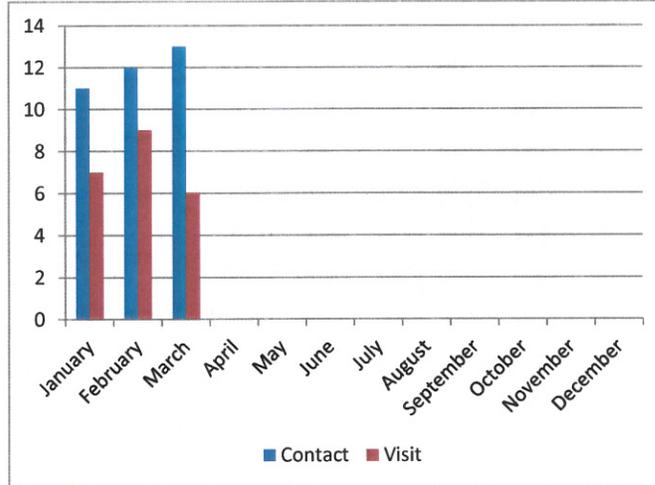




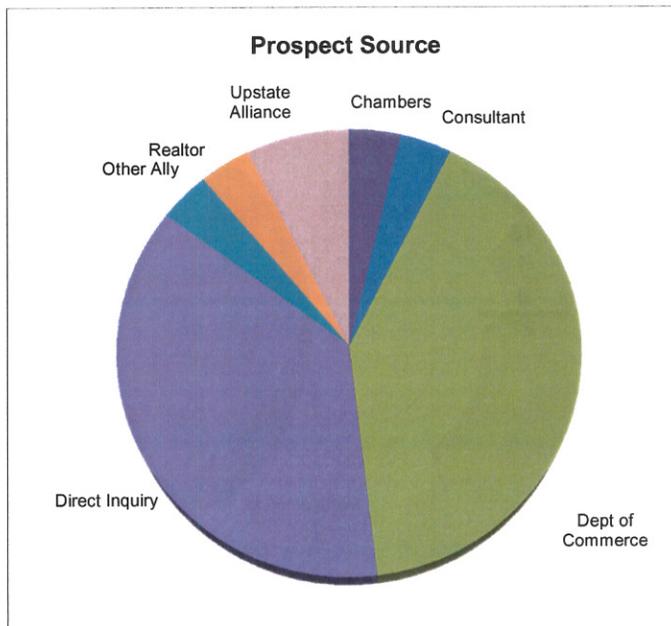
# Prospect Activity Report March 2016

<u>Month</u>	<u>Cont</u>	<u>Visit</u>
January	11	7
February	12	9
March	13	6
April		
May		
June		
July		
August		
September		
October		
November		
December		
<b>Year-to-Date</b>	<b>36</b>	



<u>Current Activity</u>	<u>No.</u>
Leads	20
Inquiries	11
Prospects	16
Prospect II's	11
<b>Total</b>	<b>58</b>

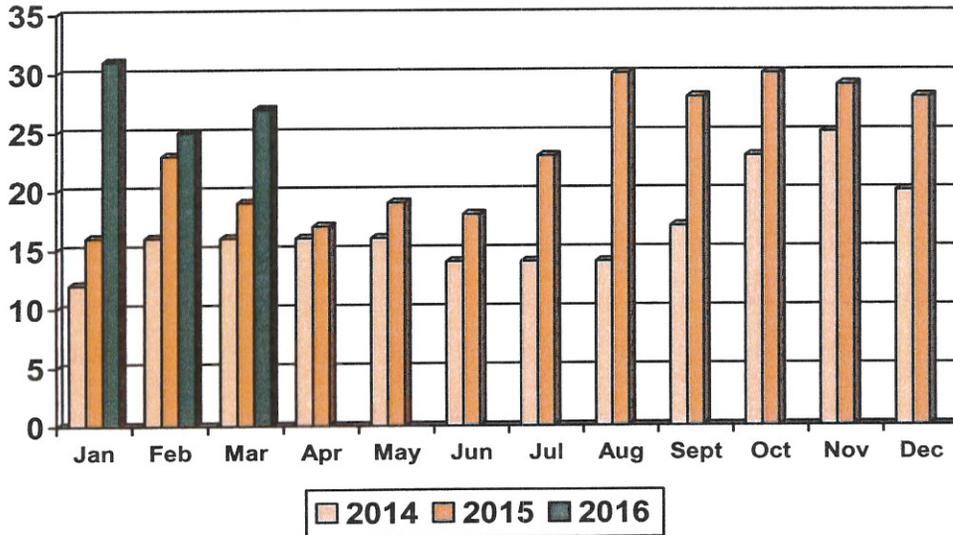
<u>Source for Current Prospects</u>	<u>No.</u>	<u>%</u>
Attorney	0	0%
Board Member	0	0%
BREP	0	0%
Chambers	1	4%
City	0	0%
CU - ICAR	0	0%
Consultant	1	4%
Contractor / Developer	0	0%
Dept of Commerce	11	41%
Direct Inquiry	10	37%
Other Ally	1	4%
Realtor	1	4%
SCMEP	0	0%
Upstate Alliance	2	7%
Utility Co.	0	0%
Website	0	0%
<b>Total</b>	<b>27</b>	<b>100</b>





# Prospect Activity Report March 2016

## Prospect Comparison 2014 - 2016



### Prospect Breakout by New/Existing

New Companies	16	59%
Existing Industry	11	41%
	<b>27</b>	<b>100</b>

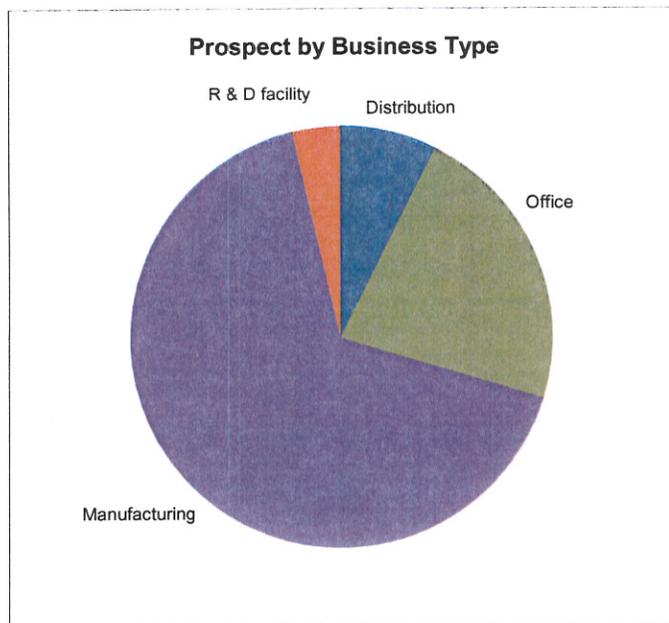
### Prospect Breakout by National/International

National Co.	13	48%
International Co.	11	41%
Unknown	3	11%
	<b>27</b>	<b>100</b>

### Prospect Breakout by Business Type

Distribution	2
Headquarters	0
Office	6
Manufacturing	18
R & D facility	1
Other	0
	<b>27</b>

Unknown





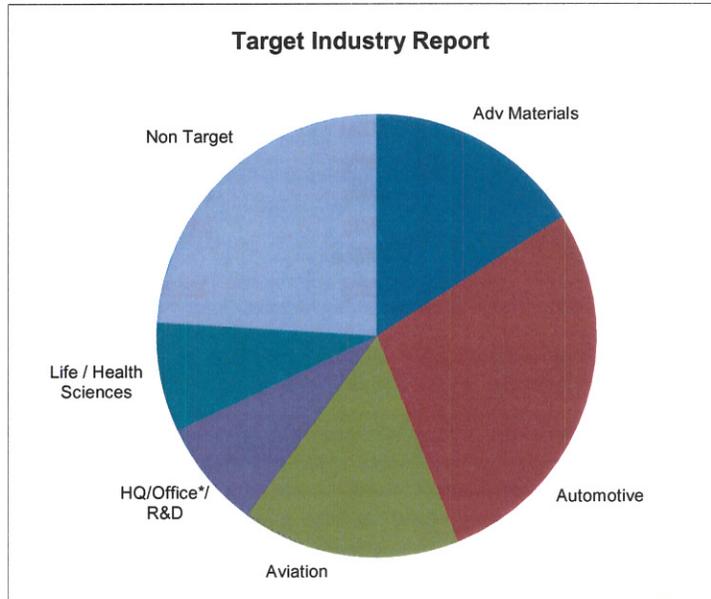
# Prospect Activity Report March 2016

## Target Industry Report

Adv Materials	4
Automotive	7
Aviation	4
HQ/Office*/ R&D	2
Life / Health Sciences	2
Logistics/Distribution	0
Non Target	6
	<hr/>
	25

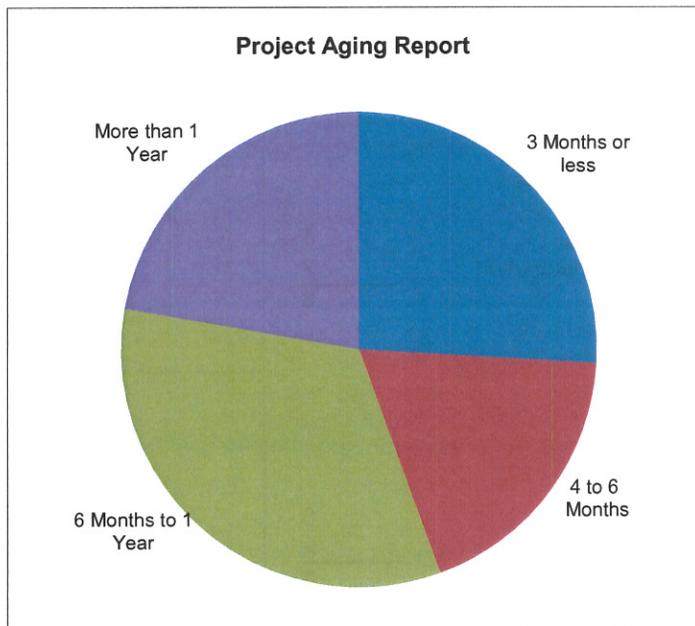
Unknown 2

\* High-wage office



## Project Aging Report

3 Months or less	7
4 to 6 Months	5
6 Months to 1 Year	9
More than 1 Year	6
<b>Total</b>	<hr/>
	27





# Prospect Activity Report March 2016

## 2016 Successes

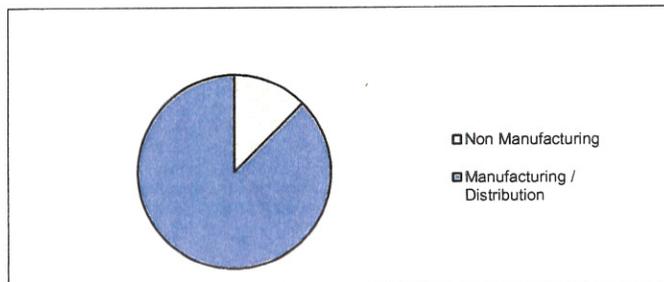
<u>Company</u>	<u>Type</u>	<u>Investment</u> <u>(millions)</u>	<u>Jobs</u>	<u>Average</u> <u>Wage</u>	<u>Target</u>	<u>New/Exp</u>
Greenco Beverage	Dist	\$11,800,000	42	\$13.75	Dist	Exp
Bosch Rexroth	Mfg	\$5,800,000	0	N/A	Auto	Exp
Sun City Produce	Dist	\$8,316,565	81	\$15.40	Dist	New
Fitesa	Mfg	\$52,000,000	38	\$19.43	AdMat	Exp
Ushers Machine & Tool	Mfg	\$12,500,000	50	\$29.76	No	Exp
Proper Polymers	Mfg	\$15,450,000	87	\$20.87	Auto	New
Total Quality Logistics	Office	\$0	75	\$23.00	No	New
SterAssure	Mfg	\$2,200,000	25	\$29.76	L&HS	New

Announced Capital Investment and Jobs	\$108,066,565	398
Confidential Capital Investment and Jobs	\$0	0
<b>Total Capital Investment and Jobs</b>	<b>\$108,066,565</b>	<b>398</b>

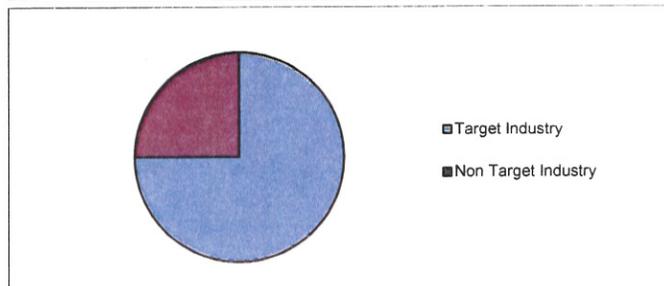
(Note: Target industries are shown in red)

### 2016 Success by Type

Non Manufacturing	1
Manufacturing / Distribution	7
<b>Total</b>	<b>8</b>



Target Industry	6
Non Target Industry	2
<b>Total</b>	<b>8</b>



**50,000 SF Spec***Draft Concept...Draft Concept...Draft Concept...Draft Concept...Draft Concept...Draft Concept...*

## Assumptions

50,000 SF Spec / 28' clear  
 10 acres appraised at \$30,000 per acre  
 Construction cost of \$55/SF  
 Site Prep of \$500,000  
 Financing Requires 40% Equity  
 Sale of property with 10% increase over cost

## Construction Cost

Building:	\$2,750,000
Land Cost	\$300,000
Site Prep - 5 acres	\$500,000
<b>Total Cost</b>	<b>\$3,550,000</b>

## County's Support

(Equity Equilivant)

Land Reduction*	\$200,000	5.63%
Subordinate Land	\$100,000	2.82%
Site Prep	\$500,000	14.08%
<b>Total County</b>	<b>\$800,000</b>	<b>22.54%</b>

## Developer's Cost

Equity	\$620,000	17.46%
Financing Debt	\$2,130,000	60.00%
Interest-Only	\$127,800	

## At Closing

<b>Sales Price</b>	<b>\$3,905,000</b>
Broker's Fee (5%)	-\$195,250
County's portion	-\$800,000
	<u>\$2,909,750</u>
Less: Equity	-\$620,000
Less Interest (1-Year)	-\$127,800
<b>Net</b>	<b>\$2,161,950</b>

## Net Distribution to parties

County's Portion	\$487,200
Developer's Portion	\$1,674,750

**100,000 SF Spec**

## Assumptions

100,000 SF Spec / 28' Clear  
 20 acres appraised at \$30,000 per acre  
 Construction cost of \$50/SF  
 Site Prep of \$1,000,000  
 Financing Requires 40% Equity  
 Sale of property with 10% increase over cost

## Construction Cost

Building:	\$5,000,000
Land Cost	\$600,000
Site Prep - 10 acres	\$1,000,000
<b>Total Cost</b>	<b>\$6,600,000</b>

## County's Support

(Equity Equilivant)

Land Reduction*	\$400,000	6.06%
Subordinate Land	\$200,000	3.03%
Site Prep	\$1,000,000	15.15%
<b>Total County</b>	<b>\$1,600,000</b>	<b>24.24%</b>

## Developer's Cost

Equity	\$1,040,000	15.76%
Financing Debt	\$3,960,000	60.00%
Interest-Only	\$237,600	

## At Closing

<b>Sales Price</b>	<b>\$7,260,000</b>
Broker's Fee	-\$363,000
County's portion	-\$1,600,000
	<u>\$5,297,000</u>
Less: Equity	-\$1,040,000
Less Interest	-\$237,600
<b>Net</b>	<b>\$4,019,400</b>

## Net Distribution to parties

County's Portion	\$974,400
Developer's Portion	\$3,045,000



# CASE STUDY

141 Southchase Boulevard  
GREENVILLE, SOUTH CAROLINA

PRESENTED BY **NAI** Earle Furman

# 141 Southchase Boulevard

## SPECULATIVE INDUSTRIAL BUILDING CASE STUDY

### The Building and Transation Team

Location:	141 Southchase Blvd Greenville, SC   Southchase Industrial Park
Building Size:	±205,000 SF Speculative Manufacturing/Distribution Facility
Developer:	Pattillo Industrial Real Estate
Leasing:	NAI Earle Furman, LLC – Grice Hunt, SIOR – Principal & Broker

### Market Conditions

As the Upstate region of South Carolina emerged from the recession, demand for both manufacturing and logistics facilities significantly increased as a large portion of the available inventory is either leased or sold. This has created favorable conditions for speculative construction in the Upstate, particularly in Greenville County.

### Property Details

- ±40.63 acre site
- ±205,738 SF industrial building expandable to
- ±331,093 SF
- 40' x 52' column spacing (60' x 52' dock bay)
- 30' minimum clear ceiling height
- 180' truck court: 60' concrete apron/120' heavyduty asphalt
- Insulated pre-cast concrete construction, white TPO roofing system, office build-to-suit, ESFR sprinkler
- 20 docks with 25 knock-out panels
- One 12' x 14' drive-in door (one future drive-in door)
- Zoned I-1, Greenville County
- Operating expenses: \$1.18/SF





## Transaction Summary

The 40 acres of land purchased in Southchase Industrial Park was the last site remaining in the park. It created an ideal opportunity for a speculative building given its proximity to I-385 and its location in an established industrial park. Construction began in late 2015 with an expected completion in June 2016. The leasing team and the development team worked hand-in-hand to market the building, ultimately resulting in a fully executed lease before construction was complete. The tenant, Tower Automotive, is an automotive manufacturer supplying BMW and is expected to start production in late 2016.

## Keys to Success

- Speed to market:** Having a building immediately available was critical to the tenant being able to meet the needs of their customer.
- Location:** Excellent access to the interstate of I-385 which connects to I-85 allowing for direct access to larger markets of both Charlotte and Atlanta as well as access to I-26 with a direct route to the sea port of Charleston.
- Team Approach:** The leasing team and developer worked hand in hand with open communication on market conditions and complicated prospect requirements to deliver the building within the timeframe required by the tenant.
- Building Construction:** The developers track record in manufacturing and logistics related facilities paired with the local market knowledge of the leasing team resulted in a modern building with the flexibility to accommodate either an advanced manufacturing operation or a high velocity logistics requirements.
- Greenville County:** With a location in Greenville County, South Carolina the tenant knows they have access to a non-unionized skilled and trainable workforce with great incentives for their investment. The pro-business community is located in a region with a great economic eco-system and high quality of life.

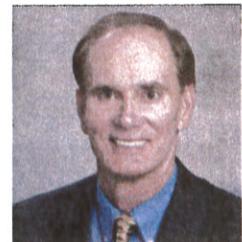
NAI Earle Furman  
**Industrial Division**  
 HUNT BORDERS WILLIAMS TEAM

*NAI Earle Furman's industrial team is a market leader in Upstate, South Carolina.* The team's extensive market knowledge and experience paired with the ability to understand client's needs ranging from transportation networks to production requirements sets them apart from the competition. Strong relationships with local economic developers ensure that we are aware of any and all incentives available.

- NAI Earle Furman is the largest commercial real estate brokerage in the Upstate and the most SIOR members per office in South Carolina
- NAIEF's Industrial Division has the largest market share in the Upstate
- In the past few years, the Hunt Borders Williams Team completed over \$157 million in sales and leasing volume totaling more than 7 million SF
- NAIEF's affiliation with NAI Global gives our team access to a global network of over 5,000 professionals in 325 offices around the world
- Awards: Largest Industrial Transaction within the firm, 2015  
 CoStar Power Broker, '12, '14, '15  
 NAIEF Capital Club, '08, '10, '11, '12, '13, '14, '15
- Noteworthy Transaction Participation: Fehrer Automotive, Tower Automotive, Hitachi Electronic Division US, Confluence Water Sports, International Paper, Perrigo, STAG Industrial, GLP, Covington Group, Pattillo Industrial Real Estate, Beacon Development, Trinity Capital Partners, among others.



**Grice Hunt, SIOR**  
 Shareholder & Broker



**Ford Borders, SIOR**  
 Shareholder & Broker



**Clay Williams**  
 Broker

## Recent Transactions

