

FACT SHEET

INDUSTRIAL BUILDING FOR SALE
±170,500 Sq. Ft. Building on ±11.98 Acres

40 GOVERNOR DRIVE
Stewart International Airport Industrial Park
TOWN OF NEWBURGH, ORANGE COUNTY, NEW YORK

LOCATION: Building is located within the attractive Stewart International Airport Industrial Park, and is part of the Airport operated by the Port Authority of NY & NJ. Numerous air cargo operators are nearby. Building is within a one-minute drive of Interstate 84 Exit 6 and four minutes to N.Y. Thruway (Interstate 87) Exit 17.

ACCESSIBILITY: 1-minute driving time to Interstate 84.
4 minutes to NY Thruway Exit 17 (Newburgh).
30 minutes to Mahwah, NJ, and 35 minutes to Paramus, NJ.
45 minutes to Tappan Zee Bridge.
75 minutes to George Washington Bridge.

DESCRIPTION: ±170,500 sq. ft. industrial and office building in excellent condition on ±11.98 acres. Original 57,200 sq. ft. section (“East Industrial Area”) built in 1988 for Johnson Controls to manufacture auto parts. Building expanded to ±170,500 sq. ft. by current owner in 1999-2000. Building used from 1995 until January 2009 by New England Laminates Co. (“NELCO”) to manufacture high-tech digital and RF/microwave printed circuit materials for telecommunications and internet infrastructure and high-end computing markets. Building designed for up to 150 employees per shift with 300 employees at shift change.

The building has several interconnected sections (refer to schematic floor plan):

	<u>Ground</u>	<u>Second</u>	
<u>Industrial Areas</u>	<u>Floor</u>	<u>Floor</u>	<u>Total</u>
East Industrial Area	±62,450 sq. ft.	-	±62,450 sq. ft.
West Storage Area	±14,280 “ “	-	±14,280 “ “
West Production Area	±23,500 “ “	±6,000 sq. ft.	±29,500 “ “
North Industrial Area	±21,320 “ “	±3,760 “ “	±25,080 “ “
Subtotal	±121,550 sq. ft.	±9,760 sq. ft.	±131,310 sq. ft.
<u>Office Areas:</u>			
East Office Area	±6,000 sq. ft.	±10,800 sq. ft.	±16,800 sq. ft.
West Office Area	-	±17,400 “ “	±17,400 “ “
Subtotal	±6,000 sq. ft.	±28,200 sq. ft.	±34,200 sq. ft.

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CONSTRUCTION: Independent steel frame. Most exterior walls have concrete block kicker walls eight to 14 feet high topped by metal panels insulated with 6" fiberglass batts, and with interior liner panels. Standing-seam sloped metal roof insulated with 6" fiberglass batts and polyethylene liner. Several concrete block fire walls provide segregated storage areas for flammable materials.

FLOORS: *Industrial Areas* – 6" to 12" concrete slabs reinforced with welded wire mesh over 6 mil vapor barrier over minimum 6" compacted gravel fill. Exposed slab surfaces hardened and sealed.

2nd Floor Offices/Mezzanines – Mostly 6" concrete slab on 1-1/2" metal deck designed for 100 lbs. per sq. ft. live loads.

OFFICES: Total of ±34,200 sq. of air-conditioned office area includes ±6,000 sq. ft. on ground level, ±10,800 sq. ft. in on second floor in eastern corner served by 2,500 lb. capacity elevator ("East Office Area"); and ±17,400 sq. ft. in northwest corner of building served by 2,500 lb. capacity elevator ("West Office Area"). "West Office Area" includes ±6,000 sq. ft. lunch/training room with movable partitions. There are also several small offices throughout industrial areas not included in these office area measurements.

COLUMN SPACING:

East Industrial Area (±62,450 sq. ft.) - 40' x 40' and 20' x 60'
West Storage Area (±14,280 sq. ft.) - 30' x 60' and 30' x 40'
West Production Area (±23,500 sq. ft.) - mostly 20' x 40'
North Industrial Area (±25,100 sq. ft.) – 30' x 40 and 20' x 30'
East Office Area (±16,800 sq. ft.) - 20' x 30'
West Office Area (±17,400 sq. ft.) – 30' x 40 and 20' x 30'

TOILETS: *Ground floor:* Two pairs of male/female bathrooms and one unisex bathroom (total of 6 toilets and one urinal).
Second floor: West office area has pair of male/female locker rooms with total of 9 toilets, 3 urinals, and 2 showers; and a single toilet bathroom near executive office. East office area has pair of male/female restrooms with total of 5 toilets and one urinal.

CEILING HEIGHT: *East Industrial Area* (±62,450 sq. ft.) – ±28' sloping down to ±24' under eaves, with acoustical tile ceilings suspended at 8' to 10'-6" above floor in ±12,100 sq. ft. portion of this area.
West Storage Area (±14,280 sq. ft.) – ±22' under eaves.
West Production Area (±23,500 sq. ft.) - ±14' except in ±7,200 sq. ft. tower area where clear ceiling height is ±55'. Acoustical tile ceilings suspended at 9' to 13'

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above floor level in ±19,080 sq. ft. portion of this area.
North Industrial Area (±25,100 sq. ft.) – ±14' under eaves, with acoustical tile ceilings suspended at 9' to 14' above floor level in ±16,240 sq. ft. portion of this area.
East Office Area (±16,800 sq. ft.) - ±14' from floor slab to eaves, with acoustical tile ceilings suspended at 8' to 9' above floor level.
West Office Area (±17,400 sq. ft.) - ±14' from floor slab to eaves, with acoustical tile ceilings suspended at 9' above floor level.

FIRE CONTROL: Building is 100% sprinklered with two systems: (a) foam-based closed head extinguishing system in ±20,000 sq. ft. of industrial area suitable for acetone and similar solvents rated for 20 minute duration at 0.30 GPM/SF, and (b) wet system in balance of building designed for 0.10 to 0.30 GPS/SF based on 1,110 GPM with 83 PSI static pressure and 68 PSI residual pressure. Hydrants on 8" fire loop located around building perimeter. Fire control water supplied by Town of Newburgh municipal system.

LOADING: Total of eleven 8' wide x 10' high tailgate-level doors, one 12' wide by 12' high drive-in door, and two 10' x 10' drive-in doors.

PARKING: 179 car parking spaces (expandable by at least 40 spaces).

UTILITIES:

- Electric:* Service provided by Central Hudson Gas & Electric Co. to 13,200 volt primary transformer owned by building. Main building panel is 6,000 amps, 480 volt, 3 phase, 4 wire service. ±30 sub-panels throughout building.
- Water:* Town of Newburgh municipal system supplies building via two mains from street: 8" main for domestic water and 8" main for fire control water.
- Sewer:* 8" main from building to Town of Newburgh municipal system in street.
- Natural Gas:* Supplied by Central Hudson Gas & Electric Co. to building via 8" main from street.

H.V.A.C.:

- Offices:* Rooftop-mounted split HVAC units, with natural gas-fired heaters and electric A/C. Variable air volume control dampers.
- Industrial:* Natural gas-fired boiler provides hot water to air handlers for ducted forced-air heating system. ±5,000 sq. ft. former material storage area in north corner of first floor also air conditioned. Also extensive ventilation systems in former production areas.

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LIGHTING: *Offices:* Recessed fluorescent fixtures with prismatic covers.
 Industrial: Suspended metal halide fixtures in open areas, and recessed or surface-mounted metal halide or fluorescent fixtures in areas with suspended acoustical tile ceilings.

ZONING: Industrial uses and building standards governed by performance standards of the Port Authority of NY and NJ. No municipal permitting is required for either uses or construction/alterations.

GROUND LEASE: The two lots totaling ±11.98 acres are leased by owner from the N.Y.S. Department of Transportation (which owns the entire ±12,000 acre Stewart Airport property. The ground lease dated 2/26/88 has an initial term of 25 years beginning 2/1/88 and expiring on 9/30/13. The annualized ground rent for the remainder of the initial lease term is \$125,175, or ±\$0.73 per sq. ft.

There are also options to extend the lease for up to seven additional, consecutive terms of five years each. This means that ground lessee would have the right to occupy the property until September 30, 2048. The ground rental during each year of each 5-year extension period will be ten percent (10%) of the appraised fair market value of the land (net of any improvements) as of the date that is six months prior to the commencement of each extension period.

Owner is working with Port Authority, as Airport operator for the NYSDOT, to extend ground lease term beyond 2048.

PROPERTY TAXES: Instead of property taxes, the Town of Newburgh is paid a payment-in-lieu-of-taxes equivalent to what property taxes would be that amounts to about \$112,164 (±\$0.66 per sq. ft.) based on an equalized assessment of \$3,400,000 and current tax rates (that is, Town and County taxes for FYE 12/31/13, and School taxes for FYE 6/30/13). Town has reportedly said that assessment could be further reduced if the actual sales price for an arms-length transaction is less than \$3.400,000.

ECONOMIC INCENTIVES: Qualified industrial firms may be eligible for NYS Excelsior Zone incentives that provide generous property tax abatements and other benefits. Direct grants related to employment growth in N.Y. State also may be available.

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OTHER: The building has several other special features:

- ±7,000 sq. ft. Class 10,000 clean room area with gown room and air shower.
- ±2,240 sq. ft. (56' x 40') segregated bulk tank storage area.
- 15,000 gallon underground spill containment tank enclosed by 60 mil hypalon containment barrier.
- Chilled water system for production with 3,000 gallon underground chilled water tank.
- Process steam system with two 300 hp high pressure boilers @ 250 PSIG and one 500 hp high pressure boiler @ 300 PSIG available for purchase.

NEIGHBORS: Corporate neighbors within Stewart International Airport Industrial Park include Federal Express, U.S. Postal Service, and Nexan. Major manufacturers within 15 mile radius include IBM (semiconductors and computers), Metal Container Corporation (aluminum cans), and Lightron (electrical fixtures).

LABOR FORCE: The average wage for “all occupations” in this area is 10% to 20% less than in other sections of the Tri-State region:

	Avg. Hourly Rate for <u>All Occupations</u>	Newburgh Area Over / (Under) Other Section of <u>Tri-State Region</u>
Poughkeepsie-Newburgh-Middletown, NY Metropolitan Division (Orange and Rockland Counties, NY)	\$21.21	-
NYC-White Plains-Wayne, NY-NJ Metropolitan Division (NYC, Rockland, Putnam & Westchester Counties, NY; Bergen, Passaic, & Hudson Counties, NJ)	\$26.37	(19.6%)
Nassau-Suffolk, NY Metropolitan Division (Nassau & Suffolk Counties, NY)	\$23.56	(10.0%)
Edison, NJ Metropolitan Division (Middlesex, Monmouth, Ocean, & Somerset Counties, NJ)	\$23.74	(10.7%)
Newark-Union, NJ-PA Metropolitan Division (Essex, Union, Hunterdon, & Sussex, NJ; Pike County, PA)	\$24.37	(13.0%)
Bridgeport-Stamford-Norwalk, CT Metropolitan Division (most of Fairfield County, CT)	\$26.52	(20.0%)

Comparative wage data from the U.S. Bureau of Labor Statistics’ May 2008 annual comparative wage survey. Relatively well-educated workforce in Orange County, NY. Also, ample supply of unskilled and semi-skilled workers in Newburgh, NY area.



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**SALES
PRICE:**

The asking price for the property is \$3,400,000, or ±\$19.94 per sq. ft.

For additional information, or to arrange a tour, please call

EXCLUSIVE BROKER

PYRAMID BROKERAGE CO. OF THE HUDSON VALLEY, LLC
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Note: Information submitted herein is subject to errors; omissions; changes of price; rental, or other conditions; withdrawal without notice; and to any special listing conditions imposed by or principals. All areas and dimensions are approximate. Rev 4/15 emr



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