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Real Estate Investor Asset Management and Due Diligence

Currently there are significant opportunities for Investors to acquire Real Estate Assets either through **Portfolio** or **single asset** acquisitions and the best equipped Investors are teaming up with established experienced development/asset managers with real development expertise. In late 2008 the Corky McMillin Companies formed a new Asset Management Group to meet the needs of these Investor clients. McMillin Development Inc (MDI) Asset Management grew out of the family's established development firm, and has quickly grown as its own entity, currently managing over 50 project sites in California and Arizona.

Since we started the Asset Management Business in August of 2008 we have been growing the business; expanding our reach geographically; and enhancing the services we offer to meet the needs of a variety of clients. Our clients to date have been: Private Investors (**Portfolio analysis, due diligence, management, construction and targeted acquisitions**), Banks (real estate owned, pre-foreclosure and portfolio analysis), and Property owners.

We have now successfully transitioned into a full-scale Asset Management company doing the same things for others that we had been doing for ourselves and our joint-venture partners as developers for over 45 years.

Here's a brief summary of two recent assignments for **Investor Clients**:

Investor Portfolio Acquisition and Management:

McMillin assisted a private investment fund acquire a portfolio of assets in multiple Cities from a homebuilder (who sold year-end in order to meet loss carry-forward requirements) comprising the following elements:

12 Houses under construction	100 finished lots
100 nearly finished lots	1,000 lots raw with a TM
145 additional unentitled acres	

McMillin worked with the Investor buyer and the seller to complete a three (3) week due diligence and closing period and is managing the portfolio:

- Within one (1) year returned half the initial Capital investment
- Completed and sold the 12 houses.
- Sold a 16.5 acre school site including negotiating the required offsite project improvements in order to complete the sale.
- Currently initiating a Rolling Option program to market and sell lots.
- Negotiated an interim use Land Lease on the raw land.



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- Negotiating a sale of land to the City for an equestrian center that will ultimately enhance the value of the remaining lots.
- Worked as General Contractor and Manager for the projects including Fund Control and Cash Flow management.

Investor - Project Specific – Development Manager:

In April 2008, McMillin was hired by an Investor/Developer to take over the Development Manager role in a 480 lot/unit project where the on and offsite improvements were left partially complete. McMillin work included:

- Development Manager and General Contractor for \$20M of on and offsite improvements to complete the project.
- General Contractor to complete an 80 unit affordable housing project.
- Complete entitlement processing for the project including: final engineering and mapping for 400 lots, Rezone of commercial parcel and planning commission and city council hearing presentations.
- Created and processed wetland mitigation for sale.
- Managed a complex Assessment District coordinating with adjacent property owners for reimbursements.
- Implemented a massive onsite rock crushing operation to save on project material needs.
- Processing and preparation of all project accounting requirements.

These are just two examples of McMillin's recent Investor client work, McMillin also has a 45+ year history of managing complex real estate joint ventures with current developments throughout California and in San Antonio Texas. MDI is also working with Banks on 20 projects (2,500 lots) in greater Phoenix Arizona and recently completed an analysis of a portfolio of 240 assets (11,000 lots) located in ten (10) western states.

Contact me if you have any questions.

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The Corky McMillin Companies

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