

INTRODUCTION

PROPERTY IDENTIFICATION

The subject property consists of a fully developed marina currently operating as American Yacht Harbor & Marina, as well as 47,344 square feet of retail and office space situated on the landside portion of the site. The subject's street address is 6100 Red Hook Quarters #2, in St. Thomas, USVI.

OWNERSHIP AND PROPERTY HISTORY

Title to the upland portion of the property is currently vested in the name of IGY-AYH St. Thomas Holdings, LLC, who acquired title to the property in January 2007, as recorded in the St. Thomas/St. Johns Deed Records. The submerged land is currently under the ownership of the Coastal Zone Management Commission and leased to IGY-AYH St. Thomas Holdings, LLC through September 14, 2010 via an assignment under a Coastal Zone Management Permit (CZM). The current lease began on September, 2000 with a ten year term. Renewal of the CZM permits is not prohibitive and will likely be granted upon expiration of the current permit. The total consideration for the January 2007 transaction was \$25,500,000. The subject was part of a larger purchase of four marinas properties in the Caribbean. The seller was Sun Resorts, which owned the subject outright and various interests in the other three marinas. The sale price is slightly higher than our value estimate, which could be the result of allocated costs of the portfolio sale. Other than that noted herein, there has been no other ownership transfer of the property during the previous three years. As of the date of value, the subject is not being marketed for sale.

RELEVANT DATES

The following table illustrates the various dates associated with the valuation of the subject property:

RELEVANT DATES	
Date of Report:	June 30, 2007
Date of Inspection:	June 19, 2007
Date of Value	
As Is	June 19, 2007
Compiled by CBRE	

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the leasehold interest in the subject property. The current economic definition agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

Stabilized Operating Data	Total	Per Slip
Total Revenue	\$6,626,402	\$50,972
Operating Expenses	\$4,730,646	\$36,390
Expense Ratio	71.39%	
Net Operating Income	\$1,895,756	\$14,583
VALUATION		
Sales Comparison Approach	\$21,200,000	\$163,077
Income Capitalization Approach	\$21,000,000	\$161,538

CONCLUDED MARKET VALUE

Appraisal Premise	Interest Appraised	Date of Value	Value
As Is	Leased Fee/Leasehold Interest	June 19, 2007	\$21,000,000

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SPECIAL ASSUMPTIONS

The portion of the value attributed to the marina is based on an approved permit from the Coastal Zone Management Commission. Operation of the marina would not be possible if the permit were not in place or available to the marina operator. As such, our value is assumes the permit will continue to be renewed and the existing operations not be interrupted or halted.

The subject property is currently granted an exemption from real estate taxes through December 31, 2011. The exemption was granted via the Economic Development Commission in an effort to promote development and/or redevelopment in the Red Hook area. Our value assumes the exemption will be extended after the current exemption expires and that the subject will remain 100% real estate tax free.