

## PRUDENTIAL TIMBER INVESTMENTS

### Aiken, South Carolina

Prudential Timber Investments had been approached by parties expressing interest in purchasing some of Prudential's land holdings in the Aiken and Augusta areas. Specifically, a firm was interested in the development of a residential and golf course community on one property and another firm was interested in property for industrial uses. The properties, featuring frontage along and access to I-20, are located approximately two to three miles from Aiken, some 15 miles from Augusta.

As a result, Prudential Timber Investments retained RCLCO to determine:

- Whether development of a residential and golf course community with some commercial and an industrial park are feasible for the subject properties, particularly as they may affect adjacent properties Prudential would still own;
- Identify the next logical parcel that represents the better opportunity for an industrial park; and based on the development opportunities, what is the estimated fair market price Prudential should expect to receive for the properties.

Our objective was to answer these questions, for which we undertook a research and analytical process that incorporated:

- An evaluation of the strengths and weaknesses of the properties for potential development as a residential and golf course community and as an industrial park, particularly as they relate to other properties Prudential owns;
- An overview analysis of current and future economic, demographic, and market trends in the region influencing demand for housing, golf, and industrial uses;

- A general qualitative assessment of the local and regional competitive environment to determine potential opportunities; and
- Identification of market opportunities and land pricing for the subject properties.

The goal of a second phase was to determine the development and/or disposition opportunities and timing for each of the remaining sites. This included:

- An evaluation of the strengths, weaknesses, constraints and potential opportunities for development of each property;
- A quantitative and qualitative assessment of the local and regional competitive environment;
- Synthesis of demand and supply information, including forecasted net demand for specific types of land uses and products and capture rates for the subject properties; and
- Identification of market development and/or disposition opportunities for the properties, including types of land uses, target markets, positioning, pricing, timing, and annual absorption potential.