



Interim Financial Statements
Index Enterprise LLC and Subsidiaries

01.01.2014-
03.31.2014



The manager of Index Enterprise LLC hereby presents the interim financial statement for the period 1 January 2014 – 31 March 2014.

The financial report is prepared in US Dollars, USD.

Administration Report

OPERATIONS

Information regarding operations

Index Enterprise is a limited liability company organized under the laws of the state of Florida. The Company presently owns, develops and invests in properties through its wholly owned subsidiaries together with its US joint venture partners in Florida, New York and Michigan with a primary emphasis on Multi-family Residential Rental Developments in Florida. Although Index Enterprise strategy still rest on the Multifamily Residential Platform, the Company has diversified its Real Estate Portfolio with the acquisition of Commercial Properties (Offices, Restaurant and Industrial Properties) meeting certain specified criteria and is actively engaged in the acquisition and development of Assisted Living Facilities.

Ownership structure

Index Enterprise LLC has its principal office in Jupiter, Palm Beach County, Florida in the US and is a jointly-owned company of Bjarne Borg (indirectly via Trust) and Fredrik Alamaa.

I. Significant events

Multifamily Rental Projects

Index Enterprise through its wholly owned subsidiary Index Apartments, LLC, has a current portfolio of seven multi-family rental apartment properties in Florida, which includes: the Dakota at Abacoa; the Bridgewater at Lake Osborne; the River Walk Pointe at Mangrove Bay; the High Ridge; Little Torch Cottages and Sonoma Pointe. Those projects comprise a total of 850 intelligently designed multifamily residential rental apartment units in attractive locations throughout Florida. Index Apartments is developing friendly and attractive rental apartment communities with environmentally sustainable features and excellence in construction, employing elegance in design and sustainable technology. Dakota Phase I and Phase II are completed and leased at 95% and 23% respectively. Bridgewater's construction is completed and leased at 41%. Construction is being performed on Riverwalk and Little Torch Projects with 57% and 84% of completion respectively.

Assisted Living Facilities

Index Enterprise through its wholly owned subsidiary Index Senior Living Group became partner with Watercrest Senior Living Group (one of the most well respected assisted living developers/operators in the area). The Index-Watercrest partnership is focused on acquiring land and developing Assisted Living Communities in Florida and throughout the southeastern United States. The current portfolio consists of 3 Florida projects: Lake Nona in Orlando; Sebastian in Indian River County, and East Lake in Tarpon Springs, Pinellas County. The objective is to co-develop and own a portfolio of assisted living projects.

Commercial-Industrial Projects

Index Enterprise LLC through its subsidiary Viking Ventures America LLC continues to work on redevelopment of its NY industrial properties which have significant interest from potential tenants. A portion of the Michigan property will be demolished. A long term lease with an AAA credit rated tenant is under negotiation for the rest of the leasable area of the property.

Jupiter Inlet Development LLC (wholly owned by Index Apartments) site plan mixed use reconversion was approved by the Town of Jupiter. Jupiter Inlet is a waterfront property with a restaurant building. The 10,000 sf building will be demolished and rebuilt to include office space on the second floor. Lease agreement is under negotiation for the restaurant. Construction/ Redevelopment is expected to commence September 2014 and be fully operative by June 2015.

Jupiter Harbour Office LLC (wholly owned by Index Enterprise) acquired a 12,000 sf office building located in the desirable area by the inlet in Jupiter, Florida. Building is 100% leased.

With this acquisition Index Enterprise through its 100% owned affiliated companies will control the whole commercial area of Jupiter Harbour with redevelopment opportunities. The property also has certain construction rights for a medical facility center, which likely will be developed in the future.

II. Significant events after the end of the financial period

Index Enterprise LLC continues to see opportunities to invest in real estate for residential use in the southeastern US. Another Multifamily Project is under contract and it is projected to close in May 2014. Tarpon Harbour is a planned 104 unit Class A multifamily rental housing community. The site has extensive ocean frontage and panoramic water views. Construction is projected to start in July 2014 and be completed by June 2015. Lease-up is expected to be completed by January 2016.

Index Enterprise LLC through its subsidiary Viking Ventures LLC continues seeking opportunities to invest in industrial properties in the northeastern US for redevelopment.

Index Enterprise through its wholly own subsidiary Index Senior Living Lake Nona will close in May 2014 the Land Acquisition of the Lake Nona ALF. Construction Loan is expected to close in June 2014. Lake Nona consists of 80 units assisted living and memory care facility located in Orange County, Florida. Lake Nona has secured a construction loan for the development of the Project. Construction is expected to commence right after closing.

Lease-up has increased in Dakota and Bridgewater as well in the industrial properties located in NY.

Construction works have a higher percentage of completion in Little Torch and Riverwalk Projects. Certificate of Occupancy is expected for June 2014 and August 2014 respectively.

Consolidated Balance sheet

March 31, 2014

ASSETS	\$
INVESTMENTS IN AND ADVANCES TO UNCONSOLIDATED INVESTEES	28,258,060
ASSETS HELD FOR DEVELOPMENT	5,580,974
RENTAL PROPERTY	6,128,861
CASH AND CASH EQUIVALENTS	3,287,010
RESTRICTED CASH	1,738,416
LOANS TO MEMBERS	1,000,000
DUE FROM AFFILIATES	69,487
OTHER ASSETS	11,000
	46,073,808
	\$
LIABILITIES AND MEMBERS' DEFICIT	
LONG TERM DEBT - RELATED PARTIES	51,268,117
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	1,156,451
COMMITMENTS AND CONTINGENCIES	
MEMBERS' DEFICIT OF INDEX ENTERPRISE, LLC	-5,992,334
NONCONTROLLING INTEREST	-358,426
	46,073,808

Consolidated Statement of Operations

Three month ended March 31, 2014

INCOME	\$
Rental income	42,090
OPERATING EXPENSES	
Utilities	362,525
Professional fees	90,983
Real estate taxes	3,759
General and administrative	36,535
Depreciation	6,274
Total operating expenses	500,076
LOSS FROM OPERATIONS	-457,986
OTHER INCOME (EXPENSE)	
Interest expense	-845,884
Deficit in earnings of unconsolidated investees	-377,797
Interest income	156
Total other income (expense)	-1,223,525
NET LOSS	-1,681,511
NET LOSS ATTRIBUTABLE TO NONCONTROLLING INTEREST	(170,943)
NET LOSS ATTRIBUTABLE TO INDEX ENTERPRISE, LLC	(735,876)

Consolidated Statement Of Changes In Members' Deficit Three month ended March 31, 2014

	Members' deficit Index Enterprise, LLC	Noncontrolling Interest	Total
Cash flows from operating activities	\$	\$	\$
Members' Deficit as of December 31, 2013	-4,409,421	-259,828	-4,669,249
Net loss	-1,582,913	-98,598	-1,681,511
Members' Deficit as of March 31, 2014	-5,992,334	-358,426	-6,350,760

Consolidated Statement of Cash Flows

Three month ended March 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES \$

Net loss	-1,681,511
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation	6,274
Deficit in earnings of unconsolidated investees - net	377,797
Unpaid accrued interest expensed on long term debt related parties	845,884
Changes in operating assets and liabilities:	
Other assets	-2,180
Accounts payable and accrued liabilities	128,282
Total adjustments	1,356,057
Net cash provided by operating activities	-325,454

CASH FLOWS FROM INVESTING ACTIVITIES \$

Restricted cash	-284,682
Investments in assets held for development	-3,725
Investments in and advances to unconsolidated investees	-4,602,179
Purchases of real property	-3,522,462
Advances to affiliates	-5,511
Net cash used in investing activities	-8,418,559

CASH FLOWS FROM FINANCING ACTIVITIES \$

Proceeds from long term debt related parties	7,186,977
Repayments of long term debt related parties	-
Net cash provided by financing activities	7,186,977

NET DECREASE IN CASH AND CASH EQUIVALENTS	-1,557,036
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	4,844,046
CASH AND CASH EQUIVALENTS END OF YEAR	3,287,010

Supplemental Disclosure of Cash Flow Information \$

Interest paid	-
Income taxes paid	-

Supplemental Disclosure of Noncash Financing and Investing Activities \$

Unpaid interest expense capitalized as assets held for development	-
Unpaid real estate taxes capitalized as assets held for development	-

Stockholm 2014-05-28

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Bjarne Borg
Manager