**Hickory Place**

**Hickory Place**, The Masters' closest competitor by location, is on Bash Street between 82\(^{nd}\) Street and 96\(^{th}\) Street. Built in 1987, this 512-unit property is managed by the local property management company Q Realty.

Hickory Place and The Masters are most similar in location, age, and amenities. The Masters offers a few different amenities than Hickory Place, and is located closer to the heavily-trafficked 96\(^{th}\) Street. Hickory Place is located closer to 82\(^{nd}\) Street, but is fairly far off the main road. Hickory Place was acquired by Q Realty in November of 2004, and a $5 million renovation project is scheduled. The renovations will include new roofs and siding, a repaved parking lot, fencing, and an upgraded fitness center.

Print advertising for Hickory Place is placed in the Apartment Guide and FOR RENT Magazine. The property is listed on both magazines' websites. Bandit signs are placed in the immediate area on weekends and the property distributes flyers at the Indiana Wesleyan University campus. A billboard on 82\(^{nd}\) Street is planned.
HICKORY PLACE
(317) 849-9585
8525 Laurel Valley Drive
Indianapolis, Indiana 46250
FAX: 317-576-1105

Office Hours
Monday - Friday 9:00am - 6:00pm
Saturday 10:00am - 5:00pm
Sunday 12:00pm - 5:00pm

hickory@qqrg.com

Q Realty Group is a property management firm operating in the Central Indiana area. QRG will operate as an extension of the apartments in which it will be managing and will be solely responsible for maintaining each property in a professional and highly sustainable manner. It is QRG's main objective to offer apartment units with state-of-the-art living conditions reflective of the rapid advancements in technology and a growing need for quality housing. Our company is dedicated to a hassle-free living environment in which our tenants can enjoy all of the benefits of safe, attractive, and inviting units.

www.qqrg.com

The Hickory
Why Live At Hickory Place?

- State of the Art Fitness Center
- 24 Hour Emergency Maintenance
- 4 Lighted Tennis Courts
- Sparkling Swimming Pool w/ Sundeck
- Sand Volleyball Court
- Sauna, Jacuzzi, and Hot tub
- Superb Management Staff
- Beautiful Landscaping
- Full Size washer and dryer in every unit
- Fireplaces, and Golf views available
- On Site Courtesy Officer
- Convenient to Fine Dining, Many malls and Shoppe’s!
- Convenient to I-69 and I-465
- Skylight, and Vaulted Ceilings available

Hickory Place Apartments
8525 Laurel Valley Dr.
Indianapolis, IN 46250
317-849-9585
Lakeshore

Lakeshore, built in 1989, is a 740-unit property located near the southwest corner of the intersection of Allisonville Road and I-465. Lincoln Property Company manages Lakeshore.

82nd Street Entrance Sign

While Lakeshore and The Masters are competitors, their locations are different. The two properties are on opposite sides of I-465; Lakeshore is The Masters’ farthest geographical competitor. The two properties were built at a similar time and share many amenities such as vaulted ceilings and included washers and dryers. Lakeshore, located right on 82nd Street, is more visible from a major road than The Masters. Lakeshore was renovated several years ago; the renovation included a total repainting of exterior surfaces. The nature of the construction style (primarily brick with some wood) results in a relatively simple update with new paint. The community features very bright, unique signage (including one sign at the exit advertising the resident referral policy). A car care station is available to residents, and pet care stations are placed throughout the property. Unlike The Masters, Lakeshore has three-story buildings and garages with private remote controls. The community has won Prodigy awards for its landscaping and its model. Lakeshore’s visibility and “new” appearance are advantages, but the
82nd Street congestion is a disadvantage. For prospective residents who work in the 96th Street area, The Masters has a much better location.

Lakeshore advertises in FOR RENT magazine and the Apartment Guide (and the corresponding websites); the property staff also targets the campuses of Butler University and IUPUI. The staff plans to market to Ball State and Purdue graduates soon.
We know it takes hard work and dedication to be the best you can be. Over more than three decades, Lincoln Property Company has maintained its reputation as the premier manager of apartment communities across the United States, and we're still inventing creative ways to make your life easier and more enjoyable. We are proud of our time-honored commitment to excellence and will continually strive to make your home a special place to live.

Exceptional Service and Resident Satisfaction have always been our goal. We have challenged our associates to exceed your expectations. Our exclusive program promises to meet any service request or maintenance need, and we will go the extra mile to be sure you are completely satisfied. You can count on our team of highly trained professionals to provide you with a 24-hour service guarantee, meticulously landscaped grounds, and a resident relations program that welcomes ideas from our residents to improve the community.

8210 Lakeshore Trail East Drive
Indianapolis, Indiana 46250
(317) 845-7368 telephone
(317) 841-0279 fax
www.lincolnapts.com
e-mail: lakeshore@lincolnapts.com

Professionally managed by Lincoln Property Company
Experience the natural beauty of Lakeshore Apartment Homes. This masterfully designed environment blends contemporary living with the serenity of the country. From the classic elegance of the interior design to the versatility of the floorplans, Lakeshore offers living space that conforms to your personal style. Welcome home to Lakeshore, the finest in apartment home living.

The Features and Services
- Two heated swimming pools
- Sand volleyball court and basketball court
- Garages and carports
- Award winning landscaping
- Self-service car wash area with vacuum
- 24-hour business center
- Three sparkling lakes
- 24-hour fitness center with hot tub, sauna, and pool table
- 24-hour emergency maintenance service
- Free lock-out service
- Parcel delivery acceptance
- Limited Access Entries
- Professionally designed interiors with contemporary color schemes
- Spacious walk-in closets
- Washer/dryer in all homes
- Microwaves*
- Fireplaces with tile hearths*
- Vaulted ceilings*
- General Electric appliances
- Icemakers
- Double-pane windows

*In select apartment homes.

The Buckingham
Two bedroom / Two bath
940 sq. ft.

The Water Tower
One bedroom / One bath
600 sq. ft.

* All dimensions are approximate
TAKE A LOOK AT WHY YOU SHOULD
Live the Lincoln Lifestyle

* Spacious one and two bedroom homes
* 2003 Prodigy Award Winner
* Two time 2002 Prodigy Award Winner
* Two contemporary color schemes
* Outrageous walk-in closets
* Washer/Dryer in every home
* Microwaves in select homes
* Furnished window blinds
* Fireplace option
* Ceiling fans in select homes
* Vaulted ceilings on top floor
  Vaulted ceilings on top floor
  Vaulted ceilings on top floor
  Ice makers in freezers
* Dishwashers
* Total electric living
* General Electric appliances
* Acceptance of UPS and Fed Ex
* Double pane windows
* 24 Hour Emergency Maintenance
* 24 Hour Lock Out Service
* Fun Social Events
* Private patio or balcony
* Outside storage area
* Limited Access entry ways
* Peaceful wooded and lake views
* Sand volleyball court
* Basketball Court
  Two heated swimming pools
* 24 hour Fitness Center
* Sizzling sauna
* Jacuzzi
* Great Neighbors
* Large pets welcome
* Resident referral bonuses
* Courtesy gift wrapping service
* 2 bedroom courtesy suite
* Car wash station with vacuum
* "Award winning" Professional landscaping
* Garages
* Covered parking
* Stamps & discounted movie passes
* Close to Keystone at the Crossing
  and Castleton Malls
* Fabulous shopping and restaurant area
* Easy access to I-465
* 20 minutes from downtown
* 24 hour business center
* Close to Indy's hottest "nightlife" areas
* Linc program
* Friendly, professional service team
* Managed by Lincoln Property Company
* We are here to Exceed your expectations®
### Rent and Occupancy Comparison Chart

<table>
<thead>
<tr>
<th>Property Name</th>
<th>Year Built</th>
<th>Total Occupancy</th>
<th>Unit Type</th>
<th>Sq. Ft.</th>
<th>Monthly Rent</th>
<th>Rent/Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMLI @ Riverbend</td>
<td>1984</td>
<td>93.5%</td>
<td>1BR1BA</td>
<td>538-670</td>
<td>$475-$625</td>
<td>$0.88-$0.93</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1BR1BA/Den</td>
<td>774-912</td>
<td>$615-$805</td>
<td>$0.77-$0.88</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2BR1BA</td>
<td>845-852</td>
<td>$595-$695</td>
<td>$0.70-$0.82</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2BR2BA</td>
<td>888-1117</td>
<td>$600-$850</td>
<td>$0.68-$0.76</td>
</tr>
<tr>
<td>Hickory Place</td>
<td>1987</td>
<td>90.3%</td>
<td>1BR1BA</td>
<td>720-770</td>
<td>$615-$635</td>
<td>$0.85-$0.82</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2BR2BA</td>
<td>1000</td>
<td>$720</td>
<td>$0.72</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2BR 1.5BA</td>
<td>1100-1150</td>
<td>$765-$800</td>
<td>$0.70</td>
</tr>
<tr>
<td>Lakeshore</td>
<td>1989</td>
<td>91.0%</td>
<td>1BR1BA</td>
<td>600-750</td>
<td>$599-$699</td>
<td>$0.99-$0.93</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2BR2BA</td>
<td>940-1000</td>
<td>$875-$899</td>
<td>$0.93-$0.90</td>
</tr>
<tr>
<td>The Masters</td>
<td>1985</td>
<td>84.0%</td>
<td>1BR1BA</td>
<td>700</td>
<td>$599</td>
<td>$0.86</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1BR1BA/DEN</td>
<td>900</td>
<td>$689</td>
<td>$0.77</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2BR/2BA</td>
<td>1000</td>
<td>$729</td>
<td>$0.73</td>
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</table>
# Amenity Comparison Chart

<table>
<thead>
<tr>
<th>Amenity</th>
<th>Riverbend</th>
<th>Hickory Place</th>
<th>Lakeshore</th>
<th>The Masters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool</td>
<td>✓</td>
<td>✓</td>
<td>✓ (2, heated)</td>
<td>✓</td>
</tr>
<tr>
<td>Fitness Center</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Racquetball Court</td>
<td>✓ (2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocked Lake</td>
<td></td>
<td></td>
<td>✓ (2)</td>
<td></td>
</tr>
<tr>
<td>Tennis Court</td>
<td>✓ (6)</td>
<td>✓ (4)</td>
<td>✓</td>
<td>✓ (2)</td>
</tr>
<tr>
<td>Basketball Court</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Sand Volleyball Court</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Business/Conference Center</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Multi-media Center</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Coffee Bar</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Laundry Facilities</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Covered Parking</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Garages</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Car Wash Area</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓ (≤ 80 lb.)</td>
</tr>
<tr>
<td>Large Pets Welcome</td>
<td>✓ (≤ 80 lb.)</td>
<td>✓</td>
<td>✓</td>
<td>✓ (≤ 80 lb.)</td>
</tr>
<tr>
<td>Short-Term Leases</td>
<td>✓</td>
<td>✓ (3, 6, 12)</td>
<td>✓ (9-12, MTM)</td>
<td>✓ (3, 6)</td>
</tr>
<tr>
<td>Fireplaces</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Vaulted Ceilings</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Skylight</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Washer/Dryer Connections</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Washer/Dryer Included</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Dishwashers</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Walk-in Closets</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Custom Blinds</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Extra Storage</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Exercise Classes</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>24-hour Emergency Maintenance</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Sauna/Jacuzzi/Hot Tub</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Golf View</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Lake View</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Microwave</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Courtesy Gift Wrapping</td>
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<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Overnight Guest Suite</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Putting Green</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Playground</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Same Day Maintenance Guarantee</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Screened Patio/Balcony</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>
Summary

In comparison to the three properties studied, The Masters has various advantages and disadvantages. The properties are all of similar age, but AMLI at Riverbend and Lakeshore have had renovation projects that have provided an “updated” look. Hickory Place will soon also have this competitive edge, as they are planning a major renovation. Of the properties studied, The Masters is in the least congested area of Castleton.

Sources

For Rent Magazine, Indianapolis edition (February 2005)
Marketing material from AMLI at Riverbend
Marketing material from Hickory Place
Marketing material from Lakeshore
www.forrent.com
**Employees**

The staff of The Masters is comprised of eight employees. A property manager oversees an assistant manager, leasing director, and leasing specialist. The property manager also oversees the maintenance supervisor. The maintenance supervisor is responsible for an assistant maintenance supervisor, paint supervisor, and maintenance technician.

A property manager's primary responsibility is the "overall success of the apartment community." The assistant manager, through a variety of responsibilities and duties, is responsible for "assisting with on-site property management." Job descriptions were not available for the leasing director or leasing specialist positions. Job descriptions for the property manager and assistant manager are included in this report.

The maintenance supervisor is primarily responsible for "all maintenance employees and the full scope of maintenance on-site." Job descriptions were not available for the assistant maintenance supervisor, paint supervisor, or maintenance technician positions. A job description for the maintenance supervisor is included in this report.
Organizational Chart
Mark III Management Corporation

Owners

President

Executive Vice-President / Chief Financial Officer

Office Administrator

Controller

Regional Manager
Regional Manager
Regional Manager
Regional Manager

A/P Specialist
Job Description

On-Site Manager - Conventional

Title: On-Site Manager

Responsible to: Director of Property Management

Responsible for: Overall Success of the Apartment Community

General: The responsibilities and duties of the On-Site Manager are extensive and require a person that is trained and knowledgeable in business, personnel and public relations, construction maintenance, advertising, and other related areas. Must be able to handle stressful and difficult situations while maintaining professionalism with the staff, residents, and outside contacts. The On-Site Manager must be able to adopt an owner mentality for peak effectiveness and community prosperity.

Responsibilities and Duties

- Responsible for maintaining high levels of occupancy, resident retention, and all operations of the property. All community personnel report to the Manager either directly or indirectly.

- Review and approve all leases for prospective residents, while not actually performing the rental function.

- Supervise the preparation of lease paperwork and the actual move-in of residents. Manager, Assistant Manager, or Leasing Consultant must perform move-in inspection with the resident.

- Responsible for maintaining the confidentiality and completeness of resident files. Document all reported events associated with the resident.

- Collect rent and delinquent accounts, including a complete accounting for all income received at the community and report daily to the Home Office.

- Keep a schedule of apartment availability and readiness, in conjunction with the Maintenance Supervisor, for purposes of showing market readiness and vacant apartments as target apartments for leasing personnel.
• Work closely with the Maintenance Supervisor on resident move-ins and apartment preparation, including refurbished apartments. Oversee service requests from residents for maintenance. Make sure all requests are see to promptly and within 24 hours. Follow-up on any problem that can’t be handled in the 24 hour period.

• Respond promptly and courteously to all resident-related problems while maintaining a professional appearance and attitude.

• Responsible for the employment application evaluation, supervising and training the office and maintenance personnel, and supervising their daily work schedules.

• Accountable for collecting on all delinquent accounts, evictions, and skips. Will file with an attorney when necessary to collect delinquent rent, outstanding monies or damages by the resident, and also with handling evictions.

• Prepare all invoices for payment and back-up the computer accounting data daily. Obtain current certification of insurance for vendors. Vendors who do not have current certification will not be used under any circumstances.

• Account for interim’s, increase or decrease in income. Maintain petty cash.

• Prepare and submit all payroll forms, reports, proposals, and month-end accounting for the Home Office.

• Report all accidents and incidents to the Home Office whether it be resident or employee related.

• Maintain excellent curb appeal by doing community inspections and Annual Inspections with the Maintenance Supervisor. Sign and submit purchase orders along with reporting all expenses in the community within the annual operating budget. Monthly review of financial statements with the Maintenance Supervisor on status of the expenses in relation to the budget. Report any variations from the budget to the Home Office.

• Prepare a first rate budget and maintain Budget Control of all property expenditures, to allow a constant control of expenses, and build historical data for budget preparation.
Job Description
On-Site Manager - Conventional

- Assist in social activities held on-site to create good public relations with prospects and residents. Compile required information for newsletters and process for printing. Stay on top of what is happening in your community. A good manager is an informed manager.

- Be open-minded to suggestions, views, and ideas from the residents and the staff. Have discussions and share your thoughts and concerns with others. Your interest in others' ideas and questions will be appreciated and help to build a better relationship with the staff and the residents.

Be an “Ambassador of Good Will” for Mark III Management Corporation, as your dedication and professionalism reflect on the property.
Job Description

Assistant Manager

Title: Assistant Manager
Responsible to: On-Site Property Manager
Responsible for: Assisting with On-Site Property Management

General: The Assistant Manager works with the on-site Manager regarding the general management of the property. Will also relieve the Leasing Consultant of much of the normal paperwork and help out in any way possible. Will perform tasks assigned by the on-site Manager efficiently and effectively. Must be able to maintain a professional relationship with the staff and the residents.

Responsibilities and Duties

• Become knowledgeable of all facets of property management in order to appropriately maintain the property in the absence of the Manager.

• Exonerate professionalism in appearance and attitude.

• Oversee resident files and the preparation of new leases. Submit to the Manager for approval. Maintain files and submit accurate reports, records, and paperwork. (Items assigned by the Manager.)

• Prepare proper paperwork for all move-ins, move-outs, renewals, cancellations, and transfers. Oversee lease renewal letters and make follow-up calls to negotiate the final agreement.

• Schedule and perform move-in and move-out inspections and advise the Manager of any problems or issues. Assist the Manager in rent collections, evictions, skips, or any other requested tasks.

• Assist the Manager with logging and submitting invoices for payment. Prepare weekly and monthly paperwork which is to be submitted to the Home Office as directed. (i.e. bills, payroll, month-end, employment applications, etc.)
Job Description
Assistant Manager
Page 2

• Assist the Manager and/or Maintenance Supervisor with any resident-related problems or emergencies.

• Responsible for the delivery of new resident gifts or other items. Be a “friendly neighbor” to all residents. Answer questions and concerns that the residents have and help out in any way you can.

• Provide general office assistance and answer in-coming calls when necessary. Compile information required for the newsletter and process for printing. Maintain the supply of forms and office supplies within the established budget.

• Receive and log all daily service requests, making sure service is completed within 24 hours. Advise the Manager and/or Maintenance Supervisor of any discrepancies.

• Coordinate reservations for the clubhouse and other facilities, and assist in social activities. Offer your input and ideas regarding the community.

• Be initiative. Offer your thoughts and concerns regarding the property to the Manager. They will be greatly appreciated and helpful.

• Attend job-related seminars and functions as directed by the Manager. Be open to learning new skills and techniques, as all knowledge is beneficial to career growth and advancement.

Be an “Ambassador of Good Will” for Mark III Management Corporation and take pride in your work, as your professionalism and support reflect on the community.
Job Description

Maintenance Supervisor

Title: Maintenance Supervisor

Responsible to: On-Site Manager

Responsible for: Maintenance Employees and Full Scope of Maintenance On-Site

General: The Maintenance Supervisor assists the On-Site Manager in all maintenance matters pertaining to the apartments and the community. Must provide technical knowledge for accomplishment of all repairs. Maintain service request files. Able to perform basic carpentry, electrical repair, minor plumbing, HVAC repair, and establish preventative maintenance schedules. Accountable for inventory of commonly used items and handling all affairs with maximum efficiency. Maintain the curb appeal of the community up to Mark III standards. Must be able to handle stressful and difficult situations while maintaining a helpful attitude and professionalism with the residents, staff, and any outside contacts.

Below are listed the types of maintenance calls that must be responded to immediately when residents call for service:

1. Fire
2. Roof leak
3. Water leak
4. No hot water
5. No heat
6. No air-conditioning
7. Toilet stopped up or overflowing, Clogged drain
8. Dishwasher is overflowing or leaking
9. Refrigerator not working
10. Electrical short
11. Resident locked out/broken locks
12. Common area light bulb replacement
13. Frozen water pipes
14. Security issues (apartment break-in)
15. Health related problems requiring medical assistance
16. Broken windows
17. Storm damage
Responsibilities and Duties

- Responsible for maintaining a staff at an approved manpower and budgetary level. Supervise and train those subordinates in performance of assigned duties.

- Develop and implement daily work schedules for all maintenance personnel. Keep a daily payroll time sheet for all maintenance personnel and forward to the Manager weekly. The Maintenance Supervisor must get approval from the Manager prior to authorizing the maintenance staff to work overtime. Schedule personnel for a 24 hour response to on-site service requests.

- Make sure the maintenance staff has a clear understanding of OSHA guidelines and make safety techniques as part of the maintenance program. Direct all maintenance personnel in proper cleaning and maintenance of swimming pool and to maintain proper standards as required by state law. It is very important to comply with OSHA regulations and laws.

- Establish and implement routine maintenance procedures consistent with Mark III policies and procedures as they relate to specific communities. Communicate the policies and procedures of Mark III Management to the Maintenance Staff.

- Accountable for the maintenance log on company truck. Have the truck serviced as needed per manufacturer’s service data.

- Coordinate a refurbished apartment schedule with the Manager and supervise the refurbishment of vacated apartments, on a timely basis, to maximize occupancy and income and minimize rental loss. (Three working days - maximum of five) Locks must be changed or switched after every apartment is vacated.

- Constantly re-evaluate the physical condition of the community and apartments and develop a systematic preventative maintenance program. Communicate community needs and conditions in a timely fashion to the Manager for budgeting purposes.

- Maintain an accurate record and accounting of each apartment with respect to its current condition, renovation costs, and repairs made on a routine basis. Prepare and submit information used for reports and proposals. Monitor and approve all community maintenance invoices in conjunction with the Manager.
• Maintain petty cash and submit receipts for reimbursement to the Manager as needed.

• Work in conjunction with the Manager to initiate input for the preparation of the community’s Annual Operating Plan and Budget. Review and discuss the Community Maintenance budget with the Manager.

• Conduct a comprehensive purchasing program with cost effective results. This program must be within the bounds of the Annual Operating Budget under the Manager’s supervision. Maintain an Inventory Control Sheet of maintenance equipment updated every twelve months beginning in January of each new year.

• Supervise the renovation of all common areas, Leasing Office area, and social/recreational facilities. All work must be completed according to plans and within budget guidelines.

• When needed, employ the use of an outside contractor after review by the Manager and Property Director. Selection will be dictated by the cost effectiveness, experience, and reputation of the contractor. Obtain three or more bids for major repairs or large purchases and submit to the Manager for approval.

• Keep all inspection certificates current, and make sure all public health and safety requirements are satisfied.

• Upon completion of the subcontractor’s task, the Maintenance Supervisor will be responsible for the inspection of the quality of work performed and advise the Manager and Property Director of unacceptable work.

• Always deal tactfully, discreetly, and professionally with all residents, staff, and Mark III personnel. Immediately notify the Manager of any employee incident which requires medical or disciplinary action.

• Assist in the security and curb appeal of the community by directing the maintenance staff to be constantly alert to any unusual activity and to report such activity to the Manager.

• Show initiative. Share and discuss your thoughts, concerns, and ideas relating to the community with the Manager. They will be appreciative of your opinions.
Be an "Ambassador of Good Will" for Mark III Management Corporation, and take pride in your job, as your hard work and dedication reflect on the community.
Benefits

Mark III Management employees are provided with medical benefits through Aetna Group Trust PPO. Dental coverage is provided through Guardian Life Insurance Company of America; Guardian covers up to 100% of preventative services, 80% of basic services, and 50% of major services. Dental coverage costs $11.79 for the employee, $25.63 for the employee & spouse, $28.59 for the employee & child(ren), and $42.46 for the employee & family (all costs paid bi-monthly). A 401(k) savings plan is also available through Mark III Management. Documentation detailing each of these benefits is included in this report.
<table>
<thead>
<tr>
<th>Open Choice® (PPO) Plan Features</th>
<th>Preferred Benefits</th>
<th>Nonpreferred Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Calendar Year Deductible</td>
<td>$1,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Family Deductible Limit</td>
<td>2X Individual</td>
<td>2X Individual</td>
</tr>
<tr>
<td>Non-Specialist Office Visit Copay</td>
<td>$20</td>
<td>N/A</td>
</tr>
<tr>
<td>(internist, general physician, family practitioner or pediatrician)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialist Office Visit Copay</td>
<td>$20</td>
<td>N/A</td>
</tr>
<tr>
<td>Inpatient Per-Confinement Hospital Deductible</td>
<td>$250</td>
<td>$500</td>
</tr>
<tr>
<td>Emergency Room Copay/Deductible</td>
<td>$75</td>
<td>$75</td>
</tr>
<tr>
<td>Coinsurance (unless alternate level specified below)</td>
<td>80%</td>
<td>60%</td>
</tr>
<tr>
<td>Prescription Drug Nonpreferred Coinsurance</td>
<td>N/A</td>
<td>80%</td>
</tr>
<tr>
<td>Individual Coinsurance Limit</td>
<td>$3,000</td>
<td>$6,000</td>
</tr>
<tr>
<td>Family Coinsurance Limit</td>
<td>2X Individual</td>
<td>2X Individual</td>
</tr>
<tr>
<td>Lifetime Maximum</td>
<td>Unlimited, except where otherwise indicated</td>
<td>Unlimited, except where otherwise indicated</td>
</tr>
<tr>
<td>Precertification Penalty</td>
<td>N/A</td>
<td>$400</td>
</tr>
<tr>
<td>Physicians Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office visits (non-surgical)</td>
<td>100% after applicable office visit copay with waiver of deductible</td>
<td>Plan coinsurance after deductible</td>
</tr>
<tr>
<td>Office visits when surgery performed</td>
<td>Plan coinsurance after deductible</td>
<td>Plan coinsurance after deductible</td>
</tr>
</tbody>
</table>

www.aetna.com

Quote ID: 687719

09/24/2004
<table>
<thead>
<tr>
<th>Open Choice® (PPO) Plan Features</th>
<th>Preferred Benefits</th>
<th>Nonpreferred Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other physician’s charges</td>
<td>Plan coinsurance after deductible</td>
<td>Plan coinsurance after deductible</td>
</tr>
<tr>
<td>Hospital Expenses</td>
<td>Plan coinsurance after deductible. Inpatient expenses subject to inpatient per-confinement hospital deductible.</td>
<td>Plan coinsurance after deductible. Inpatient expenses subject to inpatient per-confinement Hospital Deductible.</td>
</tr>
<tr>
<td>Emergency Room</td>
<td>Plan coinsurance after emergency room copay</td>
<td>Preferred coinsurance after emergency room deductible</td>
</tr>
<tr>
<td>Non-Emergency Use of Emergency Room</td>
<td>50% after deductible</td>
<td>50% after deductible</td>
</tr>
<tr>
<td>Routine Physical Exam/Immunizations (children and adults)</td>
<td>100% after applicable office visit copay with waiver of deductible. Children under age 18 limited to 6 exams in 1st 12 months of life, 2 exams in the 13th - 24th months of life, 1 exam per 12 months thereafter. Children age 18 and over and adults under age 65 limited to 1 exam every 24 months. Adults age 65 and over limited to 1 exam every 12 months.</td>
<td>Plan coinsurance after deductible. Children under age 18 limited to 6 exams in 1st 12 months of life, 2 exams in the 13th - 24th months of life, 1 exam per 12 months thereafter. Children age 18 and over and adults under age 65 limited to 1 exam every 24 months. Adults age 65 and over limited to 1 exam every 12 months.</td>
</tr>
<tr>
<td>Routine Ob/Gyn Exam &amp; Pap Smear (limited to 1 each calendar year)</td>
<td>100% after applicable office visit copay with waiver of deductible</td>
<td>Plan coinsurance after deductible</td>
</tr>
<tr>
<td>Routine Mammography</td>
<td>100% with waiver of deductible</td>
<td>Plan coinsurance after deductible</td>
</tr>
</tbody>
</table>
### Open Choice® (PPO) Plan Features

<table>
<thead>
<tr>
<th>Medical-Entire Census / Copy Of: current plan (sep rx) Quote Package - Indianapolis, IN(PPO/NAP), Ft. Wayne, IN (PPO/NAP)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Routine Digital Rectal Exam and Prostate Specific Antigen Test</strong> (limited to 1 each calendar year for males age 40+)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Routine Colorectal Cancer Screening Benefit</strong> (limited to an annual fecal occult blood test, 1 flexible sigmoidoscopy every 5 years, 1 colonoscopy every 10 years and a double contrast barium enema every 5 years)</td>
</tr>
<tr>
<td><strong>Mental Disorder Expenses</strong></td>
</tr>
<tr>
<td>Inpatient</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Outpatient Office Visits</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Outpatient Hospital</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Alcohollism and Drug Abuse Expenses</strong></td>
</tr>
<tr>
<td>Inpatient</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Outpatient</strong></td>
</tr>
<tr>
<td><strong>Contraceptive Drugs and Devices</strong></td>
</tr>
</tbody>
</table>
## Open Choice® (PPO) Plan Features

<table>
<thead>
<tr>
<th>Medical Expense</th>
<th>Preferred Benefits</th>
<th>Nonpreferred Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outpatient Prescription Drugs</strong></td>
<td><strong>Participating Pharmacy</strong></td>
<td><strong>Nonparticipating Pharmacy</strong></td>
</tr>
<tr>
<td>(No Mandatory Generic - Member is</td>
<td>100% after $15 copay for generic drugs, $25 copay for formulary brand-name drugs</td>
<td>Prescription drug nonpreferred coinsurance after 2X retail amount for generic drugs,</td>
</tr>
<tr>
<td>responsible to pay the applicable copay</td>
<td>and $40 copay for nonformulary brand-name drugs for up to a 30-day retail supply.</td>
<td>2X retail amount for formulary brand-name drugs and 2X retail amount for</td>
</tr>
<tr>
<td>only.)</td>
<td>100% after 2X copay for generic drugs, 2X copay for formulary brand-name drugs and 2X</td>
<td>nonformulary brand-name drugs for a 31 to 60-day retail or mail-order supply.</td>
</tr>
<tr>
<td></td>
<td>copay for nonformulary brand-name drugs for a 31 to 60-day retail or mail-order supply.</td>
<td></td>
</tr>
<tr>
<td>**Other Covered Medical Expenses not</td>
<td>80% after deductible</td>
<td>80% after preferred deductible</td>
</tr>
<tr>
<td>available from A Network Provider</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Maximum Benefits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(All maximums are combined for preferred</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and nonpreferred benefits)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convalescent Facilities</td>
<td>120 days per calendar year</td>
<td>120 days per calendar year</td>
</tr>
<tr>
<td>Home Health Care</td>
<td>120 visits per calendar year</td>
<td>120 visits per calendar year</td>
</tr>
<tr>
<td>Hospice Care</td>
<td>Inpatient - 30 days Outpatient - $5,000</td>
<td>Inpatient - 30 days Outpatient - $5,000</td>
</tr>
<tr>
<td>Private Duty Nursing Care</td>
<td>70 outpatient days per calendar year</td>
<td>70 outpatient days per calendar year</td>
</tr>
<tr>
<td>Spinal Disorders</td>
<td>$1,000 per calendar year</td>
<td>$1,000 per calendar year</td>
</tr>
<tr>
<td>Inpatient Alcoholism and Drug Abuse</td>
<td>30 days per calendar year</td>
<td>30 days per calendar year</td>
</tr>
</tbody>
</table>

Quote ID: 687719
Medical-Entire Census / Copy Of: current plan (sep rx) Quote Package - Indianapolis, IN(PPO/NAP), Ft. Wayne, IN (PPO/NAP)

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<th>Nonpreferred Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outpatient Alcoholism and Drug Abuse</td>
<td>20 visits per calendar year</td>
<td>20 visits per calendar year</td>
</tr>
</tbody>
</table>

This is only a brief summary of the Aetna Group Trust PPO (Open Choice) benefits available. Exclusions and limitations will apply. For additional information, please contact your Aetna Sales Representative. Preventive care frequency limits vary by age. Any benefit or frequency maximums listed are combined maximums for both preferred and nonpreferred benefits. To receive maximum benefits, in-network (preferred) services must be utilized. All benefits are underwritten by Aetna Life Insurance Company and are provided in accordance with the applicable group contract and insurance certificate.
**Benefit and Cost Summary**

for Dental has been prepared for the employees of:

**Mark III Development Corp.**

**High Plan**

Deductible- $50 individual (*Waived for Preventive Services)

<table>
<thead>
<tr>
<th>Services</th>
<th>Percentage Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Preventive Services</strong>*</td>
<td>100%</td>
</tr>
<tr>
<td>Emergency Palliative Treatment</td>
<td></td>
</tr>
<tr>
<td>Oral Examination - every six months</td>
<td></td>
</tr>
<tr>
<td>X-Rays - four bitewings every twelve months full mouth series every five years</td>
<td></td>
</tr>
<tr>
<td>Teeth Cleaning - every six months</td>
<td></td>
</tr>
<tr>
<td>Fluoride Treatments for Children - every six months under age 14</td>
<td></td>
</tr>
<tr>
<td>Space Maintainers for Children - under age 16</td>
<td></td>
</tr>
<tr>
<td>Topical Sealants for unrestored molar teeth</td>
<td>- one treatment for child(ren) under 16 in a three (3) year period</td>
</tr>
</tbody>
</table>

| **Basic Services**            | 80%             |
| Laboratory Test               |                 |
| Diagnostic Consultation- one per year |            |
| Fillings: Amalgam, Silicate & Acrylic |         |
| Crowns: Stainless Steel       |                 |
| Repairs of dentures, bridgework, crowns, etc. |             |
| Endodontic Services/Root Canal Therapy |        |
| Periodontal Services          |                 |
| Oral Surgery- Uncomplicated extractions |          |
| General Anesthesia- surgical procedures only |        |
| Injectable Antibiotics- for treatment of a dental condition only |     |

| **Major Services**            | 50%             |
| Bridges Installation-fixed and removable |             |
| Dentures- Full and Partial      |                 |
| Crowns: Acrylic Metal, Porcelain |               |
| Inlays                         |                 |
| Onlays                         |                 |
| Posts                          |                 |

| **Bi-Monthly Cost**           |                 |
| Employee                      | $11.79          |
| Employee & Spouse             | $25.63          |
| Employee & Child(ren)         | $28.59          |
| Employee & Family             | $42.46          |

GUARDIAN*

The Guardian Life Insurance Company of America, New York, NY 2004-4746
## Benefit and Cost Summary

- There is a $1,000 annual maximum for Preventive, Basic and Major services combined.
- *Deductible is waived for Preventive services. 3 individual deductibles per family.
- Children are covered up to age 20 or 26 if a full time student.
- Employee/Dependents enrolling outside of the plan eligibility period may be subject to Late Entrant penalties.
- All out of network services are based on usual, reasonable, and customary rates for given area.
- Guardian has contracted with dental providers to provide discounts on services and procedures to Guardian dental plan members. To locate a provider, please reference our On-Line Provider Directory at www.GuardianLife.com.
- Dental Claims - P. O. Box 2459, Spokane, WA 99210-2459, ph: 1-800-541-7846, fax: 509-468-4590.
- Pre-determination Review - Guardian will gladly assist you and your dentist by determining what benefits could be payable for services and procedures over $300. Have your dentist fax your treatment plan to Guardian, note that it is a pre-determination review and we will let your dentist know what benefits would be payable.
- Special Limitation: Teeth lost or missing before a covered person becomes insured by this plan. A covered person may have one or more congenitally missing teeth or have lost one or more teeth before he became insured by this plan. We won't pay for a prosthetic device which replaces such teeth unless the device also replaces one or more natural teeth lost or extracted after the covered person became insured by this plan.

1 A late entrant is a person who becomes insured more than 31 days after he is eligible; or becomes insured again, after his coverage lapsed because he did not make required payments. We won't cover charges incurred by a late entrant for (1) Group II (basic) services until 6 months from the date he is insured by this plan; and (2) Group III (major) services until 12 months from the date he is insured by this plan.

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**DentalGuard General Limitations and Exclusions:** This policy provides dental insurance only. Coverage is limited to those charges that are necessary to prevent, diagnose or treat dental disease, defect, or injury. deductibles apply. The plan does not pay for: oral hygiene services (except as covered under preventive services), orthodontia (unless expressly provided for), cosmetic or experimental treatments, any treatments to the extent benefits are payable by any other payor or for which no charge is made, prosthetic devices unless certain conditions are met, and services ancillary to surgical treatment. The plan limits benefits for diagnostic consultations and for preventive, restorative, endodontic, periodontic, and prosthodontic services. The services, exclusions and limitations listed above do not constitute a contract and are a summary only. The Guardian plan documents are the final arbiter of coverage.

Contract # GP-1-DG2000 et al.

This handout is for illustrative purposes. You will receive benefit booklets. If there is a discrepancy between this handout and your benefit booklet, the benefit booklet prevails.
Mark III Development Corp.
Low Plan
Deductible- $50 individual (*Waived for Preventive Services)
Benefit and Cost Summary

- There is a $750 annual maximum for Preventive, Basic and Major services combined.
- *Deductible is waived for Preventive services. 3 individual deductibles per family.
- Children are covered up to age 20 or 26 if a full time student.
- Employee/Dependents enrolling outside of the plan eligibility period may be subject to Late Entrant penalties.
- All out of network services are based on usual, reasonable, and customary rates for given area.
- Guardian has contracted with dental providers to provide discounts off services and procedures to Guardian dental plan members. To locate a provider, please reference our On-Line Provider Directory at www.GuardianLife.com.
- Dental Claims - P. O. Box 2459, Spokane, WA 99210-2459, ph: 1-800-541-7846, fax: 509-468-4590.
- Pre-determination Review - Guardian will gladly assist you and your dentist by determining what benefits could be payable for services and procedures over $300. Have your dentist fax your treatment plan to Guardian, note that it is a pre-determination review and we will let your dentist know what benefits would be payable.
- Special Limitation: Teeth lost or missing before a covered person becomes insured by this plan. A covered person may have one or more congenitally missing teeth or have lost one or more teeth before he became insured by this plan. We won't pay for a prosthetic device which replaces such teeth unless the device also replaces one or more natural teeth lost or extracted after the covered person became insured by this plan.

Dental[Guard General] Limitations and Exclusions: This policy provides dental insurance only. Coverage is limited to those charges that are necessary to prevent, diagnose or treat dental disease, defect, or injury. Deductibles apply. The plan does not pay for: oral hygiene services (except as covered under preventive services), orthodontia (unless expressly provided for), cosmetic or experimental treatments, any treatments to the extent benefits are payable by any other payor or for which no charge is made, prosthetic devices unless certain conditions are met, and services ancillary to surgical treatment. The plan limits benefits for diagnostic consultations and for preventive, restorative, endodontic, periodontic, and prostodontic services. The services, exclusions and limitations listed above do not constitute a contract and are a summary only. The Guardian plan documents are the final arbiter of coverage.

Contract # GP-1-DG2000 et al.

This handout is for illustrative purposes. You will receive benefit booklets. If there is a discrepancy between this handout and your benefit booklet, the benefit booklet prevails.
Even with a great dentist, the dental bills can still hurt.

**Introducing DentalGuard Preferred:**

*a dental plan that offers you and your family flexible, high-quality dental benefits. Now there's something to smile about!*

---

**Flexibility and Savings**

DentalGuard Preferred combines the freedom of choice of a traditional dental plan with the economy of managed care. Whenever you or a family member need dental services, you may visit a carefully selected network dentist or any dentist you wish. But if you visit a network provider, you'll typically save on out-of-pocket costs. How do you save money?

1) Network providers have agreed to set maximum fees that average almost 30% less than what dentists usually charge.

2) Since all network services are discounted, you may even save on non-covered dental procedures.

3) When you seek network care, your annual maximums can stretch further. That's because network providers' lower fees enable you to receive more services during the year than if you had visited non-network dentists.

Finding a network dentist near you is easy. Just refer to your DentalGuard Preferred Provider Directory or locate a dentist on the Internet using our convenient on-line listing at www.glic.com.
How It Works

No matter what dentist you choose, you’ll have coverage you can count on. Whether it’s a simple check up or oral surgery. After you satisfy a calendar year deductible, the plan pays a generous percentage of your covered dental expenses up to an annual maximum amount. Non-network benefits are based on usual, reasonable and customary charges for a given area.

No referrals are needed for specialist care (endodontists, orthodontists, periodontists, prosthodontists, and oral and maxillofacial surgeons). If either a network or non-network general practicing dentist suggests you see a specialist, they may recommend one to you – but you are always free to see any specialist you’d like, or choose one from your provider directory.

There are no claim forms to fill out for network services. When you receive non-network dental care, most dentists may submit claims directly to Guardian. Others, however, may require that you submit the claim form. In this case, after services are rendered, complete a simple claim form and forward it to Guardian with a copy of your itemized payment receipt.

Building Better Tomorrows

Guardian is committed to helping individuals get to the place they want to be. Together, with our subsidiaries, we provide the individual life and disability income, employee benefits, retirement and investment* vehicles to help people achieve their personal protection and financial goals.

A premier provider of quality financial products and professional services for over 140 years, Guardian has enjoyed outstanding financial strength and exemplary ratings** from independent analysts, decade after decade. As a mutual company who answers only to its customers, we’re known throughout the industry for integrity, fairness, performance and top-notch service.

* Securities products and services are offered through Park Avenue Securities LLC, 7 Hanover Square, New York, NY 10004. 1-888-600-4667. PAS is an indirect wholly owned subsidiary of Guardian. PAS member NASD, SIPC.

** Assets of $19.5 billion, liabilities of $17.6 billion – including $14.5 billion in reserves – and surplus of $19.5 billion (as of 12/31/02). The financial strength and ratings earned by Guardian do not apply to the investment products and services offered through Park Avenue Securities LLC.
Questions and Answers

The Guardian’s Voluntary DentalGuard Preferred Program

What is Guardian’s Voluntary DentalGuard Insurance?
An opportunity to help protect and care for your smile — and your family’s — at affordable group rates. You pay plan premiums through convenient payroll deduction.

Can I visit any dentist or specialist or only certain ones?
If you go to a DentalGuard Preferred Network Provider, the benefits described on the Benefit and Cost Summary will be paid based on a reduced fee schedule (this will mean less out-of-pocket). The network provider cannot balance bill charges in excess of the fee schedule and you get more services with your yearly maximum. If you go to a non-contracted dentist, the benefits will be based on usual, customary and reasonable rates for a given area.

What is a plan deductible and/or annual maximum?
A deductible is the dollar amount of covered dental expenses you must pay during the year before benefits are paid by The Guardian. An annual maximum is the maximum amount your dental plan will pay in benefits during the year. Both are generally based on the calendar year. Deductibles and annual maximums apply to each covered person.

What is co-insurance?
For some service categories, you may share in the cost of your dental expenses. This is represented as a percentage of the usual, customary, and reasonable level (if a non-network dentist is used) or a percentage of the negotiated fee for covered services (if a network dentist is used). The percentage of co-insurance usually depends on the type of service received: Preventive, Basic or Major.

What is a negotiated fee-for-service?
This refers to the set maximum fees for services that have been negotiated with our contracted network dentists and specialists. These average 30% less than the fees they usually charge.

What is pre-treatment review?
For all courses of treatment expected to exceed $300, your dentist should submit a report to The Guardian describing the proposed treatment and itemizing expected charges. We will review the report and send the dentist an estimate of benefits we will pay. This will help ensure that you receive the best and most appropriate treatment necessary. Emergency treatment, oral examinations, cleaning, and x-rays may be performed before the review is prepared.

When I visit a dentist, are there any claim forms to fill out?
Network dentists have contracted with The Guardian to submit claim forms and accept benefits directly from The Guardian.

Some non-network dentists may submit claims directly to The Guardian. More often, however, non-network dentists will require that you pay for services at the time they are rendered. Afterwards, complete a simple claim form and forward it to us along with a copy of your payment receipt.
Questions and Answers

*How can I find a network dentist or specialist near me?*
You may either refer to your DentalGuard Preferred provider directory or locate a dentist on the Internet using our on-line listing at www.GuardianLife.com.

*Do all my covered family members have to go to the same network or non-network dentists?*
No. In fact, if they wanted to, every family member could go to a different network or non-network dentist or specialist, every time they need care.

*What does usual, customary, and reasonable mean?*
Usual, customary, and reasonable (UCR) charges for covered services are determined by using the usual level of charges made by the majority of dentists in the same geographic area for the same service. If your dentist's fee is lower than the UCR charge, the plan will pay benefits based on the actual fee. If the fee is higher, the plan will pay benefits based only on the UCR charge, and you are responsible for any amount above the UCR limit.

*When will my coverage go into effect?*
Your benefits coordinator will notify you when your coverage takes effect.

DentalGuard General Limitations and Exclusions: This policy provides dental insurance only. Coverage is limited to those charges that are necessary to prevent, diagnose or treat dental disease, defect, or injury. Deductibles apply. The plan does not pay for: oral hygiene services (except as covered under preventive services), orthodontia (unless expressly provided for), cosmetic or experimental treatments, any treatments to the extent benefits are payable by any other payor or for which no charge is made, prosthetic devices unless certain conditions are met, and services ancillary to surgical treatment. The plan limits benefits for diagnostic consultations and for preventive, restorative, endodontic, periodontic, and prosthodontic services. The services, exclusions and limitations listed above do not constitute a contract and are a summary only. The Guardian plan documents are the final arbiter of coverage.
Contract # GP-1-DG2000 et al.
Guardian Employee Benefits Hotline
1-800-981-2574  ebhmro@glic.com

Guardian is pleased to offer you our Employee Benefits Hotline to help you get quick and easy information about the benefits and services being offered by your employer. Simply dial 1-800-981-2574 and a friendly, insurance benefits specialist will be available to help you. Or, send an e-mail message to ebhmro@glic.com any-time and receive a prompt response.

But that's not all! If your employer is offering Guardian dental coverage, our representatives are supplied with an updated directory of network dentists. They can search for a doctor by name or geographic location to help you find the nearest qualified professional.

How Will the Hotline Help Me?
By calling the Hotline, you will receive the information needed to understand your benefits and make sound decisions for you and your family. For instance, if you have a question about enrolling into a Guardian plan or about the kinds of services a plan covers, a Guardian Representative is there to give you the answers you need.

When Can I Call?
To accommodate your busy schedule, the Hotline is open from 8:00 a.m. until 9:00 p.m. (Eastern Time), Monday through Friday. And the call is toll-free.

What Will I Need Before I Place My Call?
Not much. Just tell the Hotline representative your company's name and they will take care of the rest.

How Long Can I Use This Service?
For as long as your company is enrolling employees in Guardian benefits plans. Once you are officially enrolled, if applicable you will receive a certification notice and identification card. We'll inform you of other toll free numbers that will service you in the future.

Thank you for choosing Guardian. We encourage you to call our Hotline to get more information about your benefits or find out about additional products and services we offer. The EBH services includes over 50 language accommodations.
INTRODUCTION

Sooner or later, you're going to need savings to supplement your retirement income. Achieving financial security for your future is not just a matter of how much you earn, but more importantly, it's a matter of how much you save.

By saving regularly through your Company's 401(k) savings Plan, even if only a few dollars each payday, you can accumulate more money in a few years than you would think possible. It is one of the surest ways to give yourself a head start on developing financial security.

MARK III MANAGEMENT wants to help you meet your financial goals with this Plan. Your savings grow faster with tax-deferred dollars, Company contributions (if any), and investment opportunities. Set your goals high and join the Plan.

This booklet describes the major features of the MARK III MANAGEMENT 401K for Plan Years beginning after the May 01, 2003 amendment and restatement of the Plan. Read this booklet carefully and think about it. The question should not be whether you should join, but how little or how much you should invest for your financial security.

Copies of the Plan and certain related documents are available for your review in the offices of the Company. IF THERE ARE ANY DIFFERENCES BETWEEN THIS DESCRIPTION AND THE TERMS OF THE PLAN DOCUMENT, THE TERMS OF THE PLAN DOCUMENT WILL GOVERN.
WHO IS ELIGIBLE TO PARTICIPATE IN THE PLAN?

All employees of MARK. III MANAGEMENT are eligible to participate in the Plan upon completing the Plan's eligibility requirements.

WHAT ARE THE PLAN'S ELIGIBILITY REQUIREMENTS?

In order to participate in the Plan you must have completed one Year of Eligibility Service. A Year of Eligibility Service is accomplished after completing 1,000 Hours of Service during your first 12 months of employment. If 1,000 Hours of Service is not completed in the first 12 months of employment, you will be credited with a Year of Eligibility Service, provided you complete 1,000 Hours of Service in any following calendar year. An Hour of Service is any hour for which you are paid or are entitled to payment. If you are absent from employment with the Employer because of qualified military service, your military service will count as service for purposes of meeting the Plan's eligibility requirements.

If you terminate employment after becoming a participant in the Plan, or after satisfying the Plan’s eligibility requirements but before actually becoming a participant, and are later rehired as an eligible employee, you will become a participant in the Plan on the next Entry Date following your rehire. If you terminate employment before satisfying the Plan’s eligibility requirements and are later rehired, you must satisfy the Plan’s eligibility requirements before you may participate in the Plan.

WHEN DOES PLAN PARTICIPATION BEGIN?

You will become a participant on the first day of the month following the completion of the eligibility requirements.

HOW DOES THE PLAN WORK?

The basic operation of the Plan is simple:

You may elect to defer a percentage of your eligible pay on a pre-tax basis every pay period. This contribution is known as your Elective Deferrals. In order to make Elective Deferrals, you must complete an Enrollment Form and return it to the Company prior to the date established by the administrator at your Company, or enroll through the ADP Voice Response System or the Participant Website. You should consult the administrator at your Company to learn which enrollment methods are available for your Company. Your Elective Deferrals will then begin in the first payroll cycle of the following month.
For purposes of the Plan, eligible earnings is defined as compensation as reflected on your Form W-2 including your Elective Deferrals and any other contributions you may have made to a “Section 125” cafeteria plan. Eligible earnings will not include any severance pay or accrued vacation pay received after you separate from service with the Company or an affiliate.

The amount of your Elective Deferrals and any additional Company contributions are invested as you direct in accordance with the investment options provided in the Plan. These contributions and any accumulated investment earnings on all contributions will be tax-deferred until you receive a distribution.

The Plan has several features that allow you to tailor it to your own personal needs. You decide whether or not you want to make Elective Deferrals from 1% to 15% of your eligible earnings on a pre-tax basis. You decide how all contributions attributable to your total Account Balance are to be invested. You also have the right to change these decisions (see Question “What Happens if I Change my Mind?”).

**WHAT CONTRIBUTIONS ARE MADE TO THE PLAN?**

- **ELECTIVE DEFERRALS**
  
  Your Elective Deferrals to the Plan are made from your eligible earnings before taxes are taken out. You may contribute from 1% to 15% (in whole percentages) of your eligible earnings.

- **MATCHING CONTRIBUTIONS**
  
  The Company will make a Matching Contribution equal to 25% on the first 5% that you contribute to the Plan. If you contribute 5%, the Company will contribute 25% of that amount or 1.25%. If you contribute 6%, the Matching Contribution is 1.25% (25% on the first 5% that you contribute). You must make Elective Deferrals in order to receive the Matching Contribution. The Matching Contribution is made each pay period that your Elective Deferrals are made. Once your Elective Deferrals stop, the Matching Contribution also stops.

- **NONELECTIVE CONTRIBUTIONS**
  
  The Company may decide to make a Nonelective Contribution to the Plan, although the Company is not required to do so. The Nonelective Contribution will be allocated to all employees eligible to participate in the Plan.

  Your share of the Nonelective Contribution is in proportion to your eligible earnings compared to the eligible earnings of the other employees who will also share in the contribution.
ARE THERE ANY LIMITATIONS TO THE AMOUNT I CAN CONTRIBUTE?

Ordinarily, the Internal Revenue Service requires retirement plans that permit employees to defer taxes by making elective contributions to satisfy certain complex tests. Depending on the results of these tests, restrictions on contributions for certain higher paid employees may be necessary.

Congress also limits the annual dollar amount of Elective Deferrals that you can contribute to your account. For 2003, the limit is $12,000. This limit will increase in $1,000 increments each year until it reaches $15,000 in 2006. After 2006, this limit will be adjusted for inflation.

Congress also limits the annual eligible earnings to be considered for purposes of plan contributions and testing. For 2003, this limit is $200,000. This limit may also be increased periodically to reflect cost-of-living increases.

Finally, Congress limits the total amount of “annual additions” (contributions made to the Plan by you or by the Company on your behalf) allocated to your account each year. This limit is the lesser of 100% of your compensation or $40,000.

DOES THE PLAN ALLOW “CATCH-UP” CONTRIBUTIONS?

While there are limitations to the amount of Elective Deferrals you can contribute, you will be permitted to exceed those limits if you are eligible to make a “catch-up” contribution. Catch-up contributions are contributions that exceed either a statutory limit (such as the annual limit described above on the annual dollar amount of Elective Deferrals you can contribute to your account - $12,000 for 2003), your Plan’s limit on the amount of Elective Deferrals you can contribute to your account, or any restrictions on contributions for certain higher paid employees that may be necessary as a result of certain tests.

If you are eligible to participate in the Plan and are projected to reach age 50 during a calendar year, you will be eligible to make a catch-up contribution at any time during that calendar year—you do not need to wait until your birthday. (There are special eligibility rules for collectively bargained (union) employees, however, that may delay the availability of catch-up contributions for these employees. If you are a union employee, you should confer with your Plan’s administrator when you will be eligible to make catch-up contributions to the Plan.)

If you are eligible to make catch-up contributions, you should contact your Plan’s administrator to learn whether you need to take any special steps to make catch-up contributions under your Plan. If you wish to arrange to make catch-up contributions in excess of your Plan’s limit on contributions, you will not be able to do so through either the ADP Voice Response System or the Participant Website; instead, you will have to arrange this through your Plan’s administrator.
The limit on catch-up contributions will be as follows for 2002 and later years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Maximum Permitted Catch-up Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$1,000</td>
</tr>
<tr>
<td>2003</td>
<td>$2,000</td>
</tr>
<tr>
<td>2004</td>
<td>$3,000</td>
</tr>
<tr>
<td>2005</td>
<td>$4,000</td>
</tr>
<tr>
<td>2006</td>
<td>$5,000</td>
</tr>
<tr>
<td>2007+*</td>
<td>*</td>
</tr>
</tbody>
</table>

*Limit will be increased in $500 increments by the IRS for cost of living increases after 2006.

WHAT DOES VESTING MEAN?

Vesting is your right to the contributions in your total Account Balance. In other words, to be vested refers to that portion of your Account Balance that is yours and which cannot be forfeited. Upon termination of Employment, you are entitled to the entire vested portion of your Account Balance.

You are always 100% fully vested in your Elective Deferral and Rollover (if any) Contribution Accounts.

In some circumstances, the Company may need to make special contributions on your behalf called Qualified Matching Contributions or Qualified Nonelective Contributions. If made, you are always 100% vested in these contribution accounts.

If you terminate Employment due to death, Disability (defined later in this booklet) or attainment of age 65, the Plan’s Normal Retirement Age, you will also be 100% fully vested in your total Account Balance.

If you leave the Company for any other reason, you will be vested in your Matching Contributions and any Nonelective Contributions Account according to the following schedule:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Vested %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>0%</td>
</tr>
<tr>
<td>At least 2 years, but less than 3</td>
<td>20%</td>
</tr>
<tr>
<td>At least 3 years, but less than 4</td>
<td>40%</td>
</tr>
<tr>
<td>At least 4 years, but less than 5</td>
<td>60%</td>
</tr>
<tr>
<td>At least 5 years, but less than 6</td>
<td>80%</td>
</tr>
<tr>
<td>6 years or more</td>
<td>100%</td>
</tr>
</tbody>
</table>
Your Years of Service for vesting are counted from your date of hire. For vesting, you will be credited with a Year of Service for each 12-month period beginning on your date of hire and ending on your last day of Employment with the Company and its affiliated companies, if any.

If you terminate employment and are rehired within the next 12 months, your period of absence will be included in determining your service for vesting purposes. If you are temporarily absent from service for a reason other than termination of employment, a period of up to 12 months will be counted in determining your service for vesting purposes. If you are absent from service for a reason other than termination, subsequently terminate and are then rehired within 12 months of your termination date, the period from your termination to the date you are rehired will count as vesting service. If you are in qualified military service, that military service will be considered service for vesting purposes to the extent required by federal law.

You will not be credited with vesting service during a Period of Severance. A Period of Severance usually occurs because you have terminated employment. If your employment is terminated and you are not rehired within the 12 consecutive months beginning on your date of termination, you will incur a 1-year Period of Severance. Each 12 consecutive months thereafter is considered another 1-year Period of Severance. If you are on a leave of absence for maternity or paternity reasons, you will not be considered to have begun a Period of Severance until the second anniversary of the first date of your leave if you have not returned to employment. The first 12 months of a maternity/paternity leave count as vesting service. The next 12 months neither count as service toward vesting nor as a Period of Severance.

If you terminate employment and are later rehired, your pre-termination service, including partial years, will always count in determining your vesting in any Employer contributions made on your behalf after you are rehired. However, if you are rehired after a five-year Period of Severance, your service after you are rehired will not count in determining your vesting in the Employer contributions that were made on your behalf before you first terminated.

**CAN I FORFEIT ANY PORTION OF MY ACCOUNT?**

If you terminate employment before becoming 100% vested in your account balance but do not take a distribution from the Plan, the non-vested portion of your account balance will be forfeited as of the date you have a five-year Period of Severance.
If you terminate employment before becoming 100% vested in your account balance and receive a distribution of the vested portion of your account, the non-vested portion of your account will be forfeited when you take your distribution. (Participants who terminate employment with a 0% vested percentage are deemed to take a distribution when they terminate.) If you are rehired as an employee eligible to participate in the Plan, however, the forfeited amount will be restored to your account if you repay the entire amount previously distributed to you within five years of your reemployment or, if earlier, before you incur a 5-year Period of Severance. If you do not repay the distribution - or if you are rehired after you have incurred a 5-year Period of Severance, the forfeited portion of your account balance will remain forfeited and will not be restored. You should consult with your Plan’s administrator if you are rehired and interested in repaying the portion of your account balance previously distributed to you.

WHAT HAPPENS IF I BECOME PERMANENTLY DISABLED?

If you become Disabled under the Plan while you were employed by the Employer, you become 100% vested in all your total Account Balance. You are considered to have a Disability if you become eligible for disability benefits under the Company’s long term disability plan.

HOW ARE CONTRIBUTIONS INVESTED?

Amounts contributed to the Plan are held in a trust created under the Plan. Contributions allocated to your account are invested according to your direction. Each of the investment funds that are offered has different investment objectives. The Administrative Committee has provided you with a description of each of these investment funds. Contact the Administrative Committee if you have questions regarding the different investments offered in the Plan.

WHAT HAPPENS IF I CHANGE MY MIND?

Effective daily, you can make a change to:

- Increase or decrease the amount of your contribution;
- The investment of your future contributions;
- Reallocate/transfer your current Account Balance, or;
- Suspend your contributions by changing your contributions to 0%.

All requests made by 4:00 E.S.T. will be in effect the next business day. Any requests to resume contributions after you suspend your Elective Deferrals will be effective as of the next available payroll after you request to resume your Elective Deferrals.

WILL I RECEIVE A STATEMENT OF MY ACCOUNT?

You will receive a quarterly statement that shows the activity in your account for the calendar quarter, including contributions and investment earnings.
HOW IS THE VALUE OF MY ACCOUNT DETERMINED?

The value of your Account Balance can change depending on several factors, which include:

(a) Contributions that are made to the account;
(b) Increases or decreases in the market value of investments;
(c) Cost of investment management expenses, transactional costs and service charges (contact the administrator at the Company for information on these expenses, transactional costs and service charges, if any); and
(d) Loans and loan repayments.

All investments involve some risk. Thus, the value of the different investments may go down as well as up and the value of your account will vary accordingly. The statement of your account will reflect all transactions affecting the value of your account.

WHEN CAN I RECEIVE PLAN BENEFITS?

Benefits are payable to you after you leave the Company for any reason (retirement, termination, Disability or death):

- If you leave the Company, you can receive your vested benefit in a single lump sum payment or have the payment paid as a "direct rollover" to your individual retirement account (IRA) or to another employer's tax qualified plan (if separation is due to your death, direct rollover is only available if your beneficiary is your spouse).

- If your Account Balance (determined excluding any Rollover Contributions plus earnings) is greater than $5,000, in addition to either a lump sum or direct rollover, you may choose to receive monthly installments or defer receiving payments until age 70½. If you choose to defer payments, your account will continue to be invested the way you direct and will be adjusted for any gains or losses which occur.

- If you elect to have the distribution paid directly to you in a cash lump sum, you will receive only 80% of your vested Account Balance, because 20% is required to be withheld by the Company and sent to the IRS as income tax withholding to be credited against your taxes. The only exception to this requirement is if your vested benefit is less than $200. Before electing your payment from the Plan, you will receive a notice describing the elections you may make for your payment.
• In the event of your death before termination of Employment and before distribution of your benefits has begun, you are 100% vested and the amount in your account is payable in a single lump sum to your beneficiary. If you are not married, you may name anyone as your beneficiary, or change your beneficiary at any time on a form provided for that purpose. If you are married, you must name your spouse as beneficiary unless your spouse agrees to the selection of someone else. Unless otherwise elected, the beneficiary will be your spouse or, if you have no surviving spouse, your descendants, or if you have no surviving descendants, your beneficiary will be your estate. Payment will be made to your designated beneficiary as soon as administratively possible.

• If you continue working for the Company after age 70½ and you are a more than 5% owner, you must begin to receive your benefits by April 1 following the year in which you reach age 70½, even if you are still employed at the time. If you are not a 5% owner, you must begin to receive your benefits by April 1 following the later of the year in which you reach age 70½ or terminate Employment.

HOW ARE MY DISTRIBUTIONS FROM THE PLAN TAXED?

Distributions from this Plan that are received by you or your beneficiary are subject to current income taxes. However, under certain circumstances, such as a distribution to your spouse as your beneficiary, the income taxes on Plan distributions may be postponed or reduced. You will receive additional information about distributions from the Plan at the time you or your beneficiary are entitled to receive a benefit.

Distribution rules provide that any part of a distribution (including after-tax contributions) from a qualified plan (such as this Plan) can be rolled over to an eligible retirement plan. “Eligible retirement plans” to which a distribution may be rolled over include another employer’s tax-qualified retirement plan; a §403(a) qualified annuity plan; a governmental §457 plan; a §403(b) tax-sheltered annuity; or a traditional individual retirement account. Note: After-tax contributions may only be rolled over to a qualified defined contribution plan or an individual retirement account or annuity that agrees to separately account for those contributions. It is your responsibility to confirm that the plan to which you intend to roll over your distribution will accept the rollover from this Plan. Certain types of distributions are not eligible to be rolled over. These include distributions that are one of a series of substantially equal payments made over the life (or joint life expectancies) of the participant and his or her beneficiary, or over a specified period of 10 years or more, hardship withdrawals or a minimum required distribution because a participant, who is a 5% owner, has attained age 70½.

You are permitted to elect to have any distribution that is eligible for rollover treatment transferred directly to an eligible transferee plan (a “Direct Transfer”). Such a distribution will not be subject to 20% withholding. You will receive a written explanation of your distribution options within a reasonable period of time before receiving a distribution that is eligible to be rolled over.
If you elect to have your benefit transferred as a Direct Transfer, then you must provide the administrator at your Company, in a timely manner, with information regarding the transferee plan. The administrator at your Company is entitled to reasonably rely on the information that you provide to him or her, and will not independently verify it.

Federal income tax withholding at a rate of 20% is required on any taxable distribution that is eligible to be rolled over but is not transferred directly to an eligible transferee plan. You cannot elect to forego withholding on these distributions.

You may want to consult with a professional tax advisor before you take a distribution of your benefits from the Plan. You may want to discuss other alternative methods available to you to defer the payment of taxes as well as applicable federal, state and/or local tax rules that may affect your distribution.

MAY I WITHDRAW FUNDS WHILE STILL EMPLOYED?

You may withdraw all or part of your vested Account Balance once you reach age 59½. You may also withdraw any or part of your Rollover Contributions in the Plan, at any time and at any age.

In the event of a financial hardship you may withdraw your own Elective Deferrals (excluding earnings on your Elective Deferrals) as well as any vested Matching Contributions or Nonelective Contributions.

To make a hardship withdrawal under current Internal Revenue Service rules, you must be able to show that you are suffering an immediate and heavy financial hardship and that the money cannot be obtained from any other source. You must take any non-hardship in-service withdrawals that may be available to you under the Plan before you may obtain a hardship withdrawal. You also must first obtain the maximum available loan under the Plan. Effective July 1, 2002, you will not be required to take the maximum available loan before receiving a hardship withdrawal to the extent that repaying the loan would increase the amount of your hardship. As of July 1, 2002, if you either do not take a loan or take a loan of less than the maximum available amount before requesting a hardship withdrawal, you must certify to your Plan’s administrator in writing that repaying the maximum available loan amount would increase the amount of your hardship. You will need to contact your Plan’s administrator if you need to provide this certification.

Circumstances that qualify as an immediate and heavy financial hardship are:

(a) Medical expenses not covered by insurance for you, your spouse, or dependents;

(b) The purchase of your principal residence (excluding mortgage payments);

(c) Post-secondary tuition costs, related educational fees and room and board expenses for the next 12 months for you, your spouse, or dependents;
(d) The need to prevent eviction from or foreclosure on your principal residence.

In addition, the amount of your hardship withdrawal must be no more than the amount necessary to satisfy your immediate and heavy financial need, plus any income taxes or penalties which are expected to result from the distribution. The minimum permitted hardship withdrawal is $500.

As previously explained, a hardship withdrawal is not considered to be an eligible rollover distribution by the IRS. The hardship withdrawal may be subject to a 10% excise tax imposed by the IRS. You will be suspended from making elective contributions for 6 months after you receive a hardship withdrawal that includes Elective Deferrals.

HOW DO LOANS WORK?

Loans will be made on a uniform and non-discriminatory basis. Sole proprietors, partners and certain shareholder/employees that were excluded from taking a plan loan under prior law prior to 2002 are eligible to take a loan from the Plan.

The minimum loan is $500. You can borrow up to 50% of your vested Account Balance to a maximum of $50,000. However, the $50,000 amount in the preceding sentence is reduced by the highest outstanding loan balance you had under the Plan during the previous 12-month period.

Loans must be fully repaid through payroll deductions within 5 years unless the loan is used for the purchase of your primary residence. Loans used to purchase your primary residence may be repaid within a period of no more than 30 years. You have to repay any outstanding loan before a new loan can be made. You may prepay an outstanding loan in full, by certified check, at any time.

The interest rate for a loan will be the rate in effect in the month your loan is effective. The interest rate is the prime rate as published in The Wall Street Journal on the 14th of each month, plus two percentage points. This interest rate is effective for any loan processed as of the 16th day of the month.

When you take a loan from the Plan, your repayment of the loan is secured by your Account Balance. If you terminate Employment, any remaining payments are due immediately unless you are a party in interest. If you qualify as a party in interest you may continue to repay your loan after termination of Employment. If you do not repay the loan, the outstanding loan balance will be included in your gross income for federal income tax purposes as if it were distributed to you. If you die with an outstanding loan balance, your death will cause your loan to be in default, and your outstanding loan balance will be regarded as if it were distributed to you.
If you enter into a period of military leave, your loan repayments will be suspended for the duration of your leave. If you enter into a leave of absence without pay, or at a rate of pay (after employment and income tax withholding) that is less than your required loan installments, your loan repayment obligation will be suspended for up to one year (or until the date your final loan payment is due, if earlier). If you do not resume repayments within any administrative grace period provided under the ADP Prototype Program after you return from a leave of absence (or when the suspension of your repayment obligation ends, if earlier, as explained in this paragraph), your loan will be in default and will be included in your gross income for federal income tax purposes as if it were distributed to you.

**IF I RECEIVED A DISTRIBUTION FROM ANOTHER ELIGIBLE RETIREMENT PLAN, MAY I CONTRIBUTE THAT AMOUNT TO THE PLAN?**

Yes. You may make a Rollover Contribution of benefits, in cash (exclusive of any outstanding notes on plan loans), from an “eligible retirement plan” to this Plan. You may not make a Rollover Contribution to the Plan that includes any voluntary nondeductible, i.e., “after-tax” contributions. You may make a Rollover Contribution to this Plan from the following types of eligible retirement plans:

- a “conduit” IRA which only contains rollover contributions from another qualified plan;
- a non-conduit IRA (rollovers from these IRAs are limited to taxable distributions, i.e., your non-taxable IRA contributions plus earnings on any of your IRA contributions whether taxable or not);
- a SIMPLE IRA (as long as the SIMPLE IRA has been in existence for at least two years at the time of the distribution);
- an employer’s qualified plan;
- a §403(a) qualified annuity plan;
- a governmental §457 plan; or
- a §403(b) tax-sheltered annuity.

You may request a Direct Transfer of your account in an eligible retirement plan or you may be able to roll over a distribution which was tax deferred (i.e., does not include any “after-tax” contributions), but with respect to a rollover you must do so within 60 days of receiving a distribution from the other plan.

**WHAT ARE THE TOP-HEAVY PROVISIONS?**

A top-heavy plan is a plan in which 60% or more of the combined Account Balances held under the Plan belong to "key employees". Key employees are generally officers, shareholders, and owners who earn above a certain compensation level and/or own more than a specified interest in the Company. If the Plan becomes top-heavy, the Plan would be required to provide for minimum contributions and top-heavy vesting. The minimum contribution is generally a contribution by the Company of 3% of your compensation unless all key employees receive a contribution of less than 3% of their compensation. The amount you contribute to the Plan as an Elective Deferral is not included in calculating the 3% minimum contribution which may be required but is included in determining the contribution made on behalf of key employees.
ADDITIONAL ITEMS

A. BENEFIT CLAIMS PROCEDURES

Under the Plan, you generally will receive your benefit as a matter of course. However, in certain cases, you or your beneficiary may wish to request Plan benefits that you believe you are entitled to (all references herein to "you" shall include your beneficiaries). Any such request must be made by you or your authorized representative in writing, and it should be filed with the Administrative Committee. If you or your authorized representative file a claim under the Plan, you will be referred to as the "Claimant".

Note: If your Plan is subject to a collective bargaining agreement and the agreement contains certain provisions, then the procedures for resolution of claims set forth in that collective bargaining agreement will take the place of this claims procedure as permitted by Department of Labor regulations. Please contact your Plan administrator if you have questions regarding whether a collective bargaining agreement's claims procedures apply to you.

General Claims Procedures

If the Claimant's claim is denied in whole or in part, the Administrative Committee will provide a written notice of denial to the Claimant or the Claimant's authorized representative within a reasonable period of time, but no later than 90 days after the Administrative Committee receives the claim. The 90-day period will begin to run once a claim is filed, without regard to whether the Claimant has provided all the information necessary to make the benefit determination. If the Administrative Committee determines that special circumstances require an extension beyond the initial 90-day period, the Administrative Committee will notify the Claimant or the Claimant’s authorized representative in writing of the special circumstances that make the extension necessary and the date by which a decision may be expected before the end of the initial 90-day period. Any such extension may not exceed 90 days from the end of the initial 90-day period.

The Administrative Committee’s notice of denial will explain the reason for the denial, refer to the specific Plan provisions on which the denial is based, describe any additional information or material needed from the Claimant to perfect his or her claim and why this information or material is necessary, and describe the Plan’s claims review procedures and time limits.

Within 60 days after receiving the notice of denial, the Claimant or the Claimant’s authorized representative may submit a written appeal of the denial to the Administrative Committee. The Claimant or the Claimant’s authorized representative may, free of charge, review and request copies of relevant documents, records, and other information relevant to the claim. The Claimant’s appeal may include written comments, documents, records, and other information relating to the claim, regardless of whether the information was submitted or considered as part of the Claimant’s initial claim for benefits.
The Administrative Committee will review the appeal and make a determination within a reasonable period of time, but no more than 60 days after the Administrative Committee receives the appeal. If the Administrative Committee determines that special circumstances require an extension, the Administrative Committee will notify the Claimant or the Claimant’s authorized representative in writing of the special circumstances that make the extension necessary and the date by which a decision may be expected before the end of the initial 60-day period. Any such extension may not exceed 60 days from the end of the initial review period.

The Administrative Committee will provide a written determination on appeal which will explain the reasons for the decision, refer to the provisions of the Plan on which the decision is based, and inform the Claimant or the Claimant’s authorized representative of any additional rights the Claimant may have. The determination on appeal by the Administrative Committee is the final determination under this claims procedure.

Disability Claims Procedures

If the Claimant’s claim for benefits involves a disability determination and the Plan defines disability in a manner that requires the Plan to determine if the Claimant is disabled, the special claims procedures set forth below will apply. If, however, the Plan defines disability by reference to a determination of disability made by the Social Security Administration or pursuant to the Employer's long term disability plan, then the General Claims procedures described above will apply.

If the Claimant’s claim is denied in whole or in part, the Administrative Committee will notify the Claimant or the Claimant’s authorized representative within a reasonable period of time, but no later than 45 days after the Administrative Committee receives the claim. The 45-day period will begin to run once a claim is filed, without regard to whether the Claimant has provided all the information necessary to make the benefit determination. If the Administrative Committee determines that an extension is needed for reasons beyond the Administrative Committee’s control, it may take up to two 30-day extensions for consideration of the claim. If the Administrative Committee takes an extension, the Administrative Committee will notify the Claimant or the Claimant’s authorized representative in writing of the reason for the extension and the date by which a decision is expected before the end of the initial 45 day period (or, for a second extension, before the end of the first extension). The notice of extension will include an explanation of the standards on which the entitlement to the benefit claimed is based, the unresolved issues that are preventing a decision, and the additional information needed to resolve the issues. If the Administrative Committee requests additional information, the Claimant or the Claimant’s authorized representative will have at least 45 days after receipt of the notice of extension to provide the information. The period during which the Administrative Committee waits for the Claimant or the Claimant’s authorized representative to respond to the request for information will not count against the 30-day extension period (i.e. the 30-day extension period will be tolled from the date the notice of extension is sent to the Claimant or the Claimant’s authorized representative to the
date on which the Claimant or the Claimant’s authorized representative responds to the request for additional information).

The Administrative Committee’s notice of denial will explain the reason for the denial, refer to the specific Plan provisions on which the denial is based, describe any additional information or material needed from the Claimant to perfect his or her claim and why this information or material is necessary, and describe the Plan’s claims review procedures and time limits. Additionally, if the Administrative Committee relies on an internal rule, guideline, or protocol in denying the claim, it will either provide a copy of the rule, guideline or protocol, or indicate that a rule, guideline or protocol was relied upon and is available free of charge to the Claimant or the Claimant’s authorized representative on request.

Within 180 days after receiving the notice of denial, the Claimant or the Claimant’s authorized representative may submit a written appeal of the denial. The Claimant or the Claimant’s authorized representative may review and request copies of relevant documents, records, and other information relevant to the claim free of charge. Further, upon request by the Claimant or the Claimant’s authorized representative, the identity of any medical or vocational expert whose advice was obtained in connection with the claim will be disclosed, regardless of whether his or her advice was relied upon in making the determination. The Claimant’s appeal may include written comments, documents, records, and other information relating to the claim, regardless of whether it was submitted or considered as part of the initial application.

The Claimant’s appeal will be reviewed by an appropriate Plan fiduciary (the “Reviewing Fiduciary”) who is neither a member nor a subordinate of the Administrative Committee or its members. The Administrative Committee’s initial decision shall not be given any deference. If the initial decision was based in whole or in part on a medical judgment, the Reviewing Fiduciary will consult with a health care professional with appropriate training and experience in the medical field involved. The Reviewing Fiduciary will not consult with a health care professional who was consulted in connection with the initial review of the claim or a subordinate of any such professional.

The Reviewing Fiduciary will review the appeal and make a determination within a reasonable period of time, but no more than 45 days after the Reviewing Fiduciary receives the appeal. If the Reviewing Fiduciary determines that special circumstances require an extension, it will notify the Claimant or the Claimant’s authorized representative in writing of the special circumstances and the date by which a decision may be expected before the end of the initial 45-day period. Any such extension may not exceed 45 days from the end of the initial review period.

The Reviewing Fiduciary will provide a written determination on appeal which will explain the reasons for the decision, refer to the provisions of the Plan on which the decision is based, and inform the Claimant or the Claimant’s authorized representative of any additional rights the Claimant may have. If the Reviewing Fiduciary relies on an internal rule, guideline, or protocol in denying the claim, the Reviewing Fiduciary will
either provide a copy of the rule, guideline or protocol, or indicate that a rule, guideline or protocol was relied upon and is available free of charge to the Claimant or the Claimant's authorized representative on request. The determination on appeal by the Reviewing Fiduciary is the final determination under this claims procedure.

B. PENSION BENEFIT GUARANTY CORPORATION

The Pension Benefit Guaranty Corporation does not insure benefits under the Plan. The reason is that plans that provide for individual accounts, such as the Plan, are excluded under the ERISA provisions that provide for such insurance coverage.

C. INVESTMENT INFORMATION

The Plan is called "an individual account plan". This means that you and all other participants have their own account in the Plan. The Plan is intended to satisfy the requirements of Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). An ERISA Section 404(c) plan is an individual account plan which is designed to provide you with the opportunity to exercise control over the assets in your individual account, and also provides you with the opportunity to choose, from among a range of investment funds, the manner in which the assets in your account are invested. This means that you will have the responsibility for the investment decisions you make and neither ADP nor State Street Bank nor the Company will have any liability to you under ERISA for any investment losses that may result from your decisions. The Company will provide you with the following information at your request:

- A description of the annual operating expenses of each designated investment, which reduces your rate of return and the aggregate amount of such expenses, expressed as a percentage of average net assets,
- Copies of any financial statements and reports and any other materials relating to investments under the Plan,
- A list of the assets comprising the portfolio of each investment and the value of each such asset,
- Information concerning the share value of each investment,
- Information concerning the share value of the investments in your account.
D. ERISA RIGHTS

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

1) Examine without charge at the office of the Administrative Committee all documents governing the Plan, including collective bargaining agreements, if any, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefits Administration;

2) Obtain copies of all documents governing the operation of the Plan, including collective bargaining agreements, if any, and a copy of the latest annual report (Form 5500 Series) and updated summary plan description upon written request to the Administrative Committee. A reasonable charge may be made for the copies;

3) Receive a summary of the Plan's annual financial report. The Company is required by law to furnish each participant with a copy of this summary annual report; and

4) Obtain a statement telling you whether you have a right to receive benefits under the Plan and if so, what your benefits would be if you leave the Company. If you do not have a right to Plan benefits, the statement will tell you how many more years you must work to earn a right to benefits. This statement must be requested in writing; it is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of employee benefit plans. The people who administer your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union (if any), or any other person may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

If your claim for a benefit under the Plan is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you may take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Administrative
Committee to provide the materials and to pay you up to $110 a day until you receive the materials, unless the materials were not sent for reasons beyond the control of the Administrative Committee. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court.

If it should happen that fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay the costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds that your claim is frivolous.

If you have any questions about the Plan, you should contact the Administrative Committee. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

E. NON-ASSIGNMENT OF BENEFITS

You may not assign the benefits provided for you by the Plan, nor are these benefits subject to the claims of any creditor, unless otherwise provided by law. One exception to this rule is the "Qualified Domestic Relations Order". A Qualified Domestic Relations Order is defined as a judgment, decree or court order, approving property settlement agreements, and/or relating to child support, alimony or marital property rights of a spouse, child or other dependent of a participant. To be binding, a Qualified Domestic Relations Order must specify certain required legal information and cannot alter the amount or form of benefits payable under the Plan. You may obtain a copy of the procedures that the Plan’s administrator uses to determine if an order is a Qualified Domestic Relations Order without charge.

F. RIGHTS TO EMPLOYMENT

The existence of the Plan does not affect the employment rights of any employee or the rights of the Company to discharge an employee.
G. FUTURE OF THE PLAN

While the Company hopes and expects to continue the Plan indefinitely, it reserves the right to terminate, discontinue making contributions to, amend or modify the Plan at any time, acting through written resolution of the controlling entity of the Company. Upon termination of the Plan, you will become 100% vested in your total Account Balance. The Company will arrange for distributions upon Plan termination as soon as administratively feasible.

H. VETERANS RIGHTS

If you are a returning veteran, special rules apply to your Elective Deferrals and any form of Matching Contributions made to the Plan. In general, re-employed veterans are permitted to make additional Elective Deferrals with respect to their period of military service during a period which begins on their date of reemployment and has the same length as the lesser of (a) the period of their absence due to uniformed service, multiplied by 3 or (b) 5 years. If you are a returning veteran and believe you may be entitled to contribute under these special provisions, please contact the Company.
I. MISCELLANEOUS ITEMS

Plan Name: MARK III MANAGEMENT 401K

Plan Sponsor:
MARK III MANAGEMENT
7321 SHADELAND STATION
SUITE 220
INDIANAPOLIS, IN 46256
(317) 579-0500

Original Effective Date: 01/01/1996

ADP Restatement Date: 05/01/2003

Employer I.D. Number: 35-1867614

Plan Number: 001

Type of Plan: 401(k)/profit sharing plan

Plan Year: Calendar Year

Year on which Plan’s Records are Kept Calendar Year

Administrative Committee or committee designated by MARK III MANAGEMENT to administer the Plan.

Consult your Human Resources Department or Office Manager:
MARK III MANAGEMENT
7321 SHADELAND STATION
SUITE 220
INDIANAPOLIS, IN 46256
(317) 579-0500

Trustee:
State Street Bank
200 Newport Avenue
North Quincy, MA 02171
(617) 786-3000

Service of Process:
Either the Trustee at the Trustee’s address listed above or the Plan administrator at the MARK III MANAGEMENT’s address listed above
If your Plan is maintained pursuant to a Collective Bargaining Agreement, you may obtain a copy of the Collective Bargaining Agreement upon written request to the Plan's administrator, and is available for examination.
Financial Data Section

Financial Statements

To protect the integrity of The Masters' sensitive business information, the actual financial statements and figures have been omitted. A summary of this information follows.

For the year ending December 31, 2004, The Masters had assets, liabilities, and partner equity totaling over $8,000,000. The property finished 2004 slightly below their budgeted net operating income. An analysis of financial ratios provided the conclusion that the property needs to generate additional cash in order to adequately satisfy financial obligations. However, rates of return on investment and return on asset were strong in 2004. The property is anticipated to experience an increase in revenue in 2005.

Internal/External Forces

Several factors may affect the financial position of the property. Internally, the leasing director is currently on medical leave. This may result in a lapse in the level of customer service previously provided to current and prospective residents. Also, the property's nearest geographical competitor, Hickory Place, is planning a major renovation project which will make it much more competitive with The Masters.

Comparison: Indianapolis Averages for Individual Metered Properties

Overall, The Masters has higher revenue per unit and per square foot than the Indianapolis average figure. However, The Masters' total revenue accounts for a
significantly lower percentage of gross potential revenue than the Indianapolis average. Operating expenses at The Masters are higher per unit and per square foot than the Indianapolis average. The Masters generates a lower net operating income per unit than the Indianapolis average, but has a higher net operating income per square foot.

Summary

The Masters has a fairly typical organizational chart which guides the eight on-site employees as well as corporate staff. Employees are provided with medical, dental, and 401(k) coverage. The property is expecting to increase NOI in 2005. The Masters remains reasonably competitive financially with calculated averages from properties in Indianapolis.

Sources

Budget information provided by Chad Huntsman, Property Manager of The Masters
Copy of Aetna Medical Benefits Quote Package provided by Chad Huntsman, Property Manager of The Masters
Indianapolis Metropolitan Area 2003 Operating Income & Expense Data Market Rent Properties Averages, provided by CB Richard Ellis
Job Descriptions provided by Chad Huntsman, Property Manager of The Masters
Organizational Chart provided by Chad Huntsman, Property Manager of The Masters
Owner/Management Objectives

As discussed earlier in this report, the owner/management objectives for The Masters are to meet budget goals, obtain 92% occupancy by June 2005, and complete various renovation projects by the end of 2005. This section will examine potential improvements to the property that might help the management team meet these objectives.

Recommendation for Improvement #1

One key maintenance concern identified in the “Property” section of this report was the type of fencing that is currently used throughout The Masters. This fencing consists of a thick rope strung through a series of wooden posts. In most areas of the property, the fencing is in poor repair. The rope dangles loose from the posts; in some locations, the rope has been completely removed. The fencing does not present desirable curb appeal. In some locations, the wooden posts serve as barriers between the pavement and the grass. This is a necessary function to protect landscaping; in these locations, the wooden posts should be replaced by reflective guide posts.

Example of Fencing with Ropes Removed
The rope fencing also surrounds the playground and sand volleyball court. This fencing has dangling and loose ropes; it could be a hazard to residents who utilize this recreational space. The entire fencing system should be removed from this area of the property and replaced with reflective guide posts. Reflective guide posts would be more visible at night while still protecting the existing landscaping.

The property could purchase 60 of these posts for $23.49 each (producing a total cost of approximately $1400) from Emedco. Emedco’s polycarbonate reflective guideposts are four feet high and mount into the soil. The fencing replacement could be completed by in-house maintenance personnel within a few days, and the payback period would only be a few months. The economic benefit would be an improved appearance of the property; this update could be a selling point for the community.
Flexible Guide Posts
Standard In-Ground Post banded at top with reflective tape.

OK to assort same size & Style Flexible Guide Posts for best price.

<table>
<thead>
<tr>
<th>ITEM NO. &amp; DESCRIPTION</th>
<th>QTY/UNIT</th>
<th>PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>POLYCARBONATE 1-1/8&quot;W X 4 FT WHITE W/WHITE REFL TOP</td>
<td>1/EA</td>
<td>1-11 $25.99 EA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12 &amp; UP $23.49 EA</td>
</tr>
</tbody>
</table>
Recommendation for Improvement #2

Currently, The Masters has many residents who are young professionals. The management team hopes to focus more on marketing to this segment in the future. Young professionals are typically very savvy with technology; in fact, over 30% of U.S. households actively pay bills online (ResidentPay). They also do much of their shopping and banking online. Offering secure online rental payment would be a unique benefit to these residents. As Dan Haefner of Lane Company stated in the November 2004 issue of Units, “Service features set you apart from your competitors. More services and added flexibility give you more to offer a resident” (26). The website of The Masters already has a feature which allows residents to submit service requests; residents are already accustomed to using the website for contact with the management staff. By meeting the need for convenient rent payment, The Masters will hold further appeal for young professionals. Marketing this feature could help the property reach the objective of 92% occupancy by June; it might also entice current residents to renew their leases.

Property Solutions offers a service called ResidentPay which allows residents to pay rent online by credit card or electronic check. ResidentPay holds various security certifications to ensure the protection of residents’ personal information. One key feature offered is Secure Sockets Layer encryption, which is the signature symbol of Internet banking security. ResidentPay works through the community’s own website. A merchant account with ResidentPay costs $19.95 a month; fees can be passed along to
residents through a “rent payment convenience fee.” Once the merchant account is activated, ResidentPay can be functional within minutes.

The economic benefit to the property would be quicker rental payments, increased lease renewals, and a competitive advantage to offer potential residents. Additionally, administrative expenses could decrease. Julie Reed of Archstone-Smith said, “Not having to post rent or go to the bank with all those checks is really a time-saver for onsite staff. Posting rent is an important business function, but the portal allows leasing staff to do things that are of higher value to residents and the community” (Units 27). The payback period would be very short as the initial cash outlay is only $19.95 per month, and transaction expenses can be passed on to residents.

This recommendation would be relatively simple to implement, and the benefit would be worth the cost. Julie Reed summarized the importance of technology: “As more and more residents look to pay bills and conduct business online, they are going to start asking of their apartment community, ‘How easy is it to do business with them?’” (28). The Masters has an opportunity to become a leader in its submarket by offering this feature.
Residents frustrated they can’t pay rent online?

ResidentPay™ makes it easy for you to collect rent online by credit card or electronic check without incurring transaction expense.
More than 30 percent of U.S. households actively pay bills online. To help you keep pace with the growing online payment trend, ResidentPay™ provides a quick, easy-to-implement tool for residents to pay rent by credit card or electronic check through your apartment community's website. What's more, ResidentPay™ allows you to eliminate transaction expenses by passing a "rent payment convenience fee" to residents who choose to pay online.

Credit Card
Residents enjoy the convenience of paying rent online with all major credit cards, while helping you simplify your rent collection process. By billing residents a "rent payment convenience fee" each time an online payment is made, ResidentPay™ can completely eliminate your credit card transaction expenses.

Electronic Check (ACH)
Using your community website, residents enter bank routing and account numbers from personal checks to transfer funds directly into your company bank account. With ResidentPay™, you have the flexibility of passing "rent payment convenience fees" yourself or having those fees billed directly to residents.

Check Imaging (ACH)
In the management office, managers scan traditional paper checks to transfer funds directly from resident bank accounts into your company bank account. Funds processing is handled directly through the Federal Reserve's ACH (Automated Clearing House) Check Processing service.
MANAGEMENT TOOLS

View Resident Payment
View a history of all transaction activity during a specified period.

Early Payoff Statements
View monthly statements directly within ResidentPay™.

Send Remind Check & Charge Notices
Instead of waiting weeks, send out within 48 hours when your resident checks have bounced.

Remind Check Re-Notifications
Automatically re-notify bounced checks up to ten additional times, and estimate as much as 40 percent of your bounced check volume.

Automate
Bill credit cards or bank accounts each month with auto-data.

Integrate Your Management Software
ResidentPay™ integrates with most popular property management software applications.

Integrate Your Website
Simple instructions will help you plug ResidentPay™ into your current website. For non-webual integration, upgrade to a Residenter™ account which comes with ResidentPay™ already built-in.
**Recommendation for Improvement #3**

Another benefit that would appeal to The Masters' target market of young professionals would be a wireless internet hotspot in the clubhouse. This feature is currently not offered in The Masters' submarket and would help to set the property apart from the competition. Competing properties offer business centers (which The Masters does not have); however, a wireless hotspot would be more attractive as residents would not have to compete for a limited number of computers. On the weekends, 86% of apartment residents spend an hour or more a day surfing the internet *(Apartments 33)*. Through the week, 75% of apartment residents use the internet for at least an hour a day *(Apartments 33)*.

According to a recent article in *Units* magazine, a current trend is toward "hiving," where "people search for places to live that help keep them connected with family, friends, and their surrounding neighborhood" *(Units 15)*. Properties that have installed wireless hotspots have found that residents congregate to these areas, creating new opportunities for social interaction between neighbors. This creates a "community" atmosphere that will appeal to prospective residents as well as retain current residents.

The Masters could install wireless service in the clubhouse for approximately $300 through a provider such as eWireless or Verizon Avenue. The project could be completed within one week. The economic benefit would begin to show after a few months, after the marketing campaign was adjusted to highlight wireless access. The Masters would enjoy more leases and higher resident renewals. The initial investment
of $300 would be paid back within several months. In fact, if The Masters could attract one lease based on the wireless access, the investment would be paid back because of the reduced vacancy loss.

The installation of a wireless hotspot in the clubhouse would be an excellent investment for The Masters. For a relatively low cost, The Masters can provide a service to residents that will increase resident satisfaction as well as create a sense of community for current and prospective residents.
Summary

One of the strategies for achieving the owner/management objectives is to target the “young professional” market more aggressively. Young professionals are concerned about image and technology. Updated fencing systems throughout the property would help provide a competitive edge. Further, by taking a proactive approach to integrating technology at The Masters, the property will hold special appeal to this market niche. For relatively low cost, The Masters can improve occupancy and thus meet the budget goals by replacing the existing wooden post fencing with reflective guide posts, offering secure online rental payment, and integrating a wireless hotspot in the clubhouse. While The Masters should consider all three recommendations, the two which will probably have the most cost-effective impact are online rental payment and a wireless hotspot.

Sources

*Apartment Professional* magazine, July/August 2003 page 33

ResidentPay brochure

*Units* magazine, December 2004 pages 15, 46

*Units* magazine, November 2004 page 26-28

www.emedco.com

www.ewireless.com

www.property solutions.com

www.residentpay.com