



Industrial Building Program

SOUTHERN
ADVANTAGE

HEICHE U.S. SURFACE TECHNOLOGY BUILD-TO-SUIT INDUSTRIAL FACILITY



Typical interior

Tuscaloosa, Alabama
Modern Manufacturing Facility



July 29, 2020

Tripp Alexander
Joe Azar
Colliers International Alabama
800 Montclair Road, #250
Birmingham, AL 35213

**RE: Heiche Group BTS Industrial Facility Proposal
Tuscaloosa, Alabama**

ALABAMA

Dear Gentlemen,

GEORGIA

We are excited to be a part of Heiche Group's growth opportunity in the Tuscaloosa market and are committed to provide a Class A facility that will meet your manufacturing requirements today while also being designed with the opportunity to expand the facility in the future. This proposal is based on a 108,960 SF facility that is of similar construction to our most cost effective, and most commonly built, virtually complete speculative facilities. We invite you to view one of these buildings in any of our four industrial parks to see firsthand the flexible design and quality standards. The closest buildings are located in Huntsville, AL (2 hours from Tuscaloosa) and Mocksville, NC (2 hours from your facility in Spartanburg).

NORTH CAROLINA

TENNESSEE

We have included the requirements for the Manufacturing, Manufacturing Support, and General Office areas requested in this proposal. We are confident as we work with your technical team to further detail the building design, we can optimize the facility to provide the most efficient and cost-effective solution for your manufacturing operations.

VIRGINIA

Our building designs are very flexible for both general manufacturing and distribution operations. We are long-term owners of over 18,000,000 square feet of industrial facilities located in 17 states, so we have learned what is truly valuable in the entire life-cycle costs of an industrial facility. We have continually improved the specifications of our standard design package to ensure the building is not only economical to build, but economical to maintain as well.

*TWO CENTRE PLAZA
CLINTON, TN 37716*

865-457-3701 PHONE

865-457-5476 FAX

The Hollingsworth Companies gives you a single source of responsibility for the development of a modern manufacturing facility: design, land acquisition, permitting, site preparation, construction, and leasing. In 35 years of industrial development, we have never delivered a facility behind schedule or over budget. We stand behind our commitment to our delivery date and

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ALABAMA

construction quality. As part of our lease contract we will include a performance guarantee to meet your scheduled delivery date and will offer a warranty for the design, workmanship, and materials used in the construction of your facility.

As long term owners of industrial property, the main value of the transaction is to build a strong, mutually beneficial relationship between our two companies. Our interests are better served by helping our clients' businesses be successful and profitable. We are not simply an industrial developer, we are betting millions of dollars on the continued growth of your company's business and we will be there to help you expand the facility as your business grows.

GEORGIA

Our proposals are delivered using an online portal. After a short video from our CEO, a copy of the proposal will be available to download at:

<https://hollingsworthcos.com/view-proposal/5f21e89f6f0d1>

NORTH CAROLINA

We look forward to discussing your industrial facility requirements with you further.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Mann".

TENNESSEE

Tom Mann
Senior Vice President of Industrial Real Estate

Cc: Joe Hollingsworth, Jr., CEO
Tom Wortham, SVP of Architecture and Business Development

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108,960 SQUARE FOOT PROPOSED FACILITY TUSCALOOSA, ALABAMA

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Landlord: Single Property Entity controlled by Joe. A. Hollingsworth, Jr. dba The Hollingsworth Companies Industrial Building Program.

General Contractor: Concept Developments, Inc.
Joe A. Hollingsworth, Jr., President

Lender: The project will be built with current funds. No lender involvement during construction.

Tenant: Heiche US Surface Technology, Inc. a member of KAP Surface Technologies

Industrial Park Location: Airport Industrial Park Lot 4, 28 acres +/- Tuscaloosa, Alabama
Pricing includes \$420,000 for Lot 4, if the actual sales price is lower, the savings will be passed to the Tenant in reduced rental rate.

Building Size: **360' x 300'** for a manufacturing facility of 108,000 square feet, the building size is completed with an architectural entry façade of 960 square feet, for a total of **108,960** square feet.

Interior Clear Height: Minimum **32'** beneath mainframe steel at eaves
Approximately **37'** at mainframe steel at building peak

Column Spacing: **60' x 60'** wide spacing to maximize space for manufacturing process and racking layouts.

Rental Rate: **Fifteen (15) Year Term** Triple Net
Base Building 108,960 SF with upfits
\$5.47/SF/YR + CPI Annual Adjustment (min. 3%)
Office, Restroom and dock improvements
\$0.58/SF/YR + CPI Annual Adjustment (min. 3%)
Land 28.0 Acres at \$420,000
\$0.54/SF/YR + CPI Annual Adjustment (min. 3%)

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Construction:	Rigid steel frame and column structure for heavy use and low maintenance. 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 and highly reflective and totally recyclable.
Electrical Service:	1500 amp 480/277 Volt, 3 Phase main electrical service
Lighting:	Energy Efficient LED fixtures with 36,000 lumen output. These fixtures have the ability to turn off and instantly turn back on which would allow for them to be equipped with motion detectors if desired.
Water:	10" fire sprinkler riser into building; 2" metered domestic water service
Sewer:	6" gravity fed sanitary sewer
Natural Gas:	(6) 250,000BTUh Natural Gas Unit Heaters are provided for heating
Paving:	51 car spaces are provided. Room for additional spaces is reserved for future expansion.
Docks:	Eight (8) 9' x 10' dock-high doors Eight (8) 30,000 pound dock levelers & seals One (1) 14' x 14' drive through door
Fire Protection Sprinkler:	ESFR (early suppression, fast response) fire protection system.



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Office Upfits:

We have included offices and breakroom of 3,000 square feet, based on the standards established in our Standard Commercial Office Specifications. The Hollingsworth Companies provide design for the upfit needs. Our in-house architect can provide schematic designs as the Lease agreement is negotiated.

Design and Permitting:

Landlord will pay all: design fees, permitting fees, including required surveys, testing and recording of plats and related easements.

Expansion Option:

Tenant shall have the right at any time during the Lease to add 108,000SF to the facility at the same rental yield as the original lease, with a Term re-start six months after the receipt of a certificate of occupancy for the addition.

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Option to Purchase:

We cannot commit to a purchase price five years from now. The Tenant is always able to make us an offer to purchase at any time. We would be willing to offer the Tenant a First Right of Refusal to protect them from us selling the lease to a third party.

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Alterations & Improvements:

Tenant must seek Landlord's prior consent to make changes to the building or site in excess of \$25,000. Any such modification of the building may require restoration at the end of the lease. Landlord shall so state at the time of approval if restoration will be required by the Tenant.

TENNESSEE

Utilities:

The site has all utilities at the property line. Landlord will pay for the extension of water, sewer, gas and electrical to the building. Tenant will be responsible for all connection fees, tap fees, utility rights, KVA rights, aid to construction fees and pay for all utility usage.

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Return of Premises:

Tenant shall remove all its equipment, business fixtures and fittings and remove electrical feeds back to the closest distribution panel. All other electrical equipment and HVAC equipment shall remain in the building and be in good working order. Damage by casualty and normal wear and tear alone are allowed. Premises to be returned to Landlord in clean and fully functional condition.

**Brokerage
Commission:**

Landlord acknowledges Colliers International is the sole exclusive agent for Heiche in this proposed transaction. Landlord will pay Colliers International a commission based on 4% of the total sum of the lease payments up to ten years, regardless of the timely or untimely payment or default by the tenant. Payment shall be made 50% at the time of lease signing and removal of all contingencies, and the balance at Lease Commencement.

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Exclusions:

Geotechnical report has been reviewed and it indicates soils are adequate for the building; therefore, if unanticipated unsuitable soil conditions are encountered, rent rate will need to be adjusted accordingly. Delays due to untimely responses by tenant to landlord's plan approval submission shall delay the imposition of liquidated damages a commensurate amount of time.

TENNESSEE

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 successful completion of negotiation of such a contract and are also subject to the assumed bankable credit of the tenant entity. All offers are only valid for 30 days from the date of this letter.

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Confidentiality:

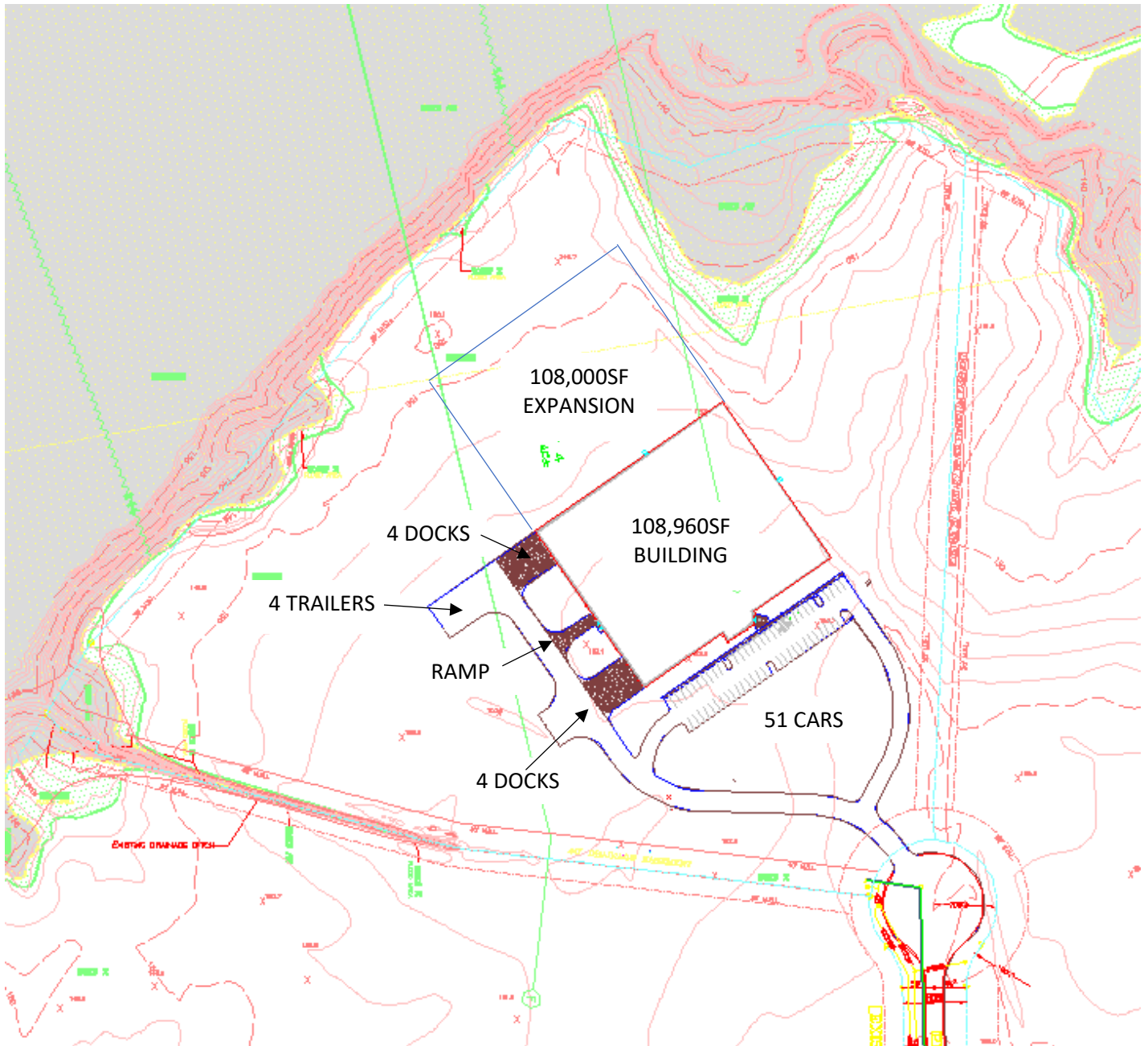
The terms and conditions of the Lease along with all other documents and discussions relating to this RFP, the Lease and to the development program shall be kept confidential.



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SITE PLAN



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LAYOUT PLAN

