

STOLTZ

REAL ESTATE PARTNERS

Keith D. Stoltz
Chief Executive Officer
302.654.3600
kstoltz@stoltzusa.com

3828 Kennett Pike
Suite 212
Greenville, DE 19807
www.stoltzusa.com

September 12, 2008



The Honorable Paul G. Clark
President
New Castle County Council
City/County Building
800 North French St., 8th Floor
Wilmington, DE 19081

Dear President Clark:

I would like to take this opportunity to address some misleading and inaccurate statements made in a recent letter you received from the heads of three New Castle County civic associations and to update you on our proposed investments in New Castle County.

In March, we proudly announced plans for five projects with a value of more than \$750 million. We estimate these projects will contribute \$14 million in annual tax revenue to New Castle County and create 8,000 permanent jobs. We believe strongly in the people and the opportunity in New Castle County and have ever since my grandfather founded our company in Delaware nearly 50 years ago. Despite the uncertain economy, we are very willing to demonstrate our confidence by investing our time and resources in world-class developments that will have significant short and long-term benefits in the County.

Since announcing the projects, we have tried to work very closely with the very same civic associations that wrote you, Councilmen Weiner and Tansey, the New Castle County Land Use Department and DelDOT. That is why we strongly object to the charge that we have not involved the community. That could not be more inaccurate.

By my count, we have had at least 6 public meetings with the community in the little more than five months since our projects were introduced. At these meetings, we presented our plans and listened to comments from residents and elected officials. Our plan for the Shops at Brandywine Valley has been revised several times in response to comments from residents and Land Use. We actually withdrew a plan that solved the traffic situation and had, in initial meetings, received preliminary support from DelDOT.

The community has also told us it would like a medical facility at the Shops at Brandywine. We are trying to make that a reality by doing our best to attract Christiana Care to the property in some fashion. We have also created project-specific websites for The Shops at Brandywine and Barley Mill Plaza to make information more available to residents. I assure you we are working with the community and will continue to work with the community.

The Honorable Paul G. Clark
September 12, 2008
Page 2

Similarly, we have worked very closely with the Land Use Department and the Planning Board. We thank them for their time and expertise. They are doing their job in the capable and professional manner we have come to expect. We are certain that will continue in the future.

We have great respect for New Castle County Council and the residents of the County. That is why we would never make any prediction regarding any item that might come before Council for a decision. The accusation that Council would rezone property because of an agreement involving union labor shows a total lack of respect for every Council member and especially those who are or have been union members. The innuendos being circulated are disappointing and unfair to everyone involved with these projects.

Two of the projects we have proposed, The Shops at Brandywine and Barley Mill Plaza, are mixed use developments that are consistent with the goals and objectives of New Castle County's Comprehensive Plan and the principles of Livable Delaware. For example, in an introductory letter accompanying the 2007 Comprehensive Plan, County Executive Chris Coons wrote:

"First, the comprehensive plan supports building connected communities in both new growth and redevelopment areas. By building connected communities, we focus not on a particular land use planning concept, but rather the idea of creating a sense of place that extends home to include places to work, learn, shop, play and more. Connected communities can come in many forms: town centers in walkable communities, mixed-use, multi-story buildings, or by redeveloping existing locations with plans that incorporate schools, commercial areas or parks near housing."

Both The Shops at Brandywine and Barley Mill Plaza include retail and residential uses that will create walkable, village-like communities where Delaware residents can enjoy time with family and friends. Despite what has been charged, neither project will be a regional destination drawing numerous out-of-state residents. The size of the centers and mix of retailers will not lend itself to that type of draw. Barley Mill, for example, will have about a quarter of the retail space of the Christiana Mall complex. We are confident that the Shops at Brandywine and Barley Mill will primarily serve Delaware residents, mostly those from the immediate communities the civic associations serve.

The Honorable Paul G. Clark
September 12, 2008
Page 3

Mixed use village centers are a new concept in Delaware and even the Delaware Valley. These centers have been very successful in communities across the country. We understand that there is often a fear of the unknown and believe that is contributing to some of the questions on the projects. We will continue to try to demonstrate how these centers can and do become the centerpieces of thriving communities.

We are taking a very close look at the traffic situation at all of these projects under the guidance and direction of DelDOT. We have ongoing discussions with DelDOT which, like the County Land Use Department, has been diligent in representing the interests of the community. We believe the men and women of DelDOT are professionals and certainly know how to address proposals such as ours in ways that benefit the communities in which our projects are being proposed.

There has been a great deal of speculation regarding traffic from our projects. That is unfortunate because we have not even completed our analysis. We ask that the development process be given a chance to work the way it is designed, as it has already. As I'm sure you understand, we have a vested interest in making our projects accessible to the community. We have had initial discussions with the community on traffic and expect to have conversations in the future. We certainly reject the groundless charges made about the impact of our projects. These will be first-rate efforts that New Castle County will be proud of.

Just as we have worked closely with residents, we have talked with members of the business community, including AIG and ACE, neighbors at the Shops at Brandywine. Both companies have told us that they like the amenities the village center would offer their employees and want to learn more about plans for managing traffic and pedestrian access before making a final decision on support.

The comments regarding our 20 Montchanin project are also misleading. The additional building square footage that we have proposed is permitted within the current zoning. The building would also meet the County code's setback requirements.

We believe the County and State development review processes that are in place are working as intended. Our interests and those of the community are being heard and addressed. For that, we give you and other County elected officials credit.

The Honorable Paul G. Clark
September 12, 2008
Page 4

I thank you for your time and interest in our projects and continued service to New Castle County. I would be pleased to provide you additional information or answer any questions that you might have.

Sincerely yours,

Keith Stoltz
Chief Executive Officer

cc: The Honorable Christopher A. Coons
The Honorable John J. Cartier
The Honorable William Tansey
The Honorable Robert S. Weiner
The Honorable Joseph Reda
The Honorable Penrose Hollins
The Honorable Stephanie McClellan
The Honorable William Powers
The Honorable George Smiley
The Honorable Timothy Sheldon
The Honorable Jea P. Street
The Honorable David Tackett
The Honorable Bill Bell
The Honorable Carolann P. Wicks
George Haggerty
James Smith