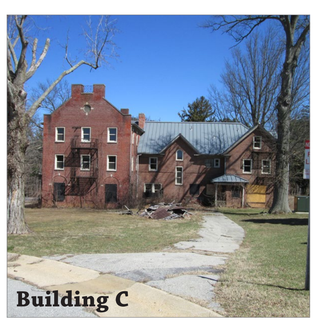
www.bernardon.com

BERNARDON

ARCHITECTURE
INTERIOR DESIGN
LANDSCAPE ARCHITECTURE

Building A - 1953

Building A - Original


Building C

Building T

Building S

Building G

STATE OF DELAWARE

OFFICE OF MANAGEMENT AND BUDGET
DIVISION OF FACILITIES MANAGEMENT

New Castle County Facilities
Master Planning Analysis

May 22, 2017

BERNARDON

ARCHITECTURE
INTERIOR DESIGN
LANDSCAPE ARCHITECTURE

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Thank you to all who generously contributed their time and expertise to the making of this document:

- **State of Delaware, Division of Facilities Management**
  Michael Svaby | *Director*
  Mark DeVore, P.E. | *Chief of Engineering and Operations*
  Donna Diaz | *Real Property Specialist*
- **State of Delaware, Division of Health & Social Services**
  Daniel Episcopo | *Director of Facilities*
- **State of Delaware, Senate**
  Senator Anthony Delcollo
- **State of Delaware, House of Representatives**
  Representative Kim Williams
- **State of Delaware, Office of Management & Budget**
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- **State of Delaware, DEDO**
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  Steven Hartwig | *Managing Director, Transaction Financial Services*
- **VanDemark & Lynch, Inc.**
  Steven Johns,, P.E. | *Vice President*
  Lisa Donlon, P.E. | *Project Manager*

EXECUTIVE SUMMARY

Building C - Front Door

1. PURPOSE

A. Bond Bill Language

In December of 2016 the State of Delaware Division of Facilities Management (DFM) retained the architecture, landscape architecture, and interior design firm of Bernardon to provide Master Planning Services for the Emily P. Bissell property based on language in the FY 2017 Bond Bill.

B. Process

The Bernardon planning team consisted of our own internal architects and interior designers, as well as civil engineers VanDemark & Lynch, Inc., and international real estate advisors from the firm of Newmark Grubb Knight Frank. The team utilized previous reports and new information provided by the DFM, as well as personal visits to the site and observations of the existing buildings on site to prepare its conclusions.

Several coordination meetings were held and the following clarifications to the subject of the master plan were established:

- The focus of the master planning effort would be the Emily P. Bissell Hospital site and adjacent State-owned property (directly east, across Route 41).
- Several agencies housed in leased offices throughout New Castle County would not be considered in the master planning process for reasons of proximity to constituent groups and access to public transportation.
- Future space needs of agencies to be included in the Master Plan will be assumed to remain static. No increases in agency square footage were anticipated.
- Meetings were also held with area legislators to gather their input regarding the desires of their respective constituencies. Additional meetings were held with the Delaware Economic Development Office (DEDO) to explore possible options available through that agency.

After the various individual meetings, it was concluded that the primary focus of the master planning process would be to establish options for the most beneficial use of the Emily P. Bissell Hospital property for the State of Delaware. **Once these options are ultimately defined, it is important that a public meeting be scheduled to solicit citizen input toward finalizing the Master Plan and the selection of a preferred option for the State's efforts moving forward.**

2. CURRENT STATUS

A. State of Delaware Leased Offices in New Castle County

Together, the State of Delaware and the Bernardon Team reviewed and analyzed all of the leased space occupied by the State of Delaware in New Castle County. In all, the State occupies 497,573 rentable square feet at a total current annual rent of $9,993,212.

It was concluded that several agencies, such as those operated within constituent communities, would not be considered for possible relocation due to access to public transportation and other factors. The totals for those agencies excluded from consideration amounts to 58,900 rentable square feet at an annual rental cost of $827,016.

After subtracting the excluded agencies from the total leased space in New Castle County, the resultant total square footage leased is 438,673 rentable square feet at a current annual cost of $9,166,196.

B. Emily P. Bissell Hospital Property

The Emily P. Bissell Hospital property consists of two parcels on the east and west sides of Newport Gap Pike in Mill Creek Hundred, New Castle County, Delaware. The first parcel, TP#08-032.20-110, is approximately 24.4 acres located on the west side of Newport Gap Pike, just south of the Newport Gap Pike/Mill Creek Road. The property is zoned OR (Office Regional) with multiple buildings, parking, and two entrances onto Newport Gap Pike. The site is currently vacant, but was most recently used as a residential institutional facility. There is also a Recycling Delaware location and a State of Delaware communications tower on the site. Christiana Care Health System also leases one of the buildings on site for use as an adult day care facility. All of the buildings on this parcel exceed 50 years in age and would need approval from the New Castle County Historic Review Commission to be demolished.

The second parcel, TP#08-026.00-068, is approximately 8.2 acres located on the east side of Newport Gap Pike and on the south side of Hercules Road. The property is also zoned OR and is currently vacant. There is an existing entrance onto Newport Gap Pike and a driveway through the property that provides access to the neighboring property owned by the Delaware Association for the Blind (DAB). The property was formerly occupied by the Emily Bissell Group Home; however, the building has been removed.

3. ANALYSIS

A. State of Delaware Leased Office Space Relocation

The existing buildings on the main parcel of the site contain approximately 120,000 square feet that could be renovated. This renovation could displace an equivalent portion of the leased space noted above into State-owned and operated space on the existing Emily P. Bissell Hospital property.

B. Newmark Grubb Knight Frank – Lease vs. Develop/Construct Analysis

Newmark Grubb Knight Frank (NGKF) employed their real estate analysis group to take the lease, construction, and development data collected by the planning team to create a "Lease vs. Develop/Construct Analysis." This analysis compares the annual and overall cost of the existing "Status Quo" lease situation in New Castle County and compares it to the renovation and development options described below. Utilizing a 20-year analysis period, projections were calculated for the following options:

Building C

I. "Status Quo" (Do Nothing)

II. Renovate existing buildings and "back fill" 120,000 RSF of leased space into existing buildings.

III. Renovate existing buildings and construct a new building to house all 438,673 SF of leased space.

IV. Sell property and negotiate a lease back of 438,673 SF of renovated and new space.

V. Demolish existing buildings and construct a new building of 438,673 SF.

VI. Demolish existing buildings and construct a new 531,000 SF building to maximize the site.

VII. Sell the land and buildings and remain in leases in current locations.

C. Emily P. Bissell Hospital Property Development Analysis

In addition to the "Do Nothing" option, four sketch plan options were developed by the team to illustrate NGKF Lease vs. Develop/Construct Analysis:

- Renovation of only the existing buildings on the site to provide office space for state agencies located in leased space elsewhere in New Castle County. In addition to the renovation costs of the existing buildings, this option requires the addition of 341 parking spaces to the existing 155 spaces.
- Renovation of the existing buildings PLUS the construction of approximately 319,000 square feet of new space to accommodate relocation of all currently-leased office spaces while keeping all except the most dilapidated existing buildings. This option requires 1,756 parking spaces housed mostly in structured parking, and results in a total of 439,000 SF of available office space.
- Demolition of all buildings on the site and construction of 439,000 SF of NEW office space with 1,756 new parking spaces, most of which are accommodated in structured parking. This option represents housing all of the current leased square footage of 438,673 SF in a new building.
- Demolition of selected buildings on the site and construction of approximately 531,000 SF of new office space with requisite structured parking. This option reflects the approximate maximum allowable SF of office space per New Castle County Uniform Development Code (UDC).

4. OPTIONS & NEXT STEPS

A. Recommended Options for the Emily P. Bissell Property

As a result of the leased property, real estate, and site development analysis described on the previous pages, we are able to suggest the following options that are available to the State of Delaware concerning the best use of the Emily P. Bissell Hospital property:

Option 1. Delaware Economic Development Office (DEDO) Land Inventory
During the course of the master planning process, representatives of DFM, Office of Management and Budget (OMB), and Bernardon met with representatives of DEDO to discuss DEDO's possible involvement with the Bissell property to optimize value to the State. Those discussions revealed that the property can be put into DEDO's land inventory to be provided as a possible location for economic development by private industry.

Option 2. Development of Emily P. Bissell Hospital Property

- State development of property for internal office uses: This option would require the State to determine the amount of State-owned office space desired to replace some amount of the leased space in New Castle County. This may range anywhere from 75,000 SF to approximately 439,000 SF. This process would follow all current Title 29 procedures for public works construction for site improvement, renovation, design, and construction bidding for new space in existing buildings or new office buildings.
- Developer RFP: This option will utilize a public Request for Proposal (RFP) process to offer the Bissell property for development by a private entity through a long-term property lease similar to that utilized by the University of Delaware/1743 Holdings for the development of the former Chrysler Plant property. Conditions of the RFP would include, but not be limited to, continued ownership of the property by the State, the provision of lease terms for state offices that would be financially beneficial to the State, and the recruitment of businesses that would add new jobs to the State's labor market.

Option 3. Outright Sale of the property on the open real estate market
This option entails putting the property on the open real estate market for sale to the highest offeror. The approximate commercial value of the property is estimated to be $5,000,000.

B. Next Steps

- **Obtain a legal analysis of the original 1925 deed to determine if references to "use as an institution for the prevention and cure of Tuberculosis" constitute an impediment to the use of the property for other purposes.**
- **Schedule and conduct public meeting and collect constituent input.**
- **Fully develop study Options.**
- **Provide completed final report to the State of Delaware.**

Building C

1. PURPOSE

A. Bond Bill Language

In December of 2016 the State of Delaware Division of Facilities Management (DFM) retained the architecture, landscape architecture, and interior design firm of Bernardon to provide Master Planning Services for the Emily P. Bissell property based on language in the FY 2017 Bond Bill.

B. Process

The Bernardon planning team consisted of our own internal architects and interior designers, as well as civil engineers VanDemark & Lynch, Inc., and international real estate advisors from the firm of Newmark Grubb Knight Frank. The team utilized previous reports and new information provided by the DFM, as well as personal visits to the site and observations of the existing buildings on site to prepare its conclusions.

Several coordination meetings were held and the following clarifications to the subject of the master plan were established:

- The focus of the master planning effort would be the Emily P. Bissell Hospital site and adjacent State-owned property (directly east, across Route 41).
- Several agencies housed in leased offices throughout New Castle County would not be considered in the master planning process for reasons of proximity to constituent groups and access to public transportation.
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- Meetings were also held with area legislators to gather their input regarding the desires of their respective constituencies. Additional meetings were held with the Delaware Economic Development Office (DEDO) to explore possible options available through that agency.

After the various individual meetings, it was concluded that the primary focus of the master planning process would be to establish options for the most beneficial use of the Emily P. Bissell Hospital property for the State of Delaware. **Once these options are ultimately defined, it is important that a public meeting be scheduled to solicit citizen input toward finalizing the Master Plan and the selection of a preferred option for the State's efforts moving forward.**

Building A - Rear

2. CURRENT STATUS

A. State of Delaware Leased Offices in New Castle County

Together, the State of Delaware and the Bernardon Team reviewed and analyzed all of the leased space occupied by the State of Delaware in New Castle County. In all, the State occupies 497,573 rentable square feet at a total current annual rent of $9,993,212.

It was concluded that several agencies, such as those operated within constituent communities, would not be considered for possible relocation due to access to public transportation and other factors. The totals for those agencies excluded from consideration amounts to 58,900 rentable square feet at an annual rental cost of $827,016.

After subtracting the excluded agencies from the total leased space in New Castle County, the resultant total square footage leased is 438,673 rentable square feet at a current annual cost of $9,166,196.

The State's New Castle County Real Property Lease Inventory list follows in Figure 2.1

B. Emily P. Bissell Hospital Property

The Emily P. Bissell Hospital property consists of two parcels on the east and west sides of Newport Gap Pike in Mill Creek Hundred, New Castle County, Delaware. The first parcel, TP#08-032.20-110, is approximately 24.4 acres located on the west side of Newport Gap Pike, just south of the Newport Gap Pike/Mill Creek Road. The property is zoned OR (Office Regional) with multiple buildings, parking, and two entrances onto Newport Gap Pike. The site is currently vacant, but was most recently used as a residential institutional facility. There is also a Recycling Delaware location and a State of Delaware communications tower on the site. Christiana Care Health System also leases one of the buildings on site for use as an adult day care facility. All of the buildings on this parcel exceed 50 years in age and would need approval from the New Castle County Historic Review Commission to be demolished.

The second parcel, TP#08-026.00-068, is approximately 8.2 acres located on the east side of Newport Gap Pike and on the south side of Hercules Road. The property is also zoned OR and is currently vacant. There is an existing entrance onto Newport Gap Pike and a driveway through the property that provides access to the neighboring property owned by the Delaware Association for the Blind (DAB). The property was formerly occupied by the Emily Bissell Group Home; however, the building has been removed.

The existing Emily P. Bissell Property Plan follows in Figure 2.2.

The VanDemark & Lynch Assessment Report follows in Figure 2.3.

The original 1925 Deed and text transcription follow in Figures 2.4 and 2.5.

2. CURRENT STATUS

- FIGURE 2.1:
  NEW CASTLE COUNTY REAL PROPERTY
  LEASE INVENTORY LIST

5/12/2017

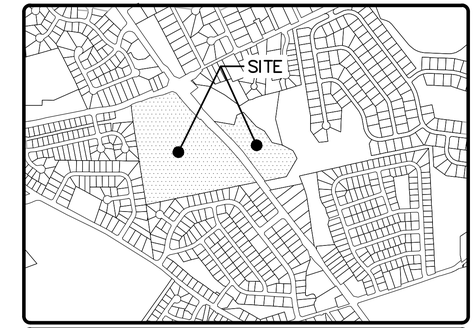
NEW CASTLE COUNTY REAL PROPERTY LEASE INVENTORY LIST

TENANT	ADDRESS	EXPIRATION	CURRENT ANNUAL RENT	SQ. FT.	$/ft
Correction					
Probation & Parole	314 Cherry Lane, New Castle	1/31/2023	$1,139,587	50,000	$22.79
Probation & Parole	26 Parkway Circle, New Castle	8/31/2018	$195,840	12,000	$16.32
Finance					
Revenue	56 Reads Way, Newark	6/30/2019	$77,600	4,850	$16.00
Health and Social Services					
Aging Adults with Physical Disabilities	256 Chapman Rd, Oxford Building, Newark	6/30/2025	$129,533	6,750	$19.19
Substance Abuse	801 South Harrison, Wilmington	6/30/2025	$108,744	8,899	$12.22
Child Support Enforcement	84A Churchmans Corporate Center, New Castle	3/31/2022	$788,250	41,607	$18.95
Division of Medicaid and Medical Assistance	84B Churchmans Corporate Center, New Castle	3/31/2022	$211,631	10,971	$19.29
Division of Social Services	910 East 16th Street, Wilmington	6/30/2020	$196,369	11,000	$17.85
Division of Social Services	153 East Chestnut Hill Road, Robscott Bldg, Newark	6/30/2020	$425,835	18,770	$22.69
Long Term Care/Residents Protection	3 Mill Road, Suite 300, Wilmington	2/28/2022	$205,395	7,112	$28.88
State Service Centers/Adopt-A-Family	3301 Green Street, Claymont Community Center, Claymont	8/31/2020	$93,573	9,944	$9.41
State Service Center/De La Warr	500 Rogers Road, New Castle, property owned by NCC	8/31/2019	$500	9,209	$0.05
Visually Impaired	Cornell Business Park, 300 Cornell Drive, Wilmington	6/30/2019	$32,866	5,265	$6.24
Developmental & Disabilities Services	2540 Wrangle Hill Road, Stes 200-250, Fox Run Office Park, Bear	3/31/2018	$339,746	15,443	$22.00
Developmental & Disabilities Services/phasing o	2540 Wrangle Hill Road, Stes 100-150, Fox Run Office Park, Bear	3/31/2018	$361,614	16,437	$22.00
Division of Social Services	1908 Maryland Ave, Suites 1920 & 1928, Canby Park, Wilmington	4/30/2021	$236,136	12,000	$19.68
Division of Social Services	1908 & 1936 Maryland Ave, Stes 1904, 06, 08, 10, 36 Canby Park, Wilmin	11/30/2018	$234,605	12,283	$19.10
Division of Social Services	Ashley Mansion Office Park, 15 Ashley Place, Wilmington	4/30/2018	$153,458	6,565	$23.38
DSAMH	261 Chapman Road, Stockton Building, Newark	6/30/2025	$73,056	3,807	$19.19
Public Health	256 & 258 Chapman Road, Chopin & Oxford Building, Newark	8/31/2021	$445,710	22,744	$19.60
Wonder Program	6 Denney Road, Suite 100, Wilmington	9/30/2018	$88,072	5,624	$15.66
Labor					
Department Headquarters	Fox Valley Shops, 43rd and Market Streets, Wilmington	12/31/2025	$2,143,334	82,303	$26.04
Unemployment Insurance/Employ & Training	225 Corporate Blvd, Stes 108, 207, 200 & 211, Newark	6/30/2019	$255,967	10,760	$23.32
Department Headquarters	Fox Valley - Brandywine Pharmacy 19 Lea Blvd, Wilmington	12/31/2025	$210,422	6,800	$30.94
Vocational Rehabilitation	200 Executive Drive, Suite 204, Newark	7/31/2017	$118,018	4,500	$26.23
DNREC					
Air & Waste Management	391 Lukens Drive, Riveredge Park, New Castle	10/31/2017	$396,723	25,284	$15.69
KIDS					
Youth Rehabilitation Services	19 Lambson Lane, Rose Hill Community Center, New Castle	3/31/2018	$7,200	800	$9.00
DYRS/Family Services	119 Lower Beech Street, 3rd Floor, Wilmington	6/30/2013	$286,443	27,000	$10.61
Family Services / Child Mental Health	263 Chapman Road, Suites 100 & 200, Cambridge Bldg, Newark	12/31/2019	$550,215	24,803	$22.18
Management Services	Hagley Building Concord Plaza, Wilmington	3/31/2026	$486,770	24,038	$20.25

Figure 2.1: New Castle County Real Property Lease Inventory List

2. CURRENT STATUS

- FIGURE 2.2:
  EXISTING PROPERTY PLAN



BLOCK MAP **LOCATION PLAN** SCALE: 1" = 800'

LEGEND

D.R.	DEED RECORD
T.P. NO.	TAX PARCEL NUMBER
	FENCE LINE
	PROPERTY LINE
	DEED RESTRICTIONS/SETBACKS
LP	LIGHT POLE
WV	WATER VALVE
	TREELINE
	BRUSH LINE
	CONCRETE
	PAVEMENT
	BUILDING
FW	WATER LINE
S	SANITARY SEWER MANHOLE
	FLOODPLAIN (PER PREV. RECORD PLAN)
	RIPARIAN BUFFER LINE
	WETLANDS

GENERAL DATA

	PARCEL 1	PARCEL 2
1. OWNER:	EMILY P. BISSELL HOSPITAL 3000 NEWPORT GAP PIKE WILMINGTON, DE. 19808	STATE OF DELAWARE DEPT. OF HEALTH AND SOCIAL SERVICES 1901 NORTH DUPONT HIGHWAY NEW CASTLE, DE. 19720
2. TAX PARCEL NO.:	08-032.20-110	08-026.00-068
3. SOURCE OF TITLE:	20130617-0038714	20070716-0063028
4. AREA:	24.42± ACS.	8.24± ACS.
5. MODIFIED GRID NO.:	084/358	086/360

6. ZONING: OR

MINIMUM LOT SIZE	1.0 ACRES
MAXIMUM BUILDING HEIGHT	50'/140'
MINIMUM STREET YARD SETBACK	40'
MINIMUM SIDE YARD SETBACK	15'
MINIMUM REAR YARD SETBACK	40'
MINIMUM PAVING STREET SETBACK	40'
MINIMUM PAVING OTHER SETBACK	10'
MAXIMUM GROSS FLOOR AREA (OFFICE)	0.50 *
MAXIMUM NET FLOOR AREA (OFFICE)	0.83 *

*CAPACITY CALCULATIONS ARE REQUIRED TO DETERMINE AREA. PUBLIC FACILITIES ARE EXEMPT FROM CAPACITY CALCULATIONS.

7. COUNCILMANIC DISTRICT: 9
8. VERTICAL DATUM: NAVD 88
9. HORIZONTAL DATUM: ASSUMED
10. BENCHMARK: DERIVED FROM GPS OBSERVATIONS USING HARN MONUMENTATION.
11. SITE BENCHMARK: SQUARE CUT IN SOUTHEAST CORNER OF CONCRETE PAD WITH TRANSFORMER ELEVATION = 210.43.
12. WATER: UNITED WATER
WATER SUPPLY IS SUBJECT TO THE APPROVAL OF THE DELAWARE STATE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL AND THE DELAWARE DEPARTMENT OF PUBLIC HEALTH.
13. SEWER: NEW CASTLE COUNTY DEPARTMENT OF SPECIAL SERVICE
SEWERAGE IS SUBJECT TO THE APPROVAL OF THE NEW CASTLE COUNTRY DEPARTMENT OF SPECIAL SERVICES

SKETCH EXISTING CONDITIONS
EMILY P. BISSELL HOSPITAL
NEWPORT GAP PIKE
MILL CREEK HUNDRED NEW CASTLE COUNTY
DELAWARE
SCALE: 1"=100' APRIL 6, 2017

100 0 50 100 200 400
GRAPHIC SCALE (FEET)

EXISTING PROPERTY PLAN

NOTE:

THIS PLAN IS A COMPOSITE OF PREVIOUS PLANS PREPARED BY VANDEMARK & LYNCH, INC. AND DOES NOT REPRESENT A CURRENT SURVEY.

VANDEMARK & LYNCH, INC.
ENGINEERS – PLANNERS – SURVEYORS
4305 MILLER ROAD
WILMINGTON, DE 19802/(302) 764-7635
WWW.VANDEMARKLYNCH.COM

SURVEYED BY:	FILE NAME 24344-EXHIB-01	REVISION	SHEET 1 OF 1
COMPUTED BY:	PERMANENT FILE 082/372	QA REVIEW	SIZE
PROJECT MANAGER S.JOHNS	APPROVED BY		
DRAWN BY: N.DONLON	SEAL IS NOT VALID UNLESS RED OR EMBOSSED		

Figure 2.2: Existing Property Plan

2. CURRENT STATUS

- FIGURE 2.3:
  VANDEMARK & LYNCH ASSESSMENT REPORT

VANDEMARK & LYNCH, INC.
ENGINEERS • PLANNERS • SURVEYORS
4305 MILLER ROAD
WILMINGTON, DE 19802-1901
(302) 764-7635 FAX (302) 764-4170
www.vandemarklynch.com

ASSESSMENT REPORT
FOR
EMILY P. BISSELL PROPERTY
MILL CREEK HUNDRED
NEW CASTLE COUNTY, DELAWARE
PROJECT NO. 24344
MARCH 2017

Introduction:

The following is a conditions and development potential assessment for the Emily P. Bissell property consisting of two parcels on the east and west sides of Newport Gap Pike in Mill Creek Hundred, New Castle County, Delaware. The first parcel, TP#08-032.20-110, is approximately 24.4 acres located on the west side of Newport Gap Pike, just south of the Newport Gap Pike/Mill Creek Road. The property is zoned OR- Office Regional with multiple buildings, parking, and two entrances onto Newport Gap Pike. The site is currently vacant, but was most recently used as a residential institutional facility. There is also a Recycling Delaware location on the site.

The second parcel is TP#08-026.00-068, is approximately 8.2 acres located on the east side of Newport Gap Pike and on the south side of Hercules Road. The property is also zoned OR and is currently vacant. There is an existing entrance onto Newport Gap Pike and a driveway through the property that provides access to the neighboring property owned by the Delaware Association for the Blind (DAB). The property was formerly occupied by the Emily Bissell Group Home; however, the building has been removed.

Existing Infrastructure:

Parcel 1

There are multiple paved driveways, parking lots, and access lanes on the site. The existing paving is generally in fair to good conditions, with only a few areas in poor condition. These areas are identified on the attached plan. There are approximately 155 marked parking spaces, with several other areas that could be utilized for parking.

Approximately 80% of the site drains towards a regional stormwater facility located on the adjoining lot to the north. The majority of the site drains overland to the basin; however, there are some storm inlets and pipes that convey drainage from the south side of the property to the north side basin. The remaining area on the site drains to Newport Gap Pike. Storm drain

structures are located within the right-of-way for Newport Gap Pike at the two entrance/exit locations. The parking lots on the north side of the site have several curb-cuts to release runoff from the area. Due to the concentrated flow, there is some erosion in the curb-cut areas. These areas are identified on the attached plan.

New Castle County provides sewer to the site. Based on field observations, it appears that the sanitary sewer service for the main hospital building is located on the north side of the building and discharges to a New Castle County sewer manhole located on the west side of Newport Gap Pike just north of the north entrance/exit. Sewer connection for the auxiliary buildings could not be located. From previous plans we know there is a sewer line that runs from the site through the DAB property, in a 20 foot wide easement, to a sewer main that runs along Hyde Run.

Artesian Water supplies the site with water from a water supply line in Newport Gap Pike. There is a fire hydrant within the right-of-way on west side of Newport Gap pike, just south of the southern entrance/exit. There are also several fire hydrants within the site, near the existing buildings. Based on field observations, it appears that the water service for the main hospital is located on the north side of the building. Water service for the auxiliary buildings could not be located.

Parcel 2

There is an existing driveway on the property that once served the Emily P. Bissell Group Home, and continues onto the DAB property. The group home structure has been removed. The paving for the driveway is currently covered in woodland debris, but appears to be in good condition. The access is currently chained off at the right-of-way line. The existing access location is limited to a rights-in and rights-out movement due to the configuration of the Newport Gap Pike/Hercules Road/Mill Creek Road intersection.

Hyde Run bisects the parcel from north to south. The eastern part of the site does not have road frontage and there is no access across Hyde Run within the property. A small concrete bridge crosses Hyde Run connecting the DAB parcel with the east side of the parcel; however, there is no known easement for access to this bridge. Additional access to the east side of the property may be possible from an entrance off Hercules Road, but this entrance also requires travel through a neighboring property, and again, there is no known easement for this access.

All of the site drainage runs overland to Hyde Run. The site is predominately woodlands, and there are significant areas of wetlands and floodplain on the parcel.

A New Castle County sewer main, with a 10' easement, runs through the property on the east side of Hyde Run. The previously mentioned 20' easement runs from this existing sewer main, under Hyde Run, through the adjacent DAB property, back onto Parcel 2 in the area of the former Emily Bissell Group Home location, and out to Newport Gap Pike. This easement is for the benefit of the Emily P. Bissell Hospital.

As stated above, the Artesian Water supply line is located in Newport Gap Pike along the frontage of this property.

Figure 2.3: VanDemark & Lynch Assessment Report

Site Constraints:

For the purposes of assessing development potential, we will assume the property will be developed for office uses.

If the property is developed by the State to support public facilities, per Section 40.05.050H of the Unified Development Code (UDC), the development would be exempt from Article 5 (Site Capacity and Concurrency Calculations), Article 10 (Environmental Standards, excluding floodplain or federal or State wetlands regulations), Article 14 (Impact fees), Table 40.03.210 (Limited and Special Use Standards), Table 40.04.111 (Landscape and Illumination Standards, excluding lighting regulations), and Section 40.04.240 (Scenic Corridors). This significantly reduces the limits put on the size of the possible development for the site.

For the purposes of the discussion below, we have assumed the development will be private and will not be able to benefit from the public exclusions.

1. The basic limits for development from the UDC are listed in Note 6 on the accompanying Exhibit Plan.

2. The maximum allowed building height is 140 feet, but the yard setback, adjacent to single-family attached or detached dwellings within 100 feet of the property line, must be at least equal to building height for buildings over 50 feet in height.

3. The 2007 Record Minor Land Development Plan for the Delaware Association for the Blind included a note that protects designated natural resource areas with a conservation easement that runs in perpetuity for the benefit of New Castle County. The conservation easement areas, shown on the accompanying plan are required to remain in their natural state. Please note that all the protected resources under Article 10 are not shown for included on the Record Plan for Parcel 2 and any proposed development would have to address additional protected resources.

4. We also reviewed the deed to the properties, which is dated March 25, 1925. The deed is hand written and the copy difficult to read, but it appears that the last section of the deed, Section 12 may restrict the lands to those associated with finding a cure for tuberculosis. We recommend that the deed be reviewed and interpreted by someone, possibly an attorney, with a better understanding of the wording and phrasing used to create deed restrictions in the early 20th Century.

Site Capacity:

As stated earlier, for public facility, the site capacity calculations do not apply; therefore gross floor area (GFA) is only limited on the ability to provide parking, stormwater management, and required yard setbacks.

For a private facility, the site capacity calculations apply. These calculations shown in the following chart are based on an approximate determination of the protected resources for the parcels. The available site information does not include sufficient detail for a certified protected resources delineation. The approximate capacity calculations for the two sites area as follows:

	Total Area (ac)	Protected Land/ Min. Landscape Area (ac)	Proposed Use	Max. Gross GFA * (sf)	Max. Net GFA * (sf)
Parcel 1	24.4	7.3	Office	531,400	617,500
Parcel 2	8.2	7.2	Office	178,600	36,000

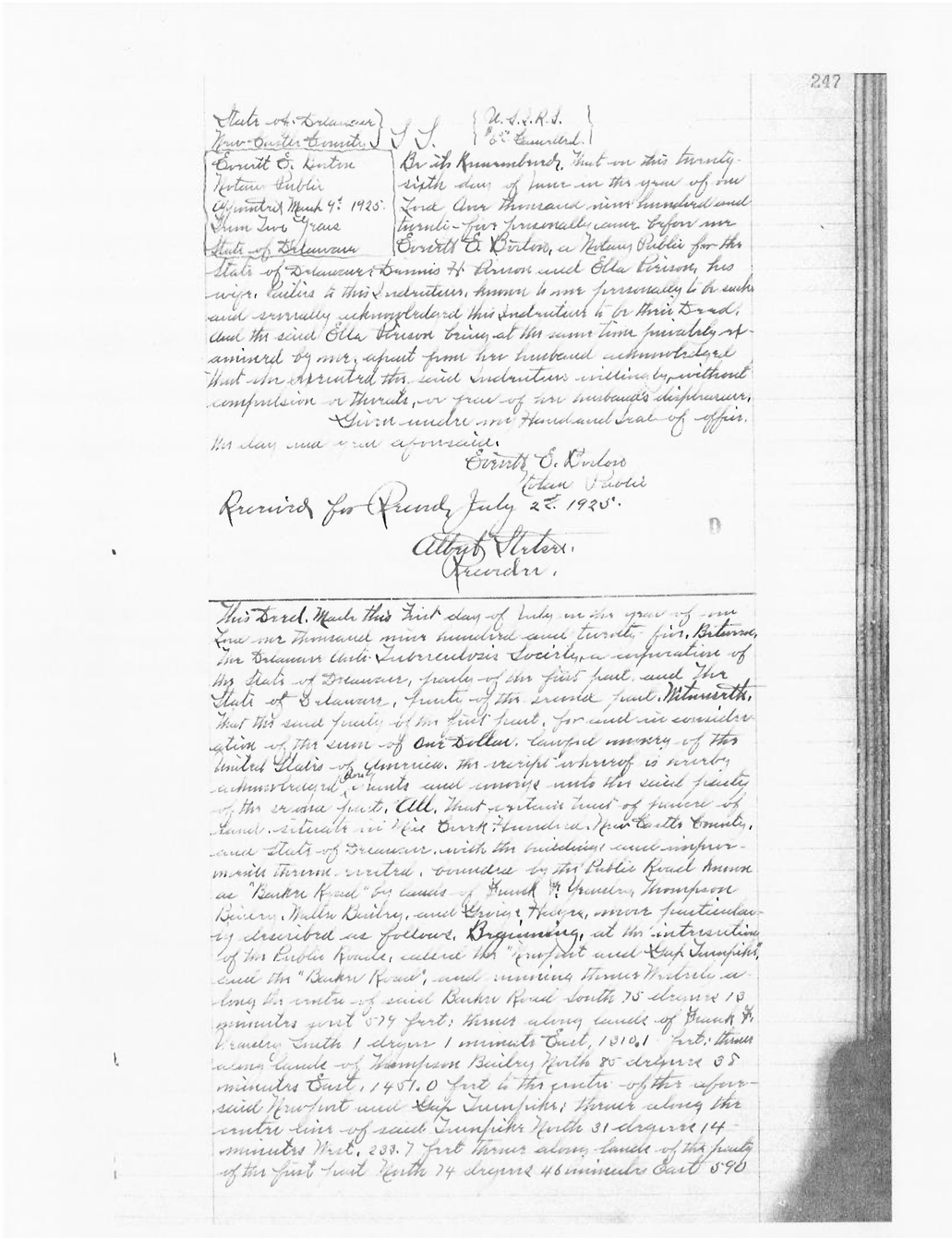
* The smallest of the Gross or Net applies.

Due to the extent of the protected resources on Parcel 2 it would be difficult to achieve even the limited potential gross floor area and provide the required parking, stormwater management, and utilities for this parcel. New Castle County Department of Land Use was contacted to discuss if there was a path to construct Parcel 2's site capacity on Parcel 1. The County said that direct transfer of the development rights would not be allowed based on a strict reading of the UDC. However it may be possible to combine the two parcels and concentrate the development in one area. This path would require more direct review with the County.

Figure 2.3: VanDemark & Lynch Assessment Report

2. CURRENT STATUS

- FIGURE 2.4:
  ORIGINAL 1925 DEED



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State of Delaware
New Castle County } S. S. { R. S. R. S. / 8th Entered.

Everett E. Barton
Notary Public
Appointed March 9th 1925.
Term Two Years
State of Delaware

Be it Remembered, that on this twenty-sixth day of June in the year of our Lord One thousand nine hundred and twenty-five personally came before me Everett E. Barton, a Notary Public for the State of Delaware, Dennis H. Brown and Ella Brown, his wife, parties to this indenture, known to me personally to be such, and severally acknowledged this indenture to be their Deed; and the said Ella Brown being at the same time privately examined by me, apart from her husband acknowledged that she executed the said indenture willingly, without compulsion or threats, or fear of her husband's displeasure.

Given under my Hand and Seal of Office, the day and year aforesaid.

Everett E. Barton
Notary Public

Received for Record July 27th 1925.
Attest Peter.
Recorder.

This Deed, Made this First day of July in the year of our Lord one thousand nine hundred and twenty-five, Between, the Delaware State Tuberculosis Society, a corporation of the State of Delaware, grantor of the first part, and The State of Delaware, grantee of the second part, Witnesseth, That the said grantor of the first part, for and in consideration of the sum of One Dollar, lawful money of the United States of America, the receipt whereof is hereby acknowledged, doth grant and convey unto the said grantee of the second part, All, that certain tract of parcel of land, situate in Mill Creek Hundred, New Castle County, and State of Delaware, with the buildings and improvements thereon erected, bounded by the Public Road known as "Barker Road" by lands of Frank H. Brewer, Thompson Bailey, Walter Bailey, and George Hayes, more particularly described as follows, Beginning, at the intersection of the Public Road, called the "Capitol and Cap Turnpike", and the "Barker Road", and running thence Westerly along the center of said Barker Road South 75 degrees 18 minutes West 579 feet; thence along lands of Frank H. Brewer South 1 degree 1 minute East, 1310.1 feet; thence along lands of Thompson Bailey North 85 degrees 55 minutes East, 1451.0 feet to the center of the aforesaid Capitol and Cap Turnpike; thence along the center line of said Turnpike North 31 degrees 14 minutes West, 238.7 feet thence along lands of the grantor of the first part North 74 degrees 46 minutes East 596

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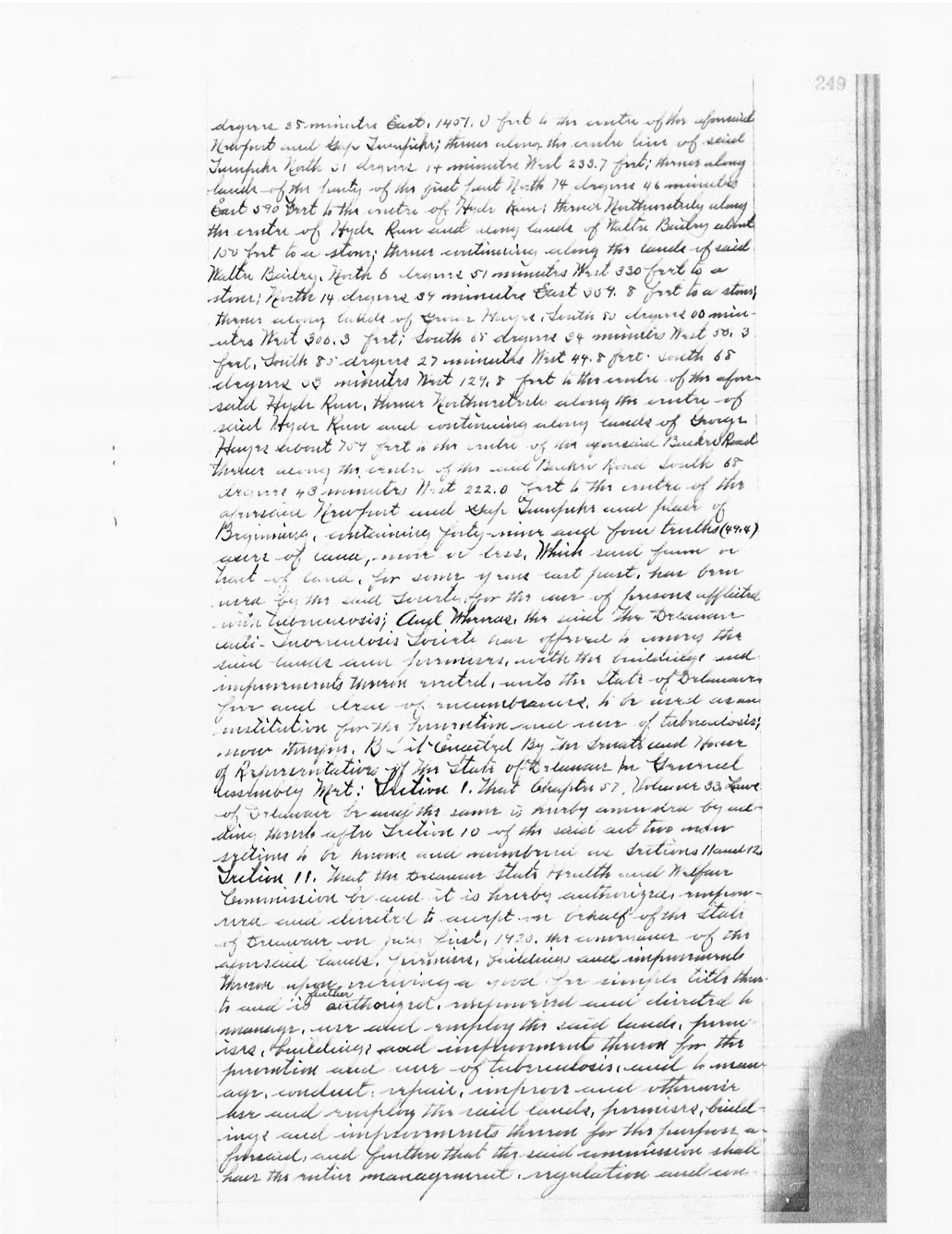
feet to the center of Hyde Run; thence Northwesterly along the center of Hyde Run and along lands of Walter Bailey about 155 feet to a stone; thence continuing along the lands of said Walter Bailey, North 8 degrees 57 minutes West 330 feet to a stone, North 14 degrees 39 minutes East 354.8 feet to a stone; thence along lands of George Hayes, South 80 degrees 00 minutes West 500.3 feet, South 68 degrees 34 minutes West 505.3 feet, South 85 degrees 27 minutes West 44.8 feet, South 58 degrees 33 minutes West 129.8 feet to the center of the aforesaid Hyde Run; thence Northwesterly along the center of said Hyde Run and continuing along lands of George Hayes about 754 feet to the center of the aforesaid Barker Road; thence along the center of the said Barker Road South 68 degrees 43 minutes West 222.0 feet to the center of the aforesaid Capitol and Cap Turnpike and place of Beginning containing Forty-nine and five tenths (49.4) acres of land, more or less, Being the same lands and premises which Otho Rowland and Lottie L. Rowland, his wife, did grant and convey unto the said the Delaware State Tuberculosis Society, as by indenture bearing date the twenty-seventh day of May A.D. 1910 and recorded in the office for the recording of Deeds etc., at Wilmington in and for New Castle County in Deed Record Q, Vol. 28, Page 187 appears, this deed is made in compliance with an Act of the General Assembly of the State of Delaware approved March 23, 1925, which reads as follows: H. B. #39 An Act to Amend an act entitled "An Act to create the State Health and Welfare Commission" Same being Chapter 87, Volume 33, Laws of Delaware, Whereas, the Delaware State Tuberculosis Society, a corporation existing under the laws of the State of Delaware, now owns a certain farm or tract of land with the buildings thereon erected, situated and being in Mill Creek Hundred, New Castle County and State of Delaware, and more particularly bounded and described as follows, to-wit; All that certain tract or parcel of land, situate in Mill Creek Hundred, New Castle County, and State of Delaware, with the buildings and improvements thereon erected, bounded by the Public Road known as Barker Road by lands of Frank H. Brewer, Thompson Bailey, Walter Bailey, and George Hayes, more particularly described as follows, Beginning, at the intersection of the Public Roads, called the "Capitol and Cap Turnpike", and the "Barker Road" and running thence Westerly along the center of said Barker Road South 75 degrees 18 minutes West 579 feet; thence along lands of Frank H. Brewer South 1 degree 1 minute East, 1310.1 feet, thence along lands of Thompson Bailey North 85

Figure 2.4: Original 1925 Deed



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degree 35 minutes East, 1407.0 feet to the centre of the aforesaid Northeast and Sixty Foot Street; thence along the centre line of said Turnpike North 51 degrees 14 minutes West 233.7 feet; thence along lands of the party of the first part North 74 degrees 46 minutes East 590 feet to the centre of Hyde Run; thence Northwesterly along the centre of Hyde Run and along lands of Walter Bailey about 150 feet to a stone; thence continuing along the lands of said Walter Bailey, North 6 degrees 51 minutes West 330 feet to a stone; North 14 degrees 34 minutes East 504.8 feet to a stone; thence along lands of George Hayes, South 50 degrees 00 minutes West 300.3 feet; South 58 degrees 54 minutes West 50.3 feet, South 85 degrees 27 minutes West 44.5 feet. South 65 degrees 08 minutes West 129.8 feet to the centre of the aforesaid Hyde Run, thence Northwesterly along the centre of said Hyde Run and continuing along lands of George Hayes about 704 feet to the centre of the aforesaid Baker Road thence along the centre of the said Baker Road South 65 degrees 43 minutes West 222.0 feet to the centre of the aforesaid Northeast and Sixty Turnpike and place of Beginning, containing forty-nine and four tenths (49.4) acres of land, more or less. Which said farm or tract of land, for some years past, has been used for the said Society for the care of persons afflicted with tuberculosis; And whereas, the said The Delaware Anti-Tuberculosis Society has offered to convey the said lands and farmers, with the buildings and improvements thereon erected, unto the State of Delaware free and clear of encumbrances, to be used as an institution for the prevention and cure of tuberculosis; now therefore, Be it Enacted By the Senate and House of Representatives of the State of Delaware in General Assembly Met: Section 1. That Chapter 57, Volume 33 Laws of Delaware be and the same is hereby amended by adding thereto after Section 10 of the said act two new sections to be known and numbered as Sections 11 and 12.

Section 11. That the Delaware State Health and Welfare Commission be and it is hereby authorized, empowered and directed to accept on behalf of the State of Delaware on the first, 1925, the conveyance of the aforesaid lands, farmers, buildings and improvements thereon upon receiving a good fee simple title thereto and is further authorized, empowered and directed to manage, use and employ the said lands, farmers, buildings and improvements thereon for the prevention and cure of tuberculosis, and to manage, conduct, repair, improve and otherwise use and employ the said lands, farmers, buildings and improvements thereon for the purpose aforesaid, and further that the said commission shall have the entire management, regulation and con-

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trol of the said lands, farmers, buildings and improvements thereon and the use thereof for the purpose aforesaid.

Section 12. The said commission shall have power to admit such persons to the institution maintained on said lands and farmers for the prevention and cure of tuberculosis, as in the judgment of the said commission may be proper, and to provide for the care, treatment and support of such persons, under such rules and regulations as may be from time to time established by the said commission.

Henry C. Dennwood
Speaker of the House.
William T. Smith
President Pro. Tem. of the Senate

Approved March 25, 1925.
Robt. P. Robinson, Governor.

In Witness Whereof, The Delaware Anti-Tuberculosis Society hath hereunto caused its common and corporate seal to be affixed and the same by its Vice President to be hereunto set. Dated the day and year first above written.

Sealed and delivered in presence of Loretta B. Smith

Delaware Anti-Tuberculosis Society
By E. L. Duckett Vice President.
attest: Jesse W. Philips, Secy

Delaware Anti-Tuberculosis Society
Incorporated 1907

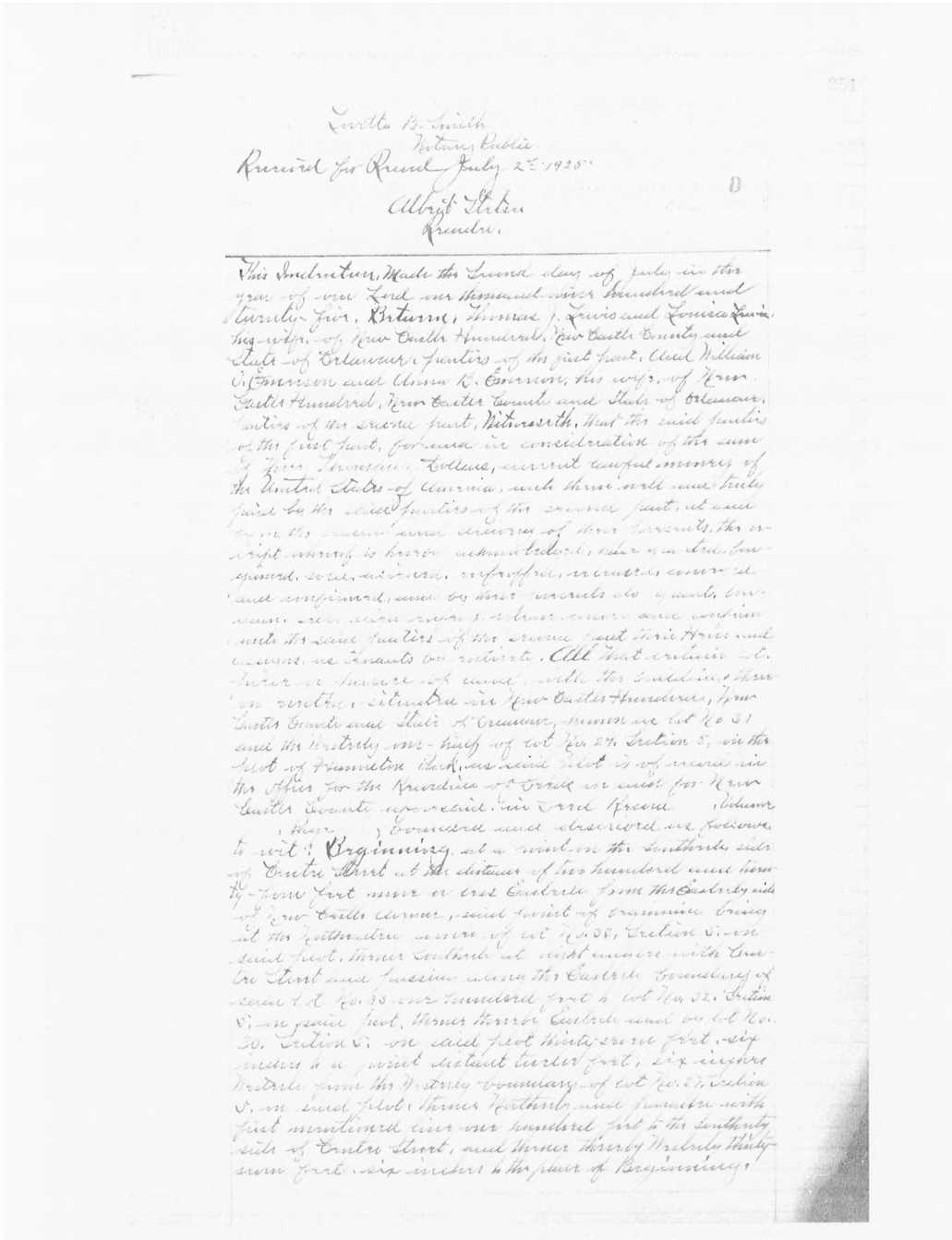
State of Delaware
New Castle County

Loretta B. Smith
Notary Public
Appointed Jan 17-1925.
for Two Years
State of Delaware

Be it Remembered, that on this first day of July in the year of our Lord, one thousand nine hundred and twenty-five, personally came before me Loretta B. Smith, a Notary Public for the State of Delaware, E. L. Duckett Vice President of The Delaware Anti-Tuberculosis Society, a corporation of the State of Delaware, party to this indenture, known to me personally to be such, and acknowledged this indenture to be his act and deed, and the act and deed of the said The Delaware Anti-Tuberculosis Society; that the signature of the said Vice President is in his own proper handwriting; that the seal affixed hereto is the common or corporate seal, and that the act of signing, sealing, executing, acknowledging and delivering said indenture by the said The Delaware Anti-Tuberculosis Society was duly authorized by a resolution of the Board of Directors of said corporation.

Given under my Hand and Seal of Office, the day and year aforesaid

Figure 2.4: Original 1925 Deed



Loretta B. Smith
Notary Public
Received for Record July 2nd 1925
Albert Stetson
Recorder.

This Indenture, Made the Second day of July in the year of our Lord one thousand nine hundred and twenty five, Between, Thomas J. Lewis and Louisa Lewis, his wife, of New Castle Hundred, New Castle County and State of Delaware, parties of the first part, And William C. Emerson and Anna B. Emerson, his wife, of New Castle Hundred, New Castle County and State of Delaware, parties of the second part, Witnesseth, that the said parties of the first part, for and in consideration of the sum of Five Thousand Dollars, current lawful money of the United States of America, unto them well and truly paid by the said parties of the second part, at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, have granted, bargained, sold, assigned, enfeoffed, released, conveyed and confirmed, and by these presents do grant, bargain, sell, alien, enfeoff, release, convey and confirm unto the said parties of the second part their Heirs and assigns, as tenants by entirety, All that certain lot, piece or parcel of land, with the buildings thereon erected, situated in New Castle Hundred, New Castle County and State of Delaware, known as lot No. 31 and the Westerly one-half of lot No. 27, Section 5, in the plot of Hamilton Park, as said plot is of record in the Office for the Recording of Deeds in and for New Castle County aforesaid, in Deed Record, Volume, Page, bounded and described as follows, to wit: Beginning at a point on the Southerly side of Centre Street at the distance of two hundred and twenty-four feet more or less Easterly from the Easterly side of New Castle Avenue, said point of beginning being at the Northeastern corner of lot No. 33, Section 5, on said plot, thence Southerly at right angles with Centre Street and passing along the Eastern boundary of said lot No. 33 one hundred feet to lot No. 32, Section 5, on said plot, thence thereby Easterly and by lot No. 30, Section 5, on said plot thirty-seven feet, six inches to a point distant twelve feet, six inches Westerly from the Westerly boundary of lot No. 27, Section 5, on said plot, thence Northerly and parallel with first mentioned line one hundred feet to the Southerly side of Centre Street, and thence thereby Westerly thirty-seven feet, six inches to the place of Beginning.

Figure 2.4: Original 1925 Deed

2. CURRENT STATUS

- FIGURE 2.5:
  ORIGINAL 1925 DEED (TRANSCRIPTION)

This Deed made this First day of July in the year of our Lord One Thousand Nine Hundred and Twenty-Four,

Between the Delaware Anti-Tuberculosis Society, a corporation of the State of Delaware, party of the first part and the State of Delaware, party of the second part.

Witnesseth, that the said party of the first part, for and in consideration of the sum of One-Dollar, lawful money of the United States of America, the receipt whereof is hereby acknowledged, thereby grants and conveys unto the party of the second part:

All that certain tract of piece of land situate in Mill Creek Hundred, New Castle County and State of Delaware, and the buildings and improvements thereon erected bordered by the Public Road known as "Barker Road" by lands of Frank F._____, Thompson Bailey, Nadine Bailey, and George Hayes more particularly describer as follows

Beginning at the intersection of the Public Road known as the "Newport and Gap Turnpikes" with the Barker Road; and remaining thence Westerly along the centre of said Barker Road South 75 degrees 13 minutes West 574 feet; thence along lands of Frank F. _____ South 1 degrees 1 minute East, 1310.1 feet, thence along lands of Thompson Bailey North 85 degrees 35 minutes East, 1451.0 feet to the centre of the aforesaid Newport and Gap Turnpikes North 31 degrees 14 minutes West, 233.7 feet thence along lands of the party of the first part; North 74 degrees 46 minutes East 590 feet to the centre of the Hyde Run thence Northwesterly along the centre of Hyde Run and along lands of George Bailey about 150 feet to a stone; thence continues along the lands of Milton Bailey, North 5 degrees 51 minutes West 330 feet to a stone, North 14 degrees 39 minutes East 554.8 feet to a stone; thence along lands of George Hayes, South 80 degrees 00 minutes West 55.3 feet South 85 degrees 27 minutes west 44.8 feet, South 68 degrees 33 minutes west 129.8 feet to the centre of the aforesaid Hyde Run; thence northwesterly along the centre of Hyde Run and continues along lands of George Bailey about 754 feet to the centre of the aforementioned Barker Road, thence along the centre of the said Barker Road South 68 degrees 43 minutes West 222.0 feet to the centre of the aforesaid Newport and Gap Turnpike and place of Beginning containing forty-nine and four tenths (49.4) acres of land more or less, Being the same lands and premises which Ottis Newland and Lottie L.P. Newland, his wife, did grant and convey unto the said Delaware Anti-Tuberculosis Society by Indenture bearing date of the twenty-seventh day of May A.D. 1910 and recorded in the office for the Recoding of Deeds, at Wilmington in and for New Castle County in Deed Record Q, Volume 23, Page 137 _____. This Deed is made in compliance with the Articles of the General Assembly for the State of Delaware affirmed March 25, 1925 which reads as follows: H.B. #29 An Act to amend an act entitled "an act to create the State Health and Welfare Commission" Chapter 57, Volume 33, Laws of Delaware, Whereas, the Delaware Anti-Tuberculosis Society, a corporation existing under the laws of the State of Delaware, now serve as farm or tract of lands with the buildings thereon erected, situated and being in the Mill Creek Hundred, New Castle County, and State of Delaware and more particularly bounded and described as follows, to wit:

All that certain tract or premise of land situate in Mill Creek Hundred, New Castle County and State of Delaware with the buildings and improvements thereon erected, bounded by the Public Road known as Barker Road by lands of Frank F. _____, Thompson Bailey, Walton Bailey, and George Hayes, more particularly described as follows:

Beginning at the intersection Public Road and the "Newport and Gap Turnpike" and the "Barker Road" and running thence Westerly along the centre of said Barker Road South 70 degrees, 3 minutes West 5 feet; thence along lands of Frank F. _____, South 1 degree 1 minute East 1310.1 feet; thence along lands of Thompson Bailey North 85 degrees 25 minutes, east 1451.0 feet to the centre of the aforesaid Newport and Gap Turnpike; thence along the centre line of said Turnpike North 1 degree 14 minutes west 233.7 feet; thence along lands of the party of the first part North 74 degrees 46 minutes East 590 feet to the centre of Hyde Run; thence Northwesterly along the centre of Hyde Run and along lands of Walton Bailey about 100 feet to a stone; thence continuing along the lands of said Walton Bailey, North 6 degrees 51 minutes West 330 feet to a stone; North 14 degrees 34 minutes East 304.8 feet to a stone; thence along backside of George Hayes 90 degrees 00 minutes west 300.3 feet, south 68 degrees 34 minutes west 58.3 feet, south 85 degrees 27 minutes west 44.8 feet south 68 degrees 03 minutes west 129.8 feet in the centre of the aforementioned Hyde Run; thence northwesterly along the centre of said Hyde Run and continuing along lands of George Hayes about 754 feet to the centre of the aforesaid Barker Road thence along the centre of the said "Barker Road" south 68 degrees 43 minutes West 222.0 feet to the centre of the aforesaid Newport and Gap Turnpike and point of Beginning containing forty-nine and four tenths (49.4) acres of land, more or less, which said farm or tract of land, for some years past have been used by the said lands for the use of someone affiliated with Tuberculosis; and Whereas the said Delaware Anti-Tuberculosis Society and has offered to convey the said land and premises, with the buildings and improvements thereon erected, unto the State of Delaware free and clear of encumbrances to be used as an institution for the prevention and cure of Tuberculosis; Enacted by the Senate and House of Representatives in the State of Delaware for General Assembly Mrt: Section 1 that Chapter 57, Volume 33 Laws of Delaware be that the same is hereby amended by adding thereto after Section 10 of the said Act two more to be known and numbered as Sections 11 and 12. Section 11. That the Delaware State Health and Welfare Commission be and is hereby authorized, reaffirmed and directed to accept on behalf of the State of Delaware on July First, 1925 the conveyancer of the aforesaid lands, premises, buildings and improvements thereon upon receiving a good fee simple title thereto and is further authorized, reaffirmed, and directed to manage use and occupy the said lands, premises, buildings and improvements thereon for the prevention and cure of Tuberculosis, and further to manage, conduct, repair, improve and otherwise have and remain on the said lands, premise, buildings and improvements thereon for the purpose aforesaid further that the said Commission shall have the entire management, regulation and control of the lands, premises, buildings and improvements thereon and the use thereof for the purpose aforesaid. Section 12. The said Commission shall have power to admit such persons to this institution maintained on said lands and premises for the prevention and cure of Tuberculosis and in the judgment of the said Commission may be therefore used to provide for the cure, treatment and support of such persons, under such rules and regulations as may from time to time established by the said Commission.

/s/ Henry B. Drummond
Speaker of the House

Figure 2.5: Original 1925 Deed (Transcription)

Building B

3. ANALYSIS

A. State of Delaware Leased Office Space Relocation

The existing buildings on the main parcel of the site contain approximately 120,000 square feet that could be renovated. This renovation could displace an equivalent portion of the leased space noted above into State-owned and operated space on the existing Emily P. Bissell Hospital Property. The analysis of currently leased space follows in Figure 3.1.

B. Newmark Grubb Knight Frank – Lease vs. Develop/Construct Analysis

Newmark Grubb Knight Frank (NGKF) employed their real estate analysis group to take the lease, construction, and development data collected by the planning team to create a "Lease vs. Develop/Construct Analysis" (*see Figure 3.2*). This analysis compares the annual and overall cost of the existing "Status Quo" lease situation in New Castle County and compares it to the renovation and development options described below. Utilizing a 20-year analysis period, projections were calculated for the following options:

I. "Status Quo" (Do Nothing)
II. Renovate existing buildings and "back fill" 120,000 RSF of leased space into existing buildings.
III. Renovate existing buildings and construct a new building to house all 438,673 SF of leased space.
IV. Sell property and negotiate a lease back of 438,673 SF of renovated and new space.
V. Demolish existing buildings and construct a new building of 438,673 SF.
VI. Demolish existing buildings and construct a new 531,000 SF building to maximize the site.
VII. Sell the land and buildings and remain in leases in current locations.

C. Emily P. Bissell Hospital Property Development Analysis

In addition to the "Do Nothing" option, four sketch plan options were developed by the team to illustrate NGKF Lease vs. Develop/Construct Analysis:

- Renovation of only the existing buildings on the site to provide office space for state agencies located in leased space elsewhere in New Castle County. In addition to the renovation costs of the existing buildings, this option requires the addition of 341 parking spaces to the existing 155 spaces.
- Renovation of the existing buildings PLUS the construction of approximately 319,000 square feet of new space to accommodate relocation of all currently-leased office spaces while keeping all except the most dilapidated existing buildings. This option requires 1,756 parking spaces housed mostly in structured parking, and results in a total of 439,000 SF of available office space.
- Demolition of all buildings on the site and construction of 439,000 SF of NEW office space with 1,756 new parking spaces, most of which are accommodated in structured parking. This option represents housing all of the current leased square footage of 438,673 SF in a new building.
- Demolition of selected buildings on the site and construction of approximately 531,000 SF of new office space with requisite structured parking. This option reflects the approximate maximum allowable SF of office space per New Castle County Uniform Development Code (UDC).

These sketch plans follow in Figures 3.3 through 3.7.

3. ANALYSIS

- FIGURE 3.1:
  NEW CASTLE COUNTY LEASE ANALYSIS

LEASED SQUARE FOOTAGE SUMMARY

DEPARTMENT	ALL AGENCIES RENTABLE SQUARE FOOTAGE (RSF)	AGENCIES NOT INCLUDED (RSF)	NET RSF FOR STUDY	SHORT TERM LEASE RSF	LONG TERM LEASE RSF	CURRENT ANNUAL RENT
Department of Correction (DOC)	62,000	N/A	62,000	12,000	50,000	$1,335,427.00
Department of Finance (DOF)	4,850	N/A	4,850	4,850	N/A	$77,600.00
Department of Health and Social Services (DHSS)	224,435	58,900	165,535	42,774	122,761	$3,298,077.00
Department of Labor (DOL)	104,363	N/A	104,363	15,260	89,103	$2,727,741.00
Department of Natural Resources & Environment Control (DNREC)	25,284	N/A	25,284	25,284	N/A	$396,723.00
Department of Services for Children, Youth, and their Families (DSCYF)	76,641	N/A	76,641	52,603	24,038	$1,330,628.00
TOTALS	**497,573**	**58,900**	**438,673**	**152,771**	**285,902**	**$9,166,196.00**

BUILDING SQUARE FOOTAGE SUMMARY

EXISTING BUILDINGS	AVAILABLE	
Emily P. Bissell Site (Aggregate - All buildings)	126,065	Rentable Square Footage (RSF)
Existing Parking	155	Spaces
Additional Parking Required by New Castle County Code	355	Spaces

Figure 3.1: New Castle County Lease Analysis

TOTAL LEASED SPACE/NEW CASTLE COUNTY REAL PROPERTY LEASE INVENTORY LIST

TENANT	ADDRESS	EXPIRATION	CURRENT ANNUAL RENT	RENTABLE SQUARE FOOTAGE (RSF)	COST PER RSF
Department of Correction					
Probation & Parole	314 Cherry Lane, New Castle	1/31/2023	$1,139,587	50,000	$22.79
Probation & Parole	26 Parkway Circle, New Castle	8/31/2018	$195,840	12,000	$16.32
		Subtotal	**$1,335,427**	**62,000**	**$39.11**
Department of Finance					
Revenue	56 Reads Way, New Castle	6/30/2019	$77,600	4,850	$16.00
		Subtotal	**$77,600**	**4,850**	**$16.00**
Department of Health and Social Services					
Aging Adults with Physical Disabilities	256 Chapman Road, Oxford Building, Newark	6/30/2025	$129,533	6,750	$19.19
Child Support Enforcement	84A Churchmans Corporate Center, New Castle	3/31/2022	$788,250	41,607	$18.95
Division of Medicaid and Medical Assistance	84B Churchmans Corporate Center, New Castle	3/31/2022	$211,631	10,971	$19.29
Division of Social Services	910 East 16th Street, Wilmington	6/30/2020	$196,369	11,000	$17.85
Division of Social Services	153 East Chestnut Hill Road, Robscott Building, Newark	6/30/2020	$425,835	18,770	$22.69
Long Term Care/Residents Protection	3 Mill Road, Suite 300, Wilmington	2/28/2022	$205,395	7,112	$28.88
Visually Impaired	Cornell Business Park, 300 Cornell Drive, Wilmington	6/30/2019	$32,866	5,265	$6.24
Developmental & Disabilities Services	2540 Wrangle Hill Road, Suites 200-250, Fox Run Office Park, Bear	3/31/2018	$339,746	15,448	$21.99
Developmental & Disabilities Services/Phasing	2540 Wrangle Hill Road, Suites 100-150, Fox Run Office Park, Bear	3/31/2018	$361,614	16,437	$22.00
Division of Substance Abuse and Mental Health	261 Chapman Road, Stockton Building, Newark	6/30/2025	$73,056	3,807	$19.19
Public Health	256 & 258 Chapman Road, Chopin & Oxford Building, Newark	8/31/2021	$445,710	22,744	$19.60
Wonder Program	6 Denney Road, Suite 100, Wilmington	9/30/2018	$88,072	5,624	$15.66
Substance Abuse	801 South Harrison, Wilmington	6/30/2025	$108,744	8,899	$12.22
State Service Centers / Adopt-A-Family	3301 Green Street, Claymont Community Center, Claymont	8/31/2020	$93,573	9,944	$9.41
State Service Center / De La Warr	500 Rogers Road, New Castle, property owned by NCC	8/31/2019	$500	9,209	$0.05
Division of Social Services	1908 Maryland Avenue, Suites 1920 & 1928, Canby Park, Wilmington	4/30/2021	$236,136	12,000	$19.68
Division of Social Services	1908 & 1936 Maryland Avenue, Suites 1904,06,08,10,36 Canby Park	11/30/2018	$234,605	12,283	$19.10
Division of Social Services	Ashley Mansion Office Park, 15 Ashley Place, Wilmington	4/30/2018	$153,458	6,565	$23.38
		Subtotal	**$4,125,093**	**224,435**	**$315.36**
Department of Labor					
Department Headquarters	Fox Valley Shops, 43rd and Market Streets, Wilmington	12/31/2025	$2,143,334	82,303	$26.04
Unemployment Insurance/Employ & Training	225 Corporate Blvd, Suites 108, 207, 200 & 211, Newark	6/30/2019	$255,967	10,760	$23.79
Department Headquarters	Fox Valley - Brandywine Pharmacy, 19 Lea Blvd, Wilmington	12/31/2025	$210,422	6,800	$30.94
Vocational Rehabilitation	200 Executive Drive, Suite 204, Newark	7/31/2017	$118,018	4,500	$26.23
		Subtotal	**$2,727,741**	**104,363**	**$107.00**
Department of Natural Resources & Environmental Control					
Air & Waste Management	391 Lukens Drive, Riveredge Park, New Castle	10/31/2017	$396,723	25,284	$15.69
		Subtotal	**$396,723**	**25,284**	**$15.69**
Department of Services for Children, Youth, and their Families					
Youth Rehabilitation Services	19 Lambson Lane, Rose Hill Community Center, New Castle	3/31/2018	$7,200	800	$9.00
DYRS/Family Services	119 Lower Beech Street, 3rd Floor, Wilmington	6/30/2013	$286,443	27,000	$10.61
Family Services/Child Mental Health	263 Chapman Road, Suites 100 & 200, Cambridge Blvd, Newark	12/31/2019	$550,215	24,803	$22.18
Management Services	Hagley Building, Concord Plaza, Wilmington	3/31/2026	$486,770	24,038	$20.25
		Subtotal	**$1,330,628**	**76,641**	**$62.04**
		TOTALS	**$9,166,196**	**497,573**	**$20.08 (avg.)**

Figure 3.1: New Castle County Lease Analysis

NOT INCLUDED/NEW CASTLE COUNTY REAL PROPERTY LEASE INVENTORY LIST

TENANT	ADDRESS	EXPIRATION	CURRENT ANNUAL RENT	RENTABLE SQUARE FOOTAGE (RSF)	COST PER RSF
Department of Health and Social Services					
Substance Abuse	801 South Harrison, Wilmington	6/30/2025	$108,744	8,899	$12.22
State Service Centers/Adopt-A-Family	3301 Green Street, Claymont Community Center, Claymont	8/31/2020	$93,573	9,944	$9.41
State Service Center/DeLaWarr	500 Rogers Road, New Castle, property owned by NCC	8/31/2019	$500	9,209	$0.05
Division of Social Services	1908 Maryland Avenue, Suites 1920 & 1928, Canby Park, Wilmington	4/30/2021	$236,136	12,000	$19.68
Division of Social Services	1908 & 1936 Maryland Avenue, Suites 1904,06,08,10,36 Canby Park	11/30/2018	$234,605	12,283	$19.10
Division of Social Services	Ashley Mansion Office Park, 15 Ashley Place, Wilmington	4/30/2018	$153,458	6,565	$23.38
		TOTALS	**$827,016**	**58,900**	**$14.04 (avg.)**

Figure 3.1: New Castle County Lease Analysis

NET TOTAL LEASED SPACE /NEW CASTLE COUNTY REAL PROPERTY LEASE INVENTORY LIST

TENANT	ADDRESS	EXPIRATION	CURRENT ANNUAL RENT	RENTABLE SQUARE FOOTAGE (RSF)	COST PER RSF
Department of Correction					
Probation & Parole	314 Cherry Lane, New Castle	1/31/2023	$1,139,587	50,000	$22.79
Probation & Parole	26 Parkway Circle, New Castle	8/31/2018	$195,840	12,000	$16.32
		Subtotal	**$1,335,427**	**62,000**	**$39.11**
Department of Finance					
Revenue	56 Reads Way, New Castle	6/30/2019	$77,600	4,850	$16.00
		Subtotal	**$77,600**	**4,850**	**$16.00**
Department of Health and Social Services					
Aging Adults with Physical Disabilities	256 Chapman Road, Oxford Building, Newark	6/30/2025	$129,533	6,750	$19.19
Child Support Enforcement	84A Churchmans Corporate Center, New Castle	3/31/2022	$788,250	41,607	$18.95
Division of Medicaid and Medical Assistance	84B Churchmans Corporate Center, New Castle	3/31/2022	$211,631	10,971	$19.29
Division of Social Services	910 East 16th Street, Wilmington	6/30/2020	$196,369	11,000	$17.85
Division of Social Services	153 East Chestnut Hill Road, Robscott Building, Newark	6/30/2020	$425,835	18,770	$22.69
Long Term Care/Residents Protection	3 Mill Road, Suite 300, Wilmington	2/28/2022	$205,395	7,112	$28.88
Visually Impaired	Cornell Business Park, 300 Cornell Drive, Wilmington	6/30/2019	$32,866	5,265	$6.24
Developmental & Disabilities Services	2540 Wrangle Hill Road, Suites 200-250, Fox Run Office Park, Bear	3/31/2018	$339,746	15,448	$21.99
Developmental & Disabilities Services/Phasing	2540 Wrangle Hill Road, Suites 100-150, Fox Run Office Park, Bear	3/31/2018	$361,614	16,437	$22.00
Division of Substance Abuse and Mental Health	261 Chapman Road, Stockton Building, Newark	6/30/2025	$73,056	3,807	$19.19
Public Health	256 & 258 Chapman Road, Chopin & Oxford Building, Newark	8/31/2021	$445,710	22,744	$19.60
Wonder Program	6 Denney Road, Suite 100, Wilmington	9/30/2018	$88,072	5,624	$15.66
		Subtotal	**$3,298,077**	**165,535**	**$231.53**
Department of Labor					
Department Headquarters	Fox Valley Shops, 43rd and Market Streets, Wilmington	12/31/2025	$2,143,334	82,303	$26.04
Unemployment Insurance/Employ & Training	225 Corporate Blvd, Suites 108, 207, 200 & 211, Newark	6/30/2019	$255,967	10,760	$23.79
Department Headquarters	Fox Valley - Brandywine Pharmacy, 19 Lea Blvd, Wilmington	12/31/2025	$210,422	6,800	$30.94
Vocational Rehabilitation	200 Executive Drive, Suite 204, Newark	7/31/2017	$118,018	4,500	$26.23
		Subtotal	**$2,727,741**	**104,363**	**$107.00**
Department of Natural Resources & Environmental Control					
Air & Waste Management	391 Lukens Drive, Riveredge Park, New Castle	10/31/2017	$396,723	25,284	$15.69
		Subtotal	**$396,723**	**25,284**	**$15.69**
Department of Services for Children, Youth, and their Families					
Youth Rehabilitation Services	19 Lambson Lane, Rose Hill Community Center, New Castle	3/31/2018	$7,200	800	$9.00
DYRS/Family Services	119 Lower Beech Street, 3rd Floor, Wilmington	6/30/2013	$286,443	27,000	$10.61
Family Services/Child Mental Health	263 Chapman Road, Suites 100 & 200, Cambridge Blvd, Newark	12/31/2019	$550,215	24,803	$22.18
Management Services	Hagley Building, Concord Plaza, Wilmington	3/31/2026	$486,770	24,038	$20.25
		Subtotal	**$1,330,628**	**76,641**	**$62.04**
		TOTALS	**$9,166,196**	**438,673**	**$20.90 (avg.)**

Figure 3.1: New Castle County Lease Analysis

SHORT TERM LEASE (EXP. YEARS 2017 - 2019)/NEW CASTLE COUNTY REAL PROPERTY LEASE INVENTORY LIST

TENANT	ADDRESS	EXPIRATION	CURRENT ANNUAL RENT	RENTABLE SQUARE FOOTAGE (RSF)	COST PER RSF
Department of Correction					
Probation & Parole	26 Parkway Circle, New Castle	8/31/2018	$195,840	12,000	$16.32
		Subtotal	**$195,840**	**12,000**	**$16.32**
Department of Finance					
Revenue	56 Reads Way, New Castle	6/30/2019	$77,600	4,850	$16.00
		Subtotal	**$77,600**	**4,850**	**$16.00**
Department of Health and Social Services					
Developmental & Disabilities Services	2540 Wrangle Hill Road, Suites 200-250, Fox Run Office Park, Bear	3/31/2018	$339,746	15,448	$21.99
Developmental & Disabilities Services/Phasing	2540 Wrangle Hill Road, Suites 100-150, Fox Run Office Park, Bear	3/31/2018	$361,614	16,437	$22.00
Wonder Program	6 Denney Road, Suite 100, Wilmington	9/30/2018	$88,072	5,624	$15.66
Visually Impaired	Cornell Business Park, 300 Cornell Drive, Wilmington	6/30/2019	$32,866	5,265	$6.24
		Subtotal	**$822,298**	**42,774**	**$65.90**
Department of Labor					
Vocational Rehabilitation	200 Executive Drive, Suite 204, Newark	7/31/2017	$118,018	4,500	$26.23
Unemployment Insurance/Employ & Training	225 Corporate Blvd, Suites 108, 207, 200 & 211, Newark	6/30/2019	$255,967	10,760	$23.79
		Subtotal	**$373,985**	**15,260**	**$50.01**
Department of Natural Resources & Environmental Control					
Air & Waste Management	391 Lukens Drive, Riveredge Park, New Castle	10/31/2017	$396,723	25,284	$15.69
		Subtotal	**$396,723**	**25,284**	**$15.69**
Department of Services for Children, Youth, and their Families					
DYRS/Family Services	119 Lower Beech Street, 3rd Floor, Wilmington	6/30/2013	$286,443	27,000	$10.61
Youth Rehabilitation Services	19 Lambson Lane, Rose Hill Community Center, New Castle	3/31/2018	$7,200	800	$9.00
Family Services/Child Mental Health	263 Chapman Road, Suites 100 & 200, Cambridge Blvd, Newark	12/31/2019	$550,215	24,803	$22.18
		Subtotal	**$843,858**	**52,603**	**$41.79**
		TOTALS	**$2,710,304**	**152,771**	**$17.74 (avg.)**

Figure 3.1: New Castle County Lease Analysis

LONG TERM LEASE (EXP. YEARS 2020 - 2026)/NEW CASTLE COUNTY REAL PROPERTY LEASE INVENTORY LIST

TENANT	ADDRESS	EXPIRATION	CURRENT ANNUAL RENT	RENTABLE SQUARE FOOTAGE (RSF)	COST PER RSF
Department of Correction					
Probation & Parole	314 Cherry Lane, New Castle	1/31/2023	$1,139,587	50,000	$22.79
		Subtotal	**$1,139,587**	**50,000**	**$22.79**
Department of Finance					
No long term leases.	N/A	N/A	N/A	N/A	N/A
		Subtotal	**N/A**	**N/A**	**N/A**
Department of Health and Social Services					
Division of Social Services	910 East 16th Street, Wilmington	6/30/2020	$196,369	11,000	$17.85
Division of Social Services	153 East Chestnut Hill Road, Robscott Building, Newark	6/30/2020	$425,835	18,770	$22.69
Public Health	256 & 258 Chapman Road, Chopin & Oxford Building, Newark	8/31/2021	$445,710	22,744	$19.60
Long Term Care/Residents Protection	3 Mill Road, Suite 300, Wilmington	2/28/2022	$205,395	7,112	$28.88
Child Support Enforcement	84A Churchmans Corporate Center, New Castle	3/31/2022	$788,250	41,607	$18.95
Division of Medicaid and Medical Assistance	84B Churchmans Corporate Center, New Castle	3/31/2022	$211,631	10,971	$19.29
Aging Adults with Physical Disabilities	256 Chapman Road, Oxford Building, Newark	6/30/2025	$129,533	6,750	$19.19
DSAMH	261 Chapman Road, Stockton Building, Newark	6/30/2025	$73,056	3,807	$19.19
		Subtotal	**$2,475,779**	**122,761**	**$165.63**
Department of Labor					
Vocational Rehabilitation	Fox Valley Shops, 43rd and Market Streets, Wilmington	12/31/2025	$2,143,334	82,303	$26.04
Unemployment Insurance/Employ & Training	Fox Valley - Brandywine Pharmacy, 19 Lea Blvd, Wilmington	12/31/2025	$210,422	6,800	$30.94
		Subtotal	**$2,353,756**	**89,103**	**$56.99**
Department of Natural Resources & Environmental Control					
No long term leases.	N/A	N/A	N/A	N/A	N/A
		Subtotal	**N/A**	**N/A**	**N/A**
Department of Services for Children, Youth, and their Families					
Management Services	Hagley Building, Concord Plaza, Wilmington	3/31/2026	$486,770	24,038	$20.25
		Subtotal	**$486,770**	**24,038**	**$20.25**
		TOTALS	**$6,455,892**	**285,902**	**$22.58 (avg.)**

Figure 3.1: New Castle County Lease Analysis

EMILY P. BISSELL HOSPITAL BUILDING SQUARE FOOTAGE

BUILDING NAME	AREA		SQUARE FOOTAGE (SF)
Main Building			
Lower Level	Non-Restroom Area		17,312
Lower Level	Restrooms		650
First Floor	Non-Restroom Area		20,048
First Floor	Restrooms		1,300
Second Floor	Non-Restroom Area		13,932
Second Floor	Restrooms		650
Third Floor	Non-Restroom Area		13,905
Third Floor	Restrooms		650
Fourth Floor	Non-Restroom Area		7,160
Fourth Floor	Restrooms		256
		Subtotal	**75,863**
1912 Building			
Lower Level	Non-Restroom Area		8,470
Lower Level	Restrooms		450
First Floor	Non-Restroom Area		9,326
First Floor	Restrooms		450
Second Floor	Non-Restroom Area		7,550
Second Floor	Restrooms		450
Third Floor (Storage Only)	Non-Restroom Area		5,131
		Subtotal	**31,827**
Building G			
First Floor			1,572
Second Floor			1,563
		Subtotal	**3,135**
Building C			
First Floor			3,708
Second Floor			3,533
Third Floor			3,270
		Subtotal	**10,511**
Building F			
First Floor			3,620
Second Floor			1,109
		Subtotal	**4,729**
		Total	**126,065**
		Minus Restrooms & Non-Useable SF	**6,065**
		GRAND TOTAL	**120,000**

Figure 3.1: New Castle County Lease Analysis

3. ANALYSIS

- FIGURE 3.2:
  NEWMARK GRUBB KNIGHT FRANK -
  LEASE VS. DEVELOP/CONSTRUCT ANALYSIS

State of Delaware (Emily Bissell)

Newmark Grubb Knight Frank

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ASSUMPTIONS SUMMARY

Prepared by Newmark Grubb Knight Frank

	RSF	Lease Comm.	Lease Expiration	Lease Term	Base Rent	Bond Repayment	OPEX Base Year	CAPITAL / OTHER EXPENSES: Exisiting Building: Parking	Rennovate Existing Core/Shell	Demolition	Tenant Improvments	SALE	New Building: New Core/Shell	New Tenant Improvments	Total Project Costs	Breakeven to term Assuming 2020 Savings	Breakeven to Avg. Annual Including Reversion	CASH BASIS: TOTAL	7% NPV	Pg.
ANALYSIS ASSUMPTIONS COMPARISON																				
I. Status Quo (Do Nothing)																				
24 Pro Rate Current Leases	438,673	07/01/2018	06/30/2038	20 years	$20.90 *3% Fixed Increase*	$0.00	2017	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	$274.7 MM $626.20	$136.3 MM $310.76	3
Emily Bissell Hospital Building	120,000	07/01/2018	06/30/2038	20 years	$0.00	$0.00	NET	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	$14.0 MM $117.05	$7.1 MM $59.13	3
II. Renovate Existing Building and Back Fill																				
Rennovate Exsiting Building	120,000	07/01/2018	06/30/2038	20 years	$0.00	$8.43	NET	$0.9 MM $8	$13.9 MM $116	- -	$14.0 MM $117	- -	- -	- -	$31.7 MM $264.01	22.80 years	9.10 years	$219.1 MM $499.51	$114.3 MM $260.61	4
III. Renovate Existing Building and Construct New Building																				
Renovate Exisiting & New Construction	438,673	07/01/2018	06/30/2038	20 years	$0.00	$12.67	NET	$38.3 MM $87	($0.6 MM) $85.77	- -	$0.6 MM $1	- -	$13.9 MM $32	$14.0 MM $32	$66.2 MM $150.94	39.45 years	13.10 years	$187.7 MM $427.80	$112.4 MM $256.15	5
IV. Sale Lease Back at 8.0% Return on Entire Location																				
Renovate Exisiting & New Construction (with Sale upfront)	438,673	07/01/2018	06/30/2038	20 years	$28.96 *3% Fixed Increase*	$0.00	NET	- -	- -	- -	- -	- -	- -	- -	- -	0.00 years	0.00 years	$387.9 MM $884.18	$186.3 MM $424.63	6
V. Demolish Existing Building and Construct New Building																				
Demolish & Construct New then sell at 8%	438,673	07/01/2018	06/30/2038	20 years	$0.00	$12.91	NET	$38.5 MM $88	- -	$0.5 MM $1.23	- -	- -	$65.8 MM $150	$57.0 MM $130	$161.9 MM $369.00	103.02 years	33.40 years	$191.8 MM $437.24	$113.3 MM $258.26	7
VI. Demolish Existing Building and Construct New Building to Maximize the Site																				
Demolish & Construct New then sell at 8% (Max out Site)	531,000	07/01/2018	06/30/2038	20 years	$0.00	$8.09	NET	$53.0 MM $100	- -	$0.7 MM $1.23	- -	- -	$79.7 MM $150	$69.0 MM $130	$202.3 MM $381.04	NA	212.47 years	$269.7 MM $614.80	$131.3 MM $299.36	8
VII. Sell Land & Building Today and Remain in Current Locations																				
Sell Building	126,000	07/01/2018	06/30/2038	20 years	$20.90 *3% Fixed Increase*	$0.00	2017	- -	- -	- -	- -	($5.0 MM) ($11.40)	- -	- -	- -	NA	NA	$236.9 MM $540.07	$135.6 MM $309.14	9

Notes:
Please note all Capital Expenses are funded by a bond

All information furnished is from sources deemed reliable, no representation is made as to the accuracy thereof and it is submitted subject to errors, omissions, changes, or withdrawal without notice, and any special listing conditions. 5/10/17

Figure 3.2: Newmark Grubb Knight Frank - Lease vs. Develop/Construct Analysis

State of Delaware (Emily Bissell)

Newmark Grubb Knight Frank

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CASH FLOW SUMMARY

Prepared by Newmark Grubb Knight Frank

COMPARATIVE LEASE ANALYSIS

Description	RSF	From / To	Jul-18 / Dec-18	Jan-19 / Dec-19	Jan-20 / Dec-20	Jan-21 / Dec-21	Jan-22 / Dec-22	Jan-23 / Dec-23	Jan-24 / Dec-24	Jan-25 / Dec-26	Jan-26 / Dec-26	Jan-27 / Dec-27	Jan-28 / Dec-28	Jan-29 / Dec-29	Jan-30 / Dec-30	Jan-31 / Dec-31	Jan-32 / Dec-32	Jan-33 / Dec-33	Jan-34 / Dec-34	Jan-35 / Dec-35	Jan-36 / Dec-36	Jan-37 / Dec-37	Jan-38 / Jun-38	TOTAL	AVG ANNUAL	NPV 7.00%	EQVLT LEVEL	Pg.
I. Status Quo (Do Nothing)																												
24 Pro Rate Current Leases	438,673		4,635,739	9,517,410	9,908,214	10,310,742	10,725,346	11,152,388	11,592,241	12,045,290	12,511,930	12,992,569	13,487,628	13,997,538	14,522,746	15,063,710	15,620,903	16,194,811	16,785,937	17,394,797	18,021,922	18,667,862	9,546,042	274,695,767	13,734,788	136,322,254	12,609,305	3
LC 07/01/18 - LX 06/30/38	Per Sq Ft		$10.57	$21.70	$22.59	$23.50	$24.45	$25.42	$26.43	$27.46	$28.52	$29.62	$30.75	$31.91	$33.11	$34.34	$35.61	$36.92	$38.27	$39.65	$41.08	$42.56	$21.76	$626.20	$31.31	$310.76	$28.74	
Emily Bissell Hospital Building	120,000		257,500	530,450	546,364	562,754	579,637	597,026	614,937	633,385	652,387	671,958	692,117	712,880	734,267	756,295	778,984	802,353	826,424	851,217	876,753	903,056	465,074	14,045,817	702,291	7,095,777	656,333	3
LC 07/01/18 - LX 06/30/38	Per Sq Ft		$2.15	$4.42	$4.55	$4.69	$4.83	$4.98	$5.12	$5.28	$5.44	$5.60	$5.77	$5.94	$6.12	$6.30	$6.49	$6.69	$6.89	$7.09	$7.31	$7.53	$3.88	$117.05	$5.85	$59.13	$5.47	
Total	558,673		4,893,239	10,047,860	10,454,578	10,873,497	11,304,983	11,749,414	12,207,178	12,678,675	13,164,317	13,664,528	14,179,745	14,710,419	15,257,013	15,820,005	16,399,887	16,997,165	17,612,361	18,246,013	18,898,675	19,570,917	10,011,116	288,741,583	14,437,079	143,418,031	13,265,639	
	Per Sq Ft		$8.76	$17.99	$18.71	$19.46	$20.24	$21.03	$21.85	$22.69	$23.56	$24.46	$25.38	$26.33	$27.31	$28.32	$29.36	$30.42	$31.53	$32.66	$33.83	$35.03	$17.92	$516.83	$25.84	$256.71	$23.74	
II. Renovate Existing Building and Back Fill																												
24 Pro Rate Current Leases	318,673		3,367,622	6,913,901	7,197,800	7,490,215	7,791,403	8,101,627	8,421,157	8,750,273	9,089,263	9,438,422	9,798,057	10,168,480	10,550,016	10,942,998	11,347,769	11,764,684	12,194,106	12,636,411	13,091,984	13,561,225	6,934,700	199,552,113	9,977,606	99,030,990	9,160,001	3
LC 07/01/18 - LX 06/30/38	Per Sq Ft		$10.57	$21.70	$22.59	$23.50	$24.45	$25.42	$26.43	$27.46	$28.52	$29.62	$30.75	$31.91	$33.11	$34.34	$35.61	$36.92	$38.27	$39.65	$41.08	$42.56	$21.76	$626.20	$31.31	$310.76	$28.74	
Rennovate Exsiting Building	120,000		259,992	765,593	1,011,202	1,551,447	2,124,106	2,157,493	2,191,881	2,227,302	2,263,785	2,301,362	2,340,067	2,379,933	2,420,995	2,463,289	2,506,851	2,551,721	2,597,936	2,645,538	2,694,568	2,745,069	(22,632,815)	19,567,315	978,366	15,293,028	1,414,549	4
LC 07/01/18 - LX 06/30/38	Per Sq Ft		$2.17	$6.38	$8.43	$12.93	$17.70	$17.98	$18.27	$18.56	$18.86	$19.18	$19.50	$19.83	$20.17	$20.53	$20.89	$21.26	$21.65	$22.05	$22.45	$22.88	($188.61)	$163.06	$8.15	$127.44	$11.79	
Total	438,673		3,627,614	7,679,495	8,209,002	9,041,662	9,915,509	10,259,119	10,613,038	10,977,575	11,353,048	11,739,785	12,138,124	12,548,413	12,971,011	13,406,286	13,854,620	14,316,404	14,792,042	15,281,949	15,786,553	16,306,295	(15,698,115)	219,119,428	10,955,971	114,324,018	10,574,550	
	Per Sq Ft		$8.27	$17.51	$18.71	$20.61	$22.60	$23.39	$24.19	$25.02	$25.88	$26.76	$27.67	$28.61	$29.57	$30.56	$31.58	$32.64	$33.72	$34.84	$35.99	$37.17	($35.79)	$499.51	$24.98	$260.61	$24.11	
					Delta vs. Status Quo 2022		$1,389,474														Savings over Status Quo			24%		20%		
III. Renovate Existing Building and Construct New Building																							Delta vs. Status Quo Avg. Annual			$3,481,108		
24 Pro Rate Current Leases	438,673		4,635,739	9,517,410	9,908,214	5,082,438	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,143,801	9,714,600	26,319,444	9,695,459	3
LC 07/01/18 - LX 06/30/38 • Snapshot Thru 06/30/21	Per Sq Ft		$10.57	$21.70	$22.59	$11.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$66.44	$22.15	$60.00	$22.10	
Renovate Exisiting & New Construction	438,673		913,092	2,939,915	4,806,018	7,533,311	9,626,728	9,748,778	9,874,490	10,003,973	10,137,340	10,274,709	10,416,198	10,561,932	10,712,039	10,866,648	11,025,896	11,189,921	11,358,867	11,532,881	11,712,116	11,896,728	(28,610,658)	158,520,920	7,926,046	86,046,763	7,959,008	5
LC 07/01/18 - LX 06/30/38	Per Sq Ft		$2.08	$6.70	$10.96	$17.17	$21.95	$22.22	$22.51	$22.81	$23.11	$23.42	$23.74	$24.08	$24.42	$24.77	$25.13	$25.51	$25.89	$26.29	$26.70	$27.12	($65.22)	$361.36	$18.07	$196.15	$18.14	
Total	438,673		5,548,831	12,457,326	14,714,232	12,615,749	9,626,728	9,748,778	9,874,490	10,003,973	10,137,340	10,274,709	10,416,198	10,561,932	10,712,039	10,866,648	11,025,896	11,189,921	11,358,867	11,532,881	11,712,116	11,896,728	(28,610,658)	187,664,721	9,383,236	112,366,207	10,393,460	
	Per Sq Ft		$12.65	$28.40	$33.54	$28.76	$21.95	$22.22	$22.51	$22.81	$23.11	$23.42	$23.74	$24.08	$24.42	$24.77	$25.13	$25.51	$25.89	$26.29	$26.70	$27.12	($65.22)	$427.80	$21.39	$256.15	$23.69	
					Delta vs. Status Quo 2022		$1,678,255														Savings over Status Quo			35%		22%		
IV. Sale Lease Back at 8.0% Return on Entire Location																							Delta vs. Status Quo Avg. Annual			5,053,843		
24 Pro Rate Current Leases	438,673		4,635,739	9,517,410	9,908,214	5,082,438	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,143,801	9,714,600	26,319,444	9,695,459	3
LC 07/01/18 - LX 06/30/38 • Snapshot Thru 06/30/21	Per Sq Ft		$10.57	$21.70	$22.59	$11.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$66.44	$22.15	$60.00	$22.10	
Renovate Exisiting & New Construction (with Sale upfront)	438,673		(5,000,000)	0	0	8,327,367	16,963,802	17,472,716	17,996,898	18,536,805	19,092,909	19,665,696	20,255,667	20,863,337	21,489,237	22,133,914	22,797,932	23,481,870	24,186,326	24,911,916	25,659,273	26,429,051	13,458,054	358,722,772	17,936,139	159,954,487	14,795,200	6
LC 07/01/18 - LX 06/30/38	Per Sq Ft		($11.40)	$0.00	$0.00	$18.98	$38.67	$39.83	$41.03	$42.26	$43.52	$44.83	$46.17	$47.56	$48.99	$50.46	$51.97	$53.53	$55.14	$56.79	$58.49	$60.25	$30.68	$817.75	$40.89	$364.63	$33.73	
Total	438,673		(364,261)	9,517,410	9,908,214	13,409,805	16,963,802	17,472,716	17,996,898	18,536,805	19,092,909	19,665,696	20,255,667	20,863,337	21,489,237	22,133,914	22,797,932	23,481,870	24,186,326	24,911,916	25,659,273	26,429,051	13,458,054	387,866,573	19,393,329	186,273,931	17,229,651	
	Per Sq Ft		($0.83)	$21.70	$22.59	$30.57	$38.67	$39.83	$41.03	$42.26	$43.52	$44.83	$46.17	$47.56	$48.99	$50.46	$51.97	$53.53	$55.14	$56.79	$58.49	$60.25	$30.68	$884.18	$44.21	$424.63	$39.28	
					Delta vs. Status Quo 2022		($5,658,819)														Savings over Status Quo			-34%		-30%		
V. Demolish Existing Building and Construct New Building																							Delta vs. Status Quo Avg. Annual			($4,956,250)		
24 Pro Rate Current Leases	438,673		4,635,739	9,517,410	9,908,214	5,082,438	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,143,801	9,714,600	26,319,444	9,695,459	3
LC 07/01/18 - LX 06/30/38 • Snapshot Thru 06/30/21	Per Sq Ft		$10.57	$21.70	$22.59	$11.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$66.44	$22.15	$60.00	$22.10	
Demolish & Construct New then sell at 8%	438,673		683,197	2,517,910	4,667,407	7,640,310	9,733,726	9,855,776	9,981,488	10,110,971	10,244,339	10,381,707	10,523,197	10,668,931	10,819,037	10,973,647	11,132,894	11,296,920	11,465,865	11,639,880	11,819,114	12,003,726	(25,500,058)	162,659,984	8,132,999	86,972,086	8,044,597	7
LC 07/01/18 - LX 06/30/38	Per Sq Ft		$1.56	$5.74	$10.64	$17.42	$22.19	$22.47	$22.75	$23.05	$23.35	$23.67	$23.99	$24.32	$24.66	$25.02	$25.38	$25.75	$26.14	$26.53	$26.94	$27.36	($58.13)	$370.80	$18.54	$198.26	$18.34	
Total	438,673		5,318,935	12,035,320	14,575,622	12,722,748	9,733,726	9,855,776	9,981,488	10,110,971	10,244,339	10,381,707	10,523,197	10,668,931	10,819,037	10,973,647	11,132,894	11,296,920	11,465,865	11,639,880	11,819,114	12,003,726	(25,500,058)	191,803,785	9,590,189	113,291,530	10,479,048	
	Per Sq Ft		$12.13	$27.44	$33.23	$29.00	$22.19	$22.47	$22.75	$23.05	$23.35	$23.67	$23.99	$24.32	$24.66	$25.02	$25.38	$25.75	$26.14	$26.53	$26.94	$27.36	($58.13)	$437.24	$21.86	$258.26	$23.89	
					Delta vs. Status Quo 2022		$1,571,257														Savings over Status Quo			34%		21%		
VI. Demolish Existing Building and Construct New Building to Maximize the Site																							Delta vs. Status Quo Avg. Annual			$4,846,890		
24 Pro Rate Current Leases	438,673		4,635,739	9,517,410	9,908,214	5,082,438	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,143,801	9,714,600	26,319,444	9,695,459	3
LC 07/01/18 - LX 06/30/38 • Snapshot Thru 06/30/21	Per Sq Ft		$10.57	$21.70	$22.59	$11.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$66.44	$22.15	$60.00	$22.10	
Demolish & Construct New then sell at 8% (Max out Site)	531,000		938,930	3,271,735	5,873,635	9,472,240	12,006,256	12,153,994	12,306,164	12,462,899	12,624,336	12,790,616	12,961,885	13,138,292	13,319,991	13,507,141	13,699,905	13,898,453	14,102,956	14,313,595	14,530,553	14,754,020	(24,358,416)	207,769,179	10,388,459	109,290,525	10,108,970	8
LC 07/01/18 - LX 06/30/38	Per Sq Ft		$1.77	$6.16	$11.06	$17.84	$22.61	$22.89	$23.18	$23.47	$23.77	$24.09	$24.41	$24.74	$25.08	$25.44	$25.80	$26.17	$26.56	$26.96	$27.36	$27.79	($45.87)	$391.28	$19.56	$205.82	$19.04	
Total	438,673		5,574,669	12,789,145	15,781,849	14,554,678	12,006,256	12,153,994	12,306,164	12,462,899	12,624,336	12,790,616	12,961,885	13,138,292	13,319,991	13,507,141	13,699,905	13,898,453	14,102,956	14,313,595	14,530,553	14,754,020	(24,358,416)	236,912,980	11,845,649	135,609,969	12,543,422	
	Per Sq Ft		$12.71	$29.15	$35.98	$33.18	$27.37	$27.71	$28.05	$28.41	$28.78	$29.16	$29.55	$29.95	$30.36	$30.79	$31.23	$31.68	$32.15	$32.63	$33.12	$33.63	($55.53)	$540.07	$27.00	$309.14	$28.59	
					Delta vs. Status Quo 2022		($701,273)														Savings over Status Quo			18%		5%		
VII. Sell Land & Building Today and Remain in Current Locations																							Delta vs. Status Quo Avg. Annual			$2,591,430		
24 Pro Rate Current Leases	438,673		4,635,739	9,517,410	9,908,214	10,310,742	10,725,346	11,152,388	11,592,241	12,045,290	12,511,930	12,992,569	13,487,628	13,997,538	14,522,746	15,063,710	15,620,903	16,194,811	16,785,937	17,394,797	18,021,922	18,667,862	9,546,042	274,695,767	13,734,788	136,322,254	12,609,305	3
LC 07/01/18 - LX 06/30/38	Per Sq Ft		$10.57	$21.70	$22.59	$23.50	$24.45	$25.42	$26.43	$27.46	$28.52	$29.62	$30.75	$31.91	$33.11	$34.34	$35.61	$36.92	$38.27	$39.65	$41.08	$42.56	$21.76	$626.20	$31.31	$310.76	$28.74	
Sell Building	126,000		(5,000,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(5,000,000)	(250,000)	(5,000,000)	(462,482)	9
LC 07/01/18 - LX 06/30/38	Per Sq Ft		($39.68)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	($39.68)	($1.98)	($39.68)	($3.67)	
Total	126,000		(364,261)	9,517,410	9,908,214	10,310,742	10,725,346	11,152,388	11,592,241	12,045,290	12,511,930	12,992,569	13,487,628	13,997,538	14,522,746	15,063,710	15,620,903	16,194,811	16,785,937	17,394,797	18,021,922	18,667,862	9,546,042	269,695,767	13,484,788	131,322,254	12,146,824	
	Per Sq Ft		($2.89)	$75.54	$78.64	$81.83	$85.12	$88.51	$92.00	$95.60	$99.30	$103.12	$107.04	$111.09	$115.26	$119.55	$123.98	$128.53	$133.22	$138.05	$143.03	$148.16	$75.76	$2140.44	$107.02	$1042.24	$96.40	
					Delta vs. Status Quo 2022		$579,637														Savings over Status Quo			7%		8%		
																							Delta vs. Status Quo Avg. Annual			$952,291		

All information furnished is from sources deemed reliable, no representation is made as to the accuracy thereof and it is submitted subject to errors, omissions, changes, or withdrawal without notice, and any special listing conditions. 5/10/17

Figure 3.2: Newmark Grubb Knight Frank - Lease vs. Develop/Construct Analysis

State of Delaware (Emily Bissell)

Newmark Grubb Knight Frank

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EMILY BISSELL HOSPITAL
STATUS QUO

LEASE TERM		BASE RENT-NET	BUILDING OPERATING EXPENSE	CAPITAL IMPROVEMENT	AREA	
Analysis Commences	Jul-1-2018	$0.00 psf from 07/01/18 to 06/30/2038	Operating Exp. Escalation NET 2017 Year-$4.17 Amt-3.00% Inc p/a		Rentable Square Feet	120,000
Lease Commences	Jul-1-2018					
Rent Commences	Jul-1-2018				DISCOUNT RATE	
Free Rent	0 months				Discount Rate	7.00%
Lease Expiration	Jun-30-2038					
Lease Term	20 years				OTHERS	
Analysis Period	20 years					

From	Jul 18	Jan 19	Jan 20	Jan 21	Jan 22	Jan 23	Jan 24	Jan 25	Jan 26	Jan 27	Jan 28	Jan 29	Jan 30	Jan 31	Jan 32	Jan 33	Jan 34	Jan 35	Jan 36	Jan 37	Jan 38	TOTAL	AVG. ANNUAL	NPV	EQUIV. LEVEL
To	Dec 18	Dec 19	Dec 20	Dec 21	Dec 22	Dec 23	Dec 24	Dec 25	Dec 26	Dec 27	Dec 28	Dec 29	Dec 30	Dec 31	Dec 32	Dec 33	Dec 34	Dec 35	Dec 36	Dec 37	Jun 38				
I. CASH BASIS																							From : 07/2018	Discount Rate	
RECURRING COSTS																							To : 06/2038	7.00%	
Base Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Exp. Escalation	2.15	4.42	4.55	4.69	4.83	4.98	5.12	5.28	5.44	5.60	5.77	5.94	6.12	6.30	6.49	6.69	6.89	7.09	7.31	7.53	3.88	117.05	5.85	59.13	5.47
Total Annual Recurring Cost psf	2.15	4.42	4.55	4.69	4.83	4.98	5.12	5.28	5.44	5.60	5.77	5.94	6.12	6.30	6.49	6.69	6.89	7.09	7.31	7.53	3.88	117.05	5.85	59.13	5.47
Total Annual Recurring Costs	257,500	530,450	546,364	562,754	579,637	597,026	614,937	633,385	652,387	671,958	692,117	712,880	734,267	756,295	778,984	802,353	826,424	851,217	876,753	903,056	465,074	14,045,817	702,291	7,095,777	656,333
CAPITAL IMPROVEMENT/OTHER EXPENSE																									
Total Annual Cap. Exp. psf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Annual Cap Exp. Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH FLOW PSF	**2.15**	**4.42**	**4.55**	**4.69**	**4.83**	**4.98**	**5.12**	**5.28**	**5.44**	**5.60**	**5.77**	**5.94**	**6.12**	**6.30**	**6.49**	**6.69**	**6.89**	**7.09**	**7.31**	**7.53**	**3.88**	**117.05**	**5.85**	**59.13**	**5.47**
CASH FLOW	**257,500**	**530,450**	**546,364**	**562,754**	**579,637**	**597,026**	**614,937**	**633,385**	**652,387**	**671,958**	**692,117**	**712,880**	**734,267**	**756,295**	**778,984**	**802,353**	**826,424**	**851,217**	**876,753**	**903,056**	**465,074**	**14,045,817**	**702,291**	**7,095,777**	**656,333**

05/10/2017

All information furnished is from sources deemed reliable, no representation is made as to the accuracy thereof and it is submitted subject to errors, omissions, changes, or withdrawal without notice, and any special listing conditions. 5/10/17

Figure 3.2: Newmark Grubb Knight Frank - Lease vs. Develop/Construct Analysis

State of Delaware (Emily Bissell)

Newmark Grubb Knight Frank

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EMILY BISSELL HOSPITAL
OPTION II • RENOVATE EXISTING BUILDING & BACK FILL

LEASE TERM	
Analysis Commences	Jul-1-2018
Lease Commences	Jul-1-2018
Rent Commences	Jul-1-2018
Free Rent	0 months
Lease Expiration	Jun-30-2038
Lease Term	20 years
Analysis Period	20 years

BASE RENT-NET

$0.00 psf from 07/01/18 to 06/30/2038

BUILDING OPERATING EXPENSE

Operating Exp. Escalation NET 2017 Year-$8.00 Amt-3.00% Inc p/a
Bond Payback for Renovation - $4.06- from 7/18
Bond Payback of Tenant Improvments - $4.09- from 7/19
Bond Payback of Parking - $.27- from 7/18

CAPITAL IMPROVEMENT

Renovate Existing Core/Shell($13,926,699)-$116.06
Tenant Improvments($14,034,800)-$116.96 fr 7/19
Total Buildout Cost to Tenant ($27,961,499)-$233.01

Bond Fund for Renovations($13,926,699)-$116.06
Bond Fund for Tenant Improvements($14,034,800)-$116.96 fr 7/19

Bond Payback of Renovations($13,926,699)-$116.06 fr 6/38
Bond Payback of Tenant Improvements($14,034,800)-$116.96 fr 6/38

Bond Fund for Parking($930,000)-$7.75
Bond Payback of Parking($930,000)-$7.75 fr 6/38

• Rent in year 20 is assumed to be $35.28
• Sale Price is based on an 8% Cap rate

SALE ($52,922,857)-$441.02 fr 6/38

AREA

Rentable Square Feet 120,000

DISCOUNT RATE

Discount Rate 7.00%

OTHERS

From	Jul 18	Jan 19	Jan 20	Jan 21	Jan 22	Jan 23	Jan 24	Jan 25	Jan 26	Jan 27	Jan 28	Jan 29	Jan 30	Jan 31	Jan 32	Jan 33	Jan 34	Jan 35	Jan 36	Jan 37	Jan 38	TOTAL	AVG. ANNUAL	NPV	EQUIV. LEVEL
To	Dec 18	Dec 19	Dec 20	Dec 21	Dec 22	Dec 23	Dec 24	Dec 25	Dec 26	Dec 27	Dec 28	Dec 29	Dec 30	Dec 31	Dec 32	Dec 33	Dec 34	Dec 35	Dec 36	Dec 37	Jun 38		From : 07/2018 To : 06/2038	Discount Rate 7.00%	
. CASH BASIS																									
RECURRING COSTS																									
Base Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Exp. Escalation	-	-	-	4.50	9.27	9.55	9.84	10.13	10.44	10.75	11.07	11.41	11.75	12.10	12.46	12.84	13.22	13.62	14.03	14.45	7.44	198.88	9.94	90.18	8.34
Bond Payback for Renovation	2.03	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06	2.03	81.24	4.06	43.91	4.06
Bond Payback of Tenant Improvments	-	2.05	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	4.09	2.05	77.78	3.89	40.29	3.73
Bond Payback of Parking	0.14	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.14	5.42	0.27	2.93	0.27
Total Annual Recurring Cost psf	2.17	6.38	8.43	12.93	17.70	17.98	18.27	18.56	18.86	19.18	19.50	19.83	20.17	20.53	20.89	21.26	21.65	22.05	22.45	22.88	11.65	363.32	18.17	177.32	16.40
Total Annual Recurring Costs	259,992	765,593	1,011,202	1,551,447	2,124,106	2,157,493	2,191,881	2,227,302	2,263,785	2,301,362	2,340,067	2,379,933	2,420,995	2,463,289	2,506,851	2,551,721	2,597,936	2,645,538	2,694,568	2,745,069	1,398,543	43,598,673	2,179,934	21,277,951	1,968,132
CAPITAL IMPROVEMENT/OTHER EXPENSE																									
Renovate Existing Core/Shell($13,926,699)	116.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	116.06	5.80	116.06	10.73
Tenant Improvments($14,034,800)	-	116.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	116.96	5.85	109.07	10.09
Bond Fund for Renovations($13,926,699)	(116.06)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(116.06)	(5.80)	(116.06)	(10.73)
Bond Fund for Tenant Improvements($14,034,800)	-	(116.96)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(116.96)	(5.85)	(109.07)	(10.09)
Bond Payback of Renovations($13,926,699)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	116.06	116.06	5.80	28.90	2.67
Bond Payback of Tenant Improvements($14,034,800)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	116.96	116.96	5.85	29.13	2.69
Parking	7.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.75	0.39	7.75	0.72
Bond Fund for Parking($930,000)	(7.75)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7.75)	(0.39)	(7.75)	(0.72)
Bond Payback of Parking($930,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.75	7.75	0.39	1.93	0.18
SALE ($52,922,857)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(441.02)	(441.02)	(22.05)	(109.84)	(10.16)
Total Annual Cap. Exp. psf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(200.26)	(200.26)	(10.01)	(49.87)	(4.61)
Total Annual Cap Exp. Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(24,031,358)	(24,031,358)	(1,201,568)	(5,984,923)	(553,583)
CASH FLOW PSF	**2.17**	**6.38**	**8.43**	**12.93**	**17.70**	**17.98**	**18.27**	**18.56**	**18.86**	**19.18**	**19.50**	**19.83**	**20.17**	**20.53**	**20.89**	**21.26**	**21.65**	**22.05**	**22.45**	**22.88**	**(188.61)**	**163.06**	**8.15**	**127.44**	**11.79**
CASH FLOW	**259,992**	**765,593**	**1,011,202**	**1,551,447**	**2,124,106**	**2,157,493**	**2,191,881**	**2,227,302**	**2,263,785**	**2,301,362**	**2,340,067**	**2,379,933**	**2,420,995**	**2,463,289**	**2,506,851**	**2,551,721**	**2,597,936**	**2,645,538**	**2,694,568**	**2,745,069**	**(22,632,815)**	**19,567,315**	**978,366**	**15,293,028**	**1,414,549**

05/10/2017

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Figure 3.2: Newmark Grubb Knight Frank - Lease vs. Develop/Construct Analysis

State of Delaware (Emily Bissell)

Newmark Grubb Knight Frank

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EMILY BISSELL HOSPITAL
OPTION III• RENOVATE EXISTING BUILDING, CONSTRUCT NEW BUILDING

LEASE TERM		BOND PAYBACK	BUILDING OPERATING EXPENSE	CAPITAL IMPROVEMENT	REVERSION AMOUNTS	AREA	
Analysis Commences	Jul-1-2018	Bond Payback for 2018 Expenses - $4.16- from 7/18	Operating Exp. Escalation NET 2017 Year-$8.00 Amt-3.00% Inc p/a	Parking Cost • Structured($37,625,000)-$85.77 fr 7/18	Bond Funding for 2018 Expenses ($52,176,699)-$118.94 fr 7/18	Rentable Square Feet	438,673
Lease Commences	Jul-1-2018	Bond Payback for 2019 Expenses - $5.08- from 7/19		Parking Cost • On Grade ($625,000)-$1.42 fr 7/18	Bond Funding for 2019 Expenses ($63,641,750)-$145.08 fr 7/19		
Rent Commences	Jul-1-2018	Bond Payback for 2020 Expenses - $3.43- from 7/20		Core/Shell ($13,926,699)-$31.75 fr 7/18	Bond Funding for 2020 Expenses ($42,992,690) - $98.01 fr 7/20		
Free Rent	0 months			Tenant Improvments ($14,034,800)-$31.99 fr 7/19	Bond Payback for Exisiting Building/Parking ($66,211,499)-$150.94 fr 6/38	**DISCOUNT RATE**	
Lease Expiration	Jun-30-2038			New Core/Shell ($49,606,950)-$113.08 fr 7/19	Bond Payback for New Building ($92,599,640)-$211.09 fr 6/38	Discount Rate	7.00%
Lease Term	20 years			New Tenant Improvments($42,992,690)-$98.01 fr 7/20	SALE (($193,465,236))-$441.02 fr 6/38		
Analysis Period	20 years					**OTHERS**	

From	Jul 18	Jan 19	Jan 20	Jan 21	Jan 22	Jan 23	Jan 24	Jan 25	Jan 26	Jan 27	Jan 28	Jan 29	Jan 30	Jan 31	Jan 32	Jan 33	Jan 34	Jan 35	Jan 36	Jan 37	Jan 38	TOTAL	AVG. ANNUAL	NPV	EQUIV. LEVEL
To	Dec 18	Dec 19	Dec 20	Dec 21	Dec 22	Dec 23	Dec 24	Dec 25	Dec 26	Dec 27	Dec 28	Dec 29	Dec 30	Dec 31	Dec 32	Dec 33	Dec 34	Dec 35	Dec 36	Dec 37	Jun 38				
I. CASH BASIS																							From : 07/2018	Discount Rate	
RECURRING COSTS																							To : 06/2038	7.00%	
Base Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Exp. Escalation	-	-	-	4.50	9.27	9.55	9.84	10.13	10.44	10.75	11.07	11.41	11.75	12.10	12.46	12.84	13.22	13.62	14.03	14.45	7.44	198.88	9.94	90.18	8.34
Bond Payback for 2018 Expenses	2.08	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	4.16	2.08	83.26	4.16	45.01	4.16
Bond Payback for 2019 Expenses	-	2.54	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	2.54	96.48	4.82	49.98	4.62
Bond Payback for 2020 Expenses	-	-	1.72	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	3.43	1.72	61.74	3.09	30.66	2.84
Total Annual Recurring Cost psf	2.08	6.70	10.96	17.17	21.95	22.22	22.51	22.81	23.11	23.42	23.74	24.08	24.42	24.77	25.13	25.51	25.89	26.29	26.70	27.12	13.78	440.36	22.02	215.83	19.96
Total Annual Recurring Costs	913,092	2,939,915	4,806,018	7,533,311	9,626,728	9,748,778	9,874,490	10,003,973	10,137,340	10,274,709	10,416,198	10,561,932	10,712,039	10,866,648	11,025,896	11,189,921	11,358,867	11,532,881	11,712,116	11,896,728	6,043,439	193,175,017	9,658,751	94,677,241	8,757,295
CAPITAL IMPROVEMENT/OTHER EXPENSE																									
Parking Cost • Structured($37,625,000)	85.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85.77	4.29	85.77	7.93
Parking Cost • On Grade ($625,000)	1.42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.42	0.07	1.42	0.13
Core/Shell ($13,926,699)	31.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31.75	1.59	31.75	2.94
Tenant Improvments ($14,034,800)	-	31.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31.99	1.60	29.84	2.76
New Core/Shell ($49,606,950)	-	113.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	113.08	5.65	105.46	9.75
New Tenant Improvments($42,992,690)	-	-	98.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	98.01	4.90	85.24	7.88
Bond Funding for 2018 Expenses ($52,176,699)	(118.94)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(118.94)	(5.95)	(118.94)	(11.00)
Bond Funding for 2019 Expenses ($63,641,750)	-	(145.08)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(145.08)	(7.25)	(135.30)	(12.51)
Bond Funding for 2020 Expenses ($42,992,690)	-	-	(98.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(98.01)	(4.90)	(85.24)	(7.88)
Bond Payback for Exisiting Building/Parking ($66,211,499)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150.94	150.94	7.55	37.59	3.48
Bond Payback for New Building ($92,599,640)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	211.09	211.09	10.55	52.57	4.86
SALE (($193,465,236))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(441.02)	(441.02)	(22.05)	(109.84)	(10.16)
Total Annual Cap. Exp. psf	(0.00)	0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(79.00)	(79.00)	(3.95)	(19.67)	(1.82)
Total Annual Cap Exp. Expense	(0)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(34,654,097)	(34,654,097)	(1,732,705)	(8,630,478)	(798,287)
CASH FLOW PSF	**2.08**	**6.70**	**10.96**	**17.17**	**21.95**	**22.22**	**22.51**	**22.81**	**23.11**	**23.42**	**23.74**	**24.08**	**24.42**	**24.77**	**25.13**	**25.51**	**25.89**	**26.29**	**26.70**	**27.12**	**(65.22)**	**361.36**	**18.07**	**196.15**	**18.14**
CASH FLOW	**913,092**	**2,939,915**	**4,806,018**	**7,533,311**	**9,626,728**	**9,748,778**	**9,874,490**	**10,003,973**	**10,137,340**	**10,274,709**	**10,416,198**	**10,561,932**	**10,712,039**	**10,866,648**	**11,025,896**	**11,189,921**	**11,358,867**	**11,532,881**	**11,712,116**	**11,896,728**	**(28,610,658)**	**158,520,920**	**7,926,046**	**86,046,763**	**7,959,008**

05/10/2017

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Figure 3.2: Newmark Grubb Knight Frank - Lease vs. Develop/Construct Analysis

State of Delaware (Emily Bissell)

Newmark Grubb Knight Frank

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EMILY BISSELL HOSPITAL
OPTION IV • SALE TO DEVELOPER AND LEASE BACK

LEASE TERM		BASE RENT-NET	BUILDING OPERATING EXPENSE	CONSTRUCTION	CAPITAL IMPROVEMENT	AREA	
Analysis Commences	Jul-1-2018	$0.00 psf from 07/01/18 to 06/30/2038	Operating Exp. Escalation NET 2017 Year-$8.00 Amt-3.00% Inc p/a	Renovate Existing Core/Shel($13,926,699)-$31.75 fr 8/18	**SALE (($5,000,000))-$11.40**	Rentable Square Feet	438,673
Lease Commences	Jul-1-2018		8% of the Rennovation Cost - $28.96-3.00% Inc p/a from 7/21	Tenant Improvments($14,034,800)-$31.99 fr 7/19			
Rent Commences	Jul-1-2018			**Total Buildout Cost for Existing Building ($27,961,499)-$63.74**			
Free Rent	0 months					**DISCOUNT RATE**	
Lease Expiration	Jun-30-2038			New Core/Shell ($49,606,950)-$113.08 fr 7/19		Discount Rate	7.00%
Lease Term	20 years			New Tenant Improvments ($42,992,690)-$98.01 fr 7/20			
Analysis Period	20 years			**Total Buildout Cost for New Building ($92,599,640)-$211.09**		**OTHERS**	
				Parking ($38,250,000) - $87.19			
				Total Cost ($158,811,139)-$362.03			

From	Jul 18	Jan 19	Jan 20	Jan 21	Jan 22	Jan 23	Jan 24	Jan 25	Jan 26	Jan 27	Jan 28	Jan 29	Jan 30	Jan 31	Jan 32	Jan 33	Jan 34	Jan 35	Jan 36	Jan 37	Jan 38	TOTAL	AVG.	NPV	EQUIV.
To	Dec 18	Dec 19	Dec 20	Dec 21	Dec 22	Dec 23	Dec 24	Dec 25	Dec 26	Dec 27	Dec 28	Dec 29	Dec 30	Dec 31	Dec 32	Dec 33	Dec 34	Dec 35	Dec 36	Dec 37	Jun 38		ANNUAL		LEVEL
I. CASH BASIS																							From : 07/2018	Discount Rate	
RECURRING COSTS																							To : 06/2038	7.00%	
Base Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Exp. Escalation	-	-	-	4.50	9.27	9.55	9.84	10.13	10.44	10.75	11.07	11.41	11.75	12.10	12.46	12.84	13.22	13.62	14.03	14.45	7.44	198.88	9.94	90.18	8.34
8% of the Rennovation Cost	-	-	-	14.48	29.40	30.28	31.19	32.12	33.09	34.08	35.10	36.15	37.24	38.36	39.51	40.69	41.91	43.17	44.46	45.80	23.24	630.26	31.51	285.85	26.44
Total Annual Recurring Cost psf	0.00	0.00	0.00	18.98	38.67	39.83	41.03	42.26	43.52	44.83	46.17	47.56	48.99	50.46	51.97	53.53	55.14	56.79	58.49	60.25	30.68	829.14	41.46	376.03	34.78
Total Annual Recurring Costs	0	0	0	8,327,367	16,963,802	17,472,716	17,996,898	18,536,805	19,092,909	19,665,696	20,255,667	20,863,337	21,489,237	22,133,914	22,797,932	23,481,870	24,186,326	24,911,916	25,659,273	26,429,051	13,458,054	363,722,772	18,186,139	164,954,487	15,257,681
CAPITAL IMPROVEMENT/OTHER EXPENSE																									
SALE (($5,000,000))	(11.40)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11.40)	(0.57)	(11.40)	(1.05)
Total Annual Cap. Exp. psf	(11.40)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11.40)	(0.57)	(11.40)	(1.05)
Total Annual Cap Exp. Expense	(5,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,000,000)	(250,000)	(5,000,000)	(462,482)
CASH FLOW PSF	**(11.40)**	**0.00**	**0.00**	**18.98**	**38.67**	**39.83**	**41.03**	**42.26**	**43.52**	**44.83**	**46.17**	**47.56**	**48.99**	**50.46**	**51.97**	**53.53**	**55.14**	**56.79**	**58.49**	**60.25**	**30.68**	**817.75**	**40.89**	**364.63**	**33.73**
CASH FLOW	**(5,000,000)**	**0**	**0**	**8,327,367**	**16,963,802**	**17,472,716**	**17,996,898**	**18,536,805**	**19,092,909**	**19,665,696**	**20,255,667**	**20,863,337**	**21,489,237**	**22,133,914**	**22,797,932**	**23,481,870**	**24,186,326**	**24,911,916**	**25,659,273**	**26,429,051**	**13,458,054**	**358,722,772**	**17,936,139**	**159,954,487**	**14,795,200**
SNAPSHOT PERIOD THROUGH 06/30/2028																									
CASH FLOW PSF	***(11.40)***	***0.00***	***0.00***	***18.98***	***38.67***	***39.83***	***41.03***	***42.26***	***43.52***	***44.83***	***22.83***	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	***280.55***	***28.06***	***174.92***	***24.23***
CASH FLOW	***(5,000,000)***	***0***	***0***	***8,327,367***	***16,963,802***	***17,472,716***	***17,996,898***	***18,536,805***	***19,092,909***	***19,665,696***	***10,014,056***	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	***123,070,250***	***12,307,025***	***76,731,376***	***10,628,994***

05/10/2017

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Figure 3.2: Newmark Grubb Knight Frank - Lease vs. Develop/Construct Analysis

State of Delaware (Emily Bissell)

Newmark Grubb Knight Frank

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EMILY BISSELL HOSPITAL
OPTION V • DEMOLISH EXISTING BUILDING & CONSTRUCT NEW BUILDING

LEASE TERM		BASE RENT-NET	BUILDING OPERATING EXPENSE	CAPITAL IMPROVEMENT		AREA	
Analysis Commences	Jul-1-2018	$0.00 psf from 07/01/18 to 06/30/2038	Operating Exp. Escalation NET 2017 Year-$8.00 Amt-3.00% Inc p/a	Demolish Shell + Parking($39,039,800)-$89.00	• Rent in year 20 is assumed to be $35.28	Rentable Square Feet	438,673
Lease Commences	Jul-1-2018		Bond Payback for Demolition of Shell - $.04- from 7/18	New Core/Shell($65,800,950)-$150.00 fr 7/19	• Sale Price is based on an 8% Cap rate		
Rent Commences	Jul-1-2018		Bond Payback for New Core/Shell - $5.25- from 7/19	New Tenant Improvments ($57,027,490)-$130.00 fr 7/20			
Free Rent	0 months		Bond Payback for New Tenant Improvments - $4.55- from 7/20	**Total Buildout Cost for Existing Building ($161,868,240)-$369.00**	**SALE (($193,465,236))-$441.02 fr 6/38**	**DISCOUNT RATE**	
Lease Expiration	Jun-30-2038		Bond Payback for Parking - $3.07- from 7/18			Discount Rate	7.00%
Lease Term	20 years			Bond Fund for Demolition of Shell + Parking($39,039,800)-$89.00			
Analysis Period	20 years			Bond Fund for New Core/Shell($65,800,950)-$150.00 fr 7/19		**OTHERS**	
				Bond Fund for New Tenant Improvments ($122,828,440)-$130.00 fr 7/20			
				Bond Payback for Demolition of Shell + Parking($39,039,800)-$89.00 fr 6/38			
				Bond Payback for New Core/Shell($65,800,950) - $150.00 fr 6/38			
				Bond Payback for New Tenant Improvments ($57,027,490)-$130.00 fr 6/38			

From	Jul 18	Jan 19	Jan 20	Jan 21	Jan 22	Jan 23	Jan 24	Jan 25	Jan 26	Jan 27	Jan 28	Jan 29	Jan 30	Jan 31	Jan 32	Jan 33	Jan 34	Jan 35	Jan 36	Jan 37	Jan 38	TOTAL	AVG. ANNUAL	NPV	EQUIV. LEVEL
To	Dec 18	Dec 19	Dec 20	Dec 21	Dec 22	Dec 23	Dec 24	Dec 25	Dec 26	Dec 27	Dec 28	Dec 29	Dec 30	Dec 31	Dec 32	Dec 33	Dec 34	Dec 35	Dec 36	Dec 37	Jun 38				
I. CASH BASIS																							From : 07/2018	Discount Rate	
RECURRING COSTS																							To : 06/2038	7.00%	
Base Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Exp. Escalation	-	-	-	4.50	9.27	9.55	9.84	10.13	10.44	10.75	11.07	11.41	11.75	12.10	12.46	12.84	13.22	13.62	14.03	14.45	7.44	198.88	9.94	90.18	8.34
Bond Payback for Demolition of Shell	0.02	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.02	0.86	0.04	0.47	0.04
Bond Payback for New Core/Shell	-	2.63	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	2.63	99.75	4.99	51.67	4.78
Bond Payback for New Tenant Improvments	-	-	2.28	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	2.27	81.90	4.10	40.67	3.76
Bond Payback for Parking	1.54	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	1.54	61.44	3.07	33.21	3.07
Total Annual Recurring Cost psf	1.56	5.74	10.64	17.42	22.19	22.47	22.75	23.05	23.35	23.67	23.99	24.32	24.66	25.02	25.38	25.75	26.14	26.53	26.94	27.36	13.90	442.83	22.14	216.20	20.00
Total Annual Recurring Costs	683,197	2,517,910	4,667,407	7,640,310	9,733,726	9,855,776	9,981,488	10,110,971	10,244,339	10,381,707	10,523,197	10,668,931	10,819,037	10,973,647	11,132,894	11,296,920	11,465,865	11,639,880	11,819,114	12,003,726	6,096,938	194,256,980	9,712,849	94,841,204	8,772,461
CAPITAL IMPROVEMENT/OTHER EXPENSE																									
Demolish Shell + Parking($39,039,800)	89.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	89.00	4.45	89.00	8.23
New Core/Shell($65,800,950)	-	150.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150.00	7.50	139.89	12.94
New Tenant Improvments ($57,027,490)	-	-	130.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	130.00	6.50	113.06	10.46
Bond Fund for Demolition of Shell + Parking($39,039,800)	(89.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(89.00)	(4.45)	(89.00)	(8.23)
Bond Fund for New Core/Shell($65,800,950)	-	(150.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(150.00)	(7.50)	(139.89)	(12.94)
Bond Fund for New Tenant Improvments ($122,828,440)	-	-	(130.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(130.00)	(6.50)	(113.06)	(10.46)
Bond Payback for Demolition of Shell + Parking($39,039,80(	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	89.00	89.00	4.45	22.16	2.05
Bond Payback for New Core/Shell($65,800,950)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150.00	150.00	7.50	37.36	3.46
Bond Payback for New Tenant Improvments ($57,027,490)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	130.00	130.00	6.50	32.38	2.99
SALE (($193,465,236))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(441.02)	(441.02)	(22.05)	(109.84)	(10.16)
Total Annual Cap. Exp. psf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(72.03)	(72.03)	(3.60)	(17.94)	(1.66)
Total Annual Cap Exp. Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(31,596,996)	(31,596,996)	(1,579,850)	(7,869,118)	(727,864)
CASH FLOW PSF	**1.56**	**5.74**	**10.64**	**17.42**	**22.19**	**22.47**	**22.75**	**23.05**	**23.35**	**23.67**	**23.99**	**24.32**	**24.66**	**25.02**	**25.38**	**25.75**	**26.14**	**26.53**	**26.94**	**27.36**	**(58.13)**	**370.80**	**18.54**	**198.26**	**18.34**
CASH FLOW	**683,197**	**2,517,910**	**4,667,407**	**7,640,310**	**9,733,726**	**9,855,776**	**9,981,488**	**10,110,971**	**10,244,339**	**10,381,707**	**10,523,197**	**10,668,931**	**10,819,037**	**10,973,647**	**11,132,894**	**11,296,920**	**11,465,865**	**11,639,880**	**11,819,114**	**12,003,726**	**(25,500,058)**	**162,659,984**	**8,132,999**	**86,972,086**	**8,044,597**

05/10/2017

NOTES
1. Parking cost is $38,500,000

All information furnished is from sources deemed reliable, no representation is made as to the accuracy thereof and it is submitted subject to errors, omissions, changes, or withdrawal without notice, and any special listing conditions. 5/10/17

Figure 3.2: Newmark Grubb Knight Frank - Lease vs. Develop/Construct Analysis

State of Delaware (Emily Bissell)

Newmark Grubb Knight Frank

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EMILY BISSELL HOSPITAL
OPTION VI • DEMOLISH EXISTING BUILDING & CONSTRUCT NEW BUILDING (MAX OUT SITE)

LEASE TERM		BASE RENT-NET	BUILDING OPERATING EXPENSE	CAPITAL IMPROVEMENT		AREA	
Analysis Commences	Jul-1-2018	$0.00 psf from 07/01/18 to 06/30/2038	Operating Exp. Escalation NET 2017 Year-$8.00 Amt-3.00% Inc p/a	Demolish Shell + Parking($53,653,130)-$101.04	• Rent in year 20 is assumed to be $35.28	Rentable Square Feet	531,000
Lease Commences	Jul-1-2018		Bond Payback for Demolition of Shell - $.04- from 7/18	New Core/Shell($79,650,000)-$150.00 fr 7/19	• Sale Price is based on an 8% Cap rate		
Rent Commences	Jul-1-2018		Bond Payback for New Core/Shell - $5.25- from 7/19	New Tenant Improvments ($69,030,000)-$130.00 fr 7/20		**DISCOUNT RATE**	
Free Rent	0 months		Bond Payback for New Tenant Improvments - $4.55- from 7/20	**Total Buildout Cost for Existing Building ($202,333,130)-$381.04**	**SALE (($234,183,641))-$441.02 fr 6/38**	Discount Rate	7.00%
Lease Expiration	Jun-30-2038		Bond Payback for Parking - $3.49- from 7/18				
Lease Term	20 years			Bond Fund for Demolition of Shell + Parking($53,653,130)-$101.04		**OTHERS**	
Analysis Period	20 years			Bond Fund for New Core/Shell($79,650,000)-$150.00 fr 7/19			
				Bond Fund for New Tenant Improvments ($148,680,000)-$130.00 fr 7/20			
				Bond Payback for Demolition of Shell + Parking($53,653,130)-$101.04 fr 6/38			
				Bond Payback for New Core/Shell($79,650,000) - $150.00 fr 6/38			
				Bond Payback for New Tenant Improvments ($69,030,000)-$130.00 fr 6/38			

From	Jul 18	Jan 19	Jan 20	Jan 21	Jan 22	Jan 23	Jan 24	Jan 25	Jan 26	Jan 27	Jan 28	Jan 29	Jan 30	Jan 31	Jan 32	Jan 33	Jan 34	Jan 35	Jan 36	Jan 37	Jan 38	TOTAL	AVG.	NPV	EQUIV.
To	Dec 18	Dec 19	Dec 20	Dec 21	Dec 22	Dec 23	Dec 24	Dec 25	Dec 26	Dec 27	Dec 28	Dec 29	Dec 30	Dec 31	Dec 32	Dec 33	Dec 34	Dec 35	Dec 36	Dec 37	Jun 38		ANNUAL		LEVEL
I. CASH BASIS																							From : 07/2018	Discount Rate	
RECURRING COSTS																							To : 06/2038	7.00%	
Base Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Exp. Escalation	-	-	-	4.50	9.27	9.55	9.84	10.13	10.44	10.75	11.07	11.41	11.75	12.10	12.46	12.84	13.22	13.62	14.03	14.45	7.44	198.88	9.94	90.18	8.34
Bond Payback for Demolition of Shell	0.02	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.02	0.86	0.04	0.47	0.04
Bond Payback for New Core/Shell	-	2.63	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	2.63	99.75	4.99	51.67	4.78
Bond Payback for New Tenant Improvments	-	-	2.28	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.55	2.27	81.90	4.10	40.67	3.76
Bond Payback for Parking	1.75	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	3.49	1.75	69.87	3.49	37.77	3.49
Total Annual Recurring Cost psf	1.77	6.16	11.06	17.84	22.61	22.89	23.18	23.47	23.77	24.09	24.41	24.74	25.08	25.44	25.80	26.17	26.56	26.96	27.36	27.79	14.11	451.26	22.56	220.76	20.42
Total Annual Recurring Costs	938,930	3,271,735	5,873,635	9,472,240	12,006,256	12,153,994	12,306,164	12,462,899	12,624,336	12,790,616	12,961,885	13,138,292	13,319,991	13,507,141	13,699,905	13,898,453	14,102,956	14,313,595	14,530,553	14,754,020	7,492,095	239,619,690	11,980,984	117,222,780	10,842,675
CAPITAL IMPROVEMENT/OTHER EXPENSE																									
Demolish Shell + Parking($53,653,130)	101.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	101.04	5.05	101.04	9.35
New Core/Shell($79,650,000)	-	150.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150.00	7.50	139.89	12.94
New Tenant Improvments ($69,030,000)	-	-	130.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	130.00	6.50	113.06	10.46
Bond Fund for Demolition of Shell + Parking($53,653,130)	(101.04)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(101.04)	(5.05)	(101.04)	(9.35)
Bond Fund for New Core/Shell($79,650,000)	-	(150.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(150.00)	(7.50)	(139.89)	(12.94)
Bond Fund for New Tenant Improvments ($148,680,000)	-	-	(130.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(130.00)	(6.50)	(113.06)	(10.46)
Bond Payback for Demolition of Shell + Parking($53,653,13(	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	101.04	101.04	5.05	25.16	2.33
Bond Payback for New Core/Shell($79,650,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150.00	150.00	7.50	37.36	3.46
Bond Payback for New Tenant Improvments ($69,030,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	130.00	130.00	6.50	32.38	2.99
SALE (($234,183,641))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(441.02)	(441.02)	(22.05)	(109.84)	(10.16)
Total Annual Cap. Exp. psf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(59.98)	(59.98)	(3.00)	(14.94)	(1.38)
Total Annual Cap Exp. Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(31,850,511)	(31,850,511)	(1,592,526)	(7,932,255)	(733,704)
CASH FLOW PSF	**1.77**	**6.16**	**11.06**	**17.84**	**22.61**	**22.89**	**23.18**	**23.47**	**23.77**	**24.09**	**24.41**	**24.74**	**25.08**	**25.44**	**25.80**	**26.17**	**26.56**	**26.96**	**27.36**	**27.79**	**(45.87)**	**391.28**	**19.56**	**205.82**	**19.04**
CASH FLOW	**938,930**	**3,271,735**	**5,873,635**	**9,472,240**	**12,006,256**	**12,153,994**	**12,306,164**	**12,462,899**	**12,624,336**	**12,790,616**	**12,961,885**	**13,138,292**	**13,319,991**	**13,507,141**	**13,699,905**	**13,898,453**	**14,102,956**	**14,313,595**	**14,530,553**	**14,754,020**	**(24,358,416)**	**207,769,179**	**10,388,459**	**109,290,525**	**10,108,970**

05/10/2017

NOTES
1. Parking cost is $53,000,000

All information furnished is from sources deemed reliable, no representation is made as to the accuracy thereof and it is submitted subject to errors, omissions, changes, or withdrawal without notice, and any special listing conditions. 5/10/17

Figure 3.2: Newmark Grubb Knight Frank - Lease vs. Develop/Construct Analysis

State of Delaware (Emily Bissell)

Newmark Grubb Knight Frank

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EMILY BISSELL HOSPITAL
OPTION VII • SELL THE BUILDING

LEASE TERM		BASE RENT-FSG	BUILDING OPERATING EXPENSE	CAPITAL IMPROVEMENT	AREA	
Analysis Commences	Jul-1-2018	$0.00 psf from 07/01/18 to 06/30/2038		SALE (($5,000,000))-$39.68	Rentable Square Feet	126,000
Lease Commences	Jul-1-2018					
Rent Commences	Jul-1-2018				DISCOUNT RATE	
Free Rent	0 months				Discount Rate	7.00%
Lease Expiration	Jun-30-2038					
Lease Term	20 years				OTHERS	
Analysis Period	20 years					

From	Jul 18	Jan 19	Jan 20	Jan 21	Jan 22	Jan 23	Jan 24	Jan 25	Jan 26	Jan 27	Jan 28	Jan 29	Jan 30	Jan 31	Jan 32	Jan 33	Jan 34	Jan 35	Jan 36	Jan 37	Jan 38	TOTAL	AVG. ANNUAL	NPV	EQUIV. LEVEL
To	Dec 18	Dec 19	Dec 20	Dec 21	Dec 22	Dec 23	Dec 24	Dec 25	Dec 26	Dec 27	Dec 28	Dec 29	Dec 30	Dec 31	Dec 32	Dec 33	Dec 34	Dec 35	Dec 36	Dec 37	Jun 38				
I. CASH BASIS																							From : 07/2018	Discount Rate	
RECURRING COSTS																							To : 06/2038	7.00%	
Base Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Annual Recurring Cost psf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Annual Recurring Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPITAL IMPROVEMENT/OTHER EXPENSE																									
SALE (($5,000,000))	(39.68)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(39.68)	(1.98)	(39.68)	(3.67)
Total Annual Cap. Exp. psf	(39.68)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(39.68)	(1.98)	(39.68)	(3.67)
Total Annual Cap Exp. Expense	(5,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,000,000)	(250,000)	(5,000,000)	(462,482)
CASH FLOW PSF	**(39.68)**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**(39.68)**	**(1.98)**	**(39.68)**	**(3.67)**
CASH FLOW	**(5,000,000)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(5,000,000)**	**(250,000)**	**(5,000,000)**	**(462,482)**

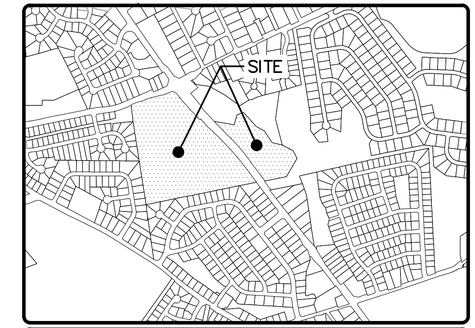
05/10/2017

All information furnished is from sources deemed reliable, no representation is made as to the accuracy thereof and it is submitted subject to errors, omissions, changes, or withdrawal without notice, and any special listing conditions. 5/10/17

Figure 3.2: Newmark Grubb Knight Frank - Lease vs. Develop/Construct Analysis

3. ANALYSIS

- FIGURES 3.3 THROUGH 3.7:
  EMILY P. BISSELL PROPERTY
  DEVELOPMENT ANALYSIS SKETCHES



BLOCK MAP **LOCATION PLAN** SCALE: 1" = 800'

LEGEND

D.R.	DEED RECORD
T.P. NO.	TAX PARCEL NUMBER
	FENCE LINE
	PROPERTY LINE
	DEED RESTRICTIONS/SETBACKS
LP	LIGHT POLE
WV	WATER VALVE
	TREELINE
	BRUSH LINE
	CONCRETE
	PAVEMENT
	BUILDING
FW	WATER LINE
S	SANITARY SEWER MANHOLE
	FLOODPLAIN (PER PREV. RECORD PLAN)
	RIPARIAN BUFFER LINE
	WETLANDS

GENERAL DATA

	PARCEL 1	PARCEL 2
1. OWNER:	EMILY P. BISSELL HOSPITAL 3000 NEWPORT GAP PIKE WILMINGTON, DE. 19808	STATE OF DELAWARE DEPT. OF HEALTH AND SOCIAL SERVICES 1901 NORTH DUPONT HIGHWAY NEW CASTLE, DE. 19720
2. TAX PARCEL NO.:	08-032.20-110	08-026.00-068
3. SOURCE OF TITLE:	20130617-0038714	20070716-0063028
4. AREA:	24.42± ACS.	8.24± ACS.
5. MODIFIED GRID NO.:	084/358	086/360

6. ZONING: OR

MINIMUM LOT SIZE	1.0 ACRES
MAXIMUM BUILDING HEIGHT	50'/140'
MINIMUM STREET YARD SETBACK	40'
MINIMUM SIDE YARD SETBACK	15'
MINIMUM REAR YARD SETBACK	40'
MINIMUM PAVING STREET SETBACK	40'
MINIMUM PAVING OTHER SETBACK	10'
MAXIMUM GROSS FLOOR AREA (OFFICE)	0.50 *
MAXIMUM NET FLOOR AREA (OFFICE)	0.83 *

*CAPACITY CALCULATIONS ARE REQUIRED TO DETERMINE AREA. PUBLIC FACILITIES ARE EXEMPT FROM CAPACITY CALCULATIONS.

7. COUNCILMANIC DISTRICT: 9
8. VERTICAL DATUM: NAVD 88
9. HORIZONTAL DATUM: ASSUMED
10. BENCHMARK: DERIVED FROM GPS OBSERVATIONS USING HARN MONUMENTATION.
11. SITE BENCHMARK: SQUARE CUT IN SOUTHEAST CORNER OF CONCRETE PAD WITH TRANSFORMER ELEVATION = 210.43.
12. WATER: UNITED WATER
WATER SUPPLY IS SUBJECT TO THE APPROVAL OF THE DELAWARE STATE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL AND THE DELAWARE DEPARTMENT OF PUBLIC HEALTH.
13. SEWER: NEW CASTLE COUNTY DEPARTMENT OF SPECIAL SERVICE
SEWERAGE IS SUBJECT TO THE APPROVAL OF THE NEW CASTLE COUNTRY DEPARTMENT OF SPECIAL SERVICES

OPTION I SITE PLAN

STATUS QUO (DO NOTHING)

SKETCH EXISTING CONDITIONS
EMILY P. BISSELL HOSPITAL
NEWPORT GAP PIKE
MILL CREEK HUNDRED NEW CASTLE COUNTY
DELAWARE
SCALE: 1"=100' APRIL 6, 2017

100 0 50 100 200 400
GRAPHIC SCALE (FEET)

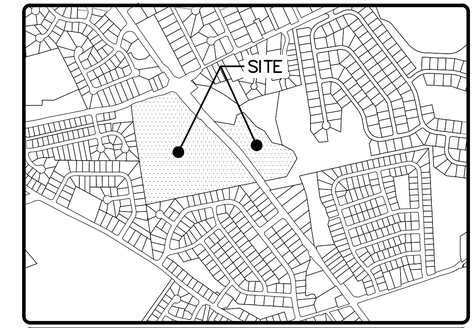
VANDEMARK & LYNCH, INC.
ENGINEERS – PLANNERS – SURVEYORS
4305 MILLER ROAD
WILMINGTON, DE 19802/(302) 764-7635
WWW.VANDEMARKLYNCH.COM

SURVEYED BY:	FILE NAME 24344-EXHIB-01	REVISION	SHEET 1 OF 1
COMPUTED BY:	PERMANENT FILE 082/372	QA REVIEW	SIZE
PROJECT MANAGER S.JOHNS	APPROVED BY		
DRAWN BY: N.DONLON	SEAL IS NOT VALID UNLESS RED OR EMBOSSED		

NOTE:

THIS PLAN IS A COMPOSITE OF PREVIOUS PLANS PREPARED BY VANDEMARK & LYNCH, INC. AND DOES NOT REPRESENT A CURRENT SURVEY.

Figure 3.3: Emily P. Bissell Property Development Analysis Sketches



BLOCK MAP **LOCATION PLAN** SCALE: 1" = 800'

LEGEND

D.R.	DEED RECORD
T.P. NO.	TAX PARCEL NUMBER
	FENCE LINE
	PROPERTY LINE
	DEED RESTRICTIONS/SETBACKS
LP	LIGHT POLE
WV	WATER VALVE
	TREELINE
	BRUSH LINE
	CONCRETE
	PAVEMENT
	BUILDING
FW	WATER LINE
S	SANITARY SEWER MANHOLE
	FLOODPLAIN (PER PREV. RECORD PLAN)
	RIPARIAN BUFFER LINE
	WETLANDS

GENERAL DATA

	PARCEL 1	PARCEL 2
1. OWNER:	EMILY P. BISSELL HOSPITAL 3000 NEWPORT GAP PIKE WILMINGTON, DE. 19808	STATE OF DELAWARE DEPT. OF HEALTH AND SOCIAL SERVICES 1901 NORTH DUPONT HIGHWAY NEW CASTLE, DE. 19720
2. TAX PARCEL NO.:	08-032.20-110	08-026.00-068
3. SOURCE OF TITLE:	20130617-0038714	20070716-0063028
4. AREA:	24.42± ACS.	8.24± ACS.
5. MODIFIED GRID NO.:	084/358	086/360

6. ZONING: OR

MINIMUM LOT SIZE	1.0 ACRES
MAXIMUM BUILDING HEIGHT	50'/140'
MINIMUM STREET YARD SETBACK	40'
MINIMUM SIDE YARD SETBACK	15'
MINIMUM REAR YARD SETBACK	40'
MINIMUM PAVING STREET SETBACK	40'
MINIMUM PAVING OTHER SETBACK	10'
MAXIMUM GROSS FLOOR AREA (OFFICE)	0.50 *
MAXIMUM NET FLOOR AREA (OFFICE)	0.83 *

*CAPACITY CALCULATIONS ARE REQUIRED TO DETERMINE AREA. PUBLIC FACILITIES ARE EXEMPT FROM CAPACITY CALCULATIONS.

7. COUNCILMANIC DISTRICT: 9
8. VERTICAL DATUM: NAVD 88
9. HORIZONTAL DATUM: ASSUMED
10. BENCHMARK: DERIVED FROM GPS OBSERVATIONS USING HARN MONUMENTATION.
11. SITE BENCHMARK: SQUARE CUT IN SOUTHEAST CORNER OF CONCRETE PAD WITH TRANSFORMER ELEVATION = 210.43.
12. WATER: UNITED WATER
WATER SUPPLY IS SUBJECT TO THE APPROVAL OF THE DELAWARE STATE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL AND THE DELAWARE DEPARTMENT OF PUBLIC HEALTH.
13. SEWER: NEW CASTLE COUNTY DEPARTMENT OF SPECIAL SERVICE
SEWERAGE IS SUBJECT TO THE APPROVAL OF THE NEW CASTLE COUNTRY DEPARTMENT OF SPECIAL SERVICES

SKETCH 2
EMILY P. BISSELL HOSPITAL
NEWPORT GAP PIKE
MILL CREEK HUNDRED NEW CASTLE COUNTY
DELAWARE
SCALE: 1"=100' APRIL 6, 2017

100 0 50 100 200 400
GRAPHIC SCALE (FEET)

VANDEMARK & LYNCH, INC.
ENGINEERS – PLANNERS – SURVEYORS
4305 MILLER ROAD
WILMINGTON, DE 19802/(302) 764-7635
WWW.VANDEMARKLYNCH.COM

SURVEYED BY:	FILE NAME 24344-EXHIB-01	REVISION	SHEET 1 OF 1
COMPUTED BY:	PERMANENT FILE 082/372	QA REVIEW	SIZE
PROJECT MANAGER S.JOHNS	APPROVED BY		
DRAWN BY: N.DONLON	SEAL IS NOT VALID UNLESS RED OR EMBOSSED		

OPTION II SITE PLAN

NOTE:

THIS PLAN IS A COMPOSITE OF PREVIOUS PLANS PREPARED BY VANDEMARK & LYNCH, INC. AND DOES NOT REPRESENT A CURRENT SURVEY.

ASSUMPTIONS:

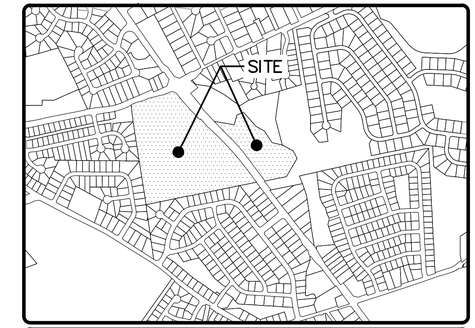
1. NO REZONING IS REQUIRED.
2. NO VARIANCES ARE REQUIRED.
3. STORMWATER MANAGEMENT CAN BE ADDRESSED BY MULTIPLE GREEN TECHNOLOGIES THROUGHOUT THE SITE.
4. THE ENTRANCE/EXITS ARE SUBJECT TO CHANGE BASED ON TRAFFIC ANALYSIS/STUDY NEGOTIATIONS WITH DELDOT.

SKETCH 2 – RENOVATE EXISTING BUILDINGS FOR OFFICE USE

CONVERT EXISTING BUILDINGS (EXCEPT BUILIDNGS B, S & R) TO GOVERNMENT OFFICES = APPROXIMATELY 120,000 SQ. FT. (BASED ON TAX RECORDS)

PARKING REQUIRED = 120,000 SQ.FT. X 4 P.S./1000 SQ. FT. = 480 P.S.
PARKING PROVIDED = 496 P.S. (9 ADA P.S. REQUIRED)
EXISTING PARKING = 155 P.S. NEW PARKING REQUIRED = 341 P.S.

Figure 3.4: Emily P. Bissell Property Development Analysis Sketches



BLOCK MAP **LOCATION PLAN** SCALE: 1" = 800'

LEGEND

D.R.	DEED RECORD
T.P. NO.	TAX PARCEL NUMBER
	FENCE LINE
	PROPERTY LINE
	DEED RESTRICTIONS/SETBACKS
LP	LIGHT POLE
WV	WATER VALVE
	TREELINE
	BRUSH LINE
	CONCRETE
	PAVEMENT
	BUILDING
FW	WATER LINE
S	SANITARY SEWER MANHOLE
	FLOODPLAIN (PER PREV. RECORD PLAN)
	RIPARIAN BUFFER LINE
	WETLANDS

GENERAL DATA

	PARCEL 1	PARCEL 2
1. OWNER:	EMILY P. BISSELL HOSPITAL 3000 NEWPORT GAP PIKE WILMINGTON, DE. 19808	STATE OF DELAWARE DEPT. OF HEALTH AND SOCIAL SERVICES 1901 NORTH DUPONT HIGHWAY NEW CASTLE, DE. 19720
2. TAX PARCEL NO.:	08-032.20-110	08-026.00-068
3. SOURCE OF TITLE:	20130617-0038714	20070716-0063028
4. AREA:	24.42± ACS.	8.24± ACS.
5. MODIFIED GRID NO.:	084/358	086/360

6. ZONING: OR

MINIMUM LOT SIZE	1.0 ACRES
MAXIMUM BUILDING HEIGHT	50'/140'
MINIMUM STREET YARD SETBACK	40'
MINIMUM SIDE YARD SETBACK	10'
MINIMUM REAR YARD SETBACK	40'
MINIMUM PAVING STREET SETBACK	40'
MINIMUM PAVING OTHER SETBACK	10'
MAXIMUM GROSS FLOOR AREA (OFFICE)	0.50 *
MAXIMUM NET FLOOR AREA (OFFICE)	0.83 *

*CAPACITY CALCULATIONS ARE REQUIRED TO DETERMINE AREA. PUBLIC FACILITIES ARE EXEMPT FROM CAPACITY CALCULATIONS.

7. COUNCILMANIC DISTRICT: 9
8. VERTICAL DATUM: NAVD 88
9. HORIZONTAL DATUM: ASSUMED
10. BENCHMARK: DERIVED FROM GPS OBSERVATIONS USING HARN MONUMENTATION.
11. SITE BENCHMARK: SQUARE CUT IN SOUTHEAST CORNER OF CONCRETE PAD WITH TRANSFORMER ELEVATION = 210.43.
12. WATER: UNITED WATER
WATER SUPPLY IS SUBJECT TO THE APPROVAL OF THE DELAWARE STATE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL AND THE DELAWARE DEPARTMENT OF PUBLIC HEALTH.
13. SEWER: NEW CASTLE COUNTY DEPARTMENT OF SPECIAL SERVICE
SEWERAGE IS SUBJECT TO THE APPROVAL OF THE NEW CASTLE COUNTRY DEPARTMENT OF SPECIAL SERVICES

SKETCH 3
EMILY P. BISSELL HOSPITAL
NEWPORT GAP PIKE
MILL CREEK HUNDRED NEW CASTLE COUNTY
DELAWARE
SCALE: 1"=100' APRIL 6, 2017

100 0 50 100 200 400
GRAPHIC SCALE (FEET)

OPTIONS III & IV SITE PLAN

SKETCH 3 –
RENOVATE EXISTING BUILDINGS AND BUILD NEW TO HOUSE ALL LEASED SPACE

CONVERT EXISTING BUILDINGS (EXCEPT BUILDNGS B, S & R) TO GOVERNMENT OFFICES
= APPROXIMATELY 120,000 SQ. FT.
(BASED ON TAX RECORDS)
CONSTRUCT NEW BUILDING(S) FOR GOVERNMENT OFFICES
= APPROXIMATELY 319,000 SQ.FT.
TOTAL GROSS FLOOR AREA = 439,000 SQ.FT.

PARKING REQUIRED = 439,000 SQ.FT. X 4 P.S./1000 SQ. FT. = 1,756 P.S.
PARKING PROVIDED = 1,756 P.S. = 1,316 P.S. IN STRUCTURE + 440 P.S. SURFACE
(28 ADA P.S. REQUIRED)

NOTE:

THIS PLAN IS A COMPOSITE OF PREVIOUS PLANS PREPARED BY VANDEMARK & LYNCH, INC. AND DOES NOT REPRESENT A CURRENT SURVEY.

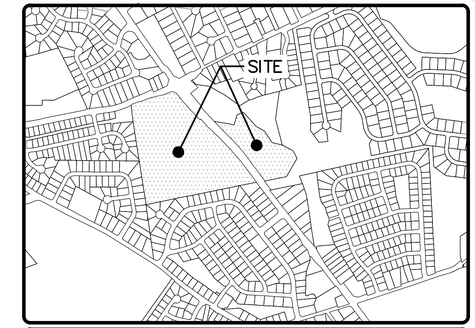
ASSUMPTIONS:

1. NO REZONING IS REQUIRED.
2. NO VARIANCES ARE REQUIRED.
3. STORMWATER MANAGEMENT CAN BE ADDRESSED BY MULTIPLE GREEN TECHNOLOGIES THROUGHOUT THE SITE.
4. THE ENTRANCE/EXITS ARE SUBJECT TO CHANGE BASED ON TRAFFIC ANALYSIS/STUDY NEGOTIATIONS WITH DELDOT.

VANDEMARK & LYNCH, INC.
ENGINEERS – PLANNERS – SURVEYORS
4305 MILLER ROAD
WILMINGTON, DE 19802/(302) 764-7635
WWW.VANDEMARKLYNCH.COM

SURVEYED BY:	FILE NAME 24344-EXHIB-01	REVISION	SHEET 1 OF 1
COMPUTED BY:	PERMANENT FILE 082/372	QA REVIEW	SIZE
PROJECT MANAGER S.JOHNS	APPROVED BY		
DRAWN BY: N.DONLON	SEAL IS NOT VALID UNLESS RED OR EMBOSSED		

Figure 3.5: Emily P. Bissell Property Development Analysis Sketches



BLOCK MAP **LOCATION PLAN** SCALE: 1" = 800'

LEGEND

D.R.	DEED RECORD
T.P. NO.	TAX PARCEL NUMBER
	FENCE LINE
	PROPERTY LINE
	DEED RESTRICTIONS/SETBACKS
LP	LIGHT POLE
WV	WATER VALVE
	TREELINE
	BRUSH LINE
	CONCRETE
	PAVEMENT
	BUILDING
FW	WATER LINE
S	SANITARY SEWER MANHOLE
	FLOODPLAIN (PER PREV. RECORD PLAN)
	RIPARIAN BUFFER LINE
	WETLANDS

GENERAL DATA

	PARCEL 1	PARCEL 2
1. OWNER:	EMILY P. BISSELL HOSPITAL 3000 NEWPORT GAP PIKE WILMINGTON, DE. 19808	STATE OF DELAWARE DEPT. OF HEALTH AND SOCIAL SERVICES 1901 NORTH DUPONT HIGHWAY NEW CASTLE, DE. 19720
2. TAX PARCEL NO.:	08-032.20-110	08-026.00-068
3. SOURCE OF TITLE:	20130617-0038714	20070716-0063028
4. AREA:	24.42± ACS.	8.24± ACS.
5. MODIFIED GRID NO.:	084/358	086/360

6. ZONING: OR

MINIMUM LOT SIZE	1.0 ACRES
MAXIMUM BUILDING HEIGHT	50'/140'
MINIMUM STREET YARD SETBACK	40'
MINIMUM SIDE YARD SETBACK	15'
MINIMUM REAR YARD SETBACK	40'
MINIMUM PAVING STREET SETBACK	40'
MINIMUM PAVING OTHER SETBACK	10'
MAXIMUM GROSS FLOOR AREA (OFFICE)	0.50 *
MAXIMUM NET FLOOR AREA (OFFICE)	0.83 *

*CAPACITY CALCULATIONS ARE REQUIRED TO DETERMINE AREA. PUBLIC FACILITIES ARE EXEMPT FROM CAPACITY CALCULATIONS.

7. COUNCILMANIC DISTRICT: 9
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WATER SUPPLY IS SUBJECT TO THE APPROVAL OF THE DELAWARE STATE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL AND THE DELAWARE DEPARTMENT OF PUBLIC HEALTH.
13. SEWER: NEW CASTLE COUNTY DEPARTMENT OF SPECIAL SERVICE
SEWERAGE IS SUBJECT TO THE APPROVAL OF THE NEW CASTLE COUNTRY DEPARTMENT OF SPECIAL SERVICES

SKETCH 4
EMILY P. BISSELL HOSPITAL
NEWPORT GAP PIKE
MILL CREEK HUNDRED NEW CASTLE COUNTY
DELAWARE
SCALE: 1"=100' APRIL 6, 2017

100 0 50 100 200 400
GRAPHIC SCALE (FEET)

OPTION V SITE PLAN

SKETCH 4 –
DEMOLISH ALL EXISTING BUILDINGS AND BUILD NEW TO HOUSE ALL LEASED SPACE

RAZE ALL EXISTING BUILDINGS (EXCEPT BUILDNGS B & C)
CONSTRUCT NEW BUILDING(S) FOR GOVERNMENT OFFICES
= APPROXIMATELY 439,000 SQ.FT.

PARKING REQUIRED = 439,000 SQ.FT. X 4 P.S./1000 SQ. FT. = 1,756 P.S.
PARKING PROVIDED = 1,755 P.S. = 1,505 P.S. IN STRUCTURE + 250 P.S. SURFACE
(28 ADA P.S. REQUIRED)

NOTE:

THIS PLAN IS A COMPOSITE OF PREVIOUS PLANS PREPARED BY VANDEMARK & LYNCH, INC. AND DOES NOT REPRESENT A CURRENT SURVEY.

ASSUMPTIONS:

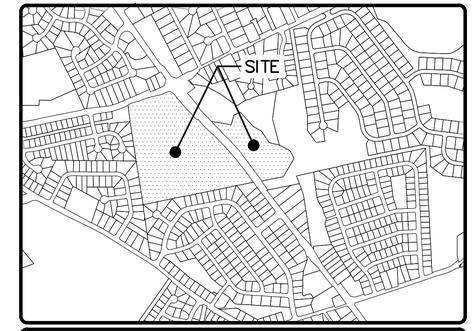
1. NO REZONING IS REQUIRED.
2. NO VARIANCES ARE REQUIRED.
3. STORMWATER MANAGEMENT CAN BE ADDRESSED BY MULTIPLE GREEN TECHNOLOGIES THROUGHOUT THE SITE.
4. THE ENTRANCE/EXITS ARE SUBJECT TO CHANGE BASED ON TRAFFIC ANALYSIS/STUDY NEGOTIATIONS WITH DELDOT.

VANDEMARK & LYNCH, INC.
ENGINEERS – PLANNERS – SURVEYORS
4305 MILLER ROAD
WILMINGTON, DE 19802/(302) 764-7635
WWW.VANDEMARKLYNCH.COM

SURVEYED BY:	FILE NAME	REVISION	SHEET
COMPUTED BY:	24344-EXHIB-01		1 OF 1
PROJECT MANAGER S.JOHNS	PERMANDNT FILE 092/372	QA REVIEW / SIZE	
DRAWN BY: N.DONLON	APPROVED BY		

SEAL IS NOT VALID UNLESS RED OR EMBOSSED

Figure 3.6: Emily P. Bissell Property Development Analysis Sketches



BLOCK MAP **LOCATION PLAN** SCALE: 1" = 800'

LEGEND

D.R.	DEED RECORD
T.P. NO.	TAX PARCEL NUMBER
	FENCE LINE
	PROPERTY LINE
	DEED RESTRICTIONS/SETBACKS
LP	LIGHT POLE
WV	WATER VALVE
	TREELINE
	BRUSH LINE
	CONCRETE
	PAVEMENT
	BUILDING
FW	WATER LINE
S	SANITARY SEWER MANHOLE
	FLOODPLAIN (PER PREV. RECORD PLAN)
	RIPARIAN BUFFER LINE
	WETLANDS

GENERAL DATA

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2. TAX PARCEL NO.:	08-032.20-110	08-026.00-068
3. SOURCE OF TITLE:	20130617-0038714	20070716-0063028
4. AREA:	24.42± ACS.	8.24± ACS.
5. MODIFIED GRID NO.:	084/358	086/360

6. ZONING: OR

MINIMUM LOT SIZE	1.0 ACRES
MAXIMUM BUILDING HEIGHT	50'/140'
MINIMUM STREET YARD SETBACK	40'
MINIMUM SIDE YARD SETBACK	15'
MINIMUM REAR YARD SETBACK	40'
MINIMUM PAVING STREET SETBACK	40'
MINIMUM PAVING OTHER SETBACK	10'
MAXIMUM GROSS FLOOR AREA (OFFICE)	0.50 *
MAXIMUM NET FLOOR AREA (OFFICE)	0.83 *

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13. SEWER: NEW CASTLE COUNTY DEPARTMENT OF SPECIAL SERVICE
    SEWERAGE IS SUBJECT TO THE APPROVAL OF THE NEW CASTLE COUNTRY DEPARTMENT OF SPECIAL SERVICES

SKETCH 5
EMILY P. BISSELL HOSPITAL
NEWPORT GAP PIKE
MILL CREEK HUNDRED NEW CASTLE COUNTY
DELAWARE
SCALE: 1"=100' APRIL 6, 2017

100 0 50 100 200 400
GRAPHIC SCALE (FEET)

OPTION VI SITE PLAN

SKETCH 5 – BUILD OUT MAXIMUM S.F. ALLOWED BY CODE

RAZE ALL EXISTING BUILDINGS (EXCEPT BUILDNGS B & C)
CONSTRUCT NEW BUILDING(S) FOR GOVERNMENT OFFICES
= APPROXIMATELY 531,000 SQ.FT.

PARKING REQUIRED = 531,000 SQ.FT. X 4 P.S./1000 SQ. FT. = 2,124 P.S.
PARKING PROVIDED = 2,122 P.S. = 1,872 P.S. IN STRUCTURE + 250 P.S. SURFACE
(43 ADA P.S. REQUIRED)

NOTE:

THIS PLAN IS A COMPOSITE OF PREVIOUS PLANS PREPARED BY VANDEMARK & LYNCH, INC. AND DOES NOT REPRESENT A CURRENT SURVEY.

ASSUMPTIONS:

1. NO REZONING IS REQUIRED.
2. NO VARIANCES ARE REQUIRED.
3. STORMWATER MANAGEMENT CAN BE ADDRESSED BY MULTIPLE GREEN TECHNOLOGIES THROUGHOUT THE SITE.
4. THE ENTRANCE/EXITS ARE SUBJECT TO CHANGE BASED ON TRAFFIC ANALYSIS/STUDY NEGOTIATIONS WITH DELDOT.

VANDEMARK & LYNCH, INC.
ENGINEERS – PLANNERS – SURVEYORS
4305 MILLER ROAD
WILMINGTON, DE 19802/(302) 764-7635
WWW.VANDEMARKLYNCH.COM

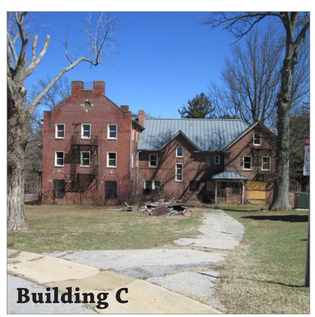
SURVEYED BY:	FILE NAME: 24344-EXHIB-01	REVISION	SHEET 1 OF 1
COMPUTED BY:	PERMANDNT FILE: 092/372	QA REVIEW	SIZE
PROJECT MANAGER: S.JOHNS	APPROVED BY		
DRAWN BY: N.DONLON	SEAL IS NOT VALID UNLESS RED OR EMBOSSED		

Figure 3.7: Emily P. Bissell Property Development Analysis Sketches

4. OPTIONS & NEXT STEPS

Building A - 1953

Building A - Original


Building C

Building T

Building S

Building G

A. Recommended Options for the Emily P. Bissell Property

As a result of the leased property, real estate, and site development analysis described on the previous pages, we are able to suggest the following options that are available to the State of Delaware concerning the best use of the Emily P. Bissell Hospital property:

Option 1. Delaware Economic Development Office (DEDO) Land Inventory : During the course of the master planning process, representatives of DFM, Office of Management and Budget (OMB), and Bernardon met with representatives of DEDO to discuss DEDO's possible involvement with the Bissell property to optimize value to the State. Those discussions revealed that the property can be put into DEDO's land inventory to be provided as a possible location for economic development by private industry.

Option 2. Development of Emily P. Bissell Hospital Property:

- State development of property for internal office uses: This option would require the State to determine the amount of State-owned office space desired to replace some amount of the leased space in New Castle County. This may range anywhere from 75,000 SF to approximately 439,000 SF. This process would follow all current Title 29 procedures for public works construction for site improvement, renovation, design, and construction bidding for new space in existing buildings or new office buildings.
- Developer RFP: This option will utilize a public Request for Proposal (RFP) process to offer the Bissell property for development by a private entity through a long-term property lease similar to that utilized by the University of Delaware/1743 Holdings for the development of the former Chrysler Plant property. Conditions of the RFP would include, but not be limited to, continued ownership of the property by the State, the provision of lease terms for state offices that would be financially beneficial to the State, and the recruitment of businesses that would add new jobs to the State's labor market.

Option 3. Outright Sale of the property on the open real estate market: This option entails putting the property on the open real estate market for sale to the highest offeror. The approximate commercial value of the property is estimated to be $5,000,000. The Apex Realty Advisory appraisal letter follows in Figure 4.1

B. Next Steps

- **Obtain a legal analysis of the original 1925 deed to determine if references to "use as an institution for the prevention and cure of Tuberculosis" constitute an impediment to the use of the property for other purposes.**
- **Schedule and conduct public meeting and collect constituent input.**
- **Fully develop study Options.**
- **Provide completed final report to the State of Delaware.**

4. OPTIONS & NEXT STEPS

- FIGURE 4.1:
  APEX REALTY ADVISORY APPRAISAL LETTER

Apex
Realty Advisory
Commercial Real Estate
Appraisal, Advisory & Consulting
101 Brandywine Boulevard
Wilmington, DE 19803
Voice: 302-479-5300
Fax: 302-397-2403

May 8, 2017

Mr. William E. Holloway, AIA, LEED AP
Bernardon
123 Justison Street, Suite 101
Wilmington, Delaware 19801

Re: Preliminary Appraisal Report
Emily P. Bissell Hospital
2945 & 3000 Newport Gap Pike, Wilmington
New Castle County, Delaware 19808

Dear Mr. Holloway, AIA, LEED AP:

At your request, we are reporting our preliminary valuation results based upon our inspection and estimated highest and best use of the above referenced property. This memorandum is to be followed with a narrative report which provides all the market discussion and analysis that supports our conclusions presented herein.

We certify that we have no present or contemplated future interest in the property beyond this appraisal which provides our estimate of the value of the referenced real property. The appraiser has performed no other services regarding the subject within the three years prior to our acceptance of this assignment.

The intended use and function of this appraisal is to render guidance for internal asset management decisions regarding the real estate related to the subject property for our clients, Bernardon and the State of Delaware and their advisors. As part of our scope of work we have gathered information regarding the subject, conducted an interior and exterior inspection of the subject, and researched market conditions regarding office market rents and comparable improved and unimproved land sales. As part of our due diligence we spoke with commercial real estate brokers and other market participants.

This appraisal report is intended to comply with the reporting requirements set forth under Standards Rule 2-2 of the Uniform Standards of Professional Appraisal Practice (USPAP). As a result, it presents detailed discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the opinion of value. Your attention is directed to the Standard Assumptions and Limiting Conditions section of this report (page 26). Acceptance of this report constitutes an agreement with these conditions and assumptions.

No hazardous substances were apparent upon inspection; however, employees and sub-contractors of Apex Realty Advisors are not experts in the environmental field. For purposes of this appraisal, the site and the improvements are assumed to be "clean." *Apex Realty Advisory reserves the right to amend the value conclusion(s) presented in this report should further information be made available at a later date regarding the environmental condition of the property or area surrounding the subject property.*

Apex
Realty Advisory

Mr. Holloway
May 8, 2017
Page 2

Based on the appraisal described in the accompanying report, subject to the Standard Assumptions and Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions (if any), we have made the following value conclusions.

Current Market Value of Parcel 08-032.20-110 & 08-026.00-068:
The market value of the Fee Simple estate of the two parcels, as of April 20, 2017, is

$5,000,000

Five Million Dollars

The market exposure time preceding April 20, 2017 would have been nine to eighteen months. Our market value estimate above only considers the value of the tangible real estate and no FF&E.

The distribution of this letter and accompanying report, which is to be distributed only in its entirety, and the conclusion(s) herein, is intended and restricted to use by Bernardon, the State of Delaware and their advisors and is not to be relied upon by, or shown to any other party (please see the "Standard Assumptions and Limiting Conditions" that are considered usual for this type assignment and have been included at the end of this report). No one other than the client is the intended user of this appraisal and no other parties should use or rely upon this appraisal for any purpose.

Neither the report nor any of its contents, nor any reference to Apex Realty Advisory or signatory(ies) of this report, may be included or quoted in any document, offering circular, registration statement, prospectus, sales brochure, other appraisal, loan, electronic communication or offering or other agreement without Apex Realty Advisory's prior written approval.

If you should have any questions or comments please call us directly at 302-479-5300.

Respectfully submitted,
Apex Realty Advisory, LLC

By _____
Jay L. White, MAI, CRE®
Certified General Real Property Appraiser
DE-X1-0000515
Expiration: October 31, 2017

Apex
Realty Advisory

Figure 4.1: Apex Realty Advisory Appraisal Letter

APPENDIX

A. BERNARDON CONVERSATION RECORD REGARDING "HISTORIC BUILDING" DESIGNATION

www.bernardon.com

BERNARDON

ARCHITECTURE
INTERIOR DESIGN
LANDSCAPE ARCHITECTURE

PHONE CONVERSATION RECORD

Project Name: State of DE – NCC Facilities Master Plan
Project No.: 8348.00-16
Date: February 27, 2017, 2:15PM

Conversation Between: New Castle County, Office of Land Use
Mr. Sean Baily, Plans Examiner

And: Bernardon
Mr. Douglas A. Eriksen, AIA, Project Manager

The following issues were discussed:

1. Verified that the Emily P. Bissell property at 3000 Newport Gap Pike does not fall within a historic overlay zone. They concurred.

2. Questioned whether a building over 50 years old is considered a "historic" building. The county concurred that any building over 50 years old within New Castle County is considered historic.

3. Since the buildings are not in an overlay zone the "historic building" designation would not preclude an adaptive re-use of the building.

4. The historic building designation would require review and prior approval by the NCCo Historic Review Commission for a demolition permit. This may or may not be granted depending on the historic contribution of the building either in terms of its architecture, its location, or its place in history (significant event).

Anyone taking exception or noting omissions shall notify the Architect in writing within five days of receipt of this record. Otherwise, it is assumed all parties accept the above as recorded.

Respectfully submitted,

Douglas A. Eriksen, AIA
Project Manager

123 Justison Street, Suite 101 | Wilmington, Delaware 19801
t. 302 622 9550 | f. 302 622 9554

Kennett Square, Pennsylvania
Philadelphia, Pennsylvania

Appendix A: Bernardon Conversation Record Regarding "Historic Building" Designation

BERNARDON

ARCHITECTURE
INTERIOR DESIGN
LANDSCAPE ARCHITECTURE

425 McFarlan Road, Suite 200 | Kennett Square, Pennsylvania 19348
t. 610 444 2900 | f. 610 444 6525

The Philadelphia Building
1315 Walnut Street, Suite 600 | Philadelphia, Pennsylvania 19107
t. 215 609 4609

123 Justison Street, Suite 101 | Wilmington, Delaware 19801
t. 302 622 9550 | f. 302 622 9554