

SERRAMONTE VISTA, DALY CITY

Scenario: 200 CONDO UNITS

CONSTRUCTION DRAW & INTEREST SCHEDULE

| | | |
|---|------------------------------------|----|
| Entitlements & SD Period | Complete | |
| Design & Permit Period | 9 | |
| Construction Period - Sitework | 5 months (per JMI schedule input) | |
| Construction Period - Building(s) | 16 months (per JMI schedule input) | |
| Sales Period | 8 months | |
| Interest Expense | 6.50% percent | |
| Financing Fee | 0.75% percent | |
| Construction Loan Interest Rate | 5.250% Prime + | 2% |
| 2nd Loan Interest Rate | 9.250% Prime + | 6% |
| Sales Commissions (Brokerage)& Closing Fees | 2.5% percent | |
| PRIME RATE (5/13/09) | 3.25% | |

| | | | | | | | | | | | | | | | | | | | Construction Phase | | | | | | | Begin Bldg #3 & #4 | Begin Bldg #5 & #2 | Begin bldg #1 | | | | | | | | | |
|--|-------------|----------------------|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|-------|-------|-------|-------|-------|--------------------|--------------------|---------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Design and Permit Phase | | | | | | | | | | Sitework | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | 1 | 2 | 3 | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | | | | | | | | | | | |
| Development TIMELINE | | | | | | | | | | | | | | | | | | | Mo. 1 | Mo. 2 | Mo. 3 | Mo. 4 | Mo. 5 | Mo. 6 | Mo. 7 | Mo. 8 | Mo. 9 | Mo. 10 | Mo. 11 | Mo. 12 | Mo. 13 | Mo. 14 | Mo. 15 | Mo. 16 | Mo. 17 | Mo. 18 | Mo. 19 |
| Development Costs: | | % of TPC | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Land | | 13.2% | \$ 10,025,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Soft/Indirect Costs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Developer Overhead | 0.6% | \$ 494,140 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | | | | | | | | | | | | | | | | | | |
| Property Taxes | 0.7% | \$ 560,000 | \$ 80,000 | | | | | | | \$ 80,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Insurance | 1.6% | \$ 1,235,350 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Course of Construction (Fire & Liability) | 0.1% | \$ 109,906 | | | | | | | | \$ 54,953 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| HOA Subsidy | 0.3% | \$ 200,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Marketing | 1.0% | \$ 741,210 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Models | 0.1% | \$ 105,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Model Maintenance | 0.0% | \$ 22,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Home Warranty Program | 0.3% | \$ 200,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Legal & Accounting | 0.3% | \$ 250,000 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | | | | | | | | | | | | | | | | | | |
| Organization Fee | 0.1% | \$ 69,179 | \$ 69,179 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Loan Fee | 1.0% | \$ 741,210 | \$ 741,210 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Contingency | 0.3% | \$ 236,425 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | | | | | | | | | | | | | | | | | | |
| Months Construction Costs | | % of TPC | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 SITWORK | | 11.4% | \$ 8,705,000 | | | | | | | \$ 696,400 | \$ 1,044,600 | \$ 1,566,900 | \$ 1,741,000 | \$ 1,566,900 | \$ 1,392,800 | \$ 522,300 | \$ 174,100 | \$ - | \$ - | | | | | | | | | | | | | | | | | | |
| 16 BLDG 3 | | 12.1% | \$ 9,227,610 | | | | | | | | | | | | | | 369,104 | 553,657 | 553,657 | | | | | | | | | | | | | | | | | | |
| 16 BLDG 4 | | 12.1% | \$ 9,227,610 | | | | | | | | | | | | | | 369,104 | 553,657 | 553,657 | | | | | | | | | | | | | | | | | | |
| 16 BLDG 5 | | 12.1% | \$ 9,227,610 | | | | | | | | | | | | | | | 369,104 | 553,657 | | | | | | | | | | | | | | | | | | |
| 16 BLDG 2 | | 12.1% | \$ 9,227,610 | | | | | | | | | | | | | | | 369,104 | 553,657 | | | | | | | | | | | | | | | | | | |
| 16 BLDG 1 | | 12.1% | \$ 9,227,610 | | | | | | | | | | | | | | | | 369,104 | | | | | | | | | | | | | | | | | | |
| Building Permits/School Fees/Park Fees | 4.4% | \$ 3,350,000 | | | | | | | | \$ 558,333 | | | | | | | \$ 1,116,667 | \$ 1,116,667 | \$ 558,333 | | | | | | | | | | | | | | | | | | |
| Architecture/Engineering (CD & CA Phase) | 3.7% | \$ 2,848,090 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | | | | | | | | | | | | | | | | | | |
| Total Development Costs (Excluding Financing) | 100% | \$ 76,031,060 | \$ 11,041,571 | \$ 126,182 | \$ 126,182 | \$ 126,182 | \$ 126,182 | \$ 126,182 | \$ 126,182 | \$ 126,182 | \$ 1,410,868 | \$ 1,145,782 | \$ 1,668,082 | \$ 1,922,182 | \$ 1,668,082 | \$ 1,493,982 | \$ 623,482 | \$ 2,130,158 | \$ 3,063,371 | \$ 3,323,246 | | | | | | | | | | | | | | | | | |

EQUITY - LAND \$ 10,025,000

| | | | | | | | | | | | | | | | | | | | | |
|-------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Equity Contribution Spent | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Equity Contribution Remaining | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Current Month Loan Amount \$ 11,041,571 \$ 126,182 \$ 126,182 \$ 126,182 \$ 126,182 \$ 126,182 \$ 206,182 \$ 126,182 \$ 126,182 \$ 1,410,868 \$ 1,145,782 \$ 1,668,082 \$ 1,922,182 \$ 1,668,082 \$ 1,493,982 \$ 623,482 \$ 2,130,158 \$ 3,063,371 \$ 3,323,246

| | | | | | | | | | | | | | | | | | | | | |
|-----------------------------------|---------------|-------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Max Loan | \$ 15,000,000 | 5.25% | | | | | | | | | | | | | | | | | | |
| Interest Paid This Month - Loan 1 | \$ 15,000,000 | 5.25% | \$ - | \$ 48,307 | \$ 49,070 | \$ 49,837 | \$ 50,607 | \$ 51,381 | \$ 52,157 | \$ 53,288 | \$ 54,073 | \$ 54,861 | \$ 61,274 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 |
| Interest Paid This Month - Loan 2 | | 9.25% | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,638 | \$ 15,015 | \$ 30,453 | \$ 44,052 | \$ 56,414 | \$ 62,160 | \$ 79,565 |

SALES:

| | SALES (Less Broker Commissions & Title Fees) | | | |
|---------------------|--|------------------------|---|-------------------------------|
| | Sales Per Bldg before unit premiums | Unit Premiums Per Bldg | Total Sales Less Commissions & Title Fees | Ave. Net Sales Price Per Unit |
| BLDG 1 | \$ 19,106,100 | \$ 859,775 | 19,965,875 | \$ 499,147 |
| BLDG 2 | \$ 19,398,600 | \$ 872,937 | 20,271,537 | \$ 506,788 |
| BLDG 3 | \$ 19,398,600 | \$ 872,937 | 20,271,537 | \$ 506,788 |
| BLDG 4 | \$ 19,117,800 | \$ 860,301 | 19,978,101 | \$ 499,453 |
| BLDG 5 | \$ 19,336,200 | \$ 870,129 | 20,206,329 | \$ 505,158 |
| Combined Sales | \$ 96,357,300 | \$ 4,336,079 | \$ 100,693,379 | |
| Total From Proforma | | | \$ 100,693,379 | |

Cumulative CONSTRUCTION Loan(s) Balance 0 \$ 11,041,571 \$ 11,216,060 \$ 11,391,312 \$ 11,567,331 \$ 11,744,121 \$ 11,921,683 \$ 12,180,023 \$ 12,359,492 \$ 12,539,747 \$ 14,005,477 \$ 15,212,533 \$ 16,947,878 \$ 18,950,700 \$ 20,714,861 \$ 22,318,520 \$ 23,064,040 \$ 25,321,983 \$ 28,530,544 \$ 32,023,713

| | | | |
|---------------------------------|-----------|-----------|-----------|
| UNIT CONSTRUCTION STARTS | 80 | 80 | 40 |
| ABSORPTION PER MONTH | | | |

SERRAMONTE VISTA, DALY CITY

Scenario: 200 CONDO UNITS

CONSTRUCTION DRAW & INTEREST SCHEDULE

| | | |
|---|------------------------------------|----|
| Entitlements & SD Period | Complete | |
| Design & Permit Period | 9 | |
| Construction Period - Sitework | 5 months (per JMI schedule input) | |
| Construction Period - Building(s) | 16 months (per JMI schedule input) | |
| Sales Period | 8 months | |
| Interest Expense | 6.50% percent | |
| Financing Fee | 0.75% percent | |
| Construction Loan Interest Rate | 5.250% Prime + | 2% |
| 2nd Loan Interest Rate | 9.250% Prime + | 6% |
| Sales Commissions (Brokerage)& Closing Fees | 2.5% percent | |
| PRIME RATE (5/13/09) | 3.25% | |

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|----|----|----|----|----|---------------------|---|---|---|---|---|---|---|--|
| 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | Sales Period | | | | | | | | |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
| 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | | | | | | | | | | | |

| Development TIMELINE | | | Mo. 20 | Mo. 21 | Mo. 22 | Mo. 23 | Mo. 24 | Mo. 25 | Mo. 26 | Mo. 27 | Mo. 28 | Mo. 29 | Mo. 30 | Mo. 31 | Mo. 32 | Mo. 33 | Mo. 34 | Mo. 35 | Mo. 36 | Mo. 37 | Mo. 38 |
|--|-----------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Development Costs: | | | | | | | | | | | | | | | | | | | | | |
| Land | % of TPC | \$ 10,025,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Soft/Indirect Costs | | | | | | | | | | | | | | | | | | | | | |
| Developer Overhead | 0.6% | \$ 494,140 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 | \$ 12,670 |
| Property Taxes | 0.7% | \$ 560,000 | | | | | | | \$ 80,000 | | | | | \$ 80,000 | | | | | | | \$ 80,000 |
| Insurance | 1.6% | \$ 1,235,350 | | | | | | | | | | | \$ 123,535 | \$ 123,535 | \$ 185,303 | \$ 185,303 | \$ 185,303 | \$ 185,303 | \$ 92,651 | \$ 92,651 | \$ 30,884 |
| Course of Construction (Fire & Liability) | 0.1% | \$ 109,906 | | | \$ 54,953 | | | | | | | | | | | | | | | | |
| HOA Subsidy | 0.3% | \$ 200,000 | | | | | | | | | \$ 16,667 | \$ 16,667 | \$ 16,667 | \$ 16,667 | \$ 16,667 | \$ 16,667 | \$ 16,667 | \$ 16,667 | \$ 16,667 | \$ 16,667 | \$ 16,667 |
| Marketing | 1.0% | \$ 741,210 | | | | | | | | | \$ 61,768 | \$ 61,768 | \$ 61,768 | \$ 61,768 | \$ 61,768 | \$ 61,768 | \$ 61,768 | \$ 61,768 | \$ 61,768 | \$ 61,768 | \$ 61,768 |
| Models | 0.1% | \$ 105,000 | | | | | | | | \$ 52,500 | \$ 52,500 | | | | | | | | | | |
| Model Maintenance | 0.0% | \$ 22,500 | | | | | | | | | | \$ 2,045 | \$ 2,045 | \$ 2,045 | \$ 2,045 | \$ 2,045 | \$ 2,045 | \$ 2,045 | \$ 2,045 | \$ 2,045 | \$ 2,045 |
| Home Warranty Program | 0.3% | \$ 200,000 | | | | | | | | | | \$ 20,000 | \$ 20,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ 5,000 |
| Legal & Accounting | 0.3% | \$ 250,000 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ 6,944 | \$ - |
| Organization Fee | 0.1% | \$ 69,179 | | | | | | | | | | | | | | | | | | | |
| Loan Fee | 1.0% | \$ 741,210 | | | | | | | | | | | | | | | | | | | |
| Contingency | 0.3% | \$ 236,425 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ 6,567 | \$ - | \$ - |
| Months Construction Costs | % of TPC | | | | | | | | | | | | | | | | | | | | |
| 5 SITWORK | 11.4% | \$ 8,705,000 | | | | | | | | | | | | | | | | | | | |
| 16 BLDG 3 | 12.1% | \$ 9,227,610 | 738,209 | 922,761 | 922,761 | 1,107,313 | 922,761 | 922,761 | 738,209 | 553,657 | 553,657 | 369,104 | - | - | - | - | - | - | - | - | - |
| 16 BLDG 4 | 12.1% | \$ 9,227,610 | 738,209 | 922,761 | 922,761 | 1,107,313 | 922,761 | 922,761 | 738,209 | 553,657 | 553,657 | 369,104 | - | - | - | - | - | - | - | - | - |
| 16 BLDG 5 | 12.1% | \$ 9,227,610 | 553,657 | 738,209 | 922,761 | 922,761 | 1,107,313 | 922,761 | 922,761 | 738,209 | 553,657 | 553,657 | 369,104 | - | - | - | - | - | - | - | - |
| 16 BLDG 2 | 12.1% | \$ 9,227,610 | 553,657 | 738,209 | 922,761 | 922,761 | 1,107,313 | 922,761 | 922,761 | 738,209 | 553,657 | 553,657 | 369,104 | - | - | - | - | - | - | - | - |
| 16 BLDG 1 | 12.1% | \$ 9,227,610 | \$ 553,657 | \$ 553,657 | \$ 738,209 | \$ 922,761 | \$ 922,761 | \$ 1,107,313 | \$ 922,761 | \$ 922,761 | \$ 738,209 | \$ 553,657 | \$ 553,657 | \$ 369,104 | | | | | | | |
| Building Permits/School Fees/Park Fees | 4.4% | \$ 3,350,000 | | | | | | | | | | | | | | | | | | | |
| Architecture/Engineering (CD & CA Phase) | 3.7% | \$ 2,848,090 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 73,090 | | | |
| Total Development Costs (Excluding Financing) | 100% | \$ 76,031,060 | \$ 3,238,569 | \$ 3,976,778 | \$ 4,585,388 | \$ 5,084,091 | \$ 5,084,091 | \$ 4,979,539 | \$ 4,345,883 | \$ 3,660,174 | \$ 3,184,951 | \$ 2,580,840 | \$ 1,617,062 | \$ 774,301 | \$ 396,964 | \$ 396,964 | \$ 396,964 | \$ 395,054 | \$ 214,313 | \$ 280,801 | \$ 129,034 |

EQUITY - LAND \$ 10,025,000

| | | | | | | | | | | | | | | | | | | | | | |
|-------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Equity Contribution Spent | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Equity Contribution Remaining | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Current Month Loan Amount \$ 3,238,569 \$ 3,976,778 \$ 4,585,388 \$ 5,084,091 \$ 5,084,091 \$ 4,979,539 \$ 4,345,883 \$ 3,660,174 \$ 3,184,951 \$ 2,580,840 \$ 1,617,062 \$ 774,301 \$ 396,964 \$ 396,964 \$ 396,964 \$ 395,054 \$ 214,313 \$ 280,801 \$ 129,034

| | | | | | | | | | | | | | | | | | | | | | | |
|-----------------------------------|---------------|-------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-----------|-----------|-----------|----------|--|
| Max Loan | \$ 15,000,000 | 5.25% | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 7,297 | | |
| Interest Paid This Month - Loan 1 | \$ 15,000,000 | 5.25% | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 65,625 | \$ 7,297 | |
| Interest Paid This Month - Loan 2 | | 9.25% | \$ 131,224 | \$ 157,706 | \$ 190,082 | \$ 227,398 | \$ 268,847 | \$ 310,615 | \$ 351,899 | \$ 388,617 | \$ 420,332 | \$ 448,629 | \$ 472,487 | \$ 411,535 | \$ 343,618 | \$ 233,046 | \$ 121,622 | \$ 9,865 | \$ - | \$ - | \$ - | |

| BLDG | SALES (Less Broker Commissions & Title Fees) | | | |
|---------------------|--|------------------------|---|-------------------------------|
| | Sales Per Bldg before unit premiums | Unit Premiums Per Bldg | Total Sales Less Commissions & Title Fees | Ave. Net Sales Price Per Unit |
| BLDG 1 | \$ 19,106,100 | \$ 859,775 | 19,965,875 | \$ 499,147 |
| BLDG 2 | \$ 19,398,600 | \$ 872,937 | 20,271,537 | \$ 506,788 |
| BLDG 3 | \$ 19,398,600 | \$ 872,937 | 20,271,537 | \$ 506,788 |
| BLDG 4 | \$ 19,117,800 | \$ 860,301 | 19,978,101 | \$ 499,453 |
| BLDG 5 | \$ 19,336,200 | \$ 870,129 | 20,206,329 | \$ 505,158 |
| Combined Sales | \$ 96,357,300 | \$ 4,336,079 | \$ 100,693,379 | |
| Total From Proforma | | | \$ 100,693,379 | |

Cumulative CONSTRUCTION Loan(s) Balance 0 \$ 35,459,132 \$ 39,659,241 \$ 44,500,336 \$ 49,877,451 \$ 55,296,014 \$ 60,651,793 \$ 65,415,200 \$ 69,529,616 \$ 73,200,525 \$ 76,295,620 \$ 68,388,384 \$ 59,577,436 \$ 45,232,972 \$ 30,777,936 \$ 16,279,740 \$ 1,667,877 \$ (5,665,981) \$(12,940,647) \$(15,307,348)

UNIT CONSTRUCTION STARTS

ABSORPTION PER MONTH 20 20 30 30 30 30 15 15 5

SERRAMONTE VISTA, DALY CITY

Scenario: 200 CONDO UNITS

CONSTRUCTION DRAW & INTEREST SCHEDULE

| | | |
|---|------------------------------------|----|
| Entitlements & SD Period | Complete | |
| Design & Permit Period | 9 | |
| Construction Period - Sitework | 5 months (per JMI schedule input) | |
| Construction Period - Building(s) | 16 months (per JMI schedule input) | |
| Sales Period | 8 months | |
| Interest Expense | 6.50% percent | |
| Financing Fee | 0.75% percent | |
| Construction Loan Interest Rate | 5.250% Prime + | 2% |
| 2nd Loan Interest Rate | 9.250% Prime + | 6% |
| Sales Commissions (Brokerage)& Closing Fees | 2.5% percent | |
| PRIME RATE (5/13/09) | 3.25% | |

10

| Development TIMELINE | | | Mo. 39 | Mo. 40 | Mo. 41 | TOTALS |
|--|-------------|----------------------|-------------------|-------------|-------------|----------------------|
| Development Costs: | | | | | | |
| <u>Land</u> | % of TPC | \$ 10,025,000 | | | | \$ 10,025,000 |
| Soft/Indirect Costs | | | | | | |
| Developer Overhead | 0.6% | \$ 494,140 | \$ 12,670 | \$ - | \$ - | \$ 494,140 |
| Property Taxes | 0.7% | \$ 560,000 | | | | \$ 560,000 |
| Insurance | 1.6% | \$ 1,235,350 | \$ 30,884 | \$ - | \$ - | \$ 1,235,350 |
| Course of Construction (Fire & Liability) | 0.1% | \$ 109,906 | | | | \$ 109,906 |
| HOA Subsidy | 0.3% | \$ 200,000 | \$ 16,667 | \$ - | \$ - | \$ 200,000 |
| Marketing | 1.0% | \$ 741,210 | \$ 61,768 | | | \$ 741,210 |
| Models | 0.1% | \$ 105,000 | | | | \$ 105,000 |
| Model Maintenance | 0.0% | \$ 22,500 | \$ 2,045 | | | \$ 22,500 |
| Home Warranty Program | 0.3% | \$ 200,000 | \$ 5,000 | \$ - | \$ - | \$ 200,000 |
| Legal & Accounting | 0.3% | \$ 250,000 | \$ - | \$ - | \$ - | \$ 250,000 |
| Organization Fee | 0.1% | \$ 69,179 | | | | \$ 69,179 |
| Loan Fee | 1.0% | \$ 741,210 | | | | \$ 741,210 |
| Contingency | 0.3% | \$ 236,425 | \$ - | \$ - | \$ - | \$ 236,425 |
| Months Construction Costs | % of TPC | | | | | |
| 5 SITEWORK | 11.4% | \$ 8,705,000 | | | | \$ 8,705,000 |
| 16 BLDG 3 | 12.1% | \$ 9,227,610 | | | | \$ 9,227,610 |
| 16 BLDG 4 | 12.1% | \$ 9,227,610 | | | | \$ 9,227,610 |
| 16 BLDG 5 | 12.1% | \$ 9,227,610 | | | | \$ 9,227,610 |
| 16 BLDG 2 | 12.1% | \$ 9,227,610 | | | | \$ 9,227,610 |
| 16 BLDG 1 | 12.1% | \$ 9,227,610 | | | | \$ 9,227,610 |
| Building Permits/School Fees/Park Fees | 4.4% | \$ 3,350,000 | | | | \$ 3,350,000 |
| Architecture/Engineering (CD & CA Phase) | 3.7% | \$ 2,848,090 | | | | \$ 2,848,090 |
| Total Development Costs (Excluding Financing) | 100% | \$ 76,031,060 | \$ 129,034 | \$ - | \$ - | \$ 76,031,060 |

EQUITY - LAND \$ 10,025,000

| | | | | |
|-------------------------------|------|------|------|------|
| Equity Contribution Spent | \$ - | \$ - | \$ - | \$ - |
| Equity Contribution Remaining | \$ - | \$ - | \$ - | \$ - |

Current Month Loan Amount \$ 129,034 \$ - \$ - \$ 76,031,060

| | |
|---|-------|
| Max Loan | |
| Interest Paid This Month - Loan 1 \$ 15,000,000 | 5.25% |
| Interest Paid This Month - Loan 2 | 9.25% |

SALES:

SALES (Less Broker Commissions & Title Fees)

| | Sales Per Bldg before unit premiums | Unit Premiums Per Bldg | Total Sales Less Commissions & Title Fees | Ave. Net Sales Price Per Unit | | | | |
|---------------------|-------------------------------------|------------------------|---|-------------------------------|-------------|---|-------|----------------------|
| BLDG 1 | \$ 19,106,100 | \$ 859,775 | 19,965,875 | \$ 499,147 | (2,495,734) | 5 | \$ 40 | \$ (19,965,875) TRUE |
| BLDG 2 | \$ 19,398,600 | \$ 872,937 | 20,271,537 | \$ 506,788 | 0 | 0 | \$ 40 | \$ (20,271,537) TRUE |
| BLDG 3 | \$ 19,398,600 | \$ 872,937 | 20,271,537 | \$ 506,788 | 0 | 0 | \$ 40 | \$ (20,271,537) TRUE |
| BLDG 4 | \$ 19,117,800 | \$ 860,301 | 19,978,101 | \$ 499,453 | 0 | 0 | \$ 40 | \$ (19,978,101) TRUE |
| BLDG 5 | \$ 19,336,200 | \$ 870,129 | 20,206,329 | \$ 505,158 | | | \$ 40 | \$ (20,206,329) TRUE |
| Combined Sales | \$ 96,357,300 | \$ 4,336,079 | \$ 100,693,379 | | | | \$ - | |
| Total From Proforma | | | \$ 100,693,379 | | | | | |

Cumulative CONSTRUCTION Loan(s) Balance 0 \$(17,674,048) \$(17,674,048) \$(17,674,048)

UNIT CONSTRUCTION STARTS

ABSORPTION PER MONTH 5 0 0

\$ 6,988,270