

Centennial Plaza

*A celebration of art,
architecture, and nature*

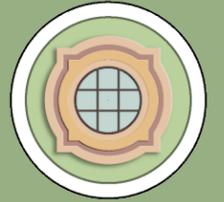
DRAFT

Centennial Plaza
Development Plan

Glastonbury Gulfport LLC

Submitted to the Gulfport
Redevelopment Commission

August 21, 2012



1. INTRODUCTION

On May 14, 2012 Glastonbury Gulfport LLC (Glastonbury), a Mississippi company, executed a long term lease (the “Lease”) to become the operator, manager, and developer of Centennial Plaza, the former Veterans Affairs Hospital located in Gulfport, Mississippi (the “Property”). The Gulfport Redevelopment Commission (GRC), the redevelopment agency of The City of Gulfport (the “City”), remains the owner of the Property. As defined by the Lease, the parties entered into a public/private partnership.

Glastonbury is leasing 57.88 acres on two parcels, the North Parcel consisting of the Laundry Building and surrounding Property and the South Parcel, consisting of ten historic buildings arrayed in a campus setting along Highway 90. The buildings in the South Parcel were primarily constructed in the 1920s and 1930s. They are recognized by the Mississippi Department of History and Archives (MDAH) as historic properties and must be developed and managed in accordance with its regulations. The buildings are classified as Mission Style Spanish Colonial Revival architecture, and are situated in a campus setting most notable for its green space, parade field, oak trees, and adjacency to the beach.

Glastonbury intends to redevelop the site in a manner sympathetic to its impressive architecture by restoring and protecting the existing buildings, while maintaining to the extent possible the salient open space and water features, as well as the live oak trees situated throughout the Property. Glastonbury is also considering new construction that is sensitive to the historic character and layout of the campus in a mixed use environment that includes some or all of the following uses: hotel, restaurant, retail, resort, conference, office, residential, and senior living. The development will be phased over time to meet market demand and the stipulations contained in the Lease.

2. PURPOSE

The purpose of this Development Plan is to inform the GRC, and the greater Gulfport community, of Glastonbury’s plans for the Property. It is to serve as a general blueprint for how the development will proceed and what it will generally look like. Under the terms of the Lease (paragraph 6.2), Glastonbury is required to use a “commercially reasonable, good faith effort to complete...the initial Development Plan” and submit it to the GRC for its approval within 210 days of lease execution, around mid-December 2012.

Paragraph 6.2 of the Lease addresses a number of issues related to the Development Plan:

It is the intent and agreement of the Lessee that the Development Plan will contemplate a first class development consistent with the Premises’ location, market and market demand; and to be maintained and operated in a manner consistent with such a standard. Lessor acknowledges that the Development Plan to be submitted may include a phased development of the Parcel; may include a mix of uses within each phase to include commercial, residential, retail, hospitality, restaurant and other uses not otherwise prohibited by this Lease; and may include new construction. Furthermore, Lessor acknowledges that the Development Plan will serve as a general guideline for the types and locations of uses within any single phase or building.

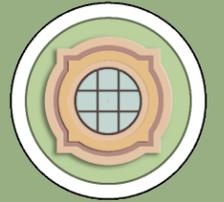
This Development Plan, once approved by the GRC, will serve as the blueprint for future development subject to allowable amendment to meet market demands and changes.

South parcel: 48.67 acres

North parcel: 9.21 acres



Aerial photograph showing two parcels



3. THE PLANNING PROCESS, VISION, AND GOALS

The Development Plan represents a compilation of years of hard work and community visioning, beginning in 2005. Long before Glastonbury expressed an interest in developing the Property, the City and the GRC were working to define a future for Centennial Plaza. Numerous experts were retained to advise the community in urban land planning initiatives that helped to define not only Centennial Plaza, but also the greater Gulf Coast in its post-Katrina development. The expressions of those multiple efforts have been studied in drafting this document, and in the planning for the Property.

Perhaps the most defining work was directed by Duany Plater-Zyberk & Company (“Duany”) in its study, “Veteran’s Administration Medical Hospital Campus.” Duany held numerous community charrettes and visioning sessions to develop a proposed Master Plan for Centennial Plaza.

Glastonbury is incorporating a number of the design principles of the community-derived plan into this Development Plan and the future of Centennial Plaza, including:

The proposed buildings on the VAMC campus will reinforce the historical Mission Style campus design and create a lively, mixed-use environment. Its location on the Mississippi Sound and its proximity to nearby attractions will allow the campus plan to be the center piece of this important redevelopment project, and encourage residents and visitors to spend more time in Gulfport. The Master Plan calls for compact and well-structured commercial and civic buildings, with a significant portion of the land allocated for public civic space...The addition of hotel rooms, as well as convention, function, and meeting space will maximize the use of existing buildings and help activate the site around the clock.

The Duany plan calls for the reuse of existing buildings on the site, as well a significant amount of complimentary new construction. It suggests that the campus be pedestrian oriented in a mixed use environment with multiple auto and pedestrian ingress and egress points to the Property, as well as safe pedestrian access to the beach. These are all important development principles heavily informing this Development Plan and the Property’s future. It is critical to note that these elements, forming the basis for the Property’s future, were derived from an extensive community inspired planning process providing ample opportunities for the general public and elected officials to voice their important contributions.

Important adjuncts to this planning process were the numerous private and public sessions held between Glastonbury and the Gulfport community. From the various meetings, Glastonbury documented a collage of community thoughts and wishes into a tightly knit vision. Starting with the GRC, Glastonbury received significant input that the historic nature of the site be preserved, that the natural elements of the Property be accentuated (including the oak trees, water features, and beach), that the Property remain open for public access and use, and that it be ultimately developed with a complimentary mixed use scheme that supports some or all of the following uses: hotel, restaurant, retail, resort, conference, office, residential, and senior living. Glastonbury also had the opportunity to meet with many elected and appointed officials – all of whom supported this general vision for the Property’s development.



- HOTEL
- MEETING SPACE
- RESIDENTIAL
- RETAIL / RESTAURANT
- OFFICE

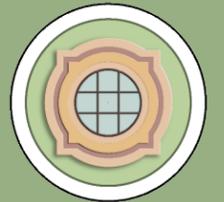
Duany Plan

EXISTING BUILDING PROPOSED USES

1. HOTEL LOBBY (11,400 SF) AND ROOMS (11 KEYS)
2. HOTEL ROOMS (20 KEYS) AND SERVICE (28,000 SF)
3. RETAIL (16,000 SF) AND HOTEL ROOMS (21 KEYS)
4. RETAIL (15,600 SF) AND HOTEL ROOMS (21 KEYS)
5. MEETING SPACE (13,500 SF)
57. HOTEL ROOMS (62 KEYS)
62. HOTEL ROOMS (40 KEYS)
63. CHAPEL / MEETING SPACE (8,900 SF)
64. RESTAURANT (13,000 SF)

NEW BUILDING PROPOSED USES

- A. CONFERENCE CENTER - 38,000 SF
- B. RESIDENTIAL - 5,600 SF PER FLOOR
- C. RESIDENTIAL - 5,600 SF PER FLOOR
- D. COTTAGES - 6
- E. RESIDENTIAL - 26 DU (AT 1,000 SF +/-)
- F. COMMERCIAL - 5,500 SF (ON 2ND FLOOR)
- G. COMMERCIAL - 5,500 SF (ON 2ND FLOOR)
- H. COMMERCIAL - 5,500 SF (ON 2ND FLOOR)
- I. COMMERCIAL - 5,500 SF (ON 2ND FLOOR)
- J. RESIDENTIAL - 38 DU (AT 1,000 SF +/-)



Finally, Glastonbury brings its own perspective to the development. Years of experience developing commercial, residential, and mixed use properties (including historic preservations) create a reservoir of knowledge applicable to Centennial Plaza. Glastonbury embraces much of the community vision, but also brings the important, leveling perspective that in order for the development to be successful and for the vision to be realized, the development must be economically feasible. To do so, the development must be market responsive, phased over time, and contain elements that user's desire. There is no end to the amount of money that could be deployed restoring Centennial Plaza. The critical key to realizing the vision is to deploy capital in a precise manner that sustains the development over the long term. This is an important aspect not contemplated in the Duany study; but it is a reality to the future success of the development program. It must be financially sustainable or it will fail.

Part of the planning process is the calculation of the overall costs related to restoring the Property, its buildings, and infrastructure; and to seamlessly integrating it into the surrounding neighborhoods and broader community. The numbers, along with the visionary descriptors, tell the complete story. To develop its financial pro forma, Glastonbury has retained local engineering firms to provide analysis related to the horizontal infrastructure. It hired local land planners and architects to crystalize the costs and phasing schedules of vertical development and the restoration of existing buildings. It worked with local utility companies to cost bringing new infrastructure systems into the Property. The result is a Development Plan, and attenuate phasing schedule, that is market responsive, and that deploys capital in a manner that sustains the vision over the long term.

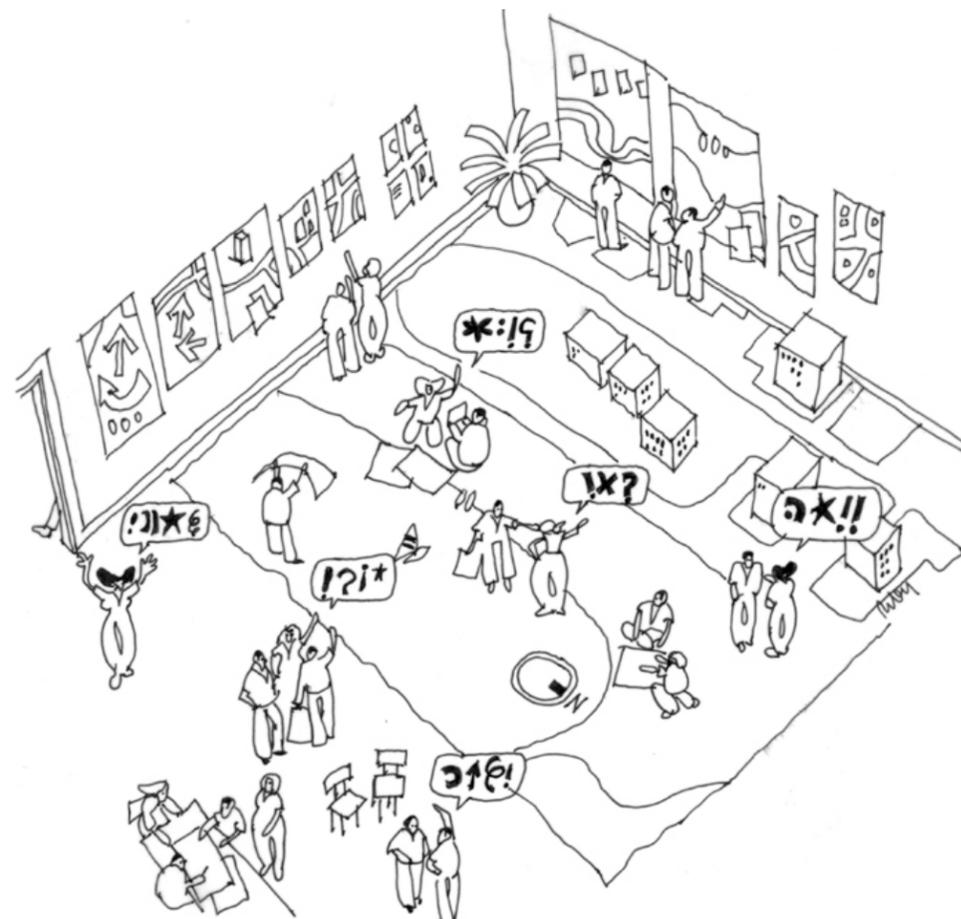
4. DEFINING PRINCIPLES

As the developers of Centennial Plaza, Glastonbury created the following as its defining principles in the successful redevelopment of the Property:

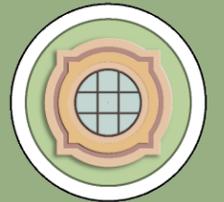
- The development will proceed over time in a manner consistent with Glastonbury's lease with the GRC.
- The development of Centennial Plaza will largely reflect the community's input as defined by multiple planning meetings, visioning sessions, and community charrettes.
- Glastonbury will protect the historic nature of the existing buildings in a manner consistent with MDAH guidance and approval.
- The development will accentuate the natural features of the Property by, where practical, preserving the oak trees, water features, open spaces, and beach access inherent to the Property.
- The Property will generally remain open to the public. It is owned by the GRC and the GRC serves as Glastonbury's landlord. Glastonbury encourages the continued use of the Property for public festivals, activities, and meetings. The exception will be, of course, those parcels and/or buildings leased to third parties for their private use, like private residences and businesses.
- The development will represent a mix of uses defined as two or more of the following uses: hotel, restaurant, retail, resort, conference, office, residential, and senior living.

- The development will be phased over time to meet market demand.
- The development will include the construction of new buildings reflective of market demand.
- The City of Gulfport, Harrison County and the State of Mississippi will retain critical functions related to the Property's successful development, including an important role securing grants for the Property's development, approving zoning that supports the Property's long term growth and allows the realization of the community's vision, providing essential public services, creating safe auto and pedestrian traffic and beach access, and assisting with tax and insurance issues characterizing an economically feasible and sustainable development.

These principles will define the decisions made and actions taken at the Property. A condition precedent to outlining those decisions and actions, however, is to understand the current condition and situation found at Centennial Plaza.



The Charrette



5. CURRENT SITUATION

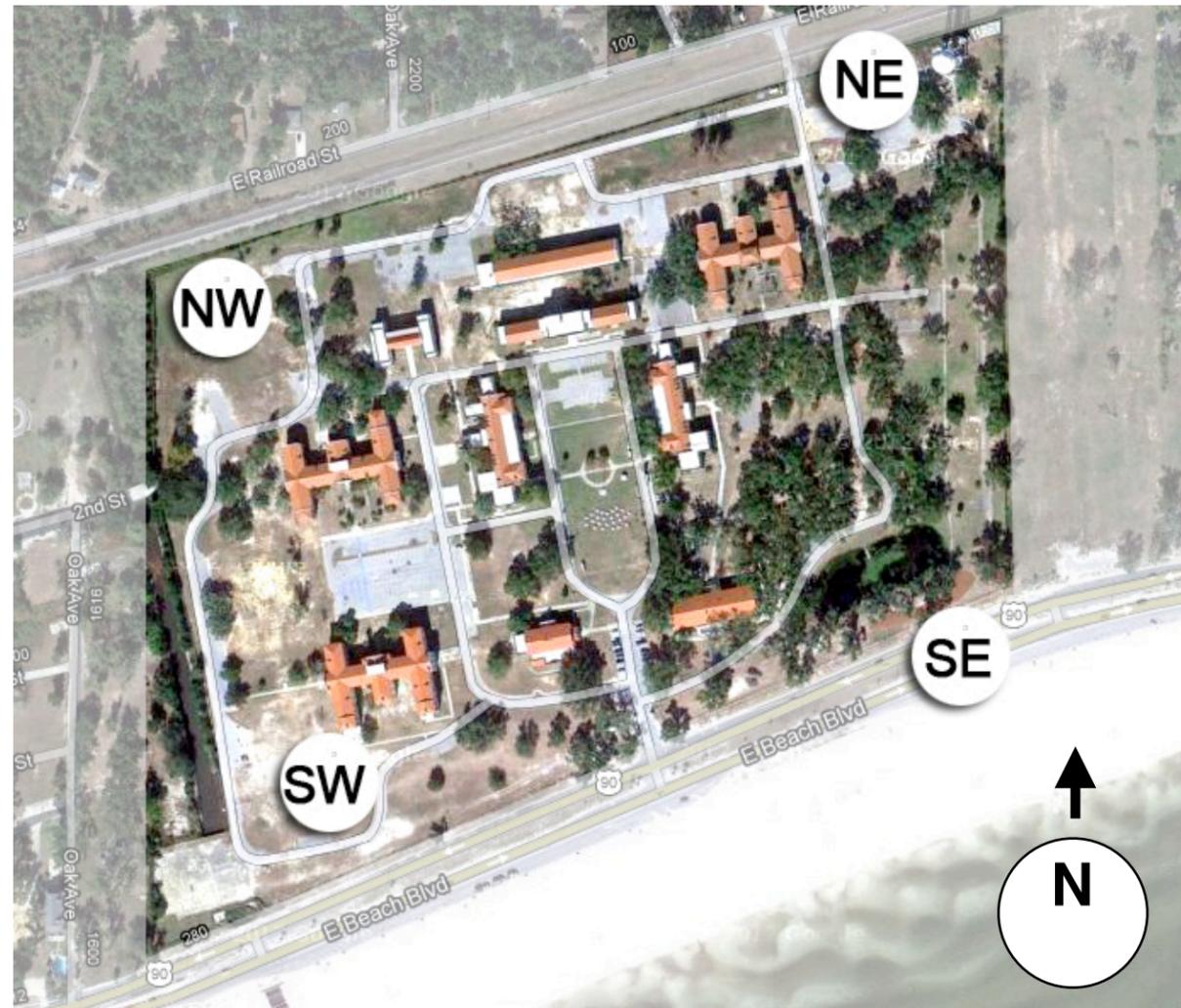
Centennial Plaza was vacated and abandoned by the U.S. Department of Veterans Affairs in the wake of Hurricane Katrina's Gulf Coast landfall on August 29, 2005. The tidal surge flooded substantial portions of the Property under 15-feet of water. Hurricane-force winds buffeted the buildings. The above- and below-ground infrastructure systems were severely compromised. In response to the storm, Federal, State, and Local governments worked diligently to clean the Property, conduct selective demolition of catastrophically damaged buildings, and restored building envelopes with new roofs, windows, and doors. Environmental remediation occurred at the Property, and building interiors were stripped to studs and columns, removing interior walls, mechanical and electrical systems, plumbing, fixtures, lead paint, and asbestos.

The Property has been vacant for nearly seven years – a considerable period in light of the ravages of time and nature – with only minimal maintenance to protect building envelopes and maintain basic landscaping. The heat and humidity, expansion and contraction, and some vandalism have taken its toll on the buildings. Basic infrastructure systems remain largely inoperable. At the time the Lease was executed, Centennial Plaza was not served by electricity, gas, fiber, street lights or sewer systems. Water was partially restored to the Property by the City (including restoration of fire hydrants); and the water tower was recently activated with main lines running through portions of the Property. The storm water system has not been actively maintained.

Access to the Property is limited to the City engineering and maintenance staff, and to the GRC. The public has been welcomed to the Property on only a very limited basis for special functions and events, like Cruising the Coast. The Property is enclosed with barbed wire-topped security fencing. The Second Street entrance and Highway 90 entrance are controlled by secure gates that are generally locked. Finally, the critical easement across the railroad tracks providing essential passage from the North Parcel to the South Parcel was surrendered; creating an island of the North Parcel with no appreciable connectivity to the South.

While the current situation represents a daunting challenge to redeveloping the site, it can be emphatically stated that the City took aggressive, proactive, and effective steps to preserving the Property. The mere fact that the historic buildings are still standing (and not the victim of the FEMA wrecking ball) is a testament to the courage and leadership of City and State officials. City officials argued for (and won) the right to reprogram demolition funds into basic building restoration and clean-up money; resulting in the installation of critically important protective roof systems, windows, and doors that shut the building interiors from the scourge of weather. Stripping the building interiors to outside walls and columns, and the resulting remediation and disposal of lead paint and asbestos, represents a cost savings in the redevelopment of these properties. With only a very limited budget, the City has maintained the landscaping in an appropriate manner, especially in light of some very demanding public functions at the Property that strain manpower and budgets.

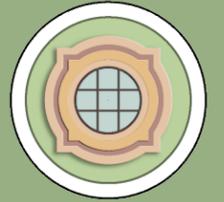
A further exploration of the current situation at the Property rightly begins “outside the fence” by exploring adjacent neighborhoods and uses; then assesses the situation “inside the fence” by reviewing the condition and capacity of existing buildings, infrastructure systems, roads and grounds, and natural features.



Aerial photograph showing quadrants

5.1. CURRENT SITUATION – ADJACENT LAND USES BY QUADRANT BORDERS

While the entirety of Centennial Plaza defines a unique resource, each of the borders of the site exhibits opportunities, conflicts, and issues specific to itself. In this section of the Development Plan we review each of the quadrants to assess those specific opportunities, conflicts and issues in order to better understand how to synthesize adjacent land uses into the broader development of Centennial Plaza.



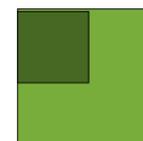
Northwest Quadrant Borders

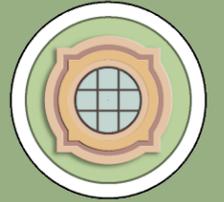
The Northwest corner may provide access to the Clower-Thornton Nature Preserve and also borders Second Street, Coffee Creek, the CSX rail line, and sits in close proximity to the sewage lift station and high pressure gas lines that will ultimately serve the Property.

- ☒ Opportunities. This quadrant of the Property serves as an important access point for critical infrastructure, as well as future vehicular and pedestrian traffic. Connectivity to the sewage lift station and gas lines is required, and must be achieved to complete the Property's infrastructure systems. Access through the Second Street gate will be important to support pedestrian traffic, but also vehicular and emergency vehicle traffic in the future. Finally, the restoration of Coffee Creek along the Property's west boundary provides an exciting opportunity to bring a visually important water element into the development.
- ☒ Conflicts. Glastonbury is mindful and respectful of concerns expressed by the residents of Second Street that they prefer a controlled access point at the Second Street gate. In coordination with the City and in compliance with its requirements, Glastonbury intends to keep the Second Street gate primarily closed and locked until market conditions and activity at the Property dictate that it be opened to ensure efficient and safe ingress/egress. At that time, and in consultation with the City, Glastonbury will assess to what extent, and by what methods, access through the Second Street gate can and will be controlled.
- ☒ Issues. There are a number of important issues related to this quadrant that must be collaboratively addressed in the future. Critical infrastructure systems must be extended to the Property. The Second Street gate will be permanently opened for pedestrian and vehicular traffic, but in coordination with the City. Grant funds must be secured for the restoration of Coffee Creek. Finally, Glastonbury hopes to explore with the City the potential future restoration of the nature preserve for walking trails and gardens. Potential redevelopment of the nature preserve and Coffee Creek will require the cooperation of a number of City and State agencies, along with satisfying potential security needs of the 2nd Street Civic Association.



Northwest quadrant





Southeast Quadrant Borders

The Southeast Quadrant is bounded by U.S. Highway 90 (East Beach Boulevard) and is currently vacant land. There is no access or egress from this portion of the Property, though it has been proposed that an access road could be constructed from Centennial Plaza to Court House Road.

- ☒ Opportunities. The acquisition of the adjacent vacant land would allow new development without the requirements of MDAH and would also allow for traffic flow to Courthouse Road. New development could include a resort hotel along Highway 90, providing an ocean view and access to the beach.
- ☒ Conflicts. No apparent conflicts related to this quadrant's bearing on the development of Centennial Plaza are apparent at this time; though it should be stated that future development of adjacent beach front Property is dependent on general market conditions and demand.
- ☒ Issues. Glastonbury's effort to acquire additional land is tied up in a bank merger and is not controllable by the developers. There is no apparent time line for the resolution of this issue.



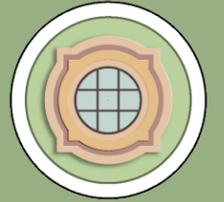
Southeast quadrant



Main entry

East Beach Boulevard

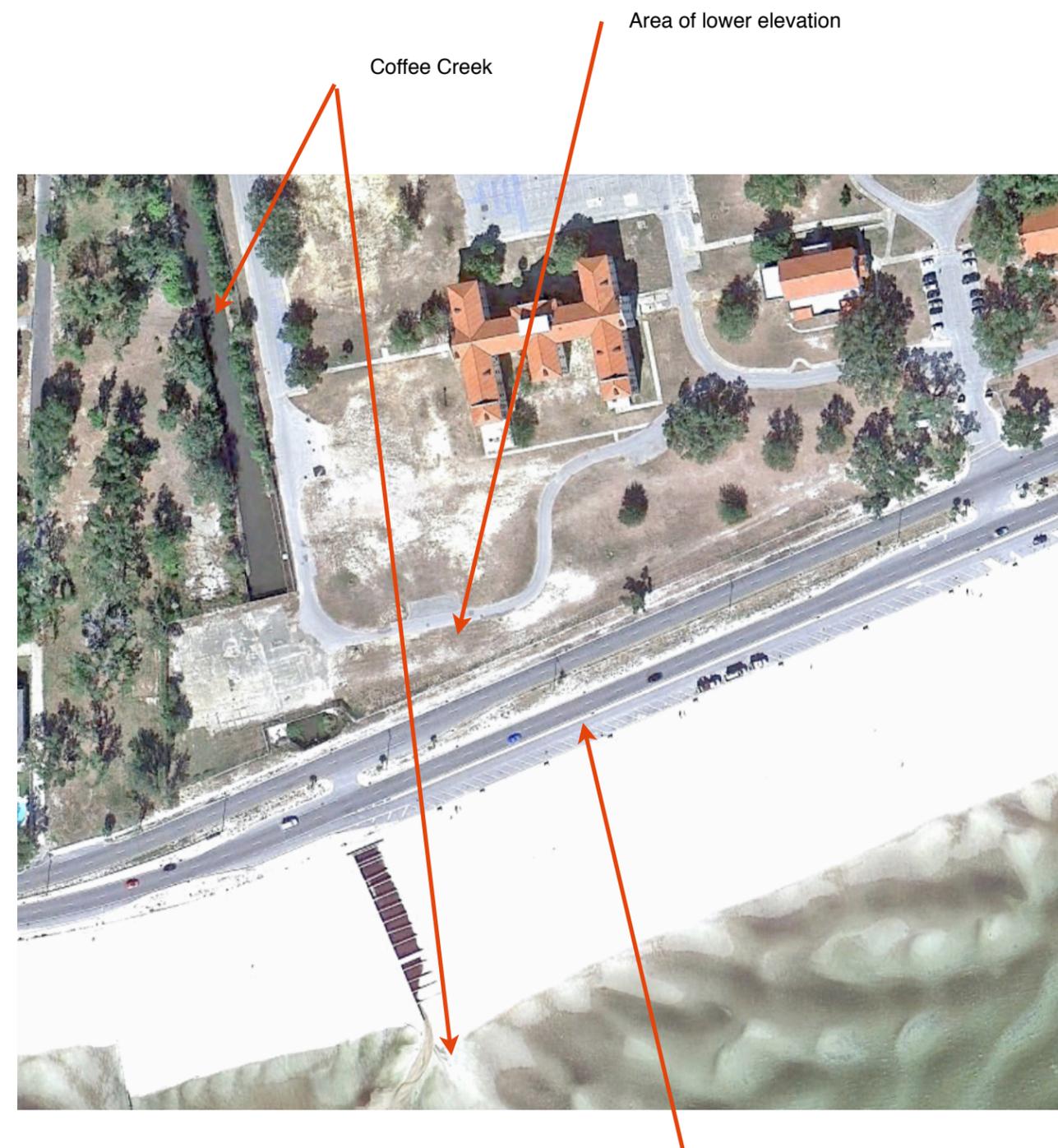
Pond and bridge



Southwest Quadrant Border

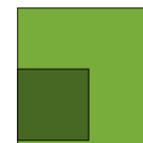
The Southwest Quadrant is bounded by East Beach Boulevard and Coffee Creek.

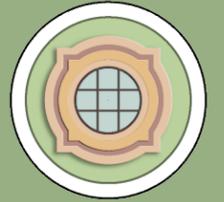
- ☒ Opportunities. There has been a very minor discussion of acquiring the land on the west side of Coffee Creek so that both banks would fall under the control of the developer. This Property would allow for the complete restoration of both banks of Coffee Creek; and could support the modest development of single family homes in the future. It would serve as a transitional buffer into Centennial Plaza. Inside the fence, the area along the boundary line has traditionally supported ancillary buildings. This represents an ideal location for future development. This section may also be ideal for a hotel developer for new amenity construction, parking/swimming pool if they are going to use Building 57 as a boutique hotel.
- ☒ Conflicts. Coordination with the City and neighbors will be very important as Glastonbury plans the future of this tract, assuming it acquires it and brings it into the development.
- ☒ Issues. Coffee Creek acts as major storm water drainage for the Property and its involvement with future development as an amenity must take that into account. Also, this quadrant of the Property is reported to be lower in some areas of the Property. This could represent an issue developing this corner of the Property; or it might serve as an ideal location for a parking garage depending on future market demand.



Southwest quadrant

East Beach Boulevard





Northeast Quadrant Border

The Northeast Quadrant backs on the railroad tracks and the city owned water tank. There is an underground pedestrian passage to the “North Parcel.”

- ☒ Opportunities. There is sufficient space in this quadrant and along the Property’s east boundary line to support single family residential development, senior independent living or alternatively a small-scale office park.
- ☒ Conflicts. It will be important to coordinate with the City related to its potential future plans to construct an access road from the Property to Court Houses Road.
- ☒ Issues. Integrating the east boundary in a sympathetic manner to developments outside the fence, whether they be spearheaded by Glastonbury or another developer.

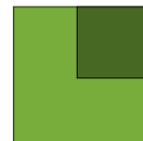


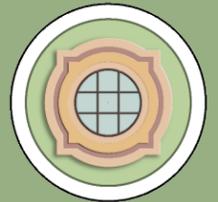
CSX Railroad tracks

Water tower

Northeast quadrant

Possible connection to
Courthouse Road to east





5.2. CURRENT SITUATION – NATURAL FEATURES

As much as its historic architecture, Centennial Plaza is defined by its beautiful natural features. Together, the compelling buildings and grounds combine with their natural environment to make a truly memorable, very special campus. In this section of the Development Plan, Current Situation – Natural Features – Glastonbury catalogs these natural elements. Recognizing their important contributions to the overall beauty of the site, and to the overall experience of enjoying Centennial Plaza, is an important first step to integrating them into the development.

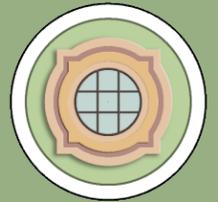
- ☒ Oak Trees. Centennial Plaza is well known for its stand of live oaks.. They provide a wonderful shade canopy, a beautiful view shed, and a park-like environment that cannot be replicated absent years of growth and protection. Glastonbury intends to continue to protect the oak trees at the Property. In some cases, it may be necessary on a very limited basis to trim certain trees to accommodate new construction (probably only along the west boundary line) consistent with governing authorities, but the overall development principle in this Development Plan is to protect, preserve, and accentuate the stand of wonderful oak trees.
- ☒ Water Features. In addition to the Mississippi Sound itself, there are two important water features at Centennial Plaza that will be protected and, hopefully, enhanced. Coffee Creek defines the Property’s west boundary. It is the intention of the developers, in collaboration with the City and County, to improve Coffee Creek so that it is a recognized water amenity within the Property. The retention pond, located along the Property’s southern boundary near Building 64 is another important water feature. Glastonbury intends to improve the pond over time as an important visual and recreational amenity. It has the potential of complimenting the development of Buildings 57, 63, and 64 to serve within the theme of “life’s major events” where, for example, a wedding party could be celebrated with wedding guests staying in a boutique hotel (possibly Building 57), celebrating nuptials in the Chapel (Building 63), and enjoying a wedding feast in an adjacent restaurant (located in Building 64). It is not a stretch to imagine the wedding party lining the “Monet Bridge” for photos.
- ☒ Open Space & Parade Ground. One of the Development Plan’s defining principles is new construction, but Glastonbury is committed to doing so in a manner that compliments existing open space at Centennial Plaza. The wide expanse of open lawns, and in particular the parade ground, represent defining natural features of the Property. The developers will pay close attention to the positioning of parking fields to serve adjacent buildings in a manner that does not detract from the open feel of the Property. One solution is the parking of

vehicles along existing roadways, in pocket parking fields located primarily behind buildings, and using permeable surfaces that allow for parking on grass lots.

- ☒ Beach Access. The Mississippi Sound and its beach along Centennial Plaza are major natural features. Glastonbury will work to protect this important view shed from within the Property. The developer intends to work closely with the City and County to develop new solutions to secure safe beach access, hopefully to include an elevated pedestrian walkway across Highway 90. The County has also unofficially expressed the possibility that the beach itself be developed with basic amenities to enhance the beach-going experience. This could include restrooms, food and beverage service, and additional parking. Beachfront developments of this nature will only occur in collaboration with the City and County, and with their support and assistance.
- ☒ Endangered and Protected Species. There are no known or listed endangered or protected species at Centennial Plaza.

5.3. CURRENT SITUATION – MAN MADE LANDMARKS

There are very few man made landmarks at Centennial Plaza, aside obviously from the buildings and roads themselves. The man made features that define portions of the Property include the existing water tower, flag pole on the parade ground, and bridge across the retention pond (Monet’s Bridge). The water tower belongs to the City of Gulfport and is not included in the Glastonbury lease. The flag pole and bridge will be retained as iconic structures that help to define the site and remain reminiscent of its storied past.



5.4. CURRENT SITUATION – INFRASTRUCTURE

The infrastructure systems addressed in this portion of the Development Plan include: water, sewer, electric, exterior lighting, fiber, gas, and storm water. The following observations were made based upon preliminary on-site review, document review of City records and a review of video tape pipe inspections. This data will all need to be field verified through trenching, drilling and other invasive procedures.

Water: Current Observations

The Property is provided with three sources of water supply. City water is supplied at the south entrance and the center of the east side near what used to be Building 55. Both of these lines feeding the site are 6 inch lines which pass through 6 inch Master Meters with bypasses. The east side is apparently shut off. The south side feed is open and flowing water.

A 6 inch tap runs under Building 1 that discharges into MH 16A. Water was flowing from this tap. From MH 16A it runs in the direction of MH 16 on the plans. MH 16 by Building 5 (the next MH in the line) could not be located. There are two large manhole lids marked “Electric” and Signal at this location. There is a sinkhole where MH 16 should be and the location where the 6 inch connection to Building 5 is shown on the map has sink holes along its length for about 10 feet east of the MH 16.

Water is flowing freely in MH 17 which is the next downstream MH which means no apparent obstruction is present at MH 16’s location.

The minimum work required at the Property to bring water service would include, but not be limited, to the following:

- i. Repair one fire hydrant.
- ii. Restore 46 road boxes.
- iii. Excavate and repair two water leaks.
- iv. Repair and rehab one water meter backflow assembly on the east side.
- v. Provide new backflow certificates for two backflows.
- vi. Repair and restore the well to service with motor, chlorination system, etc.
- vii. Clean out vegetation from around the water tank and secure tank and well with fencing.
- viii. Repair and rehab the valves and pressure regulating valve for the water tank. Restore/install isolation valves for 6 fire hydrants.

Sewer.

Field observations and review of the videos suggests the following:

The route from MH 1 to MH 22 seems to be in good shape. There is some limited siltation around MH 14 that was observed during our site investigation.

The route from MH 5 to MH 9A has problems: A cave in is present between MH 6A and 7. The line is somewhat clear with limited debris in it until you get to the line between 8A and 9A and these lines have either low points or obstructions that leave the pipe about 50% full of water.

As a note the manhole labeled 8A is not on the plans. It is located 30 feet northwest of MH 9 and 135 feet south of MH 8.

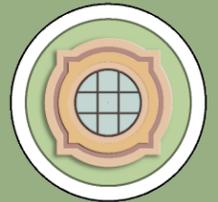
There is a cave in in the line between MH 21 and MH 20 one foot away from MH 20.

The line between MH 21 and MH 25 has several apparent low points in them where water pools up to 30% but water appears to flow freely.

The 30 inch sanitary line that travels from the southwest corner of the property north to MH 25 is owned by the City. We did not observe any manholes south of MH 25 as these were outside of the fence. Water was flowing freely through MH 26 and on the video tape there were no apparent problems with MH 25.

In the general location south of Building 40 on the map there is an interceptor. On the video tape it is referred to as MH Box. The arrangement shown on the plans for MH 24 and MH 24A is not an As-Built condition. Sewage flows from MH 23, into MH 24 which is 24 feet south of the MH Box. From MH 24 it flows into MH Box and from the MH Box it flows into MH 25. All of the sewage on site passes through this arrangement.

The interceptor is 5 feet wide by 18 feet long and approximately 5 feet deep. The box has a 3 foot high concrete half wall bisecting it longitudinally that stops about 2 feet before the east side. There is a 12 inch sump in the bottom of the box on the north side of the concrete half wall. It runs for about 8 feet and is formed by concrete curbs with galvanized angle iron between the curbs. Slots are formed in the concrete walls of the box and sides of the concrete half wall that suggest baffles existed at one time.



Water is entering about 1 foot above the bottom of the box from the south side center of the wall between two baffle slots. There is also a 6 inch line that discharges about 2 feet below grade on the east side of the box. Water flows from the south side around the concrete half wall and discharges through a pipe in the bottom of the box on the west end of the north side.

Most of MH Box is filled with vegetation and several trees with 3-4 inch trunks. The intake is clogged with debris but water flows underneath it into the box. It is noteworthy that this line was clear in the videos in March of 2011 and it is now clogged with debris. The outflow has minimal silting and appears to be clear.

Work required to bring the system to operational condition includes the following:

1. Replace Manholes – 2 total
2. Replace 6" line – 100 LF
3. Clean 6" line – 800 LF
4. Replace 8" line – 360 LF
5. Clean 10" line – 260 LF
6. Clean 12" line – 480 LF
7. Video approximately 100 LF of 6 inch line locate source of water flow in building 1 and stop flow.
8. Replace Interceptor sized for 12 inch in and out
9. Replacing the "MH Box

Electric.

A minimal amount of electricity is available off of a pole tap in the North West quadrant and a similar tap is available off of a pole transformer recently installed by Mississippi Power near the Chapel.

Exterior Lighting.

Temporary pole lighting has been installed by Glastonbury through Mississippi Power to light the Property pending a final determination of the type, design and extent of exterior lighting.

Fiber.

There are no fiber or communication lines at the Property.

Gas.

There are no active gas lines on the property and an entire new gas service infrastructure must be installed.

Storm Water

There are essentially four drain fields on this site. The first is the southeast quadrant which collects water from Building 41 to the southeast and discharges it to a pond in the southeast corner and subsequently to the city storm drains (MH HH) outside the fence. MH HH also collects water from the east fence line.

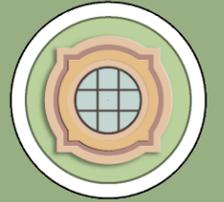
The second field starts north of Building 41 and drains to the east taking all of the drainage from the northern third of the property to the drainage canal outside the fence on the west end.

The third field is smaller and consists of the drainage around the front entrance and to the north of the pond.

The fourth field starts at to the north side of Building 1 and continues southwest and discharges into the drainage canal outside the fence.

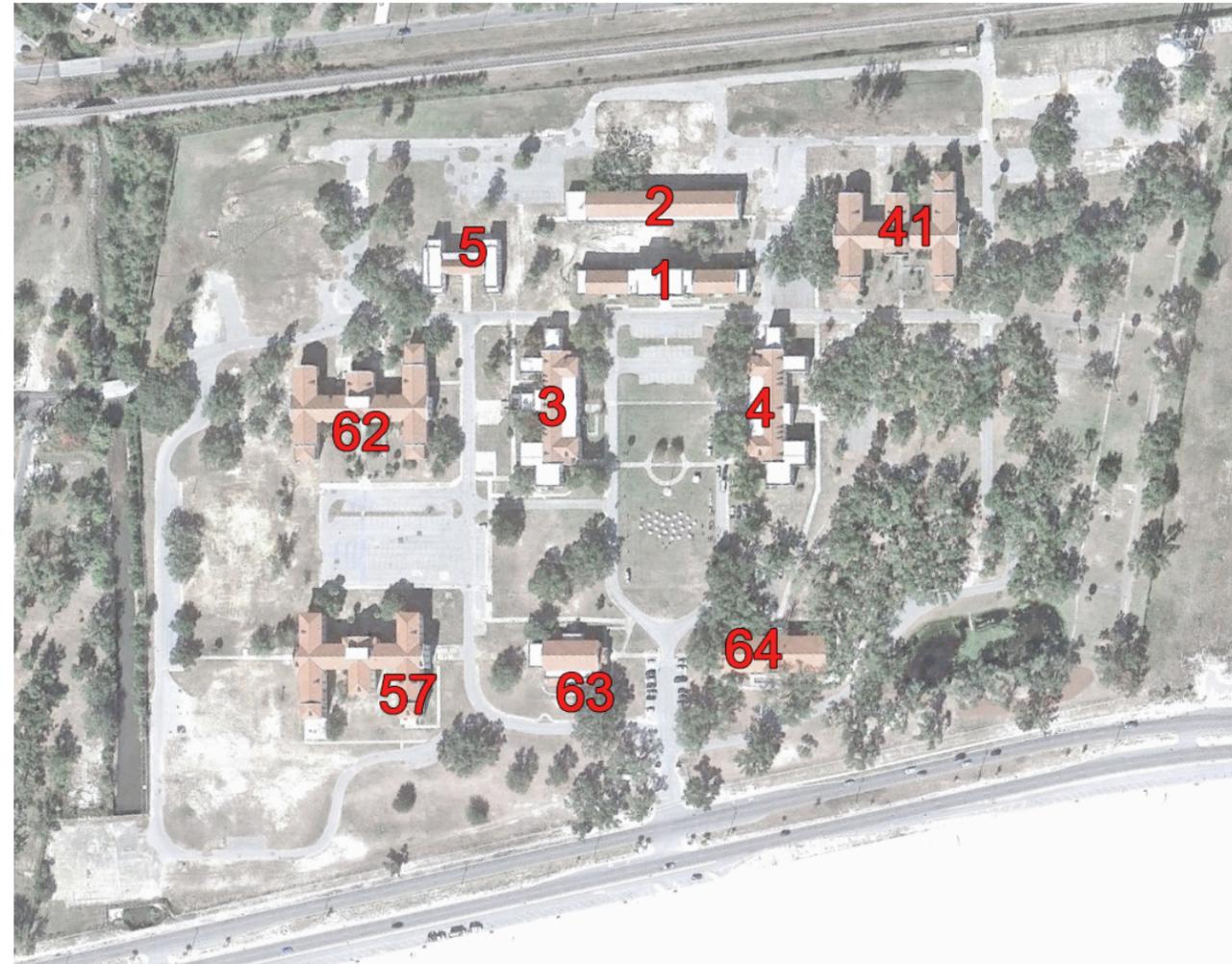
This system has many unknowns which would require investigation through excavation to determine if facilities still existed. Replacing manholes, catch basins, and pipe between them are the major sources of cost. At a minimum the following work would be required to assure that the system is functional:

1. Replace 4" Pipe – 40 LF
2. Replace 6" Pipe – 560 LF
3. Replace 8" Pipe – 2,640 LF
4. Clean out 8" Pipe 610 LF
5. Replace 10" Pipe – 660 LF
6. Replace 12" Pipe – 20 LF
7. Replace 15" Pipe – 25 LF
8. Replace Catch Basins – 27 total
9. Cleanout Catch Basins – 7 total
10. Replace Manholes – 9 total
11. Clean out Manholes – 5 total
12. Repair manhole/catch basin grate seat – 1 total.
13. Reattach manhole base to man hole – 2 total.

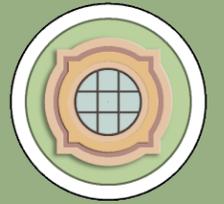


5.5. CURRENT SITUATION – EXISTING BUILDINGS

There are eleven buildings at Centennial Plaza today; one located in the North Parcel (the Laundry Building) and the balance located in the South Parcel. The South Parcel buildings were primarily constructed in the 1920s and 1930s and are subject to the historical preservation authority of MDAH. These buildings represent Mission Style Spanish Colonial Revival architecture. Generally, the exterior of most of the buildings is characterized as being in poor condition; needing significant work to restore plastered stucco facades and general building envelopes. All the buildings received new roof systems, windows, and doors over the last seven years. These buildings were stripped of their interior walls and systems, leaving empty shells with multiple (close) columns in most situations. Most of these buildings have one or more historically significant elements identified by MDAH that will require future preservation. Some, but not all, of the buildings are served by adjacent parking lots. None of the buildings have essential utilities restored to their interiors.



Existing buildings numbered



5.5.1. Building 1

Building 1 is 26,877 Square Feet. It was constructed in 1923. It served as the main hospital for the VA prior to the closure of the center in 2005. It anchors the Parade Ground at its North end. The building has three floors, though its third floor is relatively small. It has an institutional quality to it that will likely interest professional office and medical tenants. Its ground floor could also support retail uses.

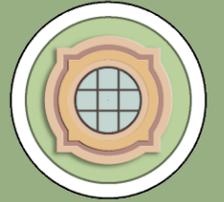
Building 1 is a Mission-style masonry (tile brick and poured concrete) building with an exterior dryvit treatment. The main façade faces south presenting a two story central pavilion with a flat roof. The central pavilion, which is capped with a flat parapet, projects from the face of the building. A door is centered on the first floor of the pavilion within a stylized surround. The central pavilion is flanked by two-story wings topped by gable roofs covered with red tiles. These wings are themselves flanked by two-story wings with flat roofs. There are windows in both the gabled and flat-roofed wings, with entry doors on the first floor of the flat-roofed wings. The east and west fronts are unadorned and without fenestration.



View of Building 1 from south



View of Building 1 from south



5.5.2. BUILDING 2

Building Number 2 is 23,170 Square Feet. It was constructed in 1923. It is located behind Building 1 along the railroad tracks; and prior to Hurricane Katrina it was connected to Building 1. Building Number 2 is a Mission-style masonry (tile brick and poured concrete) building with an exterior stucco finish. The building is two stories with a gable roof capped with red tiles and stepped gable parapets at the north and south wings. A covered one-story cloister runs the length of the first floor on the south face. Prior to Katrina, there was an exterior staircase on the east gable wall providing access to a door entering the second floor.

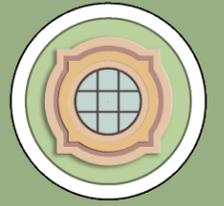
Building 2 is situated along the Property's North boundary line and the CSX rail line. This is a problematic location. Train traffic is bothersome, loud and frequent. The building cannot be seen from the balance of the Property. It will be very difficult to support retail or office users that require a street presence with high visibility. It could support back office users not visited by a regular clientele base, for example an internet company, fulfillment business, or back office shop related to phone and internet use. Alternatively, the building could be a wonderful support structure serving the hospitality interests at the Property.



View of Building 2 from southwest



View of Building 2 from southeast



5.5.3. BUILDING 3

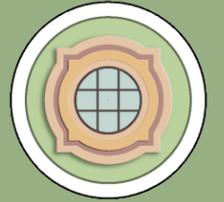
Building Number 3 is 30,632 Square Feet. It was constructed in 1923

Building 3 is prominently situated along the West side of the Parade Ground. It is comprised of two stories. It will likely be most attractive to a mix of users, including office, retail, and commercial tenants. Like the other buildings in the Parade Ground Cluster, Building 3 could support ground floor retail in promotion of an outdoor pedestrian mall. Offices users could be located on the upper floor.

Building Number 3 is a Mission-style (tile brick and poured concrete) building with an exterior dryvit treatment. The main building is two stories with a gable roof covered with red tiles. The primary façade faces east and has a slightly projecting central pavilion capped with a stepped parapet where the main entry door is located. There are projecting pavilions with hipped roofs covered in tiles toward the north and south ends of the building. There are entrance doors with decorative iron rails in the corners where the pavilions intersect the main façade. The north façade is unadorned. On the south end there is a small wing with floor to ceiling replacement windows. This wing is originally thought by MDAH to have been porches. The west façade has a central two story flat roofed-projecting pavilion attached to a small flat roofed one story wing. Larger two story flat roofed projecting pavilions flank the center pavilion.



View of Building 3 from southeast

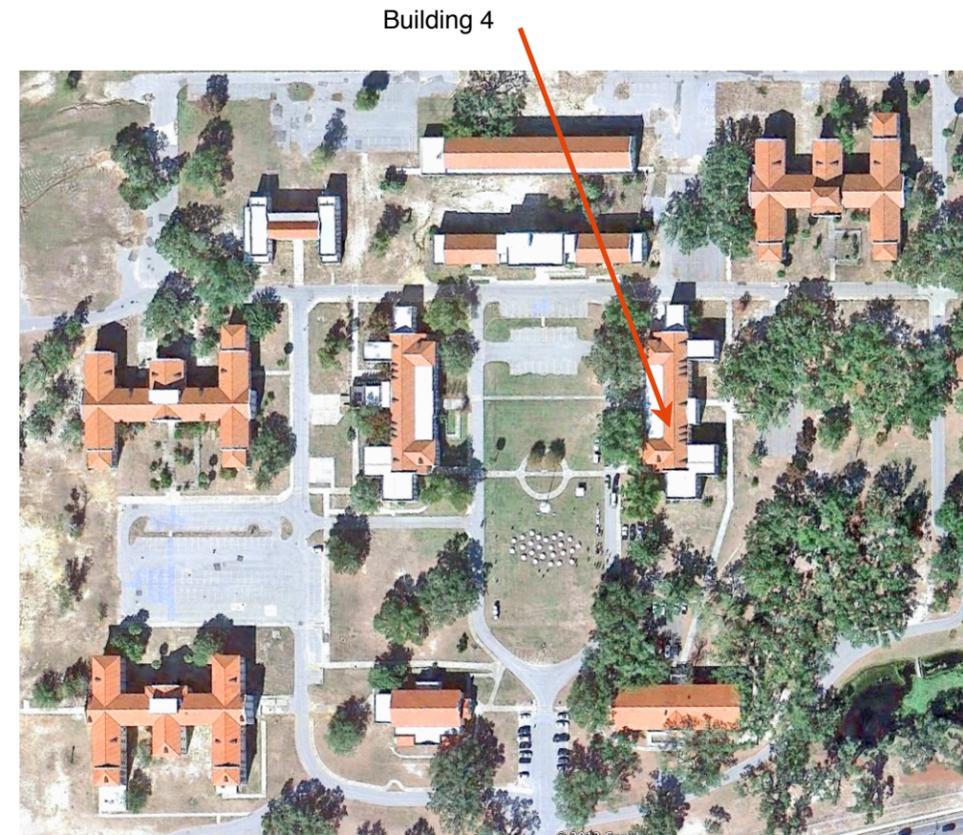


5.5.4. BUILDING 4

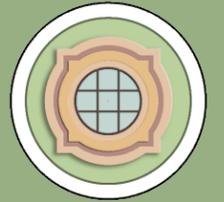
Building Number 4 is 29,908 Square Feet. It was constructed in 1923.

Building 4 is a two-story structure located on the East side of the Parade Ground. It is likely a critical building to the organic redevelopment of Centennial Plaza, serving as a bridge between the Beach Front and Parade Ground Clusters; allowing a transition from the Property's front to its interior. As such, educational, retail and restaurant uses will likely be located on the ground floor, while office uses predominate upstairs. An outdoor connecting feature allowing for ease of access from Building 64 to Building 4 would further tie this building to the beachfront cluster.

It is a Mission-style masonry (tile brick and poured concrete) building with an exterior dryvit treatment. The main building is two stories with a gable roof covered with red tiles. The primary façade faces west and has a slightly projecting central pavilion with a stepped parapet. There are projecting pavilions with hipped roofs covered in red tiles toward the north and south ends of the building. There are entrance doors in the corners where the pavilions intersect with the main façade, with iron balcony railings on the second floor windows above the doors. The east façade has a central projecting pavilion with a door offset to the right. The central pavilion is flanked by larger projecting pavilions with hipped roofs covered in tile. On the south end there is a small wing with windows, believed by MDAH to originally to have been porches.



View of Building 4 from west



5.5.5. BUILDING 5.

Building Number 5 is 14,108 Square Feet. It was constructed in 1923. It is Located to the east of Building 1.

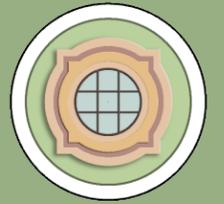
Building 5 is among the smallest buildings at Centennial Plaza. Only the Chapel is smaller. It is a two-story building situated to the immediate West of Building 1, but located off the Parade Ground. It cannot be seen from the Main Entry Gate to Centennial Plaza or from Highway 90. Likely uses for this building include medical and office establishments. Alternatively, it is possible that the layout, location, and size could appeal to residential users, especially assisted or senior living. Interestingly, Building 5 is one of only a few buildings at Centennial Plaza built entirely of brick walls as an adjunct to the poured in place concrete.

It is a Mission-style masonry (tile brick and poured concrete) building with an exterior dryvit treatment. The main wing is two stories with a tile covered gable roof. The main façade faces south and has double entrance doors with windows regularly spaced on the first and second floors. The gabled wing is flanked by two story wings with flat roofs. The wings are wrapped by one story wings with flat roofs, which extend the length of the west façade. According to MDAH, these wings may have originally been porches, but are now enclosed with windows. On the north façade, the gabled wing is flanked by two projecting flat roof pavilions. At the corner where the east pavilion intersects the main wing, there is a one story gallery with a shed roof covered with red tiles. The shed roof intersects a steep gable front with an arched opening leading to a door.

Building 5



View of Building 5 from south



5.5.6. BUILDING 41

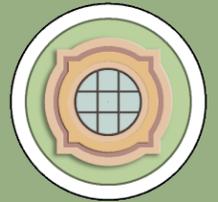
Building Number 41 is 36,189 Square Feet. It was constructed in 1937. It is located to the east of Building 1. It is not easily visible from Highway 90 or the Property's main entry gate. It would make a wonderful multifamily residential building with grand views of the Live Oak stand to its front, and ocean views beyond that. It has impressive bays with floor to ceiling windows; and a courtyard entry. All of these elements combine to make a charming place to live.

Building 41 is a Mission-style masonry (tile brick and poured concrete) building with an exterior dryvit treatment. The main façade of the two story building faces south. There is a central projecting pavilion with a decorative Flemish gable featuring a round window in an ornate surround. The central door is surrounded by squared pilasters and lintel. There are three windows across the second floor, with an iron balcony on the center window. Molded shields, perhaps terra cotta, are located over the windows. A third-story square pavilion with a hipped tile roof is behind the Flemish gable. Two hipped roof pavilions at the east and west ends intersect with triangular stepped gable parapets. The east and west facades are similar with an intersecting wing with a tiled gable roof and regularly spaced replacement windows on the both floors. The north façade features three projecting wings, the east and west with stepped gable ends; while the center wing has a Flemish gable.

Building 41



View of Building 41 from southeast



5.5.7. BUILDING 57

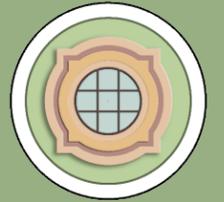
Building Number 57 is 57,648 Square Feet. It was constructed in 1946. It is located in the Property's southwest corner.

Building 57 is the largest building in the South Parcel. It is strategically situated at the front of the Property, and it boasts impressive views of the Mississippi Sound from all three of its levels. It is the most likely location for a future boutique hotel with approximately 50 or 60 keys. It has ample parking to support this level of activity. Alternatively, the building will support a mix of uses including potentially residential and commercial activities.

Building 57 is a Mission-style masonry building with an exterior drive treatment. The three story building faces north and features a slightly projecting central pavilion with a hip roof and decorated Flemish gable. The decoration on the two-story door and window surround is the most ornate architectural feature in the entire complex, according to MDHA, featuring concrete pilasters, pinnacles, and an arch with colored terra cotta decorations. Two hip-roof wings intersect the main gable roof wing at the east and west ends. The main wing is topped by a gable roof. All roofs are covered with red tile. The east façade has an intersecting with a gable roof and Flemish gable parapet. The south façade has three intersecting wings – the center wing has a flat roof, while the flanking wings have gable roofs with Flemish gable parapets.



View of Building 57 from southwest



5.5.8. BUILDING 62

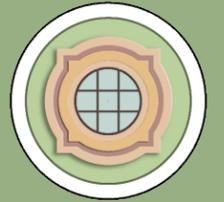
Building Number 62 is 35,034 Square Feet. It was built in 1931. It is located behind Building 57 along the Property's eastern boundary line.

Building 62 is located behind Building 57 (proposed to be a boutique hotel). The two buildings share a common parking lot. Both are located along the West boundary line of the Property, near Coffee Creek. It is quite possible that Building 62 could be developed, along with Building 57, as a boutique hotel; perhaps with a connector or new building constructed between them along the creek. The shared parking could become a courtyard with gardens, water features, and swimming pool. Alternatively, the building will be adaptively reused for a mix of tenants, including residential, commercial, and office.

Building 62 is a Mission-style building with an exterior drive treatment. The primary façade faces south and includes a two-story central projecting portico topped by a Flemish gable parapet. Hip-roofed wings intersect the main building on the east and west and feature large arched windows on the first floor and larger rectangular windows on the second floor of all three faces. All roofs are covered with red tile. The east front has an intersecting wing with a stepped gable parapet. The south face has three intersecting wings; the eastern with a hipped roof and the central with gable roofs with stepped gable parapets. There are entry doors with one story tile-roofed vestibules and iron railings at the corners where the outer wings intersect the main building.



View of Building 62 from southwest

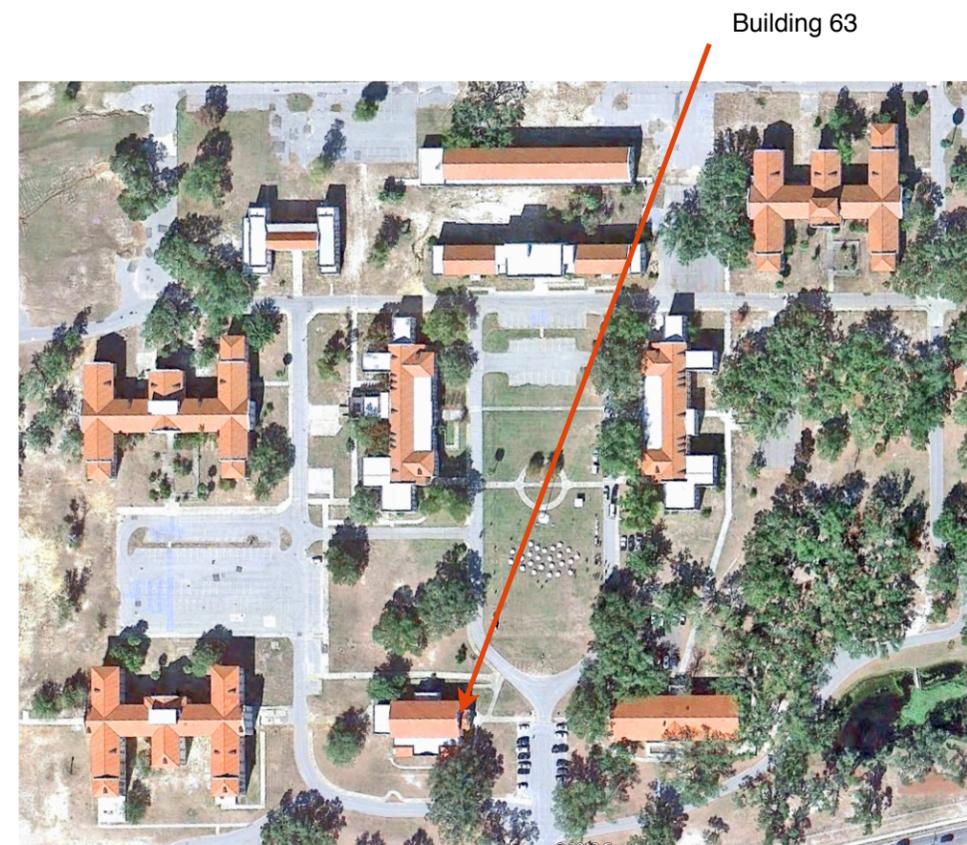


5.5.9. BUILDING 63

Building Number 63 is 8,845 Square Feet. It was constructed in 1931. It is located near the Highway 90 entrance gate.

Building 63 is the iconic chapel situated at the front entrance of Centennial Plaza. It is distinguished from the Property's other buildings by its soaring, column-free ceilings. Its front, or western side, has a covered entrance portico; and its south side has a covered porch looking over the Mississippi Sound.

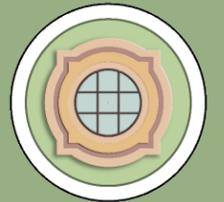
It is a Mission-style masonry building with an exterior dryvit treatment. The central wing has a high tile-covered gable with one-story flat roof wings wrapping around the south, west and north facades. The main façade faces east and has a decorative Flemish gable with pinnacles. A one-story porch, rebuilt after Katrina, is centered on the east façade with doors allowing access to the building in three locations to three separate interior rooms. The north wing has a Flemish gable and windows flanking a double door with a rectangular transom.



View of Building 63 from northeast



View of Building 63 from east



5.5.10. BUILDING 64

Building Number 64 is 18,700 Square Feet. It was constructed in 1931. It is the Old Administration Building (previously the nurses' quarters), located near the Highway 90 entrance gate.

Building 64 will first be marketed for future restaurants. Its size and beachfront location near the entrance of the Property, together with ample parking, provide a signature location. Alternatively, the building will be positioned for future commercial and retail tenants. It is a Phase 2 development.

Building 64 is a Mission-style masonry (tile brick) building with an exterior dryvit treatment. The two story building has a tile covered gable roof. The main façade faces south and has a two story portico with a Flemish gable. The portico has a tile covered shed roof supported by decorative knee braces with curved exposed rafters. Exterior portico doors are French doors with divided transoms. The east and west facades are similar with a door centered under a decorative arch flanked by windows on the first floor and three windows on the second floor.

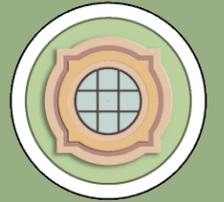
Building 64



Sketch of Building 64



View of Building 64 from southwest



5.5.11. BUILDING 244

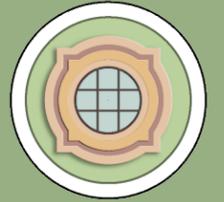
Building 244 is 46,000 Square Feet. It is known as the Laundry Building, and is situated on the North Parcel.

Building 244, also known as the Laundry Building, is the only structure located at the North Parcel. Its size and layout could accommodate many uses complimentary to the South Parcel. Unfortunately, the railroad easement was surrendered; making this parcel a virtual island cut off from the balance of the Property. It will initially be used to support Property development and as back-lot space to the tenants, including production space for food and beverage, light assembly, and design. Glastonbury intends to explore the installation of solar power on the roof and surrounding land. In the future, it is conceivable that a large community garden be planted around the building.



View of Building 244 from southwest





5.6. CURRENT SITUATION – ZONING

There is currently no zoning at Centennial Plaza. The Lease, Paragraph 6.3 reads:

Zoning. Lessor acknowledges that the Parcel is not currently zoned. It is agreed by the parties that the Lessee shall include a special zoning overlay within the Development Plan that will serve as zoning for the Parcel subject to prior approval by Lessor in its sole but reasonable discretion.

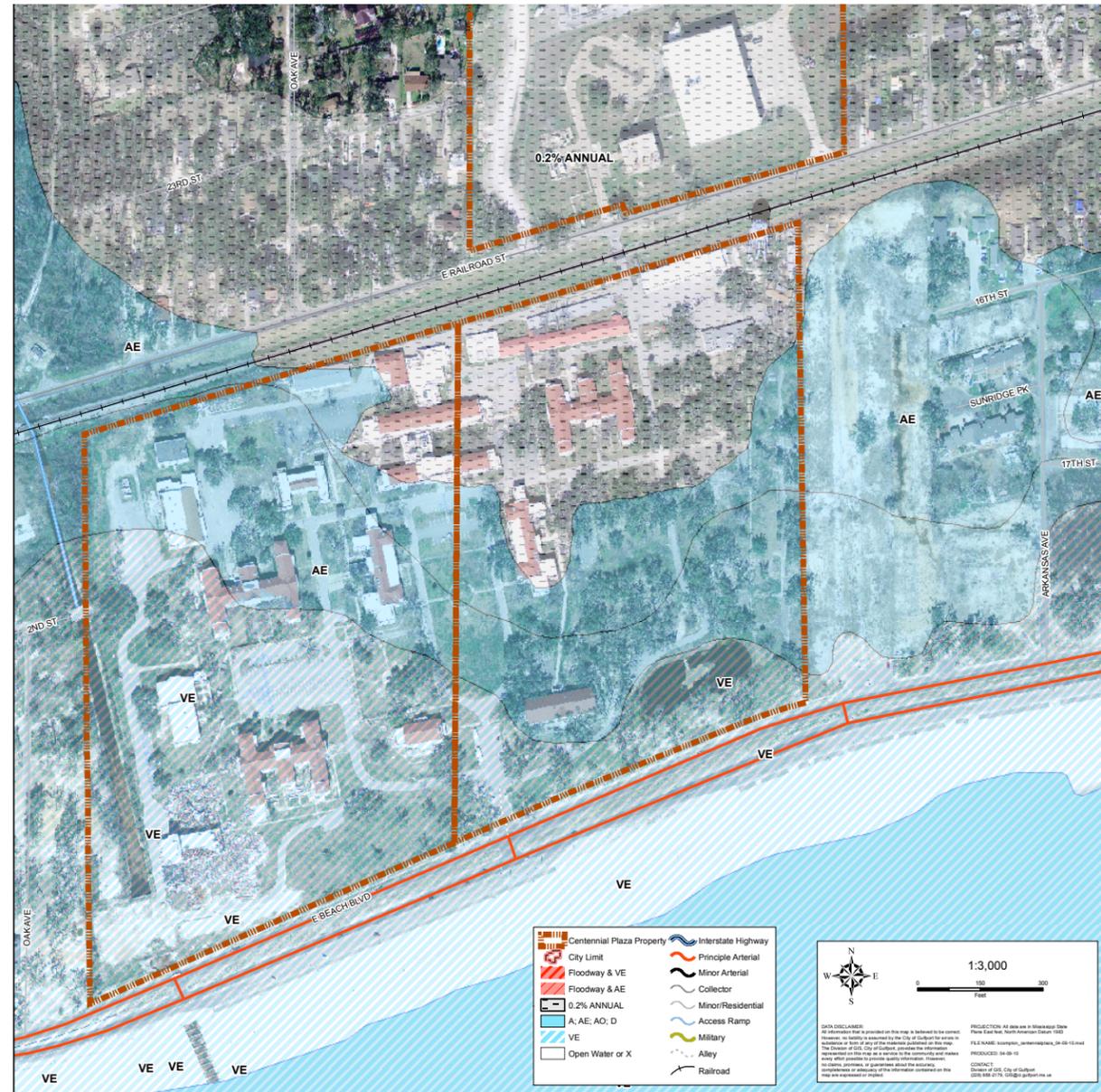
In order to complete this Development Plan in a timely fashion, the Developer has deferred the completion of a zoning overlay as the market conditions and potential tenant users may have special needs which cannot be currently contemplated. The final zoning overlay will not appreciably change current zoning standards at the Property.

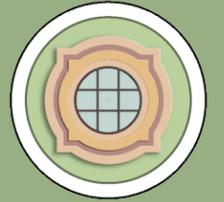
5.7. CURRENT SITUATION – FLOOD PLAIN

The Property lies primarily in a “V” zone as shown on the annexed flood map.

5.8. CURRENT SITUATION – SECURITY

Currently, Centennial Plaza is protected by passive security measures. The site is fenced with barb-wire-topped security fencing. All of the gates to both the North and South Parcels remain locked. Key control is limited to a handful of stakeholders, including the City Fire Department, GRC, and Glastonbury representatives. The site remained unlit until just recently when new utility and light poles were installed by Mississippi Power. To date, only minor incidents of vandalism are known.





5.9. CURRENT SITUATION – ACCESS AND CIRCULATION

Access to Centennial Plaza is strictly secured by fencing and locked gates. The Property is not currently open to the public, except for rare occasions characterized by special community events. Historic traffic, circulation and access points are inferred, however, by the existing roadway and sidewalk system found within the Property. Access to the South Parcel is defined by two major gateways located at Second Street, along the Property’s west boundary, and at Highway 90, along the Property’s south boundary. The main entryway is the Highway 90 gate. Once inside the Property, motorists and pedestrians are met with an impressive array of existing roads and sidewalks. The circulation system for both vehicles and pedestrians is strongly suggestive of a closed campus, creating a village feel and effect. As a VA Hospital designed to keep patients “in” and the general public “out,” the Property abandons the City’s grid system of neighborhood roadways. This will likely be the case into the future unless the City moves forward with potential plans to construct a new road from the Property to Court House Road, thus uniting through Centennial Plaza, Second Street and Court House Road. For the purpose of development Centennial Plaza as a mixed use development, however, the existing roadway and sidewalk systems are deemed adequate to support vehicular and pedestrian traffic, circulation, and access.



2nd Street gateway

Main (Highway 90) gate

Aerial view of site

5.10. CURRENT SITUATION – HISTORIC PRESERVATION

Glastonbury is committed to the historic preservation of the existing buildings located in the South Parcel. In very simple terms, this means that their future development will occur under the watchful eye of the Mississippi Department of Archives and History (MDAH). Decisions impacting the exterior of these buildings must be transparently developed in collaboration with MDAH.

The ten buildings located in the South Parcel were previously nominated to NPS as Historic Landmarks, but never actually designated as such by the NPS. As a component of its Phase 1 development activities, Glastonbury may initiate the process to seek formal designation of these buildings as National Historic Landmarks. It is also preparing its Part 1 and Part 2 application to MDAH and NPS to qualify for available historic tax credits. A component to the Part 2 application includes the development and submission of a Part 2 Development Plan that specifies the existing conditions of the buildings, describes the future plans for their development, and ultimately defines what can and cannot be done to the buildings in order to qualify for historic tax credits. The successful completion of Parts 1 and 2 may require some modifications to the existing Lease Agreement between the GRC and Glastonbury so that sub-tenants at the Property can secure 50-year lease terms required in order to qualify for historic tax credits.

As a component of Phase 1 activities, Glastonbury has already met on multiple occasions with officials from MDAH. The development team has already built relationships within the organization. Mr. Ken P’Pool, Director of MDAH, attended the lease signing ceremony at Centennial Plaza in May 2012. He also toured the Property with Glastonbury; and indicated some interest in providing grant funds for the restoration of the façade on Building 63, the Chapel. Within a few weeks of his visit, Mr. Todd Sanders, an expert in historic tax credits at MDAH, also met with Glastonbury representatives and toured the Property. At this time, Glastonbury is working with MDAH on the following:

- Possible designation of the buildings as National Historic Landmarks;
- Completion of Part 1 application;
- Completion of Part 2 historic preservation plan; and
- Restoration of Building 63 façade.

In addition, MDAH will have an opportunity to review and comment on this Development Plan.

6. DEVELOPMENT PROGRAM

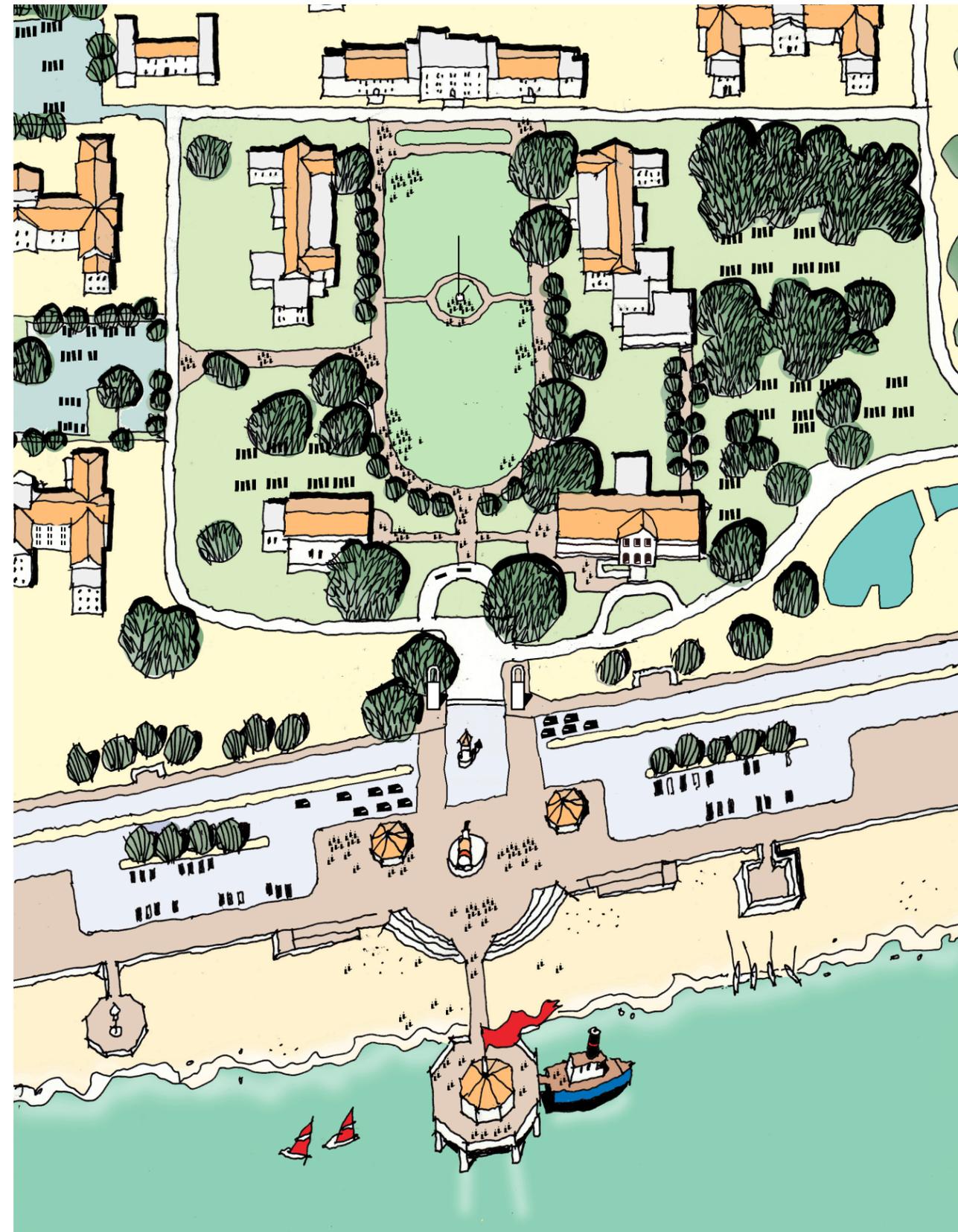
The natural and manmade features at Centennial Plaza, along with the historical use patterns, building layouts, campus setting, and access and circulation routes combine to form the basis for the redevelopment of the Property in a manner that is sensitive to and timed to market demand. These critical elements form the foundation for the development program; that is, the future steps to be taken by Glastonbury in developing the Property.

6.1. PLANNED LAND USE CONCEPT & THE VILLAGE FORM

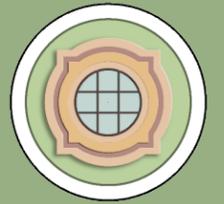
As a former VA hospital complex, the Centennial Plaza campus and buildings functioned as a closed facility designed to keep patients “in” and the general public “out.” The traditional urban and grid street system common to Gulfport was abandoned by the Property’s original planners. As such, though closed, it created a general village feel where many of life’s critical needs were met within walking distance of main residential areas. The campus was well landscaped, supported by a myriad of sidewalks, and generally only supportive of minimal vehicle travel and parking. It was not, per se, car friendly in the more modern sense; characterized by narrow winding streets and limited parking. Food was grown and consumed at the campus; residents lived, worshiped, dined, and recreated at the campus; and medical needs were addressed at its hospitals. Most of the essential infrastructure was largely disconnected from the broader city grid. Even power was generated on-site for a period of time.

Under Glastonbury’s preferred development scenario, the best of these characteristics will be maintained at Centennial Plaza going forward; maintaining that unique village feel, while opening the site to the general public. In fact, a salient feature to the future development of the site is that public access and activities will be encouraged. As a mixed use development, the preferred development plan for Centennial Plaza maintains many of the core functions previously characteristic of the site. The general public and residents will experience a variety of dining options at its future restaurants; travelers will avail themselves of resort style amenities, like a boutique hotel; retail shops will serve the needs of the general public, residents, and neighbors; and professional activities will find a home, including office users and medical uses. In short, the interplay of these elements will enhance that village feel. This will be augmented, hopefully, by enhanced access to the beach, readily accessible public transportation, and enhanced pervious parking.

Ultimately, the village feel will be defined by the men, women, and children that occupy and use the site. Glastonbury will encourage the continued use of the Property for special events, like Cruising the Coast. It is important to cultivate a neighborhood charm characterized by the enjoyment of multiple dining options, public music and dance, and special activities. The Property must be welcoming, comfortable and provide for the needs of its users. The goal is to bring a “heartbeat” back to the Property by reintroducing people to the site. That energy will beget additional energy, and a momentum will exist that will help to fuel additional development. In the finest tradition of the Italian Piazza, it will be important to encourage people to abandon their cars and enjoy the Property’s many offerings by casually strolling through the site. This is the goal. Create a village open to the public. It will not happen overnight, but the elements of the Development Plan, as articulated herein, will form stepping stones to this greater vision.

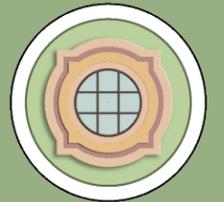


Sketch of site illustrating village form



Centennial Plaza
Development Plan

Glastonbury Gulfport LLC



6.2. DEVELOPMENT CLUSTERS

The Property will be developed in phases, but before a phasing plan is outlined, it is necessary to view the Property based upon its natural cluster of buildings in relationship to other manmade and natural features. An appreciation of these various clusters will help to define a phasing schedule (which ultimately will be driven by market demand and timing). The following clusters represent a preferred sense of what can happen with the Property. It is important to note that market demand may require flexibility. The goal is to redevelop the site in a flexible manner gauged to market interest. That will be the ultimate driver.

Glastonbury has identified a number of development clusters that could influence the future of the site, including ultimate use, general timing, and sequencing. They are as follows:

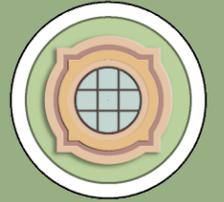
6.2.1. BEACHFRONT CLUSTER

The Beachfront Cluster is defined by those buildings bordering the south boundary of the Property, along Highway 90. They include Buildings 57, 63, and 64. These buildings have the potential of acting in concert to highlight life's special moments, like a wedding. Wedding guests could stay in a boutique hotel located in Building 57; they could enjoy wedding nuptials exchanged in Building 63, the chapel; and they could dine a new restaurant located in Building 64. Guests enjoying these properties would have easy access to the beach, the impressive stand of Live Oak Trees, and the picturesque pond.



Aerial view of beachfront cluster

Beachfront Cluster



6.2.2. PARADE GROUND CLUSTER

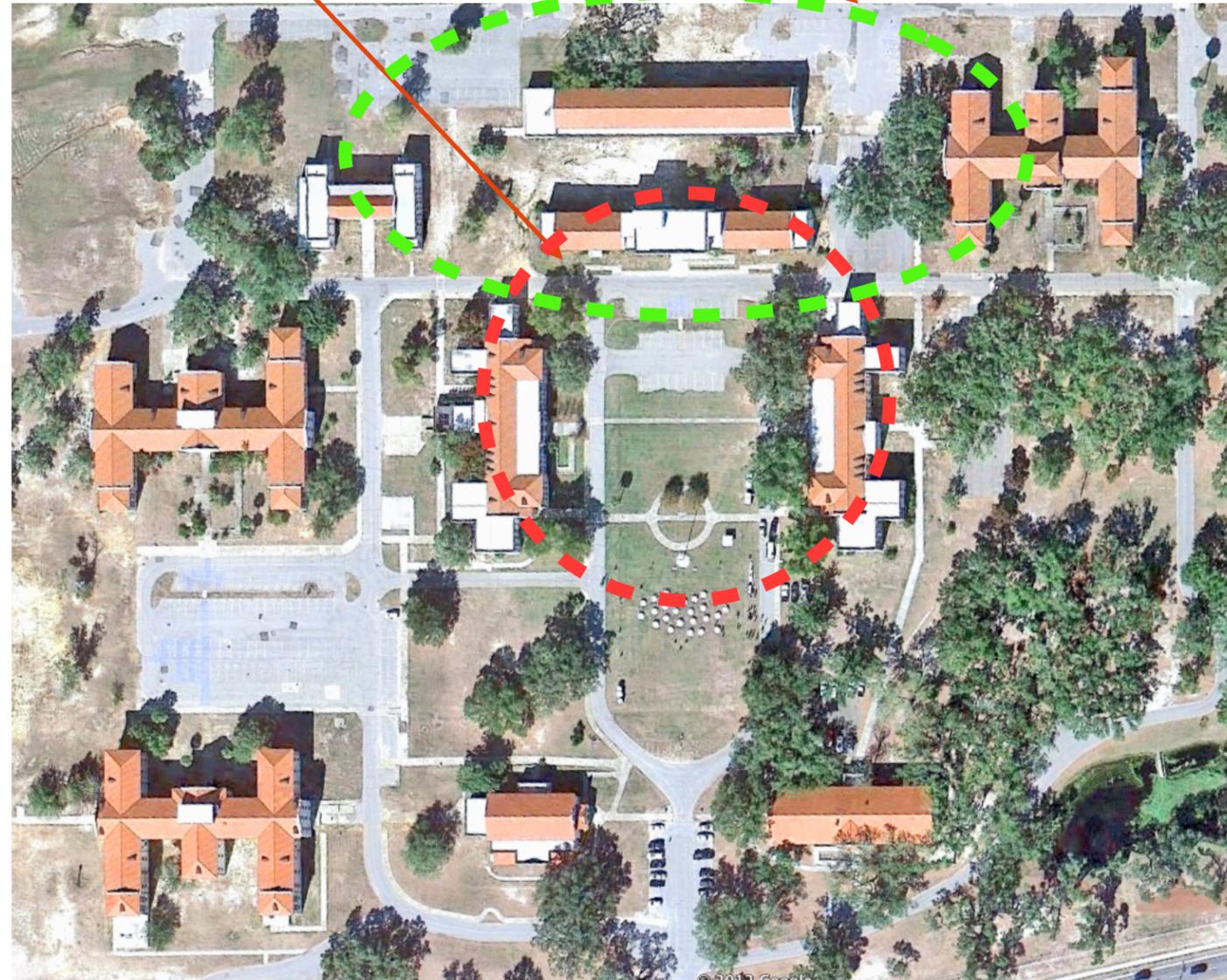
The Parade Ground Cluster is defined by those buildings that front the Parade Ground. They include Buildings 1, 3, and 4. Together these buildings define the outer perimeter of the Parade Ground itself. Under the preferred development scenario, these properties would act together to suggest a commercial marketplace, or “downtown,” centered on a large courtyard, piazza, or lawn. For example, the ground floors of these properties could support an outdoor pedestrian shopping mall. Shoppers could park their cars in a central lot and enjoy a short and casual stroll around the upper end of the Parade Ground; stopping at their whimsy to enjoy boutique shops (like art and jewelry galleries), restaurants, or pubs. The upper floors of these buildings could house professional offices – the very people located on site that could avail themselves, too, of the retail offerings and restaurants. Finally, any one of these properties could support educational users, like community colleges. This cluster should define the bulk of the commercial shopping experience at Centennial Plaza.

6.2.3. HEALTH & SENIOR CLUSTER

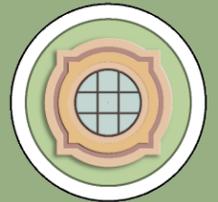
An alternative cluster to the Parade Ground Cluster (or a compliment to it), could include the interplay of Buildings 41, 1, and 5 into a health pavilion and senior living center. Located at the top of the Parade Ground, these buildings form a lateral line from east to west. Any one of them, or all of them, could support senior or assisted living for middle income residents. There is not a market in the immediate area for affordable or low income senior living, but there has been some interest expressed by qualified care givers and developers related to middle income senior living. Building 1, situated in the center of the cluster, could directly support the provision of medical care. Doctor, dentist, and specialist offices could be located there. It is also possible that higher-end surgical requirements could be met out of Building 1; for example, cosmetic surgery or cosmetic dentistry.

Parade Ground Cluster

Health and Senior Cluster



Aerial view of clusters



6.2.4. OUTLIER CLUSTER

The Outlier Cluster consists of those buildings that interact less well with the others, and tend to be standalone properties. These could include Building 41, Building 5, Building 2 and Building 62. Building 41 will ideally be adaptively reused for residential purposes. Its incredible location within the Property's interior, overlooking the impressive stand of Live Oaks and the Mississippi Sound, would make lovely homes (either apartments or condominiums). Building 5, as a standalone development, seems to be well situated for senior living and assisted care; or alternatively for commercial and office uses. Building 62, if not incorporated into a boutique hotel along with Building 57,

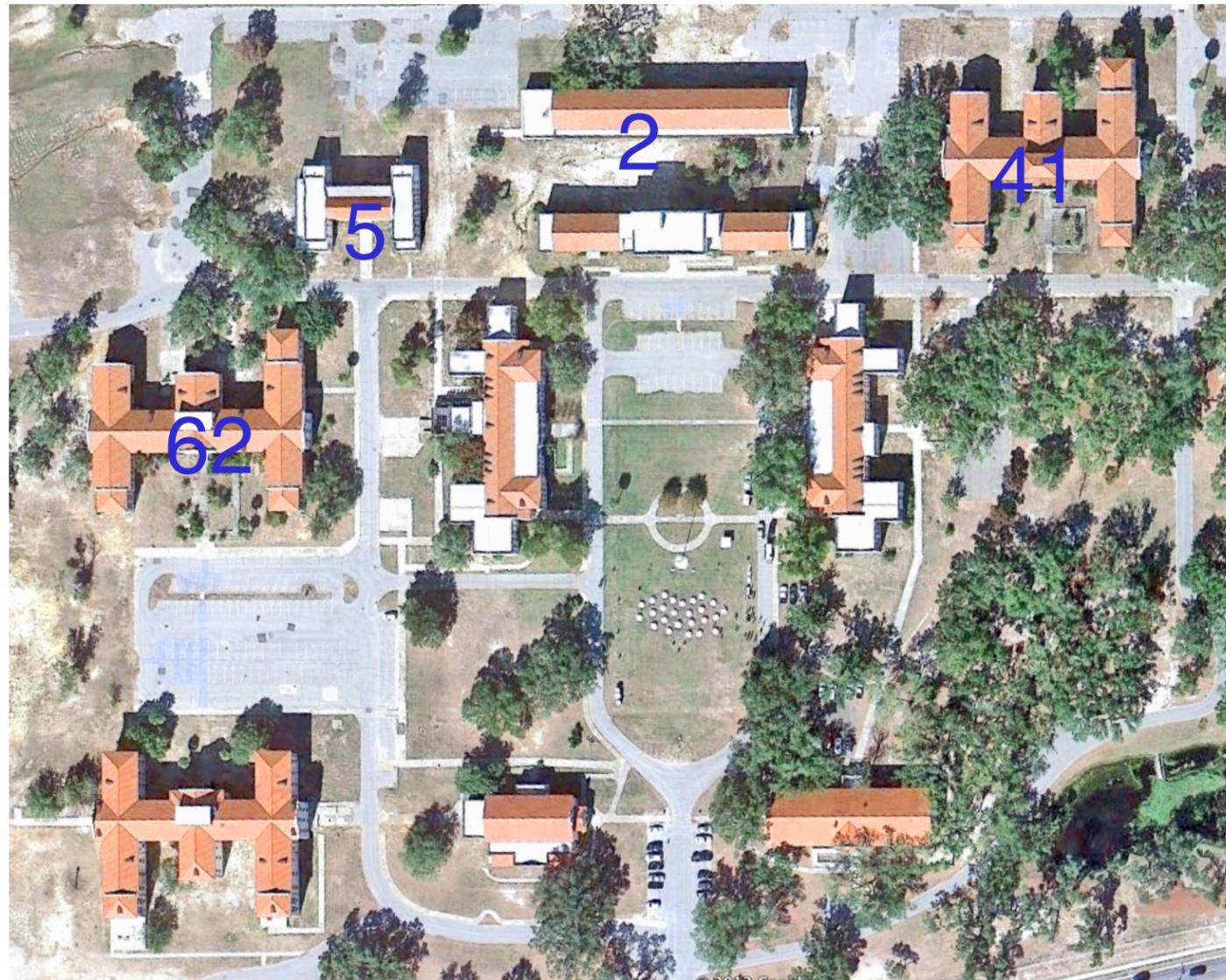
6.2.5. THE ALTERNATIVE TO CLUSTERS

While we focus on the obvious clusters that could define the future development of the Property, it is also worth noting that a single use, or single major use, could emerge for the Property. It would be a mistake to focus so closely on a single strategy that the community abandons the flexibility to meet market demand for larger, single focus tenants. For example, it is conceivable that the Property could be developed in its entirety as a resort destination. As such, all or most of the buildings could be developed to support a resort experience representing an alternative to the casinos along the Gulf Coast. Under such a scenario, the Property would still be developed with a mix of uses but a predominant use (like resort hotels) could emerge. Another example, would be a predominant focus on middle income retirement living.

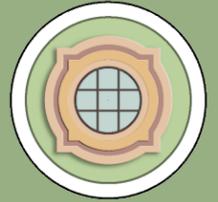
Viewing the Property's development through notional clusters is not predicative of the future, nor is it a timeframe of achievable milestones; it is simply a compartmentalized way of viewing the Property by exploring the interaction of certain buildings to their related environments. By understanding the potential of clusters, we better understand the development potential of the development. Developing the Property in phases timed to the marketplace is the next step.

6.3. PHASING PLAN

A Phasing Plan can only be speculative. Development must follow the timing and needs of the marketplace. This is easy to understand: fidelity to a specific timing sequence is counterproductive if it means forgoing development opportunities as they present themselves in a manner inconsistent with the plan. Rigid adherence to a plan is not in the best interest of the Property, the community, or the developer. Doing so will waste invested risk capital and forestall job creation and development. The Development Plan, by its very nature to be successful, must be adaptive and flexible. It must follow the market.



Aerial view of site identifying outlier buildings



6.3.1. LEASE REQUIREMENTS & TIMING TO MARKET DEMAND

The need for a Phasing Plan is largely legalistic. It exists by contract alone so that Glastonbury is not required to develop all of the Property ahead of market demand. It is really a structural means to manage expectations. The development, however optimistic in its planning and phasing, cannot succeed if it attempts to anticipate the market. The success of adaptive reuse projects like Centennial Plaza rests in the community's and developer's ability to remain agile and quickly adapt to changing market conditions and interests. It is almost impossible to develop the Property ahead of demand in a manner that accurately gauges or foresees market interest in the future.

Glastonbury and the GRC contemplated this imperative in the Lease Agreement:

It is the intent and agreement of Lessee that the Development Plan will contemplate a first class development consistent with the Premises location, market and market demand; and to be maintained and operated in a manner consistent with such a standard. [Paragraph 6.2]

As provided for by the Lease Agreement, Glastonbury retains the right to develop portions of the Property over time in a phased manner:

Lessor acknowledges that the Development Plan to be submitted may include a phased development of the Parcel; may include a mix of uses within each phase to include commercial, residential, retail, hospitality, restaurant and other uses not otherwise prohibited by this Lease; and may include new construction. [Paragraph 6.2]

Generally, certain milestones must be met, however:

- ☒ Glastonbury must provide essential utilities to an existing buildings prior to the tenth (10th) anniversary of the Effective Date (Paragraph 22.1);
- ☒ Glastonbury must commence and substantially complete construction of at least three (3) of the existing buildings prior to the fifth (5th) anniversary of the Effective Date (Paragraph 22.2); and
- ☒ Glastonbury and the GRC must agree upon the Development Plan prior to the eighteenth (18th) month anniversary of the Effective Date (Paragraph 22.3).

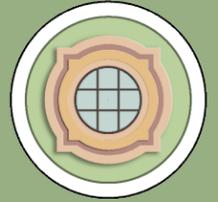
As Lessee and developer of the Property, Glastonbury retains the sole discretion related to phasing and timing, so long as the provisions noted above (and other lease provisions related to timing) are met.

6.3.2. POTENTIAL PHASING

As long as the community and GRC remain clear that phasing the development within Centennial Plaza will occur in accordance with market demand, there is no downside to the conjecture of what properties may be developed first and in what sequence subsequent properties will be developed. Again, this is pure speculation based upon Glastonbury's experience developing real estate and its understanding of the Gulf Coast market.

Glastonbury envisions a possible phasing schedule as follows:

- ☒ Phase 1 – Site and Horizontal Infrastructure
Phase 1 activities at Centennial Plaza have already begun. They consist primarily of preparing a foundation for the Property's future development. Steps taken in Phase 1 include a complete engineering analysis of the below ground horizontal infrastructure at the Property; and the related restoration of essential services like water, sewer, electric, gas, storm drainage, and public Wi-Fi. Phase I activities also include the initial marketing of the Property, and hiring a brokerage team. They also include the restoration of power and lights to the site so that it is lit at night. Glastonbury has also undertaken as a component to its Phase 1 activities the restoration of the exterior façade on Building 63, the Chapel. Once the security situation is stabilized at Centennial Plaza, Phase 1 activities will likely include the removal of barbwire from the perimeter fence; and eventually the removal of the entire fence.



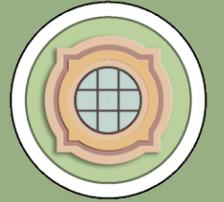
Phase 2 – The Beachfront Cluster

Phase 2 development consists of the lease and build-out of the three buildings fronting Highway 90 at the south boundary of the Property. It is likely that the strongest market demand for existing buildings at Centennial Plaza will be for the buildings nearest the entrance with compelling views of the Mississippi Sound. Buildings 57 (potential boutique hotel), 63 (the chapel – potential for private and community events and meetings), and 64 (potential restaurants) are all very unique and different. Together, they form the Beachfront Cluster. At this time, Glastonbury is already in discussions with potential boutique hotel developers. Similarly, it is discussing the adaptive reuse of Building 64 with restaurateurs. Finally, Glastonbury is actively pursuing an MDAH grant for the refurbishment of the Chapel’s exterior façade.



Phase 3 – The Parade Ground Cluster

The three buildings that surround the Parade Ground will likely form the commercial hub to the development. While it seems logical that the Beachfront properties will be developed first (given market interest today), it is quite possible that some development will occur in the Phase 3 Parade Ground Cluster on a concurrent basis with Phase 2. It seems that Building Number 4 will be an important transitional element for activity stemming from the beachfront into the Property’s interior. Building 4, to the east of the Parade Ground, lies behind Building 64 (potential future restaurants). Assuming that Building 64 is successfully converted and leased for restaurant use, it is logical to assume that development in Building 4 will follow it. Additional restaurants, retail shopping, banking and finance, and educational uses will all interplay with the restaurants and parking located to the south in Building 64. The relationship between Buildings 64 and 4 is very important. From that point, the other buildings along the Parade Ground will likely be of interest to other retail, commercial, office and institutional users.



Phase 4 – The Outlier Cluster

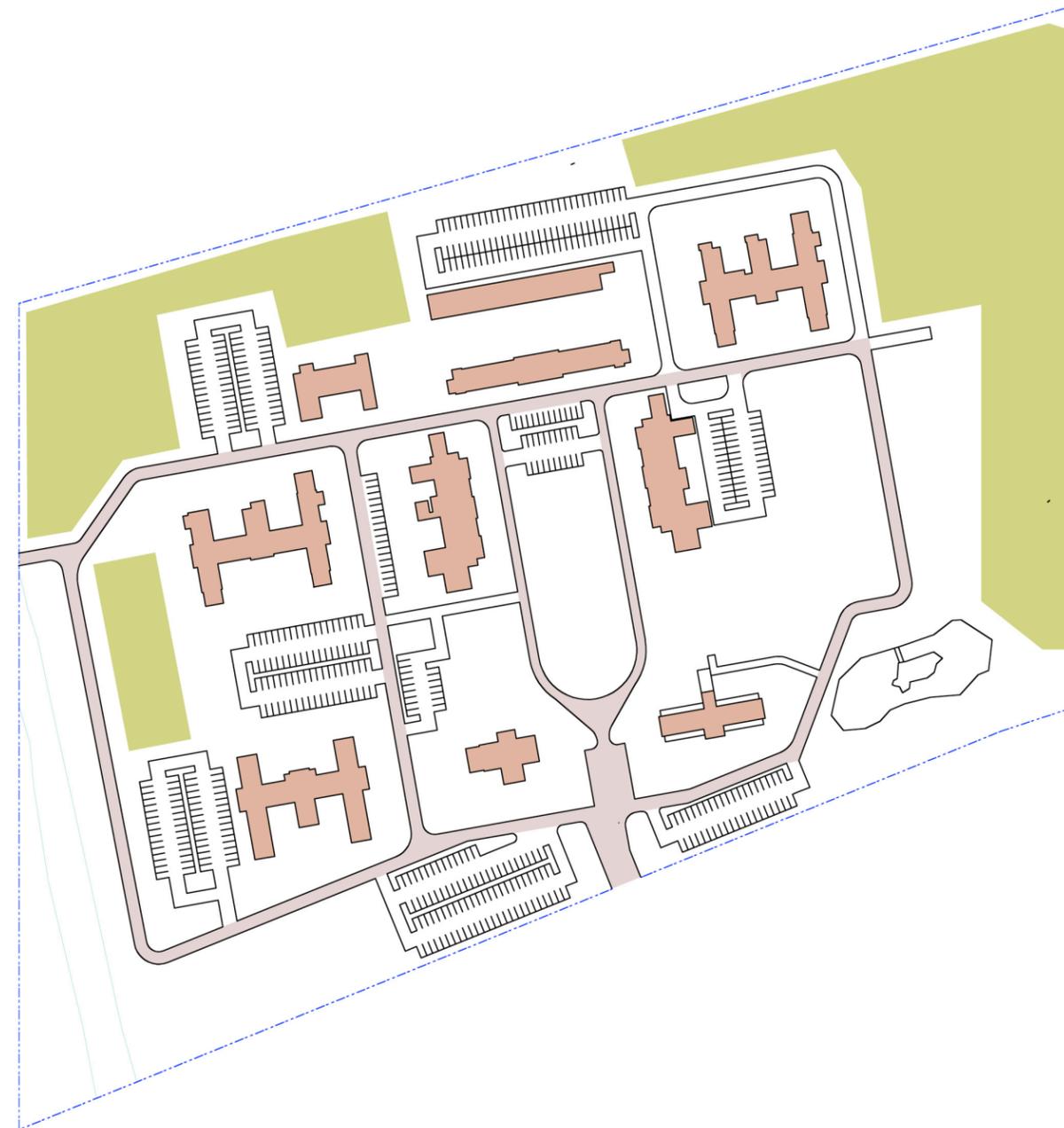
Properties in this phase would include Buildings 64, 5, 2, and 62. It is very difficult at this time to anticipate market interest and timing in these buildings. It is generally sufficient to say that some level of mixed use activity will find a home in these buildings, including some mix of residential, office, retail, and commercial uses. It is equally possible that some of these buildings will be subsumed as component parts to larger developments. For example, Building 62 shares a parking lot with Building 57. It is possible that they could be developed together as a boutique hotel, potentially even with a newly constructed connector or building between them. Building 2 could also be developed by a hotel user as a day spa. At this time, it is very difficult to know what the marketplace will want in relationship to these buildings.



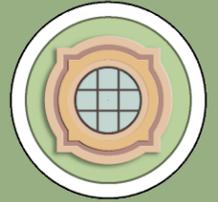
Undefined Phase To Market – New Construction

Another “phase” is weaved through the potential reuse of existing buildings. It is the likely demand, at some point, for new construction. As a general rule, Glastonbury believes that the demand for new construction will come predominantly after the vast majority of the existing building stock is leased to tenants. Yet in some instances, perhaps the new construction of a boutique hotel connecting Buildings 57 and 62, or in the construction of new senior living quarters, new construction will precede adaptive reuse. At this time, Glastonbury envisions three areas most suitable for new construction: (1) the west boundary line along Coffee Creek from the boundary to the north at the railroad tracks to Highway 90 to the south; (2) the north boundary line behind the existing buildings (Building 5, 2, and 41) from the east to west boundary lines; and (3) at discrete locations along the east boundary line interspersed between Live Oaks for the development of small office or residential buildings.

It is likely that these phases will overlap. The Property will not be



Areas suitable for new construction shown in green



6.4. HISTORIC PRESERVATION PLAN

Prior to commencing any major physical work on the historic buildings in the South Parcel, Glastonbury will first confer with, and seek the necessary approval of, MDAH and possibly NPS. Glastonbury intends to actively manage a spirit of cooperation, transparency, and collaboration with these important agencies. The policies and procedures established by the agencies to qualify a project for historic tax credits will be adhered to by Glastonbury.

Under its Phase 1 development efforts, Glastonbury has begun the process of documenting the buildings as National Historic Landmarks. Additionally, the Part 1 and Part 2 process for securing NPS approval of the proposed development is already underway. Finally, Glastonbury is working with MDAH to secure grant funds for the restoration of the façade on Building 63, the Chapel. All of these initiatives commenced in early June 2012.

MDAH has already provided some initial guidance that is influencing the planning and development process. During multiple site tours with officials from MDAH, there seems to be a general consensus that the buildings will require protections that limit alterations to their exteriors. This, of course, was anticipated and it is welcomed. The Mission-style, Spanish Colonial Revival architecture of the buildings in the South Parcel, with their Flemish caps, red tile roofs, and white stucco walls, will be repaired and protected.

MDAH did agree that certain additions to buildings could be constructed subject to the Department's future review. For example, a kitchen or kitchens will have to be added to Building 64 to convert it to restaurant uses; an elevator and elevator shaft must be added to the exterior wall of the building; and the porticos may be screened or glassed in on a seasonal basis. During site tours with MDAH officials, these additions appeared to be acceptable.

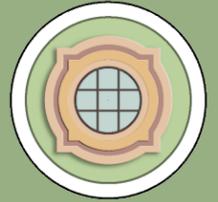
With regard to the buildings' interiors, MDAH has indicated at this point that they may be built-out to suit market demands. Already gutted from post-Katrina clean-up and damaged by the storm, there remain very few interior components of historic significance. Even prior to Katrina, most of the surviving buildings at Centennial Plaza underwent extensive interior renovations during the mid-1990s resulting in the degradation or complete elimination of historical elements. The high winds associated with Hurricane Camille in 1969 resulted in the near replacement of all remaining original windows and doors; since replaced again during post-Katrina restoration.

During site tours, MDAH has noted certain building features that it found historically important:

- ☒ **Building 1**
Wrought-iron staircase
- ☒ **Building 2**
South façade portico

- ☒ **Building 3**
Entrance doors with decorative iron rails
Wrought-iron staircase
- ☒ **Building 4**
Entrance doors with iron balcony railings
Wrought-iron staircase
- ☒ **Building 5**
Nothing noted by MDAH, other than Mission-style Spanish Colonial Revival architectural elements found on all the buildings in the South Parcel.
- ☒ **Building 41**
South facing projecting entrance pavilion with decorative Flemish gable and round window
Iron balcony on front facing window
Molded shields, possibly terra cotta, over windows
North façade Flemish gable
Potential wrought-iron staircase and terrazzo floors
- ☒ **Building 57**
Central pavilion with decorative Flemish gable
2-story entrance surround with pilasters, pinnacles, and arches of colored terra cotta decoration
East façade Flemish gable
South façade Flemish gable parapets
Terrazzo floors
- ☒ **Building 62**
Flemish gable parapet at entry doors with one story tile-roofed vestibules and iron railings
Potential wrought iron staircase and terrazzo floors
- ☒ **Building 63**
Main façade facing east with decorative Flemish gable and pinnacles
One-story porch
Flemish gable north façade
Stained glass round window in choir loft
- ☒ **Building 64**
South-facing Main Façade with two story portico and Flemish gable
Exterior portico French doors
East and west facades with entryways in decorative arch flanked by windows
Interior fireplace
Wrought-iron staircase

These elements, and others subsequently identified by Glastonbury, MDAH, and NPS will be protected during future development.



6.5. INFRASTRUCTURE PLAN

Immediate action is required to restore and rehabilitate existing infrastructure systems at Centennial Plaza. Some of the systems, like electric, gas, and fiber are non-existent and will require wholesale replacement or development. Gas and electric systems were severely compromised by Hurricane Katrina. Other systems can be made operational, although significant investment is required.

In this section of the Development Plan we identify the immediate steps necessary to restore existing, salvageable systems at the property; and we outline a strategy for the longer term installation of new systems, as well as the a plan for financing repairs and upgrades over the term of the lease.

The systems that can be salvaged at Centennial Plaza include water, sewer, and storm water. The following investments are required:

Water

- Repair one fire hydrant.
- Restore 46 road boxes.
- Excavate and repair two water leaks.
- Repair and rehab one water meter backflow assembly on the east side.
- Provide new backflow certificates for two backflows.
- Repair and restore the well to service with motor, chlorination system, etc.
- Clean out vegetation from around the water tank and secure tank and well with fencing.
- Repair and rehab the valves and pressure regulating valve for the water tank. Restore/install isolation valves for 6 fire hydrants.

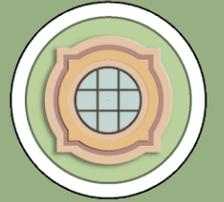
Sewer

- Replace Manholes – 2 total
- Replace 6” line – 100 LF
- Clean 6” line – 800 LF
- Replace 8” line – 360 LF
- Clean 10” line – 260 LF
- Clean 12” line – 480 LF
- Video approximately 100 LF of 6 inch line locate source of water flow in building 1 and stop flow.
- Replace Interceptor sized for 12 inch in and out
- Replacing the “MH Box

Storm Water

- Replace 4” Pipe – 40 LF
- Replace 6” Pipe – 560 LF
- Replace 8” Pipe – 2,640 LF
- Clean out 8” Pipe 610 LF
- Replace 10” Pipe – 660 LF
- Replace 12” Pipe – 20 LF
- Replace 15” Pipe – 25 LF
- Replace Catch Basins – 27 total
- Cleanout Catch Basins – 7 total
- Replace Manholes – 9 total
- Clean out Manholes – 5 total
- Repair manhole/catch basin grate seat – 1 total.
- Reattach manhole base to man hole – 2 total.

As a component to its Phase 1 activities, Glastonbury has made the investment to reintroduce the electrical distribution system to the property. This temporary “fix” will be replaced within the next three years with an underground system. Additionally, gas lines must be reinstalled throughout the property to serve the existing and future building sites. This work will be timed to market demand. As a substitute for fiber, Glastonbury is planning on installing a WiFi system to serve the property.



6.6. BUILDING IMPROVEMENTS PLAN

Each building at Centennial Plaza will be improved in a manner timed to marketplace demand. To begin with, Buildings 57, 64, and 4 are being most actively marketed. Already, some potential tenants have expressed interest in possibly leasing all or portions of each of these buildings. Upon the execution of a lease agreement for space in these buildings, work will commence improving them. Glastonbury will pursue a dual track: working to restore building facades on the buildings' exteriors while commencing internal fit-out. Façade work will proceed as directed and approved by MDAH. Already, a plan has been presented to the Department for its approval for this type of restoration work.

6.6.1. EXTERIOR FAÇADE RESTORATION

The basis for the repair of the stucco on the buildings is drawn from several publications of the U.S. Department of the Interior and followed by MDAH. Glastonbury has communicated a strategy for the repair of stucco facades with MDAH following these guidelines. MDAH has generally approved this strategy, pending a review and specific approval of a work plan for each building.

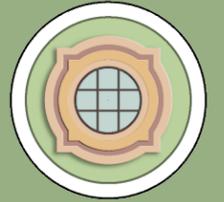
6.6.2. OTHER EXTERIOR WORK

In addition to the façade work that must be completed, other work will be necessary on the exterior of each building. Generally, ADA accessibility must be ensured in compliance with governing regulations. Additionally, broken (vandalized) windows and doors must be repaired or replaced. Interior courtyards must be cleaned of debris and re-landscaped with indigenous plantings. Building downspouts, staircases, and wrought iron elements require repair or replacement. In most cases, adjacent parking is inadequate and will be enhanced with pervious parking materials.

6.6.3. INTERIOR FIT-OUT

Glastonbury will assume the lead preparing individual buildings for fit-out by its tenants. This will entail the construction of all interior common spaces, mechanical and electrical systems, including fire suppression, and other work required that is not specifically relegated to tenants based upon lease agreements. Once this work is complete, specific tenant lease spaces will become the responsibility to fit-out by the respective tenant occupying a particular leased space.



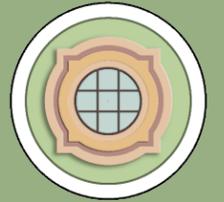


6.7. NEW CONSTRUCTION PLAN

Glastonbury has extensively reviewed the interiors and exteriors of the buildings making up the property and has created an outline of the macro work that needs to occur at each building and obtained preliminary budget numbers based on the size and condition of the specific buildings. The work includes:

| | | | | |
|---|-------------------------------------|--|--|--|
| Stairway(s) – repair and or add new stairways | | | | |
| Stud Walls | Common area Outside Shell | | | |
| | frame, hang, tape | | | |
| Bathrooms | | | | |
| | plumbing, tile floor | | | |
| | dry wall, basic fixtures | | | |
| HVAC | | | | |
| | trunk lines to center corridor | | | |
| | 35K tons per | | | |
| Electrical | | | | |
| | to central corridor | | | |
| | bathrooms and ac – for common areas | | | |
| Sprinkler | | | | |
| Exterior | | | | |
| | Patch Dryvit | | | |
| | Paint | | | |

| | | | | |
|-----------------------------|--|--|--|--|
| Concrete Repair | | | | |
| Elevator | | | | |
| Pavers | | | | |
| | | | | |
| Excavation | | | | |
| Landscaping | | | | |
| Building specific site work | | | | |
| | sidewalks and entrances | | | |
| Required | Landlord new construction for tenant spaces including communications systems | | | |
| Tenant Build Out | | | | |



6.8. VEHICLE ACCESS & CIRCULATION PLAN

The South Parcel is accessible by two gates. The Main Gate is located at the south entry off Highway 90. The secondary gate is located at Second Street on the west side of the Property. As a general rule, at least for the earliest stages of the development, incoming traffic will be encouraged to use the Main Gate entryway. This gate is currently locked. Glastonbury intends to open this gate on a permanent basis upon the issuance of the first Certificate of Occupancy by the City. This will herald the return of normal operations at Centennial Plaza.

The Second Street Gate will remain closed and locked to the general public until which time, in consultation with the City and its Fire Chief, it is deemed appropriate by Glastonbury to open it on a permanent basis for the general public. At that point in time, a decision will be made to install traffic calming measures, like speed bumps, street amenities, or a rubber bollard, to moderate traffic flow and speed. At all times, Glastonbury invites the input of the Second Street residents and Second Street Civic Association to share its views related to these decisions.

With only two gates operable at the site, traffic patterns can be fairly inferred based upon historic use and street layout. Generally, vehicles will enter Centennial Plaza using the Main Gate. Once inside the Property, vehicles can assume one of three primary roads: directly north to the Parade Ground and the buildings comprising the Parade Ground Cluster; to the west and northwest corner of the Property using the road that fronts Building 64; or to the east and northeast corner of the Property using the road that fronts Building 63. Once inside the Property, cars will be relegated to using existing roadways; thus defining a generally circular pattern of entering and existing through the Main Gate. Some vehicles may exist or enter the Second Street Gate as well, assuming it is open. This will not impact the general circulation pattern, however. Ancillary roads in the interior of the Property will be accessed from the main circulation routes.

It is possible that at some point the City of Gulfport will engineer and build a linking roadway from Centennial Plaza east to Courthouse Road. If done, this will represent the third vehicular access point to the Property. This, more than any other internal development, will alter the historic traffic flows at the site; likely putting greater pressure on an east – west route through the north end of the Property from Courthouse Road to Second Street. If done, this traffic pattern may compete in terms of traffic flow and volumes with the established patterns historically developed from the Main Gate ingress and egress.

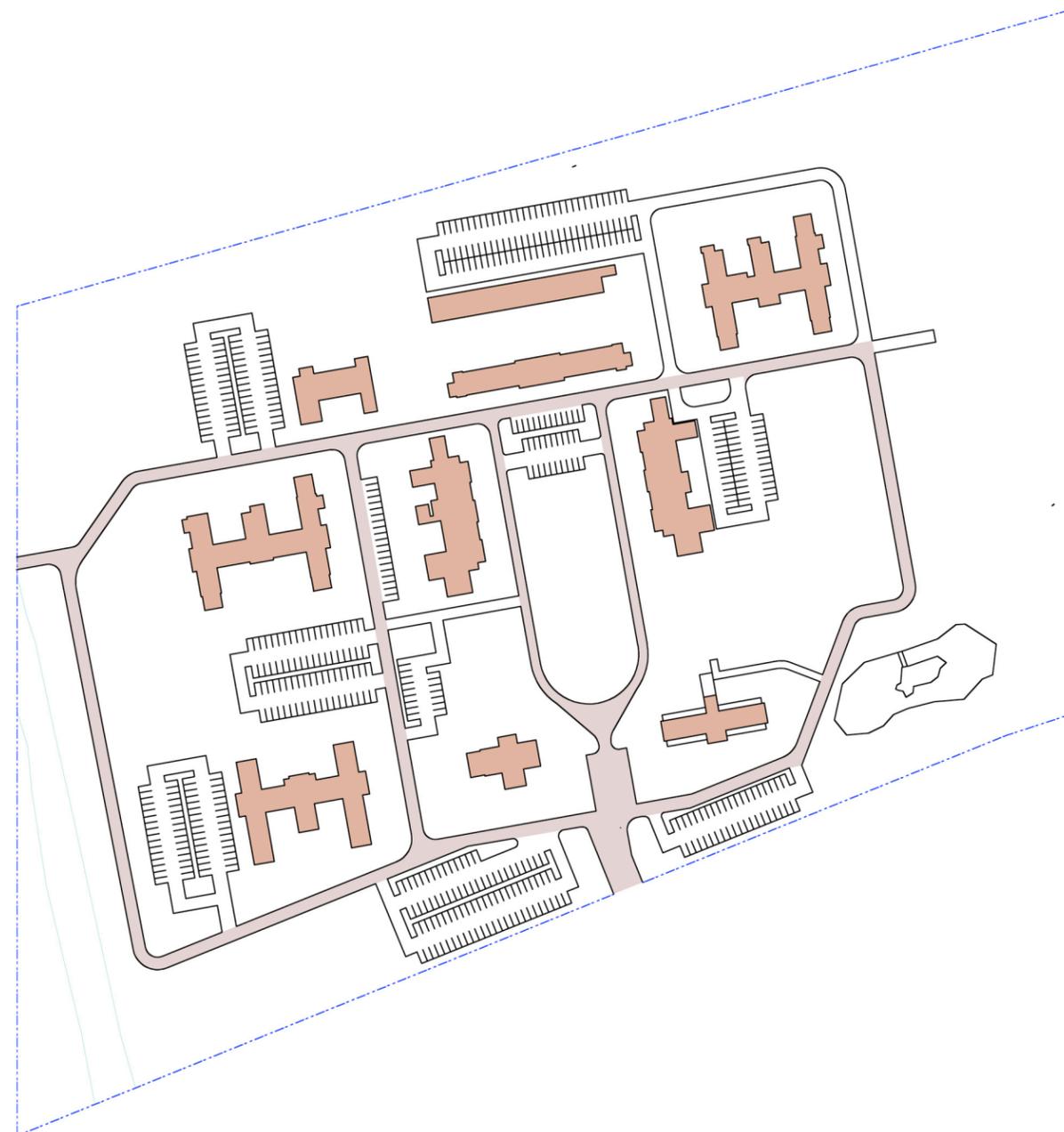
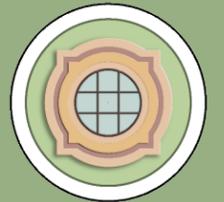


Diagram of vehicle circulation



6.9. PARKING PLAN

Traditionally, vehicle usage at Centennial Plaza was relatively light. The residents there did not use cars on the Property, but relied instead on public transportation. Some of the medical staff historically resided at the Property. Other medical and support staffers accessed the site on a daily basis using motorized vehicles. As the entire employment base at Centennial Plaza, primarily in the years before the closure of the VA Hospital, remained relatively light, there was not a significant parking problem. As a government-run medical facility, there was also no market imperative for parking in close proximity to areas of employment.

This will not be the case in a fully developed site. The challenge in developing Centennial Plaza relates in part to parking vehicles in close proximity to commercial and residential areas; and in providing sufficient parking in a manner consistent with the preservation of green space. Currently, the Property is under served by adequate adjacent parking.

Glastonbury intends to reuse all existing parking lots, perhaps with the exception of the large lot between Buildings 57 and 62. In the event that these two buildings are developed as boutique hotels, there is the opportunity to convert this lot into a courtyard with gardens, decorative water features, and a swimming pool. All existing lots will be appropriately repaired to support parking.

New parking lots will be necessary. A new parking lot to accommodate roughly 70 vehicles will be placed to the east of Building 57. Another new lot, roughly the same size, will be situated behind Building 2 on the Property's north side. These large parking lots will be impervious surfaces. They should, together, provide ample general parking to support the site.

Additional pervious parking surfaces are planned in close adjacency to existing buildings, but in a manner designed to not impact existing trees. Existing streets will also be enhanced with parallel pervious parking on their shoulders. Pervious parking fields will allow for the continued appearance of green space fields while still accommodating vehicular parking.

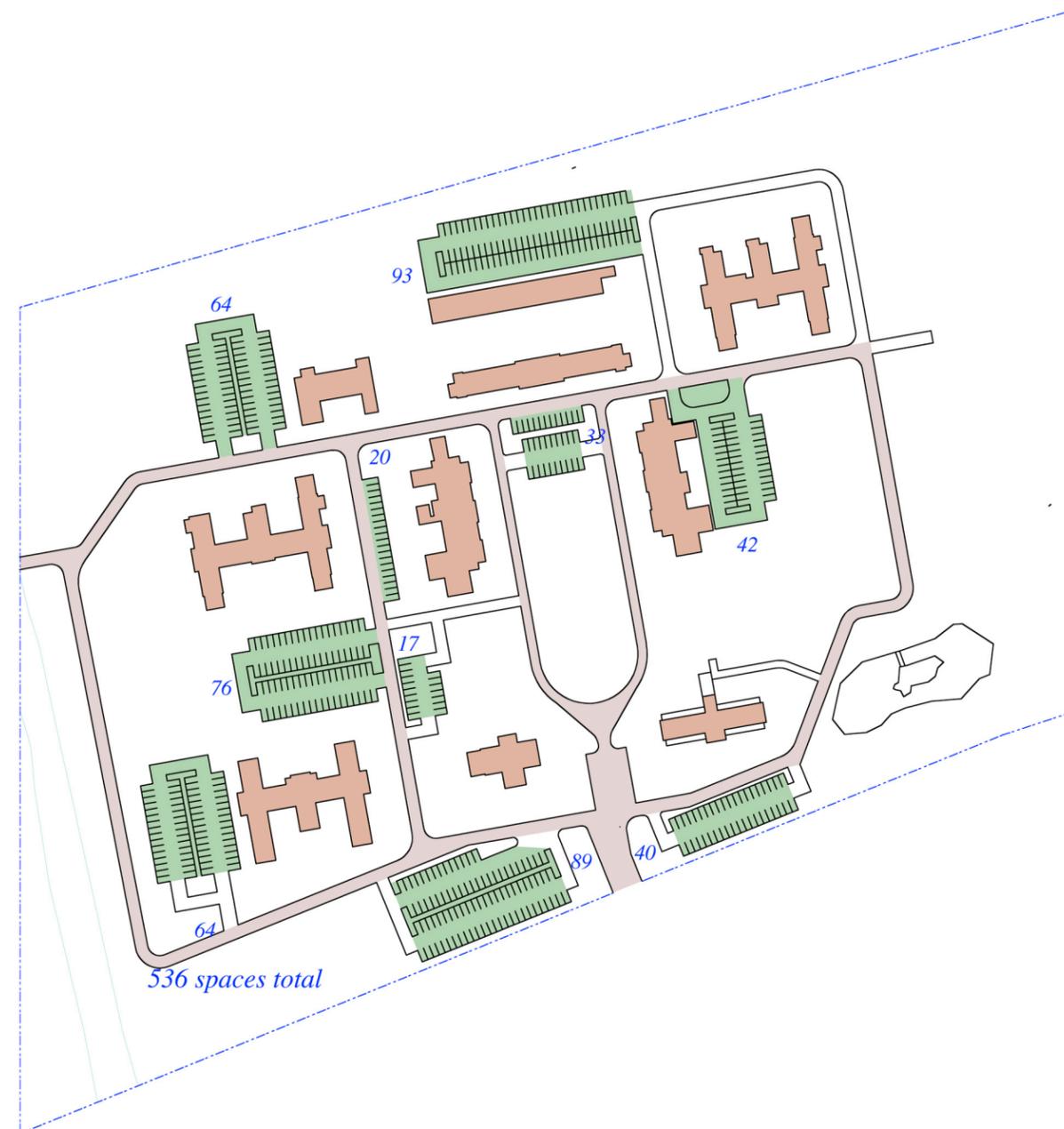
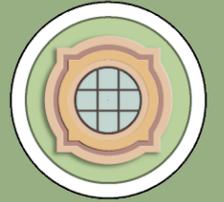


Diagram of the location of parking lots



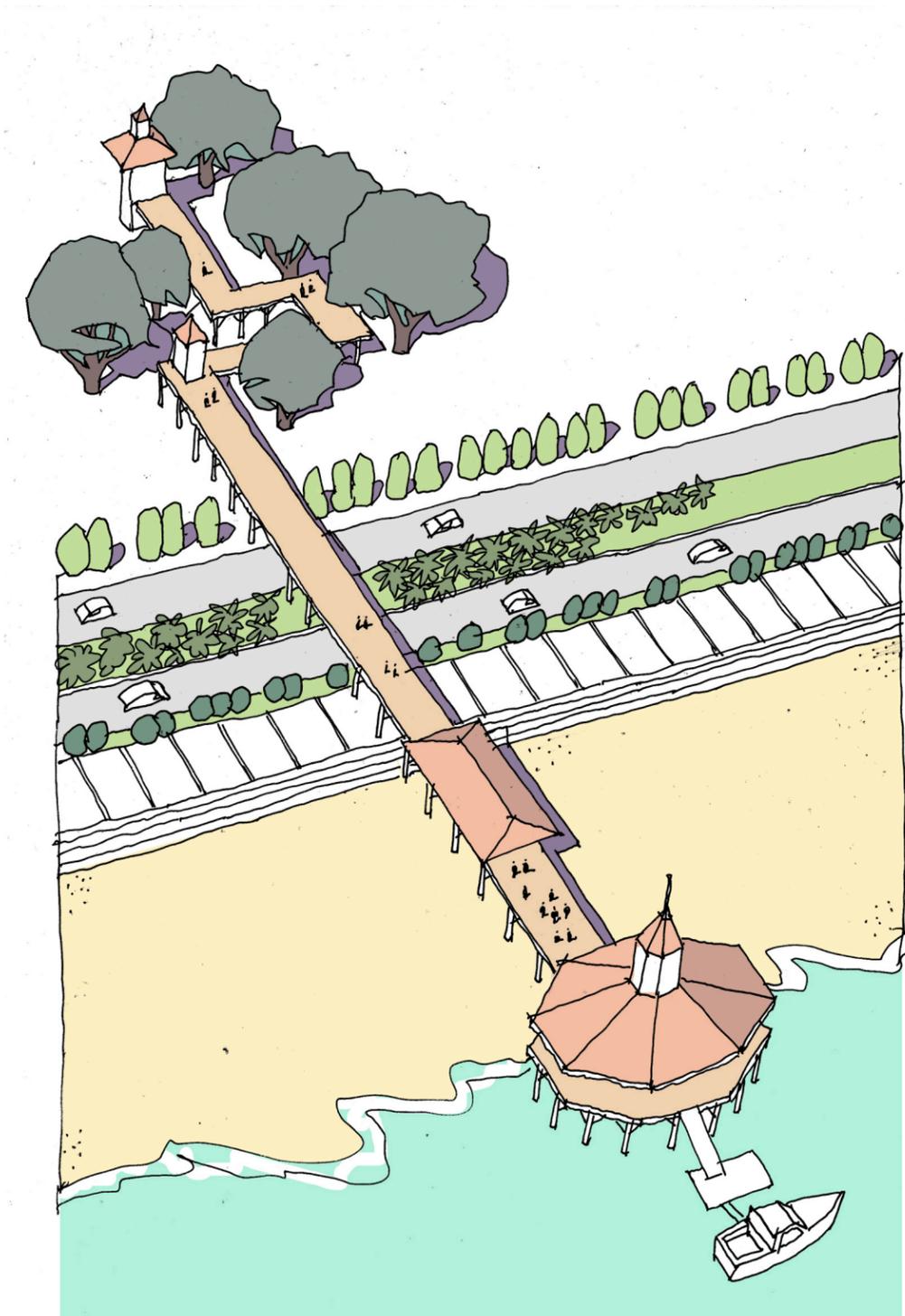
6.10. PEDESTRIAN WALKWAY PLAN & ACCESS TO THE BEACH

As a campus, Centennial Plaza already supports a vast array of sidewalks and pathways. Existing sidewalks and pathways will be repaired where necessary and maintained in their current configuration. Most of the sidewalks serving existing buildings require some level of repair and ongoing maintenance. New sidewalks will be installed if necessary over time to link new construction to the broader sidewalk system serving the campus.

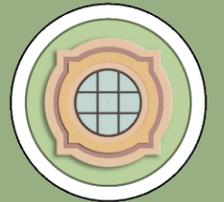
Glastonbury is committed to working with the City and County to explore an efficient and safe means for crossing Highway 90 to promote beach access. Glastonbury officials have already begun discussions with City and County officials to address this need. The following solutions will be explored:

- Installation of a stoplight at the Main Gate Entry on Highway 90. Prior to Hurricane Katrina, the site was served by a stoplight in this location. Reinstalling a stoplight with pedestrian crossing signs and pavement markers will enhance the safety of crossing to the beach.
- Construction of a pedestrian bridge across Highway 90. Glastonbury will work with City and County officials to pursue grant funding to design and build an elevated pedestrian bridge.

Every potential tenant that has visited the site has requested that a stop light and ease of pedestrian access to the beach be a prerequisite for a commitment to a lease.



Concept sketch of possible crossing of Highway 90 (east of entry).
This feature is subject to County/ State funding.



6.11. NATURAL FEATURES PLAN

Protecting the natural features at Centennial Plaza is as important as the protection of its historic buildings. Together, they work to create a special place that people will want to visit, work and live. Glastonbury will protect the natural features as it develops the Property consistent with the following initiatives:

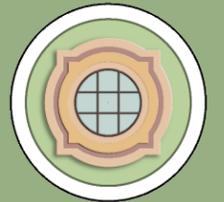
Trees

The Live Oak Trees and Southern Magnolia Trees located at Centennial Plaza will be protected in accordance with the City's tree regulations. Chapter 8, Article I of the Code of Ordinances and its related regulation, City Ordinance 2687, are the Tree Protection Ordinances governing what can and cannot be done to trees both on public and private Property. The public Property provisions will govern at Centennial Plaza. As such, no tree covered by the ordinances will be removed or significantly altered without complying with these provisions, including the necessity to secure a tree permit, consult with the Tree Protection Advisor, and comply with the findings of the Tree Advisory Board.

Furthermore, Glastonbury intends to work with the City of Gulfport to designate the stand of Live Oaks between Building 57 and Highway 90 as public park space open to the general public to enjoy the impressive stand of shade trees.



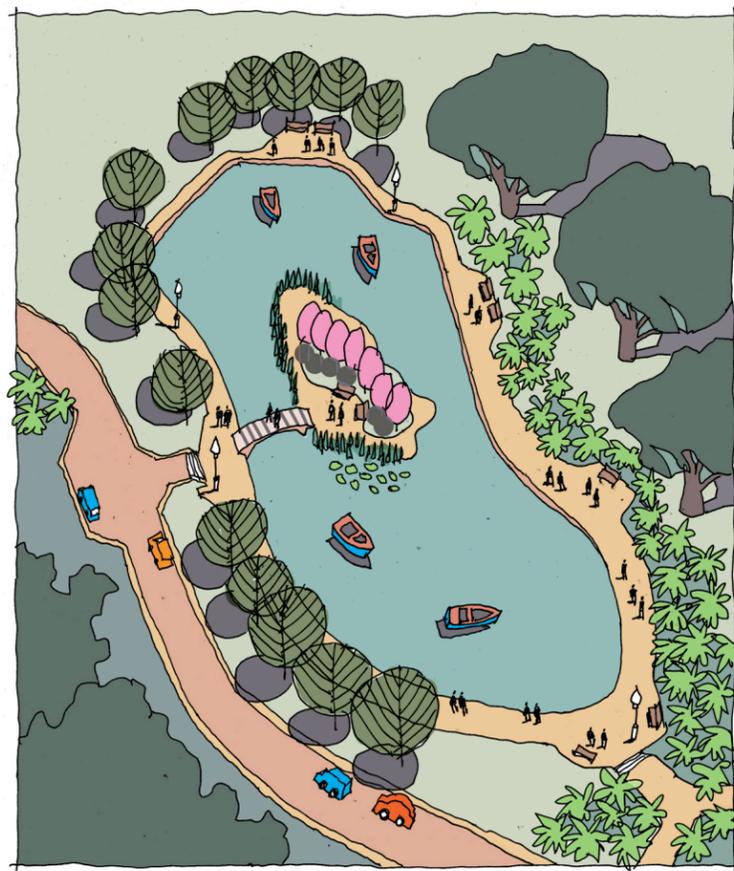
Sketch of possible oak tree platform for dining



Water Features

Glastonbury will work with the City and County to enhance the water features at Centennial Plaza. Glastonbury intends to improve the existing pond located near Building 64 over time as an important visual and recreational amenity. It has the potential of complimenting the development of Buildings 57, 63, and 64. The “Monet” bridge is an important visual amenity. First, the pond will be restored and cleaned of debris and all nonindigenous plants. Second, Glastonbury will enhance the view with indigenous landscaping.

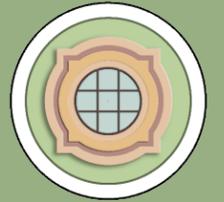
Working with the City and County, Glastonbury further hopes to restore Coffee Creek by removing the overgrown plants currently choking water flow and the view. This effort will likely require grant funds to realize the full potential. Coffee Creek can be an important water element at the campus. Over time, it could be developed into a park-like setting with a river walk, street furniture, and gazebos.



Sketch of “Monet” bridge and pond water feature

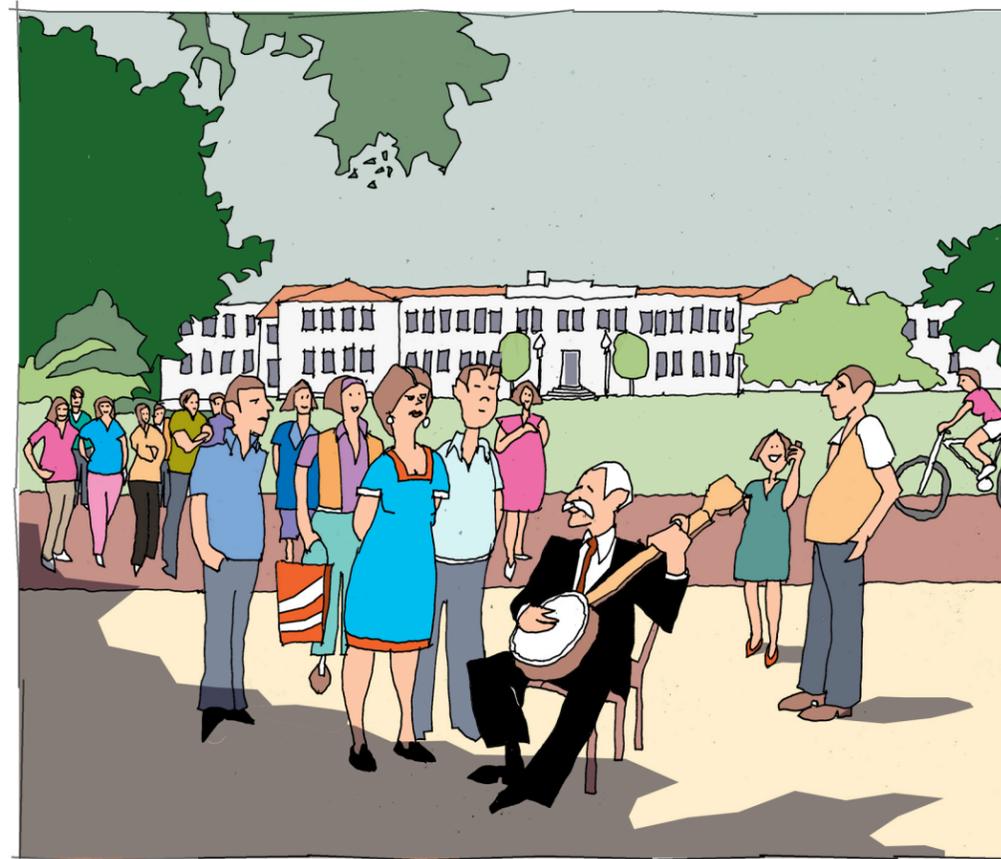


Sketch of Coffee Creek water feature



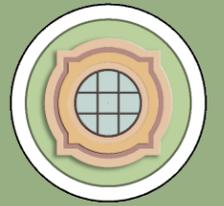
☒ **Open Space & Parade Ground**

Glastonbury will not allow any development within the Parade Ground. It will be reserved as an important visual and landscape feature inherent to the historic development of the campus. It will serve in the future to host community events, like concerts.



Sketches of Parade Ground activities





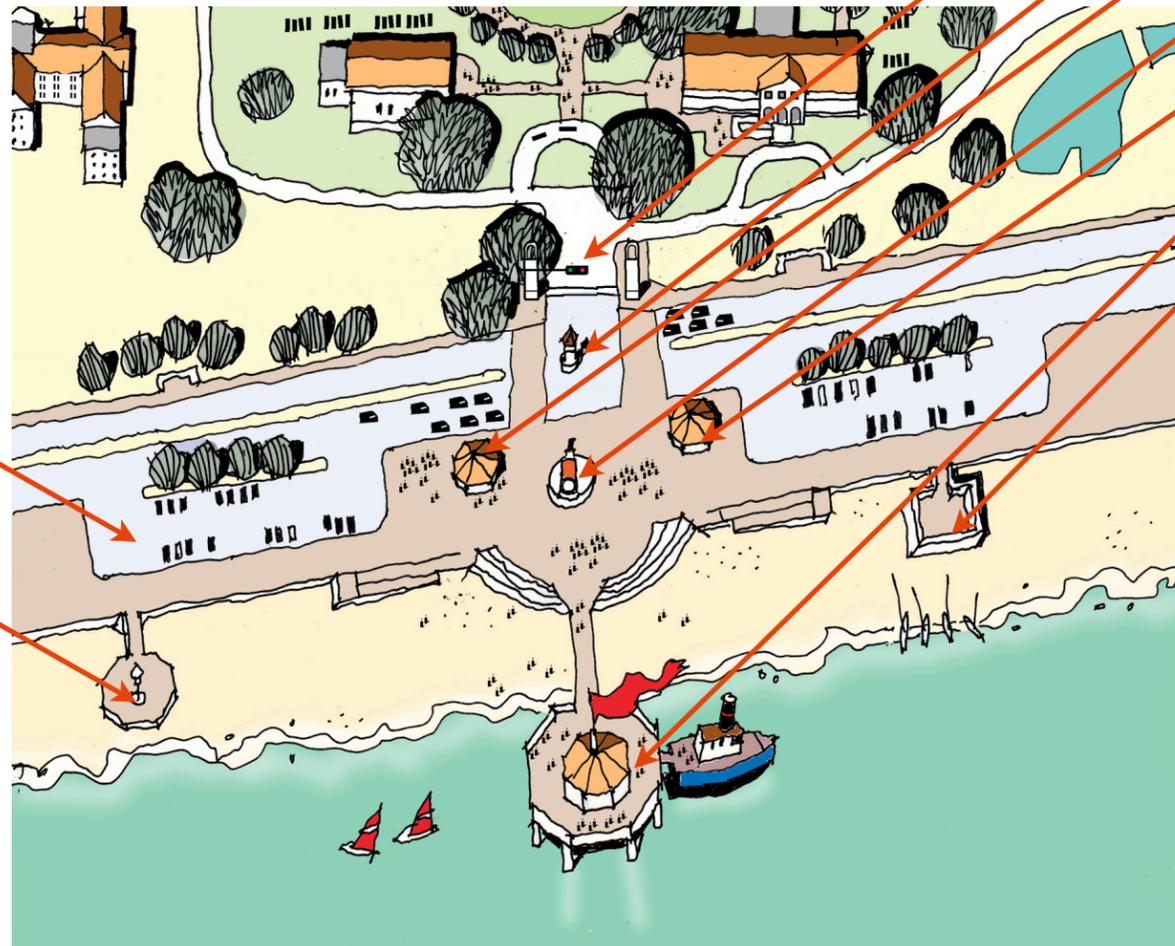
Beach Access

As previously noted, Glastonbury will work to enhance beach access along the Mississippi Sound by working with the City and County to promote a safe and efficient pedestrian crossing over Highway 90. There is also an opportunity, over time, to introduce beachfront elements that will support recreation on the beach itself. Enhanced parking, restrooms, and limited food and beverage service could all be accommodated assuming the City and County permit these activities and participate in supporting their development.

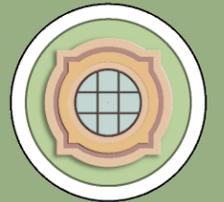
- Traffic lights
- Pedestrian crossing feature
- Food and beverage service
- Observation feature
- Public restrooms
- Pier and excursion boat
- Children's play area

Enhanced parking

Spray shower fountain



Sketch of possible beach activities



6.12. STREETScape, SIGNAGE, ENTRY MONUMENTS

Streetscape elements, like banners, wayfinding signage, and entry monuments are important visual elements that define character and serve important functions. They define character at a site through a continuity of complimentary shapes and colors. As functional elements, they define a sense of place as being unique: they indicate that a special experience has begun for visitors entering the gates. At Centennial Plaza, Glastonbury will incorporate these elements into the development and build-out of the site.

Over time, as roads, sidewalks and parking lots are improved to correspond to the lease-up of individual buildings; Glastonbury will be incorporating these elements. Streetscape work will include a myriad of different, but complimentary, treatments; beginning with the addition of trees; some street furniture, like benches and tables; and other functional elements, like bike racks. As the development progresses, the temporary metal halide lights will be replaced with decorative street lights designed to a pedestrian scale. These will likely be fit with decorative banners. As the campus is filled with new tenants, decorative wayfinding signs will be appropriately placed throughout the Property to provide directions to them. They will also indicate where to park; and they may direct vehicular traffic and pedestrians to sites of interest (like the Live Oak Stand, Coffee Creek, the pond); and to retail shopping and restaurants.

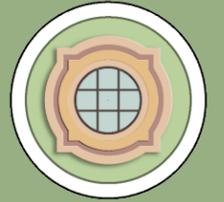
Glastonbury will also install an entry monument, or prominent sign, at the Main Gate entry off Highway 90. This will serve as an important marker; indicating that the Centennial Plaza experience begins as motorists and pedestrians cross through the gate. Related to the entry monument, there is also an opportunity to work with the City and County to potentially install monuments at the east and west boundaries of the Property located on Highway 90. These prominent signs would demark the Centennial Plaza “district.”

Individual tenants at Centennial Plaza will be restricted to some extent in the size, shape, and location of individual signage located near their buildings. It is important that conformity of signage be achieved in order to create a unified look and feel at the Property. Glastonbury will prescribe through lease agreements the type, style, color, shape, and location of these signs.

Most of this work will occur after the creation of a critical mass of tenants at Centennial Plaza; and they will be added to and changed over time. The goal is to keep Centennial Plaza looking festive and to define it as very special and unique place.

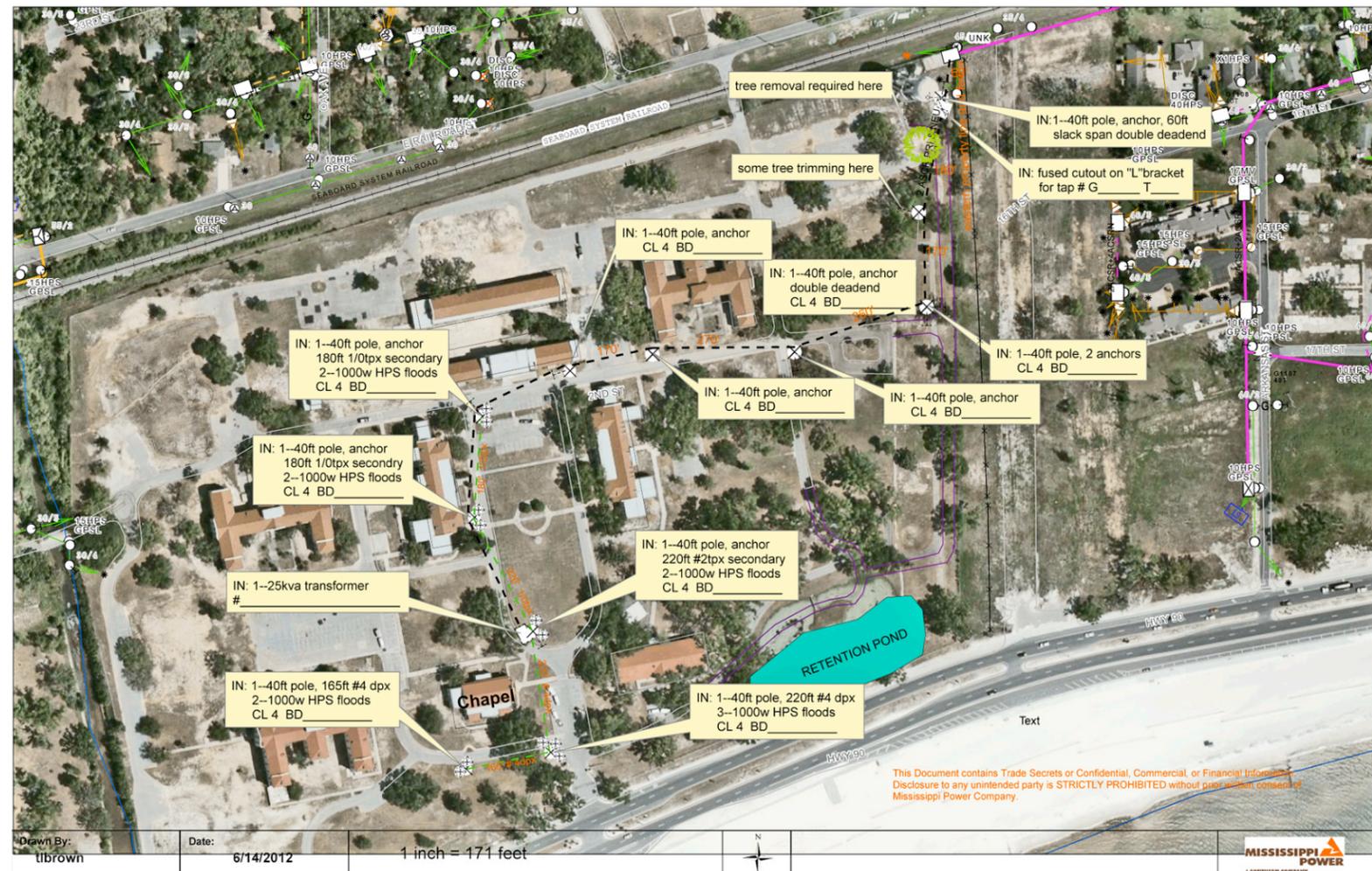


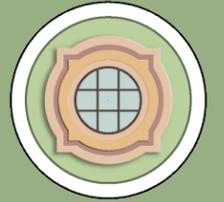
Sketch of entry monuments



613. LIGHTING PLAN

As a component to its Phase 1 development activities, Glastonbury has already developed a lighting plan for Centennial Plaza. Working in partnership with Mississippi Power, Glastonbury has developed a temporary lighting solution (shown in the picture, below) that includes the installation of 11 power poles and exterior lighting fixtures to provide temporary light to the site. This will help to provide an important nighttime visual element by illuminating the site for motorists as they pass by on Highway 90. It will also serve a security function to hopefully deter vandals and trespassers from the Property at night.



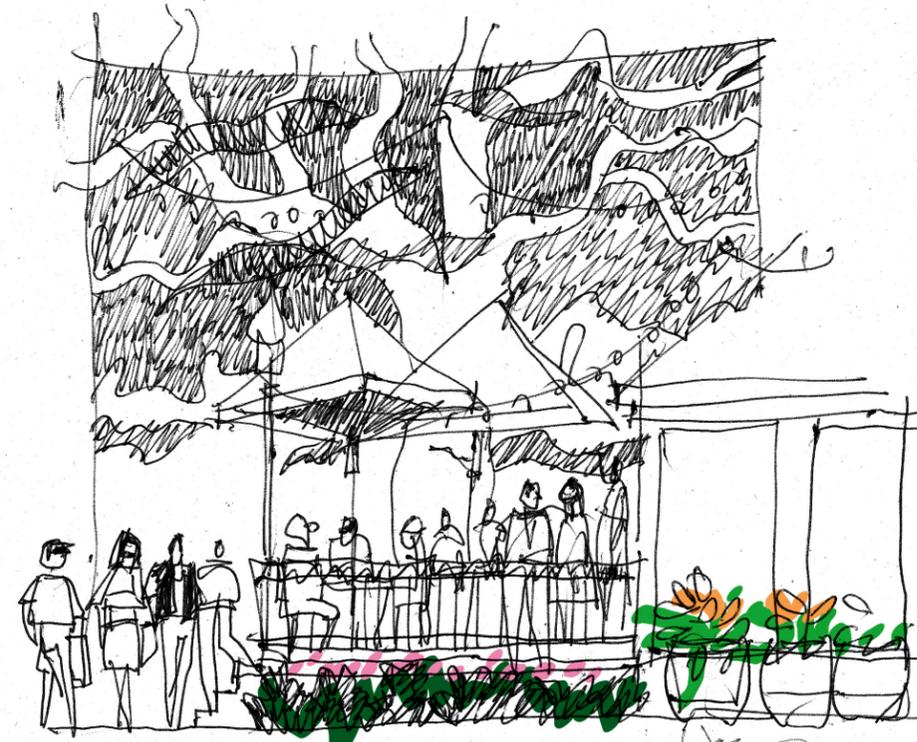


6.14. LANDSCAPING

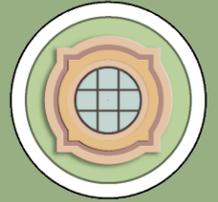
Landscaping is another important visual element to be incorporated into the development of Centennial Plaza. Individual buildings will be landscaped as they are leased. As a general rule, indigenous perennial plantings will be adopted. Seasonal color will be achieved through “pockets” of annual flower plantings in common areas, like entries, parking lots, sidewalks, and the pond.

7. ZONING OVERLAY

As stated previously, the submission of the zoning overlay will occur in conjunction with the completion of a sublease with a resort or senior housing developer to assure that such uses are subsumed by the zoning plan.



Sketches of landscaping



8. MARKET & MARKETING

8.1. OVERALL MARKET

Comprised of six counties – three on the coast of the Gulf of Mexico and three to their north – the Mississippi Gulf Coast is the state’s second largest metropolitan area and includes both urban centers and rural areas. Recent reports suggest business in South Mississippi is not only healthy, but is beginning to thrive. Casinos and hotels are witnessing large crowds, and local restaurants have noticed a spike in traffic as well, all since the oil spill of 2010. The Mississippi Gulf Coast is a transportation nerve center for Mississippi and the Central Gulf Coast region. It’s where rails, airports, highways and ports converge to give South Mississippi a reach north, south, east and west to both domestic and foreign locations. Diversity of lifestyles is one of the most striking characteristics of the Mississippi Gulf Coast region. The wide variety of industries and areas gives residents endless options and opportunities for places to work and live.

8.2. ECONOMIC DEVELOPMENT

Once known as a sleepy coastal area, the Biloxi/Gulfport area is now the center of economic and cultural activity along the Mississippi Gulf Coast. Before Hurricane Katrina devastated the area in August 2005, the Gulfport/Biloxi economy was thriving, and the area has made an impressive comeback, boasting thousands of jobs in shipbuilding, aerospace, gaming, and military.

8.2.1. GAMING

Biloxi, as the gaming center of the South, boasts 12 casinos with plans for several more in the works. The most upscale casino, The Beau Rivage, has won awards from Southern Gaming and Destinations Magazine and Casino Player Magazine. The awards included: Best Rooms, Best Golf Course, Best Poker Room, Best of Gaming, and Best Overall Hotel Casino. Gaming revenue is now above pre-Katrina levels. In addition, hotel and airport traffic has made a steady climb upward every year since the hurricane. The newest casino, Margaritaville, opened in 2012. Additional casinos are currently being planned throughout the Gulf Coast.

8.2.2 SHIPBUILDING

The Mississippi Gulf Coast is at the center of the largest shipbuilding region in the nation, and is the birthplace of most of the nation’s surface warships and deep-water exploration equipment. Northrop Gruman alone employs 12,300 people along the Gulf Coast. It is anticipated that recent shipyard closure announcements will significantly reduce this market segment and have an overall negative impact on the regional economy.

8.2.3. AEROSPACE

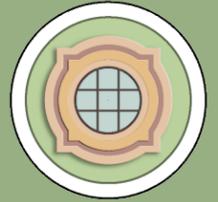
Along Mississippi’s 76 miles of Interstate 10, three aerospace centers have emerged and include operations in unmanned aerial vehicles, composites, and propulsion and geospatial activities, including the components for satellites. In addition, the area has seven aerospace parks and there are six major aerospace companies in the region, including Lockheed Martin, Northrup Grumman, and Rolls-Royce. The recent announcement by Air Bus to locate a manufacturing facility in Mobile is another example of the region’s prowess in this important market segment.

8.2.4. MILITARY

Keesler Air Force, which trains 40,000 Airmen, soldiers, sailors, Marines, and civilian personnel each year, calls Biloxi home, and the base’s estimated economic impact on the area is \$1.8 billion. The base currently employs 14,600 people. In addition, the base is a leader in the community and hosts events such as Keesler’s Thunder on the Bay Air Show, Mississippi State Special Olympics, and the CISMSoccer Championship.

8.2.5. RECENT ECONOMIC DEVELOPMENT ANNOUNCEMENTS

Mississippi Gulf Coast has recently been the recipient of several large scale economic development announcements. In January 2011, Chevron announced plans for a \$1.4 billion expansion of its Pascagoula oil refinery plant, which resulted in over 1,000 construction jobs. In May 2012 the Margaritaville Casino opened in Biloxi. The casino is expected to provide 1,200 new jobs. In April 2012, Adecco announced it was adding 900 job opportunities throughout the Gulf Coast for insurance claims review and administrative support professionals.



8.2.6. HURRICANE KATRINA RECOVERY

The Mississippi Gulf Coast has seen an estimated \$40 billion in public and private in-vestment since Hurricane Katrina damaged the area in 2005. Congress and the President created the Gulf Opportunity Zone (GOZone) which allowed investors to enjoy immediate depreciation of investments within the GOZone (which includes all Mississippi counties affected by Hurricane Katrina) for all capital investments made by 2010.

Prior to Katrina, the Mississippi Gulf Coast was the third largest gaming destination in America. With the opening of the Margaritaville Casino, the number of casinos has returned to a pre-Katrina level. Population in the three coastal counties has come back to within 96% of pre-Katrina levels and unemployment has dropped significantly after a 20% high post-Katrina. Tourism has returned to pre-Katrina levels as well. Significant rebuilding has taken place and plans are underway for more construction and infra-structure improvements. The Mississippi State Port Authority at Gulfport, which was damaged in the hurricane, is currently in the midst of a \$600-million repair and expansion. The port expansion is anticipated to create 16,600 direct and indirect jobs and inject nearly \$2 billion into the Gulf Coast's economy. The port's expansion is expected to be complete in 2014.

8.2.7. PORT OF GULFPORT CARGO FIGURES REBOUND IN 2010

The Mississippi State Port Authority at Gulfport handled over 2.2 million tons of cargo in 2011, exceeding 2010 tonnage by 3%. The State Port's Revitalization Program continues to advance rapidly and its progress is already capturing the attention of carriers and cargo owners throughout the world. Thanks to the efforts of the entire port community, the Mississippi State Port at Gulfport maintains its position as the third busiest container port on the Gulf of Mexico. The port authority is critical to the economic well-being and diversity of the Gulf Coast, as well as the entire state of Mississippi. Peak capacities at other ports in the region, the expansion of the Panama Canal and shifting international trade patterns all present opportunities for future growth. With a strategic restoration, the MSPA has the opportunity to become the nation's Port of the Future.

8.3. MARKETING PLAN

Glastonbury will employ a number of related strategies to advance marketing efforts at Centennial Plaza. One of the more important elements to a sustained marketing campaign is the use of the local brokerage community to match potential tenants to the site:

Brokerage Community

As a component to its Phase 1 development activities, Glastonbury has hired a local broker (based in Gulfport and specializing in hotel, resort, retail, and commercial development and tenant advocacy). The broader brokerage community is invited to co-broker at the site. Already, Glastonbury has received a number of inquiries and is following them up at this time.

Website

Glastonbury continued its Phase 1 activities by creating a website to announce the development opportunities at Centennial Plaza. Within a week of the May lease signing, a website was designed and activated. Glastonbury continues to monitor it. As activities progress, Glastonbury will likely deploy social networking technologies, like Facebook and Tweets, to continuously update the site.

News Media

The use of news media is an important and cost effective way of communicating with the general public. Local newspapers, radio stations, and television stations will be invited into newsworthy stories as they occur.

Print Media

Brochures will be utilized to market the overall site and individual buildings. This tool will be primarily distributed by Glastonbury's broker, and shared within the brokerage community; but printed brochures and follow-up letters will also be used by Glastonbury where appropriate.

Entry Signage

An entry sign at the Highway 90 Main Gate will be designed and installed announcing the redevelopment of Centennial Plaza. It will provide key contact information for people looking for additional information about the site.

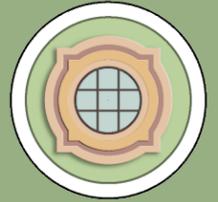
Community Events

Glastonbury will continue the tradition of allowing local governments and groups' access the site for special activities and events, like Cruisin' The Coast and Boy Scout camping trips. These activities represent an ideal way to encourage people to tour Centennial Plaza and to learn more about the development. When appropriate, Glastonbury will have a table or booth at these events to provide additional information, answer questions, provide on-site tours, etc.

Maintaining the Property

Keeping the Property maintained is an important marketing feature. It is important that the lawn continue to be mowed and the site cleaned of debris, especially from special events, in order to preserve an orderly and hopeful sense of progress. It will be very difficult to attract tenants to the Property if it looks like a ghost town.

These marketing activities will be designed to keep Centennial Plaza in the mind of the general public, while providing a very specific task of selling the opportunity to interested stakeholders and tenants. The goal is to keep marketing fresh and updated while providing a sustained and constant presence in the marketplace.



9. SECURITY

Security issues are become a bit of an issue at Centennial Plaza. It's probable that people have trespassed on the site for many years, but the increased activity related to Glastonbury's Phase 1 development activities is making these incidences more apparent. In response, Glastonbury is acting quickly to light the Property so that it is illuminated at night. Working together with Mississippi Power, Glastonbury is currently undertaking a light and electric pole installation. Having lights at the site will certainly add in discouraging nighttime visitors.

Glastonbury will continue to maintain the border fence for the foreseeable future. It is an excellent deterrent to trespassers. On a regular basis, Glastonbury conducts perimeter inspections of the border fence to check for breaks in its continuity. Similarly, Glastonbury intends to keep the barbwire fence on the Property until such time as there is an adequate number of people routinely working at Centennial Plaza to justify taking it down; even then, it's likely that only the barbwire along the south boundary fence will be removed. The goal is to maintain a high level of security without making the site look too much like a prison.

All gates at the Property will continue to be closed and locked, with only a few people retaining keys and the ability to access the Property. At this time, Glastonbury intends to keep the Main Gate at Highway 90 closed and locked until the Property's first Certificate of Occupancy is issued by the City. At that time, this gate will be opened on a permanent basis to the general public. The Second Street Gate will remain closed until, in consultation with the City, Glastonbury determines that there is sufficient development at the site to warrant it open; or unless advised by the City's Fire Chief that it be open on a permanent basis. It is also possible that Glastonbury will from time to time, and at locations of its choosing as dictated by safety and security requirements, fence some interior portions of the Property in order to protect the real estate and the people accessing the site. Any internal fencing, if installed, would only be on a temporary basis.

Once the site is permanently opened, Glastonbury will continue to work with the City Police Department to provide appropriate policing and security.

10. INSURANCE

One of the biggest issues in obtaining appropriate property insurance for the buildings at the Property is the requirement for flood insurance. Due to the fact that a vast majority of the southern parcel is in a "V" zone, which is considered a special hazard, the ability to obtain flood insurance, a requirement of the lease and the property insurers, at reasonable rates is almost impossible. It may entail the GRC or the City of Gulfport using their ability to obtain flood insurance, to cover the potential flood losses at the Property.

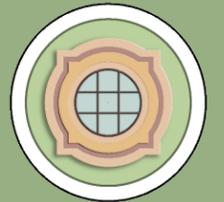
11. LOCAL CONTRACTING

The renovation and renaissance of Centennial Plaza (the "Project") is beginning, and will benefit the City of Gulfport in a number of ways both through job creation, construction activity, and enhancing the services available in the City and entire Gulf Region Centennial Plaza will be constructed at a Property owned by the Gulfport Redevelopment Commission and leased to Glastonbury Gulfport LLC, an affiliate of Glastonbury Capital LLC.

The standards and procedures outlined below will be implemented for the Project. Participants will include, without limitation, professional services providers and their respective consultants, the general contractor or construction manager retained for the Project (the "General Contractor") and the General Contractor's subcontractors, and all vendors of supplies, services, equipment and materials for the Project (collectively, the "Participants" and each a "Participant").

Glastonbury Gulfport LLC ("GG") will require all of its Participants to use good faith and nondiscriminatory efforts to provide either joint venture partnerships, sub-consulting and/or sub-contracting opportunities for Gulfport based businesses and disadvantaged business enterprises (collectively, M/W/DS-BEs and/or DBEs)

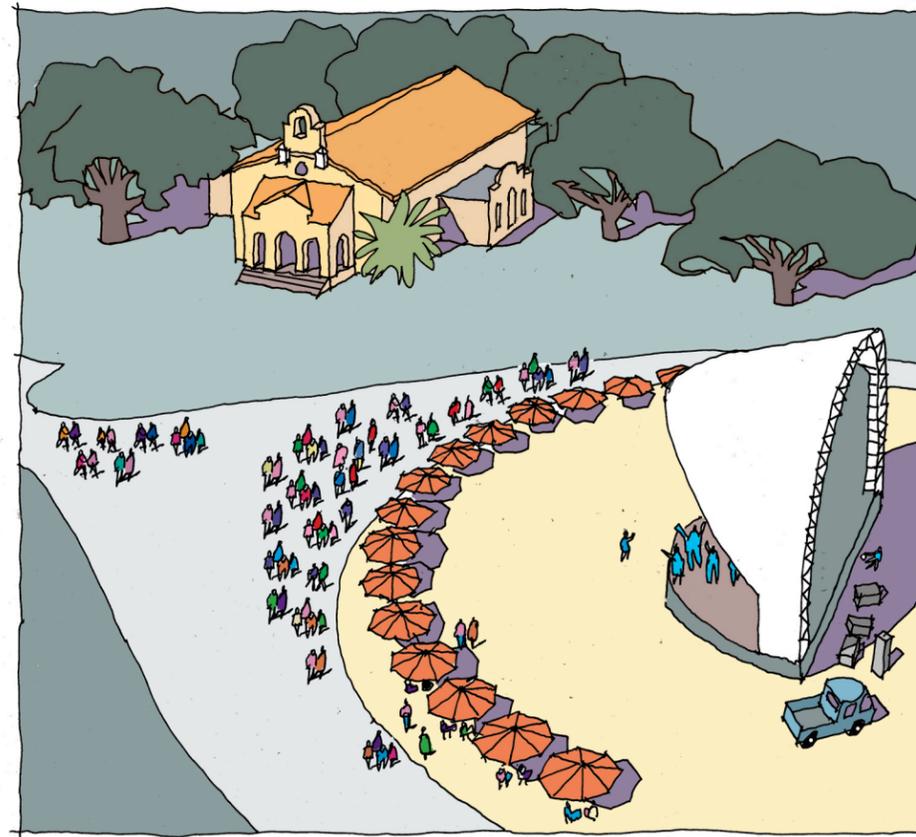
In all phases of the Project, GG will require that all Participants commit that no Participant shall discriminate on the basis of race, color, religion, sex, national origin, sexual orientation, gender identity, ancestry, age, or handicap in the award and performance of contracts pertaining to the Project or with respect to any and all related employment practices. All Participants in the Project shall observe all relevant laws, ordinances, orders, rules and/or regulations regarding M/W/DS-BEs and/or DBEs and Gulfport based business enterprises. Furthermore, affirmative action will be taken consistent with sound procurement policies and applicable laws, to ensure that Gulfport based businesses, M/W/DS-BEs and/or DBEs are afforded a meaningful and representative opportunity to participate in contracts relating to the Project.



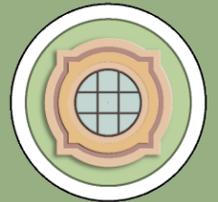
12. SPECIAL EVENTS AND PUBLIC ACCESS

Centennial Plaza is a public Property owned by the Gulfport Redevelopment Commission. The GRC has established a fine tradition of opening the site to civic groups and related stakeholders for community events. Glastonbury strongly supports the continued use of Centennial Plaza on this basis, both before and after the site is permanently opened to the general public. In order to ensure an efficient system for identifying and allowing these groups to access the Property, Glastonbury has developed a protocol with the City of Gulfport for encouraging these events. Parties interested in using the site are encouraged to first contact the City's Parks and Leisure Department. An access form, including all required insurance information, must be completed and returned to that Department. It will then be forwarded to Glastonbury for its review and approval. Any party accessing the site for a special event must name Glastonbury Gulfport LLC, and its related companies, as a named insured.

It is important to note that at certain times all or portions of the Property may not be available, depending on construction activities at the Property. Glastonbury's first priority is the safety of the people accessing Centennial Plaza. At some times during construction activities, all or portions of the site will be closed.



Sketches of special events and festivals



13. CONCLUSION

In 1917 the property that is today known as Centennial Plaza was set aside by local and state officials as the site of Mississippi's 100th birthday celebration. World War I intervened and the land was turned over to the federal government to serve the war effort. It later became a VA hospital; and the celebration meant to mark 100 years of State progress was indefinitely postponed.

The vision for a mixed use development that preserves the historical architecture and natural features of the Property, that has been clearly stated through numerous public meetings can become a reality; starting with the implementation of this Development Plan. It is meant to serve as a roadmap for eventually realizing the full potential of this magnificent property. It will not happen overnight. The development must be market responsive, and will occur in clusters or phases. It serves, however, as an overarching plan to restore the property by saving its historically significant buildings and introducing the heartbeat of Mississippi into its once closed gates.

The inherent nature of this unique public/private venture affords the opportunity for local, state, and county governments to continue to participate in the development. As the owner of the property, the City of Gulfport will play an integral role in its development. Zoning, insurance, long term infrastructure maintenance, grant opportunities, and other avenues exist for the City's prominent involvement. The County has an opportunity to establish a new public beach front for citizens and tourists where amenities might be offered like restrooms, food service, showers, and enhanced parking. Finally, the State will continue to have an important role related to the historic preservation of the property and in funding portions of the overall development.

Tenants have already expressed significant interest in the property. These pioneering entrepreneurs are ready to invest in Centennial Plaza. They will begin to form the first threads to a greater tapestry of economic vitality. They will also be job creators.

In all likelihood the first substantial redevelopment of Centennial Plaza will occur within the Beachfront Cluster. This will entail the development of Buildings 63, 64, 4 and possibly 57. These buildings, located along the beach (or close to it) will interact to form an emerging commercial hub where restaurants, a hotel, retail offerings, and financial institutions will serve as a destination for locals and visitors alike. New auto, bike and pedestrian traffic will breathe life back to the site. As these initial developments are complete, additional development will follow until all of the existing buildings are filled with a mix of vibrant and complimentary uses. Depending on market demand, at some point, new construction will also come into play.

Glastonbury is committed to developing Centennial Plaza in a manner that is sensitive to local needs, that proudly represents the Gulf Coast, and is mindful of its neighbors. The development will be synthesized into the greater community, supported eventually by public transportation and other essential links that presents an open village that welcomes visitors and plays host to important community events. All of this must be accomplished in a manner that heightens an appreciation for the beauty of nature unique to Centennial Plaza: its location along the Coast, its water features, open spaces and parade ground, and ancient oak trees.

Mississippi delayed its Centennial Celebration at the property nearly 100 years ago. By 2017, upon the State's bicentennial, together we can prepare for a 200-year celebration to honor the legacy of those who served and lived at Centennial Plaza, the community of Gulfport and the State of Mississippi.