

FEDERAL DEVELOPMENT LLC

Public / Private Real Estate Development & Asset Management

August 18, 2005

BRAC Commission

Secretary Anthony J. Principi
Chairman, BRAC 2005 Commission
BRAC Commission
2521 South Clark Street, Suite 600
Arlington, Va. 22202

AUG 18 2005

Received

Re: Fort Monmouth Charles Wood Area

Dear Secretary Principi:

The purpose of this letter is to communicate our position on the proposed closing of Fort Monmouth, NJ. Federal Development is a national real estate developer that specializes in public/private real estate development projects. Currently, we have 21 public partners throughout the United States including cities, states and the United States government.

As the Master Developer for the Fort Monmouth Enhanced Use Lease project, Federal Development has made a significant investment in pre-development efforts to date working specifically with the US Army Corps of Engineers and the Fort Monmouth Garrison Commander. The proposed Fort Monmouth project includes plans for a research and development campus coupled with secure financial records storage, related workforce and sufficient parking to support the entire community. This project will directly and indirectly support Fort Monmouth's role in supporting our Armed Forces in Iraq and elsewhere around the country and the world. In addition, our development activities and resulting development program will leverage the incredible intellectual capacity at Fort Monmouth and provide significant benefits to the surrounding communities. This current development program consists of a 980,000 SF research and development campus for Fort Monmouth mission-related functions, with the flexibility to develop an additional 600,000 SF of R&D space or executive housing depending on market demand.

Our commitment will be to make an investment in the Monmouth community totaling \$288 million in new development in addition to \$54 million in installation improvements as in-kind consideration. The benefits of this effort to the community will be:

- 570 temporary jobs to be created
- 3,300 permanent jobs to be created
- \$250 million in taxable sales over 15 years generated by the new resident and employee population
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We have evaluated additional development opportunities that can co-exist with Fort Monmouth operations (redevelopment of the golf course, and development of a hotel/conference center and retail facility space). It is possible that Enhanced Use Leasing revenues from these and other

potential projects could exceed \$100,000.00 million which will fund significantly improved facilities at Fort Monmouth while reducing cost of operations.

During the past 25 years, governmental agencies have spent billions of dollars for public infrastructure, convention centers, courthouses, sports stadiums, performing arts centers and other facilities. Private contractors under fee-based contracts with public agencies usually completed these projects. Now the traditional relationship between public sector and developer is undergoing important changes.

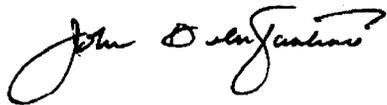
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We look forward to the continuation of this project and the enhancement of the entire Fort Monmouth community. We stand ready to provide any additional information to assist you in making the right decision regarding the proposed base closure. Your decision will certainly impact the security and welfare of our Armed Forces and our country.

Sincerely,



John D. Infantino
Chief Executive Manager
jinfantino@federaldevelopment.com

FEDERAL DEVELOPMENT LLC

Public / Private Real Estate Development & Asset Management

BRAC Commission

August 18, 2005

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Admiral Harold W. Gehman, Jr., USN (Ret.)
BRAC 2005 Commission
2521 South Clark Street, Suite 600
Arlington, Va. 22202

Received

Re: Fort Monmouth Charles Wood Area

Dear Admiral Gehman:

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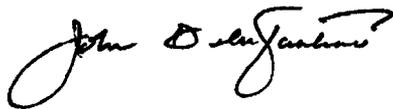
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Sincerely,



John D. Infantino
Chief Executive Manager
jinfantino@federaldevelopment.com

FEDERAL DEVELOPMENT LLC

Public / Private Real Estate Development & Asset Management

August 18, 2005

BRAC Commission

Mr. Philip Coyle
BRAC 2005 Commission
2521 South Clark Street, Suite 600
Arlington, Va. 22202

AUG 18 2005

Received

Re: Fort Monmouth Charles Wood Area

Dear Mr. Coyle:

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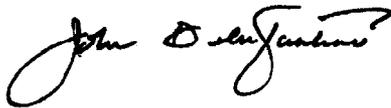
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Sincerely,



John D. Infantino
Chief Executive Manager
jinfantino@federaldevelopment.com

FEDERAL DEVELOPMENT LLC

Public / Private Real Estate Development & Asset Management

August 18, 2005

Brigadier General Sue Ellen Turner, USAF (Ret.)
BRAC 2005 Commission
2521 South Clark Street, Suite 600
Arlington, Va. 22202

BRAC Commission

AUG 18 2005

Received

Re: Fort Monmouth Charles Wood Area

Dear General Turner:

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Sincerely,



John D. Infantino
Chief Executive Manager
jinfantino@federaldevelopment.com

FEDERAL DEVELOPMENT LLC

Public / Private Real Estate Development & Asset Management

August 18, 2005

BRAC Commission

Congressman James H. Bilbray
BRAC 2005 Commission
2521 South Clark Street, Suite 600
Arlington, Va. 22202

AUG 18 2005

Received

Re: Fort Monmouth Charles Wood Area

Dear Cong. Bilbray:

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John D. Infantino
Chief Executive Manager
jinfantino@federaldevelopment.com

FEDERAL DEVELOPMENT LLC

Public / Private Real Estate Development & Asset Management

August 18, 2005

Congressman James V. Hansen
BRAC 2005 Commission
2521 South Clark Street, Suite 600
Arlington, Va. 22202

BRAC Commission

AUG 18 2005

Received

Re: Fort Monmouth Charles Wood Area

Dear Cong. Hansen:

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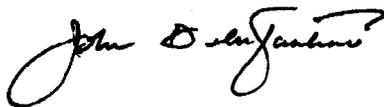
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jinfantino@federaldevelopment.com

FEDERAL DEVELOPMENT LLC

Public / Private Real Estate Development & Asset Management

August 18, 2005

General James T. Hill, USA (Ret.)
BRAC 2005 Commission
2521 South Clark Street, Suite 600
Arlington, Va. 22202

BRAC Commission

AUG 18 2005

Received

Re: Fort Monmouth Charles Wood Area

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FEDERAL DEVELOPMENT LLC

Public / Private Real Estate Development & Asset Management

August 18, 2005

BRAC Commission

General Lloyd Warren Newton, USA (Ret.)
BRAC 2005 Commission
2521 South Clark Street, Suite 600
Arlington, Va. 22202

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Re: Fort Monmouth Charles Wood Area

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AUG 18 2005

Received

Re: Fort Monmouth Charles Wood Area

Dear Mr. Skinner:

The purpose of this letter is to communicate our position on the proposed closing of Fort Monmouth, NJ. Federal Development is a national real estate developer that specializes in public/private real estate development projects. Currently, we have 21 public partners throughout the United States including cities, states and the United States government.

As the Master Developer for the Fort Monmouth Enhanced Use Lease project, Federal Development has made a significant investment in pre-development efforts to date working specifically with the US Army Corps of Engineers and the Fort Monmouth Garrison Commander. The proposed Fort Monmouth project includes plans for a research and development campus coupled with secure financial records storage, related workforce and sufficient parking to support the entire community. This project will directly and indirectly support Fort Monmouth's role in supporting our Armed Forces in Iraq and elsewhere around the country and the world. In addition, our development activities and resulting development program will leverage the incredible intellectual capacity at Fort Monmouth and provide significant benefits to the surrounding communities. This current development program consists of a 980,000 SF research and development campus for Fort Monmouth mission-related functions, with the flexibility to develop an additional 600,000 SF of R&D space or executive housing depending on market demand.

Our commitment will be to make an investment in the Monmouth community totaling \$288 million in new development in addition to \$54 million in installation improvements as in-kind consideration. The benefits of this effort to the community will be:

- 570 temporary jobs to be created
- 3,300 permanent jobs to be created
- \$250 million in taxable sales over 15 years generated by the new resident and employee population
- \$30 million in tax revenues to the County over 15 years

We have evaluated additional development opportunities that can co-exist with Fort Monmouth operations (redevelopment of the golf course, and development of a hotel/conference center and retail facility space). It is possible that Enhanced Use Leasing revenues from these and other potential projects could exceed \$100,000.00 million which will fund significantly improved facilities at Fort Monmouth while reducing cost of operations.

During the past 25 years, governmental agencies have spent billions of dollars for public infrastructure, convention centers, courthouses, sports stadiums, performing arts centers and other facilities. Private contractors under fee-based contracts with public agencies usually completed these projects. Now the traditional relationship between public sector and developer is undergoing important changes.

Public/Private Partnerships involving government agencies, universities or other public sector entities and private real estate development draw on their combined experience and expertise in planning, structuring, financing, construction, and completing projects. By creating a synergistic effect through combined expertise and resources, the partnership is able to achieve what the individual entities could not. These partners ultimately share the risks and responsibilities as well as the economic benefits. As the number of successful partnerships increases, public officials and private sector developers become more comfortable with the concept of partnering and collaborating with each other.

Governments and public sector agencies continually face severe budget constraints, frequently being forced to choose between funding existing programs and paying for capital improvements. Public agencies today see that partnerships with private developers are a valid solution to this dilemma. The developer is usually expected to secure the required equity and debt and to manage the pre-development and development process. A third party investor usually participates through project financing opportunities. The actual structure of the investment can be designed in a variety of ways in order to meet the needs of both the public agency and the investor.

As you can determine from the above, Federal Development believes strongly that the planned development not only makes a difference to the US Army, its Communications and Electronic Command and the protection of its critical communications and electronic information , but also to the economy of the entire region from the South Jersey shore to Wall Street.

We look forward to the continuation of this project and the enhancement of the entire Fort Monmouth community. We stand ready to provide any additional information to assist you in making the right decision regarding the proposed base closure. Your decision will certainly impact the security and welfare of our Armed Forces and our country.

Sincerely,



John D. Infantino
Chief Executive Manager
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