

Jared The Galleria Of Jewelry

7381 McNight Road, Pittsburgh, Pennsylvania 15237



An offering by America's most experienced owner of all-cash, high-quality net leased properties.

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President's Message

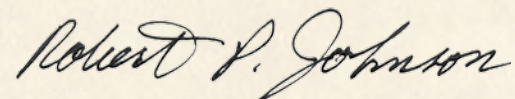
For real estate owners seeking high-quality property investment for direct ownership or to complete their 1031 exchanges, net leased commercial properties are one of the most sought-after assets. AEI has been specializing in commercial net lease property investment since 1974. As landlord for major American corporations, we've developed, owned, and managed more than 300 net lease properties in 37 states, representing the investment capital of more than 18,000 investors nationwide.

For TIC investors seeking direct asset ownership, a commercial income property under a long-term net lease to a name-brand corporate tenant is a very attractive choice. AEI is a leader in the TIC industry. We were the first company in America to offer securitized TIC investments in 1992. We were the first company to receive a favorable Private Letter Ruling from the IRS with respect to the qualification of our 1031-TIC offerings as "like-kind" exchanges. AEI is one of the most experienced sources of net lease property TIC offerings in the country.

Whether you choose to acquire part of a property - or all of it, I believe you will find no better source than AEI to meet all of your exchange and investment needs. We have a staff of experienced professionals to provide the expertise you want and need.

I invite you to contact one of our in-house specialists to learn just how efficient and rewarding it is to work with AEI. If you call our toll-free 800 number, and ask for the TIC-1031 department, our experts can answer all of your investment or exchange questions and discuss the quality property described in this brochure.

Sincerely,



Robert P. Johnson
President
AEI Capital Corporation



INVESTMENT OVERVIEW

Tenant:	Sterling Jewelers, Inc.
Price:	\$5,438,548
Cap Rate:	6.75%
Annual Rent:	\$367,102
Gross Leasable Area:	5,780 sq. ft.
Lease Type:	NNN
Year Built:	2002
Lot Size:	55,244 sq. ft. (1.27 Acres)
Lease Term:	10/8/2002 - 1/31/2023
Renewal Options:	4 5-year options
Rent Increases:	10% every 5 years (next increase 2/1/13)
Minimum Investment:	\$150,000



HIGHLIGHTS

- Sterling Jewelers is a subsidiary of Signet Jewelers - largest jeweler in the world
- NNN lease – tenant is responsible for taxes, insurance and maintenance associated with the property
- Excellent location - across from Pittsburgh's premier mall
- \$1.94 billion net worth*
- Net income of more than \$200 million*
- 168,410 people live within a five mile radius
- 43,814 vehicles per day pass by this location
- 10% rent increase February 2013 (7.43% yield)
- 7.65% average yield over the remaining lease term**

**Signet - Parent company as of 1/29/2011*

***As of 7/1/2011*



TENANT PROFILE

Sterling Jewelers, Inc., conducting business under the trade name of Jared - The Galleria Of Jewelry, is the leading U.S. specialty jewelry retailer operating in freestanding locations. Together with Signet Jewelers Limited, its parent company, they are the largest specialty retail jeweler in the world. The first Jared store opened in 1993 and has grown to 180 stores nationwide. Jared sells upscale gold, silver, platinum, diamond and gemstone jewelry, watches, collectibles and gifts. Sterling Jewelers also operates Kay Jewelers and a number of regional concepts. Its U.S. operations consist of 1,330 stores throughout the U.S. As of January 29, 2011 Signet Jewelers had shareholder equity of \$1.9 billion, annual revenues of \$3.4 billion and net income of \$200.4 million.



A photograph of a Jared jewelry store storefront. The building features a prominent dark brown arched entrance with a large diamond-shaped light fixture above it. The name 'JARED' is displayed in large, illuminated white letters, with 'The Galleria Of Jewelry' in smaller white letters below. To the left, a smaller entrance has a dark brown awning with 'JARED' written on it. A red Jeep is parked in front of the main entrance, and a silver sedan is parked to the left. The sky is blue with scattered clouds.

JARED
The Galleria Of Jewelry

JARED

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Life
is
Good

INCOME SUMMARY

YEAR	ANNUAL BASE RENT	YIELD	TAX EQUIVALENT YIELD*
2011	\$367,102	6.75%	9.00%
2012	\$367,102	6.75%	9.00%
2013	\$400,753	7.37%	9.83%
2014	\$403,812	7.43%	9.91%
2015	\$403,812	7.43%	9.91%
2016	\$403,812	7.43%	9.91%
2017	\$403,812	7.43%	9.91%
2018	\$440,828	8.11%	10.81%
2019	\$444,193	8.17%	10.89%
2020	\$444,193	8.17%	10.89%
2021	\$444,193	8.17%	10.89%
2022	\$444,193	8.17%	10.89%
2023	\$37,016**	8.17%	10.89%
Option 1	\$488,612	8.98%	11.97%
Option 2	\$537,474	9.88%	13.17%
Option 3	\$591,221	10.87%	14.49%
Option 4	\$650,343	11.96%	15.95%

*Assumes a 25% tax rate.

**Initial lease term expires January 31, 2023



SITE OVERVIEW

The property is a free standing Jared – The Galleria Of Jewelry store located in Pittsburgh’s premier retail area. The property has direct access off McKnight Road, which is a major north/south commercial artery for the city of Pittsburgh. There are currently 43,814 vehicles a day that pass by this location. The property is across from the Simon owned Ross Park Mall, with over 150 upscale stores anchored by Macy’s, J.C. Penney, Sears and Nordstrom’s. The surrounding area is densely populated with a mix of residential and commercial properties. Other retailers in the area include Home Depot, David’s Bridal, Ross, North Hills Toyota, Bed Bath and Beyond, Pier 1, Jo-Ann Fabric and Craft Store, Chili’s and Bob Evans. As of 2010, the population within a five mile radius of the property is over 168,000 with an average household income of \$70,806.

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MARKET OVERVIEW

Pittsburgh, located in southwestern Pennsylvania, ranks 6th in the nation as home to Fortune 500 companies (Alcoa, Heinz, Mellon, PPG, US Steel and WESCO International) and more than 70 companies with \$1 billion or more in sales. The Greater Pittsburgh Area had an estimated 2010 population of more than 2.3 million people. The city is within 500 miles of more than half the U.S. population and less than 90 minutes flying time from 20 states and Canada. While the city is historically known for its steel industry, today it is largely based on healthcare, education, technology, robotics, fashion, and financial services. The city has made great strides in redeveloping abandoned industrial sites with new housing, shopping centers and offices. While Pittsburgh faced economic troubles in the mid 1970s as the steel industry waned, modern Pittsburgh is economically strong. The housing market is relatively stable. Pittsburgh added jobs in 2008 even as the national economy entered a significant jobs recession. In 2007, Forbes magazine named Pittsburgh the 10th “Cleanest City,” and in 2008 Forbes listed Pittsburgh as the 13th “Best City for Young Professionals to Live.” The city is consistently ranked high in livability surveys. In 2007, Pittsburgh was named “America’s Most Livable City” by Places Rated Almanac.

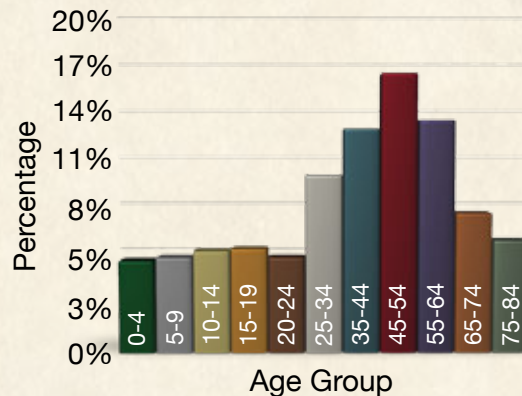


DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
Population	8,123	67,742	168,410
Households	3,760	28,228	69,822
Families	2,127	18,628	44,392
Average Household Size	2.06	2.32	2.33
Median Age	47.0	45.7	43.4
Average Household Income	\$72,395	\$72,768	\$70,806

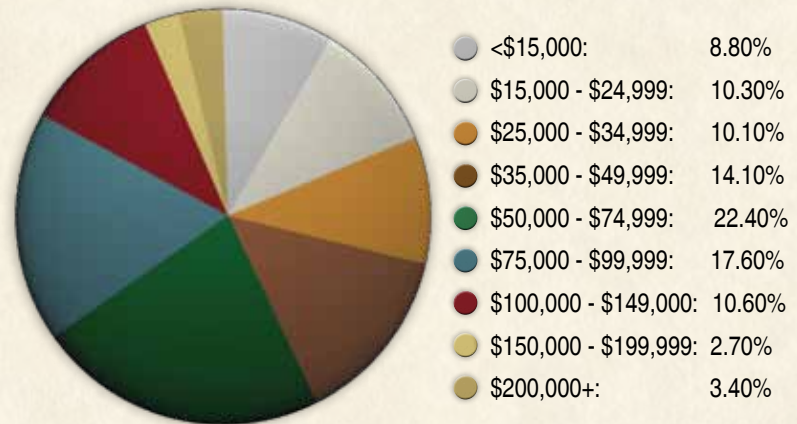
2010 ESRI Data

Population By Age: 2010



5 mile radius of subject

Households by Income



5 mile radius of subject



ABOUT AEI



Founded in 1970, AEI is the country's oldest sponsor of net lease real estate investment programs and a leader in the TIC-1031 exchange industry. AEI is a national source of high quality, commercial real estate for property owners

engaged in 1031 tax-deferred property exchanges. As an institutional owner, AEI offers a portfolio of name-brand, net leased commercial retail properties and has specialized in developing, evaluating and purchasing these types of properties for more than 35 years.

Why come to AEI for your TIC or 1031 properties?

Exceptional service. If this is your first 1031 property exchange or TIC purchase, be assured that we make

every effort to ensure that you fully understand the transaction.

Stability and quality. AEI offers quality, single tenant properties – freestanding real estate occupied by credit-worthy corporate tenants under long term net leases.

Acquisition expertise. AEI has performed institutional-grade due diligence on every property we own. Acquiring your exchange property from AEI can reduce this time-consuming, labor-intensive aspect of your property selection process and provide a higher level of expertise than you may be able to find elsewhere.

Post-purchase services. After your 1031 exchange is complete, AEI can provide the following services:

- Accounting and distribution of rental income
- Year-end 1099 forms for tax reporting
- Assisting with any questions you may have about your property
- Monitoring lease compliance, tax and insurance payments, and property maintenance by the tenant



AEI Capital Corporation

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To learn more about AEI,
call: **1-800-328-3519**
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