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East Junction

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East Junction
Community

Statement of Limiting Conditions

Purpose

The intent of this academic exercise is to evaluate and present a feasible development project. The data, conclusions, and recommendations are stated assumptions to be interpreted as speculation.

Images & Characters

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This Report has been prepared based on assumptions reflected therein believed to be reasonable under existing circumstances and conditions. Nevertheless, there can be no assurance that the project will be constructed or operated in accordance with the Report.

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Development Team

Matt Alexander

Recent summer intern with Mayor Knox White in the City of Greenville, SC working on various projects to promote economic development and bring new business to the city, while also gaining intimate insight to the city's role in the development process. Additional experience includes work on a $20.5 million, 275 key five star hotel renovation in Atlanta, GA. Assisted in the permitting and sub-contractor bid process during the pre-construction phase and attended project team meetings to discuss design details. Four years of military leadership experience in the U.S. Army as a MEDEVAC Blackhawk helicopter pilot. Years of service include several hundred flight hours and one combat deployment to Iraq. Currently active in the Georgia National Guard as a pilot and commander of 60 personnel during homeland support, training, and relief missions. Prior internship experience in China as part of an undergraduate study aboard with the Agricultural Bank of China.

Interested in expanding personal knowledge and experience in commercial and mixed-use urban development by utilizing leadership and adaptability skills gained in the military.

Andrew Bristow

Recent real estate development experience as an intern with EDENS in Columbia, SC. Specialized in new and renovating existing retail shopping centers through work in the construction division. Worked closely with project managers and construction mangers on project budgets, schedules, and project bidding and was exposed to all stages of the development process from start to grand opening of retail shopping centers in the Columbia, Charlotte, and Atlanta markets. Prior experience in the construction industry working with MB Kahn, Enviro AgScience and Bonitz on projects ranging from a $200+ million battery recycling plant, military barracks, and detention center. Responsibilities included project layout, supervision, as well as serving as the on-site for safety, and quality. Also responsible for document controls, RFI's, and submittals, as well as managing subcontractors on daily tasks to successfully complete the project on schedule.

Desire to apply development and construction experience as s development associate focusing on urban infill, multi-family, commercial, and mixed-use projects.

Anthony Rowland

Recent commercial real estate experience at CBRE/The Furman Company, an affiliate of CBRE and a premier real estate services firm, based in Greenville, SC. Gained knowledge of office, industrial and retail sectors working alongside brokers and the client services department. Responsibilities included creating and maintaining a comparables database, updating property flyers, preparing lease abstracts, and assisting with other projects. Additional experience in home building and land development with The Mungo Companies, the 35th largest homebuilder in the nation. Worked alongside and shadowed the chief land developer in Mungo's Charleston branch, Harbor Homes, which focuses on single-family developments in emerging markets in Charleston, SC. Responsibilities involved overseeing sidewalk installations and streetlights in several newly developed subdivisions. Spent time with civil engineering, landscape architecture, and construction companies to learn their contributions to the overall home building process. Further experience on a large low-country estate as part of a facilities maintenance group. Active volunteer and strong leadership skills as a NCAA Division I Baseball pitcher. Four year member on the Southern Conference Academic All-Conference Team.

Desire to use strong financial and development knowledge in a commercial real estate development position. Interested in industrial, office, and mixed-use sectors.

Tori Wallace

Professional experience in commercial real estate development with Hughes Development Corporation. Responsibilities include assisting in land planning of multiple projects; developing RFP responses; assisting appraisers and analyzing land values; and creating solutions for problems in existing developments. Additional tasks include marketing available office and retail space by creating flyers and working with listing organizations. Also, meet with potential tenants, and assist in meetings with design firms and media interviews, and helping new projects earn LEED Credits. Previous experiences as an integral part of expanding Albrecht Imaging as a Human Resources Representative. Responsibilities included development of marketing materials, acquiring new clients and creating both artistic and realistic architectural renderings. Additional experience includes working as an office assistant in multiple capacities. Previous positions included a variety of office tasks ranging from the creation of detailed inventory of all archived files at the El Paso DuPont Plant to the performance of day-to-day tasks of an University of Illinois graduate school office.

Desire to apply an architectural background to the development and adaptive use of historic and abandoned properties into spaces that accommodate a specific community's needs.

Development Goals & Objectives

Opportunity

Respond to the request of Spinx Corporation and Central Realty to propose, in detail, the master planning and development of the 26.4-acre subject site in Greenville, South Carolina.

Vision

Revitalize the intersection of Laurens Road and East Washington Street by building upon existing foundations; investing in the future; and activating the neighborhood through a pedestrian-friendly, mixed-use development.

Mission Statement

Pettigru Partners is dedicated to creating profound, pedestrian-friendly, community-oriented urban centers. East Junction will demonstrate an environmentally sensitive, economically feasible and socially appealing mixed-use development.

Development Cornerstones

- Deliver neighborhood retail convenient to the residents of East Junction, Overbrook Historic District, and Nicholtown by providing shopping and dining for the surrounding community.
- Introduce a community-oriented neighborhood by providing competitively priced rental options for those eager to live, work and recreate in a true urban environment.
- Promote health and fitness to surrounding communities, residents and visitors by providing connection to the Swamp Rabbit Trail.
- Encourage interaction between residents and visitors with the implementation of a series of communal gathering places; pedestrian walkways; public green spaces and external dining and amenity options.

To the Spinks and Timmons Families:

Pettigru Partners is pleased to present for your consideration, East Junction— a multi-parcel, mixed-use project comprising a total of 26.4 acres that lie on the edge of the central business district of Greenville, South Carolina. East Junction is comprised of all four corners of the intersection of East Washington Street and Laurens Road, and is a mere quarter mile from I-385. Office; both multifamily and single family residential; and retail will comprise a majority of the development. Also, the flagship Spinx Convenience Store is included within this development. Given East Junction's location in relation to downtown, Cleveland Park, the Swamp Rabbit Trail, as well as its panoramic views of the city skyline, this development is poised to attract not only the passing traffic of Laurens Road, but also visitors from around the city and region.

East Junction will include a total of 79,160 SF of retail space, 48,520 SF of office space, 94 units of multifamily, 60 single family homes, and 35 townhomes. Also, within East Junction will be a new 8,000 SF Flagship Spinx Convenience Store. All parcels are currently controlled by two separate parties who recognize the potential and necessity in the redevelopment of this important intersection. Pettigru Partners intends to bring pedestrians to a part of the city currently dominated by the automobile. On a daily basis over 37,000 vehicles pass through the subject location. This development team's goal is to harness the traffic, while also making the intersection, as a whole, a desirable place to live, work, and play.

We are excited about our findings for East Junction and invite you to review all of the enclosed recommendations and financial feasibility analyses. All assumptions and analyses within this document are solely the opinions of this development team, and we hereby certify that no information was purposefully neglected.

Thank you for your consideration of East Junction.

Sincerely,

Matt Alexander

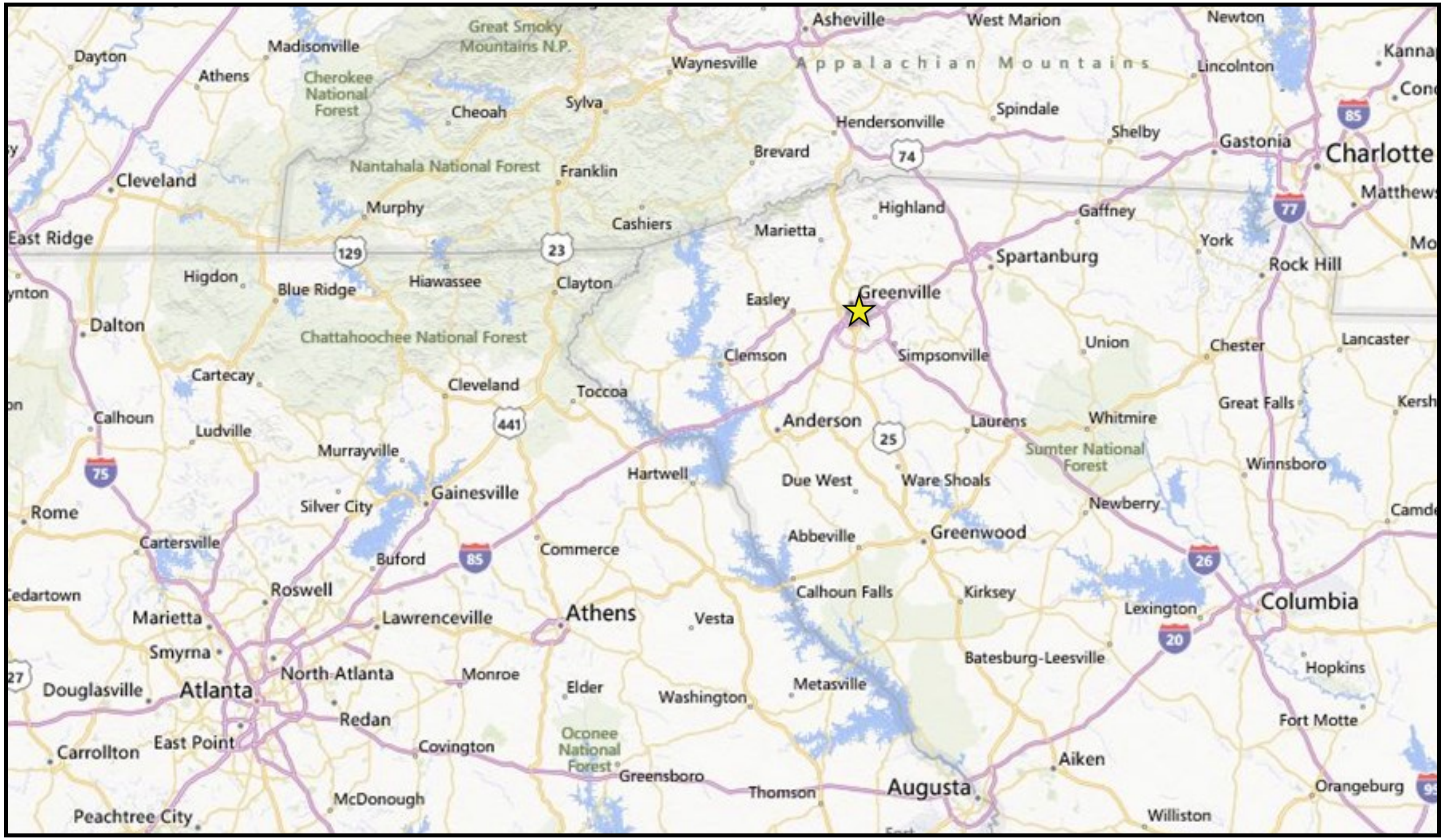
Andrew Bristow

Anthony Rowland

Tori Wallace

Site Analysis

Regional Overview

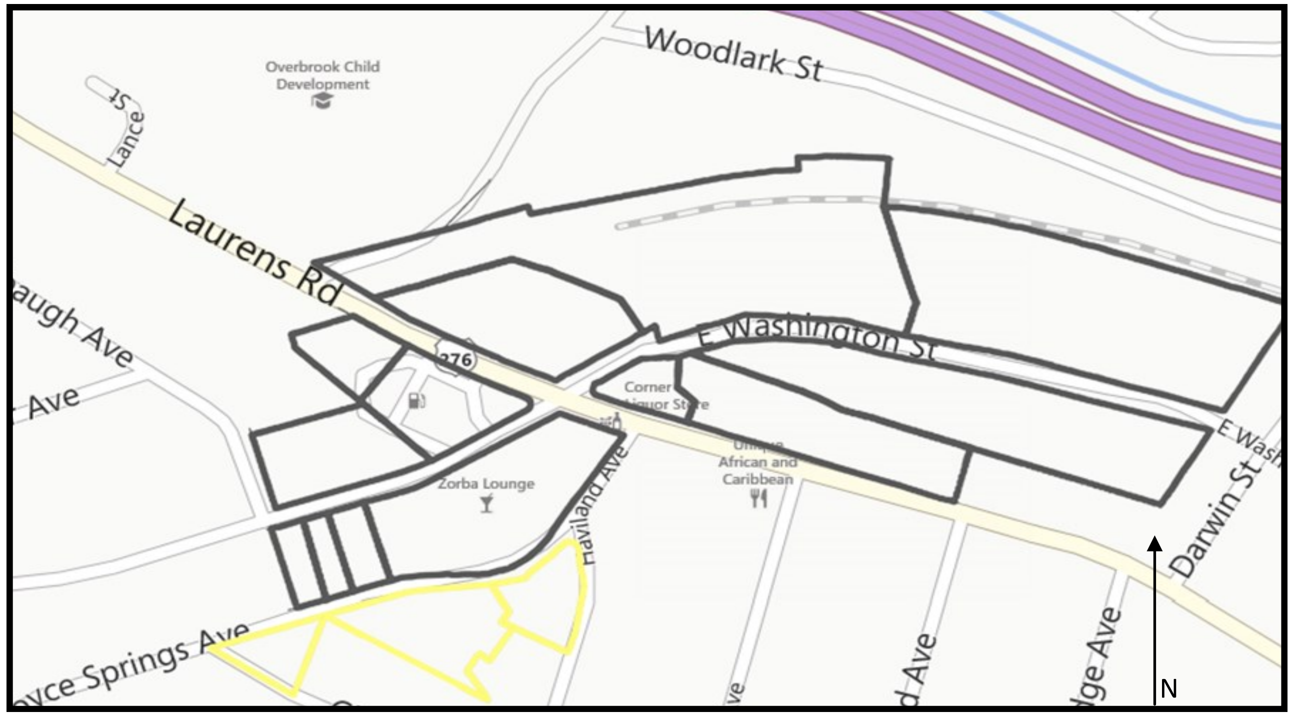


The subject properties are located in the City of Greenville at the intersection of Laurens Road and East Washington Street in Greenville County, South Carolina.

The subject properties total 26.4 acres surrounding the intersection of Laurens Road and East Washington Street. The properties are approximately 1.3 miles east of Main Street in Downtown Greenville. Direct access to I-385 is located roughly one-quarter of a mile north on Laurens Road. The subject properties are part of the Greenville-Anderson-Mauldin Metropolitan Statistical Area. This MSA comprises four counties and has a population of 824,112. It is also a part of the Greenville-Spartanburg-Anderson Combined Statistical Area, which has a population of 1,137,380.

Site Environs Map

Parcel Descriptions



Southeast Corner of Laurens Road & East Washington Street

Spinx Plaza

The parcel is roughly 2.2 acres located at 1414 East Washington Street. It is owned by the Enigma Corporation, Spinx Corporation's real estate division. The Spinx Plaza is a retail center that houses Spinx's Corporate Headquarters. The Spinx Corporation occupies a majority of the center. Other occupants of the shopping center include Master's Car Stereo and The Zorba's Lounge. The center is approximately forty-years-old and is no longer attracting quality tenants. Historically, the Spinx Plaza site has been primarily commercial uses, including the Bell Laundry and the Day and Nite Food Store.

Residential Lots

Spinx Corporation owns three residential lots adjacent to Spinx Plaza. The parcels are located at 1402, 1404, and 1406 East Washington Street. They total 0.76 acres and add approximately 200 feet of frontage along East Washington Street. These parcels continue to be used as single-family residences.

Three additional residential parcels south of Spinx Plaza are also under consideration. The first, located at 8850 Haviland Avenue, is owned by the City of Greenville. The parcel is 0.56 acres. It currently houses a City owned electrical transformer, but is otherwise vacant. The second parcel consists of 1.02 acres and is owned by Curtis Lackey. Currently, several single-family, rental houses occupy the parcel. The parcel has maintained its historical residential use. The third parcel is owned by the Spinx Corporation and is located at 5 Charlotte Street. The parcel is 0.39 acres in size and is currently occupied by a single-family house. The third parcel has always comprised residential uses.

Southwest Corner of Laurens Road & East Washington Street

Spinx Convenience Store

The Spinx Convenience Store is located at 1417 East Washington Street on the Southwest corner of Laurens Road and East Washington Street. The parcel is 1.17 acres and is owned by the Spinx Corporation. The parcel has historically been used for commercial purposes, including gas stations or convenience stores.

The Spinx Corporation also owns two adjacent parcels. The first is located at 202 Laurens Road, northwest of the convenience store. This parcel is 0.43 acres and is currently vacant. The second parcel consists of 1.04 acres and is located at 1409 East Washington Street. 1409 East Washington Street currently comprises two residential houses converted to commercial use. Both of the adjacent parcels have previously been used for residential purposes.

Northwest Corner of Laurens Road & East Washington Street

Former Ideal Feed and Seed

The parcel is 1.7 acres located at 217 Laurens Road. The owner is the Lullwater Syndicate Company, a subsidiary of Central Realty. However, the Spinx Corporation currently holds a long-term ground lease on the property. It is located on the northern side of Laurens Rd. and the western side of East Washington Street. There is an unoccupied, existing building located on the property. The parcel has extensive frontage on Laurens Road. This parcel was originally residential before becoming commercial in the 1930's. Former commercial uses include various auto sales & repair shops and agricultural-based retail. These businesses included Grant's Auto Sales, the Ideal Feed & Seed, and most recently Community Lawn & Garden.

Reeves Parcel

The Reeves Parcel is 5.5 acres located at 1525 East Washington Street. It is owned by The Reeves Partnership. It is located directly behind the former Feed and Seed. The parcel has frontage on Laurens Road, Hillside Drive, and East Washington Street. The Reeves Parcel is mostly unimproved; however, the site does include a warehouse building estimated at 6,000 square feet. Historically, this site was used for a manufacturing facility. At one point in time, a rail line was located along the northern edge of the site that has since been abandoned and the property ownership has reverted to neighboring landowners including the Reeves Partnership.

Northeast Corner of Laurens Road & East Washington Street

Car Detail Shop and adjoining land

These parcels are also owned by the Lullwater Syndicate Company and consist of 2.0 acres. They are located at 301 Laurens Road on the northern side of Laurens Road and the eastern side of East Washington Street. Combined, the parcels provide approximately 750 feet of frontage on Laurens Road. Historically, the site has been used for commercial purposes. A car detail shop currently occupies the parcel's western corner with the eastern parcel remaining vacant.

East Washington Village Apartments

Located at 1500 East Washington Street, the East Washington Village is owned by the Lullwater Syndicate and totals 9.6 acres. This site has been historically, and continues, to have a residential use. The apartments located on site are older, low-density units, and several buildings have been demolished in recent years. This parcel, because of its higher elevation, provides sweeping views of Downtown Greenville.

Surrounding Area

Greenville's rich history, scenic terrain, moderate climate, and investment in the arts make the area one of the South's most attractive cities. An afternoon drive can take you to the mountains, ocean, lakes, waterfalls, or whitewater rapids. The area's scenery and weather lets you enjoy outdoor activates year-round. Spectator sports in the area include major college athletics along with minor league hockey and baseball. In addition, Greenville hosts the BMW Classic Pro-Am Golf Tournament each spring. Whether golfing, hiking, fishing, or gardening, Greenville is a community with a variety of opportunities for great recreational living.

Prominent businesses also have located a large portion of their operations in the Upstate. These companies include BMW, General Electric, Lockheed Martin, Caterpillar Inc., and TD Bank. Greenville also is the headquarters for Hubbell Lighting, Perceptis, Flour Engineering, CertusBank, and Michelin North America.

Downtown Greenville is located west of the site. The CBD is a mixed-use district that centers on Main Street. Greenville's Main Street has become a destination for residents as well as tourists. It is lined with office, retail, municipal services, dining, residential, and entertainment. Proximity to downtown Greenville offers numerous opportunities for the subject site.

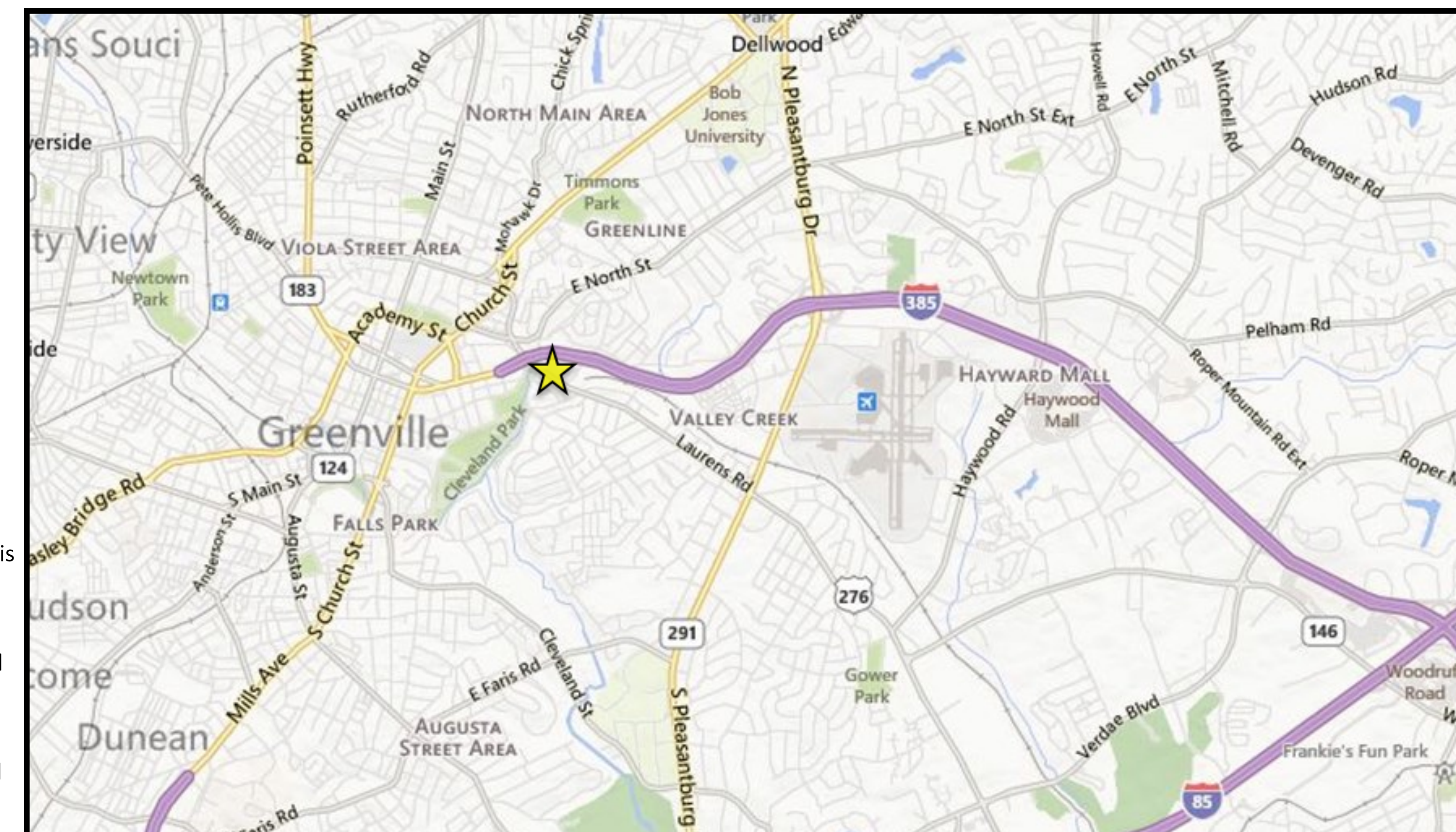
Bon Secours Wellness Arena is located less than a mile from the site. The arena is home to Greenville's minor league hockey team, the Road Warriors. It also hosts many events throughout the year including the Barnum & Bailey Circus, Monster Jam, concerts, etc.

Laurens Road, which runs through the subject site, is lined with commercial uses dominated by retail. In addition, Pleasantburg Drive, located a mile from the site, is a large commercial corridor. The area surrounding East Washington Street contains retail, office, and residential. It includes the Pettigru Historic District. This district contains mostly office uses, but does encompass residential uses as well.

An office/light industrial building is located directly north of the site. It is currently occupied by Hilton Displays. Also, north of the site is Overbrook Child Development and Family Learning Center. Overbrook, which is associated with the Greenville County School District, offers 4-year-old Kindergarten and Preschool education.

Several single-family neighborhoods are located directly to the south of the site. They include Nicholtown and the McDaniel Avenue neighborhood. These neighborhoods border Cleveland Park, which is one of the City's most popular recreation areas. Proximity to Cleveland Park benefits future development on the subject site. The park provides connectivity to the Swamp Rabbit Trail, a greenway trail. In addition to these neighborhoods, residential uses also dominate the north side of the site, including the Overbrook Neighborhood, a transitional neighborhood, and the North Main community.

The site is central to several different special emphasis districts. The Nicholtown and Arcadia Hills neighborhoods are both special emphasis neighborhoods designated by the city. Nicholtown is an urban neighborhood located south of Spinx Plaza. The neighborhood is primarily made up of small (studio to two bedroom) to medium-sized (three or four bedroom) single-family homes and small apartment buildings. A mixture of owners and renters occupy most of the residential real estate. Many of the residences in the Nicholtown neighborhood are old, well established homes, built between 1940 and 1969. A number of residences were also built between 1970 and 1999. Arcadia Hills is a twelve-year-old, HOPE VI housing project approximately a half-mile from the site. It consists of a mixture of low-density multi-family units, townhomes, and small single-family residential. The subject site also neighbors the Pettigru and Overbrook Historic Districts. The Pettigru area is now mostly commercial properties with residential uses throughout. The Overbrook neighborhood was built in the early twentieth century and is currently becoming a popular transitional neighborhood in Greenville.



Access & Circulation

Interstate Access

This site is considered a gateway to Downtown Greenville, with Main Street being only 1.3 miles from the subject properties. In addition, this site is within a quarter of a mile from the commencement/termination of Interstate 385 in Downtown Greenville. Interstate 385 provides vehicular connectivity from Downtown Greenville to Interstate 85. It also passes through Mauldin and Simpsonville before merging with Interstate 26 in Clinton, SC and connecting to Columbia, SC. Direct access to I-85 is located approximately four miles south of the subject properties. I-85 is a major interstate highway in the Southeast. At its southern most point it intersects with Interstate 65 in Montgomery, AL, and at its northern most point it meets Interstate 95 in Petersburg, VA.

Greenville is easily accessible from two major metropolitan areas: Atlanta, Georgia and Charlotte, North Carolina. Atlanta is a 150-mile drive from Greenville and Charlotte is 100-miles from Greenville, both via Interstate 85. In addition, Asheville is approximately sixty miles north of the site.

Air Travel

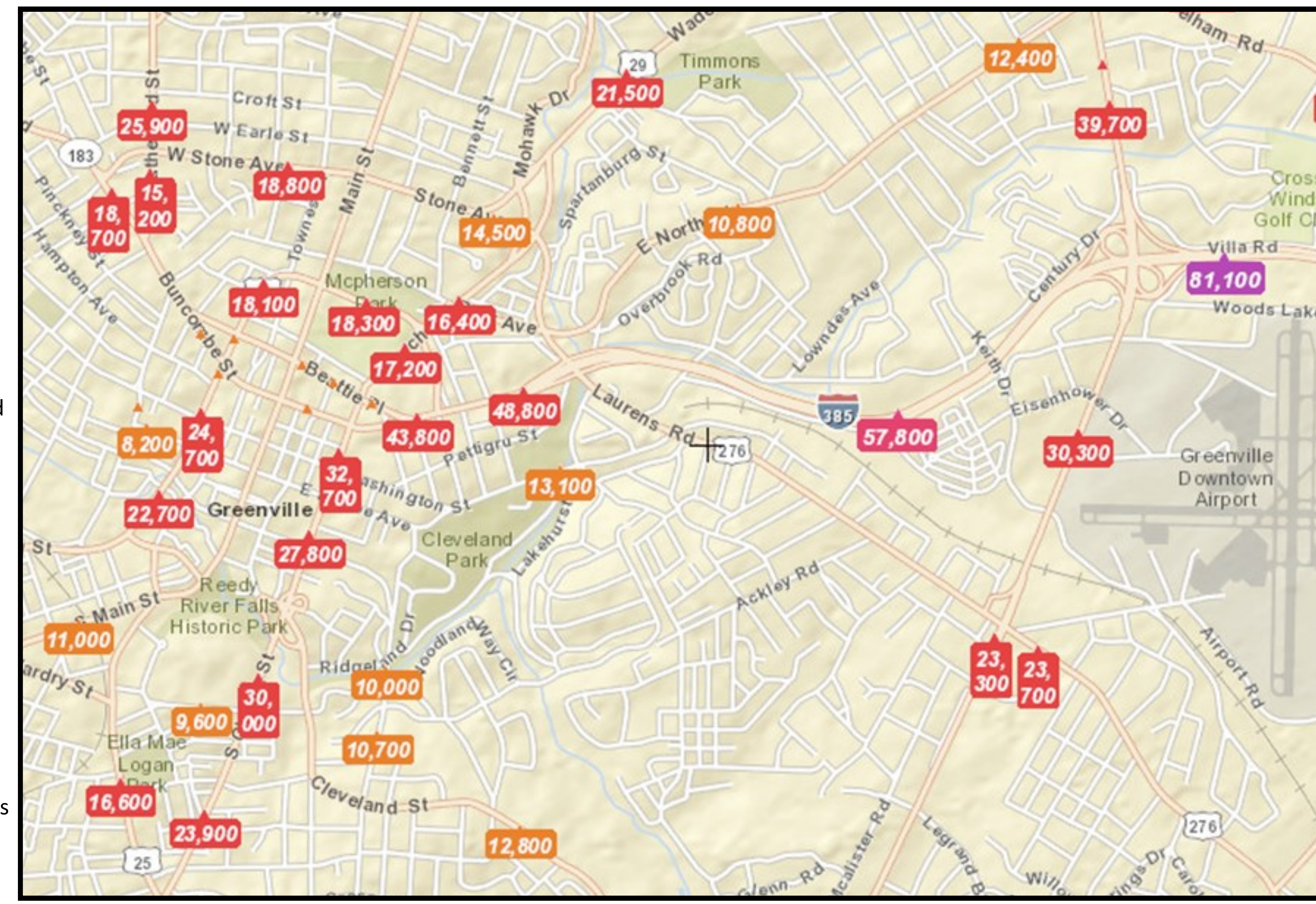
Approximately 13 miles to the east traveling along Interstates 385 and 85 is the Upstate's commercial airport. Greenville-Spartanburg International Airport (GSP) offers 53 non-stop daily departures to 18 major cities. This includes non-stop flights to 22 airports across the United States. In 2013 the airport had 67,846 aircraft landings, an average of 185 per day. In total, GSP serves over 1.75 million passengers per year. There is also the small Greenville Downtown Airport about two miles away from the subject property. Greenville Downtown Airport (GMU) is the busiest general aviation airport in South Carolina with nearly 80,000 takeoffs and landings on an annual basis.

Vehicular Travel and Traffic Counts

As the corresponding traffic count map suggests, the subject parcels are located on a heavily trafficked intersection. Laurens Road is a north-south commercial corridor that connects I-385 with Gower residential neighborhood, Haywood Road, and Woodruff Road. At the intersection of I-385 Laurens Road becomes Stone Avenue until termination at Poinsett Highway.

East Washington Street is an east-west corridor that connects Laurens Road to Greenville's Main Street. Upon crossing Main Street, East Washington becomes West Washington Street. Along Washington Street is the Pettigru neighborhood—once a residential community that is now mainly commercial. Cleveland Park and the Greenville Zoo are also accessed via East Washington Street.

The main form of transportation for this site is currently vehicular. As previously mentioned, the site is in close proximity to two key interstates: I-385 and I-85. I-385 carries about 60,000 vehicles past the subject site on a daily basis while I-85 carries 99,000 cars per day. In addition, East Washington Street's daily traffic count totals just over 13,000 vehicles per day and Laurens Road carries about 24,000 vehicles each day. Traffic is controlled at this intersection with a four-way signal and a pedestrian crosswalk.



Traffic Counts Map

Access & Circulation

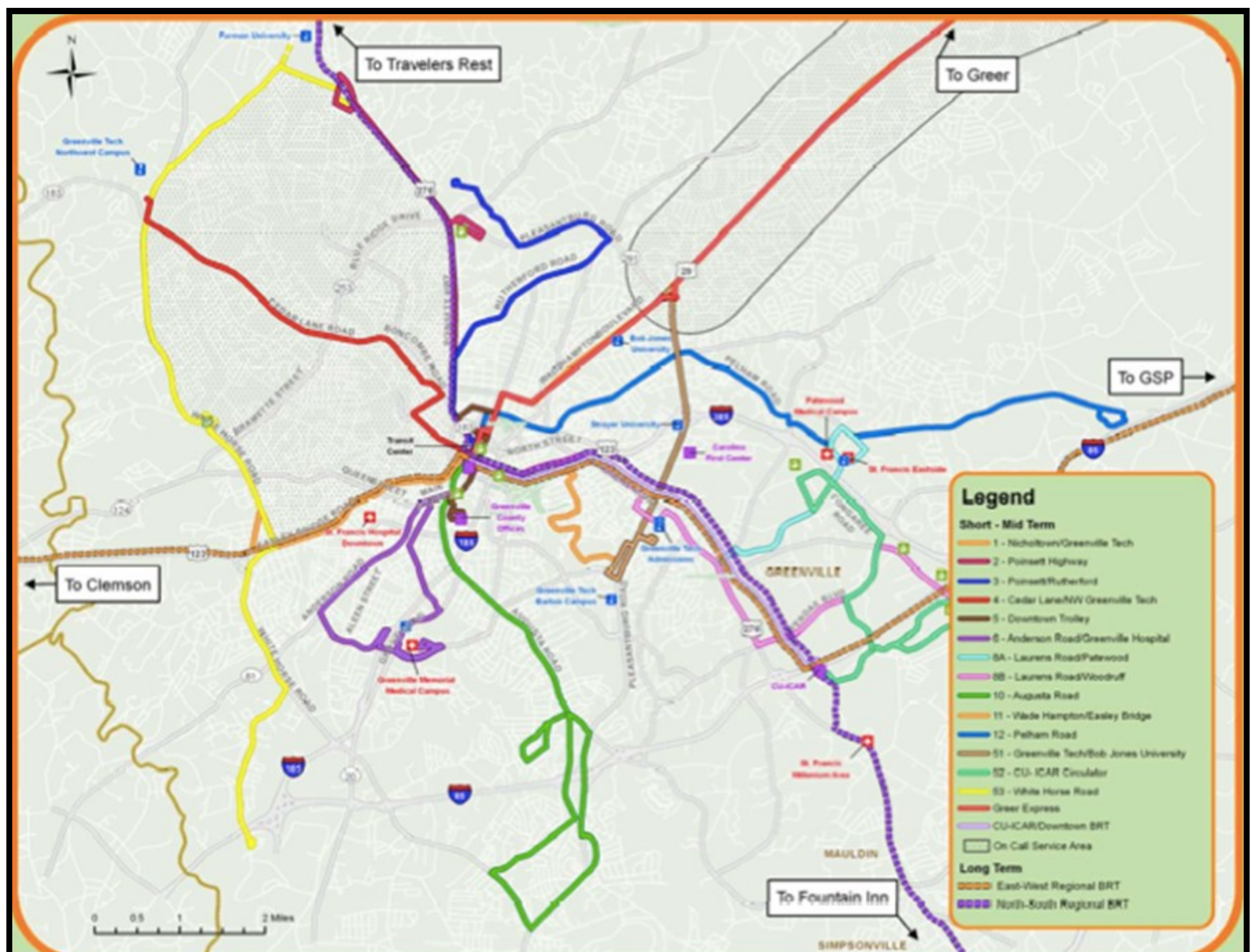
Swamp Rabbit Trail and Walkability

The subject site is roughly a half-mile from the Swamp Rabbit Trail, which is a 17.5-mile multi-use trail system that connects Greenville to Downtown Travelers Rest.

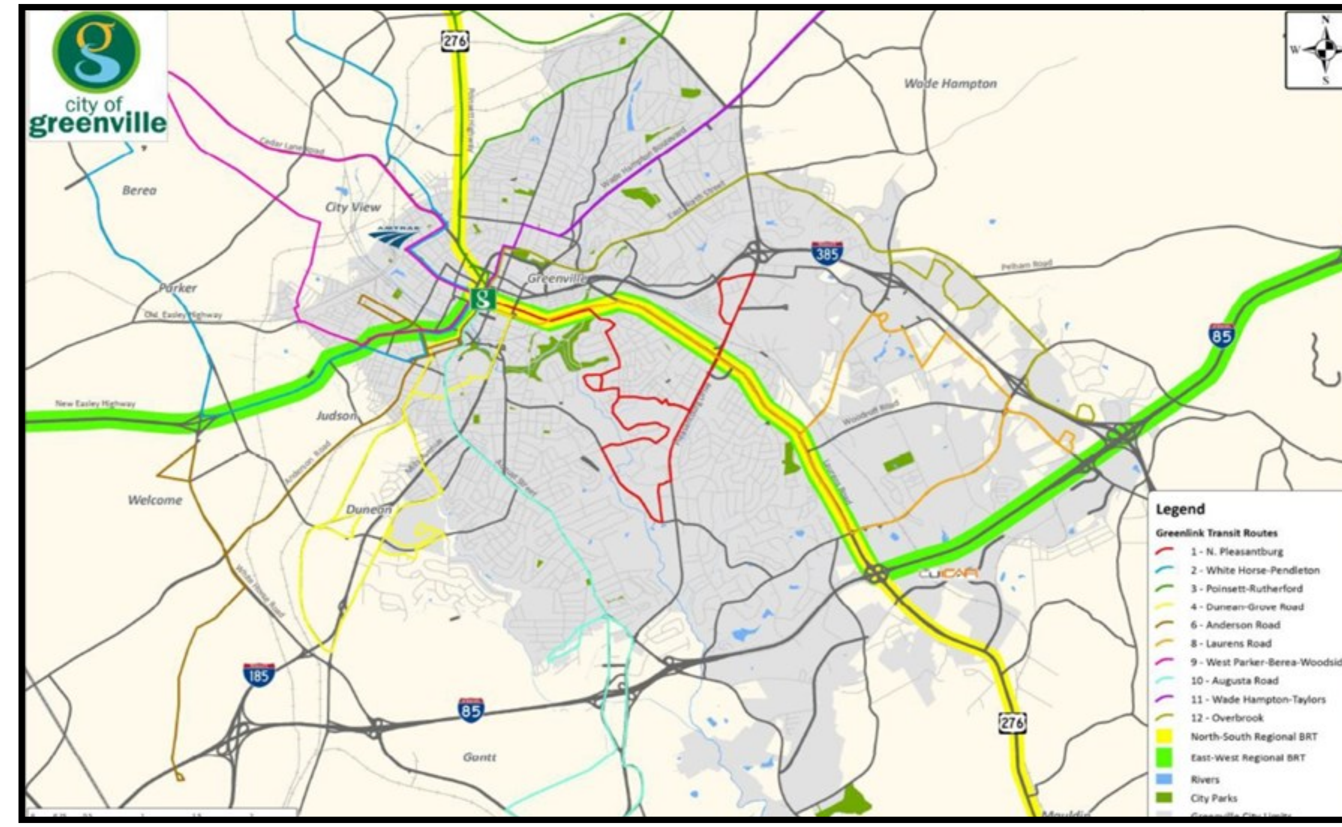
Currently, the site holds a 42 as a walkability score. The immediate area is very car-dependent with several basic needs (businesses, restaurants, grocery stores) over one-mile away.

GreenLink Bus System

The Greenlink Bus System, which is operated by the City of Greenville, provides the only public transportation service in the Greenville area. Greenlink has 11 routes connecting Simpsonville, Greer, Clemson, and Travelers Rest. Currently, Bus Route 8 runs from Downtown Greenville to Haywood Mall via Laurens Road. The nearest bus stop to the site is located on East Washington Street by Spinx Plaza. The bus then travels south along Laurens Road, through Haywood Road, to the mall area, and finally to Verdae Boulevard. Greenlink has also teamed with the City of Clemson's Clemson Area Transit Bus System (CAT) to provide a commuter bus to and from Clemson, SC.



Greenlink Bus System Routes



Proposed BRT Routes

Future Public Transportation Prospects

In addition to the bus lines, Greenville is planning to incorporate rail travel to the area. Part of this plan includes an abandoned rail bed that runs parallel to Laurens Road and terminates at the Reeves parcel, on the subject site. If this plan comes to fruition, the subject site would benefit significantly and could become a major transportation hub in the area, including a thoroughfare to Downtown Greenville. In the near future, the abandoned rail bed is expected to be developed as a walking, running and bike path with plans to incorporate other transit options.

A Bus Rapid Transit (BRT) system is also being proposed by Greenville County. All proposals place the BRT along this site. The current proposal includes using the decommissioned railroad corridor on the northern barrier of the subject properties. This proposal increases the possibility of the subject property becoming a transportation hub atin the future.

The City is also making an effort to be more bike-friendly. Today, the only effect on the subject property is that there is a bike lane along East Washington Street coming from downtown and currently terminating at Laurens Road. There is also a proposal to add a bike lane to Laurens Road. This will greatly benefit the subject property and the surrounding area by making the Swamp Rabbit Trail and Cleveland Park more accessible to surrounding areas.

Topography

There are several topographical challenges and opportunities related to the subject site. The topography on the site ranges from 285 feet to 315 feet above sea level. This is a 30-foot grade change over the course of a quarter of a mile. Several of the parcels are fully developed while others are only partially improved. Below are the different tracts within East Junction and the an analysis of each individual parcel.

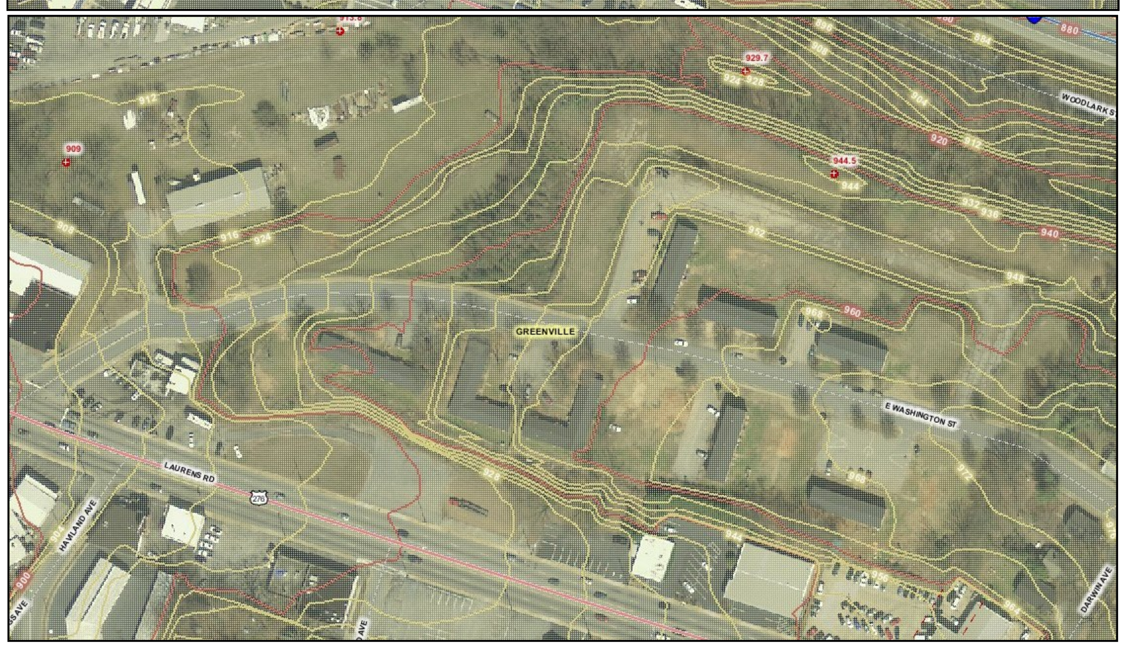
Southeast Corner of Laurens Road & East Washington (Currently Spinx Plaza)

Topography at the Spinx Plaza parcel is a developed parcel that is relatively flat. The high point of 895 ft. However, the rear of the site (southern most part) has down-sloping grades toward Boyce Springs Avenue to a low point of 876 ft. For this reason, future site erosion is a concern and increased costs due to retaining walls needs to be considered.

Southwest Corner of Laurens Road & East Washington (Currently Spinx Convenience Store)

There are no topography issues on the current site of the Spinx Convenience Store. It is relatively flat with a high point of 901 ft. in the center of the site on the southwest side of the parcel. The site has a slight slope towards Laurens Road and East Washington Street to the low point of 892 ft.

Topography



Northwest Corner of Laurens Road & East Washington Street (Former Feed and Seed)

The former Feed and Seed site is also relatively flat with a slight upslope from Laurens Road along East Washington Street. Overall, it is a partially improved site that is relatively flat with the low point on Laurens Road of 888 feet with a high point of 920 feet along the Reeves parcel on the south side. This grade change away from East Washington Street could pose as a challenge to development. The Reeves parcel slopes steeply down from East Washington Street, and then flattens out as you move northwest on the parcel to 909 feet and also slopes down to Laurens Road. The Reeves parcel is also partially improved, sitting about ten feet above the Feed and Seed parcel. This could provide some advantages to development for several reasons; including views, visibility and overall appearance.

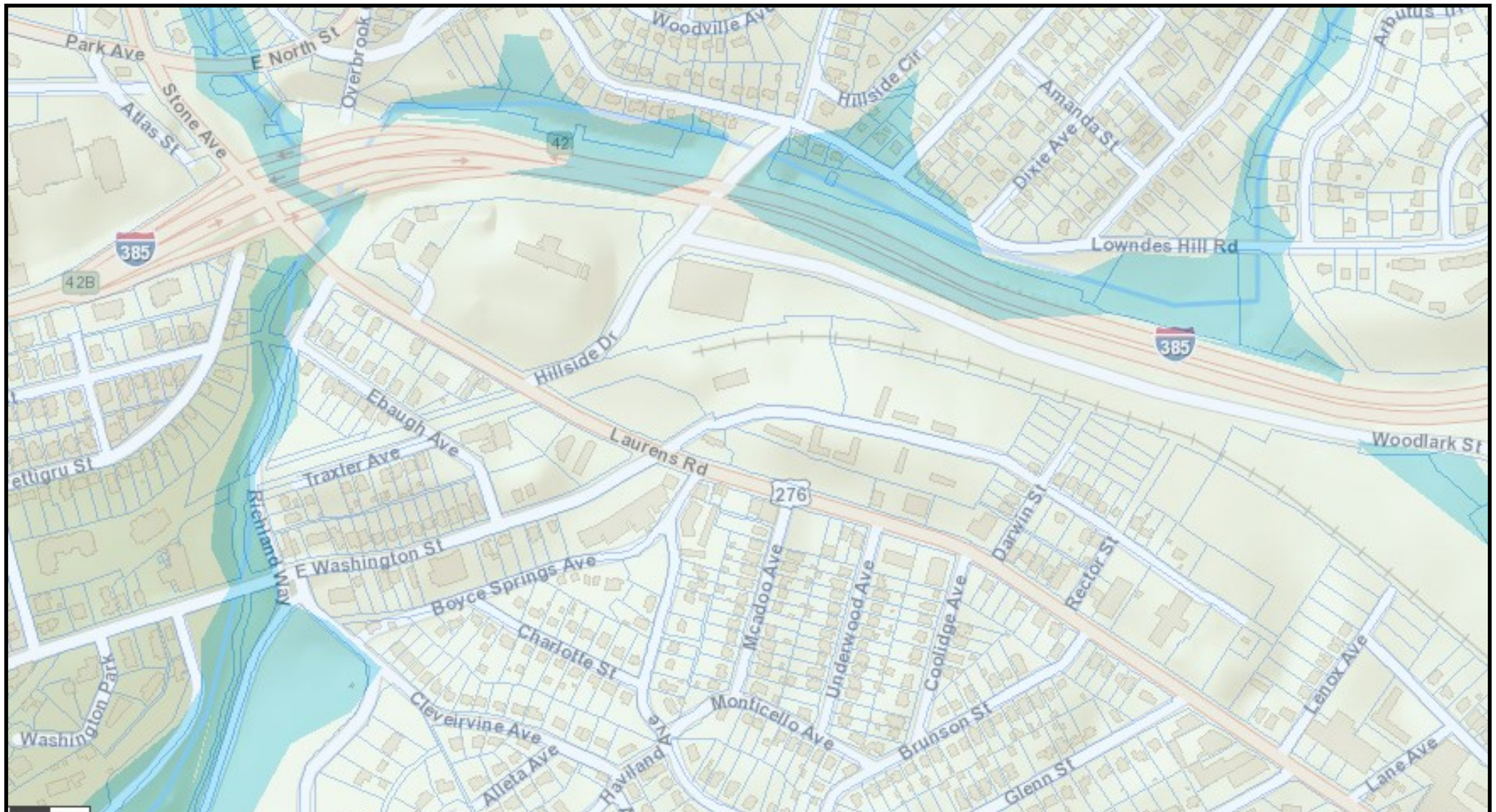
Northeast Corner of Laurens Road & East Washington Street (Currently East Washington Village Apartments)

The East Washington Village parcel is the highest parcel on the subject site. The northern East Washington Village portion slopes toward the north end of the site behind the existing structures to a low point of 920 feet. The improved area is generally flat at 960 feet, but does slope up with an incline of 48 feet from west to east on the parcel. The west elevation of the site is 924 feet with the east elevation is 972 feet. The same can be said from the southern parcel. In addition, the southern parcel has a significant drop from 940 feet to 924 feet towards Laurens Road on the southern part of the site, but the improved land is mostly flat. If used correctly, the elevations could greatly benefit any future development. The parcel currently occupied by the car detail shop is also a relatively flat site overlooking Laurens Rd. There is a slight upward slope toward the back of the parcel starting at 904 feet at the corner of Laurens Road and East Washington Street to 912 feet and a sharp incline to 920 feet at the far northeast corner of the site.

Flood Plains

The subject property is not in a flood zone. However, there are two high-risk flood plains within a few hundred feet of the north and south ends of the site. The closest flood plain is located along I-385, and parcels to the north, all of which are a topographically lower than the subject site. The second flood zone is located in Cleveland Park. The majority of the land in that flood zone is owned by the City of Greenville and used for public, recreational purposes. Richland Creek flows north and west of the property, but does not pose a flood risk.

The subject site is located in the Saluda-Reedy Watershed. However, this should not have any effect on development, as almost all of the City of Greenville is located on the watershed. Greenville is in the Saluda River Basin and is serviced by the Table Rock Reservoir, North Saluda Reservoir, and Lake Keowee. The Saluda River Basin is managed by the South Carolina Department of Health and Environmental Control (DHEC). It is one of eight basins in South Carolina. The Saluda River Basin drains into the Saluda River. The Saluda River, together with the Bush River, then forms the headwaters of Lake Murray. The Saluda River emerges from the Lake Murray dam and joins the Broad River Basin at the City of Columbia to form the Congaree River and eventually empties into the Atlantic Ocean.



FEMA 100-Year Flood Zone Map

Existing Public Facilities

The subject site does not currently have any public structures within its boundaries. However, public facilities affecting the site exist through the county and city. These facilities are expected to be available for the site when developed and are described below.

Emergency Management

Greenville County Office of Emergency Management (OEM) holds the responsibility for disaster planning and response. The OEM staff is available to assist private businesses, industry, and government agencies in development and implementation of their emergency plans.

Police

Police services are provided by both Greenville County Sheriff's Department and the Greenville City Police Department.

Emergency Medical Service

Emergency Medical Service is also provided by Greenville County. The closest EMS station to the subject site is located less than two miles away at 301 University Ridge.

Fire Safety

The City of Greenville Fire department is responsible for the enforcement of fire code and minimum housing code. The site is located in the City of Greenville Fire District. The City of Greenville Station 4 is located about a half mile west of the subject site at 817 Stone Avenue.

Child Care

There are six Child Development Centers in the Greenville County School District. The Overbrook Child Development Center is located directly beside the subject site along Laurens Road. Overbrook offers Preschool Education and four-year-old Kindergarten. There are also 26 four-year-old Kindergarten Elementary Schools in Greenville County.

Healthcare

The Greenville Health System and Bon Secours St. Francis Health System provide healthcare service. Main campuses of both hospitals are located about seven minutes or about three miles from the subject site. The hospital's services include the Children's Hospital, Women's Health Center, Cancer Institute, Heart & Vascular Institute, Orthopedics & Neurosurgery, and the Urgent Care Center.

Public Works

The City of Greenville's Public Works Department is responsible for the efficient movement of people and goods within the city. Public Works is also responsible for maintaining a safe, litter-free environment. Divisions of the department include Administration, Engineering (Civil, Environmental, Traffic and Construction Inspection), Fleet Services, Solid Waste Collection (Garbage/Recycling), Operations (Streets, Sidewalks, Stormwater and Sanitary Sewer) and Building Services.

Libraries

Greenville County's Public Library System has 11 branches; the closest of which to the subject site is Hughes Main Library, located at 25 Heritage Green Place less than two miles from the subject site.

Geology

According to the United States Department of Agriculture, the subject site consists of Cecil-Urban land complex 2 to 10 percent slopes (CuC) and Cecil-Urban land complex 10 to 25 percent slopes (CuE). The majority of the soil, which covers 20.8 acres and 83% of the subject property is classified as CuC and CuE. Cecil soil consists of very deep, well-drained moderately permeable soils on ridges and side slopes. They are deep to saprolite and very deep to bedrock. They formed in residuum weathered from felsic, igneous and high-grade metamorphic rocks of the Piedmont uplands. Slopes range from 0 to 25 percent. Mean annual precipitation is 48 inches and mean annual temperature is 59 degrees F. near the type location. The soil and land type in this complex are in areas so intricately mixed that they are mapped as one unity. The Cecil soil makes up about 50% of the acreage. Urban land consists of areas that have been excavated, filled, or otherwise disturbed by man. It is made up of variable amounts of sand, silt, and clay. About 85 percent of the urban land is covered by pavement and by industrial, commercial, or residential buildings. The Greenville County Soil Survey suggests management steps and considerations to vegetating cleared graded areas as soon as possible and using erosion-control structures, such as silt fences and catch basins, which help to maintain soil stability and prevent sediments from leaving the site.

Noise

The subject sites northeastern side is roughly 200 feet from I-385. The four lanes of high-speed traffic create road noise audible when standing on the subject site. The completed development will position buildings in a manner to reduce audible road noise while promoting outdoor pedestrian activity throughout the development.

Street Improvements

The Planned Development District Zoning has no specific streetscape requirements. However, the development team would suggest a streetscape similar to those found in the Design Guidelines for the Central Business District. Pettigru Partners proposes a street improvement plan for Laurens Road and East Washington Street that would accommodate and implement the standards that have been made to the streetscape of South Church Street. These improvements would include 15-foot landscaped medians, turn lanes, bike lanes, five-foot side walks lining the streets, brick paved cross walks, street lighting, and five-foot landscaped buffer lining the streets.

The intent of all the streetscape designs should be in a manner that will help to establish a sense of visual continuity that reinforces the basic character-defining features of the area. Such features include the way in which a building is located on its site, its relationship to the sidewalk edge, the manner in which it faces the street, the character and effect of building and street lighting, the location of parking, mechanical equipment and services areas, the overall sense of scale of buildings, and the building materials that are used.

All streetscapes will be designed in accordance with Chapter 19 of the Greenville, South Carolina Code of Ordinances and the Planned Development District zoning requirements.

Adjacent Land Uses

Bordering the northern portion of the site is the Overbrook Child Development Center and Hilton Displays. The northeastern portion of the site is neighboring an abandoned rail line where the proposed extension of the Swamp Rabbit Trail is located. Adjacent to the rail line is I-385; the South Carolina Department of Transportation (SCDOT) is responsible for maintenance. On the eastern side of the subject site is low-income housing, an AutoMax Car Dealership and Dales Vacuum Cleaners Sales & Service. The southeastern portion of the site is bordering a liquor store along Laurens Road. South and west of the site are the Nicholtown Neighborhood and the Pettigru Historic District.

Infrastructure & Utilities

Sewer

The City of Greenville Public Works Department, specifically the Sanitary Sewer Bureau, provides sewer and wastewater management. Renewable Water Resources (ReWa) performs water treatment at their Mauldin Road plant. Nearly 330 miles of sanitary sewer main lines make up the City of Greenville's sewer system. Sewer capacity at the subject sitis unknown at this time. However, to meet the growing demand and eliminate sewage overflow the City of Greenville plans to invest between $8 million and $13 million in the sewer system.

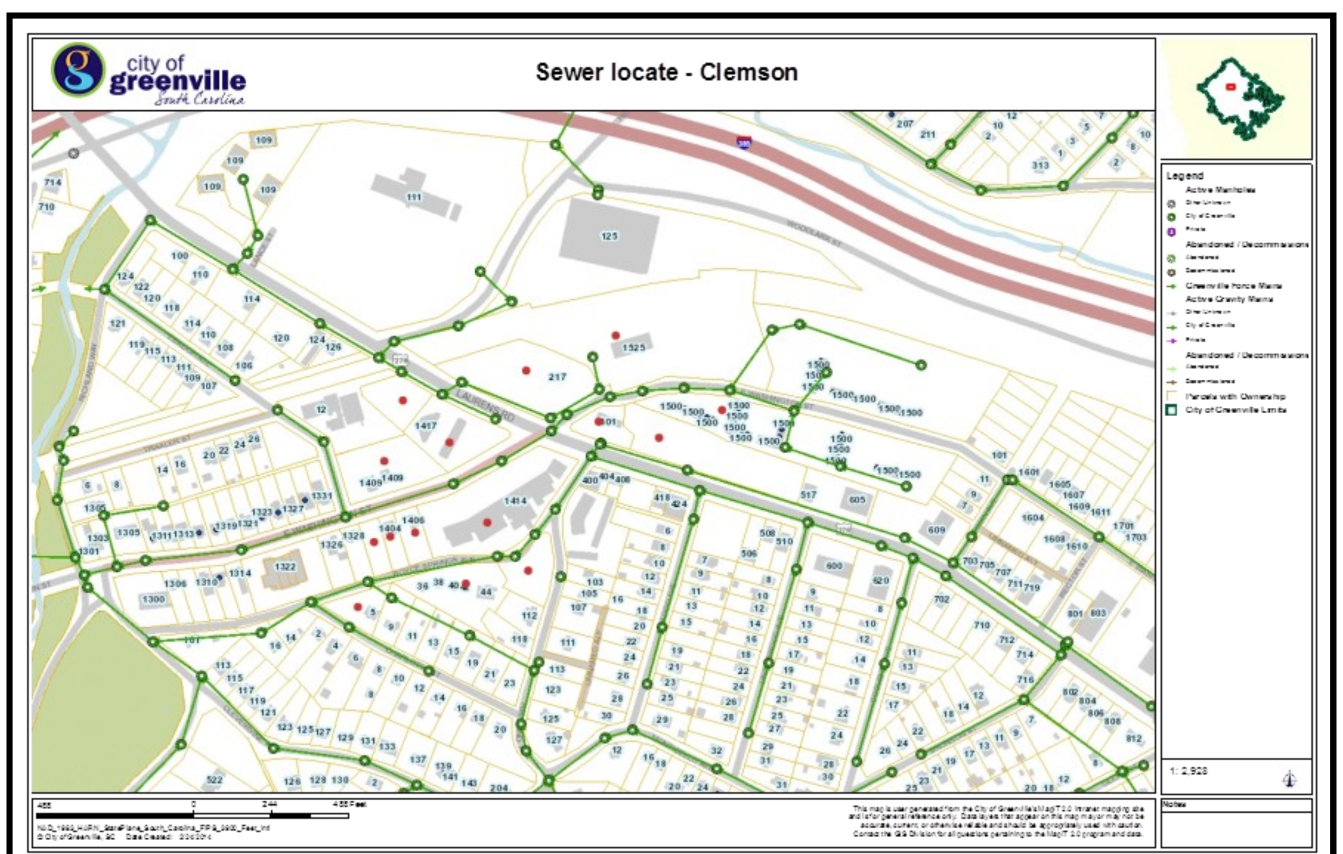
The map shows existing gravity mains owned by the City of Greenville. Sewer access is available on all of the subject parcels.

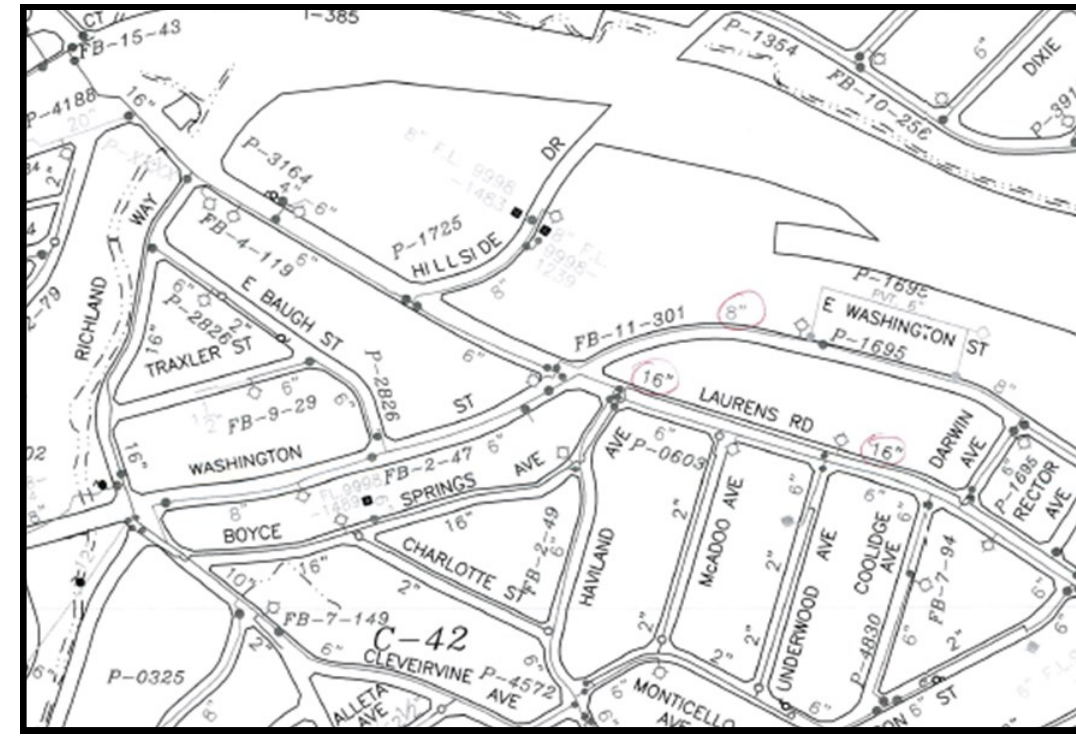
Water

The Greenville Water System provides water service to the subject site from Lake Keowee, the Table Rock Reservoir, or the North Saluda Reservoir. Twenty-six thousand acres of protected watershed, located in the foothills of the Blue Ridge Mountains just north of the City of Greenville, provide water to the City of Greenville. The water is collected from Lake Keowee, the Table Rock and the North Saluda Reservoirs. It is then piped, by gravity or pump, to the City of Greenville.

Water from Lake Keowee is treated at the Adkins Plant, which is located on the lake. The Stovall Plant treats water from the Table Rock and North Saluda Reservoirs.

Greenville Water provided the existing water line map. The map illustrates an 8" line on East Washington Street on the northern side of Laurens Road and a 6" line on East Washington Street on the southern side of Laurens Road. It also shows a 6" water line on Laurens Road to the west of the intersection with E Washington Street and a 16" line east of East Washington Street. Water capacity will not be an issue on the subject site.





Greenville Water provided the water line map. It shows existing water lines owned by the City of Greenville.

Electricity

Duke Energy provides electricity to the City of Greenville.

Natural Gas

Piedmont Natural Gas is the natural gas provider for the City of Greenville and serves the subject site.

Trash & Recycling

The City of Greenville Public Works Department provides trash and recycling for the subject site.

Telecommunications

Telecommunication choices included Time Warner, AT&T, HughesNet, Charter Communications, DIRECTV, and Dish Network.

Zoning

There are several zoning classifications that apply to the subject property. Spinx Plaza has two classifications on the site. The southern half of the property is zoned for multifamily development, R-M2, and the northern half is Commercial, C-3. This same commercial district applies to 217 Laurens Road, the Executive Detail, and the Spinx Convenience Store. This commercial district has the least restrictions. It will allow very light industrial or residential without a zoning change, but all dependent on the city's approval. The southern half of the convenience store parcel is zoned office and institutional district. R-M3, Multifamily is the zoning on the East Washington Village. This is a slightly lower density than allowed on the south side of the site. The vacant property behind the former Ideal Feed & Seed is classified as S-1, Services, which is a transitional zoning between commercial areas and light industrial sites. The property behind the Spinx Shopping Plaza is zoned R-6, Single Family Residential district.

The below descriptions are taken from the City of Greenville Ordinance on what is allowed in each zoning district.

C-3: Regional Commercial District

The C-3 district is intended to establish and preserve distinct areas for regional retail shopping centers. The district typically is located along major arterials. Residential uses are allowed; light-manufacturing uses may be approved by the city without a rezoning.

OD: Office and Institutional District

The OD district is intended to provide for a wide variety of professional and business offices and institutions. This district is different from the other commercial districts in that, in most cases, retail sales are not allowed. In limited cases, retail may be allowed as a special exception and subject to specific criteria if its primary purpose is to serve the workers within the district. Residential uses are allowed. The OD district may be used as a buffer between residential and more intense non-residential districts.

S-1: Service District

The S-1 district is intended to accommodate service-related uses, light manufacturing, and general commercial uses which may have large buildings and outdoor storage requirements. Residential uses are allowed.

R-6: Single-family Residential District

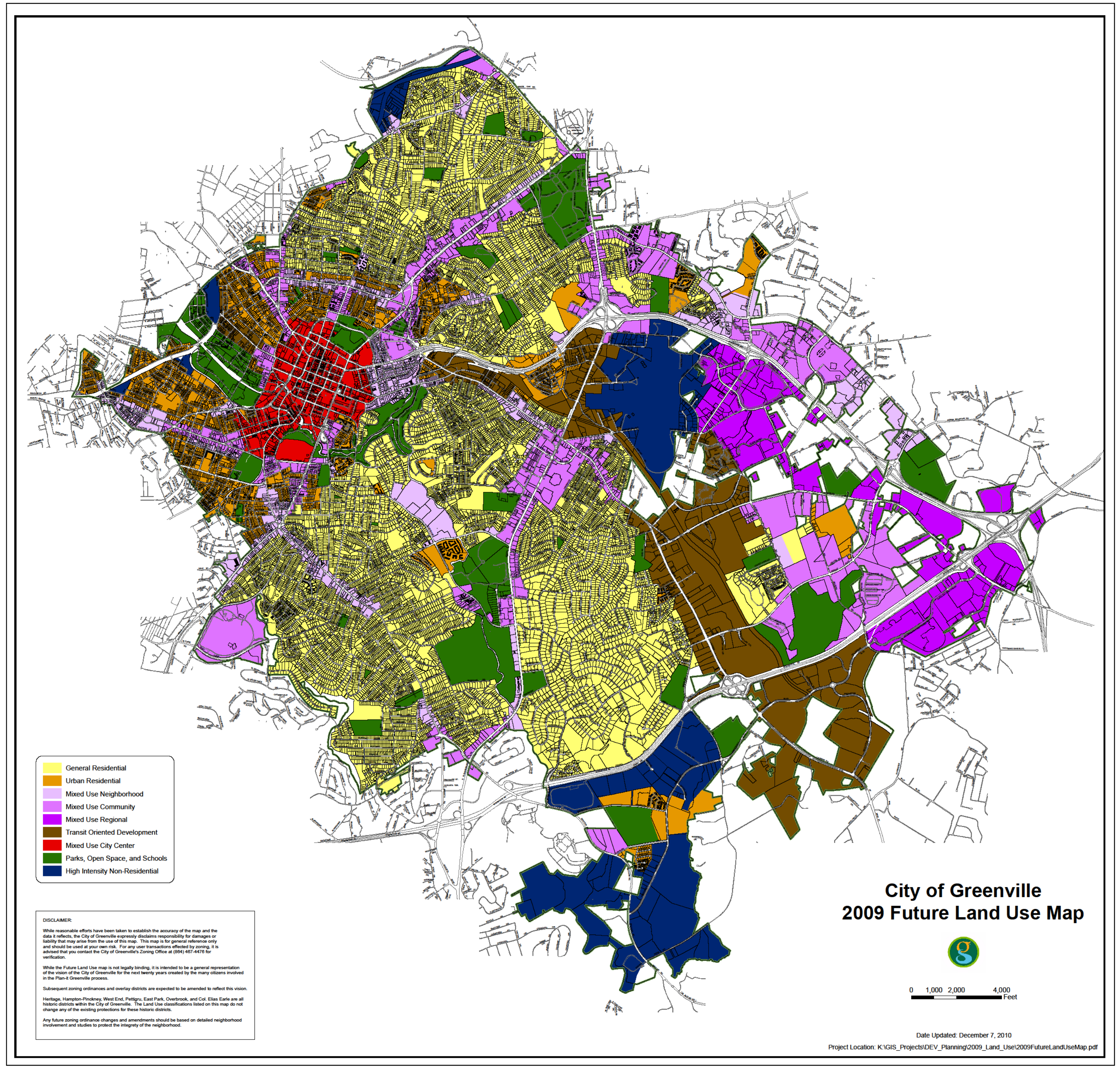
The R-6 district is intended to preserve and encourage single-family residential development with a minimum lot size of 6,000 square feet. Complementary uses customarily found in residential districts, such as community recreation facilities, places of worship, and schools may be allowed.

RM-2: Single-family and multifamily residential district

The RM-2 district is intended to encourage a mixture of medium-density housing types including multifamily units, townhouses, single-family detached, and single-family attached dwellings. The maximum density for multifamily development is 20 units per acre. Complementary uses customarily found in residential districts such as community recreation facilities, places of worship, and schools may be allowed.

RM-3: Single-family and multifamily residential district

The RM-3 district is intended to encourage a mixture of medium-density to high-density housing types, including multifamily units, high-rise multifamily units, townhouses, single-family detached, and single-family attached dwellings. The maximum density for multifamily development is 20 units per acre. Complementary uses customarily found in residential districts such as community recreation facilities, places of worship, and schools may be allowed. Professional office uses may be allowed.



Future Land Use

The City of Greenville's 2009 Future Land Use Plan shows the city's desire to see the site redeveloped as Transit-Oriented Development (TOD). This aligns with the previously mentioned proposal of the Bus Rapid Transit using Laurens Road as a main corridor.

In order to allow the most flexibility in the redevelopment of these properties it would be prudent to investigate the feasibility of rezoning the site to RDV, PD, or C-4. It could be argued that a PD designation is needed in order to promote a pedestrian-friendly environment. The site's close proximity to the CBD may also be an appropriate argument to argue for a PD designation. However, if a PD designation is not awarded, then there is relative flexibility within the designations already in place. For instance, residential use is allowed in the S-1 and C-3 districts. Also, professional offices may be allowed in the RM-3 designation.

Environmental Conditions

In a 2012 Phase I Environmental Site Analysis of the Feed and Seed site, three above-ground storage tanks were discovered. The first was an approximately 250-gallon kerosene tank and the other two were 250-gallon waste oil tanks. It is believed that these tanks are still environmental hazards to the site. In 1991 an 8,000-gallon underground storage tank was removed from the site. A spill was confirmed and remediated, and a "No Further Action" letter was issued in 1992.

The northwest corner of the intersection has been developed as both a Feed & Seed and automotive dealer since the 1930's. Previously, it had been strictly residential. Grant's Auto Sales, a used car business, recently occupied the Community Lawn and Garden site. As a part their operations, Grant's performed oil changes. The Phase I Assessment viewed this as a recognized environmental condition to the site.

Additionally, the Hilton Displays site was formerly used by National Linen Services. The site is located to the north and up gradient of the Reeves and the Feed and Seed Parcels. In 1994, three underground storage tanks were removed, and a "No Further Action" letter was issued. The Day and Nite Food store previously occupied a portion of the Spinx Plaza. In 1999, two underground storage tanks were removed from The Day and Nite Food site and a "No Further Action" letter is on record. Also, two underground storage tanks were removed from the Executive Detail site, and six underground storage tanks are currently being used on the Spinx Convenience Store site. None of the previous potential issues are considered recognized environmental conditions.

Additional past uses that may affect the site are the former Bell Laundry and Cleaners and the Westboro Weaving Company. Bell Laundry was located on the current Spinx Plaza site. In 1997, no contaminants were found; however, the site is listed in the state's hazardous waste database. On the current Reeves parcel, the Westboro Weaving Company's operations included dying and bleaching. Westboro was brought to trial for discarding waste into the public sewer system and closed in the 1970's. Both sites are considered recognized environmental conditions.

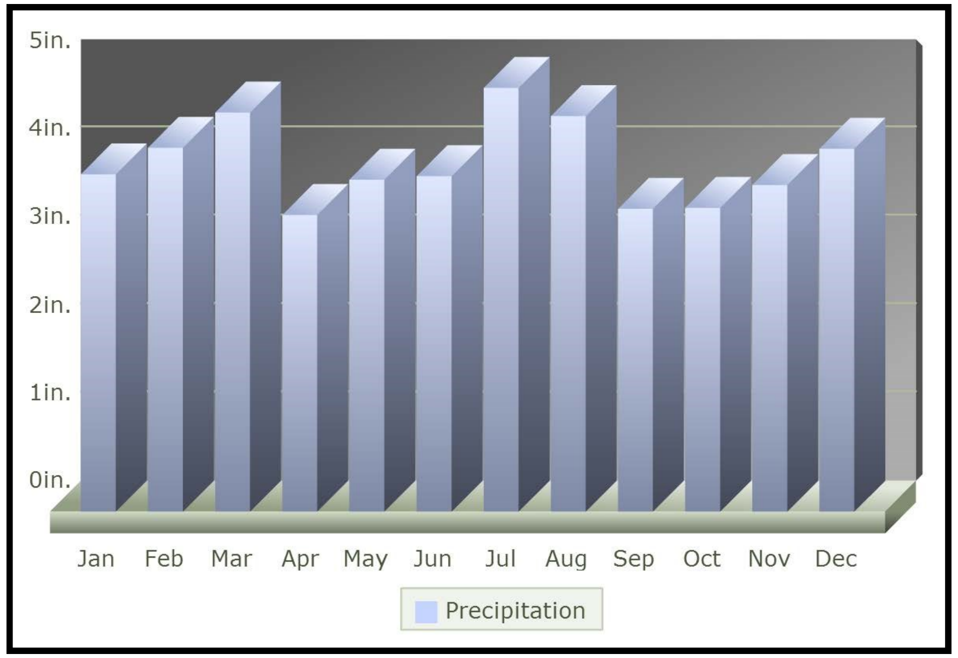
Former and current uses indicate there may be environmental conditions on several of the parcels. A Phase I environmental site assessment will be necessary on the subject site before any new development can occur. Remediation allowances have been budgeted to resolve any environmental issues.

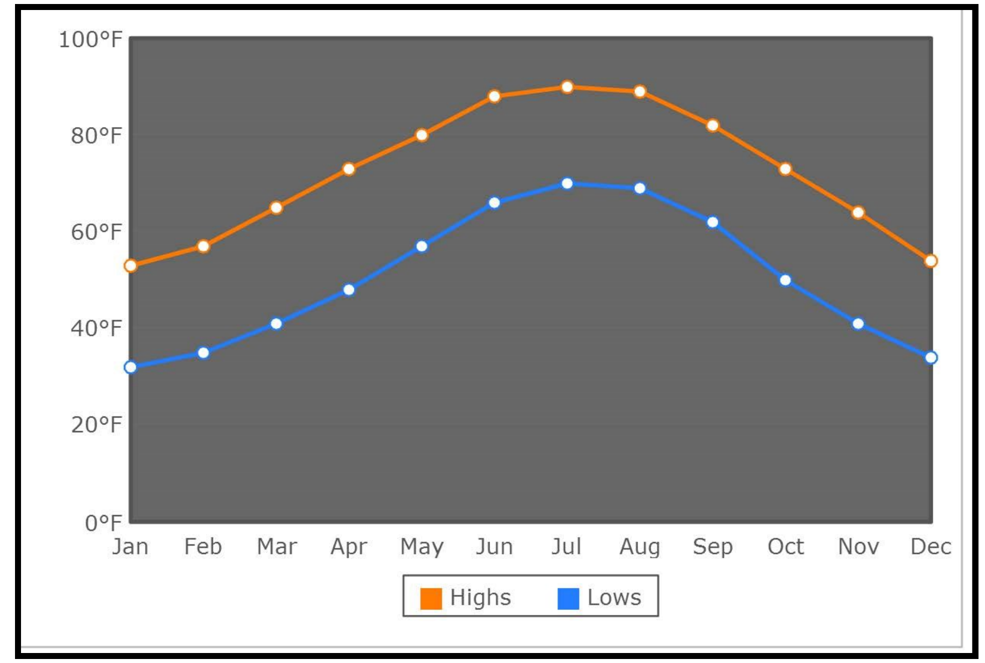
Cultural

Downtown Greenville boasts year-round arts and entertainment opportunities that range from theater, ballet, and Greenville Symphony performances to art galleries, festivals, and concerts featuring headlining performers. These events total, on average, 300 per year and bring 2.5 million visitors to Greenville on an annual basis. While the Peace Center for the Performing Arts welcomes world-renowned performers and popular Broadway shows to the area, just a few blocks away, the 16,000-seat Bon Secours Wellness Arena offers major concerts and events. Greenville's art galleries and museums display an impressive range of visual art including the largest religious art collection in the Western Hemisphere. Also included is an extensive collection of work by artist Andrew Wyeth. Greenville also has a very vibrant downtown. Its streets are lined with coffee shops, pubs, and shops. Each year, from spring until mid-fall, the city hosts Main Street Fridays and Downtown Alive, a series of live music performances, featuring everything from jazz, to oldies, to soul. Greenville's Main Street has been named One of America's Greatest Main Streets by *Travel + Leisure Magazine*. *Atlanta Magazine* named Greenville, SC as the "Coolest Main Street in the South," and in 2009 Greenville's Main Street was named as one of the "Top 10 Great Places in America" by the American Planning Association. Also, nearby is Falls Park on the Reedy, which has been named the ninth best park in the US by TripAdvisor. Greenville is also a very active city, which is due in large part to the Swamp Rabbit Trail. This trail connects Downtown Greenville to Falls Park, the Greenville Zoo, Furman University, and Cleveland Park. It is often crowded with cyclists and runners throughout the year.

Climate

Greenville has a moderate climate with short, mild winters and warm summers. The average temperature ranges from 80 degrees in July to 43 degrees in January. The annual average rainfall in Greenville is about 50 inches according to the national Weather Service, and the seasonal snowfall average is 4.9 inches.





Rainfall and Storm Water Analysis

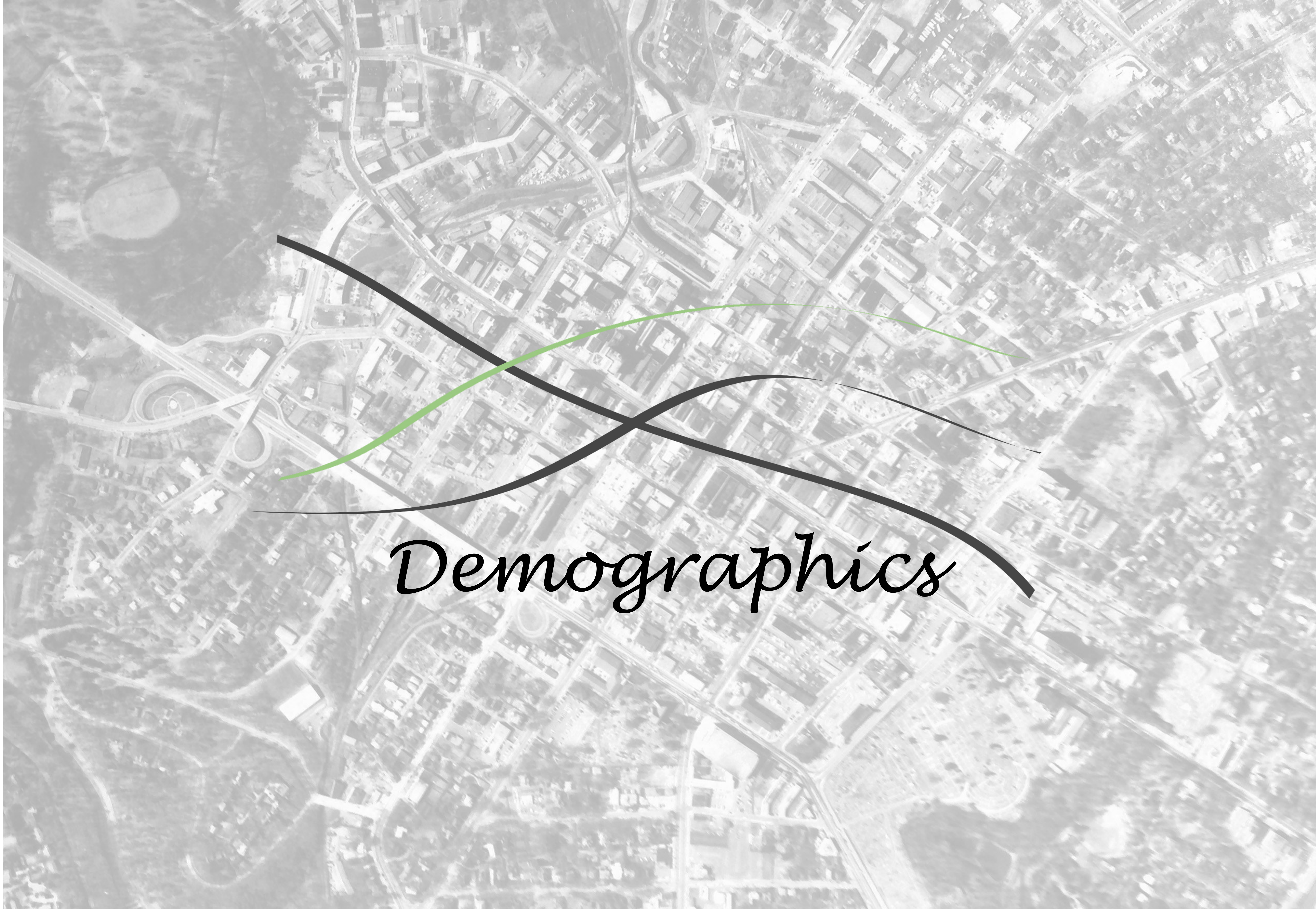
Based on the total site area of 26.4 acres an analysis for storm water has been calculated as follows:

Existing Site	Proposed Site	Rainfall Intensity (i.) per Hour	Runoff Coefficient (c)	Existing & Proposed Runoff
Impervious: 15.6 Acres	Impervious: 18.3 Acres	Greenville Co. 50-year storm = 2.99in per hour	.85 for impervious areas (buildings/pavement)	Existing: 44.5 Cubic Feet per Second
Pervious: 10.8 Acres	Pervious: 8.1 Acres		.15 for pervious areas (parks/green space)	Proposed: 50 Cubic Feet per Second

This would equate to a 12.35% increase in peak storm water runoff, which would require storm retention ponds on site to handle the increase in water runoff and to improve the overall storm water quality and make the proposed development be more environmentally friendly.

Conclusion

The biggest obstacles for this collection of parcels will be the topographic changes, the potential environmental conditions, and the current zoning designations. However, the mild climate and the connectivity to Greenville's vibrant downtown district have the potential to make development on the site worth the challenge.



Demographics

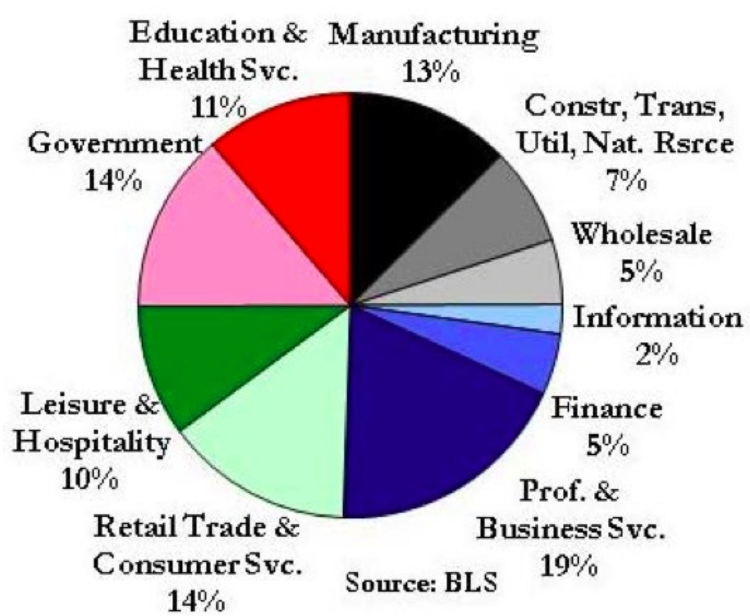
Demographics

Area Data

The subject site is located within the metropolitan area of Greenville, South Carolina. The Greenville Metropolitan Statistical Area is the largest in the state and consists of four counties including Greenville, Anderson, Pickens, and Laurens. The City of Greenville is located within Greenville County and serves as the county seat. The City of Greenville is also the fastest-growing urban area in the state. Greenville's economy was formerly based largely on textile manufacturing and the city was long known as "The Textile Capital of the World." In the last few decades, favorable wages and tax benefits have lured foreign companies to invest heavily in the area. The city is the North American headquarters for PerceptIS, and Michelin.

Employment

As of December 2013, the unemployment rate in the Greenville MSA was 5% compared to 6.6% for the State of South Carolina. Moody's Economy.com predicts population growth will pick up in the next few years, reaching a 1.4% gain (16,100) in 2017. Employment growth is forecasted to accelerate to 2.1% (10,600) in 2014 and 2.5% (12,860) before slowing again. The area should reach a new employment high in 2015.



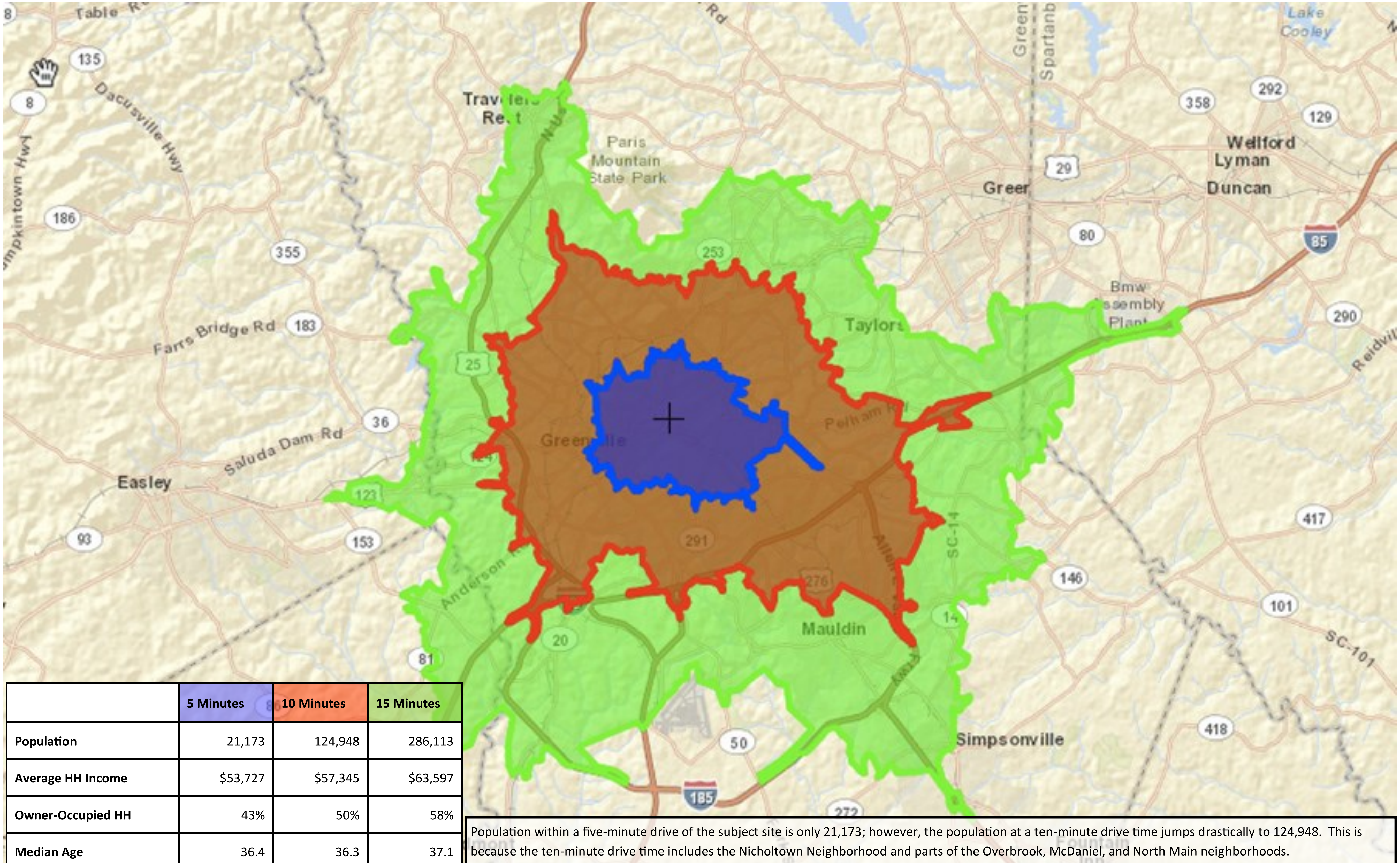
Greenville CSA Top Employment Sectors:

Professional & Business Services	19%
Manufacturing	13%
Government	14%
Retail Trade & Consumer Service	14%
Education & Health	11%

Greenville CSA – Major Employers

Greenville Hospital System	10,925
School District of Greenville County	10,850
Michelin North America, Inc	7,190
BMW	7,000
SC State Government	6,268
Spartanburg Regional Health	5,627
Greenville Hospital System	4,500
GE Energy	3,200
Fluor Corporation	2,500
Bi-Lo Supermarkets	2,089
Greenville County Government	1,830
US Federal Government	1,835
Spartanburg County Government	1,723
Bob Jones University	1,519
Greenville Technical College	1,400

Demographics



	5 Minutes	10 Minutes	15 Minutes
Population	21,173	124,948	286,113
Average HH Income	$53,727	$57,345	$63,597
Owner-Occupied HH	43%	50%	58%
Median Age	36.4	36.3	37.1

Population within a five-minute drive of the subject site is only 21,173; however, the population at a ten-minute drive time jumps drastically to 124,948. This is because the ten-minute drive time includes the Nicholtown Neighborhood and parts of the Overbrook, McDaniel, and North Main neighborhoods.

Demographics

	1990	2000	2010	Est. 2018
City of Greenville	54,564	56,786	58,409	65,927
Greenville County	320,127	379,616	452,829	482,940
Greenville MSA	430,499	559,940	824,112	893,643
Greenville CSA	657,292	813,897	1,137,380	1,194,455

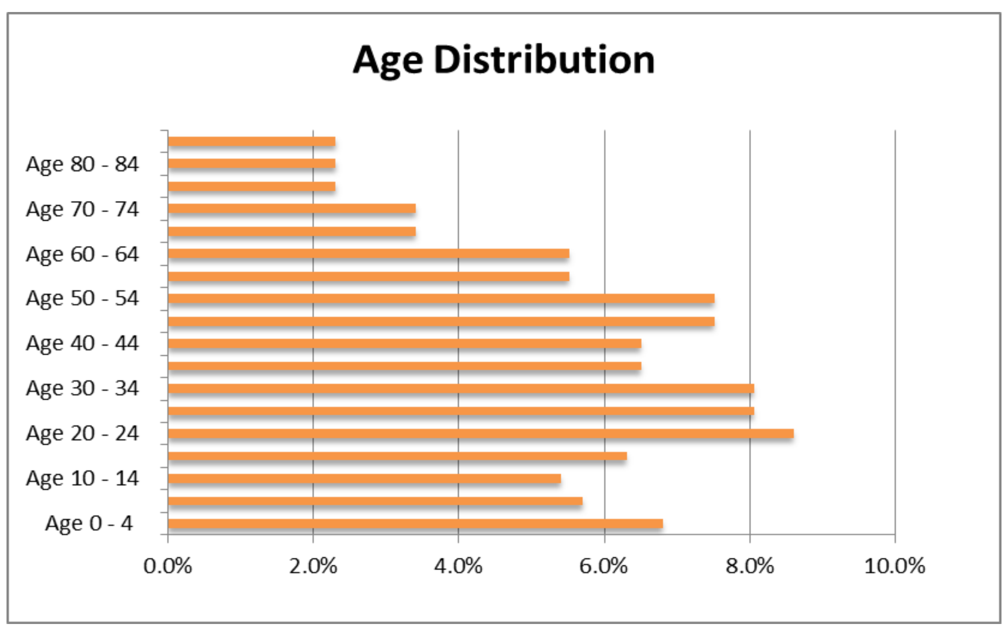
Population

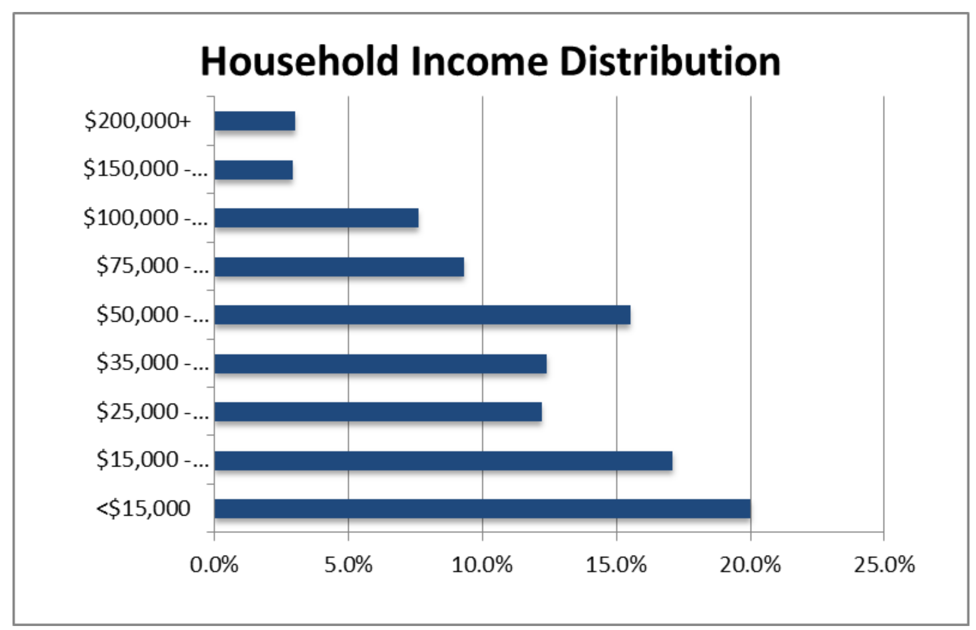
The population in the Greenville CSA has grown steadily over the past decade and is estimated to be approximately 1,137,000 people. Both per capita income and effective buying income are among the highest in the state. Thanks to favorable traits such as steady population growth, reasonable cost of living, and diverse employment base, the Greenville metro region is considered a sound environment for both business and residential relocation.

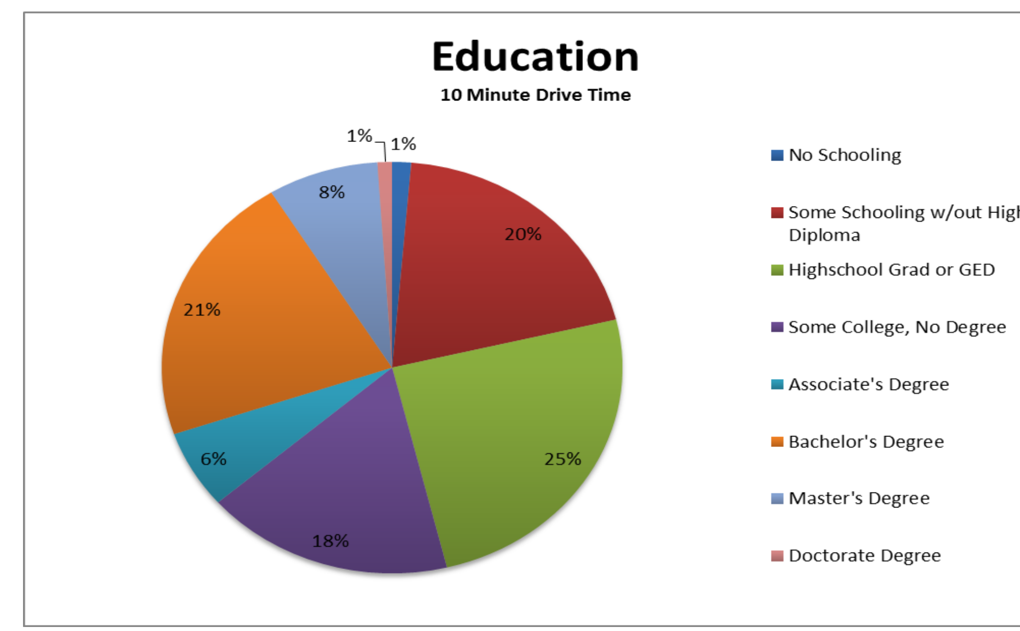
The age distribution for a ten-minute drive time is illustrated in the chart below. The population surrounding the site is moderately young. Nearly 25% of the population is between the ages of twenty and thirty-five. Also, over 56% of the total is below the age of forty.

Household income distribution within a ten-minute drive time is demonstrated in the chart below. Sixty-one percent of households have a total household income below $35,000. This includes 20% falling below a total of $15,000. On the other hand, 28% of households report an income between $35,000 and $75,000, while 23% have an income exceeding $75,000.

Seventy-seven percent of the population over the age of 25 has a minimum of a high school diploma or GED. Also within a 10-minute drive time, 21% of the population over 25 has a bachelor's degree, 7.6% has a master's degree, and 1% has acquired a doctorate degree. In total, 36% of the population has a post high school degree.







Market Analysis

Hospitality Analysis

National Overview

Although the hospitality industry is one of the most volatile sectors of real estate, Deloitte is reporting that the "travel, hospitality, and leisure (THL) sector outlook remains positive due to improving demand side drivers." This is due mainly to the continued recovery in lodging demand and increasing economic momentum. Price Waterhouse Coopers (PwC) reports that RevPAR in 2014 is expected to grow 6%. New hotel construction supports this claim as there are several new hotels in the pipeline expected to open in 2015. Luxury, upper upscale, and upscale chain sales have benefitted most from the current economic cycle and are experiencing greater gains in average daily rate (ADR). Luxury hotels in particular on a national level are expected to average 75% occupancy in 2014.

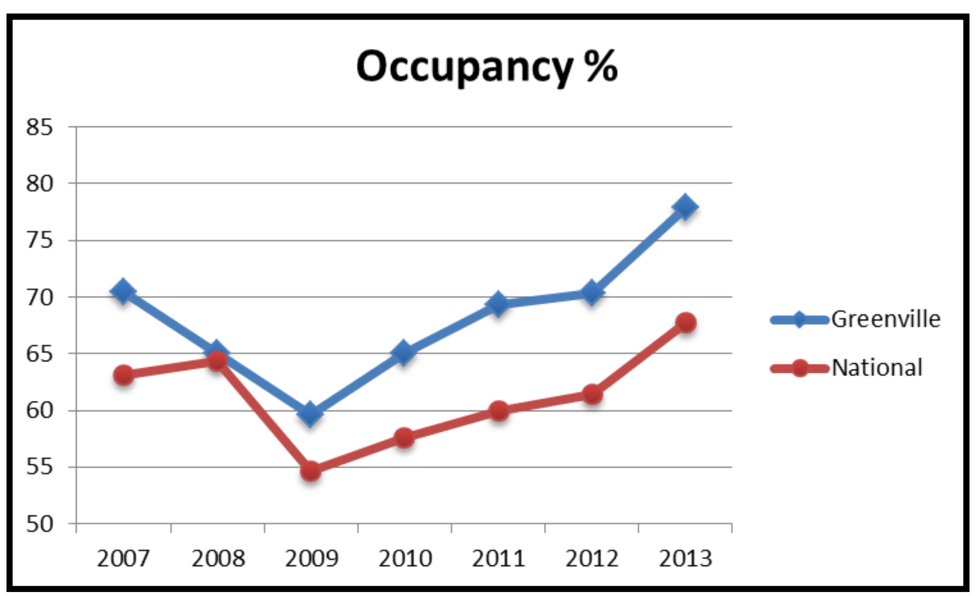
The leisure segment of travel is driving most of this growth. However, most of the "uncertainty that restrained business investment spending is ebbing and confidence is building." (PwC Hospitality Directions, 2014) As a result of the slow recovery in the business sector it will be very important for brands to build customer loyalty during the current upturn. Rising health care costs are also affecting business travel. The employer mandate of the affordable care act (ACA) has recently been delayed until 2016, so this hesitance may linger until long-term solutions are known.

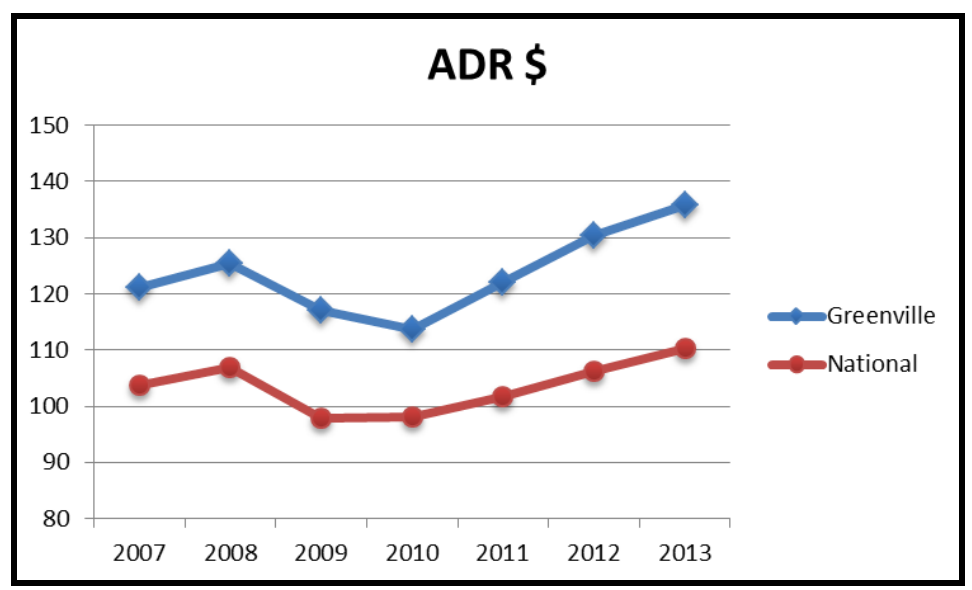
Greenville Downtown (CBD) Area

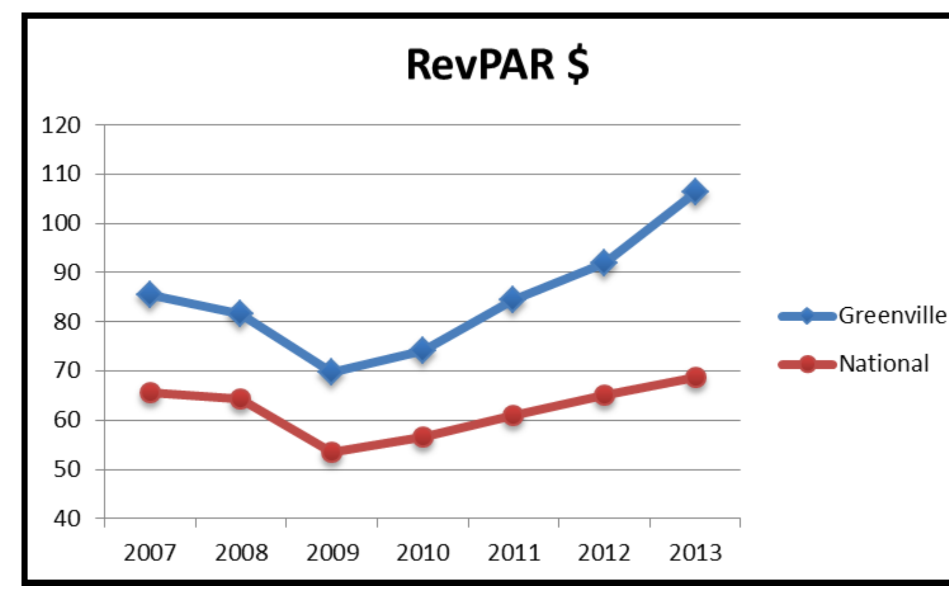
Hotels in Greenville's central business district improved significantly for 2012 to 2013. Occupancy in Greenville's downtown area increased 1.1%, Average Daily Rate (ADR) increased $8.48, and RevPAR increased by $7.35. This trend is sure to continue into 2014 as tourism continues to increase, corporations relocate downtown, and there are no new hotels expected to *deliver* in the CBD in 2014. Below are graphs showing performance for hotels within the CBD over the past several years.

Greenville Submarket

As more businesses relocate to the Greenville, Spartanburg, Anderson (GSA) area demand for hotels should increase. The immediate downtown area can sustain only so much growth. Therefore, the suburban and outlying markets are bound to absorb some of that growth. Although the downtown area boasted an occupancy level of 70.4% during 2013, and it is expected to hold that trend into the future; it is unsure what can be expected of Greenville's outlying areas.







(All information above was obtained from "2014 Outlook on Travel, Hospitality, and Leisure" by Deloitte and the 2014 Hospitality Directions published by PwC.)

Demand Analysis

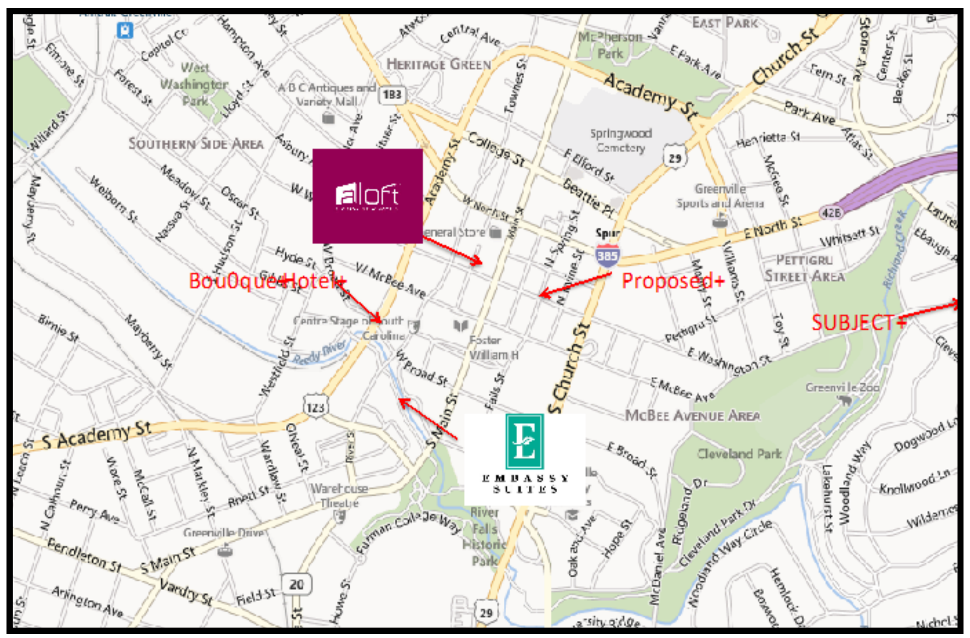
Hotel occupancy in downtown Greenville is mainly attributed to business travelers during the week and leisure travelers during the weekend.

Leisure Travel Demand

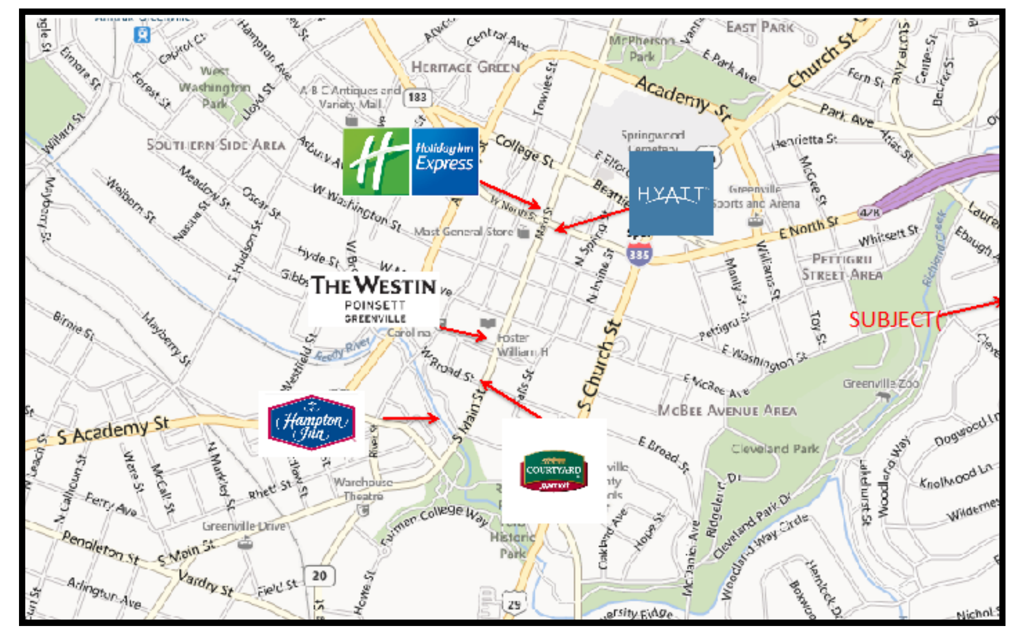
Downtown Greenville hosted over 5.2 million visitors in 2012. This has translated into significant productivity since every 1% increase in hotel occupancy translates into an increase of $29 million in local consumer spending. Most of Greenville's attractions include the Bon Secours Wellness Arena, Greenville Zoo, downtown dining, parks, nearby outdoor recreation, and the wide array of festivals and activities throughout the year. As Greenville continues to expand its programming and the potential for both the convention center being moved downtown and construction of Reedy River Park. This demand is expected to increase.

Business Traveler Demand

Business travel demand is also strong in Greenville. Corporations located in and around Greenville include Michelin, BMW, Flour, Hubbell Lighting, and TD Bank. CertusBank also just relocated their corporate headquarters from Charlotte, NC to new Class A office space in Greenville's CBD. These corporations translate into business travelers coming into the region during weekdays, and the trend is sure to continue as office space in downtown continues to be absorbed and more corporations announce their relocation to the Greenville area.



Proposed & Under Construction Hotels within Greenville CBD



Existing Hotels within Greenville CBD

Supply Analysis

As of February 2014, Greenville's downtown has a total of five hotels comprising of 933 hotel rooms. Currently there are four additional hotels in the pipeline; total number of rooms unknown. All five existing hotels have been built or renovated within the past ten years. The Hyatt, Greenville's oldest hotel (other than the Westin), recently completed a multi-million dollar renovation in 2013. Currently, there are several hotels planned for Downtown Greenville. They include an 156-room Embassy Suites at the new phase of RiverPlace, a 144-room ALoft hotel in ONE City Plaza, and an unnamed boutique hotel, and two others about which few details are known. In short, there will be several hundred hotel rooms added to the downtown market in the near future.

Hotel Capture & Conclusion

The subject site presents an interesting opportunity for a hotel. The only attraction in the immediate vicinity of the hotel is Cleveland Park and the Greenville Zoo. Given the subject site's vicinity to I-385 the hotel would most likely capture a mix of commuter patrons, Greenville tourists, and also business travelers. Because of this diverse customer mix an upper midscale hotel would most likely fit the market most closely. However, with the large number of hotels being added to the downtown market within the next few years, a new hotel in this area would surely prove to be a risky proposition.

(Source: Greenville Convention and Visitors Bureau)

Residential Analysis

The National Market

Multifamily Housing

According to Integra Realty Resources (IRR), there is no market in the country in the recession phase of the multifamily real estate market cycle. The multifamily market is enjoying a recent renaissance as households caught up in the downturn are hesitating to buy property again. Young professionals prefer to be in higher-density locations with amenities within walking distance, and the country sees an increase in retirees looking to downsize in active places.

Vacant multifamily stock reached its peak in 2009 with over three-quarters of a million vacant units. This was caused by the large number of households tuncertain of their futures. Extended families moved in together and households consolidated with friends in order to keep their costs as low as possible. Along with the large number of apartments that were already underway before the downturn and the vast number of condo units converted to apartments, vacancy rates quickly became the highest the country had seen in thirty years. These numbers have dwindled over the past five years. The amount of vacant units at the end of 2013 was approximately 416,000. This has caused our multifamily vacancy rate to be cut almost in half in the last few years. In 2009, the vacancy rate was 8.0%. The end of 2013 saw a multifamily vacancy rate decline to 4.1%.

Multifamily absorption rates peaked in 2010 at 2.5% as mass amounts of single family foreclosures happened. These families turned to apartments and rentals in order to put roofs over their heads. The year 2010 saw 2.9 million properties go into foreclosure. Just over one-third of these single-family properties were actually repossessed by their note-holders. This meant that 2010 saw record highs all across the board concerning residential foreclosures. While in more recent years, multifamily has not seen their own record absorption rates, the end of 2013 still ended with a 1.7% absorption rate. That percentage is expected to hold steady in 2014 and then it is forecasted to drop to at or below 1% for the foreseeable future.

Nationally, multifamily rents have been increasing since 2010. In 2010, effective rents increased 2.3%; in 2011, they increased an additional 2.4%. Then the year 2012 brought a jump of 4.0% in effective rents. Last year recorded 3.2% effective rent increase and the next three years are forecasted to hover around the 3% with 2014 being a small peak in the statistics. The multifamily sector has not only seen more activity from the consumer in recent years, there has also seen interest from investors. From third quarter 2011 to the end of 2013, national average capitalization rates dropped .25% to a current sub 6.30% rate. While 6.30% may have been the national average in fourth quarter 2013, the median capitalization rate was a low 5.5%. This means that there were a lot more properties trading below the average while fewer properties were drastically higher consequently bringing the average up. The investment in residential increased for the twelfth consecutive quarter. Third quarter 2013 saw a 10.3% increase in investment from the previous quarter.

There has been more demand than new supply in recent years. The ratio of New Construction Units to Units Absorbed is 1:5. There has been some new development in the sector. The inventory growth in 2013 was the highest seen since 2009. The growth rate at year end of 2013 was 1.3%. To drive this point, the inventory growth in both the third and fourth quarters of 2013 was the same as the total growth at the end of the year in 2011.

Single Family Housing

Nationally, over 70% of new construction, single family homes that were on the market in 2013 were sold. This is a drastic contrast to the 27% of existing homes on the market that were sold last year. Single family, owner-occupied housing has maintained a consistent 2% vacancy. This rate has not notably changed in the last ten years. The Housing Opportunity Index for the nation indicates only 65% of residents making the median income can afford to own homes. Nationally, there were approximately 617,000 single family construction permits issued in the third quarter of 2013. The same quarter saw 517,000 completed housing units. Both of these recent statistics are approximately a 16% increase over the permitted and completed units in the third quarter of 2012.

The Greenville-Spartanburg-Anderson Market

Greenville's Under Construction, Multifamily Projects

Multifamily Housing

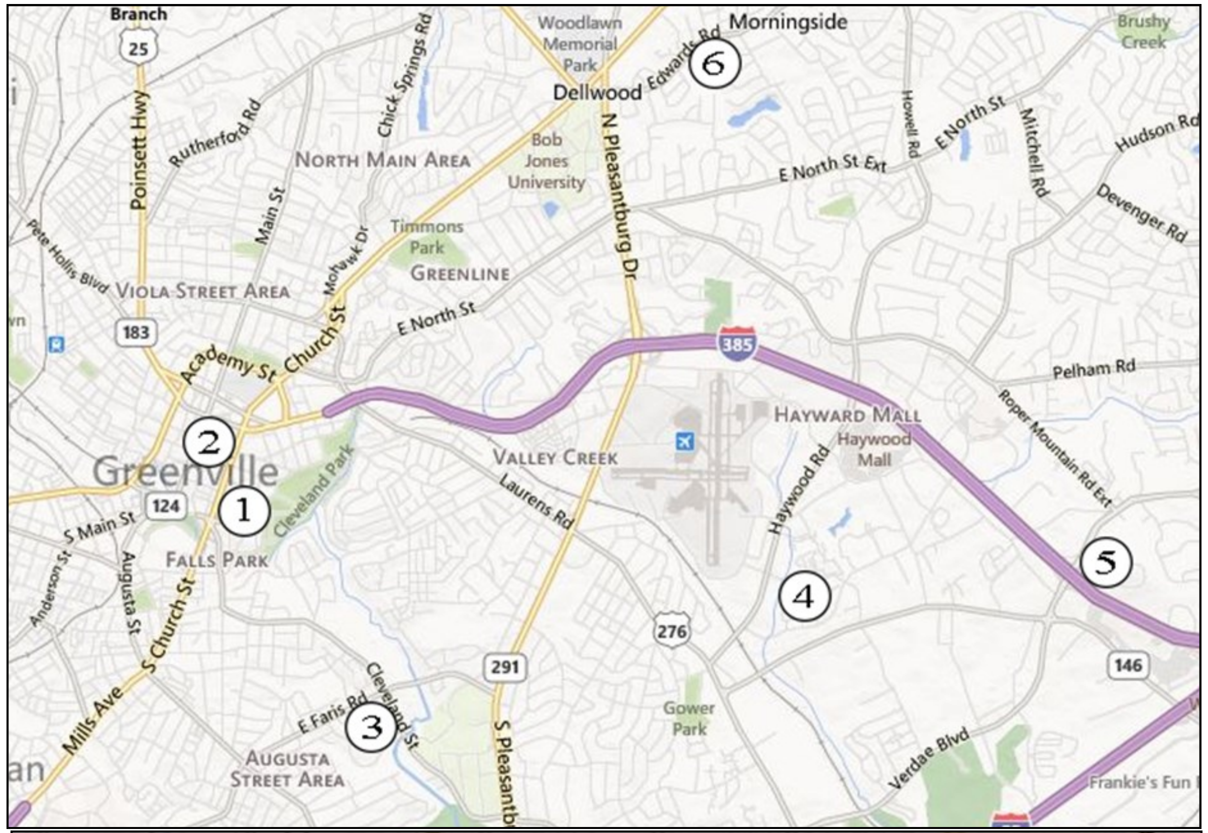
According to IRR, Greenville's multifamily market is still in the recovery phase of the market cycle. There were only three multifamily (5 or more units) permitted within the City of Greenville limits in 2013. This accounts for the 251 units that are currently all under construction in the CBD. An additional 1,900 units are in the planning and proposal stages within Greenville's city limits. There are currently just under 16,000 units in the North and Central Greenville Submarkets with an average vacancy of 3.8% according to REIS. These two submarkets make up that majority of the City of Greenville and a few northern suburbs of the city including Travelers Rest.

Single Family Housing

The City of Greenville permitted 88 new construction, single family homes in 2013. This year seems to be on an even greater trajectory with eight new construction homes permitted in the month of January. In 2012, over 65% of the mortgage originations were actually refinances. The Housing Opportunity Index for the Greenville Metro Area indicates a high 80% of residents making the median income in this area can afford to own homes. This is compared to the previously mentioned national index at only 65% of citizens can afford homes in the US. The median sale price of homes in Greenville was $159,900 in the third quarter 2013.

The majority of housing in the immediate vicinity of the subject property is single family housing. The site is bordered by several neighborhoods, but is not a part of any of them. Two of them are Historic Districts and the other two are Special Interest Districts as designated by the City of Greenville. These neighborhoods include Nicholtown, Arcadia Hills, the Overbrook Historic District, and the Pettigru Historic District. Nicholtown, Arcadia Hills, and the Overbrook neighborhoods are almost all single family homes. Nicholtown has the highest number of owner-occupied units out of any of the City of Greenville's Special Interest Districts. The Pettigru Historic District has seen the majority of its historic, single family homes converted to professional and small multifamily buildings.

Residential Analysis



Multifamily Rent Comps

	Property Name	Street Address	Size (units)	Year Built	Class	Rent/Unit ($)	Vacancy Rate (%)	Distance from Subject
1	McBee Station	27 Station Court	197	2007	A	1,526	0.0	0.80
2	100 East	100 E Washington St	48	2012	A	1,375	0.0	1.00
3	The Bristol	926 Cleveland St	258	1973	A	915	0.4	1.49
4	Plantations At Haywood	135 Haywood Crossing Dr	84	2001	BC	777	9.5	2.39

Multifamily Sales Comps

	Property Name	Address	Total Units	Year Built/ Renovated	Class	Closing Date	Sale Price	Sale Price/Unit
5	Vinnings At Roper Mountain	230 Roper Mountain Rd	268	2001/--	A	14-FEB-13	$25,037,000	$93,422
3	Crossroads Apts	926 Cleveland St	258	1970/--	BC	29-AUG-12	$10,159,884	$39,379
6	Carolina Crossing	702 Edwards Rd	156	1968/2005	BC	20-JUL-12	$3,200,000	$20,513
4	Plantations At Haywood	135 Haywood Crossing Rd	562	1981/2006	A	27-JUN-08	$39,000,000	$69,395

Single Family Sales Comparables

	Address	Size (SF)	Bed/ Bath	Year Built	Days on Market	Asking Price	Sale Price	Sale Date
1	21 Underwood Ave	1,350	2 Bed/ 2 Bath	1961	145	$195,000	$193,600	10/3/2013
2	6 Beechwood Ave	1,894	2 Bed/ 2 Bath	1984	263		$245,000	6/7/2013
3	315 Hampton Ave	1080	2 Bed/ 2 Bath	1999	84	$315,000	$308,500	12/11/2013
4	204 W Park Ave	1593	2 Bed/ 2 Bath	2005	233		$226,000	7/15/2013
5	1519 E North St	6098	5 Bed/3 Bath	2010	336	$249,000	$237,000	4/3/2013

Conclusion

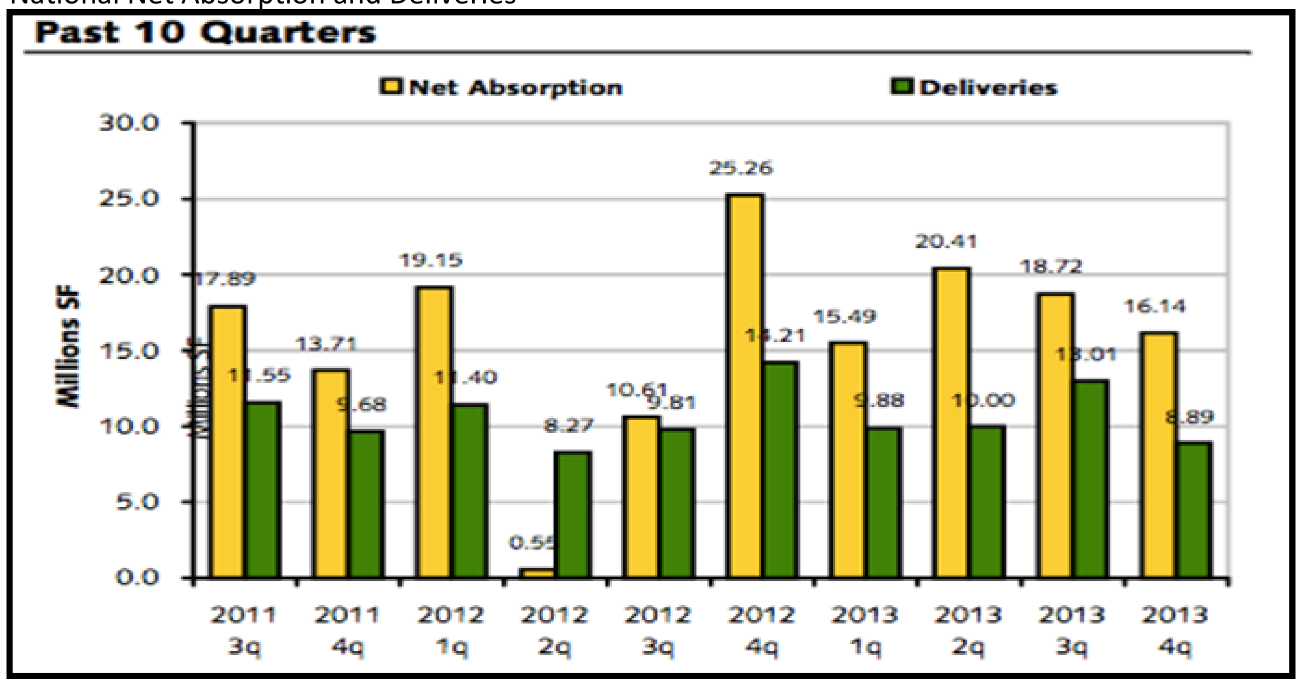
Taking into consideration that this submarket is directly adjacent to Greenville's CBD, residential is a viable option for the site. However, a high density development may not be feasible. Giving citizens a walkable, medium density housing option in conjunction with other uses on the site would be the best use. This could include high density, single-family housing, or low-density multifamily units.

Retail Analysis

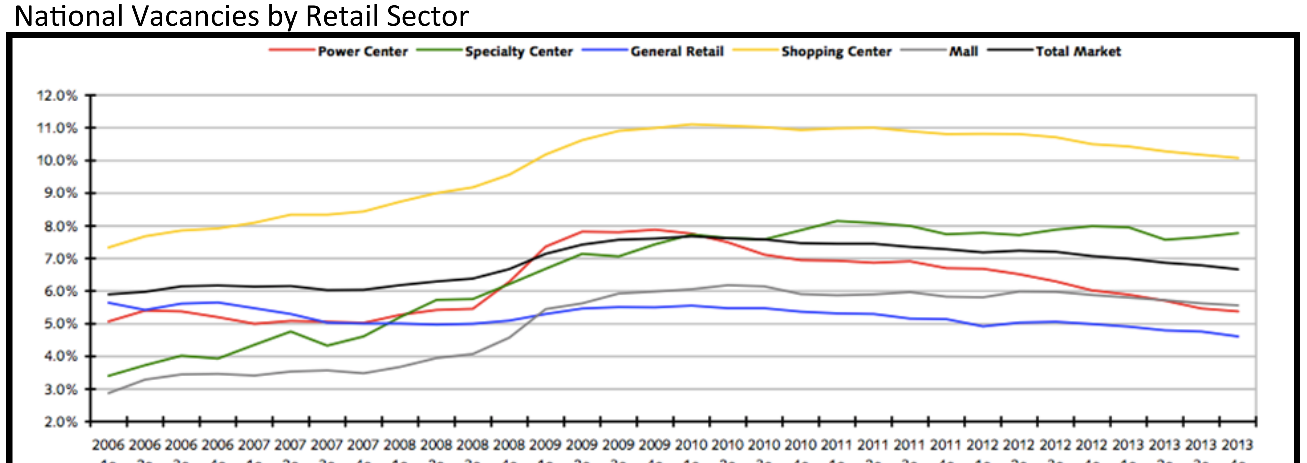
National Overview

ChainLinks Retail Advisors' 2013 Retail Review and Forecast Report states there are two factors impacting retailer demand in the US today. The first is the economy. While high-end consumers are back, the middle class largely remains in frugality mode. The good news is this is slowly lessening and the return of the housing market will accelerate this trend. In terms of bricks and mortar retailer growth, there is action at the far ends of the economic spectrum. Luxury retailers are back and looking for space in the nation's high street shopping districts and trophy shopping malls. Meanwhile, discounters, off-price apparel and dollar stores all remain in aggressive growth mode and have largely been responsible for backfilling much of the vacant big box space that had upset landlords at the height of the recession. The second major factor impacting retailer growth is the impact of e-commerce. As stated earlier, many mid-priced hard goods and apparel players are now focusing their capital expenditures budgets away from bricks and mortar growth and are instead focusing on building their e-commerce platforms and capabilities. Meanwhile, dollar stores remain extremely aggressive, with the nation's five top chains alone planning for as many as 2,000 new stores over the next 12 to 18 months. The national market is experiencing a surge of growth coming from retail chains that do not compete heavily with the Internet and this breaks down to food users (grocery and restaurants) and service related retail (automotive service, dry cleaners, financial services/ tax preparation, etc.). Restaurants, by far, are the most active sector. Cap rates have been lower in 2013, averaging 8.09% compared to the same period in 2012 when they averaged 8.34%.

National Net Absorption and Deliveries



National Vacancies by Retail Sector



Net Absorption

Retail net absorption was moderate in U.S. fourth quarter 2013, with positive 21,284,564 square feet absorbed in the quarter. In third quarter 2013, net absorption was positive 21,510,554 square feet, while in second quarter 2013; absorption totaled 22,226,177 square feet. In first quarter 2013, positive 18,051,352 square feet was absorbed in the market.

Vacancy

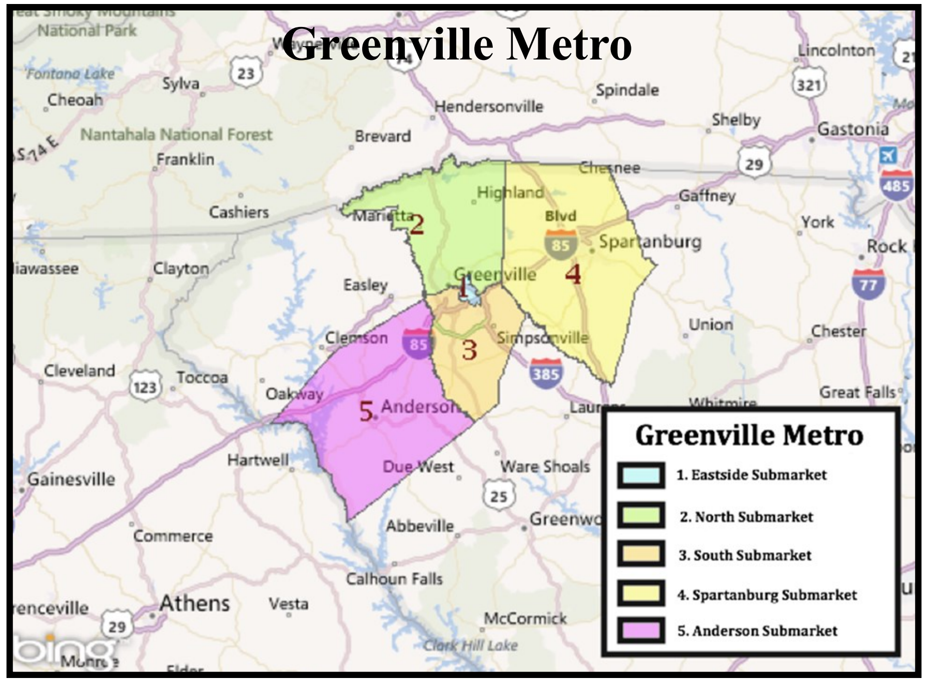
The United States' retail vacancy rate decreased in the fourth quarter 2013, ending the quarter at 6.6%. Over the past four quarters, the market has seen an overall decrease in the vacancy rate, with the rate going from 6.9% in the first quarter 2013, to 6.8% at the end of the second quarter 2013, 6.7% at the end of the third quarter 2013, to 6.6% in the current quarter.

The amount of vacant sublease space in the U.S. market has trended down over the past four quarters. At the end of the first quarter 2013, there were 27,689,236 square feet of vacant sublease space. Currently, there are 24,946,772 square feet vacant in the market.

Development Activity

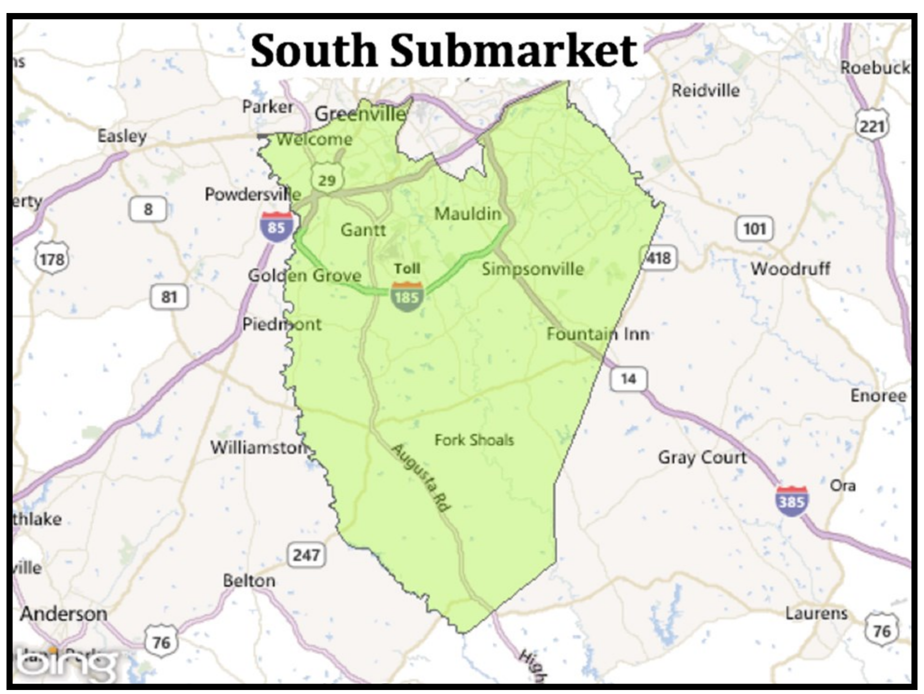
During the fourth-quarter 2013, 563 buildings totaling 10,424,534 square feet were completed in the U.S. retail market. Over the past four quarters, a total of 50,206,548 square feet of retail space has been built in U.S. In addition to the current quarter, 812 buildings with 16,213,364 square feet were completed in third quarter 2013, 711 buildings totaling 11,562,831 square feet completed in second quarter 2013, and 12,005,819 square feet in 734 buildings completed in first quarter 2013.

There were 46,546,459 square feet of retail space under construction at the end of the fourth quarter 2013. Total retail inventory in the U.S. market area amounted to 12,404,531,813 square feet in 1,053,547 buildings and 96,954 General Retail Shopping Center Mall Total Market centers as of the end of the fourth quarter 2013.



Greenville Metro

According to Costar's Year End 2013 Retail Marker Report the Greenville retail market experienced a slight improvement in market conditions in the fourth quarter 2013. The vacancy rate decreased from 7.0% in the previous quarter to 6.7% in the current quarter. Net absorption was positive 278,801 square feet, and vacant sublease space decreased by (78,156) square feet. Quoted rental rates decreased from third quarter 2013 levels, ending at $9.20 per square foot per year. Cap rates have been higher in 2013, averaging 9.75% compared to the same period in 2012 when they averaged 9.47%. A total of three retail buildings with 21,384 square feet of retail space delivered to the market in the quarter, with 40,504 square feet still under construction at the end of the quarter. According to REIS, a non-anchored Neighborhood Shopping Center in the Greenville metro is paying an average asking rent of $10.92, where anchor tenants are paying $8.42. Non-anchored Community Shopping Centers are paying an average asking rent of $12.75, where anchor tenants are paying $9.63. According to Colliers the average asking rental rates were $7.29 psf, $10.02 psf and $14.39 psf for anchor, junior anchor, and shop space respectively. Out of the 187 non-anchor tenants in the Greenville metro area, 129 of the retail properties are seeing a rent growth in the fourth quarter 2013. Vacancy rates reported by REIS, Inc. in the fourth quarter 2013 report are higher than Costar's 6.7%. REIS, Inc. reported a 10.79% average vacancy rate; however, 70 of the 187 retail properties are under a 5% vacancy. Greenville's retail vacancy is still higher than the average for the South Atlantic Region and the United States. Retail properties can be characterized as community, mixed-use, neighborhood, or regional mall. Asheville Metro is comprised of 70.8% regional malls, 2.9% mixed use, 12.4% community retail, 5.2% neighborhood shopping centers and 8.7% characterized as other.



South Greenville Submarket

The local market for this report is the South Greenville Submarket which includes Greenville's CBD. Over the past decade Downtown Greenville has seen a positive transformation. Areas such as the West End District where Fluor Field is located have become vibrant with retail stores and restaurants. The Reedy River and the surrounding area have also seen successful developments like River Place and the Peace Center. While the unique atmosphere of Main Street has provided a great location for smaller local retailers to thrive, larger regional and national retailers have not had a location in the CBD to develop their stores. The area has become a destination for shoppers. The subject site will have the best of both worlds.

Vacancy Rates

The vacancy rates reported by REIS, Inc. in the fourth quarter 2013 report are higher than Costar's 4.3%. REIS reported an 8.65% average vacancy rate; however, 15 of the 45 retail properties are under a 5% vacancy. South Greenville Submarkets retail vacancy is lower than the Greenville Metro and lower than the average for the South Atlantic Region and the United States. Currently there is 16,000 SF of new retail space under construction in the CBD on Church Street. According to REIS, a non-anchored Neighborhood Shopping Center in the South Greenville Submarket is earning an average asking rent of $12.07 PSF, where anchor tenants are paying $9.78 PSF. Non-anchored Community Shopping Centers are paying an average asking rent of $15.28 PSF where anchor tenants are paying $9.55 PSF. Out of the 45 non-anchor tenants in the South Greenville Submarket 31 of the retail properties are seeing a rent growth in the fourth quarter 2013.

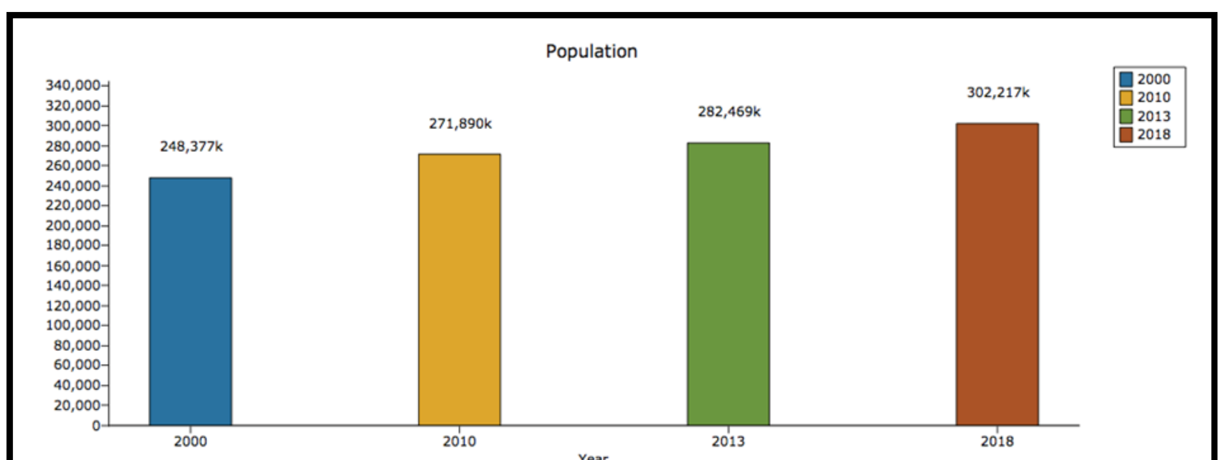
	5	10	15
Retail Sales			
Total Retail Sale	$526,300,288.00	$2,885,717,907.00	$4,547,890,127.00
Retail Trade	$442,653,193.00	$2,717,907,181.00	$4,146,870,452.00
Food and Drink	$83,647,095.00	$167,810,726.00	$401,019,676.00
Household Expenditures			
Food at Home	$39,383,507.00	$228,251,562.00	$538,005,365.00
Food Away From Home	$24,734,777.00	$144,424,203.00	$339,888,498.00
Alcoholic Beverages	$4,203,743.00	$24,163,320.00	$56,257,743.00

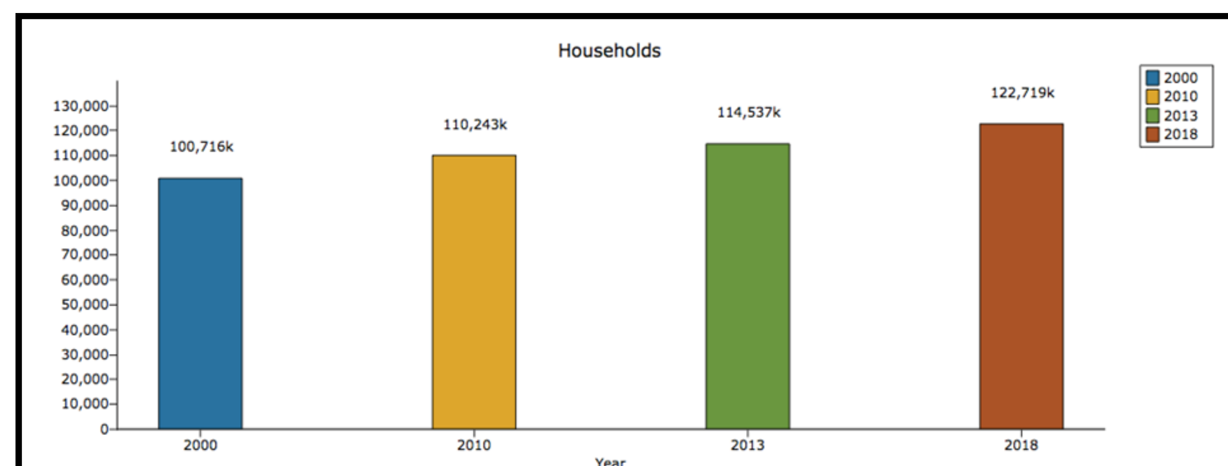
Trade Area Delineation

The proposed site is well positioned on 26.4-acres of land located in the South Greenville submarket directly off of I-385 at Exit 42 and approximately 1.3 miles east of Main Street in Downtown Greenville. Within the Greenville market the major retail corridors are Haywood Road, Woodruff Road, Wade Hampton, West Greenville, and Cherrydale. These corridors contain over 3 million square feet of retail space while the CBD contains approximately 700,000 square feet. The subject site will contain national, regional, and local retailers such as grocery stores, restaurants and bars, specialty retailers, clothing retailers, etc. Since the subject site is located in Downtown Greenville, we can conservatively assume a trade area of five, ten, and fifteen-minute drive times from which the site will draw. This will be the only mixed-use development of its kind in downtown, so it should also be assumed the site will also draw customers from an area outside of the fifteen-minute drive time. The development will focus on creating a pedestrian-friendly environment where people can work, eat, live and shop.

Population Characteristics

The market area is estimated to have increased from 248,377 to 281,469 in population over the period 2000-2013, which is 1.02% annually. Going forward, the market area is expected to grow from 281,469 to 302,127 from 2013 – 2018. This would be a growth rate of 1.4% annually. This forecasted population growth should be favorable for new retail development. The average household income in 2013 was $63,974 and is projected to increase to $77,210 in 2018, which is a 20.7% increase according Site to Do Business.

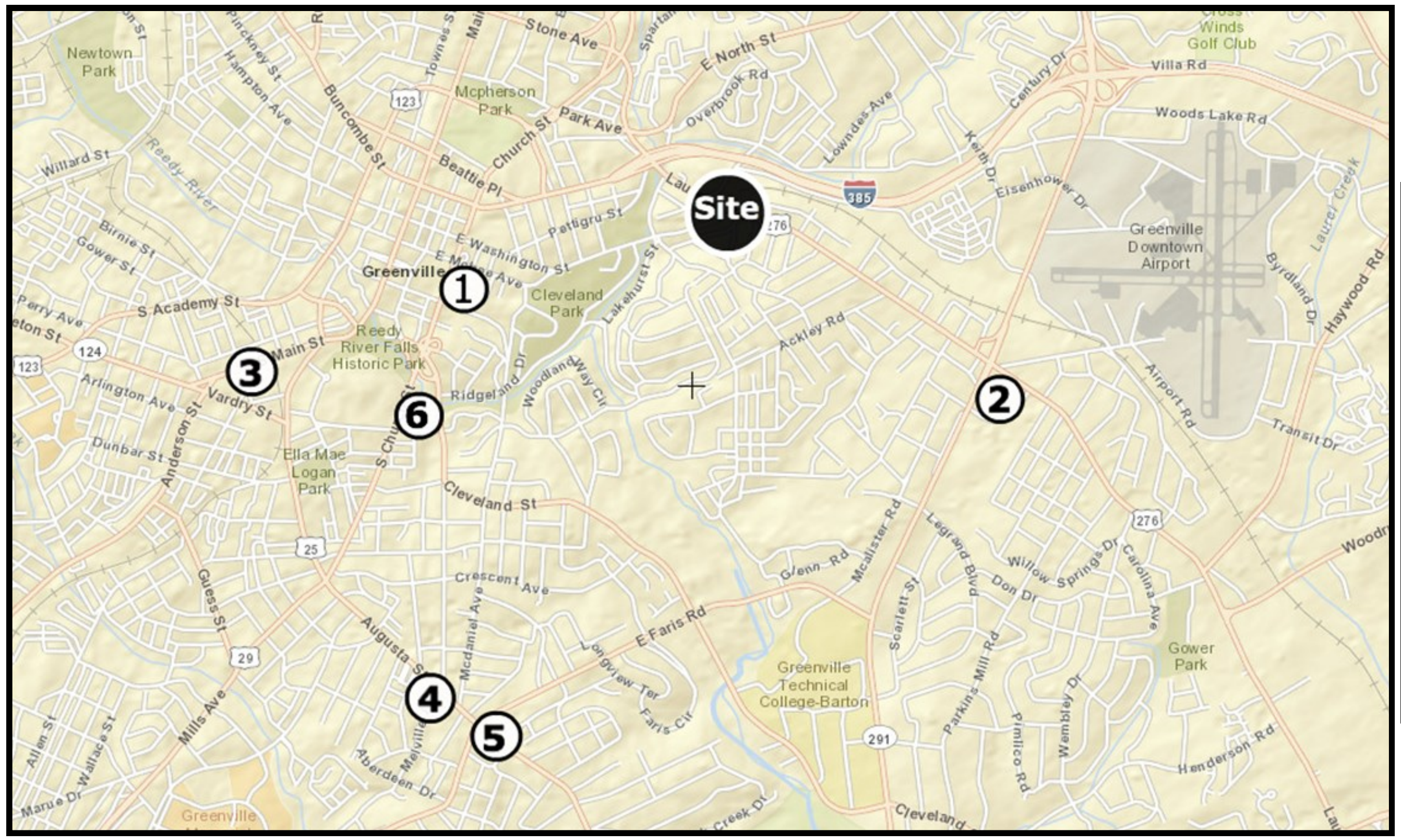




New Absorption

Due to the strong retail net absorption of 117,623 square feet in the fourth quarter of 2013 there are positive signs for the Greenville market in 2014. Within the South Greenville submarket where the subject site is located the fourth quarter 2013 net absorption is 1,000 square feet. With the recent opening of the second Wal-Mart Neighborhood Market and the opening of Anthropologie and Brooks Brothers at Project One on Main Street, the market could see a significant increase in absorption.

Lease Comparables



#	Building Name	Address	Year Built	Square Feet	Rate	% Occupied	Tenants
1	McBee Station	27 Station Court	2007	13,273	$19.00	83	Publix, Staples
2	Forest Park	199 S Pleasantburg Dr.	2008	51,672	$24.00	81	Fresh Market, Garners
3	Field House	941 S. Main St	2006	11,400	$20.00	100	Liberty Tap Room
4	McDaniel Village	1922 Augusta Rd	1988	45,341	$20.69	95	Panera, CVS
5	2123 Augusta	2123 Augusta Rd	2005	10,641	$18.50	100	Zoe's Kitchen, Starbucks
6	South Ridge	Church St	2014	16,000	NA	NA	Under Construction

Conclusion

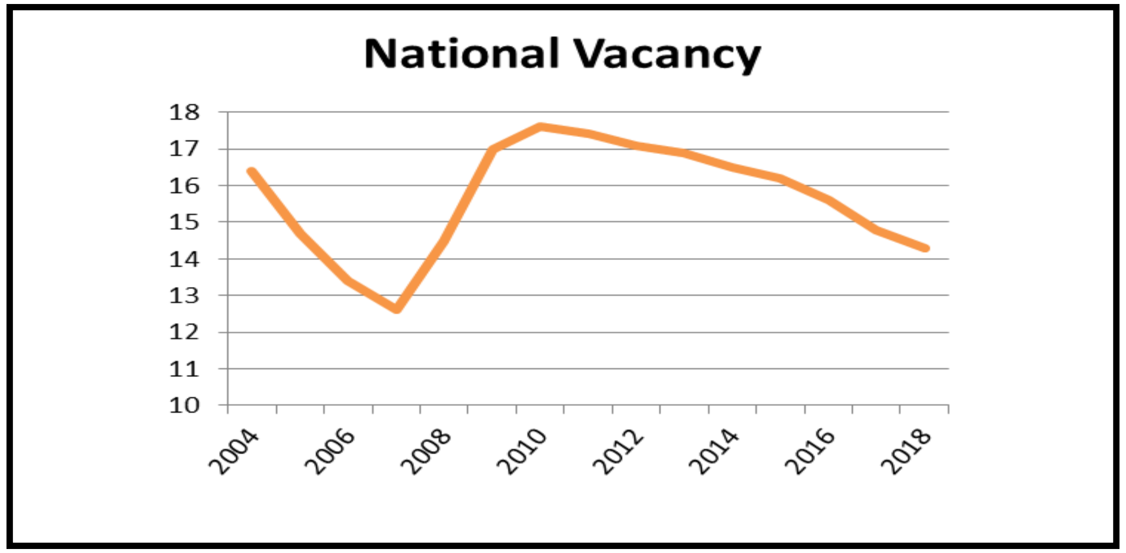
After analyzing the current supply and demand for the Greenville retail market, there is a gap in the retail market with a 44 surplus factor. With that said, the Greenville market pulls people from outside the market area, so these numbers can be misleading. The subject site can provide new retail space to the market by catering to the existing neighborhood markets surrounding the development site, capturing the regional market; and by relocating existing retail tenants in the area currently located in old neglected buildings. Examples of potential retail tenants include bar/restaurants, pharmacies, florists, gyms, barber/beauty shops and health stores.

Office Analysis

National Market Overview:

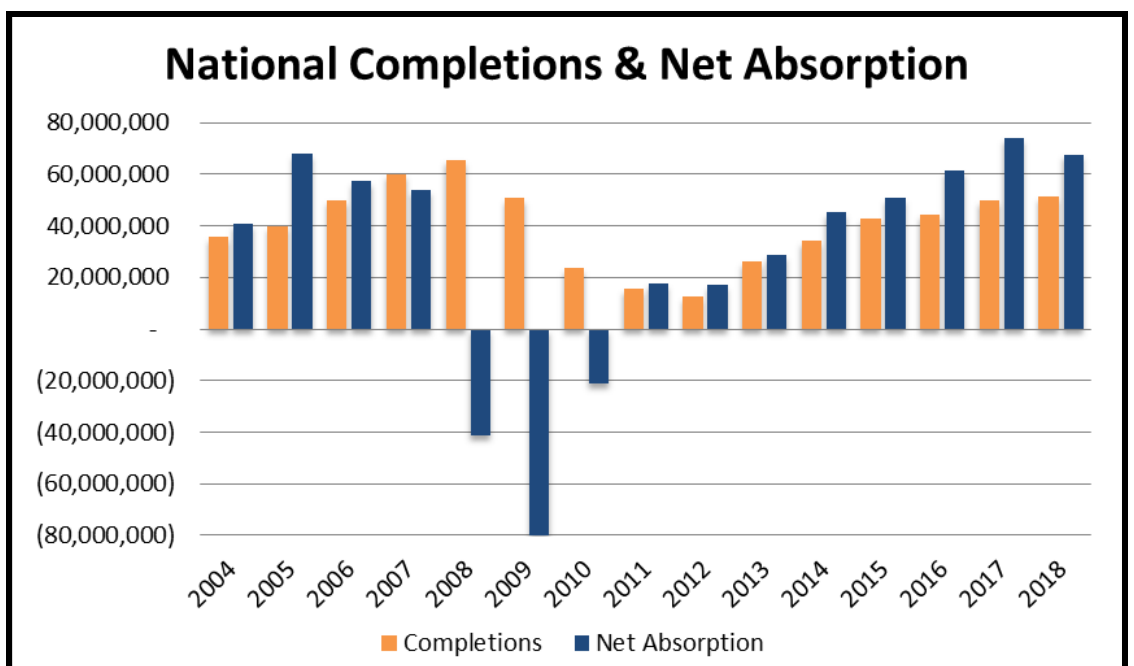
On a national level, the number of transactions in the office sector remained above 4,000. Like 2012, in 2013 many office properties traded and capitalization rates continued to fall. Capitalization rates dropped 8.5% between the third quarter of 2012 and fourth quarter of 2013.

The following is a national analysis of vacancy, absorption and rental rates. REIS and CoStar were the primary sources used in this section.



Vacancy

In 2013, the office vacancy rate fell 30 basis points to 16.9%. According to REIS Office Trends, vacancy rates have trended downward since 2010. At the end of 2010, vacancy was 17.6% and it has steadily decreased to its current rate just under 17%. Vacancy rates of Class A and Class B properties both declined in 2013. Since 2010, vacancy rates of Class A properties have fallen 120 basis points. Vacancy was 16.7% at the end of 2010 and 15.5% at the end of 2013. Although vacancy in Class B properties declined in 2013, since 2010 Class B vacancy has experienced little change. Class B vacancy rates were 18.6% in 2010, 18.7% in 2011 and 2012, and 18.4% in 2013. This increasing spread between Class A and Class B vacancy rates indicates an increasing demand for Class A space. Vacancy is expected to continue to trend downward because of a lack of new supply.

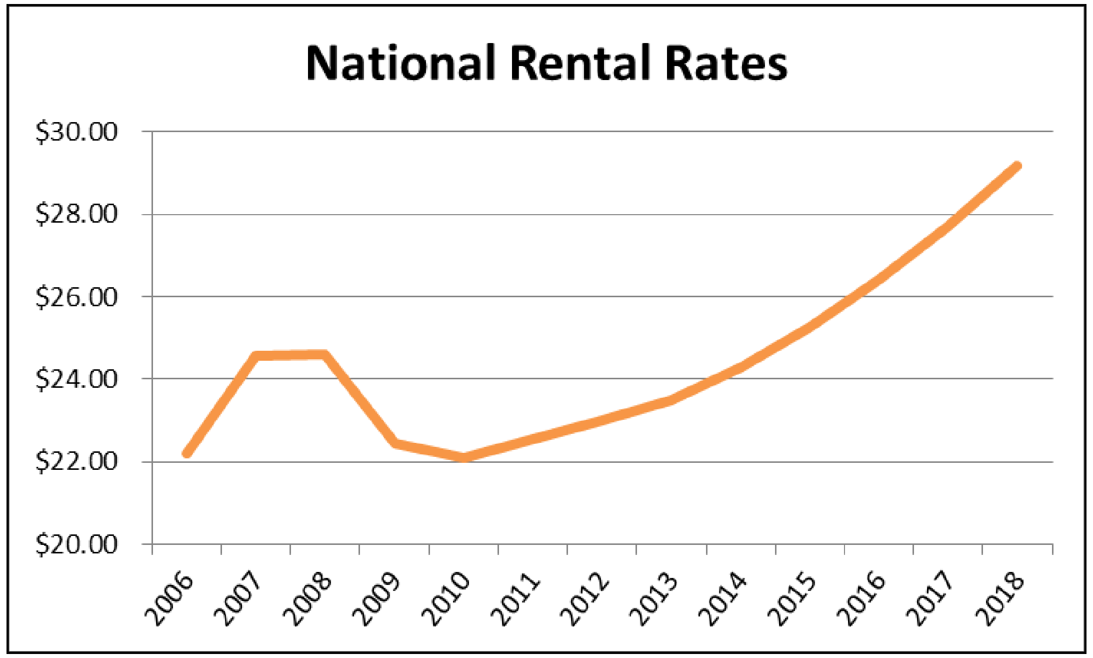


Net Absorption

Net absorption in 2013 was positive for the third straight year. According to REIS's Office Market Report, 2013 experienced a positive absorption of 28,512,000 square feet. Positive absorption occurred in 2011 for the first time since the beginning of the recession. In 2011 absorption was 17,508,000 square feet, and in 2012, it was 16,900,000 square feet. Absorption of Class A space made up the majority of the overall net absorption in 2013. Of the 28.5 million square feet, Class A consisted of 23,865,000 square feet or 84% of the total. In 2011 and 2012, absorption of Class A space exceeded total net absorption, because Class B absorption was negative. In 2011, there was 20,543,000 square feet of Class A absorption, and in 2012, there was 20,014,000 square feet of Class A absorption.

The number of square feet delivered in 2013 of 26 million square feet, was significantly higher than in 2012 of 12.4 million square feet. As expected, the majority of completions were Class A space. In 2013, of the 26 million square feet of completed space 24.4 million square feet was Class A and 1.6 million was Class B. Class A developments are expected to increase due to a national demand for Class A space.

Absorption and completions are expected to increase in 2014 as demand for Class A space escalates.



Rental Rates

Office asking rents increased slightly in 2013. At years end, asking rates averaged $29.07 PSF. Previous year's rates include $28.47 PSF in 2012, $27.97 PSF in 2011, and $27.53 PSF in 2010. Class A's average asking rate in 2013 was $34.66 PSF. This is up from $33.97 PSF in 2012. Since 2010, Class A rates have averaged an increase of 1.9% annually. Class B averaged an annual increase of about 1.5%. Nationally, the asking rate for Class B space was $23.02 PSF in 2013. The gap between Class A and Class B rates has expanded since 2010. This is another indicator for an increased demand for Class A space. The surge in demand suggests users are willing to pay premiums for higher quality space.

Local Market Overview

Supply Factors

Greenville/Spartanburg Metropolitan Area

According to CoStar's Year-End 2013 Office Market Report, the Greenville/Spartanburg office market consisted of 36,416,297 square feet of office space. Anderson, Cherokee, Greenville, Laurens, Pickens, and Spartanburg markets are all included in this total. Of the 36.4 million square feet, 6.2 million is Class A, 20 million is Class B, and 10.2 million is classified as Class C space.

CoStar reports a Greenville metro vacancy of 7.1%. On the other hand REIS, reported a vacancy of 19%. REIS also states 68 properties have a vacancy below 10%. This gap is due to the areas from which their information is collected. As mentioned, CoStar incorporates the entire Upstate, while REIS only includes Spartanburg County and portions of Greenville County.

Average asking rates in the Upstate were $14.10 PSF in 2013. Class A rates averaged $18.86 PSF and Class B rates averaged $13.32 PSF. Historically, office rental rates have grown slowly. Compared to suburban properties, properties located in the CBD averaged rents several dollars per square foot higher. Class A space in the CBD averaged $20.45 PSF compared to $17.59 PSF in the suburbs.

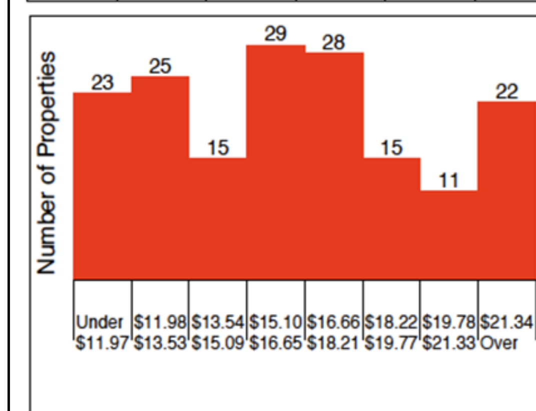
Greenville Local Supply

The subject site is located in the Pettigru submarket to the east of the Greenville Central Business District. According to CoStar's Year End 2013 Report, the Pettigru submarket includes 202 properties with 984,800 square feet of rentable space. Professional office users make up the majority of tenants in the submarket, and a large portion of the office space is renovated single family homes located in the Pettigru Historic District. All of the space is considered to be Class B. The submarket has a 4.9% vacancy and rents average $13.63 PSF.

In comparison, Greenville's CBD consists of 4,432,648 square feet of rentable space. Of the over 4.4 million square feet, 40% is Class A and 54% is Class B. The overall vacancy for the CBD is 10.3%. Rental rates across all classes average $19.53 PSF in the Central Business District, while Class A space is renting for $20.46 PSF. However, asking rates are soaring above $28 PSF at the recently completed Project One, demonstrating that Class A rents are trending upward.

Asking Rent Distribution

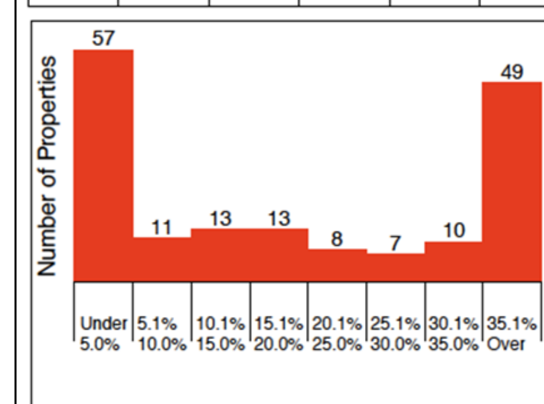
Low	25%	Mean	Median	75%	High
$10.41	$13.99	$16.93	$17.03	$19.87	$22.88



As of 12/31/13

Vacancy Rate Distribution

Low	25%	Mean	Median	75%	High
0.0%	1.1%	19.3%	12.4%	31.1%	77.6%



As of 12/31/13

Demand Factors

Many factors drive the demand for office space. Some of the most important include the employment, business environment, trends in office users, and industries driving the economy.

Greenville Business and Industries

Greenville offers an attractive environment for businesses. In order to attract business activity Greenville offers low tax rates and tax incentives, including a 5% corporate income tax, which is among the lowest in the nation, job tax credits, and property tax abatement for qualifying companies. In addition to tax incentives, Greenville offers close proximity to top universities and colleges, a skilled workforce, and quality infrastructure.

Nearby universities and colleges include Clemson University, Furman University, Bob Jones University, Greenville Technical College, Wofford College, and University of South Carolina Upstate. Greenville is home to 70 corporate headquarters. Several of the companies that have headquarters in Greenville are Fluor Daniel Corporation, Elliot Davis, Michelin North America, and Hubbell Lighting. Infrastructure features include I-85, I-26, a brand-new Inland Port. Greenville has easy access to the Port of Charleston, the City of Charlotte, NC and the City of Atlanta, GA.

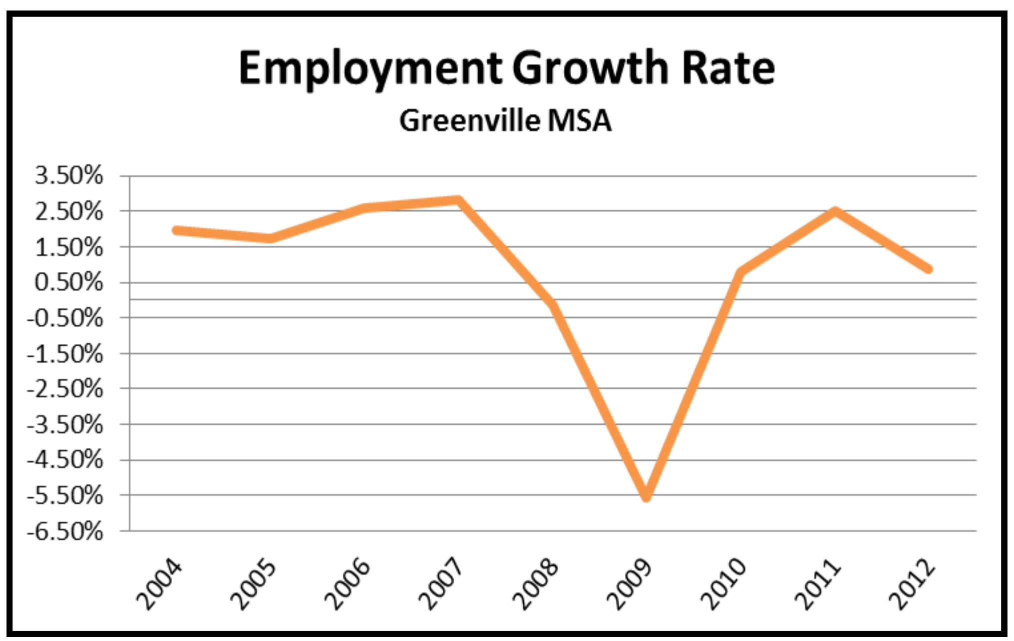
Manufacturing, Retail Trade, and Professional & Business Services make up the largest industries in Greenville's economy. Other noteworthy industries are Education & Health Services and Leisure & Hospitality.

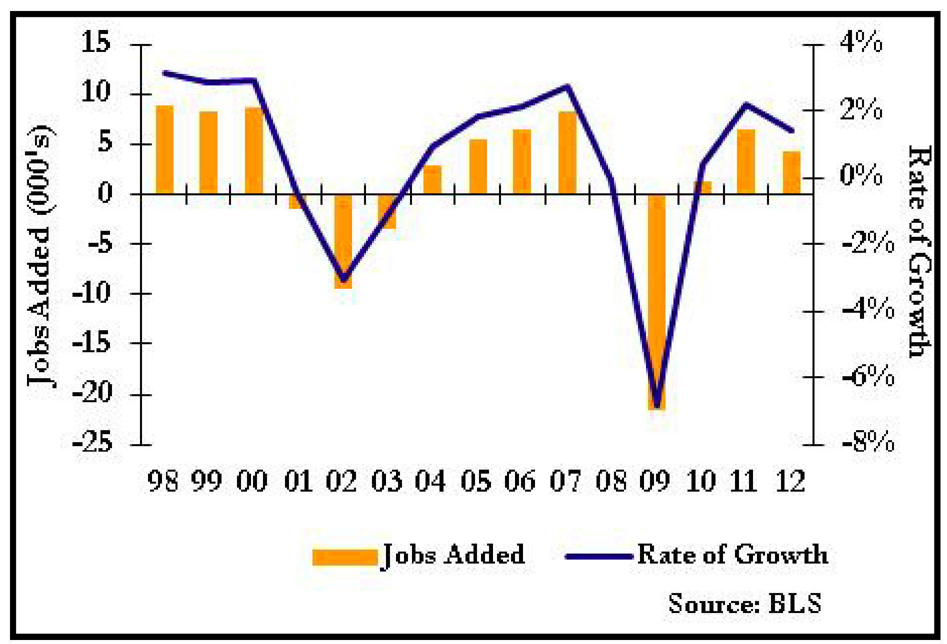
Greenville Metro Employment

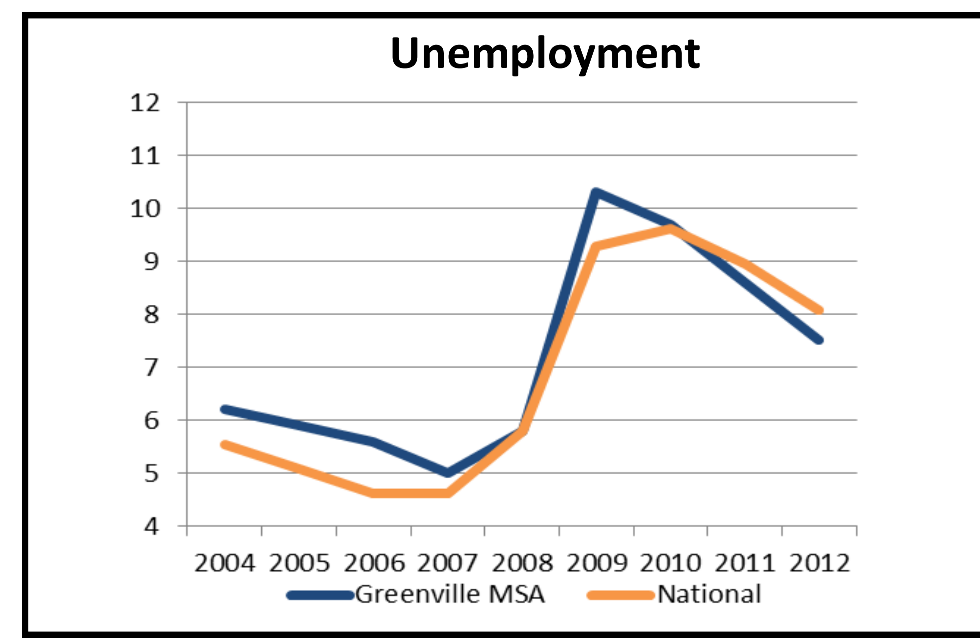
According to REIS Greenville Market Report, 4,300 jobs were added to the Greenville Metropolitan Area between the third quarter of 2012 and the third quarter of 2013. This represents 1.4% job growth during that period. Employment growth has been positive since 2010 and is expected to remain positive in 2014. REIS forecasted employment growth to accelerate to 2.1% in 2014 and 2.5% in 2015.

The unemployment rate in the Greenville Metro Area has steadily decreased since mid-2009. In the fourth quarter of 2013, it was 6.6%. However, labor force shrinkage can cause deceivingly low unemployment rates. Although the labor force is volatile, a steady increase in jobs has caused a drop in unemployment in the Upstate.

Employment





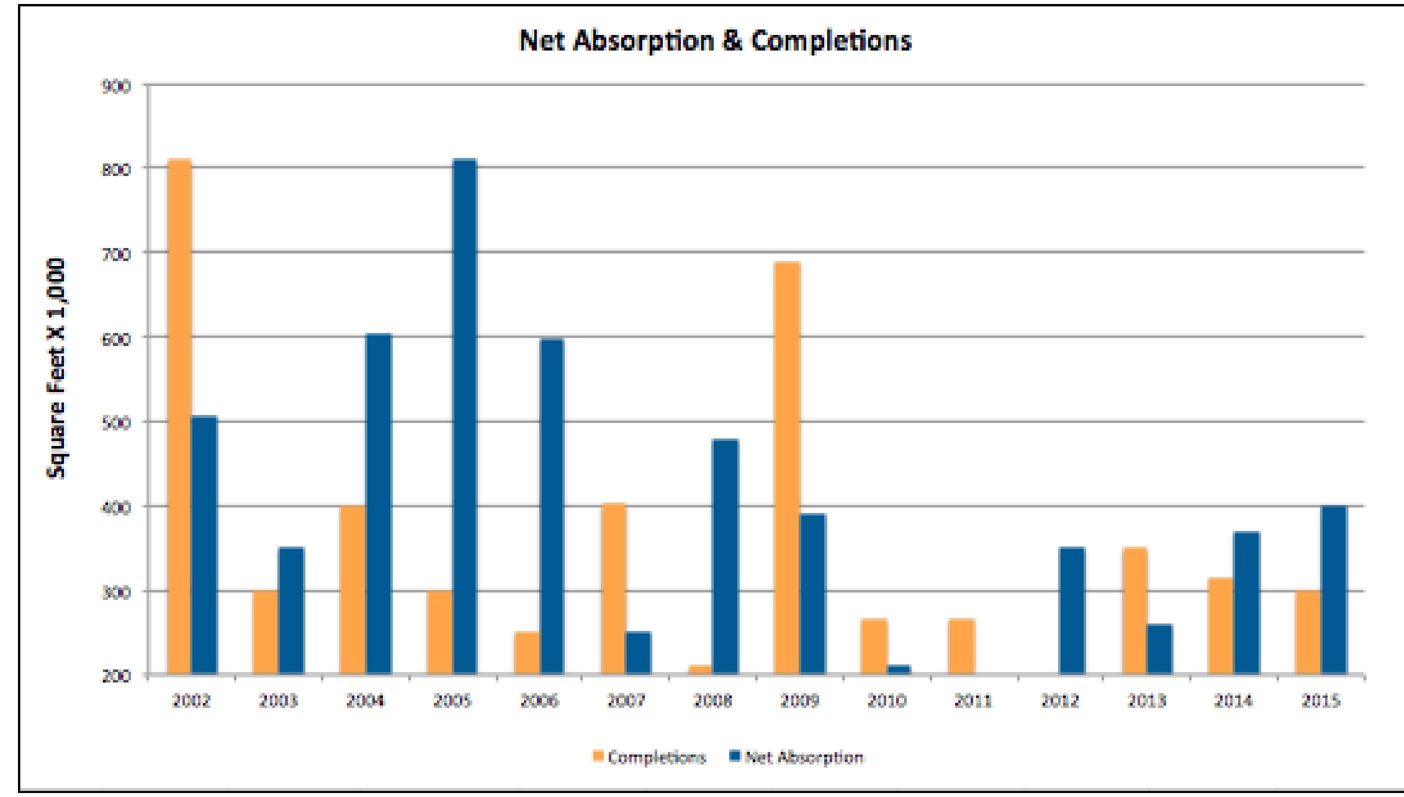


Net Absorption

The delivery of 370,000 square feet at the Project One in the CBD affected Greenville's office market significantly. This addition of space is the largest since 2009. The building has reached asking rents over $28 PSF. This price range is well above other properties in the market and is uncharted territory for Greenville.

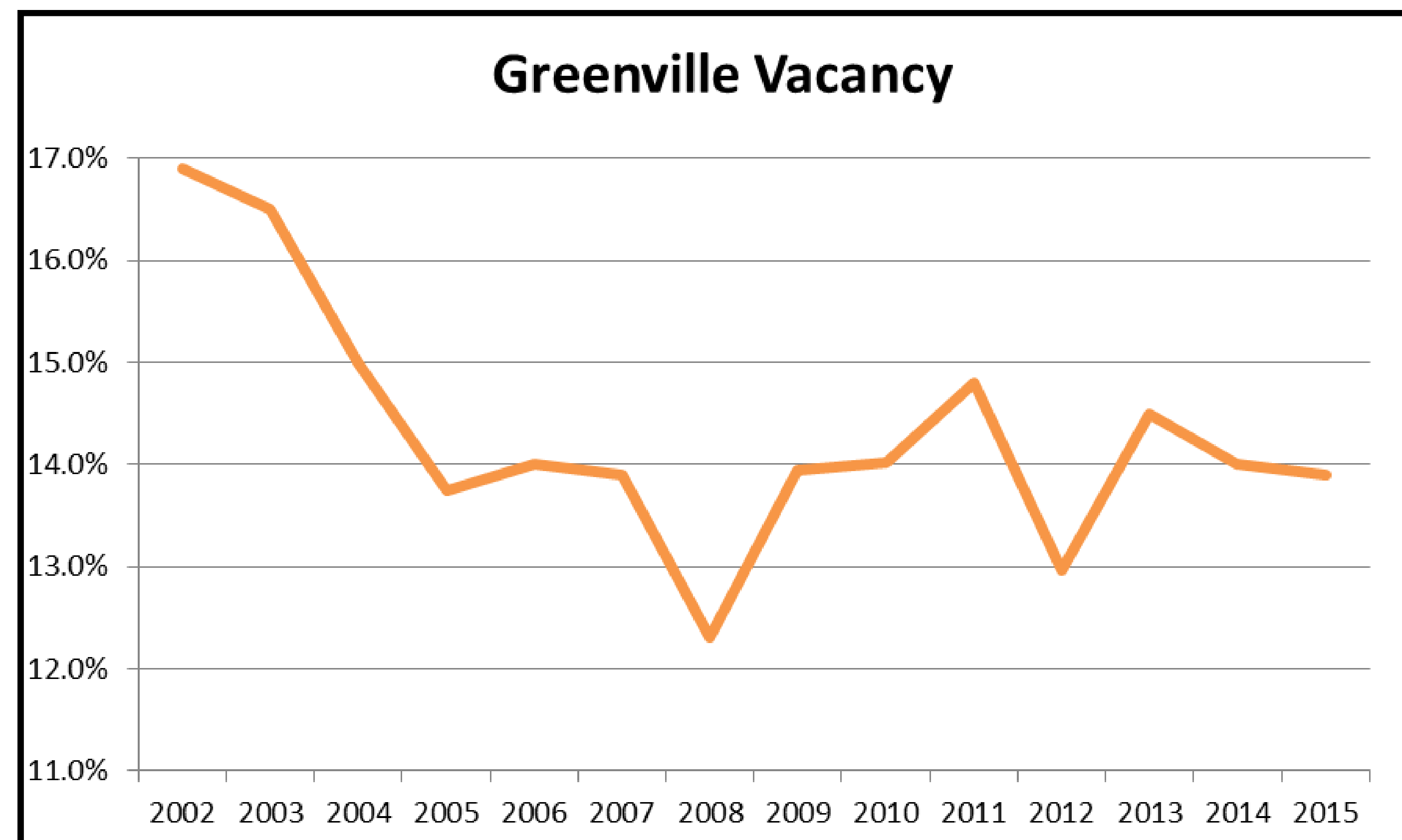
Absorption in Greenville was strong in 2013. The Greenville market typically absorbs between 200,000 and 250,000 square feet each year. In the Project One alone, over 350,000 square feet was absorbed. In addition to absorption, over the past 24 months net absorption has remained positive. The Project One was the only delivery of the year, and even with the addition of inventory net absorption remained position. Absorption gained momentum in the second quarter of 2013, 246,000 square feet, and ended the year with almost 300,000 square feet of net absorption in the fourth quarter.

Some of the largest spaces absorbed in 2013 include: Purple Communications taking 15,700 square feet downtown; Michelin North America leasing 13,900 square feet of suburban space; Earthlink moving into 11,200 square feet in the Landmark Building; and Erwin Penland leasing 11,100 square feet in Greenville's CBD.

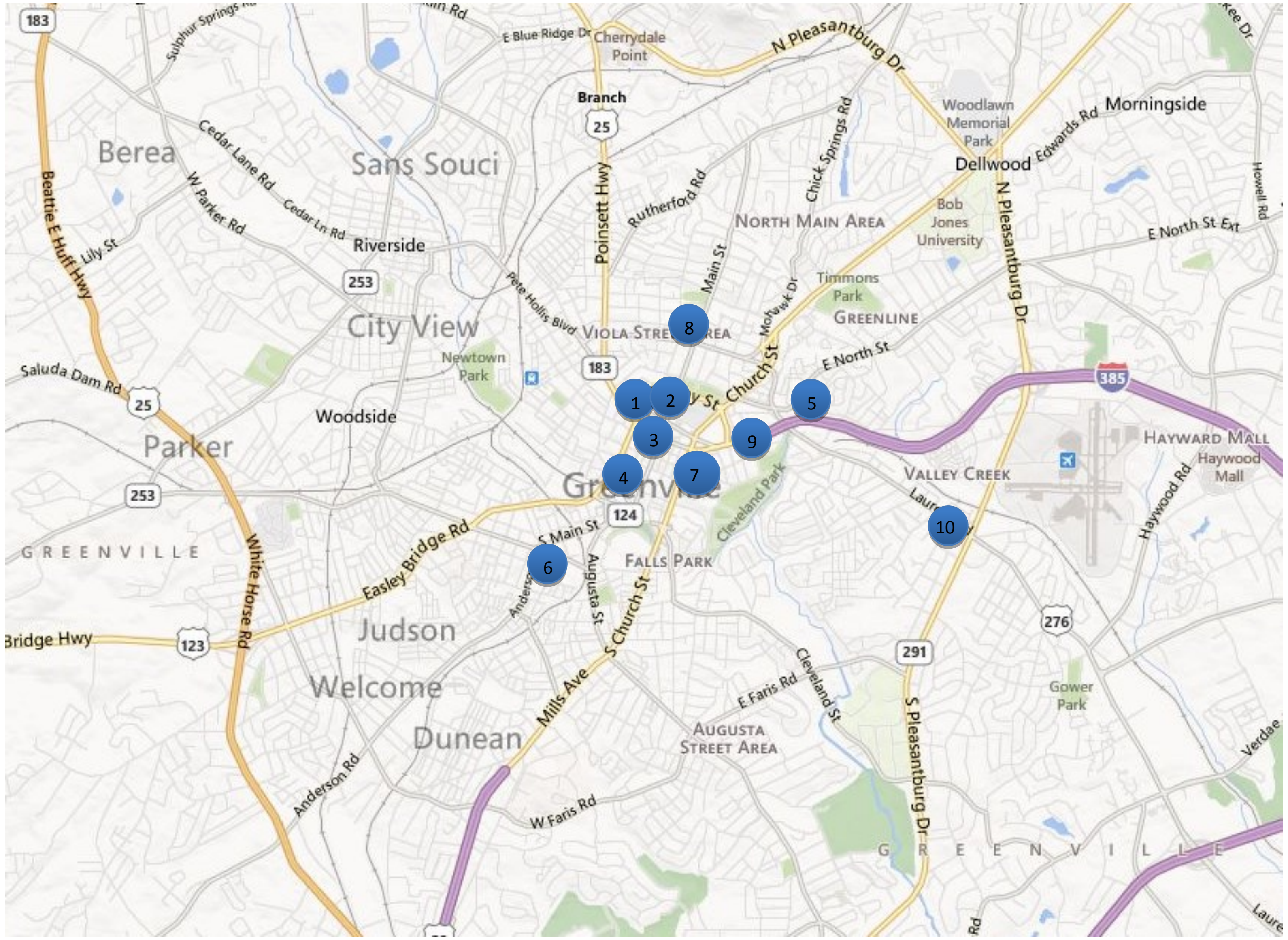


Office Trends

Greenville is experiencing two significant trends in office users. First is a movement towards Class A space. Tenants are willing to pay more to locate in high-quality space in order to increase efficiency and attract talent. The second trend is a continued decrease in space per employee. This has been a national trend and has continued decreasing since 2008. With more employees per square foot, office users have been requiring a greater parking ratio. Sometimes well above the traditional 4.5 spaces per 1,000 square feet.



Lease Comparables



Name	Size	Rate
CBD		
1 Bank of America Plaza	195,000	$19.64
2 NOMA Tower	92,000	$21.50
3 Suntrust Building	156,000	$19.50
4 Bowater Building	100,000	$19.75
CBD Outskirt		
5 Overlook Office Park	29,100	$16.28
6 Vardry Executive Center	30,000	$15.82
7 501 East McBee	16,800	$21.45
8 620 N Main St	26,000	$13.50
9 800 E Washington	13,200	$17.23
10 116 S Pleasantburg	10,600	$15.75

Conclusion

After analyzing national and local market trends, suburban office is a viable use for the subject site. In addition to the Spinx Corporation Headquarters, Pettigru Partners believes additional office would be feasible. The Pettigru Historic District, which is located to the west of the site, consists of professional office users located in renovated single family homes. Similar office users should be incorporated on the site.

Case Studies

Case Studies

The Walk of Coral Springs: Coral Springs, Florida

- Located in Coral Springs, Florida, approximately 30 minutes west of the Atlantic Ocean, midway between Miami and West Palm Beach. Coral Springs is a rapidly growing, family-oriented community much like Greenville.
- The Walk of Coral Springs is a multiphase, mixed-use redevelopment project.
- The Walk includes similar square footages and uses as the proposed development on the subject property. There is also a neighborhood of single-family houses directly adjacent to the site, similar to the site in Greenville.
- From the onset, the developers saw the project as a single, large-scale mixed use project, but soon realized that it needed to be split into multiple uses and treated as separate projects that would later be viewed as one.

City View: Orlando, Florida

- A mixed-use development, including multifamily, retail, and office. The project was initiated in order to revitalize a distressed area.
- Adjacent to City View is a dated commercial and residential area. Nicholtown and several of the retail establishments along Laurens Road are also distressed. Orlando’s CBD is very close to City View, much like Greenville’s CBD proximity to the subject site.
- At City View, it was difficult to find the correct mix of retailers meeting community needs as they competed with entertainment venues in the area.
- The subject site and City View are both in areas in need of revitalization and both are adjacent to interstate systems, parks, and entertainment venues.
- City View takes advantage of Orlando’s skyline much like the subject site that will capitalize off of Greenville’s topography and skyline views.

- A mixed-use development with a high degree of accessibility through interstate access.
- Possible environmental contamination from prior uses. Once functioned as a steel mill.
- Strong connection to the downtown, CBD, and the surrounding diverse neighborhoods.
- Similarities between the two sites include finding the balance between pedestrian connectivity and transition of uses/density while also maintaining cohesiveness with the surrounding residential community.
- Multiple different, yet complimentary, development areas.

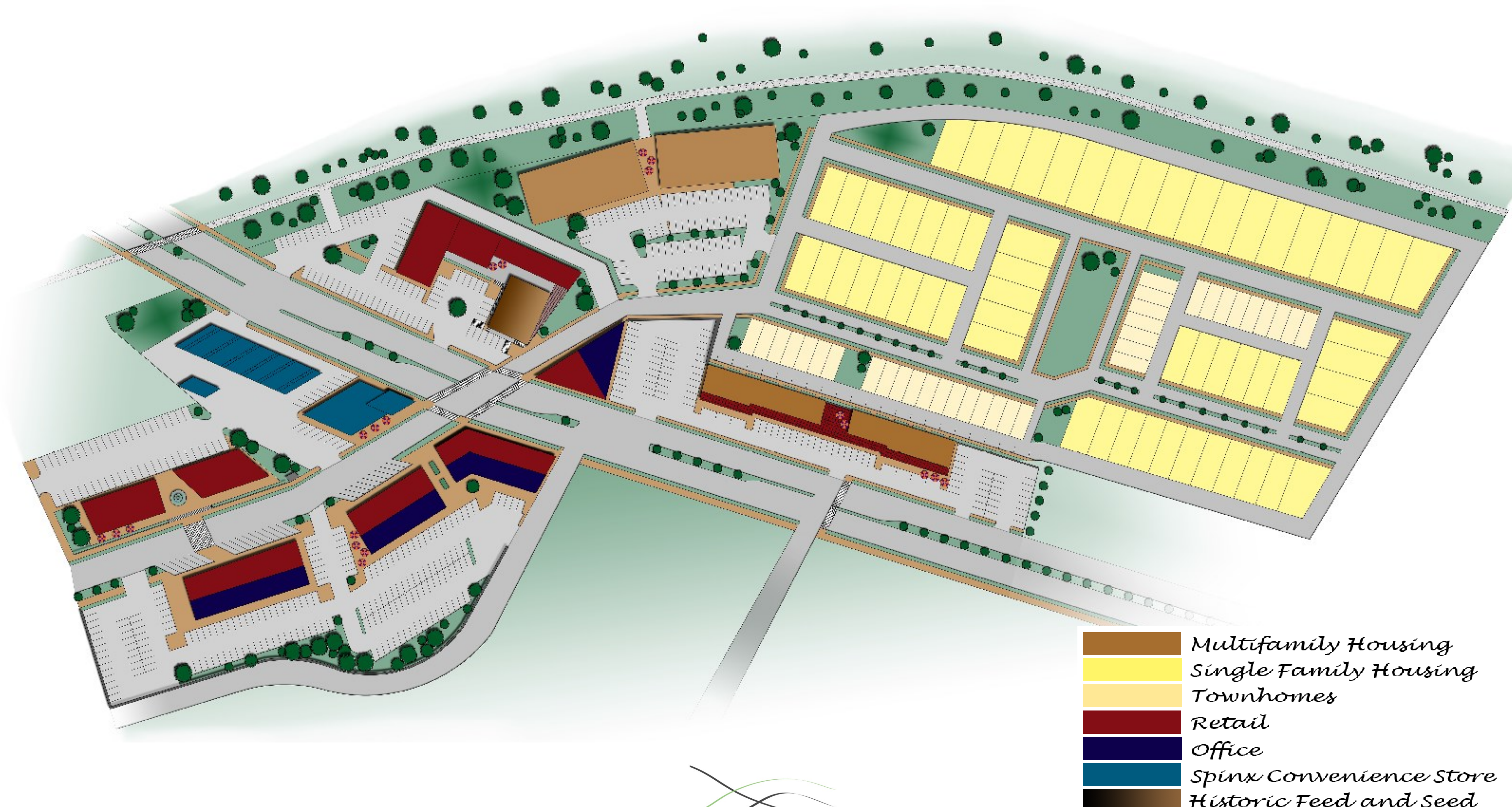
Atlantic Station: Atlanta, Georgia

Corbett Crescent/Bancroft Apartments: Portland, Orgegon

Lomas Corridor: Albuquerque, New Mexico

- Corbett Crescent Apartments takes advantage of extreme topographical changes and use them to the project's advantage. They were also able to incorporate a garage for each individual unit and on-street visitor parking.
- A sustainable design was used that included large amounts of green community space.
- Lomas Corridor in Albuquerque, New Mexico is similar to the subject site as it covers multiple corners and both sides of a busy commuter/commercial corridor.
- There are multiple owners for all parcels in both the Lomas Corridor and the subject site.

Master Plan


Multifamily Housing
Single Family Housing
Townhomes
Retail
Office
Spinx Convenience Store
Historic Feed and Seed

Development Overview

Development Overview

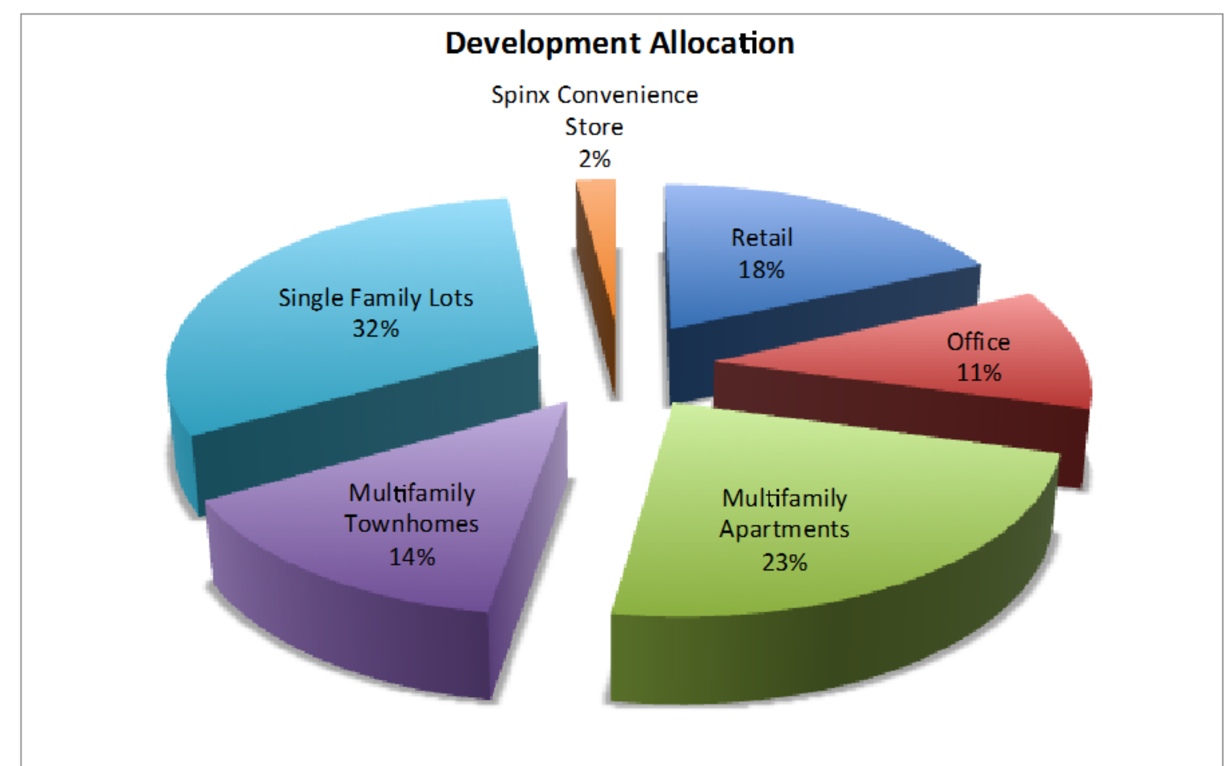
Pettigru Partners has been presented with the unique opportunity to develop the 26.4 acres that surround the intersection of Laurens Road and East Washington Street in Downtown Greenville. The site currently consists of 15 individual sites with the 10 sites west of Laurens road consisting of 7.574 acres owned by the Spinx Corporation and the five sites east of Laurens Road consisting of 18.8 owned by Central Realty. The proposal will deliver a true mixed-use development called East Junction, with emphasis on walkability to provide a gateway to Downtown Greenville.

Building Program

The East Junction Master Plan conceptualizes a diverse mix of residential, commercial, healthcare, and green space that will be carefully positioned to produce excellent synergy within the subject site in order to tie into Downtown Greenville. The building program below will be completed on 24.4 acres of the 26.4 subject site in six phases.

								Phase 5	
	Phase 1		Phase 2 & 3			Phase 4		Phase 6	
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Retail (Sq. ft.)		45,060		17,800			10,300	6,000	
Office (Sq. ft.)		36,520						12,000	
Multifamily Apartments (Units)				24					70
Multifamily Townhomes (Units)				35					
Single Family (Lots)				16	16	16	12		
Spinx Convenience Store (Sq. ft.)							8,000		

Development Program			
BUILDING PROGRAM			
Building Components	Units	Square Footage	% of Total
Retail		79,160	18%
Office		48,520	11%
Multifamily Apartments	94	100,800	23%
Multifamily Townhomes	35	59,850	14%
Single Family Lots	60	134,580	31%
Spinx Convenience Store		8,000	2%
Total Building Program		430,910	100%

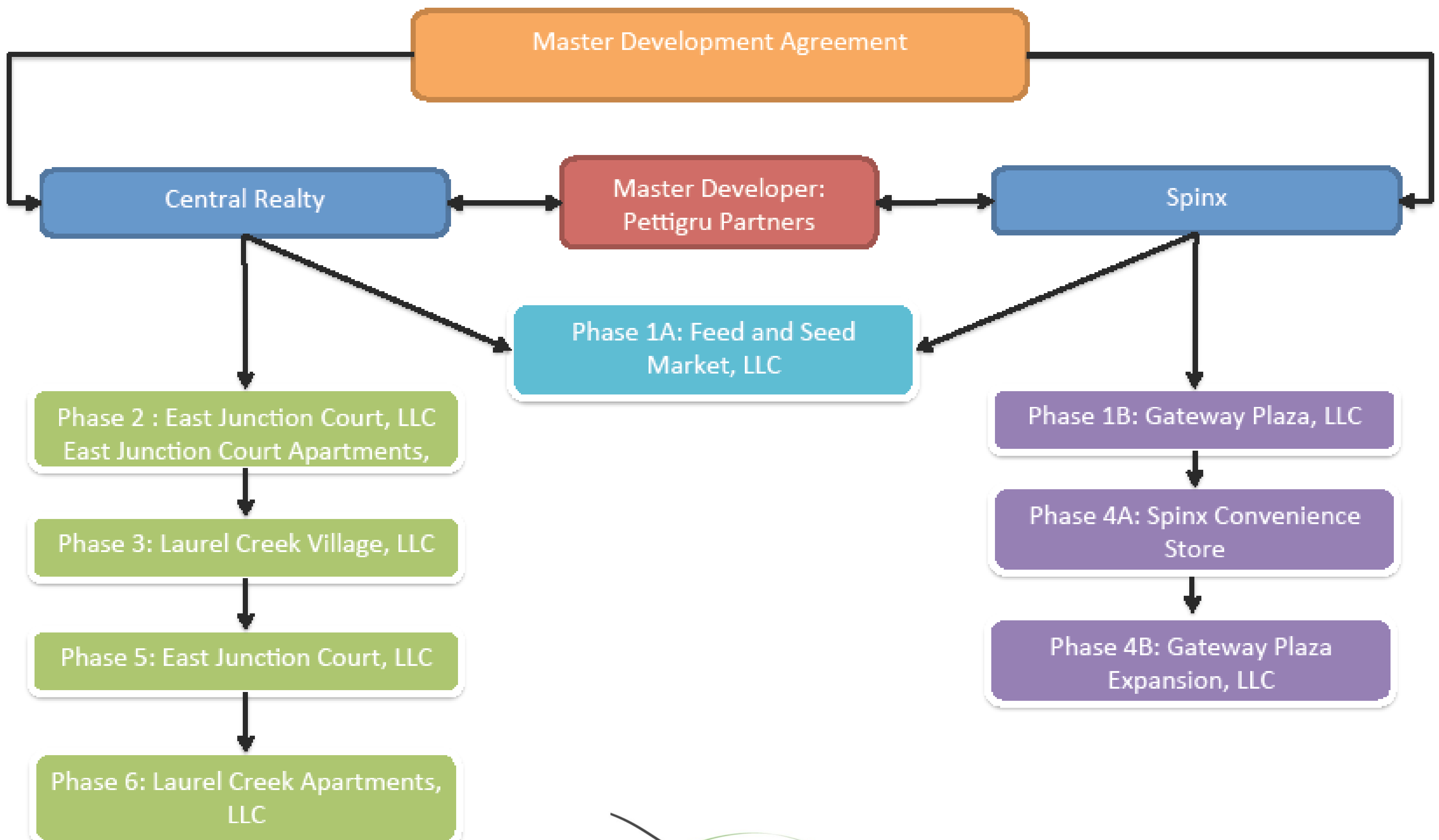


East Junction Ownership Structure

The Master Development Agreement will serve as the binding document between all parties. This document explains in detail the development master plan, development timeline, and all expectations of involved parties. Central Realty and Spinx will retain ownership of their respective properties with exception of the Feed and Seed Market. Pettigru Partners will serve as the master developer for East Junction. Pettigru Partners will play a major role in coordinating all parts of the development. In addition to their fee developer role, Pettigru Partners will also take a small equity stake in each of the phases. Each owner will have an option to buy out Pettigru's ownership stake once the project is stabilized. Buy out options will be explained in detail in the Master Development Agreement.

In Phase 1A, Feed and Seed Market, Central Realty and Spinx will both take and ownership interest. Both parties currently have an ownership interest in the property, Central Realty owns the property fee simple and Spinx has a leasehold interest. This along with the fact that it is the critical first phase, leads Pettigru Partners to believe it is in the best interest of all parties to participate in the Feed and Seed Market development.

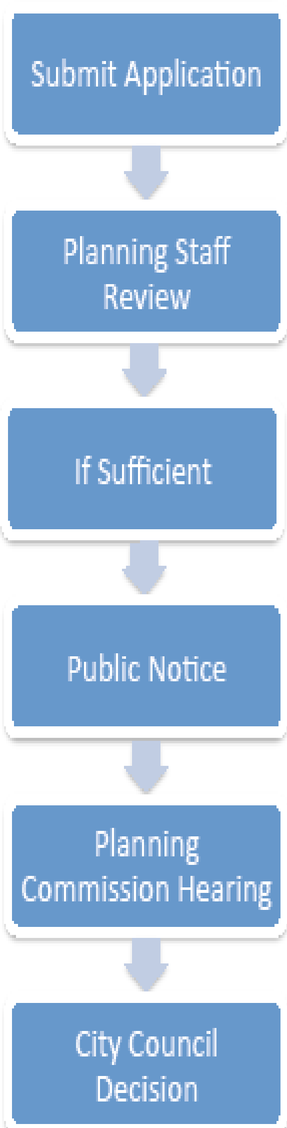
In all other phases, the current property owner will remain the owner. The ownership entities suggested are shown in the below graphic with the respective phases.



Master Development Agreement

The Master Development Agreement details what is expected of all parties in order to create a quality, profitable, and sustainable development. A board, designated in the agreement, must approve any changes to the development. It takes into account the following issues:

- Responsibilities of all individual parties
- Architectural Standards and Continuity
- Required Sustainable Standards
- Delivery Schedule
- Development Programming
- Contingency for Non-Compliance
- Force Majeure
- Allowable Uses



Proposed Zoning for East Junction

PD: Planned development district.

(1) Purpose. The planned development district (PD) is intended to encourage innovative land planning and site design concepts that conform to community quality-of-life benchmarks and that achieve a high level of aesthetics, high-quality development, environmental sensitivity, energy efficiency, and other community goals by:

(a) Reducing or eliminating the inflexibility that sometimes results from strict application of zoning and development standards that were designed primarily for individual lots;

(b) Allowing greater freedom in selecting the means to provide access, light, open space, and design amenities;

(c) Allowing greater freedom in providing a mix of land uses in the same development, including a mix of housing types, lot sizes, and densities;

(d) Promoting quality urban and traditional neighborhood design and environmentally sensitive development by allowing development to take advantage of special site characteristics, locations, and land uses; and

(e) Encouraging quality urban and traditional neighborhood design and environmentally sensitive development by allowing increases in base densities or floor area ratios when such increases can be justified by superior design or the provision of additional amenities such as public open space.

In return for flexibility in site design and development, planned developments (PDs) are expected to include exceptional design that preserves critical environmental resources; provides above-average open space and recreational amenities; incorporates creative design in the layout of buildings, open space, and circulation; assures compatibility with surrounding land uses and neighborhood character; and, provides greater efficiency in the layout and provision of roads, utilities, and other infrastructure.

(2) General development parameters. The planned development shall:

(a) Provide for a mix of uses;

(b) Utilize cluster or traditional neighborhood development to the greatest extent possible that is interrelated and linked by pedestrian-ways, bike-ways, and transportation systems;

(c) Result in land use patterns that promote and expand opportunities for public transportation and an efficient and compact network of streets; and

(d) Be compatible with the character of surrounding land uses and maintain and enhance the value of surrounding properties.

(3) Plan and information requirements. The applicant shall provide architectural information (including building elevations) reflecting the mass, scale, form, materials, and color of buildings and structures sufficient to ensure that future final development plans will be consistent with the plans approved by the planning commission and city council as part of the PD district designation.

(4) Minimum dimensional requirements. Minimum lot area, minimum lot width, minimum setback, maximum lot coverage, and maximum height are unique to each PD district. During the rezoning process, the planning commission and city council shall determine that the characteristics of building siting shall be appropriate as related to structures within the planned development and otherwise fulfill the intent of the district.

(5) Off street parking.

(6) Landscaping, buffering, and screening.

(7) Signage.

Land Acquisition

One land purchase must be made in order to reach the goal of the development. Central Realty will purchase the Reeves parcel and close prior to December 31, 2014. The 5.5 acre parcel is located north of the Feed and Seed site and is currently on the market for $127,180 per acre. Once Central Realty controls the parcel, a 100-foot wide strip will be sold to the Greenville County Economic Development Corporation for future use as the Swamp Rabbit Trail extension. If the Swamp Rabbit Trail extension is not complete within 36 months then the land will revert to Central Realty ownership. Pettigru Partners believes great value will be added if the extension of the Swamp Rabbit Trail locates adjacent to East Junction Development. The future Swamp Rabbit Trail location can be seen on our master site plan.

Proceeds from the sale will help fund street improvements on Laurens Road and East Washington Street. An agreement between East Junction, Greenville County Economic Development Corporation, and the City of Greenville will be included in the Master Development Agreement. Street improvements include landscaped median isles and crosswalks (shown on master site plan). All improvements will not only serve as an amenity to the development but will also serve as a traffic easing measure to create a more pedestrian-friendly development.

The 100-foot wide strip will consist of 2.2 acres worth nearly $300,000. Construction on the Swamp Rabbit extension is expected to begin as early as 4th quarter 2014 and will serve as a great amenity to East Junction in the future.

Land Acquisition	Dec, 31 2014			
	Buyer	Acres	Price	$/Acre
Reeves Tract	Central Realty	5.504	$700,000	$127,180
Swamp Rabbit 100'	GCEDC	2.2	$279,797	$127,180

Sustainability Practices

Recycled Pavement

Currently, the majority of the site consists of surface parking lots. While these lots are an eyesore and an environmental concern, they do offer a great opportunity. Our plan is to take these vast asphalt parking lots and reuse them for future parking and street needs. Reclaimed Asphalt Pavement, or RAP, is a process where existing asphalt pavement is milled and taken to a plant to be treated. Between 20 – 50% of RAP can be used in a mixture of new aggregate to form the hot mix asphalt. This process decreases the amount of new material that will be needed in construction while also reducing the cost by 15 – 20%. This will help the site continue to thrive and meet high environmentally friendly standards while increasing the bottom-line.

Alternate Forms of Transportation

The intent of the site plan is to create an environment where walking and biking are the optimum forms of transportation. The plan will include crosswalks and bike paths, with several green spaces that are conveniently located throughout the property, as well as connecting to the Swamp Rabbit Trail. The plan will have several bike racks, which will help promote bike use. The development intends to provide alternatives to automobiles, improving the environment through reduced emissions, and improve the overall health and safety of pedestrians.

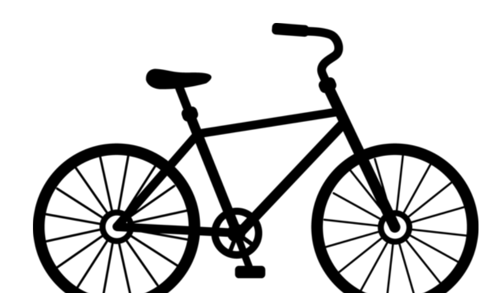
Parks & Green Spaces

The site will include many parks and green spaces. These amenities will improve the site and surrounding areas by providing a location where residents and visitors can congregate and get away from the urban landscape. The areas will provide a much-needed oasis from the buildings, concrete, and action that surrounds.

The green spaces will also improve the look and feel of the site while keeping it sustainable. The areas will provide lush landscaping and water features and help improve the environment by increasing the amount of pervious areas throughout the site. The green spaces will help slow down the storm water runoff and also improve its quality.

LEED and Environmentally Friendly Features

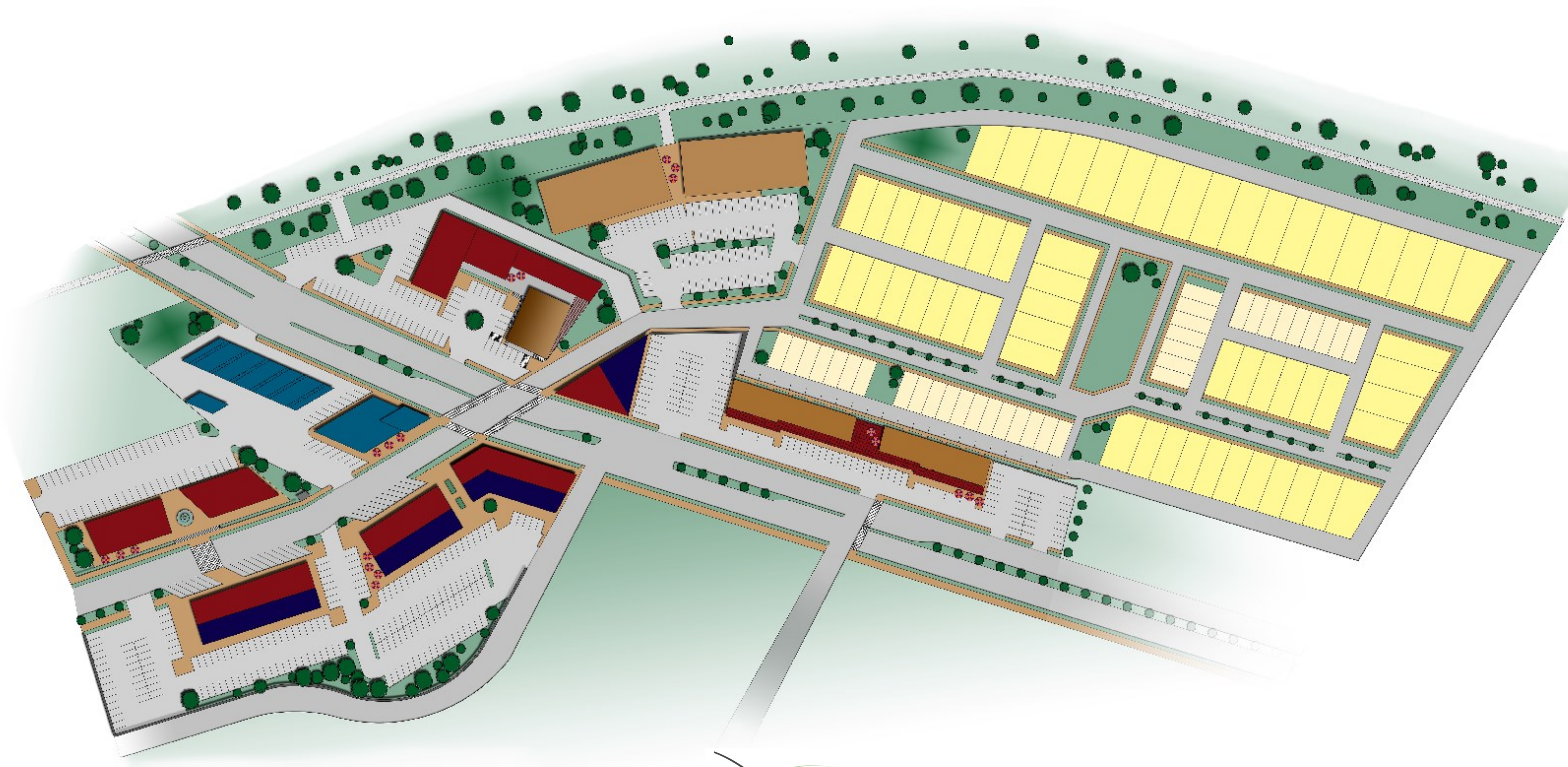
One of the main goals is to create an environmentally friendly development that can sustain itself for generations to come. Pettigru Partners is requiring, per the Master Development Agreement, that all buildings be LEED or Energy Star certified structures in order to play our part in improving the environment, while providing a quality product. LEED, or Leadership in Energy and Environmental Design, is a third party rating system used to judge how environmentally friendly a building is. Significant effort will be made to include these improvements. If the building cannot feasibly be LEED Certified, Energy Star Certification will serve as an acceptable substitute.



Phasing Plan

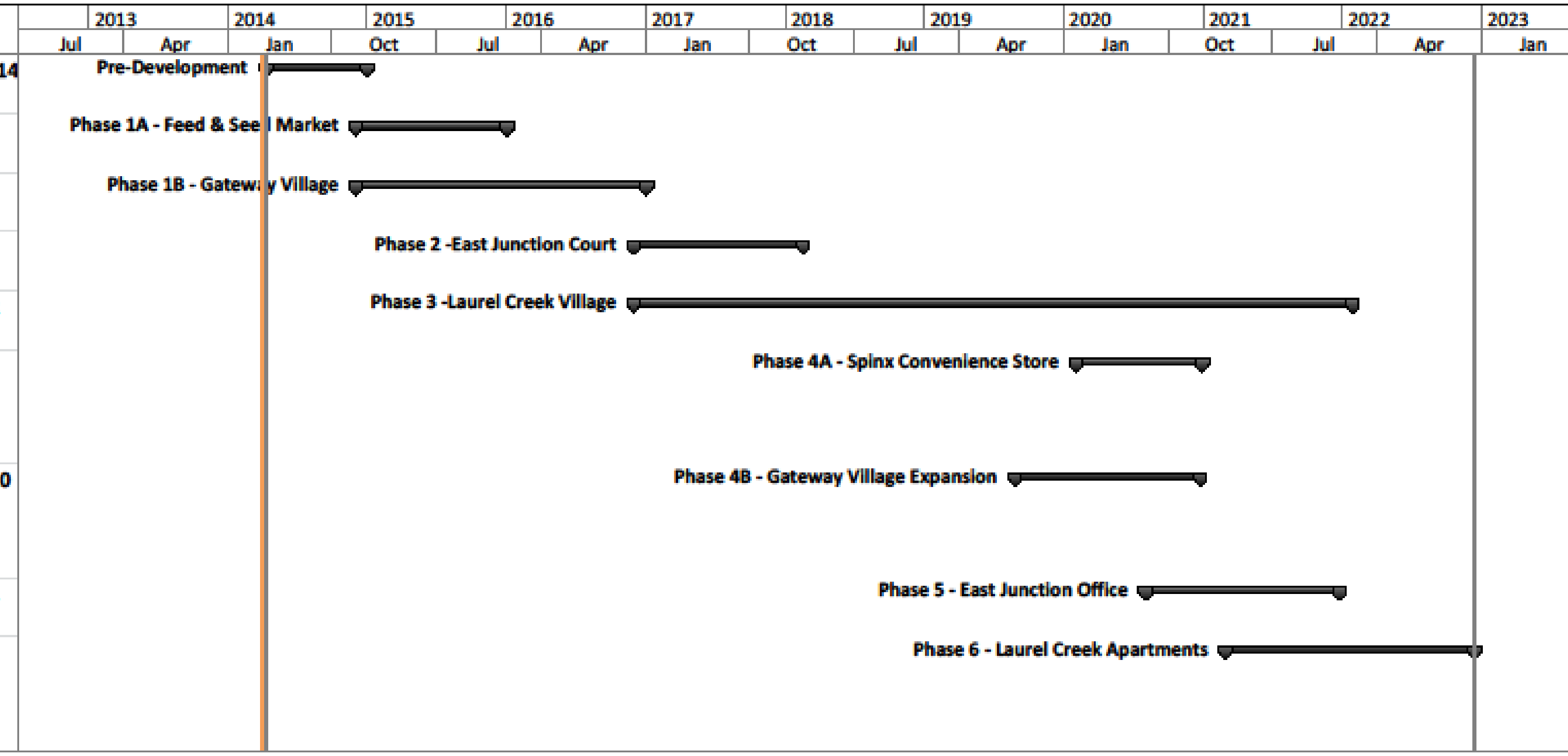
Phasing Overview

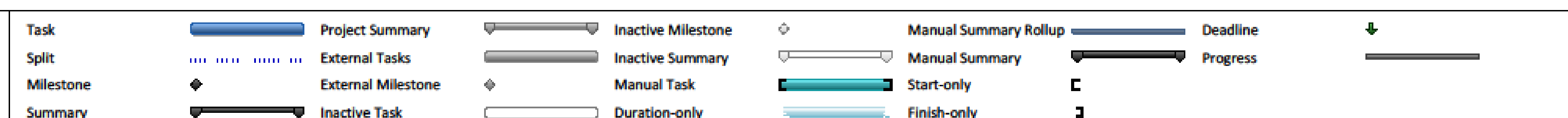
In order for the market to absorb the amount of space intended for delivery, and to reduce the amount of up-front capital required, phasing will be used. Full build-out of the 24.4 acres of the subject site will be completed in six phases. Prior to each vertical construction phase, earthwork will be completed, and the entire road network and all major utilities will be installed.



Construction Schedule Overview

ID	Task Name	Duration	Start	Finish
1	**Pre-Development**	**189 days**	**Fri 4/11/14**	**Wed 12/31/14**
21	**Phase 1A - Feed & Seed Market**	**283 days**	**Wed 12/3/14**	**Fri 1/1/16**
32	**Phase 1B - Gateway Village**	**544 days**	**Wed 12/3/14**	**Mon 1/2/17**
43	**Phase 2 -East Junction Court**	**318 days**	**Wed 11/30/16**	**Fri 2/16/18**
54	**Phase 3 -Laurel Creek Village**	**1347 days**	**Wed 11/30/16**	**Thu 1/27/22**
63	**Phase 4A - Spinx Convenience Store**	**238 days**	**Mon 2/3/20**	**Wed 12/30/20**
70	**Phase 4B - Gateway Village Expansion**	**349 days**	**Mon 8/26/19**	**Thu 12/24/20**
80	**Phase 5 - East Junction Office**	**365 days**	**Mon 8/3/20**	**Fri 12/24/21**
87	**Phase 6 - Laurel Creek Apartments**	**466 days**	**Mon 3/1/21**	**Mon 12/12/22**





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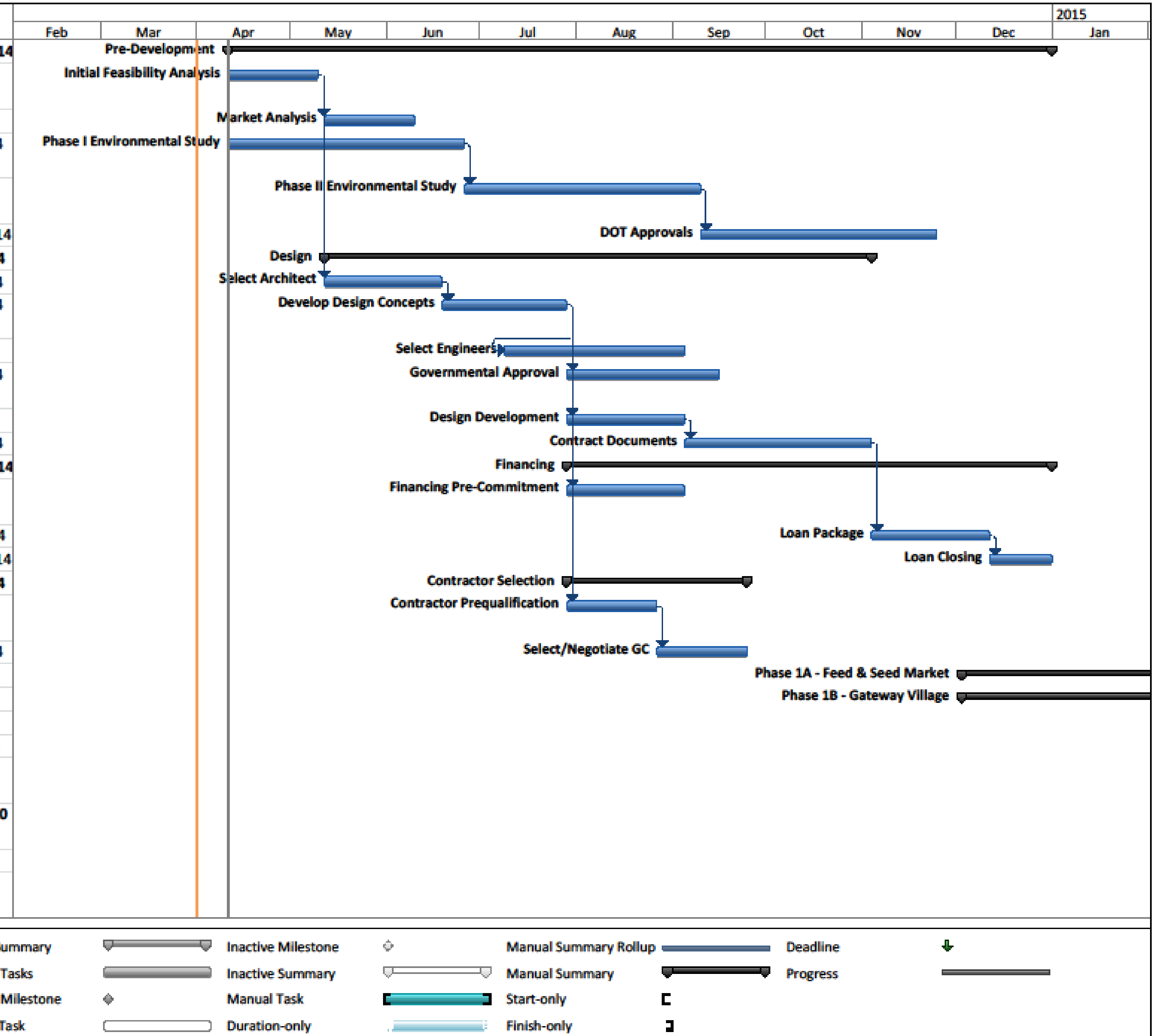
Pre-Construction Schedule

ID	Task Name	Duration	Start	Finish
1	**Pre-Development**	**189 days**	**Fri 4/11/14**	**Wed 12/31/14**
2	Initial Feasibility Analysis	21 days	Fri 4/11/14	Fri 5/9/14
3	Market Analysis	21 days	Mon 5/12/14	Mon 6/9/14
4	Phase I Environmental Study	54 days	Fri 4/11/14	Wed 6/25/14
5	Phase II Environmental Study	54 days	Thu 6/26/14	Tue 9/9/14
6	DOT Approvals	54 days	Wed 9/10/14	Mon 11/24/14
7	**Design**	**126 days**	**Mon 5/12/14**	**Mon 11/3/14**
8	Select Architect	28 days	Mon 5/12/14	Wed 6/18/14
9	Develop Design Concepts	28 days	Thu 6/19/14	Mon 7/28/14
10	Select Engineers	42 days	Wed 7/9/14	Thu 9/4/14
11	Governmental Approval	35 days	Tue 7/29/14	Mon 9/15/14
12	Design Development	28 days	Tue 7/29/14	Thu 9/4/14
13	Contract Documents	42 days	Fri 9/5/14	Mon 11/3/14
14	**Financing**	**112 days**	**Tue 7/29/14**	**Wed 12/31/14**
15	Financing Pre-Commitment	28 days	Tue 7/29/14	Thu 9/4/14
16	Loan Package	28 days	Tue 11/4/14	Thu 12/11/14
17	Loan Closing	14 days	Fri 12/12/14	Wed 12/31/14
18	**Contractor Selection**	**42 days**	**Tue 7/29/14**	**Wed 9/24/14**
19	Contractor Prequalification	21 days	Tue 7/29/14	Tue 8/26/14
20	Select/Negotiate GC	21 days	Wed 8/27/14	Wed 9/24/14
21	**Phase 1A - Feed & Seed Market**	**283 days**	**Wed 12/3/14**	**Fri 1/1/16**
32	**Phase 1B - Gateway Village**	**544 days**	**Wed 12/3/14**	**Mon 1/2/17**
43	**Phase 2 -East Junction Court**	**318 days**	**Wed 11/30/16**	**Fri 2/16/18**
54	**Phase 3 -Laurel Creek Village**	**1347 days**	**Wed 11/30/16**	**Thu 1/27/22**
63	**Phase 4A - Spinx Convenience Store**	**238 days**	**Mon 2/3/20**	**Wed 12/30/20**
70	**Phase 4B - Gateway Village Expansion**	**349 days**	**Mon 8/26/19**	**Thu 12/24/20**
80	**Phase 5 - East Junction Office**	**365 days**	**Mon 8/3/20**	**Fri 12/24/21**
87	**Phase 6 - Laurel Creek Apartments**	**466 days**	**Mon 3/1/21**	**Mon 12/12/22**



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Phase I – A, Feed and Seed Market

Phase 1-A consist of 17,400 square feet of retail including the renovation of the historic Feed and Seed. The vision for this parcel is to create a unique market-style experience. The development will include multiple tenants and have ample outdoor patio space. A pedestrian connection to the Swamp Rabbit Trail is provided.

Parking for all of Phase I-A is surface parking with ample space to accommodate Swamp Rabbit Trail users. Construction will begin in the first quarter of 2015 and will be completed in the fourth quarter of 2015.

Phase I – B, Gateway Plaza

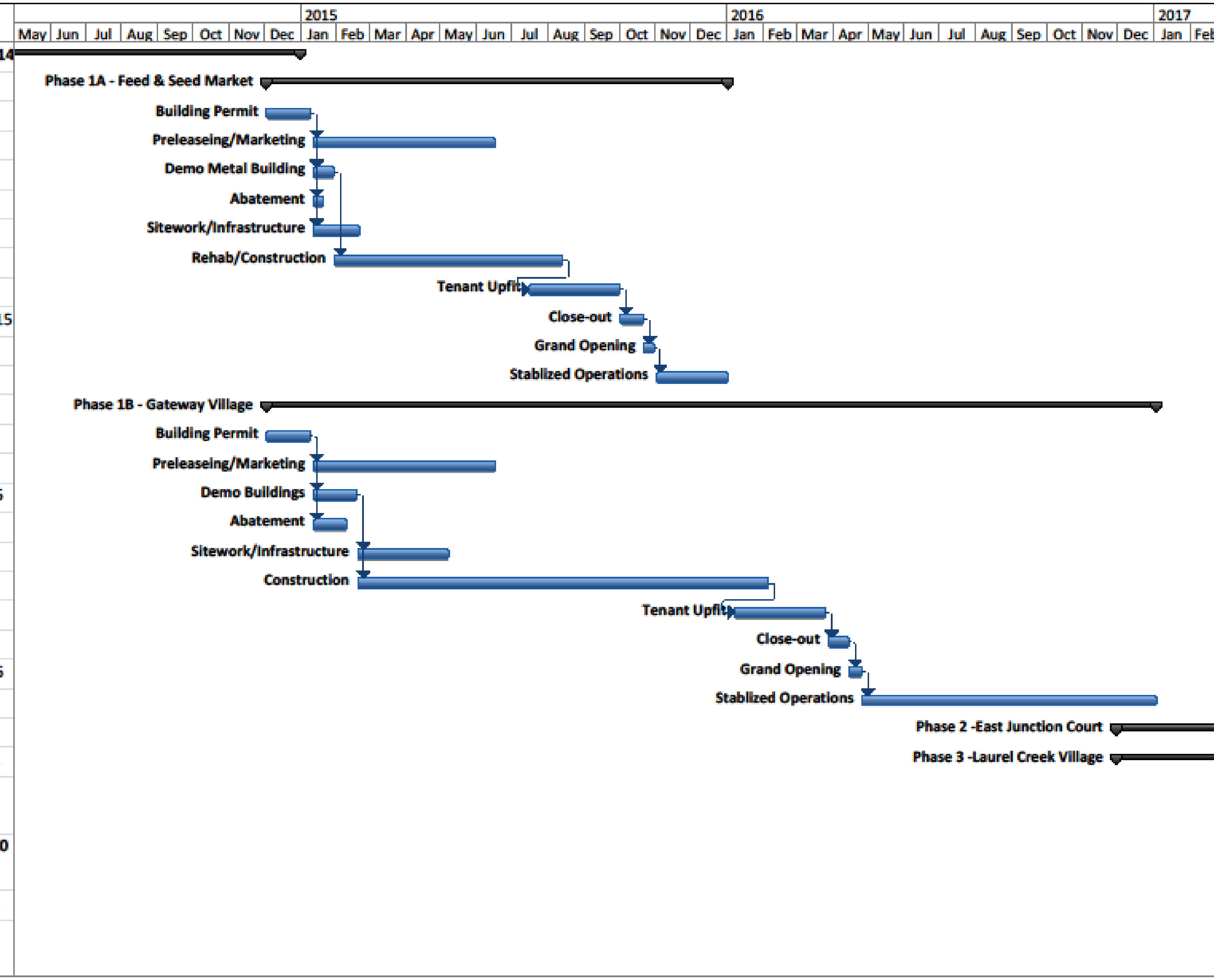
Phase 1-B consist of 27,660 square feet of retail and 36,520 square feet of office. All three buildings on site would accommodate retail on the ground floor with office above. The two buildings along East Washington Street are envisioned to be two story spaces, while the north-most building would be a prominent, three-story anchor on the corner.

Gateway Plaza would include 17,720 square feet of Class-A office space at the corner of Laurens Road and East Washington Street for the Spinx Corporate Headquarters.

Parking for all of Phase I-B is surface parking, but will be positioned behind the buildings to improve the pedestrian experience. Limited on-street parking and strong site lines to the back parking lot would encourage visitors at Gateway Plaza. Construction will begin in the first quarter of 2015 and will be completed in the second quarter 2016.

Phase I Construction Schedule

ID	Task Name	Duration	Start	Finish
1	**Pre-Development**	**189 days**	**Fri 4/11/14**	**Wed 12/31/14**
21	**Phase 1A - Feed & Seed Market**	**283 days**	**Wed 12/3/14**	**Fri 1/1/16**
22	Building Permit	28 days	Wed 12/3/14	Fri 1/9/15
23	Preleaseing/Marketing	112 days	Mon 1/12/15	Tue 6/16/15
24	Demo Metal Building	14 days	Mon 1/12/15	Thu 1/29/15
25	Abatement	7 days	Mon 1/12/15	Tue 1/20/15
26	Sitework/Infrastructure	30 days	Mon 1/12/15	Fri 2/20/15
27	Rehab/Construction	140 days	Fri 1/30/15	Thu 8/13/15
28	Tenant Upfit	56 days	Thu 7/16/15	Thu 10/1/15
29	Close-out	14 days	Fri 10/2/15	Wed 10/21/15
30	Grand Opening	7 days	Thu 10/22/15	Fri 10/30/15
31	Stablized Operations	45 days	Mon 11/2/15	Fri 1/1/16
32	**Phase 1B - Gateway Village**	**544 days**	**Wed 12/3/14**	**Mon 1/2/17**
33	Building Permit	28 days	Wed 12/3/14	Fri 1/9/15
34	Preleaseing/Marketing	112 days	Mon 1/12/15	Tue 6/16/15
35	Demo Buildings	28 days	Mon 1/12/15	Wed 2/18/15
36	Abatement	21 days	Mon 1/12/15	Mon 2/9/15
37	Sitework/Infrastructure	56 days	Thu 2/19/15	Thu 5/7/15
38	Construction	252 days	Thu 2/19/15	Fri 2/5/16
39	Tenant Upfit	56 days	Fri 1/8/16	Fri 3/25/16
40	Close-out	14 days	Mon 3/28/16	Thu 4/14/16
41	Grand Opening	7 days	Fri 4/15/16	Mon 4/25/16
42	Stablized Operations	180 days	Tue 4/26/16	Mon 1/2/17
43	**Phase 2 -East Junction Court**	**318 days**	**Wed 11/30/16**	**Fri 2/16/18**
54	**Phase 3 -Laurel Creek Village**	**1347 days**	**Wed 11/30/16**	**Thu 1/27/22**
63	**Phase 4A - Spinx Convenience Store**	**238 days**	**Mon 2/3/20**	**Wed 12/30/20**
70	**Phase 4B - Gateway Village Expansion**	**349 days**	**Mon 8/26/19**	**Thu 12/24/20**
80	**Phase 5 - East Junction Office**	**365 days**	**Mon 8/3/20**	**Fri 12/24/21**
87	**Phase 6 - Laurel Creek Apartments**	**466 days**	**Mon 3/1/21**	**Mon 12/12/22**



Task	Project Summary	Inactive Milestone	Manual Summary Rollup	Deadline
Split	External Tasks	Inactive Summary	Manual Summary	Progress
Milestone	External Milestone	Manual Task	Start-only	
Summary	Inactive Task	Duration-only	Finish-only	

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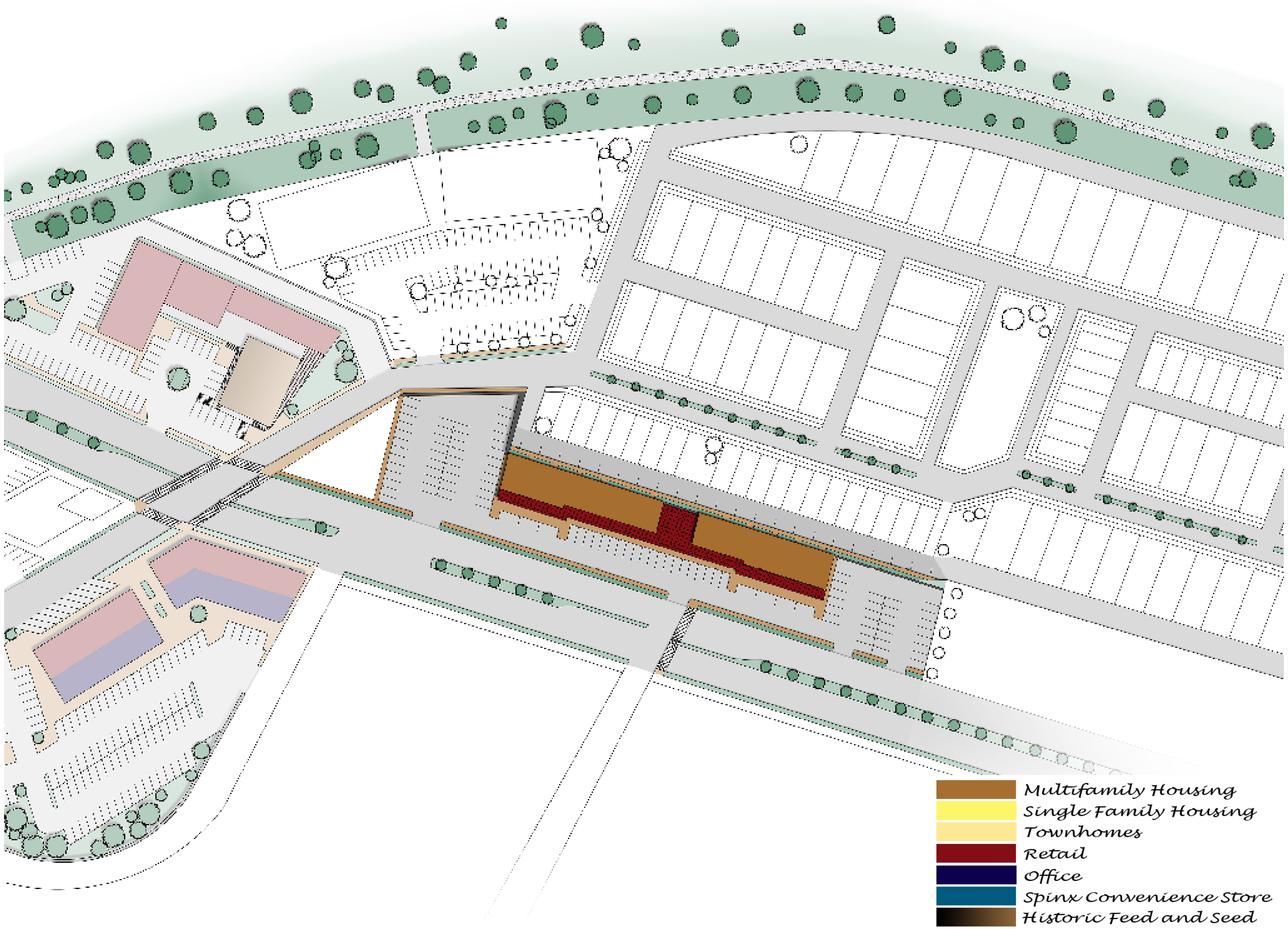


Phase II, East Junction Court

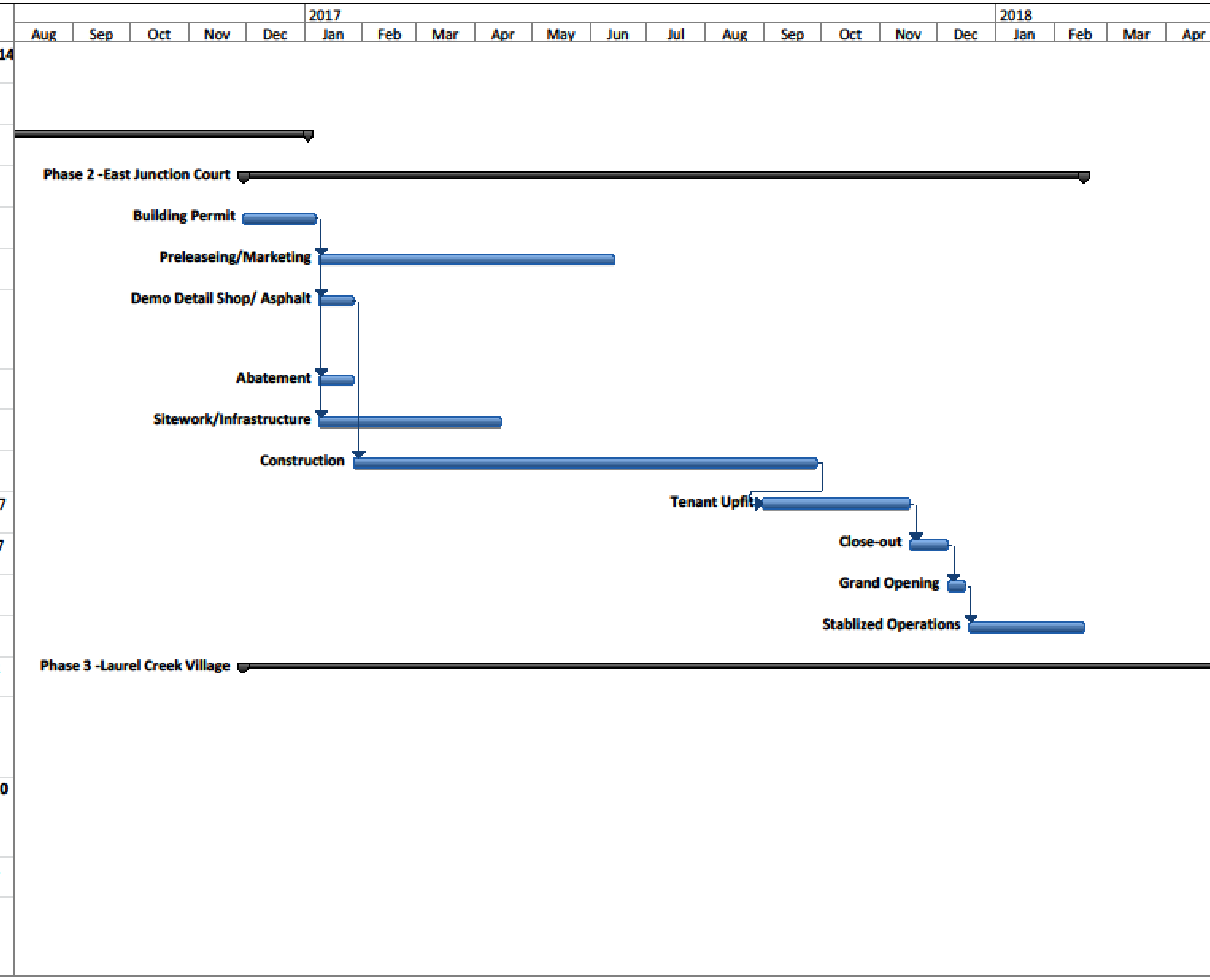
Phase II will deliver 24 apartment units above 17,800 square feet of retail space on Laurens Road. Like Phase I-A, surface parking will be used in front of the building for retail customer parking with access on Laurens Road. The apartments building will be accessed through the residential neighborhood on a higher elevation, north of East Junction Court.

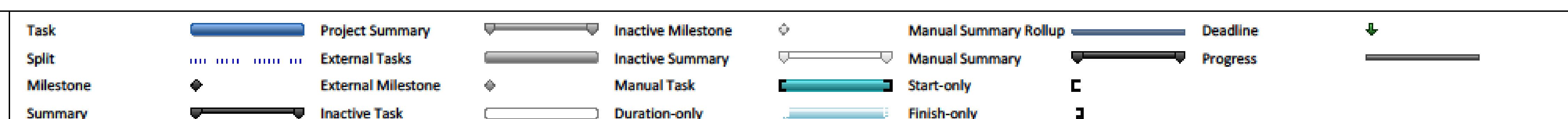
The multifamily apartments, above the retail, will be two-story units with access to a shared, private patio on the second floor, which also serves as the roof of the retail portion of the building. The third floor of the building will serve as the main entrance to each apartment. There will be on street parking at this higher elevation.

Construction of Phase II will begin in the fourth quarter of 2016. The site work will accommodate Phase V in 2020. The construction of this phase will be completed in the first quarter of 2018.

Phase II Construction Schedule

ID	Task Name	Duration	Start	Finish
1	**Pre-Development**	**189 days**	**Fri 4/11/14**	**Wed 12/31/14**
21	**Phase 1A - Feed & Seed Market**	**283 days**	**Wed 12/3/14**	**Fri 1/1/16**
32	**Phase 1B - Gateway Village**	**544 days**	**Wed 12/3/14**	**Mon 1/2/17**
43	**Phase 2 -East Junction Court**	**318 days**	**Wed 11/30/16**	**Fri 2/16/18**
44	Building Permit	28 days	Wed 11/30/16	Fri 1/6/17
45	Preleaseing/Marketing	112 days	Mon 1/9/17	Tue 6/13/17
46	Demo Detail Shop/ Asphalt	14 days	Mon 1/9/17	Thu 1/26/17
47	Abatement	14 days	Mon 1/9/17	Thu 1/26/17
48	Sitework/Infrastructure	70 days	Mon 1/9/17	Fri 4/14/17
49	Construction	175 days	Fri 1/27/17	Thu 9/28/17
50	Tenant Upfit	56 days	Thu 8/31/17	Thu 11/16/17
51	Close-out	14 days	Fri 11/17/17	Wed 12/6/17
52	Grand Opening	7 days	Thu 12/7/17	Fri 12/15/17
53	Stablized Operations	45 days	Mon 12/18/17	Fri 2/16/18
54	**Phase 3 -Laurel Creek Village**	**1347 days**	**Wed 11/30/16**	**Thu 1/27/22**
63	**Phase 4A - Spinx Convenience Store**	**238 days**	**Mon 2/3/20**	**Wed 12/30/20**
70	**Phase 4B - Gateway Village Expansion**	**349 days**	**Mon 8/26/19**	**Thu 12/24/20**
80	**Phase 5 - East Junction Office**	**365 days**	**Mon 8/3/20**	**Fri 12/24/21**
87	**Phase 6 - Laurel Creek Apartments**	**466 days**	**Mon 3/1/21**	**Mon 12/12/22**





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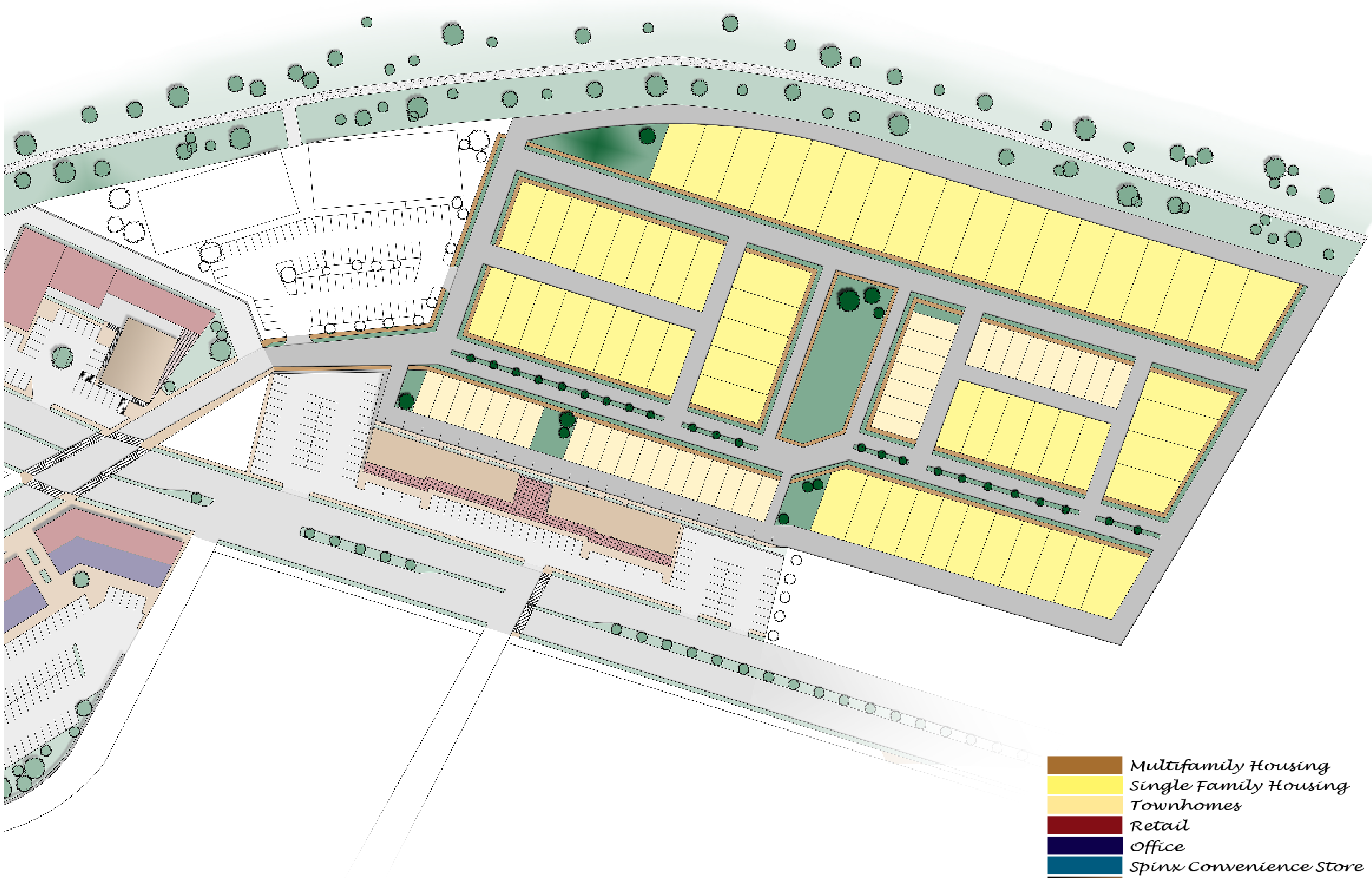


Phase III, Laurel Creek Village

Phase III consists of 60 single-family lots and 35 townhomes. On-street parking, landscaped streets and alleyways for each lot gives the area a Traditional Neighborhood Design.

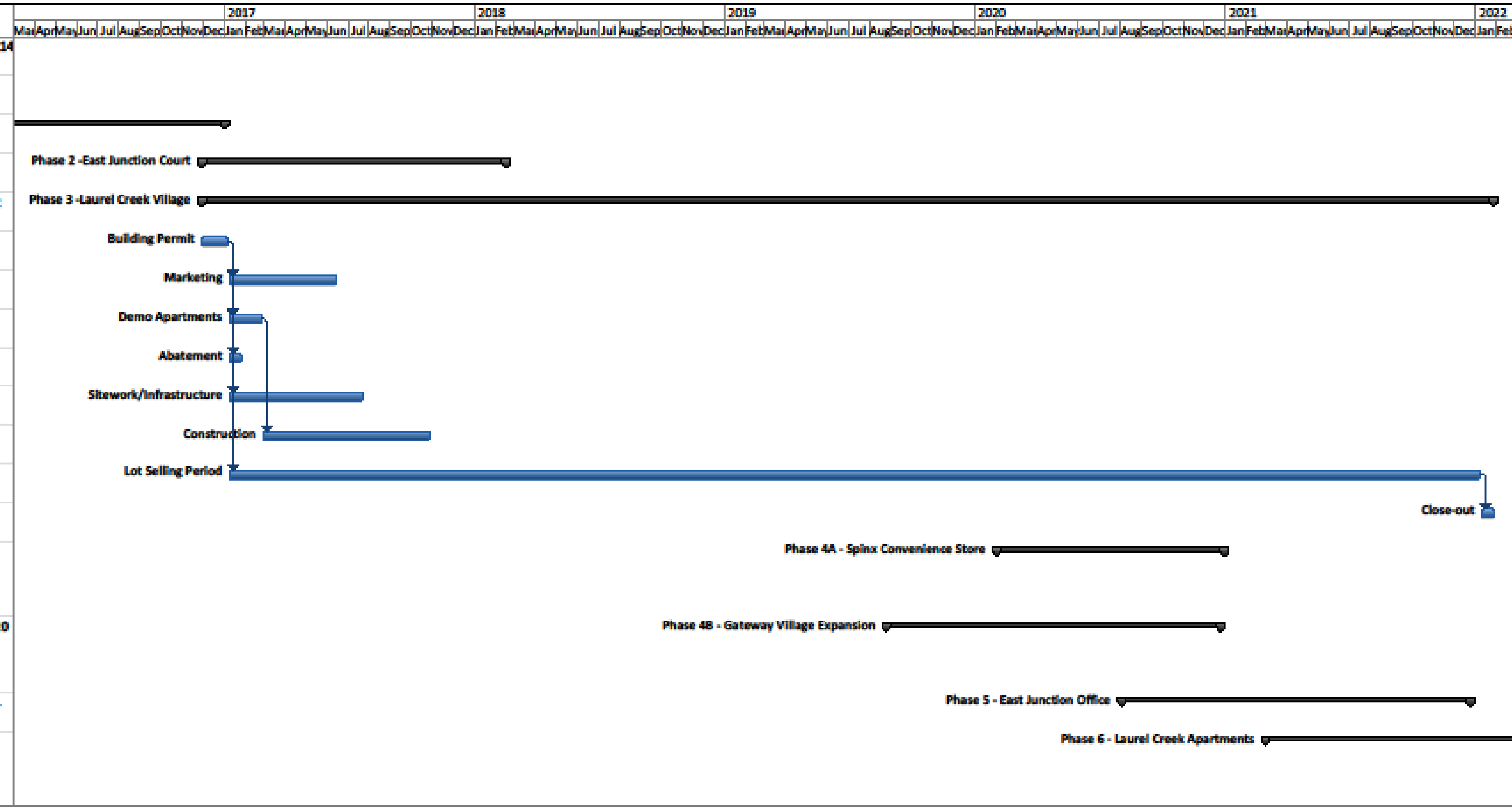
We are proposing to do vertical construction on the townhomes. These would be available for rent starting in first quarter 2018. The single family lots will be sold to a chosen home-builder(s) at an estimated rate of four lots per quarter.

Several pocket parks have been included in the design to promote a sense of community in the new neighborhood. Also, the northwest park would serve as a detention area for stormwater run-off.

The construction will begin on Phase III in the first quarter of 2017 and estimated to have full build out by the end of 2024.

Phase III Construction Schedule

ID	Task Name	Duration	Start	Finish
1	**Pre-Development**	**189 days**	**Fri 4/11/14**	**Wed 12/31/14**
21	**Phase 1A - Feed & Seed Market**	**283 days**	**Wed 12/3/14**	**Fri 1/1/16**
32	**Phase 1B - Gateway Village**	**544 days**	**Wed 12/3/14**	**Mon 1/2/17**
43	**Phase 2 -East Junction Court**	**318 days**	**Wed 11/30/16**	**Fri 2/16/18**
54	**Phase 3 -Laurel Creek Village**	**1347 days**	**Wed 11/30/16**	**Thu 1/27/22**
55	Building Permit	28 days	Wed 11/30/16	Fri 1/6/17
56	Marketing	112 days	Mon 1/9/17	Tue 6/13/17
57	Demo Apartments	35 days	Mon 1/9/17	Fri 2/24/17
58	Abatement	14 days	Mon 1/9/17	Thu 1/26/17
59	Sitework/Infrastructure	140 days	Mon 1/9/17	Fri 7/21/17
60	Construction	175 days	Mon 2/27/17	Fri 10/27/17
61	Lot Selling Period	1305 days	Mon 1/9/17	Fri 1/7/22
62	Close-out	14 days	Mon 1/10/22	Thu 1/27/22
63	**Phase 4A - Spinx Convenience Store**	**238 days**	**Mon 2/3/20**	**Wed 12/30/20**
70	**Phase 4B - Gateway Village Expansion**	**349 days**	**Mon 8/26/19**	**Thu 12/24/20**
80	**Phase 5 - East Junction Office**	**365 days**	**Mon 8/3/20**	**Fri 12/24/21**
87	**Phase 6 - Laurel Creek Apartments**	**466 days**	**Mon 3/1/21**	**Mon 12/12/22**



Task | Summary | External Milestone | Inactive Summary | Manual Summary Rollup | Finish-only
Split | Project Summary | Inactive Task | Manual Task | Manual Summary | Deadline
Milestone | External Tasks | Inactive Milestone | Duration-only | Start-only | Progress

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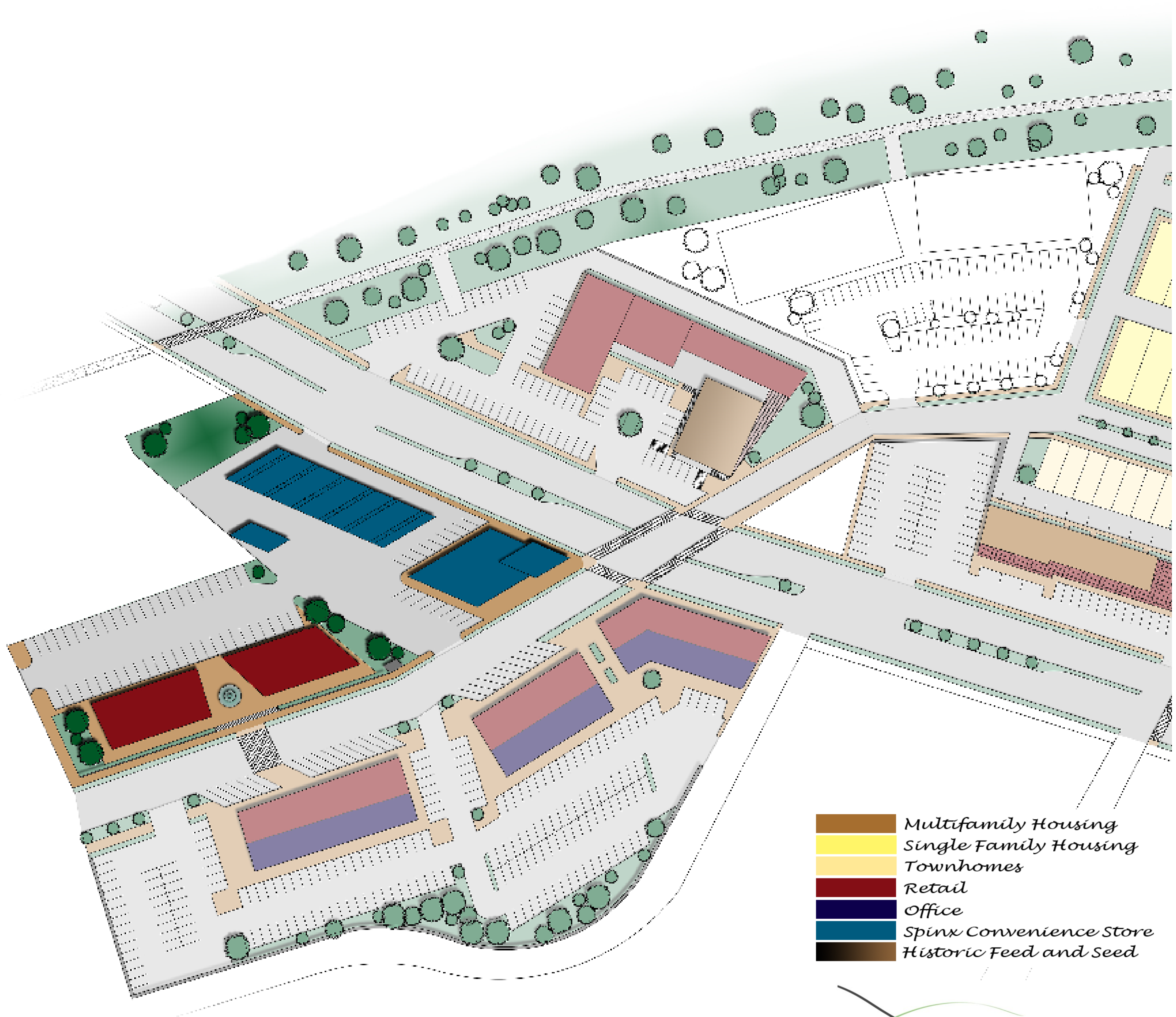
Phasing Overview



Phase IV – A, Spinx Flagship Convenience Store

Phase IV-A will deliver a new 8,000 square foot Spinx Convenience Store with twelve new gas pumps and a 2,400 square foot car wash.

Pettigru Partners proposes that the Convenience Store be brought to the corner of the site, providing a pedestrian-friendly atmosphere. The fuel pumps would be lined along Laurens Road and remain visible from both Laurens Road and East Washington Street. This design will also allow views of the pumps from I-385. An automatic car wash has also been incorporated into the plan. The design will accommodate the existing water detention plan, providing a green space buffer between the Convenience Store and the future Swamp Rabbit Trail Extension.

Construction will begin in the first quarter of 2020 and will be completed in fourth quarter 2020.

Phase IV - B, Gateway Plaza Expansion

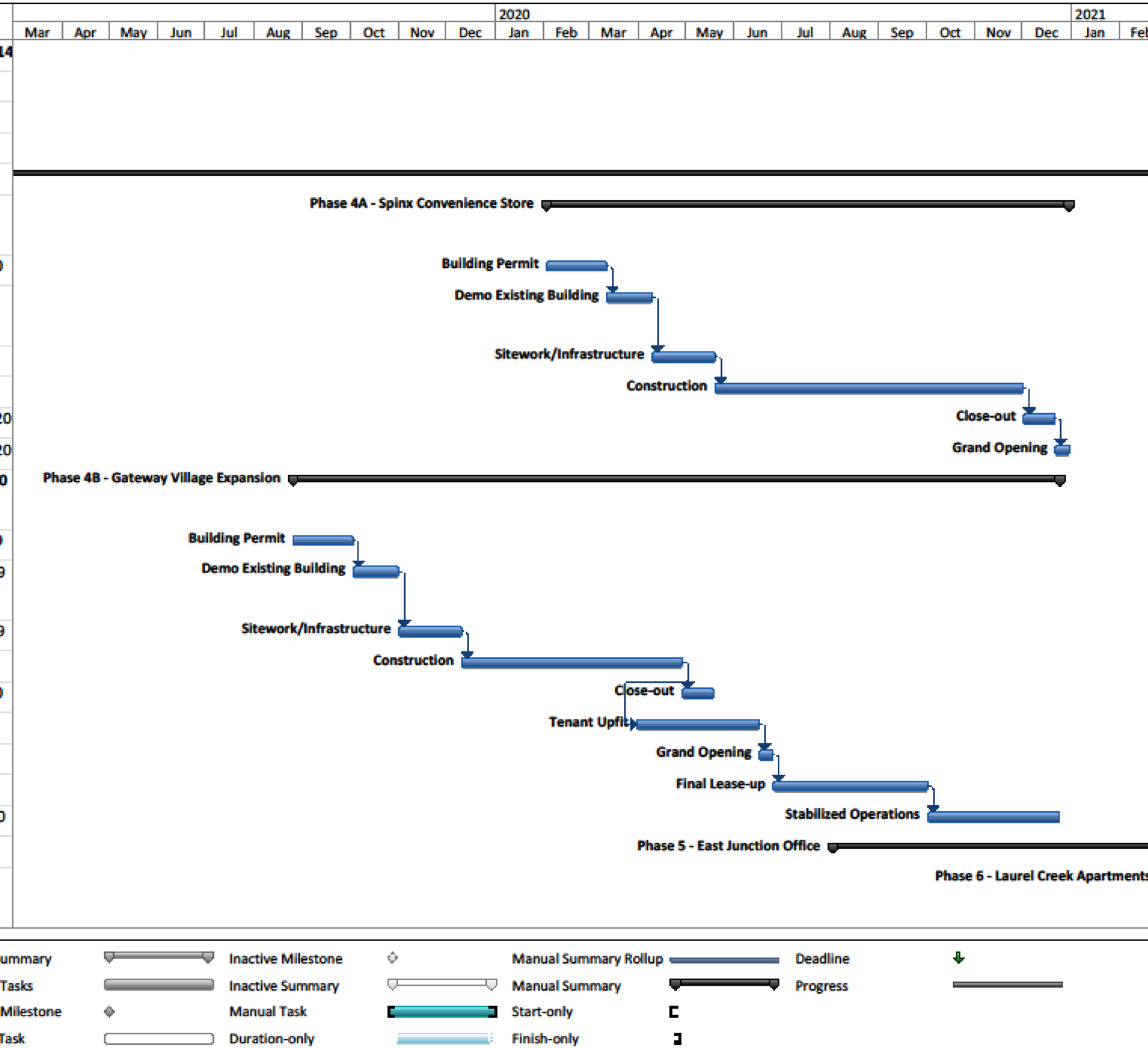
Phase IV-B adds of 15,300 square feet of retail space on East Washington Street.

These two retail buildings will be simple, single-story structures with a patio space in between. Like Phase I-B, surface parking will be hidden behind the buildings to improve the pedestrian experience.

Construction will begin in the second quarter of 2019 and will be completed in the fourth quarter 2020.

Phase IV Construction Schedule

ID	Task Name	Duration	Start	Finish
1	**Pre-Development**	**189 days**	**Fri 4/11/14**	**Wed 12/31/14**
21	**Phase 1A - Feed & Seed Market**	**283 days**	**Wed 12/3/14**	**Fri 1/1/16**
32	**Phase 1B - Gateway Village**	**544 days**	**Wed 12/3/14**	**Mon 1/2/17**
43	**Phase 2 -East Junction Court**	**318 days**	**Wed 11/30/16**	**Fri 2/16/18**
54	**Phase 3 -Laurel Creek Village**	**1347 days**	**Wed 11/30/16**	**Thu 1/27/22**
63	**Phase 4A - Spinx Convenience Store**	**238 days**	**Mon 2/3/20**	**Wed 12/30/20**
64	Building Permit	28 days	Mon 2/3/20	Wed 3/11/20
65	Demo Existing Building	21 days	Thu 3/12/20	Thu 4/9/20
66	Sitework/Infrastructure	28 days	Fri 4/10/20	Tue 5/19/20
67	Construction	140 days	Wed 5/20/20	Tue 12/1/20
68	Close-out	14 days	Wed 12/2/20	Mon 12/21/20
69	Grand Opening	7 days	Tue 12/22/20	Wed 12/30/20
70	**Phase 4B - Gateway Village Expansion**	**349 days**	**Mon 8/26/19**	**Thu 12/24/20**
71	Building Permit	28 days	Mon 8/26/19	Wed 10/2/19
72	Demo Existing Building	21 days	Thu 10/3/19	Thu 10/31/19
73	Sitework/Infrastructure	28 days	Fri 11/1/19	Tue 12/10/19
74	Construction	100 days	Wed 12/11/19	Tue 4/28/20
75	Close-out	14 days	Wed 4/29/20	Mon 5/18/20
76	Tenant Upfit	56 days	Tue 3/31/20	Tue 6/16/20
77	Grand Opening	7 days	Wed 6/17/20	Thu 6/25/20
78	Final Lease-up	70 days	Fri 6/26/20	Thu 10/1/20
79	Stabilized Operations	60 days	Fri 10/2/20	Thu 12/24/20
80	**Phase 5 - East Junction Office**	**365 days**	**Mon 8/3/20**	**Fri 12/24/21**
87	**Phase 6 - Laurel Creek Apartments**	**466 days**	**Mon 3/1/21**	**Mon 12/12/22**



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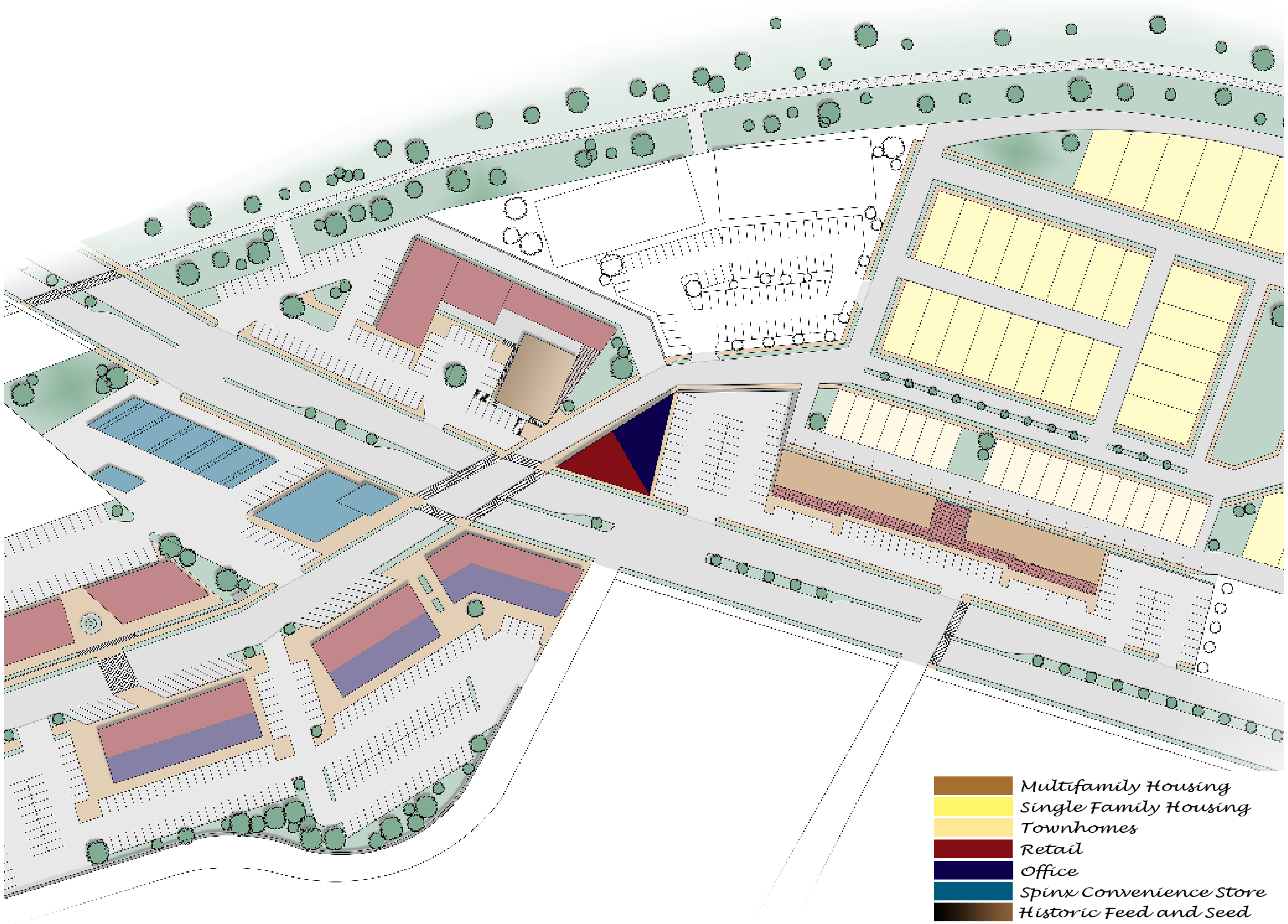


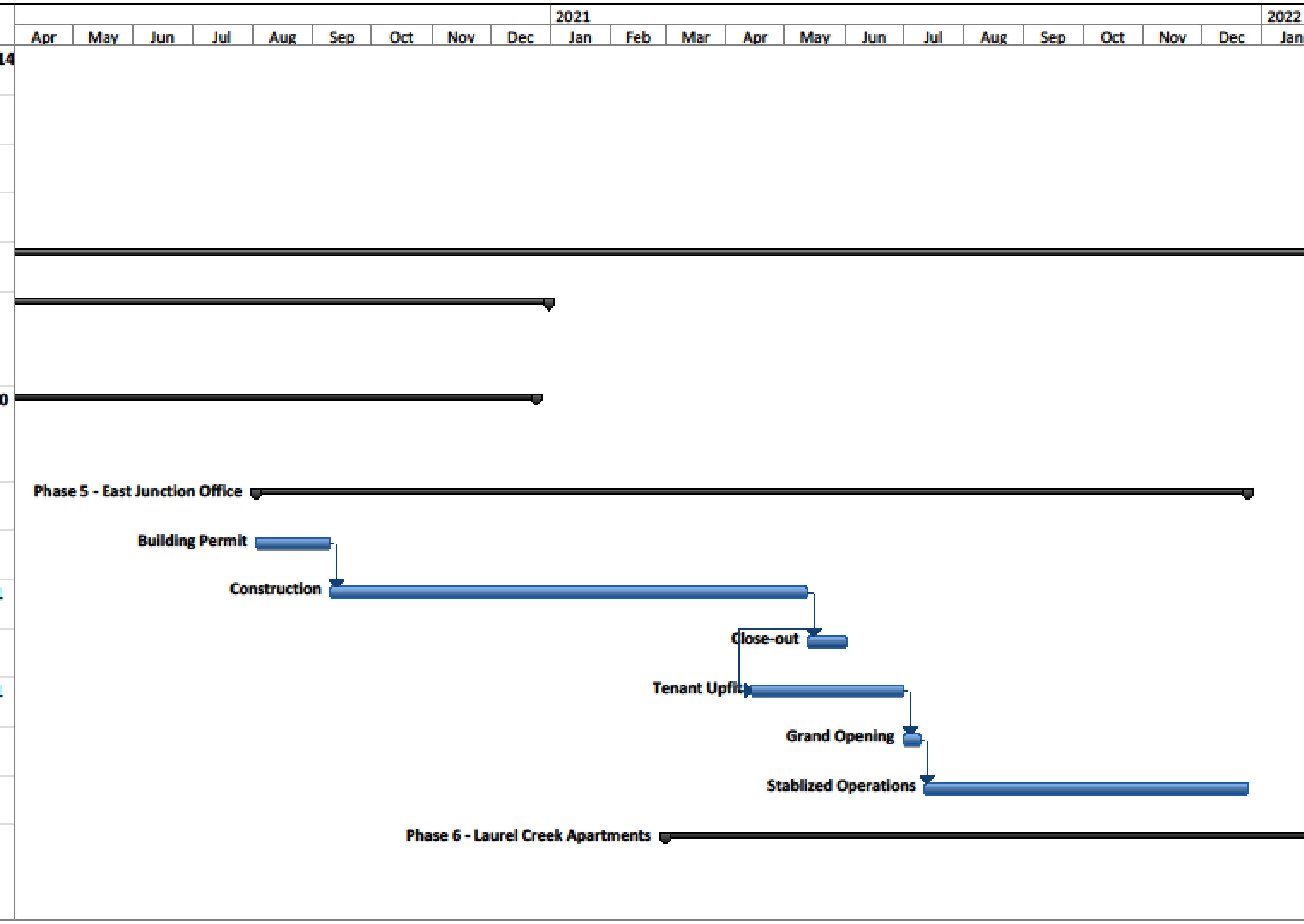
Phase V, East Junction Court Expansion

Phase V will consist of 6,000 square feet of ground-floor retail, and 12,000 square feet of Class A office space with surface parking behind the building.

This prime retail corner is phased late to take advantage of increasing values created by the surrounding development. As previously mentioned, site work will be completed in Phase II and the pad-ready space will serve as green space until the construction begins in the third quarter of 2020. Construction will be completed in fourth quarter 2021.

Phase V Construction Schedule

ID	Task Name	Duration	Start	Finish
1	**Pre-Development**	**189 days**	**Fri 4/11/14**	**Wed 12/31/14**
21	**Phase 1A - Feed & Seed Market**	**283 days**	**Wed 12/3/14**	**Fri 1/1/16**
32	**Phase 1B - Gateway Village**	**544 days**	**Wed 12/3/14**	**Mon 1/2/17**
43	**Phase 2 -East Junction Court**	**318 days**	**Wed 11/30/16**	**Fri 2/16/18**
54	**Phase 3 -Laurel Creek Village**	**1347 days**	**Wed 11/30/16**	**Thu 1/27/22**
63	**Phase 4A - Spinx Convenience Store**	**238 days**	**Mon 2/3/20**	**Wed 12/30/20**
70	**Phase 4B - Gateway Village Expansion**	**349 days**	**Mon 8/26/19**	**Thu 12/24/20**
80	**Phase 5 - East Junction Office**	**365 days**	**Mon 8/3/20**	**Fri 12/24/21**
81	Building Permit	28 days	Mon 8/3/20	Wed 9/9/20
82	Construction	175 days	Thu 9/10/20	Wed 5/12/21
83	Close-out	14 days	Thu 5/13/21	Tue 6/1/21
84	Tenant Upfit	56 days	Wed 4/14/21	Wed 6/30/21
85	Grand Opening	7 days	Thu 7/1/21	Fri 7/9/21
86	Stablized Operations	120 days	Mon 7/12/21	Fri 12/24/21
87	**Phase 6 - Laurel Creek Apartments**	**466 days**	**Mon 3/1/21**	**Mon 12/12/22**



Task	Project Summary	Inactive Milestone	Manual Summary Rollup	Deadline
Split	External Tasks	Inactive Summary	Manual Summary	Progress
Milestone	External Milestone	Manual Task	Start-only	
Summary	Inactive Task	Duration-only	Finish-only	

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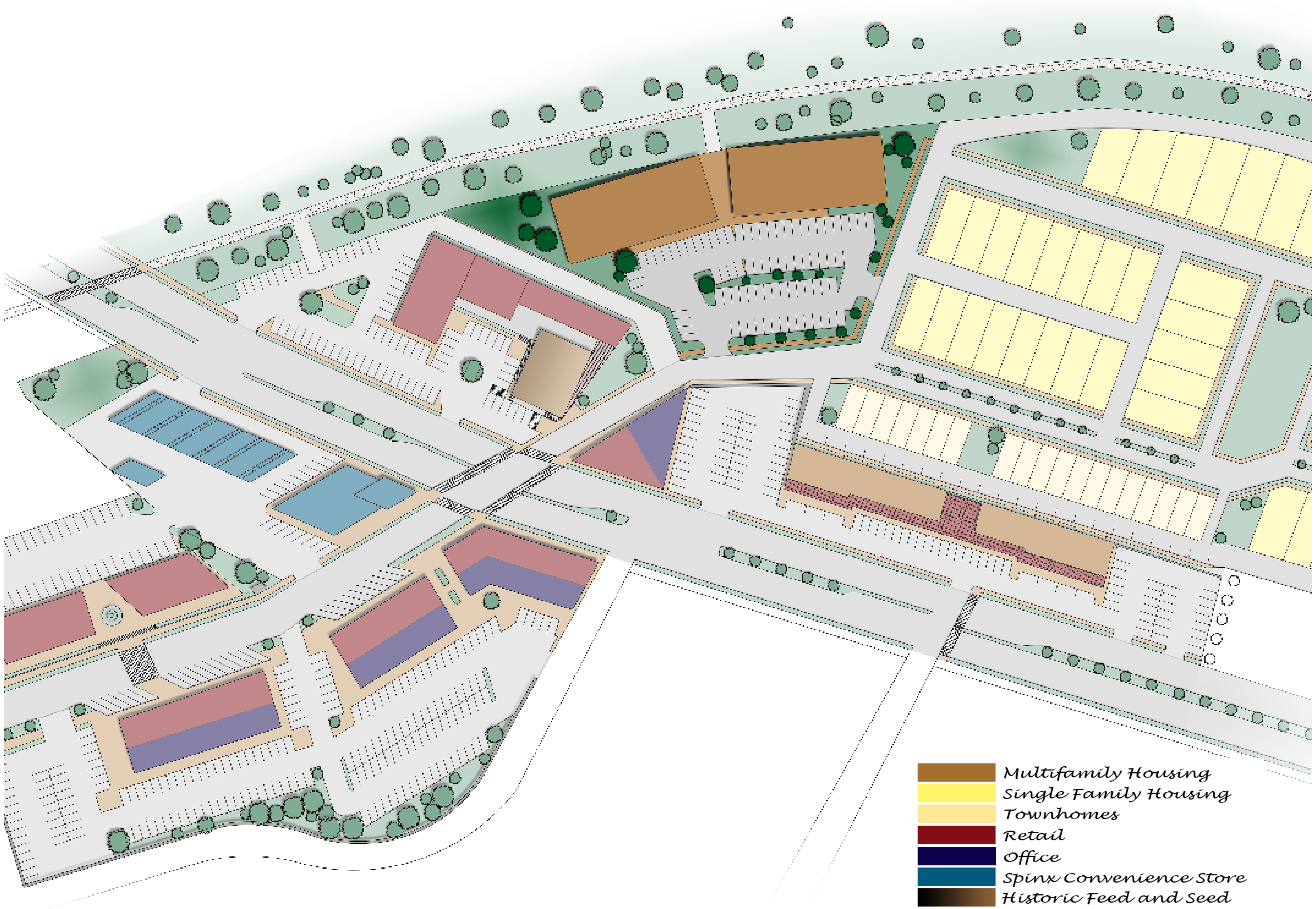


Phase VI, Laurel Creek Apartments

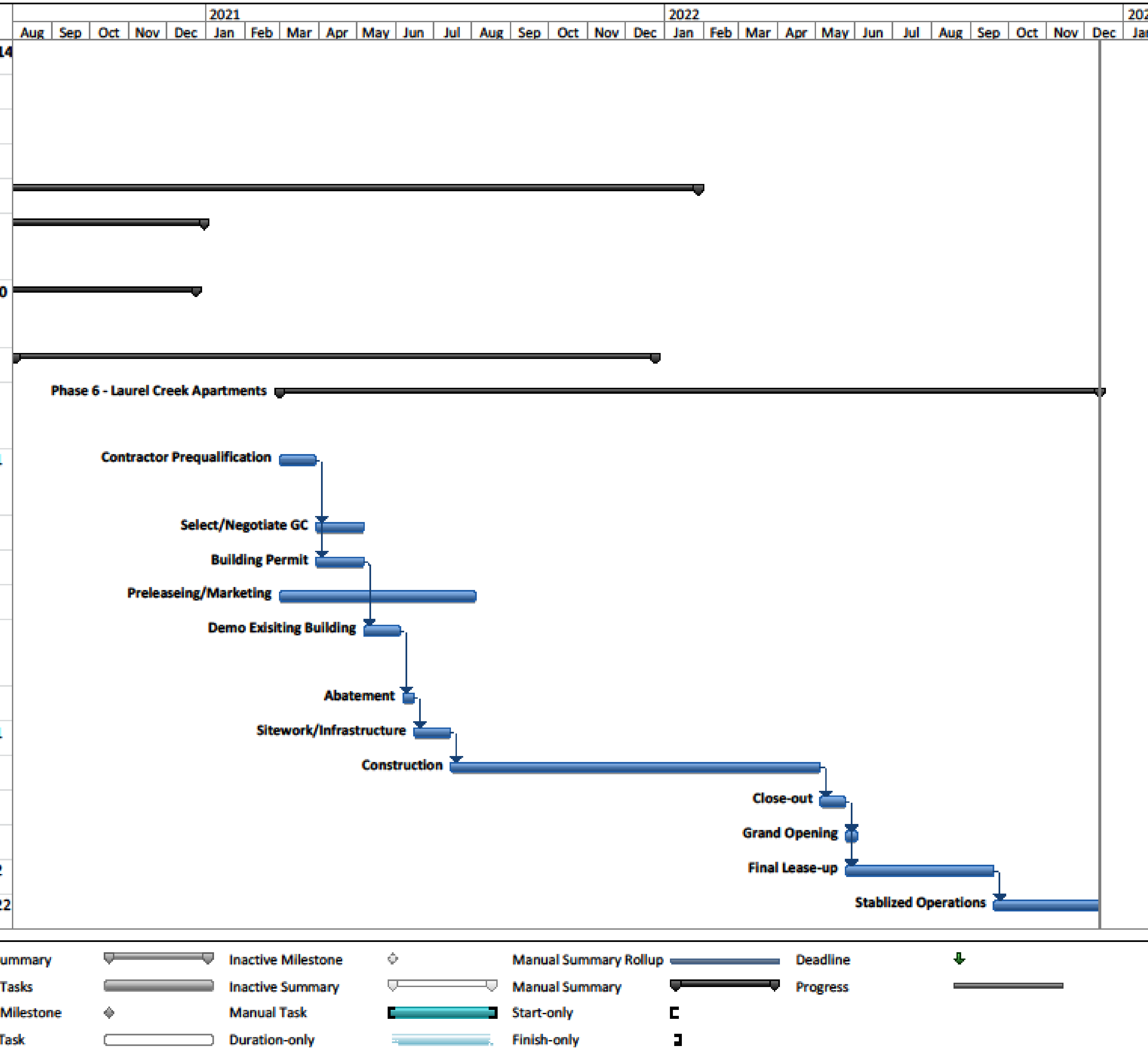
The final phase will consist of a 70-unit apartment building with a direct connection to the future extension of the Swamp Rabbit Trail.

These three-story buildings will accommodate a variety of unit types with an average size of 1,000 square feet. The multifamily buildings are planned to be built at the end of the development timeline in order to capitalize on the demand created by the previous phases. Also, Pettigru Partners believes that an extended timeline will offer stabilization of the current Greenville multifamily market.

Construction will begin in the first quarter of 2021 and will be completed in the fourth quarter 2022.

Phase VI Construction Schedule

ID	Task Name	Duration	Start	Finish
1	**Pre-Development**	**189 days**	**Fri 4/11/14**	**Wed 12/31/14**
21	**Phase 1A - Feed & Seed Market**	**283 days**	**Wed 12/3/14**	**Fri 1/1/16**
32	**Phase 1B - Gateway Village**	**544 days**	**Wed 12/3/14**	**Mon 1/2/17**
43	**Phase 2 -East Junction Court**	**318 days**	**Wed 11/30/16**	**Fri 2/16/18**
54	**Phase 3 -Laurel Creek Village**	**1347 days**	**Wed 11/30/16**	**Thu 1/27/22**
63	**Phase 4A - Spinx Convenience Store**	**238 days**	**Mon 2/3/20**	**Wed 12/30/20**
70	**Phase 4B - Gateway Village Expansion**	**349 days**	**Mon 8/26/19**	**Thu 12/24/20**
80	**Phase 5 - East Junction Office**	**365 days**	**Mon 8/3/20**	**Fri 12/24/21**
87	**Phase 6 - Laurel Creek Apartments**	**466 days**	**Mon 3/1/21**	**Mon 12/12/22**
88	Contractor Prequalification	21 days	Mon 3/1/21	Mon 3/29/21
89	Select/Negotiate GC	28 days	Tue 3/30/21	Thu 5/6/21
90	Building Permit	28 days	Tue 3/30/21	Thu 5/6/21
91	Preleaseing/Marketing	112 days	Mon 3/1/21	Tue 8/3/21
92	Demo Exisiting Building	21 days	Fri 5/7/21	Fri 6/4/21
93	Abatement	7 days	Mon 6/7/21	Tue 6/15/21
94	Sitework/Infrastructure	21 days	Wed 6/16/21	Wed 7/14/21
95	Construction	210 days	Thu 7/15/21	Wed 5/4/22
96	Close-out	14 days	Thu 5/5/22	Tue 5/24/22
97	Grand Opening	7 days	Wed 5/25/22	Thu 6/2/22
98	Final Lease-up	84 days	Wed 5/25/22	Mon 9/19/22
99	Stablized Operations	60 days	Tue 9/20/22	Mon 12/12/22



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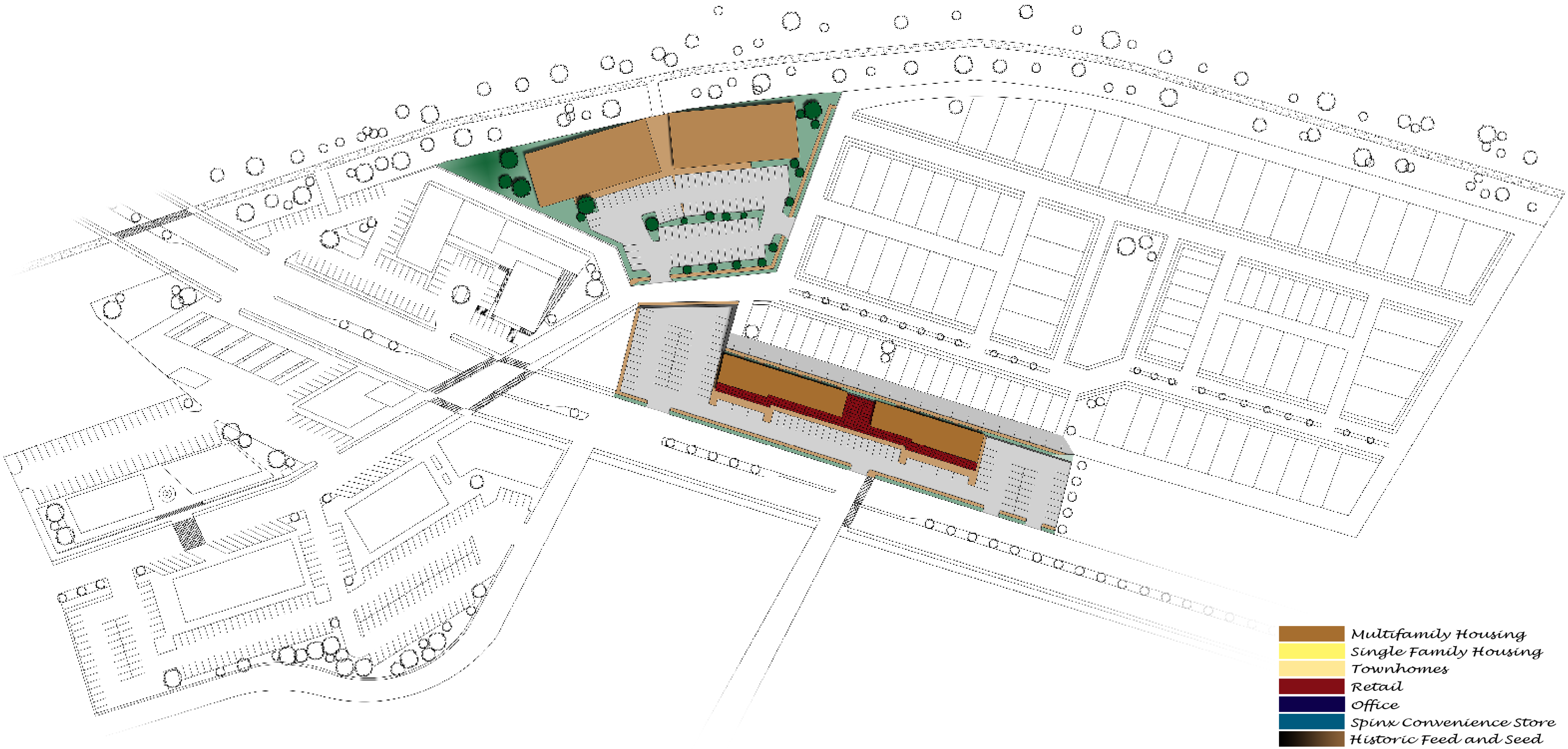
Land Use Plans

Total Units: 94

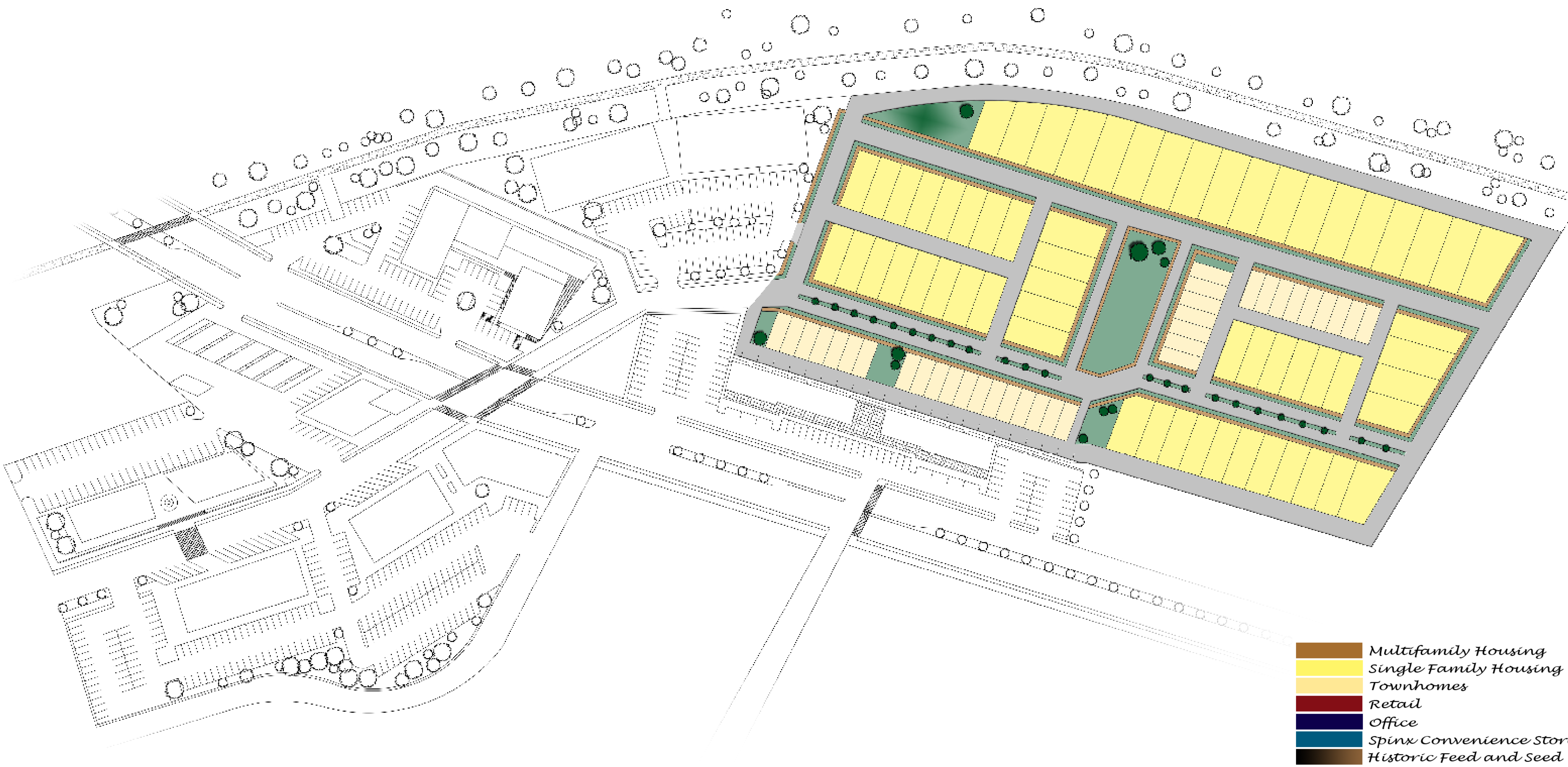
Total Square Footage: 100,800



60 Single Family Lots

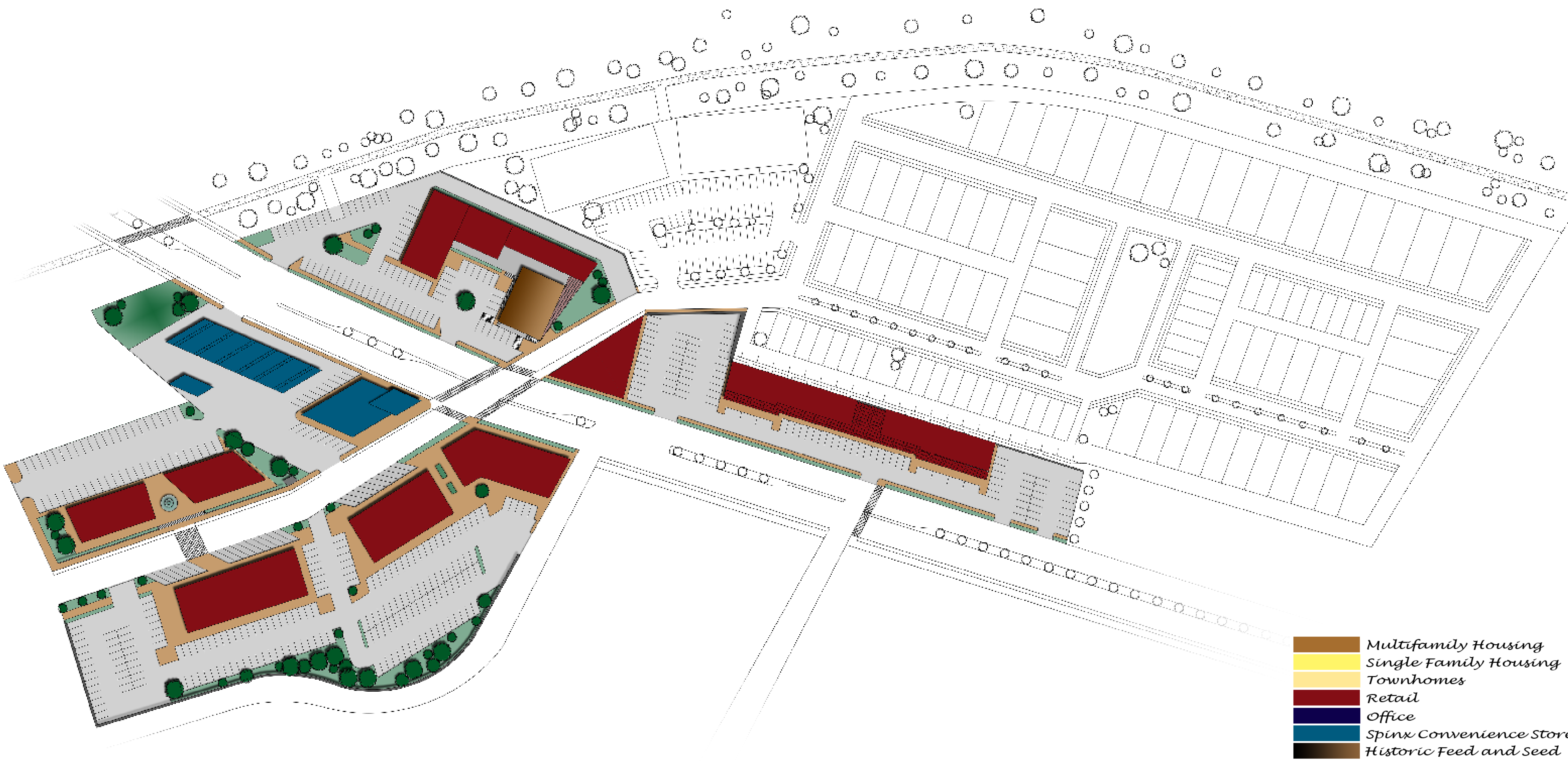
35 Rental Townhomes

Approximately 10 acres

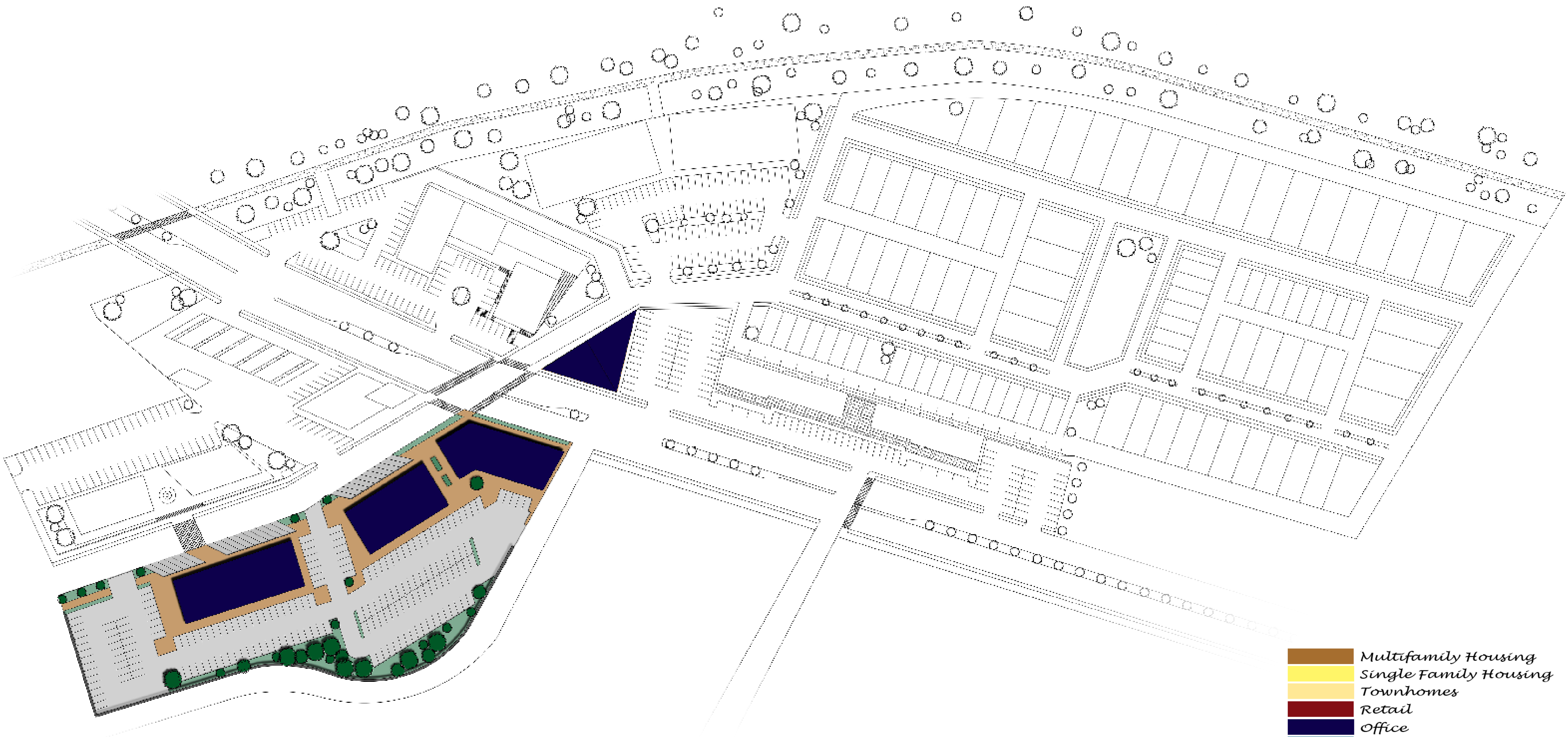


79,160 Square Feet Total

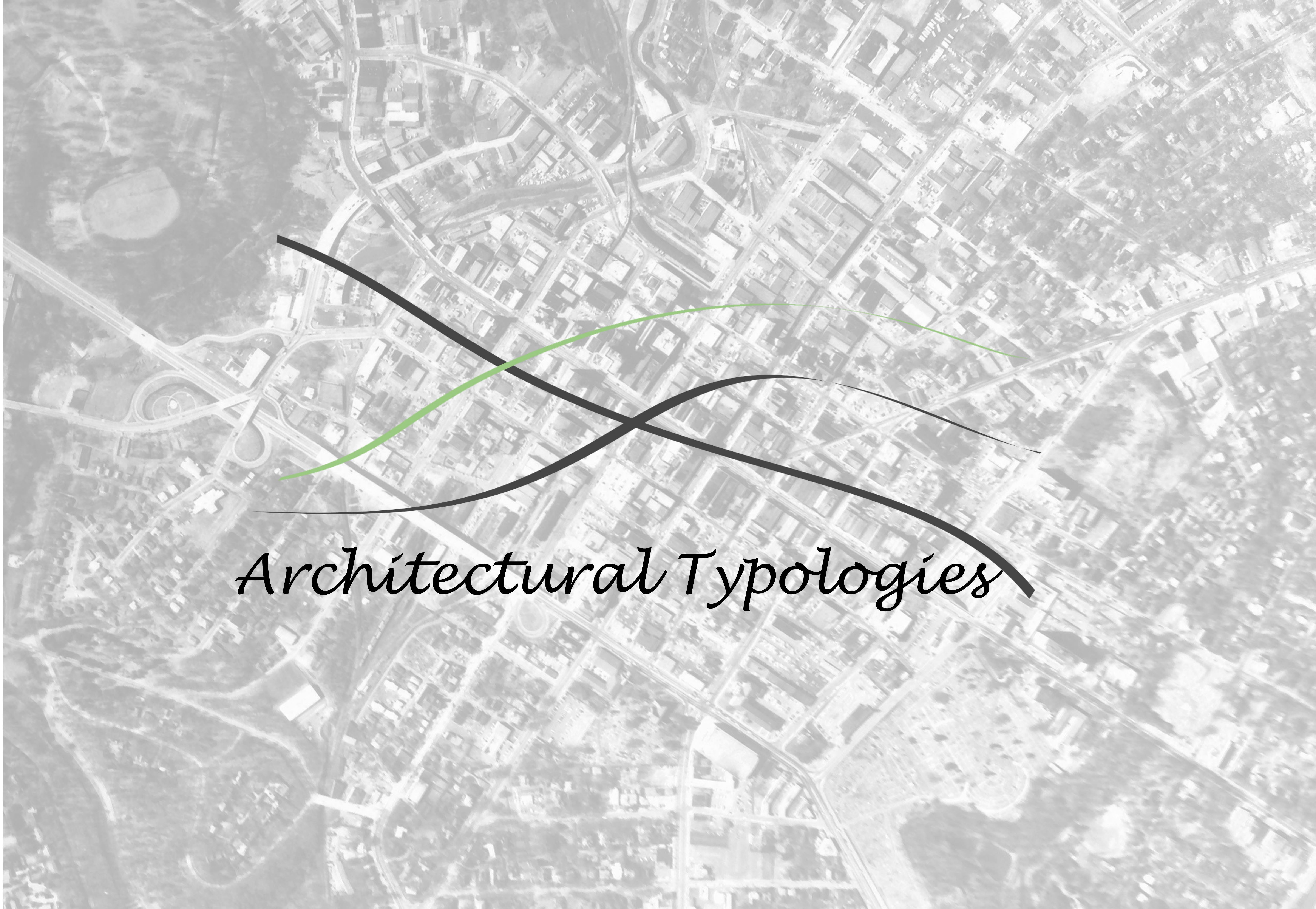
8,000 Square Foot Convenience Store



48,520 Square Feet Total



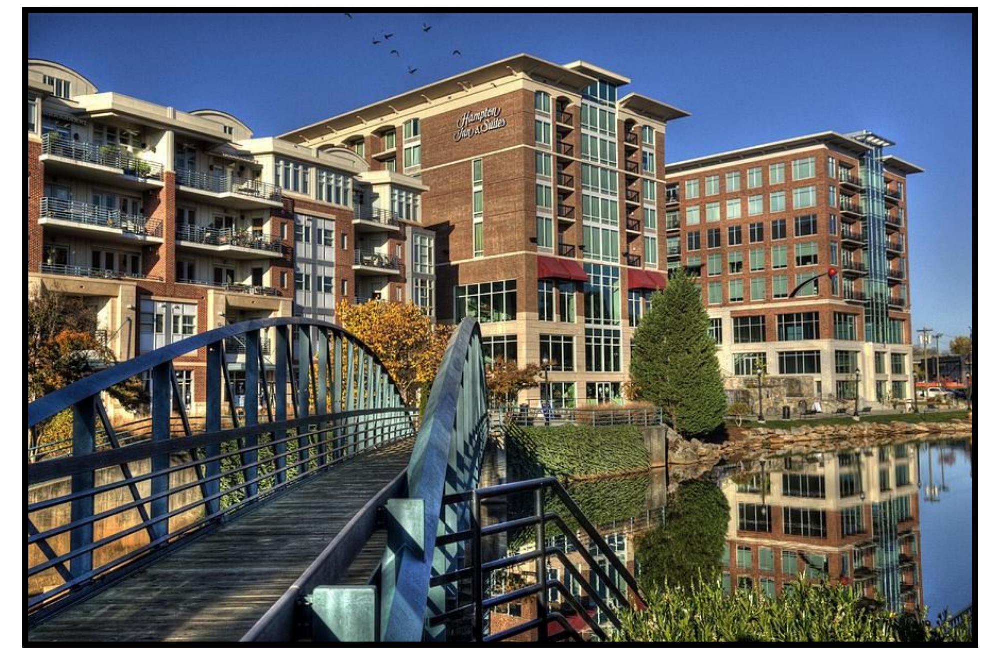
Architectural Typologies



Architectural Overview

Greenville's architectural styles have become more diverse in recent years, but many existing buildings date back to several hundred years. Several buildings, both new and old, echo Greenville's heavy involvement in the textile industry. Therefore, brick and other forms of masonry are used extensively throughout the city. Much of the new development within the city limits has been constructed within the past decade, and many buildings stay true to this conservative, yet sophisticated, design. The architectural themes have also been incorporated in such a way that promote and encourage a pedestrian-friendly environment.

Pettigru Partners hopes to continue this theme with East Junction. Many developments along East Washington Street and McBee Avenue contain these quality characteristics. Drawing upon similar architectural qualities in the area will not only promote a more pedestrian environment, but will also add to the feeling of the customer passing through a "gateway" as they near Greenville's central Main Street.



Commercial Architecture

The commercial space at the East Junction Development will be composed mostly of brick, with storefront glass on the street level. With both pedestrian and vehicular traffic being a major consideration, on-street parking will be implemented into the design along with heavy streetscaping. The buildings will be brought closer to the street and will abut the sidewalks.

Pettigru Partners hopes to capitalize on the unique architecture of the former Feed & Seed building on the northwest corner of Laurens Road and East Washington Street. Bringing a more modern façade while also heavily emphasizing patios on the front and back portions of the building will add to the pedestrian-friendly atmosphere of the site, and will attract not only residents from adjacent neighborhoods, but also those passing through the site.

Potential Feed & Seed Restoration

Spinx Station

The location of the existing Spinx Convenience Store is very sentimental to the Spinks family, and is also the company's flagship store. Because of this, it is important to make a statement with the existing parcel. Pettigru Partners recommends demolition for the existing building and replacing it with a structure that is close to the street corner. This will give the site a pedestrian-friendly feel while also giving the Spinx name a prominent display. With this design, fuel pumps, parking, and the car wash will be moved to the rear. The shape of the store will reflect that of the corner as to maximize street frontage visibility and store square footage.

Residential Architecture

There will be a total of three different residential product types within East Junction. They include detached single family homes, attached townhomes, and garden style apartments. Architecture for these products will reflect that of the surrounding area. Most products will include a portion of stone or brick on the façade, and the units at the northern end East Washington Street will be configured to have balconies in order to take advantage of the panoramic city views.

Possible Townhome Designs

Possible Single Family Designs

Possible Apartment Designs

Streetscapes

The City of Greenville takes pride in the streetscapes around downtown and is usually very involved in both the design and funding. The goal of the East Junction streetscapes will be to maximize pedestrian-friendly streets while also accommodating parking for automobile traffic visiting the various retail establishments. Also, it is important to implement heavy landscaping and green space into the design as well. There are several good examples of this throughout the city, and the development team hopes to emulate this at East Junction. In order to capitalize on this being a "gateway" site, it is important to bring an aspect of Greenville's Main Street to East Junction. For the residential portion of East Junction it will be important to provide an atmosphere that invites people outside of their homes.

Residential Streetscapes

Retail, Mixed-Use Component Streetscapes

Financial Analysis

Financial Structure and Returns

Pettigru Partners will serve as the master developer of the proposed East Junction Development. Pettigru Partners will work with both ownership entities, Spinx Corporation and Central Realty, to create a sustainable, profitable development. As previously mentioned, the development specifics are laid out in a Master Development Agreement, which will function as a binding agreement between all parties. Pettigru Partners' roles include capital raising, due diligence activities, preconstruction activities, development coordination, and construction management. Pettigru Partners will collect a 4% fee on phase development costs at the completion of each phase.

The total development cost of East Junction is approximately $54,000,000. The capital stack will consist of approximately 70% debt and 30% equity varying for each phase. Each phase will be financed by an interest only construction loan that will role into permanent debt at stabilization. Pettigru Partners along with Central Realty and Spinx will secure commercial bank debt for each phase.

In order to keep the ownership entities separate, the property owner, either Central Realty or Spinx, will take the largest equity stake. Pettigru Partners will take a 1% equity stake in each phase.

Returns to the equity partner will be established by waterfall distribution. Generally, the major equity partner receives an 8% preferred return. After the preferred return, the remaining cash flow will be split between Pettigru Partners and the major equity partner. At the sale of any asset, sales proceeds will be split between the owner/major partner and Pettigru Partners.

Total Construction Cost	
Phase 1A	$3,414,920
Phase 1B	$12,604,241
Phase 2	$8,872,665
Phase 3	$12,241,672
Phase 4A	$2,124,982
Phase 4B	$1,916,946
Phase 5	$3,384,940
Phase 6	$9,596,023
Development Total	$54,156,389

Development Capital Stack		
Debt		$36,806,074
Equity		
	Central Realty	$11,139,817
	Spinx	$5,582,084
	Pettigru Partners	$520,314
	Historic Tax Credit	$108,100
Total		$ 54,156,389

Debt	68%
Equity	32%

Land Valuation

Date of sale adjustment used is 0.5% biannually to adjust for increasing land prices. All location adjustments were based on comparable sales' location to downtown Greenville and frontage on a large, heavily trafficked corridor.

Comparable #1: The Reeves Parcel, which is part of the development site, is currently for sale at $130,000 per acre. The parcel does not have frontage on Laurens Road nor East Washington Street; however, because it is a part of the subject site it is the most comparable land valuation.

Comparable #2: 716 East McBee Avenue is located 0.7 miles from the subject site west on East Washington Street. It was sold in the 1st quarter of 2012 for $355,000 per acre. A price increase of 2% was applied due to the time of the sale. A negative 10% price adjustment was applied because of 716 E McBee Avenue's superior location.

Comparable #3: 441 S Pleasantburg was sold in mid-2012 for $297,000 per acre. Comparable #3 is located 2 miles from the subject site. It is situated further from Downtown Greenville; however, is a part of a larger retail corridor, Pleasantburg Drive. No location adjustment was applied and a 1.5% date of sale adjustment was made.

Comparable #4: 14 Washington Park is located 0.5 miles west of the subject site. Its proximity to downtown is superior to the subject site but has no frontage on East Washington Street. The property was sold in the 4th quarter of 2012 for $157,000 per acre. A total 6% increase was applied to 14 Washington Park.

Comparable #5: 817 Stone Avenue sold in December 2012 for $364,000 per acre. It is located a similar distance from downtown as the subject site. Because of its location similarities no location adjustment was applied. A 1% time of sale adjustment was applied.

Comparable sales and adjustments used are shown in the following table. Land with frontage on Laurens Road or E Washington Street was valued at $220,000 per acre. Land without frontage was valued at $187,000 per acre.

LAND VALUATION: EAST JUNCTION

Property	Reeves Parcel	716 McBee Ave	441 S Pleasantburg	14 Washington Park	817 Stone Ave
Land Comparable #	#1	#2	#3	#4	#5
Address	E Washington St	716 McBee Ave	441 S Pleasantburg	14 Washington Park	817 Stone Ave
Date of Sale	For Sale	Jan-12	May-12	Nov-12	Dec-12
Acres	5.5	0.2	0.7	0.35	1.105
Price	$700,000	$71,000	$208,000	$55,000	$402,000
$/Acre	$127,273	$355,000	$297,143	$157,143	$363,801
Comments	Currently for Sale/Part of Subject Site	Sold	Sold to Waffle House	Sold	Sold
Adjustment					
Location	0%	-10%	0%	5%	0%
		Better Location; Closer to Downtown	Further from CBD; Large Retail Corridor	No frontage on E Washington	Stone Ave Frontage; Similar dist. From CBD
Date of Sale	0.0%	2.0%	1.5%	1.0%	1.0%
Total Adjustment %	0%	-8%	2%	6%	1%
Land Price per Acre	$127,273	$326,600	$301,600	$166,571	$367,439
Rounded	$130,000	$330,000	$300,000	$170,000	$370,000
Weighted Average	50%	10%	10%	10%	20%

Land Value	$219,000
Rounded	$220,000
Land Value w/o Frontage	$187,000
Note 85% of Value	

Rent and Price Justification

Rents and prices shown below were used in the underwriting of the development. All comparable rents and prices are from 2013 sales or lease transactions. Comparables are weighted based on their relevance to the subject site. The weighted average was used as a 2014 base price/rate and was grown at 1% each year to forecast future lease rates and home values.

Office	Rate	Weight	
Overlook Office Park	$16.28	50%	8.14
501 E McBee	$21.45	20%	4.29
800 E Washington	$17.32	20%	3.464
Sun Trust Building	$19.50	10%	1.95
		Weighted Ave	**$17.84**

Retail	Rate	Weight	
McBee Station	$19.00	25%	$4.75
Forest Park	$24.00	40%	9.6
McDaniel Village	$20.69	20%	4.138
2123 Augusta Rd	$18.50	15%	2.775
		Weighted Ave	**$21.26**

Multifamily Apartments	Rate	Weight	
McBee Station	1,526	35%	$534.10
100 East	1,375	20%	275
The Bristol	915	30%	274.5
Plantations at Haywood	777	15%	116.55
		Weighted Ave	**$1,200**

Single Family Home Value	Price	Weight	
21 Underwood Ave	194,000.00	8%	$15,520
6 Beechwood Ave	245,000.00	8%	$19,600
315 Hampton Ave	309,000.00	25%	$77,250
204 W Park Ave	226,000.00	20%	$45,200
1519 E North Street	237,000.00	39%	$92,430
		Weighted Ave	**$250,000**

East Junction Consolidated Returns

Calendar Year		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Phase 1A		($1,263,520)	$72,278	$78,187	$84,240	$90,440	$96,792	$103,299	$109,965	$116,793	$123,788	$1,897,882							
IRR	10.06%																		
Phase 1B		($4,537,527)	$291,319	$319,224	$347,965	$377,570	$408,062	$439,469	$471,818	$505,138	$539,458	$10,265,748							
IRR	14.43%																		
Phase 2				($2,661,800)	$193,966	$213,814	$234,166	$255,035	$276,434	$298,377	$320,877	$343,949	$367,607	$8,949,272					
IRR	18.81%																		
Phase 3				($3,672,501)	$814,494	$904,238	$1,000,379	$823,475	$37,002	$58,471	$80,584	$103,361	$126,821	$4,348,031					
IRR	15.44%																		
Phase 4B							($575,084)	$105,228	$110,348	$115,595	$120,971	$126,479	$132,124	$137,907	$143,834	$149,906	$2,106,489		
IRR	27.24%																		
Phase 5								($1,015,482)	$110,348	$115,595	$120,971	$126,479	$132,124	$137,907	$143,834	$149,906	$2,106,489	$0	
IRR	17.42%																		
Phase 6									($2,878,807)	$278,480	$296,428	$314,776	$333,534	$352,710	$372,313	$392,351	$412,836	$433,774	$8,704,026
IRR	19.20%																		
Ave. Phase IRR	17.51%																		
Development Total CF		($5,801,047)	$363,597	($5,936,891)	$1,440,665	$1,586,062	$1,164,315	$711,024	($1,762,891)	$1,488,449	$1,603,076	$13,178,675	$1,092,209	$13,925,827	$659,980	$692,163	$4,625,814	$433,774	$8,704,026
Project IRR	**15.95%**																		

Central Realty Consolidated Returns

Calendar Year		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Phase 1A		($614,686)	$34,723	$37,441	$40,225	$43,078	$46,000	$48,993	$52,059	$55,200	$58,418	$936,343							
IRR	10.04%																		
Phase 2				($2,573,073)	$193,966	$213,017	$231,334	$250,116	$269,375	$289,124	$309,374	$330,139	$351,431	$8,759,522					
IRR	19.01%																		
Phase 3				($3,550,085)	$787,970	$873,226	$964,560	$796,501	$37,002	$58,471	$80,584	$103,361	$126,821	$4,264,090					
IRR	15.56%																		
Phase 5								($981,633)	$126,459	$133,261	$140,225	$147,358	$154,662	$162,141	$169,801	$177,644	$185,677	$3,727,231	
IRR	23.43%																		
Phase 6									($2,782,847)	$272,894	$289,048	$305,561	$322,443	$339,702	$357,344	$375,379	$393,815	$412,660	$8,515,794
IRR	19.30%																		
Ave. Phase IRR	17.47%																		
Development Total CF		($614,686)	$34,723	($6,085,717)	$1,022,161	$1,129,321	$1,241,894	$113,977	($2,297,951)	$808,950	$877,649	$1,822,762	$955,357	$13,525,455	$527,145	$553,024	$579,491	$4,139,891	$8,515,794
Project IRR	**17.58%**																		

Spinx Corporation Consolidated Returns

Calendar Year		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Phase 1A		($614,686)	$34,723	$37,441	$40,225	$43,078	$46,000	$48,993	$52,059	$55,200	$58,418	$936,343							
IRR	10.04%																		
Phase 1B		($4,411,484)	$287,782	$314,291	$341,596	$369,720	$398,688	$428,524	$459,256	$490,910	$523,513	$10,054,218							
IRR	14.53%																		
Phase 4B							($555,914)	$102,190	$107,055	$112,039	$117,146	$122,379	$127,741	$133,236	$138,866	$144,634	$2,081,403		
IRR	27.43%																		
Ave. Phase IRR	17.34%																		
Development Total CF		($5,026,170)	$322,505	$351,732	$381,821	$412,798	($111,227)	$579,707	$618,370	$658,149	$699,077	$11,112,940	$127,741	$133,236	$138,866	$144,634	$2,081,403	$0	$0
Project IRR	**14.85%**																		

Pettigru Partners Consolidated Returns

Calendar Year		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Phase 1A		($34,149)	$2,832	$3,304	$3,789	$4,285	$4,793	$5,313	$5,847	$6,393	$6,953	$25,195							
IRR	10.77%																		
Phase 1B		($126,042)	$3,537	$4,932	$6,370	$7,850	$9,374	$10,945	$12,562	$14,228	$15,944	$211,530							
IRR	10.50%																		
Phase 2				($88,727)	$0	$797	$2,832	$4,919	$7,059	$9,253	$11,503	$13,810	$16,176	$189,750					
IRR	12.49%																		
Phase 3				($122,417)	$26,524	$31,012	$35,819	$26,973	$0	$0	$0	$0	$0	$83,941					
IRR	11.04%																		
Phase 4B							($19,169)	$3,038	$3,294	$3,556	$3,825	$4,100	$4,383	$4,672	$4,968	$5,272	$25,086		
IRR	20.23%																		
Phase 5								($33,849)	$5,325	$6,081	$6,855	$7,647	$8,459	$9,290	$10,141	$11,013	$11,905	$122,097	
IRR	27.79%																		
Phase 6									($95,960)	$5,585	$7,380	$9,215	$11,091	$13,008	$14,968	$16,972	$19,021	$21,115	$188,232
IRR	15.79%																		
Ave. Phase IRR	15.51%																		
Development Total CF		($160,192)	$6,369	($202,906)	$36,683	$43,943	$33,648	$17,339	($61,873)	$45,097	$52,460	$271,498	$40,108	$300,661	$30,078	$33,257	$56,012	$143,212	$188,232
Project IRR	**12.94%**																		
Development Fees		$ 518,590		$ 893,341			$ 73,729	$ 130,190	$ 369,078										
CF Plus Development Fees		$358,398	$6,369	$690,435	$36,683	$43,943	$107,377	$147,529	$307,204	$45,097	$52,460	$271,498	$40,108	$300,661	$30,078	$33,257	$56,012	$143,212	$188,232

Feed and Seed Market (Phase 1A):

Feed and Seed Market, Phase 1A, is structured differently from other phases in that Spinx and Central Realty both take an equity interest in the phase. This structure was chosen for two major reasons. First, Central Realty and Spinx currently both have an ownership interest in the property. While Central Realty has a fee simple interest, Spinx has a leasehold interest. Secondly, being the first phase of the development Pettigru Partners felt it was important to have both owners invested in an integral part if the overall development. Waterfall distributions for Phase 1A are illustrated in the table below.

Waterfall				
Cash Flow	Pref	Split after Pref	**Sale**	Split
Central Realty	3%	46%	Central Realty	49.5%
Spinx	3%	46%	Spinx	49.5%
Pettigru Partners	0%	8%	Pettigru Partners	1.0%

Also, Pettigru Partners decided it was necessary to rehabilitate the historic Feed and Seed structure in order create a iconic cornerstone for the development. Since the original brick structure was built before 1936, it qualifies for a 10% historic tax credit. This analysis is illustrated below.

Rehabilitation Costs	Feed and Seed	
Hard Costs:	**$/SF**	**Cost**
Rehab of Structure	$200	$1,040,000
Abatement	$0.75	$3,900
Total Hard Costs		**$1,043,900**
Soft Costs:	**% of Hard Cost**	
Architect & Engineering	6%	$62,634
Permitting/Zoning/Inspection	1%	$10,439
Appraisal		$5,000
Phase I & II Environmental		$11,690
Taxes & Insurance	2%	$15,659
Contingency	5%	$52,195
Total Soft Costs		**$157,617**
Total Rehab Costs		**$1,201,517**
10% Tax Credit		$120,152
@$0.90 to $1		$108,136
Total Equity Added		**$108,100**

Gateway Plaza (Phase 1B):

Spinx, the owner, will serve as the major equity partner with Pettigru Partners taking a minor equity stake. The construction will be financed by an interest-only construction loan that will roll into a permanent loan at stabilization. Spinx will receive a 5% preferred return and remaining cash flow will be split 95%/5% between Spinx and Pettigru Partners respectively. Spinx receives a slightly lower preferred return because they receive a discounted rental rate for their corporate headquarters, which is part of the phase. Upon sale of the asset, proceeds will be split 98%/2% between Spinx and Pettigru Partners.

Waterfall				
Cash Flow	Pref	Split after Pref	**Sale**	Split
Spinx	5%	95%	Spinx	98%
Pettigru Partners	0%	5%	Pettigru Partners	2.0%

East Junction Court(Phase 2):

Central Realty, the owner, will serve as the major equity partner with Pettigru Partners taking a minor equity stake. The construction will be financed by an interest-only construction loan that will roll into a permanent loan at stabilization. Central Realty will receive a 8% preferred return and remaining cash flow will be split 90%/10% between Central Realty and Pettigru Partners respectively. Upon sale of the asset, proceeds will be split 98%/2% between Central Realty and Pettigru Partners.

Waterfall				
Cash Flow	Pref	Split after Pref	**Sale**	Split
Central Realty	8%	90%	Central Realty	98%
Pettigru Partners	0%	10%	Pettigru Partners	2.0%

Laurel Creek Village (Phase 3):

Central Realty, the owner, will serve as the major equity partner with Pettigru Partners taking a minor equity stake. The construction will be financed by an interest-only construction loan that will roll into a permanent loan at stabilization. Central Realty will receive a 8% preferred return and remaining cash flow will be split 95%/5% between Central Realty and Pettigru Partners respectively. Upon sale of the asset, proceeds will be split 98%/2% between Central Realty and Pettigru Partners.

Waterfall				
Cash Flow	Pref	Split after Pref	**Sale**	Split
Central Realty	8%	95%	Central Realty	98%
Pettigru Partners	0%	5%	Pettigru Partners	2.0%

Phase Financial Structure

Spinx Convenience Store (Phase 4A):

For the development of the Spinx Convenience Store, Spinx, the owner, will serve as the only equity partner. It has been assumed that Spinx will handle the redevelopment of the convenience store. Pettigru Partners will not participate in Phase 4A; however, redevelopment must occur. Timeline and expectations will be laid out in the Master Development Agreement.

Gateway Plaza Expansion (Phase 4B):

Spinx, the owner, will serve as the major equity partner with Pettigru Partners taking a minor equity stake. The construction will be financed by an interest-only construction loan that will roll into a permanent loan at stabilization. Spinx will receive a 8% preferred return and remaining cash flow will be split 95%/5% between Spinx and Pettigru Partners respectively. Upon sale of the asset, proceeds will be split 99%/1% between Spinx and Pettigru Partners.

Waterfall				
Cash Flow	Pref	Split after Pref	**Sale**	Split
Spinx	8%	95%	Spinx	99%
Pettigru Partners	0%	5%	Pettigru Partners	1.0%

East Junction Court Expansion (Phase 5):

Central Realty, the owner, will serve as the major equity partner with Pettigru Partners taking a minor equity stake. The construction will be financed by an interest-only construction loan that will roll into a permanent loan at stabilization. Central Realty will receive a 8% preferred return and remaining cash flow will be split 90%/10% between Central Realty and Pettigru Partners respectively. Upon sale of the asset, proceeds will be split 97%/3% between Central Realty and Pettigru Partners.

Waterfall				
Cash Flow	Pref	Split after Pref	**Sale**	Split
Central Realty	8%	90%	Central Realty	97%
Pettigru Partners	0%	10%	Pettigru Partners	3.0%

Laurel Creek Apartments (Phase 6):

Central Realty, the owner, will serve as the major equity partner with Pettigru Partners taking a minor equity stake. The construction will be financed by an interest-only construction loan that will roll into a permanent loan at stabilization. Central Realty will receive a 8% preferred return and remaining cash flow will be split 90%/10% between Central Realty and Pettigru Partners respectively. Upon sale of the asset, proceeds will be split 98%/2% between Central Realty and Pettigru Partners.

Waterfall				
Cash Flow	Pref	Split after Pref	**Sale**	Split
Central Realty	8%	90%	Central Realty	98%
Pettigru Partners	0%	10%	Pettigru Partners	2.0%

Phase 1A: Feed and Seed Market

Phase 1A	Construction Budget: Feed and Seed Market Square Feet: 17,400			Estimated Start Date: 1/1/15
Land Cost	$/Acre		Acres	Cost
Land	220,000		1.67	$ 367,400
Total Land Costs				**$ 367,400**
Hard Costs	$/Unit	Unit	# Units	Cost
Demolition/Abatement:				
Demolish Bldg.	$1.80	SF	7,500	13,500
Parking/Site Work:				
Site Work (Light Grading & Erosion Control)	$12,000	Acre	1.7	20,040
Landscaping	$25,000	Acre	1.7	41,750
Parking	$2,000	Space	70	140,000
Building:				
Rehab Feed and Seed	$200	SF	5,200	1,040,000
New Shell	$70	SF	12,200	854,000
Upfit	$30	SF	17,400	522,000
Total Hard Costs				**$ 2,631,290**
Soft Costs	% of Costs	$/Unit	Unit	Cost
Architect & Engineering	6%			157,877
Bonding	1%			26,313
Permitting/Zoning/Inspection	0.50%	of hard cost		13,156
Appraisal	5,000	/Appraisal		5,000
Phase I & II Environmental	7,000	/Acre		11,690
Taxes				10,505
Insurance	1%			26,313
Contingency	5%			131,565
Total Soft Costs				**$ 382,419**
Total Cost				**$ 3,381,109**
Development Fee	1%			$ 33,811
Total Development and Construction Budget				$ 3,414,920

Phase 1A: Feed and Seed Market

Phase 1A **Pro Forma: Feed and Seed Market** Estimated Open Date: 11/2/15

Square Feet: 17,400

Year	PSF/%	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Gross Potential Income	$17.00		$49,300	$295,800	$303,195	$310,775	$318,544	$326,508	$334,671	$343,037	$351,613	$360,404	$369,414	$378,649
Reimbursable Expenses	40%													
Taxes			$1,334	$8,004	$8,244	$8,491	$8,746	$9,009	$9,279	$9,557	$9,844	$10,139	$10,443	$10,757
Insurance			$174	$1,044	$1,075	$1,108	$1,141	$1,175	$1,210	$1,247	$1,284	$1,323	$1,362	$1,403
Maintenance			$116	$696	$717	$738	$761	$783	$807	$831	$856	$882	$908	$935
Turnover & Vacancy	8%		($4,074)	($24,444)	($25,059)	($25,689)	($26,335)	($26,998)	($27,677)	($28,374)	($29,088)	($29,820)	($30,570)	($31,340)
Effective Gross Income			$46,850	$281,100	$288,173	$295,423	$302,856	$310,477	$318,289	$326,298	$334,509	$342,927	$351,557	$360,405
Operating Expenses														
Leasing & Marketing	2%		$937.00	$5,622.01	$5,791	$5,964	$6,143	$6,328	$6,517	$6,713	$6,914	$7,122	$7,335	$7,556
Management Fee	3%		$1,405.50	$8,433.01	$8,645	$8,863	$9,086	$9,314	$9,549	$9,789	$10,035	$10,288	$10,547	$10,812
Real Estate Taxes	$1.15		$3,335	$20,010	$20,610	$21,229	$21,865	$22,521	$23,197	$23,893	$24,610	$25,348	$26,109	$26,892
Insurance	$0.15		$435	$2,610	$2,688	$2,769	$2,852	$2,938	$3,026	$3,116	$3,210	$3,306	$3,405	$3,508
Maintenance	$0.10		$290	$1,740	$1,792	$1,846	$1,901	$1,958	$2,017	$2,078	$2,140	$2,204	$2,270	$2,338
Total Operating Expenses			($6,403)	($38,415)	($39,527)	($40,671)	($41,848)	($43,059)	($44,306)	($45,589)	($46,909)	($48,268)	($49,666)	($51,105)
Net Operating Income			$40,448	$242,685	$248,646	$254,753	$261,009	$267,418	$273,983	$280,709	$287,600	$294,659	$301,891	$309,299
Replacement Reserves	$0.10		0	($1,740)	($1,792)	($1,846)	($1,901)	($1,958)	($2,017)	($2,078)	($2,140)	($2,204)	($2,270)	
Cash Flow Before Debt Service			$40,448	$240,945	$246,854	$252,907	$259,107	$265,459	$271,966	$278,632	$285,460	$292,455	$299,620	
Debt Service			$59,460	$168,667	$168,667	$168,667	$168,667	$168,667	$168,667	$168,667	$168,667	$168,667	$168,667	
Principal				$57,726	$60,983	$64,423	$68,057	$71,895	$75,951	$80,235	$84,761	$89,542	$94,593	
Interest				$110,941	$107,684	$104,245	$100,611	$96,772	$92,716	$88,432	$83,906	$79,125	$74,074	
DSCR				1.44	1.47	1.51	1.55	1.59	1.62	1.66	1.71	1.75	1.79	
Cash Flow Available for Distribution			-$19,012	$72,278	$78,187	$84,240	$90,440	$96,792	$103,299	$109,965	$116,793	$123,788	$130,953	
Sale of Asset														
Reversion	10.00%												$3,092,991	
Closing Costs	1%												($30,930)	
Balloon Payment													($1,295,133)	
Cash Flow from Sale													$1,766,928	
Total CF			-$19,012	$72,278	$78,187	$84,240	$90,440	$96,792	$103,299	$109,965	$116,793	$123,788	$1,897,882	
Return on Equity			-1.39%	5.27%	5.70%	6.14%	6.59%	7.06%	7.53%	8.02%	8.51%	9.02%	138.37%	

Phase 1A: Feed and Seed Market

Returns		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025

Waterfall

Cash Flow	Pref	Split after Pref
Central Realty	3%	46%
Spinx	3%	46%
Pettigru Partners	0%	8%
		100%

Sale	Split
Central Realty	49.5%
Spinx	49.5%
Pettigru Partners	1.0%
Total	100%

Central Realty

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Equity Contributed		($614,686)										
Preferred Return	3%		$18,441	$18,441	$18,441	$18,441	$18,441	$18,441	$18,441	$18,441	$18,441	$18,441
Split After Pref	46%		$16,283	$19,001	$21,785	$24,637	$27,559	$30,552	$33,618	$36,759	$39,977	$43,273
Split at Sale	49.5%											$874,629
Total Cash Flow		($614,686)	$34,723	$37,441	$40,225	$43,078	$46,000	$48,993	$52,059	$55,200	$58,418	$936,343
Return on Equity	7.52%		5.65%	6.09%	6.54%	7.01%	7.48%	7.97%	8.47%	8.98%	9.50%	152.33%
Internal Rate of Return	10.0%											

Spinx

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Equity Contributed		($614,686)										
Preferred Return	3%		$18,441	$18,441	$18,441	$18,441	$18,441	$18,441	$18,441	$18,441	$18,441	$18,441
Split After Pref	46%		$16,283	$19,001	$21,785	$24,637	$27,559	$30,552	$33,618	$36,759	$39,977	$43,273
Split at Sale	49.5%											$874,629
Total Cash Flow		($614,686)	$34,723	$37,441	$40,225	$43,078	$46,000	$48,993	$52,059	$55,200	$58,418	$936,343
Return on Equity	7.52%		5.65%	6.09%	6.54%	7.01%	7.48%	7.97%	8.47%	8.98%	9.50%	152.33%
Internal Rate of Return	10.0%											

Pettigru Partners

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Equity Contributed		($34,149)										
Preferred Return	0%											
Split After Pref	8%		$2,832	$3,304	$3,789	$4,285	$4,793	$5,313	$5,847	$6,393	$6,953	$7,526
Split at Sale	1%											$17,669
Total Cash Flow		($34,149)	$2,832	$3,304	$3,789	$4,285	$4,793	$5,313	$5,847	$6,393	$6,953	$25,195
Return on Equity	14.16%		8.29%	9.68%	11.09%	12.55%	14.04%	15.56%	17.12%	18.72%	20.36%	73.78%
Internal Rate of Return	10.8%											

Phase 1B: Gateway Plaza

Phase 1B	Construction Budget: Gateway Plaza				Estimated Start Date:	1/1/15
	Square Feet	27,660				
	Office (Spinx)	17,720				
	General Office	18,800				

Land Cost	$/Acre		Acres	Cost
Land	220,000		2.2	$ 484,000
Total Land Costs				**$ 484,000**
Hard Costs	$/Unit	Unit	# Units	Cost
Demolition/Abatement:				
Demolish Bldg.	$1.80	SF	28,160	50,688
Demolition of Parking Lot	$0.50	SF	25,500	12,750
Abatement	$0.75	SF	28,160	21,120
Parking/Site Work:				
On Grade + Landscaping	$2,000	Space	208	416,000
Site Work * includes retaining wall	$155,000	Acre	2.2	341,000
Building:				
Office:				
Shell	$105	SF	17,720	1,860,600
Upfit	$30	SF	17,720	531,600
Mixed Use:				
Shell	$100	SF	46,460	4,646,000
Upfit	$50	SF	46,460	2,323,000
Total Hard Costs				**$10,202,758**
Soft Costs	% of Costs			Cost
Architect & Engineering	6%			612,165
Bonding	1%			102,028
Permitting/Zoning/Inspection	0.5%	of hard cost		51,014
Appraisal	5,000	/Appraisal		5,000
Phase I & II Environmental	7,000	/Acre		15,400
Taxes				31,272
Insurance				10,000
LEED Premium	4%			95,688
Contingency	5%			510,138
Total Soft Costs				**$ 1,432,705**
Total Cost				**$12,119,463**
Development Fee			4%	$ 484,779
Total Development and Construction Budget				$12,604,241

Phase 1B	Pro Forma: Gateway Plaza			Estimated Open Date:	4/1/16
	Square Feet:	Retail	27,660		
		Office (Spinx)	17,720		
		General Office	18,800		

Retail Portion

Year	PSF/%	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Gross Potential Income	$21.91		$605,956	$624,134	$642,858	$662,144	$682,008	$702,469	$723,543	$745,249	$767,606	$790,635	$814,354
Reimbursable Expenses													
Taxes			$24,203	$24,929	$25,676	$26,447	$27,240	$28,057	$28,899	$29,766	$30,659	$31,579	$32,526
Insurance			$2,904	$2,991	$3,081	$3,174	$3,269	$3,367	$3,468	$3,572	$3,679	$3,789	$3,903
Maintenance			$1,936	$1,994	$2,054	$2,116	$2,179	$2,245	$2,312	$2,381	$2,453	$2,526	$2,602
Vacancy & Turnover	5%		($31,750)	($32,702)	($33,684)	($34,694)	($35,735)	($36,807)	($37,911)	($39,048)	($40,220)	($41,426)	($42,669)
Effective Gross Income			$603,249	$621,346	$639,987	$659,186	$678,962	$699,331	$720,311	$741,920	$764,177	$787,103	$810,716
Operating Expenses													
Leasing & Marketing	2%		$12,065	$12,427	$12,800	$13,184	$13,579	$13,987	$14,406	$14,838	$15,284	$15,742	$16,214
Management Fee	3%		$18,097	$18,640	$19,200	$19,776	$20,369	$20,980	$21,609	$22,258	$22,925	$23,613	$24,321
Taxes	$1.25		$34,575	$35,612	$36,681	$37,781	$38,914	$40,082	$41,284	$42,523	$43,799	$45,113	$46,466
Insurance	$0.15		$4,149	$4,273	$4,402	$4,534	$4,670	$4,810	$4,954	$5,103	$5,256	$5,414	$5,576
Maintenance	$0.10		$2,766	$2,849	$2,934	$3,022	$3,113	$3,207	$3,303	$3,402	$3,504	$3,609	$3,717
Total Operating Expenses			($71,652)	($73,802)	($76,016)	($78,297)	($80,645)	($83,065)	($85,557)	($88,123)	($90,767)	($93,490)	($96,295)
Net Operating Income			$531,596	$547,544	$563,970	$580,890	$598,316	$616,266	$634,754	$653,796	$673,410	$693,613	$714,421

Office Portion

Year	PSF/%	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Gross Potential Income													
Spinx Headquarters	$16.50		$292,380	$301,151	$310,186	$319,492	$329,076	$338,949	$349,117	$359,591	$370,378	$381,490	$392,934
General Office	$18.94		$356,000	$366,680	$377,681	$389,011	$400,682	$412,702	$425,083	$437,836	$450,971	$464,500	$478,435
Other Income			$6,000	$6,180	$6,365	$6,556	$6,753	$6,956	$7,164	$7,379	$7,601	$7,829	$8,063
Vacancy & Turnover	10%		($36,200)	($37,286)	($38,405)	($39,557)	($40,743)	($41,966)	($43,225)	($44,521)	($45,857)	($47,233)	($48,650)
Effective Gross Income			$618,180	$636,726	$655,828	$675,502	$695,768	$716,641	$738,140	$760,284	$783,092	$806,585	$830,783
Total Operating Expenses	$5.75		($209,990)	($216,290)	($222,778)	($229,462)	($236,346)	($243,436)	($250,739)	($258,261)	($266,009)	($273,989)	($282,209)
Net Operating Income			$408,190	$420,436	$433,049	$446,041	$459,422	$473,205	$487,401	$502,023	$517,083	$532,596	$548,574

Mixed Use Combined Proforma

Net Operating Income			$939,787	$967,980	$997,020	$1,026,930	$1,057,738	$1,089,470	$1,122,154	$1,155,819	$1,190,494	$1,226,208	$1,262,995
Replacement Reserves	$0.15		($9,627)	($9,916)	($10,213)	($10,520)	($10,835)	($11,160)	($11,495)	($11,840)	($12,195)	($12,561)	
Cash Flow Before Debt Service			$930,160	$958,064	$986,806	$1,016,411	$1,046,903	$1,078,310	$1,110,659	$1,143,979	$1,178,298	$1,213,647	
Debt Service		$234,741	$638,841	$638,841	$638,841	$638,841	$638,841	$638,841	$638,841	$638,841	$638,841	$638,841	
Principal			$241,982	$254,362	$267,376	$281,055	$295,435	$310,550	$326,438	$343,139	$360,695	$379,149	
Interest			$396,859	$384,479	$371,465	$357,786	$343,406	$328,291	$312,403	$295,702	$278,146	$259,692	
DSCR			1.46	1.50	1.54	1.59	1.64	1.69	1.74	1.79	1.84	1.90	
Cash Flow Available for Distribution			$291,319	$319,224	$347,965	$377,570	$408,062	$439,469	$471,818	$505,138	$539,458	$574,807	

Sale of Asset

Reversion	8.50%											$14,858,762	
Closing Costs	1%											($148,588)	
Balloon Payment												($5,019,232)	
Cash Flow from Sale												$9,690,942	
Total CF			$291,319	$319,224	$347,965	$377,570	$408,062	$439,469	$471,818	$505,138	$539,458	$10,265,748	
Return on Equity			6.42%	7.04%	7.67%	8.32%	8.99%	9.69%	10.40%	11.13%	11.89%	226.24%	

Phase 1B: Gateway Plaza

Returns — Waterfall

Cash Flow	Pref	Split after Pref	Sale	Split
Spinx	5%	95%	Spinx	98%
Pettigru Partners	0%	5%	Pettigru Partners	2.0%
		100%	Total	100%

Returns			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Spinx													
Equity Contributed			($4,411,484)										
Preferred Return	5%			$220,574	$220,574	$220,574	$220,574	$220,574	$220,574	$220,574	$220,574	$220,574	$220,574
Split After Pref	95%			$67,207	$93,717	$121,022	$149,146	$178,113	$207,950	$238,682	$270,336	$302,939	$336,521
Spilt at Sale	98%												$9,497,123
Total Cash Flow			($4,411,484)	$287,782	$314,291	$341,596	$369,720	$398,688	$428,524	$459,256	$490,910	$523,513	$10,054,218
Return on Equity		9.10%		6.52%	7.12%	7.74%	8.38%	9.04%	9.71%	10.41%	11.13%	11.87%	227.91%
Internal Rate of Return		14.5%											
Pettigru Partners													
Equity Contributed			($126,042)										
Preferred Return	0%												
Split After Pref	5%			$3,537	$4,932	$6,370	$7,850	$9,374	$10,945	$12,562	$14,228	$15,944	$17,712
Spilt at Sale	2%												$193,818.84
Total Cash Flow			($126,042)	$3,537	$4,932	$6,370	$7,850	$9,374	$10,945	$12,562	$14,228	$15,944	$211,530
Return on Equity		7.56%		2.81%	3.91%	5.05%	6.23%	7.44%	8.68%	9.97%	11.29%	12.65%	167.82%
Internal Rate of Return		10.5%											

Phase 2: East Junction Mixed-Use

Phase 2	Construction Budget: East Junction Mixed Use			Estimated Start Date:	12/1/16
	Retail SF:	17,800			
	Apartment SF:	24,000	Units: 24		

Land Cost		$/Acre		Acres	Cost
Land		220,000		1.68	$ 369,600
Total Land Costs					$ 369,600
Hard Costs		**$/Unit**	**Unit**	**# Units**	**Cost**
Demolition/Abatement:					
Demo Existing Detail Shop		$1.80	SF	2,000	3,600
Abatement		$0.75	SF	2,000	1,500
Parking/Site Work:					
On Grade Parking		$1,600	Space	50	80,000
Site Work	* Site work for whole corner	$12,000	Acre	2.06	24,720
Additional Site work		$1,250,000			1,250,000
Retaining Wall		$35	SF	9,000	315,000
Modular Retaining Wall		$20	SF	2,500	50,000
Building:					
Shell		$100	SF	41,800	4,180,000
Apartment Upfit		$40	SF	24,000	960,000
Retail Upfit		$35	SF	17,800	623,000
Total Hard Costs					$ 7,487,820
Soft Costs		**% of Costs**	**$/Unit**	**Unit**	**Cost**
Architect & Engineering		6%			449,269
Bonding		1%			74,878
Permitting/Zoning/Inspection		0.5%			37,439
Appraisal		5,000	/Appraisal		5,000
Phase I & II Environmental		7,000	/Acre		11,760
Taxes					4,391
Insurance					10,000
Contingency		5%			374,391
Total Soft Costs					$ 592,738
Total Cost					$ 8,450,158
Development Fee				5%	$ 422,508
Total Development and Construction Budget					$ 8,872,665

Phase 2: East Junction Mixed-Use

Phase 2 Pro Forma: East Junction Mixed Use — Estimated Open Date: 1/1/18

Square Feet: 41,800

Retail Portion

Year	PSF/%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Gross Potential Income	$22.57		$401,766	$411,810	$422,105	$432,658	$443,474	$454,561	$465,925	$477,573	$489,512	$501,750	$514,294
Reimbursable Expenses													
Taxes			$11,125	$11,459	$11,803	$12,157	$12,521	$12,897	$13,284	$13,682	$14,093	$14,516	$14,951
Insurance			$1,335	$1,375.05	$1,416	$1,459	$1,503	$1,548	$1,594	$1,642	$1,691	$1,742	$1,794
Maintenance			$890	$917	$944	$973	$1,002	$1,032	$1,063	$1,095	$1,127	$1,161	$1,196
Vacancy	5%		($20,756)	($21,278)	($21,813)	($22,362)	($22,925)	($23,502)	($24,093)	($24,700)	($25,321)	($25,958)	($26,612)
Effective Gross Income			$394,360	$404,282	$414,455	$424,883	$435,575	$446,535	$457,772	$469,292	$481,103	$493,210	$505,623
Operating Expenses													
Taxes	$1.25		$22,250	$22,918	$23,605	$24,313	$25,043	$25,794	$26,568	$27,365	$28,186	$29,031	$29,902
Insurance	$0.15		$2,670	$2,750	$2,833	$2,918	$3,005	$3,095	$3,188	$3,284	$3,382	$3,484	$3,588
Maintenance	$0.10		$1,780	$1,833	$1,888	$1,945	$2,003	$2,064	$2,125	$2,189	$2,255	$2,322	$2,392
Leasing & Marketing	2%		$7,887	$8,124	$8,368	$8,619	$8,877	$9,143	$9,418	$9,700	$9,991	$10,291	$10,600
Management Fee	3%		$11,831	$12,186	$12,551	$12,928	$13,316	$13,715	$14,127	$14,550	$14,987	$15,437	$15,900
Total Operating Expenses			($46,418)	($47,811)	($49,245)	($50,722)	($52,244)	($53,811)	($55,426)	($57,088)	($58,801)	($60,565)	($62,382)
Net Operating Income			$440,778	$452,093	$463,699	$475,605	$487,819	$500,347	$513,198	$526,381	$539,904	$553,775	$568,005

Multifamily Portion

Year	PSF/%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Gross Potential Income	$1,600		$460,800	$472,320	$484,128	$496,231	$508,637	$521,353	$534,387	$547,746	$561,440	$575,476	$589,863
Other Income			$28,800	$29,520	$30,258	$31,014	$31,790	$32,585	$33,399	$34,234	$35,090	$35,967	$36,866
Vacancy	5%		($24,480)	($25,092)	($25,719)	($26,362)	($27,021)	($27,697)	($28,389)	($29,099)	($29,827)	($30,572)	($31,336)
Effective Gross Income			$465,120	$476,748	$488,667	$500,883	$513,405	$526,241	$539,397	$552,882	$566,704	$580,871	$595,393
Operating Expenses	25%		($116,280)	($119,187)	($122,167)	($125,221)	($128,351)	($131,560)	($134,849)	($138,220)	($141,676)	($145,218)	($148,848)
Net Operating Income			$348,840	$357,561	$366,500	$375,663	$385,054	$394,680	$404,547	$414,661	$425,028	$435,653	$446,545

Combined Proforma

Year	PSF/%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Net Operating Income			$789,618	$809,654	$830,200	$851,268	$872,873	$895,027	$917,745	$941,042	$964,931	$989,429	$1,014,550
Replacement Reserves	$0.15		($6,270)	($6,458)	($6,652)	($6,851)	($7,057)	($7,269)	($7,487)	($7,711)	($7,943)	($8,181)	
Cash Flow Before Debt Service			$783,348	$803,196	$823,548	$844,417	$865,816	$887,758	$910,259	$933,330	$956,989	$981,248	
Debt Service		$180,736	$589,382	$589,382	$589,382	$589,382	$589,382	$589,382	$589,382	$589,382	$589,382	$589,382	
Principal			$285,318	$299,915	$315,260	$331,389	$348,343	$366,165	$384,899	$404,591	$425,291	$447,049	
Interest			$304,064	$289,466	$274,122	$257,993	$241,038	$223,216	$204,483	$184,790	$164,091	$142,332	
DSCR			1.34	1.37	1.41	1.44	1.48	1.52	1.56	1.60	1.64	1.68	
Cash Flow Available for Distribution			$193,966	$213,814	$234,166	$255,035	$276,434	$298,377	$320,877	$343,949	$367,607	$391,866	
Sale of Asset													
Reversion	9.00%											$11,272,779	
Closing Costs	1%											($112,728)	
Balloon Payment												($2,602,645)	
Total												$8,557,406	
Total CF			$193,966	$213,814	$234,166	$255,035	$276,434	$298,377	$320,877	$343,949	$367,607	$8,949,272	
Return on Equity			7.29%	8.03%	8.80%	9.58%	10.39%	11.21%	12.05%	12.92%	13.81%	336.21%	

Returns			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Waterfall

Cash Flow	Pref	Split after Pref	Sale	Split
Central Realty	8%	90%	Central Realty	98%
Pettigru Partners	0%	10%	Pettigru Partners	2.0%
		100%	Total	100%

Central Realty			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Equity Contributed			($2,573,073)										
Preferred Return	8%			$193,966	$205,846	$205,846	$205,846	$205,846	$205,846	$205,846	$205,846	$205,846	$205,846
Split After Pref	90%			$0	$7,171	$25,488	$44,270	$63,529	$83,278	$103,528	$124,293	$145,585	$167,418
Spilt at Sale	98%												$8,386,257
Total Cash Flow			($2,573,073)	$193,966	$213,017	$231,334	$250,116	$269,375	$289,124	$309,374	$330,139	$351,431	$8,759,522
Return on Equity		10.53%		7.54%	8.28%	8.99%	9.72%	10.47%	11.24%	12.02%	12.83%	13.66%	340.43%
Internal Rate of Return		19.0%											

Pettigru Partners			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Equity Contributed			($88,727)										
Preferred Return	0%												
Split After Pref	10%			$0	$797	$2,832	$4,919	$7,059	$9,253	$11,503	$13,810	$16,176	$18,602
Spilt at Sale	2%												$171,148
Total Cash Flow			($88,727)	$0	$797	$2,832	$4,919	$7,059	$9,253	$11,503	$13,810	$16,176	$189,750
Return on Equity		8.31%		0.00%	0.90%	3.19%	5.54%	7.96%	10.43%	12.96%	15.56%	18.23%	213.86%
Internal Rate of Return		12.5%											

Phase 3: Laurel Creek Village Residential

Phase 3	Construction Budget: Laurel Creek Village			Estimated Start Date:	1/1/17
	Townhomes:	35	Sq Ft: 1600		
	Single Family Lots:	60			

Land Cost	$/Acre		Acres		Cost
Land	187,000		9.6	$	1,795,200
Total Land Costs				**$**	**1,795,200**

Hard Costs	$/Unit	Unit	# Units		Cost
Demolition/Abatement:					
Demo Existing Apartments	$1.80	SF	22,000		39,600
Abatement	$0.75	SF	22,000		16,500
Remove Existing Paving	$0.50	SF	49,000		24,500
Parking/Site Work:					
Roads	$300	LF	5,000		1,500,000
Site Work	$50,000	Acre	9.60		480,000
Sidewalks (Builder)	$0	LF	-		
Townhomes:	$120	SF			6,720,000
Total Hard Costs				**$**	**8,780,600**

Soft Costs	% of Costs	$/Unit	Unit		Cost
Architect & Engineering	6%				526,836
Bonding	0.5%				43,903
Permitting/Zoning/Inspection	1%				87,806
Appraisal		5,000	/Appraisal		5,000
Phase I & II Environmental		7,000	/Acre		67,200
Taxes					15,263
Insurance					10,000
Contingency	5%				439,030
Total Soft Costs				**$**	**1,195,038**
Total Cost				**$**	**11,770,838**
Development Fee			4%	$	470,834
Total Development and Construction Budget				$	12,241,672

Phase 3: Laurel Creek Village Residential

Quarterly Lot Sales Breakdown

Single Family Lot Sales	Year 1				Year 2				Year 3				Year 4			
Quarter	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Home Value	260,000	265,200	270,504	275,914	281,432	287,061	292,802	298,658	304,631	310,724	316,939	323,277	329,743	336,338	343,064	349,926
Lot % of Home Value	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Lot Price	$ 52,000	$ 53,040	$ 54,101	$ 55,183	$ 56,286	$ 57,412	$ 58,560	$ 59,732	$ 60,926	$ 62,145	$ 63,388	$ 64,655	$ 65,949	$ 67,268	$ 68,613	$ 69,985
Lots Sold	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
Quarterly Revenue	$ 208,000	$ 212,160	$ 216,403	$ 220,731	$ 225,146	$ 229,649	$ 234,242	$ 238,927	$ 243,705	$ 248,579	$ 253,551	$ 258,622	$ 263,794	$ 269,070	$ 274,452	$ -

Year Income From Lot Sales	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
	16	16	16	12	0	0	0	0
	$ 857,294	**$ 927,963**	**$ 1,004,457**	**$ 807,316**	**$ -**	**$ -**	**$ -**	**$ -**

Phase 3: Laurel Creek Village Residential

Phase 3	Pro Forma: Laurel Creek Village		Estimated Open Date:	1/1/18
	Townhomes:	35		
	SF Lots:	60		

Townhomes

Year	PSF/%	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Gross Potential Income			$816,635	$841,134	$866,368	$892,359	$919,130	$946,704	$975,105	$1,004,358	$1,034,489	$1,065,523	$1,097,489
Other Income			$31,500	$32,445	$33,418	$34,421	$35,454	$36,517	$37,613	$38,741	$39,903	$41,100	$42,333
Vacancy	5%		($42,407)	($43,679)	($44,989)	($46,339)	($47,729)	($49,161)	($50,636)	($52,155)	($53,720)	($55,331)	($56,991)
Effective Gross Income (Townhomes)			$805,728	$829,900	$854,797	$880,441	$906,854	$934,060	$962,081	$990,944	$1,020,672	$1,051,292	$1,082,831
Total Operating Expenses	20%		($161,146)	($165,980)	($170,959)	($176,088)	($181,371)	($186,812)	($192,416)	($198,189)	($204,134)	($210,258)	($216,566)
Net Operating Income			$644,582	$663,920	$683,838	$704,353	$725,483	$747,248	$769,665	$792,755	$816,538	$841,034	$866,265

Single Family Homes

Year		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Lots Sold			16	16	16	12	-	-	-	-	-	-	-
Net Income			$857,294	$927,963	$1,004,457	$807,316	$0	$0	$0	$0	$0	$0	$0
Total NOI			$1,501,877	$1,591,883	$1,688,295	$1,511,669	$725,483	$747,248	$769,665	$792,755	$816,538	$841,034	
Replacement Reserves	$250 /unit		($8,750)	($9,013)	($9,283)	($9,561)	($9,848)	($10,144)	($10,448)	($10,761)	($11,084)	($11,417)	
Cash Flow Before Debt Service			$1,493,127	$1,582,871	$1,679,012	$1,502,107	$715,635	$737,104	$759,217	$781,994	$805,454	$829,617	
Debt Service		$249,363	$678,633	$678,633	$678,633	$678,633	$678,633	$678,633	$678,633	$678,633	$678,633	$678,633	
Principal			$255,988	$269,085	$282,851	$297,323	$312,534	$328,524	$345,332	$363,000	$381,572	$401,094	
Interest			$422,645	$409,548	$395,781	$381,310	$366,098	$350,109	$333,301	$315,633	$297,061	$277,539	
DSCR			2.20	2.33	2.47	2.21	1.05	1.09	1.12	1.15	1.19	1.22	
Cash Flow Available for Distribution			$814,494	$904,238	$1,000,379	$823,475	$37,002	$58,471	$80,584	$103,361	$126,821	$150,984	

Sale of Asset												
Reversion	9.00%											$9,625,166
Closing Costs	1%											($96,252)
Balloon Payment												($5,331,868)
Cash Flow from Sale												$4,197,046
Total CF			$814,494	$904,238	$1,000,379	$823,475	$37,002	$58,471	$80,584	$103,361	$126,821	$4,348,031
Return on Equity			22.18%	24.62%	27.24%	22.42%	1.01%	1.59%	2.19%	2.81%	3.45%	118.39%

Returns			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027

Waterfall

Cash Flow	Pref	Split after Pref	Sale	Split
Central Realty	8%	95%	Central Realty	98%
Pettigru Partners	0%	5%	Pettigru Partners	2.0%
		100%	Total	100%

Central Realty			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Equity Contributed			($3,550,085)										
Preferred Return	8%			$284,007	$284,007	$284,007	$284,007	$37,002	$58,471	$80,584	$103,361	$126,821	$150,984
Split After Pref	95%			$503,963	$589,219	$680,554	$512,494	$0	$0	$0	$0	$0	$0
Split at Sale	98%												$4,113,105
Total Cash Flow			($3,550,085)	$787,970	$873,226	$964,560	$796,501	$37,002	$58,471	$80,584	$103,361	$126,821	$4,264,090
Return on Equity		11.98%		22.20%	24.60%	27.17%	22.44%	1.04%	1.65%	2.27%	2.91%	3.57%	120.11%
Internal Rate of Return		15.6%											

Pettigru Partners			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Equity Contributed			($122,417)										
Preferred Return	0%												
Split After Pref	5%			$26,524	$31,012	$35,819	$26,973	$0	$0	$0	$0	$0	$0
Split at Sale	2%												$83,941
Total Cash Flow			($122,417)	$26,524	$31,012	$35,819	$26,973	$0	$0	$0	$0	$0	$83,941
Return on Equity		10.92%		21.67%	25.33%	29.26%	22.03%	0.00%	0.00%	0.00%	0.00%	0.00%	68.57%
Internal Rate of Return		11.0%											

Phase 4A: Spinx Convenience Store

Phase 4A	Construction Budget: Spinx Convenience Store			Estimated Start Date: 1/1/20
	Square Feet: 8,000			
Land Cost	$/Acre		Acres	Cost
Land	220,000		1.6	$ 352,000
Total Land Costs				**$ 352,000**
Hard Costs	$/Unit	Unit	# Units	Cost
Demolition:				
Demolish Existing Bldg	$1.80	SF	6,000	10,800
Demolition of Parking Lot	$0.50	SF	67,500	33,750
Parking/Site Work:				
On Grade + Landscaping	$1,800	Space	10	18,000
Site Work	$12,000	Acre	1.60	19,200
UST Relocation				250,000
Building:				
Shell	$75	SF	8,000	600,000
Upfit	$30	SF	8,000	240,000
Car Wash	$30	SF	2,800	84,000
Pumps	$50	SF	8,000	400,000
Total Hard Costs				**$1,655,750**
Soft Costs	% of Costs			Cost
Architect & Engineering	3%			49,673
Bonding	0%			-
Permitting/Zoning/Inspection	0.20%			3,312
Appraisal	5,000	/Appraisal		5,000
Phase I & II Environmental	7,000	/Acre		7,000
Taxes				19,133
Insurance				
Contingency	2%			33,115
Total Soft Costs				**$ 117,232**
Total Cost				**$2,124,982**
Development Fee			0%	$ -
Total Development and Construction Budget				$2,124,982

Phase 4B: Gateway Plaza Expansion

Phase 4B	Construction Budget: Gateway Plaza Expansion Square Feet: 10,300			Estimated Start Date: 8/24/19
Land Cost	$/Acre		Acres	Cost
Land	220,000		1.04	$ 228,800
Total Land Costs				**$ 228,800**
Hard Costs	$/Unit	Unit	# Units	Cost
Demolition:				
Demolition Existing Bldg	$1.80	SF	1,000	1,800
Parking/Site Work:				
On Grade + Landscaping	$2,000	Space	49	98,000
Site Work	$100,000	Acre	1.04	104,000
Modular Retaining Wall	$20	SF	1,000	20,000
Building:				
Shell	$75	SF	10,300	772,500
Upfit	$40	SF	10,300	412,000
Total Hard Costs				**$ 1,408,300**
Soft Costs	% of Costs			Cost
Architect & Engineering	6%			84,498
Bonding	1.0%			14,083
Permitting/Zoning/Inspection	0.5%			7,042
Appraisal	5,000	/Appraisal		5,000
Phase I & II Environmental	7,000	/Acre		7,280
Taxes				7,800
Insurance				10,000
Contingency	5%			70,415
Total Soft Costs				**$ 206,118**
Total Cost				**$ 1,843,218**
Development Fee			4%	$ 73,729
Total Development and Construction Budget				$ 1,916,946

Phase 4B: Gateway Plaza Expansion

Phase 4B	Pro Forma: Gateway Plaza Expansion										Esitmated Open Date:	6/1/20	
	Square Feet: 10,300												
Year	PSF/%	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Gross Potential Income	$23.02		$237,155	$243,084	$249,161	$255,390	$261,775	$268,319	$275,027	$281,903	$288,951	$296,174	$303,579
Reimbursable Expenses													
Taxes			$6,180	$6,365	$6,556	$6,753	$6,956	$7,164	$7,379	$7,601	$7,829	$8,063	$8,305
Insurance			$927	$955	$983	$1,013	$1,043	$1,075	$1,107	$1,140	$1,174	$1,210	$1,246
Maintenance			$618	$637	$656	$675.31	$696	$716	$738	$760	$783	$806	$831
Vacancy	5%		($12,244)	($12,552)	($12,868)	($13,192)	($13,523)	($13,864)	($14,213)	($14,570)	($14,937)	($15,313)	($15,698)
Effective Gross Income			$232,636	$238,489	$244,489	$250,640	$256,946	$263,411	$270,039	$276,834	$283,800	$290,941	$298,263
Operating Expenses													
Leasing & Marketing	2%		$4,653	$4,792	$4,936	$5,084	$5,237	$5,394	$5,556	$5,722	$5,894	$6,071	$6,253
Management Fee	3%		$6,979	$7,155	$7,335	$7,519	$7,708	$7,902	$8,101	$8,305	$8,514	$8,728	$8,948
Real Estate Taxes	$1.00		$10,300	$10,609	$10,927	$11,255	$11,593	$11,941	$12,299	$12,668	$13,048	$13,439	$13,842
Insurance	$0.15		$1,545	$1,591	$1,639	$1,688	$1,739	$1,791	$1,845	$1,900	$1,957	$2,016	$2,076
Maintenance	$0.10		$1,030	$1,061	$1,093	$1,126	$1,159	$1,194	$1,230	$1,267	$1,305	$1,344	$1,384
Total Operating Expenses			($24,507)	($25,208)	($25,930)	($26,672)	($27,436)	($28,222)	($29,030)	($29,862)	($30,718)	($31,598)	($32,504)
Net Operating Income			$208,129	$213,281	$218,559	$223,968	$229,510	$235,189	$241,009	$246,972	$253,082	$259,343	$265,759
Replacement Reserves	$0.10		($1,030)	($1,061)	($1,093)	($1,126)	($1,159)	($1,194)	($1,230)	($1,267)	($1,305)	($1,344)	
Cash Flow Before Debt Service			$207,099	$212,220	$217,466	$222,842	$228,351	$233,995	$239,779	$245,705	$251,777	$257,999	
Debt Service		$39,048	$101,871	$101,871	$101,871	$101,871	$101,871	$101,871	$101,871	$101,871	$101,871	$101,871	
Principal			$42,354	$44,300	$46,335	$48,464	$50,690	$53,019	$55,454	$58,002	$60,666	$63,453	
Interest			$59,517	$57,572	$55,536	$53,408	$51,181	$48,853	$46,417	$43,870	$41,205	$38,418	
DSCR			2.04	2.09	2.15	2.20	2.25	2.31	2.37	2.42	2.48	2.55	
Cash Flow Available for Distribution			$105,228	$110,348	$115,595	$120,971	$126,479	$132,124	$137,907	$143,834	$149,906	$156,128	
Sale of Asset													
Reversion	9.50%											$2,797,461	
Closing Costs	1%											($27,975)	
Balloon Payment												($819,125)	
Cash Flow from Sale												$1,950,362	
Total CF			$105,228	$110,348	$115,595	$120,971	$126,479	$132,124	$137,907	$143,834	$149,906	$2,106,489	
Return on Equity			18.3%	19.2%	20.1%	21.0%	22.0%	23.0%	24.0%	25.0%	26.1%	366.3%	

Phase 4B: Gateway Plaza Expansion

Waterfall

Cash Flow	Pref	Split after Pref	Sale	Split
Spinx	8%	95%	Spinx	99%
Pettigru Partners	0%	5%	Pettigru Partners	1.0%
		100%	Total	100%

Returns			2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Spinx													
Equity Contributed			($555,914)										
Preferred Return	8%			$44,473	$44,473	$44,473	$44,473	$44,473	$44,473	$44,473	$44,473	$44,473	$44,473
Split After Pref	95%			$57,717	$62,581	$67,566	$72,673	$77,906	$83,268	$88,763	$94,392	$100,161	$106,072
Spilt at Sale	99%												$1,930,857.93
Total Cash Flow			($555,914)	$102,190	$107,055	$112,039	$117,146	$122,379	$127,741	$133,236	$138,866	$144,634	$2,081,403
Return on Equity		22.09%		18.38%	19.26%	20.15%	21.07%	22.01%	22.98%	23.97%	24.98%	26.02%	374.41%
Internal Rate of Return		27.4%											
Pettigru Partners													
Equity Contributed			($19,169)										
Preferred Return	0%												
Split After Pref	5%			$3,038	$3,294	$3,556	$3,825	$4,100	$4,383	$4,672	$4,968	$5,272	$5,583
Spilt at Sale	1%												$19,503.62
Total Cash Flow			($19,169)	$3,038	$3,294	$3,556	$3,825	$4,100	$4,383	$4,672	$4,968	$5,272	$25,086
Return on Equity		21.51%		15.85%	17.18%	18.55%	19.95%	21.39%	22.86%	24.37%	25.92%	27.50%	130.87%
Internal Rate of Return		20.2%											

Phase 5: East Junction Office

Phase 5	Construction Budget: East Junction Court			Estimated Start Date:	8/3/20
	Office:	12,000			
	Retail:	6,000			

Land Cost	$/Acre		Acres	Cost
Land	220,000		0.38	$ 83,600
Total Land Costs				**$ 83,600**
Hard Costs	$/Unit	Unit	# Units	Cost
Parking/Site Work:				
On Grade + Landscaping	$2,000	Space	50	100,000
Site Work		*included in phase 2		-
Mixed Use				
Shell	$105	SF	18,000	1,890,000
Upfit	$40	SF	18,000	720,000
Total Hard Costs				**$ 2,710,000**
Soft Costs	% of Costs			Cost
Architect & Engineering	6%			162,600
Bonding	1%			27,100
Permitting/Zoning/Inspection	1%			13,550
Appraisal	5,000	/Appraisal		5,000
Phase I & II Environmental	7,000	/Acre		-
Taxes				3,000
Insurance				10,000
LEED Premium	4%			104,400
Contingency	5%			135,500
Total Soft Costs				**$ 461,150**
Total Cost				**$ 3,254,750**
Development Fee			4%	$ 130,190
Total Development and Construction Budget				$ 3,384,940

Phase 5: East Junction Office

Phase 5	Pro Forma: East Junction Court		Estimated Open Date	6/1/21
	Office:	12,000		
	Retail:	6,000		

Retail Portion

Year	PSF/%	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Gross Potential Income	$23.02		$138,149	$141,602	$145,142	$148,771	$152,490	$156,303	$160,210	$164,215	$168,321	$172,529	$176,842
Reimbursable Expenses													
Taxes			$4,500	$4,635	$4,774	$4,917	$5,065	$5,217	$5,373	$5,534	$5,700	$5,871	$6,048
Insurance			$540	$556	$573	$590	$608	$626	$644.79	$664	$684	$705	$726
Maintenance			$360	$371	$382	$393	$405	$417	$430	$443	$456	$470	$484
Vacancy & Turnover	5%		($7,177)	($7,358)	($7,544)	($7,734)	($7,928)	($8,128)	($8,333)	($8,543)	($8,758)	($8,979)	($9,205)
Effective Gross Income			$136,371	$139,806	$143,328	$146,938	$150,640	$154,435	$158,325	$162,314	$166,403	$170,596	$174,894
Operating Expenses													
Leasing & Marketing	2%		$2,727	$2,809	$2,894	$2,980	$3,070	$3,162	$3,257	$3,354	$3,455	$3,559	$3,665
Management Fee	3%		$4,091	$4,214	$4,340	$4,470	$4,605	$4,743	$4,885	$5,032	$5,183	$5,338	$5,498
Taxes	$1.25		$7,500	$7,725	$7,957	$8,195	$8,441	$8,695	$8,955	$9,224	$9,501	$9,786	$10,079
Insurance	$0.15		$900	$927	$955	$983	$1,013	$1,043	$1,075	$1,107	$1,140	$1,174	$1,210
Maintenance	$0.10		$600	$618	$637	$656	$675	$696	$716	$738	$760	$783	$806
Total Operating Expenses			($15,819)	($16,293)	($16,782)	($17,285)	($17,804)	($18,338)	($18,888)	($19,455)	($20,038)	($20,640)	($21,259)
Net Operating Income			$120,553	$123,513	$126,546	$129,653	$132,836	$136,096	$139,437	$142,859	$146,365	$149,956	$153,635

Office Portion

Year	PSF/%	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Gross Potential Income	$20.91		$250,885	$257,157	$263,586	$270,176	$276,930	$283,853	$290,950	$298,224	$305,679	$313,321	$321,154
Other Income			$1,800	$1,845	$1,891	$1,938	$1,987	$2,037	$2,087	$2,140	$2,193	$2,248	$2,304
Vacancy	10%		($25,269)	($25,900)	($26,548)	($27,211)	($27,892)	($28,589)	($29,304)	($30,036)	($30,787)	($31,557)	($32,346)
Effective Gross Income			$227,417	$233,102	$238,930	$244,903	$251,025	$257,301	$263,734	$270,327	$277,085	$284,012	$291,112
Operating Expenses	$5.75		($34,500)	($35,535)	($36,601)	($37,699)	($38,830)	($39,995)	($41,195)	($42,431)	($43,704)	($45,015)	($46,365)
Net Operating Income			$192,917	$197,567	$202,328	$207,204	$212,195	$217,306	$222,539	$227,896	$233,381	$238,997	$244,747

Combined Proforma

Year	PSF/%	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Combined NOI			$313,469	$321,080	$328,874	$336,856	$345,031	$353,402	$361,976	$370,755	$379,746	$388,954	$398,383
Replacement Reserves	$0.10		($1,800)	($1,854)	($1,910)	($1,967)	($2,026)	($2,087)	($2,149)	($2,214)	($2,280)	($2,349)	
Cash Flow Before Debt Service			$311,669	$319,226	$326,965	$334,890	$343,005	$351,316	$359,826	$368,541	$377,466	$386,605	
Debt Service		$68,951	$179,884	$179,884	$179,884	$179,884	$179,884	$179,884	$179,884	$179,884	$179,884	$179,884	
Principal			$74,789	$78,225	$81,818	$85,577	$89,508	$93,620	$97,921	$102,420	$107,125	$112,046	
Interest			$105,096	$101,660	$98,066	$94,307	$90,376	$86,264	$81,963	$77,465	$72,760	$67,838	
DSCR			1.73	1.77	1.82	1.86	1.91	1.95	2.00	2.05	2.10	2.15	
Cash Flow Available for Distribution			$131,785	$139,342	$147,080	$155,005	$163,121	$171,431	$179,942	$188,657	$197,582	$206,721	
Sale of Asset													
Reversion	7.75%											$5,140,422	
Closing Costs	1%											($51,404)	
Balloon Payment												($1,446,410)	
Cash Flow from Sale												$3,642,608	
Total CF			$131,785	$139,342	$147,080	$155,005	$163,121	$171,431	$179,942	$188,657	$197,582	$3,849,329	
Return on Equity			12.98%	13.72%	14.48%	15.26%	16.06%	16.88%	17.72%	18.58%	19.46%	379.06%	

Returns			2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Waterfall													
Cash Flow	Pref	Split after Pref		**Sale**		Split							
Central Realty	8%	90%		Central Realty		97%							
Pettigru Partners	0%	10%		Pettigru Partners		3.0%							
		100%		Total		100%							
Central Realty													
Equity Contributed			($981,633)										
Preferred Return	8%			$78,531	$78,531	$78,531	$78,531	$78,531	$78,531	$78,531	$78,531	$78,531	$78,531
Split After Pref	90%			$47,929	$54,730	$61,695	$68,827	$76,131	$83,611	$91,270	$99,114	$107,146	$115,371
Spilt at Sale	97%												$3,533,330
Total Cash Flow			($981,633)	$126,459	$133,261	$140,225	$147,358	$154,662	$162,141	$169,801	$177,644	$185,677	$3,727,231
Return on Equity		15.82%		12.88%	13.58%	14.28%	15.01%	15.76%	16.52%	17.30%	18.10%	18.92%	379.70%
Internal Rate of Return		23.4%											
Pettigru Partners													
Equity Contributed			($33,849)										
Preferred Return	0%												
Split After Pref	10%			$5,325	$6,081	$6,855	$7,647	$8,459	$9,290	$10,141	$11,013	$11,905	$12,819
Spilt at Sale	3%												$109,278
Total Cash Flow			($33,849)	$5,325	$6,081	$6,855	$7,647	$8,459	$9,290	$10,141	$11,013	$11,905	$122,097
Return on Equity		25.18%		15.73%	17.97%	20.25%	22.59%	24.99%	27.45%	29.96%	32.53%	35.17%	360.71%
Internal Rate of Return		27.8%											

Phase 6	Construction Budget: Laurel Creek Apartments			Estimated Start Date: 3/1/21
	Square Feet: 76,800 Units: 70			
Land Cost	$/Acre		Acres	Cost
Land	127,000		3.3	$ 419,100
Total Land Costs				**$ 419,100**
Hard Costs	$/Unit	Unit	# Units	Cost
Demolition:				
Bldg. Demo	$ 1.80	SF	4,275	$ 7,695
Abatement Allowance				$ 500,000
Parking/Site Work:				
On Grade + Landscaping	$2,000	Space	79	158,000
Site Work	$155,000	/Acre	3	511,500
Landscaping	$25,000	/Acre	3	82,500
Multifamily:				
Shell	$85	SF	76,800	6,528,000
Total Hard Costs				**$ 7,787,695**
Soft Costs	% of Costs			Cost
Architect & Engineering	6%			467,262
Bonding	1%			77,877
Permitting/Zoning/Inspection	1%			38,938
Appraisal	5,000	/Appraisal		5,000
Phase I & II Environmental	7,000	/Acre		23,100
Taxes				8,588
Insurance				10,000
Contingency	5%			389,385
Total Soft Costs				**$ 1,020,150**
Total Cost				**$ 9,226,945**
Development Fee			4%	$ 369,078
Total Development and Construction Budget				$ 9,596,023

Phase 6

Pro Forma: Laurel Creek Apartments

Square Feet: 76,800

Estimated Open Date: 10/1/22

Year	PSF/%	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Gross Potential Income	$1,326		$1,113,598	$1,141,438	$1,169,974	$1,199,224	$1,229,204	$1,259,934	$1,291,433	$1,323,718	$1,356,811	$1,390,732	$1,425,500
Other Income			$42,000	$43,050	$44,126	$45,229	$46,360	$47,519	$48,707	$49,925	$51,173	$52,452	$53,764
Vacancy			($53,580)	($54,919)	($56,292)	($57,700)	($59,142)	($60,621)	($62,136)	($63,690)	($65,282)	($66,914)	($68,587)
Effective Gross Income			$1,102,018	$1,129,569	$1,157,808	$1,186,753	$1,216,422	$1,246,833	$1,278,003	$1,309,954	$1,342,702	$1,376,270	$1,410,677
Operating Expenses	28%		($308,565)	($317,822)	($327,357)	($337,177)	($347,293)	($357,712)	($368,443)	($379,496)	($390,881)	($402,608)	($414,686)
Net Operating Income			$793,453	$811,747	$830,451	$849,576	$869,129	$889,121	$909,561	$930,457	$951,821	$973,662	$995,991
Replacement Reserves	$0.15		($11,520)	($11,866)	($12,222)	($12,588)	($12,966)	($13,355)	($13,755)	($14,168)	($14,593)	($15,031)	
Cash Flow Before Debt Service			$781,933	$799,881	$818,230	$836,988	$856,163	$875,766	$895,805	$916,289	$937,228	$958,631	
Debt Service		$195,471	$503,454	$503,454	$503,454	$503,454	$503,454	$503,454	$503,454	$503,454	$503,454	$503,454	
Principal			$215,518	$225,082	$235,071	$245,503	$256,398	$267,776	$279,659	$292,070	$305,031	$318,568	
Interest			$287,936	$278,371	$268,383	$257,951	$247,056	$235,678	$223,794	$211,384	$198,422	$184,886	
DSCR			1.58	1.61	1.65	1.69	1.73	1.77	1.81	1.85	1.89	1.93	
Cash Flow Available for Distribution			$278,480	$296,428	$314,776	$333,534	$352,710	$372,313	$392,351	$412,836	$433,774	$455,178	
Sale of Asset													
Reversion	8.00%											$12,449,887	
Closing Costs	1%											($124,499)	
Balloon Payment												($4,076,540)	
Total												$8,248,848	
Total CF			$278,480	$296,428	$314,776	$333,534	$352,710	$372,313	$392,351	$412,836	$433,774	$8,704,026	
Return on Equity			9.67%	10.30%	10.93%	11.59%	12.25%	12.93%	13.63%	14.34%	15.07%	302.35%	

Returns			2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030

Waterfall

Cash Flow	Pref	Split after Pref	Sale	Split
Central Realty	8%	90%	Central Realty	98%
Pettigru Partners	0%	10%	Pettigru Partners	2.0%
		100%	Total	100%

Central Realty			2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Equity Contributed			($2,782,847)										
Preferred Return	8%			$222,628	$222,628	$222,628	$222,628	$222,628	$222,628	$222,628	$222,628	$222,628	$222,628
Split After Pref	90%			$50,267	$66,420	$82,934	$99,816	$117,074	$134,716	$152,751	$171,187	$190,032	$209,295
Split at Sale	98%												$8,083,871
Total Cash Flow			($2,782,847)	$272,894	$289,048	$305,561	$322,443	$339,702	$357,344	$375,379	$393,815	$412,660	$8,515,794
Return on Equity		26.39%		9.81%	10.39%	10.98%	11.59%	12.21%	12.84%	13.49%	14.15%	14.83%	306.01%
Internal Rate of Return		19.3%											

Pettigru Partners			2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Equity Contributed			($95,960)										
Preferred Return	0%												
Split After Pref	10%			$5,585	$7,380	$9,215	$11,091	$13,008	$14,968	$16,972	$19,021	$21,115	$23,255
Split at Sale	2%												$164,976.96
Total Cash Flow			($95,960)	$5,585	$7,380	$9,215	$11,091	$13,008	$14,968	$16,972	$19,021	$21,115	$188,232
Return on Equity		59.26%		5.82%	7.69%	9.60%	11.56%	13.56%	15.60%	17.69%	19.82%	22.00%	196.16%
Internal Rate of Return		15.8%											

East Junction