



Autumn Breeze



14901 Beauty Berry Lane | Noblesville, IN | 46060

THE PROPERTY

- 280 unit Class A luxury apartment community built in 2009, situated on approximately 20 acres, offering 1, 2 and 3 bedroom units.
- Located in the city of Noblesville, a northeast suburb of Indianapolis, and within Hamilton County, Indiana's fastest growing and wealthiest county.
- Autumn Breeze's average unit size is 1,066 sq. ft. versus the competition at 992 sq. ft.

THE INVESTMENT OPPORTUNITY

- **Employment Growth**
 - The property is in close proximity to an abundance of quality employment opportunities
 - 9.5 million sq. ft. of office/business parks and 4 major hospitals
- **Population Growth**
 - There has been a population growth of 123% within the 5-mile area from 2000-2012, growth is projected to continue over the next 5 years
- **Rent Growth**
 - Capitalize on institutional property and asset management
 - Maximize value through upgrades, rent optimization and market growth forecast

This material does not constitute an offer and is authorized for use only when accompanied or preceded by a definitive confidential private placement memorandum. Reference is made to the memorandum for a statement of risks and terms of the offering. The information set forth herein is qualified in its entirety by the memorandum. All potential investors must read the memorandum and no person may invest without acknowledging receipt and complete review of the memorandum.

BUSINESS STRATEGY

The Master Tenant objectives, on behalf of the Delaware Statutory Trust, will be to (i) make fixed rent payments and percentage rent payments, (ii) maximize rental increases, 'other income' and occupancy, (iii) improve new lease closing ratios and resident retention, (iv) reduce operating expenses, and (v) prepare the property to be sold when the market dictates. There is no assurance that these objectives can be achieved.

Maximize Revenue and Occupancy

- Improve the existing model unit and clubhouse including a new paint color scheme as well as the installation of new furniture, artwork, and accessories. Create a cyber-lounge within the clubhouse and partition it off to create a space the residents can access 24-hours a day.
- Enhance the Project's competitive position in the submarket by installing a dog park and dog wash by fencing off a grassy area on the property providing a centralized area to walk, exercise and wash a tenant's pet.
- Implement aggressive marketing campaigns to reach out to local corporations, businesses, vendors to provide referrals, activity sponsorships and reciprocal business opportunities.
- Install minor renovations to all units including new lighting fixtures, new ceiling fans and vinyl wood plank flooring throughout first floors of the unit except the bedrooms, vinyl plank flooring in the 2nd and 3rd floor bathroom, and new bath light fixtures.
- Enhance the Project's website and Internet marketing by engaging an Internet firm specializing in website design and search engine optimization. The utilization of a search engine optimization firm will improve the Project's online presence resulting in more cost efficient and cost effective marketing. The firm will design and develop a new website and provide community-tailored paid search advertising campaigns.
- Enhance the Project's competitive position in the submarket by installing a new cutting edge amenity of providing online concierge service. The online service provides access for tenants to order services such as wake up calls, concert



tickets, airline reservations and travel arrangements, restaurant reservations, etc. at a minimal additional charge to the tenant. The service is provided by the Master Tenant at the Master Tenant's cost, which is partially, if not entirely, offset by a per unit monthly chargeback to each tenant.

- Install a state-of-the-art computerized revenue management program that collates market and submarket data and establishes daily pricing for all units based on a number of primary factors including inventory, days on market, move-in date, and location. This type of computerized revenue enhancement system is gaining acceptance in the multi-family management industry as being a cost effective software program that manages pricing in an effort to increase the financial performance of the Project.
- Introduce and monitor more aggressive increases in other income items to maximize recovery of utility costs, trash removal fees, and pest control fees.
- Introduce and monitor more aggressive increases in other income fees such as administrative fees, application fees, transfer fees, pet deposits and pet rent.

Improve New Lease Closing Ratios and Resident Retention

- Hire a nationally recognized third-party property management company to oversee an on-site management team of experienced and enthusiastic professionals.
- Install a lease management system that targets to limit the number of monthly lease expirations to a maximum of 10% of the units.
- Conduct weekly meetings between the Master Tenant's asset manager(s) and the regional third-party staff reviewing performance reports including, but not limited to, new leasing activity, retention activity, pricing matrix, marketing programs and capital projects.

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- Hold regular resident functions to foster a sense of community thereby increasing tenant retention.
- Hold regular “town hall” meetings to improve communication, resident satisfaction and management performance.

Implement Passco Asset Management Programs

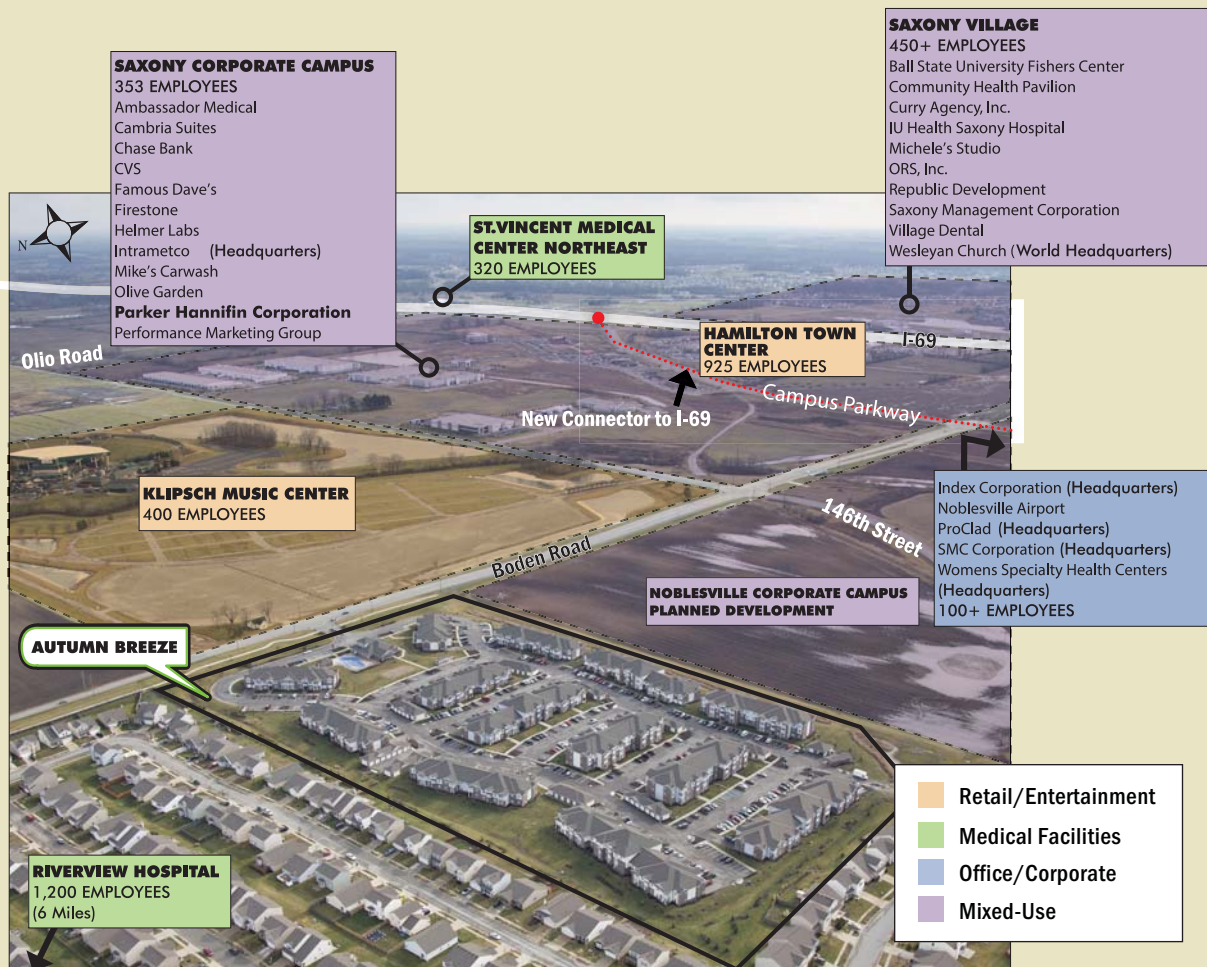
- Maximize occupancy through implementation of a multi-platform marketing program including a focus on website and internet advertising, utilization of print media if applicable and development of new marketing brochures, Project signs, banners, leasing materials and websites.
- Leverage “economy of scale” cost effective pricing structure on contractor and vendor services, insurance and maintenance supply inventory.
- Perform annual competitive bidding of all contracts and services.
- Implement an annual property tax review and appeal program utilizing recognized national as well as local area tax consultants.
- Implement an annual property insurance review utilizing recognized national insurance agencies.

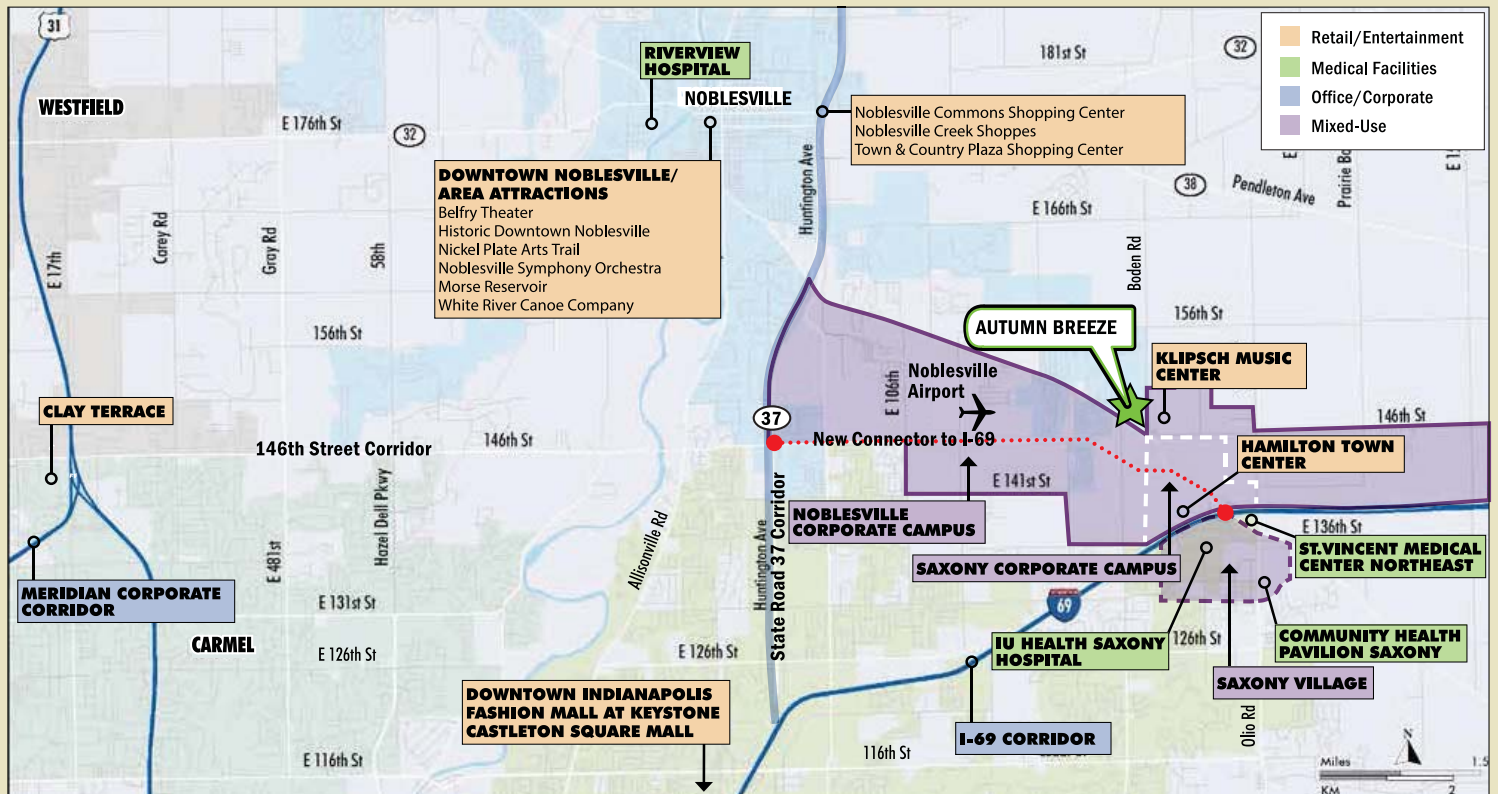
INDIANAPOLIS, INDIANA

Named one of the ‘10 best cities to relocate to’ by CNBC, Indianapolis is the 12th largest city in the nation and the 34th largest metropolitan area (U.S. Census Bureau). The Indianapolis MSA population is over 1.8m and is expected to grow over 5% during the next five years, according to The Nielsen Company. Currently ranked as one of the ‘top 30 job markets in America’ (Indeed.com), Indianapolis is home to a diverse and expanding employment sector including automotive manufacturing, pharmaceuticals, health care, life sciences, sporting, among others. Indianapolis International Airport houses Fed Ex’s 2nd largest hub in the U.S. and a four million square foot Amazon.com presence. In addition, there are five Fortune 500 companies headquartered in Indianapolis – WellPoint, Eli Lilly, Cummins, NiSource and Conseqo. Other major employers include Roche Diagnostic Corp., ArgoSciences, Indiana University, Rolls-Royce Corp., IU Health, St. Vincent Hospitals & Health Services.

Local Sub-Market - Noblesville, IN

Approximately 25 miles northeast of Indianapolis CBD, Noblesville has the highest concentration of upper income households and high-end housing. Noblesville





is the county seat of Hamilton County, the largest suburban employment center in Indianapolis and the state's wealthiest county. More than 59% of residents in Hamilton County hold an associate's degree or higher and the unemployment rate for Hamilton County is 6.7%, below the U.S. national rate and lowest rate for all of Indiana (Jan, 2013 Bureau of Labor Statistics and Indiana Department of Employment Security). Some of the major employers in the immediate area are Sallie Mae, Roche Diagnostics Corporation, Riverview Hospital, St. Vincent Medical Center Northeast, IU Health Saxony Hospital, among others. Autumn Breeze is adjacent to and part of the Corporate Campus Planned Development, Noblesville's 3600 acre mixed-use development that includes office, industrial, commercial and residential, and was designed to attract life science, advanced manufacturing, high-tech logistics and distribution, flex office and information technology employers. The campus is home to the North American Headquarters of SMC Corporation, Helmer Laboratories and Perkins Logistics and anticipates to be home to Nexxt Spine, LLC, a medical device manufacturer that designs and produces spinal implants. Other notable employment centers in the area are Saxony Corporate Campus – a 750 acre mixed use corporate park, Hamilton Town Center – a 655,000 square foot open-air retail center, and the Klipsch Music Center – a 24,000 seat outdoor concert venue.

ATTRACTIVE AMENITIES

Unit Amenities include:

- Open style living concept designed for entertaining and a comfortable lifestyle
- Ceramic tile entry and kitchen
- Cherry cabinetry with wine rack
- Huge double door gourmet kitchen pantries
- Private laundry/mud room equipped with full-size washer and dryer
- Formal dining rooms with custom archways
- Breakfast bar
- Five to seven large closets per apartment
- Refrigerator with icemaker
- Air conditioning and individual climate control

Community Amenities

- Resort-style pool with party patio & sun deck
- Billiard room
- Car care center
- Tanning beds
- Clubhouse rental
- 24 Hr. fitness center
- Wi-Fi lounge & coffee bar
- Attached & detached garages & storage
- Conference room



DEMOGRAPHICS	Indianapolis	Radius		
		1-Mile	3-Mile	5-Mile
2010 – 2013 Population Growth	2.75%	14.27%	11.91%	9.18%
2013 – 2018 Population Growth	3.83%	16.13%	14.06%	11.12%
2013 Estimated Population	1,804,523	6,479	35,881	89,153
Average Age	36.8	30.5	30.9	32.8
% of Age 25+ with College Degree	37.9%	49.3%	61.2%	60.4%
Average Household Income	\$64,240	\$69,262	\$90,794	\$96,530
% of Households greater than \$100K Income	17.3%	17.5%	32.3%	35.9%
Median Home Value	\$146,423	\$148,575	\$187,485	\$197,970

Source: Nielson – Claritas, 2013

FLOOR PLAN SAMPLES



1 Bedroom/1 Bath



2 Bedroom/2 Bath



3 Bedroom/2 Bath

UNIT MIX

UNIT TYPE	%	UNITS	TOTAL SQ. FT	SQ. FT/UNIT
1BD / 1 BA	6%	18	12,780	710
1BD / 1 BA	14%	40	30,000	750
1BD / 1 BA	9%	24	19,872	828
2BD / 2BA	18%	50	58,100	1,162
2BD / 2BA	4%	10	11,800	1,179
2BD / 2BA	24%	68	80,240	1,180
2BD / 2BA	4%	10	11,800	1,180
2BD / 2BA	11%	32	39,392	1,231
3 BD / 2BA	7%	20	24,660	1,233
3 BD / 2BA	3%	8	9,864	1,233
Total	100%	280	298,498	1,066



AUTUMN BREEZE



Passco Companies, LLC specializes in acquiring, developing and managing multifamily and commercial investment properties. Passco was formed in 1998 and is a privately held company.

- Passco invests strategically for investors to generate cash flow and asset value appreciation, while maintaining a risk-mitigating investment philosophy.
- Passco's current assets under management are upward of \$2 billion, including more than 10,000 apartment units and over 8 million square feet of land and commercial real estate nationwide.
- Passco is a full service real estate firm with diverse capabilities including acquisition and due diligence services, finance and structuring, escrow services, property and asset management, investment advisory, and investor services.
- Passco's mission is to be committed to excellence in real estate ownership and in the management of our investment portfolio; to develop long term strategic relationships with leading and innovative real estate professionals and companies; and to provide a rewarding environment for our employees, while creating opportunities for personal enrichment and career growth.



Passco Companies, LLC
96 Corporate Park, Suite 200
Irvine, CA 92606
(949) 442-1000 tel
877-4-PASSCO toll
949-442-2460 fax
www.passco.com

MARKETING CONTACTS:

Main Office:

Belden Brown
(949) 263-7905
Senior Vice President
& National Sales
Manager

Thomas B. Jahncke
(949) 263-7904
Senior Vice President

Adriana Salamone
(949) 263-7933
Vice President

Andy Wang
(949) 263-7934
Vice President