CLEMSON UNIVERSITY LAND STEWARDSHIP FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS

As of and for the Years Ended June 30, 2014 and 2013

And Report of Independent Auditor

Cherry Bekaert LLP
CPAs & Advisors

CLEMSON UNIVERSITY LAND STEWARDSHIP FOUNDATION

TABLE OF CONTENTS

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor

To the Board of Directors of
Clemson University Land Stewardship Foundation
Clemson, South Carolina

We have audited the accompanying consolidated financial statements of Clemson University Land Stewardship Foundation (the "Foundation") which comprise the consolidated statements of financial position as of June 30, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Cherry Bekaert LLP

Greenville, South Carolina
September 11, 2014

CLEMSON UNIVERSITY LAND STEWARDSHIP FOUNDATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2014 AND 2013

	2014	2013
ASSETS		
Cash and cash equivalents	$ 1,422,793	$ 1,707,762
Receivables	6,898	3,898
Real estate investments	29,331,388	27,347,144
Real estate, net	11,754,961	11,915,237
Direct financing lease	13,615,939	14,190,347
Loan issue costs, net	92,113	95,992
Development costs	1,335,452	1,335,452
Equipment, net	9,757	13,660
Prepaid expense	69,008	18,977
Total Assets	$ 57,638,309	$ 56,628,469
LIABILITIES AND NET ASSETS		
Accounts payable	$ 283,580	$ 96,080
Accrued interest payable	20,819	11,278
Deposits held for others	30,005	30,005
Retainage payable	32,406	20,676
Unearned revenue	424,131	202,991
Deferred rent revenue	3,710,359	3,224,014
Due to Clemson University Foundation	20,932,472	20,932,472
Notes payable	11,920,009	12,480,612
Total Liabilities	37,353,781	36,998,128
Unrestricted net assets	20,284,528	19,630,341
Total Net Assets	20,284,528	19,630,341
Total Liabilities and Net Assets	$ 57,638,309	$ 56,628,469

The accompanying notes to the consolidated financial statements are an integral part of this statement.

CLEMSON UNIVERSITY LAND STEWARDSHIP FOUNDATION

CONSOLIDATED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	**2013**
Revenues, gains, and other support:		
Gifts and contributions at fair value	$ -	$ 9,510,000
Rental revenues	2,295,839	730,971
Direct Financing	4,619	
Federal grant	-	636,787
Common area fees	459,957	366,078
Other	-	61,582
Total revenues and gains	2,760,415	11,305,418
Program expenses:		
Administrative and other	303,903	111,837
Greenville One	266,366	130,150
CU-ICAR campus	1,090,036	440,378
Total program expenses	1,660,305	682,365
Interest expense	445,923	203,772
Total expenses	2,106,228	886,137
Excess of revenues over expenses	654,187	10,419,281
Contributions of certain unrestricted net assets from a related party (Note 8)	-	9,211,060
Change in unrestricted net assets	654,187	19,630,341
Unrestricted net assets at beginning of year	19,630,341	-
Unrestricted net assets at end of year	$ 20,284,528	$ 19,630,341

The accompanying notes to the consolidated financial statements are an integral part of this statement.

CLEMSON UNIVERSITY LAND STEWARDSHIP FOUNDATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Cash flows from operating activities:		
Change in net assets	$ 654,187	$ 19,630,341
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Gifts of real estate at fair value	-	(9,300,000)
Contributions of certain unrestricted net assets from a related party	-	(8,591,459)
Depreciation and amortization expense	168,058	95,629
(Increase) decrease in assets:		
Receivables	(3,000)	528,579
Building investments	(1,984,244)	-
Direct Financing Lease	574,408	-
Other assets	(50,031)	(644,855)
Increase (decrease) in liabilities:		
Accounts payable	187,500	26,161
Accrued interest payable	9,541	(5,732)
Retainage payable	11,730	(150,103)
Deferred revenue	707,486	161,359
Net cash provided by operating activities	275,635	1,749,920
Cash flows from financing activities:		
Proceeds from notes payable	-	3,039
Direct Financing Lease Income	-	(1,582)
Cash from Direct Financing Lease	-	169,852
Principal payments on notes payable	(560,604)	(213,467)
Net cash used in by financing activities	(560,604)	(42,158)
Net increase (decrease) in cash and cash equivalents	(284,969)	1,707,762
Cash and cash equivalents, beginning of year	1,707,762	-
Cash and cash equivalents, end of year	$ 1,422,793	$ 1,707,762
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 436,382	$ 192,494

The accompanying notes to the consolidated financial statements are an integral part of this statement.

Note 1—Organization

The Clemson University Land Stewardship Foundation (the "Foundation" or "CULSF") was formed in December 2010 to serve the needs of Clemson University (the "University") in the management, development, and investment of real property and related assets. Beginning December 1, 2012, programmatic and development property held by the Clemson University Real Estate Foundation ("CUREF") was contributed to the Foundation. The contribution included the wholly owned subsidiaries of LICAM LLC and LICAR LLC.

Note 2—Summary of significant accounting policies

Basis of Accounting - The consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation - The Foundation's net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

> *Unrestricted Net Assets* - Net assets that are not subject to donor-imposed stipulations.
>
> *Temporarily Restricted Net Assets* - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Gifts of property and real estate, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Revenues under Federal and nongovernmental grants and contracts are recognized as expenses are incurred for the grant and contract purposes.

Income and net realized and unrealized gains (losses) on investments are reported as unrestricted revenues.

Principles of Consolidation - The consolidated financial statements include the financial statements of the Foundation and its wholly owned subsidiaries LICAM LLC, LICAR LLC and CULSF One LLC. All significant intercompany balances and transactions have been eliminated in consolidation.

Cash and Cash Equivalents - The Foundation considers all interest bearing money market accounts with an initial maturity of three months or less at the date of purchase to be cash equivalents. Bank balances are insured for $250,000 through the Federal Depository Insurance Corporation (FDIC). During the year, the Foundation from time to time may have had amounts on deposit in excess of the insured limits. As of June 30, 2014 and 2013, the Foundation had exceeded these insured amounts. During the year ended June 30, 2014 and 2013, the Foundation had $669,953 and $926,423, respectively, on deposit in excess of the insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risks on cash and cash equivalents.

Note 2—Summary of significant accounting policies (continued)

Receivables - Receivables primarily consist of amounts due from the Federal government and private sources in connection with reimbursement of allowable expenditures made pursuant to the Foundation's grants and contracts. The Foundation's management reviews the outstanding receivables balance and determines the appropriate valuation reserve based on a historical percentage. Accounts are charged off when management believes the account will not be realized. Based on the payment history, management believes that no allowance for possible uncollectible amounts is necessary.

Real Estate Investments - Real estate investments consist of land leased to tenants, land held for development, and a constructed building. All real estate investments are presented at fair value. Real estate investments are appraised every two to three years and reviewed annually by management.

> Land leased to tenants is recorded at fair value at the time of acquisition. The land is leased for a sixty-five year period with option to renew for three ten-year periods.
>
> Land held for development is recorded at fair value at the time of acquisition. The land is being marketed as commercial property for long-term development over an approximate twenty-five year period.
>
> A constructed building, the Center for Emerging Technology, is recorded at fair value established by appraisal and capitalized upfit costs since the appraisal.

Real Estate - Real estate consists of land, buildings and infrastructure in use or held for later programmatic use. Real estate is recorded at the lower of cost or the appraised fair value on the date of donation.

Buildings and infrastructure are depreciated using the straight-line method over the estimated useful lives of the respective assets ranging from 15 to 25 years. Equipment is depreciated over five years using the straight-line method. Accumulated depreciation as of June 30, 2014 and 2013 is $9,757 and $5,854, respectively.

Direct financing lease – The Foundation has recorded its investment in Greenville One as a direct financing lease. Under this lease recognition method, the difference between the future minimum lease payments to be received from Clemson University and the Foundation's investment in the facility is recorded as unearned revenue and is recognized ratably over the term of the lease. Lease payments received reduce the Foundation's investment in the facility. Refer to Note 12, Direct Financing Lease.

Loan issue costs – The Foundation initially borrowed $5,100,000 to finance the purchase of Greenville One. Loan costs incurred of $96,961 are being amortized using the straight-line method over the term of the related borrowing. Loan costs amortized as of June 30, 2014 and 2013 were $4,848 and $970, respectively.

Development Costs - Development costs include costs related to the master plan, civil engineering and site preparation at the Clemson University International Center for Automotive Research (CU-ICAR) campus development. These costs have been capitalized and will be amortized over the estimated benefited life when the property is ready for its intended use.

Income Taxes - The Foundation is recognized as an organization exempt from Federal income tax on related income under Section 501(a) of the Internal Revenue Code (the "Code") and described as an organization in Section 501(c)(3) of the Code. Accordingly, only unrelated business income, as defined by Section 513 of the Code, is subject to Federal income tax.

Note 2—Summary of significant accounting policies (continued)

The Foundation's policy is to record a liability for any tax position taken that is beneficial to the Foundation, including any related interest and penalties, when it is more likely than not the position taken by management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination.

Management believes that there are no such positions as of June 30, 2014 and, accordingly, no liability has been accrued. The open tax years for the Foundation include the years ended June 30, 2011 through 2014.

Use of Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management of the Foundation to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3—Receivables

Receivables reported in the Statements of Net Assets as of June 30, 2014 and 2013, consisted of $6,898 and $3,898 of rental receivables from private sources, respectively.

Note 4—Fair value measurements

Fair value, as defined under GAAP, is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Foundation utilizes market data or assumptions that market participants would use in pricing the asset or liability. The Foundation has characterized its financial assets and liabilities which are measured at fair value and recorded in the balance sheet, based on a three-level fair value hierarchy based on the inputs to valuation techniques as follows:

Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on unobservable inputs reflecting the Foundation's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment or estimation by the investment manager.

The following tables summarize the valuation of the Foundation's financial assets measured at fair value as of June 30, 2014 and 2013. Fair value for Level 2 measures is based on appraisals by licensed third-party appraisers performed every two to three years, including an appraisal of all real estate acquired in the current year. There were no changes in the fair value measurement techniques during the current year.

Note 4—Fair value measurements (continued)

Measurement at fair value on a non-recurring basis at June 30, 2014:

	Level 1	Level 2	Level 3
Building held for investment	$ -	$ 11,882,239	$ -
Land held for development	-	17,449,149	-
Total assets measured on a non-recurring basis	$ -	$ 29,331,388	$ -

Measurement at fair value on a non-recurring basis at June 30, 2013:

	Level 1	Level 2	Level 3
Building held for investment	$ -	$ 10,032,921	$ -
Land held for development	-	17,314,223	-
Total assets measured on a non-recurring basis	$ -	$ 27,347,144	$ -

Note 5—Gifts

There were no gifts received in fiscal year 2014. For fiscal year ended June 30, 2013, gifts of $9,510,000 were received that included a gift of real estate with an estimated fair value of $9,300,000 from a private donor for a portion of the Greenville One Building.

Note 6—Real estate investments

The Clemson University Real Estate Foundation had acquired land in Greenville, South Carolina to be developed into CU-ICAR. This property was transferred to the Foundation.

In December 2005, CUREF entered into a 65-year ground lease for 3.53 acres transferred to the Foundation in 2013. The lease required additional rental payments from the lessee within the initial six years of the lease. The lease terms include an escalation clause at the end of every fifth year based on the Consumer Price Index for All Urban Consumers (CPI-U) and an option to renew for three ten-year terms. The Foundation has estimated the rent over the initial lease term and recorded deferred rent revenue for the difference between actual rent received and rental revenue recognized on a straight-line basis over the lease term.

Future minimum rental payments to be received under noncancelable operating leases (with initial or remaining lease terms in excess of one year) as of June 30, 2014 are:

2015	$ 75,000
2016	75,000
2017	75,000
2018	75,000
2019	75,000
2020 through year 2070	3,862,500
Total minimum lease payments to be received	$ 4,237,500

Note 6—Real estate investments (continued)

In September 2009, the Economic Development Administration awarded the Foundation $3,000,000 for the construction of a $9,700,000 facility to be located in the CU-ICAR complex in Greenville, SC. The multi-tenant 60,000 square foot structure provides office and laboratory space for companies developing new technologies in the automotive, mobility, and energy fields, and serves as an incubator and start-up space for companies developing new innovative automotive technologies. Leases for approximately 97% of the facility have been secured. Construction was completed and the Center for Emerging Technology building became operational during the year ended June 30, 2013.

The Foundation entered into leases for space in the Center for Emerging Technology building with multiple tenants. The lease periods range from three to ten years and required additional payments from the lessee for upfit. The payments have been recorded as deferred rent revenue and are being recognized as rent revenue over the lease terms.

Rental revenues were $2,295,839 and $730,971 for the years ending June 30, 2014 and 2013, respectively. In fiscal year 2014 there were two buildings in operation, the Center for Emerging Technology ($2,033,351) and Greenville One ($262,488). In fiscal year 2013, all rental income was attributable to the Center for Emerging Technology.

Note 7—Real estate, net

Land, buildings, and infrastructure located throughout the State have been acquired or donated to the Foundation and are restricted for the use and benefit of University educational programs. These properties were transferred from CUREF and have the following balances at June 30:

	2014	2013
Land	$ 8,953,000	$ 8,953,000
Buildings and infrastructure	3,435,326	3,435,326
	12,388,326	12,388,326
Accumulated depreciation	633,365	473,089
Total	$ 11,754,961	$ 11,915,237

Included in land is 853.53 acres of timberland in Camden, South Carolina that has an appraised value of $7,750,000. The Foundation has assigned a Conservation Easement to 753.53 acres requiring the land remain in its undeveloped state but allow for construction, operation, and management of facilities for educational purposes. The market value is comprised of land at $2,193,000 and a Conservation Easement at $5,557,000.

79.73 acres land, camp facilities and infrastructure known as Pinnacle Falls Camp located in Pickens County, South Carolina was donated to the Foundation and recorded at the appraised fair value. The land has an appraised value of $917,000. Restrictive covenants require the land to remain largely in its natural state and used for the benefit of University educational programs.

In October 2011, the Clemson University Real Estate Foundation received a gift of real estate known as the Charles K. Cheezem OLLI Education Center at Patrick Square. The property includes a 7,700 square foot facility which provides opportunities for adults to further their knowledge in academic and recreational pursuits through programs operated by volunteers through Clemson University. This property was transferred to the Foundation in 2013.

Depreciation expense was $164,179 and $94,659 for the years ending June 30, 2014 and 2013, respectively.

Note 8—Contribution of unrestricted net assets

There were no contributed assets for fiscal year 2014. For fiscal year 2013, there were contributed unrestricted net assets that included the transfer of net assets and/or net liabilities to the Foundation upon its formation. A series of transactions were executed and are summarized below.

Transfer of LICAR LLC and LICAM LLC net assets and/or net liabilities:

Cash	$	619,601
Other current assets		542,412
Property and equipment		28,217,217
Current liabilities		(432,088)
Deferred revenue		(3,062,655)
Due to Clemson University Foundation (CUF)		(932,472)
Long-term debt		(27,594,079)
Net liabilities transferred from LICAR LLC and LICAM LLC		(2,642,064)

Transfer of certain properties from CUREF:

OLLI/Patrick's Square		1,230,859
Adair property		161,000
Lloyd property		7,750,000
Pinnacle Falls property, net		2,711,265
Net properties transferred from CUREF		11,853,124
Total contributions of certain unrestricted net assets from CUREF	$	9,211,060

Note 9—Notes payable

The notes payable were as follows at June 30:

Description		2014		2013
Non-revolving note payable to a bank Bearing interest at 30 day LIBOR plus 2%, which was 2.151% and 2.389% at June 30, 2014 and 2013, respectively. The note is payable in full July 1, 2015.	$	728,357	$	828,357
Non-revolving note payable to a bank Bearing interest at 30 day LIBOR plus 2%, which was 2.151% and 2.389% at June 30, 2014 and 2013, respectively. The note is payable in full July 1, 2016.		96,580		177,476
US Department of Agriculture Non-interest bearing note payable with monthly payments of $6,852 payable in full May 10, 2021.		561,848		644,072
Loan payable to a bank Bearing interest at 3.67% for 25 years. This loan is payable in full March 2038.		4,944,493		5,071,866

Note 9—Notes payable (continued)

Loan payable to a bank Bearing interest at 4% for the first 84 months, and will reset each 84 months thereafter at the prevailing fixed rate. The loan is payable in full December 20, 2034.	5,588,731	5,758,841
	$ 11,920,009	$ 12,480,612

The non-revolving note payable with a year-end balance totaling $728,357 requires interest payments quarterly and an annual payment of $100,000. A balloon payment for the outstanding balance is due July 1, 2015.

The non-revolving note payable with a year-end balance totaling $96,580 includes a fixed monthly payment of $7,000 with varying portions being applied to principal and interest depending on the current interest rate. The loan matures July 1, 2016.

Both notes are secured by a title insured first mortgage on the real estate acquired plus an assignment of all rents, leases, and other revenues derived from the real estate. The fair value of the real estate at June 30, 2014 and 2013 was $15,785,000.

A revolving line of credit for $2,000,000 is available through July 1, 2015. There was no outstanding balance at June 30, 2014 and 2013.

A non-revolving note payable with a year-end balance totaling $4,944,493 includes a fixed monthly payment of $26,163. The loan carries a 25 year term and matures March 2038.

A bank loan bearing interest at 4.0% with monthly payments of $33,379 until the loan resets on January 27, 2017. Each successive 84 months, the interest rate will reset to the best fixed rate quoted by the bank on similar loans with similar terms. The loan is secured by a shared first mortgage on the Center for Emerging Technology ("CET") building with the United States Department of Commerce, Economic Development Administration. The loan requires 274 payments and matures in January 2035. The CET building's fair value was $11,882,239 and $10,032,885 at June 30, 2014 and 2013, respectively.

A non-interest bearing loan with a balance totaling $561,848 and $644,072 at June 30, 2014 and 2013, respectively, has been awarded from the US Department of Agriculture. The note is payable in fixed monthly payments of $6,852 which began May 2012 and continue for 108 months. The note is secured with a standby letter of credit which declines as payments on the note are made.

Additionally, CUF has guaranteed any interest and principal payments related to the Center for Emerging Technology building that are not otherwise paid by LICAR LLC.

Aggregate maturities of long-term notes payable are as follows:

2015	$ 574,772
2016	1,045,015
2017	416,649
2018	429,973
2019	443,829
Thereafter	9,009,771
	$ 11,920,009

Note 10—Related party

At June 30, 2014, amounts due to CUF are due in the normal course of business, bear no interest and are as follows:

Due to CUF:		
Expenditures associated with development of CU-ICAR campus	$	932,472
CU-ICAR land acquisitions		20,000,000
	$	20,932,472

In December 2007, CUF approved a loan of $20,000,000 to CUREF for land acquisitions and improvements at CU-ICAR. The CUF note is unsecured and carries no interest payment obligation. This note is subordinate to the Foundation's notes payable to a bank and is due on demand only after repayment of that note payable and amendments thereof. This note was transferred to the Foundation.

Note 11-Direct Financing Lease

As discussed in Note 2, direct financing lease, the Foundation acquired Greenville One to provide Clemson University a facility to support the academic enterprise and serve University constituent groups in the Greenville market. The Foundation's investment in the Greenville One represents the future minimum lease payments to be received by Clemson University. As lease payments are received, the direct financing lease is reduced by an equal amount. The difference between the future minimum lease payments and the Foundation's investment in the direct finance lease was $60,199 which represents unearned revenue. This unearned revenue is recognized ratably over the term of the initial lease. Revenue recognized for June 30, 2014 and 2013 was $4,619 and $1,582, respectively. There is an unearned revenue balance at June 30, 2014 of $53,997 associated with this direct financing lease.

The components of the direct financing lease are as follows:

		2014		2013
Beginning balance	$	14,190,347	$	14,360,199
Lease payments collected during the year		(574,408)		169,852
Ending balance	$	13,615,939	$	14,190,347

At June 30, 2014, minimum lease payments to be collected are as follows:

2015	$	574,408
2016		574,408
2017		574,408
2018		574,408
2019		574,408
Thereafter		10,743,899
	$	13,615,939

Note 12—Subsequent events

The Foundation has evaluated subsequent events through September 11, 2014, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

In June 2014, the Economic Development Administration awarded the Foundation $2,000,000 for the construction of the CU-ICAR Research One facility to be located in the CU-ICAR complex in Greenville, SC. The multi-tenant 80,000 square foot structure, with an estimated cost of $12,866,200, will provide office and laboratory space for companies developing new technologies in the automotive, mobility, and energy fields, and will serve as an incubator and start-up space for companies developing new innovative automotive technologies. It is anticipated that construction will begin the fall of calendar 2014 and take approximately 18 months to complete. As of June 30, 2014, design costs of $134,925 have been classified as construction in process and are included in real estate investments on the balance sheet. Also, construction financing was secured subsequent to June 30, 2014 in the amount of $12,742,471.