

I-78

LOGISTICS PARK

LOPATCONG & PHILLIPSBURG, NJ

78

GREATER LEHIGH VALLEY | 365-ACRE SITE | 3.82 MSF WAREHOUSE/DISTRIBUTION SPACE APPROVED



22

57

57

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PARTNERS**

A CBRE NATIONAL PARTNERS INDUSTRIAL INVESTMENT OPPORTUNITY

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OFFERING PROCESS

EXCLUSIVE REPRESENTATION

CBRE, Inc. is exclusively representing the seller in this transaction.

OFFER REQUIREMENTS

Ownership has not established an asking price, but is a market-oriented Seller with expectations that are consistent with the quality of the asset and the unique nature of the opportunity.

All offers should include:

- Purchase price and approval process
- Timing for inspection period and closing date
- Amount of earnest money, including the amount that is non-refundable
- Source of funds for the acquisition
- Financial strength of purchaser
- Summary of closed transactions and references
- Preference given to buyers that have visited the Property and made offers subject to a review of due diligence documents provided

Seller, with its sole and absolute discretion, reserves the right to remove the Property from the market. Seller expressly reserves the right, in its sole and absolute discretion, to reject any and all proposals or expressions of interest in the Property, to terminate discussions with any party at any time or to extend the deadlines set forth in the time schedule.

CO-BROKER COMMISSION

Any Purchaser which is represented by a broker is responsible to compensate the broker.

COMMUNICATION

All communications, inquiries and requests should be addressed to the CBRE Team listed to the left, as representatives of the Seller.

For more information, please visit our website at

www.cbrenp-l-78LogisticsPark.com



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EXECUTIVE
SUMMARY

THE OFFERING

CBRE, Inc. ("CBRE"), as exclusive advisor to Opus/KTV ("Owner"), is pleased to offer the unique opportunity to acquire the Interstate 78 Logistics Park, a master-planned development, located in the heart of the Interstate 78/81 Corridor in Lopatcong and Phillipsburg, New Jersey (the "Property" or "I-78 Logistics Park").

The Interstate 78 Logistics Park is a 365-acre site with approvals in place to construct 3,823,200 square feet of warehouse/distribution space, representing one of the largest concentrations of approved land in the highly-desired Lehigh Valley area of the Interstate 78/81 Corridor.

Strategically positioned at the border of the Lehigh Valley and New Jersey, directly on Route 22 and within 5 miles of Interstate 78, the Property benefits from multi-directional highway access, a deep and affordable labor pool, and low occupancy costs that have attracted more than 14.5 million square feet of positive net absorption over the past 15 months.

SUMMARY

365 acres

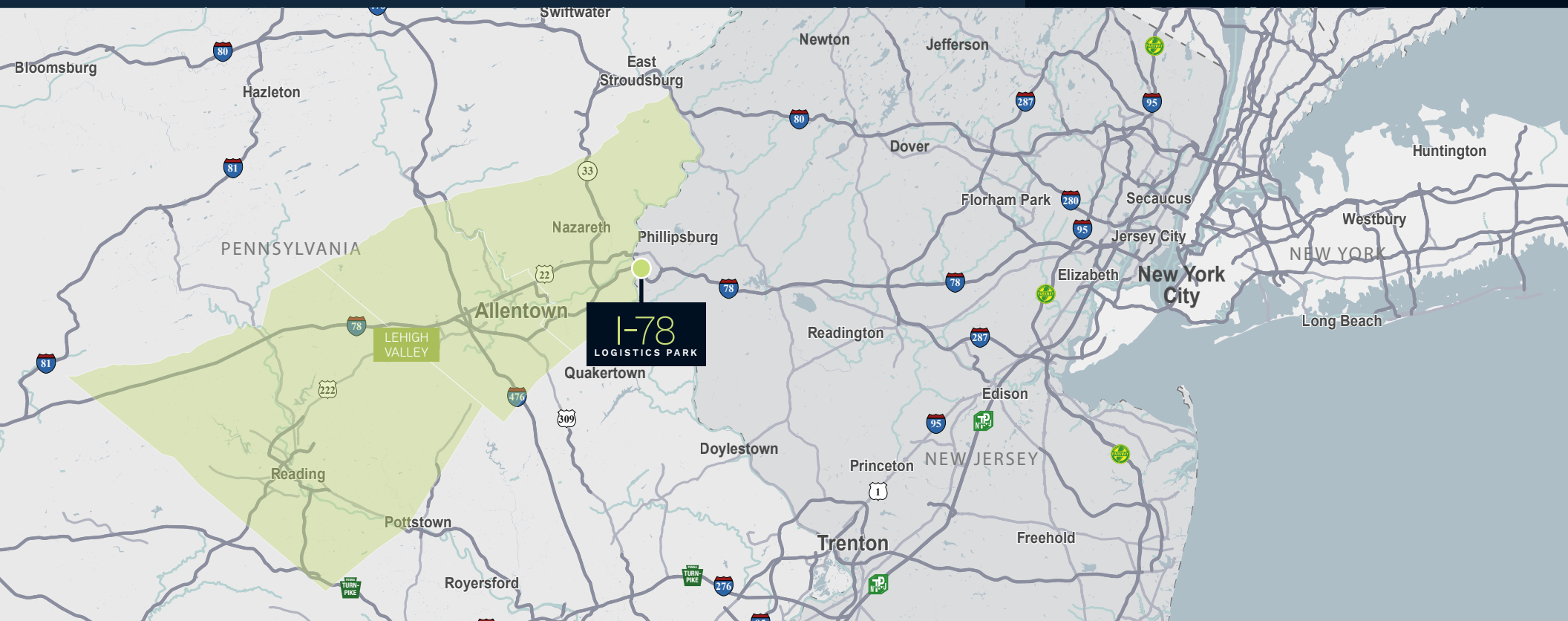
LAND AREA

3,823,200 SF

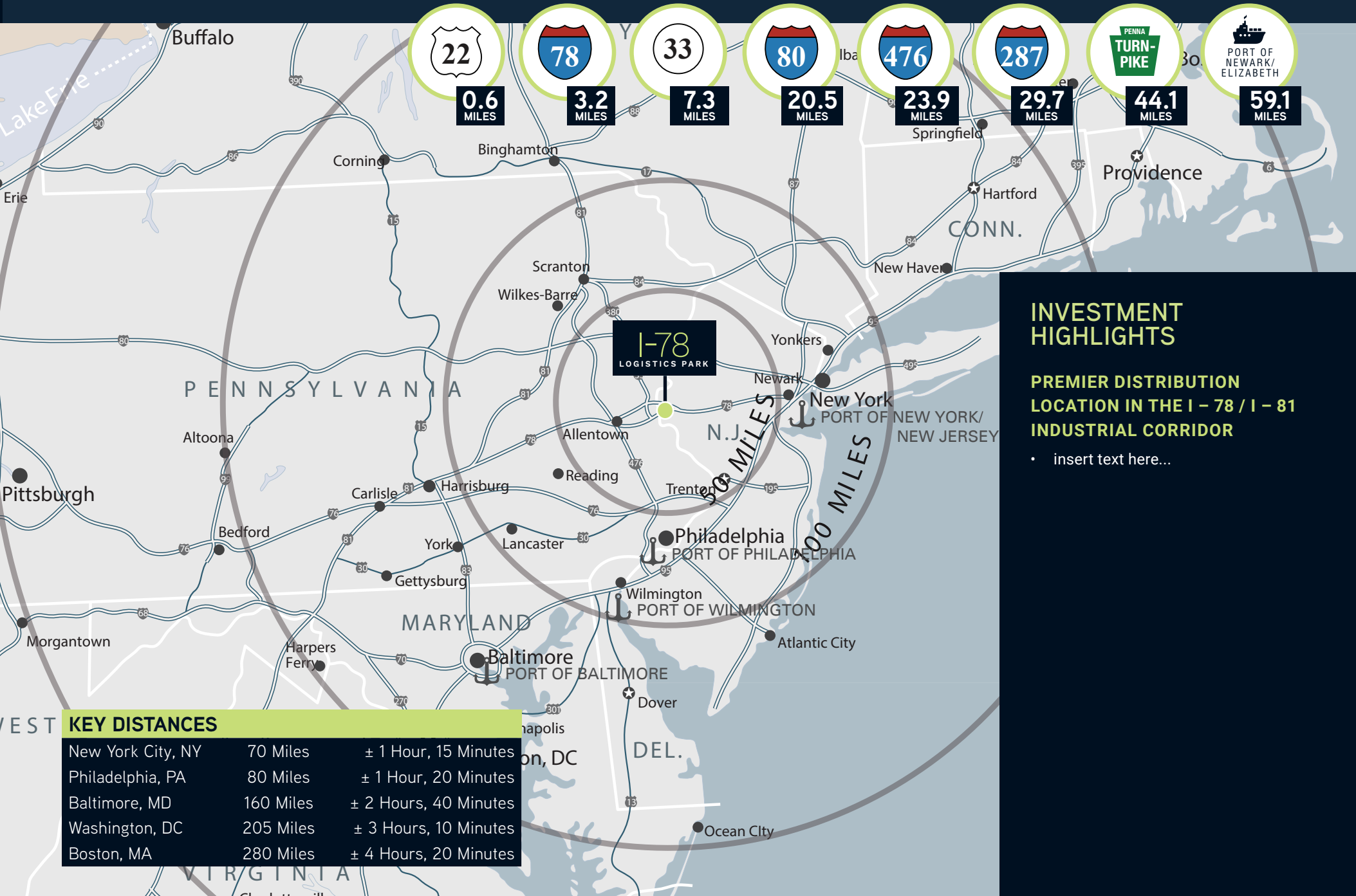
APPROVALS TO CONSTRUCT

Seven (7)

OF BUILDINGS



LOCATIONAL HIGHLIGHTS



INVESTMENT HIGHLIGHTS

PREMIER DISTRIBUTION LOCATION IN THE I - 78 / I - 81 INDUSTRIAL CORRIDOR

- insert text here...

LEHIGH VALLEY INDUSTRIAL MARKET – MAJOR CONCENTRATIONS

LEHIGH VALLEY BULK FUNDAMENTALS

Inventory (Total)	101.7 MSF
Inventory (Class A)	30.9 MSF
Direct Vacancy (Total)	4.2%
Direct Vacancy (Class A)	2.8%
Net Absorption (2015-2017 YTD)	12.97 MSF

SURGING ABSORPTION AND RATES (2016)

Tenant	RSF	NNN Rate
Wasserstrom	175,000	\$5.75
Barry Callebaut	527,168	\$5.78
Tesla	130,971	\$5.30
Envases Universales	120,000	\$5.25
Ryder (Verizon)	1,200,000	\$5.30
Just Born	104,000	\$5.35
Central Garden & Pet	243,360	\$5.05
TAGG Logistics	106,080	\$5.35
FedEx Ground	400,000	\$5.25
Cal Cartage	538,650	\$5.21
Behr Pain	241,000	\$5.21
East Penn Manufacturing	650,000	\$5.28

DYNAMIC MARKET FUNDAMENTALS IN LEHIGH VALLEY REGION

Supply vs Demand

- 3+ Year Trailing 19.7 MSF Absorption outpacing 17.4 MSF completions

	2014	2015	2016	1Q 2017
DIRECT VACANCY RATE	5.3%	6.0%	5.1%	4.3%
LEASING VELOCITY	5.36 MSF	6.67 MSF	10.59 MSF	702,951 SF
NET ABSORPTION	6.44 MSF	3.91 MSF	7.83 MSF	1.52 MSF
DELIVERIES	4.90 MSF	4.93 MSF	7.25 MSF	343,232 SF

Class A

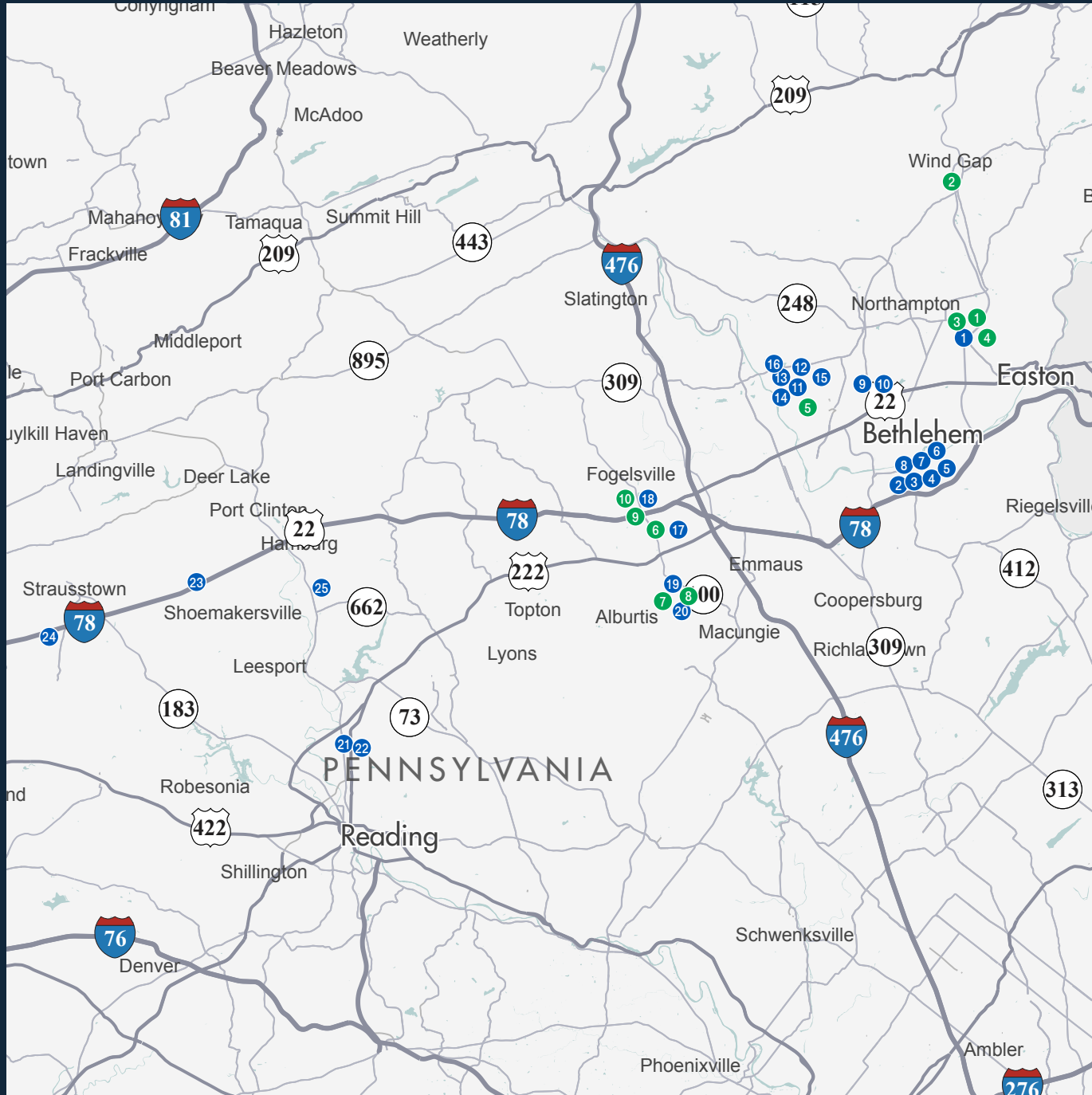
YEAR/QUARTER	# OF BLDGS.	INVENTORY	TOTAL VACANCY	DIRECT VACANCY	SUBLET VACANCY	AVERAGE RENT
1Q 2017	59	30.93 MSF	4.2%	4.2%	0%	\$4.98
2016	59	30.93 MSF	3.2%	3.2%	0%	\$4.98
2015	53	27.24 MSF	9.0%	9.0%	0%	\$4.75
2014	44	23.19 MSF	4.4%	4.4%	0%	\$4.56

Class A Rental Rates

- Asking rental rate range for Class A construction is currently \$5.75 to \$6.00 PSF, supported by the following recent leases:

DATE	TENANT	RSF	YEAR BUILT	CLEAR	TERM (YEARS)	INITIAL BASE RENT	ANNUAL ESCALATIONS
JAN-17	Wasserstrom	175,000	2016	32'	7	\$5.75	3%
DEC-16	Barry Callebaut USA LLC	527,168	2016	36'	10	\$5.78	2.5%
SEP-15	Ricoh Americas Corporation	280,000	2015	36'	6	\$5.95	2.5%

LIMITED DEVELOPMENT PIPELINE



UNDER CONSTRUCTION

- 1 33 Logistics Park - Building 2
- 2 Wind Gap Logistics Center
- 3 Lehigh Valley 33
- 4 Iron Mountain
- 5 FedEx Ground BTS
- 6 Park 100 Logistics Park - Building A
- 7 Liberty Business Center II - Lot 16
- 8 Lehigh Valley Crossings - Building II
- 9 West Hills Business Center Building E
- 10 West Hills Business Center Building F

PIPELINE 24 MONTHS

- 1 33 Logistics Park - Building 3
- 2 Majestic Bethlehem Center - Site 3 Phase I
- 3 Majestic Bethlehem Center - Site 3 Phase II
- 4 Majestic Bethlehem Center - Site 4
- 5 Majestic Bethlehem Center - Site 5
- 6 Majestic Bethlehem Center - Site 7
- 7 Majestic Bethlehem Center - Site 6
- 8 1645 Spillman Drive
- 9 Griffin Industrial - 7230 Beth Bath Pike
- 10 Hanover Flex Center II
- 11 Rockefeller Lehigh Industrial - Lot 5
- 12 Century Commerce Center - Bldg. 2
- 13 Airport Road Distribution Center
- 14 Rockefeller Lehigh Industrial
- 15 Century Commerce Center - Bldg. 3
- 16 Century Commerce Center - Bldg. 1
- 17 Park 100 Logistics Park - Building A
- 18 Griffin Industrial - 6575 Ambassador
- 19 Liberty Business Center II - Lot 16
- 20 Lower Macungie
- 21 Berks 222
- 22 Berks 61
- 23 I-78 Tradepark
- 24 Midway
- 25 Hamburg Industrial Park

ECONOMIC TAX INCENTIVES

Interstate 78 Logistics Park is ideally positioned to benefit from a number of programs on a national, state, and local level which present potential Landlord and Tenant with tax or operational advantages relative to competing development sites. Interested parties are encouraged to contact CBRE's Director of Location Incentives, Susan Harte, for additional information.

- Susan Harte, ESQ.,MCR
- CBRE | Brokerage Services | Director of Location Incentives
- T 212.984.6637 | Susan.Harte@cbre.com

Interstate 78 Logistics Park benefits from the following economic incentives:

- PILOT program grants \$0.45 PSF taxes with 2% annual increases providing a significant discount to taxes for new construction in the Lehigh Valley which average between \$1.00 and \$1.25 PSF.
- Grow New Jersey Assistance Plan
- Urban Enterprise Zone Program

REQUIREMENTS	AUTHORITY/REFERENCE	PRIMARY BENEFICIARY	POTENTIAL BENEFITS
PAYMENT IN LIEU OF TAXES (PILOT) – MUNICIPALITY PROGRAM			
Municipality must apply for real property tax credits from state (actual requirements to qualify may vary based on municipality)	Five-Year Exemption and Abatement Law (N.J.S.A. 40A:21-1 et seq.)	Technically a direct Landlord benefit in the form of partially or fully abated Real Estate Taxes for a negotiated period of time	Two common scenarios:
In most cases, site must be designated as "Redevelopment Zone"	Long-Term Tax Exemption Law (N.J.S.A. 40A:20-1 et seq.)	Typically savings are passed along to tenants in the form of lower recoverable expenses	ANNUAL REDUCTION: Direct negotiation between Developer/Landlord and Municipality on an annual payment lower than projected Real Estate Taxes, supported by some calculation of other revenue and employment benefits from the project
	Each individual PILOT agreement is negotiated separately, and is ultimately sanctioned through adoption of a local ordinance by the local governing body (Municipality)		BOND STRUCTURE: "Redevelopment Area Bond" is paid to Developer/Landlord. Developer/Landlord pays negotiated "debt service" on those bonds in lieu of Real Estate Taxes
	Ordinance and financial agreement, and audits of the entity receiving the abatement are reviewed by the Division of Local Government Services (LGS) within the state's Department of Community Affairs (DCA)		
GROW NEW JERSEY ASSISTANCE PROGRAM			
Located in Qualified Incentive Area	New Jersey Economic Development Authority	Tenant benefit through State Corporate Business Tax Credits	State corporate business tax credits are calculated per job, per year for a period of up to 10 years for each new or retained full-time job to be located at the qualified business facility
Minimum "Capital Requirement" for Industrial New Construction Projects of \$60 PSF	http://www.njeda.com/web/Aspx_pg/Templates/Npic_Text.aspx?Doc_Id=1626&	Potential Landlord benefit through higher contractual rent driven by:	Calculation will depend on tenant's number of newly created NJ jobs (full credit) and retained NJ jobs (half credit)
Must meet Minimum Green Standards (state regulated)		<ul style="list-style-type: none"> • Tenant's annual operating cost savings 	
Must meet prevailing wage/affirmative action requirements on initial construction activity.		<ul style="list-style-type: none"> • Tenant's immediate monetization of future credits on secondary market 	
Must meet minimum number of jobs (35 new or 50 retained full-time jobs)			
Demonstrate that capital investment and resultant creation of eligible positions will yield a net positive benefit of at least 110% of the requested tax credit			
URBAN ENTERPRISE ZONE PROGRAM			

RENDERING OF PROPERTY





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SITE

DESCRIPTION

ESTIMATED ENVIRONMENTAL AND CONSTRUCTION SCHEDULE

LOCATION AND IMPACT	REPORT TYPE	DATE SUBMITTED	END DATE	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
				'17	'17	'17	'17	'18	'18	'18	'18	'19	'19	'19	'19	'20	'20	'20	'20	'21	'21	'21	'21
1 LOT 4.01 VOC AREA EXCAVATION	RIR/RAW	5/13/16	4/1/18	April 1, 2018																			
2 BLDG 7 (MAIN CAMPUS) PILOT TEST	RAW	12/29/16	6/1/18	June 1, 2018																			
3 SITEWIDE GROUNDWATER (VOCs)	RIR	10/25/16	10/1/18	October 1, 2018																			
5 LNAPL SYSTEM	Status Report/Work Plan	9/22/15	TBD	Recovery by IR until state issues NFA																			
6 MAIN FACILITY AREA (MFA) REMEDIATION	RIR/RAW	12/8/15	10/1/19	October 1, 2018																			
7 SOUTHERN FARM PARCEL NFA	SIR/Addendum	10/23/15	7/1/17	July 1, 2017																			
8 CAMERON AREA LOTS 5/6 RAR	RAR	4/3/14	7/1/18	July 1, 2018																			
9 LOT 7.04 PCB AOC RAW	RIR/RAW	11/18/16	8/1/17	Aug 1, 2017																			
10 LOT 7.04 NON-LANDFILL FOUNDRY SAND RAR	RAR	12/2/16	8/1/17	Aug 1, 2017																			
11 LOT 7.07 RAW	RIR/RAW	5/9/16	4/1/18	April 1, 2018																			
12 LOT 7.06 RAW	RIR/RAW	5/10/16	4/1/18	April 1, 2018																			
13 INVERSE PONDS RAR	RAR/RTC	11/1/15	7/1/17	July 1, 2017																			
14 ABANDON FOUNDRY AREA WELLS	Geosyntec letter to NJDEP	12/21/16	4/1/17	4/1/17																			
15 EASTERN FACILITY AREA (EFA) RAW	RIR/RAW	5/10/16	7/1/19	July 1, 2019																			
16 BLDGS 2, 5, 6 RAW	RAW	1/1/17	10/1/17	October 1, 2017																			
17 ABANDON ADDITIONAL WELLS	Letter to NJDEP	1/1/17	7/1/20	July 1, 2020																			
CONSTRUCTION PHASE																							
1 DEMOLITION		7/1/16	7/15/17	July 15, 2017																			
2 FILL IMPORT BUILDING 3		4/1/17	11/1/17	November 1, 2017																			
3 FILL IMPORT BUILDING 2		10/1/18	10/1/19	October 1, 2019																			
4 FILL IMPORT BUILDING 1		12/1/19	1/1/20	January 1, 2020																			
5 CONSTRUCTION ENTRANCE		9/1/17	4/1/18	April 1, 2018																			
6 DUEL LEFT TURN LANE		12/15/18	1/1/19	January 1, 2019																			
7 P BURG PLAN APPROVAL		4/1/17	7/15/17	July 15, 2017																			
8 LOPATCON PLAN APPROVAL		4/1/17	7/15/17	July 15, 2017																			
9 UTILITIES PHASE I		8/1/17	5/1/18	May 1, 2018																			
10 UTILITIES PHASE II		7/1/18	12/15/18	December 15, 2018																			
11 SPINE RD LOPAT PHASE I		7/1/17	7/15/18	July 15, 2018																			
12 SPINE RD P BURG PHASE II		5/1/18	2/15/19	February 15, 2019																			
13 PHASE I LOPAT BUILDING 7		1/1/18	1/15/19	January 15, 2019																			
14 PHASE II -A BUILDING 2		1/1/18	1/15/19	January 15, 2019																			
15 PHASE II -B BUILDINGS 5-6		5/1/18	8/1/19	August 1, 2019																			
16 PHASE III - A BUILDING 3		10/1/17	11/1/18	November 1, 2018																			
17 PHASE III - B BUILDING 4		5/1/19	4/1/19	April 1, 2019																			
18 PHASE IV BUILDING 1		4/1/19	4/1/20	April 1, 2020																			

SITE HISTORY

Former Ingersoll-Rand Facility Phillipsburg & Lopatcong Township, New Jersey

Opus KTV LLC is a single purpose entity formed for this redevelopment and comprises seasoned, well-versed real estate professionals with an expertise in acquiring and redeveloping environmentally impacted properties (Brownfields). Opus KTV identified the former Ingersoll-Rand property as a well located land parcel with industrial zoning in need of redevelopment in the desirable greater Lehigh Valley.

The Property was a former manufacturing facility for Ingersoll-Rand's Pumps Division. IR manufactured pumps for the Department of Defense. The Property was in use from 1899 until 2000, when Ingersoll-Rand sold off their pump division the manufacturing was moved.

The Property was purchased by a developer in 2004 who was unable to proceed with their plan due to the global economic downturn. That developer subsequently lost the Property in bankruptcy.

Opus/KTV acquired several parcels through the bankruptcy proceedings, acquired the Lopatcong portion of the site from Ingersoll Rand, and purchased the remainder of the land from the Town of Phillipsburg, who had taken back a portion of the Property for unpaid taxes.

Since presenting a Conceptual design in Spring of 2015, the project has received unanimous support from the Phillipsburg Town Council and the Warren County Economic Development Authority, both of whom have been instrumental throughout the entitlement process in coordinating efforts with various public agencies. The project has been received with enthusiasm and cooperation by the New Jersey Department of Environmental Protection, the New Jersey Department of Transportation, and the New Jersey Department of State.

The project team has successfully and creatively overcome many of the obstacles that prevented the previous developer from completing the redevelopment. Several unique engineering challenges existed on this former industrial site, including undulating topography, hence the necessity to import fill to create a site able to accommodate large one-level buildings. The approved General Development Plans provide the flexibility to respond to a variety of tenant requirements.

The General Development Plans (GDP) were approved in the Spring of 2016, and Final Site plan Approval and Infrastructure Approvals are anticipated in July 2017. Site work is expected to commence in late Q3 2017.

ENTITLEMENT AND APPROVAL PROCESS - SUMMARY

The Phillipsburg and Lopatcong Township Department of Planning and Zoning Boards are the primary agencies responsible for the review and approval of site development plans which include Site Plan, Preliminary Subdivision Plan, Preliminary Landscape Plan, Concept Stormwater Management Plan, Erosions and Sediment Control Plan, General Development Plan, Final Subdivision Plan, Utilities Plan, Grading Plan. The review is managed through township Planning Boards and their hired professionals.

The Fill Import Plan is managed by both municipalities through the respective town council members and once approved by the individual councils for each town goes to the NJDEP for final approval. All of which has happened.

The Traffic Impact Analysis is governed by the NJDOT and the respective municipalities through their hired Traffic Consultants. We have approval from both towns through our General Development Plan (GDP) approval as well as our Redevelopers Agreements from both towns as well as through NJDOT. All have been approved.

I-78 Logistics Park has received the GDP and Preliminary Plan Approval letters which vest the right to develop in accordance with all filed preliminary site plans, subject to approval of Final Construction Plans.

With a mid-May 2017 filing for Final Site Construction Plans and subsequent departmental reviews, the Final Site Construction Plan Approval is anticipated in July 2017.

The list of Construction Plan sets to be approved includes Stormwater Management, Erosion & Sediment Control, Public Water & Sewer, Onsite Public Road, and Civil Onsite work.

ENTITLEMENT AND APPROVAL PROCESS - SCHEDULE

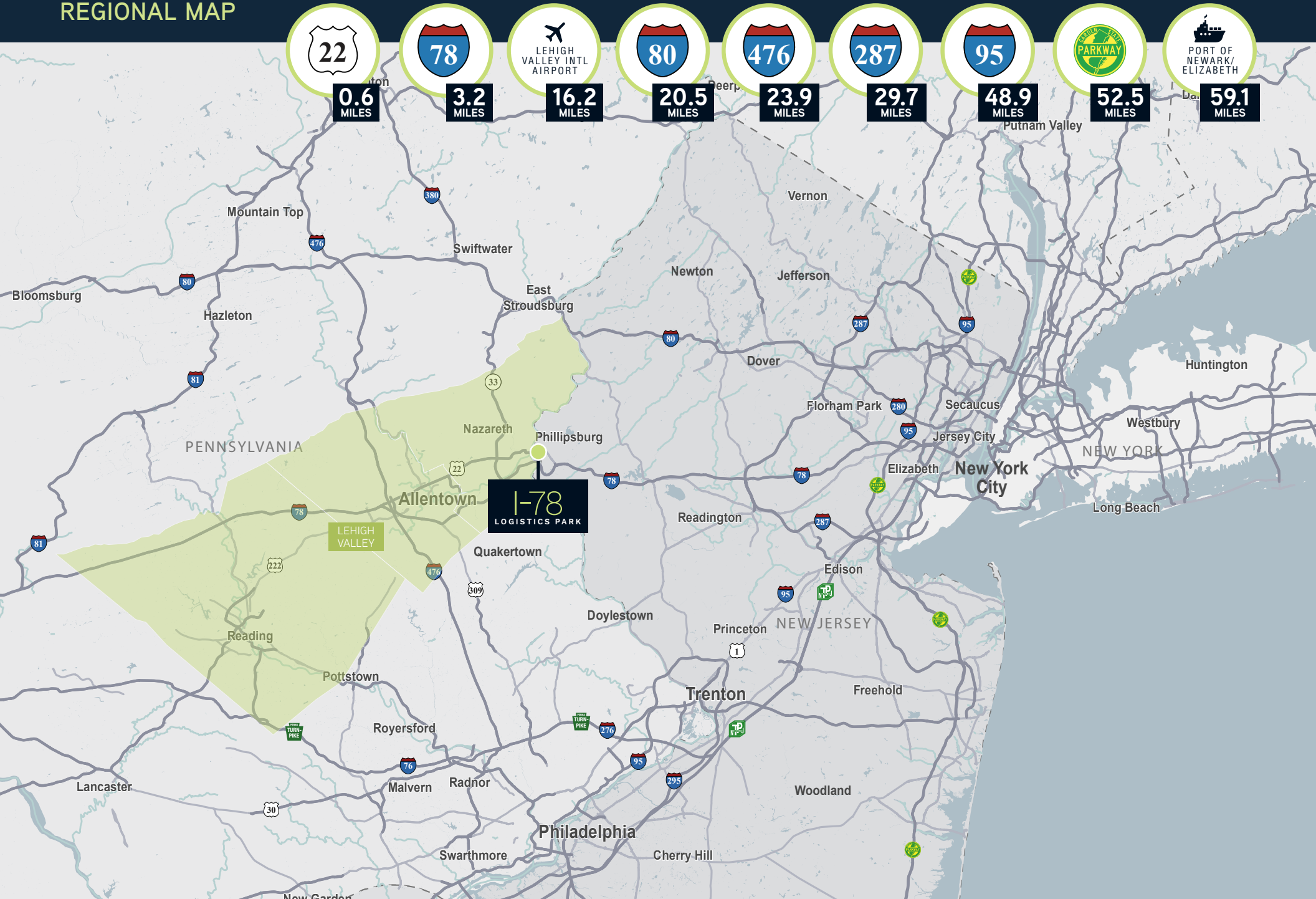
The Following are the Approvals Process and/or schedule for I-78 Logistics Park, Phillipsburg and Lopatcong Townships, Warren County, New Jersey.

Acquisition of all parcels	June 2016	Stormwater Management Construction Plan	Complete
Concept Plan Approval	Complete	Erosion Sediment Control Plan	Complete
Grading Plan	Complete	Public Water and Sewer Plans	Complete
Fill Import Plan	Approved by both town and NJDEP	Onsite Public Water and Sewer Plans	Complete
		Civil Onsite Construction Plans	Complete
		Public Works Will Serve Letters	Complete
REDEVELOPERS AGREEMENT		Record Final Plat	est. 8/2017 both towns
Phillipsburg	Approved	Site Cost Budget	Complete
Lopatcong	Approved		
		Site has been designated as a Redevelopment Zone by:	
REDEVELOPMENT PLAN		• Both Townships	
Phillipsburg	Approved	• Grow NJ	
Lopatcong	Approved	• Highlands	
		The property has the following state designations	
GENERAL DEVELOPMENT		• UEZ Urban Enterprise Zone	
PLAN		• EOZ Environmental Opportunity Zone	
Phillipsburg	Approved for 3.2 MSF	• Highlands Exemption for Development	
Lopatcong	Approved for 950,000 SF	• Grow NJ Grants	
		• Long Term tax Exemption LTTE	
Traffic Impact Study	Complete	Property has over \$3.250,000 in Redevelopment Area Bonds (RABs) in place to be used for infrastructure	
Preliminary Route 22 Left Turn Lane NJDOT	Approved		
Route 22 Turn Lane Engineering	Complete		
Route 22 Turn Lane NJDOT Submission	Submitted February 2017		
Geotechnical Reports			
Demolition	85% Complete will be done 7/2017		
Community Input Meetings	Complete		
Land Development Plan	Complete		
Site Plan	Complete		
Preliminary subdivision Plan	Complete		
FINAL SITE PLAN APPROVAL			
Lopatcong	submitting to		
Phillipsburg	5/2017 est. approval 7/2017		
	5/2017 est. approval 7/2017		
Concept Stormwater Management Plan	Complete		
Landscaping Plan	Complete		

SITE PLAN





REGIONAL MAP

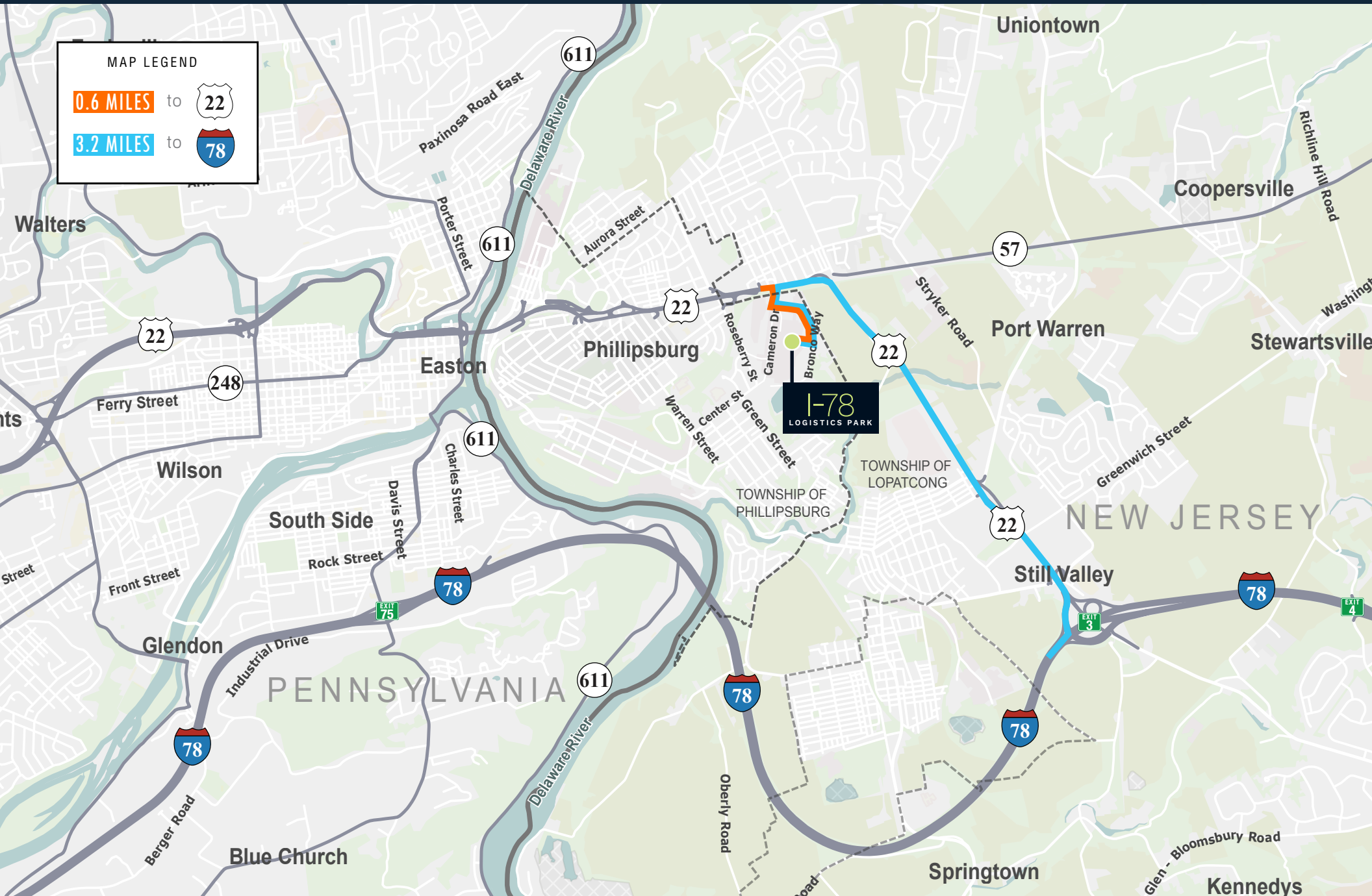


LOCAL MAP

MAP LEGEND

0.6 MILES to 

3.2 MILES to 





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ENVIRONMENTAL
REVIEW

ENVIRONMENTAL SUMMARY

The I-78 Logistics Park is located along Routes I-78 and US 22 in the Town of Phillipsburg and Township of Lopatcong, in Warren County, New Jersey. The Property is also known as the Former Ingersoll Rand Company Facility and has been the subject of remediation under NJDEP oversight (Program Interest #012833) since the 1980's.

The Property has been a leading candidate for redevelopment since 2004. The Town of Phillipsburg and Township of Lopatcong have approved General Development Plans for the Property submitted by Opus KTV. These Plans are now being implemented by Phillipsburg Commerce Park Urban Renewal Entity, LLC.

Remediation of the Property is the responsibility of Ingersoll Rand (IR), site investigations and remediation efforts are currently being conducted by IR's consultant Geosyntec Consulting. The Property has been divided into several different areas, associated with past operations and ongoing environmental investigation/remediation, including; The Lopatcong Parcel, Farm Fields and Farm Land Area, the Eastern Facility/Inverse Ponds, Lots 7.06, 7.07, the Old Landfill, New Landfill, Lot 4.01, Cameron, the Foundry and Stormwater Basin, and the Main Facility Area (Figure 2).

Several of these areas have been remediated to the satisfaction of the New Jersey Department of Environmental Protection (NJDEP) and have received determinations of No Further Action required (for soils); including the Lopatcong Parcel, the Old Landfill, and the Foundry and Stormwater Basin. Remedial Action Reports have been completed for the Old Landfill and the Foundry area and the caps in these areas are required to be maintained, and biennial reports need to be submitted every two years stating continued compliance with post remediation care (maintenance of the caps and stormwater controls).

The Farm Fields and Farm Land Areas have been shown to be free of soil contamination, although one soil area (associated with an historic pipe discharge) requires confirmation.

All of the areas associated with past operations have undergone remedial investigations over a period of years, and Remedial Investigation Reports (RIRs) have been submitted (See Table 1) for all areas.

IR has identified groundwater impacts by light non-aqueous phase liquids (LNAPL), predominantly aged fuel oil which covers a significant area of the middle of the site (Figure 11).

The LNAPL plume is subject to an ongoing remediation effort by IR, with several recovery wells located onsite. There are no offsite impacts by this material.

The vast majority of the Property has been impacted by metals and poly aromatic hydrocarbons (PAHs) within foundry sands, for which an approved NJDEP remedy is capping (be either soil, asphalt or concrete).

Soil areas identified as impacted by chlorinated volatile organic compounds (CVOCs) are located within the Main Facility and Lot 4.01. IR has committed to removing the impacted soils on Lot 4.01, and proposes a combination of removal and thermal desorption/soil vapor extraction in the Main Facility Area.

Implementation of the Redevelopment Plan for the Property will include the importation of up to 500,000 cubic yards of fill so that areas of the Property are leveled (for drainage control) prior to new building construction. A fill importation request was approved by NJDEP in 2016, along with the Remedial Action Work Plan (RAWP) for the construction of Building 3 (Foundry Area).

Property development will need to be coordinated with ongoing site investigation and remediation efforts. Development of the Lopatcong area, the southern portion of the Main Facility (beneath proposed Building 2), and Cameron Areas could proceed shortly. A RAWP for Buildings 2, 5 and 6 is currently being prepared for submission to NJDEP, which would show the incorporation of backfill, roads, parking areas and buildings as a cap over the identified areas of concern.

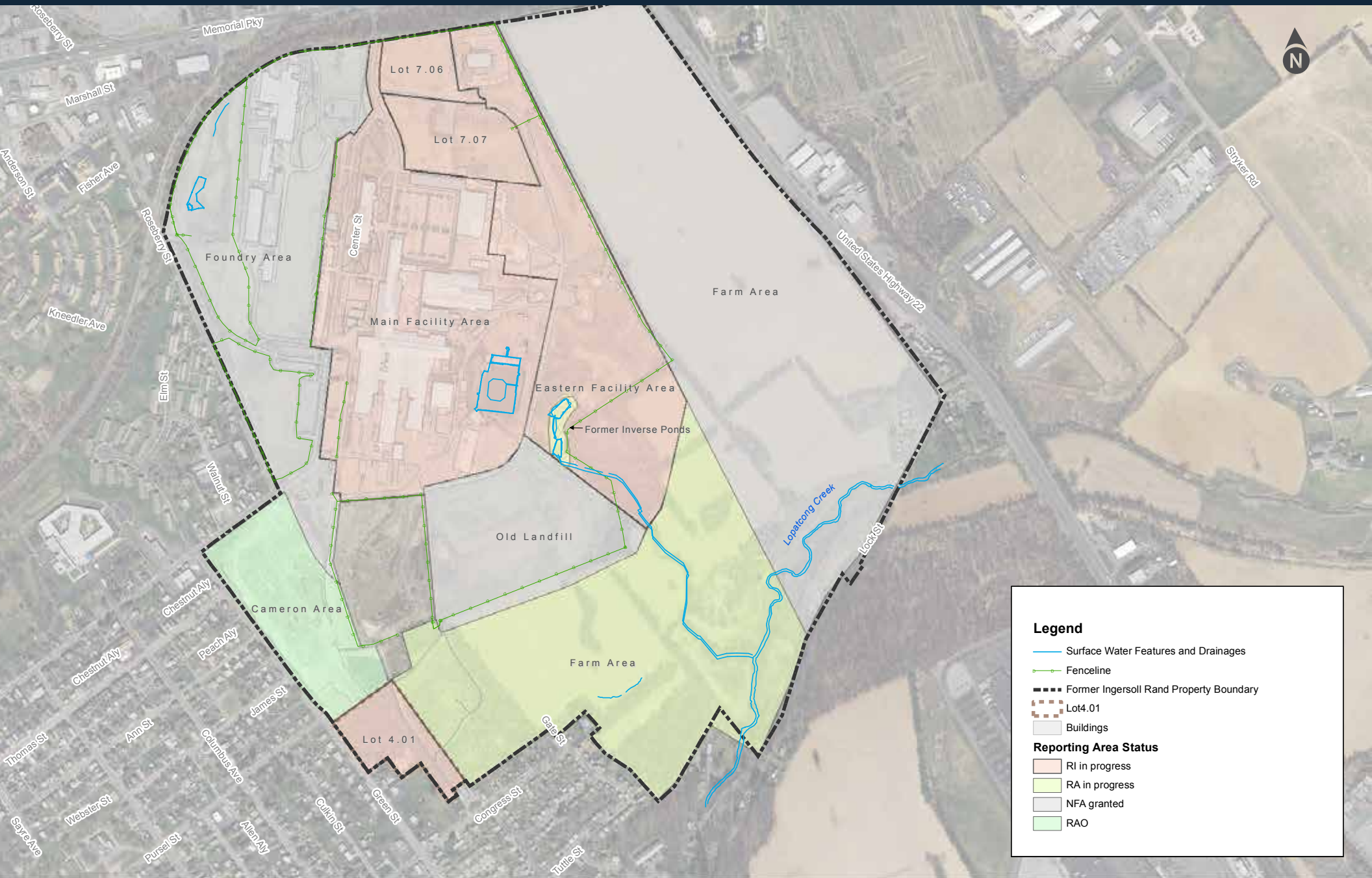
INGERSOLL RAND FACILITY AREA STATUS

TABLE 1

AREA	BLOCK/LOT #	STATUS
LOPATCONG	100/1, 101/1, 101/1.01, 102/4	RAO Soil Only, LNAPL plume
FARM FIELDS	3301/1,2 & 4	Soil Clean, one small soil area requires further investigation (historic pipeline), low levels of TCE in some wells - source not in farm fields
EASTERN FACILITY/INVERSE PONDS	3201/7.01, 7.02, 7.10, 7.11, 7.12, 7.13	RIR approved for Eastern Facility in August 2016, RAWP required. RAR for Inverse Ponds submitted in June 2015, NJDEP approval anticipated shortly.
LOT 7.06	3201/7.06	RIR submitted April 2016, NJDEP comments provided August 2016, response and RAWP pending
LOT 7.07	3201/7.07	RIR submitted May 2016, NJDEP comments provided August 2016, response and RAWP pending
OLD LANDFILL	3201/7.02	NFA/Restricted Use Issued May 2012, cap maintenance required, biennial certification required
NEW LANDFILL	3201/7.04	Closed/Restricted Use, cap maintenance and groundwater sampling required, RAR for Foundry Sand Pile submitted, RAWP for PCB AOC submitted
LOT 4.01	3301/4.01	NJDEP comments to RIR/RAWP received September 2016, CVOCs soil area to be excavated, CVOCs groundwater impacts identified.
CAMERON LOTS 5 & 6	3301/5 & 6	RAR for soil submitted April 2014, NJDEP provided comments March 2015, IR/ Geosyntec to provide further response. CVOCs groundwater impacts identified.
FOUNDRY & STORMWATER BASIN	3201/7.05, 7.08, 7.09	NFA for soils and groundwater, restricted use, cap maintenance, biennial reporting
MAIN FACILITY AREA	3201/7.03	Under Investigation for soil impacts by CVOCs, PAHs, PCBs and metals. Also CVOCs and LNAPL impacts to groundwater. Response to NJDEP comments due shortly
SITE GROUNDWATER	Site wide	IR continues to recover LNAPL from select wells, and a RIR for chlorinated compounds in groundwater has been submitted.

SITE LAYOUT

FIGURE 2



Legend

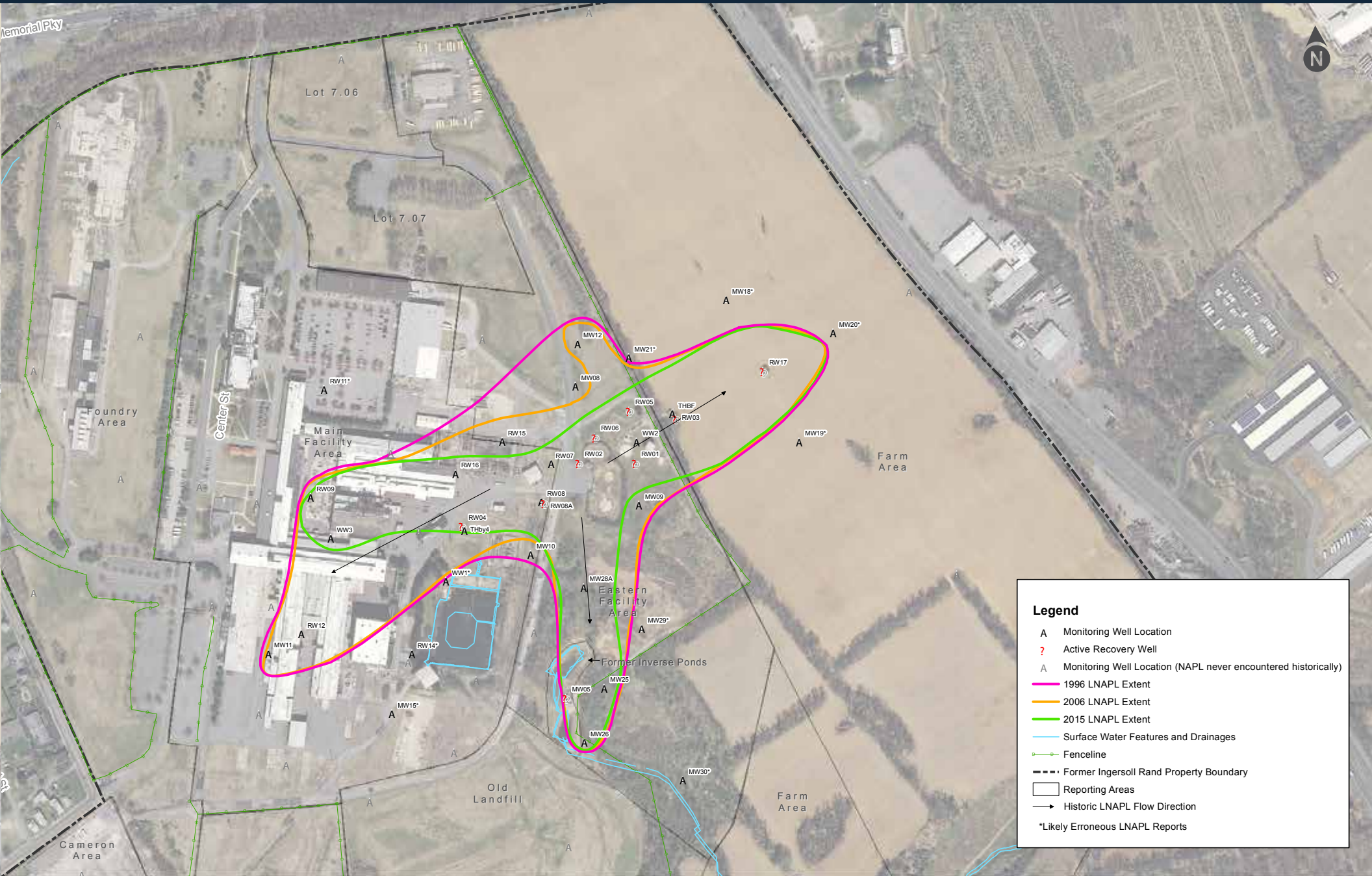
- Surface Water Features and Drainages
- Fenceline
- Former Ingersoll Rand Property Boundary
- Lot 4.01
- Buildings

Reporting Area Status

- RI in progress
- RA in progress
- NFA granted
- RAO

HISTORIC MAXIMUM LNAPL EXTENT

FIGURE 11



Legend

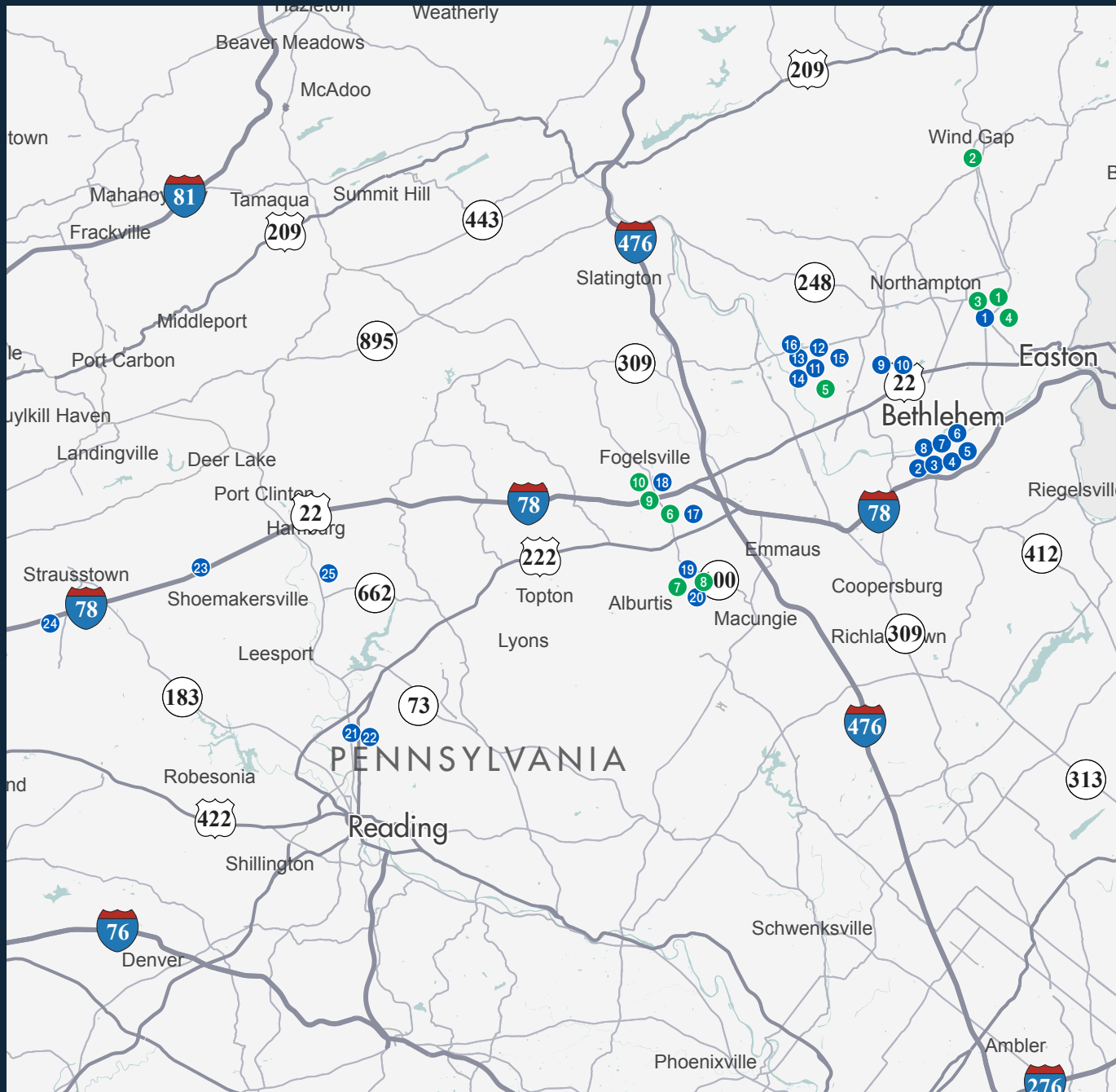
- A Monitoring Well Location
- ? Active Recovery Well
- A Monitoring Well Location (LNAPL never encountered historically)
- 1996 LNAPL Extent
- 2006 LNAPL Extent
- 2015 LNAPL Extent
- Surface Water Features and Drainages
- Fenceline
- Former Ingersoll Rand Property Boundary
- Reporting Areas
- Historic LNAPL Flow Direction
- *Likely Erroneous LNAPL Reports



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MARKET
OVERVIEW

LEHIGH VALLEY DEVELOPMENT PIPELINE



UNDER CONSTRUCTION

- 1 33 Logistics Park - Building 2
- 2 Wind Gap Logistics Center
- 3 Lehigh Valley 33
- 4 Iron Mountain
- 5 FedEx Ground BTS
- 6 Park 100 Logistics Park - Building A
- 7 Liberty Business Center II - Lot 16
- 8 Lehigh Valley Crossings - Building II
- 9 West Hills Business Center Building E
- 10 West Hills Business Center Building F

PIPELINE 24 MONTHS

- 1 33 Logistics Park - Building 3
- 2 Majestic Bethlehem Center - Site 3 Phase I
- 3 Majestic Bethlehem Center - Site 3 Phase II
- 4 Majestic Bethlehem Center - Site 4
- 5 Majestic Bethlehem Center - Site 5
- 6 Majestic Bethlehem Center - Site 7
- 7 Majestic Bethlehem Center - Site 6
- 8 1645 Spillman Drive
- 9 Griffin Industrial - 7230 Beth Bath Pike
- 10 Hanover Flex Center II
- 11 Rockefeller Lehigh Industrial - Lot 5
- 12 Century Commerce Center - Bldg. 2
- 13 Airport Road Distribution Center
- 14 Rockefeller Lehigh Industrial
- 15 Century Commerce Center - Bldg. 3
- 16 Century Commerce Center - Bldg. 1
- 17 Park 100 Logistics Park - Building A
- 18 Griffin Industrial - 6575 Ambassador
- 19 Liberty Business Center II - Lot 16
- 20 Lower Macungie
- 21 Berks 222
- 22 Berks 61
- 23 I-78 Tradepark
- 24 Midway
- 25 Hamburg Industrial Park

LEHIGH VALLEY INDUSTRIAL SUBMARKET

UNDER CONSTRUCTION

	STATUS	PROJECT NAME	ADDRESS	CITY	BUILDING RSF	TENANT	AVAILABLE RSF	OWNER
Route 33 Corridor					1,402,002		977,487	
1	Under Construction	33 Logistics Park - Building 2	1611 Van Buren Rd	Easton	628,475	-	628,475	Duke Realty Corporation
2	Under Construction	Wind Gap Logistics Center	Rt 33 & 512	Wind Gap	349,012	-	349,012	Petrucci/Davis
3	Under Construction	Lehigh Valley 33	1540 Van Buren Rd	Palmer	242,515	-	242,515	IDI
4	Under Construction	Iron Mountain	2300 Newlins Mill Rd	Palmer	182,000	Iron Mountain	0	J.G. Petrucci Co., Inc.
Infill Bethlehem					0			
LVIP IV & V					0			
LVIP I - III (Airport)					800,000		0	
5	Under Construction	FedEx Ground BTS	149 Willowbrook Road	Bethlehem	800,000	FedEx Ground	0	Lehigh Valley Industrial Park, Inc.
Route 100 Corridor					730,080			
6	Under Construction	Park 100 Logistics Park - Building A	Industrial Boulevard	Allentown	730,080	Ridgeline/GLP		
Lehigh Valley South					1,310,000			
7	Under Construction	Liberty Business Center II - Lot 16	8801 Congdon Hill Drive	Alburtis	1,100,000	-	1,100,000	
8	Under Construction	Lehigh Valley Crossings - Building II	3100 Alburtis Rd	Macungie	210,000	-	210,000	Industrial Income Trust/ MRP
Arcadia/ West Hills					749,750		400,000	
9	Under Construction	West Hills Business Center Building E	West Hills Court	Fogelsville	413,750	-	400,000	Hillwood
10	Under Construction	West Hills Business Center Building F	West Hills Court	Fogelsville	336,000	Pad Ready	336,000	Hillwood
Berks County					0		0	

LEHIGH VALLEY INDUSTRIAL SUBMARKET

POTENTIAL 24 MONTH DEVELOPMENT PIPELINE

	STATUS	PROJECT NAME	ADDRESS	CITY	BUILDING RSF	OWNER
Route 33 Corridor					1,015,740	
1	Approved	33 Logistics Park - Building 3	1620 Van Buren Rd	Easton	1,015,740	Duke Realty
Infill Bethlehem					4,609,268	
2	Approved	Majestic Bethlehem Center - Site 3 Phase I	3419 Commerce Center Blvd	Bethlehem	1,019,200	Majestic
3	Approved	Majestic Bethlehem Center - Site 3 Phase II	3419 Commerce Center Blvd	Bethlehem	930,800	Majestic
4	Approved	Majestic Bethlehem Center - Site 4	3633 Commerce Center Blvd	Bethlehem	1,286,188	Majestic
5	Approved	Majestic Bethlehem Center - Site 5	3769-6 Commerce Center Dr	Bethlehem	482,220	Majestic
6	Approved	Majestic Bethlehem Center - Site 7	3905 Commerce Center Blvd	Bethlehem	450,660	Majestic
7	Approved	Majestic Bethlehem Center - Site 6	3769 Commerce Center Dr	Bethlehem	340,200	Majestic
8	Approved	1645 Spillman Dr	1645 Spillman Dr	Bethlehem	100,000	J.G. Petrucci Co., Inc.
LVIP IV & V					518,000	
9		Griffin Industrial	7230 Beth Bath Pike	Bethlehem	325,000	Griffin Land
10	Seeking Approvals	Hanover Flex Center II	5010 Jaendl Blvd (2 buildings)	Bethlehem	193,000	J.G. Petrucci Co., Inc.
LVIP I - III					2,419,244	
11	Seeking Approvals	Rockefeller Lehigh Industrial - Lot 5	Willowbrook Road	Northampton	1,070,000	Rockefeller
12	Seeking Approvals	Century Commerce Center - Bldg. 2	Nor Bath Blvd @ Howertown Rd	Northampton	1,006,880	Century Commerce Center LLC
13	Seeking Approvals	Airport Road Distribution Center	Nor Bath Blvd @ Airport Rd	Northampton	500,240	CRG Real Estate Solutions
14	Seeking Approvals	Rockefeller Lehigh Industrial	Willowbrook Road	Northampton	344,064	Rockefeller
15	Seeking Approvals	Century Commerce Center - Bldg. 3	Nor Bath Blvd @ Howertown Rd	Northampton	318,060	Century Commerce Center LLC
16	Seeking Approvals	Century Commerce Center - Bldg. 1	Nor Bath Blvd @ Howerton Rd	Northampton	250,000	Century Commerce Center LLC
Route 100 Corridor					865,080	
17	Seeking Approvals	Park 100 Logistics Park - Building A	Industrial Boulevard	Allentown	730,080	Ridgeline/GLP
18	Seeking Approvals	Griffin Industrial	6575 Ambassador	Allentown	135,000	Griffin Industrial

LEHIGH VALLEY INDUSTRIAL SUBMARKET

POTENTIAL 24 MONTH DEVELOPMENT PIPELINE

	STATUS	PROJECT NAME	ADDRESS	CITY	BUILDING RSF	OWNER
Lehigh Valley South					1,300,000	
19	Seeking Approvals	Liberty Business Center II - Lot 16	Congdon Hill Dr	Alburtis	1,100,000	Liberty Property Trust
20	Seeking Approvals	Lower Macungie	Alburtis Rd	Macungie	200,000	Kiel Group
Arcadia/ West Hills					480,000	
21	Seeking Approvals	Berks 222	4300 Pottsville Pike (Rt 61)	Muhlenburg Twp	200,000	Brasler
22	Seeking Approvals	Berks 61	4030 Pottsville Pike (Rt 61)	Muhlenburg Twp	280,000	Brasler
Berks County					3,178,156	
23	Approved	I-78 Tradepark	Mountain Rd	Upper Bern Twp	1,008,000	Trammell Crow
24		Midway	271 Midway Rd	Bethel	1,084,156	Dermody
25		Hamburg Industrial Park	Zions Church Rd	Perry Twp	1,086,000	MRP



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ECONOMIC
INCENTIVES

LTTE PILOT

Long Term Tax Exemption

In furtherance of the redevelopment of the former Ingersoll-Rand site, the Town of Phillipsburg has approved a tax exemption for the site and executed a Financial Agreement and Special Assessment Agreement (collectively, the “Agreements”) with the owner. The Agreements provide for a tax exemption on the improvements in return for a payment in lieu of taxes (“PILOT”) to the Town. There is also a special assessment applied to the land which is structured to equal the annual PILOT and will be credited against any PILOT paid. The full structure is as follows:

OWNER:	Phillipsburg Commerce Park Urban Renewal Entity, LLC, subsidiary of Opus KTV
PROPERTY:	Block 3201, Lots 7.01 – 7.13 and Block 3301, Lots 1, 2, 4, 4.01, 5, 6
TAX EXEMPTION:	Improvements only, land remains fully taxable
TERM:	30 years (from commencement of PILOT payments)
TOTAL PROJECT COST:	Over \$250 million including \$185 million in Phillipsburg
PILOT CALCULATION:	\$0.45 per Rentable Square Foot (“RSF”) (increasing by 2% per year) <ul style="list-style-type: none">• \$0.045 of PILOT pledged to RABs• \$0.405 of PILOT less land taxes of PILOT shared between Town and County<ul style="list-style-type: none">• 95% to Town plus share of land taxes• 5% to County plus share of land taxes• Share of land taxes to School District
WHY \$0.45 PER RSF PILOT?:	To compete with taxes in Pennsylvania which can start as low as \$.01 per RSF
REDEVELOPMENT AREA BONDS (“RABS”):	\$2,500,000 of RABs issued by the Town NON-RECOURSE (no financial liability by the Town to repay) to finance portions of infrastructure. This amount will off-set a small fraction of the \$30 million in extraordinary infrastructure costs in Phillipsburg.
SPECIAL ASSESSMENT:	In order to provide additional security for the RABs a special assessment will be imposed upon the Property in the principal amount of the RABs. The special assessment will be tied to the PILOTs and any PILOTs paid will serve as a full credit against a special assessment. This is intended as a mechanism to ensure the enforcement obligations for the benefit of a bondholder.

EOZ PILOT

The Brownfield and Contaminated Site Remediation Act, N.J.S.A. 58:10B-1 et seq., requires the posting and maintenance of remediation funding sources to help ensure the proper and full remediation of a given site. One exception to the obligation to provide a remediation funding source applies to remediation being undertaken within a designated “environmental opportunity zone.” The Environmental Opportunity Zone Act, N.J.S.A. 54:4-3.150 et seq., (the “EOZ Law”) establishes the procedure and requirements to designate and administer an environmental opportunity zone (“EOZ”). The following is a summary of the requirements of the EOZ Law and terms contained in the proposed ordinance for consideration by the Town of Phillipsburg:

DESIGNATION OF EOZ:	Town adopts an ordinance designating certain areas as EOZ and authorizing tax exemptions for at least 10, but not more than 15 years.
APPLICATION FOR TAX EXEMPTION:	All applications for tax exemptions must be on the form provided by the Director of the Division of Taxation and there must be a memorandum of agreement or administrative consent order between the owner of the property and the NJ Department of Environmental Protection. The tax exemption may be approved by resolution.
FINANCIAL AGREEMENT:	<ul style="list-style-type: none">• Land (not the improvements) will be exempt from taxation.• Term of 15 years.• PILOTs in the following schedule:<ul style="list-style-type: none">o Year 1 = No paymento Year 2 = 10% otherwise applicable taxes (“OAT”)o Year 3 = 20% OATo Year 4 = 30% OATo Year 5 = 40% OATo Year 6 = 50% OATo Year 7 = 55% OATo Year 8 = 60% OATo Year 9 = 65% OATo Year 10 = 70% OATo Year 11 = 75% OATo Year 12 = 80% OATo Year 13 = 85% OATo Year 14 = 90% OATo Year 15 = 95% OAT
REMEDIATION FUNDING SOURCE:	The obligation to post and maintain remediation funding sources shall not apply so long the tax exemption for the EOZ remains in effect.

URBAN ENTERPRISE ZONE PROGRAM

New Jersey's Urban Enterprise (UEZ) Program, enacted in 1983, is in the Department of Community Affairs. The UEZ Program exists to foster an economic climate that revitalizes designated urban communities and stimulates their growth by encouraging businesses to develop and create private sector jobs through public and private investment.



NJ Division of Taxation Reminds Consumers & Business Owners

That Sales Tax Rate Will Change to 6.875% in the New Year

BECOMING A CERTIFIED UEZ BUSINESS

In order to participate in the UEZ Program, your business must be—

- Registered with the State of New Jersey
- Located within one of the 27 designated zones
- Be in tax compliance with the State of NJ
- Certified by the New Jersey UEZ program

All Certification Applications are entered online using the UEZ Business Certification System, accessible through NJ Premier Business Services. Refer to the step-by-step instructions for assistance.

Helpful information is available on the UEZ Forms & Instructions web page.

BENEFITS TO BUSINESSES

- Reduced Sales Tax – currently 3.4375%, effective 1/1/2017
- Tax Free Purchases on certain items such as capital equipment, facility expansions, and upgrades
- Financial Assistance from agencies such as NJEDA
- Subsidized unemployment insurance costs for employees who earn less than \$4,500 per quarter
- Energy Sales Tax Exemption for qualified manufacturing firms with at least 250

employees, 50% of whom are working in manufacturing

- Tax Credit Options (owners may elect one of the following)
 - Up to \$1,500 for new permanent full-time employees hired
 - Up to 8% Corporate Business Tax credit on qualified investments.

GET CERTIFIED

- Create/access your NJ Premier Business Services (PBS) account (step-by-step instructions).
- Add your business to your PBS account.
- Click on the Urban Enterprise Zone link under Select a Service Center in PBS.
- Complete and submit the UEZ Certification Application.

GROW NJ ASSISTANCE PROGRAM

Coming soon...



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FINANCIAL
REVIEW

PROJECT BUDGET

PLACEHOLDER



INGERSOLL RAND SITE (I-78 LOGISTICS PARK)

PHILLIPSBURG, NJ

BUDGET BREAKDOWN

March 3, 2017

Option #2 site plan #16002, as prepared by Cornerstone Architects Ltd., dated November 2, 2016 and CPLP Sheet 1, dated August 22, 2016 (Site layouts per Cornerstone)

Main budget breakdown table with columns for BUILDING 1 (#7), BUILDING 2 (#1), BUILDING 3 (#3), BUILDING 4 (#2), BUILDING 5 (#5), BUILDING 6 (#6), BUILDING 7 (#4), PHASE 1 (BUILDING 1), PHASE 2 (BUILDINGS 3,5 & 6), PHASE 3 (BUILDINGS 4&7), and PHASE 4 (BUILDING 2). Rows include Infrastructure (Site Work, DDC Allowance, Third Street Bridge, Earthwork, etc.), Base Building (Concrete, Steel, Roofing, etc.), and Exclusions.

EXCLUSIONS
ARCHITECTURAL/STRUCTURAL/CIVIL/LANDSCAPE DESIGN
PERMITS, BONDS OR TAP FEES
UNSATURABLE SOILS OR UNDERCUTS
ENVIRONMENTAL TESTING OR REMEDIATION
UTILITY RELOCATES
DEMOLITION AND OBSTRUCTIONS
VAPOR MITIGATION SYSTEM
DEMARICATION FABRIC
SPECIAL BACKFILL REQUIREMENTS FOR UTILITIES (ALL ASSUMED TO BE BACKFILLED WITH ON-SITE MATERIAL)

REAL ESTATE TAX SUMMARY

- 1) Lopatcong - The I 78 Logistics Park includes approximately 100 acres in Lopatcong Township. Taxes on this parcel are currently being charged as farmland. The farmland tax is nominal. Once construction commences on a building the taxes will include a rollback of taxes for the years the land was being used as a farm. Real Estate taxes paid in 2016 were 4,843.44. The rollback taxes will be (will get this number).
- 2) Phillipsburg - Opus KTV owns approximately 300 acres in Phillipsburg. Taxes had been reassessed three years ago. Opus KTV met with the Phillipsburg tax assessor Craig Brotens multiple times in the fall of 2016 to present the case that most of the buildings were being taken down. Phillipsburg needed to make an assessment as of 10/1/16. At that time approximately 50% of the buildings had been demolished. The town agreed that once all the buildings were down a new assessment is warranted. The new assessment will apply to taxes in 2017. Ownership chose to work with the township as opposed to going through an appeal. Ownership felt working with the township would result in a timelier reassessment. The building part of the assessment in 2016 was reduced by nearly 7 million dollars.
- 3) The methodology used by the tax assessor for vacant industrial land is approximately 50,000 per acre. The assessment on the Curtiss Wright property was based on a 10 % capitalization rate or 3,200,000. The assessor used 30% of the total building sq. footage and applied a \$10 per square foot value to arrive at the remaining empty buildings' assessment. These are estimates provided by the assessor, not actual formulas applied in arriving at the assessment.
- 4) Taxes for the 2018 and the second part of 2017 should be reduced due to two factors. One - the balance of the buildings on the main campus will have been demolished. Second - Opus KTV is in the process of sub-dividing the site. The previous main campus and Curtiss Wright will be part of a subdivided parcel. Ownership is also donating nearly 100 acres to the townships as part of the townships 'Green Space' initiative. The assessments and corresponding real estate taxes to be paid by ownership should be reduced by nearly 5 million in land value and 2 plus million in building value. If ownership is not satisfied, an appeal is always an option.

2016/2017 ASSESSMENTS AND TOTAL TAXES BILLED

LOCATION	BLOCK			LAND ASSESSMENT		BUILDING ASSESSMENT		TOTAL TAXES BILLED		
	#	LOT #	ACREAGE	2016	2017	2016	2017	2016	ESTIMATED 2017 ¹	
LOPAT	271 Route 57	100	1	100 acres	\$94,900	\$94,900	\$-	\$-	\$2,735.97	\$2,735.97
LOPAT	2900/1098 US Hwy Rt 22	101	1	combined	\$73,100	\$73,100	\$-	\$-	\$2,107.47	\$2,107.47
PBURG	942 Memorial Parkway	3201	7.031	4.47	\$203,400	\$203,400	\$-	\$-	\$7,936.68	\$7,936.68
PBURG		3201	7.032	24	\$10,900	\$10,900	\$-	\$-	\$425.32	\$425.32
PBURG		3201	7.033	1.55	\$70,500	\$70,500	\$-	\$-	\$2,758.72	\$2,758.72
PBURG		3201	7.01	3.1	\$141,100	\$141,100	\$394,800	\$394,800	\$20,910.82	\$20,910.82
PBURG		3201	7.02	40.49	\$1,275,400	\$1,275,400	\$100	\$100	\$49,770.02	\$49,770.02
PBURG		3201	7.03	58.16	\$2,646,300	\$2,646,300	\$12,353,600	\$5,150,000	\$585,296.10	\$305,614.96
PBURG		3201	7.04	12.85	\$404,800	\$404,800	\$-	\$-	\$15,795.30	\$15,795.30
PBURG		3201	7.05	31.54	\$1,435,100	\$1,435,100	\$202,000	\$202,000	\$63,879.64	\$63,879.64
PBURG		3201	7.06	3.9	\$177,500	\$177,500	\$-	\$-	\$6,926.06	\$6,926.06
PBURG		3201	7.07	7.71	\$350,800	\$350,800	\$-	\$-	\$13,688.22	\$13,688.22
PBURG		3201	7.08	3.31	\$150,600	\$150,600	\$21,000	\$21,000	\$6,695.84	\$6,695.84
PBURG		3201	7.09	7.72	\$351,300	\$351,300	\$1,000	\$1,000	\$13,746.76	\$13,746.76
PBURG		3201	7.10	2.38	\$108,300	\$108,300	\$-	\$-	\$4,225.88	\$4,225.88
PBURG		3201	7.11	2.47	\$112,400	\$112,400	\$-	\$-	\$4,385.86	\$4,385.86
PBURG		3201	7.12	4.89	\$222,500	\$222,500	\$-	\$-	\$8,681.96	\$8,681.96
PBURG		3201	7.13	5.21	\$237,100	\$237,100	\$4,300	\$4,300	\$9,419.44	\$9,419.44
PBURG	Lock St/Gate St Rear	3301	1	57.26	\$2,004,100	\$2,004,100	\$-	\$-	\$78,199.98	\$78,199.98
PBURG	Green St	3301	4	9.62	\$393,900	\$393,900	\$-	\$-	\$15,369.98	\$15,369.98
PBURG	Green St	3301	4.01	6.03	\$274,400	\$274,400	\$-	\$-	\$10,707.10	\$10,707.10
PBURG	651 Green St	3301	5	12.17	\$553,700	\$553,700	\$-	\$-	\$21,605.38	\$21,605.38
PBURG	601 Green St	3301	6	2.52	\$114,700	\$114,700	\$-	\$-	\$4,475.60	\$4,475.60
				401.35	\$11,406,800	\$11,406,800	\$12,976,800	\$5,773,200	\$949,744.10	\$670,062.94

¹ Based on preliminary numbers from the Township for the first two quarters of 2017.

BUILDING 24 - LEASE SUMMARY

LEASE HISTORY:

- A. Landlord (as successor-in-interest to Ingersoll-Rand Company) and Tenant (as successor-in-interest to Flowserve US Inc.) are parties to that certain Agreement of Lease effective as of July 1, 2003, as amended and/or assigned by (i) that certain Partial Assignment and Assumption of Lease dated November 1, 2004 (the "Assignment") and (ii) that certain Confirmation of Partial Assignment and Assumption of Lease and First Amendment to Lease (the "First Amendment") (collectively and as so amended, the "Lease"), pursuant to which Landlord leased to Tenant premises consisting of approximately 201,689 rentable square feet (the "Assigned Premises") in Buildings 7, 8, 15, 17B, 20, 24 and 66 located at 942 Memorial Parkway, Phillipsburg, New Jersey (the "Property").
- B. The Lease was further extended by the Second Amendment to Agreement of Lease dated January 1, 2013 whereby the Landlord and Tenant extended the term on the 176,309 square foot "2012 Premises" to expire on November 30, 2014 and Tenant continued to occupy on a month-to-month basis thru December 31, 2014 under the same terms and conditions.
- C. The Lease was further modified by a Third Amendment to Agreement of Lease dated January 1, 2013 whereby Landlord and Tenant agreed to extend the Term of the Lease for Buildings 24 and 66 (the Additional Premises) for an additional ten (10) years to expire on December 31, 2022.

CURRENT LEASE TERMS:

Square Feet: 25,380 sq. ft. (Buildings 24 and 66)

Term: 10 year term, 1/1/2013 to 12/31/2022

LEASE YEAR	RENT PER RENTABLE SF	ANNUAL RENT	MONTHLY RENT
1/1/2013 - 12/31/2013	\$9.50	\$241,110.00	\$20,092.50
1/1/2014 - 12/31/2014	\$10.75	\$272,835.00	\$22,736.25
1/1/2015 - 12/31/2015	\$12.00	\$304,560.00	\$25,380.00
1/1/2016 - 12/31/2016	\$12.30	\$312,174.00	\$26,014.50
1/1/2017 -12/31/2017	\$12.61	\$320,041.80	\$26,670.15
1/1/2018 -12/31/2018	\$12.92	\$327,909.60	\$27,325.80
1/1/2019 -12/31/2019	\$13.25	\$336,285.00	\$28,023.75
1/1/2020 -12/31/2020	\$13.58	\$344,660.40	\$28,721.70
1/1/2021 -12/31/2021	\$13.92	\$353,289.60	\$29,440.80
1/1/2022-12/31/2022	\$14.26	\$361,918.80	\$30,159.90

ADDITIONAL RENT:

"Tenant's Complex Proportionate Share" shall be (i) 3.3% (calculated by dividing the number of rentable square feet in the Additional Premises (25,380) by the total number of rentable square feet in the Complex (775,213) through and including the Additional Premises Expiration Date.

"Tenant's Tax Contribution" shall mean Tenant's Complex proportionate Share of Taxes assessed against the Property.

Note to additional rent: Most of the buildings have been demolished as of 2/1/2017. Ownership based the Real Estate taxes and CAM on the previous percentage amounts. Utilities are a direct charge.

Options to extend: Tenant has two five year options to extend with 90 days prior notice. Additional rent shall be mutually agreed to by the parties. In any extension the tenant is not entitled to any free rent, rebates, tenant improvements or other concessions.

Ownership negotiations and future use: Curtiss Wright conducts confidential Navy equipment testing in this facility. Ownership will need to incur additional expenses in order to bring electric to the Curtiss Wright building at the current capacity. Ownership discussed a ten year extension which Curtiss Wright ultimately rejected. There have also been discussions to terminate the lease. Curtiss Wright will be using the facility for testing purposes in September of 2017 through first quarter of 2018. Curtiss Wright is evaluating the possibility of relocating the highly specialized facility after that testing period. The parking, square footage and access to the remaining I-78 Logistics Park would be greatly enhanced if Curtiss Wright were to leave the site. Their lease however predates any bankruptcy and they have a binding SNDA in their lease. The tenant and owner are in regular communication regarding their testing time frames and the evaluation of future use of the facility.

AFFILIATED BUSINESS DISCLOSURE AND CONFIDENTIALITY AGREEMENT

CBRE, Inc. operates within a global family of companies with many subsidiaries and/or related entities (each an “Affiliate”) engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates may represent various clients with competing interests in the same transaction. For example, this Memorandum may be received by our Affiliates, including CBRE Investors, Inc. or Trammell Crow Company. Those, or other, Affiliates may express an interest in the property described in this Memorandum (the “Property”) may submit an offer to purchase the Property and may be the successful bidder for the Property. You hereby acknowledge that possibility and agree that neither CBRE, Inc. nor any involved Affiliate will have any obligation to disclose to you the involvement of any Affiliate in the sale or purchase of the Property. In all instances, however, CBRE, Inc. will act in the best interest of the client(s) it represents in the transaction described in this Memorandum and will not act in concert with or otherwise conduct its business in a way that benefits any Affiliate to the detriment of any other offeror or prospective offeror, but rather will conduct its business in a manner consistent with the law and any fiduciary duties owed to the client(s) it represents in the transaction described in this Memorandum.

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the “Owner”), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and CBRE, Inc. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or CBRE, Inc. nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall

arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner’s obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confident nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.



**NATIONAL PARTNERS
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