



ALASKA CARGO AND **COLD STORAGE, LLC**

OPPORTUNITY OVERVIEW

at **TED STEVENS ANCHORAGE
INTERNATIONAL AIRPORT**

CBRE



PROJECT OVERVIEW

KEY DETAILS INCLUDE:



Situated near the main cargo ramp, aircraft parking positions, and adjacent cargo facilities that presently lack cold storage, it is strategically positioned to allow current airport customers to quickly store and retrieve cargo from within the airport's secure area, which is also located in a Foreign Trade Zone (FTZ). In order to meet demand from the local market, ACCS will also be accessible from outside the secure area.



As the world's fifth busiest cargo airport, ANC provides a strategic location for central customer service and repair hubs; final product assembly, packaging, testing, and distribution operations; and, international warehousing and distribution of high value, time sensitive products.



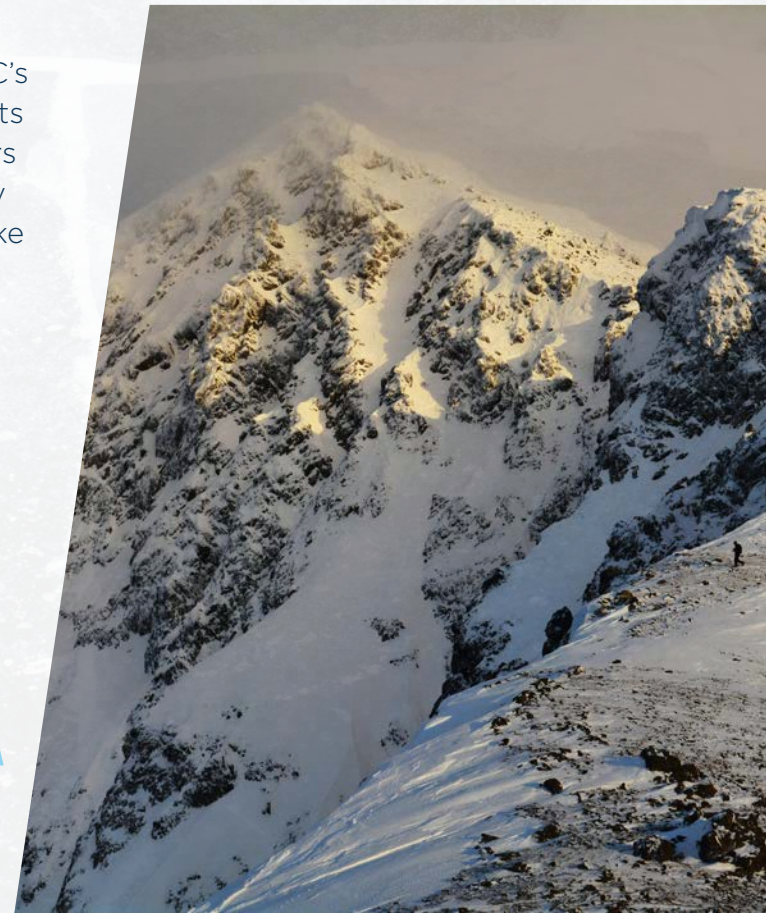
ANC possesses unique cargo transfer rights that allow cost and operational efficiencies unavailable elsewhere. Collectively, ACCS + ANC's unique rights and benefits provide air cargo carriers the perfect opportunity to perform hub and spoke operations at this U.S. gateway.

ALASKA CARGO & COLD STORAGE

Alaska Cargo & Cold Storage (ACCS) has been formed to develop in phases a secure, 700,000 sq. ft. climate controlled warehouse facility within the Ted Stevens Anchorage International Airport (ANC).

ACCS WAS RECENTLY AWARDED A **\$21 MILLION** BETTER UTILIZING INVESTMENTS TO LEVERAGE DEVELOPMENT (BUILD) GRANT TO COMPLETE PHASE I OF THE PROJECT.

¹Source: frozenfoods.biz/federal-funds-to-finance-cold-storage-cargo-facility-at-anchorage-airport/



ACCS will occupy ANC's last undeveloped site, located immediately adjacent to hard stands, ANC terminals, and FedEx/UPS facilities, with access to Postmark Drive and Alaska ground transportation arteries.



PROPOSED SITE

±28 ACRE SITE

IDEALLY LOCATED WITHIN
TED STEVENS ANCHORAGE INTERNATIONAL AIRPORT

KEY FACILITY FEATURES INCLUDE:

- » Cold storage and refrigerated warehousing
- » Warm storage and warehousing
- » General warehouse storage unheated
- » Cold storage and quick cargo transfer facility configuration is flexible
- » Located adjacent to proposed FedEx Express cargo expansion
- » Located within Free Trade Zone and near aircraft hardstands
- » Non-secure access possible via Postmark Drive for Anchorage market and port/highway access
- » Approximately 15 minute drive to downtown Anchorage

GENERAL FACILITY SPECIFICATIONS: ±700,000 SF

ACCS will have an approximate footprint of 700,000 sq. ft., and will be up to 75 ft. tall, per airport regulations. It will offer cold and warm storage, quick cargo, and general warehousing options, logistics services, and includes auxiliary space for tenant offices.



IDEALLY LOCATED WITHIN
TED STEVENS ANCHORAGE INTERNATIONAL AIRPORT



ANC VALUE PROPOSITION

UNIQUE CARGO TRANSFER RIGHTS

Air carriers operating in Alaska have the ability to use liberalized air cargo transfer rights unavailable elsewhere. These rights permit air cargo to or from a foreign country to be transferred to other outbound flights at ANC without having to clear customs. This functionality allows cargo carriers to:

- » **Transfer and trans load freely and flexibly**
- » **Maximize the utility of alliance partnerships**
- » **Lower operating costs by eliminating less productive legs**
- » **Increase market penetration through partner networks**
- » **Utilize aircraft more efficiently by eliminating beyond Alaska flights**
- » **Test market conditions without committing aircraft by utilizing code share agreements**



ADDITIONAL FACILITY USES:

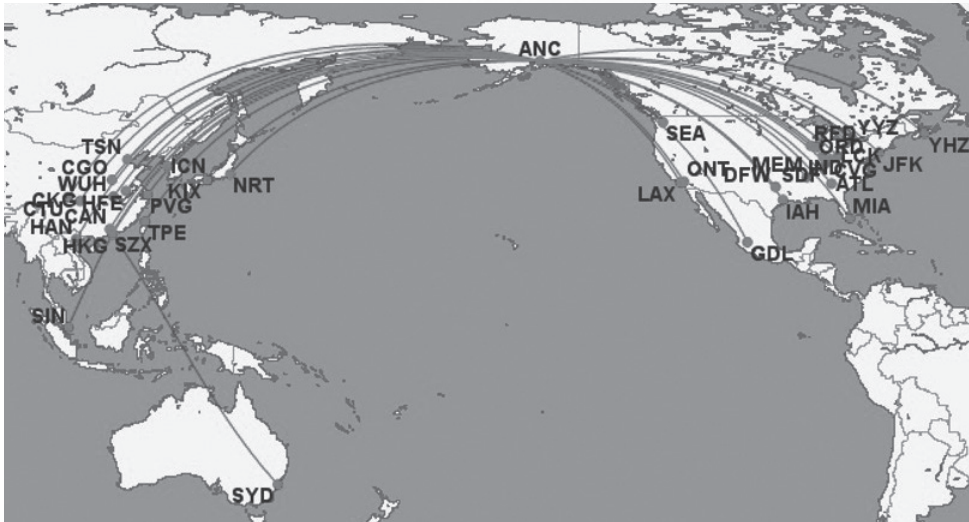
- » Emergency storage for cargo due to mechanical breakdowns, missing slot window, and weight limits & winds aloft, i.e. “bumped cargo”
- » Passenger belly cargo
- » Bulk breakdown to B737s and B757s
- » E-grocery
- » Vaccine storage
- » Warm storage
- » Ground handler office space
- » GSE repair



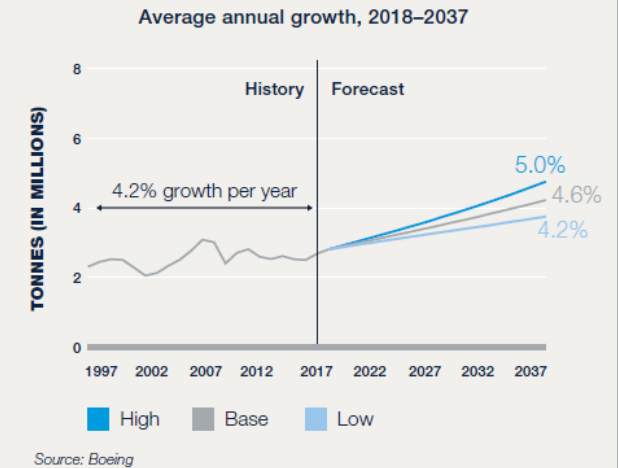
ANC

A MAJOR TRANS PACIFIC AIR CARGO GATEWAY

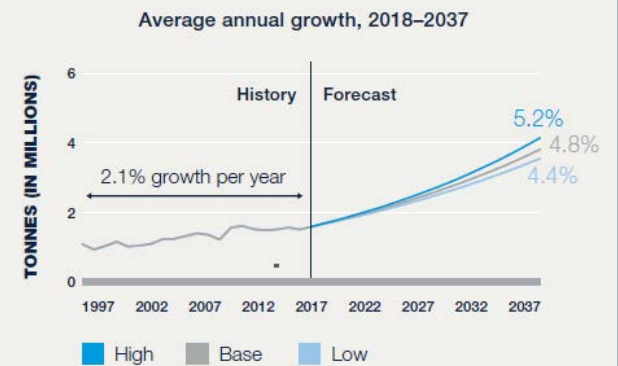
ANC is a major air cargo gateway for trans-Pacific air cargo as one of the busiest B747 and B777 freighter airports in the world, ANC saw 2.79 million metric tons of air cargo during 2018. Located at the midpoint between Asia and North America, its strategic location on the Great Circle Route makes it an important technical stop and transfer hub for air cargo transported between Asia and North America. Anchorage offers the greatest flexibility in the U.S. on line and interline cargo transfer operations, thereby providing operators an opportunity to maximize route efficiency and profit.



EAST ASIA-TO-NORTH AMERICA AIR TRADE WILL GROW 4.6% PER YEAR



NORTH AMERICA-TO-EAST ASIA AIR TRADE WILL GROW 4.8% PER YEAR



Source: TSAIA Quick Cargo Facility Educational Session presentation

50% OF AIR CARGO TONNAGE BETWEEN ASIA AND NORTH AMERICA TRAVELS THROUGH ANC.



DEVELOPMENT PARTNERS

Alaska Cargo and Cold Storage, LLC is a business owned by Alaska-based McKinley Capital Management, LLC and Chad Brownstein, founder of Rocky Mountain Resources.

▶ McKinley Capital Management, LLC

McKinley Capital Management, LLC, (McKinley Capital) is a global investment firm based in Anchorage, Alaska, with offices in Chicago, New York, and an Abu Dhabi, UAE affiliate. Founded in 1990, McKinley Capital is privately held and recognized around the world today as a leader in quantitative growth style investing. McKinley Capital's worldwide clients include corporate and public pension plans and 401K programs, sovereign wealth funds, labor unions, religious institutions, and individual investors.

In 2019, McKinley Capital launched an Alaska-focused private investment business to capture the opportunities Alaska offers investors as a young and emerging market. McKinley Capital's Anchorage headquarters provides the firm the unique ability to identify, analyze and invest in Alaska on behalf of clients. McKinley Capital makes select direct investments in infrastructure and large real estate developments that will typically be greater than \$100 million in size.

▶ Chad Brownstein

Chad is the founder of Rocky Mountain Resources, a holding company focused on natural resources.

Mr. Brownstein has founded, financed and operated multiple infrastructure and resource companies over 20 years, including: mining, rail transportation hubs, oil & gas, logistics, and bulk materials.

Mr. Brownstein was previously a principal member of Crescent Capital Group and cofounder of Banc of California. Mr. Brownstein is a member of the LA 2028 Olympic Exploratory Committee.

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AVERAGE DRIVE TIMES FROM ANC:

Port of Anchorage	19 minutes	7.9 miles
Port of Seward	2 hours 19 minutes	125.1 miles
Fairbanks, AK	6 hours 14 minutes	433 miles
Seattle, WA	43 hours	2,686 miles

Interstate Highway	
Other National Highway System (NHS)	
NHS Intermodal Connector	
Alaska Railroad; serves Seward, Whittier, and Anchorage Ports	



LOCATION MAP

TED STEVENS ANCHORAGE INTERNATIONAL AIRPORT

ALASKA CARGO
AND COLD STORAGE, LLC

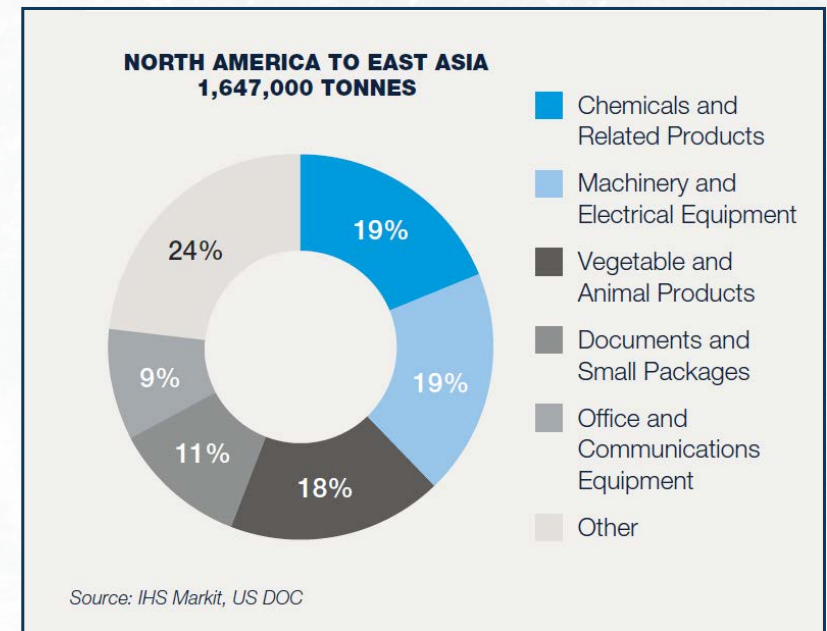
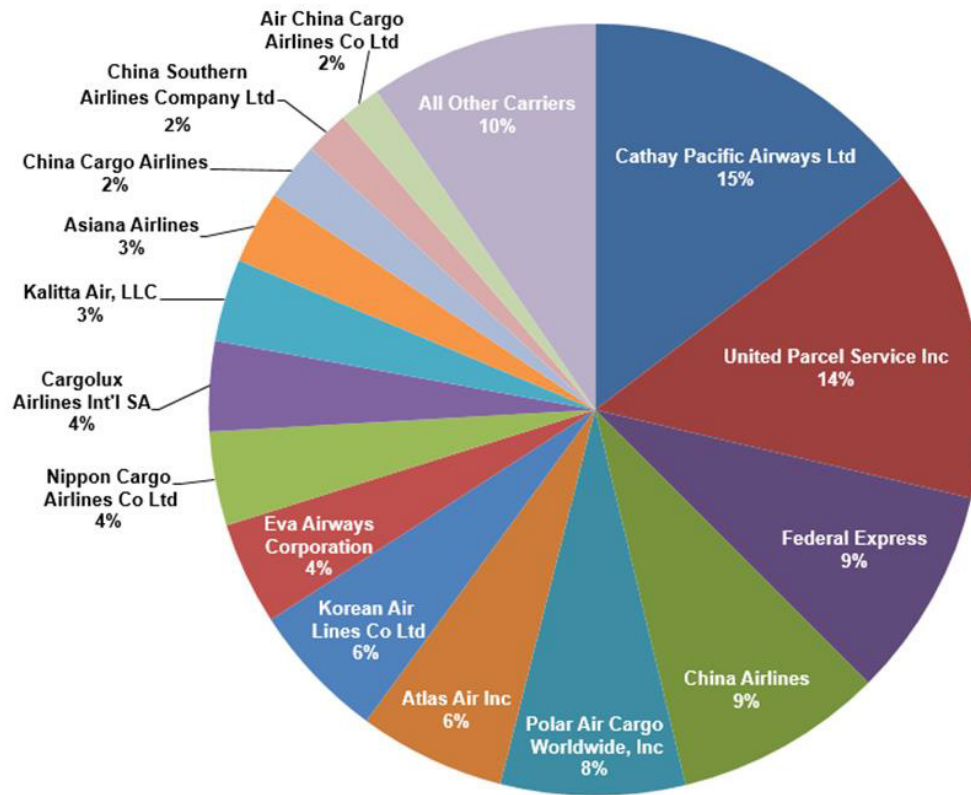


AERIAL MAP



ANC KEY CUSTOMERS

AND PRODUCT POTENTIAL



Other key items demanding cold storage and quick transfer include:
pharmaceuticals, wine, (large) time sensitive parts, e-commerce, aircraft parts, etc.



STRATEGIC ADVANTAGES

- » **Unmatched Access & Efficiency:** Located within 9.5 hours of 90% of key markets in Asia, Europe, and North America. ANC consistently ranks second in the Western Hemisphere and fifth in the world for total air cargo traffic, and was the busiest airport in the world on select days during 2020.
- » **Foreign Trade Zone (FTZ) and Unique Air Cargo Transfer Rights:** Provides special customs procedures to U.S. plants engaged in international trade-related activities and liberalized transfer rights unavailable at other U.S. locations.
 - › These advantages have long been recognized by FedEx Express, which employs over 1,500 people in Alaska and has established Anchorage as a nexus to sort and consolidate shipments bound for North America, Asia and Alaska destinations.
- » **Revenue-Enhancing Stopover:** Shippers stopping at ANC require less fuel and benefit from adding up to an extra 100,000 pounds of cargo per flight on large aircraft on trans-Pacific flights.
- » **Large-Scale Facility:** Addresses the shortage of climate-controlled warehouse facilities for Anchorage-based enterprises and ANC customers.

APPROXIMATELY 9.5 HOURS FROM 90% OF THE INDUSTRIALIZED
WORLD MAKES ANCHORAGE “THE CENTER OF THE AIR CARGO WORLD”

¹Source: forbes.com/sites/laurabegleybloom/2020/05/01/busiest-airport-in-world-anchorage-alaska/#4d8d04e06731





SUMMARY OF OPPORTUNITY

- » ACCS will have an approximate footprint of 700,000 sq. ft., and will be up to 75 ft. tall, per airport regulations.
- » ACCS will offer cold and quick cargo storage options, logistics services, plus potential mezzanine office space for cargo handling companies.
- » ACCS is located at the Ted Stevens Anchorage International Airport (ANC), the world's fifth busiest cargo airport and second busiest in North America.
- » Situated near the main cargo ramp, aircraft parking positions, and adjacent cargo facilities that presently lack climate controlled warehousing, ACCS is strategically positioned to allow current airport customers to quickly store and retrieve cargo from within the airport's secure area, which is also located in a Foreign Trade Zone (FTZ).
- » ACCS will also be accessible from outside the secure area in order to serve local customers and connect to highway and port infrastructure.
- » ANC provides a strategic location for central customer service and repair hubs; final product assembly, packaging, testing, and distribution operations; and, international warehousing and distribution of high value, time-sensitive products.
- » ANC offers its customers unique air cargo transfer rights that allow for both cost and operational efficiencies unavailable elsewhere.
- » Collectively, ACCS + ANC's unique rights and benefits provide air freight carriers the perfect opportunity to perform hub and spoke operations at this U.S. gateway.





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