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KT TERRAZA I, LLC and B3 FLJC, LLC

9 Attorneys for Debtors in Possession
10 GTS PROPERTY PORTFOLIOS B-3, LLC and
GULFSTREAM APT. PORTFOLIO, LLC

11 **UNITED STATES BANKRUPTCY COURT**
12 **CENTRAL DISTRICT OF CALIFORNIA**
13 **LOS ANGELES DIVISION**
14

15 In re
16 KT TERRAZA I, LLC, a Delaware limited
17 liability company.

18 Debtor and Debtor in
19 Possession.

Case No. 2:10-bk-19693-SB

[Joint administration with Case Nos. 2:09-bk-
14774-SB, 2:09-bk-15342-SB, and 2:10-bk-
19697-SB pending]

Chapter 11

20 **OMNIBUS DECLARATION OF D. SCOTT**
21 **LEE IN SUPPORT OF DEBTOR'S FIRST**
22 **DAY MOTIONS**

[First Day Motions and Omnibus Declaration of
Anthony Napolitano concurrently filed herewith]

Date: March 23, 2010
Time: 2:00 p.m.
Place: Courtroom 1575
255 East Temple Street
Los Angeles, CA 90012

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OMNIBUS DECLARATION OF D. SCOTT LEE

I, D. Scott Lee, declare as follows:

1. I am the Managing Member and a principal of LT Realty Ventures, LLC, d/b/a LTVentures (“LTV”). I make this Declaration in support of the following first day motions filed in the above-captioned bankruptcy case of KT Terraza I, LLC, debtor in possession (“Debtor”)
 - a. Emergency Motion For Authorization to Use Cash Collateral Through May 31, 2010;
 - b. Emergency Motion For Order Authorizing Joint Administration of Chapter 11 Cases;
 - c. Emergency Motion Pursuant to 11 U.S.C. § 327 Authorizing Debtor to Employ LT Realty Ventures, LLC as Portfolio Asset Manager and to Employ Local Property Managers;
 - d. Emergency Motion For Order Setting Claims Bar Date; and
 - e. Emergency Motion For Order Limiting Notice Pursuant to Rule 2002(m) of the Federal Rules of Bankruptcy Procedure.

2. I have personal knowledge of the matters stated in this Declaration, and if called upon as a witness, I could and would testify competently thereto.

BACKGROUND

3. I have over twenty-five years experience in real estate acquisitions, finance and property management of multi-family housing projects. Prior to forming LTV, I was a Senior Director – Manager Business Development of GE Commercial Finance (“GECF”) from 2007 through February, 2009. In this capacity, I was accountable for the Direct Investments Multifamily platform for GECF’s North American Real Estate Equity portfolio west of the Mississippi and the national multifamily strategy. This included overseeing multifamily asset management, including concurring with asset management on all activities including selection and retention of property managers, renovation and rehabilitation plans, determining hold strategy and impairment issues, disposition and investment broker representation. In the last six months, responsibilities included East Coast assets and supporting GE’s strategy to use its multifamily portfolio as a potential source of cash. In this capacity, I oversaw 16 multifamily residential apartment complexes yielding a total of approximately 5,700 units.

1 4. From 2002 to 2007, I was a Senior Director – Real Estate for the North American
2 Equity Venture Investing group of GECF. In that capacity, I originated joint venture
3 opportunities with other real estate investors. This required the ability to review financial
4 information from the potential partner and property management company, including the physical
5 site inspections to determine property condition, and review of relevant reports, historical
6 operating statements, and projected budgets, the appropriateness of the proposed property
7 management company and the partners plan to bring an underperforming asset to market through
8 marketing, property/asset management or renovation. In this capacity, I was involved in the
9 acquisition, finance, and/or management of 14 multifamily residential apartment complexes
10 yielding a total of approximately 7,800 units.

11 **LTV’S INVOLVEMENT:**

12 5. I was retained by GTS Property Portfolios B-3, LLC to advise GTS on its
13 investment in the Gulfstream apartment portfolio, which consisted of the following properties (the
14 “Properties”):

- 15 • Ashton Ridge is a 356 unit apartment complex located at 5959 Fort
16 Caroline Road, Jacksonville, Duval County, Florida (“Ashton Ridge”);
- 17 • Deerfield is a 256 unit apartment complex located at 11711 Lane Avenue
18 South, Jacksonville, Duval County, Florida (“Deerfield”);
- 19 • Oakwood Village is a 278 unit apartment complex located at 4755 North
20 Goldenrod Road, Orlando, Orange County, Florida (“Oakwood”);
- 21 • Ventura Landing is a 184 unit apartment complex located at 6203 Curry
22 Ford Road, Orlando, Orange County, Florida (“Ventura”);
- 23 • Cooper’s Pond is a 463 unit apartment complex located at 6221 North
24 Dale Mabry Highway, Tampa, Hillsborough County, Florida (“Cooper”
25 and together with Ashton Ridge, Deerfield, Oakwood, and Ventura, the
26 “Florida Properties”);
- 27 • Braesview is a 396 unit apartment complex located at 11501 Braesview
28 Drive, San Antonio, Bexar County, Texas (“Braesview”);
- La Jolla is a 300 unit apartment complex located at 10707 IH 10 West,
 San Antonio, Bexar County, Texas (“La Jolla” and together with
 Braesview, the “Texas Properties”);

1 • Quail Run is a 332 unit apartment complex located at 3509 Lake Avenue,
2 Columbia, Richland County, South Carolina (“Quail Run”); and
3 • Woodland Village is a 308 unit apartment complex located at 2221 Bush
4 River, Columbia, Lexington County, South Carolina (“Woodlands” and
5 together with Quail Run, the “South Carolina Properties”).
6 6. Debtor’s sole asset is an undivided thirty percent (30%) tenant-in-common interest
7 in the “Properties”. These are the same Properties that are the subject of the affiliated jointly
8 administered bankruptcy case, *In re GTS Property Portfolios B-3, LLC*, Case No. 2:09-bk-14774-
9 SB (the “GTS Case”), which involves GTS Property Portfolios B-3, LLC (“GTS”), the holder of
10 an undivided fifty percent (50%) tenant-in-common interest in the Properties and Gulfstream Apt.
11 Portfolio, LLC (“Gulfstream”), the holder of an undivided ten percent (10%) tenant-in-common
12 interest in the very same Properties. B3 FLJC, LLC (“FLJC”) holds the remaining undivided ten
13 percent (10%) tenant in common interest and commenced its own bankruptcy case concurrently
14 with Debtor’s filing.

15 7. Joint administration of the bankruptcy cases of Debtor, GTS, Gulfstream and FLJC
16 is appropriate because the sole assets of Debtor, GTS, Gulfstream, and FLJC are their undivided
17 tenant-in-common interests in the Properties. Debtor, GTS, Gulfstream, and FLJC have common
18 creditors, ownership and share common management. Additionally, joint administration will
19 maximize the assets of the each estate by reducing expenses, protecting the interests of creditors,
20 and easing the administrative burden of Debtor, GTS, Gulfstream, FLJC, the Court and all
21 interested parties.

22 8. Following the petition dates in the GTS Case, LTV immediately began working on
23 a plan to stabilize the properties, remedy the most significant life, health and safety repairs
24 required at each of the properties, and market the properties in order to increase the occupancy
25 rates. During the week of March 16, 2009, I visited each of the nine properties and met with the
26 lead property managers for each group of properties: Todd Abedon¹ of Chartwell Management,
27 LLC for the South Carolina Properties, Chris Burns of Lincoln Property Company for the Florida

28 ¹ Mary Conway has been retained by Chartwell as the Regional Property Supervisor for the South Carolina
Properties, and is now the primary person responsible for the management of those properties.

1 Properties, and Allyson McKay of Lincoln Property Company for the Texas Properties
2 (collectively, the “Local Property Managers”).

3 9. As a follow up to my March, 2009 Property visits, I toured and inspected each of
4 the Properties and met with the Local Property Managers to discuss marketing plans, occupancy,
5 and repair issues on the following dates: September 10, 2009 (Woodland Village and Quail Run);
6 September 11, 2009 (Ventura Landing and Oakwood Village); September 23, 2009 (Braesview
7 and La Jolla); October 5, 2009 (Deerfield and Ashton Ridge); and October 6, 2009 (Coopers
8 Pond). I also toured the Properties again in February 2010 to further assess the conditions of the
9 Properties and to make adjustments to the marketing plans.

10 10. Throughout this process I have reviewed and approved the Local Property
11 Manager’s weekly and monthly property reports (including, rent rolls, box scores, weekly unit
12 type analysis, and occupancy projections). I have also reviewed and approved construction and
13 repair estimates provided by the Local Property Managers for the critical life, health and safety
14 issues and for general repair. I have also reviewed the marketing plans for the Properties and the
15 comparative market data for the local markets in which the Properties are located.

16 **PROPERTY RELATED ISSUES:**

17 11. At the outset of the GTS Case, there were significant health and safety hazards
18 affecting the Properties, its tenants, and others. To date, all of the critical life, health and safety
19 related repairs have been remedied with the exception of the Braesview fire damaged buildings.
20 Once the vast majority of these critical life, health, and safety repairs were completed, the Local
21 Property Managers transitioned their focus to general repair and maintenance issues and restoring
22 turned over units to rent ready condition, and increasing overall occupancy. A key component to
23 the increase of occupancy relates to the improvement of the reputation of the Properties and the
24 increase in creditworthiness of the tenant base. The Local Property Managers have implemented
25 significant pre-lease screening requirements and now perform criminal background checks,
26 require minimum credit scores and employment verification. As these communities are rebuilt
27 with dependable, law-abiding residents, the stability of the Properties increase and rent
28 delinquency decrease thereby increasing the overall value of the Properties.

1 12. Since March, 2009, there have been approximately 12,600 individual service
2 requests and over 80% have been completed. At the commencement of the GTS Case, there were
3 no rent ready apartment units available for prospective tenants. As of March 7, 2010, 1,761 units
4 have been converted to “rent ready” condition, and of that amount, 1,688 units have been leased.

5 13. Raw sewage no longer backs up into six of the buildings at one of the affected
6 Properties. Mold remediation has been completed or is in progress at five of the Properties. A
7 serious criminal and drug population has been chased out of Ashton Ridge. Roofing repairs to
8 prevent continued water intrusion and mold growth have been completed or are in progress at
9 three of the Properties. Pools closed due to stagnant and algae infested water, and noncompliance
10 with federal regulations, have been remediated and reopened. From March 2009 through
11 December 31, 2009, GTS and Gulfstream have spent over \$2.0 million for remediation of critical
12 life, health and safety repairs.

13 14. On November 25, 2009, GTS and Gulfstream made approximately \$1,050,000 in
14 tax payments for the five Florida Properties in order to take advantage of the State of Florida’s
15 four percent (4%) discount for early payment of taxes. In January 2010, GTS and Gulfstream
16 made approximately \$1.2 million in tax payments for the Texas and South Carolina Properties.
17 GTS and Gulfstream also paid insurance premiums on the Properties in the approximate amount
18 of \$550,000.

19 15. Lincoln and Chartwell’s completion of these repairs significantly contributed to
20 (i) the stabilization of the Properties, (ii) correcting the necessary deficiencies that are preventing
21 the Properties from being competitive with other multi-family residential apartment complexes,
22 (iii) providing additional rent ready units so that occupancy levels at the properties can be
23 increased thereby improving cash flow, and (iv) minimizing the risk for liability to the property
24 owners and to General Electric Capital Corporation as the secured lender. Based on my extensive
25 real estate experience, it is my opinion that each repair incrementally increased the value of the
26 Properties and will better position the Properties to obtain additional tenants.

27 16. Since Lincoln and Chartwell have taken over the property management function of
28 the Properties, there have been no significant and extended service interruptions of utilities. LTV

1 is working with the Braesview property managers and the insurance company with respect to the
2 fire damaged building at that property to determine if there exist any additional unfunded
3 insurance proceeds. LTV has reason to believe that there might be up to \$100,000 in unfunded
4 proceeds that can be applied to the reconstruction of that building.

5 17. The Properties are at a critical juncture. Much of the life safety repairs have been
6 completed, curb appeal is being restored for the Properties, aggressive marketing campaigns are
7 being implemented and undesirable tenants are being shown the door. This has created a solid
8 foundation for the Properties to experience significant revenue growth during the second half of
9 this year. GTS and Gulfstream have already put over \$2.0 million into the Properties in necessary
10 repairs. These capital expenditures have increased the value of the Properties from the petition
11 date by at least a corresponding amount. Moreover, these repairs have increased the Properties'
12 ability to attract tenants thereby restoring its rental revenue stream also increasing the underlying
13 value of the Properties.

14 **MARKETING:**

15 18. The focus of LTV and the Local Property Managers over the past year has been to
16 (i) create and implement property stabilization plans for each of the Properties, (ii) identify and
17 prioritize the critical life, health and safety deficiencies that needed the most immediate repairs,
18 (iii) sort through budget issues necessary to stabilize the properties.

19 19. Much of the life safety repairs have been completed and are in the process of being
20 completed, curb appeal is being restored for the Properties, aggressive marketing campaigns are
21 being implemented and undesirable tenants are being shown the door.

22 **OCCUPANCY**

23 20. When GTS and Gulfstream first assumed control of the Properties, it became clear
24 that the Pre-Petition Rent Roll occupancy numbers maintained by the prior property manager,
25 Bethany Management Group, LLC, were inaccurate and did not reflect the actual tenant
26 population at each of the Properties. Because of Bethany's failure to actively manage the
27 Properties in the months preceding the petition date, many units that had been reported as
28 occupied were actually vacant.

21. During the initial stages of the GTS Case, the Local Property Managers have undertaken lease audits and property-walks to confirm actual occupancy numbers in the subsequent months. The Local Property Managers have also taken significant steps to rid the Properties of delinquent and undesirable tenants who had become accustomed to living rent-free at the Properties because no one was around to collect the rents.

22. During the initial months of the GTS Case, the Local Property Managers were very proactive about managing delinquent tenants resulting in increased evictions proceedings, a process which took up to 60 to 90 days.

23. The following chart illustrates the decline in occupancy from the commencement of the GTS Case and throughout the “Rehabilitation Phase” of the GTS Case, and is based on the pre-petition rent rolls, and the box score reports for March 26, 2009, April 5, 2009, May 3, 2009, June 7, 2009 and July 5, 2009 compiled from the Local Property Managers.

Property	Pre-Petit.	Mar. 2009	April 2009	May 2009	June 2009	July 2009
Ashton Ridge (FL)	73%	74%	72%	64%	49%	44%
Cooper’s Pond (FL)	61%	60%	59%	55%	51%	48%
Deerfield (FL)	51%	60%	58%	55%	50%	49%
Oakwood Village (FL)	70%	53%	51%	45%	48%	48%
Ventura Landing (FL)	71%	70%	68%	64%	57%	51%
Quail Run (SC)	69%	70%	69%	70%	70%	67%
Woodland Village (SC)	70%	69%	69%	71%	68%	70%
Braesview (TX)	93%	94%	93%	90%	91%	90%
La Jolla (TX)	83%	82%	84%	80%	79%	86%
Overall	72%	71%	69%	66%	63%	61.6%

24. The following chart illustrates the dramatic increase in occupancy during the Repopulation Phase and is based on the Properties’ “box score” reports dated August 2, 2009, September 6, 2009, October 4, 2009, November 1, 2009, December 6, 2009, January 3, 2010, February 7, 2010 and March 7, 2010 compiled from the Local Property Managers:

Property	July 2009	Aug. 2009	Sept. 2009	Oct. 2009	Nov. 2009	Dec. 2009	Jan. 2010	Feb. 2010	Mar. 2010
Ashton Ridge (FL)	44%	43%	43%	46%	48%	53%	57%	63%	68%
Cooper’s Pond (FL)	48%	50%	51%	53%	60%	64%	67%	74%	76%
Deerfield (FL)	49%	52%	57%	59%	62%	64%	64%	70%	77%
Oakwood Village (FL)	48%	45%	44%	46%	46%	50%	54%	61%	66%

Property	July 2009	Aug. 2009	Sept. 2009	Oct. 2009	Nov. 2009	Dec. 2009	Jan. 2010	Feb. 2010	Mar. 2010
Ventura Landing (FL)	51%	46%	38%	40%	40%	41%	46%	55%	69%
Quail Run (SC)	67%	67%	73%	76%	74%	74%	74%	71%	69%
Woodland Village (SC)	70%	72%	75%	75%	75%	72%	74%	74%	76%
Braesview (TX)	90%	92%	93%	92%	90%	94%	95%	95%	95%
La Jolla (TX)	86%	90%	92%	89%	92%	90%	91%	93%	94%
Overall	61.6%	63%	64%	65%	66%	68%	71%	74%	76.9%

25. Now that the Properties have been or are in the process of being rid of delinquent and undesirable tenants, the occupancy numbers have stabilized and are rebounding as the Local Property Managers take proactive steps to market and reposition the Properties.

BUDGET AND REPORTS

26. Based on the foregoing, I have sufficient information available to compile a cash collateral budget for the months of February 2010 through May 2010 (the “Cash Collateral Budget”), which the Court approved on January 26, 2010 in the GTS Case.

27. The Cash Collateral Budget accurately represents the actual and necessary costs that will need to be incurred and paid to continue remediation of the health and safety concerns, and to preserve and protect the Properties and market the Properties during the course of the next few months.

28. Attached hereto as **Exhibit 1** is a true and correct copy of the Gulfstream Portfolio Budget Proposals February 1, 2010 to May 1, 2010.

29. A true and correct copy of GTS and Gulfstream’s most recent weekly report for the period ending March 7, 2010 is attached hereto as **Exhibit 2**.

EMPLOYMENT OF LTV

30. I will be compensated at the rate of \$375 per hour, with others associated with me at LTV being compensated at an hourly rate of \$120 to \$175 per hour effective as of March 16, 2010.

31. To the best of my knowledge, after reasonable inquiry, LTV has never represented Debtor, does not hold or assert a pre-petition claim against Debtor and is not an unsecured creditor of Debtor. To the best of my knowledge, after reasonable inquiry, except as otherwise

1 disclosed in any employment application filed in Debtor's case, LTV is disinterested and is not
2 connected with Debtor's principals, attorneys, accountants, creditors, the attorneys or accountants
3 of any other party-in-interest in these cases. Furthermore, to the best of my knowledge, LTV
4 does not hold any interest adverse to Debtor's estate and LTV is a disinterested person as define
5 in 11 U.S.C. §101(14):

- 6 a. LTV is not a creditor, an equity security holder, or an insider;
- 7 b. LTV is not and was not an investment banker for any outstanding security
8 of the Debtor;
- 9 c. LTV has not been, within three years before the date of the filing of the
10 petitions, an investment banker for a security of the Debtor, or an attorney
11 for such an investment banker in connection with the offer, sale, or
12 issuance of a security of the Debtor;
- 13 d. LTV is not and was not, within two years before the date of the filing of
14 the petition, a director, officer or employee of the Debtor or of an
15 investment banker specified in subparagraph (b) or (c) of this paragraph;
- 16 e. LTV does not have an interest materially adverse to the interest of the
17 estate or of any class of creditors or equity security holders, by reason of
18 any direct or indirect relationship to, connection with, or interest in , the
19 Debtor or an investment banker specified in subparagraph (b) or (c) of this
20 paragraph, or for any other reason.

21 I declare under penalty of perjury under the laws of the United States of America that the
22 foregoing is true and correct. Executed this 19th day of March 2010, at South Pasadena,
23 California.



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D. SCOTT LEE

EXHIBIT 1



Gulfstream Portfolio Budget Proposals February – May, 2010



Advisory
Asset Management
Institutional Valuation
Receivership

LTVentures
1499 Huntington Drive, Suite 500
South Pasadena, CA 91030

213.784.6111

February – March – April – May: Proposed Budgets

Gulfstream Portfolio	February-09		March-09		April-10		May-10		Total Proposed	
	Proposed Portfolio	Expyr % GRI	Proposed Portfolio	Expyr % GRI	Proposed Portfolio	Expyr % GRI	Proposed Portfolio	Expyr % GRI	Proposed Portfolio	Expyr % GRI
Gross Rental Income	2,056,510		2,055,080		2,055,448		2,052,785		8,219,824	
Gain/Loss to Old Lease	-98,509	-5%	-98,889	-5%	-100,369	-5%	-102,089	-5%	-399,856	-5%
Vacancy	-572,342	-28%	-533,843	-26%	-492,556	-24%	-456,186	-22%	-2,054,927	-25%
Delinquent Rent	-27,951	-1%	-28,171	-1%	-28,560	-1%	-28,836	-1%	-113,539	-1%
Write offs	-17,499	-1%	-16,899	-1%	-17,499	-1%	-17,499	-1%	-69,396	-1%
Concessions	-158,846	-8%	-166,871	-8%	-162,812	-8%	-160,701	-8%	-649,229	-8%
Total Rental Income	1,181,362	57%	1,210,407	59%	1,253,632	61%	1,287,474	63%	4,932,876	60%
Other Income	121,878	6%	120,333	6%	127,844	6%	130,027	6%	500,082	6%
Effective Gross Income	1,303,240	63%	1,330,740	65%	1,381,476	67%	1,417,501	69%	5,432,958	66%
Less:										
Real Estate Taxes	0	0	0	0	0	0	0	0	0	0
Insurance	0	0	0	0	0	0	0	0	0	0
Utilities	181,911	760	183,638	767	185,322	774	190,344	785	741,215	3,096
Turnover	170,332	711	192,718	805	194,726	813	198,166	828	755,942	3,157
Repairs & Maintenance	158,290	661	152,693	638	171,366	716	183,006	764	665,355	2,779
General & Administrative	52,372	219	57,032	238	52,260	218	54,174	226	215,838	902
Management Fee (unloms/esting)	45,211	189	45,337	189	46,195	193	46,634	195	183,376	766
Management Set-Up (Yardi, new hire)	0	0	0	0	0	0	0	0	0	0
Advertising	37,381	156	40,701	170	39,626	166	36,081	151	153,789	642
LTV	45,000	188	45,000	188	45,000	188	45,000	188	180,000	752
Payroll	240,791	1,006	240,659	1,005	262,284	1,096	241,424	1,008	985,158	4,115
Total Expenses	931,288	3,890	957,778	4,000	996,779	4,163	994,829	4,155	3,880,674	4,052
NOI	371,952		372,962		384,697		422,672		1,552,284	
Non Operating Charges										
Life Safety Repairs	72,930	305	49,600	207	34,900	146	30,900	129	188,330	787
Sub Total	72,930		49,600		34,900		30,900		188,330	
Cash Flow (Excludes Taxes & Ins. Accrual)	299,022		323,362		349,797		391,772		1,363,954	
Real Estate Taxes & Insurance Accruals										
Real Estate Taxes	211,915	885	211,915	885	211,915	885	211,915	885	847,659	3,541
Insurance	72,198	302	72,198	302	72,198	302	72,198	302	288,790	1,206
Total	284,112		284,112		284,112		284,112		1,136,449	
Net Cash Flow (After Taxes & Ins. Accrual)	14,910		39,250		65,685		107,660		227,505	



ITV
INVESTMENTS

Advisory
Asset Management
Institutional Valuation
Receivership

Cash Sources & Uses: Feb '10 – May '10

Sources		Uses	
Current Cash - Property Operating Accounts	\$ 441,839	Property Tax Payments	\$ 2,223,243
Current Cash - GTS - B3	\$ 830,079	Insurance Payments	\$ 819,121
Current Cash - Gulfstream Account	\$ 505,167	U.S. Trustee Impounds (est.)	\$ 22,000
Projected Cash Flow: Feb – May Budgets	\$ 1,363,954	Capital Reserves	\$ 810,501
Insurance Reimbursement	\$ 55,000	Operating Reserves	\$ 250,000
Total Sources	\$ 3,196,039	Total Uses	\$ 3,196,039



Advisory
 Asset Management
 Institutional Valuation
 Receivership

Taxes & Insurance Schedule

Combined Property Taxes and Insurance

Date	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Total
Ashton Ridge	18,346	36,694	23,715	24,551	38,367	42,898	48,266	62,082	43,957	44,793	383,670
Braesview	29,427	58,856	35,399	60,717	60,717	85,629	113,277	102,439	38,921	39,851	625,233
Coopers Pond	26,385	52,771	33,367	34,455	54,948	60,841	67,822	88,315	64,742	65,830	549,476
Deerfield	16,450	32,902	20,311	20,913	34,106	37,364	41,224	54,417	41,383	41,984	341,054
La Jolla	19,783	39,565	24,306	40,975	40,975	58,794	77,669	70,493	26,033	26,738	425,331
Oakwood Village	16,411	32,824	20,604	21,257	34,130	37,669	41,860	54,734	40,580	41,233	341,303
Quail Run	19,261	38,523	24,268	40,083	40,083	66,863	86,905	79,387	27,400	28,180	450,952
Ventura Landing	11,687	23,374	14,462	14,894	24,239	26,581	29,355	38,700	29,332	29,765	242,389
Woodland Village	15,213	30,427	19,858	31,875	31,875	52,735	68,672	63,025	20,993	21,717	356,388
Cummulative Approved Budgeted	172,965	518,900	735,188	1,024,908	1,384,347	1,853,721	2,428,772	3,042,364	3,375,705	3,715,797	
To be Funded into GTS - B3 (restricted acct)	0	0	0	0	358,806	469,374	575,051	613,592	333,342	340,092	
GTS - B3 Balance (month end)	627,989	989,356	989,356	1,025,541	1,384,347	1,853,721	2,428,772	3,042,364	3,375,705	3,715,797	

Note: GTS - B3 Balance from June '09 through September '09 reflects the actual amounts impounded for the property tax and insurance reserves. GTS - B3 balance for October '09 through March '10 reflects the amounts budgeted for payment of all property taxes and portfolio insurance policy renewal.



Advisory
Asset Management
Institutional Valuation
Receivership

EXHIBIT 2



Gulfstream Portfolio
Weekly Reporting
March 1st – March 7th



LTVentures
1499 Huntington Drive, Suite 500
South Pasadena, CA 91030

213.784.6111

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 - Portfolio Transition and Turnover
 - Weekly Tenant Transition
 - Property Maintenance



Weekly Big Three Events: Mar 1st – Mar 7th

1. Continued gain in portfolio occupancy: For the 17th consecutive week the portfolio reported an increase in occupancy. This reporting period concluded with an additional gain of 0.3% resulting in an occupancy of 76.9%.
2. The portfolio reported an increase of 9 net leased units, resulting from 38 move-ins and 29 move-outs.
3. Continued leasing momentum: In addition to a gain in physical occupancy, the portfolio reported 40 new leases. Notably, Coopers Pond (10) signed double-digit leases.



Cash Statements – Gulfstream DIP Accounts

3/1/10 to 3/7/10

	Total (Unrestricted)	Gulfstream	Caroline Square	Braesview	Coopers Pond	Deerfield	La Jolla	Oakwood	Quail Run	Renaissance Place	Woodland	GTS B-3 (Restricted)...
Beginning Cash	\$ 272,942	\$ 63,110	\$ -	\$ 36,694	\$ 13,930	\$ 1,694	\$ 8,345	\$ 8,409	\$ 54,957	\$ 3,233	\$ 82,581	\$ 308,147
Postings/Clearings Adjustments	\$ (231)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (125)	\$ -	\$ (106)	\$ -
Deposits	\$ 1,082,916	\$ -	\$ 121,068	\$ 174,894	\$ 176,051	\$ 125,528	\$ 118,697	\$ 97,117	\$ 122,123	\$ 65,643	\$ 81,795	\$ -
Less Credits (NSF)	\$ (140)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (140)	\$ -	\$ -	\$ -	\$ -	\$ -
Net Cash Inflow	\$ 1,082,776	\$ -	\$ 121,068	\$ 174,894	\$ 176,051	\$ 125,528	\$ 118,557	\$ 97,117	\$ 122,123	\$ 65,643	\$ 81,795	\$ -

	Operating Cash Expenditures											
Real Estate Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ (5,629)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,629)	\$ -	\$ -	\$ -	\$ -
Utilities	\$ 28,348	\$ -	\$ 2,967	\$ 6,888	\$ (20)	\$ 8,297	\$ -	\$ -	\$ -	\$ 10,216	\$ -	\$ -
Unposted Vendor Payables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Turnover	\$ 42,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,663	\$ 14,509	\$ -	\$ 12,473	\$ -	\$ -
Repairs & Maintenance	\$ 15,325	\$ -	\$ -	\$ -	\$ -	\$ 1,818	\$ 5,867	\$ 3,886	\$ -	\$ 4,064	\$ -	\$ -
General & Administrative	\$ 6,764	\$ -	\$ 1,212	\$ -	\$ 1,164	\$ 896	\$ 1,089	\$ 95	\$ -	\$ 2,308	\$ -	\$ -
Management Fee	\$ 13,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,500	\$ 4,500	\$ 4,500	\$ -
Management Set-Up (Yard, new hire unit/maintenance)	\$ 328	\$ -	\$ 68	\$ -	\$ 88	\$ 84	\$ -	\$ 53	\$ -	\$ 35	\$ -	\$ -
Advertising	\$ 4,651	\$ -	\$ -	\$ -	\$ -	\$ 670	\$ 2,167	\$ -	\$ 121	\$ 1,693	\$ -	\$ -
LTV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Working Capital Payroll	\$ 5,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,936	\$ -	\$ 2,163	\$ -
Operating Cash Expenditures	\$ 111,031	\$ -	\$ 1,280	\$ 2,967	\$ 8,140	\$ 3,448	\$ 33,083	\$ 12,614	\$ 7,557	\$ 35,279	\$ 6,663	\$ -

	Non Op Cash Expenditures											
Past Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Security Deposits	\$ 134	\$ -	\$ 70	\$ -	\$ -	\$ -	\$ 64	\$ -	\$ -	\$ -	\$ -	\$ -
Life Safety Repairs	\$ 8,198	\$ -	\$ -	\$ -	\$ -	\$ 8,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non Op Cash Expenditures	\$ 8,332	\$ -	\$ 70	\$ -	\$ -	\$ 8,262	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Expenditures	\$ 119,363	\$ -	\$ 1,280	\$ 3,037	\$ 8,140	\$ 3,448	\$ 41,345	\$ 12,614	\$ 7,557	\$ 35,279	\$ 6,663	\$ -
Transfers to Gulfstream	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -
Transfers from Gulfstream	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers to GTS B-3	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	\$ -
Transfers from GTS B-3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000
Ending Cash Balance	\$ 1,171,124	\$ 108,110	\$ 119,788	\$ 208,541	\$ 181,841	\$ 123,774	\$ 85,557	\$ 92,912	\$ 124,398	\$ 33,597	\$ 92,607	\$ 373,147

* The Ashton Ridge property has been renamed Caroline Square
 ** The Ventura Landing property has been renamed Renaissance Place
 *** Restricted Cash to be used exclusively for payment of RE taxes and insurance premiums





Portfolio Box Score

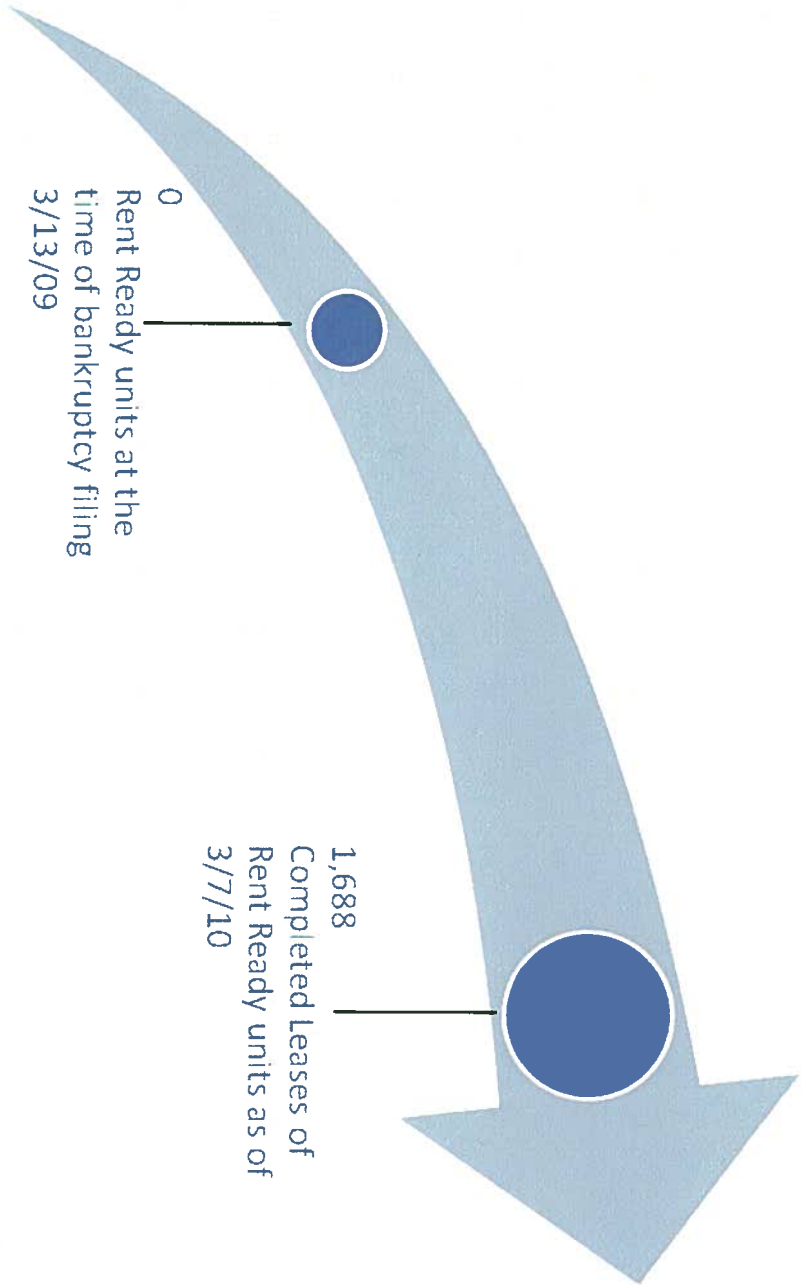
Portfolio Totals

Week Ending:	2/14/2010	2/21/2010	2/28/2010	3/7/2010
Units:	2873	2873	2873	2873
Total Delinquent:	\$92,365	\$43,642	\$148,030	\$198,407
Move-Ins:	39	50	37	38
Move-Outs:	9	16	23	29
Notices this Week:	16	25	21	30
# of Skips this Week:	3	4	2	3
Cancellations:	7	4	10	4
Rejections:	10	9	11	8
# of Occupied:	2154	2188	2200	2208
# Vacant Leased:	131	126	110	97
# Vacant Unleased:	526	509	513	517
# Non-Revenue:	62	49	50	51
Total # of Units:	2873	2872	2873	2873
Total # Vacant:	709	674	663	655
Total # Make Ready:	72	66	65	73
Total # On Notice Unleased:	102	106	109	113
Total # On Notice Leased:	3	4	3	2
Total # of Notices:	105	110	112	115
Occupied %:	75.0%	76.2%	76.6%	76.9%
Leased %:	80.3%	80.9%	80.9%	80.8%
Trend %:	77.1%	77.5%	77.4%	77.1%
Traffic:	120	156	111	127
Leases:	56	59	40	40
Capture Rate (Leases/Traffic):	46.7%	37.8%	36.0%	31.5%
Service Requests this week:	322	394	313	378
Service Requests still pending:	132	158	131	145
Service Requests completed:	257	297	264	309



Portfolio Transition

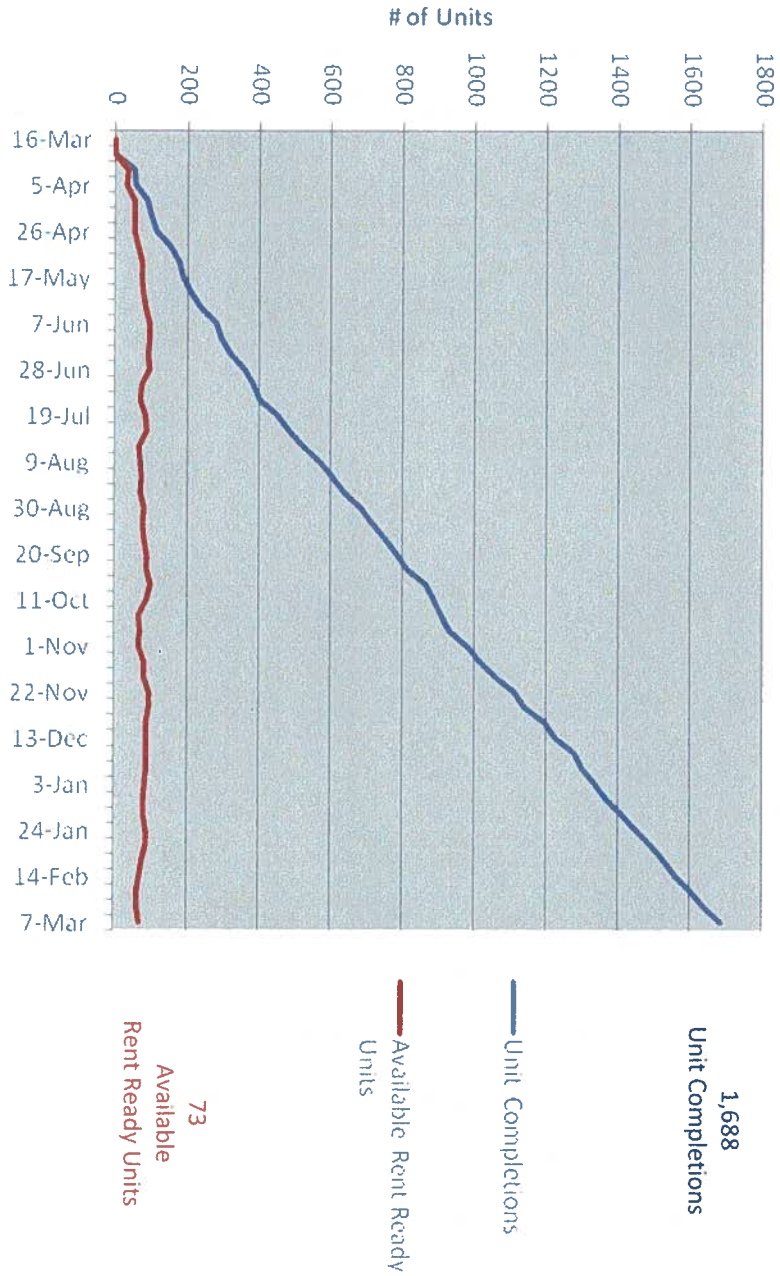
•In inventory, there are currently 73 Make Ready units available for occupancy.





Portfolio Turnover

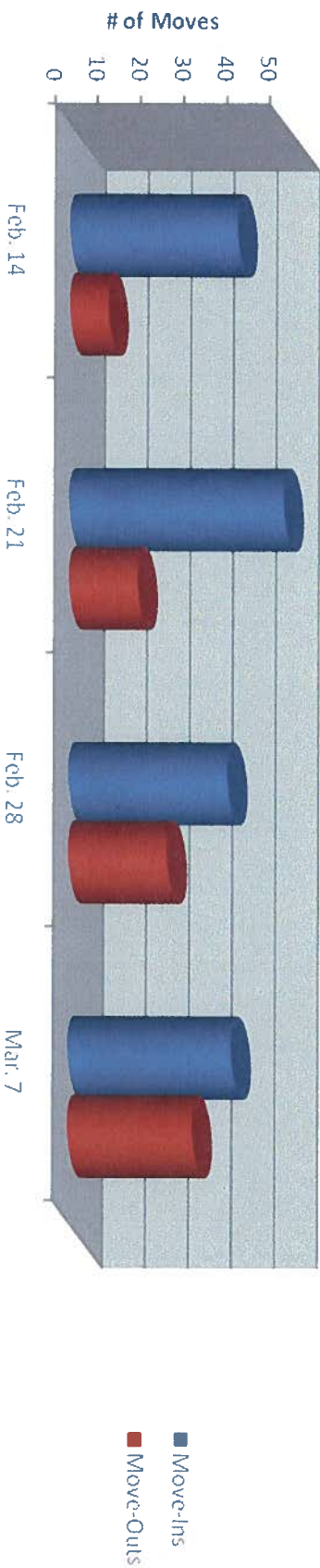
Rent Ready Inventory per Reporting Period



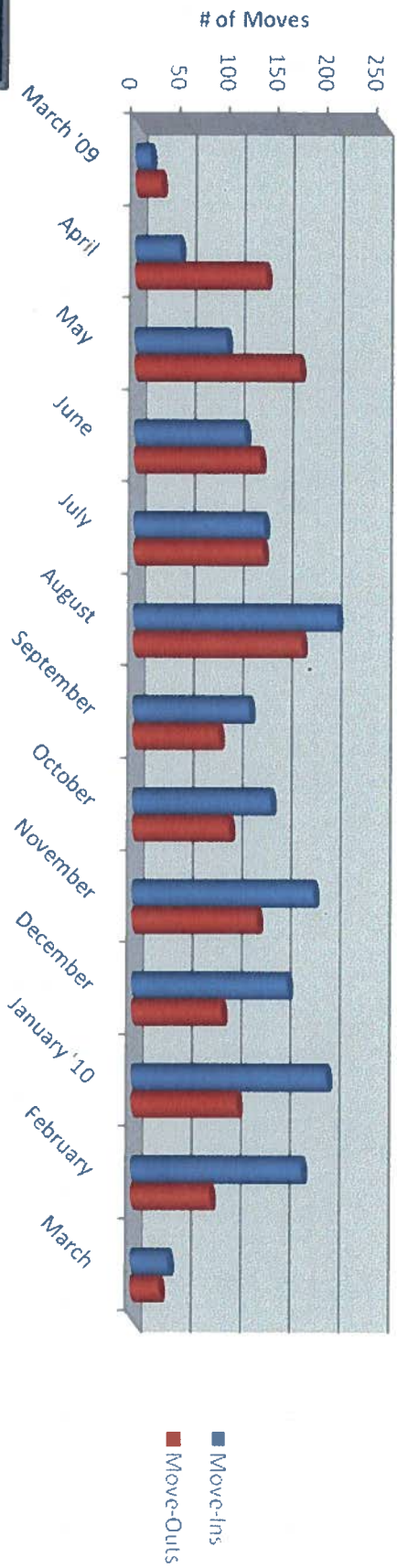
•Tracking the data since bankruptcy, the 1,688 Completed Leases have been executed on what were once previously un-rentable units.

Weekly Tenant Transition

Tenant Moving Activity by Week (trailing 4)



Tenant Moving Activity by Month



•1,613 Total Weekly Move-Ins to date.





Property Maintenance

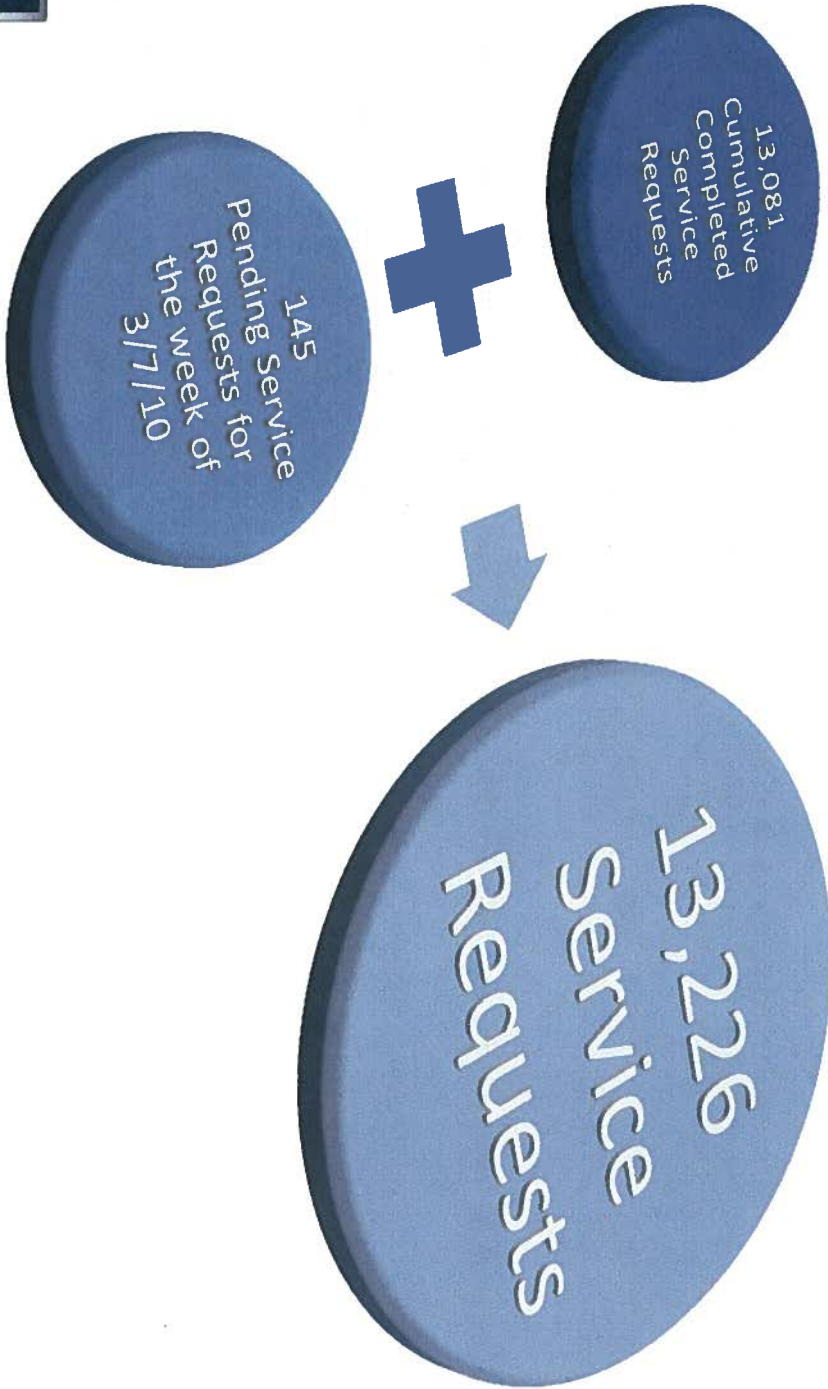


EXHIBIT 2



Gulfstream Portfolio
Weekly Reporting
March 1st – March 7th



LTVentures
1499 Huntington Drive, Suite 500
South Pasadena, CA 91030

213.784.6111

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	Real Estate Taxes	Insurance	Utilities	Unposted Vendor Payables	Turnover	Repairs & Maintenance	General & Administrative	Management Fee	Management Set-Up (Yard, new hire uniforms/shed)	Advertising	LTV	Working Capital	Payroll	Operating Cash Expenditures
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	\$ -	\$ 134	\$ 8,198	\$ 8,332	\$ 119,363	\$ 45,000	\$ -	\$ 65,000	\$ -	\$ 1,171,124

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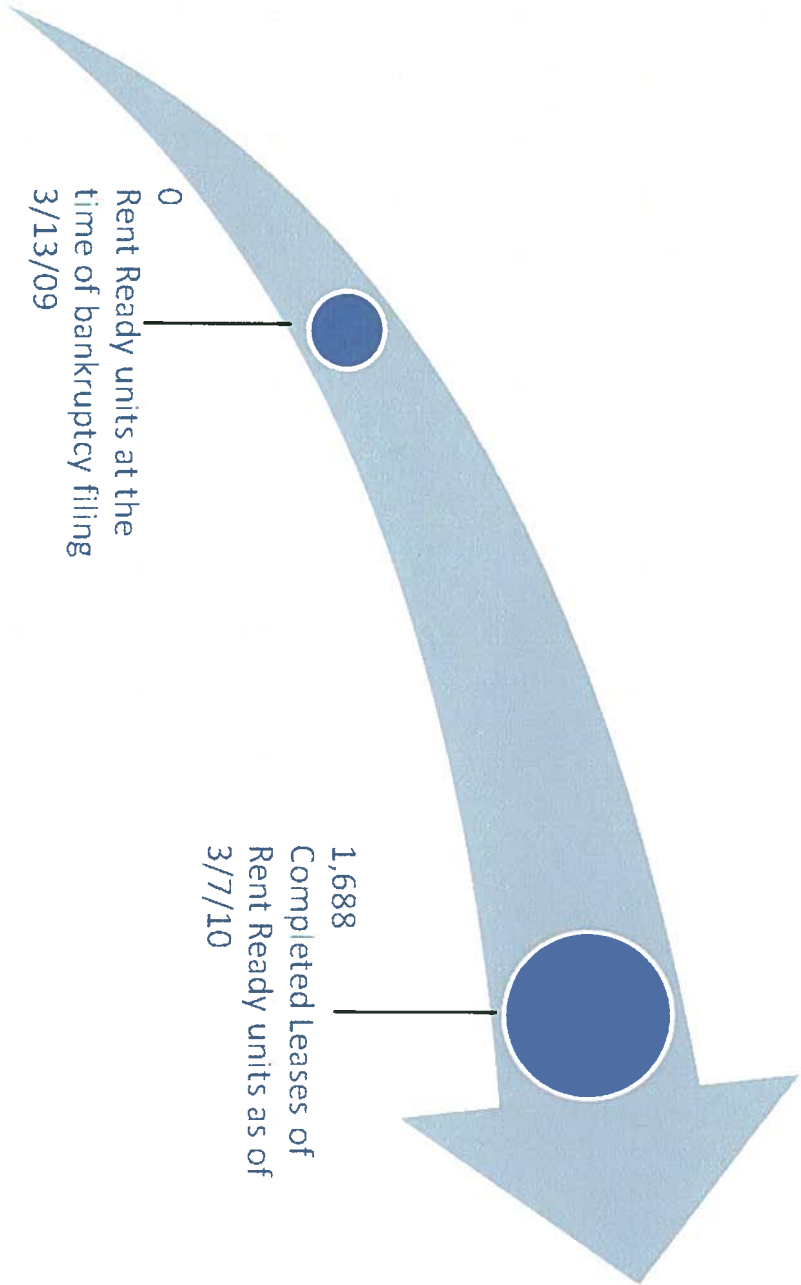
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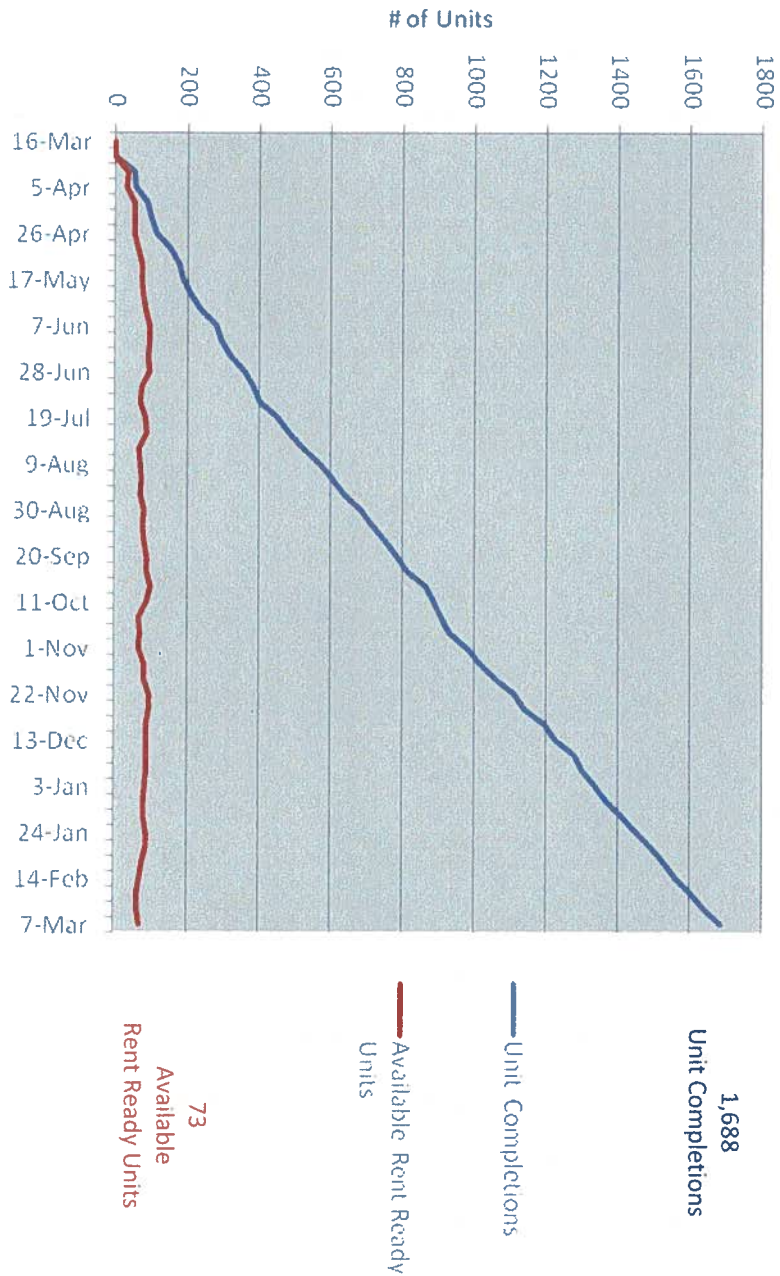
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Portfolio Turnover

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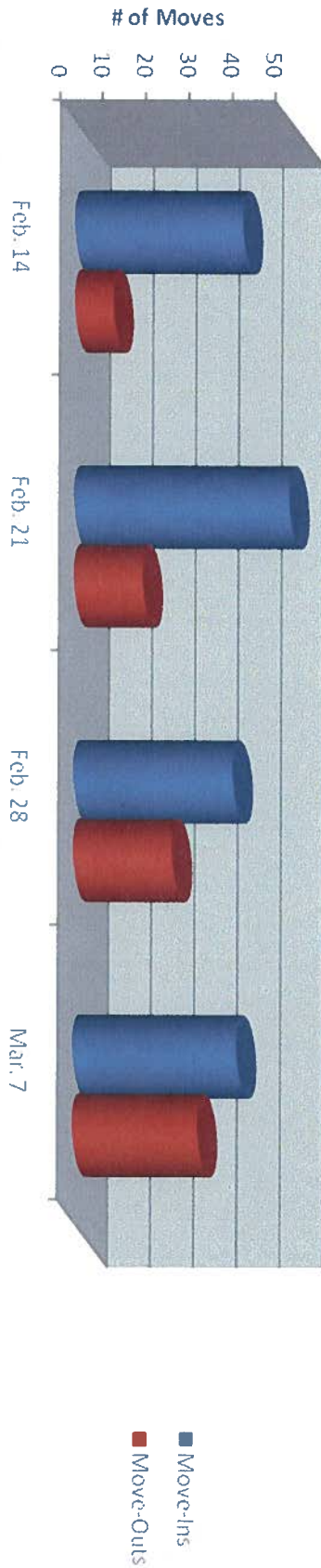


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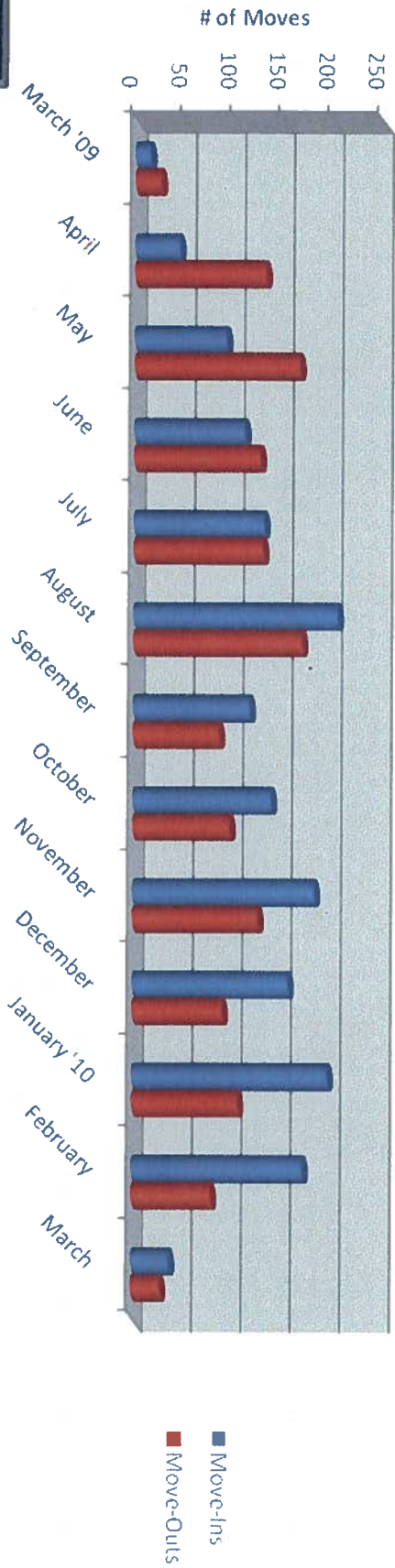


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Property Maintenance

