

Crescent Resources, LLC
Report to Board of Managers
Columbia, South Carolina Land Purchase
November, 2005

A. Description & Financial Parameters

We have negotiated the potential purchase of 35 acres at the corner of Clemson Road and Longtown Road in the fast growing area of northeast Columbia, South Carolina for a proposed purchase price of \$5,803,000.

Crescent envisions developing a retail center on the property with nine outparcels. We expect the nine outparcels, a total of 12.23 acres, to be sold in 2006 and 2007. We currently have LOI's from Arthur State Bank, Bank of Ridgeway, Circle K Convenience, Auto Zone and CVS Drugstore. We expect to net approximately \$6,247,000 in revenue from the outparcel sales.

We anticipate construction of the shopping center will begin in 2007 and we will request authorization to develop the center at that time. We have preliminary interest from two grocery stores, Kroger and Bi-Lo who would anticipate opening in late 2008 or early 2009.

Currently, we are requesting authorization for \$850,000 to fund closing costs, engineering fees and construction costs related to grading and paving the interior access road and stubbing the sanitary sewer, water and storm water to the outparcels.

The land purchase would occur in December 2005. Since construction on the center would not commence until late 2007, we anticipate using 1031 exchange dollars on the back 23 acres.