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**MAJOR REHAB COMPLETE FOR ARBOR RIDGE ON WEST FRIENDLY
(FORMERLY WOODSTREAM) APARTMENTS – GREENSBORO, NORTH
CAROLINA**

“Extremely ambitious” is how CEO, V. Reitzel Snider, describes his company’s objective regarding the Woodstream Apartments (renamed Arbor Ridge on West Friendly Apartments) in Greensboro, North Carolina. Rather than simply renovate, First LandMark/Guardian Management has set out to transform the 304-unit one and two bedroom community in four aspects:

- (1) appearance
- (2) amenities
- (3) features, and
- (4) quality of life.

Taking advantage of highly favorable pricing for residential construction in the current market, more than \$1.1 million was budgeted to finance the following:

- The stairwell enclosures were structurally modified to provide a more contemporary appearance to the 1984 vintage design.
- The brick and wood exteriors were updated with the installation of cement fiberboard siding after removal of masonite siding. The color selected for the siding is very compatible with the color of the brick, greatly enhancing the overall appearance of the buildings.
- New architectural shingle roofs were installed on all of the 19 buildings on the 20 acre heavily landscaped site.
- Structural arbor elements throughout the property were repaired and stained or painted.
- A number of interiors are being upgraded with new light and plumbing fixtures, countertop refinishing, and installation of hardwood flooring in selected units.
- At the request of numerous residents, a new fitness center is being constructed.
- New signage has been installed throughout consistent with renaming the community Arbor Ridge.
- Arbor Ridge is soon to become a gated community with installation of keypad operated entry and exit gates.

Timothy Hose, company president, reports: “In spite of extensive deferred maintenance, we recognized the property’s excellent location and fundamental viability.”

On behalf of a company-sponsored limited partnership, Woodstream was acquired from Mid-America REIT on January 15, 2009 for a purchase cost of \$11.5 million. As a consequence of a short-term leasing program instituted by former management and accompanying high turnover, occupancy was 86.2% in early June, decreasing to 82.6% in mid-July.

An entirely new on-site management team was in place by the end of the second quarter. With improvements to the property and under new management, occupancy was stabilized at 95.7% in early September and is currently 98.0%.

Snider and Hose report that the Arbor Ridge venture has been undertaken consistent with one of the company's primary investment strategies, two key elements of which include:

- The asset is located where improvement in resident profile is feasible post-renovation, thereby enabling rental rates to be increased at a substantial pace when apartment market conditions become stable.
- All units are either one bedroom/one bath or two bedroom/two bath (no three bedroom units or multiple bedroom units with less than two baths) and of moderate size, thereby keeping monthly rental rates comparatively low and enabling households desiring to control or reduce their rental costs to live affordably at Arbor Ridge.