BROWN FIELD AIRPORT

Distinctive Projects Company, Inc.

Presentation to:
Otay Mesa Planning Group
17 October 2007

Vision – A Signature Community Asset

- World Class Aviation Facility
  - Supports all aircraft classes
  - Operational efficiency
- Smart Development Project
  - Superior design & architecture
  - Eco-friendly amenities

This is DPC...

...and so much more.

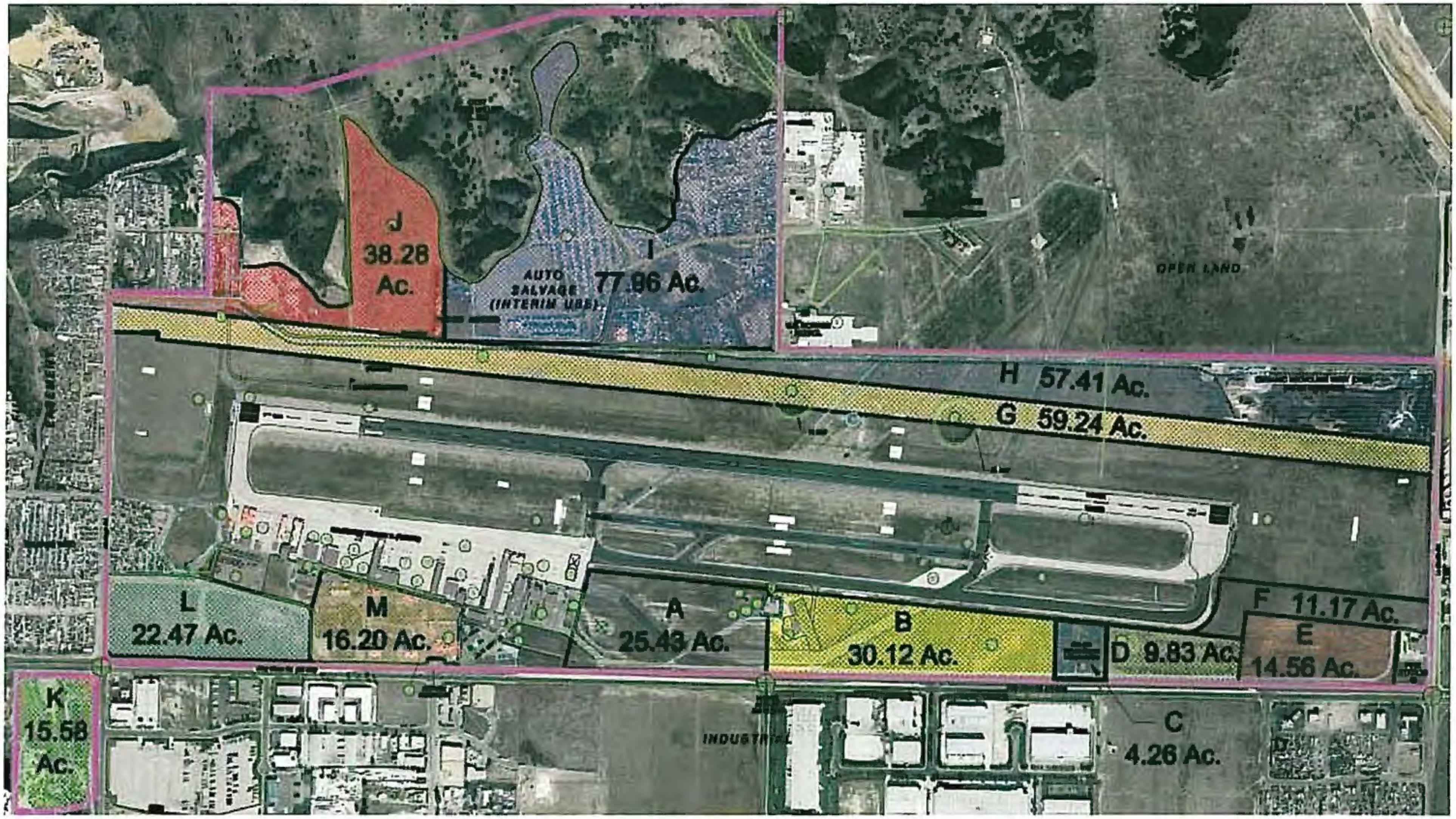
Current & Recent DPC Projects:

Premier Jet FBO
(Carlsbad, CA)

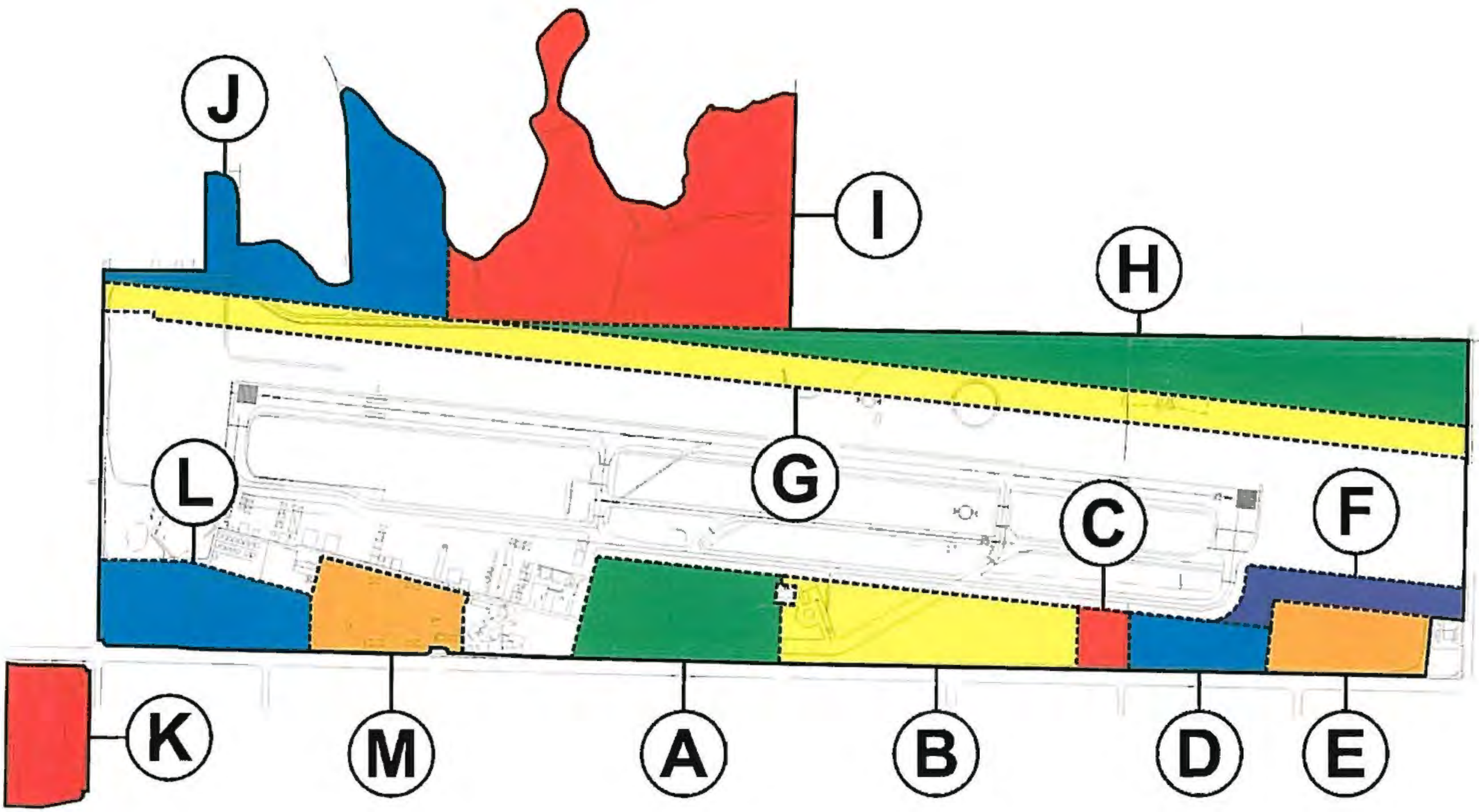
The Lofts at Moonlight Beach
(Encinitas, CA)

Desert Land Ventures III
(Palm Springs, CA)

Proposed Development Areas



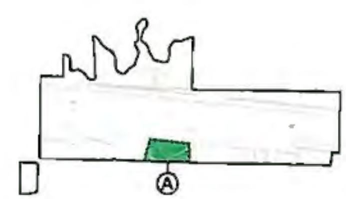
Parcel Key



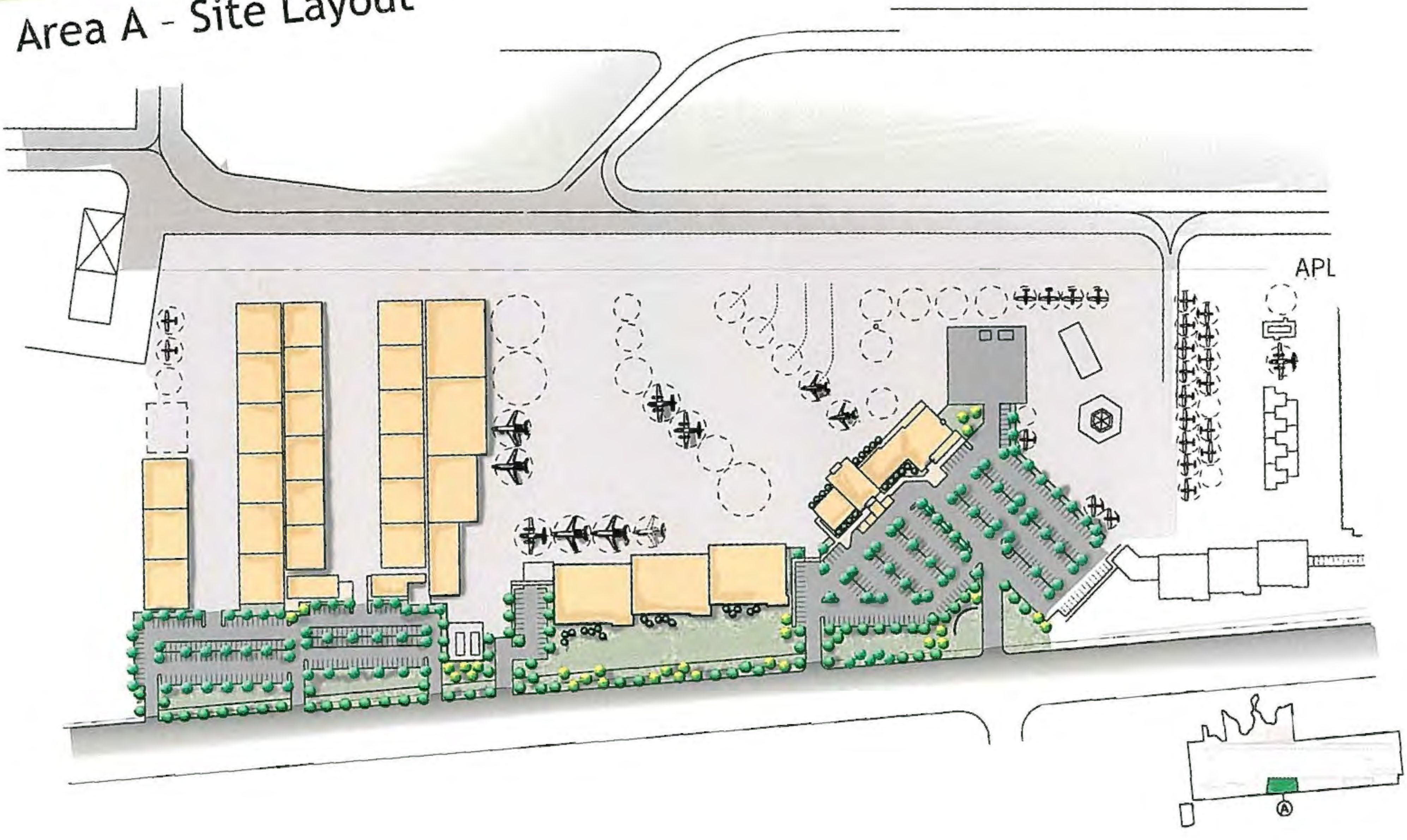
Planned Uses

AREA	ACREAGE	NAME	DESCRIPTION / USE
A	25.43	FBO	Primary aviation business center
B	30.12	GENERAL AVIATION	Small aircraft storage & maintenance facilities
C	4.26	SCHOOL	Historical school site
D	9.83	HELICOPTER FBO	Helicopter business center
E	14.56	CORPORATE HANGARS	Corporate aircraft storage facility
F	11.17	AIRCRAFT APRON	Large aircraft parking apron
G	59.24	AIRCRAFT APRON	Aircraft parking apron
H	57.41	ENTERPRISE ZONE	Bonded storage / solar farm
I	77.96	ENTERPRISE ZONE	Eco-industrial park
J	38.28	AIR & SPACE MUSEUM	Relocated SDASM
K	6.80	RETAIL/COMMERCIAL	Airport hotel & conference center
L	22.47	RETAIL/COMMERCIAL	Auto mall & retail
M	16.20	RETAIL/COMMERCIAL	Auto mall & retail

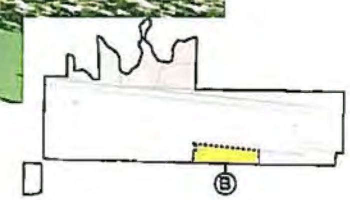
Area A - Primary Aviation Business Center/FBO



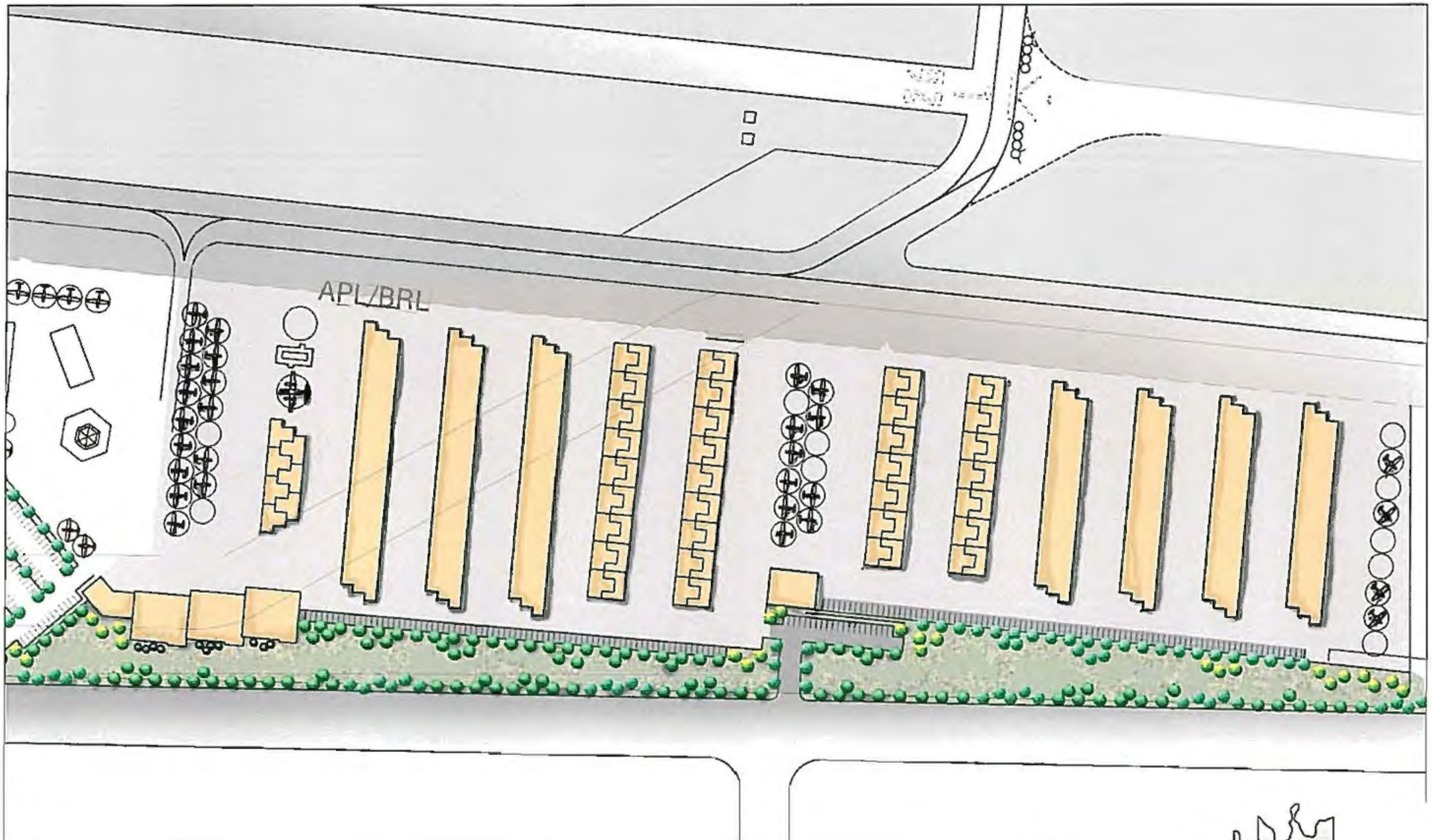
Area A - Site Layout

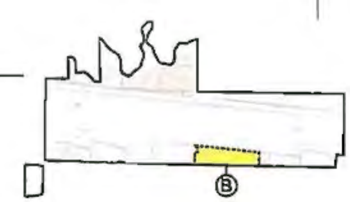


Area B – General Aviation/Small Hangars

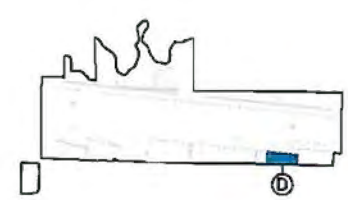


Area B - Site Layout

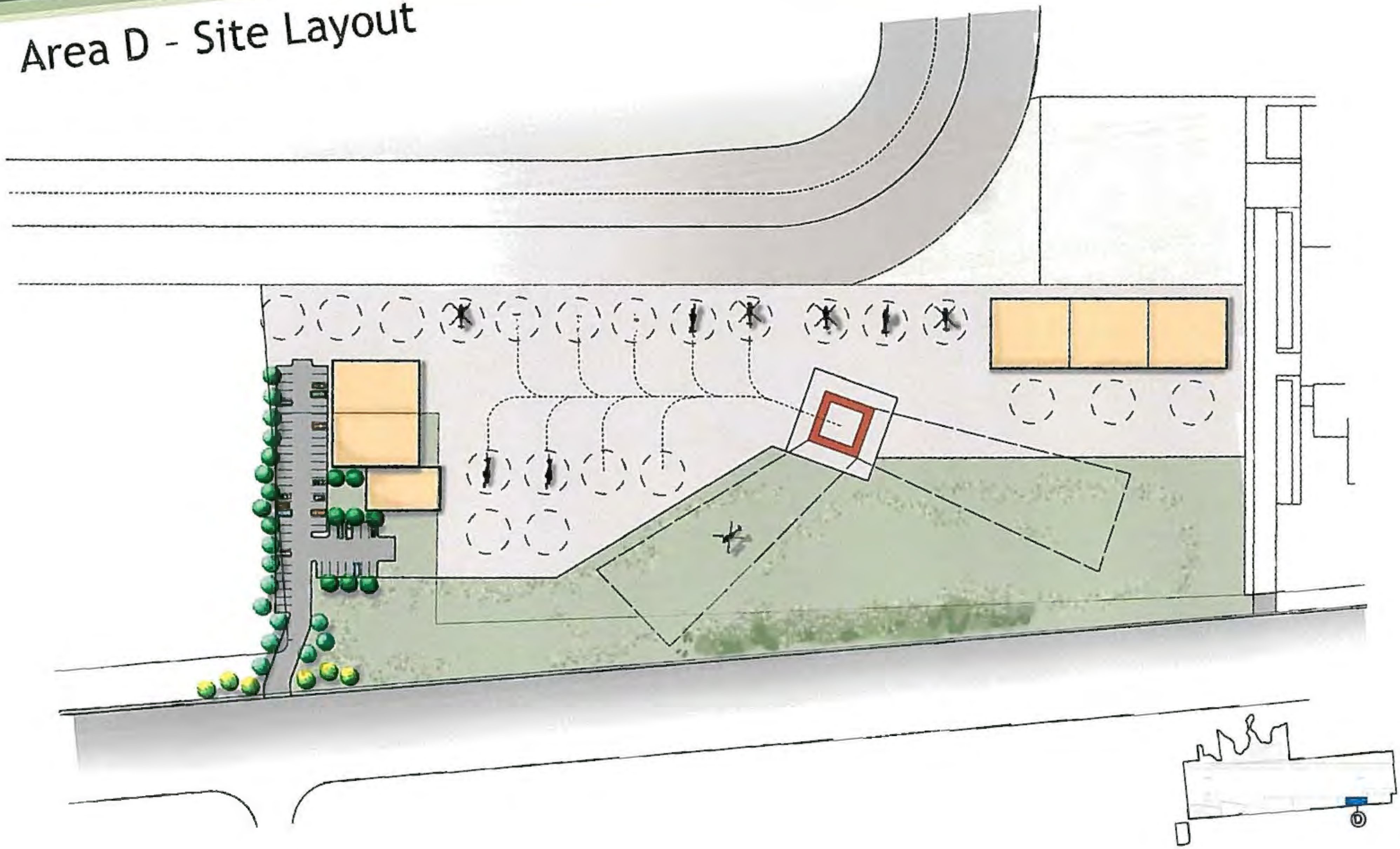




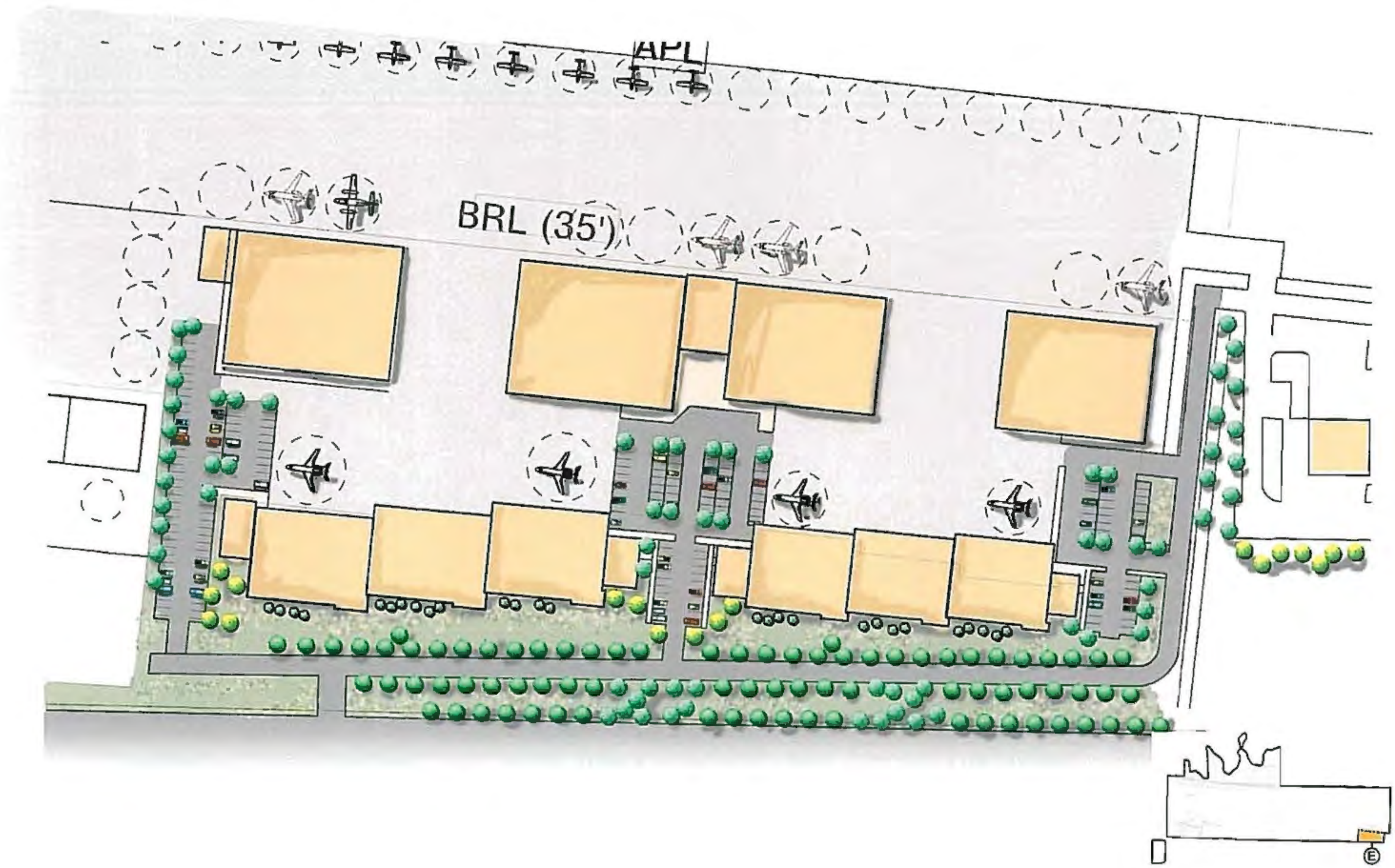
Area D – Helicopter FBO



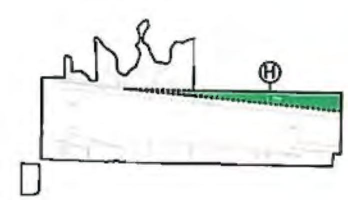
Area D - Site Layout



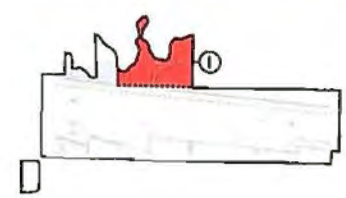
Areas E and F – Corporate Hangars & Aircraft Apron (Site Layout)



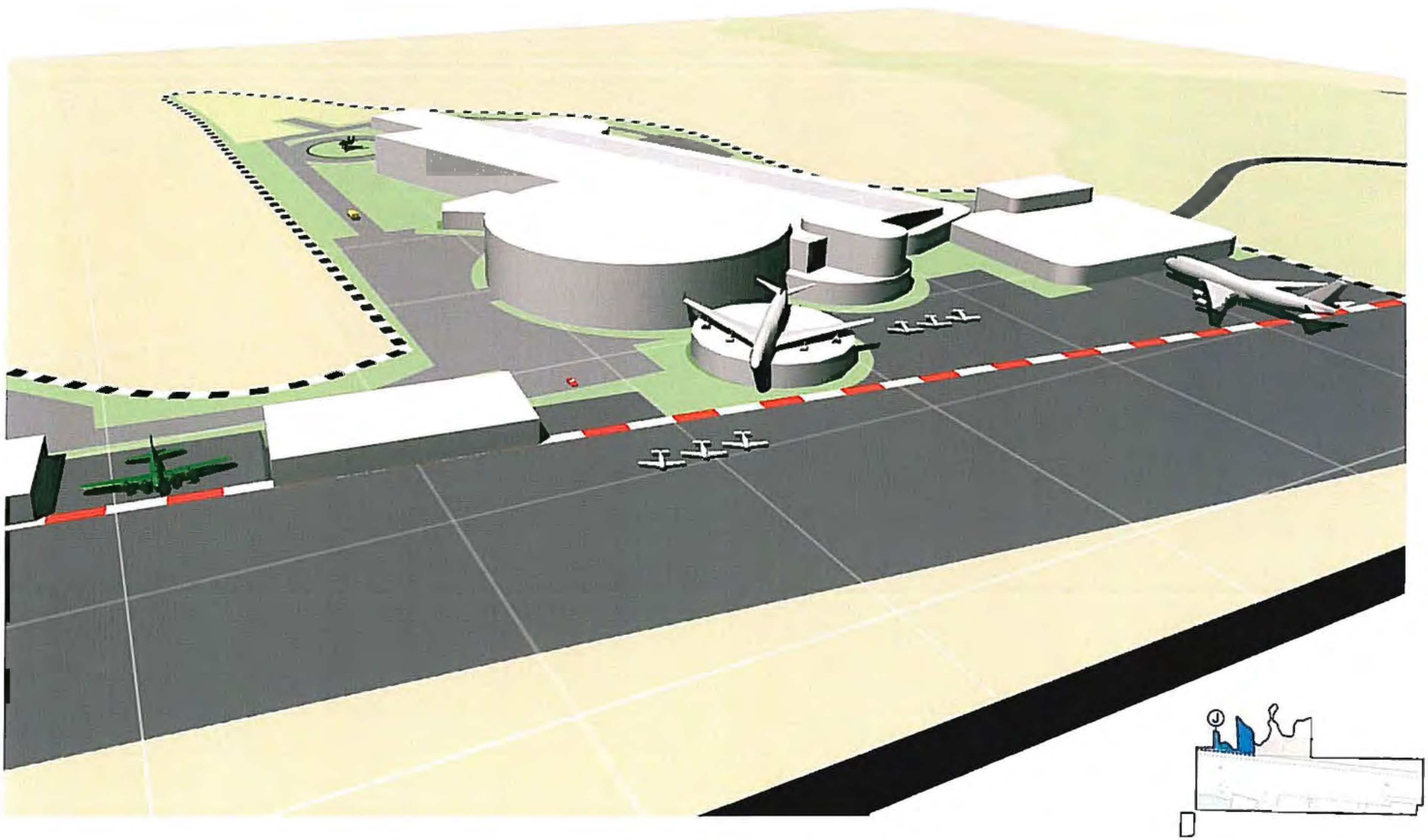
Area H – Solar Power Generating Facility, Bonded Storage (dual-use)



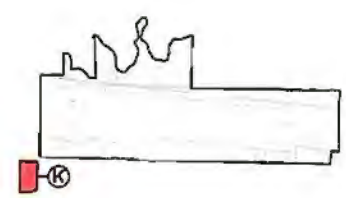
Area I – Enterprise Zone (Eco-Industrial Park)



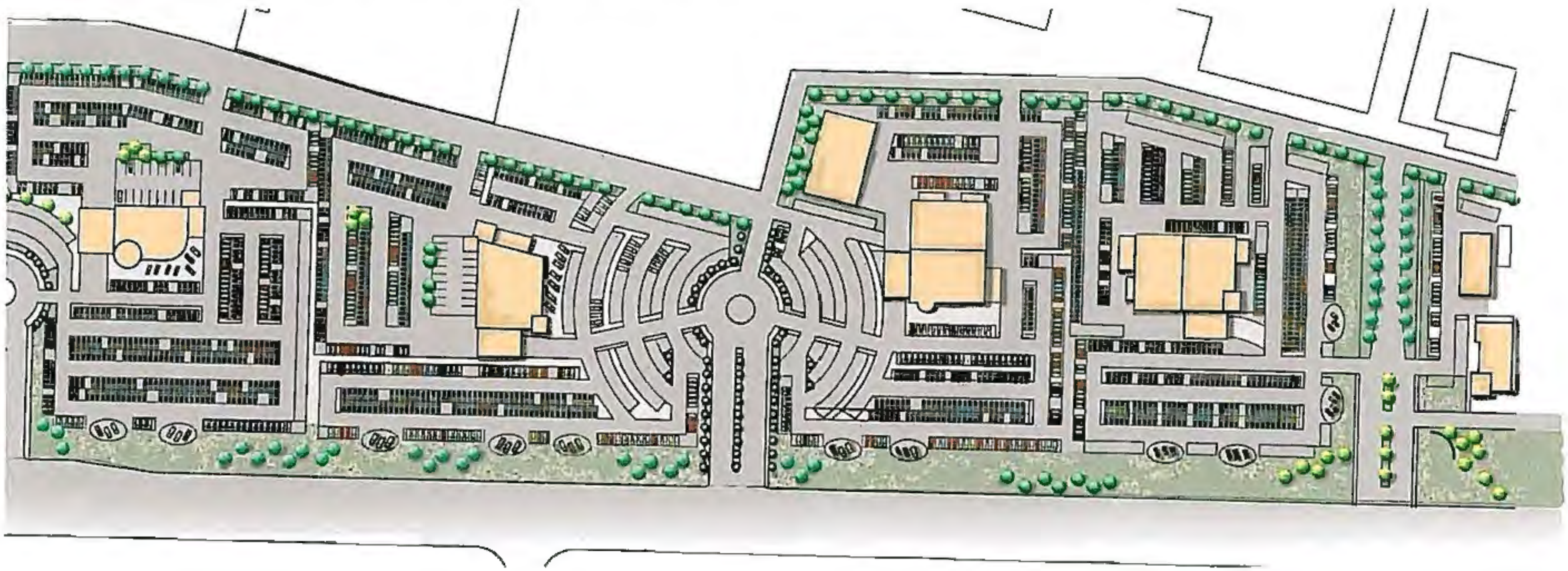
Area J – San Diego Air and Space Adventure & Technology Center

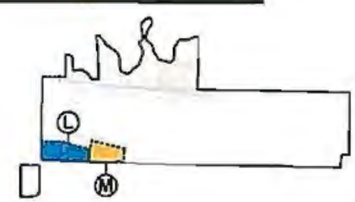


Area K – Retail/Commercial (Hotel & Conference Center)



Areas L & M - Retail/Commercial (Auto Mall, Alt. Fuels Depot)





Benefits to the Community

- World Class Aviation Facility
- Educational and Tourism Magnet
- Retail/Commercial Facilities
- Optimize FTZ & CEZ Opportunities
- Employment
- Community Center
- Protection of Sensitive Habitats
- Sustainable Development

Benefits to the City

- Guaranteed Rent
- Projected Rent (PPL, Sales Tax, TOT, etc.)
- General Revenues
- Solar Generated Electric Power (± 10 MW)
- Engineering and Design (including runways)
- Supports Sustainability Initiatives

Financial Projections

	Year 1	Years 2 - 5	Years 6 - 10	Years 11 - 15	Years 16 - 20	Total
Gross Revenue						
PPL Revenue		5,762,000	287,369,051	119,684,529	22,517,940	435,333,520
STL Revenue		3,656,899	18,136,600	45,160.253	82,853,360	149,807,112
Ground rent recapture		1,340,452	6,602,065	11,442,522	14,757,698	34,142,737
Total Gross Revenue		**10,759,351**	**312,107,716**	**176,287,304**	**120,128,998**	**619,283,369**
Less:						
Commissions		(2,395,310)	(17,741,192)	(8,926,612)	(1,351,076)	(30,414,190)
Closing costs		(57,627)	(2,873,705)	(1,196,851)	(225,179)	(4,353,362)
City fee - PPLs		(96,229)	(4,799,064)	(1,998,733)	(376,049)	(7,270,075)
City fee - STLs		(182,851)	(906,823)	(2,257,966)	(4,142,667)	(7,490,307)
Tenant improvements						
Total Net Revenue		**8,027,334**	**285,786,932**	**161,907,142**	**114,034,027**	**569,755,435**
Less: Project Expenses						
Development & Construction	2,706,561	115,313,542	230,025,456	139,876,465		487,922,024
Guaranteed Minimum Ground Rent	75,000	1,436,956	6,602,065	11,442.522	14,757,698	34,314,241
Total Project Expenses	**2,781,561**	**116,750,498**	**236,627,521**	**151,318,987**	**14,757,698**	**522,236,265**
Net Operating Income	**(2,781,561)**	**(108,723,164)**	**49,159,411**	**10,588,155**	**99,276,329**	**47,519,170**
Less: Debt Service (See Note 2)						
Development Loan Interest, Points & Fees		12,002,763	41,235,848	62,527,351	54,486,883	170,252,845
Total Debt Service		**12,002,763**	**41,235,848**	**62,527,351**	**54,486,883**	**170,252,845**
Gross Profit	**(2,856,561)**	**(120,864,194)**	**7,807,038**	**(52,119,384)**	**44,513,272**	**(123,519,829)**
Less: Preferred Return						
Partner						
Investor (See Note 3)	94,546	7,726,190	17,952,968	29,538,178	48,095,408	103,407,290
Total Preferred Return	**94,546**	**7,726,190**	**17,952,968**	**29,538,178**	**48,095,408**	**103,407,290**
NET INVESTMENT REMAINING	**(2,953,654)**	**(128,619,587)**	**(10,166,423)**	**(81,691,282)**	**(3,637,035)**	**(227,067,981)**

Note 1: Maximum Development Loan outstanding of **$171,250,000** utilized throughout the 20 years of development.

Note 2: Based upon total costs for Project of **$692,500,000**. (Total Dev. & Const. Expenses + Total Debt Service).

Note 3: Maximum of **$20,000,000** Equity Contribution, with a 10% Preferred Return.

Rental Offer (Page 1 of 2)

Description	Parcel Size In Acres	Year 1 2008	Year 2 2009	Year 3 2010	Year 4 2011	Year 5 2012	Year 6 2013	Year 7 2014	Year 8 2015	Year 9 2016	Year 10 2017	Total Years 1-10
Area A	25.43				$24,585	$101,292	$104,340	$107,472	$128,142	$149,964	$154,464	$770,259
Area B	30.12		$6,499	$80,328	$82,740	$85,224	$96,476	$144,156	$148,476	$152,928	$157,512	$954,339
Area D	9.83					$46,710	$57,732	$61,298	$72,540	$74,712	$76,956	$389,948
Area E	14.56											
Area F	11.17											
Area G	59.24											
Area H	57.41			$207,084	$266,610	$439,380	$509,142	$699,240	$720,204	$741,804	$764,064	$4,347,528
Area I	77.96										$172,936	$172,936
Area J	38.28							$1	$1	$1	$1	$4
Area K	6.80										$37,710	$37,710
Area L	22.47						$147,610	$250,875	$281,892	$290,352	$299,064	$1,269,793
Area M	16.20											
Pre-development		$75,000	$96,504									$171,504
Total Guaranteed Rent (1 & 2)	**369.47**	**$75,000**	**$103,003**	**$287,412**	**$373,935**	**$672,606**	**$915,300**	**$1,263,042**	**$1,351,255**	**$1,409,761**	**$1,662,707**	**$8,114,021**
Projected PPL & STL Fees (3)			**$938**	**$21,305**	**$105,806**	**$146,409**	**$328,118**	**$2,623,626**	**$963,633**	**$392,601**	**$1,209,925**	**$5,792,361**
Total Projected Rent & Fees		**$75,000**	**$103,941**	**$308,717**	**$479,741**	**$819,015**	**$1,243,418**	**$3,886,668**	**$2,314,888**	**$1,802,362**	**$2,872,632**	**$13,906,382**

Rental Offer (Page 2 of 2)

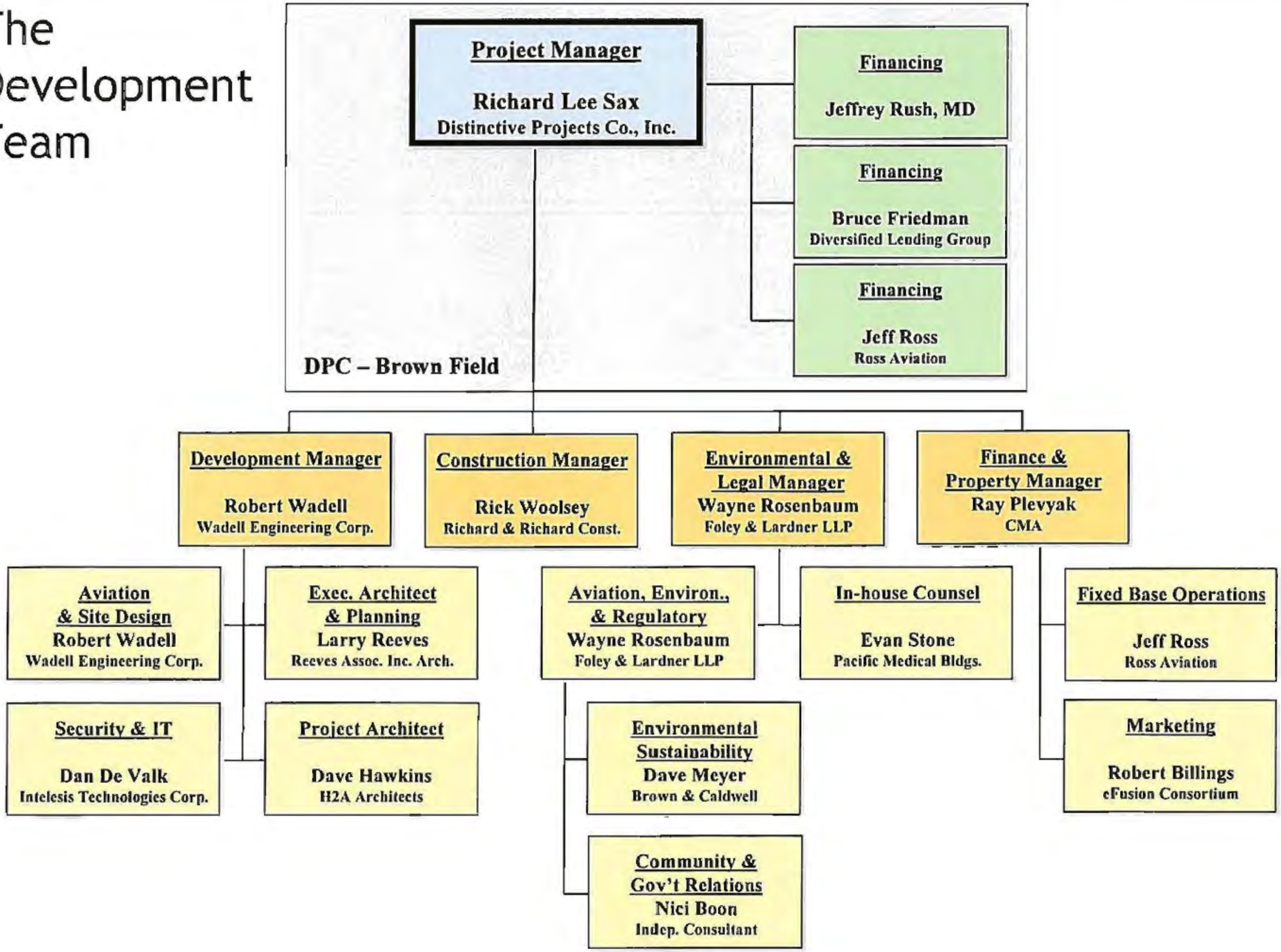
Description	Parcel Size in Acres	Year 11 2018	Year 12 2019	Year 13 2020	Year 14 2021	Year 15 2022	Year 16 2023	Year 17 2024	Year 18 2025	Year 19 2026	Year 20 2027	Total Years 11-20	Grand Total Years 1-20
Area A	25.43	$159,096	$187,530	$217,536	$224,064	$230,796	$237,720	$244,844	$252,184	$259,752	$267,548	$2,281,070	$3,051,329
Area B	30.12	$175,678	$250,152	$257,652	$265,392	$273,360	$281,560	$290,000	$298,696	$307,656	$316,892	$2,717,038	$3,671,377
Area D	9.83	$79,260	$81,636	$84,084	$86,616	$89,208	$91,892	$94,644	$97,484	$100,408	$103,420	$908,652	$1,298,600
Area E	14.56												
Area F	11.17												
Area G	59.24												
Area H	57.41	$786,960	$810,552	$834,852	$859,920	$885,744	$912,328	$939,672	$967,840	$996,884	$1,026,808	$9,021,560	$13,369,088
Area I	77.96	$267,168	$275,184	$283,440	$559,556	$601,416	$619,472	$638,040	$657,168	$676,888	$697,204	$5,275,536	$5,448,472
Area J	38.28	$1	$1	$1	$1	$2	$2	$2	$2	$2	$2	$16	$20
Area K	6.80	$93,216	$96,012	$98,892	$101,856	$104,916	$108,064	$111,300	$114,640	$118,080	$121,624	$1,068,600	$1,106,310
Area L	22.47	$308,016	$317,256	$326,772	$336,576	$346,692	$357,092	$367,796	$378,820	$390,192	$401,904	$3,531,116	$4,800,909
Area M	16.20			$157,056	$161,772	$166,632	$171,628	$176,772	$182,072	$187,536	$193,164	$1,396,632	$1,396,632
Pre-development													$171,504
Total Guaranteed Rent (1 & 2)	**369.47**	**$1,869,395**	**$2,018,323**	**$2,260,285**	**$2,595,753**	**$2,698,766**	**$2,779,758**	**$2,863,070**	**$2,948,906**	**$3,037,398**	**$3,128,566**	**$26,200,220**	**$34,314,241**
Projected PPL & STL Fees (3)		**$380,884**	**$554,385**	**$1,038,525**	**$1,149,195**	**$885,401**	**$392,575**	**$358,361**	**$320,232**	**$270,136**	**$278,244**	**$5,627,938**	**$11,420,299**
Total Projected Rent & Fees		**$2,250,279**	**$2,572,708**	**$3,298,810**	**$3,744,948**	**$3,584,167**	**$3,172,333**	**$3,221,431**	**$3,269,138**	**$3,307,534**	**$3,406,810**	**$31,828,158**	**$45,734,540**

(1) DPC-BF will accelerate the guaranteed ground rent based on its ability to accelerate development of specific parcels. This to a large extent will depend on issuance of necessary permits and approvals.

(2) For purposes of this proposal, the start date of April 1, 2008 and the schedule of guaratneed rents are contingent upon Approval of Agreement no later than March 31, 2008.

ADDITIONAL INFORMATION

The Development Team



	Team Member	Brown Field Project Function	Signature Projects	Project Type			
				Airport	Commercial/ Industrial	Public/ Municipal	Residential
DPC – Brown Field Mgmt	Richard Lee Sax Distinctive Projects Company, Inc.	Project Manager	Premier Jet, Lofts at Moonlight Beach, Desert Land Ventures III	✓	✓		✓
	Dr. Jeffrey Rush	Financing	Premier Jet, Grossmont Medical Plaza, Alvarado Hospital Medical Center	✓	✓		✓
	Bruce Friedman Diversified Lending Group	Financing	Premier Jet, Desert Land Ventures III	✓	✓		✓
	Jeff Ross Ross Aviation	Financing / FBO	Million Air Palm Springs, Premier Jet, Newport Jet Center (SNA)	✓			
DPC – Brown Field Development Team	Robert Wadell, P.E. Wadell Engineering Corporation	Development Mgr, Airport Consultant	Over 400 airport projects including Palomar, Gillespie & Borrego	✓	✓	✓	
	Rick Woolsey Richard & Richard Construction	Construction Manager	Premier Jet, Carlsbad Corporate Center, Fun Bike Center	✓	✓	✓	✓
	Wayne Rosenbaum Foley & Lardner LLP	Environmental & Legal Manager	Neg. leases for Palomar Airport, Envir. Ordinances for Lindbergh Field	✓	✓	✓	✓
	Ray Plevyak CMA	Finance & Property Manager	Premier Jet, Prudential Home Builders, HNC Software	✓	✓		✓
	Dave Hawkins, AIA H2A Architects	Project Architect	Qualcomm Aviation (SAN), Executive Air. Ctr. - Palomar	✓	✓	✓	✓
	Dave Meyer Brown & Caldwell	Environmental Sustainability	San Diego Lindbergh Airport EMS, San Diego Metro Waste Water EMS	✓	✓	✓	✓
	Robert Billings eFusion Consortium	Marketing	Lofts at Moonlight Beach, Desert Land Ventures III		✓	✓	✓
	Larry Reeves, AIA Reeves Assoc. Inc. Architects	Executive Architect & Planning	Premier Jet, Desert Land Ventures III, Target, General Dynamics (Kearny Mesa)	✓	✓	✓	
	Evan Stone Pacific Medical Buildings	In-house Counsel	Pacific Medical Buildings	✓	✓		✓
	Nici Boon Indep. Consultant	Community & Gov't Relations	Civic Helicopters, Inc. (Carlsbad), Fluor Daniel	✓	✓		
	Dan De Valk Intelesis Technologies Corp.	Security & IT Consultant	Surveillance System – SD Harbor, Navy Communications Systems			✓	