

ARK MANAGEMENT

OVERVIEW FOR PROPERTY/ASSOCIATION MANAGEMENT SERVICES

(Examples of ARK MANAGEMENT Properties)



ARK MANAGEMENT

(888) 834-5999 - www.ark-management.com

Mailing Address

1042 N. El Camino Real, Suite B-421
Encinitas, CA 92024

Corporate Office

2533 S. Coast Hwy 101 Suite 230
Cardiff by the Sea, CA 92007

Satellite Offices

Newport Beach
Los Angeles
Palos Verdes Estates
Downtown San Diego

OVERVIEW

ARK MANAGEMENT is a privately owned, full-service Commercial Property Management and Association Management Company serving Southern California. ARK MANAGEMENT prides itself on providing premium Industrial, Office and Retail property management, as well as Commercial and Residential Association management services, by preserving and enhancing the value of their clients' assets through diligence, efficiency and sound business judgment. Built on delivering focused attention to clients' real estate assets, ARK MANAGEMENT has the expertise to handle office, retail, industrial properties or associations of any size. ARK MANAGEMENT'S team has been in the property management business for decades. Our background began in Residential HOA management many years ago in Northern California at Community Management Services, Inc. which managed more than 140 associations and had at that time been in business for 20 years. With our commercial division thriving we decided to reopen our residential, planned community and high-rise division, due to a lack of service in that sector that we have seen prevalent throughout Southern California. ARK MANAGEMENT does not step into an association until we have a comprehensive, written Community Business Plan so that the association directors and our management team are all on the same page.

The Principals of ARK MANAGEMENT have over 35 years of combined experience in the real estate industry, as well as credentials and memberships such as Certified Property Manager (CPM), National Association of Industrial and Office Professionals (NAIOP), International Council of Shopping Centers (ICSC), California Associations of Community Managers (CACM), Community Associations Institute (CAI), Certified Public Accountant (CPA), Masters in Real Estate Development (MRED), Juris Doctor (JD), Society of Industrial and Office Realtors (SIOR), and Certified Commercial Investment Manager (CCIM). ARK MANAGEMENT is based in San Diego with satellite offices in Orange County and Los Angeles County in order to serve Southern California.

PROPERTY MANAGEMENT

ARK MANAGEMENT oversees the daily details of the management and operations of your property without losing sight of the owner's overall objectives. We understand the delicate balance between controlling operating expenses and providing a level of service that ensures value. We take pride in our ability to resolve issues that arise both efficiently and in a professional manner.

Specifically, we have a proven track record for achieving excellence in the following areas:

PROPERTY SERVICES ►

We provide a full range of services to keep your property well maintained, safe, and attractive to retain tenants, as well as appeal to new tenants in the market, including:

- Common area enhancement services
- Janitorial services
- Landscape maintenance and enhancement
- Lighting repairs, maintenance, and improvements
- HVAC maintenance

TENANT RELATIONS ►

We are committed to keeping your tenants happy and maintaining consistent communication as follows:

- Hands-on management style
- Meeting with tenants on a regular basis, which enables ARK to develop positive relationships
- Proactively responding to tenant needs and questions regarding lease, CAM, budget and other issues
- Follow-through and follow-up with issues to promote tenant confidence

MANAGING VACANCIES ►

Before vacancies arise, we coordinate all of your leasing needs, including:

- Contacting and interviewing multiple leasing agents
- Keeping vacant space in "rent-ready" condition
- Managing tenant improvements

VENDOR CONTRACT SERVICES ►

ARK Management retains professional vendors to provide cost-effective maintenance and tenant services, including:

- Closely monitor the vendor's work
- Review and re-bid vendor contracts annually

OWNER COMMUNICATION ►

We build and maintain strong relationships with the property owners we serve through regular, pertinent communication:


- Always available to answer your questions
- Commitment to responding to and completing all owner requests in a timely manner
- Financial reports are on time and accurate each and every month

PROJECT/CONSTRUCTION MANAGEMENT

 **ARK MANAGEMENT** provides a full range of project development services for clients. These services focus on development and repositioning of properties including industrial, retail, and office product types. Project scopes range from ground-up construction to the rehabilitation of existing properties, including:

- Development of project financial pro-forma
- Selection and management of professional service providers such as architects, engineers, contractors, and marketing firms
- Development entitlements
- Establishing total project development costs
- Obtaining building permits
- Arranging construction and permanent financing


ASSET MANAGEMENT

 **ARK MANAGEMENT** understands the intricacies of increasing net operating income through market knowledge, lease negotiations, and controlling costs. We are fluent in market conditions and regularly monitor property operation expenses to ensure a competitive value. We have the knowledge and expertise to help our clients improve their cash flow, enhance physical property plans, and optimize tenant rent, retention and mix. Our mission is to provide premium management services to our clients by preserving and enhancing the value of their assets through diligence, efficiency, and sound business judgment while maintaining the highest degree of professionalism and integrity.

ARK MANAGEMENT has an established record of increasing the performance of assets under management in the following ways:

- establishing a business plan for the property
- remaining hands-on and responsive at the property level while simultaneously focusing on positioning the asset
- retaining existing tenants
- providing leasing oversight and managing construction

ASSOCIATION MANAGEMENT

 ARK MANAGEMENT specializes in taking over your association after the developer has sold a majority of their interest in the property. We aim to reduce costs while simultaneously helping the association run more smoothly. In addition ARK MANAGEMENT works with established associations that may need help with establishing new procedures or critical projects. HOA / Condo Association Management Services we offer include but are not limited to:

- Accounting prepared by on staff CPA
- Website Portal, pay your bills online and budgets, events, etc
- Web base Management software with access from anywhere at anytime
- Board Meetings, Meeting minutes recorded
- Assist collection agency with delinquencies Payment of association bills
- Reconciliation of Client's bank statements
- Organize Annual Meeting, Board Election
- Assistance to the Board with its mandate of operating the Association in the best interests of the Members
- Ensure that inspections are completed and documented, reports are completed and provided to the Board
- Ensure that non-compliance issues are followed up in a timely manner and in accordance with the Association policies and procedures
- Ensure that assessments are collected in a timely manner
- Provide input and leadership in planning future growth and changes as the Community mature.
- Proposing and drafting policies and resolutions as required
- Violation letters
- 24-hours emergency support
- Requests for Regular Maintenance Bids
- Training Board members regarding their duties
- Provide the Board with minutes and action lists
- Ensure that insurance coverage is sufficient
- Prepare bids specification, obtain bids and finalize contracts as applicable
- Present yearly budget to the Association in a timely manner
- Ensure that financial statements are analyzed and forwarded to the Board within time lines
- Screen all vendors and ensure they are licensed, insured and bonded
- Compliance with all governing documents
- Oversee the maintenance of common areas
- Common area enhancement services
- Landscape maintenance and enhancement
- Lighting repairs, maintenance and improvements
- Review of previous company's records to see where improvements can be made
- Closely monitor vendors' work
- Review and re-bid vendor contracts annually

CONSULTING SERVICES

ARK MANAGEMENT consulting services are tailored to the specific needs of our clients and are designed not only to identify problems but also to implement solutions. Using an integrated problem solving approach, we are committed to meeting our clients' goals in a seamless and transparent fashion. Since each client has a different set of requirements, ARK MANAGEMENT's consulting services have both depth and breadth. Our experience with the multi-faceted business of commercial real estate allows us to offer expertise for the following real estate consulting services:

- Due Diligence
- Bankruptcy/Loss Management
- City/County Planning Approvals
- Dispositions
- Expert Witness Testimony
- Financial Analysis
- Lease Compliance
- Negotiate Leases and Renewals
- Oversee Tenant Improvements
- Property Tax Review and Appeals
- Portfolio Structuring & Strategy
- Restructuring
- Land Entitlement

ARK MANAGEMENT offers the above consulting services on an hourly or goal oriented basis.

COMMITMENT TO EXCELLENCE AND PEAK PERFORMANCE

Our commitment to excellence and peak performance is evident in everything we do. Our proven business judgment, both in general business practices and the real estate industry, will guide you in making crucial decisions that can affect your near and long-term performance goals. Our financial reporting is timely, thorough, and accurate; another hallmark of our commitment to excellence. Quite simply, we strive to be the best in all areas of our business. We continually look for ways to fine-tune our services so owners can further increase the value of their investment.

TESTIMONIALS

ARK Management provides a great amount of attention to details, encouraging open communication and problem solving by all parties involved. They deliver the quick, effective decision-making that is required to bring all project concepts to reality, and through valuable project leadership, creativity, and communication, ARK Management brings new and innovative visions to each project.

Jon Archer, Owner - CREW BUILDERS

ARK Management assumed management of Sycamore Vista Industrial Park Association this past year. It was under very difficult circumstances that they took over this position, as it was discovered that the prior management company had grossly mismanaged the Association.

As a current Board member of the Association, I have witnessed firsthand how ARK Management has put our Association back on track. ARK rapidly resolved problems created by the prior management company and we have been pleased with their hard work and attention to details. It is evident that they take great pride in what they do, as they have continuously strived to make the association run as smoothly as possible. They have proven to be a great asset.

I would highly recommend ARK Management. If you would like to discuss this recommendation in person please feel free to contact me.

*Gary Thibodo
Thibodo Management Company*

I currently own a building in the commercial association that is being managed by ARK Management. As an association, we were unhappy with our previous management company, and since making the switch to ARK Management, they have worked very hard to make the transition as smooth as possible. In doing so, they have succeeded not only in lowering our monthly dues, but have also made our association as a whole run more efficiently. We wish that we had switched companies sooner, and we look forward to doing business with ARK Management for a very long time.

*Sandra Moffitt Adams
President - LOGO Expressions, Inc.*

Throughout 25 years of commercial real estate ownership and advising we have experienced our fair share of management companies. ARK Management has proven to be the most reliable and efficient management company we have worked with to date. They consistently display their value through maintaining open, positive communication with both tenants and us as owners. I appreciate the ability to deal directly with the Principals of ARK Management, as you never feel like you get lost in the shuffle like we did with larger management companies. ARK Management has proven to be the most detailed and responsive management company we have worked with and I highly recommend their services.

*Bill Matusich
Financial Advisor - ASK Holdings, LLC & ASK Properties, LLC*

In July ARK Management took over the responsibility as property manager for my client's industrial portfolio in Chino. My client could not be happier with his decision to change commercial property managers as Ark Management has performed above his expectations. From a brokers viewpoint ARK Management understands their role as property manager and they do everything possible to help facilitate lease transactions without getting involved in our commissions. I recommend ARK Management for Commercial Property Management services.

*Josh Hayes - McKiernan
Vice President - Colliers International*

ARK Management assumed management of our industrial and retail parks in Riverside and San Bernardino Counties under difficult circumstances. ARK Management quickly solved the existing property management problems. They also did an excellent job of anticipating maintenance problems, staying on top of rent collections and responding to the needs of Ownership. ARK Management is an exceptional complement to our group. ARK Management remains hands on and responsive at the property level, while staying proficient on Ownership perspectives as they relate to positioning the property. I highly recommend ARK Management for industrial and retail property management services.

*Mike Persall
Persall Group*

BIOS OF KEY PERSONNEL

ADAM ROBINSON (CCIM, SIOR AND CPM) is a Principal of ARK MANAGEMENT with over 15 years of Commercial Real Estate and Management experience. Mr. Robinson's experience spans all facets of the real estate business including acquisitions, leasing, dispositions, management, and development of projects with a combined value of \$750 mm dollars. Mr. Robinson has extensive management experience, from managing associations and business parks to asset management for individual investors and personal portfolios. Mr. Robinson grew up in Property Management as his parents were the founders of a very large property management company in Northern California. In 2007, Mr. Robinson was named one of the "Top 30 Under 30" real estate professionals by Real Estate Southern California magazine. Mr. Robinson holds a Bachelor's Degree in Business Administration with an emphasis in Procurement from the University of San Diego. He is a licensed real estate broker in the state of California and holds numerous professional affiliations, including the National Association of Industrial and Office Professionals (NAIOP), International Council of Shopping Centers (ICSC), California Associations of Community Managers (CACM), Community Associations Institute (CAI), Certified Commercial Investment Member (CCIM), Society of Industrial Office Realtors (SIOR), and Certified Property Manager (CPM).

CJ STOS (MRED) is a Principal of ARK MANAGEMENT with over 10 years of Commercial Real Estate experience. Prior to joining ARK MANAGEMENT Mr. Stos was Vice President of Newport Beach based Master Development Corporation ("MDC") where he was key in the acquisition, entitlement, development, management and disposition of over \$150 mm of Commercial Real Estate product. Before his tenure with MDC Mr. Stos was one of the top brokers in his respective age category for CB Richard Ellis Orange County. He was responsible for contributing to over 300 lease and sale transactions during his six year career with the company. In addition to currently being active in a variety of commercial real estate organizations such as NAIOP and SIOR, Mr. Stos is a board member on both the University of San Diego Alumni Real Estate Association and the Newport Harbor Yacht Club. He has been a featured speaker at both Real Share and CREW commercial real estate conferences. Mr. Stos holds a Bachelor's Degree in Business Administration with an emphasis in Finance and Marketing from the University of San Diego where he graduated Cum Laude honors in 2000 and a Masters Degree in Real Estate Development from the University of Southern California. He is a licensed real estate salesperson in the State of California.

SOMER REYNOLDS (CPA) is the Chief Financial Officer and a Senior Property Manager of ARK MANAGEMENT with over 8 years of experience in the accounting and real estate industries. Ms. Reynolds brings considerable accounting, tax, and management experience to ARK MANAGEMENT. Prior to joining ARK MANAGEMENT, she was a Controller for LBA Realty, a full service real estate investment and management company with a diverse portfolio of office and industrial properties throughout the Western United States and more than \$4 billion in real estate acquisitions. Ms. Reynolds oversaw the accounting and coordination of operations between three corporate offices and sixteen property management offices. She also managed the budgeting, cash management, reporting, and tax return processes for over thirty corporations, LLCs, and LPs. Previously, Ms. Reynolds practiced public accounting at CBIZ Accounting Tax and Advisory of Orange County, a national public firm, and at Considine & Considine, the largest private CPA firm in San Diego. Her expertise includes

tax planning, consulting, audit, reporting, and tax preparation for individuals, corporations, partnerships, trusts/estates, and exempt organizations, with a large focus on real estate partnerships and investments. Ms. Reynolds graduated from the University of San Diego with a B.S. in Accounting and an Emphasis in Information Technology in May 2002. She is a Certified Public Accountant, licensed by the California Board of Accountancy.

RICHARD ZIZIAN (JD, BS) is the Director of HOA and CID Services and a Risk Management Consultant of ARK MANAGEMENT. With over 30 years experience, Mr. Zizian has governed, developed, managed and overseen property management administration, facilities, engineering, systems, and risk management. With extensive experience in new association start-ups, Davis Stirling Act compliance, and CC&R/Bylaw enforcement, Mr. Zizian has served as an Executive Board Director for numerous HOAs including President of the Grande North, a 39 story, 221 unit luxury residential high-rise in San Diego, Executive Director for Palm Springs Villas and Arrowhead Lake Estates, both large- scale resort condominium startups, and Brook Hills Estates in Fallbrook. He is the President of Zizian-Reilich Risk Management in San Diego, and an Executive Consultant for various management, insurance and finance corporations. He specializes in urban high-rise residential towers, condominium complexes, single-family gated estates, and resort condominiums. He has 25 years hands-on experience as the key person responsible for coordinating, overseeing and negotiating with developers, post-construction warranty, construction defect litigation and California SB800 issues and has a special focus on technologically advanced high-rise oversight. He holds a collegiate teaching credential in the state of California in law, insurance, banking & finance, and various related subjects, as well as being a law and finance & insurance instructor for Chaffey College. Mr. Zizian holds a Bachelor of Science degree from California State Polytechnic University, Pomona, a Juris Doctor Degree from the University of La Verne School of Law, and a certification in Executive Management & Ethics with M.A.P. Executive Management School. He is a licensed Property & Casualty Insurance Broker in the state of California.

SUSAN ("SUZI") MARIE SMITH is Director of Administration at ARK MANAGEMENT'S HOA and CID Services Division. In this capacity she is responsible for coordinating and overseeing all major administrative transitions, changes, implementations, undertakings and innovations within our Client communities, including but not limited to Board and management staff liaison, Davis-Stirling compliance evaluations, data management and administration, major community projects, access control, rules and regulation modifications, SB800 litigation coordination, systems automation and transitions, and overseeing the ARK signature Business Plan operating model and methodology within each of our HOA/CID Communities. All certified ARK residential managers work directly with Suzi availing themselves of her leadership and talents as a very disciplined and dedicated administrator on large projects. Ms. Smith is an experienced Board Member who can readily identify with the challenges of serving on, and being an effective HOA community Director in some of the most challenging technological and membership environments. In addition, Ms. Smith has extensive experience with Davis-Stirling Act compliance, ADR/IDR conflict resolution, HOA elections and protocols, CC&R/By law enforcement and HOA forms, documents and website design. Ms. Smith has served as an Executive Board Member, Rules Committee Chairman and Construction Defect SB800 Litigation Liaison for a 221 unit luxury residential high rise in downtown San Diego. Ms. Smith's previous work experience includes Research Methods and Experimental Design in Psychology Instructor at SBCC, Statistical Testing and Analysis in Empirical Research, Business Systems and Marketing Coordinator in real estate, Project Coordinator and Management in the music industry. She holds a B.A. in Psychology from Antioch University.

SALLY SPENCER is the Director of Project Transitioning & Organizational Management for ARK MANAGEMENT and has been in the property management industry for over twenty-three years. Ms. Spencer started her property management career with Community Management Services, Inc., a company her late husband founded in 1977. The company specializes in the management of homeowners associations and during Ms. Spencer's tenure there the company quadrupled in size to over 140 associations. Her experience includes: customer service; interfacing and troubleshooting with the homeowner associations Board of Directors and committees; transitioning new accounts; corporate general manager responsibilities including overseeing managers and staff; human resources in conjunction with hiring and benefits; management of corporate accounting; and marketing. Ms. Spencer served as general manager and vice president of Community Management Service, and was the majority owner before retiring to concentrate on her commercial landscape company. Ms. Spencer's landscape company provided landscape services to homeowner associations and commercial and industrial properties. She merged her landscape company with a larger company in 2005 and returned to commercial and residential property management until joining ARK MANAGEMENT. Property management, particularly homeowner association management, is a profession that Ms. Spencer finds both challenging and rewarding. She takes a proactive approach to management and truly enjoys the client interaction. Ms. Spencer holds a Bachelors Degree in Psychology from San Jose State University.

KATE ROBINSON is a Principal and Senior property manager of ARK MANAGEMENT. She has been immersed in Commercial Real Estate property management for more than seven years. She has a diverse background in real estate, which includes; extensive experience working with both institutional and non-institutional real estate and with all product types ("mixed-use", class "A" office, "big box" industrial, multi-tenant industrial and retail). Prior to co-founding ARK MANAGEMENT, Mrs. Robinson worked as a senior associate for a national commercial real estate brokerage company where she continuously introduced new and innovative processes to help retain and attract tenants to her portfolio. She holds a Bachelor's Degree from the University of California San Diego, and is currently licensed as a California Real Estate Broker.

DAVID WALKER is the Construction Manager for ARK MANAGEMENT with over 35 years experience. Following a degree in Economics/Accounting at Claremont Mens College, Mr. Walker began his career with The Irvine Company in the multifamily division. He transferred from accounting to construction and started his hands-on construction career. David progressed from residential and retail to a project management position with Birtcher Construction in high rise construction, including the 15 story Xerox Centre and the State Compensation Insurance Fund buildings in Santa Ana, Calif. Recently, he spent 12 years with Master Development Corporation as Vice President of Construction managing over 4 million square feet of industrial and commercial distribution projects, including site work, shell and core, office and warehouse tenant improvements. His responsibilities included budgeting, contracting, client interface, and supervising all construction. He assisted with the property management in all aspects of repairs and improvements. By utilizing value engineering and design build concepts, projects were completed economically with quality control. Mr. Walker is a licensed building contractor in California.

PHILLIP BRODERICK (CPA) is a property manager of ARK MANAGEMENT. As property manager, Mr. Broderick's role is to ensure that the client's and tenant's goals and objectives are being met. Mr. Broderick has been in the real estate and accounting industries for over ten years and has a strong understanding of all product types. Prior to joining ARK MANAGEMENT, Mr. Broderick held a management position at LBA Realty, a billion dollar commercial real estate company. In addition, Mr. Broderick held the Controller position with a

large regional public works subcontractor, and a Controller position with the public homebuilder Ryland Homes, where he gained extensive knowledge in financial statement preparation, forecasting, risk management, internal control, process efficiencies, job costing and system implementation. Previously, Mr. Broderick worked for international accounting firm KPMG, LLP, where he worked on engagements in real estate, asset management, homebuilding, banking, consumer goods and high tech. Mr. Broderick holds a B.S. in Accounting from the University of San Diego, and is a Certified Public Accountant licensed by the California Board of Accountancy.

BARRY E. HAGER is a strategic partner of ARK MANAGEMENT. He is an attorney who has been licensed to practice law in California since 1988. Mr. Hager's experience includes all aspects of real estate law, including acquisition, leasing, landlord-tenant and real estate disputes. Mr. Hager also practices in the areas of business law and construction law. Mr. Hager represents mostly business owners, property owners and investors, and commercial landlords. He has been a partner with the law firm of Treitler & Hager, LLP since 2000. Mr. Hager received an undergraduate degree from the University of California, San Diego, Revelle College, in 1985, and a Juris Doctorate from the University of San Diego in 1988.

KEVIN APOR is a strategic partner of ARK MANAGEMENT. Mr. Apor has been in the real estate valuation business since 1992 and is a member of the Appraisal Institute (MAI). He has performed valuation engagements across the United States and his primary practice areas include California, Nevada, Arizona and Hawaii. These engagements have encompassed a complete range of property types including multi-family, retail, hotels, resorts, casino hotels, industrial, office, medical office, mixed-use, residential subdivisions, proposed development projects, and special purpose properties such as marinas, power plants, schools, entertainment venues, and gas stations. The purpose of these assignments has included appraisals for banks, insurance companies and conduits; valuations for estate and tax planning; partial interest valuation; property tax appeal; portfolio valuation; due diligence for investment groups; feasibility studies for developers; FAS 141 purchase price allocations; and expert testimony for litigation support. Recent clients include: MSD Capital, Kyo-ya Pacific, Strategic Hotels, Station Casinos, AMB Properties, SCI Properties, Bristol Group, The Kor Group, Morgan Stanley, Bank of America, Wachovia Securities, Tudor-Saliba and CalPERS.

From 2006 to 2008 Mr. Apor was a Director in the Los Angeles Real Estate Valuation practice of Duff & Phelps LLC. In 1996 he successfully launched a real estate investment company while continuing to own and operate a boutique valuation firm. Prior to that he was employed as a Senior Appraiser for nine years at Joseph J. Blake & Associates in Century City. Mr. Apor holds a Bachelor of Science degree in Business Administration from the University of Southern California. He is both a California State Certified General Real Estate Appraiser and a Licensed Real Estate Broker in the State of California.

ANTHONY MARTIN is a strategic partner of ARK MANAGEMENT. Mr. Martin started his public accounting career in 1977 with Swenson & Clark Certified Public Accountants, a California regional firm with about 100 employees. He later became a partner in that firm. In 1988, the Newport Beach based partners formed Haskell, White, Martin and Maraney Certified Public Accountants. In 1997, Mr. Martin co-founded Maraney, Gibbons & Martin LLP Certified Public Accountants, where he remains today. Mr. Martin's experience includes 18 years of overseeing the tax planning and compliance requirements for The Koll Company and its principals. The Koll Company is considered an industry-leading industrial, office and resort real estate company whose track record includes the development of over 90 million square feet of office, industrial and retail space. Mr. Martin

graduated Magna Cum Laude from California State Polytechnic University in 1977. He also holds a Master of Science degree from Golden Gate University. He became a Certified Public Accountant in the state of California in 1982.

► ***ARK MANAGEMENT is fully licensed and bonded***