

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	4	5	6	7	8	9	10									
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																																			
Property Taxes	0.7%	\$ 560,000																																			
Insurance	1.6%	\$ 1,235,350																																			
Course of Construction (Fire & Liability)	0.1%	\$ 109,906																																			
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																																			
Organization Fee	0.1%	\$ 69,179																																			
Loan Fee	1.0%	\$ 741,210																																			
Contingency	0.3%	\$ 236,425																																			
Months	Construction Costs	% of TPC																																			
5	SITWORK	11.4%	\$ 8,705,000																																		
16	BLDG 3	12.1%	\$ 9,227,610																																		
16	BLDG 4	12.1%	\$ 9,227,610																																		
16	BLDG 5	12.1%	\$ 9,227,610																																		
16	BLDG 2	12.1%	\$ 9,227,610																																		
16	BLDG 1	12.1%	\$ 9,227,610																																		
	Building Permits/School Fees/Park Fees	4.4%	\$ 3,350,000																																		
	Architecture/Engineering (CD & CA Phase)	3.7%	\$ 2,848,090																																		
Total Development Costs (Excluding Financing)			100%	\$ 76,031,060																																	

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

	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			

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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	\$ 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	\$ -	\$ -	\$ -	

SALES:

	SALES (Less Broker Commissions & Title Fees)			Ave. Net Sales Price Per Unit
	Sales Per Bldg before unit premiums	Unit Premiums Per Bldg	Total Sales Less Commissions & Title Fees	
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%	

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Development TIMELINE			Mo. 39	Mo. 40	Mo. 41	TOTALS
Development Costs:	% of TPC					
<u>Land</u>	13.2%	\$ 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)	0	0	\$ (19,965,875)
BLDG 2	\$ 19,398,600	\$ 872,937	20,271,537	\$ 506,788	0	0	0	\$ (20,271,537)
BLDG 3	\$ 19,398,600	\$ 872,937	20,271,537	\$ 506,788	0	0	0	\$ (20,271,537)
BLDG 4	\$ 19,117,800	\$ 860,301	19,978,101	\$ 499,453	0	0	0	\$ (19,978,101)
BLDG 5	\$ 19,336,200	\$ 870,129	20,206,329	\$ 505,158				\$ (20,206,329)
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