

# CSRA Grocery Portfolio I, DST

Three grocery-anchored shopping centers leased to Food Lion, a necessity retailer in North Carolina and South Carolina.

Each property is anchored by Food Lion, a subsidiary of Delhaize Group (NYSE:DEG), an international company with an S&P rating of BBB-/A-3. Food Lion operates more than 1,100 supermarkets in 10 Southeastern and Mid-Atlantic States.

## INVESTMENT HIGHLIGHTS

### Grocery-Anchored Shopping Centers.

Food strategy – Food Lion is a necessity retailer with strong store sales.

### Strong Anchor Tenant.

Food Lion is owned by Delhaize America, the U.S. division of Delhaize Group (NYSE: DEG), which has an S&P rating of BBB-/A-3.

### Long-Term Anchor Leases.

Food Lion, the anchor tenant, recently signed new 10-year leases.

### Triple Net Leases.

Tenants are responsible for the payment of taxes, insurance, maintenance and repairs, protecting investor distributions from future inflation.

### Strong Locations.

The properties are in growing markets with strong Food Lion brand recognition.

### High Occupancy Level.

Portfolio approximately 98 percent leased upon acquisition.

### Renovated Shopping Centers.

Seller to complete substantial renovations, all at seller's cost.

### Proposed Merger of Delhaize Group and Royal Ahold, NV.

Delhaize Group, which owns Food Lion and Hanaford, and Royal Ahold, NV, which owns Giant, Stop & Shop and Martins, recently announced a merger. The Sponsor believes that the proposed merger would be a positive for the properties by creating a financially stronger anchor-tenant with total sales of more than \$60 billion, and a combined enterprise with greater buying power and reduced corporate overhead. Moody's Investors Services is considering Delhaize Group for a credit rating upgrade as a result of the merger. However, the merger has not been completed and still has to clear regulatory hurdles.

ACQUISITION CLOSE DATE: JUNE 18, 2015



**COLLEGE LAKES**  
Fayetteville, North Carolina



**WEST POINTE VILLAGE**  
Asheboro, North Carolina



**KRIS CROSSING**  
Conway, South Carolina

## OFFERING DETAILS

INVESTMENT COST	\$14,490,000
EQUITY RAISE	\$5,740,000
CASH-ON-CASH RETURN	6% Starting
OFFERING LOAN-TO-VALUE	60.39% (63.49% with Disposition Fee)
FIXED INTEREST RATE	4.70%
LOAN	10-Year Term 30-Year Amortization Schedule



Food Lion, LLC is owned by Delhaize America, the U.S. division of Delhaize Group (NYSE: DEG). Food Lion is the largest subsidiary of Delhaize Group.

Delhaize Group, founded in 1867, is a large food retailer headquartered in Brussels, Belgium. The principal activity of Delhaize Group is the operation of food supermarkets in 11 countries in North America, Europe and Southeast Asia. Delhaize Group's U.S. revenues rose 6.6 percent during 2014, equal to approximately \$1.1 billion.

Based in Salisbury, North Carolina, and founded in 1957, Food Lion operates more than 1,100 grocery stores in 10 Southeastern and Mid-Atlantic states. The company employs more than 63,000 associates and serves approximately 10 million customers a week.

**ACQUISITION SUMMARY**

<b>SYNDICATION PRICE</b>	
<b>\$14,490,000</b>	
<b>EQUITY</b>	<b>DEBT</b>
<b>\$5,740,000</b>	<b>\$8,750,000</b>



**ABOUT CAPITAL SQUARE REALTY ADVISORS, LLC (CSRA)**

Capital Square is a real estate advisory company specializing in the creation and management of real estate investments. Capital Square uses the DST and other investment structures to fit the needs of its high net worth individual and institutional investors. Capital Square is also active in property and asset management, key elements in a successful real estate investment.

**FOR FURTHER INFORMATION, CONTACT**

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**Consider the Risks**

An investment in the Interests involves substantial investment and tax risks, including, without limitation, the following risks:

- There are various risks associated with owning, financing, operating, and leasing commercial properties in North Carolina and South Carolina.
- The Interests do not represent a diversified investment.
- Beneficial Owners must completely rely on the Master Tenant to collect the rent and operate, manage, lease, and maintain the Property.
- The Beneficial Owners have no voting rights with respect to the management or operations of the Trust or in connection with the sale of the property.
- There are various conflicts of interest among the Trust, the Sponsor, the Signatory Trustee, and their Affiliates.
- The Interests are illiquid.
- There are tax risks associated with an investment in the Interests.
- There are risks related to competition from properties similar to and near the property.
- There may be environmental risks related to the property.