

THE STATE OF SOUTH CAROLINA
In The Supreme Court

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APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

S.C. Supreme Court

John Hamilton Smith, Special Referee

Case No. 2010-CP-40-8943R
Appellate Case No. 2013-001067

Columbia Venture, LLC,

Appellant,

v.

Richland County,

Respondent.

**REVISED RECORD ON APPEAL
VOLUME 10 OF 13
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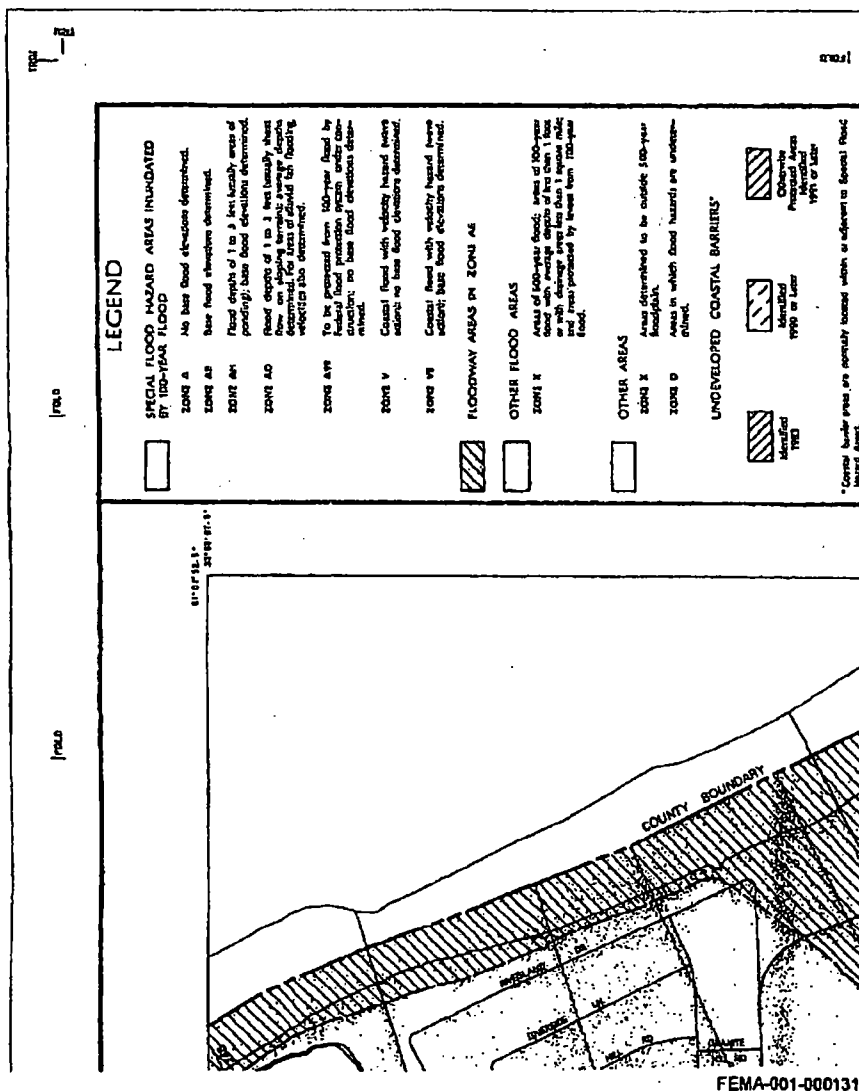
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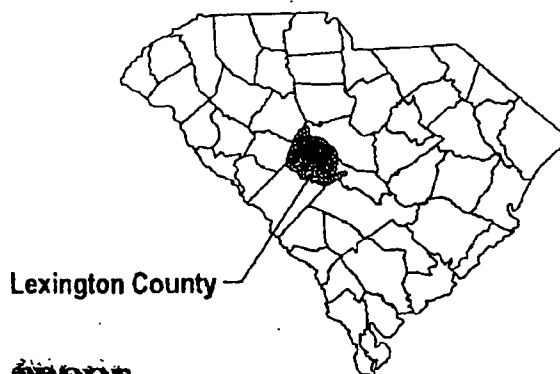
FLOOD INSURANCE STUDY

VOLUME 1 OF 2



LEXINGTON COUNTY, SOUTH CAROLINA AND INCORPORATED AREAS

COMMUNITY NAME	COMMUNITY NUMBER
BATESBURG LEESVILLE, TOWN OF	450130
CAYCE, CITY OF	450131
COLUMBIA, CITY OF	450172
GILBERT, TOWN OF	450132
IRMO, TOWN OF	450133
LEXINGTON, TOWN OF	450134
LEXINGTON COUNTY (UNINCORPORATED AREAS)	450129
PELION, TOWN OF	450135
PINE RIDGE, TOWN OF	450136
SOUTH CONGAREE, TOWN OF	450137
SPRINGDALE, TOWN OF	450138
SWANSEA, TOWN OF	450139
WEST COLUMBIA, CITY OF	450140



PRDOP

AUG 20 2001

REVISED:



Federal Emergency Management Agency

FEMA-001-000001

PLTF TRIAL EXH 379

NOTICE TO
FLOOD INSURANCE STUDY USERS

Communities participating in the National Flood Insurance Program have established repositories of flood hazard data for floodplain management and flood insurance purposes. This Flood Insurance Study (FIS) may not contain all data available within the repository. It is advisable to contact the community repository for any additional data.

Part or all of this FIS may be revised and republished at any time. In addition, part of this FIS may be revised by the Letter of Map Revision process, which does not involve republication or redistribution of the FIS. It is, therefore, the responsibility of the user to consult with community officials and to check the community repository to obtain the most current FIS components.

Initial Countywide FIS Effective Date: July 17, 1995

Revised Countywide FIS Dates: February 9, 2000

This preliminary FIS report does not include unrevised Floodway Data Tables or unrevised Flood Profiles. These Floodway Data Tables and Flood Profiles will appear in the final FIS report.

FEMA-001-000002

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Exhibit 2 - Flood Insurance Rate Map Index
Flood Insurance Rate Map

There is no information available on past flood history for Six Mile Creek and its tributaries in Springdale. Since the drainage areas are small and there is a considerable amount of urban development in the basin, it is reasonable to assume that floods can occur at any time during the year from local thunderstorms. Following intense rainfall over the basin, floods will rise and fall swiftly.

There is very little historic flood data available on Twelve Mile Creek. Interviews with local residents indicated that the dams forming Gibson Pond and Lexington Mill Pond failed during a flood in April 1936. There was no development in the reach between the ponds, but a store and several cabins located below Lexington Mill Pond were washed away. Both dams were reconstructed and no failures have occurred for the past 40 years. Reconstruction of Lexington Mill Pond Dam included a manually operated emergency spillway, a feature which the original structure did not have. These gates can be opened to lower the pond when flood warnings are received. Stage-discharge data on other streams in the study area were not available.

2.4 Flood Protection Measures

Floods in Lexington County may be affected by operation of two large reservoirs on the Saluda River. Lake Greenwood, which was formed by Buzzards Roost Dam and completed in 1940, is operated by Duke Power Company. Lake Greenwood, located at River Mile 60, has a surface area of approximately 11,400 acres at maximum power pool. Saluda Dam, completed in 1930 by South Carolina Electric and Gas Company, forms Lake Murray, located approximately 12 miles above the mouth of the Saluda River. It has a surface area of approximately 51,000 acres at maximum power pool.

Both reservoirs are operated for hydroelectric power generation and are subject to regulations prescribed by the Federal Energy Regulatory Commission (FERC). When inflow during major floods requires temporary storage above maximum operating pool levels, releases are made through spillway gates to augment discharges through power turbines in order to lower the reservoirs to required maximum pool levels as soon as possible. Both of these dams are operated to produce hydroelectric power, and any flood control that occurs as a result of the operation is coincidental.

A levee exists along the east bank of the Congaree River. The criteria used to evaluate protection against the 100-year flood are 1) adequate design, including freeboard, 2) structural stability, and 3) proper operation and maintenance.

FEMA specifies that all levees must meet the criteria of NFIP regulations Section 65.10 to be considered a safe flood protection structure. It has been determined that the levee along the Congaree River does not meet these requirements. Therefore, the levee cannot be certified as providing protection against the 100-year flood.

Non-structural measures of flood protection have been implemented by Lexington County to aid in the prevention of future flood damage. These are in the form of subdivision regulations which control construction within flood hazard areas (Reference 7).

3.0 ENGINEERING METHODS

For the flooding sources studied in detail in the county, standard hydrologic and hydraulic study methods were used to determine the flood hazard data required for this study. Flood events of a magnitude which are expected to be equaled or exceeded once on the average during any 10-, 50-, 100-, or 500-year period (recurrence interval) have been selected as having special significance for floodplain management and for flood insurance rates. These events, commonly termed the 10-, 50-, 100-, and 500-year floods, have a 10-, 2-, 1-, and 0.2-percent chance, respectively, of being equaled or exceeded during any year. Although the recurrence interval represents the long term average period between floods of a specific magnitude, rare floods could occur at short intervals or even within the same year. The risk of experiencing a rare flood increases when periods greater than 1 year are considered. For example, the risk of having a flood which equals or exceeds the 100-year flood (1-percent chance of annual exceedence) in any 50-year period is approximately 40 percent (4 in 10), and, for any 90-year period, the risk increases to approximately 60 percent (6 in 10). The analyses reported herein reflect flooding potentials based on conditions existing in the community at the time of completion of this study. Maps and flood elevations will be amended periodically to reflect future changes.

3.1 Hydrologic Analyses

Hydrologic analyses were carried out to establish the peak discharge-frequency and peak elevation-frequency relationships for each flooding source studied in detail affecting the county.

Precountywide Analyses

Each community within Lexington County, except for the Towns of Batesburg Leesville, Gilbert, Pelion, and Swansea has a previously printed FIS report. The hydrologic analyses described in those reports has been compiled and is summarized below.

Several methods of computation were used to compute peak discharges due to variations in drainage area size, type of development within the watersheds, and availability of stream gage data for the streams selected for detailed study.

Discharge-frequency relationships for the Congaree Saluda River were derived using the log-Pearson Type III method based on stream gage records collected at USGS stream gaging stations (References 8 and 9).

Eighty-six years of records have been collected on the Congaree River at the City of Columbia since 1891 and fifty-two years of records have been collected on

TABLE 4 - SUMMARY OF DISCHARGES - continued

FLOODING SOURCE AND LOCATION	DRAINAGE AREA (sq. miles)	PEAK DISCHARGES (cfs)			
		10-YEAR	50-YEAR	100-YEAR	500-YEAR
YOST CREEK					
At mouth	1.21	533	775	886	1,104
At a point approximately 1,300 feet upstream of Coldstream Drive	0.75	467	683	783	975
At a point approximately 115 feet downstream of Lincreek Drive	0.38	427	636	732	894

3.2 Hydraulic Analyses

Analyses of the hydraulic characteristics of flooding from the source studied were carried out to provide estimates of the elevations of floods of the selected recurrence intervals. Users should be aware that flood elevations shown on the FIRM represent rounded whole-foot elevations and may not exactly reflect the elevations shown on the Flood Profiles or in the Floodway Data tables in the FIS report. For construction and/or floodplain management purposes, users are encouraged to use the flood elevation data presented in this FIS in conjunction with the data shown on the FIRM.

Locations of selected cross sections used in the hydraulic analyses are shown on the Flood Profiles (Exhibit 1). For stream segments for which a floodway was computed (Section 4.2), selected cross-section locations are also shown on the FIRM (Exhibit 2).

Flood profiles were drawn showing computed water-surface elevations for floods of the selected recurrence intervals.

The hydraulic analyses for this study were based on unobstructed flow. The flood elevations shown on the profiles are thus considered valid only if hydraulic structures, such as Gibson Pond Dam, Lexington Mill Pond Dam, and Corley Mill Dam, remain unobstructed, operate properly, and do not fail.

All elevations are referenced to the National Geodetic Vertical Datum of 1929 (NGVD 29). Elevation reference marks (ERMs) used in this study are shown on the FIRM; the descriptions of the marks are presented in Elevation Reference Marks (Exhibit 3). ERMs shown on the FIRM represent those used during the preparation of this and previous FISs. The elevations associated with each ERM were obtained and/or developed during FIS production to establish vertical control for determination of flood elevations and floodplain boundaries shown on the FIRM. Users should be aware that these ERM elevations may have changed since the publication of this FIS. To obtain up-to-date elevation information on National Geodetic Survey (NGS) ERMs shown on this map, please contact the Information Services Branch of the NGS at (301) 713-3242, or visit their website

scale of 1"=200' with a contour interval of 5 feet (Reference 28). Updated information was obtained from orthophoto/topographic maps, dated March 1989, at a scale of 1"=200', with a 2-foot contour interval. Bridges, dams, and culverts were field checked to obtain elevation data and structural geometry.

Additional cross sections for Stoop Creek were determined using information obtained from topographic maps at a scale of 1"=200', with a contour interval of 5 feet (Reference 21).

Water-surface elevations of floods of the selected recurrence intervals were computed using the USACE HEC-2 step-backwater computer program (Reference 29). Starting water-surface elevations for each stream restudied or revised by detailed methods were determined using the slope/area method.

Starting water-surface elevations for each stream restudied or revised by detailed methods were determined using slope/area method.

The calculations for Twelve Mile Creek were based on Corley Mill dam not failing and operating at maximum capacity level. According to the owner of the dam, the dam is maintained at full level annually from the months of November through April to flood the region upstream of Corley Mill Road. During this time the two 24-inch diameter pipes remain open. It is possible to release additional amounts of water when necessary through a series of gates.

Revised Analyses for the February 9, 2000, Countywide FIS

Water-surface elevations of floods of the selected recurrence intervals were computed using the USACE HEC-2 step-backwater computer program (Reference 30). Starting water-surface elevations were calculated using the slope/area method.

This Revision

For this revision, cross sections were obtained by field surveys and information obtained from topographic maps at a scale of 1"=200' with a contour interval of 5 feet (Reference 28). Bridges, dams, and culverts were field checked to obtain elevation data and structural geometry.

It was determined that the levee along the east bank of the Congaree River would affect the flood hazard potential of this area of the county. Therefore, two analyses were computed for this stretch of the Congaree River, one with the levee and one without the levee. The first analysis represents a 100-year elevation on the waterward side of the levee should the levee remain intact. The second analysis represents flood conditions should the levee fail to provide protection against a 100-year event.

The topography of the Congaree River channel and left overbank changes significantly approximately one mile downstream of the City of Columbia. The Congaree River channel becomes shallower with its flood conveyance considerably reduced compared to the channel upstream. The left overbank floodplain is relatively flat without high grounds to contain the flood waters of the Congaree

The 100- and 500-year floodplain boundaries are shown on the FIRM (Exhibit 2). On this map, the 100-year floodplain boundary corresponds to the boundary of the areas of special flood hazards (Zones A and AE), and the 500-year floodplain boundary corresponds to the boundary of areas of moderate flood hazards. In cases where the 100- and 500-year floodplain boundaries are close together, only the 100-year floodplain boundary has been shown. Small areas within the floodplain boundaries may lie above the flood elevations but cannot be shown due to limitations of the map scale and/or lack of detailed topographic data.

For the streams studied by approximate methods, only the 100-year floodplain boundary is shown on the FIRM (Exhibit 2).

4.2 Floodways

Encroachment on floodplains, such as structures and fill, reduces flood-carrying capacity, increases flood heights and velocities, and increases flood hazards in areas beyond the encroachment itself. One aspect of floodplain management involves balancing the economic gain from floodplain development against the resulting increase in flood hazard. For purposes of the NFIP, a floodway is used as a tool to assist local communities in this aspect of floodplain management. Under this concept, the area of the 100-year floodplain is divided into a floodway and a floodway fringe. The floodway is the channel of a stream, plus any adjacent floodplain areas, that must be kept free of encroachment so that the 100-year flood can be carried without substantial increases in flood heights. Minimum federal standards limit such increases to 1.0 foot, provided that hazardous velocities are not produced. The floodways in this study are presented to local agencies as a minimum standard that can be adopted directly or that can be used as a basis for additional floodway studies.

The floodways presented in this countywide study were computed for certain stream segments on the basis of equal conveyance reduction from each side of the floodplain. Floodway widths were computed at cross sections. Between cross sections, the floodway boundaries were interpolated. The results of the floodway computations are tabulated for selected cross sections (Table 6). The computed floodways are shown on the FIRM (Exhibit 2). In cases where the floodway and 100-year floodplain boundaries are either close together or collinear, only the floodway boundary is shown. Portions of the floodway for the Congaree River, the Saluda River, and Stoop Creek extend beyond the county boundary.

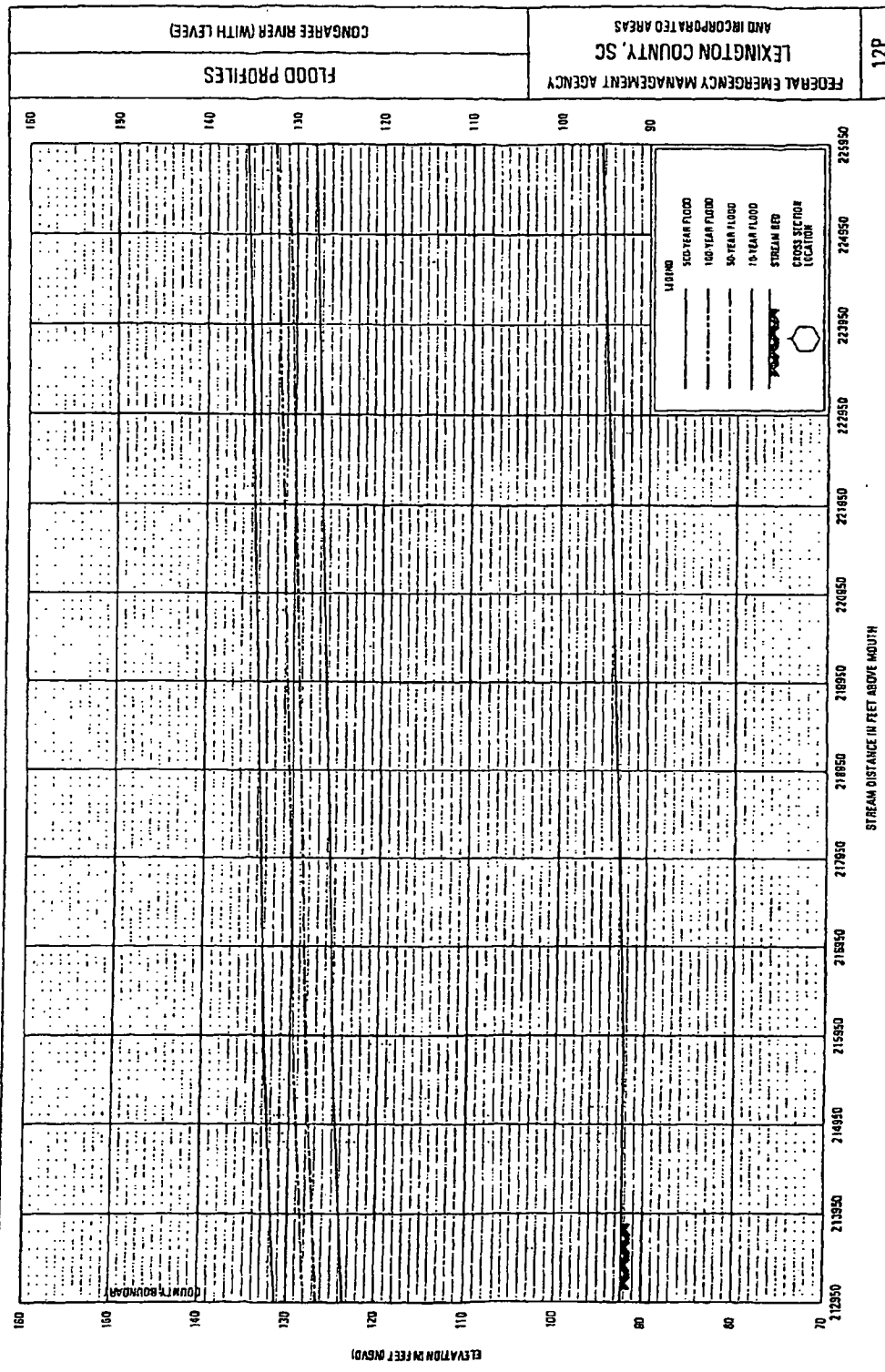
The floodway was computed assuming that the levee fails. The Floodway Data table for this area shows regulatory elevations for the "with levee" scenario. However, the "With Floodway" and "Without Floodway" elevations are based solely on the "without levee" scenario for the entire length of the Congaree River.

In the unincorporated areas of Lexington County, floodways for the streams that were not revised were obtained from floodway maps published by the Central Midlands Regional Planning Council, with a photograph dated February 1973 with a contour interval of 5 feet and a scale of 1"=200' (Reference 21).

FLOODING SOURCE		FLOODWAY			BASE FLOOD WATER SURFACE ELEVATION (FEET NGVD)			
CROSS SECTION	DISTANCE ¹	WIDTH ² (FEET)	SECTION AREA (SQUARE FEET)	MEAN VELOCITY (FEET PER SECOND)	REGULATORY	WITHOUT FLOODWAY ⁵	WITH FLOODWAY	INCREASE
Congaree River								
A	226,700	15,299	142,884	2.1	132.6	131.8	132.5	0.7
B	234,100	17,106	149,962	2.0	135.3	133.9	134.6	0.7
C	246,700	10,240 ³	133,962	2.2	139.9	137.4	138.3	0.9
D	249,300	10,500 ³	111,152	2.7	141.7	138.1	139.0	0.9
E	253,400	4,372	42,830	7.0	142.8	139.2	140.2	1.0
F	256,100	626	22,108	13.5	145.7	142.6	143.2	0.6
G	258,400	602	21,580	13.8	146.9	144.5	145.1	0.6
H	260,400	1,148 ⁴	37,378	8.0	150.5	148.7	149.1	0.4
I	261,200	1,314	43,450	6.9	151.7	150.1	150.4	0.3
J	262,900	1,391	41,953	7.1	151.9	150.4	150.8	0.4
K	264,500	1,470	43,655	6.8	152.4	151.0	151.4	0.4
L	265,200	1,090	35,724	8.4	152.5	151.1	151.3	0.2
M	266,900	810	30,955	9.4	152.6	151.2	151.6	0.4
N	267,750	1,050	34,750	8.4	153.2	151.9	152.4	0.5
O	267,850	1,437	48,866	6.0	153.2	151.9	152.4	0.5
P	268,920	1,649	48,503	6.0	153.9	152.7	153.2	0.5
Q	268,250	1,648	45,308	6.4	154.0	152.7	153.2	0.5
R	270,450	2,294 ⁵	51,343	5.7	154.3	153.1	153.7	0.6
S	272,010	2,293 ⁵	53,644	5.4	154.7	153.6	154.1	0.5
¹ Feet above mouth ² Width extends beyond county boundary ³ Combined Congaree River/Congaree Creek floodway ⁴ Combined Congaree River/Rocky Branch floodway ⁵ Combined Saluda, Broad, and Congaree River floodway ⁶ Elevation computed without consideration of the hydraulic effects of the levee (located in Richland County)								
FEDERAL EMERGENCY MANAGEMENT AGENCY					FLOODWAY DATA			
LEXINGTON COUNTY, SC AND INCORPORATED AREAS					CONGAREE RIVER			

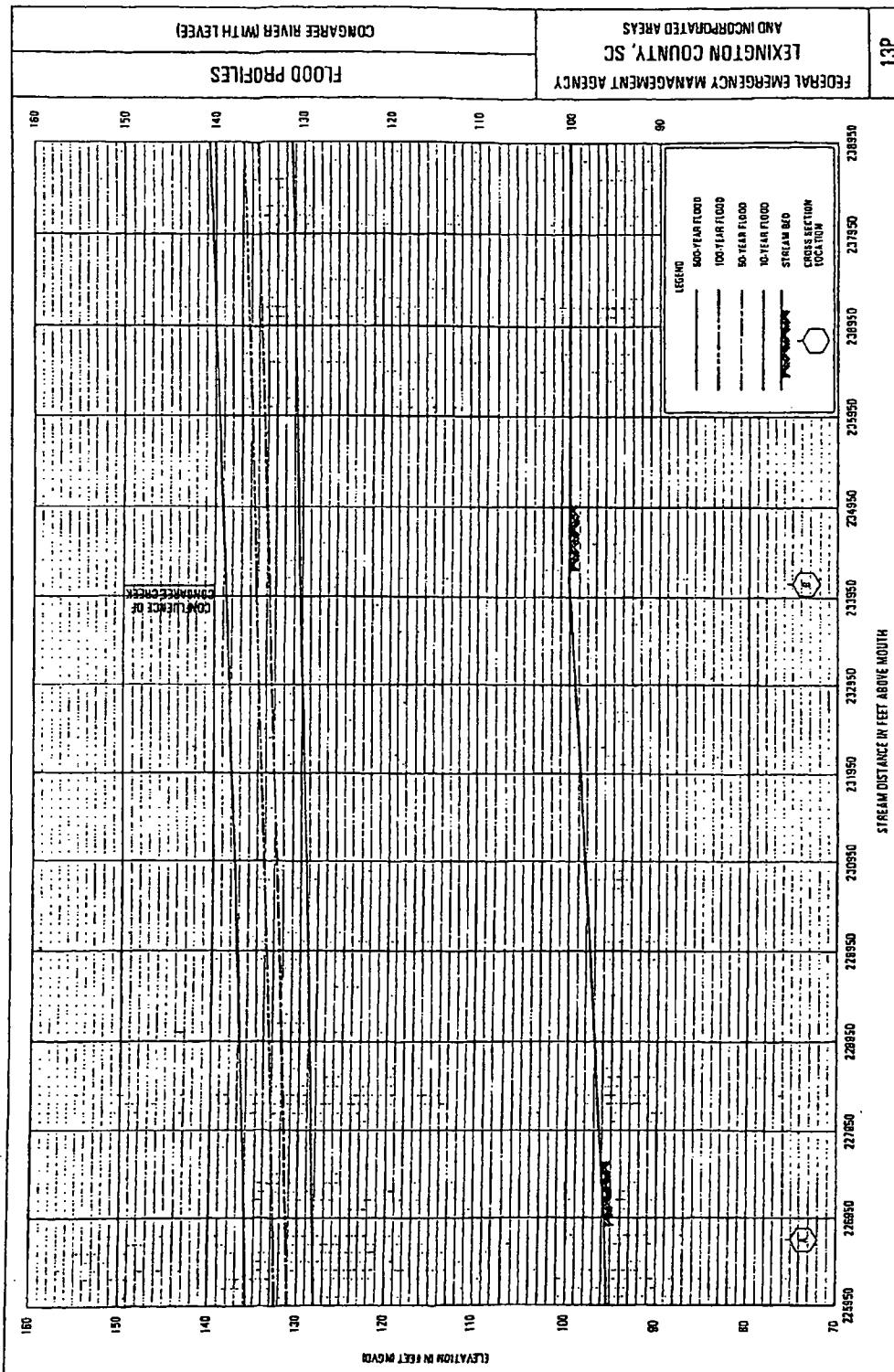
TABLE 6

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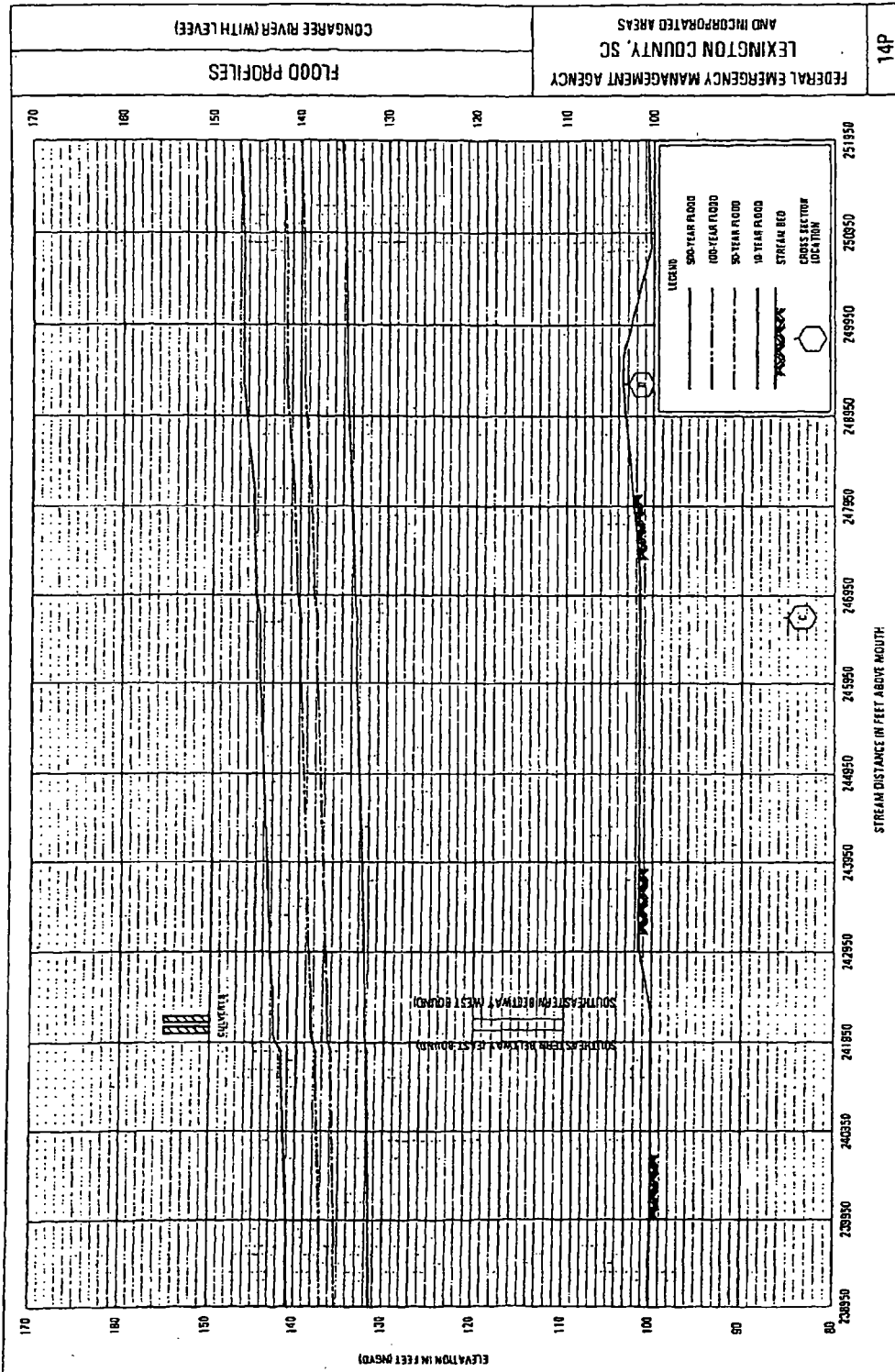
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PLTF TRIAL EXH 379



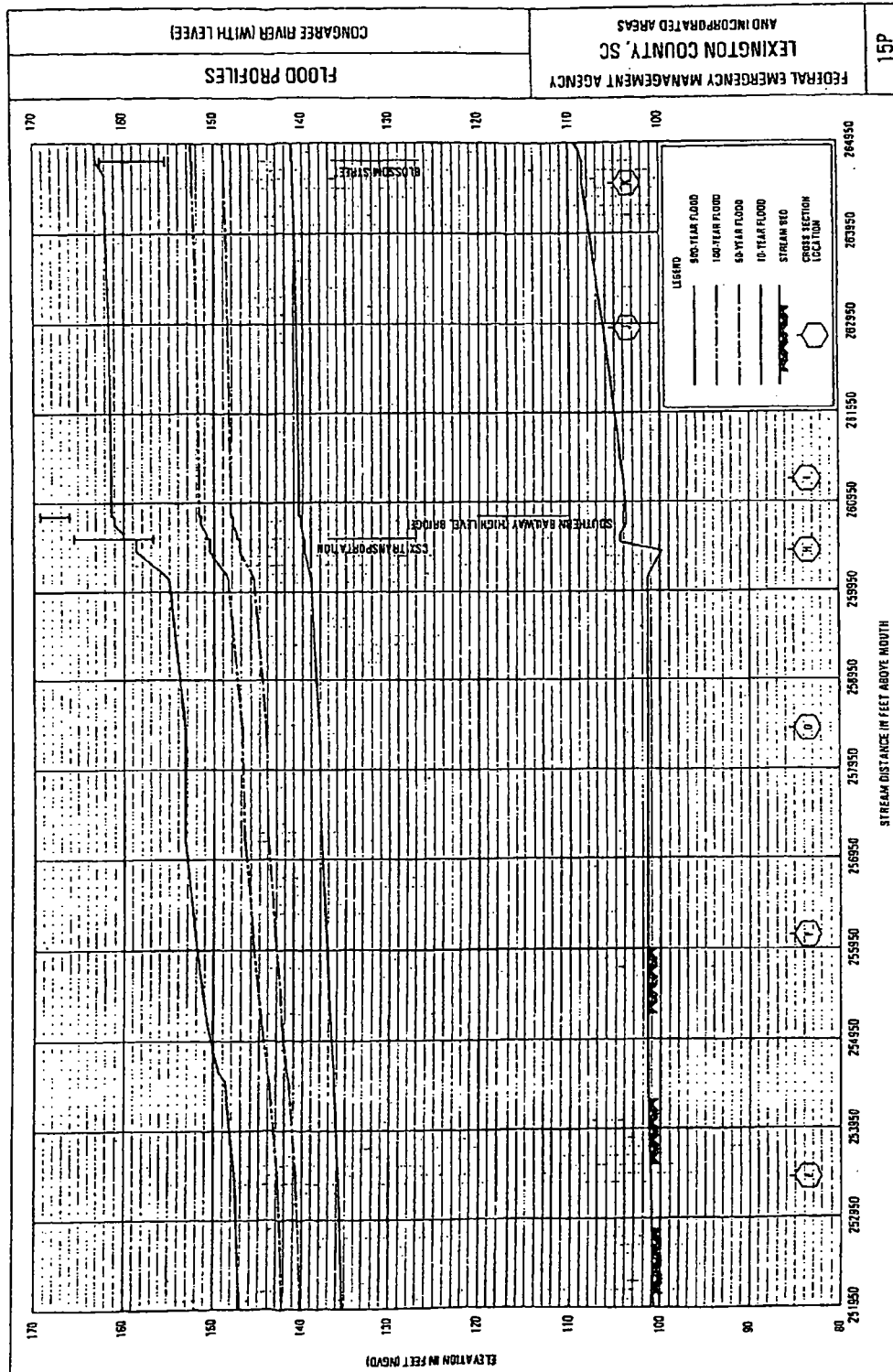
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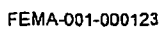
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PLTF TRIAL EXH 379



FLOOD INSURANCE STUDY

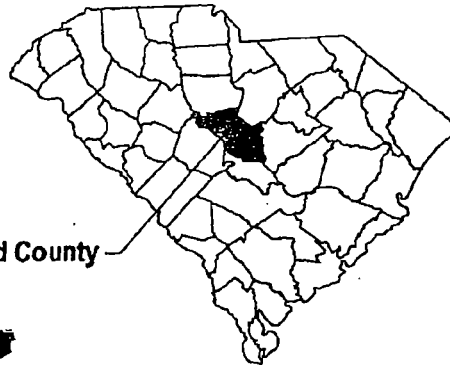
VOLUME 1 OF 2



RICHLAND COUNTY, SOUTH CAROLINA AND INCORPORATED AREAS

COMMUNITY
NAME
ARCADIA LAKES, TOWN OF
COLUMBIA, CITY OF
EASTOVER, TOWN OF
FOREST ACRES, CITY OF
IRMO, TOWN OF
UNINCORPORATED AREAS

COMMUNITY
NUMBER
450171
450172
450173
450174
450133
450170



Richland County

PROOF

AND 20 2001

REVISED:



Federal Emergency Management Agency

FEMA-001-000066

PLTF TRIAL EXH 382

**NOTICE TO
FLOOD INSURANCE STUDY USERS**

Communities participating in the National Flood Insurance Program (NFIP) have established repositories of flood hazard data for floodplain management and flood insurance purposes. This Flood Insurance Study (FIS) may not contain all data available within the repository. It is advisable to contact the community repository for any additional data.

Part or all of this FIS may be revised and republished at any time. In addition, part of this FIS may be revised by the Letter of Map Revision process, which does not involve republication or redistribution of the FIS. It is, therefore, the responsibility of the user to consult with community officials and to check the community repository to obtain the most current FIS components.

Initial Countywide FIS Effective Date: January 19, 1994

Revised FIS Date: July 17, 1995

This preliminary FIS report does not include unrevised Floodway Data Tables or unrevised Flood Profiles. These Floodway Data Tables and Flood Profiles will appear in the final FIS report.

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**Exhibit 2 - Flood Insurance Rate Map Index and Street Index
Flood Insurance Rate Map**

Along Stoop Creek the flood situation is compounded by several bridges with inadequate flow openings, and by development located dangerously close to the stream channel. Several apartment complexes are located along this stream, and the stream has been channelized through some of the complexes.

The floodplains along Crane Creek, Smith Branch, and the three tributaries to Crane Creek are mostly undeveloped at this time. However, development in the area is expected and floodplain management information is needed to prevent unwise use of the floodplains.

There is no information available about past floods for the flooding sources in the Town of Irmo. Because the drainage areas are small and there is a considerable amount of urban development in the basins, it is reasonable to assume that floods can occur at any time during the year from thunderstorms.

2.4 Flood Protection Measures

There are presently no completed projects designed to reduce flooding on any of the streams studied in detail.

Floods in the study area may be affected by operation of two large reservoirs on the Saluda River. Lake Greenwood, formed by Buzzards Roost Dam, which was completed in 1940, is operated by Duke Power Company. Lake Greenwood, located at river mile 60 has a surface area of approximately 11,400 acres at maximum power pool. Saluda Dam, completed in 1930 by South Carolina Electric and Gas Company, forms Lake Murray and is located about 12 miles above the mouth of the Saluda River. It has a surface area of approximately 51,000 acres at maximum power pool.

Both reservoirs are operated for hydropower generation and are subject to regulations prescribed by the Federal Energy Regulatory Commission (FERC). Both of these dams are operated to produce hydroelectric power.

A levee exists along the east bank of the Congaree River that provides the county with some degree of protection against flooding. The criteria used to evaluate protection against the 100-year flood are 1) adequate design, including freeboard, 2) structural stability, and 3) proper operation and maintenance. FEMA specifies that all levees must meet the criteria of NFIP regulations Section 65.10 to be considered a safe flood protection structure. It has been determined that the levee along the Congaree River does not meet these requirements. Therefore, since the levee does not meet all of the requirements, the levee cannot be certified as providing protection against the 100-year flood.

Non-structural measures of flood protection have been implemented by Richland County to aid in the prevention of future flood damage. These are in the form of subdivision regulations which control construction within flood hazard areas (Reference 4).

3.0 ENGINEERING METHODS

For the flooding sources studied in detail in the county, standard hydrologic and hydraulic study methods were used to determine the flood hazard data required for this study. Flood events of a magnitude which are expected to be equaled or exceeded once on the average during any 10-, 50-, 100-, or 500-year period (recurrence interval) have been selected as having special significance for floodplain management and for flood insurance rates. These events, commonly termed the 10-, 50-, 100-, and 500-year floods, have a 10-, 2-, 1-, and 0.2-percent chance, respectively, of being equaled or exceeded during any year. Although the recurrence interval represents the long term average period between floods of a specific magnitude, rare floods could occur at short intervals or even within the same year. The risk of experiencing a rare flood increases when periods greater than 1 year are considered. For example, the risk of having a flood which equals or exceeds the 100-year flood (1 percent chance of annual exceedence) in any 50-year period is approximately 40 percent (4 in 10), and, for any 90-year period, the risk increases to approximately 60 percent (6 in 10). The analyses reported herein reflect flooding potentials based on conditions existing in the community at the time of completion of this study. Maps and flood elevations will be amended periodically to reflect future changes.

3.1 Hydrologic Analyses

Hydrologic analyses were carried out to establish the peak discharge-frequency relationships for each flooding source studied in detail affecting the county.

Precountywide Analyses

Each community within Richland County had a previously printed FIS report describing that community's hydrologic analyses. Those analyses not revised in the January 19, 1994, countywide FIS have been compiled from the FIS reports and are summarized below.

For the unincorporated areas of Richland County and the City of Columbia, discharge-frequency relationships for the Congaree, Broad, and Saluda Rivers were derived using the log-Pearson Type III Method based on stream gage records collected at the USGS stream gaging stations listed below (References 5 and 6):

<u>Station</u>	<u>Years of record</u>
Saluda River near Columbia, South Carolina	52
Broad River near Richtex, South Carolina	52
Congaree River at Columbia, South Carolina	86

at each structure. Criteria contained in Reference 26 were used to determine the amount of overtopping necessary to cause failure and the size and shape of the breach.

Starting water-surface elevations for new and revised streams were determined using the slope/area method.

Channel roughness factors (Manning's "n") used in the hydraulic computations were chosen by engineering judgment and based on field observations of the streams and floodplain areas. Table 2, "Summary of Roughness Coefficients," shows the ranges of the channel and overbank roughness factors used in the hydraulic computations.

TABLE 2 - SUMMARY OF ROUGHNESS COEFFICIENTS

<u>COMMUNITY</u>	<u>OVERBANK "n"</u>	<u>CHANNEL "n"</u>
Town of Arcadia Lakes	0.040-0.080	0.020-0.040
City of Columbia	0.050-0.150	0.030-0.110
Town of Eastover	0.180-0.200	0.045-0.060
City of Forest Acres	0.050-0.150	0.015-0.100
Town of Irmo	0.040-0.080	0.050-0.080
Richland County (Unincorporated Areas)	0.050-0.150	0.015-0.120

For the Town of Eastover, channel roughness factors were chosen by engineering judgment and based on field observations of cross-sectional areas.

For the Town of Irmo, channel roughness factors were based on information obtained from aerial photographs and field observations of the streams and floodplain areas.

For the Cities of Forest Acres and Columbia and the Town of Arcadia Lakes, channel roughness factors were also based on information obtained from aerial photographs. For the unincorporated areas of Richland County, channel roughness factors were based on existing floodplain conditions.

This Revision

The channel roughness factors for the Congaree River ranged from 0.028 to 0.095 for the channel and from 0.030 to 0.200 for the overbanks. The channel roughness factors for Spears Creek ranged from 0.030 to 0.130 and from 0.070 to 0.180 for the overbanks.

Water-surface elevations of floods of the selected recurrence intervals were computed using the USACE HEC-2 step-backwater computer program (Reference 25). Starting water-surface elevations were calculated using the slope/area method.

It was determined that the levee along the east bank of the Congaree River would affect the flood hazard potential of this area of the county. Therefore, two analyses were computed for this stretch of the Congaree River, one with the levee and one without the levee. The first analysis represents a 100-year elevation on the waterward side of the levee should the levee remain intact. The second analysis represents flood conditions should the levee fail to provide protection against a 100-year event.

The floodway was computed assuming that the levee fails. The Floodway Data table for this area shows regulatory elevations for both the with and without levee scenarios. However, the "With Floodway" and "Without Floodway" elevations are based solely on the without levee scenario for the entire length of the Congaree River.

The topography of the Congaree River channel and the left overbank changes significantly approximately one mile downstream of the City of Columbia. The Congaree River channel becomes shallower with its flood conveyance considerably reduced compared to the channel upstream. The left overbank floodplain is relatively flat without high grounds to contain the flood waters of the Congaree River. The technique used to approximate this flow situation was to assume that the effective one-dimensional overbank flow exists only along a portion of the floodplain available on the left overbank. Flow expansions have been observed to happen at angles of 14 to 20 degrees from the main direction of flow. Effective flow areas in the vicinity of flow expansions and in the vicinity of I-77 road bridge were defined using two-dimensional flow analyses and this assumption.

4.0 FLOODPLAIN MANAGEMENT APPLICATIONS

The NFIP encourages State and local governments to adopt sound floodplain management programs. Therefore, each FIS generally provides 100-year flood elevations and delineations of the 100- and 500-year floodplain boundaries and 100-year floodway to assist in developing floodplain management measures.

4.1 Floodplain Boundaries

To provide a national standard without regional discrimination, the 1 percent annual chance (100-year) flood has been adopted by FEMA as the basic flood for floodplain management purposes. The 0.2 percent annual chance (500-year) flood is employed to indicate additional areas of flood risk in the community. For the streams studied in detail, the 100- and 500-year floodplain boundaries have been delineated using the flood elevations determined at each cross section. In the Town of Eastover, the boundaries were interpolated using topographic maps at a scale of 1:24,000 with a contour interval of 10 feet (Reference 15). In the unincorporated areas of Richland County, the Towns of Arcadia Lakes and Irmo, and the Cities of Columbia and Forest Acres, the boundaries were interpolated using topographic maps at scales of 1"=200' and 1:600 with contour intervals of 5 feet and 1 foot, respectively (References 23 and 24).

For the streams studied by approximate methods in the Town of Eastover, the boundaries of the 100-year floodplain were delineated using the Flood Hazard Boundary Map for the Town of Eastover (Reference 30). In the Towns of Arcadia Lakes, the boundaries of the 100-year floodplain for the streams studied by approximate methods were developed from normal depth calculations and topographic maps (Reference 23). For the flooding sources studied by approximate methods in the unincorporated areas of Richland County and the Cities of Columbia and Forest Acres, the 100-year floodplain boundaries were delineated using the previously printed Flood Insurance Studies for the unincorporated areas of Richland County and the Cities of Columbia and Forest Acres (References 31, 18, and 32). For the streams studied by approximate methods in the Town of Irmo, the 100-year floodplain boundaries were delineated using topographic maps (Reference 23).

The 100- and 500-year floodplain boundaries are shown on the FIRM (Exhibit 2). On this map, the 100-year floodplain boundaries correspond to the boundaries of the areas of special flood hazard (Zones A, AH, AO, and AE), and the 500-year floodplain boundaries correspond to the boundaries of areas of moderate flood hazard. In cases where the 100- and 500-year floodplain boundaries are close together, only the 100-year floodplain boundaries have been shown. Small areas within the floodplain boundaries may lie above the flood elevations but cannot be shown due to limitations of the map scale and/or lack of detailed topographic data.

For the streams studied by approximate methods, only the 100-year floodplain boundaries are shown on the FIRM (Exhibit 2).

4.2 Floodways

Encroachment on floodplains, such as structures and fill, reduces flood-carrying capacity, increases flood heights and velocities, and increases flood hazards in areas beyond the encroachment itself. One aspect of floodplain management involves balancing the economic gain from floodplain development against the resulting increase in flood hazard. For purposes of the National Flood Insurance Program, a floodway is used as a tool to assist local communities in this aspect of floodplain management. Under this concept, the area of the 100-year floodplain is divided into a floodway and a floodway fringe. The floodway is the channel of a stream, plus any adjacent floodplain areas, that must be kept free of encroachment so that the 100-year flood can be carried without substantial increases in floodheights. Minimum federal standards limit such increases to 1.0 foot, provided that hazardous velocities are not produced. The floodways in this study are presented to local agencies as a minimum standard that can be adopted directly or that can be used as a basis for additional floodway studies.

The floodways presented in this study was computed for certain stream segments on the basis of equal conveyance reduction from each side of the floodplain. Floodway widths were computed at cross sections. Between cross sections, the floodway boundaries were interpolated. The results of the floodway computations are tabulated for selected cross sections (Table 3). The computed floodway is shown on the FIRM (Exhibit 2). In cases where the floodway and 100-year floodplain boundaries are either close together or collinear, only the floodway boundary is shown.

A majority of the floodplain of Rocky Branch within the Columbia corporate limits is almost totally developed with permanent commercial buildings and facilities within the University of South Carolina campus. Since there is very little room in the floodplain for additional development which would increase flood hazards, it was decided that application of the floodway concept in certain areas would be impractical.

Because of the probability of dam failure discussed in Section 3.2, all property within the 100-year floodplain along Gills Creek below Forest Lake Dam and Lake Katherine Dam should be considered an area of high flood damage potential. Normally, development in floodway fringe areas would be elevated on piers or landfill above the 100-year flood elevation. This type of construction would not withstand the water velocities which could be generated by a dam failure. It was therefore decided that normal floodway criteria should not be applied in this situation.

A portion of the Gills Creek study reach includes Lake Katherine. For practical purposes, it was felt that the floodway boundary along this reach should be the lake shore. Normal lake elevation is controlled by two drop inlet spillways and a concrete ogee spillway which can be adjusted by addition of flash boards. The top of the concrete ogee spillway is 152.0 feet NGVD. Based on an assessment of existing and past conditions, it was assumed that 152.0 feet NGVD is the normal lake shore elevation and should be used to establish the floodway boundary.

In order to avoid future reduction of flood storage area which would increase the flood damage potential to Lake Katherine Dam, and the reach downstream from the dam, it is recommended that no landfill be allowed between the 100-year flood boundary and the lake shore.

Homes and other structures located in this area could be elevated on piers or pilings to achieve the required minimum first floor elevation. Table 3 lists floodway data which may be helpful in administering regulatory measures.

In the past, the spillways, outlet structures and other features of some of the dams on Gills Creek, Jackson Creek, and Little Jackson Creek have been purposely altered or have changed as a result of damage or deterioration. This study reflects conditions that existed at the time field surveys were conducted (May-July 1978). Since most of these dams are privately owned, future changes which may affect hydraulic characteristics may occur or be made without notification to local or Federal agencies.

For Griffins Creek, no floodway was computed. Portions of the floodways for the Congaree River, Saluda River, Rawls Creek, and Spears Creek extend beyond the county boundary.

Encroachment into areas subject to inundation by floodwaters having hazardous velocities aggravates the risk of flood damage, and heightens potential flood hazards by further increasing velocities. A listing of stream velocities at selected cross sections is provided in Table 3, "Floodway Data." In order to reduce the risk of property damage in areas where the stream velocities are high, the community may wish to restrict development in areas outside the floodway.

Near the mouths of streams studied in detail, floodway computations are made without regard to flood elevations on the receiving water body. Therefore, "Without Floodway" elevations presented in Table 3 for certain downstream cross sections of Gills Creek, Tributary G-1, Eightmile Branch, Little Jackson Creek, Rocky Branch, Wildcat Creek, Pen Branch, Crane Creek, Nicholas Creek, Swygert Branch, Cumbess Creek, Tributary SP-1, Reeder Point Branch, Smith Branch, and Bay Branch are lower than the regulatory flood elevations in that area, which must take into account the 100-year flooding due to backwater from other sources.

The area between the floodway and 100-year floodplain boundaries is termed the floodway fringe. The floodway fringe encompasses the portion of the floodplain that could be completely obstructed without increasing the water-surface elevation of the 100-year flood by more than 1.0 foot at any point. Typical relationships between the floodway and the floodway fringe and their significance to floodplain development are shown in Figure 1.

FLOODING SOURCE		FLOODWAY			BASE FLOOD WATER SURFACE ELEVATION (FEET NGVD)			
CROSS SECTION	DISTANCE ¹	WIDTH ² (FEET)	SECTION AREA (SQUARE FEET)	MEAN VELOCITY (FEET PER SECOND)	REGULATORY	WITHOUT FLOODWAY ⁴	WITH FLOODWAY ⁶	INCREASE
Congaree River								
A	226,700	15,299	142,884	2.1	132.6/131.8 ⁸	131.8	132.5	0.7
B	234,100	17,105	149,962	2.0	135.3/133.9 ⁸	133.9	134.6	0.7
C	246,700	10,240 ³	133,962	2.2	139.9/137.4 ⁸	137.4	138.3	0.9
D	249,300	9,775 ³	111,152	2.7	141.7/138.1 ⁸	138.1	139.0	0.9
E	253,400	4,372	42,830	7.0	142.8/139.2 ⁸	139.2	140.2	1.0
F	256,100	626	22,108	13.5	145.7	142.6	143.2	0.6
G	258,400	602	21,580	13.8	146.9 ⁷	144.5	145.1	0.6
H	260,400	1,148 ⁴	37,376	8.0	150.5 ⁷	148.7	149.1	0.4
I	261,200	1,314	43,450	6.9	151.7 ⁷	150.1	150.4	0.3
J	262,900	1,391	41,953	7.1	151.9 ⁷	150.4	150.8	0.4
K	264,500	1,470	43,655	6.8	152.4 ⁷	151.0	151.4	0.4
L	265,200	1,090	35,724	8.4	152.5 ⁷	151.1	151.3	0.2
M	266,900	810	30,955	9.4	152.6 ⁷	151.2	151.6	0.4
N	267,750	1,050	34,750	8.4	153.2 ⁷	151.9	152.4	0.5
O	267,850	1,437	48,866	6.0	153.2 ⁷	151.9	152.4	0.5
P	268,920	1,649	48,503	6.0	153.9 ⁷	152.7	153.2	0.5
Q	269,250	1,648	45,308	6.4	154.0 ⁷	152.7	153.2	0.5
R	270,450	2,284 ³	51,343	5.7	154.3 ⁷	153.1	153.7	0.6
S	272,010	2,293 ³	53,644	5.4	154.7 ⁷	153.6	154.1	0.5

Feet above mouth

¹Width extends beyond county boundary

²Combined Congaree River/Congaree Creek floodway

³Combined Congaree River/Rocky Branch floodway

⁴Combined Saluda, Broad, and Congaree River floodway

⁵Water-surface elevation with levee

⁶Water-surface elevation without levee

⁷Water-surface elevation with levee

⁸Elevation computed without consideration of the hydraulic effects of the levee

FEDERAL EMERGENCY MANAGEMENT AGENCY

RICHLAND COUNTY, SC

AND INCORPORATED AREAS

FLOODWAY DATA

CONGAREE RIVER

TABLE 3

¹Feet above mouth

²Width extends beyond county boundary

³Combined Congaree River/Congaree Creek floodway

⁴Combined Congaree River/Rocky Branch floodway

⁵Combined Saluda, Broad, and Congaree River floodway

⁶Water-surface elevation with levee/water-surface elevations without levee

⁷Water-surface elevation with levee

⁸Elevation computed without consideration of the hydraulic effects of the levee

FEDERAL EMERGENCY MANAGEMENT AGENCY

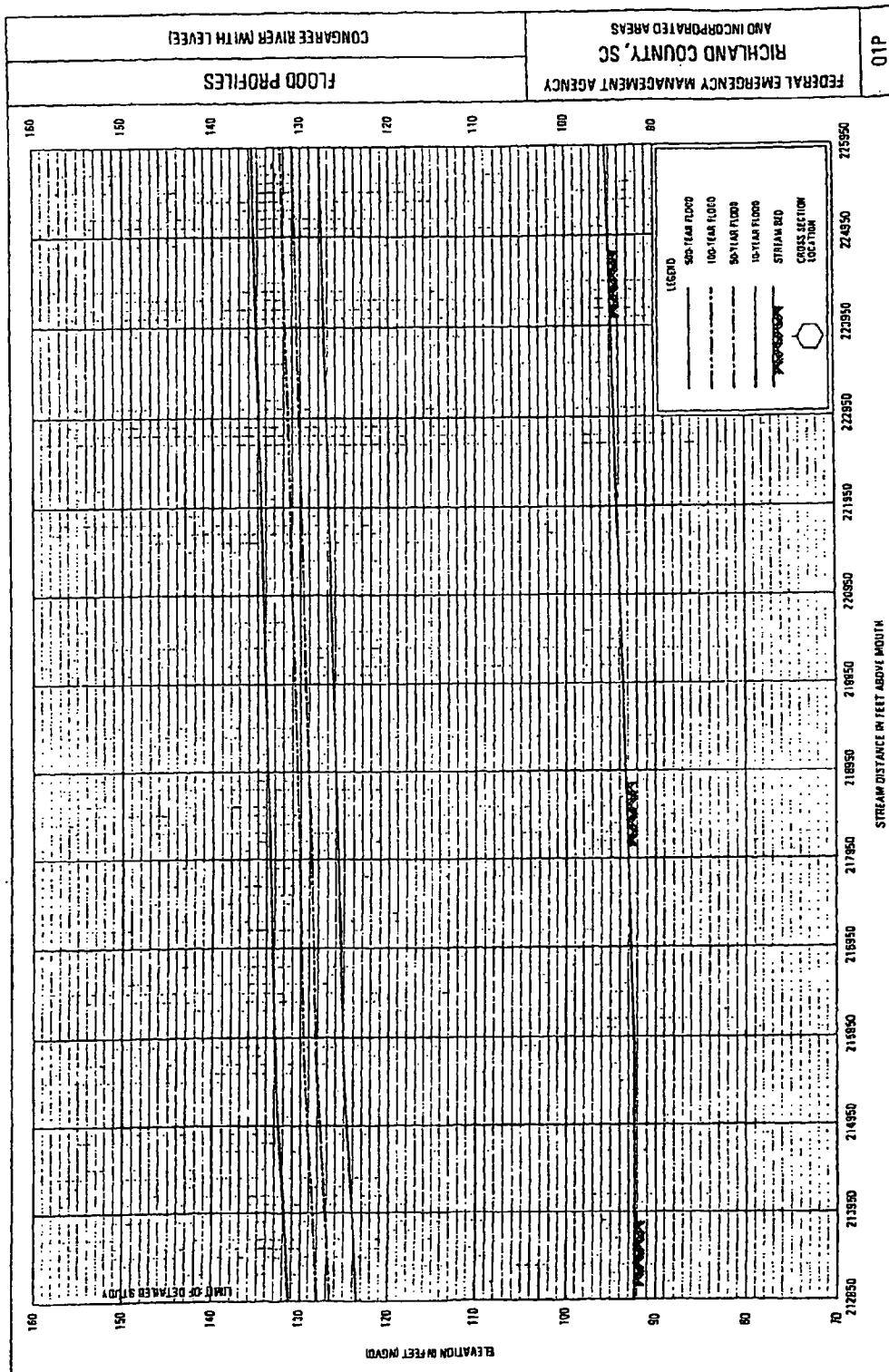
RICHLAND COUNTY, SC
AND INCORPORATED AREAS

FLOODWAY DATA

CONGAREE RIVER

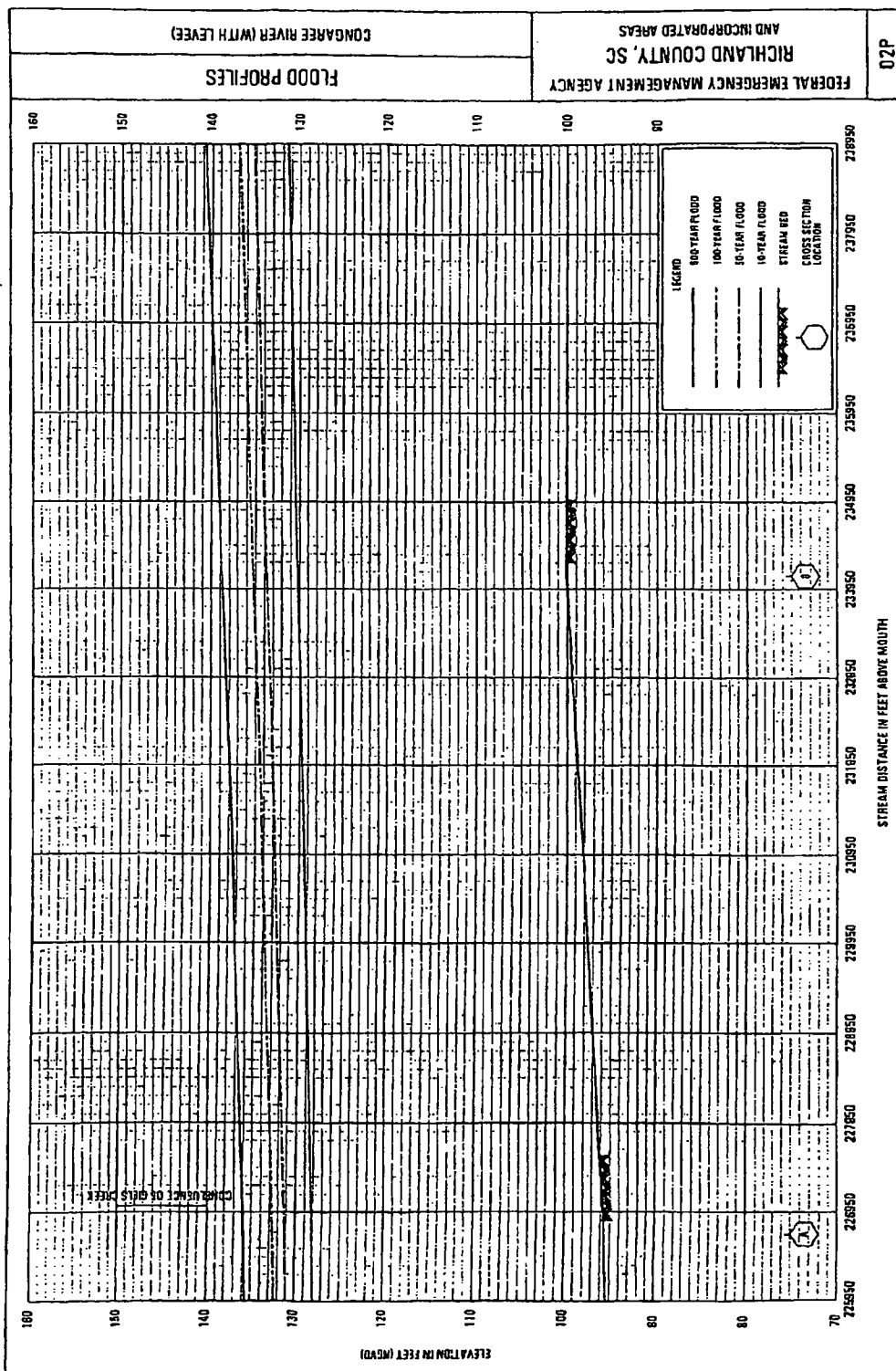
TABLE 3

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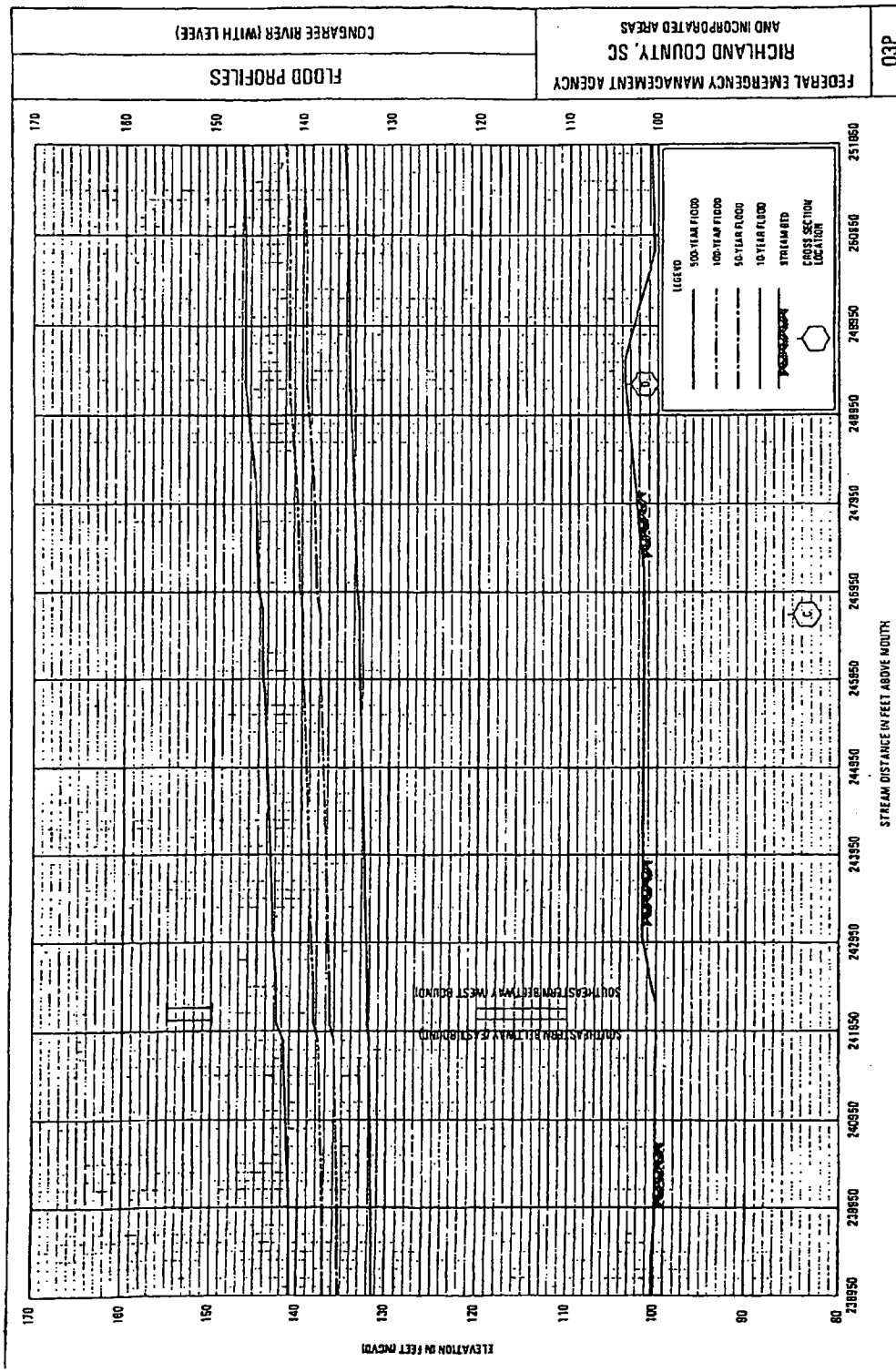


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PLTF TRIAL EXH 382

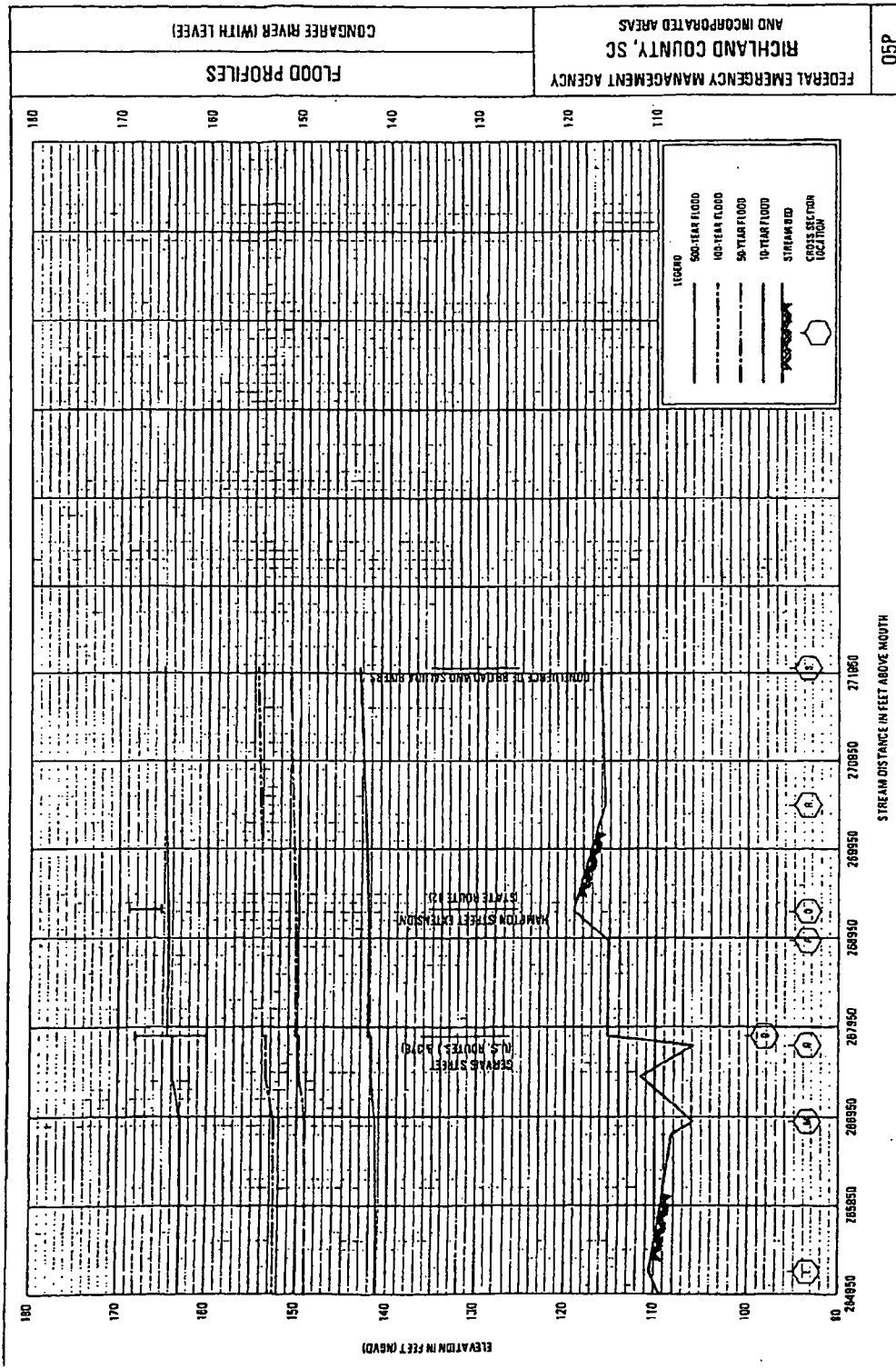


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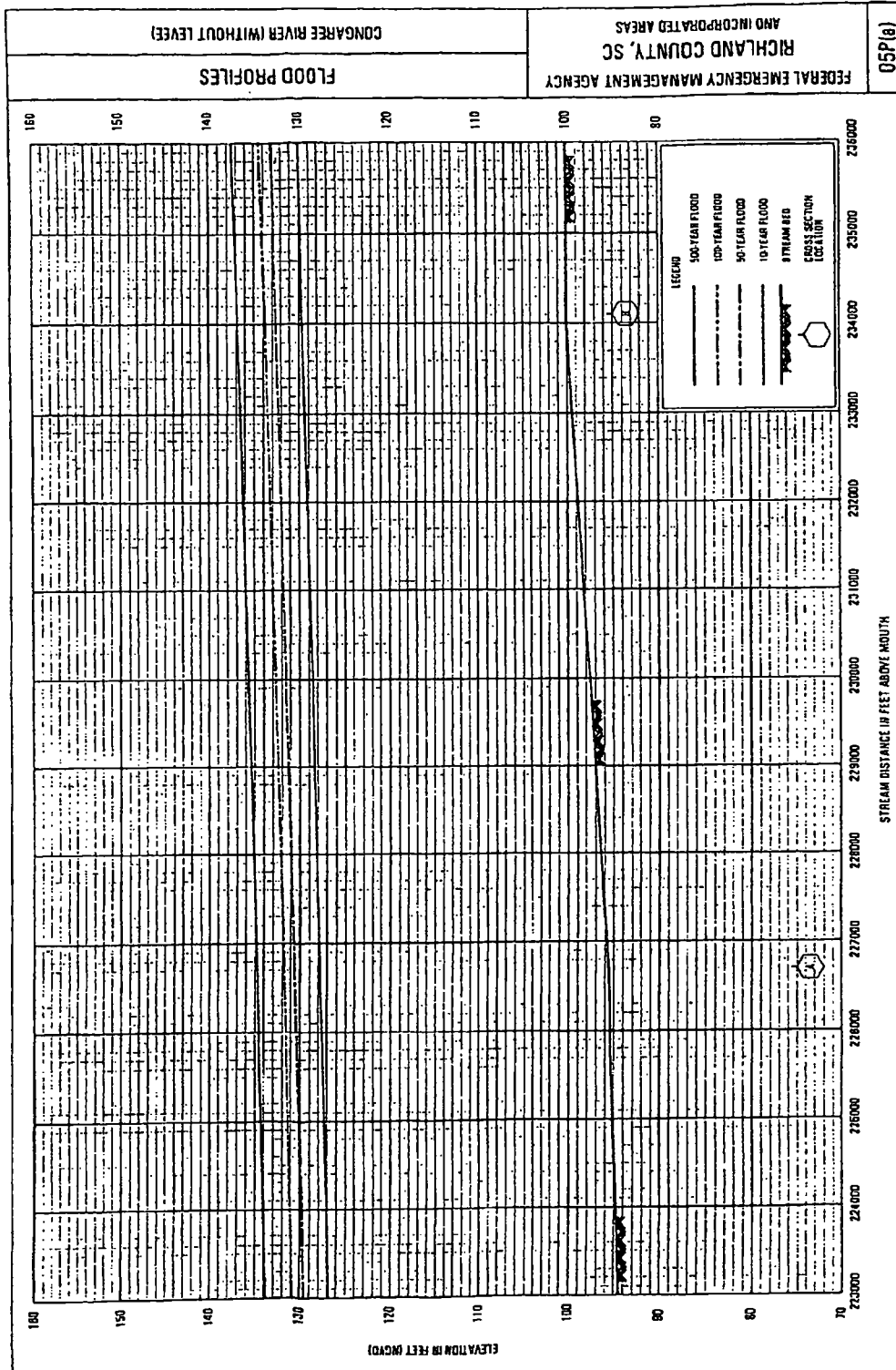
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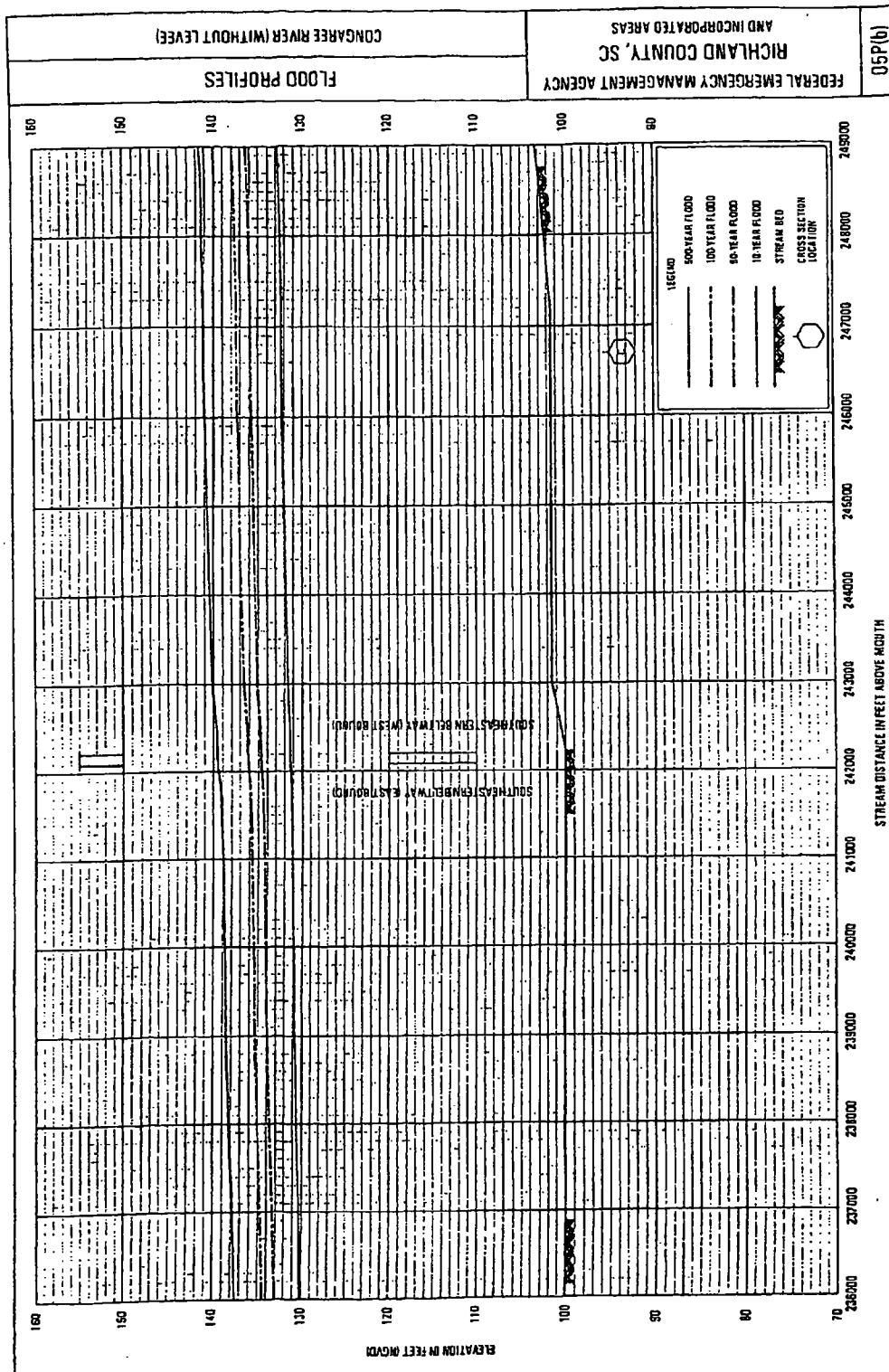
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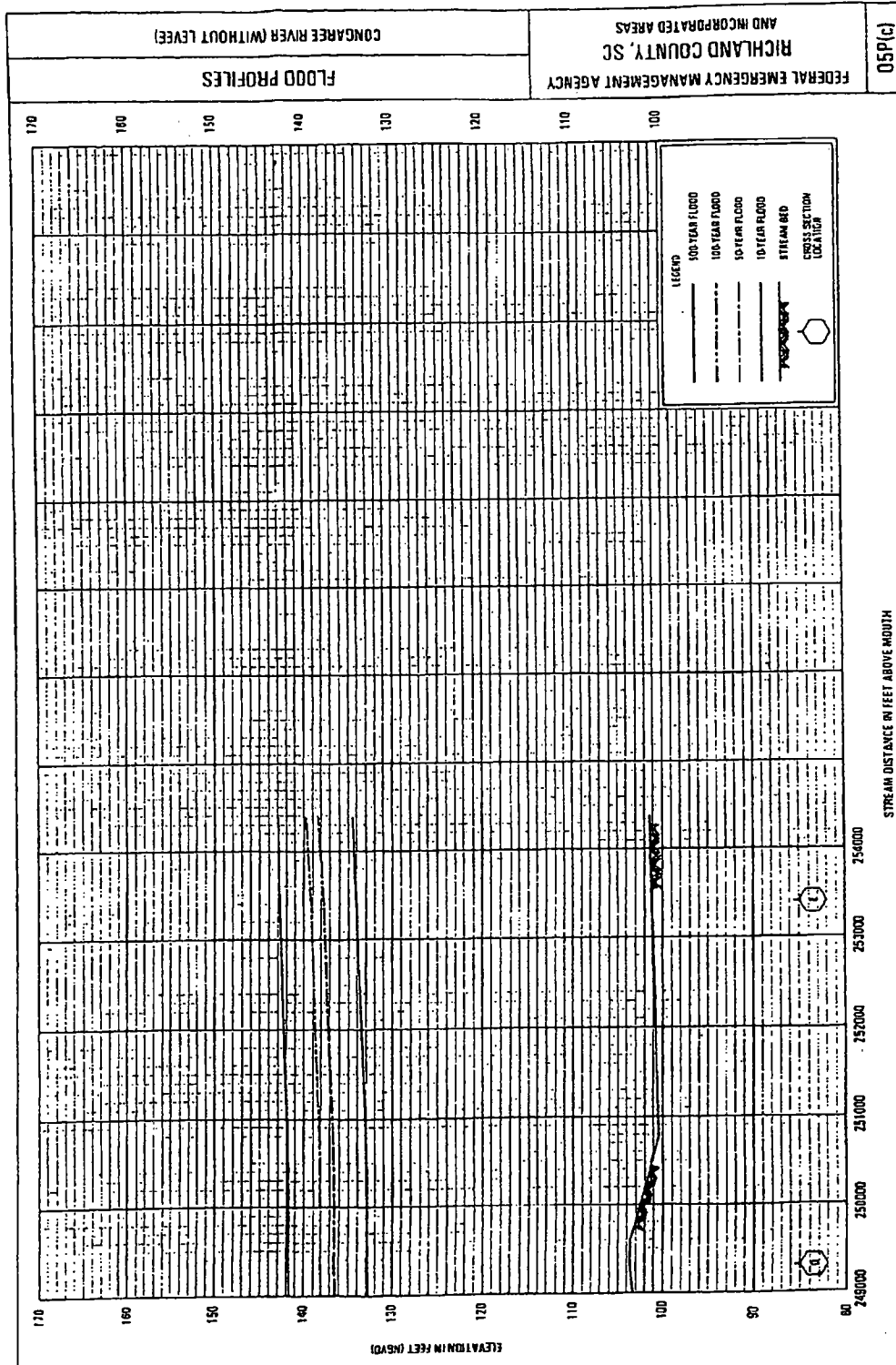
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PLTF TRIAL EXH 382



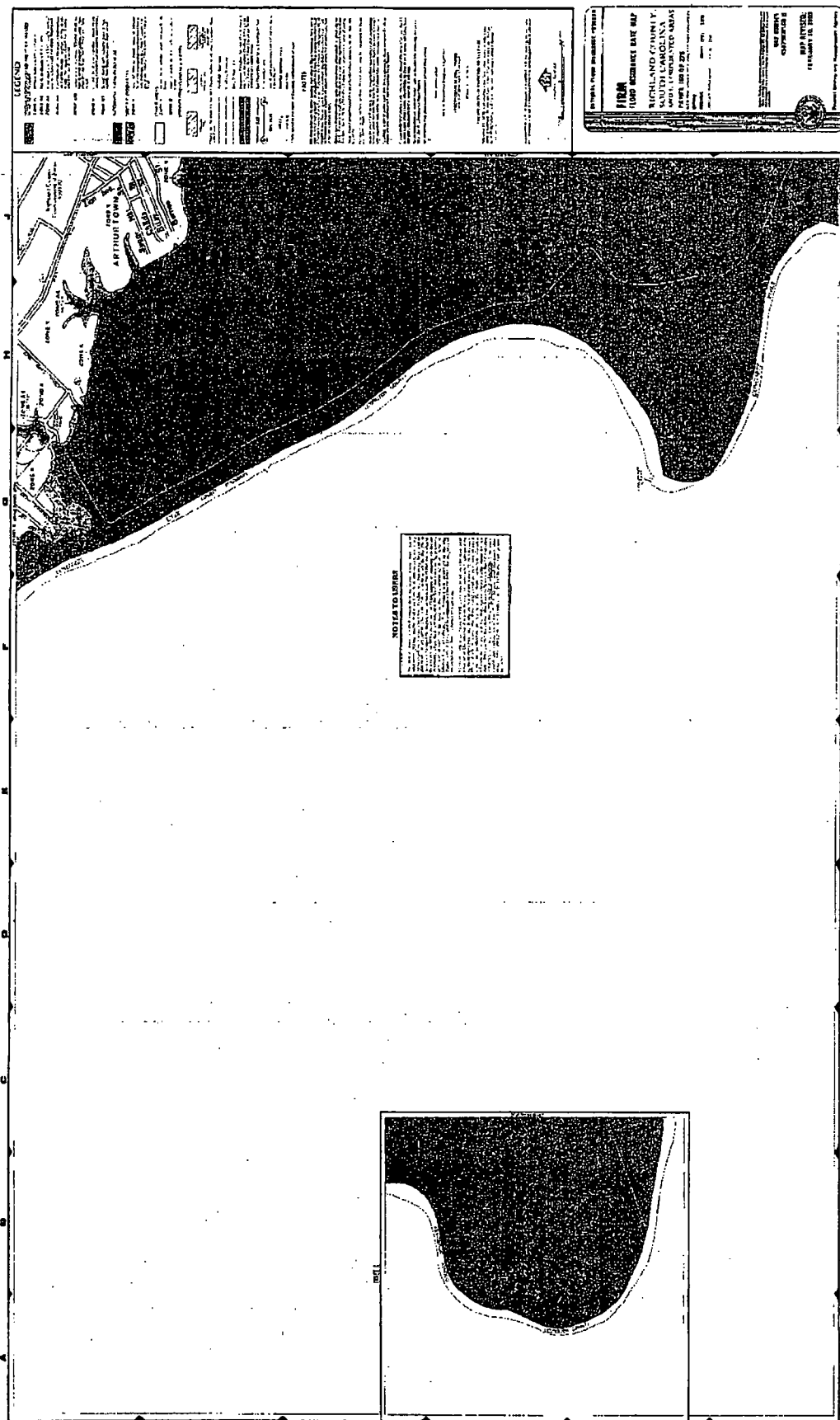
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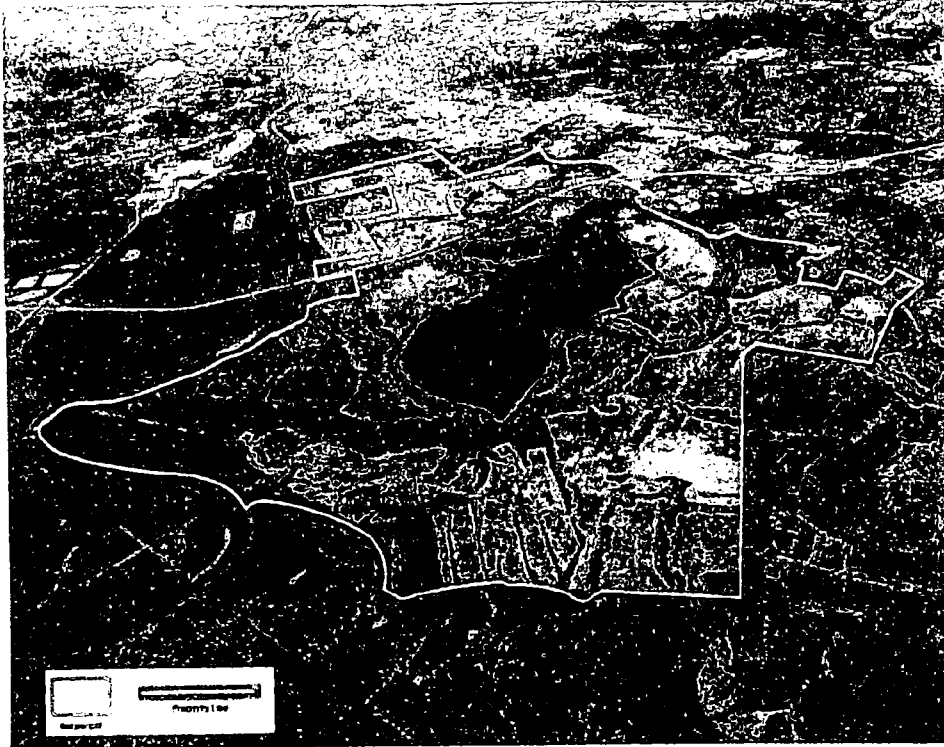


VAN SANT & WINGARD
COLUMBIA, SOUTH CAROLINA

CV006287

PLTF TRIAL EXH 394

COMPLETE, SELF-CONTAINED APPRAISAL REPORT
4,410.916 UNIMPROVED ACRES
LOCATED ON THE SOUTHWEST SIDE OF BLUFF ROAD (S.C. HIGHWAY 48)
NORTHEAST SIDE OF THE CONGAREE RIVER
COLUMBIA, RICHLAND COUNTY, SOUTH CAROLINA 29201



PREPARED FOR
COLUMBIA VENTURE, LLC

PREPARED BY
MARTIN H. VAN SANT, SRA
THOMAS F. WINGARD, MAI, SRA
VAN SANT & WINGARD
7222 S. LAKE MARION CIRCLE
COLUMBIA, SOUTH CAROLINA 29223

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VAN SANT & WINGARD
7222 S. LAKE MARION CIRCLE
COLUMBIA, SOUTH CAROLINA 29223

FACSIMILE 803.754.1115

November 6th, 2002

HAND DELIVERED

Columbia Venture, LLC

**RE: Complete - Self Contained Appraisal Report of: 4,410.916 Unimproved Acres,
Located on the Southwest Side of Bluff Road (S.C. Highway 48), Northeast Side
of the Congaree River, Columbia, Richland County, South Carolina 29201**

Dear Sir:

In accordance with your request, we have inspected the above referenced property on numerous dates extending from October, 2001 to October 15th, 2002. However, for the purpose of this appraisal, the effective date will coincide with the most recent inspection date of October 15th, 2002. The purpose of these numerous inspections was the preparation of a Complete - Self Contained Appraisal Report for the determination of the market value *before* and *after* a proposed conservation easement on the entirety of the 4,410.916 acres.

The values reported in this appraisal is the market value *before* and *after* the proposed conservation easement is granted for the 4,410.916 unimproved acres. Also determined will be any enhancement value for any property owned by the Donor either in proximity or contiguous to the protected property. The specifics of the proposed conservation easement are yet defined and are predicated on a typical conservation easement as provided by Wetlands America Trust, Inc.

The Developmental Approach was utilized throughout this appraisal report in the market valuation of the various property usages proposed for the numerous parcels/sub-parcels contained within the subject property. Comparable sales, specific to the property usages, were utilized in the implementation of the developmental approaches.

The attached appraisal report is considered a qualified appraisal as defined in Treasury Regulation 1.170A-13 (c)(3) and was prepared for your use and may not be used by a third party without written consent of the appraisers. As defined in Treasury Regulation 1.107A-13 (c)(5), we are qualified appraisers.

This qualified appraisal is not to be distributed to or relied upon by others without our written permission. This letter must remain attached to the report in order for the value opinions set forth herein to be considered valid.

CV006289

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After gathering and analyzing all pertinent facts and data and applying the appropriate methods and techniques, in our opinion the estimate of the market value of the proposed conservation easement, as of October 15th, 2002, is delineated as follows:

**MARKET VALUE OF SUBJECT PROPERTY BEFORE PROPOSED
CONSERVATION EASEMENT \$142,000,000**

**HYPOTHETICAL MARKET VALUE OF SUBJECT PROPERTY AFTER
GRANTING OF PROPOSED CONSERVATION EASEMENT \$3,750,000**

**HYPOTHETICAL MARKET VALUE OF PROPOSED CONSERVATION
EASEMENT \$138,000,000**

Pursuant to IRC §1.170A-4(h)(3)(i), "... the granting of a conservation easement has had an effect of increasing other property owned by the Donor or a related person, the amount of the deduction for the conservation contribution shall be reduced by the amount of the increase in the value of the other property ..."

Based upon market conditions as of October 15th, 2002
the enhancement is deemed to be: -0-

The Competency Provision was addressed at the time of engagement at which time the compliance with same was confirmed.

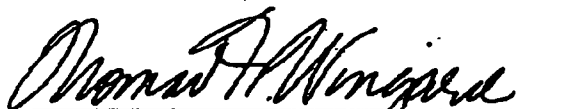
The indicated market values contain no non-realty items.

It has been a pleasure to be of service to you. If we may be of assistance in other matters, please feel free to call.

Respectfully submitted,

VAN SANT & WINGARD


Martin H. Van Sant, SRA


Thomas F. Wingard, MAI, SRA

Certified General Real Estate Appraiser No. CG 409
State of South Carolina

Certified General Real Estate Appraiser No. CG 89
State of South Carolina

TFW/kbt
Enclosure(s)

CV006290

PLTF TRIAL EXH 394

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EXHIBIT II	-	COPY OF CONSERVATION EASEMENT
EXHIBIT III	-	APPRAISERS' QUALIFICATIONS

**EXECUTIVE SUMMARY
SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

PROPERTY APPRAISED: 4,410.916 Unimproved Acres, Located on the Southwest Side of Bluff Road (S.C. Highway 48), Northeast Side of the Congaree River, Columbia, Richland County, South Carolina 29201

REPORT DATE: November 6th, 2002

EFFECTIVE DATE OF VALUE: October 15th, 2002

PURPOSE AND USE OF APPRAISAL: To estimate, for Federal Income Tax purposes, the market value of the 4,410.916 unimproved acres on October 15th, 2002, subsequent to donation of a proposed conservation easement on all 4,410.916 unimproved acres and estimate the market value of the unimproved 4,410.916 acres after donation of a proposed conservation easement.

TOTAL SUBJECT PROPERTY AREA: 4,410.916 Acres (Unimproved)

AREA OF EASEMENT (PROPOSED): 4,410.916 Acres (Unimproved)

EASEMENT DONEE: Wetlands America Trust, Inc.

EASEMENT RESTRICTIONS: Typical For Above Donee.

ZONING: Proposed Change from existing D-1, RU, M-1, and RS-3 to PDD, Planned Development District (Richland County Town and Country concept)

DATES OF INSPECTION: Multiple - See Effective Date (October 15th, 2002)

**EXECUTIVE SUMMARY (CONTINUED)
VALUE CONCLUSIONS**

**HIGHEST AND BEST USE BEFORE
CONSERVATION EASEMENT:**

Multi-use development pursuant to E.D.S.A. Land Use Plan and establishment of Multi-County Business Park.

The Developmental Approach was utilized throughout this appraisal report in the market valuation of the various property usages proposed for the numerous parcels/sub-parcels contained within the subject property. Comparable sales, specific to the property usages, were utilized in the implementation of the developmental approaches.

**HIGHEST AND BEST USE AFTER
CONSERVATION EASEMENTS:**

Agricultural and passive recreation. All development prohibited.

**VALUE OF SUBJECT PROPERTY
BEFORE CONSERVATION EASEMENT:**

\$142,000,000

**VALUE AFTER EASEMENT BUT
BEFORE BENEFIT CONSIDERED:**

\$3,750,000

BENEFIT TO THE DONOR:

-0-

Pursuant to IRC Reg. § 1.170A-14 (h)(3)(i)... "if the granting of a perpetual conservation restriction after January 14, 1986, has an effect of increasing the value of any other owned by the Donor or related person, the amount of the deduction for the conservation contribution shall be reduced by the amount of the increase and the value of the other property, whether or not such property is contiguous".

VALUE OF THE EASEMENT:

\$138,000,000

**ASSUMPTIONS AND
LIMITING CONDITIONS**

The certification of the appraisers appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the appraisers in the report.

1. The appraisers assume no responsibility for matters of a legal nature affecting the property appraised or the title hereto, nor do the appraisers render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The appraisers have made no survey of the property.
3. The appraisers are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefore.
4. Any distribution of the value in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
5. The appraisers assume there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraisers assume no responsibility for such conditions, or for engineering which might be required to discover such factors.
6. Information, estimates and opinions furnished to the appraisers and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraisers can be assumed by the appraisers.
7. Disclosure of the contents of the appraisal report is governed by the bylaws and regulations of the professional appraisal organizations with which the appraisers are affiliated.
8. Neither all, nor any part of the contents of the report, or copy thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, reference to any professional appraisal organization, or the firm with which the appraiser is connected), shall be used for any purposes

by anyone but the client specified in the report, the borrower if appraisal fee is paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state of the District of Columbia, without the previous written consent of the appraisers; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the appraisers.

9. On all appraisals, subject to satisfactory completion, repairs, or alternatives, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

10. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraisers. The appraisers have no knowledge of the existence of such materials on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

11. Additional copies of this appraisal report will be available to the client at an additional expense, to be determined before delivery of said copies.

12. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we do not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

13. Contained within this appraisal report will be information and data relative to a probable zoning change for the subject property. A probable zoning change is not necessarily an extraordinary assumption but is considered hypothetical in nature. As a result, the appraisal report contains those sections to meet the reporting requirements by the Uniform Standards of Professional Appraisal Practice (USPAP) for

hypothetical conditions.

14. This appraisal report has been prepared for the exclusive benefit of Columbia Venture, LLC, and may not be used or relied upon by any other party. Any party who uses or relies upon any information in this report, without the preparers' written consent, does so at his own risk.



Located in Richland County, in proximity to the Central Business District of Columbia, the subject property comprises 4,410.916 unimproved acres and is bordered by the Congaree River and Bluff Road in the southeastern area of metropolitan Columbia. Interstate 77 bisects the property with the property located within five minutes of the State Capitol as well as Columbia Metropolitan Airport and Columbia's downtown airport, Owens Field.

The subject property was purchased by the present ownership entity, Columbia Venture, LLC in February, 1999. Columbia Venture, LLC became cognizant of a unique opportunity presented by the subject property as it is close to a major university and the State Capitol with an interstate extending through it and seven miles of river frontage as well as access to major airports. The subject property development, to be identified subsequently by Columbia Venture, LLC as the Green Diamond project, represented an unprecedented opportunity to build and showcase a model of how development should be done based on an approach using smart, quality growth. The vision of Columbia Venture, LLC from the outset was to create an attractive community around whereby people could live, work, shop and recreate close to their home.

The vision elements and design model for Green Diamond were driven, first by the extraordinary land features and site location of the subject property, and second by the forecast which a major mixed-use community could be conceived on the strategically located site.

The Master Plan for Green Diamond dynamically embraces the following, major elements:

- The Public/Private University Research and Data Campus was considered an essential force in the plan. Herein university driven institutes and research facilities could interact with corporate technology interest, the conference center, hotel and golf complex, office, business incubator, professional, commercial and retail uses to create a vibrant and interactive knowledge and business base environment.
- A multi-faceted residential village where neighborhoods would be linked by bike trails, open spaces, lakes, parks, and public service areas. A diverse array of housing choices would characterize the expensive lifestyle from condominiums on the Congaree River to residential improvements on lakes and a golf course to even more affordable options to broaden the cultural and economic diversity

of the proposed planned development.

- A major environmental aesthetic would include a significant amount of open or green space to include parks, preserves and amenities.

The predominance of the subject property has been cleared and has been used for agricultural purposes for a significant time frame. Existing within the property are several streams, lakes, and drainage ways along with some wooded areas. The topography is considered relatively flat and is presently protected by a series of very substantial, man made earthen levees. With the generally, level or flat topography, subsequent developmental usage is extremely conducive as site preparation for any such subsequent development would be considered minimal.

The property has been thoroughly studied from an environmental standpoint and from available environmental studies, there are no unique environmental issues which permit the property from being properly and sensitively developed as planned. There are some jurisdictional wetlands but there are no threatened and endangered species and there are no sensitive areas such as ancient burial grounds which would impede subsequent developmental usage.

The subsequent developmental usage was based on a vision by the property owners as well as the employment of Edward D. Stone and Associates (E.D.S.A.) relative to providing a land plan for the subject property. The land plan was based on the vision of the property owner combined with the expertise of E.D.S.A. in creating a unique environment. The land plan, as determined by E.D.S.A., was augmented by the services of highly reputable land development and research consultants employed to study the property, the proposed amenities, the Columbia market place and other appropriate indicators. It appears their findings confirm the developmental plan as provided by E.D.S.A.

The authors of Richland County's *Town and Country Plan* (Killinger and Alberto) also confirm the initial plans met and exceeded their expectations. They pointed out the project's location represented an *in-field* situation and would assist in slowing what some have described as *sprawl* on Richland County's and Columbia's northeast side.

The primary benefit of the proposed Green Diamond project would be its development efforts would exist in upgrading services and infrastructure, as well as job creation, for adjacent communities and their residents. The surrounding minority communities have been ignored for an extensive time and Green

Diamond's plan includes an investment in these communities.

The proposed Green Diamond project is decidedly a big plan, one in which the collaborative efforts of the private sector, the research institutions of the state (University of South Carolina, Clemson University, The Medical University of South Carolina, etc.), City of Columbia, Richland County, Richland School District No. 1, and the State of South Carolina must be engaged in order to fully recognize the tremendous economic and social potential. Without question, the Green Diamond project transforms the economic landscape of the region with the result and effect of an enhanced overall quality of the life for the residents of the midlands area.

A significant amount of research was undertaken in order to formulate the overall development plan. Particular emphasis was placed upon the experiences of Triangle Park in Raleigh/Durham, North Carolina, Cummings Research Park in Huntsville, Alabama, Stanford Research Park in California, and University Research Park in Charlotte, North Carolina.

The Green Diamond project, coupled with the E.D.S.A. Land Use Plan, is a planned, world class research park and residential community. The community will consist of a variety of residential villages, town centers, neighborhoods, high technology, research, telecommunications, computer development, training facilities, hotel(s), conference center, golfing, and institutional centers and a research oriented campus for the University of South Carolina.

The economic impact of the Green Diamond development for the entities affected is significant.

ZONING DISTRICT DESIGNATION

At the present time, the 23 parcels comprising the Green Diamond project are zoned by Richland County as four separate zoning designations to include: D-1, Development District; M-1, Light Industrial/Manufacturing; RU, Rural District; and RS-3, Single-Family Residential District. With the planning of the subject property, with a mixed use development to consist of a technology office park and other office areas, light industrial, commercial, residential and recreational uses, the owners are cognizance re-zoning of the development property is necessary for the development to occur. The re-zoning of the subject property into a Planned Development District (PDD), would allow flexibility and development which will result in improved design, character and quality as well as preserving the natural and scenic features of open spaces within the proposed development. Additionally, the re-zoning of the subject property to PDD would allow the developer flexibility in the development of the property and such flexibility requires

variations from requirements applicable to other zoning districts. Section 6-29-740 of the South Carolina Code of Laws allows and encourages a local government to provide for the establishment of a planned development district as an amendment to its zoning ordinance and official zoning map in order to allow flexibility in development. Richland County is cognizant the proposed development is well suited for zoning as a planned development district and such zoning can best be accomplished by the enactment of an ordinance tailored to the unique and specific needs of the development. With the re-zoning of the subject property to the PDD, a significant number of permitted uses as well as prohibitive uses would be provided, indigenous to the general development plan.

With the size of the development, as well as, the mixed use plan to encompass a plethora of uses as well as the preservation of natural areas and aesthetics, a change in zoning was considered imminent to allow for subsequent developmental usage.

MULTI-COUNTY BUSINESS PARK

Obviously, with a development plan to encompass the entirety of the Green Diamond assemblage, consisting of 4,410.916 acres, a significant amount of public infrastructure would have to be completed in order to allow the project to proceed and succeed. The generation of funds for the public infrastructure will be provided with the establishment of a Multi-County Business Park. The Multi-County Business Park (MCBP) concept is well grounded in the South Carolina Constitution. In late 1988, the question of whether business parks should be established in South Carolina was put before the voters statewide and passed by an overwhelming majority. The reason for such broad based support is quite simple; positive economic growth enhances the quality of life for residents of the state. Unfortunately, quite often, new business capital investment frequently required additional public infrastructure. When the public sector cannot afford the up-front cost of the infrastructure, innovative approaches need to be devised. Recognizing that once infrastructure is in place, property taxes being generated from new businesses will provide the necessary revenue to pay-off bonds, which could then be floated to finance the new infrastructure necessary to support the creation of the MCBP.

In the creation of a Multi-County Business Park, only a small percentage of the governing tax funds generated by the project will be required to construct public infrastructure which would allow the project to proceed and succeed. Funds would only be used for levee work and water, waste water, storm water and streets, principally for that portion of the project associated with the research park. The public infrastructure would be financed via special revenue bonds with no additional tax burden or exposure occurring for the existing taxpayer. Only residential and industrial tax revenues will be used for retirement of the special

revenue bonds with no residential taxes used. With the creation of MCBP, a major new tax base will be established, enabling enhanced governmental services and facilities to the entire Columbia metropolitan area without adverse impact on existing land/property owners. The tax revenue generated will also provide potential opportunities to improve the areas school district with new public school sites, curriculum, and teaching enhancements.

With the upgrading of the levees to allow for development, the current annual property taxes being generated will be increased substantially to approximately \$120,000,000 per annum at build-out.

In summary, it is estimated the establishment of the Multi-County Business Park would have substantial fiscal impacts on Richland County, City of Columbia, Richland School District No. 1, and the University of South Carolina.

DETERMINATION OF FLOODWAY

The proposed Green Diamond project has experienced unfavorable public reactions and scrutiny by the media as a result of disputes of the property relative to a probable location within the floodway. A map revision in 1999 indicated, by the governing entity, the Federal Emergency Management Agency (FEMA), the property has indicated substantial portions within the floodway. However, the disputes with FEMA result from the methodology utilized by this governing entity in determining the existence of the floodway. Through subsequent, more scientific applications, and subsequent improvements to the levees, the subject property should be found not to be located within a designated floodway. More specifically, the funding for the infrastructure for the certification and improvement of the present levee system would remove large portions of the subject property from a designated floodway. The cost of the levee upgrade and subsequent certification does represent compliance with the 100-year floodway as opposed to the minimum requirement of the 500-year flood.

Present litigation is pending relative to the final determination of the subject property within the floodway. However, in conversations with engineers concerning the improvement and certification of the existing levees, it appears subsequent developmental usage would be likely with such an occurrence. In conversations with the City of Columbia's contract engineer, the developmental potential of the subject property was not a question of *if*, but a question of *when*.

With the determination of the subject property outside the floodway a likely occurrence, the following Complete, Self-Contained Appraisal Report does entail the potential developmental aspects of the subject

property based on the employment of a Multi-County Business Park with a collaborative development with Richland County and the University of South Carolina. This collaborative development is the result of the implementation of the Multi-County Business Park concept as well as implementation of the Richland County's Town and Country concept for large multi-use developments like the proposed Green Diamond Project.

**IDENTIFICATION OF
SUBJECT PROPERTY**

The subject property is identified as 4,410.916 unimproved acres located on the southwest side of Bluff Road (S.C. Highway 48), northeast side of the Congaree River which forms the boundary between the City of Columbia and the municipality of Cayce, South Carolina, and the northeast and southwest sides of Interstate 77 which extends through the subject property. The compilation of acreage is approximately one mile from the city limits of Columbia and approximately five miles from the State Capitol and Central Business District (CBD). The expanse of acreage comprises approximately 7.0± miles of shoreline extending along the Congaree River. The acreage is considered contiguous with several parcels located intermittently within the acreage, i.e. the Heathwood Hall School and the City of Columbia Waste Water Treatment Plant facility. Additionally, there is an expanse of acreage not considered part of the subject property located within the subject which is presently unimproved with the exception of the East Richland Waste Water Treatment Facility. The subject property had been commonly referred to as the *Manning* property as there has been no definitive name associated with the property due to its currently unimproved status.

Due to the proximity of the Congaree River to the subject property, it has been protected over the years by a series of man-made, earthen levees. The prospect of future, developmental usage for the entirety of the subject property is predicated on the upgrading and subsequent certification of these levees to allow for such development. Also, the current zoning by Richland County reflects a combination of D-1, RU, M-1, and RS-3. The RU is a rural zoning designation while the D-1 District is intended to provide for large tracts of land located primarily on the fringe of urban growth and further recognizes future demand for developable land will generate requests for amendments in zoning designations to remove land from D-1 and place it into more intensively developed classifications as a natural consequence of urban expansion. The M-1 district represents light manufacturing while RS-3 is a single-family residential zoning area. It is anticipated a zoning change is imminent as a result of the creation of a planned development district for the subject property which will incorporate multi-land uses, indigenous to Richland County's Town and Country concept. The probable change in zoning, coupled with the levee upgrade and certification, renders eventual development of the subject property as imminent. As a result of the proposed subsequent development of the subject property, it has been described or delineated into sections identifiable as to the existence of the present man-made, earthen levees. The entirety of the subject property, inclusive of all 4,410.916 acres, is described as three levee sections, specifically Levee Sections 1, 2, and 3. The identification of these levee sections, relative to the total number of acres within each section, will correspond with the total number of acres for the subject property delineated in two surveys/plats identifying the entirety of the subject property. The surveys/plats were completed by B.P. Barber and Associates, Inc.,

and prepared for Burroughs and Chapin Company, Inc., dated June 26th, 1998. A copy of each of these plats/surveys identifying the subject property will conclude this Identification section. Additionally, the identification of the components within each levee section comprising the subject property will be delineated in the following chart, preceding the surveys/plats.

LEVEE SECTION 1	
Developable Parcels	573.540 Acres
Golf	285.450 Acres
Open Space, Lakes, Wetlands and Buffers	161.491 Acres
Roads	85.000 Acres
TOTAL	1,105.481 Acres

LEVEE SECTION 2	
Developable Parcels	888.09 Acres
Open Space, Lakes, Wetlands and Buffers	390.91 Acres
Roads	99.00 Acres
TOTAL	1,378.00 Acres

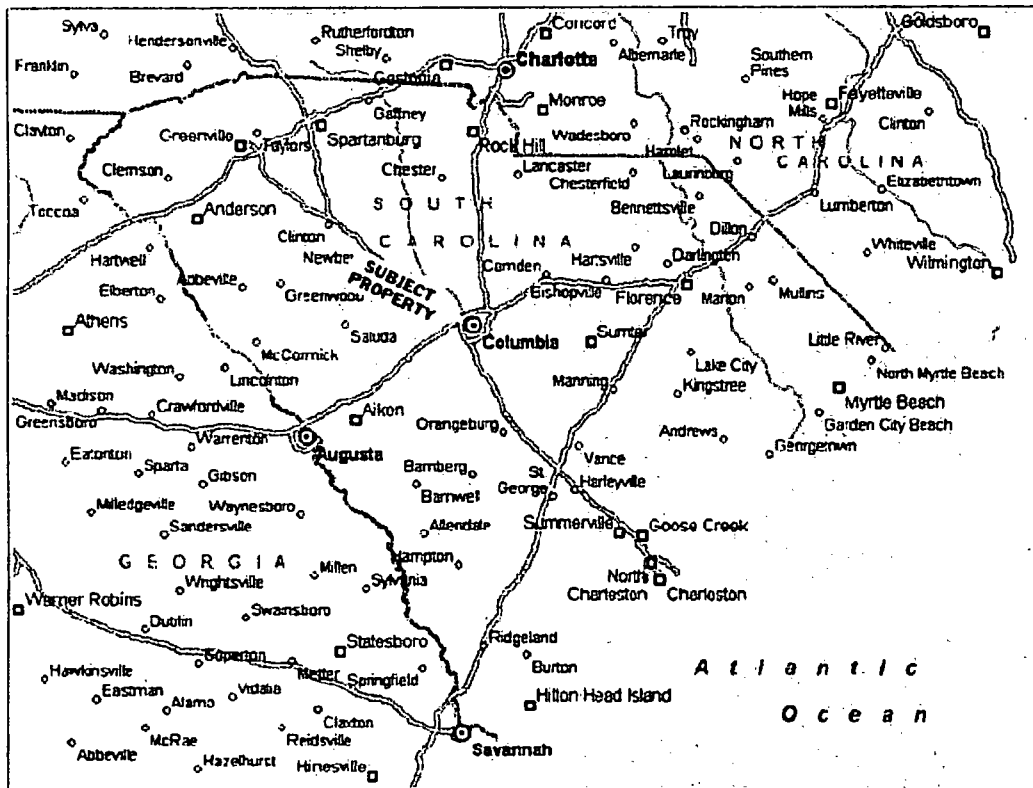
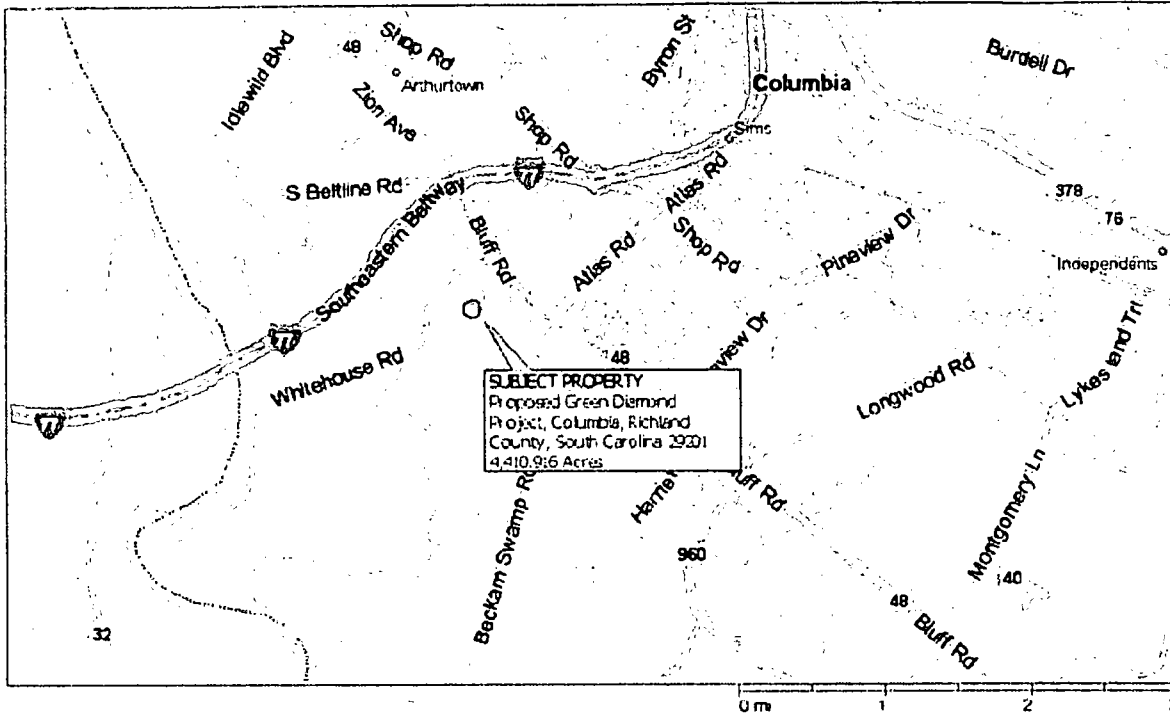
LEVEE SECTION 3	
Developable Parcels	302.701 Acres
Agricultural Acreage	1,624.734 Acres
TOTAL	1,927.435 Acres

GREEN DIAMOND PROJECT	
Levee Section 1	1,105.481 Acres
Levee Section 2	1,378.000 Acres
Levee Section 3	1,927.435 Acres
TOTAL	4,410.916 Acres

LEGAL DESCRIPTION(S)

Due to the number of parcels comprising the Green Diamond assemblage, individual legal descriptions for each of the conveyed parcels will not be provided. As will be stated in a separate section denoting the history and ownership of the Green Diamond assemblage, copies of the deeds and representative legal descriptions will be provided in the Addenda for each of the 23 conveyances which comprise the Green Diamond assemblage.

LOCATION MAP OF SUBJECT PROPERTY: GREEN DIAMOND PROJECT



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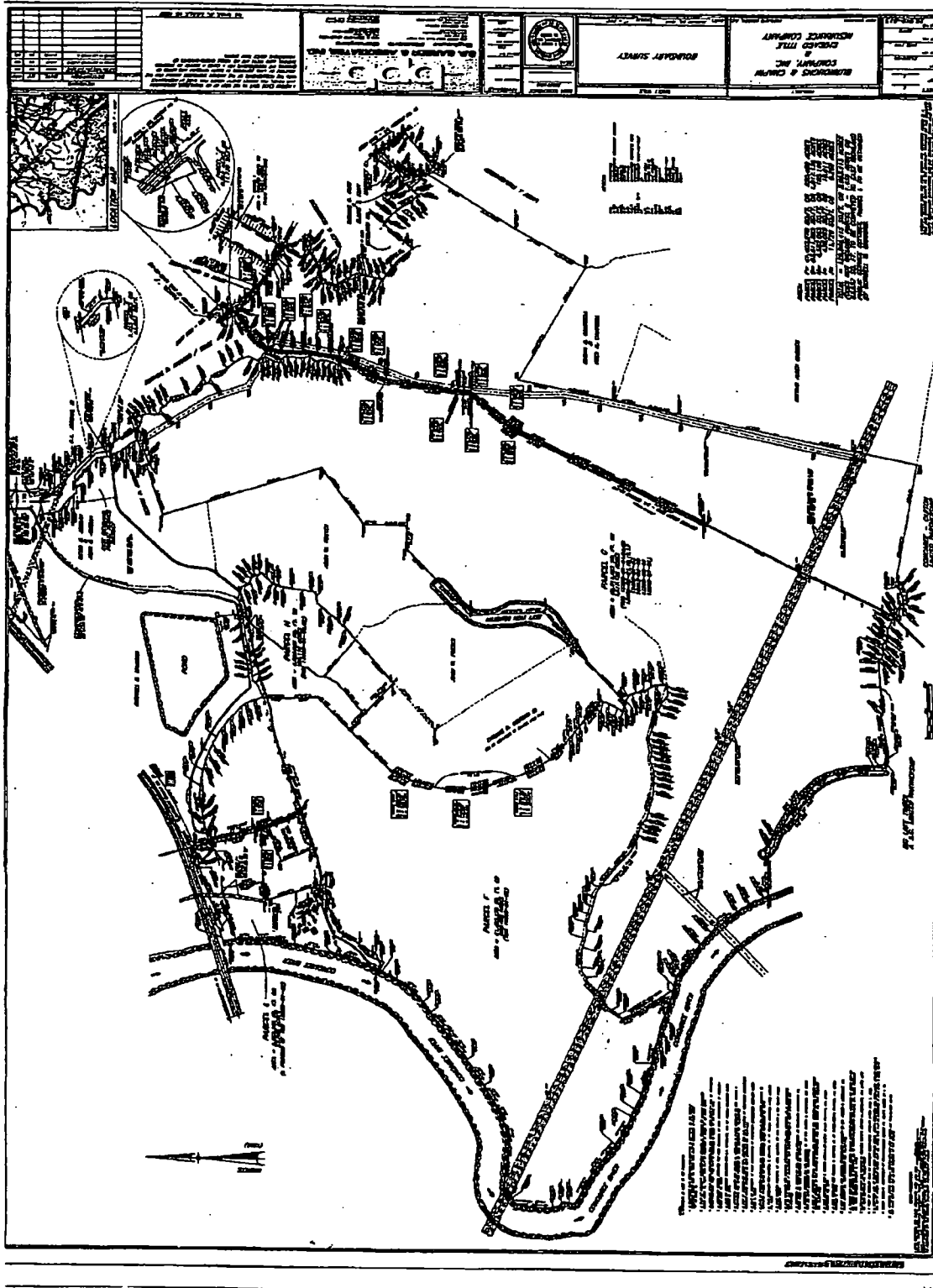
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CV006309

PLTF TRIAL EXH 394



CV006311

PLTF TRIAL EXH 394

**OBJECTIVE (PURPOSE) OF
THE APPRAISAL**

The objective or purpose of this Complete, Self-Contained Appraisal Report is to estimate the *before* and *after* market values of the subject 4,410.916 unimproved acres which are proposed to be conveyed as a conservation easement to Wetlands America Trust, Inc. Although the subject property is presently unimproved, the fair market value of the property, *before* contribution of the easement should take into account not only the current use of the property but also an objective assessment of how immediate or remote the likelihood is the property, absent the restriction, would be developed. Information and data relative to the likelihood of the development of the property has been addressed in prior sections and obviously will be addressed in more detail in subsequent sections.

The market value of the subject property *after* the conservation easement is granted is the *after* value, which will consist of vacant land restricted against subsequent developmental usage as well as prohibitions against specified uses. The purpose of this appraisal is to estimate for income tax purposes, the market value of the proposed conservation easement donation, as of October 15th, 2002.

The indicated *before* market value will reflect the market value of the potential to develop the subject property relative to a mixed use development which would reflect the highest and best use, pending the appropriate zoning change to a planned development district as a result of the implementation of the Richland County Town and Country concept, to allow for such development, compatible with surrounding properties.

The market value estimate is being indicated according to the definition of market value as found in U.S. Treasury Regulation §1.170A-1 (c)(2).

"The fair market value is the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts. If the contribution is made in property of a type in which the taxpayer sells in the course of his business, the fair market value is the price which the taxpayer would have received if he had sold the contributed property in the usual market in which he customarily sells, at the time and place of the contribution and, in the case of the contribution of goods and quantity, in the quantity contributed. The usual market of a manufacturer or other producer consists of the wholesaler's or other distributors to or through whom he customarily sells, but if he sells only at retail the usual market consists of his retail customers."



The valuations contained within this Compete, Self-Contained Appraisal Report will reflect the fee-simple estate. According to *The Dictionary of Real Estate*, Third Edition, The Appraisal Institute, Chicago, Illinois, a fee-

simple estate is identified as:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

The determined total acreage comprising the subject property is being valued in the fee-simple estate although the valuation will entail the potential developmental capability of the subject property relative to the E.D.S.A. Land Use Plan Identified as the Green Diamond project. The total acreage determination is a synthesis or correlation of the available acreage provided by the plats/surveys as well as the acreage total for each respective parcel contained in the Green Diamond project as provided by the E.D.S.A. Land Use Plan.

**INTENDED USE OF THE
APPRAISAL**

The function or intended use of this appraisal report is to provide the client, Columbia Venture, LLC with a Complete, Self-Contained Appraisal Report delineating all applicable approaches to value and utilizing all proper appraisal principles and techniques in order to derive or determine a market value of the conservation easement donated on the subject property, comprising 4,410.916 acres. This assemblage of acreage is located in the southeastern area of metropolitan Columbia, South Carolina.

The purpose is to estimate for federal income tax purposes, the market value of the proposed conservation easement donation as of October 15th, 2002.

In the event there is an absence of sales of similar easement-encumbered parcels, federal tax laws require comparison of the market value of the subject property prior to donation of the easement and the market value of the property after donation of the easement, as well as any consideration of any off-setting increase in value of other property owned by the donor (Columbia Venture, LLC). The difference is the value of the conservation easement.

As stated, Columbia Venture, LLC will utilize this appraisal report for federal income tax purposes in connection with the donation. The appraisal report will be completed with respect to and in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) as prescribed by the Appraisal Foundation and FIRREA and will reflect a Complete Report articulated in a Self-Contained format. Additionally, the attached report is a qualified appraisal report as that term is defined in the applicable Internal Revenue Service Regulations.

A qualified appraisal is an appraisal document that:

- relates to an appraisal made not earlier than 60 days prior to the date of contribution of the appraised property;
- does not involve a prohibited appraisal fee;
- includes certain information (covered later) and is prepared, signed and dated by a qualified appraiser.

A qualified appraiser is an individual who declares on the appraisal summary that he or she:

- holds himself or herself out to the public as an appraiser or performs appraisals on a regular basis;

- is qualified to make appraisals of the type of property being valued, because of his or her qualifications described in the appraisal;
- is not an excluded individual;
- understands that an intentionally false overstatement of the value of property may subject to him or her to the penalty for aiding and abetting an understatement of tax liability.

The appraisal report is being prepared for the sole use by Columbia Venture, LLC for submission to the Internal Revenue Service as evidence of the value of a charitable donation of a conservation easement.

**EFFECTIVE DATE OF THE
APPRAISAL**

This Complete, Self-Contained Appraisal Report contains valuations consisting of *before* and *after* market values in order to determine the value of the conservation easement.

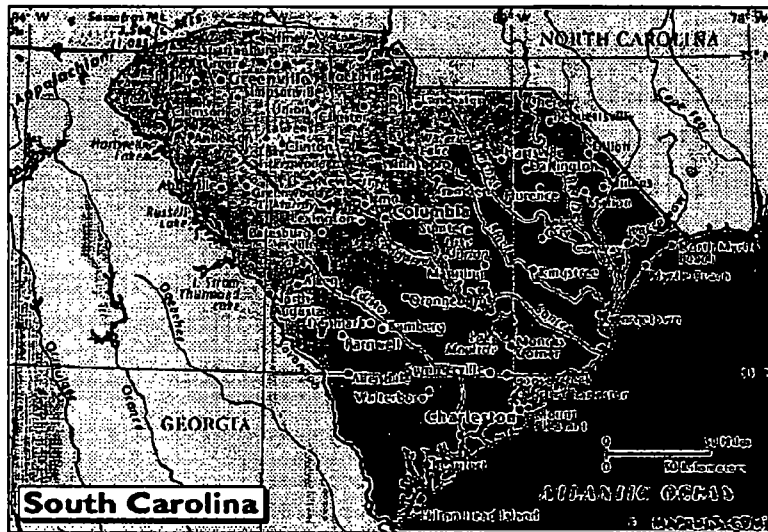
The *before* and *after* market values of the conservation easement donation is as of October 15th, 2002.

Due to the size of the subject property, there were numerous inspections of the property, comprising the entirety of 4,410.916 acres, during the entirety of 2001 and 2002 to the effective date, October 15th, 2002.

COLUMBIA AREA DATA

Columbia, the capital of South Carolina, is located at the geographical center of the state and is situated halfway between New York and Miami. At the fall line where the Lowcountry ends and Upcountry begins, Columbia, the first planned capital in America, is flanked by three major interstates and the busiest airport in the state. Even today, because of the farsightedness of the original planners, the width of Columbia streets is adequate for traffic and on-street parking. Downtown Columbia houses both the University of South Carolina and the State House, which landmarks General Sherman's historical march through the South. Cannon ball scars are still visible on the landmark. A historical marker at the University reminds the traveler that every student joined the Confederacy. Down the street, an old cotton mill has been beautifully converted into the State Museum. Fort Jackson, the largest United States Army training base in the country, can be found in Northeast Columbia.

As a growing city, Columbia features several theatrical companies, a symphony, and



the Koger Center which hosts plays, concerts, and ballets. With more than 600 miles of shoreline, the majestic, man-made Lake Murray, built in the 1940s, is thirty minutes away, as the sporting center of the Midlands, water skiers, fishermen, knee-boarders, and boating enthusiasts spend their weekends and holidays enjoying the lake.

While maintaining its Southern charm, Columbia is a progressive, modern city attractive to large-scale business and manufacturing entities. Surrounding Columbia are bustling little towns including Lexington, Newberry, Saluda and Swansea, which follow the Capital's lead to prosperity.

GEOGRAPHIC CONSIDERATIONS

The central Midlands region includes Richland, Lexington, Fairfield and Newberry Counties. Among these counties, recent periods have demonstrated more vigorous growth in Richland and Lexington Counties, with Fairfield and Newberry Counties exhibiting slower growth.

The Columbia Metropolitan Area (MSA) is composed of Richland and Lexington Counties and encompasses 1,457.3 square miles. Columbia, the state capital of South Carolina, is geographically located on the fall line or division between the Coastal Plain and Piedmont sections of the state. Covering an area of 104 square miles, Columbia is situated on a bluff east of the confluence of the Broad and Saluda Rivers, which join to form the Congaree River. The Congaree is the northern-most point of the navigable portion of the largest river system in the state which extends southward to Charleston and the Atlantic Ocean.

Columbia, the geographic center of the State of South Carolina, is conveniently located approximately 945 miles south/southwest of New York City, New York; 611 miles north of Miami, Florida; 754 miles southeast of Chicago, Illinois; 730 miles east/northeast of Dallas, Texas; 211 miles east of Atlanta, Georgia; 95 miles south of Charlotte, North Carolina; 105 miles southeast of Greenville, South Carolina; and 110 miles northwest of Charleston, South Carolina. The mountains of western North Carolina, northwestern South Carolina, and eastern Tennessee are only several hours drive north/northwest. Likewise, residents can travel to the historic cities of Charleston, South Carolina and Savannah, Georgia, as well as the beautiful beaches along the Grand Strand of South Carolina, in a comparable amount of time.

Columbia is 332 feet above sea level, and its climate is characterized by mild, almost snow-free winters and long, moderate summers. It is possible to engage in a variety of outdoor recreations each day of the year. The Columbia area climate is quantified as follows:

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Avg. Daily Maximum Temperatures(°F) ..	55	59	68	77	84	89	91	90	85	77	67	58
Avg Daily Minimum Temperatures(°F) ..	32	34	42	49	58	66	70	69	63	50	42	35
Annual Percent of Sunshine												64%
Heating Degree Days												2,629
Cooling Degree Days												2,033
Sky Cover												
Mostly Sunny Days (mean annual number)												219 days
Mostly Cloudy Days (mean annual number)												146 days
Annual Precipitation												49 inches
Average Chance of Precipitation												29.5%
Average Humidity												87%
Average annual snowfall												2 inches
Average growing season of frost-free days												252 days

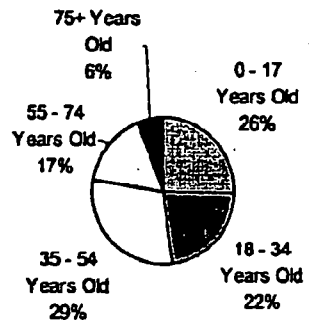
* Source: Southeast Regional Climate Center

POPULATION

The Columbia MSA population growth is represented as follows with projections of future growth. The median age in Richland County is 32.6 years and the median age in Lexington County is 35.7 years.

COLUMBIA MSA POPULATION (Richland and Lexington Counties)		
Year	Population	% Variance
1980	410,088	--
1990	453,932	9.70%
2000	536,691	15.40%
* Source: US Census Bureau, 2000 Census		

This population is segmented by the following age categories, noting over 50% of the population is within a working age classification.



Columbia's per capita and median family incomes are higher than South Carolina as a whole, as shown on the following table, and are comparable to the United States. Columbia also is included among the lowest cost of living indices in the United States of only 96.1, when compared to Charlotte, NC (98.5), Chicago, IL (107.1), Philadelphia PA (102.8) and the highest being Los Angeles (148.1).

Area	Per Capita Personal Income	Median Family Income*
Lexington County	\$ 26,643	\$ 49,400
Richland County	\$ 27,988	\$ 49,400
South Carolina	\$ 23,538	\$ 43,600
U.S.A.	\$ 28,546	\$ 47,800

LABOR AND EMPLOYMENT

South Carolina is a right-to-work state, which contributes to its high productivity levels. There are over 281,000 persons within the civilian labor force of the Columbia MSA area, an 8.6% increase in five years since 1995. The current labor force, which continues to grow, is segmented by industry as follow:

COLUMBIA MSA LABOR FORCE SEGMENTATION	
Transportation/Public Utility	5.00%
Trade	25.00%
Services	23.00%
Construction/Mining	7.00%
Government	22.00%
F.I.R.E.	6.00%
Manufacturing	12.00%
	100.00%

Unemployment in the Columbia MSA has been on an overall decline, and is more than 37% lower than the United States as a whole.

Area	UNEMPLOYMENT RATES						
	1994	1995	1996	1997	1998	1999	2000
Columbia MSA	4.40	3.30	3.70	2.70	2.00	2.50	2.50
South Carolina	4.05	3.28	3.68	2.69	2.05	2.46	3.90
U.S.A.	6.10	5.59	5.41	4.95	4.51	4.23	4.00

Accounting in part for this low unemployment rate is a work stoppage rate of .01 and job-producing entities in the area. The unionization rate is only 1.8%, the lowest in nation membership. Major employers in the Columbia MSA are delineated in the following table:

COLUMBIA MSA MAJOR EMPLOYERS	
South Carolina State Government	33,142
Fort Jackson Military Base	15,027
Local Government	13,062
Federal Government	8,256
Defender Industries	8,000
Blue Cross & Blue Shield of SC	5,550
Palmetto Richland Memorial Hospital	4,542
South Carolina Electric and Gas	4,500
Lexington Medical Center	2,600
Mynd Corporation	2,300
Palmetto Baptist Medical Center	2,000
Bell South	1,923
United Parcel Service	1,789
Wachovia Bank	1,700
Providence Hospital	1,600
Louis Rich	1,600
E. I. DuPont Nemours & Co.	1,550
Michelin Tire Corp.	1,350
Mack Trucks	1,300
Bose Corp	1,038



GOVERNMENTAL CONSIDERATIONS

The Central Midlands Region of South Carolina is comprised of Richland, Lexington, Fairfield and Newberry Counties. Among these counties are a number of cooperative associations designed to mutually benefit the counties, one of which is the Central Midlands Regional Planning Council. The Central Midlands Regional Planning Council (CMRPC) analyzes statistics on population, population shifts, work force, construction and development and production. From this data, CMRPC projects the future needs of infrastructure and transportation and assesses the promotional needs of specific areas or sectors. The counties and local municipalities also maintain their individual governments.

Richland County, the largest county of the Midlands with a 2000 population of 285,720, is governed by a council-administrative form of government under the provisions of the Home Rule Act passed by the South

Carolina General Assembly in 1975. The Council has an eleven member board and an administrator to manage various elements of the County Government on a daily basis.

Lexington County, the second largest in the Midlands with a 2000 population of 167,611, is governed by a council-administrative form of government under the provisions of the Home Rule Act passed by the South Carolina General Assembly in 1975. The County Council has eleven members and an administrator.

The City of Columbia has a mayor-council form of government. The mayor and council members are elected, part-time, offices. The various departments of city government report to the Council. The mayor lends direction and focus to new or existing programs; however, the majority of time is entailed in promoting the City of Columbia. Currently, no formal consolidation of city and county governments has taken place. However, there have been numerous studies and conversations about possible consolidation of some governmental bodies in shared services and responsibilities.

TAXES

South Carolina has one of the lowest state and local per capita tax burdens in the nation. Corporate tax laws are designed to attract industry to the area. South Carolina's *No Situs Law* is designed especially for warehouse and distribution operations. It provides an exemption of all inventory taxes on stored goods moving into interstate commerce. The state has no wholesale sales tax and no manufacturer user inventory tax. South Carolinians and business concerns therein pay a variety of state taxes which support governmental functions. These include the following:

Personal Income Tax	2.5% - 7% of net taxable income
Average residential property tax	\$1.15 per \$100 of fair market value
Retail and Use Tax	5%
Corporate Tax	5%

Richland County has two types of taxes; taxes on real property and taxes on personal property. Real property includes land and all improvements such as homes or commercial buildings; however, it does not include the value of furnishings. Taxes on real property are calculated through correlation of the assessors appraised value of the property, the ratio of assessment set by State officials, and the millage set by county government officials. Richland County Council annually sets the millage for operating funds, and the county auditor sets the millage for construction bond payments.

Municipal taxes are based on assessments derived by the Richland and Lexington County Offices of Assessment and Equalization as combined with the millage set by the various city councils. The municipalities represented in the metropolitan Columbia area include the cities of Columbia, Forest Acres, Lexington and West Columbia; the towns of Arcadia Lakes, Cayce, Chapin, Immo and Springdale; and the smaller municipalities of Ballentine, White Rock, Pineridge, Dixiana, Pontiac, Red Bank, South Congaree and Horrell Hill.

EDUCATION

Public education in the state is financed primarily through state, county, and city taxation systems. In 1984, the South Carolina General Assembly enacted what it considered the most comprehensive piece of education legislation in the State's history. This \$218 million education reform package was designed to achieve excellence in the state's public schools which have lagged behind in national Scholastic Aptitude Test (SAT) scores for years. This education reform act has apparently been, at least in part, successful, although the SAT scores have not dramatically improved in comparison to other states performance. This is partially due to other states also spending more to improve education, and their students improving comparably to South Carolina students where there is an average pupil-to-teacher ratio of only 15:1 as shown on the following table:

PUBLIC EDUCATION				
	Richland County		Lexington County	
Type	Schools	Students	Schools	Students
Elementary	40	20,515	9	4,443
Secondary	22	23,541	6	5,029
Pupil:Teacher Ratio	15:01		15:01	

There are approximately 46 private schools in the greater Columbia area providing for the educational needs of children grades K-12. Nearly 95% of private school graduates go on to college.

The greater Columbia area is benefitted in higher education with nine colleges and universities. Preeminent among these is the main campus of the University of South Carolina in Columbia. USC, the largest higher education institution, had a 2000 enrollment of 27,471, of which 17,142 were undergraduate students, 9,223 were graduate students, 758 were law school students, 15 were pharmacy school doctoral students,

and 333 were medical school students. Eighty percent of the student body were in-state residents; the remaining twenty percent are from all regions of the United States and various regions of the world.

The university includes an Honors College where the average SAT score is 1250, which is within the top six percent nationally. The College of Business Administration of the University of South Carolina in Columbia includes a Masters in International Business graduate school program which was ranked No. 1 nationally in 1993, for the fourth consecutive year. This program has benefitted the university with an increased international awareness, and the Columbia area with increased inquiries from international businesses considering American developments.

Other colleges and universities in the Midlands include those detailed on the following chart. Additionally, other trade schools and correspondence programs are available in the Columbia area.

Institution	No. of Students	Institution	No. of Students
Allen University	250	Columbia Junior College, ...	418
Benedict College	1,478	Lutheran Theological Seminary	161
Columbia Bible College	961	Midlands Technical College	7,546
Columbia College	1,190	Newberry College	709

TRANSPORTATION AND PUBLIC SERVICES

Provisions made in preceding years and foresight by governmental officials for the transportation requirements of a growing city can positively or negatively impact its potential to grow and prosper. The Columbia area has a full compliment of rail, highway, and airline services. Interstate 26 connects Columbia with Charleston to the southeast and the Greenville/Spartanburg area and Asheville, North Carolina to the north. Interstate 20 provides fast access to points east and west. Interstate 77 forms a direct route from Florida through Columbia and Charlotte, North Carolina to the popular Great Lakes region and other points north.

Two major railroads, Norfolk Southern and Seaboard Systems, and a combined 68 motor freight carriers serve the Columbia MSA area. There are three port facilities on the coast line of South Carolina; the closest is in Charleston, just 110 miles away. Passenger service is provided by Amtrak.

The Columbia Metropolitan Airport in Lexington County is approximately six miles southwest of Columbia's central business district. Passenger air service out of Columbia Metropolitan Airport is provided by four

scheduled airlines, Midway, Delta, USAir, Continental and ComAir. Commercial cargo, package and courier services out of Columbia Metropolitan Airport are provided by ABX Air, Bankair, CC Air Delta, Emery Worldwide, Federal Express, Mountain Air Cargo, Piedmont, US Airways and United Parcel Service.

In addition to these air flight offerings, the area of the Columbia Metropolitan Airport includes an adjoining Columbia Airport Enterprise Park and Foreign Trade Zone #127. These are duty-free, industrial development districts located on lands of the Columbia Metropolitan Airport which are leased primarily to prospective industrial and highly technical manufacturing tenants. A \$45 million terminal expansion has been completed to the Columbia Metropolitan Airport.

Other corporate and private airport facilities in the immediate Columbia Metropolitan area include Fairfield County Airport, Winnsboro, Fairfield County; Newberry Municipal Airport, Newberry, Newberry County; Owens Field, Municipal City Airport, Columbia, Richland County; and Pelion Corporate Airport, Pelion, Southwestern Lexington County.

UTILITIES AND ACCOMMODATIONS

These taxes provide for police and fire protection provided in the counties by the Richland and Lexington County Sheriff's offices and various city police and fire departments in the municipal areas. Fire protection in more rural areas is provided through a network of volunteer fire departments.

Public water is made available in the majority of these areas by municipally administered water authorities. Waste water and sewage disposal are also provided by authorities of the City of Columbia, East Richland Public Service District, and various local municipal authorities. Garbage collection is also handled by any number of public authorities and private collection companies. Electric and natural gas services are provided by several utilities providers. The largest, South Carolina Electric and Gas, is a public stock company which is allowed some monopolistic operational benefits at the bequest of the local government authorities. Still, several smaller cooperatives serve outlying areas with electricity.

Conventional telephone services are provided by numerous local telephone companies inclusive of Southern Bell Telephone and Telegraph and in conjunction with various long distance vendors. Cellular telephone services are provided by several companies inclusive of Bell South Mobility and Bell Atlantic Mobile and in conjunction with various microwave and optic fiber land line vendors.

HEALTHCARE

The primary health care centers of the region are located in the immediate Columbia area. The major hospitals of this area include Palmetto Baptist Medical Center, Columbia-Providence Hospital, Palmetto Richland Memorial Hospital, Newberry County Memorial Hospital, Fairfield Memorial Hospital, Kershaw County Medical Center, and the Lexington Medical Center. The University of South Carolina School of Medicine is also located in Columbia. Medical care is provided to military and veteran persons from the VA Hospital and the Moncrief Army Community Hospital. In addition, there are over 20 nursing homes in the region.

According to the Greater Columbia Chamber of Commerce, there are a total of 239 dentists serving the immediate Columbia area.

LODGING

The lodging needs of the immediate Columbia area are met by a growing number of lodging facilities. The most recent listings within the immediate greater Columbia area include 81 hotels, motels and bed and breakfast facilities which offer a total of approximately 7,243 rooms.

NEWSPAPER, TELEVISION AND RADIO

Columbia, and the central Midlands area of South Carolina, has one primary newspaper that is published daily, with approximately 22 smaller community, sector and special interest newspapers published on a daily, weekly, monthly or quarterly basis. *The State* paper, published in Columbia, is the largest newspaper in the state and has an average weekday circulation of 128,044 and an average weekend circulation of 165,289. Television stations include WIS Television, Channel 10, an NBC Affiliate, WLTX TV, Channel 19, a CBS Affiliate, WOLO TV, Channel 25, an ABC Affiliate, WRLK, Channel 35, a Public Broadcasting Affiliate, and WACH TV 57, Channel 57, a FOX Affiliate. The Columbia area also includes 23 radio stations serving her communications needs.

CONCLUSION

The State has encountered some recent private sector growth resulting from a BMW assembly plant being located in the up-state region. This has spurred a number of jobs throughout the state in related industries. As detailed above, the central Midlands region of South Carolina and the Columbia area have encountered job growth in both the private sector and military complex. Since Columbia is the State Capital and the home of the main campus of the University of South Carolina, the economic environment is also considered to be very stable. This is attested to by the unemployment in the area being lower than the other areas of

the state.

In terms of the governmental impacts on the Columbia area, the government, as was discussed, has a major positive impact due to Columbia being the State Capital, the County seat of Richland County and being the home of the main campus of the University of South Carolina. Therefore, the government impacts the area with a variety of job availability for local residents.

The Columbia area is benefitted socially by the variety of citizens living in the area. Also, Columbia has advantages which result from being the State of South Carolina's center for such major employers as banks and insurance companies. As stated above, the University of South Carolina having her main campus here, results in a positive impact. These factors allow the area to have a rich array of fine arts offerings, a local zoological park, and sports venues made possible by the areas' diverse social makeup.

The Columbia area is benefitted by a pleasant climate and is geographically located in the center of the state, making it a convenient traveling distance to both the SC beaches and the mountains of South and North Carolina. The area's proximity to Lake Murray, a large fresh water lake, provides residents with immediate access to a variety of recreational offerings including motor boating, sailing, water skiing, fishing and swimming. Columbia also benefits by its proximity to several rivers which provide residents with possibilities of canoeing and kayaking.

The Columbia area is therefore benefitted with a broad based, stable economy, which is positively impacted by government. The area includes a various social makeup with its related assortment of cultural and entertainment offerings, and the area has a pleasant climate and desirable location. Columbia has all the necessary municipal and private facilities necessary to make it very competitive with other areas of the state and nation. The economic, governmental, social and environmental considerations, which influence real estate, appear to be in balance in the Columbia area. When combined with the most recent the Columbia area, the area's future appears bright.

NEIGHBORHOOD DATA

The subject property is located in the southeast area of Richland County in Columbia (although outside the city limits), South Carolina. The most recent surveys and legal descriptions include the total area of the subject property as 4,410.916 acres and extends on both the north and south sides of Interstate 77, which extends through the northern portion of the subject property.

The western boundary of the subject property is the Congaree River which is also the boundary extending between Richland County to the east and Lexington County to the west. The eastern and northeastern boundary is Bluff Road (South Carolina Highway 48) which provides primary egress and ingress to the subject property via South Beltline Boulevard, White House Road, and Beckham Swamp Road. South Beltline Boulevard extends north of the intersection of Bluff Road and Interstate 77 with White House Road being accessible southeast of the intersection of Bluff Road and Interstate 77. Beckham Swamp Road (South Carolina Highway 519) extends from the south side of Bluff Road southeast of Bluff Road's intersection with Atlas Road and extends through the eastern and southern portion of the subject property in a southerly direction. There are other interior roads that traverse through the subject property as a result of providing egress and ingress to Heathwood Hall Episcopal School and the City of Columbia Waste Water Treatment facility.

A review of the tax maps comprising the subject property will delineate several parcels located within the interior of the subject property which are not included as part.

Bluff Road is the primary access road to the subject property with egress and ingress from Bluff Road being provided via White House Road and Beckham Swamp Road with access to the northern portion of the subject property being accessed via South Beltline Boulevard that extends to Heathwood Hall School which is located adjacent to the northern portion of the subject, east of the Congaree River. In addition, as stated, other roads traverse through this northern portion to provide access to these improvements.

The area around Bluff Road, with its intersection with Interstate 77, is exemplary of primarily neighborhood commercial usage. The commercial uses reflect older, owner occupied retail facilities with some office/warehouse/distribution facilities. There are still some older single-family residential properties located on the east and west side of Bluff Road, south of its intersection with South Beltline Boulevard. The most recent developments occurring in the general area is a convenience store/gasoline service facility/Burger King developed on the north side of South Beltline Boulevard at its intersection with Bluff Road. This property was recently foreclosed and has since reopened under new ownership. The foreclosure is not

attributable to the location but more to the former franchisee.

The northern portion of the subject property is contiguous to older warehouse facilities accessed via Bluff Road in an area highly concentrated with older industrial and warehouse facilities. The southeastern portion of the subject property is contiguous to older, single-family residential areas identified as Bluff Estates and Starlite Subdivisions. These older subdivisions are comprised of single-family residential properties, originally constructed 35 to 40 years ago and are moderately priced.

Although Interstate 77 (Southeastern Beltway) does extend through the northern portion of the subject property, the only access area from Interstate 77 is the interchange with Bluff Road near the northeastern portion of the subject property's location with Bluff Road. There is also a paved service road extending adjacent to the parcel not included as part of the subject on the north side of White House Road which extends northerly beneath Interstate 77 to the City of Columbia Waste Water treatment facility.

It is anticipated, with the planned developmental usage of the subject property, an additional interchange will be necessary for access to the proposed highly concentrated developed areas of the subject property in proximity to Interstate 77.

The large expanse of acreage afforded by the subject property as well as the attractive location relative to proximity to the Central Business District Columbia as well as the seven $\frac{1}{2}$ miles of shoreline extending along the Congaree River, the subject property is obviously ripe for developmental usage. It appears the natural progression, for new development usage is in the vicinity of the subject property as the amount of available acreage for such development becomes extremely scarce in proximity to the Central Business District. The scarcity of available land for developmental uses has required developers to extend far out into the suburban area in northeast and northwest Columbia and even to the west in the Lexington, South Carolina market area.

Additionally, the natural progression for expansion by the University of South Carolina is in this direction. As non-university properties are purchased by the University for expansion, these entities are a natural for relocation in the vicinity of the subject property.

STATEMENT OF HISTORY AND OWNERSHIP

The subject property is presently under the ownership of Columbia Venture, LLC, as evidenced by numerous deeds on record in the Richland County Register of Deeds conveying the entirety of the 4,410.916 acres to Columbia

Venture, LLC.

The seven deeds conveying the 23 tax map parcels, totaling 4,410.916 acres, are identified below:

Deed	Date	Grantor	Grantee
281/1826	02/22/99	Congaree Farms, LLC	Columbia Venture, LLC
281/1845	02/22/99	Chapel Hill, LLC	Columbia Venture, LLC
281/1855	02/22/99	DAK III, LLC	Columbia Venture, LLC
281/1865	02/22/99	Burwell D. Manning, Jr.	Columbia Venture, LLC
281/1871	02/22/99	Elizabeth K. Manning	Columbia Venture, LLC
281/1877	02/22/99	Burwell D. Manning, Jr.	Columbia Venture, LLC
281/1882	02/22/99	Burwell D. Manning, Jr. Elizabeth K. Manning Overlook, Inc. Eastern Corn & Grain Company, Inc. Congaree Farms, LLC DAK III, LLC Chapel Hill, LLC	Columbia Venture, LLC

All seven deeds were conveyed on February 22nd, 1999 and conveyed from various grantors to Columbia Venture, LLC. As best as may be ascertained by the considerations represented on the Affidavits of Consideration, it appears the total conveyance is around \$12,000,000.

Individual legal descriptions for the parcels conveyed are not provided in this section due to the lengthy narratives involved in describing the numerous parcels which comprise the subject assemblage of 4,410.916 acres. As a result, all deeds and legal descriptions representing the subject property are provided in the Addenda section of this Complete, Self-Contained Appraisal Report.

Relative to an exposure time for the transaction in 1999, the subject property was actually not placed on the market for subsequent disposition but was sold *in-house*.

Since the most recent conveyance in 1999, the subject property has remained under the ownership of Columbia Venture, LLC with the intent of implementing the Land Use Plan as provided by E.D.S.A. representing the Green Diamond project.

ZONING

The subject property is currently zoned under the auspices of Richland County and the 23 parcels comprising the subject presently has four separate zoning designations:

D-1, Development District; RU, Rural District; M-1, Light Industrial District; and RS-3, Single-Family Residential.

Of the 23 separate tax map parcels comprising the subject property, 13 of the parcels reflect D-1 zoning, five are zoned RU, two zoned M-1, and three are zoned RS-3.

The D-1, Development District is intended to provide for large tracts of land located primarily on the fringe of urban growth where the predominant characteristic of urban development has not yet been fully established but where the current characteristics of use are primarily residential, agricultural or semi-developed, with scattered related uses. Certain structures and uses required to serve governmental, educational, religious, recreational, and other needs of such areas are permitted outright or are permissible by special exceptions subject to restrictions and requirements and intended to assure compatibility of uses within the D-1 district and areas that are adjacent. It is recognized future demand for developable land will generate requests for amendments in zoning designations to remove land from the D-1 classification and place it into more intensely developed classifications as a natural consequence of urban expansion.

The predominance of the D-1 zoning for the subject property is located on those tracts situated toward the northern area of the property, north of Interstate 77 as well as southwest of Interstate 77 bordering the Congaree River. In addition, those parcels comprising the interior of the subject property are also zoned D-1. As stated previously, the predominance of the 23 parcels are zoned D-1, hinting the natural progression of urban expansion should necessitate a zoning change. This necessitation along with the intent to comply with the Richland County's Town and Country concept is the basis for the anticipated change in zoning to allow for the subject's planned developmental usage. The planned development usage is varied in that there are mixed use developments inclusive of single-family residential, multi-family residential, commercial, research/development, recreational (golf), hotels/motels, conference center, and natural buffers and aesthetic areas augmented by the proximity to the Congaree River.

A Land Use Plan was completed by E.D.S.A. relative to the proposed development of the subject property. According to E.D.S.A., a current conceptual plan for the site would allow for these developmental usages in conjunction with the physical characteristics of the subject property. A copy of the Conceptual Plan is provided at the conclusion of this section to delineate the locations of the varied property usages.

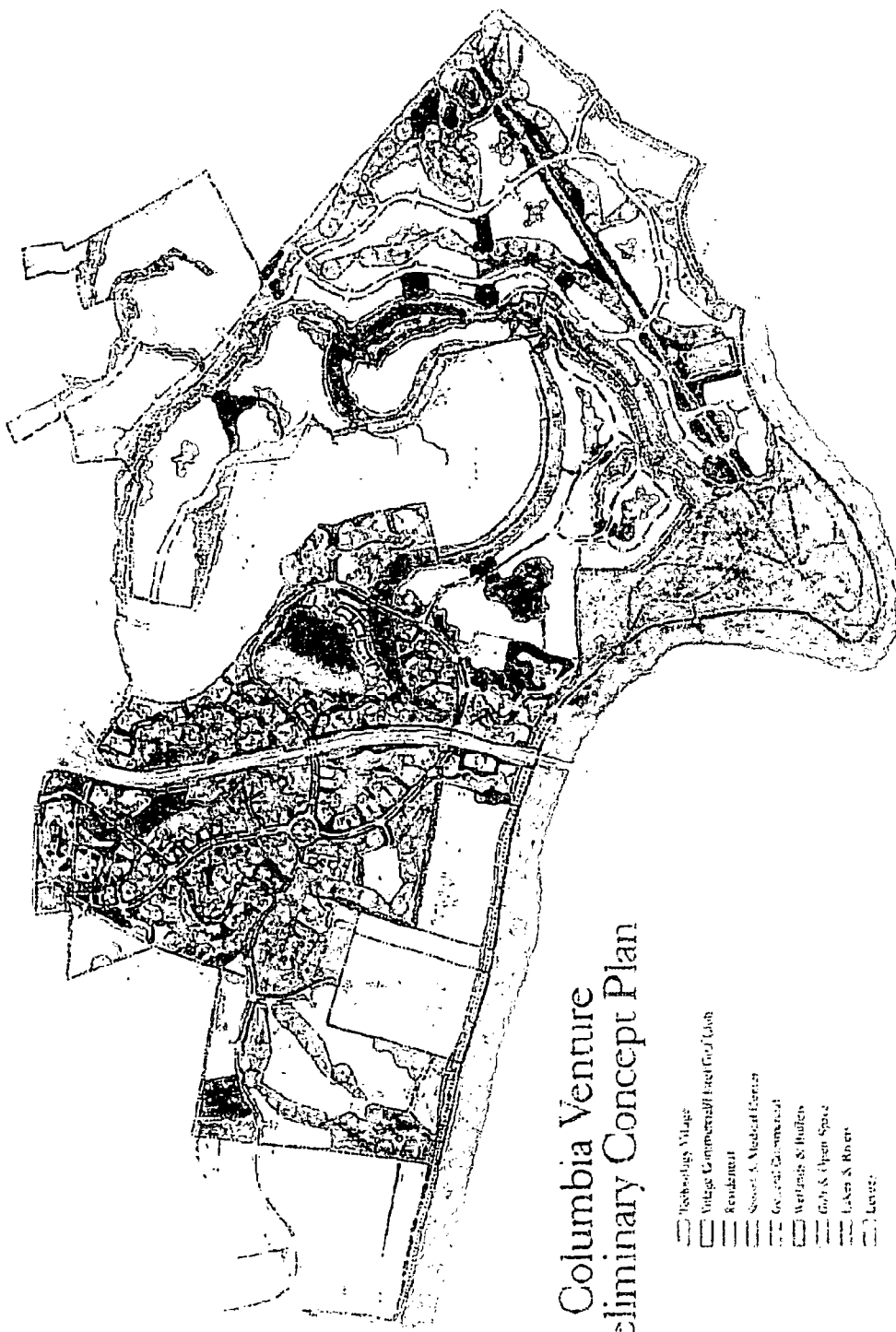
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PLTF TRIAL EXH 394

As indicated previously, a current dispute with the location of the floodway relative to the subject property remains problematic. However, the assumption in this report is the property will be removed from the floodway as a result of the re-certification and improvements to the levee system. Such improvements and re-certification will allow for the development of the subject property as a result of removing it from the floodway. The dispute with the floodway was attributed to the change in the map as a result of the analysis completed by FEMA, disputed by the property owners due to the property owners having a more scientific determination of the property not being located in the floodway.

The potential change in zoning is a hypothetical assumption but is reasonable and justifiable as a result of requirements for such a change. In conversations with Mr. Patrick Dunbar, Chairman of the Richland County Planning and Zoning Commission, the potential for a change in zoning is almost a certainty as a result of the E.D.S.A. Land Use Plan closely corresponding to the Town and Country concept as required by Richland County.

ZONING DESIGNATIONS		
Tax Map Number	Size (Acres)	Zoning
10900-01-02	950.49	D-1
11000-01-01	11.89	D-1
11000-01-02	259.04	D-1
11000-01-06	254.80	D-1
11000-02-01	320.22	D-1
11100-01-07	15.00	D-1
11100-01-08	255.49	D-1
11100-01-09	76.61	M-1
11100-01-10	234.43	D-1
13300-01-01	284.00	RU
13300-01-04	150.00	RU
13300-01-05	544.00	RU
13400-01-01	55.50	D-1
13400-01-02	50.00	D-1
13400-01-03	516.00	D-1
13400-02-01	35.96	D-1
13400-02-10	52.18	RS-3
13400-02-16	254.80	RU
13400-02-17	29.00	RU
13415-01-10	13.47	RS-3
13500-01-01	9.94	D-1
13500-05-01	40.00	M-1
13513-01-27	10.00	RS-3



Columbia Venture Preliminary Concept Plan

- Technology Village
- Village Commercial/Hotel/Golf Club
- Residential
- School & Medical Center
- General Commercial
- Warehousing & Bulk
- Club & Open Space
- Lakes & Rivers
- Levee

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PLTF TRIAL EXH 394

ASSESSMENT AND TAXES

There are 23 separate tax map parcels which comprise the Green Diamond property. The tax parcels extend over several tax map sheets with parcels sizes ranging from as low as 9.94 acres to the largest consisting of 950.49 acres.

The Richland County Assessor's Office is responsible for ad valorem valuation for Richland County as well as all municipalities contained within the county. At the present time, the 23 individual tax parcels comprising the entirety of the Green Diamond project are valued based on an agricultural use value with exception of one parcel. The lone parcel, identified as Tax Map Sheet 11000-01-01, comprises 11.89 acres and actually consists of the levee area which extends in front of Heathwood Hall School. As a result, the indicated market value, as determined by Richland County, only totals \$500. The remaining parcels are identified by Richland County with both a current value as well as an agricultural use value.

There are several differences between an indication of market value and agricultural use value. Primarily, there is a wide disparity in the valuation on a per unit basis for the agricultural use value as compared to the market value. Agricultural use values typically extend from \$100 to \$300 per acre as determined by the U.S. Department of Agriculture based on soil potential. The market values are more consistent but also vary according to size of the respective parcel and the location within the entirety of the Green Diamond assemblage of parcels. The second difference is the assessment ratio which affects the assessed value and ultimately the tax liability associated with each tax parcel. The assessment ratio for the market valuation of the subject parcels is 6.0% while an agricultural use value indicates a 4.0% assessment ratio. The only draw-back for the agricultural use valuation will be whenever the property reflects a change in property usage. Whenever the change in property usage occurs, the owner is responsible for *roll-back* taxes which represents a five year time frame of the difference between the agricultural use value assessment and the market value assessment times the applicable millage rate for each of the respective five years.

The chart on the following page will identify all 23 parcels which comprise the Green Diamond assemblage. In addition to the accompanying tax map number will be the size of the parcel, the current indicated market value, an indicated market value per acre as well as the agricultural use value and the agricultural use value per acre.

RICHLAND COUNTY MARKET VALUES/AGRICULTURAL USE VALUES					
TMS Number	Size (Acres)	Market Value	Market Value/Acre	Agricultural Value	Agricultural Value/Acre
10900-01-02	950.49	\$684,400	\$720	\$158,700	\$167
11000-01-01	11.89	\$500	\$42	—	—
11000-01-02	259.04	\$621,700	\$2,400	\$78,900	\$305
11000-01-06	254.80	\$611,500	\$2,400	\$69,700	\$274
11000-02-01	320.22	\$1,318,700	\$4,118	\$112,600	\$352
11100-01-07	15.00	\$12,600	\$840	\$2,900	\$193
11100-01-08	255.49	\$214,600	\$840	\$39,300	\$154
11100-01-09	76.61	\$574,600	\$7,500	\$20,700	\$270
11100-01-10	234.43	\$562,600	\$2,400	\$62,600	\$267
13300-01-01	284.00	\$238,600	\$840	\$76,800	\$270
13300-01-04	150.00	\$90,000	\$600	\$53,400	\$356
13300-01-05	544.00	\$326,400	\$600	\$89,400	\$164
13400-01-01	55.50	\$33,300	\$600	\$18,100	\$326
13400-01-02	50.00	\$30,000	\$600	\$18,900	\$378
13400-01-03	516.00	\$309,600	\$600	\$156,200	\$303
13400-02-01	35.96	\$48,900	\$1,360	\$6,000	\$167
13400-02-10	52.18	\$49,400	\$947	\$15,800	\$303
13400-02-16	254.80	\$244,900	\$961	\$79,800	\$313
13400-02-17	29.00	\$251,400	\$8,669	\$4,300	\$148
13415-01-10	13.47	\$15,200	\$1,128	\$2,400	\$178
13500-01-01	9.94	\$17,900	\$1,801	\$3,800	\$382
13500-05-01	40.00	\$42,000	\$1,050	\$8,000	\$200
13513-01-27	10.00	\$113,000	\$11,300	\$1,700	\$170
TOTAL	4,422.82				

The estimated tax liabilities based on the agricultural use values does encompass 22 of the 23 parcels. The Assessor's value will be identified on the chart on the following page with an estimated tax liability based on the current millage rate and the subject Tax Districts, 1LR and 1UR . Presently, the millage rate is 292.3 mils and will be applied to the assessed value of each of the respective parcels. The chart will indicate the total estimated tax liability for those parcels valued as agricultural use properties is \$12,636.14. The total market valuation of the 23 parcels comprising the Green Diamond assemblage is \$6,411,800.

ESTIMATED TAX LIABILITY					
TMS Number	Tax District	Assessor's Value	Assessment Ratio	Millage Rate	Estimated Tax Liability
10900-01-02	1LR	\$158,700	4.0	.2923	\$1,855.52
11000-01-01	1LR	\$500	6.0	.2923	\$8.77
11000-01-02	1LR	\$78,900	4.0	.2923	\$922.50
11000-01-06	1LR	\$69,700	4.0	.2923	\$814.93
11000-02-01	1LR	\$112,600	4.0	.2923	\$1,316.52
11100-01-07	1LR	\$2,900	4.0	.2923	\$33.91
11100-01-08	1LR	\$39,300	4.0	.2923	\$459.50
11100-01-09	1LR	\$20,700	4.0	.2923	\$242.02
11100-01-10	1LR	\$62,600	4.0	.2923	\$731.92
13300-01-01	1LR	\$76,800	4.0	.2923	\$897.95
13300-01-04	1LR	\$53,400	4.0	.2923	\$624.35
13300-01-05	1LR	\$89,400	4.0	.2923	\$1,045.26
13400-01-01	1LR	\$18,100	4.0	.2923	\$211.63
13400-01-02	1LR	\$18,900	4.0	.2923	\$220.98
13400-01-03	1LR	\$156,200	4.0	.2923	\$1,826.29
13400-02-01	1LR	\$6,000	4.0	.2923	\$70.15
13400-02-10	1LR	\$15,800	4.0	.2923	\$184.73
13400-02-16	1LR	\$79,800	4.0	.2923	\$933.02
13400-02-17	1LR	\$4,300	4.0	.2923	\$50.28
13415-01-10	1LR	\$2,400	4.0	.2923	\$28.06
13500-01-01	1LR	\$3,800	4.0	.2923	\$44.43
13500-05-01	1LR	\$8,000	4.0	.2923	\$93.54
13513-01-27	1LR	\$1,700	4.0	.2923	\$19.88
TOTAL					\$12,636.14

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The determination of the total size of the Green Diamond assemblage varies slightly from the determination by Richland County as compared to the plats identifying the subject. According to the two plats, the total acreage contained in the subject property is 4,410.916 acres. Richland County, through the 23 separate parcels, identifies the subject property with a total of 4,422.82 acres. It is unknown as to where the disparity actually exists but it is believed the disparity may exist whenever the property is conveyed from one owner to the next during the transactions of the most recent conveyance to Columbia Ventures, LLC.

Of the 23 parcels, 22 are located in the same tax district, 1LR, with one parcel (TMS 11100-01-09) identified as Tax District 1-UR. Although there are two separate tax districts, the applicable millage rate for both tax districts are identical at 292.3 mils.

With the anticipated change in property usage for the subject properties contained within the Green Diamond assemblage based on subsequent developmental usage, it is anticipated roll-back taxes will be applicable for each of the respective developments located within the project. Therefore, roll-back taxes have been computed for all affected parcels with an indication on a per unit acre basis. The identification of the roll-back taxes will be provided in the chart on the following page:

ESTIMATED ROLL-BACK TAXES FOR AGRICULTURAL USE PROPERTIES		
TMS Number	Size (Acres)	Roll-Back Taxes
10900-01-02	950.49	\$48,777.96
11000-01-02	259.04	\$48,021.35
11000-01-06	254.80	\$28,818.39
11000-02-01	320.22	\$78,019.22
11100-01-07	15.00	\$899.38
11100-01-08	255.49	\$15,893.94
11100-01-09	76.61	\$47,288.37
11100-01-10	234.43	\$26,803.66
13300-01-01	284.00	\$10,540.08
13300-01-04	150.00	\$7,407.26
13300-01-05	544.00	\$21,765.99
13400-01-01	55.50	\$1,793.23
13400-01-02	50.00	\$1,461.50
13400-01-03	516.00	\$17,255.18
13400-02-01	35.96	\$3,780.27
13400-02-10	52.18	\$2,670.07
13400-02-16	254.80	\$16,160.95
13400-02-17	29.00	\$12,969.24
13415-01-10	13.47	\$1,138.29
13500-01-01	9.94	\$1,116.20
13500-05-01	40.00	\$3,058.34
13513-01-27	10.00	\$7,610.48
TOTAL		\$403,249.35

As indicated on the preceding chart, the roll-back taxes affecting 22 of the 23 parcels are substantial at \$403,249.35. Based on a per acre basis, as determined by Richland County, the roll-back taxes would equate to approximately \$91.17.

Representatives of the Assessor's Office for Richland County indicated the estimation of roll-back taxes are purely an estimate and may vacillate as much as 6.0%. Therefore, the indicated roll-back taxes on a per acre basis will be adjusted by 6.0% to equate to approximately \$85.51 per acre. Whenever a designated project within Green Diamond is scheduled for developmental usage, the roll-back taxes will become applicable and in the event a discounted cash flow analysis is utilized, the roll-back taxes will be an expense deduction in the first year of the analysis.

In addition to the roll-back taxes, taxes will also have to be paid on unsold units/lots in the event a residential or multi-family development may occur on any respective parcel. The estimation of existing property taxes is based on the current market valuation which equates to \$1,450 per acre. The \$1,450 per acre is a result of the total market valuation of \$6,411,800 divided by the total acreage as determined by Richland County at 4,422.82 acres.

Questions have arisen as to the probability of a market valuation being utilized for the unsold units or lots at the inception of the development. In most probability, it will occur, although in the event a change is made relative to the actual taxes on the unsold units, the \$1,450 per acre is adjusted by 15.0% in order to adjust for the subjectivity within this analysis. It may also be probable agricultural use value may initially apply during the first year of the analysis instead of the market valuation. In any event, the agricultural use value will result in a substantially lesser valuation relative to real property taxation.

Throughout the analyses contained within this report, specifically the discounted cash flow analysis utilized in the developmental approaches, the real property taxes are predicated on a market valuation of the entirety of each of the parcels based on \$1,233 per acre with roll-back taxes estimated at \$85.51 per acre. Both forecasts are estimates and may be subject to change depending on the final determination by the local taxing authority.

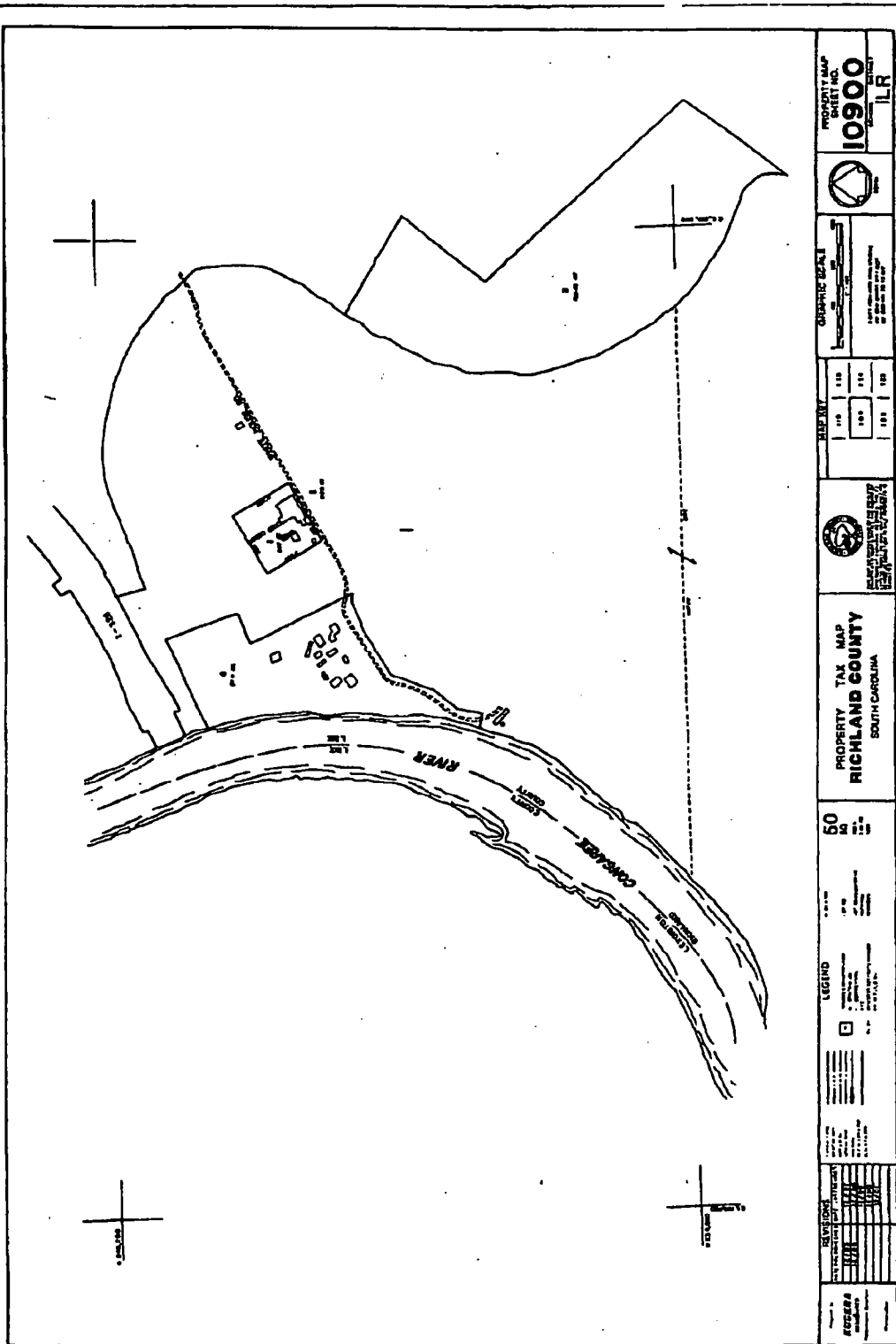
Also, throughout the analyses, the taxes on any unsold units may be subject to increases in the respective taxes. The increases in the respective taxes will be predicated on anticipated changes in the millage rates for the two tax districts which affect the subject property. Although there are two separate tax districts, the applicable millage rates have been identical for both and therefore only one analysis will be necessary for

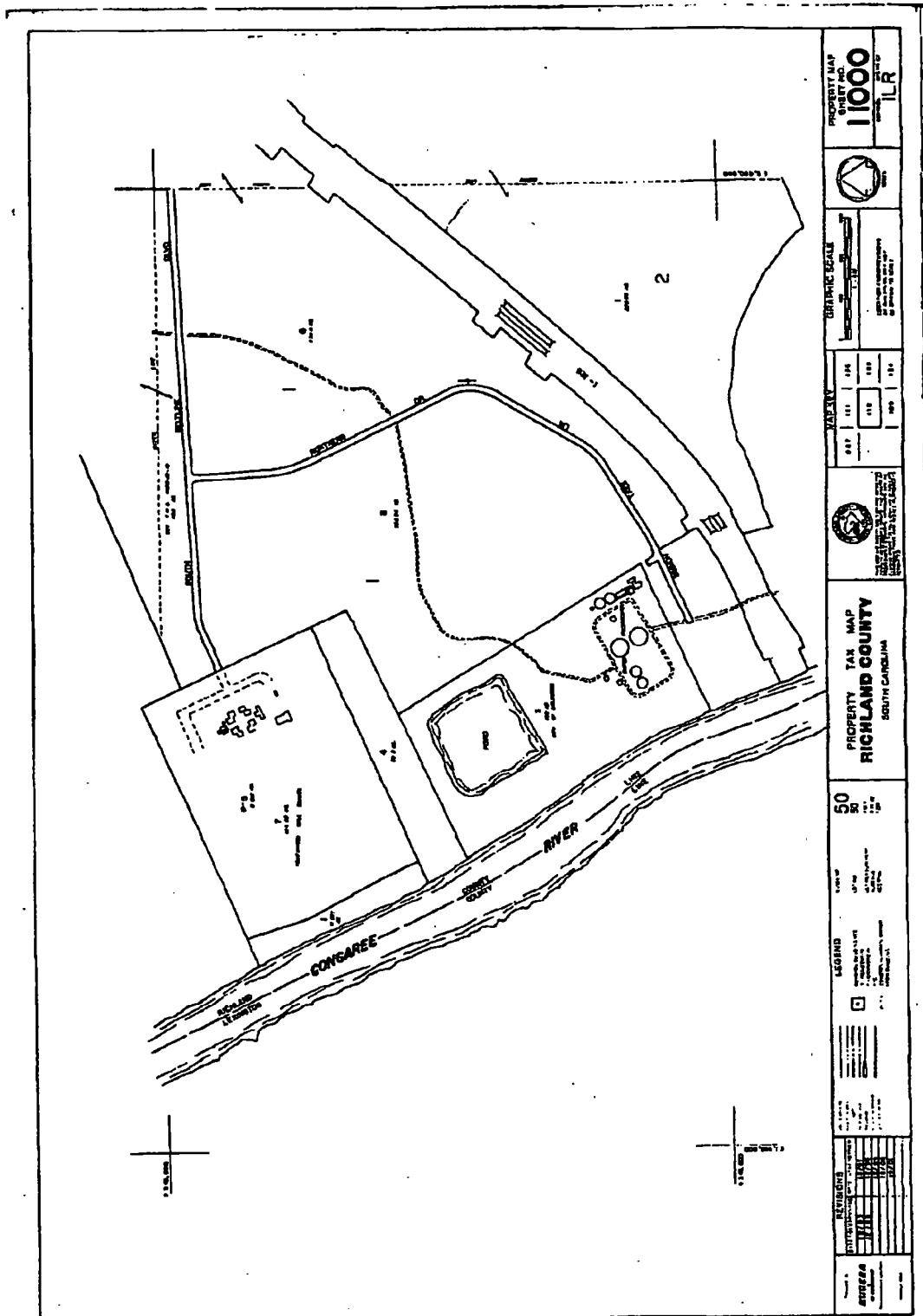
the potential change in the millage rate.

The following chart will detail the changes in the millage rates for the two tax districts encompassing the subject properties. As indicated on the chart, the millage rates decreased in 1999 from 1998 which is attributable to the re-valuation of all properties in Richland County. Typically when re-valuation occurs, the subsequent year's millage rates will reflect a decrease in order for the tax liabilities not to exceed a certain percentage from the prior year. The following two year's increases represent 2.62% and 3.47% respectively.

MILLAGE RATES (TAX DISTRICT 1LR AND 1UR)		
Year	Millage Rate	Change
1997	271.1	
1998	284.1	+4.80%
1999	275.3	-3.10%
2000	282.5	+2.62%
2001	292.30	+3.47%

The changes in the millage rates in the preceding chart may suggest a potential change in the tax liabilities affecting the subject properties at 3.0%. Again, any potential changes in tax liabilities is solely subject to the determination by Richland County as to possible increases or decreases in millage rates which affect the two tax districts.

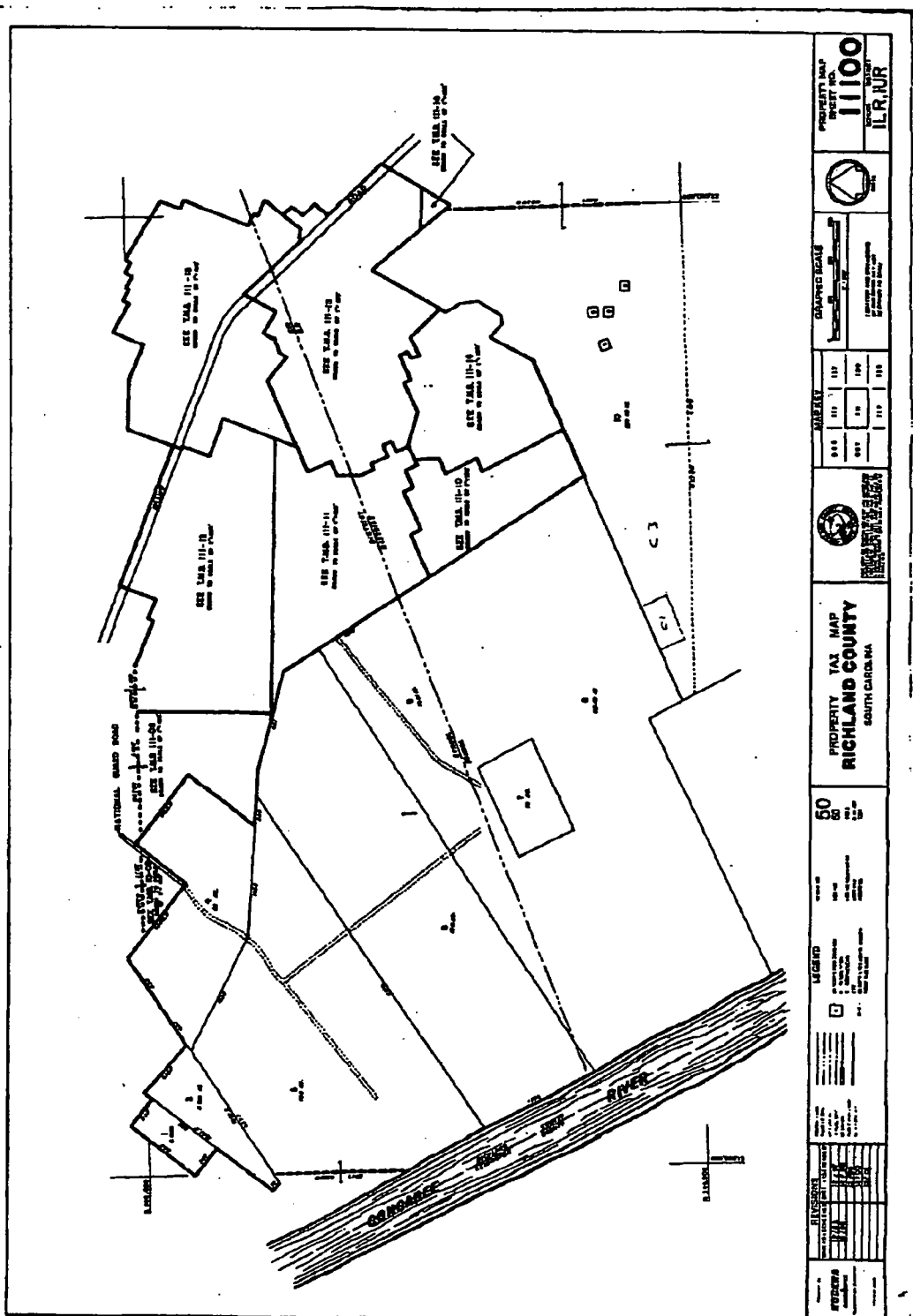




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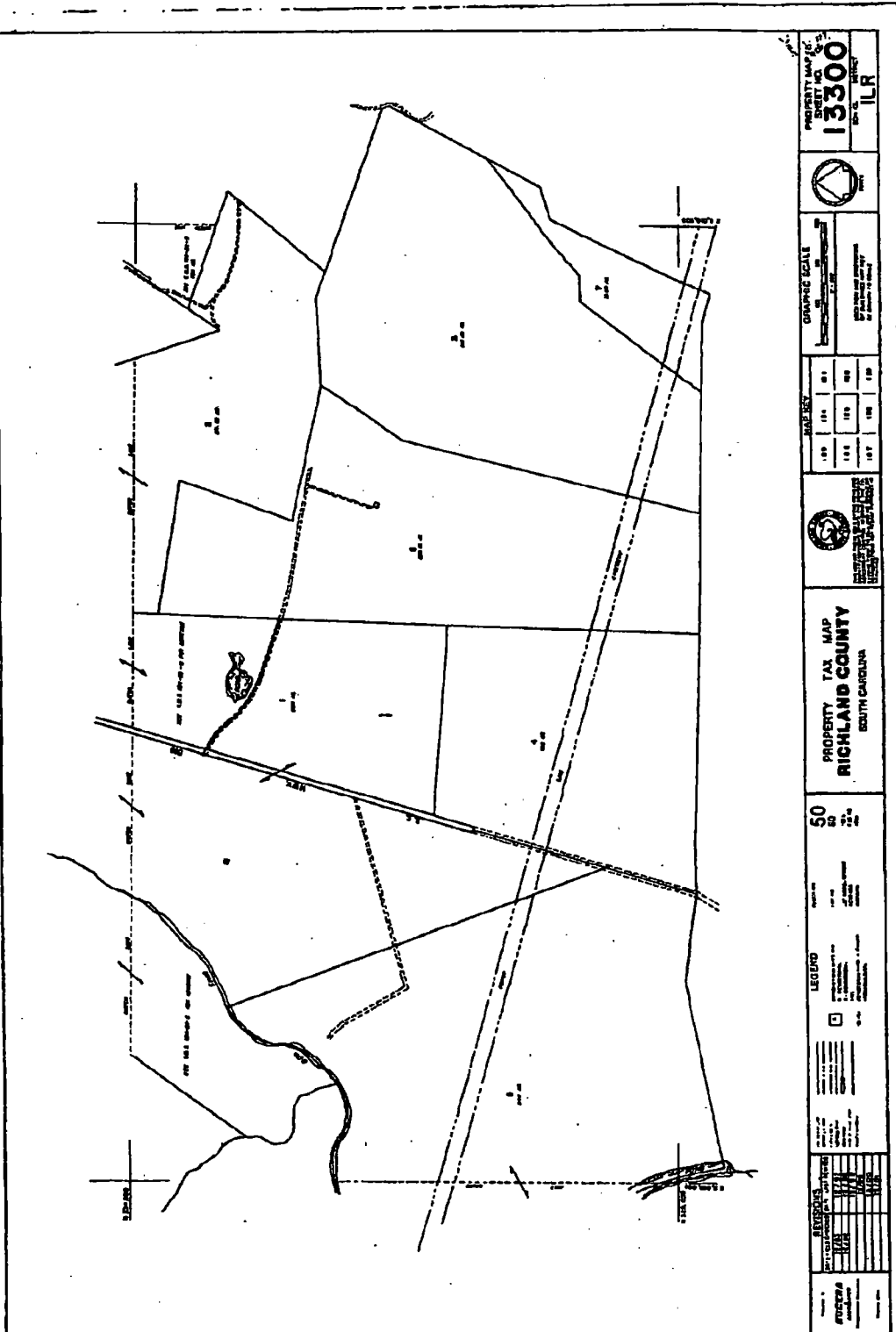
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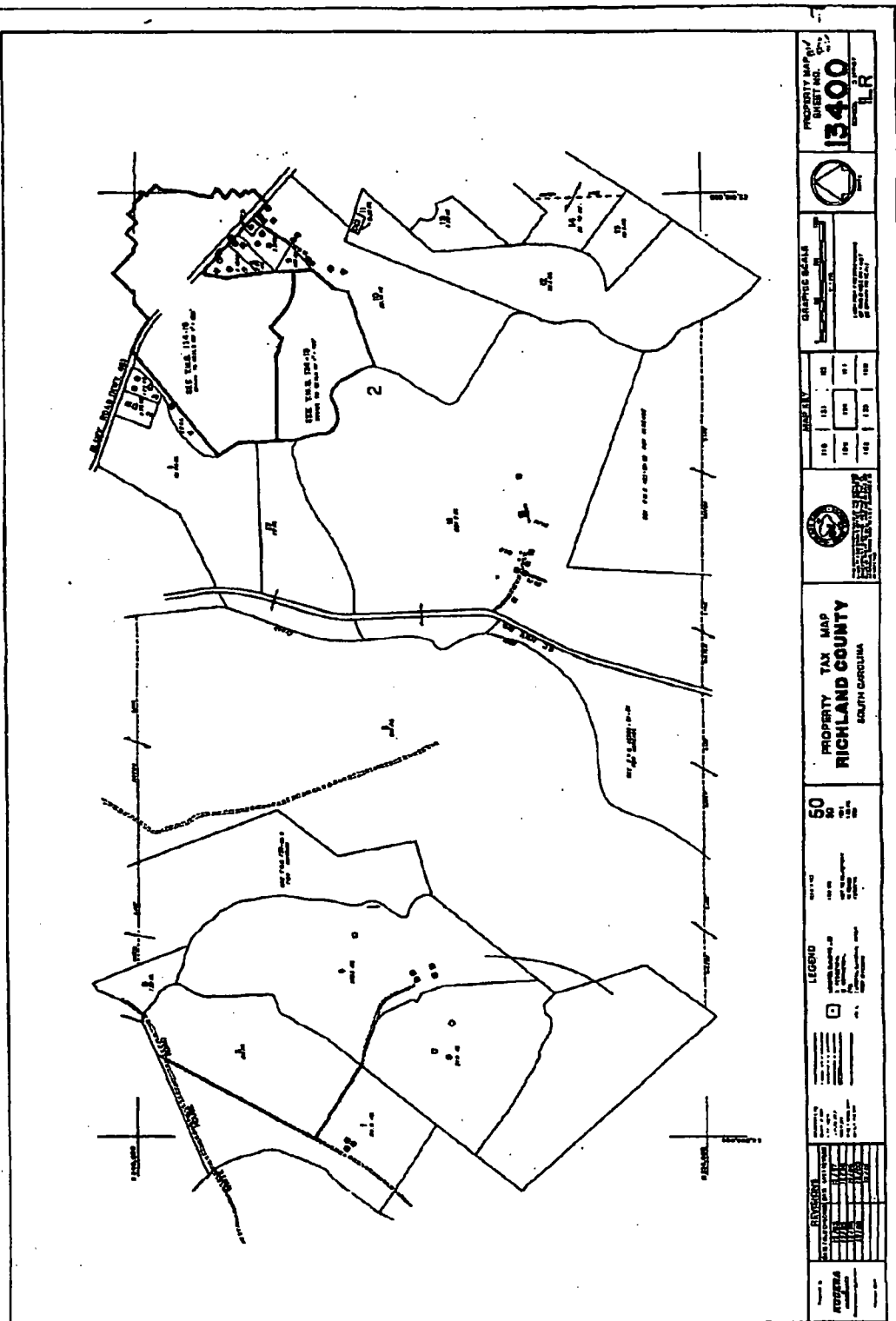
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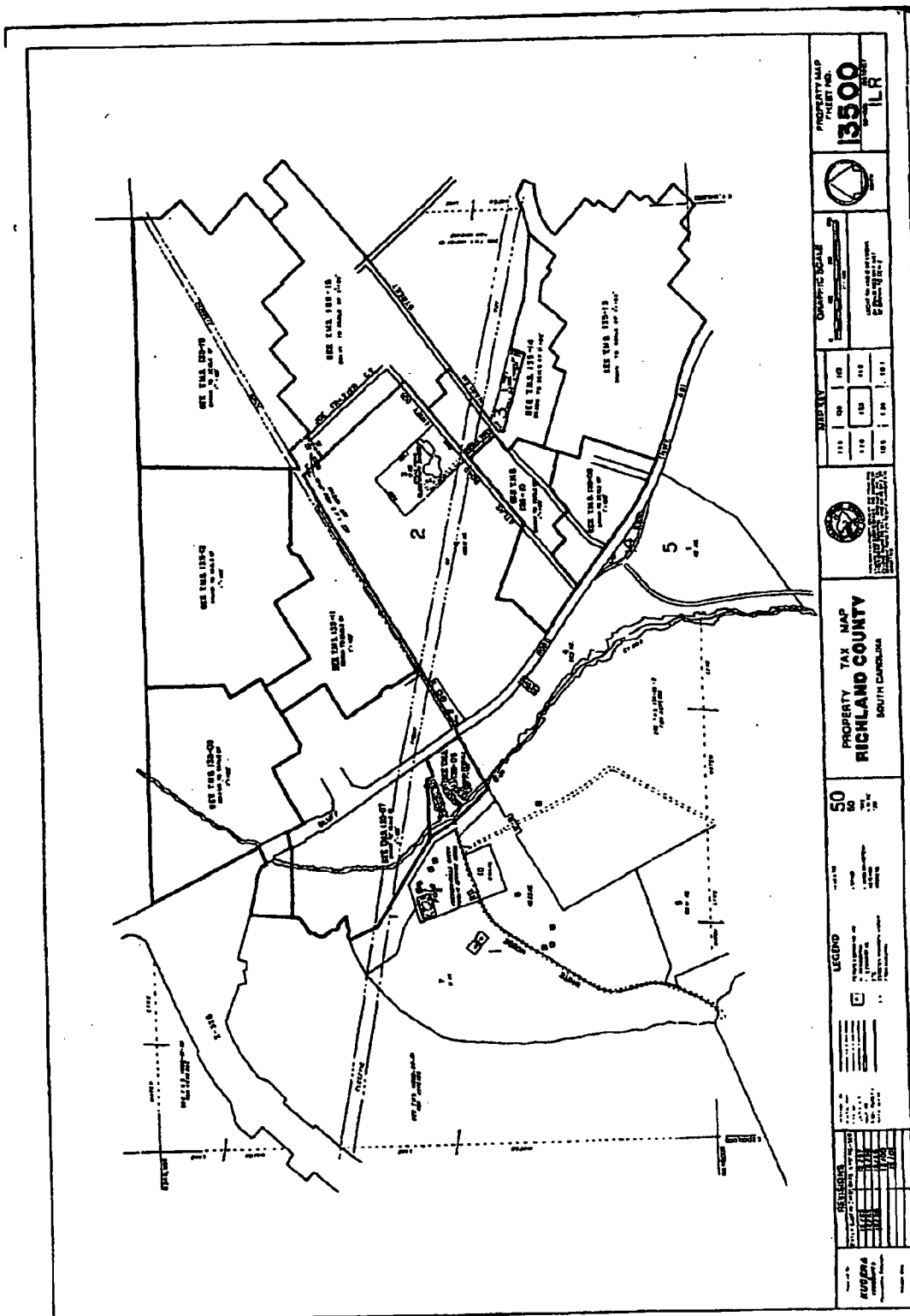
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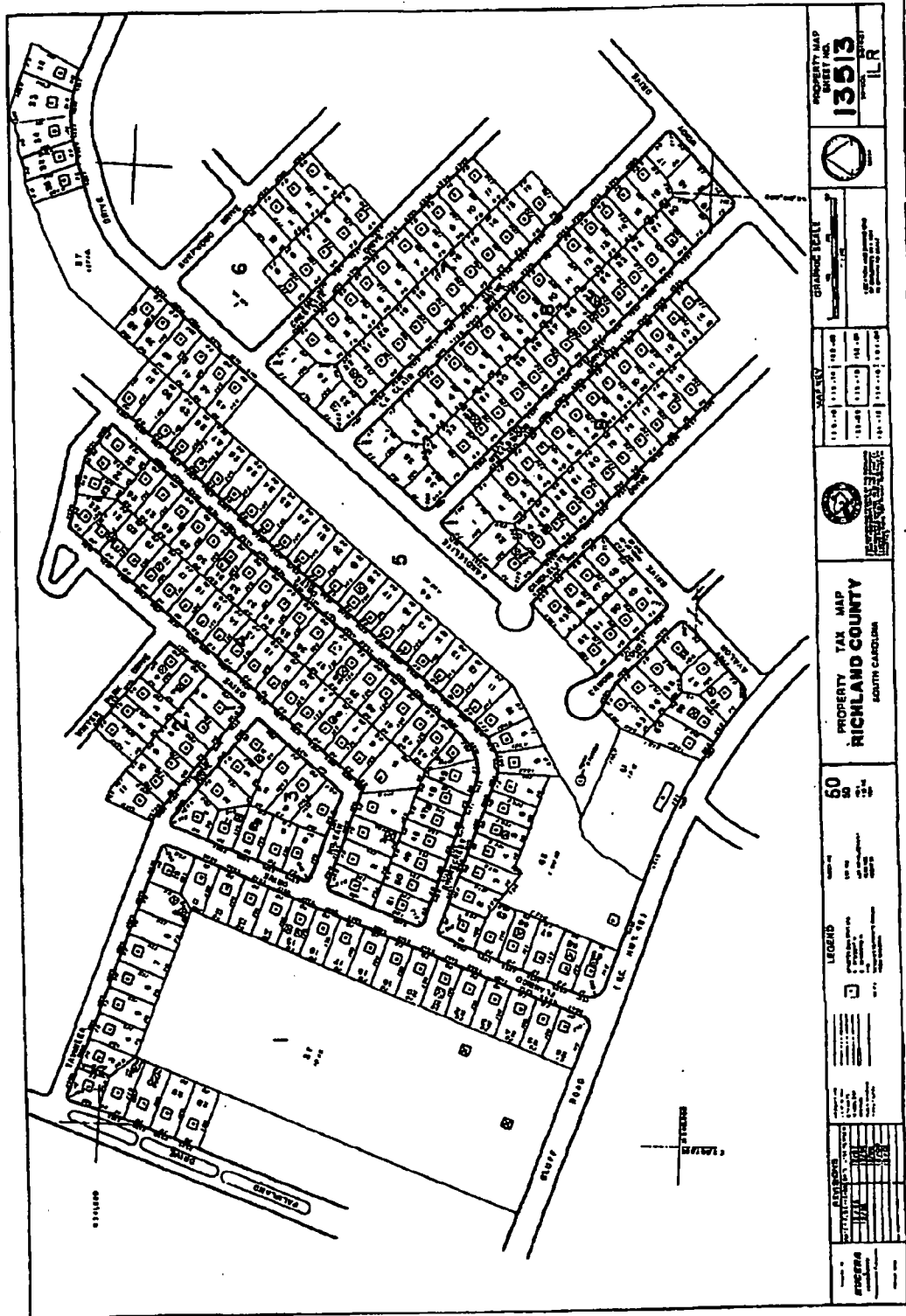
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SITE DESCRIPTION

The subject property comprises a total of 4,410.916 unimproved acres and is identified in two surveys/plats, completed by B.P. Barber and Associates, Inc., and prepared for Burroughs and Chapin Company, Inc., dated June 26th, 1998. Copies of each of these plats/surveys identifying the subject property area included at the conclusion of the Identification section. The Site Description section includes all the subject property and may be identifiable by the levee sections as well as by the number of acres which total the property. As a result, the identification of the components within each levee section comprising the subject property are delineated in the following charts:

LEVEE SECTION 1	
Developable Parcels	573.540 Acres
Golf	285.450 Acres
Open Space, Lakes, Wetlands and Buffers	161.491 Acres
Roads	85.000 Acres
TOTAL	1,105.481 Acres

LEVEE SECTION 2	
Developable Parcels	888.09 Acres
Open Space, Lakes, Wetlands and Buffers	390.91 Acres
Roads	99.00 Acres
TOTAL	1,378.00 Acres

LEVEE SECTION 3	
Developable Parcels	302.701 Acres
Agricultural Acreage	1,624.734 Acres
TOTAL	1,927.435 Acres

GREEN DIAMOND PROJECT	
Levee Section 1	1,105.481 Acres
Levee Section 2	1,378.000 Acres
Levee Section 3	1,927.435 Acres
TOTAL	4,410.916 Acres

As stated, the description of the site does encompass the entirety of the assemblage of parcels representing 4,410.916 acres.

● **SIZE AND SHAPE**

The total acreage contained within the subject property is 4,410.916 acres as identified on the plat and substantiated by the charts totaling the equal number but further delineating the property into the appropriate levee sections.

● **ROAD FRONTAGE/ACCESS/VISIBILITY**

Access to the predominance of the subject property is via Bluff Road with two access areas providing egress and ingress through the central portion of the subject property as well as the central and southern portion. Beckham Swamp Road extends in a southerly direction from Bluff Road through the right central portion of the site as well as the extreme southern area. Beckham Swamp Road is a paved road which terminates to an unpaved area in the southern portion of the subject acreage at a power line extending across the southern portion of the property. The other primary access area is White House Road which extends from Bluff Road in a southwesterly direction, south of the intersection of Interstate 77 and Bluff Road. There are several paved access areas extending in northerly directions beneath Interstate 77 and intersecting with Simon Tree Lane and Northern Road to provide access to the City of Columbia Waste Water Treatment facility.

The other primary access through the subject property is via South Beltline Boulevard which extends west across Bluff Road and provides access to Heathwood Hall Episcopal School, located on the Congaree River, adjacent to the northwestern boundary of the subject property. South Beltline Boulevard is paved as well as Northern Road.

● **TOPOGRAPHY/ DRAINAGE**

By referencing the quadrangle maps for South Carolina, mapped and published by the Geological Survey and more specifically those maps identified as Fort Jackson South Quadrangle and Southwest Columbia Quadrangle, the subject property appears to be primarily open land which has been utilized agriculturally, although there are some areas of vegetation and tree growth primarily along the levees which extends along Gills Creek that traverses through the south central portion of the subject property and eventually empties into the Congaree River in the extreme southwest corner of the subject property. In addition, the quadrangle maps will also indicate the relative level topography of the entirety of the subject property. There is only a moderate slope in the northern area of the property while the central and southern portions of the entire subject property are considered, more or less, level. The quadrangle maps also depict the predominance of the acreage being open land with some scattered tree growth, predominantly around Gills Creek and the levees that extend through the central portion of the site. The aerial photograph provided at the conclusion of the Identification section depicts the predominance of the subject acreage being open land which has been used recreationally or agriculturally. The exact acreage amount of open land as compared to that portion of the site covered by available tree growth is uncertain.

With the generally level topography, subsequent developmental usage is considered highly conducive.

● **UTILITIES**

Municipal utilities presently existing to service the subject property and any subsequent developmental usage are available within the area with electricity and gas provided by SCE&G, water provided by the City of Columbia, as well as sewer service being provided by the City of Columbia. Telephone service is provided by BellSouth.

Due to the size of the subject property comprising the large amount of acreage, sewer and water are available in different portions of the acreage. Water and sewer extend in a southeasterly direction along Bluff Road which benefits the subject property. There is only a small amount of frontage which extends along Bluff Road so therefore, the proximity to this thoroughfare only accommodates a small portion of the subject property. According to officials at the City of Columbia, there is a water and sewer line located in the northern portion of the subject property in proximity to Heathwood Hall Episcopal School and the City of Columbia Waste Water Treatment facility. This eight inch water line and sewer line extends along the aforementioned facilities beneath Interstate 77 and extends in a southerly direction to White House Road. At this juncture, the water line extends in an easterly direction to Bluff Road so therefore, the northern portion and that portion to the south of Interstate 77 are accommodated by water. The sewer line

terminates below the City of Columbia Waste Water Treatment facility, so therefore, only the northern portion of the subject property is presently accommodated by water and sewer while there is no sewer that extends through the subject property south of Interstate 77, although water does to the northern portion. Therefore, any extension of utilities, in terms of water and sewer to the southern portion of the subject property, would have to be extended from Bluff Road or from the eight inch water line located in the northern portion of the subject property at White House Road. Obviously, the extension of utilities would be provided relative to the establishment of the Multi-County Business Park and the completion of appropriate infrastructure for subsequent developmental usage.

• **EASEMENTS/ENCROACHMENTS**

According to the submitted plats, there are several discharge and drainage easements as well as access easements extending through the subject property. Obviously, with the size of the subject property totaling 4,410.916 acres, and the numerous parcels comprising this assemblage, the easements are not considered adverse. Visual orientation to the plats should be completed in order to ascertain the location of the easements. As stated previously, none of the easements are considered adverse nor do they provide a detriment to subsequent developmental usage of the subject property. No encroachments were noted which were considered adverse by physical inspection of the subject property as well as indicated on the submitted surveys/plats.

• **FIRM (FLOOD INSURANCE RATE MAP) AND DETERMINATION OF FLOODWAY**

The subject property has been identified as being located within a flood plain as evidenced by the three maps compiled by the Federal Emergency Management Agency and identified as Community Panel Numbers: 45079C0160-G, 45079C0190-G, and 45079C0178-G, with an effective date of January 19th, 1994. However, there has been disputes resulting in the location of the subject, not so much relative to the flood plain, but to the identification or determination of the floodway. In 1995, a new FEMA map was completed and the subject property was not included in the floodway. It is the intent of the subject property owner/developer to improve and certify the levee so as to remove the entirety of the property from the identified flood plain for subsequent developmental usage. In 1998, FEMA attempted to re-map the Congaree River with little or no success. The August, 1999 FEMA map showed no floodway relative to the subject property. However, there were appeals to the map by certain appellants although no credible scientific analysis provided. Throughout this time frame, the subject property owners continued with plans for development, specifically with the E.D.S.A. land planners.

During 2000, the land planning continued for the eventual development of the Green Diamond project and

in September, 2000, FEMA issued a revised map indicating the subject property in the floodway. Columbia Venture, LLC appealed the new map with scientific data suggesting removal of the subject property from the identified floodway.

At the present time, litigation is pending regarding the authenticity of the revised map as provided by FEMA, specifically stating unscientific methodology in determining the location of the subject property with an identified floodway.

All indications are the scientific data, made available by the subject property owners, will reveal the subject property is not located in the floodway and the assumption throughout this analysis is the predominance of the subject property will not be contained in the floodway and will be conducive for subsequent developmental usage in accordance with the Land Use Plan as provided by E.D.S.A.

• **ENVIRONMENTAL HAZARDS**

No environmental studies were furnished to the appraiser, although at the time of this report, an Environmental Base Line Documentation Report was being completed on the subject property by Wetlands and Environmental Services, Inc., Myrtle Beach, South Carolina. In conversations with representatives of W.E.S.I., it appears there are no existing hazardous waste, environmental hazards, endangered species or any contamination on the site. No prior or present use of the subject property would suggest the existence of such hazardous contaminants or pollutants. The appraisal and subsequent appraised values are contingent there are no environmental hazards, hazardous waste, contamination, hazardous materials or endangered species on the subject property. If such conditions are found to exist with the completion of the Base Line Documentation Report, the value conclusions rendered within this Complete, Self-Contained Appraisal may be impacted.

• **WETLANDS**

There are wetlands contained within the subject property, as expected, due to the expanse of acreage constituting the subject property. It appears the total number of wetlands will comprise between 375 to 400 acres with the final determination to be completed by Wetlands and Environmental Services, Inc. The location of the wetlands are identifiable in the Master Plan for the entirety of the subject property prepared by E.D.S.A.

• **SOIL**

No separate soil feasibility study was available. The identification of soils constituting the subject property

was provided by the *Soil Survey of Richland County, South Carolina* as provided by the United States Department of Agriculture, Soil Conservation Service. With the location of the subject property in proximity to a major river like the Congaree River as well as Gills Creek Tributary, the subject soil reflects four soil types identified as:

- 1) **Co - Congaree Loam**
- 2) **Ce - Chewacla Loam**
- 3) **Cd - Chastain Silty Clay Loam**
- 4) **To - Toccoa Loam**

The Congaree series consists of deep, well drained and moderately well drained, moderately permeable soils formed in loamy alluvial sediment washed from soils of the Piedmont Province. Congaree soils are closely associated on flood plains with Chastain, Chewacla, Tawcaw, and Toccoa soils. They are at slightly higher elevations of a better drain than Chastain, Chewacla, and Tawcaw soils which have gray colors above a depth of 20 inches.

The Chewacla series consists of deep, nearly level, moderately permeable, somewhat poorly drained soils formed in loamy alluvial sediment washed from the Piedmont Province. Chewacla soils are also closely associated on flood plains with Chastain, Congaree, Tawcaw, Toccoa, and Dorovan soils.

The Chastain series consists of deep, nearly level, poorly drained, slowly permeable soils formed in clayey alluvial sediment.

The Toccoa series consists of deep, well drained moderately rapidly permeable soils formed in thick loamy alluvium washed from the Piedmont Province.

The identification of the four soil types are indigenous to the subject located in proximity to the Congaree River.

MARKETABILITY ANALYSIS

The subject property, if exposed for sale in the aggregate 4,410.916 acres, may reflect an extended marketing time due to the immense size of the subject property. In addition, the current dispute relative to the location of the property in a floodway may impact the marketability as a result of uncertainty by a potential subsequent purchaser. The valuations contained within this appraisal report are predicated on the development of the property occurring as a result of the improvements and re-certification of the levee system which will remove the subject property from the flood plain and floodway and allow for subsequent developmental usage. The revenue to pay for the infrastructure to accommodate the levee improvement and re-certification as well as other necessary infrastructure for the proposed development will result by the establishment of a Multi-County Business Park.

There are no comparable sales to compare to the subject property in order to portray an estimated marketing time or exposure time, estimated to occur prior to the effective date of appraisal. It is anticipated both the marketing time and exposure time may extend between 12 to 24 months due to the sheer size of the subject property and the current dispute with the property owner with FEMA relative to the floodway determinations. However, with the determination of the subject property outside the floodway, marketability could be significantly enhanced as a result of this strategic location of subject property relative to proximity to the Central Business District of Columbia as well as the amenities afforded by the significant amount of water frontage extending along the Congaree River and Interstate 77 extending through a major portion of the subject property.



According to *The Appraisal of Real Estate*, Eleventh Edition, Appraisal Institute, Chicago, Illinois, Highest and Best Use is defined as:

"the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."

Highest and Best Use is one of the basic fundamentals that affects the value of all real estate. The concept was first pointed out in 1894 when the Supreme Court for the United States stated that:

"the value of property results from the use to which it is put and varies with the profitableness of that use."

The principle of Highest and Best Use may be applied to the land as though vacant and available for its highest and best use or to the property as improved.

When analyzing the Highest and Best Use of a property, the potential use must meet all four of the following tests:

Is the use:

- (a) legally permissible?**
- (b) physically possible?**
- (c) financially feasible?**
- (d) maximally productive?**

The Highest and Best Use Analysis in an appraisal report sets the stage of the analysis in the three approaches to value. In order to properly utilize these three approaches to value, the highest and best use must accurately be determined. To test the highest and best use of land as though vacant or a property as improved, an appraiser analyzes all feasible alternatives.

The subject property's 4,410.916 acres are presently unimproved and reflect multiple zoning designations, inclusive of D-1, M-1, RU, and RS-3. The physical characteristics of the subject lends itself for subsequent developmental use for mixed use development as a result of the large size accommodating the desire to

implement a zoning change. The re-zoning of the 4,410.916 acres into a Planned Development District (PDD), would allow flexibility and development which will result in improved design, character and quality as well as preserving the natural and scenic features of open spaces within the proposed development. Additionally, the re-zoning of the subject property to PDD would allow the developer flexibility in the development of the property and such flexibility requires variations from requirements applicable to other zoning districts. Section 6-29-740 of the South Carolina Code of Laws allows and encourages a local government to provide for the establishment of a Planned Development District as an amendment to its zoning ordinance and official zoning map in order to allow flexibility in development. Richland County is cognizant the proposed development is well suited for zoning as a Planned Development District and such zoning can best be accomplished by the enactment of an ordinance tailored to the unique and specific needs of the development. With the expected re-zoning of the subject property to the PDD, a significant number of permitted uses as well as prohibitive uses were provided, indigenous to the general developmental plan.

With the size of the development, as well as, the mixed use plan to encompass a plethora of uses as well as the preservation of natural areas and aesthetics, a change in zoning was imminent to allow for subsequent developmental usage.

A Land Use Plan was completed by Edward D. Stone and Associates (E.D.S.A.), relative to providing a land plan for the development of the subject property. The Land Plan was augmented by the services of highly reputable land development and research consultants employed to study the subject property, the proposed amenities, the Columbia market place and other appropriate indicators. The authors of Richland County's Town and Country plan also confirmed the initial plans met and exceeded their expectations.

As a result of the extraordinary assumption of a potential zoning change to allow for subsequent developmental usage, the highest and best use analysis in terms of legally permissibility, does represent potential zoning change to a PDD, allowing for implementation of the E.D.S.A. Land Use Plan for the subject.

- **AS VACANT - LEGALLY PERMISSIBLE**

The legally permissible use would suggest the zoning change from the current four zoning designations to the Planned Development District (PDD) which would allow for the implementation of the E.D.S.A. Land Use Plan. Copies of this Land Use Plan were provided at the conclusion of the Identification as well as the Zoning section of this Complete, Self-Contained Appraisal Report.

• **AS VACANT - PHYSICALLY POSSIBLE**

The subject property contains an assemblage of parcels which total 4,410.916 acres and may be categorized into three levee sections. The levee sections are delineated in the E.D.S.A. Land Use Plan as well as in the Identification section of this report in order to provide the acreage located in each respective levee section. As a result of the Land Plan, the developable area is primarily centered around Levee Section 1 and 2 with Levee Section 3 being utilized for school sites or other developmental usage to occur at a later time.

The physical possibility is also contingent on the improvement and recertification of the current levee to allow for removal of the subject property from the flood plain and floodway to allow for subsequent developmental usage.

All utilities are available within the area to provide the services for the implementation of the Land Use Plan. Additionally, there appears to be no shortage of utilities in the immediate subject area.

Based on the feasibility and the design criteria by E.D.S.A. relative to developmental prospects for the subject property, the subject property is deemed physically possible to accommodate the mix use development as delineated in the Land Use Plan.

• **AS VACANT - FINANCIALLY FEASIBLE**

The financial feasibility of a property or site depends primarily on the demand for that use. Any use of the subject site or property which provides a financial return to the land in excess of that required to satisfy operating and financial expenses, as well as capital payments, is considered financially feasible.

The Land Use Plan incorporates the establishment of a Multi-County Business Park in order to provide revenue for public infrastructure to allow for the development of the subject project to proceed. The generation of funds for the public infrastructure will be provided by the establishment of a Multi-County Business Park. When the public sector cannot afford the up-front cost of the infrastructure, innovative approaches need to be devised. Recognizing once infrastructure is in place, property taxes being generated from new businesses will provide the necessary revenue to pay-off bonds which could then be floated to finance the new infrastructure necessary to support the creation of the Multi-County Business Park.

The subject site is strategically located in proximity to the Central Business District and the City of Columbia

and is an area providing natural aesthetics inclusive of pristine buffers and expansive shoreline extending along the Congaree River.

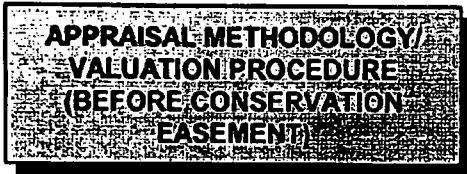
The subsequent developmental uses of the subject property is rather diverse, incorporating acreage for single-family residential development, multi-family residential development, commercial development to include professional office, medical office, retail, research and development and the creation of a campus area in a collaborative effort with the University of South Carolina.

● **AS VACANT - MAXIMALLY PRODUCTIVE**

In terms of the maximum productive use of the site, the contribution of the site in terms of return on investment is considered. Due to the subject property's strategic location and proximity to the University of South Carolina, the City of Columbia and major interstates and thoroughfares as well as airports, the maximum productive use would reflect the subsequent developmental usage in accordance with the submitted E.D.S.A. Land Use Plan. The large expanse of acreage provided by the subject is rather unique in most urban areas, and especially in the City of Columbia, relative to allowing for such developmental usage to occur in an orderly and patterned fashioned.

● **CONCLUSION OF HIGHEST AND BEST AS VACANT**

In conclusion, the financially feasible and maximally productive use will reflect the use identified as the mixed use development identified in the E.D.S.A. Land Use Plan and further supported in the valuation sections of this appraisal report. The perceived zoning change is considered imminent and probable as a result of the subject meeting all required criteria, specifically, in regards to the Richland County's Town and Country plan concept.



The appraisal process is a systematic procedure in which the valuation problem is defined; the work organized; data assembled, analyzed and conclusions drawn to derive an estimate of value as of a particular time, the date of value.

The appraiser typically utilizes three approaches to value which include: the **Cost Approach**; the **Market Data or Sales Comparison Approach**; and the **Income Capitalization Approach**.

The **Cost Approach** is based on many principles but the primary appraisal principle is that an informed buyer or purchaser will pay no more than it cost to produce a substitute property with the same utility without undue delay. In the Cost Approach to Value, an appraiser commences with estimating the land or site by comparison of the subject land to other comparable sales or listing available within the general market. Reproduction or replacement costs new of the building and land improvements are estimated based on a recognized cost service or from local building contractors or cost engineers. All sources of neighborhood influences are deducted from the new cost estimates. The estimated land value is added to the indicated value by the Cost Approach. This approach is particularly useful in valuing new improvements which represent the highest and best use of the land or when specialized improvements are located on the site and there is insufficient comparable data within the market for proper analysis.

The **Sales Comparison Approach** compares the subject property to comparable or similar properties with the sales price paid and the actual transaction being analyzed. Comparable sales are adjusted to the subject property for dissimilarities which include time or changes in market conditions, age, location, physical characteristics and conditions of the sale to the subject property to indicate the probable value of the subject. The adjustments should reflect the market actions of typical buyers and sellers and are usually extracted from the market by use of the *matched pairs* concept.

In the **Income Approach**, the subject property is valued based on its propensity to generate income. Anticipated present and future income as well as future reversions on the sale of the property are discounted to a present worth value through the capitalization process. Market data produces current economic rents and expense levels, which after deduction of market derived vacancy and credit losses, the resulting income is termed Net Operating Income. After the extraction of a capitalization rate or a computation of a capitalization rate, as correlated based on current market data, the net operating income is converted into a final estimation of value.

The indicated values from the three approaches to value are correlated and then reconciled into a final estimate of value. In this final analysis, the appraiser displays the weaknesses and strengths of each approach and weighs the relevance of each approach to the property being appraised. After all correlation and reconciling has been completed, a final value conclusion is derived for the subject property.

In the valuation of the subject property before the conservation easement, the applicable approach to value will consist primarily of a Developmental Approach for the numerous parcels contained within the specified property uses to be developed within the Green Diamond project. Before the Developmental Approach is implemented, a Sales Comparison Approach is typically completed in order to determine applicable unit/lot prices to coincide with the conceptual plan for development. The Developmental Approach will consist of a determined absorption time for the planned number of units or lots. The associated costs to dispose of the units/lots over a determined absorption time frame will be deducted as well as the cost of the development, administrative costs, real property taxes, and marketing and sales commissions. Entrepreneurial profit will also be deducted and the underlying net present value of the cash flows will reflect the estimated market value of the subject property relative to this conceptual developmental design.

For those developments to be contained within the subject property whereby multiple units or lots were configured for disposition over an extended time frame, a discounted cash flow analysis (DCF) was formulated. Careful analysis was utilized in determining a reasonable absorption for the planned units or lots in each of the respective proposed developmental uses.

In the valuations of the parcels contained in the subject property where a bulk land sale was determined, a comparative analysis was completed whereby comparable land sales were obtained and compared to the subject developmental parcel with the appropriate adjustments completed for physical characteristic dissimilarities. A further discounting procedure occurred in the event an extended time frame would be necessary to dispose of the bulk land sale in order to remain competitive with similar properties within the same general development.

The valuation of the parcels comprising the proposed developmental plan for the Green Diamond project will be categorized according to property usage. Inclusive of the different property usage categories will be single-family residential, multi-family residential, commercial, school site, agricultural land use, and property uses for those areas utilized as natural buffers, roads, parks and other necessary acreage for the implementation of the Land Use Plan.

**VALUATION OF SINGLE-FAMILY
RESIDENTIAL DEVELOPMENTS**

VSW File No.: C02-02

CV006365

PLTF TRIAL EXH 394

**GENERAL DESCRIPTION OF
SINGLE-FAMILY DEVELOPMENTS
IN GREEN DIAMOND**

The Green Diamond project will contain multiple single-family developments. According to the proposed land plan for developmental usage, there are nine separate parcels to be subsequently utilized for single-family developmental

usage. Four of the parcels are located in Levee Section 1 with five parcels located in Levee Section 2. Obviously, the parcels range in size, extending from the smallest at 18.69 acres to the largest comprising 69.50 acres. Additionally, the yield or the number of developable units for each parcel also vacillate. The nine parcels total 395.83 acres with a total number of developable units at 1,959.

SINGLE-FAMILY RESIDENTIAL DEVELOPMENTS			
Parcel Number	Levee Section	Size (Acres)	Total # Units
8-A	1	18.69	75
9-A	1	45.66	137
9-C	1	54.68	219
11	1	20.98	119
29	2	38.00	228
36	2	69.50	417
37	2	48.24	215
38	2	49.15	243
39	2	50.93	306
TOTAL		395.83	1,959

The development of the single-family areas, specifically those located within Levee Section 1, are influenced by the proposed location of a championship golf course and as a result, the lots will be strategically located in proximity to the golf course as well as proximity to a number of lakes that will be located intermittently among the proposed developments. Although the developments in Levee Section 2 will not be strategically close to the golf course, there are numerous lakes proposed which will augment these single-family developments, specifically relative to individual lot values and lot absorption.

• **LOT/UNIT VALUATION**

The determination of individual lot prices for the single-family developments in both Levee Section 1 and 2 is directly related to the number of units designed per acre for each of the respective developments as well as the amenities located in proximity to the respective developments. Specifically, the amenities would include the golf course which primarily affects those developments located in Levee Section 1 while those located in Levee Section 2 do not have the benefit of the proposed golf course. In the Columbia market, golf courses located within single-family developments are a primary catalyst for quicker absorption and obviously higher associated lot values as a result of this highly regarded amenity.

The analysis for the valuation of the individual lots within the single-family development are predicated on an initial analysis of residential developments located close-in or reflecting similar location as that of the Green Diamond project. The Green Diamond project is unique in that it is located at the confluence of the Congaree River and Interstate 77 and is only five miles from the State Capitol. Historically, in-town or close-in developments in the Columbia market have witnessed rapid absorption and obviously higher lot prices. Typically, the higher lot prices are associated more with the vacant land acquisition cost than available amenities such as golf courses and lakes. The in-town developments are generally restricted to smaller available sites and as a result may not have the benefits of such amenities. The availability of the size of the Green Diamond project places it in a unique situation in that there are available sites for numerous lakes as well as golf courses, parks, buffers and other natural amenities to augment the residential developments.

Several in-town or close-in developments will be analyzed and then suburban developments that contain amenities such as golf courses and lakes will also be analyzed to provide a synthesis of forecasted or estimated lot values associated with the residential developments to be contained within Green Diamond.

THE PRESERVE

The Preserve is a proposed single-family subdivision located on the south side of the confluence of Gills Creek Parkway and Pelham Drive in the City of Columbia, approximately one and one-half miles northeast of the subject single-family developments. The Preserve, when completed, will only contain 35 lots situated on 15.31 acres of which 2.69 acres are contained in jurisdictional wetlands and flood hazard areas. The lots in the Preserve will extend from the smallest at 0.15 acre to the largest comprising 0.48 acre with the average lot size comprising 0.273 acre or approximately 11,898 square feet. The chart on the following page will delineate the 35 lots and associated proposed sales prices relative to each respective lot.

THE PRESERVE SUBDIVISION					
Lot No.	Size	Price	Lot No.	Size	Price
1	0.42 Acre 18,295 SF	\$55,000	19	0.32 Acre 13,939 SF	\$85,000
2	0.32 Acre 13,939 SF	\$65,000	20	0.32 Acre 13,939 SF	\$85,000
3	0.37 Acre 16,117 SF	\$80,000	21	0.35 Acre 15,246 SF	\$85,000
4	0.43 Acre 18,731 SF	\$120,000	22	0.32 Acre 13,939 SF	\$85,000
5	0.29 Acre 12,632 SF	\$65,000	23	0.28 Acre 11,326 SF	\$90,000
6	0.29 Acre 12,632 SF	\$75,000	24	0.15 Acre 6,534 SF	\$85,000
7	0.34 Acre 14,810 SF	\$80,000	25	0.16 Acre 6,970 SF	\$85,000
8	0.48 Acre 20,909 SF	\$100,000	26	0.17 Acre 7,405 SF	\$85,000
9	0.47 Acre 20,473 SF	\$125,000	27	0.17 Acre 7,405 SF	\$85,000
10	0.28 Acre 12,197 SF	\$120,000	28	0.15 Acre 6,534 SF	\$65,000
11	0.28 Acre 12,197 SF	\$120,000	29	0.15 Acre 6,534 SF	\$65,000
12	0.28 Acre 12,197 SF	\$120,000	30	0.15 Acre 6,534 SF	\$65,000
13	0.25 Acre 10,890 SF	\$80,000	31	0.15 Acre 6,534 SF	\$85,000
14	0.35 Acre 15,246 SF	\$110,000	32	0.15 Acre 6,534 SF	\$85,000
15	0.32 Acre 13,939 SF	\$85,000	33	0.15 Acre 6,534 SF	\$65,000
16	0.32 Acre 13,939 SF	\$85,000	34	0.15 Acre 6,534 SF	\$65,000
17	0.32 Acre 13,939 SF	\$85,000	35	0.15 Acre 6,534 SF	\$65,000
18	0.33 Acre 14,375 SF	\$85,000	Average Size/Lot 0.273/Acre, or 11,898 SF		
			Average Price/Lot \$84,100		
			Total Retail Value \$2,945,000		

CV006368

PLTF TRIAL EXH 394

The Preserve indicates an average price per lot of \$84,100 and may be influenced by several lots located on a small pond area. There are natural buffers and the development will contain a pool and small cabana. However, the amenities associated with Preserve will be inferior to those associated with the single-family developments of the Green Diamond project, specifically those located within Levee Section 1. Twenty-seven of the 35 lots were placed on the market and contracts were awarded for all 27 lots within a two hour time frame. The developer retained eight interior lots for speculative development. The contract prices are equal to or slightly higher than the forecasted sales prices for the lots indicated on the previous chart.

HIGH HAMPTON

High Hampton is located across Pelham Drive from The Preserve and was built on 7.23 acres purchased in 1998. The lots in High Hampton vary in size although the predominance of the lots total 8,400 square feet with the largest lot containing 19,007 square feet. When placed on the market, the lots sold in late 1998 for \$44,900 with two of the lots selling for \$89,800 in December, 1998, and subsequently re-selling in March, 2002 for \$100,000 representing an increase per year of 3.5%. The absorption for the High Hampton Subdivision was considered relatively quick with half of the 19 lots selling during the first several months of disposition, late 1998 and early 1999. Presently, several lots remain but are considered the less desirable lots. A reasonable absorption would equate to approximately 1.2 lots per month. High Hampton would be considered significantly inferior to the subject residential developments as a result of not containing a golf course and other natural preserve areas and buffers as well as amenities such as lakes and obviously the proximity to the expanse of the Congaree River.

ASHWORTH PLACE

Ashworth Place is located in Arcadia Lakes on the west side of Trenholm Road adjacent to the Kaminer Station Subdivision. A 10.58 acre parcel was purchased for the development of this project in late 1997. The community is gated and does feature an attractive pond/lake situated at the front of the site which was existing prior to development. The developmental plan indicates a total of 21 lots, with the smallest lot totaling 15,205 square feet with the largest lot slightly over 1.0 acre. Ashworth Place was somewhat slow getting started as construction began on the project although the lots were not ready for delivery for quite some time with some individuals reserving lots opting to purchase elsewhere. The sales prices for the lots ranged from a low of \$79,000 to the most expensive lot at \$125,000 for a lot facing the pond/lake. Several half-million dollar residences have been built in Ashworth with 13 of the lots sold out of 21. The 13 lot sales transpired between 1998 and 2001. The lots sold on an average of 1.0 per month during the initial offering of the development. The Ashworth subdivision reflected relatively slow marketability initially as the developer concentrated energies on other developments outside the Columbia area. However, in recent

months, new construction has begun and is continuing in the Ashworth development. The lots are larger than lots associated with the single-family developments in Green Diamond but obviously the sales prices/acquisition prices are substantially higher as well. In a comparison, the Ashworth development does not contain comparable amenities as those associated with the predominance of the single-family developments in the Green Diamond project, specifically those located within Levee Section 1.

KINGS GRANT

Kings Grant is a successful development located at the intersection of Jackson Boulevard and Interstate 77, contiguous to Fort Jackson. It appears absorption in Kings Grant has been more rapid than either Ashworth or High Hampton. Kings Grant is a gated community with amenities inclusive of an attractive clubhouse and pool and does contain several lakes located intermittently throughout the development. The lot sizes in Kings Grant extend from 0.30 acre to 0.80 acre with a typical lot size of 16,000 square feet or 100 x 160 or 0.37 acre. During 2002, five lots have sold although 41 lots were sold in Kings Grant in 2001, representing 3.41 lots per month. An even higher absorption was indicative in 2000 when 59 lots were sold representing 4.92 lots per month. Kings Grant has been successful since 1991 with no year less than one lot sold per month and in 1998, 67 lots were sold or 5.58 lots per month. The average lot prices during 2002 in Kings Grant extended from \$79,000 to \$135,000 for 0.30 to 0.80 acre lot sizes. House prices range from \$338,000 to \$595,000 for 2002, substantially higher than 2001 house prices, extending from \$300,000 to \$452,000. Kings Grant is nearing the end of its development as a result of no additional land remaining for future or subsequent phases. The physical constraints of continued development will benefit the Green Diamond project as potential purchasers for Kings Grant may look into Green Diamond as a result of lots not available within Kings Grant.

The preceding developments are all located close-in or in-town and are considered similar to the Green Diamond project except they are all significantly smaller and will not have the amenities provided by a larger development such as the subject. Specifically, the absence of amenities as well as commercial development to augment single-family renders these developments less attractive as compared to the Green Diamond project.

Due to the in-town developments not containing amenities associated with the single-family developments within Green Diamond, the larger, mixed use developments in the suburban Columbia market were analyzed. Specifically, the larger multi-use developments to include the Summit and Lake Carolina in northeast Columbia as well as the University Club in Blythewood and Woodcreek Farms near the small community of Pontiac were analyzed.

LAKE CAROLINA

Lake Carolina is located on the east side of Hardscrabble Road in the northeast area of Columbia/Richland County, across from Ridge View High School. This multi-development project contains a large, recreational lake with approximately six miles of shoreline, similar to the seven miles of shoreline afforded Green Diamond by the Congaree River. Lake Carolina does not contain a golf course, like that proposed for Green Diamond, but does contain the aesthetic amenity offered by the larger Lake Carolina. In addition, there is a clubhouse and pool area to augment the residential developments, similar to that proposed for Green Diamond. Plans are to have established commercial areas to augment the varied residential developments contained within Lake Carolina, considered a must in suburban residential developments. Similarly, the Green Diamond project will contain numerous commercial areas to augment the single-family developments, in concert with the Town and Country conceptual developmental plan as prescribed by Richland County.

On the following chart will be the 15 identified existing residential developments which presently comprise Lake Carolina with indications of typical lot sizes, lot prices and lot sales with total absorption extending from 1999 through July, 2002.

LAKE CAROLINA RESIDENTIAL LOT SALES/ABSORPTION			
	Lots Sold		Lots Sold
Arbor Place Lot Size 0.22 - 0.29 Acre Typical Lot Size 85x128 (10,880 SF) House Prices \$195,000 - \$262,000 Lot Prices \$28,000 - \$35,000 Sales: Aug. - Dec. '99 - 11 Lots (\$29,000-\$34,000) 2000 - 19 Lots (\$30,000-\$34,000) 2001 - 9 Lots (\$30,000-\$34,000) 2002 - 1 Lot (\$28,612)	40	Oaks Lot Size 6,900 - 13,000 Square Feet Typical Lot Size 60x155 (9,300 SF) House Prices \$135,000 - \$160,000 Lot Sales: 1999 - 41 Lots (\$20,875) 2000 - 29 Lots (\$20,900) 2001 - 20 Lots (\$20,900) 2002 - 14 Lots (\$20,900)	104
Ashton Hill Lot Size 0.12 - 0.33 Acre Typical Lot Size 50x105 (5,250 SF) House Prices \$172,000 - \$229,000 Lot Prices \$31,500 Sales: April - Dec. 2000 - 7 Lots	7	Peninsula Lot Size 0.30 - 0.80 Acre Typical Lot Size 110x280 (30,800 SF) House Prices \$460,000 - \$1,300,000 Lot Sales: May-Dec. '00-32 Lots (\$71,000-\$285,00) 2001 - 14 Lots (\$71,000-\$220,000) 2002 - 6 Lots (\$59,000-\$71,000)	52
Avebury (Patio Homes) Lot Size 3,700 Square Feet Typical Lot Size 43x88 (3,784 SF) House Prices \$84,000 - \$96,000 Lot Prices \$20,800 Sales: Aug. 2001 - 31 Lots (\$20,800) July 2002 - 25 Lots (\$20,800)	56	Summerlin Lot Size 8,000 - 12,000 Square Feet Typical Lot Size 65x130 (8,450 SF) House Prices \$214,000-\$310,000 Lot Sales: June-Dec. '99-22 Lots (\$30,250-\$51,000) 2000 - 10 Lots (\$30,000-\$50,000) 2001 - 20 Lots (\$30,000-\$45,000) 2002 - 1 Lot (\$30,250)	53
Bluffs Lot Size 0.34 - 0.95 Acre Typical Lot Size 100x150 (15,000 SF) House Prices \$300,000 - \$750,000 Lot Prices \$42,000 - \$126,000 Sales: 1999 - 11 Lots (\$119,000 - \$126,000) 2000 - 39 Lots (\$ 46,000 - \$146,900) 2001 - 6 Lots (\$ 50,000 - \$ 74,000) 2002 - 4 Lots (\$ 42,000 - \$ 55,000)	60	Summerlin By the Lake Lot Size 12,000 - 18,000 Square Feet Typical Lot Size 100x150 (15,000 SF) House Prices \$242,000 - \$280,000 Lot Sales: 2001 - 38 Lots (\$32,000-\$36,000) 2002 - 1 Lot (\$35,200)	39
Canterbury Park Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 67x120 (8,040 SF) House Prices N/A Lot Sales: June-July '02 28 Lots (\$25,000-\$37,000)	28	Willowpointe Lot Size 12,000 Square Feet Typical Lot Size 60x150 (12,000 SF) House Prices \$288,000 - \$340,000 Lot Sales: April-Dec. '99-17 Lots (\$34,900-124,900) 2000 - 7 Lots (\$34,600-\$54,000) 2001 - 6 Lots (\$34,500-54,000) 2002 - 1 Lot (\$45,505)	31
Harborside Lot Size 6,000 - 12,000 Square Feet Typical Lot Size 59x160 (9,440 SF) House Prices N/A Lot Sales: Jan.-July '02 14 Lots (\$40,000-\$60,000)	14	Woodcrest Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 70x120 (8,400 SF) House Prices \$184,000 - \$202,000 Lot Sales: May-June 2001 - 22 Lots (\$27,250)	22
Magnolia Bluff Lot Size 0.18 to 0.25 Acre Typical Lot Size 70x120 (8,400 SF) House Prices \$170,000 - \$205,000 Lot Sales: 1999 - 2 Lots (\$25,250) 2000 - 9 Lots (\$25,250)	11	Woodridge Lot Size 9,200 - 17,000 Square Feet Typical Lot Size 75x140 (10,500 SF) House Prices N/A Lot Sales: March 2002 - 20 Lots (\$33,000)	20
Mariners Cove Lot Size 8,000 - 21,000 Square Feet Typical Lot Size 59x160 (9,440 SF) House Prices \$296,000 - \$500,000 Lot Sales: May-Dec. '00 9 Lots (\$84,000) 2001 - 14 Lots (\$84,000) 2002 - 3 Lots (\$84,000-\$129,000)	26	Lot Sales From 1999 through July, 2002: 563 Lots Sold (43 Months) = 13.09 Lots Per Month	

The lot sizes in Lake Carolina, vary in size and some resemble the proposed lot sizes associated with the residential developments within Green Diamond.

THE SUMMIT

The Summit residential area is located on Clemson Road in proximity to Lake Carolina and contains numerous residential developments within this large project. However, unlike Lake Carolina and the residential developments within the Green Diamond project, there are no amenities which augment the residential lots located within the various developments. The Summit also contains smaller lot sizes that may be compared to the smaller lot sizes for some of the developments within the Green Diamond project but the location of the Summit as compared to that of Green Diamond as well as the amenities afforded the Green Diamond project which the Summit does not possess will create a disparity between the lot prices/values associated with the Summit as compared to the residential developments within Green Diamond.

A review of the lot prices and absorption rates in the Summit are also testament of lesser pricing per lot as the lots sold on a per month basis are higher than that at Lake Carolina as well as the predominance of the other suburban residential developments as well as the in-town developments with the exception of the Preserve, which uncharacteristically sold-out within a two hour time frame. The smaller, lesser expensive lots may be attributable to this more rapid absorption.

The chart on the following page will delineate the various residential sections contained within the Summit as well as the number of lots absorbed per month and typical lot sizes and lot values.

THE SUMMIT RESIDENTIAL LOT SALES/ABSORPTION			
	Lots Sold		Lots Sold
Autumn Glen Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 70x120 (8,400 SF) House Sales - None (\$134,000) Lot Sales - One Lot (\$16,000)	1	Founders Ridge Lot Size 10,000 - 12,000 Square Feet Typical Lot Size 85x150 (12,750 SF) House Sales - None (\$153,000 to \$190,000) Lot Sales - 7 (\$26,285)	7
Autumn Run (Patio Homes) Lot Size 3,600 - 3,800 Square Feet Typical Lot Size 42x85 (3,570 SF) House Sales - 4 in July & Aug. (\$96,000 - \$114,000) Lot Sales - None	0	Hamilton Place Lot Size 7,800 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$110,000 to \$122,000) Lot Sales - 46 in Oct. '01-June '02 (\$16,000)	46
Barony Place (Patio Homes) Lot Size 6,000 - 6,500 Square Feet Typical Lot Size 60x100 (6,000 SF) House Sales - None (\$171,000 - \$207,000) Lot Sales - 3 in July 2002 (\$19,900)	3	Hidden Pines Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$97,000 to \$127,000) Lot Sales - 24 in July 2002 (\$16,000)	24
Brittany Park Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 67x120 (8,040 SF) House Sales - None (\$113,000 to \$125,000) Lot Sales - 8 in June 2002 (\$16,000)	8	Kingston Trace Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$89,000 to \$113,000) Lot Sales - 2 in July 2002 (\$16,000)	2
Courtyards at Founders Ridge Lot Size 5,200 - 5,600 Square Feet Typical Lot Size 53x103 (5,459 SF) House Sales - None Lot Sales - 4 in June 2002 (\$16,000)	4	Sterling Hills Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$87,000 to \$120,000) Lot Sales - 5 in June-July 2002 (\$16,000)	5
Denby Place Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$76,800 to \$112,000) Lot Sales - 28 in May-July 2002 (\$16,000)	28	Abington Lot Size 9,000 to 9,500 Square Feet Typical Lot Size 70x140 (9,800 SF) House Sales - None (\$135,000 to \$166,000) Lot Sales - 7 in May-July 2002 (\$20,000)	7
2002: 135 Lots (7 Months) = 19.28 Lots Per Month			

WOODCREEK

Woodcreek is a large single-family PUD, also located in the Columbia northeast market area although closer to the Pontiac community as compared to Lake Carolina and the Summit. Woodcreek boasts a Tom Fazio designed 18-hole championship golf course which augments many of the lots located within this development. Present zoning indicates 4,000 single-family units are permitted within the Woodcreek PUD although it appears only 2,500 to 3,000 dwelling units will be targeted for the total density. Woodcreek began selling lots in late 1996 and as will be indicated on a chart following this description of the development, lot prices vary with lot sizes as well as location on the amenities which include several lakes

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as well as the Tom Fazio designed 18-hole championship golf course facility. Woodcreek Farms totals approximately 2,200 acres and presently contains 100 homes in six separate neighborhoods. The range of sales prices for residences within Woodcreek Farms extend from the low \$280,000 to \$1,000,000+.

Typical interior lots according to the most recent sales activity is averaging approximately \$65,000 with the golf course lots extending from \$72,000 to \$84,000 and the lake lots showing the widest disparity in pricing extending from \$81,000 to \$217,000.

WOODCREEK FARMS LOT ABSORPTION				
INTERIOR LOTS				
Lot Size:	0.30 - 5.0 Acres			
Typical Lot:	110x150			
House Prices:	\$350,000 - \$600,000			
Lot Prices:	\$36,900 - \$115,000			
Lot Sales:	1999	\$36,900 - \$ 63,000	28 Lots Sold	
	2000	\$42,750 - \$ 75,000	32 Lots Sold	
	2001	\$40,000 - \$115,000	28 Lots Sold	
Jan. - Aug.	2002	\$65,000	5 Lots Sold	
LAKE LOTS				
Lot Size:	0.50 - 1.0 Acres			
Typical Lot:	125x200			
House Prices:	\$750,000 - \$1,000,000			
Lot Prices:	\$81,000 - \$217,000			
Lot Sales:	1999	\$200,000 - \$275,000	6 Lots Sold	
	2000	\$ 85,000 - \$130,000	6 Lots Sold	
	2001	\$125,000	2 Lots Sold	
Jan. - Aug.	2002	\$ 81,000 - \$217,000	9 Lots Sold	
GOLF COURSE LOTS				
Lot Size:	0.30 - 5.0 Acres			
Typical Lot:	110x160			
House Prices:	\$600,000+			
Lot Prices:	\$62,250 - \$150,000			
Lot Sales:	1999	\$80,000 - \$ 95,000	4 Lots Sold	
	2000	\$75,150 - \$150,000	4 Lots Sold	
	2001	\$62,250 - \$115,000	5 Lots Sold	
Jan. - Aug.	2002	\$72,000 - \$ 84,000	5 Lots Sold	
Average 3.05 Lots/Month				

THE UNIVERSITY CLUB

The University Club, is located in northern Richland County in the community of Blythewood and contains a 27-hole championship golf course and several residential developments. The University Club began selling residential lots within several respective developments in 1998. However, for circumstances not related to the quality of the product, the University Club did not endure strong sales during 2000, 2001, and 2002 to the present. The absence of sales within this community is not related to the quality of the product but to improper or imprudent management. Therefore, comparison of the University Club to the Green Diamond project would not provide any accurate determination of individual lot values or prices nor an idea of reasonable absorption for the residential product.

● **ABSORPTION OF RESIDENTIAL LOTS**

The lot absorption, relative to the disposition of the planned 1,959 residential lots to be contained within the development, is an estimate on how much time will be required to sell-off the prospective site inventory. Like the pricing on the respective lots, the market determines the acceptable and reasonable price levels for disposition of the lots. Likewise, the market also provides the absorption of the lot inventory to be priced at the indicated market level.

The developments utilized in the determination of the lot pricing were also analyzed for the estimate of absorption of the prospective inventory to be contained within the project. The four *in-town* developments consisted primarily of smaller developments with slightly larger lots than those proposed for the subject developments but also at significantly higher prices. With the lesser number of lots, due to the typically small projects, a rapid absorption was evident in the majority of these developments. Specifically, the 27 lots sold in the proposed Preserve development is indicative of this rapid absorption in the smaller in-town developments. As stated previously, the in-town developments are typically smaller due to the restrictive amount of available residential land for subsequent developmental usage.

The typical lots in Kings Grant are larger than those proposed for the subject but obviously the pricing, extending between \$79,000 and \$135,000, does have an effect on absorption. Likewise, the higher priced lots in Ashworth, extending between \$79,000 to \$125,000, reflected in a lesser absorption of lots per month due to the reduction in the pool of potential subsequent purchasers.

Relative to the in-town developments, the pricing on the proposed lots in the nine subject residential developments will represent the least expensive in-town product. The highest lot price is \$67,500 for the larger lots located in the most strategically situated residential development.

Due to the size of the subject project, the larger, mixed use suburban projects to include Lake Carolina, Woodcreek and the Summit were again analyzed for their absorption history and capability.

LAKE CAROLINA RESIDENTIAL LOT SALES/ABSORPTION			
	Lots Sold		Lots Sold
Arbor Place Lot Size 0.22 - 0.29 Acre Typical Lot Size 85x128 (10,880 SF) House Prices \$195,000 - \$282,000 Lot Prices \$28,000 - \$35,000 Sales: Aug. - Dec. '99 - 11 Lots (\$29,000-\$34,000) 2000 - 19 Lots (\$30,000-\$34,000) 2001 - 9 Lots (\$30,000-\$34,000) 2002 - 1 Lot (\$28,612)	40	Oaks Lot Size 6,900 - 13,000 Square Feet Typical Lot Size 60x155 (9,300 SF) House Prices \$135,000 - \$160,000 Lot Sales: 1999 - 41 Lots (\$20,875) 2000 - 29 Lots (\$20,900) 2001 - 20 Lots (\$20,900) 2002 - 14 Lots (\$20,900)	104
Ashton Hill Lot Size 0.12 - 0.33 Acre Typical Lot Size 50x105 (5,250 SF) House Prices \$172,000 - \$229,000 Lot Prices \$31,500 Sales: April - Dec. 2000 - 7 Lots	7	Peninsula Lot Size 0.30 - 0.80 Acre Typical Lot Size 110x280 (30,800 SF) House Prices \$460,000 - \$1,300,000 Lot Sales: May-Dec. '00-32 Lots (\$71,000-\$285,00) 2001 - 14 Lots (\$71,000-\$220,000) 2002 - 6 Lots (\$59,000-\$71,000)	52
Avebury (Patio Homes) Lot Size 3,700 Square Feet Typical Lot Size 43x88 (3,784 SF) House Prices \$84,000 - \$96,000 Lot Prices \$20,800 Sales: Aug. 2001 - 31 Lots (\$20,800) July 2002 - 25 Lots (\$20,800)	56	Summerlin Lot Size 8,000 - 12,000 Square Feet Typical Lot Size 65x130 (8,450 SF) House Prices \$214,000-\$310,000 Lot Sales: June-Dec. '99-22 Lots (\$30,250-\$51,000) 2000 - 10 Lots (\$30,000-\$50,000) 2001 - 20 Lots (\$30,000-\$45,000) 2002 - 1 Lot (\$30,250)	53
Bluffs Lot Size 0.34 - 0.95 Acre Typical Lot Size 100x150 (15,000 SF) House Prices \$300,000 - \$750,000 Lot Prices \$42,000 - \$126,000 Sales: 1999 - 11 Lots (\$119,000 - \$126,000) 2000 - 39 Lots (\$ 46,000 - \$146,900) 2001 - 6 Lots (\$ 50,000 - \$ 74,000) 2002 - 4 Lots (\$ 42,000 - \$ 55,000)	60	Summerlin By the Lake Lot Size 12,000 - 18,000 Square Feet Typical Lot Size 100x150 (15,000 SF) House Prices \$242,000 - \$280,000 Lot Sales: 2001 - 38 Lots (\$32,000-\$36,000) 2002 - 1 Lot (\$35,200)	39
Canterbury Park Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 67x120 (8,040 SF) House Prices N/A Lot Sales: June-July '02 28 Lots (\$25,000-\$37,000)	28	Willowpointe Lot Size 12,000 Square Feet Typical Lot Size 80x150 (12,000 SF) House Prices \$288,000 - \$340,000 Lot Sales: April-Dec. '99-17 Lots (\$34,900-124,900) 2000 - 7 Lots (\$34,800-\$54,000) 2001 - 6 Lots (\$34,500-\$4,000) 2002 - 1 Lot (\$45,505)	31
Harborside Lot Size 6,000 - 12,000 Square Feet Typical Lot Size 59x160 (9,440 SF) House Prices N/A Lot Sales: Jan.-July '02 14 Lots (\$40,000-\$60,000)	14	Woodcrest Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 70x120 (8,400 SF) House Prices \$184,000 - \$202,000 Lot Sales: May-June 2001 - 22 Lots (\$27,250)	22
Magnolia Bluff Lot Size 0.18 to 0.25 Acre Typical Lot Size 70x120 (8,400 SF) House Prices \$170,000 - \$205,000 Lot Sales: 1999 - 2 Lots (\$25,250) 2000 - 9 Lots (\$25,250)	11	Woodridge Lot Size 9,200 - 17,000 Square Feet Typical Lot Size 75x140 (10,500 SF) House Prices N/A Lot Sales: March 2002 - 20 Lots (\$33,000)	20
Mariners Cove Lot Size 8,000 - 21,000 Square Feet Typical Lot Size 59x160 (9,440 SF) House Prices \$296,000 - \$500,000 Lot Sales: May-Dec. '00 9 Lots (\$84,000) 2001 - 14 Lots (\$84,000) 2002 - 3 Lots (\$84,000-\$129,000)	26	Lot Sales From 1999 through July, 2002: 563 Lots Sold (43 Months) = 13.09 Lots Per Month	

THE SUMMIT RESIDENTIAL LOT SALES/ABSORPTION			
	Lots Sold		Lots Sold
Autumn Glen Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 70x120 (8,400 SF) House Sales - None (\$134,000) Lot Sales - One Lot (\$16,000)	1	Founders Ridge Lot Size 10,000 - 12,000 Square Feet Typical Lot Size 85x150 (12,750 SF) House Sales - None (\$153,000 to \$190,000) Lot Sales - 7 (\$26,285)	7
Autumn Run (Patio Homes) Lot Size 3,600 - 3,800 Square Feet Typical Lot Size 42x85 (3,570 SF) House Sales - 4 in July & Aug. (\$96,000 - \$114,000) Lot Sales - None	0	Hamilton Place Lot Size 7,800 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$110,000 to \$122,000) Lot Sales - 46 in Oct. '01-June '02 (\$16,000)	46
Barony Place (Patio Homes) Lot Size 6,000 - 6,500 Square Feet Typical Lot Size 60x100 (6,000 SF) House Sales - None (\$171,000 - \$207,000) Lot Sales - 3 in July 2002 (\$19,900)	3	Hidden Pines Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$97,000 to \$127,000) Lot Sales - 24 in July 2002 (\$16,000)	24
Brittany Park Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 67x120 (8,040 SF) House Sales - None (\$113,000 to \$125,000) Lot Sales - 8 in June 2002 (\$16,000)	8	Kingston Trace Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$89,000 to \$113,000) Lot Sales - 2 in July 2002 (\$16,000)	2
Courtyards at Founders Ridge Lot Size 5,200 - 5,600 Square Feet Typical Lot Size 53x103 (5,459 SF) House Sales - None Lot Sales - 4 in June 2002 (\$16,000)	4	Sterling Hills Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$87,000 to \$120,000) Lot Sales - 5 in June-July 2002 (\$16,000)	5
Denby Place Lot Size 8,000 - 10,000 Square Feet Typical Lot Size 65x120 (7,800 SF) House Sales - None (\$76,800 to \$112,000) Lot Sales - 28 in May-July 2002 (\$16,000)	28	Abington Lot Size 9,000 to 9,500 Square Feet Typical Lot Size 70x140 (9,800 SF) House Sales - None (\$135,000 to \$166,000) Lot Sales - 7 in May-July 2002 (\$20,000)	7
2002: 135 Lots (7 Months) = 19.28 Lots Per Month			

WOODCREEK FARMS LOT ABSORPTION				
INTERIOR LOTS				
Lot Size:	0.30 - 5.0 Acres			
Typical Lot:	110x150			
House Prices:	\$350,000 - \$600,000			
Lot Prices:	\$36,900 - \$115,000			
Lot Sales:	1999	\$36,900 - \$ 63,000	28 Lots Sold	
	2000	\$42,750 - \$ 75,000	32 Lots Sold	
	2001	\$40,000 - \$115,000	28 Lots Sold	
Jan. - Aug.	2002	\$65,000	5 Lots Sold	
LAKE LOTS				
Lot Size:	0.50 - 1.0 Acres			
Typical Lot:	125x200			
House Prices:	\$750,000 - \$1,000,000			
Lot Prices:	\$81,000 - \$217,000			
Lot Sales:	1999	\$200,000 - \$275,000	6 Lots Sold	
	2000	\$ 85,000 - \$130,000	6 Lots Sold	
	2001	\$125,000	2 Lots Sold	
Jan. - Aug.	2002	\$ 81,000 - \$217,000	9 Lots Sold	
GOLF COURSE LOTS				
Lot Size:	0.30 - 5.0 Acres			
Typical Lot:	110x160			
House Prices:	\$600,000+			
Lot Prices:	\$62,250 - \$150,000			
Lot Sales:	1999	\$80,000 - \$ 95,000	4 Lots Sold	
	2000	\$75,150 - \$150,000	4 Lots Sold	
	2001	\$82,250 - \$115,000	5 Lots Sold	
Jan. - Aug.	2002	\$72,000 - \$ 84,000	5 Lots Sold	
Average 3.05 Lots/Month				

The preceding charts indicate absorption totals on a per month basis ranging from the lowest at Woodcreek at 3.05 lots per month over a 44 month time frame to the 19.28 lots per month reflected by the Summit.

The lower absorption of lots on a per month basis in Woodcreek may be related to a brewing disagreement between the entity owning the golf course and the owner/developer of Woodcreek. It appears a clubhouse for the golf course was promised by the developer upon the attainment of a certain membership level with the golf club. At this time, the clubhouse has not been built and it appears the disagreement has had a negative effect on lot sales and obviously absorption within this development. Also, this development is

located in the northeast area of metropolitan Columbia near the community of Pontiac, considered less desirable than the subject's location. Coupled with this lesser desirable location as compared to the subject, Woodcreek also is affected by the number of competitive developments in proximity in the northeast market area.

Lake Carolina and the Summit provide the best indications of potential lot absorption for the residential developments within the subject project. The absorption in Lake Carolina represented 13.09 lots per month while the Summit indicated a higher amount at 19.28 lots per month, despite being located less than one mile from one another. The higher absorption of lots on a per month basis in the Summit may also be attributable to the lesser price associated with these lots as compared to those sold in the Lake Carolina project. Similarly, the subject projects will reflect lesser priced or valued lots as compared to those in Lake Carolina and Woodcreek which may provide a higher number of lots absorbed on a monthly basis due to the lesser priced product. It also forecasted the location of the subject property will also be the primary catalyst for a more rapid absorption of lots as compared to those developments located in the suburban areas.

In determining a forecasted absorption or disposition of the lots within the nine residential developments within the subject, careful consideration was allotted for the location of these respective projects within Levee Section 1 and 2. More specifically, the disposition of lots in the four developments in Levee Section 1 corresponds with the development and disposition of the lots in Levee Section 2. The absorption was considered initially as a comprehensive whole relative to all nine residential areas. After consideration of the nine projects as a whole, each residential project was analyzed separately with start dates and termination dates for the complete disposition of all planned units or lots within each residential development. The start times for disposition of the lots were staggered so there was not an oversupply of any residential product in Levee Section 1 or 2 during any given year. Also, it appears the highest volume of lots are typically sold after the first year with the recognition of the residential product being accepted by the market and the intensity of sales occurring during this time. Like most residential projects, sales are less intensive at the end of the anticipated sales period and the absorption of lots in the subject residential projects follow this same scenario.

A chart on the following page will provide an estimate of the anticipated absorption of the subject residential projects with the respected number of units contained in each project or parcel identification area and the year on which these units are expected to be disposed.

SINGLE-FAMILY RESIDENTIAL ABSORPTION										
Parcel No.	No. Units	2002	2003	2004	2005	2006	2007	2008	2009	2010
8-A	75	40	20	15						
9-A	137			40	35	32	30			
9-C	219	60	60	60	39					
11	119	48	36	30	5					
29	228					60	60	60	48	
36	417		80	80	80	65	65	47		
37	215	60	60	60	35					
38	243				65	60	60	58		
39	306		65	65	65	65	46			
TOTAL	1,959	208	321	350	324	282	261	165	48	
ABSORPTION PER MONTH		17.3	26.75	29.16	27.0	23.5	21.75	13.75	4.0	
Average Per Month Total (Eight Years) 20.40 Units										

The above chart suggests an average per month total over the anticipated eight years to dispose of the 1,959 units in the nine residential projects at an estimated 20.4 units per year which parallel those in the Summit and slightly higher than those in Lake Carolina. Again, the higher absorption on a per month basis relative to the number of units is directly related to the more advantageous location of the subject property as compared to the suburban residential developments as well as the amenities to be offered within the project, inclusive of golf courses, lakes, natural areas and aesthetic buffers as well as the lot pricing.

The anticipated lot absorption within the residential developments contained within the subject project is not an extension of a forecast provided by the owner/developer but is strictly market oriented. Also, the absorption suggests the owner/developer will be the primary provider of the lot inventory for the duration of the eight years expected to dispose of all 1,959 units. This is not to preclude the owner/developer from disposing of several parcels to interested residential developers for individual residential development. This concept occurred quite frequently in the Lake Carolina and the Summit projects and it is anticipated the absorption time frame could conceivably be less than that provided in the previous chart in the event interested residential developers purchase several parcels for their own individualized or specialized

residential developments.

In the valuation of each respective parcel, the absorption of the units and the start date for each of the units will be projected and will conform with the start dates and the unit disposition as displayed in the prior chart.

Anytime a forecasted lot absorption for multi-developments is completed, anticipated new competition should be provided. Obviously, there is no other competitive property in-town which will compete with the subject property which elevates the subject to a strategic position in the Columbia market. However, the Mungo Company has recently announced plans to purchase 1,000 acres in the highly competitive northeast market area for the potential development of 3,000 homes in 36 or so planned neighborhoods. Stewart Mungo with the Mungo Company indicated they anticipated to complete the project within a ten year time frame suggesting probable absorption of 25 lots or units per month in order to achieve the disposition of the planned 3,000 homes/lots within a ten year time frame. Again, as evidenced on the chart, this 25 lots per month for these larger developments parallel with that proposed for the subject residential developments. More detailed analysis on this planned development is not forthcoming as the lot pricing has not been established.

In summation, the forecasted lot absorption for the residential projects or developments is a synthesis of correlative market data obtained from the Columbia market and extensive conversations with the developers, brokers, and residential developers within the respective competitive projects.

● **DEVELOPMENTAL APPROACH**

The developmental approach is often referred to by a number of different names not to exclude the anticipated use method as well as the subdivision developmental method. All three names represent the same methodology utilized for estimating land value when subdivision and development are the highest and best use of a parcel of land being appraised.

This methodology was employed in the valuation of all nine residential properties located within Green Diamond. The forecasted sales/absorption of the residential lots were formulated and a reasonable determination of this absorption was displayed over a finite time frame. A discounted cash flow analysis was utilized to convert the cash flows, anticipated to be received over this finite time frame, into a present value. The methodology includes the conversion of these anticipated future cash flows into a current value by an appropriate and market supported discount rate.

• **DISCOUNTED CASH FLOW ANALYSIS**

The discounted cash flow analysis contains certain components inclusive of the gross sales to be received from the disposition of the lots over the determined time frame. The lot valuation and the absorption have already been determined in a prior section of this residential development description. The expenses indicated within each discounted cash flow analysis for each residential parcel relative to the employment of this development approach will include development costs, administration costs, marketing and sales commission, developer's profit and real property taxes on unsold units/lots.

The disposition of the lots in each of the residential developments will not occur in any one year but will extend over the anticipated time frame as will be indicated within each valuation of each respective residential parcel. It is anticipated there will be annual appreciation relative to the lot values as a result of the anticipated demand of the respective residential projects. This annual appreciation may parallel the Consumer Price Index (CPI) over the last five years. The Consumer Price Index (CPI) chart will be indicated with the annual change in the respective index.

CONSUMER PRICE INDEX - ALL URBAN CONSUMERS (1998 - 2002)					
	1998	1999	2000	2001	2002
JANUARY	161.6	164.3	168.8	175.1	177.1
FEBRUARY	161.9	164.5	169.8	175.8	177.8
MARCH	162.2	165.0	171.2	176.2	178.8
APRIL	162.5	166.2	171.3	176.9	179.8
MAY	162.8	166.2	171.5	177.7	179.8
JUNE	163.0	166.2	172.4	178.0	179.9
JULY	163.2	166.7	172.8	177.5	180.1
AUGUST	163.4	167.1	172.8	177.5	180.7
SEPTEMBER	163.6	167.9	173.7	178.3	181.0
OCTOBER	164.0	168.2	174.0	177.7	
NOVEMBER	164.0	168.3	174.1	177.4	
DECEMBER	163.9	168.3	174.0	176.7	
ANNUALLY	163.0	166.6	172.2	177.1	
▲	1.56%	2.21%	3.36%	2.85%	1.30%

Source: U.S. Department of Labor, Bureau of Vital Statistics

Paired sales analysis may also be employed to determine potential changes in property values. A review of the charts provided for each of the larger mixed use developments, to include the Summit and Lake Carolina, all reflect increases in property values although the property or lot values do vacillate within each neighborhood of each large residential development.

Two lots in the High Hampton residential development sold in late 1998 for \$89,800 and subsequently re-selling in March, 2002 for \$100,000, representing an increase per year of 3.5%. The annualized CPI represents 2.3% and the re-sale of two lots in High Hampton represents a definitive 3.5%. The Mungo Company typically increases lot prices annually at 5.0%. Their respective increase has had little effect on absorption as evidenced by their significant amount of lot sales, 1,700+, in Richland and Lexington Counties during 2002.

The subject residential developments obviously have no historical evidence of price increases but a

reasonable and probable price appreciation of 2.5% is deemed warranted. As a result, in each of the discounted cash flow analyses, the lot values will increase 2.5% during the forecasted disposition time for each respective development.

DEVELOPMENT COSTS

Extensive analysis was completed for the determination of actual development costs for each of the residential developments. Multiple developers, engineers and brokers were consulted to determine applicable development costs for single-family properties in the Columbia metropolitan area. The following individuals were contacted and surveyed for the provision of an estimate of development costs to associate with the subject residential developments:

• Bill Dixon/Stewart Mungo	The Mungo Company	Developers
• Harry Walsh	Civil Engineering	Engineers
• Allen Shumaker	Shumaker Builders	Developers
• Robbie Wilkins	RPW	Developers
• James McKenny	Woolpert, Inc.	Engineers
• Walter Hendrix	WSJ	Developers
• Michael Satterfield	Centex Homes	Developers
• Dennis Avery	Rep. of Beazer Homes	Developers
• Deas Manning	DAK III	Developers
• Scott Smith	Lake Carolina Development	Developers
• Robert Woolsey	The Summit Development	Developers
• John Bakhaus	Longcreek Development	Developers
• Dr. Kenneth Humphries	The Cage Group	Engineers
• Gene Dinkins	Cox & Dinkins	Engineers/Surveyors
• Jonathan Whitehead	American Engineering	Engineers

From the extensive interviews with these developers, engineers, brokers and surveyors, it was concluded typical development costs associated with residential development in the Columbia metropolitan market extended between \$5,800 to \$17,000 per lot. Obviously, this wide expanse of development costs are representative of different sized lots as well as topography associated with the respective development. The typical residential lot valuations for the subject developments extend between \$40,000 and \$60,000. In the discounted cash flow analysis for each residential development, 20.0% is allocated for development costs which would suggest development costs for a typical \$40,000 lot at \$8,000 and a \$60,000 residential lot at \$12,000. Hence the range of development costs associated with the subject residential developments extend between \$8,000 to \$12,000 per lot, obviously bracketed by the development costs provided by the residential developers, engineers, and brokers knowledgeable of residential development

properties in the Columbia market.

Additionally, multiple conversations were completed with Lockwood Greene, engineers. Lockwood Greene engineers are extremely knowledgeable relative to the residential projects and confirm the 20.0% development cost for the subject residential developments were indeed reasonable and justifiable.

SALES/MARKETING COSTS

Due to the expanse of residential developments within the subject project, a reasonable sales and marketing cost is estimated at 6.0% of the gross sales for each respective year in each determined disposition time frame. Obviously, smaller projects may command higher percentages as a result of a lesser number of units to dispose. The residential projects in the subject total 1,959 so the 6.0% marketing/commission cost is considered reasonable and indicative of the Columbia market.

ADMINISTRATIVE COSTS

Administrative costs are estimated at 2.0% and include legal costs, surveying and deed preparation associated with each lot conveyance.

REAL PROPERTY TAXES

Real property taxes will be paid on all unsold units/lots during each disposition time for each residential project. A larger real property tax expense is reflected in the first year of the disposition time of each residential development to include the real property taxes currently on the unsold units as well as the application of roll-back taxes associated with the residential project as a result of a change in property usage. The real property taxes were analyzed thoroughly in a separate section of this appraisal report.

ENTREPRENEURIAL PROFIT

Entrepreneurial profit is estimated at 13.0% of the gross sales and is considered necessary in order to attract a developer with the provision for an incentive to invest in a property or properties like the proposed residential developments. The estimation of entrepreneurial profit is highly subjective and cannot actually be measured until the property is subsequently disposed.

SELECTION OF DISCOUNT RATE

In the discounted cash flow analysis, the net cash flows are discounted to a present value at an appropriate yield rate (internal rate of return). The chosen yield rate or discount rate should represent the minimum rate of return necessary to attract investment capital. Such a rate is influenced by the degree of risk, prospective rates of return for alternative investment opportunities, historical rates of return earned by comparable properties, market attitudes with respect to future inflation or deflation, supply of and demand of mortgage funds and availability of tax shelters.

The yield rate or discount rate is generally determined by examining yields currently being earned on available alternative investments in the market place, such as long term government bonds, municipal bonds, corporate bonds and treasury bills and by estimating the yield required to attract a prudent investor to invest money in a similar venture, considering the degree of risk, non-liquidity and management burden.

Yields for low risk investments such as treasury bills and certificates of deposit typically reflect *safe* investments. Yields for higher risk investments such as corporate bonds and income producing real estate ventures are significantly higher, providing higher discount rates. The general rate established for investments such as the subject property may be estimated between 9.0% to 12.0%.

A discount rate which may be associated with the residential developments contained within the Green Diamond project may suggest a rate toward the lower end of the investment criteria as this rate may be indigenous to single-family residential developments considered *close-in*. More specifically, the degree of risk is reduced or lessened as a result of the attractiveness of the location of the subject project in addition to the amenities offered within each residential development. Additionally, the low cost of money may also have a significant effect on the selection of a discount rate. Current discount rates associated with other real properties may suggest a slightly higher discount rate for the subject residential developments. However, sufficient market transactions have not transpired or conveyed with the reflections of the lower cost of money in order to suggest lower discount rates for alternative real property investments.

In the discounted cash flow analysis for the conversion of future cash flows to a net present value representative of the subject single-family developments, a discount rate of 10.0% was deemed warranted and justifiable in light of the present low cost of money and a comparison of these discount rates to other investment criteria.

The forecast provided in each of the discounted cash flow analysis for each subject residential property are not statements of fact but a reasonable probability as to the disposition of the lots contained within each residential development based on competing residential developments in the Columbia market.

VALUATION OF PARCEL 8-A

Parcel 8-A is one of nine proposed residential developments located in the Green Diamond project and comprises 18.69 acres. This parcel is centrally located in Levee Section 1, in proximity to the proposed golf course clubhouse facility, as well as two golf holes and a lake. The E.D.S.A. Land Use Plan calls for Parcel 8-A to have a density of four units per acre or 75 developable lots. The proposed lots will have frontage on the proposed golf course and pond, as well as interior lots, with average lot sizes extending from 9,000 square feet to 9,500 square feet.

Of the nine proposed residential developments located within the Green Diamond project, only Parcel 9-C will actually be in competition with Parcel 8-A due to similar amenities. Both parcels have similar unit density and are designated as four units per acre. Parcel 9-C has similar exposure and frontage on the proposed golf course and lakes.

The estimate and ultimate determination of individual lot values in Parcel 8-A are predicated on lot values previously discussed and obtained from single family developments in the Columbia market area. As previously stated, Parcel 8-A will be comprised of a combination of lakefront lots, golf course lots, and interior lots. The actual number and location of each lot are unknown, therefore an average unit lot price will be projected. The developments/lots which most favorably compare to lots found in Parcel 8-A are interior lot sales found in Woodcreek Farm, Kings Grant and the Preserve, while golf course and lakefront lots compare favorably with those found at Woodcreek Farm and Ashworth. As a result, an average projected lot price of \$60,000 appears reasonable as a result of the aesthetic lot views offered by location on the proposed championship golf course and lakes located within Parcel 8-A.

The developments utilized in the determination of the lot prices were also analyzed for the estimates of absorption for the prospective 75 lots to be contained within Parcel 8-A. It is anticipated the development for Parcel 8-A will be marketable in the first year of the analysis with a rather short absorption time. More specifically, it is projected lot sales of 40 in year one, 20 in year two, and 15 in the third year, which would equate to the total disposition of the 75 lots in Parcel 8-A.

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of three years is deemed reasonable.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 8-A SINGLE FAMILY DEVELOPMENT

ANNUAL		OCTOBER 15, 2002		4 UNITS/ACRE	
NUMBER OF PERIODS PER YEAR	1	OTHER COSTS /UNIT			\$0.00
TOTAL NUMBER OF UNITS	75	ANNUAL HOMEOWNER'S DUES			\$0.00
ABSORPTION PER PERIOD	40	DEVELOPER'S PROFIT			13.00%
UNITS SOLD PRIOR TO COMPLETION	0	DISCOUNT RATE			10.00%
AVG RETAIL S.P./UNIT	\$80,000	ANNUAL APPRECIATION RATE			2.50%
NET % SALES COMEN %	0.00%	ANNUAL TAX RATE			0.03000%
DEV. COST 20%ADMON. COST %	22.00%	TAX INCREASE RATE PER YEAR			0.00%
BOND PAYMENT / UNIT	\$0	R.E.TAXES, PERIOD/UNIT			\$0.00

ERR	0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
SALES SUMMARY											
NUMBER OF UNITS SOLD	0	40	20	15	6	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	40	60	75	75	75	75	75	75	75	75
UNSALE UNITS REMAINING	75	35	15	0	0	0	0	0	0	0	0
AVG RETAIL S.P./UNIT	\$80,000	\$80,000	\$81,500	\$83,037	\$84,613	\$86,228	\$87,884	\$89,582	\$91,321	\$93,104	\$94,932
TOTAL RTL. SALES/PERIOD	\$0	\$2,400,000	\$1,230,000	\$945,562	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$2,400,000	\$3,630,000	\$4,575,563	\$4,575,563	\$4,575,563	\$4,575,563	\$4,575,563	\$4,575,563	\$4,575,563	\$4,575,563

COST OF SALES											
MARKETING/SALES COMMISSION	\$0	\$144,000	\$73,800	\$36,734	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEVELOPMENT /ADMIN. COSTS	\$0	\$890,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT / UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E.TAXES ON UNSOLD UNITS	\$0	\$2,002	\$194	\$86	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HOT'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$1,136,002	\$73,994	\$36,820	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NET INCOME BEFORE PROFIT	\$0	\$1,263,998	\$1,156,006	\$888,742	\$0	\$0	\$0	\$0	\$0	\$0	\$0

PROFIT	\$0	\$312,006	\$159,000	\$122,823	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NET SALES PROCEEDS	\$0	\$851,998	\$396,106	\$705,819	\$0	\$0	\$0	\$0	\$0	\$0	\$0

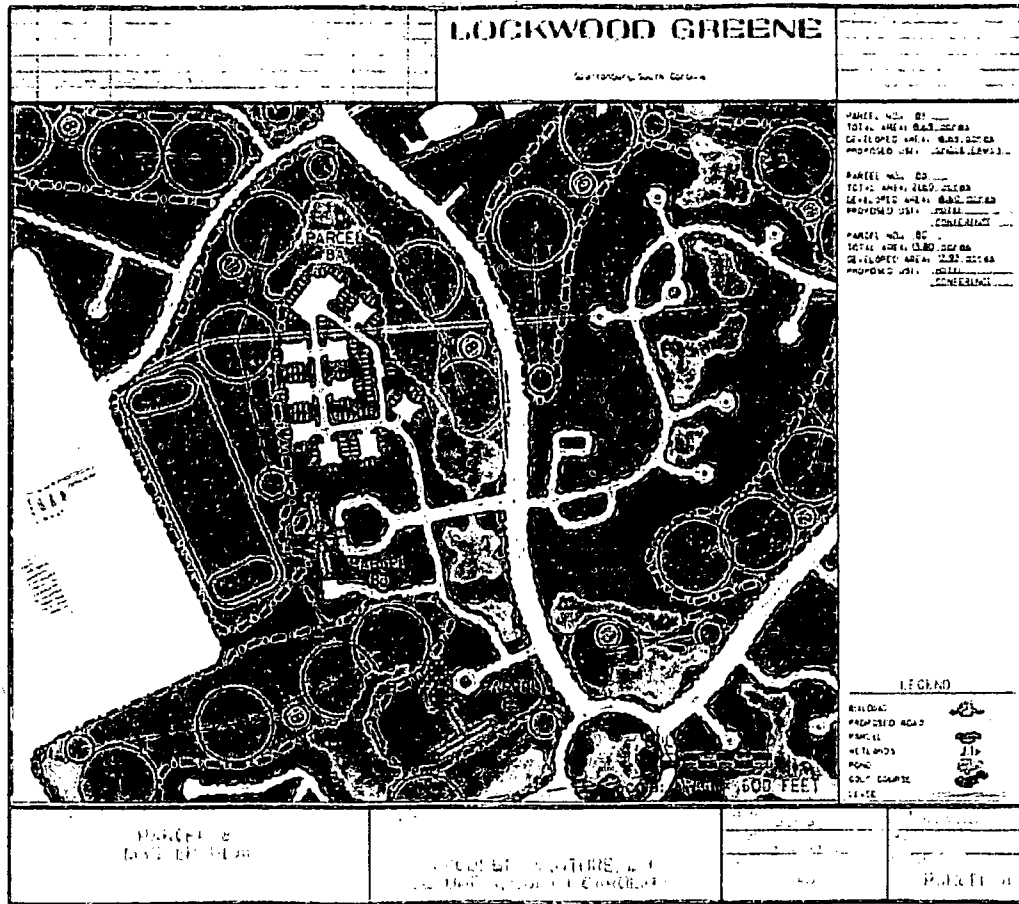
P.V.FACTOR	0.000000	0.909091	0.826446	0.751315	0.683013	0.620921	0.564474	0.513189	0.466507	0.424098	0.385543

P.V.OF NET PROCEEDS	\$0	\$885,453	\$622,226	\$576,372	\$0	\$0	\$0	\$0	\$0	\$0	\$0

TOTAL P.V. OF NET PROCEEDS	\$885,453	\$1,588,581	\$2,254,053	\$2,254,053	\$2,254,053	\$2,254,053	\$2,254,053	\$2,254,053	\$2,254,053	\$2,254,053	\$2,254,053
ROUNDED TO	\$2,254,000										

PLT TRIAL EXH 394

CV006391



VALUATION OF PARCEL 9-A

Parcel 9-A is one of nine proposed residential developments located in the Green Diamond project and comprises 45.66 acres. This parcel is located on the northwest side of Levee Section 1, situated between Hole No.'s 2, 3, 4, 6, 7, and 8 of the proposed championship golf course. Parcel 9-A also has frontage on a lake. The E.D.S.A. Land Use Plan calls for Parcel 9-A to have a density of three units per acre or 137 developable lots. The proposed lots will have frontage on the proposed golf course and a pond, as well as numerous interior lots, with average lot sizes extending from 12,500 square feet to 13,000 square feet.

Parcel 9-A is the only proposed residential development located within the Green Diamond project which has a density of three units per acre, therefore there is no direct competition from within this project.

The estimate and ultimate determination of individual lot values in Parcel 9-A are predicated on lot values previously discussed and obtained from single family developments in the Columbia market area. As previously stated, Parcel 9-A will be comprised of a combination of golf course lots, lakefront lots, and numerous interior lots. The actual number and location of each lot are unknown, therefore an average unit lot price will be projected. The developments/lots which most favorably compare to the proposed lots found in Parcel 9-A are interior lot sales found in Woodcreek Farm, Kings Grant and the Preserve, while golf course lots and lakefront lots compare favorably with those found at Woodcreek Farm and Ashworth. As a result, an average projected lot price of \$67,500 appears reasonable as a result of the lot sizes and aesthetic lot views offered by location on the proposed championship golf course and lake located within Parcel 9-A.

The developments utilized in the determination of the lot prices were also analyzed for the estimates of absorption for the prospective 137 lots to be contained within Parcel 9-A. It is anticipated the development for Parcel 9-A will be marketable in the third year of the analysis with a four year absorption time. More specifically, it is projected lot sales of 40 in the third year, 35 in the fourth year, 32 in the fifth year and 30 lot sales in the sixth year, which would equate to the total disposition of the 137 lots in Parcel 9-A.

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 9-A SINGLE FAMILY DEVELOPMENT

CALCULATED

ANNUAL

OCTOBER 15, 2004

3 UNITS/ACRE

NUMBER OF PERIODS PER YEAR	1	OTHER COSTS / UNIT	\$0.00
TOTAL NUMBER OF UNITS	137	ANNUAL HOMEOWNER'S DUES	\$0.00
ABSORPTION PER FIRST YEAR	40	DEVELOPER'S PROFIT	11.00%
UNITS SOLD PRIOR TO COMPLETION	0	DISCOUNT RATE	10.00%
AVG RETAIL S.P./ UNIT	\$67,500	ANNUAL APPRECIATION RATE	2.50%
INT'L SALES COM %	0.00%	ANNUAL TAX RATE	0.00000%
DEV. COST 20% ADMIN COST 2%	22.00%	TAX INCREASE RATE PER YEAR	0.00%
BOND PAYMENT / UNIT	\$0	R.E. TAKES, PERIODS/UNIT	\$0.00

SALES SUMMARY

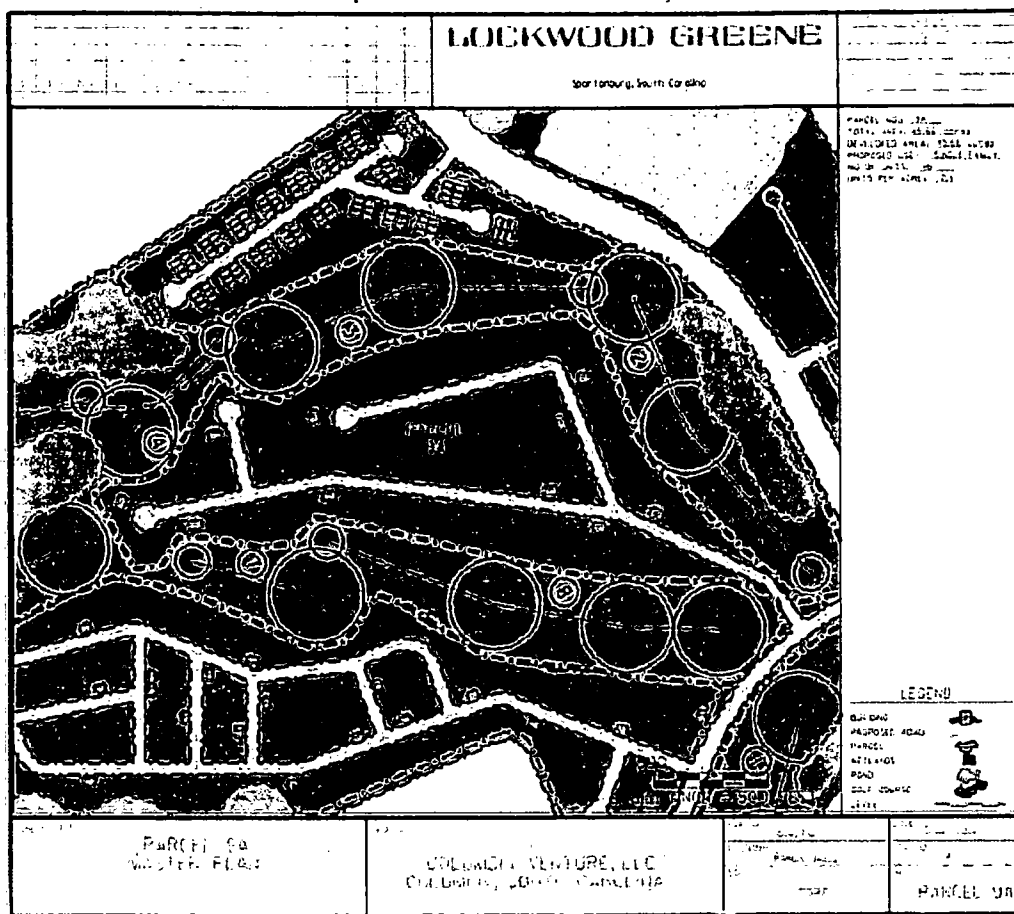
	ERR	0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
NUMBER OF UNITS SOLD	0	0	0	40	38	32	30	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	0	0	40	78	107	137	137	137	137	137	137
UNSALE UNITS REMAINING	137	137	137	97	62	30	0	0	0	0	0	0
AVG RETAIL S.P./ UNIT	\$67,500	\$67,500	\$68,188	\$70,817	\$72,680	\$74,507	\$76,370	\$78,278	\$80,236	\$82,242	\$84,298	\$86,304
TOTAL INT'L SALES PERIOD	\$0	\$0	\$0	\$2,838,688	\$2,644,154	\$2,394,238	\$2,291,102	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$0	\$0	\$2,838,688	\$5,380,842	\$7,765,077	\$10,056,179	\$10,056,179	\$10,056,179	\$10,056,179	\$10,056,179	\$10,056,179

COST OF SALES

MARKETING/SALES COMMISSION	\$0	\$0	\$0	\$170,201	\$152,849	\$143,054	\$137,496	\$0	\$0	\$0	\$0	\$0
DEVELOPMENT/ADMIN COST	\$0	\$0	\$0	\$2,137,438	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT / UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E. TAKES ON UNSOLD UNITS	\$0	\$0	\$0	\$5,189	\$763	\$503	\$251	\$0	\$0	\$0	\$0	\$0
HO'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$0	\$0	\$2,312,828	\$153,412	\$143,557	\$137,747	\$0	\$0	\$0	\$0	\$0
NET INCOME BEFORE PROFIT	\$0	\$0	\$0	\$525,860	\$2,580,742	\$2,240,676	\$2,153,385	\$0	\$0	\$0	\$0	\$0
PROFIT	\$0	\$0	\$0	\$365,768	\$330,740	\$309,851	\$297,843	\$0	\$0	\$0	\$0	\$0
NET SALES PROCEEDS	\$0	\$0	\$0	\$1,855,091	\$2,050,002	\$1,930,728	\$1,855,542	\$0	\$0	\$0	\$0	\$0
P.V. FACTOR	0.000000	0.809091	0.625445	0.751315	0.683013	0.620821	0.564474	0.513158	0.465307	0.424088	0.385543	0.352543
P.V. OF NET PROCEEDS	\$0	\$0	\$0	\$116,522	\$1,407,009	\$1,188,830	\$1,047,465	\$0	\$0	\$0	\$0	\$0
TOTAL P.V. OF NET PROCEEDS	\$0	\$0	\$0	\$116,522	\$1,523,531	\$2,722,361	\$3,769,768	\$3,769,768	\$3,769,768	\$3,769,768	\$3,769,768	\$3,769,768
ROUNDED TO				\$3,776,000								

PLT TRIAL EXH 394

CV006394



VALUATION OF PARCEL 9-C

Parcel 9-C is one of nine proposed residential developments located in the Green Diamond project and comprises a total of 54.68 acres. This parcel is located in the northwest section of Levee Section 1 and abuts the proposed golf course hole No.'s 6, 7, 8, a lake, and Heathwood Hall Episcopal School. The E.D.S.A. Land Use Plan calls for Parcel 9-C to have a density of four units per acre or 219 developable lots. The proposed lots will have frontage on the golf course, a lake, and numerous interior lots, with average lot sizes extending from 9,000 square feet to 9,500 square feet.

Parcel 9-C has the same density as Parcel 8-A, however, Parcel 8-A is designated as clubhouse villas, while Parcel 9-C is a typical residential development. Therefore, these two developments are not in direct competition.

The estimate and ultimate determination of individual lot values in Parcel 9-C are predicated on lot values previously discussed and obtained from single family developments in the Columbia market area. As previously stated, Parcel 9-C will be comprised of a combination of lakefront lots, golf course lots, and numerous interior lots due to the size of this parcel. The actual number and location of each lot are unknown, therefore an average unit lot price will be projected. The developments/lots which most favorably compare to lots found in Parcel 9-C are interior lot sales found in Woodcreek Farm, Kings Grant and the Preserve, while golf course lots and lakefront lots compare favorably with those found at Woodcreek Farm and Ashworth. As a result, an average projected lot price of \$60,000 appears reasonable as a result of the aesthetic lot views offered by location on the proposed championship golf course, lake and proximity to Heathwood Hall School located within Parcel 9-C.

The developments utilized in the determination of the lot prices were also analyzed for the estimates of absorption for the prospective 219 lots to be contained within Parcel 9-C. It is anticipated the development for Parcel 9-C will be marketable in the first year of the analysis with a four year absorption time. More specifically, it is projected lot sales of 60 lots in year one, 60 in year two, 60 year three, and 39 lots in year four, which would equate to the total disposition of the 219 lots in Parcel 9-C.

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 9-C SINGLE FAMILY DEVELOPMENT

CALCULATED	ANNUAL	OCTOBER 15, 2002	4 UNITS/ACRE				2007	2008	2009	2010	2011
			1	OTHER COSTS 1 UNIT	ANNUAL HOMEOWNER'S DUES	ANNUAL HOMEOWNER'S DUES					
NUMBER OF PERIODS PER YEAR	219										
TOTAL NUMBER OF UNITS	60										
ABSORPTION PER PERIOD	0										
UNITS SOLD PRIOR TO COMPLETION	\$60,000										
AVG RETAIL S.P./UNIT	8.00%										
MKT 1 SALES COMM %	22.00%										
DEV. COST 20% ADMIN. COST 2%	\$0										
BOND PAYMENT 1 UNIT											
ERR	0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
SALES SUMMARY											
NUMBER OF UNITS SOLD	0	60	60	60	39	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	60	120	180	219	219	219	219	219	219	219
UNSALE UNITS REMAINING	219	159	99	39	0	0	0	0	0	0	0
AVG RETAIL S.P./UNIT	\$60,000	\$60,000	\$61,000	\$63,037	\$64,013	\$65,229	\$67,884	\$69,682	\$71,321	\$73,104	\$74,932
TOTAL RTL SALES/PERIOD	\$0	\$3,600,000	\$3,660,000	\$3,782,250	\$2,518,924	\$0	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$3,600,000	\$7,260,000	\$11,072,250	\$13,592,174	\$13,592,174	\$13,592,174	\$13,592,174	\$13,592,174	\$13,592,174	\$13,592,174
COST OF SALES											
MARKETING SALES COMMISSION	\$0	\$216,000	\$221,400	\$228,936	\$161,165	\$0	\$0	\$0	\$0	\$0	\$0
DEVELOPMENT ADMIN. COSTS	\$0	\$2,890,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT 1 UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E. TAXES ON UNSOLD UNITS	\$0	\$5,658	\$590	\$378	\$154	\$0	\$0	\$0	\$0	\$0	\$0
HO'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$3,112,858	\$221,890	\$227,313	\$161,349	\$0	\$0	\$0	\$0	\$0	\$0
NET INCOME BEFORE PROFIT	\$0	\$487,342	\$3,468,010	\$3,554,937	\$2,368,676	\$0	\$0	\$0	\$0	\$0	\$0
PROFIT	\$0	\$488,000	\$478,700	\$491,693	\$327,660	\$0	\$0	\$0	\$0	\$0	\$0
NET SALES PROCEEDS	\$0	\$19,342	\$2,888,310	\$3,063,244	\$2,040,865	\$0	\$0	\$0	\$0	\$0	\$0
P.V. FACTOR	0.000000	0.805091	0.828448	0.781316	0.883013	0.820821	0.584474	0.613158	0.488507	0.424088	0.385543
P.V. OF NET PROCEEDS	\$0	\$17,594	\$2,469,678	\$2,301,481	\$1,394,020	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL P.V. OF NET PROCEEDS	\$0	\$17,594	\$2,469,678	\$2,301,481	\$1,394,020	\$0	\$0	\$0	\$0	\$0	\$0
ROUNDED TO		\$6,183,000									

CV006397

VALUATION OF PARCEL 11

Parcel 11 is one of nine proposed residential developments located in the Green Diamond project and comprises a total of 20.98 acres. This parcel is centrally located in Levee Section 1 in proximity to the proposed golf course. This parcel has frontage on golf hole no.'s 14, 15, 16, 17, and 18. The E.D.S.A. Land Use Plan calls for Parcel 11 to have a density of six units per acre or 119 developable lots. The proposed lots will have frontage on the proposed golf course, as well as interior lots, with average lot sizes extending from 7,500 square feet to 7,700 square feet.

Parcel 11 is one of six proposed residential developments located within the Green Diamond project with a density of six units per acre, however, it is the only parcel located in Levee Section 1 with six units per acre density and frontage on the proposed championship golf course.

The estimate and ultimate determination of individual lot values in Parcel 11 is predicated on lot values previously discussed and obtained from single family developments in the Columbia market area. As previously stated, Parcel 11 will be comprised of a combination of golf course lots and interior lots. The actual number and location of each lot is unknown, therefore an average unit lot price will be projected. The developments/lots which most favorably compare to lots found in Parcel 11 are interior lot sales found in Kings Grant, the Preserve and Lake Carolina, while golf course lots compare favorably with those found at Woodcreek Farm. As a result, an average projected lot price of \$42,500 appears reasonable due to the aesthetic lot views offered by Parcel 11's location on the proposed championship golf course.

The developments utilized in the determination of the lot prices were also analyzed for the estimates of absorption for the prospective 119 lots to be contained within Parcel 11. It is anticipated the development for Parcel 11 will be marketable in the first year of this analysis with a four year absorption time. More specifically, it is projected lot sales of 48 lots in year one, 36 in year two, 30 in year three, and five lots in year four, which would equate to the total disposition of the 119 lots to be located in Parcel 11.

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 11 SINGLE FAMILY DEVELOPMENT

ANNUAL		OCTOBER 15, 2002		6 UNITS/ACRE	
CALCULATED		1		OTHER COSTS /UNIT	
NUMBER OF PERIODS PER YEAR		119		ANNUAL HOMEOWNER'S DUES	
TOTAL NUMBER OF UNITS		36		DEVELOPER'S PROFIT	
ABSORPTION PER PERIOD		0		DISCOUNT RATE	
UNITS SOLD PRIOR TO COMPLETION		\$42,500		ANNUAL APPRECIATION RATE	
AVG RETAIL S.P./UNIT		6.00%		ANNUAL TAX RATE	
MKT 1 SALES COMM %		22.00%		TAX INCREASE RATE PER YEAR	
DEV. COST 20%/ADMIN. COST 2%		\$0		R.E. TAXES, PERIOD/UNIT	
BOND PAYMENT /UNIT		ERR		2003	
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VALUATION OF PARCEL 29

Parcel 29 is one of nine proposed residential developments located in the Green Diamond project and comprises a total of 38.00 acres. This parcel is located on the western side of Levee Section 2 and extends on the eastern and western side of a spine road. The E.D.S.A. Land Use Plan calls for Parcel 29 to have a density of six units per acre or 228 developable lots. The proposed lots will have frontage on numerous lakes with average lot sizes extending from 7,500 square feet to 7,700 square feet.

Parcel 29 is one of six proposed residential developments located within the Green Diamond project with a density of six units per acre and is one of five proposed residential developments located in Levee Section 2 with six units per acre density. This parcel will be in direct competition with Parcel 36, 37, 38 and 39. The development time line for these five parcels will vary.

The estimate and ultimate determination of individual lot values in Parcel 29 are predicated on lot values previously discussed and obtained from single family developments in the Columbia market area. Parcel 29 will be comprised of a combination of lakefront lots and interior lots. The actual number and location of each lot are unknown, therefore an average unit lot price will be projected. The developments/lots which most favorably compare to lots found in Parcel 29 are interior lot sales found in Kings Grant, the Preserve and Lake Carolina, while lakefront lots compare favorably with those found at Lake Carolina and Woodcreek Farm. As a result, an average projected lot price of \$40,000 appears reasonable due to the aesthetic lot views offered by Parcel 29's location on the numerous lakes in Levee Section 2.

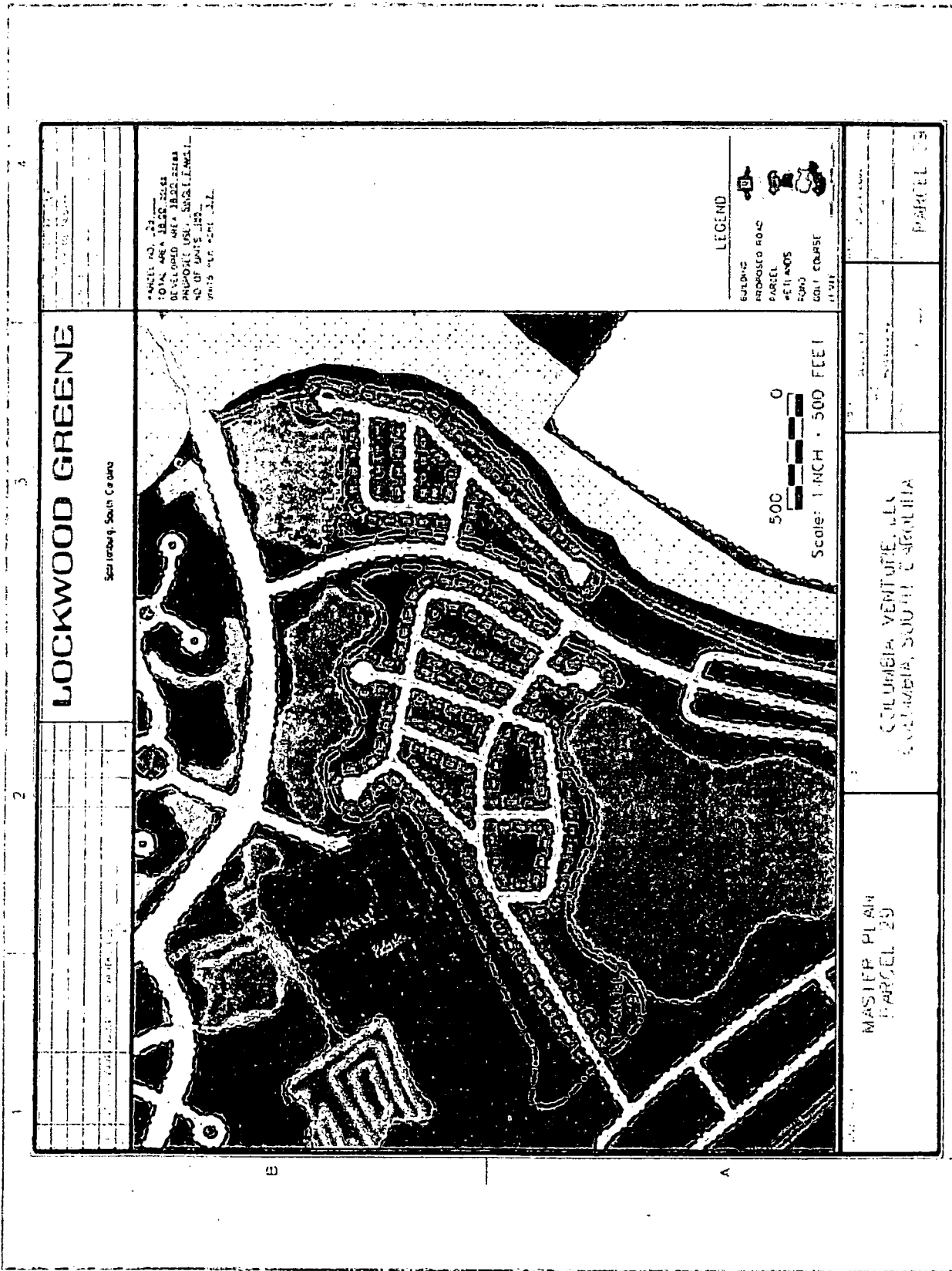
The developments utilized in the determination of the lot prices were also analyzed for the estimates of absorption for the prospective 228 lots to be contained within Parcel 29. It is anticipated the development for Parcel 29 will be marketable in the fifth year of this analysis with a four year absorption time. More specifically, it is projected lot sales will be absorbed at 60 lots in year one, 60 lot sales in year two, 60 lot sales in year three, and 48 lots in year four, which would equate to the total disposition of the 228 lots to be located in Parcel 29.

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 29 SINGLE FAMILY DEVELOPMENT

CALCULATED		OCTOBER 15, 2008										
ANNUAL		8 UNITS/ACRE										
NUMBER OF PERIODS PER YEAR		OTHER COSTS/UNIT										
1		80.00										
TOTAL NUMBER OF UNITS		ANNUAL HOMEOWNER'S DUES										
228		80.00										
ABSORPTION PER PERIOD		DEVELOPER'S PROFIT										
60		13.00%										
UNITS SOLD PRIOR TO COMPLETION		DISCOUNT RATE										
0		10.00%										
AVG RETAIL S.P./UNIT		ANNUAL APPRECIATION RATE										
\$40,000		2.50%										
MKTG SALES COMB %		ANNUAL TAX RATE										
6.00%		0.00000%										
DEV. COST 30% ADMIN. 2%		TAX INCREASE RATE PER YEAR										
22.00%		0.00%										
BOND PAYMENT/UNIT		R.E.TAXES, PERIOD/UNIT										
\$0		\$0.00										
ERR		0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
SALES SUMMARY												
NUMBER OF UNITS SOLD		0	0	0	0	0	60	60	60	48	0	0
CUMULATIVE UNITS SOLD		0	0	0	0	0	60	120	180	228	228	228
UNSAID UNITS REMAINING		228	228	228	228	228	168	108	48	0	0	0
AVG RETAIL S.P./UNIT		\$40,000	\$40,000	\$41,000	\$42,025	\$43,076	\$44,163	\$45,266	\$46,388	\$47,547	\$48,738	\$48,865
TOTAL RTL SALES/PERIOD		\$0	\$0	\$0	\$0	\$0	\$2,649,161	\$2,716,380	\$2,783,264	\$2,850,277	\$0	\$0
AGGREGATE RETAIL SALES		\$0	\$0	\$0	\$0	\$0	\$2,649,161	\$5,364,531	\$8,147,796	\$10,430,071	\$10,430,071	\$10,430,071
COST OF SALES												
MARKETING/SALES COMMISSION		\$0	\$0	\$0	\$0	\$0	\$158,949	\$162,923	\$166,898	\$138,937	\$0	\$0
DEVELOPMENT/ADMIN COSTS		\$0	\$0	\$0	\$0	\$0	\$2,214,714	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT/UNIT		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E.TAXES ON UNSOLD UNITS		\$0	\$622	\$647	\$672	\$698	\$4,174	\$702	\$466	\$213	\$0	\$0
HQ'S DUES ON UNSOLD UNITS		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES		\$0	\$622	\$647	\$672	\$698	\$2,377,637	\$163,925	\$187,461	\$137,160	\$0	\$0
NET INCOME BEFORE PROFIT		\$0	(\$622)	(\$647)	(\$672)	(\$698)	\$271,314	\$2,551,765	\$2,615,803	\$2,145,127	\$0	\$0
PROFIT		\$0	\$0	\$0	\$0	\$0	\$344,390	\$352,998	\$361,824	\$288,698	\$0	\$0
NET SALES PROCEEDS		\$0	(\$622)	(\$647)	(\$672)	(\$698)	(\$73,076)	\$2,168,766	\$2,263,976	\$1,848,431	\$0	\$0
P.V.FACTOR		0.000000	0.908091	0.828446	0.761315	0.683013	0.620921	0.564474	0.513159	0.468507	0.424098	0.385543
P.V.OF NET PROCEEDS		\$0	(\$747)	(\$700)	(\$656)	(\$613)	(\$45,374)	\$1,241,140	\$1,166,648	\$862,307	\$0	\$0
TOTAL P.V. OF NET PROCEEDS			(\$747)	(\$1,447)	(\$2,102)	(\$2,715)	(\$48,088)	\$1,193,051	\$2,349,698	\$3,212,008	\$3,212,008	\$3,212,008
ROUNDED TO												

CV006403



CV006404

PLTF TRIAL EXH 394

VALUATION OF PARCEL 36

Parcel 36 is one of nine proposed residential developments located in the Green Diamond project and comprises a total of 69.50 acres. This parcel is located on the western side of Levee Section 2 and extends on the eastern and western side of a spine road. The E.D.S.A. Land Use Plan calls for Parcel 36 to have a density of six units per acre or 417 developable lots. The proposed lots will have frontage on numerous lakes with average lot sizes extending from 7,500 square feet to 7,700 square feet.

Parcel 36 is one of six proposed residential developments located within the Green Diamond project with a density of six units per acre and is one of five proposed residential developments located in Levee Section 2 with six units per acre density. This parcel will be in direct competition with Parcels 29, 37, 38 and 39. The development time line for these five parcels will vary.

The estimate and ultimate determination of individual lot values in Parcel 36 are predicated on lot values previously discussed and obtained from single family developments in the Columbia market area. Parcel 36 will be comprised of a combination of lakefront lots and interior lots. The actual number and location of each lot are unknown, therefore an average unit lot price will be projected. The developments/lots which most favorably compare to lots found in Parcel 36 are interior lot sales found in Kings Grant, the Preserve and Lake Carolina, while lakefront lots compare favorably with those found at Lake Carolina and Woodcreek Farm. As a result, an average projected lot price of \$40,000 appears reasonable due to the aesthetic lot views offered by Parcel 36's location on the numerous lakes in Levee Section 2.

The developments utilized in the determination of the lot prices were also analyzed for the estimates of absorption for the prospective 417 lots to be contained within Parcel 36. It is anticipated the development for Parcel 36 will be marketable in the second year of this analysis with a six year absorption time. More specifically, it is projected lot sales will be absorbed at 80 lots in year one, 80 lot sales in year two, 80 lot sales in year three, 65 lots in year four, 65 lots in year five, and 47 lots in year six, which would equate to the total disposition of the 417 lots to be located in Parcel 36.

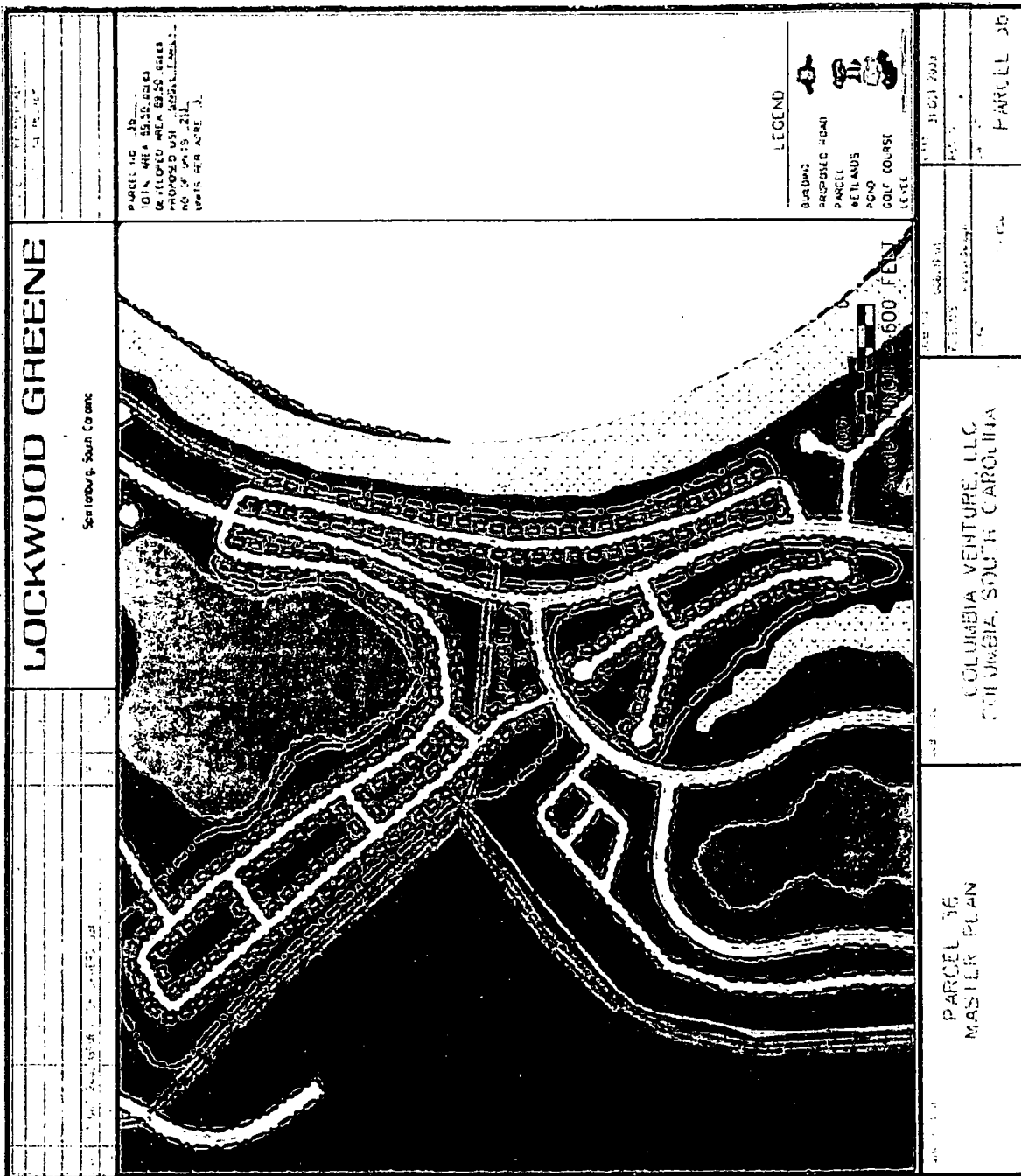
In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of six years is deemed reasonable.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 36 SINGLE FAMILY DEVELOPMENT

ANNUAL		OCTOBER 15, 2003									
CALCULATED		6 UNITS/ACRE									
NUMBER OF PERIODS PER YEAR		1									
TOTAL NUMBER OF UNITS		417									
ABSORPTION PER PERIOD		80									
UNITS SOLD PRIOR TO COMPLETION		0									
AVG RETAIL \$ P.U. UNIT		\$40,000									
MKT 1 SALES COMM %		6.00%									
DEVELOPMENT 20% ADMIN COST 2%		22.00%									
BOND PAYMENT 1 UNIT		\$0									
ERR		0									
SALES SUMMARY											
NUMBER OF UNITS SOLD		0									
CUMULATIVE UNITS SOLD		0									
UNSALE UNITS REMAINING		417									
AVG RETAIL \$ P.U. UNIT		\$40,000									
TOTAL RTL SALES/PERIOD		\$0									
AGGREGATE RETAIL SALES		\$0									
COST OF SALES											
MARKETING/SALES COMMISSION		\$0									
DEVELOPMENT/ADMIN COSTS		\$0									
BOND PAYMENT 1 UNIT		\$0									
P.L.TAXES ON UNSOLD UNITS		\$0									
HO'S DUES ON UNSOLD UNITS		\$0									
OTHER COST		\$0									
TOTAL COST OF SALES		\$0									
NET INCOME BEFORE PROFIT		\$0									
PROFIT		\$0									
NET SALES PROCEEDS		\$0									
P.V. FACTOR		0.000000									
P.V. OF NET PROCEEDS		\$0									
TOTAL P.V. OF NET PROCEEDS		\$0									
ROUNDED TO		\$0									

CV006406

PLTF TRIAL EXH 394



CV006407

PLTF TRIAL EXH 394

VALUATION OF PARCEL 37

Parcel 37 is one of nine proposed residential developments located in the Green Diamond project and comprises a total of 48.24 acres. This parcel is located on the western side of Levee Section 2 and extends on the eastern and western side of a spine road. The E.D.S.A. Land Use Plan calls for Parcel 37 to have a density of six units per acre or 215 developable lots. The proposed lots within this parcel will have frontage on a large lake with average lot sizes extending from 7,500 square feet to 7,700 square feet.

Parcel 37 is one of six proposed residential developments located within the Green Diamond project with a density of six units per acre and is one of five proposed residential developments located in Levee Section 2 with six units per acre density. This parcel will be in direct competition with Parcels 29, 36, 38 and 39, therefore the development time line for these five parcels will vary.

The estimate and ultimate determination of individual lot values in Parcel 37 are predicated on lot values previously discussed and obtained from single family developments in the Columbia market area. Parcel 37 will be comprised of a combination of lakefront lots and interior lots. The actual number and location of each lot are unknown, therefore an average unit lot price will be projected. The developments/lots which most favorably compare to lots found in Parcel 37 are interior lot sales found in Kings Grant, the Preserve and Lake Carolina, while lakefront lots compare favorably with those found at Lake Carolina and Woodcreek Farm. As a result, an average projected lot price of \$40,000 appears reasonable due to the aesthetic lot views offered by Parcel 37's location on the lake in Levee Section 2.

The developments utilized in the determination of the lot prices were also analyzed for the estimates of absorption for the prospective 215 lots to be contained within Parcel 37. It is anticipated the development for Parcel 37 will be marketable in year one of this analysis with a four year absorption time. More specifically, it is projected lot sales will be absorbed at 60 lots in year one, 60 lot sales in year two, 60 lot sales in year three and 35 lots in year four, which would equate to the total disposition of the 215 lots to be located in Parcel 37.

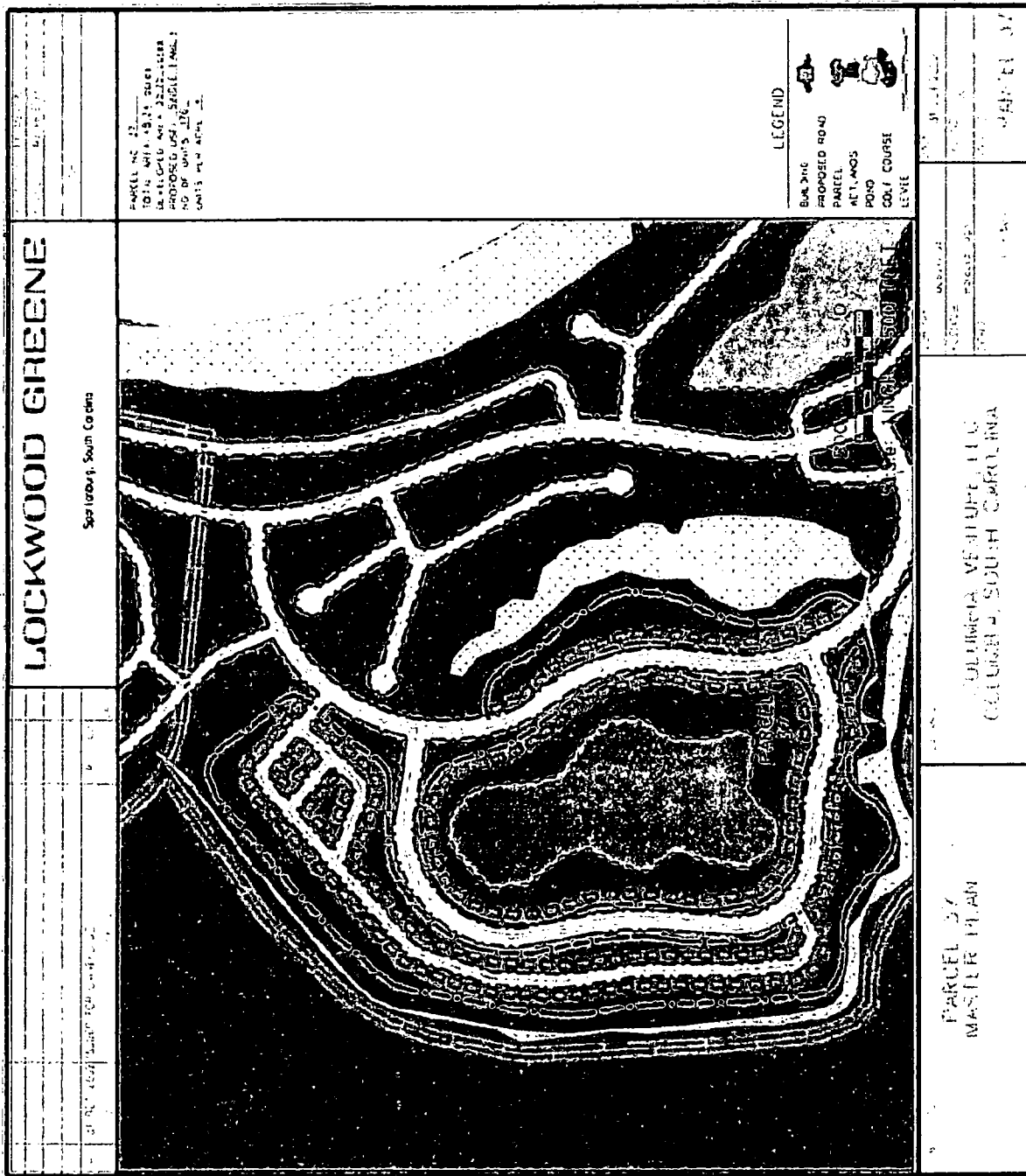
In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable.

CALCULATED		ANNUAL	OCTOBER 18, 2002	8 UNITS/ACRE
NUMBER OF PERIODS PER YEAR	1	OTHER COSTS \ UNIT		\$0.00
TOTAL NUMBER OF UNITS	215	ANNUAL HOMEOWNERS DUES		\$0.00
ABSORPTION PER PERIOD	60	DEVELOPER'S PROFIT		13.00%
UNITS SOLD PRIOR TO COMPLETION	0	DISCOUNT RATE		10.00%
AVG RETAIL S.P. \ UNIT	\$40,000	ANNUAL APPRECIATION RATE		2.50%
MKT \ SALES COMM %	6.00%	ANNUAL TAX RATE		0.00000%
DEV COST 20% ADMIN COST 2%	22.00%	TAX INCREASE RATE PER YEAR		0.00%
BOND PAYMENT \ UNIT	\$0	R.E.TAXES, PERIOD \ UNIT		\$0.00

	0	60	80	60	35	0	0	0	0	0
NUMBER OF UNITS SOLD	0	60	80	60	35	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	60	120	180	215	215	215	215	215	215
UNBOLD UNITS REMAINING	215	155	85	35	0	0	0	0	0	0
AVERAGE RETAIL \$ P / UNIT	\$40,000	\$40,000	\$41,000	\$42,025	\$43,076	\$44,153	\$45,266	\$46,398	\$47,547	\$48,738
TOTAL RTL SALES/PERIOD	\$0	\$2,400,000	\$2,460,000	\$2,621,500	\$1,807,847	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$2,400,000	\$4,860,000	\$7,381,500	\$9,888,147	\$9,888,147	\$9,888,147	\$9,888,147	\$9,888,147	\$9,888,147

MARKETING/SALES COMMISSION	\$0	\$144,200	\$147,800	\$151,280	\$80,459	\$0	\$0	\$0	\$0
DEVELOPMENT/ADMIN COSTS	\$0	\$1,992,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT \ UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E.TAXES ON UNSOLD UNITS	\$0	\$5,168	\$775	\$489	\$188	\$0	\$0	\$0	\$0
HQ'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$2,041,168	\$148,575	\$181,779	\$80,645	\$0	\$0	\$0	\$0

[illegible]



CV006410

PLTF TRIAL EXH 394

VALUATION OF PARCEL 38

Parcel 38 is one of nine proposed residential developments located in the Green Diamond project and comprises a total of 49.15 acres. This parcel is located on the western side of Levee Section 2 and extends on the eastern and western side of a spine road. The E.D.S.A. Land Use Plan calls for Parcel 38 to have a density of six units per acre or 243 developable lots. The proposed lots within this parcel will have frontage on a lake with average lot sizes extending from 7,500 square feet to 7,700 square feet.

Parcel 38 is one of six proposed residential developments located within the Green Diamond project with a density of six units per acre and is one of five proposed residential developments located in Levee Section 2 with six units per acre density. This parcel will be in direct competition with Parcels 29, 36, 37, and 39, therefore the development time line for these five parcels will vary.

The estimate and ultimate determination of individual lot values in Parcel 38 are predicated on lot values previously discussed and obtained from single family developments in the Columbia market area. Parcel 38 will be comprised of a combination of lakefront lots and interior lots. The actual number and location of each lot are unknown, therefore an average unit lot price will be projected. The developments/lots which most favorably compare to lots found in Parcel 38 are interior lot sales found in Kings Grant, the Preserve and Lake Carolina, while lakefront lots compare favorably with those found at Lake Carolina and Woodcreek Farm. As a result, an average projected lot price of \$40,000 appears reasonable due to the aesthetic lot views offered by Parcel 38's location on the lake in Levee Section 2.

The developments utilized in the determination of the lot prices were also analyzed for the estimates of absorption for the prospective 243 lots to be contained within Parcel 38. It is anticipated the development for Parcel 38 will be marketable in the fourth year of this analysis with a four year absorption time. More specifically, it is projected lot sales will be absorbed at 65 lots in year one, 60 lot sales in year two, 60 lot sales in year three and 58 lots in year four, which would equate to the total disposition of the 243 lots to be located in Parcel 38.

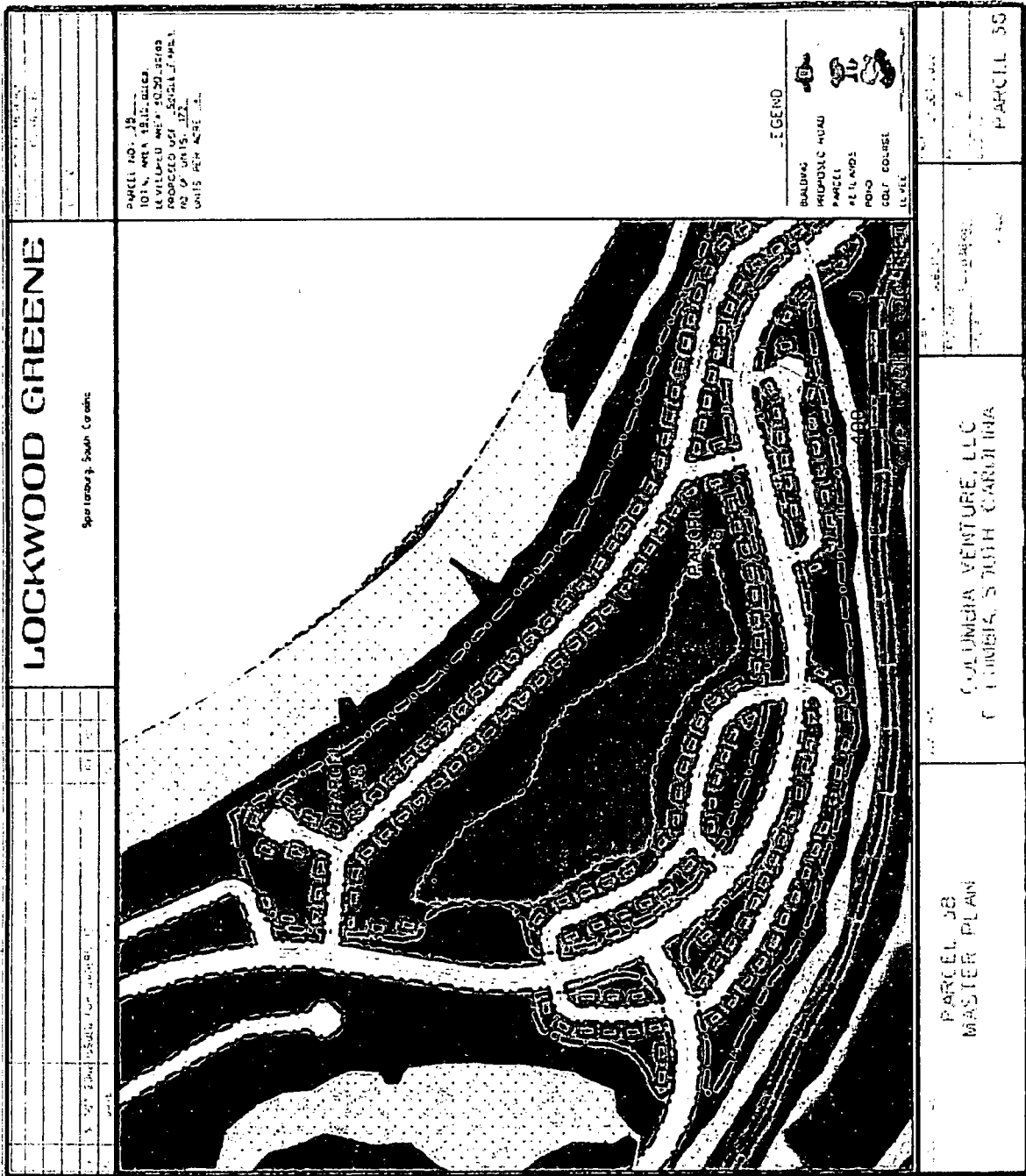
In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 38 SINGLE FAMILY DEVELOPMENT

ANNUAL		8 UNITS/ACRE										
OCTOBER 15, 2005		OTHER COSTS \ UNIT										
1												
NUMBER OF PERIODS PER YEAR		243										\$0.00
TOTAL NUMBER OF UNITS		65										\$0.00
ABSORPTION PER PERIOD		0										13.00%
UNITS SOLD PRIOR TO COMPLETION												10.00%
AVG RETAIL S.P./UNIT		\$40,000										2.50%
MKT % SALES COMMI %		6.00%										0.000000%
DEV. COST 20%/ADMIN. COST 2%		22.00%										0.00%
BOND PAYMENT \ UNIT		\$0										\$0.00
ERR	0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
SALES SUMMARY												
NUMBER OF UNITS SOLD	0	0	0	0	65	60	60	68	0	0	0	0
CUMULATIVE UNITS SOLD	0	0	0	0	65	125	185	243	243	243	243	243
UNSALE UNITS REMAINING	243	243	243	243	178	118	58	0	0	0	0	0
AVG RETAIL S.P./UNIT	\$40,000	\$40,000	\$41,000	\$42,025	\$43,076	\$44,153	\$45,268	\$46,388	\$47,517	\$48,738	\$49,868	\$49,868
TOTAL RTL SALES/PERIOD	\$0	\$0	\$0	\$0	\$2,798,816	\$2,648,151	\$2,716,380	\$2,880,488	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$0	\$0	\$0	\$2,798,916	\$5,448,087	\$8,164,448	\$10,854,835	\$10,854,835	\$10,854,835	\$10,854,835	\$10,854,835
COST OF SALES												
MARKETING/SALES COMMISSION	\$0	\$0	\$0	\$0	\$187,985	\$158,949	\$162,823	\$161,428	\$0	\$0	\$0	\$0
ADMIN COSTS	\$0	\$0	\$0	\$0	\$2,302,843	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT \ UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E.TAXES ON UNSOLD UNITS	\$0	\$1,063	\$1,063	\$1,128	\$5,385	\$878	\$599	\$303	\$0	\$0	\$0	\$0
HQ'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$1,063	\$1,063	\$1,128	\$2,476,203	\$198,827	\$163,822	\$161,732	\$0	\$0	\$0	\$0
NET INCOME BEFORE PROFIT	\$0	(\$1,063)	(\$1,063)	(\$1,128)	\$323,713	\$2,489,324	\$2,551,858	\$2,528,757	\$0	\$0	\$0	\$0
PROFIT	\$0	\$0	\$0	\$0	\$383,988	\$344,360	\$352,869	\$348,764	\$0	\$0	\$0	\$0
NET SALES PROCEEDS	\$0	(\$1,063)	(\$1,063)	(\$1,128)	(\$40,276)	\$2,144,634	\$2,198,859	\$2,178,983	\$0	\$0	\$0	\$0
P.V.FACTOR	0.000000	0.808081	0.828446	0.761315	0.683713	0.620621	0.564474	0.513158	0.468507	0.424088	0.389543	0.389543
P.V.OF NET PROCEEDS	\$0	(\$968)	(\$805)	(\$847)	(\$27,509)	\$1,331,835	\$1,241,198	\$1,118,168	\$0	\$0	\$0	\$0
TOTAL P.V. OF NET PROCEEDS		(\$968)	(\$1,871)	(\$2,718)	(\$30,227)	\$1,301,608	\$2,842,808	\$3,660,974	\$3,660,974	\$3,660,974	\$3,660,974	\$3,660,974
ROUNDED TO			\$3,681,000									

CV006412

PLTF TRIAL EXH 394



CV006413

PLTF TRIAL EXH 394

VALUATION OF PARCEL 39

Parcel 39 is one of nine proposed residential developments located in the Green Diamond project and comprises a total of 50.93 acres. This parcel is centrally located on the south side of Levee Section 2 and abuts Alligator Lake to the south. The E.D.S.A. Land Use Plan calls for Parcel 39 to have a density of six units per acre or 306 developable lots. The proposed lots within this parcel will have frontage on a large lake with average lot sizes extending from 7,500 square feet to 7,700 square feet.

Parcel 39 is one of six proposed residential developments located within the Green Diamond project with a density of six units per acre and is one of five proposed residential developments located in Levee Section 2 with six units per acre density. This parcel will be in direct competition with Parcels 29, 36, 37, and 38, therefore the development time line for these five parcels will vary substantially.

The estimate and ultimate determination of individual lot values in Parcel 39 are predicated on lot values previously discussed and obtained from single family developments in the Columbia market area. Parcel 39 will be comprised of a combination of lakefront lots and interior lots. The actual number and location of each lot are unknown, therefore an average unit lot price will be projected. The developments/lots which most favorably compare to lots found in Parcel 39 are interior lot sales found in Kings Grant, the Preserve and Lake Carolina, while lakefront lots compare favorably with those found at Lake Carolina and Woodcreek Farm. As a result, an average projected lot price of \$40,000 appears reasonable due to the aesthetic lot views offered by Parcel 39's location on the rather large lake located in Levee Section 2.

The developments utilized in the determination of the lot prices were also analyzed for the estimates of absorption for the prospective 306 lots to be contained within Parcel 39. It is anticipated the development for Parcel 39 will be marketable in the second year of this analysis with a five year absorption time. More specifically, it is projected lot sales will be absorbed at 65 lots in year one, 65 lot sales in year two, 65 lot sales in year three, 65 lots in year four, and 46 lots in year five, which would equate to the total disposition of the 306 lots to be located in Parcel 39.

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of five years is deemed reasonable.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 38 SINGLE FAMILY DEVELOPMENT
CALCULATED
OCTOBER 15, 2003 8 UNITS/ACRE

NUMBER OF PERIODS PER YEAR	ANNUAL	OTHER COSTS/UNIT	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
TOTAL NUMBER OF UNITS	306	ANNUAL HOMEOWNERS DUES	65	65	65	65	46	0	0	0	0	0	0	0	0	0
ABSORPTION PER PERIOD	65	DEVELOPER'S PROFIT	130	130	130	130	306	306	306	306	306	306	306	306	306	306
UNITS SOLD PRIOR TO COMPLETION	0	DISCOUNT RATE	241	175	111	43	0	0	0	0	0	0	0	0	0	0
AVG RETAIL S.F./UNIT	140,000	ANNUAL APPRECIATION RATE	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
INT'L SALES COM. %	6.00%	ANNUAL TAX RATE	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
DEV. COST 3PM/ADMIN. %	22.00%	TAX INCREASE RATE PER YEAR	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%
BOND PAYMENT/UNIT	10	R.E. TAXES, PERIOD/UNIT	10	10	10	10	10	10	10	10	10	10	10	10	10	10

SALES SUMMARY	ERR	0	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
NUMBER OF UNITS SOLD	0	0	65	65	65	65	46	0	0	0	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	0	65	130	195	260	306	306	306	306	306	306	306	306	306	306
UNITS REMAINING	306	306	241	175	111	43	0	0	0	0	0	0	0	0	0	0
AVG RETAIL S.F./UNIT	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
TOTAL RET. SALES/PERIOD	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
ADJUDICATE RETAIL SALES	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

COST OF SALES	0	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
MARKETING/SALES COMMISSION	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
DEVELOPMENT/ADMIN COSTS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
BOND PAYMENT/UNIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
R.E. TAXES ON UNOLD UNITS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
HOT'S DUES ON UNOLD UNITS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
OTHER COST	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL COST OF SALES	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

NET INCOME BEFORE PROFIT	0	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PROFIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
NET SALES PROCEEDS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

P.V. FACTOR	0.000000	0.000001	0.000002	0.000003	0.000004	0.000005	0.000006	0.000007	0.000008	0.000009	0.000010	0.000011	0.000012	0.000013	0.000014	0.000015
P.V. OF NET PROCEEDS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL P.V. OF NET PROCEEDS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
ROUNDED TO	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

CV006415

**VALUATION OF MULTI-FAMILY
RESIDENTIAL DEVELOPMENTS**

VSW File No.: C02-02

CV006417

PLTF TRIAL EXH 394

**GENERAL DESCRIPTION OF
MULTI-FAMILY DEVELOPMENTS
IN GREEN DIAMOND**

The Green Diamond project will contain multiple multi-family developments. According to the proposed land plan for developmental usage, there are seven separate parcels to be subsequently utilized for multi-family developmental

usage. Four of the parcels are located in Levee Section 1 with three parcels located in Levee Section 2. Obviously, the parcels vary in size, extending from the smallest at 13.52 acres to the largest comprising 67.90 acres. Additionally, the yield or the number of developable units for each parcel also vacillate. The seven parcels total 269.24 acres with a total number of developable units at 2,741.

MULTI-FAMILY RESIDENTIAL DEVELOPMENTS			
Parcel Number	Levee Section	Size (Acres)	Total #Units
2	1	30.33	359
7	1	28.25	396
9-8	1	19.89	239
13	1	13.52	162
17	2	90.35	488
19	2	19.00	383
20	2	67.90	714
TOTAL		269.24	2,741

The development of the multi-family areas, specifically those located within Levee Section 1, are influenced by the proposed location of a championship golf course and as a result, the multi-family units will be strategically located in proximity to the golf course as well as proximity to a number of lakes that will be located intermittently among the proposed developments and obviously utilized to augment the golf course. Although the developments in Levee Section 2 will not be strategically close to the proposed golf course, there will be numerous lakes proposed which will augment these multi-family developments, specifically relative to individual unit values and unit absorption. The developments identified as Parcels 17, 19, and 20, Levee Section 2, are located along the eastern boundary area of this Levee Section.

• UNIT VALUATION

The determination of individual unit prices for the multi-family developments in both Levee Section 1 and 2 is directly related to the number of available units designed per acre for each of the respective developments as well as the amenities located in proximity to the respective developments. Specifically, the amenities would include the golf course which primarily affects those developments located in Levee Section 1 while those located in Levee Section 2 do not have the benefit of the proposed golf course. However, in the Columbia market, golf courses located in proximity to multi-family developments may not be a similar catalyst for quicker absorption and higher associated unit values as compared to the effect on single-family developments. Regardless, the location in proximity to the golf course is considered as an enhancement.

The analysis for the valuation of the units within the multi-family developments are predicated on an analysis of both bulk sales of multi-family sites and a value per unit indicated as well as individual units (lots) selling in higher density developments such as patio homes, etc., with lot sizes for these higher density developments ranging from 3,000 square feet to 6,000 square feet or six to 12 dwelling units per acre. The much higher density developments, extending to 16 + units per acre, are those typified by the more traditional multi-family projects such as conventional apartments.

In the valuation of the seven parcels constituting proposed multi-family developmental usage, comparisons were completed with nine multi-family land sales in the Columbia market. Of the nine sales, four were considered *in-town* sales while the remaining five were located in the suburban market areas of metropolitan Columbia. As anticipated, the per acre cost was significantly higher for the *in-town* properties as compared to the suburban sites. The multi-family developments in the Green Diamond project are a hybrid in that they are not suburban and they are not *in-town* but the subject is in proximity to the Central Business District of Columbia, and as a result, the anticipated per unit value may extend between these two value indications from the *in-town* properties and the suburban properties. In addition to the nine sales, which actually represented bulk land sales, several multi-family projects were analyzed which would reflect the sale of individual units (lots) for patio homes and higher density developmental usage. Specifically, the five projects would include Justice Square Townhomes, which is actually one of the bulk acreage sales (Comparable Land Sale No. 3), as well as Saluda Mills in West Columbia, Ivy Green in northwest Columbia, and patio home projects in Lake Carolina and the Summit developments. Information and data relative to the Lake Carolina and Summit developments were delineated earlier in the description of the single-family developmental projects.

The following pages will delineate the bulk multi-family acreage sales and where applicable, an indicated value of the raw land cost on a per unit basis will be delineated.

COMPARABLE MULTI-FAMILY RESIDENTIAL LAND SALE NO. 1

LOCATION: SE Corner of Lorick Street and Spencer Place, Cayce,
Lexington County, South Carolina

TAX MAP NUMBER: 4655-01-03

GRANTOR(S): Guignard Land Limited Partners

GRANTEE(S): SUH SC Columbia, LLC

SALES PRICE(S): \$443,850

DATE: June 21st, 2001

DEED BOOK/PAGE(S): 6471/0167

SIZE: 8.07 Acres; 351,529 Square Feet

PRICE PER ACRE/SF: \$55,000/\$1.26

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Grantor and Lexington County Register of Deeds

ZONING: PUD-R (City of Cayce)

COMMENTS: Roughly, rectangularly shaped parcel contiguous to Comparable Land Sale No. 3 and utilized in conjunction with this sale for the development of Sterling University Riverside multi-family project. In total, both parcels comprise 13.06 acres and will have a density of 144 units or 11.02 units per acre. This parcel is identified as Parcel "B" and extends parallel to Lorick Street. Also, both parcels reflect a total price of \$718,300 or the equivalent of \$4,988 per unit.

COMPARABLE MULTI-FAMILY RESIDENTIAL LAND SALE NO. 2

LOCATION: SE Corner of Lorick Street and Spencer Place, Cayce, Lexington County, South Carolina

TAX MAP NUMBER: 4655-01-02 (Portion)

GRANTOR(S): Indigo Associates, LLC

GRANTEE(S): SUH SC Columbia, LLC

SALES PRICE(S): \$274,450

DATE: June 21st, 2001

DEED BOOK/PAGE(S): 6471/0173

SIZE: 4.99Acres; 217,364 Square Feet

PRICE PER ACRE/SF: \$55,000/\$1.26

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Grantor and Lexington County Register of Deeds

ZONING: PUD-R (City of Cayce)

COMMENTS: This irregularly shaped site is identified as Parcel "A" and was purchased in conjunction with a contiguous parcel, Parcel "B", and containing 8.07 acres for the development of Sterling University Riverside Apartments. This complex, presently under development, is designed for students (proximity to USC). According to the City of Cayce (Mr. Steve Martin), maximum density in a PUD-R is 14 units per acre. With the contiguous parcel (Land Sale No. 2), 144 units are planned. Approximately 3.1 acres of this parcel are located within the 100-year flood plain. The complex, when completed, will contain ten residential buildings, one 6,000 square foot clubhouse and a large pool.

COMPARABLE MULTI-FAMILY RESIDENTIAL LAND SALE NO. 3

LOCATION: SE Corner of Intersection of Hampton and Gadsden Streets,
Columbia, Richland County, South Carolina

TAX MAP NUMBER: 9013-01-01 (Portion); 9013-01-02; 9013-01-07 (Portion)

GRANTOR(S): The City of Columbia, S.C.

GRANTEE(S): Gadsden at Hampton, LLC

SALES PRICE(S): \$160,000

DATE: May 25th, 2000

DEED BOOK/PAGE(S): 0411/1429

SIZE: 1.13Acres; 49,223 Square Feet

PRICE PER ACRE/SF: \$141,592/\$3.25

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Grantee (Representative)

ZONING: C-4 (Plus Permitted Exceptions)

COMMENTS: This roughly, rectangularly shaped parcel has frontage on both Gadsden and Hampton Streets and overlooks Vietnam Veterans Park, located to the west. The site has been cleared for development for the Justice Square Townhomes. The deed restricted subsequent developmental usage to residential townhouses or condominiums. The Justice Square project will contain eight total units, all containing 2,200 square feet each on four levels. The sales prices extend between \$295,000 to \$315,000, depending upon purchaser options. The acquisition price relates to a unit cost of \$20,000. The sales price per square foot reflect a range of \$134.09 to \$143.18. Approximately (four) or 50% of the total units have been pre-sold.

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COMPARABLE MULTI-FAMILY RESIDENTIAL LAND SALE NO. 4

LOCATION: E/S Pulaski Street, South of its Intersection with Gervais Street, Columbia, Richland County, South Carolina

TAX MAP NUMBER: 08912-08-01

GRANTOR(S): Pottersfield, LLC

GRANTEE(S): Vista Commons, LP

SALES PRICE(S): \$930,000

DATE: September 8th, 2000

DEED BOOK/PAGE(S): 0442/0621

SIZE: 4.73 Acres; 206,039 Square Feet

PRICE PER ACRE/SF: \$196,617/\$4.51

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Richland County Register of Deeds

ZONING: M-1; Light Industrial/Manufacturing

COMMENTS: This rectangularly shaped parcel has been improved with the 184 unit Vista Commons Apartments. These apartments were completed in 2001 and consist of multiple, three (3) story brick veneer exterior buildings. The sales price per unit equated to \$5,054.

COMPARABLE MULTI-FAMILY RESIDENTIAL LAND SALE NO. 5

LOCATION: E/S Hardscrabble Road, Lake Carolina, Columbia, Richland County, South Carolina

TAX MAP NO.: 23200-01-20

GRANTOR: Lake Carolina Development, Inc.

GRANTEE: Bostic Development at Lake Carolina, LLC

SALES PRICE: \$1,510,333.23

DATE: April 29th, 2002

DEED BOOK/PAGE: 655/0099

SIZE: 25.74 Acres

PRICE PER ACRE: \$58,676

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available (Lake Carolina)

VERIFIED: Scott Smith, Lake Carolina

ZONING: Lake Carolina PUD Ordinance

COMMENTS: Wetlands abut the property on its eastern boundary. Site to be used for multi-family development identified as The Reserve at Lake Carolina.

COMPARABLE MULTI-FAMILY RESIDENTIAL LAND SALE NO. 6

LOCATION: S/S Elder's Pond Drive, Columbia, Richland County, South Carolina

TAX MAP NO.: 23100-01-01

GRANTOR: Westbrook Summit, LLC

GRANTEE: Tri-point Development Company

SALES PRICE: \$1,325,000

DATE: April 12th, 2001

DEED BOOK/PAGE: 504/2670

SIZE: 47.57 Acres (Total)
40.37 Acres (Uplands)

PRICE PER ACRE: \$27,854 (Total); \$32,821 (Upland area)

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

VERIFIED: Richland County Register of Deeds

ZONING: Summit PUD

COMMENTS: Parcel located north of Clemson University Sandhill Experimental station. Approximately 7.2 acres of wetlands are located along the eastern portion of the parcel. PUD zoning allowed 9.0 units per acre or 428 total units. Price per developable unit equates to \$3,096. Generally level topography. Site to be developed with Elder's Pond development (multi-family).

COMPARABLE MULTI-FAMILY RESIDENTIAL LAND SALE NO. 7

LOCATION: NW/C Woodcross Drive and Harbison Way, Columbia,
Richland and Lexington Counties, South Carolina

TAX MAP NO.: 04911-06-01 (Richland County)
02898-03-19 (Lexington County)

GRANTOR: New Small Harbison, LLC

GRANTEE: Harpaw, LLC

SALES PRICE: \$1,136,136.30

DATE: October 18th, 2001

DEED BOOK/PAGE: 579/1180; Plat Book 576/435

SIZE: 12.971 Acres

PRICE PER ACRE: \$87,591

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Richland and Lexington County Registers of Deeds

ZONING: PUD-LS (Large Scale) City of Columbia

COMMENTS: This irregularly shaped parcel is located at the northwest corner of Woodcross Drive and Harbison Way, just east of Fernandina Road. There is limited visibility from Interstate 26. This parcel was previously a portion of Richland County, however, on September 26th, 2001, this parcel was annexed into the City of Columbia. The site is currently undergoing construction of a proposed 250-unit apartment complex (Crestmont Apartments). The complex is to contain 80 one-bedroom units, 140 two-bedroom units, and 30 three-bedroom units in a total of 15 buildings. Confirmed amenities are to include a clubhouse and pool. The lot is to contain 436 marked parking spaces with an additional 36 garage spaces. This lot is zoned PUD-LS (Large Scale) by the City of Columbia. Please note the reference zoning allows 17 units per acre. However, the plans for this complex illustrate 19.3 units per acre.

CV006427

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COMPARABLE MULTI-FAMILY RESIDENTIAL LAND SALE NO. 8

LOCATION: SW/S Broad River Road (U.S. Highway 176), Columbia,
Richland County, South Carolina

TAX MAP NO.: 6200-01-01 (Portion)

GRANTOR: Harbison Group

GRANTEE: Tri-Point Development Company of S.C., LLC

SALES PRICE: \$218,363.62

DATE: May 3rd, 2000

DEED BOOK/PAGE: 405/2479

SIZE: 4.68 Acres

PRICE PER ACRE: \$46,659

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Richland County Register of Deeds

ZONING: Harbison PUD

COMMENTS: Small parcel purchased for the development of Thorn Tree Townhomes within the Harbison
Planned Unit Development.

COMPARABLE MULTI-FAMILY RESIDENTIAL LAND SALE NO. 9

LOCATION: W/S Rhame Road, N/S Summit Centre Drive, Summit PUD,
Columbia, Richland County, South Carolina

TAX MAP NO.: 23010-11-02 (Portion)

GRANTOR: Westbrook Summit, LLC

GRANTEE: Woodhaven, LLC

SALES PRICE: \$325,440

DATE: March 10th, 2000

DEED BOOK/PAGE: 392/1438

SIZE: 9.04 Acres/393,782 Square Feet

PRICE PER ACRE/SQ. FT.: \$36,000

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

VERIFIED: Bob Woolsey w/ The Summit

ZONING: PUD-MH, (Medium to High Density)

COMMENTS: Site purchased for the development of townhomes within the Summit PUD. Present zoning allows nine units per acre but it appears the townhome development will reflect eight units per acre. Site contains frontage on Rhame Road and Summit Centre Drive with a small amount of frontage on Summit Parkway. Generally level topography.

The preceding nine sales suggest bulk acreage sales ranging from the smallest at 1.13 acres for the Justice Square Townhome development in the Central Business District of Columbia to the largest containing 47.57 acres. Comparable Land Sales 1 and 2 were purchased for the development of Sterling University Apartments and are located across the Congaree River from Columbia. Comparable Land Sale No. 4 was utilized for the Vista Common apartments which is an extremely high density project, 38 units per acre, located in the Vista area of the Central Business District of Columbia. For the five suburban bulk multi-family land sales, the per unit land cost extended from approximately \$3,100 per unit to a high of \$4,500 per unit for densities extending from nine units per acre to 19.3 units per acre.

Not all patio home styled lots or higher density lots or units sell in bulk form prior to development. For instance, Saluda Mills is a patio home or garden home development located on Mohawk Drive in the West Columbia area of metropolitan Columbia. There are 66 lots or units designated for these garden/patio homes with an average site size approximating 4,320 square feet. The price per lot or unit is \$25,000 and all 66 lots have been sold and actually sold from March, 2002 to the present. There are no amenities to augment this indicated sales price per unit. The project was developed and sold-out by the Mungo Company, a leading multi-family and single-family developer in the metropolitan Columbia area.

Ivy Green is another Mungo project located in the northwest suburban market and consisted of 119 lots/units. Similar to Saluda Mills, the Ivy Green project is another high density development. Ivy Green is located in the northwest suburban market area and consisted of 119 lots representing a high density development with the individual lots/units representing 3,000 square feet each. The Mungo Company was the primary developer of the individual lots and the improvements although six lots were conveyed to another builder at \$23,000 per lot/unit.

The next two developments are located in the mixed use developments identified as Lake Carolina and the Summit, both described and detailed in the single-family developmental section of this appraisal report. The section in Lake Carolina dedicated to the higher density or for garden or patio homes is identified as Avebury. This development reflects approximately 12 developable units per acre with a per unit/lot value or cost of \$20,800. Between August, 2001 and July, 2002, 56 lots/units were sold within this development.

The high density development in the Summit is identified as Barony Place and contains slightly larger lots than those located in the Lake Carolina development. Barony Place represents a density of eight units per acre with three lots having been sold in July, 2002 at \$19,900 each.

In summary, the higher density, smaller lot/unit developments represent values or costs ranging from \$19,900 to \$23,000 per lot/unit.

Relative to the bulk acreage sales, it appears the sales prices per acre also vacillate and are affected or influenced by the allowable density. The sales prices per acre extend from a low of \$27,854 to a high of \$196,617. The wide expanse of prices is attributable to the combination of both *in-town* multi-family sites as compared to the lesser expensive suburban multi-family sites. The size is also varied with the smallest at 1.13 acres to the largest comprising 47.57 acres.

• ABSORPTION OF MULTI-FAMILY UNITS

Absorption of the multi-family lots within the seven developments may be compared to an analysis of the more conventional multi-family development absorption ascertained from the Central Midlands Regional Planning Commission. According to the Central Midlands Region, *Multi-Family Housing Study 2001*, the absorption of multi-family units vacillated between 1997 to 2001. Figures for 2002 are unavailable at the present time. The largest absorption occurred in 1998 when 1,818 units were absorbed in the Columbia MSA (Richland and Lexington Counties). Two factors influence the absorption rate: the number of new units added to the market, the number of vacant units, and the vacancy rate. The overall vacancy rate for 2001 for the Columbia MSA is 8.5%.

The following chart will depict the units absorbed in the Columbia MSA over the last five years.

MULTI-FAMILY RESIDENTIAL ABSORPTION	
Date	Units Absorbed Between Periods
September, 1997	1,288
September, 1998	1,818
September, 1999	1,066
September, 2000	979
September, 2001	880

Source: Central Midlands Region *Multi-Family Housing Study*

In determining a forecasted absorption or disposition of the units within the seven multi-family residential developments within the subject, careful consideration was allotted for the location of these respective projects within Levee Sections 1 and 2. More specifically, the disposition of units in the four developments

in Levee Section 1 corresponds with the development and disposition of the units in Levee Section 2. The absorption was considered initially as a comprehensive whole relative to all seven multi-family residential areas. After consideration of the seven potential projects or developments as a whole, each multi-family residential project was analyzed separately with start dates and termination dates for the complete disposition of all planned units located within each development. The start or commencement time for disposition of the units were staggered so there was not an over-supply of any multi-family product in Levee Section 1 or 2 during any given year. Also, it appears the highest volume of units are typically sold after the first two years with the recognition of the multi-family product being accepted by the market and the intensity of sales occurring during this time. Like most multi-family residential projects, sales are less intensive at the end of the anticipated sales period and the absorption of units in the multi-family projects follow this same scenario.

MULTI-FAMILY RESIDENTIAL ABSORPTION										
Parcel No.	No. Units	2002	2003	2004	2005	2006	2007	2008	2009	2010
2	359	84	84	84	84	23				
7	396			60	60	60	60	58	50	48
9-B	233	72	60	66	35					
13	162				72	72	18			
17	488			100	100	77	77	77	57	
19	*									
20	*									
TOTAL ANNUAL ABSORPTION	1,638	156	144	310	351	232	155	135	107	48
Average Per Year Total: 182										

* Sold as Bulk to Developer

The multi-family residential absorption does reflect Parcel No. 19 and Parcel No. 20 in Levee Section 2 being sold as bulk multi-family land sales to potential subsequent purchasers for multi-family residential development. Therefore, the absorption for the Green Diamond project will consist of the five projects and related total number of units. The number of units within the Green Diamond project with the exception of Parcels No. 19 and 20 totals 1,638 units. If inclusion of developable units contained in Parcels 19 and 20 were considered, the number of developable units from the nine multi-family projects would total 2,741.

The multi-family absorption chart suggests a total absorption of 1,638 units over a nine year time frame with the last disposition of units occurring in 2010. As stated previously, Parcels 19 and 20 will be sold in bulk to a subsequent purchaser at a later time and therefore those respective units are not considered as part of the absorption for the Green Diamond project. Parcel 19 will accommodate 383 units while Parcel 20 is significantly larger, accommodating 714 units and therefore, if Parcels 19 and 20 were considered, the total absorption would consist of 2,741 units over a nine year time frame or the equivalent of 305 units per year. When considering the introduction of the Green Diamond units as compared to the absorption of multi-family units in the Columbia MSA, the average over five years within the Columbia MSA total 1,206 units annually. The Green Diamond project, when excluding Parcels 19 and 20, averages 182 units per year which only suggest a 15.0% capture rate by Green Diamond of the absorption of units in the Columbia MSA. If including all developable units within the seven projects (Parcels 19 and 20 included), the capture rate increases to 25.25%, still reasonable as compared to the total number of units absorbed by the Columbia MSA market.

Therefore, the absorption estimates appear reasonable and justifiable relative to the total number of units introduced in the Columbia MSA and the potential of the Green Diamond project to succeed. Additionally, in the area of the subject property, there are no competing multi-family projects in proximity. The nearest projects are within the Central Business District where there is an absence of scarcity of available sites for such developmental usage. As a result, it is forecasted the availability of multi-family sites within Green Diamond should reflect extremely good acceptance and marketability for such developmental usage.

• **DEVELOPMENTAL APPROACH**

The developmental approach is often referred to by a number of different names not to exclude the anticipated use method as well as the subdivision developmental method. All three names represent the same methodology utilized for estimating land value when subdivision and development are the highest and best use of a parcel of land being appraised.

This methodology was employed in the valuation of five of the seven multi-family residential properties proposed within the Green Diamond project. The forecasted sales/absorption of the multi-family units were formulated and a reasonable determination of this absorption was displayed over a finite time frame. A discounted cash flow analysis was utilized to convert the cash flows, anticipated to be received over this finite time frame, into a present value. The methodology includes the conversion of these anticipated future cash flows into a current value by an appropriate and market supported discount rate.

• **DISCOUNTED CASH FLOW ANALYSIS**

The discounted cash flow analysis contains certain components inclusive of the gross sales to be received from the disposition of the units over the determined time frame. The unit valuation and the absorption has already been determined in a prior section of this multi-family residential development description. The expenses indicated within each discounted cash flow analysis for each multi-family residential parcel, relative to the employment of this developmental approach, will include development costs, administration costs, marketing and sales commissions, developer's profit and real property taxes on unsold units.

The disposition of the units in each of the multi-family residential developments will not occur in any one year but will extend over the anticipated time frame as will be indicated within each valuation of each respective multi-family residential parcel. It is anticipated there will be annual appreciation relative to the unit values as a result of the anticipated demand for the respective multi-family residential projects. The annual appreciation may parallel the Consumer Price Index (CPI) over the last five years. The Consumer Price Index (CPI) chart will be indicated with the annual change in the respective index.

CONSUMER PRICE INDEX - ALL URBAN CONSUMERS (1998-2002)					
	1998	1999	2000	2001	2002
JANUARY	161.6	164.3	168.8	175.1	177.1
FEBRUARY	161.9	164.5	169.8	175.8	177.8
MARCH	162.2	165.0	171.2	176.2	178.8
APRIL	162.5	166.2	171.3	176.9	179.8
MAY	162.8	166.2	171.5	177.7	179.8
JUNE	163.0	166.2	172.4	178.0	179.9
JULY	163.2	166.7	172.8	177.5	180.1
AUGUST	163.4	167.1	172.8	177.5	180.7
SEPTEMBER	163.6	167.9	173.7	178.3	181.0
OCTOBER	164.0	168.2	174.0	177.7	
NOVEMBER	164.0	168.3	174.1	177.4	
DECEMBER	163.9	168.3	174.0	176.7	
ANNUALLY	163.0	166.6	172.2	177.1	
▲	1.56%	2.21%	3.36%	2.85%	1.30%

Source: U.S. Department of Labor, Bureau of Vital Statistics

The subject multi-family residential developments obviously have no historical evidence of price increases but a reasonable and probable price appreciation of 2.5% is deemed warranted. As a result, in each of the discounted cash flow analyses, the unit values will increase 2.5% during the forecasted disposition time for each respective development.

DEVELOPMENT COSTS

Extensive analysis was completed for the determination of actual development costs for each of the multi-family residential developments. Multiple developers, engineers and brokers were consulted to determine applicable development costs for multi-family properties in the Columbia metropolitan area. The following individuals were contacted and surveyed for the provision of an estimate of development costs to associate with the subject multi-family residential developments:

•	Bill Dixon/Stewart Mungo	The Mungo Company	Developers
•	Harry Walsh	Civil Engineering	Engineers
•	Allen Shumaker	Shumaker Builders	Developers
•	Robbie Wilkins	RPW	Developers
•	James McKenny	Woolpert, Inc.	Engineers
•	Walter Hendrix	WSJ	Developers
•	Michael Satterfield	Centex Homes	Developers
•	Dennis Avery	Rep. of Beazer Homes	Developers
•	Deas Manning	DAK III	Developers
•	Scott Smith	Lake Carolina Development	Developers
•	Robert Woolsey	The Summit Development	Developers
•	John Bakhaus	Longcreek Development	Developers
•	Dr. Kenneth Humphries	The Cage Group	Engineers
•	Gene Dinkins	Cox & Dinkins	Engineers/Surveyors
•	Jonathan Whitehead	American Engineering	Engineers

From the extensive interviews with these developers, engineers, brokers and surveyors, it was concluded typical development costs associated with multi-family residential developments in the Columbia metropolitan market would reflect approximately 20.0% of the respective unit value.

Additionally, multiple conversations were completed with Lockwood Greene, engineers. Lockwood Greene engineers are extremely knowledgeable relative to multi-family projects and confirm the 20.0% development cost for the multi-family residential developments were indeed reasonable and justifiable.

SALES/MARKETING COSTS

Due to the expanse of multi-family residential developments within the subject project, a reasonable sales and marketing cost is estimated at 6.0% of the gross sales for each respective year in each determined disposition time frame. Obviously, smaller projects may command higher percentages as a result of a lesser number of units to dispose. The multi-family projects in the subject total 1,638 when excluding Parcels 19 and 20 due to being sold as bulk multi-family land, to as high 2,741 units when considering the developable units contained in Parcels 19 and 20.

ADMINISTRATIVE COSTS

Administrative costs are estimated at 2.0% and include legal costs, surveying and deed preparation associated with each unit conveyance.

REAL PROPERTY TAXES

Real property taxes will be paid on all unsold units during each disposition time frame for each multi-family project when a developmental approach is considered. A larger real property tax expense is reflected in the first year of any disposition time of any multi-family residential development to include the real property taxes currently on the unsold units as well as the application of roll-back taxes associated with the multi-family project as a result of a change in property usage. The real property taxes were analyzed thoroughly in a separate section of this appraisal report.

ENTREPRENEURIAL PROFIT

Entrepreneurial profit is estimated at 13.0% of the gross sales and is considered necessary in order to attract a developer with the provision for an incentive to invest in a property or properties like the proposed multi-family residential developments. The estimation of entrepreneurial profit is highly subjective and cannot actually be measured until the property is subsequently disposed.

SELECTION OF DISCOUNT RATE

In the discounted cash flow analysis, the net cash flows are discounted to a present value at an appropriate yield rate (internal rate of return). The chosen yield rate or discount rate should represent the minimum rate of return necessary to attract investment capital. Such a rate is influenced by the degree of risk, prospective rates of return for alternative investment opportunities, historical rates of return earned by comparable properties, market attitudes with respect to future inflation or deflation, supply of and demand of mortgage funds and availability of tax shelters.

The yield rate or discount rate is generally determined by examining yields currently being earned on available alternative investments in the market place, such as long term government bonds, municipal bonds, corporate bonds and treasury bills and by estimating the yield required to attract a prudent investor to invest money in a similar venture, considering the degree of risk, non-liquidity and management burden.

Yields for low risk investments such as treasury bills and certificates of deposit typically reflect safe investments. Yields for higher risk investments such as corporate bonds and income producing real estate ventures are significantly higher, providing higher discount rates. The general rate established for investments such as the subject property may be estimated between 9.0% to 12.0%.

A discount rate which may be associated with the multi-family residential developments contained within the Green Diamond project may suggest a rate toward the lower end of the investment criteria as this rate

may be indigenous to multi-family residential developments considered *close-in*. More specifically, the degree of risk is reduced or lessened as a result of the attractiveness of the location of the subject project in addition to the amenities offered within or near each multi-family residential development. Additionally, the present low cost of money may also have a significant effect on the selection of a discount rate. Current discount rates associated with other real properties may suggest a slightly higher discount rate for the subject multi-family residential developments. However, sufficient market transactions have not transpired or conveyed with the reflections of the lower cost of money in order to suggest lower discount rates for alternative real property investments.

In the discounted cash flow analysis for the conversion of future cash flows to a net present value representative of the subject multi-family residential developments, a discount rate of 10.0% was deemed warranted and justifiable in light of the present low cost of money and a comparison of these discount rates to other investment criteria.

The forecast provided in each of the discounted cash flow analyses for each subject multi-family residential property are not statements of fact but a reasonable probability as to the disposition of the units contained within each multi-family residential development based on competing multi-family developments in the Columbia market.

VALUATION OF PARCEL 2

Parcel 2 is one of seven proposed multi-family residential developments located in the Green Diamond project. This parcel is located at the northern portion of the entire project as well as the northern portion of Levee Section 1. The E.D.S.A. Land Use Plan identifies Parcel 2 as containing 30.33 acres and will be designated for a density of 12 developable units per acre (DUA) or 359 planned units. As a result of not having units which will have golf course views or locations on the golf course, the average sales price per unit is \$15,500. The actual number and location of each unit are unknown therefore an average unit lot price has been projected. The units located in Parcel 2 are considered inferior to the units located in Saluda Mills, Justice Square Townhomes, Ivy Green, and slightly inferior to the units in Barony Place in the Summit Development.

The developments utilized in the determination in the unit lot prices were all analyzed for the estimate of value for the units located in Parcel 2 as well as the absorption of the prospective 359 units. It is anticipated the development for Parcel 2 will be marketable in the first year of the analysis with an absorption time extending for five years. More specifically, it is projected unit sales of 84 in year one, 84 in year two, 84 in year three, 84 in year four, and 23 in the final year of the disposition time frame, 2006.

In the discounted cash flow analysis, presented on the following page, the absorption or disposition time of five years for Parcel 2 is deemed reasonable.

**DISCOUNTED CASH FLOW ANALYSIS PARCEL 2 - MULTI-FAMILY
CALCULATED**

CALCULATED		ANNUAL	OCTOBER 15, 2003
NUMBER OF PERIODS PER YEAR	1	OTHER COSTS / UNIT	\$0.00
TOTAL NUMBER OF UNITS	339	ANNUAL HOMEOWNERS DUES	\$0.00
ABSORPTION PER PERIOD	84	DEVELOPER'S PROFIT	13.00%
UNITS SOLD PRIOR TO COMPLETION	0	DISCOUNT RATE	10.00%
AVG RETAIL S.P./ UNIT	\$15,500	ANNUAL APPRECIATION RATE	2.50%
MOYI SALES COM%	6.00%	ANNUAL TAX RATE	0.00000%
DEV.COST 20%ADMIN 2%	22.00%	TAX INCREASE RATE PER YEAR	0.00%
BOND PAYMENT / UNIT	\$0	R.E.TAXES, PERIOD/UNIT	\$0.00

	ERR	0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
SALES SUMMARY												
NUMBER OF UNITS SOLD	0	84	84	84	84	23	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	84	168	252	336	359	359	359	359	359	359	359
UNSALE UNITS REMAINING	339	275	191	107	23	0	0	0	0	0	0	0
AVG RETAIL S.P./UNIT	\$15,500	\$15,500	\$15,587	\$16,265	\$16,592	\$17,109	\$17,537	\$17,975	\$18,425	\$18,885	\$19,357	\$19,837
TOTAL RET. SALE/PERIOD	\$0	\$1,302,000	\$1,334,650	\$1,367,814	\$1,402,112	\$1,381,509	\$0	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$1,302,000	\$2,635,550	\$4,004,464	\$5,406,575	\$5,800,085	\$5,800,085	\$5,800,085	\$5,800,085	\$5,800,085	\$5,800,085	\$5,800,085

COST OF SALES												
MARKETING/SALES COMMISSION	\$0	\$78,120	\$80,073	\$82,075	\$84,127	\$23,611	\$0	\$0	\$0	\$0	\$0	\$0
DEVELOPMENT/ADMIN COSTS	\$0	\$1,224,190	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT / UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E.TAXES ON UNSOLD UNITS	\$0	\$3,250	\$503	\$369	\$220	\$168	\$0	\$0	\$0	\$0	\$0	\$0
HO'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$1,305,560	\$80,876	\$82,434	\$84,335	\$23,779	\$0	\$0	\$0	\$0	\$0	\$0

NET INCOME BEFORE PROFIT	\$0	(\$3,560)	\$1,253,874	\$1,285,480	\$1,317,777	\$359,730	\$0	\$0	\$0	\$0	\$0	\$0

PROFIT	\$0	\$188,200	\$173,492	\$177,429	\$182,275	\$51,158	\$0	\$0	\$0	\$0	\$0	\$0

NET SALES PROCEEDS	\$0	(\$172,620)	\$1,099,402	\$1,107,651	\$1,135,502	\$316,574	\$0	\$0	\$0	\$0	\$0	\$0

P.V.FACTOR	0.000000	0.909091	0.826448	0.751316	0.683013	0.625921	0.584474	0.513165	0.455807	0.424099	0.383543	

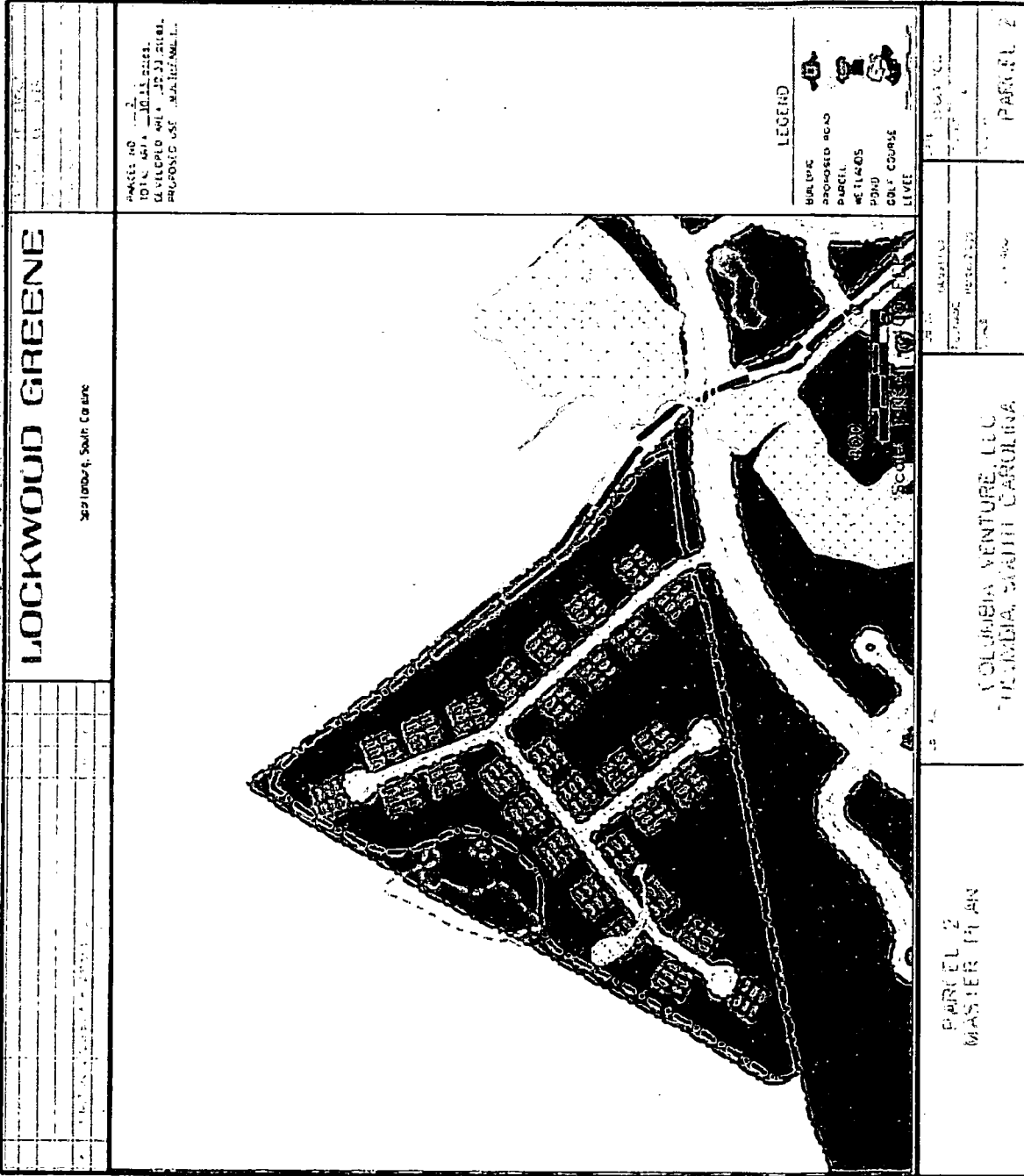
P.V.OF NET PROCEEDS	\$0	(\$157,109)	\$892,980	\$832,194	\$775,563	\$197,810	\$0	\$0	\$0	\$0	\$0	\$0

TOTAL P.V. OF NET PROCEEDS		(\$157,109)	\$736,851	\$1,658,043	\$2,343,608	\$2,541,418	\$2,541,418	\$2,541,418	\$2,541,418	\$2,541,418	\$2,541,418	\$2,541,418

ROUNDED TO		\$2,541,000										

PLT TRIAL EXH 394

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PLTF TRIAL EXH 394

VALUATION OF PARCEL 7

Parcel 7 is located toward the north central portion of the Green Diamond project as well as Levee Section 1.

According to the E.D.S.A. Land Plan, Parcel 7 contains a total of 28.25 acres and should accommodate a density of 396 developable units or the equivalent of 16 developable units per acre. The proposed units will be influenced by proximity to the golf course, some lakes, and natural buffer areas.

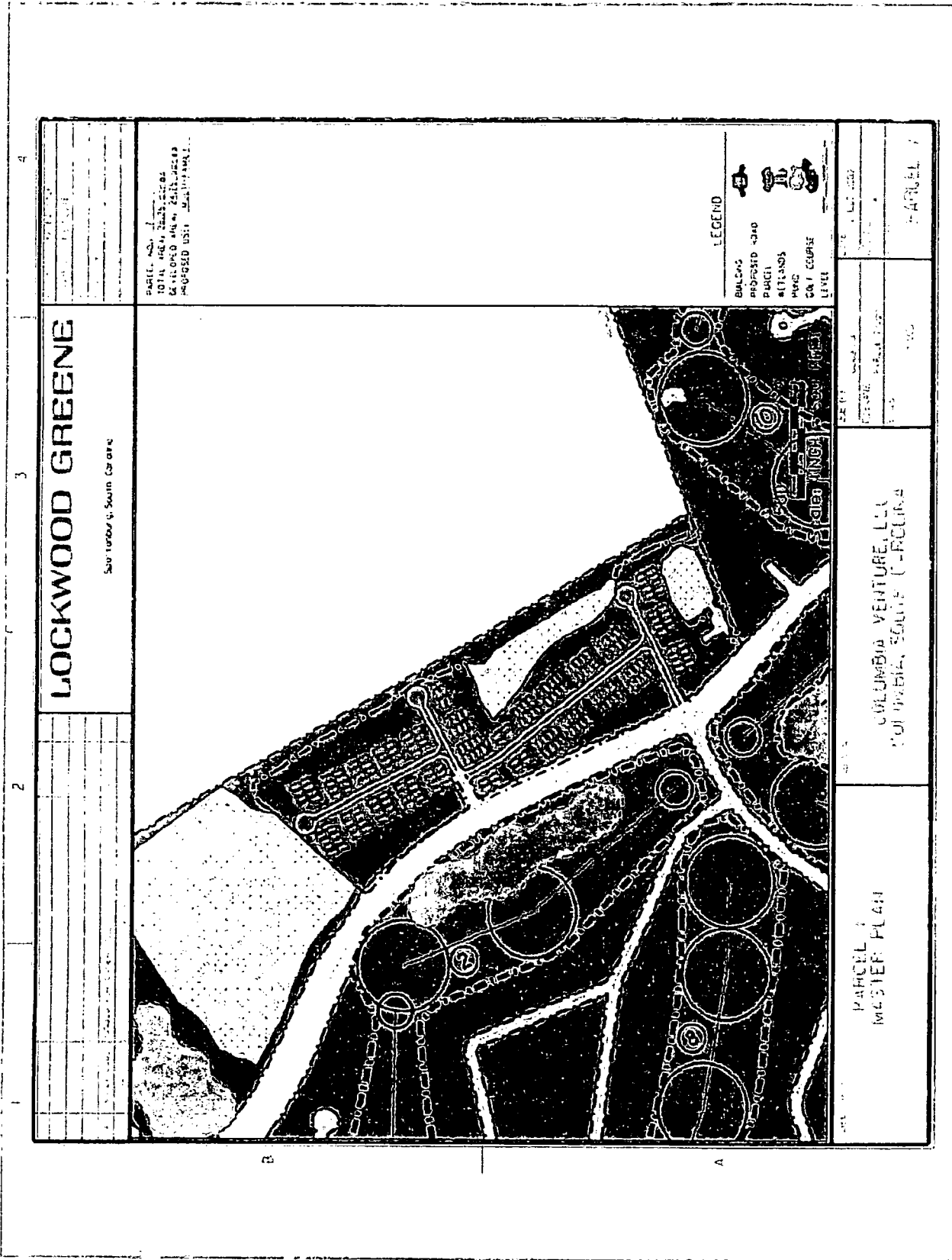
Although Parcel 7 will have a slightly higher density than Parcel 2, the location near the golf course and influence by this amenity would reflect a higher unit price/cost than that indicated in Parcel 2. As a result of competing with Parcel 2, the start of unit sales in this development is designated as 2004 and will extend for seven years. Therefore, 60 units will be absorbed in the first year, 60 in the second, 60 in the third year, 60 in the fourth, 58 in the fifth, 50 in the sixth, and the final 48 in year seven. This extensive seven year sell-out is necessary due to the number of units.

The unit value within this project is estimated at \$22,000 as a result of the location near the golf course. It compares favorably with similar multi-family, high density units in Saluda Mills in West Columbia, Ivy Green, and the two high density/garden and patio home developments in Lake Carolina and the Summit.

In the discounted cash flow analysis, presented on the following page, the absorption or disposition time of seven years is deemed reasonable for Parcel 7 due to the number of units within this development and it competing with Parcel 2 within the same levee section.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 7- MULTI-FAMILY

OCTOBER 15, 2004												
ANNUAL												
1												
OTHER COSTS \ UNIT												
398												
ANNUAL HOMEOWNER'S DUES												
100												
DEVELOPER'S PROFIT												
0												
DISCOUNT RATE												
22,000												
ANNUAL APPRECIATION RATE												
6.00%												
ANNUAL TAX RATE												
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PLTF TRIAL EXH 394

VALUATION OF PARCEL 9-B

Parcel 9-B is located west of Parcel 7 and in the northwestern portion of the Green Diamond project as well as Levee Section 1. Like Parcel 7, it is influenced by the location near the proposed championship golf course. The entirety of Parcel 9-B extends along hole number three of the proposed championship golf course. According to the E.D.S.A. Land Use Plan, Parcel 9-B will contain 19.89 acres and accommodate 12 developable units per acre for a total of 239 units.

The estimate and ultimate determination of the individual unit values in Parcel 9-B are predicated on the determined unit values previously discussed for Parcel 7 due to the location in proximity to the golf course. Although the density is slightly less than Parcel 7, it is not sufficient to warrant a reduction in the per unit price and the per unit price will reflect \$22,000. As delineated in the valuation of Parcel 7, it compares favorably with those high density units/patio home lots in Saluda Mills, Ivy Green, and the multi-family developments in Lake Carolina and the Summit.

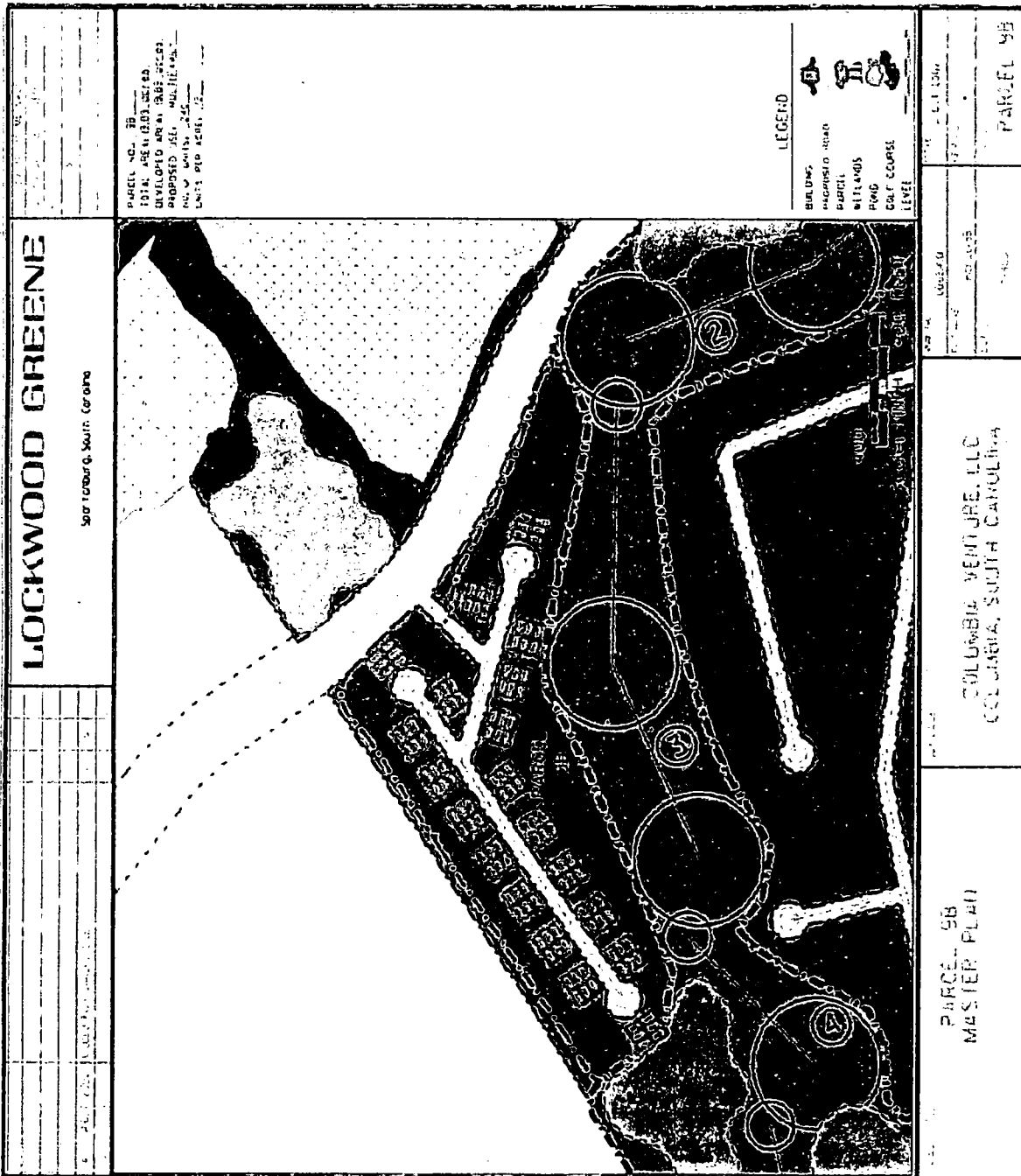
Relative to the absorption of the planned 233 units in Parcel 9-B, the commencement date will begin in the first year of the analysis or 2002 with 72 units being absorbed. The second year, 60 units will be absorbed with 66 in the third year, and 35 in the fourth year. This development will commence before Parcel 7 and simultaneously with Parcel 2 although there is some distance between the two parcels, although within the same levee section.

In the discounted cash flow analysis, presented on the following page, an absorption time or disposition time of four years for Parcel 9-B is deemed reasonable as compared to the other competing multi-family residential projects within Green Diamond.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 9-B-MULTI-FAMILY

CALCULATED		OCTOBER 15, 2002										
ANNUAL		1	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
NUMBER OF PERIODS PER YEAR		1										
TOTAL NUMBER OF UNITS		239										
ABSORPTION PER PERIOD		72										
UNITS SOLD PRIOR TO COMPLETION		0										
AVG RETAIL S.P./UNIT		\$22,000										
MKT \ SALES COMM %		8.00%										
DEV.COST 20%/ADMIN. COST 2%		22.00%										
BOND PAYMENT \ UNIT		\$0										
ERR		0										
SALES SUMMARY												
NUMBER OF UNITS SOLD		0	72	68	66	35	0	0	0	0	0	0
CUMULATIVE UNITS SOLD		0	72	138	204	239	239	239	239	239	239	239
UNSALE UNITS REMAINING		239	167	101	35	0	0	0	0	0	0	0
AVG RETAIL S.P./UNIT		\$22,000	\$22,000	\$22,550	\$23,114	\$23,682	\$24,284	\$24,891	\$25,513	\$26,161	\$26,808	\$27,478
TOTAL RTL SALES/PERIOD		\$0	\$1,584,000	\$1,486,300	\$1,528,007	\$828,208	\$0	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES		\$0	\$1,584,000	\$3,072,300	\$4,597,808	\$5,427,013	\$5,427,013	\$5,427,013	\$5,427,013	\$5,427,013	\$5,427,013	\$5,427,013
COST OF SALES												
MARKETING/SALES COMMISSION		\$0	\$05,040	\$86,208	\$91,530	\$48,752	\$0	\$0	\$0	\$0	\$0	\$0
DEV/ADMIN. COST		\$0	\$1,158,780	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT \ UNIT		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E.TAXES ON UNSOLD UNITS		\$0	\$2,130	\$307	\$182	\$68	\$0	\$0	\$0	\$0	\$0	\$0
HO'S DUES ON UNSOLD UNITS		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES		\$0	\$1,203,930	\$88,005	\$81,722	\$48,821	\$0	\$0	\$0	\$0	\$0	\$0
NET INCOME BEFORE PROFIT		\$0	\$330,070	\$1,398,695	\$1,433,785	\$778,385	\$0	\$0	\$0	\$0	\$0	\$0
PROFIT		\$0	\$205,920	\$193,479	\$188,316	\$107,787	\$0	\$0	\$0	\$0	\$0	\$0
NET SALES PROCEEDS		\$0	\$124,160	\$1,205,218	\$1,235,488	\$871,688	\$0	\$0	\$0	\$0	\$0	\$0
P.V.FACTOR		0.000000	0.808081	0.828448	0.761315	0.683013	0.620821	0.584474	0.513158	0.468507	0.424088	0.385343
P.V.OF NET PROCEEDS		\$0	\$112,864	\$998,048	\$928,227	\$488,703	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL P.V. OF NET PROCEEDS			\$112,864	\$1,108,910	\$2,037,137	\$2,485,840	\$2,485,840	\$2,485,840	\$2,485,840	\$2,485,840	\$2,485,840	\$2,485,840
ROUNDED TO			\$2,486,000									

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PLTF TRIAL EXH 394

VALUATION OF PARCEL 13

Parcel 13 is located along the northwestern corner of the Green Diamond project as well as Levee Section 1 and extends along the levee paralleling the Congaree River.

The E.D.S.A. Land Use Plan identifies Parcel 13 as containing 13.52 acres and accommodating 12 developable units per acre for a total number of planned units at 162. The development will have views and some frontage on hole six of the championship golf course as well as extensive views along the Congaree River. As a result of this strategic location within the development, it is anticipated the average value or price per unit will be higher than those associated with the other multi-family parcels within Green Diamond.

As indicated in the description of the multi-family developments, the typical high density or patio home unit in Ivy Green reflects \$23,000 per unit with \$20,800 per unit for the patio home properties in Lake Carolina and a lesser \$19,900 for a similar multi-family unit in the Summit. The patio homes in Saluda Mills are slightly higher, influenced by a superior location at \$25,000. The units in Saluda Mills will compare favorably with the units in Parcel 13 and therefore the higher unit value.

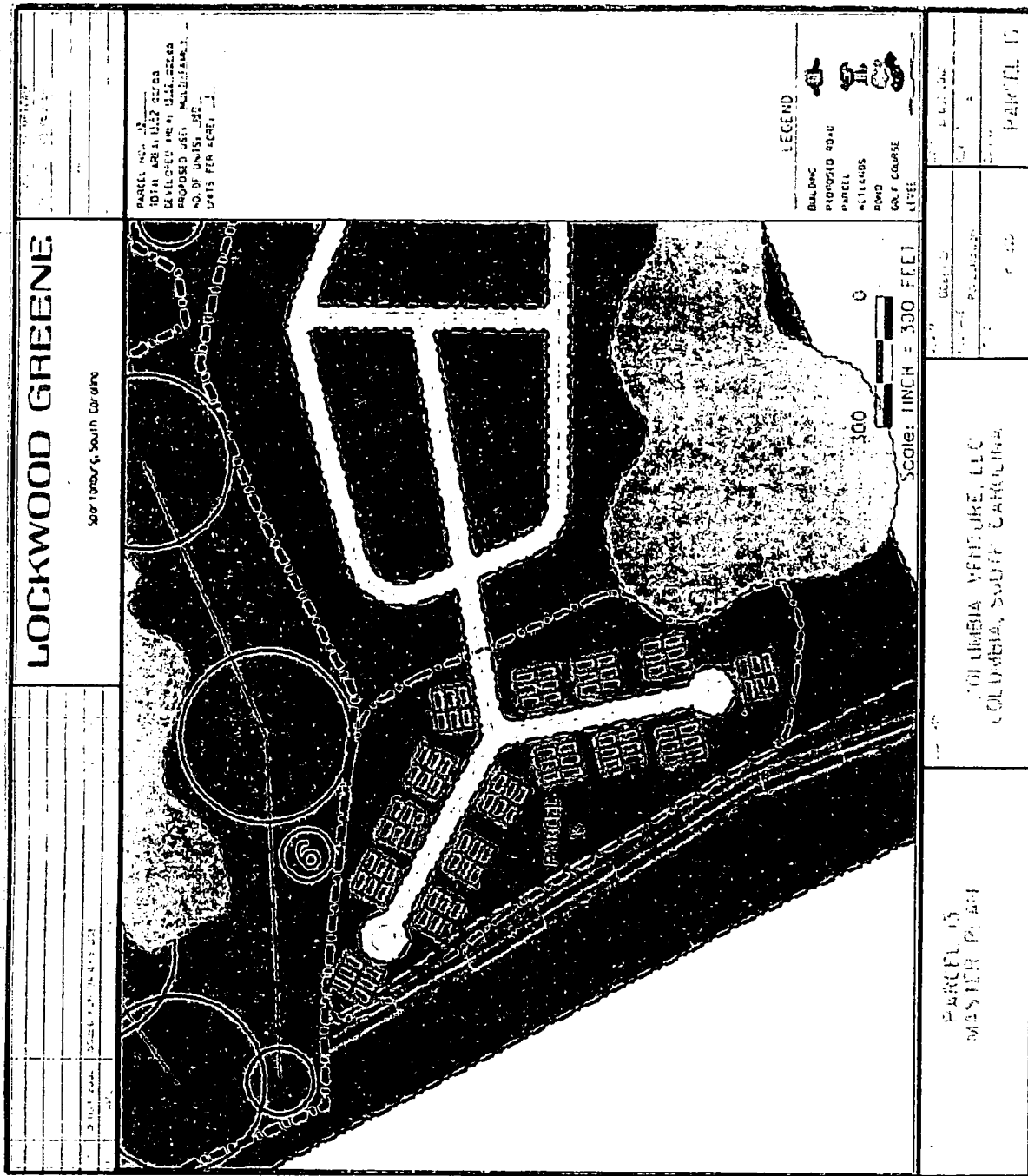
The absorption for these higher priced units will also reflect a later commencement time. The absorption will not begin until 2005 and extend for a period of only three years. The shorter disposition time is attributable to the strategic location on the golf course and the Congaree River.

The absorption for Parcel 13, as stated, will begin in 2005 with 72 sold, and 72 sold in the second year with the final year of the absorption time frame representing 18 units sold.

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of three years is deemed reasonable.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 13-MULTI-FAMILY

ANNUAL		OCTOBER 15, 2005									
CALCULATED											
NUMBER OF PERIODS PER YEAR		1									
TOTAL NUMBER OF UNITS		182									
ASSORPTION PER PERIOD		72									
UNITS SOLD PRIOR TO COMPLETION		0									
AVG RETAIL S.P.1 UNIT		\$25,500									
INITIAL SALES COMB %		6.00%									
DEV. COST 20%/ADMIN. COST %		22.00%									
BOND PAYMENT UNIT		\$0									
EBR		0									
OTHER COSTS UNIT		\$0.00									
ANNUAL HOMEOWNER'S DUES		\$0.00									
DEVELOPER'S PROFIT		13.00%									
DISCOUNT RATE		10.00%									
ANNUAL APPRECIATION RATE		2.50%									
ANNUAL TAX RATE		0.00000%									
TAX INCREASE RATE PER YEAR		0.00%									
R.E.TAXES, PERIOD/UNIT		\$0.00									
SALES SUMMARY											
NUMBER OF UNITS SOLD		0									
CUMULATIVE UNITS SOLD		0									
UNSALE UNITS REMAINING		182									
AVG RETAIL S.P.1 UNIT		\$25,500									
TOTAL R.T.L. SALES/PERIOD		\$0									
AGGREGATE RETAIL SALES		\$0									
COST OF SALES											
MARKETING/SALES COMMISSION		\$0									
DEVELOPMENT/ADMIN COST		\$0									
BOND PAYMENT UNIT		\$0									
R.E.TAXES ON UNSOLD UNITS		\$0									
HO'S DUES ON UNSOLD UNITS		\$0									
OTHER COST		\$0									
TOTAL COST OF SALES		\$0									
NET INCOME BEFORE PROFIT		\$0									
PROFIT		\$0									
NET SALES PROCEEDS		\$0									
P.V.FACTOR		0.000000									
P.V.OF NET PROCEEDS		\$0									
TOTAL P.V. OF NET PROCEEDS		\$0									
ROUNDED TO		\$1,681,000									



CV006450

PLTF TRIAL EXH 394

VALUATION OF PARCEL 17

Parcel 17 is located along the central, eastern area of the Green Diamond project or along the eastern boundary area of Levee Section 2. It is the largest of the multi-family parcels, comprising 90.35 acres as identified by the E.D.S.A. Land Use Plan and is scheduled to accommodate 488 planned units or six developable units per acre. The lesser units per acre may be attributable to the inferior location of this parcel as compared to the multi-family parcels in Levee Section 1. Also, this parcel will not have the amenities such as the views of the river or proximity to the golf course. With an anticipated much larger size than the other multi-family parcels on a per unit basis, it is anticipated the values would be significantly higher. However, the inferiority of the location of this multi-family project as compared to the others in Levee Section 1 does tend to keep the per unit price at a level commensurate with the other competing multi-family projects.

In order to not provide competitive situations among the multi-family projects relative to location, the absorption for Parcel 17 is scheduled to commence in 2004 with 100 units being disposed in the first year and 100 in the second. The third, fourth and fifth year will suggest 77 units selling in each of those years and 57 selling in the final year of the anticipated six year sell-out or disposition time frame, scheduled to terminate in 2009.

This multi-family project is also close to those sites designed or planned for the development of schools which may have an effect on the disposition times.

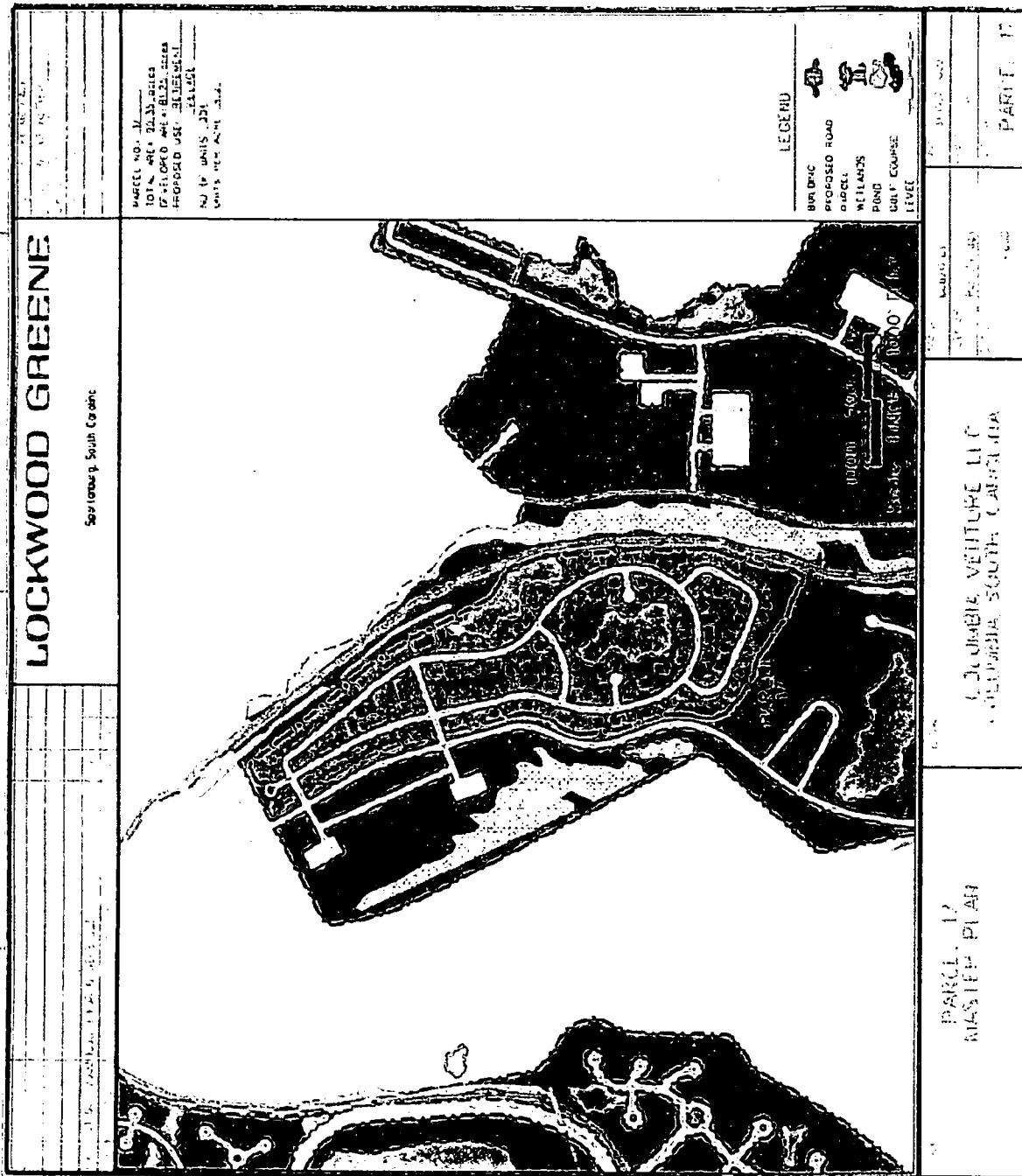
Like the other multi-family projects, Parcel 17 is compared to Saluda Mills, Ivy Green and the multi-family projects in Lake Carolina and the Summit. Although construed as being slightly larger on a per unit basis than some of the competing projects, the inferiority in location tends to forecast the estimated unit price at a similar amount.

According to the discounted cash flow analysis, presented on the following page, an indicated unit price/value of \$24,000 is deemed reasonable with a six year anticipated absorption time, scheduled to commence in 2004.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 17- MULTI-FAMILY

CALCULATED		OCTOBER 15, 2004										
ANNUAL		1	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
NUMBER OF PERIODS PER YEAR		1										
OTHER COSTS 1 UNIT												
TOTAL NUMBER OF UNITS		488										
ANNUAL HOMEOWNER'S DUES												
ABSORPTION PER PERIOD		100										
DEVELOPER'S PROFIT												
UNITS SOLD PRIOR TO COMPLETION		0										
DISCOUNT RATE												
AVG RETAIL S.P. 1 UNIT		\$24,000										
ANNUAL APPRECIATION RATE												
MKT 1 SALES COMM %		6.00%										
ANNUAL TAX RATE												
DEVELOPMENT 20% ADMIN COST 2%		22.00%										
TAX INCREASE RATE PER YEAR												
BOND PAYMENT 1 UNIT		\$0										
R.E. TAXES, PERIOD UNIT												
ERR		0										
SALES SUMMARY												
NUMBER OF UNITS SOLD		0	0	0	100	100	77	77	77	57	0	0
CUMULATIVE UNITS SOLD		0	0	0	100	200	277	354	431	488	488	488
UNSALE UNITS REMAINING		488	488	488	388	288	211	134	57	0	0	0
AVG RETAIL S.P. 1 UNIT		\$24,000	\$24,000	\$24,600	\$25,215	\$25,845	\$26,462	\$27,154	\$27,833	\$28,525	\$29,242	\$29,973
TOTAL RTL SALESPERIOD		\$0	\$0	\$0	\$2,521,500	\$2,564,537	\$2,608,842	\$2,653,113	\$2,697,384	\$2,741,655	\$2,785,926	\$2,830,197
AGGREGATE RETAIL SALES		\$0	\$0	\$0	\$2,521,500	\$5,108,037	\$7,145,884	\$9,238,726	\$11,376,840	\$13,005,862	\$14,635,982	\$16,266,102
COST OF SALES												
MARKETING/SALES COMMISSION		\$0	\$0	\$0	\$151,230	\$145,072	\$122,391	\$125,451	\$128,587	\$97,567	\$0	\$0
DEVELOPMENT/ADMIN COSTS		\$0	\$0	\$0	\$2,576,640	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT 1 UNIT		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E. TAXES ON UNSOLD UNITS		\$0	\$0	\$0	\$8,680	\$1,689	\$1,221	\$922	\$603	\$284	\$0	\$0
HOT'S DUES ON UNSOLD UNITS		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES		\$0	\$0	\$0	\$2,737,810	\$168,871	\$123,812	\$126,373	\$128,180	\$97,831	\$0	\$0
NET INCOME BEFORE PROFIT		\$0	\$0	\$0	\$216,110	\$2,427,866	\$1,816,234	\$1,964,469	\$2,013,823	\$1,628,281	\$0	\$0
PROFIT		\$0	\$0	\$0	\$327,785	\$335,880	\$285,180	\$271,810	\$276,805	\$211,385	\$0	\$0
NET SALES PROCEEDS		\$0	\$0	\$0	\$543,905	\$2,091,878	\$1,851,054	\$1,862,659	\$1,735,318	\$1,318,865	\$0	\$0
P.V. FACTOR		0.000000	0.909091	0.828448	0.751515	0.683013	0.620821	0.564474	0.513156	0.469507	0.424086	0.389543
P.V. OF NET PROCEEDS		\$0	\$0	\$0	\$408,644	\$1,428,780	\$1,025,175	\$955,462	\$890,493	\$614,341	\$0	\$0
TOTAL P.V. OF NET PROCEEDS		\$0	\$0	\$0	\$408,644	\$1,020,138	\$2,045,311	\$3,000,773	\$3,681,286	\$4,505,807	\$4,505,807	\$4,505,807
ROUNDED TO					\$4,508,000							

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PLTF TRIAL EXH 394

VALUATION OF PARCEL 19

Parcel 19 is located south of Parcel 17 and adjoins Parcel 20 along the eastern boundary area of Levee Section 2.

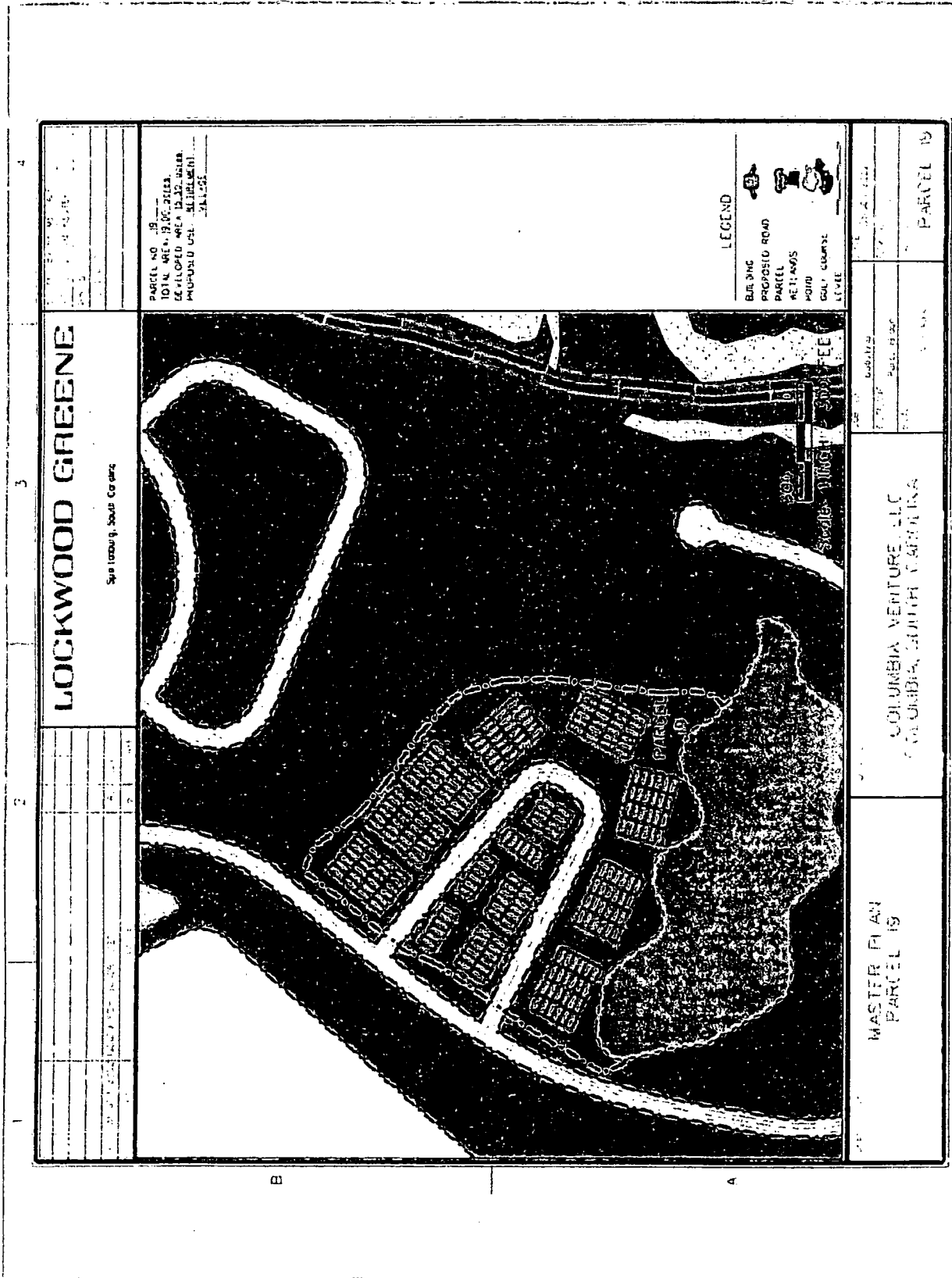
The E.D.S.A. Land Use Plan has identified Parcel 19 as containing 19.0 acres and scheduled to accommodate 25 developable units per acre for a total of 383. Due to the location of this parcel, the higher unit density per acre was reduced to 16± units and it is anticipated this parcel may sell to a subsequent multi-family developer at a bulk multi-family land value or price.

The nine multi-family land sales presented in the Description of the Multi-Family Developments, earlier in this valuation section, will be utilized to value the 19.0 acres representative of Parcel 19 as sold as a bulk sale. Specifically, Multi-Family Land Sales 1, 2, 5 and 7 were selected. These four sales sold between June, 2001 and April, 2002. The sales prices per acre extended from \$55,000 to \$87,591 and the size of the respective sales extended from the smallest at 4.99 acres to the largest containing 25.74 acres, bracketing the size of Parcel 19 at 19.0 acres.

The following adjustment chart will delineate those physical characteristic dissimilarities of the four multi-family sales as compared to Parcel 19.

LAND SALES ADJUSTMENT CHART (PARCEL 19 - MULTI-FAMILY)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Acre	\$55,000	\$55,000	\$58,676	\$87,591
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.03	1.03	1.01	1.025
Adjusted Price/Acre	\$56,650	\$56,650	\$59,263	\$89,781
Location	+15%	+15%	+10%	-20%
Size	-5%	-5%	+3%	-0-
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	+5%	+5%	-0-	-0-
Zoning	-0-	-0-	-0-	-2%
Other	-0-	-0-	-0-	-0-
Net Adjustments	+15%	+15%	+13%	-22%
Indicated Value of Subject/Acre	\$65,148	\$65,148	\$66,967	\$70,029

The preceding adjustment chart indicates a relatively tight indicated value of Parcel 19 on a per acre basis extending from \$65,148 to \$70,029 per acre. A reasonable correlation would suggest \$66,000 per acre for Parcel 19, yielding an indicated value of \$1,254,000. However, it is anticipated Parcel 19 will not sell until 2005 as a result of the other multi-family projects having competitive units in the market during this time frame. As a result of this later disposition time, relative to a bulk sale, the present value of \$1,254,000 will be appreciated at 2.5% per year to 2005 which would suggest a future value of \$1,350,421. This future value will be discounted at 10.0% to the present effective date of this appraisal to yield an indicated present value of the 19.0 acres as sold a bulk sale for subsequent multi-family developmental usage at \$1,014,591, rounded to \$1,015,000.



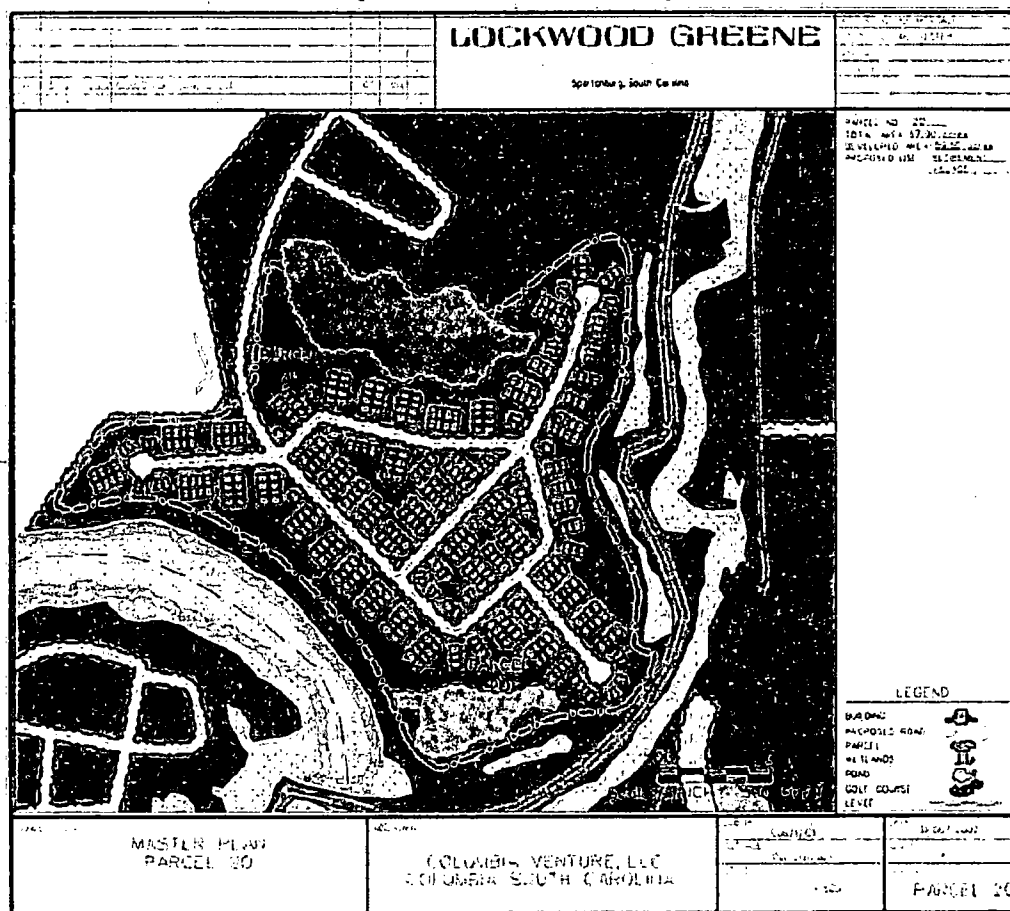
CV006456

PLTF TRIAL EXH 394

VALUATION OF PARCEL 20

Parcel 20 is located to the south of Parcel 19 and is similar except it is a larger parcel, comprising a total of 67.90 acres as determined by the E.D.S.A. Land Use Plan. As a result of being larger, it is also designed to accommodate a significantly higher number of developable units, 714.

As a result of it being larger than Parcel 19, it is suggested the per acre value be less than the determined \$66,000 for Parcel 19 and would sell at a later time frame. An adjustment chart is not deemed necessary as this parcel reflects similar physical characteristics as Parcel 19 although it is larger. As a result of Parcel 20 being larger, a reasonable and justifiable value per acre is deemed \$60,000 or approximately \$5,000 per developable unit per acre. As a result of being larger and competing with Parcel 19 in terms of a subsequent bulk sale, it is anticipated this 67.90 acres will not sell until 2006. As a result, the \$60,000 per acre as determined in the analysis times the 67.90 acres, would suggest a present value of \$4,074,000. This determined present value will be escalated at 2.5% per year as it will reflect a future sales price in 2006, the estimated time of disposition. The future value indication is \$4,496,949 which will be discounted back to the present 2002 time frame at a 10.0% discount rate should yield a current value of \$3,071,477, rounded to \$3,071,000.



VALUATION OF
GOLF COURSE LAND

VSW File No.: C02-02

CV006459

PLTF TRIAL EXH 394

GOLF COURSE LAND VALUATION

The proposed championship golf course meanders through Levee Section 1, intermittent with residential development, multi-family development, as well as research and development parcels. The proposed golf course site is comprised of 285.45 acres which includes a clubhouse site as well as a practice facility. According to the E.D.S.A. Land Use Plan, this site has no future residential development potential, therefore this makes the selection of comparable sales more difficult in practice. The difficulty arises in trying to locate sales of land purchased and developed for exclusive golf course usage without consideration given to any additional revenue which would accrue as a result of sales of residential lots surrounding the golf course. Utilizing sales of tracts which were developed purely for residential subdivisions would not be appropriate. Typically, land purchased for recreational use command sales prices much lower than similar sized tracts purchased and developed for residential usage.

A diligent search was made throughout South Carolina and portions of North Carolina and Georgia for such sales. Four such tracts were discovered, one in Georgetown County, South Carolina, two in Horry County, South Carolina, and one in Brunswick County, North Carolina. The sales will be delineated on the following sales data sheets with an adjustment chart following the delineation of the four sales.

COMPARABLE GOLF COURSE LAND SALE NO. 1

LOCATION: Heritage Drive and Kings River Road, Pawley's Island,
Georgetown County, South Carolina

TAX MAP NUMBER: 04-0100-001

GRANTOR: Susan M. Graybill and Robert McElveen, Jr.

GRANTEE: True Blue Associates

SALES PRICE: \$2,500,000

DATE: May 31st, 1996

DEED BOOK/PAGE: 699/35

SIZE: 230.55 Acres

PRICE PER ACRE: \$10,844

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Georgetown County Register of Deeds

ZONING: PUD

COMMENTS:

This site was sold for the development of a championship 18-hole golf course know as "True Blue". The site is generally level and is located in the popular Pawley's Island section of the Grand Strand.

COMPARABLE GOLF COURSE LAND SALE NO. 2

LOCATION: Old Georgetown Road, adjacent to Thistle Golf Course,
Brunswick County, North Carolina

TAX MAP NUMBER: 2410-0-001-06

GRANTOR: Morten Hansen, Jr.

GRANTEE: Morten Hansen, III

SALES PRICE: \$2,000,000

DATE: August 26th, 1997

DEED BOOK/PAGE: 1166/739

SIZE: 402.5 Acres

PRICE PER ACRE: \$4,969

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

VERIFIED: Brunswick County Register of Deeds

ZONING: R-7500-Residential

COMMENTS:

This site was purchased for the development of two championship 18-hole golf courses. The site is quite large at 402.5 acres with gently rolling topography.

COMPARABLE GOLF COURSE LAND SALE NO. 3

LOCATION: U.S. Highway 501 and River Oaks Boulevard, Myrtle Beach,
Horry County, South Carolina

TAX MAP NUMBER: 172-00-04-005

GRANTOR: River Oaks Development

GRANTEE: Signature Golf

SALES PRICE: \$1,500,000

DATE: September 23rd, 1997

DEED BOOK/PAGE: 1980/833

SIZE: 238.479 Acres

PRICE PER ACRE: \$6,290

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

VERIFIED: Horry County Register of Deeds

ZONING: FA

COMMENTS:

This site was sold for the development of a 27-hole championship golf course. The property is adjacent to River Oaks Golf Club near Myrtle Beach.

COMPARABLE GOLF COURSE LAND SALE NO. 4

LOCATION: S.C. Highway 905, Near Conway, Horry County, South Carolina

TAX MAP NUMBER: 113-00-02-011, 105, 12, 108, 84, 138, 139

GRANTOR: Judy and Paul Himmelsbach

GRANTEE: Shaftesbury Glen Golf & Fish Club, LLC

SALES PRICE: \$1,200,000

DATE: August 17th, 1999

DEED BOOK/PAGE: 2179/753

SIZE: 276.33 Acres

PRICE PER ACRE: \$4,343

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available w/exception of sewer

VERIFIED: Horry County Register of Deeds

ZONING: FAR-1

COMMENTS:

This site was purchased for the development of an 18-hole championship golf course and future residential development.

LAND SALES ADJUSTMENT CHART (GOLF COURSE LAND SALES)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Acre	\$10,843	\$4,969	\$6,290	\$4,343
Property Rights	-0-	-0-	-0-	-0-
Conditions of Sale	-0-	-0-	-0-	-0-
Financing	-0-	-0-	-0-	-0-
Changes in Market Conditions (.025%)	1.16	1.13	1.13	1.08
Adjusted Price/Acre	\$12,578	\$5,615	\$7,108	\$4,690
Location	-10%	+15%	-10%	+50%
Size	-0-	+10%	-0-	-0-
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	+10%	+20%	+25%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	-10%	+35%	+10%	+75%
Indicated Value of Subject/Acre	\$11,320	\$7,580	\$7,819	\$8,208

SALES COMPARISON APPROACH/GOLF COURSE LAND

The four sales utilized in the comparative procedure for comparison to the subject are located in coastal areas of South Carolina and North Carolina. The four sales occurred between May, 1996 and August, 1999. As stated earlier, difficulty is experienced in locating comparable sales of land purchases and subsequently developed for exclusive golf course usage. The sales prices per acre extend from a low of \$4,343 per acre to the highest indication at \$10,843 per acre. The applicable unit of comparison is a sales price/value per acre as this is the applicable unit of comparison utilized by knowledgeable sellers, purchasers, brokers, and appraisers when relating to sites/parcels similar to the subject property.

Prior to completing any physical characteristic dissimilarity adjustments, all four sales were initially adjusted

for property rights conveyed, financing, conditions of sale, and time or changes in market conditions. There were no noted adjustments for property rights conveyed, financing or conditions of sales.

Changes in market conditions may typically relate to the passage of time, however, adjustments for conditions within the market reflects the influences of supply and demand and the economies of increasing and decreasing returns. In comparison to the subject property, a 2.5% price appreciation is deemed warranted.

Relative to location, the subject property is located on the fringe of the City of Columbia in proximity to the University of South Carolina and potentially 1,959 single-family residential units. Sale No. 3, located in proximity to downtown Myrtle Beach, is considered to be comparable as far as location. Sales No. 2 and 4 are considered to be an inferior locations and required rather large adjustments. Sale No. 1 is located in the popular coastal resort area known as Pawley's Island and this location is considered to be superior. There were no necessary adjustments for topography as typical topography on and around golf course areas is of a rolling variety and each of the comparable sales had similar availability of utilities. As stated earlier, the subject property is in proximity to the University of South Carolina, the City of Columbia and Interstate 77 which offers excellent accessibility and exposure to the subject property. Sales No. 2, 3 and 4 are considered to be inferior in terms of exposure and visibility, therefore, requiring the appropriate adjustments.

After completion of all adjustments, the indicated value on a per acre basis extending from a low of \$7,580 per acre to a high of \$11,320 per acre. A reasonable correlation among the four adjusted comparable sales would suggest \$8,500 per acre for the foot print of the subject golf course site. Therefore, the subject parcel contains 285.45 acres and at \$8,500 per acre, would yield an indicated value of \$2,425,900, rounded to \$2,426,000.

VALUATION OF
COMMERCIAL DEVELOPMENTS

VSW File No.: C02-02

CV006467

PLTF TRIAL EXH 394

**INTRODUCTION AND
IDENTIFICATION OF
COMMERCIAL DEVELOPMENTS
IN GREEN DIAMOND PROJECT**

The Green Diamond project will contain multiple commercial developments. According to the proposed Land Use Plan for developmental usage, there are 17 separate parcels which have been partitioned into 93 sub-parcels to be subsequently utilized for commercial development usage. Eight of the parcels are located in Levee Section 1 with 16 parcels located in Levee Section 2. The parcels range in size extending from the smallest at 8.5 acres indicative of Parcel 34 to the largest comprising 62.7 acres, indicative of Parcel 12. The 24 parcels total 666.29 acres with a total number of developable sub-parcels at 100. The following chart will delineate the 24 parcels with commercial developmental usage, the levee sections, the acreage, and the number of sub-parcels associated with each parcel:

COMMERCIAL DEVELOPMENTS CONTAINED WITHIN GREEN DIAMOND PROJECT			
Parcel No.	Levee Section	Size (Acres)	No. of Sub-Parcels
1	1	42.49	5
3	1	26.06	5
4 & 14	1	35.28	5
5	1	59.35	10
6	1	56.90	10
8	1	35.40	2
12	1	62.72	6
15	2	16.78	3
18	2	22.00	5
21	2	32.60	6
22	2	20.90	4
23	2	20.50	4
24	2	43.76	8
25	2	9.70	1
26	2	26.25	1
27	2	53.40	4
28	2	38.60	8
30, 31 & 33	2	18.91	10
32	2	17.89	1
34	2	8.50	1
35	2	18.30	1
24		666.29	100

The above chart depicts 24 identified commercial parcels as delineated by the E.D.S.A. Land Use Plan. Some of the parcels are further subdivided into sub-parcels and therefore, the 24 parcels equates to 100 separate commercial sites. The 100 separate commercial sites total 666.29 acres.

Commercial developmental usage, specifically in large, multi-use developments do not occur simultaneously with single-family and multi-family development at the on-set of any new major project development. More specifically, the multi-family and single-family usually occur first, resulting in a demand for commercial developmental usage in order to augment the residential developments.

In this analysis, the absorption of the 100 parcels, constituting potential commercial developmental usage, will occur with the intensity of residential and multi-family development. It is anticipated there will be some absorption of commercial properties at the on-set of development, specifically in year 2002, but the intensity of the sale of the commercial properties will become more intense during subsequent years.

PARCEL/SUB-PARCEL VALUATION

The analysis for the valuation of the individual parcels and sub-parcels designated for commercial developmental usage, are predicated on an initial analysis of commercial developments located close-in or reflecting similar location as that of the Green Diamond project. The Green Diamond project is unique in that it is located at the confluence of the Congaree River and Interstate 77 and is less than five miles from the State Capitol and the Central Business District of Columbia. The University of South Carolina is located less than two miles northeast of the subject property. Historically, commercial developments with interstate influence have witnessed rapid absorption and obviously higher per square foot prices. The availability of 666.29 acres in the Green Diamond project places it in a unique situation in that there are available sites for numerous lakes, as well as a golf course, parks, buffers and other natural amenities to augment residential development which will encourage commercial development. Typically, residential developments spur commercial growth.

The abundance of recent commercial sales data is testimony to the demand for commercial properties in the Columbia market. The following sales data sheets will delineate numerous commercial sales, varying in size and property usage. It appears the predominance of the property uses reflect general office, medical office, retail and hotel/motel development. These property uses are typified as the predominant uses that will occur on the 100 proposed parcels for commercial developmental usage to be located within the Green Diamond project.

COMMERCIAL LAND SALE NO. 1

LOCATION: E/S Sparkleberry Lane, Columbia, Richland County, South Carolina

TAX MAP NO.: 25705-07-15, 18, 19, 21

GRANTOR: Crescent Resources, LLC

GRANTEE: Sparkleberry Investments, LLC

DEED BOOK/PAGE: 589/2278

DATE OF SALE: November 14th, 2001

SALES PRICE: \$3,250,000

SIZE: 19.03 Acres/828,947 Square Feet

PRICE PER ACRE/SF: \$170,783/\$3.92

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: C-3; General Commercial

VERIFIED: Richland County Register of Deeds

COMMENTS:

Strategically located commercial parcel situated at confluence of Clemson Road and Sparkleberry Lane. Site has been partially cleared and suitable for immediate developmental usage. Approximately 1,060 feet along Clemson Road and 821.50 feet extending along Sparkleberry Lane.

COMMERCIAL LAND SALE NO. 2

LOCATION: Terminus of Gateway Corners Park, Gateway Corporate Park, Columbia, Richland County, South Carolina

TAX MAP NO.: 17200-06-10

GRANTOR: Gateway Associates

GRANTEE: Peterson & Plante Properties, Inc. and Rockers, Lifters & Golfers, LLC

DEED BOOK/PAGE: Book 543, Page 866

DATE OF SALE: July 13th, 2001

SALES PRICE: \$285,318

SIZE: 1.31 Acres/57,064 Square Feet

PRICE PER ACRE: \$217,800

PRICE PER SQUARE FOOT: \$5.00

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: M-1, Light Industrial

COMMENTS:

This lot is located at the end of Gateway Corners Park and does not have visibility from an arterial or secondary road. It is mostly rectangular in shape with an average width of 291.4' and an average depth of 201.1'. This site is mostly level and at road grade. All utilities are available. The site has only 28.0' of frontage on Gateway Corners Park; however, ingress and egress are adequate. A one story, medical office building is under construction on this site and will be owner occupied upon completion.

COMMERCIAL LAND SALE NO. 3

LOCATION: North side of Gateway Corners Park at LeGrand Avenue,
Gateway Corporate Park, Columbia, Richland County, South
Carolina

TAX MAP NO.: 17200-06-11

GRANTOR: Gateway Associates

GRANTEE: Class Properties, LLC

DATE OF SALE: April 10th, 2001

SALES PRICE: \$474,804

SIZE: 1.99 Acres / 86,684 Square Feet

PRICE PER ACRE: \$238,595

PRICE PER SQUARE FOOT: \$5.48

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

ZONING: M-1, Light Industrial District

COMMENTS:

This somewhat rectangularly shaped parcel is located at the corner of two lightly traveled entrance drives; however, it does have a limited amount of visibility from Farrow Road. The site has 365.29' of frontage on LeGrand Avenue and 336.85' of frontage on Gateway Corners Park. Access and visibility are adequate. The site has an average width of 304.34' and an average depth of 280.09'. The topography is mostly level, and the site is at road grade. All utilities are available.

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COMMERCIAL LAND SALE NO. 4

LOCATION: SE/S of Farrow Road (S.C. Highway 555) at its Intersection with Parklane Road, Columbia, Richland County, South Carolina

TAX MAP NO.: 17104-05-01

GRANTOR: South Carolina Research Authority

GRANTEE: Acme Properties Limited Partnership

DEED BOOK/PAGE: 383/1536; Plat Book 383/1535

DATE OF SALE: February 14th, 2000

SALES PRICE: \$325,000

SIZE: 1.69 Acres/73,616 Square Feet

PRICE PER ACRE/SF: \$192,308/\$4.41

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

ZONING: C-3; General Commercial

VERIFIED: Richland County Register of Deeds/Inspection

COMMENTS:

This rectangularly shaped parcel has a substantial amount of frontage extending along Farrow Road, approximately 351.13 feet with 212.96 feet extending along Parklane Road as the site angles to Farrow Road. The site is generally level and was purchased for the development of a convenience store and gasoline service facility.

COMMERCIAL LAND SALE NO. 5

LOCATION: W/S Parklane Road at Springtree Drive, Columbia, Richland County, South Carolina

TAX MAP NO.: 17003-01-06

GRANTOR: Waters Management, LLC

GRANTEE: Fay M. Hand

DEED BOOK/PAGE: 466/2716

DATE OF SALE: June 28th, 2000

SALES PRICE: \$460,000

SIZE: 1.52 Acres/66,413 Square Feet

PRICE PER ACRE/SF: \$302,632/\$6.95

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: C-3; General Commercial

VERIFIED: Richland County Register of Deeds/Inspection

COMMENTS:

This rectangularly shaped parcel contains 209.99 feet frontage along Parklane Road and is accessed from both Parklane Road and Springtree Drive. The northern portion of the site is located in a special flood hazard zone AE. The site was purchased for the development of a Handy Pantry Convenience Store and gasoline service facility. This site is contiguous to the subject property.

COMMERCIAL LAND SALE NO. 6

LOCATION: North side of Rabon Road, west side of the Norfolk rail line,
Gateway Corporate Park, Columbia, Richland County, South
Carolina

TAX MAP NO.: 17200-06-02 (Portion)

GRANTOR: Gateway Associates

GRANTEE: James G. Moore and Theresa J. Moore

DEED BOOK/PAGE: Book 474, page 2784

DATE OF SALE: January 9th, 2001

SALES PRICE: \$105,000

SIZE: 0.65 Acre / 28,314 Square Feet

PRICE PER ACRE: \$161,538

PRICE PER SQUARE FOOT: \$3.71

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: M-1, Light Industrial District

COMMENTS:

This mostly rectangular parcel has 96.56' of frontage on Rabon Road. Access is provided by an ingress/egress easement over a joint entrance drive shared with the subject property. Both access and visibility are good. The site has an average width of 122.12' and an average depth of 235.60'. The site is level and at road grade. All utilities are available. The property owner, Dr. Moore, constructed an owner occupied dentist office.

COMMERCIAL LAND SALE NO. 7

LOCATION: NE/S Valhalla Drive, South of Two Notch Road, Columbia,
Richland County, South Carolina

TAX MAP NO.: 22909-02-05

GRANTOR: LCT Realty Investors Limited Partnership II

GRANTEE: ZP No. 108, LLC

DEED BOOK/PAGE: 399/467

DATE OF SALE: March 30th, 2000

SALES PRICE: \$1,681,300

SIZE: 16.660 Acres

PRICE PER ACRE: \$100,918/\$2.32

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: M-1, Light Industrial

VERIFIED: Richland County Register of Deeds

COMMENTS:

This parcel is located in the highly commercialized Northeast Columbia market area and was purchased for the retail development of a Target, Linens, Beds and Things and a few smaller shop areas.

COMMERCIAL LAND SALE NO. 8

LOCATION: Northeast corner of the intersection of Rabon Road and LeGrand Avenue, Gateway Corporate Park, Columbia, Richland County, South Carolina

TAX MAP NO.: 17200-06-02 (Portion)

GRANTOR: Gateway Associates

GRANTEE: Palmetto Bay Associates

DEED BOOK/PAGE: Book 484, page 2535

DATE OF SALE: February 9th, 2001

SALES PRICE: \$675,000

SIZE: 2.15 Acres / 93,654 Square Feet

PRICE PER ACRE: \$313,953

PRICE PER SQUARE FOOT: \$7.21

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: M-1, Light Industrial District

COMMENTS:

This mostly rectangular parcel is located at the corner of Rabon Road and LeGrand Avenue. Access and visibility are good from both roads. This site has 235.76' feet of frontage on Rabon Road and approximately 474.87' of frontage on LeGrand Avenue. The site has an average width of 191.67' and an average depth of 457.09'. This property is mostly level and at road grade. All utilities are available. The property owner plans to construct a two-story, medical office building on the site.

COMMERCIAL LAND SALE NO. 9

LOCATION: E/S Wildewood Park Road, S/S Two Notch Road (U.S. Highway 1), Columbia, Richland County, South Carolina

TAX MAP NO.: 22808-02-07 (Portion)

GRANTOR: Arnold R. and Roselen M. Rivkin

GRANTEE: WD of Columbia, LLC

DEED BOOK/PAGE: 393/0124

DATE OF SALE: March 17th, 2000

SALES PRICE: \$1,925,490

SIZE: 27.507 Acres

PRICE PER ACRE/SF: \$70,000/\$1.61

FINANCING: Cash to Seller, No Concessions

UTILITIES: Water/sewer extending along Two Notch Road

ZONING: C-3, General Commercial

VERIFIED: Richland County Register of Deeds/Inspection

COMMENTS:

This parcel is located to the rear of a 12.003 acre parcel that sold May, 2000 for \$320,753 per acre or \$7.36 per square foot. Parcel was used for the development of the Wal-Mart with parcel at the front re-partitioned into smaller sites.

COMMERCIAL LAND SALE NO. 10

LOCATION: W/S Afton Court, Lot 6, Phase II, Columbia, Lexington County, South Carolina

TAX MAP NO.: 1941-01-03

GRANTOR: West Lance, Inc.

GRANTEE: Monterrey Mexican Restaurant

DEED BOOK/PAGE: 5670/0054

DATE OF SALE: February 29th, 2000

SALES PRICE: \$375,000

SIZE: 1.125 Acres/49,005 Square Feet

PRICE PER ACRE/SF: \$333,333/\$7.65

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: PUD-C, Harbison

VERIFIED: Lexington County Register of Deeds

COMMENTS:

Roughly, rectangularly shaped parcel located to the rear of site fronting Columbiana Drive. Site has generally level topography with approximately 229.97 feet of frontage on Afton Court. This site has been improved with a Monterrey Mexican Restaurant.

COMMERCIAL LAND SALE NO. 11

LOCATION: SW/S Columbiana Drive, Columbia, Lexington County, South Carolina

TAX MAP NO.: 1941-01-07

GRANTOR: Hard Times Café of Columbia, S .C. No. 1, Inc.

GRANTEE: Speedway University, LLC

DEED BOOK/PAGE: 5662/0270

DATE OF SALE: February 24th, 2000

SALES PRICE: \$500,000

SIZE: 0.973 Acres/42,364 Square Feet

PRICE PER ACRE/SF: \$513,875/\$11.80

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: PUD-C, Harbison

VERIFIED: Lexington County Register of Deeds

COMMENTS:

Rectangularly shaped parcel with gently sloping topography. Good visibility and exposure from Columbiana Drive. Site contains approximately 178.0 feet of frontage on Columbiana Drive and approximately 208.0 feet of frontage on Afton Court. Site has been improved with a one-story, multi-tenant retail facility.

COMMERCIAL LAND SALE NO. 12

LOCATION: W/S Columbiana Drive at its intersection with Archers Lane,
Columbia, Lexington County, South Carolina

TAX MAP NO.: 01999-02-48 (Portion)

GRANTOR: The Harbison Group

GRANTEE: D's Wings, Inc.

DEED BOOK/PAGE: 5536/0105

DATE OF SALE: October 22nd, 1999

SALES PRICE: \$700,677

SIZE: 2.071 Acres/90,213 Square Feet

PRICE PER ACRE/SF: \$338,328/\$7.77

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: PUD-C, Harbison

VERIFIED: Ray Cloutier, Harbison Group

COMMENTS:

Irregularly shaped parcel located on a small lake/pond. Site has numerous required buffer areas as a result of proximity to single-family development. Site also contains some depressions relative to topography in the center of the parcel. Parcel has good exposure and visibility from both Columbiana Drive and Archers Lane.

COMMERCIAL LAND SALE NO. 13

LOCATION: E/S Columbiana Drive (Parcels I and IA), Columbia,
Lexington County, South Carolina

TAX MAP NO.: 5001-01-04 & 5001-01-01 (Portion)

GRANTOR: The Harbison Group

GRANTEE: SuiteOne of Columbia, LLC

DEED BOOK/PAGE: 0354/2012

DATE OF SALE: October 13th, 1999

SALES PRICE: \$910,000

SIZE: 3.15 Acres/137,214 Square Feet

PRICE PER ACRE/SF: \$288,288/\$6.63

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: PUD-C, Harbison

VERIFIED: Ray Cloutier, Harbison Group

COMMENTS:

This sale consisted of two parcels, 1.86 acres and 1.29 acres respectively on the east side of Columbiana Drive. Site purchased for the development of an Extended Stay America lodging facility to comprise 100+ units. The lodging facility has been developed at the rear of the site with exposure/visibility from Interstate 26 and will occupy approximately 2.0 acres. The remaining 1.15 acres are located at the front along Columbiana Drive and will be subsequently sold or developed.

COMMERCIAL LAND SALE NO. 14

LOCATION: E/S Columbiana Drive, Columbia, Lexington County, South Carolina

TAX MAP NO.: 05001-01-02 (Portion)

GRANTOR: The Harbison Group

GRANTEE: Shipp D. Harris, VII

DEED BOOK/PAGE: 0317/1864

DATE OF SALE: June 11th, 1999

SALES PRICE: \$561,047

SIZE: 1.7263 Acres/75,199 Square Feet

PRICE PER ACRE/SF: \$325,000/\$7.46

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: PUD-C, Harbison

VERIFIED: Ray Cloutier, Harbison Group

COMMENTS:

A Yamato's restaurant has been constructed on this rectangularly shaped parcel. The site has good visibility from Interstate 26 and is north of Columbiana Mall. General level topography with excellent egress/ingress from Columbiana Drive. The site has approximately 195.0 feet of frontage on Columbiana Drive.

COMMERCIAL LAND SALE NO. 15

LOCATION: N/S U.S. Highway No. 1, One Block South of Sparkleberry Lane, Columbia, Richland County, South Carolina

TAX MAP NO.: 22910-03-02

GRANTOR: ZP #108, LLC

GRANTEE: Trefz and Trefz

DEED BOOK/PAGE: 672/6

DATE OF SALE: June 7th, 2002

SALES PRICE: \$800,000

SIZE: 1.378 Acres/60,026 Square Feet

PRICE PER ACRE/SF: \$580,552/\$13.33

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

ZONING: C-3, General Commercial District

VERIFIED: Richland County Register of Deeds

COMMENTS:

This site is roughly rectangularly shaped with good exposure and visibility from U.S. Highway No.1 and Sparkleberry Lane. This parcel has generally level topography and good exposure as well as egress and ingress. An O'Charley's restaurant is planned for construction on this site.

COMMERCIAL LAND SALE NO. 16

LOCATION: N/S Lake Murray Boulevard, Columbia, Richland County,
South Carolina

TAX MAP NO.: 05000-04-49 (Portion)

GRANTOR: Hendon Columbia II, LLC

GRANTEE: Auto Owners Insurance Company

DEED BOOK/PAGE: 547/220

DATE OF SALE: July 26th, 2001

SALES PRICE: \$3,025,000

SIZE: 12.0 Acres/522,720 Square Feet

PRICE PER ACRE/SF: \$252,083/\$5.78

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: C-3, General Commercial District

VERIFIED: Richland County Register of Deeds

COMMENTS:

This site is irregularly shaped with relatively good exposure and visibility from Interstate 26. This parcel has generally rolling topography with good exposure as well as egress and ingress to Lake Murray Boulevard.

COMMERCIAL LAND SALE NO. 17

LOCATION: Intersection of Lee Road and Hardscrabble Road, Columbia,
Richland County, South Carolina

TAX MAP NO.: 20300-02-12

GRANTOR: Douglas and Associates

GRANTEE: Bank of America

DEED BOOK/PAGE: 631/2470

DATE OF SALE: February 28th, 2002

SALES PRICE: \$775,000

SIZE: 1.678 Acres/73,094 Square Feet

PRICE PER ACRE/SF: \$461,859/\$10.60

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: PUD, Planned Unit Development

VERIFIED: Richland County Register of Deeds

COMMENTS:

This irregularly shaped site has good exposure and visibility to both Hardscrabble and Lee Roads and was purchased for the development of a bank branch.

COMMERCIAL LAND SALE NO. 18

LOCATION: N/S Columbiana Drive, Columbia, Richland County, South Carolina

TAX MAP NO.: 05001-01-08 (Portion)

GRANTOR: SuiteOne of Columbia, LLC

GRANTEE: Steak N Shake, Inc.

DEED BOOK/PAGE: 0483/1029

DATE OF SALE: February 9th, 2001

SALES PRICE: \$600,000

SIZE: 1.290 Acres/56,192 Square Feet

PRICE PER ACRE/SF: \$465,116/\$10.68

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: C-3, General Commercial District

VERIFIED: Richland County Register of Deeds

COMMENTS:

This rectangularly shaped site has good exposure and visibility from Interstate 26. The site has good frontage on Columbiana Drive in the Irmo section of Columbia. This parcel has generally level topography, above street grade and is conducive for development. This site is to be developed with a Steak N Shake restaurant.

COMMERCIAL LAND SALE NO. 19

LOCATION: 350 Columbiana Drive, Columbia, Richland County, South Carolina

TAX MAP NO.: 05001-01-01 (Portion)

GRANTOR: Harbison Group

GRANTEE: Carrabbas Italian Grill, Inc.

DEED BOOK/PAGE: 0433/2119

DATE OF SALE: August 7th, 2000

SALES PRICE: \$600,000

SIZE: 1.99 Acres/86,684 Square Feet

PRICE PER ACRE/SF: \$301,507/\$6.92

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: C-3, General Commercial District

VERIFIED: Richland County Register of Deeds

COMMENTS:

This rectangularly shaped site with good exposure and visibility from Interstate 26. This site was purchased for the development of Carrabbas Italian Restaurant. This parcel has generally level topography, above street grade.

COMMERCIAL LAND SALE NO. 20

LOCATION: 350 Columbiana Drive, Columbia, Richland County, South Carolina

TAX MAP NO.: 05001-01-01 (Portion)

GRANTOR: Harbison Group

GRANTEE: 86 Beef Company, LLC

DEED BOOK/PAGE: 0558/1967

DATE OF SALE: August 1st, 2001

SALES PRICE: \$775,000

SIZE: 2.19 Acres/95,396 Square Feet

PRICE PER ACRE/SF: \$353,881/\$8.12

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: C-3, General Commercial District

VERIFIED: Richland County Register of Deeds

COMMENTS:

This roughly, rectangularly shaped site with good exposure and visibility from Interstate 26. The site has good frontage on Columbiana Drive. This parcel has generally level topography, slightly above street grade and has good exposure as well as egress and ingress.

COMMERCIAL LAND SALE NO. 21

LOCATION: E/S Farrow Road (S.C. Hwy. 555), Columbia, Richland County, South Carolina

TAX MAP NO.: 17200-07-02, 17200-08-01 and 17200-08-02

GRANTOR: Gateway Associates and AUM Corporation

GRANTEE: Gateway Hotel Group II, LP

DEED BOOK/PAGE: 0414/0761 & 0414/0767

DATE OF SALE: May 30th, 2000 and June 5th, 2000

SALES PRICE: \$984,088

SIZE: 3.22 Acres/140,263 Square Feet

PRICE PER ACRE/SF: \$305,617/\$7.01

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

ZONING: M-1, Light Industrial District

VERIFIED: Richland County Register of Deeds

COMMENTS:

This transaction consisted of two conveyances and the assemblage was necessary for the development of a proposed lodging facility. The combined parcels contain frontage on LeGrand Road and is situated adjacent to the Cracker Barrel Country Store and restaurant. The site has good exposure from Interstate 77, Farrow and Parklane Roads although egress and ingress is via Farrow Road to LeGrand Road.

COMMERCIAL LAND SALE NO. 22

LOCATION: Farrow Road (S.C. Hwy. 555), Columbia, Richland County, South Carolina

TAX MAP NO.: 17200-06-02 (Portion)

GRANTOR: Gateway Associates

GRANTEE: CLASS Properties, LLC

DEED BOOK/PAGE: 625/2279

DATE OF SALE: February 12th, 2002

SALES PRICE: \$315,810

SIZE: 1.45 Acres/63,162 Square Feet

PRICE PER ACRE/SF: \$217,800/\$5.00

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

ZONING: M-1, Light Industrial District

VERIFIED: Richland County Register of Deeds

COMMENTS:

This roughly, rectangularly shaped property is located at the southeast end of Gateway Corners Park (cul-de-sac) and resembles a *flag* shape. The egress/ingress is considered adequate although not ideal. The site has adequate exposure and visibility from Gateway Corners Park. The proposed use of this parcel is unknown.

COMMERCIAL LAND SALE NO. 23

LOCATION: E/S Rabon Road @ Farrow Road (S.C. Hwy. 555),
Columbia, Richland County, South Carolina

TAX MAP NO.: 17200-06-02 (Portion)

GRANTOR: Gateway Associates

GRANTEE: Northeast Medical Development Group, LLC

DEED BOOK/PAGE: 546/2980

DATE OF SALE: July 26th, 2001

SALES PRICE: \$570,416

SIZE: 1.94 Acres/84,506 Square Feet

PRICE PER ACRE/SF: \$294,029/\$6.75

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

ZONING: M-1, Light Industrial District

VERIFIED: Richland County Register of Deeds

COMMENTS:

This rectangularly shaped parcel is located on the west side of Gateway Corners Park in an area presently witnessing a substantial amount of medical office building usage. The site has good frontage extending along Gateway Corners Park as well as good egress/ingress, exposure and visibility from this cul-de-sac.

• **ABSORPTION OF COMMERCIAL PROPERTIES**

There are no available surveys depicting the level of absorption for commercial properties. Information is available for single-family and multi-family absorption of units in the Columbia MSA, but the tracking of commercial properties is not completed by any local entity. There are absorption figures and data on office space in the Columbia metropolitan area, but vacant land sales are not an item or property use included in the available surveys.

The large number of available sales was inserted in order to portray the level of activity in the Columbia market relative to subsequent commercial developmental usage. It is anticipated the commercially designated properties in Green Diamond will reflect good marketability as a result of this strategic location, with extreme frontage on Interstate 77, approximately five miles from the State Capitol and Central Business District of Columbia as well as the proximity to the University of South Carolina. Additionally, this area of Columbia has been virtually undeveloped or ignored over the years and is ripe for subsequent commercial developmental usage.

The absorption of the 100 commercially designated properties was carefully analyzed as an aggregate and then designed to sell over the next 14 years. The absorption of the 100 parcels may be more frequent if single-family and residential development occurs at a more rapid pace than forecasted. However, this absorption of the commercial properties is deemed rather conservative but reasonable and justifiable.

The chart on the following page will delineate the anticipated sales of the parcels in specific years. The 100 parcels selling over a 14 year time frame equates to approximately seven properties selling per year on an average.

COMMERCIAL DEVELOPMENT - INVENTORY ABSORPTION

Parcel No.	Sub-Parcel	Acres	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1	5	42.49	2	1	1	1											
3	5	26.06			2	2	1										
4 - 14	5	35.28	2	1	1	1											
5	10	59.35					1	1	1	1	1	1	1	1	1	1	
6	10	56.90					2	2	2	2	2						
8	2	35.40				2											
12	6	62.72					1	1	1	1	1	1					
15	3	16.78			1	1	1										
18	5	22.00						1	1	1	1	1					
21	6	32.60							1	1	1	1	1	1			
22	4	20.90						1	1	1	1						
23	4	20.50							1	1	1	1					
24	8	43.78						1	1	1	1	1	1	1	1		
25	1	9.70			1												
26	1	26.25			1												
27	4	53.40								1	1	1	1				
28	8	30.60							1	1	1	1	1	1	1	1	
30, 31, 33	10	18.91	2	1	1	1	1	1	1	1	1						
32	1	17.89											1				
34	1	8.50											1				
35	1	18.30											1				
24	100	663.28	6	3	6	6	7	8	11	12	12	8	8	4	3	2	

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● **DEVELOPMENTAL APPROACH**

The developmental approach is often referred to by a number of different names not to exclude the anticipated use method as well as the subdivision developmental method. All three names represent the same methodology utilized for estimating land value when subdivision and development are the highest and best use of a parcel of land being appraised.

This methodology was employed in the valuation of the commercial properties located within Green Diamond, specifically those subdivided into multiple sub-parcels. The forecasted sales/absorption of the commercial properties were formulated and a reasonable determination of this absorption was displayed over a finite time frame. A discounted cash flow analysis was utilized to convert the cash flows, anticipated to be received over this finite time frame, into a present value. The methodology includes the conversion of these anticipated future cash flows into a current value by an appropriate and market supported discount rate.

● **DISCOUNTED CASH FLOW ANALYSIS**

The discounted cash flow analysis contains certain components inclusive of the gross sales to be received from the disposition of the commercial properties over the determined time frame. The commercial property site or lot valuation and the absorption has already been determined in a prior section of this commercial development description. The expenses indicated within each discounted cash flow analysis for each commercial parcel relative to the employment of this development approach will include administration costs, marketing and sales commission, developer's profit and real property taxes on the unsold commercial properties. In the discounted cash flow analysis for the commercial properties, the development costs are significantly less than those associated with multi-family and single-family due to these properties not requiring significant development costs in order to ready the properties for subsequent disposition.

The disposition of the commercial sub-parcels in each of the commercial development parcels will not occur in any one year, but will extend over the anticipated time frame as will be indicated within each valuation of each respective commercial parcel. It is anticipated there will be annual appreciation relative to the commercial properties (values) as a result of the anticipated demand for the commercial properties within the subject area. This annual appreciation may parallel the Consumer Price Index (CPI) over the last five years. The Consumer Price Index (CPI) chart will be indicated with the annual change in the respective index.

CONSUMER PRICE INDEX - ALL URBAN CONSUMERS (1998-2002)					
	1998	1999	2000	2001	2002
JANUARY	161.6	164.3	168.8	175.1	177.1
FEBRUARY	161.9	164.5	169.8	175.8	177.8
MARCH	162.2	165.0	171.2	176.2	178.8
APRIL	162.5	166.2	171.3	176.9	179.8
MAY	162.8	166.2	171.5	177.7	179.8
JUNE	163.0	166.2	172.4	178.0	179.9
JULY	163.2	166.7	172.8	177.5	180.1
AUGUST	163.4	167.1	172.8	177.5	180.7
SEPTEMBER	163.6	167.9	173.7	178.3	181.0
OCTOBER	164.0	168.2	174.0	177.7	
NOVEMBER	164.0	168.3	174.1	177.4	
DECEMBER	163.9	168.3	174.0	176.7	
ANNUALLY	163.0	166.6	172.2	177.1	
▲	1.56%	2.21%	3.36%	2.85%	1.30%

Source: U.S. Department of Labor, Bureau of Vital Statistics

The subject commercial developments obviously have no historical evidence of price increases but a reasonable and probable price appreciation of 2.5% is deemed warranted and justifiable. As a result, in each of the discounted cash flow analyses, the commercial values will increase 2.5% during the forecasted disposition time for each respective commercial property.

DEVELOPMENT COSTS

An extensive analysis was completed for the determination of actual development costs for the commercial properties. Conversations with Stanley Harpe of CB Richard Ellis as well as Neel Keenan with the Keenan Company, revealed a minimum amount of developmental cost associated with disposition of commercial properties. The 2.0% utilized within each discounted cash flow analyses, actually consists of a combination of both development and administration costs and is a function of the gross sales generated by the sale of the sub-parcels.

SALES/MARKETING COSTS

Due to the number of commercial developments within the subject project, a reasonable sales and marketing cost is estimated at 5.0% of the gross sales for each respective year in each determined disposition time frame.

REAL PROPERTY TAXES

Real property taxes will be paid on all unsold commercial properties during each disposition time for each commercial project. A larger real property tax expense is reflected in the first year of the disposition time of each commercial development to include the real property taxes currently on the unsold commercial property as well as the application of roll-back taxes associated with the commercial project as a result of a change in property usage. The real property taxes were analyzed thoroughly in a separate section of this appraisal report.

ENTREPRENEURIAL PROFIT

Entrepreneurial profit is estimated at 13.0% of the gross sales and is considered necessary in order to attract a developer with the provision for an incentive to invest in a property or properties like the proposed commercial developments. The estimation of entrepreneurial profit is highly subjective and cannot actually be measured until the property or properties are subsequently disposed.

SELECTION OF DISCOUNT RATE

In the discounted cash flow analysis, the net cash flows are discounted to a present value at an appropriate yield rate (internal rate of return). The chosen yield rate or discount rate should represent the minimum rate of return necessary to attract investment capital. Such a rate is influenced by the degree of risk, prospective rates of return for alternative investment opportunities, historical rates of return earned by comparable properties, market attitudes with respect to future inflation or deflation, supply of and demand of mortgage funds and availability of tax shelters.

The yield rate or discount rate is generally determined by examining yields currently being earned on available alternative investments in the market place, such as long term government bonds, municipal bonds, corporate bonds and treasury bills and by estimating the yield required to attract a prudent investor to invest money in a similar venture, considering the degree of risk, non-liquidity and management burden.

Yields for low risk investments such as treasury bills and certificates of deposit typically reflect safe investments. Yields for higher risk investments such as corporate bonds and income producing real estate

ventures are significantly higher, providing higher discount rates. The general rate established for investments such as the subject property may be estimated between 9.0% to 12.0%.

A discount rate which may be associated with the commercial developments contained within the Green Diamond project may suggest a rate toward the lower end of the investment criteria as this rate may be indigenous to commercial developments considered in the subject market area. More specifically, the absence of a significant amount of commercial development may suggest less risk as a result of lesser competition but increased demand as a result of the need for commercial properties to augment the intensive single-family and multi-family residential developments. Additionally, the low cost of money may also have a significant effect on the selection of a discount rate. Current discount rates associated with other real properties may suggest a slightly higher discount rate for the subject commercial developments. However, sufficient market transactions have not transpired or conveyed with the reflections of the lower cost of money in order to suggest lower discount rates for alternative real property investments.

In the discounted cash flow analysis for the conversion of future cash flows to a net present value representative of the subject commercial developments, a discount rate of 10.0% was deemed warranted and justifiable in light of the present low cost of money and a comparison of these discount rates to other investment criteria.

The forecast provided in each of the discounted cash flow analysis for each subject commercial property are not statements of fact but a reasonable probability as to the disposition of the commercial properties contained within each larger commercial development based on competing commercial property and subsequent disposition in the Columbia market.

VALUATION OF PARCEL 1

Parcel 1 is located on the western side of Bluff Road, approximately one block north of the intersection of Interstate 77. This parcel is strategically located between the two entrances to Levee Section 1 of the Green Diamond project, comprising 42.49 acres.

The highest and best use of this site would suggest highway commercial usage which is consistent with the E.D.S.A. Land Use Plan, however, typical commercial sites are smaller than the proposed 42.49 acre parcel. Due to the advantageous location and significant frontage on Bluff Road, the marketability of this site would be enhanced by partitioning this large 42.49 acre parcel into five sub-parcels consisting of 8.5 acres each. The partitioning of this site will result in a faster disposition or absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 1 is predicated on highway commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As previously stated, Parcel 1 will be valued as five out-parcels, each containing 8.5 acres. The actual location of each of these proposed sub-parcels is unknown, therefore an average unit price per square foot will be projected. The commercial property sales which most favorably compare to Parcel 1 are sales located near the intersection of I-77 and Farrow Road and Sparkleberry Lane, in the northeast section of Columbia. As a result, an average projected price of \$4.50 per square foot or \$1,666,000 per 8.5 acre parcel appears reasonable as a result of the property's strategic location in proximity to Interstate 77 and the frontage on Bluff Road.

The four sales selected for the comparative procedure for the valuation of Parcel 1 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. On the following page, will be the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART PARCEL 1 (FIVE SUB-PARCELS)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	-0-	-0-
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+15%	-10%	-10%	-10%
Indicated Value of Subject/Square Foot	\$4.61	\$4.63	\$5.10	\$4.22

SITE VALUATION SUMMARY

Prior to completing physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell

for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated the adjustment while one sale was larger than the subject parcel and therefore, the positive adjustment. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, egress/ingress, exposure, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$4.22 and \$5.10 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.50 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective five, 8.5 acre sub-parcels to be contained within Parcel 1. It is anticipated the development for Parcel 1 will be marketable in the first year of the analysis with a four year absorption time. More specifically, it is projected two, 8.5 acre sub-parcels will be sold in year one, one 8.5 acre parcel in year two, one 8.5 acre parcel in year three, and one 8.5 acre parcel in year four, which equates to the total disposition of the five sub-parcels in Parcel 1.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the five sub-parcels constituting Parcel 1 is \$5,568,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL 1-5 PARCELS @ 1.5 ACRES
CALCULATED ANNUAL OCTOBER 15, 2002

NUMBER OF PERIODS PER YEAR	1	OTHER COSTS / UNIT	\$0.00
TOTAL NUMBER OF UNITS	5	ANNUAL HOMEOWNER'S DUES	\$0.00
ABSORPTION PER PERIOD	1	DEVELOPER'S PROFIT	13.00%
UNITS SOLD PRIOR TO COMPLETION	0	DISCOUNT RATE	10.00%
AVG RETAIL \$4.50/SQ/UNIT	\$1,666,000	ANNUAL APPRECIATION RATE	2.50%
NET 1 SALES COMM %	5.00%	ANNUAL TAX RATE	0.00000%
DEVELOPMENT/ADMIN COST	2.00%	TAX INCREASE RATE PER YEAR	0.00%
BOND PAYMENT / UNIT	\$0	R.E.TAXES, PERIOD/UNIT	\$0.00

	ERR	0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
SALES SUMMARY/PRICE PER SQFT		\$4.50	\$4.81	\$4.73	\$4.65	\$4.57						
NUMBER OF UNITS SOLD	0	2	1	1	1	0	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	2	3	4	5	5	5	5	5	5	5	5
UNSOLD UNITS REMAINING	5	3	2	1	0	0	0	0	0	0	0	0
AVG RETAIL \$/P./UNIT	\$1,666,000	\$1,666,000	\$1,707,650	\$1,750,341	\$1,794,100	\$1,838,852	\$1,884,326	\$1,932,046	\$1,980,350	\$2,028,699	\$2,080,800	
TOTAL RET. SALES/PERIOD	\$0	\$3,332,000	\$1,707,650	\$1,750,341	\$1,794,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$3,332,000	\$5,000,650	\$6,750,991	\$8,544,091	\$8,544,091	\$8,544,091	\$8,544,091	\$8,544,091	\$8,544,091	\$8,544,091	\$8,544,091

COST OF SALES

MARKETING/SALES COMMISSION	\$0	\$106,800	\$65,383	\$87,317	\$89,705	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEV/ADM COST	\$0	\$106,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT / UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E.TAXES ON UNSOLD UNITS	\$0	\$4,001	\$607	\$302	\$202	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HQ'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$337,201	\$66,690	\$87,909	\$89,907	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NET INCOME BEFORE PROFIT	\$0	\$2,994,799	\$1,621,760	\$1,662,432	\$1,704,183	\$0	\$0	\$0	\$0	\$0	\$0	\$0

PROFIT	\$0	\$433,160	\$221,895	\$227,544	\$233,233	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NET SALES PROCEEDS	\$0	\$2,561,639	\$1,399,765	\$1,434,888	\$1,470,950	\$0	\$0	\$0	\$0	\$0	\$0	\$0

P.V.FACTOR	0.000000	0.909091	0.826446	0.751315	0.683013	0.620521	0.564474	0.513158	0.466307	0.424098	0.385543	

P.V.OF NET PROCEEDS	\$0	\$2,328,763	\$1,166,831	\$1,078,053	\$1,004,885	\$0	\$0	\$0	\$0	\$0	\$0	\$0

TOTAL P.V. OF NET PROCEEDS		\$2,328,763	\$3,463,594	\$4,563,647	\$5,568,332	\$5,568,332	\$5,568,332	\$5,568,332	\$5,568,332	\$5,568,332	\$5,568,332	\$5,568,332
ROUNDED TO		\$5,568,000										

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VALUATION OF PARCEL 3

Parcel 3 is located in the northeast section of Levee Section 1 and extends across the northern entrance road to the Green Diamond project. Parcel 3 comprises a total of 49.40 acres, however it has been partitioned into six individual parcels. Parcel 3-A, consisting of 23.34 acres has been designated as an elementary school site and will be valued in a later section of this appraisal report, identified as School Site Valuations. Therefore, the following chart will identify the remaining five sub-parcels along with their respective sizes which comprise Parcel 3.

PARCEL 3 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
3-B	4.10	178,593
3-C	4.55	198,198
3-D	4.89	213,008
3-E	5.29	230,432
3-F	7.23	314,939
TOTAL	26.06	1,135,170

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan, however, due to the substantially larger number of residential units planned in the Green Diamond project, Parcel 3-A has been designated as a school site, and for this analysis will be valued in a later section identified as School Site Valuations.

The estimate and ultimate determination of parcel values in Parcel 3 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As previously stated, Parcel 3 will be valued as five sub-parcels, with an average size of 227,035 square feet. The commercial property sales which most favorably compare to Parcel 3 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.00 per square foot for the five sub-parcels located within Parcel 3 appears reasonable.

The four sales selected for the comparative procedure for the valuation of Parcel 3 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. Below, will be the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART (PARCEL 3 (FIVE SUB-PARCELS))				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	- 5%	- 5%	- 5%	- 5%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+10%	-15%	-15%	-15%
Indicated Value of Subject/Square Foot	\$4.41	\$4.38	\$4.82	\$3.99

SITE VALUATION SUMMARY

Prior to completing physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in

suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel and therefore, received a positive adjustment. Due to the number of parcels and the lack of definitive physical characteristics in relationship to egress/ingress and exposure, the four sales are considered to be superior and were adjusted accordingly. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$3.99 and \$4.82 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.00 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective five sub-parcels to be contained within Parcel 3. It is anticipated the development for Parcel 3 will be marketable in the third year of the analysis with a three year absorption time. More specifically, it is projected Parcels 3-E and 3-F will sell in year one, Parcels 3-C and 3-D will sell in year two, and Parcel 3-B will sell in year three, which equates to the total disposition of the five sub-parcels in Parcel 3.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of three years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the five sub-parcels constituting Parcel 3 is \$2,727,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 3 (B,C,D,E & F)

ANNUAL	2004	2005	2006	2007	2008	2009	2010	2011
NUMBER OF PERIODS PER YEAR	1	1	1	1	1	1	1	1
TOTAL NUMBER OF UNITS	5	5	5	5	5	5	5	5
ABSORPTION PER PERIOD	1	1	1	1	1	1	1	1
UNITS SOLD PRIOR TO COMPLETION	0	0	0	0	0	0	0	0
AVG RETAIL \$4.00 S.P./UNIT	30	30	30	30	30	30	30	30
MKT % SALES COMMISSION	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
DEVELOPMENT/ADMIN COST	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
BOND PAYMENT \ UNIT	30	30	30	30	30	30	30	30
ERR	0	0	0	0	0	0	0	0

OTHER COSTS \ UNIT	2004	2005	2006	2007	2008	2009	2010	2011
ANNUAL HOMEOWNERS DUES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEVELOPER'S PROFIT	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
DISCOUNT RATE	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
ANNUAL APPRECIATION RATE	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
ANNUAL TAX RATE	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
TAX INCREASE RATE PER YEAR	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
R.E.TAXES, PERIOD \ UNIT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

SALES SUMMARY	2004	2005	2006	2007	2008	2009	2010	2011
NUMBER OF UNITS SOLD	0	0	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	0	0	0	0	0	0	0
UNSOLO UNITS REMAINING	5	5	5	5	5	5	5	5
AVG RETAIL \$4.00 S.P./UNIT	30	30	30	30	30	30	30	30
TOTAL RTL SALES/PERIOD	30	30	30	30	30	30	30	30
AGGREGATE RETAIL SALES	30	30	30	30	30	30	30	30

COST OF SALES	2004	2005	2006	2007	2008	2009	2010	2011
MARKETING/SALES COMMISSION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEV/ADM COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT \ UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E.TAXES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HO'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NET INCOME BEFORE PROFIT	2004	2005	2006	2007	2008	2009	2010	2011
NET INCOME BEFORE PROFIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

PROFIT	2004	2005	2006	2007	2008	2009	2010	2011
PROFIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NET SALES PROCEEDS	2004	2005	2006	2007	2008	2009	2010	2011
NET SALES PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

P.V.FACTOR	2004	2005	2006	2007	2008	2009	2010	2011
P.V.FACTOR	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

P.V.OF NET PROCEEDS	2004	2005	2006	2007	2008	2009	2010	2011
P.V.OF NET PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

TOTAL P.V. OF NET PROCEEDS	2004	2005	2006	2007	2008	2009	2010	2011
TOTAL P.V. OF NET PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ROUNDED TO	2004	2005	2006	2007	2008	2009	2010	2011
ROUNDED TO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CV006508

Σύμφωνα με τον Νόμο περί Εργασίας, η σύμβαση πρέπει να υπογράφεται από τον εργοδότη και τον εργαζόμενο.



Scale: 1 inch = 1 mile

3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000-1001-1002-1003-1004-1005-1006-1007-1008-1009-1010-1011-1012-1013-1014-1015-1016-1017-1018-1019-1020-1021-1022-1023-1024-1025-1026-1027-1028-1029-1030-1031-1032-1033-1034-1035-1036-1037-1038-1039-1040-1041-

COLUMBIA VENTURE, LLC
COLUMBIA, SOUTH CAROLINA

11-22-41

GN 503


 BUILDING
 PROPOSED ROAD
 FENCE
 WETLANDS
 FLOOD
 GOLF COURSE
 LAKE

[illegible]

VALUATION OF PARCELS 4 & 14

Parcel 4 and 14 are located on the south side of Levee Section 1 and the north side of Interstate 77, both with excellent frontage on Interstate 77. Parcel 4 is located in the southeast corner of Levee Section 1, near the intersection of Bluff Road and I-77, while Parcel 14 is located in the most southwest corner of Levee Section 1, near the proposed interchange with I-77. Parcels 4 and 14 comprise a total of 35.28 acres and have been partitioned into five individual parcels. The following chart will identify the five sub-parcels as well as their respective size which comprise Parcels 4 and 14.

PARCELS 4 & 14 (Delineation of Respective Sub-Parcels)		
Parcel No	Size (Acres)	Size (SF)
4-A	6.60	287,496
4-B	7.80	339,768
14-A	5.60	243,936
14-B	7.20	313,632
14-C	8.08	351,965
TOTAL	35.28	1,536,797

The highest and best use of these parcels would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned these two parcels into five sub-parcels and as a result, will have a faster disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcels 4 and 14 are predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. Parcels 4 and 14 will be valued as five sub-parcels, with an average size of 307,359 square feet. The commercial property sales which most favorably compare to Parcels 4 and 14 are sales located near the intersection of I-77 and Farrow Road, in the northeast section of Columbia and sales located near Harbison and Columbiana Drive in the northwestern section of Columbia. As a result, an average projected price of \$6.50 per square foot for the five sub-parcels located within Parcels 4 and 14 appear reasonable as a result of proximity to interchanges with Interstate 77.

The four sales selected for the comparative procedure for the valuation of Parcels 4 and 14 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. Below is the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART (PARCELS 4 & 14 (FIVE SUB-PARCELS))				
Sale Number	Sale No. 21	Sale No. 5	Sale No. 8	Sale No. 17
Sale Price/Square Foot	\$8.12	\$6.95	\$7.21	\$5.78
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.026	1.054	1.04	1.028
Adjusted Price/Square Foot	\$8.33	\$7.32	\$7.49	\$5.94
Location	-0-	+10%	+10%	-0-
Size	-15%	-15%	-15%	+ 5%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	-0-	-0-
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	-15%	- 5%	- 5%	+ 5%
Indicated Value of Subject/Square Foot	\$7.08	\$6.95	\$7.12	\$6.24

SITE VALUATION SUMMARY

Prior to completing physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcels. Relative to location, Comparable Sales No. 5 and 8 were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject

parcels. Sales No. 21 and 17 are considered to be similar relative to location. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated the adjustment while one sale was larger than the subject parcels and therefore, the positive adjustment. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, egress/ingress/exposure and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$6.24 and \$7.12 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$6.50 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective five sub-parcels to be contained within Parcels 4 and 14. It is anticipated the development for these two parcels will be marketable in the first year of the analysis with a four year absorption time. More specifically, it is projected Parcels 4-A and 4-B will sell in year one, Parcel 14-A in year two, Parcel 14-B in year three, and 14-C will sell in year four, which equates to the total disposition of the five sub-parcels located within Parcels 4 and 14.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the five sub-parcels constituting Parcels 4 and 14 is \$7,176,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO.'S 4 (A & B), 14 (A & B & C)

ANNUAL		OCTOBER 15, 2002									
CALCULATED		OTHER COSTS 1 UNIT									
NUMBER OF PERIODS PER YEAR	1	\$0.00									
TOTAL NUMBER OF UNITS	5	\$0.00									
ABSORPTION PER PERIOD	1	ANNUAL HOMEOWNER'S DUES									
UNITS SOLD PRIOR TO COMPLETION	0	DEVELOPER'S PROFIT									
AVG RETAIL \$4.50/SQFT/UNIT	50	DISCOUNT RATE									
WKT 1 SALES COM %	6.00%	ANNUAL APPRECIATION RATE									
DEVELOPMENT/ADMIN COST	2.00%	ANNUAL TAX RATE									
BOND PAYMENT 1 UNIT	\$0	TAX INCREASE RATE PER YEAR									
		R.E. TAXES, PERIOD/UNIT									
		\$0.00									

ERR	0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
SALES SUMMARY											
NUMBER OF UNITS SOLD	0	2	1	1	1	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	2	3	4	5	5	5	5	5	5	5
UNSOLD UNITS REMAINING	6	3	2	1	0	0	0	0	0	0	0
AVG RETAIL \$4.50/SQFT/UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL RET. SALES/PERIOD	\$0	\$4,777,216	\$1,824,814	\$2,142,107	\$2,483,755	\$0	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$4,777,216	\$8,401,830	\$8,543,937	\$11,007,692	\$11,007,692	\$11,007,692	\$11,007,692	\$11,007,692	\$11,007,692	\$11,007,692

COST OF SALES											
MARKETING/SALES COMMISSION	\$0	\$238,861	\$31,231	\$107,105	\$123,186	\$0	\$0	\$0	\$0	\$0	\$0
DEV/ADN COST	\$0	\$198,763	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT 1 UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E. TAXES ON UNSOLD UNITS	\$0	\$3,323	\$474	\$324	\$167	\$0	\$0	\$0	\$0	\$0	\$0
HO'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$441,867	\$81,705	\$107,429	\$123,355	\$0	\$0	\$0	\$0	\$0	\$0

NET INCOME BEFORE PROFIT	\$0	\$4,335,248	\$1,542,809	\$2,034,878	\$2,340,400	\$0	\$0	\$0	\$0	\$0	\$0

PROFIT	\$0	\$621,038	\$211,200	\$278,474	\$320,288	\$0	\$0	\$0	\$0	\$0	\$0

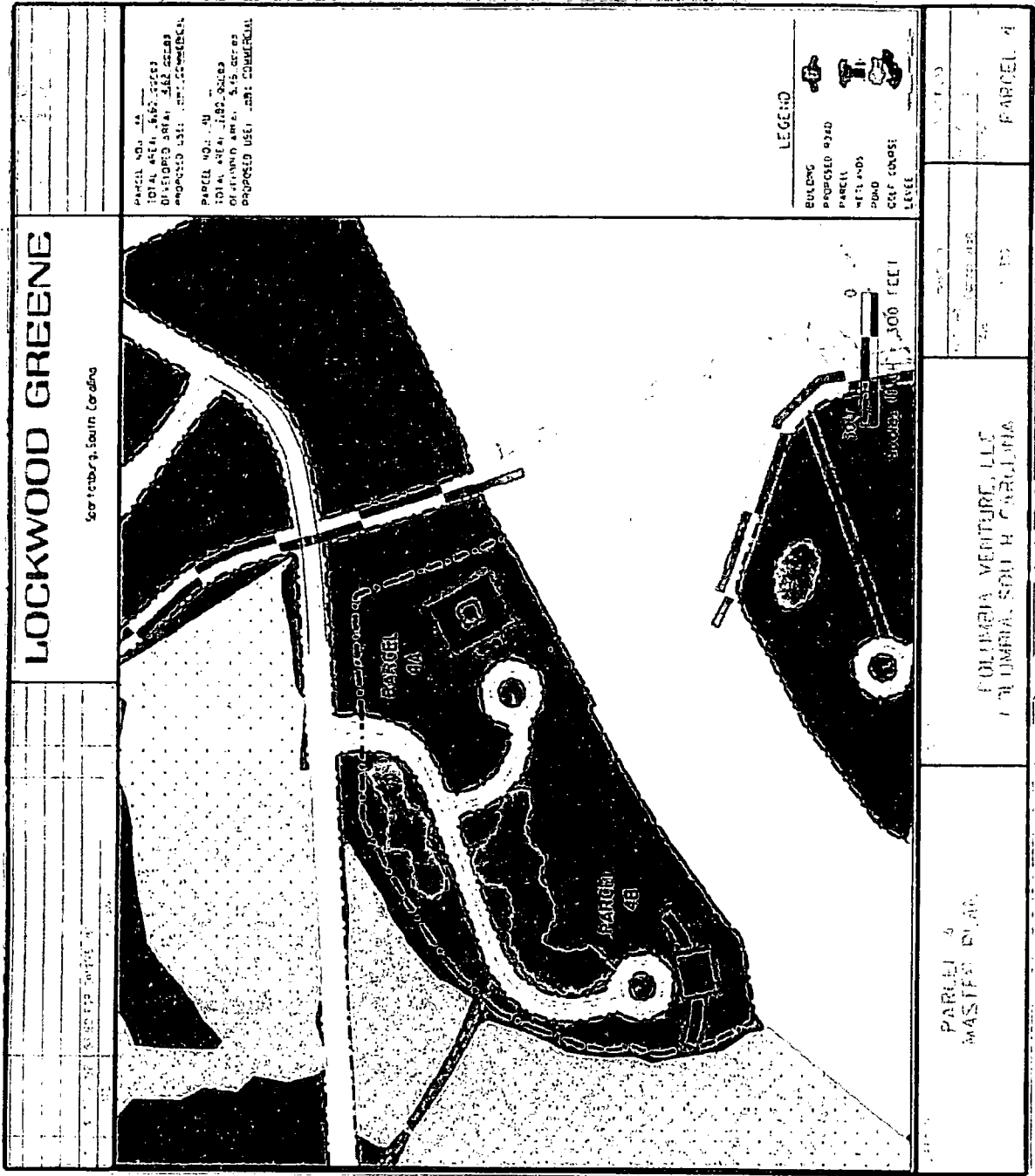
NET SALES PROCEEDS	\$0	\$3,714,211	\$1,331,700	\$1,756,204	\$2,020,112	\$0	\$0	\$0	\$0	\$0	\$0

P.V. FACTOR	0.000000	0.808081	0.828448	0.751315	0.683013	0.620921	0.564474	0.513158	0.468507	0.424098	0.386643

P.V. OF NET PROCEEDS	\$0	\$3,376,555	\$1,100,566	\$1,318,462	\$1,379,764	\$0	\$0	\$0	\$0	\$0	\$0

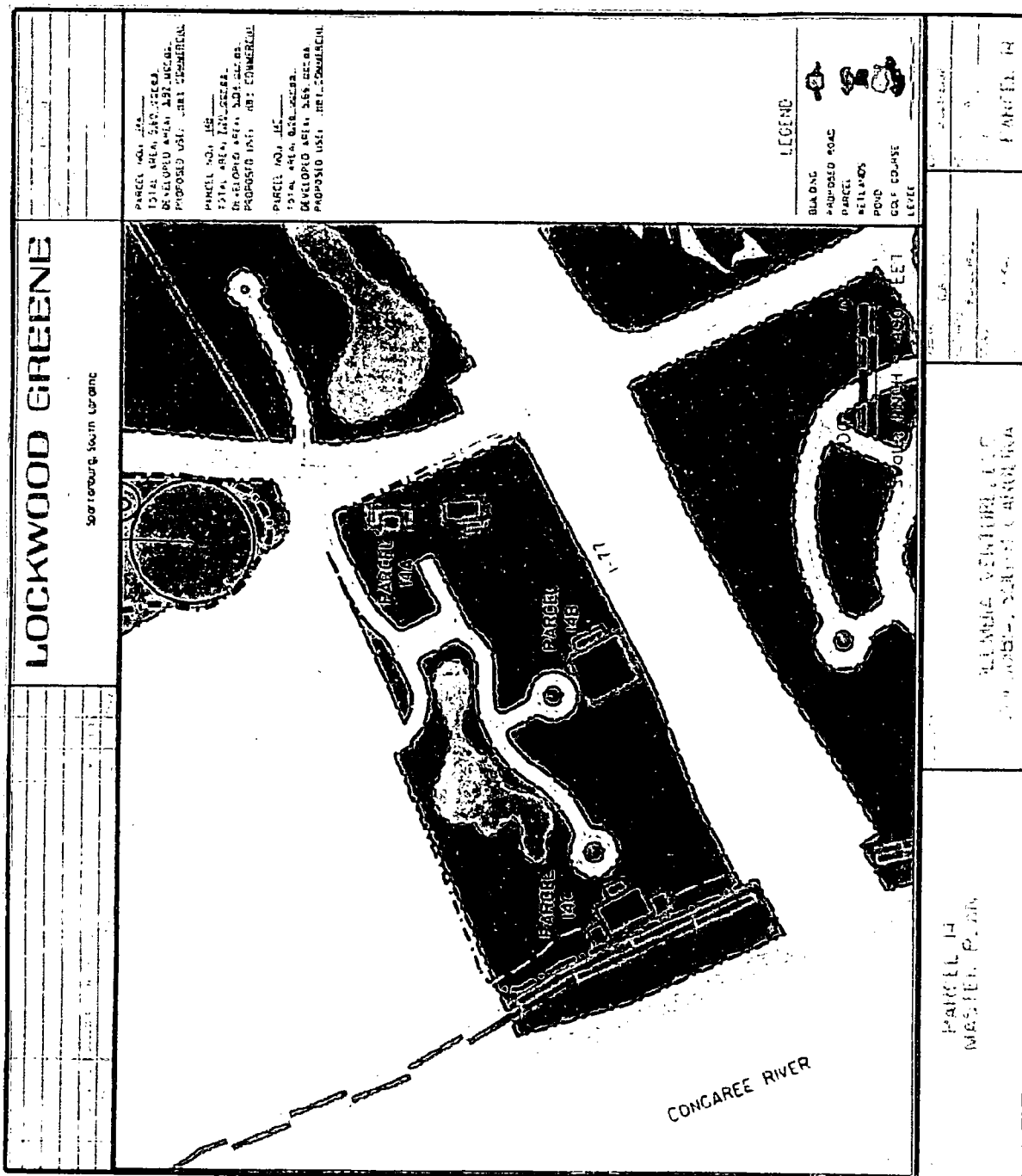
TOTAL P.V. OF NET PROCEEDS		\$3,376,555	\$4,477,141	\$5,788,803	\$7,176,387	\$7,176,387	\$7,176,387	\$7,176,387	\$7,176,387	\$7,176,387	\$7,176,387
ROUNDED TO		\$7,176,000									

CV006513



CV006514

PLTF TRIAL EXH 394



VALUATION OF PARCEL 5

Parcel 5 is centrally located in Levee Section 1 with substantial frontage on the proposed championship golf course, numerous lakes, and extending on the north and south side of a spine road. Parcel 5 comprises a total of 59.35 acres, however it has been partitioned into ten individual sub-parcels. The following chart will identify the ten sub-parcels as well as their respective size which comprise Parcel 5.

PARCEL 5 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
5-A	5.20	226,512
5-B	6.80	296,208
5-C	7.90	344,124
5-D	6.15	267,894
5-E	7.70	335,412
5-F	5.80	252,648
5-G	5.60	243,936
5-H	7.80	339,768
5-I	3.60	156,816
5-J	2.80	121,968
TOTAL	59.35	2,585,286

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this site into ten sub-parcels and as a result, should reflect a faster disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 5 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 5 will be valued as ten sub-parcels, with an average size of 258,529 square feet. The commercial property sales which most favorably compare to Parcel 5 are sales located near the intersection of I-77 and Farrow Road and Sparkleberry Lane, in the northeast section of Columbia. As a result, an average projected price of \$4.00 per square foot for the ten sub-parcels located within Parcel 5

appears reasonable as a result of the subject's location on the proposed golf course and numerous lakes.

The four sales selected for the comparative procedure for the valuation of Parcel 5 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. Below is the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART (PARCEL 5 (TEN SUB-PARCELS))				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes In Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	- 5%	- 5%	- 5%	- 5%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+10%	-15%	-15%	-15%
Indicated Value of Subject/Square Foot	\$4.41	\$4.38	\$4.82	\$3.99

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the

subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. Due to the total number of parcels and the lack of definitive physical characteristics in relationship to egress/ingress and exposure, the four sales are all considered to be superior and were adjusted accordingly. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$3.99 and \$4.82 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.00 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective ten sub-parcels to be located within Parcel 5. It is anticipated the development for Parcel 5 will be marketable in the fifth year of the analysis with a ten year absorption time. More specifically, it is projected Parcel 5-A will sell in year one, Parcel 5-B in year two, Parcel 5-C in year three, Parcel 5-D in year four, Parcel 5-E in year five, Parcel 5-F will sell in year six, Parcel 5-G in year seven, Parcel 5-H in year eight, Parcel 5-I will sell in year nine, and Parcel 5-J in year ten, which equates to the total disposition of the ten sub-parcels located within Parcel 5.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of ten years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the ten sub-parcels constituting Parcel 5 is **\$4,218,000**.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 6 (A, B, C, D, E, F, G, H, I, & J)

OCTOBER 13, 2008

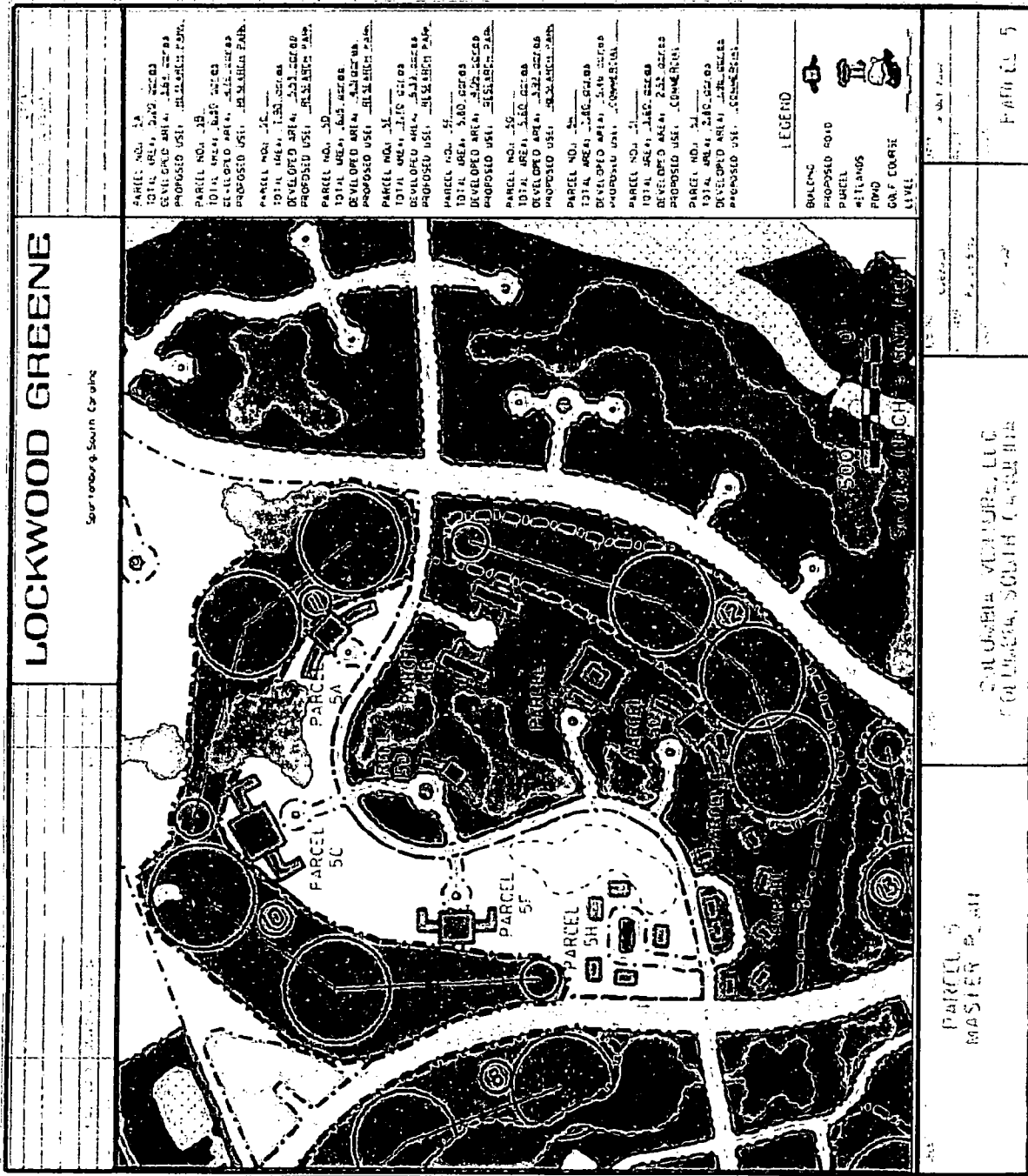
ANNUAL

CALCULATED

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
NUMBER OF PERIODS PER YEAR	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
TOTAL NUMBER OF UNITS	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
ABSORPTION PER PERIOD	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
UNITS SOLD PRIOR TO COMPLETION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AVG RETAIL \$4,000/SQ.FOOT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WRT1 SALES COMB %	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
DEVELOPMENT/ADMIN COST	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
BOND PAYMENT/UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SALES SUMMARY															
NUMBER OF UNITS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNITS REMAINING	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AVG RETAIL \$4,000 P/UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL RTL SALES/PERIOD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
COST OF SALES															
MARKETING/SALES COMMISSION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEVELOPMENT COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT/UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RETAIL TAXES ON UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WRT SALES ON UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET INCOME BEFORE PROFIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROFIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET SALES PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P.V.FACTOR	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
P.V.OF NET PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL P.V. OF NET PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ROUNDED TO	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000	\$4,218,000

CV006519

PLTF TRIAL EXH 394



CV006520

PLTF TRIAL EXH 394

VALUATION OF PARCEL 6

Parcel 6 is centrally located in Levee Section 1 with frontage on a large lake and excellent exposure from Interstate 77. Parcel 6 comprises a total of 56.90 acres, however it has been partitioned into ten individual sub-parcels. The following chart will identify the ten sub-parcels as well as their respective size which comprise Parcel 6.

PARCEL 6 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
6-A	6.50	283,140
6-B	5.40	235,224
6-C	5.00	217,800
6-D	6.20	270,072
6-E	4.70	204,732
6-F	3.40	148,104
6-G	7.70	335,412
6-H	7.40	322,344
6-I	5.50	239,580
6-J	5.10	222,156
TOTAL	56.90	2,478,564

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this 56.90 acre tract into ten individual sub-parcels, which should reflect a faster disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 6 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 6 will be valued as ten separate sub-parcels, with an average size of 247,856 square feet. The commercial property sales which most favorably compare to Parcel 6 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.00 per square foot for the ten sub-parcels located within

Parcel 6 appears reasonable as a result of the subject's location and exposure to Interstate 77.

The four sales selected for the comparative procedure for the valuation of Parcel 6 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. Below is the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART (PARCEL 6 (TEN SUB-PARCELS))				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	- 5%	- 5%	- 5%	- 5%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+10%	-15%	-15%	-15%
Indicated Value of Subject/Square Foot	\$4.41	\$4.38	\$4.82	\$3.99

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the

subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. Due to the total number of parcels and the lack of definitive physical characteristics in relationship to egress/ingress and exposure, the four sales are all considered to be superior and were adjusted accordingly. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$3.99 and \$4.82 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.00 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective ten sub-parcels to be contained within Parcel 6. It is anticipated the development for Parcel 6 will be marketable in the fifth year of this analysis with a five year absorption time. More specifically, it is projected Parcels 6-A and 6-B will sell in year one, Parcels 6-C and 6-D in year two, Parcels 6-E and 6-F in year three, Parcels 6-G and 6-H in year four, Parcels 6-I and 6-J in year five, which equates to the total disposition of the ten sub-parcels located within Parcel 6. It is felt the proximity and exposure to Interstate 77 will make for a rapid absorption time.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of ten years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the ten sub-parcels constituting Parcel 6 is \$8,403,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 91A, S.C. D.E.F. G. H. I. & J)

ANNUAL		OCTOBER 15, 2008															
NUMBER OF PERIODS PER YEAR		1	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
OTHER COSTS/UNIT																	
TOTAL NUMBER OF UNITS		10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
ASSORPTION PER PERIOD		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
UNITS SOLD PRIOR TO COMPLETION		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AVG RETAIL \$4.00/SQ/UNIT		50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
WKT 1 SALES COM %		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
DEVELOPMENT/ADMIN COST		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
BOND PAYMENT/UNIT		50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
P.E. TAXES, PERIOD/UNIT																	
SALES SUMMARY																	
NUMBER OF UNITS SOLD		0	0	0	0	0	0	2	2	2	2	0	0	0	0	0	0
CUMULATIVE UNITS SOLD		0	0	0	0	0	0	2	4	6	8	10	0	0	0	0	0
UNITS REMAINING		0	0	0	0	0	0	2	2	2	2	0	0	0	0	0	0
AVG RETAIL \$4.00 S.F./UNIT		50	50	50	50	50	50	\$2,261,109	\$3,310,090	\$1,037,109	\$3,194,341	\$2,948,604	50	50	50	50	50
TOTAL RET. SALES/PERIOD		50	50	50	50	50	50	\$2,261,109	\$4,420,120	\$3,271,318	\$8,230,662	\$4,497,308	50	50	50	50	50
AGGREGATE RETAIL SALES		50	50	50	50	50	50	\$6,711,208	\$8,985,607	\$18,234,289	\$20,731,697	50	50	50	50	50	50
COST OF SALES																	
MARKETING/SALES COMMISSION		50	50	50	50	50	50	\$114,558	\$163,716	\$312,424	\$324,864	50	50	50	50	50	50
DEV/ADM COST		50	50	50	50	50	50	\$319,109	50	50	50	50	50	50	50	50	50
BOND PAYMENT/UNIT		50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
R.E. TAXES ON UNITS		50	50	50	50	50	50	\$8,690	\$1,104	\$882	\$882	50	50	50	50	50	50
HOTS DUES ON UNITS		50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
OTHER COST		50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL COST OF SALES		50	50	50	50	50	50	\$222,110	\$164,568	\$313,019	\$325,165	50	50	50	50	50	50
NET INCOME BEFORE PROFIT		50	50	50	50	50	50	\$4,198,010	\$8,821,039	\$15,004,270	\$15,406,534	50	50	50	50	50	50
PROFIT		50	50	50	50	50	50	\$374,515	\$425,061	\$812,329	\$884,650	50	50	50	50	50	50
NET SALES PROCEEDS		50	50	50	50	50	50	\$3,623,394	\$2,894,829	\$4,123,325	\$3,867,493	50	50	50	50	50	50
P.V.FACTOR		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.584474	0.513158	0.468507	0.424068	0.385543	0.350484	0.318031	0.286584	0.263331	0.238382
P.V. OF NET PROCEEDS		50	50	50	50	50	50	\$2,045,311	\$1,277,362	\$2,360,074	\$1,665,887	50	50	50	50	50	50
TOTAL P.V. OF NET PROCEEDS		50	50	50	50	50	50	\$3,071,345	\$4,448,707	\$8,458,781	\$8,402,608	\$8,402,608	\$8,402,608	\$8,402,608	\$8,402,608	\$8,402,608	\$8,402,608
ROUNDED TO																	



VALUATION OF PARCEL 8-B&C

Parcel 8-B & C is designated by the E.D.S.A. Land Use Plan as a potential hotel/conference site. Parcel 8-B comprises a total of 21.60 acres while 8-C contains 13.80 acres. Both parcels total 35.40 acres. Parcels 8-B and 8-C are located in the heart of Levee Section 1, east of Heathwood Hall School. Also, both parcels are virtually surrounded by the championship golf course to include holes number one, nine, 18 and 14. These two parcels would be ideal for the development of a hotel and conference center to augment the remaining developments contained within the Green Diamond project.

The commercial sales identified in the general description of the commercial projects will be utilized in the determination of a present market value for Parcels 8-B and 8-C. Specifically, Comparable Sales 2, 3, 21, and 1 will be utilized. The sizes of these parcels do vacillate with the smallest at 1.31 acres although the largest contains 19.03 acres which will be representative of both 8-B and 8-C. Prior to any adjustments, the sales prices per square foot extended from \$3.92 per square foot for the larger 19.03 acre parcel to \$7.01 per square foot for the site purchased for the development of a lodging facility in northeast Columbia.

LAND SALES ADJUSTMENT CHART (PARCEL 8-B & 8-C)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$5.00	\$5.48	\$7.01	\$3.92
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.03	1.034	1.055	1.02
Adjusted Price/Square Foot	\$5.15	\$5.67	\$7.40	\$4.00
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	-15%	-15%	-15%	-0-
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	- 5%	-0-
Zoning	-0-	-0-	-0-	-0-
Other/Golf Course Amenity	+10%	+10%	+10%	+10%
Net Adjustments	-0-	-0-	- 5%	+15%
Indicated Value of Subject/Square Foot	\$5.15	\$5.67	\$7.03	\$4.60

SITE VALUATION SUMMARY

Parcels 8-B and 8-C are valued as a bulk acreage comprising 35.40 acres although they could possibly be sold as separate sites. A reasonable value per acre for the aggregate 35.40 acres is concluded to be \$6.00 per square foot for these two sites as a result of the strategic location within the heart of Levee Section 1 and the influences of the location relative to the proposed golf course amenity.

Due to the size of these parcels, it is anticipated they will not sell until 2005 and therefore, the \$6.00 per square foot will be inflated at 2.5% per year to reflect the future value of \$9,961,475. This future value will be discounted at 10.0% for the four years to yield an indicated value of both parcels at \$6,803,821, rounded to \$6,804,000.

CV006527

PLTF TRIAL EXH 394

VALUATION OF PARCEL 12

Parcel 12 is located in the southwest section of Levee Section 1 with frontage on a large lake, excellent exposure from Interstate 77 and in proximity to the proposed interchange. Parcel 12 comprises a total of 62.72 acres, however the site has been partitioned into six individual sub-parcels. The following chart will identify the six sub-parcels as well as their respective size which comprise Parcel 12.

PARCEL 12 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
12-A	8.80	383,328
12-B	10.00	435,600
12-C	8.65	376,794
12-D	8.02	349,351
12-E	13.25	577,170
12-F	14.00	609,840
TOTAL	62.72	2,732,083

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan has partitioned this 62.72 acre tract into six individual sub-parcels, which should result in a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 12 is predicated upon commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 12 will be valued as six separate sub-parcels, with an average size of 455,347 square feet. The commercial property sales which most favorably compare to Parcel 12 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.50 per square foot for the six sub-parcels located within Parcel 12 appears reasonable as a result of the subject's location and exposure to Interstate 77 and the proposed interchange.

The four sales selected for the comparative procedure for the valuation of Parcel 12 were previously

delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. Below is the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART (PARCEL 12 (SIX SUB-PARCELS))				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	- 5%	- 5%	- 5%	- 5%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+15%	-10%	-10%	-10%
Indicated Value of Subject/Square Foot	\$4.61	\$4.63	\$5.10	\$4.22

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels.

Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. Due to the number of parcels and the lack of definitive physical characteristics in relationship to egress/ingress and exposure, the four sales are considered to be superior and were adjusted accordingly. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$4.22 and \$5.10 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.50 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective six sub-parcels to be contained within Parcel 12. It is anticipated the development for Parcel 12 will be marketable in the fifth year of this analysis with a six year absorption time. More specifically, it is projected Parcel 12-F will sell in year one, Parcel 12-E in year two, Parcel 12-D in year three, Parcel 12-C in year four, Parcel 12-B in year five, and Parcel 12-A in year six, which equates to the total disposition of the six sub-parcels located within Parcel 12.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of six years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the six sub-parcels constituting Parcel 12 is \$5,785,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 12 (A, B, C, D, E & F)
ANNUAL
OCTOBER 16, 2008

[illegible]

COST OF SALES													
MARKETING/SALES COMMISSION	\$0	\$0	\$0	\$0	\$161,545	\$147,178	\$91,355	\$100,581	\$110,572	\$107,007	\$0	\$0	\$0
DEV/ADM COST	\$0	\$0	\$0	\$0	\$771,559	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT/UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FILE TAXES ON UNSOLD UNITS	\$0	\$73	\$78	\$80	\$7,302	\$1,310	\$1,076	\$634	\$572	\$295	\$0	\$0	\$0
HOV'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$73	\$78	\$80	\$430,676	\$149,468	\$92,431	\$101,615	\$120,144	\$103,292	\$0	\$0	\$0
NET INCOME BEFORE PROFIT	\$0	(\$72)	(\$75)	(\$80)	\$2,500,226	\$2,795,079	\$1,734,676	\$1,917,601	\$2,271,300	\$2,049,925	\$0	\$0	\$0
PROFIT	\$0	\$0	\$0	\$0	\$394,016	\$392,694	\$237,324	\$392,350	\$310,886	\$290,256	\$0	\$0	\$0
NET SALES PROCEEDS	\$0	(\$72)	(\$78)	(\$80)	\$2,206,210	\$2,412,419	\$1,497,151	\$1,635,251	\$1,960,412	\$1,759,377	\$0	\$0	\$0
P/V FACTOR	0.000000	0.000001	0.026416	0.023013	0.620291	0.664774	0.613168	0.665077	0.740098	0.585543	0.265104	0.216831	0.202393
P.V.OF NET PROCEEDS	\$0	(\$66)	(\$63)	(\$65)	\$1,369,693	\$1,381,746	\$768,276	\$772,187	\$831,406	\$662,171	\$0	\$0	\$0
TOTAL P.V. OF NET PROCEEDS	\$5,785,000	(\$66)	(\$122)	(\$156)	\$1,369,690	\$2,731,305	\$3,099,660	\$4,371,047	\$5,103,293	\$3,706,424	\$5,785,424	\$5,785,424	\$5,785,424
ROUNDED TO													

Spencer, G. S. 1971. Co. 1000



BUILDING
PROPOSAL ROAD
PENCIL
MILLARS
POND
GOLF COURSE
LIVE

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COLUMBIA UNIVERSITY

CV006532

VALUATION OF PARCEL 15

Parcel 15 is located in the northeast section of Levee Section 2 near the intersection of Bluff Road and Interstate 77. Parcel 15 comprises a total of 16.78 acres, however this parcel has been partitioned into three individual sub-parcels. The following chart will identify the three sub-parcels as well as their respective size which comprise Parcel 15.

PARCEL 15 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
15-A	6.60	287,496
15-B	5.58	243,065
15-C	4.60	200,376
TOTAL	16.78	730,937

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this 16.78 acre tract into three individual sub-parcels, which should result in a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 15 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 15 will be valued as three separate sub-parcels, with an average size of 243,646 square feet. The commercial property sales which most favorably compare to Parcel 15 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.50 per square foot for the three sub-parcels located within Parcel 15 appears reasonable as a result of the subject's location and exposure to Interstate 77.

The four sales selected for the comparative procedure for the valuation of Parcel 15 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. On the following page, will be the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART PARCEL 15 (THREE SUB-PARCELS)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	-0-	-0-
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+15%	-10%	-10%	-10%
Indicated Value of Subject/Square Foot	\$4.61	\$4.63	\$5.10	\$4.22

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell

for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, egress/ingress, exposure, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$4.22 and \$5.10 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.50 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective three sub-parcels to be contained within Parcel 15. It is anticipated the development for Parcel 15 will be marketable in the third year of this analysis with a three year absorption time. More specifically, it is projected Parcel 15-A will sell in year one, Parcels 15-B in year two, and Parcel 15-C will sell in year three, which equates to the total disposition of the three sub-parcels located within Parcel 15.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of three years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the five sub-parcels constituting Parcel 15 is \$1,951,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 15 (A, B & C)

CALCULATED		OCTOBER 15, 2002									
ANNUAL											
NUMBER OF PERIODS PER YEAR	1	OTHER COSTS / UNIT									
TOTAL NUMBER OF UNITS	3	ANNUAL HOMEOWNER'S DUES									
ABSORPTION PER PERIOD	1	DEVELOPER'S PROFIT									
UNITS SOLD PRIOR TO COMPLETION	0	DISCOUNT RATE									
AVG RETAIL \$/SQ FT/UNIT	30	ANNUAL APPRECIATION RATE									
MKT 1 SALES COMM %	8.00%	ANNUAL TAX RATE									
DEVELOPMENT/ADMIN COST	2.00%	TAX INCREASE RATE PER YEAR									
BOND PAYMENT / UNIT	\$0	R.E. TAXES, PERIOD/UNIT									
ERR	0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
SALES SUMMARY											
NUMBER OF UNITS SOLD	0	\$4.50	\$4.51	\$4.73	\$4.85	\$4.97	\$5.09				
CUMULATIVE UNITS SOLD	0	0	0	1	1	1	0	0	0	0	0
UNSALE UNITS REMAINING	3	3	3	2	1	0	0	0	0	0	0
AVG RETAIL \$/P/UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL RTL SALES/PERIOD	\$0	\$0	\$0	\$1,359,858	\$1,178,885	\$985,889	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$0	\$0	\$1,359,858	\$2,538,721	\$3,534,590	\$3,534,590	\$3,534,590	\$3,534,590	\$3,534,590	\$3,534,590
COST OF SALES											
MARKETING/SALES COMMISSION	\$0	\$0	\$0	\$87,893	\$58,943	\$49,753	\$0	\$0	\$0	\$0	\$0
DEV/ADM COST	\$0	\$0	\$0	\$89,146	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT / UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E. TAXES ON UNSOLD UNITS	\$0	\$20	\$21	\$1,818	\$782	\$407	\$0	\$0	\$0	\$0	\$0
HOT'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$20	\$21	\$138,039	\$59,735	\$50,200	\$0	\$0	\$0	\$0	\$0
NET INCOME BEFORE PROFIT	\$0	(\$20)	(\$21)	\$1,220,899	\$1,118,130	\$946,689	\$0	\$0	\$0	\$0	\$0
PROFIT	\$0	\$0	\$0	\$176,781	\$163,252	\$129,483	\$0	\$0	\$0	\$0	\$0
NET SALES PROCEEDS	\$0	(\$20)	(\$21)	\$1,044,117	\$985,878	\$818,208	\$0	\$0	\$0	\$0	\$0
P.V. FACTOR	0.000000	0.809091	0.828446	0.761315	0.883013	0.820821	0.584474	0.513158	0.468507	0.424098	0.386543
P.V. OF NET PROCEEDS	\$0	(\$16)	(\$17)	\$784,481	\$868,708	\$508,800	\$0	\$0	\$0	\$0	\$0
TOTAL P.V. OF NET PROCEEDS		(\$16)	(\$38)	\$784,426	\$1,444,134	\$1,850,834	\$1,850,834	\$1,850,834	\$1,850,834	\$1,850,834	\$1,850,834
ROUNDED TO				\$1,951,000							

CV006536

PLTF TRIAL EXH 394

REPORT BY THE

PARTS, NO 125-
 TOTAL AREA 410 ACRES.
 DEVELOPED WITH 125 ACRES.
 REPRODUCED UNIT 1001 COMMERCIAL

PARTS, NO 125-
 TOTAL AREA 410 ACRES.
 DEVELOPED WITH 125 ACRES.
 REPRODUCED UNIT 1001 COMMERCIAL

PARTS, NO 125-
 TOTAL AREA 410 ACRES.
 DEVELOPED WITH 125 ACRES.
 REPRODUCED UNIT 1001 COMMERCIAL

LLGLND





BUILDING
 -HARDEN ROAD
 MILL
 SCHOOL
 FOUN
 ISLAND GOLD COAST
 LEVEL

400

Scale: 1 INCH = 400 FEET

[illegible]

CONFIDENTIAL

VALUATION OF PARCEL 18

Parcel 18 is located in the northeast section of Levee Section 2 and extends to the north and south of an interior spine road. Parcel 18 has frontage on numerous small lakes and distance exposure to Interstate 77. Parcel 18 comprises a total of 22.00 acres, however this parcel has been partitioned into five individual sub-parcels. The following chart will identify the five sub-parcels as well as their respective size which comprise Parcel 18.

PARCEL 18 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
18-A	4.90	213,444
18-B	4.80	209,088
18-C	4.20	182,952
18-D	4.50	196,020
18-E	3.60	156,816
TOTAL	22.00	958,320

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this 22.00 acre tract into five individual sub-parcels, which should result in a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 18 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 18 will be valued as five separate sub-parcels, with an average size of 191,664 square feet. The commercial property sales which most favorably compare to Parcel 18 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.00 per square foot for the five sub-parcels located within Parcel 18 appears reasonable as a result of the subject's location and distant exposure to Interstate 77.

The four sales selected for the comparative procedure for the valuation of Parcel 18 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. On the following page, will be the land sales adjustment chart followed by the Site Valuation

Summary.

LAND SALES ADJUSTMENT CHART PARCEL 18 (FIVE SUB-PARCELS)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	- 5%	- 5%	- 5%	- 5%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+10%	-15%	-15%	-15%
Indicated Value of Subject/Square Foot	\$4.41	\$4.38	\$4.82	\$3.99

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell

for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. Due to the number of parcels and the lack of definitive physical characteristics in relationship to egress/ingress and exposure, the four sales are considered to be superior and were adjusted accordingly. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$3.99 and \$4.82 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.00 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective five sub-parcels to be contained within Parcel 18. It is anticipated the development for Parcel 18 will be marketable in the sixth year of this analysis with a five year sell-out/absorption time. More specifically, it is projected Parcel 18-A will sell in the first year of the analysis, Parcel 18-B in year two, Parcel 18-C in the third year, Parcel 18-D will sell in year four, and Parcel 18-E will sell in year five, which equates to the total disposition of the five sub-parcels located within Parcel 18.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of five years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the five sub-parcels constituting Parcel 18 is \$1,717,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 161A B.C.R. 6.51
CALCULATED ANNUAL OCTOBER 13, 2007

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
NUMBER OF PERIODS PER YEAR	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
TOTAL NUMBER OF UNITS	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
ABSORPTION PER PERIOD	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
UNITS SOLD PRIOR TO COMPLETION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AND RETAIL SALES OPPORTUNITY	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
UNIT 1 SALES COMIN %	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
DEVELOPMENT/ADMIN COST	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
BOND PAYMENT UNIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SALES SUMMARY/PRICE PER SQFT	54	54	54.10	54.20	54.31	54.42	54.53	54.64	54.75	54.87	55.00	55.12	55.24	55.36	55.48
CUMULATIVE UNITS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNITS REMAINING	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AND RETAIL SALES OPP. / UNIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL RETAIL SALES/PERIOD	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
AGGREGATE RETAIL SALES	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

COST OF SALES															
MANUFACTURING COMMISSION	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
DEVELOPMENT COST	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
BOND PAYMENT UNIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
RET. TAXES ON UNSOLD UNITS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
NOTES DUES ON UNSOLD UNITS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
OTHER COST	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL COST OF SALES	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
NET INCOME BEFORE PROFIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
PROFIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
NET SALES PROCEEDS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
P.V. FACTOR	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
P.V. OF NET PROCEEDS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL P.V. OF NET PROCEEDS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
ROUNDED TO															

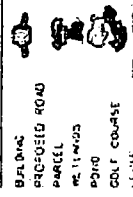
CV006541

LOCKWOOD GREENE

Site Plan of South Carolina



LEGEND



300 0

Scale: 1 INCH = 300 FEET

PARCEL 18
MASTER PLAN

COLUMBIA VENTURE, LLC
COLUMBIA, SOUTH CAROLINA

PARCEL 18

CV006542

PLTF TRIAL EXH 394

VALUATION OF PARCEL 21

Parcel 21 is located in the north central section of Levee Section 2 with frontage on numerous lakes and has excellent exposure from Interstate 77. Parcel 21 comprises a total of 32.60 acres, however this parcel has been partitioned into six individual sub-parcels. The following chart will identify the six sub-parcels as well as their respective size which comprise Parcel 21.

PARCEL 21 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
21-A	3.75	163,350
21-B	4.80	209,088
21-C	6.15	267,894
21-D	8.10	352,836
21-E	5.20	226,512
21-F	4.60	200,376
TOTAL	32.60	1,420,056

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this 32.60 acre tract into six individual sub-parcels, which should result in a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 21 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 21 will be valued as six separate sub-parcels, with an average size of 236,676 square feet. The commercial property sales which most favorably compare to Parcel 21 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.00 per square foot for the six sub-parcels located within Parcel 21 appears reasonable as a result of the subject's location and exposure to Interstate 77.

The four sales selected for the comparative procedure for the valuation of Parcel 21 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. On the following page, will be the land sales adjustment chart followed by the Site Valuation

Summary.

LAND SALES ADJUSTMENT CHART PARCEL 21 (SIX SUB-PARCELS)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	- 5%	- 5%	- 5%	- 5%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	-10%	-15%	-15%	-15%
Indicated Value of Subject/Square Foot	\$4.41	\$4.38	\$4.82	\$3.99

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell

for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. Due to the number of parcels and the lack of definitive physical characteristics in relationship to egress/ingress and exposure, the four sales are considered to be superior and were adjusted accordingly. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$3.99 and \$4.82 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.00 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective six sub-parcels to be contained within Parcel 21. It is anticipated the development for Parcel 21 will be marketable in the seventh year of this analysis with a six year sell-out/absorption time. More specifically, it is projected Parcel 21-A will sell in the first year of the analysis, Parcel 21-B will sell in year two, Parcel 21-C in the third year, Parcel 21-D will sell in year four, Parcel 21-E in the fifth year, and Parcels 21-F in year six, which equates to the total disposition of the six sub-parcels located within Parcel 21.

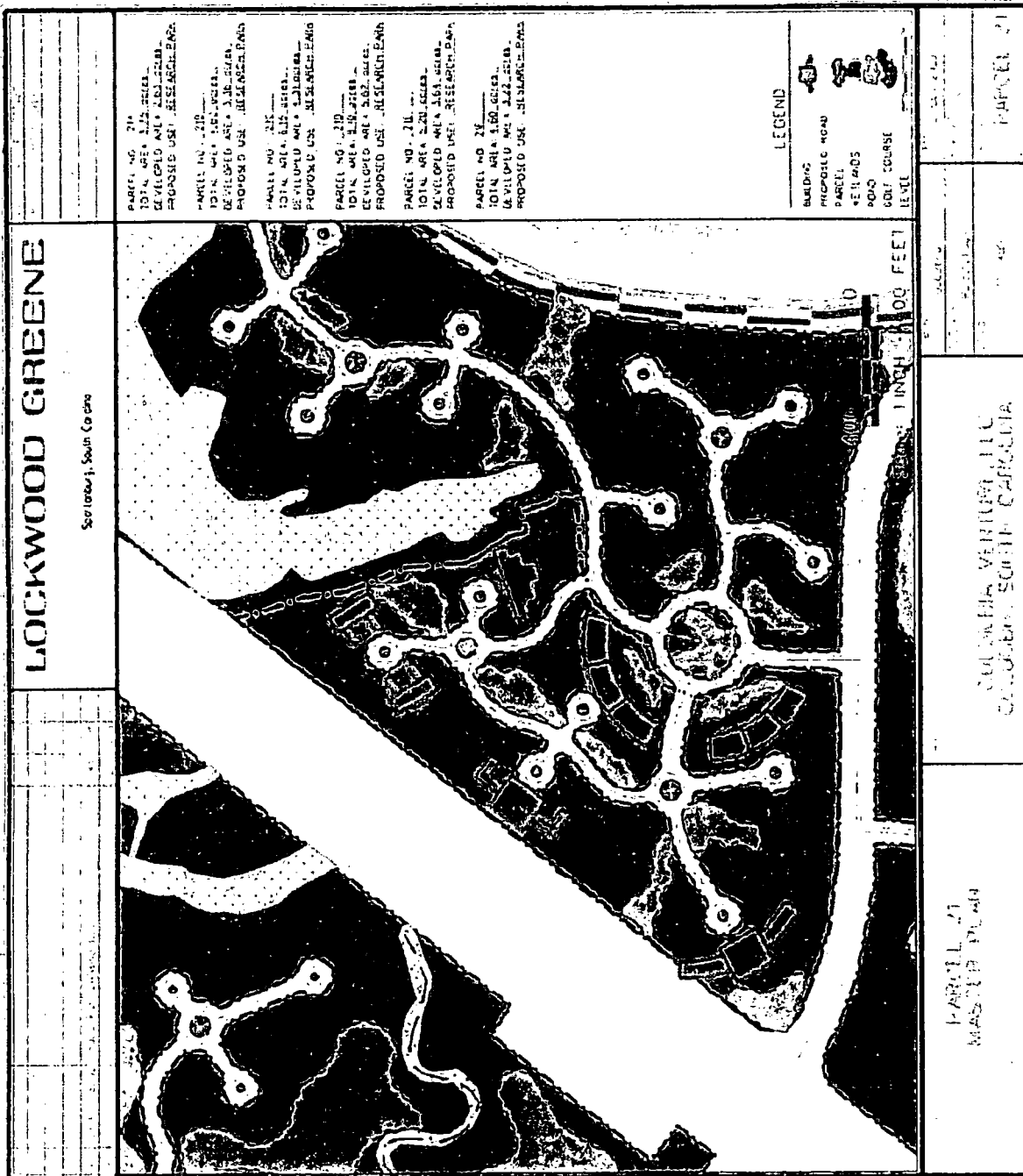
SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of six years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the six sub-parcels constituting Parcel 21 is \$2,249,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 31 (A, B, C, D, E, & F)																
CALCULATED ANNUAL OCTOBER 1A, 2008																
NUMBER OF PERIODS PER YEAR	1	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
OTHER COSTS/UNIT																
TOTAL NUMBER OF UNITS	6															
ANNUAL ACQUISITION/DUES																
DEVELOPERS PROFIT	1															
UNITS SOLD PRIOR TO COMPLETION	0															
DISCOUNT RATE	10.00%															
ANNUAL APPRECIATION RATE	2.50%															
ANNUAL TAX RATE	0.00000%															
TAX INCREASE RATE PER YEAR	0.00%															
R.E.TAXES, PERIOD/UNIT																
SALES SUMMARY/PRICE PER SQFT	0															
NUMBER OF UNITS SOLD	0	64	14,10	84,20	54,31	84,42	84,53	84,64	84,75	84,87	85,00	85,13	85,25	85,38	85,52	
CUMULATIVE UNITS SOLD	0	0	0	0	0	0	0	1	1	1	1	1	1	0	0	0
UNITS REMAINING	0	0	0	0	0	0	0	1	2	3	4	6	6	6	6	6
AVG RETAIL \$400 S.P./UNIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL RETAIL SALES/PERIOD	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
AGGREGATE RETAIL SALES	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
COST OF SALES																
MARKETING/SALES COMMISSION	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
DEVELOPMENT COST	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
BOND PAYMENT/UNIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
R.E.TAXES ON UNITS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
HOP'S DUES ON UNITS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
OTHER COST	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL COST OF SALES	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
NET INCOME BEFORE PROFIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
PROFIT	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
NET SALES PROCEEDS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
P.V. FACTOR	0.00000	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999	0.99999
P.V. OF NET PROCEEDS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL P.V. OF NET PROCEEDS	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
ROUNDED TO	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

CV006546

PLTF TRIAL EXH 394



VALUATION OF PARCEL 22

Parcel 22 is located in the north central section of Levee Section 2 with frontage on numerous lakes/pond and distant exposure from Interstate 77. Parcel 22 comprises a total of 20.90 acres, however this parcel has been partitioned into four individual sub-parcels. The following chart will identify the four sub-parcels as well as their respective size which comprise Parcel 22.

PARCEL 22 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
22-A	5.70	248,292
22-B	6.80	296,208
22-C	4.40	191,664
22-D	4.00	174,240
TOTAL	20.90	910,404

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this 20.90 acre tract into four individual sub-parcels, which should result in a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 22 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 22 will be valued as four separate sub-parcels, with an average size of 227,601 square feet. The commercial property sales which most favorably compare to Parcel 22 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.00 per square foot for the four sub-parcels located within Parcel 22 appears reasonable.

The four sales selected for the comparative procedure for the valuation of Parcel 22 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. On the following page, will be the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART PARCEL 22 (FOUR SUB-PARCELS)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	- 5%	- 5%	- 5%	- 5%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+10%	-15%	-15%	-15%
Indicated Value of Subject/Square Foot	\$4.41	\$4.38	\$4.82	\$3.99

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell

for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. Due to the number of parcels and the lack of definitive physical characteristics in relationship to egress/ingress and exposure, the four sales are considered to be superior and were adjusted accordingly. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$3.99 and \$4.82 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.00 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective four sub-parcels to be contained within Parcel 22. It is anticipated the development for Parcel 22 will be marketable in the sixth year of this analysis with a four year sell-out/absorption time. More specifically, it is projected Parcel 22-A will sell in the first year of the analysis, Parcel 22-B will sell in year two, Parcel 22-C in the third year, and Parcel 22-D will sell in year four, which equates to the total disposition of the four sub-parcels located within Parcel 22.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the four sub-parcels constituting Parcel 22 is \$1,694,000.

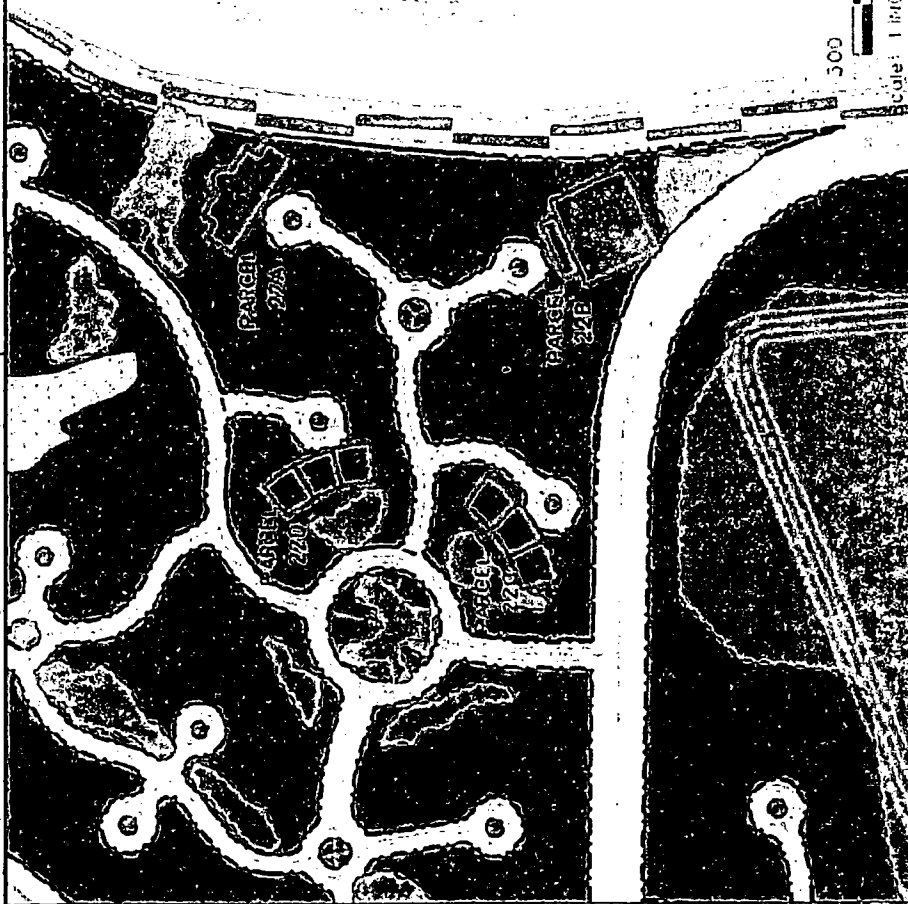
DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 22 (A, B, C, D)
CALCULATED

ANNUAL
 OCTOBER 15, 2007

NUMBER OF PERIODS PER YEAR	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
SALES SUMMARY/PRICE PER SQFT																		
NUMBER OF UNITS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNITS SOLD PRIOR TO COMPLETION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AVG RETAIL \$400/SQFT/UNIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNITS SALES COM %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DEVELOPMENT/ADMIN COST	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
BOND PAYMENT/UNIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER COSTS/UNIT																		
ANNUAL HOMEOWNERS DUES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DEVELOPER'S PROFIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DISCOUNT RATE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ANNUAL APPRECIATION RATE	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ANNUAL TAX RATE	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX INCREASE RATE PER YEAR	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RE-TAXES, PERCENT/UNIT																		
2002	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2004	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2005	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2006	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2007	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2008	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2009	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COST OF SALES																		
MARKETING/SALES COMMISSION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DEV/ADM COST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND PAYMENT/UNIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RE-TAXES ON UNPAID UNITS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NO'S DUES ON UNPAID UNITS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER COST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COST OF SALES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET INCOME BEFORE PROFIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PROFIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET SALES PROCEEDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
P.V. FACTOR	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
P.V. OF NET PROCEEDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL P.V. OF NET PROCEEDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ROUNDED TO																		

CV006551

Southern & Southern China



1. EGE WD

BUILDING
PROPOSED ROAD
PARCEL
WETLANDS
POND
GOLF COURSE
FENCE

PARCEL 22
WATER FLOW

COLUMBIA VENTURE LLC
COLUMBIA SOUTH CAROLINA

25

VALUATION OF PARCEL 23

Parcel 23 is centrally located in Levee Section 2 with frontage on several small ponds. Parcel 23 comprises a total of 20.50 acres, however this parcel has been partitioned into four individual sub-parcels. Parcel 23 will benefit from its proximity to Parcels 25 and 26 which will be developed into a retail commercial atmosphere with frontage on a large lake. The following chart will identify the four sub-parcels as well as their respective size which comprise Parcel 23.

PARCEL 23 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
23-A	7.90	344,124
23-B	5.10	222,156
23-C	3.30	143,748
23-D	4.20	182,952
TOTAL	20.50	892,980

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this 20.50 acre tract into four individual sub-parcels, which should result in a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 23 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 23 will be valued as four separate sub-parcels, with an average size of 223,245 square feet. The commercial property sales which most favorably compare to Parcel 23 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.50 per square foot for the four sub-parcels located within Parcel 23 appears reasonable.

The four sales selected for the comparative procedure for the valuation of Parcel 23 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. On the following page, will be the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART PARCEL 23 (FOUR SUB-PARCELS)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	-0-	-0-
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+15%	-10%	-10%	-10%
Indicated Value of Subject/Square Foot	\$4.61	\$4.63	\$5.10	\$4.22

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell

for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, egress/ingress, exposure, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$4.22 and \$5.10 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.50 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective four sub-parcels to be contained within Parcel 23. It is anticipated the development for Parcel 23 will be marketable in the seventh year of this analysis with a four year sell-out/absorption time. More specifically, it is projected Parcel 23-A will sell in the first year of the analysis, Parcel 23-B will sell in year two, Parcel 23-C in year three, and Parcel 23-D will sell in year four, which equates to the total disposition of the four sub-parcels located within Parcel 23.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the four sub-parcels constituting Parcel 23 is \$1,760,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 21 (A, B, C, & D)

CALCULATED OCTOBER 15, 2009

ANNUAL	2008	2009	2010	2011	2012	2013	2014	2015	2016
NUMBER OF PERIODS PER YEAR	1	1	1	1	1	1	1	1	1
TOTAL NUMBER OF UNITS	4	4	4	4	4	4	4	4	4
ANNUAL HOMEOWNERS RUES	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00
DEVELOPER'S PROFIT	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
DISCOUNT RATE	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
ANNUAL APPRECIATION RATE	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
ANNUAL TAX RATE	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
TAX INCREASE RATE PER YEAR	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
R.E. TAXES PER UNIT	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00

SALES SUMMARY/PRICE PER SQFT	2008	2009	2010	2011	2012	2013	2014	2015	2016
NUMBER OF UNITS SOLD	0	0	0	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	0	0	0	0	0	0	0	0
UNSALEABLE UNITS REMAINING	0	0	0	0	0	0	0	0	0
AVG RETAIL SALES \$/UNIT	80	80	80	80	80	80	80	80	80
TOTAL RET. SALES PERIOD	80	80	80	80	80	80	80	80	80
AGGREGATE RETAIL SALES	80	80	80	80	80	80	80	80	80

COST OF SALES	2008	2009	2010	2011	2012	2013	2014	2015	2016
MARKETING/SALES COMMISSION	80	80	80	80	80	80	80	80	80
DEVELOPER'S COST	80	80	80	80	80	80	80	80	80
SALES PAYMENT UNIT	80	80	80	80	80	80	80	80	80
R.E. TAXES ON UNSALEABLE UNITS	80	80	80	80	80	80	80	80	80
HOMEOWNERS ON UNSALEABLE UNITS	80	80	80	80	80	80	80	80	80
OTHER COST	80	80	80	80	80	80	80	80	80
TOTAL COST OF SALES	80	80	80	80	80	80	80	80	80
NET INCOME BEFORE PROFIT	80	80	80	80	80	80	80	80	80
PROFIT	80	80	80	80	80	80	80	80	80
NET SALES PROCEEDS	80	80	80	80	80	80	80	80	80
P.V. FACTOR	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
P.V. OF NET PROCEEDS	80	80	80	80	80	80	80	80	80
TOTAL P.V. OF NET PROCEEDS	80	80	80	80	80	80	80	80	80
ROUNDED TO	80	80	80	80	80	80	80	80	80

CV006556

PLTF TRIAL EXH 394

DATE OF BIRTH: 1944

[illegible]

Legend

 BUILDING
 PROPOSED HUMAN
 PARCEL
 WETLANDS
 ROAD
 GOLF COURSE
 FENCE

004

Scale: 1 INCH = 400 FEET

CLUBBER VERBODEN
CLUBBER SUDH CIGARETTEN

WALTER C. CROSBY

1998

CV006557

PLTF TRIAL EXH 394

VALUATION OF PARCEL 24

Parcel 24 is located in the north central portion of Levee Section 2 with frontage on a large lake and excellent exposure from Interstate 77. Parcel 24 will benefit from its proximity to Parcels 25 and 26 which will be developed into a retail commercial atmosphere with frontage on a large lake. Parcel 24 comprises a total of 43.76 acres, however this parcel has been partitioned into eight individual sub-parcels. The following chart will identify the eight sub-parcels as well as their respective size which comprise Parcel 24.

PARCEL-24 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (Sq. Ft.)
24-A	6.00	261,360
24-B	4.77	207,781
24-C	3.80	165,528
24-D	6.70	291,852
24-E	5.40	235,224
24-F	6.00	261,360
24-G	6.19	269,636
24-H	4.90	213,442
TOTAL	43.76	1,906,186

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this 43.76 acre tract into eight individual sub-parcels, which should result in a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 24 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 24 will be valued as eight separate sub-parcels, with an average size of 238,273 square feet. The commercial property sales which most favorably compare to Parcel 24 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.50 per square foot for the eight sub-parcels located within Parcel 24 appears reasonable as a result of the subject's location on the large lake and exposure to

Interstate 77, as well as exposure to Parcel 25 and 26.

The four sales selected for the comparative procedure for the valuation of Parcel 24 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. Below is the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART PARCEL 24 (EIGHT SUB-PARCELS)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	-0-	-0-
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+15%	-10%	-10%	-10%
Indicated Value of Subject/Square Foot	\$4.61	\$4.63	\$5.10	\$4.22

SITE VALUATION SUMMARY

Prior to completing physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, egress/ingress, exposure, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$4.22 and \$5.10 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.50 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective eight sub-parcels to be contained within Parcel 24. It is anticipated the development for Parcel 24 will be marketable in the sixth year of this analysis with an eight year absorption time. More specifically, it is projected Parcel 24-A will sell in the first year of the analysis, Parcel 24-B in year two, Parcel 24-C in year three, Parcel 24-D in year four, Parcel 24-E in year five, Parcel 24-F in year six, 24-G in year seven, and 24-H in year eight, which equates to the total disposition of the eight sub-parcels located within Parcel 24.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of eight years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the eight sub-parcels constituting Parcel 24 is \$3,339,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 24 (A.B.C.D.E.F.G.H.I)
CALCULATED OCTOBER 15, 2007

ANNUAL	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
NUMBER OF PERIODS PER YEAR	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
TOTAL NUMBER OF UNITS	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
ANNUAL HOMEOWNER'S DUES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEVELOPER'S PROFIT	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
DISCOUNT RATE	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
UNITS SOLD PRIOR TO COMPLETION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AVG RETAIL \$450/SQFT/UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL APPRECIATION RATE	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
ANNUAL TAX RATE	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TAX INCREASE RATE PER YEAR	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DEVELOPMENT/ADMIN COST	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BOND PAYMENT/UNIT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SALES SUMMARY/PRICE PER SQFT															
NUMBER OF UNITS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNITS REMAINING	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
AVG RETAIL \$450/SQFT/UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL RETAIL SALES/PERIOD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AGGREGATE RETAIL SALES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

COST OF SALES

MARKETING/SALES COMMISSION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEVELOPER'S COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT/UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RE-TAXES ON UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HOV'S DUES ON UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NET INCOME BEFORE PROFIT

NET INCOME BEFORE PROFIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

PROFIT

PROFIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NET SALES PROCEEDS

NET SALES PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

P.V.FACTOR

P.V.FACTOR	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000

P.V.OF NET PROCEEDS

P.V.OF NET PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

TOTAL P.V. OF NET PROCEEDS

TOTAL P.V. OF NET PROCEEDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

ROUNDED TO

ROUNDED TO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CV006561

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PAGE 24
MAGNET PLATE

CLUBHOUSE VENTURE, LLC
C/O. GORDON SQUINT CAROLINA

10/10/11

023031

EUGENE
 PROPOSED ROAD
 PARCEL
 22.11 ACRES
 5000
 5000 COURSE
 5000

[illegible]

VALUATION OF PARCEL 25

Parcel 25 is located south of a large lake located in the north central portion of Levee Section 2. It has been determined the location of Parcel 25 may be exemplary of a commercial/retail strip area although the strip area should not be considered offensive as it will be tastefully developed. The parcel comprises a total of 9.70 acres and may reflect the type development closely associated with large multi-use development along the resort coastal regions of South Carolina.

Four sales selected for the comparative procedure for the valuation of Parcel 25 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial properties.

LAND SALES ADJUSTMENT CHART PARCEL 25				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	-0-	-0-
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+15%	-10%	-10%	-10%
Indicated Value of Subject/Square Foot	\$4.61	\$4.63	\$5.10	\$4.22

CV006563

PLTF TRIAL EXH 394

SITE VALUATION SUMMARY

Prior to completing physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel, comprising 9.70 acres. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject property. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, egress/ingress, exposure and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject property extended between \$4.22 and \$5.10 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.50 per square foot.

It is anticipated the subject will not sell immediately due to the number of competitive commercial properties which may be coming on-line for developmental usage. Therefore, the sale of Parcel 25 is anticipated in 2004. As a result, the \$4.50 per square foot will be inflated to reflect the anticipated 2.5% annual increase for the 9.70 acres. The future value in 2004 equates to \$1,998,576, and will be discounted for the later disposition time in 2004 at a 10.0% discount rate to yield a final indicated value of this property at \$1,652,000.

VALUATION OF PARCEL 26

Parcel 26 reflects almost identical developmental usage as Parcel 25 although is a larger parcel. Parcel 26 is identified by the E.D.S.A. Land Use Plan as containing 26.25 acres.

This parcel is also heavily influenced by the location near a lake in the north central area of Levee Section 2.

The four sales selected for the comparative procedure for the valuation of Parcel 26 are located in a similar area in northeast Columbia near Interstate 77. This area is currently undergoing commercial development similar to what is proposed for the subject parcel.

LAND SALES ADJUSTMENT CHART PARCEL 26				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	-0-	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	-0-	-0-
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+ 5%	-10%	-10%	-10%
Indicated Value of Subject/Square Foot	\$4.21	\$4.63	\$5.10	\$4.22

SITE VALUATION SUMMARY

There is a minor difference in the valuation of Parcel 26 relative to the adjustment process as a result of Parcel 26 being larger than Parcel 25. However, it has a similar highest and best use and would reflect a similar indicated value on a per square foot basis. The indicated value is \$4.50 per square foot but it is anticipated this bulk acreage parcel, designated for commercial developmental usage, would not sell into 2004, similar to the anticipated disposition for the adjacent Parcel 25. Parcel 26 will have a value in 2004 of \$5,408,519, discounted at 10.0% to the present effective date of value to equate to \$4,469,850, rounded to \$4,500,000.

VALUATION OF PARCEL 27

Parcel 27 is centrally located in Levee Section 2 with frontage on several small ponds. Parcel 27 will benefit from its proximity to Parcels 25 and 26 which will be developed into a retail commercial atmosphere with frontage on a large lake. Parcel 27 comprises a total of 53.40 acres, however this parcel has been partitioned into four individual sub-parcels. The following chart will identify the four sub-parcels as well as their respective size which comprise Parcel 27.

PARCEL 27 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
27-A	19.50	849,420
27-B	8.60	374,616
27-C	9.60	418,176
27-D	15.70	683,892
TOTAL	53.40	2,326,104

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this 53.40 acre tract into four individual sub-parcels, which should result in a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 27 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 27 will be valued as four separate sub-parcels, with an average size of 581,526 square feet. The commercial property sales which most favorably compare to Parcel 27 are sales located near the intersection of I-77 and Farrow Road, and Sparkleberry Lane in the northeast section of Columbia. As a result, an average projected price of \$4.50 per square foot for the four sub-parcels located within Parcel 27 appears reasonable.

The four sales selected for the comparative procedure for the valuation of Parcel 27 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. On the following page, will be the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART PARCEL 27 (FOUR SUB-PARCELS)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	-0-	-0-
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+15%	-10%	-10%	-10%
Indicated Value of Subject/Square Foot	\$4.61	\$4.63	\$5.10	\$4.22

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell

for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, egress/ingress, exposure, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$4.22 and \$5.10 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.50 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective four sub-parcels to be contained within Parcel 27. It is anticipated the development for Parcel 27 will be marketable in the eighth year of this analysis with a four year sell-out/absorption time. More specifically, it is projected Parcel 27-A will sell in the first year of the analysis, Parcel 27-B will sell in year two, Parcel 27-C in year three, and Parcel 27-D will sell in year four, which equates to the total disposition of the four sub-parcels located within Parcel 27.

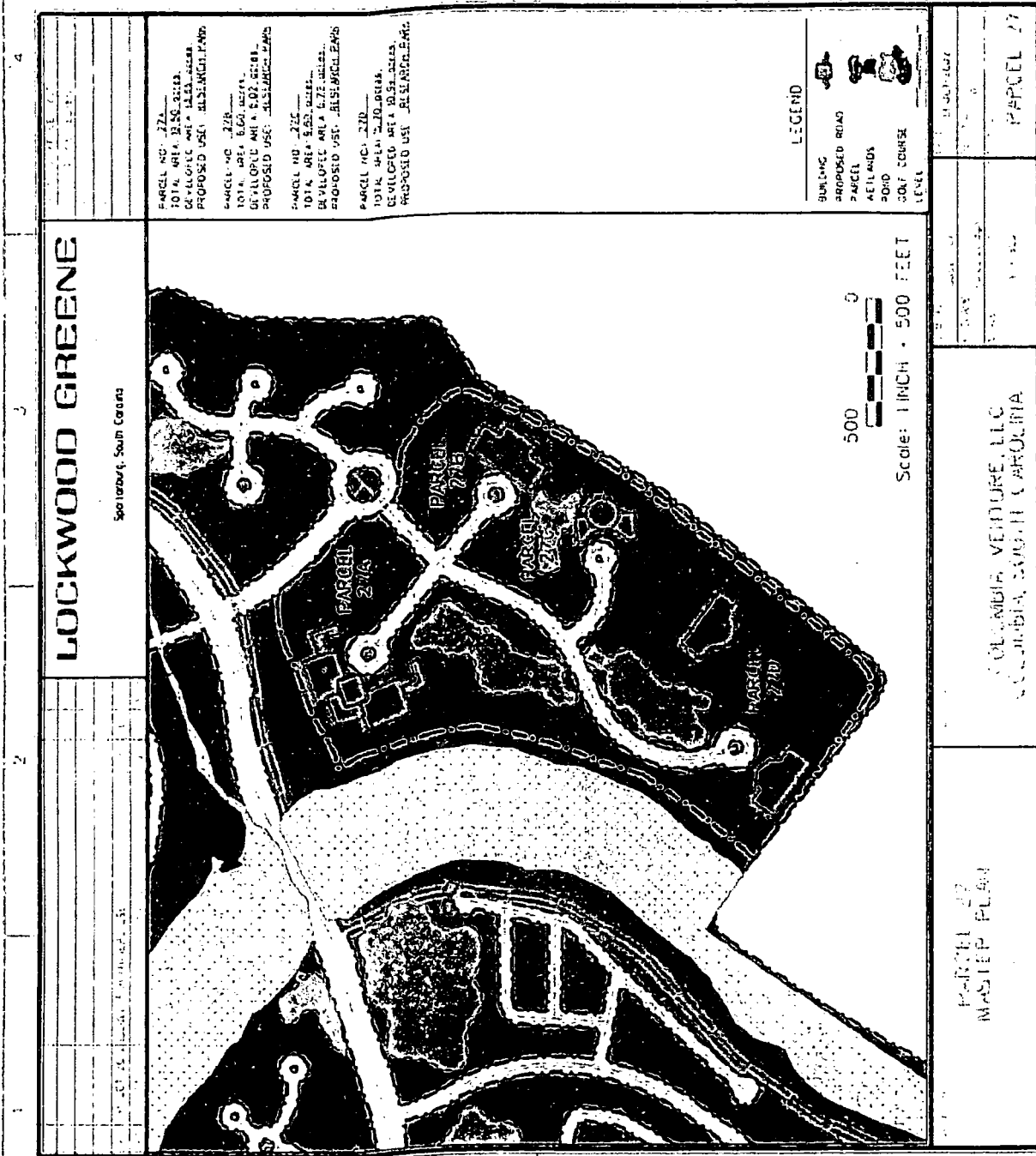
SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of four years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the four sub-parcels constituting Parcel 27 is \$4,207,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 37 (A, B, C, & D)

CALCULATED		OCTOBER 15, 2008															
ANNUAL																	
NUMBER OF PERIODS PER YEAR		1	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
TOTAL NUMBER OF UNITS		4	\$4.50	\$4.61	\$4.73	\$4.85	\$4.97	\$5.08	\$5.22	\$5.35	\$5.48	\$5.62	\$5.76	\$5.90	\$6.05	\$6.20	
ABSORPTION PER PERIOD		1															
UNITS SOLD PRIOR TO COMPLETION		0															
AVG RETAIL \$4.50/SQFT/UNIT		50															
MKT 1 SALES COM %		5.00%															
DEVELOPMENT/ADMIN COST		2.00%															
BOND PAYMENT/UNIT		50															
PER		0															
SALES SUMMARY/PRICE PER SQFT			\$4.50	\$4.61	\$4.73	\$4.85	\$4.97	\$5.08	\$5.22	\$5.35	\$5.48	\$5.62	\$5.76	\$5.90	\$6.05	\$6.20	
NUMBER OF UNITS SOLD		0	0	0	0	0	0	0	0	1	1	1	1	0	0	0	0
CUMULATIVE UNITS SOLD		0	0	0	0	0	0	0	0	1	2	3	4	0	0	0	0
UNITS SOLD PRIOR TO COMPLETION		0	0	0	0	0	0	0	0	0	2	1	0	0	0	0	0
AVG RETAIL \$4.50 S.P./UNIT		50	50	50	50	50	50	50	50	\$4,544,397	\$2,652,898	\$1,350,119	\$3,638,218	50	50	50	50
TOTAL RET. SALES/PERIOD		50	50	50	50	50	50	50	50	\$4,544,397	\$2,652,898	\$1,350,119	\$3,638,218	50	50	50	50
AGGREGATE RETAIL SALES		50	50	50	50	50	50	50	50	\$4,544,397	\$9,597,283	\$8,947,442	\$12,668,060	50	50	50	50
COST OF SALES																	
MARKETING/SALES COMMISSION		50	50	50	50	50	50	50	50	\$271,220	\$102,845	\$117,967	\$188,081	50	50	50	50
DEV/ADMIN COST		50	50	50	50	50	50	50	50	\$246,893	50	50	50	50	50	50	50
BOND PAYMENT/UNIT		50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
P.L.E. TAXES ON UNITS SOLD		50	50	50	50	50	50	50	50	\$1,098	\$1,098	\$754	\$368	50	50	50	50
HO'S DUES ON UNITS SOLD		50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
OTHER COST		50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
TOTAL COST OF SALES		50	\$62	\$64	\$68	\$68	\$70	\$72	\$74	\$482,089	\$183,743	\$113,261	\$187,349	50	50	50	50
NET INCOME BEFORE PROFIT		50	(642)	(654)	(666)	(658)	(670)	(672)	(674)	\$4,062,298	\$1,949,153	\$2,231,668	\$3,741,968	50	50	50	50
PROFIT		50	50	50	50	50	50	50	50	\$550,772	\$208,870	\$308,519	\$512,088	50	50	50	50
NET SALES PROCEEDS		50	(682)	(684)	(686)	(688)	(670)	(672)	(674)	\$3,471,526	\$1,682,277	\$1,929,389	\$3,226,771	50	50	50	50
P.V. FACTOR		0.00000	0.909091	0.828448	0.751315	0.683013	0.630921	0.584474	0.543156	0.498567	0.421068	0.381943	0.350404	0.318831	0.286844	0.263331	0.239382
P.V. OF NET PROCEEDS		50	(358)	(353)	(350)	(348)	(343)	(341)	(338)	\$1,818,168	\$712,160	\$742,688	\$1,132,918	50	50	50	50
TOTAL P.V. OF NET PROCEEDS		(358)	(\$ 109)	(\$ 109)	(\$ 159)	(\$ 205)	(\$ 248)	(\$ 289)	(\$ 327)	\$1,818,165	\$2,332,818	\$3,078,316	\$4,207,328	\$4,207,328	\$4,207,328	\$4,207,328	*****
ROUNDED TO																	

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PLTF TRIAL EXH 394

VALUATION OF PARCEL 28

Parcel 28 is located in the north central portion of Levee Section 2 with good exposure from Interstate 77 and frontage on numerous lakes. Parcel 28 comprises a total of 38.60 acres, however this parcel has been partitioned into eight individual sub-parcels. The following chart will identify the eight sub-parcels as well as their respective size which comprise Parcel 28.

PARCEL 28 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
28-A	5.30	230,868
28-B	3.80	165,528
28-C	3.80	165,528
28-D	4.20	182,952
28-E	8.70	378,972
28-F	4.70	204,732
28-G	5.20	226,512
28-H	2.90	126,324
TOTAL	38.60	1,681,416

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan partitioned this 38.60 acre tract into eight individual sub-parcels, which should result in a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcel 28 is predicated on commercial sales previously discussed and obtained from commercial developments within the Columbia market area. As stated previously, Parcel 28 will be valued as eight separate sub-parcels, with an average size of 210,177 square feet. The commercial property sales which most favorably compare to Parcel 28 are sales located near the intersection of I-77 and Farrow Road, in the northeast section of Columbia. As a result, an average projected price of \$4.50 per square foot for the eight sub-parcels located within Parcel 28 appears reasonable.

The four sales selected for the comparative procedure for the valuation of Parcel 28 were previously

delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. Below is the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART PARCEL 28 (EIGHT SUB-PARCELS)				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Square Foot	\$3.92	\$5.00	\$5.48	\$4.41
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.03	1.034	1.064
Adjusted Price/Square Foot	\$4.01	\$5.15	\$5.67	\$4.69
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	+10%	-15%	-15%	-15%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	-0-	-0-	-0-
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	+15%	-10%	-10%	-10%
Indicated Value of Subject/Square Foot	\$4.61	\$4.63	\$5.10	\$4.22

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels.

Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts. As a result, three of the comparable sales were smaller and necessitated an adjustment while one sale was larger than the subject parcel requiring a positive adjustment. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, egress/ingress, exposure, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$4.22 and \$5.10 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$4.50 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective eight sub-parcels to be contained within Parcel 28. It is anticipated the development for Parcel 28 will be marketable in the seventh year of this analysis with an eight year absorption time. More specifically, it is projected Parcel 28-A will sell in the first year of the analysis, Parcel 28-B in year two, Parcel 28-C in year three, Parcel 28-D in year four, Parcel 28-E in year five, Parcel 28-F in year six, 28-G in year seven, and 28-H in year eight, which equates to the total disposition of the eight sub-parcels located within Parcel 28.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

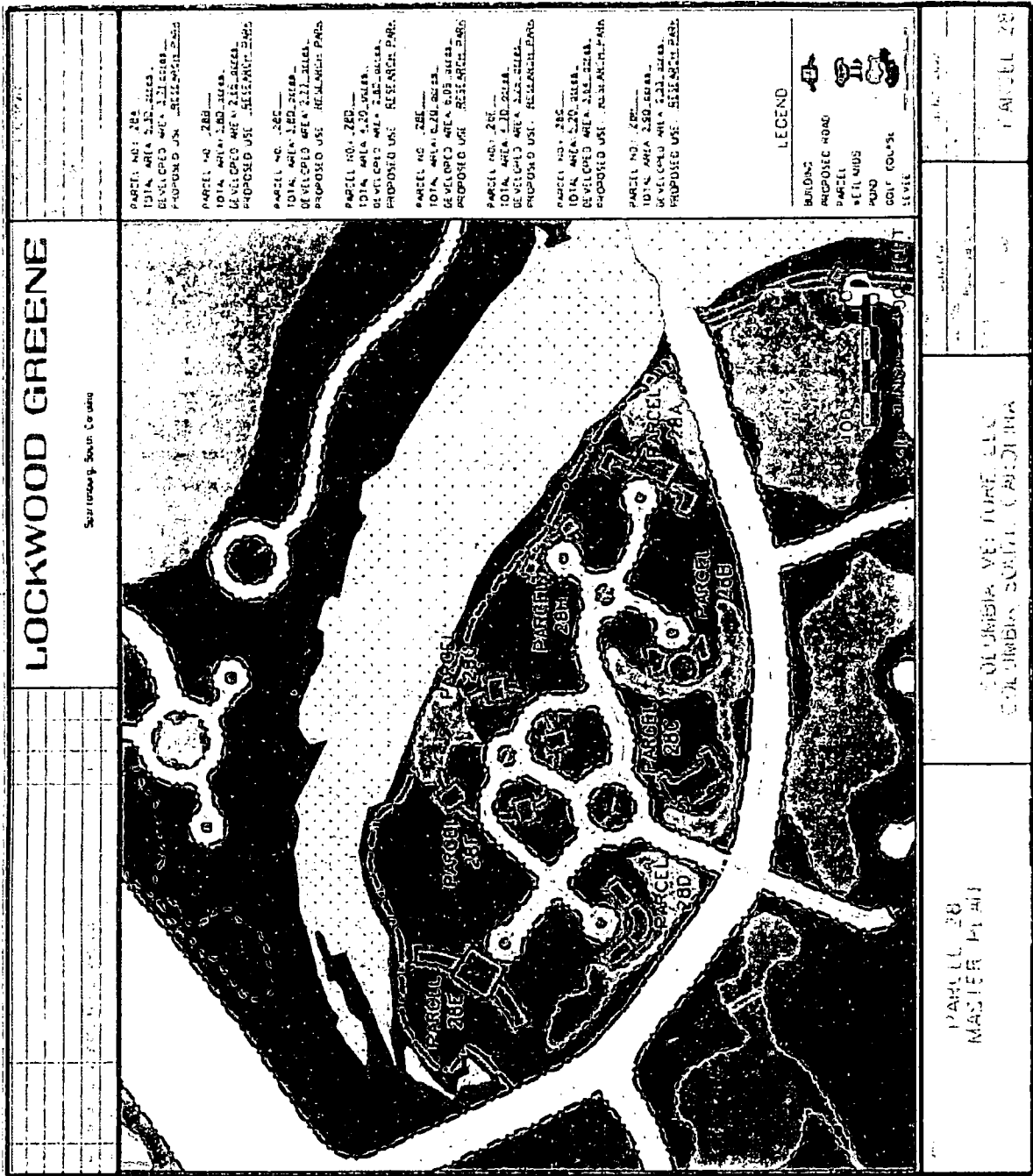
In the discounted cash flow analysis, presented on the following page, an absorption or disposition time of eight years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the eight sub-parcels constituting Parcel 28 is \$2,830,000.

DISCOUNTED CASH FLOW ANALYSIS PARCEL NO. 28 (A, B, C, D, E, F, G, & H)
CALCULATED OCTOBER 15, 2008

ANNUAL	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
NUMBER OF PERIODS PER YEAR	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
TOTAL NUMBER OF UNITS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ASSORPTION PER PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNITS SOLD PRIOR TO COMPLETION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AVG RETAIL \$450 SFT/UNIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INITIAL SALES COMMISSION %	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
DEVELOPMENT/ADMIN COST	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
BOND PAYMENT/UNIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SALES SUMMARY	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NUMBER OF UNITS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE UNITS SOLD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNSAID UNITS REMAINING	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AVG RETAIL \$450 SFT/UNIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RET. SALES PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AGGREGATE RETAIL SALES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

COST OF SALES

MARKETING/SALES COMMISSION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DEV/ADMIN COST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND PAYMENT/UNIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RENTAL ON UNSAID UNITS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MO'S DUES ON UNSAID UNITS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER COST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL COST OF SALES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET INCOME BEFORE PROFIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PROFIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET SALES PROCEEDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
P.V. FACTOR	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
P.V. OF NET PROCEEDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL P.V. OF NET PROCEEDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ROUNDED TO	\$2,830,000														



CV006578

**VALUATION OF PARCELS
30, 31 and 33**

Parcels 30, 31 and 33 are all located on the northwest side of Levee Section 2 and the south side of Interstate 77, all three have excellent frontage on Interstate 77 and are located near the proposed interchange with Interstate 77.

Parcels 30, 31 and 33 combined, total approximately 18.91 acres, have been partitioned into ten individual sub-parcels. The following chart will identify the ten sub-parcels as well as their respective size which comprise Parcels 30, 31 and 33.

PARCELS 30, 31 & 33 (Delineation of Respective Sub-Parcels)		
Parcel No.	Size (Acres)	Size (SF)
30-A	1.60	69,696
30-B	1.20	52,272
30-C	0.80	34,848
30-D	0.85	37,026
31-A	3.76	163,786
31-B	1.37	59,677
31-C	0.85	37,026
33-A	6.15	267,894
33-B	1.31	57,068
33-C	1.02	44,431
TOTAL	18.91	823,720

The highest and best use of this site would suggest commercial usage which is consistent with the E.D.S.A. Land Use Plan. The E.D.S.A. Land Use Plan has partitioned these three parcels containing 18.91 acres into ten individual sub-parcels and as a result should have a more rapid disposition and absorption time frame.

The estimate and ultimate determination of parcel values in Parcels 30, 31 and 33 is predicated upon commercial sales previously discussed and obtained from commercial developments within the Columbia market area. These combined parcels will be valued as ten separate sub-parcels, with an average size

of 82,372 square feet. The commercial property sales which most favorably compare to Parcels 30, 31 and 33 are sales located near the intersection of I-77 and Farrow Road, in the northeast section of Columbia and sales located near Columbiana Drive off Interstate 26 in the northwest section of Columbia. As a result, an average projected price of \$6.50 per square foot for the ten sub-parcels located within Parcels 30, 31 and 33 appears reasonable.

The four sales selected for the comparative procedure for the valuation of Parcels 30, 31 and 33 were previously delineated on the sales data sheets located in the Introduction section to the Valuation of Commercial Properties. Below is the land sales adjustment chart followed by the Site Valuation Summary.

LAND SALES ADJUSTMENT CHART (PARCELS 30, 31 & 33 (TEN SUB-PARCELS))				
Sale Number	Sale No. 21	Sale No. 5	Sale No. 8	Sale No. 20
Sale Price/Square Foot	\$8.12	\$6.95	\$7.21	\$6.92
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.026	1.054	1.04	1.052
Adjusted Price/Square Foot	\$8.33	\$7.32	\$7.49	\$7.28
Location	-0-	+10%	+10%	-0-
Size	-0-	-0-	-0-	-0-
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-12%	-12%	-12%	-12%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	-12%	-2%	-2%	-12%
Indicated Value of Subject/Square Foot	\$7.33	\$7.17	\$7.34	\$6.41

SITE VALUATION SUMMARY

Prior to completing any physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcel. Relative to location, Comparable Sales No. 5 and 8 were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the subject parcels. Sales No. 21 and 20 are located in the Harbison/Columbiana area and are considered to be comparable in terms of location. Additionally, the subject's location is augmented by the proximity to a large, developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts, however all four sales were considered comparable and no adjustments were deemed necessary. Due to the number of parcels and the lack of definitive physical characteristics relative to egress/ingress and exposure, the four sales are considered to be superior and were adjusted accordingly. The remaining physical characteristic dissimilarities, inclusive of topography, availability of utilities, and zoning were all considered similar to the comparable sales utilized in the analysis.

The net adjustments were considered reasonable and after the application of all adjustments, the indicated value of the subject sub-parcels extended between \$6.41 and \$7.34 per square foot. A reasonable correlation among the indicated adjusted values on a per square foot basis would suggest \$6.50 per square foot.

ABSORPTION ANALYSIS/DISCOUNTED CASH FLOW ANALYSIS (DCF)

The commercial sales utilized in the determination of per square foot prices were also analyzed for the estimates of absorption for the prospective ten sub-parcels to be contained within the combined Parcels 30, 31 and 33. It is anticipated the development for these three parcels will be marketable in the first year of this analysis with a nine year absorption time. More specifically, it is projected Parcels 30-A and 30-B will sell in year one, Parcels 30-C in year two, Parcel 30-D in year three, Parcel 31-A in year four, Parcel 31-B in year five, 31-C in year six, 33-A in year seven, 33-B in year eight and 33-C in year nine, which equates to the total disposition of the ten sub-parcels located within Parcels 30, 31 and 33.

SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS

In the discounted cash flow analysis, presented on the following page, an absorption or disposition time

of nine years is deemed reasonable. Therefore, based on the forecasted discounted cash flow analysis, the indicated net present value of the cash flows deemed necessary to dispose of the ten sub-parcels constituting Parcels 30, 31 and 33 is **\$2,931,000**.

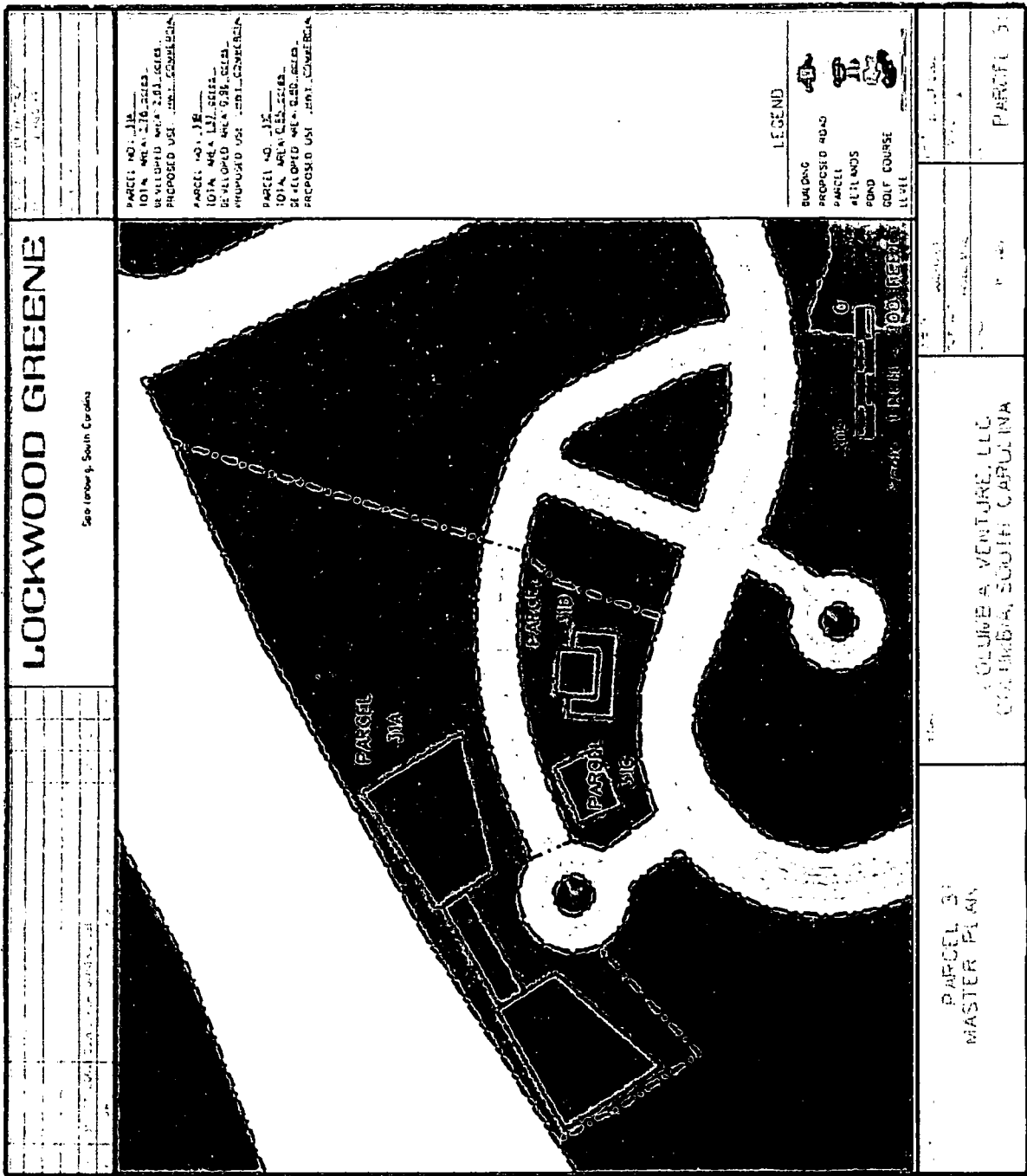
UNCOUNTED CASH FLOW ANALYSIS PARCEL NO'S 3, 4, 5 (A, B, C & D), 31 (A, B, C & D) 33 (A, B, C)

ANNUAL		OCTOBER 15, 2002									
CALCULATED											
NUMBER OF PERIODS PER YEAR	1	OTHER COSTS UNIT									
TOTAL NUMBER OF UNITS	10	ANNUAL HOMEOWNERS DUES									
ABSORPTION PER PERIOD	1	DEVELOPER'S PROFIT									
UNITS SOLD PRIOR TO COMPLETION	0	DISCOUNT RATE									
AVG RETAIL \$0.60/80FT/UNIT	80	ANNUAL APPRECIATION RATE									
MARKET SALES COMM %	5.00%	ANNUAL TAX RATE									
DEVELOPMENT/ADMIN COST	2.00%	TAX INCREASE RATE PER YEAR									
BOND PAYMENT UNIT	\$0	R.E.TAXES, PERIOD/UNIT									
		\$0.00									
ERR	0	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
SALES SUMMARY											
NUMBER OF UNITS SOLD	0	2	1	1	1	1	1	1	1	1	0
CUMULATIVE UNITS SOLD	0	2	3	4	5	6	7	8	9	10	10
UNSOLD UNITS REMAINING	10	8	7	6	5	4	3	2	1	0	0
AVG RETAIL S.P./UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL RTL SALES/PERIOD	\$0	\$792,792	\$232,088	\$232,088	\$1,148,488	\$428,482	\$272,141	\$2,017,242	\$440,631	\$381,898	\$0
AGGREGATE RETAIL SALES	\$0	\$792,792	\$1,024,880	\$1,277,768	\$2,424,267	\$2,852,749	\$3,124,890	\$5,142,132	\$5,582,863	\$5,934,558	\$5,934,558

COST OF SALES

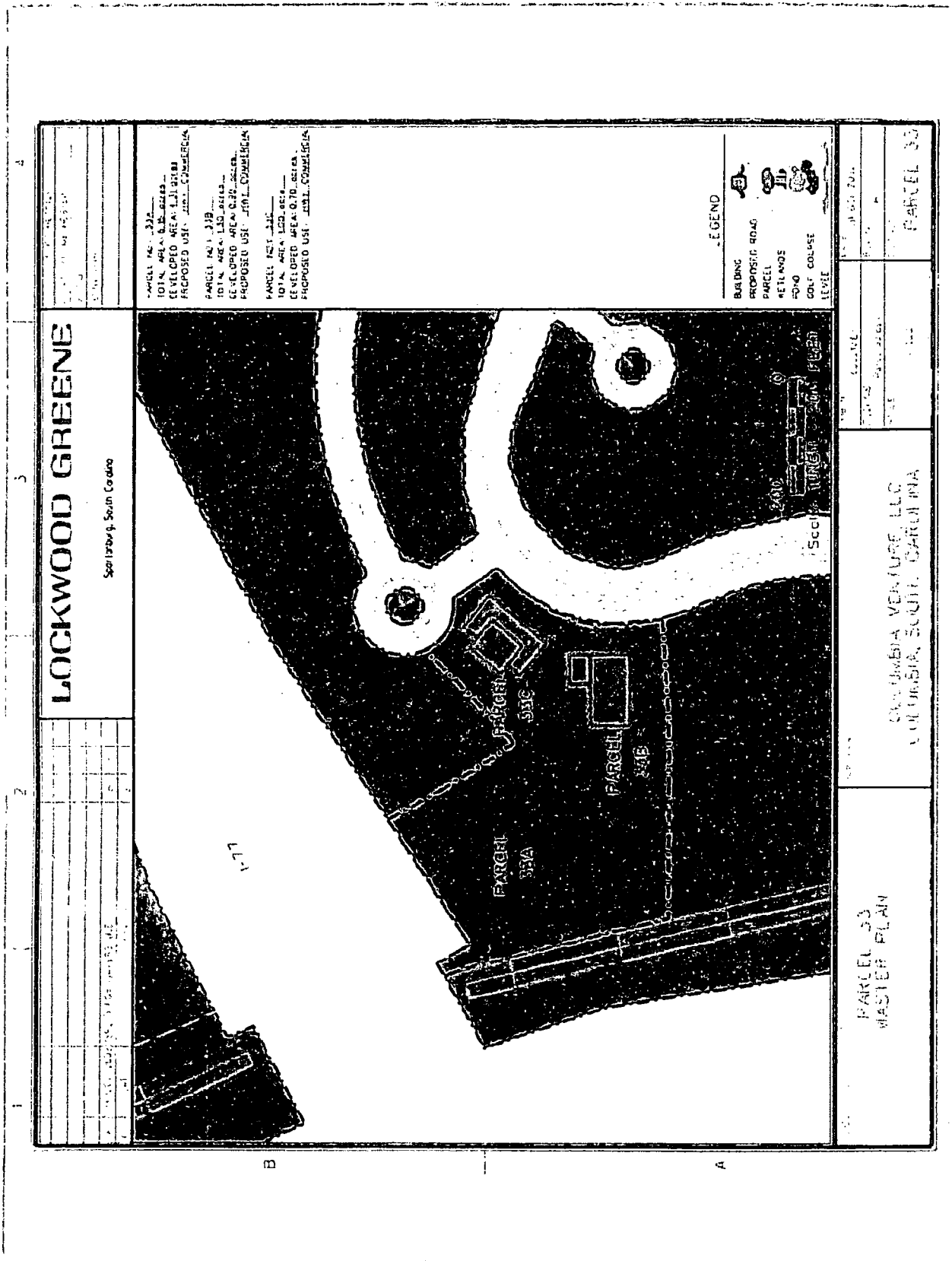
MARKETING/SALES COMMISSION	\$0	\$39,640	\$11,804	\$12,644	\$37,325	\$21,424	\$13,607	\$100,862	\$22,027	\$17,595	\$0
DEV/ADM COST	\$0	\$107,063	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BOND PAYMENT UNIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
R.E.TAXES ON UNSOLD UNITS	\$0	\$432	\$53	\$27	\$564	\$89	\$48	\$808	\$128	\$88	\$0
HOT'S DUES ON UNSOLD UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$147,155	\$11,857	\$12,671	\$57,879	\$21,513	\$13,652	\$101,770	\$22,153	\$17,680	\$0
NET INCOME BEFORE PROFIT	\$0	\$646,637	\$220,431	\$240,217	\$1,088,620	\$408,969	\$259,489	\$1,815,472	\$418,378	\$334,235	\$0
PROFIT	\$0	\$103,063	\$30,171	\$32,875	\$148,045	\$56,703	\$33,378	\$262,241	\$57,269	\$45,748	\$0
NET SALES PROCEEDS	\$0	\$542,574	\$190,260	\$207,342	\$939,575	\$351,268	\$223,111	\$1,853,231	\$381,109	\$288,489	\$0
P.V.FACTOR	0.000000	0.800081	0.828446	0.761315	0.883013	0.620921	0.564474	0.513159	0.468507	0.424086	0.385543
P.V.OF NET PROCEEDS	\$0	\$483,248	\$167,240	\$155,779	\$841,742	\$218,109	\$125,940	\$948,389	\$165,460	\$122,347	\$0
TOTAL P.V. OF NET PROCEEDS		\$483,248	\$850,489	\$808,268	\$1,448,010	\$1,988,119	\$1,782,039	\$2,640,428	\$2,808,868	\$2,931,235	\$2,931,235
ROUNDED TO		\$2,931,000									

CV006583



CV006585

PLTF TRIAL EXH 394



CV006586

PLTF TRIAL EXH 394

**VALUATION OF PARCELS
32, 34 & 35**

Parcels 32, 34 and 35 are located in the western area of Levee Section 2 near the confluence of Interstate 77 and the Congaree River. Parcel 32, as identified by the E.D.S.A. Land Use Plan, comprises a total of 17.89 acres while Parcel 34 totals 8.50 acres and Parcel 35 totals 18.30 acres. The total acreage for all three parcels is 44.69 acres.

These three parcels will be valued as bulk acreage because it is anticipated these will some of the last commercial properties to be disposed. It is anticipated these parcels will not sell for approximately ten years in order to not provide a non-competitive situation for the multiple commercial properties to be contained in the proposed Green Diamond project.

Nevertheless, the 44.69 acres will be valued via a comparative procedure. The four sales selected for the comparative procedure were previously delineated on the sales data sheets located in the Introduction section to the valuation of commercial properties and will include Comparable Land Sales 1, 7, 16, and 21.

The sales prices per square foot indicated a relatively wide range, extending from \$2.32 per square foot to \$ 7.01 per square foot.

LAND SALES ADJUSTMENT CHART PARCELS 32, 34 & 35				
Sale Number	Sale No. 1	Sale No. 7	Sale No. 16	Sale No. 21
Sale Price/Square Foot	\$3.92	\$2.32	\$5.78	\$7.01
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.06	1.03	1.06
Adjusted Price/Square Foot	\$4.01	\$2.46	\$5.95	\$7.43
Location	+ 5%	+ 5%	+ 5%	+ 5%
Size	- 5%	-10%	-10%	-25%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/Exposure	-0-	+15%	-0-	+ 5%
Zoning	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	-0-	+10%	- 5%	-15%
Indicated Value of Subject/Square Foot	\$4.01	\$2.71	\$5.65	\$6.32

SITE VALUATION SUMMARY

Prior to completing physical characteristic adjustments, the initial sequencing of adjustments would consist of property rights conveyed, conditions of sale, financing and time or changes in market conditions. The only initial adjustment necessary was changes in market conditions, estimated at approximately 2.5% per year.

The adjustments for physical characteristic dissimilarities were completed on all sales as compared to the subject parcels. Relative to location, all comparable sales were considered inferior due to being located in suburban areas as compared to a more urban, developing area exemplified by the three subject commercial parcels. Additionally, the subject's location may be augmented by the proximity to a large,

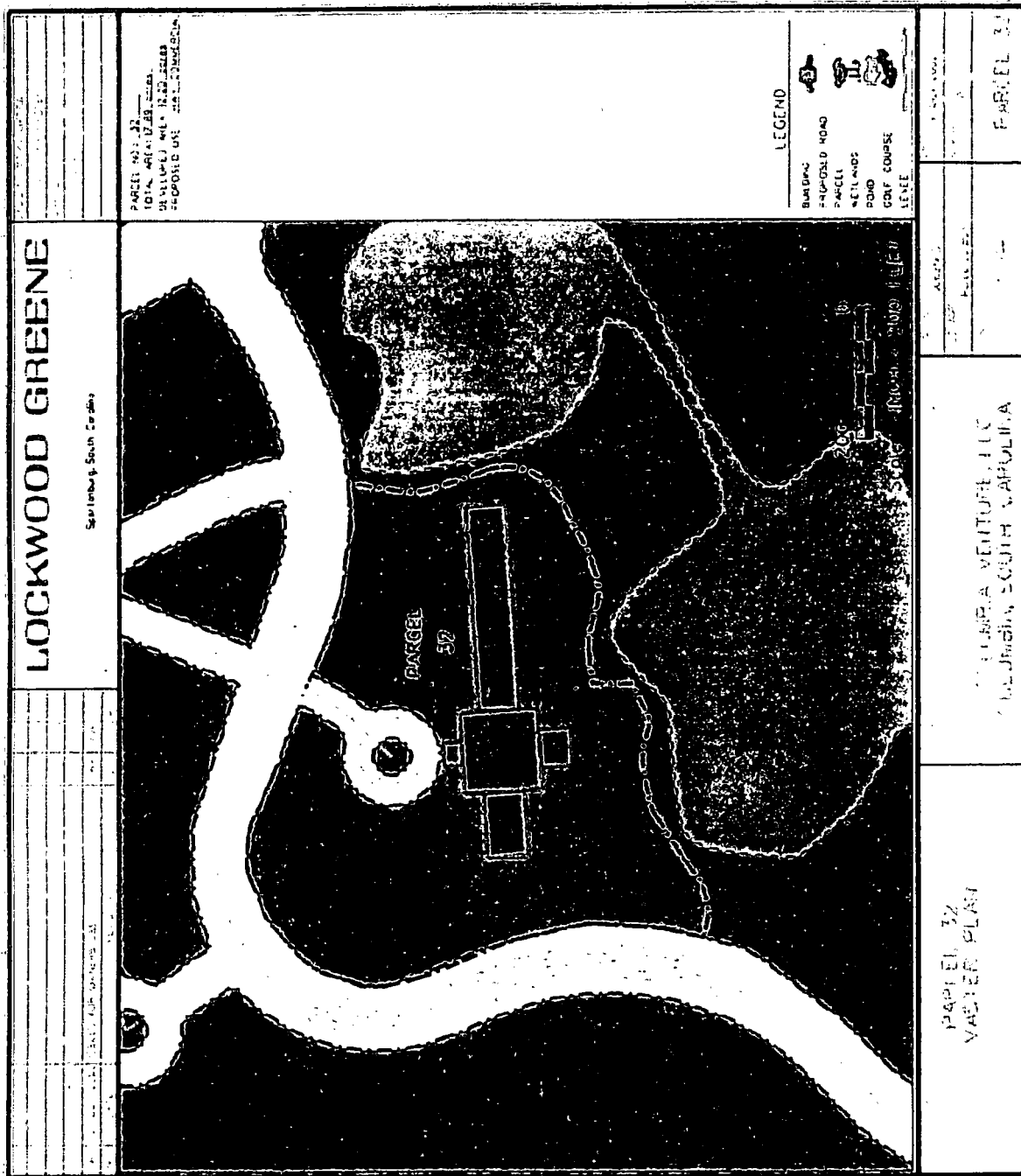
developing multi-family and single-family project. Adjustments for size were predicated on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts.

After the completion of all physical characteristic dissimilarity adjustments, the indicated value of the subject on a per square foot basis would extend from \$2.71 per square foot to \$6.32 per square foot. Although the subject does contain 44.69 acres, the unit of comparison would be a sales price or value per square foot and therefore the comparative procedure utilized this unit of comparison.

A reasonable correlated and reconciled value per square foot for the subject parcels on a per unit basis is concluded to be toward the lower end of the valuation range due to the size of the parcels. Specifically, \$4.00 per square foot appears reasonable and justifiable.

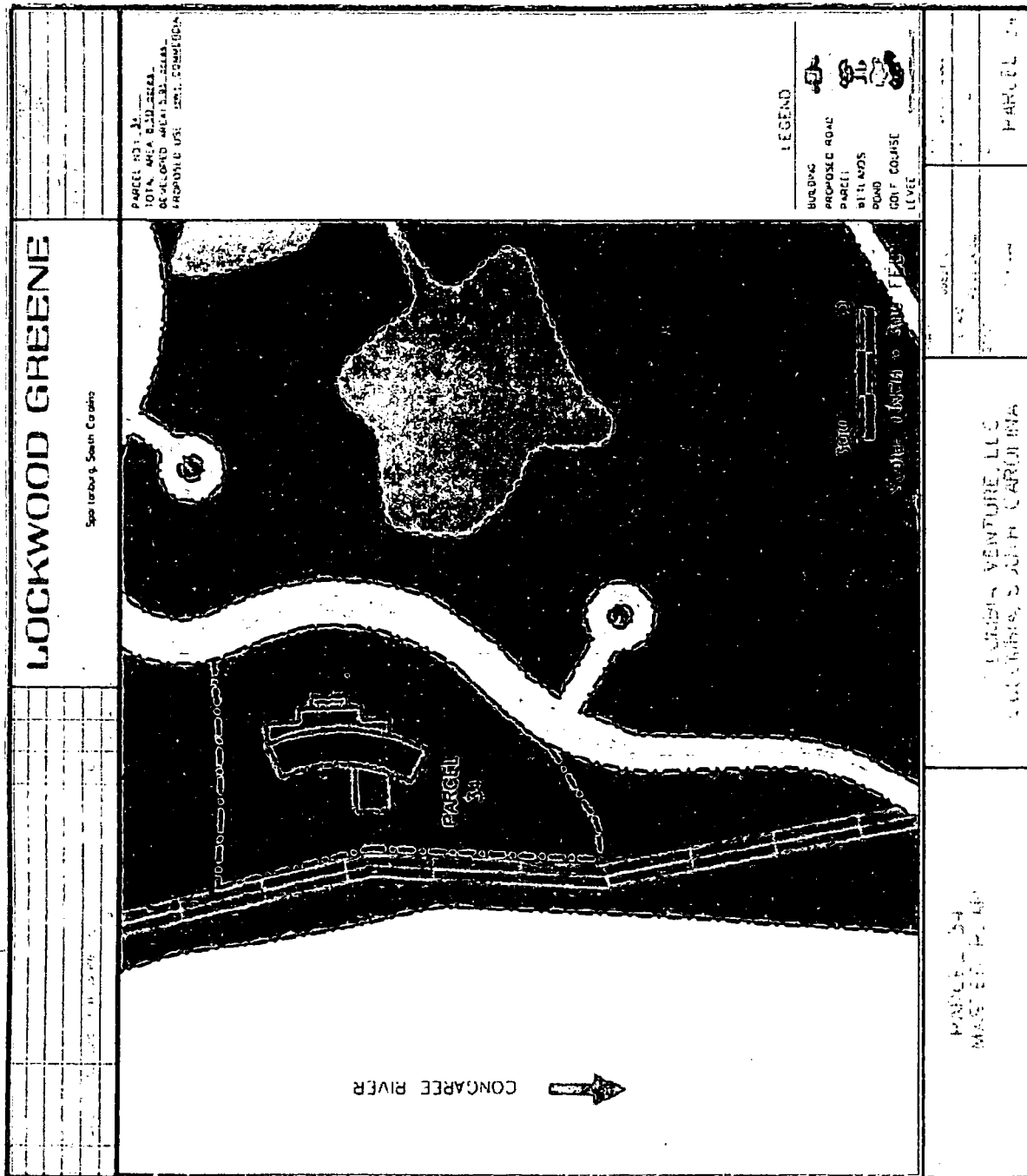
The three commercial properties contain a total of 44.69 acres or 1,946,696 square feet times \$4.00 per square foot would yield a present value of \$7,786,786. However, due to the other competing commercial parcels in proximity, it is anticipated it will be ten years before Parcels 32, 34 and 35 can reasonably expect disposition. The present value will be increased at 2.5% for the ten year time frame and then discounted at 10.0% for a present value of the value attributable to the combined areas of Parcels 32, 34 and 35.

It is anticipated the subject will have a value of \$5.12 per square foot in 2012 or the equivalent of \$9,967,084. The present value discounted at 10.0% would equate to \$3,842,742, rounded to \$3,800,000.



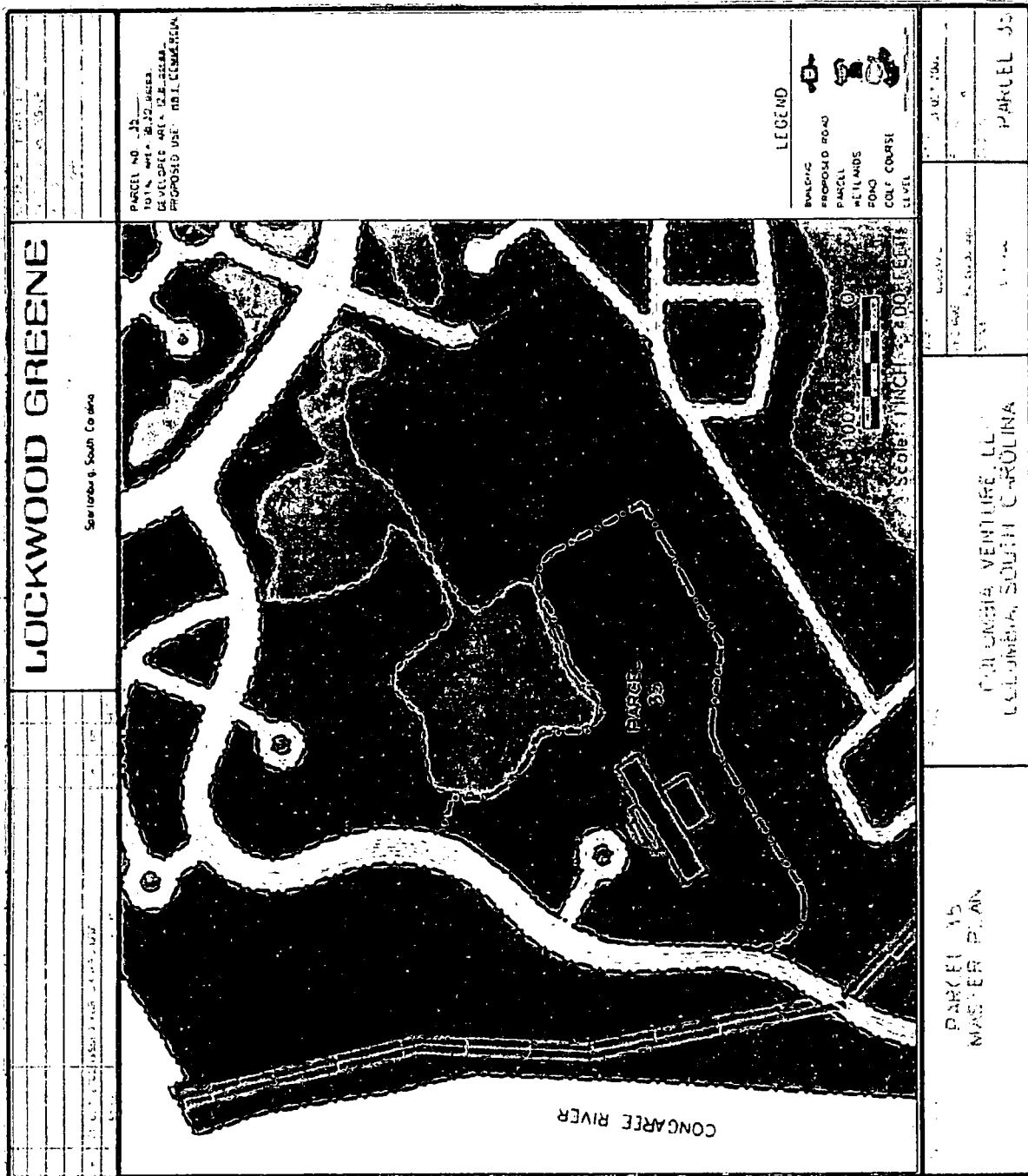
CV006590

PLTF TRIAL EXH 394



CV006591

PLTF TRIAL EXH 394



CV006592

PLTF TRIAL EXH 394

**VALUATION OF
LAND FOR SCHOOL SITES**

VSW File No.: C02-02

CV006593

PLTF TRIAL EXH 394

**VALUATION OF PARCELS FOR
POTENTIAL SCHOOL SITES**

Due to the expanse of the Green Diamond project, especially relative to multi-family and single-family residential developments, there will be a demand for schools to service the residents of the respective developments. It is anticipated there will be a need for three school sites, obviously one for an elementary, middle and high school. An elementary and middle school do not require the amount of acreage that a high school site requires as a high school requires additional acreage for football fields, baseball fields, and other fields for recreational uses. Also, a high school will accommodate more students, thereby requiring larger facilities as compared to an elementary or middle school.

Multiple sites have been targeted for the potential development of schools to service the Green Diamond project. The parcels would include Parcel 3-A in Levee Section 1 and Parcels 16, 42, 43 and a portion of 44 in Levee Section 2. More specifically, Parcel 3-A in Levee Section 1 contains 23.34 acres and would in most probability, be utilized for the development of an elementary school. Parcel 16 is located in Levee Section 2 and comprises 27.67 acres and may be utilized for a middle school.

The selection of sites for the high school became more problematic due to the requirement of acreage. As a result, Parcels 42, 43 and a portion of 44 were deemed the most suitable areas for the development of a high school. Parcel 42 contains 15.94 acres and Parcel 43 contains 65.33 acres. It is estimated 125.00 acres would be needed for the development of a high school and as a result, a portion of Parcel 44, specifically 43.73 acres were utilized to total the 125.00 acres necessary for the high school development. Therefore, Parcel 44 originally contained 196.5 acres and when allocating 43.73 acres for the development of the high school, Parcel 44 will now have a residual balance of 152.77 acres.

Typically, sites utilized for school development are not subject to typical market influences. More specifically, a purchaser of a school site has a definitive use for that particular site and may or may not have values associated according to current market conditions. As a result, there may be a large disparity between sales prices per applicable units of comparison for school sites as a result of these non-market influences.

Fortunately, six sales of school sites were obtained from Richland County extending between 2001 and 2002. Five of the six sales were purchased for development of elementary or middle schools with one site purchased for a high school. Therefore, there was a wide disparity in acreage sizes for the respective sales. As anticipated, there is also a wide disparity in the sales prices per acre or applicable unit of

comparison for these sites. The six sales utilized for the analysis of the potential school sites to be located in Green Diamond will be delineated on the following sales data sheets with applicable sizes and unit prices.

COMPARABLE SCHOOL SITE SALE NO. 1

LOCATION: NW/S Polo Road (Frontage Road I-20), Columbia, Richland County, South Carolina

TAX MAP NUMBER: 19811-01-02

GRANTOR: Herbert W. Hoefer Marital Trust a/k/a H.W. Hoefer Marital Trust

GRANTEE: Richland County School District Two

SALES PRICE: \$1,578,840

DATE: August 21st, 2002

DEED BOOK/PAGE: 0695/3090

SIZE: 26.76 Acres

PRICE PER ACRE: \$59,000

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Richland County Register of Deeds

ZONING:

COMMENTS:

This site is located on the north side of Polo Road and Interstate 20 and on the eastern side of Alpine Road near Wildewood Subdivision. Both access and visibility are good. The site has rolling topography and is slightly above street grade. The shape of the site is roughly rectangular.

COMPARABLE SCHOOL SITE SALE NO. 2

LOCATION: E/S Bickley Road, Irmo, Richland County, South Carolina
TAX MAP NUMBER: 02416-02-001
GRANTOR: Elbert B. Bickley, Maureen B. Cockrell and Mary C. Bickley
GRANTEE: School District Five of Lexington and Richland Counties
SALES PRICE: \$286,489.50
DATE: June 27th, 2001
DEED BOOK/PAGE: 0535/1160
SIZE: 17.363 Acres
PRICE PER ACRE: \$16,500
FINANCING: Cash to Seller; No Concessions
UTILITIES: All Public Available
VERIFIED: Richland County Register of Deeds
ZONING:
COMMENTS:

This somewhat rectangular site has nearly 1,300 feet of frontage on Bickley Road. Both access and visibility are good. The site has a rolling topography and is slightly below the grade of Bickley Road. Overall, the site is conducive to development. The surrounding area is rural and residential with pockets of general commercial development along the primary arteries. An elementary school is under construction on this site.

COMPARABLE SCHOOL SITE SALE NO. 3

LOCATION: N/S Rimer Pond Road (S .C. Hwy. 1041), Blythewood,
Richland County, South Carolina

TAX MAP NUMBER: 17700-02-07 (Portion) and 17700-02-09 (Portion)

GRANTOR: Nancy Sue Rimer Smith and Walter G. Smith

GRANTEE: Richland County School District Two

SALES PRICE: \$300,000

DATE: May 17th, 2001

DEED BOOK/PAGE: 0519/1062

SIZE: 20.00 Acres

PRICE PER ACRE: \$16,500

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Richland County Register of Deeds

ZONING:

COMMENTS:

This "L" shaped parcel has 997.85 feet of frontage on Rimer Pond Road. Both access and visibility are good. The site has a mildly fluctuating topography and is at the grade of Rimer Pond Road. Overall, the site is conducive to development. The surrounding area is rural and residential with pockets of general commercial development along the primary arteries. An elementary school will be built on this site.

COMPARABLE SCHOOL SITE SALE NO. 4

LOCATION: Old National Highway (S.C. Hwy. S40-2127), NW of
Intersection with Riding Grove Road, Columbia, Richland
County, South Carolina

TAX MAP NUMBER: 25800-03-05 & 32 (Portion)

GRANTOR: DAK I, LLC

GRANTEE: Richland School District Two

SALES PRICE: \$415,000

DATE: May 11th, 2001

DEED BOOK/PAGE: 0407/2769

SIZE: 20.00 Acres

PRICE PER ACRE: \$20,750

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Richland County Register of Deeds

ZONING:

COMMENTS:

This site is located adjacent to the Green Parish Subdivision in the northeast section of Richland County. This site has a gently rolling topography and is at road grade, however, conducive for development. An elementary school is to be constructed on this site.

COMPARABLE SCHOOL SITE SALE NO. 5

LOCATION: South of Intersection of Blythewood Road and Fulmer Road,
Blythewood, Richland County, South Carolina

TAX MAP NUMBER: 12500-02-09 & 12500-02-03 (Portion)

GRANTOR: Martha B. Ballentine

GRANTEE: Richland County School District Two

SALES PRICE: \$432,140

DATE: May 2nd, 2001

DEED BOOK/PAGE: 0513/0394

SIZE: 25.42 Acres

PRICE PER ACRE: \$17,000

FINANCING: Cash to Seller; No Concessions

UTILITIES: All Public Available

VERIFIED: Richland County Register of Deeds

ZONING:

COMMENTS:

This site is located on the eastern side of Fulmer Road, south of the intersection of Blythewood Road and Fulmer Road, near Blythewood. The site is above street grade and the topography is gently rolling. Overall, the site is conducive to development. The surrounding area is rural and residential with some general commercial developments along the primary arteries. A middle school is to be constructed on this site.

COMPARABLE SCHOOL SITE SALE NO. 6

LOCATION: Wilson Boulevard (U.S. Hwy. 21), Road, Blythewood,
Richland County, South Carolina

TAX MAP NUMBER: 15100-05-08

GRANTOR: Mary S. Entzminger

GRANTEE: Richland County School District Two

SALES PRICE: \$1,433,398.69

DATE: January 12th, 2001

DEED BOOK/PAGE: 0474/0330

SIZE: 110.39 Acres

PRICE PER ACRE: \$12,985

FINANCING: Cash to Seller, No Concessions

UTILITIES: All Public Available

VERIFIED: Richland County Register of Deeds

ZONING:

COMMENTS:

This site is located on the western side of Wilson Boulevard, near the township of Blythewood. The site is somewhat rectangular and has nearly 2,000 feet of frontage on Wilson Boulevard. Both access and visibility are good. The site has a rolling topography and is at street grade. Overall, this site is conducive to development. The surrounding area is rural and residential with pockets of general commercial development along Blythewood Road near the township of Blythewood. A high school is to be constructed on this site.

ANALYSIS OF SCHOOL SITE SALES

The six sales indicated on the preceding data sheets reflect sizes ranging from the smallest at 17.363 acres to the largest representing the high school site in Blythewood at 110.39 acres. As anticipated, the expanse of sales prices per unit (sales price per acre) also was expansive extending from \$12,985 per acre to \$59,000 per acre for the elementary school site located in northeast Richland County.

The selection of parcels for potential school sites in the Green Diamond project were carefully analyzed, specifically to location and relative to service of the residential and multi-family developments within the project. All sites were located close to Bluff Road, considered a major egress/ingress area which would also reduce the traffic through the Green Diamond project.

The following chart will delineate each of the potential school site parcels and levee locations as well as the size and proposed usage with the total determination of acreage.

SCHOOL SITES			
Parcel No.	Levee Section	Size (Acres)	Proposed Usage
3-A	1	23.34	Elementary School
16	2	27.67	Middle School
42	2	15.94	High School
43	2	65.33	High School
Portion 44	2	43.73	High School
TOTAL		176.01	

Parcel 3-A contains 23.34 acres and its location within the project would suggest a higher unit value than Parcel 16. The comparison of the six school site sales to Parcel 3-A would represent an approximate \$20,000 per acre for this parcel. Therefore, Parcel 3-A contains 23.34 acres times \$20,000, would yield an indicated market value for this school site at \$467,000.

Parcel 16 is considered in a less desirable location as compared to Parcel 3-A and is slightly larger and would command a slightly lesser valuation on a per acre basis, say \$15,000. Therefore, containing 27.67 acres at \$15,000 would yield an indicated market value of this potential school site at \$415,000.

The assemblage of parcels for the potential high school site included Parcel 42 containing 15.94 acres, Parcel 43 containing 65.33 acres and a portion of Parcel 44 (specifically 43.73 acres) to yield a total site size for the potential high school site of 125.00 acres. Since this site is larger than the smaller school sites, it is anticipated a lesser unit cost or value would be represented. This lesser unit cost is based on the premise larger parcels typically sell for lesser units of comparison than their smaller counterparts. A comparison of the six school sites to this assemblage for the high school site comprising 125.00 acres would yield an indicated value per acre of approximately \$11,200. The assemblage of sites for the high school site area comprising 125.00 acres times \$11,200 per acre would yield a potential market value for the high school site of \$1,400,000.

In summation, the values associated with the school sites total \$2,282,000.

SCHOOL SITES			
Parcel No.	Levee Section	Size (Acres)	Value
3-A	1	23.34	\$ 467,000
16	2	27.67	\$ 415,000
42	2	15.94	\$1,400,000
43	2	65.33	
Portion 44	2	43.73	
TOTAL		176.01	\$2,282,000

VALUATION OF PARCEL 44

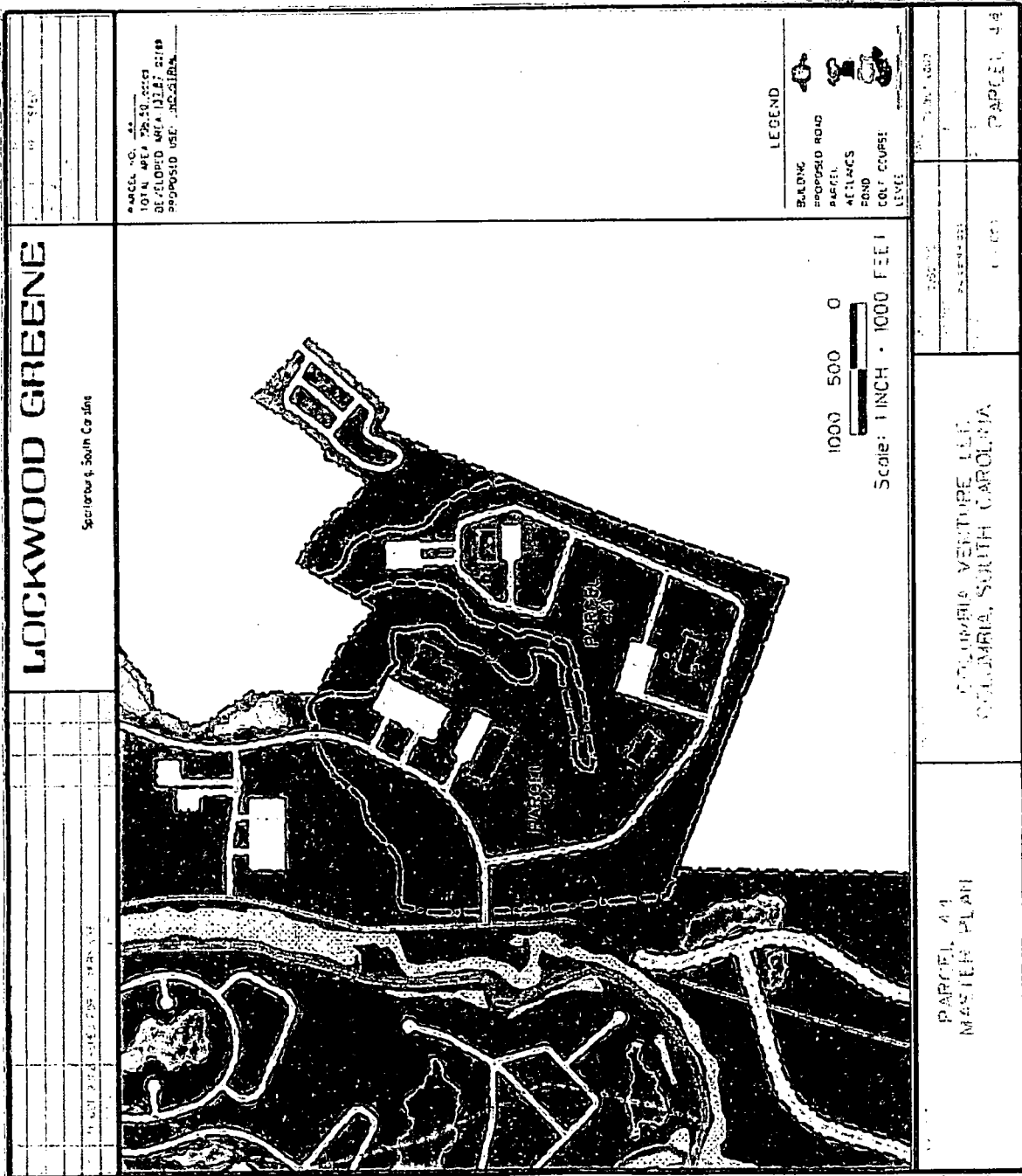
Parcel 44 is located in the southeastern section of Levee Section 3, near Bluff Road. Parcel 44, as identified by the E.D.S.A. Land Use Plan, comprises a total of 196.5 acres.

Due to the expanse of the Green Diamond project, especially relative to multi-family and single-family residential developments, there will be a demand for schools to augment the residents of the respective developments. It is anticipated there will be a need for school sites as a result, Parcels 42, 43 and a portion of 44 were deemed the most suitable areas for development of a high school. It is estimated 125.0 acres would be needed for the development of the high school and as a result, a portion of Parcel 44, specifically 43.73 acres, were utilized and combined with the acreage from Parcels 42 and 43 to total the 125.0 acres necessary for a high school development. Therefore, Parcel 44 originally contained 196.5 acres and when allocating 43.73 acres for the development of the high school, Parcel 44 will now have a residual balance of 152.77 acres.

The E.D.S.A. Land Use Plan originally designated this site as industrial usage, however, this proposed usage is not compatible with the proposed high school, and the highest and best use of this site may be for the expansion of the high school or for speculative holding. Therefore, the remaining 152.77 acres will be valued as bulk acreage because it is anticipated this property may be the last parcel to be sold. It is anticipated this parcel will not sell for approximately ten years in order to not provide a non-competitive situation and for potential future expansion for the high school to be contained within the Green Diamond project.

Nevertheless, the six sales analyzed in the school site sales will also be direction for the indication of value on this 152.77 acre tract. As discussed previously, the highest and best use is for speculative holding or future expansion of the high school or a technical school. Since this site is larger than the combined 125.0 acre site being utilized for the high school, it is anticipated a lesser unit cost or value would be represented. This lesser unit value is based on the premise larger parcels typically sell for lesser units of comparison than their smaller counterparts. A comparison of the six school sites to the assemblage for the high school site comprising 125.0 acres versus the remaining 152.77 acres would yield an indicated value per acre of the remaining 152.77 acres at \$7,300 per acre. Therefore, 152.77 acres times \$7,300 per acre would yield a present value of \$1,115,221. It is anticipated it will be ten years before the remaining acreage in Parcel 44 can reasonably expect disposition. The present value will be increased at 2.5% annually for a ten year time frame and then discounted at 10.0% for a present value of the value attributable to the remaining 152.77 acres in Parcel 44.

It is anticipated the subject will have a value of \$9,117 per acre in 2012 or the equivalent of \$1,392,748. This future value discounted at 10.0% would equate to a present value indication of \$536,969, rounded to \$537,000.



CV006606

PLTF TRIAL EXH 394

**VALUATION OF PARCELS
40 & 41**

Parcels 40 and 41 are located in Levee Section 3, although Parcel 41 is actually located on the east side of Bluff Road across from Levee Section 3. This parcel is considered separated from the parent parcel which comprises the Green Diamond project. Parcel 41 is located at the extreme southeastern portion of the Green Diamond project and specifically Levee Section 3. Parcel 40 contains 10.11 acres while Parcel 41 totals 14.92 acres. The E.D.S.A. Land Use Plan has suggested potential developmental usages for these two parcels as affordable housing sites.

Obviously, both sites are presently vacant and the prior zoning for Parcel 41 indicated RS-3 which may be one of the reasons the parcel has not been developed prior to the incorporation of this parcel into the Green Diamond conceptual developmental plan.

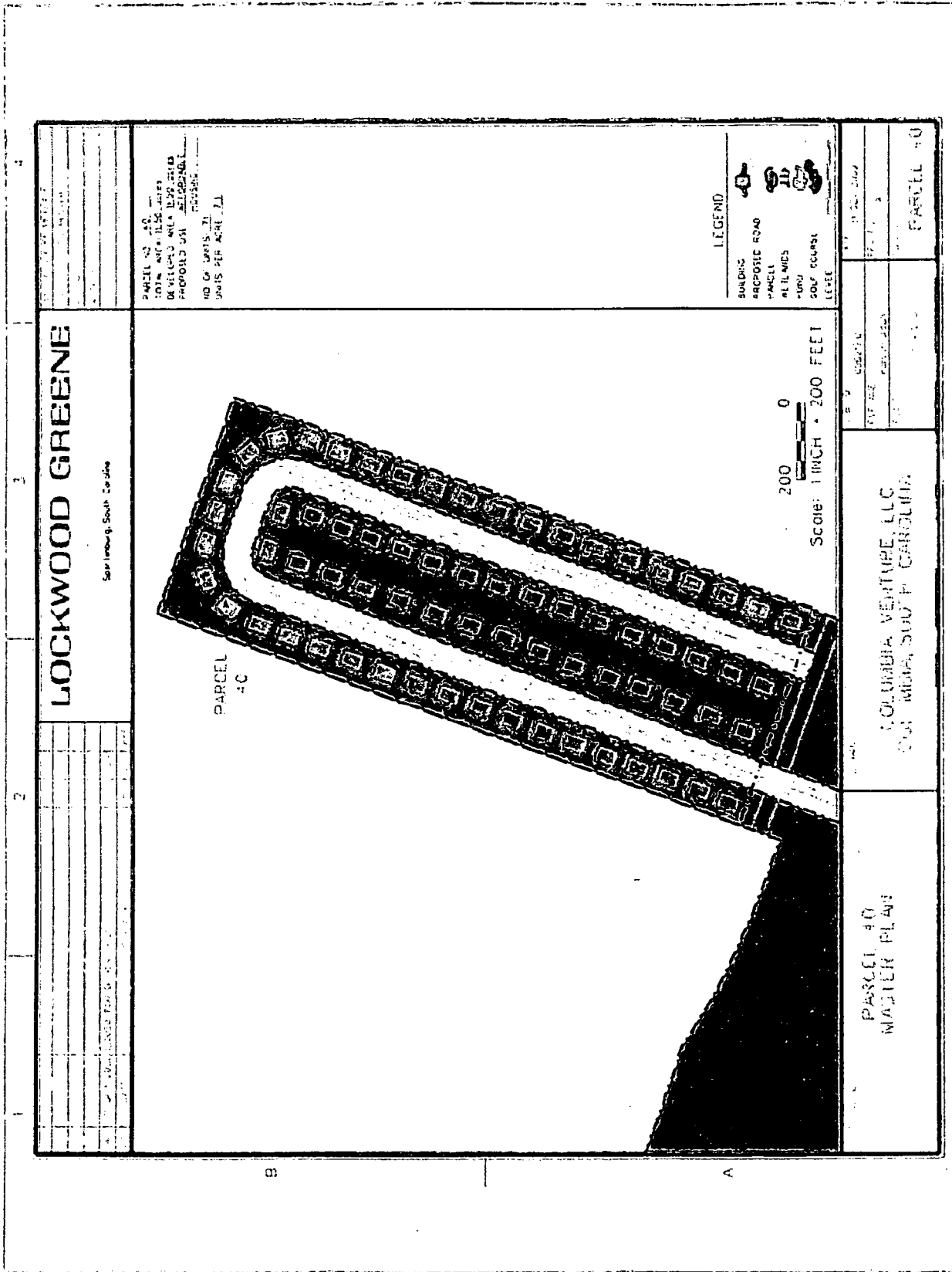
Parcel 40 provides no continuity of the Green Diamond developmental plan and the physical location of this site, situated between two older, moderately priced single-family subdivision areas would suggest the parcel be donated to the county for potential recreational developmental use for the existing residential areas contained within the subject property location. The parcel is rectangularly shaped and as stated, extends between two existing moderately priced subdivisions. The parcel, existing in its present physical state, would provide no contributory value or potential developmental usage to the Green Diamond concept as identified by the E.D.S.A. plan. Therefore, the 10.11 acres is considered as a contributory gift to Richland County or to some other non-profit entity for benefit to the local community.

Parcel 41 is located on the west side of Bluff Road and is contiguous to the Green Diamond project although it is far removed from the predominance of those areas designated for developmental usage.

In the preceding section, specifically the Valuation of Parcel 44, the predominance of the parcel as well as the residual balance was forecasted to be utilized for a potential high school site. The site was partitioned to allow for a portion of Parcel 44 to be utilized in an assemblage with other contiguous parcels for the immediate developmental usage as a high school site. The residual balance, comprising 152.77 acres, was suggested or forecasted to be speculatively held in the event the high school site would need additional site for expansion or potentially, for the school district to construct other educationally related improvements. As a result, the balance of Parcel 44 was speculatively held and forecasted to sell or be disposed in approximately ten years which will correspond with the determined use at that time after the school site has been developed.

The present value of the residual balance of Parcel 44 equated to a present value around \$3,500 per acre. This determined acreage amount is deemed reasonable for Parcel 41 as this parcel may also be utilized to augment the balance of Parcel 44 for the high school site and subsequent high school site usage. Due to the significant size of the Green Diamond project, it is much too difficult to forecast a potential immediate use for this site and could only be subjectively determined to provide auxiliary and subsequent contributory value to Parcel 44. Therefore, Parcel 41 will have a present value of \$3,500 per acre times the site size of 14.92 acres to yield an indicated value of Parcel 41 at \$52,220, rounded to \$52,000.

In summary, it was suggested Parcel 40 be donated as a gift to a non-profit entity to benefit the local community with Parcel 41 being primarily utilized to augment Parcel 44 as a high school site or eventually be developed into a use which will be determined or the characteristic be determined at a later date. The indicated value for Parcel 41 was concluded to \$52,000.



CV006609

PLTF TRIAL EXH 394

VALUATION OF AGRICULTURAL LAND

VSW File No : C02-02

CV006611

PLTF TRIAL EXH 394



Parcels 45 through 65 are located in Levee Section 3 on the southeast and southwest side of Gills Creek, in an area not designated as potential developmental usage. This area contains 1,693 acres of unimproved acreage which is currently being used for agricultural purposes. Therefore, a developmental approach will not be applicable and only a Sales Comparison Approach will be utilized. A Sales Comparison Approach will attempt to obtain similar sales as compared to the subject property, however, it is anticipated, the sales selected will reflect significant adjustments as a result of the size of these parcels as well as its proximity to the City of Columbia and the Green Diamond project.

The sales will be delineated on the following sales data sheets with an adjustment chart following the delineation of the four sales.

COMPARABLE LAND SALE NO. 1

LOCATION: N/S The Broad River, S/S S.C. Highway 215, Columbia,
Richland County, South Carolina

TAX MAP NUMBER: 04400-02-01

GRANTOR: ML South Augusta, Inc.

GRANTEE: Bookman Station, LLC

SALES PRICE: \$1,159,658.50

DATE: December 14th, 2001

DEED BOOK/PAGE: 603/456

SIZE: 492.05 Acres

PRICE PER ACRE: \$2,357

FINANCING: Cash to Seller; No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds

ZONING: RU-Rural

COMMENTS:

This large parcel is located on the north side of the Broad River and the south side of South Carolina Highway 215. The site is transversed in an east to west direction by two separate right-of-ways, SEC&G has a 160 foot right-of-way and Norfolk Southern Railroad has a 100 foot right-of-way through the property.

COMPARABLE LAND SALE NO. 2

LOCATION: E/S The Congaree River, Columbia, Richland County, South Carolina

TAX MAP NUMBER: 13000-01-01

GRANTOR: AMBSC, LLC

GRANTEE: FBSC, LLC

SALES PRICE: \$2,691,000

DATE: January 7th, 2002

DEED BOOK/PAGE: 610/286

SIZE: 1,855.09 Acres

PRICE PER ACRE: \$1,450

FINANCING: Cash to Seller, No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds

ZONING: RU-Rural

COMMENTS:

This site is irregularly shaped having substantial frontage on the Congaree River.

COMPARABLE LAND SALE NO. 3

LOCATION: E/S S.C. Highway 263, W/S The Wateree River, Eastover,
Richland County, South Carolina

TAX MAP NUMBER: 39200-02-24 & 35; 39300-02-02, 04 & 09

GRANTOR: H.R. Burg

GRANTEE: Tobin Cassels, III

SALES PRICE: \$1,150,000

DATE: January 5th, 2001

DEED BOOK/PAGE: 472/2522

SIZE: 533.413 Acres

PRICE PER ACRE: \$2,155.93

FINANCING: Cash to Seller; No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds/Tobin Cassels, III

ZONING: RU-Rural

COMMENTS:

This large irregularly shaped parcel has frontage on S.C. Highway 263 and substantial frontage on the Wateree River and has rolling topography.

COMPARABLE LAND SALE NO. 4

LOCATION: W/S Bluff Road, Columbia, Richland County, South Carolina
TAX MAP NUMBER: 18700-04-17

GRANTOR: Theodore J. Hopkins, Jr.
GRANTEE: Phillip A. Brown

SALES PRICE: \$601,000
DATE: December 9th, 1999

DEED BOOK/PAGE: 367/577
SIZE: 373.00 Acres

PRICE PER ACRE: \$1,611
FINANCING: Cash to Seller, No Concessions

UTILITIES: Electricity (No Water/Sewer)
VERIFIED: Richland County Register of Deeds

ZONING: RU-Rural
COMMENTS:

This irregularly shaped parcel extends on the north and south sides of Bluff Road, approximately ten miles southeast of the City of Columbia.

LAND SALES ADJUSTMENT CHART AGRICULTURAL SALES				
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4
Sale Price/Acre	\$2,357	\$1,450	\$2,156	\$1,611
Property Rights	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.018	1.020	1.070
Adjusted Price/Acre	\$2,408	\$1,479	\$2,199	\$1,724
Location	-0-	-0-	-0-	-0-
Size	-25%	-0-	-25%	-30%
Topography	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-
Egress/Ingress/ Exposure	- 5%	- 5%	- 5%	- 5%
Use Restriction	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-
Net Adjustments	-30%	-5%	-30%	-35%
Indicated Value of Subject/Acre	\$1,679	\$1,405	\$1,539	\$1,121

SALES COMPARISON APPROACH/VALUATION SUMMARY, AGRICULTURAL VALUE

The four sales utilized in the comparative procedure for comparison to the subject property are located within the Columbia market, with the exception of Sale No. 2, the other sales are somewhat smaller than the subject 1,693 acres. The four sales occurred between December, 1999 and January, 2002 and are considered the best available sales of large agricultural tracts in the Columbia market for comparative procedures to the subject property.

Prior to any adjustments, prices per acre extended from a low of \$1,450 per acre to the highest indication at \$2,357 per acre. The applicable unit of comparison is a sales price/value per acre as this is the applicable unit of comparison utilized by knowledgeable sellers, purchasers, brokers and appraisers when

relating to sites/parcels similar to the subject property.

Prior to completing any physical characteristic dissimilarity adjustments, all four sales were initially adjusted for property rights conveyed, financing, conditions of sale, and time or changes in market conditions. There were no noted adjustments for property rights conveyed, financing or conditions of sale.

Changes in market conditions may typically relate to the passage of time, however, adjustments for conditions within the market reflect the influences of supply and demand and the economies of increasing and decreasing returns. A reasonable and probable price appreciation of 2.5% per year is deemed reasonable and warranted.

Relative to location, the subject's 1,693 acres are located on the southwestern side of the Green Diamond project and on the fringe of the City of Columbia in an area considered comparable to all four sales. Therefore, no adjustments for location will be required. There were no necessary adjustments for topography as typical topography on and around the Columbia market is of a rolling variety and each of the comparable sales had similar availability of utilities. Exposure is typically not an issue in relationship to passive recreational agricultural properties, however, in this instance, the subject property is located at the southwestern portion of the Green Diamond and accessibility is somewhat restricted due to the developmental usage of the remaining parcels. Therefore, each of the comparable sales were considered to be superior in relationship to egress and ingress and the appropriate adjustments were made.

Sales No. 1, 3 and 4 were considerably smaller than the subject and adjustments were completed based on the premise smaller parcels typically sell for higher units of comparison than their larger counterparts, with all other physical characteristics being highly similar.

After completion of all adjustments, the indicated value on a per acre basis for the subject's 1,693 acres of agricultural use, extended from a low of \$1,121 per acre to a high of \$1,679 per acre. Due to the size of this tract and its inaccessibility, an indication of value toward the lower end of the value range is considered reasonable and would suggest \$1,200 per acre. Therefore, the subject property contains 1,693 acres and at the correlated \$1,200 per acre, would yield an indicated value, of \$2,031,600, rounded to \$2,032,000.

VALUATION OF
CONTRIBUTORY ACREAGE

VSW File No.: J02-02

CV006619

PLTF TRIAL EXH 394

**VALUATION OF CONTRIBUTORY
ACREAGE**

With any development, especially an immense development like that planned for the subject property, a portion of the available acreage must be dedicated for roads, buffer areas, parks, and other natural areas that will be necessary in order to augment the planned developmental usage. With the Green Diamond project reflecting a large portion of the available acreage in single-family and multi-family developmental areas, there are numerous acreage areas dedicated as parks, natural areas, and buffers. Obviously, roads will be necessary to extend through the project for access to the planned developments. The subject property also contains some wetlands estimated to extend between 300 to 400 acres which will be strategically balanced into the design of the project.

There are no market sales of acreage areas dedicated to these components. No market participant buys roads or buffer areas as there is no value in exchange. More specifically, when a large tract is purchased for development, a certain portion of this tract or site is necessary for these areas.

A contributory value for the roads, buffer areas, parks, and wetlands, which will be located intermittently throughout the Green Diamond project, will be valued based on their estimated contribution to the developable components contained within the project.

The valuations of the planned developments in Green Diamond are delineated in this Complete, Self-Contained Appraisal. The total valuation for Levee Section 1 equated to approximately \$60,000 per acre, while the developable area in Levee Section 2 totaled approximately \$70,000 per acre. In conversations with knowledgeable developers, specifically Stewart Mungo with the Mungo Company and Mike Satterfield with Centex Homes, the contributory value of these components relative to the overall property should extend between 10.0% to 15.0% of the developable acreage total. More specifically, if the developable acreage total, relative to a dollar amount in the Green Diamond project extends between \$60,000 to \$70,000 per acre, with an average of \$65,000, the contributory value at 10.0% would equate to \$6,500 per acre and at 15.0%, \$9,750 per acre. Due to the large amount of roads, buffers, wetlands and natural areas contained in both Levee Sections, the lower end of this valuation range will be selected. A reasonable and justifiable contributory value of these components, deemed absolutely necessary for the development of the planned property usages, should reflect \$7,500 per acre.

In Levee Section 1, the total number of acres in open space, lakes, wetlands and buffers is 161.491 acres and roads total 85.00 acres. The total contributory value of these components in Levee Section 1 equates

to \$1,848,675, rounded to \$1,848,000.

In Levee Section 2, the open space, lakes, wetlands and buffer areas equate to 390.91 acres with the roads totaling 99.00 acres for a total of 489.91 acres. Utilizing the identical contributory value per acre for these components, the total value for these components equate to \$3,674,325, rounded to \$3,674,000.

**VALUATION OF SUBJECT PROPERTY
AFTER GRANTING OF CONSERVATION
EASEMENT**

VSW File No.: C02-02

CV006622

PLTF TRIAL EXH 394



The previous analysis indicated the highest and best use of the subject property, if unencumbered, is as a potential developmental site for a mixed use development due to its proximity to the City of Columbia and seven miles of shoreline on the Congaree River. However, all 4,410.916 acres contained within the boundaries of the subject site will be encumbered by a conservation easement and will not be available for development in perpetuity.

The primary restriction imposed upon the subject property or protected property in regards to the easement being granted is that in no event shall the protected property be used for any purpose or use other than agricultural purposes, timber farming, wildlife management, hunting, fishing, and/or recreational purposes. It is the exception and intention of the Donor and the Donee, that, except as provided, in no event will the protected property be developed for residential, commercial, and/or industrial use, and that the protected property shall, in perpetuity, be retained as agricultural and/or timberlands, otherwise known as *green space*.

The specifics of the proposed conservation easement are yet defined and are predicated on a draft conservation easement provided by Wetlands America Trust, Inc. A copy of this draft is included in the Addenda. The easement provides restrictions against filling, excavation, dredging or mining or removal of any top soil. There will be no building of new roads or other rights-of-way nor widening of existing roads nor will there be any disruption of water flow by damming, dredging or construction of any water body flowing as of the date of the easement.

The reserved rights by the Grantor or Donor is a reservation of all rights necessary or incident to its use of the protected property for farming, agricultural, hunting, fishing, and wildlife management purposes. It is the primary purpose of the Donor and the Donee in executing the conservation easement to ensure the protected property will not be converted from at least one of its current uses to some other use, specifically residential, commercial or industrial in that the protected property be forever protected as green space and never subdivided. The Grantor or Donor retains the right to hunt and fish on the subject property as well as the right to make any changes in connection with the farming, timbering or agricultural practices on the protected property.

In accordance with the proposed conservation easement, the 4,410.916 acres can only be utilized as passive recreation, agricultural purposes, hunting, fishing, etc.

The following analysis will indicate the value of the conservation easement area, 4,410.916 unimproved acres and will address any enhancement values.

The following will include a Site Description of the easement area, a Highest and Best Use Analysis, and a Valuation of the subject property after the conservation easement is granted.

**DESCRIPTION AND VALUATION
OF THE SUBJECT PROPERTY
AFTER THE CONSERVATION
EASEMENT**

The subject property comprises a total of 4,410.916 unimproved acres and has the same physical characteristics as those delineated in the valuation of the subject property before the granting of the conservation easement.

● **SIZE AND SHAPE**

The total acreage contained within the subject property is 4,410.916 acres as identified on the plats/surveys.

● **ROAD FRONTAGE/ACCESS/VISIBILITY**

Access to the 4,410.916 acres, which will be placed under the conservation easement, is via Bluff Road with two access areas providing egress and ingress through the central portion of the subject property as well as the central and southern portions. Beckman Swamp Road extends in a southerly direction from Bluff Road through the right central portion of the site as well as the extreme southern area. Beckman Swamp Road is a paved road which terminates to an unpaved road in the southern portion of the subject acreage tract at a power line extending across the southern portion of the property. The other primary access area is White Horse Road which extends from Bluff Road in a southwesterly direction, south of the intersection of Interstate 77 and Bluff Road. There are several paved access areas extending in northerly directions beneath Interstate 77 and intersecting with Simon Tree Lane and Northern Road to provide access to the City of Columbia Waste Water Treatment facility plant.

The other primary access through the subject property is via South Beltline Boulevard which extends west across Bluff Road and provides access to Heathwood Hall Episcopal School, located on the Congaree River, adjacent to the northwest boundary of the subject property. South Beltline Boulevard is paved as well as Northern Road.

● **TOPOGRAPHY/DRAINAGE**

By referencing the quadrangle maps for South Carolina, mapped and published by the Geological Survey and more specifically those maps identified as Fort Jackson South Quadrangle and Southwest Columbia Quadrangle, the subject property appears to be primarily open land which has been utilized agriculturally, although there are some areas of vegetation and tree growth primarily along the levees which extends along Gills Creek that traverses through the south central portion of the subject property and eventually empties into the Congaree River in the extreme southwest corner of the subject property. In addition, the

quadrangle maps will also indicate the relative level topography of the entirety of the subject property. There is only a moderate slope in the northern area of the property while the central and southern portion of the entire subject property are considered, more or less, level. The quadrangle maps also depict the predominance of the acreage being open land with some scattered tree growth, predominantly around Gills Creek and the levees that extend through the central portion of the site. The aerial photograph provided at the conclusion of the Identification section depicts the predominance of the subject acreage being open land which has been used recreationally or agriculturally. The exact acreage amount of open land as compared to that portion of the site covered by available tree growth is uncertain.

With the generally level topography, subsequent developmental usage is considered highly conducive, however, the granting of a conservation easement prohibits development into perpetuity.

● **UTILITIES**

Municipal utilities presently existing to service the subject property are electricity and gas provided by SCE&G, water provided by the City of Columbia, as well as sewer service being provided by the City of Columbia. Telephone service is provided by BellSouth.

● **EASEMENTS/ENCROACHMENTS**

According to the submitted plats, there are several discharge and drainage easements as well as access easements extending through the subject property. Obviously, with the size of the subject property totaling 4,410.916 acres, the easements are not considered to be adverse. No encroachments were noted which were considered adverse by physical inspection of the subject property as well as indicated on the submitted surveys/plats.

● **FIRM (FLOOD INSURANCE RATE MAP) AND DETERMINATION OF FLOODWAY**

The subject property has been identified presently as being located within a flood plain as evidenced by the three maps compiled by the Federal Emergency Management Agency and identified as Community Panel Numbers: 45079C0160-G, 45079C0190-G, and 45079C0178-G, with an effective date of January 19th, 1994. However, there has been disputes resulting in the location of the subject, not so much relative to the flood plain, but to the identification or determination of the floodway. In 1995, a new FEMA map was completed and the subject property was not included in the floodway. It is the intent of the subject property owner/developer to improve and certify the levee so as to remove the entirety of the property from the identified flood plain for subsequent developmental usage. In 1998, FEMA attempted to re-map the Congaree River with little or no success. The August, 1999 FEMA map showed no floodway relative to the

subject property. However, there were appeals to the map by certain appellants although no credible scientific analysis provided. Throughout this time frame, the subject property owners continued with plans for development, specifically with the E.D.S.A. land planners.

During 2000, the land planning continued for the eventual development of the Green Diamond project and in September, 2000, FEMA issued a revised map indicating the subject property in the floodway. Columbia Venture, LLC appealed the new map with scientific data suggesting removal of the subject property from the identified floodway.

At the present time, litigation is pending regarding the authenticity of the revised map as provided by FEMA, specifically stating unscientific methodology in determining the location of the subject property with an identified floodway.

All indications are the scientific data, made available by the subject property owners, will reveal the subject property is not located in the floodway and the assumption throughout this analysis is the predominance of the subject property will not be contained in the floodway and will be conducive for subsequent developmental usage in accordance with the Land Use Plan as provided by E.D.S.A.

- **ENVIRONMENTAL HAZARDS**

No environmental studies were furnished to the appraisers, although at the time of this report, an Environmental Base Line Documentation Report was being completed on the subject property by Wetlands and Environmental Services, Inc., Myrtle Beach, South Carolina. In conversations with representatives of W.E.S.I., it appears there are no existing hazardous waste, environmental hazards, endangered species or any contamination on the site. No prior or present use of the subject property would suggest the existence of such hazardous contaminants or pollutants. The appraisal and subsequent appraised values are contingent there are no environmental hazards, hazardous waste, contamination, hazardous materials or endangered species on the subject property. If such conditions are found to exist with the completion of the base line documentation report, the value conclusions rendered within this Complete, Self-Contained Appraisal may be impacted.

- **WETLANDS**

There are wetlands contained within the conservation easement area, as expected due to the expanse of acreage constituting the subject property. It appears the total number of wetlands will comprise between 375 to 400 acres with the final determination to be completed by Wetlands and Environmental Services,

Inc. The location of the wetlands are identifiable in the Master Plan for the entirety of the subject property prepared by E.D.S.A.

● **SOIL**

No separate soil feasibility study was available. The identification of soils constituting the subject property were provided by the *Soil Survey of Richland County, South Carolina* as provided by the United States Department of Agriculture, Soil Conservation Service. With the location of the subject property in proximity to a major river like the Congaree River as well as Gills Creek Tributary, the subject soil reflects four soil types identified as:

- 1) **Co - Congaree Loam**
- 2) **Ce - Chewacla Loam**
- 3) **Cd - Chastain Silty Clay Loam**
- 4) **To - Toccoa Loam**

The Congaree series consists of deep, well drained and moderately well drained, moderately permeable soils formed in loamy alluvial sediment washed from soils of the Piedmont Province. Congaree soils are closely associated on flood plains with Chastain, Chewacla, Tawcaw, and Toccoa soils. They are at slightly higher elevations of a better drain than Chastain, Chewacla, and Tawcaw soils which have gray colors above a depth of 20 inches.

The Chewacla series consists of deep, nearly level, moderately permeable, somewhat poorly drained soils. Formed in loamy alluvial sediment washed from the Piedmont Province. Chewacla soils are also closely associated on flood plains with Chastain, Congaree, Tawcaw, Toccoa, and Dorovan soils.

The Chastain series consists of deep, nearly level, poorly drained, slowly permeable soils formed in clayey alluvial sediment.

The Toccoa series consists of deep, well drained moderately rapidly permeable soils formed in thick loamy alluvium washed from the Piedmont Province.

The identification of the four soil types are indigenous to the subject located in proximity to the Congaree River.

**HIGHEST AND BEST USE
ANALYSIS (AFTER
CONSERVATION EASEMENT)**

According to *The Appraisal of Real Estate*, Eleventh Edition, Appraisal Institute, Chicago, Illinois, Highest and Best Use is defined as:

"the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."

Highest and Best Use is one of the basic fundamentals that affects the value of all real estate. The concept was first pointed out in 1894 when the Supreme Court for the United States stated that:

"the value of property results from the use to which it is put and varies with the profitableness of that use."

The principle of Highest and Best Use may be applied to the land as though vacant and available for its highest and best use or to the property as improved.

When analyzing the Highest and Best Use of a property, the potential use must meet all four of the following tests:

Is the use:

- (a) legally permissible?
- (b) physically possible?
- (c) financially feasible?
- (d) maximally productive?

The Highest and Best Use Analysis in an appraisal report sets the stage of the analysis in the three approaches to value. In order to properly utilize these three approaches to value, the highest and best use must accurately be determined. To test the highest and best use of land as though vacant or a property as improved, an appraiser analyzes all feasible alternatives.

The subject property is identified as a 4,410.916 unimproved acreage tract which will be placed under a conservation easement with the applicable restrictions prohibiting subsequent development of the subject property. As the subject cannot be developed, the analysis will reflect as *vacant* relative to the subject after

the granting of the conservation easement.

- **AS VACANT - LEGALLY PERMISSIBLE**

After the conservation easement is granted, the only uses of the property allowable per the actual easement is for agricultural, hunting, fishing and passive recreational uses. The easement does not allow the development of the property as delineated in the highest and best use before the granting of the easement.

- **AS VACANT - PHYSICALLY POSSIBLE**

The subject 4,410.916 acres is physically possible for the perpetual use of the subject property for agricultural purposes, hunting, fishing, and passive recreation. The property's location on the Congaree River and proximity to the City of Columbia and the University of South Carolina is conducive for continuation of recreational uses.

- **AS VACANT - FINANCIALLY FEASIBLE**

Since the conservation easement prohibits any subsequent development of the property, the financial feasibility will not be applicable as the only use of the property is recreational or for agricultural purposes.

- **AS VACANT - MAXIMALLY PRODUCTIVE**

After the granting of the easement, the maximum productive use of the subject property would be for continuation of the protected property for recreational and agricultural use as restricted by the applicable easement.

- **SUMMARY - HIGHEST AND BEST USE AFTER THE CONSERVATION EASEMENT**

The highest and best use of the subject property after the granting of the conservation easement, is for recreational usage and for agricultural purposes. The primary restriction imposed upon the subject property is that in no event shall the protected property be subdivided and/or used for any purpose other than agricultural purposes, timber farming, wildlife management, hunting, fishing, and/or passive recreational purposes.

**APPRAISAL METHODOLOGY/
VALUATION PROCEDURE
(AFTER CONSERVATION
EASEMENT)**

The appraisal process is a systematic procedure in which the valuation problem is defined; the work organized; data assembled, analyzed and conclusions drawn to derive an estimate of value as of a particular time, the date of value.

The appraiser typically utilizes three approaches to value which include: the **Cost Approach**; the **Market Data or Sales Comparison Approach**; and the **Income Capitalization Approach**.

The **Cost Approach** is based on many principles but the primary appraisal principle is that an informed buyer or purchaser will pay no more than it cost to produce a substitute property with the same utility without undue delay. In the Cost Approach to Value, an appraiser commences with estimating the land or site by comparison of the subject land to other comparable sales or listing available within the general market. Reproduction or replacement costs new of the building and land improvements are estimated based on a recognized cost service or from local building contractors or cost engineers. All sources of neighborhood influences are deducted from the new cost estimates. The estimated land value is added to the indicated value by the Cost Approach. This approach is particularly useful in valuing new improvements which represent the highest and best use of the land or when specialized improvements are located on the site and there is insufficient comparable data within the market for proper analysis.

The **Sales Comparison Approach** compares the subject property to comparable or similar properties with the sales price paid and the actual transaction being analyzed. Comparable sales are adjusted to the subject property for dissimilarities which include time or changes in market conditions, age, location, physical characteristics and conditions of the sale to the subject property to indicate the probable value of the subject. The adjustments should reflect the market actions of typical buyers and sellers and are usually extracted from the market by use of the *matched pairs* concept.

In the **Income Approach**, the subject property is valued based on its propensity to generate income. Anticipated present and future income as well as future reversions on the sale of the property are discounted to a present worth value through the capitalization process. Market data produces current economic rents and expense levels, which after deduction of market derived vacancy and credit losses, the resulting income is termed Net Operating Income. After the extraction of a capitalization rate or a computation of a capitalization rate, as correlated based on current market data, the net operating income is converted into a final estimation of value.

The indicated values from the three approaches to value are correlated and then reconciled into a final estimate of value. In this final analysis, the appraiser displays the weaknesses and strengths of each approach and weighs the relevance of each approach to the property being appraised. After all correlation and reconciling has been completed, a final value conclusion is derived for the subject property.

In the valuation of the subject property after the conservation easement, the approaches to value will change as a result of the restrictions placed on the property by the conservation easement. There will be no subsequent developmental usage of the 4,410.916 acres. Therefore, a Developmental Approach will not be applicable and only a Sales Comparison Approach will be utilized. A Sales Comparison Approach will attempt to obtain similar sales as the subject property after the conservation easement is granted. However, it is anticipated the sales selected will reflect significant adjustments as a result of probably not containing similar use restrictions as the subject property after the conservation easement.

The Ideal Sales Comparison Approach would consist of other similar sized parcels also subject to use restrictions as a result of conservation easements having been placed on the respective sales. This type of data is not presently available in the Columbia market area and therefore the sales utilized are considered the best with the appropriate adjustments considered.

**SALES COMPARISON
APPROACH (AFTER
CONSERVATION EASEMENT)**

A direct comparison or comparative procedure is completed via a Sales Comparison Approach for the valuation of the subject 4,410.916 acres after the granting of the conservation easement. Six sales were obtained from the Columbia market area to be utilized in this comparative procedure. The sales were considerably smaller than the subject property, extending in size from 206.67 acres to the largest comprising 1,855.09 acres. These six sales were considered the best available to render a comparison to the subject property after the placing of the conservation easement.

It is anticipated the adjustments will be numerous and sizable as a result of the use restrictions on the subject property created by the conservation easement.

The sales will be delineated on the following sales data sheets with an adjustment chart following the delineation of the six sales.

COMPARABLE LAND SALE NO. 1

LOCATION: N/S The Broad River, S/S S.C. Highway 215, Columbia,
Richland County, South Carolina

TAX MAP NUMBER: 04400-02-01

GRANTOR: ML South Augusta, Inc.

GRANTEE: Bookman Station, LLC

SALES PRICE: \$1,159,658.50

DATE: December 14th, 2001

DEED BOOK/PAGE: 603/456

SIZE: 492.05 Acres

PRICE PER ACRE: \$2,357

FINANCING: Cash to Seller, No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds

ZONING: RU-Rural

COMMENTS:

This large parcel is located on the north side of the Broad River and the south side of South Carolina Highway 215. The site is transversed in an east to west direction by two separate right-of-ways, SEC&G has a 160 foot right-of-way and Norfolk Southern Railroad has a 100 foot right-of-way through the property.

COMPARABLE LAND SALE NO. 2

LOCATION: E/S The Congaree River, Columbia, Richland County, South Carolina

TAX MAP NUMBER: 13000-01-01

GRANTOR: AMBSC, LLC

GRANTEE: FBSC, LLC

SALES PRICE: \$2,691,000

DATE: January 7th, 2002

DEED BOOK/PAGE: 610/286

SIZE: 1,855.09 Acres

PRICE PER ACRE: \$1,450

FINANCING: Cash to Seller; No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds

ZONING: RU-Rural

COMMENTS:

This site is irregularly shaped having substantial frontage on the Congaree River.

COMPARABLE LAND SALE NO. 3

LOCATION: E/S S.C. Highway 263, W/S The Wateree River, Eastover,
Richland County, South Carolina

TAX MAP NUMBER: 39200-02-24 & 35; 39300-02-02, 04 & 09

GRANTOR: H.R. Burg

GRANTEE: Tobin Cassels, III

SALES PRICE: \$1,150,000

DATE: January 5th, 2001

DEED BOOK/PAGE: 472/2522

SIZE: 533.413 Acres

PRICE PER ACRE: \$2,155.93

FINANCING: Cash to Seller; No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds/Tobin Cassels, III

ZONING: RU-Rural

COMMENTS:

This large irregularly shaped parcel has frontage on S.C. Highway 263 and substantial frontage on the Wateree River and has rolling topography.

COMPARABLE LAND SALE NO. 4

LOCATION: W/S Chain Gang Road, Eastover, Richland County, South Carolina

TAX MAP NUMBER: 35100-03-02 & 16; 37100-01-72, 75, 71, 73 and 43

GRANTOR: The Estate of John L.M. Tobias

GRANTEE: R. Mike Stamps

SALES PRICE: \$690,000

DATE: August 31st, 2001

DEED BOOK/PAGE: 561/1547

SIZE: 206.67 Acres

PRICE PER ACRE: \$3,339

FINANCING: Cash to Seller, No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Grantee - Mike Stamps

ZONING: RU-Rural

COMMENTS:

This irregularly shaped parcel contains two ponds. The topography is considered gently rolling.

COMPARABLE LAND SALE NO. 5

LOCATION: W/S Bluff Road, Columbia, Richland County, South Carolina
TAX MAP NUMBER: 18700-04-17
GRANTOR: Theodore J. Hopkins, Jr.
GRANTEE: Phillip A. Brown
SALES PRICE: \$601,000
DATE: December 9th, 1999
DEED BOOK/PAGE: 367/577
SIZE: 373.00 Acres
PRICE PER ACRE: \$1,611
FINANCING: Cash to Seller, No Concessions
UTILITIES: Electricity (No Water/Sewer)
VERIFIED: Richland County Register of Deeds
ZONING: RU-Rural

COMMENTS:

This irregularly shaped parcel extends on the north and south sides of Bluff Road, approximately ten miles southeast of the City of Columbia.

COMPARABLE LAND SALE NO. 6

LOCATION: E/S The Broad River, W/S S. C. Highway 215, Columbia,
Richland County, South Carolina

TAX MAP NUMBER: 06300-01-03

GRANTOR: J. Larry Faulkenberry

GRANTEE: Palmetto Automatic Sprinkler Co., Inc.

SALES PRICE: \$514,856

DATE: May 1st, 2001

DEED BOOK/PAGE: 512/1012

SIZE: 237.69 Acres

PRICE PER ACRE: \$2,166

FINANCING: Cash to Seller, No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds, Larry Faulkenberry

ZONING: RU-Rural

COMMENTS:

This large parcel is located on the west side of the Broad River, and has access to Monticello Road (S.C. Hwy. 215) on the east. The site is dissected by a Norfolk Southern Railway 100 foot right-of-way which enters the property from the south and exits to the north.

LAND SALES ADJUSTMENT CHART AFTER CONSERVATION EASEMENT						
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4	Sale No. 5	Sale No. 6
Sale Price/Acre	\$2,347	\$1,450	\$2,156	\$3,339	\$1,611	\$2,166
Property Rights	1.00	1.00	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.00	1.00	1.00	1.00	1.00	1.00
Adjusted Price/Acre	\$2,357	\$1,450	\$2,156	\$3,339	\$1,611	\$2,166
Location	+5%	+5%	+5%	+5%	+5%	+5%
Size	-40%	-25%	-40%	-50%	-45%	-50%
Topography	-0-	-0-	-0-	-0-	-0-	-0-
Availability of Utilities	-0-	-0-	-0-	-0-	-0-	-0-
Use Restriction	-25%	-25%	-25%	-25%	-25%	-25%
Other	-0-	-0-	-0-	-0-	-0-	-0-
Net Adjustments	-60%	-45%	-60%	-70%	-65%	-70%
Indicated Value of Subject/Acre	\$942	\$798	\$862	\$1,002	\$564	\$650

CV006640

PLTF TRIAL EXH 394

**SALES COMPARISON
APPROACH/VALUATION
SUMMARY (AFTER
CONSERVATION EASEMENT)**

The six sales utilized in the comparative procedure for comparison to the subject property are located in the Columbia market, but obviously do not reflect the same use restrictions as the subject 4,410.916 acres after the conservation easement. The six sales occurred between December 1999 and January 2002 and are considered the best available sales of large acreage tracts in the Columbia market for a comparative procedure to the subject property after the granting of the conservation easement. The sales prices per acre extended from the lowest at \$1,450 to the highest at \$3,339. The applicable unit of comparison is a sales price/value per acre as this is the applicable unit of comparison utilized by knowledgeable sellers, purchasers, brokers, and appraisers when relating to sites/parcels similar to the subject.

Prior to completing any physical characteristic dissimilarity adjustments, all six sales were initially adjusted for property rights conveyed, financing, conditions of sale, and time or changes in market conditions. There were no noted adjustments for property rights conveyed, financing or conditions of sale.

Changes in market conditions may typically relate to the passage of time, however, adjustments for conditions within the market reflect the influences of supply and demand and the economies of increasing and decreasing returns. In a comparison to the subject property, there is no increase in property values as the subject property is severely limited and will not be purchased for subsequent developmental usage due to the restrictions placed on the property as a result of the granting of the conservation easement. Therefore, no increase in property values can be justified for the comparable sales as compared to the subject as there will be no demand since the subsequent developmental usage of the subject property is prohibited as a result of the easement.

Relative to location, the subject property is located on the fringe of the City of Columbia in a far superior location as compared to each of the comparable sales. Each sale is somewhat rural and as result, each sale was adjusted upward to reflect the difference between urban and suburban or rural locations. There were no necessary adjustments for topography as typical topography on and around the Columbia market is of a rolling variety and each of the comparable sales had similar availability of utilities. Exposure is not an issue in relationship to passive recreational properties and not addressed in this analysis.

The largest adjustment would be considered the use restriction whereby subsequent developmental usage for the subject for potential development is prohibited as a result of the conservation easement. None of

the six sales had such restrictions and could be purchased for some future development whenever demand dictates.

To express the effect a conservation easement may have on a property after placement of the easement, an analysis of a sale in neighboring North Carolina is provided. A 46.883 acre parcel located on Bamboo Road off Blue Ridge Parkway in Watauga County, North Carolina was sold in March, 1998 for \$156,000 by Conservation Trust for North Carolina. Conservation Trust for North Carolina had purchased the 46.883 acres in September, 1997 for \$10,000 per acre and then was restricted to one homesite within the boundaries of the property. As a result of the conservation easement granted to Conservation Trust for North Carolina, the property upon re-sale indicated only \$7,500 per acre, a reduction of \$2,500 per acre or a reduction of approximately 25.0%. Therefore, an adjustment of 25% for the use restrictions are deemed reasonable and justifiable.

After completion of all adjustments, the indicated value on a per acre basis after the granting of the conservation easement extends from a low of \$564 per acre to a high of \$1,002 per acre. A reasonable correlation among the six adjusted comparable sales would suggest \$850 per acre after the granting of the easement. Therefore, the subject property contains 4,410.916 acres and at the \$850 per acre correlated value, would yield an indicated value, after the granting of the conservation easement, of \$3,749,278, rounded to \$3,750,000.

VALUATION OF
SUBJECT PROPERTY *AS IS*

VSW File No.: C02-02

CV006643

PLTF TRIAL EXH 394

**MARKET VALUE OF SUBJECT
PROPERTY AS/IS**

The Uniform Standards of Professional Appraisal Practice (USPAP) states in Standard Rule 2-1(c) the appraiser clearly and accurately disclose any extraordinary assumptions, hypothetical conditions, or limiting conditions which directly affects the appraisal and indicate its impact on value. Standard Rule 2-1(c) is a binding requirement from which departure is not permitted.

It was delineated in several sections of this report and specifically in detail within the Zoning section, the market value indication of the subject property before the granting of the conservation easement does reflect the change in zoning of the subject property from D-1, RU, M-1, and RS-3 to a zoning which would allow the conceptual multi-use development. It is anticipated, a zoning change is imminent as a result of the creation of a Planned Development District (PDD) for the subject property which will incorporate multi-land uses indigenous to Richland County's Town and Country concept.

When such an appraisal with a current date of value is based on a hypothetical condition, the information in the appraisal must include the appraisers' opinions of the current market value of the subject property in its actual physical condition and subject to the zoning in effect as of the date of appraisal. The effective date of appraisal was October 15th, 2002 and as of that effective date, the subject property reflects a combination of D-1, RU, M-1 and RS-3 zoning. The current zoning would suggest the subject is not as conducive for development than if the property were re-zoned to PDD, Planned Development District. Additionally, portions of the subject property are currently identified within a newly designated floodway according to recent FEMA map revisions. In an *as is* situation, the subject property would have limited subsequent developmental capability.

The subject property has been unimproved for a significant time frame which may support the reluctance for development of the subject property under present zoning conditions as well as physical conditions.

Even though the subject property has limitations relative to subsequent development, it may still reflect a higher value than a value associated with just present agricultural usage.

The valuation of the property after the granting of the conservation easement suggests passive recreation. Without a change in zoning, it is believed the subject only has use for continuation as agricultural and/or passive recreational use. It is highly probable any subsequent purchase of the subject property, without the granting of the conservation easement and with the current zoning in place, would suggest the

purchase of the subject property for agricultural use although a speculative purchase may also be completed with the possibility of securing a zoning change for future developmental usage.

In the valuation of the subject property as is, only a Sales Comparison Approach will be utilized. A Sales Comparison Approach will attempt to obtain similar sales to compare to the subject property. However, it is anticipated the sales selected will reflect significant adjustments as a result of the size of the subject property, coupled with its proximity to the City of Columbia and the availability of utilities to provide services to this large expanse of acreage.

The sales will be delineated on the following sales data sheets with an adjustment chart following the delineation of the six sales.

COMPARABLE LAND SALE NO. 1

LOCATION: N/S The Broad River, S/S S.C. Highway 215, Columbia,
Richland County, South Carolina

TAX MAP NUMBER: 04400-02-01

GRANTOR: ML South Augusta, Inc.

GRANTEE: Bookman Station, LLC

SALES PRICE: \$1,159,658.50

DATE: December 14th, 2001

DEED BOOK/PAGE: 603/456

SIZE: 492.05 Acres

PRICE PER ACRE: \$2,356.79

FINANCING: Cash to Seller, No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds

ZONING: RU-Rural

COMMENTS:

This large parcel is located on the north side of the Broad River and the south side of South Carolina Highway 215. The site is transversed in an east to west direction by two separate right-of-ways, SEC&G has a 160 foot right-of-way and Norfolk Southern Railroad has a 100 foot right-of-way through the property.

COMPARABLE LAND SALE NO. 2

LOCATION: E/S The Congaree River, Columbia, Richland County, South Carolina

TAX MAP NUMBER: 13000-01-01

GRANTOR: AMBSC, LLC

GRANTEE: FBSC, LLC

SALES PRICE: \$2,691,000

DATE: January 7th, 2002

DEED BOOK/PAGE: 610/286

SIZE: 1,855.09 Acres

PRICE PER ACRE: \$1,450

FINANCING: Cash to Seller, No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds

ZONING: RU-Rural

COMMENTS:

This site is irregularly shaped having substantial frontage on the Congaree River.

COMPARABLE LAND SALE NO. 3

LOCATION: E/S S.C. Highway 263, W/S The Wateree River, Eastover,
Richland County, South Carolina

TAX MAP NUMBER: 39200-02-24 & 35; 39300-02-02, 04 & 09

GRANTOR: H.R. Burg

GRANTEE: Tobin Cassels, III

SALES PRICE: \$1,150,000

DATE: January 5th, 2001

DEED BOOK/PAGE: 472/2522

SIZE: 533.413 Acres

PRICE PER ACRE: \$2,155.93

FINANCING: Cash to Seller, No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds/Tobin Cassels, III

ZONING: RU-Rural

COMMENTS:

This large irregularly shaped parcel has frontage on S.C. Highway 263 and substantial frontage on the Wateree River and has rolling topography.

COMPARABLE LAND SALE NO. 4

LOCATION: W/S Chain Gang Road, Eastover, Richland County, South Carolina

TAX MAP NUMBER: 35100-03-02 & 16; 37100-01-72, 75, 71, 73 and 43

GRANTOR: The Estate of John L.M. Tobias

GRANTEE: R. Mike Stamps

SALES PRICE: \$690,000

DATE: August 31st, 2001

DEED BOOK/PAGE: 561/1547

SIZE: 206.67 Acres

PRICE PER ACRE: \$3,339

FINANCING: Cash to Seller; No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Grantee - Mike Stamps

ZONING: RU-Rural

COMMENTS:

This irregularly shaped parcel contains two ponds. The topography is considered gently rolling.

COMPARABLE LAND SALE NO. 5

LOCATION: W/S Bluff Road, Columbia, Richland County, South Carolina
TAX MAP NUMBER: 18700-04-17
GRANTOR: Theodore J. Hopkins, Jr.
GRANTEE: Phillip A. Brown
SALES PRICE: \$601,000
DATE: December 9th, 1999
DEED BOOK/PAGE: 367/577
SIZE: 373.00 Acres
PRICE PER ACRE: \$1,611
FINANCING: Cash to Seller, No Concessions
UTILITIES: Electricity (No Water/Sewer)
VERIFIED: Richland County Register of Deeds
ZONING: RU-Rural
COMMENTS:

This irregularly shaped parcel extends on the north and south sides of Bluff Road, approximately ten miles southeast of the City of Columbia.

COMPARABLE LAND SALE NO. 6

LOCATION: E/S The Broad River, W/S S. C. Highway 215, Columbia,
Richland County, South Carolina

TAX MAP NUMBER: 06300-01-03

GRANTOR: J. Larry Faulkenberry

GRANTEE: Palmetto Automatic Sprinkler Co., Inc.

SALES PRICE: \$514,856

DATE: May 1st, 2001

DEED BOOK/PAGE: 512/1012

SIZE: 237.69 Acres

PRICE PER ACRE: \$2,166

FINANCING: Cash to Seller, No Concessions

UTILITIES: Electricity (No Water/Sewer)

VERIFIED: Richland County Register of Deeds, Larry Faulkenberry

ZONING: RU-Rural

COMMENTS:

This large parcel is located on the west side of the Broad River, and has access to Monticello Road (S.C. Hwy. 215) on the east. The site is dissected by a Norfolk Southern Railway 100 foot right-of-way which enters the property from the south and exits to the north.

LAND SALES ADJUSTMENT CHART AS IS MARKET VALUE						
Sale Number	Sale No. 1	Sale No. 2	Sale No. 3	Sale No. 4	Sale No. 5	Sale No. 6
Sale Price/Acre	\$2,357	\$1,450	\$2,156	\$3,339	\$1,611	\$2,166
Property Rights	1.00	1.00	1.00	1.00	1.00	1.00
Conditions of Sale	1.00	1.00	1.00	1.00	1.00	1.00
Financing	1.00	1.00	1.00	1.00	1.00	1.00
Changes in Market Conditions	1.022	1.018	1.020	1.028	1.070	1.034
Adjusted Price/Acre	\$2,409	\$1,479	\$2,199	\$3,432	\$1,724	\$2,240
Location	+ 5%	+ 5%	+ 5%	+ 5%	+ 5%	+ 5%
Size	-40%	-25%	-40%	-50%	-45%	-50%
Topography	-0-	-0-	-0-	-0-	-0-	-0-
Availability of Utilities	+20%	+20%	+20%	+20%	+20%	+20%
Zoning	+10%	+10%	+10%	+10%	+10%	+10%
Other/Cleared	+10%	+10%	+10%	+10%	+10%	+10%
Net Adjustments	+ 5%	+20%	+ 5%	- 5%	-0-	- 5%
Indicated Value of Subject/Acre	\$2,529	\$1,775	\$2,309	\$3,260	\$1,724	\$2,128

SALES COMPARISON APPROACH/VALUATION SUMMARY, AS IS

The six sales utilized in the comparative procedure for comparison to the subject property are located in the Columbia market, but are somewhat smaller than the subject's 4,410.916 acres. The six sales occurred between December, 1999 and January, 2002 and are considered the best available sales of large agricultural tracts in the Columbia market for a comparative procedure to the subject property. The sales prices per acre extend from a low of \$1,450 per acre to the highest indication at \$3,339 per acre, prior to any adjustments. The applicable unit of comparison is a sales price/value per acre as this is the applicable unit of comparison utilized by knowledgeable sellers, purchasers, brokers, and appraisers when relating to sites/parcels similar to the subject property.

Prior to completing any physical characteristic dissimilarity adjustments, all six sales were initially adjusted

for property rights conveyed, financing, conditions of sale, and time or changes in market conditions. There were no noted adjustments for property rights conveyed, financing or conditions of sales.

Changes in market conditions may typically relate to the passage of time, however, adjustments for conditions within the market reflects the influences of supply and demand and the economies of increasing and decreasing returns. A reasonable and probable price appreciation of 2.5% per year is deemed warranted.

Relative to location, the subject property is located on the fringe of the City of Columbia in a superior location as compared to each of the sales and each is adjusted accordingly. There were no necessary adjustments for topography as typical topography on and around the Columbia market is of a rolling variety and each of the comparable sales had similar availability of utilities. Exposure is not an issue in relationship to passive recreational or agricultural properties and is not addressed in this analysis.

An adjustment was completed for the availability of utilities located on the subject. All comparable sales were considered inferior to the subject and therefore the necessary adjustment.

The zoning was considered inferior on all the comparable sales as the subject does have the predominance of the acreage zoned D-1, considered an interim zoning until the characteristic of the subject property is more defined.

The subject site consists of 4,410.916 acres and is substantially larger than any of the six sales, therefore, each sale was adjusted to reflect the differences in size.

After completion of all adjustments, the indicated value on a per acre basis for the subject property as is condition extending from a low of \$1,724 per acre to a high of \$3,260 per acre. A reasonable correlation among the six adjusted comparable sales may suggest \$2,500 per acre for the subject 4,410.916 acres as is. Therefore, the subject property, as is, containing 4,410.916 acres at \$2,500 per acre would yield an indicated value of \$11,027,400, rounded to \$11,000,000.

**FINAL RECONCILIATION
CONSERVATION EASEMENT
VALUE
(VALUE DIFFERENCE BETWEEN
BEFORE AND AFTER VALUES)**

The subject property, consisting of 4,410.916 unimproved acres, has been evaluated and valued *both* before and *after* the granting of the conservation easement, with the highest and best use and the value indicated for the 4,410.916 acres contingent on a re-zoning of the property to allow for a multi-use development commensurate with a

submitted Land Use Plan by E.D.S.A. The subject property *after* the conservation easement is granted was valued with the use restrictions prohibiting subsequent developmental usage. The difference between these two values is the value of the conservation easement prior to any adjustments for properties owned by the Donor in proximity. The following indications of value will delineate the subject property *before* the conservation easement is granted and subsequently *after* the granting of the conservation easement.

SUBJECT PROPERTY VALUE-BEFORE CONSERVATION EASEMENT GRANTED ..	\$142,000,000
SUBJECT PROPERTY VALUE-AFTER CONSERVATION EASEMENT GRANTED	\$3,750,000
DIFFERENCE-CONSERVATION EASEMENT VALUE	\$138,000,000

Pursuant to IRC §1.170A-4(h)(3)(i), "... the granting of a conservation easement has had an effect of increasing other property owned by the Donor or a related person, the amount of the deduction for the conservation contribution shall be reduced by the amount of the increase in the value of the other property ..."

Based upon market conditions as of October 15th, 2002
the enhancement is deemed to be: -0-

CERTIFICATION

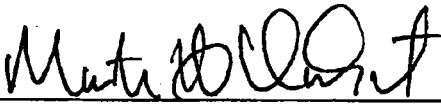
I hereby certify:

1. I have personally inspected the property which is the subject of this appraisal.
2. I have no present or contemplated future interest in the real estate that is the subject of this appraisal report.
3. I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.
4. To the best of my knowledge and belief, the statements of facts contained in this appraisal report, upon which the analyses, opinions and conclusions expressed herein are based are true and correct.
5. This appraisal report sets forth all of the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in this report.
6. This appraisal report has been made in conformity with, and is subject to, the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
7. That the use of this appraisal report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
8. No one other than the undersigned prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report.
9. As of the date of this report, I, Martin H. Van Sant, SRA, have completed the requirements under the continuing education program of the Appraisal Institute.
10. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. Additionally, the appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
11. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

12. The real property, subject of this Complete, Self-Contained Appraisal Report, has an indicated market value of the easement value of the granted conservation easement, as of October 15th, 2002, of:

ONE HUNDRED FORTY TWO MILLION AND NO/100 DOLLARS

\$142,000,000



Martin H. Van Sant, SRA

Certified General Real Estate Appraisal No. CG 409
State of South Carolina

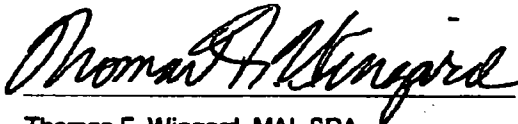
CERTIFICATION

I hereby certify:

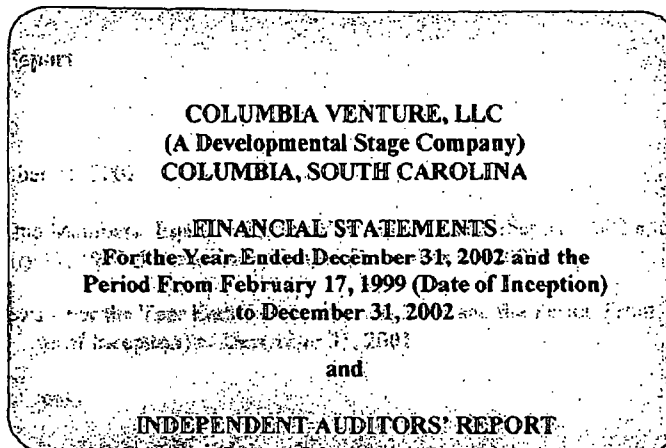
1. I have personally inspected the property which is the subject of this appraisal.
2. I have no present or contemplated future interest in the real estate that is the subject of this appraisal report.
3. I have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.
4. To the best of my knowledge and belief, the statements of facts contained in this appraisal report, upon which the analyses, opinions and conclusions expressed herein are based are true and correct.
5. This appraisal report sets forth all of the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in this report.
6. This appraisal report has been made in conformity with, and is subject to, the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
7. That the use of this appraisal report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
8. No one other than the undersigned prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report.
9. As of the date of this report, I, **Thomas F. Wingard, MAI, SRA**, have completed the requirements under the continuing education program of the Appraisal Institute.
10. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. Additionally, the appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
11. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

12. The real property, subject of this Complete, Self-Contained Appraisal Report, has an indicated market value of the easement value of the granted conservation easement, as of October 15th, 2002, of:

ONE HUNDRED FORTY TWO MILLION AND NO/100 DOLLARS
\$142,000,000


Thomas F. Wingard, MAI, SRA

Certified General Real Estate Appraisal No. CG 89
State of South Carolina



CV009077

PLTF TRIAL EXH 396

**COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA**

**FINANCIAL STATEMENTS
For the Year Ended December 31, 2002 and the
Period From February 17, 1999 (Date of Inception)
to December 31, 2002**

and

INDEPENDENT AUDITORS' REPORT

CV009078

PLTF TRIAL EXH 396

**COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA**

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Statements of Cash Flows - For the Year Ended December 31, 2002 and the Period From February 17, 1999 (Date of Inception) to December 31, 2002	4
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PLTF TRIAL EXH 396



**SMITH SAPP
BOOKHOUT
CRUMPLER
& CALLIHAM**

A Professional Association Of
Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

To the Members
Columbia Venture, LLC
Columbia, South Carolina

We have audited the accompanying balance sheet of Columbia Venture, LLC (a limited liability company) as of December 31, 2002, and the related statements of income and members' equity and cash flows for the year ended December 31, 2002 and the period from February 17, 1999 (date of inception) to December 31, 2002. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Columbia Venture, LLC as of December 31, 2002, and the results of its operations and its cash flows for the year ended December 31, 2002 and the period from February 17, 1999 (date of inception) to December 31, 2002 in conformity with auditing standards generally accepted in the United States of America.

Smith, Sapp, Bookhout, Crumpler & Calliham P.A.

SMITH, SAPP, BOOKHOUT, CRUMPLER & CALLIHAM, P.A.
Certified Public Accountants

Myrtle Beach, South Carolina
May 2, 2003

Trusted Advisors For Over 50 Years

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PLTF TRIAL EXH 396

**COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA**

**BALANCE SHEET
December 31, 2002**

ASSETS

Cash	\$ 61,821
Prepaid Insurance	825
Land and Development Costs	<u>34,960,136</u>
TOTAL ASSETS	\$ <u>35,022,782</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities

Accounts Payable and Accrued Expenses	\$ 724,012
Due to Members	1,012,233
Notes Payable	10,500,000
Notes Payable - Members	<u>4,292,191</u>
Total Liabilities	\$ <u>16,528,436</u>

Members' Equity

Class A Units	\$ 14,628,380
Class B Units	2,278,694
Class C Units	1,817,745
Deficit Accumulated During Developmental Stage	<u>(230,473)</u>
Total Members' Equity	\$ <u>18,494,346</u>

TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ <u>35,022,782</u>

The accompanying notes are an integral part of the financial statements.

COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA

STATEMENTS OF INCOME AND MEMBERS' EQUITY
For the Year Ended December 31, 2002 and the
Period From February 17, 1999 (Date of Inception) to December 31, 2002

	Year Ended December 31, 2002	February 17, 1999 (Inception) to December 31, 2002
Operating Expenses		
Advertising and Marketing	\$ (500)	\$ 38,251
Contributions	53,645	75,295
Professional and Consulting	23,835	64,048
Office Expenses	3,914	39,184
Travel and Entertainment	6,314	65,706
Rent		19,260
Depreciation	1,911	15,942
Insurance	4,953	14,108
Repairs and Maintenance		1,660
Licenses		1,103
Total Operating Expenses	<u>\$ 94,072</u>	<u>\$ 334,557</u>
Operating Loss	<u>\$ (94,072)</u>	<u>\$ (334,557)</u>
Other Income & Expense		
Miscellaneous Income	\$ 100,000	\$ 100,000
Interest Income	424	8,459
Interest Expense		(4,375)
Total Other Operating Income & Expense	<u>\$ 100,424</u>	<u>\$ 104,084</u>
Net Income (Loss)	<u>\$ 6,352</u>	<u>\$ (230,473)</u>
Members' Equity - Beginning	21,037,994	
Step-Up in Basis for Purchase of Membership Interest		3,042,970
Purchase of Membership Interest		(7,418,151)
Revaluation of Membership Interests	(3,000,000)	(3,000,000)
Member Contributions	<u>450,000</u>	<u>26,100,000</u>
Members' Equity - Ending	<u>\$ 18,494,346</u>	<u>\$ 18,494,346</u>

The accompanying notes are an integral part of the financial statements.

COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA

Page 1 of 2

STATEMENTS OF CASH FLOWS
For the Year Ended December 31, 2002 and the
Period From February 17, 1999 (Date of Inception) to December 31, 2002.

	Year Ended December 31, 2002	February 17, 1999 (Inception) to December 31, 2002
Cash Flows of Operating Activities		
Net Income (Loss)	\$ 6,352	\$ (230,473)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities		
Depreciation	1,911	15,942
(Increase) in Prepaid Insurance		(825)
Cost of Real Estate Pledged	53,645	53,645
Increase in Accounts Payable and Accrued Expenses	516,327	747,704
Increase in Due to Members	234,845	988,541
Net Cash Provided By Operating Activities	\$ 813,080	\$ 1,574,534
Cash Flows of Investing Activities		
Purchase of Property	\$	\$ (10,932,991)
Purchase of Equipment		(28,289)
Payment of Land Development Costs	(2,348,810)	(8,937,820)
Net Cash Used By Investing Activities	\$ (2,348,810)	\$ (19,899,100)
Cash Flows of Financing Activities		
Proceeds From Notes Payable	\$ 410,000	\$ 15,159,726
Repayments of Notes Payable	(410,000)	(4,659,726)
Proceeds From Notes Payable - Members	4,533,191	8,321,803
Repayments of Notes Payable - Members	(3,029,612)	(4,029,612)
Proceeds From Disposition of Fixed Assets	12,347	12,347
Purchase of Membership Interest		(7,418,151)
Member Contributions		11,000,000
Net Cash Provided By Financing Activities	\$ 1,515,926	\$ 18,386,387
Net Increase (Decrease) in Cash	\$ (19,804)	\$ 61,821
Cash - Beginning	81,625	
Cash - Ending	\$ 61,821	\$ 61,821

The accompanying notes are an integral part of the financial statements.

COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA

Page 2 of 2

STATEMENTS OF CASH FLOWS
For the Year Ended December 31, 2002 and the
Period From February 17, 1999 (Date of Inception) to December 31, 2002

	<u>Year Ended December 31, 2002</u>	<u>February 17, 1999 (Inception) to December 31, 2002</u>
<u>Noncash Investing and Financing Activities</u>		
Land and Development Costs	\$ (2,550,000)	\$ 15,142,970
Member Contributions	(450,000)	(15,100,000)
Revaluation of Membership Interest	3,000,000	3,000,000
Step-Up in Basis for Purchase of Membership Interest		(3,042,970)
	<u>\$</u>	<u>\$</u>

Supplemental Cash Flow Disclosures

Interest Paid	<u>\$</u>	<u>\$ 3,129</u>

The accompanying notes are an integral part of the financial statements.

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CV009084

PLTF TRIAL EXH 396

4695

**COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA**

Page 1 of 5

**NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2002 and the
Period From February 17, 1999 (Date of Inception) to December 31, 2002**

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations: Columbia Venture, LLC is a limited liability company and continues to be in the developmental stage, and the Company has shifted its focus to real estate investment and sales of bulk acreage. The Company owns real estate in the Richland County area of Columbia, South Carolina. Columbia Venture, LLC acquired a tract of land consisting of approximately 4,400 acres in February 1999; environmental surveys and various permitting processes are underway, but primary development and sale operations have not yet commenced, and will not commence, as planned, until various environmental and other issues are further clarified. Alternative disposition issues are also being explored and evaluated.

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Depreciation: Assets are recorded on the books at cost. Depreciation for the assets is calculated using the straight-line method over their estimated useful lives. Estimated useful lives are as follows:

Office Furniture and Equipment	4 years
Computer Equipment	3 years

Land Development Costs: The Company capitalizes development costs, permanent improvements, interest and property taxes related to the Richland County parcel. Development costs include the costs of services of land planners, architects, and engineers.

Advertising Costs: The Company expenses advertising costs in the period in which the advertising occurs. During the year ended December 31, 2002 and the period from February 17, 1999 to December 31, 2002, advertising costs amounted to \$(500) and \$38,251, respectively.

Income Taxes: The Company was established during 1999 as a limited liability company. As such, the Company is treated as a partnership for federal and state tax purposes. Therefore, the Company does not incur income taxes; instead, each of the members of the LLC is taxed on their proportionate share of the Company's income. Accordingly, no provision for income taxes has been included in the financial statements.

Note 2 - CASH

Cash as shown in the statements consisted of an investment checking account with a financial institution. At December 31, 2002, the Company's cash balance amounted to \$61,821. At December 31, 2002, all of the Company's cash deposits were insured by the Federal Deposit Insurance Corporation.

COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA

Page 2 of 5

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2002 and the
Period From February 17, 1999 (Date of Inception) to December 31, 2002

Note 3 - FURNITURE AND EQUIPMENT

Furniture and equipment classifications and changes therein during the period from February 17, 1999 to December 31, 2002 were as follows:

	Balance 2/17/99	Additions	Disposals	Balance 12/31/02
Office Furniture and Equipment	\$	\$ 21,428	\$ 21,428	\$
Computer Equipment	\$	6,861	6,861	\$
	\$	28,289	28,289	\$
Accumulated Depreciation	\$	(15,942)	(15,942)	\$
	\$	12,347	12,347	\$

Note 4 - REAL ESTATE

The Company's real estate holdings consist of approximately 4,400 acres held for development and sale in Richland County, South Carolina. The following is a summary of the Company's real estate holdings and capitalized development costs at December 31, 2002:

Beginning Balance	\$
Amounts Paid in Cash	
Land Purchases	10,932,991
Land Development Costs	8,937,820
	\$ 19,870,811
Land and Development Costs Contributed	15,100,000
Revaluation	(3,000,000)
Land Pledge	(53,645)
Step-Up in Basis for Purchase of Membership Interest	3,042,970
Ending Balance	\$ 34,960,136

Note 5 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following at December 31, 2002:

Trade Accounts Payable	\$ 446,546
Accrued Property Taxes	15,934
Accrued Interest	261,532
	\$ 724,012

**COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA**

Page 3 of 5

**NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2002 and the
Period From February 17, 1999 (Date of Inception) to December 31, 2002**

Note 6 - NOTES PAYABLE

The Company's outstanding debt at December 31, 2002 consisted of the following:

Working capital line of credit for \$3,000,000 with Carolina First. Line of credit matures on April 2, 2003. Interest is payable monthly at the annual rate of prime floating. The line of credit is secured by real estate located off Bluff Road, Columbia, South Carolina.

\$ 3,000,000

Real estate mortgage is secured by property located off Bluff Road, Columbia, South Carolina. Interest and principal are payable at maturity on April 2, 2003. Interest accrues at the annual rate of prime floating.

7,500,000
\$ 10,000,000

All of the Company's outstanding debt is due during the year ended December 31, 2003. On March 31, 2003, the notes described above were renewed for a period of one year with a new maturity date of April 2, 2004. At renewal, there was a \$1,000,000 reduction in the principal amount of the mortgage that was funded by the members.

Note 7 - NOTES PAYABLE - MEMBERS

The Company's loans from members at December 31, 2002 consisted of the following:

Member loans dated April 2, 2002 with all outstanding principal and accrued interest due and payable April 2, 2003. Interest shall accrue on the unpaid principal balance of the loans at an annual rate of prime floating until the maturity date. Creditors have the option to convert all unpaid principal and accrued interest on the loans into Class A and/or Class C Membership Units at any time during the term of the loans.

\$ 4,292,191

All of the Company's loans from members are due during the year ended December 31, 2003. On March 31, 2003, the notes described above were renewed for a period of ninety days with a new maturity date of July 2, 2003.

Note 8 - MEMBERS' EQUITY

The Company has three classes of membership units (Class A, Class B, Class C). There are 13,575 Class A membership units issued, 1,250 Class B membership units and 1,625 Class C membership units for a total of 16,450 membership units issued.

COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA

Page 4 of 5

NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2002 and the
Period From February 17, 1999 (Date of Inception) to December 31, 2002

Note 8 - MEMBERS' EQUITY (continued)

All classes of membership units have voting rights with each membership unit equal to one vote, except for Class C membership units, which have 1/1000 vote per unit. Allocations of net profits and net losses are determined as follows:

Net profits are allocated, first to all holders pro rata until net profits allocated equal net losses allocated pro rata to all holders. Second, to the holders of Class A membership units and Class C membership units in proportion and to the extent of allocation of net losses to the holders of Class A membership units and Class C membership units. Finally, to all holders pro rata.

Net losses are allocated, first to all holders pro rata until net losses allocated equal net profits allocated pro rata to all holders. Second, to the holders of Class A membership units and Class C membership units in proportion and to the extent of their capital account balances attributable to such membership units. Finally, to all holders pro rata.

Changes in each class of membership unit for the period from February 17, 1999 to December 31, 2002 is summarized as follows:

	<u>Class A</u>	<u>Class B</u>	<u>Class C</u>	<u>Total</u>
Members' Equity - Beginning	\$ 16,025,000	\$ 8,000,000	\$ 1,625,000	\$ 25,650,000
Member Contributions				
Purchase of Membership Interest	(6,650,000)			(6,650,000)
	\$ 9,375,000	\$ 8,000,000	\$ 1,625,000	\$ 19,000,000
Additional Member Contribution	450,000			450,000
Step-Up in Basis	1,821,531	1,028,694	192,745	3,042,970
Revaluation of Membership Interest	3,750,000	(6,750,000)		(3,000,000)
Purchase of Membership Interest	(768,151)			(768,151)
	\$ 14,628,380	\$ 2,278,694	\$ 1,817,745	\$ 18,724,819
Deficit Accumulated During Developmental Stage	(126,977)	(79,991)	(23,505)	(230,473)
Members' Equity - Ending	\$ 14,501,403	\$ 2,198,703	\$ 1,794,240	\$ 18,494,346

During the year ended December 31, 2002, the Company converted certain Class B membership units into Class A membership units, restated the number of membership units and redefined the relative rights of the classes of membership units. The changes resulted in a decrease of \$3,000,000 to the members' equity accounts. Also, Green Diamond, LLC exercised its option to purchase 450 Class A membership units with corresponding value of \$450,000 by contributing approximately 60 acres of land to the Company.

**COLUMBIA VENTURE, LLC
(A Developmental Stage Company)
COLUMBIA, SOUTH CAROLINA**

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**NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2002 and the
Period From February 17, 1999 (Date of Inception) to December 31, 2002**

Note 9 - DEVELOPMENTAL STAGE OPERATIONS

The Company was formed on February 17, 1999. Operations during the period from February 17, 1999 to December 31, 2002 were devoted primarily to raising capital, obtaining financing and administrative functions, including seeking permitting and environmental clearance necessary for developing the property as planned or otherwise maximizing the return to investors. The Company has six (6) members. Company transactions with the members are described in other notes to the financial statements.

Note 10 - RELATED PARTY AGREEMENTS

In the normal course of business, the Company has transactions with members of the LLC. At December 31, 2002, the Company owes \$1,012,233 to members. Of that amount, \$491,043 is due to a member for engineering services provided and \$521,190 is due to a member for payment of operating expenses.

Note 11 - PURCHASE OF MEMBERSHIP INTEREST

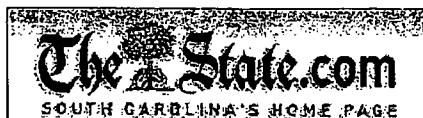
During 2000, the Company purchased Green Diamond, LLC's 8,550 Class A membership units with a book value of \$6,629,746 for \$7,418,151 in cash. The transaction resulted in a step-up in basis of membership interests of \$3,042,970.

Note 12 - CAPITALIZED INTEREST

In accordance with Statement of Financial Accounting Standards #34 the Company follows the policy of capitalizing interest as a component of land development costs.

Interest costs incurred, capitalized and expensed for the year ended December 31, 2002 and the period from February 17, 1999 to December 31, 2002, were as follows:

	December 31, 2002	February 17, 1999 to December 31, 2002
Interest Costs Incurred	\$ 668,945	\$ 1,827,662
Interest Capitalized	(668,945)	(1,824,533)
Interest Expense	<u>\$</u>	<u>\$ 3,129</u>



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January 13, 2003

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GREEN DIAMOND LESSONS LEARNED

SHELLEY HILL, Staff Writer

Location, location, location.

Burroughs & Chapin officials thought they had it four years ago when they bought 4,600 acres of farmland along the Congaree River for their \$1 billion "city within a city."

But location, location, location is the main reason local leaders said the development failed before it ever got started.

The commercial and residential project was unrealistic because it was planned for low-lying, flood-prone land, several public officials, business leaders and environmentalists said.

"The best and highest use for that land may well be what it is currently being used for" - farming and hunting, said Weston Adams, chairman of the Congaree Task Force, which opposed Green Diamond.

Supporters, however, blame Green Diamond's demise on elected officials and say it could make other companies hesitant to locate in Richland County or Columbia.

"I think it shows that there are some members of our (local) government that are not prepared to help business," said state Rep. Rick Quinn, R-Richland. "It would have brought tax revenues to the city and the county."

Richard Quinn & Associates, the political consulting firm headed by Quinn's father, was one of a cadre of local consultants, lobbyists and public relations firms the Myrtle Beach-based Burroughs & Chapin hired to win local support.

Local officials could have given the company permission to build in the low-lying area. But they didn't, citing federal officials' concerns that the property was likely to flood and their own concerns about taxpayers' liability.

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The project would have been built on one of the Columbia area's largest remaining tracts of undeveloped land.

Opponents, many citing environmental concerns, were fierce.

"It's a flood plain, stupid" was their official bumper sticker.

'BAD MESSAGE'?

Richland County Council chairwoman Bernice Scott, the council's most outspoken **Green Diamond** supporter, said its failure sends a "bad message" to other developers.

"**Green Diamond** should have happened," she said. "We got some people who were sitting back saying 'environment and whatever and whatever.' We got enough conservation (in the Lower Richland area). Enough of our land is still open. We really appreciate everybody who wants to have that. But we are in dire need of development."

Ruth Johnson, a Lower Richland community leader who headed the group We Want **Green Diamond**, said the development didn't happen because "too many other groups had their own agendas."

"I also think it may have had something to do with preventing economic growth in this particular area," she said.

Others say **Green Diamond** was an exceptional case that doesn't set the tone for others.

"If there is a perception in the development community that Richland County and the city of Columbia are unfriendly for developers, that's a bad thing," city of Columbia economic development director Jim Gambrell said. "The failure of this project to get off the ground should not be an indication of an unfriendly development environment."

Columbia Mayor Bob Coble said **Green Diamond** isn't a barometer for anything - unless a proposal is in a flood plain.

"Developers are developing the Columbia area as fast as the economy will allow it," Coble said.

Ike McLeese, president of the Greater Columbia Chamber of Commerce, said **Green Diamond's** failure hasn't kept other companies from inquiring about Columbia.

"I don't think the Columbia region has a black eye as a place that other developers don't want to come," he said.

But McLeese said there are lessons developers can learn about "how to" and "how not to" operate in Columbia.

"The old-fashioned power play doesn't work here anymore," he said. "There was too much behind-the-scenes going (on) to see individual power brokers. There was not open, upfront communication about what they intended to do. The blanks they left unfilled got filled with rumor and innuendo."

'A QUESTION OF GEOGRAPHY'

Richland County Council member Kit Smith, the council's most outspoken critic of the project, said the company's style compounded the location problem.

"Burroughs & Chapin saw through the eyes of a developer, and they saw a wonderful

development," Smith said. "When public officials looked at it, they saw a wonderful development with risks. There was a real disconnect with our ability to communicate and their ability to understand the view of the officials."

But she said the reason the development isn't going to happen is still "a question of geography."

"They couldn't have done anything different that would have made it happen."

Green Diamond stalled after a final federal flood map released in August 2001 put 70 percent of the property in the Congaree River's flood way. The flood way is the part of the flood plain where the highest and fastest water is expected to flow during a major flood. Development there is severely limited under federal rules unless local officials sign off on it.

Burroughs & Chapin sued the Federal Emergency Management Agency in October 2001, alleging the agency "abused its discretion" when it issued the flood map. Burroughs & Chapin spokesman Pat Dowling said Friday "the lawsuit is still very much alive."

Dowling said the company believes "the project could be accomplished with significant additional time, effort and investment."

"But," Dowling added, "it is best for us as a company to put that investment and effort into projects elsewhere, where the obstacles are fewer and perhaps development is more welcome."

Burroughs & Chapin board chairman Egerton Burroughs said recently the property once slated for Green Diamond would be broken up and sold in pieces.

Illustration:PHOTO: COLOR

The Green Diamond project borders Bluff Road and I-77. FILE PHOTOGRAPH/THE STATE

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From: KitSalley@aol.com [mailto:KitSalley@aol.com]

Sent: Wednesday, September 15, 2004 11:17 AM

To: Blan Holman

Subject: Re: Green Diamond/Chuckie

I'm out of town with Cody's wedding until next Tuesday. The end of NEXT week would work for me. I think I have a Thursday afternoon meeting and maybe something that morning. . . . not focused on real world stuff for a while. Friday might work best for me. That's the 24th???? I think. Kit

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