

James E. Davidson, Jr.

I have outlined the following details of my real estate career to illustrate and emphasize a unique aspect of my collective experience. I have been fortunate to have the opportunity to work closely with many privately-held, family-owned companies, land assemblages and trusts. My work, in this regard, has either been through direct employment or exclusive contractual representation. Performing in these type roles necessitates a respectful and personalized commitment through direct collaboration with owners, trustees, shareholders and family members. Through my career, I have built on a foundation of providing excellent service with care, honesty, integrity and the highest concern for the welfare and benefit of my clients.

After two years in the United States Marine Corps (1968-1970) I attended Georgia State University (1970-1974) graduating with a BBA in Accounting. Immediately following graduation I was employed by Peat, Marwick, Mitchell & Company, one of the "Big 8" accounting firms. While at Peat, Marwick I attained the designation of Certified Public Accountant (CPA) and was engaged as a Supervising Senior Auditor in the areas of manufacturing, banking, finance and real estate. In 1977 the real estate market was virtually in collapse. Many real estate firms had expanded geographically well beyond their local management capabilities. A career change from public accounting led to a senior financial position with two Small Business Investment Corporation (SBIC) divisions of Cousin's Properties, Inc. in Atlanta, Georgia. During the early 1970's these two divisions (First Georgia Investment Company and First American Investment Company) had made significant investments in real estate related companies involved in industrial warehousing, apartments and ranching. Their asset base was primarily in Georgia but included several large out of state investments. My position as Treasurer of the two SBIC's required investment account review and analysis in addition to formulating asset disposition strategies; all with a goal of reducing losses. This was my first exposure in the development of asset disposition strategies for troubled real estate.

After a little over a year in that position I accepted the position of Controller with Peachtree Center Management Company. Peachtree Center Management Company was an operating subsidiary of Portman Properties, Inc. in Atlanta, Georgia. They managed the initial 1.5 million square foot Peachtree Center office and retail complex covering one square block in downtown Atlanta. In addition to the Peachtree Center Complex, Portman Properties was involved in similar properties such as Embarcadero Center, San Francisco and the Renaissance Center in Detroit, Michigan.

In the position of Controller, I was involved in all operating and financial decisions affecting the project including lease review and evaluation, property management and maintenance, investor/lender relations and day to day accounting activities. During my tenure at Peachtree Center Management Company (1978-1980) I was involved in the debt and equity restructure of the Peachtree Center Harris Tower, the Peachtree Center Cain Tower and the associated retail complex. Additionally, I participated in the sale of the two Peachtree Street office towers to Prudential. My experience in dealing with debt and equity restructures for troubled real estate involved major lending institutions and investor partnerships/funds.

In early 1980 I decided to offer real estate advisory services on my own and resigned my position as Controller. Portman Properties, Inc. was my first client. I was hired to consolidate all data related to the

Portman Properties, Inc. property portfolio. I prepared asset, debt and investor summaries, including physical data and legal agreement summaries, for all operating properties.

Toward the end of 1980 I was contacted by Arvida Corporation, (headquartered in Miami, Florida) to consider the corporate-wide position of Real Estate Controller. At that time Arvida operated in six (6) geographical locations located in three (3) states (Florida, Georgia and California) with business lines that included commercial, industrial, residential, mixed-use resort development, mortgage services and insurance. The Real Estate Controller position was located at corporate headquarters in Miami, Florida and required monthly visits to all operating divisions. Divisional interface for all accounting and financial activities were through this position. Additionally, this position had involvement in the planned acquisition of properties in new market areas including Texas, Arizona and the Bahamas.

In 1981 the real estate industry suffered another major setback with mortgage rates rising to historically high levels thereby shutting down sales activity due to the lack of viable end- financing. As such, Arvida's previously planned growth strategy was abandoned with a new focus on reorganizing the operating divisions through overhead reductions and, in some cases, elimination of properties that had been held for longer term investment. Due to my past experience in restructuring troubled real estate it was determined that my responsibilities would be in a divisional support role implementing the new corporate strategy.

As such, I was transferred to the Jacksonville, Florida division which was developing Sawgrass Country Club and The Players Club in Ponte Vedra Beach, Florida. This division was involved in developing over 2000 acres of prime beach front property in Ponte Vedra Beach, southeast of Jacksonville, Florida. I was involved in the operations of resort management, lot development, home sales/construction, and general brokerage. As Director of Finance (1981-1983), working with the Divisional President, we implemented the new strategy with the most significant change being the elimination of in-house residential construction activities. At the time of this restructuring, the Jacksonville operating division had over 700 employees in resort and real estate operations. Once this work was completed Corporate relocated me to the Atlanta Division in the position of President.

The Atlanta Division had taken advantage of the explosive growth of Atlanta, primarily in Cobb County, north and east of Atlanta, by developing golf and non-golf communities. Typically, the company sold developed lots to a select group of builders in each community. Due to a lack of market expansion by the current management, the divisional performance had experienced a substantial drop in revenues. As the new President, I was charged with the responsibility of rapid market expansion and re-energizing the builder program. During my tenure (1983-1985) I acquired several new properties both within the existing market area (East Cobb County) and, working with governmental officials, was the first major developer to establish a presence in West Cobb County. My responsibilities included acquisition, permitting, construction/development, sale of lots to the builders and marketing of homes to retail purchasers. I also became responsible for the management of all country club operations.

During my Arvida tenure in Atlanta, the Arvida management successfully completed a leveraged buy-out from the parent company, Penn Central, in 1984. I was one of twenty Arvida executives who participated with the Bass Brothers to enable the buy-out. Quickly thereafter, in 1985, we sold the newly acquired Arvida Corporation to the Walt Disney Company. During the first years of ownership by Disney, Arvida maintained its independence and continued its development and operational activities.

After completion of the Atlanta assignment, I was transferred to Boca Raton, Florida with the title of Vice President, Real Estate and Administration (1985-1986). This position was in effect the Chief

Financial Officer position exclusive of the Treasury responsibilities. At that time, Arvida had two corporate headquarters – Boca Raton and Miami. My first task was to consolidate the corporate offices and focus on the relationship between Arvida and Disney. I was charged with reducing the original acquisition debt from the leverage buy-out from Penn Central, prior to the Disney transaction.

In late 1986, I returned to the Jacksonville Division as President. Extensive development activities were planned with a new hotel/condominium complex and the construction of the TPC-Valley Course, a sister course to the TPC Stadium Course, (part of the PGA TOUR, Inc. headquarters facility). The new course was designed by Pete Dye in association with Jerry Pate. Deane Beman was the PGA TOUR Commissioner at that time. A significant amount of permitting and development coordination was required to develop these facilities within the Arvida owned “Players Club at Sawgrass”, which itself was under active residential development. At the Jacksonville Division I was involved in full-scale resort operations, land permitting and development, commercial, residential and general brokerage sales activities.

In summary, my tenure at Arvida, in both corporate and divisional roles, required me to perform and manage all aspects of real estate development for both small and large, mixed-use projects including; project viability analysis, land acquisitions, local, regional, state and national permitting related to land use, environmental permitting, construction and development of major infrastructure, project marketing and sales and resort sales and operations.

The Walt Disney Company sold Arvida in 1987 to JMB Realty Corporation of Chicago. At that point, I joined a group of eight other Arvida executives to form Cobb Partners Development. My role was President of the Company’s new real estate development entity. At Cobb Partners, we initiated development projects in Miami (South Beach) and Orlando. In addition, we conducted a preliminary project viability analysis on the Saint Johns (World Golf Village) project.

In 1989 after almost two years of feasibility analysis, land acquisitions, initial project permitting modifications and the formation of an investor limited partnership, I purchased the development interest owned by Cobb Partners Development, Inc. related to the Saint Johns project (later to become known as World Golf Village). Joining me initially as owners in the formation of Davidson Development, Inc. were Sherry Davidson and Ed Gil. Sherry assumed the role of project permit coordinator and Ed as Chief Financial Officer. In 1997 Rick Pariani, joined the company ownership as Vice President, Design and Development. Initially, the Saint Johns project was fully permitted for 6.5 million square feet of office, industrial and retail space and 13,635 residential units. Unfortunately, changes in the market place required a major modification to the approvals which were granted in 1986 prior to my involvement. The World Golf Village project timeline and associated development activities under my direction through Davidson Development, Inc. were as follows:

1989-1998 – First Decade

- Assemble, manage and direct all efforts of the core consultant team, including: Pappas, Metcalf & Jenks, Legal Counsel; BHR, Inc. Civil Engineers; Pruitt & Associates, Environmental Consultants; The SWA Group, Land Planners/Landscape Architects (R. Pariani); Northeast Florida Surveyors and Ellis and Associates, Geo-Technical Consultants. It should be noted that today, continuity of the team remains through the participation of our original Legal Counsel, Surveyors, Geo. Tech and Planning, Design & Development with R. Pariani.

- Major Modification to Development of Regional Impact(DRI) involving St. Johns County, Northeast Florida Regional Planning Council, Department of Community Affairs – State of Florida
- Environmental Permitting of entire 6,300 acres through St. Johns County, St. Johns River Water Management District, US Army Corps of Engineers, State of Florida Department of Environmental Protection and U.S. Environmental Protection Agency
- Permit the I-95 clover-leaf interchange through Florida Department of Transportation and Federal Highway Administration (Interchange 323, formerly 95A)
- Clear all title issues related to 6,300 acres
- Acquire remaining acreage related to I-95 interchange design foot-print and construction area
- Finalize limited partnership on 2,000 acre Interchange Tract (SJH Partnership, Ltd.)
- Negotiate and secure agreements with PGA TOUR to locate the PGA TOUR Golf Hall of Fame and PGA TOUR Productions, Inc. on Interchange Tract
- Assist PGA TOUR Commissioner, Deane Beman, and PGA TOUR staff in transforming the initial concept of the PGA Golf Hall of Fame into the World Golf Hall of Fame through the inclusion of all world-wide golfing associations and the formation of the World Golf Foundation.
- Negotiate and secure agreements with St. Johns County to relocate PGA TOUR Productions, Inc. from New York to the project in St. Augustine, FL
- Negotiate and secure agreements with John Q. Hammons – 400 Room Resort Hotel.
- Negotiate and secure agreements with Scratch Golf Company – 2-18 hole golf courses and 2 clubhouses
- Negotiate and secure agreements with United Companies-WGV Retail Area and Timeshare
- Negotiate and secure pre-sales in excess of \$100 million for various residential and commercial properties
- Supervise construction of clover-leaf interchange on I-95 completed in 1996
- Coordinate the initial construction efforts of Phase I World Golf Village, valued at over \$350 million
- Establish and manage various residential and commercial property owner associations
- Coordinate sales and marketing efforts for residential and commercial properties
- Serve as liaison between general partner, limited partner and lenders.
- World Golf Village Grand Opening, May 16, 1998

1999-2010 – Second Decade

- Permitting, Design and Construction of Phase I River Tract development at World Golf Village to include developed “For Sale” parcels and lots to accommodate approximately 968 residential units and 130,000 sq. ft. of commercial development.
- Coordinated permitting, design and construction of King & Bear Golf Course. This course was co-designed by Arnold Palmer and Jack Nicklaus
- River Tract Phase I development activities including the King & Bear Golf Course Grand Opening November 15, 2000
- Sale of developed lots to tract builders, formation of builder program for construction of high-end residential housing inventory and parcel sales to sub-developers.
- Design and permitting of the 1154 unit Heritage Landing project in the River Tract at World Golf Village
- Pre-sale of approximately 260 residential lots in Heritage Landing and subsequent overall project sale (Heritage Landing) to D.R. Horton
- Sale of 2,278 unit South Parcel in the River Tract at World Golf Village to a joint venture group between ICI Homes, LandMar and a private investor
- Completed many modifications of the World Golf Village Development of Regional Impact (DRI) and two related Planned Unit Development Approvals (PUD)
- Renewed and modified all existing /original environmental permits
- Designed, permitted and completed numerous off-site construction projects totaling in excess of \$25 million
- Since inception, sales of developed tracts, parcels and lots has exceeded \$350 million, yielding over \$1.5 billion in completed construction
- Davidson Development, Inc. and Davidson Realty, Inc. continue in their roles as Master Developer and Exclusive Broker for World Golf Village
- Created and implemented a land disposition strategy for a family owned land trust, with over \$100 million in land sales in last six (6) years, in various Florida counties
- Consulted with the St. Johns River Water Management District on the value determination for a major conservation land acquisition, known as Rayonier/Matanzas Marsh Property, St. Johns County, Florida