

# OPPORTUNITY OVERVIEW: CLINTON COMMERCE VI

Clinton Commerce VI LLC (1) executed a ground lease with Allegheny County Airport Authority for 13.5 acres of land located at Clifford Ball Drive, Clinton, PA 15026 to develop a 70,873 square foot Class-A speculative industrial space, and (2) entered into a Construction Loan Agreement with First National Bank of Pennsylvania in the amount of \$6,355,393. Al. Neyer, LLC funded \$276,196.76 on May 11, 2022, at loan closing.

The site is approximately 18.5 miles west of downtown Pittsburgh and offers convenient access to I-376 and Pittsburgh International Airport. This is a key location that bridges the gap between the Northeast and the Midwest. Home Depot and an array of shipping & logistics companies recently began tenancy in new distribution centers in the area.

Underwriting for the Project assumes one building divided between two tenants with 8-year lease terms. The targeted base rental rates of \$10.50 PSF each allows for \$13.80 PSF of tenant improvements.



## LAND CLOSING & FINANCING

May 2022

## GROUNDBREAKING

June 2022

## SHELL COMPLETE

December 2022

## MARKET

Although the region's location has historically hindered large-scale speculative logistics development, recent lack of supply and rapid acceleration of e-commerce have been driving factors of an improved market that is now poised for growth in 2022 and beyond. In the trailing 12 months, rent has grown by 10.5% over the entire market, pushing market rent to \$8.39 per square foot. Buyers continue to add to their portfolio in the market, with Amazon recently leasing two large facilities in the region. Amazon is looking to expand further with a 3.9 million square foot multi-story warehouse in East Pittsburgh. The region saw almost 600,000 square feet of net absorption in Q1 2022, which shows a continuing tenant need for space. Though the growth rate for rent has likely reached its peak, continuing e-commerce trends and need for high quality industrial space will likely keep rents moving up in the coming years.



Source: CoStar Pittsburgh Industrial Market Report Q1 2022

### PROJECT NAME

Clinton Commerce VI

### MARKET

Pittsburgh

### SUBMARKET

Pittsburgh International  
Airport Area

### PRODUCT TYPE

Spec Class A Industrial

### SIZE

70,873 SF

### ACRES

13.5

### CLEAR HEIGHT

28'

### CONSTRUCTION

7 Months

### LEASING

0% leased;  
Pro Forma @ \$10.50/SF  
rental rate

### INVESTOR RETURN


Sale @ End of Year 3

5.75% cap Rate

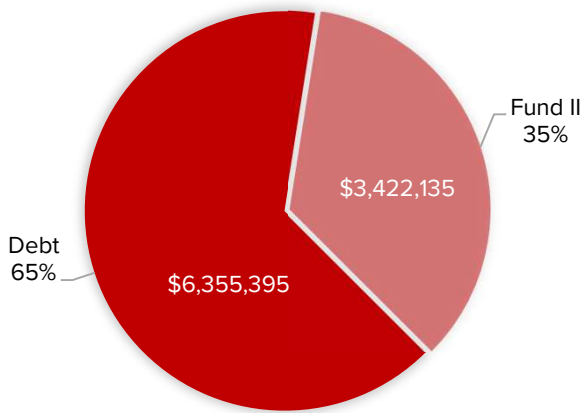
IRR 15.01%

Multiple 1.51x

# KEY LOAN TERMS

LENDER	RATE	AMOUNT	FEE
	Floating Rate with 30-Day SOFR plus 240 bps	65% LTC	0.45%
TERMS	REPAYMENT	GUARANTOR	
36-months + 1 (2)-year extension options	Interest only during first 36 months; thereafter, 25-year amortization	Standard non-recourse carve-outs & environmental indemnity to be provided by Linwood Capital, completion guaranty provided by AI. Neyer	

# EXPECTED SOURCES & USES



## Equity funded for the loan closing of Clinton Commerce VI LLC:

At Closing:	\$276,196.76
Pursuit Costs:	\$33,300.40
<b>Total Funds</b>	<b>\$309,497.16</b>

AI. Neyer, LLC will be reimbursed at cost for the foregoing expenses paid on behalf of Clinton Commerce VI LLC plus all other out-of-pocket expenses incurred prior to acquisition by the Funds, including, without limitation, equity draws.

## Total Sources: \$9,777,530

	\$ PER SF	TOTAL
Land + Grading	\$ 0	\$ 0
Hard Costs	\$ 115	\$ 8,146,225
Leasing Costs	\$ 7	\$ 485,250
Soft Costs + Contingency	\$ 11	\$ 806,290
Loan Fees + Interest	\$ 1	\$ 94,335
Operating Deficit	\$ 4	\$ 245,430
<b>TOTAL USES</b>	<b>\$ 138</b>	<b>\$ 9,777,530</b>

RETURNS SUMMARY			
		PROJECT	INVESTOR
Sale at End of Year 3 5.75% Cap Rate	IRR Multiple	19.60% 1.70x	15.01% 1.51x
Sale at End of Year 5 6.25% Cap Rate	IRR Multiple	13.32% 1.80x	11.07% 1.64x

THE STATEMENTS CONTAINED IN THIS OVERVIEW REFLECT CURRENT VIEWS ABOUT FUTURE EVENTS AND ARE SUBJECT TO NUMEROUS KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, ASSUMPTIONS AND CHANGES IN CIRCUMSTANCES THAT MAY CAUSE ACTUAL RESULTS TO DIFFER SIGNIFICANTLY. ALTHOUGH IT IS BELIEVED THAT THE EXPECTATIONS REFLECTED IN THE FORWARD-LOOKING STATEMENTS ARE REASONABLE, FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS CANNOT BE GUARANTEED. YOU SHOULD NOT PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH APPLY ONLY AS OF THE DATE OF THIS SUMMARY.

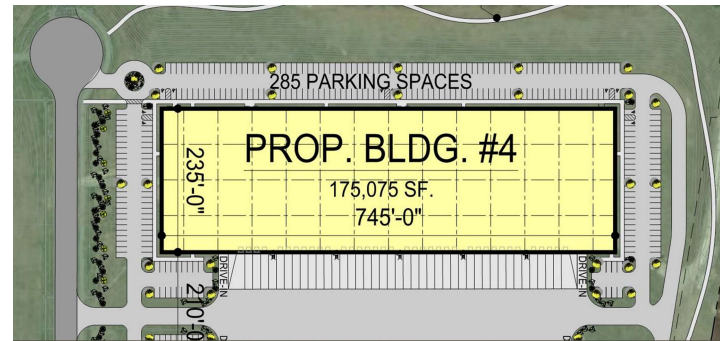
# OPPORTUNITY OVERVIEW:

## NORTHFIELD BUILDING 4

The Northfield Building 4 LLC (1) executed a ground lease with Allegheny County Airport Authority for 16.41 acres of land located at 7050 International Drive, Coraopolis, PA 15108 to develop a 175,075 square foot Class-A speculative industrial space, and (2) entered into a , and (2) entered into a Construction Loan Agreement with S&T Bank in the amount of \$12,436,827. Al. Neyer, LLC funded \$606,042.31 on May 12, 2022, at loan closing.

The site is near interstate 376 and Pittsburgh International Airport. This strategic location offers ease of distribution for goods throughout the Midwest, East Coast, and beyond. The concept of the plan is to offer solutions for technology, life sciences, and specialty manufacturing firms to improve their operations and attract new talent through a campus-like facility.

Underwriting for the property assumes a building divided between two tenants with 8-year lease terms. A blended rental rate of \$8.75 PSF allows for \$12.25 PSF of tenant improvements.



LAND CLOSING  
& FINANCING

May 2022

GROUNDBREAKING

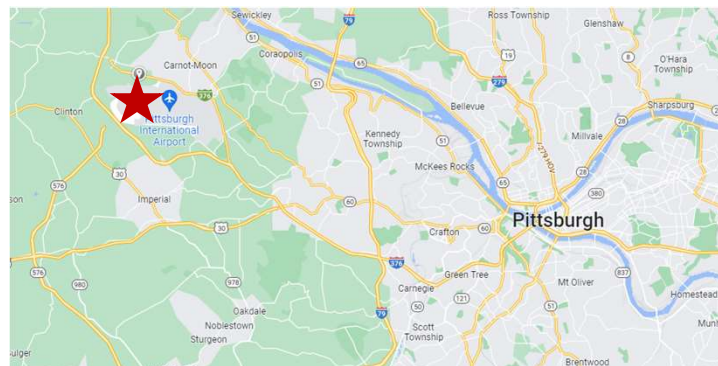
June 2022

SHELL COMPLETE

March 2023

## MARKET

While the region's location has historically hindered large-scale speculative logistics development, recent lack of supply and rapid acceleration of e-commerce have been driving factors of an improved market that is now poised for growth in 2022 and beyond. In the trailing 12 months, rent has grown by 10.5% over the entire market, pushing market rent to \$8.39 per square foot. Buyers continue to add to their portfolio in the market, with Amazon recently leasing two large facilities in the region. Amazon is looking to expand further with a 3.9 million square foot multi-story warehouse in East Pittsburgh. The region saw almost 600,000 square feet of net absorption in Q1 2022, which shows a continuing tenant need for space. Continuing e-commerce trends and need for high quality industrial space will likely keep rents moving up in the coming years.



### PROJECT NAME

Northfield Building 4

### MARKET

Pittsburgh

### SUBMARKET

Pittsburgh International  
Airport Area

### PRODUCT TYPE

Spec Class A Industrial

### SIZE

175,075 SF

### ACRES

16.41

### CLEAR HEIGHT

32'

### CONSTRUCTION

10 Months

### LEASING

0% leased;  
Pro Forma @ \$8.75/SF  
rental rate

### INVESTOR RETURN


Sale @ End of Year 3

5.75% cap Rate

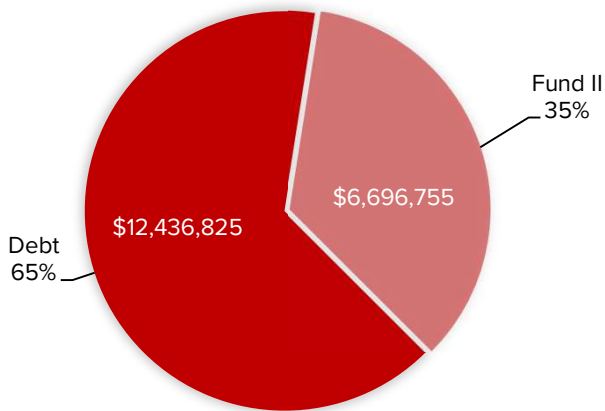
IRR 16.40%

Multiple 1.57x

# LOAN REVIEW

LENDER	RATE	AMOUNT	FEE
	1 month SOFR + plus 280 bps	65% LTC	0.50%
TERM	REPAYMENT	GUARANTOR	
48-months	Interest only during first 36 months; thereafter, 25-year amortization	Standard non-recourse carve-outs to be provided by Linwood Capital, completion guaranty provided by Al. Neyer	

# SOURCES & USES



## Equity funded for the loan closing of Northfield Building 4 LLC:

At Closing:	\$606,042.31
Pursuit Costs:	\$108,558.21
<b>Total Funds</b>	<b>\$714,600.52</b>

Al. Neyer, LLC will be reimbursed at cost for the foregoing expenses paid on behalf of Northfield Building 4 LLC plus all other out-of-pocket expenses incurred prior to acquisition by the Funds, including, without limitation, equity draws.

## Total Sources: \$19,133,580

	\$ PER SF	TOTAL
Land + Grading	\$ 0	\$ 0
Hard Costs	\$ 92	\$ 16,140,895
Leasing Costs	\$ 4	\$ 870,235
Soft Costs + Contingency	\$ 8	\$ 1,453,960
Loan Fees + Interest	\$ 1	\$ 187,070
Operating Deficit	\$ 2	\$ 481,425
<b>TOTAL USES</b>	<b>\$ 109</b>	<b>\$ 19,133,580</b>

RETURNS SUMMARY			
		PROJECT	INVESTOR
Sale at End of Year 3 <i>5.75% Cap Rate</i>	IRR Multiple	22.18% 1.81x	16.4% 1.57x
Sale at End of Year 5 <i>6.25% Cap Rate</i>	IRR Multiple	15.6% 1.88x	12.8% 1.68x

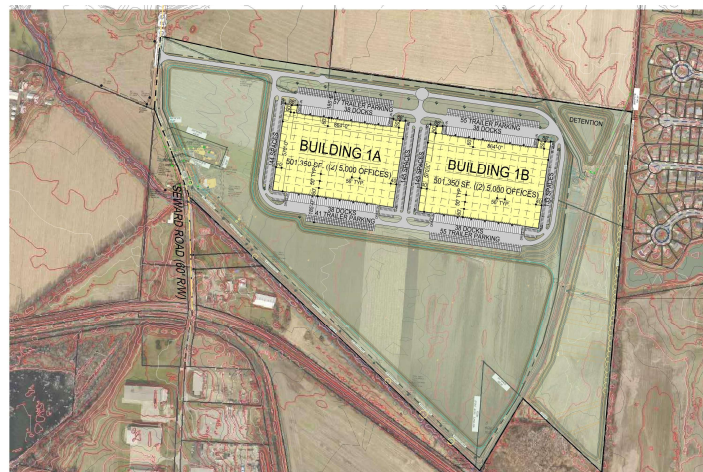
THE STATEMENTS CONTAINED IN THIS OVERVIEW REFLECT CURRENT VIEWS ABOUT FUTURE EVENTS AND ARE SUBJECT TO NUMEROUS KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, ASSUMPTIONS AND CHANGES IN CIRCUMSTANCES THAT MAY CAUSE ACTUAL RESULTS TO DIFFER SIGNIFICANTLY. ALTHOUGH IT IS BELIEVED THAT THE EXPECTATIONS REFLECTED IN THE FORWARD-LOOKING STATEMENTS ARE REASONABLE, FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS CANNOT BE GUARANTEED. YOU SHOULD NOT PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH APPLY ONLY AS OF THE DATE OF THIS SUMMARY.

# OPPORTUNITY OVERVIEW:

## FAIRFIELD LOGISTICS 1A

The Fairfield Logistics 1A project consisting of 501,350 square feet of speculative Class-A industrial space is under contract with an affiliate entity and is being considered to be acquired by AI. Neyer Industrial Fund II LLC and AI. Neyer Industrial Fund II-Q LLC. The project will be developed, and constructed by AI. Neyer. The site location is in the Greater Cincinnati area, located 24 miles north of Downtown Cincinnati. The site offers convenient access to interstates 71, 75, and 275, as well proximity to the Cincinnati/Northern Kentucky International Airport and Dayton, OH. This key location provides ease of access to cities throughout the Midwest such as Indianapolis, Columbus, and beyond.

Underwriting for the project assumes one building split between two tenants, with a blended base rent of \$5.10 PSF and \$2.46 PSF for tenant improvements.



LAND CLOSING  
& FINANCING

June 2022

GROUNDBREAKING

June 2022

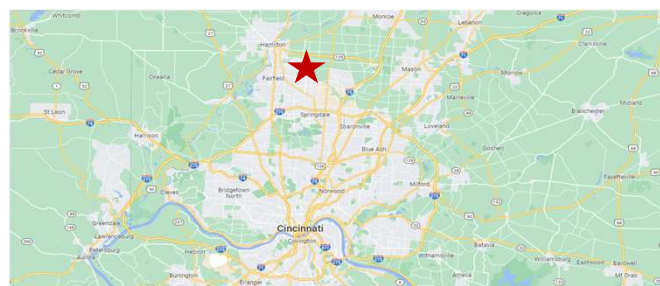
SHELL COMPLETE

August 2023

## MARKET

After a recent rise in demand following a slow period of growth, the Cincinnati industrial market has shown improvement in a variety of metrics. Over the past year, net absorption has totaled 5.8 million square feet. Additionally, total space leased has grown to 14.6 million square feet, over 70% above the prior annual peak. The proximity to Cincinnati/Northern Kentucky International Airport (CVG) that Cincinnati allows for pushed Amazon to develop a 600-acre campus known as Prime Air Hub. CVG ranked seventh on the list of top cargo airports in the world, also home to the Americas Hub for DHL. Support for Cincinnati's industrial market will continue to come from logistics sector demand, high demand for goods, and the need to improve fulfillment capabilities. While supply chain issues continue to thwart distribution efforts, the need for warehouse space remains as a high priority for logistics companies. The backbone of solid fundamentals and need for space in the area should push Cincinnati's industrial market to improve in the coming years.

Source: Cincinnati Industrial Market Report Q1 2022 CoStar



PROJECT NAME

Fairfield Logistics 1A

MARKET

Cincinnati

SUBMARKET

Tri-County

PRODUCT TYPE

Spec Class A Industrial

SIZE

501,350 SF

ACRES

72.00

CLEAR HEIGHT

40'

CONSTRUCTION

14 months


LEASING

0% leased;  
Pro Forma @ \$5.10/SF  
rental rate

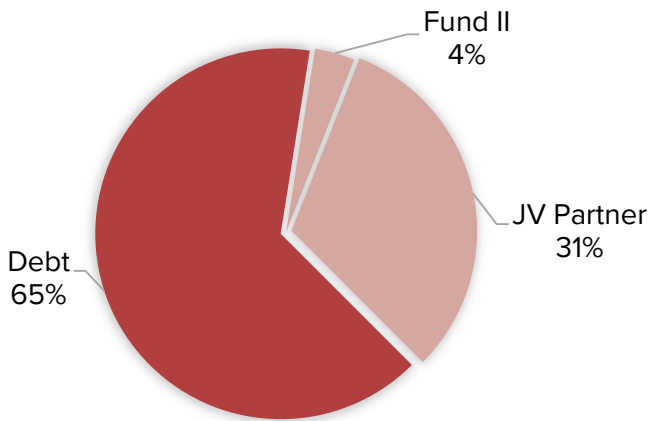
INVESTOR RETURN<sup>1</sup>

Sale @ End of Years  
2/3 for Fairfield 1A/3  
4.50% cap Rate  
IRR 15.80%

# LOAN REVIEW

LENDER	RATE	AMOUNT	FEE
 BOK FINANCIAL	Floating Rate with 30-Day SOFR plus 265 bps	65% LTC	0.65%
TERMS	REPAYMENT	GUARANTOR	
36-months + 2 (1)-year extensions	Interest only during first 36 months; thereafter, 25-year amortization	Standard non-recourse carve-outs from Linwood Capital, who will be liable for loan deficiency	

# SOURCES & USES



## Total Sources \$47,711,000

	\$ PER SF	TOTAL
Land + Grading	\$ 17	\$ 8,700,000
Hard Costs	\$ 65	\$ 33,000,000
Leasing Costs	\$ 2	\$ 823,000
Soft Costs + Contingency	\$ 8	\$ 4,081,000
Loan Fees + Interest	\$ 1	\$ 874,000
Operating Deficit	\$ 1	\$ 1,012,000
<b>TOTAL USES</b>	<b>\$ 95</b>	<b>\$ 47,711,000</b>

RETURNS SUMMARY <sup>1</sup>			
		PROJECT	INVESTOR
Sale at End of Year 2 for Fairfield 1A and Sale at End of Year 3 for Fairfield 3 4.50% Cap Rate	IRR Multiple	21.13% 1.65x	15.80% 1.46x

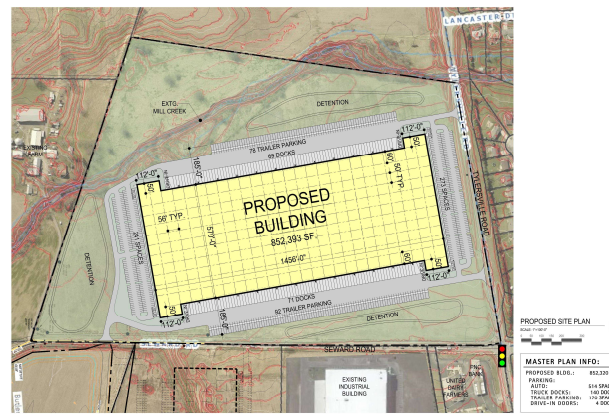
THE STATEMENTS CONTAINED IN THIS OVERVIEW REFLECT CURRENT VIEWS ABOUT FUTURE EVENTS AND ARE SUBJECT TO NUMEROUS KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, ASSUMPTIONS AND CHANGES IN CIRCUMSTANCES THAT MAY CAUSE ACTUAL RESULTS TO DIFFER SIGNIFICANTLY. ALTHOUGH IT IS BELIEVED THAT THE EXPECTATIONS REFLECTED IN THE FORWARD-LOOKING STATEMENTS ARE REASONABLE, FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS CANNOT BE GUARANTEED. YOU SHOULD NOT PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH APPLY ONLY AS OF THE DATE OF THIS SUMMARY.

<sup>1</sup> – Investor Returns reflect a blended rate for Fairfield 1A and Fairfield 3

# OPPORTUNITY OVERVIEW: FAIRFIELD LOGISTICS III

The Fairfield Logistics III project consisting of 852,320 square feet of speculative Class-A industrial space is under contract with an affiliate entity and is being considered to be acquired by AI. Neyer Industrial Fund II LLC and AI. Neyer Industrial Fund II-Q LLC. The project will be developed and constructed by AI. Neyer. The site location is in the Greater Cincinnati area, located 24 miles north of Downtown Cincinnati. The site offers convenient access to interstates 71, 75, and 275, as well proximity to the Cincinnati/Northern Kentucky International Airport and Dayton, OH. This key location provides ease of access to cities throughout the Midwest such as Indianapolis, Columbus, and beyond.

Underwriting for the project assumes one building split between two tenants, with a blended base rent of \$4.70 PSF and \$2.79 PSF for tenant improvements.



FAIRFIELD LOGISTICS 3  
PRELIMINARY DESIGN | FAIRFIELD, OH | FEBRUARY 21, 2022



LAND CLOSING  
& FINANCING

June 2022

GROUNDBREAKING

June 2022

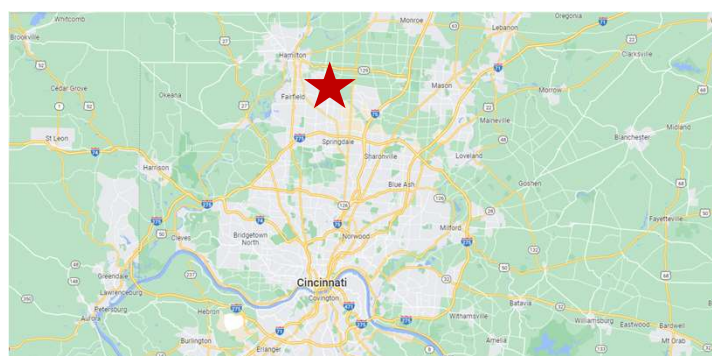
SHELL COMPLETE

August 2023

## MARKET

After a recent rise in demand following a slow period for growth, the Cincinnati industrial market has shown improvement in a variety of metrics. Over the past year, net absorption has totaled 5.8 million square feet. Additionally, total space leased has grown to 14.6 million square feet, over 70% above the prior annual peak. The proximity to Cincinnati/Northern Kentucky International Airport (CVG) that Cincinnati allows for pushed Amazon to develop a 600-acre campus known as Prime Air Hub. CVG ranked seventh on the list of top cargo airports in the world, also home to the Americas Hub for DHL. Support for Cincinnati's industrial market will continue to come from logistics sector demand, high demand for goods, and the need to improve fulfillment capabilities. While supply chain issues continue to thwart distribution efforts, the need for warehouse space remains as a high priority for logistics companies. The backbone of solid fundamentals and need for space in the area should push Cincinnati's industrial market to improve in the coming years.

Source: Cincinnati Industrial Market Report Q1 2022 CoStar



PROJECT NAME

Fairfield Logistics III

MARKET

Cincinnati

SUBMARKET

Tri-County

PRODUCT TYPE

Spec Class A Industrial

SIZE

852,392 SF

ACRES

64.68

CLEAR HEIGHT

40'

CONSTRUCTION

14 Months


LEASING

0% leased;  
Pro Forma @ \$4.70/SF  
rental rate

INVESTOR RETURN<sup>1</sup>

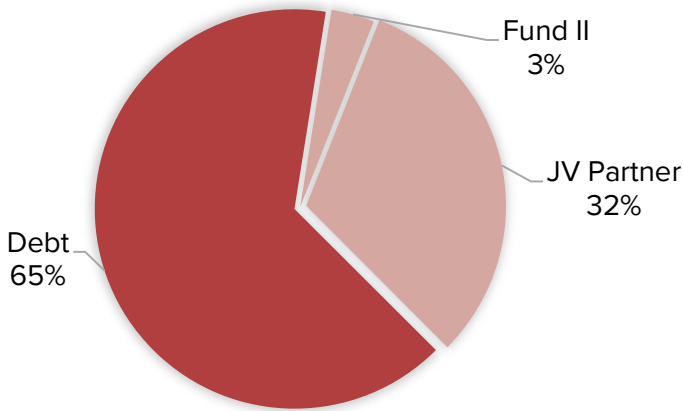
Sale @ End of Years  
2/3 for Fairfield 1A/3  
4.50% cap Rate  
IRR 15.80%

# LOAN REVIEW

LENDER	RATE	AMOUNT	FEE
 BOK FINANCIAL	Floating Rate with 30-Day SOFR plus 265 bps	65% LTC	0.65%
TERMS	REPAYMENT	GUARANTOR	
36-months + 2 (1)-year extensions	Interest only during first 36 months; thereafter, 25-year amortization	Standard non-recourse carve-outs from Linwood Capital, who will be liable for loan deficiency	

# SOURCES & USES

## Total Sources \$71,315,000



	\$ PER SF	TOTAL
Land + Grading	\$ 11	\$ 9,332,000
Hard Costs	\$ 61	\$ 51,600,500
Leasing Costs	\$ 2	\$ 1,289,000
Soft Costs + Contingency	\$ 7	\$ 5,988,000
Loan Fees + Interest	\$ 1	\$ 1,189,000
Operating Deficit	\$ 2	\$ 1,917,000
<b>TOTAL USES</b>	<b>\$ 84</b>	<b>\$ 71,315,000</b>

RETURNS SUMMARY <sup>1</sup>			
		PROJECT	INVESTOR
Sale at End of Year 2 for Fairfield 1A and Sale at End of Year 3 for Fairfield 3 4.50% Cap Rate	IRR Multiple	21.13% 1.65x	15.80% 1.46x

THE STATEMENTS CONTAINED IN THIS OVERVIEW REFLECT CURRENT VIEWS ABOUT FUTURE EVENTS AND ARE SUBJECT TO NUMEROUS KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, ASSUMPTIONS AND CHANGES IN CIRCUMSTANCES THAT MAY CAUSE ACTUAL RESULTS TO DIFFER SIGNIFICANTLY. ALTHOUGH IT IS BELIEVED THAT THE EXPECTATIONS REFLECTED IN THE FORWARD-LOOKING STATEMENTS ARE REASONABLE, FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS CANNOT BE GUARANTEED. YOU SHOULD NOT PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH APPLY ONLY AS OF THE DATE OF THIS SUMMARY.

<sup>1</sup> – Investor Returns reflect a blended rate for Fairfield 1A and Fairfield 3



# OPPORTUNITY OVERVIEW:

## McCConnell Road Industrial I

The McConnell Road Industrial I project, consisting of 362,000 square feet of speculative Class-A industrial space is under contract with an affiliate entity and is being considered to be acquired by Al. Neyer Industrial Fund II LLC and Al. Neyer Industrial Fund II-Q LLC. The project will be developed, and constructed by Al. Neyer, and owned by a single purpose entity managed by Al. Neyer. The site location is a mere ten minutes from downtown Greensboro and is within close proximity to a plethora of interstates, including 85, 840, 73, and 40. The location also offers access to Greensboro's Piedmont Triad International Airport at only 21 minutes away. This property offers connection for cities such as Charlotte and Atlanta to the East Coast, making it a key distribution opportunity.

Underwriting for the project assumes four tenants split between the three buildings, with two tenants at 5-year terms and two tenants at 7-year terms. A blended base rental rate of \$6.09 PSF allows for \$9.61 PSF of tenant improvements.



LAND CLOSING  
& FINANCING

June 2022

GROUNDBREAKING

June 2022

SHELL COMPLETE

April 2023

McCONNELL INDUSTRIAL  
PRELIMINARY DESIGN | GREENSBORO, NC | MARCH 10, 2022

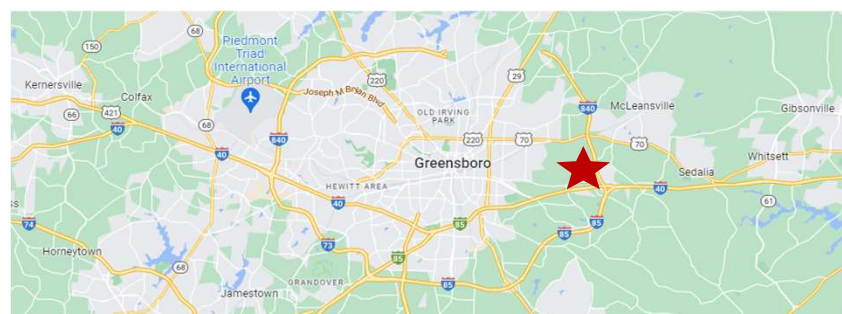
NEYER A1

## MARKET

The diverse industrial market in Raleigh consisting of a variety of industries from pharmaceutical, life science and clean-tech firms to logistics and e-commerce companies has allowed the market to pivot to a future of success. The region has a fast-growing population, high-quality workforce and direct access to other major markets leading to the attraction of expansions from major tenants such as Amazon, Novo Nordisk and Lowe's.

Vacancies remain low which are supported by the demand for logistics and warehouse space. Absorption is forecasted to remain positive as a response to supply being low from preleasing activity. Tight market conditions have driven rents to rise 8.9% year-over-year, slightly outperforming the national average of 8.2%. Lastly, approximately 4.5 million square feet of industrial space is currently under construction accounting for 4.8% of the market's total inventory.

Source for market data: CoStar Industrial Market Report as of February 18, 2022



PROJECT NAME

McCConnell Road Industrial I

MARKET

Raleigh

SUBMARKET

RTP / I-40 Corridor

PRODUCT TYPE

Spec Class A Industrial

SIZE

362,600 SF

ACRES

35.82

CLEAR HEIGHT

41'

CONSTRUCTION

10 Months

LEASING

0% leased;  
Pro Forma @ \$6.09/SF  
rental rate

INVESTOR RETURN


Sale @ End of Year 3

4.50% cap Rate

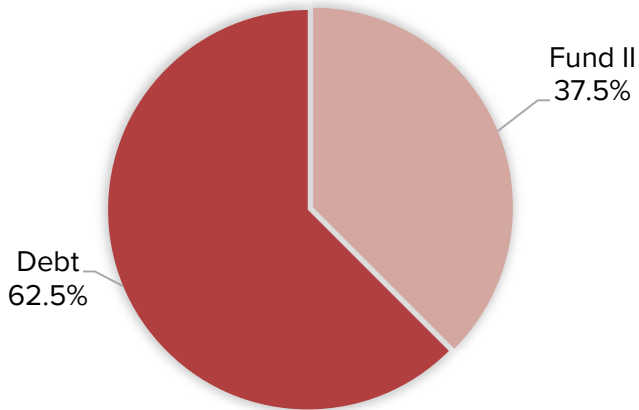
IRR 14.73%

Multiple 1.50x

# LOAN REVIEW

LENDER	RATE	AMOUNT	FEE
	Floating Rate with 30-Day SOFR plus 245 bps	62.5% LTC	0.45%
TERMS	REPAYMENT	GUARANTOR	
36-months + 1 (2)-year extension	Interest only during first 36 months; thereafter, 30-year amortization	Standard non-recourse carve-outs & environmental indemnity to be provided by Linwood Capital, completion guaranty provided by Al. Neyer	

# SOURCES & USES



## Total Sources: \$39,958,865

	\$ PER SF	TOTAL
Land + Grading	\$ 14	\$ 5,078,300
Hard Costs	\$ 82	\$ 29,908,035
Leasing Costs	\$ 3	\$ 905,725
Soft Costs + Contingency	\$ 8	\$ 3,026,855
Loan Fees + Interest	\$ 1	\$ 377,015
Operating Deficit	\$ 2	\$ 662,935
<b>TOTAL USES</b>	<b>\$ 110</b>	<b>\$ 39,958,865</b>

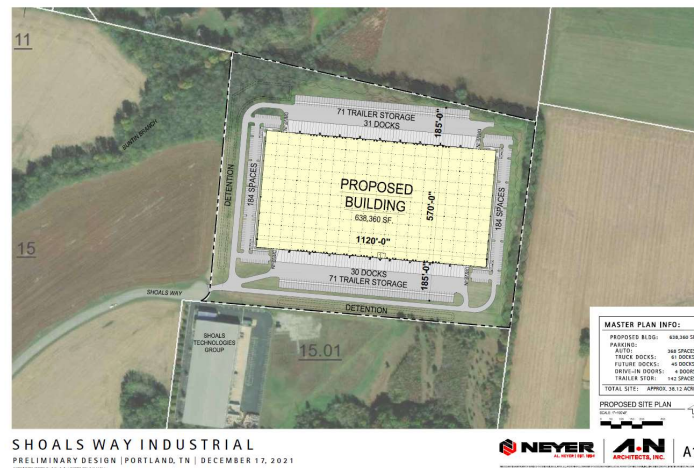
RETURNS SUMMARY			
		PROJECT	INVESTOR
Sale at End of Year 3 <i>4.50% Cap Rate</i>	IRR Multiple	19.04% 1.68x	14.73% 1.50x
Sale at End of Year 5 <i>5.00% Cap Rate</i>	IRR Multiple	11.15% 1.67x	9.39% 1.55x

THE STATEMENTS CONTAINED IN THIS OVERVIEW REFLECT CURRENT VIEWS ABOUT FUTURE EVENTS AND ARE SUBJECT TO NUMEROUS KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, ASSUMPTIONS AND CHANGES IN CIRCUMSTANCES THAT MAY CAUSE ACTUAL RESULTS TO DIFFER SIGNIFICANTLY. ALTHOUGH IT IS BELIEVED THAT THE EXPECTATIONS REFLECTED IN THE FORWARD-LOOKING STATEMENTS ARE REASONABLE, FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS CANNOT BE GUARANTEED. YOU SHOULD NOT PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH APPLY ONLY AS OF THE DATE OF THIS SUMMARY.

# OPPORTUNITY OVERVIEW: SHOALS WAY INDUSTRIAL

The Shoals Way Industrial project consisting of a 638,400 SF speculative Class-A industrial facility is under contract with an affiliate entity and is being considered to be acquired by Al. Neyer Industrial Fund II LLC and Al. Neyer Industrial Fund II-Q LLC. The project will be developed and constructed by Al. Neyer and owned by a single-purpose entity managed by Al. Neyer. The site location of the project is in Portland, TN on Shoals Way. The site has convenient access to interest 65, US-31W, and TN-109 and 52. This is a key location that has nearby access to major thoroughfares and allows for the ability to draw from the labor pools of Nashville, Bowling Green, and the surrounding counties.

Underwriting for the project assumes a building divided between two tenants, one with a five-year lease term and one with a seven-year lease term. A blended rental rate of \$4.65 allows for blended tenant improvements \$5.25.



LAND CLOSING  
& FINANCING

July 2022

GROUNDBREAKING

July 2022

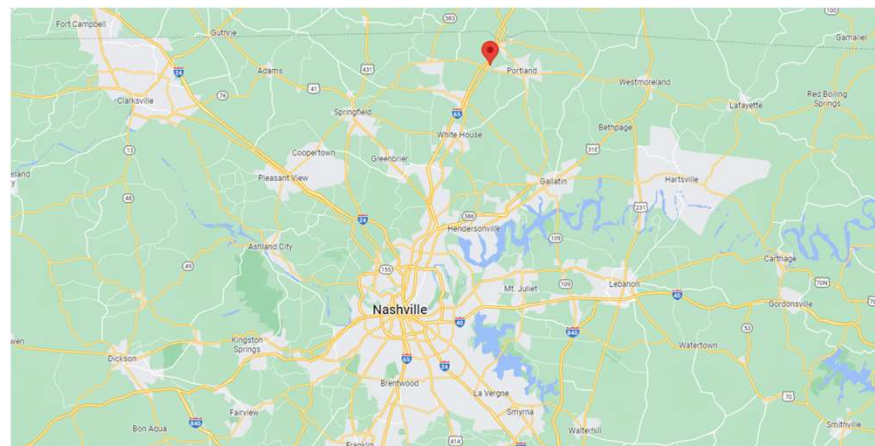
SHELL COMPLETE

July 2023

## MARKET

Demand for industrial space in Nashville remains strong, as the city benefits from the national logistics boom that began near the beginning of the pandemic. The ability of Nashville to reach roughly half of the nation's population within a day's drive has helped attract third-party logistics firms, e-commerce companies, and retailers. Buildings in Nashville are being constructed at a faster pace than the national average, but only about half of the current pipeline is unleased, which eases potential supply-side pressure. Year-over-year rent growth is also well above the national average, and rent will continue to grow as long as demand for space in the area holds its current level. With improving fundamentals and a prime location for industries in high demand, Nashville will likely continue to hold its position as a premier location for industrial investment.

Source: Nashville Industrial Market Report Q1 2022 CoStar



PROJECT NAME

Shoals Way Industrial

MARKET

Nashville

SUBMARKET

Nashville Metro

PRODUCT TYPE

Spec Class A Industrial

SIZE

638,400 SF

ACRES

38.13

CLEAR HEIGHT

36'

CONSTRUCTION

12 Months

LEASING

0% leased;  
Pro Forma @ \$4.65/SF  
rental rate

INVESTOR RETURN


Sale @ End of Year 3

4.35% cap Rate

IRR 15.56%

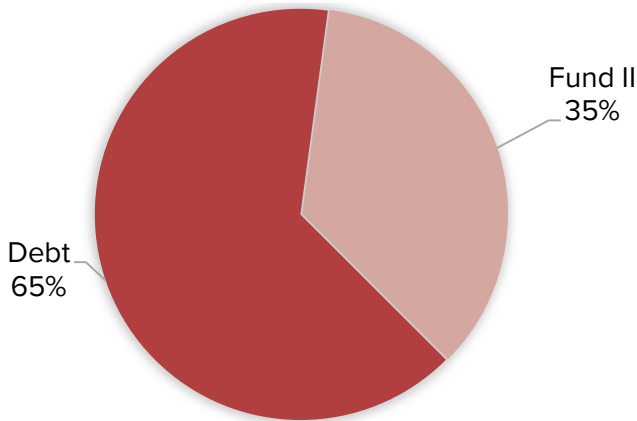
Multiple 1.53x

# LOAN REVIEW

LENDER	RATE	AMOUNT	FEE
	Floating Wall Street Journal Prime Rate plus 25 bps	66% LTC	0.60%
TERMS	REPAYMENT	GUARANTOR	
36-months + 2 (1)-year extension	Interest only during first 36 months; thereafter, 25-year amortization	Linwood Capital to provide a 25% repayment guarantee with Standard Bad-Actor Carveouts. Completion guaranty by Al. Neyer.	

# SOURCES & USES

**Total Sources: \$54,312,360**



	\$ PER SF	TOTAL
Land + Grading	\$ 12	\$ 7,857,350
Hard Costs	\$ 62	\$ 39,319,745
Leasing Costs	\$ 2	\$ 1,152,840
Soft Costs + Contingency	\$ 7	\$ 4,242,760
Loan Fees + Interest	\$ 1	\$ 719,670
Operating Deficit	\$ 2	\$ 1,019,990
<b>TOTAL USES</b>	<b>\$ 85</b>	<b>\$ 54,312,360</b>

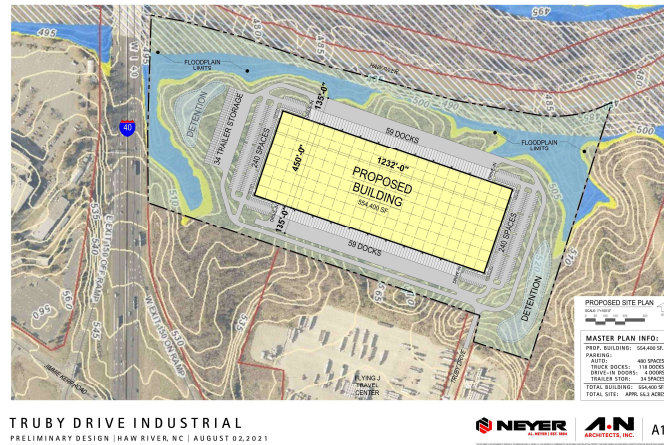
RETURNS SUMMARY			
		PROJECT	INVESTOR
Sale at End of Year 3 <i>4.35% Cap Rate</i>	IRR	20.61%	15.56%
	Multiple	1.75x	1.53x
Sale at End of Year 5 <i>4.85% Cap Rate</i>	IRR	11.55%	9.70%
	Multiple	1.71x	1.58x

THE STATEMENTS CONTAINED IN THIS OVERVIEW REFLECT CURRENT VIEWS ABOUT FUTURE EVENTS AND ARE SUBJECT TO NUMEROUS KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, ASSUMPTIONS AND CHANGES IN CIRCUMSTANCES THAT MAY CAUSE ACTUAL RESULTS TO DIFFER SIGNIFICANTLY. ALTHOUGH IT IS BELIEVED THAT THE EXPECTATIONS REFLECTED IN THE FORWARD-LOOKING STATEMENTS ARE REASONABLE, FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS CANNOT BE GUARANTEED. YOU SHOULD NOT PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH APPLY ONLY AS OF THE DATE OF THIS SUMMARY.

# OPPORTUNITY OVERVIEW: TRUBY DRIVE INDUSTRIAL

The Truby Drive Industrial project consisting of a 579,040 SF speculative Class-A industrial facility, will be developed and constructed by Al. Neyer and owned by a single-purpose entity managed by Al. Neyer. The site location of the Project is in Haw River, NC on Truby Drive. The site has convenient access to interstate 40 and is located at the halfway point between Greensboro and Durham, only a half-hour trip from each of the cities. This strategic location is located in a key corridor that connects cities such as Atlanta, Charlotte, and Raleigh to the East Coast.

Underwriting for the project assumes a building divided between two tenants, one with a five-year lease term and one with a seven-year lease term. A blended rental rate of \$5.48 allows for blended tenant improvements \$7.00.



LAND CLOSING  
& FINANCING

June 2022

GROUNDBREAKING

June 2022

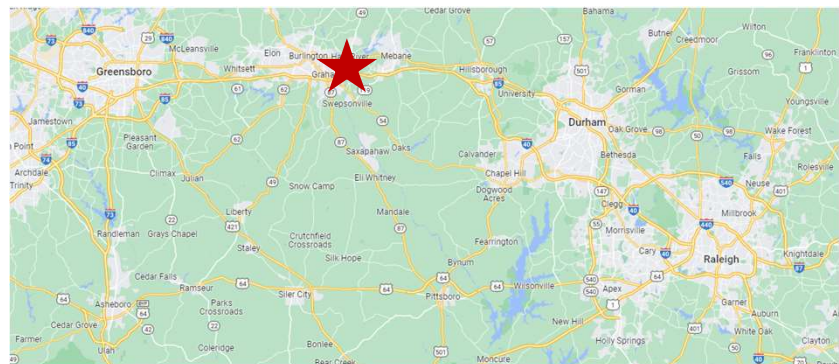
SHELL COMPLETE

April 2023

## MARKET

With a diverse industrial market that includes pharmaceutical, life-science, logistical and other companies, Raleigh has been able to sustain success through various market trends. A high-quality workforce, easy access to other major markets, and a growing population have attracted expansion from tenants such as Amazon and Lowe's. The market has reached an extremely low vacancy rate of 2.3%, which has allowed property owners to pre-lease space to tenants. Supply-side pressures are slated to remain minimal in the near term as the speculative development pipeline is limited. Additionally, absorption is expected to remain positive due to the increased preleasing activity. The area's strong industrial demand and stable fundamentals are expected foster improvement over the long term.

Source for market data: CoStar Industrial Market Report as of February 18, 2022



PROJECT NAME

Truby Drive Industrial

MARKET

Raleigh

SUBMARKET

RTP / I-40 Corridor

PRODUCT TYPE

Spec Class A Industrial

SIZE

579,040 SF

ACRES

55.31

CLEAR HEIGHT

41'

CONSTRUCTION

10 Months

LEASING

0% leased;  
Pro Forma @ \$5.48/SF  
rental rate

INVESTOR RETURN


Sale @ End of Year 3

4.55% cap Rate

IRR 15.48%

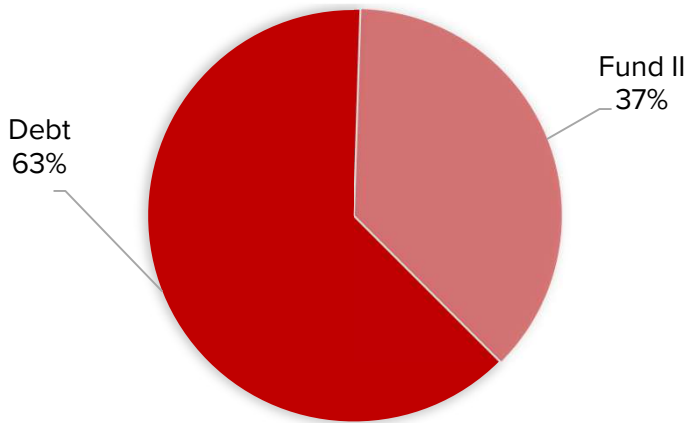
Multiple 1.53x

# LOAN REVIEW

LENDER	RATE	AMOUNT	FEE
	Floating Rate with 30-Day SOFR plus 245 bps	63% LTC	0.45%
TERMS	REPAYMENT	GUARANTOR	
36-months + 1 (2)-year extension	Interest only during first 36 months; thereafter, 30-year amortization	Standard non-recourse carve-outs & environmental indemnity to be provided by Linwood Capital, completion guaranty provided by Al. Neyer	

# SOURCES & USES

**Total Sources: \$55,705,000**



	\$ PER SF	TOTAL
Land + Grading	\$ 21	\$ 11,866,000
Hard Costs	\$ 63	\$ 36,631,000
Leasing Costs	\$ 2	\$ 1,021,000
Soft Costs + Contingency	\$ 7	\$ 4,187,000
Loan Fees + Interest	\$ 1	\$ 637,000
Operating Deficit	\$ 2	\$ 1,363,000
<b>TOTAL USES</b>	<b>\$ 96</b>	<b>\$ 55,705,000</b>

RETURNS SUMMARY			
		PROJECT	INVESTOR
Sale at End of Year 3 <i>4.55% Cap Rate</i>	IRR Multiple	20.45% 1.74x	15.48% 1.53x
Sale at End of Year 5 <i>5.05% Cap Rate</i>	IRR Multiple	12.18% 1.75x	10.19% 1.61x

THE STATEMENTS CONTAINED IN THIS OVERVIEW REFLECT CURRENT VIEWS ABOUT FUTURE EVENTS AND ARE SUBJECT TO NUMEROUS KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, ASSUMPTIONS AND CHANGES IN CIRCUMSTANCES THAT MAY CAUSE ACTUAL RESULTS TO DIFFER SIGNIFICANTLY. ALTHOUGH IT IS BELIEVED THAT THE EXPECTATIONS REFLECTED IN THE FORWARD-LOOKING STATEMENTS ARE REASONABLE, FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS CANNOT BE GUARANTEED. YOU SHOULD NOT PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH APPLY ONLY AS OF THE DATE OF THIS SUMMARY.