

Community Development Deal Summary

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WACHOVIA



Project name: The Navy Yard at Noisette

Project city and state: North Charleston, SC

Developed by: The Noisette Company, a South Carolina Limited Liability Company formed to master plan, develop, and renovate an overlay zone of the City of North Charleston. John Knott and Jim Haley are primary contacts. This transaction represents the permanent financing for three recently renovated buildings (7 Storehouse Row, 11 Storehouse Row, and 2301 Noisette Blvd Warehouses).

Wachovia New Markets Tax Credits Investment (\$):

\$6,220,000 senior loan

\$1,492,800 senior supplemental loan

Breaking ground, building underway or building complete? The three buildings were rehabilitated from late 2003 to early 2004.

Wachovia finance closing date: December 2005

Project complete date: December 2005

Project overview: Wachovia is financing the take-out for two office buildings totaling 78,000 sf and three warehouse buildings totaling 245,000 sf in North Charleston, SC. The buildings are located within the Storehouse Row district of the Navy Yard at Noisette and were the first rehabilitated in this multi-phase, multi-use property. These buildings served as the storehouses and offices for the US Navy when the area served as a base.

Community impact: Noisette is the product of a unique public-private partnership between the Noisette Company, the City of North Charleston, and the residents who live inside the Noisette footprint. In 2001, the principals of Noisette worked with community groups, city representatives, and leading architecture and land planning firms to create a redevelopment master plan detailing environmental restoration, infrastructure improvements, expansion of parks and recreation areas, improvements to retail and mixed use areas, school improvements, integration of arts and culture, and other facets of a truly sustainable community. The master plan encompassed over 3,000 acres. The Noisette Company for was able to purchase the 300 acre former Naval base. This first 300 acre phase will be the catalyst for the 3000 acre master plan. This area has had substantial environmental cleanup because of its former use as a naval base, and will have an adaptive reuse in order to create a new unique community. The developer of the Noisette project has been featured in the Professional Builder magazine for this project.

Noisette's vision for restoration and development of the broader Noisette area includes mixed-use waterfront buildings, small footprint high rise structures, a grand mix of historic residential areas, a conference/research center, a riverfront park, nature center, a Maritime Museum, and other property devoted to cultural and civic use for the decommissioned Charleston Naval Complex, the Noisette Creek, and substantial Cooper River frontage. Based on the mapping this is a specially targeted area with poverty rates above 40%. The development will capitalize on the rich history of the old navy base and restoration of the Noisette Creek wetlands.

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Jobs To Be Created in Low Income Community:

The project will maintain approximately 194 permanent jobs. The permanent jobs will consist of manufacturing jobs, maintenance jobs, and management positions.

Services provided to Residents of Low Income Community:

The project will serve as a catalyst for future commercial development, which will provide convenience shopping, and services to an area that has seen limited retail development.

The NMTC benefit will allow the company to have lower overall lease rates than market as the area continues its redevelopment. Presently, this area is not known as a traditional office market area, so until the area begins major redevelopment, there must be attractive lease rates for tenants. Without the NMTC involvement, the company would need to lease the buildings at market rates, which could hinder the project either attracting new tenants or maintaining the existing tenant base as the area redevelops.