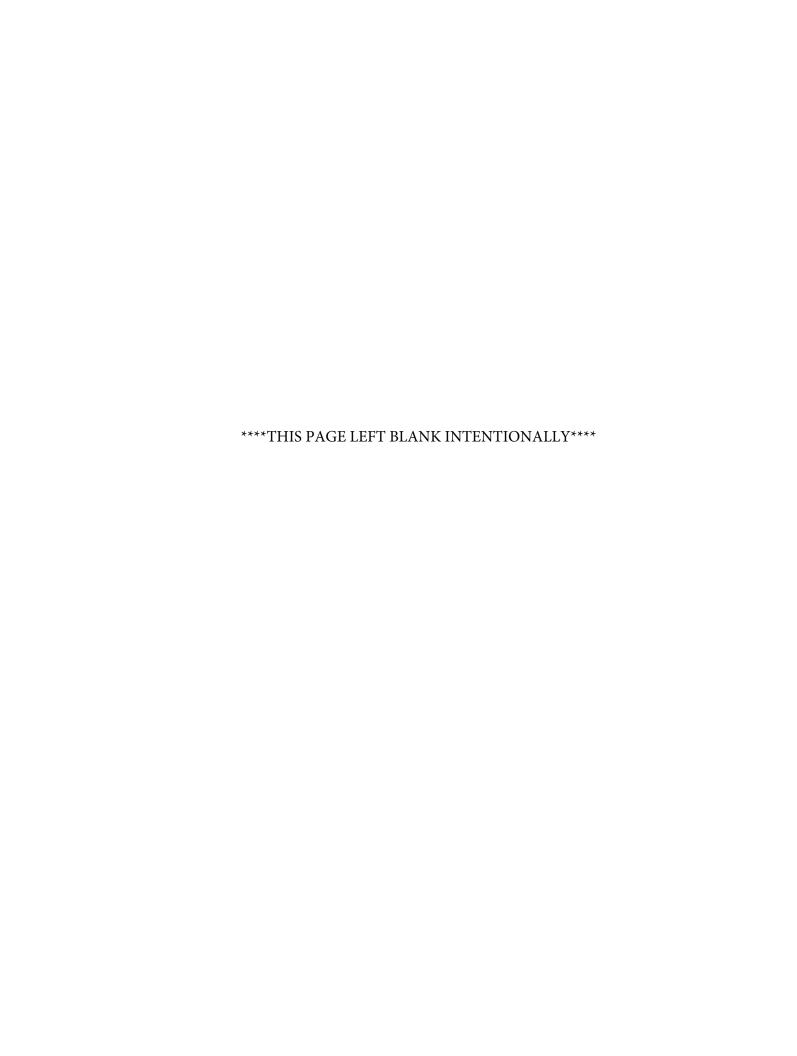
# ATTACHMENT C

Amendment No. 1
to
Professional Services Agreement
with
Keyser Marston Associates, Inc.



# AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT BETWEEN SUCCESSOR AGENCY OF THE COUNTY OF MONTEREY AND KEYSER MARSTON ASSOCIATES, INC.

THIS AMENDMENT NO. 1 to the Professional Services Agreement between the Successor Agency to the Redevelopment Agency of the County of Monterey, a public body, corporate and politic (hereinafter, "Agency") and Keyser Marston Associates, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the Agency and the CONTRACTOR (collectively, the "Parties") and effective as of the last date opposite the respective signatures below.

WHEREAS, CONTRACTOR entered into a Professional Services Agreement with Agency on March 16, 2018 (hereinafter, "Agreement") to provide financial consulting services (hereinafter, "services") related to the Participation Payment Provision of the East Garrison Disposition and Development Agreement (hereinafter, "Project") through December 31, 2018 for an amount not to exceed \$9,500; and

WHEREAS, Task 1, Refinements to Participation Manual, and Task 2, Review of First Progress Report, of the Agreement have been completed; and

WHEREAS, the Parties have identified the need for additional reporting for completion of the Project. as further set out in Exhibit A-1, attached hereto and incorporated herein by reference; and

WHEREAS, additional time and funding are necessary to allow CONTRACTOR to continue to provide the services required by the Agency for completion of the Project; and

WHEREAS, the Parties wish to further amend the Agreement to extend the term for three (3) additional years to December 31, 2021 and to increase the amount by \$20,000 for a total amount not to exceed \$29,500 to allow CONTRACTOR to continue to provide services identified in the Agreement and as amended by this Amendment No. 1.

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Amend the first sentence of Paragraph 1, "Services to be Provided", to read as follows:

The Agency hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibits A and A-1 in conformity with the terms of this Agreement.

2. Amend Paragraph 2, "Payments by Agency", to read as follows:

Agency shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibits A and A-1, subject to the limitations set forth in this Agreement. The total amount

Page 1 of 3

Amendment No. 1 to Professional Services Agreement Keyser Marston Associates, Inc. East Garrison Disposition and Development Agreement **RMA** 

Term: March 1, 2018 - December 31, 2021

Not to Exceed: \$29,500.00

payable by Agency to CONTRACTOR under this Agreement shall not exceed the sum of \$29,500.

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from March 1, 2018 to December 31, 2021, unless sooner terminated pursuant to the terms of this Agreement.

- 4. Amend Paragraph 4, "Additional Provisions/Exhibits", to add "Exhibit A-1, Scope of Services/Payment Provisions", "Exhibit C, Attachment 4, Financial Terms, to the Disposition and Development Agreement for the East Garrison Project" and "Exhibit D, East Garrison Profit Participation Manual, Dated December 19, 2006".
- 5. Delete the "<u>Professional Liability Insurance</u>" section of Paragraph 9.03, "<u>Insurance Coverage Requirements</u>" under Section 9, "Insurance".
- 6. All other terms and conditions of the Agreement, including all Exhibits thereto, remain unchanged and in full force.
- 7. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.
- 8. The recitals to this Amendment No. 1 are incorporated into the Agreement and this Amendment No. 1.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 to the Agreement which shall be effective as of the last date opposite the respective signatures below.

# SUCCESSOR AGENCY OF THE COUNTY OF MONTEREY

#### **CONTRACTOR\***

| By:      |  |  |
|----------|--|--|
| -        | G to the day of the company of the c | Keyser Marston Associates, Inc.                    |
|          | Contracts/Purchasing Officer   | Contractor's Business Name                         |
| Date:    |  | By: Debbie m. Ken                                  |
|          |  | (Signature of Chair, President or Vice President)  |
|          |  | Its: Vice Plesident (Print Name and Title)         |
| Approve  | d as to Form and Legality  | (Film Name and Title)                              |
| прриоте  | d as to Form and Logane,   | Date: Dec. 13 2018                                 |
| By:      |  |  |
|          | Brian P. Briggs  | 770  |
|          | Agency Counsel   | By: (Signature of Secretary, Asst. Secretary, CFO. |
|          | •  | Treasurer or Asst. Treasurer)                      |
| Date: _  |  | David Poezema                                      |
|          |  | Its: Asst. Secretary (Print Name and Title)        |
| Approved | d as to Fiscal Provisions  | (Trint realite and Title)                          |
|          |  | Date: Dec. 13 2018                                 |
| By:      |  |  |
|          | Auditor/Controller   |  |
| Date: _  |  |  |
| Approved | l as to Indemnity and Insurance Provisions   |  |
| PF       |  |  |
| By:      |  |  |
| Name: _  |  |  |
| Title: _ |  | e  |
| Date: _  |  |  |

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managing members. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

Page 3 of 3

Amendment No. 1 to Professional Services Agreement Keyser Marston Associates, Inc. East Garrison Disposition and Development Agreement RMA

> Term: March 1, 2018 – December 31, 2021 Not to Exceed: \$29,500,00

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 to the Agreement which shall be effective as of the last date opposite the respective signatures below.

CONTRACTOR\*

SUCCESSOR AGENCY OF THE

| COUNTY OF MONTEREY                                |  |
|---|--|
| By: Contracts/Purchasing Officer                  | Keyser Marston Associates, Inc. Contractor's Business Name   |
| Date: 18 NOC 2018                                 | By: Debbie m Ken   |
| Approved as to Form and Legality                  | Its: Vice Pletident (Print Name and Title)   |
| By: Brian P. Briggs                               | Date: Dec. 13 2018   |
| Date: 12-18                                       | By:  (Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)  David Poe 3 ema.  Its:  Asst. Secretary |
| Approved as to Fiscal Provisions  By:             | Its: Asst. Secretary (Print Name and Title)  Date: Dec. 13 2018  |
| Date:   |  |
| Approved as to Indemnity and Insurance Provisions |  |
| Ву:   |  |
| Name:   |  |
| Title:  |  |
| Date:   | 3 - 1 - 1 - 1 - 1 - 1  |

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managing members. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

Page 3 of 3

Amendment No. 1 to Professional Services Agreement
Keyser Marston Associates, Inc.
East Garrison Disposition and Development Agreement
RMA

Term: March 1, 2018 – December 31, 2021 Not to Exceed: \$29,500,00

#### EXHIBIT A-1 – SCOPE OF SERVICES/PAYMENT PROVISIONS

To Agreement by and between
Successor Agency to the Redevelopment Agency of the County of Monterey,
hereinafter referred to as "AGENCY"

and

Keyser Marston Associates, Inc., hereinafter referred to as "CONTRACTOR"

#### A. SCOPE OF SERVICES

A.1 CONTRACTOR shall provide services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

Task 3. Review of Second Progress Report

When the Second Progress Report is submitted, CONTRACTOR will review the Progress Report, confirm that the necessary documentation has been provided and that the calculations have been made correctly, and report the results to the AGENCY.

Task 4. Final Report

When the Final Report is submitted, CONTRACTOR will review the Final Report, and report the final results to the AGENCY.

A.2 CONTRACTOR shall produce the following deliverables (written reports, installed products, etc.) as indicated below:

DK/D.D.
Contractor's Initials

Date
DK, D.D

DK, D.D.
Contractor's Initials

Pec. 11, 2917

Task 3. Deliverable: Memorandum Summarizing Review of Second Progress Report. Complete by September 26-December 31, 2019.

Task 4. Deliverable: Final Report. Completion dependent on timing of final report submittal pursuant to the DDA, and anticipated in 2021.

All written reports required under this Agreement must be delivered in hardcopy and electronic .PDF format, in accordance with the schedule above and to the following:

Melanie Beretti, Property Administration/Special Programs Manager
County of Monterey
Resource Management Agency (RMA)
1441 Schilling Place, South 2<sup>nd</sup> Floor
Salinas, California 93901-4527

Email: berettim@co.monterey.ca.us

#### EXHIBIT A-1 – SCOPE OF SERVICES/PAYMENT PROVISIONS

#### B. PAYMENT PROVISIONS

#### **B.1** COMPENSATION/PAYMENT

AGENCY shall pay an increased amount not to exceed \$20,000, for a total Agreement amount not to exceed \$29,500, for the completion of tasks identified in this Exhibit A-1. The total not to exceed amount of this Agreement is \$29,500 for the performance of all things necessary for or incidental to the performance of work as set forth in Exhibits A and A-1 of this Agreement. CONTRACTOR'S compensation for services rendered shall be based on a time and materials basis according to the following rates or in accordance with the following terms:

| CONTRACTOR Staff     | Hourly Rates |
|----------------------|--------------|
| A. JERRY KEYSER      | \$280.00     |
| MANAGING PRINCIPALS  | \$280.00     |
| SENIOR PRINCIPALS    | \$270.00     |
| PRINCIPALS           | \$250.00     |
| MANAGERS             | \$225.00     |
| SENIOR ASSOCIATES    | \$187.50     |
| ASSOCIATES           | \$167.50     |
| SENIOR ANALYSTS      | \$150.00     |
| ANALYSTS             | \$130,00     |
| TECHNICAL STAFF      | \$95.00      |
| ADMINISTRATIVE STAFF | \$80.00      |

Hourly rates effective January 1, 2019 and valid through December 31, 2021.

Directly related job expenses not included in the above rates are: auto mileage, parking, air fares, hotels and motels, meals, car rentals, taxies, telephone calls, delivery, electronic data processing, graphics and printing. Directly related job expenses will be billed at 110% of cost.

These rates do not include cost for time spent in court testimony and the parties may enter into a separate agreement in the event that such services are required.

AGENCY and CONTRACTOR agree that CONTRACTOR shall be reimbursed for travel expenses during this Agreement. CONTRACTOR shall receive compensation for travel expenses as per the "County Travel Policy". A copy of the policy is available online at <a href="www.co.monterey.ca.us/auditor/policies.htm">www.co.monterey.ca.us/auditor/policies.htm</a>. To receive reimbursement, CONTRACTOR must provide a detailed breakdown of authorized expenses, identifying what was expended and when.

#### EXHIBIT A-1 – SCOPE OF SERVICES/PAYMENT PROVISIONS

CONTRACTOR warrants that the cost charged for services under the terms of this Agreement are not in excess of those charged to any other client for the same services performed by the same individuals.

#### **B.2** CONTRACTOR'S BILLING PROCEDURES

Invoices under this Agreement shall be submitted monthly and promptly, and in accordance with Paragraph 6, Payment Conditions, of the Agreement. All invoices shall reference the Multi-Year Agreement (MYA) number, Project name and associated Delivery Order number, and an original hardcopy shall be sent to the following address or via email to RMA-Finance-AP-GP@co.monterey.ca.us.

County of Monterey RMA – Finance Division 1441 Schilling Place, South 2<sup>nd</sup> Floor Salinas, California 93901-4527

Any questions pertaining to invoices under this Agreement shall be directed to the RMA – Finance Division at (831) 755-4800 or via email to RMA-Finance-AP-GP@co.monterey.ca.us.

AGENCY may, in its sole discretion, terminate the Agreement or withhold payments claimed by CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by AGENCY.

AGENCY shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were completed.

DISALLOWED COSTS: CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

#### ATTACHMENT NO. 4

#### FINANCIAL TERMS

[First referenced, Section 201]

# A. Land Payment/Agency Participation.

- 1. <u>Deposit</u>. Prior to or upon execution of this Agreement by the Agency and Developer, the Developer shall deliver a deposit of One Hundred Thousand Dollars (\$100,000), as provided in Section 201.a. of this Agreement.
- 2. <u>Land Payment</u>. Upon close of escrow, Developer shall pay to Agency One Million Five Hundred Thousand Dollars (\$1,500,000) (subject to adjustment under Section 202(3) of this Agreement, if any, not to exceed One Hundred Thousand Dollars (\$100,000)), as the initial land payment for conveyance of the Site to Developer (the "<u>Initial Land Payment</u>"). Developer shall make additional land payments to the Agency ("<u>Additional Land Payments</u>") calculated and payable at the time, and in the manner set forth in Section 3, below, of this Part A. (The Initial Land Payment and any Additional Land Payments may be referred to collectively as the "Land Payment.")

In addition, at closing the Developer shall pay to the County or Agency (as directed by the County), provided Developer is a Named Insured under the FORA PLL with its allocated policy limits, its pro rata percentage of the County's share of the premium payments then due by the County, to FORA for the FORA PLL described in Section 204 of this Agreement, to be calculated as equal to the percentage of the County policy limits under the FORA PLL allocated by the County to and accepted by the Developer. By way of example: the County has been allocated \$20,000,000 of the \$100,000,000 policy limits under the FORA PLL, and the Developer anticipates being allocated 50% of the County's limit, or \$10,000,000. FORA has financed the total premium payment for the FORA PLL and the County has agreed to pay FORA the County's share of the premium (including financing costs) in a series of installment payments over a period of years. Based on the assumptions that the Developer will be allocated 50% of the County's policy limits, and that upon taking title to the Site will become a Named Insured under the FORA PLL, the Developer shall be obligated to pay to the County 50% of the amount of each County installment payment to FORA not later than fifteen (15) days after receipt of written notice from the County of the amount of the installment payment then due. At the close of escrow, the Developer shall be obligated to pay to the County or the Agency (as directed by the County) 50% of the amount of any installment payments previously made or currently payable from the County to FORA (as disclosed by the County not less than fifteen (15) days prior to closing), and thereafter the Developer shall be obligated to pay to the County or the Agency (as directed by the County) 50% of the amount of each subsequent County installment payment not later than

fifteen (15) days after receipt of written notice from the County of the amount of the installment payment then due.

#### 3. Additional Land Payment.

- a. Participation Payment. In addition to the Initial Land Payment, the Developer shall make contingent Additional Land Payments to the Agency of a portion of any residual proceeds from the Developer's horizontal development and sale of buildable parcels of the Site ("Participation Payment"), calculated in accordance with the financial model set forth in Section 3.b., below, if available at the times described below (the "Agency Participation Model").
- b. Agency Participation Model. As used herein, "Completion of Development" shall mean the occurrence of all of the following: (i) the sale by the Developer of the last parcel or lot in the Site for vertical development (as evidenced by close of escrow); and (ii) the completion by the Developer of all horizontal improvements to the Site, including infrastructure and public improvements and facilities that the Developer is required to provide or pay for (as evidenced by one of more Certificates of Completion for such horizontal improvements issued by the Agency pursuant to Section 320 of this Agreement), and (iii) the incurrence by the Developer of all Project Costs (as defined in Section 3.d., below) such that no further investment by Developer is required for development of the Site under this Agreement and the Development Approvals, and (iv) the receipt by the Developer of all Project Revenues (as defined in Section 3.e., below). The Developer shall apply all Project Revenues (as defined in Section 3.e., below) as follows: (i) first, to first reimburse the Developer for all Project Costs; (ii) second, to pay the Developer an amount of Unleveraged Cash Flow (as defined below) received by the Developer up to but not to exceed the amount necessary for the Developer to achieve its Target IRR (as defined below); and (iii) thereafter, following Completion of Development, if any Unleveraged Cash Flow (as defined below) remains after the Developer has achieved its Target IRR, to make an Additional Land Payment ("Participation Payment") to the Agency in an amount equal to Fifty Percent (50%) of any such remaining Unleveraged Cash Flow. If required and in the manner set forth in subsection g., below, the Developer may be required to make the Participation Payment, if owed to the Agency, in one or more partial payments ("Partial Participation Payments") in addition to a final payment ("Final Participation Payment").
  - (i) "<u>Unleveraged Cash Flow</u>" means Project Revenues less Project Costs.
  - (ii) "IRR" means the internal rate of return and shall be calculated on a monthly basis using the Unleveraged Cash Flow as reflected in the template attached hereto as Table 2 to this Attachment No. 4; provided that the listing in Table 2 of categories of costs shall be deemed for convenience and shall not limit the inclusion of applicable Project Costs as defined in subsection d.

below. The monthly IRR shall be used to calculate an annual IRR for the Project by the following method, wherein MIRR is equal to the monthly IRR (noncompounded) and AIRR is the annual IRR:

AIRR = MIRR(x) 12

(iii) "Target IRR" means the IRR of 22.5%."

Project Revenues received by the Developer and Project Costs paid by the Developer during any month shall be deemed to be received or paid on the last day of the month.

- c. Intentionally Omitted.
- d. Project Costs. "Project Costs" means all direct and indirect third party out-ofpocket predevelopment, planning, development, marketing and disposition costs and expenses paid by the Developer pursuant to the ENRA among the Developer and the Agency and the County, and/or in implementation of and pursuant to the Option Agreement, this Agreement and/or the Development Approvals to acquire, own, hold, develop or sell all or any part of the Project, which costs shall include, without limitation, all pre-development and preconveyance costs and post-conveyance costs for items included in the Developer's Project Pro Forma (as presented to the Agency), subject only to a combined limit on post-conveyance sale and marketing and general and administrative costs of three and one-half percent (3.5%) of Project Revenues (as defined in e. below), any reimbursement or indemnification costs or fees paid to FORA or the Agency, any CEQA mitigation costs, costs of investigation and remediation of Hazardous Substances or other environmental conditions on the Site, including insurance and indemnification in connection therewith, payments to the Agency or County for fiscal neutrality, all CSD and CFD costs (including formation and debt service) and other public financing costs, costs resulting from litigation or administrative challenges to the Project, all reasonable development fees, management fees (including costs of on-site employees which are not included in general and administrative costs) or other amounts paid by the Developer to Affiliates (as defined in Section 3.f.(i), below) of the Developer or any Member of Developer (a "Member") for services rendered in connection with the Development; provided, however, any amounts paid to Affiliates of Developer any Member of Developer shall exclude any amounts that exceed the costs that would have been incurred by the Developer had the Developer obtained the relevant services or goods from a third party on an arms' length basis. Without limiting the foregoing, Project Costs shall include the Initial Land Payment (as defined in Section 2 of Part A of this Attachment No. 4), but shall exclude any Participation Payment to be paid to the Agency, including any Partial Participation Payments and any Final Participation Payment (each as defined in Section 3.b. of Part A of this Attachment No. 4). Project Costs shall also exclude (a) the repayment of the principal and interest

of any private loan obtained by the Developer; and (b) any distributions, preferred return or other capital return to the members of the Developer.

- e. Project Revenues. "Project Revenues" means all cash revenues actually received by Developer or fixed amounts to be received by Developer from an Affiliated Homebuilder under an installment sale or other delayed or deferred payment of any type or nature from (a) a sale, lease or other disposition (other than any disposition by foreclosure or transfer in lieu of foreclosure) of the Site or any portion thereof to a third party, or (b) any other event, contract, service or other transaction of any type or nature generating revenues actually received by Developer from any portion or all of the Site, excluding management fees for construction of public facilities. By way of example and not limitation, Project Revenues include rents, forfeited earnest money, rebates, fees for the provision by Developer of utility and other services to the Project of any nature, reimbursements, damage awards (net of costs of recovery), insurance proceeds (net of costs of recovery), all proceeds received by the Developer from the sale of CFD bonds and tax allocation bonds (including proceeds to reimburse Developer for costs incurred), condemnation awards (net of costs of recovery), income from granting easements or other interests in or rights relating to the Site, and interest on Project Revenues to the extent invested in interest-bearing accounts. Notwithstanding the foregoing, Agency and Developer acknowledge (i) that Project Revenues shall include, but not be limited to, all cash revenues actually received or to be received by Developer, as provided above, from the sale of lots for homes ("Homesites") to merchant builders, including, but not limited to, any participation payments paid to Developer from merchant builders, if any, along with revenues derived from the sale by Developer of other parcels for vertical development ("Development Parcels"), and (ii) that Project Revenues shall not include any revenues or profits from the construction and sale of homes on any of the Homesites by any Member of Developer or any Affiliate (as defined in Section 3.f.(i), below) thereof, other than revenues or profits, if any, paid as participation payments to the Developer.
- f. Homesite and Development Parcel Sales Prices. The consideration for all Homesites and Development Parcels sold by Developer shall be calculated as set forth in this Section 3.f.
  - (i) Sales to Non-Affiliated Third Parties. Any and all Homesites and Development Parcels sold by Developer to a person or entity that is not a Member or an Affiliate of a Member (a "Non-Affiliated Third Party") shall be sold at a market rate ("fair market value") to be determined by mutual agreement between Developer and such Non-Affiliated Third Party taking into consideration comparable sales, if any, which have requirements to commence and complete construction, restrictions on use and transfers, including notification and insurance requirements and other conditions imposed on buyers similar to those that are imposed on Non-Affiliated Third Parties under this Agreement; provided, however, that Developer shall market

available Homesites and Development Parcels to potential third-party buyers using those methods and practices customarily used by persons marketing similar property under similar conditions in the same or similar locality. As used in this Agreement, an "Affiliate" means any entity in which a Member, either directly or indirectly, has any interest whatsoever.

- (ii) Sales to Affiliated Homebuilders.
  - (1) <u>Homesites</u>. Any and all Homesites sold by Developer to an Affiliated Homebuilder shall be sold at a price that is no less than the fair market value, calculated using the methodology for determining Residual Lot Value set forth in Table 1 to this Attachment No. 4, in accordance with the following:
    - A. Base Home Price. Not later than 180 days prior to the first anticipated sale by the Developer to an Affiliated Homebuilder of a group of lots for a specific product category of market rate homes, as provided in Section C. of Attachment No. 3, (herein, for each group of all lots sold to an Affiliated Homebuilder for a specific product category of market rate homes in a Phase of the Project, a "Community", or if there is a partial sale of lots in a specific product category, a "Subcommunity"), the Developer and the Agency shall mutually agree upon a qualified marketing consultant with at least ten (10) years experience in evaluating new residential community values in the San Francisco Bay Area and in Monterey County, California (the "Residential Marketing Consultant"). The Residential Marketing Consultant may be changed from time to time by mutual agreement of the Developer and the Agency. The Residential Marketing Consultant shall be responsible for preparing a report determining the Base Home Price to be used in completing the methodology used in Table 1 to this Attachment No. 4 to determine Residual Lot Value for each Community or Subcommunity, to be presented as a final report to the Developer and Agency not later than thirty (30) days prior to the sale of the lots in the Community or Subcommunity to an Affiliated Homebuilder and establishing such Base Home Price as of the date of the final report. By not later than ninety (90) days prior to the sale by the Developer to an Affiliated Homebuilder of the lots in a Community or Subcommunity, the Residential Marketing Consultant shall present a draft report and conclusions to the Developer and Agency, who each shall have ten (10) business days following receipt of such draft report to submit to each other their comments or objections to the draft report, and, if there are comments and objections, to meet and confer in good faith with each other and the Residential Marketing Consultant for a period of not more than

fifteen (15) additional business days to mutually resolve such comments or objections. Following the expiration of the meet and confer period, the Residential Marketing Consultant, after considering all such comments and objections, shall issue its final report, not later than the time set forth above, determining the Base Home Price for the Community or Subcommunity, which both the Developer and the Agency shall be bound to accept for purposes of completing Table 1 of this Attachment No. 4 to establish the Residual Lot Value for the Community or Subcommunity.

Option Revenues shall be determined in accordance with Table 1, annexed to this Attachment No. 4, with the exception of moderate-income Inclusionary Housing and Workforce II Housing where Option Revenues shall not be included.

- B. Cost Deductions. From the Base Home Price for each of the finished homes, the following costs (collectively, the "Estimated Costs") shall be deducted:
  - Direct Building Costs. For Phase 1, average direct building costs ("Direct Building Costs") will be projected based upon actual direct building costs incurred by William Lyon Homes (or an Affiliate thereof) for Product Types of similar size and specifications, in the San Francisco Bay Area, adjusted for cost differentials attributable to prevailing wage requirements unless a particular project is not subject to prevailing wages as determined by the FORA and Department of Industrial Relations, and adjusted for inflation based upon increases in the RS Means Construction Price Index. Alternatively, if such comparable detailed actual direct building cost figures are not available, then Direct Building Costs for Phase 1 shall be based upon actual direct building costs for comparable Product Types of similar size and specifications constructed elsewhere within the area encompassed by the Fort Ord Reuse Plan. Direct Building Costs shall also include final lot improvements typically made by homebuilders (including finished grading, landscaping and driveways and fences). For Phase 2 and Phase 3, Direct Building Costs will be based upon actual direct building costs incurred by Developer for Product Types of similar size and specifications within Phase 1, adjusted for inflation based upon increases in the RS Means Construction Price Index. In the event a particular Product Type in Phase 2 or Phase 3 is not included in Phase 1, then the Direct-

Attachment No. 4

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Keyser Marston Associates, Inc.

Building Costs for such Product Type shall be projected in the same manner as such costs are projected in Phase 1.

- (ii) Option Costs. Option Costs shall be determined in accordance with Table 1 annexed to this Attachment No. 4.
- (iii) Fees and Permits. Fees and permits will be calculated for an average unit as estimated by the County in accordance with the Development Agreement and including but not limited to MCWD fees and connection charges and MPUSD fees.
- (iv) FORA Fees. FORA Fees will be calculated based on the FORA Fee currently in force or with an adjustment for the maximum increase to be estimated for the date of the first building permit for each segment of Homesites and as adjusted and reapportioned in accordance with Section C of this Attachment No. 4.
- (v) Other Costs. Other costs shall be determined according to the methodology shown on Table 1 to this Attachment No. 4.
- C. Residual Lot Value. The fair market value of Homesites sold to an Affiliated Homebuilder shall be the Residual Lot Value, determined in accordance with the methodology of Table 1 to this Attachment No. 4; provided, however, that if a Community or Subcommunity to be constructed by an Affiliated Homebuilder includes lots for moderate-income Inclusionary Housing units and/or Workforce II Housing units, the Residual Lot Value for the Community or Subcommunity shall be a weighted blended result of separate calculations as follows: (1) first, for the market rate units in the Community or Subcommunity the Residual Lot Value ("Market Rate Residual Lot Value") shall be calculated under Table 1 of this Attachment No. 4 using the Base Home Price determined by the Residential Marketing Consultant; (2) second, for the moderate-income Inclusionary Housing units, if any, are required in the Community or Subcommunity, the Residual Lot Value ("Moderate-Income Residual Lot Value"), which may be a positive or negative amount, shall be calculated under Table 1 of this Attachment No. 4 wherein the Base Home Price for both revenues and costs is defined as the average incomerestricted sales price (discounted for continuing income restrictions on resale) at which those units will be sold to

Attachment No. 4

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eligible households in order to satisfy the requirements of the applicable Inclusionary Housing Agreement with the County for such income-restricted units, but excluding Option Revenues and Option Costs from such calculation; (3) third, for the Workforce II Housing units, if any are required in the Community or Subcommunity, the Residual Lot Value ("Workforce II Residual Lot Value"), which may be a positive or negative amount, shall be calculated under Table 1 of this Attachment No. 4 wherein Base Home Price for both revenue and costs is defined as the average income-restricted sales price (discounted for continuing equity sharing on resale) at which those units will be sold to eligible households in order to satisfy the requirements of the applicable Workforce II Housing Agreement with the County for such incomerestricted units, but excluding Option Revenues and Option Costs from such calculation; and (4) the resultant Market Rate Residual Lot Value, Moderate-Income Residual Lot Value (positive or negative amount), if any, and the Workforce II Residual Lot Value (positive or negative amount), if any, shall be averaged together on a weighted basis according to the number of units in each category, and the resultant number shall be the Residual Lot Value for the Community or Subcommunity. By way of example: assume that the Community or Subcommunity includes a total of 50 lots, 30 of which will be for market rate units with a Market Rate Residual Lot Value of \$100,000, 10 of which will be for moderate-income Inclusionary Housing units with a Moderate-Income Residual Lot Value of [-\$5000], and 10 of which will be for Workforce II Housing units with a Workforce II Residual Lot Value of \$50,000. The resultant average Residual Lot Value for the entire Community or Subcommunity shall be the product of the following equation:

Residual Lot Value equals:

 $\frac{((30 \times 100,000) + (10 \times [-5000]) + (10 \times 50,000))}{\text{Divided by 50}}$ 

Equals: 69,000

(2) Town Center Parcels. Town Center parcels shall be sold at a price that is no less than the residual land value (the "Residual Land Value", which shall be established by the Developer in its sole business judgment and which shall be deemed the fair market value) determined by the residual approach: taking estimated rents/residential sales prices per an approved consultant's market

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study, estimating capitalized value, using an eleven percent (11%) return on costs for the retail or office portion and a residential profit margin of nine percent (9%) of the residential sale price, and deducting all development costs, provided that: (i) any developer's fee/overhead in construction of the project shall not exceed 5% of direct construction costs, and (ii) any annual management fee for the operation of the project shall not exceed 3.5% of effective gross income.

- g. Progress Reports; Final Accounting; Timing of Participation Payment.
  - (i) As used in this subsection g.:

"1st Reporting Date" shall mean the last day of a 12-month period commencing on the date that Developer has completed (as evidenced by close of escrow) the second bulk sale of lots in Phase 2 for a particular Community or Subcommunity to a vertical developer-homebuilder (including, but not limited to, an Affiliated Homebuilder).

"2nd Reporting Date" shall mean the last day of a 12-month period commencing on the date that Developer has completed (as evidenced by close of escrow) the second bulk sale of lots in Phase 3 for a particular Community or Subcommunity to a vertical developer-homebuilder (including, but not limited to, an Affiliated Homebuilder).

"Final Reporting Date" shall mean the last day of an 18-month period commencing on the 2nd Reporting Date, plus extensions of said 18-month period for the periods of any Enforced Delay under Section 604 of this Agreement affecting the Developer and/or market rate residential homebuilders which prevent or delay the sale by Developer of market rate units to homebuilders on customary terms at reasonable prices consistent with fair market value.

"Payment Date" shall mean a date that is sixty (60) days after a Reporting Date.

- (ii) On each of the 1st and 2nd Reporting Dates the Developer shall submit to the Agency a report in the form, template and accounting methodology to be agreed upon by the Agency and Developer prior to close of escrow ("Developer's Progress Report") which shall include, on a cumulative cash basis, a summary of Project Costs (as defined in Section 3.d., above) incurred and Project Revenues (as defined in Section 3.e., above) received by the Developer, as horizontal developer, for the entire Project as of such Reporting Date.
- (iii) If a Developer's Progress Report submitted under subsection (ii), above, shows that Project Revenues received by the Developer has exceeded Project Costs incurred by the Developer for the entire Project such that the

Developer has exceeded the achievement of its Target IRR, (as defined in Section 3.b., above), the Developer shall make on or before the Payment Date a Partial Participation Payment (as defined in Section 3.b., above) to the Agency from available Unleveraged Cash Flow, subject to the Final Accounting (as defined in subsection (iv), below), in the following amount and manner: fifty percent 50% of the amount by which the Developer's Target IRR is estimated to be exceeded in the Developer's Progress Report (but, in the case of the 2nd Reporting Date only to the extent not previously paid to the Agency and/or deposited into an escrow account under this subsection (iii) pursuant to the Developer's Progress Report submitted on the 1st Reporting Date) shall constitute and shall be paid and deposited by the Developer as a Partial Participation Payment, as follows: (x) fifty percent (50%) of the amount of such Partial Participation Payment shall be paid directly to the Agency, and (y) fifty percent (50%) of the amount of such Partial Participation Payment shall be deposited by the Developer into an interest-bearing escrow account with an independent escrow holder mutually agreed to by the Developer and the Agency, to be held by such escrow holder and, following the Final Accounting (as defined in subsection (iv), below) to either be released to the Agency in whole or in part to the extent the Developer is not entitled to a refund of such amount as a result of the Final Accounting (as defined in subsection (iv), below) or be refunded to the Developer, in whole or in part, to the extent the Developer is entitled to a refund of such amount under the Final Accounting (as defined in subsection (iv), below).

- (iv) Upon the Final Reporting Date, the Developer shall submit to the Agency a final report ("Final Accounting") in substantially the form of the Developer's Progress Report containing a final accounting and reconciliation of total Project Revenues received by the Developer and total Project Costs incurred by the Developer, as horizontal developer, for the entire Project, and the IRR achieved by the Developer.
- (a) To the extent the Final Accounting shows that the Developer's Target IRR (as defined in Section 3.b., above) is exceeded for the entire Project, fifty percent (50%) of the Unleveraged Cash Flow available to the Developer in excess of the amount required to achieve the Developer's Target IRR (as defined in Section 3.b., above) shall constitute the amount of the Participation Payment due the Agency. By not later than the Payment Date, the Developer shall release to the Agency funds escrowed under subsection (iii), above. To the extent the amount of the Participation Payment still exceeds the sum of the Partial Participation Payments plus the sum of the released escrow funds, the Developer shall make a Final Participation Payment in the amount of such remaining amount to the Agency on or before the Payment Date. To the extent that the sum of the Partial Participation Payments plus the sum of the released escrow funds to the Agency exceeds the amount of the Participation Payment, the Agency shall be entitled to keep such excess amount.

- (b) To the extent that the Final Accounting shows that the Developer's Target IRR (as defined in Section 3.b., above) is not achieved for the entire Project, the Developer shall be entitled to withdraw from the escrow account on or before the Payment Date all or such amounts as shall be required to increase the Developer's Project Revenues up to an amount not to exceed the Developer's Target IRR (as defined in Section 3.b., above), and the Agency shall be entitled to release of the amount, if any, in the escrow account not withdrawn by the Developer, even though the Agency may have received Partial Participation Payments and escrowed funds in excess of the amount of the Participation Payment.
- h. Dispute Resolution. Any dispute between the Agency and Developer arising out of the provisions of this Section 3 shall be settled pursuant to the dispute resolution process set forth in Section 513 of this Agreement.

#### B. Public Facilities.

Developer shall be responsible for providing an amount not to exceed \$3,500,000, indexed to the Engineering News Record Building Cost Index for the San Francisco area (as applied from the Effective Date of this Agreement, the "ENR Cost Index"), for the design and construction of public facilities ("Public Facilities") within the Project, including construction management services (if approved by the County) on terms set forth in the Scope of Development (Attachment No. 9 hereto) specifically relating to the fire station, library and Sheriff's substation (the "Mandatory Public Facilities"). Except as provided in Section 8 of Attachment No. 9, Agency shall be responsible for providing an amount not to exceed \$5,500,000 (indexed to the ENR Cost Index) for Public Facilities in the Project, with priority to funding the Mandatory Public Facilities, as provided in Part H of this Attachment No. 4.

#### C. FORA Fees.

The Developer and the Agency acknowledge that the FORA fees and/or assessments ("FORA Fees") for the Site must be satisfied, and that the imposition of those fees is reflected by an existing lien on the Site, which lien may be discharged upon payment in full of the FORA Fees. Subject to FORA concurrence, the actual payment of the FORA Fees may be redistributed among units so that larger units pay higher fees than smaller units, provided that such allocation generates the full aggregate amount required by FORA, and Developer may be given credit for infrastructure constructed and/or financed directly by Developer or Agency, where such infrastructure would have otherwise been the responsibility of FORA to finance and construct. The County agrees to diligently pursue the inclusion by FORA in its CIP of those traffic improvements designated as FORA's responsibility in the Combined Development Permit Conditions of Approval.

At the request of the Developer, the Agency and County shall cooperate with the Developer to obtain a comprehensive agreement with FORA covering, to the reasonable satisfaction of the Developer and the Agency: (i) redistribution of the FORA Fees among units on the Site, (ii) credit against FORA Fees for qualifying infrastructure provided by the Developer or Agency, (iii) timing of payment of pro rata FORA Fees upon the issuance of building permits

| for vertical construction, (iv) present or current removal of the FORA lien on the Site in        |
|---|
| consideration of the obligations to pay FORA Fees pro rata at the time of and as a condition to   |
| issuance of building permits for vertical construction on the Site, and (v) credits from FORA for |
| demolition costs. An executed agreement with FORA shall be a condition to close of escrow         |
| unless and to the extent waived by the Developer. A copy of any such agreement upon its           |
| completed execution shall be recorded and appended to this Attachment No. 4.                      |

#### D. Offsite Infrastructure.

The Parties contemplate that off-site traffic improvements required in the implementation of the Specific Plan will be included in the FORA Capital Improvements Program (FORA CIP"), and that credits against the FORA Fees will be covered in the agreement with FORA referenced in Part C, above. The Agency and County staffs shall work with Developer and FORA to obtain the inclusion of offsite traffic improvements in the FORA CIP.

# E. Community Facilities District ("CFD").

- 1. Developer and County and Agency staff and consultants shall consider the formation of a CFD, consistent with County CFD policies, to fund a portion of the cost of public infrastructure installation required for development of the Project, equal to but not to exceed Twenty Million Dollars (\$20,000,000) in infrastructure costs, as an important element for the economic feasibility of the development of the Site. It is also recognized that the formation of a CFD for purposes of levying a special tax to partially fund the ongoing operations of a CSD is an important component of satisfying the County's requirement for a fiscally neutral project based on a final fiscal impact analysis and a Fiscal Neutrality Funding Plan as referenced in Part K of this Attachment No. 4.
  - a. For purposes of a CFD to fund infrastructure, it shall be a condition of closing, except as may be waived by the Developer in its sole and absolute discretion, that all actions required to be taken by the County to initiate the formation of a CFD, including a financing program, applicable to all parcels to be developed on the Site (excluding only the deed-restricted very low and low income affordable residential units and the public facilities) shall have occurred to the satisfaction of the Developer.
  - b. For purposes of a CFD to levy a special tax for ongoing services, if a necessary part of the Developer's financial program to provide a fiscally neutral Project, it shall be a condition of closing that the Developer shall have initiated the actions needed to be taken by the Developer in connection with the formation of a CFD, including recognition by the Developer of its obligation to provide any reasonable credit enhancement required for the issuance of CFD Bonds under County policies at such time as CFD Bonds are proposed to be issued.

One CFD to address the purposes in a. and b. above is contemplated. The Developer shall advance the costs for the formation of the CFD subject to reimbursement by the CFD. County and Agency staff shall support the formation of a CFD in a timely manner, so as not to delay the timely issuance of CFD Bonds when required by the Developer.

#### F. Community Services District ("CSD").

Developer and Agency staff also agree that the formation of a CSD to provide ongoing maintenance of certain elements of infrastructure is important to enhance the physical and fiscal soundness of the Project and to achieving fiscal neutrality for the County (as further discussed in Part K, of this Attachment No. 4). Because of the unique circumstances of Fort Ord, the Parties have agreed that special State legislation will be required to facilitate the formation of a CSD. It shall be a condition of closing, that, in the absence of an interim alternative financing mechanism, steps needed to form a CSD shall have been initiated by the County to comply with the Combined Development Permit Conditions of Approval for the formation of a CSD. The Developer shall advance the reasonable costs for the formation (including LAFCO approval, if needed) of the CSD to comply with the Development Approvals subject to reimbursement by the CSD. County and Agency staff shall diligently pursue the enactment of State legislation and shall support the formation of a CSD in a timely manner.

The total combined property tax burden on any developed parcel, including any overrides and the special assessment burdens of the CFD and the CSD, shall not exceed 2.0% (exclusive of HOA dues and assessments) of the assessed value. The Rental Affordable Housing and the Public Facilities shall not be subject to any liens related to the CFD or costs of the CSD.

Following concurrence by the County Treasurer, the financial advisor to the County and bond counsel, and subject to agreement on matters such as credit enhancement where required for the issuance of CFD Bonds, compliance with the County's policies on CFD formation, and consistency with industry practices of land secured financing in California, Agency, in cooperation with County and its Board of Supervisors, will agree to use its best efforts to establish a CFD and a CSD on the entire Site as contemplated above. The Agency's and the County's obligations hereunder are subject to the Developer's agreement, in the form of a mutually acceptable Reimbursement Agreement, to advance all funds required to plan and process the formation of a CFD and CSD, including but not limited to the fees and costs of the County's and the Agency's financial advisor, subject to reimbursement of such costs from the CFD and CSD, as applicable. Under the CFD, funds for infrastructure costs shall only be disbursed to Developer in tranches that are tied to completion of discreet operable segments of the public improvements. The Developer shall have the option to use or not to use the CFD financing. In the event the Developer elects not to use the CFD financing, the Agency shall have no obligation to repay to the Developer any advances for the CFD formation, except to the extent that such advances have not been expended or otherwise legally committed or obligated to be paid for costs incurred. Formation of a CFD and a CSD may be commenced by the County or Agency and is subject to required public hearings and procedural requirements, and neither the County nor the Agency shall be deemed legally bound to form either a CFD or a CSD, but Agency and County staffs shall recommend to the Board of Supervisors that it take the actions necessary to form the CFD and the CSD in a timely manner so as not to delay the closing.

The Parties agree that the formation of a CSD and/or CFD, as to improvements and services to be financed, shall be accomplished in such manner as to satisfy, together with additional funding sources that may be required, the requirements for the Project to be fiscally neutral as to impacts on the County as referenced in Part K of this Attachment No. 4.

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| G. | Historia | District | nwoT bac | Center |
|----|----------|----------|----------|--------|

#### 1. <u>Historic District</u>

As a condition to conveyance, and to ensure that all historic preservation requirements are met, Developer will comply with the Agreement and Covenant for the Transfer of East Garrison Historic District (the "Historic District Agreement"), dated as of August 3, 2004, between the SHPO and FORA and recorded in the Records of the Monterey County Recorder on October 15, 2004 as Document 2004110087, and Mitigation Measure 4.8.1-H and Combined Development Permit Condition of Approval No. 59. The Developer must also provide infrastructure to all buildings in the Historic District, subject to the CFD and CSD, as applicable to such buildings. Subject to Part H, below, Agency agrees to make available to the Project for the rehabilitation of the Historic District the net tax increment allocable to the Agency as set forth below in this section.

The Developer will be legally obligated to expend directly or make available to the Agency a total amount of \$750,000, (indexed to the ENR Cost Index, as first defined in Part B hereof), to fund the predevelopment expenses of the Historic District on the following timetable: \$150,000 in 2006, \$300,000 in 2007 and \$300,000 in 2008.

For capital costs (exclusive of capital costs for buildings to be devoted to public use and owned after rehabilitation by public entities, which costs shall be deemed part of the costs of the Public Facilities under Attachment No. 9 hereto) and subject to Section c. of Part H, below, of this Attachment No. 4, the Agency will make available up to but not to exceed \$5 million (indexed to the ENR Cost Index, as first defined in Part B hereof) in tax increment funds during the first year that tax increment funds sufficient for major capital improvements to the buildings in the Historic District are available, currently estimated to be FY 2008/09. The Developer shall thereupon provide funds for major capital improvements to buildings in the Historic District up to but not to exceed \$1 million (indexed to the ENR Cost Index, as first defined in Part B hereof, in the same percentage as the Agency's \$5 million), to be provided in an amount equal to Twenty Percent (20%) of the amount made available for such purposes by the Agency. In addition, upon completion of work on and occupancy of fifty percent (50%) of the buildings in the Historic District, the Developer will contribute \$250,000, (indexed to the ENR Cost Index, as first defined in Part B hereof) to the establishment of an endowment for the non-profit corporation described in Section 3 of Attachment No. 9 hereto to cover the operating costs of the Historic District. No other contributions will be required by the Agency or the Developer. Nothing in this paragraph shall be deemed to impose an obligation on the Agency or the Developer to perform any work or make any capital improvements to the buildings to be retained in the Historic District.

The Developer, the Agency and the County agree to enter into an agreement with ArtSpace to take title to the historic buildings and rehabilitate such buildings. Agency has approved Artspace as the developer and operator of the Historic District. Funds for the rehabilitation will be paid to Artspace upon a demonstration, to the satisfaction of the Agency and Developer, that Artspace has the technical, managerial and financial ability to complete the rehabilitation in accordance with the covenants and conditions stated in the Historic District Agreement between FORA and the SHPO.

#### 2. Town Center

Pursuant to the Option Agreement, Developer has the obligation to construct approximately 34,000 square feet of neighborhood serving retail, civic and other non-residential uses ("Town Center Construction Obligation"). Developer and County recognize that the retail portion of the Town Center Construction Obligation may not be economically feasible. Consequently if no residual value is determined to exist pursuant to Section 3.b(ii)(2) of Part A of this Attachment No. 4, no value may be attributable to the town center mixed use parcels and any subsidy which may be required from Developer to finance construction shall be considered a Project Cost, as defined in Section 3.d. of Part A of this Attachment No. 4. Developer will install all the infrastructure necessary to service the Town Center parcels, including the Town Center Park and parking lots. Developer may assign its rights and obligations to develop the Town Center mixed-use commercial and residential parcels (as described in Exhibit 2 to Attachment No. 9) to either Woodman Development Company, LLC ("Woodman") or a special purpose Affiliate of either the Developer or Woodman ("Assignee").

An approximately 7,000 square foot Fire Station to be constructed on a site within Phase 1 comprises a portion of the Town Center Construction Obligation but is the subject of its own separate subsidy by Developer, described in Section 8 of Attachment No. 9, and shall not count toward satisfying the Developer's 34,000 square foot Town Center Construction Obligation. As provided in Section 6 of Attachment 9, 4,000 square feet of the Library/Sheriff's Substation shall count toward satisfying the Developer's 34,000 square foot Town Center Construction Obligation. At least 20,000 square feet of the Town Center Construction Obligation must have been completed prior to the issuance of the first market rate unit permit within Phase 3 of the Project and the remaining 14,000 square feet of the Town Center Construction Obligation must be completed prior to the issuance of the last certificate of occupancy for the last market rate unit in Phase 3.

Prior to the first market rate unit building permit being issued in Phase 3, Developer or Assignee shall post a completion bond with respect to any portion of the Town Center Construction Obligation which is not completed or under construction at that time.

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Developer shall thereafter be allowed to continue to obtain all remaining building permits and certificates of occupancy for the market rate units of the Project without restriction. Timing of construction of the Town Center Construction Obligation shall be subject to Enforced Delays under Section 604 of this Agreement.

# H. Tax Increment; Agency Assistance.

The Agency agrees to pledge and devote to the Project its share of the net tax increment produced by the Project and allocable under State law to the Agency in the following priority order:

- a. <u>First</u>, to the Agency's actual annual costs of administering the Redevelopment Project Area, estimated at the lesser of total increment or \$300,000, escalated at 3% per year, from non-housing funds based on net increment after statutory pass-throughs.
- b. Second, subject to priority a above, and to availability, up to \$48,469 (indexed to the ENR Cost Index as first defined in Part B hereof) per Rental Affordable Housing unit as requested by the Developer, up to but not to exceed in the aggregate \$9.5 million (indexed to the ENR Cost Index as first defined in Part B hereof) solely for the purpose of subsidizing the costs related to vertical construction (hard costs only, not including, by way of example, site preparation costs, infrastructure costs, permits, fees and exactions) of the units in the Project to be made available and restricted to occupancy by persons and families of very low and low income, all subject to the terms of the Inclusionary Housing Agreements to be entered into between the Developer and the County pursuant to the Combined Development Permit Conditions of Approval and the agreements with one or more Rental Affordable Housing Developers (referenced in Section 4 of Attachment No. 9). The source of such tax increment funding shall be the Agency tax increment generated by the Project. Developer has represented to Agency, and Agency acknowledges, that Developer will budget and expend, in addition to the amount of the Agency's subsidy for the Rental Affordable Housing units referenced in the preceding sentence, up to a total of \$630,000 of its own funds (indexed to the ENR Cost Index as first defined in Part B hereof) for such Rental Affordable Housing units; provided, however, that Developer acknowledges and agrees that notwithstanding the amounts required to be contributed by the Agency and the Developer for Rental Affordable Housing units under this subsection b., the Developer shall be responsible in any event for causing such Rental Affordable Housing units to be constructed in accordance with the terms of the Inclusionary Housing Agreements, and that no additional amount of subsidy for such units shall be required from the Agency or requested by the Developer or any Rental Affordable Housing Developer.

Tax increment funds will be made available as provided in the immediately preceding paragraph for the Rental Affordable Housing units. No such funds shall be made available for the moderate income Inclusionary Housing units. If tax increment is not available when needed for construction of the Rental Affordable Housing units, the Developer will advance those funds up to but not to exceed \$5.5 million (the

"Shortfall Loan") of the \$9.5 million (as indexed to the ENR Cost Index as first defined in Part B hereof) that the Agency is obligated to contribute for the Rental Affordable Housing units, which Shortfall Loan shall be evidenced by a promissory note (the "Note") from the Agency to the Developer substantially in the form attached to this Agreement as Attachment No. 10 and shall be repaid by the Agency out of tax increment Bond proceeds or pay-as-you-go tax increment proceeds with accrued per annum interest at the higher of 7% or prime plus 1% on the unpaid balance, compounded annually until repaid. The Agency shall apply its pay-as-you go tax increment and/or the proceeds of tax allocation Bonds to effectuate the repayment of the Note as soon as it is feasible to do so, in the good faith determination of the Agency. The Shortfall Loan shall not be considered "Project Revenues" or "Project Cost" under Section 3.d. of Part A hereof for purposes of calculating the Developer's Target IRR under Section 3.b. of Part A hereof.

- c. <u>Third</u>, subject to priority a. and b. above, and further subject to timing of availability, to fund, to the extent required, completion of the Mandatory Public Facilities referred to in Part B of this Attachment No. 4 above.
- d. Fourth, subject to priority a., b. and c. above, and further subject to timing of availability, to fund a portion of the capital cost of rehabilitating the Historic District, in an amount not to exceed \$5.0 million (indexed to the ENR Cost Index) as set forth in Part G., above.
- e. <u>Fifth</u>, subject to priority under a., b., c. and d. above, and further subject to timing of availability, to fund the costs of design and construction of other Public Facilities as specified in Part B., above, not to exceed a total cost of \$5.5 million (indexed to the ENR Cost Index).
- f. Sixth, subject to priority under a., b., c., d. and e. above, and further subject to timing of availability, at the discretion of the Agency, for projects and programs to be carried out in the County's Redevelopment Project Area (with Public Facilities needs of the Project, if any remain, to be given first consideration by the Agency, in its discretion, after consultation with the Developer) to which tax increment may be applied.

# I. Tax Increment Pledge.

The financial obligations of the Agency in Sections 205 and 310 of this Agreement, and in Part H, above, are secured by the Agency's pledge of tax increment set forth in Section 703 of this Agreement. In the event State Legislation enacted after the date of this Agreement would have the effect of diverting tax increment funds of the Agency to other State purposes with a material impact on the Agency's ability to fund its obligations under this Agreement and as set forth in this Attachment No. 4, the Parties hereto: (1) shall cooperate to explore all feasible means to enforce and/or validate the Agency's pledge under Part H above and, (2) in addition, shall meet and confer in good faith to attempt to mutually restructure the timing and amount of the Agency tax increment funding for the Project and the requirements and financial obligations for the Project in a way that would allow the Project to proceed in an economically feasible

| manner as planned consistent with maintaining the Developer's Target IRR of 22.5%. Nothing         |
|--|
| in the preceding sentence shall obligate the Agency to materially alter the terms of the           |
| transaction to accommodate the reduction or diversion of tax increment or obligate the             |
| Developer to proceed with the transaction if the Project cannot proceed in an economically         |
| feasible manner as a result of the reduction or diversion, and the failure to reach mutual         |
| agreement thereunder shall constitute a failure of the Agency to satisfy a condition precedent and |
| to tender conveyance of the Site under Section 510 of this Agreement, for which the Developer's    |
| sole remedy shall be, subject to the provisions of Section 513, termination of this Agreement.     |

# J. [Intentionally Deleted].

#### K. Fiscal Neutrality.

The Project shall provide fiscal neutrality with respect to the County, the SRFD and the Monterey-Salinas Transit District ("MST"). A CSD shall be formed as provided in Part F., above and/or the Developer shall provide an appropriate alternative financing mechanism (such as a property owners association) to achieve this requirement, together with other appropriate funding mechanisms to the extent necessary to establish fiscal neutrality, meaning that annual tax revenues to the County, the SRFD and MST from the Project for each year starting with the receipt of the first certificate of occupancy issued by the County for the Project shall equal or exceed costs to the County, the SRFD and MST in providing urban services to the Project.

In order to achieve fiscal neutrality, a preliminary fiscal impact analysis by the Agency assumes that the Project will be responsible for funding all net operational and maintenance costs related to public works, parks, fire protection, public safety and the library and other services provided by the County's general fund.

A final fiscal impact analysis, consistent with the methodology used in the preliminary impact analysis prepared for the Agency in May, 2004, will be conducted following the approval of this Agreement and prior to closing, which will be used to finalize a Fiscal Neutrality Funding Plan, which, when approved by the Developer, Agency and County, shall be added to this Agreement as Exhibit 1 to this Attachment No. 4 and shall be the basis for financing obligations of the CSD and, if necessary, other appropriate funding mechanisms.

#### L. School Site.

If the Monterey Peninsula School District (the "School District") identifies a site for a new school on County lands outside the Site to serve the Project, the County intends, on request from the School District and conditioned upon completion of appropriate environmental review and applicable County process, to provide the identified site to the School District for the purpose of constructing the new school.

# EXHIBIT C - ATTACHMENT 4, FINANCIAL TERMS,

|       | FOR THE EAST GARRISON PROJECT   |
|-------|---|
|       | EXHIBIT 1 TO ATTACHMENT NO. 4   |
|       | FISCAL NEUTRALITY FUNDING PLAN  |
|       | [First referenced, Part K, Attachment No. 4]  |
|       | [TO BE ATTACHED WHEN PREPARED AND APPROVED IN FINAL FORM.]  |
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|       | W02-SF:FDM\61466910.11 Exhibit 1to Attachment No. 4   |
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| _   |   |   |                              |
|---|---|---|------------------------------|
| Revenue:  | Base Home Price<br>Options Revenue<br>Estimated Sales F                         | 6% of Base Home Price<br>Revenue  | \$ <u>0</u> (1), (           |
| Estimated Cos   |   |   |                              |
|   | Direct Building<br>Costs<br>Option Costs<br>Fees and Permits                    | 84% of Options Revenue  | \$0 (3)<br>\$0<br>\$0 (4). ( |
| a.  | Sales & Marketing<br>Warranty<br>Taxes<br>Financing                             | 23:10% Base Price/Lot premium   | \$0                          |
| b.  | Builder Margin Indirect Construction A&E/Consultants Overhead                   | 8 7.00% Base Price/Lot Premium  | <u>\$0</u>                   |
|   | Insurance Estimated Costs   | V <sub>11</sub>   | \$0                          |
|   | Residual Lot<br>Value   |   | <u>\$0</u> (6)               |
| (2) Base Home Pr<br>(3) Direct Building<br>(4) Fees Calculate | rice equals average Bas<br>g Costs calculated per At<br>ed by County In accorda | its for CFD and CSD, Based on 3rd party marketing e Home Price of all units in that Phase. Itachment No. 4 (3f ll B i) and excludes model upgrance with DA including MCWD and MPUSD. Illocated and apportioned by Developer and approve | des.                         |

Table 1 to Attachment No. 4

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TABLE 2 TO ATTACHMENT NO. 4

[First referenced, Section 3.b.(ii) of Part A]

TEMPLATE FOR IRR CALCULATION

[FOLLOWING PAGE]

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Table 2 to Attachment No. 4

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|   |   | DDA Proforma Template<br>Total Total Total Total Total |      |         |  |  |             | Total                                   | Total | Tatal | al Total | Grand                                   |
|---|---|--|------|---------|--|--|-------------|---|-------|-------|----------|---|
|   | CASH FLOW REPORT:<br>Total Units  |  | 2004 |         |  |  |             |   |       |       |          |   |
|   | Units Closed<br>Cumulative Units<br>Gross Sales Revenue   |  |      |         |  |  |             | *************************************** |       |       | *******  | • •••••••                               |
|   | Receipts: Cash @ Closings (per DDA) CFD Net Proceeds Less:  |  |      |         |  |  |             |   |       |       |          |   |
|   | Closing Costs   |  |      |         |  |  |             |   |       |       | <b></b>  |   |
|   | Net Receipts  |  |      |         |  |  |             |   |       |       | !        | F. F                                    |
|   | Disbursements:<br>Land Acquisition<br>Property Tax Payments   |  |      |         |  |  |             |   |       | •     |          | 1                                       |
| - | Entitlements Final Map/Consultants Onsite Infrastructure Offsite Infrastructure PG & E Reimbursements MCWD Reimbursements (Sew                | er)  |      |         |  |  |             |   |       |       |          |   |
|   | MCWD Reimbursements (Water<br>Performance Bonds<br>Arts District Subsidy  |  |      |         |  |  |             |   |       |       |          |   |
|   | Environmental Insurance<br>Cleanup Costs<br>Operational Costs   |  |      |         |  |  |             |   |       |       |          |   |
|   | FORA Fee Infrastructure Credit<br>FORA Demolition (Land sale) C<br>Sales and Marketing  |  |      |         |  |  |             |   |       |       |          |   |
|   | Town Center Subsidy (if any) Construction Insurance Affordable Housing Subsidy County Facilities (Fire/Lib/Police Documented Other Misc Costs | e)   |      |         |  |  |             |   |       |       |          |   |
|   | Air Quality EIR Mitigations CFD Debt Service DRE/HOA Assesments G & A (Post Closing) Expense  |  |      |         |  |  |             |   |       |       |          |   |
|   | Net Disbursements   | <del></del> -  |      | <u></u> |  |  | <del></del> | ·                                       | ·     |       |          |   |
|   | Net Cash Flow   | **********   |      |         |  |  | <del></del> |   | ·     |       |          | *************************************** |
|   |   |  |      |         |  |  |             |   |       |       |          |   |

Table 2 to Attachment No. 4

-2-

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Keyser Marston Associates, Inc.



# KEYSER MARSTON ASSOCIATES

ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

MEMORANDUM

#### DRAFT

ADVISORS IN: REAL ESTATE

REDEVELOPMENT AFFORDABLE HOUSING

ECONOMIC DEVELOPMENT To:

SAN FRANCISCO A. JERRY KEYSER TIMOTHY C. KELLY

KATE EARLE FUNK DEBBIE M. KERN

ROBERT J. WETMORE

From:

Keyser Marston Associates, Inc.

LOS ANGELES Date: CALVIN E. HOLLIS, II. KATHLEEN H. HEAD

JAMES A. RABE PAUL C. ANDERSON GREGORY D. SOO-HOO

December 19, 2006

Redevelopment Director

Jim Cook

Subject:

East Garrison Profit Participation Manual

Monterey County Redevelopment Agency

SAN DIEGO GERALD M. TRIMBLE PAUL C. MARRA

This Manual has been prepared for the Redevelopment Agency's use in reviewing the Developer's Participation Payment Progress Reports for East Garrison. The purpose of the Developer's Progress Reports is to report on the economics of the East Garrison Project and to calculate the amount, if any, of Participation Payments to be made by the Land Developer to the Redevelopment Agency. The terms of the Participation Payments are detailed in Attachment 4 to the Disposition and Development Agreement ("DDA") between the Agency and East Garrison Partners, LLC (alternatively "EGP" and "Land Developer"). This memorandum is not a substitute to the DDA. The reader of this Manual needs also to review the DDA, specifically the Participation Payment provisions contained in Attachment 4, which is included as Appendix 5 to this Manual.

This Manual provides the background of the Participation Payment provisions of the DDA and describes the Agency Participation Model, which the Agency will use to crosscheck and verify the calculation of Participation Payments that the Developer is submitting to the Agency in its Progress Reports. The reason why the Agency is independently running its Agency Participation Model is to ensure that the calculation is being made correctly and the Agency receives the proper amount of Participation Payments in accordance with the terms of the DDA. The Manual is organized as follows:

# EXHIBIT D - EAST GARRISON PROFIT PARTICIPATION MANUAL, DATED DECEMBER 19, 2006

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Jim Cook

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Section I.

Background and General Description

Section II.

Developer's Progress Reports - What EGP will Submit to the

Agency

Section III.

Agency Participation Model - What the Agency will do with the

Developer's Progress Reports

Section IV.

Reconciliation with the Developer's Estimate

Section V.

Agency Verification of Data Submitted by Developer

Section VI.

Agency's Right to Audit

#### I. Background and General Description

The East Garrison Project is a new residential community which, at completion, will include 1,400 residential units, a central Town Center, and a Historic Arts District. The Project will be built in three phases and is currently estimated to be completed in 2013.

The Land Developer, East Garrison Partners, is a partnership of William Lyon Homes and Woodman Development. EGP is the legal entity that is buying the property from the Agency, demolishing existing buildings on site, and constructing the necessary infrastructure. EGP will then sell finished residential lots to homebuilders for ultimate construction of the homes. EGP can sell the lots to any number of qualified homebuilders, however it is anticipated that most will be sold to themselves (i.e., by EGP to Lyon and Woodman). Some portions of the Project will be built by third party developers such as the Affordable Apartments in each of the three phases (currently anticipated to be Mid-Peninsula Housing, CHISPA, and ArtSpace), and the historic buildings in the Arts District (by a third party developer to be determined at a later time).

Pursuant to the DDA, EGP is purchasing the Site from the Agency for a Base Price of \$1.5 million<sup>1</sup>. In addition, the Agency will receive future land payments from EGP ("Participation Payments") should the Project prove economically successful beyond a certain threshold. Pursuant to the DDA, that threshold is a "Target IRR" of 22.5%. This unleveraged IRR, or internal rate of return, is a method of measuring the Developer's

<sup>&</sup>lt;sup>1</sup> Pursuant to Section 202(3) of the DDA, the \$1.5 million can be reduced by up to \$100,000 in order for the Developer to remove disapproved title exceptions.

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financial return from the Project. It is "unleveraged" because it is the return before taking into account loans that the Developer will utilize to finance the Project (i.e., Project Revenues do not include loan proceeds and Project Costs do not include loan repayment, interest costs, etc.). The IRR is calculated on the monthly Unleveraged Cash Flow of the Project, which is the Project Revenues less Project Costs for every month of Project development up to the date of the Developer's Progress Report. The Participation Payment will be equal to 50% of the amount by which the Target IRR is exceeded.

Per the DDA, the Developer will submit a Progress Report to the Agency at three different times during development of the Project:

1st Progress Report:

12 months following the second bulk sale of lots in

Phase 2 (currently estimated to take place in August

 $2010)^{2}$ 

2nd Progress Report:

12 months following the second bulk sale of lots in

Phase 3 (currently estimated to take place in August

2011)

Final Progress Report:

18 months following the 2<sup>nd</sup> Progress Report (currently

estimated to take place in February 2013)

Each of the three Progress Reports to the Agency will include the amount and timing of both Project Revenues and Project Costs to arrive at the monthly Unleveraged Cash Flow.

#### A. Project Costs

Project Costs incurred by EGP as the Land Developer include costs for predevelopment and planning of the Project, demolition costs, and direct and indirect costs related to designing and constructing infrastructure. The costs related to constructing the homes and other vertical improvements are not a cost to EGP as the Land Developer.

<sup>&</sup>lt;sup>2</sup> As confirmed by the Developer, "second bulk sale of lots" means the sale of lots of a second product type in a Phase. By way of example, if in August 2009 the Developer sells to homebuilders 26 Phase 2 Garden Lots and 65 Phase 2 Grove lots then the second bulk sale in Phase 2 will have occurred as of that month since there were at least two different product types sold – Garden and Grove. Therefore, the First Progress Report would be submitted by the Developer 12 months later, or August 2010.

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It should be noted that for purposes of the Participation Payment calculation, the following costs are <u>not</u> to be included as a Project Cost:

- The repayment of the principal and interest of any private loan obtained by the Developer;
- Any distributions, preferred return or other capital return to the members of the Developer;
- 3. Any post-conveyance sales and marketing and general administrative costs in excess of 3.5% of Project Revenues;
- 4. Any Participation Payment to be paid to the Agency
- 5. The "Shortfall Loan" as defined in Section H of Attachment 4 to the DDA;
- 6. Any amounts paid to Affiliates of the Developer that would have been incurred by the Developer had the Developer obtained the relevant services or goods from a third party on an arms' length basis.

#### B. Project Revenues

The primary source of Project Revenues to EGP as the Land Developer is lot sales to homebuilders. Pursuant to the DDA, lots sold by EGP to Lyon and Woodman ("Affiliated Homebuilders") must be sold at fair market value, which is determined by formula as discussed in Section II.C. of this Manual. Lots sold to third party "Non-Affiliated Homebuilders" are to be sold using customary marketing methods and practices and must take into consideration available comparable sales.

Two other key sources of Project Revenues are proceeds from the sale of Community Facilities District (CFD) bonds (to reimburse EGP for eligible public infrastructure improvements) and Tax Increment bonds from the Agency (to fund all or a portion of the subsidy needed for the 196 Affordable Apartments<sup>3</sup>).

Project Revenues may also include other types of revenues received by EGP including rents, reimbursements, insurance proceeds, income from granting easements or other

<sup>&</sup>lt;sup>3</sup> It should be noted that EGP currently assumes that the Tax Increment bond proceeds will be contributed directly by the Agency to the non-profit affordable housing developers rather than to EGP. If this proves to be the case, the Tax Increment funds should not be reported as a Project Revenue in the Developer's Progress Reports and a like amount of subsidy should not be reported as a Project Cost.

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interests in rights relating to the site, and any participation payments paid to EGP from homebuilders.

# II. Developer's Progress Reports - What EGP will Submit to the Agency

Each of the Developer's Progress Reports will include the following components:

#### A. Detailed Report of Project Costs

The Developer will be accounting for its Project Costs through the use of the JD Edwards accounting software used by Lyon Homes, which categorizes costs by various cost codes. The Developer has an Excel spreadsheet that replicates the JD Edwards data, which will be transmitted to the Agency as part of each Progress Report. The Excel spreadsheet reports the Project Costs incurred by the Developer as of the date of the Progress Report on a monthly basis (see Appendix 1, Exhibit A). Each line item in the Developer's Excel spreadsheet has an associated cost code which can be used to trace invoices verifying the individual costs constituting each line item. This accounting is important should the Agency need or decide to audit the costs in the Progress Reports. The detailed Project Costs contained on this table fall under the following cost categories, which have been agreed to by the Developer and the Agency:

- 1. Consultants
- 2. Development Fees
- 3. Land Improvements
- 4. Amenities
- Infrastructure Indirects
- Management Fees/Sales & Marketing
- 7. Land Acquisition
- 8. Property Taxes
- Selling Expenses/Closing Costs

#### B. Residential Marketing Consultant Report

Pursuant to the DDA, the calculation of the value of lots to be sold to Affiliated Homebuilders is to be based on an estimate of sale prices for each Product Type in each group of lots sold. The applicable Residential Marketing Consultant Reports (one for each group of lots sold) are to be included as part of the Progress Report to the Agency. The report will be completed by Hanley-Wood and the format will be similar in format to that shown in Appendix 1, Exhibit B.

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#### C. Lot Sales to Affiliated Homebuilders

For each group of lots sold by EGP to an Affiliated Homebuilder (Lyon or Woodman), the Developer's Progress Report will include a calculation of Residual Lot Value in the form shown on Appendix 1 Exhibit C of this Manual, which is consistent with the form of Table 1 to Attachment 4 to the DDA. The Appendix 1 Exhibit C will be completed for each group of lots sold by EGP to an Affiliated Homebuilder. These tables will constitute the Project Revenues to be derived from lot sales to Affiliated Homebuilders.

#### D. Lot Sales to Non-Affiliated Homebuilders

While Lyon and Woodman represent that it is there intention that all lots in the Project will be purchased by them, it is possible that some lots will be sold to third party homebuilders ("Non-Affiliated Homebuilders"). Such lots are to be sold on an arms length and at fair market value. All revenues from the sale of lots to Non-Affiliated Homebuilders are to be reported to the Agency.

#### E. Profit Participation Calculation

This table will be completed in the format as shown on Appendix 1 Exhibit D. It will include the sales revenue of lots sold to Affiliated Homebuilders (which were calculated as described above) and all other Project Revenues. The Project Costs on this table are a summary of the detailed costs shown in the Excel spreadsheet on Project Costs on Appendix 1 Exhibit A. The monthly Cash Flow is used to calculate the IRR and the Participation Payment.

## III. Agency Participation Model – What the Agency will do with the Developer's Progress Reports

Once the Agency has received the Developer's Progress Report, the Agency needs to proceed to input certain key data into the Agency Participation Model in order to verify that the Participation Payment was calculated by the Developer correctly. The Agency Participation Model is contained in a Microsoft Excel file and is designed in a simple format so that it can be used by Agency staff that may not be familiar with the Project or the provisions of the transaction. Appendix 2, Appendix 3, and Appendix 4 of this Manual contain a hypothetical sample of the Profit Participation calculation for the First, Second, and Third Progress Reports respectively. These are the tables that will be completed by Agency staff to verify the Developer's calculations.

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The following is a description of the tables contained in Appendices 2, 3 and 4:

A. Appendix 2 Table 1 - Summary of Lots Sold to Date

This table is a summary of all groups of lots sold by EGP to Affiliated Homebuilders and Non-Affiliated Homebuilders as of the First Progress Report, projected to occur in August 2010 (excluding the affordable apartment parcels and the Town Center parcels, which are discussed later). The purpose of this table is to summarize in a simple format the lot sales for each Phase.

For the lot sales to Affiliated Homebuilders, the data on Table 1 is simply pulled from the data from Tables 2a to 2d, the Residual Lot Value calculations for each of the groups of lots sold as of that Progress Report. For example, the sample Appendix 2 Table 1 shows that Sale 1 in Phase 1 occurred in August 2008 for \$58.55 million. The detail on this calculation can be seen on Appendix 2, Table 2a with the \$58.55 million shown on the lower right corner of the table.

For lot sales to Non-Affiliated Homebuilders, if there are such lot sales, this revenue is also to be reported to the Agency. As shown in the sample Appendix 2, Table 3, there were 53 lots sold in August 2008 to "Homebuilder X" for \$14.15 million.

For the Second and Third Progress Reports, the same Table 1 is to be completed. Samples are shown in Appendix 3 and Appendix 4. At the time of the Third Progress Report all lots should have been sold. Therefore, as shown on Appendix 4 Table 1, there were 1,164 lots sold. This excludes the 196 Affordable Apartments and 40 Town Center Condos, which constitute the remainder of the 1,400 units in the Project.

 B. Appendix 2 Tables 2a to 2d – Lot Residual Values for Lots Sold to Affiliated Homebuilders

Table 2a calculates the lot sale values of the lots in the first sale of lots in Phase 1. For each Product Type included in the group of lots, the following data should be entered into the worksheet:

- 1. Number of units
- 2. Average unit sq. ft.
- Base Home Price
- 4. Direct Building Costs
- Fees and Permits Costs

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All this information should already have been provided in the Developer's Progress Report. The balance of data in the tables is based on formulas and will be calculated automatically to arrive at the lot value. For example, the collective costs for Sales & Marketing, Warranty, Taxes, Financing, and Builder Margin are to be calculated at 23.1% of the Base Price plus Lot Premium for each Product Type.

As noted previously, the Base Home Price for each Product Type is to be based on an updated third party Residential Marketing Consultant Report. The Direct Building Costs are to be based on costs for the same or like homes adjusted as for inflation.

Each sale of lots in each Phase should have its own table. As shown in the sample, Tables 2b to 2d of Appendix 2 are the tables for the balance of sales included as part of the First Progress Reporting Date.

Similarly, Appendix 3 and Appendix 4 contain a Table 2 for each sale of Lots for the balance of the Project.

C. Appendix 2 Table 3 – Lots Sold to Non-Affiliated Homebuilders

This table summarizes the lots sold to Non-Affiliated Homebuilders. If there are other sales to Non-Affiliated Homebuilders, this information should be reported on separate tables.

D. Appendix 2 Table 4 – Summary of Participation Payment Calculation

The purpose of this table is to summarize the detailed monthly cash flow that occurs on Appendix 2 Table 5. This Table 4 summarizes the total Project Revenues and Project Costs as of the time of the First Progress Report and shows the calculation of the Participation Payment. As shown in the sample Appendix 2 Table 4, there were a total of \$164.85 million in sources of funds or Revenues and \$141.86 million in Project Costs, resulting in an Unleveraged Cash Flow of \$23 million. The IRR of this cash flow is 13.06%. Because the Developer only pays a Profit Participation payment to the Agency if the Project yields a Target IRR of at least 22.5%, there is no payment due the Agency in this sample of the First Progress Report.

However, in the sample there are Profit Participation Payments due in both the Second and Third Progress Reports. As shown in Appendix 4 Table 4, as of the Third (and final) Progress Report, there was Unleveraged Cash Flow of \$110.53 million, yielding an IRR

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of 30.68%. The Cash Flow Needed to Reach the Target IRR of 22.5% is \$24.51 million, resulting in Remaining Cash Flow of \$86.02 million. Per the DDA, 50% of the \$86.02 million, or \$43.01 million) is the Participation Payment due the Agency. However, since in the sample there was a \$21.87 million Participation Payment paid for the Second Progress Report, this amount is deducted from the \$43.01 million total, resulting in a net Third Participation Payment of \$21.14 million. In summary, therefore, in the sample the Agency will have received \$0 Participation Payment for the First Progress Report in 2010, \$21.87 million for the Second Progress Report in 2011, and \$21.14 million for the Third (and final) Progress Report in 2013.

#### E. Appendix 4 Table 5 – Project Cash Flow to Date

Appendix 4 Table 5 details the monthly cash flow of Project Revenues, Project Costs, and Unleveraged Cash Flow over the term of the Progress Report. Each page of this table contains one full year of the cash flow, starting with Year 2003. The Agency will enter data into this table based on the Developer's Progress Reports. The monthly cash flow over the many years of expected build-out of the Project would make data entry of all months and all line items a laborious process. All the monthly data does not need to be entered to calculate the Participation Payment. The minimum amount of data entry recommended is the monthly Project Revenues and monthly Project Costs (totals line only). After entering this data, the Model can then calculate the IRR.

If the IRR of the Unleveraged Cash Flow is less than the Target IRR of 22.5%, there is no Participation Payment due the Agency. If the IRR exceeds 22.5%, 50% of the amount by which the Unleveraged Cash Flow exceeds 22.5% is the amount of the Participation Payment. In order to calculate this amount, the last month of the last year of the line "Cash Flow Needed to Reach Target IRR" (February 2013; Row 41, Column DX) will need to be adjusted so that the IRR shown on Row 42, Column E equals 22.5%. This can be achieved by using the "Goal Seek" function of Excel or by iteratively adjusting the amount until the 22.5% IRR is reached. The Model then calculates the amount of the Profit Participation at 50% of the excess. In the sample, the Participation Payment is 50% of \$86.02 million, or \$43.01 million. Again, since in the sample there was a \$21.87 million Participation Payment made in the Second Progress Report, this amount is subtracted from the \$86.02 million, yielding a Participation Payment at the end of the Project of \$21.14 million.

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#### IV. Reconciliation with the Developer's Estimate

In theory, the calculation of the Participation Payment amounts in the Agency's Participation Model should be identical to the amounts calculated in the Developer's Progress Reports since the same data is used for both calculations. As shown in the Developer's estimate on Appendix 1 Exhibit D (last page), the Developer estimates that the cash flow will support a Final Participation Payment in February 2013 of \$43.00 million. After subtracting a Participation Payment of \$21.885 million for the Second Progress Report, the net Participation Payment at the Final Progress Report is \$21.115 million.

The comparable table in the Agency Participation Model, Appendix 4 Table 5 (last page), estimates a supported Final Participation Payment of \$43.01 million (compared to the Developer's \$43.00 million). After subtracting a Participation Payment of \$21.873 million (compared to \$21.885 million) for the Second Progress Report, the net Participation Payment at the Final Progress Report is \$21.136 million (compared to \$21.115 million).

Because the two calculations of the Participation Payment are so close, it is almost certain that the reason for the difference is that the 22.5% Target IRR is rounded to different decimals in the two models. Rounding to the same decimal should result in identical Participation Payment amounts. If, however, there is a more significant difference, the Agency and Developer will need to meet to reconcile these differences.

#### V. Agency Verification of Data Submitted by Developer

The Agency can spend as much time as it deems appropriate to check the data submitted in the Developer's Progress Reports. Once the Agency Participation Model has been run, the Agency could circulate the Model and the detailed data in the Developer's Progress Report to Agency and County staff familiar with the Project for review. This could include staff in Redevelopment, Planning, Building, Public Works, and Treasurer. If such a review takes place, the Developer should be asked to answer any questions subsequently raised by staff.

To assist in the Agency's review of the Developer's Progress Reports, the Agency is reminded of the following:

 Project Cost Exclusions – For purposes of the Participation Payment calculation excludes certain costs as described in Section IA of this Manual. The Agency should verify that these exclusions are adhered to.

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- 2. Initial Land Acquisition Cost As per the DDA, the Initial Land Acquisition Cost is \$1.5 million (but no less than \$1.4 million as described in footnote #1 of this Manual).
- 3. Subsidy for Affordable Apartments It is projected that EGP will have to provide a subsidy to its Affordable Housing Partners (currently Mid-Peninsula Housing, CHISPA, and ArtSpace) in the construction of the Affordable Apartments, which subsidy will be a Project Cost to EGP. If necessary, the Agency can ask to review pro formas from EGP's Affordable Housing Partners and/or contracts between EGP and those Affordable Housing Partners to verify the subsidy amounts and timing (as shown on Appendix 1 Exhibit A, Cost Code 2375).
- 4. County Facilities Per the DDA, EGP will contribute a total of \$3.5 million (escalated for inflation) toward County Public Facilities such as the new fire station and library. This \$3.5 million as escalated for inflation, is a fixed cost (Cost Code 2367).
- Town Center Subsidy Subsequent to the DDA, EGP has agreed to provide Woodman with a subsidy to build the Town Center retail buildings (including 40 condominiums above the retail). The agreed subsidy is a fixed cost of \$1.9 million to be paid in three equal installments (Cost Code 2325).
- CFD Bond Proceeds It is estimated that a total of \$20 million in net CFD bond proceeds will be raised for the Project. The County Treasurer-Tax Collector should be familiar with the amount and timing of the CFD bonds issued for the Project.
- Agency Tax Increment Per the DDA, the Agency will contribute a total
  of \$9.5 million in Tax Increment to the Project (escalated for inflation).
   The Redevelopment Agency can verify the amount and timing of these
  payments.

#### VI. Agency's Right to Audit

Clearly, the process described in this Manual for running the Agency Participation Model is dependent upon reliable data reported by the Developer for both Project Revenues

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and Project Costs. It is important for the Agency to note in this regard that pursuant to Section 605 of the DDA the Agency has the right to inspect the books and records of the Developer pertaining to the Site or any Phase or portion thereof as pertinent to the purposes of the DDA. Therefore, if upon review of the Developer's Progress Reports the Agency has questions about either the amount or timing of Project Revenues or Project Costs, the Agency has the right to verify that data with the Developer's own records.

#### **APPENDIX 1**

#### MATERIALS SUBMITTED BY EGP

Exhibit A

Sample of Project Costs for final progress report

(Full Project Buildout)

Exhibit B

Sample of Residential Marketing Consultant Report

Exhibit C

Sample of Residual Lot Values - Phase 1,

Community 1

Exhibit D

Sample of Profit Participation

Calculation for Final Progress Report

(Full Project Buildout)

APPENDIX 1. EXHIBIT A. Project Costs East Garrison

|                    | ( Gatrison)  |  |  |  |                   |               |  |  |                |   |               |              |  |                |  |  |  |  |  |
|--------------------|--|--|--|--|-------------------|---------------|--|--|----------------|---|---------------|--------------|--|----------------|--|--|--|--|--|
| Cost               |  | Granu  |  |  |                   | T             | $\top$   |  | Т              |   |               | 1            | $\overline{}$                                    |                | 1  | $\overline{}$                                    | Annu   |  |  |
|                    | Description  | Total  | Ja   | n-03   | ab-03             | Mar-03        | Apr-   | DJ Min   | <b>⊬</b> 03    | Jun-03  | Jul-03        | Aug          | 03 Бер-С   | 3 Oct 4        | -Yall C  | 3 Dec-0  |  |  | 04 Feb-O   |
|                    | Plenning/Architect                                     |  |  | $\dashv$   |                   |               | 1_   |  |                |   |               |              | 1  |                | 1  |  |  |  | 7,7,7,2  |
|                    | Landscape Architect                                    |  |  | _  | _                 | <u> </u>      |  |  |                |   |               |              |  | 1              |  |  |  |  | T  |
| 2215               |  |  |  |  |                   |               | +  | $\rightarrow$                                    | _              |   |               |              |  | $\rightarrow$  |  |  |  |  |  |
| 2225               | Civil Engineering Field Solls & Geology                | <del></del>  | +  |  |                   |               | <del> </del> -                                   |  | —⊢             |   |               | <b>-</b>     |  |                |  |  |  |  |  |
| 2230               | Utility (County Processing Fees)                       | <u> </u>   | $\dashv$   |  |                   |               | +-   |  | +              |   |               | +            |  | -              | -  |  |  |  |  |
| 2235               | Legal Fees   |  |  | <u> </u>   |                   |               | +-   |  | $\dashv$       |   |               |              |  |                |  |  | →  |  |  |
| 2240               | Other Consultants                                      |  |  |  |                   |               | <del> </del>                                     | <del></del>                                      | -+             |   |               | +-           | +  | +              |  | +  | ╅━   | +-   |  |
| 2245               | Blueprints   |  |  |  |                   |               |  |  | -              | _   |               | 1 -          |  |                |  | <del></del>                                      | <del> </del>                                     |  | +  |
| <b>ZZ50</b>        | Economic Consultant                                    |  |  |  |                   |               | 1  |  |                |   |               | 1            |  | $\top$         | 1  | 1  | 1  | 1-   |  |
| 2255               | Public Rei/Merket                                      |  |  | $\perp$  | $\Box$            |               |  | J  | $\Box$         |   |               |              |  | 1              |  | 1  |  |  |  |
| 2270               | Environmental Consultants                              |  | <b></b>  | Щ.   |                   |               | 1  |  |                |   |               |              |  |                |  |  |  |  |  |
| rimer.             | Subtotal Consultan                                     | 15   |  | -  | $\longrightarrow$ |               | +  |  |                |   |               | .            | <u> </u>   |                |  |  |  |  |  |
| 2305<br>2310       | Bonds Ps/mis & Fees                                    | 1  | +  | <del></del>                                      |                   |               | ╂  | -  | -              |   |               | —            |  | ↓              | _  |  |  |  |  |
| 2315               | Inspection Fees  | +  | →-   | -  | - 1               |               | +  | ┥—   | $\rightarrow$  |   |               | <del> </del> |  |                |  |  | →  | -  |  |
| 2320               | Community Services (CSD formation)                     | 1  | 1  |  |                   |               | ┼  | +  | +              |   |               | +            | +  | <del>-</del> - | +  | +  | +-   |  | ┵—   |
| 2325               | County Facilities (Town Center subsky)                 | <del></del>  |  | _  | $\neg$            |               | <del>                                     </del> | -  | +              |   |               | +            | +  | +              | <del></del>                                      |  |  | _  |  |
| 2345               | DRE Fees (School Fees)                                 | 1  |  |  | $\neg$            | _             | <del></del>                                      |  | -+-            | - 1   |               | +            | +  | +              | +  | +  | +  | + -  |  |
| 2366               | Insurance (General Liability)                          |  | $\neg \neg$                                      |  |                   |               | 1 -  | _  | $\top$         |   |               | †            | +  | +              | 1  | +-   |  |  | <del></del>                                      |
| 2360               | Historic District                                      |  |  |  | Ī                 |               | 1  |  | $\neg$         |   |               | <del> </del> | +  | +              | +  | +  | +  | +-   | <del>                                     </del> |
| 2385               | Other Fees (County Processing Fees)                    |  |  |  |                   |               |  |  |                |   |               | <u> </u>     |  |                |  |  | <del> </del>                                     |  | <del> </del>                                     |
| 2367               | Public Facilities                                      | ╄┈   |  | ㅡㅡ   |                   |               | <u></u>  |  |                |   |               |              |  |                | 1  | 1-   | 1  |  |  |
| 2370               | Special Assetsment Fees (T.L Loan)                     | XXXXXXXX   | XX NOT A   | W FLIG   | H E PR            | OUECT C       | OST XXX  | XXXXXX   |                |   |               |              |  |                |  |  |  | 1  |  |
| 2375               | Affordable Housing Subsidy                             | +  | -  | +  |                   |               | ļ  | -∔   |                |   |               | ļ            |  |                |  |  | 1  |  |  |
| 2380<br>2385       | FORA Loss Interest HOA Fees (CFD Debt Service)         | <del>!                                    </del>   |  |  | $\rightarrow$     |               | ┞  |  | -              |   |               | _            |  | ┦              |  | <b>_</b>   |  |  |  |
| 200                | PORA PLL Insurance                                     | <del></del>  | +-   | +-   | +                 |               | <del> </del>                                     | +  | +              | $-\!$ |               | <del> </del> | +  | <del>  .</del> | +-   | +  |  | 4  | +  |
|                    | Subtotal Development Fee                               | 4  |  | ┯┼-  | <del></del>       |               | <del>                                     </del> | <del>!</del>                                     | +              | $\rightarrow$   |               | +            | +  | +              | +  | +  | +  | <del></del> -                                    | +  |
| 411                | Clearing Demo & Relocation                             | 1  | 1  | +  | -+                | -             | <del>                                     </del> | +  | +              |   |               | <del> </del> | +  | +              | +  | +  | +  | +  | -  |
|                    | Rough Grading  |  | <del>                                     </del> |  | _                 |               | <del>                                     </del> | +-   | +              | <del>- +</del>  |               | <b>+</b> -   | -  | +              | 1  | +-   | +  | +-   | +-   |
| 413                | Dirt Export  |  |  |  |                   |               |  | 1  | $\vdash$       | -+  |               | 1 —          | +  | +              | 1  | +  | <del>                                     </del> | +  | +  |
| 1421               | Fences/Walts - Retaining                               |  | 1  |  | $\Box$ T          |               |  | 1  | ╛              | $\neg$  |               |              | <b>—</b>   | 1              | <del>                                     </del> | $\overline{}$                                    | † -  | +-   | <del> </del>                                     |
| 422                | Fences/Walts - Masonry                                 |  |  |  | $\Box$            |               |  |  | $\top$         |   |               | L            |  | <u> </u>       | 1  | 1  | 1  | 1.   | 1  |
| 431                | Sanitary Sewer   | <u> </u>   | ļ  |  |                   |               |  |  |                |   |               |              |  |                |  |  |  | 1  | . 1  |
| 432                | Sever Force Main                                       | <del> </del>                                       | ┥—   | _  | -                 |               | <u> </u>   |  | $\perp$        |   |               |              |  |                |  |  |  |  | $\bot$   |
| 434<br>440         | Sever Refundable Deposits                              | <del>                                     </del>   | +-   | <del></del>                                      | -                 |               | ļ  | <b>_</b>   |                |   |               |              |  |                |  |  |  | ŀ  |  |
| 442                | Storm Drain System Storm Drain Force Main              | <del> </del>                                       | +  | +  | $\rightarrow$     |               |  | +  | _              |   |               |              | <del></del>                                      | -              | <del>                                     </del> |  | ļ, <u> </u>                                      | <b></b>  | ı  |
| 450                | Domestic Water System                                  | <del>i                                      </del> | +  | +  | $\dashv$          |               | <del></del>                                      | ┼─-  | <del></del> -  | $\rightarrow$   |               |              |  | <del> </del>   |  | -  | <b>├</b>   | 7,7  |  |
| 463                | Recycled Water   | <del>                                     </del>   | +-   |  |                   |               |  | +-   | +              | - +-  |               | -            |  | +              | -  | <del> </del>                                     | +  | <del> </del> -                                   |  |
| 466                | Domestic Water Return                                  | †  | 1  | $\top$   | $\neg$            | _             |  | + -  | +              | -+  |               |              | +  | <del> </del>   |  | <del> </del>                                     | <del>}</del>                                     | + -  | <del>- </del>                                    |
| <b>771</b>         | Curb & Gultura   | I  |  |  |                   |               |  | 1  |                | <del>- +</del>  |               |              | <del> </del>                                     | 1              |  | <del> </del>                                     | 1  | +-   | +  |
| 672                | Sidewalks & Approaches                                 |  |  |  |                   |               |  | Ī  | 1              |   |               |              | 1  | 1              |  | <del> </del>                                     |  | <del>                                     </del> | <del> </del>                                     |
| 480                | Street Improvements                                    |  | 1  |  |                   |               |  | 1  |                |   |               |              |  | Ì              |  | <del></del>                                      | 1  | t  | † · · · ·  |
|                    | Striping   | <u> </u>   | 4  | -  | _                 |               |  | ↓  |                |   |               |              |  |                | I  |  |  |  | <del></del>                                      |
|                    | Sired Signs & Protective Dev.                          | _  | +  | <del></del>                                      |                   |               |  |  |                |   |               |              | 1  |                |  |  |  |  |  |
|                    | FORA Feb<br>FORA Reimbursement (CIP)                   | -  | +  | +  | -                 |               |  | —  | _              |   |               |              | <del>!</del>                                     | <b></b>        |  | ļ  |  |  |  |
|                    | Rémbusaments - Others                                  |  | +-   | +  | +                 |               |  | -  | 4-             | -   |               |              | <u> </u>   | —.             |  | <b>i</b>   | <u> </u>   |  |  |
|                    | FORA Reimbursament (Demo)                              | <del>                                     </del>   | ┪━━  | +-   | -                 |               |  | +  | +-             | -+  |               |              | <del>                                     </del> |                | ļ  | <u> </u>   | <del> </del>                                     |  |  |
|                    | Traffic Signais  | 1  | 1  | +  | -                 |               |  | <del>                                     </del> |                |   |               |              | ┼  |                | <del></del> -                                    | <u> </u>   | <b>├</b> ──                                      | ╁—-  | +  |
|                    | Utility Trenching                                      |  | 1  |  | $\neg$            |               |  | -  | $\top$         |   | -             |              | <del>                                     </del> |                |  | <del>                                     </del> | _  | <del> </del>                                     | <del>                                     </del> |
|                    | Street Lights & Traffic                                |  | L  |  |                   | ]             |  |  | $\top$         | 1   | 7             |              |  |                | ·  | <del>                                     </del> | <del> </del> -                                   | <del>                                     </del> | +  |
|                    | PGSE Ratundable Deposits                               |  | L  |  |                   |               |  |  |                |   |               | •            | i  |                |  |  |  | -  | +  |
|                    | Landscape  |  | ↓  | $\bot$   | _                 |               |  |  |                | $\perp$   |               |              | <u></u>  |                |  |  |  | 1  |  |
|                    | Landscape Saninten proce                               |  | <del> </del>                                     | 4—   | -                 |               | <u> </u>   | <u> </u>   |                |   |               |              | ļ  |                |  |  |  |  |  |
|                    | Environmental Field (miligation leading) Point & Patch |  |  | 1  |                   |               | -  |  | +-             |   |               |              | ļ  |                |  |  |  |  |  |
|                    | Erosion & Dust Control                                 |  | -  | +-   | +                 |               |  | <b>-</b>   | +-             |   |               | _            | <del>                                     </del> |                |  | ļ  | <u> </u>   | ↓  | <u> </u>   |
|                    | Lime Treatment   |  | <del> </del>                                     | +  | +                 |               |  | +  | +              |   | -             |              | <del>-</del>                                     |                |  |  | ļ  | ╄  | <b>├</b>   |
|                    | Operational expenses                                   |  | <b>-</b>   | †  | $\top$            | -+            | -  | <del> </del> -                                   | ╅              |   | <del></del>   |              | <del> </del>                                     |                |  |  |  | ! -  | +  |
|                    | Bridge Construction                                    |  | <u> </u>   |  | -                 | -             |  | 1  | +-             | $\dashv$  | -             |              |  | -              |  | <del> </del>                                     |  | <del> </del>                                     |  |
| 79 :               | Skurry See:  |  |  | $\perp$  |                   |               |  | Ĺ  |                |   |               |              | 1  | ·              |  |  |  | t —  | +  |
| 79                 | TeAgmi Weddman Reimbussement                           |  |  | ,  | ユ                 |               |  | <u> </u>   |                |   |               |              |  |                |  |  | _  | <del> </del>                                     | <del></del>                                      |
| 50 J               | Contingency  | XXXXXXXXXXX  | NOT AN   | ECIGINI  | E PROJ            | ECT CO        | ST XXXXX   | CXXXXX   | $\bot$         | $\Box$  | $\Box$        |              |  |                |  |  |  |  | $\overline{}$                                    |
|                    | Subtotal Land Improvements                             |  | _  | +  | +                 |               |  | <u> </u>   |                |   |               |              |  |                |  |  |  |  |  |
|                    | Rus Stops  |  | <del> </del>                                     | +-   | +                 | -+            |  | <u> </u>   |                |   |               |              |  |                |  |  |  |  |  |
|                    | nitersection improvments  ath Lighting                 | ·• · · · · · · · · · · · · · · · · · ·             | <del>├</del> ──                                  | ╁──  |                   | -+            |  | <b>—</b> —                                       | +              | +   | <b></b> ↓     |              |  |                |  | L  |  |  |  |
|                    | inity Menunis Major                                    |  | $\vdash$   | +  | +                 | -+            |  |  | ╁              | -   | $\dashv$      |              | ļ  |                |  |  |  | <del></del>                                      | <b>-</b>   |
|                    | Dry Lithijes   |  | $\vdash$   | <del>                                     </del> |                   |               |  |  | +-             | +   | +             |              |  |                |  |  | <del></del>                                      | <del> </del>                                     | <del> </del>                                     |
|                    | ennts Courts   |  |  | <u> </u>   |                   | $\neg$        | _  |  | +              | $\dashv$  | _             | _            | <del>                                     </del> |                |  |  |  | ⊢—   | <del></del>                                      |
| $\Box$             | Subtotal Amenities                                     |  |  | 1  |                   |               |  |  | 1              | $\dashv$  | -+            |              |  |                |  |  |  | <del></del>                                      | <del></del>                                      |
|                    | viinati Supervision                                    |  |  |  | ┚                 |               |  |  | L              | _ †   | $\overline{}$ |              |  |                | -  |  |  | <del></del>                                      |  |
|                    | Hisite Assistant                                       |  |  |  |                   |               |  |  |                | I   |               |              |  |                |  |  |  | <del> </del>                                     | <del> </del>                                     |
|                    | uto & Truck Expense                                    |  |  |  |                   |               |  |  |                |   |               |              |  |                |  |  |  | _  | <del></del>                                      |
|                    | ield Temperary Utilities                               |  |  | 1  | $\perp$           | T             |  |  | Ι              | $\Box$  | $\equiv$ T    |              |  |                |  | 1  |  |  |  |
|                    | ciephone   |  |  | ļ  |                   |               |  |  | 1              | _   _   |               | ]            |  |                |  |  |  |  |  |
|                    | onstruction Water                                      |  |  | ├—   | +                 | $\rightarrow$ |  |  | <del>  _</del> |   |               |              |  |                |  |  |  | L  |  |
|                    | ield Office Expense  a witation Facilities             |  |  | <del> </del>                                     | $\dashv$          |               |  |  | <del>-</del> - |   | _             | ]            |  |                |  |  |  |  |  |
|                    | guipment Rentals                                       |  |  | <del>-</del>                                     | +-                | -             |  |  | ├              |   | -             |              | ——!  |                |  |  |  |  |  |
|                    | monWalls-Terro Enclosures                              |  |  | 1  | +                 | -+            |  |  | +-             |   |               |              | $\dashv$   |                |  |  |  | <u> </u>   |  |
|                    | isc. Expenses  |  |  |  |                   | +             | -+   |  | †              | +   | +             |              |  |                |  | <del>}</del>                                     |  |  |  |
|                    | lee nupris weeping                                     |  |  |  | <del> </del>      | -             |  |  | †···           | +-  | -+            | +            |  | +              |  | <del>  </del>                                    |  | _  |  |
| _                  | uard & Patrol Service                                  |  |  |  | ╧                 |               |  |  | $\vdash$       | $\dashv$  | $\overline{}$ |              | -+   |                | ∤  |  |  |  |  |
|                    | und allem  |  |  |  | I                 |               |  |  | 1              |   |               |              |  | - 1            |  | <del></del>                                      |  | <del></del>                                      |  |
| $oldsymbol{\perp}$ | Subtotal Infra Indirects                               |  |  |  | I                 |               |  |  |                |   | +             |              | t  | <del>-  </del> | <del></del>                                      | <del></del> }                                    |  |  | <del></del>                                      |
|                    | riviotat   |  |  |  | 1.                |               |  |  | L              | $\top$  |               | - 1          |  | <del>+</del>   | <del></del> +                                    | 1  |  | _  |  |
|                    | podmae Management Fee                                  |  |  |  |                   |               |  |  |                | ┚   | o             |              |  | -+             |  |  |  |  |  |
| <u>l Eq</u>        | 3P Management Fee                                      |  |  | <u> </u>   | $\perp$           | $\Box$        |  |  |                |   |               |              | _  | -              | <del>- 1</del>                                   | <del>-  </del>                                   |  |  |  |
|                    | ules & Marketing                                       |  |  |  |                   |               |  |  |                |   |               |              |  |                |  |  |  |  |  |
|                    | and Cost   | I  |  |  |                   | $\Box$        |  |  |                |   |               |              |  |                |  |  |  |  |  |
|                    | operty Taxes   |  |  |  | 1                 | $\Box$        |  |  |                |   | $\Box$        |              |  |                |  |  |  |  |  |
| 34                 | Ming Expenses  |  |  |  |                   |               | f  |  |                |   | $\Box\Box$    |              |  |                |  |  |  |  |  |
|                    | Grand Total  | 158,000,000  | 10   | 5400,00  | O  \$40           | 0,000 \$4     | 000,000  | \$400,000  | \$400,0        | 000 \$40  | 1,000, t      | 400,000      | \$400,000  | \$400,000      | \$400,000  | \$400,000  | 54,400,000                                       | \$290,000  | \$290,000  |
|                    |  |  |  |  |                   |               |  |  |                |   |               |              |  |                |  |  |  |  |  |

APPENDIX 1, EXHIBIT A, Project Costs East Garrison

| Cost  |  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
|---|--|--|--|-------------------------|---------------|--|--|---------------|----------------|--|--------------|--|--|--|--|--|--|----------------|
|   |  | Į  | 1  |                         |               |  |  |               |                | $\overline{}$                                    | 1            | Annua  |  |  |  | <del></del>                                      |  | _              |
| Code  | e Description  | Mar  | 04 Ap  | r-04 M                  | ty-04 Jun     | r-04 Jul   | -04 Au   | 9-04 Sep      | 04 Det         | D4 Hov   | 04 Dec       |  | Jan-05   | Feb-C  | 5 Mar-0  | 5 Apr-0  | May-05   | Jun 05         |
| 2205  |  |  |  |                         | $\Box$        |  |  |               |                |  |              |  | 1 7  | 1  |  | 1,30,30  | 1  | 143            |
| 22 10   |  |  |  |                         |               |  |  |               |                |  |              |  | 1.   |  | 1  |  | 1  |                |
| 2215  |  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  | -  | 1              |
| 2220  |  | -  |  |                         | ļ_            |  |  |               |                |  |              |  |  |  | 1  |  |  |                |
| 22,76   |  |  | -  |                         |               | -  | _  |               |                | _ _  |              |  |  | L  |  |  |  |                |
| 2230  |  |  |  | —                       | _             |  |  |               | <del>-  </del> |  |              |  |  |  |  |  |  |                |
| 2235  |  | +-   | -  | -                       |               | <del></del> -                                    |  |               |                |  |              |  |  | ↓  |  |  | 1  |                |
| 2240<br>2245  |  |  |  | +                       |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 2250<br>2250  |  | +  |  | +                       | _             |  |  | }             | _              |  |              |  | <del></del>                                      | <del> </del>                                     |  | <del></del>                                      |  |                |
| 2255  |  |  | +  |                         | $\rightarrow$ |  |  | <del></del>   |                | _  | <del></del>  |  |  |  | <b>—</b>   | -  |  | ـــــ          |
| 2270  |  | +  | +  | <del></del>             |               | +  |  |               |                |  |              | +  | -  | ├  | _  | <del>-</del>                                     | ╀  |                |
|   | Subtotal Consultan   | rie .  |  | -1-                     | _             | $\rightarrow$                                    | _  | +-            | +-             | -  | +            | +  | +  | -  | +  | +-   | <b>↓</b>   | ļ              |
| 2305  |  |  | 1  | _                       |               | $\neg$   |  |               |                |  | +-           | 1  | +  | <del>                                     </del> | +  | +  | +  | <del> </del>   |
| 2310  | Permits & Fees   | 1  |  |                         |               |  | _  | $\neg$        |                | - †  |              | _  |  | -  | +  | <del>                                     </del> | +  | <del> </del> - |
| <b>Z315</b>   | Inspection Fees  |  |  |                         |               |  |  |               |                |  |              | 1  | _  |  | + -  | +  | <del></del>                                      | · <del> </del> |
| 2320  | Community Services (CSD formation)   |  |  |                         |               |  |  |               |                |  |              |  | 1 '  |  | <del> </del>                                     | +-   | 1  | +-             |
| ZJ25  |  |  |  | $\rightarrow$           |               |  |  |               |                |  |              |  | 1  | <u> </u>   |  | 1  |  | 1              |
| 2345  |  |  | <del></del>                                      |                         |               |  |  |               |                |  |              |  |  |  |  | 7  | 1  |                |
| 2366  |  | -  | +  | - + -                   | _             |  |  |               |                |  |              |  |  |  |  |  |  | L              |
| 2360<br>2365  |  |  | <del></del> -                                    | ~                       |               | -  |  |               | -              | _  |              | <u> </u>   |  |  | <del>          _   _   _   _</del>               | 1 "-   |  |                |
| 2367  |  | +  | <del></del>                                      | _                       | +             | +  | <del></del>                                      |               |                | -  |              |  | <b>↓</b>   | <b>├</b>   |  | <del></del>                                      |  |                |
| 2370  |  | +  | +  |                         | -             |  | _  | -             | <del></del> -  | +  | +-           | +  |  |  |  |  | <del>                                     </del> |                |
| 2375  | Affordable Housing Subsidy   | 1  | $\top$   | <del></del>             | $\dashv$      | -1-  | +-   |               |                | +-   | <del></del>  |  | 1  | <b>-</b>   | +  | +  | <del> </del>                                     | <b>_</b>       |
| 2380  |  | İ  | $\top$   | 1                       | +             |  | +  | -             |                | +  | +            | + -  | <del> </del>                                     |  | 1  | <del></del> -                                    | <del>                                     </del> | <del></del>    |
| 2385  | HCA Fees (CFD Debt Service)  | <u> </u>   | 1  | $\neg$                  |               |  | $\neg$   | 1             | 1              |  | <del> </del> | <del> </del>                                     | <del>                                     </del> | 1  | <del>                                     </del> | +  | <del>                                     </del> | <del> </del>   |
| 2390  | FORA PLL Insurance   |  | $\perp$  |                         |               |  |  |               | $\neg$         | 1  | 1            | $\overline{}$                                    | 1  |  | <del>-</del>                                     | <del> </del>                                     | 1  | $\vdash$       |
|   | Subtotal Development Fee   | rE .   |  |                         |               |  | $\perp$  |               | $\perp$        | $T^{-}$  | 1            | $\mathbf{I}$                                     | T  |  |  | 1  | T  |                |
| 2411  | Clearing Demo & Relocation   | <del></del>                                      | -  |                         |               |  |  |               |                |  |              |  | L  |  |  | 1  | <u> </u>   | l —            |
| 2412  | Rough Grading  | 1  | 1  | $\perp$                 | <del></del>   |  |  |               | 1              | $\perp$  |              | ullet  |  |  | $\Box$   | <u>L</u> .                                       |  |                |
| 2413  | Dirt Export  | +  | +  |                         | <del></del>   |  |  | -             | + -            | <del></del>                                      | $\perp$      | +  | -  |  | <u> </u>   | I  |  |                |
| 2421<br>2422  | Fences/Walls - Retaining Fences/Walls - Masonry  | +  |  | +                       | +-            | -1   | +  | +             |                |  |              | <del></del>                                      | ₽  |  | <del>                                     </del> | $\bot$   |  |                |
| 2431  |  | +  | +  | +                       | -             | +  | <del></del> -                                    | ~             | +              | -  | +-           | +  | <b>↓</b>   |  | <del> </del>                                     | 1  | 1  |                |
| 2432  | Sever Force Make   | <del>                                     </del> | <del> </del>                                     | +-                      | <del></del>   | +  | +  | $\rightarrow$ | +-             | -  | +            | <del></del>                                      | ļ  |  | ┞  | <b>├</b>   | ļ  | <u> </u>       |
| 2434  | Sewer Refundable Deposits  | <del>                                     </del> | <del>                                     </del> | <del></del>             | +             |  | <del>- †</del> -                                 | ∤             | +              | <del></del>                                      | +            | +  | -  |  | <del>-</del>                                     | +  | <del> </del>                                     |                |
| 2440  |  | 1  | 1  | +-                      |               |  |  | _+            | <del>-  </del> | +  | +            | +  | <del>  </del>                                    |  | <del></del>                                      | ⊢  |  |                |
| 2442  | Storm Drain Force Main   | 1  |  | 1                       |               |  | $\dashv$   | 1             | +              | <del></del> -                                    | <del> </del> | 1  | t  |  | _  | <del>                                     </del> | <del> </del>                                     |                |
| 2450  | Domestic Water System  | Î  |  |                         |               |  | <del>                                     </del> | $\overline{}$ | 1              | +  | 1—           | †  |  |  | <del> </del>                                     | ·  | <del> </del>                                     |                |
|   | Recycled Water   |  |  |                         |               |  |  |               |                |  |              |  | 1  |  |  | †  | t — 1  |                |
|   | Domestic Water Refund  | <del>                                     </del> | +  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 1471<br>1472  | Curfu & Gertlers   | <del>∤</del>                                     | +  | _                       | <del></del>   | -  | +  | <b>-</b>      |                | _  | <del></del>  |  |  |  |  |  |  |                |
| _   | Sidewalks & Approaches Street Improvements   | + -  | +  | +                       | +             |  | }  | -             | +              |  | +            | <b>├</b>   | <del> </del>                                     |  | ļ" <u> </u>                                      | <b></b>  | L  |                |
|   | Striping   | +  | <del></del>                                      | <del>-   · · · · </del> | +             | +  | +  | +             |                | +  | -{           | <del> </del>                                     |  |  | <b>-</b>   | <b>├</b> ──                                      |  |                |
| 492   | Street Signs & Protective Day,   | 1  | 1  | 1                       | 1             | <del>                                     </del> | 1  | <del></del>   | 1              | +  | +            | <del>                                     </del> | t — †  |  |  | <del> </del>                                     | <b>├</b>   |                |
|   | FORA Fee   |  | T  |                         |               |  |  |               | 1              |  |              |  |  |  |  | 1  |  |                |
| 501e  |  |  | ļ  | <u> </u>                |               |  |  |               |                |  |              |  |  |  | _  |  |  |                |
| 502   | Reimbursaments - Others  | <u> </u>   | <del> </del>                                     |                         |               | +-   |  | +             | J              |  |              |  |  |  |  |  |  |                |
| 503   | FORA Rembursement (Demo) Traffic Signals   | 1  | 1  | +                       | <del></del>   |  | +  | +             | +              | -  | +            | <del>   </del>                                   |  |  |  |  |  |                |
|   | Utility Trancking  | 1  | +  |                         |               | +  | ╅  | +             | +              | <del>-                                    </del> | +            |  |  |  |  |  | $\vdash$   |                |
| 512   | Street Lights & Traffic  | 1  | 1  |                         | 1             |  | 1 -  | <del></del>   | 1              | +  | 1            | 1  | 1  |  |  |  |  |                |
|   | PGSE Refundable Deposits   | I -  | T  |                         |               |  |  | 1             |                |  |              | 1  |  |  |  | f  |  |                |
|   | Landacape  |  | _  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
|   |  |  |  |                         | #=            |  | →  | $\rightarrow$ |                |  |              | _  |  |  |  |  |  |                |
|   | Landscape Maintenance  |  |  | +                       |               | -  | <u> </u>   | $\perp$       |                |  | ļ            |  |  |  |  |  |  |                |
|   | Landscape Maintenance Environmental Finic (mitigation tencing)   |  |  |                         | -             | -  |  |               |                | <u> </u>   | -            |  |  |  |  |  |  |                |
| 550   | Landscape Maintenance<br>Environmental Field (mitigation tencing)<br>Point & Patch   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  | <u> </u>       |
| 550<br>560  | Land scape Maintenance<br>Environmental Field (mitigation feecing)<br>Point & Patch<br>Erosion & Dust Centrol  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  | <u> </u>       |
| 550<br>560<br>581   | Landscape Maintenance<br>Environmental Field (mitigation tencing)<br>Point & Patch   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>581<br>575  | Land scape Maintenance Environmental Field (millipation feecing) Point & Pack Erosion & Dust Centrol Lime Trailment Operational expenses Bridge Construction   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>581<br>575<br>578   | Land scape Hisintenance Environmental Field (milligation feecing) Point & Patch Enrolic & Dust Centrol Line Treatment Operational expenses Bridge Construction Story See   |  |  |                         |               |  |  |               |                | ,  |              |  |  |  |  |  |  |                |
| 550<br>560<br>581<br>575<br>578<br>579  | Land scrpe Maintenance Environmental Field (miligation teocing) Point & Patic Brossion & Dust Centrol Lime Transment Coperational expenses Bridge Construction Story Seel Pratigm Woodman Reimbursement  |  |  |                         |               |  |  |               |                | ,  |              |  |  |  |  |  |  |                |
| 550<br>560<br>581<br>575<br>578<br>579  | Land scape Maintenance Environmental Field (millipation tencing) Point & Pack Envision & Dust Centrol Lime Treatment Operations expenses Bridge Construction Story Seal PraAgmt Woodman Relimbusement Contingency  |  |  |                         |               |  |  |               |                | ,  |              |  |  |  |  |  |  |                |
| 550<br>560<br>561<br>575<br>578<br>579<br>579<br>580  | Land scape Maintenance Environmental Field (milligation tencing) Point & Patch Broston & Dust Centrol Lime Treatment Operational expenses Bridge Construction Sturry Seel Praham Woodman Reimbussement Contingency Subtratal Land Improvements   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>581<br>575<br>578<br>579<br>579<br>580  | Land scrpe Maintenance Environmental Field (miligation teocing) Point & Patch Envision & Cust Centrol Lime Treatment Operational expenses Anides Construction Surry Seel Prehigmt Woodman Reimbussement Confinency Substati Land Improvements Bus Slops  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>581<br>575<br>578<br>579<br>579<br>580  | Landscape Maintenance Environmental Field (mritigation tencing) Point & Pacif. Enration & Dust Centrol Lime Treatment Operations expenses Scidge Construction Storry Seal Prakym Woodman Reimbursement Contingency Subtrati Land Improvements Bu Slope Intersection Improvements   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>561<br>575<br>578<br>579<br>579<br>580<br>680   | Land scrpe Maintenance Environmental Field (miligation teocing) Point & Patch Envision & Cust Centrol Lime Treatment Operational expenses Anides Construction Surry Seel Prehigmt Woodman Reimbussement Confinency Substati Land Improvements Bus Slops  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>581<br>575<br>578<br>579<br>579<br>579<br>580<br>525<br>525<br>530  | Land scape Maintenance Environmental Field (mritigation tencing) Point & Pacif. Enration & Dust Centrol Lime Treatment Operations expenses Scidge Construction Storry Seal Prakent Woodman Reimbursement Contingency Subtotal Land Improvements Bus Slope Intersection Improvements Pach Lighting Entry Monuments Major Dry Utilities  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>581<br>575<br>578<br>579<br>579<br>579<br>580<br>525<br>525<br>530  | Land scape Maintenance Environmental Field (minigation tencing) Point & Pack Brosson & Dust Centrol Lime Transment Operational exponence Scripp Construction Stury Seal PreAgmt Woodman Reimbussement Confingency Sturbstat Land Improvements Bus Stope Interaction Improvements Path Lighting Entry Monarments Major Dry Utilities Tyenics Courts   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>561<br>575<br>578<br>579<br>579<br>580<br>680<br>625<br>625<br>632<br>41  | Landscripe Maintenance Environmental Field (minigation tencing) Priorit & Patch Environmental Field (minigation tencing) Priorit & Patch Environment Consideration Sitery Seal Pradigm Woodman Reimbussement Contingency Subtotal Land Improvements Bus Slops Intersection Improvements Patch Lighting Entry Monument Major Dry Utilities Subtotal Antenities  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>550<br>575<br>578<br>579<br>579<br>580<br>05<br>125<br>225<br>236<br>30<br>322  | Land scape Maintenance Environmental Field (mritigation tencing) Point & Pacif. Enresion & Dust Centrol Lime Treatment Operations expenses Scidge Construction Sturry Seal Prefagm Woodman Reimbussement Confingency Subtotal Land Improvements Bus Slope Intersection Improvements Pach Lighting Entry Monuments Major Dry Utilities Tyresis Coists Subtotal Ansentities Indisect Supervision   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>551<br>575<br>578<br>579<br>579<br>579<br>580<br>522<br>538<br>530<br>532<br>541  | Land scape Maintenance Environmental Field (mritigation tencing) Point & Pacif & Erosion & Dust Centrol Lime Transment Operational exponence Ridge Construction Starry Seal Prahym Woodman Reimbussement Confingency Bubtotal Land Improvements Bus Slope Interaction Improvements Path Lighting Entry Monuments Major Dry Jallities Tyres's Coarts Subtotal Amenities Jensis Coarts Subtotal Amenities  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>551<br>575<br>578<br>579<br>579<br>579<br>579<br>579<br>579<br>579<br>579   | Landscape Maintenance Environmental Field (minigation tencing) Point & Patic Environmental Field (minigation tencing) Point & Patic Environment Consideration Starry Seal Pradem Woodman Reimbussement Contingency Subtral Land Improvements Bus Stops International Continues |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>575<br>578<br>579<br>580<br>579<br>580<br>525<br>533<br>532<br>41<br>12<br>15<br>14<br>12<br>13   | Land scape Maintenance Environmental Field (mritigation tencing) Point & Pacif & Erosion & Dust Centrol Lime Transment Operational exponence Ridge Construction Starry Seal Prahym Woodman Reimbussement Confingency Bubtotal Land Improvements Bus Slope Interaction Improvements Path Lighting Entry Monuments Major Dry Jallities Tyres's Coarts Subtotal Amenities Jensis Coarts Subtotal Amenities  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>560<br>575<br>578<br>578<br>579<br>580<br>580<br>580<br>580<br>580<br>580<br>580<br>580  | Landscape Maintenance Environmental Field (mritigation tencing) Point & Paris, Protest & Paris, Eresion & Dust Centrol Lime Treatment Operations expenses Scidge Construction Stury Seal Preliging Woodman Reimbussement Conflingency Subtotal Land Improvements Bus Slope Substate Land Improvements Pash Liphting Entry Monuments Major Dry Utilities Tennis Cotats Subtotal Assertides Indised Supervision Orlate Assistant Auto & Truck Expense Reid Temporary Utilities   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>550<br>575<br>575<br>578<br>579<br>579<br>579<br>580<br>505<br>525<br>530<br>525<br>530<br>532<br>541<br>12<br>15<br>16<br>17<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18   | Land scape Maintenance Environmental Field (mritigation tencing) Point & Parts Erresion & Dust Centrol Lime Treatment Operations expenses Scidge Construction Stury Seal Prelogm Woodman Reimbussement Conflingency Subtorial Land Improvements Bus Slope Bus Slope Intersection Improvements Path Lighting Entry Monuments Major Dry Utilities Tyenis Cotets Subtotal Assertities Indised Supervision Orlete Assistant Auto & Truck Expense Reid Temporary Utilities Telephone Construction Water Reid Office Expense   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>550<br>551<br>575<br>577<br>577<br>577<br>577<br>577<br>577   | Land scape Maintenance Environmental Field (mritigation tencing) Point & Pacif. Envision & Dust Centrol Lime Transment Operational expenses Bridge Construction Starry Seal Prahym Woodman Reimbussament Contingency Bubtotal Land Improvements Bus Stope Interaction improvements Pach Lighting Entry Monuments Major Dry Utilities Toneis Cotets Subtotal Antentities Indirect Supervision Offsite Assistant Auto & Truck Expense Indirect Supervision Offsite Assistant Auto & Truck Expense Telephone Construction Water Reid Office Expense Endel Centrodien Water Field Office Expense Endel Centrodien Water  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>550<br>551<br>575<br>579<br>579<br>679<br>680<br>605<br>625<br>630<br>632<br>641<br>641<br>642<br>643<br>644<br>644<br>644<br>644<br>644<br>644<br>644  | Land scrpe Maintenance Environmental Field (mitigation tencing) Protet & Patch Erosion & Dust Centrol Lime Transment Constitute of the Control Story Seal Prakym Woodman Reimbussement Contingency Subtral Land Improvements Bus Stops Subtral Land Improvements Bus Stops Interaction Improvements Patch Lighting Entry Monarcent Major Dry Lillities Tyensis Cotats Subtral Ansembles Indirect Supervision Offsite Assistant Anto & Truck Expense Field Temporary Lillities Teterories Under Control |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>550<br>551<br>578<br>578<br>578<br>578<br>578<br>578<br>578<br>578  | Land scape Maintenance Environmental Field (mritigation tencing) Point & Parts Erresion & Dust Centrol Lime Treatment Operations expenses Scidge Construction Stury Seal Preliging Woodman Reimbussement Conflingency Subtorial Land Improvements Bus Slope Bus Slope Subtorial Land Improvements Path Lighting Entry Monuments Major Dry Utilities Tymis Cotats Subtorial Antennities Indised Supervision Orisits Assistant Auto & Truck Capanies Reidel Temporary Utilities Telephone Construction Water Reidel Office Expense Santation Facilities Equipment Reintele Facional Facilities Facional Reintele Facional Reintele Facional Facilities   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>550<br>551<br>578<br>578<br>578<br>578<br>578<br>578<br>578<br>578  | Land scape Maintenance Environmental Field (mritigation tencing) Point & Pacial Environment Environment Construction Story Seal Pradigm Woodman Reimbursament Contingency Bubtotal Land Improvements Bustops B |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>550<br>575<br>5775<br>5775<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>580<br>5779<br>5779<br>580<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779<br>5779 | Land scree Maintenance Environmental Field (mitigation tencing) Protet & Patch Environmental Field (mitigation tencing) Protet & Patch Environment Consisted (Control Lime Transment Consisted (Control Starty Seal Prakym Woodman Reimbussement Contingency Subtral Land Improvements Bus Stope Subtral Land Improvements Patch Lighting Entry Monument Major Dry Lillities Tyeneis Cotats Subtral Assembles Indirect Supervision Offsite Assistant Auto & Truck Expense Field Temporary Littlies Telephone Field Temporary Littlies Subtration of Construction Field Temporary Littlies Environment Residues Subtration Field Construction  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>550<br>551<br>577<br>577<br>577<br>577<br>577<br>577<br>577   | Land scape Maintenance Environmental Field (mritigation tencing) Point & Pacial Environment Environment Construction Story Seal Pradigm Woodman Reimbursament Contingency Bubtotal Land Improvements Bustops B |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 950 950 950 950 950 950 950 950 950 950   | Landscape Maintenance Environmental Field (mritigation tencing) Point & Paris. Erresion & Dust Centrol Lime Treatment Consent expenses Acides Construction Stury Seal Prelogni Woodman Reimbussement Conflingency Subtotal Land Improvements Bus Slope Substatal Land Improvements Bus Slope Intersection Improvements Path Lighting Entry Monaments Major Dry Utilities Tyresis Cotats Subtotal Antennities Indised Supervision Orlade Assistant Auto & Truck Expense Bashation Facilities Feld Office Expense Saybation Facilities Engineers Engineers Restate Feld Office Expense Saybation Facilities Engineers Restate Feriperses Diseases Feld Office Expense Saybation Facilities Engineers Restate Feriperses Diseases Di |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 950 950 950 950 950 950 950 950 950 950   | Landscape Maintenance Environmental Field (mritigation tencing) Point & Parts Erreison & Dust Centrol Lime Treatment Consent agencies Supry Seal Preliging Construction Stury Seal Preliging Woodman Reimbussement Conflingency Subtotal Land Improvements Bus Slope Micraection Improvements Path Lighting Entry Monament Major Dry Utilities Tyres Cotats Subtotal Antennities Indisect Supervision Offsite Assistant Auto & Truck Expense Septembore Construction Water Redd Office Expense Septembore Construction Facilities Fortigence Septembore Construction Septembore Subtotal Infra Indifference Subtotal Infra Indifference   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 550<br>550<br>550<br>550<br>551<br>575<br>577<br>577<br>680<br>605<br>125<br>125<br>125<br>125<br>125<br>126<br>127<br>127<br>128<br>129<br>129<br>129<br>129<br>129<br>129<br>129<br>129   | Land scrpe Maintenance Environmental Field (minigation teocing) Protest & Patch Envision & Cost Centrol Line Treatment Operational expenses Anides Construction Sturry Seal Prehight Woodman Reimbussement Contingency Subtrati Land Improvements Bus Slope Intersection Improvements Patch Lighting Entry Monarments Major Dry Utilities Transis Costs Subtratial Amenities Indisect Supervision Auto & Truck Expense Petch Temporary Littles Telephone Construction Valer Field Office Expense Petch Temporary Littles Telephone Construction Water Field Office Expense Subtration Facilities Equipment Restate Engineer Water Temp Enclosures Misc. Expenses Cleanus Sweeping Subtrati Intra Indirects Subtrati  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 350 350 350 350 350 350 350 350 350 350   | Land scree Maintenance Environmental Field (mitigation tencing) Protet & Patch Environmental Field (mitigation tencing) Protet & Patch Environment Constituted (mitigation) Silvery Seal Prakgmt Woodman Reimbussement Contingency Subtrat Land Improvements Bus Stops Intersection Improvements Patch Lighting Entry Monarment Major Dry Lillities Tyeneis Cotats Subtratal Assembles Subtrated Auto & Truck Expense Field Temporary Littles Temporary Littles Environment Water Field Control (Control Control Control Control Control Maintenance (Mitigation) Subtrated Auto & Truck Expense Field Control Expense Field Control Control Subtrated Subtr |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 950<br>950<br>950<br>950<br>950<br>977<br>977<br>980<br>980<br>980<br>980<br>980<br>980<br>980<br>980   | Land scape Maintenance Environmental Field (mritigation tencing) Protet & Parts Erreison & Dust Centrol Lines Transment Constitute appearance Surry Seal Preliging Construction Surry Seal Preliging Woodman Reimbussement Contingency Subtotal Land Improvements Bus Slope Intersection Improvements Pach Lighting Entry Moneyments Major Dry Lillities Tennis Courts Subtotal Antennities Indisect Supervision Offsite Assistant Auto & Truck Expense Sealthor Facilities Telephone Construction Water Field Office Expense Sealthor Facilities Ferdinance Field Office Expense Sealthor Facilities Fortigence Field Office Expense Sealthory Subrotal Infra Indirects Subtotal Moodman Management Fiee Sold Management Fiee Sold Management Fiee Sold Management Fiee Sold Management Fiee  |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 350 350 350 350 350 350 350 350 350 350   | Land scrpe Maintenance Environmental Field (mitigation teocing) Protest & Patch Envision & Cost Centrol Line Treatment Operations expenses Anides Construction Sturry Seal Prehigmt Woodman Reimbussement Contingency Subtrati Land Improvements Bus Stops Intersection Improvements Patch Updating Entry Monarcents Major Dry Utilities Transis Costs Subtration Auto & Truck Expense Reid Tamporary Malies Tensis Anide Truck Expense Reid Tamporary Millies Telephone Construction Water Reid Office Expense Reid Tamporary Millies Telephone Construction Water Reid Office Expense Subtrol Anide Anide Nides Equipment Reintels Equipment Reintels Equipment Reintels Subtrola Infra Indirects Subtrola Infra Indirects Subtotal Continued Indirects Subtotal Infra Indirects Subtotal Infra Indirects Subtotal Continued Indirects Subt |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 350<br>350<br>350<br>350<br>350<br>350<br>357<br>377<br>368<br>368<br>368<br>377<br>377<br>388<br>398<br>391<br>391<br>392<br>393<br>393<br>393<br>393<br>393<br>393<br>393   | Land scree Maintenance Environmental Field (mitigation tencing) Protet & Patch Environmental Field (mitigation tencing) Protet & Patch Environment Constituted (mitigation) Stury Seal Prakym Woodman Reimbursement Contingency Subtral Land Improvements Bus Stops Subtral Land Improvements Bus Stops Interaction Improvements Patch Lighting Entry Monaryment Major Dry Jillities Tymeis Cotats Subtral Ansembles Indiced Supervision Offsite Supervision Challe Assistant Auto & Truck Expense Field Temporary Littles Temporary Littles Environment Valen Environment End Office Expense Sanitation Facilities Environment Restate Servicent/Main-Temp Enclosures Michael Patrol Service Vandalam Subtotal Infra Infoleracts Subtotal Infra Infoleracts Subtotal Infra Infoleracts Subtotal Monarys Management Fee Sales & Management Fee   |  |  |                         |               |  |  |               |                |  |              |  |  |  |  |  |  |                |
| 350 350 350 350 350 350 350 350 350 350   | Landscape Maintenance Environmental Field (mritigation tencing) Point & Paris. Erresion & Dust Centrol Lime Treatment Consent expenses Scidge Construction Stury Seal Preliging Woodman Reimbussement Conflingency Subtorial Land Improvements Bus Slope Bus Slope Subtorial Land Improvements Path Lighting Entry Monuments Major Dry Utilities Typing Cotats Subtorial Antennièles Indised Supervision Orisite Assistant Auto & Truct Expense Sealthoria Expense Sealthoria Construction Credit Office Expense Sealthoria Construction Construction Water Credit Office Expense Sealthoria Construction Subtorial Introduction Subtorial Subtorial Sealthoria Expense Sealthoria Construction Water Credit Office Expense Sealthoria Sealthoria Subtorial Subcotal Mondants Subtotal Intra Indirects Subtotal Mondants Ausspersent Fee COP Management Fee COP Management Fee Selding Expenses  |  |  |                         |               |  |  |               |                |  |              | 33,480,000 \$                                    |  |  |  |  |  |                |

APPENDIX 1, EXHIBIT A. Project Costs East Garrison

| Cost                 |   | <del></del>                                      |               |  |  |  |  |             |                 |  | _               |  | _  |  |  |  |               |
|----------------------|---|--|---------------|--|--|--|--|-------------|-----------------|--|-----------------|--|--|--|--|--|---------------|
| Code                 | Description   | مند  | S Aug         | -05 Sep-   | OS Del   | 65 N-  | V-05 D   | oc-05       | Annual<br>Total | 1  |                 |  | 1  |  |  |  | (             |
| 2205                 | Planning/Architect                                      | 1333   | 1 77          | 30 300   | - 04   | ***  | 1-4-2   1  | 00-05       | 1 OIAI          | Jan-06   | Pab-0           | Mar-95   | Apr-0  | May-C  | 96 Jim-0   | 0 Just-106                                       | Aug-06        |
|                      | Landscape Architect                                     |  |               |  |  |  | -  |             |                 | <u> </u>   | <del> </del>    | +  | +-   | +  | +  | +  | <del> </del>  |
|                      | Civil Engineering Office                                | 4_   | ֈ             |  |  |  |  |             |                 |  |                 |  |  |  | 1  |  |               |
| 2225<br>2225         | Civil Engineering Field<br>Soils & Geology              | +  |               | _  | +  |  |  |             |                 |  | J               |  |  |  |  |  |               |
|                      | Utility (County Processing Fees)                        | +  | +             | +  | +  | <del></del>                                      |  |             |                 | -  | <b>├</b> ─      | +  | <del> </del> -                                   | <b>-</b>   |  |  | 1             |
| 235                  | Loyel Fees  | 1  |               |  | <del> </del>   |  |  |             | -               | <del>                                     </del> | ·               | +-   | +  | +  | <b>→</b> ·                                       | <del>-</del>                                     | <del></del>   |
| 240                  | Other Consultants                                       | 1  | <del>-</del>  |  |  |  |  |             |                 |  |                 |  |  | <del> </del>                                     | ~·†  | +-   | +             |
| 245<br>250           | Blueprints Economic Consultant                          |  | <del></del>   | +  |  | +  | _  | -L          |                 |  | $\downarrow =$  |  | 1  |  |  |  |               |
| 255                  | Public RelfMediat                                       | <del> </del>                                     | +-            | <del></del> -                                    | <del></del>  | <del></del>                                      |  |             |                 | ⊢—   | +-              | <del></del>                                      | ┦——  |  |  |  |               |
| 270                  | Environmental Consultants                               |  | . 1           | 1  | 1  |  | _  | -           |                 | <del></del>                                      | <del> </del>    | +  | +  |  | <del> </del>                                     | ~  | +             |
|                      | Subtotal Consultant                                     | F  | Ţ             |  |  |  |  |             |                 |  |                 | + -  |  | +  | 1  | <del></del>                                      | <del></del>   |
| 305<br>310           | Bonds Donath & Control                                  | <b>∤</b>   | +             |  | ┦—   |  |  |             |                 |  |                 |  |  |  |  |  |               |
|                      | Permits & Fees (Inspection Fees                         | <del>                                     </del> |               |  | +  | ╌├   | _  | -           |                 |  | ļ <u>.</u>      | <del></del>                                      |  |  |  |  |               |
|                      | Community Services (CSD formation)                      |  | 1             | <del>                                     </del> | _  | +  |  | -           |                 |  | <del> </del> -  | +  | +  | +  |  |  | ┿             |
|                      | County Facifiles (Town Center subsidy)                  |  |               |  |  |  |  | 二           |                 |  |                 | <del>                                     </del> | +  | +  | +  | +  | +             |
|                      | DRE Fees (School Fees)<br>Insurance (General Liability) | <del> </del>                                     | ┼—            | <del> </del>                                     |  |  | Щ.   | _           |                 |  |                 |  |  |  |  |  |               |
|                      | Historic District                                       | <del> </del>                                     | +             | +-   | _  |  | -  |             |                 |  | ├──             | -  | <del> </del>                                     | 4  | <del>-</del>                                     |  |               |
|                      | Other Fees (County Processing Fees)                     |  | Ť             | 1  | <del>                                     </del>   | <del>   </del>                                   | -  |             |                 |  |                 | <del> </del>                                     | +  | +  | +  | <del></del>                                      | +             |
|                      | Public Facilities                                       |  | $\Box$        |  |  |  |  |             |                 |  |                 |  | <del>                                     </del> | 1  |  | <del> </del>                                     | <del></del>   |
|                      | Special Assessment Fees (T.L. Loen)                     |  | ┼             | <del> </del>                                     | <del> </del>   | -  |  | _           |                 |  |                 |  | $\overline{}$                                    |  |  |  |               |
|                      | Affordable Housing Subsidy FORA Lean Interest           |  | +-            | +  | +  | +  | +  |             |                 | -  | <del></del>     | <del> </del>                                     | 1  | 4  | 4  |  | 1             |
| <b>985</b>           | HOA Fees (CFD Debt Service)                             | <u> </u>   | 1             | <del> </del> -                                   | 1  | <del> </del>                                     | +  | +           |                 |  | <del></del> -   | +  | <del>                                     </del> | +  | + -  | +  | +             |
|                      | FORA PLL Insurance                                      |  |               | $\perp$  | Ι  |  |  | 丁           |                 |  |                 | <u> </u>   | 1  | <del> </del>                                     | <del> </del> -                                   | 1  | +-            |
| 11                   | Subtotal Development Fees                               | <del>  -</del>                                   | +             | <del> </del>                                     | —  | +-   |  | I           | $\Box$          |  |                 |  |  |  |  |  |               |
|                      | Clearing Demo & Relocation<br>Rough Grading             | $\vdash$   | +-            | +  | + -  | +  |  |             | $\dashv$        |  |                 | <del>  _</del> _                                 | ļ  | <del></del>                                      | <del></del>                                      |  |               |
| 13                   | Dirt Export   |  |               | <u> </u>   | <u> </u>   | 1  | +-   | -           |                 |  | <del></del> -   | +  | <del>                                     </del> | +  |  | +  | <del> </del>  |
|                      | enors/Walts - Retaining                                 |  |               | $\Gamma$   |  | T  |  | 工           |                 |  |                 | 1. —   | †  | <del>                                     </del> | 1  | 1 –  | +             |
|                      | Ferices/Walls - Masonay<br>Senitary Server              | <u> </u>   | ├—            | +  | -  | 1  |  |             |                 |  |                 |  |  | Ĺ .  | L  |  |               |
|                      | Sewer Force Main  |  | $\vdash$      | +  | +-   | +  |  | +           | $\dashv$        |  |                 | <del>                                     </del> | <del> </del>                                     | <del> -</del>                                    | <del>                                     </del> | +  |               |
| 34 8                 | Sewer Refundable Deposits                               |  |               | 1  | $oldsymbol{ol}}}}}}}}}}}}}}}}$ | 1  |  |             | . +             |  |                 | +-   | <del> </del>                                     | -  | +  | +  | +             |
|                      | Storm Drain System                                      |  |               |  |  |  |  |             |                 | •  |                 | İ .  |  | 1  | <del> </del>                                     | +  | -             |
|                      | Horm Orain Force Main<br>Domestic Water System          |  |               |  | <b>-</b>   | ╂  |  |             |                 |  |                 |  |  | 1  |  |  |               |
|                      | Recycled Water  |  |               | +  | <del> </del>   | <del>                                     </del> |  | +           | -+              |  | -               |  |  | <del></del>                                      | -  | <b></b>  | <del></del>   |
| 96 [                 | Pornestic Weier Refund                                  |  |               |  |  |  | 1  | _1.         |                 |  |                 | i  | ļ  | +  |  | +  | <del> </del>  |
|                      | Airb & Guiters  |  |               | ļ  | ļ. —   |  |  |             |                 |  |                 | L  |  | <u> </u>   | +-   | <del>                                     </del> | <del></del>   |
|                      | idevells & Approaches<br>treat Improvements             |  |               | <del></del>                                      | <del>  -</del>   | +  | -  |             |                 |  |                 |  |  |  |  | I  |               |
|                      | triping   |  |               | <del> </del>                                     | <del> </del>   | +  |  | _           | -+              |  |                 | <u>.                                    </u>     |  | <b>!</b>   | ļ  |  | <u> </u>      |
| 72 S                 | West Signs & Profective Dev.                            |  |               | 1  |  | Ì  |  | 1           |                 |  | ••              |  |  | <del> </del>                                     | <del> </del>                                     |  | <del>├─</del> |
|                      | ORA Fee   |  |               | <u> </u>   | ļ  |  |  |             |                 |  |                 |  |  |  | <u> </u>   | †  |               |
|                      | ORA Reimbursement (CIP)  imbursements - Others          |  |               | <b>├</b> —                                       | <b>-</b>   | !  | +  |             |                 |  |                 |  |  | ļ  |  |  |               |
|                      | ORA Reimbursement (Demo)                                |  |               | <del> </del> -                                   | <del> </del>   | ┿  | +  | +           | -+              |  |                 |  | _  | -  | <del> </del>                                     | <del>├</del>                                     | <del> </del>  |
| 7 1                  | rattic Signats  |  |               |  | 1  |  |  |             |                 |  |                 | i  |  |  | <del>                                     </del> | <del></del>                                      | <del></del>   |
|                      | titty Treaching<br>treat Lights & Treffic               |  |               | <del>                                     </del> |  | 1  |  | $\Box$      |                 |  |                 |  |  |  |  |  |               |
|                      | GRE Retundable Deposits                                 |  |               |  | <del>                                     </del>   | +  | +  |             |                 | -  |                 |  |  | · · · · · · · · · · · · · · · · · · ·            |  |  |               |
| 2 U                  | endscape  |  |               |  | <u> </u>   |  | 1  | 1           | $\overline{}$   |  |                 |  |  |  | <del>                                     </del> | <del> </del>                                     |               |
|                      | mincape Maintenance                                     |  |               | <u> </u>   |  |  |  |             |                 |  |                 |  |  |  |  | <del>                                     </del> |               |
|                      | wironmental Field (miligration fencing) sint & Patch    |  |               |  | -  | <del> </del>                                     | +-   | <del></del> |                 |  |                 |  |  |  | ļ  |  |               |
|                      | opion & Dust Control                                    |  |               |  | <u> </u>   | <del> </del> -                                   | +  | +           | $\overline{}$   | <del></del>                                      |                 |  |  |  |  | <del>                                     </del> |               |
|                      | ne Treakment  |  |               |  |  |  |  |             |                 |  |                 |  |  |  | <del> </del>                                     |  |               |
|                      | perational expenses                                     |  |               | -  |  | ļ  |  |             |                 |  |                 |  |  |  |  |  |               |
|                      | ringe Construction unry Seal                            | -+   |               |  |  |  | +  | +-          | $-\!\!\!\!+$    | -+   |                 |  |  |  | <u> </u>   |  |               |
| P                    | Agmt Woodman Reimbursement                              |  |               |  |  |  | +  | 1           | $\dashv$        |  |                 |  |  |  | <del>                                     </del> | <del></del>                                      |               |
| 2 0                  | intingency  |  |               |  |  |  | <u> </u>   |             |                 |  |                 | _ +  |  |  | <del> </del>                                     |  |               |
| 5 Bu                 | Subtotal Land Improvements s Steps                      |  |               |  |  |  | 1 -  | +           |                 |  |                 | =  |  |  |  |  |               |
|                      | ersection Improvments                                   |  |               |  |  | <del> </del>                                     | <del> </del>                                     | +           | $\dashv$        |  |                 |  |  | _  | _  |  |               |
| Pa                   | th Lighting   |  |               |  |  |  |  |             |                 | <del>+</del>                                     | +               |  |  |  | <del>                                     </del> |  |               |
|                      | try Monuments Major                                     |  |               |  |  |  |  |             |                 |  |                 |  |  |  | L  |  |               |
|                      | / Utilities   |  | -             |  |  |  |  |             |                 | <u> </u>   |                 |  |  |  |  |  |               |
| 1.                   | Subtotal Amenities                                      |  | -             |  |  |  | +-   | +           | -               |  |                 |  | -  |  |  |  |               |
|                      | irect Supervision                                       |  |               |  |  |  |  |             |                 | _+   |                 | 1  | <del></del>                                      |  |  |  |               |
|                      | Kite Assistant  |  |               |  |  |  |  |             |                 |  |                 | = = = = = = = = = = = = = = = = = = =            |  |  |  |  |               |
|                      | io & Truck Expense                                      |  |               |  |  |  | ├  | +           | +               |  |                 | T  |  |  |  |  |               |
|                      | eprione   | -+   |               | +  |  |  | <del>                                     </del> | ┪┈          | +               | -+   |                 |  |  |  | <u> </u>   |  |               |
| Çe                   | nstruction Water  |  |               |  |  |  |  | <u> </u>    |                 | _ +  | <del></del>     |  |  |  |  |  |               |
| Fie                  | d Office Expense  |  |               |  |  |  |  | $\Box$      | $\neg$          |  |                 |  |  |  |  |  |               |
|                      | itation Facilities i present Rentals                    |  |               |  |  |  | <u> </u>   | +           |                 | - T  |                 | T  | $\Box$   |  |  |  |               |
|                      | ces/Walls-Temp Enclosures                               |  | $\rightarrow$ | <del>-  </del>                                   | -  |  | <del> </del>                                     | +-          | +               | -  | <del></del> -}- |  |  |  | — I  |  |               |
| ) Alb                | t, Expenses   |  |               |  |  |  |  | 上一          | _               |  | <del>+</del>    | -  |  |  | <del>  </del>                                    |  |               |
|                      | anup/Sweeping   | 工  |               | ユゴ   |  |  |  | Γ.          |                 | $\Box$   |                 |  |  |  |  |  |               |
|                      | rd 8 Patrol Service                                     | <del> </del> -                                   |               | $\dashv$   |  |  | <del> </del> -                                   | 1           | <b>↓</b>        |  | 一丁              | T  |  |  |  |  |               |
| +-                   | Subtotal Infra Indirects                                |  | -+            | <del>+</del>                                     |  |  | $\vdash$   | +           |                 |  |                 |  | <del>-  </del>                                   |  | I  |  |               |
|                      | lotal   |  |               | +  | <del></del> +  |  |  | ╁           |                 | -+   | <del>- +</del>  | <del>-</del>                                     | <del></del>                                      |  |  |  |               |
| Wo                   | odmen Management Fee                                    |  |               |  |  |  |  |             | 士               |  | +               | <del></del>                                      |  | -  |  |  |               |
| ٠.                   | Management Fee  | -  | <b>—</b> —-   |  |  |  |  |             | 工               |  |                 |  |  |  |  |  |               |
| EGF                  |   |  |               | - 1  | - 1  |  |  | 1           | - 1             | T  |                 |  |  |  |  |  |               |
| EGI<br>See           | s & Marketing   | -+-  | $\rightarrow$ |  | $\rightarrow$  |  |  |             |                 | <del></del>                                      |                 |  |  |  |  |  |               |
| EGI<br>Sete          | Coat  | +  | _             | $\neg$   |  |  |  |             | $\perp$         |  |                 |  |  |  |  |  |               |
| Sete<br>Lune<br>Pres | Cost  only Texes  ing Expenses                          |  |               | 360,000  |  |  |  |             |                 |  |                 |  |  |  |  |  |               |

APPENDIX 1, EXHIBIT A. Project Costs East Garrison

| Cost         |   |  | _  |   |              | Annu   |  |  |  | $\top$   | Ι  |  |  |  |  |
|--------------|---|--|--|---|--------------|--|--|--|--|--|--|--|--|--|--|
|              | Description Planning/Architect  | Sep-0  | 6 Oct-   | 16 Nov-0  | 3 Dec-0      | a Total  | Jan-07   | Feb-07   | 7 Mar-0  | 7 Apr-07   | May-07   | "Junj-Qi   | 7 Jul-07   | Ateg-07  | Sop-07   |
| 2210         |   |  |  |   |              |  |  | <del></del>                                      | +  | +  | +  | + —  | +  | +  |  |
| 2215         |   |  |  |   |              |  | 1  | 1  |  |  |  |  |  |  | _  |
| 2226         |   |  |  | -   | +            |  |  | +  |  |  |  |  |  | $\perp$  | lacksquare                                       |
| 2230         | Utility (County Processing Fees)  | ╅┈   | 1  | <del></del>                                       | +            | +  | <del> </del>   | <del></del>                                      | 1-   | <del></del>                                      |  | <del></del>                                      | <del> </del>                                     | _  |  |
| 2236         | Legal Fees  |  |  |   |              |  |  | 1  |  |  |  | 1  |  |  | 1  |
| 2245         |   | <del>-</del>                                     | -  | _   | -            |  | -  |  | <del>- </del>                                      |  | -  | <del> </del>                                     |  | +  |  |
| 2250         | Economic Consultant   | +  |  | <del>                                     </del>  | +            | +  |  |  | +  | +  |  | +  | + -  | -  | ļ  |
| 2255         | Public RetMarket  |  |  |   |              |  |  | +  |  | ~  | +  | +  | 1  | <del></del>                                      | 1  |
| 7770         | Environmental Consultants   |  |  |   |              |  | 1  | ļ  |  |  |  |  |  |  |  |
| 2305         | Subtotal Consultar  | 15   |  |   | +            | ┿-   | -  | +  | +  | <b>-</b>   | +  |  | +  | <u> </u>   | <u> </u>   |
| 2310         |   |  |  |   | <b>†</b>     | 1  | _  | 1  | +  | +  | - <del> </del>                                   |  |  | ┿  | <del> </del>                                     |
| 2316         | Inspection Facs   |  |  |   |              |  |  | 1 _  |  |  |  |  |  |  |  |
| 2320<br>2325 | Community Services (CSD formation)  County Facilities (Town Center subsidy) | -  | ļ <u>.</u>                                       |   | <del></del>  | <del> </del>                                     | <u> </u>   | -  |  |  | <del> </del>                                     | <del>                                     </del> |  |  |  |
| 2345         | ORE Fees (School Fees)  | _  |  |   | +            | +  | +  | +  | +  | +  | +  | +-   | <del></del>                                      | + .  | <del> </del> .                                   |
| 2356         | Insurance (General Liability)   |  |  | <u> </u>  |              |  |  | 1  |  |  | <b>—</b>   | †  | 1  | +  | 1  |
| 2360         | Historic District   | -  |  |   |              | ļ  |  | ļ  |  | _  |  |  |  |  |  |
| 2365<br>2367 | Other Fees (County Processing Fees) Public Pacifiles                        |  |  | <del> </del>                                      | +            | +  | -∤…—   | 1  | +  | <del>-  </del> -                                 | · <del> </del> · · · · ·                         | <del>                                     </del> |  | +  | <b>├</b>   |
| 2370         | Special Assessment Fees (T.I. Loan)   | <del>                                     </del> | -  | +   | +            | +  | +  | <del> </del>                                     |  | +  |  | <del> </del>                                     |  |  | <del>                                     </del> |
| 2375         | Affordulate Housing Subsidy   |  | 1  |   |              |  |  |  | $\perp$  | $\perp$  |  | <u> </u>   | ユー   | <u> </u>   |  |
| 2300         | FORA Lean Interest  | 1  | <del>-</del>                                     |   |              |  |  | $\perp$  |  |  |  |  |  |  |  |
| 2385<br>2380 | HOA Fees (CFD Debt Service)   | <del> </del>                                     | +-   | +   | +-           | +  | +  | +  | +-   | +  | ļ  | <del></del>                                      |  | <b></b>  |  |
| Ë            | Subtotal Development Fee  | *  | +  | -   | 1            | <del></del>                                      |  | 1  | +-   | <del> </del>                                     | +  | +  | +  | +  | +  |
| 2411         | Clearing Demo & Relocation  | 1  |  |   |              | 1  | $oldsymbol{ol}}}}}}}}}}}}}}}}$ |  | <u> </u>   |  | <u> </u>   | 1  | <u> </u>   | $\overline{}$                                    | <del>                                     </del> |
| 2412         | Rough Grading   | <del> </del>                                     | 4  |   | ļ            | 1  | $\perp$  | 1  |  |  |  | 1  |  | 1  |  |
| 2413<br>2421 | Dirt Export Feaces/Wells - Retaining  | +  | +-   |   | +            | +  | +  | 1  | <del> </del>                                       | +  | 1  | <del>                                     </del> |  |  | -  |
| 2422         | Fences/Walls - Masonry  | 1  | 1  | <del> </del>                                      | <del>1</del> | +  | + -  | +  | 1  | +  | + -  | <del></del>                                      | +  | <del> </del>                                     | <del></del>                                      |
| 2431         | Santary Sewer   |  |  |   | 1            |  |  | <b>.</b>   |  |  | 1  | Í  | +  | <del>                                     </del> | <del></del>                                      |
| 2432         | Sever Force Main  | ļ  |  |   |              |  |  |  |  |  |  |  |  |  |  |
| 2434<br>2440 | Sewer Rafundable Deposits Storm Drain System                                | +  | +  | +   | +            | +  | +  | 1  | +  | +  | <del> </del>                                     | -  |  | <del>-</del>                                     | <del> </del>                                     |
| 2442         |   |  | <del>                                     </del> | <del></del>                                       | +            | <del>-</del>                                     | ╂  | +  | 1  | <del> </del>                                     |  | <del>                                     </del> | +  | <del></del>                                      | -  |
| 2480         | Domestic Water System   | T  | 1  |   |              | 1  |  |  |  |  | L  |  | 1.   | $\overline{}$                                    | <del></del>                                      |
| 2463         | Recycled Water  | <del>                                     </del> | 4  | $\perp$   | ļ            |  |  | 1  |  |  |  | ļ  |  |  |  |
| 2466<br>2471 | Domestic Water Refund  Curb & Gutters                                       | 1  | + -  | +   | 1            | -  | <del> </del>   | <del>                                     </del> | <del> </del>                                       |  |  |  | <del> </del>                                     |  | <u> </u>   |
|              | Sidewells & Approaches  |  | 1  | _   | <del> </del> | <del> </del>                                     | +  | <del>                                     </del> | 1  | <del>                                     </del> | <del>                                     </del> | <del> </del>                                     | +  | ┼  | <del> </del>                                     |
| 2480         | Street Improvements   |  |  | 1   | <u> </u>     |  | 1  |  | 1  |  | †  |  | <del> </del>                                     | <del>                                     </del> |  |
|              | Striping  | <del>                                     </del> |  |   | -            | <b> </b>   | 1  |  |  |  |  |  | L.,  |  |  |
|              | Street Signs & Protective Dev. FORA Fee:                                    | <del>                                     </del> | +  | <del>                                      </del> | +            | <del> </del>                                     | <del> </del>   |  | ╄  |  |  |  | <del>-</del>                                     |  |  |
|              | FORA Reimbursement (CIP)  | <del> </del>                                     | +  | ╅   | <u> </u>     | <del> </del>                                     | 1  | <del> </del>                                     | <del></del>  | +  | <del>                                     </del> |  | <del>                                     </del> | <del>                                     </del> |  |
| 2502         | Reimbersements - Others   |  | 1  |   | İ            |  | <u> </u>   | t  | 1  | 1  | <u>-</u>   |  | <b>†</b>   | <del> </del>                                     |  |
|              | FORA Reimbursement (Demo)   | ļ  |  | -   |              |  |  |  |  |  |  |  |  |  |  |
|              | Traffic Signals Utility Transhing   | <del>                                     </del> | +  | ┼   | <del>├</del> | ·}   | <del> </del>   |  | ·  |  |  |  | <del>  -</del>                                   |  |  |
| 2512         | Street Lights & Traffic   |  | 1  | <del></del>                                       | <b>i</b>     | ĺ  | <del>1</del>   |  | <del>†                                      </del> | 1  |  |  | <del>† -</del>                                   |  |  |
|              | PG&E Refundable Deposits  | <u> </u>   |  |   |              |  |  |  |  |  |  |  |  |  |  |
| 2532<br>2533 | Landscape Maintenance   | ļ  | +  | +   | <del> </del> |  | ╄  | ļ  | <u> </u>   | <b>.</b>   |  |  |  |  |  |
|              | Environmental Field (mitigation fencing)                                    |  | 1  | <del> </del>                                      | <del></del>  | <del> </del>                                     | ļ  |  | <del>                                     </del>   | +  |  |  | ┼  |  |  |
| 2550         | Point & Palch   |  |  | <b></b>   |              | t.   | İ  |  |  |  |  |  | t -  |  |  |
|              | Erusion & Dest Control  | ļ  |  | <del>-</del>                                      |              |  | 1  | _  | ļ  |  |  |  |  |  |  |
| 2561<br>2575 | Line Treament Operational appenses  | <del>                                     </del> | 1  | <del> </del>                                      |              | <del>}</del>                                     | <del> </del>   | ļ  |  | <b></b>  |  |  | <del>-</del>                                     |  |  |
|              | Bridge Construction   |  |  | <del>                                     </del>  |              | †  | <del>                                     </del>   |  |  | <u> </u>   | +  |  | 1  |  |  |
| 2579         | Skurry Seal   |  |  |   |              |  |  |  |  |  |  |  |  |  |  |
|              | PreAgmit Woodman Relimbursement   | -  | <del>  -</del>                                   | <del>                                     </del>  |              |  | <del>                                       </del>   |  |  |  |  |  | <del> </del>                                     | L  |  |
|              | Confingency Subtotal Land Improvements                                      | -  | $\vdash$   | <del> </del>                                      |              | <del> </del>                                     | <del> </del>   |  | <del> </del>                                       | <del>                                     </del> |  |  | +  |  |  |
| 606          | Bus Stops   |  |  | <u> </u>  | L            |  |  |  | <del>                                     </del>   | 1  |  |  | <del>  </del>                                    | <del>  </del>                                    |  |
|              | Intersection improvments  |  |  | $\perp$   |              |  | ļ  |  |  |  |  |  |  |  |  |
|              | Path Lighting<br>Entry Movements Major                                      | ļ  | -  | <del> </del>                                      |              | <u> </u>   | ļ  |  |  |  | I  |  |  |  |  |
|              | Entry Movements Major Dry Utilities   |  | <del> </del> -                                   | <del>                                     </del>  |              | <del>                                     </del> | <del>                                     </del>   |  | <del></del>  | <del>                                     </del> |  |  | <del> </del>                                     |  |  |
|              | Tennis Courts   |  |  |   |              |  |  |  |  | <u>†</u>   |  |  | <del>                                     </del> |  |  |
|              | Subtotal Amenities  |  |  |   |              |  | L. 1   |  |  | 1  |  |  |  |  |  |
|              | Indirect Supervision Offsite Assistant                                      |  | <del> </del>                                     | <del>  </del>                                     |              | <b>-</b>   | <del>  </del>  |  | ļ  |  |  | -  | $\Box$   |  |  |
|              | Auto & Truck Expense  |  | <del> </del>                                     | † †   |              |  |  |  |  | <del>  </del>                                    |  |  | <del>                                     </del> | <u></u>  |  |
| 722          | Field Yemporary Utilities   |  |  |   |              |  |  |  |  | <u>_</u>   |  |  | -  |  |  |
|              | Célephone   |  |  |   |              |  |  |  |  |  |  |  |  |  |  |
|              | Construction Water  |  |  | <del>                                     </del>  |              | <u> </u>   | <del>                                     </del>   |  |  |  |  |  |  |  |  |
|              | Field Office Expense<br>Sanitation Facilities                               |  | — · -  |   |              |  | <del></del>  |  |  |  | <del></del>                                      |  | <del>  </del>                                    |  |  |
| 736          | Equipment Rentals   |  |  |   |              |  | †  |  |  |  |  |  | <del></del>                                      |  |  |
| 738          | ences/Walls-Temp Enclosures   |  |  |   |              |  |  |  |  |  |  |  |  | +  |  |
|              | Macaniti manina   |  |  | <del>                                     </del>  |              |  |  |  |  | $\Box$   |  |  | $\Box$   | $\Box$   |  |
|              | Stanue/Sweeping<br>Stand & Patrol Service                                   |  |  |   |              |  | <del>     </del>   |  |  | <b></b>  | <del></del>                                      |  | <del> </del>                                     |  |  |
|              | /andalism   | 1  |  |   |              |  | <del></del>  |  |  | + +  | +  |  | <del></del>                                      |  |  |
|              | Subtotal Infra Indirects  |  |  |   |              |  | · ·  |  |  |  |  |  |  |  |  |
|              | bibtotal  |  |  |   |              |  |  |  |  |  |  |  |  |  |  |
|              | Voodman Marregement Fee<br>GP Management Fee                                |  |  |   |              |  |  |  |  |  |  |  |  | T  |  |
|              | ales & Marketing  |  |  | -   |              |  | +  | +  |  | -  |  |  | <del></del> -                                    | <del></del>                                      | <del></del>                                      |
|              | and Cost  |  |  |   |              |  |  |  |  | <del></del>                                      |  |  | -  | <del>+</del>                                     |  |
|              | roperty Yaxes   |  |  |   |              |  |  |  |  |  |  |  |  |  |  |
| - 18         | effing Expenses   | \$945 AA   | 6 E 42 mar-                                      | *****************                                 | 100 335      | 648.84   |  |  |  | Ţ  |  |  |  |  |  |
|              | Grand Total   | \$840,000  | \$840,000  | \$646,000   | 3000, DP-0+6 | \$10,080,008                                     | \$3,000,000  | \$3,000,000d                                     | \$3,000,000  | \$3,000,000                                      | 23,000,000                                       | 1,000,000  | \$3,000,000                                      | \$3,000,0001 :                                   | 3,000,000  |

APPENDIX 1. EXHIBIT A. Project Costs East Ganison

|              | er contison                                   |  |  |  |  |  |  |  |  |  |                  |                |                 |                   |              |
|--------------|---|--|--|--|--|--|--|--|--|--|------------------|----------------|-----------------|-------------------|--------------|
| Co           | ±   |  |  |  | Armusi   | T  |  | 1  | T  | T  | 1                | T              | T               | ·                 | T            |
|              | e Description                                 | Oct-I  | 17 Nov-  | 97 Dec-07  | Total  | Jan-08   | Feb-08   | Mar-06   | Apr-08   | May-06   | Jun-04           | 101-08         | Aug-08          | Sep-06            | Oct-08       |
|              | 5 Planning/Architect                          |  |  | <u> </u>   |  |  |  |  |  |  |                  |                |                 |                   | i —          |
| 221          |   |  |  |  |  | <del> </del>                                     |  |  |  |  | L                |                |                 |                   |              |
| 221          |   |  |  | +  | <del></del>                                      | <del>                                     </del> | +  | <b>├</b>   | 1  |  | ļ                | ,              |                 |                   |              |
| 222          |   | +  | +-   |  | <del> </del> -                                   | <del> </del>                                     | <del></del>                                      | ·  | <b>⊹</b>   | 1  |                  | <del> </del>   |                 |                   |              |
| 223          |   | <del>                                     </del> | 1  |  | +  | +  | <del>                                     </del> | +  | <del>!                                    </del> | ┼──  | <del> </del>     |                | <del> </del>    |                   |              |
| 223          |   |  |  |  | <del>                                     </del> | <del> </del>                                     | · · · · · · · · · · · · · · · · · · ·            | <del> </del>                                     | <del> </del>                                     | +  |                  |                | <del></del>     | -                 | <del> </del> |
| 224          |   | 1  |  |  | <u></u>  |  | †  | †  | <del>                                     </del> | 1  |                  |                | ·               |                   |              |
| 224          |   |  |  |  |  |  |  |  | ]  |  |                  |                |                 |                   | _            |
| 225          |   |  |  |  | <u>↓</u>   |  | 1.   |  |  |  |                  |                |                 |                   |              |
| 225          |   | _  |  |  |  |  |  |  | ļ  |  |                  |                |                 |                   |              |
| 2270         | Environmental Consultants Subtrotal Consultan |  |  |  | -  | <u> </u>   | <u> </u>   | <u> </u>   | ļ  | <del></del>                                      |                  |                |                 |                   |              |
| 2305         |   | 25   | _  |  | <del></del>                                      | <del> </del> -                                   | ļ. ———   | <del> </del>                                     | <del> </del> -                                   | <del> </del>                                     |                  |                |                 |                   |              |
| 2310         |   |  |  | <del></del>                                      | †  | <del>                                     </del> | <del> </del>                                     | <del>                                     </del> |  | <del> </del>                                     | <del> </del>     |                |                 |                   |              |
| 2311         |   | 1  | <u> </u>   | <del></del>                                      | <del>                                     </del> | <del> </del>                                     | <del>                                     </del> |  |  | †  | _                |                |                 | <u> </u>          |              |
| 2320         |   |  |  |  | 1  |  | <u></u>  |  |  | <del>                                     </del> |                  |                |                 |                   |              |
| 2324         |   |  |  |  |  |  |  |  |  | İ  |                  |                |                 |                   |              |
| 2345         |   |  |  | _ <b>-</b> }                                     | <b>├</b>   | <u> </u>   | <u> </u>   |  |  |  |                  |                |                 |                   |              |
| 2356         |   | +  | -  | -  | 1  | <del> </del>                                     | <del> </del>                                     | ļ  |  |  |                  |                |                 | _                 |              |
| 2355         |   | +  | +  | <del>-                                    </del> | <del>                                     </del> | <del>                                     </del> | <del>!</del> -                                   |  | ├  | 1  |                  |                |                 |                   |              |
| 2357         |   | -  |  | <del></del>                                      | <del> </del>                                     |  | <del>                                     </del> | <del> </del>                                     | ·  |  |                  | _              | _               |                   |              |
| 2370         |   | 1  |  | 1  |  | <u> </u>   |  | <del>                                     </del> |  | <del>                                     </del> |                  |                |                 |                   | <del></del>  |
| 2375         | Affordable Housing Subsidy                    |  |  |  |  |  | <u> </u>   |  |  |  |                  |                | _               |                   |              |
| 2380         |   |  |  |  |  | Ц  |  |  |  |  |                  |                |                 |                   |              |
| 2385         |   | +  |  |  | <u> </u>   | ļ  | <u> </u>   |  | ,  | ļ  |                  |                |                 | 1                 |              |
| 2390         | FORA PLL Insurance Sublictal Development Fee  |  | +-   | +  | <del>                                     </del> | <u> </u>   | <u> </u>   |  |  |  |                  |                |                 |                   |              |
| 2111         |   | +  | <del> </del>                                       | <del>- </del>                                    | <del> </del>                                     | <b></b>  |  |  |  |  |                  |                |                 |                   |              |
| 2412         |   | 1  | +  | +-   | 1  | <del>-</del>                                     | _  |  |  | <del>   </del>                                   |                  | <del>_</del>   |                 | $\longrightarrow$ | _            |
| 2413         | Dirt Export                                   | I  |  | <u> </u>   | <u> </u>   |  |  |  |  | $\vdash$   |                  |                | 1               | <del>- 1</del>    |              |
| 2421         | Ferces/Walls - Retaining                      |  |  |  |  |  |  |  |  |  |                  |                |                 | <del></del> f     |              |
| 2422         |   |  |  |  |  |  |  |  |  |  |                  |                |                 |                   |              |
| 2431         | Sanitary Seven                                | +  | +  |  | oxdot  |  |  |  |  |  |                  |                |                 |                   |              |
| 2432<br>2434 | Sewer Force Main Sewer Refundable Doposits    | <del> </del>                                     | +  | <del></del>                                      | <del> </del>                                     |  | <b> </b>   |  |  | <b>├</b>   | ]                |                |                 |                   |              |
| 2440         |   | +  | +  | <del> </del>                                     | <del>                                     </del> |  | _  |  |  |  |                  |                |                 |                   |              |
| 2442         |   |  | <del></del>  |  | · · · · · ·                                      |  |  |  |  |  |                  |                |                 |                   |              |
| 2460         |   |  | 1  | 1 -  | t  |  |  |  |  |  |                  |                |                 |                   |              |
| 2453         | Recycled Water                                |  |  |  |  |  |  |  |  | 7  |                  | <del>- i</del> |                 |                   |              |
| 2468         |   | -  | ļ <u> </u>   |  |  |  |  |  |  |  |                  |                | Ì               |                   |              |
| 2471         | Curb & Gutters                                | <del> </del>                                     | <del></del>  | <del> </del>                                     | [  |  |  |  |  |  |                  |                |                 |                   |              |
| 2472<br>2480 |   | <del> </del> -                                   | +  | +  |  |  |  |  |  |  |                  |                |                 |                   |              |
| 2491         |   | <del>                                     </del> | <del>†                                      </del> | + -  | $\vdash$   |  |  |  |  |  |                  |                |                 |                   |              |
| 2102         |   | $\vdash$   | _  | 1  |  |  | I  |  |  | +  |                  |                |                 | -                 |              |
| 2501         |   |  |  |  |  |  |  |  | -  | <del></del>                                      |                  | $\neg$         | -               |                   |              |
|              | FORA Reimbursament (CIP)                      |  |  |  |  |  |  |  |  |  |                  |                | $\neg$          |                   |              |
|              | Reimbursements - Others                       | <u> </u>   |  | <del></del>                                      |  |  |  |  |  |  |                  |                |                 |                   |              |
|              | FORA Reinbursement (Demo)                     | <del></del>                                      | +  | +  |  |  |  |  |  |  |                  |                |                 |                   |              |
|              | Traffic Signals Utility Transpiring           | <del> </del>                                     | +  | + -  |  | +  |  | -  |  |  |                  |                | -+              |                   |              |
| 2512         | Street Lights & Traffic                       | <del> </del>                                     | <del>                                     </del>   | <del>                                     </del> |  |  |  |  |  |  | -                |                |                 |                   |              |
| 2621         | PGSE Returdable Deposits                      |  |  |  |  | _  |  | <del> </del>                                     |  | +  |                  |                |                 |                   |              |
| 2532         | Landscape                                     |  |  |  |  |  |  |  |  |  |                  |                | -               |                   |              |
| 2533         | Landscape Maintenance                         | <u> </u>   |  |  |  |  |  |  |  |  |                  |                |                 |                   |              |
| 2536         | Environmental Field (mitigation tending)      | <u> </u>   | . <del> </del>                                     | 1  |  |  |  |  |  |  |                  |                |                 |                   |              |
| 2560<br>2560 | Point & Patch<br>Erosion & Dust Control       | <del>                                     </del> | +  | +  |  |  |  |  |  |  |                  |                | -               |                   |              |
| 2561         | Lime Treatment                                |  |  | + +  | -+   | - 1  |  |  | <del></del>                                      |  |                  |                |                 | -                 |              |
| 2575         | Operational expenses                          |  |  |  |  |  |  |  |  |  | -                |                |                 |                   | _            |
| 2578         | Bridge Construction                           |  |  |  |  |  |  |  | 1  | +  |                  |                |                 |                   |              |
|              | Storry Seal                                   | <u> </u>   | <del> </del>                                       | $\vdash$   |  |  |  |  |  |  |                  |                |                 |                   |              |
|              | PraAgrat Woodman Reimburserners               | <del>  -</del>                                   | -  | <b>├</b> ──┤                                     |  |  |  |  |  |  |                  |                |                 |                   |              |
| 2580         | Contingency Subtotal Land Improvements        |  | <del> </del>                                       | <del>├ -</del>                                   |  |  |  |  |  |  |                  |                |                 |                   |              |
| 2605         | Bits Stops                                    |  | <del> </del> -                                     | 1 1  |  | +  |  |  |  |  |                  |                | <del></del>     |                   |              |
|              | Intersection Improvments                      |  | 1  | 1  |  |  |  |  | -+   | +  | +-               | <del></del>    | <del>- +</del>  | -+                |              |
| 2626         | Path Lighting                                 |  |  |  |  |  |  |  |  |  | 1                |                |                 | <del></del>       |              |
|              | Entry Monuments Major                         |  |  | ļI   |  |  |  |  |  |  |                  |                |                 |                   |              |
|              | Ory Utilities                                 |  | <del> </del>                                       | <b>↓</b>   |  |  |  |  |  |  |                  |                |                 |                   |              |
| 2641         | Terris Courts<br>Subjects Amenities           |  | -  | <del>├</del> -                                   | <del></del>                                      |  |  |  |  |  |                  |                | $\Box$          |                   |              |
| 2712         | indirect Supervision                          |  | <del>                                     </del>   | <del>                                     </del> | <del></del>                                      | +  | <del></del>                                      | <del>+</del>                                     |  |  |                  | <del></del>    |                 |                   |              |
|              | Offsite Assistant                             |  |  |  |  | -  |  |  | $\rightarrow$                                    |  | +                | $\overline{}$  | <del>  </del> - | <del></del> +     |              |
|              | Auto & Truck Expense                          |  |  |  |  |  |  |  | _ +  |  | -+               | <del> -</del>  |                 |                   |              |
| 2722         | Field Temporary Utilities                     |  |  |  |  |  |  |  |  |  |                  |                |                 |                   |              |
|              | Telephone                                     |  |  | <u> </u>   |  |  | $\Box$   | $\Box$   |  |  |                  |                |                 |                   |              |
|              | Construction Water                            |  | <del>                                     </del>   | $\vdash$   |  |  |  |  |  |  |                  |                | $ \Box$         |                   |              |
|              | Field Office Expense  Basilistion Facilities  |  | <del> </del>                                       | <del></del>                                      | -  |  |  |  |  |  |                  | <b>—</b> ∓     |                 |                   |              |
|              | Equipment Perties                             |  | <del>                                     </del>   | <del>                                     </del> | <del>- +</del>                                   | <del></del>                                      |  | <del></del>  -                                   |  |  | ·                | <del></del>  - | ——— <u>—</u>    |                   |              |
|              | Fences/Walls-Temp Enclosures                  |  |  | <del> </del>                                     | <del>-  </del>                                   | <del></del>                                      | +  | +  | <del></del>  -                                   | +-   | <del></del>      | <del></del>    |                 |                   |              |
| 2740         | Misc. Expenses                                |  |  |  |  | $\overline{}$                                    |  | <del></del>                                      | -  |  | <del>-  </del> - |                | · <del> -</del> |                   |              |
| 742          | Cleanup Sweeping                              |  |  |  |  |  |  |  | -  |  | $\overline{}$    | -+             | -+              | $\rightarrow$     |              |
| 744          | Grant & Patrol Service                        |  |  |  |  |  |  |  |  |  |                  |                |                 |                   | <del></del>  |
| 747          | Vaqdalism                                     |  |  |  |  |  |  |  |  |  |                  |                |                 |                   |              |
| _            | Subtotal Infra Indirects                      |  |  |  |  |  |  |  |  |  | T.               |                |                 |                   |              |
|              | Subtatel Woodman Management Fee               |  | <u> </u>   | <u> </u>   |  |  |  |  |  |  |                  |                |                 |                   |              |
|              | SGP Management Fee                            |  |  | +  | -+   | -+   | -+   |  | -+   |  | -+               |                |                 |                   |              |
|              | Sales 5 Marketing                             |  |  | · · · · <del>-  </del>                           |  | -+   | -+   | <del></del>                                      | <del></del> - -                                  |  |                  |                |                 |                   |              |
|              | Land Cost                                     |  | -  | +  | -+   | -+   | $\overline{}$                                    | - +  | -+   | <del>-  </del>                                   | -+               | -+             | -+              |                   |              |
|              | Property Taxas                                |  |  |  |  | $\overline{}$                                    |  | $\overline{}$                                    | -  | -+   |                  | -+             | <del>- +</del>  | -+                |              |
|              | Selling Expenses                              |  |  |  |  |  |  |  | -  |  |                  |                | -+              |                   |              |
|              | Grand Total                                   | \$3,000,000                                      | \$3,000,000  | \$3,000,000 \$                                   | 36,000,000 \$3                                   | ,200,000 \$                                      | 1,200,000 S                                      | ),200,000 St                                     | s,200,000 S                                      | 3,200,000 \$3                                    | ,200,000 53      | ,200,000 \$    | ,200,000 53     | 200,000 53        | ,200,000     |
|              |   |  |  |  | -  |  |  |  |  |  |                  |                |                 |                   |              |

APPENDIX 1. EXHIBIT A. Project Costs East Garrison

| Cost          | Day Jahan   | N  |  | Annua  |  |   |  |  |  |  |  |   |  |  |   |
|---------------|---|--|--|--|--|---|--|--|--|--|--|---|--|--|---|
| 2205          | Description Planning/Architect                                    | Nov-C  | Dec-0  | a Total  | Jan  | P Feb-0   | 19 Mar-C   | 9 Apr-0  | 9 May-0  | 9 - 140-09   | JU1-09   | Aug-89  | 5ep-09   | Oct-09   | Nov-09  |
| 2210          | Landscape Architect   |  | _  | <del>                                     </del> |  | _   |  | +  | +  | <del></del>  | 1  | 1   | <del> </del>                                       | + -  | ╅   |
| 2215          | Civil Engineering Office  |  |  |  | 1  | +   | +  | <u> </u>   | <del></del>                                      |  | + -  | <del>                                     </del>  | +  | <del> </del>                                     | <del>                                      </del> |
| 2220          | Civil Engineering Field   |  |  |  |  |   |  |  |  |  |  | İ   |  | <del>                                     </del> | <del>†                                     </del> |
| 2226          | Sols & Geology  |  |  |  |  |   |  |  |  |  |  |   |  |  |   |
| 2235          | Utility (County Processing Fees) Legal Fees                       | +-   |  | +  | +  |   |  | _  | _  |  |  | 1   | <del> </del>                                       | 1  |   |
| 2240          | Other Consultants   |  |  |  |  |   | •  |  |  | <del>- </del>                                      | <del> </del>                                     | <del>                                      </del> | +  | ļ  | <del>                                     </del>  |
| 2246          | Blueprints  | 1  |  |  | <del>                                     </del> |   | +  | +  | +  | +  | +  | !   | +  | +  | <del> </del>                                      |
| 2250          | Sconomic Consultant   |  |  | _  |  |   |  | <del> </del>                                     | <del></del>                                      | +  | +  | <del></del>                                       | +  |  | <del> </del>                                      |
| 2255          | Public Rel/Merket   |  |  |  |  |   | 1  |  |  | <del>                                     </del>   | <del>                                     </del> | <b>+</b>  | <del>                                     </del>   | _  | <del>-</del>                                      |
| ZZ70          | Environmental Consultants   |  |  |  |  |   |  |  |  |  | l .  |   | T  | i —  | _   |
|               | Subtotal Consultar  | nts  |  | _  | -  |   |  |  |  |  |  |   |  |  |   |
| 2305<br>2310  | Bonds Permits & Faces   | <del></del> -                                    |  | <del></del>                                      |  |   | _  |  | <del>                                     </del> | _  | <del> </del>                                     |   | <del>. </del>                                      | ļ  | <del> </del>                                      |
| 2315          | Inspection Feet   | +  | +  | +  | +-   |   | +  | +  | -  |  | <del> </del>                                     | <u> </u>  | <del>                                      </del>  | 1  | <u> </u>  |
| 2320          | Community Services (CSD formation)                                |  | -  | _  | +  | <del></del>                                       | <del></del>                                      | +  | +  |  | 1  | <del>                                     </del>  |  | <del> </del>                                     | <del> </del>                                      |
|               | County Facilities (Town Center subsidy)                           |  |  |  |  |   | $\neg$   |  | 1  | 1  | <del>                                     </del> | <del>                                     </del>  | <del>                                     </del>   | <del>†</del>                                     | <del> </del>                                      |
| 2345          | DRE Fees (School Fees)  |  |  |  |  |   |  | 1.   | 1.   | "  |  |   |  |  | <del>-</del>                                      |
| 2356          | insurance (General Liubility)                                     | _  |  |  | ∔  |   |  |  |  | <u> </u>   |  |   |  |  |   |
| 2360          | Historic District   |  |  |  | <b>—</b> ——                                      | →   |  |  |  |  | <b></b>  |   | ·  |  |   |
| 2365<br>2367  | Other Fees (County Processing Fees) Public Fecilities             | +  | <del>                                     </del> |  | +  | +   | +  | +  | +  | +  | <del>                                     </del> |   | _  | <b></b>  | -   |
| 2370          | Special Assessment Fees (T.I. Loss)                               |  |  |  | +  | +   | <del></del>                                      | <del></del>                                      | <del>-  </del>                                   | +  |  | i   | ·  | <del> </del>                                     |   |
| 2375          | Affordable Housing Subsidy  |  |  |  | 1 -  |   | +  | <del> </del>                                     | +  | +  | <del> </del>                                     |   | <del>†                                      </del> | <del>                                     </del> | <del></del>                                       |
| 2380          | FORA Loan Interest  | T  |  |  | <u> </u>   |   | 1  |  |  |  |  |   | <del> </del>                                       | <del>                                     </del> |   |
| 2385          | HOA Feet (CFD Debt Service)                                       |  |  |  | I -  |   |  |  |  |  |  |   |  |  | _   |
| 2390          | FORA PUL Insurance  |  |  | ļ  | 1  |   |  |  | 4  |  |  |   | I  |  |   |
| 2444          | Subtotal Development Fe   | es   | +  | +  | +  | +   | +  | +  | -  |  |  |   | <del></del>  | ↓ <u> </u>                                       |   |
| 2411<br>2412  | Clearing Demo & Relocation Rough Grading                          | +  | <del> </del>                                     | +  | +-   | ┪——   | +  | +  | +  | +-   | <del>                                     </del> | ļ   |  | <del> </del>                                     | <b></b>   |
|               | Dirt Export   | +  | 1  | 1  | 1-   | +   | +-   | +  | +  | +  | 1  |   | <del>                                     </del>   | <del> </del>                                     | <del>                                     </del>  |
|               | Fences/Walls - Retaining  |  | 1  |  | 1  |   |  | 1  | T  | †  | <del>                                     </del> |   | 1  | <del></del>                                      | <b></b>   |
| 2422          | Fences/Walls - Masonry  |  |  |  |  |   |  |  |  |  |  | _   |  | <u> </u>   |   |
| 2431          | Sanitary Sever  |  |  | <u> </u>   |  |   |  |  |  |  |  |   |  |  |   |
|               | Sewer Force Main  |  | +  | -  | 1  |   |  | <u> </u>   | 1  | ļ  |  |   |  |  |   |
| 2434<br>2440  | Sewer Refundable Deposits Storre Drain System                     | + .  | +  | ╁──  | +  | <del> </del>                                      | +  | +  | <del> </del>                                     | <del> </del>                                       | ļ  |   |  |  | <del></del>                                       |
|               | Storm Drain Force Main  | +  | +  | <del></del>                                      | +  | +-  | +  | <del> </del>                                     | +  | +  |  |   | · .  | <del></del>                                      |   |
|               | Domestic Water System   | 1  | <del>                                     </del> |  | <del>1</del>                                     | +   | +  | +  | ╅  | <del>†                                      </del> |  |   | <del>                                     </del>   | <del></del>                                      |   |
| 2463          | Recycled Water  |  |  | 1 "" '"  |  |   | 1  | 1  | T  | <b>†</b>   |  |   | 1  |  |   |
|               | Domestic Water Refund   | ļ  |  |  |  |   |  | <u> </u>   |  |  |  |   |  |  |   |
|               | Curb & Guifars  | ┿  | 1  | <u> </u>   | 4  | ┦——   | <b>_</b>   |  |  | <u> </u>   |  |   |  |  |   |
|               | Sidewalks & Approaches Street Improvements                        | 1  | +  | 1  | -  | +   | +  | +  | <del>-</del>                                     | 1  |  |   |  |  |   |
|               | Striping  | +  | +  | <del> </del>                                     | <del> </del>                                     | <del> </del>                                      | <del></del>                                      | ┪  | +  | <del> </del>                                       |  |   |  |  |   |
|               | Street Signs & Protective Dev.                                    | 1 -  | +  | 1  | <del>                                     </del> | +   | +  | <del></del>                                      | +  | 1  |  |   | _  | _  | <del>.</del>                                      |
|               | FORA Fee  |  |  |  |  | 1 "   | T  | 1  |  | 1  |  |   |  |  |   |
|               | FORA Reimbursement (CIP)  |  | 1  |  |  |   |  |  |  |  |  | -   |  |  |   |
|               | Reinbursements - Others   | -  | -  | -  | —  | ₩   |  |  |  |  |  |   |  |  |   |
|               | FORA Reimbursement (Demo) Traffic Signals                         | +  | +  | -  | 1  | <del>                                      </del> | <del> </del> -                                   | +  | +  |  |  |   |  |  |   |
|               | Utility Trenching   | · · ·  | <del>                                     </del> | <del>                                     </del> | <del> </del>                                     | <del></del>                                       |  | +  | <del></del>                                      | <del> </del>                                       |  |   |  |  |   |
|               | Street Lights & Traffic   |  |  | 1  |  | 1   | <del>                                     </del> | 1  | †  |  |  |   |  | -  |   |
|               | PG&E Refundable Deposits  | <u> </u>   |  |  |  |   | 1  |  |  |  |  |   |  |  |   |
|               | Landscape   | <u> </u>   | <del>  </del>                                    | <b>↓</b>   | <u> </u>   |   | <u> </u>   | 1  |  |  |  |   |  |  |   |
|               | Landscape Meintenance<br>Environmental Field (miligation lending) | -  | +  | <del></del>                                      | ļ  | <del> </del>                                      |  | <b>├</b>   | <del> </del>                                     | <del>                                     </del>   |  |   |  |  |   |
|               | Point & Patch   | <del> </del>                                     | <del></del>                                      | -  | <del>                                     </del> | +   | <del> </del>                                     | ┿  | +  | -  |  |   |  |  |   |
|               | Erosion & Dust Control  | Ť  | 1  | <del> </del>                                     |  | <del>                                     </del>  | <del> </del>                                     | +  | <del> </del>                                     | <del> </del>                                       |  |   |  |  |   |
|               | Lime Treatment  |  |  |  |  | Ì.  | 1  | Ì  |  |  |  |   | 1  |  |   |
|               | Operational expenses  |  |  |  |  |   | <u> </u>   |  |  |  |  |   |  |  |   |
| 578   <br>570 | Bridge Construction<br>Sturry Seal                                | +  | +  | +  | <del>  -</del>                                   | <del></del>                                       | 1  |  |  | $\vdash$   |  |   |  | I  |   |
|               | Surry Sea<br>PreAgent Woodman Reimbursement                       | <del> </del>                                     | <del>                                     </del> | <del> </del>                                     | <del></del>                                      | -   | +  | +  | <del>                                     </del> | <del>                                     </del>   |  |   |  |  |   |
|               | Contingency   | †  | 1  | -  | 1  | <del>                                     </del>  | 1  | <del>                                     </del> | <del>                                     </del> | + +  | +  |   |  |  |   |
|               | Subtotal Land Improvements  |  |  |  | ]  | <b>1</b>  | 1  | 1  | <del>                                     </del> | <del>                                     </del>   | • +  |   | -+   | - +  |   |
|               | dus Stops   | ļ  |  |  |  |   | Ĺ  |  | I  |  |  |   |  |  |   |
|               | ntersection Improvments   | -  | <u> </u>   | <u> </u>   | <u> </u>   | ļ   | ļ  | <del>                                     </del> |  |  |  |   |  |  |   |
|               | Peth Lighting   | 1  |  | <del></del>                                      |  | <del>                                     </del>  | +  | <del> </del>                                     | -  |  |  |   |  |  |   |
|               | oriny Monaments Major  Dry Utilities                              | <del> </del>                                     | <del></del>                                      | <del> </del>                                     |  | <del>                                     </del>  | <del>                                     </del> | <del></del>                                      | <del>                                     </del> |  |  | !   |  |  |   |
|               | ennis Courts  |  | l  |  | ļ  |   | <del>                                     </del> | 1  |  |  |  |   |  | <del></del> +                                    |   |
|               | Subtotal Amenities  |  |  |  |  |   |  |  |  |  |  |   |  | +  | $\overline{}$                                     |
|               | ndirect Supervision   |  |  |  |  |   | L  |  |  |  |  |   |  |  |   |
|               | Official Assistant  | <del>                                     </del> |  | Ь  |  | <u> </u>  | ļ  |  | ļ  | $\Box$   |  |   |  |  |   |
|               | uto & Truck Expense<br>feld Temporary Utilities                   | <del> </del>                                     | <del>                                     </del> |  |  | ├──   |  | <del> </del>                                     | <b>├</b> —                                       | $\vdash$   |  |   | ——Г  |  |   |
|               | elaphone  |  | <u> </u>   | <b>—</b>   |  | <del>                                     </del>  | -  | <del>                                     </del> | <del>                                     </del> |  | <del></del> -}                                   |   |  |  |   |
|               | onstruction Water   |  |  |  | · • •  | · · · · · ·                                       | <del></del>                                      | <del> </del>                                     | <del> </del>                                     |  | +  | -   | <del></del>  |  |   |
|               | laki Office Expense   |  |  |  |  |   | 1  |  |  |  | +  |   | -+   | - +  |   |
| 34 8          | satistion Facilities  |  |  |  |  |   |  |  |  |  |  |   | †  |  |   |
|               | quipment Rantals  |  |  |  |  |   |  |  |  |  |  | 1   |  |  |   |
|               | ences/Walts-Temp Enclosures                                       | ļ  |  |  |  |   | <u> </u>   | <del>-</del>                                     |  |  |  |   |  |  |   |
|               | iss. Expenses   |  | <b></b>  |  |  | <del></del>                                       | <del></del> -                                    |  |  |  |  |   |  |  |   |
|               | leanup/Sweeping<br>uard & Patrol Service                          | <del></del>                                      |  |  |  | <del></del>                                       | <del>                                     </del> | ļ  |  |  |  |   | —— <u> </u>  | <del></del>                                      |   |
|               | andalism  |  |  |  |  |   | <b></b>  |  |  |  |  |   |  | -+   |   |
|               | Subjects Infra indirects  |  |  | -  |  |   |  |  |  | +  | $\overline{}$                                    | <del>-  </del>                                    |  | $\overline{}$                                    |   |
|               | utriotal  |  |  |  |  |   |  |  |  |  | <del></del>                                      |   |  | <del>- +</del>                                   | <del></del>                                       |
|               | foodmen Nanegement Fee  |  |  |  |  |   |  |  |  |  |  |   |  |  |   |
|               | GP Management Fee   |  | I  |  |  |   |  |  |  |  |  |   |  |  |   |
|               | ides & Marketing  |  |  |  |  |   |  |  |  |  | <u>_</u>   |   | T.   |  |   |
|               | end Cost  |  |  |  | -  |   |  |  |  |  | <del>-  </del>                                   |   |  |  | <u> </u>  |
|               | ting Expenses   | 1  | <del></del>                                      | <del>- +</del>                                   |  |   |  | _  | -  |  |  |   | <del></del>  |  |   |
| 7             | Grand Yetal   | \$3,200,000                                      | \$3,200,000                                      | \$38,400,000                                     | \$2,600,000                                      | \$2,600,000                                       | \$2,600,000                                      | \$2,600,000                                      | \$2,600.000                                      | \$2,800,000 5                                      | 2,400,000 6                                      | 2.600,000   | \$2,600,000  | 2.600.00n s                                      | 2 600 060   |
|               |   |  |  |  |  |   |  |  |  |  | The sales and in                                 |   |  | "In-state  |   |

APPENDIX 1. EXHIBIT A. Project Costs East Gantson

| Cost         |   |  | Arwill   |  |  | - I   |  | Ţ.,  |  |  |  |  |  |   |  |
|--------------|---|--|--|--|--|---|--|--|--|--|--|--|--|---|--|
| 2205         | Description   | Dec-4  | 9 Total  | - Jatie-   | 0 Feb  | 0 Mar-  | 0 Apr-1  | O May-1  | 0 Jun-í  | 0 Jul-16   | Aug-10   | Sep-1  | 0 Oct-10   | Nov-10  | Des-10   |
| 2210         |   | -  | <del></del>                                      | -}   | <del></del>                                      | _   |  | <del></del>                                      | +  |  | +  |  | _  |   |  |
| 2215         |   | <del></del>  |  |  |  | _   |  | <del> </del>                                     |  |  | +  | +  |  |   | +  |
| 2220         |   |  | 1  | 1 -  |  | · †   |  |  | _  | +  | <b>→··</b> -                                     | +  |  | <del>-  </del>                                    | <del></del> -                                    |
| 2225         | Solts & Geology   |  |  |  |  |   | <u> </u>   | ~  |  | <del> </del>                                     | 1-   | - <del> </del>                                   |  | -i  | _  |
| 2230         | Litility (County Processing Fees)                               |  |  |  |  |   |  |  |  |  |  | 1  |  |   |  |
| 2235         | Legál Féés  |  |  |  |  |   |  |  |  |  |  |  |  |   |  |
| 2240<br>2245 | Other Consultants   | -  |  |  |  |   |  | _  | -  |  |  |  | _  |   |  |
| 2250         | Blackints Economic Consultant                                   | <u> </u>   | +  |  |  |   | <del>- </del> -                                  |  |  |  | +  | <del> </del>                                     |  |   | <del></del>                                      |
| 2255         | Public Rel/Market   | +  |  | -}   | _  | <del></del>                                       | -  | +-   | +  | +  | + -  | ┥  | _  |   | <del> </del>                                     |
| 2270         | Environmental Consultants                                       | 1  |  | 1  |  | <del></del>                                       | ··   | <del></del>                                      | ~-   |  | ┨  | +  |  | -   | +  |
|              | Subjetal Consultar  | us   |  | 1  | _  |   |  | 1  | - +  | _  | +  | +  |  | +   | +  |
| 2305         | Bonds   |  |  |  |  |   |  |  |  |  |  |  |  |   | +  |
| 2310         |   |  |  |  |  |   |  |  |  |  |  | <b>T</b>   |  |   | <del>                                     </del> |
| 2315         | inspection Fees   |  |  |  |  |   |  |  | 1  |  |  |  |  |   | 1 .  |
| 2320<br>2325 | Community Services (CSD formation)                              | +  | +  |  |  |   |  | +  | ┥—   | -  |  | <b>_</b>   |  |   |  |
| 2345         | County Facilities (Town Center subsidy)  ORE Fees (School Fees) | +  | _  |  |  |   |  |  |  |  | - <del> </del>                                   | -  |  |   | <del></del>                                      |
| 2356         | Insurance (General Liebility)                                   |  |  | _  |  | +   |  | +  | +  | +  | +  | +  | +  | +   | <del> </del> -                                   |
| 2360         | i-listorio District   |  | 1  | 1  |  |   |  |  | <del>                                     </del> | <del>-  </del>                                   | +  |  | +  | +   | +  |
| 2356         | Other Fees (County Processing Fees)                             |  | T  | 1 —  |  |   | +  | 1  | <del>                                     </del> | _  |  |  | <u> </u>   | +   | +  |
| 2367         | Public Facilities   |  |  |  |  |   | . [  |  |  |  | 1  |  |  | <b>T</b>  |  |
| 2370         | Special Assessment Fees (T.I. Loan)                             |  |  |  | 1  |   |  |  |  |  |  |  |  |   | 1  |
| 2375         | Affordable Housing Subsidy                                      |  |  |  |  |   |  |  | 4  |  |  |  |  |   | T  |
| 2380         | FORA Loan Interest  | +  | +  | <del></del>                                      |  |   |  | + -  |  | ļ  |  |  |  | Ţ   |  |
| 2385         | HOA Fees (CFD Debt Service) FORA PLL Insurance                  | +  | +  | +  | +  |   | +  |  | · <del> </del>                                   |  | <del>                                     </del> | 1  |  | <del>                                      </del> | $\vdash$   |
| <del></del>  | Subtotal Development Fe   | <del></del>  | +  | +  | +  | +   | +  | +  | +  | +  | +  | +  | +  | + -   | +  |
| 2411         | Clearing Demo & Relocation                                      | 7  | <del> </del>                                     | +  | +  | +   | +  | ·   · · · · · · · ·                              | +  | +  | +  | +  | +  | +   | <del>  -</del>                                   |
| 2412         | Rough Grading   | Τ  | 1  | 1  | $\rightarrow$                                    | 1   | 1-   | 1  | +  | <del>                                     </del> | 1  | + -  |  | +   | <del>                                     </del> |
| 2413         | Old Export  |  |  | L  |  | <b></b>   | I  | 1  | _  | 1  | 1  | 1  | <del></del>                                      | <u> </u>  | <del> </del>                                     |
| 2421         | Ferrces/Walts - Retaining                                       | $\bot$   |  |  |  |   |  |  |  |  | 1  |  |  |   |  |
| 2422         | Fences/Wells - Masonry  |  | + =  |  |  | <b></b>   |  |  |  |  |  |  | 1  |   |  |
| 2431         | Sanitary Sower  | <del></del>  | -  |  |  | +   | +  | 1  | +  | 1  |  | ļ  |  | $\perp$   |  |
| 2432         | Sewer Force Main<br>Sewer Refundable Deposits                   | +  | +  | +  | +  | +   | +  | +  | +  |  | <del>                                     </del> | ┼──  | 4  | ļ   | <del></del>                                      |
| 2440         | Storm Drain Bystem  | +  |  |  | ┥  | +   | +  | +  |  |  | <del> </del>                                     | <del> </del>                                     | <del></del>                                      | -   | <b>├</b>   |
| 2442         | Storm Drain Force Main  | +  | +  | <del>                                     </del> | +  | +   | +-   | +  | + -  |  | 1  | <del></del>                                      | <del>-</del>                                     | <del> </del>                                      | ┿  |
| 2480         |   | 1  | 1  | 1  |  | <del>                                      </del> |  | <del></del>                                      | <del></del>                                      |  | <del> </del>                                     | ╅───   | +  | +   | ╀──-   |
| 2463         | Recycled Water  |  |  |  | 1  | 1 -   | 1  | 1  |  | _  | i e  | <del> </del>                                     | <b>-</b>   | <del>                                     </del>  | ╁  |
| 2466         | Domestic Water Refund   |  |  |  |  |   |  |  |  |  |  | 1  |  | <del>                                     </del>  | <del>                                     </del> |
| 2471         | Curb & Gutters  | ┷.   |  | 1  |  |   | 1  | <u> </u>   | 1  |  |  |  |  |   |  |
| 2472         | Sidewallis & Approaches   | -  | <del>  -</del>                                   | <del> </del>                                     |  |   | <del></del>                                      | 4  | Ļ  |  |  | <u> </u>   |  |   |  |
| 2480<br>2491 | Street Improvements Striping                                    | ╂  | ╅  | +  | <del></del> -                                    | +   | ╄  | +  | ļ  | -  |  |  |  | <b>-</b>  | <del> </del>                                     |
|              | Street Signs & Protective Dev.                                  | +  | + -  | +  | +  | <del></del>                                       |  |  | <del></del>                                      | +  |  |  |  | <del>-</del> -                                    | Ь—   |
|              | FORA Fee  | <del>†                                      </del> | ╅  | <del> </del> -                                   | +  | +   | +  | + -  | ┼  | +  |  | +  | +  | ←   | <del></del>                                      |
|              | FORA Reimbursament (CIP)  | 1  | 1  | t -  |  |   | +  | 1  | <u> </u>   | †  | <u> </u>   | <del> </del>                                     | <del></del>                                      | <del> </del>                                      | <del></del>                                      |
| 2502         | Reimbursements - Others   |  | <u> </u>   | Ϊ  | 1  |   |  |  | 1  | 1  |  | †  | <del>                                     </del> |   | -  |
|              | FORA Reimbursement (Demo)                                       | <b>↓</b>   | 1  |  | $\perp$  |   |  |  |  |  |  |  |  |   |  |
|              | Tredit Signals  | <del> </del>                                       | <u> </u>   |  |  | <del>-</del>                                      | ——   | <u> </u>   |  |  |  |  |  |   |  |
|              | Littity Trenching<br>Street Lights & Traffic                    | +  | +  | <del>∤</del>                                     | <del> </del>                                     | +   | +  | <del> </del>                                     |  | <del> </del>                                     |  | <b>└</b>   | <del> </del>                                     |   |  |
|              | PG&E Refundable Deposits  |  | <del>                                     </del> | <del></del>                                      | <del> </del>                                     | <del> </del>                                      | +  | +  | <del> </del>                                     | <del></del>                                      |  | ├  | +  | <del>  -</del>                                    |  |
|              | Landacapa   | <del></del> -                                      |  | <del>                                     </del> | 1  | +   | +-   | -  | 1  | <del></del>                                      |  | <del>                                     </del> | +  |   |  |
| 2533         | Landscape Maintenance   | 1  | <del>                                     </del> |  | 1  | 1 -   |  | 1"   |  | <del> </del>                                     |  |  | +  | <del>                                     </del>  |  |
| 2636         | Environmental Field (mitigation fencing)                        |  |  |  |  |   |  |  | 1  | İ  |  | 1  |  | † · · · ·   |  |
|              | Point 8 Palcis  | <u> </u>   | <u> </u>   | Ļ  |  |   |  |  |  |  |  |  |  |   |  |
|              | Erosion & Dust Corérol  |  | <b>├</b> ──                                      | 1  |  |   | <u> </u>   |  | <u> </u>   | ļ <u>.</u>                                       |  | <u> </u>   |  |   |  |
|              | Lime Treatment  | <del></del>  | +  | <b>├</b>   | <del> </del> -                                   | <b>∔</b>  | <del> </del>                                     |  | -  | ļ.,  | _  |  | <b>↓</b>   | <u>ļ</u>  |  |
|              | Operational expenses Bridge Construction                        | <del> </del>                                       | 1  | 1  | +  | +   | +  | + -  | 1  | 1  |  | <del> </del>                                     | <del> </del>                                     | ļ   |  |
|              | Stury Seal  | <u> </u>   | 1  | † ··· · ·  | <del> </del>                                     | <del>                                     </del>  | <del> </del>                                     | <del> </del>                                     | +  | <del></del>                                      |  | <del>                                     </del> | <del>                                     </del> | <del>                                     </del>  |  |
|              | PreAgmit Woodman Reinbursement                                  |  |  | <u> </u>   | 1  |   | 1.   |  | <del>                                     </del> |  |  |  | 1  |   |  |
|              | Contingency   | L  |  |  | L  | $\Gamma$  | Ι  |  | 1  | <u> </u>   |  | · -  |  | 1 -   |  |
|              | Subtotal Land Improvements                                      |  |  |  |  |   | L  | I  |  |  |  |  |  |   | <del></del>                                      |
|              | Bus Stops   |  | ļ  | <u> </u>   | 1  |   |  | ļ  | L  |  |  |  |  |   |  |
| _            | Intersection improvments  | ļ  |  | ├  |  | <del></del>                                       | +  | !  | <del>                                     </del> |  |  | ļ.,  | <b></b>  | اـــــا   |  |
|              | Path Lighting<br>Entry Moraments Major                          | <del> </del>                                       | <del> </del>                                     | <del></del>                                      | <del> </del>                                     | +   | <del>├</del>                                     |  | <u> </u>   | <del>                                     </del> |  |  | <del> </del>                                     |   |  |
|              | Dry Utiliës   | <del>                                     </del>   | <del>                                     </del> | $\vdash$   | <del>                                     </del> | <del>1 —</del>                                    | <b>†</b>   | <del> </del>                                     |  | <del></del>                                      |  |  | <del> </del>                                     | <del>  </del>                                     |  |
|              | Tennis Courts   |  | L_   |  |  | L   | i  | 1  | 1  | -  |  |  |  |   |  |
|              | Subtotal Amenities  |  |  |  |  |   |  |  | L  |  |  |  |  |   |  |
|              | Indirect Supervision  |  | <del>                                     </del> | L  |  |   |  |  |  |  |  |  |  |   |  |
|              | Offsile Assistant   | <b> </b>   | <del> </del>                                     | <b>├</b>   |  | ļ   | <b></b>  | ļ <u>.</u> .                                     | ļ  | <b>—</b> —                                       |  |  |  |   |  |
|              | Auto & Truck Expense Field Yemporary Utilities                  |  | +  | <del>                                     </del> | -  | <del>                                     </del>  | 1  | <u> </u>   | <u> </u>   | <del>             </del>                         |  |  | <del></del>                                      |   |  |
| _            | Felephone   | <del>                                     </del>   | <del></del>                                      | <del></del>                                      | <del> </del>                                     | <del> </del> -                                    | <del> </del>                                     | 1  | <del> </del>                                     | <del>  </del>                                    |  |  |  |   |  |
|              | Construction Water  | -  | <del>                                     </del> | <del> </del>                                     | <del></del> -                                    | <del>                                     </del>  | <del>                                     </del> | <del>                                     </del> |  | <del>                                     </del> |  | -  | <del> </del>                                     | <del> </del>                                      |  |
|              | Field Office Expense  |  | 1  |  | i  | <del>                                     </del>  |  |  |  |  |  |  | <del>                                     </del> | <del> </del>                                      |  |
|              | Sanitation Facilities   |  | Ĺ  |  |  |   |  |  |  |  | - 1  |  |  | — ·   |  |
| 736          | outprent Rentals  |  |  |  |  |   |  |  |  |  |  |  |  |   |  |
|              | ences/Waits-Temp Enclosures                                     |  |  |  |  |   |  | .,   |  |  |  |  |  |   |  |
|              | fisc. Expusses  | <del></del>  | ļ  |  |  | ļ   |  |  |  |  |  |  | L]   |   |  |
|              | Cinarup/Sweeping  |  |  |  |  | <u> </u>  |  |  |  | <u> </u>   |  |  | $ldsymbol{ldsymbol{\sqcup}}$                     |   |  |
|              | Surand & Petrol Service<br>Fundations                           |  |  | -  |  | <del> </del>                                      |  | -  |  | -  |  |  |  |   |  |
| · · · · · ·  | Subjected infra lendirects                                      |  |  |  |  | <del> </del>                                      |  | <b>—</b> — I                                     |  |  |  |  |  |   |  |
| ١,           | Subjects IIIVIA MUNIACIO  |  |  |  |  |   |  |  |  | ·  |  |  |  | $\longrightarrow$                                 |  |
|              | Voodmas Managemest Fee  |  |  | -  |  | -   |  |  | · · · · · · · · · · · · · · · · · · ·            |  | <del></del> }                                    |  | <del>  </del>                                    | +   |  |
|              | GP Management Fee   |  |  |  |  |   |  |  |  |  | - 1  |  | -  |   |  |
|              | ales & Marketing  |  |  |  |  |   |  |  |  |  |  |  |  |   |  |
|              | and Cost  |  |  |  |  |   |  |  | 1  | †  |  |  |  | †   |  |
|              | reporty Taxes   |  |  |  |  |   |  |  |  |  |  |  |  |   |  |
| 15           | elling Expenses   |  | \$31,200,000                                     | An /   |  |   |  |  |  |  |  |  |  |   |  |
|              | Grand Yotel   |  |  |  |  |   |  |  |  |  |  |  |  |   |  |

APPENDIX 1, EXHIBIT A. Project Costs East Garrison

| Cost         |  | Annual   |  |                |  | 1 7  |  | J             | 1             | L  | Ι.   |               | Ţ              |  | Annua  | 1  |  |
|--------------|--|--|--|----------------|--|--|--|---------------|---------------|--|--|---------------|----------------|--|--|--|--|
| Code         |  | Tota!  | #an-11   | Feb-11         | Mar-11   | Apr-11   | May-11   | km-11         | Jul-11        | Aug-11   | Sep-11   | Oct-11        | Nov-11         | Dec-1  |  | Jan-12   | Feb-12   |
| 2205<br>2210 | Plenning/Architect Landscape Architect                                     | <del> </del>                                     | +  | <del> </del>   | <b>-</b>   | <del> </del>                                     | ╀—   | <del> </del>  | <del> </del>  | <del> </del>                                     | <del> </del>                                     |               | -              | 1  | ┿  | -  | 4  |
| 2215         |  | 1  | <del>                                     </del> | <del></del>    | 1  | <del> </del>                                     | <del> </del>                                     | !             | 1             | <del>                                     </del> | <del>-</del>                                     | <del> </del>  | <del> </del>   | 1  | <del>                                     </del> |  | <del>-</del>                                     |
| 2220         | Civil Engineering Field  |  |  |                |  | 1  | <u>†                                      </u>   | <del> </del>  | †             |  | <del>                                     </del> |               | <del> </del>   | 1  | <del> </del>                                     | +  | +-   |
| 2226         | Solls & Geology  |  | ļ  | ļ              |  |  |  |               |               |  |  |               |                | <u> </u>   |  |  |  |
| 2230         | Utility (County Processing Fees)   | <b>-</b>   | <u> </u>   | <u> </u>       | <b>.</b>   | ——   | ļ  | ┞——           | ļ,            | ļ  | ļ  |               |                | 1  |  |  |  |
| 2235<br>2240 | Logal Fees Other Consultants   | 1  | <del> </del>                                     | ļ              |  | ├  |  | -             | <del>├</del>  | <b>├</b>   | _  |               |                |  |  |  |  |
| 2245         | Bluepriots   | <del>                                     </del> | 1  | †              | t  | <del> </del>                                     | <del>                                     </del> | 1             |               |  |  |               |                | 1  | +-   | +-   | +  |
| 2250         | Economic Consultant  |  |  |                |  |  | l  |               |               | İ  |  |               |                |  | <del>- </del>                                    | +  | 1  |
| 2255         | Public Retililarket  |  | <del>{</del>                                     |                |  |  |  |               |               |  |  |               |                | <u> </u>   |  | <u> </u>   |  |
| 227D         | Environmental Consultants Subtotal Consultants                             | <del></del>                                      |  |                | <del>                                     </del> |  | <u> </u>   | -             | <del> </del>  | -  | _  |               | ļ <u>.</u>     |  | +  |  |  |
| 2305         | Bonds  | <del> </del>                                     |  |                |  | <del>                                     </del> | _  |               |               | 1  | 1  |               | -              | <del>!                                    </del> | <del> </del>                                     | +  | <del> </del>                                     |
| 2310         | Parmits & Fees   |  |  |                |  | <u> </u>   |  |               |               |  |  |               |                |  |  | <del>-</del>                                     | +  |
| 2315         | Inspection Fees  | ļ  | <b>↓</b>   |                |  | ļ  | L  |               |               |  |  |               |                |  |  |  |  |
| 2320<br>2325 | Community Services (CSD formation) County Facilities (Town Center subsidy) | <del> </del>                                     | <del> </del>                                     |                | <del>                                     </del> | <u> </u>   | <b>-</b>   |               | <del> </del>  |  | <b> </b>   |               | !              | ļ  | 1 -  | +  |  |
| 2346         | DRE Face (School Fees)   |  | 1  |                |  |  |  |               |               | <del> </del>                                     | 1  |               |                |  | ┪  | -  | +  |
| 2358         | Insurance (General Liability)  |  |  |                |  |  |  |               |               |  |  |               |                |  | 1 -  | 1  | _  |
| 2350         | Historic District  | <b> </b>   | <u> </u>   |                |  |  |  |               |               |  |  |               |                |  |  |  |  |
| 2365<br>2367 | Other Fees (County Processing Fees) Public Facilities                      | <del>                                     </del> | <del> </del>                                     |                |  |  |  |               |               |  | -  |               |                |  | —  | ┿  | -  |
| 2370         | Special Assessment Fees (T.I. Loan)  |  |  |                |  |  |  |               |               |  |  |               |                |  | <del></del> -                                    | +  | <del>├─</del> -                                  |
| 2375         | Affordable Housing Subsidy   |  |  |                |  | _  |  |               |               |  |  | - 1           | -              |  | 1  | _  | <del>                                     </del> |
| 7360<br>1365 | FORA Loan Interest   |  | ļ  |                |  |  |  |               |               |  |  |               |                | L  |  |  | T  |
|              | HOA Fees (CFD Debt Service) FORA PLL Insurance                             |  |  |                |  |  |  |               |               |  | <b>  </b>  |               |                | <b>—</b>   | <del> </del>                                     | <b>!</b>   | <del>                                     </del> |
|              | Subtotal Development Fees  |  |  |                |  |  | -  |               |               |  | <del></del>                                      |               |                |  | 1 -  | 1  | <del></del>                                      |
|              | Clearing Demo & Relocation   |  |  |                |  |  |  |               |               |  |  |               |                |  |  | Ŀ  | <b></b>  |
|              | Rough Grading  |  | $\vdash \vdash \vdash$                           |                | $\Box$   |  | $\Box$   |               |               |  |  |               |                |  |  | Г  | L  |
|              | Did Export<br>Fences/Wells - Retaining                                     |  |  |                | •  |  | }  |               |               |  |  | <b></b> ∤     |                |  |  |  |  |
|              | Fences/Wails - Masonry   |  |  |                |  |  | <del>   </del>                                   |               |               |  | ···- <del>-</del>                                |               |                |  | <del> </del>                                     | <del>                                     </del> | $\vdash$   |
| <b>K31</b>   | Banitary Sewer   |  |  |                |  |  |  |               |               |  |  |               |                |  | $L^-$  | <u> </u>   |  |
|              | Sewer Force Main<br>Sewer Refundable Deposits                              |  | <b>└</b>   |                |  |  |  |               |               |  |  |               |                |  |  |  | Ē  |
|              | Stoms Drain System   |  |  | -              |  |  |  | — ∤           |               |  |  | -             |                |  |  | <b>├</b> ──                                      | <u> </u>   |
|              | Storm Drain Force Main   |  |  |                | 1  |  |  | -             |               |  |  |               |                |  | <del></del>                                      | ì  | <del> </del>                                     |
|              | Domestic Water System  |  |  |                |  |  |  |               |               |  |  |               |                |  |  | <del> </del>                                     | <del>                                     </del> |
|              | Recycled Water   |  |  |                |  |  |  |               |               |  |  |               |                |  | $ldsymbol{ldsymbol{eta}}$                        |  |  |
|              | Domestic Water Refund Curb & Gottern                                       |  |  |                |  | ∤  |  |               |               |  | -+   | ——- <u>}</u>  |                |  | <del>  -</del>                                   | -  | <del>-</del>                                     |
|              | Sidewalks & Approaches   |  |  | <del>- 1</del> |  |  | -  | <del></del> 1 | $\dashv$      | -  |  |               |                |  | <b>-</b>   |  | <del>                                     </del> |
|              | Street Improvements  |  |  |                |  |  |  |               |               |  |  |               |                |  |  |  |  |
|              | Striping   |  |  |                |  |  |  |               |               | -  |  |               | [              |  |  | Ι  |  |
|              | Street Signs & Protective Dev. FORA Fee                                    |  | -··  |                | -  |  |  | -             |               |  |  |               |                |  | ⊢—   | ·  |  |
|              | FORA Reimbursement (CIP)   |  |  |                |  |  |  |               |               |  |  | $\overline{}$ |                |  | 1 -  | <del>                                     </del> | <del> </del>                                     |
| 502          | Reimbursements - Others  | ,  |  |                |  |  |  |               |               |  |  |               |                |  |  | -  |  |
|              | FORA Reimbursement (Demd)  |  |  |                |  |  |  |               |               | 7  |  |               |                |  |  |  |  |
|              | Trattic Signets Dittily Trenching  |  |  |                | <del>-  </del>                                   |  |  |               | $\rightarrow$ | -  | <del></del>                                      |               | •              |  |  |  | <del></del>                                      |
| 512 E        | Street Lights & Traffic  |  |  |                |  |  | Ĺ  |               |               |  |  |               |                |  | <del></del>                                      |  |  |
|              | PG&E Rétundable Deposits   |  |  |                |  |  |  |               |               |  |  |               |                |  |  |  |  |
|              | Landscape Landscape Misintenance   |  |  | <del></del>    |  |  | <del></del>                                      | -             | -             |  | -+   |               | <b></b> ⊦      |  |  |  |  |
|              | Environmental Field (mitigation fending)                                   |  |  |                | $\rightarrow$                                    | $\rightarrow$                                    |  | $\rightarrow$ |               |  |  |               | -+             |  |  |  |  |
| 80 F         | Point & Patch  |  |  |                |  |  |  |               |               |  |  |               |                |  |  |  |  |
|              | Existen & Dest Control Lime Treatment                                      |  |  |                |  | ⊦  |  |               |               |  |  |               |                |  |  |  |  |
|              | Operational expenses   | - +  |  | <del>-  </del> | <del></del> +                                    | -+   | -+   |               | -+            | +  | -+   | —             |                |  |  |  |  |
| _            | Bridge Construction  |  |  |                |  | <del></del> +                                    |  |               | $\rightarrow$ |  |  | <del> </del>  |                |  |  |  |  |
|              | Slurry Seel  |  |  |                |  |  |  |               |               |  |  |               |                |  |  |  |  |
|              | PreAgmit Woodman Reimbursement Contingency                                 |  | -+   | <del></del> -  |  |  |  |               | -             |  |  | I             | T              |  |  | ]  |  |
| _ +          | Subtotal Land Improvements   |  |  | <del></del>    | <del></del>                                      | -+   | +  | $\dashv$      | $\rightarrow$ |  |  | +             | $\rightarrow$  |  |  |  |  |
|              | Nus Stops  |  |  |                |  |  |  |               |               |  |  |               | _ †            |  |  |  |  |
|              | nietsection Improvments  |  | $\rightarrow$                                    | <b></b>        | -  |  | T  |               | $\Box$        |  |  |               | $\Box$         |  |  |  |  |
|              | Path Lighting<br>Entry Montenents Major                                    | +  | <del></del>                                      |                |  | +  | +  |               | $\dashv$      | -  | <del>-  -</del>                                  |               |                |  |  | I  |  |
|              | hy Utilities   |  |  |                | $\dashv$   |  | +  | +             | ~             | -+   | <del>+</del>                                     |               | +              |  |  | <del></del>                                      |  |
| 41 T         | ennis Courts   | · I  |  |                |  |  |  |               | <u>_</u>      |  |  |               |                |  |  |  |  |
| 12 In        | Subtotal Amenities   |  | -+   |                |  |  | Ţ.   |               |               |  |  | $\Box$        | $\Box$         |  |  |  |  |
|              | ndirect Supervision Visite Assistant                                       |  |  | -              | -  |  | $\rightarrow$                                    |               |               |  |  | $\rightarrow$ |                | -  |  | 4  |  |
|              | ulo & Truck Experie  |  |  | <del></del>    |  |  |  |               |               | _  | <del>-  </del>                                   | -             |                |  |  | +  |  |
|              | ield Temporary Utilities   |  |  |                |  |  |  |               |               |  |  |               |                |  |  | 1  |  |
|              | elephone   |  |  | $-\!\!\!+$     |  | L  |  |               | F             |  |  |               |                |  |  | 1  |  |
|              | onstruction Water<br>and Office Expense                                    |  | +  |                | ╌┼   |  |  | -+            | +             |  |  |               |                |  | <del></del>                                      |  |  |
|              | enitation Facilities   | ·····  |  |                |  |  |  | <del></del>   |               | -+   | <del>+</del>                                     | $\dashv$      | <del>- i</del> |  |  |  |  |
| 6 E          | quipment Rentals   |  |  |                |  |  |  |               |               |  |  | $=$ $\pm$     |                |  |  |  |  |
|              | ences/Walls-Temp Enclosures  |  |  |                |  |  |  | $\Box$        |               |  |  |               | $\Box$         |  |  |  |  |
|              | isc, Expenses<br>leanup/Simerping  |  |  | -              | $\dashv$   | -+-  | -+   |               |               |  |  |               | $\dashv$       |  | I  | Ţ  |  |
|              | cent & Patrol Service  |  |  |                |  |  |  | <del></del>   | - +           | $\rightarrow$                                    | +-   | +             | -+             |  |  | $\longrightarrow$                                |  |
|              | nodalism   |  |  |                |  |  |  |               |               |  |  | <u>_</u> t    |                |  |  | . 1  |  |
| -            | Subtotal Infra Indirects   | $\Box$   |  |                | $\Box$   |  |  |               |               |  |  |               |                |  | :  |  |  |
|              | Motorial   |  | _  | <u> </u>       |  | <del></del>                                      |  |               | , T           | $ \bot$  |  | $\bot$        |                |  |  |  |  |
|              | oodman Management Fee<br>3P Management Fee                                 |  |  |                | -+   | $\dashv$   | $\dashv$   | $\rightarrow$ |               | +  |  |               | -+             |  |  |  |  |
|              | Hes & Mariteting   |  |  |                |  |  |  |               |               | -+   | -+   | $\dashv$      | _              |  |  |  |  |
| E,ai         | and Cost   |  |  |                | ,  |  |  |               |               |  |  |               |                |  | +  |  |  |
| 16           | operly Taxes   |  |  | <u> </u> _     |  |  |  |               | Ţ             |  |  |               |                | $\Box$   |  |  |  |
|              | Mar Constant   |  |  |                |  |  |  |               |               |  |  |               |                |  |  |  |  |
|              | String Expenses Grand Total \$:  | 15,200,000 S                                     | (70,000 ¢4                                       | 70.000 s r     | 70.000 +4  | 70.000   | 70.000 04  | Ze pos        | 20 000 4      | 70 100   | 170 000 4-                                       | 70 054 4      | 70.000         | -  | ** ***   | 484 441  | \$50,000   |

APPENDIX 1, EXHIBIT A, Project Costs East Garrison

| Cod<br>220<br>2210<br>2210  |  |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
|---|--|--|--|--|----------------|--|--|--|--|--------------|--|---|-------------|--|---|
| 2200<br>2210  |  | 1  |  |  |                |  |  |  | Π.   |              | $\Box$   | 1   |             | Annua  |   |
| 2210  | <del></del>  | NH-  | 12 Apr   | 12 1   | Ley-12         | ~  IM/-\$  | 2 Jul-   | 12 Aug   | 12 Sep   | -12 Oct-     | Nov  | -12 J   | ±c-1,2      | 7 otal   | Total   |
|   |  | +  |  | - -  |                | <del> </del>                                     |  |  |  | -            | +  |   |             | 1-   | +   |
|   |  | +  |  |  |                | <del>                                     </del> | +  |  | _  | <del>-</del> | +  | $\dashv$  |             | +  | <del> </del>  |
| 2220  |  | +  | 1  | $\dashv$   |                | <del> </del>                                     | +  | +  |  | <del> </del> | <del> </del> -                                   |   |             | +  |   |
| 7225  |  | _  | <del> </del>                                     |  |                | <del>                                     </del> | +  |  |  | <del></del>  |  | $\dashv$  |             | <del>                                     </del> | +   |
| 2230  |  | 1  | _  |  |                | -  | 1  | $\dashv$   | <del></del>                                      | <del></del>  | +  |   |             | <del> </del>                                     | +   |
| 2236  |  | T  | <b>—</b>   |  |                | <del> </del>                                     |  | $\neg$   | $\dashv$   |              | o  | $\neg$  |             | 1  | +   |
| 2240  | Other Consultants  |  |  |  |                | i  |  |  |  |              |  | _   |             | 1  |   |
| 2245  |  | 1  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 2250  |  |  | $\perp$  |  |                |  |  |  |  |              |  |   |             |  |   |
| 2255  | * * * * * * * * * * * * * * * * * * *  | —  |  | _  |                |  |  |  |  |              |  | $\perp \Gamma$  |             |  |   |
| <b>2270</b>   |  | +  |  | +  |                | <u> </u>   | 4—   |  | <del>_</del>                                     |              |  | -,}-  |             | ļ  |   |
| 2305  | Subtotal Consultant  | 4  | +  | -  |                |  | +  |  |  | <del></del>  | -  | _   |             | <b>↓</b>   |   |
| 2310  |  | +  | +-   | +  |                |  | +  | +  | <del></del>                                      | _            | +  |   |             | <del> </del>                                     | _}  |
| 2315  |  | <del> </del>                                     |  |  |                |  |  | +  |  |              | +  | -   |             | -  | +   |
| 2320  |  | +  | +  |  |                |  | 1  | +  | _  | -            | <del> </del>                                     | -   |             | <del>                                     </del> | + -   |
| 2325  |  |  | 1  |  |                |  | <del> </del>                                     |  | +  | $\neg$       | ╅┈   |   |             | <del>                                     </del> | +-  |
| 2345  |  |  |  |  |                |  | 1  | 1  | 1-   | _            |  |   |             | $\vdash$   | 1   |
| 2356  | Insurance (General Liability)  | L  |  | $\perp$  |                |  |  |  |  |              |  |   | <del></del> | 1  | 7   |
| 2360  | Historic District  | ↓  |  |  |                |  | <b>—</b>   |  |  |              |  |   |             |  |   |
| 2365  |  | <b>↓</b>   | <b> </b>   |  |                |  | ₩.   |  |  |              |  |   |             |  |   |
| 2367  | Public Facilities  | <b>↓</b>   |  | +  | _              |  |  |  |  |              |  |   |             | <b>↓</b>   | <b>_</b>  |
| 2370<br>2375  | Special Assessment Fees (T.L Loen)   | <del> </del>                                     | +  |  |                |  | +  |  |  |              | <del>  -</del> -                                 |   |             |  |   |
| 2380  | Affordable Housing Subsidy FORA Loan Interest  | ╁  | +-   | +  |                |  | +  | +  | <del>                                     </del> | _            | +  |   |             |  | +   |
| 2385  | HOA Fees (CFO Debt Service)  | <del>                                     </del> | <del> </del>                                     | +-   |                |  | <del></del>                                      |  |  |              |  |   | _           | ├──  | +   |
| 2390  | FORA PLL Insurance   |  | †  | +  | +              |  | t  | 1  | +  | +            | 1  | +   |             | <del>                                     </del> | +   |
|   | Subtotal Development Fees  |  |  | _  |                |  | 1  | _  |  | ~ -          | <del></del>                                      | +   |             | 1  | <del></del>   |
| 2411  | Clearing Demo & Relocation   |  |  | $\perp$  |                |  |  | <u> </u>   |  |              |  | 1   |             | $\vdash$   | 1   |
| 2412  |  |  | 1  | $\perp$  |                |  |  | L  | 1  |              |  | ╧   |             |  | 1   |
| 2413  |  | —  |  |  |                |  |  |  |  |              | $\bot$   | $oldsymbol{ol}}}}}}}}}}}$ |             |  | $oldsymbol{ol}}}}}}}}}}}}}$ |
| 421   | Fences/Walls - Relaining   | <u> </u>   | _  | _  |                |  | <u> </u>   |  |  |              | 1  |   |             |  | 1   |
| 2422  | Fances/Walls - Masonry   |  | +-   | +  |                |  | ₩  | 4  |  | +-           | -  |   |             |  |   |
| 431   | Sanitary Sewer   | <del></del>                                      | +  | +-   |                | _  | -  | -  | $\leftarrow$                                     |              | <del> </del>                                     |   |             |  |   |
| 432   | Sewer Force Main<br>Sewer Refundable Deposits  | <del></del>                                      | +  | +  |                |  | <del> </del>                                     |  | ╂  | -            | +  | +   | _           |  | <del> </del>  |
| 440   | Storm Orain System   |  | +  | +  |                |  | <del>                                     </del> |  | <del></del>                                      | +            | + -  | +   |             |  | <del> </del>  |
| 442   | Storm Drain Force Main   |  | <del></del>                                      | +  | _              | -  | <del>                                     </del> |  |  |              | <del></del> -                                    | +   | <u> </u>    |  | ┿   |
| 46D   | Domestic Water System  |  | 1  | 1  | 一十             |  | t —  | 1  | +-   |              | +  | +-  | -           |  | <del>†                                      </del>  |
| 463   | Recycled Water   |  | 1  | 1  |                |  | <b>—</b>   | 1 -  | <del> </del>                                     | +            | +  | +   | $\dashv$    |  | <del> </del>  |
| 166   | Domestic Water Retund  |  |  |  |                |  | <u> </u>   |  | $\top$   |              |  | $\top$  | $\neg$      |  | 1   |
| 471   | Curb & Gutters   |  | L  |  |                |  |  |  |  |              |  | ٠,  |             |  | T   |
| 472   | Sidewalks & Approaches   |  |  |  |                |  |  |  |  |              | $\bot$   |   |             |  |   |
| 460   | Street improvements  | <b></b>  | 1  | ₩  |                |  | <u> </u>   | —  |  |              | .  |   |             |  | L   |
| 491   | Stripleg   |  |  | +  |                |  | <u> </u>   | +  | —  | <b>-</b>     | 4  | _   |             | _  |   |
| 492   | Street Signa & Protective Des.   |  | ╄  | +-   | -+             |  | ├  | +  | →—   |              |  | 4-  |             |  | <u> </u>  |
| 501<br>501e   | FORA Reimbursement (CIP)   |  | <del>∤</del>                                     | + -  |                |  | ļ  | <del> </del>                                     | +  | +            | ┿  |   | _           |  |   |
| 502   | Reimbursements - Others  |  | †  | +-   | -              |  |  | <del> </del>                                     | +  | +            | +  | +   | -           |  | +   |
|   | FORA Reimbursement (Demo)  |  | <del>                                     </del> | +  | _              |  |  |  |  |              | +  | +   |             |  | <del> </del>  |
| 503   | Traffic Signals  |  | 1  |  | 7              |  | 1  | 1  | <del>                                     </del> | _            | 1  | +   | $\dashv$    |  | †   |
| 511   | Chility Trenching  |  |  |  |                |  |  | 1  | 1  | T            | 1  | 1   |             |  | <del> </del>  |
| 512   | Street Lights & Traffic  |  |  | 1  | _              |  |  |  |  |              |  | $\perp$   |             |  |   |
| 521   | PG&E Refundable Deposits   |  | ļ  | <del>                                     </del> | <b>_</b>       |  |  | <del> </del>                                     |  |              | l  | Ь.  | _1          |  |   |
| 532   | Landscape  |  | ļ  | ↓  | _              |  |  |  | 1  |              |  |   | _           |  |   |
| 33  | Landscape Maintenance  | -  | -  | <b>├</b> ─                                       | -              |  |  | ├—   | <b></b>  | 4            | <b>.</b>   | 1.  |             |  | <b></b>   |
| 36<br>50  | Environmental Field (mitigation fencing) Point & Patch   |  |  | +  |                |  |  | -  |  | -            |  | 4   | -           |  |   |
| 150   | Erosion 8. Dest Control  |  |  | +  | -              |  |  | <del> </del>                                     | —  |              | ·  | <del>- </del> -   | -+          |  |   |
|   | Lime Treatment   |  | <del>                                     </del> | †  | -              |  |  | †  | 1  | +            | <u> </u>   | +   | -+          |  | <del></del>   |
| 575   | Operational expenses   |  |  | T-   | $\neg$         |  |  |  | 1  | · · · ·      | i i  | +   | 一十          |  | ····  |
| 78  | Bridge Construction  |  |  | 1  |                |  |  |  |  | <b>———</b>   | 1  | 1   | _           |  | -   |
| 79  | Sturry Seal  |  |  |  |                |  |  | L  |  | I.           | 1  |   |             |  |   |
| 79  | PreAgest Woodman Reimbursement   |  | ļ  | $\bot$   | Ţ              |  |  | $ldsymbol{ldsymbol{ldsymbol{eta}}}$              |  |              |  | $\mathbf{I}^{-}$  |             |  | L   |
| 80  | Contingency  |  |  |  | $\perp$        |  |  |  |  |              |  |   |             |  | L   |
| or.   | Subtotal Land Improvements   |  | <del> </del>                                     |  | -              |  |  | <del>-</del>                                     | 1  |              | 1  | 1   |             |  |   |
| _   | Bus Stops  |  | ├  | <del></del>                                      | +              |  |  | <del>                                     </del> | +-   | +            | <del> </del>                                     |   | [.          |  | ļ   |
|   | Intersection Improvments Path Lighting   |  | <del> </del> -                                   | ┼─   |                |  |  | <del></del>                                      | +  | +            | ├  | ╀   | +           |  | <del></del>   |
|   | Entry Monuments Major  |  | <del></del>                                      | $\vdash$   | +              | <del>-  </del>                                   |  | <del>                                     </del> | $\vdash$   | +            | <del>!                                    </del> | $\vdash$  | -           |  | <del></del>   |
|   | Ory Utilities  | -  |  | t  | <del>- -</del> |  |  | <del> </del>                                     | <del> </del>                                     | <del></del>  | <del>                                     </del> | +   | +           |  | <b>—</b> —  |
| 32 .  |  | $\overline{}$                                    |  |  | _              | $\neg$   |  |  | <del>                                     </del> | 1            | l  | 1   | $\dashv$    |  |   |
|   | Tennis Courts  |  |  |  |                |  |  |  |  | <del></del>  | <del>-                                    </del> | †   | 十           |  | _   |
| <b>1</b>  | Subtotal Amenities   |  |  |  | _ }            | ,  |  |  | L_   | <u> </u>     |  | L.  |             |  |   |
| 41<br>12  | Subtotal Amenities<br>Indirect Supervision   |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| (1<br>12<br>15  | Subtotal Amenities<br>Indirect Supervision<br>Offsite Assistant  |  |  |  | #              |  |  |  |  |              |  |   | $\exists$   |  |   |
| 41<br>12<br>15  | Subtotal Amenities<br>Indirect Supervision<br>Offste Assistant<br>Auto & Truck Expense   |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 41<br>12<br>15<br>16  | Subtotal Amenities Indirect Supervision Offsite Assistant Auto & Truck Expense Field Temporary Utilities   |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 12<br>15<br>16<br>18  | Subtotal Agrenities Indirect Supervision Official Assistant Auto & Truck Expense Field Temporary Utilities Telephone   |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 12<br>15<br>16<br>18  | Subtotal Amenities Indirect Supervision Officia Assistant Auto & Truck Expensa Field Temporary Utilities Telephone Construction Weter  |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 12<br>15<br>16<br>22<br>34<br>18  | Subtotal Amenities Indirect Supervision Official Assistant Auto & Truck Expense Field Temporary Utilities Telephone Construction Weter Field Office Expense  |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 12<br>15<br>18<br>22<br>34<br>18  | Subtotal Appenities Indirect Supervision Offsite Assistant Auto & Trust Expense Field Temporary Utilities Telephone Construction Weter Field Offsice Expense Sanilation Facilities   |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 12<br>15<br>16<br>22<br>24<br>18<br>12<br>14  | Subtotal Amenities  Guiter Supervision  Official Assistant  Auto & Truck Expense Field Temporary Utilities  Teightone  Construction Weter Field Office Expense  Servision Field Refere  Servision Regulates  Servision Regulates   |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 112<br>115<br>116<br>122<br>124<br>148<br>158<br>168  | Subtotal Appenities Indirect Supervision Offsite Assistant Auto & Trust Expense Field Temporary Utilities Telephone Construction Weter Field Offsice Expense Sanilation Facilities   |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 12<br>15<br>16<br>18<br>18<br>19<br>19<br>10<br>10  | Subtotal Amenities  Indirect Supervision  Officia Assistant  Auto & Truck Expensa  Field Temporary Utilities  Telephone  Construction Weter  Field Office Expensa  Sanitation Facilities  Equipment Renials  Fences/Wells-Temp Enclosities   |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 112<br>115<br>116<br>118<br>122<br>24<br>128<br>132<br>141<br>186<br>190<br>190   | Subtotal Arrenities  Guirect Supervision  Officie Assistant  Auto & Truck Expense Field Temporary Utilities  Trieghone Constitution Weter Field Office Expense Sanitation Facilities Sunitation Facilities  Su |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 112   115 | Subtotal Amenities  Guite Assistant  Auto & Truck Expense Fleid Temporary Utilities  Trieghones  Construction Weter Fleid Office Expense  Serviction Weter Fleid Office Expense  Serviction Fleidities  Serviction Fleidities  Serviction Fleidities  Serviction Fleidities  Serviction Fleidities  Serviction Fleidities  Serviction Fleidities  Serviction Fleidities  Classificat |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 112   115 | Subtotal Arrenities  Official Aspension  Official Aspectant  Auto & Truck Expensa  Field Temporary Utilities  Telephone  Construction Weter  Field Office Expensa  Sanilation Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Semination Facilities  Generation Facilitie |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 41<br>12<br>15<br>16<br>18<br>18<br>18<br>18<br>19<br>19<br>19<br>19<br>19<br>19<br>19<br>19<br>19<br>19<br>19<br>19<br>19  | Subtotal Armenities  Indirect Supervision  Official Assistant  Auto & Truck Expensa  Field Temporary Utilities  Teightones  Genstruction Weter  Field Office Expensa  Senitation Facilities  Seulpasent Rentals  Fences/Walls-Temp Enclosures  Miso, Expenses  Champy/Sweeping  Gisard & Patrol Service  Vendallarin  Subtotal Infire Indirects  Subtotal  |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 41<br>112<br>115<br>115<br>118<br>122<br>24<br>24<br>24<br>24<br>32<br>32<br>32<br>32<br>34<br>4<br>4<br>7<br>7   | Subtotal Arrenities  Indirect Supervision  Officie Assistant  Auto & Truck Expense Field Timporary Utilities  Treightone Construction Weter  Field Office Expense Sanitation Facilities Subtation Facilities Subtation Facilities  Subtation Facilities  Subtation Facilities  Chanus/Sweeping  Glard & Patint Sarvice Vendaller  Subtotal Infra Indirects  Subtotal  Moodman Management Fee   |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 12 15 15 16 16 17 17 17 17 17 17 17 17 17 17 17 17 17   | Subtotal Arrenities  (Nette Assistant Auto & Truck Expense Fleid Temporary Utilities  (Treighone Construction Weter Fleid Office Expense Septiation Facilities Equipment Reniate Equipment Reniate Equipment Reniate Equipment Reniate Champa/Severeing Guard & Patrol Service Vendalitim Subtotal Infra Indirects Subtotal Moodman Management Fee EGP Minagement Fee  |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 41<br>112<br>115<br>116<br>118<br>22<br>24<br>28<br>32<br>32<br>32<br>44<br>14<br>17<br>17<br>11<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18  | Subtotal Amenities  Indirect Supervision  Official Assistant  Auto & Truch Expense Field Temporary Utilities  Trieghtone  Construction Weter Flaid Office Expense  Sundation Facilities  Subtotal Femilian  Chamus/Sweeping  Gisant & Patrol Service  Vendallism  Subtotal Infra Indirects  Subtotal  Whodman Management Piee  Ext Management Fiee  Ext Management Fiee  State & Ma |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 112<br>115<br>118<br>122<br>124<br>128<br>132<br>134<br>144<br>177<br>118<br>118<br>118<br>118<br>118<br>118<br>118<br>118<br>118   | Subtotal Arrenities  (Orlize Assistant  Auto & Truck Expense Field Temporary Utilities  Frield Temporary Utilities  Teightone  Construction Weiter  Frield Orlion Expense Sanitation Facilities  Sunitation Facilities  Subtotal  Guippenent Renials  Fences/Weite-Temp Enclosures  Main, Expenses  Chanus/Sweeping  Gisard & Patinol Service  Vendallism  Subtotal Infra Indisnects  Subtotal  Woodman Management Fee  Sales & Marketing  and Gost  |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 112<br>115<br>115<br>118<br>118<br>122<br>124<br>128<br>132<br>134<br>14<br>15<br>16<br>17<br>17<br>11<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18  | Subtotal Arrenities  Guite Aspervision  Offisite Aspervision  Offisite Aspervision  Offisite Aspervision  Auto & Truch Expense Fleid Temporary URMes  Treisphone  Construction Weter  Fleid Office Expense  Surairtion Facilities  Guitpenent Renials  Fences/Walls-Temp Enclosures  Mass. Expenses  Cleanus/Gweeping  Guard & Patrol Service  Vendallism  Subtotal Infira Indirects  Subtotal  Machine Management Fee  Gel Management Fee  Sales & Markeling  Jel |  |  |  |                |  |  |  |  |              |  |   |             |  |   |
| 112<br>15<br>15<br>18<br>12<br>24<br>18<br>18<br>12<br>14<br>17<br>17<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18<br>18   | Subtotal Amenities  Indirect Supervision  Official Assistant  Auto & Truch Expense Field Temporary Utilities  Trieghones  Construction Weter Flaid Office Expense  Sundation Facilities  Seulposeeri Rentals  Fences/Walls-Temp Enclosities  Miss. Expenses  Chemics/Sweeping  Gisant & Patrol Service  Vendalism  Subtotal Infra Indirects  Subtotal  Whodeman Management Fiee  Sight Memberseering  Selevice & Marketing  and Cod  Property Taxons  Selling Expenses   |  | g(A) pure  | 424  |                |  |  | \$50,000   |  |              | \$55,800   |   |             |  | \$\$58,600,000  |

## Appendix 1 Exhibit B

PRICING AND ABSORPTION ANALYSIS

East Garrison Property

Fort Ord, Monterey County; California

Prepared for: East Garrison Partners August 2006



5674 Stoneridge Drive, Ste. 208 Pleasanton Ca 94588 (925) 737-1110



## Exhibit 1 PROPOSED DEVELOPMENT PROGRAM ~ AUGUST 2006 East Garrison Partners @ East Garrison, Fort Ord, Monterey County, California

Northeast section of Fort Ord, East of Marina, Monterey County

The majority of buyers will be commuters from the Monterey and San Jose area, and will be employed in Santa Clara County or other parts of Monterey County. Some empty nester/reitree move-down buyers will be attracted to the location and proposed plans. The subject property's attached units will attract an entry-level or first move-up have a while the small interpolate family product will attract move-up have an attracted to the following while the small interpolate family product will attract move-up have an attracted to the following section of Fort Ord, East of Marina, Monterey County

The majority of buyers will be commuters from the Monterey and San Jose area, and will be employed in Santa Clara County or other parts of Monterey County.

• Product/Location: A total of approximately 1,200 single family detached and attached homes

| HWMI Proposed                  |              |      |       |                | •         |            |                  |
|--------------------------------|--------------|------|-------|----------------|-----------|------------|------------------|
| Development Program:           |              |      |       |                | ust 2006  |            |                  |
|                                | Plan         | Mix  | Units | Lvis/Parking   | Unit Size | Base Price | Value Ratio      |
| Town Center Mixed use Resid.   | 1            | 35%  | 14    | 1/2            | 650       | \$375,000  | \$576.92         |
| 2-3 Story Condo                | 2            | 0%   | 0     | 1/2            | 800       | \$419,000  | \$523,75         |
| 6.0/mo.                        | 3            | 65%  | 26    | 1/2            | 881       | \$438,000  | \$497,16         |
|                                | Total/Wtd.   | Ave: | 40    |                | 800       | \$415,950  | \$519,84         |
| <i>Market Condos</i><br>Condos | 1            | 100% | 10    | 2/2            | 1,350     | \$540,000  | \$400,00         |
| 6.0/mo,                        | Total/Wtd.   | Ave: | 10    |                | 1,350     | \$540,000  | \$400.00         |
| Retail/Live Work               | 1            | 31%  | 15    | 2/2            | 1,750     | \$610,000  | \$348.57         |
| 1,540 SF Lots (22' x 70')      | 2            | 31%  | 15    | 2/2            | 1,950     | \$630,000  | \$323.08         |
| 6.0/mo.                        | 3            | 39%  | 19    | 2/2            | 2,100     | \$645,000  | \$307.14         |
| •                              | Total/Wtd.   | Ave: | 49    | _ <del>.</del> | 1,947     | \$629,694  | \$323.43         |
| Warket Townhome                | 1            | 19%  | 20    | 2/2            | 1.600     | \$600,000  | \$375.00         |
| 1,540 SF Lots (22' x' 70')     | 2            | 25%  | 26    | 2/2            | 1,750     | \$615,000  | \$351.43         |
| 3.0/mo.                        | 3            | 25%  | 26    | 2/2            | 1,900     | \$630,000  | \$331,58         |
|                                | 4            | 31%  | 32    | 2/2            | 2,000     | \$640,000  | \$320.00         |
|                                | Total/Wtd.   | Ave: | 104   |                | 1,836     | \$623,558  | \$339.71         |
| Market Grove Lots              | 1            | 30%  | 57    | 2/2            | 1,300     | \$620,000  | <b>\$476.92</b>  |
| 1,100 SF Lots (30' x' 70')     | 2            | 35%  | 66    | 2/2            | 1,500     | \$640,000  | \$426.67         |
| .0/mo.                         | 3            | 35%  | 66    | 2/2            | 1,700     | \$660,000  | \$388.24         |
|                                | Total/Wtd.   | lve: | 189   |                | 1,510     | \$640,952  | \$424.61         |
| iarden Lots                    | 1            | 15%  | 30    | 2/2            | 1,500     | \$650,000  | <b>\$433</b> .33 |
| ,450 SF Lots (35' x 70")       | 2            | 20%  | 40    | 2/2            | 1,600     | \$660,000  | \$412.50         |
| .0/mo.                         | 3            | 20%  | 40    | 2/2            | 1,750     | \$675,000  | \$385,71         |
|                                | 4            | 20%  | 40    | 2/2            | 1,900     | \$690,000  | \$363.16         |
|                                | 5            | 25%  | 51    | 2/2            | 2,000     | \$700,000  | \$350.00         |
|                                | Total/Wtd. A | ve:  | 201   |                | 1,776     | \$677,612  | \$381.51         |
| ourtyard                       | 1            | 32%  | 16    | 2/2            | 1,800     | \$720,000  | \$400.00         |
| 550 SF Lots (65' x 70')        | 2            | 34%  | 17    | 2/2            | 2,000     | \$740,000  | \$370.00         |
| 0/mo.                          | 3            | 34%  | 17    | 2/2            | 2,200     | \$760,000  | \$345.45         |
|                                | Total/Wtd. A | uo:  | 50    | <del></del>    | 2,004     | \$740,400  | \$369,46         |



## Exhibit 1 PROPOSED DEVELOPMENT PROGRAM ~ AUGUST 2006 East Garrison Partners @ East Garrison, Fort Ord, Monterey County, California

| Development Program:                   |            |      |       | Nover        | nber 2005 |            |             |
|--|------------|------|-------|--------------|-----------|------------|-------------|
|  | Plan       | Mix  | Units | Lvis/Parking | Unit Size | Base Price | Value Ratio |
| Bungalow Lots                          | 1          | 20%  | 35    | 2/2          | 2,100     | \$760,000  | \$361.90    |
| 4,000 SF Lots (40' x 100')             | _ 2        | 20%  | 35    | 2/2          | 2,300     | \$780,000  | \$339.13    |
| 4.0/mo,                                | 3          | 30%  | 53    | 2/2          | 2,500     | \$800,000  | \$320.00    |
|  | 4          | 30%  | 53    | 2/2          | 2,600     | \$810,000  | \$311.54    |
|  | Total/Wtd. | Ave: | 176   |              | 2,411     | \$791,080  | \$328.14    |
| Cottage Lots                           | 1          | 30%  | 42    | 2/2          | 2,500     | \$815,000  | \$326.00    |
| 5,000 SF Lots (50' x' 100')            | 2          | 30%  | 42    | 2/2          | 2,700     | \$835,000  | \$309,26    |
| 4.0/mo.                                | 3          | 40%  | 56    | 2/2          | 2,900     | \$855,000  | \$294.83    |
|  | Total/Wtd. | Ave: | 140   |              | 2,720     | \$837,000  | \$307.72    |
| Bluff Lots                             | 1          | 43%  | 9     | 2/2          | 2,900     | \$855,000  | \$294.83    |
| 5,000 SF Lots (50' x' 100')<br>4.0/mo. | 2          | 57%  | 12    | 2/2          | 3,100     | \$875,000  | \$282.26    |
|  | Total/Wtd. | Ave: | 21    |              | 3,014     | \$866,429  | \$287.44    |

Incentives:

Approximately two-thirds of the competitive projects are currently offering incentives that are contingent upon the use of the builder's preferred lender. Typical incentives range up to \$5,000, and average about \$2,000. Incentives in the competitive market area should be re-evaluated at the time the subject property opens. Any additional incentives used should be added to the recommended prices above to achieve published pricing.

Premiums:

Premiums are not included in the recommended prices above. Based on the competitive market area, premiums for cul-de-sac or corner lots/units may extend up to approximately 3% of the base price white oversized lots may achieve premiums up to approximately 5% of the base price. Valley views can achieve premiums up to 10% of the base home price.

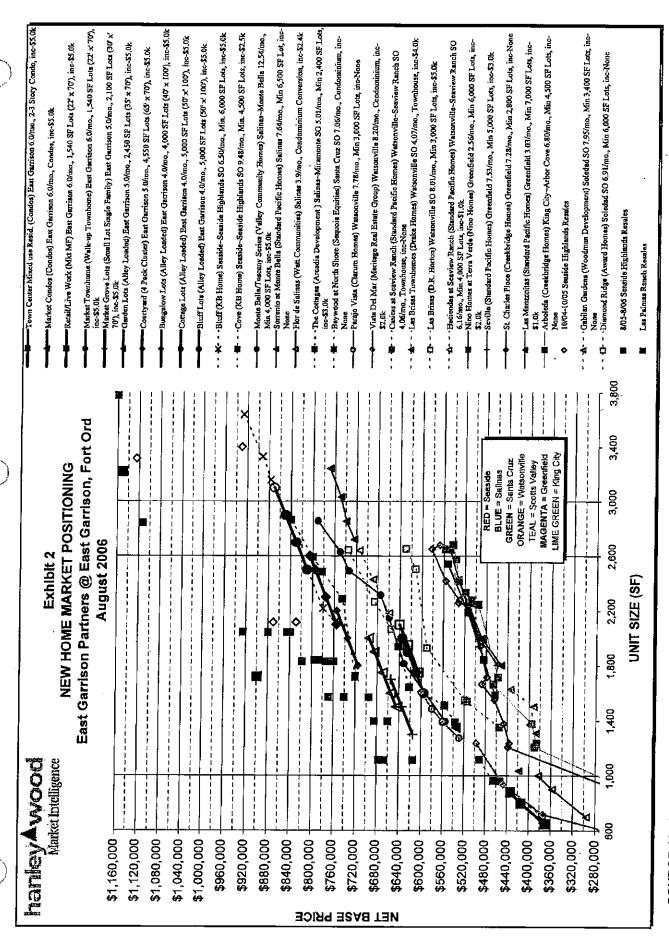
#### Market Positioning:

The Competitive Market Area for the subject property is composed of communities in Monterey County, including Seaside and Salinas, but given the lack of new home projects in this region, the market area was extended to Santa Cruz and parts of San Benito Counties. Locational characteristics of the property support its positioning towards the top portion of the competitive market, though below most resales in the subject property's best comparable Seaside Highlands and above new homes in much less desirable locations. Specifically, the subject property is positioned:

- below appreciated values of KB Home's sold out Seaside Highlands homes, which are located in the former Hayes Housing section of Fort Ord. Seaside Highlands offered homes on larger lots than what is planned for the subject property, and is located in a neighborhood with superior proximity to the ocean and golf course. Although, Seaside is a less desirable city than the subject property's neighboring City of Marina. Since KB Home's last available base prices, the market has appreciated about 12%, which would position Seaside Highlands' homes on minimum 6,000 square foot lots about 10% higher than the recommended base positioning for the Cottage and Bluff neighborhoods.
- above single family and attached communities in further inland locations such as Salinas, Watsonville,
  Greenfield, and at the bottom of Las Palmas recent resales, given the combination of the subject property's
  small lot size, and superior location with closer proximity to services (Las Palmas is located along the
  Highway between Salinas and Monterey) and proximity to the ocean.
- below Marina single family resales over the last year, which are on average 304 years old. According to First American Real Estate Solutions (FARES) there were 112 recorded single family resales over the last year with an average value of \$699,281 for a 1,604 square foot home on an average 7,000 square foot lot. The subject property will offer new product features on smaller lots, but the additional fees associated with with subject property supports the subject property's positioning below the trend line for Marina resales.

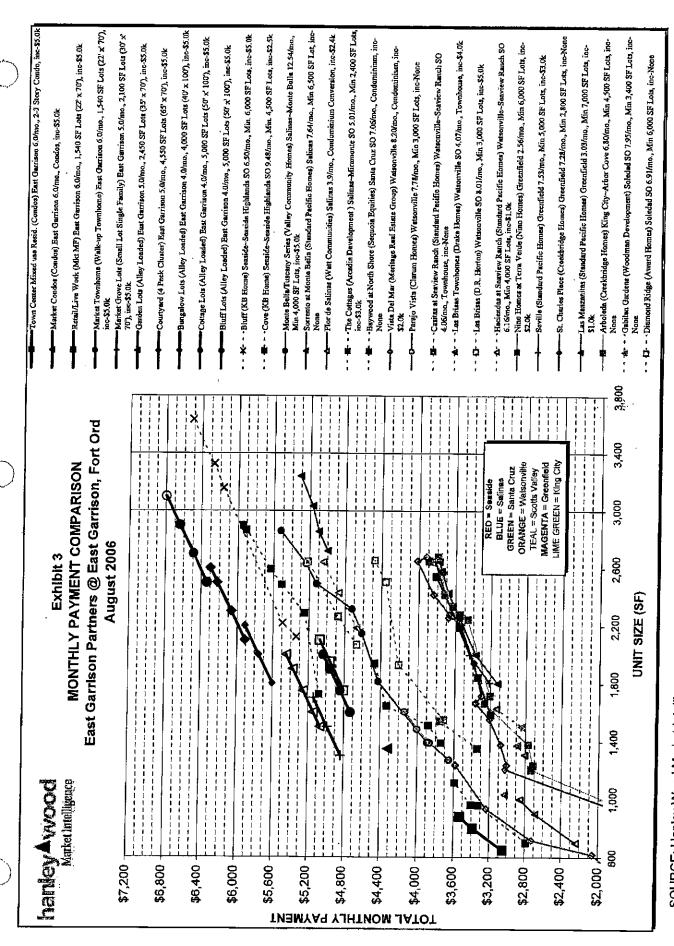
SOURCE: Hanley Wood Market Intelligence

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SOURCE: Hanley Wood Market Intelligence



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SOURCE: Hanley Wood Market Intelligence

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# Exhibit 4 MONTHLY PAYMENT COMPARISON TABLE East Garrison Partners @ East Garrison, Fort Ord, Monterey County, California August 2006

| Project Name/Builder<br>Community/<br>Lot Size | Town Genter Mixed use Resid<br>Condos<br>East Garrison<br>2-3 Story Condo | Market Condos<br>Condos<br>East Garrison<br>Condos | Retail/Live Work Mkt MF East Garrison 1,540 SF Lots (22'x70') | Market Townhome<br>Walk-up Townhome<br>East Garrison<br>1,540 SF Lots (22' x' 70) | Market Grove Lots<br>Small Lot Single Family<br>East Garrison<br>2,100 SF Lots (30' x' 70') | Garden Lots<br>Alley Loaded<br>East Garrison<br>2,450 SF Lots (35' x 70') | Courtyard<br>4 Pack Cluster<br>East Garrison<br>4,550 SF Lots (65' x 70') | Bungalow Lots<br>Alley Loaded<br>East Garrison<br>4,000 SF Lots (40' x 100') |
|--|---|--|---|---|---|---|---|--|
| Planned<br>Released<br>Sold/Rate               | d 40<br>-<br>-<br>8.0/mo.   | 10<br><br>6.0/mo.                                  | 49<br><br>6.0/mo.   | 104<br><br>6.0/mo.  | 189<br><br>5.0/mo.  | 201<br><br>5.0/mo.  | 50<br><br>5.0/mo.   | 176<br><br>4.0/mo.   |
| Lybe   | 1 1 1   | 1 1 1  | 1 1 1   | 1 1 1   | 1 1 1   | 1 1 1   | 1 1 1   | 1 1 1  |
| Floors<br>Type Parking                         | 1 1 (   |  | 1 1 1   | 1 1 1   | 1 1 1   | 1 1 1   | 1 1 1   | 1 1 1  |
| Unit<br>Size<br>(Sq. Et.)                      | 650<br>800<br>881   | 1,350  | 1,750<br>1,950<br>2,100                                       | 1,600<br>1,750<br>1,900<br>2,000  | 1,300<br>1,500<br>1,700   | 1,500<br>1,600<br>1,750<br>1,900<br>2,000                                 | 1,800<br>2,000<br>2,200   | 2,100<br>2,300<br>2,500<br>2,500   |
| Base   | \$375,000<br>\$419,000<br>\$438,000                                       | \$540,000  | \$610,000<br>\$830,000<br>\$645,000                           | \$600,000<br>\$615,000<br>\$630,000<br>\$640,000                                  | \$620,000<br>\$640,000<br>\$660,000   | \$650,000<br>\$860,000<br>\$675,000<br>\$690,000<br>\$700,000             | \$720,000<br>\$740,000<br>\$760,000                                       | \$760,000<br>\$780,000<br>\$800,000<br>\$810,000                             |
| licentives                                     | \$5,000<br>\$5,000<br>\$5,000   | \$5,000  | \$5,000<br>\$5,000<br>\$5,000                                 | \$5,000<br>\$5,000<br>\$5,000<br>\$5,000  | \$5,000<br>\$5,000<br>\$5,000   | \$5,000<br>\$5,000<br>\$5,000<br>\$5,000<br>\$5,000                       | \$5,000<br>\$5,000<br>\$5,000   | \$5,000<br>\$5,000<br>\$5,000<br>\$5,000                                     |
| Net.   | \$370,000<br>\$414,000<br>\$433,000                                       | \$535,000  | \$605,000<br>\$625,000<br>\$640,000                           | \$595,000<br>\$610,000<br>\$625,000<br>\$635,000                                  | \$615,000<br>\$635,000<br>\$655,000   | \$645,000<br>\$655,000<br>\$670,000<br>\$685,000                          | \$715,000<br>\$735,000<br>\$755,000                                       | \$755,000<br>\$775,000<br>\$785,000<br>\$805,000                             |
| Price/   | \$569.23<br>\$517,50<br>\$491.48  | \$396.30   | \$345.71<br>\$320.51<br>\$304.76                              | \$371.88<br>\$348.57<br>\$328.95<br>\$317.50                                      | \$473.08<br>\$423.33<br>\$385.29  | \$430.00<br>\$409.38<br>\$382.86<br>\$360.53<br>\$347.50                  | \$397.22<br>\$367.50<br>\$343.18  | \$359.52<br>\$336.96<br>\$318.00<br>\$309.62                                 |
| 10%<br>Down                                    | 1   | \$53,500   | \$60,500<br>\$62,500<br>\$64,000                              | \$59,500<br>\$61,000<br>\$62,500<br>\$63,500                                      | \$61,500<br>\$63,500<br>\$65,500  | \$64,500<br>\$65,500<br>\$67,000<br>\$68,500<br>\$69,500                  | \$71,500<br>\$73,500<br>\$75,500  | \$75,500<br>\$77,500<br>\$79,500<br>\$80,500                                 |
| Down Loan                                      | \$333,000<br>\$372,600<br>\$389,700                                       | \$481,500  | \$544,500<br>\$562,500<br>\$576,000                           | \$535,500<br>\$549,000<br>\$562,500<br>\$571,500                                  | \$553,500<br>\$571,500<br>\$589,500   | \$580,500<br>\$589,500<br>\$603,000<br>\$616,500<br>\$625,500             | \$643,500<br>\$661,500<br>\$679,500                                       | \$679,500<br>\$697,500<br>\$715,500<br>\$724,500                             |
| Mortgage                                       |   | \$3,203  | \$3,623<br>\$3,742<br>\$3,832                                 | \$3,563<br>\$3,653<br>\$3,742<br>\$3,802  | \$3,682<br>\$3,802<br>\$3,922   | \$3,862<br>\$3,922<br>\$4,012<br>\$4,102<br>\$4,161                       | \$4,281<br>\$4,401<br>\$4,521   | \$4,521<br>\$4,640<br>\$4,760<br>\$4,820                                     |
| Base Tax                                       | <b>&gt;</b>   | \$513  | \$580<br>\$599<br>\$613                                       | \$570<br>\$585<br>\$599<br>\$609  | \$589<br>\$609<br>\$628   | \$656<br>\$658<br>\$6542<br>\$656<br>\$666                                | \$685<br>\$704<br>\$724   | \$724<br>\$743<br>\$762<br>\$771   |
| K HOA  | \$200<br>\$200<br>\$200   | \$200  | \$150<br>\$150<br>\$150                                       | \$150<br>\$150<br>\$150<br>\$150  | \$100<br>\$100<br>\$100   | \$100<br>\$100<br>\$100<br>\$100  | \$100<br>\$100<br>\$100   | \$100<br>\$100<br>\$100<br>\$100   |
| Mello  | 41  | \$401  | \$454<br>\$468<br>\$480                                       | \$446<br>\$458<br>\$469<br>\$476  | \$461<br>\$476<br>\$491   | \$484<br>\$491<br>\$503<br>\$514<br>\$521                                 | \$536<br>\$551<br>\$566   | \$568<br>\$581<br>\$596<br>\$604   |
| Total  | \$3,048<br>\$3,386<br>\$3,532   | \$4,317  | \$4,806<br>\$4,960<br>\$5,075                                 | \$4,729<br>\$4,845<br>\$4,960<br>\$5,037  | \$4,833<br>\$4,987<br>\$5,141   | \$5,064<br>\$5,141<br>\$5,256<br>\$5,372<br>\$5,449                       | \$5,603<br>\$5,757<br>\$5,911   | \$5,911<br>\$6,064<br>\$6,218<br>\$6,295                                     |
| Mo.<br>Price/                                  | \$4.69<br>\$4.23<br>\$4.01  | \$3.20   | \$2.75<br>\$2.54<br>\$2.42                                    | CEMBER 19, 25.28<br>25.28<br>25.28  | \$3.72<br>\$3.32<br>\$3.02  | \$3.38<br>\$3.21<br>\$3.00<br>\$2.83                                      | \$3.11<br>\$2.88<br>\$2.69  | \$2.81<br>\$2.64<br>\$2.49<br>\$2.42   |

Page 5 of 11 - Monthly Payment Table

Framies ANOOO

# Exhibit 4 MONTHLY PAYMENT COMPARISON TABLE East Garrison Partners @ East Garrison, Fort Ord, Monterey County, California August 2006

| 10t Size                                   | Cottage Lots | Alley Loaded    | 5,000 SF Lots (50' x' 100) |       | Bluff Lots | Alley Loaded | East Garrison<br>5.000 SET of 750 v. 1004 | (apr v ac) man in angle | 100400                  | SCHOIDE | Bluff     | KB Home     | Seaside~Seaside Highlands | Min. 6,000 SF Lots |                  |                                 | Cove      | No rome<br>Seaside~Seaside Hinblands   | Min. 4 500 SE1 of  |             |                | SALINAS               | Monte Bella/Tuscany Series | Valley Community Homes     | oalinas~Monte Bella<br>Min 4 000 c∈ 1 → | Will T, 000 ST LOIS |                  |           |           | i ne cottages<br>Arcadia Develonment | Salinas-Miramonfe | Min 2,400 SF Lots | Sorrento at Monte Bella | Standard Pacific Homes | Salinas   | Min 6,500 SF Lat |
|--|--------------|-----------------|----------------------------|-------|------------|--------------|---|-------------------------|-------------------------|---------|-----------|-------------|---------------------------|--------------------|------------------|---------------------------------|-----------|--|--------------------|-------------|----------------|-----------------------|----------------------------|----------------------------|---|---------------------|------------------|-----------|-----------|--------------------------------------|-------------------|-------------------|-------------------------|------------------------|-----------|------------------|
| Sold/Rate                                  | 140          | 1               | 4.0/000                    | 100   | . 2        | •            | 1.0                                       | 4.0/(130.               |                         | ٠       | 143       | 143         | 143                       | SO 6.50/mo.        |                  |                                 | 237       | 737  | į                  | 00 o.46mig. |                |                       |                            | 298                        | 277                                     | 12.54/mo.           |                  |           | į         | 203                                  | 203               | SO 5.01/ma.       | 125                     | 20 20                  | 17        | 7 Rdfmn          |
| Type                                       | 1            | 1               | {                          |       | ı          | I            | J   |                         |                         |         | 3/2       | 3/2         | 3/2.5/D                   |                    | 4/2.5            | 4/2.5/D                         | 3/2.5/D   | 3/2.5  | J/2,5/6            | 412.5       | 3/2.5          |                       | 3/2                        | 4/2.5                      | 5/2.5                                   | <b>4</b><br>Ω :     | 4 5<br>5 5       | 2 2       | 2         | 3/2.5                                | 37.5              | 3/2.5             | 5                       | 4<br>5<br>5            | 473.5     | 3 5              |
| Parking (Sq. Ft)                           | I            | 1               | ı                          |       | ſ          | i            | 1   |                         |                         |         | 1/2       | 12          | 2/2                       | 2/2                | 212              | 233                             | 1/2       | 2/2  | 77.                | 7 5         | 727            |                       | 112                        | 212                        | 212                                     | 272                 | 717              | 77.5      | 7/7       | 2/2                                  | 22.5              | 272               | c/C                     | 212                    | 32        | 7 2              |
| (Sq. Et.)                                  | 2,500        | 2,700           | 2,900                      |       | 2,900      | 3,100        | ,   |                         |                         |         | 2.121     | 2,218       | 3,157                     | 3,327              | 3,327            | 3,635                           | 1,725     | 2,287  | 2,484              | 78G'7       | 2,896<br>2,896 |                       | 1.395                      | 1,815                      | 2,149                                   | 2,316               | 2,491            | 2,631     | 2,858     | 1,389                                | 1,511             | 9.                |                         | 2,720                  | 3 033     | 3,032            |
| Price                                      | \$815,000    | \$835,000       | \$855,000                  |       | \$855.000  | \$875,000    | <del>!</del>                              |                         |                         |         | \$782 5EO | \$784 990   | \$881,990                 | \$896,990          | \$897,990        | \$931,990                       | \$722,490 | \$747,490  | \$784,490          | \$802,490   | \$847,490      |                       | \$560,000                  | \$637,000                  | \$664,000                               | \$680,000           | \$738,000        | \$755,000 | \$796,000 | \$539,950                            | \$559,950         | \$644,950         | 000,000                 | \$724,000              | £740,000  | 4748,000         |
| Price Incentives                           | \$5.00(      | \$5,000         |                            |       | \$5.000    | \$5,000      |   |                         | Сощре                   |         | 65,000    | 2000        | \$5.000                   | \$5.000            | \$5,000          | \$5,000                         |           | \$2,500  | \$2,500            | \$2,500     | \$2,500        |                       | \$5,000                    | \$5,000                    | \$5,000                                 | \$5,000             | \$5,000          | \$5,000   | \$5,000   | \$3,000                              | \$3,000           | 000°58            | on to                   | G 5                    | 2 5       | 2                |
| Not<br>Base Price                          | \$810,000    |                 |                            |       | #850 000   |              |   | ;                       | Competitive Market Area |         | 6767 660  |             |                           |                    |                  |                                 | \$719,990 |  | -                  |             | \$839,990      |                       | SEEF DOO                   |                            |   | \$675,000           | \$733,000        | \$750,000 | \$791,000 | \$536,950                            | \$556,950         | \$621,950         |                         | \$724,000              | 000'86'46 | \$749,000        |
| Price/<br>e Sq. Ft                         | 00 7653      |                 | _                          |       | 6202 40    |              | -   |                         | Area                    |         |           | 71.700 C    |                           |                    | •                | _                               |           | \$326.84   |                    |             | \$294.17       |                       |                            | \$350.96                   |   | \$293.61            | ••               |           | \$278.52  | •                                    |                   | \$380.14          |                         | •                      |           | \$247,03         |
| Down Payment 1                             | _            | _               |                            |       |            | 963,000      |   |                         |                         |         |           |             | 5 47 / 898                |                    |                  |                                 |           |  |                    |             | \$83,999       |                       |                            | \$63,500                   |   |                     |                  |           | \$79,100  |                                      |                   |                   |                         |                        |           | \$74.900         |
| Loan<br>t1/: Amount                        |              | 000,827,4       |                            |       |            |              | 4/83,000                                  |                         |                         |         |           | ., .        |                           |                    | 9 \$803,691      |                                 | -         | ,  |                    |             | -, ,           | 84,00/ <del>4</del> 8 |                            | 0 \$489,500<br>0 \$569,900 | ,                                       | ••                  | •                |           | \$711,900 | 5 \$483,255                          |                   |                   | GG/*//G#                |                        |           | \$874 100        |
|  | J            | 30 <b>4</b> 850 |                            |       |            |              | 602,209<br>∩                              |                         |                         |         |           |             |                           |                    | 35,341           |                                 |           |  |                    |             |                | 090,34                |                            |                            | 53.946                                  |                     |                  |           |           |                                      |                   | 5 \$3,724         |                         |                        |           |                  |
| Mortgage Base Tax HOA Payment Rate 2/ Fees |              |                 | 0 \$815                    |       |            |              | 9 <b>\$</b> 834                           |                         |                         |         |           | -           |                           |                    | - 4818<br>7 5818 |                                 |           |  |                    |             |                | \$775                 |                            |                            | #27g#                                   |                     |                  |           |           | \$492                                |                   |                   | £288                    |                        |           |                  |
| Base Tax HOA<br>Rate 2/ Fees               |              |                 | \$100<br>\$100             |       |            | \$100        |   |                         |                         |         |           |             |                           |                    | \$108            |                                 |           | \$ 60<br>60<br>60<br>60<br>60<br>60<br>60<br>60<br>60<br>60<br>60<br>60<br>60<br>6 |                    |             |                | <b>\$</b> 108         |                            |                            |   |                     |                  |           | S<br>S    | G                                    |                   | <b>S</b>          | <u>S</u>                | <b>S</b>               | <b>\$</b> | Ş                |
| Mello                                      | 1            |                 | \$623                      |       |            | \$638        |   |                         |                         |         |           | ) <b>\$</b> | \$0                       | လ<br>ရ             | 0s &             | 2 6                             | 3         | 2 6  | 9 6                | 8           | \$0            | \$0                   |                            | \$62                       | 462                                     | 563                 | \$62             | \$62      | \$62      | 237                                  | 237               | \$37              | ₹34                     | <b>0\$</b>             | <u></u>   | ě                |
| Monthly                                    |              | \$6,334         | \$6,488                    | 1     |            | \$6,642      | \$6,796                                   |                         |                         |         |           | \$5,338     | \$5,493                   | \$6,163            | \$6,267          | 40,2/4<br>45,500                | 0 0       | 40,079   | \$5,432<br>\$5,407 | \$5.631     | \$5,908        | \$5,942               |                            | \$3,894                    | 54 426                                  | 1 2                 | \$5 123          | \$5 240   | \$5,524   | 777 65                               | \$3.882           | \$4,331           | \$4,469                 | \$4,999                | \$5,102   | L                |
| Price/                                     |              | \$2.53          | \$2.40                     | 44.43 |            | \$2.29       | \$2.19                                    |                         |                         |         |           | \$2.52      | \$2.48                    | \$1.95             | \$1.88           | 1 6<br>1 6<br>1 6<br>1 6<br>1 6 | 7         | \$2.94   | \$7.50<br>67.50    | \$22.17     | \$2.06         | \$2.05                |                            | \$2.79                     | 4 5 5                                   | 2 2                 | \$2.04<br>\$3.08 | 81.00     | \$1.93    | 27.03                                | \$2.57            | \$2.63            | \$2.30                  | \$1.84                 | \$1.79    |                  |

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hanley Awood
Market Intelligence

## Exhibit 4 MONTHLY PAYMENT COMPARISON TABLE East Garrison Partners @ East Garrison, Fort Ord, Monterey County, California August 2006

| iot Size                                      | Flor de Salinas<br>Watt Communities<br>Salinas<br>Condominiem Conversion | SANTA CRUZ Baywood at North Shore Sequola Equities Santa Cruz Condominium | Casitas at Seaview Ranch<br>Standard Pacific Homes<br>Watsonville~Seaview Ranch<br>Townhouse | Las Brisas Townhomes<br>Drake Homes<br>Watsonville<br>Townhouse | Las Brisas<br>D.R. Horton<br>Watsonville<br>Min 3,000 SF Lots | Haclendas at Seaview Ranch<br>Standard Pacific Homes<br>WatsorvIlle~Seaview Ranch<br>Min 4,000 SF Lots | Parajo Vista<br>Clarum Homes<br>VVatsonville<br>Min 3,000 SF Lots<br>Active Adult Community | Vista Del Mar<br>Meritage Real Estate Group<br>Watsonville<br>Condominium |
|---|--|---|--|---|---|--|---|---|
| Sold/Rate                                     | 280<br>40<br>24<br>3.9/mo.   | 115<br>115<br>115<br>SO 7.06/mo.  | 76<br>76<br>76<br>SO 4.08/mo.  | 35<br>35<br>35<br>SO 4.07/mo.                                   | 93<br>93<br>93<br>SO 8.01/mo.                                 | 134<br>134<br>134<br>SO 6.16/mo.   | 74<br>74<br>70<br>7.78/mo.  | 102<br>52<br>32<br>8.20/mo.   |
| 1 <b>ype</b>                                  | 222  | 272<br>272<br>272<br>272.5  | 3/2.5<br>4/2.5   | 212   | 4/3<br>4/2.5<br>4/2.5   | £4<br>£3<br>£3   | 2/2<br>2/2/D<br>2/2/D<br>3/2<br>3/2   | 11<br>111<br>215<br>215   |
| Type Parking (Sq.Ft)                          | 212  | 27.77.77.77.77.77.77.77.77.77.77.77.77.7                                  | 212  | 272   | 272   | 272  | <u> </u>  | \$ <b>\$</b> \$\$\$   |
| Size<br>(Sq. Ft.)                             | 700<br>900<br>1,000  | 702<br>960<br>963<br>1,116  | 1,352  | 1,034   | 2,068<br>2,264<br>2,645                                       | 2,184<br>2,428<br>2,641  | 1,274<br>1,391<br>1,486<br>1,605  | 505<br>619<br>717<br>936  |
| Base<br>Frice                                 | \$298,000<br>\$360,000<br>\$385,000                                      | \$375,000<br>\$453,000<br>\$465,000<br>\$491,000                          | \$455,000<br>\$515,000   | \$421,990   | \$659,990<br>\$690,990<br>\$739,990                           | \$860,000<br>\$690,000<br>\$715,000  | \$529,000<br>\$580,000<br>\$580,000<br>\$580,000<br>\$599,000                               | \$249,000<br>\$279,000<br>\$375,000<br>\$449,000                          |
| Incentives                                    | \$2,400<br>\$2,400<br>\$2,400  | \$ \$ \$ \$<br>\$ \$  | <b>9</b> 9   | \$4,000   | \$5,000<br>\$5,000<br>\$5,000                                 | \$1,000<br>\$1,000<br>\$1,000  | 800 00<br>800 00<br>800 00<br>800 00  | \$2,000<br>\$2,000<br>\$2,000<br>\$2,000                                  |
| Net<br>Base Price                             | \$295,600<br>\$357,600<br>\$382,600                                      | \$375,000<br>\$453,000<br>\$465,000<br>\$491,000                          | \$455,000<br>\$515,000   | \$417,990   | \$654,990<br>\$685,990<br>\$734,990                           | \$659,000<br>\$689,000<br>\$714,000  | \$529,000<br>\$560,000<br>\$560,000<br>\$580,000<br>\$589,000                               | \$247,000<br>\$277,000<br>\$373,000<br>\$447,000                          |
| Price!  | \$425.71<br>\$400.00<br>\$385.00   | \$534.19<br>\$471.88<br>\$482.87<br>\$439.96                              | \$336.54<br>\$334.63   | \$408.11  | \$319.14<br>\$305.21<br>\$279.77                              | \$302.20<br>\$284.18<br>\$270.73   | \$415.23<br>\$402.59<br>\$402.01<br>\$390.31<br>\$373.21                                    | \$450.73<br>\$450.73<br>\$523.01<br>\$479.70                              |
| Down Payment                                  | \$29,560<br>\$35,760<br>\$38,260   | \$37,500<br>\$45,300<br>\$46,500<br>\$49,100                              | \$45,500<br>\$51,500   | \$41,799  | \$65,499<br>\$68,599<br>\$73,499                              | \$65,900<br>\$68,900<br>\$71,400   | \$52,800<br>\$56,000<br>\$56,000<br>\$58,000<br>\$59,900                                    | \$24,700<br>\$27,700<br>\$37,300<br>\$44,700                              |
| Loan<br>// Amount                             | \$286,040<br>\$321,840<br>\$344,340                                      | \$337,500<br>\$407,700<br>\$418,500<br>\$441,900                          | \$409,500<br>\$463,500   | \$378,191   | \$589,491<br>\$617,391<br>\$661,491                           | \$593,100<br>\$620,100<br>\$642,800  | \$476,100<br>\$504,000<br>\$504,000<br>\$522,000<br>\$539,100                               | \$222,300<br>\$249,300<br>\$335,700<br>\$402,300                          |
| 1.3   | \$1,770<br>\$2,141<br>\$2,291  | \$2,245<br>\$2,712<br>\$2,784<br>\$2,840                                  | \$2,724<br>\$3,084   | \$2,503   | \$3,922<br>\$4,108<br>\$4,401                                 | \$3,946<br>\$4,126<br>\$4,275  | \$3,168<br>\$3,353<br>\$3,473<br>\$3,587  | \$1,479<br>\$1,659<br>\$2,233<br>\$2,677                                  |
| Mortgage Base Tax HOA<br>Payment Rate 2/ Fees | \$271<br>\$328<br>\$351  | \$344<br>\$415<br>\$426<br>\$450  | \$417<br>\$472   | <b>\$38</b> 3   | \$600<br>\$629<br>\$674                                       | \$604<br>\$632<br>\$655  | \$485<br>\$513<br>\$513<br>\$532<br>\$532   | \$226<br>\$254<br>\$342<br>\$410  |
| K HOA   | \$198<br>\$217<br>\$217  | \$197<br>\$197<br>\$187<br>\$197  | \$201<br>\$201   | \$143   | \$143<br>\$143<br>\$143                                       | \$119<br>\$119<br>\$119  | 200000  | \$150<br>\$150<br>\$150   |
| Mello<br>Roos                                 | <b>\$\$\$</b>  | \$ \$ \$ \$<br>\$0 \$ \$  | <b>3 3</b>   | <b>0\$</b>  | \$0<br>\$0<br>\$0   | \$0<br>\$0<br>\$0  | S S S S S   |   |
| Monthly<br>Payment                            | \$2,239<br>\$2,686<br>\$2,859  | \$2,786<br>\$3,325<br>\$3,408<br>\$3,587                                  | \$3,342<br>\$3,757   | \$3,029   | \$4,665<br>\$4,879<br>\$5,218                                 | \$4,669<br>\$4,876<br>\$5,049  | \$3,652<br>\$3,866<br>\$3,866<br>\$4,005  | \$1,855<br>\$2,063<br>\$2,725<br>\$3,736                                  |
| Price/<br>Sq.Ft                               | \$3.20<br>\$2.98<br>\$2.86   | \$3.46<br>\$3.46<br>\$3.54<br>\$3.21                                      | \$2.47<br>\$2.44   | \$2.93  | \$2.26<br>\$2.16<br>\$1.97                                    | \$2.14<br>\$2.01<br>\$1.91   | \$2.87<br>\$2.78<br>\$2.78<br>\$2.69  | \$3.67<br>\$3.33<br>\$3.80  |

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## East Garrison Partners @ East Garrison, Fort Ord, Monterey County, California MONTHLY PAYMENT COMPARISON TABLE August 2006 Exhibit 4

| Fig.   Down   Price   Down   Cosin   Mortgage Base Tax High   Mortgag  | Project Name/Builder   | Planned               |                    | <b>新教育</b> | - CLAR         |                        |                          | E. 208 (B) (B) (B)     | 10 10 10 10 10 10 10 10 10 10 10 10 10 1 | e e                  |                        |                    |               |          |                |                    |                |
|---|--|-----------------------|--------------------|------------|----------------|------------------------|--------------------------|------------------------|--|----------------------|------------------------|--------------------|---------------|----------|----------------|--------------------|----------------|
| Continue     | Community/<br>Lot Size   | Released<br>Sold/Rate | Type               | Floors     | Size           | Base                   |                          | Net                    |  | 10%<br>Down          | Loan                   | Mortgage           | Base Tax      | HOA      | Ollewi         |                    | Mo.<br>Price/  |
| Control cont  | SCOTTS VALLEY  |                       |                    |            |                | 7.                     | SPA THEODY               |                        | 81                                       | Fayment 17           | Amount                 | Payment            | Rate 2/       | Fees     | Roos           | Payment            | Sq.Ft          |
| Provinces to the control of the cont  | 10 Glenwood  | 4                     | 4/3.5              | 2/12       | 2.761          | \$980,900              | 500                      | 4078 400               | 10 336                                   | 070                  | 6                      | 1                  | ļ             |          |                |                    |                |
| Hint Grobe Firth SOLUTION STATES AND STATES   | Ponderosa Homes<br>Scotts Valley   | 4:                    | 4/3.5              | 2/2        | 2,922          | \$970,900              | \$2,500                  | \$968,400              | \$332.27                                 | 596,840              | \$871,560              | \$5,858<br>\$6,799 | \$897         | \$132    | 8              | \$6,887            | \$2.49         |
| State   Control   Contro  | Min 6,008 SF Lots  | 50 2.38/mo.           | 5/4.5              | 7.75       | 3,260          | \$1,130,900            | \$2,500                  | \$1,128,400            | \$346.90                                 | \$112,840            | \$1,015,580            | \$6,757            | \$1,034       | \$132    | <b>2</b>       | \$7,923            | \$2.43         |
| Lea Manchanthese 19 42 112 14802 5453,000 511000 5251.3 545.200 4719,700 511100 5251.3 545.200 511100 5251.3 545.200 511100 5251.3 545.2 5480 511100 5251.3 545.2 5480 511100 5251.3 545.2 5480 511100  | GREENFIELD   |                       |                    |            |                |                        |                          |                        |  |                      |                        |                    |               |          |                |                    |                |
| Standard Parellic Homes  19   |  | 19                    | 412                | 10         | 1 802          | £453 000               | 4                        | 410000                 | 4  |                      | ,                      |                    |               |          |                |                    |                |
| Characterised   14  | Standard Pacific Homes   | \$                    | 412                | 12         | 1,999          | \$489,000              | 2000                     | \$452,000<br>\$488,000 | \$251.39                                 | \$45,200             | \$406,800              | \$2,706            | <b>4</b> 4    | <b>Q</b> | <b>%</b>       | \$3,121            | \$1.73         |
| State   Stat  | Greenfield<br>Min 7 000 SE 1 245   | 14                    | 4/3                | 272        | 2,428          | \$534,000              | \$1,000                  | \$533,000              | \$219.93                                 | \$53,300             | \$479,200              | 52,922             | \$447<br>6480 | Ç Ç      | Q Q            | \$3,369            | £1.69          |
| Class No. Solution         39         3/2.5         2         1832         54/2000         \$100         \$409,000         \$223.88         \$44,400         \$25.88,100         \$41,000         \$44,1000         \$47,100         \$47,000         \$47,100         \$47,000         \$47,100         \$47,000         \$47,000         \$47,100         \$47,000         \$47,100         \$47,000         \$44,000         \$444,000         \$444,000 <th< td=""><th>_</th><td>3.U3/mo.</td><td>5/3</td><td>2/2</td><td>2,646</td><td>\$549,000</td><td>\$1,000</td><td>\$548,000</td><td>\$207.48</td><td>\$54,800</td><td>\$493,200</td><td>\$3,281</td><td>\$502</td><td><b>S</b></td><td><b>9</b></td><td>53 784</td><td>7 F</td></th<>   | _  | 3.U3/mo.              | 5/3                | 2/2        | 2,646          | \$549,000              | \$1,000                  | \$548,000              | \$207.48                                 | \$54,800             | \$493,200              | \$3,281            | \$502         | <b>S</b> | <b>9</b>       | 53 784             | 7 F            |
| Min 2400 SF Lots   S.O. 5.88m.  |  | 8<br>8<br>8           | 3/2.5              | 2/2        | 1,832          | \$410,000              | \$1,000                  | \$409,000              | \$223.80                                 | \$40,900             | \$368.100              | \$2,449            | \$375         | \$130    | ; Ş            | F30 64             | 2              |
| Min 2,800 SF Luks SO 5,80m.  47.2 12 1,385 5464,900 \$2,000 \$442,000 \$208.31 \$46.280 \$416.610 \$2.586 \$47.7 \$130 \$130 \$131.95 \$1.500 Min 1,000 Homes at Terra Verde So 5,80m.  47.2 12 1,385 5464,900 \$2,000 \$442,000 \$25.690 \$416.610 \$2.586 \$1.680 \$416.610 \$2.597 \$416.80 \$1.680 \$416.80 \$1.680                   | Greenfield   | 5 6                   | 6.77               | 217        | 1,936          | \$420,000              | <b>%</b><br>1000<br>1000 | \$419,000              | \$216.94                                 | \$41,900             | \$377,100              | \$2,509            | \$384         | 300      | 3 8            | \$2,00¢            | - 6            |
| Nino Homes at Terra Verde 65 52.2 1.845 1849 5400 82.000 552.301 546.400 52.372 542.80 52.900 52.900 52.300 52.301 540.400 552.301 540.400 552.300 52.900 52.900 52.900 52.300 52.300 540.400 552.300 552.300 540.400 552.300 552.300 540.400 552.300   | Min 2,900 SF Lots  | 30<br>SO 5.58/mo.     | 0.2/4              | 717        | 2,137          | \$445,000              | \$1,000                  | \$444,000              | \$208.24                                 | \$44,400             | \$399,600              | \$2,659            | \$407         | \$130    | \$ <b>\$</b>   | \$3,196            | \$1.50         |
| Fig. 2016   Fig. 2017   Fig. 2018   Fig.  |  | 96                    | 40                 | 45         | 1 585          | <b>E</b> 464 000       | 6                        | 6                      |  |                      |                        |                    |               |          |                |                    |                |
| Greenfield  147 172 2,189 5516,400 52,000 544,400 5263 548,440 5455,900 5474 50 553,000 5472 51,800 5472 51,800 5472 51,800 555,000 5414,400 5263 51,800 5472 51,800 5472 51,800 5481,400 5263 51,800 5473 51,800 5481,400 5482,800 5481,400 5482,800 5481,400 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100 5482,800 5413,100   | Nino Homes   | 59                    | 52.5               | 23         | 843            | 4404,900<br>4486,400   | 42,000                   | \$462,900<br>\$484,400 | \$293.31                                 | \$46,290             | \$416,610              | \$2,772            | \$424         | Ş        | 8              | \$3,196            | \$2.02         |
| Min 6,000 SF Lots 2,558/mo. 472,5 2/3 5564,500 550,000 550,000 520,000 520,000 54,100   | Greenfield   | 26                    | 4/3                | 12         | 2,189          | \$516.400              | \$2,000                  | 854,400<br>854,400     | \$263.92                                 | 548,440              | \$435,960              | \$2,900            | \$444         | <b>S</b> | \$0            | \$3,344            | \$1.81         |
| Sewille         167         4/2         1/2         1,806         3462,000         \$53,000         \$45,900         \$443,100         \$27,11         \$3,911         \$3,911         \$3,911         \$3,911         \$3,911         \$3,911         \$3,911         \$3,911         \$3,911         \$3,117         \$1,150           Graenfield         135         4/2         12         1,996         \$485,000         \$5,000         \$245,800         \$443,100         \$2,748         \$451         \$45,801         \$41,810         \$2,748         \$451         \$45,801         \$41,810         \$2,748         \$451,801         \$45,801         \$41,810         \$2,748         \$451,801         \$45,801         \$41,810         \$2,748         \$451,801         \$45,801         \$44,810         \$451,801         \$441,801         \$441,810         \$451,801         \$441,810  | Min 6,000 SF Lots  | 2.56/mo.              | 4/2.5              | 2/3        | 2,543          | \$554,900              | \$2,000                  | \$552.900              | \$230.9                                  | \$55,200<br>\$55,200 | \$462,960<br>\$497,640 | \$3,080            | \$472         | <u>چ</u> | <u>ي</u>       | \$3,552            | \$1.62         |
| Standard Pacific Homes 135 472 12 1,800 3465,000 52456.01 \$2256.61 \$445,900 \$413,100 \$2,748 \$427 80 \$42,790 \$413,100 \$2,748 \$427 80 \$42,790 \$413,100 \$2,748 \$427 80 \$42,790 \$413,100 \$1,172 \$4   | 13 Seville   | 167                   | Ş                  | 5          |                |                        |                          |                        |  | 400.430              | 010, 564               |                    | 7004          | 2        | 8              | 73,817             | \$1.50         |
| Greenfield T32 472 12 12428 3499,000 553,000 554752 548,200 5442,800 52,946 5451 50 542 53,722 Min 5,000 SF Lots 7.53/mo. 5/3 2/2 2,428 \$5556,000 53,000 5533,000 520.76 \$53,300 5472,700 53,191 5502 59,522 50,645 556,1000 53,000 520.06 54,800 5492,000 53,191 500 54,23,191 5502 50 542 53,722 St. Charles Place 156 1/1 2/2 5,646 5651,000 53,000 5408.2 140.5 372 140.5 3/2 1/2 1,207 5438,100 50 5445,000 5408.2 140.5 34.5 140.5 3/2 1/2 1,207 5438,100 50 5445,100 50 5445,100 50 5445,100 5408.2 140.5 34.5 140.  |  | Ş <del>Ç</del>        | ‡ <u>{</u>         | 7 5        | 908,           | \$462,000              | \$3,000                  | \$459,000              | \$255.81                                 | \$45,900             | \$413,100              | \$2,748            | \$42          | Q.       | \$42           | \$3 211            | £1 78          |
| Min 5,000 SF Lots 7.53/mo. 5/3 2/2 2,646 \$551,000 \$5240,00 \$524,000 \$720,76 \$55,300 \$479,700 \$31,81 \$489 \$50 \$542 \$33,722 St. Lots 140 31/2 1/2 1,205 \$454,500 \$548,0  | Greenfield   | 5 5                   | 7 5                | 7 2        | - C            | \$485,000<br>\$106,000 | \$3,000                  | \$492,000              | \$247.62                                 | \$49,200             | \$442,800              | \$2,946            | \$451         | S        | \$42           | \$3,439            | 21.75          |
| St. Charles Place 156 1/1 1/2 1/3 672 \$594,500 \$50 \$140.63 \$94.50 \$568,00 \$5.22.8 \$402 \$5.20 \$5.32.81 \$502 \$50 \$5.30.00 \$5.30.00 \$5.40.00 \$5.00.00 \$5.40.63 \$5.40.00   | Min 5,000 SF Lots  | 7.53/ma.              | 2/3                | 72         | 2,440<br>2,646 | #550,000<br>#664,000   | 000                      | \$533,000              | \$220.76                                 | \$53,300             | \$479,700              | \$3,191            | \$489         | <u></u>  | \$42           | \$3,722            | \$1.53         |
| 156 1/1 2/3 672 \$94,500 \$0 \$140.63 \$9,450 \$85,050 \$565.68 \$87 \$99,505 \$656.29 \$70.00 \$10.00 \$ |  |                       | ;                  | )<br>i     | e<br>i         | 200,100                | 000                      | 4546,000               | \$208.24                                 | \$54,800             | \$493,200              | \$3,281            | \$502         | 맗        | \$42           | \$3,826            | \$1.45         |
| 140 3/2 1/2 1,207 \$438,100 \$0 \$438,100 \$382,97 \$43,810 \$394,290 \$27,23 \$402 \$0 \$30,25 \$10,00 \$30,00   |  | 156                   | 7                  | 2/3        | 672            | \$94,500               | <u>0</u>                 | \$94,500               | \$140.63                                 | \$9.450              | 585 050                | 455                | 404           | ę        | 6              | 0.04               |                |
| SF. Lots 7.28/ma. 3/2 1/2 1/235 \$435,900 \$60 \$436,900 \$362.316 \$392,310 \$2,610 \$400 \$50 \$392,310 \$2,610 \$400 \$50 \$392,310 \$2,610 \$400 \$50 \$50,020 \$323.73 \$44,610 \$401,490 \$2,671 \$409 \$60 \$50,080 \$32,07 \$44,610 \$401,490 \$2,671 \$409 \$60 \$50,080 \$32,07 \$40,610 \$323.73 \$44,610 \$401,490 \$2,671 \$409 \$60 \$50,080 \$32,07 \$40,610 \$323.73 \$44,610 \$401,490 \$2,671 \$409 \$60 \$50,080 \$32,07 \$40,610 \$2,610 \$401,490 \$2,610 \$3,080    | Greenfield   | <del>5</del> 5        | 32                 | <b>2</b> : | 1,207          | \$438,100              | <b>0</b>                 | \$438,100              | \$362.97                                 | \$43,810             | \$394.290              | \$7,623            | 5402          | 2 5      | 2 5            | \$00¢              | 40.97<br>50.97 |
| 3/2         2/2         1378         \$446,100         \$0         \$446,100         \$323.73         \$44,610         \$401,480         \$2,671         \$408         \$0         \$3,010         \$3,010         \$323.73         \$44,610         \$401,480         \$2,671         \$408         \$0         \$3,010  | Min 2 800 CE Lots  | 1700                  | 3/2                | 12         | 1,235          | \$435,900              | Ç.                       | \$435,900              | \$352.96                                 | \$43,590             | \$392,310              | \$2,610            | 240           | Ç        | Ş Ş            | \$2,023<br>\$3,040 | 10.76          |
| \$46,450 \$418,050 \$2,781 \$426 \$0 \$0 \$3,207 \$48,740 \$438,860 \$2,918 \$447 \$0 \$5 \$3,365 \$47,820 \$44,1720 \$2,939 \$450 \$5 \$0 \$5,305 \$49,080 \$441,720 \$2,939 \$450 \$5 \$0 \$5,305 \$51,730 \$465,570 \$3,097 \$474 \$0 \$0 \$3,365 \$53,100 \$477,900 \$3,179 \$488 \$0 \$0 \$3,572 \$53,100 \$477,900 \$3,179 \$487 \$0 \$0 \$3,666 \$55,620 \$500,580 \$3,340 \$504,070 \$3,4407 \$534 \$0 \$50,500                       | 200 CO 10 | r.zovina.             | 7/5                | 77         | 3,378          | <b>5446</b> , 100      | Ç,                       | \$446,100              | \$323.73                                 | \$44,610             | \$401,480              | \$2.671            | \$409         | S        | Ş 5            | 23,080             | 3 2            |
| \$48,740 \$438,860 \$2,818 \$447 \$0 \$0 \$3,365 \$47,820 \$430,380 \$2,863 \$438 \$0 \$0 \$3,305 \$49,080 \$441,720 \$2,939 \$450 \$0 \$0 \$3,305 \$451,730 \$447,720 \$2,939 \$450 \$0 \$0 \$3,305 \$451,730 \$447,900 \$3,147 \$488 \$0 \$0 \$3,572 \$453,200 \$477,900 \$3,147 \$487 \$0 \$0 \$3,665 \$55,620 \$500,580 \$3,340 \$554,87 \$0 \$0 \$3,920 \$56,780 \$511,020 \$3,400 \$520 \$0 \$0 \$3,920   |  |                       | 5.75               | 777        | 7,552          | \$464,500              | င္တ                      | \$464,500              | \$299.28                                 | \$46,450             | \$418,050              | \$2,781            | \$426         | S        | <b>9</b>       | 23 207             | 20 02          |
| \$47,820 \$430,380 \$2,863 \$438 \$0 \$0 \$3,302 \$48,080 \$441,720 \$2,939 \$450 \$0 \$0 \$3,302 \$51,730 \$48,570 \$3,007 \$447,400 \$51,720 \$2,939 \$450 \$0 \$0 \$3,302 \$51,730 \$447,900 \$3,187 \$488 \$0 \$0 \$3,672 \$55,620 \$500,580 \$3,300 \$51,79 \$487 \$0 \$0 \$3,666 \$55,620 \$500,580 \$3,300 \$51,487 \$55,820 \$52,477 \$53,480 \$55,487 \$55,880 \$51,020 \$53,400 \$55,780 \$51,020 \$53,400 \$55,780 \$50,880 \$50,880 \$51,020 \$50,88                           |  |                       | 7 5                | 22.5       | 900            | \$487,400              | <b>2</b>                 | \$487,400              | \$292.56                                 | \$48,740             | \$438,660              | \$2.918            | \$447         | S        | Ş              | \$3.28E            | 5              |
| \$49,080 \$441,720 \$2,939 \$450 \$0 \$0 \$3,389 \$451,730 \$465,570 \$3,097 \$474 \$0 \$0 \$3,572 \$53,220 \$477,900 \$3,187 \$488 \$0 \$0 \$3,675 \$55,620 \$500,580 \$3,330 \$5510 \$66 \$55,620 \$500,580 \$3,330 \$5510 \$0 \$3,840 \$55,620 \$551,020 \$3,487 \$534 \$0 \$0 \$3,840 \$56,780 \$511,020 \$3,487 \$520 \$0 \$5 \$3,920  |  |                       | 4/2                | 2/2        | 1,716          | \$478,200              | <b>0</b> \$              | \$478,200              | \$278.67                                 | \$47,820             | \$430,380              | \$2,863            | \$438         | 9        | 3 <del>5</del> | 53.302             | 47.02          |
| \$51,730  |  |                       | 412.0              | 777        | 1,842          | \$490,800              | Ş                        | \$490,800              | \$252.73                                 | \$49,080             | \$441,720              | \$2,939            | \$450         | <b>S</b> | Ş              | 53.380             | 77 74          |
| \$53,220 \$478,980 \$3,187 \$488 \$0 \$0 \$3,675 \$675 \$63,100 \$477,900 \$3,179 \$487 \$0 \$0 \$3,666 \$55,620 \$500,580 \$3,330 \$510 \$0 \$0 \$3,840 \$58,230 \$524,070 \$3,487 \$534 \$0 \$0 \$4,020 \$56,780 \$511,020 \$3,400 \$520 \$0 \$0 \$3,920  |  |                       | 4<br>5.5<br>5.5    | 7/7        | 2,245          | \$517,300              | 9                        | \$517,300              | \$230.42                                 | \$51,730             | \$465,570              | \$3,097            | \$474         | Ç,       | Ş              | \$3,572            | 51.50          |
| \$53,100 \$477,900 \$3,179 \$487 \$0 \$0 \$3,665 \$5,620 \$500,580 \$3,330 \$510 \$0 \$0 \$3,840 \$58,230 \$524,070 \$3,487 \$534 \$0 \$0 \$4,020 \$56,780 \$511,020 \$3,400 \$520 \$0 \$0 \$3,920  |  |                       | 7.4                | 2 5        | 2,257          | \$532,200              | <u></u>                  | \$532,200              | \$235.80                                 | \$53,220             | \$478,980              | \$3,187            | \$488         | 05       | Ç,             | 53 675             | 3 2            |
| \$55,620 \$500,580 \$3,330 \$510 \$0 \$0 \$3,840 \$58,230 \$524,070 \$3,487 \$534 \$0 \$0 \$4,020 \$56,780 \$511,020 \$3,400 \$520 \$0 \$0 \$3,920  |  |                       | 7 5                | 2 2        | 2,2/8          | \$531,000              | G (                      | \$531,000              | \$233.10                                 | \$53,100             | \$477,900              | \$3,179            | \$487         | 200      | S              | 53,666             | 51.5           |
| \$58,230 \$524,070 \$3,487 \$534 \$0 \$0 \$4,020<br>\$56,780 \$511,020 \$3,400 \$520 \$0 \$0 \$3,920  |  |                       | ָ<br>בַּ           | 7 2        | 2,413          | 002,000                | )<br>(4)                 | \$556,200              | \$230.02                                 | \$55,620             | \$500,580              | \$3,330            | \$510         | 03       | 03             | \$3.840            | 51.59          |
| \$56,780 \$511,020 \$3,400 \$520 \$0 \$0 \$3,920  |  |                       | 2 6                | 313        | 7,031          | \$567,300              | 2                        | \$582,300              | \$219,65                                 | \$58,230             | \$524,070              | \$3,487            | \$534         | Q.       | <b>9</b>       | \$4,020            | \$1.52         |
|   |  | ,                     | o io<br>Depos from | £1.6.      | 2,000          | nna'/ace               | ⊋ ,                      | \$567,800              | \$211.87                                 | \$56,780             | \$511,020              | \$3,400            | \$520         | Ç,       | Ç              | \$3,920            | \$1.46         |

Page 8 of 11 - Monthly Payment Table

Frankey Awood Market Intelligence

# Exhibit 4 MONTHLY PAYMENT COMPARISON TABLE East Garrison Partners @ East Garrison, Fort Ord, Monterey County, California August 2006

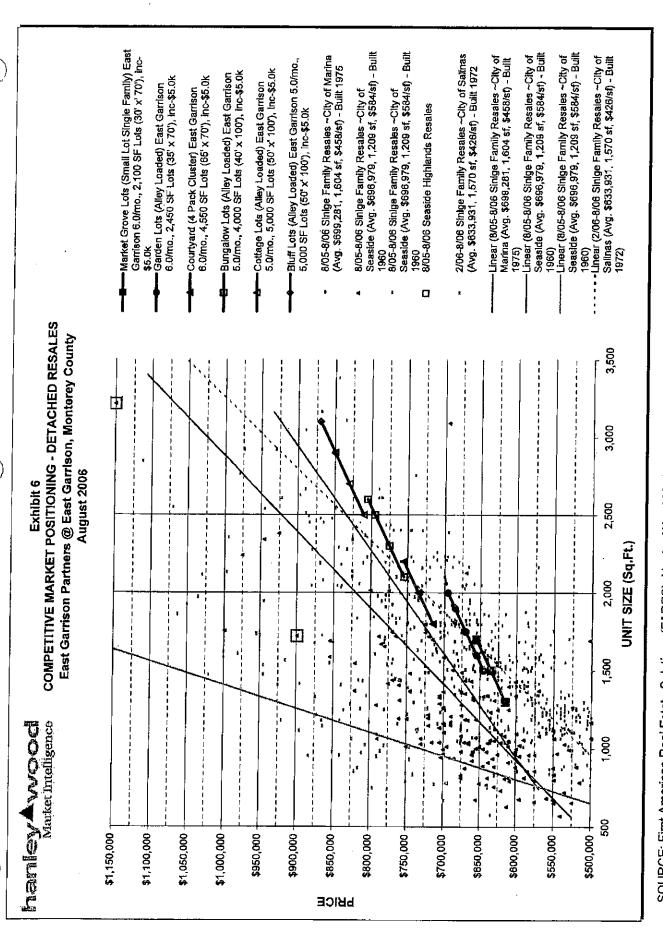
| Project Name/Builder Community/ 1001/Size Sold/Rate Sold/Rate | 13 Gabilan Gardens         61           Woodman Development         91           Soledad         61           Min 3,400 SF Lots         SO 7,95/mo.           13 Diamond Ridge         225           Award Homes         225           Soledad         225           Min 6,000 SF Lots         SO 6.91/mo.           KING CITY | Creekbridge Homes 114 King City~Arbor Cove 108 Min 4,500 SF Lots 6.80/mo. 9.78/mo.   | Competitive Market Average: |
|---|--|--|-----------------------------|
| e Type  | 222.5<br>212.5<br>342.5<br>342.5<br>no. 3/2.5<br>4/2<br>5/2.5<br>6/3<br>no. 6/3  | 71. 33. 35. 25. 25. 25. 25. 25. 25. 25. 25. 25. 2  |                             |
| Floors  | 2222   | 22222222222222   |                             |
| Planned Released Sold/Rate Type Farking (Sq. ft.)             | 1,308<br>1,573<br>1,502<br>1,628<br>1,550<br>1,928<br>2,505<br>2,653   | 672<br>1,207<br>1,235<br>1,378<br>1,666<br>1,666<br>2,245<br>2,278<br>2,278<br>2,334<br>2,578<br>2,578<br>2,578<br>2,578<br>2,578<br>2,578<br>2,578                  | 1,969                       |
| Base<br>Price   | \$398,900<br>\$398,900<br>\$393,900<br>\$433,900<br>\$518,950<br>\$611,950<br>\$629,950  | \$84,500<br>\$389,900<br>\$386,900<br>\$394,900<br>\$465,500<br>\$457,800<br>\$508,300<br>\$519,400<br>\$532,300<br>\$537,900<br>\$557,300                           | \$566,036                   |
| Incentivos  |  |  | \$1,549                     |
| Net<br>Se Base Příče  | \$386,900<br>\$398,900<br>\$392,000<br>\$433,900<br>\$518,950<br>\$629,950   | \$94,500<br>\$389,900<br>\$386,900<br>\$384,900<br>\$466,500<br>\$485,200<br>\$508,200<br>\$508,200<br>\$519,400<br>\$532,300<br>\$537,900<br>\$557,900              | \$564,488                   |
| Price/  | \$295.80<br>\$290.53<br>\$260.99<br>\$266.52<br>\$334.81<br>\$305.99<br>\$244.29   | \$140.63<br>\$323.03<br>\$313.28<br>\$213.28<br>\$280.01<br>\$220.56<br>\$225.55<br>\$225.55<br>\$220.14<br>\$202.54<br>\$202.54<br>\$202.54                         | \$304.14                    |
| 10%<br>Down<br>Payment1                                       | \$38,690<br>\$39,890<br>\$39,200<br>\$43,390<br>\$51,895<br>\$61,195<br>\$61,195   | \$9,450<br>\$38,990<br>\$38,690<br>\$38,690<br>\$46,780<br>\$46,520<br>\$50,930<br>\$51,940<br>\$51,940<br>\$53,230<br>\$53,230<br>\$53,730<br>\$53,730              | \$56,449                    |
| Loan  | \$348,210<br>\$359,010<br>\$352,800<br>\$390,510<br>\$467,055<br>\$530,955<br>\$560,755  | \$85,050<br>\$350,910<br>\$348,210<br>\$348,210<br>\$412,020<br>\$445,680<br>\$458,370<br>\$458,370<br>\$457,380<br>\$457,480<br>\$484,110<br>\$501,570<br>\$484,110 | \$508,038                   |
| Mortgage<br>Payment   | \$2,317<br>\$2,389<br>\$2,347<br>\$2,598<br>\$3,107<br>\$3,532<br>\$3,664<br>\$3,772   | \$566<br>\$2,335<br>\$2,317<br>\$2,317<br>\$2,365<br>\$2,741<br>\$3,050<br>\$3,043<br>\$3,140<br>\$3,140<br>\$3,221<br>\$3,221                                       | \$3,380                     |
| Mortgage Base Tax. HOA<br>Payment Rate 2/: Fees               | \$366<br>\$366<br>\$369<br>\$398<br>\$476<br>\$541<br>\$561  | \$87<br>\$357<br>\$355<br>\$362<br>\$428<br>\$454<br>\$464<br>\$465<br>\$488<br>\$493<br>\$511   | \$517                       |
| HOA   | \$136<br>\$136<br>\$136<br>\$136<br>\$0<br>\$0<br>\$0  | 3 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4  | 88                          |
| Mello Monthly<br>Roos Paymen                                  | \$0<br>\$0<br>\$0<br>\$132<br>\$132<br>\$132<br>\$132  |  |                             |
| Total<br>Monthly<br>Payment                                   | \$2,807<br>\$2,843<br>\$2,843<br>\$3,132<br>\$3,715<br>\$4,205<br>\$4,387  | \$696<br>\$2,736<br>\$2,715<br>\$2,771<br>\$3,265<br>\$3,265<br>\$3,663<br>\$3,563<br>\$3,563<br>\$3,563<br>\$3,5719<br>\$3,719<br>\$3,778                           | \$3,737                     |
| Mo.<br>Price/   | \$2.15<br>\$2.10<br>\$1.89<br>\$1.92<br>\$2.40<br>\$2.18<br>\$1.74   | \$1.04<br>\$1.04<br>\$1.56<br>\$1.56<br>\$1.56<br>\$1.56<br>\$1.56<br>\$1.56   | 31.42                       |

1/ Mortgage payment schedule assumes a 10% down payment on a 7.0% 30-year fixed loan. 2/ Base Tax Assumes 1.1%, except the subject property, which assumes a tax rate of 1.15%. Subject property assumes total tax and assessments of 2%.

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cl508v(East Garrison)Update.xls

SOURCE: First American Real Estate Solutions (FARES); Hanley Wood Market Intelligence



SOURCE: First American Real Estate Solutions (FARES); Hanley Wood Market Intelligence

cl508v(East Garrison)Update.xls

Appendix A City of Marina, Monterey County Detached from August 2005 to August 2006

|         | A. M-1/1                   |                                      |               |                        |        |      | St 2005 to A   |                      |                        |                  |                    |   |
|---------|----------------------------|--------------------------------------|---------------|------------------------|--------|------|----------------|----------------------|------------------------|------------------|--------------------|---|
| Site    | Address                    | Site Zip                             | Year<br>Built | Unit Size<br>(Şq. Ft.) |        |      | Lot Size       | Sale<br>Date         | Sale<br>Value          | Price/           | TB Map             |   |
| 0.10    | 7 44 1000                  | One Zip                              | Duit          | <u>lòq. i t.)</u>      | Ded    | Daui | (34. 11.)      | Date                 | value                  | Sq. Ft.          | Pg/Grd             | APN#                                      |
| 232     | ! Sean Ct                  | 93933-2441                           | 1987          | 1,598                  | 3      | 2    | 6,357          | 05/09/06             | \$715,000              | \$447.43         | 1095-b3            | 032-021-034-0                             |
|         | Harben Cir                 | 93933-240                            | 1965          | 1,616                  | 4      | 2    | 6,899          | 02/22/06             | \$687,000              | \$425.12         | 1095-b4            | 032-031-031-0                             |
|         | Fitzgerald Cir             | 93933-2624                           | 1963          | 1,320                  | 3      | 2    | 8,252          | 05/09/06             | \$660,000              | \$500,00         | 1095-b4            | 032-042-008-0                             |
|         | Fitzgerald Cir             | 93933-260                            | 1963          | 1,614                  | 3      | 3    | 7,645          | 08/31/05             | \$709,000              | \$439,28         | 1095-b4            | 032-042-028-0                             |
|         | Melanie Rd                 | 93933-2609                           | 1958          | 1,120                  | 3      | 2    |                | 06/21/06             | \$630,000              | \$562.50         | 109 <b>5-b</b> 5   | 032-064-002-0                             |
|         | Vista Del Camino           | 93933-261                            | 1958          | 1,636                  | 3      | 2    | 7,852          | 11/10/05             | \$710,000              |                  |                    | 032-066-035-0                             |
|         | Vista Del Camino           | 93933-2741                           | 1963          | 1,175                  | 3      | 2    | 7,954          | 12/21/05             | \$665,000              |                  |                    | 032-082-013-0                             |
|         | Vista Del Camino           | 93933-274(                           | 1963          | 1,196                  | 3      | 2    | 8,058          | 07/11/06             | \$575,000              | <b>\$</b> 480.77 | 1095-b4            | 032-082-022-0                             |
|         | De Forest Rd               | 93933-270-                           | 1947          | 743                    | 2      | 1    | 15,028         | 09/12/05             | \$575,000              |                  |                    | 032-082-029-00                            |
|         | Park Cir                   | 93933-271                            | 1966          | 1,569                  | 4      | 2    | 7,246          | 07/13/06             | \$640,000              | \$407.90         | 1095-b5            | 032-101-014-00                            |
|         | Shuler Cir                 | 93933-272!                           | 1964          | 2,334                  | 3      | 2    | 7,350          | 08/31/05             | \$825,000              |                  |                    | 032-101-049-00                            |
|         | Crescent Ave               | 93933-272                            | 1993          | 1,060                  | 2      | 2    | 5,313          | 10/14/05             | \$654,000              | \$616.98         | 1095-b6            | 032-101-073-00                            |
|         | De Forest Rd<br>Forest Cir | 93933-270                            | 1985          | 1,584                  | 3      | 2    | 9,744          | 10/12/05             | \$550,000              | \$347.22         | 1095-b5            | 032-101-093-00                            |
|         | Edna Ct                    | 93933-340(                           | 1966          | 1,500                  | 3      | 2    | 7,621          | 09/27/05             | \$670,000              | \$446.67         | 1095-d6            | 032-131-032-00                            |
|         | Edna Ct                    | 93933-340(                           | 1962          | 1,032                  | 3      | 1    | 8,244          | 06/27/06             | \$615,000              |                  |                    | 032-142-003-00                            |
|         | Lelia Pi                   | 93933-340(<br>93933-341 <sup>(</sup> | 1962<br>1962  | 1,032                  | 3<br>3 | 1    | 8,130          | 08/08/05             | \$610,000              |                  |                    | 032-142-006-00                            |
|         | Crivello Rd                | 93933-344(                           |               | 1,032                  |        | 1    | 7,365          | 07/20/06             | \$676,000              |                  |                    | 032-142-020-00                            |
|         | Lynscott Dr                | 93933-342(                           | 1962<br>1962  | 1,032<br>1,333         | 3<br>4 | 1 2  | 7,541          | 06/21/06             | \$635,000              |                  |                    | 032-142-030-00                            |
|         | Ocean Ter                  | 93933-3290                           | 2003          |                        | 4      | 3    | 6,000          | 05/23/06             | \$640,000              |                  |                    | 032-142-037-00                            |
|         | Exeter PI                  | 93933-3301                           | 1975          | 2,360<br>1,528         | 3      | 2    | 4,252          | 08/18/05             | \$808,000              |                  |                    | 032-151-066-00                            |
|         | Carmel Ave                 | 93933-305(                           | 1954          | 1,290                  | 3      | 1    | 6,450<br>5,250 | 07/14/06<br>10/13/05 | \$659,000              |                  |                    | 032-152-041-00                            |
|         | Nicklas Ln                 | 93933-325                            | 1962          | 1,159                  | 3      | 2    | 7,260          | 11/21/05             | \$615,000              |                  |                    | 032-192-010-00                            |
|         | Nicklas Ln                 | 93933-3254                           | 1961          | 1,232                  | 3      | 2    | 7,565          | 07/12/06             | \$649,000<br>\$575,000 |                  |                    | 032-221-007-00                            |
|         | Pleasant Cir               | 93933-3210                           | 1961          | 1,092                  | 3      | 2    | 7,467          | 02/08/06             | \$650,000              |                  |                    | 032-221-011-00<br>033-232-005-00          |
|         | Bradley Cir                | 93933-330                            | 1969          | 1,560                  | 3      | 2    | 7,808          | 09/30/05             | \$680,000              |                  |                    | 032-222-005-00<br>032-232-030-00          |
|         | Bradley Cir                | 93933-3301                           | 1969          | 1,500                  | 3      | 2    | 7,615          | 11/30/05             | \$695,000              |                  |                    | 032-232-037-00<br>032-23 <u>2</u> -037-00 |
|         | Osullivan Ct               | 93933-331(                           | 1977          | 1,433                  | 3      | 2    | 5,000          | 03/08/06             | \$665,000              |                  |                    | 032-232-057-00<br>032-232-050-00          |
|         | Osullivan Ct               | 93933-3310                           | 1977          | 1,323                  | 3      | 2    | 7,139          | 11/30/05             | \$650,000              |                  |                    | 032-232-050-00<br>032-232-052-00          |
|         | Albert Way                 | 93933-340                            | 1962          | 1,039                  | 3      | 2    | 7,737          | 03/29/06             | \$607,500              |                  |                    | 032-232-032-00<br>032-242-021-00          |
|         | Carmel Ave                 | 93933-343;                           | 1962          | 1,759                  | 4      | 3    | 7,657          | 09/02/05             | \$725,000              |                  |                    | 032-242-021-00<br>032-242-029-00          |
| 3107    | Bayer St                   | 93933-3401                           | 1965          | 1,603                  | 3      | 2    | 7,202          | 09/16/05             | \$682,000              |                  |                    | 032-242-063-00                            |
| 3111    | Salinas Ave                | 93933-3450                           | 2003          | 2.222                  | 4      | 3    | 6,334          | 02/27/06             | \$805,000              |                  |                    | 032-242-087-00                            |
| 3062    | Bayer Dr                   | 93933-3726                           | 1995          | 1,699                  | 3      | 2    | 6,888          | 08/02/05             | \$780,000              |                  |                    | 032-252-006-00                            |
| 3065 I  | Bayer Dr                   | 93933-374;                           | 1993          | 1,918                  | 4      | 2    | 6,737          | 01/06/06             | \$770,000              |                  |                    | 032-253-015-00                            |
| 3077 \  | Vaughn Ave                 | 93933-3632                           | 1962          | 1,103                  | 3      | 2    | 7,508          | 03/30/06             | \$625,000              |                  |                    | 32-271-006-00                             |
|         | Elba Cir                   | 93933-360(                           | 1962          | 2,050                  | 5      | 3    | 7,579          | 10/06/05             | \$815,000              |                  |                    | 32-272-020-00                             |
| 282 I   | Hibbing Cir                | 93933-355;                           | 1963          | 1,506                  | . 3    | 2    | 7,200          | 05/31/06             | \$660,000              |                  |                    | 032-282-035-00                            |
|         | Hillcrest Ave              | 93933-353(                           | 1987          | 1,526                  | 3      | 2    |                | 03/31/06             | \$685,000              |                  |                    | 032-331-052-00                            |
|         | Otto Dr                    | 93933-3607                           | 1966          | 1,680                  | 3      | 2    | 8,487          | 05/19/06             | \$685,000              | \$407.74         | 1095-b6 (          | 32-342-018-00                             |
|         | Redwood Dr                 | 93933-370(                           | 1963          | 1,351                  | 3      | 2    | 9,829          | 02/24/06             | \$675,000              | \$499.63         | 1095-b6 C          | 32-342-029-00                             |
|         | Reindollar Ave             | 93933-3711                           | 1962          | 1,267                  | 2      | 1    | 20,788         | 11/10/05             | \$650,000              | \$513.02 1       | 1095-c7 (          | 32-351-054-00                             |
|         | Sunrise Cir                | 93933-372                            | 1965          | 1,485                  | 3      | 2    | 6,985          | 07/10/06             | \$629,000              | \$423.57 1       | 1095-c7 (          | 32-361-009-00                             |
|         | Mildred Ct                 | 93933-371(                           | 1966          | 1,520                  | 3      | 2    |                | 02/10/06             | \$615,000              | \$404.61 1       | 10 <b>9</b> 5-c7 0 | 32-361-024-00                             |
|         | Bayer Dr                   | 93933-400;                           | 1964          | 1,120                  | 3      | 2    |                |                      | \$590,000              | \$526.79 1       | 1095-ç7 Q          | 32-363-005-00                             |
|         | emis Cir                   | 93933-400(                           | 1964          | 1,131                  | 3      | 2    |                | 08/30/05             | \$636,000              | \$562.33 1       | 1095-c7 0          | 32-364-027-00                             |
|         | erris Ave                  | 93933-400(                           | 1964          | 1,120                  | 3      | 2    |                | 08/16/05             | \$610,000              |                  |                    | 32-364-029-00                             |
|         | Sunrise Pl                 | 93933-401                            | 1975          | 1,939                  | 3      | 3    | •              | 10/21/05             | \$785,000              |                  |                    | 32-371-068-00                             |
|         | Sunrise Pi                 | 93933-401(                           | 1974          | 1,446                  | 3      | 2    | •              | 12/08/05             | \$699,000              | \$483,40 1       | 1095-c7 0          | 32-371-091-00                             |
|         | delville Ave               | 93933-401                            | 1964          | 1,120                  | 3      | 2    |                | 03/24/06             | \$629,000              | \$561.61 1       | 095-c7 0           | 32-372-006-00                             |
|         | Bloria Cir                 | 93933-4021                           | 1963          | 1,120                  | 3      | 2    |                | 12/01/05             | \$675,000              |                  |                    | 32-381-020-00                             |
|         | Eddy St                    | 93933-4021                           | 1965          | 1,043                  | 3      | 2    |                | 06/20/06             | \$680,000              |                  |                    | 32-382-040-00                             |
|         | liberty Ct                 | 93933-3619                           | 1966          | 1,051                  | 3      | 2    | -              | 12/23/05             | \$650,000              |                  |                    | 32-383-022-00                             |
|         | ndependence Ave            | 93933-3617                           | 1966          | 1,051                  | 3      | 2    |                | 11/18/05             | \$675,000              |                  |                    | 32-383-043-00                             |
| 3023 K  |                            | 93933-361(                           | 1963          | 1,143                  | 3      | 1    |                | 07/14/06             | \$675,000              |                  |                    | 32-391-036-00                             |
|         | rescent Si                 | 93933-390                            | 1978          | 3,159                  | 5      | 4    |                | 09/15/05             | \$869,000              |                  |                    | 32-401-029-00                             |
|         | arson Cir                  | 93933-362                            | 1970          | 1,224                  | 3      | 2    |                | 04/07/06             | \$575,000              |                  |                    | 32-403-012-00                             |
|         | arson Cir                  | 93933-362                            | 1970          | 1,947                  | 4      | 2    |                | 06/23/06             | \$665,000              | _                |                    | 32-403-014-00                             |
|         | Grant St<br>alcott Ave     | 93933-3904<br>93933-391:             | 1962          | 1,599                  | 3      | 2    | *              | 01/27/06             | \$793,000              |                  |                    | 32-411-032-00                             |
| SV IU L | aloott WAG                 | さいないかいなり.                            | 1962          | 1,511                  | 3      | 2    | 7,325          | 09/09/05             | <b>\$</b> 590,000      | \$390.47 1       | u95-a6 0           | <b>32-411-048-</b> 00                     |

Source: Hanley Wood Market Intelligence; FARES

cl508v(East Garrison)Update.xis

Appendix A City of Marina, Monterey County Detached from August 2005 to August 2006

|        | 4.1.                   |                          | Year         | Unit Size      |        |        | Lot Size       | Sale                 | Sale      | Price/        | ТВ Мар       |                                  |
|--------|------------------------|--------------------------|--------------|----------------|--------|--------|----------------|----------------------|-----------|---------------|--------------|----------------------------------|
| Site   | Address                | Site Zip                 | Built        | (Sq. Ft.)      | Bed    | Bath   | (Sq. Ft.)      | Date                 | Value     | Sq. Ft.       | Pg/Grd       | APN#                             |
| 2020   | Talaatt Asm            | 00000 004                | •            |                |        |        | 7.400          | 40,000,00            | *****     |               | 1005 0       |                                  |
|        | Talcott Ave<br>Max Cir | 93933-391<br>93933-393   |              | 2,322          |        | 3 2    | 7,182          |                      |           |               |              | 032-411-051-00                   |
|        | Michael Dr             | 93933-241                |              | 1,440          |        |        |                | 05/19/06             |           | 7             |              | 032-411-079-00                   |
|        | Michael Dr             | 93933-240                |              | 1,512          |        |        | 5,000<br>7,904 |                      |           |               |              | 032-431-026-00                   |
|        | Tallmon St             | 93933-272                |              | 1,560          |        |        | •              |                      |           |               |              | 032-432-008-00<br>032-444-012-00 |
|        | Johnson Pl             | 93933-272                |              | 1,752          |        |        | 8,121          | 05/09/06             | , ,       |               |              | 032-452-006-00                   |
|        | Vista Del Camino Cir   |                          |              | 2,298          |        |        | 6,527          |                      |           |               |              | 032-482-014-00                   |
|        | Quebrada Del Mar R     |                          |              | 1,799          |        |        | 6,000          |                      | \$765,000 |               |              | 032-541-010-00                   |
|        | Costa Del Mar Rd       | 93933-430                |              | 1,799          |        |        | 7,827          | 05/18/06             | \$699,500 | •             |              | 032-542-021-00                   |
| 3219   | Tailmon St             | 93933-4322               |              | 2,095          |        |        | 6,100          | 11/16/05             | \$765,000 |               |              | 032-543-006-00                   |
| 299    | Costa Del Mar Rd       | 93933-430                | 1990         | 2,129          |        |        | 6,227          | 09/22/05             | \$825,000 |               |              | 032-553-004-00                   |
| 306    | Quebrada Del Mar R     | (93933-4310              | 1990         | 2,095          | 4      | 3      | 6,000          | 03/17/06             | \$825,000 |               | -            | 032-553-011-00                   |
| 3242   | Estrella Del Mar Way   | 93933-4317               | 1990         | 2,095          | 4      | 3      | 6,761          | 08/18/05             | \$700,000 |               |              | 032-555-007-00                   |
| 3244   | Estrella Del Mar Way   | 93933-431:               | 1990         | 1,799          | 3      | 3      | 6,257          | 05/31/06             | \$749,000 | \$416.34      | 1095-c4      | 032-555-008-00                   |
| 140    | Silverwood Pl          | 93933-2141               | 1973         | 1,360          | 3      | 2      | 7,114          | 09/23/05             | \$730,000 | \$536.76      | 1095-b3      | 033-021-027-00                   |
| 142    | Lakewood Dr            | 93933-213(               | 1973         | 1,360          | 3      |        | 6,000          | 07/05/06             | \$675,000 | \$496.32      | 1095-ЬЗ      | 033-021-042-00                   |
| 147    | Lakewood Dr            | 93933-213                | 1976         | 1,498          | 3      |        | 11,135         | 06/07/06             | \$220,000 | \$146.86      | 1095-63      | 033-022-005-00                   |
| 115    | Redondo Ct             | 93933-213                | 1972         | 1,487          | 4      |        | 5,948          | 11/22/05             | \$657,000 | \$441.83      | 1095-a3      | 033-031-031-00                   |
|        | Lakewood Dr            | 93933-2111               | 1974         | 1,482          | 4      |        | 6,431          | 01/11/06             | \$720,000 | \$485,83      | 1095-b3      | 033-031-035-00                   |
|        | Brookside Pl           | 93933-210.               | 1974         | 1,482          | 4      | 2      | 6,858          | 05/01/06             | \$725,000 | \$489.20      | 1095-a3      | 033-031-047-00                   |
|        | Drew St                | 93933-2100               | 1989         | 1,444          | 3      | 2      | 6,000          | 08/26/05             | \$689,000 | \$477.15      | 1095-a3°     | 033-042-005-00                   |
|        | Cardoza Ave            | 93933-2101               | 1971         | 1,686          | 4      | 2      | 6,362          | 08/02/05             | \$730,000 |               | -            | 033-061-006-00                   |
|        | Reams Ct               | 93933-2120               | 1972         | 1,634          | 3      | 2      | 6,116          | 03/02/06             | \$633,000 | \$387.39      | 1095-a3      | 033-061-048-00                   |
|        | Cove Way               | 93933-2230               | 1987         | 1,147          | . 3    | 2      | 4,000          | 01/27/06             | \$697,500 | \$608,11      | 1095-b3      | 033-076-016-00                   |
|        | Sandpiper Way          | 93933-222;               | 1987         | 1,174          | 3      | 2      | 6,383          | 07/28/06             | \$620,000 |               |              | 033-076-046-00                   |
|        | Dolphin Cir            | 93933-2221               | 1987         | 1,521          | 4      | 3      | 4,351          | 09/30/05             | \$750,000 |               |              | 033-076-050-00                   |
|        | Dolphin Cir            | 93933-221                | 1987         | 1,521          | 3      | 3      | 5,578          | 02/14/06             | \$725,000 |               |              | 033-076-082-00                   |
|        | Starfish Ct            | 93933-224                | 1997         | 2,915          | 4      | 3      | 6,251          | 01/04/06             | \$930,000 |               |              | 033-082-005-00                   |
|        | Manina Dr              | 93933-225                | 1997         | 2,914          | 4      | 3      | 6,975          | 04/03/06             | \$950,000 |               |              | 033-082-013-00                   |
|        | Sand Dollar Ct         | 93933-224                | 1997         | 2,915          | 4      | 3      | 6,150          | 11/03/05             | \$875,000 | -             |              | 033-082-015-00                   |
|        | Sand Dollar Ct         | 93933-224(               | 1997         | 2,183          | 4      | 3      | 6,020          | 07/21/06             | \$810,000 |               |              | 033-082-020-00                   |
|        |                        | 93933-2250               | 1997         | 2,915          | 4      | 3      | 6,004          | 05/23/06             | \$974,000 |               |              | 033-082-023-00                   |
|        |                        | 93933-224!               | 1997         | 2,183          | 4      | 3      | 6,000          | 01/20/06             | \$869,000 |               |              | 033-082-031-00                   |
|        |                        | 93933-2807               |              | 1,800          | 3      | 3      |                | 08/16/05             | \$585,500 |               |              | 033-141-046-00                   |
|        | •                      | 93933-2820               | 1977         | 1,514          | 3      | 2      | 6,578          | 11/01/05             | \$580,000 |               |              | 033-221-014-00                   |
|        |                        | 93933-281                | 1977         | 1,946          | 4      | 2      | 9,234          | 08/26/05             | \$735,000 |               |              | 033-221-031-00                   |
|        |                        | 93933-2814               | 1987         | 1,441          | 3      | 3      | 8,004          | 03/31/06             | \$765,000 |               |              | 033-221-034-00                   |
|        |                        | 93933-2817               | 1977         | 1,770          | 3      | 2      | 11,410         | 10/28/05             | \$740,000 |               |              | 033-221-047-00                   |
|        | • •                    | 93933-2801               | 1975         | 1,966          | . 3    | 2      | 10,512         | 09/27/05             | \$740,000 |               |              | 333-222-010-00                   |
|        | <del>-</del>           | 93933-2801               | 1985         | 1,440          | 3      | 2      |                | 02/24/06             | \$732,000 |               |              | 033-222-013-00                   |
|        |                        | 93933-281                | 1985         | 1,440          | 3      | 2      | 6 505          | 01/24/06             | \$765,000 | •             | •            | 033-222-014-00                   |
|        | <u>Y</u> .             | 93933-281(<br>93933-280( | 1975<br>1974 | 1,718<br>1,902 | 3<br>4 | 2      | 6,585<br>7,541 | 04/12/06             | \$700,000 | •             |              | 033-222-016-00                   |
|        |                        |                          |              | •              |        |        | 7,541          | 08/22/05             | \$779,000 |               |              | 033-232-001-00                   |
|        |                        | 93933-281(<br>93933-280( | 1985<br>1988 | 1,491<br>1,813 | 3      | 2      | 6740           | 10/13/05             | \$650,000 |               |              | 033-232-017-00                   |
| 3160 N |                        |                          |              |                |        | 3      |                | 06/21/06             |           |               |              | 33-251-002-00                    |
|        |                        | 93933-286(               | · 1985       | 1,289          |        |        |                | 09/09/05             | \$739,500 |               |              | 33-251-007-00                    |
|        |                        | 93933-2851               | 1984<br>1995 | 1,412          |        | 2<br>2 |                | 10/19/05<br>06/30/06 | \$725,000 | -             |              | 33-251-023-00                    |
|        | · · · · ·              | 93933-214(               | 1995         | 1,790          |        |        |                |                      | \$750,000 | -             |              | 33-271-012-00                    |
|        |                        | 93933-214(<br>93933-223( | 1996         | 1,974          |        |        | •              | 08/12/05             | \$790,000 |               |              | 33-271-017-00                    |
|        |                        |                          |              | 1,674          | 3      |        | •              | 07/07/06             | \$753,000 |               |              | 33-281-006-00                    |
|        |                        | 93933-223(<br>93933-223( | 1996<br>1996 | 1,674<br>1,979 | 3<br>4 | 2<br>3 | 7,011          | 11/30/05             |           | •             |              | 33-281-011-00                    |
| 100 F  | aumo oc :              | JUJUU-1201               | 1990         | 1/១ខេ          | +      | J      |                | 10/27/05             | \$779,000 | <b>30,080</b> | เบษอ-มิจี ปี | 33-281-014-00                    |
|        | COUNT                  | 112                      |              |                |        |        |                |                      |           |               |              |                                  |
|        | AVERAGE                |                          | 1975         | 1,604          | 3      | 2      | 7,355          |                      | \$699,281 | \$457.70      |              |                                  |
|        | MEDIAN                 |                          | 1973         | 1,520          |        | 2      | 7,200          |                      |           | \$441.83      |              |                                  |
|        | MINIMUM                |                          | 1947         | 743            |        | 1      | 4,000          |                      |           | \$146.86      |              |                                  |
|        | MAXIMUM                |                          | 2003         | 3,159          |        | 4      | 20,788         |                      |           | \$773.89      |              |                                  |
|        |                        |                          |              |                |        |        | •              |                      |           |               |              |                                  |

Source: Hanley Wood Market Intelligence; FARES

cl508v(East Garrison)Update.xls

Appendix B
City of Seaside, Monterey County
Detached from August 2005 to August 2006

|         | •                                | Year  | Unit Size |   |      | Lot Size | Sale     | Sale                       | Price/               | ТВ Мар                 | Site                             |
|---------|----------------------------------|-------|-----------|---|------|----------|----------|----------------------------|----------------------|------------------------|----------------------------------|
| Site    | Address                          | Built | (Sq. Ft.) |   | Bath |          | Date     | Value                      | Sq. Ft.              | Pg/Grd                 |                                  |
| •       |                                  |       |           |   |      | <u> </u> |          | , -1                       |                      | 1 91 014               | 74 1117                          |
|         | Sunset Vista Dr                  | 2003  | 3,399     | 4 | 3    | 13,829   | 11/01/05 | \$1,175,000                | \$345.69             | 1015-e2                | 031-231-038-0                    |
|         | Peninsula Point Dr               |       |           |   |      |          | 03/13/06 | \$1,075,000                |                      |                        | 031-232-015-0                    |
|         | Sea Crest Ct                     |       |           |   |      |          | 08/03/05 | \$876,000                  |                      |                        | 031-232-041-0                    |
|         | Sea Crest Ct                     |       |           |   |      |          | 08/31/05 | \$892,500                  |                      |                        | 031-232-042-00                   |
|         | Sea Crest Ct                     |       |           |   |      |          | 08/24/05 | \$896,500                  |                      |                        | 031-232-043-00                   |
|         | Sea Crest Ct                     |       |           |   |      |          | 08/22/05 | \$875,000                  |                      |                        | 031-232-045-00                   |
|         | Sea Crest Ct                     |       |           |   |      |          | 08/26/05 | \$826,500                  |                      |                        | 031-232-046-00                   |
|         | Sea Crest Ct                     |       |           |   |      |          | 09/09/05 | \$886,000                  |                      |                        | 031-232-047-00                   |
|         | Sea Crest Ct                     |       |           |   |      |          | 09/23/05 | \$908,500                  |                      |                        | 031-232-048-00                   |
|         | Sea Crest Ct                     |       |           |   |      |          | 08/31/05 | \$951,000                  |                      |                        | 031-232-049-00                   |
|         | Sea Ridge Ct                     |       |           |   |      |          | 09/15/05 | \$813,500                  |                      |                        | 031-232-073-00                   |
|         | Sea Ridge Ct                     |       |           |   |      |          | 09/20/05 | \$916,000                  |                      |                        | 031-232-074-00                   |
|         | Paradise Cove Ct                 |       |           |   |      |          | 09/16/05 | \$922,000                  |                      |                        | 031-232-081-00                   |
|         | Paradise Cove Ct<br>Sea Crest Dr |       |           |   |      |          | 09/16/05 | \$827,500                  |                      |                        | 031-232-082-00                   |
|         | Sea Ridge Ct                     |       |           |   |      |          | 09/23/05 | \$876,000                  |                      | 971-h5                 | 031-232-083-00                   |
|         | Sea Ridge Ct                     |       |           |   |      |          |          | \$1,201,500                |                      |                        | 031-232-094-00                   |
|         | Sea Ridge Ct                     |       |           |   |      |          |          | \$1,093,500                |                      |                        | 031-232-095-00                   |
|         | Sea Ridge Ct                     |       |           |   |      |          |          | \$1,139,500                |                      |                        | 031-232-096-00                   |
|         | Sea Ridge Ct                     |       |           |   |      |          |          | \$1,163,000                |                      |                        | 031-232-097-00                   |
|         | Sea Ridge Ct                     |       |           |   |      |          |          | \$1,048,500                |                      |                        | 031-232-098-00                   |
|         | Pacific Crest Dr                 | 2004  | 3,215     | 3 | 3    | 6,550    |          | \$1,189,500<br>\$1,150,000 | 625770               |                        | 031-232-099-00                   |
|         | Sunset Vista Dr                  | 2004  | 3,313     | 4 | 3    | 7,899    |          | \$1,195,000                | \$357.70<br>\$360.70 |                        | 031-241-044-00                   |
|         | Peninsula Point Dr               |       | 7,0,0     | - | •    | 7,023    |          | \$1,100,000                | \$200.10             |                        | 031-241-055-00                   |
|         | Peninsula Point Dr               | 2004  | 1,720     | 3 | 3    | 4,799    | 05/12/06 | \$899,000                  | \$522.67             |                        | 031-242-017-00<br>031-242-037-00 |
|         | Bay Crest Cir                    | 2003  | 3,113     | 4 | 3    | 4,641    |          | \$1,290,000                | \$414.39             |                        | 031-242-046-00                   |
|         | Peninsula Point Dr               |       | *,,,,     | • | •    | 7,2 7 1  | 09/13/05 | \$925,000                  | 4717.55              |                        | 031-242-0 <del>5</del> 7-00      |
| 4377    | Shoreline Ct                     |       |           |   |      |          |          | \$1,045,000                |                      |                        | 031-242-060-00                   |
| 4370    | Shoreline Ct                     |       |           |   |      |          |          | \$1,155,000                |                      |                        | 031-242-066-00                   |
| 4435    | Cypress Ridge Ct                 |       |           |   |      |          | 10/12/05 | \$1,100,000                |                      |                        | 031-242-077-00                   |
| 4426 (  | Cypress Ridge Ct                 |       |           |   |      |          |          | \$1,215,000                |                      |                        | 031-242-083-00                   |
| 2035 (  | Cross St                         | 1950  | 1,670     | 2 | 1    | 8,926    | 06/30/06 | \$785,000                  | \$470.06             |                        | 011-032-006-00                   |
|         | Military Ave                     | 1950  | 829       | 2 | 1    | 10,800   | 08/02/05 | \$675,000                  |                      |                        | 011-041-008-00                   |
| 1486 I  | Military Ave                     | 1950  | 813       | 2 | 1    | 8,900    | 08/05/05 | \$675,000                  |                      |                        | 011-042-003-00                   |
|         | Mira Mar Ave                     | 1953  | 2,012     | 3 | 2    | 8,833    | 01/04/06 | \$775,000                  | \$385.19             | 1114-g7 (              | 011-042-016-00                   |
|         | Vira Mar Ave                     | 1952  | 982       | 2 | 1    | 8,800    | 09/27/05 | \$675,000                  | \$687,37             | 1114-g7 (              | 011-042-018-00                   |
|         | dira Mar Ave                     | 1954  | 1,406     | 3 | 2    | 9,900    | 09/30/05 | \$760,000                  | \$540.54             | 1114-g7 (              | 011-043-005-00                   |
|         | Primrose Cir                     | 1989  | 1,438     | 3 | 3    | 5,400    | 11/30/05 | \$769,000                  | \$534.77             | 1114-h7 (              | 011-063-007-00                   |
|         | Sandpiper Ct                     | 1988  | 1,438     | 3 | 3    | 4,684    | 07/17/06 | \$759,000                  | \$527.82             | 1114-h7 (              | 011-063-027-00                   |
|         | osemite St                       | 1954  | 1,263     | 3 | 2    | 7,000    | 07/27/06 | \$700,000                  | \$554.24             | 1114-g7 (              | 011-073-020-00                   |
|         | ianposa St                       | 1956  | 1,212     | 3 | 1    | 7,000    | 03/23/06 | <b>\$</b> 675,0 <b>00</b>  |                      |                        | 011-075-004-00                   |
|         | /ariposa St                      | 1954  | 1,699     | 3 | 2    | 7,000    | 11/18/05 | \$715,000                  |                      |                        | 011-075-008-00                   |
|         | uxton St                         | 1950  | 996       | 2 | 1    | 7,900    | 11/10/05 | \$700,000                  |                      |                        | 011-081-014-00                   |
|         | lira Monte Ave                   | 1951  | 1,028     | 2 | 1    |          | 03/01/06 | \$535,000                  | \$520.43 1           | 1114-g7 (              | )11-082-013-00                   |
|         | loche Buena St                   | 1951  | 1,398     | 3 | 2    | 6,700    | 06/22/06 | \$610,000                  | <b>\$4</b> 36.34 1   |                        | 11-093-032-00                    |
|         | Broadway                         |       |           |   |      |          | 08/05/05 | \$608,000                  |                      |                        | 11-292-018-00                    |
|         | Iroadway Ave                     |       | -         | _ |      |          | 08/05/05 | \$608,000                  | 1                    | 113 <del>4 e</del> 1 0 | 11-292-019-00                    |
|         | Im Ave                           |       | 774       | 2 | 1    | •        | 05/26/06 | \$475,000                  |                      |                        | )11-295-012-00                   |
| _       | mador Ave                        | 4000  | 1,265     | 2 | 1    |          | 05/16/06 | \$525,000                  |                      |                        | )11-311-013-00                   |
|         | onoma Ave                        | 1935  | 874       | 1 | 1    | •        | 06/02/06 | \$670,000                  |                      |                        | 11-312-009-00                    |
|         | mador Ave<br>onoma Ave           | 1945  | 1,487     | 2 | 1    | ,        | 03/28/06 | \$675,000                  |                      |                        | 11-314-003-00                    |
|         |                                  | 1977  | 882       | 2 | 1    |          | 01/24/06 | \$600,000                  |                      |                        | 11-314-014-00                    |
|         | im Ave                           | 1025  | 756       | 2 | 1    |          | 12/20/05 | \$630,000                  |                      |                        | 11-322-001-00                    |
|         | onoma Ave                        | 1935  | 660       | 2 | 1    |          | 11/16/05 | \$575,000                  |                      |                        | 11-332-007-00                    |
|         | arcourt Ave<br>arcourt Ave       | 2004  | 2,339     | 4 | 2    |          | 02/15/06 | \$945,000                  |                      |                        | 11-335-020-00                    |
|         | ontra Costa St                   | 1953  | 1,802     | 3 | 2    |          | 03/17/06 | \$685,000                  |                      |                        | 11-335-025-00                    |
|         |                                  | 1042  | 868       | 2 | 1    |          | 11/10/05 | \$437,500                  |                      |                        | 11-341-012-00                    |
|         | rinity Ave<br>rinity Ave         | 1942  | 1,416     | 4 | 2    |          | 01/31/06 | \$775,000                  |                      |                        | 11-343-026-00                    |
|         | ilisdale St                      | 1052  | 962       | 3 | 1    |          | 12/16/05 | \$625,000                  |                      |                        | 11-344-009-00                    |
| 1209 17 | HISCIELOS                        | 1952  | 682       | 2 | 1    | 2,996    | 08/05/05 | \$559,000                  | \$819.65 <b>1</b>    | 134-d2 ()              | 11 <del>-344-</del> 011-00       |

Source: Hanley Wood Market Intelligence; FARES

Appendix B
City of Seaside, Monterey County
Detached from August 2005 to August 2006

| Γ'     |                            | Year         | Unit Size      |        |        | Lot Size                              | Sale                 | Sale                   | Price/     | TB Map    | Site                             |
|--------|----------------------------|--------------|----------------|--------|--------|---------------------------------------|----------------------|------------------------|------------|-----------|----------------------------------|
| Site   | Address                    | Built        | (Śq. Ft.)      |        | 3ath   | (Sq. Ft.)                             | Date                 | Value                  | Sq. Ft.    | Pg/Grd    |                                  |
|        |                            |              |                |        |        | · · · · · · · · · · · · · · · · · · · |                      |                        |            | <u> </u>  |                                  |
| 370    | Trinity Ave                | 1948         | 889            | 3      | 1      | 4,000                                 | 10/21/05             | \$645,000              | \$725.53   | 1134-d2   | 011-345-003-00                   |
|        | Hilby Ave                  | 1954         | 796            | 2      | 1      | 5,947                                 | 08/30/05             | \$575,000              | \$722.36   | 1134-e2   | 011-353-007-00                   |
|        | Lopez Ave                  |              |                |        |        |                                       | 05/05/06             |                        |            |           | 011-356-028-00                   |
|        | Lopez Ave                  | 4070         |                | _      |        |                                       | 02/28/06             | \$625,000              |            |           | 011-356-029-00                   |
|        | Lopez Ave                  | 1950         | 912            | 3      | 1      | 4,700                                 |                      | \$610,000              |            |           | 011-357-006-00                   |
|        | Lassen St<br>Military Ave  | 1956         | 1,654          | 3      | 2      | 7,200                                 |                      | \$780,000              |            |           | 011-472-004-00                   |
|        | Military Ave               | 1955<br>1956 | 1,193<br>1,546 | 3<br>3 | 2      | 10,700                                |                      | \$760,000              |            |           | 011-473-004-00                   |
|        | Ord Grove Ave              | 1956         | 1,124          | 3      | 2      | 8,700<br><b>7,5</b> 00                |                      | \$820,000<br>\$735,000 |            |           | 011-473-005-00                   |
|        | Paralta Ave                | 1960         | 1,150          | 3      | 2      | 6,000                                 |                      | \$690,000              |            |           | 011-474-014-00 011-492-020-00    |
|        | Paraita Ave                | 1960         | 1,147          | 3      | 2      | 7,600                                 |                      | \$720,000              |            |           | 011-493-007-00                   |
|        | Paralta Ave                |              | 1,338          | 3      | 2      | 5,960                                 |                      | \$600,000              |            |           | 011-493-013-00                   |
| 2078   | Paralta Ave                | 1958         | 1,584          | 3      | 2      | 8,536                                 |                      | \$700,000              |            |           | 011-493-021-00                   |
| 1829   | Juarez St                  | 1970         | 1,339          | 4      | 2      | 5,500                                 | 06/02/06             | \$705,000              |            |           | 012-014-047-00                   |
| 1817   | Naɗina St                  | 1961         | 1,056          | 3      | 2      | 5,500                                 | 06/05/06             | \$590,000              |            |           | 012-015-032-00                   |
|        | Birch Ave                  |              | 992            | 1      | 1      | 4,600                                 |                      | \$529,000              |            |           | 012-072-013-00                   |
|        | Shawnee Ct                 | 1970         | 1,720          | 3      | 2      | 6,076                                 | 09/30/05             | \$765,000              | \$444.77   | 1134-g1   | 012-109-007-00                   |
|        | Mizpah Ct                  | 1968         | 945            | 3      | 2      | 6,500                                 | 11/21/05             | \$703,000              |            | _         | 012-109-010-00                   |
|        | Mescal St                  | 1968         | 1,368          | 3      | 2      | 7,300                                 | 05/18/06             | \$745,000              |            |           | 012-109-015-00                   |
|        | Mescal St                  | 1967         | 1,247          | 3      | 2      | 6,000                                 | 06/15/06             | \$699,000              |            |           | 012-109-020-00                   |
|        | Napa St<br>Fernando St     | 1959<br>1959 | 1,030          | 3      | 2      | 4,500<br>4,700                        | 12/29/05             | \$730,000              |            |           | 012-111-032-00                   |
|        | Granada St                 | 1960         | 1,171<br>1,068 | 4<br>3 | 2      | 4,700                                 | 07/26/06             | \$690,000<br>\$490,000 |            |           | 012(111-037-00                   |
|        | Havana St                  | 1960         | 1,040          | 3      | 2      | 3,650                                 | 09/01/05<br>06/15/06 | \$715,000              |            |           | 012-112-028-00<br>012-113-019-00 |
|        | Havana St                  | 1960         | 1,040          | 3      | 2      | 3,700                                 | 11/03/05             | \$665,000              |            |           | 012-113-019-00                   |
|        | Havana St                  | 1960         | 1,040          | 3      | 2      | 3,700                                 | 08/04/05             | \$671,000              |            |           | 012-113-027-00                   |
|        | Goodwin St                 | 1962         | 912            | 3      | 2      | 3,840                                 | 11/08/05             | \$638,000              |            |           | 012-163-023-00                   |
| 1732   | Baker St                   | 1956         | 1,320          | 3      | 1      | 5,700                                 | 03/14/06             | \$430,000              | •          |           | 012-164-029-00                   |
| 1709   | Goodwin St                 | 1939         | 651            | 1      | 1      | 2,849                                 | 07/11/06             | \$549,000              |            |           | 012-164-051-00                   |
|        | Clementina St              |              | 1,338          | 2      |        | 4,018                                 | 07/28/06             | \$639,000              | \$477.58   | 1134-e1 : | 012-171-014-00                   |
|        | Clementina St              | 1948         | 775            | 2      | 1      | 4,178                                 | 04/28/06             | \$650,000              | \$838.71   | 1134-11   | 012-172-008-00                   |
|        | Palm Ave                   |              | 571            | 1      |        | 5,204                                 | 08/19/05             | \$540,000              | \$945.71   | 1134-f1   | 012-195-046-00                   |
|        | Elm Ave                    | 1950         | 761            | 2      | _      | 6,455                                 | 09/22/05             | \$495,000              |            |           | 012-195-051-00                   |
|        | Kenneth St                 | 1935         | 628            | 2      | 2      | 1,850                                 | 08/30/05             | \$612,000              |            |           | 012-201-005-00                   |
|        | Harding St                 | 1959         | 1,030          | 3      | 1      | 3,650                                 | 12/27/05             | \$665,000              |            |           | 012-207-006-00                   |
|        | Darwin St<br>Harding St    | 1958<br>1958 | 964<br>1,096   | 3<br>3 | 1<br>2 | 3,650                                 | 03/23/06             | \$700,000              |            |           | 012-211-016-00                   |
|        | Elm Ave                    | 1958         | 1,090          | 4      | 2      | 4,500<br>5,400                        | 11/07/05<br>09/16/05 | \$599,000<br>\$700,000 | <u> </u>   |           | 012-211-023-00                   |
|        | Soto St                    | 1958         | 982            | 3      | 1      | 3,700                                 | 06/29/06             | \$600,000              |            |           | 012-213-012-00<br>012-214-002-00 |
|        | Parwin St                  | 1958         | 1,334          | 3      | 2      | 5,500                                 | 03/01/06             | \$645,000              |            |           | 012-241-033-00                   |
|        | /allejo St                 | 1957         | 784            | 2      | 1      | 3,700                                 | 12/14/05             | \$515,000              |            | -         | 012-242-004-00                   |
|        | /allejo St                 | 1963         | 1,014          | 3      | 2      | 3,700                                 | 12/01/05             | \$750,000              | i          | – .       | 012-242-032-00                   |
| 1443 L | uzern St                   | 1958         | 1,115          | 3      | 2      | 3,700                                 | 10/25/05             | \$550,000              |            |           | 012-243-018-00                   |
| 1418 L | owell St                   | 1948         | 812            | 1      | 1      | 3,800                                 | 09/28/05             | \$639,000              |            |           | 012-253-011-00                   |
| 1484 L | uxton St                   | 1960         | 1,071          | 3      | 2      | 3,750                                 | 12/19/05             | \$655,000              | \$611.58   | 1134-f2 ( | 012-254-016-00                   |
|        | udson St                   | 1974         | 883            | 1      | 1      | 1,900                                 | 12/20/05             | \$519,000              | \$587.77 ° | 1134-f2 ( | 12-255-008-00                    |
|        | Varing St                  | 1953         | 732            | 2      | 1      | 3,750                                 | 12/12/05             | \$620,000              | \$846.99   | 134-12 (  | 012-255-015-00                   |
|        | mador Ave                  |              | 924            | 3      | 1      | 4,827                                 | 11/04/05             | \$400,000              |            |           | 12-261-016-00                    |
|        | im Ave                     |              | 1,280          | 4      | 2      | 7,488                                 | 09/23/05             | \$675,000              | \$527.34 1 | 134-12 (  | 112-262-031-00                   |
|        | mador Ave                  |              | 1,288          | 3      | 2      | 6,160                                 | 03/08/06             | \$705,000              | 1          |           | 12-263-005-00                    |
|        | ionoma Ave                 |              | 768            | 2      | 1      | 4,968                                 | 06/30/06             | \$383,000              |            |           | 12-264-006-00                    |
|        | iamilton Ave               | 1047         | 672            | 2      | 1      | 7,531                                 | 08/19/05             | \$655,000              |            |           | 12-264-018-00                    |
|        | rinity Ave<br>lamilton Ave | 1947         | 2,126<br>1.186 | 4      | 3      | 5,000<br>6.130                        | 05/15/06             | \$670,000              |            |           | 112-265-013-00                   |
|        | onoma Ave                  | 1949         | 1,186<br>3,091 | 2<br>4 | 2      | 6,120<br>5,853                        | 03/28/06             | \$670,000              |            |           | 112-266-012-00                   |
|        | onoma Ave                  | 1343         | 960            | 3      | 1      | 5,853<br>4,837                        | 10/31/05<br>07/11/06 | \$695,000<br>\$575,000 |            |           | 112-267-012-00                   |
|        | mador Ave                  | 1958         | 1,014          | 3      | 1      | 5,000                                 | 10/25/05             | \$575,000<br>\$610,000 |            |           | 112-267-028-00<br>12-268-012-00  |
| 1066 E |                            | 1947         | 813            | 2      | 1      |                                       | 08/26/05             | \$589,000              |            |           | 12-271-013-00                    |
|        | mador Ave                  | 1998         | 2,015          | -      | •      |                                       | 06/09/06             | \$800,100              |            |           | 12-271-020-00                    |
|        | onoma Ave                  | 1949         | 959            | 2      | 1      |                                       | 09/29/05             | \$583,000              |            |           | 12-271-020-00                    |
| 0.00   |                            | 1070         | 000            | A-     | •      | ن د د د د                             | COLEGICO             | ACCA! CCC              | AAA1'27    | INTER U   | 14-410-000-0                     |

Source: Hanley Wood Market Intelligence; FARES

Appendix B City of Seaside, Monterey County Detached from August 2005 to August 2006

|        |                          | Year         | Unit Size    |        |      | Lot Size                              | Sale                 | Sale                       | Price/           | ТВ Мар           | Site                             |
|--------|--------------------------|--------------|--------------|--------|------|---------------------------------------|----------------------|----------------------------|------------------|------------------|----------------------------------|
| Site   | Address                  | Built        | (Sq. Ft.)    |        | Bath |                                       | Date                 | Value                      | Sq. Ft.          | Pg/Grd           |                                  |
|        |                          |              |              |        |      | · · · · · · · · · · · · · · · · · · · |                      |                            | <u>-</u>         |                  |                                  |
|        | Hamilton Ave             | 1955         | 855          | 2      | 1    | 5,400                                 |                      |                            |                  |                  | 012-273-042-00                   |
|        | Hamilton Ave             | 1999         | 922          | 2      | 2    |                                       | 01/24/06             |                            | \$715,84         | 1134-e2          | 012-273-060-00                   |
|        | Trinity Ave              |              | 1,798        | 3      | 2    | 7,310                                 | 12/02/05             | \$725,000                  | \$403.23         | 1 <b>134-e</b> 2 | 012-274-035-00                   |
|        | Noche Buena St           | 1947         | 928          | 2      | 1    | 3,800                                 | 10/25/05             | \$460,000                  | <b>\$</b> 495.69 | 1134-f2          | 012-281-010-00                   |
|        | Noche Buena St           | 1941         | 654          | 2      | 1    | 3,800                                 | 11/10/05             | <b>\$4</b> 57,5 <b>0</b> 0 |                  | 1134-f2          | 012-281-019-00                   |
|        | Noche Buena St           | 1941         | 654          | 2      | 1    | 3,750                                 |                      | \$525,000                  |                  | 1134-f2          | 012-281-023-00                   |
|        | Kenneth St               | 1991         | 1,744        | 3      | 3    | 1,900                                 |                      | \$725,000                  | <b>\$4</b> 15.71 | 1134-f2          | 012-282-038-00                   |
|        | Luxton St                | .1964        | 1,064        | 3      | 2    | 3,750                                 |                      | \$730,000                  |                  |                  | 012-283-027-00                   |
|        | Judson St                | 1946         | 720          | 2      | 1    | 3,800                                 |                      | \$535,000                  |                  |                  | 012-284-009-00                   |
|        | Luxton St                | 1982         | 1,430        | _      |      | 3,800                                 |                      | \$600,000                  |                  |                  | 012-284-027-00                   |
|        | Wanda Ave                | 1951         | 792          | 2      | 1    | 3,750                                 |                      | \$608,000                  |                  |                  | 012-285-027-00                   |
|        | Waring St                | 1958         | 967          | 3      | 1    | 3,700                                 |                      | \$660,000                  |                  |                  | 012-286-021-00                   |
|        | Waring St                | 1963         | 1,014        | 3      | 2    | 3,900                                 |                      | \$695,000                  |                  |                  | 012-286-028-00                   |
|        | Wanda Ave                | 1964         | 1,369        | 4      | 2    | 6,900                                 |                      | \$820,000                  |                  | -                | 012-293-036-00                   |
|        | Luzem St                 | 1958         | 972          | 3      | 1    | 3,700                                 |                      | \$600,000                  |                  |                  | 012-294-012-00                   |
|        | Harding St               | 1949         | 811          | 2      | 1    | 3,650                                 |                      | \$609,500                  |                  |                  | 012-321-014-00                   |
|        | Harding St               | 1963         | 1,186        | 3      | 2    | 5,500                                 | 10/28/05             | \$655,000                  |                  | -                | 012-321-021-00                   |
|        | Harding St               | 1953         | 858          | 2      | 1    | 3,700                                 |                      | \$599,000                  |                  | _                | 012-321-026-00                   |
|        | Vallejo St<br>Vallejo St | 1963         | 1,363        | 3      | 2    | 4,500                                 |                      | \$700,000                  |                  |                  | 012-322-038-00                   |
| 1270   | Kenneth St               | 1962<br>1961 | 2,059<br>672 | 3<br>2 | 2    | 4,745                                 |                      | \$699,000                  |                  | -                | 012-322-039-00                   |
|        | Luxton St                | 1948         | 936          | 2      | 1    | 3,750                                 | 06/30/06             | \$550,000                  |                  |                  | 012-331-021-00                   |
|        | Judson St                | 1952         | 1,216        | 3      | 2    | 5,509                                 | 11/30/05             | \$632,000                  |                  |                  | 012-333-007-00                   |
|        | Hilby Ave                | 1964         | 1,050        | 3      | 2    | 5,731                                 |                      | \$720,000                  |                  |                  | 012-334-007-00                   |
|        | Harcourt Ave             | 1947         | 1,309        | 2      | 1    | 3,571<br>5,051                        | 02/16/06<br>09/07/05 | \$630,000                  |                  | 7                | 012-337-017-00                   |
|        | Prospect St              | 1951         | 1,104        | 3      | 2    | 6,270                                 | 09/01/05             | \$759,000<br>\$699,000     |                  |                  | 012-342-019-00                   |
|        | Rousch Ave               | 1955         | 1,063        | 2      | 1    | 15,628                                | 12/06/05             | \$789,000                  |                  |                  | 012-381-040-00                   |
|        | Santa Ana St             | 1555         | 1,747        | 3      | 2    | 7,815                                 | 06/08/06             | \$770,000                  |                  |                  | 012-382-051-00                   |
|        | Modoc St                 |              | 1,586        | 3      | 2    | 7,010                                 | 09/16/05             | \$855,000                  |                  |                  | 012-383-010-00<br>012-384-001-00 |
|        | Santa Ana St             | 1967         | 1,161        | 3      | 2    | 6,604                                 | 04/21/06             | \$700,000                  |                  |                  | 012-393-008-00                   |
|        | Waring St                | 1948         | 1,308        | 3      | 2    | 7,712                                 | 06/16/06             | \$630,000                  |                  |                  | 012-393-008-00                   |
|        | Buena St                 | 1956         | 1,161        | 3      | 2    | 4,500                                 | 12/30/05             | \$690,000                  |                  |                  | 012-402-027-00                   |
|        | Sunnyhill Ct             | .000         | 1,248        | ·      | _    | 4,000                                 | 05/15/06             | \$700,100                  |                  |                  | 012-402-053-00                   |
|        | Mescal Ct                |              | ,,_,,        |        |      |                                       | 02/28/06             | \$800,000                  |                  |                  | 012-414-012-00                   |
|        | Hilby Ave                |              | 1,191        | 3      |      | 11,995                                | 06/16/06             | \$749,000                  |                  |                  | 012-414-052-00                   |
|        | Bales Ct                 |              | •,,          | _      |      | 11,500                                | 02/23/06             | \$685,000                  |                  |                  | 012-431-035-00                   |
|        | Kimbali Ave              |              |              |        |      |                                       | 08/18/05             | \$725,000                  |                  |                  | 012-451-008-00                   |
|        | Valta Ct                 | 1960         | 1,278        | 3      | 2    | 5,900                                 | 04/27/06             | \$791,000                  |                  |                  | 012-451-016-00                   |
|        | Wheeler St               |              | 1,196        | 3      | 1    | 0,000                                 | 08/12/05             | \$720,000                  |                  |                  | 012-462-006-00                   |
|        | a Salle Ave              | 1968         | 1,719        | 3      | 2    | 6,100                                 | 08/11/05             | \$720,000                  |                  |                  | 012-621-002-00                   |
|        | incoln St                | 1968         | 1,353        | 3      | 2    | 4,300                                 | 03/31/06             | \$670,000                  |                  |                  | 012-622-060-00                   |
|        | Soto St                  | 1973         | 1,347        | 5      | 2    | 5,911                                 | 08/05/05             | \$685,000                  |                  |                  | 012-632-037-00                   |
|        | Athens Ct                | 1971         | 1,248        | 3      | 2    | 6,500                                 | 05/12/06             | \$625,000                  |                  | _                | 012-642-023-00                   |
|        | /ilianova Ct             | 1969         | 1,482        | 3      | 2    | 6,500                                 | 12/21/05             | \$745,000                  |                  |                  | 012-651-015-00                   |
|        | /illanova Ct             | 1971         | 1,689        | 4      | 2    | 8,250                                 | 04/13/06             | \$855,000                  |                  |                  | 012-651-016-00                   |
|        | lighland St              | 1959         | 1,066        | 3      | 2    | 3,800                                 | 01/19/06             | \$150,000                  |                  | -                | 012-652-017-00                   |
|        | fendocino St             | 1973         | 1,365        | 3      | 2    | 5,500                                 | 01/03/06             | \$745,000                  |                  |                  | 012-652-034-00                   |
| 1677 N | lendocino St             | 1959         | 1,080        | 3      | 2    | 4,700                                 | 12/23/05             | \$675,000                  |                  |                  | 012-652-035-00                   |
| 1623 H | (ighland St              | 1959         | 1,049        | 3      | 2    | 3,800                                 | 12/09/05             | \$610,000                  |                  |                  | 12-654-033-00                    |
| 1684 S | •                        | 1957         | 1,249        | 3      | 1    | 3,750                                 | 08/11/05             | \$610,000                  |                  | -                | 012-654-036-00                   |
| 1655 H | lighland St              | 1959         | 1,040        | 3      | 2    | 3,800                                 | 11/10/05             | \$705,000                  |                  | •                | 12-654-038-00                    |
| 1610 S | _                        | 1958         | 1,092        | 3      | 1    | 3,800                                 | 12/28/05             | \$620,000                  |                  |                  | 12-654-042-00                    |
| 1364 S | kyview Dr                | 1975         | 2,238        | 4      | 3    | 11,300                                | 08/24/05             | \$975,000                  |                  |                  | 12-673-004-00                    |
|        | kyview Dr                | 1975         | 2,380        | 3      | 3    | 7,300                                 | 02/15/06             | \$925,100                  |                  |                  | 12-673-014-00                    |
|        | lescal St                | 1972         | 1,719        | 3      | 2    |                                       | 05/26/06             | \$788,000                  |                  |                  | 12-682-006-00                    |
|        | Vanda Ave                | 1970         | 1,755        | 4      | 2    | 6,193                                 | 12/20/05             | \$999,000                  |                  | -                | 12-682-026-00                    |
|        | osemite St               | 1972         | 1,693        | 3      | 2    |                                       | 03/24/06             | \$503,000                  |                  |                  | 12-682-044-00                    |
|        | ilby Ave                 | 1958         | 884          | 2      | 1    |                                       | 09/16/05             | \$630,000                  |                  |                  | 12-682-054-00                    |
|        | udson St                 | 1959         | 1,040        | 3      | 1    | •                                     | 07/24/06             | \$620,000                  |                  |                  | 12-692-030-00                    |
|        | udson St                 | 1953         | 780          | 2      | 1    |                                       | 01/05/06             | <b>\$695,000</b>           |                  |                  | 112-692-032-00                   |
|        |                          |              |              | _      | -    | -1                                    | - 1,                 | 7-00,000                   | I                | , , , ,          |                                  |

Source: Hanley Wood Market Intelligence; FARES

cl508v(East Garrison)Update.xis

Appendix B
City of Seaside, Monterey County
Detached from August 2005 to August 2006

|        |                        | V     | 11-4-01   |        |      | 1.1.00         | 6.4.              |                        |          |                  |                |
|--------|------------------------|-------|-----------|--------|------|----------------|-------------------|------------------------|----------|------------------|----------------|
| CHA    | Addrasa                | Year  | Unit Size |        | Deth | Lot Size       | Sale              | Sale                   | Price/   | TB Map           |                |
| Site   | Address                | Built | (Sq. Ft.) | pea    | Baru | (3q, Ft.)      | Date              | Value                  | Sq. Ft.  | Pg/Grd           | APN#           |
| 1293   | Olympia Ave            | 1947  | 857       | 2      | 1    | 3,757          | 12/30/05          | \$575,000              | \$870.05 | 1134_f1          | 012-696-003-00 |
|        | Waring St              | 1972  | 974       |        |      | 3,650          |                   |                        |          |                  | 012-701-016-00 |
|        | Judson St              | 15,2  | 1.312     |        | ,    | 3,200          |                   |                        | •        |                  | 012-701-031-00 |
|        | Flores St              | 1954  | 855       | 2      | 1    | 3,750          |                   | ,                      |          |                  | 012-701-031-00 |
|        | Darwin St              | 1959  | 1,066     | 3      | 2    | 5,500          |                   |                        |          |                  | 012-711-009-00 |
|        | Luzem St               | 1970  | 1,328     | 4      | 2    | 7,354          |                   | 1 1                    |          | •                | 012-723-001-00 |
|        | Soto St                | 1958  | 1,020     | 3      | 1    | 3,650          |                   |                        |          |                  | 012-723-013-00 |
|        | Waring St              | ,,,,, | .,020     | ·      | •    | 0,000          | 09/29/05          |                        | 4000,00  |                  | 012-732-008-00 |
|        | Flores St              | 1956  | 798       | 2      | 1    | 5,200          |                   | , ,                    | \$687.97 |                  | 012-733-003-00 |
|        | Noche Buena St         | 1956  | 960       | 3      | i    | 3,750          | 02/22/06          |                        |          |                  | 012-742-011-00 |
|        | Lowell St              | 1971  | 1,206     | 3      | 2    | 5,500          | 12/15/05          | ,                      |          |                  | 012-744-009-00 |
|        | Luxton St              | 1960  | 1,080     | 3      | 2    | 3,650          | 08/12/05          |                        |          |                  | 012-745-001-00 |
|        | Luxton St              | 1958  | 1,055     | 3      | 2    | 3,700          | 11/30/05          |                        |          |                  | 012-745-016-00 |
|        | Luxton St              | 1956  | 999       | 3      | 1    | 3,700          | 12/01/05          |                        | 1        |                  | 012-745-016-00 |
|        | Judson St              | 1957  | 1,503     | 3      | 2    | 5,500          | 10/19/05          |                        | -        |                  | 012-751-000-00 |
|        | Luxton St              | 1963  | 1,001     | 3      | 2    | 3,650          | 04/28/06          |                        | -        |                  | 012-751-014-00 |
|        | Luxton St              | 1000  | 7,001     | J      | ~    | 3,000          | 08/31/05          | \$705,000              |          |                  | 012-752-013-00 |
|        | Harding St             | 1963  | 1,080     | 3      | 2    | 3,700          | 10/25/05          | \$569,000              |          |                  | 012-763-003-00 |
|        | Harding St             | 1954  | 875       | 2      | 1    | 3,700          | 11/23/05          | \$550,000              |          | -                | 012-763-004-00 |
|        | Flores St              | 1950  | 859       | 2      | 2    | 3,750          | 09/07/05          | \$425,000              |          | _                | 012-764-015-00 |
|        | Judson St              | 1959  | 1.036     | 3      | 2    | 3,700          | 06/30/06          | \$639,000              | -        |                  | 012-765-003-00 |
|        | Luzem St               | 1973  | 998       | 2      | 1    | 3,700          | 08/12/05          | \$599,000              | -        |                  |                |
|        | Luzem St               | 1953  | 676       | 2      | 1    | 3,697          | 04/26/06          | \$595,000              |          | _                | 012-773-001-00 |
|        | Vallejo St             | 1972  | 1,431     | 4      | 2    | 5,500          | 12/16/05          | , ,                    | -        | _                | 012-773-004-00 |
|        | Luzem St               | 1965  | 1,134     | 3      | 2    | 3,650          | 12/23/05          | \$662,000              |          |                  | 012-781-001-00 |
|        | Soto St                | 1971  | 1,360     | 3      | 2    | •              | 10/07/05          | \$705,000              |          | -                | 012-786-001-00 |
|        | San Pablo Ave          | 1952  | 1,300     | 3      | 1    | 5,475          |                   | \$675,000              |          |                  | 012-787-014-00 |
|        | Kenneth St             | 1972  | 1,436     | 4      | 2    | 3,650<br>1,436 | 02/22/06 04/03/06 | \$570,000              | -        |                  | 012-791-004-00 |
|        | San Pablo Ave          |       | 1,169     | 3      | 1    | ,              |                   | \$670,000              |          |                  | 012-805-014-00 |
|        | Hilton St              | 1948  |           | 2      | 1    | 3,800          | 11/23/05          | \$500,000              |          |                  | 012-811-018-00 |
|        | Noche Buena St         | 1950  | 808       |        |      | 3,750          | 08/25/05          | \$615,000              |          |                  | 012-813-014-00 |
|        |                        | 1948  | 1,064     | 3      | 1    | 3,750          | 08/01/05          | \$549,000              |          |                  | 012-822-003-00 |
|        | Laguna St              | 1957  | 980       | 3      | 1    | 3,800          | 09/20/05          | \$640,000              |          |                  | 012-822-019-00 |
|        | Laguna St<br>Morina St | 1945  | 834       | 2<br>3 | 1    | 5,600          | 10/20/05          | \$549,000<br>\$650,000 |          |                  | 012-823-013-00 |
|        | Waring St              | 1960  | 1,014     |        | 2    | 3,700          | 06/07/06          | \$650,000              | ,        |                  | 012-833-017-00 |
|        | Flores St              | 1956  | 938       | 3      | 1    | 3,700          | 04/28/06          | \$685,000              | •        |                  | 012-834-014-00 |
|        | Vallejo St             | 1954  | 768       | 2      | 1    | 0.700          | 12/27/05          | \$640,000              |          | _                | 012-841-006-00 |
|        | Luzem St               | 1957  | 1,233     | 3      | 2    | 3,700          | 06/28/06          | \$635,000              |          |                  | 012-841-016-00 |
|        | Vallejo St             | 1949  | 1,000     | 2      | 1    | 7,300          | 02/17/06          | \$652,000              | -        | _                | 012-842-010-00 |
|        | Harding St             | 1959  | 964       | 3      | 1    | 3,650          | 01/18/06          | \$600,000              |          | -                | 012-843-010-00 |
|        | Mendocino Çt           | 1976  | 1,412     | 3      | 2    | 5,900          | 08/24/05          | \$113,500              |          |                  | 012-853-019-00 |
|        | Soto St                | 1954  | 968       | 2      | 1    | 3,700          | 07/11/06          | \$545,000              | -        | _                | 012-854-010-00 |
|        | Highland St            | 1956  | 982       | 3      | 1    | 3,750          | 10/14/05          | \$659,000              |          |                  | 012-854-019-00 |
| 1892 l | Luzem St               | 1954  | 952       | 3      | 1    | 3,950          | 07/03/06          | \$595,000 .            | \$625.00 | 1114 <b>-</b> g7 | 012-856-002-00 |
|        | COUNT                  | 223   |           |        |      |                |                   |                        |          |                  |                |
|        | AVERAGE                | 1960  | 1,209     | 3      | 2    | 5,322          |                   | \$696,979              | \$583.65 |                  |                |
|        | MEDIAN                 | 1958  | 1,067     | 3      | 2    | 4,700          |                   | \$671,000              | \$585.55 |                  |                |
|        | MINIMUM                | 1935  | 571       | 1      | 1    | 1,436          |                   | \$113,500              | \$80,38  |                  |                |
|        | MAXIMUM                | 2004  | 3,399     | 5      | 3    | 15,628         |                   | \$1,290,000            | •        |                  |                |
|        | (TACAL PATOL PATOL     | #AAAA | J,333     | J      | J    | 10,020         |                   | <b>₽1,∠3U,UUU</b>      | \$974.70 |                  |                |

Source: Hanley Wood Market Intelligence; FARES

Residuar Lot value (Project Revenue) calculation

East Garrison rartners 1, LLC East Garrison Proforma

Phase: Community: Date of Sale:

Phase 1 Community 1 8/15/2008

| Product type:   | Total    | Bluff     | Bungalow Condo | Condo | WFII Cond | WFII Cond. Cottages | Garden     | Grove    | Aff Crown | Aff Grand Included |            | 1 17 7               |            |
|---|----------|-----------|----------------|-------|-----------|---------------------|------------|----------|-----------|--------------------|------------|----------------------|------------|
| Number of units:  | 274      | 12        | o              | 0     | 0         | 7.1                 | 61         |          |           | SI CAMPAIN         |            | A MINISE AN IOWNINSE | 3          |
| Revenue:  |          |           |                |       |           |                     | 3          | -        | ,         | 01                 | 4,4        | 18                   | S.         |
| Base Home Price (inc Premiums)                                    | <u></u>  | 925.600   |                |       |           | 854 400             | 000 TO3    | 620 000  |           |                    |            |                      |            |
| Options Revenue 6.0% of Base prine                                | و ا      | 55 536    |                |       |           | 201                 | 07,700     | nna'n/c  |           | 582,200            | 535,800    | 264,900              | 724,700    |
| Days  | <u> </u> | 200,000   |                |       |           | 51,246              | 37,638     | 34,236   |           | 34,932             | 32,148     | 0                    | 43,482     |
| California Cales Navellus   |          | 981,136   |                |       |           | 905,346             | 664,938    | 604,836  |           | 617,132            | 567 948    | 264.900              | 768 182    |
| Costs:  | !        |           |                |       |           |                     |            |          |           |                    |            |                      |            |
| Direct Building Costs   | !        | 257,600   |                |       |           | 237 200             | 173 100    | 152 400  |           | 24.0               | 200,000    | 000                  |            |
| Option Costs 84.0% of Opt rev                                     | T. Lev   | 46.650    |                |       |           | 43.047              | 34 646     | 00 TE 00 |           | 210,000            | 202,300    | 146,600              | 193,800    |
| Fees and Permits  | <u> </u> | 84 400    |                |       |           | 75,00               | 31,010     | 20,738   |           | 29,343             | 27,004     | 0                    | 36,5201 5  |
| が出来る。<br>は、<br>は、<br>は、<br>は、<br>は、<br>は、<br>は、<br>は、<br>は、<br>は、 | J        | 24,700    |                |       |           | 80,100              | 61,760     | 58,190   |           | 33,760             | 32,430     | 57.000               | 20 7007 07 |
| Warrany 1% aggregate cost a.                                      | St a.    |           |                |       |           |                     |            |          |           |                    |            |                      | ECE        |
|   | 8        | 213,814   |                |       |           | 197,297             | 144.906    | 131 809  |           | 134 488            | 122 770    | 64 400               | ME         |
| Telnancing 6% and a second  |          |           |                |       |           |                     |            |          |           | 2024               | 123,110    | 761-10               | 101,400    |
| Saulder Margin 9%   |          |           |                |       |           |                     |            |          |           |                    |            |                      | T P.       |
| Indirect Construct, 2%  |          |           |                |       |           |                     |            |          |           |                    |            |                      | AR<br>9, 2 |
| A&E/Consultants 1% aggregate cost b.                              | sf b.    |           |                |       |           |                     |            |          |           |                    |            |                      | 006        |
|   | . 8      | 64.792    |                |       |           | 59,787              | 43.911     | 39.942   |           | 40 754             | 37 FUB     | 10 5/2               | PA 064 03  |
| Insurance 1%  |          |           |                |       |           |                     |            |          |           | 101                | 202,10     | 2                    | T 67/00    |
| Estimated Costs   | -        | 667,256   |                |       |           | R17 A34             | AEE 222    | 444 000  |           | 11000              |            |                      | אי         |
|   |          | 224       |                |       |           | 101.40              | 430,233    | 411,088  |           | 454,345            | 423,010    | 285,335              | 519,160 🗷  |
|   | Ŀ        | 1         |                | 1     |           |                     |            |          |           |                    |            |                      | N.         |
| Residual Lot Value  | 4        | 313,880   | 0              | . 0   | 0         | 287,915             | 209,705    | 193,737  | 0         | 162,787            | 144,938    | (20.435)             | 249.022    |
| lotal residual  | 6        | 3,766,562 | 0              | 0     | 0         | 20,441,983          | 12,791,992 | 774 949  | c         | 9 KNA FR1          | 6.087.204  | 1969 6367            | FUE F24 UF |
|   | ŀ        |           |                |       |           |                     |            |          |           | 60,400,2           | 1.60,100,0 | (350, /00)           | 2,45       |

Total project residential land sales revenue

\$58,550,760

Appendix 1 Exhibit C

12/13/2006 10:47 AM

| 11.12 T |   |
|---------|---|
| nitit D | EG 121706 (county payments 3rd reporting date KMA method) |

12/18/2006 2:57 PM

|                                     |             |  |   | LAHIDH   | D - EAST GARRISON<br>DATED DE  | CEMBER                                      | PARTICIPATION MANUAL,<br>19, 2006  |  |
|-------------------------------------|-------------|--|---|--|--|---|--|--|
| , alte                              | Dec<br>2003 |  | o   | 0  |  | 400,000<br>400,000                          | (400,000)  | Appendix 1<br>Exhibit D  |
| 3rd report.                         | Nov<br>2003 |  | 0   | 0  |  | 400,000                                     | (400,000)  |  |
| ***                                 | 0et<br>2003 |  | ٥   | 0  | ,  | 400,000                                     | (400,000)  |  |
|                                     | Sep         |  |   | o  |  | 400,000                                     | (400,000)  |  |
|                                     | Aug<br>2003 | -11 (i)  |   |  |  | 400,000                                     | (400,000)  |  |
|                                     | Juf<br>2003 |  | 0   |  |  | 400,000                                     | (400,000)  |  |
| μh                                  | Jun<br>2003 | 1  | 0   | ·  |  | 400,000                                     | (400,000)  |  |
| st Gar, Partners<br>Sample Proforma | May<br>2003 |  | 0   | 0  |  | 400,000                                     | (400,000)  |  |
| East Gar<br>Sample                  | Apr<br>2003 |  | 0   | 0  | ***************************************  | 400,000                                     | (400,000)  |  |
|                                     | Mar<br>2003 |  | 0   | 0  |  | 400,000                                     | <b>4</b>   |  |
|                                     | Feb<br>2003 |  | 0   | 0  |  | 400,000                                     | (400,000)  |  |
|                                     | Jan<br>2003 |  | 0   | 0  |  | 0   | 0  |  |
|                                     | TOTAL       | 1,400<br>1,400<br>235,329,503  | 235,329,503<br>3,000,000<br>20,000,000<br>9,500,000<br>1,300,000                                  | 0<br>269,129,503   |  | 158,600,000                                 | 24,529,503 reporting date ments (50%) date) g date)  |  |
|                                     |             | Units Closed<br>Cumulative Units<br>Gross Sales Revenue<br>Receipts: | Cash @ Closings Homebulider Part. Revenue CFD Net Proceeds Tax Increment FORA Loan Interest Repay | Chosing Costs Net Receipts Disbursements: Land Acquisition | Property I ax Payments Consultants Development Fees Land Improvements Amentiles Infrastructure Indirects Infra Sales & Marketing Infra EGP Mgt Fee | Net Disbursements<br>Cash Flow Before Loans | Cashflow required for 22.5% IRR 24,529,503 Project Cashflow over 22.5% IRR at reporting date Participation Payment Before Adjustments (50%) less previous payment (1st reporting date) less previous payment (2nd reporting date) Net Calculated Payment amount Escrow Proceeds (50% of County proceeds) Cumulative escrowed proceeds less IRR Backfill Payment (if any) | First Reporting Date Monthly IRR Annual Simple IRR County Payment Second Reporting Date Monthly IRR Annual Simple IRR County Payment Third Reporting Date Monthly IRR Annual Simple IRR County Payment Total County Payments |

EXHIBIT D - EAST GARRISON PROFIT PARTICIPATION MANUAL,

12/18/2006 2:57 PM

|  | A TOTA                                   | Jan                                    | Feb       | Mar       | East Gal<br>Sample<br>Apr | st Gal Partners<br>Sample Proforma     |           | ju        | Aug                    | des       | <sup>†</sup> े <mark>ठ</mark> | 3rd report | on date   |
|--|--|--|-----------|-----------|---------------------------|--|-----------|-----------|------------------------|-----------|-------------------------------|------------|-----------|
|  | 200                                      | 2004                                   | 2004      | 2004      | 2004                      | 2004                                   | 2004      | 2004      | 2004                   | 2004      | 2004                          | 2004       | 2004      |
| Units Closed<br>Cumulative Units<br>Gross Sales Revenue<br>Receipts:   | 1,400<br>1,400<br>235,329,503            |  |           |           |                           |  |           |           |                        |           |                               |            |           |
| Cash @ Closings<br>Homebuilder Part. Revenue<br>CFD Wet Proceeds   | 235,329,503<br>3,000,000<br>20,000,000   | 0                                      | 0         | 0         | 0                         | 0                                      | 0         | D         |                        |           | 0                             | . 0        | 0         |
| FORA Loan Interest Repay Less:   | 1,300,000<br>1,300,000                   |  |           |           |                           |  |           |           |                        |           |                               |            |           |
| Net Receipts Disbursements:  | 269,129,503                              | 0                                      | 0         | 0         | 0                         | 0                                      | ٥         |           |                        | <b>o</b>  | 0                             | 0          | 0         |
| Land Acquisition Property Tax Payments Consultants   |  |  |           |           |                           |  |           |           | 선))=<br>글 <sup>3</sup> |           |                               |            |           |
| Development Fees Land Improvements Amenities   |  |  |           |           |                           |  |           |           |                        |           |                               |            |           |
| Infrastructure indirects<br>Infra Sales & Marketing<br>Infra EGP Mgt Fee   |  |  |           |           |                           |  |           | "hha .    |                        |           |                               |            |           |
| Net Disbursements<br>Cash Flow Before Loans  | 158,800,000<br>110,529,503               | 290,000                                | 290,000   | 290,000   |                           | 290,000<br>290,000                     | 290,000   | 290,000   | 290,000                | 290,000   | 280,000                       | 290,000    | 290,000   |
| Cashflow required for 22.5% IRR  | 24,529,503                               | (290,000)                              | (290,000) | (290,000) | (290,000)                 | (290,000)                              | (290,000) | (290,000) | (280,000)              | (290 000) | (000,000)                     |            | 200,000   |
| Project Cashillow over 22.5% IRR at reporting date Participation Payment Before Adjustments (50%) less previous payment (1st reporting date) less previous payment (1st reporting date) Net Calculated Payment amount Estrow Proceeds (50% of County proceeds) | reporting date ments (50%) date) g date) |  | i di      |           |                           |  |           |           | (1000)                 | (000,000) | (000,082)                     | (00p'087)  | (290,000) |
| Cumulative escrowed proceeds less IRR Backfill Payment (if any)  | (speco                                   | ************************************** |           |           |                           |  |           |           |                        |           |                               |            |           |
| Cash to county   |  |  |           |           | #<br>                     | ************************************** |           |           |                        |           |                               |            |           |
| Pirst Reporting Date<br>Monthly IRR  | Aug-10<br>1 09%                          |  |           |           |                           |  |           |           |                        |           |                               |            |           |
| Annual Simple IRR  |  | 6 <sup>55</sup>                        | <b>,</b>  |           |                           |  |           |           |                        |           |                               |            |           |
| Second Reporting Date  | \$0 Aug-11                               |  |           |           |                           |  |           |           |                        |           |                               |            |           |
| Monthly IRR<br>Annual Simple IRR   |  |  |           |           | ,                         |  |           |           |                        |           |                               |            |           |
|  | 21,885,0                                 |  |           |           |                           |  |           |           |                        |           |                               |            |           |
| D.   | 1.88%                                    |  |           |           |                           | ٠                                      |           |           |                        |           |                               |            |           |
| County Payment   | \$21,415,000                             |  |           |           |                           |  |           |           |                        |           |                               |            |           |
|  | \$43,000,000                             |  |           |           |                           |  |           |           |                        |           |                               |            |           |

| •                  |             |  |   |  |   |  | DATED DE  | CEMBE                                       | R 19, 2006  |   |                                  |                       |                                     |        |                   |                                      |
|--------------------|-------------|--|---|--|---|--|---|---|---|---|----------------------------------|-----------------------|-------------------------------------|--------|-------------------|--------------------------------------|
| ate                | Dec<br>2007 |  | 0   |  | 0   |  |   | 3,000,000                                   | (3,000,000)   | )                                       |                                  |                       |                                     |        |                   |                                      |
| 3rd repon          | Nov<br>2007 | ,  | o   |  | 0   |  |   | 3,000,000                                   | (3,000,000,0  |   |                                  |                       |                                     |        |                   |                                      |
|                    | Oct 2007    |  | 0   |  | 0   |  |   | 3,000,000                                   | (3,000,000)   |   |                                  |                       |                                     |        |                   |                                      |
|                    | Sep         |  |   | The Control of the Co | ¢   |  |   | 3,000,000                                   | (3,000,000)   |   |                                  |                       |                                     |        |                   |                                      |
|                    | Aug<br>2007 | 4  |   |  | D<br>L  |  |   | 3,000,000                                   | (3,000,000)   |   |                                  |                       |                                     |        |                   |                                      |
|                    | Jul<br>2007 |  | •<br>•  |  |   |  |   | 3,000,000                                   | (3,000,000)   |   |                                  |                       |                                     |        |                   |                                      |
| ø                  | Jun<br>2007 |  | Φ   |  | <b>&gt;</b>   |  |   |   | (3,000,000)   | *************************************** |                                  |                       |                                     |        |                   |                                      |
| st Gal Proforma    | May<br>2007 |  | 0   |  | >   |  |   | 3,000,000 3,000,000                         | (3,000,000)   |   |                                  |                       |                                     |        |                   |                                      |
| East Gal<br>Sample | Apr<br>2007 |  | D   | c  | >   |  | · recogn ( ) pin · ·  | 3,000,000                                   | (3,000,000)   |   |                                  |                       |                                     |        |                   |                                      |
|                    | Mar<br>2007 |  | 0   | ć  | >   |  |   |   | (3,000,000)   |   |                                  |                       |                                     |        |                   |                                      |
| •                  | Feb<br>2007 |  | 0   | c  | )   |  |   | ,   | (000'000'E)   |   | j.)<br>2                         | <b>*</b>              |                                     |        |                   |                                      |
|                    | Jan<br>2007 |  | O   | c  | •   |  |   | 3,000,000                                   | (000'000's)   |   |                                  |                       | P 4                                 | 1      |                   |                                      |
|                    | TOTAL       | 1,400<br>1,400<br>235,329,503  | 235,329,503<br>3,000,000<br>20,000,000<br>9,500,000                               | 1,500,000<br>0<br>269 129 503  |   |  |   | 158,600,000<br>110,529,503                  | 24,529,503 eporting date nents (50%) date) date)  | Aug-10                                  | <sup>‡</sup><br>%%               | igat.                 | 30.20%                              | Feb-13 | 72.50%            | \$21,115,000<br>\$43,000,000         |
| $\bigcirc$         | ٠           | Units Closed<br>Cumulative Units<br>Gross Sales Revenue<br>Receipts: | Cash @ Chosings<br>Homebuilder Part. Revenue<br>CFD Net Proceeds<br>Tax Increment | Coain meres repay<br>Less:<br>Closing Costs<br>Net Receipts  | Disbursements:<br>Land Acquisition<br>Property Tax Payments | Consultants<br>Development Fees<br>Land Improvements | Amenities<br>Infrastructure Indirects<br>Infra Sales & Marketing<br>Infra EGP Mgt Fee | Net Disbursements<br>Cash Flow Before Loans | Cashflow required for 22.5% IRR 24,529,503 Project Cashflow over 22.5% IRR at reporting date Participation Payment Before Adjustments (50%) less previous payment (1st reporting date) less previous payment (1st reporting date) Net Calculated Payment amount Escrow Proceeds (50% of County proceeds) Cumulative escrowed proceeds less IRR Backfill Payment (if any) cash to County | First Reporting Dete                    | Monthly IRR<br>Annual Simple IRR | Second Reporting Date | Annual Simple IRR<br>County Payment | afe    | Annual Simple IRR | County Payment Total County Payments |
|                    |             | 2008   | J _ O P E   | ž  | 5 - 1   | , L J ,  | ~   | <del>కి</del> రో                            |   | ij.                                     | ž Ē                              | 3 8 3                 | \$ \{\cdot\}                        | Tr.    | ₹ <b>\$</b>  \$   | 3 <b> </b> 2                         |

| 3rd report                  | Aug Sep Oct<br>2008 2008 2008 | 393 (2) 153 (3) (3) 153 (3) (3) (3) (3) (3) (3) (3) (3) (3) (3 | 8,120 0 0                                    |   | 8,120 0 0                                       |  | 3,000 3,200,000 3,200,000<br>8,120 -3,200,000 -3,200,000 | (9,200,000)  |
|-----------------------------|-------------------------------|--|--|---|---|--|--|--|
|                             | Jul<br>2008                   | 393<br>393<br>72,708   | 0 772,708,120                                | 1412  | #9#   |  | 3,200,000  | (3,200,000)  |
| )Partners<br>oforma         | May Jun<br>2008 2008          |  | 0 0  | 6,695,000   | 000,289,000                                     |  | 3,200,000  | (3,200,000)  |
| East Gar<br>Sample Proforma | Mar Apr<br>2008 2008          |  | 0  |   | 0 0   |  | Y.B.   | 0) (3,200,000) (3,200,000)   |
|                             | Feb<br>2008                   |  | 0  |   | 0   |  | 3,200,00   | (3.200,000   |
|                             | Jan<br>2008                   |  | 0  | •   | 0   |  | 3,200,000  | (3,200,000)  |
|                             | TOTAL                         | 1,400<br>1,400<br>235,329,503  | 235,329,503                                  | 20,000,000<br>9,500,000<br>1,300,000                          | 0<br>269,129,503                                |  | 158,800,000<br>110,529,503                               | 29,503<br>ng date<br>ng date<br>(50%)<br>))<br>))<br>))<br>))<br>))<br>(60%)<br>106%<br>20%<br>20%<br>20%<br>20%<br>20%<br>20%<br>20%<br>20%<br>20%<br>20  |
|                             |                               | Units Closed<br>Cumulative Units<br>Gross Sales Revenue<br>ecelpts:  | Cash @ Closings<br>Homebuilder Part. Revenue | CFD Net Proceeds Tax Increment FORA Loan Interest Repay Less: | Closing Costs<br>Net Receipts<br>Disbursements: | Land Acquisition Property Tax Payments Consultants Development Fees Land improvements Amenities Infrastructure indirects Infra Sales & Marketing Infra EGP Mgt Fee | Net Disbursements<br>Cash Flow Before Loans              | Cashfibw required for 22.5% IRR 24,529,503 Project Cashfiow over 22.5% IRR at reporting date Participation Payment Before Adjustments (50%) less previous payment (1st reporting date) less previous payment (1st reporting date) less previous payment (1st reporting date) Net Calculated Payment amount Escrow Proceeds (50% of County proceeds) Cumulative escrowed proceeds less IRR Backfill Payment (if any) Cash to County First Reporting Date Annual Simple IRR 13,06% County Payment \$0.20% County Payment \$0.20% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% County Payment \$2.55% |

|  |                                      |   |                        |             |                               |                                      |             |             |                          |  |             |                                     | . (         |
|--|--------------------------------------|---|------------------------|-------------|-------------------------------|--------------------------------------|-------------|-------------|--------------------------|--|-------------|-------------------------------------|-------------|
|  |                                      |   |                        |             | East Ga<br>Sampl              | st Gal A Partners<br>Sample Proforma | S)e         |             |                          |  | ***         | 3rd repor                           | date        |
|  | TOTAL                                | Jan<br>2009                               | Feb<br>2009            | Mar<br>2009 | Apr<br>2009                   | May<br>2009                          | Jun<br>2009 | Juí<br>2009 | Aug<br>2009              | Sep<br>2009                            | 2009        | Nov<br>2009                         | Dec<br>2009 |
| Units Closed<br>Cumulative Units<br>Gross Sales Revenue<br>Receipts:   | 1,400<br>1,400<br>235,329,503        | 393                                       | 22<br>415<br>6,078,304 | 415         | 415                           | 415                                  | 415         | 415         | 298<br>713<br>39,818,174 | 713                                    | 713         | 713                                 | 713         |
| Cash @ Chosings<br>Homebuilder Part. Revenue   | 235,329,503<br>3,000,000             | 0   | 6,078,304              | o           | 0                             | 0                                    | 0           | 0           | 39,818,174               |  | 0           | 0                                   | 0           |
| CFD Net Proceeds Tax Increment FORA Loan interest Repay Less:  | 20,000,000<br>9,500,000<br>1,300,000 | 1,300,000                                 |                        |             |                               |                                      | 7,435,000   | d.          | 6,333,333                |  |             |                                     |             |
| Closing Costs Net Receipts Disbursements:  | 0<br>269 <b>,129,5</b> 03            | 1,300,000                                 | 6,078,304              | 0           | 0                             | Φ                                    | 7,435,000   | 0           | 46,151,507               | Ф                                      | 0           | 0                                   | 0           |
| Land Acquisition Property Tax Payments Consultants Development Fees Land Improvements  |                                      |   |                        |             |                               | ********                             |             |             |                          |  |             |                                     |             |
| Amerities<br>Infrastructure Indirects<br>Infra Sales & Marketing<br>Infra EGP Mgt Fee  |                                      |   |                        |             |                               |                                      |             |             |                          |  |             |                                     |             |
| Net Disbursements<br>Cash Flow Before Loans  | 158,800,000<br>110,529,503           | 2,600,000 2,600,00<br>-1,300,000 3,478,30 | 2,600,000<br>3,478,304 | 2,600,000   | 2,600,000 2,600,000 2,600,000 | 2,600,000                            |             | 2,600,000   | 2,600,000                | 2,600,000                              | 2,600,000   | 2,600,000                           | 2,600,000   |
| Cashflow required for 22.5% IRR 24,529,503 Project Cashflow over 22.5% IRR at reporting date Participation Payment Before Adjustments (50%) less previous payment (1st reporting date) less previous payment (2nd reporting date) Net Calculated Payment amount Escrow Proceeds (50% of County proceeds) | - o                                  | (1,300,000) 3,478,30                      | 3,478,304              | (2,600,000) | (2,600,000)                   | 2.800,000) 4,835,000                 | !!          | (2,600,000) | 43,551,507               | (2,800,000)                            | (2,600,000) | (2,600,400) (2,600,000) (2,600,000) | 2,600,000)  |
| Cumulative escrowed proceeds less IRR Backfill Payment (if any) Cash to County   | )<br> <br>                           |   |                        |             |                               |                                      |             |             |                          |  |             |                                     |             |
| First Reporting Date<br>Monthly IRR  | Aug-10                               |   | t. P                   |             |                               |                                      |             |             |                          | ###################################### |             |                                     |             |
| Annual Simple IRR<br>County Payment  | 30                                   |   | <b>P</b>               |             |                               |                                      |             |             |                          |  |             |                                     |             |
| Second Reporting Date Monthly IRR  | E 2                                  |   | ir                     |             |                               |                                      |             |             |                          |  |             |                                     |             |
| Annual Simple IRR<br>County Payment  | 1                                    |   |                        |             |                               |                                      |             |             |                          |  |             |                                     |             |
| Jafe   | Feb-13                               | ;   |                        |             |                               |                                      |             |             |                          |  |             |                                     |             |
|  | 22,50%                               |   |                        |             |                               |                                      |             |             |                          |  |             |                                     |             |
| Total County Payments  | \$43,000,000                         |   |                        |             |                               |                                      |             |             |                          |  |             |                                     |             |

| $\bigcirc$  |  |                        |                         |             | East Gan                                   | Partners                               | SI          |  |  |             |             | 3rd report                                      |             |
|---|--|------------------------|-------------------------|-------------|--|--|-------------|--|--|-------------|-------------|---|-------------|
|   | TOTAL                                      | Jan<br>2010            | Feb<br>2010             | Mar<br>2010 | Sample<br>Apr<br>2010                      | Sample Protorma<br>Apr May<br>010 2010 | Jun<br>2010 | Jul<br>2010  |  | Sep<br>2010 | Oct 2010    | Nov   | Dec<br>2010 |
| Units Closed<br>Cumulative Units<br>Gross Sales Revenue<br>Receipts:  | 1,400<br>1,400<br>235,329,503              | 713                    | 69<br>782<br>17,611,734 | 782         | 782  | 782                                    | 782         | 782  | 419<br>1,201<br>80,739,158                             | 1204        | 1,201       | 1,201   | 1,201       |
| Cash @ Closings<br>Hornebuilder Part. Revenue<br>CFD Net Proceeds   | 235,329,503<br>3,000,000<br>20,000,000     | 0<br>1,000,000         | 17,611,734              | 0           | 0  | 0                                      | 0 5 870 000 | 0  | 60,739,158   |             | 0           | 0   | 0           |
| FORA Loan Interest Repay FORA Loan Interest Repay Less: Closing Costs Net Receipts Disbursements:                                 | 9,500,000<br>1,300,000<br>0<br>269,129,503 | 1,000,000              | 17,611,734              | o           | 0  | 0                                      | 6,870,000   | 0  | 3, 166, 667<br>1, 16, 166, 166, 166, 166, 166, 166, 16 | 0           | 0           | ¢   | c           |
| Land Acquisition Property Tax Payments Consultants Development Fees   |  |                        |                         |             |  | ¥.                                     |             |  |  |             |             | 1   | <b>5</b>    |
| Land Improvements Amenities Infrastructure Indirects Infra Sales & Marketing Infra EGP Mgt Fee                                    |  |                        |                         |             |  |  |             | Horaco de la companio del companio de la companio del companio de la companio del companio de la companio del com |  |             |             |   |             |
| Net Disbursements<br>Cash Flow Before Loans   | 158,600,000<br>110,529,503                 | 2,100,000              |                         | 2,100,000   | 2,160,000 2,100,000<br>2,100,000 2,100,000 | 2,100,000<br>2,100,000                 | 000,007     | 2,100,000  | 2,100,000<br>61,805,825                                | 2,100,000   | 2,100,000   | 2,100,000                                       | 2,100,000   |
| Cashilow required for 22.5% IRR 24,529,503 Project Cashilow over 22.5% IRR at reporting date                                      | e  | (1,100,000) 15,511,734 | 15,511,734              | (2,100,000) | (2,100,000)                                | 2,400,000) 3,770,000                   | 44          | 2,100,000)   | (2,100,000) 61 805 825                                 | (2,100,000) | (2,100,000) | (2,100,000) (2,100,000) (2,100,000) (2,100,000) | 2,100,000)  |
| less previous payment (1st reporting date) less previous payment (1st reporting date) less previous payment (2nd reporting date). | nents (50%)<br>date)<br>r date)            |                        | Ġ.                      |             |  |  |             | - September 1981   | 0.00   |             |             |   |             |
| Escrow Proceeds (50% of County proceeds) Cumulative escrowed proceeds less IRR Backfill Payment (if any) Cash to County           | (spaeco                                    | 49.40°                 |                         |             |  |  |             | aring Maring Princip   |  | 0           | 0           | 0   | 0           |
| First Reporting Date  | Aug-10                                     |                        |                         |             |  |  |             | niskri (di.)<br>10<br>10<br>11<br>11<br>11<br>12<br>12   |  |             |             |   |             |
| Monthly IRR Annual Simple IRR   | % %  |                        |                         |             |  |  |             |  |  |             |             |   |             |
| Second Reporting Date   | # -  |                        | <b>)</b> •              |             |  |  |             |  |  |             |             |   |             |
| Annual Simple IRR<br>Colinty Payment  | 30-20%                                     | i i                    |                         |             |  |  |             |  |  |             |             |   |             |
| (e  | Feb-43                                     |                        |                         |             |  |  |             |  |  |             |             |   |             |
|   | 22 50%<br>\$21,115,000                     |                        |                         |             |  |  |             |  |  |             |             |   |             |
|   | 43,000,000                                 |                        |                         |             |  |  |             |  |  |             |             |   |             |

| 0   |   |                |                            |             | East Gal             | Partners                                     | ers                 |  |   |             |                       | 3rd repor  | date             |
|---|---|----------------|----------------------------|-------------|----------------------|--|---------------------|--|---|-------------|-----------------------|--|------------------|
|   | TOTAL   | Jan<br>2011    | Feb<br>2011                | Mar<br>2011 | Sampl<br>Apr<br>2011 | Sample Proforma<br>pr May<br>11 2011         | а<br>Јил<br>2011    | Jul 2011   |   | Sep<br>2011 | Oct 2011              | Nov .  | )<br>Dec<br>2011 |
| Units Ciosed<br>Cumulative Units<br>Gross Sales Revenue<br>Receiots:  | 1,400<br>1,400<br>235,329,503   | 1,201          | 107<br>1,308<br>17,943,256 | 1,308       | 1,308                | 1,308  | 1,308               | 1,308  | 62<br>1370<br>13253 575                     | 1,370       | 1 1 1 1 1 1 1 1       | 1,370  | 1,370            |
| Cash @ Closings Homebulider Part. Revenue CFD Net Proceeds Tax Increment FORA Loan Interest Repay   | 235,329,503<br>3,000,000<br>20,000,000<br>9,500,000<br>1,300,000                    | 0<br>1,000,000 | 17,943,256                 | 0           | 0                    | 0  | a                   | AN ALMOSE MEDICINES TO MAN   | 181253.57.5                                 |             | 0                     | D  | <b>6</b>         |
| Less: Closing Costs Net Recelpts Disbursements: Land Acquisition  | 0<br>269,129,503 1,000,000 17,943,256   | 1,000,000      | 17,943,256                 | o           | o                    | 0  | 0                   |  | 13.253.575                                  | 0           | 0                     | 0  | o                |
| Consultants Consultants Development Fees Laid Improvements Amenities Infrastructure Indirects Infra Sales & Marketing Infra EGP Mgt Fee   |   | ·              |                            |             |                      | 12 14 15 15 15 15 15 15 15 15 15 15 15 15 15 |                     |  |   |             |                       |  |                  |
| Net Disbursements<br>Cash Flow Before Loans   | 158,600,000<br>110,529,503  | 470,000        | ا يو                       | 98          | 46. pi. 1            |  | 470,000<br>-470,000 | 470,000  | 470,000<br>12,783,575                       | 470,000     | 470,000               | 470,000  | 470,000          |
| Cashflow required for 22.5% IRR 24,529,503 Project Cashflow over 22.5% IRR at reporting date Participation Payment Before Adjustments (50%) less previous payment (1st reporting date) less previous payment (2nd reporting date) Net Calculated Payment amount | -   |                | 17,473,256                 | (470,000)   | (470,090)            | (470,000)                                    | (470,000)           | (470,000)  | 12.783.575<br>7.005<br>1005<br>21.885.000   | (470,000)   | (470,000)             | (470,000)  | (470,000)        |
| Escrow Proceeds (60% of County proceeds) Cumulative escrowed proceeds less IRR Backfill Payment (if any) Cash to County   |   | 0              |                            |             | <b>C</b>             |  | 0                   | O CONTRACTOR CONTRACTO | 0<br>10.942.500<br>10.942.500<br>10.942.500 | 10,942,500  | 10,942,500 10,942,500 |  | 10,942,500       |
| First Reporting Date Monthly IRR Annual Simple IRR Countly Payment Second Reporting Date  | 19 37   |                |                            |             |                      |  |                     |  |   |             |                       | 20<br>20<br>20<br>21<br>21<br>21<br>21<br>21<br>21 |                  |
| Annual Simple IRR Annual Simple IRR County Payment Third Reporting Date Monthly IRR Annual Simple IRR County Payment Total County Payments  | 2.52%<br>30.20%<br>\$21,885,000<br>Feb./3<br>(1.88%<br>\$21,115,000<br>\$21,115,000 | Î              |                            |             | ·                    |  |                     |  |   |             |                       |  |                  |

| $\bigcirc$  |   |             |                          |             | East Gal                | Partners                |             |             |              |            | 3rd        | 3rd report                              | , i i      |                        |
|---|---|-------------|--------------------------|-------------|-------------------------|-------------------------|-------------|-------------|--------------|------------|------------|---|------------|------------------------|
|   | TOTAL   | Jan<br>2012 | Feb<br>2012              | Mar<br>2012 | Sample P<br>Apr<br>2012 | Protorma<br>May<br>2012 | Jun<br>2012 | Jul<br>2012 | Aug          | Sep        | og<br>S    | ) > (                                   |            |                        |
| Units Closed<br>Cumulative Units<br>Gross Sales Revenue   | 1,400<br>1,400<br>235,329,503                       | 1,370       | 30<br>1,400<br>7,177,162 | 1,400       | 1,400                   | 1,400                   | 1,400       | 1,400       | (Princip.    | 1,400      | 1,400      | 1,400                                   | 1,400      |                        |
| Cash @ Closings Homebuilder Part. Revenue CFD Net Proceeds Tax Increment  | 235,329,503<br>3,000,000<br>20,000,000<br>9,500,000 | 1,000,000   | 7,177,182                | 0           | 0                       | o                       | 0           | 0           | < <p>(表)</p> |            | 0          | 0                                       | 0          |                        |
| FORM Loan Interest Repay Less: Closing Costs Net Receipts Disbursements: Land Acquisition   | 1,300,000<br>0<br>269,129,503                       | 1,000,000   | 7,177,182                | O           | o                       | o                       | 0           |             | 0            | <b>.</b>   | ٥          | o                                       | 0          | EXHIBIT                |
| Consultants Consultants Development Faes Land Improvements Amenities Infrastructure Indirects Infra Sales & Markefing   |   | ·           |                          |             | , ri                    |                         |             |             |              |            |            |   |            | D - EAST GARR<br>DATEI |
| Infra EGP Mgt Fee Net Disbursements Cash Flow Before Loans  | 158,600,000<br>110,529,503                          | 50,000      | 50,000                   | 50,000      | 50,000                  | 000009                  | 50,000      | 50,000      | 50,000       | 50,000     | 50,000     | 50,000                                  | 1          | ISON PROF              |
| Cashillow required for 22.5% IRR 24,529,503 Project Cashillow over 22.5% IRR at reporting date  | 24,529,503<br>t reporting date                      | 950,000     | ** 1                     | (50,000)    | (20:00)                 | (50,000)                | (50,000)    | (50,000)    | -20,000      | -50,000)   | -50,000    | -50,000                                 | -50,000    | IT PARTI<br>ER 19, 20  |
| a substance of syntam cannot substantiating tours, less previous payment (1st reporting date) less previous payment (2nd reporting date). Net Calculated Payment amount. Escrow Proceeds (50% of County proceeds). Cumulative escrowed proceeds less IRR Backfill Payment (if any). |   | 10,942,500  | 10 942 500               | 10,942,500  | 10,942,500              | 10,942,500              | 10,942,500  | 10,942,500  | 10,842,500   | 10,942,500 | 10,942,500 | 10,842,500                              | 10,942,500 | ICIPATION MANUAL       |
| First Reporting Date<br>Monthly IRR   | Aug-10<br>1.09%                                     |             |                          |             |                         |                         |             | 44          |              |            |            | # C = = = = = = = = = = = = = = = = = = |            | ני                     |
| Annual Simple IRR<br>County Payment<br>Second Reporting Date  | 13.06%  |             | p<br>Maria               |             |                         |                         |             |             |              |            |            |   |            |                        |
| Monthly IRR<br>Annual Simple IRR<br>County Payment  | á۱s   |             |                          |             |                         |                         |             |             |              |            |            |   |            |                        |
|   | Feb-13<br>188%<br>22.50%                            |             |                          |             |                         |                         |             |             |              |            |            |   |            |                        |
| County Payment Total County Payments  | \$21,416,000  |             |                          |             |                         |                         |             |             |              |            |            |   |            |                        |

| $\bigcirc$   |  |             |  |             | East Gar    | Partners        | ø  | 3rd report |
|--|--|-------------|--|-------------|-------------|-----------------|--|------------|
|  |  | į           | į  | ;           | Sample      | Sample Proforma |  | ) ada sa   |
|  | TOTAL  | Jan<br>2013 | 2013                                     | Mar<br>2013 | Apr<br>2013 | May<br>2013     | TOTAL  |            |
| Units Closed<br>Cumulative Units<br>Gross Sales Revenue<br>Receipts:   | 1,400<br>1,400<br>235,329,503                                    | 1,400       | 1,400                                    | 1,400       | 1,400       | 1,400           | 1,400<br>59,492<br>235,329,503                                   |            |
| Cash @ Closings<br>Homebuilder Part. Revenue<br>CFD Net Proceeds<br>Tax Increment<br>FORA Loan Interest Repay  | 235,329,503<br>3,000,000<br>20,000,000<br>8,500,000<br>1,300,000 | 0           |  | o           | 0           |                 | 235,329,503<br>3,000,000<br>20,000,000<br>9,500,000<br>1,300,000 |            |
| Closing Costs Net Receipts Disbursements: Land Acquisition   | 0<br>269,129,503   | 0           | (C)                                      | o           | 0           |                 | 0<br>0<br>269,129,503  |            |
| Property Tax Payments Consultants Development Fees Land Improvements   |  |             |  |             |             |                 | 0000   |            |
| Amenities<br>Infrastructure indirects<br>Infra Sales & Marketing<br>Infra EGP Mgt Fee  |  |             |  |             | ·<br>"一位"张康 |                 | 0000   |            |
| Net Disbursements<br>Cash Flow Before Loans  | 158,800,000<br>110,529,503                                       | 00          |  | 00          | 0           |                 | 158,600,000<br>110,529,503                                       | ,          |
| Cashilow required for 22.5% IRR 24,529,503<br>Project Cashilow over 22.5% IRR at reporting date<br>Participation Payment Before Adjustments (50%)            |  | 0           | (86,000,000)<br>86,000,000<br>43,000,000 | 0           | 0           |                 | 24,529,503   |            |
| less previous payment (1st reporting date) less previous payment (2nd reporting date) Net Calculated Payment amount Escrow Proceeds (50% of County proceeds) | ì  |             | 21.885.000<br>21.115.000                 |             | ₺.          |                 | 000  |            |
| Cumulative escrowed proceeds<br>less IRR Backfill Payment (if any)<br>Cash to County   | -  | 10,942,500  | 10 g                                     |             |             |                 | 43,000,000   |            |
| First Reporting Date<br>Monthly IRR  | Aug-10   |             |  |             |             |                 | #  |            |
| Annual Simple IRR<br>County Payment<br>Second Reporting Data   |  |             | jr<br>A                                  |             |             |                 |  |            |
| Monthly IRR<br>Annual Simple IRR   |  |             |  |             |             |                 |  |            |
| Third Reporting Date Monthly IRR   | \$21,885,000 \\ \( \begin{align*} \                              |             |  |             |             |                 |  |            |
| le IRR<br>nent   | \$21,415,000   |             |  |             |             |                 |  |            |
|  | \$43,000,000   |             |  |             |             |                 |  |            |

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#### **APPENDIX 2**

## AGENCY PARTICIPATION MODEL FOR FIRST PROGRESS REPORT

| Table 1 | Sample of Lots Sold Todate                                |
|---------|---|
| Table 2 | Sample of Residual Lot Values For Communities Sold Todate |
| Table 3 | Sample of Lots Sold To Non-Affiliated<br>Homebuilders     |
| Table 4 | Sample of Summary of Participation Calculation            |
| Table 5 | Sample of Participation Calculation                       |

### · EXHIBIT D - EAST GARRISON PROFIT PARTICIPATION MANUAL, DATED DECEMBER 19, 2006

| <u> </u>                   | 1 /              | В                                     | C D              | E F                                   | G H   | Til I            |
|----------------------------|------------------|---------------------------------------|------------------|---------------------------------------|---|------------------|
| 1                          |                  | PENDIX 2                              |                  |                                       | FOR FIRST PROGR                             | ESS BEDOR        |
| 1 2                        |                  | ble 1.                                |                  | QAIII AL                              | , 0, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, | LOO KLI OK       |
|                            | _                | ts Sold to Date (Excluding Affordable | Apartments & To  | wn Center Conde                       | ne)   |                  |
| 4                          | ٦Ę۾              | rticipation Payment Calculation       | , paranonio a re | our constructions.                    | 33)   |                  |
| 5                          |                  | st Garrison                           |                  |                                       |   |                  |
| 6                          |                  | interey County                        |                  |                                       |   |                  |
| 17                         | <del> ,,,,</del> | interey ocurry                        |                  | · · · · · · · · · · · · · · · · · · · |   |                  |
| 8                          | 1                |                                       |                  |                                       |   |                  |
| 9                          | ∏ր <sub>а</sub>  | te of Progress Report:                | 8/15/2010        |                                       |   |                  |
| 10                         |                  | to or i rograda (report               | G/13/2010        |                                       |   |                  |
| 11                         |                  |                                       |                  |                                       |   |                  |
| 12                         |                  |                                       | Date of          | Lots in                               | Total Community                             | Price            |
| 13                         |                  | Community of Lots                     | Sale             | Community                             | Sale Price                                  | Per Lot          |
| 14                         |                  | Comments of Low                       | Calc             | Continuinty                           | Dale tille                                  | Fertor           |
| 15                         |                  |                                       |                  |                                       |   |                  |
|                            | †ı.              | Phase 1                               |                  |                                       |   |                  |
| 17                         | ┨"               | rilase i                              |                  |                                       |   |                  |
| 18                         | 1                | Sales to Affiliated Homebuilders      |                  |                                       |   |                  |
| 19                         |                  | Community 1 (Table 2a)                | 8/15/2008        | 274                                   | ego sen ten                                 | \$040.000        |
| 20                         | 1                | Community 2 (Table 2b)                | 2/15/2009        | 274<br>22                             | \$58,550,760<br>\$6,079,304                 | \$213,689        |
| 21                         | ┨                | Continuinty 2 (Table 20)              | 2/13/2009        | 22                                    | \$6,078,304                                 | \$276,287        |
| <u> </u>                   | 1                | Sales to Non-Affiliated               |                  |                                       |   |                  |
| 22                         |                  | Homebuilders (Table 3a)               | 8/15/2008        | 53                                    | \$4.4.4E7.200                               | <b>*</b> 007.400 |
| 23                         | 1                | Homendiders (Table 3a)                | 0/10/2000        | 53                                    | \$14,157,360                                | \$267,120        |
| 24                         | ┨                | Total Phase 1                         |                  | 349                                   | \$70.700.404                                | #00C 740         |
| 25                         | 1                | TO(a) FIIASE 1                        |                  | 349                                   | \$78,786,424                                | \$225,749        |
| 26                         | 1                |                                       |                  |                                       |   |                  |
| 27                         | u.               | Phase 2                               |                  |                                       |   |                  |
| 28                         | l":              | riidse z                              |                  |                                       |   |                  |
| 29                         | 1                | Sales to Affiliated Homebuilders      |                  |                                       |   |                  |
| 30                         | ſ                | Community 1 (Table 2c)                | 8/15/2009        | 213                                   | 600.040.474                                 | <b>#</b> 488.040 |
| 31                         | ł                | Community 2 (Table 2d)                | 2/15/2010        | 213<br>69                             | \$39,818,174                                | \$186,940        |
| 32                         | ł                | Community 3                           | 2/15/2010        | OS                                    | \$17,611,734                                | \$255,243        |
| 33                         | i                | Community 4                           |                  |                                       |   |                  |
| 34                         |                  | Community 4                           |                  |                                       |   |                  |
| <del></del>                |                  | Sales to Non-Affiliated               |                  |                                       |   |                  |
| 35                         |                  | Homebuilders                          |                  |                                       |   |                  |
| 36                         |                  | Lightepanders                         |                  |                                       |   |                  |
| 37                         |                  | Total Phase 2                         |                  | 787                                   | <b>\$57,400,000</b>                         | #000 cco         |
| 38                         |                  | CERT F   IGST &                       |                  | 282                                   | \$57,429,909                                | \$203,652        |
| 39                         |                  |                                       |                  |                                       |   |                  |
|                            | Œ.               | Phase 3                               |                  |                                       |   |                  |
| 41                         | ****             | FIRST 4                               |                  |                                       |   |                  |
| 42                         |                  | Sales to Affiliated Homebuilders      |                  |                                       |   |                  |
| 42<br>43                   |                  | Community 1                           |                  |                                       |   |                  |
| 뀲                          |                  |                                       |                  |                                       |   |                  |
| 44<br>45                   |                  | Community 2<br>Community 3            |                  |                                       |   |                  |
| 끎                          |                  |                                       |                  |                                       |   |                  |
| 46<br>47                   |                  | Community 4                           |                  |                                       |   |                  |
| *'-                        |                  | Calor to Man Amiliated                |                  |                                       |   |                  |
| 40                         |                  | Sales to Non-Affiliated               |                  |                                       |   |                  |
| 48                         |                  | <u>Homebuilders</u>                   |                  |                                       |   |                  |
| <b>49</b>                  |                  | Total Diagram                         |                  | <del></del>                           |   | -                |
| 50                         |                  | Total Phase 3                         |                  | 0                                     | \$0   |                  |
| 51                         |                  |                                       |                  |                                       |   |                  |
| 1                          |                  |                                       |                  |                                       |   |                  |
| 51<br>52                   |                  |                                       |                  | 204                                   | P490 040 200                                | #04# 074         |
| 53                         | IV.              | Total Project to Date                 |                  | 631                                   | \$136,216,333                               | \$215,874        |
| 53                         | IV.              | Total Project to Date                 |                  | 631                                   | \$130,210,333                               | <b>3</b> 213,074 |
| 52<br>53<br>54<br>55<br>56 | IV.              | Total Project to Date                 |                  | 631                                   | क् १७०,८ १७,७७७                             | \$210,074        |

| Parkibalion Payment Calculation<br>East Gerrison<br>Monterer County                                  | removed is not value extressing (State to Allighted Homebuilders) Perficionition beginner Calculation East Genrison Mosteres County. |                            |  |   |  |   |   |   |  |   |                       |                                 |                                 |                      |
|--|--|----------------------------|--|---|--|---|---|---|--|---|-----------------------|---------------------------------|---------------------------------|----------------------|
| Phese:<br>Connumby:<br>Date of Sele:   | Phase 1<br>Community 1<br>M1902008   |                            |  |   |  |   |   |   |  |   |                       |                                 |                                 |                      |
| Product Type<br>Number of Links<br>Average UNR 84, FL  |  | Workforce II Condo 0 units | Market Rale<br>Congo<br>0 units<br>sq. ft. | Moderate-Income Townhouse 18 snite 1.300 sq. R. |  | Makes Rute<br>Townthaves<br>42. units<br>1,636. eq. ft. | Liveyyork<br>15 units<br>7,653 ag tt                | Grove<br>4 units                                    | Garden<br>63 units                                   | Courtweet   | Bengalow<br>0 units   | V#sqe/College<br>71 unit        | Birdi<br>12 miles               | Tolal/Average<br>274 |
| 16 Secondaries   | Motes  | Per Unit PBF               | Particular Part                            | 誓   | DRE Decimit                                      | ESE.  | asa pujua   | Pectant Pre   | Precisity Page                                       | Zinne eq. n.<br>Eectinii ene                        | eq. f.<br>Pertini Eng | 2,720 eq. ft.<br>Exc. Unit Page | 3,054 sq. ft.<br>Par Unit PRF   | , in the second      |
| Buxe Horte Price<br>Options Revenue<br>Estimaled Seies Revenue                                       | 5.0% of Base Home Price  |                            |  | \$264,800 \$2                                   | \$204 \$536.800<br>\$72,146<br>\$204 \$867,946   | 50 \$292<br>46 \$18<br>45 \$300                         | \$582.200 \$295<br>\$34.932 \$18<br>\$617,132 \$316 | \$570,600 \$378<br>\$34,236 \$23<br>\$604,636 \$401 | \$527,300 \$353<br>\$37,638 \$21<br>\$5084,836 \$374 | \$724,700 \$362<br>\$49,462 \$22<br>\$780,162 \$383 |                       |                                 | I                               | 4                    |
| Estimated Conte<br>Direct Building Ceats<br>Drien Ceats<br>Ergs & Pimilia Costs<br>Endes & Mantaring | 84% of Options Revenue   |                            |  | \$146,600 &1<br>\$4<br>\$67,000                 | \$114 \$202,900<br>\$0 \$27,004<br>\$44 \$32,430 | 98 87 51 51 51 51 51 51 51 51 51 51 51 51 51            | \$216,000 \$110<br>\$28,343 \$15<br>\$33,750 \$17   | \$152,400 \$101<br>\$28,756 \$19<br>\$58,190 \$39   | \$173,100 \$87<br>\$31,616 \$18<br>861,700 \$35      | \$103,600 487<br>\$36,825 \$18<br>\$70,700 436      |                       | \$237,200 \$87<br>\$45,047 \$16 | \$267,000 \$85<br>\$46,960 \$15 |                      |
| Warranty<br>Taxtes<br>Financing<br>Builder Maroin  | 23.10% of Bern Pricest of<br>Premium   |                            |  | 581,182   | 847 \$123,77G                                    | . <b>38</b>   | \$134,486 \$69                                      | \$131,809 \$87                                      |  |   |                       |                                 |                                 |                      |
| ladfred Cossination<br>ARE/Consultants<br>Overhead<br>Interance                                      | 7.00% of Base Price/Lot<br>Pression  | -                          |  |   | \$14 \$37,500                                    | 8<br>8  | 124 121   | \$39,842 \$26                                       | \$43,811 £26   | \$25 62,728   |                       | 569,707 \$22                    | 184.782 821                     | <b></b>              |
| Total Estimated Costs  |  |                            |  | \$123 \$52,385                                  |  | Ι"  | \$464,345 \$232                                     | \$411,089 \$272                                     | \$456,233 \$258                                      | 3519,160 \$258                                      |                       | 1"                              | 1-7                             |                      |
| x Murriture of Unite   |  | 0 units                    | O units                                    | (\$20,436) (\$1)                                | 8) EH46  | 336 \$70<br>42 units                                    | \$162,787 \$43                                      | \$163,737 \$125                                     | \$208,705 \$118                                      | \$249,022 \$124                                     |                       | \$287,916 \$106                 | £313,580 \$104                  | \$213,689            |
| Total Residual Lot Valve   |  | O\$                        | 2  | (\$367,828)                                     | \$6,087  |   | \$2,604,681   | 8774,949  | 512,781,992  | \$12,451,127  | <b>S</b>              | 71 units                        | 12 miles                        | 274                  |

| Los resultados de la constante | Nomentul ders)                       |                             |   | İ  |                                     |                                 |                              |                   |                      |                      |                            |                 |               |
|--|--------------------------------------|-----------------------------|---|--|-------------------------------------|---------------------------------|------------------------------|-------------------|----------------------|----------------------|----------------------------|-----------------|---------------|
| Phese: Phase 1 Gunnum's: Consum's 2 One of Sale: 2/15/2009   | n/by 2                               |                             |   |  |                                     |                                 | l                            |                   |                      | 15<br>15             |                            |                 |               |
| 13. Product Type 16. Number of Units 17. Average Unit Sq. Pt.  |                                      | Workforce II Congo o crafts | Market Rate<br>Condo<br>D unks<br>sq. ft. | Moderate-incorne Townhyss 0 units eq.ft, | Market Rete<br>Townhouse<br>O units | Live/Work<br>0 units<br>sq. ft. | Growe<br>o traite<br>no. ft. | Sarden<br>O units | Courtrerd<br>0 units | Bangalow<br>22 crats | Viterat/Cottage<br>0 units | Bad!<br>0 units | Total/Average |
| Notes  |                                      | Par Link Page               | Per that PSE                              | Rec'Unit PSE                             | Per Linit PSF                       | Per List PSE                    | Per Unit PSE                 | Per this PSE      | Per Unit PSE         | Perula PSE           | Per Unit PSF               | Per Unit PSF    |               |
|  | 6.0% of Sasa Homa Price              |                             |   |  |                                     |                                 | ļ                            |                   | -                    |                      | ļ                          |                 |               |
| . 4  | 84% of Options Revenue               |                             |   |  |                                     |                                 |                              |                   |                      | \$221,100 \$92       |                            |                 |               |
| Sales & Marketing 23,10%, Ventrarity 23,10%, Faxes Planche   | 23,10% of Bass Price/Lot<br>Pression |                             |   |  |                                     |                                 |                              |                   |                      |                      |                            |                 |               |
| igên<br>metwellen<br>ultante   | 7.00% of Bess Priend.ot<br>Premium   |                             |   |  |                                     |                                 |                              |                   |                      |                      |                            |                 |               |
| Total Extension Couts  |                                      |                             |   |  |                                     |                                 |                              |                   |                      |                      |                            |                 |               |
| Residual Lot Vehica  |                                      | ,                           |   |  |                                     |                                 |                              |                   | }                    | \$276,267 \$116      |                            |                 | ····          |
|  |                                      | tion o                      |   |  | O writte                            | O cerify                        | g valts                      | O UNITE           | gun o                | 22 cmilit            | e carife                   | o units         |               |
| CONTROL DOS CARCA  |                                      | 8                           | 2   | 2  | O.                                  | S                               | \$                           | ş                 | s                    | SR 078 371           |                            | ļ               |               |

| 7  |                                       |                                    |                                 |  |   |   |   | j  |                    |                |  |                  |               |
|--|---------------------------------------|------------------------------------|---------------------------------|--|---|---|---|--|--------------------|----------------|--|------------------|---------------|
| Phase:<br>Community:<br>Duly of Balix:                                   | Phase 2<br>Contraughty 1<br>8/15/2009 |                                    |                                 |  |   |   |   |  |                    |                |  |                  |               |
| 14 Product Type<br>15 Number of Urits<br>16 Average Unit 8q. Ft.         |                                       | Workforce II Cande 0 units 50. ft. | Market Rate Condo O unike aq R. | Moderate-Incorne Town/bouse 20 units 5,300 eq. ft. | Market Rate<br>Townhouse<br>41 units<br>1,836 sq. ft. | LiverNight 7 units 1,968 eq. R.                   | Grove<br>65 units<br>1,510 ss. R.                   | Gagréen<br>26 uaits<br>1.778 an it                 | Courty and O waits | Bungalbw       | Villa perCottage<br>46 units                       | BAVIT<br>0 units | Total/Average |
| Bayesian   | Notice                                | Per that PRE                       | Partink PSE                     | Paction PRE  | Security Pas  | Par Unit PEE                                      | Pac Unit PSE  | Parthal PBE  | Per link 1995      | Par Limit Post | Escuent PBE  | Fectorit PSF     | 70            |
| Uses Home Price Options Revenue Estimated Sales Revenue Estimated Costs  | 0.0% of Base Home Pites               |                                    |                                 | \$270,200 \$208<br>\$270,200 \$208                 | 8546,500 4298<br>\$22,790 \$18<br>\$570,290 \$316     | \$653,800,\$304<br>\$15,653,654<br>\$12,853,554   | \$582,000 \$383<br>\$34,020 \$23<br>\$616,920 \$408 | \$638,384 \$32<br>\$18,384 \$32<br>\$678,294 \$342 |                    |                | \$57,200 \$320<br>\$52,272 \$19<br>\$923,472 \$340 |                  |               |
| Direct Burking Ceuts Option Cests Fees & Permits Costs Seles & Merketing | 54% of Options Revenue                |                                    |                                 | \$150,100 \$116<br>08 08<br>\$87,000 \$44          | \$204,380 \$111<br>\$27,544 \$16<br>\$32,430 \$18     | \$218,100 \$412<br>\$28,833 \$15<br>\$33,780 \$17 | \$(54,000 \$102<br>\$28,333 \$19<br>\$68,180 \$39   | \$174,900 \$96<br>\$32,261 \$16<br>\$61,700 \$35   |                    |                | \$238,800 \$48<br>\$43,908 \$16<br>\$90,00 \$29    |                  | •             |
| Thorns   | 23.10% of 6339 Price/Lot<br>Premium   |                                    |                                 | 362,476 \$46                                       | \$126,242 \$69  | \$137,191 \$70                                    | \$134,442 \$89                                      | \$147,017 \$63                                     |                    |                | \$201,247 \$74                                     |                  |               |
| b. Indirect Construction<br>A&E/Consuttants<br>Overheed<br>Inguirence    | 7.00% of Base Price/Lot<br>Premium    | į                                  |                                 | 418,814 \$16                                       | 128 282,263   | \$41,673 \$21                                     | \$40,740 \$27                                       | 844,703 \$25                                       |                    |                | 360,984 \$22                                       |                  |               |
| Total Estimated Coats  |                                       |                                    |                                 | \$288,430 \$222                                    | \$420,770 \$234                                       | \$460,666 \$236                                   | \$416,705 \$276                                     | \$461,461 \$260                                    |                    |                | \$625,840 \$230                                    |                  |               |
| Residual Lot Value   |                                       |                                    |                                 | (\$18,230) (\$14)                                  | \$160,520 \$82  | \$168,978 \$66                                    | \$200,215 \$133                                     | £218,833 5122                                      |                    |                | \$297,532, \$109                                   |                  | \$186.940     |
| x Number of Units  |                                       | O units                            |                                 | 26 units   | 45 units  | 7 units   | ES units  | 28 units   | d Limits           | o salta        | 48 units   | 0                | 23            |
| Tolar Residual Lot Vatue   |                                       | <b>3</b>                           | <b>0</b>                        | (8473,986)   | \$8,171,316   | \$1,102,843                                       | \$13,013,989  | 53,637,662   | E                  | 9              | \$14,286,381                                       | 8                | 539 618 174   |

| East Gerneon<br>Monferer County   |                                      |                                    |  |   |                                     | ı                               |                              |   |   |   |              |         |   |
|---|--------------------------------------|------------------------------------|--|---|-------------------------------------|---------------------------------|------------------------------|---|---|---|--------------|---------|---|
| Phase:<br>Coampanky,<br>Data of Sale:   | Phase 2<br>Community 2<br>2/14/20/0  |                                    |  |   |                                     |                                 |                              |   |   |   |              |         | 1 |
| 13. Product Type 15. Number of Units 17. Georgea Unit Sq. Ft.                   |                                      | Workforce II Condo D unite sq. ft. | Market Rate<br>Cando<br>0 units<br>eq. ft. | Moderata-Income<br>Townhouse<br>0 tride | Merket Rate<br>Townhouse<br>3 units | Live/Work<br>0 units<br>sq. ft. | Grevie<br>O wille<br>so. ft. | Garden<br>34 unts<br>3.776 so th                | Courter of | Burgalow<br>35 units                                | Village      | Paris o |   |
|   | Neka                                 | Parting Page                       | Per Linit PSE                              | Par Livit PSF                           | Per Unit PSE                        | Per July PSE                    | Parting PSE                  | Per Unit Pist                                   | Per Link PSF  | Perting Page  | Par Unit PSF | eq.ft.  |   |
| Base Home Price<br>Options Revenue<br>Betimeted Sales Recenue<br>Extraged Costs | 6.0% of Base Home Price              |                                    |  |   |                                     |                                 |                              | 3652,700 4568<br>538,162 522<br>3491,862 5390   |   | \$425,000 \$342<br>\$49,500 \$21<br>\$474,600 \$363 |              |         |   |
| Direct Bullding Costs Option Costs Fiets & Permits Costs Bales & Marketing      | 84% of Options Havenue               |                                    |  |   |                                     |                                 |                              | \$176,600 \$98<br>\$32,886 \$18<br>\$4,705 \$35 |   | \$223,400 583<br>\$41,580 517<br>\$75,800 531       |              |         |   |
| Wernnty<br>Taxes<br>Francing<br>Bulder Mestin                                   | 23.10% of Buse Price/Let<br>Presiden |                                    |  |   |                                     |                                 |                              | \$150,774 \$85                                  |   |   |              |         |   |
| Indicaci Constitucion A&E/Consultante Overhead Insurance                        | 7.00% of Base Price/Lot<br>Premium   |                                    |  |   |                                     |                                 |                              | \$45,689 \$26                                   |   | 763 057.155   |              |         |   |
| Total Enthrusted Coats  |                                      |                                    |  |   |                                     |                                 |                              | \$407,650 \$283                                 |   | \$589,105 \$244                                     |              |         |   |
| Residual Lat Value  |                                      |                                    |  |   |                                     |                                 |                              | \$224,203 \$126                                 |   | \$285,385 \$118                                     |              |         |   |
| X Number of Units   |                                      | C units                            | 0 units                                    | ő unite                                 | 0 units                             | o coltr                         | O LINDE                      | 34 4785   | alian o   | 35 units  | agun g       | allon 0 |   |
| Total Residual Lot Value  |                                      | 30                                 | <b>\$</b>                                  | ş                                       | S\$                                 | <b>\$</b>                       | 9                            | \$7,622,900                                     | S   | 40 988 175  |              |         |   |

Ichalien Temelata 12-12-06.

|   | Total/Average<br>63 units           | Per Unit<br>\$267,120 |                         | \$14.157.360             |
|---|-------------------------------------|-----------------------|-------------------------|--------------------------|
|   | Bluff<br>O unks                     | Per Unit<br>\$0       | units                   | 2                        |
|   | Vilage/Cottage<br>Q unis            | Pectonit<br>So        | units                   | S                        |
|   | Bungalow<br>53 units                | 28r Unit<br>\$267,120 | 53 units                | \$14,157,360             |
|   | Courtyard<br>0 units                | Per Unit<br>So        | unita                   | 93                       |
|   | Gerden.<br>O unks                   | PecUnit<br>\$0        | unite                   | 8                        |
|   | Grove<br>0 units                    | Per Unit              | unita                   | 9                        |
|   | Live/Work<br>0 units                | Per Unit              | confis                  | Ş                        |
| Ler K"  | Market Rate<br>Townhouse<br>C units | Per Unit              | e)is                    | 8                        |
| ated Homebuildens)  Howebuildens                    | Mod-Income<br>Townhouse<br>0 units  | Per Unit<br>\$a       | unita                   | O\$                      |
| Community 1 (Sale to Nort-Athliated Homebuilders)   | Market Rate<br>Condo<br>0 units     | Per Colt              | <b>ajj</b> un           | 0\$                      |
| Phase 1 Community 1 (Sale to Non-Adfliate any spool | Workforce H<br>Condo<br>D units     | Per Unit<br>\$0       | units                   | <b>S</b>                 |
| Phase: Community: Date of Sale:  Buildof / Buyle    | Production Type Number of Units     | Lot Sale Price        | A retainment of Confids | Total Residual Lot Value |
| <br>  |                                     |                       |                         |                          |

Participation Template 12-12-06,xfs

## EXHIBIT D - EAST GARRISON PROFIT PARTICIPATION MANUAL, DATED DECEMBER 19, 2006

|          | A B  | С     | D                | T E                                 | F   |
|----------|--|-------|------------------|-------------------------------------|-----|
|          | APPENDIX 2   |       | AMPLE FOR FIRST  |                                     | , , |
|          | Table 4.   |       |                  |                                     |     |
| 3        | Summary of Participation Calculation (Detail Backup or | Table | 5a)              |                                     |     |
|          | Participation Payment Calculation                      |       | ,                |                                     |     |
|          | East Garrison  |       |                  |                                     |     |
| 6        | Monterey County  |       |                  |                                     |     |
| 7        |  | \     |                  | · · · · · · · · · · · · · · · · · · | _   |
| 8        |  |       |                  |                                     |     |
| 9        |  |       |                  |                                     |     |
| 10       |  |       | Tota             | İ                                   |     |
| 11       |  |       |                  | <b>-</b>                            |     |
| 12       | l. Project Revenues                                    |       |                  |                                     |     |
| 13       |  |       |                  |                                     |     |
| 14       | Lot Sale Revenues - Phase 1                            |       | \$78,786,424     |                                     |     |
| 15       | Lot Sale Revenues - Phase 2                            |       | \$57,429,909     |                                     |     |
| 16       | Lot Sale Revenues - Phase 3                            | -     | \$0              | _                                   |     |
| 17       | Subtotal   |       | \$136,216,333    |                                     |     |
| 18       | Hammakastulan Bankat as —                              |       |                  |                                     | ·   |
| 19       | Homebuilder Participation Revenues                     |       | \$1,000,000      |                                     |     |
| 20       | CFD Net Proceeds                                       |       | \$20,000,000     |                                     |     |
| 21       | Tax Increment  |       | \$6,333,333      |                                     |     |
| 23       | Repayment of FORA Loan Interest                        |       | \$1,300,000      |                                     | ]   |
| 24       | Total Sources of Funds                                 |       | 0404040          | _                                   | ŀ   |
| 25       | Total Sources of Fullos                                |       | \$164,849,666    |                                     |     |
| 26       |  |       |                  |                                     |     |
| 27       | l. Project Costs                                       |       |                  |                                     |     |
| 28       |  |       |                  |                                     |     |
| 29       | Consultants  |       |                  |                                     |     |
| 30       | Development Fees                                       |       |                  |                                     | j   |
| 31       | Land improvements                                      |       |                  |                                     | j   |
| 32       | Amenities  |       |                  |                                     | ļ   |
| 33       | Infrastructure Indirects                               |       |                  |                                     |     |
| 34       | Management Fees/Sales & Marketing                      |       |                  |                                     |     |
| 35       | <b>-</b>   |       |                  |                                     |     |
| 36       | Total Uses of Funds                                    | _     | \$141,860,000    |                                     |     |
| 37       | ·  |       |                  |                                     |     |
| 38       |  |       |                  | •                                   |     |
| 39 II    | •                | ***   | \$22,989,666     |                                     |     |
| 40       | Unleveraged IRR  |       | <del>13.1%</del> | 13.069.                             |     |
| 41       |  |       |                  | · / / / ·                           | 1   |
| 42       | Cash Flow Needed to Reach Target IRR                   | 22.5% | \$22,989,666     |                                     | 1   |
| 43       | <b>.</b>   | ,     |                  |                                     | •   |
| 44<br>45 | Remaining Cash Flow                                    |       | \$0              |                                     | 1   |
| 45       | Manager of the second of the second of                 |       |                  |                                     |     |
| 46       | Participation Payment before Adjustments               | 50%   | \$0              |                                     |     |
| 47       | (Less) Participation Payment #1                        |       |                  |                                     |     |
| 48       | (Less) Participation Payment #2                        | _     |                  |                                     |     |
| 49       | Net Participation Payment                              |       | \$0              |                                     |     |
| 50<br>51 |  |       |                  |                                     |     |
| 91       |  |       |                  |                                     |     |

| Part     | )  | -   | 1   |             |             | <i>)</i>       | \           |                |                                       |                |               |              |             | .)  | `           |
|---|--|-----|---|-------------|-------------|----------------|-------------|----------------|---------------------------------------|----------------|---------------|--------------|-------------|---|-------------|
| Marcia   M  | A PERIODIX 2 Table 5. Project Cash Flow to Date Participation Payment Calculation East Gamison Montainer Country   | 0   | ± 0   | 9           | Ŧ           | -              | 7           | ¥              | ]                                     | Σ              | z             | 11           | P.EFORFIR   | Q ST PROGRES  | S REP       |
| Lot Side Nevertures - Pleas 1   | Project Revenues   |     | Total   | 2003<br>Jan |             | 2003<br>March  |             |                |                                       | 2003<br>July   | 2003.<br>Aug. | 2003<br>Sept | 2003<br>Oct | 2003<br>Nov   |             |
| Homehaliding Participation Paraciuses 51,000,000 50 50 50 50 50 50 50 50 50 50 50 50  | Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subtotal  |     | \$78,788,424<br>\$57,429,909<br>\$0<br>\$136,216,333      | G & & G     | B & & B     | <b>2</b> 2 2 2 | 888         | S S S          | 9 9 9                                 | 888            | S 60 60       | S S S        | 9, 24, 24   | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0 | ļ           |
| Total Sources   \$164,844,866   \$60 | Homebuilder Perticipation Revenues<br>CFD Net Proceeds<br>Tax Incement<br>Repeyment of FORA Loan Interest  |     | \$1,000,000<br>\$20,000,000<br>\$6,333,333<br>\$1,300,000 | <b>8822</b> |             |                | * * * * * * | 3 <b>3 5</b> 5 | , , , , , , , , , , , , , , , , , , , | 3 8 8 8 8<br>8 | 8 888 8       |              | G G G G     | G 4444  |             |
| Consultants         Consultants         Consultants         Approximation Provincement Season <t< td=""><td>Total Sources<br/>Project Costs</td><td></td><td>\$164,849,666</td><td>2</td><td>S</td><td>\$</td><td>0\$</td><td>O\$</td><td>2</td><td><b>0\$</b></td><td>S,</td><td>OS</td><td>O\$</td><td>₽</td><td></td></t<>   | Total Sources<br>Project Costs   |     | \$164,849,666   | 2           | S           | \$             | 0\$         | O\$            | 2                                     | <b>0\$</b>     | S,            | OS           | O\$         | ₽   |             |
| Unioveraged Cash Flow   | Consulants Development Fees Land Improvements Amenities Infrastructure Indirects Management Fees/Sales & Marketing Land Acquitation Property Taxes Closing Costs/Seling Expenses |     |   |             |             |                |             |                |                                       |                |               |              |             |   |             |
| Unloweraged Ceash Flow 1522 988; 686 1  |  |     | \$141,860,000   | <b>Q</b>    | \$400,000   | \$400,000      | \$400,000   | \$400,000      | \$400,000                             | \$400,000      | \$400,000     | \$400,000    | \$400,000   | \$400,000   | \$400,000   |
| \$222,886,666         \$0         (\$400,000) <td></td> <td></td> <td>\$22,989,666<br/>13.08%</td> <td>O\$</td> <td>(\$400,000)</td> <td>(\$400,000)</td> <td>(\$400,000)</td> <td></td> <td>(\$400,000)</td> <td></td> <td>1</td> <td></td> <td>(\$400,000)</td> <td>(\$400,000)</td> <td>(\$400,000)</td>   |  |     | \$22,989,666<br>13.08%                                    | O\$         | (\$400,000) | (\$400,000)    | (\$400,000) |                | (\$400,000)                           |                | 1             |              | (\$400,000) | (\$400,000)   | (\$400,000) |
| OS         OS<  | Cash Flow Needed to Reach Terget IRR<br>IRR  | •   | \$22,989,666<br>13,08%                                    | <b>8</b>    | (\$400,000} | (\$400,000)    |             |                | (\$400,000)                           | (\$400,000)    |               |              |             |   | (\$400,000) |
| 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0   | Remaining Cash Flow  |     | 0\$   | 03          | 0\$         | 0\$            | O\$         | 0\$            | 2                                     | 3              | 0\$           | Q\$          | 0\$         | <b>\$</b>   |             |
| 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$   | Participation Payment before Adjustments<br>(Less) Participation Payment #1<br>(Less) Participation Payment #2   | 50% | or or or  | 0\$         | <b>S</b>    | 0\$            | <b>9</b>    | <b>9</b>       | <b>G</b>                              | <b>5</b>       | <b>0</b>      | <b>05</b>    | Çş          | <b>9</b>  |             |
|   | Not Parkcipation Payment   |     | <b>3</b>  | OS          | g,          | 0\$            | 0\$         | 8              | g,                                    | 0\$            | 3             | <b>%</b>     | 0\$         | O\$   |             |

| A B   | 0 0 | EFF                    | s           | ī              | 5           | >           | *           | ×           | >              |                | Š           |              |                                  |                |
|---|-----|------------------------|-------------|----------------|-------------|-------------|-------------|-------------|----------------|----------------|-------------|--------------|----------------------------------|----------------|
| 1 APPENDIX 2 2 Table 5. 3 Project Cash Flow to Date 3 Project Cash Flow to Bate 5 East Garrison 6 Monitarey County  |     |                        | į           |                |             |             | :           |             | -              | 7              | SAM         | PLE FOR FIR  | SAMPLE FOR FIRST PROGRESS REFORT | AD<br>SS REPOR |
|   |     |                        | 2004        | 2004           | 2004        | 2004        | 2004        | 2004        | 2004           | SCOA           | 3004        | 7,00%        | 1                                |                |
| 11. Project Revenues  |     | Total                  | ner         | F.B.C.         | March       | April       | May         | June        | April          | Aug            | Sept        | Og F         | Nov                              | Z004<br>Dec    |
| 13 Lot Sale Revenues - Phase 1<br>14 Lot Sale Revenues - Phase 2  |     | \$78,786,424           | <b>8</b> 8  | <b>&amp;</b> 1 | <b>\$</b>   | <b>S</b>    | 8           | 95          | <b>9</b>       | ŝ              | င္တ         | 9            | 9,                               | ¥.             |
|   |     | 0\$                    | 2 S         | 2 2            | 8 8         | <b>8</b> 8  | 8 8         | S S         | 8 5            | S 5            | <b>9</b>    | <b>\$</b> \$ | <b>3</b>                         | <b>S</b>       |
|   |     | \$136,218,333          | <b>S</b>    | 2              | \$0         | \$          | S           | S.          | 2              | 9              | 8           | 8            | 3 23                             | 3 3            |
| 18. Homebuilder Participation Revenues<br>19. CFD Net Proceeds  |     | \$1,000,000            | <b>8</b>    | 8              | 08          | S<br>S      | <b>S</b>    | OS<br>S     | <b>0</b>       | 9              | 8           | S            | Ş                                | ¥              |
| Tex Increment   |     | \$6,333,333            | 2 2         | 2 2            | 8 8         | 8 8         | 8 8         | <b>S</b>    | ₽5             | <b>&amp;</b> 5 | <b>2</b> 8  | 8            | 8                                | <b>W</b>       |
| Kepaymerk of FORA Loan Interest   |     |                        |             | 8              | <b>S</b>    | 9           | 8           | 8           | 2 <del>S</del> | 3 3            | 3 24        | <b>3</b> 23  | <b>3 3</b>                       | <b>8</b> 8     |
| 23 Total Sources<br>24<br>25 it. Project Coats  |     | \$164,849,666          | <b>3</b>    | <b>3</b>       | <u>\$</u>   | S,          | Q\$         | \$0         | 0\$            | 0\$            | OS          | <b>S</b>     | Q.                               | 0\$            |
| 20 Consultants 20 Land Improvements 20 Land Improvements 30 Amenities 31 Infrastructure Indirects 32 Hanagement Fees/Sales & Marketing 33 Land Acquisition 33 Property Taxes 34 Property Taxes 35 Closhing Expenses |     |                        |             |                |             |             |             |             |                |                |             |              |                                  |                |
|   | ۱.  | \$141,880,000          | \$280,000   | \$290,000      | \$290,000   | \$290,000   | \$290,000   | \$290,000   | \$290,000      | \$290,000      | \$280,000   | \$290,000    | \$290,000                        | \$290,000      |
| 38 fit. Unleveraged Cash Flow<br>39 JRR<br>40   | 1   | \$22,988,666<br>13,06% | (\$290,000) | (\$290,000)    | (\$290,000) | (\$290,000) | (\$290,000) | (\$290,000) | (\$290,000)    | (\$290,000)    | (\$290,000) | (000'06Z\$)  | (\$280,000)                      | (\$290,000)    |
| 45 Cash Flow Needled to Reach Target IRR<br>42 IRR<br>43  |     | \$22,989,866<br>13.06% | (\$290,000) | (\$290,000)    | (\$290,000) | (\$290,000) | (\$290,000) | (\$290,000) | (\$290,000)    | (\$290,000)    | (\$290,000) | (\$290,000)  | (\$290,000)                      | (\$290,000)    |
|   | i   | 03                     | 05          | 0\$            | O\$         | <b>\$</b>   | 05          | \$0         | O\$            | 8              | Q <b>\$</b> | 0\$          | 0\$                              | 8              |
| 46 Participation Payment before Adjustments   47 (Less) Perticipation Payment #1 (Less) Perticipation Payment #2  | 50% | S S S                  | 8           | <b>&amp;</b>   | Og          | <b>9</b>    | <b>S</b> \$ | S,          | <b>0\$</b>     | <b>9</b>       | 8           | O <b>S</b>   | S                                | <b>\$</b>      |
| Net Participation Payment   |     | <b>©</b>               | OS.         | <b>2</b>       | OSF         | O#          | \$0         | 80          | \$0            | 8              | 8           | 0\$          | O\$                              | \$0            |

| The classical manuary control and a control  | B  | C ID        | 3   | AE.         | Ā           | Ç             |                      |   |              |                |             |              |                 |                                       |                 |
|--|--|-------------|---|-------------|-------------|---------------|----------------------|---|--------------|----------------|-------------|--------------|-----------------|---------------------------------------|-----------------|
| True   | APPENDIX 2 Table 5. Project Cash Flow to Date Project Cash Flow to Date East Gerption Montarey County  |             | -   | ]           | ŧ.          | - Ag          | - H <del>Y</del>     | ¥   | ₹            | ¥ <del>K</del> | T Y         | SAM          | AN IPLE FOR FIR | AO IST PROGRE                         | AP<br>SS REPORT |
| #\$7,725 gas 50 50 50 50 50 50 50 50 50 50 50 50 50  | Project Ravenues   |             | Total   | 2005<br>Jan |             | 2005<br>Mørch |                      | 2005<br>May   | 2005<br>June | 2005<br>ylul   | 2005<br>Aug | 2005<br>Sapt | 2005<br>Oct     | 2005<br>Nov                           | 2005<br>Dec     |
| St.1000.0000   St.   S   | Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Suchotal  |             | \$78,788,424<br>\$57,429,909<br>\$136,216,333             | <b>8888</b> | G G G       | 8 R 8         | \$ \$ \$             | 888   | 888          | ននន            | 8 8 8       | 888          | 5 G S           | 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | <b>888</b>      |
| \$164,648,8966   \$10   \$20 | fomebuilder Participation Revenues<br>SFD Net Proceeds<br>Tax Increment<br>Repayment of FORA Loan Interest   |             | \$1,000,000<br>\$20,000,000<br>\$8,333,333<br>\$1,300,000 | 8888        | 8888        |               | * ***                | \$ 65 65 65<br>64 65 65 65<br>64 65 65 65<br>64 65 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64<br>64 65<br>64<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64 65<br>64<br>64 65<br>64<br>64 65<br>64<br>64 65<br>64<br>64 65<br>64<br>64<br>64<br>64<br>64<br>64<br>65<br>64<br>64<br>64<br>64<br>64<br>64<br>64<br>64<br>64<br>64<br>64<br>64<br>64 | 3 2 2 2 2    | នៃ នេះ នេះ     | 3 2 2 2 S   | 8 88 8<br>8  |                 | ·<br>\$ 565                           | 8 888           |
| St14f,B80,000   \$300  | Total Sources<br>Project Costs   |             | \$164,849,865   |             | 0\$         | 0\$           | Q#                   | S S   | Q\$          | 3              | S S         | 8 8          | g g             | 8 8                                   | S S             |
| \$22,988,686         (\$300,000)         (\$300,   | Consultents Development Fees Land Improvements Amenties Infrastricture indirects Management Fees/Sales & Marketing Froperty Taxes Closing Costs/Selling Expenses Total Costs |             | \$141,680,000   | 8300,000    | 000'000\$   | \$300,000     | 990,000<br>\$300,000 | 00.0068   | 8300,000     | 000 000        | out out     | loo que      | SVS GRAP        |                                       |                 |
| 13.08%   13.08%   13.08%   13.00,000  (1   | Inlaveraged Cash Flow<br>RR  |             | \$22,989,696<br>13,08%                                    | (\$300,000) | (\$300,000) | (2300,000)    | (000'006\$)          | (\$300,000)   | (\$300,000)  | (\$300,000)    | (\$300,000) | (\$300,000)  | (000'00E\$)     | (\$300,000)                           | (\$300'000)     |
| \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$   | ash Flow Needed to Reach Target IRR<br>RR  |             | \$22,989,66 <b>6</b><br>13.08%                            | (\$300,000) |             | (\$300,000)   | (\$300,000)          | (\$300,000)   | (2300'000)   | (2300,000)     | (\$300,000) | (\$300,000)  | (\$300,000)     |                                       | (\$300,000)     |
| 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$  | temetring Cash Flow  anticipation Payment before Acquistments  Less Participation Payment at  and Anticipation Payment at  | <b>%</b> 09 | 0, 0, 0,  |             | S S         | G 95          | G G                  | 0\$   | 05 05        | g g            | S S         | OS OS        | G∌ <b>G</b> S   | <b>S</b> ₽                            | O\$ C\$         |
|  | let Participation Payment  |             | 08  |             | O.          | 9             | S                    | 0\$   | \$           | <b>S</b>       | <b>\$</b>   | S            | \$              | \$0                                   | 0\$             |

articipation Template 12-12-08

| C   D   E   F  | 4        |   | - 1           |                          |                |             |               | ,           |             |             |             |             |             |             |             | )           |
|--|----------|---|---------------|--------------------------|----------------|-------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Project Formation   Proj   | ۹₹       | æ   | ٥             | п                        | Vα             | ₩.          | A.S           | AT          | ₽           | AV.         | AW          | ×           | ×           | Į.          | AH AH       | 18          |
| Project Characteas  1 Standard Characteas  1  |          | ide 5.<br>Fect Cearl Flow to Date<br>Hoppston Payment Calculation<br>at German  |               |                          |                |             |               |             |             |             |             |             | 1           | PLEFORFIR   | ST PROGRES  | S REPORT    |
| Project Revenues   1985   19   |          |   |               | i i                      | 2006           | 2008<br>Fah | 2008<br>Marry | 2006        | 2005        | 2006        | 2006        | 5006        | 2006        | 2006        | 2006        | 2006        |
| Color Sub Revoluce - Press   Color Sub Revo   | <b>-</b> | Project Revenues  |               |                          |                |             |               |             | May         | FILE        | Amy         | N V         | Sept        | Š           | Nov         | Dec         |
| Strict Continue Con   |          | Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2  | **            | 78,786,424<br>57,429,909 | 88             | S S         | 2 2           | S S         | 88          | 88          | 8 8         | Q <b>S</b>  | 2           | <u></u>     | 9           | 8           |
| Homebullider Petriciation Revenues   |          | Lot Sale Keveryles - Prass 3<br>Subtotal  | 2             | SO 248 333               | S              | S           | 몷             | 8           | S.          | <b>5</b>    | 3           | 3 33        | 2 S         | 3 3         |             | S 5         |
| Stationarie   Participation  |          | :   | ,             | 000,000                  | 9              | 9           | <b>3</b>      | 0           | OS.         | <b>\$</b> , | <b>0</b>    | S           | OS.         | 0\$         | 9           | 33          |
| Tack Prominent   Tack   |          | Homsbuilder Participation Revenues<br>CFD Net Proceeds  | ₽             | \$1,000,000              | <u> </u>       | 8           | 8             | 0\$         | O\$         | 0\$         | <b>\$</b>   | ₽           | 05          | 9           | S           | Q.          |
| Total Sources   ST   300,000   \$10 |          | Tax Increment   | •             | \$6,333,333              | 3 8            | 3 8         | 3 5           | <b>3</b> 5  | G 5         | S 5         | <b>S</b> 5  | <b>#</b> \$ | <b>S</b>    | 8           | <b>\$</b>   | g,          |
| Total Soutces   STO4 646,686   STO STO STO STO STO STO STO STO STO STO   |          | Kepayment of FORA Loan Interest   | -             | \$1,300,000              | 8              | 05          | <b>8</b>      | <b>3</b>    | G G         | 8 <b>8</b>  | <b>3</b> ₽  | 3 2         | 3 S         | <b>8</b> 8  | <b>8</b> 8  | 8 8         |
| Consularity    |          | Total Sources   | <del>\$</del> | 64,849,666               | 2              | 05          | 0\$           | 8           | 05          | O\$         | \$          | \$0         | 3           | Ç.          | Ç           | ş           |
| Consultants         Consultants         Consultants         Appendication Participant         A  | <b>=</b> | Project Costs   |               |                          |                |             |               |             |             |             |             |             |             | <b>;</b>    | }           | }           |
| Total Coass   St41,660,000   St840,000   |          | Consultants Devalopment Foes Lend improvements Amentias Infrastructure Indirects Management Fees/Sales & Marketing Property Taxes Closing Costs/Saling Expenses |               |                          |                |             |               |             |             |             |             |             |             |             |             |             |
| Universing Cash Flow   |          | Total Costs   | Š             | 41,860,000               | \$840,000      | \$840,000   | \$840,000     | \$840,000   | \$840,000   | \$940,000   | \$840,000   | \$840,000   | \$840,000   | \$840,000   | \$840,000   | \$840,000   |
| \$22,986,686<br>13.06%  \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0  | <b>≕</b> | Unleveraged Cash Flow<br>IRR  | ₩.            | 22,989,696<br>13,06%     | (\$840,000)    | (\$840,000) | (\$840,000)   | (\$840,000) | (\$840,000) | (\$840,000) | (\$840,000) | (\$840,000) | (\$640,000) | (\$840,000) | (\$840,000) | (\$840,000) |
| 05 05 05 05 05 05 05 05 05 05 05 05 05 0   |          | Cash Flow Needed to Reach Terget IRR<br>IRR   | is            | 22,986,666<br>13.06%     |                |             | (\$840,000)   | (\$840,000) | (\$840,000) |             |             | (\$840,000) | (\$640,000) | (\$840,000) |             | (\$840,000) |
| 508 50 50 50 50 50 50 50 50 50 50 50 50 50   |          | Remaining Cash Flow   |               | 8                        | B              | 0\$         | <b>3</b>      | 05          | 0\$         | \$          | O\$         | <u>0</u>    | O\$         | es<br>S     | 0\$         | \$          |
| 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$ 0\$  |          |   | *             | 2                        | <b>9</b>       | 0 <b>\$</b> | <b>₽</b>      | <b>5</b>    | 8           | <b>8</b>    | <b>%</b>    | <b>0</b>    | 8           | <b>\$</b>   | S           | <b>\$</b>   |
|  | - 1      | Net Participation Payment   |               | S                        | S <del>S</del> | 0\$         | <b>S</b>      | <b>S</b>    | <b>D\$</b>  | <b>9</b>    | S           | 0\$         | <b>Ş</b>    | <b>S</b>    | 0\$         | <b>9</b>    |

| a<br>V   | 4             | Ī                            |   |                 |                 |                   |   |                |                |               |                 |                 | ,                                | )          |
|--|---------------|------------------------------|---|-----------------|-----------------|-------------------|---|----------------|----------------|---------------|-----------------|-----------------|----------------------------------|------------|
| PENDIX 2   |               | 1                            | 26  | 80              | HH              | . H               | BG  | H              | ã              | 3             | ¥               | J.              | Ma                               | Z          |
| 7 Table 5.  3 Project Ceah Frow to Date Participal Payment Calculation East Garrian  Monterey County |               |                              |   |                 |                 |                   |   |                |                | 1             |                 | LE FOR FIRS:    | SAMPLE FOR FIRST PROGRESS REPORT | REPORT     |
| 1000   |               | Total                        | 2007<br>Jen   | 2007<br>Feb     | 2007<br>March   | 2007<br>April     | 2007<br>Max                                     | 2007           | 2007           | 2007          | 2007            | 2007            | 2007                             | 2007       |
| 11 II. Project Revenues  |               | ]                            |   |                 |                 |                   | A DEL   | 9000           | SCHY.          | 677           | Sept            | 8               | Nov                              | Dec        |
| 13 Lot Sale Revenues - Phase 1<br>14 Lot Sale Revenues - Phase 2<br>15 Lot Sale Revenues - Phase 3   | L'8 <b>78</b> | \$78,786,424<br>\$57,429,909 | 22  | <u> </u>        | 88              | S S               | 88  | S\$ S\$        | S S            | ន្ធន          | <b>9</b>        | Ş. Ş            | <u>.</u>                         | 88         |
| 16. Subtotal   | \$136.2       | \$136 216 333                | 8 5   | 8 8             | ន្ត             | S                 | 05  | S              | <b>S</b>       | <b>.</b>      | S &             | ş ş             | 9 6                              | 3 2        |
| -  |               | )                            | •   | 2               | 3               | 0                 | Q <del>s</del>                                  | <b>9</b>       | <u>0</u>       | 8             | S               | 9,              | Ş                                | 8          |
| 18 Homebuilder Participation Revenues<br>19 CFD Net Proceeds   | \$1,D         | \$1,000,000                  | <u>s</u> :  | ន               | <b>\$</b>       | <u>8</u>          | S   | \$             | 0\$            | 9             | <u> </u>        | S               | Ş                                | Ş          |
| <u></u>  | 86.3          | \$6,333,333                  | 3 3   | 3 3             | 2 5             | 8 5               | 8   | ន្តន           | <b>S</b>       | <b>S</b>      | 읋               | Ş               | Q.                               | ₽ ₽        |
| A Repayment of FORA Loan interest  | \$4,3         | \$1,300,000                  | ₽.  | <b>\$</b>       | 8               | 8                 | 3 3   | <b>3 3</b>     | 3 8            | <b>8</b> 8    | 3 S             | <b>8</b> 8      | G 5                              | ₽.5        |
| 23 Total Sources   | \$164,8       | \$164,849,866                | <b>3</b> 5  | 3               | <b>9</b>        | <b>S</b>          | S   | ç              | S              |               |                 |                 |                                  | 3          |
| 25 II. Project Costs   |               |                              |   |                 |                 | <b>,</b>          | ;   | }              | 3              | O#            | 7               | 2               | Q.                               | 8          |
| 27 Consultants 28 Development Fees 29 Land Improvements 30 Amenified 31 Infrastructure Indirects     |               |                              |   |                 |                 |                   |   |                |                |               |                 |                 |                                  |            |
|  |               |                              |   |                 |                 |                   |   |                |                |               |                 |                 |                                  |            |
|  | \$141,8       | \$141,860,000                | \$3,000,000 \$3,000,000 \$3,000,000 \$3,000,000   | 3,000,000       | 65 000,000,     | 63 000,000        | 000'000'8\$ 000'000'8\$ 000'000'8\$ 000'000'8\$ | 200,000 \$3,   | 000'000        | 000'000       | \$3,000,000,\$3 | \$3,000,000 \$3 | 000'000'E\$ 000'000'E\$          | 3,000,000  |
| 35 III. Unleveraged Cash Flow<br>39 IRR<br>40  | \$,522        | \$22,989,866<br>13.06%       | (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) | E\$) (000'000's | ,000,000) (\$3, | ,000,000<br>(\$3, | )'£\$) (000'000                                 | 000'000) (\$3' | 'es) (000'000' | 000'000       | 3) (000'000'    | 3,000,000,6     | 3,000,000, (\$3                  | (000'000') |
| 41 Cash Flow Needed to Reach Target IRR IRR 43   | \$223         | \$22,989,666<br>13,06%       | [\$3,000,000] (\$3,000,000] (\$3,000,000] (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000) (\$3,000,000)                             | 3,000,000) (\$3 | 'es) (000'000'  | °E\$) (000'000    | 000,000) (\$3,0                                 | (#3)           | (\$3)          | e\$) (000'000 | :\$) (000'000'\ | 3,000,000, (\$3 | s;000,000;                       | (000'000') |
|  | 1             | ₽ .                          | <b>\$</b>   | Q.              | <u>9</u>        | 8                 | 0\$   | 0\$            | D\$            | 0\$           | S               | O <sub>S</sub>  | 0\$                              | 0 <b>5</b> |
|  | 50%           | Q Q Q                        | <b>0</b> \$   | 2               | <u>0</u>        | <b>9</b>          | 8   | os<br>s        | \$             | <b>0</b>      | <b>\$</b>       | <b>S</b>        | 8                                | <b>S</b>   |
| Net Perticipation Payment  |               |                              | O\$   | 8               | 2               | O#                | 8   | S.             | <b>0\$</b>     | 0\$           | <b>9</b>        | 0\$             | S                                | Q\$        |
|  |               |                              |   |                 |                 |                   |   |                |                |               |                 |                 |                                  | _          |

Participation Template 12-12-06-xfs

| 8  | 0 0 | 3   | 90  | ВР              | - B8            | BR                   | 88                    | BT                                    |               | à                                 | Na<br>Na  |                          | -  | ,                                       |
|--|-----|---|---|-----------------|-----------------|----------------------|-----------------------|---------------------------------------|---------------|-----------------------------------|---|--------------------------|--|---|
| Trable 5. Project Cash Flow to Date Project Cash Flow to Date East Garrison Monterey County.   | 1   |   |   |                 |                 |                      |                       | <b>†</b>                              | 3             |                                   |   | PLE FOR FIRE             | SAMPLE FOR FIRST PROGRESS REFORT                       | BZ<br>S REPORT                          |
| Project Revenues   | 1   | Total   | 2008<br>Jan   | 2008<br>Feb     | 2009<br>March   | 2008<br>April        | 2008<br>May           | 2008<br>June                          | 2008<br>Jerly | 2008<br>Aug                       | 2008<br>Sept  | 2008<br>Oct              | 2008<br>Nov  | 2008<br>Dec                             |
| Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Sublotal  | J   | \$78,786,424<br>\$57,429,909<br>\$136,216,333 | 8888  | 8883            | 8888            | 00 00 00<br>00 00 00 | 888                   | 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 25 CS         | \$72,708,120<br>\$0<br>\$0<br>\$0 | 8 8 8   | S S S                    | 5 60 80<br>80 80 80                                    | G                                       |
| Homebuilder Participation Revenues<br>CFD Net Proceeds<br>Tax frorement<br>Repayment of FORA Loan Interest   | I   | ,   | \$ \$ \$ \$ \$ \$   | \$ \$ \$ \$ \$  | 8888            | 2                    |                       | \$6,695,000<br>\$0<br>\$0             |               |                                   | 3 2 2 2 2   | 3 8888                   | 8888   | 3 2 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 |
| I visi codices<br>Project Costs  |     | \$164,849,686                                 | <b>S</b>  | O <b>S</b>      | <b>9</b>        | <b>3</b>             | g.                    | \$6,695,000                           | \$ 08         | \$0 \$72,708,120                  | D\$   | S <sub>s</sub>           | 0\$  | OS<br>S                                 |
| Consultants Development Fees Land Improvements Amenities Infrastructure Indirects Infrastructure Indirects Amenides Property Taxes Property Taxes Closing Coats/Selling Expenses Total Coats |     | 5141 880 000                                  | \$3.200.000 \$3.300.000 \$3.300.000 \$5.300.000   | 3.200 RD        | 000 000         |                      | 43 200 000 e3 200 000 |                                       |               |                                   |   | í                        | ,  |   |
| Unieveraged Cash Flow<br>IRB   | ı   | \$22,989,668                                  | (\$3,200,000) (\$3,200,000) (\$3,200,000) (\$3,200,000) (\$3,200,000) \$3,496,000 (\$3,200,000) \$69,508,120 (\$00) (\$3,200,000) (\$ | 3,200,000) (\$  | 3,200,000) (\$3 | 200,000) (\$         | 3,200,000)            | 13,495,000 (\$                        | 3,200,000 \$6 | 33,200,000<br>59,508,120          | \$3,200,000 \$3,200,000 \$3,200,000<br>69,508,120 (\$3,200,000) (\$3,200,000) | 53,200,000<br>53,200,000 | \$3,200,000 \$3,200,000<br>(\$3,200,000) (\$3,200,000) | 3,200,00                                |
| Cesh Flow Needed to Reach Target IRR<br>IRR  |     | 13.05%<br>\$22,989,866<br>13.06%              | (\$3,200,000) (\$3,200,000) (\$3,200,000) (\$3,200,000) \$3,495,000 (\$3,200,000) \$69,508,120 (\$3,200,000) (\$3,200,000) (\$3,200,000)  | 3,200,000) (\$: | 3,200,000) (\$3 | 1,200,000) (\$1      | 3,200,000) 1          | 13,495,000 (1                         | ¥ (000'00Z'€  | 69,508,120 (                      | (\$3,200,000) (4  | \$3,200,000) (           | 53,200,000) (\$  | 3,200,000                               |
| Remaining Cash Flow  | I   | 0\$   | 95  | Q <b>\$</b>     | <u>s</u>        | 8                    | 25                    | )<br>S                                | \$0           | 8                                 | <b>0\$</b>  | S                        | O\$  | Q¥                                      |
| Participation Payment before Adjustments<br>(Less) Participation Payment #1<br>(Less) Participation Payment #2<br>Net Barticipation Democrat   | 50% | 2 2 2   | 0\$   | <b>S</b>        | 8               | S.                   | S,                    | 95                                    | 0\$           | 0 <del>9</del>                    | <b>9</b>  | g.                       | S  | <b>6</b>                                |
| aparion rayment  |     | O <b>S</b>                                    | S.  | <b>S</b>        | <b>3</b>        | 20                   | O\$                   | <b>Q</b>                              | Ç,            | 8                                 | 0\$   | 0\$                      | S.   | S.                                      |

| m   | S   | 3 10   | F CA          | 8                                | 25   | 8              | 30           |                         | 90           | 푱                          | ខ             | 3   | ğ             | <i>}</i>  |
|---|-----|--|---------------|----------------------------------|--|----------------|--------------|-------------------------|--------------|----------------------------|---------------|---|---------------|-----------|
| Project Cash Flow to Dale<br>Project Cash Flow to Dale<br>East Gerinson<br>Moniscey County  |     |  | ļ             |                                  |  |                |              |                         | ,            |                            | SA            | Sample for First progress report                        | RST PROGR     | - EG      |
| Project Revenues  |     | Total  | 2009<br>Jan   | 2009<br>Feb                      | 2009<br>March  | 2009<br>April  | 2009<br>May  | 2009<br>June            | 2009<br>July | 2009<br>Aug                | 2009<br>Sept  | 2009<br>Oct   | 2009<br>Nov   |           |
| Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Sublotal   |     | \$78,786,424<br>\$57,429,909<br>\$0<br>\$136,216,333 | 3 G G         | \$6,078,304<br>\$0<br>\$0<br>\$0 | 2225   | <b>3 3 3 3</b> | # # # #      | 8 8 8                   | S 8 8        | \$0<br>\$39,818,174<br>\$0 | 8 8 8         | S & G   | <b>9 9</b> 9  |           |
| Homebailder Participation Revenues  |     | \$1,000,000  | <b>\$</b>     | Q\$                              | 9  | 9 6            |              | 3 9                     |              | 4/1,616,1/4                | G (           | g, i  | <b>0</b>      |           |
| CFD Net Proceeds<br>Tex Increment   |     | \$20,000,000<br>\$6,333,333                          | 88            | <b>8</b>                         | <b>8</b>   | <b>8</b>       | <b>3</b>     | \$7,435,000             | <b>3 5</b>   | 3 2                        | g <b>g</b>    | 8 8<br>8  | <b>₽</b> ₽    |           |
| Repayment of FORA Loan Interest   |     | \$1,300,000  | \$1,300,000   | 88                               | 3 5  | <u> </u>       |              | 88                      | <b>8 8</b>   | \$6,333,333<br>\$0         | <b>8 8</b>    | <b>88</b>   | 88            |           |
| Total Sources<br>Project Costs  |     | \$164,849,865  | \$1,300,000   | \$6,078,304                      | 0\$  | O#             | 0\$          | \$7,435,000             | Q.           | \$0 \$46,151,507           | O\$           | 0\$   | S             |           |
| Consultants Development Fees Land improvements Amenities Amenities Amenities Management Fees/Sales & Marketing Land Acquisition Coats/Selling Expenses Closing Coats/Selling Expenses |     | \$141,650,000  | 92,600,000    | \$2,600,000                      | \$2,800,000  | \$2,600,000    | \$2,600,000  | \$2,600,000 \$2,600,000 | 1            | \$2.600.000                | \$2 600.000   | (BB)<br>(BB)  | ts<br>Son no  | Survey as |
| Unleweraged Cash Flow<br>IRR  |     | \$22,989,666<br>13.06%                               | (\$1,300,000) | \$3,478,304                      | (\$2,600,000) (\$2,600,000) (\$2,600,000) \$4,835,000 (\$2,800,000) \$43,651,507   | \$2,600,000}   | \$2,500,000) | \$4,835,000             | \$2,600,000) | 43,551,507                 | (\$2,800,000) | (\$2,800,000) (\$2,600,000) (\$2,600,000) (\$2,600,000) | (\$2,800,000) | , la      |
| Cash Flow Needed to Reach Target IRR<br>IRR   |     | \$22,989,656<br>13.06%                               | (\$1,300,000) | \$3,478,304                      | \$3,478,304 (\$2,600,000) (\$2,600,000) (\$2,600,000) \$4,835,000 (\$2,600,000) \$43,551,507 (\$2,600,000) (\$2,600,000) (\$2,600,000) (\$2,600,000) | \$2,600,000)   | \$2,600,000) | \$4,835,000             | \$2,600,000) | 43,551,507                 | (\$2,600,000) | (\$2,600,000)   | (\$2,600,000) | 6         |
| Remaining Cash Flow   |     | 9  | <b>\$</b>     | 9                                | 0\$  | Ç.             | <b>\$</b>    | ş                       | <b>Q</b>     | 닯                          | S.            | 0\$   | <b>\$</b>     |           |
| Participation Payment before Adjustments (Less) Participation Payment #1 (Less) Participation Payment #2  | 20% | 05 05<br>05 05                                       | <b>3</b>      | <b>9</b>                         | <b>9</b>   | S              | <b>9</b>     | 8                       | OŞ.          | <b>3</b>                   | ន្ធ           | <b>S</b>  | g,            |           |
| Net Participation Paymant   |     | <b>9</b> 0   | 0\$           | O\$                              | O\$  | 0\$            | 0\$          | <b>S</b>                | 0\$          | 90                         | 0\$           | 0.5   | O\$           |           |

| 8   | G 0   | ш   | F                                | 8   | 8   | d<br>d         | ca             | R)                        | 83            | t5          | no           | 5                                | ) <u> </u>  | ឥ           |
|---|-------|---|----------------------------------|---|---|----------------|----------------|---------------------------|---------------|-------------|--------------|----------------------------------|-------------|-------------|
| Tabia 5. Project Cash Flow to Dale Participalnor Payment Calculation East Garrison Monterey County  |       | i i   |                                  |   |   |                |                |                           |               |             | 1            | SAMPLE FOR FIRST PROGRESS REPORT | PROGRESS    | REPORT      |
| Project Revenues  |       | Total   | 2010<br>Jan                      | 2010<br>Feb   | 2010<br>March   | 2010<br>April  | 2010<br>May    | 2010<br>June              | 2010<br>July  | 2010<br>Aug | 2010<br>Sept | 2010<br>Oct                      | 2010<br>Nov | 2010<br>Dec |
| Lot Sarie Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subjotal  |       | \$78,786,424<br>\$57,429,909<br>\$0<br>\$136,216,333      | 888                              | \$0<br>\$0 \$17,611,734<br>\$0 \$17,811,734<br>\$0 \$17,811,734 | S S S   | 0 Sp (4) Sp    | 888            | 8 8 8                     | 8 8 8         |             |              |                                  |             |             |
| Homebulider Participation Revenues<br>CFD Net Proceeds<br>Tax Increment<br>Repayment of FORA Loan interest  |       | \$1,000,000<br>\$20,000,000<br>\$6,333,333<br>\$1,300,000 | \$1,000,000<br>\$0<br>\$0<br>\$0 | 8888  | . 0000<br>0000  |                |                | \$5,870,000<br>\$0<br>\$0 | 3 8 8 8 8     |             |              |                                  |             |             |
| Total Sources<br>Project Coats  |       | \$164,848,668   | \$1,000,000 \$17,611,734         | \$17,611,734  | Q.  | 0              | \$0 \$2        | \$5,870,000               | 09            |             |              |                                  |             |             |
| Consultents Development Fees Lend improvements Amenties Amenties Amenties Indrastructure Indirects Menagement Foes/Salex & Marketing Land-Acquisition Froperty Taxes Closing Costs/Selling Expenses Total Costs | ·     | \$141,860,000   | \$2,100,000                      | \$2,100,000 1   | \$2,100,000 \$2,100,000 \$2,100,000   | 100,000 \$2,7  | 000'001<br>2'- | j                         | <u> </u>      |             |              |                                  |             |             |
| Unleveraged Cash Flow<br>IRR  |       | \$22,989,686<br>13.06%                                    | (\$1,100,000)                    | \$15,511,734 (3   | 100,000) \$15,511,734 (\$2,100,000) (\$2,100,000) (\$2,100,000) \$3,770,000 | 100,000) (\$2. | 100,000        |                           | (\$2,100,000) |             |              |                                  | į           |             |
| Cesh Flow Needed to Reach Target IRR<br>IRR   |       | \$22,989,666<br>13.06%                                    | (\$1,100,000) (                  | \$15,511,734 (4   | 00,000) \$15,511,734 (\$2,100,000) (\$2,100,000) (\$2,100,000) \$3,770,000  | 100,000) (\$2; | 100,000) \$3,7 |                           | (\$2,100,000) | 9           |              |                                  |             |             |
| Remaining Cash Flow   | -     | 05  | 8                                | <b>8</b>  | 0 <b>\$</b>   | OS             | OS             | <b>₽</b>                  | 8             | 0.5         |              |                                  |             |             |
| Participation Payment before Adjustments (Less) Participation Payment #1 (Less) Participation Payment #2  | \$0\$ | S S S   | <b>0</b>                         | 8   | <b>S</b>  | 0\$            | <b>.</b>       | g                         | 윩             | Ç,          |              |                                  |             |             |
| Net Participation Payment   |       | g.  | O\$                              | O\$   | \$0.  | 05             | 0 <b>5</b>     | <u>8</u>                  | <b>3</b>      | 015         |              |                                  |             |             |

#### **APPENDIX 3**

# AGENCY PARTICIPATION MODEL FOR SECOND PROGRESS REPORT

| Table 1 | Sample of Lots Sold Todate                                |
|---------|---|
| Table 2 | Sample of Residual Lot Values For Communities Sold Todate |
| Table 3 | Sample of Lots Sold To Non-Affiliated Homebuilders        |
| Table 4 | Sample of Summary of Participation Calculation            |
| Table 5 | Sample of Participation Calculation                       |

## EXHIBIT D - EAST GARRISON PROFIT PARTICIPATION MANUAL, DATED DECEMBER 19, 2006

| - 1 -         | A B  | C D              | E F              | G H                      | il J              |
|---------------|--|------------------|------------------|--------------------------|-------------------|
|               | PPENDIX 3  |                  | 1 - 1            | R SECOND PROGRE          | · 1               |
| 2 Ta          | able 1.  |                  |                  |                          |                   |
| 3 Lo          | ots Sold to Date (Excluding Affordable   | e Apartments & T | own Center Conde | os)                      |                   |
|               | articipation Payment Calculation   |                  |                  | ,                        |                   |
|               | ast Garrison   |                  |                  |                          |                   |
| 6 M           | onterey County   |                  |                  |                          |                   |
| 7             |  | <del>.</del>     |                  |                          |                   |
| 8             |  |                  |                  |                          |                   |
| <u>9</u> Da   | ate of Progress Report:  | 8/15/2011        |                  | •                        |                   |
| 10            |  |                  | 1                |                          |                   |
| 11            |  |                  |                  |                          |                   |
| 12            |  | Date of          | Lots in          | Total Community          | Price             |
| 13            | Community of Lots  | Sale             | Community        | Sale Price               | Per Lot           |
| 14            |  |                  |                  |                          |                   |
| 15            |  |                  |                  | •                        |                   |
| 16 I,         | Phase 1  |                  |                  |                          |                   |
| 17            |  |                  |                  |                          |                   |
| 18            | Sales to Affiliated Homebuilders   |                  |                  |                          |                   |
| 19            | Community 1 (Table 2a)   | 8/15/2008        | 274              | \$58,550,760             | \$213,689         |
| 20            | Community 2 (Table 2b)   | 2/15/2009        | 22               | \$6,078,304              | \$276,287         |
| 21            |  |                  |                  | 4-10.01-0.               | 4-/4 -4/          |
|               | Sales to Non-Affiliated  |                  |                  |                          |                   |
| 22            | Homebuilders (Table 3a)  | 8/15/2008        | 53               | \$14,157,360             | \$267,120         |
| 23            |  |                  |                  | 4 1 11 10 1 1000         | <b>4-4.</b> 14    |
| 24            | Total Phase 1  |                  | 349              | \$78,786,424             | \$225,749         |
| 25            | 1 4 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1  |                  | 010              | ₩10,100, <del>1</del> 24 | <b>\$220</b>  170 |
| 26            |  |                  |                  |                          |                   |
| 27 II.        | Phase 2  |                  |                  |                          |                   |
| 28            | . 11400 2  |                  |                  |                          |                   |
| 29            | Sales to Affiliated Homebuilders   |                  |                  |                          |                   |
| 30            | Community 1 (Table 2c)   | 8/15/2009        | 213              | \$39,818,174             | \$186,940         |
| 31            | Community 2 (Table 2d)   | 2/15/2010        | 69               | \$17,611,734             | \$255,243         |
| 32            | Community 3 (Table 2e)   | 8/15/2010        | 117              | \$27,406,638             | \$234,245         |
| 33            | Community 4 (Table 2f)   | 2/15/2011        | 13               | \$3,010,995              |                   |
| 34            | Continuitity 4 (Table 21)  | 27 13/2011       | 13               | \$3 <sub>1</sub> 010,895 | \$231,615         |
| ~             | Sales to Non-Affiliated  |                  |                  |                          |                   |
| 35            | Homebuilders   |                  |                  |                          |                   |
| 36            | Homepuliders   |                  |                  |                          |                   |
| _             | Total Dhase 2  |                  | 440              | <b>6</b> 07 047 540      | 0049.000          |
| 37<br>38      | Total Phase 2  |                  | 412              | \$87,847,542             | \$213,222         |
| 98  <br>19    |  |                  |                  |                          |                   |
|               | Discourage of the second of th |                  |                  |                          |                   |
| in or         | Phase 3  |                  |                  |                          |                   |
| 11            | 6-1 4- 4cen ( 414  |                  |                  |                          |                   |
| 2             | Sales to Affiliated Homebuilders   |                  |                  |                          | <b>.</b> . = -    |
| 3             | Community 1 (Table 2g)   | 8/15/2010        | 217              | \$33,332,520             | \$153,606         |
| 4             | Community 2 (Table 2h)   | 2/15/2011        | 94               | \$14,932,261             | \$158,854         |
| 5             | Community 3  |                  |                  |                          | 1                 |
| 6             | Community 4  |                  |                  |                          |                   |
| 7             |  |                  |                  |                          |                   |
|               | Sales to Non-Affiliated  |                  |                  |                          |                   |
| 8             | <u>Homebuilders</u>  |                  |                  |                          |                   |
| 9             |  |                  |                  |                          |                   |
| न ।           | Total Phase 3  |                  | 311              | \$48,264,781             | \$155,192         |
| <u> </u>      |  |                  |                  |                          | , =               |
| 2             |  |                  |                  |                          |                   |
| 3 rv.         | Total Project to Date  |                  | 1,072            | \$214,898,747            | \$200,465         |
|               |  |                  | 1,012            | 45 121000 141            | <b>4200,400</b>   |
|               |  |                  |                  |                          |                   |
| <u>4</u><br>5 |  |                  |                  |                          |                   |

| FIGERALL STELM IN TO P Q TRIS IT TUIV I WIXI Y 12 WAR ABLACACIAF MARANIAN TALMA | Pitate 2 Community 4 ZHSZD11           | Workforce II Market Rate Morderate shooms Investments of the Control of the Contr | Per. Lair Pine Per Per. Lair Per Lair Per Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Per. Lair Per. Lair Per. Per. Lair Per. | #100,012 5387<br>84% of Options Reviews  \$178,400 \$100  \$178,400 \$100  \$19,700 \$35  23.10% of Base Price/Lot Price/Aim  \$153,777 \$87                   | 7,00% of Base Price/Lot Pricerism 846,599 526 8474,027 \$237   | 5231,015   |
|---|--|--|--|--|--|--|
| APPENDIX 3   C   D   E   T   T   T   T   T   T   T   T   T                      | Phase: Phase: Community: Date of subc. | 14 Product Type<br>12 felumber of Units<br>12 Average Unit 8q. Pt.   | 19 Breaklass 20 Base Home Pitca 21 Options Revenue Estimated Sades Revenue   | 22 Estimated Costs<br>23 Divert Studies Costs<br>Divert Studies Costs<br>27 Costs & Parmite Costs<br>28 New & Marketing<br>29 Viscarry<br>30 Tosts<br>Franchis | 32. Baider Meruli. 33.b. Indirect Construction 35. Overlanding 36. Overlanding 36. Overlanding 37. Total Estimated Costs 37. Total Estimated Costs | Residuel Lot Voluce  45  47  48  49  Total Residuel Lot Veluce  45  Total Residuel Lot Veluce  45  45  Total Residuel Lot Veluce  45 |

erlicipation Template 12-12-05.x

| 2 Los Arendes Vanue Solecules (Sue<br>4 Participation Peyment Calculation<br>5 East Gerneon<br>6 Monterey Courty | LOCYTOSOWN VAING SCOROUSE (Base to Attituted Homabuliders) Participation Peyment Calculation East Garrieon Monitorey County |  |  | •   |                                |   |                                  |                   |              |                  |   |                             |                |
|--|---|--|--|---|--------------------------------|---|----------------------------------|-------------------|--------------|------------------|---|-----------------------------|----------------|
| Phase;<br>Centurunky;<br>Duta of Bale;   | Phase 3<br>Community 1<br>8/15/2016   |  |  |   |                                |   |                                  | 5<br>5<br>5       |              |                  |   |                             |                |
| 14 Product Type<br>15 Number of Units<br>19 Average Unit Sq. Ft.   |   | Wolklyve II Condo<br>140 unis<br>1,136 aq. ft. | Market Rate Courto<br>10 units<br>1,136 sq. ft.      | Moderate-Income Townhouse 0 units 1,300 sq. ft. | Market Fate Toprobeuse O withs | Liveryfork<br>26 unde<br>1,855 sq. ft.            | Sigve<br>32 units<br>1,510 sq. R | Garden<br>O miles | Courtvand    | Bungalow         | Villege/Cotte.ne<br>0 units                 | Bluff<br>Sports             | Total/Avertage |
| Rovensea   | Distora   | Partha Par                                     | Per Unit   | Per Link PRE                                    | Per Lot. Par                   | Per Link PSE                                      | Per Unit Praff                   | Zector Par        | Partiful PSF |                  | F + 1 - 4 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - | The square                  |                |
| Base Home Price<br>Options Revenue<br>Estimated Sales Revenue  | 6.0% of Base Home Price   | \$451,100 \$387                                | \$448,400 \$395<br>\$26,904 \$24<br>\$476,304 \$44.8 | \$275,600 \$212                                 |                                | \$1605,800 \$310                                  | \$583,600 \$393<br>\$35,616 \$24 | - 1               |              | 1                | i   | -,                          |                |
| Estimated Costs Ornect Building Costs  |   |  |  |   |                                | 3642,146 \$328                                    | \$629,216 \$417                  |                   |              |                  |   | 1,020,780 1339              | i              |
| Option Costs<br>Fees & Permits Costs   | 84% of Options Revenue  |  | \$22,699 \$20<br>\$28,490 \$28                       | 50 30 30 844 867,000 344                        |                                | \$220,300 \$113<br>\$30,532 \$16<br>\$33,750 \$17 | \$26,947 \$20<br>\$29,947 \$20   |                   |              |                  |   | \$262,600 \$47 548,535 \$16 |                |
| Veneza e venezano<br>Venezano<br>Traces<br>Florancies  | 23.10% of Base, PicesLot<br>Premium   | \$104,204 \$82                                 | \$103,680 \$41                                       | 963,684 349                                     |                                | \$136,840 \$72                                    | \$137,122 \$\$1                  |                   |              |                  |   |                             |                |
| indirect Construction A&E/Consultants Overhead   | 7.00% of 6ssa PicaLat<br>Premium  | \$24, 677 \$28                                 | \$21,388 \$26  | \$18,282 \$15                                   |                                | \$42,408 \$22                                     | 341,552 \$26                     |                   |              |                  |   | 187 £18                     |                |
| Total Estimated Costs  |   | \$323,671 \$285                                | \$345,45¢ \$304                                      | \$291,558 \$224                                 |                                | E466, 836 \$239                                   | S422,281 \$280                   |                   |              |                  |   | COLD COLD                   | 1              |
| Residual Lot Value   |   | \$127,429 \$112                                | \$120,846 \$114                                      | (\$15,966) (\$12)                               |                                | \$176,210 \$80                                    | \$206,935 \$137                  |                   |              |                  |   | 1770 Dan 1000               |                |
| x Withber of Unite   |   | 540 units                                      | 10 units   | 0 units   | O walks                        | 26 unite  | -32 units                        | . ng              | o division   | T Livings        | i c   | LLL# 78c'coot               |                |
| Total Residuel Lot Value   |   | \$17,840,046                                   | 41,298,462   | 2   | Q.                             | 34,656,457  | \$8,621,919                      | <b>3</b>          | ,<br> <br>   | .   <del>2</del> | •   | 23 018 63 F                 | 717            |

| East Garrison<br>Montarey County   |                                     | i  |   |  |   |                      |                  |  |                      |  |                |                     |                 |
|--|-------------------------------------|--|---|--|---|----------------------|------------------|--|----------------------|--|----------------|---------------------|-----------------|
|  | Phose 3<br>Community 2<br>2/16/2011 |  |   |  |   |                      |                  |  |                      |  |                |                     |                 |
|  |                                     | Workforce II<br>Cherto<br>G unite<br>84, ff. | Market Rate<br>Consta<br>0 units<br>eq. ft. | Moderate-Importe<br>Towntouse<br>33 units<br>1,300 eq. ft. | Market Rate Tgernhouse 2 2 Units 1.836 as: ft | LiverWork<br>0 units | Chove<br>C Links | Garyen<br>37 units   | Countyard<br>0 units | Bungakow<br>22 units   | Vitege/Cottage | Bluff<br>O units    | Total Average   |
| Wasi<br>Basa Mome Prica<br>Options Revenue<br>Estimated Sales Revenue                              | Notes<br>6.0% of Base Floms Price   | Per Link 28E                                 | Paction, PSE                                | For Lini PSE<br>\$281,100 \$216<br>\$281,100 \$276         | S685,600 4310<br>\$34,116 519<br>\$30,716 519 | Box Livil            | 382 #471.44      | 1,770 mg.T.<br>Par.Unit PSF<br>\$666,700 \$376<br>\$39.842 \$22      | 84.4.                | 2.471 eq. ft.<br>Par Unik PSE<br>\$841.500 \$349<br>\$50.490 \$21  | eq.f.          | म्<br>निक्तिक स्थान | Tatal           |
| aled Costs<br>Direct Building Costs<br>Option Costs<br>Feets & Permits Costs<br>Saless & Marketing | 34% of Options Revenue              |  |   | \$152,100 \$116<br>\$0 \$0<br>\$44                         |   |                      |                  | \$178,400 \$100<br>\$178,400 \$100<br>\$13,651 \$19<br>\$61,700 \$35 |                      | \$591,880 £370<br>\$226,600 \$54<br>\$42,412 \$18<br>\$75,800 \$31 |                |                     |                 |
| Warranty<br>Tause<br>Theoretic<br>Builder Marcin<br>Indicat Construction                           | 23.10% of Base Phos.Lot<br>Premium  |  |   | \$64,834 \$50  | \$12,347 \$72                                 |                      |                  | \$153,777 \$87   |                      |  |                |                     |                 |
| A&EConsultanias<br>Overhead<br>insurance<br>Total Estimuted Costa                                  | 7,00% of Bess Pilos/Lot<br>Premium  |  |   | \$18,677 \$15<br>\$284.711 \$222                           | \$39,502 \$72                                 |                      |                  | \$46,589 526   |                      | #68.905 \$24   |                | 77                  |                 |
| Residual i,ot Value<br>X Number of Unde<br>Total Residual Lat Value                                |                                     | Spare 0                                      | o units                                     | (\$13,611) (\$10)<br>33 units<br>(\$446,169)               | \$102.080 \$88<br>2 units                     | D units              | 0 smits          | \$474,027 \$267<br>\$231,616 \$130<br>37 Limits<br>\$5,569,736       | stiru 0              | \$597,103 \$248<br>\$284,887 \$122<br>22 units<br>\$6,467,512      | agur D         | agun o              | \$155,854<br>B4 |

## EXHIBIT D - EAST GARRISON PROFIT PARTICIPATION MANUAL, DATED DECEMBER 19, 2006

|               | А В   | С           | D  | Е        | F     |
|---------------|---|-------------|--|----------|-------|
|               | PPENDIX 3   | SAME        | PLE FOR SECOND I                               | PROGRESS | REPOR |
|               | able 4.   |             |  |          |       |
|               | ummary of Participation Calculation (Detail Backup o      | on Table 5I | b)   |          |       |
|               | articipation Payment Calculation                          |             | ,  |          |       |
| 5 E           | ast Garrison  |             |  |          |       |
| 6 M           | onterey County  |             |  |          |       |
| 7             |   |             |  |          |       |
| 8             |   |             |  |          |       |
| 9             |   |             |  |          |       |
| 10            |   |             | Total  |          |       |
| 11            |   | _           | <del></del>                                    |          |       |
| 12 1.         | Project Revenues  |             |  |          |       |
| 13            |   |             |  |          |       |
| 14            | Lot Sale Revenues - Phase 1                               |             | \$78,786,424                                   |          |       |
| 15            | Lot Sale Revenues - Phase 2                               |             | \$87,847,542                                   |          |       |
| 16            | Lot Sale Revenues - Phase 3                               |             | \$48,264,781                                   |          |       |
| 17            | Subtotal  | _           | \$214,898,747                                  |          |       |
| 18            |   |             |  | •        |       |
| 19            | Homebuilder Participation Revenues                        |             | \$2,000,000                                    |          |       |
| 20            | CFD Net Proceeds  |             | \$20,000,000                                   |          |       |
| 21            | Tax Increment   |             | \$9,500,000                                    |          |       |
| 22            | Repayment of FORA Loan Interest                           |             | \$1,300,000                                    |          |       |
| 23            |   |             | •  |          |       |
| 24            | Total Sources of Funds                                    | -           | \$247,698,747                                  |          |       |
| 25            |   | i           |  |          |       |
| 26            |   |             |  |          |       |
| 27 II.        | Project Costs   |             |  |          |       |
| 28            |   |             |  |          |       |
| 29            | Consultants   |             |  |          |       |
| 30            | Development Fees  |             |  |          |       |
| 31            | Land Improvements   |             |  | •        |       |
| 32            | Amenities   |             |  |          |       |
| 33            | Infrastructure Indirects                                  |             |  |          |       |
| 34            | Management Fees/Sales & Marketing                         |             |  |          |       |
| 35            | T ( 1))   |             | · · · · · · · · · · · · · · · · · · ·          |          |       |
| 36            | Total Uses of Funds                                       |             | \$155,650,000                                  |          |       |
| 37            |   |             |  |          |       |
| 88            | Delini, JA 4 P  | _           |  |          |       |
| 9 III.        | Unleveraged Cash Flow                                     |             | \$92,048,747                                   |          |       |
| 0             | Unleveraged IRR   |             | 28.8%  |          |       |
| 1             | Cook Flow Newsland to Departs To 1 1 1000                 | 00 =4.      | <b>A</b> 4 A A A A A A A A A A A A A A A A A A |          |       |
| <u>2</u><br>3 | Cash Flow Needed to Reach Target IRR                      | 22.5%       | \$48,301,747                                   |          |       |
| 4             | Pomoining Coch Flow                                       |             | <b>\$40.747.000</b>                            |          |       |
| 5             | Remaining Cash Flow                                       |             | \$43,747,000                                   |          |       |
| 6             | Participation Payment hefers Adjuster and                 | E00/        | AD4 0770 700                                   |          |       |
|               | Participation Payment before Adjustments                  | 50%         | \$21,873,500                                   |          |       |
| 7<br>8        | (Less) Participation Payment #1                           |             | \$0  |          |       |
| 9             | (Less) Participation Payment #2 Net Participation Payment |             | PO4 070 500                                    |          |       |
| 0             | rect atticipation rayment                                 |             | \$21,873,500                                   |          |       |
| 1             |   |             |  |          |       |

| ) | æ<br>                                   | SAMPLE FOR SECOND PROGRESS REPORT  | 2003 2003<br>Nov Dec  | 05 05 05 05 05 05 05 05 05 05 05 05 05 0  |  |                                |  | \$400,000 \$400,000   | (\$400,000) (\$400,000)<br>(\$400,000) (\$400,000) | <i>S</i> ≠          |  |
|---|---|--|-----------------------|---|--|--------------------------------|--|-----------------------|--|---------------------|--|
|   | a                                       | E FOR SECON  | 2003<br>Oct           | Q   | R 888  | <b>S S</b>                     |  | \$400,000             | (\$400,000)  | \$0                 | <b>Q</b>   |
|   | 0                                       | Sampl  | 2003<br>Sept          | 8 8 8   | 8888   | <b>3</b>                       |  | \$400,000             | (\$400,000)  | <b>9</b>            | ₽,   |
|   | z                                       |  | 3 2003                | 888   |  |                                |  |                       | (\$400,000)<br>(\$400,000)                         | O\$                 | OS.  |
|   | Σ                                       |  | 2003<br>19 July       | S S S   |  |                                |  |                       | (\$400,000)<br>(\$400,000)                         | 0\$                 | \$   |
|   |   |  | ZDO3 2003<br>May June | S S S S   |  |                                | į  | l                     | (5,400,000)<br>(5,400,000)                         | 0\$ 0\$             | 0\$  |
|   | ¥                                       |  | 2003 ZDC<br>April Ms  | 05 05 05<br>05 05 05  |  |                                | ĺ  |                       | 30) (\$400,000)<br>30) (\$400,000)                 | 95                  | æ<br><b>₽</b>  |
| ) |   |  | 2003 20<br>March A    | 000000000000000000000000000000000000000   |  | 03                             |  |                       | 30) (\$400,000)<br>30) (\$400,000)                 | 93                  | <b>*</b>   |
| , |   |  |                       | 2 2 2 2   |  | 3.                             |  |                       | 0) (\$400,000)<br>0) (\$400,000)                   |                     |  |
|   | =                                       |  | 2003 2003<br>Jan Feb  | 8888  |  | )\$<br> \$                     |  |                       | so (\$400,000)                                     | 0\$                 | 0\$  |
|   | 9                                       |  | 700                   |   |  |                                |  | "                     | n 47   | **                  | •  |
| İ | 3                                       |  | [otal                 | \$78,786,424<br>\$87,847,542<br>\$48,284,781<br>\$214,898,747   | \$2,000,000<br>\$20,000,000<br>\$9,500,000<br>\$1,300,000  | \$247,698,747                  | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1  | DOU, Dea, per c       | \$48,301,747<br>22.500%                            | \$43,747,000        | \$21,873,500<br>\$0<br>\$0   |
|   | 0                                       |  |                       |   |  |                                |  |                       |  |                     | 50%  |
| ) | A B B B B B B B B B B B B B B B B B B B | Facts of Project Cash Flow to Date Participation Payment Calculation East Gentison Monterey County | Project Revenues      | Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subtoial | Homebuilder Participation Revenues<br>CFD Net Proceeds<br>Tax Increment<br>Repayment of FORA Loan Interest | Total Sources<br>Project Couts | Consultants Development Fees Land Improvements Annantiess Infrastructure Indirects Infrastructure Indirects Annanties Tropeity Taxea Closing CostarSaling Expenses | Unjeversond Cash Flow | IRR<br>Cast Flow Needed to Reach Target IRR<br>IRR | Remaining Cash Flow | Participation Payment before Adjustments (Less) Participation Payment #1 (Less) Participation Payment #2 |

|   |       |  | ,           |              |               |                 |             |              | -            | 7           | 1            | 2                                 | ı           | Ş           |
|---|-------|--|-------------|--------------|---------------|-----------------|-------------|--------------|--------------|-------------|--------------|-----------------------------------|-------------|-------------|
| Project Cearl Flow to Date Participation Payment Calculation East Garrison Montairey County   |       |  |             |              |               |                 |             |              |              |             | SAMPL        | Sample for Second progress report | d Q         | ROGRE       |
| L. Project Revenues   |       | Total  | 2004<br>Jen | 2004<br>Feb  | 2004<br>March | 2004<br>April   | 2004<br>MBy | 2004<br>June | 2004<br>July | 2004<br>Aug | 2004<br>Sept | 2004<br>Oct                       |             | 2004<br>Nov |
| Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subtrial   |       | \$78,786,424<br>\$87,847,542<br>\$48,284,781 | 8 8 8<br>8  | 8 <b>8</b> 8 | <u> </u>      | \$ <b>\$</b> \$ | B & B       | <b>3</b> 2 2 | S S S        | S S S       | 888          | 3 3 5                             |             | 8 8 8       |
|   |       | \$214,898,747                                | <b>0</b> \$ | <b>\$</b>    | S             | 8               | <b>3</b>    | 8            | 0\$          | ş           | 8            | 2                                 |             | 8           |
| Homebuilder Participation Revenues<br>CFD Not Proceeds  |       | \$2,000,000                                  | 88          | S S          | 8 8           | <b>\$</b> \$    | 88          | 88           | 8.5          | 88          | \$           | 몷 1                               |             | 9           |
| Lax increment<br>Repayment of FORA Loan Interest  |       | \$9,500,000<br>\$1,300,000                   | S S         | S 63         | 88            | S 2             | 33          | 3 3 3        | 3 <b>2</b> 3 | 8 8 8       | 9 9          | 3 2 2<br>3 4 5 5                  |             | 3 2 2       |
| Total Sources II. Project Costs   |       | \$247,688,747                                | S.          | ွ            | 8             | 90              | <u>s</u>    | <u>s</u>     |              | <b>8</b>    | 0\$          | 0\$                               |             | 2           |
| Consultants Development Fees Land insprovements Amerities Infrastructure kulfects Management Fees/Sales & Marketing Land Acquelition Property Taxes Closing Costal/Selling Expenses |       |  |             |              |               |                 |             |              |              |             |              |                                   |             |             |
| Total Costs   | •     | \$155,650,000                                | \$290,000   | \$290,000    | \$290,000     | \$290,000       | \$290,000   | \$290,000    | \$290,000    | \$290,000   | \$290,000    | \$290,000                         | \$290,000   | g           |
| III. Unleveraged Cash Flow<br>IRR   |       | \$92,048,747<br>28.62%                       | (\$290,000) | (2290,000)   | (\$290,000)   | (\$290,000)     | (\$290,000) | (\$280,000)  | (\$280,000)  | (\$290,000) | (\$290,000)  | (\$290,000)                       | (\$280,000) | ĝ           |
| Cash Flow Needed to Reach Terget IRR<br>IRR   |       | \$48,301,747<br>22.500%                      | (\$290,000) | (\$290,000)  | (\$290,000)   | (\$290,000)     | (\$290,000) | (\$290,000)  | (\$290,000)  | (\$290,000) | (\$290,000)  | (\$290,000)                       | (\$290,000) | 8           |
| Remaining Cash Flow   |       | \$43,747,000                                 | <u>Q</u>    | <b>S</b>     | ₽.            | C#              | 0\$         | 8            | 0\$          | 0\$         | \$0          | 0\$                               | 1           | 8           |
| Participation Payment before Adjustments<br>(Less) Participation Payment #1<br>(Less) Participation Payment #2  | \$03° | \$21,873,500<br>\$0<br>\$0                   | <b>9</b>    | S            | 8             | <b>3</b>        | 0 <b>\$</b> | <b>9</b>     | e,           | o <b>s</b>  | 0\$          | 08                                |             | <b>Q</b>    |
| Net Participation Payment   |       | \$21,873,500                                 | O\$         | Ç.           | <b>S</b>      | <b>Ģ</b>        | Q\$         | O <b>\$</b>  | <b>3</b>     | 2           | 0\$          | \$0                               |             | 2           |

| ### Total  | 8  | 4 |                              | Į            |            |             |             |             | İ           |            |            |              |              |             | )           |
|--|--|---|------------------------------|--------------|------------|-------------|-------------|-------------|-------------|------------|------------|--------------|--------------|-------------|-------------|
| Project Teamuse   Project Control Co   | NX 3   | _ | ц                            | FI AE        | AF         | PG.         | ¥           | <b>V</b>    | ¥           | ΑK         | ¥          | W            | Ą            | QĄ          | ΦV          |
| Foliati Parameters   Foliation Parameters   | Table 5.<br>Project Cean Flow to Data<br>Perticipation Payment Calculation<br>East Gentron<br>Monteray County,   | , |                              |              |            |             |             |             |             |            |            | SAMPLA       | E FOR SECO   | VD PROGRES  | SS REPORT   |
| Froject Parentines  Froject Coats  Froject Parentines  Froject Par   |  |   | Total                        | 2005         | 2005       | 2005        | 2005        | 2005        | 2005        | 2002       | 2005       | 2005         | 2005         | 2005        | 100         |
| Color   Colo   | i. Project Revenues  |   | 9                            | 780          | 9          | March       | April       | May         | June        | July       | Aug        | Sept         | Ö            | No.         | Det         |
| Subject of the control of the contro   | Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 2  |   | \$78,786,424<br>\$87,847,542 | <b>\$</b> \$ | <b>9</b> 9 | B 8         | នន          | 9 9         | 8 5         | Q <b>Q</b> | S 5        | <del>,</del> | <b>Q</b>     | 80          | S.          |
| Homestading Perventions   \$2,000,000   \$10   \$ | Subtotal   |   | \$214,888,747                | S S          | 85         | <b>3</b>    | 8           | <b>3</b>    | 8           | 3 8        | 2 G        | 2 G          | <del>3</del> | <b>2</b> 2  | <u> </u>    |
| CFD Met Proceeds   | Hometrafiler Perficient Descent  |   |                              | }            | 3          | <b>3</b>    | <b>3</b>    | <b>;</b>    | <b>\$</b>   | 8          | 0\$        | <b>Ş</b>     | 05           | 2           | 8           |
| Secretary   Secr   | CFD Net Proceeds   |   | \$20,000,000                 | S S          | 8 8        | ន ន         | <b>B</b> 5  | ₽ 5         | <b>.</b>    | 8          | 08         | 9            | <b>9</b>     | \$          | 25          |
| Total Sources \$277,090,747 (\$300,000) (\$300,  | Repayment of FORA Load Interest  |   | 000'000'6\$                  | <b>S</b>     | 8          | 8           | <b>,</b>    | <b>₩</b>    | 3 S         | 8 8        | <b>3</b> 5 | <b>3</b> 5   | S, 8         | <b>2</b>    | <b>3</b>    |
| Project Coarse  Project Project Coarse  Projec   | T-1-1-1  |   | 000'00s'1\$                  | <b>&amp;</b> | Ş          | <b>\$</b>   | <b>\$</b> . | <b>9</b>    | <b>\$</b>   | <b>S</b>   | 8          | 3 <b>3</b>   | <b>3 3</b>   | 3 2         | B           |
| Project Carels  Octaviolation  Development Teas  Land Augustion  To find introduction in the process of the property of the project Carels  Land Augustion  To find introduction in the process of the property of the project Carels  Land Augustion  To find introduction in the property of the profess of the project Carels  Land Augustion  To find in the property of the project Carels  Land Augustion  To find in the property of the profess o   |  |   | \$247,698,747                | æ            | <b>S</b>   | 0\$         | <b>G</b>    | \$          | O.S         | 05         | 05         | \$0          | 0\$          | S           |             |
| Consultant between consultants between consultants between consultants between consultants and improvements a first first contain instruction in this contain instruction in the participation Payment of San San San San San San San San San San  | . Project Costs  |   |                              |              |            |             |             |             |             |            |            |              | ļ            | }           | \$          |
| Total Costs    | Consultants Development Fees Land Inprovements Amenities Infrastructure Indirects Management Fees/Sales & Marketing Land Acqualition Property Taxes Chosing Costs/Selling Expenses |   |                              |              | ·          |             |             |             |             |            |            |              |              |             |             |
| Unleveraged Cash Flow IRR         \$82,048,747 / 20.0200         (\$300,000)         (\$300,000  | •  |   | \$155,650,000                | 1            | \$300,000  | \$300,000   | \$300,000   | \$300,000   | \$300,000   | \$300,000  | \$300,000  | \$300,000    | \$300,000    | \$300,000   | 2300 000    |
| \$443,747,000         \$0  |  |   | \$92,048,747                 | (\$300,000)  | ľ          | (\$300,000) | (000'006\$) | (\$300,000) | (\$300,000) |            | ı          | (\$300,000)  | (\$300,000)  | (\$300,000) | (\$300,000  |
| \$43,747,000         \$0   | Cash Flow Needed to Reach Target IRR<br>IRR  |   | \$48,301,747<br>22.500%      | (\$300,000)  |            | (2300,000)  | (2300,000)  | (\$300,000) |             |            |            |              | (2300,000)   |             | (\$300,000) |
| 50% \$21,673,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$  | Remaining Cash Flow  |   | \$43,747,000                 | 23           | <b>3</b>   | <b>⊕</b>    | 0 <b>\$</b> | 8           | 8           | 0\$        | 0\$        | 30           | 9            | <u>.</u>    | 8           |
| \$21,873,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0   | Participation Payment before Adjustments (Less) Participation Payment #1 (Less) Participation Payment #2   |   | \$21,873,500<br>\$0<br>\$0   |              | ₽,         | 8           | \$          | <b>S</b>    | 8           | Ç,         | O\$        | 0\$          | <b>Q</b>     | <u>9</u>    | <b>\$</b>   |
|  | Net Participation Payment  |   | \$21,873,500                 |              | S          | 98          | <u>\$</u>   | <b>S</b>    | \$0         | 8          | 20         | 0\$          | O\$          | 3           | 0.5         |

| 8   | 0 | 0 E   | F  | AR          | 88               |               |                        |              |               |                          |                                       |                    |  | )                        |
|---|---|---|--|-------------|------------------|---------------|------------------------|--------------|---------------|--------------------------|---------------------------------------|--------------------|--|--------------------------|
| APPENDIX 3 Table 5: Project Cash Flow to Date Participation Psyment Calculation East Gentison Monteray County   | 1 | ;   |  | <b>\{\)</b> | 2                | ¥             | ₹                      | <b>₩</b>     | MA ,          | ×                        | SAMPL                                 | AZ<br>E FOR SECO   | X AZ BA 88 SAMPLE FOR SECOND PROGRESS REPORT | 88<br>IS REPO            |
| Project Ravenues  |   | Total   | 2006<br>Jen                                | 2006<br>Feb | 2006<br>March    | 2006<br>April | 2006<br>May            | 2006<br>June | 2006<br>July  | 2006<br>Aug              | 2006<br>Sept                          | 2006<br>Oct        | 2006<br>Nov                                  | 2006<br>Dec              |
| Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subtotal   |   | \$78,786,424<br>\$87,847,542<br>\$46,284,781<br>\$214,896,747 | 8888                                       | <u> </u>    | 3 S S            | 888           | 888                    | 888          | 0 0 0         | 8 8 8                    | 888                                   | 888                | 8 8 8  | 5 G G                    |
| Homebuilder Participation Revenues<br>GFD Net Proceads<br>Tax Increment<br>Repeyment of FORA Loan Interest  |   | \$2,000,000<br>\$20,000,000<br>\$9,500,000<br>\$1,300,000     | # # # # # #<br># # # # # # # # # # # # # # |             | * <b>* * * *</b> | 8 888         | 3 8 8 8 8<br>8 8 8 8 8 | 3 888        | 8888          | 5 6 6 6 1<br>1           | 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 | \$ \$ <b>\$</b> \$ | ର ଉଷ୍ଟ                                       | S S S S                  |
| Total Sources Project Costs   |   | \$247,698,747   | <u>s</u>                                   | <b>3</b>    | 8                | \$ <b>\$</b>  | 3 3                    | <b>2</b>     | S S           | g g                      | 0\$<br>\$                             |                    | g g  | 8 8                      |
| Consultants Development Fees Land Improvements Amenities Amenities Management Fees/Sales & Marketing Land Acquisition Property Taxes Closing Coets/Selling Expenses Total Coets |   | \$156,850,000   | \$840,000                                  | 8840.00     | \$840 cm         | 8840 000      | SEAO CAN               | 070 CAN      | Section CALCA |                          |                                       |                    |  |                          |
| Unisveraged Cash Flow<br>JRR  |   | \$92,048,747<br>28.82%  | (\$840,000)                                | (\$840,000) | (\$840,000)      | (\$840,000)   | (\$840,000)            | (\$840,000)  |               | \$640,000<br>(\$840,000) | \$840,000<br>(\$640,000)              | \$840,000          | \$840,000<br>(\$840,000)                     | \$840,000<br>(\$840,000) |
| Cash Flow Neaded to Reach Target 따R<br>IRR  |   | \$48,301,747<br>22.500%                                       | (\$840,000)                                | (\$840,000) | (\$840,000)      | (\$840,000)   | (\$840,000)            | (\$840,000)  | (\$840,000)   | (\$840,000)              | (\$640,000)                           | (\$640,000)        | (\$840,000)                                  | (\$840,000)              |
| Remaining Cash Flow<br>Particlestion Downers Indoor & Allustrands   | ì | \$43,747,000  | 3  | <b>S</b>    | 9                | 2             | 05                     | 8            | \$            | S,                       | \$                                    | O#                 | <b>05</b>                                    | <b>9</b>                 |
| rendoment system ben's Aquaments<br>(1885) Participation Payment #1<br>(1885) Participation Payment #2<br>Net Perticipation Payment   | Š | \$21,873,500<br>\$0<br>\$0<br>\$21,873,500                    | <b>8</b>                                   | 8 <b>S</b>  | <b>3 3</b>       | S S           | S S                    | S S          | 9 8           | O\$ O\$                  | \$ \$                                 | O\$ D\$            | 8 8  | 8 8                      |
|   |   |   |  |             |                  |               |                        |              |               |                          |                                       |                    |  |                          |

| The Part of  |   | į  |                     |                  | }                |                   |                   |               |                         |               |               |                |                 | )              |
|--|---|--|---------------------|------------------|------------------|-------------------|-------------------|---------------|-------------------------|---------------|---------------|----------------|-----------------|----------------|
| To Date more clinicalization.  The control of the c   |   | 0  |                     | BD               | BE               | BF                | 86                | E             | Ē                       | -             | 140           |                |                 |                |
| Tight  | Table 5. Project Ceath Flow to Date Participation Payment Calculation East Garnison Monterey County   |  |                     |                  |                  |                   |                   |               |                         | 8             | SAMPL         | E FOR SECO     | BM<br>ND PROGRE | BN<br>SS REPOR |
| ### 575 Fig. 18  | Project Reventues   | Total  |                     | 2007<br>Feb      | 2007<br>March    | 2007<br>April     | 2007<br>May       | 2007<br>June  | 2007<br>July            | 2007<br>Aug   | 2007<br>Sept  | 2007<br>Ogel   | 2007<br>Nov     | 200            |
| #\$2,000,000 #\$1 50 50 50 50 50 50 50 50 50 50 50 50 50   | Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subtotei   | \$78,786,424<br>\$87,647,542<br>\$48,284,781 | S G S               | S S S            | 888              | 0\$<br>0\$<br>0\$ | 05 05 05<br>05 05 | 888           | 888                     | \$ <b>6</b> 5 | \$ \$ \$ £    | 09 09          | 888             | 3 88           |
| #\$2,000,000 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10  | Homely Make Beatle, and   | 47,080,141                                   | <b>3</b>            | <u>2</u>         | 24               | <b>3</b>          | OŞ.               | <b>₽</b>      | Q.                      | S<br>S        | <b>S</b>      | 8              | 8 8             | 8 8            |
| ##J-500,000<br>##J-500,000<br>##J-500,000<br>##J-500,000<br>##J-500<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-600<br>##J-6 | CFD Net Proceeds  Eax Increment   | \$2,000,000<br>\$20,000,000                  | * *                 | 8 8              | \$ <b>8</b>      | 88                | 88                | 路 원           | <b>8</b> 8              | 88            | <b>Ç</b>      | 9              | 9               | <b>3</b>       |
| #247,696,747 cellng  #155,650,000  #92,048,747  #94,8747  #94,187  #95,000  #93,747,000  #90,821,673,500  #90  #90,821,673,500  #90,821,673,500  #90,821,673,500   | Repayment of FORA Loan Interest   | 000,006,1%                                   | <b>\$</b>           | 88               | <b>&amp;</b> &   | <b>8</b> 8        | 88                | <b>3</b> 53 5 | <b>;</b> ; ;            | <b>3 2</b> :  | <b>2</b> 8    | S S            | 8 S             | <b>₽</b>       |
| #155,850,000<br>#502,048,747<br>#502,048,747<br>#503,001,747<br>#513,747,000<br>#513,747,000<br>#513,747,000<br>#51,873,500<br>#50   | Total Sources   | \$247,698,747                                | Ş                   | 5                | .                | }                 | 3                 | g.            | 7                       | 05            | <b>8</b>      | S<br>S         | 25              | <b>₽</b>       |
| #155,850,000 #\$15,850,000 #\$2,487,47 #\$48,301,747 #\$48,301,747 #\$48,301,747 #\$48,301,747 #\$68,30  | Project Coats   |  | 3                   | 3                | 7                | ā                 | <b>5</b>          | S<br>S        | <del>0</del>            | 0\$           | 0\$           | 0\$            | \$0             | 0\$            |
| \$92,048,747 (\$28,82%, \$25,048,747 (\$28,82%, \$25,00%, \$22,500%, \$23,747,000 [bistments 50% \$21,873,500 \$50 \$30 \$30 \$30 \$30 \$30 \$30 \$30 \$30 \$30 \$3  | Consultants Development Fees Land Improvements Annenities Infrastructure Indirects Management Fees/Sales & Marketing Land Acquisition Property Taxes Closing Costs/Selling Expenses Total Costs |  |                     |                  |                  |                   |                   |               |                         |               |               |                |                 |                |
| \$92,048,747  'get IRR \$48,301,747  22,500%  \$43,747,000  [ustments 50% \$21,873,500  \$60  \$10,873,500   |   | 000,058,661\$                                | \$3,000,000 \$3,    | 000,000          | 000'000'         | ES 000'000        | 000,000           | 000,000       | \$ 000,000,             | 3,000,000,8   | 000,000,53    | \$3,000,000    | 3,000,000       | 53,000,000     |
| \$46,301,747<br>22,500%<br>\$43,747,000<br>lustmenks 50% \$21,673,500<br>\$0<br>\$21,873,500   | Unieveraged Gash Flow<br>IRR  | \$92,048,747<br>28.82%                       | (\$3,000,000) (\$3, | 000'000<br>(\$3' | ,000,000,        | 000,000) (\$3,    | (\$3)             | S\$) (000'00C | *) (000'000'            | 3,000,000,6   | ) (000'000'6  | \$3,000,000) ( | ) (000'000'65   | 3,000,000      |
| \$43,747,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0   | Cash Flow Needed to Reach Target IRR<br>IRR   | \$48,301,747<br>22.500%                      | (\$3) (000'000'6\$) | 000'000          | (1000'000) (\$3) | 300,000) (\$3,    | )*E\$) (000'000   | e\$) (000'00c | <b>:\$) (000'000</b> '1 | s) (000°000's | 3) (000'000'5 | s) (000'000'es | 3,000,000) (    | (000'000'E     |
| Lustments         50%         \$21,873,500         \$0 <td>Remaining Cash Flow</td> <td></td> <td><u>S</u></td> <td>9</td> <td>S S</td> <td><b>\$</b></td> <td><b>9</b></td> <td>2</td> <td>05</td> <td><b>₽</b></td> <td>\$0</td> <td>0\$</td> <td>0\$</td> <td></td>   | Remaining Cash Flow   |  | <u>S</u>            | 9                | S S              | <b>\$</b>         | <b>9</b>          | 2             | 05                      | <b>₽</b>      | \$0           | 0\$            | 0\$             |                |
| \$21,873,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0   | Participation Payment before Adjustments (Less) Participation Payment #1 [Less] Participation Payment #2 MAR Definition Payment #2  | 50% \$21,873,5                               | 0\$                 | Qş               | Ş.               | <b>\$</b>         | <b>0</b> \$       | <b>9</b>      | <b>\$</b>               | OS.           | <b>Q</b>      | <b>9</b>       | <b>9</b>        | <b>0</b> \$    |
|  | Net Participation Payment   | \$21,873,500                                 | OS                  | 0\$              | <b>\$</b>        | SO .              | Ş                 | 0\$           | 0\$                     | 2             | Ş             | 0\$            | Q\$             | S              |

| Prijector 1. Prije   | E   | 2  | 2      |                   |                  |                |              |                |                |                  |                |                 | )                |           |
|--|---|--|--------|-------------------|------------------|----------------|--------------|----------------|----------------|------------------|----------------|-----------------|------------------|-----------|
| Project Power Labellation    | XXIC  | 2  | #0     | ±                 | BO               | BR             | 88           | -<br>H         | BÜ             | λß               | BW             | BX              | EV.              | 28        |
| Project Powerings  Table   | Table 5.<br>Project Cash Flow to Date<br>Project Cash Flow to Date<br>Part Carlison<br>Monterey County  |  |        |                   |                  |                |              | !              |                |                  | SAMPLE         | FOR SECONI      | PROGRESS         | REPORT    |
|  |   | <br>   | ·      |                   | 2008             | 2008           | 2008         | 2008           | 2008           | 2008             | 2008           | 2008            | 2008             | 202       |
| Class Permana - Prana   Standard - Standar   | Project Revenues  |  |        |                   | Indiana.         | 2              | MBY          |                | AUIA           | Aug              | Sept           | 8               | Nov              |           |
| Shooled Single Shooled Single Shooled Single Shooled Single Shooled Shooled Single Shooled Single Shooled Shooled Single Shooled Shool   | Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3   | \$78,786,424<br>\$87,847,542<br>\$48,084,784 |        | <u> </u>          | 333              | 88             | <u> </u>     | 88             | \$ 0\$<br>\$0  | 2,708,120<br>\$0 | S S            | 88              | 99               | S 6       |
| Permetalities Perincipation Revenues   \$2,000,000   \$10 | Subtotal  | \$214.898.747                                |        | 0                 | 2                |                | 2            | 8              | OS.            | \$               | OS.            | 08              | 9                | <b>3</b>  |
| Prombotidate Participation Revenues   \$2,000,000  |   |  |        | 7                 | 0                | <u>,</u>       | 2            | S              | \$0            | 2,708,120        | 0\$            | 8               | 2                | B         |
| Tax Increment         \$5,60,000           Repayment of FORA Loan kiterest         \$247,699,147           Project Costs         \$247,699,147           Project Costs         \$247,699,147           Consultants         Consultants           Development Fees         Land Angueria           Inmastructure Indicates         Marketing           Land Acquisition         Property Taxes           Consists Cours Saling Expenses         \$155,650,000           Unleaveraged Cash Flow         \$22,000           RR         Cash Flow Needed to Reach Target IRR         \$48,301,747           IRR         Santicipation Payment #1         \$0           Class Participation Payment #2         \$0           Loss Participation Payment #2         \$6           Statistical Information Payment #2         \$6           Statistical Information Payment #2         \$6           Class Participation Payment #2         \$6           Statistical Information Payment #2         \$6  | Nomebuilder Participation Revenues<br>CFD Net Proceeds  | \$2,000,000                                  |        | S 6               | 2                | <b>B</b>       |              | 8              | S,             | 0\$              | 20             | 2               | Ç,               | 80        |
| Repayment of FORA Loan kiterest \$1,300,000  Total Sources \$247,698,747  Project Costs  Consultants Consultants Consultants Consultants Indiagement Fees/Sales & Marketing Land Angustifican Property Taxes Closing Costs/Sales & Marketing Land Angustifican Property Taxes Closing Costs/Sales & Marketing Land Angustifican Property Taxes Closing Costs/Sales & Marketing Land Angustifican Property Taxes Closing Costs/Sales & Marketing Land Angustifican Property Taxes Closing Costs/Sales & Marketing Land Angustifican Property Taxes Closing Costs/Sales & Marketing Land Angustificant Property Taxes Closing Costs/Sales & Marketing Land Angustificant Property Taxes Closing Costs/Sales & Marketing Land Angustificant Property Taxes Sales (Lass) Participation Payment #1 \$0 (Less) Participation Payment #2 \$0 (Less) Participation Payment #2 \$0 (Less) Participation Payment #2 \$0 \$1,873,500 \$21,873,500   | Tax Increment   | \$9,500,000                                  |        | 2 5               | 2 5              | <u> </u>       |              | 5,695,000      | ខ្ពះ           | <b>S</b>         | <b>Q</b>       | ¥               | Q,               | <b>3</b>  |
| Total Sources         \$247,699,747           Project Costs         \$247,699,747           Consultants         Consultants           Land Approxements         Amanylities           Amanylities         Marketing           Land Acquisition         Marketing           Land Acquisition         Control Costs           Land Acquisition         Control Costs           Land Acquisition         Spanses           Costs Costs         Costs Costs           Land Acquisition         Spanses           Costs Costs         Costs Costs           Universight Costs         Spanses           Cast Flow Needed to Roach Target IRR         \$49,304,747           IRR         Statisfication Payment #1         \$60%           Rentality Destribution Payment #2         \$60           Loss) Participation Payment #2         \$60           Statistical Interest #2         \$60           Statistical Interest #2         \$60           Statistical Interest #2         \$60           Statistical Interest #2         \$60           Statistical Interest #2         \$60           Statistical Interest #2         \$60           Statistical Interest #2         \$60           Statistical Interest #2         <   | Repayment of FORA Loan Interest   | \$1,300,000                                  |        | <b>9</b>          | <b>S</b>         | <u> </u>       |              | 3 3            | 2 <b>2</b>     | 3 S              | 8 8            | 2 2             | 88               | # #       |
| Project Coets  Consultants  Consultants  Land inpovements  Amenities  Amenities  Management Fees  Land Acquisition  Fees  Land Acquisition  Coaris (Coaris Cotaris Saling Expenses  Total Coaris  Coaris (Coaris Coaris Flow  Universigad Cash Flow  Gash Flow Needed to Reach Target IRR  Seq 301,747  Remaining Cash Flow  Seq 301,747  Semaining Cash Flow  Settle Scool  S   | Total Sources   | \$247,688,747                                |        | 0\$               | 98               | 98             | - 1          | 1,605,000      | 6              | 700 400          |                |                 |                  | ٠         |
| Consultants Development Fees Land Improvements Amenities Infrastructure indirects Management Fees/Sales & Marketing Land Acquaition Property Taxes Closing Costs Total Costs Total Costs Cast Flow Needed to Reach Target IRR RR Cash Flow Needed to Reach Target IRR RR RR RR Remaining Cash Flow Ferdicipation Payment #1 \$60% \$22,00% \$43,747,000 Ferdicipation Payment #1 \$60% \$21,873,500 Ferdicipation Payment #2 \$60% \$21,873,500 Ferdicipation Payment #2 \$60% \$21,873,500 Ferdicipation Payment #2 \$60% \$60% \$60% \$60% \$60% \$60% \$60% \$60%   | Project Costs   |  |        |                   | ;                | ;              |              | 200            | •              | 2,7 UB, 120      | Ç.             | <b>\$</b>       | <b>3</b>         | 3         |
| Unieveraged Cash Flow   \$92,048,747   IRR   28,82%     Cash Flow Needed to Roach Target IRR   \$48,301,747     IRR   Semaining Cash Flow   \$43,747,000     Participation Payment #1   \$50%   \$21,673,500     Cleasi Participation Payment #2   \$50%   \$21,673,500     Cleasi Participation Payment #2   \$50%   \$21,673,500     Cleasi Participation Payment #2   \$50%   \$21,673,500     Cleasi Participation Payment #2   \$50%   \$21,673,500     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Participation Payment #2   \$50%     Cleasi Payme  | Consultants  Dovelopment Fees  Land Improvements  Amenilles  Infrastructure Indirects Maragement Fees/Sales & Marketing  Land Acquisition  Property Taxes  Closing Coest/Solling Expenses |  | ·<br>1 |                   |                  |                |              |                |                |                  |                |                 |                  |           |
| Unieveraged Cash Flow \$92,046,747  IRR 2882%  Cash Flow Needed to Reach Target IRR \$48,301,747  IRR 22,500%  Remaining Cash Flow \$43,747,000  Participation Payment #1 \$0 \$21,673,500  (Less) Participation Payment #1 \$0 \$21,673,500  Net Participation Payment #2 \$21,673,500  Net Participation Payment #2 \$21,673,500   |   | \$155,650,000                                |        | \$3,200,000       | 3,200,000 \$3,   | 200,000 \$3,   | 200,000      | 3,200,000 \$   | 3,200,000 \$   | 3,200,000        | 3,200,000 \$   | 3,200,000 \$    | 3,200,000 \$3,   | 200,000   |
| \$48,301,747         (\$3,200,000)         (\$3,200,000)         (\$3,200,000)         (\$3,200,000)         (\$3,200,000)         \$60,608,120           \$43,747,000         \$0   | fit. Unleveraged Cash Flow<br>IRR   | \$92,046,747<br>28.829                       |        | (\$3,200,000) (\$ | 3,200,000) (\$3, | 200,000) (\$3, | 200'000) \$3 | 3,495,000 (\$  | 3,200,000) \$6 | 9,508,120 (\$    | 3,200,000) (\$ | 3,200,000) (\$3 | 3,200,000) (\$3, | 200,000   |
| \$43,747,000         \$0   | Cash Flow Neaded to Reach Terget IRR<br>IRR   | \$48,301,747<br>22.500%                      | , e    | \$) (000'002'£\$) | 3,200,000) (\$3, | 200,000) (\$3, | 200,000) \$3 | 3,485,000 (\$3 | 3,200,000) \$6 | 9,508,120 (3     | 3,200,000) (\$ | 3,200,000) (\$2 | ,200,000) (\$3,  | 200,000   |
| 50% \$21,673,600 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$  | Remaining Cash Flow   | \$43,747,000                                 |        | 0\$               | 9                | 8              | <u>.</u>     | <b>\$</b>      | 9              | 0\$              | \$0            | \$0             | 0\$              | <b>S</b>  |
| \$21,973,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0   | Perticipation Payment before Adjustments<br>(Less) Participation Payment #1<br>(Less) Participation Payment #2  | į  |        | <b>9</b>          | <del>g</del>     | 8              | 0%           | 0 <b>5</b>     | <b>3</b>       | <b>3</b>         | ន្ត            | O\$             | 0 <b>\$</b>      | <b>\$</b> |
|  | Net Perticipation Payment   | \$21,873,500                                 |        | <b>S</b>          | es<br>S          | S              | <b>3</b>     | 8              | 0\$            | 0\$              | 8              | \$0             | 0\$              | <b>S</b>  |

|   | G 0 E F GA  | Project Cearl Flow to Data Participation Psyment Catculation East Carnison Monierey County | Project Revenues . Total | Lot Sale Revenues - Phase 1  Lot Sale Revenues - Phase 2  Lot Sale Revenues - Phase 3  Sale 264.754  Subtotal  Subtotal |                | \$20,000,000<br>\$9,500,000   | \$1,300,000  | \$44',686,74( \$1,300,000 | Consultants Development Fees Development Fees Development Fees Amandiae Property Taxes Closing Costa/Selling Expenses Total Costs  \$1556,850,000 \$2,800,000 | \$92,048,747 (\$1,300,000)<br>IRR 28 29 2048,747 (\$1,300,000) | Cash Flow Needed to Reach Target IRR \$48,301,747 (\$1,300,000)<br>IRR 22,500%   | \$43,747,000 | \$21,873,500<br>bx #1 \$0<br>st. | \$21,873,500 |
|---|-------------|--|--------------------------|---|----------------|---|--------------|---------------------------|---|--|--|--------------|----------------------------------|--------------|
|   | 80          |  | 2009 2009<br>Jan Feb     | \$0 \$9,078,304<br>\$0 \$0<br>\$0<br>\$0 \$6,078,304  |                | 26 25<br>26 25  | i:           | 00 \$6,078,304            | 000'000 22\$  | £3,478,304   | \$3,478,304  | 0\$ 0\$      | 0\$ 0\$                          | 0\$ 0\$      |
| ) | 33          |  | 2009 2009<br>Merch April | S S S S   |                | 2 2<br>2 2<br>2 3   |              | 0\$<br>0\$                | \$2,600,000 \$2,600,000   | (\$2,600,000) (\$2,600,000) (\$2,900,000)                      | (\$2,600,000) (\$2,600,000) (\$2,800,000) \$4,835,000 (\$2,800,000) \$43,551,507 (\$2,600,000) (\$2,600,000) (\$2,600,000) (\$2,600,000) | 0\$          | \$0 \$0                          | 0\$ 0\$      |
|   | CE          |  | 9 2009<br>il May         | 0,00,00   | 2              | S S   | 0\$          | \$0 \$7,435,000           | \$2,800,000 \$2,600,000 \$2,600,000   | (\$2,900,000) \$4,83   | (\$2,800,000) \$4,83   | <b>S</b>     | O <b>S</b>                       | 0\$          |
|   | 93 <u>J</u> |  | 2009 21<br>June          | S S S   |                | \$7,435,000   |              |                           | 0,000 \$2,600,0   | 5,000 (\$2,600,0   | 5,000 (\$2,800,0   | 0\$          | 8                                | 0\$          |
|   | 동           |  | 2009 2009<br>July Aug    | \$0<br>\$0 \$39,818,174<br>\$0  | •              | \$0<br>\$0<br>\$0<br>\$0<br>\$0<br>\$0<br>\$0<br>\$0<br>\$0<br>\$0<br>\$0<br>\$0<br>\$0<br>\$ |              | \$0 \$46,151,507          | 00 25: 600,000 52: 600,000  | 1 - 7  | 00) \$43,551,507   | 0\$          | 08 08                            | 0\$          |
|   | 5           | SAMPLE   | 2009<br>Sept             | S & B   | <b>2</b>       | 3 5 5   | <b>\$</b> \$ | <b>0\$</b>                | 1   | (\$2,800,000) (\$2   | (\$2,600,000) (\$2   | \$0          | ន្ធ                              | OS.          |
|   | 3           | FOR SECOND   | 2009<br>Oct              | 8 8 8   | <b>S</b> 8     | 3 8 8   | 8 84         | æ                         | 000 000 28  | ,600,000) (\$2,0   | , soa, ooo) (\$2,6   | O\$          | ₽                                | G.           |
| ) | SX C        | SAMPLE FOR SECOND PROGRESS REPORT  | 2009 2009<br>Nov Dec     | <b>8</b> 80 80 80 80  | <b>&amp;</b> : | 2 <b>2</b> 8  | 3 S          | 0\$                       | 52 600 DOG SS ROOTED  | 600,000) (\$2,600.   | 600,000) (\$2,600,   | 03           | <u>Q</u>                         | 5            |

| Comparison   Com   |   |  |                         |               | )                         |                  |                  |                              |              |               |                | )                 |               |
|--|---|--|-------------------------|---------------|---------------------------|------------------|------------------|------------------------------|--------------|---------------|----------------|-------------------|---------------|
| Project Case Province  Est Gardinan  Total Case Revenues  Total Case Rev   |   | Δ  | CM                      | -             | F                         | ŀ                | 83               | -                            | -            |               | i              |                   |               |
| Project Revenues Press   Project Revenues Press   Project Revenues Press   Project Revenues Press   Project Revenues Press   Project Revenues Press   Project Revenues Press   Project Revenues Press   Project Revenues Press   Project Revenues Press   Press   Project Revenues Press   Press   Project Revenues Press   Press   Project Revenues Press     | $\overline{}$                               |  | <u> </u>                |               |                           | _                | 3                | -                            |              |               | CV<br>FOR SECO | CW                | SS REPOR      |
| Lot Safe Forentiase - Phase 2  |   | Tota   | 2010                    |               |                           |                  |                  | 2010<br>July                 | 2010<br>Aug  | 2010<br>Serv  | 2010           | 0102              | 2010          |
| Subtoble    |   | \$78,789,424<br>\$87,847,542<br>\$48,264.781 | 225                     | 8 % 8         | S & &                     |                  |                  | 33                           | \$0\$<br>838 | S 3 3         | S 55           | 05 05 05<br>05 05 |               |
| Hambeldietr Perity Carlo (TP) MH Partholidist Revertee (S20000000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S100000 S100000 S100000 S100000 S100000 S100000 S100000 S100000 S1000000 S100000 S100000 S100000 S100000 S100000 S100000 S100000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S100000 S1000000 S100000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S1000000 S100000000   |   | \$214,899,747                                | 8                       | 1,734         | 200                       |                  |                  | \$0 \$33,332<br>\$0 \$80,739 | 158          | 8 5           | <b>B</b>       | 8                 | 8             |
| Total Sources   25,000,000   20   20   20   20   20   20   |   | \$2,000,000                                  |                         | 8             | Q:                        |                  |                  | 0.5                          | . S          | }             | 2 £            | <u> </u>          | <b>.</b>      |
| Total Sources   \$1,300,000 \$17,011,1734 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10  | Tax Increment                               | 000'005'6\$<br>\$9,500'000                   |                         | S S           | 22                        |                  |                  |                              | 묘            | <b>3</b>      | 3 8            | 3 8               | 3 B           |
| Project Consist   Project Project Consist   Project Project Consist   Project Project   Project Project Consist   Project Project Project   Project Project Project   Project Project Project   Project Project Project Project   Project Proj   |   | \$1,300,000                                  | \$                      | <b>.</b>      | <u>Q</u>                  |                  |                  |                              | }<br>8       | G G           | 8<br>8         | <b>&amp;</b> &    | <b>₩</b>      |
| Consultants         Consultants         Consultants         Reposition of superior products         Reposition of superior pr  | <del>_</del> _                              | <b>\$247,698,747</b>                         | \$1,000,000 \$17,611    | 1,734         | <b>Ş</b>                  |                  |                  |                              | 825          | 03            | S              | OS.               | :   <b>S</b>  |
| III   Universigned Cash Flow   \$52,100,000   \$2,100,000            |   |  |                         |               |                           |                  |                  |                              |              |               |                |                   |               |
| Fig.   Sec. 100,000   \$16,511,734   \$2,100,000   \$16,511,734   \$2,100,000   \$2,100,000   \$3,770,000   \$2,100,000   \$2,100,000   \$2,100,000   \$2,100,000   \$3,770,000   \$2,100,000   \$3,770,000   \$2,100,000   \$3,770,000   \$2,100,000   \$3,770,000   \$2,100,000   \$3,770,000   \$2,100,000   \$3,770,000   \$2,100,000   \$3,770,000   \$2,100,000   \$3,770,000   \$2,10           | =   | \$155,660,000                                | 000'00                  |               | 1,000 \$2,100,0           | 300 \$2,100,00   | \$2,100,000      |                              | F            | J             |                | 2,100,000         | \$2,100,000   |
| Cash Flow Needed to Reach Target IRR   \$48,301,747   \$1,100,000) \$15,511,734   \$2,100,000) \$3,770,000   \$2,100,000) \$3,770,000   \$2,100,000) \$3,770,000   \$2,100,000) \$3,770,000   \$2,100,000) \$3,770,000   \$2,100,000) \$3,770,000   \$2,100,000) \$3,770,000   \$2,100,000  \$3,770,000   \$2,100,000  \$3,770,000   \$2,100,000  \$2,100,000  \$3,770,000   \$2,100,000  \$2,100,000  \$3,770,000   \$2,100,000 |   | \$92,048,747<br>28.82%                       | (\$1,(00,000) \$15,611. |               | 1,000) (\$2,100,0         | 100) (\$2,100,00 |                  | (\$2,100,000) \$61,806,      | 825 (\$2,10  | 00,000) (\$2, | 100,000) (\$   |                   | (\$2,100,000) |
| Remarking Cash Flow         \$43,747,000         \$0         <   | Cash Flow Needed to Reach Target IRR<br>IRR | \$48,301,747<br>22.500%                      | <b>6</b>                | ,734 (\$2,100 | 1,000) <b>(\$2</b> ,100,£ | 100] (\$2,100,00 | 0) \$3,770,000 ( | (\$2,100,000) \$81,805,      | 525 (\$2,10  | , zs) (000'00 | \$) (000'001   |                   | (\$2,100,000) |
| Participation Payment #1   |   | ļ  | 0\$                     | 0.8           | Q.                        |                  |                  | \$0                          | <b>⊗</b>     | ₽             | 0\$            | S                 | 9             |
| \$21,873,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0   |   | 50% \$21,873,5                               | O <b>\$</b>             | Q <b>.</b>    |                           |                  | •                | O\$                          | ş            | <b>0</b>      | 8              | S.                | . <b>.</b>    |
|  |   | \$21,873,500                                 |                         | <b>0</b>      | 1                         | •                |                  | \$0                          | 0\$          | \$0           | \$             | Q.                | <b>S</b> \$   |

| A B  | CD  |   | 2                                       | 2  | ž             | 6             |             |                          |                          |                            |                                   |             |                  |             |
|--|-----|---|---|--|---------------|---------------|-------------|--------------------------|--------------------------|----------------------------|-----------------------------------|-------------|------------------|-------------|
| APPENDIX 3 Table 5. Project Ceah Flow to Date Perdicpation Payment Celculation East Garrieron Moniterey, County  | 1   |   | 3                                       | 3  | <b>X</b>      | 88            | 8           | 8                        | <b>H</b>                 | SAM                        | SAMPLE FOR SECOND PROGRESS REPORT | DH          | DI  <br>GRESS RI | E OR        |
| . Project Revenues   |     | Total   | 2011<br>Jan                             | 2011<br>Feb  | 2011<br>March | 2011<br>April | 2011<br>May | 2011<br>June             | 2011<br>July             | 2011<br>Aug                | Z011<br>Sept                      | 2011<br>Oct | 2011<br>Nov      | 2011<br>Dec |
| Lot Sale Revervues - Phase 1<br>Lot Sale Revervues - Phase 2<br>Lot Sale Revervues - Phase 3<br>Subtolal   |     | \$78,788,424<br>\$87,647,542<br>\$48,284,781<br>\$214,898,747 | <b>888</b> 8                            | \$3<br>\$3,010,995<br>\$14,932,281<br>\$17,943,256 | Ç Ç Ç         | \$ \$ \$ \$   | <u> </u>    | 888                      | S S S                    |                            |                                   |             |                  |             |
| Homebuilder Participation Revenuss<br>CFD Net Proceeds<br>Tex Increment<br>Repayment of FORA Loan interest   |     | \$2,000,000<br>\$20,000,000<br>\$9,500,000<br>\$1,300,000     | \$1,000,000<br>\$0<br>\$0<br>\$0<br>\$0 |  |               | 8888          | 3 2 2 2 3   | ; <u> </u>               | 3 2 2 2 2                |                            |                                   |             |                  |             |
| Total Sources II. Project Coats  |     | \$247,698,747   | \$1,000,000                             | \$17,943,256                                       | O\$           | <b>0</b> \$   | <b>3</b>    | \$0                      | 8                        |                            |                                   |             |                  |             |
| Consultants Development Fees Land Improvements Amenities infrastructure Indirects Management Fees/Sales & Marketing Land Acquisition Property Taxes Closing Costa/Selling Expenses Total Costs | •   | EN REARCHION  | 0.00 VE.                                | CASS   |               |               |             |                          |                          | ·                          |                                   |             |                  |             |
| 37<br>36 M. Unieveraged Cash Flow<br>39 IRR  |     | \$92,048,747<br>28,82%  | \$530,000                               | \$17,473,258                                       | (\$470,000)   | (\$470,000)   | \$470,000)  | \$470,000<br>(\$470,000) | \$470,000<br>(\$470,000) |                            |                                   |             |                  |             |
| Cash Flow Needed to Reach Target IRR<br>IRR  |     | \$48,301,747<br>22.500%                                       | \$530,000                               | \$17,473,256                                       | (\$470,000)   | (\$470,000)   | (\$470,000) | (\$470,000)              |                          | (\$470,000) (\$43,747,000) |                                   |             |                  |             |
| Remaining Cash Flow  |     | \$43,747,000  | O.S.                                    | \$0  | 8             | 0\$           | \$0         | 0\$                      | <b>Q</b>                 | \$43,747,000               |                                   |             |                  |             |
| Participalion Payment before Adjustments (Less) Participation Payment #1 (Less) Participation Payment #2   | 20% | \$21,873,500<br>\$0<br>\$0                                    | <b>9</b>                                | 9  | <b>9</b>      | <u>\$</u>     | \$          | <b>S</b>                 | S <sub>s</sub>           | \$21,873,500               |                                   |             |                  |             |
| Net Participation Payment  |     | \$21,873,500  | 0\$                                     | <b>S</b>   | #             | 0 <b>\$</b>   | 0\$         | O.S.                     | o <b>\$</b>              | \$21,873,500               |                                   | ı           |                  |             |

articipation Templets 12:42 AS vis

# **APPENDIX 4**

# AGENCY PARTICIPATION MODEL FOR FINAL PROGRESS REPORT

| Table 1 | Sample of Lots Sold Todate                                |
|---------|---|
| Table 2 | Sample of Residual Lot Values For Communities Sold Todate |
| Table 3 | Sample of Lots Sold To Non-Affiliated Homebuilders        |
| Table 4 | Sample of Summary of Participation Calculation            |
| Table 5 | Sample of Participation Calculation                       |

|                | Α    | <u> </u>           | В                     | С                                      | D          | ΤĒ   | F           | G     | Н                                       | 11   | J                 |
|----------------|------|--------------------|-----------------------|--|------------|------|-------------|-------|---|------|-------------------|
| 11             | API  | PENDIX 4           |                       | ······································ |            |      | <u> </u>    | FOR F | NAL PRO                                 | GRES | S REPORT          |
| 2              | Tab  | le 1.              |                       |  |            |      |             |       |   |      |                   |
|                | Lots | Sold to Date       | e (Excluding Afford   | dable An                               | artments & | Town | Center Cond | os)   |   |      |                   |
|                |      |                    | ment Calculation      |  |            |      |             | ••,   |   |      |                   |
|                |      | t Garrison         | Motile Caleana        |  |            |      |             |       |   |      |                   |
| _              |      | terey County       | •                     |  |            |      |             |       |   |      |                   |
| 7              |      | itoroy oburity     |                       |  |            |      |             |       |   |      |                   |
| 8              |      |                    |                       |  |            |      |             |       |   |      |                   |
|                | Date | of Progress        | Report                |  | 2/15/2013  |      |             |       |   |      |                   |
| 10             | 540  | or rogicos         | Hoport                |  | 23 13/2013 |      |             |       |   |      |                   |
| 11             |      |                    |                       |  |            |      |             |       |   |      |                   |
| 12             |      |                    | •                     |  | Date of    | ٦    | Lots in     | Tota  | l Commun                                | 14.  | Price             |
| 13             |      | Com                | munity of Lots        |  | Sale       |      | Community   |       | Sale Price                              | ILY  |                   |
| 14             |      | COH                | indiaty of Lots       | ,                                      | Jaio       |      | Community   |       | sale Price                              | _    | Per Lot           |
| 15             |      |                    |                       |  |            |      |             |       |   |      |                   |
| 16 1.          |      | Phase 1            |                       |  |            |      |             |       |   |      |                   |
| 17             | •    | rnase i            |                       |  |            |      |             |       |   |      |                   |
|                |      | C+1 1- AFF         |                       |  |            |      |             |       |   |      |                   |
| 18             |      |                    | iliated Homebuilde    | <u>#5</u>                              | DUEBOOS    |      | 97.4        | ,     |   |      |                   |
| 19             |      | Community          |                       |  | 8/15/2008  |      | 274         |       | 8,550,760                               |      | \$213,689         |
| 20             |      | Community          | ∠ (Table 2b)          |  | 2/15/2009  |      | 22          | -\$6  | 5,078,304                               |      | <b>\$276,28</b> 7 |
| 21             |      |                    |                       |  |            |      |             |       |   |      | ļ                 |
| ]              |      | Sales to Nor       |                       |  |            |      |             |       |   |      |                   |
| 22             |      | Homebuilde         | r <u>s (Table 3a)</u> |  | 8/15/2008  |      | 53          | \$1   | 4,157,360                               |      | \$267,120         |
| 23             |      |                    |                       |  |            |      |             |       |   |      |                   |
| 24             |      | Total Phase        | 1                     |  |            |      | 349         | \$7   | 8,786,424                               |      | \$225,749         |
| 25             |      |                    |                       |  |            |      |             |       |   |      |                   |
| 26             |      |                    |                       |  |            |      |             |       |   |      |                   |
| <u> 27 [[]</u> | i.   | Phase 2            |                       |  |            |      |             |       |   |      |                   |
| 28             |      |                    |                       |  |            |      |             |       |   |      |                   |
| 29             |      | Sales to Affil     | liated Homebuilde     | <u>rs</u>                              |            |      |             |       |   |      |                   |
| 30             |      | Community 1        | 1 (Table 2c)          |  | 8/15/2009  |      | 213         | \$3   | 9,818,174                               |      | \$186,940         |
| 31             |      | Community 2        | 2 (Table 2d)          |  | 2/15/2010  |      | 69          | \$1   | 7,611,734                               |      | \$255,243         |
| 32             |      | Community 3        | 3 (Table 2e)          |  | 8/15/2010  |      | 117         | \$2   | 7,406,638                               |      | \$234,245         |
| 33             |      | Community 4        | (Table 2f)            |  | 2/15/2011  |      | 13          |       | ,010,995                                |      | \$231,615         |
| 34             |      | -                  | ,                     |  |            |      |             | •     | 1                                       |      | <b>*</b>          |
|                |      | Sales to Non       | -Affiliated           |  |            |      |             |       |   |      |                   |
| 35             |      | Homebuilder        |                       |  |            |      |             |       |   |      |                   |
| 36             |      |                    | _                     |  |            |      |             |       |   |      |                   |
| 37             |      | Total Phase        | 2                     |  |            | -    | 412         | \$8   | 7,847,542                               |      | \$213,222         |
| 38             |      |                    | _                     |  |            |      | 115         | ΨΟ    | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |      | 42 10,222         |
| 39             |      |                    |                       |  |            |      |             |       |   |      |                   |
| 40 III         | I.   | Phase 3            |                       |  |            |      |             |       |   |      |                   |
| 47             | ••   | . 11636 A          |                       |  |            |      |             |       |   |      |                   |
| 42             |      | Salan to A#II      | iated Homebuilder     | ~                                      |            |      |             |       |   |      |                   |
| 12             |      |                    |                       | _                                      | DISEMBAS   |      | 047         | ***   | 000 500                                 |      | B4 50 000         |
| 43<br>44       |      | Community 1        |                       |  | 8/15/2010  |      | 217         |       | 3,332,520                               |      | \$153,606         |
| <del>14</del>  |      | Community 2        |                       |  | 2/15/2011  |      | 94          |       | 1,932,261                               |      | \$158,854         |
| 45<br>46       |      | Community 3        |                       |  | 8/15/2011  |      | 62          |       | 3,253,573                               |      | \$213,767         |
| <del>1</del> 5 |      | Community 4        | ( i able 2j)          |  | 2/15/2012  |      | 30          | \$7   | ,177,182                                |      | \$239,239         |
| 17             |      | <b>.</b>           |                       |  |            |      |             |       |   |      |                   |
|                |      | Sales to Non       |                       |  |            |      |             |       |   |      | l                 |
| 18             |      | <u>Homebuilden</u> | <u>§</u>              | •                                      |            |      |             |       |   |      |                   |
| 19             |      | •                  |                       |  |            | _    |             |       |   |      |                   |
| 90             |      | Total Phase 3      | 3                     |  |            | _    | 403         | \$68  | ,695,536                                |      | \$170,460         |
| 51             |      |                    |                       |  | ,          |      |             | •     | •                                       |      |                   |
| 52             |      |                    |                       |  |            |      |             |       |   | 7    |                   |
| 3 IV           |      | Total Project      | t to Date             |  | •          | =    | 1,164       | \$23  | 5,329,502                               | = =  | \$202,173         |
| 54             |      | . , , -,           | <del></del>           |  |            |      | .,, .       | 420   | -,020,002                               |      | T-V-(1/0          |
| 55             |      |                    |                       |  |            |      |             |       |   |      | 1                 |
| 56             |      |                    |                       |  |            |      |             |       |   |      | ļ                 |
| <del></del>    | -,   |                    | <del></del>           |  |            |      |             |       |   |      |                   |

| 2   Phrase   Phrase   Phrase   10   Community   11   Date of Bate:   2015/2011  |   |                                    |  |  |                               |                    |   |                   |                    |                       |                |              |   |
|---|---|------------------------------------|--|--|-------------------------------|--------------------|---|-------------------|--------------------|-----------------------|----------------|--------------|---|
|   | My 3<br>1   |                                    |  |  |                               |                    |   |                   |                    |                       |                |              |   |
| 13<br>14 Product Type<br>15 Number of Unite<br>15 Average Unit Sq. F.   |   | Workforce il Confe 0 units sq. ft. | Market Rate<br>Cando<br>0 units<br>sq. ft. | Modarate-Income<br>Townbases<br>0 tables | Market Rate Towntouge 0 units | LheMout<br>0 units | Grave<br>82 units   | Garden<br>O units | Courty and O units | Bungalow<br>G. Linita | Vikage/Cottage | Blof         | Total/Average                             |
| Prica<br>state<br>oles Revenue  | Make<br>8.0% of Base Home Price                               | Paction Page                       | Parthy PBF                                 | Partick PSE                              | Por this Par                  | Per Unit Post      | 1,610 aq. ft.<br>Ear Link PSE<br>\$5605,500 \$401<br>\$36,330 \$24<br>\$641,630 \$425 | Per Link PSE      | अंडच अध्यासम्ब     | 1                     | eq. fi.        | Farting Page | KIOI                                      |
| t drug Conix cats are state and a state are state are to | 84% of Options Revenue<br>23.10% of Base Price/Lot<br>Premium |                                    |  |  |                               |                    | \$197,100 \$104<br>\$30,517 \$20<br>\$58,190 \$39                                     |                   |                    |                       |                |              |   |
| Pirancia<br>Balater Maggin<br>Commitment Commitment<br>Commitment Tools<br>Commitment Tools<br>Commitment Tools<br>Tools Editoring Costs  | 7.00% of Base Prices.of                                       |                                    |  |  |                               |                    | \$139,871 593<br>\$42,385 \$28  |                   |                    |                       |                |              |   |
| Residual Lot Value  X Musther of Units  Total Residual Lot Value  |   | 205<br>05                          | o cults                                    | 04<br>04                                 | ###<br>###<br>0 05            | 0 00               | \$428,063 \$283<br>\$213,767 \$142<br>62 units<br>\$13,253,573                        |                   | o units            | 0 unks                | #### 0 OS      | agus o       | 5213,767<br>53<br>53<br>53<br>513,253,613 |

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| 5 Monterey County  |                                    |  |   |   |                                     |                        |                |   |                      |                     |                            |                          |               |
|--|------------------------------------|--|---|---|-------------------------------------|------------------------|----------------|---|----------------------|---------------------|----------------------------|--------------------------|---------------|
| Phase:<br>Community:<br>Date of Sala:  | Prase 3<br>Community 4<br>2/4/28/2 |  |   |   |                                     |                        |                |   |                      |                     |                            |                          |               |
| 14 Product Type<br>15 Number of Units<br>16 Average Unit 8q. Ft.                       |                                    | Workforce ii Condo<br>Condo<br>0 units | Market Rate<br>Condo<br>0 units<br>eq. R. | Moderate-Income Townhouse Ounts eq. ft. | Market Rate<br>Townhouse<br>0 units | Livaçivorix<br>0 units | Sign of London | Gerden<br>30 taris                                  | Courtyard<br>0 units | Bungalow<br>O units | Villege/Cottage<br>0 units | Bluff<br>0 units         | Total/Avarage |
| 19 Revenues  | Moley                              | Parthe PSE                             | Par Unit PSE                              | Per Unit Par                            | Perth                               | Per Unit PBE           | Parting Cafe   | Perlint PSE   | Per Lint Poer        | For Unit PSE        | Particity Par              | eq. ft.<br>Per Unit: PSF | Total         |
| Opfore Revenue Estimated Suice Revenue   | 5.0% of Bane Home Price            |  |   |   |                                     |                        |                | \$579,000 \$382<br>\$40,740 \$23<br>\$719,740 \$405 |                      |                     |                            |                          |               |
| Palmeter Come. Direct Building Costs Option Costs Fees & Permits Costs                 | 54% of Options Revenue             |  |   |   |                                     |                        |                | \$180,200 \$101                                     |                      |                     |                            |                          |               |
| Outroop  Werranty Taxes Finanching   | 23.10% of Base PriceAct            |  |   |   |                                     |                        |                |   |                      |                     |                            |                          |               |
| Indicate Construction Additional Construction Overland Ingurance Total Estimated Costs | 7.00% of Bese Price/Lot<br>Premium |  |   |   |                                     |                        | !              | \$47,530 \$27                                       |                      |                     |                            |                          |               |
| Residunt Lot Value   |                                    |  |   |   |                                     |                        |                | \$480,601 \$271                                     |                      |                     |                            |                          |               |
| x Number of Units  |                                    | O unite                                | O LEN                                     | alicun 0                                | D STATE                             | O cerifts              | 9              | \$238,238 \$135                                     | 4                    |                     |                            |                          | \$238,230     |
| Total Residual Lot Value   |                                    | 2                                      | 9   | 2                                       | 2                                   | ä                      | 2              | \$7.177.182   | ,<br> s              |                     | <b>5</b>                   |                          | ጽ<br>!        |

|          | A   B   | С          | D                                     | Е          | F     |
|----------|---|------------|---------------------------------------|------------|-------|
| h        | APPENDIX 4  | SA         | MPLE FOR FINAL                        | PROGRES    | S REP |
|          | Table 4.  |            | 1                                     |            |       |
| 3        | Summary of Participation Calculation (Detail Backup | on Table 5 | c)                                    |            |       |
|          | Participation Payment Calculation                   |            |                                       |            |       |
| $\vdash$ | East Garrison                                       |            |                                       |            |       |
|          | Monterey County                                     |            | · · · · · · · · · · · · · · · · · · · | ·          |       |
| 7        |   |            |                                       |            |       |
| 9        |   |            |                                       |            |       |
| 10       |   |            |                                       | _          |       |
| 11       |   |            | Tota                                  | <u>I</u> _ |       |
| 12 1     | . Project Revenues                                  |            |                                       |            |       |
| 13       | . Floject Revenues                                  |            |                                       |            |       |
| 14       | Lot Sale Revenues - Phase 1                         |            | 670 700 404                           |            |       |
| 15       | Lot Sale Revenues - Phase 2                         |            | \$78,786,424                          |            |       |
| 16       | Lot Sale Revenues - Phase 3                         |            | \$87,847,542                          |            |       |
| 17       | Subtotal  |            | \$68,695,536<br>\$235,329,502         | -          |       |
| 18       |   |            | φ230,32 <del>9</del> ,002             |            |       |
| 19       | Homebuilder Participation Revenues                  |            | \$3,000,000                           |            |       |
| 20       | CFD Net Proceeds                                    |            | \$20,000,000                          |            |       |
| 21       | Tax Increment                                       |            | \$9,500,000                           |            |       |
| 22       | Repayment of FORA Loan Interest                     |            | \$1,300,000                           |            |       |
| 23       |   |            | <b>41,000,000</b>                     |            |       |
| 24       | Total Sources of Funds                              | -          | \$269,129,502                         | •          |       |
| 25<br>26 |   |            |                                       |            |       |
| 26       |   |            |                                       |            |       |
| 27 (I.   | Project Costs                                       |            |                                       |            |       |
| 28       |   |            |                                       |            |       |
| 29       | Consultants   |            |                                       |            |       |
| 30       | Development Fees                                    |            |                                       |            |       |
| 31<br>32 | Land Improvements Amenities                         |            |                                       |            |       |
| 33       | Infrastructure Indirects                            |            |                                       |            |       |
| 34       | Management Fees/Sales & Marketing                   |            |                                       |            |       |
| 35       | Management rees/Sales & Marketing                   |            |                                       |            |       |
| 36       | Total Uses of Funds                                 |            | 6450 000 000                          |            |       |
| 37       | Total Cody of Faring                                |            | \$158,600,000                         |            |       |
| 38       | •   |            |                                       | ,          |       |
| 39       | . Unleveraged Cash Flow                             |            | \$110,529,502                         |            |       |
| 40       | Unleveraged IRR                                     |            | 30.7%                                 |            |       |
| 41       |   |            | 30.1%                                 | /          |       |
| 12       | Cash Flow Needed to Reach Target IRR                | 22.5%      | \$24,509,502                          |            |       |
| 13       |   | 22.070     | ΨZ-1,000,00Z                          |            |       |
| 14       | Remaining Cash Flow                                 |            | \$86,020,000                          |            |       |
| 14<br>15 | -   |            | 400,020,000                           |            |       |
| 16       | Participation Payment before Adjustments            | 50%        | \$43,010,000                          |            |       |
| 17       | (Less) Participation Payment #1                     |            | \$0                                   |            |       |
| 8        | (Less) Participation Payment #2                     |            | (\$21,87 <u>3,</u> 500)               |            |       |
| 19       | Net Participation Payment                           |            | \$21,136,500                          |            |       |
| 0        |   |            |                                       |            |       |
| 1        |   |            |                                       |            |       |

| A B   | 0 O | ਜ਼<br>ਜ   | ŋ           | Ŧ                                       |               | -                      | ×           |              | æ                        | z                        | 0                        |                                  | 0           | ď                        |
|---|-----|---|-------------|---|---------------|------------------------|-------------|--------------|--------------------------|--------------------------|--------------------------|----------------------------------|-------------|--------------------------|
| AFFENDIX 4 Table 3 Project Ceah Flow to Date Praficipalor Payment Calculation East Garrison Monterey County   |     |   |             |   |               |                        |             |              |                          |                          |                          | SAMPLE FOR FINAL PROGRESS REPORT | L PROGRESS  | S REPOR                  |
| Project Revenues  |     | Total   | 2003<br>Jan | 2003<br>Feb                             | 2003<br>March | 2003<br>April          | 2003<br>May | 2003<br>June | 2003<br>July             | 2003<br>Aug              | 2003<br>Sept             | 2003<br>Det                      | 2003<br>Nov | 2003<br>Dec              |
| Lot Saie Revenues - Phose 1<br>Lot Sais Revenues - Phose 2<br>Lot Saie Revenues - Phose 3<br>Subtotal   | ·   | \$78,786,424<br>\$87,947,542<br>\$68,695,536<br>\$235,329,502 | 222         | S                                       | 8 2 2         | 202                    | <b>888</b>  | S 25 25      | S S S                    | \$ <b>\$</b> \$          | 8 8 8                    | 888                              | S S S       | S S S                    |
| Homebuilder Participation Revenues<br>GFD Net Proceeds<br>Tax Increment<br>Repayment of FORA Loan Interest  |     | \$3,000,000<br>\$20,000,000<br>\$9,500,000<br>\$1,300,000     | 3           | 3 B B B B                               | 8 8888        | 2 2 2 2 3<br>3 4 4 5 5 | 2           | 3 8888       | 8 8 8 8 8                | ¥ 888                    | 8 888                    | 8 888                            | 8 888       |                          |
| Total Sources fi. Project Costs   |     | \$269,128,502   | 98          | Q <del>.</del>                          | <b>. .</b>    | 0\$                    | ) (S        | S S          | <b>3</b>                 | \$ <b>\$</b>             | <b>3</b>                 | g g                              | 3 S         | Q Q                      |
| Consultants Development Fess Lend Improvements Ameniles Infrastructure Indirects Management Fees/Sales & Marketing Land Acquisition Property Taxes Clostry Costs/Selling Expenses Total Costs | ·   | 24 680 000  | Ç.          | (C) (C) (C) (C) (C) (C) (C) (C) (C) (C) | OCT OF THE    | 000 000                | 4400 000    | • 4400 A000  | SNY CASE                 |                          |                          |                                  |             |                          |
| 37<br>38 III. Unfeveraged Cash Flow<br>39 IRA   | -   | \$110,529,602   | 3 G         | (\$400,000)                             | (000'001\$)   | (\$400,000)            | (\$400,000) | \$400,000)   | \$400,000<br>(\$400,000) | \$400,000<br>(\$400,000) | \$400,000<br>(\$400,000) | \$400,000<br>(\$400,000)         | \$400,000   | \$400,000<br>(\$400,000) |
| Cash Flow Needed to Reach Target IRR<br>IRR   |     | \$24,509,502<br>22.500%                                       | <u>9</u>    | (\$400,000)                             | (\$400,000)   | (\$400,000)            | (\$400,000) | (\$400,000)  | (\$400,000)              | (\$400,000)              | (\$400,000)              | (\$400,000)                      | (\$400,000) | (\$400,000)              |
| Remaining Cash Flow   | -   | \$86,020,000  | <b>3</b> €  | O.S                                     | 9             | 0.                     | 2           | <b>S</b>     | Q.                       | S.                       | 95                       | 8                                | 0\$         | 9\$                      |
| Participation Payment before Adjustmente<br>(Less) Participation Payment #1<br>(Less) Participation Payment #2<br>Net Participation Payment   | 50% | \$43,010,000<br>\$0<br>(\$21,873,500)<br>\$21,136,500         | 8 8         | S S                                     | <u>9</u>      | 8 8                    | 8           | 05           | g   5                    | 8 8                      | 8                        | <b>S</b> 5                       | <u>0</u>    | <b>B</b>                 |
|   |     |   |             | :                                       | }             | }                      | }           | 3            | 3                        | <b>}</b>                 | 2                        | 7                                | 7           | ₹                        |

| The Challes of the Ch   | ۵  | O<br>O | <u> </u>  | S                          | ŀ           | )  -<br>.  -  | <br> -<br> -  | *           | ×             | <u> </u>     | 7              |                   |                                       |                |                |
|--|--|--------|---|----------------------------|-------------|---------------|---------------|-------------|---------------|--------------|----------------|-------------------|---------------------------------------|----------------|----------------|
| Truin  | APPENDIX 4 Table 5: Trigles Cast Flow to Date Participation Payment Calculation East Garrison Monterey County  |        | ,   |                            |             | ,             |               | :           | <b>-</b>      | -            |                |                   | PLE FOR FIN                           | AC AC          | AD<br>S REPORT |
| ## 2   | Project Revenues   |        | Total   | 2004<br>Jen                | 2004<br>Feb | 2004<br>March | 2004<br>April | 2004<br>May | 2004<br>June  | 2004<br>July | 2004<br>Aug    | 2004<br>Sept      | 2004<br>Oct                           | 2004<br>Nav    | 2004<br>Dec    |
| Sacrologo   Sacr   | Lot Sale Reverues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Sulbiotal   |        | \$78,786,424<br>\$87,847,542<br>\$88,635,536<br>\$235,329,602 | S S S                      | S S S       | 2888          | 8888          | 8888        | 888           | S & S        | 8 8 8          | 9 9 9 F           | S S S                                 | \$ & <b>\$</b> | 8 8 8          |
|  | Homsbuilder Participation Revenues<br>CFD Wet Processia<br>Tax Increment<br>Repayment of FORA Loan Interest  |        | \$3,000,000<br>\$20,000,000<br>\$9,500,000<br>\$1,300,000     | & <b>&amp; &amp; &amp;</b> |             | 8888          | # # # #       | 8888        | \$ <b>5</b> 5 | 8888         | . 28 8 B       | \$ \$ \$ \$ \$ \$ | # # # # # # # # # # # # # # # # # # # | 8 8 8 8        | 2222           |
| ######################################   | Sources<br>ect Costs   |        | \$269,129,502   | <b>8</b>                   | <b>8</b>    | \$            | Q\$           | 0\$         | <b>55</b>     | <b>S</b>     | OS.            | 0\$               | <b>9</b>                              | Q <b>s</b>     | <b>3</b>       |
| \$110,529,500   \$290,000   \$290,   | autients stoomert Fees Improvements rities structure Indirects spement Fees/Sales & Marketing spement Fees/Sales & Marketing rity Taxes ing Coste/Selling Expenses |        |   |                            |             |               |               |             |               | ,            |                |                   |                                       |                |                |
| #110,529,502 (\$2290,000) (\$2290,000) (\$2290,000) (\$239                 | Costs  |        | \$158,600,000   | \$290,000                  | \$290,000   |               | \$290,000     | \$290,000   | \$290,000     | \$290,000    | \$290,000      | \$290,000         | \$290,000                             | \$290,000      | \$290,000      |
| \$24,500,502 (\$290,000) | reraged Cash Flow  |        | \$110,529,502<br>30,68%                                       | (\$280,000)                | (\$290,000) | 1             | (\$290,000)   | (\$290,000) | (\$290,000)   | (\$290,000)  | (\$290,000)    | (\$280,000)       | (\$290,000)                           | (\$290,000)    | (\$290,000)    |
| \$86,020,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0   | Ficw Needed to Reach Target IRR  |        | \$24,509,502<br>22.500%                                       | (\$290,000)                |             | (\$290,000)   | (\$290,000)   | (\$290,000) | (\$290,000)   | (\$290,000)  | (\$290,000)    | (\$280,000)       | (\$290,000)                           | (\$290,000)    | (\$290,000)    |
| 50% \$43,010,000d \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0  | aining Cash Flow   |        | \$86,020,000  | 8                          | 8           | g,            | 0\$           | 8           | <b>S</b>      | S            | 8              | 0\$               | 0\$                                   | 0\$            | 3              |
| \$21,138,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0   | cipation Payment before Adjustments<br>s) Participation Payment #1<br>) Participation Peyment #2   | 20%    | \$43,010,000<br>\$0<br>(\$21,873,500)                         | <b>S</b>                   | <b>S</b>    | <b>0</b>      | 09            | <b>9</b>    | <b>3</b>      | <b>S</b>     | 8              | 80                | <b>9</b>                              | O <b>5</b>     | 8              |
|  | erticipation Payment   |        | \$21,138,500  | O\$                        | <b>S</b>    | 8             | <b>Q</b>      | 0\$         | \$0           | 0\$          | S <sub>s</sub> | SO.               | \$0                                   | 0\$            | S              |

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| A B  | 0 0   | 9   | F AE        | AF          | <b>\$</b>  | H                  |             |  | 1                |             |              |  |   | }                 |
|--|-------|---|-------------|-------------|--|--------------------|-------------|--|------------------|-------------|--------------|--|---|-------------------|
| APPENDIX 4 Table 5. Project Cash Flow to Date Project Cash Flow To Bate Earlicipelin Payment Calculation East Garriton Monterey County   | 7     |   |             | ₹           |  |                    | ₹           | ₹  | ¥                | - V-        | SAM          | AN AN AN AN AN AN AN AN AN AN AN AN AN A | AN AO AP SAMPLE FOR FINAL PROGRESS REPORT | AP<br>SS REPOR    |
| Project Revenues   |       | Total   | 2005<br>Jen | 2005<br>Feb | 2005<br>March  | 2006<br>April      | 2005<br>May | 2005<br>June                             | 2005<br>July     | 2005<br>Aug | 2005<br>Sept | 2005<br>Oct                              | 2005<br>Nov                               | 2005<br>Dac       |
| Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subtotal  | ,     | \$78,786,424<br>\$87,847,542<br>\$98,695,636<br>\$235,329,502 | <u> </u>    | S S S       | 8888   | 2 2 2              | 888         | D 00 00 00 00 00 00 00 00 00 00 00 00 00 | 888              | 8 8 8       | D            | 888                                      | \$ 5 5                                    | ន្ធន              |
| Homebuilder Participation Revenues<br>CFD Net Proceeds<br>Tax increment<br>Repayment of FORA Loan interest   |       | \$3,000,000<br>\$20,000,000<br>\$9,500,000<br>\$1,300,000     | . <b></b>   | 2222        | \$ \$ \$ \$ \$   | \$ \$ <b>6</b> 6 6 | 3 8888      | 3 <b>3 3 3 3</b>                         | 3 <b>3</b> 3 3 3 | 3 2 2 2 2   | G 68 68 68   | & & & & & &                              | <b>3 2 3 3 3</b> 3                        | <b>% 23 23 23</b> |
| Total Sources Project Costs  |       | \$266,129,502   | 3           | 8           | S.   | G,                 | O\$         | 0\$                                      | 0\$              | O\$         | O\$          | <b>3</b>                                 | 03  | <b>3</b>          |
| Coraultants Development Fees Land Improvements Amenities Amenities Infrastructure Indirects Management FeestSales & Marketing Land Acquisition Froperty Texas Glosing Costs/Selling Expenses Total Costs | ·     | 000 009 691\$   | 0000000     | 000 0023    | OUT OF SERVICE |                    | BAYO OTHER  | WW CASE                                  | SUL SUC          |             |              |  |   |                   |
| Unleveraged Cash Flow<br>IRR   | -     | \$110,529,502<br>30,68%                                       | (3300,000)  | (000'006\$) | (\$300,000)  | (\$300,000)        | (000'0068)  | (\$300,000)                              | (000'00e\$)      | (\$300,000) | (\$300,000)  | (\$300,000)                              | \$300,000<br>(\$300,000)                  | (000'006\$        |
| Cash Flow Neoded to Reach Target IRR<br>IRR  |       | \$24,509,502<br>22.500%                                       | (000'006\$) | (000'006\$) | (\$300,000)  | (\$300,000)        | (\$300,000) | (\$300,000)                              | (\$300,000)      | (000'005\$) | (2300'000)   | (\$300,000)                              | (\$300,000)                               | (2300,000)        |
| Remaining Ceah Flow  | •     | \$86,020,000  | 9           | 8           | C\$  | Q\$                | 9           | OS.                                      | <b>Ş</b>         | ន           | 0\$          | S  | os<br>S                                   | O\$               |
| Participation Payment before Adjustments<br>(Less) Participation Payment #1<br>(Less) Participation Payment #2<br>Net Participation Payment  | \$605 | \$43,010,000<br>\$0<br>(\$21,873,500)<br>\$21,136,500         | 0.5         | <u>s</u>    | 2 2  | 8 8                | <u>s</u>    | S S                                      | S S              | \$ \$       | 0\$          | \$ <b>5</b>                              | ္ င္တ                                     | \$                |
|  |       |   |             |             |  |                    |             |  |                  |             |              |  |   | •                 |

| v to Date         Trough         Trough         ART         ART         ALD           mets Calculation         Trough         Trough         2006         2006         2006         2006         2006         2006         ART         ALD           mets Calculation         Trough         Trough         Trough         2006         2006         2006         2006         2006         2006         ART         ALD           mines - Phase 2         \$870,785,786,4762         \$90 <th></th> <th>- 1</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th>)</th>  |  | - 1 |                                       |             |             |             |             |              |             |             |             |             |             |             | )           |
|---|--|-----|---------------------------------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| The control of the co  | 2 7  | 3   | ш                                     | AO          | AR          | AS          | AT          | η¥           | ₽           | AW          | ¥           | Α¥          | ΑZ          | BA          | 88          |
| Part     | Table S.<br>Project Cash Flow to Date<br>Participation Payment Calculation<br>East Garrieon<br>Monteney County                           |     |                                       |             |             |             |             |              |             |             |             | SAM         | PLE FOR FIN | AL PROGRES  | S REPORT    |
| STATE   STAT  |  |     |                                       | 2006        |             | 2006        |             | 2006         | 2006        | 2006        | 2008        | 2006        | 2006        | 2008        | 2006        |
| ### ### ### ### ### ### ### ### ### ##  | ct Revenues  |     | E C                                   |             |             | March       |             | May          | June        | yhy         | Aug         | Sept        | ğ           | Nov         | Dac         |
| \$2505 3205 520   | ale Revenues - Phase 1<br>ale Revenues - Phase 2   |     | \$76,786,424<br>\$87,847,542          | <b>3</b> 3  | S, 25       | 2 2         | <b>3</b>    | 2 2          | 88          | 8 9         | 8 8         | 3,6         | ន្ល         | 8           | 8.          |
| STORY CONCORD   STORY CONCOR  |  |     | \$58,695,536<br>\$234,320 cng         | <b>3</b>    | ₽ 8         | 8           | 2           | <u>.</u>     | 8           | <b>S</b>    | <b>3</b>    | <b>₽</b>    | 3 S         | 3 8         | B, S        |
| STATION   STAT  |  |     | 4455,548 <sub>1</sub> 504             | 2           | 2           | <b>Q</b>    | 9           | <b>\$</b>    | 8           | <b>\$</b>   | 8           | S.          | 0\$         | G\$         | 8           |
| ## 55/00/2000 50 50 50 50 50 50 50 50 50 50 50 50   | ibuilder Participation Revenues<br>Net Proceeds  |     | \$3,000,000                           | 8 5         | S.          | <b>Q</b>    | \$          | ₽            | Q#          | 8           | 8           | 8           | 9           | Ç           | 5           |
| \$70.00   \$10   \$ | Krement  |     | \$6,500,000                           | 8 8         | 8 8         | 8 8         | <b>3</b> \$ | <b>\$</b> \$ | <b>9</b> 8  | ₽ (         | <b>\$</b>   | <b>3</b>    | <b>8</b>    | g g         | 3 8         |
| \$7846,129,502   \$40   \$50      | yment of FORA Loan Interest  |     | \$1,300,000                           | 3           | <b>S</b>    | 8           | 2           | <b>8</b> &   | 3 8         | 3 8         | 3 S         | <b>8</b> 8  | 8 S         | ္တ င္တ      | 8 8         |
| ST68 GDD,000   \$54400,000   \$54400,000   \$54400,000   \$54400,000   \$54400,000   \$54400,000   \$54400,000   \$54400   | Sources  |     | \$289,129,502                         | 23          | 9           | 8           | 8           | 8            | 9           | S           | S           | Ş           |             |             |             |
| \$1   \$24   \$20   \$22   \$25   | ct Costs   |     |                                       |             |             |             | *           |              | <b>;</b>    | }           | 3           | 2           | 7           | 3           | <u></u>     |
| \$110,529,502 \$110,529,502 \$22,5004 \$840,000 \$840   | Altants connent Feas improvements lities ructure Indirects gement Feas/Sales & Marketing Acquisition rty Teass ng Coets/Selling Expenses |     |                                       |             |             |             |             |              |             |             |             |             |             |             |             |
| \$110,528,502 30,68% 30,68% 30,68% 30,68% 30,68% 30,68% 30,68% 30,000) (\$840,0   | Costs  |     | \$158,800,000                         | \$840,000   | \$840,000   | \$840,000   | \$840,000   | \$840,000    | \$840,000   | \$840,000   | \$840,000   | \$840,000   | \$840,000   | \$840,000   | \$840,000   |
| \$24,509,502   \$5440,000   \$8   | eraged Cash Flow   |     | \$110,529,502<br>30,68%               | (\$840,000) | (\$840,000) | (\$840,000) | (\$840,000) | (\$840,000)  | (\$840,000) | (\$840,000) | (\$840,000) | (\$840,000) | (\$840,000) | (\$840,000) | (\$840,000) |
| \$66,020,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0  | Flow Needed to Reach Target IRR  |     | \$24,509,502<br>22.500%               | (\$640,000) | (\$640,000) | (\$840,000) | (\$840,000) | (\$840,000)  |             | (\$840,000) | (\$840,000) | (\$840,000) | (\$840,000) |             | (\$840,000) |
| wetments 50% \$43,010,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0   | ining Cash Flow  |     | \$86,020,000                          | <b>\$</b>   | 05          | 0\$         | 23.         | 0\$          | <b>9</b>    | \$0         | <b>3</b>    | <b>0\$</b>  | O\$         | 0\$         | 05          |
| \$21,136,500 \$0 30 30 \$0 \$0 \$0 \$0 50   | spation Payment before Adjustments Participation Payment #1 Participation Payment #2   | 20% | \$43,010,000<br>\$0<br>(\$21,873,500) | <b>S</b>    | 0           | <u>\$</u>   | 05          | <b>9</b>     | <b>\$</b>   | 3           | <b>\$</b>   | O <b>S</b>  | <b>3</b>    | <b>9</b>    | Ç,          |
|   | articipation Payment   |     | \$21,138,500                          | S.          | O.S.        | <b>S</b>    | Ç.          | 0\$          | 0.5         | SS.         | <b>B</b>    | 0\$         | <b>\$</b>   | O.S.        | \$          |

| Figure Claim  | A   | 6  | 0 3 <u> </u>  | a.                                    | , a              | 6                            | į   |   |                  |                       |                |                          |                |                | /               | )        |
|---|---|--|---------------|---------------------------------------|------------------|------------------------------|---|---|------------------|-----------------------|----------------|--------------------------|----------------|----------------|-----------------|----------|
| Project Clear Plane     | APPENDIX 4 Table 5.   |  |               |                                       |                  | 8                            | H   | ±   | BG               | Ħ                     | <br>           | - B                      | 盖              | 181            | BM              | BN       |
| Project Revenues   Project Rev  |   | Date<br>Calculation  |               |                                       |                  |                              |   |   |                  |                       |                |                          | SAMI           | PLE FOR FINA   | 4L PROGRESS     | S REPOR  |
| Lot Site Revenues - Place 2   Stay 28 d. Carlo   |   | 40   |               | Total                                 | 2007<br>Jan      | 2007<br>Feb                  | 2007<br>March   | 2007<br>April                             | 2007<br>May      | 2007<br>June          | 2007<br>Val.   | 2007<br>Aug              | 2007<br>Seed   | 2007           | 2007            | 2007     |
| Charle blank   Charle   Char  |   | 8 - Phase 1<br>15 - Phase 2<br>16 - Phase 3                        |               | \$78,786,424                          | <b>9 9</b>       | <u> </u>                     | 0<br>0<br>0<br>0<br>0   | <b>2</b> 2                                | 25.25            | 88                    | ន្តន           | 88                       | 8.8            | 88             | S :             | 5        |
| Horiesticiane Participation Revenues \$3,000,000 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10   |   |  |               | \$235,329,502                         | <u> </u>         | 88                           | G S   | <u> </u>                                  | 9                | 8                     | <b>.</b>       | 8                        | 3 8            | 8 8            | S S             |          |
| Control Costs   Stock Control Costs   Stock Control Costs   Stock Control Costs   Stock Costs   St  |   | icipation Revenues   |               | \$3,000,000                           | Si               | . <b>S</b>                   | : 5   | ; ;                                       | } {              | <b>3</b> 1            | Ā              | <b>⊋</b>                 | B              | <b>9</b>       | O\$             | 49       |
| Total Sources   \$1,300,000   \$10   |   | -<br>-<br>-<br>-   |               | \$20,000,000                          | 2 2              | 88                           | 3 3 3   | <b>3 3 3</b>                              | 3 8 8            | 888                   | 88             | <b>S</b> S               | 88             | G G            | <b>8</b> 8      | ₩.       |
| Project Coasts   \$7289,129,502   \$10   \$ | Total Sources   | raa Loen interest  |               | \$1,300,000                           |                  | 0\$                          | 8   | 요   | <b>3 3</b>       | G G                   | 3 5            | B 8                      | <b>8 8</b>     | 88             | <b>₽</b>        | ***      |
| Consultants Development Fees Land Improvements Arrentites Arrentites Infrastructure indirects Management Fees/Sales & Marketing Land Acquisition Property Taxes Closing Coate/Selling Expenses Total Costs Total C  | ᅼ   |  |               | <b>\$</b> 269,129,502                 |                  | <b>S</b>                     | <u>s</u>  | <u>s</u>                                  | e<br>E           | O\$                   | 0\$            | S\$                      | <b>S</b>       | S.             | 0\$             | 0\$      |
| II. Unieveraged Cash Flow   \$110,529,502     IRR   30,68%     Cash Flow Needed to Reach Target IRR   \$24,509,502     IRR   \$24,509,502     IRR   \$24,509,502     Participation Payment before Adjustments   \$96,020,000     Cass   Participation Payment #1   \$100     Cass   Participation Payment #2   \$100     Cass   Participation Payment #2   \$21,136,500     Cass   Participation Payment #2   \$21,136,500     Cash Flow Needed to Reach Target IRR   \$22,000     Cash Flow Needed Target IRR   \$22,000     Cash Flow Needed Target IRR   \$22,000     Cash Flow Needed Target  |   | 6<br>Ms<br>ar/Salos & Marketing<br>Ing Expenses                    |               | \$158,600,000                         | \$3,000,000      | 1<br>  000<br>  000<br>  000 | 23<br>000<br>000<br>100<br>100<br>100<br>100<br>100<br>100<br>100<br>10 | S. C. C. C. C. C. C. C. C. C. C. C. C. C. |                  | STORY COLUMN          |                |                          |                |                |                 |          |
| \$24,509,602<br>22,500%<br>\$22,500%<br>\$86,020,000<br>instiments 50% \$43,010,000<br>\$1,136,500<br>\$21,136,500  | ¥   | th Flow  |               | \$110,529,502                         | (\$3,000,000,63) | \$) (000'000'                | 3,000,000) (\$3,  | 000,000 (\$3,                             | (\$\$) (000,000) | E\$) (000'000'        | s aggraga's    | \$ 000'000'<br>(300'000) | 3,000,000,5    | \$3,000,000 \$ | \$ 000'000'8    | 9,000,00 |
| \$86,020,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0  | Cash Flow Needer<br>IRR   | d to Reach Target IRR  |               | \$24,509,602<br>22,500%               | (\$3,000,000,83  | ) (000°000°                  | 3,000,000) (\$3,  | 000'000                                   | , (900,000)      | e <b>s)</b> (000'000' | (300,000) (\$3 | :s) (000°000°            | 3,000,000) (\$ | \$) (000'000'8 | 3,000,000) (\$: | 3,000,00 |
| justiments 50% \$43,010,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0   | Remaining Cash F  | low  |               | \$96,020,000                          | 0\$              | 0\$                          | 0\$   | S.  | 2                | 8                     | 8              | \$0                      | 8              | 0\$            | <u>Q</u>        | S        |
| \$21,135,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0  | Participation Paym<br>(Less) Perticipation<br>(Less) Perticipation<br>Nat Participation D | 19∩t before Adjustments<br>n Payment #1<br>n Payment #2<br>layment | \$03 <b>%</b> | \$43,010,000<br>\$0<br>(\$21,873,500) | S                | 09                           | <b>S</b>  | <b>Q</b>                                  | <u>.</u>         | <u>8</u>              | 8              | ₽                        | G;             | \$             | <b>\$</b>       | <b>3</b> |
|   |   | ayımılı  |               | \$21,136,500                          | 0\$              | O\$                          | 0\$   | 0\$                                       | 03               | <b>5</b>              | 8              | 25                       | 0\$            | 0 <b>\$</b>    | 뫄               | <b>9</b> |

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| ٠١   |  |   |           |               |               | )                                  |                  |             |                         |                  |  |                       |                    | J  | \             |
|--|--|---|-----------|---------------|---------------|------------------------------------|------------------|-------------|-------------------------|------------------|--|-----------------------|--------------------|--|---------------|
|  | 8  | C D E   | F BO      |               | da<br>da      | 08                                 | ar.              | 200         |                         |                  |  |                       |                    |  |               |
| - 14 € 4 14 €<br>₹ 1   | APPENIXX 4 Table 5: Project Cash Flow to Date Pertiapation Payment Calculation: Fast Genricon Fast Genricon  |   |           | ]             |               | !                                  | 5                | 3           |                         |                  | <u></u>                                  | SAM                   | BX<br>IPLE FOR FIN | BX BY BZ SAMPLE FOR FINAL PROGRESS REPORT  | BZ<br>REPORT  |
|  | i. Project Revanues  | Total   | lal       | 2008<br>Jan   | 2008<br>Feb   | 2008<br>March                      | 2008<br>April    | 2008<br>May | 2008<br>June            | 2008<br>July     | 2008<br>Aug                              | 2008<br>Sept          | 2008<br>Oct        | 2008<br>Nov  | 2008<br>Dec   |
| 21位<br>21位<br>21位<br>21位<br>21位<br>21位<br>21位<br>21位<br>21位<br>21位 | Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subtotal  | \$78,786,424<br>\$87,847,542<br>\$88,695,536<br>\$235,329,502 | × 00 00 × | 8888          | 23 S S S      | <u> </u>                           | 8 <del>8</del> 8 | 888         | 05 05 05                | 888              | \$72,708,120<br>\$0<br>\$0               | S 60 80               | 0\$<br>0\$         | <u> </u>   | 8 2 2         |
|  | Homebuilder Participation Revenues<br>CFD Net Proceeds<br>Tex Increment<br>Repayment of FORA Loan Interest   | \$3,000,000<br>\$20,000,000<br>\$8,500,000<br>\$1,300,000     | 2000      | 3 3 3 3       | <u> </u>      |                                    | 2222             |             | \$6,685,000<br>\$0\$    | *<br>* & & & & & | 27 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 | 2 2 2 2 2             | 2 2 2 2 E          | 8 <b>88</b> 8  | G 888         |
| ম্মর   | Total Sources II. Project Costs  | \$269,129,502   | 2         | <b>3</b>      | 95            | <u>3</u>                           | O\$              | OS.         | \$6,895,000             | \$ 0\$           | \$72,708,120                             | D\$                   | <b>3 3</b>         | g <u>g</u>   | 8 8           |
| 3 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8                            | Consultants Development Fees Land Improvements Amenitation indirects Management Fees/Sales & Marketing Property Taxos Closing Costs/Selling Expenses Total Costs | \$166,000,000   |           | 000 \$3,20    | 26\$ 000'0    | 63,200,000 \$3,200,000 \$3,200,000 |                  | 200,000     | \$3,200,000 \$3,200,000 | 1                | \$3 200 000 \$3 200 000                  |                       | 63 270 GB          | THE CANADA   |               |
| <b>≡</b>   | III. Unfeveraged Cash Flaw<br>IRR  | \$110,529,502<br>30,68%                                       |           | 000) (\$3,20  | 0,000) (\$3,2 | 100,000 (\$3,                      |                  | 200,000)    | \$3,495,000 (\$         | 3,200,000) \$    | 69,508,120 (1                            | 3,200,000) (          | \$3,200,000)       | (\$3,200,000) \$69,508,120 (\$3,200,000) (\$3,200,000) (\$3,200,000) (\$3,200,000)   | 200,000)      |
| <u> </u>   | Costh Flow Needed to Reach Target IRR<br>IRR   | \$24,509,502<br>22,500%                                       |           | ,000) (\$3,20 | 0,000) (\$3,2 | 100,000) (\$3,                     | 200,000) (\$3,   | 200,000) 1  | \$3,485,000 (\$         | 3,200,000) \$    | 69,508,120 (4                            | <b>53,</b> 200,000) ( | \$3,200,000) (     | (\$3,200,000) (\$3,200,000) (\$3,200,000) (\$3,200,000) \$3,485,000 (\$3,200,000) \$69,508,120 (\$3,200,000) (\$3,200,000) (\$3,200,000) (\$3,200,000) | ,200,000)     |
| <b>4</b> & &   |  |   | ļ<br>la   | 80            | <b>0</b>      | 8                                  | 9                | <b>G</b>    | 8                       | <b>₽</b>         | O.S.                                     | \$0                   | D\$                | <b>6</b>   | 33            |
| <b>168</b> 48  | Fai lupation Fayment before Adjustmonts (Less) Participation Payment #1 (Less) Participation Payment #2 Net Participation Payment                                | % \$43,010,000<br>\$0<br>(\$21,873,500)<br>\$21,136,500       | 0080      | S S           | 09 09         | S S                                | 8 8              | 8           | D\$   D\$               | <b>5 9</b>       | 05                                       | S S                   | 0\$<br>0\$         | S S  | <b>5</b> , 5, |
|  |  |   |           |               |               |                                    |                  |             |                         |                  |  |                       |                    |  | :             |

| 8   | υ         | <u> </u>  | 5                                | 83                                      | 99                      | 5               | [                       | į                         | -                  |  | j-<br> <br>     |                     | )  |   |
|---|-----------|---|----------------------------------|---|-------------------------|-----------------|-------------------------|---------------------------|--------------------|--|-----------------|---------------------|--|---|
| APPENDIX 4 Table 5. Table 5. Project Cash Flow to Date Participation Payment Calculation East Gentison Mordens County   | 7         | ,<br>,  |                                  | 3                                       | 3                       | 3               | 8                       | 5                         | 93                 | ъ  | SAN             | CJ.                 | SAMPLE FOR FINAL PROGRESS REPORT   | CL<br>REPORT                              |
| Project Revenues  |           | Total   | 200 <del>0</del><br>Jan          | 2009<br>Feb                             | 2009<br>March           | 2009<br>April   | 2009<br>May             | 2009<br>June              | 2009<br>July       | 2009<br>Avg                                | 2009<br>Sept    | 2009<br>Oct         | 2009<br>Novi   | 2009<br>Dec                               |
| Lot Sale Revenues - Phase 1 Lot Sale Revenues - Phase 2 Lot Sale Revenues - Phase 3 Sulbiotal   |           | \$78,786,424<br>\$67,847,542<br>\$69,695,536<br>\$235,329,602 | S S S                            | \$6,078,304<br>\$0<br>\$0<br>\$0<br>\$0 | 8888                    | 888             | 8888                    | S S S                     | 8 8 8 8<br>8       | \$0<br>\$39,818,174<br>\$0<br>\$34,818,174 | \$ 5 5 5 S      | 8 8 8               | 8 8 8  | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0 |
| Homebuilder Participation Revenues<br>CFD Nat Proceeds<br>Tax Increment<br>Repayment of FORA Loen Interest  |           | \$3,000,000<br>\$20,000,000<br>\$9,500,000<br>\$1,300,000     | \$0<br>\$0<br>\$0<br>\$1,300,000 |   |                         | 8888            | <b>9</b> 9 9 9 9        | \$0<br>\$7,435,000<br>\$0 | •                  | \$6,333,333                                | \$ <b>888</b> 8 |                     | S 888  | <b>6 66</b> 6                             |
| Total Sources Project Costs   |           | \$268,129,502   | \$1,300,000                      | \$8,078,304                             | 8                       | 0\$             | O <b>\$</b>             | \$7,435,000               | 1-7                | \$0 \$46,151,507                           | 8 8             | 8 8                 | <b>3 8</b>   | g   g                                     |
| Contactitants Development Fees Land Improvements Amenities Amenities Management Fees/Sales & Marketing Land Acquisition Land Acquisition Closing Costa/Selling Expenses Total Costs |           | \$156,600,000   | \$2,600,000                      | \$2,600,000                             | \$2,600,000 \$2,600,000 | \$2,600,000     | \$2,600,000 \$2,600,000 |                           | 22 80 <u>0.000</u> | 22 ESO 100                                 | 93 RD (10)      | to any own          | 23 600 MM 80   | 200                                       |
| Unleveraged Cash Flow<br>IRR  |           | \$110,529,502<br>30.58%                                       | (\$1,300,000)                    | \$3,478,304                             | (\$2,600,000)           | (\$2,600,000) ( | (\$2,600,000)           | \$4,835,000 (             | 1-7                |  | 2,600,000)      | (\$2,600,000) (     |  | \$2,600,000<br>(\$2,600,000)              |
| Cash Flow Needed to Reach Terget IRR<br>IRR   |           | \$24,509,502<br>22,500%                                       | (\$1,300,000)                    |   | (\$2,600,000) {         | 1 (000'000'2\$) | (\$2,600,000)           | \$4,835,000 (             | \$2,600,000) \$    | 13,551,507 (1                              | 12,600,000) (   | ) ((2,2,600,000) (4 | \$3,478,304 (\$2,600,000) (\$2,600,000) (\$2,600,000) \$4,835,000 (\$2,600,000) \$43,551,507 (\$2,600,000) (\$2,600,000) (\$2,600,000) (\$2,600,000) | (000'000)                                 |
| Remaining Cash Flow<br>Particlosifon Payment Fafton Adli setments   | 20        | \$66,020,000  | 09                               | <b>3</b>                                | O.                      | Ş               | O\$                     | \$0                       | <b>9</b>           | 8  | <b>9</b>        | S,                  | O\$  | 23,                                       |
| (Less) Participation Fayment #1  (Less) Participation Payment #2  Net Participation Payment #2  | <b>\$</b> | \$43,010,000<br>\$0<br>(\$21,873,500)<br>\$21,136,500         |                                  | 2 2                                     | S. S.                   | 8 8             | S                       | <b>9</b>                  | <b>9</b>           | O\$ O\$                                    | Os 25           | 0\$                 | 09   | 24 26                                     |
|   |           |   |                                  |   |                         |                 |                         |                           |                    |  |                 |                     |  |   |

|   |     |                                       |                         |                         |  | <u> </u>         | 3             | R.                                  | SS                     | to                | CO          | 5                                | CW            | -             |
|---|-----|---------------------------------------|-------------------------|-------------------------|--|------------------|---------------|-------------------------------------|------------------------|-------------------|-------------|----------------------------------|---------------|---------------|
| ands b. Project Cash Flow to Date Participation Payment Calculation East Garrison Monkerey County   |     |                                       |                         | ,                       |  |                  |               |                                     |                        |                   | vs          | SAMPLE FOR FINAL PROGRESS REPORT | HVAL PROGF    | . A3          |
| Project Revenues  |     | Total                                 | 2010<br>Jan             | 2010<br>Feb             | 2010<br>March  | 2010<br>April    | 2010<br>May   | 2010<br>June                        | 2010<br>Aluk           | 2010              | 2010        | 2010                             | 2010          |               |
| Lot Sale Revenues - Phase 1<br>of Sale Revenues - Phase 2   |     | \$78,788,424<br>\$87,847,542          | <u> </u>                | \$0<br>\$0 \$17.611.734 | 2 2  | 9.5              | 88            | 8.                                  | <u>s</u>               | <b>3</b>          | S S         | <b>8</b>                         | ON OS         | _             |
| Lot cale Kevenues - Phase 3<br>Subtotal   |     | \$58,695,536                          | 8                       | 08                      | 2 2  | 3 &              | ⊋ <b>2</b>    | 2 S                                 | 9 99                   | \$27,406,638      | <b>% %</b>  | <b>9</b> 9                       | <b>3</b> 5    |               |
| A series of the |     |                                       | 3                       | 467'110'11a             | 7  | 8                | <u>9</u>      | O#                                  | \$ 0\$                 | 50,739,158        | æ           | 8                                | S             |               |
| CFD Net Proceeds  |     | 000,000,53<br>000,000,053             | \$1,000,000<br>81       | 88                      | 8  | <b>\$</b> :      |               | OS.                                 | S                      | S.                | \$          | 9                                | S             |               |
| Tax Increment   |     | \$8,500,000                           | 3                       | 3 5                     | <b>3</b> 5   | 2 8              |               | 5,870,000                           |                        | Q\$               | 8           | S                                | 2             |               |
| Repayment of FORA Loan interest   |     | \$1,300,000                           | \$                      | S                       | 3 S  | <b>3 3</b>       | <b>3 5</b>    | 2 2                                 | S 5                    | \$3,188,667<br>80 | \$ \$       | <b>유</b> 8                       | <b>S</b>      |               |
| Total Sources   |     | \$269,129,502                         | \$1 000 000 847 844 794 | E47 644 794             |  |                  | - 1           |                                     | ;                      |                   | <b>3</b>    | *                                | 0.5           |               |
| Project Costs   |     |                                       |                         | 10.00                   | Ç  | <del>,</del>     | 8<br>8        | \$5,870,000                         | os<br>Os               | \$63,905,825      | O <b>\$</b> | <b>₽</b>                         | 0\$           | 1             |
| Consultants Development Faes Land Improvements Amenities Infrastructure indirects Menagement Fees/Sales & Marketing Land Acquilation Property Taxes Closing Costs/Salling Expenses  |     |                                       |                         |                         |  |                  |               |                                     |                        |                   |             |                                  |               |               |
| Total Costs   |     | \$158,600,000                         | \$2,100,000             | \$2,100,000             | \$2,100,000 \$2,100,000  | 1                | 100,001       | \$2,100,000 \$2,100,000 \$2,100,000 |                        | \$2,100,000       | \$2,100,000 | \$2,100,000                      | \$2 100 000   | - 1           |
| Unleveraged Cash Flow<br>JRR  | -   | \$110,529,502<br>30,68%               | (\$1,100,000)           | 00,000) \$15,511,734 (  | (\$2,100,000) (\$2,100,000) (\$2,100,000) \$3,770,000 (\$2,100,000) \$61,805,825   | 1,100,000) (\$2, | 100,000)      | 3,770,000 (\$2                      | , 100,000) se          |                   | 52,100,000) |                                  | (\$2,100,000) | - 1           |
| Cash Flow Needed to Reach Target IRR<br>IRR   |     | \$24,509,502<br>22.500%               | (\$1,100,000)           | 00,000) \$15,511,734 (  | (\$2,100,000) (\$2,100,000) (\$2,100,000) \$3,770,000 (\$2,100,000) \$61,805,826 (\$2,100,000) (\$2,100,000) (\$2,100,000) | 100,000) (\$2,   | ,100,000) \$: | .770,000 (\$2                       | 1,100,000} <b>\$</b> € | 71,805,825 (R     | 52,100,000) | (\$2,100,000)                    | (\$2,100,000) | (\$2,100,000) |
| Remaining Cash Flow   | •   | \$86,020,000                          | 95                      | 0\$                     | 0\$  | æ                | 23            | OS.                                 | <b>0</b> \$            | 8                 | 0\$         | 8                                | 2             |               |
| Participation Payment before Adjustments<br>(Less) Participation Payment #1<br>(Less) Participation Payment #2  | 50% | \$43,010,000<br>\$0<br>(\$21,873,500) | Ş                       | 묡                       | 8  | 8                | g.            | 8                                   | <b>9</b>               | Q#                | os<br>S     | 8                                | <b>.</b>      |               |
| articipation Payment  | •   | \$21,136,500                          | 03                      | 0\$                     | <b>8</b>   | s                | ş             |                                     |                        | ;                 |             |                                  |               |               |

| ) |       | SAMPLE FOR FINAL PROGRESS REPORT   | 2011 2011<br>Nov Dec | 8 8 1<br>8 8 1  |               |  | 9   |            | 03                    |   | 000 8470,000        |                              | (\$470,000) \$12,783,573 (\$470,000) (\$470,000) (\$470,000) | \$<br>\$            | 0\$°   | 6                         |
|---|-------|--|----------------------|---|---------------|--|---|------------|-----------------------|---|---------------------|------------------------------|--|---------------------|--|---------------------------|
|   | ŀ     | DR FINAL PRO   | 2011<br>Oct          | <b>88</b>   | 8 8           | æ  | \$ 8  | 3 <b>S</b> | 8                     |   | \$470,000 \$470,000 | 170,000) (\$470              | 170,000) (\$470  | 0\$                 | <b>8</b>   | 5                         |
|   | 2     | SAMPLEF  | 2011<br>Sept         | \$ 68 £   | 3 23          | ន  | <b>3</b> , 2                                      | 8 8        | S.                    |   |                     | (\$470,000) (\$              | (\$470,000) (\$4   | S.                  | <b>9</b>   | 8                         |
|   | Ä     | 5  | 2011<br>Aug          | \$0<br>\$0<br>\$13.574.574.574  | \$13,253,573  | <b>9</b>   | G 5   | <b>;</b>   | \$13,253,573          | •   | \$470,000 \$470,000 | \$12,783,573                 | \$12,783,573   | 0\$                 | \$0  | Ş                         |
|   |       |  | 2011<br>July         | 8 8 8   | 1             | <b>S</b>   | 3 5   | <u> </u>   | <u>\$</u>             |   | \$470,000           | (\$470,000)                  | (\$470,000)  | \$                  | 8  | 25                        |
|   | 8     | ] ·<br>8   | 2011<br>June         | 9 6 9   | 8             | 0,   | 3 S   | 9          | 0\$                   |   | \$470,000           | (\$470,000)                  | (\$470,000)  | 0\$                 | 3  | 90                        |
|   | 8     |  | 2011<br>May          | <b>8</b> 88   | S.            | 88   | <b>2</b>  | 9          | <b>S</b>              |   | \$470,000           | (\$470,000)                  | (\$470,000)  | 0\$                 | 0 <b>5</b>   | 0\$                       |
|   | 盟     |  | 2011<br>April        | 08 08   | O\$           | 8  | <b>.</b>  | <b>\$</b>  | g;                    |   | \$470,000           | (\$470,000)                  | (\$470,000)  | 0\$                 | <b>9</b>   | 80                        |
| ) | PA    |  | 2011<br>March        | & & &   | ı             | <del>2</del>   | <b>\$</b> \$                                      | ₽          | S.                    |   | \$470,000           | (\$470,000)                  | (\$470,000)  | 2                   | 3  | 8                         |
| İ | 2     |  | 2011<br>Feb          | \$0<br>\$3,010,985<br>\$14,932,281  | \$17,643,256  | <u> </u>   | <b>3</b>  | <b>9</b>   | \$17,943,256          |   | \$470,000           | 617,473,256                  | \$17,473,256   | 8                   | <b>₽</b>   | 0\$                       |
|   | ζ     |  | 2011<br>Jan          | 888   | O un          | \$1,000,000  | <b>.</b>  | O <b>S</b> | \$1,000,000           |   | \$470,000           | 000'0E9\$                    | \$530,000  | 0\$                 | 03   | 0\$                       |
|   | D E F |  | Total                | \$78,786,424<br>\$67,847,542<br>\$68,695,536  | \$230,328,502 | \$3,000,000<br>\$20,000,000                            | \$9,500,000                                       | 000,000,14 | <b>\$</b> 269,129,502 |   | \$158,500,000       | \$110,529,502<br>30.68%      | \$24,509,502<br>22.500%                                      | \$88,020,000        | \$43,010,000<br>\$0<br>(\$21,873,600)  | \$21,136,500              |
| 1 | 3     |  |                      |   |               |  |   |            |                       |   |                     |                              |  |                     | 20%  | -                         |
|   | A B   | Fable 5. Project Cash Flow to Date Project Cash Flow to Date Perticipation Payment Calculation East Gernison Moniterey Country | Project Revenues     | Lof Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subfinel |               | Homebuilder Participation Revenues<br>CFD Net Proceeds | Jax Increment<br>Repovment of EORA floor Interest |            | Project Coats         | Consultante Development Fees Land improvements Amenities Infrastructure indirects Management Fees/Sales & Marketing Land Acquisition Closing Costs/Selling Expenses | lotal Costs         | Unieveraged Cash Flow<br>IRR | Cash Flow Needed to Reach Target IRR<br>IRR                  | Remaining Cash Flow | Participation Payment before Adjustments<br>(Less) Participation Payment #1<br>(Less) Participation Payment #2 | Not Perticipation Payment |

|          |               | 7. X   |       | 2012             |                             | <b>\$</b> \$   | 3 5                      | <b>5</b>                           | <u>چ</u>         | S :   | S S        | 7                       | <del></del>   |                                 |                   | _                                      |  |  | Įs            | ]<br>[8                      | 8   | <u></u>             | 3  | <b>B</b>  | 2          |
|----------|---------------|--|-------|------------------|-----------------------------|--|--------------------------|------------------------------------|------------------|---|------------|-------------------------|---------------|---------------------------------|-------------------|--|--|--|---------------|------------------------------|---|---------------------|--|---|------------|
|          | Δ             | 'S REPC  |       |                  |                             |  |                          |                                    |                  | •   |            |                         |               |                                 |                   |  |  |  | \$50 OC       | (\$50,000)                   | (\$50,000)                                  | [                   | •  |   | '          |
|          | ρQ            | PROGRES  |       | 2012<br>Nov      | 100                         | 88   | 2                        | 3                                  | <b></b>          | <u> </u>  | 3 <b>3</b> | ľ                       | 9             |                                 |                   |  |  |  | \$50.000      | (\$50,000)                   |   | é                   | 2  | <b>#</b>  | <b>9</b>   |
|          | ם             | SAMPLE FOR FINAL PROGRESS REPORT   |       | 2012             |                             | 8 8  | 3                        | <b>0\$</b>                         | ₽                | <b>3</b>  | 3 <b>8</b> |                         | <u>,</u>      |                                 |                   |  |  |  | \$50.000      | (\$50,000)                   | (\$50,000)                                  | Ş                   | 3  | <b>&amp;</b>  | 8          |
|          | SO            | SAMPLE   |       | 2012:<br>Sent    |                             | <b>9</b> 8   | 8                        | <b>Ģ</b>                           | 8                | 8 5   | 2          | ٥                       | 7             |                                 |                   |  |  |  | \$50,000      | (\$50,000)                   | (\$50,000)                                  | Ş                   | } .                                      | Ç,  | Ş          |
|          | Ħ             |  |       | 2012<br>Aug      |                             | <b>S</b> S   | S                        | 0¢                                 | <b>S</b>         | 8 8   | <b>3</b>   | S                       | 3             |                                 |                   |  |  |  | \$50,000      | 1_                           | (\$50,000)                                  | S                   | : :                                      | 2   | 0\$        |
|          | g             |  |       | 2012<br>July     |                             | 88   | B.                       | <u></u>                            | <b>S</b>         | g (4  | 8          | S                       | 3             |                                 |                   |  |  |  | \$50,000      | (\$50,000)                   | (000'05\$) (000'05\$) (000'05\$) (000'05\$) | S                   | : 1                                      | 7   | <b>₽</b>   |
|          |               |  |       | 2012<br>June     |                             | 8 8  | 8                        | 2                                  | 8                | 3 3   | <b>\$</b>  | 80                      | }             |                                 |                   |  |  |  | \$50,000      | (\$50,000) (                 | \$50,000}                                   | 98                  | •  | <b>≩</b>  | Ş¢         |
|          | 3             |  |       | 2012<br>May      |                             | 2  | 8                        | <u>,</u>                           | 8                | 2 2   | 8          | 05                      | ļ             |                                 |                   |  |  |  | \$50,000      | (\$50,000)                   | (000'05\$) (000'05\$) (000'05\$) (000'05\$) | 3                   | ş  | }   | <b>9</b>   |
| ĺ        | 5             |  |       | April            | ;                           | 88   | S .                      | <b>⊋</b>                           | <b>S</b> 5       | 3 3   | <b>\$</b>  | 2                       |               |                                 |                   |  |  |  | \$50,000      | (\$50,000)                   | (000'058                                    | <b>₽</b>            | ş  | :   | <b>3</b>   |
|          | Š             |  | 1 100 | March            | \$                          | 3 S :  | ន្តន                     | 3                                  | <b>8</b> 9       | <b>3</b>  | <u>9</u>   | <b>Q</b>                |               |                                 |                   |  |  |  | \$50,000      | (\$50,000)                   | \$50,000) (                                 | <u>8</u>            | Ş  |   | <u>0</u>   |
| ē        | 3             |  | 1     | 1 de             | \$                          | <b>8</b> €   | S7 177 182<br>S7 177 187 |                                    | 8 9              | <b>.</b>  | <u>e</u>   | 177, 182                |               |                                 |                   |  |  |  | 250,000       | \$7,127,182 (                | \$7,127,182 (                               | S.                  | S  |   | <b>\$</b>  |
| ¥        |               |  | 2013  | LB1              | Ş                           |  | \$0 82<br>80 82          |                                    | 000'nnn'ie       | <b>\$</b>   | <b>\$</b>  | \$1,000,000 \$7,177,182 |               |                                 |                   |  |  |  | \$50,000      | 28 000'0968                  | \$950,000 \$7,                              | 8                   | os<br>S                                  |   | 8          |
| <u>u</u> |               |  | <br>  |                  |                             |  | 1                        |                                    | 5                |   |            | <u>ا</u>                |               |                                 |                   |  |  |  | 49            | 18                           |   |                     |  | ł   |            |
| <u> </u> |               |  |       | Total            | 578 7BS 424                 | 587,847,542<br>588,606,639                                 | \$235,329,502            | 1                                  | \$20,000,000     | \$9,500,000                                       | 000'00s'Ls | \$269,128,502           |               |                                 |                   |  |  |  | \$158,600,000 | \$110,529,602<br>30.68%      | \$24,509,502<br>22.500%                     | \$86,020,000        | \$43,010,000                             | \$0 (\$21,873,500)  | J. 130,300 |
| 101      |               |  |       |                  | iq                          | i 4 0  | 23                       | _                                  | ij               |   | j          | \$25                    |               |                                 |                   |  |  |  | £             | ¥                            | S   | 22                  | 3  | 3   | ž          |
| 3        |               | ı  |       |                  |                             |  |                          |                                    |                  |   |            |                         |               |                                 |                   |  |  |  |               |                              |   |                     | 30%                                      |   |            |
|          |               |  |       |                  |                             |  |                          |                                    | }                | *   | •          |                         |               |                                 |                   |  | Súng   |  |               |                              | jet IRR                                     |                     | 18tmernts                                |   |            |
| æ        | !             | cufation   |       |                  | · tase 1                    | Phase 2<br>Phase 3   |                          | Homebuilder Participation Revenues |                  | i ax increment<br>Repayment of FORA Loan Interest |            |                         |               |                                 |                   | -                                      | Management Fees/Sales & Marketing<br>and Acquisition | Property Taxes<br>Closing Costs/Selling Expenses |               | WO                           | Cash Flow Needed to Reach Target IRR<br>IRR |                     | Perficipation Payment before Adjustments | lymant#1<br>lyment#2<br>lent  | <u>:</u>   |
|          |               | Jable 2.<br>Project Ceah Flow to Date<br>Perticipation Peyment Calculation<br>East Garrison<br>Monterey Counky |       | Senue            | Lot Sale Revenues - Phase 1 | Lot Sale Revenues - Phase 2<br>Lot Sele Revenues - Phase 3 |                          | r Participa                        | pesso            | of FORA   |            |                         | <b>1</b>      | i i                             | ements            | nimentales<br>Infrastructure indirects | it Feese/Sa  | res<br>s/Selling                                 |               | Unieveraged Cash Flow<br>IRR | leeded to                                   | Remaining Cash Flow | Раутеп                                   | (Leas) Participation Payment #1<br>(Leas) Participation Payment #2<br>Net Participation Payment |            |
|          | DIX 4         | Jable b. Project Cash Flov Participation Pay East Gerrison Monterey County                                     |       | Project Revenues | Sale Re                     | Sele Re  | Subtotal                 | mebullda                           | CFD Net Proceeds | sex increment<br>Repayment of I                   |            | I drail Sociroes        | Project Costs | Consultants<br>Development Eggs | Land Improvements | asinctur                               | Management Fee<br>Land Acquisition                   | Property Taxes<br>Closing Costs/S                | Total Costs   | everage                      | th Flow N                                   | aeining C           | icipation                                | ys) Partici<br>ys) Partici<br>Particios   |            |
| 4        | APPENDIX 4    | lable 5, Project Cash F Participation F East Garrison Monterey Cour  |       | ر<br>Pr          | ই                           | <u> </u>   | Z                        | Ĭ                                  | <u>ნ</u> ,       | 6 6   | ľ          | <u>5</u>                | F.            | 8                               |                   | Ē                                      | N S  | F 5  | <u>₹</u>      | ERR                          | S €   | S.                  | Per :                                    |   |            |
|          | $\overline{}$ | 1 2 4 m  | 60 G  | श₹               | <b>#</b>                    | <b>4</b> 5   | 9                        | - 9                                | <b>@</b> [8      | 3/2   | អ្         | 3 %                     | हिंह          | 12 8                            | 20                | ਜ਼<br>ਜ਼                               | 8 8  | 8  | 33            | 888                          | <u> </u>                                    | 4 5                 | 8  | <del> </del>  | છ          |

| V V  | 89   | c p          | E   | L          | MO.                           | ĕ   | À             | 720           | Ą           | E E          | å            | 5           |        | -               | ŀ                                | ŀ             |             |
|--|--|--------------|---|------------|-------------------------------|---|---------------|---------------|-------------|--------------|--------------|-------------|--------|-----------------|----------------------------------|---------------|-------------|
| APPENDIX 4<br>Table 5.   | K.4  |              |   |            |                               |   |               |               |             | ]            |              |             | # <br> | b               | 2                                | $\frac{1}{2}$ | <u>.</u>    |
| Project Cash P<br>Perticipation P<br>East Garrison<br>Monterey Cou                                 | Project Cash Flow to Date<br>Perticipation Payment Calculation<br>East Germino   |              |   | ŧ          |                               |   |               |               |             |              |              |             | Sample | E FOR FIN       | SAMPLE FOR FINAL PROGRESS REPORT | PESS REI      | PORT        |
| P.   | Project Revenues   |              | Total   |            | 2013<br>Jen                   | 2013<br>Feb   | 2013<br>March | 2013<br>April | 2013<br>Mey | 2013<br>June | 2013<br>July | 2013<br>Aug |        | 2013 20<br>Sept | 2013 2<br>Oct                    | 2013<br>Nov   | 2013<br>Dec |
| Lot Sale<br>Lot Sale<br>Lot Sale<br>Subtotal   | Lot Sale Revenues - Phase 1<br>Lot Sale Revenues - Phase 2<br>Lot Sale Revenues - Phase 3<br>Subiotal  | ·            | \$78,788,424<br>\$87,847,542<br>\$68,895,536<br>\$235,329,502 | 4 to to lo | 8888                          |   |               |               |             |              |              |             |        |                 |                                  |               |             |
| E C E  | Homebuilder Participation Revenues<br>CFD Net Proceeds<br>Tax Increment<br>Repayment of FORA Loan Interest   |              | \$3,000,000<br>\$20,000,000<br>\$9,500,000<br>\$1,300,000     | 0000       | ន្ទន្ទ                        |   |               |               |             |              |              |             |        |                 |                                  |               |             |
| Tota<br>Prof   | Total Sources<br>Project Coets   | •            | \$289,129,502   | <br> s     | 82                            |   |               |               |             |              |              |             |        |                 |                                  |               |             |
| Coning Mena  | Conteultants Development Fees Land Improvements Amenites Amenites Management Fees/Sales & Marketing Land Acquisition Property Taxes Coeting Costs/Selling Expenses |              |   |            |                               |   |               |               |             |              |              |             |        |                 |                                  |               |             |
| Tota   | Total Costs  | •            | \$158,800,000   | <br> -     | 20                            |   |               |               |             |              |              |             |        |                 |                                  |               |             |
| 88 8<br>11 5<br>12 5<br>13 5<br>14 5<br>15 5<br>16 5<br>16 5<br>16 5<br>16 5<br>16 5<br>16 5<br>16 | Unleveraged Cash Flow<br>IRR   | •            | \$110,529,502<br>30.68%                                       | ~ ×        | <b>Q</b>                      |   |               |               |             |              |              |             |        |                 |                                  |               |             |
| R<br>R   | Cash Flow Needed to Reach Target IRR<br>IRR  |              | \$24,509,502<br>22.500%                                       | ~ *        | 99 <b>\$</b> ) 0\$            | \$6 (\$86,020,000)                                    |               |               |             |              |              |             |        |                 |                                  |               |             |
| Rem  | Remaining Cash Flow  | •            | \$86,020,000  | <br> -     | 969 0\$                       | 696,020,000   |               |               |             |              |              |             |        |                 |                                  |               |             |
| Part)<br>(Less<br>(Less)<br>Net F  | Participation Peyment before Adjustments<br>(Less) Participation Payment #1<br>(Less) Participation Payment #2<br>Net Participation Payment                        | \$0 <b>%</b> | \$43,010,000<br>\$0<br>(\$21,873,500)<br>\$21,136,500         | 00 g/c     | \$0 \$43<br>(\$21<br>\$0 \$21 | \$43,010,000<br>\$0<br>(\$21,873,500)<br>\$21,136,500 |               |               | ·           |              |              |             |        |                 |                                  |               |             |
|  |  |              |   |            |                               | .   |               |               |             |              |              |             |        |                 |                                  |               |             |

# **APPENDIX 5**

# ATTACHMENT 4 TO DDA

(Financial Terms)

## ATTACHMENT NO. 4

### FINANCIAL TERMS

[First referenced, Section 201]

# A. Land Payment/Agency Participation.

- 1. <u>Deposit.</u> Prior to or upon execution of this Agreement by the Agency and Developer, the Developer shall deliver a deposit of One Hundred Thousand Dollars (\$100,000), as provided in Section 201.a. of this Agreement.
- 2. Land Payment. Upon close of escrow, Developer shall pay to Agency One Million Five Hundred Thousand Dollars (\$1,500,000) (subject to adjustment under Section 202(3) of this Agreement, if any, not to exceed One Hundred Thousand Dollars (\$100,000)), as the initial land payment for conveyance of the Site to Developer (the "Initial Land Payment"). Developer shall make additional land payments to the Agency ("Additional Land Payments") calculated and payable at the time, and in the manner set forth in Section 3, below, of this Part A. (The Initial Land Payment and any Additional Land Payments may be referred to collectively as the "Land Payment.")

In addition, at closing the Developer shall pay to the County or Agency (as directed by the County), provided Developer is a Named Insured under the FORA PLL with its allocated policy limits, its pro rata percentage of the County's share of the premium payments then due by the County, to FORA for the FORA PLL described in Section 204 of this Agreement, to be calculated as equal to the percentage of the County policy limits under the FORA PLL allocated by the County to and accepted by the Developer. By way of example: the County has been allocated \$20,000,000 of the \$100,000,000 policy limits under the FORA PLL, and the Developer anticipates being allocated 50% of the County's limit, or \$10,000,000. FORA has financed the total premium payment for the FORA PLL and the County has agreed to pay FORA the County's share of the premium (including financing costs) in a series of installment payments over a period of years. Based on the assumptions that the Developer will be allocated 50% of the County's policy limits, and that upon taking title to the Site will become a Named Insured under the FORA PLL, the Developer shall be obligated to pay to the County 50% of the amount of each County installment payment to FORA not later than fifteen (15) days after receipt of written notice from the County of the amount of the installment payment then due. At the close of escrow, the Developer shall be obligated to pay to the County or the Agency (as directed by the County) 50% of the amount of any installment payments previously made or currently payable from the County to FORA (as disclosed by the County not less than fifteen (15) days prior to closing), and thereafter the Developer shall be obligated to pay to the County or the Agency (as directed by the County) 50% of the amount of each subsequent County installment payment not later than

fifteen (15) days after receipt of written notice from the County of the amount of the installment payment then due.

## 3. Additional Land Payment.

- a. Participation Payment. In addition to the Initial Land Payment, the Developer shall make contingent Additional Land Payments to the Agency of a portion of any residual proceeds from the Developer's horizontal development and sale of buildable parcels of the Site ("Participation Payment"), calculated in accordance with the financial model set forth in Section 3.b., below, if available at the times described below (the "Agency Participation Model").
- b. Agency Participation Model. As used herein, "Completion of Development" shall mean the occurrence of all of the following: (i) the sale by the Developer of the last parcel or lot in the Site for vertical development (as evidenced by close of escrow); and (ii) the completion by the Developer of all horizontal improvements to the Site, including infrastructure and public improvements and facilities that the Developer is required to provide or pay for (as evidenced by one of more Certificates of Completion for such horizontal improvements issued by the Agency pursuant to Section 320 of this Agreement), and (iii) the incurrence by the Developer of all Project Costs (as defined in Section 3.d., below) such that no further investment by Developer is required for development of the Site under this Agreement and the Development Approvals, and (iv) the receipt by the Developer of all Project Revenues (as defined in Section 3.e., below). The Developer shall apply all Project Revenues (as defined in Section 3.e., below) as follows: (i) first, to first reimburse the Developer for all Project Costs; (ii) second, to pay the Developer an amount of Unleveraged Cash Flow (as defined below) received by the Developer up to but not to exceed the amount necessary for the Developer to achieve its Target IRR (as defined below); and (iii) thereafter. following Completion of Development, if any Unleveraged Cash Flow (as defined below) remains after the Developer has achieved its Target IRR, to make an Additional Land Payment ("Participation Payment") to the Agency in an amount equal to Fifty Percent (50%) of any such remaining Unleveraged Cash Flow. If required and in the manner set forth in subsection g., below, the Developer may be required to make the Participation Payment, if owed to the Agency, in one or more partial payments ("Partial Participation Payments") in addition to a final payment ("Final Participation Payment").
  - (i) "Unleveraged Cash Flow" means Project Revenues less Project Costs.
  - (ii) "IRR" means the internal rate of return and shall be calculated on a monthly basis using the Unleveraged Cash Flow as reflected in the template attached hereto as Table 2 to this Attachment No. 4; provided that the listing in Table 2 of categories of costs shall be deemed for convenience and shall not limit the inclusion of applicable Project Costs as defined in subsection d.

below. The monthly IRR shall be used to calculate an annual IRR for the Project by the following method, wherein MIRR is equal to the monthly IRR (noncompounded) and AIRR is the annual IRR:

AIRR = MIRR(x) 12

(iii) "Target IRR" means the IRR of 22.5%."

Project Revenues received by the Developer and Project Costs paid by the Developer during any month shall be deemed to be received or paid on the last day of the month.

- c. Intentionally Omitted.
- d. Project Costs. "Project Costs" means all direct and indirect third party out-ofpocket predevelopment, planning, development, marketing and disposition costs and expenses paid by the Developer pursuant to the ENRA among the Developer and the Agency and the County, and/or in implementation of and pursuant to the Option Agreement, this Agreement and/or the Development Approvals to acquire, own, hold, develop or sell all or any part of the Project, which costs shall include, without limitation, all pre-development and preconveyance costs and post-conveyance costs for items included in the Developer's Project Pro Forma (as presented to the Agency), subject only to a combined limit on post-conveyance sale and marketing and general and administrative costs of three and one-half percent (3.5%) of Project Revenues (as defined in e. below), any reimbursement or indemnification costs or fees paid to FORA or the Agency, any CEQA mitigation costs, costs of investigation and remediation of Hazardous Substances or other environmental conditions on the Site, including insurance and indemnification in connection therewith, payments to the Agency or County for fiscal neutrality, all CSD and CFD costs (including formation and debt service) and other public financing costs, costs resulting from litigation or administrative challenges to the Project, all reasonable development fees, management fees (including costs of on-site employees which are not included in general and administrative costs) or other amounts paid by the Developer to Affiliates (as defined in Section 3.f.(i), below) of the Developer or any Member of Developer (a "Member") for services rendered in connection with the Development; provided, however, any amounts paid to Affiliates of Developer any Member of Developer shall exclude any amounts that exceed the costs that would have been incurred by the Developer had the Developer obtained the relevant services or goods from a third party on an arms' length basis. Without limiting the foregoing, Project Costs shall include the Initial Land Payment (as defined in Section 2 of Part A of this Attachment No. 4), but shall exclude any Participation Payment to be paid to the Agency, including any Partial Participation Payments and any Final Participation Payment (each as defined in Section 3.b. of Part A of this Attachment No. 4). Project Costs shall also exclude (a) the repayment of the principal and interest

- of any private loan obtained by the Developer; and (b) any distributions, preferred return or other capital return to the members of the Developer.
- e. Project Revenues. "Project Revenues" means all cash revenues actually received by Developer or fixed amounts to be received by Developer from an Affiliated Homebuilder under an installment sale or other delayed or deferred payment of any type or nature from (a) a sale, lease or other disposition (other than any disposition by foreclosure or transfer in lieu of foreclosure) of the Site or any portion thereof to a third party, or (b) any other event, contract, service or other transaction of any type or nature generating revenues actually received by Developer from any portion or all of the Site, excluding management fees for construction of public facilities. By way of example and not limitation, Project Revenues include rents, forfeited earnest money, rebates, fees for the provision by Developer of utility and other services to the Project of any nature, reimbursements, damage awards (net of costs of recovery), insurance proceeds (net of costs of recovery), all proceeds received by the Developer from the sale of CFD bonds and tax allocation bonds (including proceeds to reimburse Developer for costs incurred), condemnation awards (net of costs of recovery), income from granting easements or other interests in or rights relating to the Site, and interest on Project Revenues to the extent invested in interest-bearing accounts. Notwithstanding the foregoing, Agency and Developer acknowledge (i) that Project Revenues shall include, but not be limited to, all cash revenues actually received or to be received by Developer, as provided above, from the sale of lots for homes ("Homesites") to merchant builders, including, but not limited to, any participation payments paid to Developer from merchant builders, if any, along with revenues derived from the sale by Developer of other parcels for vertical development ("Development Parcels"), and (ii) that Project Revenues shall not include any revenues or profits from the construction and sale of homes on any of the Homesites by any Member of Developer or any Affiliate (as defined in Section 3.f.(i), below) thereof, other than revenues or profits, if any, paid as participation payments to the Developer.
- f. Homesite and Development Parcel Sales Prices. The consideration for all Homesites and Development Parcels sold by Developer shall be calculated as set forth in this Section 3.f.
  - (i) Sales to Non-Affiliated Third Parties. Any and all Homesites and Development Parcels sold by Developer to a person or entity that is not a Member or an Affiliate of a Member (a "Non-Affiliated Third Party") shall be sold at a market rate ("fair market value") to be determined by mutual agreement between Developer and such Non-Affiliated Third Party taking into consideration comparable sales, if any, which have requirements to commence and complete construction, restrictions on use and transfers, including notification and insurance requirements and other conditions imposed on buyers similar to those that are imposed on Non-Affiliated Third Parties under this Agreement; provided, however, that Developer shall market

available Homesites and Development Parcels to potential third-party buyers using those methods and practices customarily used by persons marketing similar property under similar conditions in the same or similar locality. As used in this Agreement, an "Affiliate" means any entity in which a Member, either directly or indirectly, has any interest whatsoever.

- (ii) Sales to Affiliated Homebuilders.
  - (1) <u>Homesites</u>. Any and all Homesites sold by Developer to an Affiliated Homebuilder shall be sold at a price that is no less than the fair market value, calculated using the methodology for determining Residual Lot Value set forth in Table 1 to this Attachment No. 4, in accordance with the following:
    - A. Base Home Price. Not later than 180 days prior to the first anticipated sale by the Developer to an Affiliated Homebuilder of a group of lots for a specific product category of market rate homes, as provided in Section C. of Attachment No. 3, (herein, for each group of all lots sold to an Affiliated Homebuilder for a specific product category of market rate homes in a Phase of the Project, a "Community", or if there is a partial sale of lots in a specific product category, a "Subcommunity"), the Developer and the Agency shall mutually agree upon a qualified marketing consultant with at least ten (10) years experience in evaluating new residential community values in the San Francisco Bay Area and in Monterey County, California (the "Residential Marketing Consultant"). The Residential Marketing Consultant may be changed from time to time by mutual agreement of the Developer and the Agency. The Residential Marketing Consultant shall be responsible for preparing a report determining the Base Home Price to be used in completing the methodology used in Table 1 to this Attachment No. 4 to determine Residual Lot Value for each Community or Subcommunity, to be presented as a final report to the Developer and Agency not later than thirty (30) days prior to the sale of the lots in the Community or Subcommunity to an Affiliated Homebuilder and establishing such Base Home Price as of the date of the final report. By not later than ninety (90) days prior to the sale by the Developer to an Affiliated Homebuilder of the lots in a Community or Subcommunity, the Residential Marketing Consultant shall present a draft report and conclusions to the Developer and Agency, who each shall have ten (10) business days following receipt of such draft report to submit to each other their comments or objections to the draft report, and, if there are comments and objections, to meet and confer in good faith with each other and the Residential Marketing Consultant for a period of not more than

fifteen (15) additional business days to mutually resolve such comments or objections. Following the expiration of the meet and confer period, the Residential Marketing Consultant, after considering all such comments and objections, shall issue its final report, not later than the time set forth above, determining the Base Home Price for the Community or Subcommunity, which both the Developer and the Agency shall be bound to accept for purposes of completing Table 1 of this Attachment No. 4 to establish the Residual Lot Value for the Community or Subcommunity.

Option Revenues shall be determined in accordance with Table 1, annexed to this Attachment No. 4, with the exception of moderate-income Inclusionary Housing and Workforce II Housing where Option Revenues shall not be included.

- B. Cost Deductions. From the Base Home Price for each of the finished homes, the following costs (collectively, the "Estimated Costs") shall be deducted:
  - (i) Direct Building Costs. For Phase 1, average direct building costs ("Direct Building Costs") will be projected based upon actual direct building costs incurred by William Lyon Homes (or an Affiliate thereof) for Product Types of similar size and specifications, in the San Francisco Bay Area, adjusted for cost differentials attributable to prevailing wage requirements unless a particular project is not subject to prevailing wages as determined by the FORA and Department of Industrial Relations, and adjusted for inflation based upon increases in the RS Means Construction Price Index. Alternatively, if such comparable detailed actual direct building cost figures are not available, then Direct Building Costs for Phase 1 shall be based upon actual direct building costs for comparable Product Types of similar size and specifications constructed elsewhere within the area encompassed by the Fort Ord Reuse Plan. Direct Building Costs shall also include final lot improvements typically made by homebuilders (including finished grading, landscaping and driveways and fences). For Phase 2 and Phase 3, Direct Building Costs will be based upon actual direct building costs incurred by Developer for Product Types of similar size and specifications within Phase 1, adjusted for inflation based upon increases in the RS Means Construction Price Index. In the event a particular Product Type in Phase 2 or Phase 3 is not included in Phase 1, then the Direct

- Building Costs for such Product Type shall be projected in the same manner as such costs are projected in Phase 1.
- (ii) Option Costs. Option Costs shall be determined in accordance with Table 1 annexed to this Attachment No. 4.
- (iii) Fees and Permits. Fees and permits will be calculated for an average unit as estimated by the County in accordance with the Development Agreement and including but not limited to MCWD fees and connection charges and MPUSD fees.
- (iv) FORA Fees. FORA Fees will be calculated based on the FORA Fee currently in force or with an adjustment for the maximum increase to be estimated for the date of the first building permit for each segment of Homesites and as adjusted and reapportioned in accordance with Section C of this Attachment No. 4.
- (v) Other Costs. Other costs shall be determined according to the methodology shown on Table 1 to this Attachment No. 4.
- C. Residual Lot Value. The fair market value of Homesites sold to an Affiliated Homebuilder shall be the Residual Lot Value. determined in accordance with the methodology of Table 1 to this Attachment No. 4; provided, however, that if a Community or Subcommunity to be constructed by an Affiliated Homebuilder includes lots for moderate-income Inclusionary Housing units and/or Workforce II Housing units, the Residual Lot Value for the Community or Subcommunity shall be a weighted blended result of separate calculations as follows: (1) first, for the market rate units in the Community or Subcommunity the Residual Lot Value ("Market Rate Residual Lot Value") shall be calculated under Table 1 of this Attachment No. 4 using the Base Home Price determined by the Residential Marketing Consultant; (2) second, for the moderate-income Inclusionary Housing units, if any, are required in the Community or Subcommunity, the Residual Lot Value ("Moderate-Income Residual Lot Value"), which may be a positive or negative amount, shall be calculated under Table 1 of this Attachment No. 4 wherein the Base Home Price for both revenues and costs is defined as the average incomerestricted sales price (discounted for continuing income restrictions on resale) at which those units will be sold to

eligible households in order to satisfy the requirements of the applicable Inclusionary Housing Agreement with the County for such income-restricted units, but excluding Option Revenues and Option Costs from such calculation; (3) third, for the Workforce II Housing units, if any are required in the Community or Subcommunity, the Residual Lot Value ("Workforce II Residual Lot Value"), which may be a positive or negative amount, shall be calculated under Table 1 of this Attachment No. 4 wherein Base Home Price for both revenue and costs is defined as the average income-restricted sales price (discounted for continuing equity sharing on resale) at which those units will be sold to eligible households in order to satisfy the requirements of the applicable Workforce II Housing Agreement with the County for such incomerestricted units, but excluding Option Revenues and Option Costs from such calculation; and (4) the resultant Market Rate Residual Lot Value, Moderate-Income Residual Lot Value (positive or negative amount), if any, and the Workforce II Residual Lot Value (positive or negative amount), if any, shall be averaged together on a weighted basis according to the number of units in each category, and the resultant number shall be the Residual Lot Value for the Community or Subcommunity. By way of example: assume that the Community or Subcommunity includes a total of 50 lots, 30 of which will be for market rate units with a Market Rate Residual Lot Value of \$100,000, 10 of which will be for moderate-income Inclusionary Housing units with a Moderate-Income Residual Lot Value of [-\$5000], and 10 of which will be for Workforce II Housing units with a Workforce II Residual Lot Value of \$50,000. The resultant average Residual Lot Value for the entire Community or Subcommunity shall be the product of the following equation:

Residual Lot Value equals:

 $((30 \times 100,000) + (10 \times [-5000]) + (10 \times 50,000))$ Divided by 50

Equals: 69,000

(2) Town Center Parcels. Town Center parcels shall be sold at a price that is no less than the residual land value (the "Residual Land Value", which shall be established by the Developer in its sole business judgment and which shall be deemed the fair market value) determined by the residual approach: taking estimated rents/residential sales prices per an approved consultant's market

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study, estimating capitalized value, using an eleven percent (11%) return on costs for the retail or office portion and a residential profit margin of nine percent (9%) of the residential sale price, and deducting all development costs, provided that: (i) any developer's fee/overhead in construction of the project shall not exceed 5% of direct construction costs, and (ii) any annual management fee for the operation of the project shall not exceed 3.5% of effective gross income.

- g. Progress Reports; Final Accounting; Timing of Participation Payment.
  - (i) As used in this subsection g.:

"1st Reporting Date" shall mean the last day of a 12-month period commencing on the date that Developer has completed (as evidenced by close of escrow) the second bulk sale of lots in Phase 2 for a particular Community or Subcommunity to a vertical developer-homebuilder (including, but not limited to, an Affiliated Homebuilder).

"2nd Reporting Date" shall mean the last day of a 12-month period commencing on the date that Developer has completed (as evidenced by close of escrow) the second bulk sale of lots in Phase 3 for a particular Community or Subcommunity to a vertical developer-homebuilder (including, but not limited to, an Affiliated Homebuilder).

"Final Reporting Date" shall mean the last day of an 18-month period commencing on the 2nd Reporting Date, plus extensions of said 18-month period for the periods of any Enforced Delay under Section 604 of this Agreement affecting the Developer and/or market rate residential homebuilders which prevent or delay the sale by Developer of market rate units to homebuilders on customary terms at reasonable prices consistent with fair market value.

"Payment Date" shall mean a date that is sixty (60) days after a Reporting Date.

- (ii) On each of the 1st and 2nd Reporting Dates the Developer shall submit to the Agency a report in the form, template and accounting methodology to be agreed upon by the Agency and Developer prior to close of escrow ("Developer's Progress Report") which shall include, on a cumulative cash basis, a summary of Project Costs (as defined in Section 3.d., above) incurred and Project Revenues (as defined in Section 3.e., above) received by the Developer, as horizontal developer, for the entire Project as of such Reporting Date.
- (iii) If a Developer's Progress Report submitted under subsection (ii), above, shows that Project Revenues received by the Developer has exceeded Project Costs incurred by the Developer for the entire Project such that the

Developer has exceeded the achievement of its Target IRR, (as defined in Section 3.b., above), the Developer shall make on or before the Payment Date a Partial Participation Payment (as defined in Section 3.b., above) to the Agency from available Unleveraged Cash Flow, subject to the Final Accounting (as defined in subsection (iv), below), in the following amount and manner: fifty percent 50% of the amount by which the Developer's Target IRR is estimated to be exceeded in the Developer's Progress Report (but, in the case of the 2nd Reporting Date only to the extent not previously paid to the Agency and/or deposited into an escrow account under this subsection (iii) pursuant to the Developer's Progress Report submitted on the 1st Reporting Date) shall constitute and shall be paid and deposited by the Developer as a Partial Participation Payment, as follows: (x) fifty percent (50%) of the amount of such Partial Participation Payment shall be paid directly to the Agency, and (y) fifty percent (50%) of the amount of such Partial Participation Payment shall be deposited by the Developer into an interest-bearing escrow account with an independent escrow holder mutually agreed to by the Developer and the Agency, to be held by such escrow holder and, following the Final Accounting (as defined in subsection (iv), below) to either be released to the Agency in whole or in part to the extent the Developer is not entitled to a refund of such amount as a result of the Final Accounting (as defined in subsection (iv), below) or be refunded to the Developer, in whole or in part, to the extent the Developer is entitled to a refund of such amount under the Final Accounting (as defined in subsection (iv), below).

- (iv) Upon the Final Reporting Date, the Developer shall submit to the Agency a final report ("Final Accounting") in substantially the form of the Developer's Progress Report containing a final accounting and reconciliation of total Project Revenues received by the Developer and total Project Costs incurred by the Developer, as horizontal developer, for the entire Project, and the IRR achieved by the Developer.
- (a) To the extent the Final Accounting shows that the Developer's Target IRR (as defined in Section 3.b., above) is exceeded for the entire Project, fifty percent (50%) of the Unleveraged Cash Flow available to the Developer in excess of the amount required to achieve the Developer's Target IRR (as defined in Section 3.b., above) shall constitute the amount of the Participation Payment due the Agency. By not later than the Payment Date, the Developer shall release to the Agency funds escrowed under subsection (iii), above. To the extent the amount of the Participation Payment still exceeds the sum of the Partial Participation Payments plus the sum of the released escrow funds, the Developer shall make a Final Participation Payment in the amount of such remaining amount to the Agency on or before the Payment Date. To the extent that the sum of the Partial Participation Payments plus the sum of the released escrow funds to the Agency exceeds the amount of the Participation Payment, the Agency shall be entitled to keep such excess amount.

- (b) To the extent that the Final Accounting shows that the Developer's Target IRR (as defined in Section 3.b., above) is not achieved for the entire Project, the Developer shall be entitled to withdraw from the escrow account on or before the Payment Date all or such amounts as shall be required to increase the Developer's Project Revenues up to an amount not to exceed the Developer's Target IRR (as defined in Section 3.b., above), and the Agency shall be entitled to release of the amount, if any, in the escrow account not withdrawn by the Developer, even though the Agency may have received Partial Participation Payments and escrowed funds in excess of the amount of the Participation Payment.
- h. Dispute Resolution. Any dispute between the Agency and Developer arising out of the provisions of this Section 3 shall be settled pursuant to the dispute resolution process set forth in Section 513 of this Agreement.

#### B. Public Facilities.

Developer shall be responsible for providing an amount not to exceed \$3,500,000, indexed to the Engineering News Record Building Cost Index for the San Francisco area (as applied from the Effective Date of this Agreement, the "ENR Cost Index"), for the design and construction of public facilities ("Public Facilities") within the Project, including construction management services (if approved by the County) on terms set forth in the Scope of Development (Attachment No. 9 hereto) specifically relating to the fire station, library and Sheriff's substation (the "Mandatory Public Facilities"). Except as provided in Section 8 of Attachment No. 9, Agency shall be responsible for providing an amount not to exceed \$5,500,000 (indexed to the ENR Cost Index) for Public Facilities in the Project, with priority to funding the Mandatory Public Facilities, as provided in Part H of this Attachment No. 4.

### C. FORA Fees.

The Developer and the Agency acknowledge that the FORA fees and/or assessments ("FORA Fees") for the Site must be satisfied, and that the imposition of those fees is reflected by an existing lien on the Site, which lien may be discharged upon payment in full of the FORA Fees. Subject to FORA concurrence, the actual payment of the FORA Fees may be redistributed among units so that larger units pay higher fees than smaller units, provided that such allocation generates the full aggregate amount required by FORA, and Developer may be given credit for infrastructure constructed and/or financed directly by Developer or Agency, where such infrastructure would have otherwise been the responsibility of FORA to finance and construct. The County agrees to diligently pursue the inclusion by FORA in its CIP of those traffic improvements designated as FORA's responsibility in the Combined Development Permit Conditions of Approval.

At the request of the Developer, the Agency and County shall cooperate with the Developer to obtain a comprehensive agreement with FORA covering, to the reasonable satisfaction of the Developer and the Agency: (i) redistribution of the FORA Fees among units on the Site, (ii) credit against FORA Fees for qualifying infrastructure provided by the Developer or Agency, (iii) timing of payment of pro rata FORA Fees upon the issuance of building permits

for vertical construction, (iv) present or current removal of the FORA lien on the Site in consideration of the obligations to pay FORA Fees pro rata at the time of and as a condition to issuance of building permits for vertical construction on the Site, and (v) credits from FORA for demolition costs. An executed agreement with FORA shall be a condition to close of escrow unless and to the extent waived by the Developer. A copy of any such agreement upon its completed execution shall be recorded and appended to this Attachment No. 4.

#### D. Offsite Infrastructure.

The Parties contemplate that off-site traffic improvements required in the implementation of the Specific Plan will be included in the FORA Capital Improvements Program (FORA CIP"), and that credits against the FORA Fees will be covered in the agreement with FORA referenced in Part C, above. The Agency and County staffs shall work with Developer and FORA to obtain the inclusion of offsite traffic improvements in the FORA CIP.

# E. Community Facilities District ("CFD").

- 1. Developer and County and Agency staff and consultants shall consider the formation of a CFD, consistent with County CFD policies, to fund a portion of the cost of public infrastructure installation required for development of the Project, equal to but not to exceed Twenty Million Dollars (\$20,000,000) in infrastructure costs, as an important element for the economic feasibility of the development of the Site. It is also recognized that the formation of a CFD for purposes of levying a special tax to partially fund the ongoing operations of a CSD is an important component of satisfying the County's requirement for a fiscally neutral project based on a final fiscal impact analysis and a Fiscal Neutrality Funding Plan as referenced in Part K of this Attachment No. 4.
  - a. For purposes of a CFD to fund infrastructure, it shall be a condition of closing, except as may be waived by the Developer in its sole and absolute discretion, that all actions required to be taken by the County to initiate the formation of a CFD, including a financing program, applicable to all parcels to be developed on the Site (excluding only the deed-restricted very low and low income affordable residential units and the public facilities) shall have occurred to the satisfaction of the Developer.
  - b. For purposes of a CFD to levy a special tax for ongoing services, if a necessary part of the Developer's financial program to provide a fiscally neutral Project, it shall be a condition of closing that the Developer shall have initiated the actions needed to be taken by the Developer in connection with the formation of a CFD, including recognition by the Developer of its obligation to provide any reasonable credit enhancement required for the issuance of CFD Bonds under County policies at such time as CFD Bonds are proposed to be issued.

One CFD to address the purposes in a. and b. above is contemplated. The Developer shall advance the costs for the formation of the CFD subject to reimbursement by the CFD. County and Agency staff shall support the formation of a CFD in a timely manner, so as not to delay the timely issuance of CFD Bonds when required by the Developer.

# F. Community Services District ("CSD").

Developer and Agency staff also agree that the formation of a CSD to provide ongoing maintenance of certain elements of infrastructure is important to enhance the physical and fiscal soundness of the Project and to achieving fiscal neutrality for the County (as further discussed in Part K. of this Attachment No. 4). Because of the unique circumstances of Fort Ord, the Parties have agreed that special State legislation will be required to facilitate the formation of a CSD. It shall be a condition of closing, that, in the absence of an interim alternative financing mechanism, steps needed to form a CSD shall have been initiated by the County to comply with the Combined Development Permit Conditions of Approval for the formation of a CSD. The Developer shall advance the reasonable costs for the formation (including LAFCO approval, if needed) of the CSD to comply with the Development Approvals subject to reimbursement by the CSD. County and Agency staff shall diligently pursue the enactment of State legislation and shall support the formation of a CSD in a timely manner.

The total combined property tax burden on any developed parcel, including any overrides and the special assessment burdens of the CFD and the CSD, shall not exceed 2.0% (exclusive of HOA dues and assessments) of the assessed value. The Rental Affordable Housing and the Public Facilities shall not be subject to any liens related to the CFD or costs of the CSD.

Following concurrence by the County Treasurer, the financial advisor to the County and bond counsel, and subject to agreement on matters such as credit enhancement where required for the issuance of CFD Bonds, compliance with the County's policies on CFD formation, and consistency with industry practices of land secured financing in California, Agency, in cooperation with County and its Board of Supervisors, will agree to use its best efforts to establish a CFD and a CSD on the entire Site as contemplated above. The Agency's and the County's obligations hereunder are subject to the Developer's agreement, in the form of a mutually acceptable Reimbursement Agreement, to advance all funds required to plan and process the formation of a CFD and CSD, including but not limited to the fees and costs of the County's and the Agency's financial advisor, subject to reimbursement of such costs from the CFD and CSD, as applicable. Under the CFD, funds for infrastructure costs shall only be disbursed to Developer in tranches that are tied to completion of discreet operable segments of the public improvements. The Developer shall have the option to use or not to use the CFD financing. In the event the Developer elects not to use the CFD financing, the Agency shall have no obligation to repay to the Developer any advances for the CFD formation, except to the extent that such advances have not been expended or otherwise legally committed or obligated to be paid for costs incurred. Formation of a CFD and a CSD may be commenced by the County or Agency and is subject to required public hearings and procedural requirements, and neither the County nor the Agency shall be deemed legally bound to form either a CFD or a CSD, but Agency and County staffs shall recommend to the Board of Supervisors that it take the actions necessary to form the CFD and the CSD in a timely manner so as not to delay the closing.

The Parties agree that the formation of a CSD and/or CFD, as to improvements and services to be financed, shall be accomplished in such manner as to satisfy, together with additional funding sources that may be required, the requirements for the Project to be fiscally neutral as to impacts on the County as referenced in Part K of this Attachment No. 4.

### G. Historic District and Town Center.

## 1. <u>Historic District</u>

As a condition to conveyance, and to ensure that all historic preservation requirements are met, Developer will comply with the Agreement and Covenant for the Transfer of East Garrison Historic District (the "Historic District Agreement"), dated as of August 3, 2004, between the SHPO and FORA and recorded in the Records of the Monterey County Recorder on October 15, 2004 as Document 2004110087, and Mitigation Measure 4.8.1-H and Combined Development Permit Condition of Approval No. 59. The Developer must also provide infrastructure to all buildings in the Historic District, subject to the CFD and CSD, as applicable to such buildings. Subject to Part H, below, Agency agrees to make available to the Project for the rehabilitation of the Historic District the net tax increment allocable to the Agency as set forth below in this section.

The Developer will be legally obligated to expend directly or make available to the Agency a total amount of \$750,000, (indexed to the ENR Cost Index, as first defined in Part B hereof), to fund the predevelopment expenses of the Historic District on the following timetable: \$150,000 in 2006, \$300,000 in 2007 and \$300,000 in 2008.

For capital costs (exclusive of capital costs for buildings to be devoted to public use and owned after rehabilitation by public entities, which costs shall be deemed part of the costs of the Public Facilities under Attachment No. 9 hereto) and subject to Section c. of Part H, below, of this Attachment No. 4, the Agency will make available up to but not to exceed \$5 million (indexed to the ENR Cost Index, as first defined in Part B hereof) in tax increment funds during the first year that tax increment funds sufficient for major capital improvements to the buildings in the Historic District are available, currently estimated to be FY 2008/09. The Developer shall thereupon provide funds for major capital improvements to buildings in the Historic District up to but not to exceed \$1 million (indexed to the ENR Cost Index, as first defined in Part B hereof, in the same percentage as the Agency's \$5 million), to be provided in an amount equal to Twenty Percent (20%) of the amount made available for such purposes by the Agency. In addition, upon completion of work on and occupancy of fifty percent (50%) of the buildings in the Historic District, the Developer will contribute \$250,000, (indexed to the ENR Cost Index, as first defined in Part B hereof) to the establishment of an endowment for the non-profit corporation described in Section 3 of Attachment No. 9 hereto to cover the operating costs of the Historic District. No other contributions will be required by the Agency or the Developer. Nothing in this paragraph shall be deemed to impose an obligation on the Agency or the Developer to perform any work or make any capital improvements to the buildings to be retained in the Historic District.

The Developer, the Agency and the County agree to enter into an agreement with ArtSpace to take title to the historic buildings and rehabilitate such buildings. Agency has approved Artspace as the developer and operator of the Historic District. Funds for the rehabilitation will be paid to Artspace upon a demonstration, to the satisfaction of the Agency and Developer, that Artspace has the technical, managerial and financial ability to complete the rehabilitation in accordance with the covenants and conditions stated in the Historic District Agreement between FORA and the SHPO.

### 2. Town Center

Pursuant to the Option Agreement, Developer has the obligation to construct approximately 34,000 square feet of neighborhood serving retail, civic and other non-residential uses ("Town Center Construction Obligation"). Developer and County recognize that the retail portion of the Town Center Construction Obligation may not be economically feasible. Consequently if no residual value is determined to exist pursuant to Section 3.b(ii)(2) of Part A of this Attachment No. 4, no value may be attributable to the town center mixed use parcels and any subsidy which may be required from Developer to finance construction shall be considered a Project Cost, as defined in Section 3.d. of Part A of this Attachment No. 4. Developer will install all the infrastructure necessary to service the Town Center parcels, including the Town Center Park and parking lots. Developer may assign its rights and obligations to develop the Town Center mixed-use commercial and residential parcels (as described in Exhibit 2 to Attachment No. 9) to either Woodman Development Company, LLC ("Woodman") or a special purpose Affiliate of either the Developer or Woodman ("Assignee").

An approximately 7,000 square foot Fire Station to be constructed on a site within Phase 1 comprises a portion of the Town Center Construction Obligation but is the subject of its own separate subsidy by Developer, described in Section 8 of Attachment No. 9, and shall not count toward satisfying the Developer's 34,000 square foot Town Center Construction Obligation. As provided in Section 6 of Attachment 9, 4,000 square feet of the Library/Sheriff's Substation shall count toward satisfying the Developer's 34,000 square foot Town Center Construction Obligation. At least 20,000 square feet of the Town Center Construction Obligation must have been completed prior to the issuance of the first market rate unit permit within Phase 3 of the Project and the remaining 14,000 square feet of the Town Center Construction Obligation must be completed prior to the issuance of the last certificate of occupancy for the last market rate unit in Phase 3.

Prior to the first market rate unit building permit being issued in Phase 3, Developer or Assignee shall post a completion bond with respect to any portion of the Town Center Construction Obligation which is not completed or under construction at that time.

Developer shall thereafter be allowed to continue to obtain all remaining building permits and certificates of occupancy for the market rate units of the Project without restriction. Timing of construction of the Town Center Construction Obligation shall be subject to Enforced Delays under Section 604 of this Agreement.

# H. Tax Increment; Agency Assistance.

The Agency agrees to pledge and devote to the Project its share of the net tax increment produced by the Project and allocable under State law to the Agency in the following priority order:

- a. First, to the Agency's actual annual costs of administering the Redevelopment Project Area, estimated at the lesser of total increment or \$300,000, escalated at 3% per year, from non-housing funds based on net increment after statutory pass-throughs.
- b. Second, subject to priority a. above, and to availability, up to \$48,469 (indexed to the ENR Cost Index as first defined in Part B hereof) per Rental Affordable Housing unit as requested by the Developer, up to but not to exceed in the aggregate \$9.5 million (indexed to the ENR Cost Index as first defined in Part B hereof) solely for the purpose of subsidizing the costs related to vertical construction (hard costs only, not including, by way of example, site preparation costs, infrastructure costs, permits, fees and exactions) of the units in the Project to be made available and restricted to occupancy by persons and families of very low and low income, all subject to the terms of the Inclusionary Housing Agreements to be entered into between the Developer and the County pursuant to the Combined Development Permit Conditions of Approval and the agreements with one or more Rental Affordable Housing Developers (referenced in Section 4 of Attachment No. 9). The source of such tax increment funding shall be the Agency tax increment generated by the Project. Developer has represented to Agency, and Agency acknowledges, that Developer will budget and expend, in addition to the amount of the Agency's subsidy for the Rental Affordable Housing units referenced in the preceding sentence, up to a total of \$630,000 of its own funds (indexed to the ENR Cost Index as first defined in Part B hereof) for such Rental Affordable Housing units; provided, however, that Developer acknowledges and agrees that notwithstanding the amounts required to be contributed by the Agency and the Developer for Rental Affordable Housing units under this subsection b., the Developer shall be responsible in any event for causing such Rental Affordable Housing units to be constructed in accordance with the terms of the Inclusionary Housing Agreements, and that no additional amount of subsidy for such units shall be required from the Agency or requested by the Developer or any Rental Affordable Housing Developer.

Tax increment funds will be made available as provided in the immediately preceding paragraph for the Rental Affordable Housing units. No such funds shall be made available for the moderate income Inclusionary Housing units. If tax increment is not available when needed for construction of the Rental Affordable Housing units, the Developer will advance those funds up to but not to exceed \$5.5 million (the

"Shortfall Loan") of the \$9.5 million (as indexed to the ENR Cost Index as first defined in Part B hereof) that the Agency is obligated to contribute for the Rental Affordable Housing units, which Shortfall Loan shall be evidenced by a promissory note (the "Note") from the Agency to the Developer substantially in the form attached to this Agreement as Attachment No. 10 and shall be repaid by the Agency out of tax increment Bond proceeds or pay-as-you-go tax increment proceeds with accrued per annum interest at the higher of 7% or prime plus 1% on the unpaid balance, compounded annually until repaid. The Agency shall apply its pay-as-you go tax increment and/or the proceeds of tax allocation Bonds to effectuate the repayment of the Note as soon as it is feasible to do so, in the good faith determination of the Agency. The Shortfall Loan shall not be considered "Project Revenues" or "Project Cost" under Section 3.d. of Part A hereof for purposes of calculating the Developer's Target IRR under Section 3.b. of Part A hereof.

- c. <u>Third</u>, subject to priority a. and b. above, and further subject to timing of availability, to fund, to the extent required, completion of the Mandatory Public Facilities referred to in Part B of this Attachment No. 4 above.
- d. Fourth, subject to priority a., b. and c. above, and further subject to timing of availability, to fund a portion of the capital cost of rehabilitating the Historic District, in an amount not to exceed \$5.0 million (indexed to the ENR Cost Index) as set forth in Part G., above.
- e. <u>Fifth</u>, subject to priority under a., b., c. and d. above, and further subject to timing of availability, to fund the costs of design and construction of other Public Facilities as specified in Part B., above, not to exceed a total cost of \$5.5 million (indexed to the ENR Cost Index).
- f. Sixth, subject to priority under a., b., c., d. and e. above, and further subject to timing of availability, at the discretion of the Agency, for projects and programs to be carried out in the County's Redevelopment Project Area (with Public Facilities needs of the Project, if any remain, to be given first consideration by the Agency, in its discretion, after consultation with the Developer) to which tax increment may be applied.

# I. Tax Increment Pledge.

The financial obligations of the Agency in Sections 205 and 310 of this Agreement, and in Part H, above, are secured by the Agency's pledge of tax increment set forth in Section 703 of this Agreement. In the event State Legislation enacted after the date of this Agreement would have the effect of diverting tax increment funds of the Agency to other State purposes with a material impact on the Agency's ability to fund its obligations under this Agreement and as set forth in this Attachment No. 4, the Parties hereto: (1) shall cooperate to explore all feasible means to enforce and/or validate the Agency's pledge under Part H above and, (2) in addition, shall meet and confer in good faith to attempt to mutually restructure the timing and amount of the Agency tax increment funding for the Project and the requirements and financial obligations for the Project in a way that would allow the Project to proceed in an economically feasible

manner as planned consistent with maintaining the Developer's Target IRR of 22.5%. Nothing in the preceding sentence shall obligate the Agency to materially alter the terms of the transaction to accommodate the reduction or diversion of tax increment or obligate the Developer to proceed with the transaction if the Project cannot proceed in an economically feasible manner as a result of the reduction or diversion, and the failure to reach mutual agreement thereunder shall constitute a failure of the Agency to satisfy a condition precedent and to tender conveyance of the Site under Section 510 of this Agreement, for which the Developer's sole remedy shall be, subject to the provisions of Section 513, termination of this Agreement.

# J. [Intentionally Deleted].

## K. Fiscal Neutrality.

The Project shall provide fiscal neutrality with respect to the County, the SRFD and the Monterey-Salinas Transit District ("MST"). A CSD shall be formed as provided in Part F., above and/or the Developer shall provide an appropriate alternative financing mechanism (such as a property owners association) to achieve this requirement, together with other appropriate funding mechanisms to the extent necessary to establish fiscal neutrality, meaning that annual tax revenues to the County, the SRFD and MST from the Project for each year starting with the receipt of the first certificate of occupancy issued by the County for the Project shall equal or exceed costs to the County, the SRFD and MST in providing urban services to the Project.

In order to achieve fiscal neutrality, a preliminary fiscal impact analysis by the Agency assumes that the Project will be responsible for funding all net operational and maintenance costs related to public works, parks, fire protection, public safety and the library and other services provided by the County's general fund.

A final fiscal impact analysis, consistent with the methodology used in the preliminary impact analysis prepared for the Agency in May, 2004, will be conducted following the approval of this Agreement and prior to closing, which will be used to finalize a Fiscal Neutrality Funding Plan, which, when approved by the Developer, Agency and County, shall be added to this Agreement as Exhibit 1 to this Attachment No. 4 and shall be the basis for financing obligations of the CSD and, if necessary, other appropriate funding mechanisms.

#### L. School Site.

If the Monterey Peninsula School District (the "School District") identifies a site for a new school on County lands outside the Site to serve the Project, the County intends, on request from the School District and conditioned upon completion of appropriate environmental review and applicable County process, to provide the identified site to the School District for the purpose of constructing the new school.

# **EXHIBIT 1 TO ATTACHMENT NO. 4**

# FISCAL NEUTRALITY FUNDING PLAN

[First referenced, Part K, Attachment No. 4]

[TO BE ATTACHED WHEN PREPARED AND APPROVED IN FINAL FORM.]

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Exhibit 1to Attachment No. 4

# Table 1 to Attachment No. 4 Determination of Residential Lot Value for Affiliated Homebuilders

| -,  |                              |  |  |                         |          |
|---|------------------------------|--|--|-------------------------|----------|
| Product type:<br>Phase:<br>Number of units<br>Date: | ;                            |  |  | all types<br>all phases |          |
| Revenue:  |                              |  |  |                         |          |
|   | Base Home Price              |  |  | \$0                     | (1), (2) |
|   | Options Revenue              | 6%                                     | of Base Home Price                                   | \$0                     | ,        |
|   | Estimated Sales R            | evenue                                 | 57/  | \$0                     |          |
|   |                              |  | of Ontions Payanua                                   | <u> </u>                |          |
| <b>Estimated Cost</b>                               | s:                           |  | 00776075 61  |                         |          |
|   | Direct Building              | FL                                     | 0 . 10 . 1   | <b>\$0</b>              | (3)      |
|   | Costs Option Costs           | THE PACE                               | of Options Revenue                                   | <b>A</b> -              |          |
|   | Fees and Permits             |  | Of Options Neverine                                  | <u>\$0</u><br>\$0       | (4). (5) |
| а. Г  | Sales & Marketing            |  |  | - 40                    | (4). (4) |
|   | Warranty                     | 23.10%                                 | Base Price/Lot premium                               | \$0                     |          |
|   | Taxes PICUP/TICS             | (2) Ell 10 (2) (1) (2) (1) (2) (2) (2) | 是。自己的中央1000亿元,在1000元元元元元元元元元元元元元元元元元元元元元元元元元元元元元元元元元 |                         |          |
|   | Financing                    | 7.50                                   |  |                         |          |
|   | Builder Margin               |  |  |                         |          |
| b.  | Indirect                     |  |  |                         |          |
| i   | Construction A&E/Consultants | 7.00%                                  | Base Price/Lot Premium                               | 20                      |          |
|   | Overhead                     |  |  | \$0                     |          |
|   | Insurance                    |  |  |                         |          |
| L   | Estimated Costs              | •                                      |  | \$0                     |          |
|   |                              |  |  |                         |          |
|   |                              |  |  |                         |          |
|   | Residual Lot                 |  |  | <u>\$0</u>              | (6)      |
|   | Value                        |  |  |                         |          |

- (1) Includes Lot Premiums and adjustments for CFD and CSD. Based on 3rd party marketing report.
- (2) Base Home Price equals average Base Home Price of all units in that Phase.
- (3) Direct Building Costs calculated per Attachment No. 4 (3f ii B i) and excludes model upgrades.
- (4) Fees Calculated by County in accordance with DA including MCWD and MPUSD.
- (5) FORA fees currently applicable as reallocated and apportioned by Developer and approved by County and FORA.
- (6) Average price paid by Affiliated Homebuilder per lot

# TABLE 2 TO ATTACHMENT NO. 4

[First referenced, Section 3.b.(ii) of Part A]

# TEMPLATE FOR IRR CALCULATION

[FOLLOWING PAGE]

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Exhibit 1to Attachment No. 4

|   | DDA Proforma Template |       |       |       |       |       |       |             |             |       |             |
|---|-----------------------|-------|-------|-------|-------|-------|-------|-------------|-------------|-------|-------------|
|   | Total                 | Total | Total | Total | Total | Total | Total | Total       | Total       | Total | Grand       |
| CASH FLOW REPORT:<br>Total Units  | 2003                  | 2004  | 2005  | 2006  | 2007  | 2008  | 2009  | 2010        | 2011        | 2012  | Total       |
| Units Closed<br>Cumulative Units<br>Gross Sales Revenue   |                       |       |       |       |       |       |       |             |             |       |             |
| Receipts: Cash @ Closings (per DDA) CFD Net Proceeds Less: Closing Costs  |                       |       |       |       |       |       |       |             |             |       |             |
| Net Receipts  |                       |       |       |       |       |       |       |             |             |       |             |
| Disbursements: Land Acquisition Property Tax Payments Entitlements Final Map/Consultants Onsite Infrastructure Offsite Infrastructure PG & E Reimbursements MCWD Reimbursements (Sewer MCWD Reimbursements (Water) Performance Bonds Arts District Subsidy Environmental Insurance Cleanup Costs Operational Costs FORA Fee Infrastructure Credit FORA Demolition (Land sale) Cre Sales and Marketing Town Center Subsidy (if any) Construction Insurance Affordable Housing Subsidy County Facilities (Fire/Lib/Police) Documented Other Misc Costs Air Quality EIR Mitigations CFD Debt Service DRE/HOA Assesments G & A (Post Closing) Expense | edit                  |       |       |       |       |       |       |             |             |       |             |
| Net Disbursements   |                       |       |       |       | ~~~   |       |       | <del></del> | <del></del> |       |             |
| Net Cash Flow   |                       |       |       |       |       |       |       |             | ·           |       | <del></del> |

Table 1 to Attachment No. 4

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