Section 3: References and Experience

Modera Avenir Place

One of the most recent completions is Modera Avenir Place in Merrifield, VA. This project was completed through a public/private partnership on a 99-year ground lease on a portion of the property. The project had a valuation of over $250,000,000 and was completed earlier this year. WMATA and Fairfax County will provide a full refernence upon MCR's execution of an LOI with the Capistrano School District.

Deal Structure: **Ground Lease** with Public Entity (WMATA)

Apartment Homes: 628 Homes & 125,000 SF of Retail

Building Plan: 5-Story Podium

Completed: 2018

26 TOP-TIER EQUITY PARTNERS
$3.4 BILLION JOINT VENTURE EQUITY

+

41 PREMIER LENDERS
$4.8 BILLION TOTAL DEBT

=

$8.2 BILLION CAPITAL RAISED

=

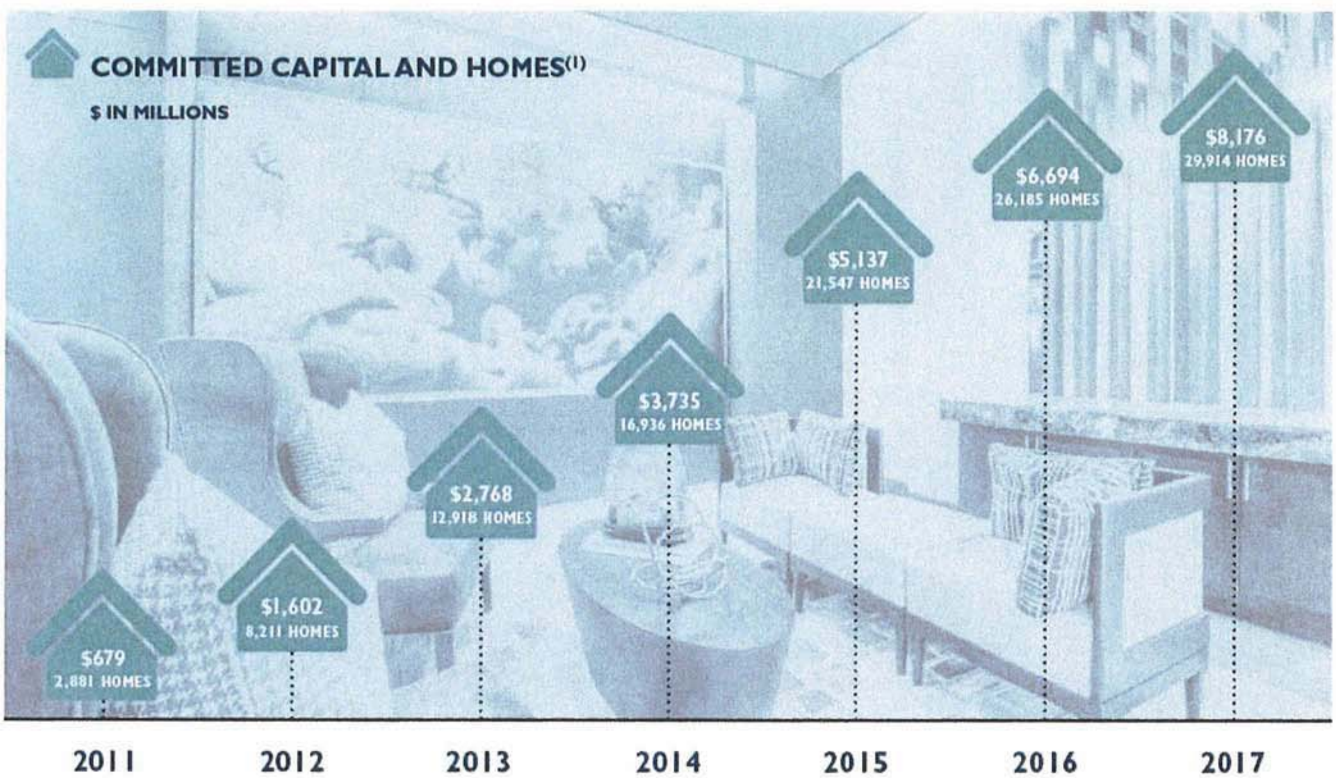
29,914 HOMES SINCE 2011

TOP-TIER EQUITY PARTNERS

Rockwood Capital, J.P.Morgan, AEW, Prudential, AIG, John Hancock, EE, BlackRock, State Farm, PNC, CrossHarbor, GID, UBS, PIMCO, Berkshire, Clarion Partners, Goldman Sachs, MAA, Ergas Group, abington, Assurant, Olayan, AFO, CNL, Greystar, Sarofim Realty Advisors

PREMIER LENDERS

PNC, Wells Fargo, Freddie Mac, Regions, Citizens Bank, US Bank, JPMorgan Chase & Co., Santander, BMO Harris, SunTrust, Pacific Life, TD Bank, Morgan Stanley, New York Life, MetLife, Comerica, Bank of America, CIT Bank, Capital One, HSBC, Synovus, Commerce Bank, BBVA Compass, Fifth Third Bank, Helaba, PAH Lender, LLC, National Bank of Arizona, BNY Mellon, Voya, Pinnacle Bank, PFG Provident, UMB, People's United Bank, First Niagara, Capital Bank, Cadence, Mercantil Commercebank, Prudential, Cigna, Middlesex Savings Bank, Intrust Bank



1. Organization and Purpose of the Company

Organization

MCRT Operating Company LLC, a Delaware limited liability company (OPCO), was formed on May 7, 2014, by Mill Creek Residential Trust LLC (Mill Creek), as the sole member of OPCO, for the purpose of entering into financial and non-financial guarantee obligations on behalf of Mill Creek and certain of its subsidiaries and real estate joint ventures, and to engage in any and all activities necessary or incidental to performing those obligations.

At December 31, 2017, OPCO and its subsidiaries owned or held a direct or indirect ownership interest in 65 real estate entities and had profit participation rights in three entities, of which 35 entities held apartment communities that were under construction, 29 held operating apartment communities, and four were real estate entities formed for the purpose of pursuing real estate development.

2. Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

The consolidated financial statements include the accounts of the OPCO, its wholly owned subsidiaries, and entities under its control, all of which are collectively considered the "Company" for purposes of the consolidated financial statements. All significant intercompany balances and transactions have been eliminated in the accompanying consolidated financial statements.

The ownership group for certain of the Company's subsidiaries includes noncontrolling interests at the consolidated Company level held by unrelated third parties.

Certain salaries and wages of corporate employees and executives of Mill Creek as well as administrative costs incurred related to finance, treasury and back office functions of the Company are borne by Mill Creek. These indirect costs have not been allocated to the Company by Mill Creek. As a result, the accompanying financial statements do not present the financial position and results of operations of the Company as if it had operated on a standalone basis.

Cash

The Company maintains its cash deposits with financial institutions in noninterest-bearing transaction accounts which at times exceeds federally insured limits. As the Company maintains its cash with high-quality financial institutions, management does not believe it is exposed to any significant credit risk related to its cash at December 31, 2017.

Restricted Cash

The Company maintains cash deposits with financial institutions in restricted cash escrow accounts related to certain deferred fees earned on select properties. Certain of these deposits are in interest-bearing accounts that exceeded federally insured amounts during the year ended December 31, 2017; however, the Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on these restricted cash balances as the Company maintains its cash with high-quality financial institutions.

Accounts Receivable

Accounts receivable are carried at original invoice amounts less an estimate for doubtful receivables based on a review of outstanding amounts. Management determines the allowance for doubtful accounts by considering the specific circumstances surrounding the receivable. Receivables are written off when deemed uncollectible; recoveries of receivables previously written off are recorded when receipt is reasonably assured. There was no allowance for doubtful accounts as of December 31, 2017.

Accounts receivable also includes amounts billed to customers pursuant to retainage provisions in certain contracts that are due upon completion of the contract and acceptance by the customer.

Furniture, Fixtures, and Equipment

Furniture, fixtures, and equipment are recorded at cost. Depreciation is recorded using the straight-line method over the assets' useful life. Furniture, fixtures, and equipment consisted of the following as of December 31, 2017:

	Useful Lives	
Computers and hardware	5 years	$ 555,000
Office furniture and equipment	5 years	749,000
Leasehold improvements	6 years	531,000
Software	5 years	24,000
		1,859,000
Less accumulated depreciation and amortization		(1,225,000)
		$ 634,000

Impairment of Long-Lived Assets

The recoverability of the Company's long-lived assets, which consists of furniture, fixtures, and equipment, is reviewed and evaluated based on changes in the business environment. If indications of impairment exist, the Company will evaluate the asset by comparing the carrying amount of the asset to the estimated future undiscounted cash flows of the asset. If impairment exists, an impairment loss will be recognized based on the amount by which the carrying amount exceeds the fair value of the asset. For the year ended December 31, 2017, no impairment was recorded.

Consolidation and Variable Interest Entities

The Company holds various interests in real estate properties, generally through unconsolidated real estate entities. The Company assesses its investments in real estate entities, including reconsideration of whether an entity is a variable interest entity (VIE) upon occurrence of certain significant events, as set forth under accounting guidance on VIEs. If determined to be the primary beneficiary of a real estate entity that meets the definition of a VIE, the Company would be required to consolidate the real estate entity. If the Company is determined to not be the primary beneficiary, the real estate entity would not be consolidated. For real estate entities that do not meet the definition of a VIE, the Company consolidates a real estate entity when 1) it controls the entity through ownership of a majority of voting interest or 2) it controls the entity through substantive kick-out rights or substantive participating rights.

In determining whether it is the primary beneficiary of a VIE, the Company performs a qualitative analysis to determine if the Company has the power to direct the decisions that most significantly impact the activities of the VIE and has the obligation to absorb losses or the right to receive benefits of the VIE, either of which could potentially be significant to the VIE. Determining whether the Company is the primary beneficiary of a VIE requires significant judgment and consideration of voting rights, involvement in day-to-day development and operating decisions, and other factors. Generally, all decision-making in the Company's real estate ventures is shared between the Company and its venture partners, particularly as it relates to approval of development and operating budgets, buying or selling significant assets, refinancing, entering into significant agreements with other entities, setting leasing guidelines, and determining when to sell the underlying project. As of December 31, 2017, the Company held variable interests in 38 VIEs for which the Company has concluded that it is not the primary beneficiary.

Investments in Unconsolidated Real Estate Entities

Revenue and Cost Recognition

Construction Revenues

Revenue and profits on individual construction contracts are generally recognized on the basis of estimated percentages of completion expressed in terms of the ratio of incurred costs to total estimated costs at completion.

Costs of revenue include all direct material and labor costs and those indirect costs related to construction contract performance, such as indirect labor, supplies, tools, and repairs. Selling, general, and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted construction contracts are made in the period in which such losses are determined. Changes in estimated job profitability resulting from job performance, job conditions, contract penalty provisions, claims, change orders, and settlements are accounted for as changes in estimated cost in the current period.

Costs and estimated earnings in excess of billings on contracts represent revenue recognized in excess of amounts billed. Billings in excess of costs and estimated earnings on contracts represent billed amounts that have not been earned.

Development Revenues

Development revenues are recognized when earned in accordance with the underlying development agreements. Development fees are structured based on targets that approximate the percentage of work completed through the various phases of the development.

Other Income

Other income primarily consists of management fees, accounting fees, and other fees for services provided to the unconsolidated joint ventures.

Income Taxes

The Company is a wholly owned LLC and is disregarded for federal income tax purposes. Under current law, no federal income taxes are payable directly by the Company. Accordingly, no provision has been made in the consolidated financial statements for federal income taxes. The sole member is responsible for federal taxes on its respective share of the Company's net income or loss.

Member's Equity

Profits, losses, and distributions are allocated to the members based upon a hypothetical liquidation at book value method.

Comprehensive Income

As there are no transactions requiring presentation in comprehensive income that are not included in net income, the Company's net income equates to comprehensive income.

Management Estimates

Preparing the Company's consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

Recently Adopted Accounting Pronouncements

In 2017, the Company adopted Accounting Standards Update (ASU) 2015-02, *Consolidation (Topic 810): Amendments to the Consolidation Analysis*, issued by the Financial Accounting Standards Board (FASB) which affects reporting entities that are required to evaluate whether they should consolidate certain legal entities. Specifically, the amendments: (i) modify the evaluation of whether limited partnerships and similar legal entities are VIEs or voting interest entities, (ii) eliminate the presumption that a general partner should consolidate a limited partnership, (iii) affect the consolidated analysis of reporting entities that are involved with VIEs and (iv) provide a scope exception for certain entities. This ASU was adopted on a retrospective basis and had no impact on the Company's consolidated financial statements.

In 2017, the Company adopted ASU 2015-16, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments*, issued by the FASB, which requires an acquirer to recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. This ASU was adopted on a prospective basis and had no impact on the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (ASU 2014-09). ASU 2014-09 provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. ASU 2014-09 will require an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This update creates a five-step model that requires entities to exercise judgment when considering the terms of the contract(s) which include (i) identifying the contract(s) with the customer, (ii) identifying the separate performance obligations in the contract, (iii) determining the transaction price, (iv) allocating the transaction price to the separate performance obligations, and (v) recognizing revenue when each performance obligation is satisfied. In applying the new model, the Company will need to use more judgment and make more estimates than under current guidance. The new standard will become effective for the Company beginning on January 1, 2019 and can be applied either retrospectively to each period presented or as a cumulative-effect adjustment as of the date of adoption.

The FASB has issued several ASUs such as ASU 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)*, ASU 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing*, and ASU 2016-12, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients* among others to clarify and expand the guidance in ASU 2014-09. These ASUs do not change the core principle of the guidance stated in ASU 2014-09, instead these amendments are intended to clarify and improve operability of certain topics included within the revenue standard. These ASUs will have the same effective date and transition requirements as ASU 2014-09. Management is currently evaluating the method and impact the adoption of these ASUs and ASU 2014-09 will have on the Company's consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments - Overall: Recognition and Measurement of Financial Assets and Financial Liabilities* (ASU 2016-01), which amends the guidance on the classification and measurement of financial instruments. One of the amendments in this update eliminates the requirement to disclose the fair value of financial instruments not recognized at fair value for entities that are not public business entities. The amendments are effective for fiscal years beginning after December 15, 2018 with early adoption permitted for private entities with respect to recognition of changes in fair value of financial liabilities measured under the fair value option. The Company early adopted the portion of this update related to the elimination of the fair value disclosure of financial instruments not recognized at fair value for the year ended December 31, 2016, and such adoption did not have a material impact on the Company's financial statements. The adoption of the remaining portions of ASU 2016-01 is not expected to have a material impact on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases* (ASU 2016-02), which requires lessees to classify leases as either finance or operating leases and to record a right-of-use asset and a lease liability for all leases with a term greater than 12 months regardless of the lease classification. The lease classification will determine whether the lease expense is recognized based on an effective interest rate method or on a straight-line basis over the term of the lease. Accounting for lessors remains largely unchanged from current accounting principles generally accepted in the United States. ASU 2016-02 will be effective for the Company's fiscal year beginning January 1, 2020. The Company is currently evaluating the impact the adoption of ASU 2016-02 will have on the Company's consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments* (ASU 2016-15), which provides specific guidance on eight cash flow classification issues and how to reduce diversity in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. ASU 2016-15 will be effective for the Company's fiscal year beginning January 1, 2019. The Company is currently evaluating the impact of the adoption of ASU 2016-15 on the consolidated financial statements.

In January 2017, the FASB issued ASU 2017-01, *Business Combinations (Topic 805) – Clarifying the Definition of a Business.* The amendments in this update change the definition of a business to assist with evaluating when a set of transferred assets and activities is a business. The ASU is effective for fiscal years beginning after December 15, 2018. The Company is continuing to evaluate the impact of the adoption of this guidance on the consolidated financial statements.

In February 2017, the FASB issued ASU 2017-05, *Other Income: Gains and Losses from the Derecognition of Non-financial Assets* (ASU 2017-05), which provides guidance on how entities recognize sales, including partial sales, of non-financial assets (and in-substance non-financial assets) to non-customers. This ASU requires the seller to recognize a full gain or loss in a partial sale of non-financial assets, to the extent control is not retained. Any noncontrolling interest retained by the seller would be measured at fair value. The Company will adopt ASU 2017-05 in conjunction with ASU 2014-09, beginning on January 1, 2019, and is currently evaluating the impact of the adoption of ASU 2017-05 on the consolidated financial statements.

3. Transactions with Affiliates

Construction and Development Services

Amounts included in accounts receivable, including retainage, are substantially all due from these unconsolidated real estate entities for services rendered.

The Company receives benefits from employees of Mill Creek as they perform their jobs. Costs related to these employees have been charged to the Company from Mill Creek and are included in payroll and benefits in the accompanying consolidated statement of operations.

5. 401(k) Savings Plan

The Company maintains a voluntary defined contribution retirement plan qualifying under Section 401(k) of the Internal Revenue Code of 1986. The Company made contributions of $613,000 to the plan for the year ended December 31, 2017, which is included in payroll and benefits in the accompanying consolidated statement of operations.

Capistrano Unified School District
Vendor Information Form

Contracts & Purchasing
June 2018

In order to process any type of payment and issue a purchase order, your organization or company information must be added or verified in our system. Please complete this Vendor Information form and return promptly via email to Kristin Peters at kapeters@capousd.org. If further assistance is needed, please contact us at (949) 234-9441.

PLEASE PRINT OR TYPE

Company/Organization Name: Mill Creek Residential Trust, LLC

Other Names(s) Organization is "Doing Business As" (DBA): Mill Creek Residential Trust, LLC

Company/Organization service or commodity: Real Estate Operator - Lessor

Company/Organization Primary Telephone Number: (714) 966-9355

Company/Organization Fax Number: ______

Does your company/organization accept Purchase Orders? Yes

Email address to send Purchase Orders to: jcolletti@mcrtrust.com

Mailing Address	**Remit Address** (if different from mailing address)
Address: 949 South Coast Drive, Suite 400	Address:
City/State/Zip: Costa Mesa, CA 92626	City/State/Zip:
Attention To: Sam Simone	Attention To:

Accounts Receivable Primary Telephone Number: (714) 966-9355

Accounts Receivable Primary Contact Name: Sam Simone

Title: Senior Managing Director Email: ssimone@mcrtrust.com

Is your Company a Corporation? (If other, please specify): LLC

Provide One of the Following: Federal Tax I.D.: ______ Employer I.D.: ______

If entity is a sole proprietor/individual, then please provide:

Social Security No.: ______ Name (as it appears on SS ID card): ______

W-9 FORM (Rev. November 2017) MUST ACCOMPANY THIS VENDOR INFORMATION FORM

For all Public Works Projects (Pursuant to Labor Code 1725.5 & 1771.1) All contractors and subcontractors intending to bid or perform work on a public works project ($1,000 or more) are mandated to annually register with the Department of Industrial Relations (DIR).

Contractor DIR Registration No.: ______

Contractor License No.: ______ Expiration Date: ______

Contractor License Type(s): ______

Form **W-9**
(Rev. November 2017)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

► Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give Form to the requester. Do not send to the IRS.

Print or type.
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
MILL CREEK RESIDENTIAL TRUST LLC

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☑ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► P

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ►

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) ______

Exemption from FATCA reporting code (if any) ______

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
2001 Bryan Street, Suite 3275

6 City, state, and ZIP code
Dallas, TX 75201

Requester's name and address (optional)
CAPISTRANO UNIFIED SCHOOL
DISTRICT
33122 VALLE ROAD
SAN JUAN CAPISTRANO, CA 92675

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number
_ _ _ – _ _ – _ _ _ _

or

Employer identification number
_ _ – _ _ _ _ _ _ _

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person ► Date ► 6/17/18

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

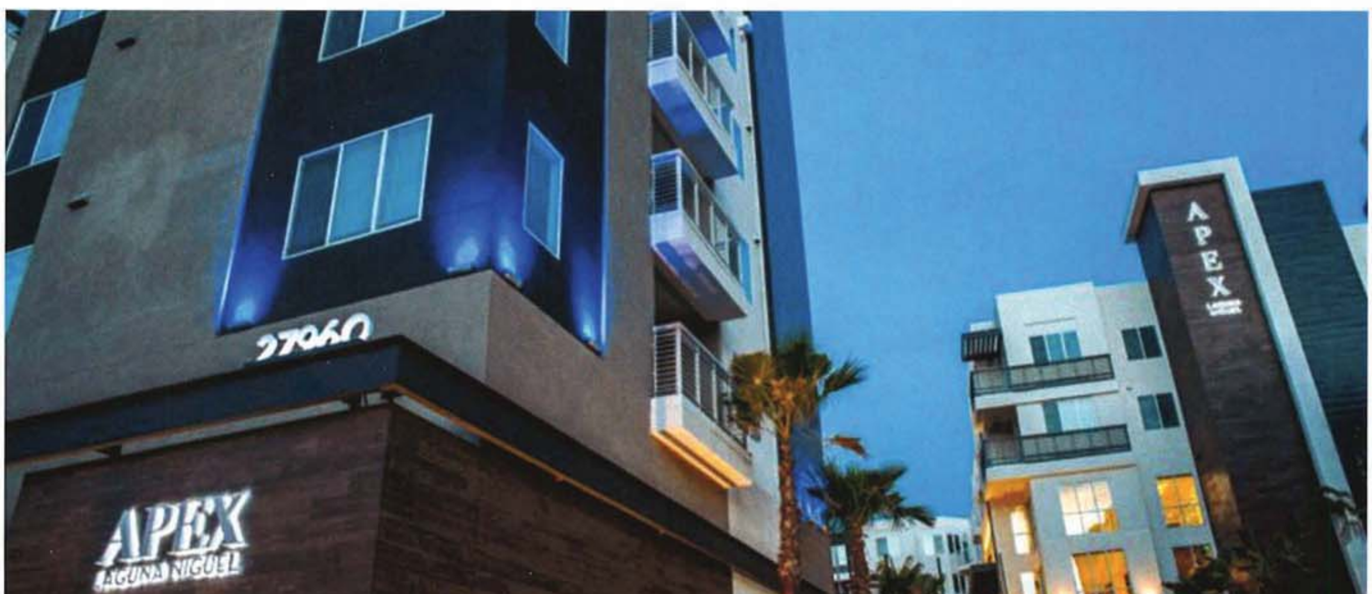
Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

APEX
LAGUNA NIGUEL

Location	Laguna Niguel
Size	284 Homes
Equity	Blackrock
Debt	US Bank
Completed	2015

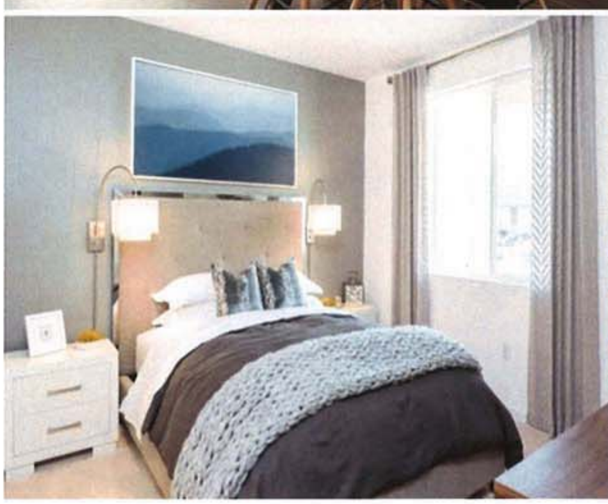
- ✓ Outdoor Work and Dining Area
- ✓ Business Center, Conference Rooms
- ✓ Resort style pool & spa
- ✓ Sky deck with sunset views
- ✓ Two-story fitness, yoga & spin center



APEX PHOTO GALLERY








APEX PHOTO GALLERY





MODERA®

BY MILL CREEK

GLENDALE

Location	Glendale
Size	235 Homes
Equity	Fund I
Debt	Wells Fargo
Completed	2015

- ✓ Two rooftop decks
- ✓ Two story fitness center with virtual trainer
- ✓ Two story clubhouse
- ✓ Interior courtyards with fire features and BBQ's
- ✓ Resort style pool & spa
- ✓ Pet spa


MODERA
BY MILL CREEK
GLENDALE

THE GRIFFITH

LOS FELIZ

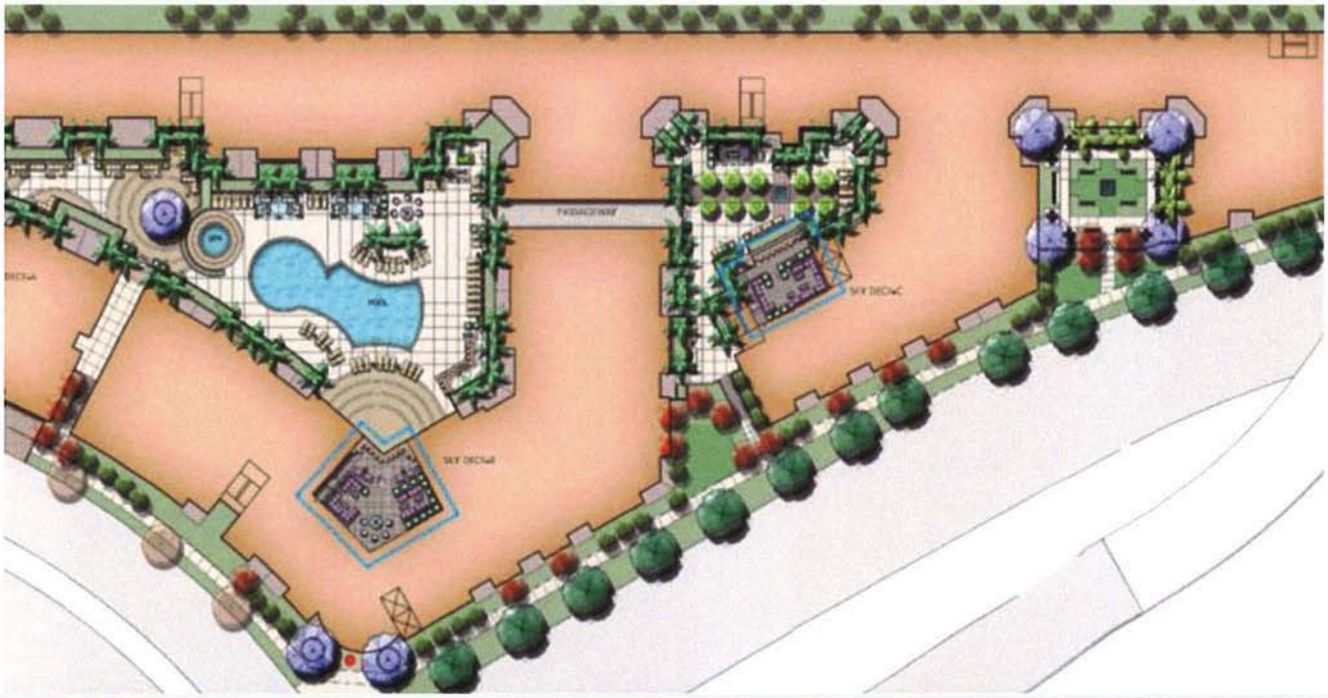
Location	Glendale
Size	220 Homes
Equity/Debt	PNC
% Leased	17.27%
Rents	$3.39/SF
Status	Under Construction

- ✓ Sky Lounge & Terrace
- ✓ Resort style pool & spa
- ✓ Pet run & Outdoor gaming Paseo
- ✓ Indoor/Outdoor fitness
- ✓ Two story clubhouse and leasing
- ✓ Indoor/Outdoor Work Space

MODERA®
BY MILL CREEK
WEST LA

Location	West Los Angeles
Size	376 Homes
Equity	PIMCO
Debt	PNC
Rents	$3.72/SF
First Homes	March 2018

- ✓ Resort style pool & spa
- ✓ Two story State of the Art Fitness with virtual trainer
- ✓ Poker room, Gaming/Media room, Conference Rooms, and Clubhouse
- ✓ Dog Spa and dog run
- ✓ Three entertainment courtyards
- ✓ Two rooftop decks



MODERA®
BY MILL CREEK
HOLLYWOOD

Location	Hollywood
Size	248 Homes
Equity	Fund II
Debt	Wells Fargo
Start	2018
Est. Completion	2020

- ✓ Retail
- ✓ Business lounge and conference room
- ✓ Two story fitness center and outdoor fitness center
- ✓ Karaoke room
- ✓ Club rooms
- ✓ Resort style pool and spa

MODERA HOLLYWOOD PHOTO GALLERY

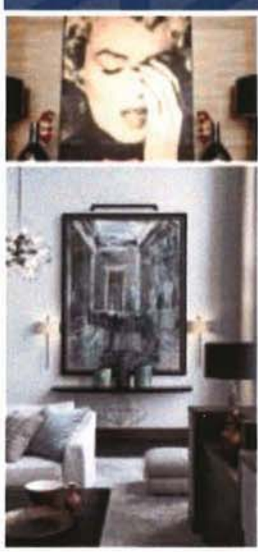
MODERA®

BY MILL CREEK

EAST VILLAGE

Location	San Diego
Size	366 Homes
Equity	Fund II
Debt	TBD
Start	August 2018
Est. Completion	2021

- ✓ Rooftop pool deck
- ✓ Two interior courtyards
- ✓ 24/7 Clubhouse and fitness
- ✓ 9,000 SF of amenity space



MODERA®

BY MILL CREEK

ARGYLE

Location	Hollywood
Size	253 Homes + 23k SF of Retail
Equity/Debt	TBD
Est. Start	2020
Status	Entitlements

- ✓ 23,000 SF of retail
- ✓ Resort style pool & spa
- ✓ Amenities TBD

Outdoor Gathering Spaces

- Clubroom Patio
- Pool Courtyard
- Podium Level

EXECUTIVE LEADERSHIP

SAM SIMONE

SENIOR MANAGING DIRECTOR - SOUTHERN CALIFORNIA

Samuel Simone, Senior Managing Director, SoCal
949 South Coast Drive, Suite 400

Costa Mesa, CA 92626
T (714) 800-1382

ssmone@mctrust.com

Sam Simone serves as a Senior Managing Director in the Southern California region for Mill Creek Residential. In this role, Sam is responsible for pursuing new development opportunities, product design, and the pursuit of entitlements to meet all local jurisdictional requirements.

Prior to this position with Mill Creek, Sam was a Managing Director in the company's Mid-Atlantic region, where he oversaw the development of Trilogy NoMa, a 603-unit community in Washington DC. Prior to joining Mill Creek Residential at its formation in August, 2010, Sam served at Trammell Crow Residential for 10 years as a Development Associate and later, Managing Director. Prior to joining Trammell Crow Residential, Sam was a Senior Real Estate Consultant with Arthur Andersen's Real Estate Consulting Portfolio Services Group in New York City. In this role, Sam's responsibilities included the management of due diligence and advisory service projects including both single-asset and portfolio real estate acquisitions, financings, depositions; commercial mortgage backed securities transactions (CMBS) valuations and "B-Piece" acquisitions, joint venture analysis valuation, and office and hotel development financial modeling/analysis for investment banks and large institutional investors.

Sam received his Bachelor of Science Degree from the State University of New York in Business Administration/Finance.

ERIC LEZAK

MANAGING DIRECTOR – FINANCE

Eric Lezak, Senior Managing Director, Finance
(Primary Contact)

T (714) 800-1382

elezak@mcrtrust.com

In his role as Managing Director - Finance, Eric has oversight of project-level finance strategy and execution in Mill Creek's California and Texas/Mountain States/Pacific NW region. He joined Mill Creek Residential Trust in August 2010 where he more recently served as the Chief Financial Officer for the company's West Region.

Prior to that, Eric was at Trammel Crow Residential where he was responsible for managing debt and equity relationships, asset management and other financial administrative functions. Prior to joining Trammell Crow, he was Vice President with Fremont Investment & Loan, with responsibility for underwriting and originating commercial and residential construction loans ranging from $10 million to $125 million. While at Fremont Investment & Loan, Eric financed the development of a wide variety of real estate projects, including apartments, condominiums, hotel, retail, and office. Prior to Fremont Investment & Loan, Eric was a Senior Portfolio Manager with American Realty Advisors where he managed national real estate portfolios on behalf of public and Taft-Hartley retirement plans.

Eric received his B.A. in Accounting from Santa Clara University and a Master's Degree in Real Estate Development from the University of Southern California. He is a certified public accountant and a licensed real estate broker.

CHRISTINE FRANZ

VICE PRESIDENT – CALIFORNIA PROPERTY MANAGEMENT

Christine Franz, VP of California Property Management

cfranz@mcrtust.com

Christine Franz serves as Vice President of Property Management, responsible for all operations in Mill Creek's Northern California and Southern California markets. Her responsibilities include property operations, asset management and renovations for both recent acquisitions and communities in development. In addition, she participates in underwriting for potential acquisitions, collaborates with the development team on new developments, oversees assets dispositions and serves as a liaison to the joint venture partners.

Ms. Franz began her career in multifamily in Chicago working for Trammell Crow Residential. In 1997, when Avalon purchased Trammell Crow Residential Midwest she moved into a management position and traveled to Seattle to onboard communities as Avalon merged with Bay Apartment Communities (AVB). She served as a Portfolio Manager in Seattle for AVB. In 2001 Ms. Franz moved to the Northern California as a Portfolio Operations Director and ultimately was promoted to Senior Portfolio Operations Director overseeing the San Francisco Portfolio of 2500+ homes. Ms. Franz has experience managing diverse product types including high-rise, garden and retail. During her tenure with Avalon Bay Ms. Franz was responsible for pre-development and lease-up deliveries of more than ten communities in Northern California. She also has extensive knowledge managing multiple brands, which include high-end, urban and value branded communities.

Ms. Franz is a member of the California Apartment Association Executive Committee and has been part of the Board of Directors since 2007. She is the 2016 chair for the Tri County Division of the California Apartment Association.

ASHVANI CHUCHRA

EXECUTIVE MANAGING DIRECTOR, NATIONAL PRACTICE LEADER FOR PLANNING AND DESIGN

Ashvani Chuchra, Senior Managing Director, Finance (Primary Contact)

achuchra@mcrtrust.com

Ashvani Chuchra serves as the Executive Managing Director and National Practice Leader for Planning and Design, working closely with each of Mill Creek's regional leaders and division-level development and construction teams to identify, evaluate, share, and implement the best planning and design practices throughout the company. In addition, as he has for many years in the eastern business divisions, he will work with all development and construction leaders to assist in evaluating and planning the most cost efficient and functionally efficient community designs.

Prior to joining Mill Creek, Ashvani was a Senior Managing Director with Trammell Crow Residential where he was responsible for planning, product design and product development during his 13-year tenure there. Prior to that, Ashvani was a Vice President at Lessard Architectural Group for 7 years where he was responsible for the land planning department. Ashvani started his career in the Connecticut/New York/New Jersey tristate area as an Architect, Urban Designer and Land Planner where he worked for 5 years.

Ashvani received his Bachelor's Degree in Architecture from Chandigarh College of Architecture and a Master's Degree in Urban Design from the University of Oklahoma.

JON CONTE

PRESIDENT – MID-ATLANTIC, MOUNTAIN STATES & SOUTHERN CALIFORNIA CONSTRUCTION

Jon Conte, President - Southern California Construction
(Primary Contact)
T (714) 800-1397
jconte@mcrtrust.com

Jon Joined Mill Creek at its inception in 2010, bringing over 25 years of experience in the construction industry. In his current role, he is responsible for the leadership and management of construction personnel and the multifamily construction for the Mid-Atlantic, Mountain States, & Southern California Division.

Prior to joining Mill Creek, Jon was with Trammell Crow Residential where he held similar responsibilities. Prior to that, Jon was the Vice President of Production for Archstone, one of the country's leading REITS, in the Mid-Atlantic Region. Prior to Archstone, Mr. Conte started the Mid-Atlantic Regional Construction office for Summit Properties. While at Summit, he built that office from one employee to 12 professionals within 15 months, with four active construction projects and three projects in the preconstruction/design development state. Jon has worked with several regional construction companies in various capacities over the past 25 years. He has worked on private and public projects ranging from Federal Government contract to commercial office and multifamily residential of all types. He has extensive experience managing multiple projects concurrently as well as responsibility for pre-construction support services to the Development Group.

Jon graduated with a BS degree in Building Construction from Auburn University. He is based in the Rockville, Maryland office.

CHARLES R. BRINDELL, JR.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

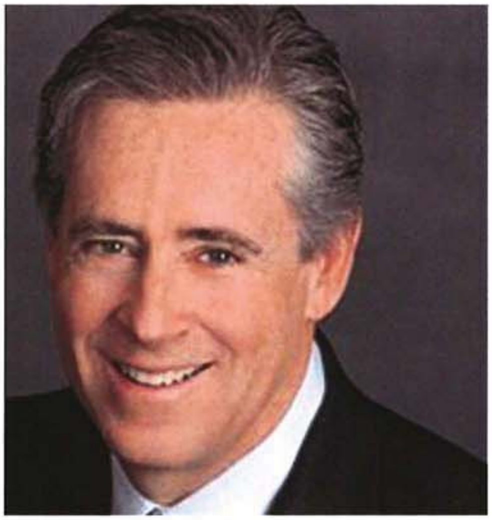
Charles Brindell, Jr., Chairman and Chief Executive Officer (Primary Contact)

cbrindell@mcrtrust.com

Mr. Brindell's real estate career also includes three years in commercial mortgage banking at Cameron Brown Company and more than seven years at Southwide Development Company, a Memphis-based real estate management and development firm where he served as Vice President of Finance and President and Chief Operating Officer.

A native of Wilmington, North Carolina, Mr. Brindell is a 1971 graduate of the University of North Carolina at Chapel Hill. His professional associations include membership in The Real Estate Roundtable, The Urban Land Institute (MF Blue Council), National Multi- Housing Council (Executive Committee), and NAHB Multifamily Leadership Board (immediate past Chairman).

Mr. Brindell is a Director of Independent Holdings and Independent Bank, a member of the Advisory Board for the Wood Center for Real Estate Development at the Kenan-Flagler Business School at UNC, and a member of the Fisher Center Policy Advisory Board at the University of California at Berkeley



WILLIAM C. MACDONALD

CHIEF INVESTMENT OFFICER

William MacDonald, Chief Investment Officer (Primary Contact)
wmacdonald@mcrtrust.com

Bill MacDonald serves as Mill Creek's Chief Investment Officer with overall responsibility for all development, construction, acquisition and market research activity. Previously, Bill served as the company's Executive Managing Director, East Region, where he was responsible for development, construction, finance and acquisition activities for the Eastern United States.

Prior to joining Mill Creek, Bill served as Executive Managing Director of the Eastern United States for Trammell Crow Residential (TCR). During his tenure, his divisions developed more than 40,000 units with a total capitalization of over $5 billion, since 1998. Prior to his role as an EMD, Bill served as the Chief Financial Officer of Trammell Crow Residential for the South Florida Division. Prior to joining TCR, Bill was a Senior Vice President for a private real estate development company in Connecticut. Prior to that, Bill was a Senior Loan Officer for Citicorp Real Estate Inc.

Bill received his B.S. in Business Management from the University of Maryland and his MBA from the Columbia Graduate School of Business. Bill is a member of the National Multi-Housing Council (NMHC) and serves as Chairman for the Urban Land Institute Multi-family Gold Council.

Section 4: Financial Proposal and Projections

Ground Lease Summary

The following table shows the proposed ground lease payments. CUSD will receive annual ground lease payments, paid monthly, of $700,000 for three (3) years during the construction and lease-up period. After the first 36 months, **the 99-year lease will commence and CUSD will receive $2,120,000 per year** in ground lease payments paid monthly. Annual rent will increase every five (5) years by the annual growth in the Consumer Price Index (CPI).

Table 2.3 – Ground Lease Summary

Year Number	Period	Calendar	Annual Ground Lease Payment
-3 thru 0	Construction Period	March 2020 – February 2023	$700,000
1 – 5	**Lease Commencement**	**March 2023 – February 2027**	**$2,120,000**
6 - 10	Lease	March 2027 – February 2032	$2,457,661
11-99	*Rent to continue to increase by CPI every five (5) years through the lease term*		

Assuming an average Consumer Price Index increase of 3% per year, the total payments over the 99-year leasehold period would be approximately **$1,178,000,000.00 plus the construction payments of $700,000 per year for three years.**

Total Payments: **$ 1,179,439,758.49**

Section 5: Statement of Financial Qualifications

1. Is the Respondent a subsidiary of, or affiliated with, any other corporation, corporations, partnerships or firms? If so, please specify. If the Respondent is a subsidiary, please indicate the extent to which the parent entity will guarantee performance by the subsidiary.

   Mill Creek Residential Trust, LLC has several operating subsidiaries including MCRT Operating Company LLC and various SPE's for real estate owned assets. Mill Creek to provide guarantee from MCRT Operating Company LLC entity or equivalent.

2. Names and addresses of three financial references, including a primary bank.

Reference No. 1	Reference No. 2	Reference No. 3
Christopher Flick PIMCO Vice President 840 Newport Center Drive Newport Beach, CA 92660 (949) 720-6799 chris.flick@pimco.com	Ken Carl PNC Real Estate Senior Vice President 2255 Glades Road, 140W Boca Raton, FL 33431 (561) 912.0459 kenneth.carl@pnc.com	Tim Hennessey Prudential Vice President 4 Embarcadero Center, Ste 2700 San Francisco, CA 94111 (415) 291-5049 tim.hennessey@prudential.com

3. Has the Respondent or its officers, principal members, shareholders or investors, or any of its parent, subsidiary or affiliated entities or other interested parties been adjudged bankrupt, either voluntary or involuntarily, within the past ten years? If so, explain.

   None.

4. Is there pending litigation against the Respondent entity or its officers, principal members, shareholders or investors, or any parent, subsidiary or affiliated entities or other interested parties other than minor personal injury suits involving claims under $250,000? If so, explain.

   None.

5. Audited financial statements for the previous three years for the Respondent with whom the District will contract or, in the likely event that the contracting entity is a newly formed special purpose entity, the member or members of that entity who will be responsible for financial obligations and on whom the District should rely for financial performance whether or not the final formal documentation calls for guarantees.

   See Financial Statements enclosed in the following pages.

6. Report from any financial credit rating service for the Respondent with whom the District will contract or, in the likely event that the contracting entity is a newly formed special purpose entity, the member or members of that entity who will be responsible for financial obligations and on whom the District should rely for financial performance whether or not the final formal documentation calls for guarantees.

   As a private company, we do not have a financial credit rating service. We hope that the enclosed, confidential financial statements show that we have a substantial balance sheet in good standing. MCR obtains financing from the top banks in the world and credit reference, in addition to those provided, are available at any time.

7. Any other financial statements and/or other documents that would indicate acceptable financial standing and the ability of Respondent to fund the proposed lease of the Property.

   Please see CONFIDENTIAL Financial Statements below