

CHARLESTON HARBOR RESORT

Patriots Point is a 400-acre peninsula of premier waterfront property abutting Charleston Harbor. It lies in the Town of Mount Pleasant, South Carolina and is owned by the Patriots Point Development Authority (PPDA), a state chartered authority created in 1973 to oversee the development of Patriots Point.

In July of 1995, the PPDA advertised for “Proposals for the Lease, Construction and Operation of a Hotel and Related Amenities at Patriots Point”. Approximately 130 developers responded to the request for proposals. On August 7, 1995, the PPDA held a mandatory pre-bid conference at Patriots Point, at which approximately 20 developer groups were represented.

Coen had initially been involved with the Patriots Point development in 1989 when he performed extensive due diligence on the property to explore opportunities to develop the hotel, marina, retail, office, and residential components of the project. The prior developer had partially completed the hotel and buried the project in bankruptcy.

Coen formed Gulf Stream Capital Associates, LLC, to respond to the RFP and was able to demonstrate his ability to work with the authority to reach common goals and objectives. This “spirit of cooperation” and “team approach” was critical to the landlord/tenant relationship and the success of the project. Gulf Stream proposed a plan that recognized the highest and best uses of the property to ascertain the greatest economic benefit that was thoughtful of the pride and patriotism fostered by Patriots Point.

Gulf Stream was invited to give an oral presentation to the evaluation committee on September 26, 1995. The marketing philosophy of the project was to create a destination resort that would focus on the project’s waterfront location and presence in the community. The exciting and trend-setting nature of the project would generate visitation by locals and visitors that were currently in Charleston or considering visiting Charleston. The result would be a highly diversified destination resort that would attract visitors from all income levels and geographic areas.

On September 27, 1995, Patriots Point notified the General Services Administration that the committee had selected Gulf Stream Capital Associates, LLC as the developer. A master lease was signed on February 26, 1996 between Gulf Stream and the PPDA. The lease was finalized and approved by the South Carolina Budget and Control Board on March 4, 1996.



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Richard H. Coen formed Charleston Harbor Partners I Limited Partnership in 1996 to finance and develop the Hilton Charleston Harbor Resort. The equity was provided by Coen and a primarily local investor group. The existing partially completed Quality Suites Hotel was converted and expanded into a full service Hilton Resort. R.J. Griffin & Company, General Contractors, completed the renovation in eight months and the hotel was opened on July 3, 1997. The location, landscaping, architecture, and interior design of the hotel established the quality levels for the project.

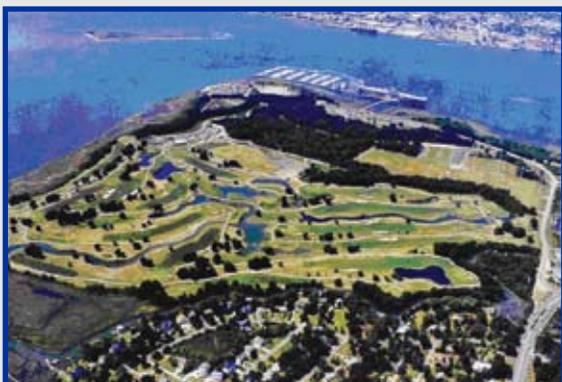
While the hotel was being constructed, Coen designed and began construction of the 459 slip Charleston Harbor Marina. The marina is the largest marina in the State of South Carolina and the largest that had been permitted on the east coast in the previous ten years. It is a state of the art facility designed to accommodate boats up to 200 feet. The marina was completed in September of 1998.

Coen also recognized the potential value of the existing golf course at Patriots Point. He formed Charleston Harbor Golf Partners which bought the leasehold from Kemper Sports Management, who's lease was set to expire in five years. The lease was approved by the PPDA in January of 1997. The authority granted the newly created entity, Charleston Harbor Golf Partners, a forty-five year lease extension. The golf course was renovated and is now one of the top public courses in the area.

Based on the strategic location of the site, the strength of the visitor market and the tremendous growth projected for the region, this waterfront development had many significant advantages and characteristics. . . .

- The hotel site had tremendous waterfront views of the Cooper River and Charleston Harbor.
- The hotel is part of Patriots Point, a highly recognized and established destination in the region.
- An estimated 5.2 million people visit the Charleston area annually.
- The hotel and marina are accessible by water taxis, private boats, and charter vessels as well as other tour boats.
- Major roadways; such as I-26 the Mark Clark Expressway (I-526), and US 17; make the hotel easily accessible from outlying areas of Charleston.

The Charleston Harbor Resort at Patriots Point continues to be one of the most popular and recognizable vacation destinations throughout the Carolina Lowcountry. The hotel, marina, and golf course offer sweeping views of Fort Sumter and the historic skyline of downtown Charleston.



Patriot Point Links



Charleston Harbor Marina

LOWCOUNTRY BUSINESS PARK

In the fall of 1999, recognizing the need for economic development and the lack of quality office space in the town of Mount Pleasant, Lowcountry Capital, LLC, an affiliate of Coen Capital, assembled 15 tracts of land between Highway 17 North and Mathis Ferry Road. Situated between the foot of the Cooper River Bridge and the I-526 / Highway 17 North intersection, the property represented one of the largest undeveloped tracts of land in the central business district of Mount Pleasant. With a unanimous re-zoning approval as a Planned Development District (PDD) from both the Planning Commission and Mount Pleasant Town Council, Lowcountry Business Park was destined to become a model of the quintessential “business neighborhood” and Mount Pleasant’s first class-A office park.

The master plan included five phases which allowed for professional, medical, financial, flex and support retail use. By the time the project had received all of its zoning and Design Review Board approvals from the Town of Mount Pleasant, there were over 95 prospective tenants/owners that had expressed an interest in leasing or purchasing space in Lowcountry Business Park. Lowcountry Capital completed their marketing information, established pricing on building pads and completed plans for the first office building in April 2000.



LOWCOUNTRY BUSINESS PARK

THE SUCCESS OF LOWCOUNTRY BUSINESS PARK WAS DUE TO:

- Competitive land value due to low cost acquisitions of property that could not obtain access or zoning without frontage.
- First class business park environment with efficiencies in planning, engineering and construction of infrastructure.
- Businesses can share pads and benefit from savings from construction efficiencies associated with larger buildings.
- Fee simple ownership of all pads, buildings or units.
- Located in the heart of Mt. Pleasant, convenient to downtown Charleston and the Mark Clark Expressway.
- Centrally located to Mount Pleasant's most prominent residential neighborhoods.
- Flexible master plan program that allows "grouping" of permitted uses within the financial, professional, medical, retail and flex zones.
- Flexible planned development zoning and guidelines that allows one, two or three story buildings with buyers choice of location, size and mass of building.
- High quality and low cost of living in Mount Pleasant.
- Excellent public school system and housing stock in all price ranges.
- Pre-planned, pre-engineered, 100% usable building pads zoned for Planned Development for a business park.

The partnership was days away from executing a contract for the construction of the first building and associated infrastructure when they received an unsolicited offer to purchase the entire 23-acre tract. The development approvals and building plans took approximately one year. On June 1, 2000, Lowcountry signed a Letter of Intent to sell the property to a local high-tech securities firm. Closing on the property occurred approximately 60 days later.



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.



BRIDGEPORT CENTER

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.



BRIDGEPORT CENTER

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.

EASTPORT VILLAGE

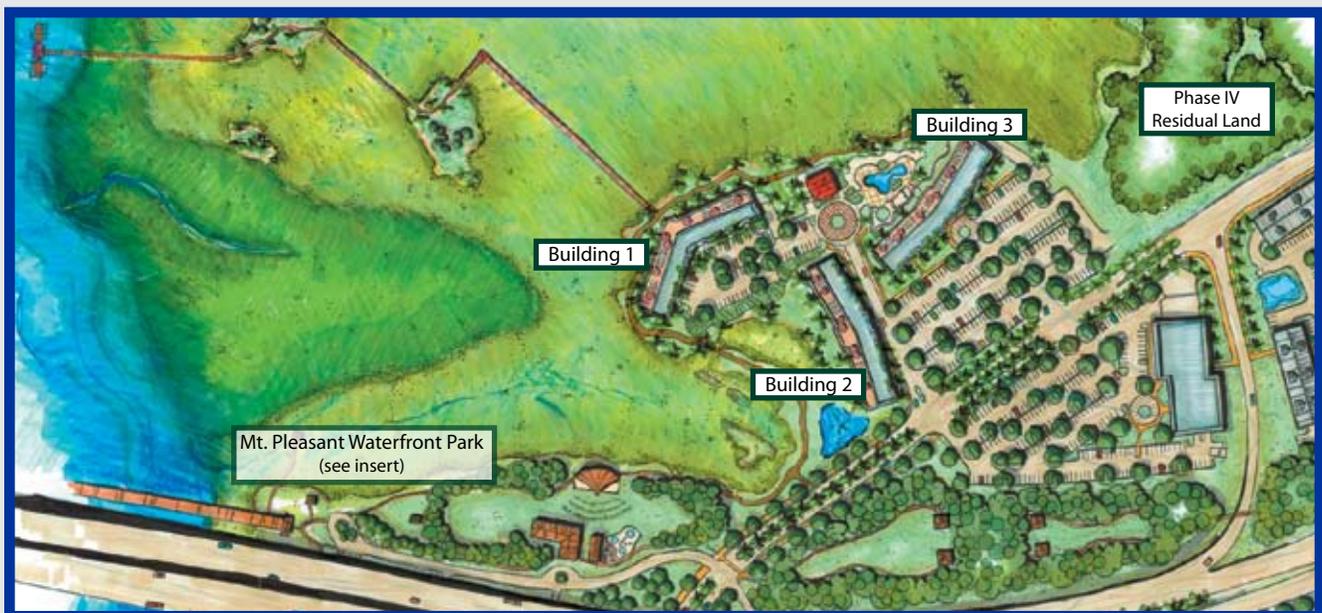
Eastport Village was a 16.54 acre undeveloped mixed use tract located at the end of the Wingo Way extension in Mt. Pleasant, SC. The property had a very low elevation and was at the end of a dead end street. The owner was a partnership consisting of attorneys and businessmen from Pittsburg, PA.

On March 13, 2003, Eastport Partners, LLC, an affiliate of Coen Capital, acquired the property. Subsequent to this purchase, Eastport Partners, LLC obtained a zoning change from area wide business to planned development. The zoning change allowed Eastport Partners, LLC to develop 250 hotel rooms, 90,000 square feet of professional offices and 152 residential condominiums.

During the rezoning and impact assessment process, Coen negotiated a right of way for an access ramp and roadway extension to the new \$640,000,000 Cooper River Bridge. This roadway extension relieved traffic on the two main arteries through Mt. Pleasant and diverted traffic from the congested intersections of Magrath / Derby / Highway 17 and Houston Northcutt / Highway 17. The property had extensive wetlands that bisected uplands and made a logical development plan challenging. The wetlands were mitigated and filled. This fill elevated the site an average of ten feet which allowed future buildings to be constructed with sub-grade parking and a first floor on grade.

Carolina Eastport, LLC was formed by Coen and a new partner in the project, David M Sidbury of Charlotte, NC. They acquired the property on April 30, 2004, for a purchase price of \$9,000,000. Since this purchase, a four-acre parcel was sold to a buyer who constructed a 70,000 square foot, "Class A" medical office building.

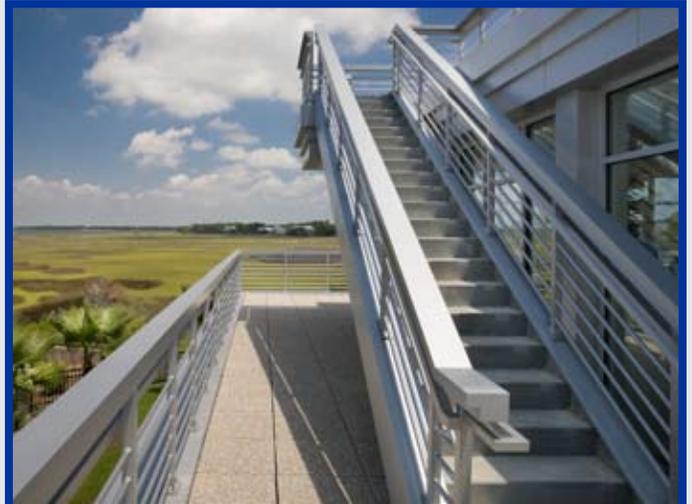
The remaining acreage was being developed by Coen and Sidbury. Eastport Village became the only waterfront development opportunity in close proximity to Downtown Charleston.



TIDES CONDOMINIUMS

TIDES CONDOMINIUMS

In 2005, Carolina Eastport, LLC began the development and construction of Tides, a \$146.7 million luxury condominium development. Tides sits on 11.62 acres. The 121 waterfront condominiums are located in three separate, six story buildings, which each contain 42, 39, and 40 units respectively. Amenities include covered parking, private elevator lobbies, fully staffed concierge desk, beach entry pool and spa, first class gym, club room, sauna, and steam room. All residences come standard with hardwood floors, 10-ft. ceilings, granite countertops, Viking Professional appliances, and expansive views of the Charleston Harbor. Residences range from 1-5 bedrooms and 1,200 - 4,700 square feet.



REDS ICE HOUSE

In 2001, Coen Capital signed a 99-year lease for a 3.25 acre site on Shem Creek in Mt. Pleasant, SC. The tract included a vacant commercial ice house, a 10,000 square-foot restaurant, a 3,200 square-foot body shop, 5,800 square feet of retail space, and 300 feet of commercial dock space on Shem Creek. The parcels fronting Shem Creek are zoned MD (Marine District) and the remaining parcels are zoned AB and AB-2 (Areawide Business). The leased site will be used for a hotel, restaurant, office building, and related parking.

Like numerous other Coen Capital developments, the site is less than two miles from the recently completed Cooper River Bridge which connects Mount Pleasant to Downtown and greater Charleston. This ideal location provides excellent views of the waterfront as well as convenient access to the docks of Shem Creek and all other destinations in the Charleston area.

In 2003, the company began initial development of the site by developing Red's Ice House. Red's instantly grew to become one of the top five most popular and successful food and beverage establishments in the state of South Carolina. In 2007, Roper St. Francis purchased the lease hold of a 1.32 parcel, anchored at the corner of Mill St. and Coleman Blvd. for the development of a Medical Office Building.

In 2006, Coen Capital received impact assessment approval from the Mt. Pleasant Town Council for the remainder of the site.



TEAM

RICHARD H. COEN PRESIDENT

Born and raised in Charleston, South Carolina, Richard H. Coen attended Porter-Gaud School and later graduated from the College of Charleston in 1987. His brokerage and development activities include historic properties, commercial property, investment property, hotels, golf courses, marinas, and condominiums. He holds a South Carolina real estate license, the Series 63 and Series 65 investment advisor licenses, and a securities license. He is married to the former Sally McKissick of Greenville, SC. They live with their two children, Richard and McLean, in the Old Village of Mount Pleasant.

Mr. Coen's highly diversified real estate career began at Merrill Lynch Realty in Charleston where he worked in commercial and investment real estate. From there, Coen went on to create The Coen Company Inc. in 1989. His main focus was identifying investment opportunities and implementing practical solutions to attain both company and personal objectives.

In 1992, The Coen Company Inc. established an office in Miami, Florida with the Vernon Group. Here, Coen focused on acquisition and development assistance for residential and multi-family projects, resort projects, and the management of the general contracting division.

In 1996, Coen returned to Charleston where he began to develop a variety of different projects throughout the Charleston area.

