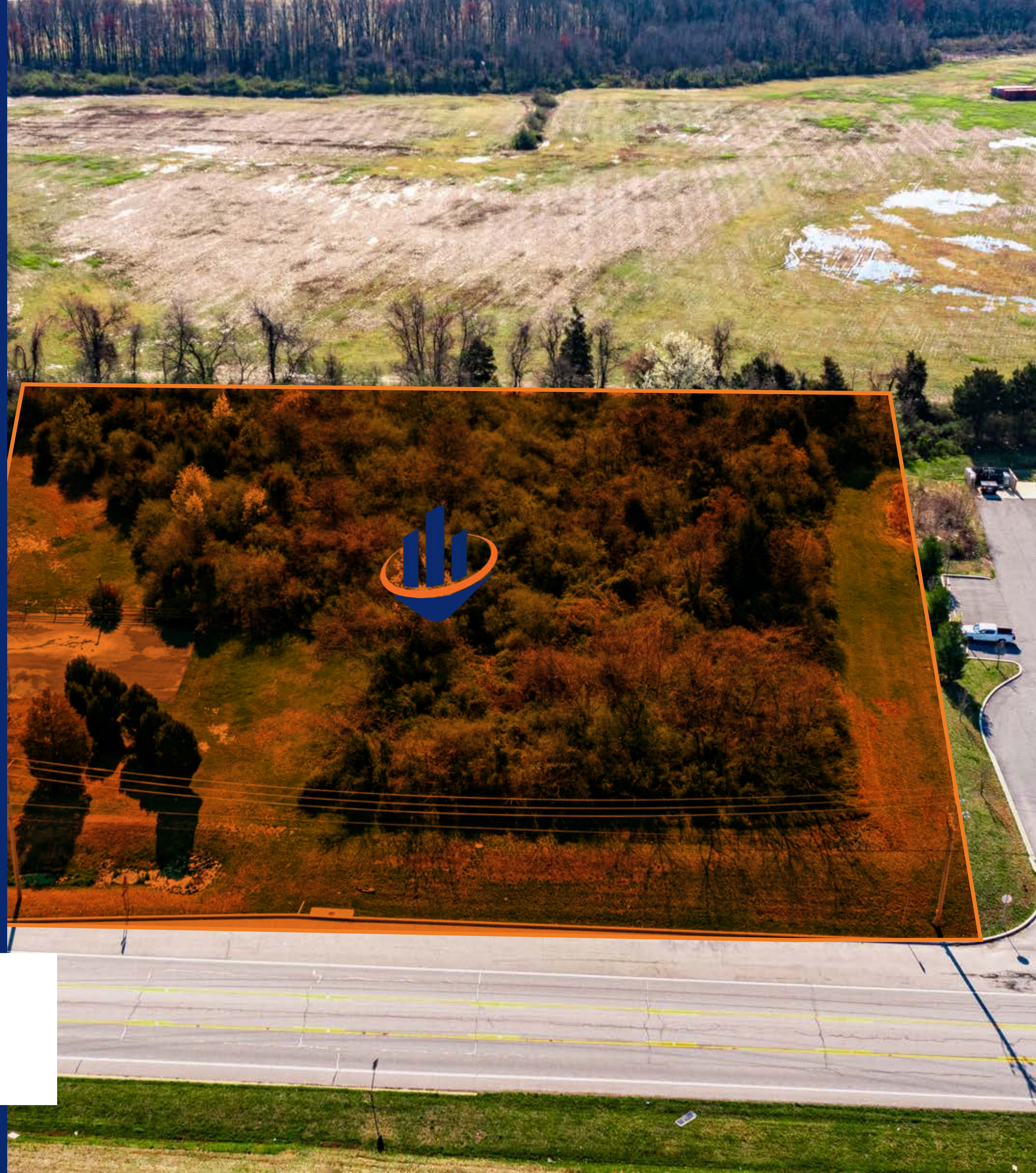
DEVELOPMENT OPPORTUNITY

2744 AUGUSTINE HERMAN HWY
CHESAPEAKE CITY, MD



SVN COMMERCIAL REALTY

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To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

EXECUTIVE SUMMARY

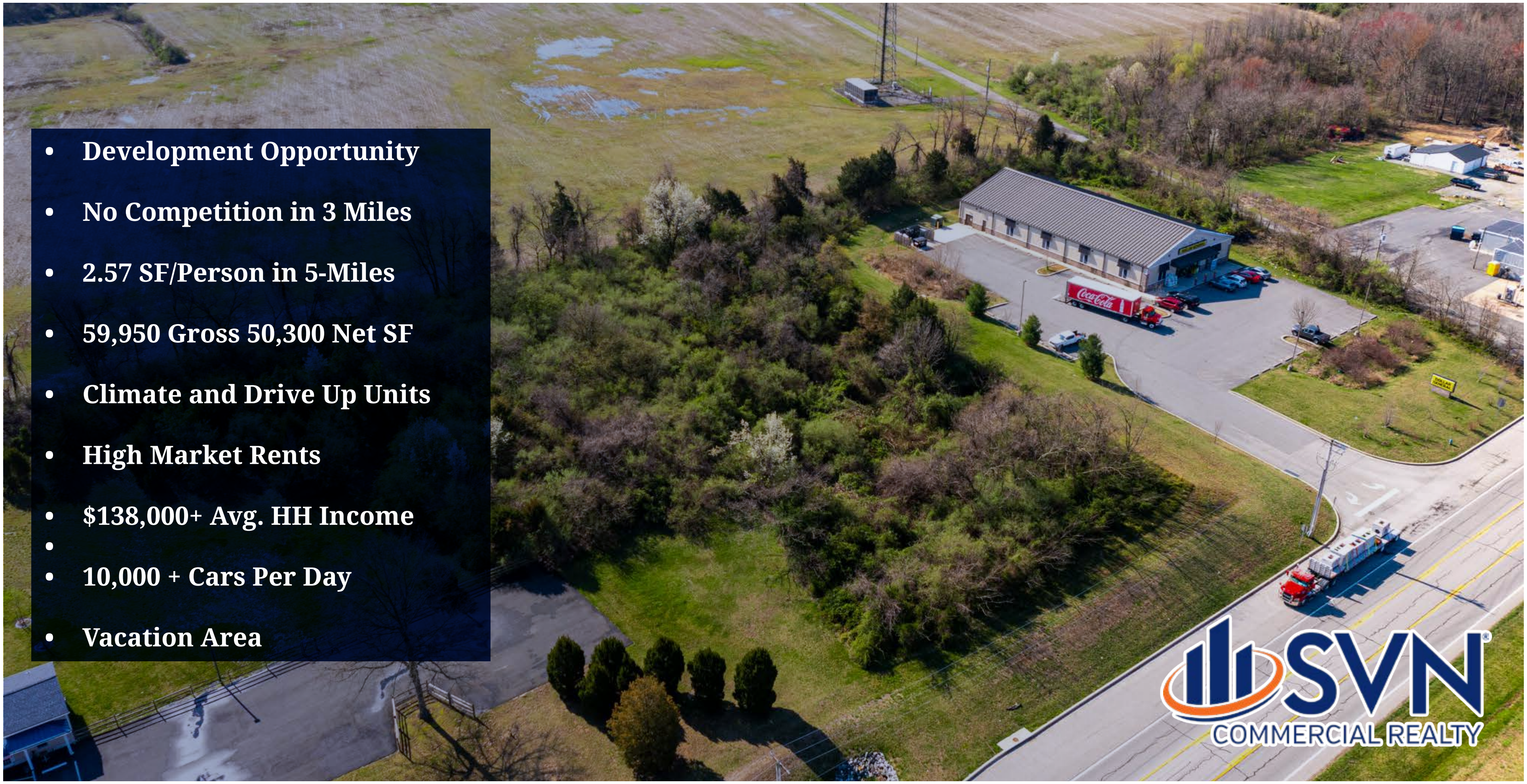
SVN Miller Commercial Real Estate and the SVN NationalStorageAdvisors.com team Meredith Mears, Hans Hardisty, and Nick Malagisi are excited to present this exceptional investment opportunity in the heart Chesapeake City, MD. This well-positioned development project offers a prime location on Augustine Herman Highway (10,000 +/- ADT) and high market rents. Also, this property offers zero competition in the 3-mile radius and 2.5 SF/person in the 5-mile radius (StorTrack).

With the demand for self storage solutions on the rise, this development presents an ideal chance to capitalize on the market potential and secure long-term financial returns. The project is to be sold site plan approved, allowing for the construction of a state-of-the-art facility with 52,700 Net SF, with storage units ranging from climate-controlled spaces to traditional drive up units.

The planned facility will feature modern security systems, convenient amenities, and professional on-site management, ensuring the safety and satisfaction of tenants. Investors will have the opportunity to develop in an underserved self-storage market near the local middle and high school.

HIGHLIGHTS

- Development Opportunity
- No Competition in 3 Miles
- 2.57 SF/Person in 5-Miles
- 59,950 Gross 50,300 Net SF
- Climate and Drive Up Units
- High Market Rents
- $138,000+ Avg. HH Income
-
- 10,000 + Cars Per Day
- Vacation Area



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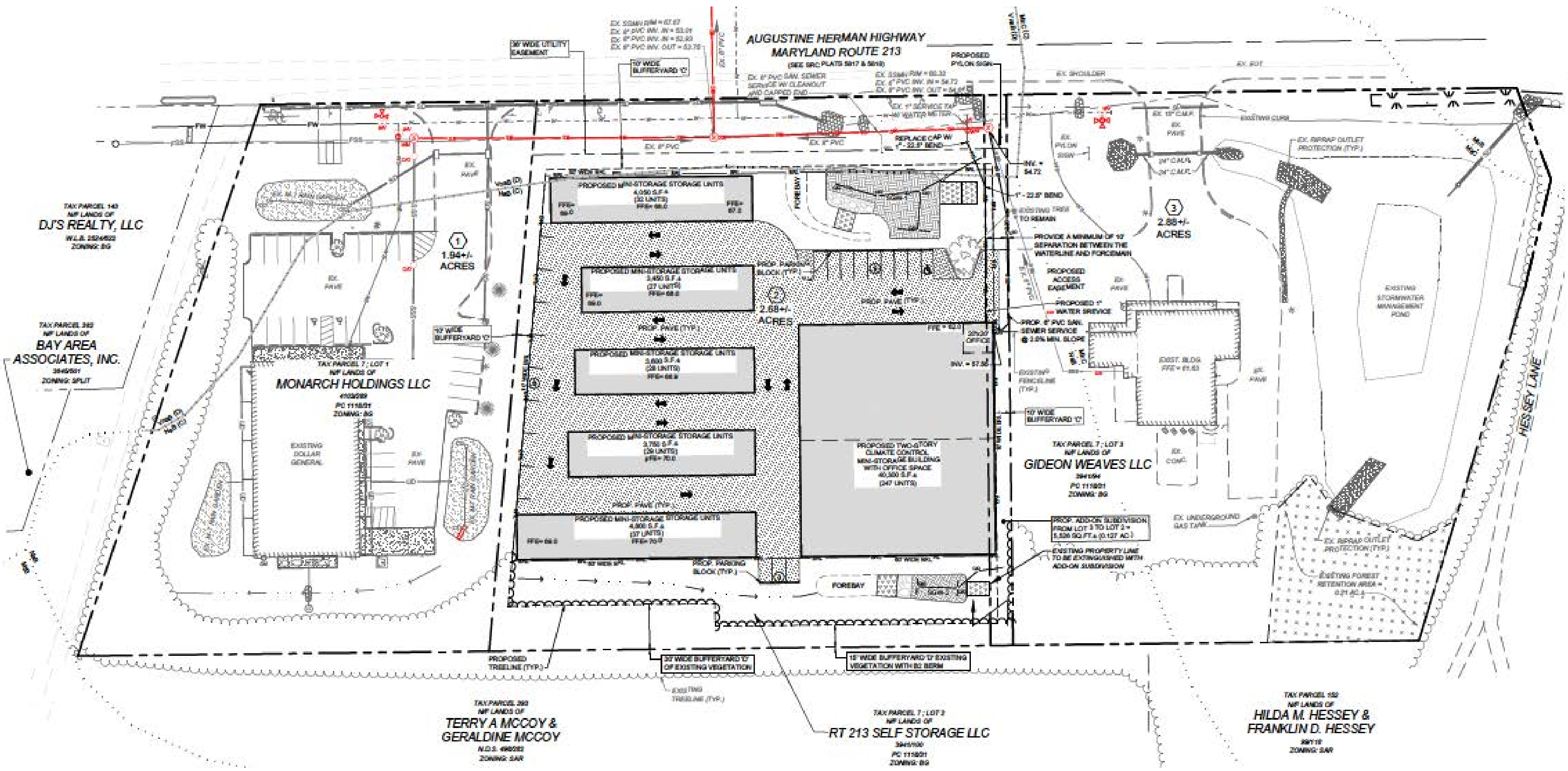
PROPERTY DESCRIPTION

SITE PLAN


AUGUSTINE HERMAN HIGHWAY
MARYLAND ROUTE 213
DJ'S REALTY, LLC
BAY AREA ASSOCIATES, INC.
MONARCH HOLDINGS LLC
1.94+/- ACRES
2.68+/- ACRES
2.88+/- ACRES
GIDEON WEAVES LLC
TERRY A MCCOY & GERALDINE MCCOY
RT 213 SELF STORAGE LLC
HILDA M. HESSEY & FRANKLIN D. HESSEY
HESSEY LANE

SITE PHOTOS

LOCATION OVERVIEW

NORTH VIEW

SOUTH VIEW

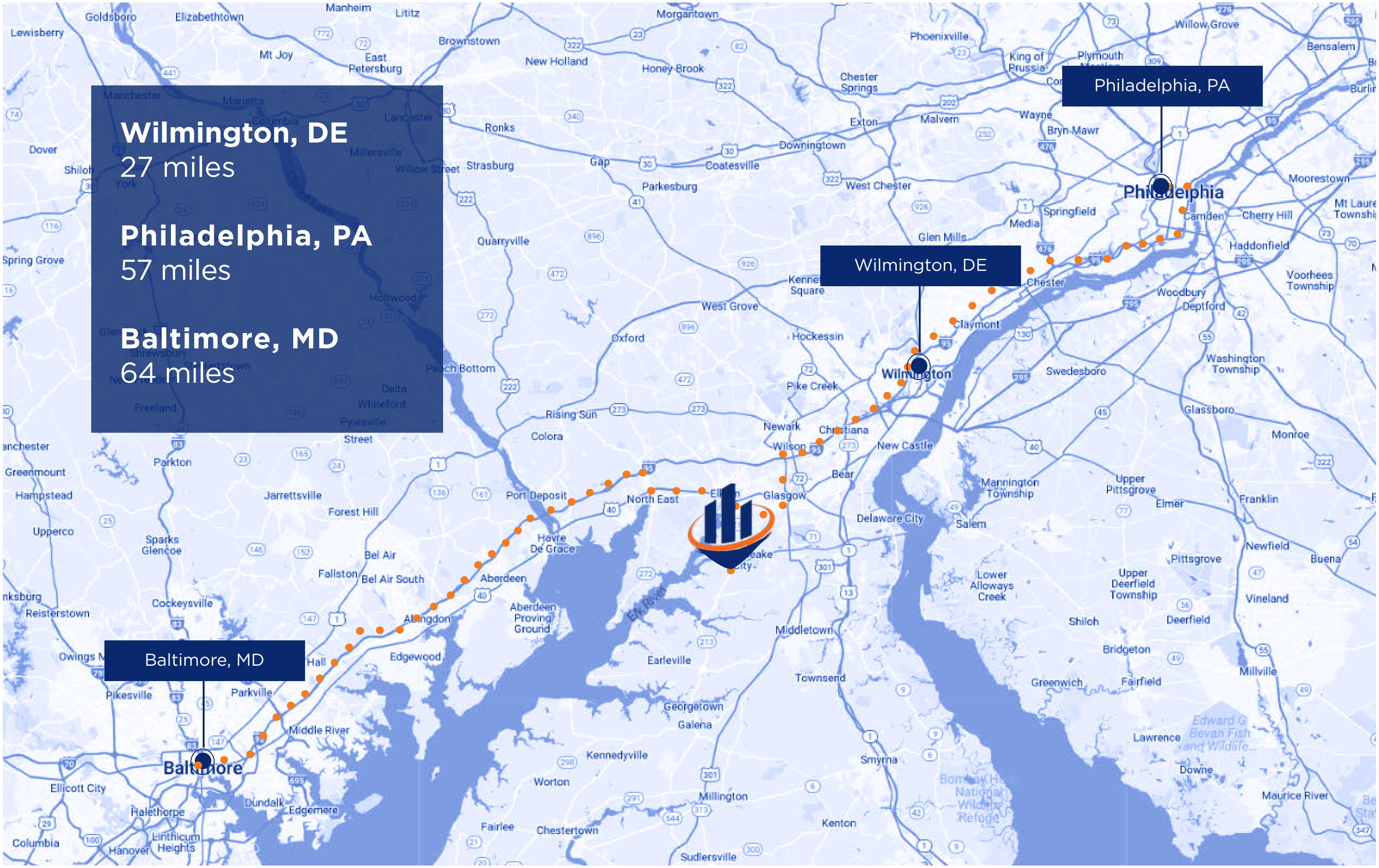

Chesapeake Elementary
Bohemia Manor High School
Bohemia Manor Middle School
EXXON
AUGUSTINE HERMAN HWY (10,000 VPD)
BASIL AVE

EAST VIEW

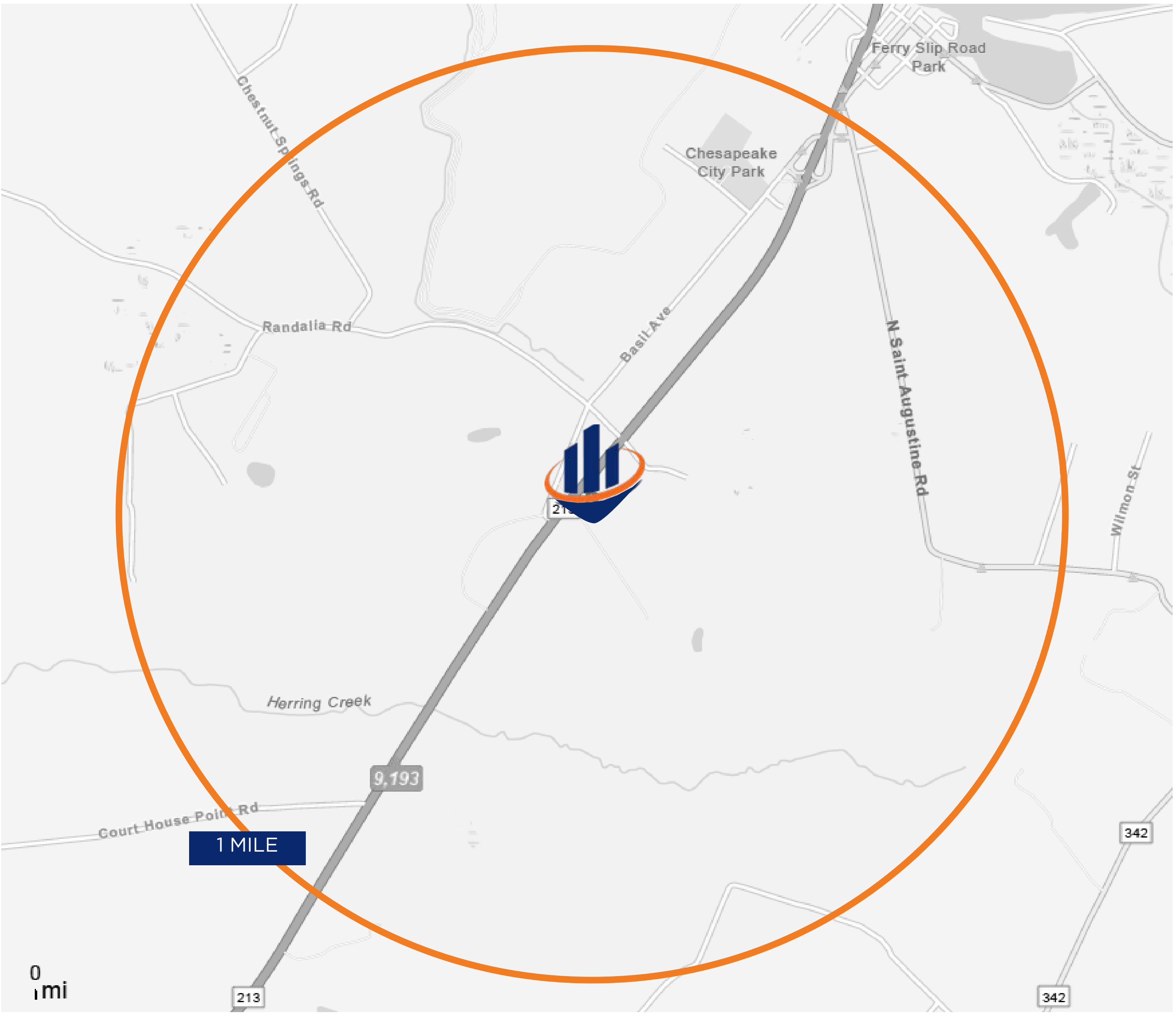

Chesapeake Elementary
Bohemia Manor High School
Bohemia Manor Middle School
EXXON
AUGUSTINE HERMAN HWY (10,000 VPD)
BASIL AVE

WEST VIEW

REGIONAL MAP



TRAFFIC MAP


Ferry Slip Road Park
Chesapeake City Park
Chestnut Springs Rd
Randalia Rd
Basil Ave
N Saint Augustine Rd
Wilmon St
Herring Creek
9,193
Court House Point Rd
1 MILE
342
213
0 mi

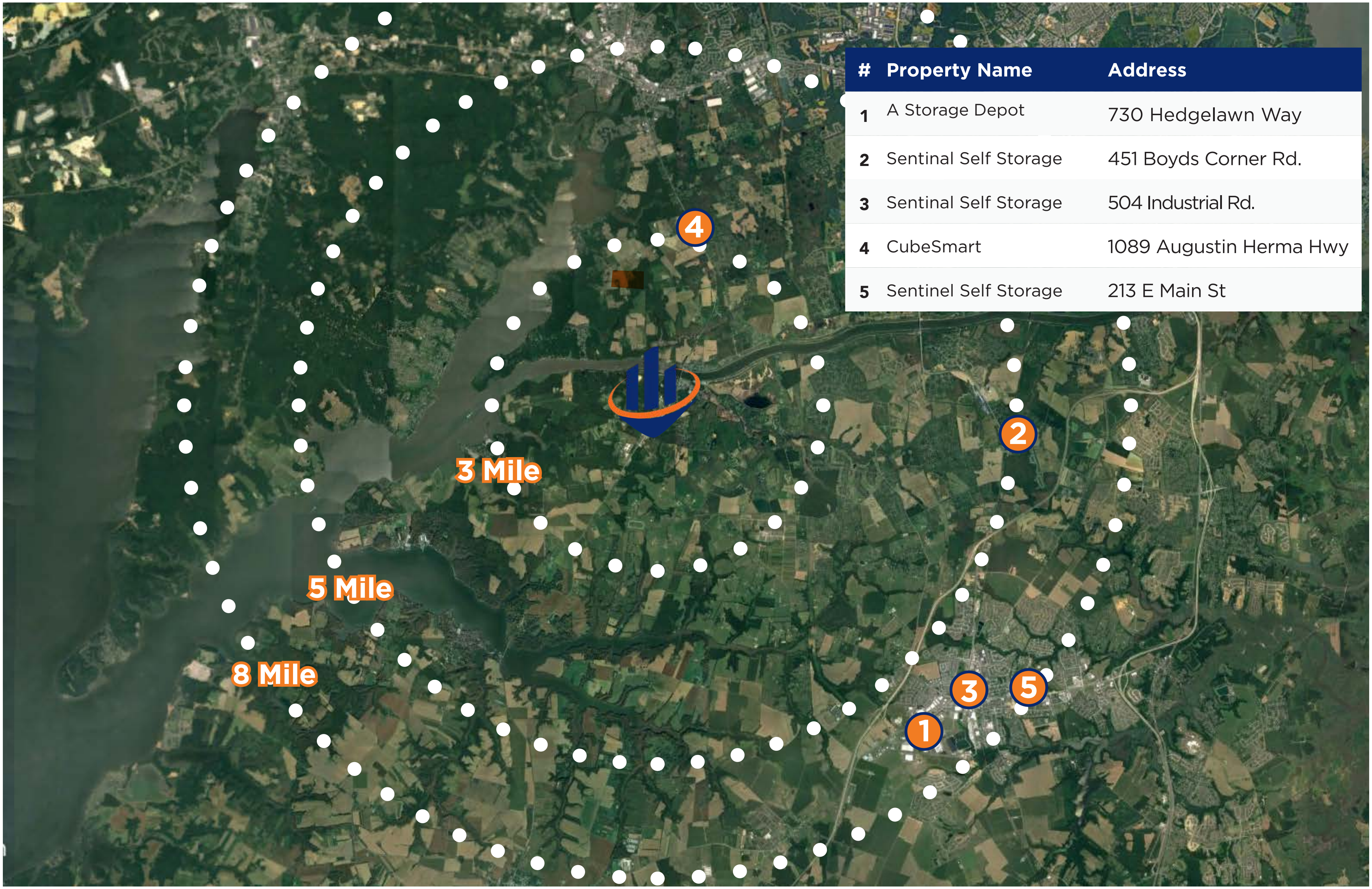
COMPETITION

SVN COMMERCIAL REALTY

COMPETITION ANALYSIS

Property Name	Subject Site	A Storage Depot	Sentinel Self Storage	Sentinel Self Storage	CubeSmart	Sentinel Self Storage
Property Address	*next to 2744 Augustin Herman Hwy Chesapeake City, MD	730 Hedgelawn Way Middletown, DE	451 Boyds Corner Rd. Middletown, DE	504 Industrial Rd Middletown, DE	1089 Augustin Herman Hwy Elkton City, MD	213 E Main St Middletown, DE
No. of Units						
NRSF						
Distance from Subject		7 mi.	5 mi.	8 mi.	4 mi.	8 mi.
Non-Climate	-	.4 mi.				
5x5			90.00	75.00	63.00	70.00
5x10			113.00	95.00	93.00	92.00
5x15			136.00	140.00		137.00
10x10			161.00	180.00	144.00	154.00
10x15			202.00	217.00	157.00	198.00
10x20				234.00	224.00	227.00
10x25				299.00		325.00
10x30				310.00		
Climate Control		254.95				
5x5		39.00		103.00		
5x10			149.00	136.00		
5x15		99.00		176.00		
10x10		129.00	195.00	200.00		
10x15		179.00	247.00	258.00		
10x20			260.00	315.00		
10x25			274.00	332.00		
10x30			312.00	414.00		
Administration Fee						

CLOSEST COMPETITORS



#	Property Name	Address
1	A Storage Depot	730 Hedgelawn Way
2	Sentinal Self Storage	451 Boyds Corner Rd.
3	Sentinal Self Storage	504 Industrial Rd.
4	CubeSmart	1089 Augustin Herma Hwy
5	Sentinel Self Storage	213 E Main St

FINANCIAL ANALYSIS

Gross CC	40,300
NRSF CC	30,628
Drive Up	19,650
Date Prepared	4/4/24
NRSF SF +/-	50,278
Approx. # of Units	503

IRR PROFORMA

PROFORMA							
EOY OCCUPANCY			37.7%	63.7%	92.0%	92.0%	92.0%
AVG OCCUPANCY (2)	**YRS 1-3**	**YRS 4-5**	21.9%	51.8%	79.3%	92.0%	92.0%
AVG ASKING RENT / SF / YR	**3.0%**	**5%**	$19.0	$19.6	$20.2	$21.0	$22.1

			PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA
INCOME:			**PROFORMA YEAR 1**	**PROFORMA YEAR 2**	**PROFORMA YEAR 3**	**PROFORMA YEAR 4**	**PROFORMA YEAR 5**
GROSS POTENTIAL INCOME (1)	**$18.68**		$954,589	$983,612	$1,013,518	$1,055,735	$1,109,726
VACANCY			($745,808)	($473,872)	($209,818)	($84,459)	($88,778)
NON STANDARD RENT			($12,579)	($22,966)	($27,149)	($24,585)	($25,843)
DISCOUNTS			($37,247)	($38,379)	($39,546)	$0	$0
WRITE-OFFS			($11,932)	($12,295)	($12,669)	($13,197)	($13,872)
GROSS EFFECTIVE RENTAL INCOME			$147,023	$436,100	$724,336	$933,494	$981,233
RV / PARKING INCOME		**0**	$0	$0	$0	$0	$0
OTHER REVENUE (3)		**5.0%**	$7,351	$21,805	$36,217	$46,675	$49,062
TOTAL REVENUE			$154,374	$457,905	$760,553	$980,168	$1,030,295
OPERATING EXPENSES: (4)	**Increase/Yr:**	**103.0%**					
PAYROLL & BENEFITS			73,346	75,615	77,953	80,364	82,775
MARKETING & ADVERTISING (5)			22,227	22,914	23,623	24,354	25,084
OTHER GENERAL AND ADMIN			39,325	40,541	41,795	43,087	44,380
REPAIRS AND MAINTENANCE			34,344	35,406	36,501	37,630	38,759
UTILITIES			27,356	28,202	29,075	29,974	30,873
REAL ESTATE TAXES (6)		**1.75**	70,525	72,641	74,820	77,065	79,377
INSURANCE			9,119	9,401	9,692	9,991	10,291
MANAGEMENT FEE		**5.0%**	30,000	30,000	38,028	49,008	51,515
OTHER			1,789	1,844	1,902	1,960	2,019
TOTAL EXPENSES			$308,031	$316,564	$333,387	$353,434	$365,073
			199.5%	69.1%	43.8%	36.1%	35.4%
NET OPERATING INCOME			**($153,657)**	**$141,341**	**$427,165**	**$626,735**	**$665,222**

IRR PROFORMA

Un-Leveraged Internal Rate of Return Calculation									
SOFT COST		(100,000)		Years 1 - 5 NOI + sale of Asset at end of 5th year					All Cash IRR
SITE WORK	(7)	(599,500)	(10.00)						
CONSTRUCTION COSTS	(8)	**(5,007,500)**							
LEASE UP CARRY		(155,000)							
INTEREST CARRY		(525,000)							
LAND VALUE	(9)	**(975,000)**	(7,362,000)	($1)	$141,341	$427,165	$626,735	$11,308,780	11.6%
							5TH YEAR CAP RATE		**6.25%**

Leveraged Internal Rate of Return Calculation (9)							
Loan Amount @65% of costs	**($4,785,300)**						
Cash Equity		Years 1 - 5 NOI after debt + sale of Asset at end of 5th year					Leveraged IRR
EBITDA After Debt	**($2,576,700)**	($1)	($1)	$57,184	$256,754	$6,425,125	21.5%
					5TH YEAR CAP RATE*		6.25%

LOAN TERMS	Interest Only	Amortizing	NOI / Cost
	Year 1 & 2	Yrs 3, 4 & 5	Yr 5
LOAN AMOUNT	$4,785,300	$4,785,300	9.0%
LOAN TO COST		65.0%	
INTEREST RATE	6.875%	6.00%	
AMORTIZATION		25	
TERM	2	3	
LOAN BALLOON PAYMENT	$4,785,300	$4,513,674	
ANNUAL DEBT SERVICE	$328,989	$369,981	
DEBT COVERAGE - YEAR 5	n/a	1.80	

(1) Gross Income increases 3% years 1 - 3 and then 5% per year. Based on StoreTrack 8Mile Rents.
(2) Does not include discounts and write offs. These are listed in the proforma. Assumes 36-months to fully lease up.
(3) 5% of GPI for 'other income'. Tenant insurance, fees, sundry.
(4) Expenses increase at 3% per year; management fee at 5% of effective gross income, but no less than $30,000 in one year.
(5) Does not assume marketing decreases in year four following lease up (stabilization).
(6) To be confirmed.
(7) $10/Gross SF. To be confirmed.
(8) $95 / Gross SF for milti-story climate controlled building with a lower level.
(9) Land value is place holder.
(10) 6.875% Interest only years 1 and 2. And 6% permanent financing starts year 3.

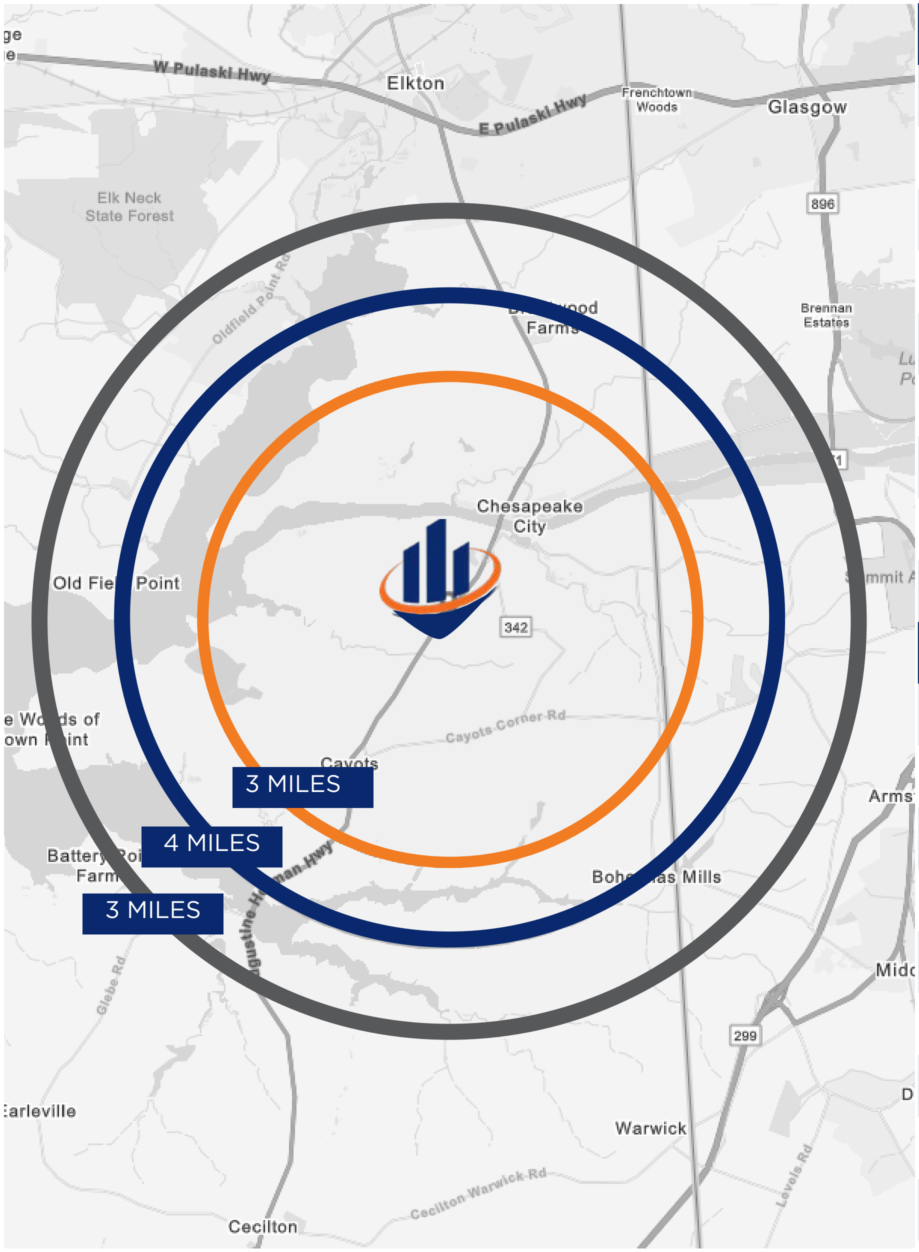
MARKET OVERVIEW

CHESAPEAKE CITY, MD

Chesapeake City is a picturesque small town nestled along the banks of the Chesapeake and Delaware Canal in Cecil County.

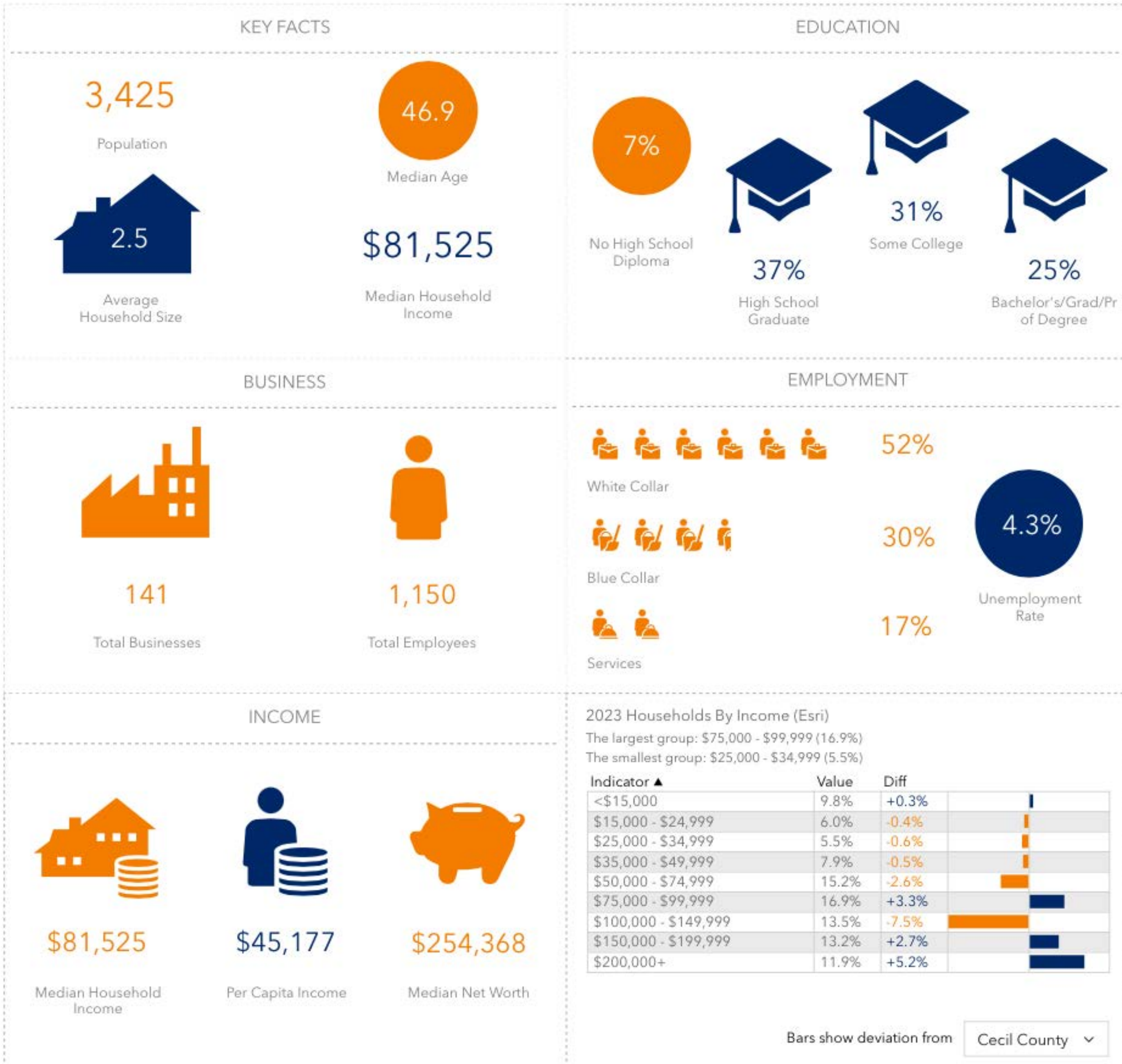
This charming community is known for its rich history, beautiful waterfront views, and well-preserved 19th-century architecture. Chesapeake City serves as a delightful destination for visitors seeking a tranquil escape, offering a variety of local shops, gourmet restaurants, and outdoor activities such as boating and walking tours of the historic district. Its unique blend of history, natural beauty, and modern amenities make it a jewel of the Chesapeake Bay region.

DEMOGRAPHIC & INCOME COMPARISON



2023 Summary	3 Mile	4 Mile	5 Mile
Population	3,425	8,012	15,149
Households	1,360	2,919	5,455
Families	976	2,283	4,342
Average Household Size	2.52	2.74	2.77
Owner Occupied Housing Units	1,081	2,553	4,920
Renter Occupied Housing Units	279	366	535
Median Age	46.9	46.0	45.0
Median Household Income	$81,525	$104,441	$110,067
Average Household Income	$115,649	$135,943	$138,307
2028 Summary	**3 Mile**	**4 Mile**	**5 Mile**
Population	3,355	7,931	15,104
Households	1,344	2,919	5,494
Families	963	2,283	4,370
Average Household Size	2.49	2.71	2.74
Owner Occupied Housing Units	1,080	2,571	4,981
Renter Occupied Housing Units	264	348	513
Median Age	47.9	47.0	46.0
Median Household Income	$89,923	$118,753	$122,080
Average Household Income	$133,272	$154,034	$155,925

3 MILE KEY FACTS



Indicator ▲	Value	Diff
<$15,000	9.8%	+0.3%
$15,000 - $24,999	6.0%	-0.4%
$25,000 - $34,999	5.5%	-0.6%
$35,000 - $49,999	7.9%	-0.5%
$50,000 - $74,999	15.2%	-2.6%
$75,000 - $99,999	16.9%	+3.3%
$100,000 - $149,999	13.5%	-7.5%
$150,000 - $199,999	13.2%	+2.7%
$200,000+	11.9%	+5.2%

ADVISOR BIOS

SVN COMMERCIAL REALTY

HANS HARDISTY, CCIM, MBA

Managing Director

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PROFESSIONAL BACKGROUND

Hans W. Hardisty serves as a Managing Director with SVN Hardisty Commercial Realty and specializes in the purchase and sale of self-storage facilities across the tri-state area. Hardisty is a member of the New York Self-Storage Association (NYSSA), the National Self-Storage Association (SSA), a member of the New York State Commercial Association of REALTORS, a CCIM, and holds an MBA. Hardisty also has extensive development and management experience.

Since joining SVN, Hans has participated in the disposition of single properties from $900,000 to $27,000,000, development sites, buyer representation, joint ventures, and large portfolio sales of up to $100,000,000. He serves as an industry expert and consultant for private owners to large publicly-traded companies (REITs) seeking to enter and/or grow within the industry. Moreover, he has teamed with multiple SVN advisors across the country as an underwriting resource.

As an investor, Hans has also successfully acquired, with syndicated funds, multiple value-add storage facilities across the Hudson Valley. In addition, he is working in collaboration with a co-general partner on several development sites in the Carolinas.
Prior to joining SVN, Hardisty worked for Herb Redl Properties as the Business Development Officer. This privately-held company purchases, develops, manages, and operates premium self-storage facilities and commercial properties across the Hudson Valley. Herb Redl Properties has holdings of 1,300,000 square feet, where Hardisty made big impacts in the commercial leasing department and within the 14-facility self-storage portfolio, where he developed comprehensive feasibility and valuation proformas for expansion and development.

Hardisty earned his BA in Economics with Honors from Gettysburg College and an MBA Cum Laude with a focus on Real Estate and Entrepreneurship from The George Washington University. In between his studies, he worked two years as a Program Officer for an Economic Development Corporation in New York, NY and one year for the Empire State Economic Development Corporation.
Hans has served on the Hudson Valley Hospice Foundation Board of Trustees, The Bardavon 1869 Opera House Board of Directors, the Dutchess County Planning Board and the Upstate New York CCIM Board of Directors. Hans and his family reside in Union Vale, NY.

MEREDITH MEARS

Senior Advisor

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PROFESSIONAL BACKGROUND

Meredith Mears serves as the Mid-Atlantic Representative of the SVN National Self-Storage team and is a Senior Advisor for SVN Miller Commercial Real Estate. Focusing on the sale and leasing of industrial and office assets and specializing in the purchase and sale of self-storage facilities, Mears has worked with a client base that includes local and statewide governments, commercial property owners and investors, and privately operating companies across the globe.

Mears has successfully closed highly structured, multi-million dollar acquisitions and dispositions, and has a strong track record of brokering complex sales and leasing deals for office and industrial clients. Her robust background has given her the privilege of working with both national and international clients, including Frito-Lay, Hardwire LLC and various REITs.

Mears is a member of the National Self Storage Association and the Maryland Chapter of the Self-Storage Association. She has deep experience working in tandem with the Maryland Department of Commerce, the Maryland Economic Development Corporation and a multitude of county and local governments.

Solidifying her position as a heavily experienced, trusted and reputable resource, Mears remains very active in her community. She has served in a multitude of community leadership roles such as Regent for the University System of Maryland, Board Member of Leadership Maryland, Board Member of the Maryland Economic Development Association and Board Member of Maryland Capital Enterprises, among others. In 2020, she was named a Top 100 Woman in the state of Maryland by The Daily Record for her vast contributions in business, community and mentoring.

Mears is a graduate of Salisbury University and lives in Salisbury, Maryland with her family.

NICHOLAS J. MALAGISI, SIOR

Managing Director

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nick.malagisi@svn.com

PROFESSIONAL BACKGROUND

Nicholas J. Malagisi, SIOR, serves as National Director of Self Storage and Senior Advisor for SVN, specializing in the valuation, purchase and disposition of self-storage properties. Since 1993, Malagisi has participated in the sale of properties valued in excess of $1 Billion, including single assets as well as portfolios.

Malagisi began his self storage career with industry leader, Public Storage, where he was responsible for site acquisition and development of new properties in the Northeast and Ontario, Canada. Malagisi continues to work as a consultant in preparing feasibility studies for new developments, testifying in court as an expert witness on condemnation cases, and preparing valuations (Broker Opinion of Value-BOV) of properties for various institutional clients.

Malagisi is a long-standing member of the Self Storage Association (SSA), the national trade organization representing self storage owners, operators, and vendors within the industry, and is a member of the Canadian Self Storage Association and a Director on the NYS Self Storage Association.
Malagisi is a member of the WNY chapter of the NYS Commercial Association of Realtors and a member of the National Association of Realtors where he has earned his SIOR designation, one of only 3,000 members internationally. In addition, he has earned “Partner Circle” status within SVN and CoStar “Power Broker” designation several times during his career.

Malagisi earned his bachelor’s degree from Syracuse University, School of Management. His studies were interrupted for two years while he served as a member of the U.S. Army, including a tour of duty in the Republic of South Vietnam. Malagisi resides with his family in the Buffalo, N.Y. area.