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*JANUARY-
MARCH
2016*

The Manager of Index Enterprise LLC hereby presents the interim financial statement for the period January 1st, 2016 – March 31st, 2016.

The financial report is prepared in US Dollars, USD.

Administration Report

Operations

Index Enterprise LLC (the “Company”) is a limited liability company organized under the laws of the State of Florida. The Company holds a diversified Real Estate Portfolio and presently owns, develops and invests in properties predominantly located in Florida through its wholly owned subsidiaries together with its US joint venturers. The Company’s investment strategy rests primarily on the multi-family residential platform and is also actively engaged in the acquisition for development of senior living facilities throughout the southeastern United States as well as the acquisition of commercial properties with a residential/living development component.

Ownership structure

The Company has its principal office in Jupiter, Florida and is jointly owned by Vector Holdings, LLC and Fredrik Alamaa.

I. – Significant events

Multi-family Rental Projects

The Company, through its wholly owned subsidiary Index Apartments LLC, has a portfolio of seven (7) multi-family rental apartment projects in Florida which include: Bridgewater at Lake Osborne; Riverwalk Pointe at Mangrove Bay; High Ridge Landing; Little Torch; Sonoma Pointe; Tarpon Harbour and Monterey Pointe. The projects comprise a total of 916 intelligently designed multi-family residential rental apartment units in attractive locations throughout Florida. Index Apartments LLC is developing desirable rental apartment communities with environmentally sustainable features and technology.

- The Dakota project has completed its cycle and was sold on February, 2016. During the project life cycle, Dakota reached stabilization ahead of schedule; maintained stabilized occupancy over 95% and regularly generated cash flow distributions.
- Bridgewater at Lake Osborne, Little Torch and Riverwalk Pointe projects maintain occupancy above 90%.
- Sonoma Pointe leasing percentage has increased and is above projections. The project has reached stabilization.
- Tarpon Harbour construction commenced in April, 2015. Leasing activity is expected to begin Q1, 2016.
- Monterey Pointe construction commenced in October, 2015. Leasing activity is expected to begin Q1, 2017.
- High Ridge landing construction commenced in November, 2015. Leasing activity is expected to begin Q1, 2017.

Condo Projects

-Index Enterprise LLC, through its wholly owned subsidiary Index Riva, LLC, has sold its membership interest in the Riva project.

Assisted Living Facilities

The Company, through its wholly owned subsidiary Index Senior Living Group, LLC and joint venturer Watercrest Senior Living Group, LLC (a respected assisted living developer/operator based

in Florida), is focused on acquiring and developing assisted living and memory care facilities throughout the southeastern United States. The objective of the joint venture is to develop and own a portfolio of high-end senior living facilities primarily in the southeastern United States. The current portfolio consists of three (3) projects: Lake Nona in Orlando, Florida; Viera in Brevard County, Florida; and Summerlin in Las Vegas, Nevada.

- Lake Nona construction is complete. Leasing activity is above projections.
- Viera construction is on track and expected to be completed by Q3, 2016.
- Summerlin land acquisition closed in March, 2016. The project consists of 66 units all memory care facility to be developed in Las Vegas, Nevada.

Industrial Projects

The Company, through its subsidiary Viking Ventures America LLC, continues to work on the redevelopment of its industrial properties located in New York and Michigan. The Company continues to market the commercial properties for long-term lease.

Commercial Projects

Index Enterprise LLC, through its wholly owned affiliated companies, controls the entire commercial area known as Jupiter Harbour.

- Jupiter Inlet Development, LLC is a waterfront property with a restaurant building. The 10,000 square foot building will be demolished for redevelopment opportunities. A lease agreement has been executed.
- Jupiter Harbour Office, LLC, wholly owned by Index Enterprise LLC, acquired a 12,000 square foot office building located in the desirable area by the inlet in Jupiter, Florida. Building is 100% leased.

Mixed Use Projects

- Index Enterprise LLC acquired the Florida Keys Country Club, a 120-acre property located in the Florida Keys through its subsidiary Index Resort Development, LLC. Phase I redevelopment is currently underway and consists of a complete cutting edge re-design of the golf course, club house and tennis courts as well as the construction of a hotel with 90 units, 15 cottages and a marina.

II. - Significant events after the end of the financial period.

- Index Enterprise LLC continues to source residential real estate developments and to optimistically view the real estate market in the southeastern US.
- Bridgewater sale closed on April, 2016. During the project’s life cycle, Bridgewater reached stabilization ahead of schedule; maintained stabilized occupancy over 95% and regularly generated cash flow distributions.
- Little Torch and Riverwalk Pointe projects maintain a stabilized occupancy above 90%.
- Sonoma Pointe and Lake Nona leasing activities are both above projections.
- High Ridge Landing and Monterey Pointe construction work is on track.
- The Company acquired a 16 acre commercial property in Tampa, FL for redevelopment purposes.

Bjarne Borg
Manager

Consolidated Balance Sheet

March 31, 2016

ASSETS

RENTAL PROPERTY	\$ 111,425,245
ASSETS HELD FOR DEVELOPMENT	55,916,588
CASH AND CASH EQUIVALENTS	5,225,523
RESORT PROPERTY	4,465,793
NOTES RECEIVABLE	4,336,625
DEFERRED COSTS, NET	1,085,524
RESTRICTED CASH	923,351
PRE ACQUISITION COSTS	736,300
PREPAIDS AND OTHER	596,045
ACCOUNTS RECEIVABLE, NET OF ALLOWANCE FOR DOUBTFUL ACCOUNTS OF \$214,038	357,003
DUE FROM RELATED PARTIES	59,476
	\$ 185,127,473

LIABILITIES AND MEMBERS' DEFICIT

LONG TERM DEBT	\$ 99,824,139
LONG TERM DEBT RELATED PARTIES	85,215,236
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	8,076,100
FAIR VALUE OF INTEREST RATE SWAPS	1,423,993
CONVERTIBLE DEBT	1,000,000
UNEARNED RENT	206,843
TENANT SECURITY DEPOSITS	171,209
COMMITMENTS AND CONTINGENCIES MEMBERS' DEFICIT OF INDEX ENTERPRISE, LLC	(16,213,692)
NONCONTROLLING INTEREST	5,423,645
	\$ 185,127,473

Consolidated Statement of Operations

Three Months ended March 31, 2016

INCOME

Rental	\$ 3,474,925
Tenant expense recovery	285,252
Resort, net	276,977
Assisted living	206,269
Total income	4,243,423

OPERATING EXPENSES

Depreciation	900,243
Common area maintenance	747,277
Management fees	553,434
Real estate taxes	513,799
Professional fees	306,614
Other operating expenses	1,364,542
Total operating expenses	4,385,909
LOSS FROM OPERATIONS	(142,486)

OTHER INCOME (EXPENSE)

Interest expense	(2,607,343)
Interest income	38,300
Other income	34,110
Change in fair value of interest rate swaps	(1,423,993)
Gain on sale of rental property	15,685,471
Total other income (expense)	11,726,545
NET INCOME	11,584,059

NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTEREST	(2,175,267)
NET INCOME ATTRIBUTABLE TO INDEX ENTERPRISE, LLC	\$ 9,408,792

Consolidated Statement of Comprehensive Income Three Months ended March 31, 2016

NET INCOME ATTRIBUTABLE TO INDEX ENTERPRISE, LLC	\$ 9,408,792
OTHER COMPREHENSIVE INCOME	
Change in fair value of interest rate swaps	672,598
COMPREHENSIVE INCOME ATTRIBUTABLE TO INDEX ENTERPRISE, LLC	\$ 10,081,390
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTEREST	\$ 2,175,267
OTHER COMPREHENSIVE INCOME	
Change in fair value of interest rate swaps	142,673
COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTEREST	\$ 2,317,940
NET INCOME	\$ 11,584,059
TOTAL OTHER COMPREHENSIVE INCOME	
Change in fair value of interest rate swaps	815,271
COMPREHENSIVE INCOME	\$ 12,399,330

Consolidated Statement of Changes in Members' Deficit Three Months ended March 31, 2016

	Members' deficit - Index Enterprise, LCC	Accumulated other comprehensive loss	Non-controlling Interest	Total
Members' deficit as of December 31, 2015	\$ (25,622,484)	\$ (672,598)	\$ 5,523,571	\$ (20,771,511)
Capital contributions - cash	-	-	-	-
Capital contributions - noncash	-	-	484,800	484,800
Distributions	-	-	(2,902,666)	(2,902,666)
Net income	9,408,792	-	2,175,267	11,584,059
Other comprehensive income	-	672,598	142,673	815,271
Members' deficit as of March 31, 2016	\$ (16,213,692)	\$ -	\$ 5,423,645	\$ (10,790,047)

Consolidated Statement of Cash Flows Three Months ended March 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income	\$ 11,584,059
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Adjustments to reconcile net income to net cash used in operating activities:

Bad debt expense	582
Amortization of deferred costs	6,819
Depreciation	900,243
Gain on sale of rental property	(15,685,471)
Change in fair value of put derivative	1,423,993
Accrued interest on long term debt related parties	377,620

Changes in operating assets and liabilities:

Accounts receivable	(85,549)
Prepays and other	82,280
Accounts payable and accrued liabilities	529,200
Tenant security deposits	(76,213)
Unearned rent	(50,492)
Total adjustments	(12,576,988)
Net cash used in operating activities	(992,929)

Consolidated Statement of Cash Flows (Continued)

Three Months ended March 31, 2016

CASH FLOWS FROM INVESTING ACTIVITIES:

Increase in restricted cash	(354,457)
Investments in rental and resort properties	(1,606,687)
Investments in assets held for development	(12,860,228)
Proceeds from sale of rental property	42,000,000
Proceeds from put derivative	1,170,000
Pre acquisition costs	(736,300)
Net repayments from related parties	1,008,637
Notes receivable, net	(4,336,625)
Net cash provided by investing activities	24,284,340

CASH FLOWS FROM FINANCING ACTIVITIES:

Distributions noncontrolling interest	(2,902,666)
Repayments of long term debt related parties, net	(7,623,092)
Repayments of long term debt, net	(9,713,315)
Deferred financing costs	(216,515)
Net cash used in financing activities	(20,455,588)
NET DECREASE IN CASH AND CASH EQUIVALENTS	2,835,823
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	2,389,700
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 5,225,523

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Interest paid, net of capitalized interest	\$ 1,206,119
Income taxes paid	\$ -

SUPPLEMENTAL DISCLOSURE OF NONCASH FINANCING AND INVESTING ACTIVITIES:

Change in fair value of interest rate swaps recorded in other comprehensive income	\$ 815,271
Developer fees included in assets held for development recorded as capital contributions	\$ 484,800
Net book value of assets sold, principally rental property	\$ 25,716,328

Jupiter, FL, USA, May 30, 2016



Bjarne Borg
Manager

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