

TRANSWESTERN

Opinion of Value



MIRASOL

BROKER OPINION OF VALUE

PRESENTED TO
LNR PARTNERS, INC
JOHN MITCHELL, BRETT MANN, AND PJ HORNIK

JUNE 2011

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Executive Summary

Transwestern is the right choice to market Mirasol Apartments

Transwestern is pleased to provide LNR Partners, Inc with this proposal to provide strategic disposition services relating to Mirasol Apartments. We sincerely appreciate this opportunity, and we are confident that the Transwestern team offers you the requisite skills and experience necessary to excel in this assignment. Our sales process, hands-on approach, and track record with similar assets will enable LNR Partners, Inc to achieve maximum sales pricing for this asset.

Valuation Summary

PROBABLE VALUE (BOV)		SUGGESTED LIST PRICE	
Probable Value	\$3,740,000	Suggested List Price	\$4,250,000
Price/Unit	\$29,920	Price/Unit	\$34,000
Price/Square Foot	\$43	Price/Square Foot	\$48
Cap Rate (BOV Proforma)	6.49%	Cap Rate (Marketing Proforma)	6.51%
Cap Rate (90-Day Adjusted)	2.98%	Cap Rate (90-Day Adjusted)	2.78%
Cap Rate (T-12 Adjusted)	5.81%	Cap Rate (T-12 Adjusted)	5.27%

Transwestern believes Mirasol will sell between \$3,740,000 (\$29,920 per unit) and \$4,250,000 (\$34,000 per unit) in today's market.



* Adjusted cap rates are based on actual reported income less stabilized expenses.

Transwestern Comparable Transaction History

Jack Hannum and Bret Zinn are active in the Arizona market with sales of similar class apartment communities to Mirasol Apartments. The following is a summary of current and recent transactions for 2009-2011:

PROPERTY	UNITS	BUILT	PRICE	PER UNIT	STATUS	SELLER
Silktree 4815 E Thomas Rd Phoenix, AZ 85008	86 (Portfolio)	1980	\$2,750,000	\$31,977	Non-refundable May-2011	Ocwen
Palmwood Terrace 4917 E Thomas Rd Phoenix, AZ 85008	101 (Portfolio)	1977	\$2,000,000	\$19,802	Non-refundable May-2011	Ocwen
Sun River Village 505 W Baseline Rd Tempe, AZ	334	1981	unpriced	n/a	Contract May-2011	AIMCO
Timbertree 2800 W Sahuaro Dr Phoenix, AZ 85029	387	1980	\$11,975,000	\$30,943	Sold May-2011	AIMCO
Santaluz 5650 S Park Ave Tucson, AZ	176	1986	\$2,950,000	\$16,761	Sold Apr-2011	CWCapital
Desert Sunrise 17602 N Cave Creek Rd Phoenix, AZ	165	1985	\$4,650,000	\$28,182	Sold Nov-2010	Ocwen
North 17 9601 N 17th Ave Phoenix, AZ	72	1984	\$1,499,850	\$20,831	Sold Sep-2010	Wildwood Capital (Receiver)
Monterra 1333 N 24th St Phoenix, AZ	258	2001	\$16,650,000	\$64,534	Sold May-2010	Aslan Realty Group
Cabrillo 11620 N Sahuaro Dr Scottsdale, AZ	224	1987	\$12,600,000	\$56,250	Sold Jan-2010	Principal Life (Lender)
Newport 1333 N Dysart Road Avondale, AZ	204	1986	\$8,200,000	\$40,196	Sold Dec-2009	AIMCO
Casa Santa Fe 11105 N 115th St Scottsdale, AZ	264	1987	\$16,000,000	\$60,606	Sold Dec-2009	Principal Life (Lender)
Crossroads 2222 W Beardsley Rd Phoenix, AZ	316	1982	\$9,850,000	\$31,171	Sold Nov-2009	AIMCO
Wachovia Portfolio Phoenix, Mesa and Gilbert, AZ	592		\$40,500,000	\$68,400	Sold Aug-2009	Wachovia
TOTAL/AVERAGE	3,179		\$129,624,850	\$39,138		

S.W.O.T. Analysis

It is vital to fully understand an asset's strengths, weaknesses, opportunities, and threats when assessing value and ultimately marketing the property. It is necessary to sell to the strengths and opportunities and minimize the weaknesses and threats, be they real or perceived.

The following is based on the Transwestern team's research regarding Mirasol, as well as its competition and the overall Tucson apartment market:

STRENGTHS

- Desirable Scottsdale address located less than one-half mile west of the Loop-101 Freeway, and just over two miles north of the Loop-202 Freeway.
- Great drive by exposure and a large marketing window along McDowell Road, a major east-west thoroughfare experiencing traffic counts of $\pm 39,000$ vehicles daily. The property is also less than a minute's drive east to Pima Road (north-south thoroughfare) which averages $\pm 33,300$ cars daily.
- Manageably sized asset – the number of units and total acquisition size will garner a larger pool of private capital buyers for the asset. Additionally, the recent historical occupancy (at +90%) will allow investors the opportunity to place long-term financing on the asset while taking advantage of today's low interest rates.
- Quality property with a value-add opportunity. While Mirasol is in overall good condition, investors will have the opportunity to upgrade the interiors/exterior and increase rents as the strong Scottsdale submarket continues to improve in the coming years.

WEAKNESSES

- While located in the City of Scottsdale, Mirasol is situated in the southeast region of the city, which has a less desirable aesthetic appeal than other locations within Scottsdale, such as the Old Town or northern Kierland Commons areas.
- There are ten competing properties comprising 2,060 units within a 2 mile radius of the community, with Mirasol being among the oldest of the supply. In addition, Mirasol is of a "motel-style" construction frontage with catwalks connecting the buildings, which may not appeal to some investors.
- Mirasol does not have the amenities offered by larger communities such as a community center, fitness center, or outdoor lounge areas.

OPPORTUNITIES

- Mirasol's peak economic rents in 1Q08 were 27.3% higher than current 1Q11 economic rents, and have increased 19.4% since the bottom just one year ago when vacancy was at its highest in twenty months at 16% (see graph on page 5).
- With limited new apartment supply coming online over the next 2 to 3 years and the inability for people to qualify for home ownership, investors will have the opportunity to eliminate concessions and increase rents as both employment and population growth return to the market.
- The majority of multifamily buyers in the Phoenix market are targeting distressed opportunities or lender owned properties similar to Mirasol. The very nature of the current property ownership will ensure a large number of qualified buyers.
- Adding value to the property through continued interior and exterior capital infusion will help the

overall appeal of the property, taking advantage of its excellent exposure. A beautification strategy (utilizing existing mature landscaping), coupled with proper marketing and signage will greatly assist in the performance of the asset.

- Maricopa County assessed values established for 2010 were 59.1% higher than the 2012 assessed values that have been set. Assuming 5% growth annually in the 2010 millage rate, the property tax expenses will be lessened by the property tax by \$10,738 for 2010 (see page 15).

apartment rental growth over the next 2 to 3 years, thus negatively impacting values.

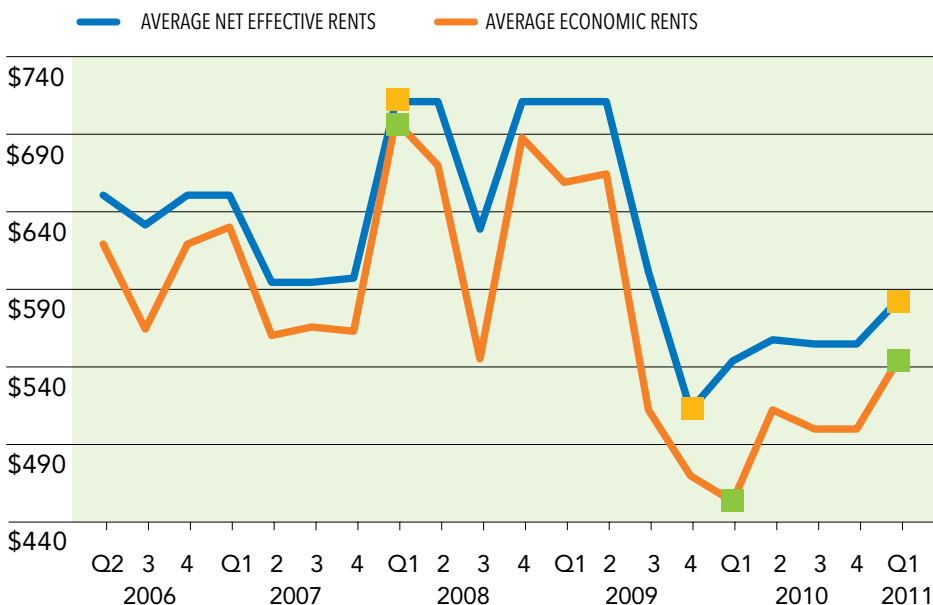
- While interest rates are at historic lows, and have remained stable in recent months, continued increases in rates could result in an upward movement in cap rates.
- The increasing number of apartment foreclosures expected within the next few years may begin to saturate the market and limit aggressive asset valuations.

THREATS

- If a double-dip recession occurs, this could have a negative impact on investor underwriting of strong

AVERAGE NET EFFECTIVE & ECONOMIC RENTS

Trailing 20 Quarters



NET EFFECTIVE RENTS

PEAK	LOW	CURRENT
\$711	\$518	\$587
1Q08	4Q09	1Q11

ECONOMIC RENTS (NET LESS VACANCY)

PEAK	LOW	CURRENT
\$700	\$460	\$549
1Q08	1Q10	1Q11

Peak Economic Rents in 1Q08 were 27.3% higher than Current 1Q11 Economic Rent.

Economic Rents have increased 19.4% since the bottom in 1Q10.

Property Overview

Mirasol is conveniently located in South Scottsdale, a short distance from restaurants, shopping and major employers. Scottsdale Fashion square, Tempe Marketplace and Mesa Riverview are just minutes away. Unit layouts include six different floorplan options ranging from studio, 1 bed 1 bath, 2 bed 1 bath, 2 bed 2 bath and 3 bed 2 bath. Community amenities include a heated pool and spa, laundry facilities, security patrol, and BBQ areas.

Mirasol consists of masonry construction. The two story complex covers 4.00 acres and contains 8 individual buildings. All electrical, including heating and cooling is individually metered. Domestic hot water is centrally metered and provided by a boiler system. The individually metered AC units were added in 2005.

SITE OVERVIEW

Location: 8750 E McDowell Rd, Scottsdale, AZ 85257
 Units: 125
 Year Built: 1971
 Rentable SF: 87,674 square feet
 Buildings: 8
 Site Size: 4.00 net acres
 Density: 31.3 units per acre
 Parcel No: 131-49-087J
 Amenities: Ceiling fans, disposal, walk-in closets in some, BBQ areas, playground, security patrol, optional storage room, laundry facility, and heated swimming pool and spa.
 Metered: Individually metered for electricity.

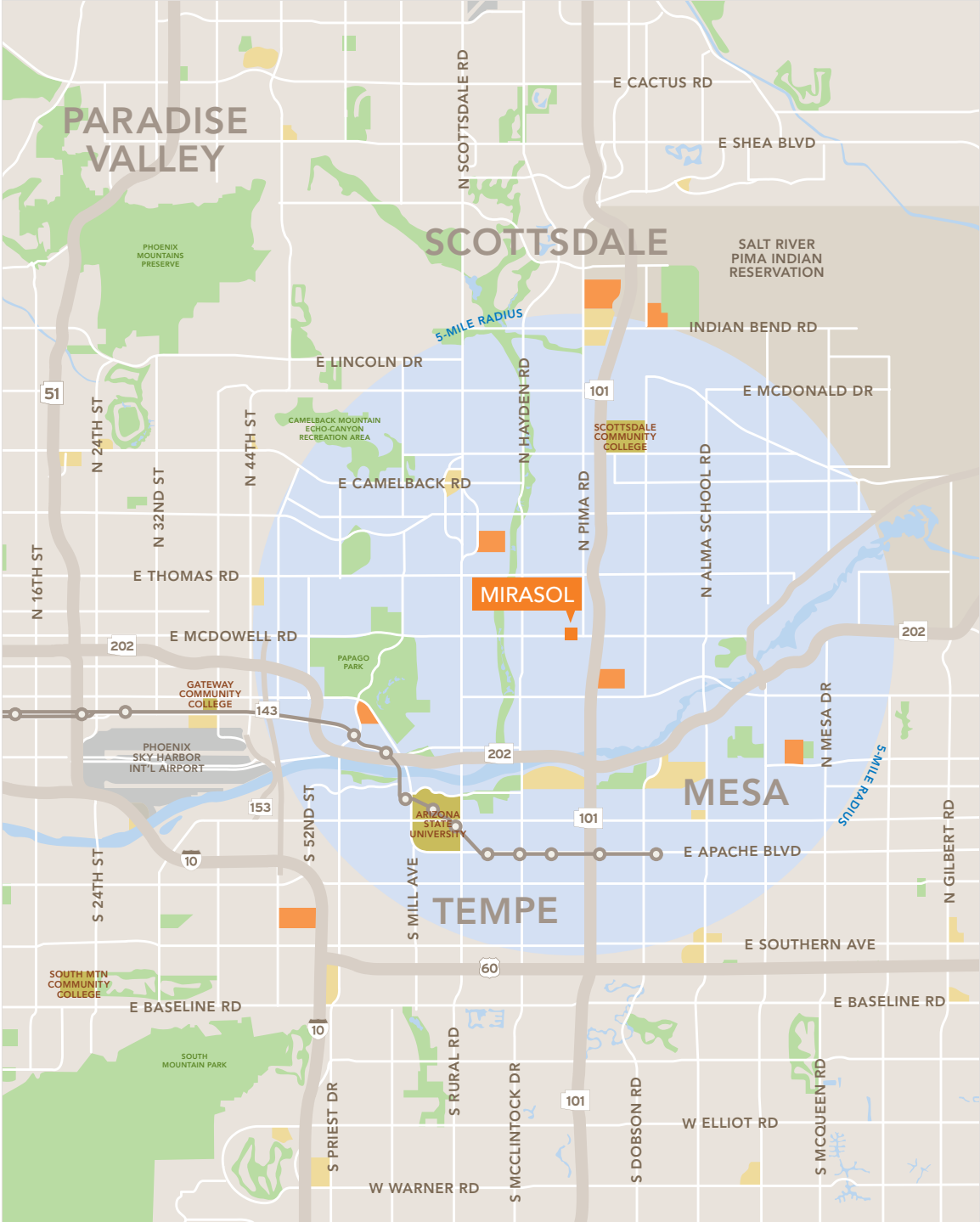
Q1 2011 SUBMARKET STATISTICS

1S SOUTH SCOTTSDALE

Total number of projects: 27
 Total number of units: 6,475
 Percent of total Phoenix: 2.73%
 Vacancy rate: 5.79%
 Average gross rents: \$858 / \$0.96
 Average net rents: \$763 / \$0.85

UNIT MIX

TYPE	UNITS	SIZE	TOTAL SF	MARKET RENT	PER SF	NET EFF RENT	PER SF
Studio	1	310	310	\$500	\$1.61	\$445	\$1.44
1Bd/1Ba	44	550	24,200	\$615	\$1.12	\$547	\$1.00
1Bd/1Ba	6	590	3,540	\$630	\$1.07	\$561	\$0.95
2Bd/1Ba	48	780	37,440	\$709	\$0.91	\$631	\$0.81
2Bd/2Ba	24	830	19,920	\$749	\$0.90	\$667	\$0.80
3Bd/2Ba	2	1,132	2,264	\$799	\$0.71	\$711	\$0.63
Total/Avg	125	701	87,674	\$676	0.96	\$601	\$0.86



Mirasol Financial Analysis

PROBABLE VALUE		MARKETING PROFORMA	
Probable Value	\$3,740,000	Suggested List Price	\$4,250,000
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Cap Rate (BOV Proforma)	6.49%	Cap Rate (Marketing Proforma)	6.51%
Cap Rate (90-Day Adjusted)	2.98%	Cap Rate (90-Day Adjusted)	2.78%
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ACTUAL VERSUS PROFORMA COMPARISON							
	TRAILING 12 MONTHS		BOV PROFORMA		MARKETING PROFORMA		
Gross Potential Income		\$920,489		\$909,708		\$909,708	
Vacancy Loss	16.5%	(152,083)	9.0%	(81,874)	8.0%	(72,777)	
Concessions	7.2%	(66,648)	11.0%	(100,068)	10.0%	(90,971)	
Bad Debt/Other Losses	3.9%	(35,824)	4.0%	(36,388)	3.0%	(27,291)	
Net Rental Income	72.3%	665,934	76.0%	691,378	79.0%	718,669	
Other Income	687	85,852	687	85,852	687	85,852	
Effective Gross Income	\$6,014	\$751,786	\$6,218	\$777,230	\$6,436	\$804,521	
Marketing and Retention	\$242	\$30,310	\$242	\$30,310	\$242	\$30,310	
Administration	245	30,590	245	30,590	245	30,590	
Apartment Turnover	214	26,695	214	26,695	214	26,695	
Landscaping & Security	161	20,080	161	20,080	161	20,080	
Repairs and Maintenance	368	46,042	368	46,042	368	46,042	
Payroll and Benefits	1,458	182,277	1,150	143,750	1,100	137,500	
Controllable Expenses	\$2,688	(\$335,994)	\$2,380	(\$297,467)	\$2,330	(\$291,217)	
Utilities	875	109,352	875	109,352	875	109,352	
Management Fees	247	30,901	249	31,089	257	32,181	
Insurance	151	18,820	160	20,000	150	18,750	
Real Estate Taxes	327	40,880	262	32,698	262	32,698	
Recurring Capital	350	43,750	350	43,750	350	43,750	
Total Expenses	\$4,638	(\$579,697)	\$4,275	(\$534,357)	\$4,224	(\$527,948)	
Net Operating Income	\$1,377	\$172,089	\$1,943	\$242,874	\$2,213	\$276,573	

* Adjusted cap rates are based on the actual EGR reported for the period, less Proforma Expenses.

BOV AND MARKETING PROFORMA FINANCIAL NOTES

Gross Potential Income	BOV and Marketing Proforma reflect the January 2011 market rents equating to \$1,019,352 annually. Gross Potential Income also includes a loss to lease of 10.8%, or \$109,644, which is an adequate assumption given the calendar year 2010 loss to lease of \$98,863.
Vacancy Loss	BOV and Marketing Proforma reflect Vacancy Loss of 9% and 8%, respectively. January physical occupancy was 92.8%.
Concessions	BOV and Marketing Proforma reflect a concession of 11% and 10%, respectively. This is a conservative assumption given the CY 2010 booked concessions of 7.2%.
Bad Debt/Other Losses	BOV and Marketing Proforma reflect an average of 4% and 3% for Bad Debt and Other Rent Loss. This is consistent with CY 2010 Other Losses of 3.9%
Other Income	BOV and Marketing Proforma reflect the CY 2010 figure for Other Income.
Controllable Expenses	Marketing, Administration, Turnover, Landscaping & Security, Repairs and Maintenance all reflect the CY 2010 expense figures. Payroll and Benefits were estimated at \$1,150 and \$1,100 for BOV and Marketing Proforma, respectively. This figure is consistent with other properties of this size.
Utilities	BOV and Marketing Proforma reflect the CY 2010 figure for Utilities.
Management Fees	BOV and Marketing Proforma reflect a 4% Management Fee, which is consistent with the CY 2010 expense figure.
Insurance	BOV and Marketing Proforma have been estimated at \$160 and \$150 per unit respectively, which is consistent with the CY 2010 figure of \$151 per unit.
Real Estate Taxes	BOV and Marketing Proforma reflect the 2011 Real Estate Tax Estimate which is based on the current assessed values provided by Maricopa County and have been estimated utilizing the 2010 tax rates with 5% growth. See the Tax Analysis within this proposal for additional detail.
Recurring Capital	Estimated at \$350 per unit for BOV and Marketing Proforma.

Asset Pricing Model

MIRASOL

June 2011 Market Rents

UNIT DESCRIPTION	% MIX	TYPE	UNITS	UNIT SF	TOTAL SF	PER UNIT	PER SF	MO RENT
Studio	1%	Flat	1	310	310	\$500	\$1.61	\$500
1Bd/1Ba	35%	Flat	44	550	24,200	615	1.12	27,060
1Bd/1Ba	5%	Flat	6	590	3,540	630	1.07	3,780
2Bd/1Ba	38%	Flat	48	780	37,440	709	0.91	34,032
2Bd/2Ba	19%	Flat	24	830	19,920	749	0.90	17,976
3Bd/2Ba	2%	Flat	2	1,132	2,264	799	0.71	1,598
Total/Average			125	701	87,674	\$680	\$0.97	\$84,946

Scheduled Market Rents - Annualized \$1,019,352

INCOME/EXPENSES	PER UNIT	JAN-JUN 2010 ANNUALIZED	PER UNIT	TRAILING 12 MONTHS	PER UNIT	BOV PROFORMA	PER UNIT	MARKETING PROFORMA
Annual Market Rents		\$1,019,352		\$1,019,352		\$1,019,352		\$1,019,352
Gain (Loss) To Lease	10.05%	(102,424)	9.70%	(98,863)	10.76%	(109,644)	10.76%	(109,644)
Gross Potential Rent		916,928		920,489		909,708		909,708
Vacancy	15.03%	(\$137,784)	16.52%	(152,083)	9.00%	(81,874)	8.00%	(72,777)
Concessions	8.25%	(\$75,612)	7.24%	(66,648)	11.00%	(100,068)	10.00%	(90,971)
Other Rent Loss	4.76%	(43,638)	3.89%	(35,824)	4.00%	(36,388)	3.00%	(27,291)
Net Rental Income	72.0%	659,894	72.3%	665,934	76.0%	691,378	79.0%	718,669
Other Income	444	55,560	687	85,852	687	85,852	687	85,852
Effective Gross Income	5,724	\$715,454	6,014	\$751,786	6,218	\$777,230	6,436	\$804,521
Delta over 90-Day EGR						8.63%		12.45%
Delta over T-12 EGR						3.38%		7.01%
Monthly Revenue Average		\$59,621		\$62,649		\$64,769		\$67,043
Operating Expenses								
Marketing and Retention	217	27,084	242	30,310	242	30,310	242	30,310
Administration	285	35,592	245	30,590	245	30,590	245	30,590
Apartment Turnover	198	24,718	214	26,695	214	26,695	214	26,695
Landscaping & Security	167	20,934	161	20,080	161	20,080	161	20,080
Repairs and Maintenance	433	54,134	368	46,042	368	46,042	368	46,042
Payroll and Benefits	1,567	195,820	1,458	182,277	1,150	143,750	1,100	137,500
Controllable Expenses	(2,866)	(358,282)	(2,688)	(335,994)	(2,380)	(297,467)	(2,330)	(291,217)
Utilities	921	115,106	875	109,352	875	109,352	875	109,352
Management Fees	249	31,184	247	30,901	249	31,089	257	32,181
Insurance	0	0	151	18,820	160	20,000	150	18,750
Operating Expense Subtotal	(4,037)	(504,572)	(3,961)	(495,067)	(3,663)	(457,908)	(3,612)	(451,500)
Real Estate Taxes	280	34,976	327	40,880	262	32,698	262	32,698
Recurring Capital Expenditures	350	43,750	350	43,750	350	43,750	350	43,750
Total Operating Expenses	(4,666)	(583,298)	(4,638)	(579,697)	(4,275)	(534,357)	(4,224)	(527,948)
Net Operating Income	1,057	\$132,156	1,377	\$172,089	1,943	\$242,874	2,213	\$276,573
Debt Service								
Cash Flow					(1,427)	(178,377)	(1,622)	(\$202,701)
					516	\$64,497	591	\$73,872

MARKETING PRICE SUMMARY			
Price	\$4,250,000	Cap Rate (MP)	6.51%
Price per Unit	\$34,000	Cap Rate (90 Day Adj)*	2.78%
Price per SF	\$48	Cap Rate (6 Mth Adj)*	4.41%
		Cap Rate (12 Mth Adj)*	5.27%
		Cap Rate (12 Mth Act)	4.05%

BOV PRICE SUMMARY			
Price	\$3,740,000	Cap Rate (BOV)	6.49%
Price per Unit	\$29,920	Cap Rate (90 Day Adj)*	2.98%
Price per SF	\$43	Cap Rate (6 Mth Adj)*	4.84%
		Cap Rate (12 Mth Adj)*	5.81%
		Cap Rate (12 Mth Act)	4.60%

PROPERTY SUMMARY DATA			
# Units	125	Previous Purchase Price	\$5,878,000
Year Built	1971	Price/Unit	\$47,024
Occupancy as of 04/2011	92.8%	Price/SF	\$67
		Date Purchased	03/09/07
		Current Owner	Legacy Gold Partners
		Previous Owner	Edward Streit

GROSS REVENUE HISTORY			
	ECC OCC %	MONTHLY	ANNUAL
30 Days Annualized	69%	\$48,352	\$580,225
60 Days Annualized	70%	\$55,538	\$666,457
90 Days annualized	70%	\$53,832	\$645,985
6 Months Annualized	72%	\$59,621	\$715,455
Trailing 12 Months	72%	\$62,649	\$751,787

PROPOSED NEW MORTGAGE INFORMATION			
Interest Rate	5.50%	Amortization	30 Years
Loan to Value	70%	Term	7 Years

BOV LOAN SUMMARY	
Loan Amount	\$2,618,000
Monthly Payment	(\$14,865)
Loan Constant	6.81%
Total Loan to Value	70.00%
DSCR	1.36

MARKETING LOAN SUMMARY	
Loan Amount	\$2,975,000
Monthly Payment	(\$16,892)
Loan Constant	6.81%
Total Loan to Value	70.00%
DSCR	1.36

CAP RATE SENSITIVITY (MARKETING PROFORMA)			
CAP RATE	VALUE	VALUE/UNIT	VALUE/SF
6.25%	\$4,430,000	\$35,440	\$51
6.50%	\$4,250,000	\$34,000	\$48
6.75%	\$4,100,000	\$32,800	\$47

CAP RATE SENSITIVITY (BOV PROFORMA)			
CAP RATE	VALUE	VALUE/UNIT	VALUE/SF
6.25%	\$3,890,000	\$31,120	\$44
6.50%	\$3,740,000	\$29,920	\$43
6.75%	\$3,600,000	\$28,800	\$41

12-Month Historical

	JAN-10	FEB-10	MAR-10	APR-10	MAY-10	JUN-10	JUL-10	AUG-10	SEP-10
RENTAL INCOME									
Market Rent	\$84,946	\$84,946	\$84,946	\$84,946	\$84,946	\$84,946	\$84,946	\$84,946	\$84,946
Less: Loss to Lease	(6,178)	(6,067)	(8,489)	(8,463)	(9,218)	(9,236)	(8,575)	(8,776)	(8,484)
Gross Potential Rent	78,768	78,879	76,457	76,483	75,728	75,710	76,371	76,170	76,462
Vacancy	(20,512)	(18,304)	(14,253)	(12,329)	(8,473)	(9,320)	(12,068)	(9,788)	(10,327)
Concessions	(3,220)	(5,599)	(8,199)	(3,706)	(5,930)	(2,188)	(4,742)	(7,742)	(6,087)
Other Rent Loss	(500)	(4,136)	(1,737)	(2,009)	(3,141)	(2,482)	(2,299)	(3,446)	(3,627)
Net Rental Income	54,536	50,840	52,268	58,439	58,184	61,720	57,262	55,194	56,421
<i>Economic Occupancy</i>	69%	64%	68%	76%	77%	82%	75%	72%	74%
Other Income	6,614	13,514	2,409	5,039	21,333	9,163	11,839	12,472	3,043
Gross Revenues	61,151	64,355	54,678	63,479	79,518	70,884	69,102	67,667	59,465
OPERATING EXPENSES									
Marketing and Retention	5,155	2,871	2,316	1,725	2,380	2,321	1,629	1,957	2,045
Administration	2,518	2,615	2,182	1,424	1,606	2,449	1,445	2,704	3,794
Apartment Turnover	1,780	2,070	4,665	2,808	1,753	1,260	3,593	1,856	1,421
Landscaping & Security	2,087	1,140	1,215	1,247	2,057	1,867	1,442	1,294	1,131
Repairs and Maintenance	1,909	2,979	4,811	3,206	3,185	2,885	7,089	2,955	6,999
Payroll and Benefits	13,114	12,962	15,549	13,579	16,270	12,893	20,513	16,160	14,918
Controllable Exp Subtotal	26,563	24,637	30,738	23,989	27,251	23,675	35,711	26,926	30,308
Utilities	6,934	8,820	10,423	8,644	8,255	8,723	10,256	10,687	9,056
Management Fees	2,597	2,286	2,503	2,697	2,376	2,850	2,756	2,837	2,295
Insurance	0	0	0	18,820	0	0	0	0	0
Operating Expenses	36,094	35,743	43,664	54,150	37,882	35,248	48,723	40,450	41,659
Real Estate Taxes	0	0	23,392	0	0	0	0	0	0
Recurring Capital Expenditures	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646	3,646
Total Expenses	39,740	39,389	70,702	57,796	41,528	38,894	52,369	44,096	45,305
Net Operating Income	21,411	24,966	(16,024)	5,683	37,990	31,990	16,733	23,571	14,160

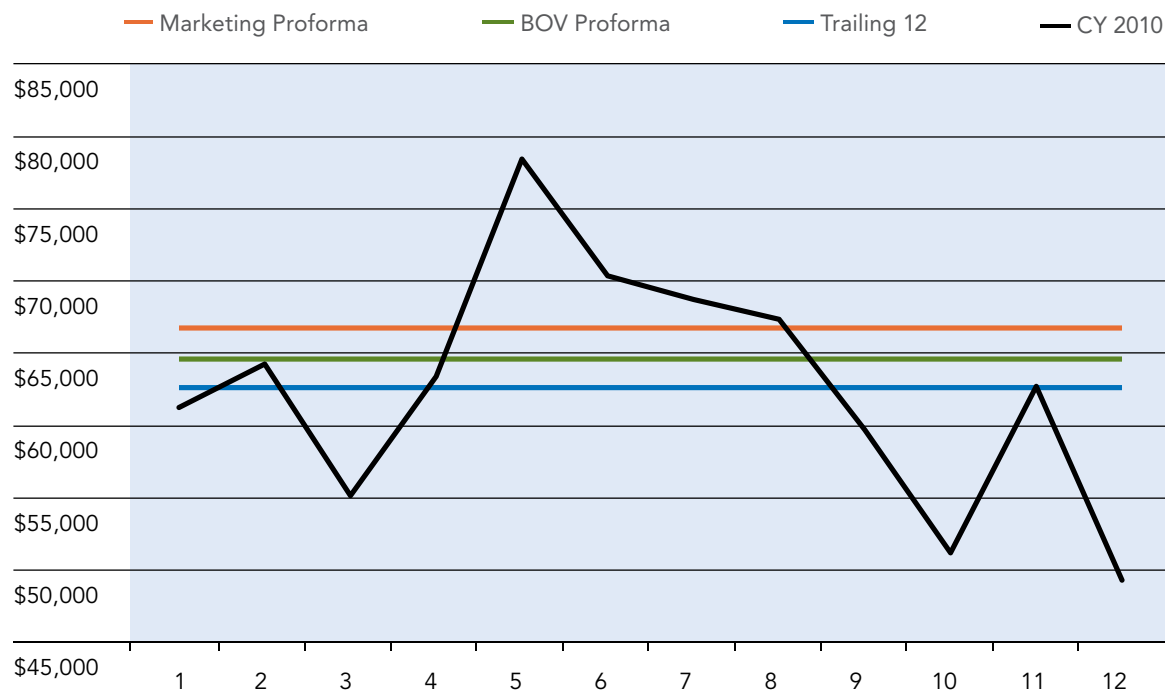
OCT-10	NOV-10	DEC-10	T-12 MONTH TOTAL		6 MONTHS ANNUALIZED		90 DAY ANNUALIZED		60 DAY ANNUALIZED		30 DAY ANNUALIZED	
\$84,946	\$84,946	\$84,946	\$1,019,352	8,155	\$1,019,352	8,155	\$1,019,352	8,155	\$1,019,352	8,155	\$1,019,352	8,155
(7,596)	(8,644)	(9,137)	(98,863)	9.7%	(102,424)	10.0%	(101,508)	10.0%	(106,686)	10.5%	(109,644)	10.8%
77,350	76,302	75,809	920,489	7,364	916,928	7,335	917,844	7,343	912,666	7,301	909,708	7,278
(15,308)	(12,869)	(8,532)	(152,083)	16.5%	(137,784)	15.0%	(146,836)	16.0%	(128,406)	14.1%	(102,384)	11.3%
(2,887)	(7,442)	(8,906)	(66,648)	7.2%	(75,612)	8.2%	(76,940)	8.4%	(98,088)	10.7%	(106,872)	11.7%
(4,557)	(1,671)	(6,219)	(35,824)	3.9%	(43,638)	4.8%	(49,788)	5.4%	(47,340)	5.2%	(74,628)	8.2%
54,598	54,320	52,152	665,934	5,327	659,894	5,279	644,280	5,154	638,832	5,111	625,824	5,007
71%	71%	69%	72%		72%		70%		70%		69%	
(4,178)	8,404	(3,800)	85,852	687	55,560	444	1,704	14	27,624	221	(45,600)	(365)
50,421	62,725	48,353	751,787	6,014	715,455	5,724	645,985	5,168	666,457	5,332	580,225	4,642
2,584	3,146	2,181	30,310	242	27,084	217	31,644	253	31,962	256	26,172	209
2,238	5,436	2,179	30,590	245	35,592	285	39,412	315	45,690	366	26,148	209
1,971	1,900	1,618	26,695	214	24,718	198	21,956	176	21,108	169	19,416	155
3,828	1,471	1,301	20,080	161	20,934	167	26,400	211	16,632	133	15,612	125
2,653	4,565	2,806	46,042	368	54,134	433	40,096	321	44,226	354	33,672	269
13,092	13,296	19,931	182,277	1,458	195,820	1,567	185,276	1,482	199,362	1,595	239,172	1,913
26,366	29,814	30,016	335,994	2,688	358,282	2,866	344,784	2,758	358,980	2,872	360,192	2,882
9,545	8,836	9,173	109,352	875	115,106	921	110,216	882	108,054	864	110,076	881
3,053	2,370	2,281	30,901	247	31,184	249	30,816	247	27,906	223	27,372	219
0	0	0	18,820	151	0	0	0	0	0	0	0	0
38,964	41,020	41,470	495,067	3,961	504,572	4,037	485,816	3,887	494,940	3,960	497,640	3,981
17,488	0	0	40,880	327	34,976	280	69,952	560	0	0	0	0
3,646	3,646	3,646	43,750	350	43,750	350	43,750	350	43,750	350	43,750	350
60,098	44,666	45,116	579,697	4,638	583,298	4,666	599,518	4,796	538,690	4,310	541,390	4,331
(9,677)	18,059	3,237	172,090	1,377	132,157	1,057	46,467	372	127,767	1,022	38,835	311

Revenue History

	JAN	FEB	MAR	APR	MAY	JUN	JUL
CY 2010	\$61,150	\$64,354	\$54,677	\$63,478	\$79,517	\$70,883	\$69,101
Marketing Proforma	\$67,043	\$67,043	\$67,043	\$67,043	\$67,043	\$67,043	\$67,043
BOV Proforma	\$64,769	\$64,769	\$64,769	\$64,769	\$64,769	\$64,769	\$64,769
Trailing-12 (Straight Line)	\$62,649	\$62,649	\$62,649	\$62,649	\$62,649	\$62,649	\$62,649

	AUG	SEP	OCT	NOV	DEC	TOTAL ANNUALIZED
CY 2010	\$67,666	\$59,464	\$50,420	\$62,724	\$48,352	\$751,786
Marketing Proforma	\$67,043	\$67,043	\$67,043	\$67,043	\$67,043	\$804,521
BOV Proforma	\$64,769	\$64,769	\$64,769	\$64,769	\$64,769	\$777,230
Trailing-12 (Straight Line)	\$62,649	\$62,649	\$62,649	\$62,649	\$62,649	\$751,787

GROSS REVENUE HISTORY



Real Estate Tax Analysis

2010 REAL ESTATE TAX SUMMARY

PARCEL ID	LIMITED CASH VALUE	ASSESSED VALUE (10%)	LIMITED CASH TAX RATE	FULL CASH VALUE	ASSESSED VALUE (10%)	FULL CASH TAX RATE	TOTAL TAX REAL ESTATE
131-49-087J	\$4,669,000	\$466,900	0.049851	\$4,669,000	\$466,900	0.025060	\$34,976
2010 Total	\$4,669,000	\$466,900	0.049851	\$4,669,000	\$466,900	0.025060	\$34,976

2011 REAL ESTATE TAX ESTIMATE*

PARCEL ID	LIMITED CASH VALUE	ASSESSED VALUE (10%)	LIMITED CASH TAX RATE	FULL CASH VALUE	ASSESSED VALUE (10%)	FULL CASH TAX RATE	TOTAL TAX REAL ESTATE
131-49-087J	\$4,157,100	\$415,710	0.052344	\$4,157,100	\$415,710	0.026313	\$32,698
2011 Total	\$4,157,100	\$415,710	0.052344	\$4,157,100	\$415,710	0.026313	\$32,698

* The 2011 Real Estate Tax Estimate reflects the current assessed values provided by Maricopa County and have been estimated utilizing the 2010 tax rates with 5% growth.

2012 REAL ESTATE TAX ESTIMATE*

PARCEL ID	LIMITED CASH VALUE	ASSESSED VALUE (10%)	LIMITED CASH TAX RATE	FULL CASH VALUE	ASSESSED VALUE (10%)	FULL CASH TAX RATE	TOTAL TAX REAL ESTATE
131-49-087J	\$2,934,800	\$293,480	0.054961	\$2,934,800	\$293,480	0.027629	\$24,238
2012 Total	\$2,934,800	\$293,480	0.054961	\$2,934,800	\$293,480	0.027629	\$24,238

* The 2012 Real Estate Tax Estimate reflects the current assessed values provided by Maricopa County and have been estimated utilizing the 2011 (est) tax rates with 5% growth.

Market Overview

Mirasol is a 125-unit apartment community located in Scottsdale, Arizona. The Garden Style community is situated in a convenient location just west of Loop-101, close to the beautiful Phoenix Mountain Preserves, numerous shopping and dining venues and golf destinations.

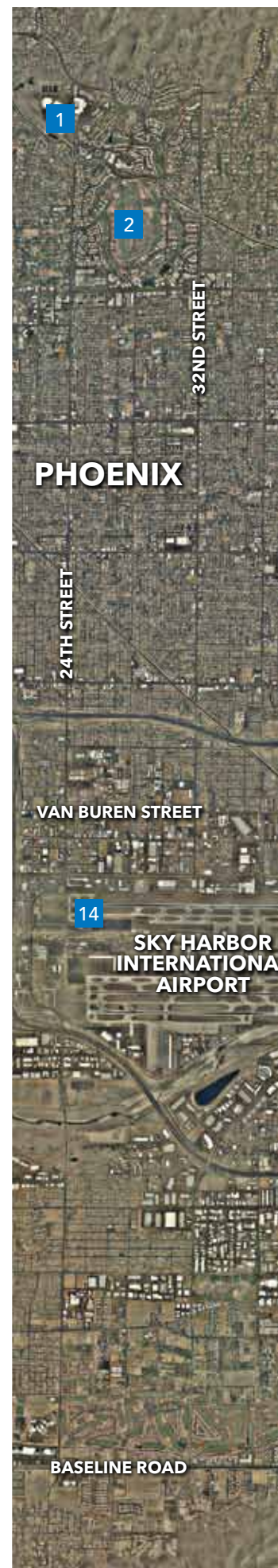
Situated just south of Old Town Scottsdale and offering spectacular views of the Phoenix Mountain Preserve, this property is well positioned to serve Scottsdale, Tempe and Mesa.

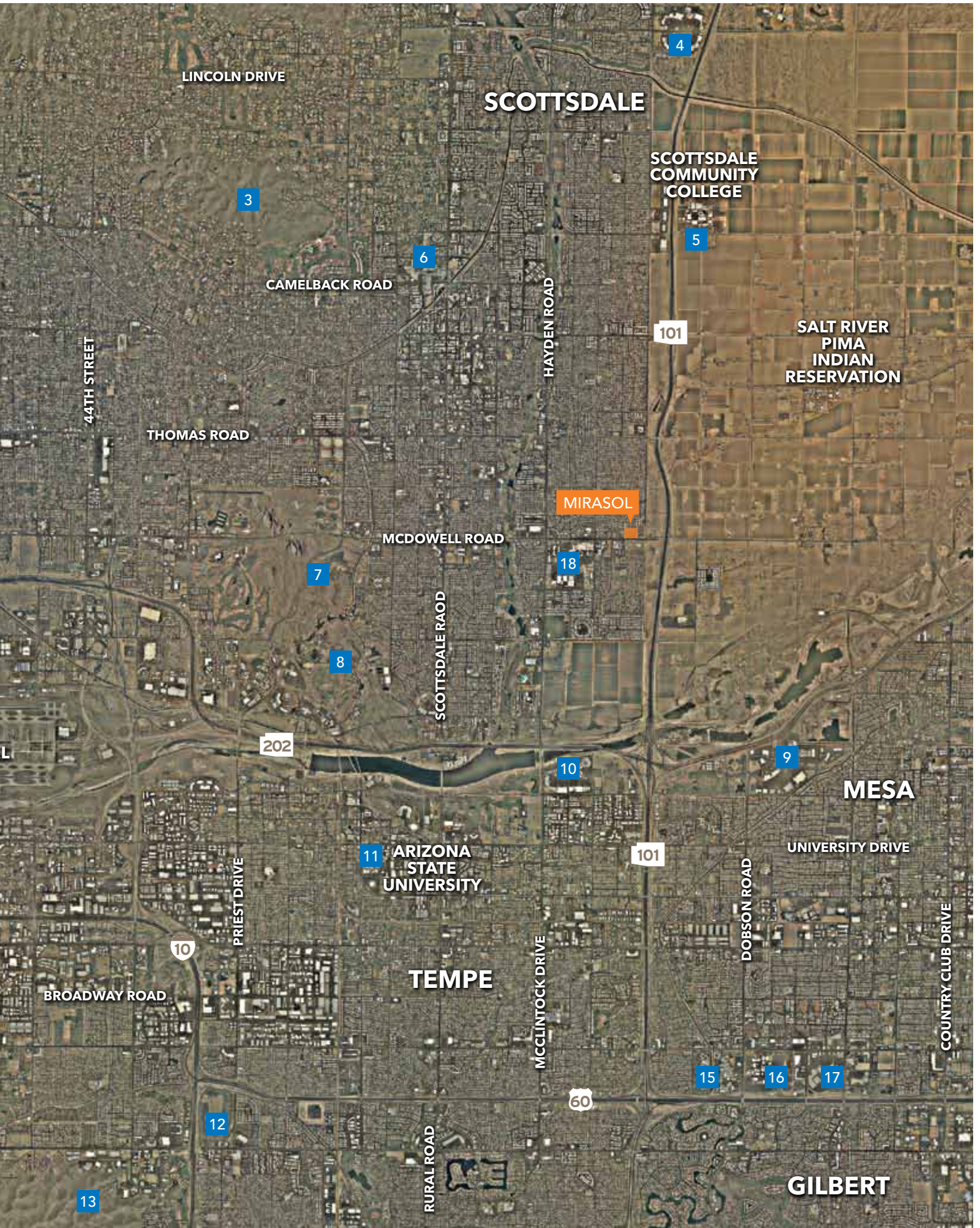
THE FOLLOWING ARE EXAMPLES OF MULTIFAMILY DEMAND PERTINENT TO MIRASOL APARTMENTS:

- | | |
|---------------------------------------|-----------------------------------|
| 1 JP Morgan Campus | 10 Tempe Marketplace |
| 2 Arizona Biltmore | 11 Arizona State University |
| 3 Camelback Mountain/Echo Canyon Park | 12 Arizona Mills Mall |
| 4 Scottsdale Pavillions | 13 South Mountain Recreation Park |
| 5 Scottsdale Community College | 14 Phoenix Sky Harbor Airport |
| 6 Biltmore Fashion Park | 15 Banner Desert Medical Center |
| 7 Botanical Gardens | 16 Mesa Community College |
| 8 Phoenix Zoo | 17 Fiesta Mall |
| 9 Mesa Riverview | 18 ASU Skysong Innovation Center |

PRIVATE SECTOR DEMAND

- Scottsdale: This city one of the most distinctive sections of the Valley, and is considered to be the focal point of elegant and fashionable living in the Phoenix Metro Area. This is evidenced by numerous art studios, the Galleria Corporate Center, Scottsdale Osborn Healthcare Center, Scottsdale Waterfront, Scottsdale Stadium, the Fifth Avenue Shops, and the Westcor Scottsdale Fashion Square Mall; all of which are less than fifteen minutes north of Mirasol.
- Tempe / Arizona State University: The city of Tempe and the 60,000+ students of ASU are only minutes away via the Loop-101 freeway. The city also plays host to a healthy corporate environment which includes the headquarters of U.S. Airways, and the Smith Barney anchored Hayden Ferry Lakeside building.





SCOTTSDALE

SCOTTSDALE
COMMUNITY
COLLEGE

SALT RIVER
PIMA
INDIAN
RESERVATION

MIRASOL

ARIZONA
STATE
UNIVERSITY

MESA

TEMPE

GILBERT

3

6

4

5

7

18

8

10

9

11

101

12

15

16

17

13

10

202

60

44TH STREET

LINCOLN DRIVE

CAMELBACK ROAD

HAYDEN ROAD

THOMAS ROAD

MCDOWELL ROAD

SCOTTSDALE ROAD

BROADWAY ROAD

PRIEST DRIVE

RURAL ROAD

MCCLINTOCK DRIVE

DOBSON ROAD

COUNTRY CLUB DRIVE

UNIVERSITY DRIVE

- Mesa: The Phoenix Metro Area's second largest city, offers a progressive business climate, educational excellence and a skilled labor force. Recently identified as America's largest "boomburb" by the Fannie Mae Foundation, Mesa has surpassed Miami, FL; Pittsburgh, PA; St. Louis, MO; and Wichita, KS to become the 42nd largest city in the nation with a population of over 450,000.
- Gilbert: With over 180,000 people, the city boasts an ample supply of affluent, family oriented neighborhoods, and an unprecedented level of economic growth in and around the Santan Freeway Corridor. This growth is fueled by a high concentration of wealthy and well educated residents. At \$68,032 the median household income for Gilbert is 53 percent greater than the Phoenix Metro Area. In addition, one in three residents hold a bachelors degree or higher, compared to only one in four people Valley wide.
- Chandler: The City of Chandler offers an abundance of opportunity. The city has experienced population growth of educated, affluent residents, and plays host to corporate giants such as Intel, Wells Fargo, Countrywide, and Verizon. The Southeast Valley, including Chandler, Mesa, and Gilbert is projected to account for over 55% of the population growth and 58% of the job growth in the Phoenix Metro area over the next 20 years.

TRANSPORTATION

- This property enjoys superb visibility from McDowell Road, which experiences an average traffic volume of more than $\pm 39,000$ vehicles per day, and Pima Road with $\pm 33,300$ cars per day.
- The orientation of Loop 101 and Loop 202 in relation to Mirasol provides the property with direct access routes to the East Valley cities of Tempe, Gilbert, and Chandler. Loop 101 is less than a half-mile east and access to Loop 202 is five miles south via Loop 101 or Pima Road.

HOSPITALS

- The property has several health care options including Scottsdale Healthcare Osborn, Tempe St Luke's, Banner Gateway Medical Center, and Scottsdale Healthcare Shea.

RETAIL

In addition to 1.8 Million square foot Fashion Square Mall in Scottsdale, there are several large regional malls in close proximity to the property. Most notably are Tempe Marketplace, Mesa Riverview, Arizona Mills Mall, and Fiesta Mall.

- Tempe Marketplace is located approximately three miles south of Mirasol. This development contains 1.3 million square feet of retail, shops and restaurants. Tenants

include a Harkins 20-screen multiplex theater, Barnes & Noble, JCPenney, GAP, Best Buy, Old Navy, G by Guess, and Target.

- Mesa Riverview is an open-air shopping center, comprised of approximately 1.3 million square feet of retail stores, theaters, shops and theme-style restaurants. Major Department stores at this location includes Wal-Mart, The Home Depot, Arizona's only Bass Pro Shops, 24 Hour Fitness, Bed Bath & Beyond, Cinemark Theatre, Jo-Ann Fabrics, and the Sports Authority.
- Fiesta Mall is located in Mesa just off of US-60 at Alma School Road. The 1.3 Million square foot center is the home of more than 135 stores and is anchored by Dillard's, Macy's, and Robinsons-May.
- Arizona Mills is a 1.2 Million square foot market-dominant retail and entertainment center located at the US-60 and I-10 Interchange. It features 16 anchors and 175 specialty retailers, as well as a diverse selection of restaurants and casual dining options.

EDUCATIONAL INSTITUTIONS

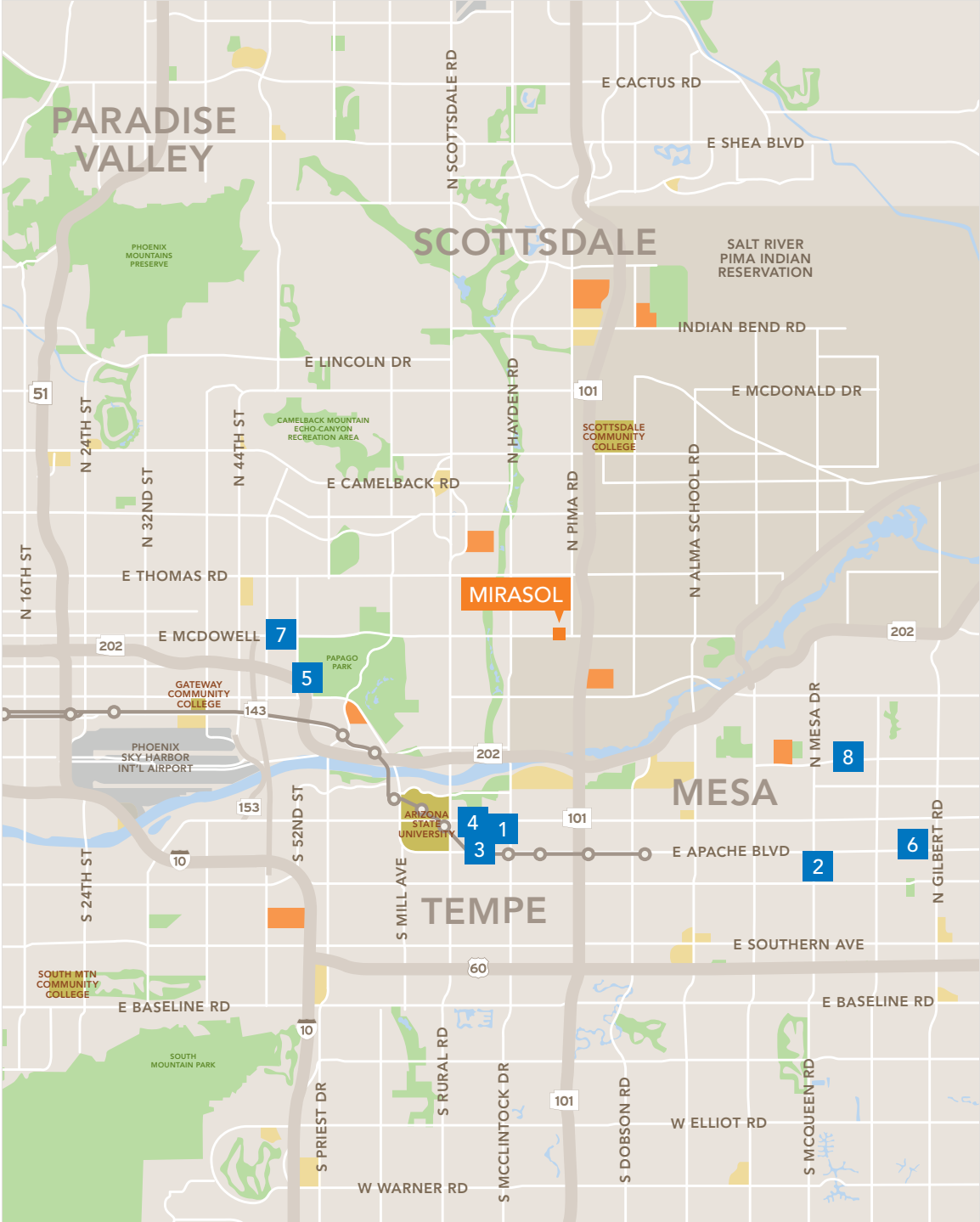
- The property has several higher educational options within a 5-mile radius including Arizona State University (70,440 students), Scottsdale Community College (10,000 students), and Mesa Community College (23,900 students).

RECREATION AND ENTERTAINMENT

- Old Town Scottsdale is a special place and it has been revived as the "hip" place to be in Scottsdale. This part of town offers some of the finest galleries, specialty retail, cultural attractions, dining establishments and entertainment venues in the Valley of the Sun.
- The ASU Scottsdale Innovation Center, SkySong located less than two miles west on McDowell Road, is a mixed-use project, eventually consisting of 1,200,000 square feet (111,000 m²) of office, research and retail space, and a hotel/conference center at full build-out. In addition to the commercial space, SkySong will include multi-family residential units. Currently, two 4-story buildings, each approximately 150,000 square feet (14,000 m²), frame the Eastern half of the east-west boulevard intersecting the center. The center has abundant and redundant power and robust bandwidth capabilities to integrate state-of-the-art digital infrastructure into flexible office and research space.
- The location of the property affords it a number of choices with regard to entertainment venues, cultural events, and outdoor recreation activities. Tempe Town Lake, the new Tempe Marketplace, Diablo Stadium (Sun Devil Stadium) and Mill Avenue provides a growing entertainment corridor and social center.
- South Mountain Park is the largest city park in the world. At over 17,000 acres it covers the entire southern portion of Phoenix. Visitors to the mountain preserve enjoy activities such as trail rides, hiking, and mountain biking.

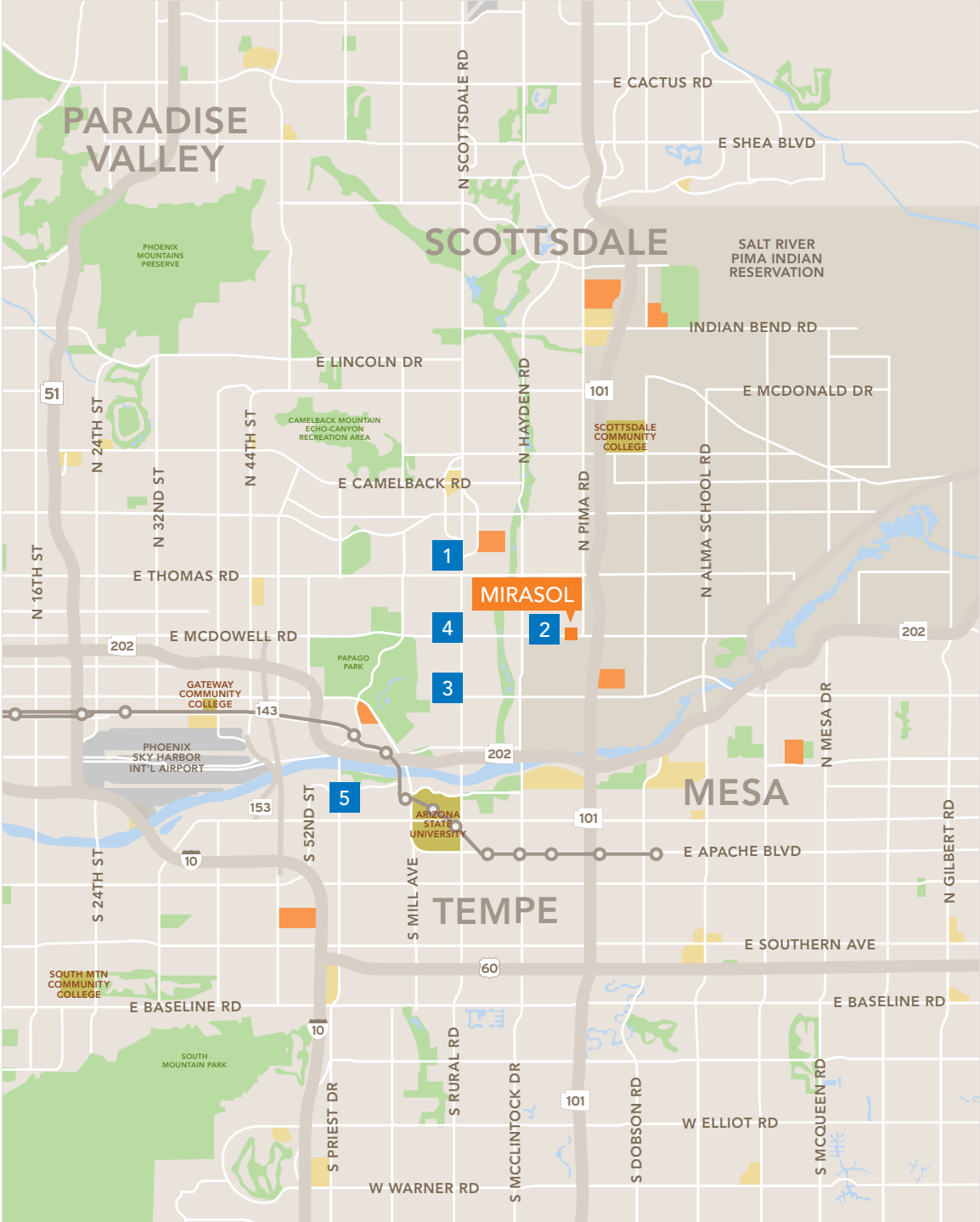
Sales Comparables

NAME	BUILT	UNITS	TOTAL SF	STATUS	LIST PRICE	PRICE/UNIT	PRICE/SF
5 Mirasol 8750 E McDowell Rd Scottsdale, AZ 85257	1971	125	87,674	BOV	\$4,250,000	\$34,000	\$48.48
NAME	BUILT	UNITS	TOTAL SF	SALE DATE	SALE PRICE	PRICE/UNIT	PRICE/SF
1 Villages at McClintock 1701 E Don Carlos Ave Tempe, AZ 85281	1971	181	143,567	Apr-2011	\$6,400,000	\$35,359	\$44.58
2 Sun Crest 111 N Mesa Dr Mesa, AZ 85201	1985	94	84,996	Aug-2010	\$3,150,000	\$33,511	\$37.06
3 University Crossroads 1010 E Orange St Tempe, AZ 85281	1963	148	107,834	Oct-2010	\$4,800,000	\$32,432	\$44.51
4 University Crossing 950 S Terrace Rd Tempe, AZ 85281	1968	150	116,800	Jul-2010	\$4,800,000	\$32,000	\$41.10
5 Papago Vista 5312 E Taylor St Phoenix, AZ 85008	1986	136	89,368	Jun-2010	\$4,325,000	\$31,801	\$48.40
6 Valencia Crossing 111 N Gilbert Rd Mesa, AZ 85213	1984	396	263,229	Nov-2010	\$11,825,000	\$29,861	\$44.92
7 Monterey Village 4707 E McDowell Rd Phoenix, AZ 85008	1983	252	168,340	Jan-2011	\$7,400,000	\$29,365	\$43.96
8 Aspen Ridge 820 E Brown Rd Mesa, AZ 85203	1972	96	88,000	Apr-2011	\$2,208,000	\$23,000	\$25.09
Total/Average					\$7,133,780	\$30,274	\$42.53



Rent Comparables

SUBJECT PROPERTY					TOTAL	MARKET	NET EFF			
NAME	BUILT	TYPE	UNITS	SIZE	SF	RENT	PER SF	RENT	PER SF	
S Mirasol	1971	S/1 Bath	1	310	310	\$500	\$1.61	\$445	\$1.44	
8750 E McDowell Rd		1 B/1 B	44	550	24,200	\$615	\$1.12	\$547	\$1.00	
Scottsdale, AZ 85257		1 B/1 B	6	590	3,540	\$630	\$1.07	\$561	\$0.95	
		2 B/1 B	48	780	37,440	\$709	\$0.91	\$631	\$0.81	
		2 B/2 B	24	830	19,920	\$749	\$0.90	\$667	\$0.80	
		3 B/2 B	2	1132	2,264	\$799	\$0.71	\$711	\$0.63	
Total/Average			125	701	87,674	\$676	0.96	\$601	\$0.86	
COMPARABLE PROPERTIES					TOTAL	MARKET	NET EFF			
NAME	BUILT	TYPE	UNITS	SIZE	SF	RENT	PER SF	RENT	PER SF	
1 Scottsdale Springs	1979	1 B/1 B	352	680	239,360	\$770	\$1.13	\$575	\$0.85	
7791 E Osborn Rd		2 B/1 B	128	816	104,448	\$855	\$1.05	\$665	\$0.81	
Scottsdale, AZ 85251		2 B/2 B	136	910	123,760	\$915	\$1.01	\$725	\$0.80	
		3 B/2 B	16	1194	19,104	\$1,205	\$1.01	\$1,205	\$1.01	
		3 B/2 B	12	1,444	17,328	\$1,315	\$0.91	\$990	\$0.69	
Total/Average			644	783	504,000	\$838	\$1.07	\$648	\$0.83	
2 Scottsdale Belle Rive	1985	S/1 B	12	450	5,400	\$625	\$1.39	\$574	\$1.28	
8550 E McDowell Rd		1 B/1 B	45	750	33,750	\$745	\$0.99	\$685	\$0.91	
Scottsdale, AZ 85257		2 B/1 B	27	850	22,950	\$805	\$0.95	\$730	\$0.86	
		2 B/2 B	76	1000	76,000	\$835	\$0.84	\$728	\$0.73	
Total/Average			160	863	138,100	\$789	\$0.91	\$705	\$0.82	
3 Scottsdale Gateway	1965	S/1 B	56	308	17,248	\$578	\$1.88	\$578	\$1.88	
I & II	1972	S/1 B	77	411	31,647	\$581	\$1.41	\$581	\$1.41	
2100 N Scottsdale Rd		1 B/1 B	104	458	47,632	\$639	\$1.40	\$639	\$1.40	
Tempe, AZ 85281		1 B/1 B	104	605	62,920	\$699	\$1.16	\$699	\$1.16	
		1 B/1 B/Den	28	750	21,000	\$764	\$1.02	\$764	\$1.02	
		2 B/1 B	64	750	48,000	\$764	\$1.02	\$764	\$1.02	
		2 B/1 B	123	850	104,550	\$764	\$0.90	\$764	\$0.90	
		2 B/1.5 B	18	1,223	22,014	\$957	\$0.78	\$957	\$0.78	
		2 B/2 B	36	911	32,796	\$864	\$0.95	\$864	\$0.95	
Total/Average			610	636	387,807	\$703	\$1.11	\$703	\$1.11	
4 Summertree	1963	S/1 B	21	475	9,975	\$529	\$1.11	\$504	\$1.06	
1923 N 70th St		1 B/1 B	72	496	35,712	\$599	\$1.21	\$554	\$1.12	
Scottsdale, AZ 85257		1 B/1 B	20	610	12,200	\$605	\$0.99	\$580	\$0.95	
		2 B/2 B	80	830	66,400	\$693	\$0.83	\$668	\$0.80	
Total/Average			193	644	124,287	\$631	\$0.98	\$599	\$0.93	
5 Irvine Park	1983	1 B/1 B	40	704	28,160	\$685	\$0.97	\$625	\$0.89	
8521 E McDowell Rd		2 B/2 B	80	984	78,720	\$795	\$0.81	\$725	\$0.74	
Scottsdale, AZ 85257										
Total/Average			120	891	106,880	\$758	\$0.85	\$692	\$0.78	



Rent Comparables - Subject Property

Mirasol

PROPERTY DETAILS

SURVEY DATE	June 2011
ADDRESS	8750 E McDowell Rd Scottsdale, AZ 85257
UNITS	125
TOTAL SF	87,674
OCCUPANCY	94%
YEAR BUILT	1970
STORIES	2
METERING	Individual



COMMON AREA AMENITIES

CLUBHOUSE	N	LAUNDRY FACILITY	Y	SWIMMING POOL	Y
BUSINESS CENTER	N	BARBECUE GRILLS	Y	SPA	Y
FITNESS CENTER	N	PLAYGROUND	Y	TENNIS COURT	N
CONTROLLED ACCESS	N	GARAGES	N	BASKETBALL COURT	N
SECURITY PATROL	Y	COVERED PARKING	N	RACQUETBALL COURT	N
RENTAL OFFICE	Y	PARKING SPACES	250	VOLLEYBALL COURT	N

INTERIOR AMENITIES

STORAGE	Some	DISHWASHER	Y	MICROWAVE	N
PATIO/BALCONY	N	DISPOSAL	Y	WASHER/DRYER	N
CEILING FANS	Y	FROST FREE FRIDGE	Y	W/D HOOK-UPS	N
WALK-IN CLOSETS	Some	ICE MAKER	N	FIREPLACE	N

APARTMENT UNIT MIX

TYPE	UNITS	SIZE	TOTAL	MARKET	NET EFF		
			SF	RENT	PER SF	RENT	PER SF
S/1 Bath	1	310	310	\$500	\$1.61	\$445	\$1.44
1 B/1 B	44	550	24,200	\$615	\$1.12	\$547	\$1.00
1 B/1 B	6	590	3,540	\$630	\$1.07	\$561	\$0.95
2 B/1 B	48	780	37,440	\$709	\$0.91	\$631	\$0.81
2 B/2 B	24	830	19,920	\$749	\$0.90	\$667	\$0.80
3 B/2 B	2	1132	2,264	\$799	\$0.71	\$711	\$0.63
Total/Avg	125	701	87,674	\$676	0.96	\$601	\$0.86

Rent Comparables

Scottsdale Springs

PROPERTY DETAILS

SURVEY DATE	June 2011
ADDRESS	7791 E Osborn Rd Scottsdale, AZ 85251
UNITS	644
TOTAL SF	504,000
OCCUPANCY	90%
YEAR BUILT	1979
STORIES	1 and 2
METERING	Individual



COMMON AREA AMENITIES

CLUBHOUSE	Y	LAUNDRY FACILITY	Y	SWIMMING POOL	Y
BUSINESS CENTER	N	BARBECUE GRILLS	Y	SPA	N
FITNESS CENTER	Y	PLAYGROUND	N	TENNIS COURT	Y
CONTROLLED ACCESS	Y	GARAGES	N	BASKETBALL COURT	N
SECURITY PATROL	N	COVERED PARKING	Y	RACQUETBALL COURT	N
RENTAL OFFICE	Y	PARKING SPACES	986	VOLLEYBALL COURT	N

INTERIOR AMENITIES

STORAGE	Y	DISHWASHER	Y	MICROWAVE	Y
PATIO/BALCONY	N	DISPOSAL	Y	WASHER/DRYER	Some
CEILING FANS	Y	FROST FREE FRIDGE	Y	W/D HOOK-UPS	N
WALK-IN CLOSETS	Some	ICE MAKER	N	FIREPLACE	N

APARTMENT UNIT MIX

TYPE	UNITS	SIZE	TOTAL SF	MARKET RENT	PER SF	NET EFF RENT	PER SF
1 B/1 B	352	680	239,360	\$770	\$1.13	\$575	\$0.85
2 B/1 B	128	816	104,448	\$855	\$1.05	\$665	\$0.81
2 B/2 B	136	910	123,760	\$915	\$1.01	\$725	\$0.80
3 B/2 B	16	1194	19,104	\$1,205	\$1.01	\$1,205	\$1.01
3 B/2 B	12	1,444	17,328	\$1,315	\$0.91	\$990	\$0.69
Total/Avg	644	783	504,000	\$838	\$1.07	\$648	\$0.83

Rent Comparables

Scottsdale Belle Rive

PROPERTY DETAILS

SURVEY DATE	June 2011
ADDRESS	8550 E McDowell Rd Scottsdale, AZ 85257
UNITS	160
TOTAL SF	138,100
OCCUPANCY	95%
YEAR BUILT	1985
STORIES	1 and 2
METERING	Individual



COMMON AREA AMENITIES

CLUBHOUSE	N	LAUNDRY FACILITY	Y	SWIMMING POOL	Y
BUSINESS CENTER	N	BARBECUE GRILLS	Y	SPA	N
FITNESS CENTER	N	PLAYGROUND	N	TENNIS COURT	Y
CONTROLLED ACCESS	N	GARAGES	N	BASKETBALL COURT	N
SECURITY PATROL	Y	COVERED PARKING	Y	RACQUETBALL COURT	N
RENTAL OFFICE	Y	PARKING SPACES	220	VOLLEYBALL COURT	Y

INTERIOR AMENITIES

STORAGE	Some	DISHWASHER	Y	MICROWAVE	Some
PATIO/BALCONY	N	DISPOSAL	Y	WASHER/DRYER	Y
CEILING FANS	Some	FROST FREE FRIDGE	Y	W/D HOOK-UPS	N
WALK-IN CLOSETS	Y	ICE MAKER	N	FIREPLACE	N

APARTMENT UNIT MIX

TYPE	UNITS	SIZE	MARKET		NET EFF		
			TOTAL SF	RENT	RENT	PER SF	
S/1 B	12	450	5,400	\$625	\$1.39	\$574	\$1.28
1 B/1 B	45	750	33,750	\$745	\$0.99	\$685	\$0.91
2 B/1 B	27	850	22,950	\$805	\$0.95	\$730	\$0.86
2 B/2 B	76	1000	76,000	\$835	\$0.84	\$728	\$0.73
Total/Avg	160	863	138,100	\$789	\$0.91	\$705	\$0.82

Rent Comparables

Scottsdale Gateway I & II

PROPERTY DETAILS

SURVEY DATE	June 2011
ADDRESS	2100 N Scottsdale Rd Tempe, AZ 85281
UNITS	610
TOTAL SF	387,807
OCCUPANCY	98%
YEAR BUILT	1965/1972
STORIES	2
METERING	Individual



COMMON AREA AMENITIES

CLUBHOUSE	N	LAUNDRY FACILITY	Y	SWIMMING POOL	Y
BUSINESS CENTER	N	BARBECUE GRILLS	Y	SPA	N
FITNESS CENTER	N	PLAYGROUND	Y	TENNIS COURT	N
CONTROLLED ACCESS	N	GARAGES	N	BASKETBALL COURT	N
SECURITY PATROL	Y	COVERED PARKING	N	RACQUETBALL COURT	N
RENTAL OFFICE	Y	PARKING SPACES	203	VOLLEYBALL COURT	N

INTERIOR AMENITIES

STORAGE	N	DISHWASHER	Y	MICROWAVE	N
PATIO/BALCONY	Some	DISPOSAL	Y	WASHER/DRYER	Y
CEILING FANS	Y	FROST FREE FRIDGE	Y	W/D HOOK-UPS	N
WALK-IN CLOSETS	Y	ICE MAKER	N	FIREPLACE	N

APARTMENT UNIT MIX

TYPE	UNITS	SIZE	TOTAL	MARKET	NET EFF		
			SF	RENT	PER SF	RENT	PER SF
S/1 B	56	308	17,248	\$578	\$1.88	\$578	\$1.88
S/1 B	77	411	31,647	\$581	\$1.41	\$581	\$1.41
1 B/1 B	104	458	47,632	\$639	\$1.40	\$639	\$1.40
1 B/1 B	104	605	62,920	\$699	\$1.16	\$699	\$1.16
1 B/1 B/Den	28	750	21,000	\$764	\$1.02	\$764	\$1.02
2 B/1 B	64	750	48,000	\$764	\$1.02	\$764	\$1.02
2 B/1 B	123	850	104,550	\$764	\$0.90	\$764	\$0.90
2 B/1.5 B	18	1,223	22,014	\$957	\$0.78	\$957	\$0.78
2 B/2 B	36	911	32,796	\$864	\$0.95	\$864	\$0.95
Total/Avg	610	636	387,807	\$703	\$1.11	\$703	\$1.11

Rent Comparables

Summertree

PROPERTY DETAILS

SURVEY DATE	June 2011
ADDRESS	1923 N 70th St Scottsdale, AZ 85257
UNITS	193
TOTAL SF	124,287
OCCUPANCY	124,287
YEAR BUILT	1963
STORIES	2
METERING	Individual



COMMON AREA AMENITIES

CLUBHOUSE	N	LAUNDRY FACILITY	Y	SWIMMING POOL	Y
BUSINESS CENTER	N	BARBECUE GRILLS	Y	SPA	N
FITNESS CENTER	N	PLAYGROUND	N	TENNIS COURT	Y
CONTROLLED ACCESS	N	GARAGES	N	BASKETBALL COURT	N
SECURITY PATROL	Y	COVERED PARKING	N	RACQUETBALL COURT	N
RENTAL OFFICE	Y	PARKING SPACES	285	VOLLEYBALL COURT	N

INTERIOR AMENITIES

STORAGE	Some	DISHWASHER	Y	MICROWAVE	N
PATIO/BALCONY	Some	DISPOSAL	Y	WASHER/DRYER	N
CEILING FANS	Y	FROST FREE FRIDGE	Some	W/D HOOK-UPS	N
WALK-IN CLOSETS	N	ICE MAKER	N	FIREPLACE	N

APARTMENT UNIT MIX

TYPE	UNITS	SIZE	TOTAL	MARKET	NET EFF		
			SF	RENT	PER SF	RENT	PER SF
S/1 B	21	475	9,975	\$529	\$1.11	\$504	\$1.06
1 B/1 B	72	496	35,712	\$599	\$1.21	\$554	\$1.12
1 B/1 B	20	610	12,200	\$605	\$0.99	\$580	\$0.95
2 B/2 B	80	830	66,400	\$693	\$0.83	\$668	\$0.80
Total/Avg	193	644	124,287	\$631	\$0.98	\$599	\$0.93

Rent Comparables

Irvine Park

PROPERTY DETAILS

SURVEY DATE	June 2011
ADDRESS	8521 E McDowell Rd Scottsdale, AZ 85257
UNITS	120
TOTAL SF	106,880
OCCUPANCY	95%
YEAR BUILT	1983
STORIES	2
METERING	Individual



COMMON AREA AMENITIES

CLUBHOUSE	N	LAUNDRY FACILITY	Y	SWIMMING POOL	Y
BUSINESS CENTER	N	BARBECUE GRILLS	Y	SPA	Y
FITNESS CENTER	N	PLAYGROUND	N	TENNIS COURT	Y
CONTROLLED ACCESS	N	GARAGES	N	BASKETBALL COURT	Y
SECURITY PATROL	N	COVERED PARKING	Y	RACQUETBALL COURT	N
RENTAL OFFICE	Y	PARKING SPACES	250	VOLLEYBALL COURT	N

INTERIOR AMENITIES

STORAGE	Y	DISHWASHER	Y	MICROWAVE	N
PATIO/BALCONY	Y	DISPOSAL	Y	WASHER/DRYER	N
CEILING FANS	Y	FROST FREE FRIDGE	Y	W/D HOOK-UPS	Y
WALK-IN CLOSETS	Y	ICE MAKER	N	FIREPLACE	N

APARTMENT UNIT MIX

TYPE	UNITS	SIZE	TOTAL	MARKET	NET EFF		
			SF	RENT	PER SF	RENT	PER SF
1 B/1 B	40	704	28,160	\$685	\$0.97	\$625	\$0.89
2 B/2 B	80	984	78,720	\$795	\$0.81	\$725	\$0.74
Total/Avg	120	891	106,880	\$758	\$0.85	\$692	\$0.78



Jack Hannum

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TRANSWESTERN ROLE

As vice president in Transwestern's Phoenix Investment Services Group, Jack specializes in the disposition of large multifamily properties and portfolios for both private and institutional clients.

CAREER HIGHLIGHTS

Prior to joining Transwestern, Jack served as senior vice president and lead financial analyst with CB Richard Ellis's multifamily team led by Tyler Anderson and Sean Cunningham. His strong background in finance and client-focused approach helped his team close over 260 transactions involving 83,000 units with a total value of \$7.4 billion. Jack began his career in 1998 with CBRE in its Financial Consulting Group before joining the Anderson/Cunningham team in 2001.

Previously, Jack worked with L.J. Melody & Company, the mortgage-banking arm of CB Richard Ellis. In addition, Jack served as a member of the U.S. Navy on USS Princeton (CG-59) and participated in Operation Desert Storm.

PROFESSIONAL AFFILIATIONS

Jack is an active member of the following organizations:

- National Multi-Housing Council
- Arizona Multifamily Association
- Board of Trustees member: Tesseract School

EDUCATION AND CREDENTIALS

Jack earned his bachelor's degree magna cum laude in business administration and finance at California State University, Northridge. He is a licensed real estate professional in the state of Arizona.



Bret Zinn

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TRANSWESTERN ROLE

As a vice president with Transwestern's Investment Services Group, Bret provides transaction-related investment services to multifamily clients throughout the Phoenix area. Together, the team markets investment-grade multifamily opportunities to maximize value and exceed client objectives.

CAREER HIGHLIGHTS

Bret is a 15-year veteran of the apartment brokerage industry. Prior to joining Transwestern, Bret was vice president with Apartment Realty Advisors where he specialized in the disposition of multifamily properties throughout Arizona. During his time with ARA he brokered over 10,000 units with a total sales volume of more than \$850 million. His background includes real estate financing, development, and research with a sole focus on multifamily properties.

PROFESSIONAL AFFILIATIONS

Bret is an active member of the following organization:

- National Multi-Housing Council
- Arizona Multifamily Association

EDUCATION AND CREDENTIALS

Bret received his bachelor's degree in regional development from the University of Arizona. He is a licensed real estate professional in the state of Arizona.



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