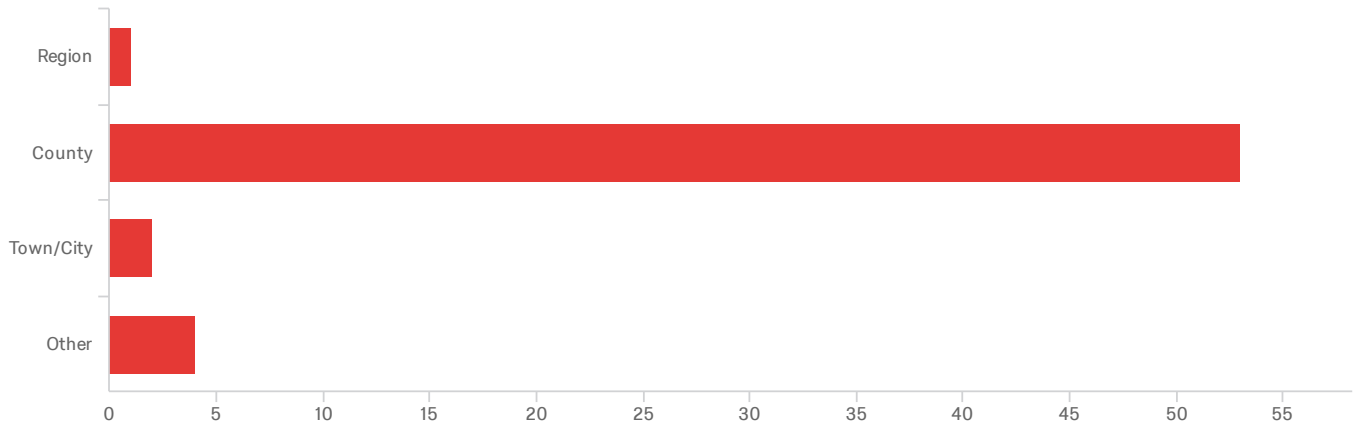


Default Report

[BR] Speculative Building Survey

December 6, 2018 3:45 PM GMT

Q1 - Which of the following does your organization represent?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Which of the following does your organization represent? - Selected Choice	1.00	4.00	2.15	0.54	0.29	60

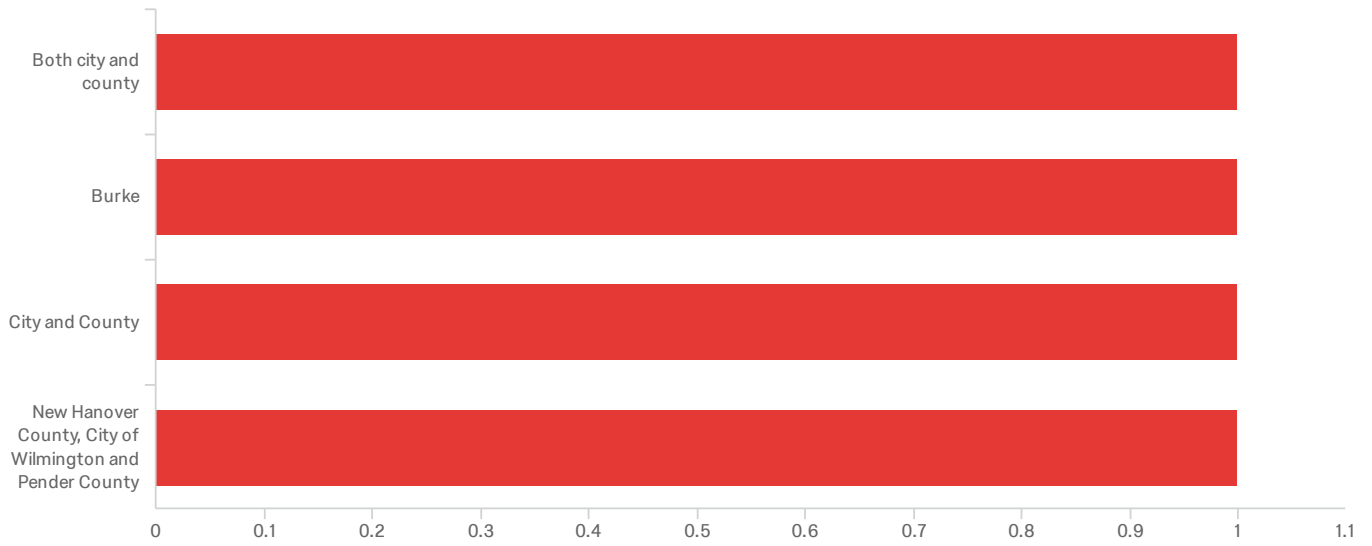
#	Field	Choice Count
1	Region	1.67% 1
2	County	88.33% 53
3	Town/City	3.33% 2
4	Other	6.67% 4


Field

Choice
Count

60

Showing rows 1 - 5 of 5




Data source misconfigured for this visualization.

Field

Choice
Count

1	Both city and county	25.00%	1
2	Burke	25.00%	1
3	City and County	25.00%	1

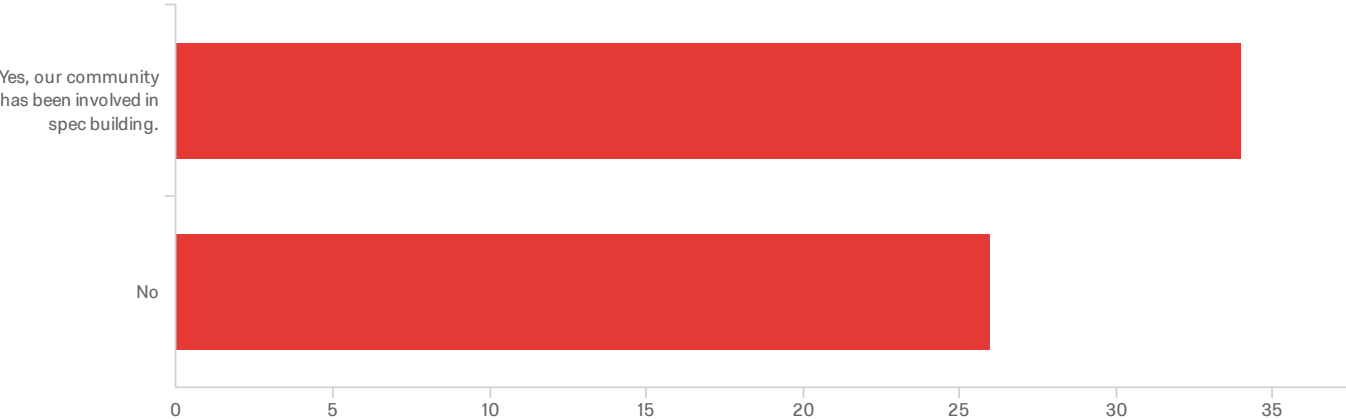
#	Field	Choice Count
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4	New Hanover County, City of Wilmington and Pender County	25.00% 1
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4

Showing rows 1 - 5 of 5

Q2 - Has your community engaged in speculative building?



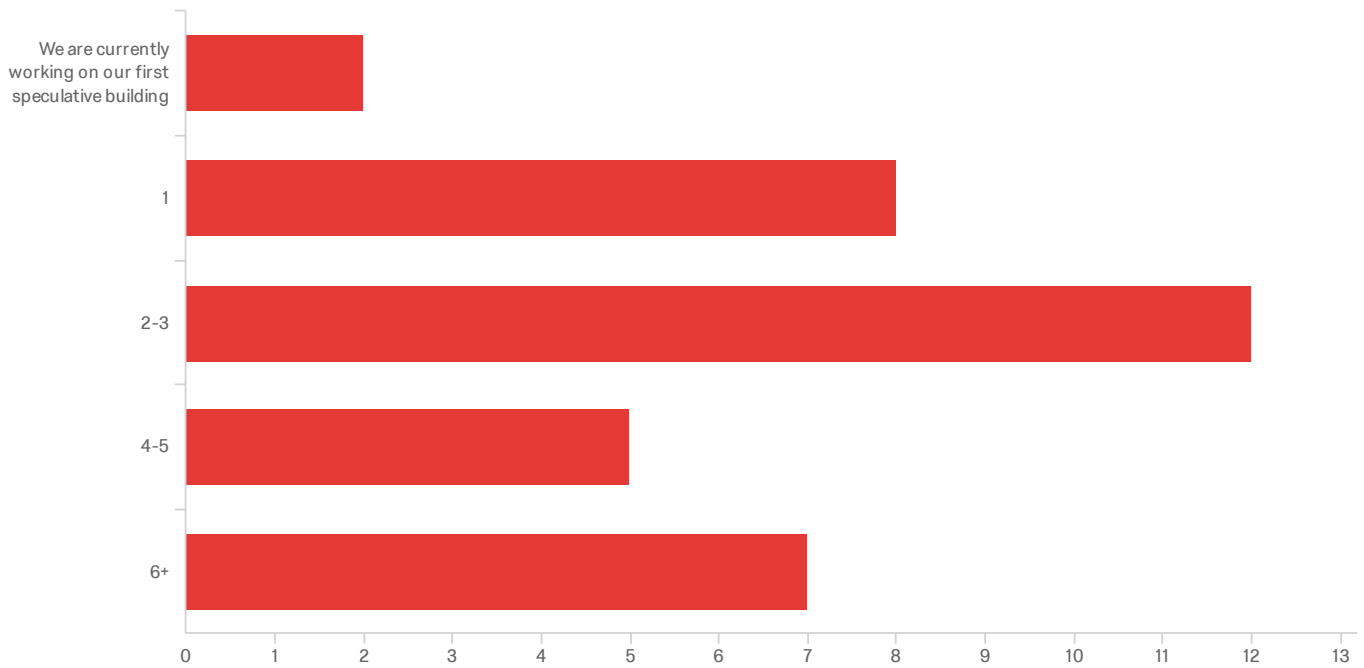
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Has your community engaged in speculative building?	1.00	2.00	1.43	0.50	0.25	60

#	Field	Choice Count
1	Yes, our community has been involved in spec building.	56.67% 34
2	No	43.33% 26

60

Showing rows 1 - 3 of 3

Q3A - How many spec buildings has your community been involved with?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	How many spec buildings has your community been involved with?	1.00	5.00	3.21	1.18	1.40	34

#	Field	Choice Count
1	We are currently working on our first speculative building	5.88% 2
2	1	23.53% 8
3	2-3	35.29% 12
4	4-5	14.71% 5
5	6+	20.59% 7

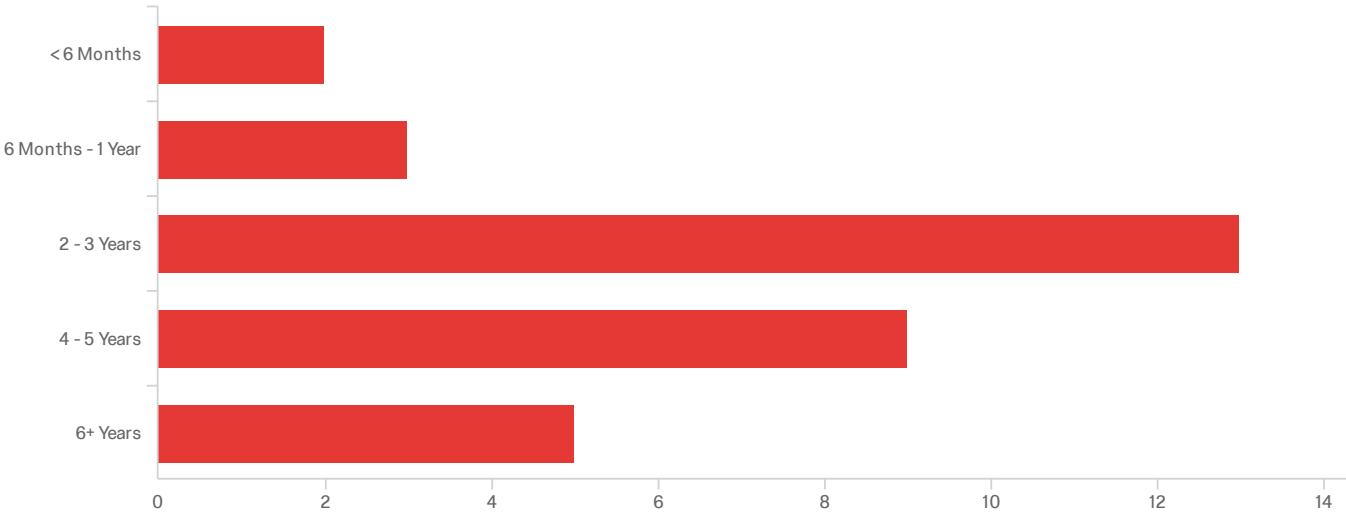
Field

Choice
Count

34

Showing rows 1 - 6 of 6

Q4A - For any of your spec buildings, what was the longest time between building completio...

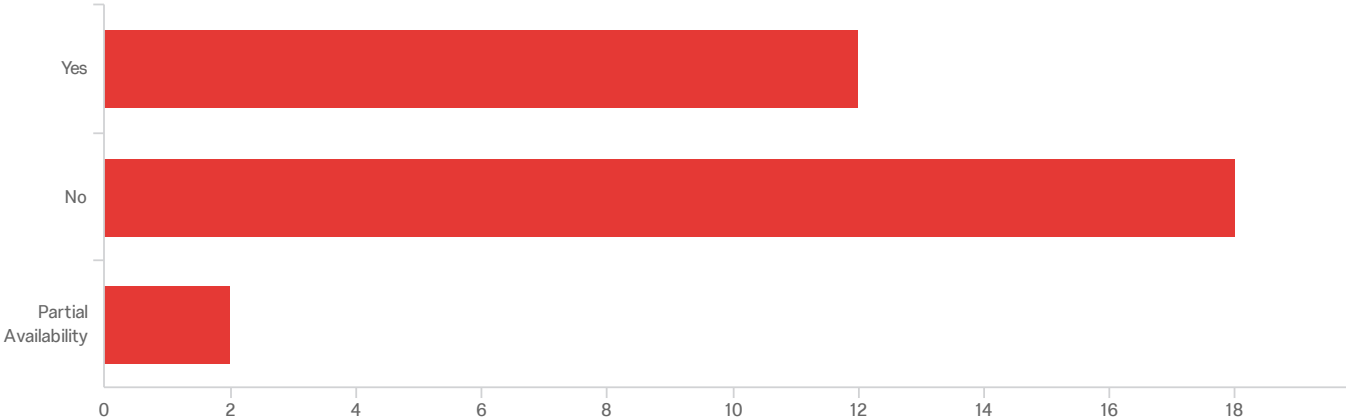


#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	For any of your spec buildings, what was the longest time between building completion and occupancy?	1.00	5.00	3.38	1.05	1.11	32

#	Field	Choice Count
1	< 6 Months	6.25% 2
2	6 Months - 1 Year	9.38% 3
3	2 - 3 Years	40.63% 13
4	4 - 5 Years	28.13% 9
5	6+ Years	15.63% 5
		32

Showing rows 1 - 6 of 6

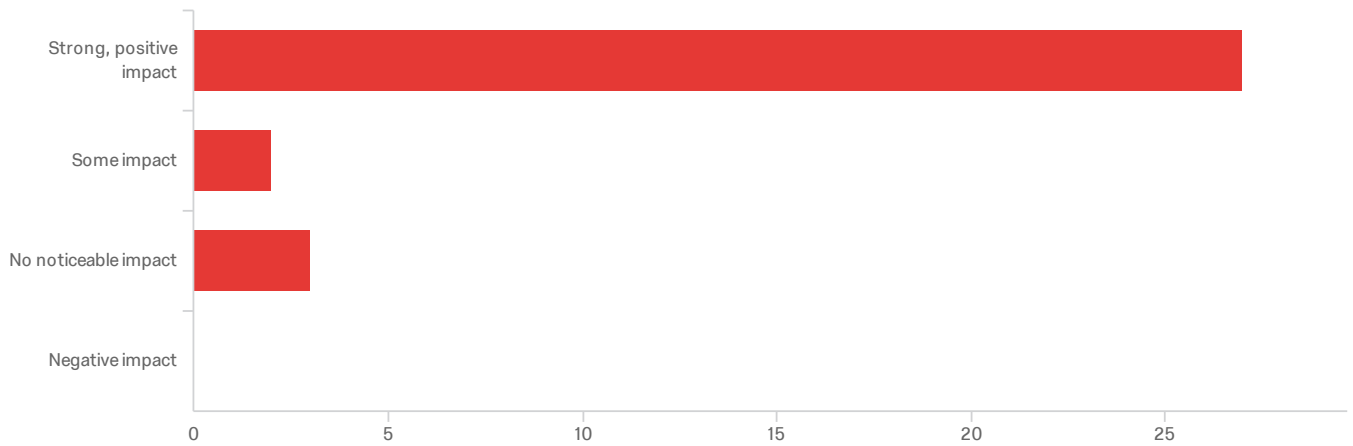
Q5A - Do you currently have unoccupied spec buildings in your community?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Do you currently have unoccupied spec buildings in your community?	1.00	3.00	1.69	0.58	0.34	32

#	Field	Choice Count
1	Yes	37.50% 12
2	No	56.25% 18
3	Partial Availability	6.25% 2
		32

Q6A - What level of impact has this building had on your economic development effort?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	What level of impact has this building had on your economic development effort?	1.00	3.00	1.25	0.61	0.37	32

#	Field	Choice Count
1	Strong, positive impact	84.38% 27
2	Some impact	6.25% 2
3	No noticeable impact	9.38% 3
4	Negative impact	0.00% 0

32

Q7A - Please describe the impact spec building has had on economic developme...

Please describe the impact spec building has had on economic development ef...

Our Spec Building in Burgaw, NC had positive impact during the years we showed the building, and certainly has had positive financial impact since an existing company in Burgaw purchased the shell building and has expanded into a newly unfitted space with room for growth.

The 2 public spec buildings have led to four announced projects.

We have had a number of client visits because we have the spec building. While the building hasn't yet been the right fit, clients have become interested in other options in our community.

Strong attraction tool.

The spec building allowed us to be in consideration for a much larger number of projects that started with an existing building search.

For every Shell Building we have located a minimum of two companies

a good marketing tool for our county, a lot of client activity has stimulated from the shell building

Our community has one of the most successful spec building programs in the state. Each of the buildings have sold and created over 100 million investment and 200 jobs. (great for a rural community) We are currently building our 5th spec building.

the jobs and investment would have not happened without them

Provided a strong incentive for a multi-million dollar company to locate in rural NC. Provides over 80 full time employees with above average county wages with benefits.

The spec building was built in 2000 and in 2001 the economy starting tanking and we were in a long recession and this really hurt our spec building. It sold in 2010. We have not done any spec buildings since then. I do think we would be successful now. Just finding someone to partner with us.

Our last spec building now houses an advanced manufacturing type operation producing window films. They started with 12 to 15 workers on one shift and 5 years later they employ around 40 and run on two shifts

We have built 4 buildings ranging from 50k SF to 110k SF. The first three have been sold to international companies and represents a type of headquarters for those firms.

Please describe the impact spec building has had on economic development of...

enabled us to respond to a significantly larger number of RFIs and receive site visits.

The shell building has put us in the running for many projects because it is flexible/expandable in size with additional acreage available on multiple sides. We have also had many prospects tour the building, and it is still on the list for several active projects. Getting prospects to our community is a big deal since we are a small metro. Once they see all that we have to offer, the community really sells itself. The shell serves as a recruitment and marketing tool, and once sold, we will embark on another shell building project.

Spec facilities have allowed for the startup or expansion of over 20 businesses.

It took awhile for the building to sell, but it was a draw and marketing tool. Since it has been built, three companies have occupied it. The first two went out of business, but the building sold within a year after each one.

We have had two companies locate in two spec buildings. We have 2 additional companies that located in our community because they came to our community to see a spec building and it wasn't quite what they wanted or it was already under contract. They liked the community so much they decided to build here. The spec buildings have done exactly what they were designed to do, drive traffic to our community.

Spec building has also served as "bait" to bring projects in for a visit. Several projects initially looked at the spec buildings, but ended up locating elsewhere in the county.

Building eventually bought by private company

Have responded to many rfp's and questions

Increase in project visits.

Generated inquiries and looks in the community.

Our EDO has been able to respond positively to many more RFIs because we have a shell building under construction.

40 Jobs. \$5M Investment and counting.

The investment has been well over \$300 million in new tax base, and over 1,000 jobs.

Q8A - What is the square footage of your spec building(s)?

What is the square footage of your spec building(s)?

40,000 sf

Not sure

50,000 each for the three manufacturing specs and 60k for the call center spec

50,000 s.f.

No current spec buildings; one in planning stage to be built in 2019 is 20,000 s.f.

80,000 SF to 600,000 SF

50,000 expandable to 90,000 sqft

We had two buildings at 100,000 sq ft in the past. Our most recent was a 300,000 sq ft facility and we currently have one being built that is 1,000,000 sq ft.

50,000 sq ft was the smallest and 132,000 sq. ft. was the largest

40,000

40k and graded to add an additional 40k sq ft for a total of 80k sq ft if needed

100k plus

60,000

85,000

Almost all of our spec buildings have been in the 50,000 sq foot range.

1) 50,000; 2) 58,000; 3) 102,000; 4) 109,000

What is the square footage of your spec building(s)?

150,000+

current one is 30,000 expandable to 60,000.

50,000

50,000 sf expandable to 200,000

5,000 to 56,000

70,000

51,500 sf and 48,000 sf, both expandable to at least double the size on a pre-graded pad.

48,000 expandable to 96,000 and 51,200 expandable to 128,000

100,000sf

50,000 to 70,000 sq ft

30,000

50,000 sq. ft. with the capacity to double.

50,000

150,000 SF

Looking at 50ksf-100ksf

117,000 SF

60000

65,000-100,000 sf

Showing records 1 - 34 of 34

Q9A - What is the estimated budget for the most recent and/or upcoming spec build...

What is the estimated budget for the most recent and/or upcoming spec build...

Approximately \$750,000

Unknown

\$2m

\$2.5 million

\$1,000,000

\$20 M for 600,000 SF industrial spec

N/A

Our current spec building is being built privately.

\$2.5 million

1.5m

1.3 million. Concrete floor in 75% of the building is included in the cost

10 million 324k spec

2.5 to 3 million

Not sure it was done in 2000

It has been several years, but the budget at that time was about \$800,000 but there was no floor included. I am sure that would not touch the same building today, but I would also offer up that the lack of a floor kept that building from selling for many years.

\$4.9m

What is the estimated budget for the most recent and/or upcoming spec build...

Our organization has not been involved in the actual development of spec buildings.

\$1,425,000 cost to construct in 2017 excluding land.

\$1.5 M

\$2.5 million

\$1,300,000

?

\$1.8M

\$1.9 million

\$4,000,000

\$2.2 million

NA

Construction cost will be carried by a private developer. The budget has yet been decided.

\$2m

Most recent - \$7.5 million Upcoming - \$5 million

\$2-3 million for \$50ksf

\$7 million

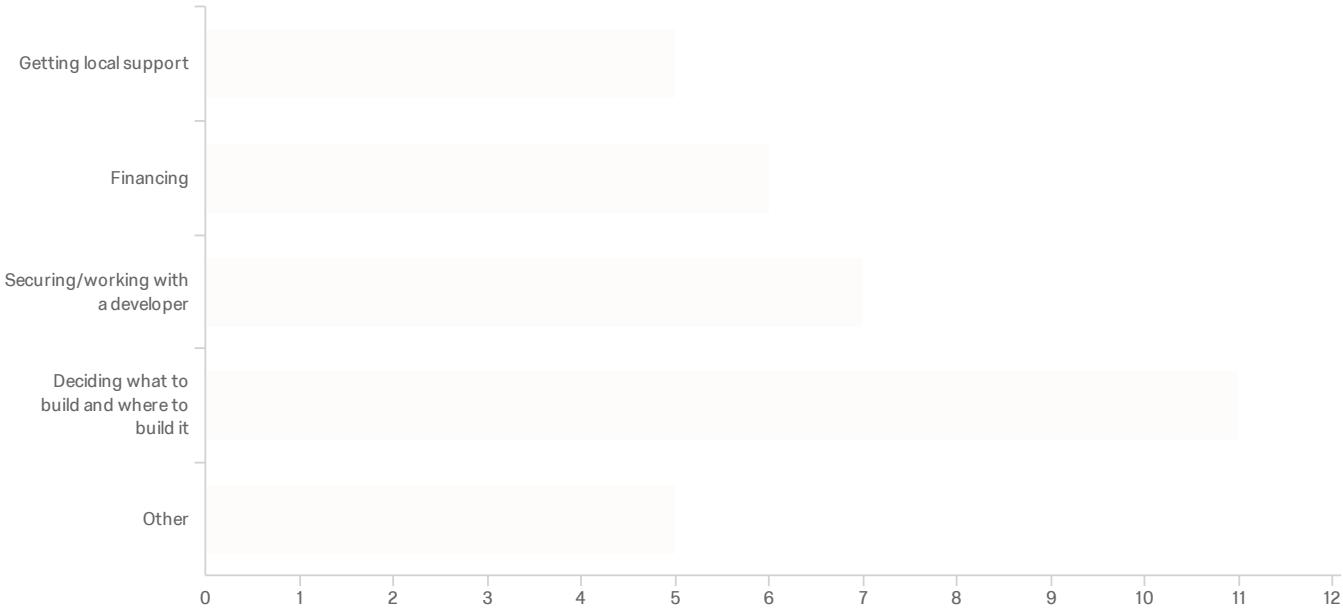
\$5M

\$1.8 million for 65,000 sf with 34 foot ceilings

Showing records 1 - 34 of 34

Q1 - Which of the following does your organization represent?

Q11A - What were/are the biggest challenges with the spec building process for your comm...



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	What were/are the biggest challenges with the spec building process for your community? - Selected Choice	1.00	5.00	3.15	1.29	1.65	34

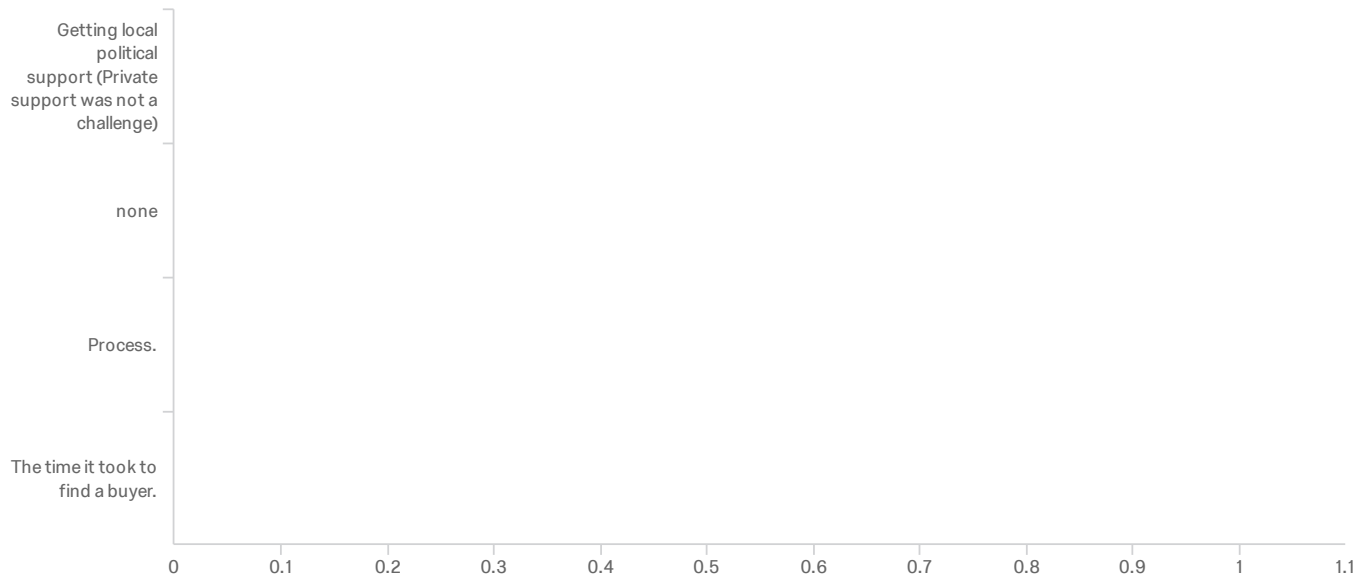
#	Field	Choice Count
1	Getting local support	14.71% 5
2	Financing	17.65% 6
3	Securing/working with a developer	20.59% 7
4	Deciding what to build and where to build it	32.35% 11
5	Other	14.71% 5

Field

Choice
Count

34

Showing rows 1 - 6 of 6



Retrieving data...

Field

Choice
Count

#	Field	Choice Count
1	Getting local political support (Private support was not a challenge)	25.00% 1
2	none	25.00% 1
3	Process.	25.00% 1

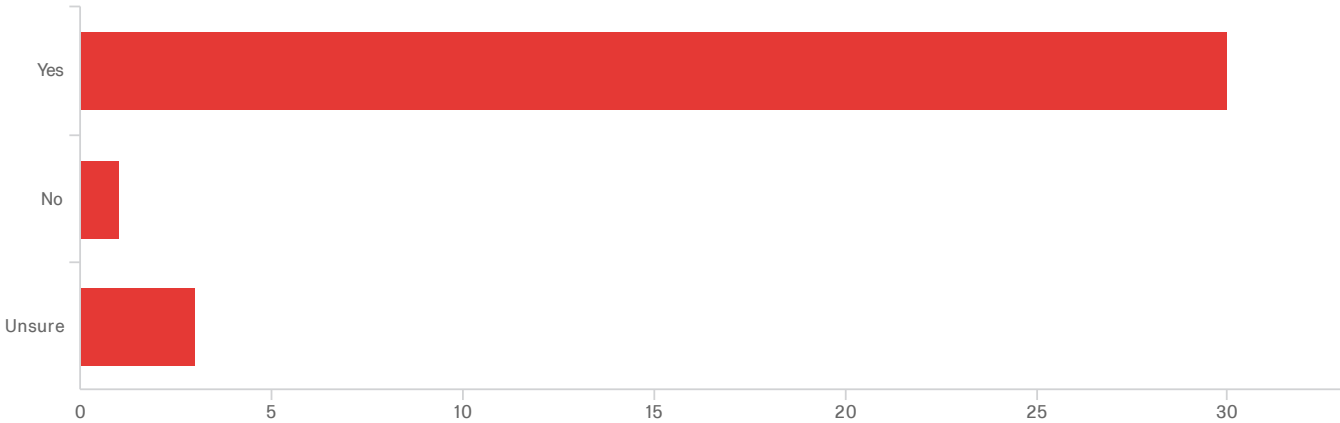
#	Field	Choice Count
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4	The time it took to find a buyer.	25.00% 1
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4

Showing rows 1 - 5 of 5

Q12A - Do you anticipate being involved with spec buildings in the future?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Do you anticipate being involved with spec buildings in the future?	1.00	3.00	1.21	0.58	0.34	34

#	Field	Choice Count
1	Yes	88.24% 30
2	No	2.94% 1
3	Unsure	8.82% 3
		34

Showing rows 1 - 4 of 4

Q13A - What advice would you give to communities considering spec buildings at ...

What advice would you give to communities considering spec buildings at thi...

Building the right size with expansion capabilities. Know it might take time to find the right client, but also know that it will give you the opportunity to show the building and the community to many potential clients.

Higher ceiling heights despite the cost

Do careful research about what to build and build according to salability, not politics.

Do it. But fully understand what it is (marketing) and what it isn't (ie. a money making opportunity).

Make certain that the owner has the experience to produce proposals for either lease or sale in a timely fashion

Be realistic on the time it will take to sell the building.

Need the political will and patience

research area and ask questions

We have 100% support of all municipalities and our elected officials. Educate Educate Educate Political support makes the process much easier

if you want growth and jobs you have no choice

Involve partners/stakeholders early in the process. Involving all entities from inception through implementation.

Putting the burden of a spec building totally on private enterprise is neither logical or reasonable. One of the main beneficiaries of the construction of a shell building in the end will be the local county (and possibly the local municipality) in terms of tax revenues, lower costs for social services as citizens get jobs, etc.... When our last shell building sold, the building was sold at a loss by the local Jobs Foundation. In addition, two local banks that held the mortgage both took write downs on the loan they jointly held in order to get the new industry to locate here. Shell buildings often sell at a discount, and this burden can and should be shared. In fact, such a discount could be considered as part of any local incentive package. In my opinion, public-private partnerships are a much more logical and reasonable route to pursue when building shell buildings.

What advice would you give to communities considering spec buildings at thi...

Build something of quality, versus going the cheap route. Go into it eyes wide open with the understanding it could sit for a while and that they are constructing at the peak of the market pricing.

maintain the data of the RFIs and build charts to show the number of requests vs responses when you have or do not have a building. Use the data, with a realistic expectation of the type of industry your community can support, to justify the size building you need.

Size and location are the key

Make the building expandable, give the building high ceilings, and make sure that the site has plenty of room for growth, including adjacent property. Put it in an established park, if possible, and heavily market it!

Make sure elected officials understand the risks.

Put it in the right location and make sure that you size the building correctly. Know what the customer is looking for. Dont build a Cadillac when a Chevy will do.

Spec buildings are certainly a risk, but given the lack of acceptable buildings on the market across the state, they are less of a risk that they were five years ago.

Do it if you can!

Do your research and find what works best for your community such as developer, financing, etc.

Research and

Spend what you might consider and excessive amount of time educating and garnering support from the public and your elected officials on the need for spec buildings and the benefits that they can bring to your community.

If a Rural county understanding that the development will have to have public support.

Be transparent with the details of the structure of the public private partnership Make the case with ROI details Track prospect activity Provide regular updates to elected leadership

While what you build is important most of the time spent on the project has been managing the construction process.

What advice would you give to communities considering spec buildings at thi...

It is worth it. 70% of all economic development projects are looking for a building. If you build it, they will come. The long lapse in our 7th spec building happened when the building was finished in fall 2007 and the great recession of 2008. It took until 2014 to fill the building. But, we are now happily building our 8th spec building. Spec buildings do bring clients.

Showing records 1 - 27 of 27

Q1 - Which of the following does your organization represent?

Q4B - What size building are you considering?

What size building are you considering?

Real early discussions right now, sizes around 50k-100kSF

Undecided

50,000 Sq. Ft.

30,000 - 50,000

Still working to determine the best size to target.

50,000 - 100,000

50,000 sq ft and 100,000 - 150,000 sq ft.

200,000

50,000 SF expandable to 100,000 SF

100,000

75,000

Showing records 1 - 11 of 11

Q5B - What is your estimated budget for spec building in your community?

What is your estimated budget for spec building in your community?

I don't know...very early discussions.

Undecided

1.5 to 2 MM for the building, plus land development cost

Not yet developed.

Have not identified the specific information needed yet to make this determination.

500,000 tp 750,000

We are seeking private investors based on documented need. However; if necessary, I believe the local government will financially support a spec building

Working on that.

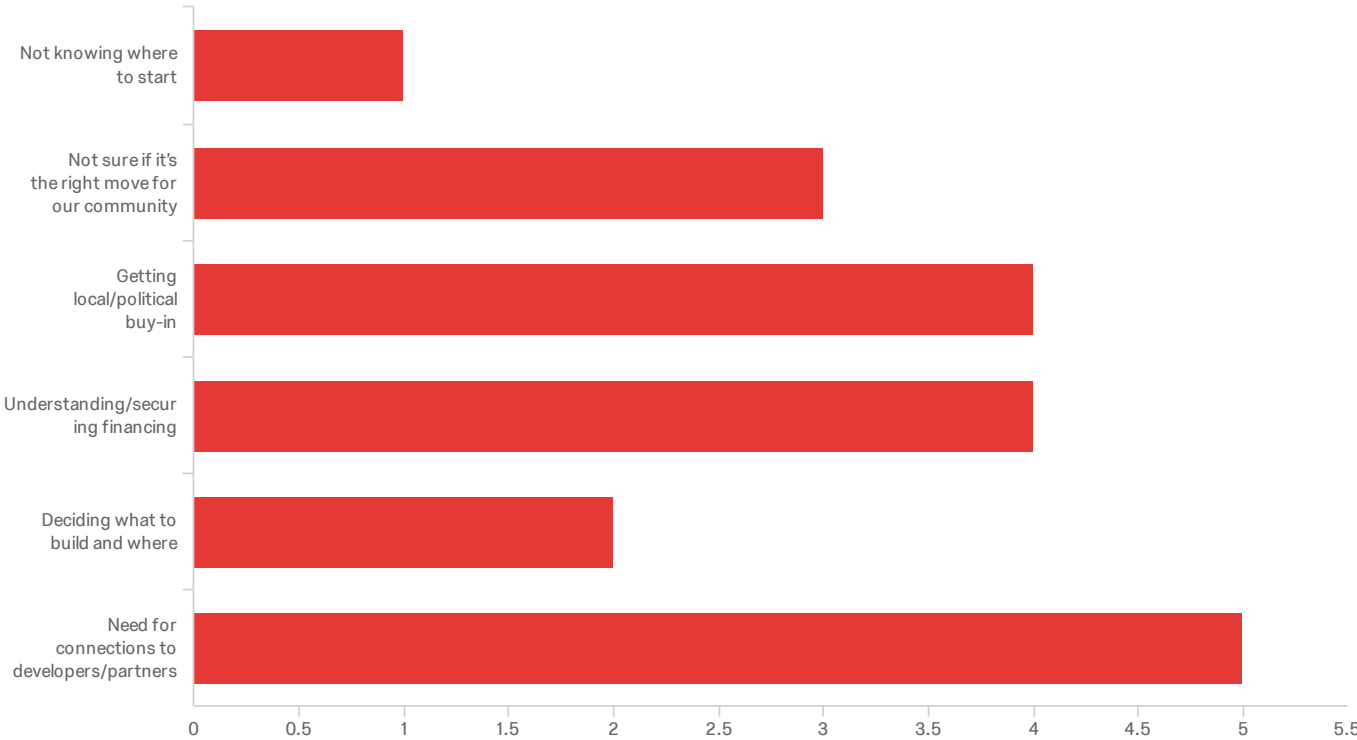
\$3 million

2 million

\$3.0

Showing records 1 - 11 of 11

Q6B - What are your biggest road blocks keeping you from moving forward? (select all that ...



#	Field	Choice Count
1	Not knowing where to start	5.26% 1
2	Not sure if it's the right move for our community	15.79% 3
3	Getting local/political buy-in	21.05% 4
4	Understanding/securing financing	21.05% 4
5	Deciding what to build and where	10.53% 2
6	Need for connections to developers/partners	26.32% 5

Q14A - EDPNC is collaborating with NCEDA to host a workshop with open discus...

EDPNC is collaborating with NCEDA to host a workshop with open discussion a...

Funding

Size and creative financing options.

How to fund land to on which you plan to place the spec buildings.

I think we have all the resources (or access to them) to do it, but there are so many variables and people that would need to be involved. Knowing the tremendous amount of time to start something like this from scratch, it hasn't become a high enough priority for leadership to allocate time/resources to get it going. With that said, maybe discuss how to make the business/market case that demonstrates the feasibility and need of such a project to leadership.

Patience and expectations need to be managed up front. Don't jump at the first deal even though it may have been a while if it doesn't match your desired project parameters.

If we were to build a spec building, what size and features would make it most marketable for the money?

Physical information: how big, floor or not, ceiling height Where: If you've got multiple industrial parks, which one will host your building best and get a quick sell. What kind of building do you build where? High end in a small park is a bad idea. Don't let politicians make business decisions. Consider your industry clusters and build for what you want to recruit.

Point to consider and avoid.

Financing, marketing.

Public Private Partnerships and spec buildings

Any information available on the % of building requests received by size requested and any feedback that has been received on the speculative buildings that have had difficulty landing a client (what to consider when building etc.)

Incentives for industrial and office spec buildings

location, square footage

EDPNC is collaborating with NCEDA to host a workshop with open discussion a...

financing

Creative ways these buildings are being financed and how local government is participating.

All of the above.

Financing, size and success

1. Considerations, Pros & Cons 2. Financing Options 3. Infrastructure considerations 4. Flexibility

size, ceiling heights, dock doors, poured or not poured floors, column spacing, additional acreage, rail

A list of companies that have built spec buildings--or different avenues of funding.

attracting investors

Understanding the process along with contacts would be helpful.

How counties can use the new Opportunity Zone legislation to support speculative buildings using such things as revenue bonds.

Partnering with developers, financing, communicating ideas to elected officials

1) Financing 2) The creation of some sort of universal design and set of construction drawings that might be offered through the EDPNC for use throughout the state by any community that is interested. This could save a bundle for the local community in terms of engineering and / or architectural costs. 3) The "best" one or two sizes that EDPNC has been seeing the most demand for by clients looking at NC as a future home (ex.: 50,000 sq ft = 40% of inquiries; 100,000 sq ft = 48% of inquiries, etc). This would help communities that are considering a shell building to build a building that will be in demand.

Types of bidding/building. Using CM at Risk versus traditional Design Build

Financing

Is it an appropriate strategy in communities where existing employers cannot find worker? Should local governments be investing in workforce training/and development rather than making speculative investments in buildings to attract employers that will exacerbate the existing workforce challenges?

EDPNC is collaborating with NCEDA to host a workshop with open discussion a...

How to educate the elected leadership of the need for product in order to be involved in economic development recruitment, or even existing industry expansions in many communities that have no available product in the market.

Partners and how to best structure the agreement to keep cost under control.

If time allows, I believe all of the above noted road blocks should be addressed. I also think this subject could warrant a full day workshop

Financing options, Success stories, and best practices in terms of selecting a contractor, size/location of buildings, and features of the building that will ensure a reasonably quick sale!

?

Finding funding sources and seems to be the biggest hurdle most rural communities encounter.

What types of facilities have been successful for rural communities.

Rural NC ability to afford spec building. Most developers will not build in rural NC because of risk.

Provide information that will help them make the case to a developer/community that it is necessary and can be filled in a reasonable time frame.

Size ranges that are the most requested, any ways to help reduce the costs of constructing a spec building.

No opinion

Speculative development in rural areas. Specifically, how to demonstrate that rural areas may need to assume some risk (taking possession of the building if it does not sell after a period of time) because developers are less willing to assume all of the risk in these areas. Like my other things, developers have more success in urban areas that adjoin interstate highways. Give examples of the time it has taken to sell spec. buildings in rural areas. This provides evidence that they can be sold in a reasonable time.

Give examples of creative financing and deal structures. Give examples of different type of building costs and provide recent data on specs that clients are most recently requesting

Financial Assistance to local governments

EDPNC is collaborating with NCEDA to host a workshop with open discussion a...

Size of the spec building, financing options,

Funding or working with Regional developers that may consider outside the typical urban cores.

Financing options, developers engaging in spec building, and what others have done that works.

Most requested size and ceiling heights. Floor or no floor. Additional acreage. Rail gas and other utility requirements

Funding Size

What are the most desired building attributes? How can communities best inspire private development of inventory? Should they?

Funding options

Financing options, creative partnerships, successful models around the state

Funding

Land, financing, sizing, level of "finish", pros and cons

Marketing spec buildings in those counties that aren't "hot" (i.e. rural areas, distressed urban).

Garnering local support Focus on creative ways to forge public / private partnerships

How to package it

Financing and where do you start

Gathering market data - not every community can/should build the same building

1. Grant or zero interest loan funding options 2. Examples of public-private partnerships 3. Understanding, navigating and mitigating any environmental, legal or debt obligation issues

Construction process.

EDPNC is collaborating with NCEDA to host a workshop with open discussion a...

Financing Current design needs Cluster impacts to design

Showing records 1 - 60 of 60

End of Report