



Double Net Leased Investment Offering



7.20% initial cash return

9.36% cash return starting in Year 4

Lease guarantor is National Oilwell Varco, LP
(multi-billion dollar entity)

Recent construction

Scheduled rent bumps

Great location within a new industrial park





PROPERTY BACKGROUND

The developer of this property was an independent owner of a pump assembly business for several years. He was able to produce similar equipment to National Oilwell Varco's (NOV) products but at better margins and in 2008 he sold his business to NOV. As part of that transaction, the developer built this property so he could expand his operation as an employee of NOV.

PROPERTY DESCRIPTION

Location	9616 Telge Road, Houston, TX 77095
Surroundings	Property is located in the Aberdeen Industrial Park in Northwest Houston off of Highway 290.
Building Use	This property is used for office and manufacturing.
Building Type	Steel frame construction with concrete tilt up walls
Building Size	53,500 SF
Year Built	2008/2009



TENANT OVERVIEW

National Oilwell Varco, LP a wholly-owned subsidiary of National Oilwell Varco, Inc. services (refurbishes, cleans, tests, etc.) and builds a variety of downhole tools for the oilfield industry. National Oilwell Varco is in the Petroleum Services and Supplies segment of the parent company.

As of December 31, 2009 National Oilwell, LP reported revenues in excess of \$5.8 billion, net income of more than \$573 million, and a net worth in excess of \$4.1 billion.

PARENT COMPANY

National Oilwell Varco, Inc. (NYSE: NOV) is a worldwide leader in the design, manufacture and sale of equipment and components used in oil and gas drilling and production, the provision of oilfield inspection and other services, and supply chain integration services to the upstream oil and gas industry. The company conducts operations in over 500 locations across 6 continents. As of December 31, 2009, the company had revenues in excess of \$12.7 billion, a net income of more than \$1.4 billion, and a net worth in excess of \$14.1 billion. The company has an S&P credit rating of A- with a stable outlook.

OFFERING DETAILS

Equity Offering Amount	\$3,083,333
Assumable Non-Recourse Debt	\$3,250,000
Total Offering Price	\$6,333,333
Offering Loan to Value (LTV)	51.32%
Minimum Purchase - 1031 Investment	\$100,000
Minimum Purchase - Non-1031 Investment	\$25,000

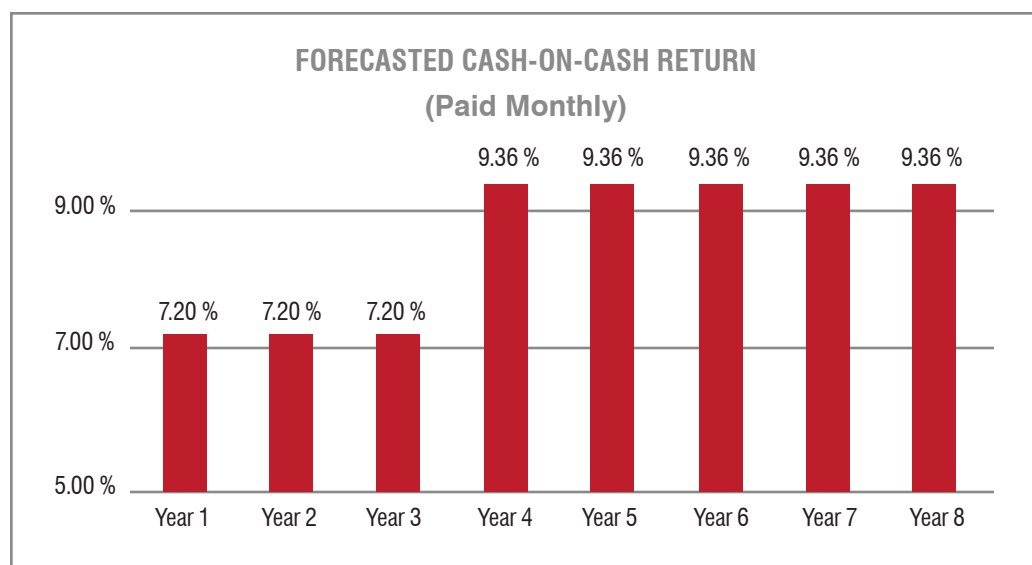
FINANCING

The Property will be financed with a non-recourse loan by Aviva Life and Annuity Company. The loan will have a 5.00% fixed interest rate on an 8-year term and amortized over 30 years. Principal payments will start immediately.

LEASE TERMS

The initial term of the Lease is 15 years with scheduled rent bumps to occur in Year 6 and in Year 11. The tenant has one 5-year option to extend the lease. The tenant is responsible for operating costs, insurance premiums, and real estate taxes. The Landlord is responsible for roof and exterior walls.

CASH-ON-CASH RETURN PRO FORMA

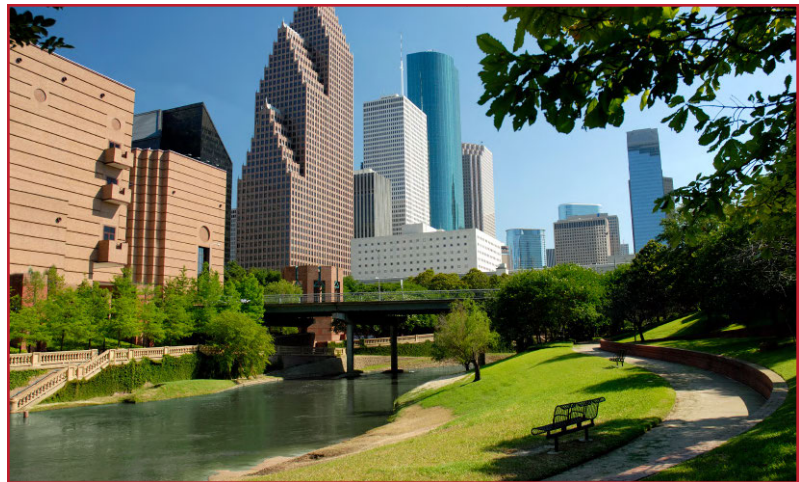




The Property is located in the Aberdeen Industrial Park off of Hwy 290 in Northwest Houston, historically one of Houston's strongest submarkets. The Northwest submarket contains more than 135 million square feet of industrial product, which represents 27% of the entire Houston industrial market and has a 6.1% vacancy rate according to CoStar's 3rd Qtr 2010 Industrial Market Report.

Houston, a major corporate center, ranks 2nd among U.S. metro areas in number of corporate headquarters of Fortune 500 companies. Of the world's 100 largest non-U.S.-based corporations, more than half have non-retail operations in Houston. Houston continues to be the base of operations for the international oil and gas exploration and production industry and for many of the largest international engineering and construction firms.

Fortune 500 Companies Headquartered in Houston	2010 Ranking
ConocoPhillips	6
Marathon Oil	41
Sysco	55
Enterprise GP Holdings	92
Plains All American Pipeline	128
Haliburton	158
National Oilwell Varco	182
Continental Airlines	183
KBR	193
Waste Management	196



ABOUT THE SPONSOR:

Principle Equity is a fully-integrated real estate investment firm, which provides acquisition, asset management, leasing, and disposition services to passive investors seeking opportunities to invest in institutional-grade real estate. Currently, the company manages approximately 2.4 million square feet of commercial real estate with a capitalized asset value exceeding \$365 million. Our operations strategy is to focus on strong markets with decreasing vacancy and forward moving rental rates. We concentrate on a range of property types including multi-family, office, retail, and industrial. The company follows a rigid acquisition approach and enforces a strong asset management program to effectively add value by systematically determining opportunities and then capitalizing on them.

For property inquiries, please contact Brendan Hooie at (713) 337-8925 or at bhooie@pei.net.



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