

TURNPIKE INDUSTRIAL NORTH

HORSHAM, PENNSYLVANIA



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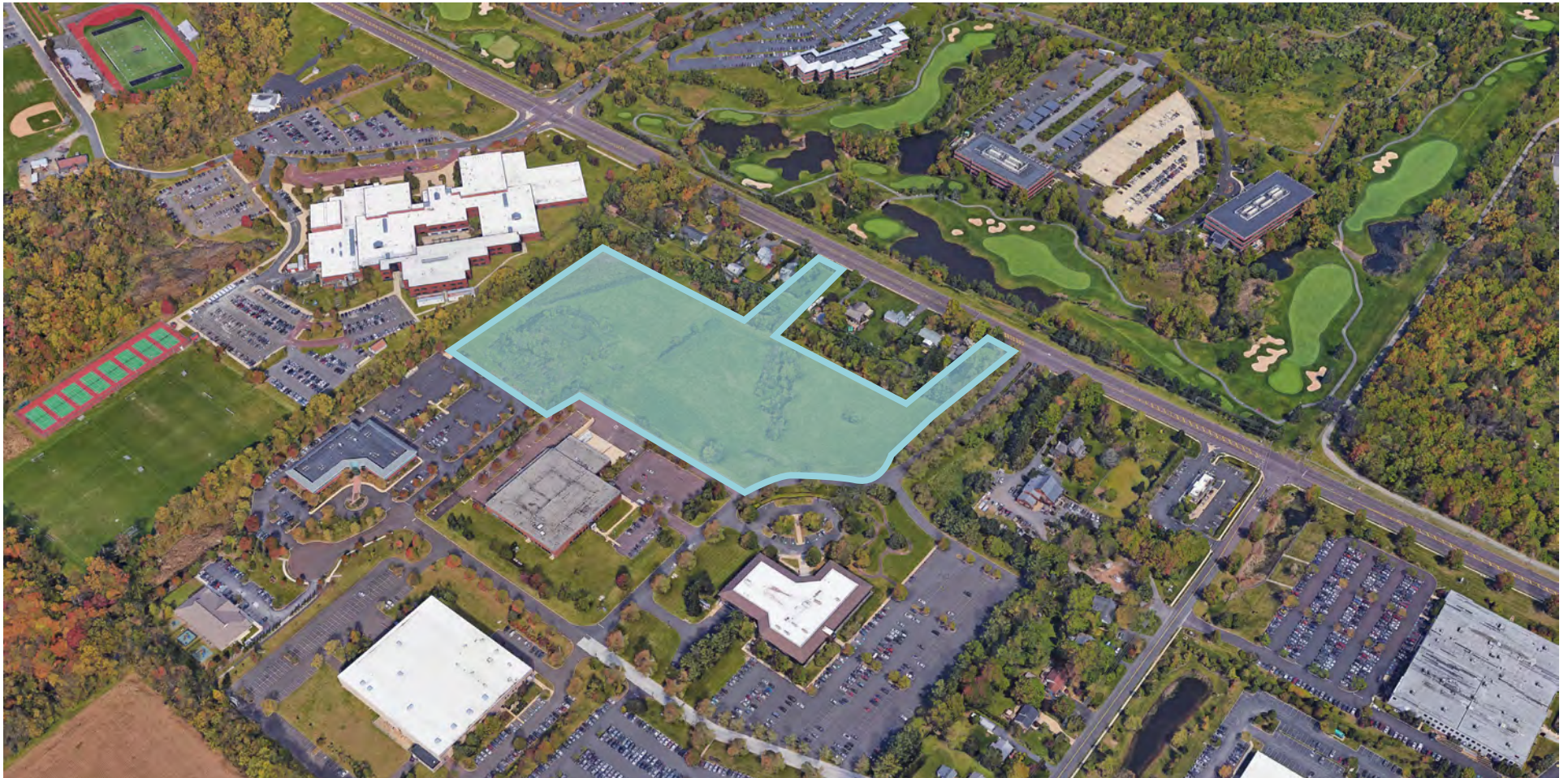
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EXECUTIVE SUMMARY



Cushman and Wakefield has been retained on an exclusive basis by Brandywine Realty Trust (“Owner”) to sell Turnpike Industrial North, a proposed 138,000 square foot building situated on 14.35 acres of industrial zoned land in Horsham, PA. Located within the Southeastern PA Industrial Market, Turnpike Industrial North is within 3 miles of the Pennsylvania Turnpike Willow Grove Interchange and offers strategic access to the surrounding Philadelphia MSA. With increased market demand for functional distribution buildings and an aging inventory, this offering presents the rare opportunity to build on spec and deliver a Class A infill industrial building in the proven Southeastern PA market. We anticipate strong interest in this offering given the surging market fundamentals and limited availability of industrial zoned land sites throughout Suburban Philadelphia, and look forward to discussing the opportunity with you in more detail.

KEY INVESTMENT DRIVERS



RECORD INDUSTRIAL DEMAND IN SOUTHEASTERN PA

- 4.2% vacancy rate at end of 2018
- 1.9 MSF of leases signed in 2018
- 12.9 MSF users in market at end of 2018



MODERN MULTI-TENANT BUILDING DESIGN

- 32' ceiling heights
- Above standard car and trailer parking
- Truck court depths of 130'



LIMITED COMPETITIVE AVAILABILITIES

- No existing Class A availabilities within the entire 81 MSF Southeastern PA market
- Only 4 available buildings under construction totaling 569,620 SF (*90K SF and above)



HIGH BARRIER TO ENTRY MARKET

- Limited supply of industrial zoned land
- One of the last remaining strategically located industrial sites



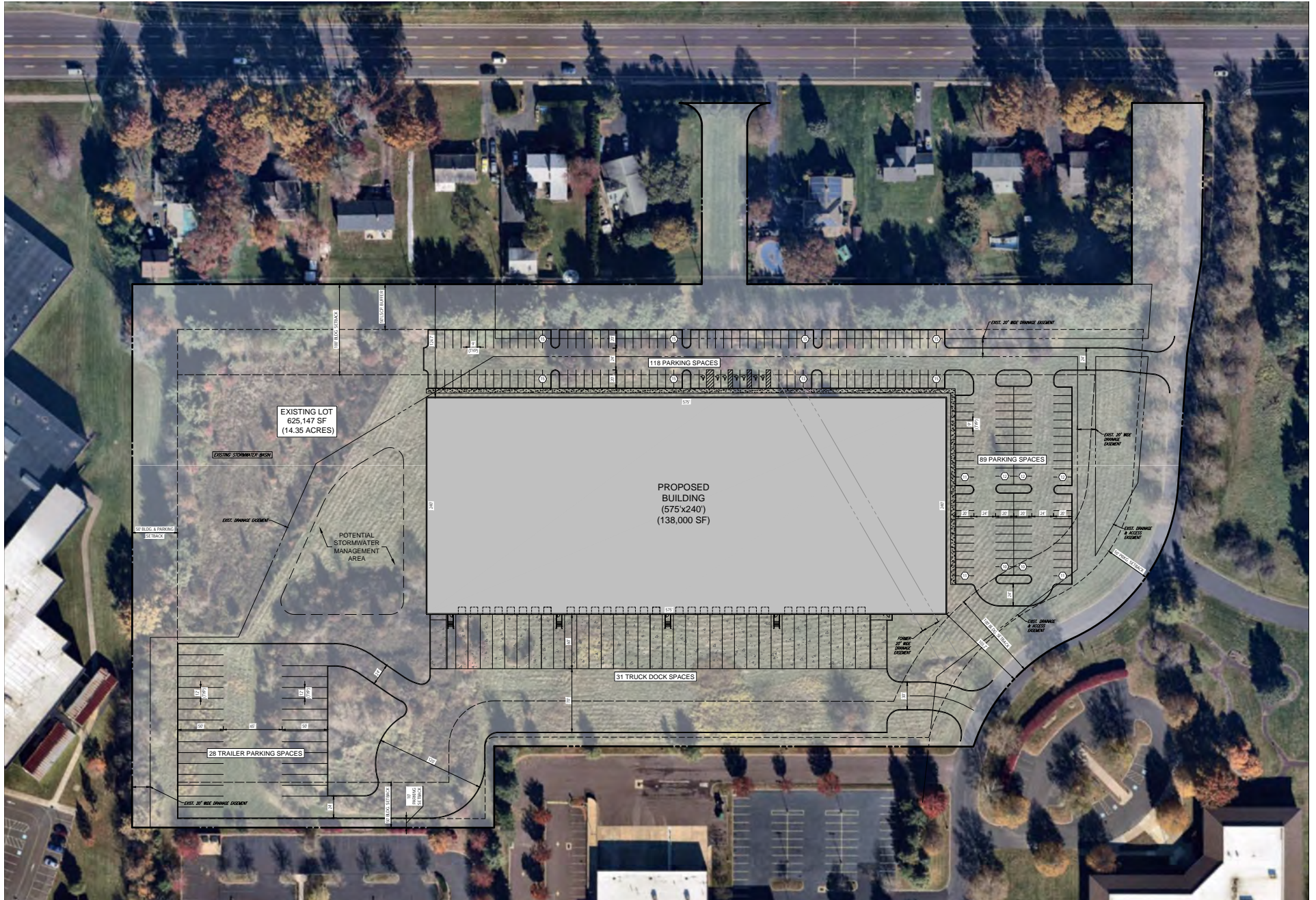
REGIONAL INFRASTRUCTURE IMPROVEMENTS

- I-95 & PA Turnpike Connector - Completed highway work
- PhilaPort - two new super post-Panamax container cranes installed in 2018. 45-foot river dredging to be completed in 2019
- I-476 Widening from Lansdale to Quakertown Interchanges currently under construction

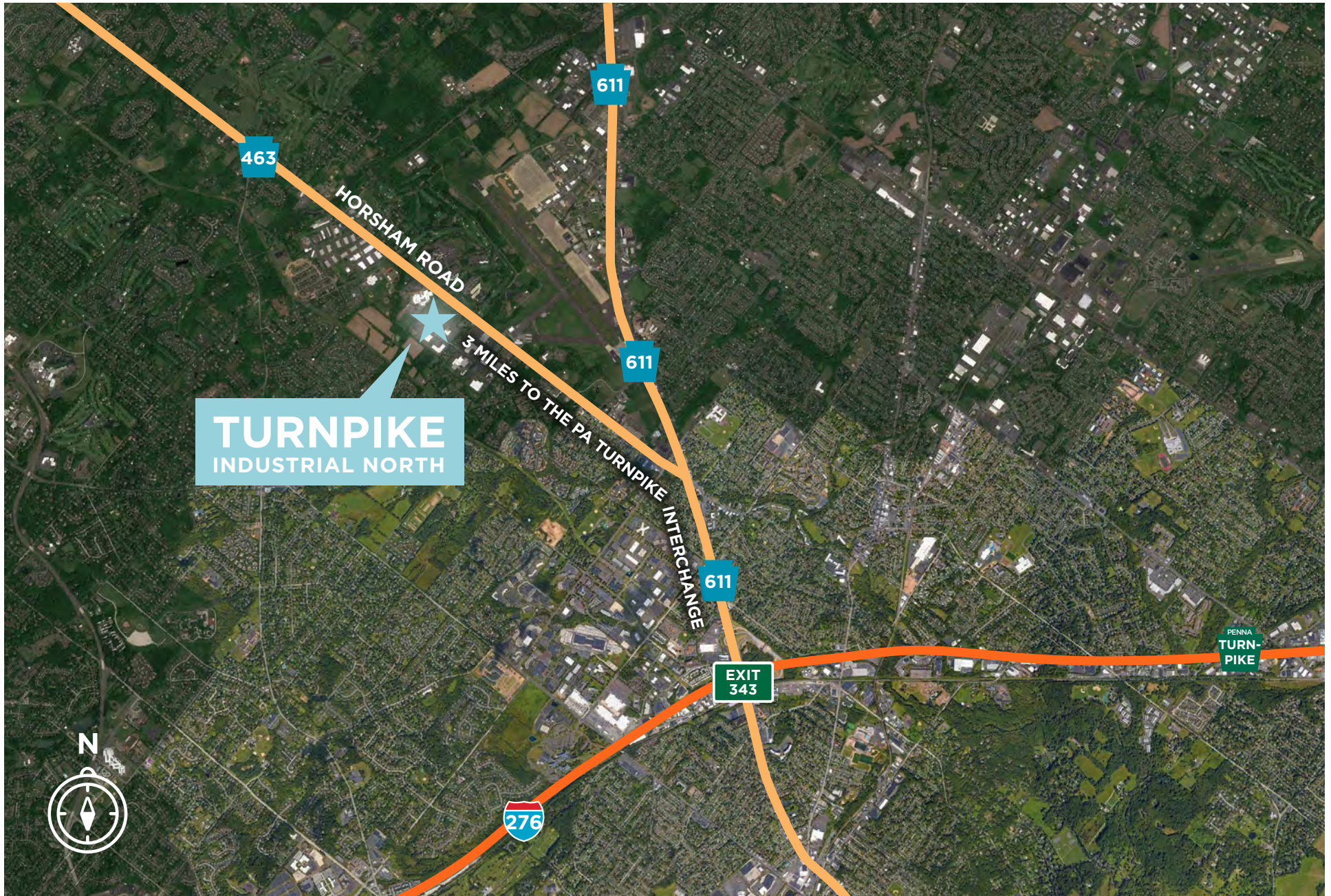


PROPERTY DESCRIPTION

SITE PLAN



LOCAL ACCESS AERIAL

























































AMENITIES MAP





LEGEND

	INTERNAL PROPERTY		EXPENSE ITEM - CLASS 1
	EXPENSE-REVENUE INTERNAL PROPERTY		EXPENSE ITEM - CLASS 2
	EXPENSE INCOME		EXPENSE ITEM - CLASS 3
	EXPENSE		
	REVENUE		
	REVENUE		
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HORSHAM TOWNSHIP
SITUATED IN
HORSHAM TOWNSHIP
TOMERY COUNTY, PENNSYLVANIA
PREPARED FOR
THE TOWNSHIP OF HORSHAM
1025 HORSHAM ROAD
HORSHAM, PENNSYLVANIA 19044

HORSHAM ZONING INFORMATION

§ 230-150

ZONING

§ 230-151

§ 230-151

HORSHAM CODE

§ 230-152

ARTICLE XXIV I-1 Industrial District

§ 230-150. Declaration of legislative intent.

- A. The I-1 Industrial District is hereby established as a district in which regulations are intended to provide for selected, large-scale, nonnuisance industrial type establishments, which require large sites and land areas, as well as to permit and encourage an integrated industrial development of land held in single and separate ownership and/or control as defined in Section 107(a) of the Pennsylvania Municipalities Planning Code.¹⁵
- B. In an integrated industrial development it is intended that the overall tract be designed so that the planning concept known as "lot averaging" shall apply and be fostered to the extent that the smallest permissible lot shall not be applicable to the entire tract (or any part thereof) but shall only be permitted in the ratio to the total tract as herein set forth, when the tract is developed in the overall pattern of lots of varying sizes or areas so that an average minimum lot size shall not be less than six acres.
- C. It is the intent of this legislation to be applied to land so located and designed for integrated development that it will constitute a harmonious and appropriate part of the physical land development of the Township, thereby contributing to the economic base of the Township; to encourage construction of structures on the land for continued use of land for industrial and related purposes; to prohibit any use which would interfere with the development, continuation, or expansion of the integrated industrial use in any such district; to establish reasonable standards for buildings and structures, areas and dimensions of yards (i.e., setback requirements) and use of other open spaces; for the provision of facilities and the operation of industry to prevent air pollution, noise, glare, heat, vibration, fire and ensure the public safety of those employed in such districts as well as the general health, safety, and welfare of the Township.

§ 230-151. Use regulations.

A building or group of buildings may be erected or used, and a lot may be used or occupied for any of the following purposes, and no other:

- A. The processing, compounding, treatment, packaging, and manufacturing of clothes, cosmetics, soft drinks, electronics, electrical appliances and equipment; tools and hardware, jewelry, watches; musical, professional and scientific instruments; metal working and treatment, such as stamping, extrusion, heating, plating, rustproofing and similar uses; processing of food excluding meat and fish; textiles, excluding bleaching.

- B. Laundry, dry-cleaning or dyeing plant.
- C. Laboratory, research, experimental and testing.
- D. Printing, publishing, lithographing and similar processes.
- E. Office buildings as permitted in Article XXVIII, § 230-169.
- F. Wholesale, warehouse, storage or distribution center, provided that satisfactory provisions are made to prevent traffic congestion and hazard, and that all loading and unloading operations be carried on within the lines of any building used for such purposes.
- G. Accessory use on the same lot and customarily incidental to any of the above permitted uses not detrimental to the neighborhood, which may include:
 - (1) Storage within a completely enclosed building in conjunction with a permitted use.
 - (2) A cafeteria or other service facility located within the building and operated for the exclusive use of occupants of the building.
- H. The following indoor recreational uses: badminton, basketball, gymnastics, handball, squash and tennis; provided that any building proposed to house any of such uses shall be constructed in such a manner that will permit it to be readily converted to at least one of the industrial uses permitted in this section if the recreational use of the building should be discontinued; and provided further that any such building shall have a waiting or spectator area which will comfortably accommodate no more than two times the maximum number of participants in any such recreational facilities on the premises, if they are being used to full capacity.
- I. The following uses when authorized by a special exception by the Zoning Hearing Board:
 - (1) Restaurant.
 - (2) Banks.
 - (3) Hotel-motel.
 - (4) Day-care centers.
- J. Municipal building. **[Added 12-23-2002 by Ord. No. 1153]**

§ 230-152. Area and height regulations.

- A. Lot area and width.
 - (1) Individual lot development. Every lot developed individually on which a building or combination of buildings is hereafter erected

¹⁵ Editor's Note: See 53 P.S. § 10107(a).

HORSHAM ZONING INFORMATION

§ 230-152

ZONING

§ 230-152

or used shall have a lot area of not less than 25 acres and such a lot shall be not less than 750 feet in width at the building line.

(2) Integrated industrial tract development. The development of an integrated industrial tract shall meet the following conditions:

- (a) The total tract area shall be at least 50 acres.
- (b) No individual lot may have an area less than two acres or a width less than 200 feet at the building line.
- (c) Not more than 15% of the total tract area, exclusive of street rights-of-way, may be utilized for lots less than four acres.
- (d) Not more than 40% of the total tract area, exclusive of street rights-of-way, may be utilized for lots less than six acres.
- (e) The average lot, exclusive of street rights-of-way, shall be not less than six acres.

B. Building and lot coverage. **[Amended 9-16-1998 by Ord. No. 1147]**

(1) For lots developed individually, not more than 40% of the developable area of any lot may be occupied by buildings, and a total of not more than 65% of the developable area of any lot may be occupied by buildings, parking areas, unloading areas and access roads.

(2) In an integrated industrial development.

- (a) The building coverage of primary and accessory buildings and/or structures, excluding basement area, shall not exceed 40% of the developable area of each lot area regardless of size.
- (b) Primary and accessory use buildings and/or structures, parking area, unloading areas and access roads shall not occupy more than 65% of the developable area of each lot area.

C. Building placement.

(1) On lots developed individually no building shall be located less than 200 feet from a street right-of-way line, nor less than 150 feet from a side or rear property line, and no parking, loading or service area shall be located less than 100 feet from a street or 10 feet from any other property line.

(2) In an integrated industrial development no building shall be located less than 150 feet from a residential zone nor less than 100 feet from a street right-of-way line, nor less than 50 feet from any other property line. No parking, loading, or service area shall be located less than 100 feet from any other property line. However, the use of a common driveway along property lines will be permitted.

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§ 230-152

HORSHAM CODE

§ 230-153

D. Height regulations. All buildings shall comply with the regulations as contained in Article V, Performance Standards.

§ 230-153. Special regulations.

A. In all integrated industrial developments a written "lot average agreement" shall be submitted to and approved by the Township Council prior to any approval by the Township of any development site plans as a condition precedent to the issuance of any building permit(s).

B. In addition to the requirements of this article, the plan for development shall comply with the applicable regulations contained in Article IV, General Provisions, and Article V, Performance Standards.

C. All parking areas, with the exception of visitor parking for no more than 12 cars, shall be located in the rear and/or side yard of the principal building.

D. Corner lots which adjoin both an interior and perimeter road shall have driveway connections only to the interior road. The points of vehicular egress or ingress shall not be closer than 300 feet from any intersection or roadways.

E. Buffering. There shall be a buffer area of at least 50 feet along all property lines which abut residentially zoned districts, which shall be planted and landscaped in accordance with the requirements for a screen buffer as provided in § 230-31A of this chapter.

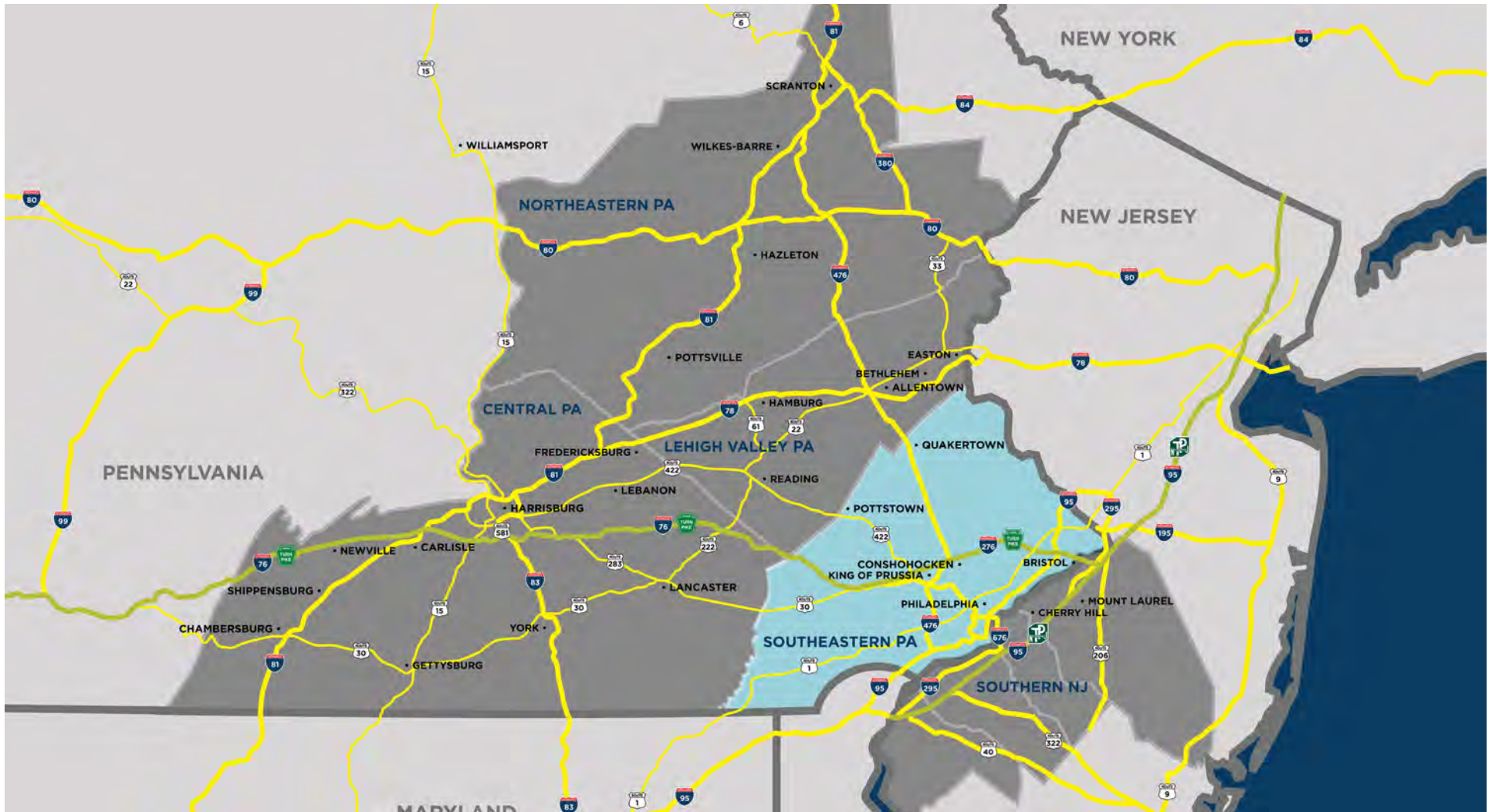
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MARKET OVERVIEW

REGIONAL MAP & OVERVIEW

	SOUTHEASTERN PA	SOUTHERN NJ	LEHIGH VALLEY PA	CENTRAL PA	NORTHEASTERN PA
# of Buildings	389	273	224	374	172
Inventory	81,510,885	66,047,725	85,720,715	136,883,538	62,597,370
Vacancy Rates	4.2%	4.6%	8.1%	6.2%	4.9%



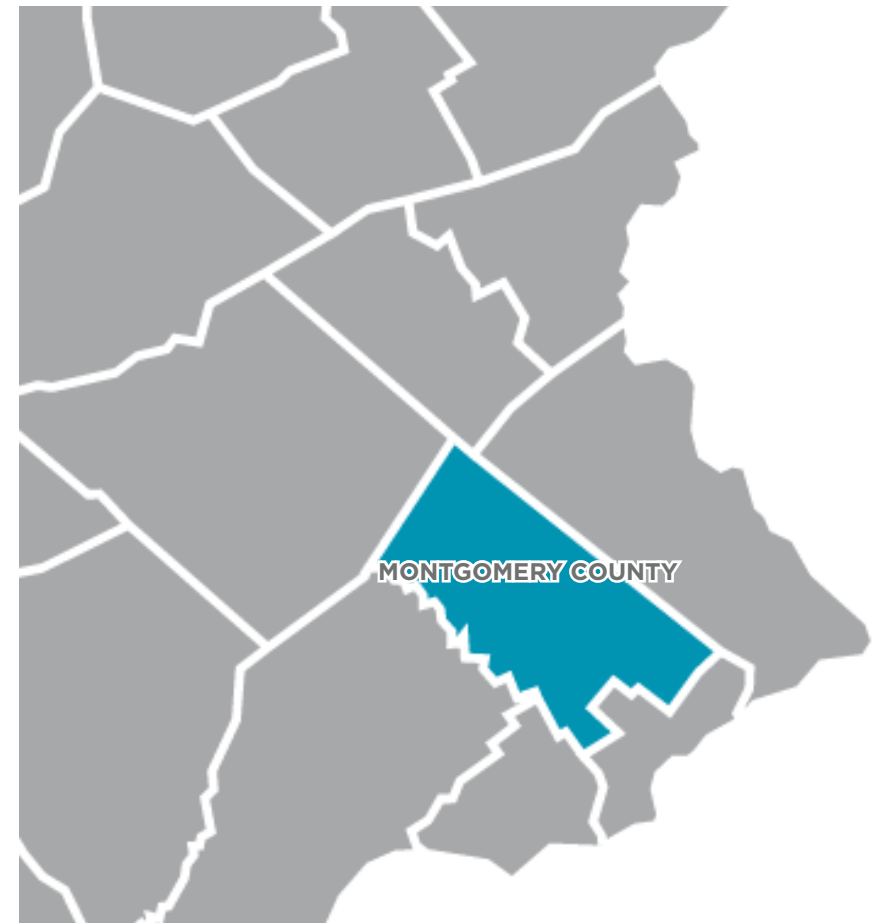
SOUTHEASTERN PA SUMMARY

The Philadelphia MSA is the eighth largest US metropolitan area and provides access to 115 million people or 35% of the total United States population within a one-day truck drive. The Southeastern Pennsylvania industrial market is comprised of Philadelphia and the four surrounding suburban counties, including Bucks, Montgomery, Chester and Delaware County. The region's major highway transportation network includes I-95, I-276 (PA Turnpike), I-476, and Route 422.

The Southeastern Pennsylvania market continues to benefit from ongoing infrastructure investments and improvements. 2018 saw the construction of the PA Turnpike/I-95 Interchange come to a completion. The new interchange connects I-95 Northbound to I-276 Eastbound, and I-276 Westbound to I-95 Southbound. On a macro level, the result is an unbroken I-95 running from Maine through Florida. Locally, the Southeastern Pennsylvania market now experiences enhanced connectivity to the NJ Turnpike and the New York City population. Further road improvements underway include the widening of the PA Turnpike Northeast Extension between the Lansdale and Quakertown Interchanges, creating more seamless connectivity between Southeastern PA and the Lehigh Valley. The Port of Philadelphia continued to upgrade its operations with the acquisition of two new super post-Panamax container cranes in 2018 and 2019 looks to be an even more momentous year with the 45-foot depth river dredging project on pace to be completed by mid-year. Improved highway infrastructure and increased cargo capacity through the PhilaPort will only further benefit the thriving Southeastern Pennsylvania industrial market.

The Southeastern Pennsylvania industrial market continued its strong momentum in the 4th quarter of 2018. The 81.5 msf market currently has a vacancy rate of 4.2%. Cushman & Wakefield tracked 12.9 MSF of active users in the market at year end 2018. Historically, development has been slow to react to this pent-up demand and the lack of speculative construction in recent years has resulted in near historic low vacancy and an ever decreasing supply of functional bulk product for users to choose from. The strong fundamentals are leading to a growing but still small development pipeline given the high barriers to entry throughout Suburban Philadelphia. With the combination of macro trends pushing users closer to the population center, and an increase in Class A deliveries, the Southeastern Pennsylvania industrial market projects to experience an increase in leasing activity and net absorption in 2019.

	TOTAL BLDGS	INVENTORY	YTD LEASING	OVERALL VACANCY	UNDER CONSTRUCTION	CONSTRUCTION COMPLETIONS (YTD)
Montgomery County	72	16,766,933	470,095	5.90%	240,000	0
SEPA TOTAL	389	81,510,885	1,907,563	4.20%	1,119,620	0



RIGHT SIZE, RIGHT TIME, RIGHT PLACE



GROWING TENANT DEMAND

- 12.9 MSF of users in the market at year end 2018.
- 51% of active requirements are targeting 100,000 - 200,000 SF.



AGING INVENTORY

- SEPA includes 81 MSF inventory with average building age of 42 years old.
- Montgomery County includes 16 MSF inventory with average building age of 41 years old.



LIMITED COMPETITION

- No existing Class A availabilities currently available throughout the entire 81 MSF market.
- 7 buildings currently under construction totaling 1.1 MSF at year end 2018 with avg. building size of 160,000 SF.
- Approximately 50% of construction activity preleased or accounted for at year end 2018.



HIGH BARRIERS TO ENTRY

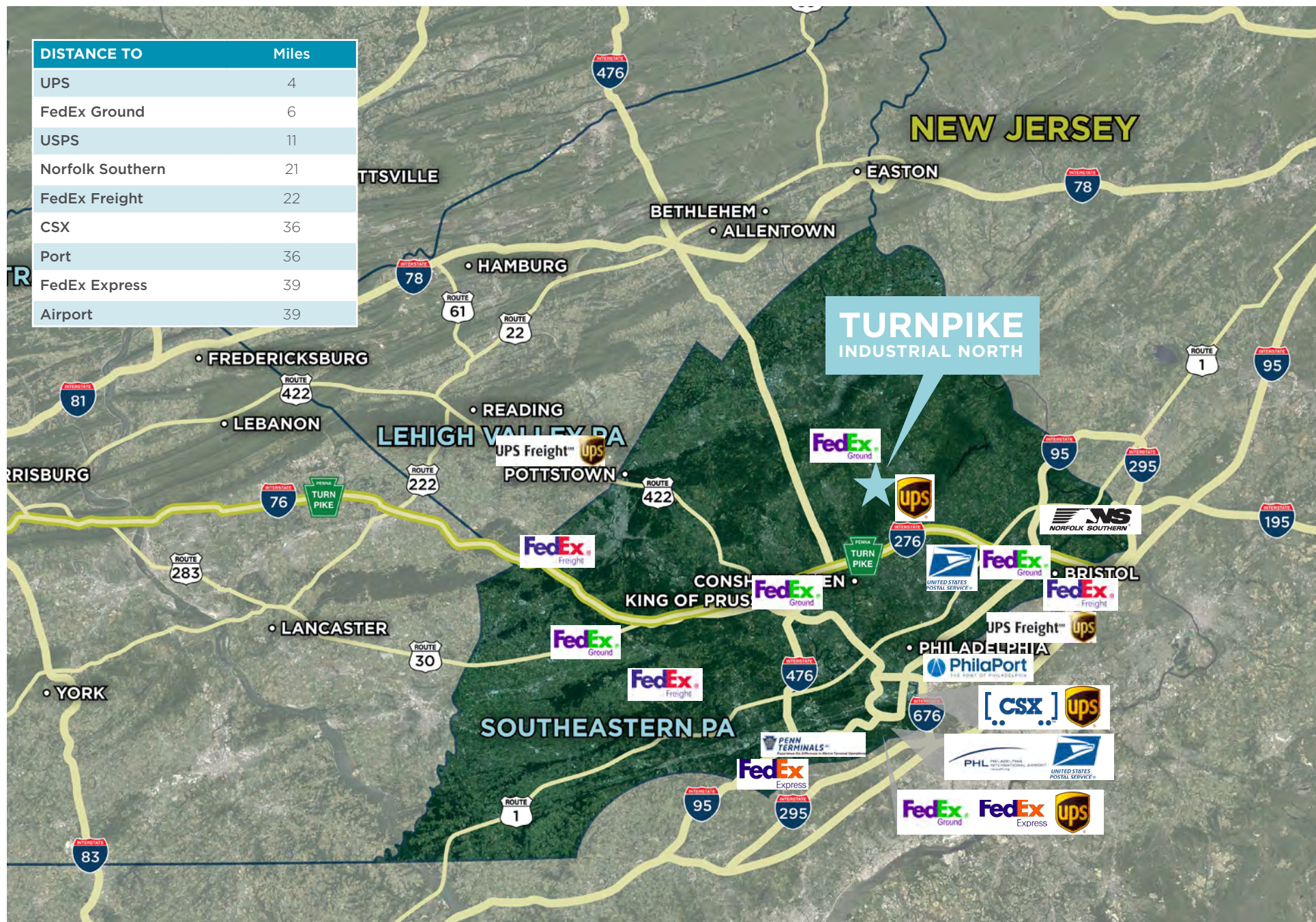
- Limited industrial land opportunity throughout the entire 5 county region.
- Only 4 construction completions past 36 months totaling 1% of current inventory.

CURRENT AVAILABILITIES

90,000+ SF (24' CLEAR HEIGHT MINIMUM)

ADDRESS	CITY	COUNTY	AVAILABLE SF	OWNER	TOTAL BLDG. SF	YEAR BUILT
4581 Lower Valley Road	Atglen	Chester	398,500	J.D. Eckman	398,500	1982/1997
2400 South Weccacoe Avenue	Philadelphia	Philadelphia	283,500	Rimas Properties	283,500	1978
3025 Meetinghouse Road	Philadelphia	Philadelphia	207,500	Ridge / AEW	207,500	Under Construction
1001 Industrial Highway	Eddystone	Delaware	178,000	Foxfield Industrial	300,000	1974
120 West Pumping Station Road	Quakertown	Bucks	145,800	Cabot Properties / MRP	145,800	Under Construction
2525 Monroe Boulevard	Norristown	Montgomery	145,000	Audubon Land Development	352,446	1970
36 Anderson Avenue	Parker Ford	Chester	143,092	Audubon Land Development	143,092	1998
11501 Roosevelt Boulevard	Philadelphia	Philadelphia	121,875	NorthPoint Development	121,875	1969
110 West Pumping Station Road	Quakertown	Bucks	114,400	Cabot Properties / MRP	114,400	Under Construction
1100 Ridge Road	Perkasie	Bucks	100,000	Rob Brink	100,000	Under Construction
2707 State Road	Croyden	Bucks	90,000	Northam Platinum	301,300	1965

REGIONAL INFRASTRUCTURE MAP



REGIONAL INFRASTRUCTURE IMPROVEMENTS



Two super post-Panamax cranes purchased in 2018 allow PhilaPort to accommodate newest generation of Ultra Large Container Vessels.



The forthcoming completion of the Delaware River Deepening Project will provide a full 45-foot shipping channel through Philadelphia, allowing vessels as large as 14,500 TEUs — among the largest in the world — to traverse into the Port.



135 acres purchased for expansion of Philadelphia International Airport air cargo facilities.



I-95 / PA Turnpike Interchange construction completed Summer 2018 creating direct connectivity from Florida to Maine.



PA Turnpike Commission launched a 7 mile reconstruction and highway widening project along I-476 from the Lansdale Interchange to Quakertown.



CONSTRUCTION BUDGET

Keith Valley Business Park - Lot 2
Horsham, PA

February 28, 2019



Keith Valley Business Park - Lot 2
Horsham, PA

February 28, 2019



PRELIMINARY PROJECT SPECIFICATIONS

DESIGN:

1. The building will be designed in accordance with the latest adopted version of applicable codes as follows:
 - a. International Building Code
 - b. International Energy Conservation Code
 - c. International Fire Code
 - d. International Mechanical Code
 - e. International Plumbing Code
 - f. National Electric Code
 - g. Americans with Disabilities Act
 - h. Occupational Safety and Health Administration (OSHA)
 - i. Local seismic code

DESIGN SERVICES:

1. The following design-build services are included:
 - a. Architectural
 - b. Structural
 - c. Tilt-up wall panels
 - d. Mechanical (Plumbing, HVAC, and Fire Protection)
 - e. Electrical

PERMITS / INSPECTION FEES:

1. The securing of the following permits and associated costs are included:
 - a. Horsham, PA Building Permit (allowance – \$74,567)
 - b. Plumbing
 - c. Fire Protection
 - d. Electrical
 - e. Certificate of Occupancy

GENERAL REQUIREMENTS:

1. The following general requirements required during construction are included:
 - a. Administrative staff
 - b. On-site supervisory staff
 - c. Job site trailer
 - d. Temporary water, telephone, and electric
 - e. Trash and debris removal and required dumpsters
 - f. OSHA safety requirements
 - g. Daily construction clean-up and related dumpsters
 - h. Final cleaning of office area
 - i. Construction Surveying (building corners and column lines only)

PRELIMINARY PROJECT SPECIFICATIONS

SITework:

1. Sitework is included as an Allowance (\$2,361,699) to provide the following:
 - a. Soil erosion and sedimentation control, including construction entrance, silt fence, inlet protection, temporary storm water management requirements, and temporary seeding.
 - b. Clearing and grubbing.
 - c. Stripping and stockpiling of topsoil, stabilization of stockpile, and respreading / fine grading of topsoil in lawn and landscaped areas. It is assumed that excess topsoil can be utilized onsite in berms.
 - d. Earthwork, including cut and fill, excavation, grading and compaction, will be provided for all footing, slab, and paved areas. It is assumed that on-site materials can be used for fills and the site is balanced (no import or export of materials).
 - e. Storm water drainage systems, inlet and outflow structures, detention basin, swales, piping, rainwater conductors, rain water collection with boots and piping.
 - f. Water service will be obtained from nearest municipal supply. Fire protection will include a fire main with laterals (sizes to be determined) to serve the fire protection risers. A 3" domestic water service will be provided. Metering and backflow prevention will be accomplished in a meter pit or pump room as required. On-site fire and domestic water lines are included as C900 PVC.
 - g. Sanitary sewer will be brought to the building, including manholes & piping, from nearest municipal location.
 - h. Car and truck paving as follows:
 - i. Heavy duty paving is included per the drawings for all truck courts, trailer parking areas, and driveways as indicated.
 - ii. Light duty paving is included per the drawings for all car parking areas as indicated.
 - i. Site concrete as follows:
 - i. Concrete curb and 5'-0" wide concrete sidewalk will be installed as shown and consist of 4" thick 3,000 psi concrete with 6x6 w2.9 x w2.9 wwf over a 5" thick 2A stone base. Sidewalks will receive a broom finish.
 - ii. 60'-0" wide concrete aprons will be installed adjacent to the building at the loading dock areas and consist of 8" thick 4,000 psi air-entrained concrete with 6"x6" w2.9x w2.9 wwr (grade 80) reinforcing over a 6" thick 2A aggregate base.
 - j. Pavement markings and standard site directional signage.

LANDSCAPING (Included in site allowance):

1. Landscaping Allowance to include fine grading, seeding, plant material, and mulching.

Keith Valley Business Park - Lot 2
Horsham, PA

February 28, 2019

Blue Rock

Keith Valley Business Park - Lot 2
Horsham, PA

February 28, 2019

Blue Rock

PRELIMINARY PROJECT SPECIFICATIONS

BUILDING DIMENSIONS

Length:	575' L
Width:	240' W
Area:	138,000 S.F.
Clear Height:	32' Clear height at 6" off of first column line from loading dock wall.
Bays Along Length:	(11) Bays @ 50' -0" + (1) @ 25'
Bays Along Width:	(3) Bays @ 50' -0" + (1) @ 60' + (1) @ 30'
Loading Docks:	SINGLE loaded building. (31) positions possible. (15) positions built out (1 per 10,000 s.f.).

FOOTINGS AND FOUNDATIONS

- Concrete foundations will be designed based on a soil bearing pressure greater than or equal to 3,000 psf.
- Concrete compressive strength will be 3,000 psi at 28 days.
- Perimeter footings will be 2' wide x 2.5' deep continuous footings.
- Interior column footings will be 7' wide x 7' long 2' deep footings.
- Rigid insulation board will be provided at the perimeter foundation walls.
- It is assumed that the onsite materials are suitable for use as structural fill.
Undercutting/removal/replacement of existing material or stone at footing bearing is excluded.
- No provisions for winter concrete operations are included.
- All footings will be earthen formed and trench poured.

SLAB ON GRADE

- All concrete slabs on grade will be designed and installed in accordance with ACI requirements, specifically ACI 302.1R-04 "Guide for Concrete Floor and Slab Construction" and ACI 360-R-06 "Design of Slabs on Grade". Slab on grade design shall be provided by Owner Structural Engineer.
- The warehouse areas will consist of a 7" thick concrete slab on grade over a 4" thick DGA base and will be designed as follows:
 - The mix will be designed to produce 4,000 psi concrete strength at 28 days.
 - Construction joints will be installed with a Diamond Dowel System as provided by PNA Construction Technologies or equal. Plates shall be 3/8" x 4.5" square, spaced 18" on center and no closer than 6" to any intersecting joint installed in accordance with manufacturer's recommendations.
 - Control joints within the speed bays will be installed with a PD3 Basket Assembly dowel basket system as manufactured by PNA Construction Technologies or equal. Plates shall be 3/8" x 2" x 12", spaced 27"
 - Average floor flatness rating will be FF50/FL35, with a minimum local rating of FF40/FL25.
 - A liquid concrete hardener will be applied (Ashford Formula or equivalent) on all warehouse area floors as close to building occupancy as possible to allow for adequate curing time for the concrete and proper sealer penetration.
 - A 15 mil vapor barrier shall be included beneath the office areas, approximately 6,900 s.f.
- (2) drive-in ramps with steel guardrails are included.
- No provisions for winter concrete operations are included.

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PRELIMINARY PROJECT SPECIFICATIONS

PRECAST WALL PANELS

- 65,683 s.f. of 9.25 thick, full height, insulated, load bearing, precast concrete wall panels with reinforcing will be utilized for the exterior walls (Fabcon Versacore+Green).
- Panels shall extend from the top of the perimeter footings to the roof line or parapet (if applicable).
- (16) knock-out panels for future loading dock positions are included.
- Interior of wall panels shall receive a broom finish.

TILT-UP WALL PANELS

- 65,683 s.f. of 9.25 inch thick, full height, uninsulated, load bearing, tilt-up concrete wall panels with reinforcing will be utilized for the exterior walls.
- Panels shall extend from the top of the perimeter footings to the roof line.
- (16) knock-out panels for future loading dock positions are included.
- Interior of wall panels shall receive a smooth trowel finish.
- A light duty rigid insulation board with a minimum R-value of 9.8 will be mechanically fastened to the interior surface of the tilt-up walls from 12' a.f.f. along dock walls to underside of roof deck and from 12' a.f.f. along the short walls to underside of roof deck.
- Insulation shall have a 1.25 mil white embossed aluminum face on the side exposed to the warehouse and a 1.0 mil plain aluminum face on the concealed side. Panel joints will be taped with a 2.0 mil 3" wide white aluminum tape. Bottom of the insulation will be enclosed with a white PVC closure channel. Insulation shall be Dow Thermax or equal.

STRUCTURAL STEEL

- Each building will be designed as a SINGLE-slope roof with the low eaves running along the dock wall. All roofs will pitch 0.25":1'-0".
- All structural steel, joists, and joist girders will be factory-primed grey.
- Roof deck will be 22-gauge, 1-1/2" deep, factory-primed white underside.
- Bracing for the structure will be accomplished with modified K-style bracing with the bottom of the bracing members no lower than 14' a.f.f.
- Angle framing will be provided for all roof openings for roof-mounted warehouse heating and ventilation units as applicable. A total of (4) are included.

MISCELLANEOUS METALS

- 6" steel pipe bollards will be provided at exterior stairs (2 each), sprinkler risers (1 each), and electrical panels (2 each). A total of (40) bollards are included.
- (6) open grate exterior steel steps are included along the perimeter walls spaced at +/- 100' o.c. ADA compliant handrails are included. Steps and handrail to be galvanized.
- (1) roof ladder with safety cage and access hatch will be installed.
- Embeds for tilt-up concrete wall panels are included
- A \$15,000 allowance per tenant entry is included for miscellaneous metal framing at canopies.

5 of 10

Keith Valley Business Park - Lot 2
Horsham, PA

February 28, 2019

Blue Rock

PRELIMINARY PROJECT SPECIFICATIONS

ROOFING SYSTEM

1. A single-ply, fully adhered 60-mil black EPDM roofing system will be installed per manufacturer's specifications.
2. The system manufacturer will be Carlisle, Firestone, or approved equal.
3. The roof will drain to gutters and downspouts.
4. Polyisocyanurate insulation with an R-Value of 30, will be mechanically fastened over the deck. Insulation will be installed in (2) layers with staggered joints.
5. A manufacturer's 20-year, full replacement value roof guarantee is included.
6. (1) 48"x48" roof hatch is included.
7. A \$30,000 allowance per tenant entry is included for decorative canopies.

JOINT SEALANTS:

1. All exterior and interior concrete panel joints and perimeter of all door, louver, and window openings will be sealed with two-part polyurethane sealant or equal. Color to be determined. Backing rods to be provided where required.
2. Filling of the slab on grade control and construction joints is not included.

EXTERIOR METAL DOORS AND FRAMES

1. (21) hollow metal doors will be used in exterior walls of the warehouse areas. Typical doors will be 1-3/4" thick insulated, flush, seamless, 16 ga. steel, reinforced at edges, bonderized and primed. Door size to be 3'-0" x 7'-0" typical.
2. Hollow metal frames shall be 16 gauge, cold-rolled steel, bonderized and primed.
3. Doors shall receive commercial hardware and latching devices in accordance with life safety requirements. Hardware to include emergency / panic hardware, heavy-duty closers, sills, and weather stripping. Hardware finish to be brushed aluminum or equal.

OVERHEAD DOORS

1. (15) 9'-0" wide x 10'-0" high manually operated doors will be provided at the loading dock areas.
2. (2) 12'-0" wide x 14'-0" high electric operated door will be provided at the drive-in ramp locations.
3. Doors shall be foam core insulated with 24 gauge metal front face and 24 gauge interior metal backing.
4. Doors to be manufactured by Haas, Raynor, Overhead Door, Clopay, Windsor, or equal.
5. All doors will have steel zee guard track protection, one vision panel, 3" full vertical lift track, 25,000 cycle springs and tracks, and locking mechanisms.

GLASS AND GLAZING

1. An aluminum storefront system with clear anodized aluminum finish will be installed at the (2) office entrances as follows:

Storefront:	1,000	s.f.
Curtain Wall:	-	s.f.
Aluminum Windows:	16	ea. 5'x5' windows
Storefront Doors:	4	ea.
2. All exterior glazing to be 1" thick, double-pane insulated, low "E", in manufacturer's standard colors.
3. No clerestory windows are included.

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Horsham, PA

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Blue Rock

PRELIMINARY PROJECT SPECIFICATIONS

MECHANICAL / ELECTRICAL ROOMS

1. A 20' x 15' pump/mechanical room and 25' x 15' electrical room will be installed in each building. Walls will utilize 8" CMU to 10' a.f.f. with 6" metal studs and (1) layer of 5/8" GWB each side from 10' a.f.f. to the roof deck. GWB will receive a level 4 finish and will be painted on both sides of the wall. Electric and pump rooms will each contain one 6070 hollow metal door and frame accessed from the exterior of the building.

DEMISING WALLS

1. No demising walls are included.

PAINTING

1. Paint exposed miscellaneous metal fabrications, including handrails and bollards.
2. Paint the exterior of the tilt-up walls, including power washing, with two coats of textured paint utilizing a 3-color scheme.
3. Paint the exterior metal doors and frames in the warehouse area.
4. Paint the CMU / GWB partitions for the electrical and pump room.
5. Paint interior walls to bottom of insulation at 12' a.f.f.
6. Interior columns will be painted.
7. Interior steel structure and deck will not be painted.
8. An interior "rat run" strip is not included.
9. No epoxy flooring is included.

OFFICE ALLOWANCES

1. An allowance of \$586,500 is included for a 6,900 s.f. main office (\$85/s.f.), inclusive of all items necessary

FIRE EXTINGUISHERS

1. (14) 10 lb column mounted fire extinguishers are included at a rate of 1 / 10,000 s.f. of building area.

LOADING DOCK EQUIPMENT

1. Loading dock equipment will be installed as follows:

Levelers:	15 positions
Truck Restraints:	Excluded
Wheel Chocks:	Excluded
Dock Seals:	15 positions
Dock Lights:	Excluded
2. Loading dock levelers are included as 35,000 lb, 7'x8' Blue Giant Mechanical U-series or equal with a 16"
3. Dock seals are included as 40 oz. black vinyl dock seal with wear pleats (Blue Giant Head Curtain Dock Seal or equal).

FIRE PROTECTION SYSTEMS

1. The entire building will be sprinklered with wet-pipe systems. All areas will utilize ESFR systems.
2. The ESFR system will be hydraulically designed to provide code required pressure to the twelve (12) most remote heads (K-17/22 heads), spaced at 100 sq. ft. maximum on center.
3. A Diesel fire pump is included to provide the necessary working pressure.

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PRELIMINARY PROJECT SPECIFICATIONS

4. One fire department connection will be provided outside of the fall zone of the building in location as approved by the fire department.
5. All piping, valves, sprinklers, fire extinguishers, and accessories will be in accordance with NFPA 10 and
6. All shut-off valves will have tamper switches for wiring to the fire alarm panel.
7. Sprinklers located in unfinished areas or areas without ceilings shall be rough brass.
8. Adequate municipal water supply is assumed, therefore fire water tanks and pumphouses are excluded.

PLUMBING SYSTEMS

1. A 3" cold water piping system will be installed in a 'U' pattern to provide water to all four corners of the building.
2. (2) non-freeze hose bibs have been included.
3. A complete sanitary waste and vent system will be provided including a 6 inch underground main on the interior of the building configured in a 'H' configuration to serve all four corners of the building.
4. (2) floor drains are included.
5. Interior roof drains are excluded. Storm drainage from the roof will be handled via gutters and downspouts.
6. Scrubber dumps are not included.

HVAC SYSTEMS

1. The warehouse areas will utilize roof-mounted, gas-fired, Cambridge heating units including thermostats and all control wiring. Units will be staggered to provide complete coverage for the building.
2. The system will be designed to maintain 50 degree interior temperature at 0 degree exterior temperature (no heat loads associated with product brought in to these areas are included).
3. Warehouse ventilation is included at 1 air change per hour.
4. Exhaust fans / intake louvers and electric unit heaters are included for the electric and pump rooms.
5. Furnish a complete gas piping system of schedule 40 black pipe to all HVAC equipment per gas company requirements and local code to a meter by the local utility company. A 2 lb pressure is assumed to be provided to the building by the gas company.
6. Battery charging ventilation is not included.
7. High volume, low velocity fans are not included.

ELECTRICAL SYSTEMS

1. Furnish and install a complete and operational electrical system. All work shall be in accordance with the National Electrical Code and applicable local codes.
2. Provide all disconnect switches and final connections to all electrical equipment on the project.
3. The electrical system shall include the following general items:
 - a. Coordination with the public utilities for electrical and telephone services. All work shall be in accordance with the applicable requirements of the respective utility.
 - b. Excavation, backfill and compaction for all conduits and equipment installed below grade.
 - c. All service entrance equipment, switchboard, distribution feeders, and panelboards as required for a complete and operating system.
 - d. Grounding system in accordance with the National Electrical Code.
 - e. Power and lighting branch circuits.

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PRELIMINARY PROJECT SPECIFICATIONS

- f. Branch circuits and feeders to equipment by other trades.
- g. Raceways, fitting, cables, and wires.
- h. Lighting fixtures.
- i. Test and startup of all equipment. This shall include the verification of proper motor rotation. Adjust all phase rotations as necessary for the proper operation of all equipment.
- j. Temporary power and lighting for construction. Coordinate temporary service location with the utility company and the Owner.
- k. Emergency and exit lighting in accordance with Code.
- l. Exterior building lighting.
4. Utility Services
 - a. Tele / data to the building will be via a minimum of two (2 ea.), 4" service conduits with required pull strings that extend from the service point on the property to the electrical room. A ¾" plywood terminal board in the electrical room to terminate the incoming service conduits will be installed. A dedicated 20A receptacle will be installed on the board per the utility company requirements.
 - b. The secondary electric service to the building will be determined by the electric company. Service entrance conduits, cables, transformer pads, metering, secondary switchgear and grounding will be provided in accordance with the utility company's specifications. Ground fault will be provided per Code.
 - c. The building's main secondary switchgear shall be 480/277 volt, 3-phase designed to accommodate future expansion. Initial installation shall include a separate house metering section only. Switchgear shall be sized for 2000 amps.

LIGHTING

1. Warehouse area lighting to consist of LED fixtures with individual motion sensors, reflectors and quick disconnect with 15' long whip, as manufactured by Lithonia Lighting or equal.
2. Fixtures will be installed to provide an initial average light level of 30 F.C. at 36" A.F.F. based on an empty
3. Site Lighting includes (17) LED wall packs mounted on the exterior of the building, (10) LED pole mounted fixtures, concrete pole bases, trenching, backfilling, conduit, boxes, and copper wire to connect the aforementioned, photo cell, time clock and contractors.

EMERGENCY POWER/LIGHTING

1. Furnish and install an emergency lighting and exit sign system that complies with Code. Exit lights shall be located as required by Code.

FIRE ALARM

1. Furnish and install a central monitoring alarm panel to monitor the flow and tamper switches of the fire protection system in the warehouse areas in accordance with Code.

SPECIAL SYSTEMS

1. No provisions for battery charging stations are included.
2. No lighting protection systems are included.
3. Security, voice, and data systems are not included.

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PRELIMINARY PROJECT SPECIFICATIONS

EXCLUSIONS

1. Governmental fees other than building permit allowance or specified above.
2. Impact fees.
3. Utility company connection or other fees.
4. Construction testing.
5. Site plan submission or review fees.
6. Geotechnical investigation or reports.
7. ALTA survey(s).
8. LEED construction methods, consultant or LEED submission / certification fees.
9. Environmental testing or reports.
10. Specific insurance carrier requirements beyond requirements set forth herein.
11. Builders Risk Insurance.
12. Performance Bond.
13. Any off site HOP, utility, or other improvements.
14. Hazardous material abatement, removal, or other requirements.
15. Health & Safety Plan (HASP), air / soil / groundwater monitoring.
16. Import/export of fill or topsoil.
17. Handling, removal, or replacement of unsuitable soils (i.e. sinkhole remediation).
18. Cement or lime stabilization of soils, soil conditioning, or other soil treatments.
19. Soil amendments, additional work on basin surface, on-going maintenance, or other measures in infiltration basins after project completion.
20. Sinkhole remediation.
21. Rock excavation.
22. Termite or pest control / treatment.
23. Winter construction (snow removal, temporary enclosures, temporary heat, concrete additives, etc.).
24. Fencings, gates, or guardhouse.
25. Food grade / AIB requirements.
26. Installation and hook-up of tenant furnished equipment.
27. Radon detection or remediation.
28. Foundation drainage system.
29. Racking or material handling equipment.
30. Interior MFL (Maximum Foreseeable Loss) walls.
31. Trash compactors.
32. In-rack sprinkler system / tire storage requirements / hose drops.
33. Smoke or draft curtains, smoke vents, or smoke evacuation system.
34. Furnishing and installing any and all permanent cranes.
35. Emergency generator or transfer switch(es).
36. Extensive grounding systems.
37. Lightning protection system.
38. Computer and telephone systems and wiring.
39. Security/fire alarm system beyond requirements set forth herein.
40. Air compressors and equipment.
41. Above standard floor flatness or levelness requirements for slab on grade.

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PRELIMINARY BUDGET COST SUMMARY

BLDG AREA (s.f.): 138,000

CATEGORY	COST	Cost / S.F.
Building Permit / Inspection Fees Allowance	\$ 74,567	\$ 0.54
Utility Connection Fees Allowance	EXCLUDED	\$ -
Sitework Allowance	\$ 2,361,699	\$ 17.11
Site Security (Fencing, Gates, Guard House)	EXCLUDED	\$ -
Landscaping Allowance	IN SITEWORK	\$ -
Concrete Foundations	\$ 185,311	\$ 1.34
Concrete Floor Slab	\$ 573,965	\$ 4.16
Tilt-up Wall Panels	\$ 970,249	\$ 7.03
Masonry	\$ 15,150	\$ 0.11
Structural Steel	\$ 833,400	\$ 6.04
Misc. Metals	\$ 87,625	\$ 0.63
Rough and Finish Carpentry	\$ 9,780	\$ 0.07
Roofing	\$ 557,415	\$ 4.04
Joint Sealants / Waterproofing / Insulation	\$ 139,797	\$ 1.01
Exterior Personnel Exit Doors	\$ 36,620	\$ 0.27
Overhead Doors	\$ 23,870	\$ 0.17
Glass and Glazing	\$ 55,800	\$ 0.40
Office Allowance including all MEP (6,900 s.f. @ \$85 / s.f.)	\$ 586,500	\$ 4.25
Interior Finishes	\$ 34,295	\$ 0.25
Painting	\$ 77,674	\$ 0.56
Building Accessories (Fire Extinguishers, signage, etc.)	\$ 2,500	\$ 0.02
Loading Dock Equipment	\$ 61,600	\$ 0.45
Furnishings	EXCLUDED	\$ -
Fire Water Storage Tank & Pump House	EXCLUDED	\$ -
Plumbing	\$ 129,275	\$ 0.94
Fire Protection	\$ 249,400	\$ 1.81
HVAC	\$ 93,000	\$ 0.67
Site Electrical	\$ 20,000	\$ 0.14
Site and Exterior Lighting	\$ 75,050	\$ 0.54
Electrical Service and Distribution	\$ 110,500	\$ 0.80
Warehouse Lighting	\$ 134,285	\$ 0.97
Fire Monitoring System	\$ 6,900	\$ 0.05
Special Systems	EXCLUDED	\$ -
Construction Testing (Sitework, Concrete and Structural Steel)	EXCLUDED	\$ -
Design Fees	\$ 151,273	\$ 1.10
Contingency	\$ -	\$ -
Payment and Performance Bonds	\$ -	\$ -
Blue Rock General Conditions, Fee, Insurance	\$ 662,340	\$ 4.80
TOTAL	\$ 8,319,839	\$ 60.29



PRICING CONCLUSIONS

PRICING CONCLUSIONS

Utilizing the following leasing assumptions, development budget included herein and conservative exit metrics, this opportunity provides investors with core product opportunity to deploy development capital and significant upside.

LEASING ASSUMPTIONS

\$6.75 NNN
3% Annual Increases
5 Year Lease Term

BASIS

\$25.50 Land Acquisitions
\$60.29 Site Work
& Building Construction
All In: \$85.79 PSF

EXIT ASSUMPTIONS

138,000 SF
\$6.75 NNN Rent
5.25% Cap Rate
Sale Price of \$17,700,000 or \$128.57