

Distribution	SUBJECT	Date
	DESCRIPTION OF OPERATIONS	09-01-2014

Flynn Development Corporation has been involved in the development of rental apartment projects since 1976. Each project is owned by a separate limited partnership. Equity money is raised by marketing the limited partnership interests to investors (limited partners).

A typical project will consist of 30 to 200 apartment units and will go through the following four stages:

1. <u>Application/Approval Stage</u>	<u>FDC</u>	<u>Lender</u>	<u>FMC</u>
• Locate and option a site or property	X		
• Determine eligibility of project		X	
• Create and file Limited Partnership	X		
• Submit financing applications	X		
• Approve loan(s)		X	
2. <u>Preconstruction/Syndication Stage</u>			
• Complete final design plans	X		
• Obtain Limited Partner investor	X		
• Arrange interim financing	X		
• Issue construction authority		X	
3. <u>Construction Stage</u>			
• Construct project	X		
• Final acceptance		X	
• Close permanent loan		X	
• Start rent-up			X
4. <u>Management Stage</u>			
• Hire resident manager			X
• Rent-up project			X
• Prepare annual audit/tax return			X
• Maintain project			X