

Offering to Lease – Existing Property - 337 Berlin Turnpike, Berlin, CT Industrial Property – 72,129 sf – 12.25-acres; Planned Adaptive Reuse

Commercial Real Estate – For Lease – 12.25-acres gross; 9.25-acres net; The subject property is improved with two industrial buildings totaling 72,129 square feet built in 1966. Ownership is weighing adaptive reuse of the buildings in this scenario or full redevelopment. Ownership will consider lease proposals for these buildings subject to renovation with preference for credit tenants. Zoning is BT-1 Zoning; Town of Berlin, County of Hartford, State of Connecticut.



Offering – For Lease - Signature Group, LLC is pleased to present the existing 75,215 square feet of industrial buildings for lease subject to major renovation. The buildings and land are offered for lease and portions of the land are offered for ground lease. This scenario considers a material upgrade of the interior and exterior to include exterior façade improvements, a new roof, upgrades to mechanical, electric and plumbing systems and more to refresh the building and site improvements. This property is one of few remaining signalized intersections on the Wilbur Cross Highway (aka the Berlin Turnpike), Route 5/15.

Exterior Photo - 337 Berlin Turnpike, Berlin, Connecticut



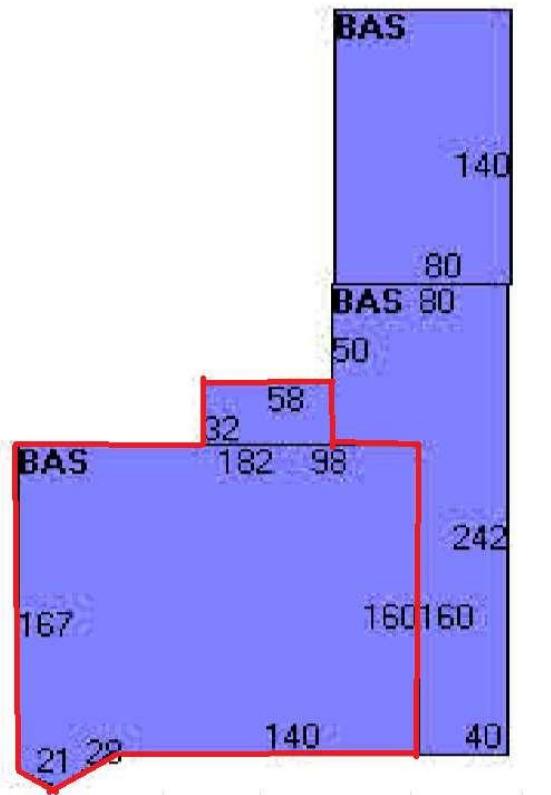
Building Area References - 337 Berlin Turnpike, Berlin, Connecticut

Reference	Description	Square Footage	Clear Height
Section 1	Main Frontage Building	31,329 square feet	14.5 feet
Section 2	South Wing Building – East	10,400 square feet	14.5 feet
Section 3	South Wing Building - West	11,200 square feet	22.0 feet
Section 4	Freestanding Warehouse	19,200 square feet	22.0 feet
Sections Total	All Existing Areas	75,215 square feet	14.5-22 feet

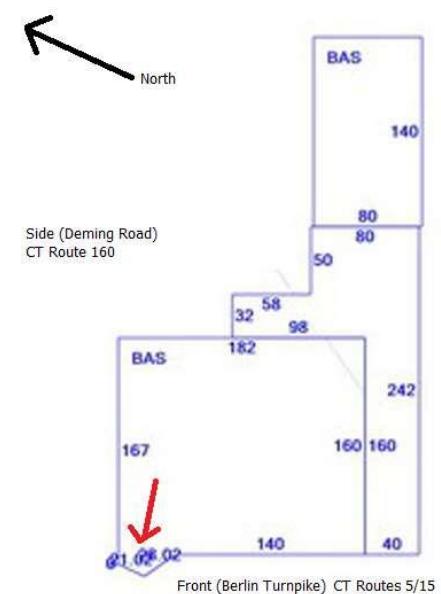


Dimensions - 337 Berlin Turnpike, Berlin, Connecticut – Section 1

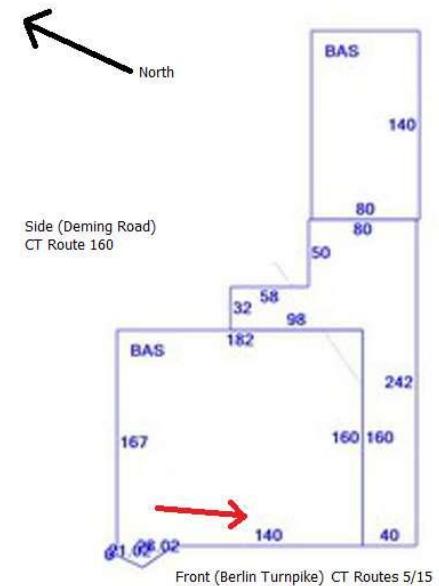
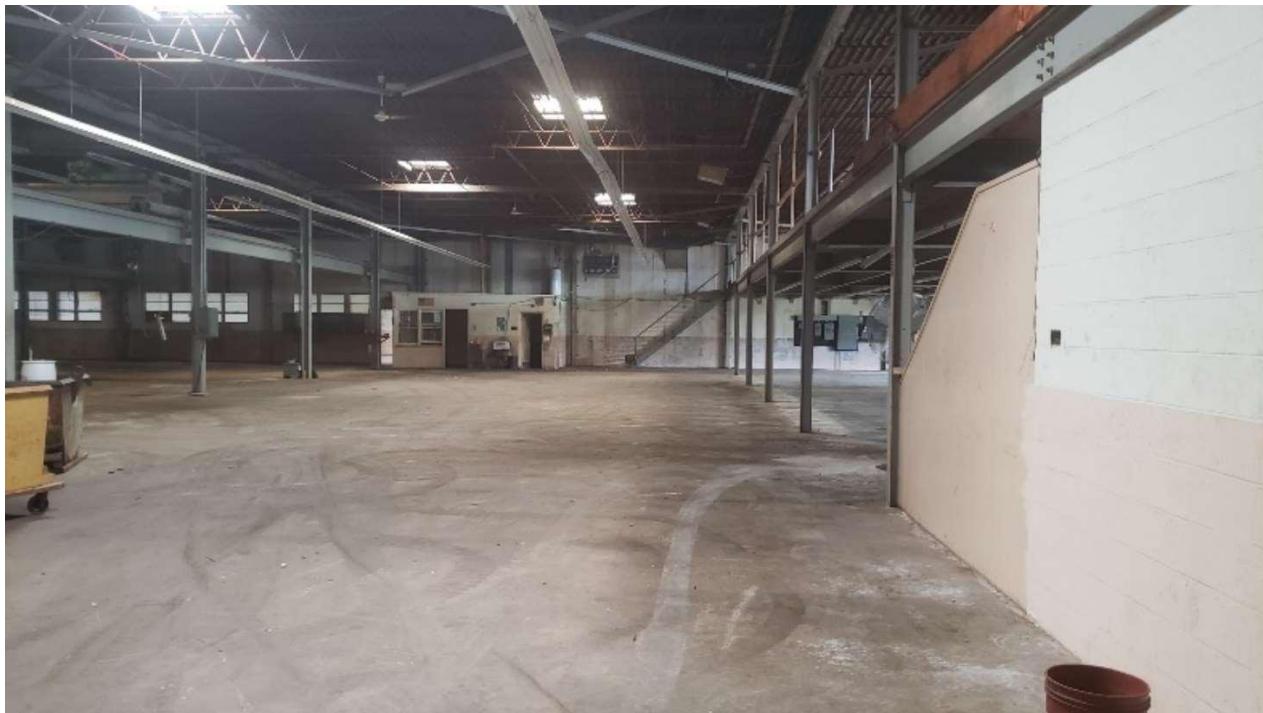
Reference	Description	Square Footage	Clear Height
Section 1	Main Frontage Building	31,329 square feet	14.5 feet



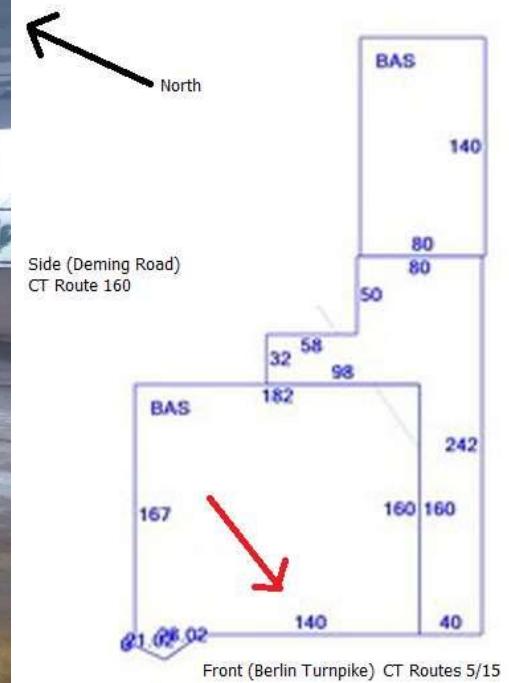
Interior Photos - 337 Berlin Turnpike, Berlin, Connecticut – Section 1



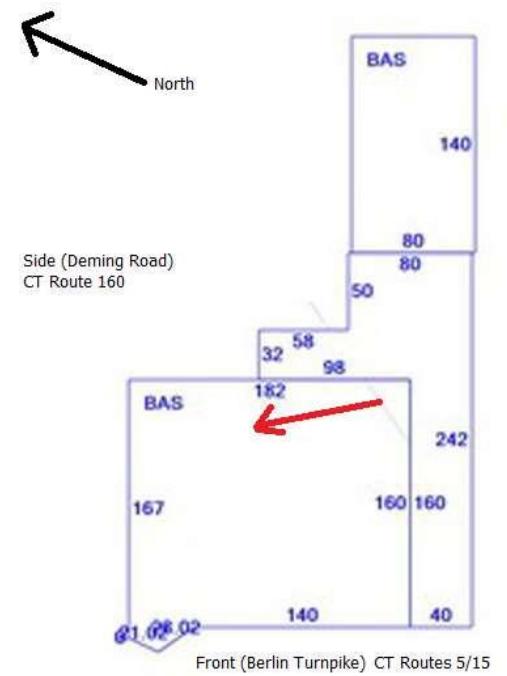
Interior Photos - 337 Berlin Turnpike, Berlin, Connecticut – Section 1



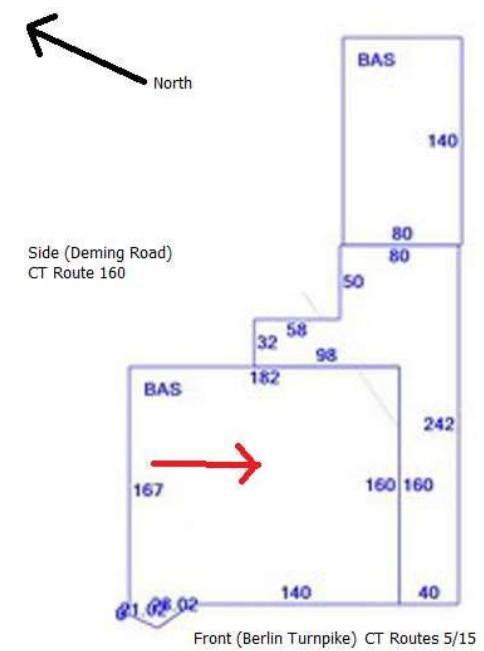
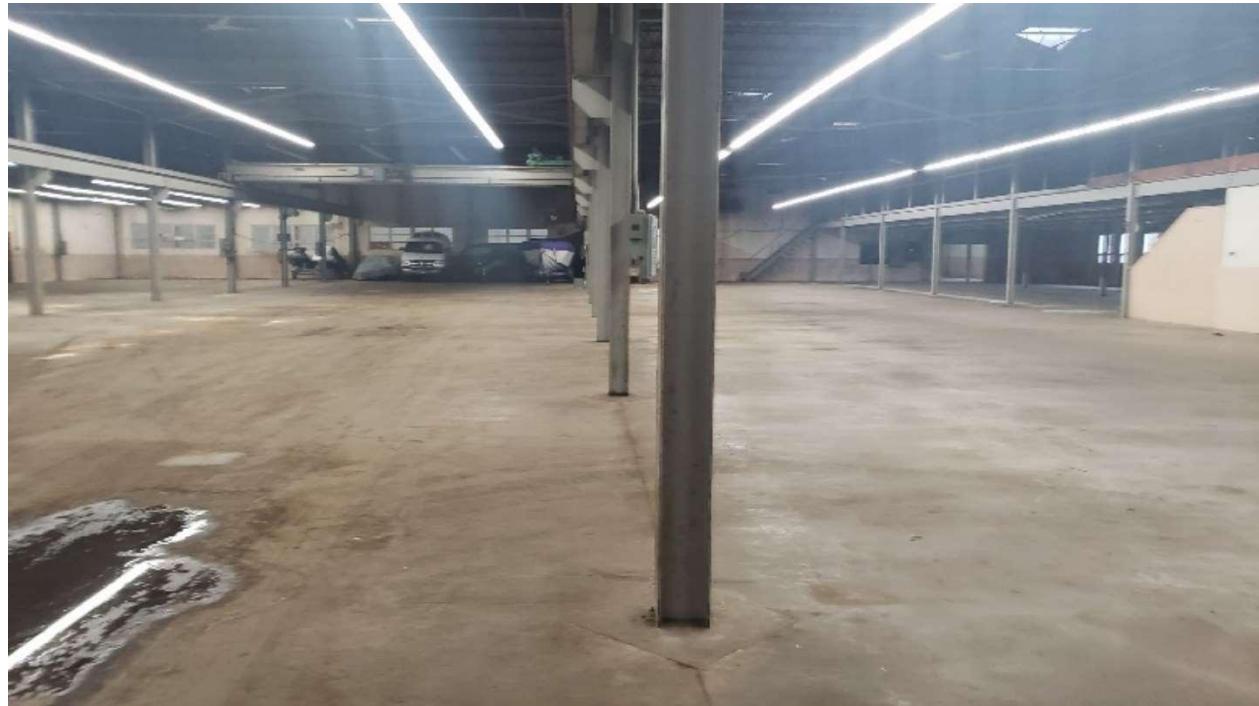
Interior Photos - 337 Berlin Turnpike, Berlin, Connecticut – Section 1



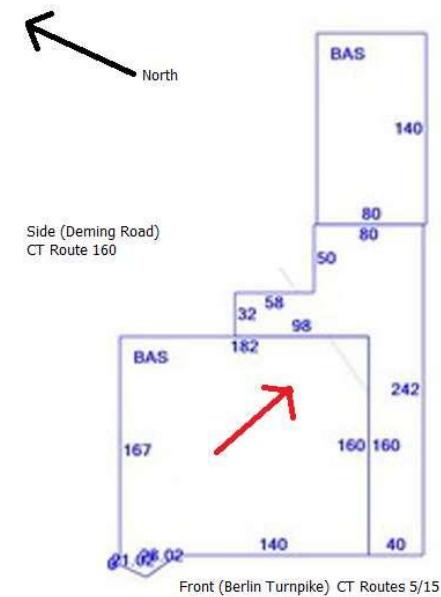
Interior Photos - 337 Berlin Turnpike, Berlin, Connecticut – Section 1



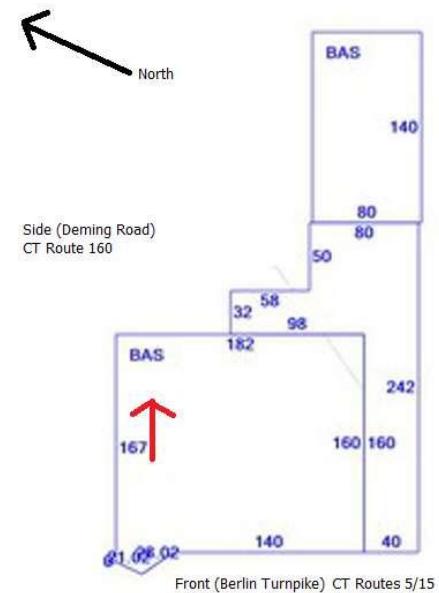
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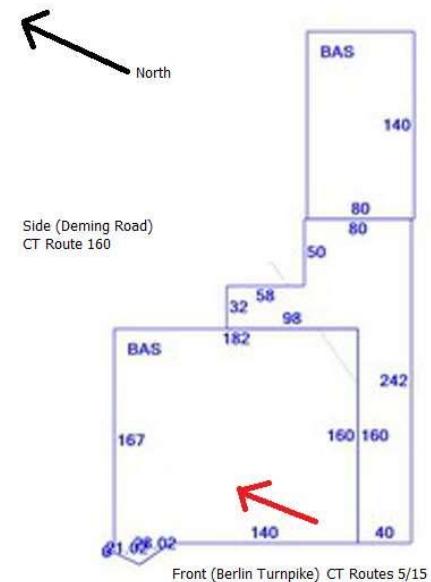
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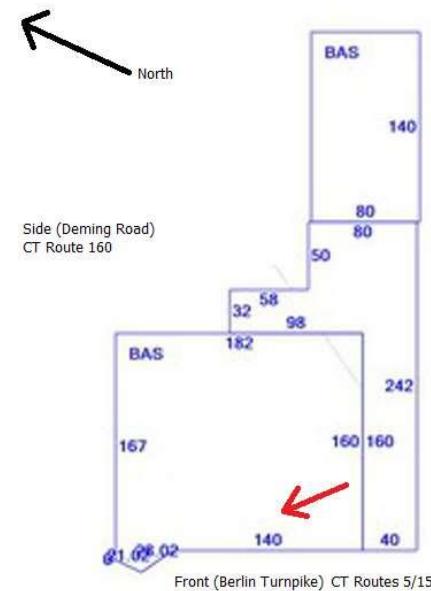
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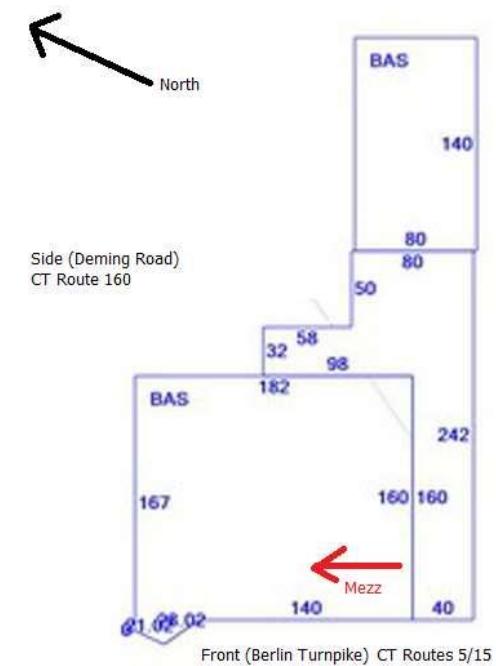
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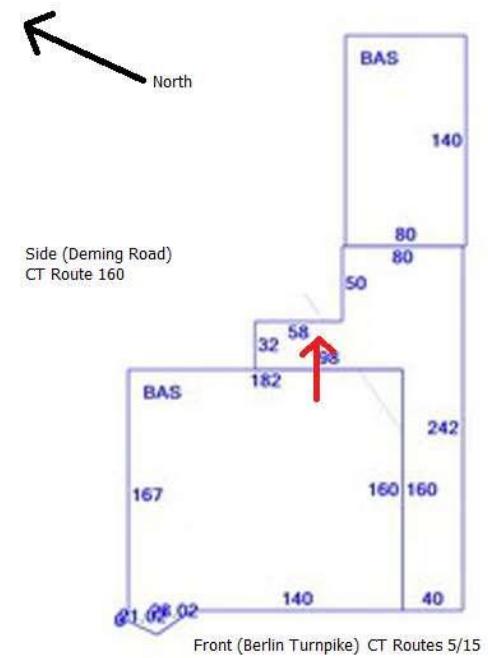
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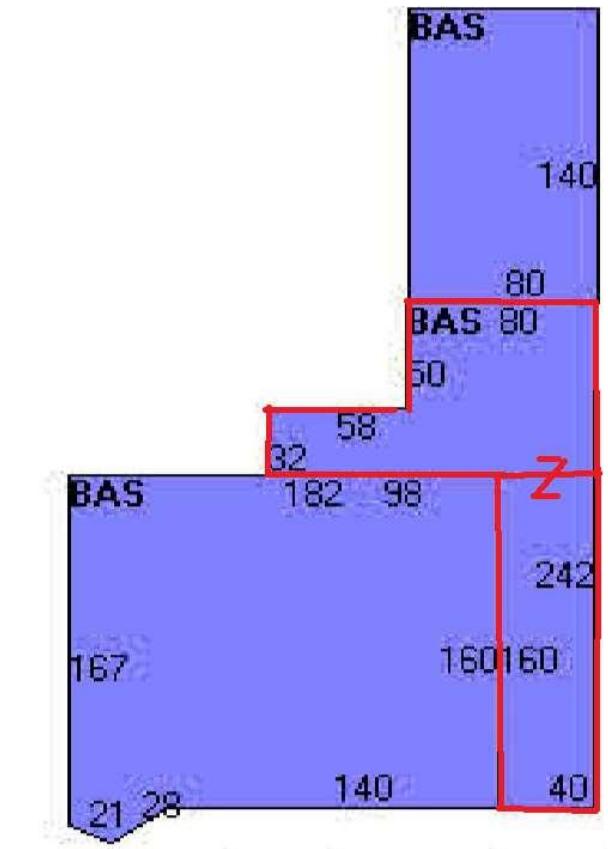


Interior Photos - 337 Berlin Turnpike, Berlin, Connecticut – Section 1

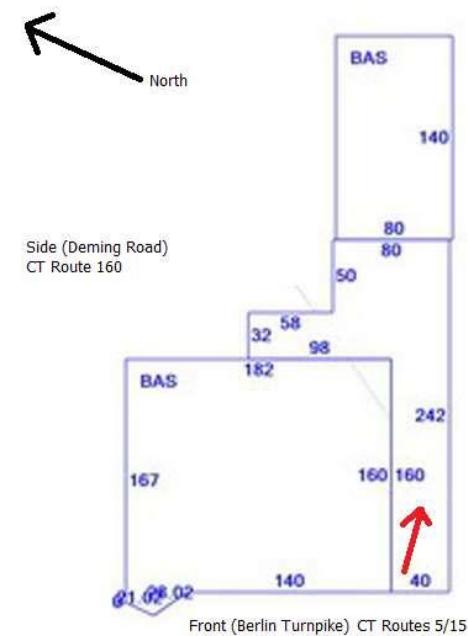


Dimensions - 337 Berlin Turnpike, Berlin, Connecticut – Section 2

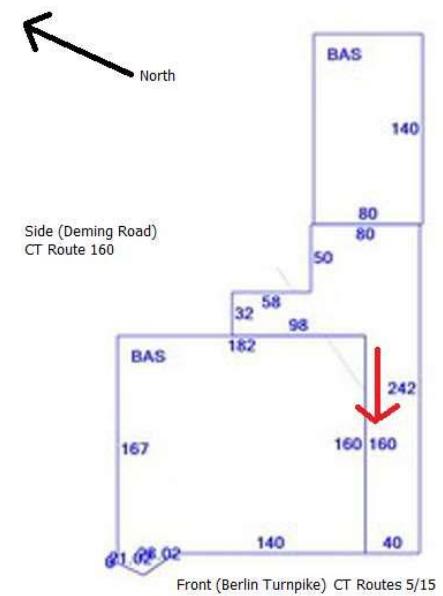
Reference	Description	Square Footage	Clear Height
Section 2	South Wing Building – East	10,400 square feet	14.5 feet



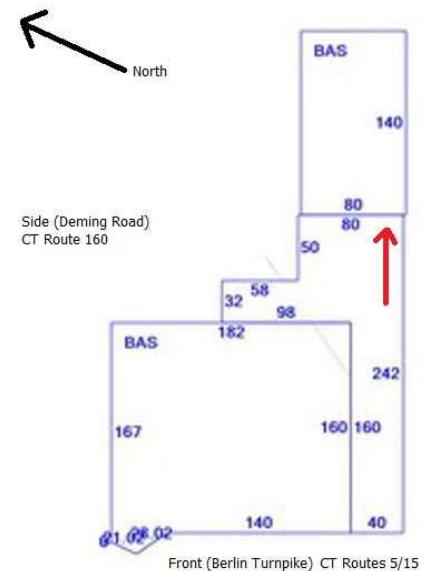
Interior Photos - 337 Berlin Turnpike, Berlin, Connecticut – Section 2



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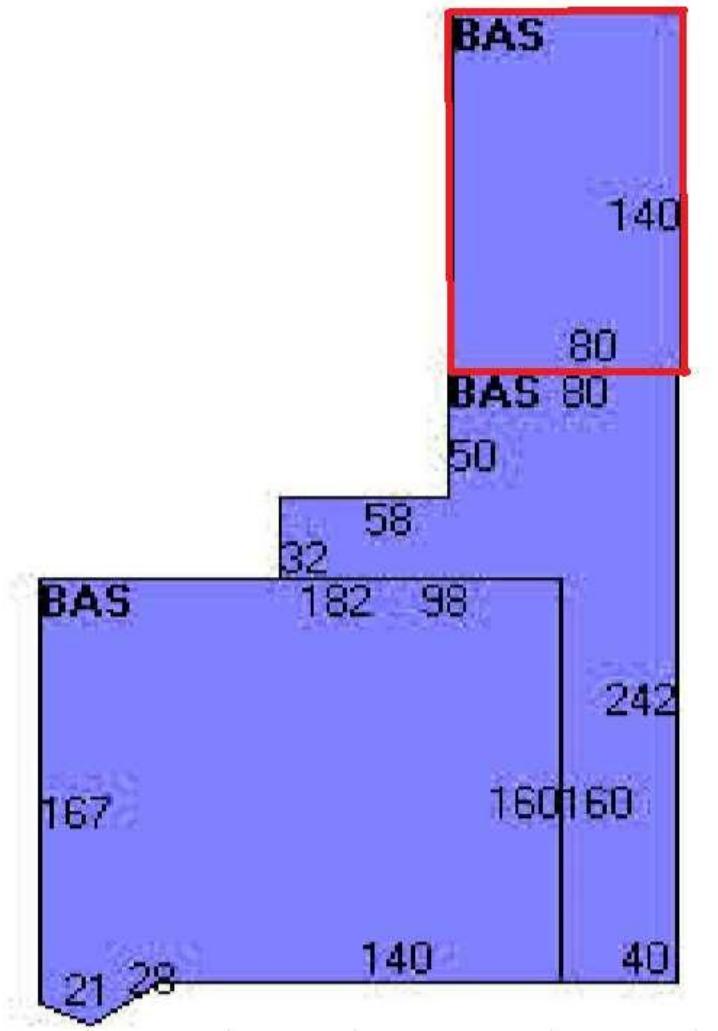


Interior Photos - 337 Berlin Turnpike, Berlin, Connecticut – Section 2-3

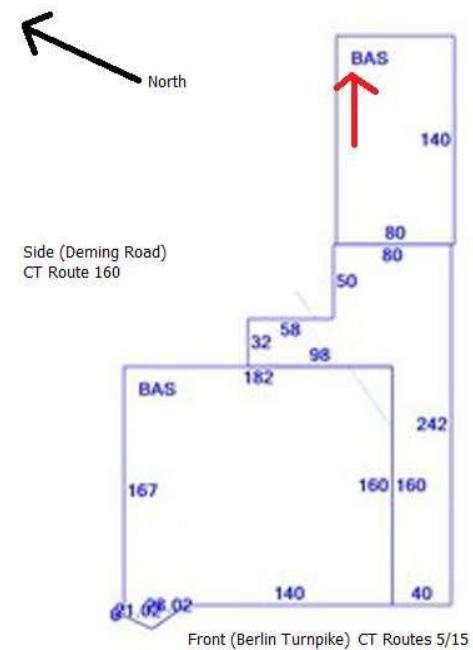


Dimensions - 337 Berlin Turnpike, Berlin, Connecticut – Section 3

Reference	Description	Square Footage	Clear Height
Section 3	South Wing Building - West	11,200 square feet	22.0 feet

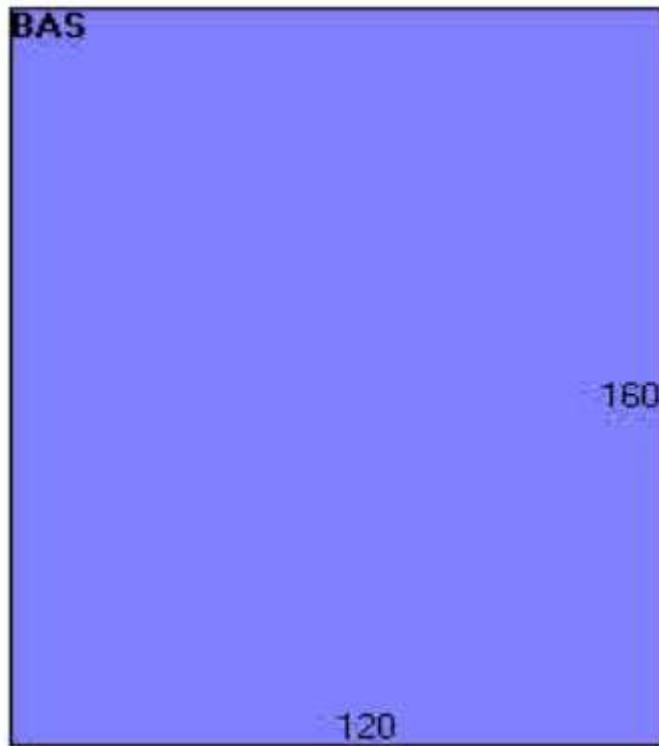


Interior Photos - 337 Berlin Turnpike, Berlin, Connecticut – Section 3

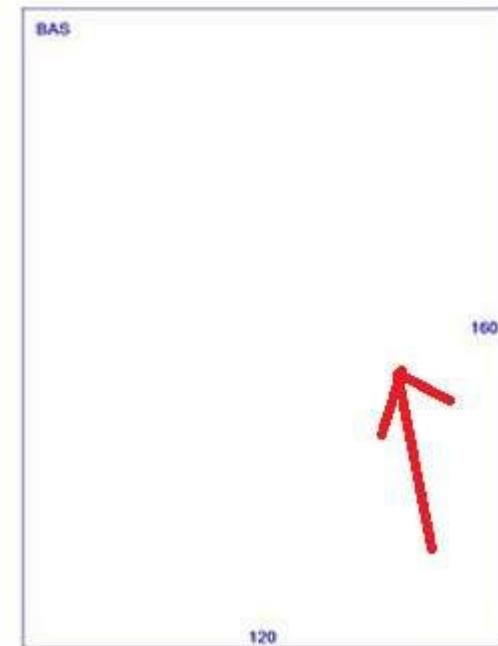


Dimensions - 337 Berlin Turnpike, Berlin, Connecticut – Section 4

Reference	Description	Square Footage	Clear Height
Section 4	Freestanding Warehouse	19,200 square feet	22.0 feet



Interior Photos - 337 Berlin Turnpike, Berlin, Connecticut – Section 4



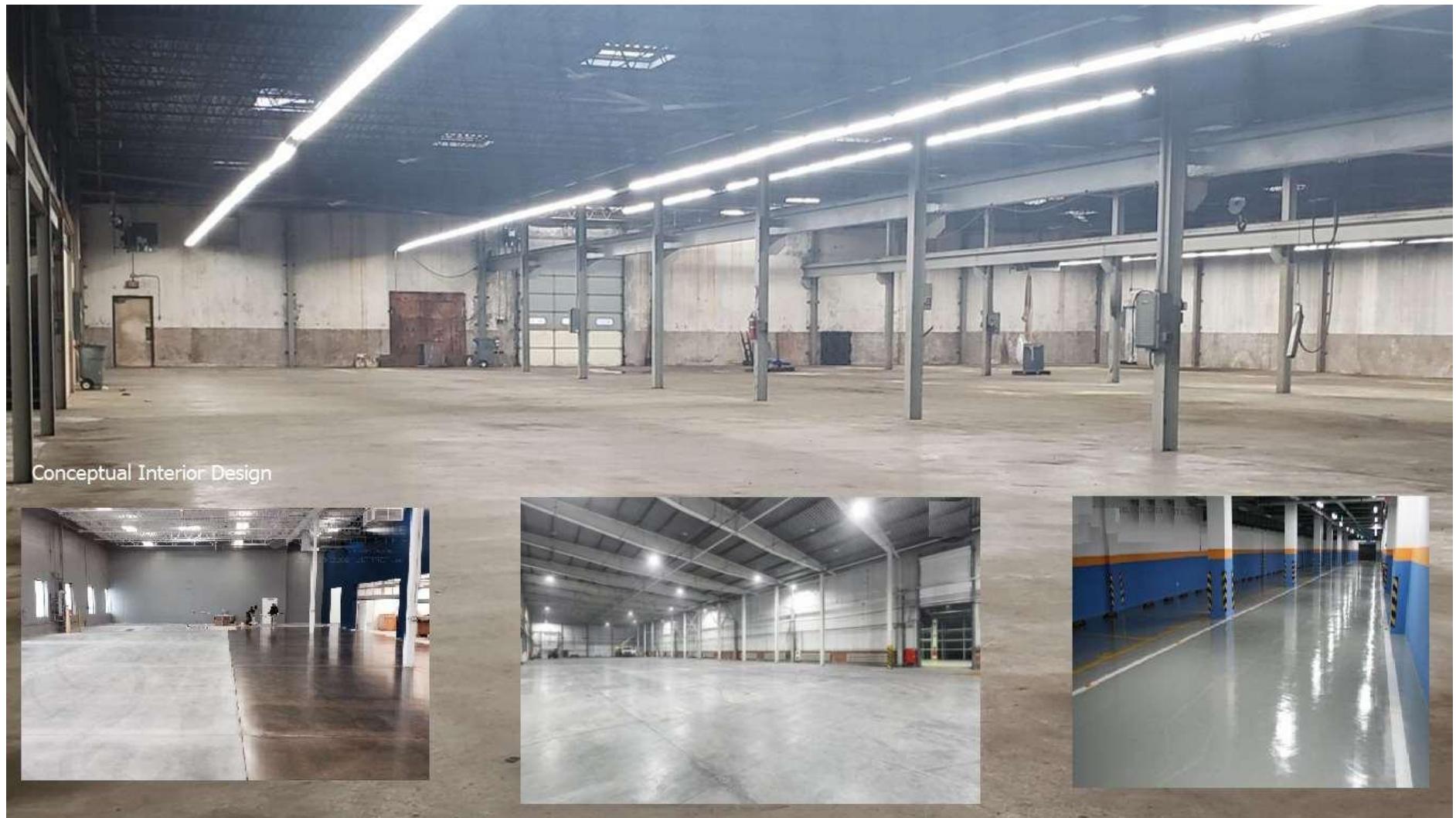
Exterior Photo – Exterior Finish Concepts - 337 Berlin Turnpike, Berlin, CT



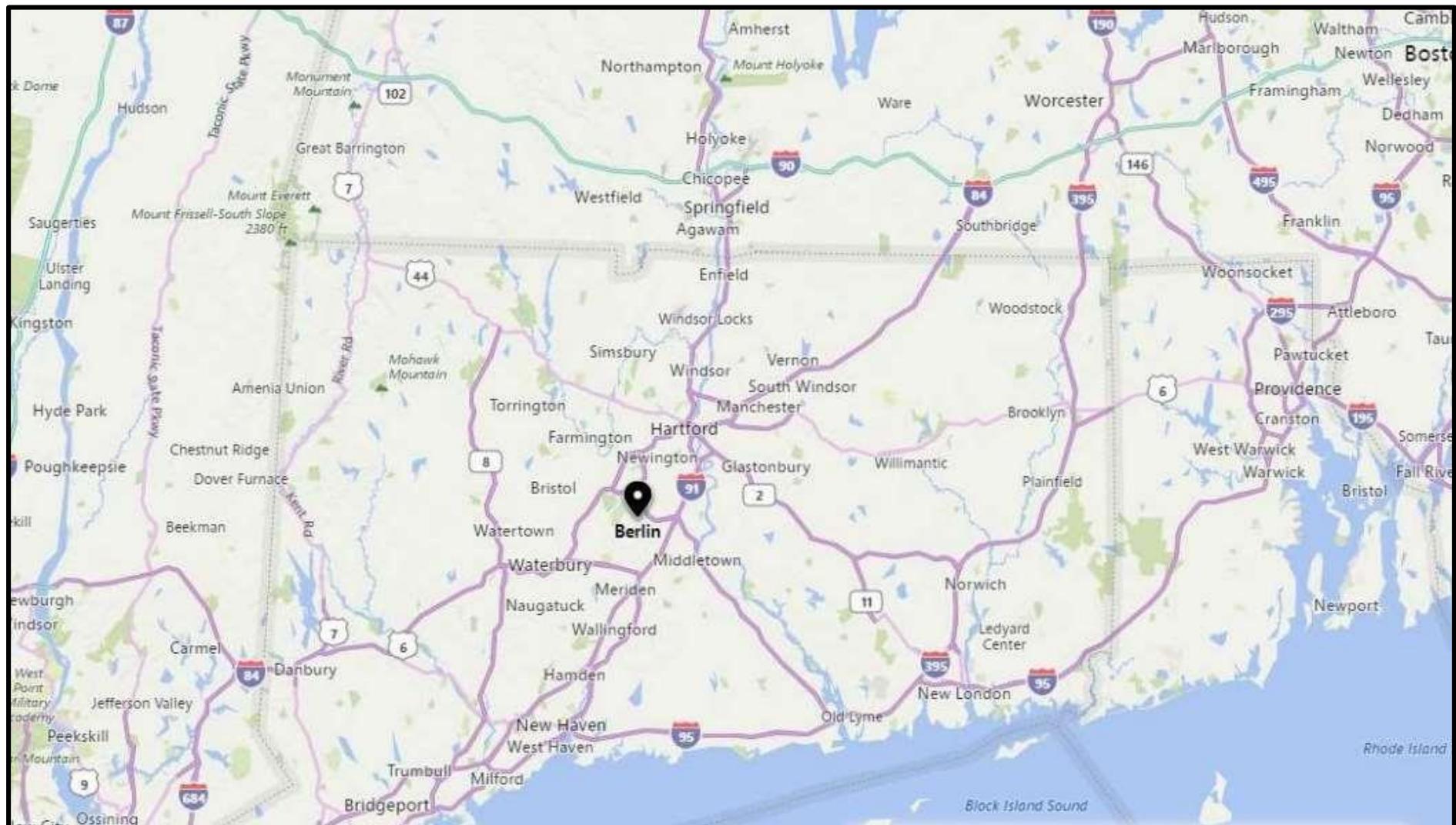
Exterior Design Concepts



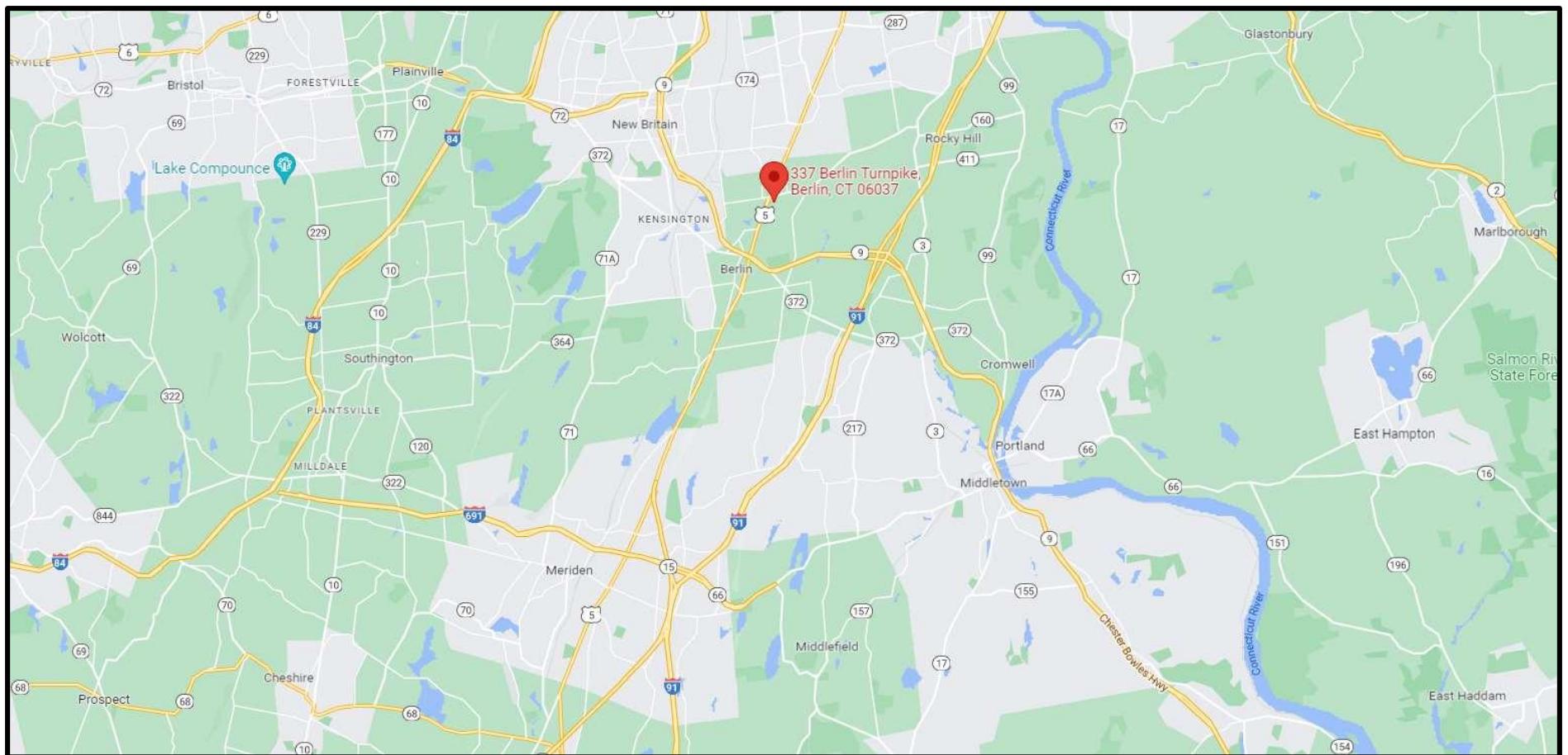
Interior Photos - Finish Concepts - 337 Berlin Turnpike, Berlin, Connecticut



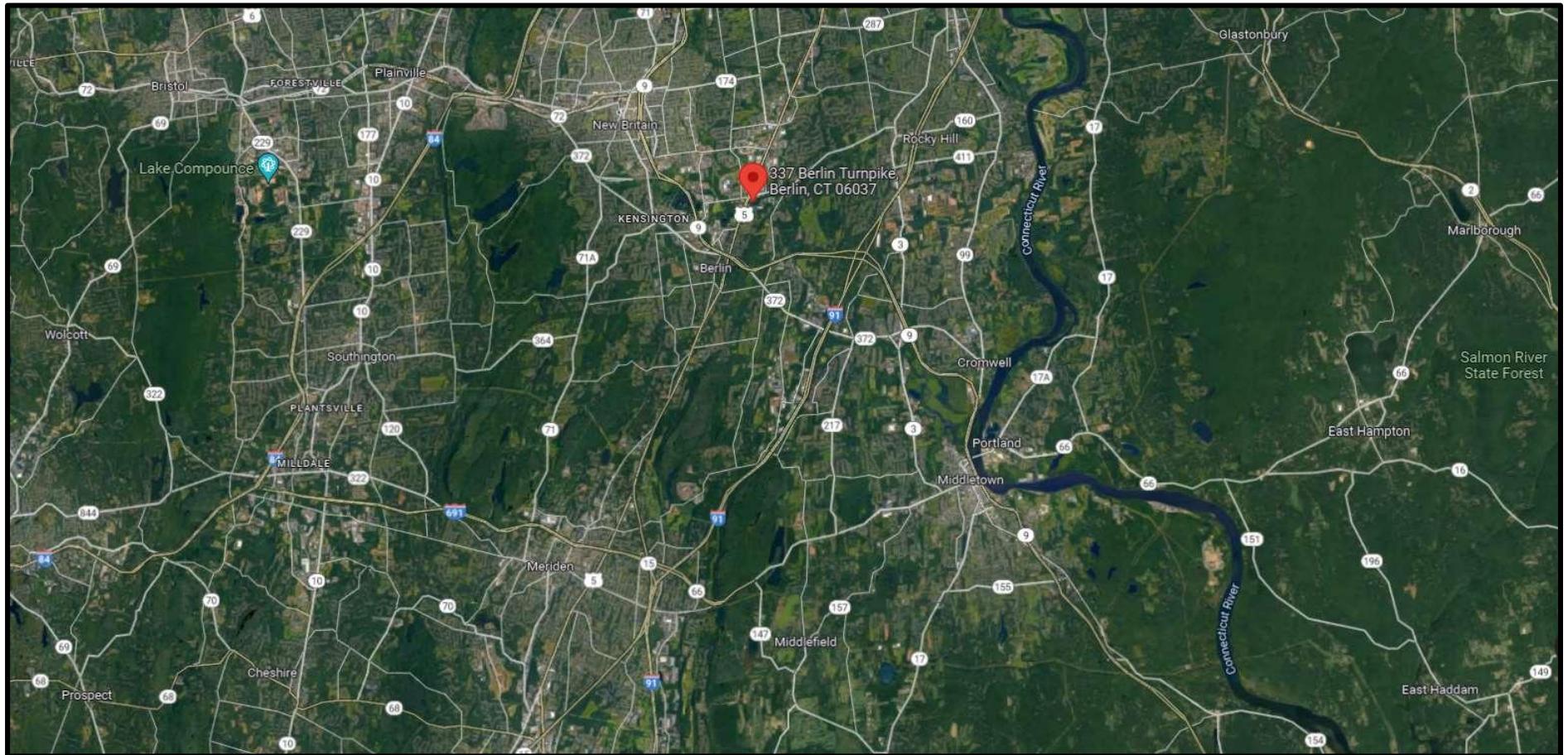
Location Map - 337 Berlin Turnpike, Berlin, Connecticut



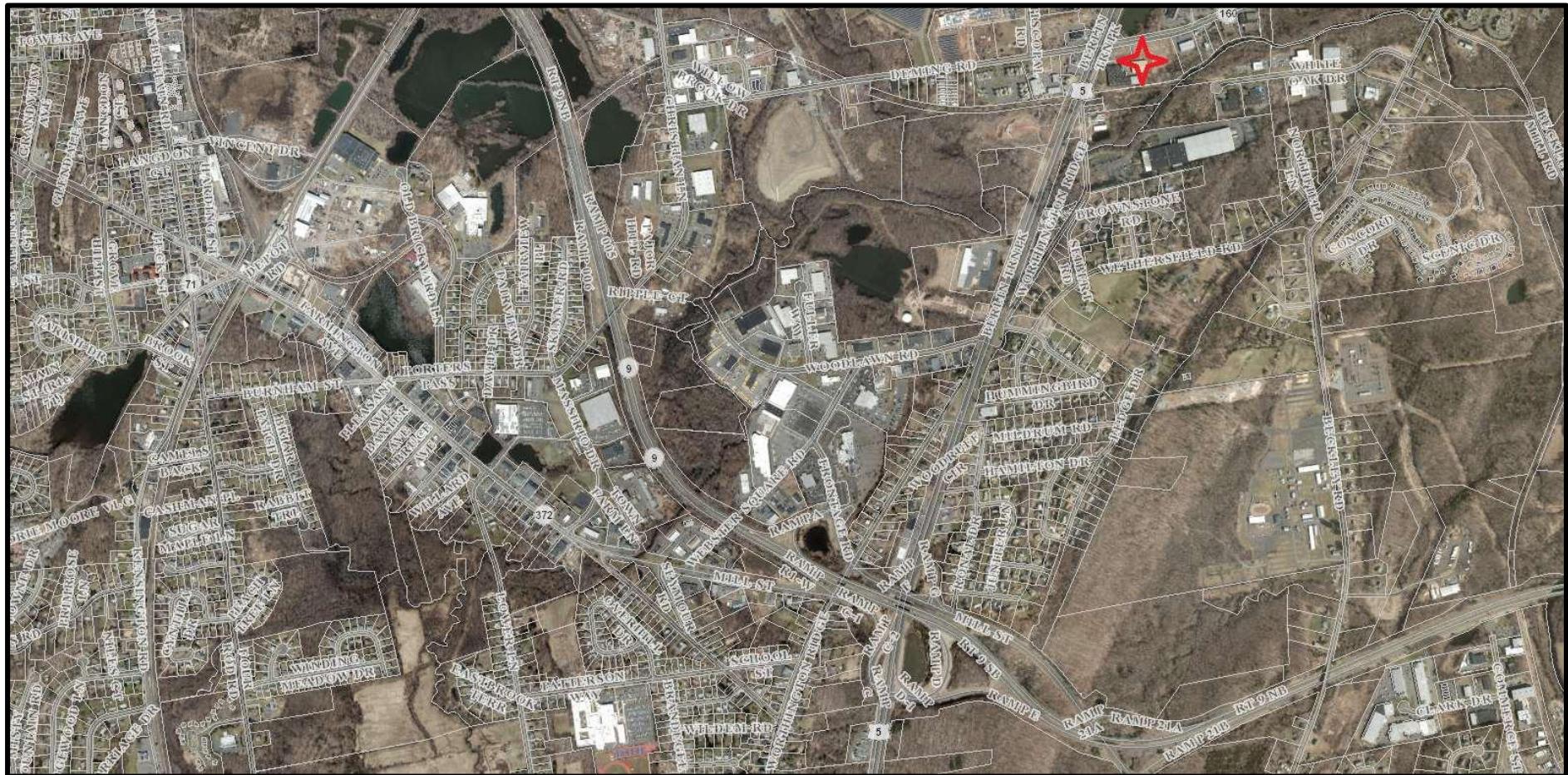
Location Map - 337 Berlin Turnpike, Berlin, Connecticut



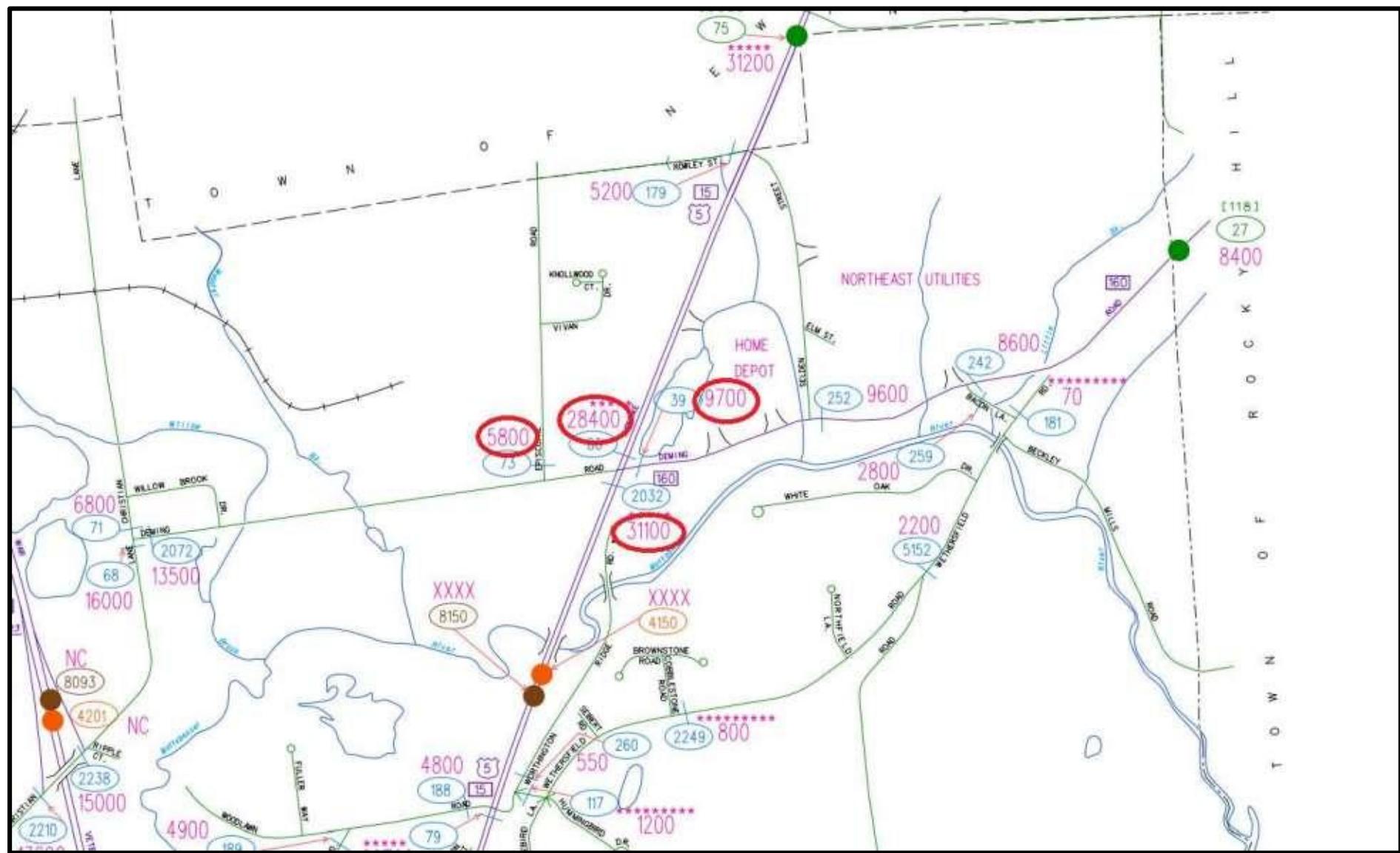
Location Map - 337 Berlin Turnpike, Berlin, Connecticut



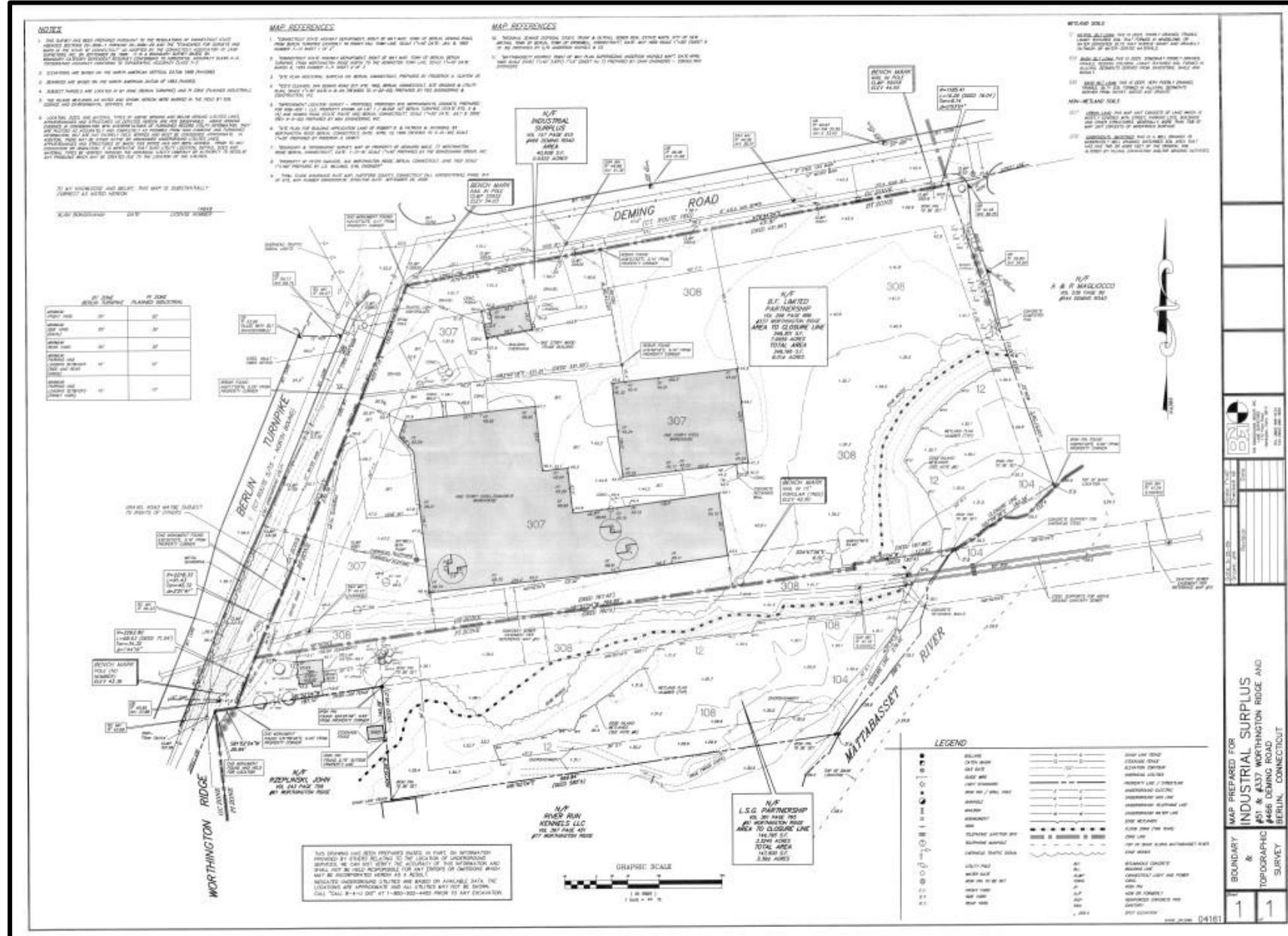
Location Map - 337 Berlin Turnpike, Berlin, Connecticut



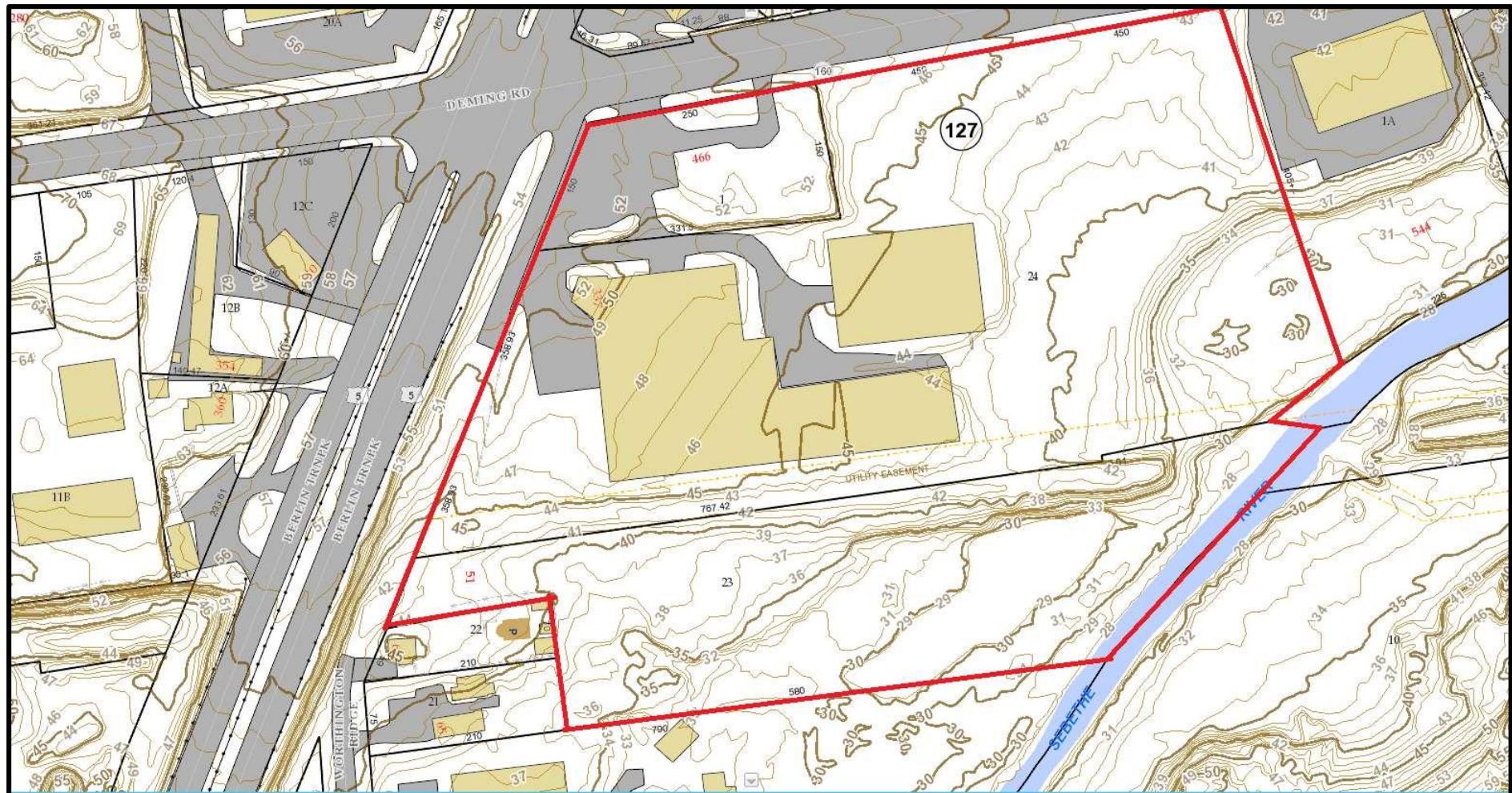
Location - Traffic Counts - 337 Berlin Turnpike, Berlin, Connecticut



Survey - 337 Berlin Turnpike, Berlin, Connecticut



Topographic Map - 337 Berlin Turnpike, Berlin, Connecticut



Flood Plain - 337 Berlin Turnpike, Berlin, Connecticut



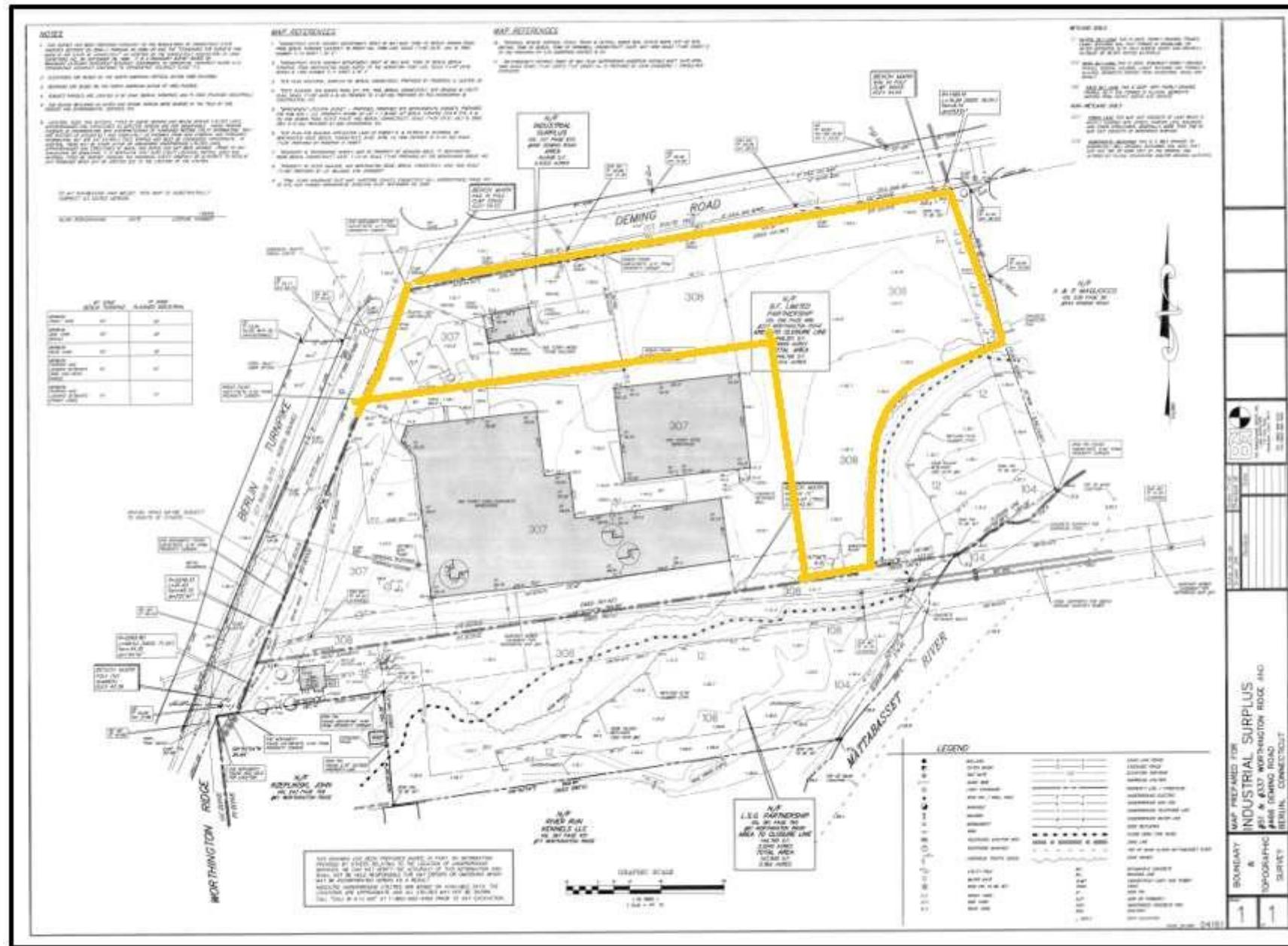
Wetlands - 337 Berlin Turnpike, Berlin, Connecticut



Sewer Lines/Sewer Main - 337 Berlin Turnpike, Berlin, Connecticut



Excess Lands Apparent - 337 Berlin Turnpike, Berlin, Connecticut



Location - 337 Berlin Turnpike, Berlin, Connecticut

Location – Area Description:

The site is located in the town of Berlin in between the Route 15 connector to Interstate 91 and Hartford and the Route 15 Connector that links the Wilbur Cross Highway to Interstate 91 and Route 15 to New York City. The property is 2.0-miles north of the off-ramp from Route 9 at Route 15. The Berlin Turnpike provides north-south access linking the city of Hartford to routes southward by the property to the city of New Haven and onto New York City.

Nearby Major Employers = Berlin, CT:

Assa Abloy Access and Egress Hardware
Yankee Energy System
Premier Limousine
Town of Berlin
Berlin Steel Construction Company
StanChem
Reliance Automotive
Precision Punch
Sportika Export
Eversource
Webster
Tandy Leather Factory
Schaller Auto World

Nearby Major Employers = Newington, CT:

Data Mail
Clinical Laboratory Partners
Hudson Home Health Care
Schuco USA LLP
Standard Builders
C&S Wholesale
Healthtrax
Balckhawk Industrial
Belshaw Bros.
ProHealth Physicians
EDAC Technologies
H.O. Penn Machinery
Schwing America

Location - 337 Berlin Turnpike, Berlin, Connecticut

Location – Nearby Commercial Development: The massing of retail development in this area is located about 1 mile north of the subject property there is a cluster of major anchors stores. Stores represented there include, but are not limited to:

1-mile North Cluster

Sam's Club
Lowe's Home Improvement
Target Grocery
Walmart
Staples
Express Kitchens
Lazy Boy Furniture Galleries
Big Lots
JoAnn Fabrics
Verizon
Outback Steakhouse
Savers

1/2-mile North Cluster

Stew Leonards
Sam's Club
Best Buy
PC Richard and Son
Burlington Coat Factory
LA Fitness
Bassett Furniture

Across Street to North to 1/4-mile North Retail Cluster

Home Depot
Kohl's
Michaels
PetSmart
CVS
Acura of Berlin
Newly built 30,000 sf retail building; Planned 100+ unit apartment

Demographics - 337 Berlin Turnpike, Berlin, Connecticut

Distances	1-mile	3-miles	5-miles
Population	2,397	60,324	169,359
Daytime Population	5,951	62,992	166,523
Households	1116	23864	68041
Income	\$ 93,084	\$ 89,690	\$ 90,675

Legally Permissible Use - Highest and Best Use - 337 Berlin Tpke, Berlin, CT

Legally Permitted Uses - Zoning – Permitted Uses - Commercial Uses Permitted As of Right – The current B-1 Zoning permits the following use as of right, medical and professional offices, banks, restaurants, beauty salons, manufacturers showrooms and caterers and bakers.

Legally Permitted Uses - Zoning – Permitted Uses - Commercial Uses Permitted as Special Exceptions via an Approval Process – The current B-1 Zoning permits via approval process for special exceptions, including but not limited to: family entertainment, health and fitness clubs, motor vehicle repair, gas filling stations, hospitals, public transportation facilities, automobile dealers, auto rental facilities, adult daycare facilities, medical and dental labs, animal hospitals, radio and television broadcasting, lumberyards and material providers, lumberyards and material providers, public schools, libraries or post offices, nurseries and garden supplies, storage facilities and warehouses, childcare centers, hotels, motels, sales and service of boats, manufacturing facilities, wholesale and distribution facilities, research and development facilities, printing and publishing services, car washes, liquor sales and outdoor merchandise sales.

Continued use of the buildings is considered legally permissible either as grandfathered by the Town or permitted to be reinstated subject to current building code and zoning regulations.

Physically Possible Use - Highest and Best Use - 337 Berlin Tpke, Berlin, CT

Physically Possible Use - The property consists of an existing 75,219 square feet of industrial buildings built in 1966. The buildings are functional although dated and require renovation and potentially a repurposing. Alternatively, the buildings can be razed for all new redevelopment. This scenario focuses on adaptive reuse of the existing buildings assuming they are retained.

As built, the buildings are best suited for continued industrial use, likely either manufacturing or warehousing or both. The building also has the potential to become part showroom part manufacturing and/or warehousing. The buildings are referred to in five sections. It is plausible that additional buildings and square footage can be added to the site as improved.

Despite the existing buildings and land improvements, we anticipate that the subject property will be required to file a new master grading and drainage plan for the continued use and for any new construction.

The subject property is near grade with the Berlin Turnpike (CT Route 5/15) and Deming Road (CT Route 160) at an elevation of 50 feet above sea level. The site slopes downward to the southeast to a midpoint of 40 feet above sea level and a low point at the southeast corner at 30 feet. Regarding of the site will likely be done at two tiered grades. Master storm drainage improvements are likely to be required along with replacement of paving and the addition of new paving.

Access to the site is adequate for the reinstatement of the industrial use however the Town and State may require new access improvements on-site and off-site. The subject has street frontage on both the Berlin Turnpike (CT Route 5/15) and Deming Road (CT Route 160) to provide any desired access improvements. The site has approximately 590 feet of road frontage on both the Berlin Turnpike and 700 feet of road frontage on Deming Road. There are two existing curb cuts near the intersection of Deming and the Berlin Turnpike on Deming Road which will likely be maintained. Worthington Ridge has been abandoned across the frontage to the neighborhood to the south. No additional access may be required. Optional new access may be considered by the owner and users of the property.

Continued use of the buildings is considered physically possible.

Financially Feasible Use - Highest and Best Use - 337 Berlin Tpke, Berlin, CT

Financially Feasible Uses – In this scenario, the owners are considering leasing the buildings in place and adding new buildings via turn-key build-to-suits or ground leases. The land was purchased for \$2,025,000 as recorded on March 8, 2020, about \$3.81 per square foot.

The site was purchased at a favorable market price enabling financially feasible redevelopment. It is our view that with consideration of hard, soft and capital costs, the owners plan of marketing and development is financially feasible as only financially feasible tenancies will be considered.

Reference	Acres
51 Worthington Ridge Road, Berlin, CT	3.40 acres
337 Berlin Turnpike, Berlin, CT	7.83 acres
<u>466 Deming Road, Berlin, CT</u>	<u>0.96 acres</u>
Total	12.19 acres

Date of Purchase	March 8, 2020
Purchase Price	\$ 2,025,000
Purchase Price Per Square Foot of Land	\$ 3.81 per square foot

Financially Feasible Use - Highest and Best Use - 337 Berlin Tpke, Berlin, CT

Planned Uses – In this scenario, the buildings will likely be leased to one or more tenants for manufacturing, warehousing, retail showrooms and warehouse and/or manufacturing use or storage use. These planned uses are to be based on credit review of the tenants and/users and will be financially feasible or they will not be done. Therefore, adaptive reuse of the buildings and net new construction is considered to be financially feasible.

Restaurant Uses - Actionable interest has been realized with the addition of a global freestanding restaurant brand with drive through and a nationally branded freestanding restaurant with drive through.

Other Uses – We welcome proposals to lease for other uses for all or part of the property permitted in the B-1 zoning district.

In summary, rehabilitation of the existing buildings to manufacturing, warehousing, retail showrooms and warehouse and/or manufacturing use or storage use is considered financially feasible. Further new development of the hard-corner and other excess or surplus lands is considered to be financially feasible.

Maximally Productive Use - Highest and Best Use - 337 Berlin Tpke, Berlin, CT

For Lease:

Maximally Productive Use – Highest and Best Use – The most productive use of the property in this scenario is to be a mix of re-tenanting the existing buildings and new development. As creditworthiness and lease terms will be a requirement of new tenants, it is our view that the most productive use will be achieved through negotiations with suitable tenants and users.

Real Estate Taxes – Subject Property – 337 Berlin Turnpike, Berlin, CT



<u>Reference</u>	<u>Output</u>
Property Name	Former Industrial Surplus Property
Anchor Tenants	None
Building Square Footage:	75,215 square feet
Assessor Market Price Estimate	\$ 3,219,400
Assessment Per Square Foot of Building	\$ 42.80
Assessment	\$ 2,253,500
Assessment Per Square Foot of Building	\$ 29.96
Mil Rate	33.93
Estimate of Real Estate Taxes - Comp	\$ 76,461
Estimate of Real Estate Taxes Per Square Foot of Building	\$ 1.02