

The
LEGENDS
at Wolfchase



8840 BRISTOL PARK DRIVE, BARTLETT, TN 38133

THE PROPERTY

- 300 unit Class A apartment community built in 2002 located in Bartlett, TN – a suburb of Memphis.
- Situated on approximately 25 acres, The Legends at Wolfchase includes a cinema viewing room, five lakes, a resort-style swimming pool, a sand volleyball court, a dog park and children's playground.
- The property offers 11 different floor plans with a 'Big House' concept; average unit size is 1,094 sq. ft. and includes amenities such as bay windows, nine foot ceilings, crown molding and fireplaces.
- 50% of the units include one or two car garages.

THE INVESTMENT OPPORTUNITY

- Attractive capitalization rate for a Class A multifamily property in today's market.
- Strong demographic and employment base – employers in the area are FedEx, Brother International, Pfizer, Kraft Food, Methodist Healthcare, Wal-Mart.
- Property is located in Shelby County School District, which is the preferred school district in Memphis.
- Stabilized asset with rental growth potential.

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, (ii) reduce operating expenses, and (iv) prepare the property to be sold when the market dictates.

Maximize Revenue and Occupancy

- Implement aggressive marketing campaign to reach out to local corporations, businesses, vendors to provide referrals, activity sponsorships and reciprocal business opportunities.
- Enhance the property's website by implementing the optimum technological platforms available to provide marketing services that increase the property's online presence, mobile access, and lead generation and tracking to produce measurable results and improve the cost effectiveness of our marketing programs.
- 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.
- Improve the existing model unit and clubhouse including a new paint color scheme as well as the installation of new furniture, art work, and accessories. Additionally, improve the cyber café with more sitting areas and faster wireless internet access.
- Improve and update the clubhouse, pool area and fitness facility.
- Enhance our competitive position in the submarket by installing outdoor picnic areas with grills to promote socialization and improve retention.
- Enhance our competitive position in the submarket by installing a premier online concierge service.
- Introduce and monitor more aggressive increases in 'other income' items such as utility rebilling, administrative fees, application fees, transfer fees, pet deposits and pet rent, trash removal fees, pest control fees.



Improve New Lease Closing Ratios and Resident Retention

- Install lease management and control systems that effectively manage the number of monthly lease expirations to spread them out through the year based on the most active new leasing and renewal patterns for this property and market.
- Conduct weekly meetings between Passco's asset manager(s) and the regional and on site staff reviewing performance reports including, but not limited to, new leasing activity, retention activity, pricing matrix and marketing programs.
- Hold regular "town hall" meetings to improve communication, and to foster a sense of community, resident satisfaction and management performance.
- Implement Passco's Job Loss Protection Plan which allows residents existing residents who can provide proof of job loss to receive one free month's rent which can be spread over one, two or three months.

Implement Passco Asset Management Programs

- Maximize occupancy through implementation of a multi-platform marketing program to include internet advertising, mobile access, and social media as well as new marketing brochures, property signs, banners, leasing materials and internet sites.
- Leverage "economy of scale" cost effective pricing structure on contractor and vendor services, insurance and maintenance inventory.
- Perform annual competitive bidding of all contracts and services.
- Implement a property tax review and appeal program utilizing recognized national as well as local area tax consultants.
- Implement a property insurance review utilizing recognized national as well as local area insurance agencies and/or consultants.

LEGENDS AT WOLFCHASE

BARTLETT, TENNESSEE

An upscale incorporated suburban city of the Memphis MSA, Bartlett is located approximately 12 miles northeast of downtown. Approximately 50,000 people reside in Bartlett, one of the metropolitan area's fastest growing communities. I-40 traverses Bartlett and many businesses are located in the corporate and distribution parks near this thoroughfare. Numerous corporate and divisional headquarters are also based in and around Bartlett including: Brother International, Pfizer, Lucite, and Kraft Food Ingredients, among others. Wolfchase Galleria, the predominant Mall in the Memphis metropolitan area is located about one mile from The Legends at Wolfchase. This 1.3 million square foot mall is anchored by Dillards, JC Penney, Sears, and Macy's and contains over 130 specialty stores. Other retailers located nearby include (all of which are within a 5-minute drive of the property): Lowes Home Improvement, Wal-Mart, Sam's Club, Office Depot, Sports Authority, Home Depot, Costco, Kohl's, among others, as well as several car dealerships.

According to Claritas, the median household income for Memphis is \$44,851. The comparable figure for the 1 and 3 mile radius surrounding the property are \$73,343 and \$69,671 respectively, well above the metropolitan norm.

The median owner-occupied home in Memphis is \$122,262 compared to \$194,447 and \$177,186 for the 1 and 3 mile radius, respectively. The residential neighborhoods behind the property, within the Davies Plantation community, are upper, middle-class homes or better. The area surrounding the property is also a major growth area of Memphis. For example, according to Claritas, the Memphis population has grown 10.56% over the last 12 years. This compares to 23.56% and 37.38% growth for the 1 and 3 mile radius, respectively for the same time period. The property is also part of the Shelby County School District, the well desired school district outside the corporate limits of the city of Memphis. Money Magazine has recognized Shelby County Schools as one of the "Top 100 Schools Systems" in the United States.





SUPERIOR AMENITIES

Unit Amenities Include:

- Washer/dryer connections
- 9' ceilings with crown molding
- Bay windows (select units)
- Fireplace (select units)
- Garden tub (select units)
- Oversized closets
- Patio/balcony
- Exterior storage
- Garage (select units)
- Intrusion alarm with optional monitoring
- Ceiling fans
- Computer desk
- Two-inch wood blinds

Community Amenities Include:

- Fitness center
- Internet cafe
- Car care center
- Cinema viewing room
- Clubhouse
- Gated access
- Swimming pool
- Playground
- Dog Park

DEMOGRAPHICS

Source: Site Reports, Claritas, Inc., 2012

3-Mile Radius

- Population 49,473
- Population Growth (2000-2010) 37.38%
- Median Age 36 years
- Households 18,659
- Avg. Household Income \$82,993

5-Mile Radius

- Population 126,924
- Population Growth (2000-2010) 44.22%
- Median Age 36 years
- Households 47,802
- Avg. Household Income \$80,585

UNIT MIX

UNIT TYPE	UNIT TOTALS	TOTAL SQ. FT	SQ. FT PER UNIT
1 BR / 1 ba	25	16,925	677
1 BR / 1 ba	25	19,700	788
1 BR / 1 ba	25	21,350	854
1 BR / 1 ba	25	18,400	736
2 BR / 2 ba	25	31,550	1,262
2 BR / 2 ba	50	55,150	1,103
2 BR / 2 ba	25	34,825	1,393
2 BR / 2 ba	25	26,825	1,073
2 BR / 2 ba	25	31,375	1,255
3 BR / 2 ba	25	34,750	1,390
3 BR / 2 ba	25	37,275	1,491
Total / Average	300	328,125	1,094



FLOOR PLAN SAMPLES

1 Bedroom/1 Bath
677-788 Square Feet



LEGENDS AT WOLFCHASE



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 with its partners and alliances to generate cash flow and asset value appreciation, while maintaining a risk-mitigating investment philosophy.
- Passco currently manages over \$2.4 billion of multifamily and commercial properties. The company manages over 13,500 apartment units.
- 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.



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