

# Solaire

## Property Location:

801 East McKellips Road  
Tempe, Arizona 85281

## PAM Real Estate Group, LLC

3740 Carillon Point  
Kirkland, Washington 98033  
Phone: 425-213-1900

## Greystar Management

3200 E. Camelback Road  
Phoenix, Arizona 85018

## Important Points:

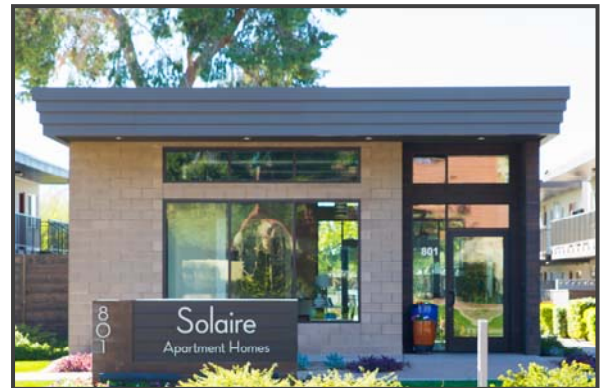
- **Occupancy at 90%**
- **Leased at 97%**
- **Updated Website**

## IMPLEMENTING OUR BUSINESS PLAN FOR SOLAIRE

We continue to move forward with our business plan for this apartment community. Amenity and cosmetic upgrades make economic sense based on the opportunity to add “Class A” features and resident living experience at a better price point than the much higher rents of the new “Class A” properties being built in this submarket. The ability to position this property between the newer and more expensive rental residences and the lower feature existing competition should help us raise cash flow over time and ultimately property value. This is helping our resident demographic move toward more young professionals and fewer families.

Plans for 2017 include a new fitness center in the old laundry room location and removal of the playground equipment. This will allow us to tie the leasing center, BBQ area, pool, fitness center and adult community area together to create the type of environment typically found only in the new “Class A” properties. We will continue our landscape enhancement program started early 2016 and start replacing area lighting with much more cost effective LED light packs.

The big change that kicked off 2017 was the replacement of MEB as our property manager with



The new Fitness Center will look architecturally similar.

Greystar. The National Multifamily Housing Council ranks Greystar as the largest apartment manager for 2017 with 415,634 units managed. This is more than twice the #2 ranked manager. Bigger does not always mean better, but we appreciate the process and technology that a larger manager can bring to the table. Over the past 2 years we have become well acquainted with many professionals on the Greystar team in Phoenix and felt this change was in the best interest of Solaire.

The big news story for southeast metro Phoenix during the first quarter was Intel’s announcement of a \$7 billion investment in a semiconductor factory. This facility located in Chandler, is expected to employ about 3,000 peo-

ple at its peak in “high-tech, high-wage jobs”. Phoenix has, and will likely continue, to attract business and jobs due to their great weather and business friendly regulatory climate.

The active management of social media continues to gain importance as part of the overall Solaire resident marketing program. See our updated website at: [www.SolaireOnScottsdale.com](http://www.SolaireOnScottsdale.com)

Attached is an Audited Financial Statement for the period ending December 31, 2016. These statements were audited by Fruci & Associates II, PLLC, in accordance with the standards of the Public Accounting Oversight Board and are being delivered to you within 120 days of year’s end. Please call if you have questions.