



2018 ING Chicago

Maximizing Lease Opportunities

Production buildings, excess office space and parking Lots



Discussion Topics

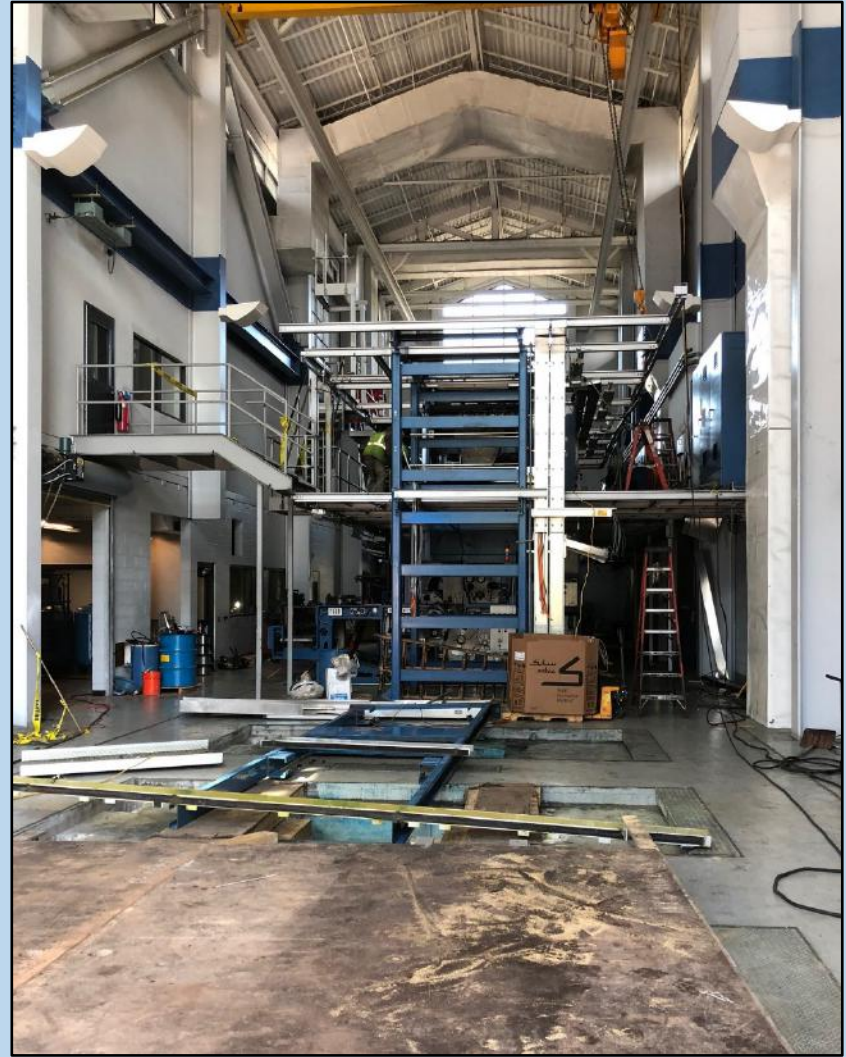
- Reducing building cost after operations shutdown
- Equipment removal pictures
- Island Packet building lease (\$378,000 annual)
- Lease savings opportunities (\$116,000 annual)
- State Media office space and event parking
- Locating potential tenants
- Security

Reducing Building Infrastructure Cost

- Ramping down HVAC (chillers, cooling towers, boilers, chilled water loop pumps, compressors and air handlers)
- Power company rate structures. (large vs. small user/peak demand)
- Decommission elevators (shut down and lock out tag out)
- Maintenance contracts (water treatment, hvac and elevator)
- \$50,000 in annual tax savings for removed equipment (inserters, press, conveyors, ect...)
- \$500,000 in savings at other locations by utilizing spare parts over the next 5 years

Equipment Removal Pictures







Island Packet Lease Space Packaging Warehouse



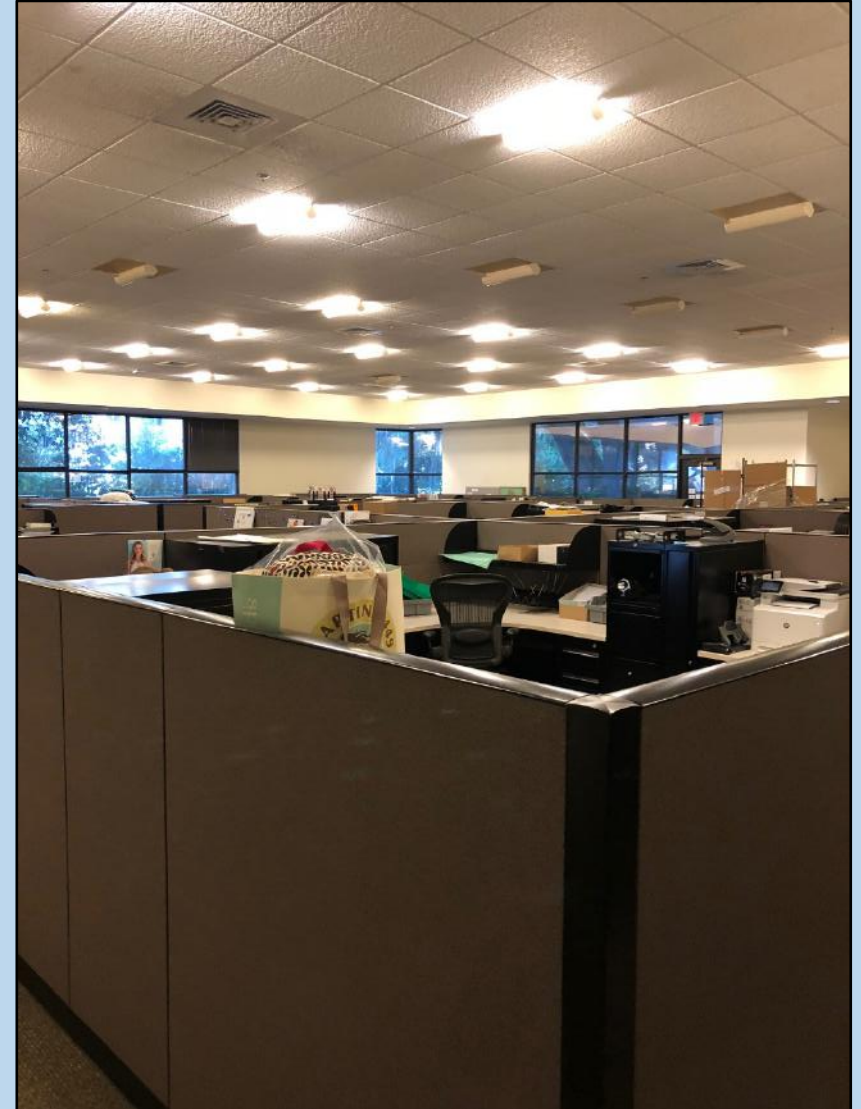
Press Hall Lease



Production Office Space



Admin Office Space Lease



Lease Savings Opportunities

- Tenant assuming responsibility for electricity, water and sewer (production building)
- Tenant assuming responsibility for janitorial (production building)
- Admin building electricity. Shared with tenant based on square feet of utilized space.
- Admin building janitorial. Shared with tenant based on square feet of utilized space.
- Tax savings

State Media Lease



State Media Lease

- 4 floors- 275,000 sqft
- Renewed leased space to WNS in 2018. (call center)
- Moved all state employees to the second floor in 2017
- Leased space to Sizemore in 2018. Regional janitorial and security company.
(Cost per square feet, plus goods and services)

Locating Potential Tenants

- Using a broker?
- In house staff will save brokers fees
- Town economic development groups

Security

- Segregating tenants from McClatchy employees
 1. Access control doors into individual spaces. Common area is open once inside the building.
 2. 3M safety film on main entrances.
 3. Intercom with buzz through at main entrance

Summary

Opportunities to create revenue through fully utilizing available space in existing admin buildings and decommissioned production facilities, can partially offset declines in traditional revenue sources.

- Lease revenue
- Reduced expense
- Combining employee foot print and fully utilizing all available space