

APPRAISAL - MODEL 1
Songdo International Business District
DETERMINISTIC BASE CASE PRO FORMAS - WITHOUT UNCERTAINTIES
(in 000s)

Stages of Development: Preconstruction Construction Stabilization Asset Management Anchor Cells

| NEW PHASE ONE - Underway prior to 2010 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--------------|---|---------|---------|--------------|-------------------------------------|---------|---------|--------------|---------|---------|---------|---------|---------|----------------|
| % Occupancy - Office | 38.64% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | |
| Absorption % - Residential | 100.00% | 100.00% | 100.00% | 100.00% | | | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | 5.00% | | 5.00% | | 5.00% | | 2.50% | | 2.50% | | | |
| Estimated Cap Rate for Calculating Reversion Flow | 5.58% | Estimated Perpetuity Growth Rate | | | 3.42% | 10-Year Min YoY CPI Increase | | | 2.00% | | | | | | |

| | SUM | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------|------------------|----------------|------------------|----------------|-----------------|----------------|-----------------|----------------|----------------|-------------------|
| Net Operating Income - Office | 10,329,939 | | 298,183 | 771,674 | 771,674 | 771,674 | 771,674 | 771,674 | 771,674 | 771,674 | 771,674 | 771,674 | 771,674 | 771,674 | 771,674 | 771,674 | |
| Net Operating Income - Hotel | 665,224 | | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | 47,516 | |
| Net Operating Income - Retail | 1,009,190 | | - | - | 84,099 | 84,099 | 84,099 | 84,099 | 84,099 | 84,099 | 84,099 | 84,099 | 84,099 | 84,099 | 84,099 | 84,099 | |
| Residential Pre-Sales Revenue | 3,394,439 | | 1,300,000 | 507,366 | 461,540 | 1,125,533 | | | | | | | | | | | |
| Reversion, All Commercial | 16,744,761 | | | | | | | | | | | | | | | | 16,744,761 |
| Net Cash Inflows | 32,143,554 | | 1,645,699 | 1,326,556 | 1,364,828 | 2,028,822 | 903,289 | 903,289 | 903,289 | 903,289 | 903,289 | 903,289 | 903,289 | 903,289 | 903,289 | 903,289 | 16,744,761 |
| Land option | (1,514,260) | (1,514,260) | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (1,590,048) | (1,590,048) | | | | | | | | | | | | | | | |
| Technology obsolescence | (559,330) | | | | | (139,832) | | (139,832) | | | | (69,916) | | (69,916) | | | |
| Building construction | (7,289,621) | | (1,822,405) | (1,822,405) | (1,822,405) | (1,822,405) | | | | | | | | | | | |
| Capital Outlays | (10,953,258) | (3,104,308) | (1,822,405) | (1,822,405) | (1,822,405) | (1,962,238) | - | (139,832) | - | (139,832) | - | (69,916) | - | (69,916) | - | - | - |
| Net Cash Flow to Invested Capital | 21,190,295 | (3,104,308) | (176,706) | (495,849) | (457,577) | 66,584 | 903,289 | 763,456 | 903,289 | 763,456 | 903,289 | 833,373 | 903,289 | 833,373 | 903,289 | 903,289 | 16,744,761 |
| IRR as of Ph 1 start date | 17% | | | | | | | | | | | | | | | | |

| NEW PHASE TWO - Begins 2012 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------------|
| % Occupancy - Office | | | | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | |
| Absorption % - Residential | | | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | |
| % Capacity Utilized - Hotels | | | | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | 5.00% | | 5.00% | | 2.50% | | 2.50% | | | |

| | SUM | Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|------------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|----------------|------------------|
| Net Operating Income - Office | 1,720,196 | | | | 172,020 | 172,020 | 172,020 | 172,020 | 172,020 | 172,020 | 172,020 | 172,020 | 172,020 | 172,020 | |
| Net Operating Income - Hotel | 172,212 | | | 15,656 | 15,656 | 15,656 | 15,656 | 15,656 | 15,656 | 15,656 | 15,656 | 15,656 | 15,656 | 15,656 | |
| Net Operating Income - Retail | - | | | | | | | | | | | | | | |
| Residential Pre-Sales Revenue | 4,689,914 | | | 1,016,220 | 672,695 | 1,090,440 | 1,910,559 | | | | | | | | |
| Reversion, All Commercial | 3,479,040 | | | | | | | | | | | | | | 3,479,040 |
| Net Cash Inflows | 10,061,362 | | - | 1,016,220 | 688,350 | 1,278,116 | 2,098,235 | 187,675 | 187,675 | 187,675 | 187,675 | 187,675 | 187,675 | 187,675 | 187,675 |
| Land option | - | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (362,000) | (362,000) | | | | | | | | | | | | | |
| Technology obsolescence | (259,661) | | | | | (86,554) | | (86,554) | | (43,277) | | (43,277) | | | |
| Building construction | (4,962,103) | | | (1,240,526) | (1,240,526) | (1,240,526) | (1,240,526) | | | | | | | | |
| Capital Outlays | (5,583,764) | (362,000) | (1,240,526) | (1,240,526) | (1,240,526) | (1,327,079) | - | (86,554) | - | (43,277) | - | (43,277) | - | - | - |
| Net Cash Flow to Invested Capital | 4,477,598 | (362,000) | (224,306) | (552,175) | 37,590 | 771,155 | 187,675 | 101,122 | 187,675 | 144,398 | 187,675 | 144,398 | 187,675 | 187,675 | 3,479,040 |
| IRR as of Ph 2 start date | 22% | | | | | | | | | | | | | | |

| NEW PHASE THREE - Begins 2014 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|------|------|------|---------|---------|---------|---------|---------|---------|---------|----------------|
| % Occupancy - Office | | | | | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | |
| Absorption % - Residential | | | | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | |
| % Capacity Utilized - Hotels | | | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | 5.00% | | 5.00% | | 2.50% | | |

| | SUM | Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|------------------|------------------|----------------|-----------------|---------------|-----------------|---------------|---------------|------------------|
| Net Operating Income - Office | 688,207 | | | | 86,026 | 86,026 | 86,026 | 86,026 | 86,026 | 86,026 | 86,026 | 86,026 | |
| Net Operating Income - Hotel | - | | | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | | | |
| Residential Pre-Sales Revenue | 2,614,524 | | | 669,172 | 638,090 | 638,090 | 669,172 | | | | | | |
| Reversion, All Commercial | 1,594,708 | | | | | | | | | | | | 1,594,708 |
| Net Cash Inflows | 4,897,439 | | - | 669,172 | 638,090 | 724,116 | 755,198 | 86,026 | 86,026 | 86,026 | 86,026 | 86,026 | 86,026 |
| Land option | - | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (74,076) | | | (74,076) | | | | | | | | | |
| Technology obsolescence | (105,870) | | | | | (42,348) | | (42,348) | | (21,174) | | | |
| Building construction | (2,388,816) | | | (597,204) | (597,204) | (597,204) | (597,204) | | | | | | |
| Capital Outlays | (2,568,762) | (74,076) | (597,204) | (597,204) | (597,204) | (639,552) | - | (42,348) | - | (21,174) | - | - | - |
| Net Cash Flow to Invested Capital | 2,328,677 | (74,076) | 71,968 | 40,886 | 126,912 | 115,646 | 86,026 | 43,678 | 86,026 | 64,852 | 86,026 | 86,026 | 1,594,708 |
| IRR as of Ph 3 start date | 101% | | | | | | | | | | | | |

| NEW PHASE FOUR - Begins 2016 | | | | | | | | | | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--|--|--|--|--|--|--|--|--|---------|---------|---------|---------|---------|---------|---------|---------|----------------|
| % Occupancy - Office | | | | | | | | | | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | |
| Absorption % - Residential | | | | | | | | | | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | |
| % Capacity Utilized - Hotels | | | | | | | | | | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | | | | | | | | | | | | | |

| | SUM | Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|------------------|------------------|------|------|------|------|----------------|
| Net Operating Income - Office | - | | | | | | | | | | |
| Net Operating Income - Hotel | - | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | |
| Residential Pre-Sales Revenue | 2,321,190 | | 935,222 | 692,984 | 346,492 | 346,492 | | | | | |
| Reversion, All Commercial | - | | | | | | | | | | |
| Net Cash Inflows | 2,321,190 | | 935,222 | 692,984 | 346,492 | 346,492 | | | | | |
| Land option | - | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (37,651) | (37,651) | | | | | | | | | |
| Technology obsolescence | - | | | | | | | | | | |
| Building construction | (1,357,643) | | (339,411) | (339,411) | (339,411) | (339,411) | | | | | |
| Capital Outlays | (1,395,294) | (37,651) | (339,411) | (339,411) | (339,411) | (339,411) | | | | | |
| Net Cash Flow to Invested Capital | 925,896 | (37,651) | 595,811 | 353,573 | 7,081 | 7,081 | | | | | |
| IRR as of Ph 4 start date | 1540% | | | | | | | | | | |

| NEW PHASE FIVE - Begins 2018 | | | | | | | | | | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year | |
|--|--|--|--|--|--|--|--|--|--|------|------|------|------|------|------|----------------|--|
| % Occupancy - Office | | | | | | | | | | | | | | | | | |
| Absorption % - Residential | | | | | | | | | | | | | | | | | |
| % Capacity Utilized - Hotels | | | | | | | | | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | | | | | | | | | | | | |

| | SUM | Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|---------------|---------------|-----------------|---------------|----------------|
| Net Operating Income - Office | 98,169 | | | | | | | | |
| Net Operating Income - Hotel | - | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | |
| Residential Pre-Sales Revenue | 1,640,283 | | 1,640,283 | | | | | | |
| Reversion, All Commercial | 454,952 | | | | | | | | |
| Net Cash Inflows | 2,193,403 | | 1,640,283 | | 24,542 | 24,542 | 24,542 | 24,542 | 454,952 |
| Land option | - | | | | | | | | |
| Development option (e.g. non-income producing projects) | (44,854) | (44,854) | | | | | | | |
| Technology obsolescence | (11,820) | | | | | | (11,820) | | |
| Building construction | (1,187,919) | | (593,960) | (593,960) | | | | | |
| Capital Outlays | (1,244,593) | (44,854) | (593,960) | (593,960) | | | (11,820) | | |
| Net Cash Flow to Invested Capital | 948,810 | (44,854) | 1,046,323 | (593,960) | 24,542 | 24,542 | 12,722 | 24,542 | 454,952 |
| IRR as of Ph 5 start date | 2175% | | | | | | | | |

| NEW PHASE SIX - Begins 2020 | | | | | | | | | | 2020 | 2021 | 2022 | 2023 | Reversion Year | |
|--|--|--|--|--|--|--|--|--|--|------|------|------|------|----------------|--|
| % Occupancy - Office | | | | | | | | | | | | | | | |
| Absorption % - Residential | | | | | | | | | | | | | | | |
| % Capacity Utilized - Hotels | | | | | | | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | | | | | | | | | | |

| | SUM | Time 0 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|--------------------|--------------------|--------------------|----------------|------------------|
| Net Operating Income - Office | 457,261 | | | | | | |
| Net Operating Income - Hotel | 97,838 | | | | | | |
| Net Operating Income - Retail | - | | | | | | |
| Residential Pre-Sales Revenue | 2,767,235 | | | | | | |
| Reversion, All Commercial | 4,842,806 | | | | | | |
| Net Cash Inflows | 8,165,140 | | 971,607 | 1,021,985 | 1,067,499 | 261,243 | 4,842,806 |
| Land option | - | | | | | | |
| Development option (e.g. non-income producing projects) | (29,302) | (29,302) | | | | | |
| Technology obsolescence | (107,730) | | | | (107,730) | | |
| Building construction | (4,027,321) | | (1,329,016) | (1,329,016) | (1,329,016) | | |
| Capital Outlays | (4,164,352) | (29,302) | (1,329,016) | (1,329,016) | (1,477,019) | | |
| Net Cash Flow to Invested Capital | 4,000,788 | (29,302) | (357,409) | (307,031) | (409,519) | 261,243 | 4,842,806 |
| IRR as of Ph 6 start date | 63% | | | | | | |

| TOTALS - All Phases | SUM | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Net Cash Inflows w/o Residual | 32,665,822 | - | 1,645,699 | 1,326,556 | 2,381,048 | 2,717,172 | 2,850,576 | 3,639,613 | 2,750,302 | 2,539,146 | 3,163,765 | 1,523,482 | 2,173,139 | 2,223,517 | 2,269,031 | 1,462,775 |
| Reversion Flows | 27,116,267 | | | | | | | | | | | | | | | |
| Cost of Options | (3,652,191) | (3,104,308) | - | (362,000) | - | (74,076) | - | (37,651) | - | (44,854) | - | (29,302) | - | - | - | - |
| Other Capital Outlays | (22,257,833) | - | (1,822,405) | (1,822,405) | (3,062,931) | (3,202,763) | (1,837,730) | (2,064,116) | (936,615) | (1,205,349) | (933,370) | (1,088,912) | (1,329,016) | (1,463,383) | (1,488,838) | - |
| Net Cash Flow to Invested Capital | 33,872,065 | (3,104,308) | (176,706) | (857,849) | (681,883) | (559,667) | 1,012,847 | 1,537,847 | 1,813,687 | 1,288,943 | 2,230,394 | 405,268 | 844,123 | 760,134 | 780,193 | 1,462,775 |
| Cumulative Capital | (3,104,308) | (3,281,014) | (4,138,863) | (4,820,746) | (5,380,413) | (4,367,566) | (2,829,720) | (1,016,033) | 272,911 | 2,503,305 | 2,908,573 | 3,752,696 | 4,512,830 | 5,293,023 | 6,755,798 | 33,872,065 |
| IRR - All Phases | 20% | | | | | | | | | | | | | | | |

APPRAISAL - MODEL 1.1
Songdo International Business District
DETERMINISTIC BASE CASE DCF ANALYSIS USING "MOST LIKELY" VALUES FOR INPUTS
(in 000s)

Stages of Development: Preconstruction Construction Stabilization Asset Management Anchor Cell

| NEW PHASE ONE - Underway prior to 2010 | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------|--------|----------------------------------|--------|--------|--------|----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|----------------|
| Estimated OCC - Revenues | 20.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| Estimated OCC - Construction Costs | 20.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| Estimated Cap Rate for Calculating Reversion Flow | | 5.58% | Estimated Perpetuity Growth Rate | | | 3.42% | Estimated Residual Discount Rate | | | 9.00% | | | | | | |

| | Present Value Current | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|-----------------------|--------------------|--------------------|--------------------|--------------------|------------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|----------------|------------------|
| Net Operating Income - Office | 4,860,265 | | 229,372 | 456,612 | 446,570 | 372,142 | 428,224 | 380,644 | 422,132 | 387,277 | 355,300 | 325,963 | 299,049 | 274,357 | 251,703 | 230,921 | |
| Net Operating Income - Hotel | 321,699 | | 36,551 | 28,116 | 27,498 | 22,915 | 26,368 | 23,438 | 25,993 | 23,847 | 21,878 | 20,071 | 18,414 | 16,894 | 15,499 | 14,219 | |
| Net Operating Income - Retail | 454,925 | | - | - | 48,668 | 40,557 | 46,669 | 41,484 | 46,005 | 42,207 | 38,722 | 35,524 | 32,591 | 29,900 | 27,431 | 25,166 | |
| Residential Pre-Sales Revenue | 2,110,103 | | 1,000,000 | 300,217 | 267,095 | 542,792 | - | - | - | - | - | - | - | - | - | - | |
| Reversion, All Commercial | 5,010,811 | | | | | | | | | | | | | | | | 5,010,811 |
| PV Net Cash Inflows | 12,757,803 | | 1,265,922 | 784,944 | 789,831 | 978,406 | 501,261 | 445,565 | 494,130 | 453,330 | 415,899 | 381,559 | 350,054 | 321,151 | 294,633 | 270,306 | 5,010,811 |
| Land option | (1,514,260) | (1,514,260) | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (1,590,048) | (1,590,048) | | | | | | | | | | | | | | | |
| Technology obsolescence | (260,978) | | | | | (67,435) | | (68,975) | | (70,177) | | (29,533) | | (24,858) | | | |
| Building construction | (4,413,690) | | (1,401,850) | (1,078,346) | (1,054,633) | (878,861) | | | | | | | | | | | |
| PV Capital Outlays | (7,778,976) | (3,104,308) | (1,401,850) | (1,078,346) | (1,054,633) | (946,295) | - | (68,975) | - | (70,177) | - | (29,533) | - | (24,858) | - | - | - |
| PV of Net Cash Flow to Invested Capital | 4,978,827 | (3,104,308) | (135,928) | (293,402) | (264,801) | 32,110 | 501,261 | 376,590 | 494,130 | 383,153 | 415,899 | 352,026 | 350,054 | 296,293 | 294,633 | 270,306 | 5,010,811 |

| NEW PHASE TWO - Begins 2012 | Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|----------------|
| Estimated OCC - Revenues | 20.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| Estimated OCC - Construction Costs | 20.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |

| | Present Value Current | Sum of PVs at Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|-----------------------|----------------------|------------------|------------------|------------------|------------------|----------------|-----------------|----------------|-----------------|---------------|-----------------|---------------|---------------|----------------|
| Net Operating Income - Office | 571,483 | 822,935 | - | - | 99,548 | 82,957 | 95,459 | 84,852 | 94,101 | 86,331 | 79,203 | 72,663 | 66,663 | 61,159 | |
| Net Operating Income - Hotel | 58,444 | 84,160 | - | 9,264 | 9,060 | 7,550 | 8,688 | 7,722 | 8,564 | 7,857 | 7,208 | 6,613 | 6,067 | 5,566 | |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 1,897,338 | 2,732,167 | 781,708 | 398,044 | 631,042 | 921,373 | - | - | - | - | - | - | - | - | |
| Reversion, All Commercial | 858,972 | 1,236,919 | - | - | - | - | - | - | - | - | - | - | - | - | 1,236,919 |
| PV Net Cash Inflows | 3,386,237 | 3,639,262 | 781,708 | 407,308 | 739,650 | 1,011,880 | 104,146 | 92,575 | 102,665 | 94,188 | 86,411 | 79,276 | 72,730 | 66,725 | - |
| Land option | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (251,389) | (362,000) | | | | | | | | | | | | | |
| Technology obsolescence | (86,413) | (124,435) | | | | (41,741) | | (42,694) | | (21,719) | | (18,281) | | | |
| Building construction | (2,086,412) | (3,004,434) | (954,251) | (734,039) | (717,897) | (598,247) | | | | | | | | | |
| PV Capital Outlays | (2,424,214) | (3,490,868) | (954,251) | (734,039) | (717,897) | (639,988) | - | (42,694) | - | (21,719) | - | (18,281) | - | - | - |
| PV of Net Cash Flow to Invested Capital | 962,023 | 7,130,130 | 1,735,958 | 1,141,347 | 1,457,547 | 1,651,868 | 104,146 | 135,269 | 102,665 | 115,907 | 86,411 | 97,557 | 72,730 | 66,725 | - |

| NEW PHASE THREE - Begins 2014 | Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|----------------|
| Estimated OCC - Revenues | 20.00% | 20.00% | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| Estimated OCC - Construction Costs | 20.00% | 20.00% | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |

| | Present Value Current | Sum of PVs at Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|-----------------------|----------------------|------------------|------------------|------------------|------------------|---------------|-----------------|---------------|----------------|---------------|---------------|----------------|
| Net Operating Income - Office | 144,498 | 299,630 | - | - | 49,186 | 42,770 | 42,434 | 37,719 | 18,237 | 39,609 | 36,338 | 33,338 | |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | - | - | - | - | |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 738,568 | 1,531,495 | 464,703 | 369,265 | 364,830 | 332,697 | - | - | - | - | - | - | |
| Reversion, All Commercial | 298,033 | 618,002 | - | - | - | - | - | - | - | - | - | - | 618,002 |
| PV Net Cash Inflows | 1,181,099 | 2,449,127 | 464,703 | 369,265 | 414,016 | 375,467 | 42,434 | 37,719 | 18,237 | 39,609 | 36,338 | 33,338 | 618,002 |
| Land option | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (35,723) | (74,076) | | | | | | | | | | | |
| Technology obsolescence | (23,810) | (49,372) | | | | (21,054) | | (18,568) | | (9,749) | | | |
| Building construction | (674,527) | (1,398,698) | (414,725) | (345,604) | (341,453) | (296,916) | | | | | | | |
| PV Capital Outlays | (734,060) | (1,522,146) | (414,725) | (345,604) | (341,453) | (317,970) | - | (18,568) | - | (9,749) | - | - | - |
| PV of Net Cash Flow to Invested Capital | 447,039 | 926,981 | 49,978 | 23,661 | 72,562 | 57,496 | 42,434 | 19,151 | 18,237 | 29,860 | 36,338 | 33,338 | 618,002 |

| NEW PHASE FOUR - Begins 2016 | | Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|----------------------|------------------|------------------|------------------|------------------|--------|------|------|------|----------------|----------------|
| Estimated OCC - Revenues | | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | | | | | |
| Estimated OCC - Construction Costs | | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | | | | | |
| Present Value Current | Sum of PVs at Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year | |
| Net Operating Income - Office | - | - | - | - | - | - | - | - | - | - | |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | - | - | |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 601,777 | 813,236 | 523,996 | 243,352 | 216,313 | | | | | | |
| Reversion, All Commercial | - | - | - | - | - | | | | | | |
| PV Net Cash Inflows | 601,777 | 813,236 | 523,996 | 243,352 | 216,313 | | | | | | |
| Land option | - | - | - | - | - | | | | | | |
| Development option (e.g. non-income producing projects) | (12,609) | - | - | - | - | | | | | | |
| Technology obsolescence | - | - | - | - | - | | | | | | |
| Building construction | (335,586) | (295,140) | (256,643) | (238,379) | (211,892) | | | | | | |
| PV Capital Outlays | (348,195) | (295,140) | (256,643) | (238,379) | (211,892) | | | | | | |
| PV of Net Cash Flow to Invested Capital | 253,582 | 518,097 | 267,352 | 4,973 | 4,421 | | | | | | |

| NEW PHASE FIVE - Begins 2018 | | Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|----------------------|--------------------|------------------|------------------|---------------|----------------|---------------|----------------|----------------|
| Estimated OCC - Revenues | | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% |
| Estimated OCC - Construction Costs | | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% |
| Present Value Current | Sum of PVs at Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year | |
| Net Operating Income - Office | 14,685 | - | - | 17,237 | 15,322 | 15,951 | 14,634 | - | |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 331,719 | 1,426,333 | 1,426,333 | - | - | - | - | - | |
| Reversion, All Commercial | 63,089 | 271,273 | - | - | - | - | - | 271,273 | |
| PV Net Cash Inflows | 409,494 | 1,760,749 | 1,426,333 | 17,237 | 15,322 | 15,951 | 14,634 | 271,273 | |
| Land option | - | - | - | - | - | - | - | - | |
| Development option (e.g. non-income producing projects) | (10,432) | (44,854) | - | - | - | - | - | - | |
| Technology obsolescence | (1,787) | (7,682) | - | - | - | (7,682) | - | - | |
| Building construction | (224,569) | (965,605) | (516,487) | (449,119) | - | - | - | - | |
| PV Capital Outlays | (236,787) | (1,018,141) | (516,487) | (449,119) | - | (7,682) | - | - | |
| PV of Net Cash Flow to Invested Capital | 172,707 | 742,607 | 909,846 | (449,119) | 17,237 | 15,322 | 8,269 | 14,634 | 271,273 |

| NEW PHASE SIX - Begins 2020 | | Time 0 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|----------------------|--------------------|--------------------|--------------------|--------------------|----------------|------------------|
| Estimated OCC - Revenues | | 20.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% |
| Estimated OCC - Construction Costs | | 20.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% |
| Present Value Current | Sum of PVs at Time 0 | 2020 | 2021 | 2022 | 2023 | Reversion Year | |
| Net Operating Income - Office | 52,092 | 322,542 | - | 160,574 | 161,968 | - | |
| Net Operating Income - Hotel | 11,592 | 71,776 | - | 25,768 | 22,905 | 23,104 | |
| Net Operating Income - Retail | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 354,159 | 2,192,861 | 844,876 | 781,726 | 566,260 | - | |
| Reversion, All Commercial | 554,088 | 3,430,766 | - | - | - | 3,430,766 | |
| PV Net Cash Inflows | 971,932 | 6,017,946 | 844,876 | 807,494 | 749,739 | 185,071 | 3,430,766 |
| Land option | - | - | - | - | - | - | |
| Development option (e.g. non-income producing projects) | (4,732) | (29,302) | - | - | - | - | |
| Technology obsolescence | (12,220) | (75,662) | - | - | (75,662) | - | |
| Building construction | (511,561) | (3,167,448) | (1,155,666) | (1,050,087) | (961,695) | - | |
| PV Capital Outlays | (528,513) | (3,272,412) | (1,155,666) | (1,050,087) | (1,037,357) | - | |
| PV of Net Cash Flow to Invested Capital | 443,419 | 2,745,534 | (310,790) | (242,592) | (287,618) | 185,071 | 3,430,766 |

| Present Value Current | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|-----------------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------------|
| TOTALS - All Phases | | | | | | | | | | | | | | | |
| PV Net Cash Inflows w/o Residuals | 12,523,349 | | | | | | | | | | | | | | |
| PV Reversion Flows | 6,784,993 | | | | | | | | | | | | | | |
| PV Cost of Options | (3,419,194) | | | | | | | | | | | | | | |
| PV Other Capital Outlays | (8,631,551) | | | | | | | | | | | | | | |
| PV of Net Cash Flow to Invested Capital | 7,257,597 | | | | | | | | | | | | | | |
| NPV, INVESTED CAPITAL | \$ 7,257,597 | | | | | | | | | | | | | | |
| Less: Annual prin + int | 6,020,404 | | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 256,273 |
| Less: Final prin payment | 3,330,588 | | | | | | | | | | | | | | 3,330,588 |
| NPV, EQUITY | \$ (2,093,395) | | | | | | | | | | | | | | |

APPRAISAL - MODEL 2A
Songdo International Business District
PRO FORMAS - WITH DETERMINISTIC UNCERTAINTIES
(in 000s)

Stages of Development: Preconstruction Construction Stabilization Asset Management Anchor Cells

| NEW PHASE ONE - Underway prior to 2010 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--------------|---|--------|--------|--------|--------------|--------|--------|-------------------------------------|--------|--------|--------|--------------|--------|----------------|
| % Occupancy - Office | 38.64% | 50.00% | 60.00% | 75.00% | 80.00% | 80.00% | 85.00% | 85.00% | 85.00% | 85.00% | 85.00% | 85.00% | 80.00% | 80.00% | |
| Absorption % - Residential | 90.00% | 90.00% | 90.00% | 90.00% | | | | | | | | | | | |
| % Capacity Utilized - Hotels | 50.00% | 60.00% | 75.00% | 75.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | |
| % Occupancy - Retail | | | 50.00% | 60.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | 5.00% | | 5.00% | | | | 2.50% | | 2.50% | | | |
| Estimated Cap Rate for Calculating Reversion Flow | 5.58% | Estimated Perpetuity Growth Rate | | | | 3.42% | | | 10-Year Min YoY CPI Increase | | | | 2.00% | | |

| | SUM | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------|------------------|----------------|------------------|----------------|-----------------|----------------|-----------------|----------------|----------------|-------------------|
| Net Operating Income - Office | 8,130,670 | | 298,183 | 385,837 | 463,004 | 578,755 | 617,339 | 617,339 | 655,923 | 655,923 | 655,923 | 655,923 | 655,923 | 655,923 | 617,339 | 617,339 | |
| Net Operating Income - Hotel | 503,670 | | 23,758 | 28,510 | 35,637 | 35,637 | 38,013 | 38,013 | 38,013 | 38,013 | 38,013 | 38,013 | 38,013 | 38,013 | 38,013 | 38,013 | |
| Net Operating Income - Retail | 765,302 | | | | 42,050 | 50,459 | 67,279 | 67,279 | 67,279 | 67,279 | 67,279 | 67,279 | 67,279 | 67,279 | 67,279 | 67,279 | |
| Residential Pre-Sales Revenue | 3,054,995 | | 1,170,000 | 456,630 | 415,386 | 1,012,980 | | | | | | | | | | | |
| Reversion, All Commercial | 13,395,809 | | | | | | | | | | | | | | | | 13,395,809 |
| Net Cash Inflows | 25,850,446 | | 1,491,941 | 870,976 | 956,076 | 1,677,831 | 722,631 | 722,631 | 761,215 | 761,215 | 761,215 | 761,215 | 761,215 | 761,215 | 722,631 | 722,631 | 13,395,809 |
| Land option | (1,514,260) | (1,514,260) | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (1,590,048) | (1,590,048) | | | | | | | | | | | | | | | |
| Technology obsolescence | (559,330) | | | | | (139,832) | | (139,832) | | | | (69,916) | | (69,916) | | | |
| Building construction | (7,289,621) | | (1,822,405) | (1,822,405) | (1,822,405) | (1,822,405) | | | | | | | | | | | |
| Capital Outlays | (10,953,258) | (3,104,308) | (1,822,405) | (1,822,405) | (1,822,405) | (1,962,238) | - | (139,832) | - | (139,832) | - | (69,916) | - | (69,916) | - | - | - |
| Net Cash Flow to Invested Capital | 14,897,188 | (3,104,308) | (330,464) | (951,429) | (866,329) | (284,406) | 722,631 | 582,799 | 761,215 | 621,382 | 761,215 | 691,298 | 761,215 | 691,298 | 722,631 | 722,631 | 13,395,809 |
| IRR as of Ph 1 start date | 12% | | | | | | | | | | | | | | | | |

| NEW PHASE TWO - Begins 2012 | | | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------------|
| % Occupancy - Office | | | | | 60.00% | 75.00% | 80.00% | 80.00% | 85.00% | 85.00% | 85.00% | 85.00% | 85.00% | 85.00% | |
| Absorption % - Residential | | | 90.00% | 90.00% | 90.00% | 90.00% | | | | | | | | | |
| % Capacity Utilized - Hotels | | | | 50.00% | 60.00% | 75.00% | 75.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | 5.00% | | 5.00% | | 5.00% | | 2.50% | | | |

| | SUM | Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|----------------|------------------|
| Net Operating Income - Office | 1,384,758 | | | | 103,212 | 129,015 | 137,616 | 137,616 | 146,217 | 146,217 | 146,217 | 146,217 | 146,217 | 146,217 | |
| Net Operating Income - Hotel | 128,376 | | | 7,828 | 9,393 | 11,742 | 11,742 | 12,525 | 12,525 | 12,525 | 12,525 | 12,525 | 12,525 | 12,525 | |
| Net Operating Income - Retail | - | | | | | | | | | | | | | | |
| Residential Pre-Sales Revenue | 4,220,923 | | 914,598 | 605,425 | 981,396 | 1,719,503 | | | | | | | | | |
| Reversion, All Commercial | 2,942,673 | | | | | | | | | | | | | | 2,942,673 |
| Net Cash Inflows | 8,676,730 | | 914,598 | 613,253 | 1,094,002 | 1,860,260 | 149,357 | 150,140 | 158,741 | 158,741 | 158,741 | 158,741 | 158,741 | 158,741 | 2,942,673 |
| Land option | - | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (362,000) | | (362,000) | | | | | | | | | | | | |
| Technology obsolescence | (302,938) | | | | | (86,554) | | (86,554) | | (86,554) | | (43,277) | | | |
| Building construction | (4,962,103) | | (1,240,526) | (1,240,526) | (1,240,526) | (1,240,526) | | | | | | | | | |
| Capital Outlays | (5,627,041) | (362,000) | (1,240,526) | (1,240,526) | (1,240,526) | (1,327,079) | - | (86,554) | - | (86,554) | - | (43,277) | - | - | - |
| Net Cash Flow to Invested Capital | 3,049,689 | (362,000) | (325,928) | (627,273) | (146,524) | 533,180 | 149,357 | 63,587 | 158,741 | 72,188 | 158,741 | 115,464 | 158,741 | 158,741 | 2,942,673 |
| IRR as of Ph 2 start date | 14% | | | | | | | | | | | | | | |

| NEW PHASE THREE - Begins 2014 | | | | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--|--|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------------|
| % Occupancy - Office | | | | | | 60.00% | 75.00% | 80.00% | 80.00% | 85.00% | 85.00% | 85.00% | 85.00% | |
| Absorption % - Residential | | | | 90.00% | 90.00% | 90.00% | 90.00% | | | | | | | |
| % Capacity Utilized - Hotels | | | | | | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | | 5.00% | | 5.00% | | 5.00% | | | |

| | SUM | Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|------------------|------------------|---------------|-----------------|---------------|-----------------|---------------|---------------|------------------|
| Net Operating Income - Office | 546,264 | | | | 51,615 | 64,519 | 68,821 | 68,821 | 73,122 | 73,122 | 73,122 | 73,122 | |
| Net Operating Income - Hotel | - | | | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | | | |
| Residential Pre-Sales Revenue | 2,353,072 | | 602,255 | 574,281 | 574,281 | 602,255 | | | | | | | |
| Reversion, All Commercial | 1,355,502 | | | | | | | | | | | | 1,355,502 |
| Net Cash Inflows | 4,254,837 | | 602,255 | 574,281 | 625,897 | 666,774 | 68,821 | 68,821 | 73,122 | 73,122 | 73,122 | 73,122 | 1,355,502 |
| Land option | - | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (74,076) | | | (74,076) | | | | | | | | | |
| Technology obsolescence | (127,044) | | | | | (42,348) | | (42,348) | | (42,348) | | | |
| Building construction | (2,388,816) | | (597,204) | (597,204) | (597,204) | (597,204) | | | | | | | |
| Capital Outlays | (2,589,936) | (74,076) | (597,204) | (597,204) | (597,204) | (639,552) | - | (42,348) | - | (42,348) | - | - | - |
| Net Cash Flow to Invested Capital | 1,664,901 | (74,076) | 5,051 | (22,923) | 28,693 | 27,222 | 68,821 | 26,473 | 73,122 | 30,774 | 73,122 | 73,122 | 1,355,502 |
| IRR as of Ph 3 start date | 40% | | | | | | | | | | | | |

| NEW PHASE FOUR - Begins 2016 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--------|--------|--------|--------|------|------|------|------|----------------|
| % Occupancy - Office | | | | | | | | | |
| Absorption % - Residential | 90.00% | 90.00% | 90.00% | 90.00% | | | | | |
| % Capacity Utilized - Hotels | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | | | | |

| | SUM | Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|------------------|------------------|------|------|------|------|----------------|
| Net Operating Income - Office | - | | | | | | | | | | |
| Net Operating Income - Hotel | - | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | |
| Residential Pre-Sales Revenue | 2,089,071 | | 841,700 | 623,686 | 311,843 | 311,843 | | | | | |
| Reversion, All Commercial | - | | | | | | | | | | |
| Net Cash Inflows | 2,089,071 | - | 841,700 | 623,686 | 311,843 | 311,843 | - | - | - | - | - |
| Land option | - | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (37,651) | (37,651) | | | | | | | | | |
| Technology obsolescence | - | | | | | | | | | | |
| Building construction | (1,357,643) | | (339,411) | (339,411) | (339,411) | (339,411) | | | | | |
| Capital Outlays | (1,395,294) | (37,651) | (339,411) | (339,411) | (339,411) | (339,411) | - | - | - | - | - |
| Net Cash Flow to Invested Capital | 693,777 | (37,651) | 502,289 | 284,275 | (27,568) | (27,568) | - | - | - | - | - |
| IRR as of Ph 4 start date | 1288% | | | | | | | | | | |

| NEW PHASE FIVE - Begins 2018 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|------|--------|--------|--------|--------|--------|----------------|
| % Occupancy - Office | | | | | | | |
| Absorption % - Residential | | 90.00% | 60.00% | 75.00% | 80.00% | 80.00% | |
| % Capacity Utilized - Hotels | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | 5.00% | | |

| | SUM | Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|---------------|---------------|-----------------|---------------|----------------|
| Net Operating Income - Office | 72,399 | | | | 14,725 | 18,407 | 19,634 | 19,634 | |
| Net Operating Income - Hotel | - | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | |
| Residential Pre-Sales Revenue | 1,476,255 | | 1,476,255 | | | | | | |
| Reversion, All Commercial | 363,961 | | | | | | | 363,961 | |
| Net Cash Inflows | 1,912,616 | - | 1,476,255 | - | 14,725 | 18,407 | 19,634 | 19,634 | 363,961 |
| Land option | - | | | | | | | | |
| Development option (e.g. non-income producing projects) | (44,854) | (44,854) | | | | | | | |
| Technology obsolescence | (11,820) | | | | | | (11,820) | | |
| Building construction | (1,187,919) | | (593,960) | (593,960) | | | | | |
| Capital Outlays | (1,244,593) | (44,854) | (593,960) | (593,960) | - | - | (11,820) | - | - |
| Net Cash Flow to Invested Capital | 668,022 | (44,854) | 882,295 | (593,960) | 14,725 | 18,407 | 7,814 | 19,634 | 363,961 |
| IRR as of Ph 5 start date | 1797% | | | | | | | | |

| NEW PHASE SIX - Begins 2020 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--------|--------|--------|--------|----------------|
| % Occupancy - Office | | | | | |
| Absorption % - Residential | 90.00% | 90.00% | 60.00% | 75.00% | |
| % Capacity Utilized - Hotels | | 50.00% | 60.00% | 75.00% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | 5.00% | | |

| | SUM | Time 0 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|--------------------|--------------------|--------------------|----------------|------------------|
| Net Operating Income - Office | 308,651 | | | | 137,178 | 171,473 | |
| Net Operating Income - Hotel | 60,333 | | | 16,306 | 19,568 | 24,459 | |
| Net Operating Income - Retail | - | | | | | | |
| Residential Pre-Sales Revenue | 2,490,512 | | 874,446 | 890,435 | 725,631 | | |
| Reversion, All Commercial | 3,632,105 | | | | | 3,632,105 | |
| Net Cash Inflows | 6,491,601 | - | 874,446 | 906,741 | 882,376 | 195,932 | 3,632,105 |
| Land option | - | | | | | | |
| Development option (e.g. non-income producing projects) | (29,302) | (29,302) | | | | | |
| Technology obsolescence | (107,730) | | | | (107,730) | | |
| Building construction | (4,027,321) | | (1,329,016) | (1,329,016) | (1,369,289) | | |
| Capital Outlays | (4,164,352) | (29,302) | (1,329,016) | (1,329,016) | (1,477,019) | - | - |
| Net Cash Flow to Invested Capital | 2,327,249 | (29,302) | (454,569) | (422,275) | (594,642) | 195,932 | 3,632,105 |
| IRR as of Ph 6 start date | 37% | | | | | | |

| TOTALS - All Phases | SUM | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|----------------|----------------|------------------|-------------------|
| Net Cash Inflows w/o Residual | 27,585,251 | - | 1,491,941 | 870,976 | 1,870,674 | 2,291,084 | 3,157,172 | 2,378,168 | 2,201,815 | 2,776,874 | 1,300,619 | 1,882,249 | 1,918,226 | 1,856,504 | 1,170,060 | 21,690,050 |
| Reversion Flows | 21,690,050 | | | | | | | | | | | | | | | |
| Cost of Options | (3,652,191) | (3,104,308) | - | (362,000) | - | (74,076) | - | (37,651) | - | (44,854) | - | - | - | - | - | - |
| Other Capital Outlays | (22,322,284) | - | (1,822,405) | (1,822,405) | (3,062,931) | (3,202,763) | (1,837,730) | (2,064,116) | (936,615) | (1,205,349) | (933,370) | (1,132,188) | (1,329,016) | (1,484,557) | (1,488,838) | - |
| Net Cash Flow to Invested Capital | 23,300,826 | (3,104,308) | (330,464) | (1,313,429) | (1,192,256) | (985,755) | 581,158 | 1,055,405 | 1,441,554 | 951,612 | 1,843,504 | 139,129 | 553,234 | 433,669 | 367,666 | 1,170,060 |
| Capital | 23,300,826 | (3,104,308) | (330,464) | (1,313,429) | (1,192,256) | (985,755) | 581,158 | 1,055,405 | 1,441,554 | 951,612 | 1,843,504 | 139,129 | 553,234 | 433,669 | 367,666 | 1,170,060 |
| Cumulative Capital | (3,104,308) | (3,434,772) | (4,748,201) | (5,940,458) | (6,926,212) | (6,345,055) | (5,289,650) | (3,848,096) | (2,896,484) | (1,052,980) | (913,852) | (360,618) | 73,051 | 440,716 | 1,610,776 | 23,300,826 |
| IRR - All Phases | 14% | | | | | | | | | | | | | | | |

APPRAISAL - MODEL 2A.1
Songdo International Business District
DCF ANALYSIS WITH DETERMINISTIC UNCERTAINTIES
(in 000s)

Stages of Development: Preconstruction Construction Stabilization Asset Management Anchor Cell

| NEW PHASE ONE - Underway prior to 2010 | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--------|--------|---|--------|--------|--------|--------|---|-------|-------|-------|-------|-------|-------|-------|----------------|
| <i>Estimated OCC - Revenues</i> | 20.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| <i>Estimated OCC - Construction Costs</i> | 20.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| <i>Estimated Cap Rate for Calculating Reversion Flow</i> | | 5.58% | <i>Estimated Perpetuity Growth Rate</i> | | | | 3.42% | <i>Estimated Residual Discount Rate</i> | | | | 9.00% | | | | |

| | Present Value Current | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|-----------------------|--------------------|--------------------|--------------------|--------------------|------------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|----------------|------------------|
| Net Operating Income - Office | 3,792,385 | | 229,372 | 228,306 | 267,942 | 279,106 | 342,579 | 304,515 | 358,812 | 329,185 | 302,005 | 277,069 | 254,192 | 233,203 | 201,363 | 184,736 | - |
| Net Operating Income - Hotel | 238,250 | | 18,275 | 16,870 | 20,623 | 17,186 | 21,094 | 18,751 | 20,794 | 19,077 | 17,502 | 16,057 | 14,731 | 13,515 | 12,399 | 11,375 | - |
| Net Operating Income - Retail | 341,228 | | - | - | 24,334 | 24,334 | 37,335 | 33,187 | 36,804 | 33,765 | 30,977 | 28,420 | 26,073 | 23,920 | 21,945 | 20,133 | - |
| Residential Pre-Sales Revenue | 1,899,093 | | 900,000 | 270,195 | 240,385 | 488,513 | - | - | - | - | - | - | - | - | - | - | - |
| Reversion, All Commercial | 4,008,648 | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 4,008,648 |
| PV Net Cash Inflows | 10,279,605 | | 1,147,647 | 515,370 | 553,285 | 809,139 | 401,009 | 356,452 | 416,410 | 382,028 | 350,484 | 321,545 | 294,996 | 270,638 | 235,707 | 216,245 | 4,008,648 |
| Land option | (1,514,260) | (1,514,260) | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (1,590,048) | (1,590,048) | | | | | | | | | | | | | | | |
| Technology obsolescence | (260,978) | | | | | (67,435) | | (68,975) | | (70,177) | | (29,533) | | (24,858) | | | |
| Building construction | (4,413,690) | | (1,401,850) | (1,078,346) | (1,054,633) | (878,861) | | | | | | | | | | | |
| PV Capital Outlays | (7,778,976) | (3,104,308) | (1,401,850) | (1,078,346) | (1,054,633) | (946,295) | - | (68,975) | - | (70,177) | - | (29,533) | - | (24,858) | - | - | - |
| PV of Net Cash Flow to Invested Capital | 2,500,630 | (3,104,308) | (254,203) | (562,976) | (501,348) | (137,156) | 401,009 | 287,477 | 416,410 | 311,851 | 350,484 | 292,012 | 294,996 | 245,781 | 235,707 | 216,245 | 4,008,648 |

| NEW PHASE TWO - Begins 2012 | Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|----------------|
| <i>Estimated OCC - Revenues</i> | 20.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| <i>Estimated OCC - Construction Costs</i> | 20.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |

| | Present Value Current | Sum of PVs at Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|-----------------------|----------------------|------------------|------------------|------------------|------------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|---------------|------------------|
| Net Operating Income - Office | 456,456 | 657,297 | - | - | 59,729 | 62,218 | 76,367 | 67,882 | 79,986 | 73,381 | 67,322 | 61,763 | 56,664 | 51,985 | - |
| Net Operating Income - Hotel | 43,003 | 61,925 | - | 4,632 | 5,436 | 5,662 | 6,516 | 6,178 | 6,851 | 6,286 | 5,767 | 5,290 | 4,854 | 4,453 | - |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Residential Pre-Sales Revenue | 1,707,604 | 2,458,950 | 703,537 | 358,240 | 567,938 | 829,236 | - | - | - | - | - | - | - | - | - |
| Reversion, All Commercial | 726,543 | 1,046,222 | - | - | - | - | - | - | - | - | - | - | - | - | 1,046,222 |
| PV Net Cash Inflows | 2,933,607 | 4,224,394 | 703,537 | 362,872 | 633,103 | 897,116 | 82,883 | 74,060 | 86,837 | 79,667 | 73,089 | 67,054 | 61,517 | 56,438 | 1,046,222 |
| Land option | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (251,389) | (362,000) | | | | | | | | | | | | | |
| Technology obsolescence | (101,496) | (146,154) | | | | (41,741) | | (42,694) | | (43,438) | | (18,281) | | | |
| Building construction | (2,086,412) | (3,004,434) | (954,251) | (734,039) | (717,897) | (598,247) | | | | | | | | | |
| PV Capital Outlays | (2,439,297) | (3,512,588) | (954,251) | (734,039) | (717,897) | (639,988) | - | (42,694) | - | (43,438) | - | (18,281) | - | - | - |
| PV of Net Cash Flow to Invested Capital | 494,310 | 711,806 | (250,714) | (371,167) | (84,794) | 257,128 | 82,883 | 31,365 | 86,837 | 36,228 | 73,089 | 48,773 | 61,517 | 56,438 | 1,046,222 |

| NEW PHASE THREE - Begins 2014 | Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|----------------|
| <i>Estimated OCC - Revenues</i> | 20.00% | 20.00% | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| <i>Estimated OCC - Construction Costs</i> | 20.00% | 20.00% | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |

| | Present Value Current | Sum of PVs at Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|-----------------------|----------------------|------------------|------------------|------------------|------------------|---------------|-----------------|---------------|-----------------|---------------|---------------|----------------|
| Net Operating Income - Office | 137,065 | 284,217 | - | - | 33,938 | 36,889 | 38,191 | 33,947 | 40,000 | 36,697 | 33,667 | 30,888 | - |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Residential Pre-Sales Revenue | 782,516 | 1,622,625 | 501,879 | 398,806 | 377,599 | 344,341 | - | - | - | - | - | - | - |
| Reversion, All Commercial | 276,128 | 572,579 | - | - | - | - | - | - | - | - | - | - | 572,579 |
| PV Net Cash Inflows | 1,195,709 | 2,479,422 | 501,879 | 398,806 | 411,537 | 381,230 | 38,191 | 33,947 | 40,000 | 36,697 | 33,667 | 30,888 | 572,579 |
| Land option | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (35,723) | (74,076) | | | | | | | | | | | |
| Technology obsolescence | (32,000) | (66,355) | | | | (24,213) | | (20,889) | | (21,253) | | | |
| Building construction | (794,039) | (1,646,520) | (497,670) | (414,725) | (392,671) | (341,453) | | | | | | | |
| PV Capital Outlays | (861,762) | (1,786,950) | (497,670) | (414,725) | (392,671) | (365,666) | - | (20,889) | - | (21,253) | - | - | - |
| PV of Net Cash Flow to Invested Capital | 333,946 | 692,471 | 4,209 | (15,919) | 18,866 | 15,564 | 38,191 | 13,058 | 40,000 | 15,444 | 33,667 | 30,888 | 572,579 |

| NEW PHASE FOUR - Begins 2016 | | | | | | | | | | | Reversion |
|---|----------------------|------------------|------------------|------------------|------------------|------|------|------|------|----------------|-----------|
| Estimated OCC - Revenues | | | | | | | | | | | Year |
| | Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | | |
| Estimated OCC - Construction Costs | | | | | | | | | | | |
| Present Value Current | Sum of PVs at Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year | |
| Net Operating Income - Office | - | - | - | - | - | - | - | - | - | - | |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | - | - | |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 541,600 | 731,913 | 471,596 | 219,017 | 194,682 | - | - | - | - | - | |
| Reversion, All Commercial | - | - | - | - | - | - | - | - | - | - | |
| PV Net Cash Inflows | 541,600 | 731,913 | 471,596 | 219,017 | 194,682 | | | | | | |
| Land option | - | - | - | - | - | - | - | - | - | - | |
| Development option (e.g. non-income producing projects) | (12,609) | - | - | - | - | - | - | - | - | - | |
| Technology obsolescence | - | - | - | - | - | - | - | - | - | - | |
| Building construction | (335,586) | (295,140) | (256,643) | (238,379) | (211,892) | - | - | - | - | - | |
| PV Capital Outlays | (348,195) | (295,140) | (256,643) | (238,379) | (211,892) | | | | | | |
| PV of Net Cash Flow to Invested Capital | 193,404 | 436,773 | 214,953 | (19,362) | (17,211) | | | | | | |

| NEW PHASE FIVE - Begins 2018 | | | | | | | | | | | Reversion |
|---|----------------------|--------------------|------------------|------------------|---------------|----------------|---------------|----------------|----------------|----------------|-----------|
| Estimated OCC - Revenues | | | | | | | | | | | Year |
| | Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2023 | 2023 | Reversion | |
| Estimated OCC - Construction Costs | | | | | | | | | | | |
| Present Value Current | Sum of PVs at Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2023 | 2023 | Reversion Year | |
| Net Operating Income - Office | 10,768 | - | - | 10,342 | 11,491 | 12,761 | 11,707 | - | - | - | |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | - | - | |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 298,548 | 1,283,700 | 1,283,700 | - | - | - | - | - | - | - | |
| Reversion, All Commercial | 50,472 | 217,018 | - | - | - | - | - | - | - | 217,018 | |
| PV Net Cash Inflows | 359,787 | 1,547,019 | 1,283,700 | 10,342 | 11,491 | 12,761 | 11,707 | 217,018 | | | |
| Land option | - | - | - | - | - | - | - | - | - | - | |
| Development option (e.g. non-income producing projects) | (10,432) | (44,854) | - | - | - | - | - | - | - | - | |
| Technology obsolescence | (1,787) | (7,682) | - | - | - | (7,682) | - | - | - | - | |
| Building construction | (224,569) | (965,605) | (516,487) | (449,119) | - | - | - | - | - | - | |
| PV Capital Outlays | (236,787) | (1,018,141) | (516,487) | (449,119) | - | (7,682) | - | - | - | - | |
| PV of Net Cash Flow to Invested Capital | 123,000 | 528,877 | 767,213 | (449,119) | 10,342 | 11,491 | 5,078 | 11,707 | 217,018 | | |

| NEW PHASE SIX - Begins 2020 | | | | | | | | | | | Reversion |
|---|----------------------|--------------------|--------------------|--------------------|--------------------|----------------|------------------|----------|----------|----------------|-----------|
| Estimated OCC - Revenues | | | | | | | | | | | Year |
| | Time 0 | 2020 | 2021 | 2022 | 2023 | 2023 | 2023 | 2023 | 2023 | Reversion | |
| Estimated OCC - Construction Costs | | | | | | | | | | | |
| Present Value Current | Sum of PVs at Time 0 | 2020 | 2021 | 2022 | 2023 | 2023 | 2023 | 2023 | 2023 | Reversion Year | |
| Net Operating Income - Office | 35,179 | 217,820 | - | 96,345 | 121,476 | - | - | - | - | - | |
| Net Operating Income - Hotel | 7,099 | 43,955 | - | 12,884 | 13,743 | - | - | - | - | - | |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 318,743 | 1,973,575 | 760,388 | 703,553 | 509,634 | - | - | - | - | - | |
| Reversion, All Commercial | 415,566 | 2,573,075 | - | - | - | - | - | - | - | 2,573,075 | |
| PV Net Cash Inflows | 776,587 | 4,808,425 | 760,388 | 716,437 | 619,721 | 138,803 | 2,573,075 | | | | |
| Land option | - | - | - | - | - | - | - | - | - | - | |
| Development option (e.g. non-income producing projects) | (4,732) | (29,302) | - | - | - | - | - | - | - | - | |
| Technology obsolescence | (12,220) | (75,662) | - | - | (75,662) | - | - | - | - | - | |
| Building construction | (511,561) | (3,167,448) | (1,155,666) | (1,050,087) | (961,695) | - | - | - | - | - | |
| PV Capital Outlays | (528,513) | (3,272,412) | (1,155,666) | (1,050,087) | (1,037,357) | - | - | - | - | - | |
| PV of Net Cash Flow to Invested Capital | 248,075 | 1,536,013 | (395,278) | (333,649) | (417,636) | 138,803 | 2,573,075 | | | | |

| Present Value Current | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|-----------------------|---------|------|------|------|------|------|------|------|------|------|------|------|------|----------------|
| TOTALS - All Phases | | | | | | | | | | | | | | | |
| PV Net Cash Inflows w/o Residuals | 10,609,538 | | | | | | | | | | | | | | |
| PV Reversion Flows | 5,477,357 | | | | | | | | | | | | | | |
| PV Cost of Options | (3,419,194) | | | | | | | | | | | | | | |
| PV Other Capital Outlays | (8,774,337) | | | | | | | | | | | | | | |
| PV of Net Cash Flow to Invested Capital | 3,893,365 | | | | | | | | | | | | | | |
| NPV, INVESTED CAPITAL | \$ 3,893,365 | | | | | | | | | | | | | | |
| Less: Annual prin + int | 6,020,404 | 443,395 | | | | | | | | | | | | | 256,273 |
| Less: Final prin payment | 3,330,588 | | | | | | | | | | | | | | 3,330,588 |
| NPV, EQUITY | \$ (5,457,627) | | | | | | | | | | | | | | |

APPRAISAL - MODEL 2B
Songdo International Business District
PRO FORMAS - WITH RANDOMIZED UNCERTAINTIES
(in 000s)

| | | | | | |
|---------------------------------|---|---------------------|----------------------|-------------------------|---------------------|
| Stages of Development: | Preconstruction | Construction | Stabilization | Asset Management | Anchor Cells |
| | Office | Hotel | Retail | Residential | |
| Est Volatility of Demand | 10.00% | 15.00% | 15.00% | 10.00% | |
| | Est Volatility of Addnl Technology Costs | | | 5.00% | 2.50% |
| | Est Volatility of Bldg Constructn Costs | | | | 15.00% |

| NEW PHASE ONE - Underway prior to 2010 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--------------|---|---------|---------|--------------|-------------------------------------|--------|--------|--------------|--------|--------|--------|--------|--------|----------------|
| Randomized: | | | | | | | | | | | | | | | |
| % Occupancy - Office | 46.70% | 55.54% | 62.81% | 67.17% | 81.60% | 81.60% | 84.50% | 84.50% | 84.50% | 84.50% | 84.50% | 84.50% | 81.58% | 81.58% | |
| Absorption % - Residential | 82.13% | 82.13% | 82.13% | 82.13% | | | | | | | | | | | |
| % Capacity Utilized - Hotels | 44.89% | 49.70% | 60.83% | 49.70% | 75.56% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | |
| % Occupancy - Retail | | | 59.04% | 50.47% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | 7.95% | | 6.23% | | 5.53% | | 0.30% | | 2.23% | | | |
| % Projected building construction costs | 113.27% | 95.04% | 107.71% | 98.82% | | | | | | | | | | | |
| Projected: | | | | | | | | | | | | | | | |
| % Occupancy - Office | 38.64% | 50.00% | 60.00% | 75.00% | 80.00% | 80.00% | 85.00% | 85.00% | 85.00% | 85.00% | 85.00% | 85.00% | 80.00% | 80.00% | |
| Absorption % - Residential | 90.00% | 90.00% | 90.00% | 90.00% | | | | | | | | | | | |
| % Capacity Utilized - Hotels | 50.00% | 60.00% | 75.00% | 75.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | |
| % Occupancy - Retail | | | 50.00% | 60.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | 5.00% | | 5.00% | | 2.50% | | 2.50% | | 2.50% | | | |
| % Projected building construction costs | 100.00% | 100.00% | 100.00% | 100.00% | | | | | | | | | | | |
| Estimated Cap Rate for Calculating Reversion Flow | 5.58% | Estimated Perpetuity Growth Rate | | | 3.42% | 10-Year Min YoY CPI Increase | | | 2.00% | | | | | | |

| | SUM | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------|------------------|----------------|------------------|----------------|----------------|----------------|-----------------|----------------|----------------|-------------------|
| Net Operating Income - Office | 6,804,110 | | 298,183 | 354,670 | 401,074 | 428,872 | 521,030 | 521,030 | 539,565 | 539,565 | 539,565 | 539,565 | 539,565 | 539,565 | 520,930 | 520,930 | |
| Net Operating Income - Hotel | 345,930 | | 21,332 | 23,617 | 28,906 | 23,617 | 35,903 | 23,617 | 23,617 | 23,617 | 23,617 | 23,617 | 23,617 | 23,617 | 23,617 | 23,617 | |
| Net Operating Income - Retail | 862,983 | | | | 49,656 | 42,441 | 77,089 | 77,089 | 77,089 | 77,089 | 77,089 | 77,089 | 77,089 | 77,089 | 77,089 | 77,089 | |
| Residential Pre-Sales Revenue | 2,787,765 | | 1,067,656 | 416,687 | 379,051 | 924,371 | | | | | | | | | | | |
| Reversion, All Commercial | 11,523,599 | | | | | | | | | | | | | | | | 11,523,599 |
| Net Cash Inflows | 22,324,387 | | 1,387,171 | 794,974 | 858,686 | 1,419,302 | 634,022 | 621,736 | 640,271 | 640,271 | 640,271 | 640,271 | 640,271 | 640,271 | 621,635 | 621,635 | 11,523,599 |
| Land option | (1,514,260) | (1,514,260) | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (1,590,048) | (1,590,048) | | | | | | | | | | | | | | | |
| Technology obsolescence | (621,828) | | | | | (222,420) | | (174,110) | | (154,593) | | (8,313) | | (62,392) | | | |
| Building construction | (7,560,194) | | (2,064,243) | (1,732,072) | (1,962,987) | (1,800,892) | | | | | | | | | | | |
| Capital Outlays | (11,286,330) | (3,104,308) | (2,064,243) | (1,732,072) | (1,962,987) | (2,023,312) | - | (174,110) | - | (154,593) | - | (8,313) | - | (62,392) | - | - | - |
| Net Cash Flow to Invested Capital | 11,038,056 | (3,104,308) | (677,071) | (937,098) | (1,104,301) | (604,010) | 634,022 | 447,627 | 640,271 | 485,677 | 640,271 | 631,958 | 640,271 | 577,879 | 621,635 | 621,635 | 11,523,599 |
| IRR as of Ph 1 start date | 9% | | | | | | | | | | | | | | | | |

| NEW PHASE TWO - Begins 2012 | | | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|----------------|------------------|----------------|-----------------|----------------|----------------|----------------|----------------|------------------|
| % Occupancy - Office | | | | | 62.81% | 67.17% | 81.60% | 81.60% | 84.50% | 84.50% | 84.50% | 84.50% | 84.50% | 84.50% | |
| Absorption % - Residential | | | 82.13% | 82.13% | 82.13% | 82.13% | | | | | | | | | |
| % Capacity Utilized - Hotels | | | | 44.89% | 49.70% | 60.83% | 49.70% | 75.56% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | 7.95% | | 6.23% | | 5.53% | | 0.30% | | | |
| % Projected building construction costs | | | 113.27% | 95.04% | 107.71% | 98.82% | | | | | | | | | |
| | SUM | Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
| Net Operating Income - Office | 1,376,463 | | | | 108,049 | 115,537 | 140,365 | 140,365 | 145,358 | 145,358 | 145,358 | 145,358 | 145,358 | 145,358 | |
| Net Operating Income - Hotel | - | | | | | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | | | | | |
| Residential Pre-Sales Revenue | 3,851,705 | | | 834,595 | 552,467 | 895,550 | 1,569,093 | | | | | | | | |
| Reversion, All Commercial | 2,694,580 | | | | | | | | | | | | | | 2,694,580 |
| Net Cash Inflows | 7,922,747 | - | 834,595 | 552,467 | 1,003,599 | 1,684,630 | 140,365 | 140,365 | 145,358 | 145,358 | 145,358 | 145,358 | 145,358 | 145,358 | 2,694,580 |
| Land option | - | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (362,000) | (362,000) | | | | | | | | | | | | | |
| Technology obsolescence | (346,281) | | | | | (137,674) | | (107,771) | | (95,690) | | (5,146) | | | |
| Building construction | (5,146,284) | | (1,405,146) | (1,179,035) | (1,336,221) | (1,225,881) | | | | | | | | | |
| Capital Outlays | (5,854,565) | (362,000) | (1,405,146) | (1,179,035) | (1,336,221) | (1,363,555) | - | (107,771) | - | (95,690) | - | (5,146) | - | - | - |
| Net Cash Flow to Invested Capital | 2,068,183 | (362,000) | (570,551) | (626,569) | (332,622) | 321,075 | 140,365 | 32,594 | 145,358 | 49,668 | 145,358 | 140,212 | 145,358 | 145,358 | 2,694,580 |
| IRR as of Ph 2 start date | 8% | | | | | | | | | | | | | | |

| NEW PHASE THREE - Begins 2014 | | | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--|--|---------|--------|---------|--------|--------|--------|--------|--------|--------|--------|----------------|
| % Occupancy - Office | | | | | 62.81% | 67.17% | 81.60% | 81.60% | 84.50% | 84.50% | 84.50% | 84.50% | |
| Absorption % - Residential | | | 82.13% | 82.13% | 82.13% | 82.13% | | | | | | | |
| % Capacity Utilized - Hotels | | | | | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | 7.95% | | 6.23% | | 5.53% | | | |
| % Projected building construction costs | | | 113.27% | 95.04% | 107.71% | 98.82% | | | | | | | |

| | SUM | Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|------------------|------------------|---------------|-----------------|---------------|-----------------|---------------|---------------|------------------|
| Net Operating Income - Office | 542,975 | | | | 54,034 | 57,780 | 70,195 | 70,195 | 72,692 | 72,692 | 72,692 | 72,692 | |
| Net Operating Income - Hotel | - | | | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | | | |
| Residential Pre-Sales Revenue | 2,147,241 | | 549,573 | 524,047 | 524,047 | 549,573 | | | | | | | |
| Reversion, All Commercial | 1,347,541 | | | | | | | | | | | | 1,347,541 |
| Net Cash Inflows | 4,037,756 | - | 549,573 | 524,047 | 578,081 | 607,353 | 70,195 | 70,195 | 72,692 | 72,692 | 72,692 | 72,692 | 1,347,541 |
| Land option | - | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (74,076) | (74,076) | | | | | | | | | | | |
| Technology obsolescence | (166,907) | | | | | (67,360) | | (52,729) | | (46,818) | | | |
| Building construction | (2,477,483) | | (676,454) | (567,602) | (643,273) | (590,154) | | | | | | | |
| Capital Outlays | (2,718,466) | (74,076) | (676,454) | (567,602) | (643,273) | (657,514) | - | (52,729) | - | (46,818) | - | - | - |
| Net Cash Flow to Invested Capital | 1,319,290 | (74,076) | (126,881) | (43,555) | (65,192) | (50,161) | 70,195 | 17,467 | 72,692 | 25,874 | 72,692 | 72,692 | 1,347,541 |
| IRR as of Ph 3 start date | 20% | | | | | | | | | | | | |

| NEW PHASE FOUR - Begins 2016 | | | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year | |
|--|--|--|------|------|---------|--------|---------|--------|------|------|----------------|--|
| % Occupancy - Office | | | | | 82.13% | 82.13% | 82.13% | 82.13% | | | | |
| Absorption % - Residential | | | | | | | | | | | | |
| % Capacity Utilized - Hotels | | | | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | | | | | | | |
| % Projected building construction costs | | | | | 113.27% | 95.04% | 107.71% | 98.82% | | | | |

| | SUM | Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|------------------|------------------|----------|----------|----------|----------|----------------|
| Net Operating Income - Office | - | | | | | | | | | | |
| Net Operating Income - Hotel | - | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | |
| Residential Pre-Sales Revenue | 1,906,333 | | 768,074 | 569,130 | 284,565 | 284,565 | | | | | |
| Reversion, All Commercial | - | | | | | | | | | | |
| Net Cash Inflows | 1,906,333 | - | 768,074 | 569,130 | 284,565 | 284,565 | - | - | - | - | - |
| Land option | - | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (37,651) | (37,651) | | | | | | | | | |
| Technology obsolescence | - | | | | | | | | | | |
| Building construction | (1,408,036) | | (384,451) | (322,587) | (365,593) | (335,404) | | | | | |
| Capital Outlays | (1,445,687) | (37,651) | (384,451) | (322,587) | (365,593) | (335,404) | - | - | - | - | - |
| Net Cash Flow to Invested Capital | 460,647 | (37,651) | 383,622 | 246,543 | (81,028) | (50,839) | - | - | - | - | - |
| IRR as of Ph 4 start date | 978% | | | | | | | | | | |

| NEW PHASE FIVE - Begins 2018 | | | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--|--|------|------|---------|--------|--------|--------|----------------|
| % Occupancy - Office | | | | | 62.81% | 67.17% | 81.60% | 81.60% | |
| Absorption % - Residential | | | | | | | | | |
| % Capacity Utilized - Hotels | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | | | 7.95% | |
| % Projected building construction costs | | | | | 113.27% | 95.04% | | | |

| | SUM | Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|---------------|---------------|-----------------|---------------|----------------|
| Net Operating Income - Office | 71,951 | | | | 15,415 | 16,484 | 20,026 | 20,026 | |
| Net Operating Income - Hotel | - | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | |
| Residential Pre-Sales Revenue | 1,347,122 | | 1,347,122 | | | | | | |
| Reversion, All Commercial | 371,232 | | | | | | | | 371,232 |
| Net Cash Inflows | 1,790,305 | - | 1,347,122 | - | 15,415 | 16,484 | 20,026 | 20,026 | 371,232 |
| Land option | - | | | | | | | | |
| Development option (e.g. non-income producing projects) | (44,854) | (44,854) | | | | | | | |
| Technology obsolescence | (18,801) | | | | | | (18,801) | | |
| Building construction | (1,237,298) | | (672,779) | (564,518) | | | | | |
| Capital Outlays | (1,300,953) | (44,854) | (672,779) | (564,518) | - | - | (18,801) | - | - |
| Net Cash Flow to Invested Capital | 489,352 | (44,854) | 674,342 | (564,518) | 15,415 | 16,484 | 1,225 | 20,026 | 371,232 |
| IRR as of Ph 5 start date | 1315% | | | | | | | | |

| NEW PHASE SIX - Begins 2020 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|---------|--------|---------|--------|----------------|
| % Occupancy - Office | | | 62.81% | 67.17% | |
| Absorption % - Residential | 82.13% | 82.13% | 82.13% | | |
| % Capacity Utilized - Hotels | | 44.89% | 49.70% | 60.83% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | 7.95% | | |
| % Projected building construction costs | 113.27% | 95.04% | 107.71% | | |

| | SUM | Time 0 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|--------------------|--------------------|--------------------|----------------|------------------|
| Net Operating Income - Office | 297,167 | | | | 143,607 | 153,560 | |
| Net Operating Income - Hotel | 50,690 | | | 14,641 | 16,210 | 19,839 | |
| Net Operating Income - Retail | - | | | | | | |
| Residential Pre-Sales Revenue | 2,272,659 | | 797,956 | 812,546 | 662,157 | | |
| Reversion, All Commercial | 3,214,405 | | | | | | 3,214,405 |
| Net Cash Inflows | 5,834,921 | | 797,956 | 827,187 | 821,974 | 173,400 | 3,214,405 |
| Land option | - | | | | | | |
| Development option (e.g. non-income producing projects) | (29,302) | (29,302) | | | | | |
| Technology obsolescence | (171,357) | | | | (171,357) | | |
| Building construction | (4,243,436) | | (1,505,379) | (1,263,139) | (1,474,917) | | |
| Capital Outlays | (4,444,095) | (29,302) | (1,505,379) | (1,263,139) | (1,646,274) | - | - |
| Net Cash Flow to Invested Capital | 1,390,826 | (29,302) | (707,424) | (435,953) | (824,300) | 173,400 | 3,214,405 |
| <i>IRR as of Ph 6 start date</i> | <i>19%</i> | | | | | | |

| TOTALS - All Phases | SUM | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Net Cash Inflows w/o Residual | 24,665,092 | - | 1,387,171 | 794,974 | 1,693,281 | 1,971,769 | 2,187,194 | 2,830,413 | 2,126,790 | 1,957,118 | 2,487,511 | 1,140,389 | 1,671,692 | 1,701,992 | 1,681,686 | 1,033,111 |
| Reversion Flows | 19,151,357 | | | | | | | | | | | | | | | 19,151,357 |
| Cost of Options | (3,652,191) | (3,104,308) | - | (362,000) | - | (74,076) | - | (37,651) | - | (44,854) | - | (29,302) | - | - | - | - |
| Other Capital Outlays | (31,579,926) | (8,182,022) | - | (2,064,243) | (3,137,219) | (3,142,023) | (4,035,987) | (1,931,157) | (1,201,834) | (1,087,871) | (1,192,966) | (1,048,342) | (1,513,692) | (1,315,103) | (1,727,467) | - |
| Net Cash Flow to Invested Capital | 8,584,332 | (11,286,330) | 1,387,171 | (1,631,268) | (1,443,937) | (1,244,330) | (1,848,793) | 861,605 | 924,956 | 824,393 | 1,294,545 | 62,745 | 158,000 | 386,888 | (45,781) | 1,033,111 |
| Cumulative Capital | | (11,286,330) | (9,899,159) | (11,530,427) | (12,974,365) | (14,218,695) | (16,067,488) | (15,205,883) | (14,280,926) | (13,456,533) | (12,161,988) | (12,099,243) | (11,941,243) | (11,554,355) | (11,600,136) | (10,567,025) |
| <i>IRR - All Phases</i> | <i>4%</i> | | | | | | | | | | | | | | | |

| NEW PHASE FOUR - Begins 2016 | | Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|------------------|----------------------|------------------|------------------|------------------|------------------|------|------|------|------|----------------|
| Estimated OCC - Revenues | | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | | | | | |
| Estimated OCC - Construction Costs | | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | | | | | |
| Expected PV | | Sum of PVs at Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
| Current | | | | | | | | | | | |
| Net Operating Income - Office | - | - | - | - | - | - | | | | | |
| Net Operating Income - Hotel | - | - | - | - | - | - | | | | | |
| Net Operating Income - Retail | - | - | - | - | - | - | | | | | |
| Residential Pre-Sales Revenue | 494,224 | 1,475,745 | 667,890 | 430,344 | 199,859 | 177,652 | | | | | |
| Reversion, All Commercial | - | - | - | - | - | - | | | | | |
| EPV Net Cash Inflows | 494,224 | 1,475,745 | 667,890 | 430,344 | 199,859 | 177,652 | | | | | |
| Land option | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (12,609) | (37,651) | | | | | | | | | |
| Technology obsolescence | - | - | - | - | - | - | | | | | |
| Building construction | (349,763) | (1,044,386) | (334,306) | (243,922) | (256,768) | (209,391) | | | | | |
| EPV Capital Outlays | (362,372) | (1,082,037) | (334,306) | (243,922) | (256,768) | (209,391) | | | | | |
| EPV of Net Cash Flow to Invested Capital | 131,852 | 393,708 | 333,584 | 186,422 | (56,909) | (31,739) | | | | | |

| NEW PHASE FIVE - Begins 2018 | | Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|------------------|----------------------|------------------|------------------|---------------|---------------|-----------------|---------------|----------------|
| Estimated OCC - Revenues | | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% |
| Estimated OCC - Construction Costs | | 20.00% | 15.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% |
| Expected PV | | Sum of PVs at Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
| Current | | | | | | | | | |
| Net Operating Income - Office | 10,715 | 46,074 | - | - | 10,827 | 10,291 | 13,015 | 11,941 | |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 272,433 | 1,171,410 | 1,171,410 | - | - | - | - | - | |
| Reversion, All Commercial | 51,480 | 221,354 | - | - | - | - | - | - | 221,354 |
| EPV Net Cash Inflows | 334,628 | 1,438,838 | 1,171,410 | - | 10,827 | 10,291 | 13,015 | 11,941 | 221,354 |
| Land option | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (10,432) | (44,854) | | | | | | | |
| Technology obsolescence | (2,842) | (12,219) | - | - | - | - | (12,219) | - | - |
| Building construction | (235,332) | (1,011,883) | (585,026) | (426,857) | - | - | - | - | - |
| EPV Capital Outlays | (248,605) | (1,068,956) | (585,026) | (426,857) | - | - | (12,219) | - | - |
| EPV of Net Cash Flow to Invested Capital | 86,023 | 369,882 | 586,385 | (426,857) | 10,827 | 10,291 | 796 | 11,941 | 221,354 |

| NEW PHASE SIX - Begins 2020 | | Time 0 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|------------------|----------------------|--------------------|------------------|--------------------|----------------|------------------|
| Estimated OCC - Revenues | | 20.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% |
| Estimated OCC - Construction Costs | | 20.00% | 15.00% | 12.50% | 12.50% | 9.00% | 9.00% |
| Expected PV | | Sum of PVs at Time 0 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
| Current | | | | | | | |
| Net Operating Income - Office | 33,859 | 209,646 | - | - | 100,860 | 108,786 | |
| Net Operating Income - Hotel | 5,977 | 37,008 | - | 11,568 | 11,385 | 14,055 | |
| Net Operating Income - Retail | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 290,862 | 1,800,940 | 693,874 | 642,011 | 465,054 | - | |
| Reversion, All Commercial | 367,775 | 2,277,166 | - | - | - | - | 2,277,166 |
| EPV Net Cash Inflows | 698,473 | 4,324,759 | 693,874 | 653,580 | 577,299 | 122,841 | 2,277,166 |
| Land option | | | | | | | |
| Development option (e.g. non-income producing projects) | (4,732) | (29,302) | | | | | |
| Technology obsolescence | (19,437) | (120,349) | - | - | (120,349) | - | - |
| Building construction | (539,904) | (3,342,943) | (1,309,025) | (998,036) | (1,035,881) | - | - |
| EPV Capital Outlays | (564,074) | (3,492,595) | (1,309,025) | (998,036) | (1,156,231) | - | - |
| EPV of Net Cash Flow to Invested Capital | 134,399 | 832,164 | (615,151) | (344,456) | (578,932) | 122,841 | 2,277,166 |

| TOTALS - All Phases | | Expected PV Current | EPV Current for Ph1 & Ph2 2018 Reversion | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--|-----------------------|--|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------------|
| EPV Net Cash Inflows w/o Residuals | | 9,449,681 | | | | | | | | | | | | | | | | |
| EPV Reversion Flows | | 4,807,447 | | | | | | | | | | | | | | | | |
| EPV Cost of Options | | (3,419,194) | | | | | | | | | | | | | | | | |
| EPV Other Capital Outlays | | (9,232,555) | | | | | | | | | | | | | | | | |
| EPV of Net Cash Flow to Invested Capital | | 1,605,379 | 2,649,499 | | | | | | | | | | | | | | | |
| ENPV, INVESTED CAPITAL | | \$ 1,605,379 | \$ 2,649,499 | | | | | | | | | | | | | | | |
| Less: Annual prin + int | | 6,020,404 | | | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 256,273 |
| Less: Final prin payment | | 3,330,588 | | | | | | | | | | | | | | | | 3,330,588 |
| ENPV, EQUITY | | \$ (7,745,614) | \$ (4,716,257) | | | | | | | | | | | | | | | |

APPRAISAL - MODEL 3
Songdo International Business District
PRO FORMAS - WITH RANDOMIZED UNCERTAINTIES & FLEXIBILITY
(in 000s)

| | | | | | |
|-------------------------------------|-----------------|--------------|--|--|--------------|
| Stages of Development: | Preconstruction | Construction | Stabilization | Asset Management | Anchor Cells |
| Cells w Flexibility Built In | Office | Hotel | Retail | Residential | |
| Est Volatility of Demand | 10.00% | 15.00% | 15.00% | 10.00% | |
| | | | Est Volatility of Adnl Technology Costs | 5.00% | 2.50% |
| | | | | Est Volatility of Bldg Constructn Costs | 15.00% |

| NEW PHASE ONE - Underway prior to 2010 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|---------|---|---------|---------|--------|-------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|----------------|
| Randomized: | | | | | | | | | | | | | | | |
| % Occupancy - Office | 46.70% | 55.54% | 62.81% | 67.17% | 81.60% | 81.60% | 84.50% | 84.50% | 84.50% | 84.50% | 84.50% | 84.50% | 81.58% | 81.58% | |
| Absorption % - Residential | 82.13% | 82.13% | 82.13% | 82.13% | | | | | | | | | | | |
| % Capacity Utilized - Hotels | 44.89% | 49.70% | 60.83% | 49.70% | 75.56% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | |
| % Occupancy - Retail | | | 59.04% | 50.47% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | 91.66% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | 7.95% | | 6.23% | | 5.53% | | 0.30% | | | 2.23% | | |
| % Projected building construction costs | 113.27% | 95.04% | 107.71% | 98.82% | | | | | | | | | | | |
| Projected: | | | | | | | | | | | | | | | |
| % Occupancy - Office | 38.64% | 50.00% | 60.00% | 75.00% | 80.00% | 80.00% | 85.00% | 85.00% | 85.00% | 85.00% | 85.00% | 85.00% | 80.00% | 80.00% | |
| Absorption % - Residential | 90.00% | 90.00% | 90.00% | 90.00% | | | | | | | | | | | |
| % Capacity Utilized - Hotels | 50.00% | 60.00% | 75.00% | 75.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | |
| % Occupancy - Retail | | | 50.00% | 60.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | 80.00% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | 5.00% | | 5.00% | | 5.00% | | 2.50% | | | 2.50% | | |
| % Projected building construction costs | 100.00% | 100.00% | 100.00% | 100.00% | | | | | | | | | | | |
| Estimated Cap Rate for Calculating Reversion Flow | 5.58% | Estimated Perpetuity Growth Rate | | | 3.42% | 10-Year Min YoY CPI Increase | | | 2.00% | | | | | | |

| | SUM | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------|------------------|----------------|----------------|------|------|------|------|------|------|----------------|
| Net Operating Income - Office | 3,603,990 | | 298,183 | 354,670 | 401,074 | 428,872 | 521,030 | 521,030 | 539,565 | 539,565 | - | - | - | - | - | - | |
| Net Operating Income - Hotel | 204,226 | | 21,332 | 23,617 | 28,906 | 23,617 | 35,903 | 23,617 | 23,617 | 23,617 | - | - | - | - | - | - | |
| Net Operating Income - Retail | 400,452 | | | | 49,656 | 42,441 | 77,089 | 77,089 | 77,089 | 77,089 | - | - | - | - | - | - | |
| Residential Pre-Sales Revenue | 2,787,765 | | 1,067,656 | 416,687 | 379,051 | 924,371 | | | | | | | | | | | |
| Reversion, All Commercial | 11,869,052 | | | | | | | | | | | | | | | | 11,869,052 |
| Net Cash Inflows | 18,865,485 | | 1,387,171 | 794,974 | 858,686 | 1,419,302 | 634,022 | 621,736 | 640,271 | 640,271 | - | - | - | - | - | - | 11,869,052 |
| Land option | (1,514,260) | (1,514,260) | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (1,590,048) | (1,590,048) | | | | | | | | | | | | | | | |
| Technology obsolescence | (396,530) | | | | | (222,420) | | (174,110) | | | | | | | | | |
| Building construction | (7,560,194) | | (2,064,243) | (1,732,072) | (1,962,987) | (1,800,892) | | | | | | | | | | | |
| Capital Outlays | (11,061,032) | (3,104,308) | (2,064,243) | (1,732,072) | (1,962,987) | (2,023,312) | - | (174,110) | - | - | - | - | - | - | - | - | - |
| Net Cash Flow to Invested Capital | 7,804,454 | (3,104,308) | (677,071) | (937,098) | (1,104,301) | (604,010) | 634,022 | 447,627 | 640,271 | 640,271 | - | - | - | - | - | - | 11,869,052 |
| IRR as of Ph 1 start date | 7% | | | | | | | | | | | | | | | | |

| NEW PHASE TWO - Begins 2012 | | | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|----------------|----------------|--------|--------|--------|--------|--------|--------|----------------|
| % Occupancy - Office | | | | | 62.81% | 67.17% | 81.60% | 81.60% | 84.50% | 84.50% | 84.50% | 84.50% | 84.50% | 84.50% | |
| Absorption % - Residential | | | | 82.13% | 82.13% | 82.13% | | | | | | | | | |
| % Capacity Utilized - Hotels | | | | 44.89% | 49.70% | 60.83% | 49.70% | 75.56% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | 49.70% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | 7.95% | | 6.23% | | | 5.53% | | | 0.30% | | |
| % Projected building construction costs | | | | 113.27% | 95.04% | 107.71% | 98.82% | | | | | | | | |
| | SUM | Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
| Net Operating Income - Office | 504,316 | | | | 108,049 | 115,537 | 140,365 | 140,365 | - | - | - | - | - | - | |
| Net Operating Income - Hotel | - | | | | | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | | | | | |
| Residential Pre-Sales Revenue | 3,851,705 | | 834,595 | 552,467 | 895,550 | 1,569,093 | | | | | | | | | |
| Reversion, All Commercial | 2,602,018 | | | | | | | | | | | | | | 2,602,018 |
| Net Cash Inflows | 6,958,039 | | 834,595 | 552,467 | 1,003,599 | 1,684,630 | 140,365 | 140,365 | - | - | - | - | - | - | 2,602,018 |
| Land option | - | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (362,000) | (362,000) | | | | | | | | | | | | | |
| Technology obsolescence | (137,674) | | | | | (137,674) | | | | | | | | | |
| Building construction | (5,146,284) | | (1,405,146) | (1,179,035) | (1,336,221) | (1,225,881) | | | | | | | | | |
| Capital Outlays | (5,645,958) | (362,000) | (1,405,146) | (1,179,035) | (1,336,221) | (1,363,555) | - | - | - | - | - | - | - | - | - |
| Net Cash Flow to Invested Capital | 1,312,080 | (362,000) | (570,551) | (626,569) | (332,622) | 321,075 | 140,365 | 140,365 | - | - | - | - | - | - | 2,602,018 |
| IRR as of Ph 2 start date | 6% | | | | | | | | | | | | | | |

| NEW PHASE THREE - Begins 2014 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|---------|--------|---------|--------|--------|--------|--------|--------|--------|--------|----------------|
| % Occupancy - Office | | | 62.81% | 67.17% | 81.60% | 81.60% | 84.50% | 84.50% | 84.50% | 84.50% | |
| Absorption % - Residential | 82.13% | 82.13% | 82.13% | 82.13% | | | | | | | |
| % Capacity Utilized - Hotels | | | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | 7.95% | | 6.23% | | 5.53% | | | |
| % Projected building construction costs | 113.27% | 95.04% | 107.71% | 98.82% | | | | | | | |

| | SUM | Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|--------------------|-----------------|------------------|------------------|------------------|------------------|------|------|------|------|------|------|----------------|
| Net Operating Income - Office | - | | | | | | | | | | | | |
| Net Operating Income - Hotel | - | | | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | | | |
| Residential Pre-Sales Revenue | 3,442,870 | | 860,717 | 860,717 | 860,717 | 860,717 | | | | | | | |
| Reversion, All Commercial | - | | | | | | | | | | | | |
| Net Cash Inflows | 3,442,870 | | 860,717 | 860,717 | 860,717 | 860,717 | | | | | | | |
| Land option | - | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (74,076) | (74,076) | | | | | | | | | | | |
| Technology obsolescence | - | | | | | | | | | | | | |
| Building construction | (2,562,886) | | (699,773) | (587,168) | (665,448) | (610,498) | | | | | | | |
| Capital Outlays | (2,636,962) | (74,076) | (699,773) | (587,168) | (665,448) | (610,498) | | | | | | | |
| Net Cash Flow to Invested Capital | 805,908 | (74,076) | 160,945 | 273,549 | 195,270 | 250,220 | | | | | | | |
| IRR as of Ph 3 start date | 251% | | | | | | | | | | | | |

| NEW PHASE FOUR - Begins 2016 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|---------|--------|---------|--------|------|------|------|------|----------------|
| % Occupancy - Office | | | | | | | | | |
| Absorption % - Residential | 82.13% | 82.13% | 82.13% | 82.13% | | | | | |
| % Capacity Utilized - Hotels | | | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | | | | | |
| % Projected building construction costs | 113.27% | 95.04% | 107.71% | 98.82% | | | | | |

| | SUM | Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|----------------|--------|---------------|---------------|---------------|---------------|------|------|------|------|----------------|
| Net Operating Income - Office | - | | | | | | | | | | |
| Net Operating Income - Hotel | - | | | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | | | |
| Net Profit, Villa Lots | 98,457 | | 24,614 | 24,614 | 24,614 | 24,614 | | | | | |
| Residential Pre-Sales Revenue | 296,447 | | 74,112 | 74,112 | 74,112 | 74,112 | | | | | |
| Reversion, All Commercial | - | | | | | | | | | | |
| Net Cash Inflows | 394,904 | | 98,726 | 98,726 | 98,726 | 98,726 | | | | | |
| Land option | - | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | - | | | | | | | | | | |
| Technology obsolescence | - | | | | | | | | | | |
| Building construction | 235,633 | | 64,337 | 53,985 | 61,182 | 56,129 | | | | | |
| Capital Outlays | 235,633 | | 64,337 | 53,985 | 61,182 | 56,129 | | | | | |
| Net Cash Flow to Invested Capital | 630,537 | | 34,389 | 44,742 | 37,544 | 42,597 | | | | | |
| IRR as of Ph 4 start date | | | | | | | | | | | |

| NEW PHASE FIVE - Begins 2018 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|---------|--------|--------|--------|--------|--------|----------------|
| % Occupancy - Office | | | 62.81% | 67.17% | 81.60% | 81.60% | |
| Absorption % - Residential | 82.13% | | | | | | |
| % Capacity Utilized - Hotels | | | | | | | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | | | 7.95% | | |
| % Projected building construction costs | 113.27% | 95.04% | | | | | |

| | SUM | Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|----------------|--------|----------------|------|------|------|------|------|----------------|
| Net Operating Income - Office | - | | | | | | | | |
| Net Operating Income - Hotel | - | | | | | | | | |
| Net Operating Income - Retail | - | | | | | | | | |
| Net Sales Revenue, Raw Land | 341,440 | | 341,440 | | | | | | |
| Residential Pre-Sales Revenue | - | | | | | | | | |
| Reversion, All Commercial | - | | | | | | | | |
| Net Cash Inflows | 341,440 | | 341,440 | | | | | | |
| Land option | - | | | | | | | | |
| Development option (e.g. non-income producing projects) | - | | | | | | | | |
| Technology obsolescence | - | | | | | | | | |
| Building construction | - | | | | | | | | |
| Capital Outlays | | | | | | | | | |
| Net Cash Flow to Invested Capital | 341,440 | | 341,440 | | | | | | |
| IRR as of Ph 5 start date | | | | | | | | | |

| NEW PHASE SIX - Begins 2020 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|---------|--------|---------|--------|----------------|
| % Occupancy - Office | | | 62.81% | 67.17% | |
| Absorption % - Residential | 82.13% | 82.13% | 82.13% | | |
| % Capacity Utilized - Hotels | | 44.89% | 49.70% | 60.83% | |
| Addnl technol costs (% Commercial Bldg Constructn) | | | 7.95% | | |
| % Projected building construction costs | 113.27% | 95.04% | 107.71% | | |

| | SUM | Time 0 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|----------------|----------------|----------|----------|----------|----------|----------------|
| Net Operating Income - Office | - | | | | | | |
| Net Operating Income - Hotel | - | | | | | | |
| Net Operating Income - Retail | - | | | | | | |
| Net Sales Revenue, Raw Land | 293,464 | 293,464 | | | | | |
| Residential Pre-Sales Revenue | - | | | | | | |
| Reversion, All Commercial | - | | | | | | |
| Net Cash Inflows | 293,464 | 293,464 | | | | | |
| Land option | - | | | | | | |
| Development option (e.g. non-income producing projects) | - | | | | | | |
| Technology obsolescence | - | | | | | | |
| Building construction | - | | | | | | |
| Capital Outlays | - | - | - | - | - | - | - |
| Net Cash Flow to Invested Capital | 293,464 | - | - | - | - | - | - |

IRR as of Ph 6 start date

| TOTALS - All Phases | SUM | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Net Cash Inflows w/o Residual | 15,825,131 | - | 1,387,171 | 794,974 | 1,693,281 | 1,971,769 | 2,498,338 | 3,167,084 | 1,740,079 | 1,740,079 | 733,630 | 98,726 | - | - | - | - |
| Reversion Flows | 14,471,071 | - | - | - | - | - | - | - | 24,614 | 24,614 | 24,614 | 24,614 | - | - | - | 14,471,071 |
| Net Profit, Villa Lots | 98,457 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Sales Revenue, Raw Land | 634,904 | - | - | - | - | - | - | - | - | 634,904 | - | - | - | - | - | - |
| Cost of Options | (3,540,384) | (3,104,308) | - | (362,000) | - | (74,076) | - | - | - | - | - | - | - | - | - | - |
| Other Capital Outlays | (15,567,935) | - | (2,064,243) | (1,732,072) | (3,368,133) | (3,202,348) | (2,035,994) | (2,124,833) | (601,110) | (556,513) | 61,182 | 56,129 | - | - | - | - |
| Net Cash Flow to Invested Capital | 11,921,244 | (3,104,308) | (677,071) | (1,299,098) | (1,674,852) | (1,304,655) | 462,344 | 1,042,251 | 1,163,583 | 1,208,180 | 1,454,330 | 179,470 | - | - | - | 14,471,071 |
| Cumulative Capital | (3,104,308) | (3,781,379) | (5,080,478) | (6,755,330) | (8,059,985) | (7,597,640) | (6,555,389) | (5,391,806) | (4,183,626) | (2,729,297) | (2,549,827) | (2,549,827) | (2,549,827) | (2,549,827) | (2,549,827) | 11,921,244 |
| IRR - All Phases | 9% | | | | | | | | | | | | | | | |

APPRAISAL - MODEL 3.1
Songdo International Business District
DCF ANALYSIS WITH RANDOMIZED UNCERTAINTIES & FLEXIBILITY
(in 000s)

| | | | | | | | | | | | | | | | | |
|--|-----------------|--------------|---|------------------|-------------|--------|---|-------|-------|-------|--|-------|-------|-------|-------|----------------|
| Stages of Development: | Preconstruction | Construction | Stabilization | Asset Management | Anchor Cell | | | | | | | | | | | |
| NEW PHASE ONE - Underway prior to 2010 | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
| <i>Estimated OCC - Revenues</i> | 9.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| <i>Estimated OCC - Construction Costs</i> | 9.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| <i>Estimated Cap Rate for Calculating Reversion Flow</i> | | 5.58% | <i>Estimated Perpetuity Growth Rate</i> | | | 3.42% | <i>Estimated Residual Discount Rate</i> | | | 9.00% | <i>Estimated Volatility of Residual Discr Rate</i> | | | 0.00% | | |

| | Expected PV Current | Time 0 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|------------------|----------------|-----------------|----------------|----------------|------|------|------|------|------|------|------------------|
| Net Operating Income - Office | 1,990,257 | | 229,372 | 209,864 | 232,103 | 206,825 | 289,135 | 257,009 | 295,161 | 270,789 | - | - | - | - | - | - | - |
| Net Operating Income - Hotel | 114,846 | | 16,409 | 13,975 | 16,728 | 11,389 | 19,923 | 11,650 | 12,919 | 11,853 | - | - | - | - | - | - | - |
| Net Operating Income - Retail | 210,866 | | - | - | 28,736 | 20,467 | 42,779 | 38,025 | 42,170 | 38,688 | - | - | - | - | - | - | - |
| Residential Pre-Sales Revenue | 1,732,973 | | 821,274 | 246,560 | 219,358 | 445,781 | - | - | - | - | - | - | - | - | - | - | - |
| Reversion, All Commercial | 3,551,772 | | | | | | | | | | | | | | | | 3,551,772 |
| EPV Net Cash Inflows | 7,600,715 | | 1,067,055 | 470,399 | 496,925 | 684,463 | 351,837 | 306,684 | 350,250 | 321,330 | - | - | - | - | - | - | 3,551,772 |
| Land option | (1,514,260) | (1,514,260) | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (1,590,048) | (1,590,048) | | | | | | | | | | | | | | | |
| Technology obsolescence | (193,146) | | | | | (107,263) | | (85,883) | | | | | | | | | |
| Building construction | (4,617,247) | | (1,587,879) | (1,024,895) | (1,135,988) | (868,486) | | | | | | | | | | | |
| EPV Capital Outlays | (7,914,701) | (3,104,308) | (1,587,879) | (1,024,895) | (1,135,988) | (975,749) | | (85,883) | | | | | | | | | |
| EPV of Net Cash Flow to Invested Capital | (313,987) | (3,104,308) | (520,824) | (554,496) | (639,063) | (291,286) | 351,837 | 220,801 | 350,250 | 321,330 | - | - | - | - | - | - | 3,551,772 |

| | | | | | | | | | | | | | | | |
|---|--|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|----------------|
| NEW PHASE TWO - Begins 2012 | | Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
| <i>Estimated OCC - Revenues</i> | | 9.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| <i>Estimated OCC - Construction Costs</i> | | 9.00% | 30.00% | 30.00% | 20.00% | 20.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |

| | Expected PV Current | Sum of PVs at Time 0 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|---------------------|----------------------|--------------------|------------------|------------------|------------------|---------------|---------------|------|------|------|------|------|------|----------------|
| Net Operating Income - Office | 223,362 | 265,377 | - | - | 62,528 | 55,718 | 77,892 | 69,238 | - | - | - | - | - | - | - |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Residential Pre-Sales Revenue | 1,888,610 | 2,243,858 | 641,996 | 326,903 | 518,258 | 756,700 | - | - | - | - | - | - | - | - | - |
| Reversion, All Commercial | 778,645 | 925,108 | - | - | - | - | - | - | - | - | - | - | - | - | 925,108 |
| EPV Net Cash Inflows | 2,890,617 | 3,434,342 | 641,996 | 326,903 | 580,786 | 812,418 | 77,892 | 69,238 | - | - | - | - | - | - | - |
| Land option | | | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (304,688) | (362,000) | | | | | | | | | | | | | |
| Technology obsolescence | (55,882) | (66,394) | | | | (66,394) | | | | | | | | | |
| Building construction | (2,645,398) | (3,142,997) | (1,080,882) | (697,654) | (773,276) | (591,185) | | | | | | | | | |
| EPV Capital Outlays | (3,005,968) | (3,571,391) | (1,080,882) | (697,654) | (773,276) | (657,579) | | | | | | | | | |
| EPV of Net Cash Flow to Invested Capital | (115,351) | (137,049) | (438,886) | (370,751) | (192,490) | 154,839 | 77,892 | 69,238 | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | |
|---|--|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|----------------|
| NEW PHASE THREE - Begins 2014 | | Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
| <i>Estimated OCC - Revenues</i> | | 9.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| <i>Estimated OCC - Construction Costs</i> | | 9.00% | 12.50% | 12.50% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |

| | Expected PV Current | Sum of PVs at Time 0 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion Year |
|---|---------------------|----------------------|------------------|------------------|------------------|------------------|------|------|------|------|------|------|----------------|
| Net Operating Income - Office | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Residential Pre-Sales Revenue | 1,926,591 | 2,719,541 | 765,082 | 680,073 | 664,632 | 609,754 | - | - | - | - | - | - | - |
| Reversion, All Commercial | - | - | - | - | - | - | - | - | - | - | - | - | - |
| EPV Net Cash Inflows | 1,926,591 | 2,719,541 | 765,082 | 680,073 | 664,632 | 609,754 | - | - | - | - | - | - | - |
| Land option | | | | | | | | | | | | | |
| Development option (e.g. non-income producing projects) | (52,477) | (74,076) | | | | | | | | | | | |
| Technology obsolescence | - | - | | | | | | | | | | | |
| Building construction | (1,439,729) | (2,032,295) | (622,020) | (463,935) | (513,848) | (432,492) | | | | | | | |
| EPV Capital Outlays | (1,492,206) | (2,106,371) | (622,020) | (463,935) | (513,848) | (432,492) | | | | | | | |
| EPV of Net Cash Flow to Invested Capital | 434,385 | 613,170 | 143,062 | 216,138 | 150,784 | 177,262 | - | - | - | - | - | - | - |

| NEW PHASE FOUR - Begins 2016 | | | | | | | | | | | Reversion |
|---|----------------|----------------|----------------|----------------|----------------|----------------|------|------|------|-----------|-----------|
| | Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Year | |
| Estimated OCC - Revenues | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | | | | | | |
| Estimated OCC - Construction Costs | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | | | | | | |
| Expected PV | Sum of PVs at | | | | | | | | | Reversion | |
| Current | Time 0 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Year | |
| Net Operating Income - Office | - | - | - | - | - | | | | | | |
| Net Operating Income - Hotel | - | - | - | - | - | | | | | | |
| Net Operating Income - Retail | - | - | - | - | - | | | | | | |
| Net Profit, Villa Lots | 47,548 | 79,743 | | | | | | | | | |
| Residential Pre-Sales Revenue | 143,165 | 240,101 | 22,582 | 20,717 | 19,007 | 17,437 | | | | | |
| Reversion, All Commercial | - | - | 67,992 | 62,378 | 57,228 | 52,503 | | | | | |
| EPV Net Cash Inflows | 190,713 | 319,845 | 90,574 | 83,096 | 76,235 | 69,940 | | | | | |
| Land option | - | - | - | - | - | | | | | | |
| Development option (e.g. non-income producing projects) | - | - | - | - | - | | | | | | |
| Technology obsolescence | - | - | - | - | - | | | | | | |
| Building construction | 114,167 | 191,470 | 59,025 | 45,438 | 47,243 | 39,764 | | | | | |
| EPV Capital Outlays | 114,167 | 191,470 | 59,025 | 45,438 | 47,243 | 39,764 | | | | | |
| EPV of Net Cash Flow to Invested Capital | 304,880 | 511,315 | 149,600 | 128,533 | 123,478 | 109,704 | | | | | |

| NEW PHASE FIVE - Begins 2018 | | | | | | | | | | | Reversion |
|---|----------------|----------------|----------------|----------|----------|----------|----------|-----------|-------|-------|-----------|
| | Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Year | | | |
| Estimated OCC - Revenues | | 5.58% | 5.58% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| Estimated OCC - Construction Costs | | 5.58% | 5.58% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| Expected PV | Sum of PVs at | | | | | | | Reversion | | | |
| Current | Time 0 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Year | | | |
| Net Operating Income - Office | - | - | - | - | - | - | - | - | | | |
| Net Operating Income - Hotel | - | - | - | - | - | - | - | - | | | |
| Net Operating Income - Retail | - | - | - | - | - | - | - | - | | | |
| Net Sales Revenue, Raw Land | 209,467 | 323,397 | 323,397 | - | - | - | - | - | | | |
| Residential Pre-Sales Revenue | - | - | - | - | - | - | - | - | | | |
| Reversion, All Commercial | - | - | - | - | - | - | - | - | | | |
| EPV Net Cash Inflows | 209,467 | 323,397 | 323,397 | - | - | - | - | - | | | |
| Land option | - | - | - | - | - | - | - | - | | | |
| Development option (e.g. non-income producing projects) | - | - | - | - | - | - | - | - | | | |
| Technology obsolescence | - | - | - | - | - | - | - | - | | | |
| Building construction | - | - | - | - | - | - | - | - | | | |
| EPV Capital Outlays | - | - | - | - | - | - | - | - | | | |
| EPV of Net Cash Flow to Invested Capital | 209,467 | 323,397 | 323,397 | - | - | - | - | - | | | |

| NEW PHASE SIX - Begins 2020 | | | | | | | | | | | Reversion |
|---|----------------|----------------|----------|----------|----------|-----------|--|--|--|--|-----------|
| | Time 0 | 2020 | 2021 | 2022 | 2023 | Year | | | | | |
| Estimated OCC - Revenues | | 5.58% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| Estimated OCC - Construction Costs | | 5.58% | 0.00% | 0.00% | 0.00% | 0.00% | | | | | |
| Expected PV | Sum of PVs at | | | | | Reversion | | | | | |
| Current | Time 0 | 2020 | 2021 | 2022 | 2023 | Year | | | | | |
| Net Operating Income - Office | - | - | - | - | - | - | | | | | |
| Net Operating Income - Hotel | - | - | - | - | - | - | | | | | |
| Net Operating Income - Retail | - | - | - | - | - | - | | | | | |
| Net Sales Revenue, Raw Land | 170,522 | 293,464 | - | - | - | - | | | | | |
| Residential Pre-Sales Revenue | - | - | - | - | - | - | | | | | |
| Reversion, All Commercial | - | - | - | - | - | - | | | | | |
| EPV Net Cash Inflows | 170,522 | 293,464 | - | - | - | - | | | | | |
| Land option | - | - | - | - | - | - | | | | | |
| Development option (e.g. non-income producing projects) | - | - | - | - | - | - | | | | | |
| Technology obsolescence | - | - | - | - | - | - | | | | | |
| Building construction | - | - | - | - | - | - | | | | | |
| EPV Capital Outlays | - | - | - | - | - | - | | | | | |
| EPV of Net Cash Flow to Invested Capital | 170,522 | 293,464 | - | - | - | - | | | | | |

| Expected PV | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Reversion |
|---|-----------------------|---------|---------|---------|---------|---------|---------|-----------|------|------|------|------|------|------|-----------|
| Current | | | | | | | | | | | | | | | Year |
| TOTALS - All Phases | | | | | | | | | | | | | | | |
| EPV Net Cash Inflows w/o Residuals | 8,658,208 | | | | | | | | | | | | | | |
| EPV Reversion Flows | 4,330,417 | | | | | | | | | | | | | | |
| EPV Cost of Options | (3,461,473) | | | | | | | | | | | | | | |
| EPV Other Capital Outlays | (8,837,235) | | | | | | | | | | | | | | |
| EPV of Net Cash Flow to Invested Capital | 689,916 | | | | | | | | | | | | | | |
| ENPV, INVESTED CAPITAL | \$ 689,916 | | | | | | | | | | | | | | |
| Less: Annual prin + int | 3,249,162 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 443,395 | 332,521 | - | - | - | - | - | - | 256,273 |
| Less: Final prin payment | 4,372,867 | | | | | | | 4,372,867 | | | | | | | |
| ENPV, EQUITY | \$ (6,932,112) | | | | | | | | | | | | | | |