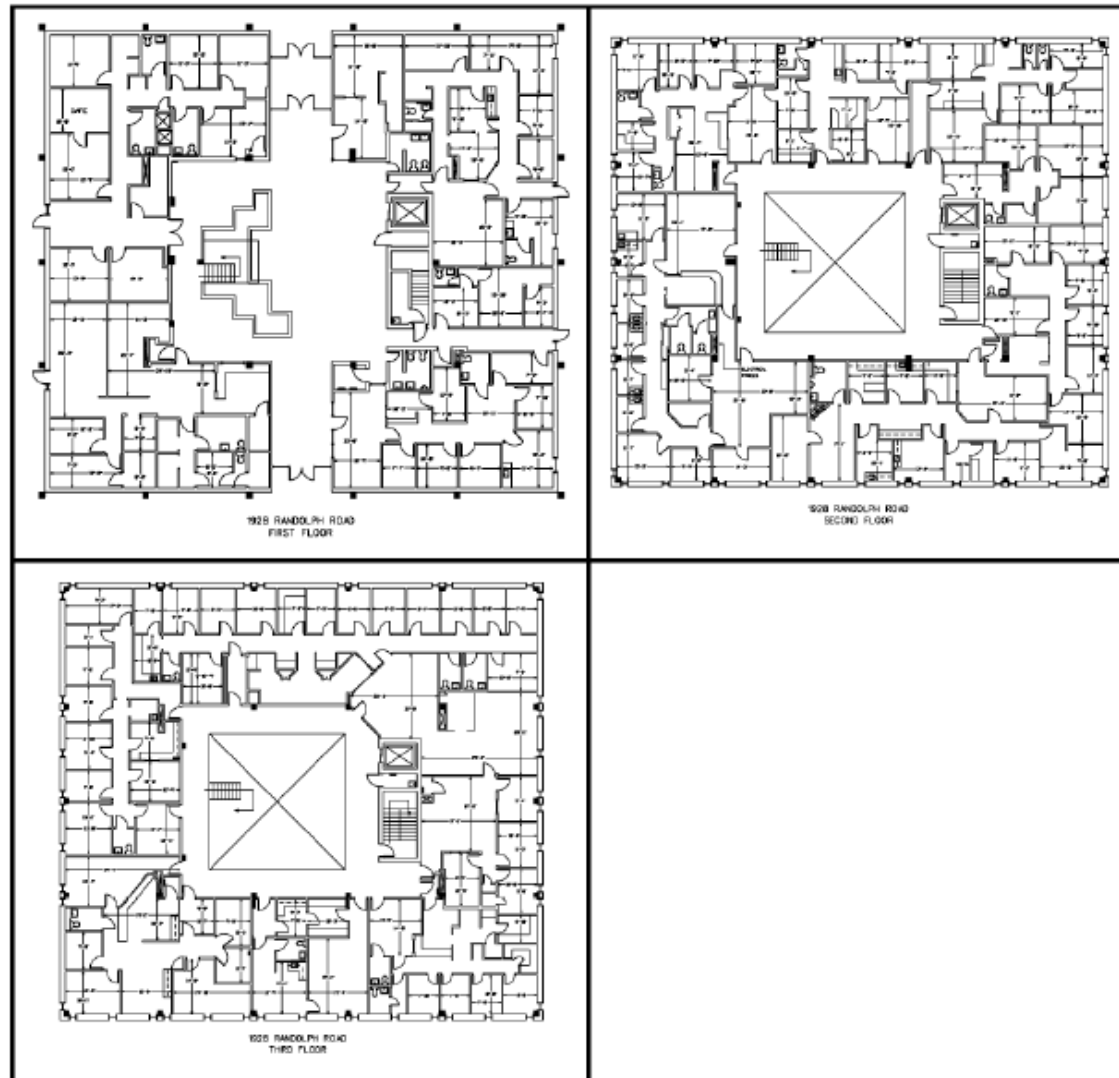
The above Pro-forma is based upon a review of recent expenses and the market. Revenue assumes a rent of \$25 psf for vacant space.

The above has been prepared to assist interested parties with an understanding of the anticipated Revenues and Expenses associated with the subject properties. All information is from the client and/or other sources deemed reliable and has not been independently verified. No representation, warranty or guarantee, expressed or implied or by operation of law, is made as to the accuracy, reliability, or completeness of this information. This material is submitted subject to errors, omissions, changes, prior sales, or withdrawals without notice. All transactions are subject to bankruptcy court approval.

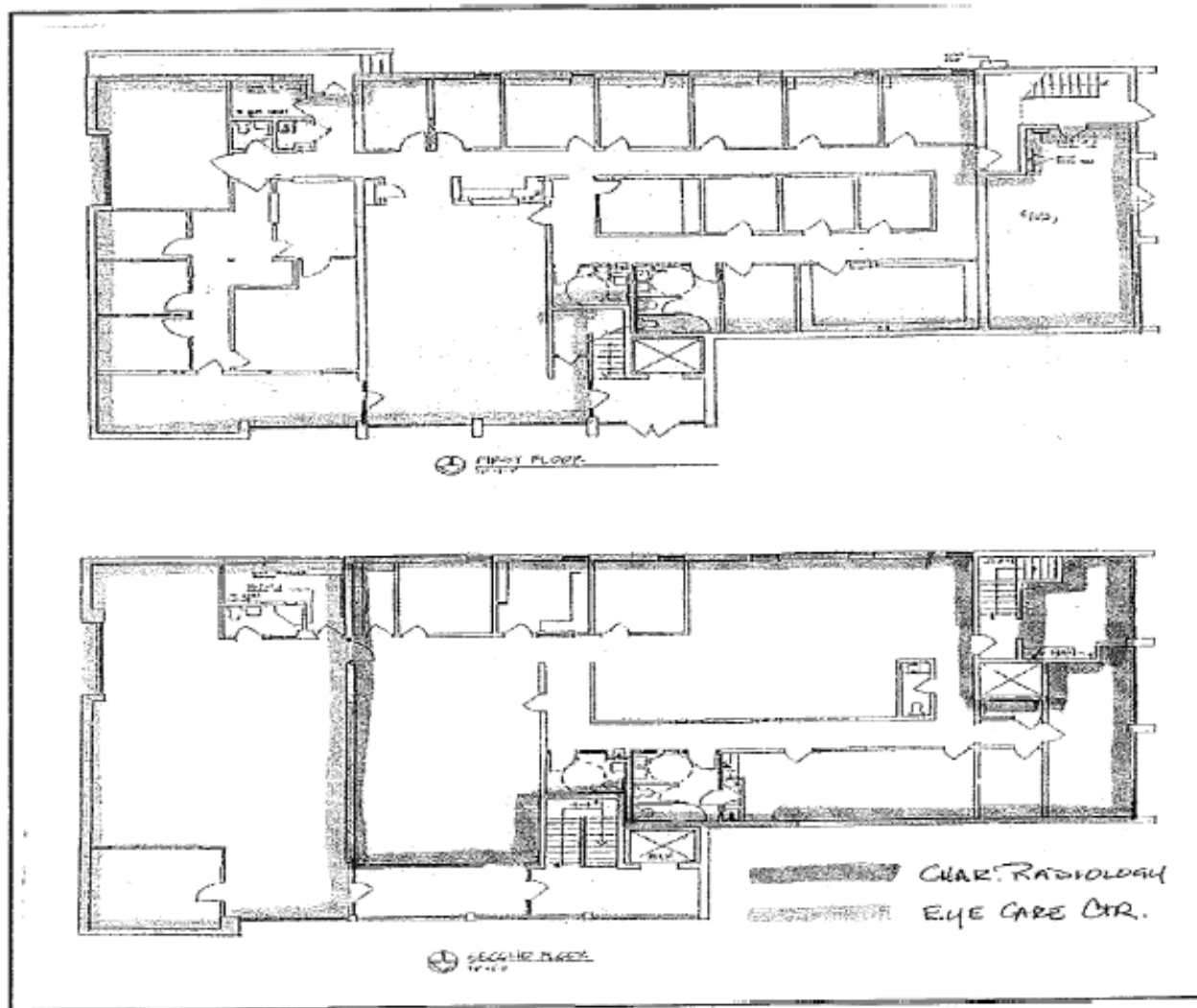
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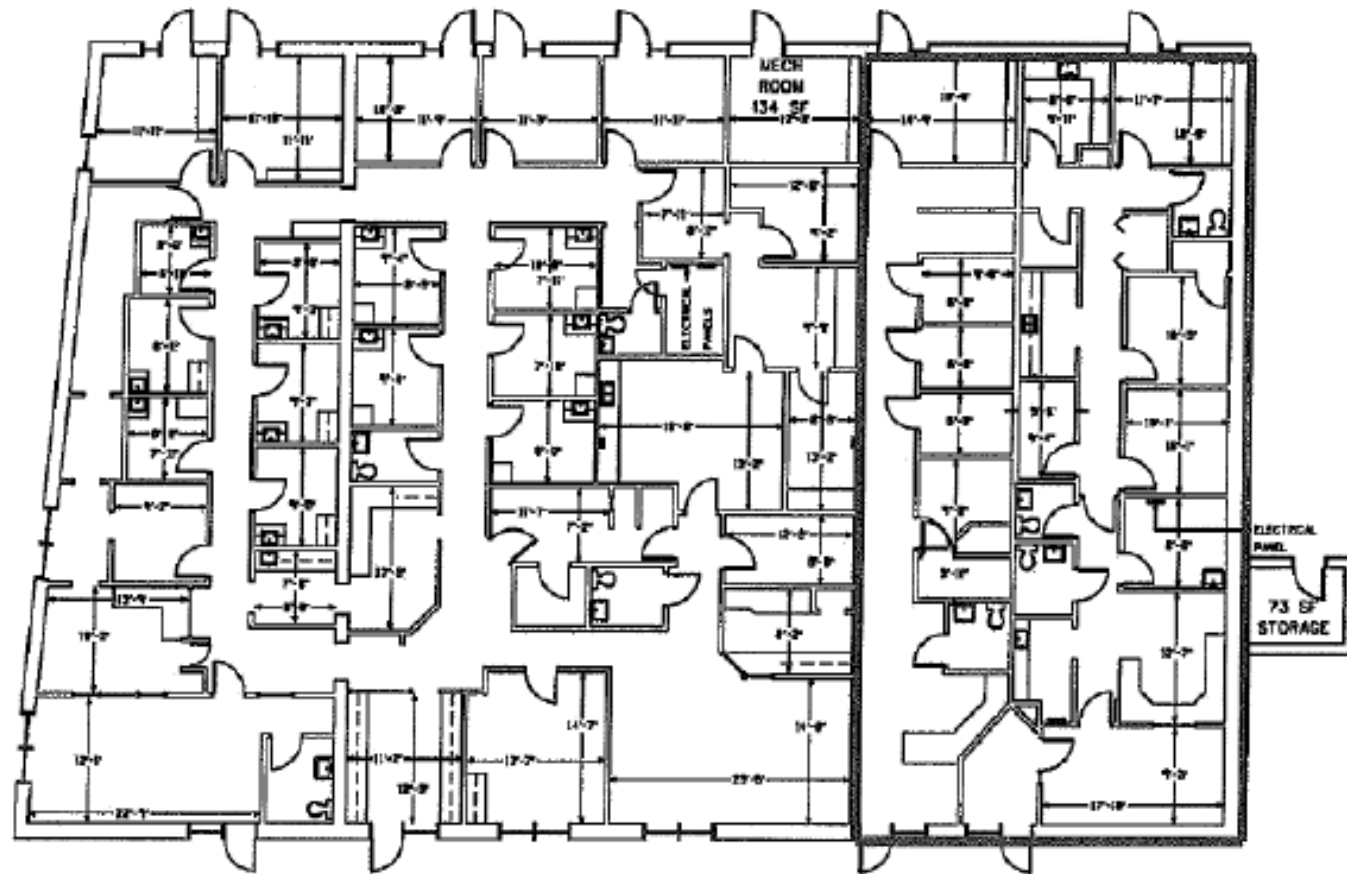
1928 Randolph Road – Floor Plan



1960 Randolph Road – Floor Plan



East 7th Street – Floor Plan



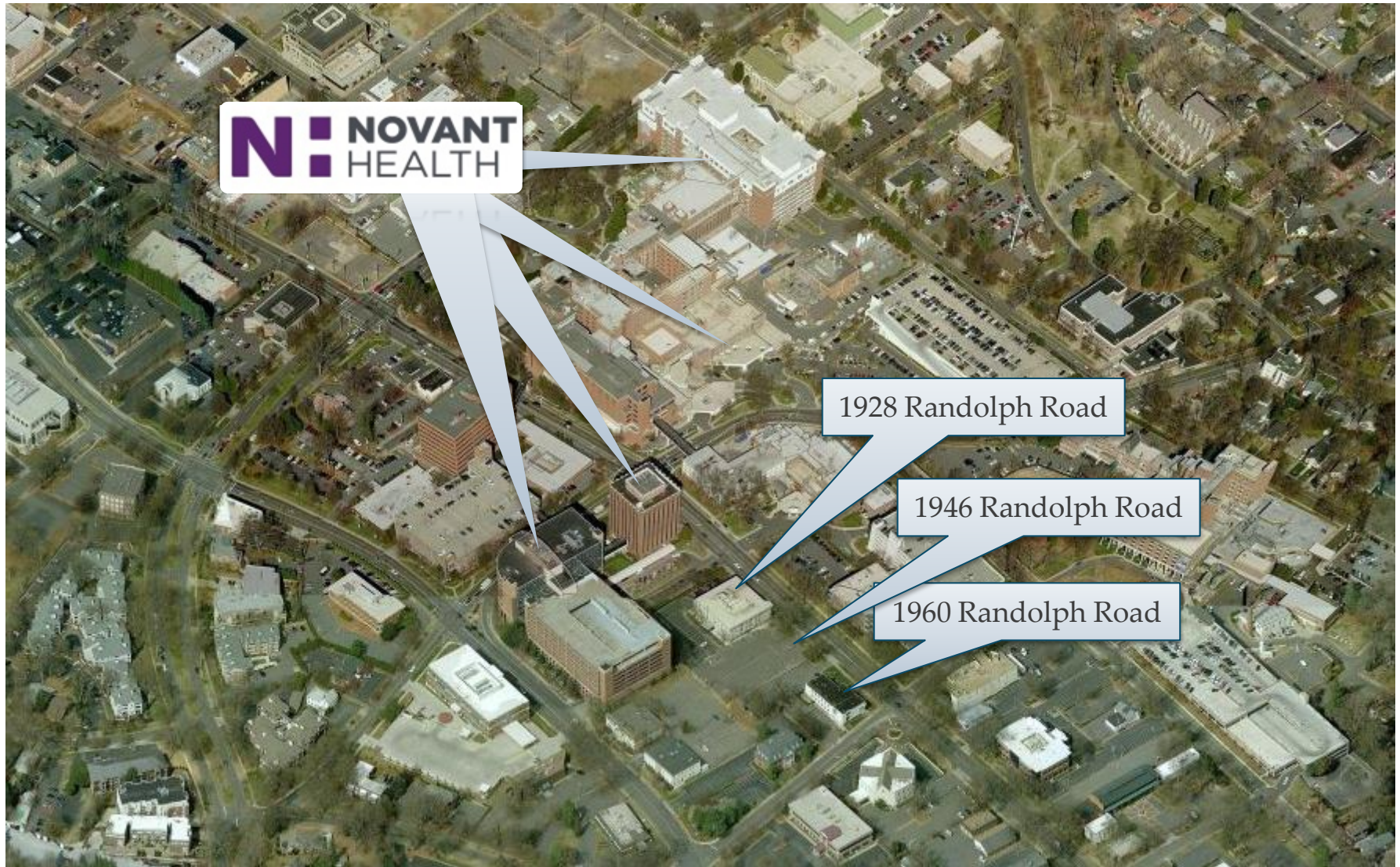
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Aerial Photo



Aerial Photo



Aerial Photo



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1928 Randolph Road – Pictures



1960 Randolph Road – Pictures



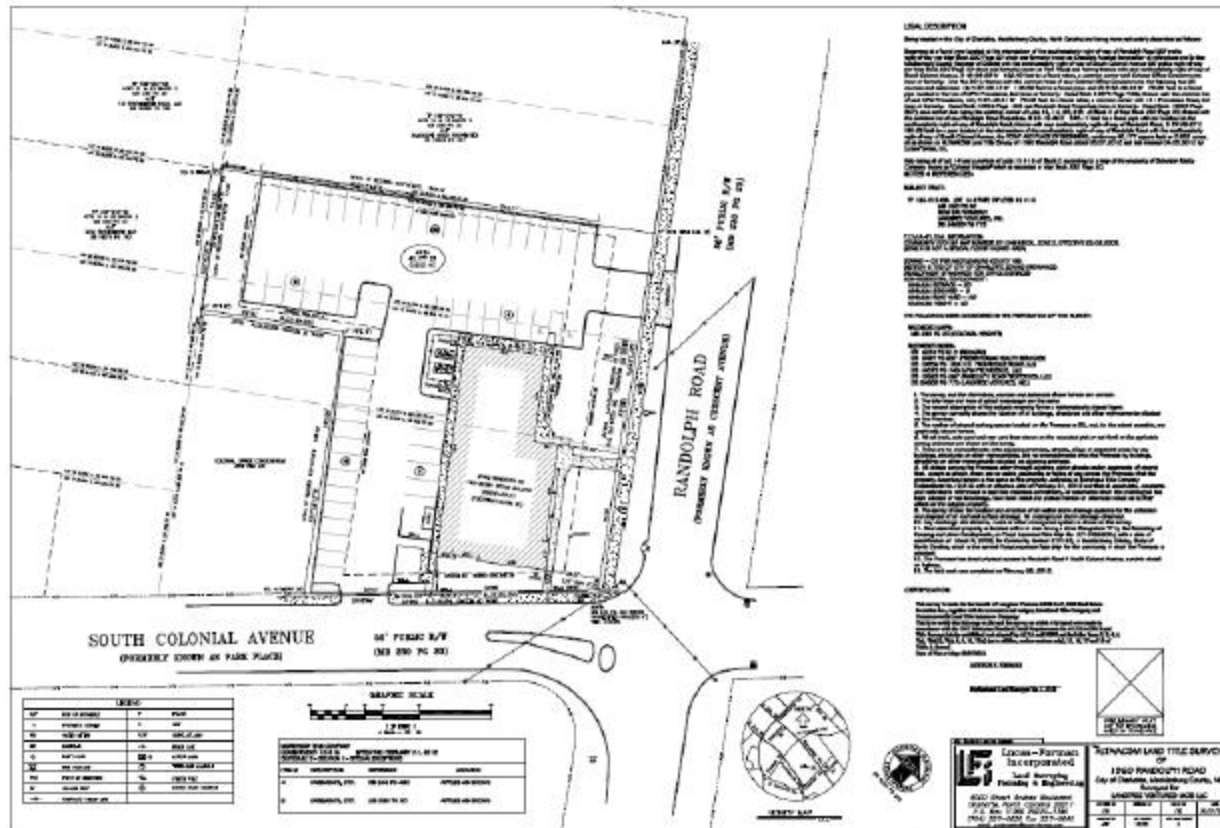
2115 East 7th Street– Pictures



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Alta Survey – 1960 Randolph Road



KEEN SUMMIT
CAPITAL PARTNERS LLC



Additional Information Available Includes:

- Leases
- Estoppels
- Vendor contracts
- Recent appraisals
- Structural Engineers Report & Air Quality Report (2115 E. 7th St.)
- Court approved documents, including Bid Procedures, etc.

All inquiries for additional information should be directed to:

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