MARSHALL EXCHANGE RETAIL DEVELOPMENT PROJECT

ANSWERS TO QUESTIONS RECEIVED THROUGH JUNE 11, 2012

1. The July 27, 2012 proposal deadline is a short amount of lead time. Can the proposal deadline be extended? Say by 30 or 60 days?

   Yes. Based on feedback from the Project Forum and Site Visit attendees, the proposal due date of Friday, July 27, 2012, 5 PM CDT has been extended to Friday, August 31, 2012, 5PM CDT.

2. Where do RSA resident live?

   All residents on Redstone Arsenal live in the general area of Goss Road in the northeast section of the Arsenal.

3. How do brokers get compensated for bringing developers/retail to the site?

   Brokers should team with a Developer and receive compensation by providing leasing and management services for the Developer.

   From Section 3.3 of the Special Notice of Lease: Under no circumstances shall the Marshall Exchange or United States Government be liable for any real estate brokerage commissions, finder's fees, or other forms of compensation related in any way to activities undertaken by any person as a result of the submission of the Special Notice of Lease proposal.

4. Are there any parking requirements per square foot?

   See Exhibit "A", Parking, in the Special Notice of Lease document, pages 50 & 51.

5. How do I get my Business Plan of a fast-casual food restaurant and possible day SPA to potential developers?

   Contact potential developers, some of which attended the Project Forum and Site Visit (see list of attendees to the Project Forum included on the solicitation's website).

6. Please describe the status of the proposed AAFES Exchange Development and its affect and relationship with the NASA Exchange project.

   The proposed AAFES Exchange Development construction contract award is planned later this summer with an expected opening about 1 year later (summer 2013). It is planned to include a Burger King, a Blimpies, a branch of the Redstone Federal Credit Union, a Shoppette, and a 4 pump gas station -- similar to these same tenants/services managed by AAFES in the northeast section of the Arsenal. The Burger King, Blimpies, and RFCU will be open to all personnel with access to Redstone Arsenal. The Shoppette (convenience store) and the 4 pump gas station will only be open to active duty military personnel, military retirees, and their families.

There is no direct relationship between the two projects, and no direct relationship between the AAFES Exchange and the NASA Marshall Exchange. Both projects are planned to improve the quality of work life on Redstone Arsenal, and to accommodate the large concentrations of employees who work along Martin Road. All restaurants, shops, convenience stores, and gas stations operating under the authority of the Marshall Exchange are open to all personnel who have access to Redstone Arsenal (no restrictions).

7. Expand on "Future Expansion Sites" and future Shoppette Area Development [shown in RSA Overview for the AAFES site across from the existing Army Child Development Center]. Competition?

   The term "Future Expansion Sites" in the RSA Overview was taken from the Army's area master plan. This is not pending activity. It was drawn to show the ability of the site to expand support services within this area if needed in the future. The site shown as Future Expansion Sites is the only one designated for retail.

8. It appears that restaurants may not have much business after 6PM or on weekends which will negatively impact typical sales volume. Has there been an impact/feasibility study done to determine how many restaurants and how much retail Marshall/Redstone can support? How do you overcome tenant's risk of base downsizing affecting sales volume and viability of business?

   This opportunity is unique in many ways, including the factors listed in this question. Understanding the differences between this opportunity and more conventional public locations (positive and negative) must be considered and managed in each Offeror's proposal to maximize business and project success. For example, the Burger King currently operating on Redstone Arsenal is open about 80 hours per week, compared to more conventional public locations of approximately 120 hours per week, to mitigate low volume after work hours and optimize high volume demand during work hours.

   There has not been a study to determine how many restaurants and how much retail Marshall/Redstone can support. Population demographics and current food service locations are provided in the Notice of Lease document.

9. Is there a ground lease document available for review? Can the lease document be presented now for review?

   The ground lease document has not been drafted and therefore is not available for review at this time. However, the Marshall Exchange is planning to issue a sample lease within the next 45 days that will contain clauses required by the Marshall Exchange and the Government.

10. Where would the utilities come from?

    See Paragraphs 1.6.6, 5.1.7, and Section 5.4 in the Notice of Lease document for information on utilities.

11. At what capacity is Sparkman Center cafeteria typically?

    The average customer count at the Sparkman Center cafeteria is 1,274 per day, Monday through Friday.

12. What process do employees of the tenants have to go through to get badged to work on post?

    Currently, all Government and Contractor employees seeking badged access to Redstone Arsenal must complete the appropriate forms to be submitted to the Office of Personnel Management for a National Agency Check and Inquiries (NACI) investigation. A NACI is the minimum level of investigation required for employees as a condition to access Federal facilities and information systems. It is essentially a check of law enforcement records, and written inquiries to schools, police departments, and other references to verify an individual's status. The required background investigations, in turn, require a fingerprint check of each individual.

    However, since employees of the tenants will not be entering federal buildings or have access to federal information systems, badging requirements for employees of tenants for this proposed retail development may be less than current practice. Therefore, for proposal purposes, assume a favorable National Crime Information Center (NCIC) and fingerprint check is required to receive a special badge issued to employees of tenants and other staff members associated with this planned retail development. If a determination is made that the more stringent NACI investigation is required for employees of the retail development, a subsequent Modification will be issued defining the more stringent requirement.

13. Will you disclose the appraised value you determined?

    No. The Marshall Exchange contracted for an appraisal in early 2011 to determine the market value of the project site (25.68 acres) for project planning purposes. The effective date of the appraisal was March, 2011. Because the exposure period for the appraisal has expired and is no longer valid, the appraisal will be updated at an appropriate time. However, the appraised value is for the Marshall Exchange's use in negotiations and will not be revealed. The Exchange realizes that the rental rate must be fair to both parties and the Offeror/Developer must be able to price the rent to attract tenants and make a fair return.

14. Can the concrete barrier on Martin Road be eliminated because of the psychological barrier for tenants? Is a second access possible other than the traffic light?

    After further review of the Martin Road road-widening project drawings, the concrete barrier only exists at the far west end of the site's property boundary. Offeror's should include recommended entry and exit drives and/or lanes in their proposed concept drawings, and specify any changes needed to the road widening project design to accommodate those recommendations. See Section 1.6.6 for more detailed information addressing the widening of Martin Road.

15. Projected traffic count on Martin Road?

    The average daily traffic count entering Gate 7 is just under 5,000 vehicles per weekday. However, this is expected to increase significantly when Martin Road and Zierdt Road are expanded to four lanes, since employees arriving from west of the Arsenal will then have two main entries instead of a single main entry at Rideout Road, Gate 9. The capacity at Gate 7 will also be increased commensurate with the widening of Martin Road West.

16. How will ~~NASA~~ [the Marshall Exchange] acquire and confirm the support services like lawn maintenance, liquor licenses, and health inspections?

    Food safety inspections are confirmed and listed in Exhibit C of the Notice of Lease document. Lawn maintenance, as well as police and fire protection services, will be defined through a Memorandum of Understanding between the Marshall Exchange and MSFC's Facilities Management Office. Liquor licensing and related requirements are under review but are expected to be defined by Alabama state law and by a written agreement between the Marshall Exchange, MSFC's Protective Services Office, and the Army Garrison's Security Division.

17. How strict are you going to be on the 45 year max, lease term from NASA [Marshall Exchange] with the developer?

    The lease term cannot exceed 45 years (per Section 1.5.2). This limitation is due to the current expiration date listed in NASA's land use agreement with the U.S. Army. NASA controls the land designated as NASA Marshall Space Flight Center under a 99 year agreement with the U.S. Army, extendable at NASA's option.

18. Can any of this property be purchased for development or is it lease only?

    This opportunity is lease only, although lease terms are flexible and negotiable.

19. Can the Martin Road gate hours [Gates 1 and 7] be expanded to facilitate access to the retail development if needed to optimize the developer's and tenants' investments, tenants' operations, and patrons requests?

    Several factors are used to establish the Redstone Arsenal's gate hours. The reduced open hours at Martin Road East Gate 1 effective May 6, 2012 (see posted file titled "RSA New Gate Hours effective May 6, 2012") are based on current use and demand for that gate during off hours. Because the planned retail development can influence that demand, gate hours may be revised in the future. Offerors should include in the Development Plan of their proposal (Section 2.1.2) any recommended changes to the hours of operation for Gates 1 & 7, since those gates, in conjunction with Gate 9, are the three gates that provide direct access to the retail development site.