



CASE STUDY -THE GRAND RESERVE

In one year Pinnacle created \$4.8 million of additional value for the owners.

Pinnacle partnered with a new institutional client during the acquisition of The Grand Reserve in Woodbury, Minnesota on January 31, 2006. Before the end of the year Pinnacle increased the value by \$4.8 million. The new clients were so pleased they selected Pinnacle to manage three more large communities.

We drove income above the client's year one pro-forma expectations by executing a broad based marketing program. We reduced costs by leveraging Pinnacle's local and national buying power.

Some of our specific accomplishments include:

- Increased effective rental income 10%, and total property income 11%.
- Reduced overall expenses 10% with focused expense management and by leveraging Pinnacle's buying power.
- Within the first nine months, exceeded budgeted NOI by 8.3%, more than \$200,000, with 9% anticipated within year one.
- The 394-unit Grand Reserve earned very high marks on the Kingsley Residential Satisfaction Assessment Community Report, exceeding the client's portfolio index and the Kingsley index in several key areas including overall satisfaction, management satisfaction and maintenance satisfaction.

