

BRIDGEPORT CENTER

The Bridgeport Center site is a 2.11-acre site located on the East Cooper side of the Cooper River Bridge adjacent to the Mount Pleasant Holiday Inn. The site has good visibility coming into Mount Pleasant from the Cooper River Bridge and excellent accessibility off Wingo Way Boulevard.

The strategic location made this site an excellent opportunity to develop professional office buildings. This site represented one of the last vacant tracts on Highway 17 North in Mount Pleasant between the foot of the Cooper River Bridge and the I-526 Connector. Typically, small sites such as the Bridgeport Center site would have commanded extraordinary acquisition costs because there were no large tracts of undeveloped land and very little inventory for the commercially zoned smaller sites.

Mount Pleasant's residential boom of the '90s found the Town in a development crisis due primarily to infrastructure overload from residential development. Economic development projects, such as Bridgeport Center, were the only segments of Mount Pleasant development that had not been overbuilt or severely restricted through zoning. Bridgeport represented a unique opportunity to construct an infill project on a site that was zoned and prime for development, especially given the proposed Cooper River Bridge schedule and shortage of high-quality professional office space in the Town of Mount Pleasant.

The site was contracted below its appraised value. However, an even more significant upside was realized when the New Cooper River Bridge was announced. The Town of Mount Pleasant's transportation plan and Cooper River Bridge plans showed an extension of Wingo Way. The corner of the Bridgeport site was proposed to be the intersection for an on-ramp to serve the new Cooper River Bridge and a Wingo Way extension, which would go under the new bridges and allow a connection to Patriot's Point with motorists never having to cross Highway 17 or Coleman Boulevard. The on-ramp and Wingo Way extension under the bridges to Patriot's Point were critical elements of the Town's transportation plan.



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There were several key indicators that demonstrated that Bridgeport Center would be quickly absorbed into the marketplace.

- Lack of developable sites in the Historic Charleston District and Mount Pleasant.
- Lack of developable office space in the Historic Charleston District and Mount Pleasant.
- Lack of professional office space in the Tri-County area, specifically Mount Pleasant.
- Lack of free on-site parking in the Historic Charleston District.
- The speed of growth of custom homes in Mount Pleasant providing residences to upper management and business decision makers.
- Lack of any first-class office options in Mount Pleasant.
- Development of the New Cooper River Bridge adjacent to the Bridgeport Center site.
- Overall growth and desirability of the Greater Charleston Area to attract new companies to the area.

Before the Bridgeport Center site was developed, there were several small, single-building office developments located in the Town of Mount Pleasant. These projects were extremely successful and quickly leased due to increased demand for office space and the slow increase of supply. The slow supply was due to lack of land inventory.

There was no professional office park development in the Town of Mount Pleasant. In fact, the only professional suburban office park in the entire area was the Executive Center at Faber Place owned and managed by Liberty Trust. This park was located at I-526 and Leeds Avenue in North Charleston. There were no amenities to its locations. It was not close to any restaurants, upscale residential areas, banks, governmental services, or other services used and appreciated by office tenants.



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There were approximately 25 office properties located in Mount Pleasant. The vacancy rate in this sub-market was estimated to be 5%. The average full-service rental rate was \$15.47 per rentable square foot with a low rate of \$11 and a high rate of \$22.45 per rentable square foot. Mount Pleasant was, and still is, the fastest growing municipality in the state of South Carolina.

The Charleston MSA had approximately 541,160 residents during the time of development and is expected to reach almost 620,000 by 2015. According to the US Census Bureau, from 1990 to 1998, the MSA population almost increased 6.8% versus an increase of 31.2% for the Town of Mount Pleasant. This growth is a result of the availability of large tracts of land for residential development. Mount Pleasant has been particularly attractive due to the quality of life, excellent housing stock, price of housing, and proximity to downtown Charleston.

The population of Mount Pleasant had grown over 46% from 1990 to 1999 and is anticipated to grow another 75% through 2015. Bridgeport Center is centrally located in the region and is easily accessible by using Interstates 26 and 526. Locals and visitors do not hesitate traveling from the Charleston peninsula to Mount Pleasant. Bridgeport Center site took advantage of both the existing concentration of residents and the future growth areas. An examination of a map indicates that many residents living as far away as 25 miles (as the crow flies) are within a 30-minute drive of the site. Over 409,000 people lived within a 30-minute drive of the site – 76% of the Tri-County's population. Furthermore, there were substantial market segments of 101,000 and 231,000 people living within five and ten miles respectively.

Note the following highlights when comparing the demographics in the region:

- Mount Pleasant's population was 48% greater than downtown Charleston's population.
- Mount Pleasant had experienced a 46% population growth since 1990 versus downtown Charleston's population decline of 12%.
- Mount Pleasant's projected population growth through 2004 was 10.7% (75% through 2015) versus continuing decline in downtown Charleston's population.
- Mount Pleasant's average household income was \$73,000 versus downtown Charleston's \$56,000. Mount Pleasant was the fastest growing area in the market with the highest demographics, which made Mount Pleasant and this site particularly desirable for the proposed development. Additionally, the numerous planned and proposed major developments were primarily residential land supporting retail which were not inherently bad or undesirable; however, there was limited supporting office development, which created a significant opportunity for this project.

Approximately one year after the property was purchased and rezoned, the first building pad was sold to a national employee leasing company for who was relocating their corporate headquarters. Coen Capital developed the site and 30,000 square foot "Class A" office building for the purchaser.

In January of 2006, Coen Capital sold the second building pad to a regional development company and coordinated all approvals and entitlements for the owner.