



Green Works 3.0, LLC

A Southern Cross Management Development Company

QUALIFIED OPPORTUNITY ZONE INVESTMENT



**Project
Introduction**



**Real Estate Site
Development**



**Finance
Feature**



**Opportunity
Zone**



Lexington, NC

Jan-22

**Real Estate Investment Offering
Lexington, North Carolina**

**Type of Project
Real Estate Site Development**

Qualified Opportunity Zone Tax Status

**Contact: William Fusselbaugh
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Jan-22

The Project

Real Estate Site Development

City: Lexington

County: Davidson

State: North Carolina

Type: Redevelopment Master Plan

Acquisition: Completed 1Q 2019

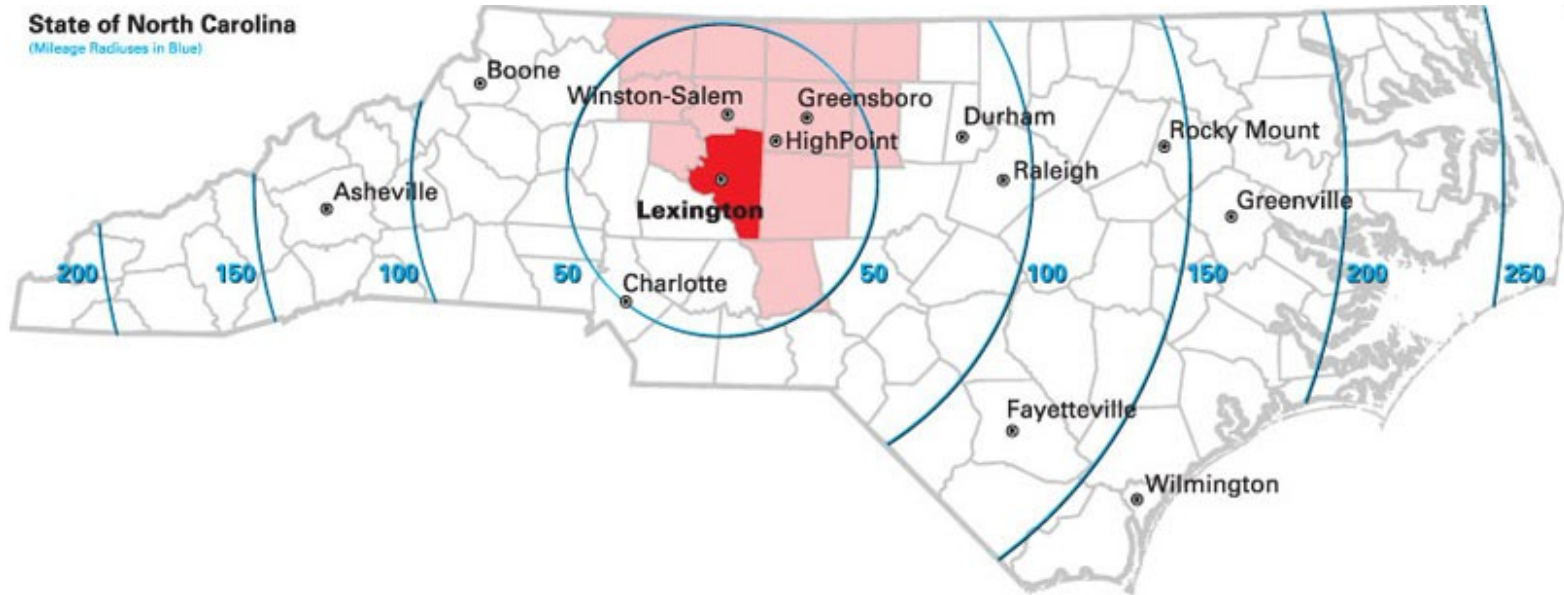
Size: Land: 3 acre; Building: 75,000 sf²+

Construction: New Construction

Budget: \$5 million

- Phased Development
- Brownfields Complete
- New Infrastructure
- Municipal Support
- Economic Subsidies
- Emerging Market
- Regional Highway Access
- Access to Major MSA's
- Educated Labor Force
- Social Impact Investment

Location



Financial Summary

Project Budget	\$	8,000,000
Site Area SF ²		94,090
Building SF ²		75,000
Space Programming		AgTech / Innovation / CoWork
Site Development	\$	750,000
Direct Construction Cost	\$	6,500,000
Indirect Project Cost	\$	750,000
Gross Income	\$	1,050,000
Operating Expense	\$	200,000
Net Operating Income	\$	850,000
Cap Rate Value @8.5%	\$	9,000,000
Capital Composite	\$	8,000,000
Senior Debt	\$	4,000,000
Equity	\$	3,500,000
Grants and Subsidies	\$	500,000

Investment Thesis Highlights

- Sponsor specializes in real estate site acquisition and development
- Property acquired from City of Lexington, NC
- National AgTech marketplace w/exposure to AgTech and Life Science Ecosystem in North Carolina
- Property and investment strategy align with objectives of socially responsible investing
- Sponsor will build value through below market value acquisition, improvements and lease-up leading to stabilization
- When complete, property will serve tenant market seeking cost competitive alternatives to higher cost markets without sacrificing amenities; will be particularly attractive to early - stage enterprises aiming to preserve capital

REVENUE STRATEGY

Renovate and then lease space to early stage AgTech tenants at competitive rates;
potential to capture equity in promising tenants

EXIT STRATEGY

Potential approaches include but are not limited to Short-Term Hold, Long-Term Hold, Cash-Out Refinance followed by a Hold, or Sale Leaseback Arrangement

Southern Cross Management



- Specializes in acquisition, development, adaptive re-use and transformation of industrial properties into sustainable innovation enterprise centers.
- Operates in the Capital Markets with a concentration in special situations and opportunity investing.
- \$200 million + projects complete
- Properties are designed to effectively support the demanding needs of a wide range of innovation including transformative agriculture, pharmaceutical, and biotechnology and research institutions.
- Our mission is to create value for our shareholders and opportunities for our employees by being the leading provider of real estate to innovative early and midsize companies.

Green Works of Lexington

- Green Works of Lexington is an Agricultural Technology (AgTech) sector real estate development brand of Southern Cross Management, Inc. (Southern Cross) Green Works and its affiliates invest in early stage AgTech related companies, by leveraging its capital and real estate portfolio into low - cost, scalable solutions for its portfolio companies. Our properties are designed to create a very robust ecosystem to support the demanding needs of a wide range of AgTech projects.
- AgTech focuses on technological processes used in agriculture, to create an understanding of how processes, equipment and structures are used with people, soil, plants, animals and their products, to sustain and maintain quality of life and to promote economic, aesthetic and sound cultural values.
- Southern Cross will develop, own and operate an AgTech innovation projects in phases of development under its Green Works flag.

Project Economic Stimulation

QUALIFIED OPPORTUNITY ZONES

The Tax Cuts and Jobs Act of 2017 created QOZs to provide potentially significant tax benefits to investors who re-invest capital gains into long-term investments into communities designated for economic development. This measurable impact investing solution is useful for investors who have substantial capital gains and a desire to realize them in a tax-efficient manner.

Tax Abatements

Tax Free Revenue Bonds

Low Interest Loans

Brownfields Financing

Bridge Loans

R & D Grants

Our Investors

An aerial illustration of a city park, likely Central Park in New York City, featuring a large fountain, many trees, and surrounding skyscrapers. The image is faded and serves as a background for the text.

Corporations
Social Impact Funds
Green Sustainability Funds
Endowment funds Pension funds
Hedge funds
Foundations
Trusts
High net worth individuals
Specialized Opportunity Zone Funds

Our AgTech Ecosystem

Identifies Tenants

Supports Innovation

Indoor Food Cultivation

Extraction and Processing of Plant Stock

Controlled Environmental Agriculture



Tenants and Partners

Agtech Market

Companies that provide services, engage in scientific research, or develop technology with the explicit purpose of enhancing the sustainability of agriculture. This includes wireless sensors to monitor soil, air and animal health; hydroponic and aquaponic systems; remote-controlled irrigation systems; aerial photo technology to analyze field conditions; biotech platforms for crop yields; data analysis software to augment planting, herd, poultry and livestock management; automation software to manage farm task workflows; and accounting software to track and manage facility and task expenses.

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Tenants and Partners



NEWVENTURES

Greenworks
Lexington, NC

AgTech Accelerator

<https://www.newventuresnc.com/>



www.graftedgrowers.com

FlywheelTM

<https://www.flywheelcoworking.com/>



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GROWTH.**
Raleigh, North Carolina

www.growwithsigs.com

Plant science

The modification of existing plants and organisms to improve plant health and yield, including plant breeding, development of novel traits, genetic modification/editing, and more.



N. C. State Plant Breeding Consortium

N. C. State Plant Breeding Consortium

Indoor agriculture

The production of turnkey software and hardware systems designed for the cultivation of crops within buildings, often focused on either residential or commercial real estate markets, as well as related services and frequently building of infrastructure.



Indoor Agriculture



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Weaving old and new architectural fabrics



Emerging AgTech Ecosystems

AgTech Colleges / Universities

- ✓ Davidson - Davie County Community College ~ 5 mi
- ✓ North Carolina A&T University ~ 35 mi
- ✓ University North Carolina Greensboro ~ 40 mi
- ✓ Appalachian State ~ 100 mi
- ✓ North Carolina State University CALS~ 104 mi

AgTech Centers

- ✓ Innovation Center for AgTech ~ 14 mi
- ✓ Gateway University Research Park ~ 35 mi
- ✓ Institute for Advanced Learning & Research ~ 75 mi
- ✓ Research Triangle Park (RTP) ~ 90 mi
- ✓ NC Biotech Center ~ 90 mi

Airports

- ✓ Piedmont Airport (PTI) ~ 40 mi
- ✓ Charlotte, NC (CLT) ~ 60 mi
- ✓ RDU Airport (RDU) ~ 95 mi

Proposed New Construction
Workplace Architecture + Design
<https://www.workstratinc.com/>



Ctrl + enter to follow link:

The Development Team

[Southern Cross Management ~ Developer](#)

[William P. Fusselbaugh ~ Developer](#)

[Sean Dowell ~ Associate Developer](#)

Early - Stage Lending

[Piedmont Triad Regional Council](#)

Economic Development

[Davidson County EDC](#)

Municipality

[City of Lexington](#)

Architecture and Site Planning

[Workplace Architecture + Design](#)

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