

InSite

Build-to-Suit Program for Multi-Unit Tenants

Single-Source Solution for Single-Tenant and Anchored Multi-Tenant Projects

... Worldwide





Proven Multi-Unit Build-to-Suit Specialist

InSite specializes in the execution of multi-unit build-to-suit programs for corporate and franchisee tenants – retailers, restaurants, financial institutions, government units, schools, non-profit organizations, and healthcare and other service providers – worldwide.

Since the company's first build-to-suit project completed in 1988, InSite has successfully completed over 600 build-to-suit projects in over 40 states and Europe for over 50 companies.

Single-Source Build-to-Suit Program

InSite's build-to-suit program, the industry's most effective and efficient, uses a single-source platform that provides the resources necessary to deliver single-tenant and anchored multi-tenant projects in the quantity, when, and where required to meet the tenant's business plan.

- **90+ Person Workforce** – InSite's workforce self-performs all essential project origination, production, and operations work: property search, property purchase, leasing, project management, construction management, legal, finance, and property management.
- **Industry-best Project Management System** – "PremiSYS," InSite's project "manufacturing" system, uses standardized processes that consist of detailed workflows and highly-refined document templates. "WorkBench," InSite's proprietary "assembly line" software, (1) automates tasks in each process workflow; (2) synchronizes all process workflows; (3) tracks project progress; and (4) distributes real-time information to the Project Workforce, tenant, and third-party project consultants.
- **Certain Project Funding** – Project capital is either self-funded or funded with pre-committed credit facilities.

Program Design

The Program is based on a straightforward bargain between the tenant and InSite: (1) the tenant provides a potential project pipeline to InSite; and, (2) InSite provides a development platform that simultaneously delivers multiple tenant projects upon tenant-favorable terms to the tenant.

The Build-to-Suit Program has both program-level and project-level objectives:

- **Program-Level Objective: Meet the Tenant's Business Plan**
 - *Optimal Target Markets* – identify markets populated by the tenant's "best customers" in the number required to meet or exceed target unit revenue.
 - *Operating Unit Delivery* – per fiscal year, deliver the target number of operating units and operating periods per operating unit.
- **Project-Level Objective: Achieve the "InSite Project Standard"**
 - *Optimal Property* – identify and purchase the property in the target market that best meets the tenant's location standards at the target purchase price.
 - *High-Performance, Low-Cost Facility* – the facility meets the tenant's design standards and execution standards at the lowest project cost yielding the lowest base rent.
 - *Market-Responsive, Transparent Transaction* – the transaction responds to current and forecast market standards; all relevant transaction information is clearly, fully, and timely disclosed to the tenant.
 - *Fast, Certain, Frictionless Execution* – project duration is minimized; project outcome does not deviate from the project model; project production is precise and conflict-free.



Plymouth Meeting, PA



Houston, TX



Herndon, VA



Rogers, AR

Program Foundation

Each tenant build-to-suit program is built on a two-principle foundation:

- **Project Standardization** – for each tenant project, the use of pre-agreed, standard project components: (1) a Project Model (Premises Plan, Landlord Work, Schedule, Budget, and Base Rent Schedule); (2) Project Document Templates (“First Look” Project Estimate, Lease Term Sheet, Project Agreement, and Lease Agreement); and (3) Project Development Process.
- **Project Transparency** – for each tenant project, the clear, full, and timely disclosure of all relevant project information including the (1) Project Budget; and (2) Base Rent Schedule including the Base Rent Calculation.

Program Benefits

The program provides operational and economic benefits that increase the tenant's bottom line:

- **Optimal Property in Target Market** – *“He who turns over the most rocks wins!”* InSite's 9-member Property Search Team, using technology and “boots-on-ground,” aggressively and systematically identifies and evaluates all on-market and off-market property to determine the “Optimal Property” – the property that best meets the tenant's location standards at the target purchase price – in each tenant target market.
- **Lowest Project Cost** – InSite's 16-member Project Production Team, using aggressive project management and construction management processes, produces each project pursuant to the Project Model at the lowest project cost.
- **Lowest Project Rent** – *Base Rent = Project Cost x Developer's Return*. The full disclosure of each Project Budget line item and each component of the Developer's Return (i.e., Estimated Sale Cap Rate and Developer's Risk Premium) provides the tenant with the information needed to reasonably determine the lowest project rent.
- **“Clean Hands” of Project Counterparties** – in response to “pay-to-play” schemes between developers, tenant brokers, and, at times, tenant employees that are not uncommon in the real estate industry, InSite discloses to tenant (1) all compensation paid to (a) InSite, (b) the tenant broker, and (c) third parties; and (2) relationships that may result in a potential conflict of interest.
- **Maximum Tenant Real Estate Workforce Efficiency** – the tenant's real estate workforce efficiency is maximized both (1) increasing tenant's project throughput; and (2) reducing tenant's cost per project.
- **Reliable Project Pipeline** – the tenant will meet its business plan with 100% certainty.

 West Marine



MILLER'S
ALE-HOUSE



Portillo's



BMO  Harris Bank



Advance
Auto Parts
Service is our best part.



KinderCare
LEARNING CENTERS

Red Robin
GOURMET BURGERS AND MORE



verizon✓



Dayton, OH



Pensacola, FL



New Lenox, IL



St Charles, IL

Next Step: Program Proposal

To help determine if InSite's Multi-Unit Build-to-Suit Program is right for your company, InSite will prepare a detailed Program Proposal, tailored specifically to your needs, for your review.

Program Design Process



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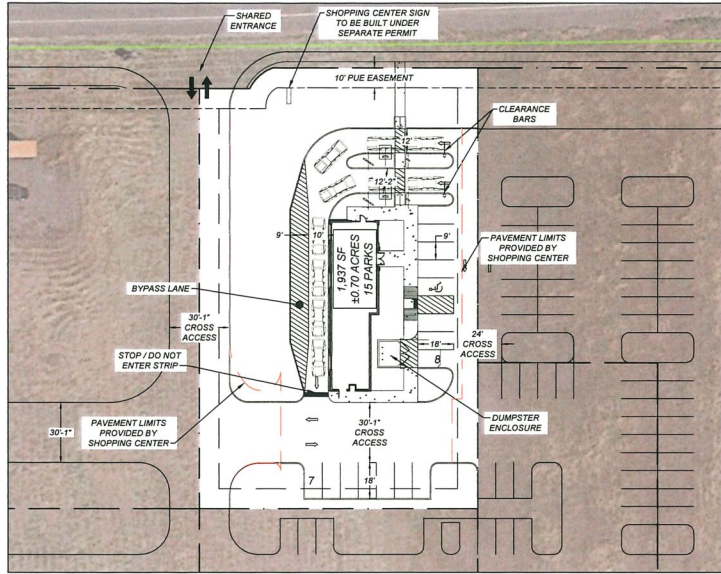
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Cascade Center - Lot B

Site Plan



Elevations



Proposed Molalla Burger King and Representative Burger King Projects Comparison

	Molalla, OR	McMinnville, OR	Ontario, CA	Aurora, IL	Harrisburg, PA
Pad-Ready Site Cost	\$650,000	\$575,000	\$625,000	\$715,000	\$400,000
Building Cost +/- 2,000 SF	\$697,477	\$697,447	\$774,410	\$744,820	\$652,079
Transportation Fee	\$167,195	\$33,895	\$16,889	\$9,567	\$4,084
Water/Meter Fee	\$13,886	\$6,000	\$16,355	\$8,278	\$0
Storm/Sanitary Sewer Fees	\$44,441	\$17,165	\$6,955	\$15,840	\$6,600
Total	\$1,572,999	\$1,329,507	\$1,439,609	\$1,493,505	\$1,062,763

Recent Burger King Build-to-Suit Projects



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