

CORPORATE SERVICES DIVISION

A COMPETITIVE

REAL ESTATE ADVANTAGE

Whether your organization requires acquisition and/ or disposition services for leased or owned property, relocation services, build-to-suit representation, expansion or contraction analyses, or general market analyses, Tri Properties Corporate Services offers a fully-integrated, "turnkey" corporate real estate solution for your global needs.

Our objective is to form long-term strategic partnerships with organizations whose on-going corporate real estate needs warrant professional, dedicated and innovative representation.

Through a comprehensive and collaborative analysis of each client's short and long-term business objectives, Tri Properties Corporate Services will formulate and execute on a strategic plan designed to lower occupancy costs, increase flexibility and establish a competitive advantage within the marketplace.

As trusted advisers, our clients' fiduciary interests are protected from potential conflicts of interest often present in the marketplace.

Our documented process establishes a strong negotiating position and assures that your interests always come first. Our clients look to us to determine whether or not a specific transaction decision or strategy is in the best interest of their organization.





SCOPE OF SERVICES MULTI-MARKET LEASE NEGOTIATIONS New Leases Relocations Renewals/Restructures Expansion Subleases/Assignments Lease Buyouts Build-To-Suits MULTI-MARKET ACQUISITION/DISPOSITION Leased or Owned Properties Sale/Leaseback Like-kind (§1031) Exchanges **MARKET ANALYSIS** Multi-market metrics including vacancy rates, weighted average rental rates, construction costs, absorption levels and additional metrics Multi-market property surveys (office, warehouse, retail, R&D) Demographic analyses Competitor comparisons State-by-state incentive comparisons (including local and regional variances) Employee zip code analyses **ADDITIONAL SERVICES** Lease vs. Buy Analysis Comparative Financial Analyses Portfolio Assessment/Management Design/Construction Management

PROJECT TIMELINE

1 ESTABLISH

A COMMITTEE

It is critical to establish a well-balanced committee capable of providing ongoing input on strategic budget and operational issues. Ideally, this committee has representation from Senior Management, Finance and Operations. This committee, in conjunction with your Tri Properties' consultant(s), will facilitate the process form concept to fulfillment.

ANALYZE

EXISTING LEASES

Identify lease expiration dates, options, key notice dates, and compare current occupancy costs to comparable corporate leases in the marketplace.

DEFINE

3

OCCUPANCY OBJECTIVES

Identify the organization's short and long-term occupancy objectives and generate general programming elements including: office to workstation ratios, conference and training requirements, labs, storage, etc. Evaluate and update existing corporate standards and assist in the development of new standards on an as-needed basis.

This phase of the project will generate key parameters necessary in the evaluation of options in the marketplace, including square footage requirements, geographic and budget parameters, building class preferences, minimum footprint sizes and key infrastructure requirements.

Additionally, the committee will jointly assess the quantitative elements of the analysis most important/relevant to the organization's culture. These elements may include image, geographic locations, accessibility, and proximity to customers and/or employees and amenities.

Tri Properties' consultants can help identify additional service providers during this phase, including architects, space planners, engineers and construction management consultants.

4

IDENTIFY

ALL OPTIONS

Using the team's newly established occupancy objectives and parameters, Tri Properties will conduct a comprehensive survey of the marketplace (locally, regionally and/or nationally) utilizing advanced web-based software and proprietary databases.

Upon completion, Tri Properties will present surveys, maps, aerial photographs and building materials in a comparative matrix highlighting key financial and non-financial elements of each option. Tri Properties will then coordinate a property tour, from which a "short list" of buildings will be jointly established.

5

NEGOTIATE

THE OPTIONS

Tri Properties will develop a customized Request for Proposal (RFP) around your organization's short and long-term occupancy objectives, which we will then issue to each of the owners on the "short list."

The RFP process assures that all prospective Landlords (including your current Landlord if applicable) respond in a uniform/consistent format, addressing all of your specific requirements. This document establishes a competitive platform for the negotiating process, providing key leverage with select owners in the marketplace.

Throughout the negotiating process, your Tri Properties' team will provide detailed financial analyses using proprietary software. These analyses include cash flow comparisons, NPV calculations, net effective rental rates, efficiency analyses and more. The reports may be customized to suit the needs of publicly traded or privately held entities.

Once final deal terms are agreed upon, Tri Properties will consult with your in-house or outside counsel to assist with review of pertinent transactions documents (i.e. LOIs, leases, purchase/sale agreements, assignment/sublease documents, etc.). Should your company require corporate real estate legal representation, we can help identify legal resources to represent your interests. Your Tri Properties' consultant(s) and legal expert will see these negotiations through to full execution of all pertinent transaction documents.

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FULFILLMENT

THE PROJECT'S COMPLETION

Using in-house resources, Tri Properties can offer construction management services to oversee the successful buildout of your space, providing a competitive bid process and assuring an on-time/on-budget delivery. Additionally, Tri Properties can coordinate your move with the help of our in-house Facilities Management team. These series may be tailored to your needs, and may range from a "turn-key" move package to individual vendor selections for services such as furniture, IT infrastructure, vending services and more. Following occupancy, our Property Management team is available to assist with OPEX evaluations and reconciliations, as well as ongoing CAPEX analyses and building system evaluations, liability and property insurance evaluations.

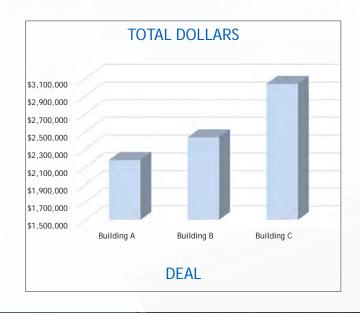
SAMPLE LEASE CASH FLOW ANALYSIS

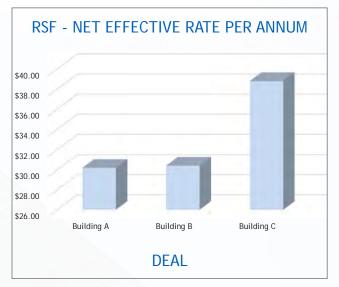
Prepared By: Tri Properties, Inc - Corporate Services Division

	Building A	Building B	Building C	
ASSUMPTIONS				
Commencement Date	7/1/2020	7/1/2020	7/1/2020	
Expiration Date	8/31/2027	10/31/2027	7/31/2027	
Lease Term	7 Years 2 Months	7 Years 4 Months	7 Years, 1 Month	
Floor	2nd Floor	3rd Floor	1st Floor	
Rentable Square Feet	10,000	10,750	11,018	
Core Factor	13.04%	13.04%	11.51%	
Usable Square Feet	8,696	9,348	9,750	
Contract / Face Rate	\$28.50	\$29.25	\$36.50	
# of Mos. Of Free Rent	2.00	4.00	1.00	
\$ Value of Free Rent / SF	\$4.75	\$9.75	\$3.04	
Talue of Free Rent / Ci	ψ1.76	Ψ7.70	Ψ0.01	
Tenant Improvement Allowance	\$28.00	\$30.00	\$35.00	
Tenant Contribution	\$2.00	\$0.00	\$4.00	
Escalation 2	Fixed % Per Annum	Fixed % Per Annum	Fixed % Per Annum	
Escalation 2 Base Year	2020	2020	2020	
Totals	Tenant Rep (Pre-tax) Discount Rate=5%	Tenant Rep (Pre-tax) Discount Rate=5%	Tenant Rep (Pre-tax) Discount Rate=5%	
Total Dollars	\$2,179,980	\$2,433,459	\$3,038,804	
Present Value	\$1,822,715	\$2,012,028	\$2,556,453	
Average \$ Per Annum	\$304,183	\$331,835	\$429,008	
Net Effective Rate Per Annum	\$301,882	\$326,938	\$427,549	
RSF - Average	\$30.42	\$30.87	\$38.94	
RSF - Net Effective Rate p/a	\$30.19	\$30.41	\$38.80	
USF - Average	\$34.98	\$35.50	\$44.00	
USF - Net Effective Rate p/a	\$34.72	\$34.97	\$43.85	

The Net Effective Rate Per Annum = The present Value amortized over the Term at the discount rate shown for each deal.

SAMPLE LEASE CASH FLOW ANALYSIS





SAMPLE CASH FLOW ANALYSIS - BUILDING A

SAMPLE CASH FLOW ANALYSIS - BUILDING A

Projected costs for leasing space/Billing Period July-June

ASSUMPTIONS

Commence 7/1/2020 8/31/2027 7 Years 2 Months Expire Term (86 months) Discount Rate 5.00% Floor/Suite # Rentable SF Loss Factor Usable Area Add On Factor

2nd Floor 10,000 13.04% 8,696 1.15

\$28.00 \$280,000 \$32.20

Tenant Cash Expense Initial Mo.

2.50% Base Rent Inc Base Year Incr% Incr Begins 2020 2.50% 7/1/2021 Multiple 100% Chg Pmt Every 12 mos

BILL PERIOD
YEAR ENDING

YEAR ENDING	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	8/31/2027
Base Rent Pre Free Rent Free Rent Months	\$28.50 2.00	\$28.50	\$28.50	\$28.50	\$28.50	\$28.50	\$28.50	\$4.75
Base Rent Post Free Rent 2.50% Base Rent Increase Tenant Cash	\$23.75 \$2.00	\$28.50 \$0.71	\$28.50 \$1.44	\$28.50 \$2.19	\$28.50 \$2.96	\$28.50 \$3.75	\$28.50 \$4.55	\$4.75 \$0.90
Per SF Total	\$25.75	\$29.21	\$29.94	\$30.69	\$31.46	\$32.25	\$33.05	\$5.65
Monthly Average	\$21,458	\$24,344	\$24,952	\$252,576	\$26,612	\$26,871	\$27,543	\$28,231
Per Annum Total	\$257,000	\$292,125	\$299,428	\$306,914	\$314,587	\$322,451	\$330,513	\$56,463
Cumulative Total	\$252,763	\$530,351	\$815,629	\$1,108,780	\$1,409,984	\$1,461,560	\$1,461,560	\$1,461,560

TOTALS

\$2,179,980 Present Value @ 5.00% Average Cost Per Annum
Net Effective Rate Per Annum @ 5.00% \$301.882 RSF - Average Cost Per Annum RSF - Net Effective Rate Per Annum @ 5.00% USF - Average Cost Per Annum \$30.42 USF - Net Effective Rate Per Annum @ 5.00%

(A) If you gave back the 2.00 mos of free rent you could reduce your base rent by \$.79 in each year. (PV of 2.00 months amortized over 86 Mos @ 5.00%)

(B) If you gave back the 28.00 contirbution from the landlord, you could reduce your base rent by \$4.64 in each year. (\$28.00 amortized over 86 months @ 5.00%)

\$5.42 Total Annual rent due to conessions (Sum A + B)

PV and Amortization is calculated monthly assuming a beginning of month payment *The Net Effective Rate = the present value amortized over 86 months @ 5.00%

TRI PROPERTIES CORPORATE SERVICES DIVISION TEAMWORK • RESULTS • INTEGRITY

TOTALS \$2,042,500 \$1,992,000 \$164,980 \$20,000 \$2,179,980

CLIENT CASE STUDIES





SCENIARIO

Chiltern (Formerly Ockham) had been within its existing building for nearly 20 years paying above market rents and handling lease discussions directly with the Landlord, hiring Corporate Services Division (CSD) to assist with their corporate real estate analysis for their world headquarters.

APPROACH

By implementing a proven strategic approach and leveraging our relationships in the market, we successfully set up a competitive platform in which a number of viable office lease options were competing for Chiltern's business.

RESULT

In excess of \$1 million dollars of savings from the initial proposal the current Landlord provided to Chiltern (before our involvement) compared to the final negotiated deal we were able to secure for them to stay put and expand their current building. After lengthy internal discussions, the Chiltern board approved a relocation into 22,500 RSF in a substantially nicer office park given the extremely aggressive economics offered up by that Landlord.



moffatt & nichol

SCENARIO

Over about a 10 year period TPI assisted M&N with a total of 6 in place lease restructures and expansions. Many of that expansion space was made up of non-contiguous space on the 1st floor of the building. M&N was in need of additional square footage with limited growth opportunities in current building. They had 4 years remaining, but a termination option middle of 2016 with notice 12 months prior. Other objectives of M&N were to consolidate all parties onto a larger floor plate which could accommodate future growth and upgrading the office space following a decline in the current building management.

APPROACH

TPI engaged in an exhaustive search which resulted in a few key relocation options which could accommodate the key objectives the firm was looking to accomplish.

RESULT

TPI was able to secure aggressive deal terms that were better than the current building for a nicer building. Further, the floor plates of the new bldg. were 46K SF which offered significant contiguous expansion opportunities. TPI was successful in getting the new landlord to foot the bill for the \$165K termination penalty due to M&N's existing landlord 1 year in advance of the date of termination. Middle 2016 - M&N moves into their new 20K RSF suite with upgraded finishes with close to a turn-key build-out.



SCENARIO

Tri Properties ("TPI") and Circle K ("CK") initiate discussions regarding plans for 305 Gregson Bldg. TPI presents possible strategic alternatives for Cary and Sanford, NC facilities. Following walk-through and further discussions, TPI informs CK that there are a number of Tenants actively looking in the surrounding market that could be a fit for the Cary property. TPI encourages CK to release them to market 305 Gregson for sale/lease.

APPROACH

TPI first negotiated a full-building lease of Circle K's former 60,461 square foot headquarters at 305 Gregson Drive in Cary to ABB. Following the lease up, TPI negotiated a new 24,087 square foot lease at the Situs Office Park in Raleigh for Circle K. To conclude, TPI negotiated the sale of the 305 Gregson Drive building to an investor.

RESULT

ABB's lease commences at 305 Gregson and new buyer closes on fully leased building for \$13,172,000 (7.04 cap rate) 22 days later (9/22/17). Net result for CK was a \$1.7 million net gain less book value and transaction expenses. 10 month period from lease signing with ABB to building being sold (Dec. '16 - Sep '17)

CLIENT TESTIMONIALS





"Over the past five years, Ryan has represented us on five different leases, and he currently is working to help us with a sublease on a current space which we may outgrow. I have found Ryan to be diligent in research for finding the right properties that match our specific needs for design and use. We are picky. He often goes the extra mile to negotiate a point or make us

aware of an issue that we would not have considered.

Ryan has taken the time to really understand our culture and the kinds of spaces and financial arrangements that work best for us. I consider him to be a very valuable part of our team and the growing success of our company. Ryan is thorough, detailed and very concerned about finding what is best for our situation at a given time. In addition he's extremely knowledgeable about the market and often provides creative solutions for terms in our agreements. He is backed by a tremendous company whose owner I know personally. I couldn't feel more secure with the service than I do with Ryan and Tri Properties representing us. I give you a strong recommendation, and you will benefit greatly by engaging Ryan as your agent"

-Kevin Woody, CEO, Go Realty



"I would be happy to give a reference for Ryan as I truly enjoyed working with him. He was very efficient in finding us sublease office space and really understood our criteria. He left no stone unturned and was incredibly diligent in following up with other realtors, etc. My partner, Barry Mangum, and I certainly consider him a friend and colleague and know that you could have no better partner in your office search."

-Betsy Reid, COO, Paidion Research



"Ryan has proven to be a valuable resource for the Forrest Firm as we have expanded our real estate footprint across North Carolina. He has deep acumen and industry knowledge and has shown a willingness to exceed our expectations in every facet of our relationship."

-James Forrest, Founder, Forrest Firm



"Ryan is a pleasure to work with, possessing both the commercial real estate acumen to deliver intelligent solutions and the people skills to effectively manage transactions. I look forward to continuing to work with Ryan in the future"

-Tommy Rodwell, Senior Real Estate Manager, Circle K

ABOUT TRI PROPERTIES

TRI PROPERTIES

Teamwork • Results • Integrity

Based on the foundations of teamwork, results and integrity, Tri Properties has played a significant role in the Triangle metro area real estate marketplace since 1991. Our professionals participate in all facets of commercial real estate including acquisitions/dispositions, development/project management, brokerage, property management and consulting.

Our team possesses a diversity of strengths and expertise in all real estate disciplines creating a powerful synergy focused on serving our clients of all sizes across all industries. Our objective is to maximize returns and value for our clients and we do so by building long-term partnerships to best produce results and exceed their expectations.

INDUSTRY AFFILIATIONS

Tri Properties is affiliated with all leading industry organizations at the local, regional and national levels. Members of the Corporate Services Division team hold active leadership roles in organizations including:







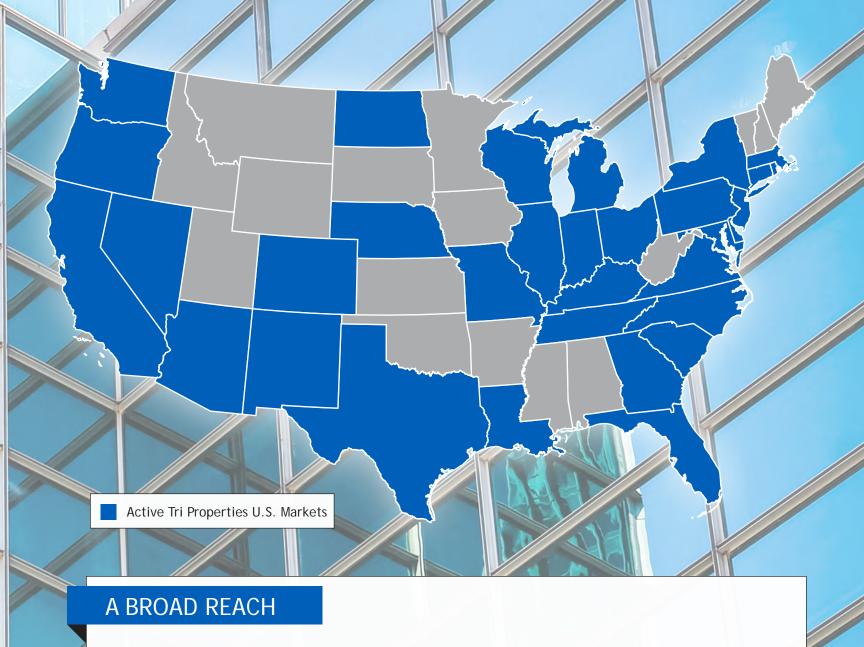












As an active member of the Society of Industrial and Office Realtors (SIOR) and Certified Commercial Investment Member (CCIM), two of the industry's most prestigious global organizations/networks, Tri Properties Corporate Services Division leverages "best of breed" national and global affiliates to provide local market expertise while maintaining a single point of contact for the client.

These organizations offer access to proprietary market data as well as industry metrics and trends for global markets. Tri Properties Corporate Services Division relies on CCIM & SIOR affiliates as well as other strategic partnerships globally to support the ongoing multi-market needs of both U.S. and foreign-based clients.





SELECT CLIENT OVERVIEW

LAW FIRMS

















SCIENCE & TECHNOLOGY







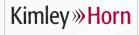








ENGINEERING



















REAL ESTATE













CONTRACT RESEARCH ORGANIZATIONS & PHARMA















NON PROFITS













SELECT CLIENT OVERVIEW



INSURANCE









FINANCE











CONSTRUCTION







OTHER INDUSTRIES





