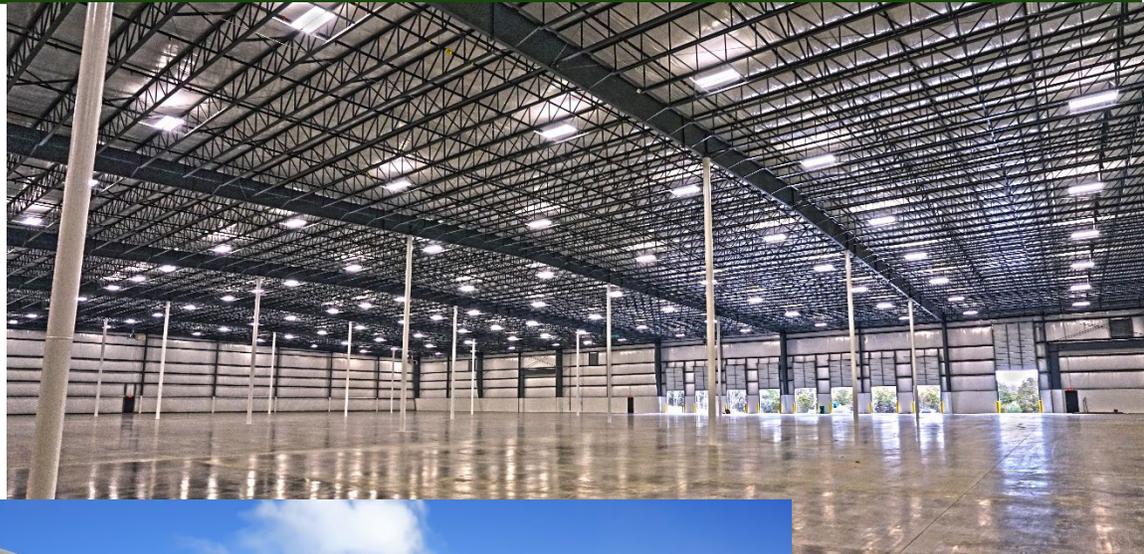




LOUDON FACILITIES EXPANSION PROPOSAL HANON SYSTEMS



Huntington Business Park
Loudon County, Tennessee



April 3, 2023

Brian Ward
Business Planning Manager, Americas
Hanon Systems
39600 Lewis Drive, Novi, MI 48377

RE: Budgetary Facility Expansion. TL-175 and TL-176
Huntington Business Park, Loudon, TN

ALABAMA

Dear Brian,

This proposal is in response to your inquiry for a budgetary quote and forecasted lead times to expand the two existing facilities that are leased by Hanon Systems in Huntington Business Park in Loudon, TN.

GEORGIA

The expansion will be constructed to the same specifications as the existing facility to include 60' x 60' column spacing, minimum interior clear height of 32', LED lighting, and ESFR fire sprinkler protection. Optional build to suit considerations may include additional car spaces, truck docks, electrical capacity, and office space. These build to suit items can be firmed up 30 days prior to the final lease.

NORTH CAROLINA

To optimize construction costs, this quotation assumes the development of both expansions at the same time. TL-176 would be expanded by 86,400 SF and TL-175 would be expanded by 64,800 SF.

TENNESSEE

Industrial real estate demand remains high in the United States with a great deal of volatility for raw materials. As such, this is a budgetary quotation with forecasted lead times. To provide Hanon Systems a fixed price lease, we will request 30 days to requote the expansion and provide a fixed quote valid for 14 days before signing the final lease.

VIRGINIA

The Hollingsworth Companies is 100% focused on Industrial Real Estate development, design, and construction. Our industrial real estate portfolio includes 20 million SF across 18 states in the Southeast and Midwest. We strive to maintain a clean, safe, and efficient industrial setting for growing manufacturing and distribution companies.

Thank you for considering us for this opportunity.

Sincerely,

Tom Mann
Senior Vice President of Industrial Real Estate

*TWO CENTRE PLAZA
CLINTON, TN 37716*

865-457-3701 PHONE

865-457-5476 FAX

Cc: Joe Hollingsworth CEO
Tom Wortham Sr. Vice President of Architecture and Development

*the one stop for every industrial need
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Industrial Building Program

SOUTHERN ADVANTAGE

TL-176 HUNTINGTON PARK, LOUDON, TN

Location: 1295 Huntington Park Drive, Loudon, TN

Landlord: Tenn X, LLC

Size: 194,400 SF expanded to 280,800 SF – 27.67 Acres

Offer Expiration Date: April 15, 2023

Lease Signing: On or before March 1, 2024.

Lease Commencement: June 1, 2025 Current Term will re-start.

Early Occupancy: May 1, 2025

Lease Rate: **Fifteen (15) Year Term** Base Building Rate Triple Net

ALABAMA

GEORGIA

NORTH CAROLINA

TENNESSEE

VIRGINIA

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CLINTON, TN 37716

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Expansion Upfits: Additional Tenant upfits for the Expansion are available as a Base Rental Amount adjustment, up to a cost of \$500,000 by using the following formula:

Fifteen (15) Year Term, \$0.0234/SF/\$50,000.00 (as calculated on 280,800 S.F.) in direct costs.

Plus 3 - Five (5) Year Renewals at the same terms and conditions.

Original Upfit Rent: The original Upfit funding rolled into the rent will be unchanged from the additional monthly rent payment. With the expanded building size (280,800 SF), the rent becomes \$2.40/SF plus the CPI increase.

Security Deposit: Two months' rent, based on the new rent rate agreed, less prior deposit already received, due upon signing of the agreement.



ALABAMA

GEORGIA

NORTH CAROLINA

TENNESSEE

VIRGINIA

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Broker:	Tenant and Landlord hereby declare they have not engaged any real estate broker for this transaction to represent their interests. Both parties shall indemnify the other party against any claims related to real estate commissions associated with this transaction.
Operating Expenses:	Single Tenant, NNN lease estimated at \$.65 SF/YR. No common area or management fees will be charged by the Landlord. Any incentives awarded will be passed to the Tenant with no holdback.
Expansion:	This facility can be expanded an additional 86,400 SF after this expansion is complete.
Construction:	100% recyclable steel rigid frame construction with longspan cold formed joist secondary framing at roof. Split face masonry on three sides up to 7'-4", then insulated metal to the eaves.
Floor:	Laser leveled "Super Six Inch" 4000 psi concrete floor with Helix Micro-rebar, vapor barrier, and Ashford Formula™ penetrating densifier finish.
Roof:	24 gauge standing seam galvalume, 25-year warranty, insulated, highly reflective & recyclable.
Electrical Service:	Electrical service for building systems: lighting, heating, office power to be fed from main panel provided by Tenant.
Lighting:	Energy Efficient LED fixtures with 36,000 lumen output at 4000K color temperature for ideal color rendering and energy efficiency with reduced maintenance and reduced hazardous waste.
Water:	10" fire sprinkler riser into building. 2" metered domestic water service
Sewer:	6" gravity sanitary sewer
Heating, Ventilation:	Suspended forced air electrical resistance unit heaters and ventilation fans for 1 air change per hour plus two additional HVLS fans.
Paving:	189 existing car spaces, add 86 new spaces



Docks:

Existing Sixteen (16) 9' x 10' dock-high doors, Two (2) drive thru (14' x 14'), **add Three (3) 9' x 10' dock positions each side of building adjacent to existing loading docks.**

Fire Sprinkler:

ESFR (early suppression, fast response) fire protection system.

Offer:

Only a fully executed and delivered Lease contract shall bind any party to perform as agreed therein. All offers stated herein are subject to the assumed bankable credit of the tenant entity and the Landlord's capacity constraints at the time of lease amendment signing. All offers are only valid until April 15, 2023, after that date this proposal is automatically withdrawn.

ALABAMA

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NORTH CAROLINA

TENNESSEE

VIRGINIA

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865-457-3701 PHONE

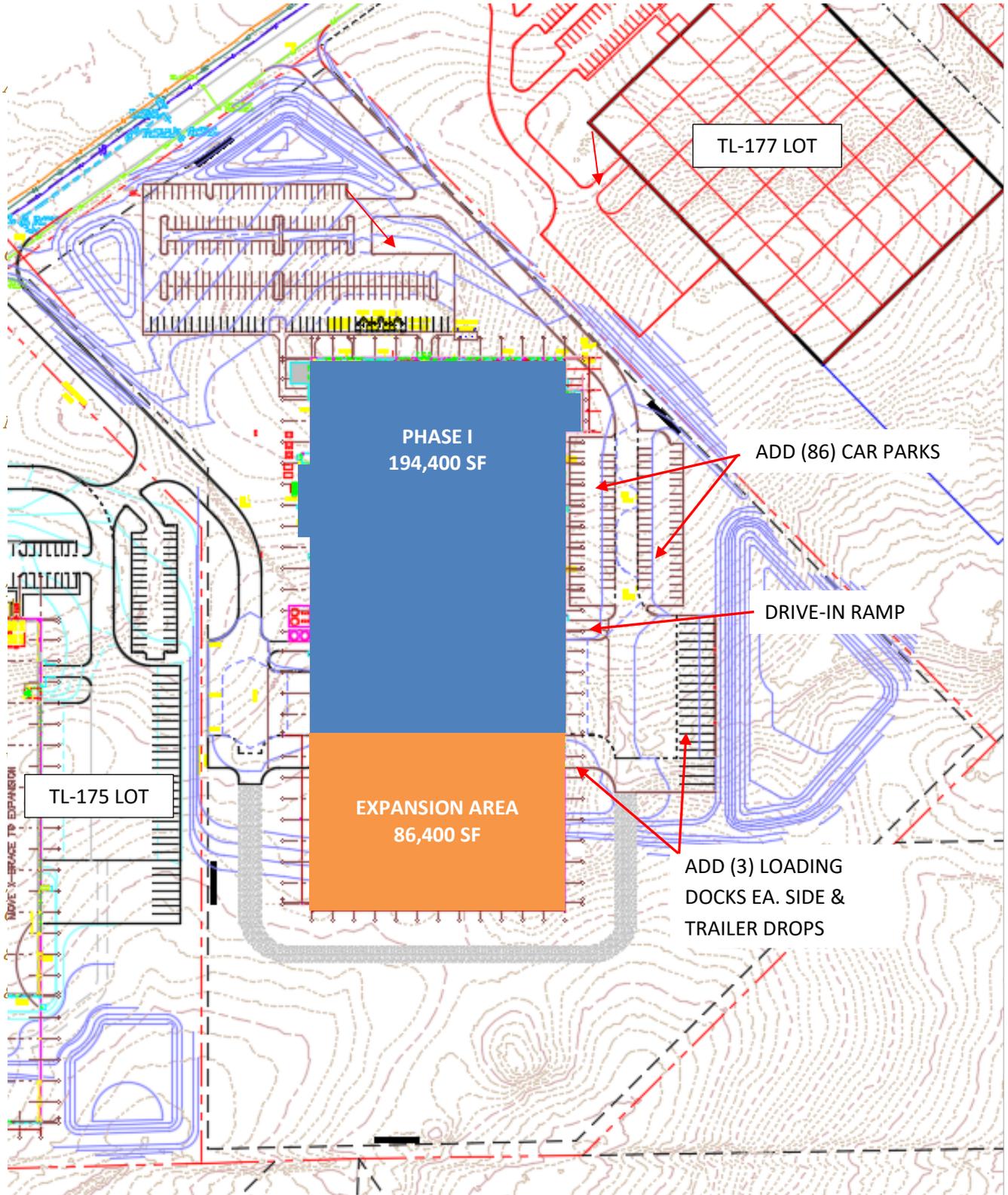
865-457-5476 FAX



Industrial Building Program

SOUTHERN
ADVANTAGE

SITE PLAN TL-176





Industrial Building Program

SOUTHERN
ADVANTAGE

OVERALL FLOOR PLAN TL-176

ALABAMA

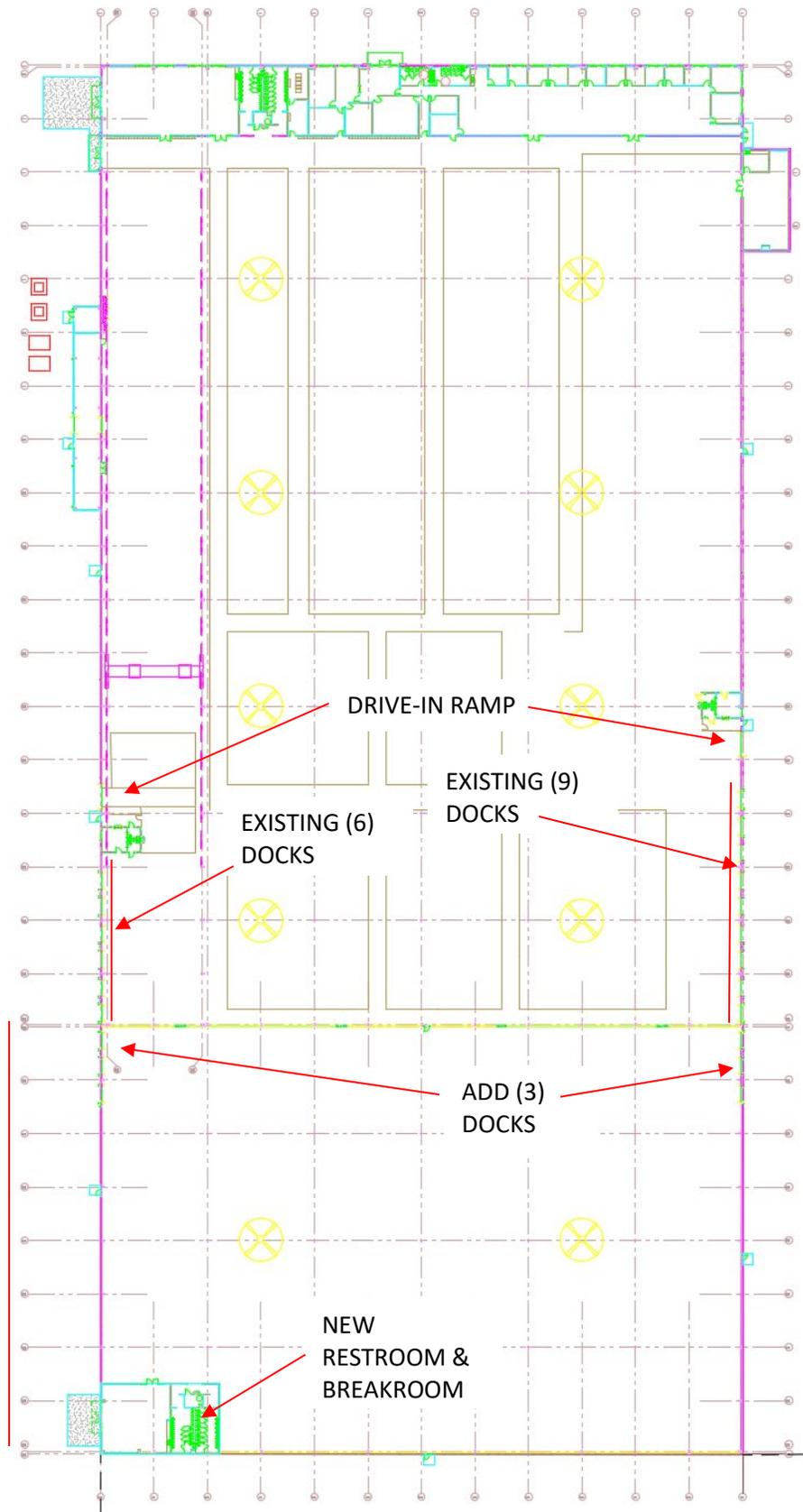
GEORGIA

NORTH CAROLINA

TENNESSEE

VIRGINIA

240' x 360'
EXPANSION

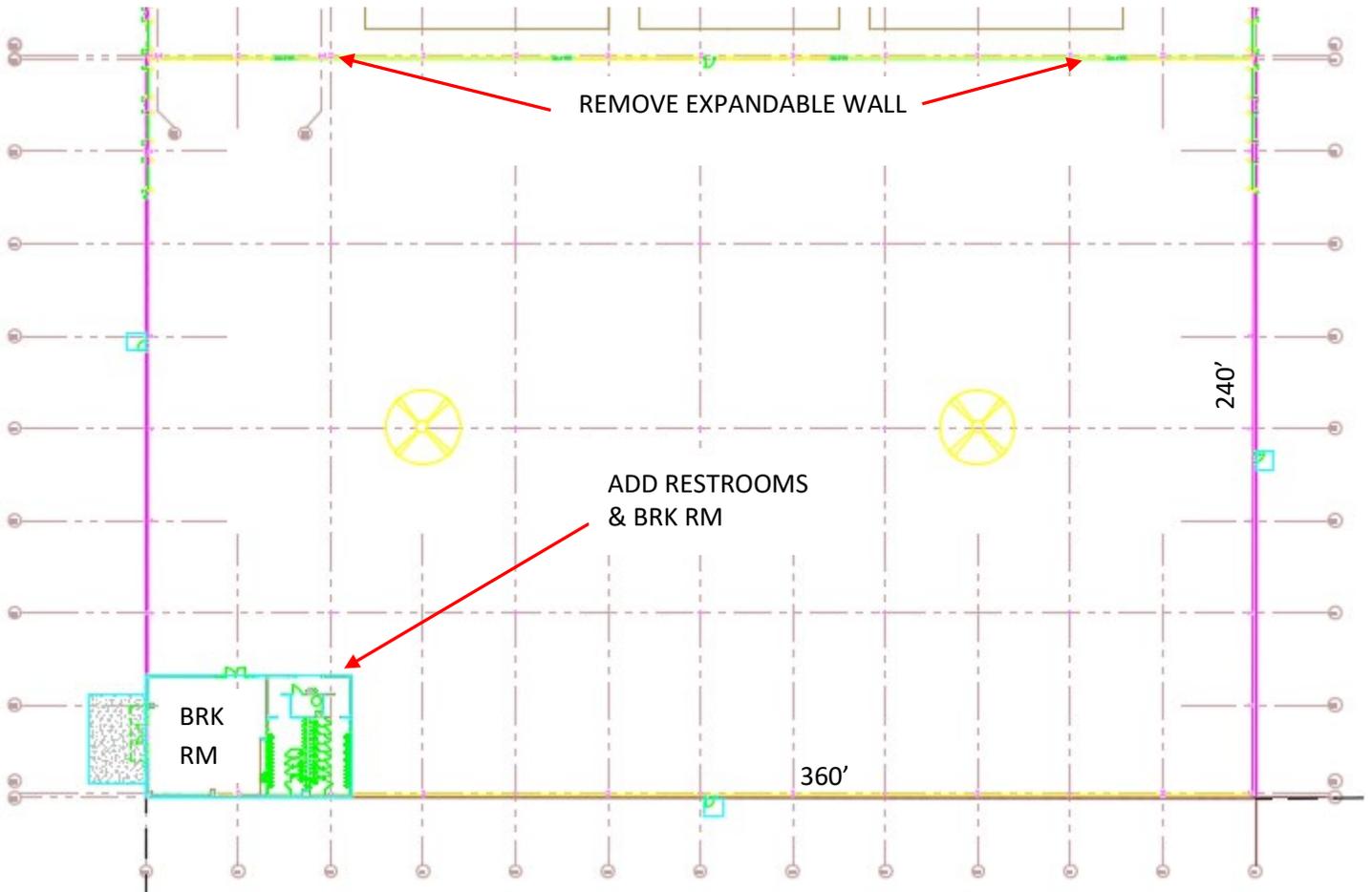




Industrial Building Program

SOUTHERN
ADVANTAGE

EXPANSION FLOOR PLAN TL-176





Industrial Building Program

SOUTHERN ADVANTAGE

TL-175 HUNTINGTON PARK, LOUDON, TN

Location: 2677 Huntington Park Drive, Loudon, TN

Landlord: Tenn X, LLC

Size: 195,360 SF expanded to 260,160 SF – 16.6 Acres

Offer Expiration Date: April 15, 2023

Lease Signing: On or before March 1, 2024.

Lease Commencement: June 1, 2025 Current Term will re-start.

Early Occupancy: May 1, 2025

Lease Rate: **Fifteen (15) Year Term** Triple Net Base Building Rate

ALABAMA

GEORGIA

NORTH CAROLINA

TENNESSEE

VIRGINIA

TWO CENTRE PLAZA
CLINTON, TN 37716

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\$7.33/SF/YR + CPI Annual Adjustment (min. 3%)
All costs related to the expansion including paving, restrooms and breakroom are included in the adjusted base rent rate.

Plus 3 - Five (5) Year Renewals at the same terms and conditions.

Building Upfits: Additional Tenant upfits for the Expansion are available as a Base Rental Amount adjustment, up to a cost of \$500,000 by using the following formula:

Fifteen (15) Year Term, \$0.0254/SF/\$50,000.00 (as calculated on 260,160 S.F.) in direct costs.

Original Upfit Rent: The original Upfit funding rolled into the rent will be unchanged from the additional monthly rent payment. With the expanded building size (260,160 SF), the rent becomes \$1.51/SF plus the CPI increase.

Security Deposit: Two months' rent, based on the new rent rate agreed, less prior deposit already received, due upon signing of the agreement.



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NORTH CAROLINA

TENNESSEE

VIRGINIA

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Broker: Tenant and Landlord hereby declare they have not engaged any real estate broker for this transaction to represent their interests. Both parties shall indemnify the other party against any claims related to real estate commissions associated with this transaction.

Operating Expenses: Single Tenant, NNN lease estimated at \$.65 SF/YR. No common area or management fees will be charged by the Landlord. Any incentives awarded will be passed to the Tenant with no holdback.

Expansion: This facility will be expanded to the maximum size of 260,160 SF for this site.

Construction: 100% recyclable steel rigid frame construction with longspan cold formed joist secondary framing at roof. Split face masonry on three sides up to 7'-4", then insulated metal to the eaves.

Floor: Laser leveled "Super Six Inch" 4000 psi concrete floor with Helix Micro-rebar, vapor barrier, and Ashford Formula™ penetrating densifier finish.

Roof: 24 gauge standing seam galvalume, 25-year warranty, insulated, highly reflective & recyclable.

Electrical Service: Electrical service for building systems: lighting, heating, office power to be fed from main panel provided by Tenant.

Lighting: Energy Efficient LED fixtures with 36,000 lumen output at 4000K color temperature for ideal color rendering and energy efficiency with reduced maintenance and reduced hazardous waste.

Water: 10" fire sprinkler riser into building.
2" metered domestic water service

Sewer: 6" gravity sanitary sewer

Heating, Ventilation: Suspended forced air natural gas unit heaters and ventilation fans for 1 air change per hour.

Paving: 60 existing car spaces, **add 110 new spaces**



Docks:

Existing Sixteen (15) 9' x 10' dock-high doors. One (1) drive thru (14' x 14'), **add Six (6) 9' x 10' dock positions adjacent to existing loading docks.**

Fire Sprinkler:

ESFR (early suppression, fast response) fire protection system.

Offer:

Only a fully executed and delivered Lease contract shall bind any party to perform as agreed therein. All offers stated herein are subject to the assumed bankable credit of the tenant entity and the Landlord's capacity constraints at the time of lease amendment signing. All offers are only valid until April 15, 2023, after that date this proposal is automatically withdrawn.

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Industrial Building Program

SOUTHERN ADVANTAGE

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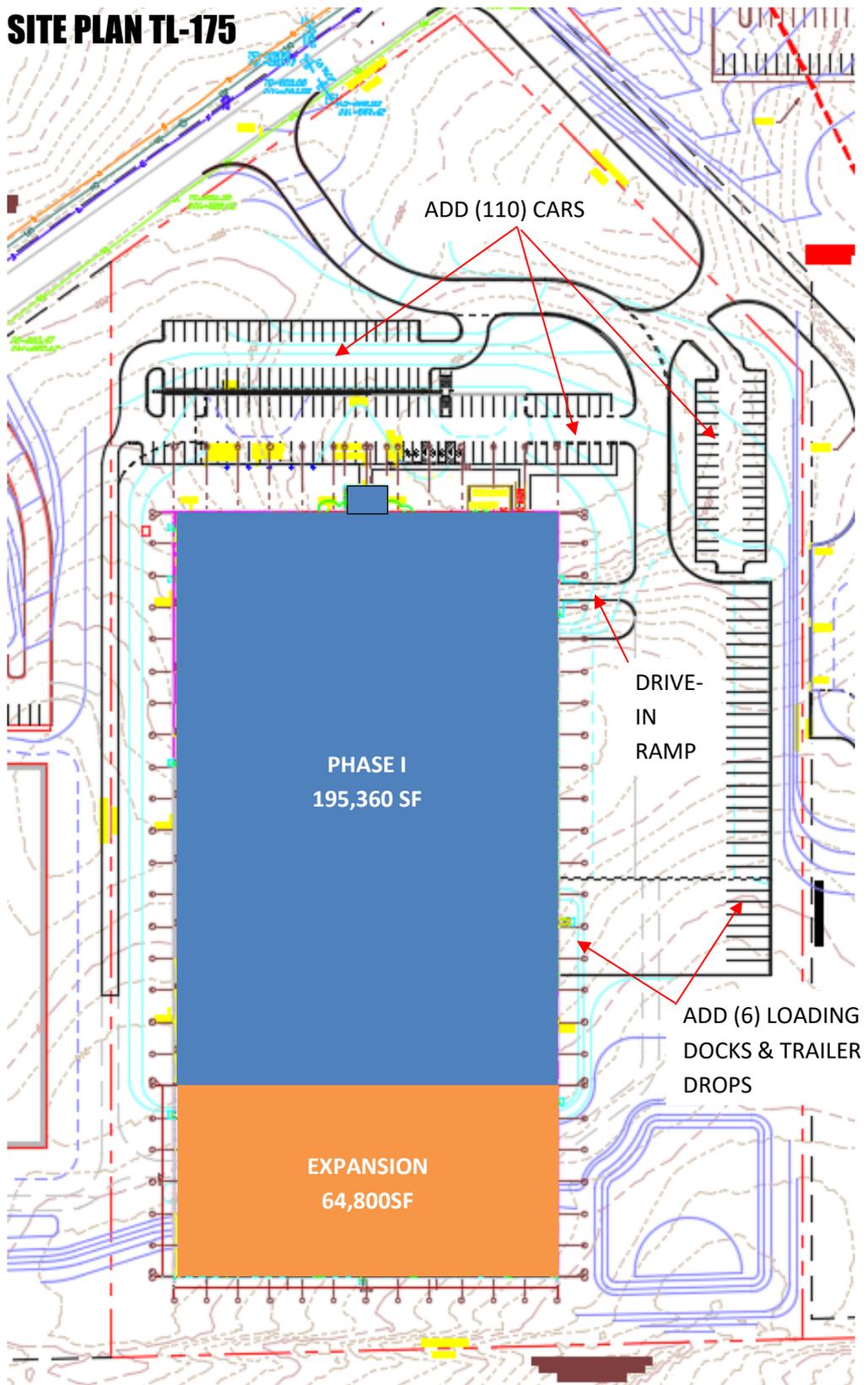
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SITE PLAN TL-175



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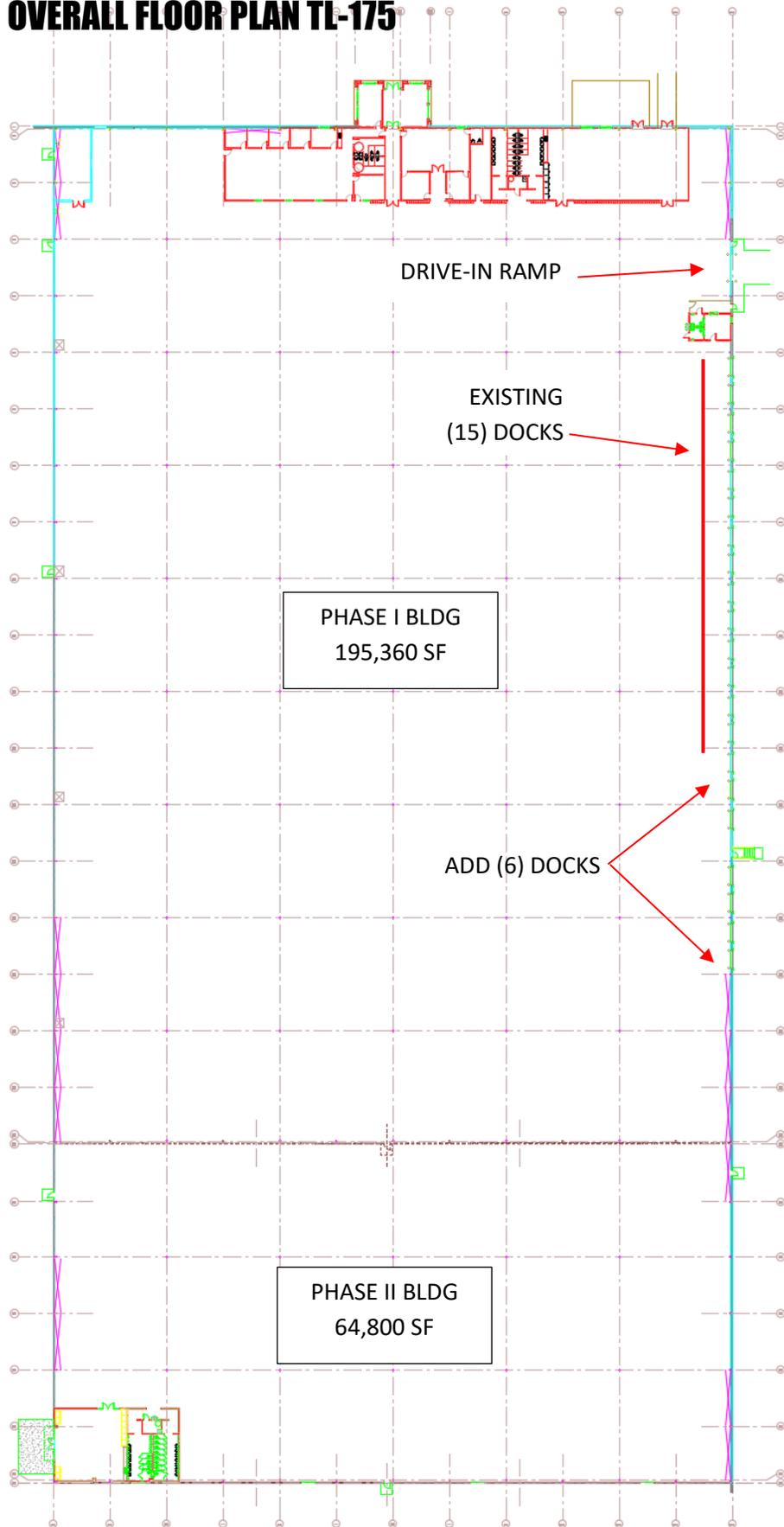
NORTH CAROLINA

TENNESSEE

VIRGINIA

EXPANSION
180' x 360'

OVERALL FLOOR PLAN TL-175



DRIVE-IN RAMP

EXISTING
(15) DOCKS

PHASE I BLDG
195,360 SF

ADD (6) DOCKS

PHASE II BLDG
64,800 SF



Industrial Building Program

SOUTHERN
ADVANTAGE

EXPANSION FLOOR PLAN TL-175

