



# REVA Kay 150 Corporate DST

An All-Cash/Debt-Free Class A Office Property in Bustling Norfolk Virginia

**100%**

Occupied

**6.75%**

Year 1 Projected  
Cash Flow

**9.43%**

5 Year Projected  
Internal Rate of  
Return

**Mission Critical Global Headquarters**  
**Public Company (NASDAQ:PRAA)**  
**Dedicated Light Rail Station**

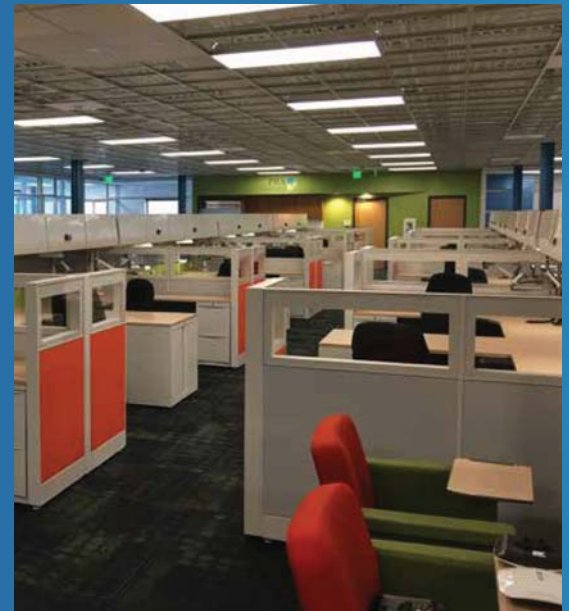


The summary information presented herein is neither an offer to sell nor a solicitation of an offer to purchase securities of any kind. This material is authorized for use only when accompanied by or preceded by the definitive confidential private placement memorandum. The memorandum contains important information regarding the risks of investing and the terms of the offering. All information in this summary is qualified by the memorandum and in the event of any conflict, the memorandum is authoritative. The memorandum contains important information and disclosures regarding the risks of investing in real estate, private placements and Delaware Statutory Trusts and these various risks must be reviewed in depth and acknowledged prior to any investment in the offering.

## REVA KAY 150 CORPORATE DST

### Transaction Summary:

- Property Type  
**Class A Office**
- Location  
**Norfolk, VA**
- Equity Raise  
**\$8,900,000**
- Debt Financing  
**\$0**
- Leverage Ratio  
**0.00%**
- Square Footage  
**56,052**
- Investor Price Per SF  
**\$156**
- Investor Cap Rate  
**6.85%**
- Projected 5 year IRR  
**9.43%**



## PROPERTY LOCATION AND SUBMARKET

Centrally located with easy access to highways, quality residential and dense retail amenities along with a dedicated light rail station makes the Corporate Boulevard Office Park a highly desirable location in the growing Norfolk market.

KEY FOR OTHER ASSETS FULLY OCCUPIED BY PRA

- 1 120 Corporate Boulevard
- 2 130 Corporate Boulevard
- 3 140 Corporate Boulevard



Investments in commercial real estate, generally and DST properties, specifically carry numerous risks including, but not limited to, the risk of loss of your entire investment. Investors must carefully read the entire Private Placement Memorandum paying close attention to the "Risk Factors" section for a full disclosure of investment risks.



REVA KAY 150 Corporate DST offers investors the stability of a high quality, all-cash/debt-free, class A office property built in 1994 for the FBI and fully renovated for the current tenant, PRA Group, Inc. (NASDAQ:PRAA) in 2015. The asset is well located, with direct access to Interstate 264 and major transportation arteries, enjoys an on-site light rail station and is surrounded by an extensive selection of amenities. Very high quality tenant finishes reflecting the property's use as Corporate Headquarters along with solid projected market growth fundamentals means 150 Corporate is well positioned for long-term income and appreciation potential.

## Investment Summary:

- ✓ Investor Cap Rate 6.85%
- ✓ Year 1 Projected Investor Cash Flow of 6.75%
- ✓ Class A Building at \$156 per square foot
- ✓ 100% Occupied
- ✓ Updated and Renovated in 2015
- ✓ Over \$2 million invested by tenant
- ✓ All-Cash/Debt-Free
- ✓ No Risk of Lender Foreclosure
- ✓ Complete Control of Exit Timing – No Lender Pressure
- ✓ Available for 1031 Exchange, 1033 Exchange and Direct Cash Investors

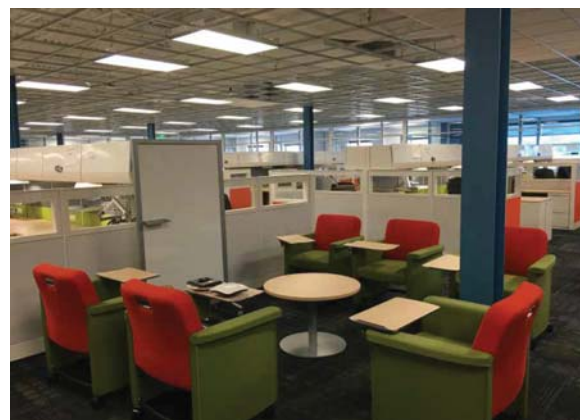
## BUSINESS PLAN

The operating strategy for the REVA Kay 150 Corporate DST is very straightforward. We expect to deliver excellent service to the tenant, pro-actively address their needs and ultimately renew and extend the lease.

We will implement minor building upgrades to improve curb appeal and on-the-ground management presence will be improved as compared to previous ownership. This boots on the ground interaction with tenants we have found to greatly increase renewal rates and asset performance.

The property has been under court ordered control and in receivership as part of a cross collateral agreement entered into by the prior owners. This extremely unusual situation created an opportunity for an excellent acquisition price for an outstanding, high-quality asset occupied by one of Norfolk's premier companies and a world leader in debt recovery.

Our business plan is further bolstered by the fact that this is an all-cash/debt-free property whereby we believe we have built a level of protection into the program for those investors not wanting the risk of lender foreclosure.



# 5 YEAR SUMMARY OF PROJECTED CASH FLOWS

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Projected NOI</b>	599,200	616,430	633,528	651,461	669,391
<b>Tenant Improvement</b>	0	0	0	0	0
<b>Leasing Commission</b>	0	0	0	0	0
<b>Capital Reserves</b>	5,641	5,781	5,925	6,074	6,225
<b>Contingency Reserves</b>	-7,000	5,500	18,000	31,000	45,000
<b>Projected Cash Flow to DST</b>	600,559	605,149	609,603	614,387	618,166
<b>Projected Cash on Cash Return</b>	6.75%	6.80%	6.85%	6.90%	6.95%

Please note that there are no guarantees for cash flow, distributions or appreciation. All real estate investments contain risk. Please read the full Private Placement Memorandum for a full discussion on risk factors.

## NORFOLK, VIRGINIA & the TIDEWATER MSA

Virginia’s largest and fastest growing market

The Tidewater MSA enjoys a multitude of advantages, including the largest deep water port on the East Coast, with miles of waterfront that supports a dynamic, vibrant shipbuilding and repair industry along with commercial fishing and recreational maritime activities.



The Naval Station Norfolk is the largest in the US acting as home port to four aircraft carrier strike groups. The Naval Air Station Norfolk and Naval Air Station Oceana add to the presence of the US Navy which is supplemented by Langley Air Force Base, NASA’s Langley research facilities and the Army Amphibious Base to name a few.

Norfolk also enjoys a strong private sector with a significant technology presence building on the strength of a highly educated workforce. With Regent University, The College of William & Mary, Christopher Newport University and Old Dominion University supporting the need for talent and a steady stream of skilled workers from the military combined with the excellent quality of life and low cost of living the Tidewater MSA is well positioned for continued prosperity.

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## TENANT OVERVIEW



PRA Group Inc. (NASDAQ: PRAA) is a global leader in acquiring third party originated debt receivables and then collecting on those non-performing loans. In fact, over the last decade PRA has grown to be one of the largest loan buyers in the world. The Company was founded in 1996 as Portfolio Recovery Associates and has been publicly traded since 2002. The Company's core services are debt acquisitions and collections, insolvency adjustment services, government services, locaqtion services and class action claims.

Headquartered at 150 Corporate Boulevard, PRA Group, Inc. has more than 3,800 employees in the four building office park as well as two other Norfolk call center locations, call centers in four other states and in-house service centers in the United States and eleven other countries.



PRA reported revenues of \$942 million and net income of \$168 million in 2015 and filings in 2016 show balance sheet equity over \$866 million. PRA Group, Inc. has delivered strong growth, closing numerous acquisitions and maintaining fiscal discipline and profitability while creating a corporate culture recognized for excellence.

\*Forbes: Best Small Companies in America  
 \*Business Week: 100 Hot Growth Companies

\*Fortune: 100 Fastest Growing Companies  
 \*Forbes: Best Mid-Size Employer in America

## OVERVIEW

Portfolio Recovery Associates was founded in 1996 and located its headquarters in Norfolk, VA in 1999. The company has grown tremendously since that time and currently occupies over 150,000 square feet of office space in the Norfolk market.

Riverside Corporate Center is the global headquarters for PRA Group and is comprised of four buildings, the 150 Corporate Center building where senior executives are housed, all of which are 100% leased and occupied by PRA Group. The firm's commitment to Norfolk is well known in the local markets and is most recently evidenced by the \$2 million invested in tenant upfit of executive offices in 150 Corporate.

The leases at each of the four headquarters campus building have staggered maturities, differing renewal options and termination rights. As an established landlord in Norfolk, REVA has years of experience with PRA Group as a tenant in another property where PRA is currently considering another expansion. REVA conducted a detailed and thorough analysis of leases in each building and the evidence leads us to believe that, given the significant investment the company made in the space, mission critical nature of the executive headquarters space at 150 Corporate and the below market rents (\$15psf vs. \$17psf avg.) PRA is highly likely to exercise their renewal options and very unlikely to vacate either the first floor or second floor space per lease terms (see PPM for full detail).

