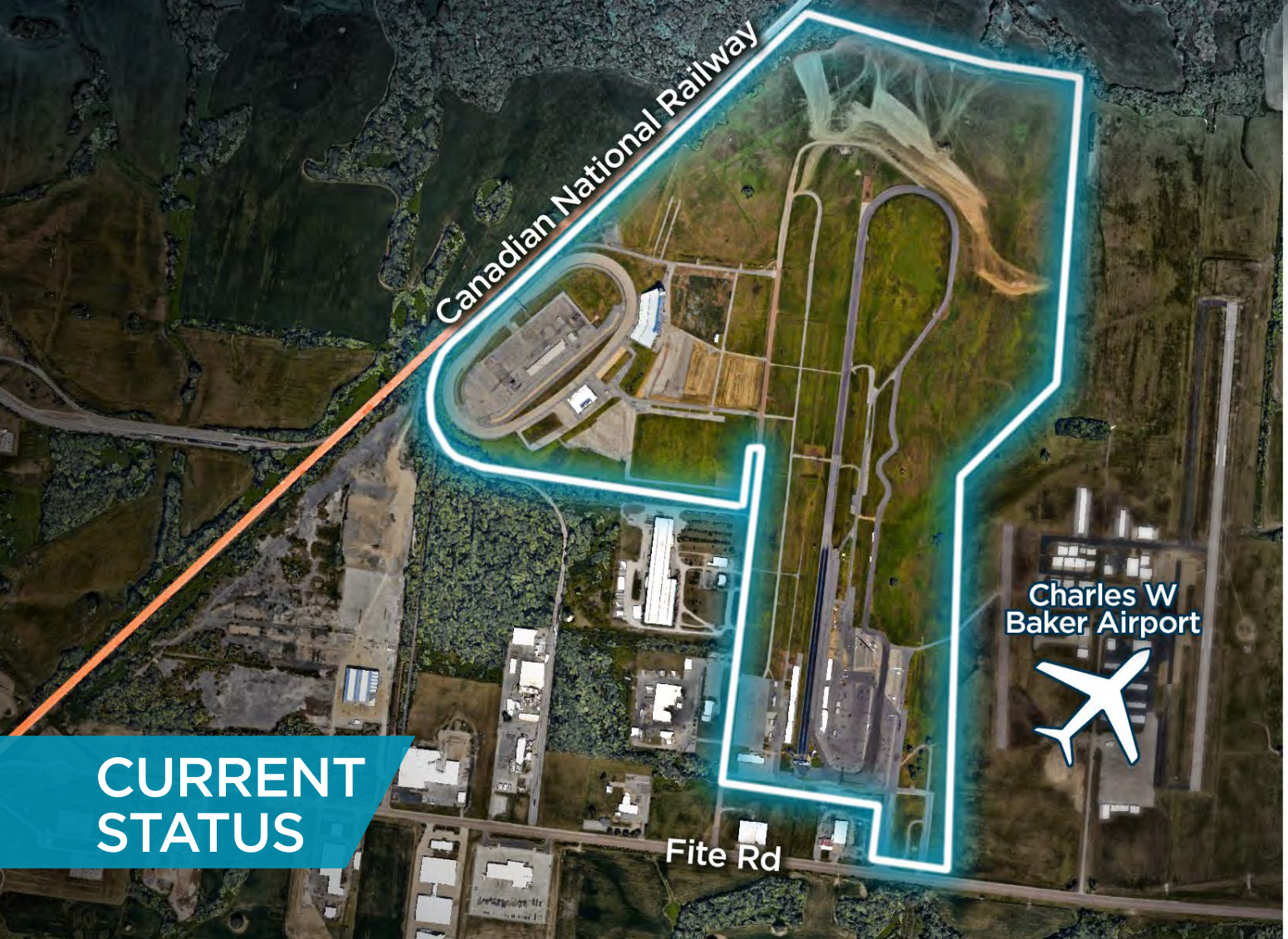


MEMPHIS SPEEDWAY LOGISTICS PARK

Land Development
Opportunity



+/- 342 ACRES
POTENTIAL FOR 7 BUILDINGS • 4.282M TOTAL SF

THE OFFERING

Cushman & Wakefield | Commercial Advisors is pleased to offer the opportunity to acquire Memphis Speedway Industrial Park (the “Property”), approximately 342 acres of land located in north Shelby County, Tennessee. Formerly improved and operated as the Memphis International Raceway, the Property is strategically located in county’s northwest submarket. The property is zoned with all utilities to site. The Property has fluid highway connectivity via Highways 51, 385/I-269 and Interstate 40, allowing for quick access to Memphis city center and metro areas. Our preliminary site plan envisions up to seven (7) logistics assets totaling over four million square feet, with a variety of sizes and loading to meet the demands of small, medium and large occupiers.

Demolition, engineering, civil and construction pricing has been completed.

OFFERING AT A GLANCE

ADDRESS	5500 Victory Ln, Shelby County, TN 38053
SF	4.282M SF
ACRES	+/- 342
PROPOSED BUILDINGS	7
ZONING	I-H (Heavy Industrial)
UTILITIES	To site
RAIL	Rail is served



PROPOSED SITE PLAN

MEMPHIS SPEEDWAY LOGISTICS PARK

7 Buildings totaling 4+ MSF

- Variety of size and loading configurations to meet market demand
- Ample auto and trailer parking
- Seamless ingress/egress and circulation
- Maximum optionality for "Spec to Suit"



MEMPHIS SPEEDWAY

LOGISTICS PARK

PROPERTY POSITIONING



DEVELOPMENT THESIS

The site has fluid highway connectivity via Highways 51, 385/1269 and Interstate 40, allowing for quick access to the city center and metro.

WE BELIEVE THE TIMING IS PERFECT TO EXECUTE ON A MASTER PLANNED PARK IN THE MEMPHIS METRO AT THIS LOCATION FOR THE FOLLOWING REASONS:

- 1** Lack of modern inventory in Shelby County compared to the Desoto and Marshall County Submarkets. Today, few credible bulk sites remain in Shelby County, and those will soon be developed and, we believe, quickly occupied. There are no other viable infill sites for a master planned park.
- 2** Few Vacancies and Extreme and Consistent Demand in Shelby County: in 2021, over half of the absorption was in Shelby County (Southeast Sub-market).
- 3** Necessity for some users to be in Shelby County, TN due to favorable tax structure (MS throwback tax).
- 4** Proximity to rooftops and labor: The targeted development is close to desired and abundant labor, and is able to pull throughout the entire MSA due to highway/interstate connectivity.
- 5** Predictable incentives environment/process: Shelby County has matched Desoto County's Incentives thresholds for jobs and capital investment. In addition, unincorporated Shelby County only taxes will provide the lowest taxes in the entire market.
- 6** Center of Gravity Shift to the Northeast & proximity to NE sub-market and "Blue Oval City": While the SE sub-market has long been the dominant sub-market in Shelby County, the center of gravity is shifting to the northeast.

MEMPHIS/SHELBY COUNTY COMPETITIVE ADVANTAGES



Located in unincorporated Shelby County allowing for the lowest tax rate in the market

Highly attractive business climate due to low corporate tax rate and zero personal income tax

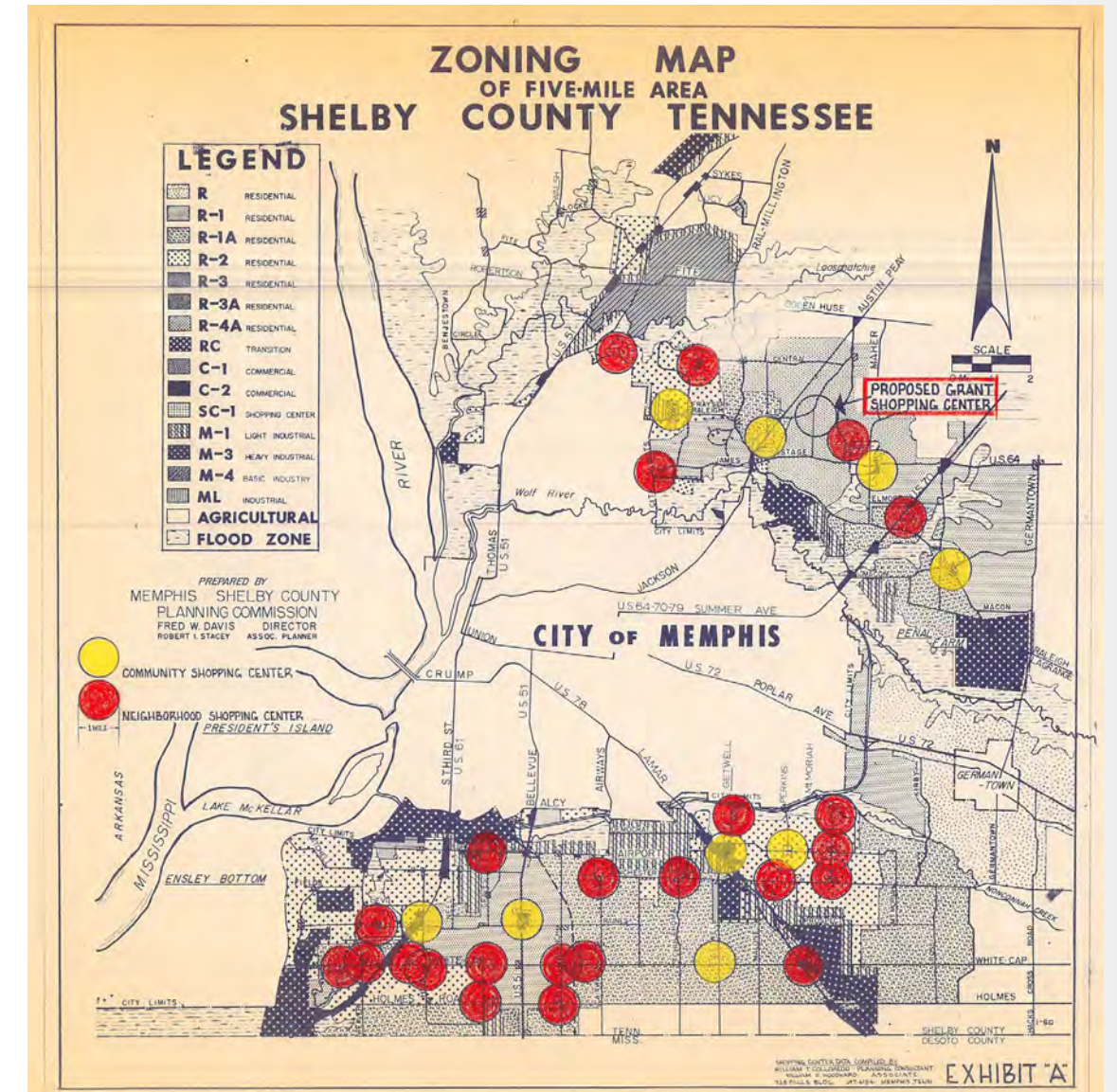
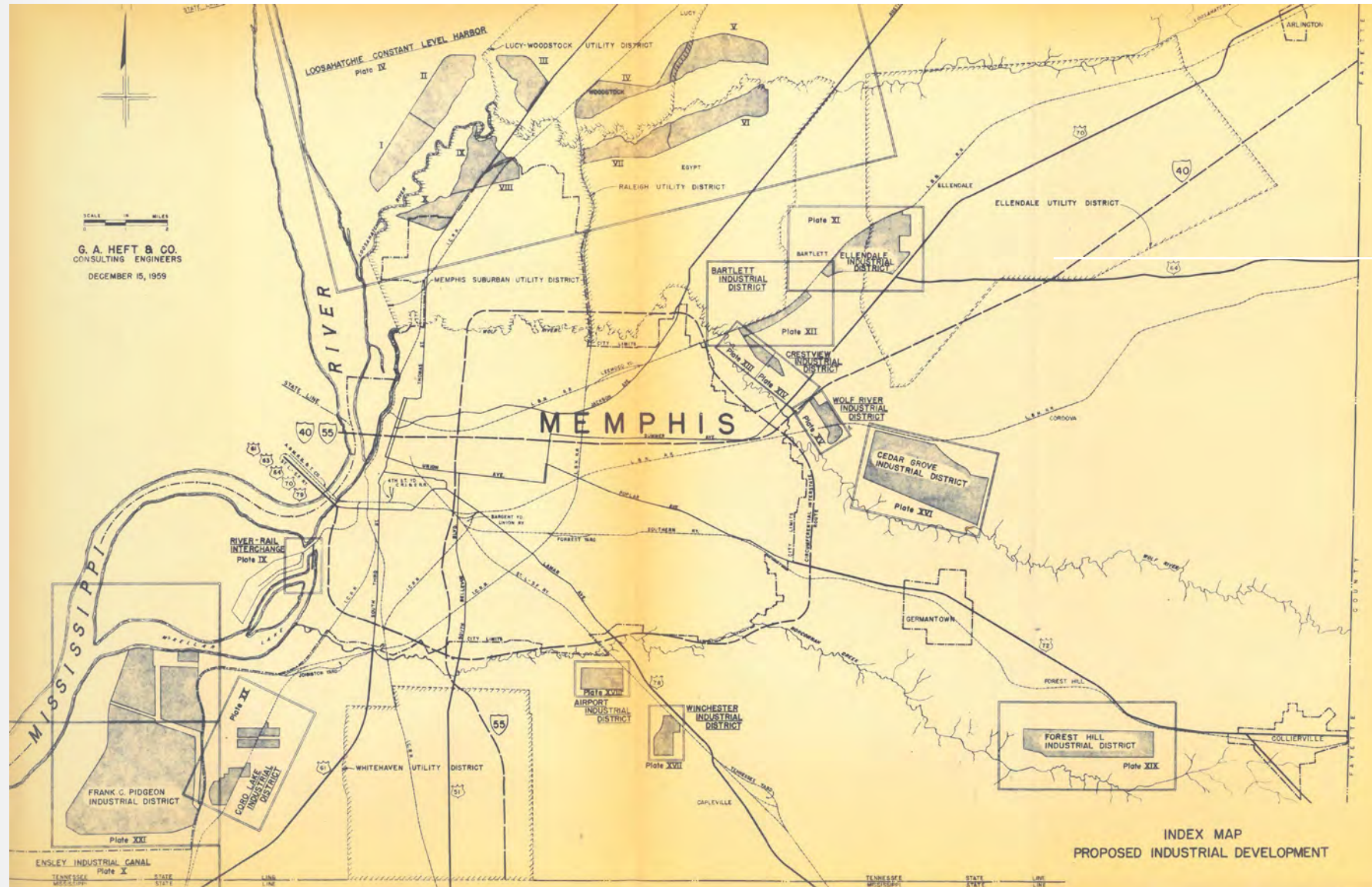
Streamlined processes for both State and Local financial incentives

Quadrimodal logistics (Rail, Runway, Roadway, River) provide exceptional distribution access

Access to over 70% of US population within 48 hours and greater than 90% of the world's GDP within 72 hours

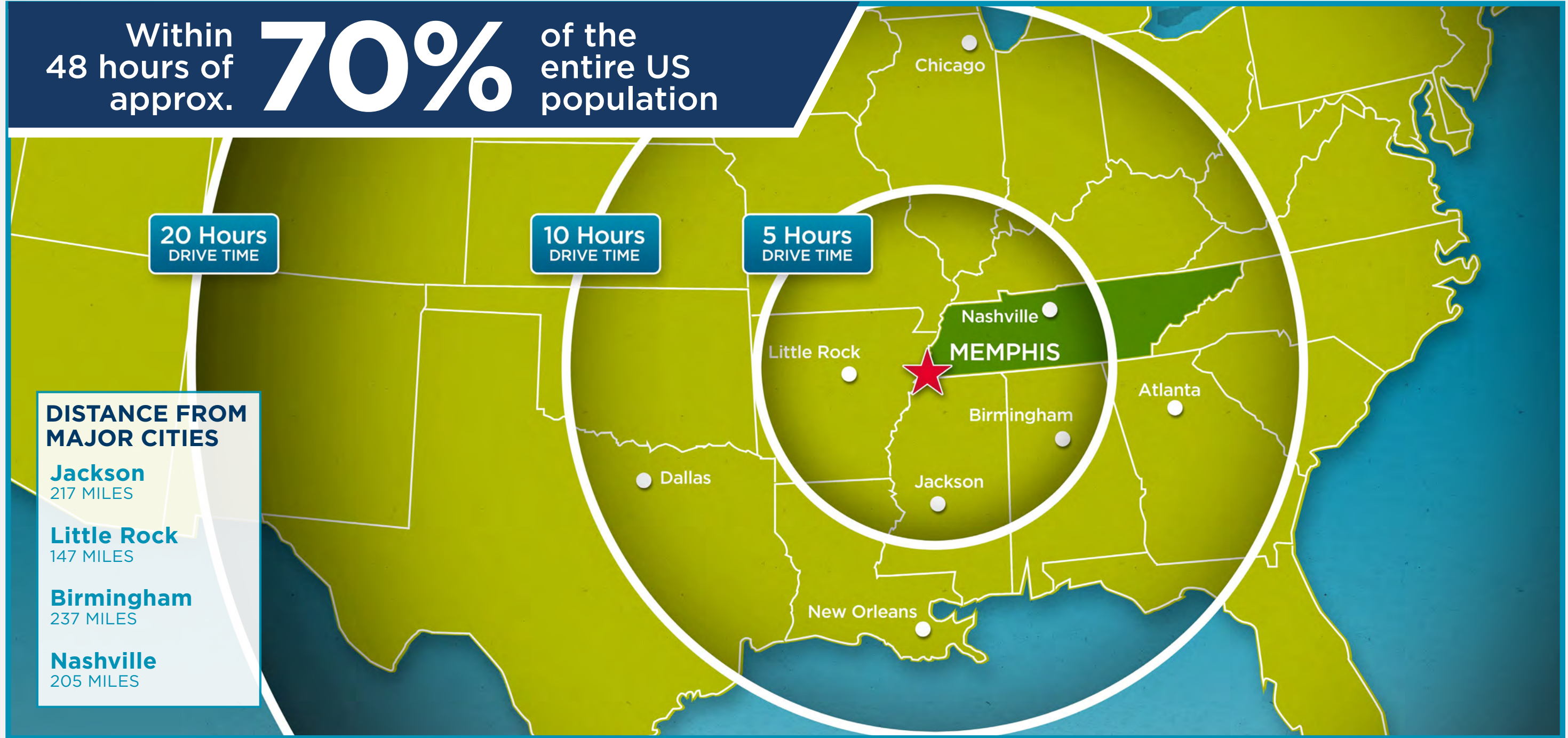
Within the tier 1 radius for Ford's Blue Oval City

INDUSTRIAL ALWAYS IN THE SPEEDWAY DNA



Summary: The Speedway area was originally envisioned as the next industrial zone once the Southeast submarket was fully absorbed – that day has arrived.

Within 48 hours of approx. **70%** of the entire US population



WHY MEMPHIS, TN



2nd

Largest Cargo Airport in the world



3rd

Busiest Trucking Corridor in the U.S.



5

Class 1 Railroads



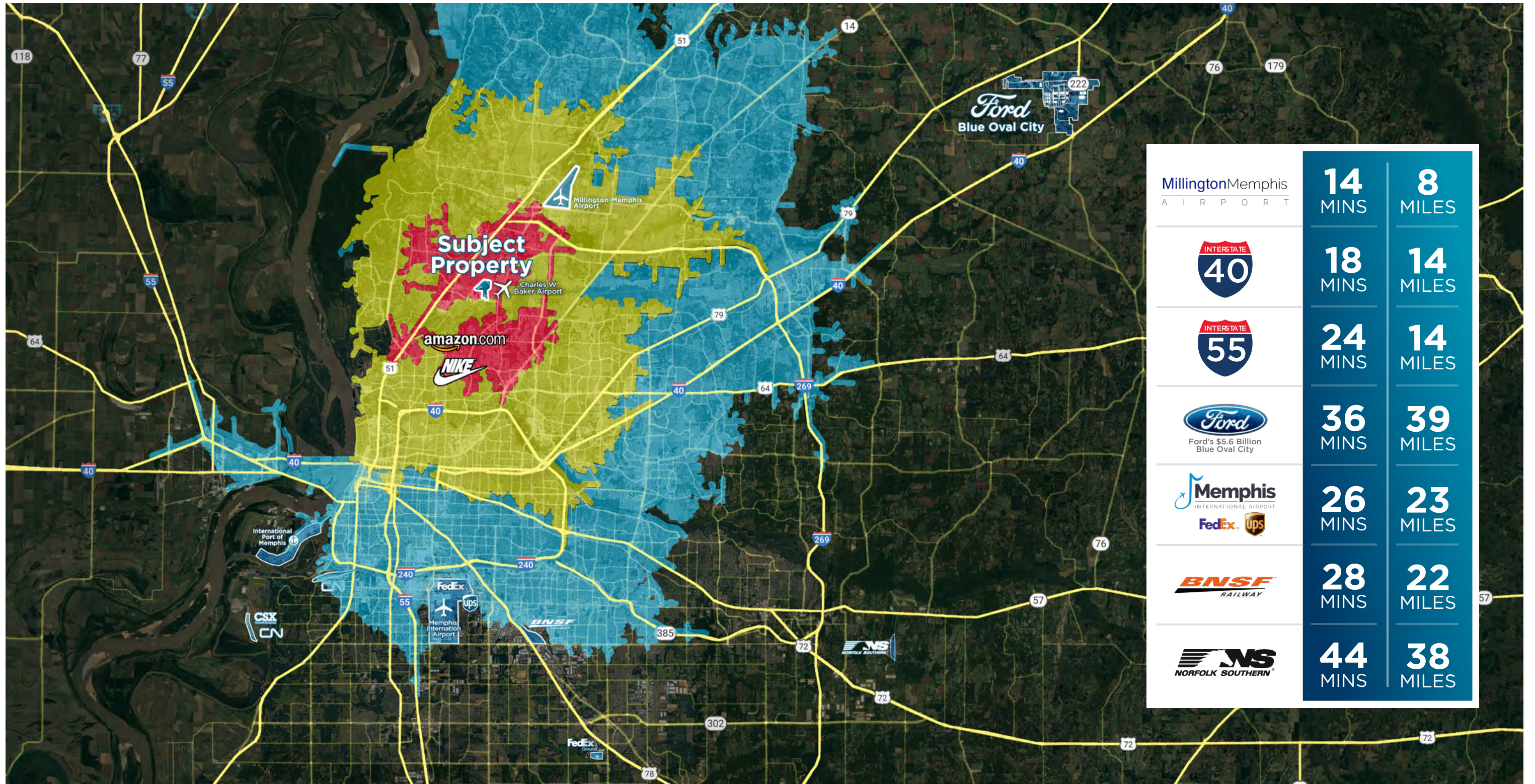
3rd

Largest Inland Port in the U.S.

PREMIER MEMPHIS LOCATION



MULTI-MODAL CONNECTIVITY



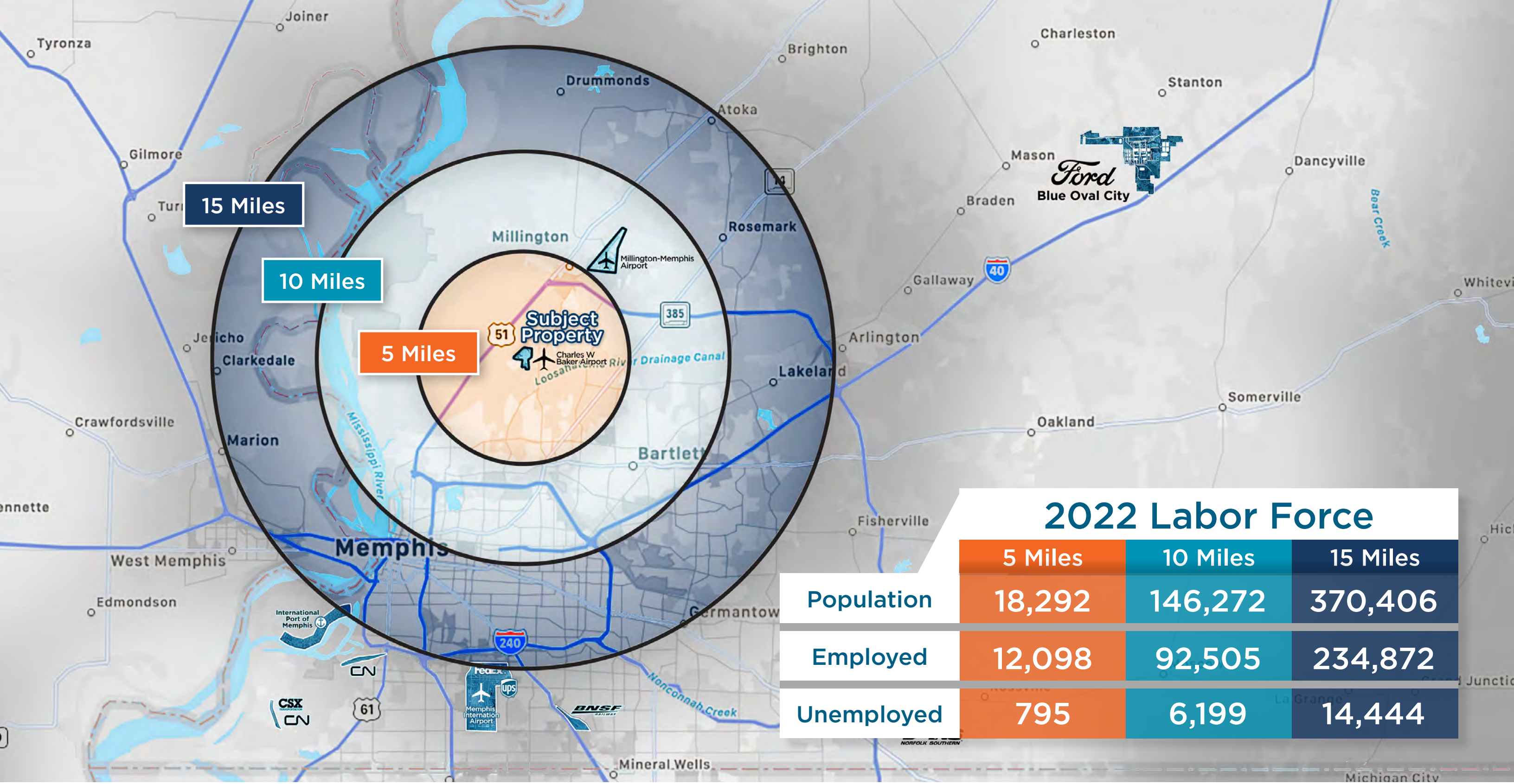
<p>Millington Memphis AIRPORT</p>	14 MINS	8 MILES
<p>INTERSTATE 40</p>	18 MINS	14 MILES
<p>INTERSTATE 55</p>	24 MINS	14 MILES
<p>Ford Ford's \$5.6 Billion Blue Oval City</p>	36 MINS	39 MILES
<p>Memphis INTERNATIONAL AIRPORT FedEx UPS</p>	26 MINS	23 MILES
<p>BNSF RAILWAY</p>	28 MINS	22 MILES
<p>NORFOLK SOUTHERN</p>	44 MINS	38 MILES

DRIVE TIME KEY: ■ 10 MINUTES ■ 20 MINUTES ■ 30 MINUTES

PROXIMITY LOCATION



LABOR FORCE MAP



BLUE OVAL CITY PROXIMITY



Ford's New F-150 EV Plant - Blue Oval City - \$5.4 Billion

- Ford just broke ground on its new \$5.4 billion plant which will assemble its exciting new Lightning Electric F-150 Truck and produce EV batteries. Ford will call this plant Blue Oval City.
- The 6 square mile, 4,100-acre site is located just northeast of Memphis in the town of Stanton, TN.
- This will be a remarkable facility. Most assembly plants cost approximately \$2.5 billion +/-.
- This plant will include a new campus for the Tennessee College of Applied Technology to train workers. The plant will create 5,800 new jobs.
- Ford expects production to begin in 2025.
- Blue Oval City could lead to the construction of over 30 new manufacturing plants in the area for Tier 1 & Tier 2 auto parts suppliers that receive contracts from Ford.

This plant will be a huge catalyst for economic, job, and demographic growth in Memphis.

MEMPHIS SPEEDWAY

LOGISTICS PARK

LOCATION & MARKET OVERVIEW



TENNESSEE

Tennessee is situated in the northern heart of the Southeast. The state is bounded by Kentucky, Virginia, North Carolina, Georgia, Alabama, Mississippi, Arkansas and Missouri. Tennessee's population is estimated to be 6,975,000.

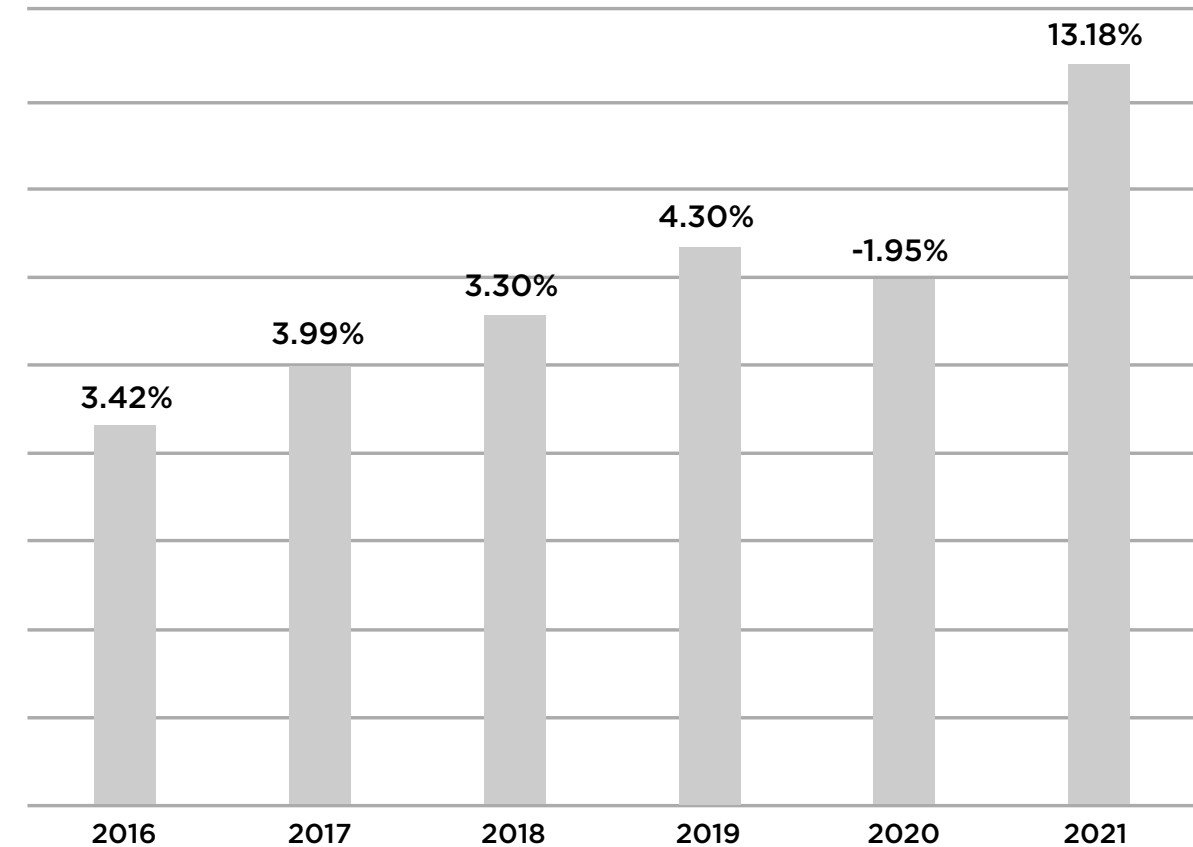
Economic Diversity

Tennessee has a diverse economy with logistics, healthcare, grocery, packaging, finance, manufacturing, automotive assembly, music/entertainment, tourism and research/higher education sectors. Many of these sectors are represented in the following list of 10 Fortune 500 companies that have selected Tennessee for their corporate headquarters. The other sectors are highlighted on the following page.

Tennessee Fortune 500 Headquarters

F 500 Ranking	Company	Business
39	FedEx	Time specific deliveries
62	HCA Healthcare	Health care services
106	Dollar General	Discount grocery chain
164	International Paper	Packaging
249	AutoZone	Auto parts retail chain
294	Tractor Supply	Farm & ranch supply
304	Community Health	Hospital chain
317	Unum Group	Insurance company
346	Delek US	Petroleum refining
349	Eastman Chemical	Specialty materials

Tennessee Annual GDP Growth



State Rankings Comparison For Fastest YOY GDP Growth

State	YOY Growth	Q4 2020	Q4 2021
4 Tennessee	7.60%	\$326,954,300,000	\$351,709,500,000
5 Florida	7.50%	\$962,585,800,000	\$1,034,362,400,000
9 Texas	6.40%	\$1,768,145,600,000	\$1,881,751,000,000
10 Georgia	6.40%	\$545,920,700,000	\$580,626,800,000
11 N. Carolina	6.30%	\$511,616,000,000	\$544,023,200,000
12 Colorado	6.30%	\$350,893,800,000	\$373,097,400,000
15 New York	5.40%	\$1,438,242,100,000	\$1,515,818,900,000

TENNESSEE (cont)

Automotive Industry – GM, Nissan, and Volkswagen each have auto assembly plants in Tennessee that collectively manufacture over 900,000 cars per year. The following companies are making large financial commitments to manufacture EVs and related parts in Tennessee.

- » Ford has started construction of its \$5.6 billion plant named Blue Oval City near in Stanton, TN to build its new Lighting F150 electric truck.
- » GM plans to build a \$2.3 billion battery manufacturing plant for EVs near Spring Hill, TN.
- » Volkswagen intends to begin producing EVs at its Chattanooga, TN plant this year.

Manufacturing – Memphis, Jackson, Nashville and Knoxville have many large and small manufacturing companies. Stanton will join these areas when Ford finishes its Blue Oval City F-150 EV assembly plant and Ford Tier 1 and 2 parts suppliers locate facilities near Blue Oval City.

Music & Entertainment – Nashville is the national capital of song writing and music production for a variety of genres including country, blues, soul, and gospel.

Tourism – In addition to Nashville, the Smokey Mountains National Park south of Knoxville is a very popular tourist destination. More vacationers visit the Park than any other National Park in the U.S.

Research & Higher Education – The Oak Ridge National Laboratory described in more detail in the following page is a national engineering powerhouse for energy and defense related research. Vanderbilt University in Nashville and the University of Tennessee in Knoxville are also well-regarded research schools.

Tennessee's industries, and research institutions are fueling Tennessee's growth in the 21st Century.



MEMPHIS OVERVIEW

MEMPHIS: AMERICA'S DISTRIBUTION CENTER

Located on the banks of the Mississippi River in the southwestern corner of Tennessee, Memphis is the centerpiece of the "Mid-South", a region with exceptional logistical connectivity within the U.S. The Memphis MSA is a ten-county area which encompasses portions of southwest Tennessee, northern Mississippi, and eastern Arkansas. With an estimated population of 1,346,500 and a workforce of approximately 652,000, Memphis offers a diverse, robust economic climate which is extremely attractive to both corporations and employees alike. Memphis is a critical distribution and logistics hub fueled by the FedEx World HQ and Superhub (35,000 employed locally) and is home to three Fortune 500 companies (FedEx, AutoZone, International Paper). Memphis is often referred to as America's Distribution Center, strengthened by major operations for UPS and USPS, and is uniquely positioned to provide the most cost-effective distribution and logistics services in the country. This major river port and air/rail hub at the crossroads of I-40, I-55, and I-22 offers superior transportation advantages.

Advanced healthcare and educational facilities also drive the local economy. Both are anchored by the massive 14,000-acre downtown Memphis Medical Center district. More than 40,000 are employed in this district and 10,000 students attend universities in the area. Rapid advancements in biomedical research have positioned the medical center for growth. Expansions to its existing facilities are generating additional demand for housing and amenities. Memphis was ranked as the #1 "Logistics Leader" in the country and was ranked 2nd globally by Business Facilities magazine in 2017. In November 2021, St. Jude completed a historic \$412 million, 625,000 SF expansion to their Downtown campus, bringing together a "powerful combination of talent and technology in a space designed to propel discovery."



MAJOR ECONOMIC GROWTH

FedEx Corporation moved their global headquarters to Memphis in 1973, and has drawn several top logistics and distribution operations to the area. The proximity of the company's Superhub at Memphis International Airport guarantees some of the latest drop-off times for overnight delivery in the county.

St. Jude Children's Research Hospital was founded in 1962 and continues a \$7 billion expansion project. This includes \$1 billion in construction costs along with the addition of more than 1,000 new jobs. St. Jude's expansions are not set to end anytime soon; the hospital has plans for

The FedEx logo, featuring the word "FedEx" in a bold, sans-serif font. The "F", "e", and "x" are in blue, while the "d" and "E" are in orange.



St. Jude Children's
Research Hospital

MEMPHIS OVERVIEW



TRANSPORTATION INFRASTRUCTURE

- » Seven federal highways and two interstates (I-55 and I-40) traverse Memphis, while I-240 encircles the city. I-22 stretches south, connecting Memphis to northern Mississippi and serving as an expressway down to Birmingham. The planned Canada-to-Mexico I-69 will also cross Memphis. Highway 78 (Lamar Ave) is currently undergoing Phase One to widen from four lanes to six and upgrade existing intersections into new interchanges. The \$250 million project will revolutionize the primary corridor of the Memphis industrial market.
- » The Port of Memphis is the largest still-water harbor on the Mississippi River. The Port is the national leader in inland foreign import tonnage and the 4th largest inland port in the U.S. overall.
- » Memphis is one of only four U.S. cities served by over 80% of Class I rail systems. Canadian National Railroad recently completed a \$100 million expansion to its Memphis classification yard, making it the second largest classification yard in the U.S.
- » Phase One of the Regional Rail Program (MATATRAC) has commenced, and Amtrak serves national rail travelers.



MEMPHIS INTERNATIONAL AIRPORT

- » Memphis International Airport (MEM) again has ranked as the world's second busiest cargo airport behind Hong Kong International (HKG) after regaining the title as worlds busiest in 2020. MEM's cargo throughput remained steady at 4.5 million tons in 2021, according to preliminary figures released by Airports Council International.
- » The presence of FedEx makes MEM and FedEx major drivers of the local economy, and, thanks to the massive domestic and international operations of FedEx, Memphis is the largest air-cargo airport in the U.S. The airport generates over \$28 billion for the region's economy and more than 200,000 local jobs are airport-related.
- » FedEx's \$1.5 billion dollar hub modernization and expansion and UPS's \$216 million hub expansion should continue to propel MEM forward.



CRITICAL RAIL NETWORK CONNECTION

- » Memphis is one of four U.S. cities served by over 80% of the nation's Class 1 rail systems. It handles over \$550 billion of domestic and international freight annually and is ranked third in total freight value and fourth in tonnage (1.6 million total container capacity).
- » The recent \$200 million BNSF intermodal expansion will allow for over 1 million lifts annually, doubling lift capacity and greatly improving efficiency.



THRIVING MEMPHIS INDUSTRIAL MARKET

\$2.34 BILLION

LOGISTICS INFRASTRUCTURE INVESTMENTS SINCE 2010

AIRPORT LOGISTICS

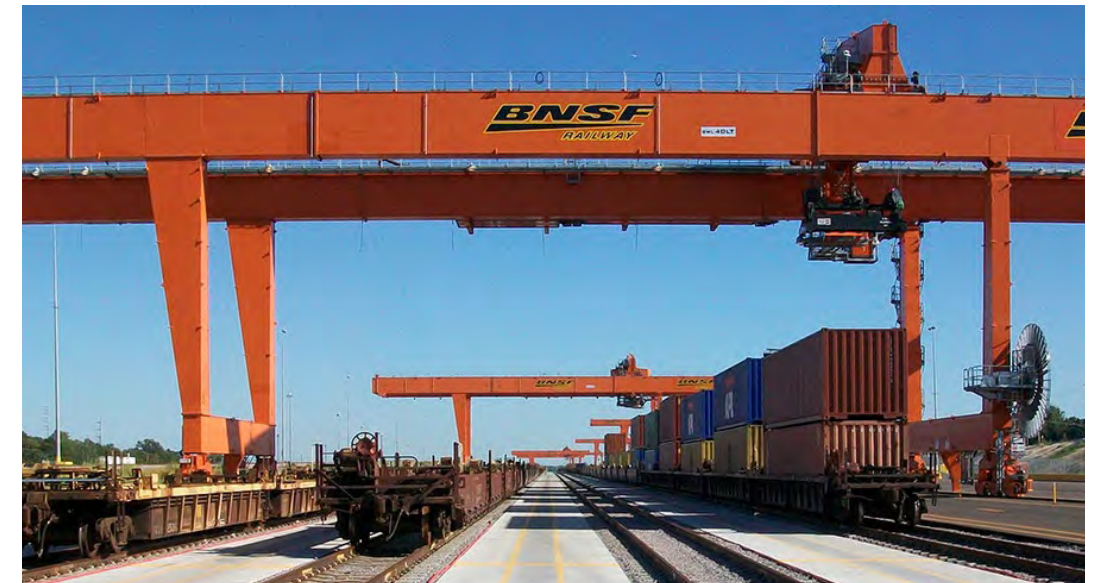
FEDEX LOGISTICS	\$1.45 BILLION
UPS	\$216 MILLION
AIRPORT TOTAL	\$1.7 BILLION

RAILWAY LOGISTICS

BNSF	\$200 MILLION
CANADIAN NATIONAL RAILWAY	\$100 MILLION
NORFOLK SOUTHERN	\$129 MILLION
RAILWAY TOTAL	\$429 MILLION

TRUCKING LOGISTICS

TENNESSEE DOT	\$245 MILLION
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MEMPHIS INDUSTRIAL MARKET

THRIVING PACE OF CREDIT TENANT EXPANSIONS

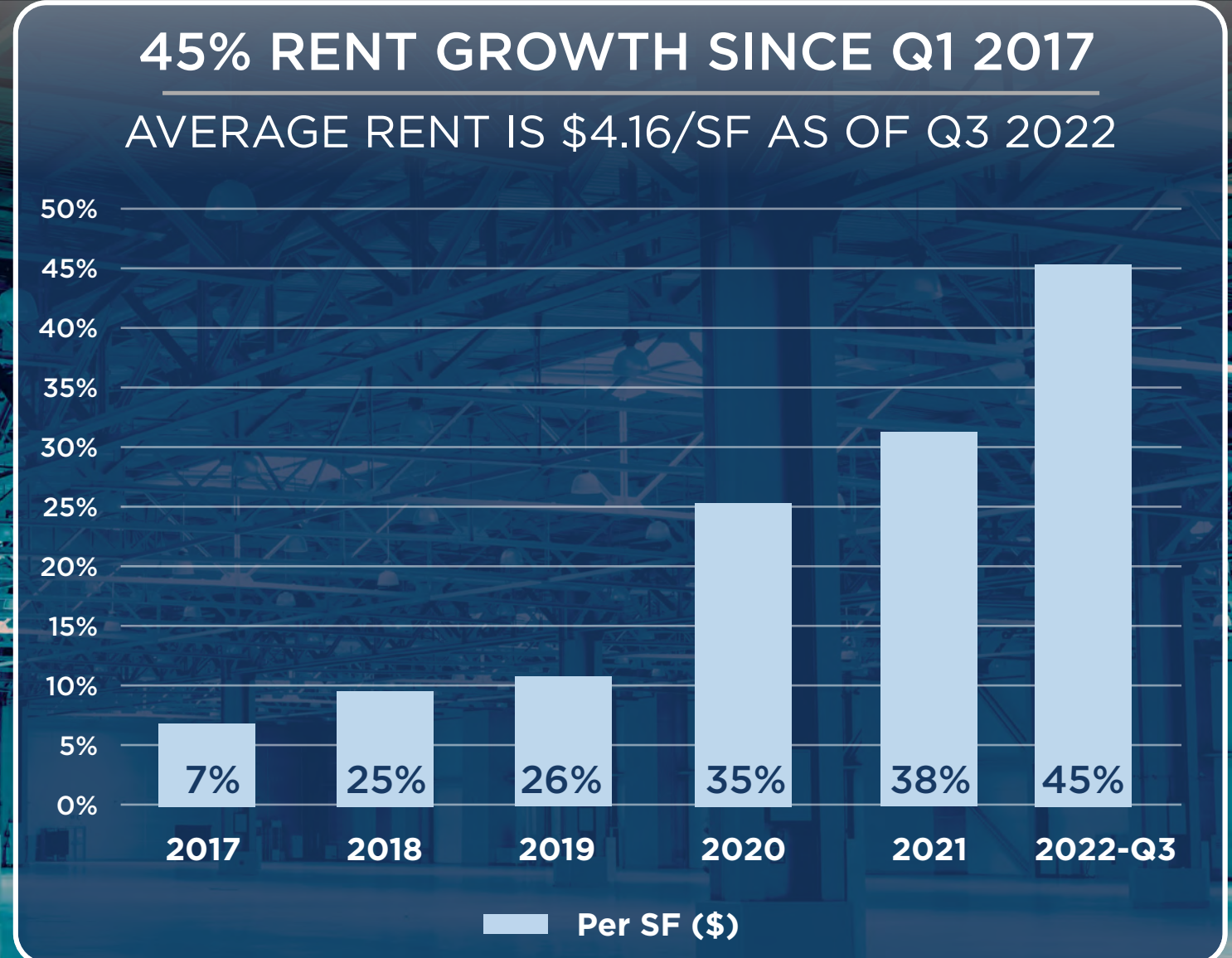
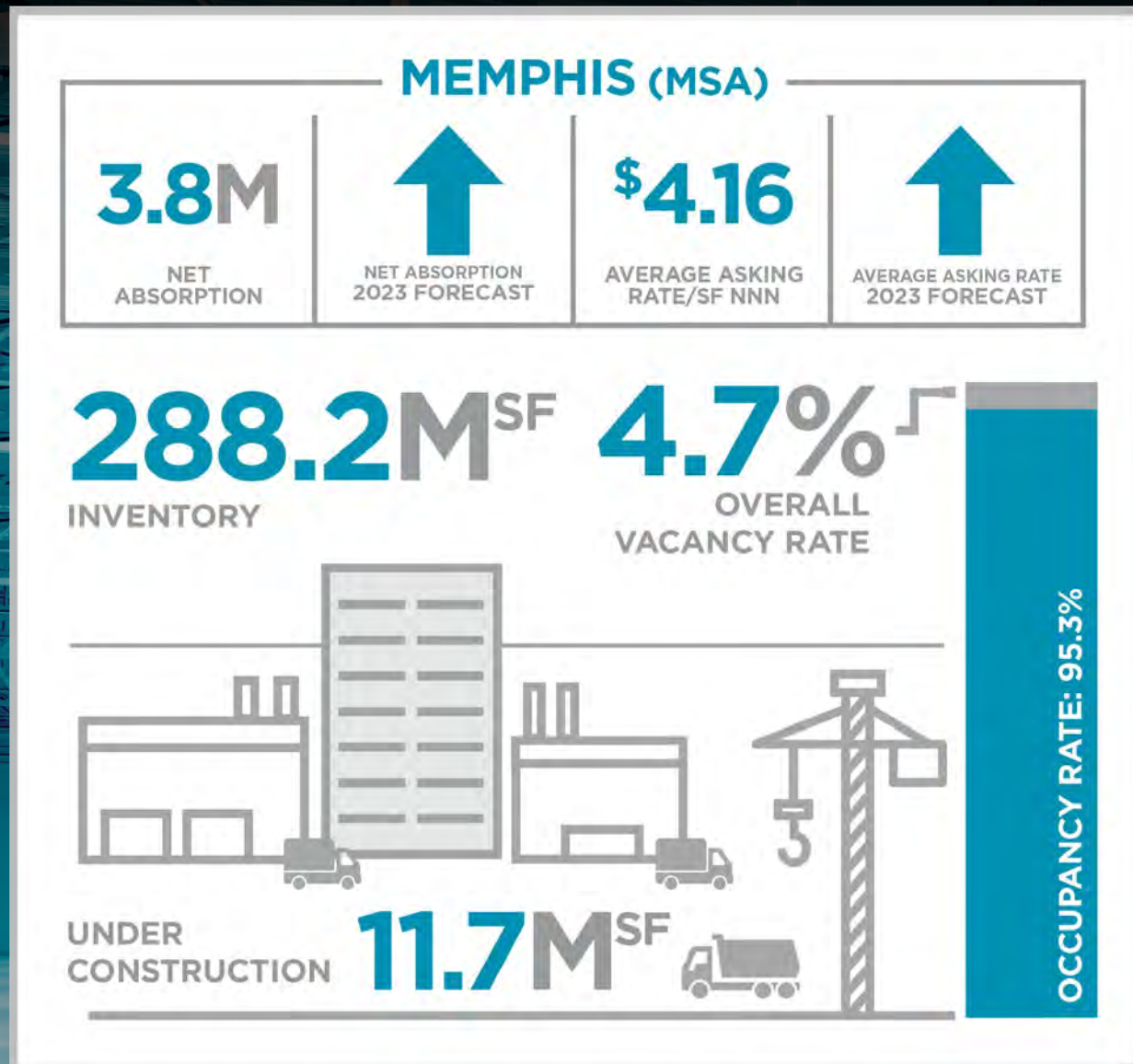
OVER 12.9 MILLION SQUARE FEET SINCE 2018

PROVEN DEDICATION TO MEMPHIS/MISSISSIPPI



INDUSTRIAL USERS	TOTAL BUILDING SF	EXPANSION	EXPANSION YEAR
FedEx	3,500,000	1,996,000	Ongoing
Milwaukee Tool	3,300,000	1,866,000	Ongoing
Amazon	2,530,000	1,913,000	Ongoing
McKesson	1,710,000	1,110,000	Ongoing
Walmart	911,000	1,100,000	2022
NIKE	5,300,000	1,700,000	2019
Kellogg Company	1,870,000	775,000	2019
Baxter Biopharma Solutions	850,000	650,000	2020
Cooper Tire & Rubber Company	1,400,000	400,000	2018
ThyssenKrupp	1,480,000	314,000	2020
ABB Electrification Products	1,260,000	260,000	2018
TOTAL	24,110,000	12,084,000	

MEMPHIS Q3 INDUSTRIAL MARKET



NORTHWEST SUBMARKET



- » Northwest market has seen increased activity as submarkets in closer proximity to the airport have reached historically low vacancy rates and development land is scarce
- » Q3 2022 average rental rate of \$3.24 psf for the Northwest submarket, a 36% YOY increase
- » Northwest vacancy for Q3 2022 was 3.9%, a 56% YOY decrease

DELIVERY TO LEASE UP

SPECULATIVE DEVELOPMENTS

YEAR	TOTAL SF DELIVERED	AVERAGE TIME TO LEASE-UP
2021	9,954,407 SF	4 MONTHS
2020	5,435,955 SF	2 MONTHS
2019	1,840,069 SF	4 MONTHS
2018	4,689,134 SF	7 MONTHS
2017	2,272,716 SF	5 MONTHS

Trailing three-year average lease up is three months

Summary: Thoughtfully designed and located buildings lease quickly, on average within four months of delivery, counting pre-leasing as neutral, or zero months.

MEMPHIS INDUSTRIAL MARKET

SUPPLY & DEMAND

- » Historically low market-wide vacancy rate of 4.7% as of Q3 2022, a 30 bps decrease year over year (YOY)
- » Single digit vacancies in every submarket across the metro-Memphis area as of Q3 2022
- » Year to date (YTD) absorption is 9.5 million square feet (msf), the second best on record. We estimate Q4 will deliver similar absorption to the first three quarters, depending on lease and new construction deliveries.
- » Even though we expect 2022 to be the second-best year ever recorded (2021 being the best), warning lights are flashing yellow for the market including fewer new occupiers, especially in the super bulk size range.

RENTS

- » Rates continued to inch upwards, at \$4.16 per square foot (psf), on par with Q2. With Q2 being the first-time average rental rents surpassed \$4.00 psf.
- » Despite the economic headwinds and current slower occupier demand, this trend will likely continue, as development slows due to rising land prices constricting supply.
- » Elevated construction costs and a higher interest rate environment will continue to keep pressure on new construction, and thus rates.

OUTLOOK

- » Tenant deal flow in the 50,000 - 400,000 sf range remains vigorous, and well designed and located Class A buildings should continue to lease quickly. Poorly designed & located buildings will suffer as demand slows, especially in the super-bulk range.
- » Capital markets transactions will slow until interest rates stabilize.
- » New development construction starts have slowed and will greatly diminish until interest rates find footing and macro-economic conditions improve, continuing to put pressure on rates as supply tightens.

MARKET INDICATORS - Q3 2022

OVERALL, ALL CLASSES

Vacancy (%)	4.7%
Net Absorption (Q1 2022)	3.8 MSF
Overall Asking Rent (W/D)*	\$4.16

*Rental rates reflect net asking \$PSF/year

CLASS A OVERALL VACANCY & ASKING RENT



SPACE DEMAND / DELIVERIES



MEMPHIS SPEEDWAY

LOGISTICS PARK

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