



PEASE DEVELOPMENT AUTHORITY BOARD OF DIRECTORS PROPOSED DEVELOPMENT PRESENTATION

May 19, 2022



DEVELOPMENT UPDATE

Executive summary of our development status and what we will cover in today's meeting

1. We are nearly 4 months into our Option Agreements for the North Apron and for 14 Aviation Ave. / 7 Lee St. / 100 New Hampshire Ave.
2. We have spent those 4 months performing due diligence on the sites and on potential tenants. We have engaged expert consultants and had in-depth discussions with possible end users.
3. Based on what we've discovered, we are not actively pursuing air cargo as the focus of our development.
4. In order to continue our thorough investigation of the sites and the impact our development will have on Pease and the surrounding communities, we are requesting an extension and several amendments to both Option Agreements.
5. We hope to be back in front of the PDA Board as soon as possible to present building, site, and end user information and continue the permitting and approval process.

DUE DILIGENCE

We have used the last four months during our Initial Option Period to thoroughly investigate each site and the impact our development will have on Pease and the surrounding communities

WORK TO DATE

- Existing conditions analysis (Tighe & Bond)
- Aerial and topographic surveys (Doucette, Tighe & Bond)
- Extensive environmental analysis, including wetland delineation and Phase 1 Environmental Site Assessments (Tighe & Bond)
- Hazardous materials inspection (Four Brothers Environmental)
- Preliminary geotechnical review (John Turner Consulting)
- Preliminary schematic site layouts (Tighe & Bond)
- Traffic counts at intersections identified for study area (Tighe & Bond, Vanasse Hangen Brustlin, Inc.)
- Baseline traffic model for existing conditions (Tighe & Bond)
- Utility connection analysis (Eversource, Unitol)
- Preliminary construction pricing (PROCON)
- Preliminary building design (PROCON)
- Feasibility Studies (Tighe & bond, PROCON)
- Engaged brokerage to assist with site marketing (Newmark)
- In-depth discussions with potential end users (Multiple)
- Preliminary financial underwriting analysis
- Preliminary test fits for potential end users (PROCON)
- Preliminary site development (Severino Trucking)
- Coordination with PDA and ANG

WORK TO BE DONE

- End user / tenant negotiations
- Full site design development working in conjunction with PDA
- Full building design development
- Conceptual and technical review meetings with the PDA Board
- Input end user programming into full traffic analysis
- Full geotechnical and structural design
- Continued environmental impact studies
- Soil remediation planning
- Security and access control analysis
- Construction cost estimating
- Lease negotiations with PDA
- Negotiate and close financing

HIGHEST AND BEST USE

We are seeing a demand for aeronautical R & D, private aviation, and advanced non-aeronautical manufacturing, rather than major air cargo operations

AIR CARGO SITE CRITERIA

- Enormous apron space to accommodate large, high-volume aircraft parking for loading and unloading. At Pease, the majority of the space in each Option Area would need to be used for parking and storage of aircraft

MANUFACTURING / R&D / PRIVATE AVIATION SITE BENEFITS

- Highly skilled labor pool in Seacoast New Hampshire, Southern Maine, and Northern Massachusetts
- The Tradeport has strong existing infrastructure and tenant base to support manufacturing, private aviation, and R&D
- Pease offers a uniquely low tax rate

RECAP & NEXT STEPS

1. We are requesting an extension to our Option Period for both Option Areas for an additional six (6) months, until January 31, 2023.
2. We are requesting an amendment to each Option Agreement, replacing the current language, which specifies that the development in each Option Area be limited to “air cargo/distribution.”
3. We are requesting an additional modification to the Option Agreement for 14 Aviation Ave. / 7 Lee St. / 100 New Hampshire Ave., specifically, the removal of the aeronautical component (aka Hangar 227) from the Option Area
4. We hope to be back in front of the PDA Board to present building, site, and end user information as soon as possible.

THANK YOU
