



## CASE STUDY

### E-Toys Consolidation

BTS, Entitlements, Site Acquisition E-Toys, Inc.,  
Danville, VA

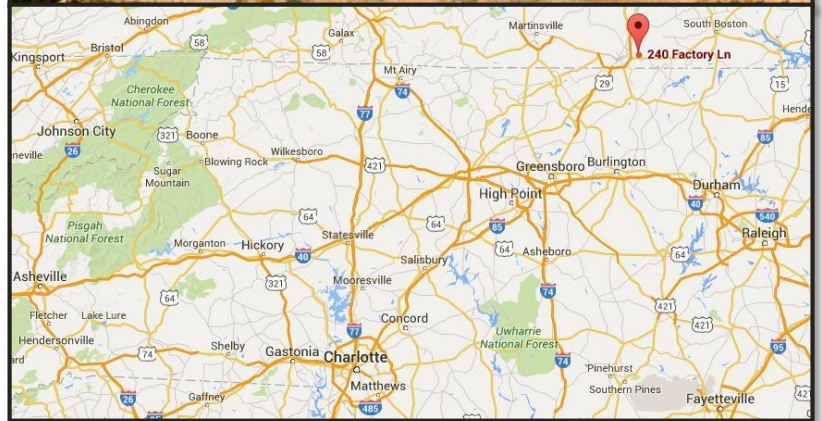
#### ALLIANCE PROJECT SUMMARY

Alliance was retained for the consolidation of several operating units throughout the northeast and the US marketplace for a new distribution and fulfillment center for the E-Toys continuing expansion. After an extensive consolidation study by Alliance Commercial, Danville, Virginia was chosen for the site.

The newly constructed industrial distribution, fulfillment and logistics center was chosen in Danville, Virginia and reduced taxes in the Roanoke Marketplace. It is located just north of the I-85 and I-74 Interchange in High Point, North Carolina.

#### SPECIFICATIONS

- 740,000 sf BTS
- Danville, VA
- 30' clear height
- 87 exterior docks
- 5 DIDs
- Less than an hour out of Charlotte
- 161 Acres



Assets shown that were not acquired were transacted via the ARP, Alliance Capital, Alliance Commercial and ATM field services operating units. This material is intended for institutional investors. ARP does not make any representation, express or implied, as to the accuracy or completeness of the information. It is the responsibility of the investor to perform its own due diligence and verification. This confidential data may not be reproduced or quoted without written permission of Alliance. This material and criteria are not an offering for the sale of securities.

ARP, LLC SUMMARY

The ARG Principals saw the E-Toys online consumer marketplace developing for the K-8 audience, predating the evolution of other major online purchasing sites.

ARP, LLC acted as a JV co-invest principal partner. The initial rental was \$4.20 per sf with 2.5% annual escalations (15 year term). Construction commenced shortly thereafter with a total investment of \$22.7m or approximately \$30.68 per sf. The property was sold in early 2008, for a realized proceed of \$32.6m, a gross IRR of 25.8%.

ARP views this project as an excellent consolidation example for direct end users and investor return.

Tenant	Location	Type	sf	Acquisition	Sale	Inv. Cost	Realized Proceeds	Gross IRR
E-Toys	Danville, VA	Industrial	740,000	March 2006	February 2008	\$22.7 m	\$32.6 m	25.8%