

3 Executive Campus, Cherry Hill, NJ



Escape urban density, mitigate risk and reduce occupancy costs by locating your workplace in southern New Jersey. Minutes away from Philadelphia, tenants can have all the advantages of a major city at a significantly lower cost.

3 Executive, located 4 minutes from the Ben Franklin Bridge, offers tenants skyline views without the Center City prices, saving an average of \$15.00/sf in rental expenses.

- ✓ Reduce risk by distancing employees/offices
- ✓ No wage tax for some employees
- ✓ Cost effective
- ✓ Reduce BIRT tax
- ✓ Close proximity to Center City
- ✓ Café, gym, building security and tenant board room on-site
- ✓ 2.3 miles from Collingswood PATCO station
- ✓ Free parking

Direct Occupancy Cost Differential	Philadelphia	South Jersey
Base Rent per SF	\$28.00 plus electric	\$18.00 plus electric
Use & Occupancy Tax per SF	\$2.00	\$0.00
Rentable to Useable Factor	25% (+\$3.00)	15%
Total Effective Rent	\$33.00	\$18.00
Rent Differential @ 20,000 SF – 5 YRS	\$3,300,000	\$1,800,000
Business Income & Receipts Tax*	\$235,250	\$0.00
Total Direct Cost	\$3,535,250	\$1,800,000

*Philadelphia's Business Income & Receipts Tax (BIRT) is 1.415% per \$1,000 in gross receipts and 6.250% on taxable net income. Taxes for a company with \$10 million of gross receipts and a net income of \$1,500,000 would pay a tax of \$141,500 on gross receipts and \$93,750 on net income for a total of \$235,250.

Indirect Occupancy Cost Differential	Philadelphia	South Jersey
Local Wage Tax per Employee*	\$4,839	\$0.00
Parking per Employee	\$3,600 (\$300/mo.)	\$0.00
Total Annual Indirect Cost**	\$8,439	\$0.00

*Philadelphia wage tax is 3.8712% of gross income. It applies to employees based out of the city and all residents. An employee earning \$125,000 would pay \$4,839 in taxes.

**Total cost differential for non-Philadelphia resident.

Analysis Assumptions:

- 5-year lease
- 20,000 SF
- Tenant generates \$10,000,000 in annual revenue at a 15% profit margin.