

CONSTRUCTION LOAN PROGRAM

RiverSource Investments

<i>Loan Type:</i>	Variable-rate, non-recourse loan with fixed-rate conversion option.									
<i>Amount:</i>	\$2 to \$30 million.									
<i>Loan-to-Value:</i>	Maximum of 75%.									
<i>Debt Coverage:</i>	Minimum of 1.25x.									
<i>Variable Rate:</i>	Competitive floating spread over the 6-Month Libor.									
<i>Fixed Rate Option (w/ Spread Lock):</i>	During the term of the loan, the borrower has the option to fix the rate at a specific spread over the comparable Treasury.									
<i>Fixed Rate Option (w/o Spread Lock):</i>	During the term of the loan, the borrower has the option to fix the rate at a then-determined market rate.									
<i>Term:</i>	3, 5, 7 or 10 years (15 or 20 years available for self-amortizing loans).									
<i>Amortization:</i>	Typically 25 years, longer available case-by-case.									
<i>Commitment:</i>	Written commitment typically given within two (2) weeks of application (prior to Third Party Reports).									
<i>Application Fee:</i>	\$5,000, payable to RiverSource Investments at application.									
<i>Placement Fee:</i>	1.0%, payable to PC Financial Corporation at closing.									
<i>Deposit:</i>	2.0%, good faith deposit, payable at application and fully refundable at closing.									
<i>Recourse:</i>	Non-recourse, subject to standard carve-outs.									
<i>Prepayment - Variable-Rate (w/ Spread Lock Option, based on a 10-year loan):</i>	<table border="1"> <thead> <tr> <th><u>Loan Year</u></th> <th><u>Prepayment Fee</u></th> </tr> </thead> <tbody> <tr> <td>1 and 2</td> <td>One year's interest</td> </tr> <tr> <td>3 through 7</td> <td>3%</td> </tr> <tr> <td>8 through 10</td> <td>1%</td> </tr> </tbody> </table>	<u>Loan Year</u>	<u>Prepayment Fee</u>	1 and 2	One year's interest	3 through 7	3%	8 through 10	1%	
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<i>Prepayment - Fixed-Rate (w/ either Option):</i>	Yield maintenance (fixed-declining available for shorter terms).								
<i>Secondary Financing:</i>	Permitted, total debt limited to 75% to 80% of appraised value.								
<i>Assumability:</i>	Fully assumable with payment of a 1.0% assumption fee.								
<i>Borrowing Entity:</i>	Non-SPE acceptable.								
<i>Ground Leases:</i>	Considered on a case-by-case basis.								
<i>Third Party Reports:</i>	Appraisal, environmental and structural reports are required. Each report will be subject to review and approval by PC Financial and American Express. Approximate cost for Third Party Reports, \$10,000.								
<i>Legal:</i>	Lender legal will be performed by RiverSource appointed counsel. Approximate cost for Legal, \$8,000.								
<i>TI/LC Reserves:</i>	If applicable to property type, Tenant Improvement and Leasing Commission Reserves will be calculated and underwritten based on market conditions and tenant expiration schedule. However, TI/LC reserves are <u>not</u> typically collected.								
<i>Replacement Reserves:</i>	Replacement Reserves will be calculated and underwritten based on engineering report findings. However, Replacement Reserves are <u>not</u> typically collected.								
<i>Tax and Insurance:</i>	Monthly tax escrows will be collected. However, Insurance Escrows are <u>not</u> typically collected.								
<i>Financial Reporting:</i>	Annual financial statements are required within 90 days of fiscal-year-end.								
<i>Documentation:</i>	Standard documents will be utilized.								