

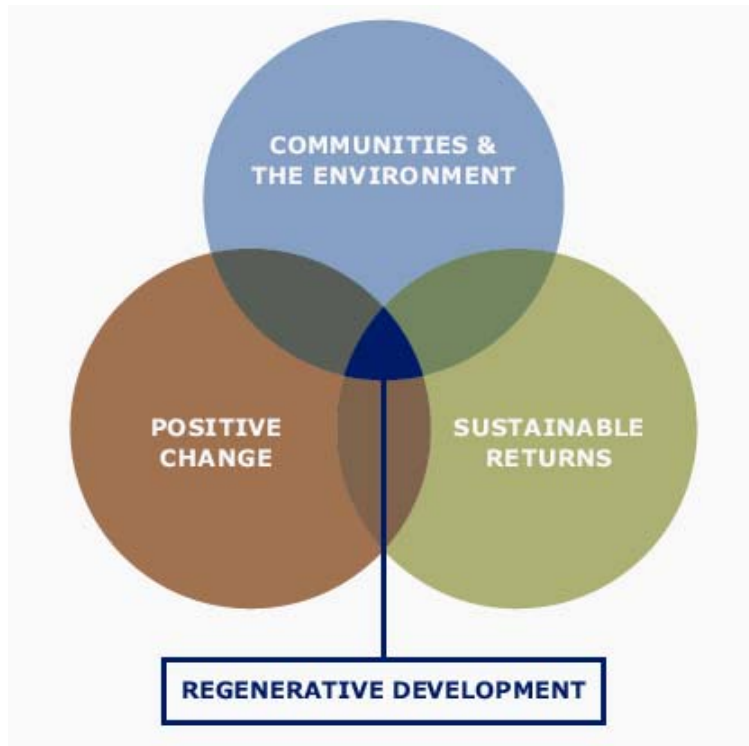
San Francisco
2008

Investing in Green TODs: Case Studies and Success Factors



Cherokee is an Investor in Green TODs

Cherokee is a leading private equity firm investing capital and expertise in the redevelopment of urban infill sites, transit-oriented development and brownfields



- > \$2.0 billion of assets under management
- > \$250 million will be spent on remediation
- > 525 properties worldwide
- Current \$1.2 billion fund to place

What does Cherokee do?



ACQUIRE

Site Selection

RESTORE

Remediation and Site Planning

REUSE

Site Design and Construction

Perspectives on the Business Case

Sustainability Contributes to
Investor Returns



**G
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Equal or Better Portfolio Returns
New Product Development or Business Diversification



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Sustainable Redevelopment: Value Components

Economic

Enhanced Tax Base
Value Creation
Local Providers
Pricing Efficiency
Job Creation
Buying Power

Social

Mixed Demographics
Faster Absorption
Stakeholder Engagement
Risk Reduction
Affordable Housing
Public Incentives

Environmental

TOD
Density & Value
Low Impact Development
Acreage & Amenities
Energy Efficiency
NOI & Marketing

Case Study #1: Charlotte, NC

Site:

- Contamination -- a former dry cleaners, service station and chemical lab
- Located only a few miles from uptown Charlotte

Development Opportunity:

- Rail service began in late 2007 and ridership is exceeding expectations
- Currently no station exists in this development area
- Largest current developable land assemblage on the rail which allows for:
 - Enhancing community building
 - Improving connectivity for pedestrians and vehicles
 - Providing a better mix of uses and diversity of price points
 - Influencing public realm and creating gathering places
 - Creating synergistic land uses along the rail
- 1.5 million square feet of residential, hotel, office and retail use planned

Charlotte, NC



Investment Details

Estimated Development Value: \$406 million

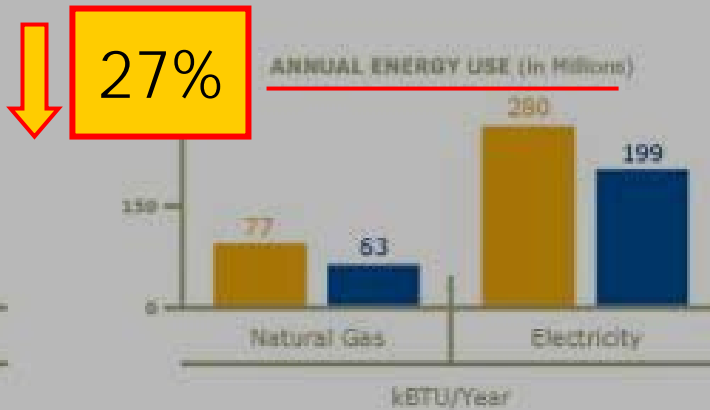
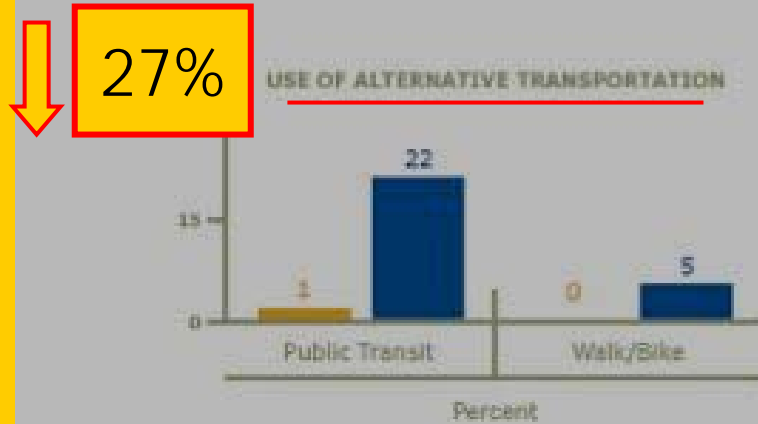
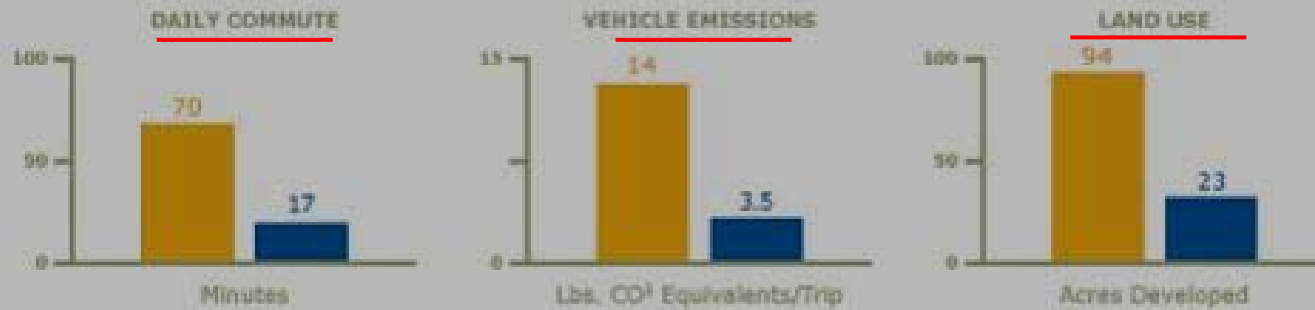
Size: 29 acres

Type: Mixed-use, TOD

Charlotte, NC

POSITIVE IMPACTS OF SOUTHLINE TOD*

75% 75% 75%



*Based on 2008 research conducted by Sesett Associates.

Case Study #2: Boisbriand, Québec

Site:

- Former General Motors automobile manufacturing plant
- Contamination -- hazardous waste storage areas, underground hydraulic hoists, and gas and diesel storage tanks

Development Opportunity:

- Canadian Urban Institute's (CUI) "Brownie" Award for sustainable design and technological innovation
- Designed to Gold certification in LEED-ND pilot program
- 3-mile pedestrian network; 4-mile bicycle network with > 500 bike stands planned
- > 3,000 new jobs to be created
- >2,400 new trees to be planted
- 1,700 residential units planned
- New Civic Town Center

Boisbriand, Québec



Investment Details

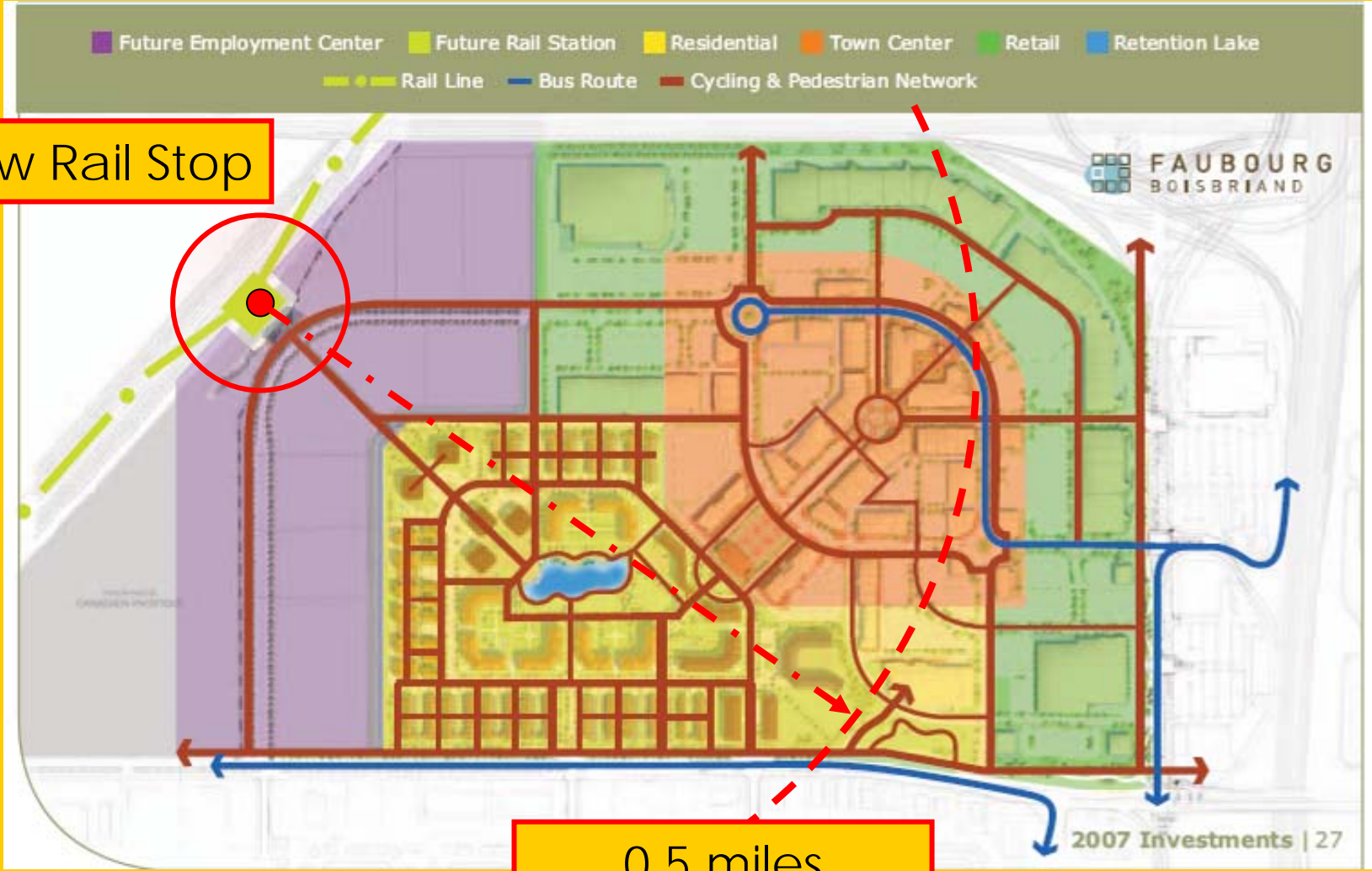
Estimated Development Value: \$1.0 billion

Size: 232 acres

Type: Mixed-use, TOD

Boisbriand, Québec

New Rail Stop



0.5 miles



San Francisco
2008

Green TODs: Success Factors

Partnerships:

- Supportive local government & community
- Collaboration with development and building partners who understand “value-based” proposition

Communication:

- Dispelling of myths (e.g., lower land value, higher construction costs)
- Reduction in carbon footprint as indicator of innovation and excellence

Investment:

- Use of cost-saving green measures (e.g., LID stormwater strategies, CD waste reuse, high performance building)
- Market to local demographics/psychographics
- Ability to change rules to create significant value