



PROPOSED PROJECT

**Date:** June 2009  
**Borrower:** LLC TBD  
**Ownership:** Jaspal Sidhu and partner  
**Operating Company:** LLC TBD  
**Ownership:** Jaspal Sidhu and partner  
**Contact Person:** Jaspal Sidhu  
**Phone:** 702.429.7355 and email: jaspal@aceengineering.us  
**Personal Guarantors:** Jaspal Sidhu and partner  
**Corporate Guarantors:** Ace Engineering, Akal Development, Spectrum Properties and any corporate entity that Jaspal's partner has control over  
**Lender:** NSDC and lender TBD  
**Name:** BDO:  
**Address:**  
**Phone:**  
**Project location:** Baker California (San Bernardino County)  
**Broker/Firm:**  
**Firm:**  
**Broker:**  
**Address:**  
**Phone/Email:**

	<u>Uses</u>		<u>Sources</u>	
Payoff current Mtg	300,000	Bank	2,475,825	50.00%
Construction (TI's)	3,348,597	SBA	1,485,495	30.00%
Contingency	334,859	Owner	990,330	20.00%
Furnishings	464,107			
Capital Equipment				
2 Year Interest Reserve	412,086			
Bank Fees Construction	38,000			
Bank Fees Perm Closing	24,000 30,000			
<b>Total</b>	<b>4,951,649</b>	<b>Total</b>	<b>\$ 4,951,649</b>	

<u>Debenture Calculation</u>	
Net Debenture Proceeds	\$ 1,485,494.70
CDC Fee	-
Funding Fee	3,713.74
Attorney Closing & Approx. Closing Costs	3,750.00
Subtotal	1,492,958.44
Underwriting Fee	5,996.00
Subtotal	1,498,954.44
Round up	45.56
<b>504 Debenture Amount</b>	<b>\$ 1,499,000.00</b>

	<u>Amounts</u>	<u>Term Years</u>	<u>Interest</u>		<u>Principal</u>	<u>Annual Debt</u>		<u>Monthly Debt Service</u>
			<u>Rate</u>	<u>Annual Interest</u>		<u>Service</u>		
Bank	\$ 2,475,825	25	6.50	\$ 159,725.01	\$ 40,878.32	\$ 200,603.33	\$ 16,716.94	
SBA	1,499,000	20	6.00	88,851.33	40,020.28	128,871.62	10,739.30	
Other								
<b>Totals</b>	<b>\$ 3,974,825</b>			<b>\$ 248,576.35</b>	<b>\$ 80,898.60</b>	<b>\$ 329,474.95</b>	<b>\$ 27,456.25</b>	

**Project Description**  
1. Bank perm terms/rates:  
-25 year amortization  
-3 year rates in the lower 6% range  
-5 year rates in the 6% range  
-10 year rates in the lower 7% rate  
2. Bank construction loan would be negotiated by the bank. Terms would be for 12 to 24 months. Prime plus a spread floating.  
3. SBA rates and terms are fixed and fully amortized for 20 years. June rate 5.89%  
4. Client believes the raw land "as is" value to be \$1,219,680. Current interest only seller carry back note is around \$300,000 and will be paid off as part of the construction note. Therefore current land equity is around **\$919,680. Purchased the summer of 2006.**  
5. Interest reserve is calculated as:  
\* year one: 75% drawn at a rate of .0625%  
\* year two: 100% drawn at a rate of .0650%