

Project George
Existing Buildings and Build-to-Suit Analysis
for Pasquotank County
with Land Cost and Tax Savings Estimates
plus Workforce Availability and Training Assets
December 20, 2017

Existing Buildings

There are three buildings in Pasquotank County that meet or come close to meeting Project George's initial square-footage requirements. Two of three are adjacent to land that could be readily acquired for expansion. But none of the three come close to meeting the company's preferred ceiling height of 24 feet. Here are the specs:

	Location	Asking Price	Square Feet	Ceiling Height at Eave	Room for Expansion
Former NEANY Building	Kitty Hawk Lane	\$2,362,500	44,000	18	Yes
TCOM Building	Kitty Hawk Lane	\$1,250,000	23,000	18*	Questionable
Former Blackwater Building	Pasquotank Commerce Park	\$2,000,000	40,000	18	Yes
* TCOM Building does have a 5,000 SF warehouse area with 30-foot ceiling height.					

See accompanying documents for a map showing the locations of these buildings relative to Norfolk International Airport.

Neany Building and Blackwater Sales Brochures - see accompanying documents.

TCOM Building Multiple Listing (many photographs). Follow this link:

http://www.crossre.com/default.asp?content=expanded&search_content=my_listings&this_form at=0&m ls_number=88196&page=1&sortby=2

Build to Suit

Pasquotank Commerce Park is ideally suited for a Project George build-to-suit. Pasquotank Commerce features 3 phase, 480 V, 1000 kW electric service, natural gas, sewer, and water at 65+ PSI at 25 GPM. Located 7 miles north of Elizabeth City between US 17/158 and the US 17 By-Pass, Pasquotank Commerce is just 45 miles from the Port of Virginia and Norfolk International Airport. The recent addition of a high-rise 4-lane bridge and an overpass over the busiest intersection on Dominion Boulevard/US 17 have reliably reduced the travel time to those destinations to about 50 minutes. Those improvements also have made it easier to attract both

companies and workers from the Hampton Roads area. In fact, a Virginia Beach-based luxury bus outfitter, Legacy Coach, recently relocated to Pasquotank Commerce Park, and its owner and founder has joined the Elizabeth City Pasquotank County Economic Development Commission board.

Property Costs, Tax Costs and Tax Savings

Manufacturers with more than 25 employees choosing to relocate to Pasquotank County are eligible for a Business Investment Grant that rebates the difference between the raw land value of the property and the value after development, with a 10% step-down until the discount reaches zero after 10 years. Real property in Pasquotank County is valued at full construction cost and is revalued every eight years, with the next revaluation scheduled for 2022. The following table assumes:

- A 70,000 SF build-to-suit at a cost of \$150 per SF plus \$500,000 for site prep
- A revaluation at 90% of construction cost in 2022;
- A blended depreciation rate over 8 years for \$15 million worth of machinery and equipment.

The table also assumes no change in the Pasquotank County property and personal tax rate:

Estimated Real and Personal Property Tax Costs and Savings Over 10 Years								
Assumes 70,000 SF Building								
Acres:		11.4	Assessed Land Value:		\$18,000	Pasquotank Tax Rate:		0.0077
	BIP Tax Rebate	Tax Rate	Building Valuation	Building Assessment	NC DOR Blended 8- Year Depreciation on M&E	Machinery and Equipment Assessment	Total Tax Rebate	Actual Real and Personal Property Taxes Paid*
2019	100%	0.77%	100%	\$11,000,000	100%	\$15,000,000	\$200,200	\$1,580
2020	90%	0.77%	100%	\$11,000,000	87%	\$13,050,000	\$166,667	\$20,099
2021	80%	0.77%	100%	\$11,000,000	76%	\$11,400,000	\$137,984	\$36,076
2022	70%	0.77%	100%	\$11,000,000	65%	\$9,750,000	\$111,843	\$49,513
2023	60%	0.77%	90%	\$9,900,000	53%	\$7,950,000	\$82,467	\$56,558
2024	50%	0.77%	90%	\$9,900,000	39%	\$5,850,000	\$60,638	\$62,218
2025	40%	0.77%	90%	\$9,900,000	27%	\$4,050,000	\$42,966	\$66,029
2026	30%	0.77%	90%	\$9,900,000	25%	\$3,750,000	\$31,532	\$75,154
2027	20%	0.77%	90%	\$9,900,000	25%	\$3,750,000	\$21,021	\$85,664
2028	10%	0.77%	90%	\$9,900,000	25%	\$3,750,000	\$10,511	\$96,175
							\$865,827	\$549,064

Because of the high number of high wage jobs Project George would create, Pasquotank County would willing to sell land to the company at \$18,000 - a \$12,000 per acre discount with a total value of \$136,800.

See accompanying documents for a map of the the proposed site on Executive Drive in Pasquotank County Commerce Park.

Utilities

The City of Elizabeth City will offer electrical rates under its General Service Economic Development Coincident Peak rate (GS4). The industrial rate is one of the most competitive rate schedules in the Southeast. The City will work with the customer to design a rate that will allow the City to place a 1250 kW electric generator on site for peak shaving and emergency backup. This rate is for a period of five years, at which time the City will migrate the customer to the GS3 rate. The advantages of this rate tariff are:

- A low monthly base customer charge of \$160.45
- An energy charge of \$.0396 per kWh
- A coincident Peak Demand, per CP KW, of \$21.75, which is eliminated through the use of the City-controlled generator.

The City would be happy to provide a detailed rate analysis upon submission of a load profile.

Summary of costs and savings on build-to-suit

Total cost of a 70,000 SF building @ \$150/SF plus site prep	\$11,000,000
Total cost of 11.4 acres in Pasquotank Commerce Park	\$205,200
Total cost of real and personal property taxes over 10 years	\$549,064
Total cost savings on real and personal property taxes:	\$865,827
Value of discount on 11.4 acres:	\$136,800
Total Value of Tax Rebates and Land Discount*	\$1,002,627

* Plus one of the most competitive utility rate schedules in the Southeast

Workforce

Elizabeth is home to Air Base Elizabeth City and the Aviation Logistics Center, which performs depot-level maintenance on all the 200 fixed-wing and rotary-wing aircraft operated by the Coast Guard. Much depot-level maintenance on older aircraft like the C-130H requires the machining of many parts no longer stocked by the manufacturer. Elizabeth City also is home to Hoffer Flow (flow meters; 100 employees) and Hockmeyer Equipment (industrial mixers and pulverizers; 50 employees), both it which extensively employ machining in the manufacture or their products. To serve this market, College of the Albemarle has developed one of the most robust machinist training programs in the state.

College of The Albemarle offers a 3 semester (one-year) diploma program in Computer Integrated Machining. Our program is offered in a state of the art facility on our Regional Aviation and Technical Training Center in Barco, NC (approximately 15 miles from the Elizabeth City main campus).

This program takes in up to 14 students per year for the diploma and has the capability to offer an advanced certification beyond the diploma, if needed, through one additional semester. Students typically begin in August and finish the following summer for the diploma. All program classes are taught by a FT Instructor/Program Coordinator with over 20 years experience in the field. Additionally, the CIM program offers a CTE pathway for high schoolers through our CCP dual enrollment opportunities.

Enrollment/certificate completion data:

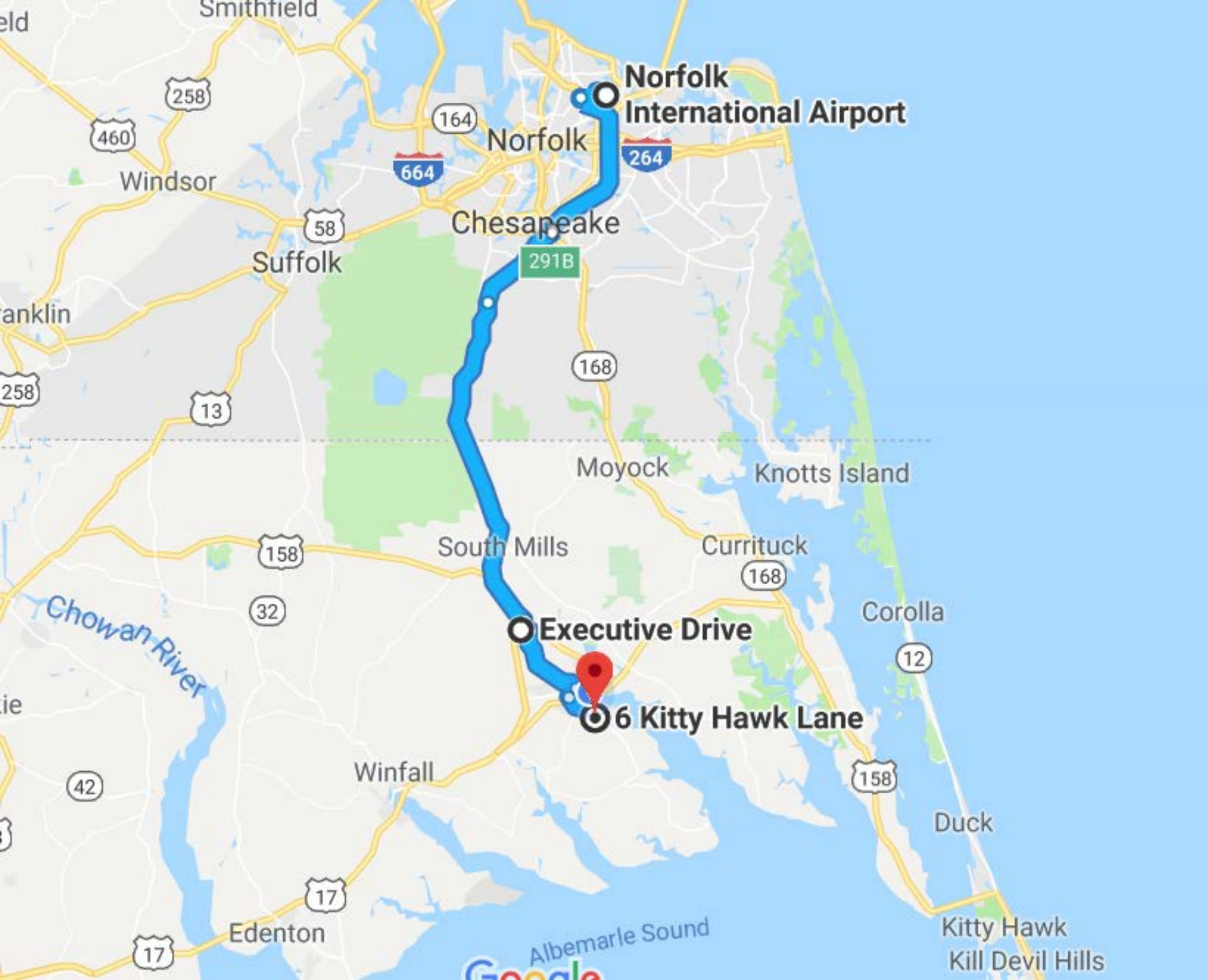
Enrollment Adults / Dual Enrollment- Diploma

Fall 2014 - 8 / 4
Fall 2015 - 6 / 0
Fall 2016 - 9 / 1
Fall 2017 - 4 / 1

Level I Certs / Diploma Grads (may include Duplicate Number)

2012-13 - 2/9
2013-14 - 8/3
2014-15 - 5/5
2015-16 - 5/1
2016-17 - 6/2

Many of these graduates have gone on to work at Base Elizabeth City, Hockmeyer Equipment and Hoffer flow. Additionally, proximity to the Hampton Roads market makes it possible to attract workers from that area.



FORMER NEANY BUILDING



WHEELER
REAL ESTATE COMPANY

100 Kitty Hawk Lane
Elizabeth City, NC 27909

LEASE AND/OR SALE
OPPORTUNITY

WAREHOUSE/
INDUSTRIAL

Size:

8.67 Acres

(Can Be Subdivided)

44,000 sq. ft.
Warehouse/Office
Building

Improved Office =
3,300 s.f.

Warehouse =
40,700 s.f.
with concrete floors



FOR LEASE/SALE
44,000 sq. ft. Warehouse/Office

19' Ceilings

3 phase, 4 wire,
600 amp 277/480 volt
electrical power

Front:

1 Dock Well and
1 Grade Level Door

Side:

2 Grade Level Doors
and 3 Dock Level Doors

Overhead Cranes



Demographics*:

	1 Mile	3 Miles	5 Miles
Population	5,005	20,114	29,359
Households	1,409	7,495	11,102
Avg. HH Income	\$49,996	\$46,039	\$52,526

* Based on 2010 Census & 2014 Estimates



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Wheeler Real Estate Company • Riversedge North • 2529 Virginia Beach Blvd. • Suite 200 • Virginia Beach, VA 23452
757.627.9088 • Toll Free: 866.203.4864 • Fax: 757.627.9081

George Fox
mobile - 757.651.9380
george@wheelerrec.com

WHEELER INTERESTS, a Virginia Beach, Virginia-based real estate acquisition, development, leasing and management company, specializes in shopping centers of 50,000 to 300,000 square feet. Properties are located throughout the East Coast, South and Southwest and anchored or shadow-anchored by regional and national tenants such as Farm Fresh, Food Lion, Martin's, Harp's, Reasor's, Walmart, Stein Mart, Dollar Tree and TJ Maxx.

The information contained herein was furnished to us by sources we deem to be reliable, but no warranty or representation is made to the accuracy thereof. This offering is subject to correction or errors and omissions, change of price, prior to sale/lease or withdrawal from the market, without notice.

FORMER NEANY BUILDING

100 Kitty Hawk Lane
Elizabeth City, NC 27909



ONE PROPERTY
SEVERAL OPPORTUNITIES

OPTION #1
Lease Building

OPTION #2
Buy Building

OPTION #3
Buy 4 +/- Unimproved
Acres

OPTION #4
Buy Building &
Acreage

WAREHOUSE SPECIFICS:

Warehouse =
40,700 s.f.
with concrete floors

19' Ceilings

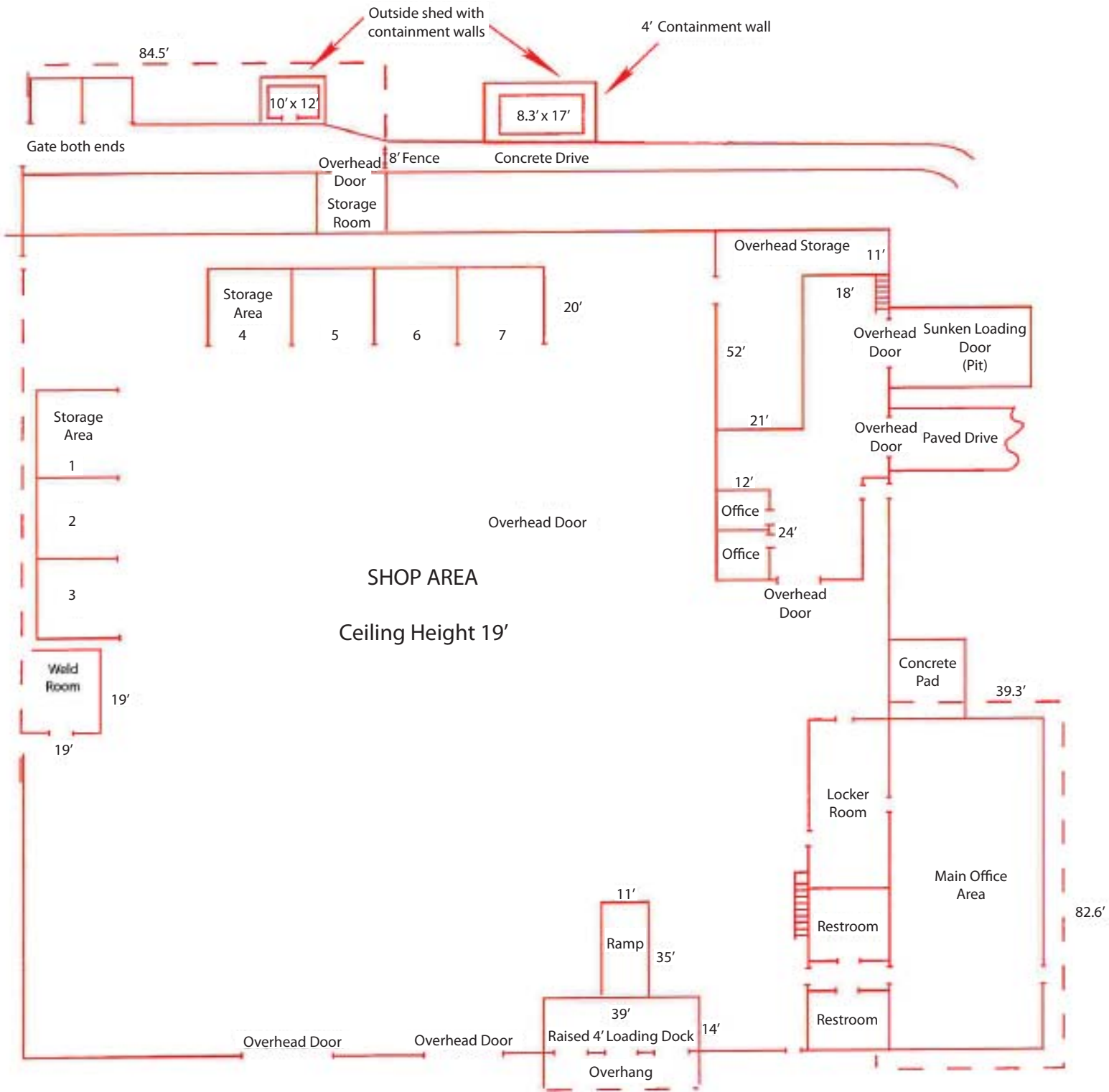
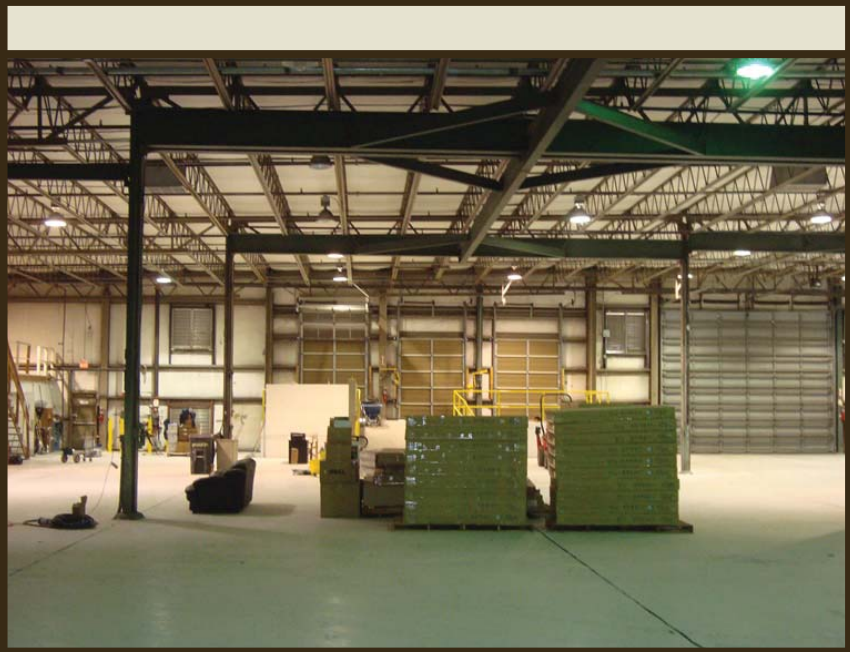
3 phase, 4 wire,
600 amp 277/480 volt
electrical power

Heat only propane
fired RTU' s

Fully sprinklered,
wet system;
both office and warehouse

Column Spacing:
40' centers

Warehouse:
roughly 200' x200'



FORMER NEANY BUILDING

100 Kitty Hawk Lane
Elizabeth City, NC 27909

ONE PROPERTY
SEVERAL OPPORTUNITIES

OPTION #1
Lease Building

OPTION #2
Buy Building

OPTION #3
Buy 4 +/- Unimproved
Acres

OPTION #4
Buy Building &
Acreage

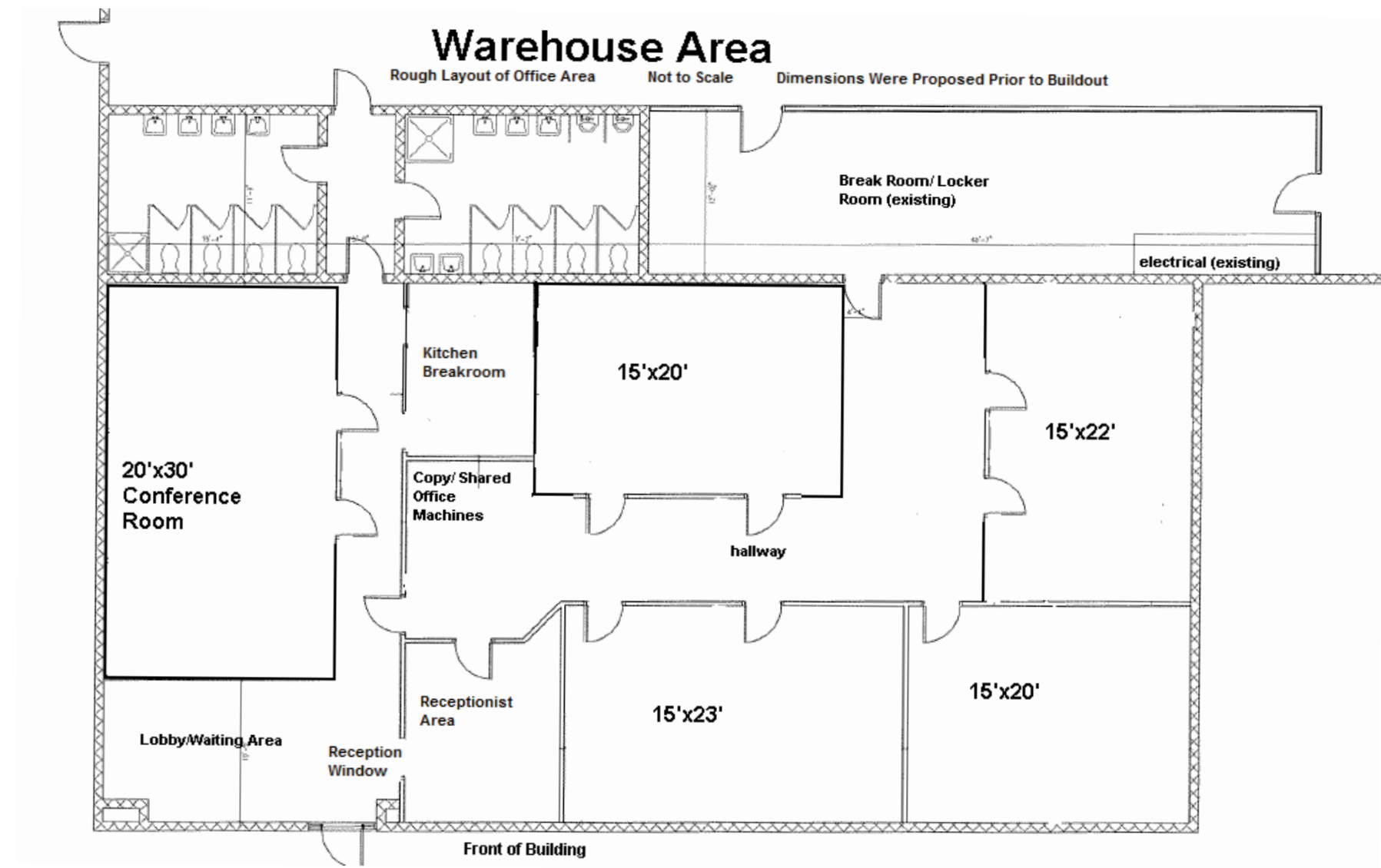
OFFICE SPECIFICS:
Improved Office =
3,300 s.f.

Complete
office renovation in 2012

Office Area HVAC:
8 tons total
2 trane split systems/
heat pump.
Installed new in Oct. 2011

Fully sprinklered,
wet system

3 phase, 4 wire
600 AMP 277/
480 volt electric



FORMER NEANY BUILDING

100 Kitty Hawk Lane
Elizabeth City, NC 27909



WHEELER
REAL ESTATE COMPANY

THE MARKET

Located midway between Florida and the Northeast, Elizabeth City is the premier hub of the aviation industry, and the economic and commercial hub of the northeastern North Carolina mainland.

The Elizabeth City Regional Airport is rapidly growing and can accommodate helicopters, Lear Jets and 747's. Over \$12 million has been invested in infrastructure and \$18 million invested in education and training facilities including Elizabeth City State University Aviation Science Program. Federal Grants totaling \$105 million from NTIA, Golden LEAF Foundation and private sector partners have fueled the expansion.

Phase I (63 acres) includes four sites to accommodate three 80,000 square foot facilities and one 60,000 square foot facility. DRS Technologies, a leading supplier of integrated products, services and supports to military forces, homeland security, intelligence agencies and prime contractors worldwide, has ground leased all four sites in Phase I and is scheduled to break ground on new hangars soon. Negotiations are currently being conducted for acquisition of Phase II (48 acres), which will include additional sites for five 80,000 square foot hangars.

Connected to the Elizabeth City Regional Airport by a C-130 class taxiway is Coast Guard Air Station (CGAS) Elizabeth City - the largest U.S. Coast Guard aircraft maintenance facility in the nation. All depot-level maintenance of every U.S. Coast Guard plane is done in Elizabeth City. In addition to being the largest Coast Guard maintenance facility in the country, CGAS is also one of the largest Coast Guard bases in terms of active duty personnel and one of the most heavily trafficked with Coast Guard flights and missions. In addition to the air station, Elizabeth City's Coast Guard complex, which includes 800 acres, 5 miles of runways and taxiways, four miles of road and 68 buildings, operates other very specific divisions such as the Aviation Logistics Center, Aircraft Repair and Supply Center, Aircraft Technical Center and a Small Boat Station.

Elizabeth City is home to approximately 1,500 active Coast Guard members and employees, as well as 500 family dependents and 700 military retirees with payroll of approximately \$32 million annually.

Elizabeth City State University (ECSU) is located just minutes from CGAS. The school is continually growing and currently has an enrollment of over 3,000 students. Other nearby educational institutions include College of Albemarle and Mid-Atlantic Christian University.

With easy access to and from US 17, US 158 and NC Highway 344, many businesses are relocating to Elizabeth City to take advantage of the skilled workforce, quality of life, transportation and education. There are more than 22,000 loyal, well-trained workers residing in the region. In addition, nearby major roadways allow same-day trucking service to over half of the nation's consumer and industrial markets with over half of the U.S. population and over half of the manufacturers within 750 miles.

www.wheelerint.com

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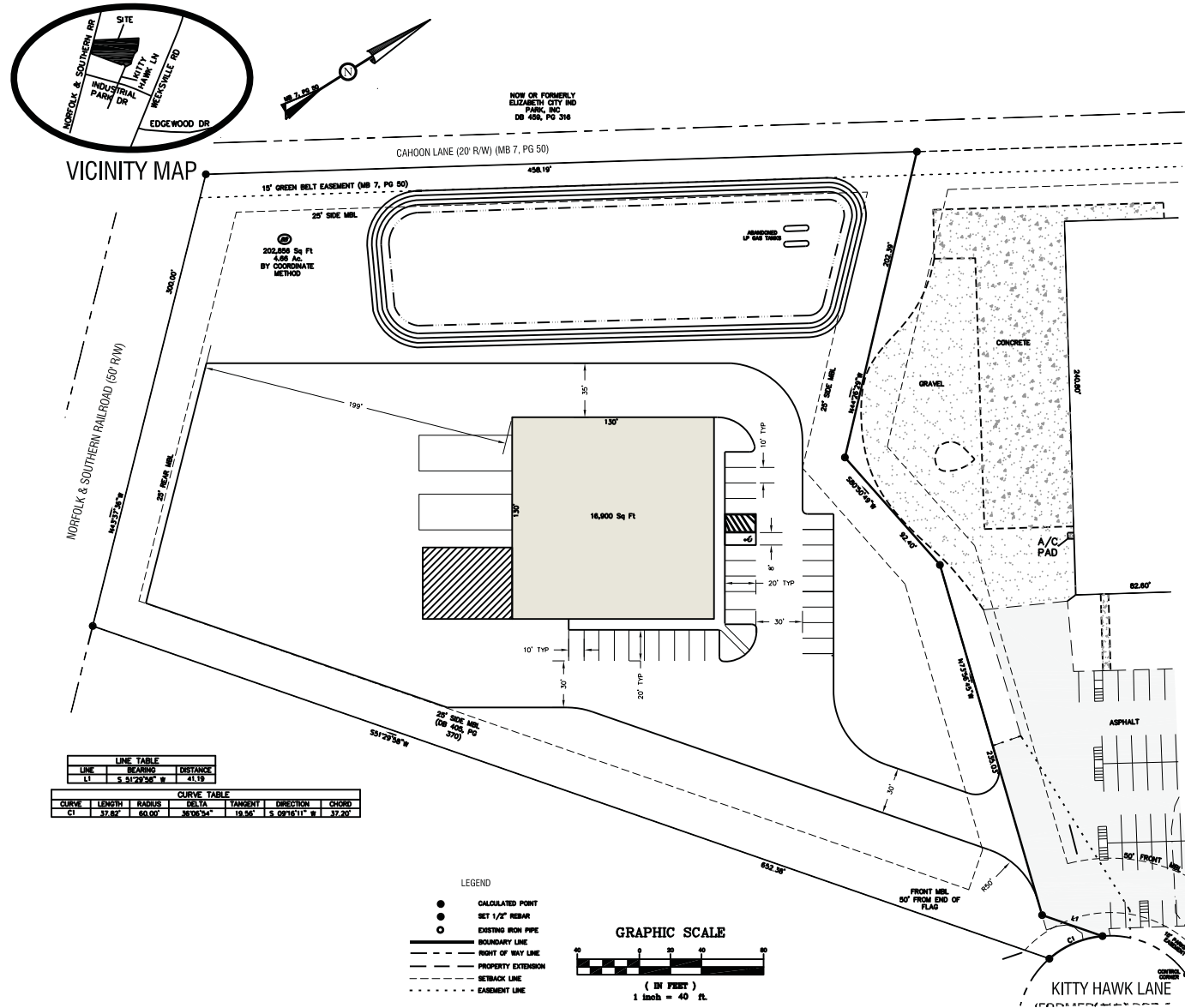
FORMER NEANY BUILDING

100 Kitty Hawk Lane
Elizabeth City, NC 27909



DISTRIBUTION CENTER/WAREHOUSE

Potential
Build-to-Suit
Option for
Adjacent
4 +/- Acres



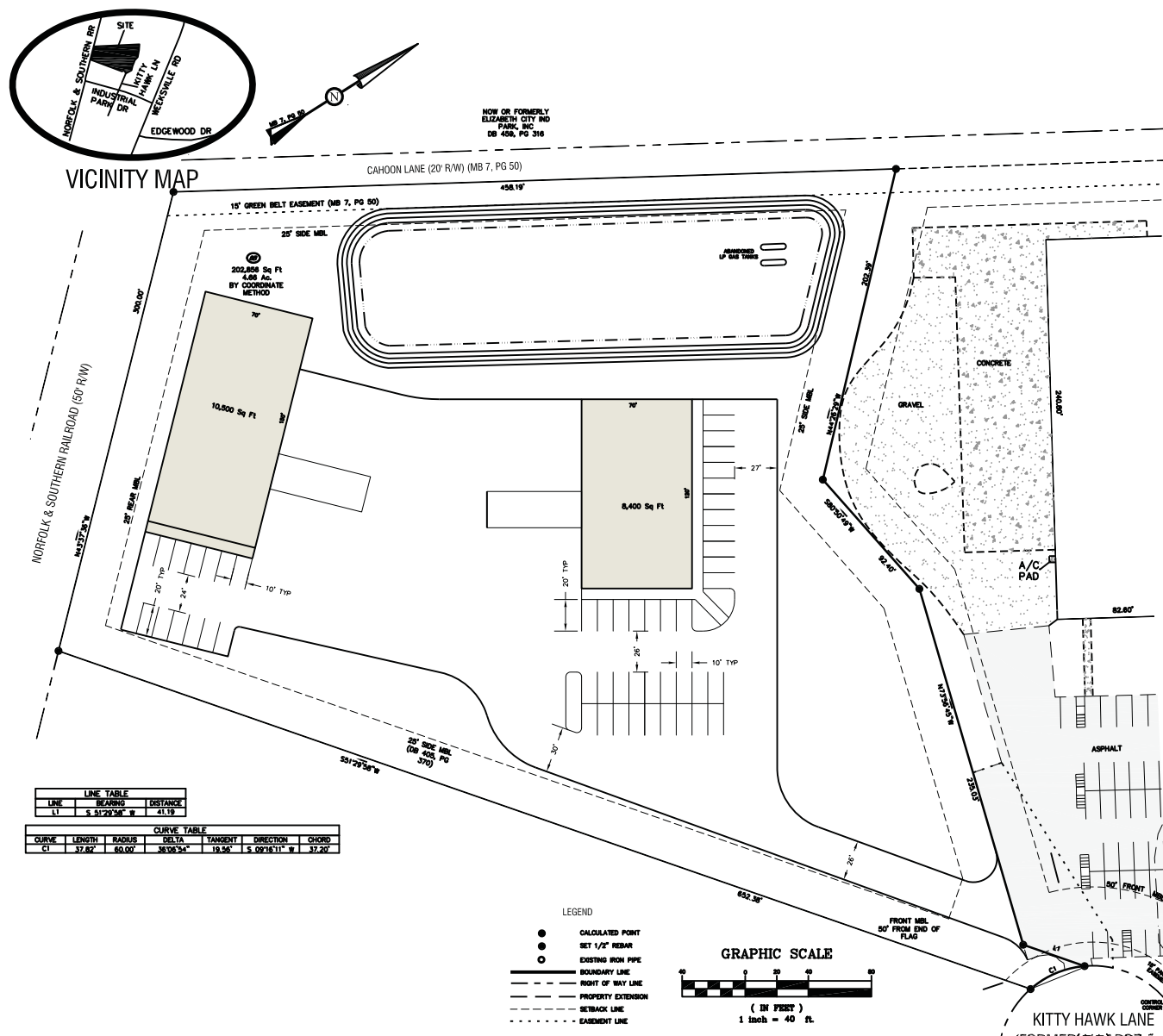
FORMER NEANY BUILDING

100 Kitty Hawk Lane
Elizabeth City, NC 27909



OFFICE WAREHOUSE
SMALL MANUFACTURING

Potential
Build-to-Suit
Option for
Adjacent
4 +/- Acres



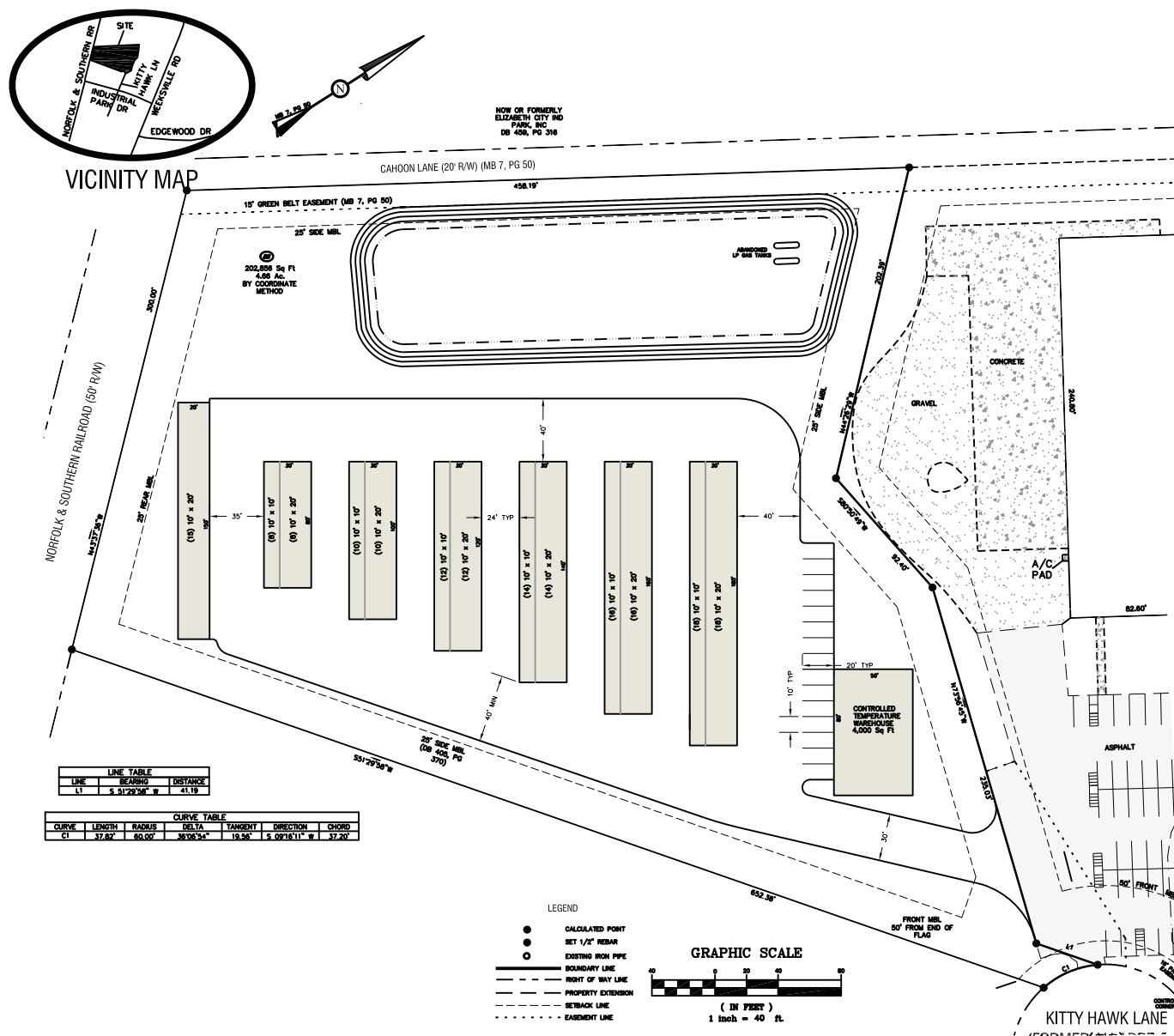
FORMER NEANY BUILDING

100 Kitty Hawk Lane
Elizabeth City, NC 27909



MINI STORAGE

Potential
Build-to-Suit
Option for
Adjacent
4 +/- Acres



FORMER NEANY BUILDING

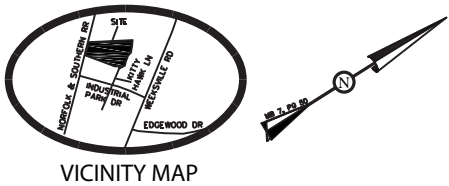
100 Kitty Hawk Lane
Elizabeth City, NC 27909



DISTRIBUTION CENTER

Potential
Build-to-Suit
Option

Includes Demolition
of Existing Building
and Large
Distribution Center
Built on Full
8.67 Acres

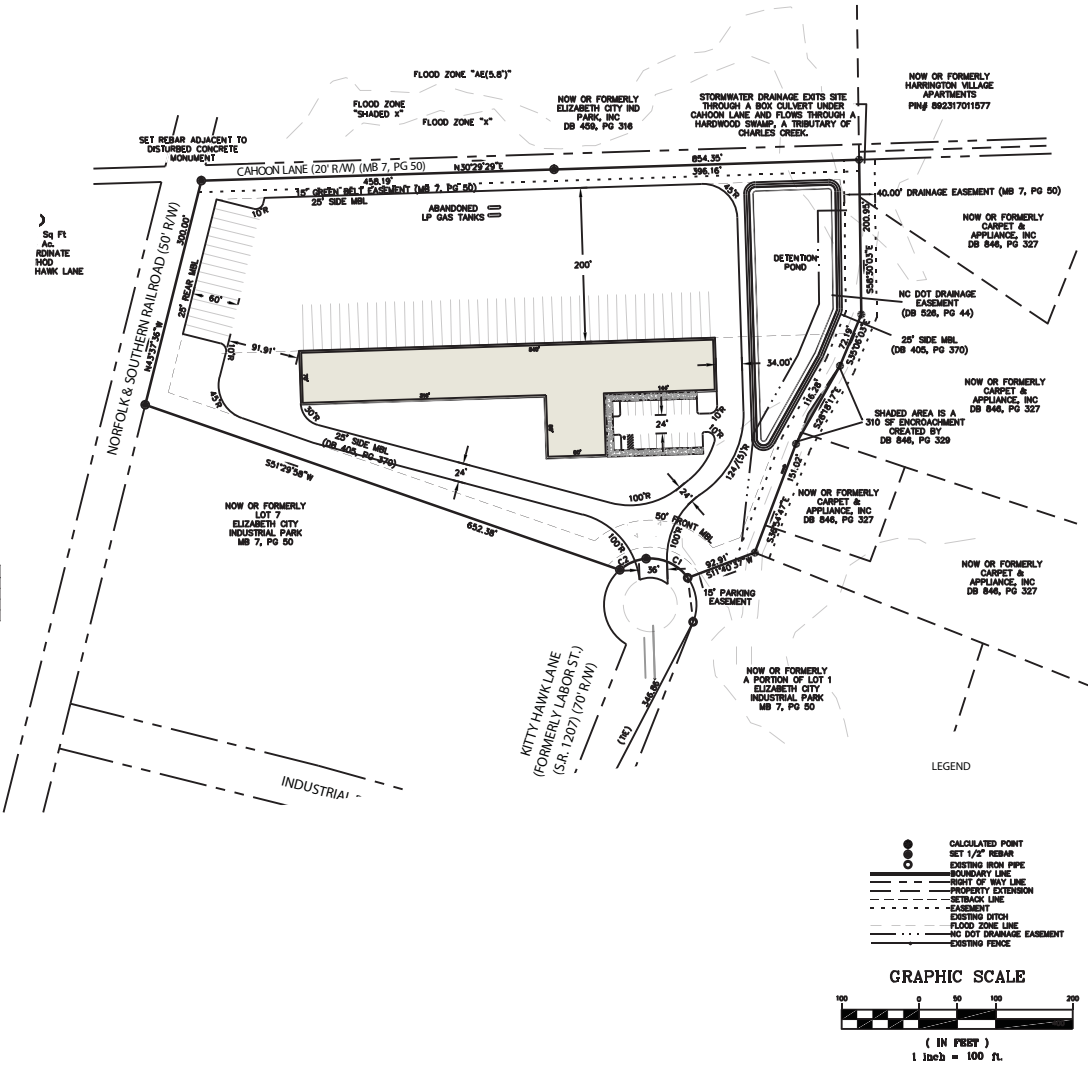


SITE DATA:

- OWNER : KITTY HAWK ASSOCIATES, LLC A VIRGINIA A LIMITED LIABILITY COMPANY
C/O WHEELER INTERESTS, INC.
RIVERSEDGE NORTH
2529 VIRGINIA BEACH BLVD
VIRGINIA BEACH, VA 23462
- THIS PROPERTY IS LOCATED IN FLOOD HAZARD ZONES X, SHADED X, & AE(5.8') ACCORDING TO FEMA MAP PANEL NUMBER 3720892300 4, DATED OCTOBER 05, 2004.
- ELIZABETH CITY ZONING = I-1
- THERE IS A 10' GENERAL EASEMENT ALONG PROPERTY LINES PER DB 417, PG 208. (NOT SHOWN FOR CLARITY PURPOSES)
- SUBJECT PARCEL #: 8623-1700-3542
TAX MAP 122, PARCEL 33
- REFERENCE VARIANCE CASE NO Y 03-09 GRANTED MARCH 18, 2009.

LINE	BEARING	DISTANCE
L1	S 91°20'58" W	41.19
L2	N 130°2'02" E	19.24
L3	S 34°35'36" E	17.83

CURVE	LENGTH	RADIUS	DELTA	TANGENT	CHORD	CHORD BEARING
C1	62.18'	60.00'	56°22'35"	34.21'	58.43'	S 5°30'25" W
C2	37.82'	60.00'	36°06'54"	19.56'	37.20'	S 09°18'11" W
C3	18.11'	60.00'	17°17'25"	9.12'	18.04'	S 35°58'20" W





INDUSTRIAL PROPERTY FOR SALE

100 CORPORATE DRIVE

ELIZABETH CITY, NC 27907



100 CORPORATE DRIVE

ELIZABETH CITY, NC 27907

PROPERTY OVERVIEW



OFFERING SUMMARY

Sale Price:	\$2,000,000
Price / SF:	\$50.00
Lot Size:	6.0 Acres
Building Size:	40,000 SF

PROPERTY OVERVIEW

33,500 square feet of manufacturing space, and 6,000 square feet of office space. Formerly occupied by Blackwater (Academi) American security services training company. Property comes with approx. 6 acres of land. All furniture, fixtures and equipment convey.

PROPERTY HIGHLIGHTS

- Within the Elizabeth City Corporate Dr.
- Inside Active FTZ Zone
- 3 Phase Power
- Room For expansion 6 acres

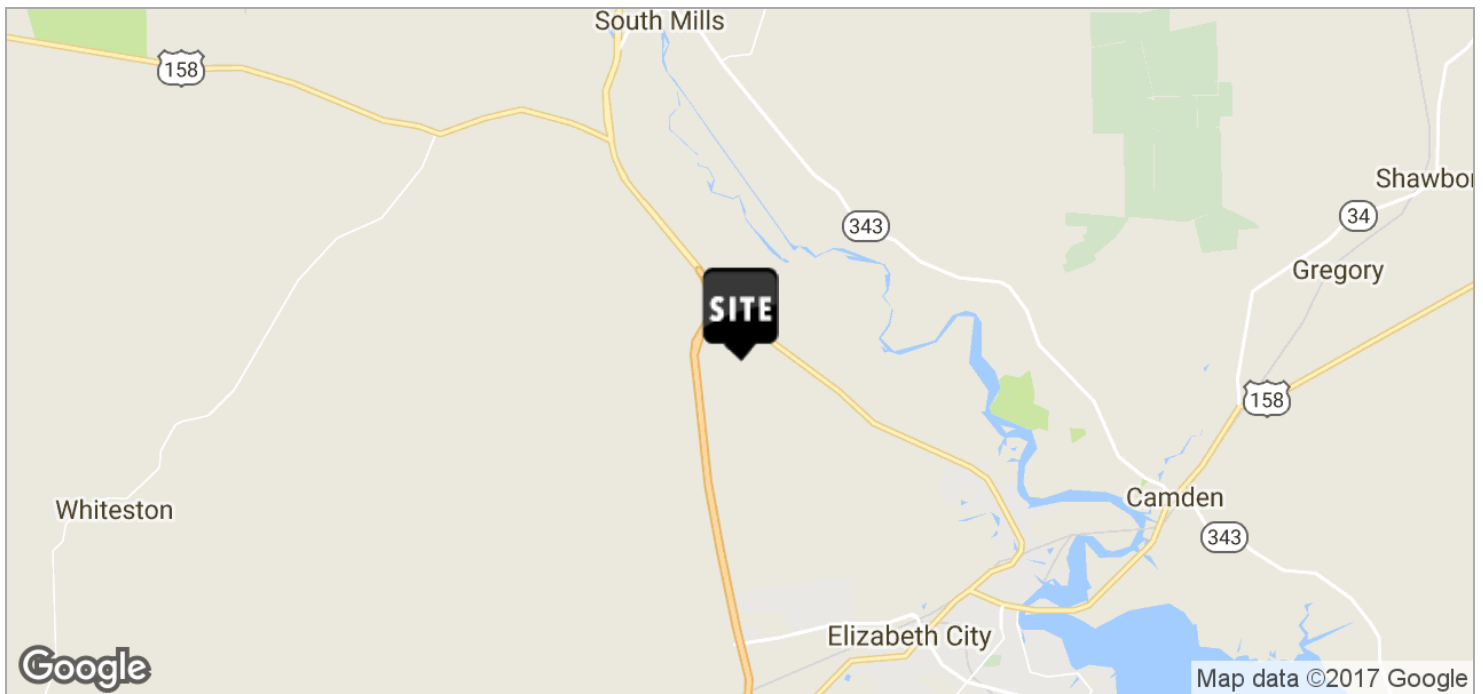
DEMOGRAPHICS

	1 Mile	5 Miles	10 Miles
Total Households:	312	3,786	16,173
Total Population:	976	11,133	44,716
Average HH Income:	\$64,651	\$63,397	\$56,370

100 CORPORATE DRIVE

ELIZABETH CITY, NC 27907

LOCATION MAPS



100 CORPORATE DRIVE

ELIZABETH CITY, NC 27907

ADDITIONAL PHOTOS



100 CORPORATE DRIVE

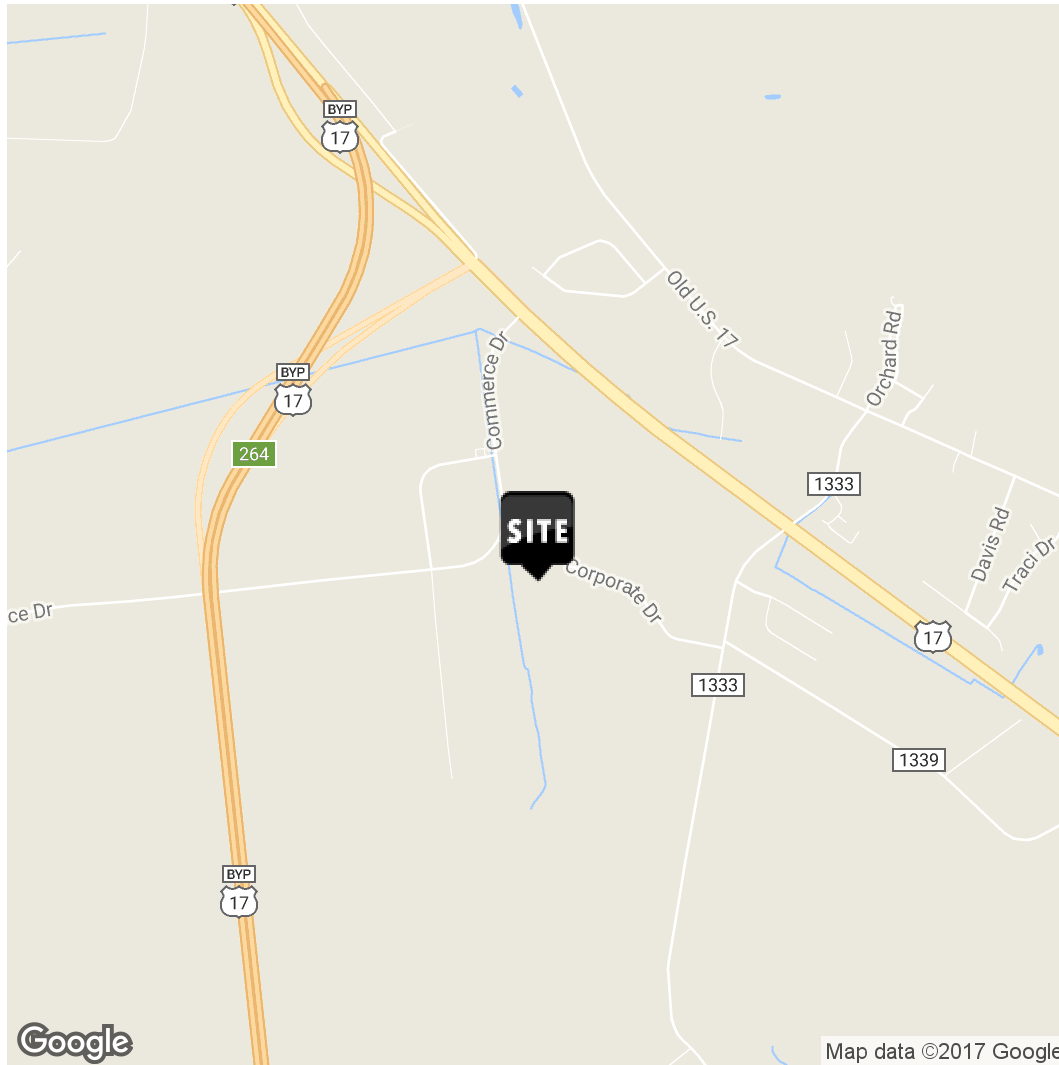
ELIZABETH CITY, NC 27907

DEMOGRAPHICS MAP



POPULATION	1 MILE	5 MILES	10 MILES
TOTAL POPULATION	976	11,133	44,716
MEDIAN AGE	37.3	38.5	35.4
MEDIAN AGE (MALE)	36.1	37.6	33.8
MEDIAN AGE (FEMALE)	41.4	41.2	37.2
HOUSEHOLDS & INCOME	1 MILE	5 MILES	10 MILES
TOTAL HOUSEHOLDS	312	3,786	16,173
# OF PERSONS PER HH	3.1	2.9	2.8
AVERAGE HH INCOME	\$64,651	\$63,397	\$56,370
AVERAGE HOUSE VALUE	\$190,324	\$187,283	\$186,590

* Demographic data derived from 2010 US Census



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