

April 23, 2014

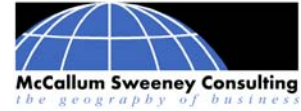
Todd W. Powell
Senior Director of Real Estate
Plum Creek
13005 SW 1st Road, Suite 241
Newberry, FL 32669

Dear Mr. Powell:

Thank you for submitting the North Florida Mega Industrial Park for the McCallum Sweeney Consulting Mega Industrial Park Certification Program. We appreciate your time and dedication to this project. McCallum Sweeney Consulting has conducted an exhaustive analysis of the property. Based on the information you provided and our evaluation of your site, we have certified the **North Florida Mega Industrial Park** as a **Mega Industrial Park**.

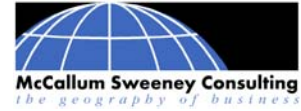
McCallum Sweeney Consulting has developed a program for Plum Creek to certify a Mega Industrial Park as ready for industrial development. We have certified the North Florida Mega Industrial Park as meeting the following criteria:

- **The industrial park must be a minimum of 1,200 sub-dividable acres with at least one parcel in the industrial park being a minimum of 400 developable, contiguous acres.** The park is a total of 2,622 acres with the largest parcel shown on the Master Development Plan being 410 contiguous, developable acres. Lots range from one acre to 410 acres.
- **The proposed developable acreage must be located outside of the 100-year flood zone.** Approximately 920 acres of the 2,622 total acres are in Flood Zone A, the 100-year flood zone. It would take 3,816,475 cubic yards to fill the developable acres in Flood Zone A. Plum Creek has eight development phases with fill schedules of three to seven months for each phase, depending on the area being filled.
- **The sites in the industrial park must be available for sale or lease (with a documented price and terms) to prospective industrial investors.** Letter from Plum Creek Land Company dated August 16, 2012, indicates they are willing to sell or lease sites in the industrial park to prospective industrial users for a period of five years or more.
- **The industrial park must be zoned appropriately or be able to be rezoned for industrial use (if applicable).** The industrial park is zoned Mixed Use District – Intermodal (2,427.56 acres) and Conservation (194.84 acres). A zoning change would not be necessary.



- **The industrial park must be within 10 miles, via truck route, of an interstate or a limited access, four-lane, divided highway. The industrial park must be directly served by a road that is compatible with standards for tractor-trailer access (80,000 pounds / 20,000 pounds per axle).** The industrial park is within 10 miles of two interstates, I-10 and I-75.
- **The industrial park must be served or be able to be served by rail.** The industrial park can be served by CSX. Plum Creek is currently in the process of a land exchange with the United States Forest Service in order to connect the industrial park to the CSX line that runs through the Osceola National Forest. The first two rail segments, which would bring the rail across U.S. Highway 90 and to the proposed NFIP PARKWAY WEST, would cost \$2,000,000.
- **The industrial park must be served or be able to be served by electric service at a voltage of at least 34 kV.** A Florida Power & Light 115 kV line is less than 1,000 feet from the southern boundary of the industrial park. It is estimated to take six to eight months and cost \$700,000 to extend transmission-level electric service to the industrial park. It would take 12 to 18 months and cost \$6,735,000 to extend the transmission line to the park and construct a substation.
- **The industrial park must be served or be able to be served by natural gas. Natural gas service must provide at least 40,000 mcf per month.** A six-inch natural gas line is adjacent to the site along U.S. Highway 90. The site would be served by the City of Lake City. Lake City currently has an agreement in place with Peoples Gas to purchase 3,500 mcf per month, and Lake City would purchase additional capacity from People Gas to meet 40,000 mcf per month. Peoples Gas has shown willingness to provides the required gas to Lake City.
- **The industrial park must be served or be able to be served by water infrastructure and a water system with excess capacity of at least 1,000,000 gallons per day.** A 12-inch City of Lake City water line runs along the boundary of the site on U.S. Highway 90. This line could supply 1,000,000 gallons per day at 700 gallons per minute. As of February 2014, the City's Price Creek Water Plant has 9.0 mgd permitted capacity, 3.5 mgd average utilization, 4.1 mgd peak utilization, and 4.9 mgd excess capacity.
- **The industrial park must be served or be able to be served by a wastewater system with a minimum excess capacity of 1,000,000 gallons per day.¹** A six-inch wastewater line is located adjacent to the site and has a physical limit of 12,000 gallons per day. The City of Lake City is in the process of constructing a new 3.0 mgd wastewater treatment plant (Kicklighter). Kicklighter is estimated to cost \$22,790,600 and be completed in January 2017. A regional pump station and associated lines to connect the industrial park to Kicklighter are estimated to cost \$3,354,642 and take 24 months to construct.
- **The industrial park must be served or be able to be served by telecommunications infrastructure.** AT&T will be the telecommunications provider at the site. AT&T would not provide detailed information on the services available to the park or an estimated cost and schedule to extend telecommunications infrastructure to the industrial park.

¹ Septic tanks are not an acceptable wastewater treatment solution.



- **The industrial park must be free of recognized environmental conditions or have a plan for mitigation.** A Phase I ESA was conducted on 2,129 acres in March 2012 and revised in April 2013. The assessment revealed no evidence of recognized environmental conditions in connection with the subject property. A Phase I ESA was conducted on the 500-acre Catalyst Site in April 2012 and revised in April 2013. The assessment revealed no evidence of recognized environmental conditions in connection with the subject property.
- **The industrial park must have soils compatible with industrial development.** A preliminary subsurface soil exploration and geotechnical engineering evaluation was conducted in April 2012 on the 500-acre Catalyst Site and in April 2012 (updated October 2012) for 2,122 acres.
- **The developable acreage in the industrial park must be free of wetlands or have a plan for mitigation.** A wetlands delineation was completed on the entire park. An approved jurisdictional determination was provided by the U.S. Army Corps of Engineers and expires August 5, 2018. There are 693.45 acres of wetlands and 55,596 linear feet of non-wetland waters on the property. The Master Development Plan was designed to minimize the impacts to wetlands on the property. Cost and schedule estimates have been developed for the wetland and surface water impacts that are proposed.
- **The industrial park must be free of threatened and endangered species or have a plan for mitigation.** An environmental constraints review was conducted on 2,119.68 acres in January 2012. Additional study for gopher tortoises and indigo snakes may be needed based on the acreage being developed. A preliminary ecological assessment was conducted in December 2012 on the 500-acre Catalyst site. A letter from U.S. Fish and Wildlife states that they believe there will be no adverse impacts to federally listed species on the proposed project site based on the environmental review and site plans.
- **The industrial park must be free of areas of archaeological or historical significance or have a plan for mitigation.** A Phase I Cultural Resource Survey was conducted on the 500-acre Catalyst Site in December 2011, and a Phase I Cultural Resources Assessment was conducted on 2,166 acres in April 2013. Letters dated February 1, 2012 and June 27, 2013 were received from State Historic Preservation Officer stating that no further investigation of the subject parcel is needed.

This certification will expire on **April 30, 2018**. Certification expiration is based on earliest date of the length of property availability, date of the Phase I ESA, and length of validity of the Army Corps of Engineer's Jurisdictional Determination.

Thank you again for your hard work and congratulations on achieving certification. If you have questions regarding our analysis, please contact us.

Sincerely,

A handwritten signature in cursive script that reads "Lindsey M. Myers".

Lindsey M. Myers
Senior Consultant