

**INDEX ENTERPRISE, LLC AND SUBSIDIARIES**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2014**

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

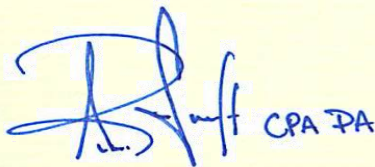
To the Members  
Index Enterprise, LLC  
Jupiter, Florida

We have compiled the accompanying consolidated balance sheet of Index Enterprise, LLC (a Partnership) and Subsidiaries, as of December 31, 2014, and the related consolidated statements of operations, comprehensive income (loss), and changes in members' deficit for the year then ended. We have not audited or reviewed the accompanying consolidated financial statements and, accordingly, do not express an opinion or provide any assurance about whether the consolidated financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of consolidated financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the consolidated financial statements.

Management has elected to omit substantially all of the disclosures and the consolidated statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the consolidated statement of cash flows were included in the consolidated financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the consolidated financial statements are not designed for those who are not informed about such matters.



Alan R. Swift, CPA, P.A.  
Certified Public Accountants and Consultants

Palm Beach Gardens, Florida  
February 26, 2015

**INDEX ENTERPRISE, LLC AND SUBSIDIARIES**  
CONSOLIDATED BALANCE SHEET  
DECEMBER 31, 2014

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**ASSETS**

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RENTAL PROPERTY	\$ 96,556,653
ASSETS HELD FOR DEVELOPMENT	24,345,015
CASH AND CASH EQUIVALENTS	5,083,449
RESTRICTED CASH	3,652,205
DUE FROM RELATED PARTIES	2,326,416
INVESTMENTS IN AND ADVANCES TO UNCONSOLIDATED INVESTEEES	961,395
DEFERRED FINANCING COST, NET	485,574
PREPAID EXPENSES	198,091
ACCOUNTS RECEIVABLE, NET OF ALLOWANCE FOR DOUBTFUL ACCOUNTS OF \$152,772	137,827
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	\$ 133,746,625

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**LIABILITIES AND MEMBERS' DEFICIT**

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LONG-TERM DEBT - RELATED PARTIES	\$ 73,998,842
LONG TERM DEBT	65,792,108
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	6,733,962
FAIR VALUE OF INTEREST RATE SWAP	626,056
CUSTOMER DEPOSITS	199,519
DEFERRED REVENUE	71,703
COMMITMENTS AND CONTINGENCIES	
MEMBERS' DEFICIT OF INDEX ENTERPRISE, LLC	( 15,526,904)
NONCONTROLLING INTEREST	1,851,339
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	\$ 133,746,625

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**INDEX ENTERPRISE, LLC AND SUBSIDIARIES**  
CONSOLIDATED STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2014

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INCOME

Rental Revenue	\$	5,181,477
Tenant Expense Recovery		494,454
Total income		5,675,931

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OPERATING EXPENSES

Advertising and promotion		121,590
Common area maintenance		2,324,785
Depreciation		2,432,929
General and administrative		671,499
Insurance - general		311,460
Management fees		3,082,482
Equity based compensation		673,299
Professional fees		346,692
Real estate taxes		1,252,966
Other operating expenses		802,780
Total operating expenses		12,020,482

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LOSS FROM OPERATIONS ( 6,344,551)

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OTHER INCOME (EXPENSE)

Interest expense	(	6,073,395)
Equity in earnings of unconsolidated investees	(	275,868)
Interest income		46,797
Miscellaneous Income		5,025
Total other income (expense)	(	6,297,441)

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NET LOSS ( 12,641,992)

NET LOSS ATTRIBUTABLE TO NONCONTROLLING INTEREST ( 1,591,005)

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NET LOSS ATTRIBUTABLE TO INDEX ENTERPRISE, LLC \$( 11,050,987)

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**INDEX ENTERPRISE, LLC AND SUBSIDIARIES**  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)  
YEAR ENDED DECEMBER 31, 2014

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NET LOSS ATTRIBUTABLE TO INDEX ENTERPRISE, LLC	\$ 11,050,987
OTHER COMPREHENSIVE INCOME (LOSS)	
Change in fair value of interest rate swaps	516,496
COMPREHENSIVE LOSS ATTRIBUTABLE TO INDEX ENTERPRISE, LLC AND SUBSIDIARIES	\$ 11,567,483
NET LOSS ATTRIBUTABLE TO NONCONTROLLING INTEREST	\$ 1,591,005
OTHER COMPREHENSIVE INCOME (LOSS)	
Change in fair value of interest rate swaps	109,560
COMPREHENSIVE LOSS ATTRIBUTABLE TO NONCONTROLLING INTEREST	\$ 1,700,565
NET LOSS	\$ 12,641,992
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	
Change in fair value of interest rate swaps	626,056
COMPREHENSIVE LOSS	\$ 13,268,048

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**INDEX ENTERPRISE, LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' DEFICIT**  
**YEAR ENDED DECEMBER 31, 2014**

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	Members' deficit - Index Enterprise, LLC	Accumulated other comprehensive loss	Non- controlling Interest	Total
Members' Deficit as of December 31, 2013	\$( 4,409,421)	\$ -	\$( 259,828)	\$( 4,669,249)
Capital contribution - noncontrolling interest	450,000	-	4,521,453	4,971,453
Distributions	-	-	( 709,721)	( 709,721)
Net loss	( 11,050,987)	-	( 1,591,005)	( 12,641,992)
Other comprehensive loss	-	( 516,496)	( 109,560)	( 626,056)
Members' Deficit as of December 31, 2014	\$( 15,010,408)	\$( 516,496)	\$ 1,851,339	\$( 13,675,565)

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