



Vinings

at LAUREL CREEK

VININGS AT LAUREL CREEK | 3434 LAURENS RD | GREENVILLE, SC 29607

THE PROPERTY

- 244 unit Class-A garden-style apartment community situated on approximately 16.78 acres, offering 1, 2 and 3 bedroom units.
- Built in 2013, the residents enjoy modern, high end amenities such as beach entry resort-style swimming pool, Apple computer center, indoor-outdoor clubhouse and fitness center.
- The property is located along one of Greenville's largest commercial corridors, Laurens Road – providing residents close proximity to many major employers and direct access to downtown Greenville.

THE INVESTMENT OPPORTUNITY

- Strategically positioned near 750 acres of current and future office parks, commercial development and job growth within the local submarket.
- Greenville was ranked #3 for America's Strongest Job Market in 2013 by Bloomberg Business Week and #2 by Forbes for Best Cities for Jobs in the Fall 2013.
- Having recently completed the lease-up phase, the property is well positioned to capture rental increases and steady occupancy with excellent renter demographics within a 1, 3 and 5 mile radii.

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. 10/14



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.

Risks

All real estate investments have risks. There is no assurance that some or all of these objectives will be met. There are substantial risks in any Investment Program. See "Risk Factors" in the accompanying Private Placement Memorandum for a discussion of the risk relevant to this offering.

Maximize Revenue & Occupancy

- Complete the installation of 130 Washer Dryer sets in units that are not currently outfitted with these appliances. The installation is scheduled to take place as each of the unequipped units is leased to a new resident. The goal is to install all of the 130 sets over the course of the first twelve months subject to the number of eligible unit turns.
- Implement aggressive marketing campaigns to reach out to local corporations, businesses, vendors to provide referrals, activity sponsorships and reciprocal business opportunities.
- 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 internet search advertising campaigns.
- 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 wide acceptance in the multi-family management industry as being a cost effective software program that will manage 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 & Resident Retention

- Hire a locally recognized third-party property management company to oversee an on-site management team of experienced and enthusiastic professionals. The third party manager is currently managing the property which should ensure a smooth transition.
- Install a lease management system that targets the number of monthly lease expirations to a maximum of 10% of the units.
- Install a reputation management system that enhances the property's on-line rating scores on industry rating sites as well as multiple search engine rating sites. In today's technology driven market, a property's on line rating scores are critical search components for prospective residents.
- 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.
- Hold regular resident functions to foster a sense of community thereby increasing tenant retention.

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- Hold regular “town hall” meetings to improve communication, resident satisfaction and management performance.

Implement 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, signage, banners, leasing materials and website.
- 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 and/or local area tax consultants.
- Implement an annual property insurance review utilizing recognized national insurance agencies.





GREENVILLE, SOUTH CAROLINA

Greenville is located in the Piedmont region of South Carolina in the foothills of the Blue Ridge Mountains. The area, commonly referred to as the Upstate, includes Greenville, Spartanburg, Anderson, Pickens and Cherokee counties. Located along Interstate 85 (“I-85”), Greenville is situated between two of the largest cities in the southeast – Charlotte, NC and Atlanta, GA. With more than 250 international firms, the Upstate boasts the highest international investment per capita in the nation according to Greenville’s Department of Economic Development. Formerly textile-driven, the Upstate economy is now much more diverse with automotive, aviation and aerospace, distribution and logistics, healthcare and bioscience industries leading the way. Greenville is home to such national and international corporations as Fluor, Lockheed Martin, Duke Energy, UPS, Caterpillar, BiLo and Hubbell Lighting - with BMW and Michelin North America located nearby. The global headquarters for GE Energy’s Engineering Division and the world’s largest heavy-duty gas turbine manufacturing facility are also in Greenville. There are 10 universities and colleges nearby – Clemson University, Furman University, Bob Jones University, among others. The Bureau of Labor Statistics shows the Greenville MSA unemployment rate has been below the national unemployment rate for the last 4 years. According to Moody’s Economy.com (“Moody’s”), the Greenville MSA population will have grown 55,600 by the end of 2014 since 2007, or 9.1%, which compares to the national population growth rate of 5.8% over the same time

period. Moody’s also projects the personal income growth will average 6.4% annually over the next 3 years.

Local Sub-Market

Vinings at Laurel Creek is located in the South Greenville County submarket, which is located in the southern sector of Greenville. Laurels Road, also known as Highway 276, is a major north/south thoroughfare in the metropolitan area with direct access to downtown Greenville. According to the Nielsen Company, Vinings at Laurel Creek is located in a growth area of Greenville, the annual growth rate within the 1, 3, and 5 mile radii surrounding the property have exceeded the growth of the MSA. Located within 0.5 miles of the property is the entrance to Millennium Office Park, a developing 500-acre research and development corporate park with Hubbell Lighting, TD Bank, St. Francis Hospital and Sonic Automotive, among others. At the entrance to the park is Clemson University International Center for Automotive Research (CU-ICAR), a consortium between Clemson University, BMW, Michelin, the Society of Automotive Engineers and others that are striving to be the premiere automotive, motion research and education facility in the world. CU-ICAR currently employs approximately 750 with plans to add an additional 2,000+ jobs in the near future. Fluor Corporation and Michelin’s North America headquarters are both within 5 miles of the property and together employ over 6,300.



Greenville’s Top 12 Employers

Rank	Employer	Employees
1	Greenville Hospital System	10,925
2	Saint Francis Health System	4,500
3	Michelin North America Inc.	4,000
4	Clemson University	3,535
5	General Electric Co.	3,200
6	Fluor Intercontinental	2,500
7	Bi-Lo Warehouse and Distribution	2,089
8	Bob Jones University	1,519
9	Greenville Technical College	1,400
10	Sealed Air Corp.- Cryovac Division	1,300
11	Verizon Wireless	1,200
12	Contract Environmental Services	1,200

Source: Moody’s Analytics Précis U.S. Metro Report – March 2014



DEMOGRAPHICS

	Greenville	1-Mile	3-Mile	5-Mile
2010 – 2014 Population Growth	4.93%	5.65%	8.58%	6.31%
2014 – 2019 Population Growth	3.86%	6.54%	8.98%	7.13%
2014 Estimated Population	855,961	1,081	36,646	133,444
Average Age	38.7	37.4	38.1	38.6
% of Age 25+ w/ College Deg.	33.7%	43.0%	47.7%	46.8%
Prime Rental Age 18-34	22.9%	23.5%	24.5%	23.0%
Median Household Income	\$44,677	\$44,018	\$50,022	\$51,146
Median Home Value	\$144,257	\$160,815	\$163,209	\$179,973

Source: The Nielsen Company, 2014

SUPERIOR AMENITIES

Unit Amenities:

- Black appliances
- Wood-style laminate flooring in kitchen and entry
- Walk-in closets
- Spacious deck or patio
- Exterior storage*
- Nine foot ceilings* (top floor eight foot with vaulted living room & dining room)
- Breakfast bar*
- Separate dining room or sunroom*
- Laundry room*
- Double sinks in master*

* Select Units

Community Amenities:

- Beach-entry resort style pool
- Indoor-outdoor clubhouse
- Apple computer center / cyber cafe
- Fitness center
- Outdoor kitchen
- Rentable detached garages and additional storage
- Car care center
- Dog park

UNIT MIX

UNIT TYPE	%	UNITS	TOTAL SQ. FT	SQ. FT/UNIT
1 BR / 1 BA	4.90%	12	8,820	735
1 BR / 1 BA	6.50%	16	12,816	801
1 BR / 1 BA	14.80%	36	30,852	857
1 BR / 1 BA	14.80%	36	33,156	921
2 BR / 2 BA	17.20%	42	48,048	1,144
2 BR / 2 BA	18.90%	46	53,268	1,158
2 BR / 2 BA	11.50%	28	33,488	1,196
3 BR / 2 BA	4.90%	12	15,924	1,327
3 BR / 2 BA	6.50%	16	21,792	1,362
TOTAL	100%	244	258,164	

FLOOR PLAN SAMPLES



1 Bedroom / 1 Bath



3 Bedroom / 2 Bath



2 Bedroom / 2 Bath



1 Bedroom / 1 Bath

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PASSCO COMPANIES, LLC

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 \$1.7 billion, including more than 10,000 apartment units and over 7 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.

MAP & SITE PLAN



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