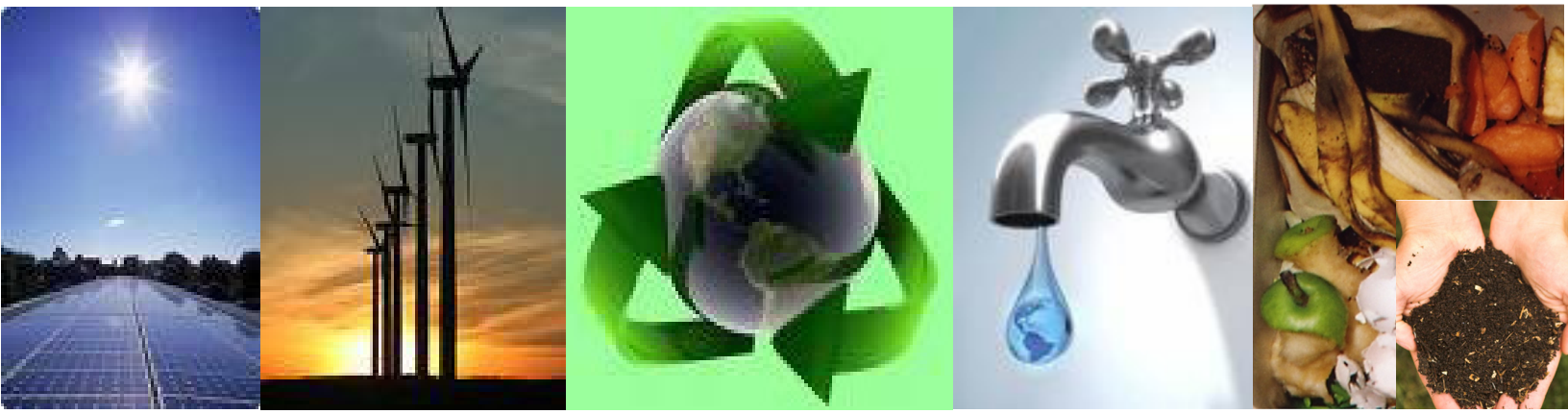
Destiny USA
Environmental Assessment:
MOU SemiAnnual Report
January 30, 2013



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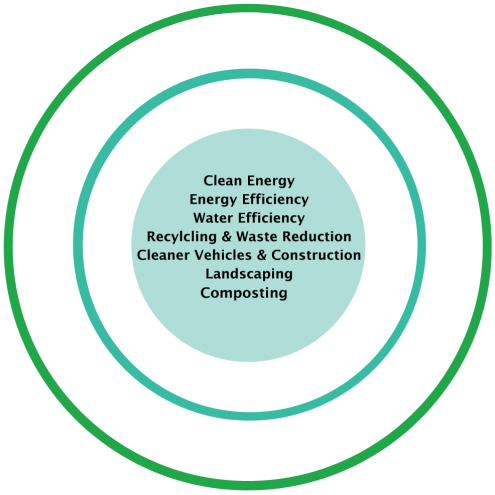
Accomplishments

Reductions of 83,384 MTCO2e



Memorandum of Understanding

On September 25, 2006, Destiny USA signed a Memorandum of Understanding (MOU) pledging to become an environmental steward by implementing a number of green initiatives that would reduce its carbon footprint and further improve our planet's environment. This partnership with the United States Environmental Protection Agency (EPA) and Destiny USA has resulted in reducing energy, water and solid waste production across their entire operations.

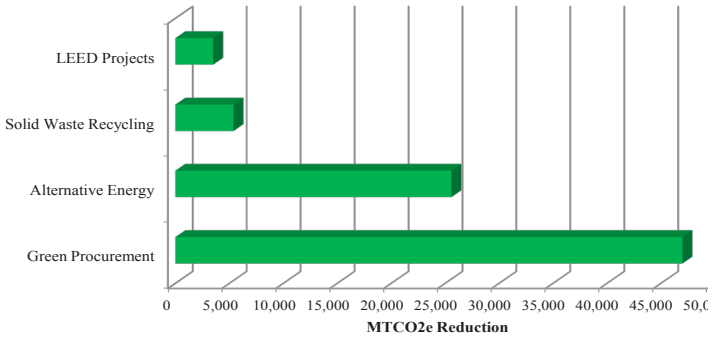
Reduction in Environmental Footprint

This is the fourth update Destiny USA has provided documenting its green initiatives. The EPA has analyzed the submitted information and generated an environmental footprint. Due to the progressive green efforts of the organization, Destiny USA has managed to reduce its carbon footprint by 83,384 MTCO2e* and saved an estimated $2,900,000 in operating expenses.

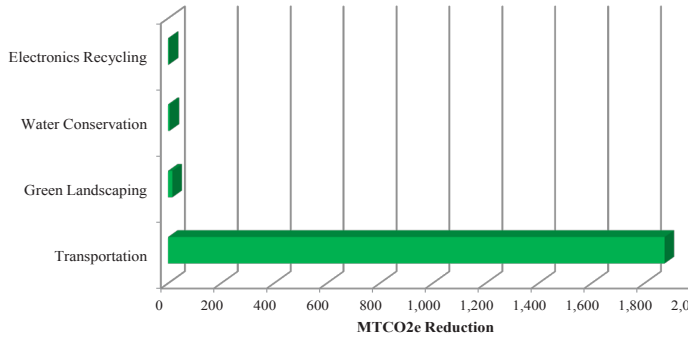
*Metric Ton Carbon Dioxide Equivalent

Environmental Metrics	Total Sector (MTCO2e)
Green Procurement	47,000.0
Alternative Energy	25,586.9
Solid Waste Recycling	5,387.1
LEED Projects	3,509.0
Transportation	1,876.8
Green Landscaping	16.2
Water Conservation	5.9
Electronics Recycling	2.7
Total (MTCO2e)	83,384.6

Primary Initiatives



Secondary Initiatives



Measurement and Continuous Improvements

EPA uses these environmental conversion models to calculate metric tons of carbon dioxide equivalents:

Greenhouse Gas Equivalencies (GHG) Calculator converts GHG reductions into scenarios that can be easily communicated to the public.

eGRID Version 1.1 (2007) and the EPA Pollution Prevention (P2) GHG Conversion Tool which convert standard metrics for electricity, green energy, fuel use, chemical use, water use, and sustainable materials management into MTCO2e.

The EPA WARM Model which helps calculate GHG emission reductions from several different waste management practices, including source reduction, recycling, combustion, composting and landfilling.

The EPA Pollution Prevention (P2) Cost Calculator that estimates cost savings associated with GHG reductions.

Certain environmental data points cannot be converted to MTCO2e because scientific models do not currently exist. As methodologies improve, environmental assessments will be updated to include any new GHG reduction estimates.

Accomplishments

Reductions of 83,384 MTCO2e

Greenhouse Gas Equivalencies

What does the reduction of 83,384 MTCO2e represent ?
The organization's effort is equivalent to any one of the following:

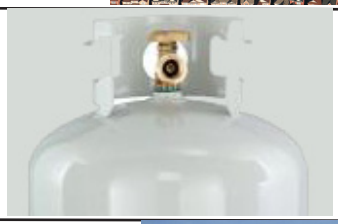
- Annual greenhouse gas emissions from 17,372 vehicles

- Carbon dioxide emissions from 9,348,049 gallons of gasoline

- Carbon dioxide emissions from 193,918 barrels of oil consumed

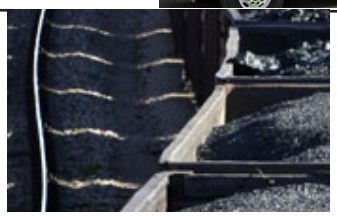
- Carbon dioxide emissions from the energy use of 4,292 homes for one year

- Carbon dioxide emissions from 3,474,358 propane tanks used for home barbeques



- Carbon dioxide emissions from gasoline carried by 1,100 tanker trucks

- Carbon dioxide emissions from burning 358 railcars' worth of coal (nearly 5 1/2 miles long)



Environmental Metrics	Sep 2006 MOU	Dec 2010 Update	Dec 2011 Update	Jul 2012 Update	Jan 2013 Update	Total Conversion (MTCO2e)	Cost Savings (est.)
Energy Conservation/Energy Star							
Total Savings (MTCO2e)						***0.0***	***$0***
Miscellaneous Energy Conservation				included in LEED savings	included in LEED savings		
Web Based Energy Competition							
Motors and Transformers							
Lighting Project Fixtures (bulbs and ballast)							
High Temp Hot Water Pipe Replacement							
HVAC, Chiller & Electrical							
Bulb Replacement (CFLs)							
Bulb Replacement (LEDs)							
Gas Savings							
Fuel Oil Savings							
Steam Savings							
Alternative Energy							
Total Savings (MTCO2e)		***7979.5***	***7,979.5***	***4,814.0***	***4,814.0***	***25,586.9***	***($7,712)***
On-Site Solar							
On-Site Wind							
On-Site Geothermal							
On-Site Combined Heat and Power							
Purchase of Green Energy/Green Power		13,000,000 kwh	13,000,000 kwh	7,842,845.5 kwh	7,842,845.5 kwh	25,586.9	($7,712)
Water Conservation/WaterSense							
Total Savings (MTCO2e)				***3.0***	***3.0***	***5.9***	***$1,803***
Miscellaneous Water Conservation							
Low Flow/Hands Free Faucets (131)				65,500 gal	65,500 gal	0.3	$329
Low Flow Toilets (104) - included in Stormwater savings							
Low Flow Shower Heads (15)				34,500 gal + 4500 kwh	34,500 gal + 4500 kwh	5.7	$1,474
Low Flow Urinals (29) - included in Stormwater savings							
Waterless Urinals							
Solid Waste Recycling							
Total Savings (MTCO2e)		***0.4***	***2,079.3***	***1,031.7***	***2,276.4***	***5,387.1***	***$169,013***
Mixed Recyclables (includes Wastewise)					341 tons	978.7	$13,640
Pallets Waste Avoided / Wood Recycled				1.8 tons	152.8 tons	380.3	$6,184
Steel Recycled				42.18 tons	119 tons	290.1	$6,447
Concrete / Asphalt Recycled					107 tons	85.6	$4,280
Drywall				143.53 tons	376 tons	114.3	$20,781
Recycled C&D Waste (construction waste)				114 tons		28.3	$4,560
Cardboard (construction/non-construction/sharp containers)			283.7 tons	115.35 tons	156 tons	1,720.7	$22,202
Mixed Metal (construction/non-construction)							
Paper, Mixed			283.7 tons	82.65 tons		1,285.9	$14,654
Plastic, Mixed (bottles,construction/non-construction,sharp containers)					4 tons	6.0	$160
Can / Bottle Recycling			2.63 tons	3.45 tons		45.9	$243
Mixed Organics							
Food Donation (Waste diversion)							

Environmental Metrics	Sep 2006 MOU	Dec 2010 Update	Dec 2011 Update	Jul 2012 Update	Jan 2013 Update	Total Conversion (MTCO2e)	Cost Savings (est.)
Biosolids and Food Waste Recycling / Composting				1 ton	174,907 lbs	17.7	$3,538
Food Waste Combusted			1383.7 tons	341 tons		224.2	$68,988
Fluorescent Bulbs		3491.35 lbs	1655.92 lbs	552.3 lbs	940.8 lbs	0.4	$133
Ballast (mixed metal)		58 lbs	48 lbs	159 lbs		0.7	$5
Ceiling Tiles Recycled							
Carpet Recycled							
Waste Oil Recycled			335 gal	4504 gal	2622 gal	89.5	$1,268
Magazines / Third Class Mail							
Newspapers							
Office Paper							
Phonebooks							
Textbooks							
Dimensional Lumber				48.26 tons		118.7	$1,930
Fly Ash							
Aluminum Cans							
Glass							
HDPE							
LDPE							
PET							
Appliances							
Non-Ferrous Metals							
Fats, Oils, Grease							
Green Procurement							
Total Savings (MTCO2e)		***47,000.0***				***47,000.0***	***$1,144,000***
Purchase of Materials with Recycled Content							
Purchase / Use of Compost Socks							
Purchase of EPEAT Products							
Use of Recycled Steel during Construction		23,000 tons				41,400.0	$920,000
Use of Recycled Iron during Construction							
Use of Recycled Plastic during Construction							
Use of Recycled Aluminum during Construction							
Use of Recycled Concrete / Asphalt during Construction							
Use of Coal Combustion Products		7,000 tons				5,600.0	$224,000
Green Landscaping							
Total Savings (MTCO2e)			***8.1***	***4.1***	***4.1***	***16.2***	***$20,109***
Green Roofs							
Porous Pavement							
Grass							
Low / No Mow Area							
Green Space							
Re-use of Collected Stormwater			4,000,000 gal	2,000,000 gal	2,000,000 gal	16.2	$20,109
On-Site Use of Compost / Mulch							
Moisture Sensing Sprinklers							
Number / Acres of Trees							
Reflective Roof (White Mule Hide TPO)				included in LEED savings	included in LEED savings		

Environmental Metrics	Sep 2006 MOU	Dec 2010 Update	Dec 2011 Update	Jul 2012 Update	Jan 2013 Update	Total Conversion (MTCO2e)	Cost Savings (est.)
Synthetic Turf							
Native Plants							
Leaves Composted							
Electronics/EPEAT							
Total Savings (MTCO2e)		***1.1***	***1.0***	***0.2***	***0.4***	***2.7***	***$67***
Recycling of Electronics		1383 lbs	1195 lbs	265 lbs	459 lbs	2.6	$66
Re-Use/Donation of Used Computers							
Toner/Ink Recycling and Use of Recycled Ink							
Battery Recycling		30 lbs				0.0	$1
Mass Transit							
Total Savings (MTCO2e)							
Miles Avoided							
Transportation							
Total Savings (MTCO2e)			***1,876.8***			***1,876.8***	***$750,720***
Hybrid Vehicles							
Electric Vehicles							
Biodiesel Vehicles							
Clean Construction Vehicles (bio-diesel)			276,000 gal			1,876.8	$750,720
LNG Vehicles							
Alternate Fuel Vehicles (Zipcar)							
Smartway Transporters							
Bike Racks							
LEED Projects							
Total Savings (MTCO2e)				***1,754.5***	***1,754.5***	***3,509.0***	***$826,084***
Silver - 10% energy reduction							
Gold - 17% energy reduction (1,350,000 sq ft)				2,858,422.5 kwh	2,858,422.5 kwh	3,509.0	$826,084
Platinum - 20% energy reduction							
Misc. - Further Clarification							
Total Savings (MTCO2e)							
NOX (equipment only)							
NOX (includes vehicles)							
MTCO2e Savings							
Total (MTCO2e)	***0.0***	***54,981.0***	***11,944.6***	***7,607.4***	***8,852.3***	***83,384.6***	***$2,904,084***
Alternative Energy	0.0	7,979.5	7,979.5	4,814.0	4,814.0	25,586.9	($7,712)
Water	0.0	0.0	0.0	3.0	3.0	5.9	$1,803
Solid Waste	0.0	0.4	2,079.3	1,031.7	2,276.4	5,387.1	$169,013
Green Procurement	0.0	47,000.0	0.0	0.0	0.0	47,000.0	$1,144,000
Green Landscaping	0.0	0.0	8.1	4.1	4.1	16.2	$20,109
Electronics	0.0	1.1	1.0	0.2	0.4	2.7	$67
Transportation	0.0	0.0	1,876.8	0.0	0.0	1,876.8	$750,720
LEED Projects	0.0	0.0	0.0	1,754.5	1,754.5	3,509.0	$826,084

2013

Destiny USA Additional Green MOU Accomplishments

Continuing the green legacy of Destiny USA, expansion tenants are prescribing to the U.S Green Building Council's LEED® rating system for Commercial Interiors. Each tenant is at a different place in the certification process, but all are lease required to reach the minimum certification level.
The following is a list of a few of Destiny's successes:

Lenox: ***Destiny USA's First LEED® Certified Tenant***
Lenox became Destiny USA's first LEED® certified tenant on July 16, 2012. The development team created a plan to reduce water use by 75% and demonstrated nearly 24% energy savings by using energy efficient lighting designs. Lenox also emphasized the importance of good indoor air quality by using low VOC (volatile organic compounds) paints and coatings as well as low VOC adhesives and sealants during the stores' construction. Additionally, Lenox participated in Destiny USA's construction waste recycling program, recycling 75% of their construction waste which was diverted from landfills.

Michael Kors: ***Destiny USA's First LEED® Silver Certified Tenant***
The Michael Kors outlet received Destiny USA's first LEED® Silver certification on September 17, 2012. Highlights of the sustainable design and construction methods used in the project included energy efficient HVAC zoning; occupant adjustable temperature controls; and recycling of more than 75% of construction debris. Exemplary performance credits were also earned for Green Power Purchasing and Water Efficiency. The store utilized low flow plumbing fixtures and is connected to the building's rainwater harvesting system. It also used energy efficient lighting and occupancy sensors for increased energy savings.

Quiksilver: ***Destiny USA's First LEED® Gold Certified Tenant***
The Quiksilver store received Destiny USA's first LEED® Gold certification on October 30, 2012. Points were awarded for Water Efficiency, Green Power, participation in the Construction Waste Management program, implementing an Indoor Air Quality Plan during construction and a Thermal Comfort Design intended to keep employees and visitors comfortable.

Five Below: ***LEED® Certification***
On November 21, 2012 Five Below received LEED® Certified status by incorporating resource conservation and Indoor Air Quality measures. The space ties into Destiny USA's rainwater harvesting system and specified low flow/water efficient fixtures which create a 72% water use reduction. Also, occupant comfort and health were considered with the design and implementation of an indoor air quality plan.

Wilson's Leather: ***LEED® Silver Certification***
Wilson's Leather achieved LEED® Silver certification on November 29, 2012. Sustainability initiatives included the implementation of Water Efficiency measures (a near 75% water efficient space), reducing lighting energy loads by 25%. Wilson's design team planned the implementation of an Indoor Air Quality Plan and construction materials that contain low VOC paints and coatings, adhesives and sealants and flooring systems.

Marc Ecko: ***LEED® Certification***
The Marc Ecko space became LEED® Certified on December 7, 2012. In addition to the 27 points associated with the Destiny USA site, the tenant focused its LEED® efforts on conservation. Like a number of tenants, Marc Ecko tied into the Destiny USA rainwater harvesting system and reached a 79% water efficiency mark which allowed them to achieve additional points for Innovation in Design. Energy savings were captured with the tenant's efficient lighting design which saves a minimum of 15% light power energy.