

YOUR SOURCE FOR REAL ESTATE, PLANNING,
DEVELOPMENT AND ASSET MANAGEMENT—



EXPERIENCE THAT STANDS OUT FROM THE REST.

SOUTHSTAR DEVELOPMENT PARTNERS INC.

REAL ESTATE DEVELOPMENT | SALES & MARKETING | ASSET MANAGEMENT



DEAR COLLEAGUES

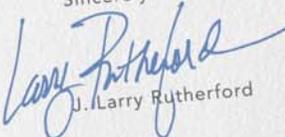
Nearly a decade ago, I formed SouthStar Development Partners with the goal of providing exceptional acquisition, development, asset management and marketing services to a select group of investors. Since that time, we have created value not only for our investors and ourselves, but also for the thousands of people who live and work in SouthStar communities from the Florida Keys to Jacksonville, and around the Dallas Metroplex. While we focus on the markets we know best – Florida and Texas – we have also explored and acted upon opportunities in other markets, including Chicago, Pittsburgh, the Carolinas and Mexico.

My background, in both large, publicly traded companies and smaller private equity firms, has taught me that the demand for well-conceived, solidly funded and smartly executed real estate projects transcends any temporary fluctuations in the marketplace.

By working hard and smart during the good times, my team and I have gained the experience and respect in the industry to continue to add value during the challenging times.

On behalf of myself and my associates, I am pleased to present this brief overview of SouthStar Development Partners.

Sincerely


J. Larry Rutherford

THE EXPERIENCE
TO IDENTIFY AND
CAPITALIZE ON
OPPORTUNITIES

SouthStar Development Partners, Inc. is an expert in the art of identifying opportunities and acting on them in the fast-changing real estate world. The firm's experienced team can take care of all of your residential and mixed-use development and asset management needs. We are experts in every stage of real estate acquisition, permitting and development, from government relations to design and project management. SouthStar's core activities are project analysis, financing, acquisition, planning, marketing, development and construction. SouthStar Development Partners has identified and acted on more than 15 projects in the past 10 years. The

Company continues to expand into the market's growth segments, including offshore development and repositioning existing projects.

Our expertise spans every facet of community development, from land development and major infrastructure to water, sewer, roads and storm-water management systems. Construction experience includes single-family and low-density multi-family residential, community features including boulevards, identification monuments, community parks, and amenity and sales centers. We are based in Coral Gables, Florida, with offices in Jacksonville, Orlando, Marathon and Dallas, Texas.



Artist's rendering, The Fountains, Ft. Myers, FL.

YOUR SOURCE FOR ACQUISITION, PLANNING, ENTITLEMENTS

At SouthStar, the acquisition process involves both identifying opportunity and translating that opportunity into a sound business plan. We understand different markets' supply/demand parameters, governmental constraints and the physical advantages/restraints of a particular property. We then create a clear plan involving both the physical elements of the site and its business elements.

SouthStar's investors look to the company to create the most value in order to maximize return over the shortest period of time. This

may take the form of a complete build-out or disposition to a third party prior to development; we handle either.

Success is measured in many ways, but ultimately families living, playing and working in communities built on these ideas define SouthStar's success. For example, Bartram Springs in Jacksonville began as an idea in 2002 and today is a thriving community with parks, a grand clubhouse and, most importantly, more than 2,000 people who call it home.



Hickory Hammock Comprehensive site plan, Winter Garden, FL.

MULTI-DISCIPLINARY, MULTI-FACETED, SINGULARLY DRIVEN...

YOUR SOURCE FOR DESIGN, ARCHITECTURE, MARKETING & SALES

The art of envisioning a project makes way for the art of creating the finished product, and SouthStar manages every step of the process. We pride ourselves in developing communities that create value. An important element of value creation is sound design of the elements that make a community special. Site plan elements, entry features, landscape design, community centers and parks all contribute to the personality of the finished product and reflect its value; moving water, dramatic landscape placement and architectural themes are all hallmarks of SouthStar

communities. Our builder clients continue to build in our communities in part because they know our next community will build on the quality and consistency of our previous ones.

With quality design and construction assured, SouthStar creates a "buying atmosphere" in the community. Through our in-house creative and media buying capabilities, and our affiliation with creative sales and marketing professionals, SouthStar has successfully marketed and sold the communities we have created.

Left, The Community Center at Bartram Springs, Jacksonville, FL; right, billboard for Marlin Bay Yacht Club created by the SouthStar marketing team.



THE CORE SOURCE...

WHEN YOU WORK WITH SOUTHSTAR, YOU TAP INTO MOTIVATED, EXPERIENCED REAL ESTATE PROFESSIONALS WHO HAVE WORKED TOGETHER FOR MANY YEARS AND REPRESENT ALL ASPECTS OF THE INDUSTRY. THIS TEAM WORKS TOGETHER TO IDENTIFY, ACQUIRE AND MANAGE THE SOUTHSTAR PORTFOLIO.



Prior to forming SouthStar, **Larry Rutherford** was, from 1990, President, Chief Operating Officer and Chairman of the Board of Atlantic Gulf Communities, a publicly-held community developer with 14 projects in Florida, North Carolina and Texas. Mr. Rutherford was previously with Gulfstream Land and Development Corporation, a multi-market land development and homebuilding company. During his nine years with that company, he progressed from Sr. Vice President to President and COO and ultimately CEO. From 1976 to 1982, he organized Wintergreen Development, Inc., which was affiliated with Bankers Trust Company, New York. Before joining Wintergreen, at Cabot, Cabot & Forbes Company he oversaw debt and equity financing for major office projects. Mr. Rutherford holds an M.B.A. from the University of Virginia and a B.S. degree in civil engineering from Virginia Military Institute.



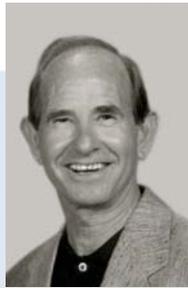
Managing Director **Kimball Woodbury** has spent his 30+ years in the development business focusing on asset identification, planning and entitlements, providing him with the experience to successfully undertake virtually any assignment in Florida, the Carolinas, Texas, and the Caribbean. Kim sits on boards and committees throughout Florida and is active in the Association of Florida Community Developers, where he is an annual featured speaker on planning issues. As Vice President of Project Development at Atlantic Gulf Communities, Kim identified and directed the development and disposition of numerous projects throughout Florida, Texas and Latin America. His fluency in Spanish is an added asset that he brings to projects in Florida and Central and South America.

As Senior Vice President and CFO of SouthStar, **Jodie Bakes** brings more than 20 years of experience in all aspects of finance, operations, acquisitions, transactions and analysis/evaluation. Until January 2005, she was CFO and Executive VP of Finance & Administration for Fisher Island Holdings, Inc. Prior to that, Jodie held a variety of senior executive positions in the real estate industry, including Vice President of Development at WorldStar Resorts (a time share and resort development enterprise formed by Starwood Capital), KPMG Real Estate and Hospitality Consulting, Andersen Consulting and Atlantic Gulf Communities.



...SOUTHSTAR DEVELOPMENT PARTNERS

SouthStar's Texas Division is headed by **Curtis Hawley**, a 35-year veteran of the real estate and banking industries in Dallas, Houston and Austin. Curtis directed the acquisition, development management and sales of three Dallas projects for SouthStar. The Trails of West Frisco, Curtis's first project for SouthStar, was the groundbreaking community in the City of Frisco in 1998. He oversaw the building of two miles of roads, water and sewer to open up the "Frisco Corridor;" since then, Frisco has become the fastest growing city in the Dallas Metroplex. Subsequently, Curtis directed the development of two additional SouthStar communities in Frisco, encompassing over 2,000 homes.



Clara Caitis serves as Project Controller for SouthStar. She has more than 25 years of experience in all aspects of real estate accounting, administration and asset management. Clara's background includes similar positions at Atlantic Gulf Communities, General Development Corporation and Cohen Financial.



As Director of Project Development for SouthStar, **Thaddeus Rutherford** is involved with or in charge of a large portion of the company's infrastructure and vertical construction projects in Florida. Thad began his career in the North Florida office of SouthStar, where he worked on the company's successful Bartram Springs community, managing its infrastructure construction. He has also worked on the Harbour Isles community in Tampa. Thad currently directs a \$60 million construction effort as Project Manager for the Marlin Bay Yacht Club in Marathon.



Thomas Gillette manages the Central and North Florida Division of SouthStar from our Jacksonville office. During his 30+ years as a developer and manager, he has worked on large, master-planned communities, in-fill subdivisions and mixed-use projects. He served as President of Atlantic Builders, a large single-family builder in Northeast Florida, as well as Regional Vice President for Westinghouse Communities and Atlantic Gulf Communities. His management expertise includes large-scale community infrastructure development, vertical production and a strong working knowledge of the complexities of Community Development District structure, finance and administration.

Alfredo Rodriguez-Walling, AIA, designs many of the infrastructure features in SouthStar's communities, and directs the construction efforts of outside contractors for such elements as clubhouses, entry features and streetscapes. In addition, Alfredo prepares the architectural standards required for builders that construct in the company's communities.

This in-house capability provides a consistency that continues to create value in SouthStar communities.



Brenda J. Yates, AICP, has more than 20 years of experience in Florida's planning and entitlement process. She provides planning and project management for SouthStar and its builders throughout the State of Florida. Brenda tackles large-scale developments, specializing in the approval and management of Development of Regional Impacts (DRIs). She has directed the master planning, permitting and local, state and federal approvals for more than 11,000 acres within Florida, including eight DRIs.



Harry Rose has over 30 years of experience in real estate marketing and advertising on both the creative side and the client representation side. He has worked for local and New York agencies, and has run his own firm. Harry coordinates marketing efforts with both freelance creatives and agencies used by our client builders. Additionally, he coordinates sales management and administration through affiliations with sales and marketing companies which deliver turnkey programs that commence at the pre-sales level and conclude with project sell-out.



SOUTHSTAR
DEVELOPMENT
PARTNERS



CASE STUDY: ACQUISITION AND ENTITLEMENTS FOR TWO OF NORTHEAST FLORIDA'S MOST COMPLEX DRIS



Project: Aberdeen and Durbin Crossing
Location: St. Johns County, Florida
Acquisition and Entitlement Process: Both Aberdeen and Durbin Crossing in St. Johns County, Florida, were in active timber production when acquired. Under SouthStar's guidance, they became two of the largest and most complex DRIs ever approved in Northeast Florida. SouthStar master-planned the development program and successfully secured the entitlements over three years to achieve Comprehensive Land Use, Development of Regional Impact, Planned Unit Development Zoning and Community Development District approvals. During the entitlement process, SouthStar resolved numerous local, state and federal issues.

The company collaborated with St. Johns County to provide land and construction of regional parks, schools, fire stations, affordable housing product and new transportation corridors. To assist St. Johns County with the Northwest Sector Plan for 80,000 acres, SouthStar designed and constructed a new regional road network to address Interstate 95 and County arterial roadway deficiencies. St. Johns County School Board and SouthStar partnered to create a funding source to build

a needed K-8th grade school within the Durbin Crossing Project.

Financing Structure: \$105 million of public financing for Aberdeen CDD and \$120 million for Durbin Crossing CDD, for major infrastructure including water, sewer, drainage, mitigation and transportation. Additional CDD financing for school construction

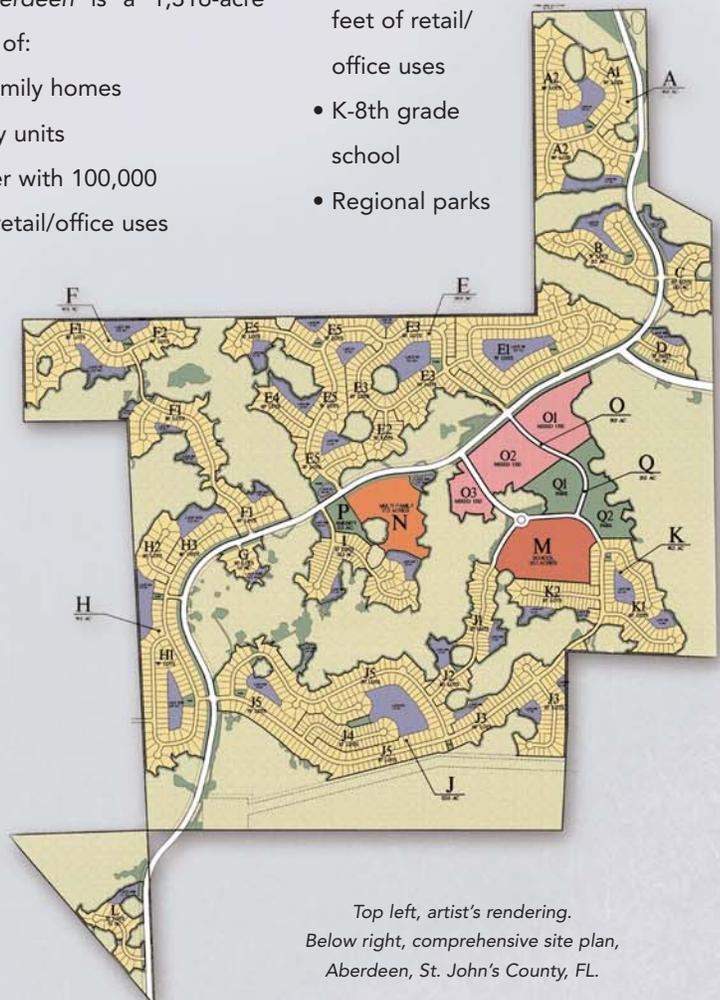
Description: Aberdeen is a 1,316-acre parcel consisting of:

- 1,623 single-family homes
- 395 multi-family units
- A Village Center with 100,000 square feet of retail/office uses

- Elementary school
- Neighborhood parks
- Extensive road network, both on-site and off-site

Durbin Crossing is a 2,086-acre parcel consisting of:

- 1,550 single-family homes
- 947 multi-family units
- Over 200,000 square feet of retail/office uses
- K-8th grade school
- Regional parks



Top left, artist's rendering.
 Below right, comprehensive site plan,
 Aberdeen, St. John's County, FL.



CASE STUDY: REPOSITION & TURN-AROUND AN EXISTING PROJECT



Golf course & community center at MetroWest, Orlando, FL.

Project: MetroWest

Location: Orlando, Florida

Repositioning Process: Prior to SouthStar's purchase, the 15-year-old MetroWest community suffered from slow sales, an unfocused plan and no strong vision for completion. SouthStar repositioned its remaining land parcels and reinvigorated the sales process, resulting in a total parcel sellout in three years. SouthStar obtained buy-in and cooperation from local government to work towards SouthStar's vision to enhance the value and accelerate the absorption of the remaining parcels. Local governments approved numerous modifications and variances to the zoning and site plans to incorporate SouthStar's new development program to address changing market conditions.

Project Description:

- 1,800-acre master planned, mixed-use development
- 560 acres of residentially zoned property, 650 acres zoned for 1,142,000 sf of retail space, 1,900 hotel rooms and 2,755,000 sf of office space
- 18-hole Championship golf course
- Village Center with 120,000 sf of retail and an elementary school



CASE STUDY: IDENTIFY NEW MARKETS



Project: The Trails of West Frisco

Location: Frisco (Dallas), Texas

Early on, SouthStar recognized the potential for northern expansion of the Dallas Metroplex beyond Plano. The company purchased a tract of land, which eventually grew to encompass 1,618 homes within the City of Frisco. SouthStar reached agreements with the city which entailed providing extensive public infrastructure, including more than two miles of public roadways and utility rights of way. The company also coordinated a centralized marketing program for 10 different builders in the community. Since the early 2000's, Frisco has become one

of the fastest growing communities in Texas, and subsequently SouthStar developed two additional communities in the city: Pearson Farms and Country Club Ridge.

Description:

- Master-planned residential community in Frisco, Texas
- 1,618 single family homes consisting of:
 - 433 Patio homes
 - 744 SF5 homesites (70')
 - 297 SF4 homesites (90')
 - 144 custom home sites
- Community club house and neighborhood swimming pools

- Frisco ISD elementary school in the center of the community
- Extensive trail system for residents
- Golf course frontage homesites
- SouthStar coordinated the marketing program for 10 builders



Top of page: Fairway living at The Trails of West Frisco. Right, the comprehensive site plan.



CASE STUDY: RESIDENTIAL CONSTRUCTION & ASSET MANAGEMENT

Project: Marlin Bay Yacht Club

Location: Marathon, The Florida Keys

The Construction and Management

Process: SouthStar identified and assembled two parcels on Florida Bay in The Keys that were previously entitled for 84 units and 99 boat slips. Existing uses, including a mobile home park, were eliminated. SouthStar then formulated and executed an extensive relocation program for the existing tenants of the mobile home park. This program went far beyond the State of Florida's mandate, and local and state officials commended it.

The project's award-winning architectural style is a blend of traditional Dutch Colonial and contemporary interior treatments. SouthStar gave extensive attention to construction methods to provide maximum protection from hurricane winds and rising water. Common elements include a large beach-entry swimming pool, an elegant clubhouse and a dockmaster facility.

Upon completion of the entitlements, SouthStar was engaged to manage the planning, construction, community operations, marketing and sales of the project.

The construction management process, which SouthStar conducts in-house, involves more than \$60 million in construction funding and an extensive sales and marketing budget.

Description:

- 12-acre upland parcel consisting of an assemblage of two tracts
- Existing marina of 99 slips
- Upscale community of 84 single-family 3-story homes, all with two-car garages, balconies, water views and many with roof-top terraces and direct access to the marina
- 8 residential flats to comply with affordable housing ordinances
- Marina slips ranging from 35 ft to 70 ft in two lagoons and along finished sea walls
- Multi-level clubhouse with meeting rooms, exercise and aerobic center and catering kitchen
- Resort-style swimming pool and tiki bar
- Dockmaster building with ship's store and concierge facilities

Artist's rendering of the entire Marlin Bay Community & Marina, looking toward the Seven Mile Bridge, Marathon, Florida Keys.



SOUTHSTAR DEVELOPMENT PARTNERS THE PORTFOLIO



Maps not shown to scale.

“WHILE WE FOCUS
ON MARKETS WE KNOW
BEST...WE ACT ON
OPPORTUNITIES WHERE
WE FIND THEM...”

— LARRY RUTHERFORD



FLORIDA

BARTRAM SPRINGS

JACKSONVILLE
Master Planned
Residential Community
1,347 Single-Family
250 Multi-Family
33 acres
School/Park/Amenity
410 acres Wetland
Preserve

ABERDEEN

JACKSONVILLE
Master Planned
Residential/Mixed Use
1,623 Single-Family
395 Multi-Family

DURBIN CROSSING

JACKSONVILLE
Master Planned
Residential/Mixed Use
1,551 Single-Family
947 Multi-Family
290 acres Schools/Parks/
Recreation
1,105 acre ROW/
Open Space Preserve

METROWEST

ORLANDO
Mixed Use:
1,154 Single-Family
7,693 Multi-Family
1,035,500 sq ft Retail
1,925,000 sq ft Office
485 acres Open Space

HICKORY HAMMOCK

WINTER GARDEN
Master Planned
Residential
500 Single-Family

DUNSON VILLAGE

POLK COUNTY
Master Planned
Residential
169 Single-Family
274 Multi-Family

LAKESIDE

ORLANDO
290 Residential Lots

HERITAGE RESERVE

VERO BEACH
Master Planned
Residential
550 Single-Family
88 Coach Homes
132 Townhomes
72 acres
Recreation/Conservation

STONEBRIAR

MANATEE COUNTY
750 Residential Lots

INDIGO ISLES

ESTERO
554 Residential Lots

HARBOUR ISLES

TAMPA
Master Planned
Residential
500 Single-Family
9.75 acres Park
165 acres Preserve

THE FOUNTAINS

FT. MYERS
Mixed Use
4,215 Single and
Multi-Family
600,000 sq ft Commercial
300,000 sq ft Office
1.5 million sq ft
Research Park
Golf, Parks, Open Space

MARLIN BAY

MARATHON
Residential Resort
84 Single-Family
99 Wet Slip Marina
Pool, Clubhouse
Dock Master Facility

TEXAS

THE TRAILS OF WEST FRISCO

DALLAS
Master Planned
Residential
1,618 Single-Family
Clubhouse/Pool
Trail System

COUNTRY CLUB RIDGE

DALLAS
Master Planned
Residential
246 Single-Family
9 acres Park Sites

PEARSON FARMS

DALLAS
Master Planned
Residential
485 Single-Family
13.5 acres Park Sites

FRISCO MARKET CENTER

DALLAS
Master Planned
Development
Retail, restaurant
Multi-Family
Hotel Entertainment

PENNSYLVANIA

CITY VISTA

PITTSBURGH
Multi-Family Community
10 Buildings with
404 Multi-Family
606 Parking Spaces

MEXICO

VERANDA

SAN MIGUEL DE ALLENDE
Master Planned
Residential/Resort
2,700 acres
1,000 Residential Units
Resort Golf, Hotel,
Equestrian Center,
Village Center, Spa



255 Alhambra Circle,
Suite 325
Coral Gables, FL 33134
305.476.1515
305.476.1519 FAX
www.southstardevelopment.com