

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN**

In re:

The Village At Knapp's Crossing, L.L.C.,

Case No. 13-06094-jrh
Hon. Jeffrey R. Hughes
Chapter 11

Debtor.

**FIRST AMENDED DISCLOSURE STATEMENT IN
CONNECTION WITH DEBTOR'S PLAN OF REORGANIZATION**

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I. INTRODUCTION AND OVERVIEW

A. PURPOSE OF DISCLOSURE STATEMENT

Debtor-in-possession, The Village At Knapp's Crossing, L.L.C. ("Debtor") submits this first amended disclosure statement (herein referred to as the "Disclosure Statement," and superseding and replacing any past versions of the disclosure statement in the above-referenced case previously referred to as the "Disclosure Statement") pursuant to Section 1125 of the Bankruptcy Code, 11 U.S.C. §§ 101 et seq., to all known Holders¹ of a Claim against them. Debtor provides this Disclosure Statement to its Creditors to disclose information deemed by it to be material and necessary for Creditors to make a reasonably informed decision in exercising their right to vote for the acceptance of the Plan.

B. SOURCE OF INFORMATION

The Disclosure Statement and the Plan have been prepared from information furnished primarily by Debtor and Debtor's professionals. Neither Debtor's counsel nor Debtor's certified public accountant have conducted an independent investigation to verify such information. The statements contained in this Disclosure Statement are made as of the date hereof, unless another time is specified. Neither the delivery of this Disclosure Statement nor any exchange of rights made in connection with it shall, under any circumstances, create an implication that there has been no change of the facts set forth herein since the date of this Disclosure Statement.

NO PERSON OR ENTITY HAS BEEN AUTHORIZED BY DEBTOR OR THE COURT TO GIVE ANY INSTRUCTIONS OR MAKE ANY REPRESENTATIONS CONCERNING DEBTOR OR ITS FINANCIAL AFFAIRS, OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS, PROMISES AND/OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE OR REJECTION OF THE PLAN, WHICH ARE OTHER THAN AS CONTAINED IN THIS

¹ Capitalized terms used in this Statement, not otherwise defined herein, shall have the meanings ascribed to such terms in the Debtor's Amended Plan Of Reorganization.

DISCLOSURE STATEMENT, SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION. SUCH REPRESENTATION, INDUCEMENTS AND/OR PROMISES, IF ANY, SHOULD BE REPORTED TO COUNSEL FOR DEBTOR WHO, IN TURN, SHALL DELIVER SUCH INFORMATION FOR SUCH ACTION AS THE COURT MAY DEEM APPROPRIATE.

C. OVERVIEW OF CHAPTER 11 BANKRUPTCY

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under Chapter 11, a debtor is authorized to reorganize its business for the benefit of itself, its creditors and equity interest holders. In addition to permitting a rehabilitation of a debtor, another goal of Chapter 11 is to promote equality of treatment for similarly situated creditors and similarly situated equity interest holders with respect to the distribution of a debtor's assets. The commencement of a Chapter 11 case creates an estate that is comprised of all of the legal and equitable interests of a debtor as of the filing date. The Bankruptcy Code provides that a debtor may continue to operate its business and remain in possession of its property as a debtor-in-possession.

The consummation of a plan of reorganization is the principal objective in a Chapter 11 reorganization case. A plan of reorganization sets forth the means for satisfying claims against, and equity interests in, a debtor. Confirmation of a plan of reorganization by the Bankruptcy Court makes the plan binding on the debtor, any issuer of securities under the plan, any person acquiring property under the plan, and any creditor or equity interest holder of a debtor. Subject to certain limited exceptions, the confirmation order discharges a debtor from any debt that arose prior to the date of confirmation of the plan and substitutes the obligations specified under the confirmed plan.

After a plan of reorganization has been filed, the holders of claims against, or interests in, a debtor are permitted to vote to accept or reject the plan. Before soliciting acceptances of the

proposed plan, however, Section 1125 of the Bankruptcy Code requires a debtor to submit a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment about the plan.

II. DESCRIPTION OF DEBTOR

A. THE DEBTOR-IN-POSSESSION.

On July 30, 2013 (the "Petition Date"), The Village At Knapp's Crossing, L.L.C., (referred to for convenience herein as the "Debtor") filed a Voluntary Petition under Chapter 11 of Title 11 of the United States Code, §§101, et. seq., in the United States Bankruptcy Court for the Western District of Michigan, bearing Case No. 13-06094-jrh. Upon filing for reorganization, Debtor became a "Debtor-In-Possession," as that term is defined in the Bankruptcy Code. The Debtor seeks to continue its operations and pay its Creditors pursuant to the terms of the Plan in the above-referenced case (the "Chapter 11 Case").

B. DEBTOR'S PRINCIPALS AND MANAGEMENT.

1. Background. Prior to and after the Petition Date: (1) S.D. Benner, L.L.C ("Benner I") had, and has, a 100% ownership interest in Debtor, The Village At Knapp's Crossing, L.L.C.; (2) Steven D. Benner had, and has, a 98% ownership interest in Benner I Debtor's sole member; and (3) Mr. Benner was, and is, the managing member of Benner I. Debtor's owner, Benner I, is operating under a confirmed Chapter 11 plan of reorganization (the "Benner Plan").

The Debtor's real estate properties, the main assets of the Debtor, (the "Properties") are managed by Evergreen Properties of Michigan, Inc. ("Evergreen"), an entity that is wholly-owned and managed by Mr. Benner. Evergreen is the 2% owner of S.D. Benner L.L.C. For over

thirty years, Mr. Benner has successfully invested in, developed, and managed real estate assets, specializing in retail shopping centers located in Western Michigan.

2. Compensation. Mr. Benner is an employee of Evergreen, and receives a weekly paycheck of \$500.00 from Evergreen, and is limited to such a sum by the Benner Plan. Evergreen is paid a management fee of 4% of the gross rents collected from Debtor, and is also reimbursed by Debtor for expenses paid on behalf of Debtor pursuant to a Management Agreement dated August 2, 2004. Mr. Benner has never received a salary from Debtor, and currently does not receive a salary from Debtor.

3. Future Principals of the Debtor and Compensation. Going forward, Debtor plans on Evergreen continuing to manage the day-to-day operations of the Debtor and the Properties, under the management of Mr. Benner who is a very sophisticated real estate developer.

C. DESCRIPTION OF DEBTOR'S BUSINESS AND CAUSES FOR CHAPTER 11 FILING

Debtor owns various Properties, which are Debtor's primary assets, more fully described *supra* and in the schedules filed in the Chapter 11 Case with the Bankruptcy Court, including any amendments thereto. *See* Exhibit A, Debtor's Schedules A and B that were filed in the Chapter 11 Case with the Bankruptcy Court, as most recently amended, listing Debtor's Properties and other personal property. The Properties are managed by Evergreen. The Debtor's primary secured lender is IBOC (which has a secured interest in the IBOC Properties, as that term is defined within the Plan) with Debtor having other Properties securing loans to Comerica and FCB (which include the Comerica Property and FCB Properties, as those terms are defined within the Plan). IBOC entered into a loan agreement with Debtor in October 2010, and was

granted a loan (“Loan”) which Debtor used to finance the purchase of certain property located at the northeast corner of Knapp Street and East Beltline in Grand Rapids, Michigan (otherwise known as the “IBOC Properties,” and also referred to as the “VKC Development Site”). The VKC Development Site is located in a rapidly expanding part of northeast Grand Rapids and is a bustling commercial hotspot with a high expected return on investment. There is a tenant that has been operating a successful P.F. Chang’s China Bistro (“Chang’s”) restaurant on one parcel contained within the VKC Development Site for the past two years. The rent revenue derived from the lease between Chang’s and Debtor that was executed on September 24, 2010 (“Lease”) has been the primary source of funding used by Debtor to service the Loan owing to IBOC.

Due to various events outside of Debtor’s control, including, but not limited to, delays in the use of the agreed written easement involving Debtor, Consumers Energy Co., and the City of Grand Rapids, the VKC Development Site suffered multiple developmental delays (“Delays”). The Delays gave rise to certain claims in Chang’s favor pursuant to the Lease, which resulted in Chang’s being awarded certain rent credits (“Rent Credits”). In March 2013, Chang’s began applying the Rent Credits toward the full monthly rent payments that came due to Debtor, resulting in Debtor receiving only a small portion of the rent due under the Lease. Without the full amount of the rent revenue coming in from Chang’s, Debtor was unable to service the debt it owed to IBOC, which resulted in Debtor declaring a default on the IBOC Loan. Despite several discussions between Debtor and IBOC during which IBOC conveyed its willingness to enter into a forbearance agreement on the Loan and to provide short-term “bridge” financing to Debtor so it could continue development on the VKC Development Site, ultimately, Debtor and IBOC were unable to reach mutually satisfactory terms on a long-term resolution of the indebtedness owed to IBOC. Accordingly, to preserve its business and going concern value for the benefit of

all Creditors and parties-in-interest, Debtor filed its voluntary Chapter 11 bankruptcy petition on July 30, 2013.

II. DESCRIPTION OF DEBTOR

A. POST-PETITION TRANSFERS OUTSIDE ORDINARY COURSE OF BUSINESS.

The Debtor has operated in the ordinary course of business since the Petition Date. Debtor has made no post-petition transfers outside the ordinary course of business other than disclosed herein.

B. CHAPTER 11 EVENTS AND ORDERS.

1. Employment of Professionals. Throughout the course of Debtor's Chapter 11 Case, Debtor has filed several applications with the Court requesting permission to employ certain professionals to assist in the administration of Debtor's Estate. The amended application to employ Debtor's general bankruptcy counsel, Tishkoff & Associates PLLC, was approved by order of the Bankruptcy Court on October 4, 2013 [Dckt. No. 111]. The application to employ Robert Attmore, Debtor's counsel for two state court proceedings in which Debtor is currently engaged in, was approved by order of the Bankruptcy Court on October 11, 2013 [Dckt. No. 117]. The application to employ John S. Huizinga, the certified public accountant for Debtor, was approved by order of the Bankruptcy Court on October 22, 2013 [Dckt. No. 120]. Mr. Huizinga also serves as the certified public accountant for Mr. Benner's other entities. The application to employ James Doezema as special purpose counsel for business matters involving the Debtor, should such matters arise, was approved by order of the Bankruptcy Court on December 16, 2013 [Dckt. No. 160].

The above-referenced professionals (“Professionals”) are assisting the Debtor in administration of the Chapter 11 Case and in Debtor’s other related legal proceedings. The Professionals, and other professionals that may be employed by Debtor subject to approval by the Bankruptcy Court, will at some point file applications for payment of their respective professional fees.

2. Cash Collateral. On November 27, 2013, the Debtor filed a motion for interim order authorizing Debtor’s use of cash collateral (“Cash Collateral Motion”) with the Bankruptcy Court for the entry of an order allowing Debtor to use cash collateral in which IBOC has a collateral interest. IBOC and Comerica Bank filed objections to the Cash Collateral Motion on December 17, 2013 and December 18, 2013 (“Cash Collateral Objections”) [Dckt. No. 161 and Dckt. No. 163, respectively]. Debtor plans to amend its Cash Collateral Motion to reflect the Debtor’s position as described above in an effort to resolve the Cash Collateral Objections. The Amended Cash Collateral Motion will discuss use of rent revenue generated by properties over which IBOC has a collateral interest, which include: 2110 East Beltline Ave., Grand Rapids, MI 49525; 3251 Knapp St. NE, Grand Rapids, MI 49525; and 2065 Apple Orchard Ave NE, Grand Rapids, MI 49525.

3. Automatic Stay Relief for Chang’s. On September 27, 2013, the Bankruptcy Court entered an order (“Chang’s Order”) [Dckt. No. 89] partially granting Chang’s August 14, 2013 motion to lift the bankruptcy stay (“Chang’s Motion”) [Dckt. No. 36], which modified the bankruptcy stay to permit Chang’s and Debtor to pursue, and the state court(s) to render, decision(s) with respect to Chang’s and Debtor’s request for attorney fees arising from, or related to, the Lease. The terms of a settlement agreement resolving all outstanding disputes (“Disputes”), between Chang’s and Debtor were orally placed on the Bankruptcy Court’s record

by counsel for Chang's and Debtor at a Bankruptcy Court hearing on September 26, 2013. The Disputes include, but are not limited to, modification of the Lease, issues raised by Chang's in the Chang's Motion, and certain civil litigation that Chang's and Debtor are engaged in in the Kent County Circuit Court, captioned P.F. Chang's China Bistro, Inc. v. The Village At Knapp's Crossing, LLC, bearing Case No. 12-03473-CK.

Chang's and Debtor reached a written agreement ("Written Agreement") to memorialize the final details of the settlement agreement entered into by Chang's and Debtor at the September 26, 2013 hearing, pending court approval. IBOC consented to the modification of the Lease portion of the Written Agreement by signing the Mortgagee's Consent section of the Written Agreement. The Written Agreement was filed with the Bankruptcy Court as an exhibit to P.F. Chang's motion to approve the written agreement on November 27, 2013 [Dckt. No. 148]. On December 27, 2013, the Bankruptcy Court entered an order approving the Written Agreement [Dckt. No. 170].

III. ASSETS AND LIABILITIES

A. LIQUIDATION ANALYSIS.

In the event that the Plan is not accepted by the Creditors or is not otherwise confirmed by the Bankruptcy Court, the Debtor understands that its assets will be liquidated in a straight bankruptcy liquidation under Chapter 7 of the Bankruptcy Code. In such an event, the Creditors of the Debtor's Estate will receive far less than what the Creditors will receive pursuant to the Plan. The Debtor's Liquidation Analysis demonstrating this result is attached hereto as Exhibit B.

B. RISKS, CONDITIONS, AND ASSUMPTIONS IN LIQUIDATION ANALYSIS.

Debtor has estimated the values that Debtor believes the Properties would realize at a forced liquidation sale (the “Liquidation Values”). The Liquidation Values by the Debtor are based upon Mr. Benner’s 30-plus years of experience in the market, and the state equalized values of the Properties. *See* Exhibit B.

C. CAUSES OF ACTION.

The Debtor has the right to claim and/or collect certain past and current accounts receivable and other amounts due and/or owing to the Debtor, whether owed to Debtor pursuant to contract rights, quasi contract, tort law, refund rights, deposits, or for other reasons. The Debtor may also have certain setoff and recoupment rights. Although currently unknown to the Debtor at this time, the Debtor may also have rights to certain avoidance actions under the applicable sections of the Bankruptcy Code, or pursuant to other applicable law. Accordingly, the Debtor may have potential causes of action against (1) entities listed on Debtor’s schedules, (as filed with the Bankruptcy Court, including any amendments thereto) as owing a debt to the Debtor, and (2) entities listed on Debtor’s statement of financial affairs (as filed with the Bankruptcy Court, including any amendments thereto) as having received a transfer from the Debtor. More specifically, and without waiving any other claim, the Debtor may seek to avoid from any direct or indirect transferee, (i) under Section 547 of the Code, any transfer of an interest of the Debtor in property, including all payments to vendors and suppliers, which occurred within 90 days of the Petition Date, or, for insiders of the Debtor, within one year of the Petition Date; (ii) under Section 544(a) and 545, any liens asserted against the Debtor, (iii) under Sections 544(b) and 548, any actual or constructive fraudulent transfers or obligations, and (iv) under Section 549, any unauthorized post-petition transactions. The Debtor generally reserves any and all potential causes of action to recover accounts receivable, to enforce contractual

obligations, or to otherwise enforce and protect its rights. The Debtor has not investigated all potential causes of action or avoidance actions, and cannot make any representation concerning their value.

D. SECURED CLAIMS.

Secured creditors assert certain Secured Claims against the Debtor in the aggregate amount of approximately \$7,261,789.21. The Debtor reserves its right to amend the schedules that were filed in the Chapter 11 Case. The secured Creditors, to the extent that their claims are Allowed, will receive treatment as described in Article III of the Plan.

IBOC's Allowed Secured Claim (the "IBOC Claim"), as more fully described in Section II(B)(2), *supra*, will be paid directly from the stream of rental income generated by 1410 28th Street, S.E., Grand Rapids, MI 48503 (the "1410 Property"). The 1410 Property is a commercial property owned by Benner I. In October 2010, a subordination agreement ("Subordination Agreement," a copy of which is attached as Exhibit D), business loan agreements ("Business Loan Agreements," a copy of which is attached as Exhibit E), promissory notes ("Promissory Notes," a copy of which is attached as Exhibit F), a mortgage ("IBOC Mortgage," a copy of which is attached as Exhibit G), and an assignment of the rents generated by the 1410 Property in favor of IBOC ("IBOC Assignment Of Rents," a copy of which is attached as Exhibit H) were executed between Debtor and IBOC (with respect to the Promissory Notes and Business Loan Agreements), Benner I and IBOC (with respect to the Mortgage and Assignment of Rents) and Comerica and IBOC (with respect to the Subordination Agreement) (the Subordination Agreement, Business Loan Agreements, Promissory Notes, Mortgage, and Assignment Of Rents are collectively referred to herein as the "IBOC Loan Documents").

The IBOC Loan Documents were executed in connection with two construction loans (collectively, the “Loan”) made by IBOC to Debtor for the development of the VKC Development Site. The Loan and Promissory Notes are secured by (1) the lien in favor of IBOC on the 1410 Property pursuant to the IBOC Mortgage and Subordination Agreement; and (2) the IBOC Assignment Of Rents. In the Subordination Agreement, Comerica agreed that its mortgage on the 1410 Property (the “Comerica Mortgage”), and all right, title, and interest of Comerica in the 1410 Property, is subordinate to IBOC’s Mortgage. *See Exhibit D, supra.* The IBOC Assignment Of Rents was incorporated into the terms of the IBOC Mortgage. *See Exhibit G, supra.*

Pursuant to the IBOC Loan Documents, all rents collected from the 1410 Property (the “1410 Rents”) are to be deposited in a business checking account with IBOC to be used as a funding source to service the IBOC loan. *See Exhibit E, supra; Exhibit F, supra.* The IBOC Loan Documents are also incorporated into the terms of the Mortgage. *See Exhibit G.* The 1410 Rents will reduce the amount owing on the Loan by approximately \$18,617.06 per month. *See Debtor’s projected budget (“Projected Budget”) more fully described, infra.*

E. PRIORITY CLAIMS AND ADMINISTRATIVE EXPENSES.

The Debtor owes approximately \$18,957.35 in Priority Claims, as follows:

Kent County Treasurer (Property Taxes)	\$17,436.06
Internal Revenue Service (Income Taxes)	\$ 1,521.29

The above-referenced Priority Claims will receive treatment as described in Article II of the Plan. Furthermore, the Debtor anticipates that all of its administrative expense Claims, other than for professional fees, will be paid in the ordinary course. Under any circumstance, Debtor

is holding approximately \$___ as a pre-confirmation escrow which is sufficient in amount to pay all Priority Claim payments due on the Effective Date.

Debtor estimates that the attorney fees it owes to Tishkoff & Associates PLLC (“TAP”) and the accountant fees it owes to John S. Huizinga, CPA (“JGC”) in connection with the Chapter 11 Case currently amount to approximately \$150,000 (the “Professional Administrative Claims”). TAP and JHC have consented to be paid on their respective Professional Administrative Claims after the Effective Date pursuant to agreements among the Debtor the above-referenced professionals and from sources including any excess cash flow and/or the sale of Properties over the course of several years after the Effective Date. The Debtor reserves its right to amend the schedules that were filed in the Chapter 11 Case. Priority and Administrative creditors, to the extent their claims are Allowed, will receive treatment as described within Article II of the Plan.

F. NON-PRIORITY UNSECURED CLAIMS.

Debtor estimates that Unsecured Creditors are owed approximately \$80,359.32. A listing of Debtor’s Unsecured Creditors and their approximate Claims can be found in Debtor’s schedules, as most recently amended, that were filed with the Bankruptcy Court as well as in the claims registry on the Bankruptcy Court’s docket. No bar date has been set in this case for the filing of proofs of claim, including unsecured claims. The Debtor reserves its right to amend the schedules that were filed in the Chapter 11 Case. Unsecured creditors will receive treatment as described within Article III of the Plan.

IV. SUMMARY OF THE PLAN

A. PLAN SUMMARY.

In general, the Plan provides for repayment of Debtor's Creditors in amounts determined by Creditors' status and classification pursuant to the Bankruptcy Code as well as the Debtor's ability to fund such payments, with such amounts to be paid from the operations of the Debtor and the possible sale of certain properties of the Debtor.

With respect to payments of specific classes of creditors, the Plan provides for the payment in full of administrative expense and priority claims either on the Effective Date of the Plan, pursuant to agreement among the claimants and the Debtor, from the sale of Property, or during the life of the Plan and no later than five years from the Effective Date. TAP and JHC, each holding Professional Administrative Claims, have consented to be paid on their respective Professional Administrative Claims after the Effective Date pursuant to agreements among the Debtor the above-referenced professionals and from sources including any excess cash flow and/or the sale of Properties over the course of several years after the Effective Date. As such, the total amount of all Effective Date payments is \$18,957.35 ("Effective Date Payments"). Debtor currently has on hand . to pay such Effective Date Payments. The Plan generally provides for the payment of Allowed Secured Claims to be paid over twenty years with an interest rate of 4.75%. Non-priority Unsecured Creditors will be paid 25% of their Allowed Claims, subject to verification and reconciliation, if any, with half of the total payout to be paid no later than two (2) years from the Effective Date, with the remaining half of the total payout to be paid no later than five (5) years from the Effective Date, which will amount to significantly more than the non-priority Unsecured Creditors would receive if the Chapter 11 Case were converted to a Chapter 7 liquidation bankruptcy case.

The Plan is to be read in conjunction with the projected budget for Debtor ("Projected Budget"), attached hereto as Exhibit I. The Projected Budget lists the income and expenses

associated with each of Debtor's properties for the next 12 months, other expenses associated with Debtor's operations, and Debtor's projected financial performance going five (5) years into the future. The Projected Budget demonstrates the financial ability of Debtor to fund the Plan and pay its Creditors as described in the Plan. *See* Exhibit D p. _____. The source of this summary is the Debtor's books and records as such books and records have been reviewed and analyzed by Steven D. Benner, who has over thirty years of experience in the commercial real estate development business.

The Plan provides for the current leases that are in effect with the Debtor's tenants to be assumed.

Note that the Plan itself should be carefully reviewed for a complete understanding of all the provisions of the Plan, and neither this summary nor anything else in this Disclosure Statement is intended to substitute for a complete review of all of the terms of the Plan.

B. THIRD PARTY INJUNCTION.

Mr. Benner, the majority membership holder of Debtor's sole member, S.D. Benner, L.L.C., as more fully described in section II(B), *supra*, and manager of the Properties, through Evergreen, is critical to Debtor's operations and therefore the ability of Debtor to satisfy the terms of the Plan. The Plan therefore provides, at Article 5.5, that as of the Confirmation Date, all entities that have held, currently hold, or may hold Claims that have been discharged or terminated pursuant to the terms of the Plan ("Enjoined Claim Holders") are permanently enjoined from taking actions including commencing or continuing, any manner or in any place, any action or other proceeding against any the Debtor and the Reorganized Debtors (or their Property) as well as Mr. Benner, the Guarantor, on account of any such discharged Claims, debts, liabilities, or terminated Interests or rights. Section 1123(b)(6) of the Bankruptcy Code

permits a Chapter 11 reorganization plan to “include any other appropriate provision not inconsistent with the applicable provisions of this title.” 11 U.S.C. §1123(b)(6); *see also* 11 U.S.C. §105(a). The Sixth Circuit Court of Appeals in *In re Dow Corning*, 280 F.3d 648 (6th Cir. 2002) held that, under certain circumstances, third-party injunction may be appropriate to facilitate a Chapter 11 plan of reorganization, adopting a seven-factor test to be applied in determining whether “unusual circumstances” justify enjoining non-consenting creditors under a plan of reorganization. *Dow Corning*, 280 F.3d at 658. A third-party injunction enjoining certain actions by the Enjoined Claim Holders, as more fully described *supra*, is appropriate in the instant Chapter 11 Case where the seven-factor test is met. The seven-factor test and the summarized supporting reasons as to how each factor is met:

1. There is an identity of interests between the debtor and the third party, usually an indemnity relationship, such that a suit against the non-debtor is, in essence, a suit against the debtor or will deplete the assets of the estate.

- There is an identity of interests between Debtor and Mr. Benner, namely: (1) personal guarantees executed by Mr. Benner as additional security for one or more of the Claims of the Enjoined Claim Holders (the “Guarantees”); and (2) the fact that Benner I, Evergreen, and Debtor are all ultimately owned and operated by Mr. Benner, exclusively. As such, if one or more lawsuits related to the Claims of the Enjoined Claim Holders are initiated against Mr. Benner, then Mr. Benner will be forced to expend his time and resources defending such lawsuit(s) which will detract from his ability to properly manage Debtor’s operations, and therefore the ability of Debtor to satisfy the terms of the Plan. Furthermore, as described *infra*, Mr. Benner has contributed, and may further contribute, his own

personal resources into Debtor's reorganization. Depletion of Mr. Benner's personal resources in defense of lawsuit related to the Claims of the Enjoined Claim Holders will hinder Mr. Benner's ability to further fund Debtor's reorganization. A lawsuit against Mr. Benner is, in essence, a lawsuit against Debtor, and/or may indirectly deplete the assets of Debtor's bankruptcy estate.

2. The non-debtor has contributed substantial assets to the reorganization.
 - Mr. Benner personally paid for the initial \$8,000 of legal services for Debtor's Chapter 11 Case, which constitutes a contribution by Mr. Benner of substantial assets to the reorganization.
3. The injunction is essential to reorganization, namely, the reorganization hinges on the debtor being free from indirect suits against parties who would have indemnity or contribution claims against the debtor.
 - Without the injunction, Mr. Benner will be subject to being sued personally in connection with the Guarantees. If Mr. Benner is sued personally in connection with the Guarantees, the reorganization will be negatively impacted, as more fully described *supra*, and will likely not be successful. Therefore, the injunction is essential to the reorganization in the Chapter 11 Case.
4. The impacted class, or classes, has overwhelmingly voted to accept the plan.
 - No voting on the Plan has yet occurred, however given that Debtor's Plan provides for payment of 100% of all Allowed Claims, Debtor anticipates that the impacted classes will vote to accept the Plan. *See* Section 3.4 of the Plan.
5. The plan provides a mechanism to pay for all, or substantially all, of the class or classes affected by the injunction.

- The Plan provides to pay 100% of all Claims for all of the classes affected by the injunction. *See* Article III of the Plan.
- 6. The plan provides an opportunity for those claimants who choose not to settle to recover in full.
- The Plan provides to pay 100% of all Claims for all of the classes affected by the injunction. *See* Article III of the Plan.
- 7. The bankruptcy court made a record of specific factual findings that support its conclusions.
- The Debtor intends to demonstrate at the Confirmation Hearing that the Plan meets the standards as set forth in *In re Dow Corning* for the approval of the third party injunction provided for in the Disclosure Statement and Plan.

V. IMPLEMENTATION OF THE PLAN

A. FINANCIAL INFORMATION.

1. Pre-Petition Financial Summaries. The Debtor has attached as Exhibit C financial summaries relating to the three fiscal years prior to the Petition Date (2010, 2011, and 2012). These documents summarize the Debtor's financial history prior to the commencement of Debtor's bankruptcy proceeding.

2. Post-Petition Financial Summaries. The Projected Budget for Debtor lists the income and expenses associated with each of Debtor's properties for the next 12 months, other expenses associated with Debtor's operations, and Debtor's projected financial performance going five (5) years into the future. The Project Budget demonstrates the financial ability of Debtor to fund the Plan and pay its Creditors as described in the Plan. The source of this summary is the Debtor's books and records as such books and records have been reviewed

and analyzed by Steven D. Benner, who has over thirty years of experience in the commercial real estate development business.

3. Risks, Conditions and Assumptions. The Debtor's financial projections in the summaries described in Article V of this Disclosure Statement, and attached as Exhibit D, are based on estimates and assumptions which are inherently subject to uncertainty and variation depending upon evolving events. Therefore, Debtor cannot warrant that the results reflected in the cash flow projections will be achieved, though Debtor will use its best efforts to achieve this goal. Debtor's ability to perform pursuant to the Plan is contingent upon, among other factors over which Debtor has no control, the future performance of Debtor's tenants and their resulting ability to pay rent.

B. TAX RAMIFICATIONS.

1. To Debtor. Debtor is organized as a limited liability company that is 100% owned by S.D. Benner, LLC, and therefore reports its taxable income and loss along with S.D. Benner, LLC's reported taxable income. S.D. Benner, LLC is taxed as a partnership and therefore does not pay income tax. The taxable income of the S.D. Benner, LLC will flow through to its members. The effect of any applicable income tax items to the S.D. Benner, LLC members has not been determined.

2. To Creditors. The tax consequences to each Creditor resulting from confirmation of the Plan may vary depending upon each Creditor's particular circumstances. Debtor recommends that Creditors or Holders of Claims obtain independent tax counsel to advise them as to the tax consequences of the Plan.

VI. LEGAL REQUIREMENTS

A. VOTING PROCEDURES.

Under the Bankruptcy Code, the only classes that are entitled to vote to accept or reject a plan are classes of Claims, or equity Interests, that are impaired under the Plan. Accordingly, classes of Claims or Interests that are not impaired are not entitled to vote on the Plan. Creditors that hold Claims in more than one impaired class are entitled to vote separately in each class. Such a Creditor will receive a separate ballot for all of its Claims in each class (in accordance with the records of the Clerk of the Court) and should complete and sign each ballot separately. A Creditor who asserts a Claim in more than one class and who has not been provided with sufficient ballots may photocopy the ballot received and file multiple ballots.

Votes on the Plan will be counted only with respect to Claims: (a) that are listed on the Debtor's Schedules of Assets and Liabilities other than as disputed, contingent or unliquidated; or (b) for which a Proof of Claim was filed on or before the Bar Date set by the Court for the filing of Proofs of Claim (except for certain Claims expressly excluded from that Bar Date or which are allowed by Court order). However, any vote by a Holder of a Claim will not be counted if such Claim has been disallowed or is the subject of an unresolved objection, absent an order of the Court allowing such Claim for voting purposes pursuant to 11 U.S.C. §502 and Bankruptcy Rule 3018.

Voting on the Plan by each Holder of a Claim or Interest in an impaired class is important. After carefully reviewing the Plan and Disclosure Statement, each Holder of such a Claim or Interest should vote on the enclosed ballot either to accept or to reject the Plan, and then file the original ballot with the Clerk of the Bankruptcy Court, pursuant to L.B.R. 3018.

If a ballot is damaged, lost, or missing, a replacement ballot may be obtained by sending a written request to Debtor's attorney.

Any ballot, or replacement ballot, that does not appropriately indicate acceptance or rejection of the Plan will not be counted.

Any ballot, or replacement ballot, that is not received by the deadline will not be counted.

B. ACCEPTANCE.

The Bankruptcy Code defines acceptance of a plan by an Impaired Class of Claims as acceptance by the Holders of at least two-thirds in dollar amount, and more than one-half in the number of the Claims of that Class which actually cast ballots. The Bankruptcy Code defines acceptance of a plan by an Impaired Class of equity interests as acceptance by holders of at least two-thirds in number of the equity interests of that Class that actually cast ballots. If no Creditor or Interest Holder in an Impaired Class votes, then that Class has not accepted the Plan.

C. CONFIRMATION.

11 U.S.C. §1129(a) establishes conditions for the confirmation of a plan. These conditions are too numerous and detailed to be fully explained here. Parties are encouraged to seek independent legal counsel to answer any questions concerning the Chapter 11 process.

Among the several conditions for confirmation of a plan under 11 U.S.C. § 1129(a) are these: (1) each class of impaired creditors and interest must accept the plan, as described in Article VI(B), *supra*; or (2) either each holder of a claim or interest in a class must accept the plan, or the plan must provide at least as much value as would be received upon liquidation under Chapter 7 of the Bankruptcy Code.

D. MODIFICATION.

Debtor reserves the right to modify or withdraw the Plan at any time before confirmation of the Plan.

E. EFFECT OF CONFIRMATION.

If the Plan is confirmed by the Court:

1. Its terms are binding on Debtor, all Creditors, shareholders and other parties-in-interest, regardless of whether they have accepted the Plan.
2. Except as provided in the Plan:
 - a. In the case of a corporation that is reorganizing and continuing business:
 - i. All Claims and Interests will be discharged.
 - ii. Creditors and shareholders will be prohibited from asserting their Claims against or Interests in the Debtor or its assets.
 - b. In the case of a corporation that is liquidating and not continuing in business:
 - i. Claims and Interest will not be discharged.
 - ii. Creditors and shareholders will not be prohibited from asserting their Claims against or Interests in Debtor or its assets.
 - c. In the case of an individual or husband and wife:
 - i. Claims will be discharged, except as provided in 11 U.S.C. §§ 523 and 727(l).
 - ii. Creditors will be prohibited from asserting their claims except as to those debts which are not discharged or

dischargeable under 11 U.S.C. §§ 523 AND 727(a).

Respectfully submitted,

The Village At Knapp's Crossing, L.L.C.

Dated: 02/19/2014

By: S.D. Benner, L.L.C., a Michigan limited liability company
Its: Sole Member and Manger

By: /s/ Steven D. Benner
Steven D. Benner
Its: Member and Manager

Prepared by:

Tishkoff & Associates PLLC

By: /s/ Michael R. Wolin
William G. Tishkoff (P45165)
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Attorneys for Debtor
407 North Main Street
Ann Arbor, Michigan 48104
(734) 663-4077

Exhibit A

In re The Village At Knapp's Crossing, L.L.C.,

Debtor(s)

Case No. 13-06094-jrh

(if known)

SCHEDULE A-REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether the husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G-Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim."

If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption	Amount of Secured Claim
		Husband--H Wife--W Joint--J Community--C	
2284 East Beltline Ave NE Grand Rapids, MI 49525 Parcel I.D. No: 41-14-11-301-064			\$128,000.00 \$128,000.00
2335 Dunnigan Ave NE Grand Rapids, MI 49525 Parcel I.D. #: 41-14-11-301-011			\$156,000.00 \$39,113.95
2315 Dunnigan Ave NE Grand Rapids, MI 49525 Parcel I.D. #: 41-14-11-301-102			\$240,000.00 \$0.00
2347 Dunnigan Ave NE Grand Rapids, MI 49525 Parcel I.D. #: 41-14-11-301-010			\$210,000.00 \$102,668.16
2300 East Beltline Ave NE Grand Rapids, MI 49525 Parcel I.D. #: 41-14-11-301-063			\$2,850,000.00 \$2,850,000.00
2110 East Beltline Ave NE Grand Rapids, MI 49525 Parcel I.D. #: 41-14-11-301-067			\$3,200,000.00 \$3,200,000.00

In re The Village At Knapp's Crossing, L.L.C.,
Debtor(s)

Case No. 13-06094-jrh
(if known)

SCHEDULE A-REAL PROPERTY

(Continuation Sheet)

Description and Location of Property	Nature of Debtor's Interest in Property	Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption	Amount of Secured Claim
3251 Knapp St. NE Grand Rapids, MI 49525 Parcel I.D. #: 41-14-11-301-068	Husband--H Wife--W Joint--J Community--C	\$3,500,000.00	\$970,711.77
2065 Apple Orchard Ave NE Grand Rapids, MI 49525 Parcel I.D. #: 41-14-11-301-066		\$4,300,000.00	\$0.00
TOTAL \$		14,584,000.00	

In re *The Village At Knapp's Crossing, L.L.C.*

Debtor(s)

Case No. 13-06094-jrh

(if known)

SCHEDULE B-PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "X" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether the husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G-Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Type of Property	None	Description and Location of Property	Husband--H Wife--W Joint--J Community--C	Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption
1. Cash on hand.	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		<p><i>Comerica Bank Account</i></p> <p><i>Property tax escrow account opened by Comerica for 2347 Dunnigan for property taxes and insurance</i></p> <p><i>Account balance: -\$8,253.85</i></p> <p><i>DIP Checking Account</i></p> <p><i>Location: Huntington Bank</i></p> <p><i>DIP Savings Account</i></p> <p><i>Location: Huntington Bank</i></p> <p><i>DIP Tax Escrow Account</i></p> <p><i>Location: At bank</i></p>		<p><i>\$0.00</i></p> <p><i>\$44,747.50</i></p> <p><i>\$48.85</i></p> <p><i>Unknown</i></p>
3. Security deposits with public utilities, telephone companies, landlords, and others.	X			
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.		<p><i>Philadelphia Insurance Co.</i></p> <p><i>Agent: Pinnacle Insurance Partners</i></p> <p><i>Property and liability insurance</i></p>		<i>Unknown</i>

Case No. 13-06094-jrh

(if known)

SCHEDULE B-PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	None	Description and Location of Property	<div> <div>Husband--H</div> <div>Wife--W</div> <div>Joint--J</div> <div>Community--C</div> </div>	Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption
		<i>Location: In debtor's possession</i>		
10. Annuities. Itemize and name each issuer.	X			
11. Interest in an education IRA as defined in 26 U.S.C. 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. 521(c).)	X			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.	X			
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and non-negotiable instruments.	X			
16. Accounts Receivable.		<i>Rents owed by other tenants of VKC properties</i>		<i>\$3,064.00</i>
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.		<i>Funds held by Foster Swift</i> <i>Location: Unknown</i>		<i>\$4,309.00</i>
		<i>Unpaid rent and charges owed by Amy Jones</i>		<i>\$4,750.00</i>
		<i>Unpaid rent and charges owed by Donald Jensen</i>		<i>\$6,750.00</i>
		<i>Unpaid rent and charges owed by John Rittenhouse, Heather Truxton, and Amanda Gulch</i>		<i>\$5,700.00</i>
		<i>Unpaid rent and charges owed by Stephanie Fay, Andria Fay, and April Colleen Osterhouse</i>		<i>\$5,480.00</i>
		<i>Unpaid rent and charges owed by Jenifer Smith-Bell</i>		<i>\$5,200.00</i>

In re The Village At Knapp's Crossing, L.L.C.,Case No. 13-06094-jrh

Debtor(s)

(if known)

SCHEDULE B-PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	N o n e	Description and Location of Property		Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule of Real Property.		<div data-bbox="1143 407 1289 512"> Husband--H Wife--W Joint--J Community--C </div> <p><i>Unpaid rent and charges owed by Robin Alberts</i></p> <p><i>Option to purchase land at 2200 E. Beltline from Knapp's Crossing LLC</i></p> <p><i>Option to purchase property from Family Fare LLC</i></p>		<p><i>\$5,260.00</i></p> <p><i>\$11,850,000.00</i></p> <p><i>\$2,692,857.14</i></p>
20. Contingent and non-contingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.		<i>Damages owed by BDG Acquisitions LLC, Daniel J. Schaafsma, Family Fare LLC, International Bank of Chicago, Kerri Manley Bennett, Lamar Construction, and Paul Dykstra, jointly and severally</i>		<i>\$35,579,000.00</i>
22. Patents, copyrights, and other intellectual property. Give particulars.	X			
23. Licenses, franchises, and other general intangibles. Give particulars.		<i>License to possess, develop, and operate Lamar Parcel</i>		<i>Unknown</i>
24. Customer lists or other compilations containing personally identifiable information (as described in 11 U.S.C. 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X			
25. Automobiles, trucks, trailers and other vehicles and accessories.	X			
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.	X			
29. Machinery, fixtures, equipment and supplies used in business.	X			
30. Inventory.	X			
31. Animals.	X			

In re The Village At Knapp's Crossing, L.L.C.,

Debtor(s)

Case No. 13-06094-jrh

(if known)

SCHEDULE B-PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	N o n e	Description and Location of Property	<div style="border: 1px solid black; padding: 2px;"> Husband--H Wife--W Joint--J Community--C </div>	Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption
32. Crops - growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.	X			
Total ➡				\$50,207,166.49

Exhibit B

Village at Knapps Crossing, LLC
Case # 13-06094-JRH
Liquidation Analysis October 31, 2013

Case # 13-06094-JRH Liquidation Analysis October 31, 2013			Net book Value October 31, 2013	Forced Liquidation value	
	Footnote:	Creditor		Estimated % realized	Estimated proceeds
Post petition current assets					
Cash	A		60,603.30	100%	60,603.30
Rent receivable	B		16,199.00	100%	16,199.00
Due from (to) Evergreen Properties - Post petition	C		0.00		0.00
Post petition current assets			76,802.30		76,802.30
Pre petition current assets					
Escrow - Pre petition/Construction PF Changs	D		3,000.00	100%	3,000.00
Escrow Comerica Bank - Pre petition	E		(8,253.85)	100%	(8,253.85)
Due from (to) Evergreen Properties - Pre petition	F		0.00		0.00
Due from SD Benner IV, LLC - Pre petition	G		33,916.29	100%	33,916.29
Pre petition current assets			28,662.44		28,662.44
Pre petition other assets					
Loan fees			14,731.72	0%	0.00
Land and buildings					
2315 Dunnigan Ave	H			85%	71,060.00
2335 Dunnigan Ave	I	First Community Bank		85%	80,240.00
2347 Dunnigan Ave	J	Comerica		85%	71,060.00
2284 E Beltline	K	First Community Bank		85%	80,240.00
2110 E Beltline Ave NE	L	IBOC		85%	1,242,020.00
2300 E Beltline	M	Comerica Lien, No debt		85%	200,600.00
3251 Knapp St NE	N	IBOC		85%	1,132,540.00
2065 Apple Orchard Ave NE	O	IBOC		85%	1,688,780.00
Total land and buildings			7,920,976.86		4,566,540.00
Equipment			0.00		0.00
Total assets			8,041,173.32		4,672,004.74

Village at Knapps Crossing, LLC
Case # 13-06094-JRH
Liquidation Analysis October 31, 2013

Forced Liquidation value

Footnote:

Estimated % realized	Estimated proceeds
-------------------------	-----------------------

Estimated Gross Liquidation Proceeds Available for all Claimants**Claims**

Priority Tax Claims

Property Taxes - Pre petition through July 31, 2013	17,329.27
Property Taxes - Accrued post petition to October 31, 2013	23,800.41
Other	0.00
Total Priority Tax Claims	41,129.68

Other Priority Unsecured Claims

Tenant security deposits	P	4,124.00
Total Other Priority Unsecured Claims		4,124.00

Secured creditors as of July 30, 2013

International Bank of Chicago	Q	4,142,007.10
Comerica Bank	R	102,527.35
First Community Bank	S	167,981.30
Comerica Bank and SD Benner, LLC	T	200,600.00
Other		0.00
Other		0.00
Other		0.00

Total Secured creditors as of July 30, 2013	4,613,115.75
---------------------------------------------	--------------

Total Priority Claims and Secured creditors as of July 30, 2013	4,658,369.43
-----------------------------------------------------------------	--------------

Surplus/(Deficiency) available to unsecured claimants	13,635.31
-------------------------------------------------------	-----------

Village at Knapps Crossing, LLC
Case # 13-06094-JRH
Liquidation Analysis October 31, 2013

Administrative Claims

		Forced Liquidation value	
		Estimated % realized	Estimated proceeds
Post petition Broker Commissions and Closing fees			
Broker Commissions at 5%	U		228,327.00
Closing and transfer tax fees at 1.5%	U		68,498.10
Total Post petition Broker & Closing fees			296,825.10
Fees and Charges assessed against the Estate			
Clerk of Court filing fee			0.00
Total Fees and Charges assessed against the Estate			0.00
Professional fees			
Accounting services			9,148.50
Legal services			106,000.00
Other			0.00
Other			0.00
Other			0.00
Total Professional Fees			115,148.50
Total Administrative Claims			411,973.60
Surplus/(Deficiency) available to unsecured claimants			(398,338.29)
Unsecured Claimants	V		139,013.77
Total Unsecured Claimants			139,013.77
Percentage recovery - unsecured claimants			0.00%

Village at Knapps Crossing, LLC
Case # 13-06094-JRH
Liquidation Analysis October 31, 2013

Liquidation footnotes:

- A** Cash in checking account at October 31, 2013
- B** Rent receivable is assumed to be 100% collectable. This receivable does not include the IBOC collateral interest in 1410 28th St property rent.
- C** From time to time Evergreen Properties "management company" has a balance due to or due from VKC. That balance is assumed to be \$0 for liquidation calculation.
- D** Escrow - Construction PF Changs
- E** Comerica Bank has paid 2347 Dunnigan real estate tax in excess of funds available in the escrow account.
- F** From time to time Evergreen Properties "management company" has a balance due to or due from VKC. That balance is assumed to be \$0 for liquidation calculation.
- G** SD Benner IV, LLC owes VKC for amounts advanced prior to 2013.
- | | | | | |
|-------------------------------------------------------------------------------|---------------------------|----------|------------|--------------|
| H Liquidation proceeds based on 85% of two times state equalized value | 2315 Dunnigan Ave | 2013 SEV | 41,800.00 | 71,060.00 |
| I Liquidation proceeds based on 85% of two times state equalized value | 2335 Dunnigan Ave | 2013 SEV | 47,200.00 | 80,240.00 |
| J Liquidation proceeds based on 85% of two times state equalized value | 2347 Dunnigan Ave | 2013 SEV | 41,800.00 | 71,060.00 |
| K Liquidation proceeds based on 85% of two times state equalized value | 2284 E Beltline | 2013 SEV | 47,200.00 | 80,240.00 |
| L Liquidation proceeds based on 85% of two times state equalized value | 2110 E Beltline Ave NE | 2013 SEV | 730,600.00 | 1,242,020.00 |
| M Liquidation proceeds based on 85% of two times state equalized value | 2300 E Beltline | 2013 SEV | 118,000.00 | 200,600.00 |
| N Liquidation proceeds based on 85% of two times state equalized value | 3251 Knapp St NE | 2013 SEV | 666,200.00 | 1,132,540.00 |
| O Liquidation proceeds based on 85% of two times state equalized value | 2065 Apple Orchard Ave NE | 2013 SEV | 993,400.00 | 1,688,780.00 |
- P** See Schedule E filed with Court November 7, 2013
- Q** Unaudited amount provided by IBOC
- R** Comerica Bank debt is stated based on the monthly statement dated July 9, 2013.
- S** First Community Bank debt is stated based on correspondence received September 19, 2013.
- T** Comerica Bank paid off a prior land contract with additional funds advanced on a mortgage in the name of SD Benner, LLC. The stated amount is the collateral interest in 2300 E Beltline.
- U** Estimate of actual.
- V** See Schedule F filed with the Court November 7, 2013.

Exhibit C

The Village at Knapp's Crossing L.L.C.

BALANCE SHEET		Scheduled Values (Book Value)	7/31/2012	8/31/2012	9/30/2012	10/31/2012	11/30/2012	12/31/2012
ASSETS								
Cash		\$ 8,214.86	\$ 8,115.16	\$ 1,499.69	\$ 370.16	\$ 4,497.82	\$ 1,542.52	\$ 207.36
Inventory		\$ 22,268.60	\$ 7,999.68	\$ 8,603.42	\$ 6,889.66	\$ 7,825.90	\$ 7,542.90	\$ 7,418.90
Account Receivable - Management Company (1)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Account Receivable - SD Benner, LLC		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land and Buildings - Book Value		\$ 6,708,467.66	\$ 34,360.17	\$ 37,760.17	\$ 35,416.29	\$ 33,416.29	\$ 33,416.29	\$ 33,916.29
Furniture, Fixtures, Equipment - Book Value		\$ 1,000.00	\$ 6,708,467.66	\$ 6,708,467.66	\$ 6,708,467.66	\$ 6,708,467.66	\$ 6,708,467.66	\$ 6,708,467.66
Accumulated Depreciation - Book Value		\$ (154,268.68)	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Security Deposits		\$ -	\$ (154,268.68)	\$ (154,268.68)	\$ (154,268.68)	\$ (154,268.68)	\$ (154,268.68)	\$ (154,268.68)
Other - Loan Costs - Book Value		\$ 229,485.67	\$ 229,485.67	\$ 229,485.67	\$ 229,485.67	\$ 229,485.67	\$ 229,485.67	\$ 229,485.67
Other - Escrow Balances - Book Value (5)(6)		\$ 250,000.00	\$ 240,083.80	\$ 240,083.80	\$ 240,083.80	\$ 240,083.80	\$ 240,083.80	\$ 240,083.80
TOTAL ASSETS		\$ 7,065,168.11	\$ 7,075,143.46	\$ 7,070,831.73	\$ 7,087,444.59	\$ 7,070,508.46	\$ 7,066,870.26	\$ 7,066,311.00
LIABILITIES								
Postpetition Liabilities								
Accounts Payable (1)		\$ -	\$ 10,636.14	\$ 10,316.47	\$ 9,564.29	\$ 5,581.81	\$ 5,586.63	\$ 5,589.33
Due to SD Benner III, LLC - Post Petition		\$ -	\$ 384.96	\$ 284.96	\$ 284.96	\$ 284.96	\$ 284.96	\$ 284.96
Due to SD Benner, LLC - Post Petition		\$ -	\$ 3,573.68	\$ 3,643.60	\$ 3,769.16	\$ 3,780.81	\$ 3,789.93	\$ 3,799.98
Due to Evergreen Properties of Michigan, Inc. - Post Petition		\$ -	\$ 93,516.12	\$ 98,260.60	\$ 97,879.02	\$ 98,018.80	\$ 101,298.72	\$ 97,076.80
Rent and Lease Payable		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wages and Salaries (2)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes Payable		\$ -	\$ 14,906.00	\$ 13,085.52	\$ 13,287.54	\$ 13,414.90	\$ 16,975.48	\$ 16,013.55
Other		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Postpetition Liabilities		\$ -	\$ 122,915.90	\$ 125,568.15	\$ 124,784.97	\$ 121,091.28	\$ 127,956.99	\$ 122,767.82
Prepetition Liabilities (1)								
Secured Liabilities		\$ 2,964,746.94	\$ 3,483,940.84	\$ 3,483,940.84	\$ 3,483,940.84	\$ 3,483,940.84	\$ 3,483,940.84	\$ 3,483,940.84
Priority Liabilities		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unsecured Liabilities		\$ 6,141.60	\$ 6,141.60	\$ 6,141.60	\$ 6,141.60	\$ 6,141.60	\$ 6,141.60	\$ 6,141.60
Security Deposits		\$ 5,777,671.26	\$ 5,777,671.26	\$ 5,777,671.26	\$ 5,777,671.26	\$ 5,777,671.26	\$ 5,777,671.26	\$ 5,777,671.26
Payable to Evergreen Properties of Michigan, Inc. (3)		\$ 1,659,051.81	\$ 1,658,912.81	\$ 1,658,912.81	\$ 1,658,912.81	\$ 1,658,912.81	\$ 1,658,912.81	\$ 1,658,912.81
Payable to SD Benner, LLC (3)(4)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Prepetition Liabilities		\$ 10,407,811.61	\$ 10,926,666.51	\$ 10,926,666.51	\$ 10,926,666.51	\$ 10,926,666.51	\$ 10,926,666.51	\$ 10,926,666.51
TOTAL LIABILITIES		\$ 10,407,811.61	\$ 11,049,582.41	\$ 11,052,255.66	\$ 11,051,451.48	\$ 11,047,747.79	\$ 11,054,523.50	\$ 11,049,434.13
EQUITY								
Owner's Capital		\$ (3,342,443.50)	\$ (3,974,438.95)	\$ (3,981,423.93)	\$ (3,984,006.89)	\$ (3,977,239.33)	\$ (3,987,753.24)	\$ (3,983,123.13)
Retained Earnings - Pre		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retained Earnings - Post		\$ (3,342,443.50)	\$ (3,974,438.95)	\$ (3,981,423.93)	\$ (3,984,006.89)	\$ (3,977,239.33)	\$ (3,987,753.24)	\$ (3,983,123.13)
TOTAL EQUITY		\$ (3,342,443.50)	\$ (3,974,438.95)	\$ (3,981,423.93)	\$ (3,984,006.89)	\$ (3,977,239.33)	\$ (3,987,753.24)	\$ (3,983,123.13)
TOTAL LIABILITIES & EQUITY		\$ 7,065,168.11	\$ 7,075,143.46	\$ 7,070,831.73	\$ 7,087,444.59	\$ 7,070,508.46	\$ 7,066,870.26	\$ 7,066,311.00

Note: Based on Balance Sheet prepared by Evergreen Properties of Michigan, Inc. for Village of Knapp's Crossing, LLC.

Since filing and at certain times through the end of the period reflected in this MQR, cash receipts and disbursements regarding Village of Knapp's Crossing, LLC have been made in accounts owned by Village of Knapp's Crossing, LLC. Additionally, receipts and disbursements were made from accounts owned by other entities (both Debtor and non-Debtor). The cash information above has been reclassified to reflect the attribution of the Village of Knapp's Crossing, LLC. Receipts (or transfers) that were received by Evergreen Properties of Michigan, Inc. the property manager of Village of Knapp's Crossing, LLC. Disbursements (or transfers) made by Evergreen Properties of Michigan, Inc. for the benefit of Village of Knapp's Crossing, LLC properties were attributed to Village of Knapp's Crossing, LLC in its accounts. The Evergreen Properties of Michigan, Inc. receipts (or transfers) have been reflected as amounts due to Village of Knapp's Crossing, LLC and disbursements (or transfers) are reflected as amounts due from Village of Knapp's Crossing, LLC. All receipts (or transfers) or disbursements (or transfers) by Village of Knapp's Crossing, LLC from its accounts are reflected as Village of Knapp's Crossing, LLC activity. Receipts by Village of Knapp's Crossing, LLC for SD Benner III, LLC are reflected as amounts due to SD Benner III, LLC. Pursuant to paragraph 7 of the stipulated Order Authorizing U.S. Trustee to Appoint a Chapter 11 Trustee Upon Certain Conditions, Defaults and Procedures Case No. 11-08133, Docket No. 304 at Exhibit L, acknowledged as a binding settlement agreement by the Court at Docket No. 310 (the "Stipulated Order"), Debtor's financial advisor, O'Keefe & Associates Consulting, LLC completed its reconciliation of all non-debtor entities cash reporting to ascertain the final amount owed to the Debtor entities from such non-debtor entities. At the conclusion of this evaluation, it was determined that the Debtor entities owed the non-debtor entities \$27,964,337 (net) as of May 31, 2012. This amount was repaid from SD Benner, LLC to the non-debtor entities (Evergreen Properties of Michigan, Inc.) during June 2012 and is shown above as a non-operating expense on SD Benner, LLC's June MQR.

Note (1): All amounts payable are in the name of Evergreen Properties of Michigan, Inc. (a party related by common ownership) who provides management services to Village of Knapp's Crossing, LLC under a management contract. Evergreen Properties of Michigan, Inc. is in the process of summarizing Village of Knapp's Crossing, LLC's specific trade payables. This has not been accomplished as of the filing date.

Note (2): All payroll is paid by Evergreen Properties of Michigan, Inc. (a party related by common ownership) under a management agreement.

Note (3): Amounts Due To and Due From the Management Company, Evergreen Properties of Michigan, Inc. and Village of Knapp's Crossing, LLC have been netted on this line. Collectability of these amounts has not been determined.

Note (4): Amount due To SD Benner, LLC has not been reconciled to the amount shown at a reconcilable on the balance sheet of SD Benner, LLC. Debtor is investigating this difference.

Note (5): Amount held in escrow was kept for construction and closing costs related to the PF Trading restaurant. Information regarding these expenses has not yet been submitted as of the filing of this report.

Note (6): Escrow balance is currently being retained against new information received from Jim Quenneville, Attorney, regarding use of funds to pay certain vendors per escrow agreement.

Note: The information above prepared by O'Keefe & Associates Consulting, LLC was not audited, reviewed, compiled, nor does it provide any other assurance that is subject to the rules of the AICPA or other such state and national professional bodies including procedures designed to detect irregularities or illegal acts.

The Village at Knapp's Crossings LLC

31-Dec-12

Form 2A - RECAST OPERATING STATEMENT		12/31/2012	Due To (From) SDB III	Due To (From) SDB IV	Due To (From) Evergreen	Due To (From) SD Benner, LLC	Filing to Date
	FN						
Total Revenues/Loan Proceeds	Σ (a)	\$ 49,192.50					\$ 503,074.96
Cost of Sales							\$ -
Gross Profit		\$ 49,192.50					\$ 503,074.96
Expenses							
Officer Compensation	b						\$ -
Salary Expenses - Employees	b						\$ -
Employee Benefits & Pensions	b						\$ -
Payroll Taxes	b						\$ -
Other Taxes	b						\$ (2,042.18)
Commissions & Fees	b						\$ (6,500.00)
Legal & Professional Expense	b	\$ (1,000.00)					\$ (33,023.57)
Rent and Lease Expense	b						\$ -
Debt Service	b	\$ (43,310.60)					\$ (526,450.46)
Insurance	b						\$ (1,615.74)
Real Estate Tax Expense	b						\$ (10.02)
Automobile and Truck Expense	b						\$ (50.00)
Utilities	b	\$ (22.24)					\$ (30,873.49)
Depreciation	b						\$ -
Travel & Entertainment	b						\$ -
Repairs & Maintenance	b						\$ (5,813.88)
Advertising	b						\$ -
Supplies, Office Expense	b						\$ -
Water & Sewage	b						\$ -
Lawn Care Svcs	b						\$ (3,924.41)
Trash/Garbage	b						\$ -
Management Fees	b						\$ -
Other	b	\$ (1,000.00)					\$ (6,004.77)
Reserve Capital Expense Costs	b						\$ -
Prior Period Re-classifications (1)	b						\$ (8,110.63)
Finance Charges	b	\$ (75.00)					\$ (1,434.10)
Total Expenses		\$ (45,407.84)					\$ (625,853.25)
Net Operating Profit/(Loss)		\$ 3,784.66					\$ (122,778.29)
Non-Operating Expenses	b						\$ (284.96)
Non-Operating Revenues	b						\$ 39,743.48
Net Income/(Loss)		\$ 3,784.66					\$ (83,319.77)

NOTES:

Since filing, and at certain times through the end of the period reflected in this MOR, cash receipts and disbursements regarding Village of Knapp's Crossing, LLC have been made in accounts owned by Village of Knapp's Crossing, LLC. Additionally, receipts and disbursements were made from accounts owned by other entities (both Debtor and non-Debtor). The cash information above has been recast to reflect the attribution of the Village of Knapp's Crossing, LLC tenant receipts (or transfers) that were received by Evergreen Properties of Michigan, Inc. the property manager of Village of Knapp's Crossing, LLC. Disbursements (or transfers) made by Evergreen Properties of Michigan, Inc. for the benefit of Village of Knapp's Crossing, LLC properties were attributed to Village of Knapp's Crossing, LLC in its accounts. The Evergreen Properties of Michigan, Inc. receipts (or transfers) have been reflected as amounts due to Village of Knapp's Crossing, LLC and disbursements (or transfers) are reflected as amounts due from Village of Knapp's Crossing, LLC. All receipts (or transfers) or disbursements (or transfers) by Village of Knapp's Crossing, LLC from its accounts are reflected as Village of Knapp's Crossing, LLC activity. Receipts by Village of Knapp's Crossing, LLC for SD Benner III, LLC are reflected as amounts due to SD Benner III, LLC. Pursuant to paragraph 7 of the stipulated Order Authorizing U.S. Trustee to Appoint a Chapter 11 Trustee Upon Certain Condition, Defaults and Procedures (Case No. 11-08113, Docket No. 304 at Exhibit 1, acknowledged as a binding settlement agreement by the Court at Docket No. 320) (the "Stipulated Order"), Debtor's financial advisor, O'Keefe & Associates Consulting, LLC completed its reconciliation of all non-debtor entities cash reporting to ascertain the final amount owed to the Debtor entities from such non-debtor entities.

Footnotes: (1) During the month of December there were no prior period re-classifications of expense items.

The information above prepared by O'Keefe & Associates Consulting, LLC was not audited, reviewed, compiled, nor does it provide any other assurance that is subject to the rules of the AICPA or other such state and national professional bodies including procedures designed to detect irregularities or illegal acts.

1/1/20

ASSETS	37 00	39 00	40 00	41 00	42 00	43 00	44 00	45 00	46 00	48 00	51 00	52 00	57 00	ASSETS
Current Assets														Current Assets
Due from Mgt Co	0	0	(2,925.33)	(3,221.66)	0	0	0	0	0	0	0	0	0	Due from Mgt Co
Due from Mgt Co	0	0	0	0	0	0	0	0	0	0	0	0	0	Due from Mgt Co
Due from Mgt Co	0	0	0	0	(4,340.13)	0	0	0	0	0	0	0	0	Due from Mgt Co
Due from Mgt Co	0	0	0	0	0	(2,443.60)	0	0	0	0	0	0	0	Due from Mgt Co
Due from Mgt Co	0	0	0	0	0	0	(1,700.25)	0	0	0	0	0	0	Due from Mgt Co
Due from Mgt Co	0	0	0	0	0	0	0	(2,693.18)	0	0	0	0	0	Due from Mgt Co
Escrow - 21192.037 00	8,352.60	0	0	0	0	0	0	0	0	0	0	0	0	Escrow - 21192.037 00
Escrow - 22192.043 00	0	0	0	0	0	0	0	0	0	0	0	0	0	Escrow - 22192.043 00
Total Current Assets	8,352.60	0	(2,675.33)	(3,221.66)	(4,340.13)	(2,193.60)	(1,700.25)	(2,693.18)	0	0	0	0	0	Total Current Assets
Property and Equipment														Property and Equipment
Building - 2135.040 00	0	0	192,885.40	0	0	0	0	0	0	0	0	0	0	Building - 2135.040 00
Building - 2135.042 00	0	0	0	0	159,723.62	0	0	0	0	0	0	0	0	Building - 2135.042 00
Building - 2135.043 00	0	0	0	0	0	152,930.20	0	0	0	0	0	0	0	Building - 2135.043 00
Building - 2135.044 00	0	0	0	0	0	0	155,000.00	0	0	0	0	0	0	Building - 2135.044 00
Building - 2135.045 00	0	0	0	0	0	0	0	130,151.23	0	0	0	0	0	Building - 2135.045 00
Building - C135.057 00	0	0	0	0	0	0	0	0	0	0	0	0	0	Building - C135.057 00
Equipment - 150.041 00	0	0	0	1,000.00	0	0	0	0	0	0	0	0	0	Equipment - 150.041 00
Land - 2100.160.037 00	4,426.684.03	0	0	0	0	0	0	0	0	0	0	0	0	Land - 2100.160.037 00
Land - 2300.160.039 00	0	1,164.050.13	0	0	0	0	0	0	0	0	0	0	0	Land - 2300.160.039 00
Land - 2284.160.040 00	0	0	35,000.00	0	0	0	0	0	0	0	0	0	0	Land - 2284.160.040 00
Land - 2315.160.042 00	0	0	0	0	35,000.00	0	0	0	0	0	0	0	0	Land - 2315.160.042 00
Land - 2335.160.043 00	0	0	0	0	0	35,000.00	0	0	0	0	0	0	0	Land - 2335.160.043 00
Land - 2388.160.044 00	0	0	0	0	0	0	89,862.34	0	0	0	0	0	0	Land - 2388.160.044 00
Land - 2347.160.045 00	0	0	0	0	0	0	0	30,150.87	0	0	0	0	0	Land - 2347.160.045 00
Land - 2387.160.046 00	0	0	0	0	0	0	0	0	35,691.53	0	0	0	0	Land - 2387.160.046 00
AD-Building-171.041 00	0	0	0	(1,000.00)	0	0	0	0	0	0	0	0	0	AD-Building-171.041 00
AD-Building-173.040 00	0	0	0	(48,805.80)	0	0	0	0	0	0	0	0	0	AD-Building-173.040 00
AD-Building-173.042 00	0	0	0	0	(39,446.70)	0	0	0	0	0	0	0	0	AD-Building-173.042 00
AD-Building-173.043 00	0	0	0	0	0	(36,378.83)	0	0	0	0	0	0	0	AD-Building-173.043 00
AD-Building-173.044 00	0	0	0	0	0	0	(32,381.83)	0	0	0	0	0	0	AD-Building-173.044 00
AD-Building-173.045 00	0	0	0	0	0	0	0	(25,044.21)	0	0	0	0	0	AD-Building-173.045 00
Total Property and Equip	4,426.684.03	1,164.050.13	179,079.60	0	155,272.92	151,551.37	211,480.51	132,257.89	35,691.53	0	0	0	315,329.31	Total Property and Equip
Other Assets														Other Assets
Loan costs - 169.037 00	29,850.00	0	0	0	0	0	0	0	0	0	0	0	0	Loan costs - 169.037 00
Loan cost - 169.039 00	0	1,500.00	0	0	0	0	0	0	0	0	0	0	0	Loan cost - 169.039 00
Loan costs - 169.057 00	0	0	0	0	0	0	0	0	0	0	0	0	0	Loan costs - 169.057 00
Escrow - C1192.057 00	0	0	0	0	0	0	0	0	0	0	0	0	0	Escrow - C1192.057 00
Total Other Assets	29,850.00	1,500.00	0	0	0	0	0	0	0	0	0	0	438,219.47	Total Other Assets
Total Assets	\$ 4,464,896.1	1,165,550.13	176,404.27	(3,221.66)	150,932.79	149,357.77	211,780.26	132,564.71	35,691.53	0	0	0	753,548.78	Total Assets
LIABILITIES AND CAPITAL														LIABILITIES AND CAPITAL
Current Liabilities														Current Liabilities
Sec Deposit-244.042 00 \$	0	0	0	0	2,401.60	0	0	0	0	0	0	0	0	Sec Deposit-244.042 00 \$
Sec Deposit-244.043 00	0	0	0	0	0	2,000.00	0	0	0	0	0	0	0	Sec Deposit-244.043 00
Sec Deposit-244.044 00	0	0	0	0	0	0	650.00	0	0	0	0	0	0	Sec Deposit-244.044 00
Sec Deposit-244.045 00	0	0	0	0	0	0	0	1,090.00	0	0	0	0	0	Sec Deposit-244.045 00
Due to Man-249.237 00	5,973.041.98	0	0	0	0	0	0	0	0	0	0	0	0	Due to Man-249.237 00
Due to Mgt - 249.238 00	0	727,984.52	0	0	0	0	0	0	0	0	0	0	0	Due to Mgt - 249.238 00
Due to Man-249.240 00	0	0	182,962.07	0	0	0	0	0	0	0	0	0	0	Due to Man-249.240 00
Due to Man-249.241 00	0	0	0	(4,401.68)	0	0	0	0	0	0	0	0	0	Due to Man-249.241 00
Due to Man-249.242 00	0	0	0	0	64,340.43	0	0	0	0	0	0	0	0	Due to Man-249.242 00
Due to Man-249.243 00	0	0	0	0	0	77,915.38	0	0	0	0	0	0	0	Due to Man-249.243 00
Due to Man-249.244 00	0	0	0	0	0	0	144,058.87	0	0	0	0	0	0	Due to Man-249.244 00
Due to Man-249.245 00	0	0	0	0	0	0	0	55,145.67	0	0	0	0	0	Due to Man-249.245 00
Due to Man-249.246 00	0	0	0	0	0	0	0	0	29,691.53	0	0	0	0	Due to Man-249.246 00
Due to Man-249.257 00	0	0	0	0	0	0	0	0	0	0	0	0	0	Due to Man-249.257 00
Total Current Liabilities	5,973.041.98	727,984.52	182,992.07	(4,401.68)	66,742.03	79,915.38	144,708.87	56,235.67	29,691.53	0	0	0	7,256,910.37	Total Current Liabilities

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Evergreen WIP 103111 Prop of Mi Inc
Balance Sheet
December 31, 2011

Village 2011

	Acct #	37	39	40	41	42
ASSETS						
Current Assets						
Due from Mgt Co	110140	\$ 0.00	0.00	(2,925.33)	0.00	0.00
Due from Mgt Co	110141	0.00	0.00	0.00	(3,221.66)	0.00
Due from Mgt Co	110142	0.00	0.00	0.00	0.00	(4,340.13)
Due from Mgt Co	110143	0.00	0.00	0.00	0.00	0.00
Due from Mgt Co	110144	0.00	0.00	0.00	0.00	0.00
Due from Mgt Co	110145	0.00	0.00	0.00	0.00	0.00
Escrow - 2100 E. Beltline	192037	8,352.60	0.00	0.00	0.00	0.00
Escrow - 2284 E. Beltline	192040	0.00	0.00	250.00	0.00	0.00
Escrow - 2335 Dunnigan	192043	0.00	0.00	0.00	0.00	0.00
Total Current Assets		8,352.60	0.00	(2,675.33)	(3,221.66)	(4,340.13)
Property and Equipment						
Building - 2284 East Beltline	135040	0.00	0.00	192,885.40	0.00	0.00
Building - 2315 Dunnigan Ave	135042	0.00	0.00	0.00	0.00	159,722.62
Building - 2335 Dunnigan Ave.	135043	0.00	0.00	0.00	0.00	0.00
Building - 2389 Dunnigan	135044	0.00	0.00	0.00	0.00	0.00
Building- 2347 Dunnigan Ave N	135045	0.00	0.00	0.00	0.00	0.00
Building - Changs	135057	0.00	0.00	0.00	0.00	0.00
Equipment-3271 Knapp St.	150041	0.00	0.00	0.00	1,000.00	0.00
Land - 2100 E. Beltline Ave. NE	160037	4,426,694.03	0.00	0.00	0.00	0.00
Land - 2300 E. Beltline Ave NE	160039	0.00	1,164,050.1	0.00	0.00	0.00
Land - 2284 E. Beltline	160040	0.00	0.00	35,000.00	0.00	0.00
Land - 2315 Dunnigan Ave. NE	160042	0.00	0.00	0.00	0.00	35,000.00
Land - 2335 Dunnigan Ave. NE	160043	0.00	0.00	0.00	0.00	0.00
Land - 2389 Dunnigan Ave	160044	0.00	0.00	0.00	0.00	0.00
Land - 2347 Dunnigan	160045	0.00	0.00	0.00	0.00	0.00
Land - 2387 Dunnigan Ave NE	160046	0.00	0.00	0.00	0.00	0.00
A/D-Equipment-3271 Knapp St.	171041	0.00	0.00	0.00	(1,000.00)	0.00
A/D-Buildings-2284 E. Beltline	173040	0.00	0.00	(48,805.80)	0.00	0.00
A/D-Buildings-2315 Dunnigan	173042	0.00	0.00	0.00	0.00	(39,446.70)
A/D-Buildings-2335 Dunnigan	173043	0.00	0.00	0.00	0.00	0.00
A/D Building- 2389 Dunn	173044	0.00	0.00	0.00	0.00	0.00
A/D-Buildings-2347 Dunnigan	173045	0.00	0.00	0.00	0.00	0.00
Total Property and Equipment		4,426,694.03	1,164,050.1	179,079.60	0.00	155,275.92
Other Assets						
Loan costs - 2100 E Beltline	169037	29,850.00	0.00	0.00	0.00	0.00
Loan cost - 2300 E Beltline	169039	0.00	1,500.00	0.00	0.00	0.00
Loan costs	169057	0.00	0.00	0.00	0.00	0.00
Escrow - Changs	192057	0.00	0.00	0.00	0.00	0.00
Total Other Assets		29,850.00	1,500.00	0.00	0.00	0.00
Total Assets	\$	4,464,896.63	1,165,550.1	176,404.27	(3,221.66)	150,935.79

LIABILITIES AND CAPITAL**Current Liabilities**

Sec Deposit - 2315 Dunnigan	244042	\$ 0.00	0.00	0.00	0.00	2,401.60
Sec Deposit - 2335 Dunnigan	244043	0.00	0.00	0.00	0.00	0.00
Sec Deposit - 2389 Dunnigan	244044	0.00	0.00	0.00	0.00	0.00
Sec Deposit - 2347 Dunnigan	244045	0.00	0.00	0.00	0.00	0.00
Due to Management Co.	249237	5,973,041.98	0.00	0.00	0.00	0.00

Unaudited - For Management Purposes Only

Evergreen WIP 103111 Prop of Mi Inc
Balance Sheet
December 31, 2011

Village
2011

43	44	45	46	48	51	52	57
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2,443.60)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	(1,700.25)	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	(2,693.18)	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2,193.60)	(1,700.25)	(2,693.18)	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
152,930.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	156,000.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	130,151.23	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	315,329.31
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	89,862.34	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	30,150.87	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	35,691.53	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(36,378.83)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	(32,381.83)	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	(25,044.21)	0.00	0.00	0.00	0.00	0.00
151,551.37	213,480.51	135,257.89	35,691.53	0.00	0.00	0.00	315,329.31
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	198,135.67
0.00	0.00	0.00	0.00	0.00	0.00	0.00	240,083.80
0.00	0.00	0.00	0.00	0.00	0.00	0.00	438,219.47
149,357.77	211,780.26	132,564.71	35,691.53	0.00	0.00	0.00	753,548.78
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	1,090.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Unaudited - For Management Purposes Only

Evergreen WIP 103111 Prop of Mi Inc
Balance Sheet
December 31, 2011

*Village
2011*

	Acct #	37	39	40	41	42
Due to Mgt Co - 2300 E Beltlin	249239	0.00	727,984.52	0.00	0.00	0.00
Due to Management Co.	249240	0.00	0.00	182,992.07	0.00	0.00
Due to Management Co.	249241	0.00	0.00	0.00	(4,401.68)	0.00
Due to Management Co.	249242	0.00	0.00	0.00	0.00	64,340.43
Due to Management Co.	249243	0.00	0.00	0.00	0.00	0.00
Due to Management Co.	249244	0.00	0.00	0.00	0.00	0.00
Due to Management Co.	249245	0.00	0.00	0.00	0.00	0.00
Due to Management Co.	249246	0.00	0.00	0.00	0.00	0.00
Due to management Co	249257	0.00	0.00	0.00	0.00	0.00
Total Current Liabilities		5,973,041.98	727,984.52	182,992.07	(4,401.68)	66,742.03
Long-Term Liabilities						
Due to SDB, LLC	260037	1,459,782.28	0.00	0.00	0.00	0.00
Due to SDB, LLC	260040	0.00	0.00	14,613.70	0.00	0.00
Due to SDB, LLC	260041	0.00	0.00	0.00	95,947.76	0.00
Due to SDB, LLC	260042	0.00	0.00	0.00	0.00	38,453.86
Due to SDB, LLC	260043	0.00	0.00	0.00	0.00	0.00
Due to SDB, LLC	260044	0.00	0.00	0.00	0.00	0.00
Due to SDB, LLC	260045	0.00	0.00	0.00	0.00	0.00
Due to SDB, LLC	260046	0.00	0.00	0.00	0.00	0.00
Notes Payable-2300 E. Beltline	270039	0.00	318,361.05	0.00	0.00	0.00
Note payable - 2284 E Belt	270040	0.00	0.00	84,652.54	0.00	0.00
Notes Payable - 2315 Dunnigan	270042	0.00	0.00	0.00	0.00	65,979.02
Notes Payable- 2335 Dunnigan	270043	0.00	0.00	0.00	0.00	0.00
Notes Payable- 2389 Dunnigan	270044	0.00	0.00	0.00	0.00	0.00
Notes Payable-2347 Dunnigan	270045	0.00	0.00	0.00	0.00	0.00
Note pay - Changs constr Chica	270057	0.00	0.00	0.00	0.00	0.00
Total Long-Term Liabilities		1,459,782.28	318,361.05	99,266.24	95,947.76	104,432.88
Total Liabilities		7,432,824.26	1,046,345.5	282,258.31	91,546.08	171,174.91
Capital						
Tax Book Equity - 2100 E.Beltl	390937	(2,585,948.90)	0.00	0.00	0.00	0.00
Tax Book Equity - 2300 E. Belt	390939	0.00	141,228.68	0.00	0.00	0.00
Tax Book Equity - 2284 E. Belt	390940	0.00	0.00	(89,752.59)	0.00	0.00
Tax Book Equity - 3271 Knapp	390941	0.00	0.00	0.00	(95,008.59)	0.00
Tax Book Equity- 2315 Dunniga	390942	0.00	0.00	0.00	0.00	(24,367.23)
Tax Book Equity - 2335 Dunnig	390943	0.00	0.00	0.00	0.00	0.00
Tax Book Equity - 2389 Dunnig	390944	0.00	0.00	0.00	0.00	0.00
Tax Book Equity - 2347 Dunnig	390945	0.00	0.00	0.00	0.00	0.00
Net Income		(381,978.73)	(22,024.12)	(16,101.45)	240.85	4,128.11
Total Capital		(2,967,927.63)	119,204.56	(105,854.04)	(94,767.74)	(20,239.12)
Total Liabilities & Capital		\$ 4,464,896.63	1,165,550.1	176,404.27	(3,221.66)	150,935.79

Unaudited - For Management Purposes Only

Village
2011Evergreen WIP 103111 Prop of Mi Inc
Balance Sheet
December 31, 2011

43	44	45	46	48	51	52	57
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
77,915.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	144,058.87	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	55,145.67	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	29,691.53	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,364,837.)
79,915.38	144,708.87	56,235.67	29,691.53	0.00	0.00	0.00	(1,364,837.)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
32,115.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	6,000.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
84,652.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	94,060.81	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	98,439.80	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,118,386.7
116,767.73	100,060.81	104,439.80	6,000.00	0.00	0.00	0.00	2,118,386.7
196,683.11	244,769.68	160,675.47	35,691.53	0.00	0.00	0.00	753,548.78
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(43,817.10)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	(47,474.24)	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	(27,891.30)	0.00	0.00	0.00	0.00	0.00
(3,508.24)	14,484.82	(219.46)	0.00	0.00	0.00	0.00	0.00
(47,325.34)	(32,989.42)	(28,110.76)	0.00	0.00	0.00	0.00	0.00
149,357.77	211,780.26	132,564.71	35,691.53	0.00	0.00	0.00	753,548.78

Unaudited - For Management Purposes Only

Village
2011

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Evergreen WIP 103111 Prop of Mi Inc
Income Statement - Village at Knapps Crossings, LLC
For the Twelve Months Ending December 31, 2011

	Acct #	37	39	40	41
Revenues					
Rental Income - 2284 E. Beltli	400040	0.00	0.00	2,490.00	0.00
Rental Income - 2315 Dunnigan	400042	0.00	0.00	0.00	0.00
Rental Income - 2335 Dunnigan	400043	0.00	0.00	0.00	0.00
Rental Income- 2389 Dunn	400044	0.00	0.00	0.00	0.00
Rental Income-2347 Dunnigan	400045	0.00	0.00	0.00	0.00
Insurance Reimb.- 2389 Dunn	405044	0.00	0.00	0.00	0.00
Total Revenues		0.00	0.00	2,490.00	0.00
Cost of Sales					
CHANG'S CONST	500057	0.00	0.00	0.00	0.00
Management fees - 2284 E Beltl	560040	0.00	0.00	124.50	0.00
Management fees - 2315 Dunniga	560042	0.00	0.00	0.00	0.00
Management fees - 2335 Dunniga	560043	0.00	0.00	0.00	0.00
Management fees- 2389 Dunnigan	560044	0.00	0.00	0.00	0.00
Management fees-2347 Dunnigan	560045	0.00	0.00	0.00	0.00
Total Cost of Sales		0.00	0.00	124.50	0.00
Gross Profit		0.00	0.00	2,365.50	0.00
Expenses					
Depreciation Exp - 2284 E. Bel	640040	0.00	0.00	7,014.00	0.00
Depreciation Exp - 2315 Dunnig	640042	0.00	0.00	0.00	0.00
Depreciation Exp - 2335 Dunnig	640043	0.00	0.00	0.00	0.00
Depreciation Exp - 2389 Dunnig	640044	0.00	0.00	0.00	0.00
Depreciation Exp.-2347 Dunniga	640045	0.00	0.00	0.00	0.00
Insurance Exp-2100 E. Beltline	670037	642.75	0.00	0.00	0.00
Insurance Exp-2300 E. Beltline	670039	0.00	63.00	0.00	0.00
Insurance Exp - 2284 E. Beltli	670040	0.00	0.00	302.90	0.00
Insurance Exp.- 2315 Dunnigan	670042	0.00	0.00	0.00	0.00
Insurance Exp.- 2335 Dunnigan	670043	0.00	0.00	0.00	0.00
Insurance Exp - 2389 Dunnigan	670044	0.00	0.00	0.00	0.00
Insurance Exp.-2347 Dunnigan	670045	0.00	0.00	0.00	0.00
Insurance-Workers Comp	670057	0.00	0.00	0.00	0.00
Interest Exp-2100 E.Beltline	675037	299,136.21	0.00	0.00	0.00
Interest Exp-2300 E.Beltline	675039	0.00	21,961.12	0.00	0.00
Interest expense-2284 East Bel	675040	0.00	0.00	6,301.53	0.00
Interest Exp - 3271 Knapp St.	675041	0.00	0.00	0.00	(1,176.37)
Interest Exp.- 2335 Dunnigan	675043	0.00	0.00	0.00	0.00
Interest Exp - 2389 Dunnigan	675044	0.00	0.00	0.00	0.00
Interest Expense-2347 Dunnigan	675045	0.00	0.00	0.00	0.00
Interest expense - Changs	675057	0.00	0.00	0.00	0.00
Finance Charge-2100 E. Beltlin	675537	5,756.25	0.00	0.00	0.00
Service Charge-2100 E. Beltlin	675637	600.00	0.00	0.00	0.00
Service Charge - 2284 E. Belil	675640	0.00	0.00	337.71	0.00
Service Charge - 2335 Dunnigan	675643	0.00	0.00	0.00	0.00
Janitorial Exp - 2100	676037	400.00	0.00	0.00	0.00
Legal & Prof. Exp-2100 E. Belt	685037	16,875.98	0.00	0.00	0.00
Legal & Prof. Exp - 2284 E. Be	685040	0.00	0.00	406.77	0.00
Legal & Prof. Exp - 3271 Knapp	685041	0.00	0.00	0.00	500.00
Licenses Exp.-2100 E. Beltline	690037	1,833.33	0.00	0.00	0.00
Licenses Exp- 2389 Dunnigan	690044	0.00	0.00	0.00	0.00
Maintenance Exp - 3271 Knapp S	700041	0.00	0.00	0.00	435.52
Snow Removal - 2100 E. Beltlin	742037	8,803.05	0.00	0.00	0.00
Repairs Exp - 2100 E Beltline	745037	650.18	0.00	0.00	0.00
Repairs Exp.-2347 Dunnigan	745045	0.00	0.00	0.00	0.00

For Management Purposes Only

42	43	44	45	46	48	57
0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,920.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	13,680.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	400.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	11,200.00	0.00	0.00	0.00
0.00	0.00	22,054.18	0.00	0.00	0.00	0.00
11,920.00	13,680.00	22,454.18	11,200.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	246,795.66
0.00	0.00	0.00	0.00	0.00	0.00	0.00
596.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	684.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	20.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	560.00	0.00	0.00	0.00
596.00	684.00	20.00	560.00	0.00	0.00	246,795.66
11,324.00	12,996.00	22,434.18	10,640.00	0.00	0.00	(246,795.66
0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,808.11	0.00	0.00	0.00	0.00	0.00	0.00
0.00	5,561.09	0.00	0.00	0.00	0.00	0.00
0.00	0.00	5,672.73	0.00	0.00	0.00	0.00
0.00	0.00	0.00	4,732.76	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
302.90	0.00	0.00	0.00	0.00	0.00	0.00
0.00	301.90	0.00	0.00	0.00	0.00	0.00
0.00	0.00	301.90	0.00	0.00	0.00	0.00
0.00	0.00	0.00	301.90	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	5,609.23
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	5,997.13	0.00	0.00	0.00	0.00	0.00
0.00	0.00	812.53	0.00	0.00	0.00	0.00
0.00	0.00	0.00	4,455.45	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	30,611.05
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	337.71	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	65.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	300.00	0.00	0.00	0.00

For Management Purposes Only

Village
2011

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Evergreen WIP 103111 Prop of Mi Inc
Income Statement - Village at Knapps Crossings, LLC
For the Twelve Months Ending December 31, 2011

	Acct #	37	39	40	41
Revenues					
Rental Income - 2284 E. Beltli	400040	0.00	0.00	2,490.00	0.00
Rental Income - 2315 Dunnigan	400042	0.00	0.00	0.00	0.00
Rental Income - 2335 Dunnigan	400043	0.00	0.00	0.00	0.00
Rental Income- 2389 Dunn	400044	0.00	0.00	0.00	0.00
Rental Income-2347 Dunnigan	400045	0.00	0.00	0.00	0.00
Insurance Reimb.- 2389 Dunn	405044	0.00	0.00	0.00	0.00
Total Revenues		0.00	0.00	2,490.00	0.00
Cost of Sales					
CHANG'S CONST	500057	0.00	0.00	0.00	0.00
Management fees - 2284 E Beltl	560040	0.00	0.00	124.50	0.00
Management fees - 2315 Dunniga	560042	0.00	0.00	0.00	0.00
Management fees - 2335 Dunniga	560043	0.00	0.00	0.00	0.00
Management fees- 2389 Dunnigan	560044	0.00	0.00	0.00	0.00
Management fees-2347 Dunnigan	560045	0.00	0.00	0.00	0.00
Total Cost of Sales		0.00	0.00	124.50	0.00
Gross Profit		0.00	0.00	2,365.50	0.00
Expenses					
Depreciation Exp - 2284 E. Bel	640040	0.00	0.00	7,014.00	0.00
Depreciation Exp - 2315 Dunnig	640042	0.00	0.00	0.00	0.00
Depreciation Exp - 2335 Dunnig	640043	0.00	0.00	0.00	0.00
Depreciation Exp - 2389 Dunnig	640044	0.00	0.00	0.00	0.00
Depreciation Exp.-2347 Dunniga	640045	0.00	0.00	0.00	0.00
Insurance Exp-2100 E. Beltline	670037	642.75	0.00	0.00	0.00
Insurance Exp-2300 E. Beltline	670039	0.00	63.00	0.00	0.00
Insurance Exp - 2284 E. Beltli	670040	0.00	0.00	302.90	0.00
Insurance Exp.- 2315 Dunnigan	670042	0.00	0.00	0.00	0.00
Insurance Exp.- 2335 Dunnigan	670043	0.00	0.00	0.00	0.00
Insurance Exp - 2389 Dunnigan	670044	0.00	0.00	0.00	0.00
Insurance Exp.-2347 Dunnigan	670045	0.00	0.00	0.00	0.00
Insurance-Workers Comp	670057	0.00	0.00	0.00	0.00
Interest Exp-2100 E.Beltline	675037	299,136.21	0.00	0.00	0.00
Interest Exp-2300 E.Beltline	675039	0.00	21,961.12	0.00	0.00
Interest expense-2284 East Bel	675040	0.00	0.00	6,301.53	0.00
Interest Exp - 3271 Knapp St.	675041	0.00	0.00	0.00	(1,176.37)
Interest Exp.- 2335 Dunnigan	675043	0.00	0.00	0.00	0.00
Interest Exp - 2389 Dunnigan	675044	0.00	0.00	0.00	0.00
Interest Expense-2347 Dunnigan	675045	0.00	0.00	0.00	0.00
Interest expense - Changs	675057	0.00	0.00	0.00	0.00
Finance Charge-2100 E. Beltlin	675537	5,756.25	0.00	0.00	0.00
Service Charge-2100 E. Beltlin	675637	600.00	0.00	0.00	0.00
Service Charge - 2284 E. Belil	675640	0.00	0.00	337.71	0.00
Service Charge - 2335 Dunnigan	675643	0.00	0.00	0.00	0.00
Janitorial Exp - 2100	676037	400.00	0.00	0.00	0.00
Legal & Prof. Exp-2100 E. Belt	685037	16,875.98	0.00	0.00	0.00
Legal & Prof. Exp - 2284 E. Be	685040	0.00	0.00	406.77	0.00
Legal & Prof. Exp - 3271 Knapp	685041	0.00	0.00	0.00	500.00
Licenses Exp.-2100 E. Beltline	690037	1,833.33	0.00	0.00	0.00
Licenses Exp- 2389 Dunnigan	690044	0.00	0.00	0.00	0.00
Maintenance Exp - 3271 Knapp S	700041	0.00	0.00	0.00	435.52
Snow Removal - 2100 E. Beltlin	742037	8,803.05	0.00	0.00	0.00
Repairs Exp - 2100 E Beltline	745037	650.18	0.00	0.00	0.00
Repairs Exp.-2347 Dunnigan	745045	0.00	0.00	0.00	0.00

For Management Purposes Only

Village
2011

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Evergreen WIP 103111 Prop of Mi Inc
Income Statement - Village at Knapps Crossings, LLC
For the Twelve Months Ending December 31, 2011

	Acct #	37	39	40	41
Materials & Sup Exp - 2100 E	752037	7,000.00	0.00	0.00	0.00
Materials & Supplies Exp- 2389	752044	0.00	0.00	0.00	0.00
Materials & Sup. Exp.-2347 Dun	752045	0.00	0.00	0.00	0.00
Utilities Exp - 2100 E Beltlin	770037	30,679.34	0.00	0.00	0.00
Water & Sewer - 2335 Dunnigan	771043	0.00	0.00	0.00	0.00
Real Estate Tax Exp-2100 E. Be	772037	1,324.74	0.00	0.00	0.00
Real Estate Tax - 2284 E Belil	772040	0.00	0.00	3,877.42	0.00
Real Estate Tax - 2335 Dunniga	772043	0.00	0.00	0.00	0.00
Chang's Tax	772057	0.00	0.00	0.00	0.00
Lawn care Svcs - 2100 E. Belili	880037	8,276.90	0.00	0.00	0.00
Other Exp - 2284 E Beltline	890040	0.00	0.00	226.62	0.00
Other Exp - 2315 Dunnigan	890042	0.00	0.00	0.00	0.00
Other Exp - 2335 Dunnigan	890043	0.00	0.00	0.00	0.00
Other Exp- 2389 Dunnigan	890044	0.00	0.00	0.00	0.00
Other Exp.-2347 Dunnigan	890045	0.00	0.00	0.00	0.00
Capitalize costs	990057	0.00	0.00	0.00	0.00
Total Expenses		<u>381,978.73</u>	<u>22,024.12</u>	<u>18,466.95</u>	<u>(240.85)</u>
Net Income		<u>\$ (381,978.73)</u>	<u>(22,024.12)</u>	<u>(16,101.45)</u>	<u>240.85</u>

For Management Purposes Only

42	43	44	45	46	48	57
0.00	0.00	0.00	0.00	0.00	0.00	0.00
11,920.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	13,680.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	400.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	11,200.00	0.00	0.00	0.00
0.00	0.00	22,054.18	0.00	0.00	0.00	0.00
11,920.00	13,680.00	22,454.18	11,200.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	246,795.66
0.00	0.00	0.00	0.00	0.00	0.00	0.00
596.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	684.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	20.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	560.00	0.00	0.00	0.00
596.00	684.00	20.00	560.00	0.00	0.00	246,795.66
11,324.00	12,996.00	22,434.18	10,640.00	0.00	0.00	(246,795.66)
0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,808.11	0.00	0.00	0.00	0.00	0.00	0.00
0.00	5,561.09	0.00	0.00	0.00	0.00	0.00
0.00	0.00	5,672.73	0.00	0.00	0.00	0.00
0.00	0.00	0.00	4,732.76	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
302.90	0.00	0.00	0.00	0.00	0.00	0.00
0.00	301.90	0.00	0.00	0.00	0.00	0.00
0.00	0.00	301.90	0.00	0.00	0.00	0.00
0.00	0.00	0.00	301.90	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	5,609.23
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	5,997.13	0.00	0.00	0.00	0.00	0.00
0.00	0.00	812.53	0.00	0.00	0.00	0.00
0.00	0.00	0.00	4,455.45	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	30,611.05
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.0		

For Management Purposes Only

Evergreen WIP 103111 Prop of Mi Inc
Income Statement - Village at Knapps Crossings, LLC
For the Twelve Months Ending December 31, 2011

Village
2011

42	43	44	45	46	48	57
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	1,060.79	0.00	0.00	0.00	0.00
0.00	0.00	0.00	50.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	1,438.24	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	1,623.11	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	39,258.63
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,084.88	0.00	0.00	0.00	0.00	0.00	0.00
0.00	1,245.06	0.00	0.00	0.00	0.00	0.00
0.00	0.00	36.41	0.00	0.00	0.00	0.00
0.00	0.00	0.00	1,019.35	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	(322,274.57)
<u>7,195.89</u>	<u>16,504.24</u>	<u>7,949.36</u>	<u>10,859.46</u>	<u>0.00</u>	<u>0.00</u>	<u>(246,795.66)</u>
<u>4,128.11</u>	<u>(3,508.24)</u>	<u>14,484.82</u>	<u>(219.46)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

For Management Purposes Only

Evergreen WIP 103111 Prop of Mi Inc
Income Statement - Village at Knapps Crossings, LLC
For the Twelve Months Ending December 31, 2011

Total

2,490.00 400040
11,920.00 400042
13,680.00 400043
400.00 400044
11,200.00 400045
22,054.18 405044

61,744.18

246,795.66 500057
124.50 560040
596.00 560042
684.00 560043
20.00 560044
560.00 560045

248,780.16

(187,035.98)

7,014.00 640040
5,808.11 640042
5,561.09 640043
5,672.73 640044
4,732.76 640045
642.75 670037
63.00 670039
302.90 670040
302.90 670042
301.90 670043
301.90 670044
301.90 670045
5,609.23 670057
299,136.21 675037
21,961.12 675039
6,301.53 675040
(1,176.37) 675041
5,997.13 675043
812.53 675044
4,455.45 675045
30,611.05 675057
5,756.25 675537
600.00 675637
337.71 675640
337.71 675643
400.00 676037
16,875.98 685037
406.77 685040
500.00 685041
1,833.33 690037
65.00 690044
435.52 700041
8,803.05 742037
650.18 745037
300.00 745045

Rental Income - 2284 E. Beltli
Rental Income - 2315 Dunnigan
Rental Income - 2335 Dunnigan
Rental Income- 2389 Dunn
Rental Income-2347 Dunnigan
Insurance Reimb.- 2389 Dunn

Total Revenues

CHANG'S CONST

Management fees - 2284 E Beltli
Management fees - 2315 Dunniga
Management fees - 2335 Dunniga
Management fees- 2389 Dunnigan
Management fees-2347 Dunnigan

Total Cost of Sales

Gross Profit

Depreciation Exp - 2284 E. Bel
Depreciation Exp - 2315 Dunnig
Depreciation Exp - 2335 Dunnig
Depreciation Exp - 2389 Dunnig
Depreciation Exp.-2347 Dunniga
Insurance Exp-2100 E. Beltline
Insurance Exp-2300 E. Beltline
Insurance Exp - 2284 E. Beltli
Insurance Exp.- 2315 Dunnigan
Insurance Exp.- 2335 Dunnigan
Insurance Exp - 2389 Dunnigan
Insurance Exp.-2347 Dunnigan
Insurance-Workers Comp
Interest Exp-2100 E.Beltline
Interest Exp-2300 E.Beltline
Interest expense-2284 East Bel
Interest Exp - 3271 Knapp St.
Interest Exp.- 2335 Dunnigan
Interest Exp - 2389 Dunnigan
Interest Expense-2347 Dunnigan
Interest expense - Changs
Finance Charge-2100 E. Beltlin
Service Charge-2100 E. Beltlin
Service Charge - 2284 E. Belil
Service Charge - 2335 Dunnigan
Janitorial Exp - 2100
Legal & Prof. Exp-2100 E. Belt
Legal & Prof. Exp - 2284 E. Be
Legal & Prof. Exp - 3271 Knapp
Licenses Exp.-2100 E. Beltline
Licenses Exp- 2389 Dunnigan
Maintenance Exp - 3271 Knapp S
Snow Removal - 2100 E. Beltlin
Repairs Exp - 2100 E Beltline
Repairs Exp.-2347 Dunnigan

For Management Purposes Only

Evergreen WIP 103111 Prop of Mi Inc
 Income Statement - Village at Knapps Crossings, LLC
 For the Twelve Months Ending December 31, 2011

*Village
2011*

Total	
7,000.00	752037
1,060.79	752044
50.00	752045
30,679.34	770037
1,438.24	771043
1,324.74	772037
3,877.42	772040
1,623.11	772043
39,258.63	772057
8,276.90	880037
226.62	890040
1,084.88	890042
1,245.06	890043
36.41	890044
1,019.35	890045
(322,274.57)	990057

217,942.24

(404,978.22)

Materials & Sup Exp - 2100 E
 Materials & Supplies Exp- 2389
 Materials & Sup. Exp.-2347 Dun
 Utilities Exp - 2100 E Beltlin
 Water & Sewer - 2335 Dunnigan
 Real Estate Tax Exp-2100 E. Be
 Real Estate Tax - 2284 E Beltl
 Real Estate Tax - 2335 Dunniga
 Chang's Tax
 Lawncare Svcs - 2100 E. Beltli
 Other Exp - 2284 E Beltline
 Other Exp - 2315 Dunnigan
 Other Exp - 2335 Dunnigan
 Other Exp- 2389 Dunnigan
 Other Exp.-2347 Dunnigan
 Capitalize costs

Total Expenses

Net Income

ASSETS

9/16/2012 at 3:07 PM

Unaudited - For Management Purposes Only

Village
2011

9/16/2012 at 3:07 PM

Unaudited - For Management Purposes Only

Evergreen WIP 103111 Prop of Mi Inc
Balance Sheet
December 31, 2011

Acct #	37	39	40	41	42	43	44	45	46	48	51	52	57	
Tax Book Equity - 2347 Dum 390945	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00 (27,891.30)	0.00	0.00	0.00	0.00	0.00 (\$	27,891.30) (\$ 2,773,031.27)
Net Income	(381,807.65)	(22,024.12)	(15,874.33)	240.85	5,212.99	(2,263.18)	14,521.23	799.89	0.00	0.00	0.00	0.00	0.00 (\$	401,194.82) -401194.82
Total Capital	#####	119,204.56	#####	(94,767.74)	(19,154.24)	(46,080.28)	(32,953.01)	(27,091.41)	0.00	0.00	0.00	0.00	0.00 (\$	3,174,236.09)
Total Liabilities & Capital	\$4,464,896.63	#####	176,404.27	(3,221.66)	150,935.79	149,357.77	211,780.26	132,564.71	35,691.53	0.00	0.00	0.00	753,548.78 \$	7,237,508.21
														0

Village
2011Evergreen WIP 103111 Prop of Mi Inc
Balance Sheet
December 31, 2011

	Acct #	37	39	40	41	42
ASSETS						
Current Assets						
Due from Mgt Co	110140	\$ 0.00	0.00	(2,925.33)	0.00	0.00
Due from Mgt Co	110141	0.00	0.00	0.00	(3,221.66)	0.00
Due from Mgt Co	110142	0.00	0.00	0.00	0.00	(4,340.13)
Due from Mgt Co	110143	0.00	0.00	0.00	0.00	0.00
Due from Mgt Co	110144	0.00	0.00	0.00	0.00	0.00
Due from Mgt Co	110145	0.00	0.00	0.00	0.00	0.00
Escrow - 2100 E. Beltline	192037	8,352.60	0.00	0.00	0.00	0.00
Escrow - 2284 E. Beltline	192040	0.00	0.00	250.00	0.00	0.00
Escrow - 2335 Dunnigan	192043	0.00	0.00	0.00	0.00	0.00
Total Current Assets		8,352.60	0.00	(2,675.33)	(3,221.66)	(4,340.13)
Property and Equipment						
Building - 2284 East Beltline	135040	0.00	0.00	192,885.40	0.00	0.00
Building - 2315 Dunnigan Ave	135042	0.00	0.00	0.00	0.00	159,722.62
Building - 2335 Dunnigan Ave.	135043	0.00	0.00	0.00	0.00	0.00
Building - 2389 Dunnigan	135044	0.00	0.00	0.00	0.00	0.00
Building- 2347 Dunnigan Ave N	135045	0.00	0.00	0.00	0.00	0.00
Building - Changs	135057	0.00	0.00	0.00	0.00	0.00
Equipment-3271 Knapp St.	150041	0.00	0.00	0.00	1,000.00	0.00
Land - 2100 E. Beltline Ave. NE	160037	4,426,694.03	0.00	0.00	0.00	0.00
Land - 2300 E. Beltline Ave NE	160039	0.00	1,164,050.1	0.00	0.00	0.00
Land - 2284 E. Beltline	160040	0.00	0.00	35,000.00	0.00	0.00
Land - 2315 Dunnigan Ave. NE	160042	0.00	0.00	0.00	0.00	35,000.00
Land - 2335 Dunnigan Ave. NE	160043	0.00	0.00	0.00	0.00	0.00
Land - 2389 Dunnigan Ave	160044	0.00	0.00	0.00	0.00	0.00
Land - 2347 Dunnigan	160045	0.00	0.00	0.00	0.00	0.00
Land - 2387 Dunnigan Ave NE	160046	0.00	0.00	0.00	0.00	0.00
A/D-Equipment-3271 Knapp St.	171041	0.00	0.00	0.00	(1,000.00)	0.00
A/D-Buildings-2284 E. Beltline	173040	0.00	0.00	(48,805.80)	0.00	0.00
A/D-Buildings-2315 Dunnigan	173042	0.00	0.00	0.00	0.00	(39,446.70)
A/D-Buildings-2335 Dunnigan	173043	0.00	0.00	0.00	0.00	0.00
A/D Building- 2389 Dunn	173044	0.00	0.00	0.00	0.00	0.00
A/D-Buildings-2347 Dunnigan	173045	0.00	0.00	0.00	0.00	0.00
Total Property and Equipment		4,426,694.03	1,164,050.1	179,079.60	0.00	155,275.92
Other Assets						
Loan costs - 2100 E Beltline	169037	29,850.00	0.00	0.00	0.00	0.00
Loan cost - 2300 E Beltline	169039	0.00	1,500.00	0.00	0.00	0.00
Loan costs	169057	0.00	0.00	0.00	0.00	0.00
Escrow - Changs	192057	0.00	0.00	0.00	0.00	0.00
Total Other Assets		29,850.00	1,500.00	0.00	0.00	0.00
Total Assets	\$	4,464,896.63	1,165,550.1	176,404.27	(3,221.66)	150,935.79

LIABILITIES AND CAPITAL

Current Liabilities						
Sec Deposit - 2315 Dunnigan	244042	\$ 0.00	0.00	0.00	0.00	2,401.60
Sec Deposit - 2335 Dunnigan	244043	0.00	0.00	0.00	0.00	0.00
Sec Deposit - 2389 Dunnigan	244044	0.00	0.00	0.00	0.00	0.00
Sec Deposit - 2347 Dunnigan	244045	0.00	0.00	0.00	0.00	0.00
Due to Management Co.	249237	5,972,870.90	0.00	0.00	0.00	0.00

Unaudited - For Management Purposes Only

Village
2011

Evergreen WIP 103111 Prop of Mi Inc
Balance Sheet
December 31, 2011

43	44	45	46	48	51	52	57
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2,443.60)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	(1,700.25)	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	(2,693.18)	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2,193.60)	(1,700.25)	(2,693.18)	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
152,930.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	156,000.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	130,151.23	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	315,329.31
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	89,862.34	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	30,150.87	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	35,691.53	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(36,378.83)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	(32,381.83)	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	(25,044.21)	0.00	0.00	0.00	0.00	0.00
151,551.37	213,480.51	135,257.89	35,691.53	0.00	0.00	0.00	315,329.31
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	198,135.67
0.00	0.00	0.00	0.00	0.00	0.00	0.00	240,083.80
0.00	0.00	0.00	0.00	0.00	0.00	0.00	438,219.47
149,357.77	211,780.26	132,564.71	35,691.53	0.00	0.00	0.00	753,548.78
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	1,090.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Unaudited - For Management Purposes Only

Village
2011

Evergreen WIP 103111 Prop of Mi Inc
Balance Sheet
December 31, 2011

	Acct #	37	39	40	41	42
Due to Mgt Co - 2300 E Beltlin	249239	0.00	727,984.52	0.00	0.00	0.00
Due to Management Co.	249240	0.00	0.00	182,765.45	0.00	0.00
Due to Management Co.	249241	0.00	0.00	0.00	(4,401.68)	0.00
Due to Management Co.	249242	0.00	0.00	0.00	0.00	63,255.55
Due to Management Co.	249243	0.00	0.00	0.00	0.00	0.00
Due to Management Co.	249244	0.00	0.00	0.00	0.00	0.00
Due to Management Co.	249245	0.00	0.00	0.00	0.00	0.00
Due to Management Co.	249246	0.00	0.00	0.00	0.00	0.00
Due to management Co	249257	0.00	0.00	0.00	0.00	0.00
Total Current Liabilities		5,972,870.90	727,984.52	182,765.45	(4,401.68)	65,657.15
Long-Term Liabilities						
Due to SDB, LLC	260037	1,459,782.28	0.00	0.00	0.00	0.00
Due to SDB, LLC	260040	0.00	0.00	14,613.70	0.00	0.00
Due to SDB, LLC	260041	0.00	0.00	0.00	95,947.76	0.00
Due to SDB, LLC	260042	0.00	0.00	0.00	0.00	38,453.86
Due to SDB, LLC	260043	0.00	0.00	0.00	0.00	0.00
Due to SDB, LLC	260044	0.00	0.00	0.00	0.00	0.00
Due to SDB, LLC	260045	0.00	0.00	0.00	0.00	0.00
Due to SDB, LLC	260046	0.00	0.00	0.00	0.00	0.00
Notes Payable-2300 E. Beltline	270039	0.00	318,361.05	0.00	0.00	0.00
Note payable - 2284 E Belt	270040	0.00	0.00	84,652.54	0.00	0.00
Notes Payable - 2315 Dunnigan	270042	0.00	0.00	0.00	0.00	65,979.02
Notes Payable- 2335 Dunnigan	270043	0.00	0.00	0.00	0.00	0.00
Notes Payable- 2389 Dunnigan	270044	0.00	0.00	0.00	0.00	0.00
Notes Payable-2347 Dunnigan	270045	0.00	0.00	0.00	0.00	0.00
Note pay - Changs constr Chica	270057	0.00	0.00	0.00	0.00	0.00
Total Long-Term Liabilities		1,459,782.28	318,361.05	99,266.24	95,947.76	104,432.88
Total Liabilities		7,432,653.18	1,046,345.5	282,031.69	91,546.08	170,090.03
Capital						
Tax Book Equity - 2100 E.Beltl	390937	(2,585,948.90)	0.00	0.00	0.00	0.00
Tax Book Equity - 2300 E. Belt	390939	0.00	141,228.68	0.00	0.00	0.00
Tax Book Equity - 2284 E. Belt	390940	0.00	0.00	(89,752.59)	0.00	0.00
Tax Book Equity - 3271 Knapp	390941	0.00	0.00	0.00	(95,008.59)	0.00
Tax Book Equity- 2315 Dunniga	390942	0.00	0.00	0.00	0.00	(24,367.23)
Tax Book Equity - 2335 Dunnig	390943	0.00	0.00	0.00	0.00	0.00
Tax Book Equity - 2389 Dunnig	390944	0.00	0.00	0.00	0.00	0.00
Tax Book Equity - 2347 Dunnig	390945	0.00	0.00	0.00	0.00	0.00
Net Income		(381,807.65)	(22,024.12)	(15,874.83)	240.85	5,212.99
Total Capital		(2,967,756.55)	119,204.56	(105,627.42)	(94,767.74)	(19,154.24)
Total Liabilities & Capital		\$ 4,464,896.63	1,165,550.1	176,404.27	(3,221.66)	150,935.79

Unaudited - For Management Purposes Only

Village
2011Evergreen WIP 103111 Prop of Mi Inc
Balance Sheet
December 31, 2011

43	44	45	46	48	51	52	57
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
76,670.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	144,022.46	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	54,126.32	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	29,691.53	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,364,837.)
78,670.32	144,672.46	55,216.32	29,691.53	0.00	0.00	0.00	(1,364,837.)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
32,115.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	6,000.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
84,652.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	94,060.81	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	98,439.80	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,118,386.7
116,767.73	100,060.81	104,439.80	6,000.00	0.00	0.00	0.00	2,118,386.7
195,438.05	244,733.27	159,656.12	35,691.53	0.00	0.00	0.00	753,548.78
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(43,817.10)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	(47,474.24)	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	(27,891.30)	0.00	0.00	0.00	0.00	0.00
(2,263.18)	14,521.23	799.89	0.00	0.00	0.00	0.00	0.00
(46,080.28)	(32,953.01)	(27,091.41)	0.00	0.00	0.00	0.00	0.00
149,357.77	211,780.26	132,564.71	35,691.53	0.00	0.00	0.00	753,548.78

Unaudited - For Management Purposes Only

Evergreen WIP 0910112010 Prop of Mi Inc
Balance Sheet
December 31, 2010

Village
2010

	Acct #	37	39	40	41
ASSETS					
Current Assets					
Due from Mgt Co	110140	\$ 0.00	0.00	(2,925.33)	0.00
Due from Mgt Co	110141	0.00	0.00	0.00	(3,221.66)
Due from Mgt Co	110142	0.00	0.00	0.00	0.00
Due from Mgt Co	110143	0.00	0.00	0.00	0.00
Due from Mgt Co	110144	0.00	0.00	0.00	0.00
Due from Mgt Co	110145	0.00	0.00	0.00	0.00
Escrow - 2284 E. Beltline	192040	0.00	0.00	250.00	0.00
Escrow - 2335 Dunnigan	192043	0.00	0.00	0.00	0.00
Total Current Assets		0.00	0.00	(2,675.33)	(3,221.66)
Property and Equipment					
Building - 2284 East Beltline	135040	0.00	0.00	192,885.40	0.00
Building - 2315 Dunnigan Ave	135042	0.00	0.00	0.00	0.00
Building - 2335 Dunnigan Ave.	135043	0.00	0.00	0.00	0.00
Building - 2389 Dunnigan	135044	0.00	0.00	0.00	0.00
Building- 2347 Dunnigan Ave NE	135045	0.00	0.00	0.00	0.00
Building - Changs	135057	0.00	0.00	0.00	0.00
Equipment-3271 Knapp St.	150041	0.00	0.00	0.00	1,000.00
Land - 2100 E. Beltline Ave. NE	160037	4,426,694.03	0.00	0.00	0.00
Land - 2300 E. Beltline Ave NE	160039	0.00	1,164,050.13	0.00	0.00
Land - 2284 E. Beltline	160040	0.00	0.00	35,000.00	0.00
Land - 2315 Dunnigan Ave. NE	160042	0.00	0.00	0.00	0.00
Land - 2335 Dunnigan Ave. NE	160043	0.00	0.00	0.00	0.00
Land - 2389 Dunnigan Ave	160044	0.00	0.00	0.00	0.00
Land - 2347 Dunnigan	160045	0.00	0.00	0.00	0.00
Land - 2387 Dunnigan Ave NE	160046	0.00	0.00	0.00	0.00
A/D-Equipment-3271 Knapp St.	171041	0.00	0.00	0.00	(1,000.00)
A/D-Buildings-2284 E. Beltline	173040	0.00	0.00	(41,791.80)	0.00
A/D-Buildings-2315 Dunnigan	173042	0.00	0.00	0.00	0.00
A/D-Buildings-2335 Dunnigan	173043	0.00	0.00	0.00	0.00
A/D Building- 2389 Dunn	173044	0.00	0.00	0.00	0.00
A/D-Buildings-2347 Dunnigan	173045	0.00	0.00	0.00	0.00
Total Property and Equipment		4,426,694.03	1,164,050.13	186,093.60	0.00
Other Assets					
Loan costs - 2100 E Beltline	169037	29,850.00	0.00	0.00	0.00
Loan cost - 2300 E Beltline	169039	0.00	1,500.00	0.00	0.00
Loan costs	169057	0.00	0.00	0.00	0.00
Escrow - Changs	192057	0.00	0.00	0.00	0.00
Total Other Assets		29,850.00	1,500.00	0.00	0.00
Total Assets	\$	4,456,544.03	1,165,550.13	183,418.27	(3,221.66)

LIABILITIES AND CAPITAL

Current Liabilities					
Sec Deposit - 2315 Dunnigan	244042	\$ 0.00	0.00	0.00	0.00
Sec Deposit - 2335 Dunnigan	244043	0.00	0.00	0.00	0.00

Unaudited - For Management Purposes Only

V. Page
210Evergreen WIP 0910112010 Prop of Mi Inc
Balance Sheet
December 31, 2010

42	43	44	45	46	48
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
(4,340.13)	0.00	0.00	0.00	0.00	0.00
0.00	(2,443.60)	0.00	0.00	0.00	0.00
0.00	0.00	(1,700.25)	0.00	0.00	0.00
0.00	0.00	0.00	(2,693.18)	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	250.00	0.00	0.00	0.00	0.00
(4,340.13)	(2,193.60)	(1,700.25)	(2,693.18)	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
159,722.62	0.00	0.00	0.00	0.00	0.00
0.00	152,930.20	0.00	0.00	0.00	0.00
0.00	0.00	156,000.00	0.00	0.00	0.00
0.00	0.00	0.00	130,151.23	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
35,000.00	0.00	0.00	0.00	0.00	0.00
0.00	35,000.00	0.00	0.00	0.00	0.00
0.00	0.00	89,862.34	0.00	0.00	0.00
0.00	0.00	0.00	30,150.87	0.00	0.00
0.00	0.00	0.00	0.00	35,691.53	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
(33,638.59)	0.00	0.00	0.00	0.00	0.00
0.00	(30,817.74)	0.00	0.00	0.00	0.00
0.00	0.00	(26,709.10)	0.00	0.00	0.00
0.00	0.00	0.00	(20,311.45)	0.00	0.00
161,084.03	157,112.46	219,153.24	139,990.65	35,691.53	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
156,743.90	154,918.86	217,452.99	137,297.47	35,691.53	0.00
2,401.60	0.00	0.00	0.00	0.00	0.00
0.00	2,000.00	0.00	0.00	0.00	0.00

Unaudited - For Management Purposes Only

51

57

0.00

0.00

0.00

65,329.31

0.00

698.135.67

0.00

763,464.98

0.00

0.00

Unaudited - For Management Purposes Only

✓ Village
2010Evergreen WIP 0910112010 Prop of Mi Inc
Balance Sheet
December 31, 2010

42	43	44	45	46	48
0.00	0.00	650.00	0.00	0.00	0.00
0.00	0.00	0.00	1,090.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
74,276.65	0.00	0.00	0.00	0.00	0.00
0.00	78,875.71	0.00	0.00	0.00	0.00
0.00	0.00	159,628.95	0.00	0.00	0.00
0.00	0.00	0.00	53,088.12	0.00	0.00
0.00	0.00	0.00	0.00	29,691.53	0.00
0.00	0.00	0.00	0.00	0.00	0.00
<u>76,678.25</u>	<u>80,875.71</u>	<u>160,278.95</u>	<u>54,178.12</u>	<u>29,691.53</u>	<u>0.00</u>
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
38,453.86	0.00	0.00	0.00	0.00	0.00
0.00	32,115.21	0.00	0.00	0.00	0.00
0.00	0.00	6,000.00	0.00	0.00	0.00
0.00	0.00	0.00	6,000.00	0.00	0.00
0.00	0.00	0.00	0.00	6,000.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
65,979.02	0.00	0.00	0.00	0.00	0.00
0.00	85,745.04	0.00	0.00	0.00	0.00
0.00	0.00	98,648.28	0.00	0.00	0.00
0.00	0.00	0.00	105,010.65	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
<u>104,432.88</u>	<u>117,860.25</u>	<u>104,648.28</u>	<u>111,010.65</u>	<u>6,000.00</u>	<u>0.00</u>
181,111.13	198,735.96	264,927.23	165,188.77	35,691.53	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
(27,125.44)	0.00	0.00	0.00	0.00	0.00
0.00	(41,333.12)	0.00	0.00	0.00	0.00
0.00	0.00	(40,432.49)	0.00	0.00	0.00
0.00	0.00	0.00	(25,420.79)	0.00	0.00
2,758.21	(2,483.98)	(7,041.75)	(2,470.51)	0.00	0.00
<u>(24,367.23)</u>	<u>(43,817.10)</u>	<u>(47,474.24)</u>	<u>(27,891.30)</u>	<u>0.00</u>	<u>0.00</u>
<u>156,743.90</u>	<u>154,918.86</u>	<u>217,452.99</u>	<u>137,297.47</u>	<u>35,691.53</u>	<u>0.00</u>

Unaudited - For Management Purposes Only

Village
2010Evergreen WIP 0910112010 Prop of Mi Inc
Balance Sheet
December 31, 2010

51	52	57
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	(1,386,535.02)
0.00	0.00	(1,386,535.02)

0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	2,150,000.00

0.00	0.00	2,150,000.00
------	------	--------------

0.00	0.00	763,464.98
------	------	------------

0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00

0.00	0.00	0.00
------	------	------

0.00	0.00	763,464.98
------	------	------------

Unaudited - For Management Purposes Only

Evergreen WIP 0910112010 Prop of Mi Inc
Income Statement - Village at Knapps Crossings, LLC
For the Twelve Months Ending December 31, 2010

	Acct #	37	39	40
Revenues				
Rental Income - 2284 E. Beltli	400040	0.00	0.00	2,575.00
Rental Income - 2315 Dunnigan	400042	0.00	0.00	0.00
Rental Income - 2335 Dunnigan	400043	0.00	0.00	0.00
Rental Income- 2389 Dunn	400044	0.00	0.00	0.00
Rental Income-2347 Dunnigan	400045	0.00	0.00	0.00
Interest income	408037	49.00	0.00	0.00
Construction - 2284 E. Beltlin	410040	0.00	0.00	400.00
Total Revenues		49.00	0.00	2,975.00
Cost of Sales				
Management fees - 2284 E Beltl	560040	0.00	0.00	128.75
Management fees - 2315 Dunniga	560042	0.00	0.00	0.00
Management fees - 2335 Dunniga	560043	0.00	0.00	0.00
Management fees- 2389 Dunnigan	560044	0.00	0.00	0.00
Management fees-2347 Dunnigan	560045	0.00	0.00	0.00
Total Cost of Sales		0.00	0.00	128.75
Gross Profit		49.00	0.00	2,846.25
Expenses				
Auto expense - Village	610037	583.54	0.00	0.00
Bank service charges	620037	45.00	0.00	0.00
Depreciation Exp - 2284 E. Bel	640040	0.00	0.00	7,014.00
Depreciation Exp - 2315 Dunnig	640042	0.00	0.00	0.00
Depreciation Exp - 2335 Dunnig	640043	0.00	0.00	0.00
Depreciation Exp - 2389 Dunnig	640044	0.00	0.00	0.00
Depreciation Exp.-2347 Dunniga	640045	0.00	0.00	0.00
Insurance Exp-2100 E. Beltline	670037	2,557.81	0.00	0.00
Insurance Exp-2300 E. Beltline	670039	0.00	84.14	0.00
Insurance Exp - 2284 E. Beltli	670040	0.00	0.00	384.15
Insurance Exp - 3271 Knapp St.	670041	0.00	0.00	0.00
Insurance Exp.- 2315 Dunnigan	670042	0.00	0.00	0.00
Insurance Exp.- 2335 Dunnigan	670043	0.00	0.00	0.00
Insurance Exp - 2389 Dunnigan	670044	0.00	0.00	0.00
Insurance Exp.-2347 Dunnigan	670045	0.00	0.00	0.00
Interest Exp-2100 E.Beltline	675037	247,309.87	0.00	0.00
Interest Exp-2300 E.Beltline	675039	0.00	25,949.98	0.00
Interest expense-2284 East Bel	675040	0.00	0.00	7,685.47
Interest Exp.- 2315 Dunnigan	675042	0.00	0.00	0.00
Interest Exp.- 2335 Dunnigan	675043	0.00	0.00	0.00
Interest Exp - 2389 Dunnigan	675044	0.00	0.00	0.00
Interest Expense-2347 Dunnigan	675045	0.00	0.00	0.00
Finance Charge - 2284 E. Beltl	675540	0.00	0.00	289.96
Finance Charge - 2335 Dunnigan	675543	0.00	0.00	0.00
Service Charge-2100 E. Beltlin	675637	5,000.00	0.00	0.00
Service Charge-2347 Dunnigan	675645	0.00	0.00	0.00
Legal & Prof. Exp-2100 E. Belt	685037	184,751.04	0.00	0.00
Legal & Prof. Exp - 3271 Knapp	685041	0.00	0.00	0.00
Licenses Exp.-2100 E. Beltline	690037	6,537.52	0.00	0.00
Maintenance Exp-2100 E. Beltli	700037	892.07	0.00	0.00
Misc. Exp.-2100 E. Beltline	701037	499.80	0.00	0.00
Meals/travel - Village	705037	721.21	0.00	0.00

For Management Purposes Only

[illegible]

For Management Purposes Only

Village
2010Evergreen WIP 0910112010 Prop of Mi Inc
Income Statement - Village at Knapps Crossings, LLC
For the Twelve Months Ending December 31, 2010

48	57	Total
0.00	2,575.00	
0.00	13,948.40	
0.00	14,734.00	
0.00	7,375.00	
0.00	12,000.00	
0.00	49.00	
0.00	400.00	
0.00	51,081.40	
0.00	128.75	
0.00	697.42	
0.00	736.70	
0.00	368.75	
0.00	600.00	
0.00	2,531.62	
0.00	48,549.78	
0.00	583.54	
0.00	45.00	
0.00	7,014.00	
0.00	5,808.11	
0.00	5,561.09	
0.00	5,672.73	
0.00	4,732.76	
0.00	2,557.81	
0.00	84.14	
0.00	384.15	
0.00	670.51	
0.00	400.90	
0.00	397.22	
0.00	382.46	
0.00	998.45	
0.00	247,309.87	
0.00	25,949.98	
0.00	7,685.47	
0.00	2,183.78	
0.00	7,685.50	
0.00	2,537.40	
0.00	8,082.30	
0.00	289.96	
0.00	228.70	
0.00	5,000.00	
0.00	57.00	
0.00	184,751.04	
0.00	3,500.00	
0.00	6,537.52	
0.00	892.07	
0.00	499.80	
0.00	721.21	

For Management Purposes Only

Village
2010

Evergreen WIP 0910112010 Prop of Mi Inc
Income Statement - Village at Knapps Crossings, LLC
For the Twelve Months Ending December 31, 2010

	Acct #	37	39	40
Repairs Exp - 2100 E Beltline	745037	414.83	0.00	0.00
Repairs Exp - 2284 E Beltline	745040	0.00	0.00	105.75
Repairs Exp - 2335 Dunnigan	745043	0.00	0.00	0.00
Materials & Sup Exp - 2100 E	752037	453.49	0.00	0.00
Materials & Sup Exp - 2284 E B	752040	0.00	0.00	14,213.70
Supplies Exp - 2100 E Beltline	755037	77.48	0.00	0.00
Utilities Exp - 2100 E Beltlin	770037	347.55	0.00	0.00
Water & Sewer - 2100 E Beltlin	771037	2,231.23	0.00	0.00
Real Estate Tax Exp-2100 E. Be	772037	3,904.51	0.00	0.00
Real Estate Tax - 2300 E Beltl	772039	0.00	5,646.49	0.00
Real Estate Tax - 2284 E Beltl	772040	0.00	0.00	3,206.20
Real Estate Tax - 3271 Knapp	772041	0.00	0.00	0.00
Real Estate Tax - 2315 Dunniga	772042	0.00	0.00	0.00
Real Estate Tax - 2335 Dunniga	772043	0.00	0.00	0.00
Real Estate Tax Exp.-2389 Dunn	772044	0.00	0.00	0.00
Wages Exp - 2100 E. Beltline	775037	2,091.50	0.00	0.00
Lawn care Svcs - 2100 E. Beltli	880037	1,694.43	0.00	0.00
Total Expenses		460,112.88	31,680.61	32,899.23
Net Income		\$ (460,063.88)	(31,680.61)	(30,052.98)

For Management Purposes Only

Evergreen WIP 0910112010 Prop of Mi Inc
 Income Statement - Village at Knapps Crossings, LLC
 For the Twelve Months Ending December 31, 2010

*Village
2010*

41	42	43	44	45	46	
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	80.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,821.62	0.00	0.00	0.00	0.00	0.00	0.00
0.00	2,099.98	0.00	0.00	0.00	0.00	0.00
0.00	0.00	2,528.77	0.00	0.00	0.00	0.00
0.00	0.00	0.00	5,455.41	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,992.13	10,492.77	16,481.28	14,048.00	13,870.51	0.00	0.00
(5,992.13)	2,758.21	(2,483.98)	(7,041.75)	(2,470.51)	0.00	0.00

For Management Purposes Only

Evergreen WIP 0910112010 Prop of Mi Inc
 Income Statement - Village at Knapps Crossings, LLC
 For the Twelve Months Ending December 31, 2010

Village
2010

48	57	Total
0.00	414.83	
0.00	105.75	
0.00	80.00	
0.00	453.49	
0.00	14,213.70	
0.00	77.48	
0.00	347.55	
0.00	2,231.23	
0.00	3,904.51	
0.00	5,646.49	
0.00	3,206.20	
0.00	1,821.62	
0.00	2,099.98	
0.00	2,528.77	
0.00	5,455.41	
0.00	2,091.50	
0.00	1,694.43	
0.00	585,577.41	
0.00	(537,027.63)	

For Management Purposes Only

LIABILITIES AND CAPITAL

Current Liabilities

Sec Depos: 244,042.00

Sec Depos: 244,043.00

Sec Depos: 244,044.00

Sec Depos: 244,045.00

Due to Man 249,237.00

Due to Mgt 249,239.00

Due to Man 249,240.00

2

145
or

2011/11/25

Exhibit D

KENT COUNTY, MI

2013 OCT 26 PM 3:46



MORTGAGE SUBORDINATION
 (Limited Dollar Amount)

As of October 19, 2010 this Mortgage Subordination Agreement ("Agreement") is made by and between **COMERICA BANK** ("First Lender") with offices at 500 Woodward Avenue, 4th Floor, MC 3205, Detroit, Michigan 48226, Attention: Marc S. Lewandowski, and **INTERNATIONAL BANK OF CHICAGO**, an Illinois banking corporation ("Second Lender") with offices at 5069 N. Broadway St., Chicago, IL 60640, Attention: Edelyn Xie.

Recitals:

A. First Lender is the mortgagee under a Continuing Collateral Mortgage from S.D. Benner, L.L.C., a Michigan limited liability company ("Benner") to First Lender dated January 25, 2008, recorded February 4, 2008 as instrument no. 20080204-0009504 in the Kent County Records, State of Michigan, covering the property legally described on Exhibit A attached to this Agreement (the "1410 28th Street Property"), as said mortgage may be amended or extended from time to time ("First Lender's Mortgage"). "Second Lender's Mortgage" means any mortgage on the 1410 28th Street Property under which Second Lender is the mortgagee, now existing or later arising, as the same may be amended or extended from time to time.

B. First Lender is financially interested in The Village at Knapp's Crossing, LLC, a Michigan limited liability company ("Debtor") and has agreed to enter into this Agreement to assist Debtor in obtaining or having continued financial accommodations, whether by way of loan, commitment to loan, extension of credit or otherwise, from Second Lender, which financial accommodations may be secured by a mortgage on the 1410 28th Street Property.

As an inducement to and in consideration of Second Lender's extension of financial accommodations to Debtor, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. First Lender's Mortgage and all right, title and interest (now existing or later acquired) of First Lender in the 1410 28th Street Property is subordinate to Second Lender's Mortgage and all right, title and interest (now existing or later acquired) of Second Lender in the 1410 28th Street Property, up to (but not in excess of) the following amounts secured by Second Lender's Mortgage:

The principal amount of THREE MILLION NINE HUNDRED EIGHTY THOUSAND AND 00/100 DOLLARS (\$3,980,000.00), plus interest, applicable prepayment premiums, and/or late charges on that principal amount plus collection costs (including, without limit, reasonable attorneys' fees) plus taxes, insurance premiums and other expenditures made by Second Lender in accordance with Second Lender's Mortgage to preserve its lien on, or the collateral value of, the 1410 28th Street Property.

2. The relative priorities of the parties in the 1410 28th Street Property as set forth in this Agreement shall control irrespective of the time, order or method of attachment or perfection of the liens granted by Benner or acquired by the parties in the 1410 28th Street Property. The priorities of any liens or security interests of the parties in any assets of Benner other than the 1410 28th Street Property are not affected by this Agreement. Without limiting the priorities set forth in Paragraph 1 above, the priorities govern the ultimate disposition of casualty insurance and condemnation proceeds and rents from the 1410 28th Street Property.
3. This Agreement shall constitute a continuing agreement of the parties even though at times Benner may not be indebted to First Lender and Debtor may not be indebted to Second Lender. From time to time First Lender may, without notice to Second Lender, receive payments from Benner and lend money (on a term loan, revolving loan or other basis), extend credit and make any other financial accommodation to Benner in reliance on this Agreement. Likewise, from time to time Second Lender may, without notice to First Lender, receive payments from Debtor and lend money (on a term loan, revolving loan or other basis), extend credit and make any other financial accommodation to Debtor in reliance on this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. There are no other parties entitled to be benefited by this Agreement. This Agreement shall be interpreted according to the internal laws of the State of Michigan, without regard to conflict of laws principles.
4. Without notice to the other party to this Agreement and without in any way impairing or affecting this Agreement,
 - (I) First Lender, from time to time, as it deems proper, may (a) enter into agreements with Benner as to its financial accommodations with Benner or with any guarantor, third party Pledgor or other party who may have pledged property or be responsible for payment of any of Benner's obligations to First Lender, extending the time of payment or renewing or otherwise altering the terms of all or any of the obligations, or affecting any security (including without limit the 1410 28th Street Property), guaranty, or pledge underlying any or all such obligations, and/or (b) exchange, sell, surrender, release, subordinate or otherwise deal with any such security (including without limit the 1410 28th Street Property), guaranty, or pledge, or may release any party directly or indirectly liable for any obligations of Benner to the releasing party, and
 - (II) Second Lender, from time to time, as it deems proper, may (a) enter into agreements with Debtor as to its financial accommodations with Debtor or with any guarantor, third party Pledgor or other party who may have pledged property or be responsible for payment of any of Debtor's obligations to Second Lender, extending the time of payment or renewing or otherwise altering the terms of all or any of the obligations, or affecting any security (including without limit the 1410 28th Street Property), guaranty, or pledge underlying any or all such obligations, and/or (b) exchange, sell, surrender, release, subordinate or otherwise deal with any such security (including without limit the 1410 28th Street Property), guaranty, or pledge, or may release any party directly or indirectly liable for any obligations of Debtor to the releasing party.

However, no such exchange, sale, surrender, release, subordination or other dealing by one party to this Agreement with respect to the 1410 28th Street Property shall be deemed to impair or detrimentally affect the other party's interest in the 1410 28th Street Property, and nothing in this section 4 shall be deemed an appointment by either party of the other as their attorney-in-fact or agent. By way of example and not by way of limitation, were Second Lender to release its interest in the 1410 28th Street Property, First Lender will have an interest in the 1410 28th Street Property as if this Agreement was never entered into, or were Second Lender to subordinate its interest in the 1410 28th Street Property to a third party, First Lender will have an interest in the 1410 28th Street Property as if Second Lender's subordination to this third party never occurred.
5. No waiver, termination, or amendment shall be deemed to have been made by either party of any of its rights under this Agreement unless it shall be in writing signed on behalf of the party to be bound, and each waiver, termination or amendment shall be a waiver, termination or amendment only with respect to the specific matter to which it relates and shall in no way impair the rights or the obligations of the parties in any other respect at any other time. Each party's rights under this Agreement are in addition to, and not in substitution of, their rights under any other subordination agreement between them, unless otherwise expressly provided.
6. Notice of acceptance of this Agreement is waived and this Agreement is immediately binding. If this Agreement is executed by two or more persons, it shall bind each of them individually as well as jointly.

7. All notices under this Agreement shall be in writing and sent to the parties at their addresses set forth above or as changed from time to time by written notice in accordance with this paragraph. Each party waives all rights to require the other party to marshal the 1410 28th Street Property or any other collateral the other party may at any time have as security for indebtedness of the Debtor and/or Benner and waives all right to require the other party to first proceed against Debtor and/or Benner or any guarantor before proceeding against the 1410 28th Street Property.
8. This Agreement shall be applicable both before and after the filing of any bankruptcy petition by or against Debtor or Benner and all references to Debtor or Benner shall be deemed to apply to a trustee for Debtor or Benner, respectively, and Debtor or Benner, respectively, as debtor-in-possession, and all allocations of payments between First Lender and Second Lender shall, subject to any court order approving the financing of Debtor or Benner as debtor-in-possession, continue to be made after the bankruptcy petition filing on the same basis that the payments were to be applied prior to the filing. As against a trustee in bankruptcy or third party creditor of Debtor or Benner, First Lender's subordination under this Agreement is contingent upon Second Lender's Mortgage being non-avoidable by the trustee or creditor.
9. First Lender agrees that the granting of Second Lender's Mortgage is not and will not be a default under First Lender's Mortgage or related loan documents nor give rise to a right to accelerate the maturity of any indebtedness secured or evidenced by them.
10. This Agreement is made in connection with a Construction Loan being made by Second Lender to Debtor (the "Construction Loan") for the development of the property more particularly described on attached Exhibit B (the "Development Property"). This Agreement shall remain in effect from the date of this Agreement until such time as the Debt Service Coverage Ratio ("DSCR") of 1.20 from the Development Property has been established and maintained for a period of six (6) consecutive months and demonstrated to Second Lender and First Lender (the "Subordination Period"). Upon the conclusion of the Subordination Period, this Agreement shall terminate and Second Lender shall execute such documents as First Lender may reasonably require to confirm such termination. For purposes of this Agreement, "Debt Service Coverage Ratio (DSCR)" is a ratio determined by dividing the Net Operating Income (NOI) of the Development Property by the Total Debt Service then payable under the Promissory Notes secured by Second Lender's Mortgage on the Development Property over a period of not less than six (6) consecutive months. "Total Debt Service" is defined as the payment schedule described in the "Payment" paragraph of the Promissory Notes stated herein. "Net Operating Income (NOI)" is defined as the total income of the property net of operating expenses. Total income of the property includes but is not limited to gross rental income less 5% vacancy and collection loss and less operating expenses which include but are not limited to real estate taxes, property and liability insurance, repairs, maintenance, utilities, management and replacement reserves.

(signature pages follow)

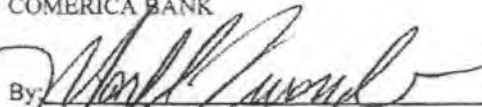


20101026-0089780

Mary Hollinrake P.3/7 A:15PM
Kent Only MI Rgstr 10/26/2010 SEAL

[SIGNATURE PAGE 1 of 2- MORTGAGE S HORDINATION AGREEMENT]

COMERICA BANK

By: 
Mark S. Lewandowski
Its: Vice President



20101026-0089780

Mary Hollinrake P:4/7 4:15PM
Kent Only MI Registr 10/26/2010 SEAL

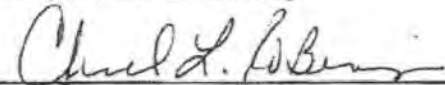
STATE OF MICHIGAN)

COUNTY OF Wayne)

The foregoing instrument was acknowledged before me on September 9, 2010 by Mark S. Lewandowski, a Vice President of COMERICA BANK, a Texas banking association, on behalf of said entity.

Notary's
Stamp:

Notary's

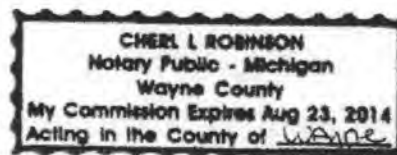
Signature: 

Notary's Name: Cheryl L. Robinson

Notary public, State of Michigan, County of Wayne

My commission Expires: AUGUST 23, 2014

Acting in the County of: Wayne





[SIGNATURE PAGE 2 of 2- MORTGAGE SUBORDINATION AGREEMENT]

INTERNATIONAL BANK OF CHICAGO:

By: Warren Tai
Its: Executive Vice President

STATE OF ~~Michigan~~ Illinois
COUNTY OF Cook

The foregoing instrument was acknowledged before me on 19th October, 2010 by Warren Tai, the Ex V. President of INTERNATIONAL BANK OF CHICAGO Illinois Charteral Bank on behalf of said entity.

Notary's
Stamp:



Notary's

Signature: W. Fong Moy

Notary's Name: W. Fong Moy

Notary public, State of Illinois, County of Cook

My commission Expires: 05-30-14

Acting in the County of: _____

Prepared by and when recorded return to:

Trent J. Taylor, Esq.
Miller, Canfield, Paddock and Stone, P.L.C.
99 Monroe Avenue N.W., Suite 1200
Grand Rapids, MI 49503
(616) 776-6302

Recording Fee: \$32.00

EXHIBIT A

LEGAL DESCRIPTION - 1410 28TH STREET PROPERTY

The North 500 feet of the West 220 feet to the East $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of Section 17, Town 6 North, Range 11 West, City of Grand Rapids, Kent County, Michigan. Also the South 150 feet of the North 500 feet of the East 175 feet of the West 395 feet of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 17, Town 6 North, Range 11 West, City of Grand Rapids, Kent County, Michigan. Subject to a Right-of-Way for highway purposes over that part lying North of a line which is 50 feet South of and parallel to the centerline of 28th Street as evidenced by instrument recorded in Liber 767 of Deeds, Page 499, Kent County Records.

Property Address: 1410 28th Street S.E., Grand Rapids, MI 49508

Parcel Tax Identification No.: 41-18-17-226-001



EXHIBIT B

LEGAL DESCRIPTION - DEVELOPMENT PROPERTY

18,351,362.2\022751-06837


20101026-0089780
Mary Hallinrake P:7/7 4:15PM
Kent Cnty MI Rgstr 10/26/2010 SEAL

13,098,860.1\022751-90001

Exhibit E

BUSINESS LOAN AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$1,500,000.00	10-19-2010	10-19-2016	32182	1A / 110		***	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.

Borrower: The Village at Knapp's Crossing, L.L.C. (TIN: 20-2673192)
7400 Old Lantern
Caledonia, MI 49316

Lender: International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

THIS BUSINESS LOAN AGREEMENT dated October 19, 2010, is made and executed between The Village at Knapp's Crossing, L.L.C. ("Borrower") and International Bank of Chicago ("Lender") on the following terms and conditions. Borrower has received prior commercial loans from Lender or has applied to Lender for a commercial loan or loans or other financial accommodations, including those which may be described on any exhibit or schedule attached to this Agreement. Borrower understands and agrees that: (A) in granting, renewing, or extending any Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement; (B) the granting, renewing, or extending of any Loan by Lender at all times shall be subject to Lender's sole judgment and discretion; and (C) all such Loans shall be and remain subject to the terms and conditions of this Agreement. This Agreement shall apply to any and all present and future loans, loan advances, extension of credit, financial accommodations and other agreements and undertakings of every nature and kind that may be entered into by and between Borrower and Lender now and in the future.

TERM. This Agreement shall be effective as of October 19, 2010, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until October 19, 2016.

ADVANCE AUTHORITY. The following person or persons are authorized to request advances and authorize payments under the loan until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: **Steven D. Benner, manager of The Village at Knapp's Crossing, LLC.**

CONDITIONS PRECEDENT TO EACH ADVANCE. Lender's obligation to make the initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's satisfaction of all of the conditions set forth in this Agreement and in the Related Documents.

Loan Documents. Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) Security Agreements granting to Lender security interests in the Collateral; (3) financing statements and all other documents perfecting Lender's Security Interests; (4) evidence of insurance as required below; (5) assignments of life insurance; (6) guaranties; (7) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's counsel.

Required Collateral. Each Loan under this Business Loan Agreement shall, at all times, be secured by first liens on the following described collateral: 3251 Knapp St. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-058; 2110 East Beltline Ave. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-057, 2200 East Beltline Ave. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-056 (partial), and 1410 28th St. SE, Grand Rapids, MI 49508, PIN: 41-18-17-226-001.

Borrower's Authorization. Borrower shall have provided in form and substance satisfactory to Lender properly certified resolutions, duly authorizing the execution and delivery of this Agreement, the Note and the Related Documents. In addition, Borrower shall have provided such other resolutions, authorizations, documents and instruments as Lender or its counsel, may require.

Payment of Fees and Expenses. Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

Representations and Warranties. The representations and warranties set forth in this Agreement, in the Related Documents, and in any document or certificate delivered to Lender under this Agreement are true and correct.

No Event of Default. There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement or under any Related Document.

REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension or modification of any Loan, and at all times any Indebtedness exists:

Organization. Borrower is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Michigan. Borrower is duly authorized to transact business in all other states in which Borrower is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Borrower is doing business. Specifically, Borrower is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Borrower has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Borrower maintains an office at 7400 Old Lantern, Caledonia, MI 49316. Unless Borrower has designated otherwise in writing, the principal office is the office at which Borrower keeps its books and records including its records concerning the Collateral. Borrower will notify Lender prior to any change in the location of Borrower's state of organization or any change in Borrower's name. Borrower shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Borrower and Borrower's business activities.

Assumed Business Names. Borrower has filed or recorded all documents or filings required by law relating to all assumed business names used by Borrower. Excluding the name of Borrower, the following is a complete list of all assumed business names under which Borrower does business: **None.**

Authorization. Borrower's execution, delivery, and performance of this Agreement and all the Related Documents have been duly authorized by all necessary action by Borrower, do not require the consent or approval of any other person, regulatory authority, or governmental body, and do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Borrower's articles of organization or membership agreements, or (b) any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's properties. Borrower has the power and authority to enter into the Note and the Related Documents and to grant collateral as security for the Loan. Borrower has the further power and authority to own and to hold all of Borrower's assets and properties, and to carry on Borrower's business as presently conducted.

Financial Information. Each of Borrower's financial statements supplied to Lender truly and completely disclosed Borrower's financial

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condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lender. Borrower has no material contingent obligations except as disclosed in such financial statements.

Legal Effect. This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

Properties. Except as contemplated by this Agreement or as previously disclosed in Borrower's financial statements or in writing to Lender and as accepted by Lender, and except for property tax liens for taxes not presently due and payable, Borrower owns and has good title to all of Borrower's properties free and clear of all Security Interests, and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are titled in Borrower's legal name, and Borrower has not used or filed a financing statement under any other name for at least the last five (5) years.

Hazardous Substances. Except as disclosed to and acknowledged by Lender in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral; (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; (3) Neither Borrower nor any tenant, contractor, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral; and any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Collateral to make such inspections and tests as Lender may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tests made by Lender shall be at Borrower's expense and for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous waste and Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Agreement or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of a hazardous waste or substance on the Collateral. The provisions of this section of the Agreement, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the termination, expiration or satisfaction of this Agreement and shall not be affected by Lender's acquisition of any interest in any of the Collateral, whether by foreclosure or otherwise.

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

Taxes. To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Lien Priority. Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filing or attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

Binding Effect. This Agreement, the Note, all Security Agreements (if any), and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

Commercial Purposes. Borrower intends to use the Loan proceeds solely for business or commercially related purposes.

Employee Benefit Plans. Each employee benefit plan as to which Borrower may have any liability complies in all material respects with all applicable requirements of law and regulations, and (1) no Reportable Event nor Prohibited Transaction (as defined in ERISA) has occurred with respect to any such plan, (2) Borrower has not withdrawn from any such plan or initiated steps to do so, (3) no steps have been taken to terminate any such plan or to appoint a trustee to administer such a plan, and (4) there are no unfunded liabilities other than those previously disclosed to Lender in writing.

Investment Company Act. Borrower is not an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

Public Utility Holding Company Act. Borrower is not a "holding company", or a "subsidiary company" of a "holding company", or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company", within the meaning of the Public Utility Holding Company Act of 1935, as amended.

Regulations T and U. Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T and U of the Board of Governors of the Federal Reserve System).

Information. All information previously furnished or which is now being furnished by Borrower to Lender for the purposes of or in connection with this Agreement or any transaction contemplated by this Agreement is, and all information furnished by or on behalf of Borrower to Lender in the future will be, true and accurate in every material respect on the date as of which such information is dated or certified; and no such information is or will be incomplete by omitting to state any material fact the omission of which would cause the information to be misleading.

Claims and Defenses. There are no defenses or counterclaims, offsets or other adverse claims, demands or actions of any kind, personal or otherwise, that Borrower, any Grantor, or any Guarantor could assert with respect to the Note, Loan, this Agreement, or the Related Documents.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

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Repayment. Repay the Loan in accordance with its terms and the terms of this Agreement.

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor. In addition, Borrower shall provide Lender with written notice of the occurrence of any Event of Default, the occurrence of any Reportable Event under, or the institution of steps by Borrower to withdraw from, or the institution of any steps to terminate, any employee benefit plan as to which Borrower may have any liability.

Financial Records. Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records at all reasonable times.

Financial Statements. Furnish Lender with the following:

Annual Statements. As soon as available, but in no event later than thirty (30) days after the end of each fiscal year, Borrower's balance sheet and income statement for the year ended, prepared by Borrower.

Tax Returns. As soon as available, but in no event later than thirty (30) days after the applicable filing date for the tax reporting period ended, Federal and other governmental tax returns, prepared by a certified public accountant satisfactory to Lender.

All financial reports required to be provided under this Agreement shall be prepared in accordance with GAAP, applied on a consistent basis, and certified by Borrower as being true and correct.

Additional Information. Furnish such additional information and statements, as Lender may request from time to time.

Insurance. Maintain fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, amounts, coverages and with insurance companies acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Loans, Borrower will provide Lender with such lender's loss payable or other endorsements as Lender may require.

Insurance Reports. Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (6) the expiration date of the policy. In addition, upon request of Lender (however not more often than annually), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Guaranties. Prior to disbursement of any Loan proceeds, furnish executed guaranties of the Loans in favor of Lender, executed by the guarantor named below, on Lender's forms, and in the amount and under the conditions set forth in those guaranties.

<u>Name of Guarantor</u>	<u>Amount</u>
Steven D. Benner	\$1,500,000.00

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

Loan Proceeds. Use all Loan proceeds solely for Borrower's business operations, unless specifically consented to the contrary by Lender in writing.

Taxes, Charges and Liens. Pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Provided however, Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as (1) the legality of the same shall be contested in good faith by appropriate proceedings, and (2) Borrower shall have established on Borrower's books adequate reserves with respect to such contested assessment, tax, charge, levy, lien, or claim in accordance with GAAP.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender, and in all other loan agreements now or in the future existing between Borrower and any other party. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel; provide written notice to Lender of any change in executive and management personnel; conduct its business affairs in a reasonable and prudent manner.

Environmental Studies. Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relative to any substance, or any waste or by-product of any substance defined as toxic or a hazardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or affecting any property or any facility owned, leased or used by Borrower.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Inspection. Permit employees or agents of Lender at any reasonable time to inspect any and all Collateral for the Loan or Loans and Borrower's other properties and to examine or audit Borrower's books, accounts, and records and to make copies and memoranda of Borrower's books, accounts, and records. If Borrower now or at any time hereafter maintains any records (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party, Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense.

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Change of Location. Immediately notify Lender in writing of any additions to or changes in the location of Borrower's businesses.

Title to Assets and Property. Maintain good and marketable title to all of Borrower's assets and properties.

Notice of Default, Litigation and ERISA Matters. Forthwith upon learning of the occurrence of any of the following, Borrower shall provide Lender with written notice thereof, describing the same and the steps being taken by Borrower with respect thereto: (1) the occurrence of any Event of Default, or (2) the institution of, or any adverse determination in, any litigation, arbitration proceeding or governmental proceeding, or (3) the occurrence of a Reportable Event under, or the institution of steps by Borrower to withdraw from, or the institution of any steps to terminate, any employee benefit plan as to which Borrower may have any liability.

Other Information. From time to time Borrower will provide Lender with such other information as Lender may reasonably request.

Employee Benefit Plans. So long as this Agreement remains in effect, Borrower will maintain each employee benefit plan as to which Borrower may have any liability, in compliance with all applicable requirements of law and regulations.

Compliance Certificates. Unless waived in writing by Lender, provide Lender within thirty (30) days after the end of each fiscal year, with a certificate executed by Borrower's chief financial officer, or other officer or person acceptable to Lender, certifying that the representations and warranties set forth in this Agreement are true and correct as of the date of the certificate and further certifying that, as of the date of the certificate, no Event of Default exists under this Agreement.

Environmental Compliance and Reports. Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to exist, as a result of an intentional or unintentional action or omission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authorities; shall furnish to Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, directive, letter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional action or omission on Borrower's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources.

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security Interests.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity.

NEGATIVE COVENANTS. Borrower covenants and agrees with Lender that while this Agreement is in effect, Borrower shall not, without the prior written consent of Lender:

Indebtedness and Liens. (1) Except for trade debt incurred in the normal course of business and indebtedness to Lender contemplated by this Agreement, create, incur or assume indebtedness for borrowed money, including capital leases, (2) sell, transfer, mortgage, assign, pledge, lease, grant a security interest in, or encumber any of Borrower's assets (except as allowed as Permitted Liens), or (3) sell with recourse any of Borrower's accounts, except to Lender.

Continuity of Operations. (1) Engage in any business activities substantially different than those in which Borrower is presently engaged, (2) cease operations, liquidate, merge, transfer, acquire or consolidate with any other entity, change its name, dissolve or transfer or sell Collateral out of the ordinary course of business, or (3) make any distribution with respect to any capital account, whether by reduction of capital or otherwise.

Loans, Acquisitions and Guaranties. (1) Loan, invest in or advance money or assets to any other person, enterprise or entity, (2) purchase, create or acquire any interest in any other enterprise or entity, or (3) incur any obligation as surety or guarantor other than in the ordinary course of business.

Agreements. Enter into any agreement containing any provisions which would be violated or breached by the performance of Borrower's obligations under this Agreement or in connection herewith.

CESSATION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; or (D) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (E) Lender in good faith deems itself insecure, even though no Event of Default shall have occurred.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Loan.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in

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any environmental agreement executed in connection with any Loan.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf, or made by Guarantor, under this Agreement or the Related Documents in connection with the obtaining of the Loan evidenced by the Note or any security document directly or indirectly securing repayment of the Note is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Defective Collateralization. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Execution; Attachment. Any execution or attachment is levied against the Collateral, and such execution or attachment is not set aside, discharged or stayed within thirty (30) days after the same is levied.

Change in Zoning or Public Restriction. Any change in any zoning ordinance or regulation or any other public restriction is enacted, adopted or implemented, that limits or defines the uses which may be made of the Collateral such that the present or intended use of the Collateral, as specified in the Related Documents, would be in violation of such zoning ordinance or regulation or public restriction, as changed.

Default Under Other Lien Documents. A default occurs under any other mortgage, deed of trust or security agreement covering all or any portion of the Collateral.

Judgment. Unless adequately covered by insurance in the opinion of Lender, the entry of a final judgment for the payment of money involving more than ten thousand dollars (\$10,000.00) against Borrower and the failure by Borrower to discharge the same, or cause it to be discharged, or bonded off to Lender's satisfaction, within thirty (30) days from the date of the order, decree or process under which or pursuant to which such judgment was entered.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Loan is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default on Indebtedness, is curable and if Borrower or Grantor, as the case may be, has not been given a notice of a similar default within the preceding twelve (12) months, it may be cured if Borrower or Grantor, as the case may be, after Lender sends written notice to Borrower or Grantor, as the case may be, demanding cure of such default: (1) cure the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

ADDITIONAL DOCUMENTS. Borrower shall provide Lender with the following additional documents:

Articles of Organization and Company Resolutions. Borrower has provided or will provide Lender with a certified copy of Borrower's Articles of Organization, together with a certified copy of resolutions properly adopted by the members of the company, under which the members authorized one or more designated members or employees to execute this Agreement, the Note and any and all Security Agreements directly or indirectly securing repayment of the same, and to consummate the borrowings and other transactions as contemplated under this Agreement, and to consent to the remedies following any default by Borrower as provided in this Agreement and in any Security Agreements.

Opinion of Counsel. When required by Lender, Borrower has provided or will provide Lender with an opinion of Borrower's counsel certifying to and that: (1) Borrower's Note, any Security Agreements and this Agreement constitute valid and binding obligations on Borrower's part that are enforceable in accordance with their respective terms; (2) Borrower is validly existing and in good standing; (3) Borrower has authority to enter into this Agreement and to consummate the transactions contemplated under this Agreement; and, (4) such other matters as may have been requested by Lender or by Lender's counsel.

OTHER LOAN REQUIREMENTS. Borrower should open a business checking account with Lender to deposit all rents collected from the property located at 1410 28th St. SE, Grand Rapids, MI 49508 as the funding source for this Loan payment. Failure to deposit the rent will trigger the default clause.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**BUSINESS LOAN AGREEMENT
(Continued)**

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Attorneys' Fees; Expenses. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

Borrower Information. Borrower consents to the release of information on or about Borrower by Lender in accordance with any court order, law or regulation and in response to credit inquiries concerning Borrower.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Consent to Loan Participation. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Illinois.

Choice of Venue. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Kent County, State of Michigan.

Non-Liability of Lender. The relationship between Borrower and Lender created by this Agreement is strictly a debtor and creditor relationship and not fiduciary in nature, nor is the relationship to be construed as creating any partnership or joint venture between Lender and Borrower. Borrower is exercising Borrower's own judgment with respect to Borrower's business. All information supplied to Lender is for Lender's protection only and no other party is entitled to rely on such information. There is no duty for Lender to review, inspect, supervise or inform Borrower of any matter with respect to Borrower's business. Lender and Borrower intend that Lender may reasonably rely on all information supplied by Borrower to Lender, together with all representations and warranties given by Borrower to Lender, without investigation or confirmation by Lender and that any investigation or failure to investigate will not diminish Lender's right to rely.

Notice of Lender's Breach. Borrower must notify Lender in writing of any breach of this Agreement or the Related Documents by Lender and any other claim, cause of action or offset against Lender within thirty (30) days after the occurrence of such breach or after the accrual of such claim, cause of action or offset. Borrower waives any claim, cause of action or offset for which notice is not given in accordance with this paragraph. Lender is entitled to rely on any failure to give such notice.

Indemnification of Lender. Borrower agrees to indemnify, to defend and to save and hold Lender harmless from any and all claims, suits, obligations, damages, losses, costs and expenses (including, without limitation, Lender's attorneys' fees), demands, liabilities, penalties, fines and forfeitures of any nature whatsoever that may be asserted against or incurred by Lender, its officers, directors, employees, and agents arising out of, relating to, or in any manner occasioned by this Agreement and the exercise of the rights and remedies granted to Lender under this, as well as by: (1) the ownership, use, operation, construction, renovation, demolition, preservation, management, repair, condition, or maintenance of any part of the Collateral; (2) the exercise of any of Borrower's rights collaterally assigned and pledged to Lender hereunder; (3) any failure of Borrower to perform any of its obligations hereunder; and/or (4) any failure of Borrower to comply with the environmental and ERISA obligations, representations and warranties set forth herein. The foregoing indemnity provisions shall survive the cancellation of this Agreement as to all matters arising or accruing prior to such cancellation and the foregoing indemnity shall survive in the event that Lender elects to exercise any of the remedies as provided under this Agreement following default hereunder. Borrower's indemnity obligations under this section shall not in any way be affected by the presence or absence of covering insurance, or by the amount of such insurance or by the failure or refusal of any insurance carrier to perform any obligation on its part under any insurance policy or policies affecting the Collateral and/or Borrower's business activities. Should any claim, action or proceeding be made or brought against Lender by reason of any event as to which Borrower's indemnification obligations apply, then, upon Lender's demand, Borrower, at its sole cost and expense, shall defend such claim, action or proceeding in Borrower's name, if necessary, by the attorneys for Borrower's insurance carrier (if such claim, action or proceeding is covered by insurance), or otherwise by such attorneys as Lender shall approve. Lender may also engage its own attorneys at its reasonable discretion to defend Borrower and to assist in its defense and Borrower agrees to pay the fees and disbursements of such attorneys.

Counterparts. This Agreement may be executed in multiple counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts, taken together, shall constitute one and the same Agreement.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Grantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered; when actually received by telefacsimile (unless otherwise required by law); when deposited with a nationally recognized overnight courier; or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

**BUSINESS LOAN AGREEMENT
(Continued)**

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Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Sole Discretion of Lender. Whenever Lender's consent or approval is required under this Agreement, the decision as to whether or not to consent or approve shall be in the sole and exclusive discretion of Lender and Lender's decision shall be final and conclusive.

Subsidiaries and Affiliates of Borrower. To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, warranty or covenant, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates. Notwithstanding the foregoing however, under no circumstances shall this Agreement be construed to require Lender to make any Loan or other financial accommodation to any of Borrower's subsidiaries or affiliates.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Survival of Representations and Warranties. Borrower understands and agrees that in making the Loan, Lender is relying on all representations, warranties, and covenants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties and covenants will survive the making of the Loan and delivery to Lender of the Related Documents, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement:

Advance. The word "Advance" means a disbursement of Loan funds made, or to be made, to Borrower or on Borrower's behalf on a line of credit or multiple advance basis under the terms and conditions of this Agreement.

Agreement. The word "Agreement" means this Business Loan Agreement, as this Business Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Business Loan Agreement from time to time.

Borrower. The word "Borrower" means The Village at Knapp's Crossing, L.L.C. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all property and assets granted as collateral security for a Loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether granted in the form of a security interest, mortgage, collateral mortgage, deed of trust, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien, charge, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise. The word "Collateral" includes without limitation all collateral described in the Required Collateral section of this Agreement.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

ERISA. The word "ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and including all regulations and published interpretations of the act.

Event of Default. The words "Event of Default" mean individually, collectively, and interchangeably any of the events of default set forth in this Agreement in the default section of this Agreement.

GAAP. The word "GAAP" means generally accepted accounting principles.

Grantor. The word "Grantor" means each and all of the persons or entities granting a Security Interest in any Collateral for the Loan, including without limitation all Borrowers granting such a Security Interest.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Loan, and, in each case, Borrower's successors, assigns, heirs, personal representatives, executors and administrators of any guarantor, surety, or accommodation party.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any

**BUSINESS LOAN AGREEMENT
(Continued)**

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of the Related Documents.

Lender. The word "Lender" means International Bank of Chicago, its successors and assigns.**Loan.** The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced, including without limitation those loans and financial accommodations described herein or described on any exhibit or schedule attached to this Agreement from time to time, and further including any and all subsequent amendments, additions, substitutions, renewals and refinancings of any of Borrower's Loans.**Note.** The word "Note" means the Note executed by The Village at Knapp's Crossing, L.L.C. in the principal amount of \$1,500,000.00 dated October 19, 2010, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.**Permitted Liens.** The words "Permitted Liens" mean (1) liens and security interests securing indebtedness owed by Borrower to Lender; (2) liens for taxes, assessments, or similar charges either not yet due or being contested in good faith; (3) liens of materialmen, mechanics, warehousemen, or carriers, or other like liens arising in the ordinary course of business and securing obligations which are not yet delinquent; (4) purchase money liens or purchase money security interests upon or in any property acquired or held by Borrower in the ordinary course of business to secure indebtedness outstanding on the date of this Agreement or permitted to be incurred under the paragraph of this Agreement titled "Indebtedness and Liens"; (5) liens and security interests which, as of the date of this Agreement, have been disclosed to and approved by the Lender in writing; and (6) those liens and security interests which in the aggregate constitute an immaterial and insignificant monetary amount with respect to the net value of Borrower's assets.**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.**Security Agreement.** The words "Security Agreement" mean and include without limitation any agreements, promises, covenants, arrangements, understandings or other agreements, whether created by law, contract, or otherwise, evidencing, governing, representing, or creating a Security Interest.**Security Interest.** The words "Security Interest" mean, individually, collectively, and interchangeably, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever whether created by law, contract, or otherwise.**BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS BUSINESS LOAN AGREEMENT AND BORROWER AGREES TO ITS TERMS. THIS BUSINESS LOAN AGREEMENT IS DATED OCTOBER 19, 2010.****BORROWER:**

THE VILLAGE AT KNAPP'S CROSSING, L.L.C.

S.D. BENNER, L.L.C., Sole Member of The Village at Knapp's Crossing, L.L.C.

By: 

Steven D. Benner, Member of S.D. Benner, L.L.C.

LENDER:

INTERNATIONAL BANK OF CHICAGO

By: _____

Authorized Signer

BUSINESS LOAN AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$2,480,000.00	10-19-2010	10-19-2016	31755	1A / 110		***	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: The Village at Knapp's Crossing, L.L.C. (TIN:
20-2673192)
7400 Old Lantern
Caledonia, MI 49316

Lender: International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

THIS BUSINESS LOAN AGREEMENT dated October 19, 2010, is made and executed between The Village at Knapp's Crossing, L.L.C. ("Borrower") and International Bank of Chicago ("Lender") on the following terms and conditions. Borrower has received prior commercial loans from Lender or has applied to Lender for a commercial loan or loans or other financial accommodations, including those which may be described on any exhibit or schedule attached to this Agreement. Borrower understands and agrees that: (A) in granting, renewing, or extending any Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement; (B) the granting, renewing, or extending of any Loan by Lender at all times shall be subject to Lender's sole judgment and discretion; and (C) all such Loans shall be and remain subject to the terms and conditions of this Agreement. This Agreement shall apply to any and all present and future loans, loan advances, extension of credit, financial accommodations and other agreements and undertakings of every nature and kind that may be entered into by and between Borrower and Lender now and in the future.

TERM. This Agreement shall be effective as of October 19, 2010, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until October 19, 2016.

CONDITIONS PRECEDENT TO EACH ADVANCE. Lender's obligation to make the initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's satisfaction of all of the conditions set forth in this Agreement and in the Related Documents.

Loan Documents. Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) Security Agreements granting to Lender security interests in the Collateral; (3) financing statements and all other documents perfecting Lender's Security Interests; (4) evidence of insurance as required below; (5) assignments of life insurance; (6) guaranties; (7) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's counsel.

Required Collateral. Each Loan under this Business Loan Agreement shall, at all times, be secured by first liens on the following described collaterals: real property located at 3251 Knapp St. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-058, 2110 East Beltline Ave. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-057, 2200 East Beltline Ave. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-056 (partial), and 1410 28th St. SE, Grand Rapids, MI 49508, PIN: 41-18-17-226-001.

Borrower's Authorization. Borrower shall have provided in form and substance satisfactory to Lender properly certified resolutions, duly authorizing the execution and delivery of this Agreement, the Note and the Related Documents. In addition, Borrower shall have provided such other resolutions, authorizations, documents and instruments as Lender or its counsel, may require.

Payment of Fees and Expenses. Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

Representations and Warranties. The representations and warranties set forth in this Agreement, in the Related Documents, and in any document or certificate delivered to Lender under this Agreement are true and correct.

No Event of Default. There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement or under any Related Document.

REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension or modification of any Loan, and at all times any indebtedness exists:

Organization. Borrower is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Michigan. Borrower is duly authorized to transact business in all other states in which Borrower is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Borrower is doing business. Specifically, Borrower is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Borrower has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Borrower maintains an office at 7400 Old Lantern, Caledonia, MI 49316. Unless Borrower has designated otherwise in writing, the principal office is the office at which Borrower keeps its books and records including its records concerning the Collateral. Borrower will notify Lender prior to any change in the location of Borrower's state of organization or any change in Borrower's name. Borrower shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Borrower and Borrower's business activities.

Assumed Business Names. Borrower has filed or recorded all documents or filings required by law relating to all assumed business names used by Borrower. Excluding the name of Borrower, the following is a complete list of all assumed business names under which Borrower does business: **None.**

Authorization. Borrower's execution, delivery, and performance of this Agreement and all the Related Documents have been duly authorized by all necessary action by Borrower, do not require the consent or approval of any other person, regulatory authority, or governmental body, and do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Borrower's articles of organization or membership agreements, or (b) any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's properties. Borrower has the power and authority to enter into the Note and the Related Documents and to grant collateral as security for the Loan. Borrower has the further power and authority to own and to hold all of Borrower's assets and properties, and to carry on Borrower's business as presently conducted.

Financial Information. Each of Borrower's financial statements supplied to Lender truly and completely disclosed Borrower's financial condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lender. Borrower has no material contingent obligations except as disclosed in such financial statements.

BUSINESS LOAN AGREEMENT (Continued)

Loan No: 31755

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Legal Effect. This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

Properties. Except as contemplated by this Agreement or as previously disclosed in Borrower's financial statements or in writing to Lender and as accepted by Lender, and except for property tax liens for taxes not presently due and payable, Borrower owns and has good title to all of Borrower's properties free and clear of all Security Interests, and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are titled in Borrower's legal name, and Borrower has not used or filed a financing statement under any other name for at least the last five (5) years.

Hazardous Substances. Except as disclosed to and acknowledged by Lender in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral; (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; (3) Neither Borrower nor any tenant, contractor, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral; and any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Collateral to make such inspections and tests as Lender may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tests made by Lender shall be at Borrower's expense and for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous waste and Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Agreement or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of a hazardous waste or substance on the Collateral. The provisions of this section of the Agreement, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the termination, expiration or satisfaction of this Agreement and shall not be affected by Lender's acquisition of any interest in any of the Collateral, whether by foreclosure or otherwise.

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

Taxes. To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Lien Priority. Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filing or attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

Binding Effect. This Agreement, the Note, all Security Agreements (if any), and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

Commercial Purposes. Borrower intends to use the Loan proceeds solely for business or commercially related purposes.

Employee Benefit Plans. Each employee benefit plan as to which Borrower may have any liability complies in all material respects with all applicable requirements of law and regulations, and (1) no Reportable Event nor Prohibited Transaction (as defined in ERISA) has occurred with respect to any such plan, (2) Borrower has not withdrawn from any such plan or initiated steps to do so, (3) no steps have been taken to terminate any such plan or to appoint a trustee to administer such a plan, and (4) there are no unfunded liabilities other than those previously disclosed to Lender in writing.

Investment Company Act. Borrower is not an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

Public Utility Holding Company Act. Borrower is not a "holding company", or a "subsidiary company" of a "holding company", or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company", within the meaning of the Public Utility Holding Company Act of 1935, as amended.

Regulations T and U. Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T and U of the Board of Governors of the Federal Reserve System).

Information. All information previously furnished or which is now being furnished by Borrower to Lender for the purposes of or in connection with this Agreement or any transaction contemplated by this Agreement is, and all information furnished by or on behalf of Borrower to Lender in the future will be, true and accurate in every material respect on the date as of which such information is dated or certified; and no such information is or will be incomplete by omitting to state any material fact the omission of which would cause the information to be misleading.

Claims and Defenses. There are no defenses or counterclaims, offsets or other adverse claims, demands or actions of any kind, personal or otherwise, that Borrower, any Grantor, or any Guarantor could assert with respect to the Note, Loan, this Agreement, or the Related Documents.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

Repayment. Repay the Loan in accordance with its terms and the terms of this Agreement.

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or

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any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor. In addition, Borrower shall provide Lender with written notice of the occurrence of any Event of Default, the occurrence of any Reportable Event under, or the institution of steps by Borrower to withdraw from, or the institution of any steps to terminate, any employee benefit plan as to which Borrower may have any liability.

Financial Records. Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records at all reasonable times.

Financial Statements. Furnish Lender with the following:

Annual Statements. As soon as available, but in no event later than thirty (30) days after the end of each fiscal year, Borrower's balance sheet and income statement for the year ended, prepared by Borrower.

Tax Returns. As soon as available, but in no event later than thirty (30) days after the applicable filing date for the tax reporting period ended, Federal and other governmental tax returns, prepared by a certified public accountant satisfactory to Lender.

All financial reports required to be provided under this Agreement shall be prepared in accordance with GAAP, applied on a consistent basis, and certified by Borrower as being true and correct.

Additional Information. Furnish such additional information and statements, as Lender may request from time to time.

Insurance. Maintain fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, amounts, coverages and with insurance companies acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Loans, Borrower will provide Lender with such lender's loss payable or other endorsements as Lender may require.

Insurance Reports. Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (6) the expiration date of the policy. In addition, upon request of Lender (however not more often than annually), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Guaranties. Prior to disbursement of any Loan proceeds, furnish executed guaranties of the Loans in favor of Lender, executed by the guarantors named below, on Lender's forms, and in the amounts and under the conditions set forth in those guaranties.

<u>Names of Guarantors</u>	<u>Amounts</u>
Steven D. Benner	\$2,480,000.00
S.D. Benner, L.L.C.	\$3,980,000.00

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

Loan Proceeds. Use all Loan proceeds solely for Borrower's business operations, unless specifically consented to the contrary by Lender in writing.

Taxes, Charges and Liens. Pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Provided however, Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as (1) the legality of the same shall be contested in good faith by appropriate proceedings, and (2) Borrower shall have established on Borrower's books adequate reserves with respect to such contested assessment, tax, charge, levy, lien, or claim in accordance with GAAP.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender, and in all other loan agreements now or in the future existing between Borrower and any other party. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel; provide written notice to Lender of any change in executive and management personnel; conduct its business affairs in a reasonable and prudent manner.

Environmental Studies. Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relative to any substance, or any waste or by-product of any substance defined as toxic or a hazardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or affecting any property or any facility owned, leased or used by Borrower.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Inspection. Permit employees or agents of Lender at any reasonable time to inspect any and all Collateral for the Loan or Loans and Borrower's other properties and to examine or audit Borrower's books, accounts, and records and to make copies and memoranda of Borrower's books, accounts, and records. If Borrower now or at any time hereafter maintains any records (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party, Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense.

Change of Location. Immediately notify Lender in writing of any additions to or changes in the location of Borrower's businesses.

Title to Assets and Property. Maintain good and marketable title to all of Borrower's assets and properties.

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Notice of Default, Litigation and ERISA Matters. Forthwith upon learning of the occurrence of any of the following, Borrower shall provide Lender with written notice thereof, describing the same and the steps being taken by Borrower with respect thereto: (1) the occurrence of any Event of Default, or (2) the institution of, or any adverse determination in, any litigation, arbitration proceeding or governmental proceeding, or (3) the occurrence of a Reportable Event under, or the institution of steps by Borrower to withdraw from, or the institution of any steps to terminate, any employee benefit plan as to which Borrower may have any liability.

Other Information. From time to time Borrower will provide Lender with such other information as Lender may reasonably request.

Employee Benefit Plans. So long as this Agreement remains in effect, Borrower will maintain each employee benefit plan as to which Borrower may have any liability, in compliance with all applicable requirements of law and regulations.

Compliance Certificates. Unless waived in writing by Lender, provide Lender within thirty (30) days after the end of each fiscal year, with a certificate executed by Borrower's chief financial officer, or other officer or person acceptable to Lender, certifying that the representations and warranties set forth in this Agreement are true and correct as of the date of the certificate and further certifying that, as of the date of the certificate, no Event of Default exists under this Agreement.

Environmental Compliance and Reports. Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to exist, as a result of an intentional or unintentional action or omission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authorities; shall furnish to Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, directive, letter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional action or omission on Borrower's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources.

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security Interests.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either: (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity.

NEGATIVE COVENANTS. Borrower covenants and agrees with Lender that while this Agreement is in effect, Borrower shall not, without the prior written consent of Lender:

Indebtedness and Liens. (1) Except for trade debt incurred in the normal course of business and indebtedness to Lender contemplated by this Agreement, create, incur or assume indebtedness for borrowed money, including capital leases, (2) sell, transfer, mortgage, assign, pledge, lease, grant a security interest in, or encumber any of Borrower's assets (except as allowed as Permitted Liens), or (3) sell with recourse any of Borrower's accounts, except to Lender.

Continuity of Operations. (1) Engage in any business activities substantially different than those in which Borrower is presently engaged, (2) cease operations, liquidate, merge, transfer, acquire or consolidate with any other entity, change its name, dissolve or transfer or sell Collateral out of the ordinary course of business, or (3) make any distribution with respect to any capital account, whether by reduction of capital or otherwise.

Loans, Acquisitions and Guaranties. (1) Loan, invest in or advance money or assets to any other person, enterprise or entity, (2) purchase, create or acquire any interest in any other enterprise or entity, or (3) incur any obligation as surety or guarantor other than in the ordinary course of business.

Agreements. Enter into any agreement containing any provisions which would be violated or breached by the performance of Borrower's obligations under this Agreement or in connection herewith.

CESSATION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; or (D) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (E) Lender in good faith deems itself insecure, even though no Event of Default shall have occurred.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Loan.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with any Loan.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf, or made

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by Guarantor, under this Agreement or the Related Documents in connection with the obtaining of the Loan evidenced by the Note or any security document directly or indirectly securing repayment of the Note is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Defective Collateralization. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Execution; Attachment. Any execution or attachment is levied against the Collateral, and such execution or attachment is not set aside, discharged or stayed within thirty (30) days after the same is levied.

Change in Zoning or Public Restriction. Any change in any zoning ordinance or regulation or any other public restriction is enacted, adopted or implemented, that limits or defines the uses which may be made of the Collateral such that the present or intended use of the Collateral, as specified in the Related Documents, would be in violation of such zoning ordinance or regulation or public restriction, as changed.

Default Under Other Lien Documents. A default occurs under any other mortgage, deed of trust or security agreement covering all or any portion of the Collateral.

Judgment. Unless adequately covered by insurance in the opinion of Lender, the entry of a final judgment for the payment of money involving more than ten thousand dollars (\$10,000.00) against Borrower and the failure by Borrower to discharge the same, or cause it to be discharged, or bonded off to Lender's satisfaction, within thirty (30) days from the date of the order, decree or process under which or pursuant to which such judgment was entered.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Loan is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default on Indebtedness, is curable and if Borrower or Grantor, as the case may be, has not been given a notice of a similar default within the preceding twelve (12) months, it may be cured if Borrower or Grantor, as the case may be, after Lender sends written notice to Borrower or Grantor, as the case may be, demanding cure of such default: (1) cure the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all Indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

ADDITIONAL DOCUMENTS. Borrower shall provide Lender with the following additional documents:

Articles of Organization and Company Resolutions. Borrower has provided or will provide Lender with a certified copy of Borrower's Articles of Organization, together with a certified copy of resolutions properly adopted by the members of the company, under which the members authorized one or more designated members or employees to execute this Agreement, the Note and any and all Security Agreements directly or indirectly securing repayment of the same, and to consummate the borrowings and other transactions as contemplated under this Agreement, and to consent to the remedies following any default by Borrower as provided in this Agreement and in any Security Agreements.

Opinion of Counsel. When required by Lender, Borrower has provided or will provide Lender with an opinion of Borrower's counsel certifying to and that: (1) Borrower's Note, any Security Agreements and this Agreement constitute valid and binding obligations on Borrower's part that are enforceable in accordance with their respective terms; (2) Borrower is validly existing and in good standing; (3) Borrower has authority to enter into this Agreement and to consummate the transactions contemplated under this Agreement; and (4) such other matters as may have been requested by Lender or by Lender's counsel.

OTHER LOAN REQUIREMENTS. All rents collected from the property located at 1410 28th St. SE, Grand Rapids, MI 49508 should be deposited with Lender as the funding source for this Loan payment. Failure to deposit the rent will trigger the default clause.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy

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proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

Borrower Information. Borrower consents to the release of information on or about Borrower by Lender in accordance with any court order, law or regulation and in response to credit inquiries concerning Borrower.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Consent to Loan Participation. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Illinois.

Choice of Venue. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Kent County, State of Michigan.

Non-Liability of Lender. The relationship between Borrower and Lender created by this Agreement is strictly a debtor and creditor relationship and not fiduciary in nature, nor is the relationship to be construed as creating any partnership or joint venture between Lender and Borrower. Borrower is exercising Borrower's own judgment with respect to Borrower's business. All information supplied to Lender is for Lender's protection only and no other party is entitled to rely on such information. There is no duty for Lender to review, inspect, supervise or inform Borrower of any matter with respect to Borrower's business. Lender and Borrower intend that Lender may reasonably rely on all information supplied by Borrower to Lender, together with all representations and warranties given by Borrower to Lender, without investigation or confirmation by Lender and that any investigation or failure to investigate will not diminish Lender's right to so rely.

Notice of Lender's Breach. Borrower must notify Lender in writing of any breach of this Agreement or the Related Documents by Lender and any other claim, cause of action or offset against Lender within thirty (30) days after the occurrence of such breach or after the accrual of such claim, cause of action or offset. Borrower waives any claim, cause of action or offset for which notice is not given in accordance with this paragraph. Lender is entitled to rely on any failure to give such notice.

Indemnification of Lender. Borrower agrees to indemnify, to defend and to save and hold Lender harmless from any and all claims, suits, obligations, damages, losses, costs and expenses (including, without limitation, Lender's attorneys' fees), demands, liabilities, penalties, fines and forfeitures of any nature whatsoever that may be asserted against or incurred by Lender, its officers, directors, employees, and agents arising out of, relating to, or in any manner occasioned by this Agreement and the exercise of the rights and remedies granted Lender under this, as well as by: (1) the ownership, use, operation, construction, renovation, demolition, preservation, management, repair, condition, or maintenance of any part of the Collateral; (2) the exercise of any of Borrower's rights collateralized and pledged to Lender hereunder; (3) any failure of Borrower to perform any of its obligations hereunder; and/or (4) any failure of Borrower to comply with the environmental and ERISA obligations, representations and warranties set forth herein. The foregoing indemnity provisions shall survive the cancellation of this Agreement as to all matters arising or accruing prior to such cancellation and the foregoing indemnity shall survive in the event that Lender elects to exercise any of the remedies as provided under this Agreement following default hereunder. Borrower's indemnity obligations under this section shall not in any way be affected by the presence or absence of covering insurance, or by the amount of such insurance or by the failure or refusal of any insurance carrier to perform any obligation on its part under any insurance policy or policies affecting the Collateral and/or Borrower's business activities. Should any claim, action or proceeding be made or brought against Lender by reason of any event as to which Borrower's indemnification obligations apply, then, upon Lender's demand, Borrower, at its sole cost and expense, shall defend such claim, action or proceeding in Borrower's name, if necessary, by the attorneys for Borrower's insurance carrier (if such claim, action or proceeding is covered by insurance), or otherwise by such attorneys as Lender shall approve. Lender may also engage its own attorneys at its reasonable discretion to defend Borrower and to assist in its defense and Borrower agrees to pay the fees and disbursements of such attorneys.

Counterparts. This Agreement may be executed in multiple counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts, taken together, shall constitute one and the same Agreement.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Grantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so

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modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Sole Discretion of Lender. Whenever Lender's consent or approval is required under this Agreement, the decision as to whether or not to consent or approve shall be in the sole and exclusive discretion of Lender and Lender's decision shall be final and conclusive.

Subsidiaries and Affiliates of Borrower. To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, warranty or covenant, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates. Notwithstanding the foregoing however, under no circumstances shall this Agreement be construed to require Lender to make any Loan or other financial accommodation to any of Borrower's subsidiaries or affiliates.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Survival of Representations and Warranties. Borrower understands and agrees that in making the Loan, Lender is relying on all representations, warranties, and covenants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties and covenants will survive the making of the Loan and delivery to Lender of the Related Documents, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement.

Advance. The word "Advance" means a disbursement of Loan funds made, or to be made, to Borrower or on Borrower's behalf on a line of credit or multiple advance basis under the terms and conditions of this Agreement.

Agreement. The word "Agreement" means this Business Loan Agreement, as this Business Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Business Loan Agreement from time to time.

Borrower. The word "Borrower" means The Village at Knapp's Crossing, L.L.C. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all property and assets granted as collateral security for a Loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether granted in the form of a security interest, mortgage, collateral mortgage, deed of trust, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien, charge, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise. The word "Collateral" includes without limitation all collateral described in the Required Collateral section of this Agreement.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

ERISA. The word "ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and including all regulations and published interpretations of the act.

Event of Default. The words "Event of Default" mean individually, collectively, and interchangeably any of the events of default set forth in this Agreement in the default section of this Agreement.

GAAP. The word "GAAP" means generally accepted accounting principles.

Grantor. The word "Grantor" means each and all of the persons or entities granting a Security Interest in any Collateral for the Loan, including without limitation all Borrowers granting such a Security Interest.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Loan, and, in each case, Borrower's successors, assigns, heirs, personal representatives, executors and administrators of any guarantor, surety, or accommodation party.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

Lender. The word "Lender" means International Bank of Chicago, its successors and assigns.

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: 31755

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Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced, including without limitation those loans and financial accommodations described herein or described on any exhibit or schedule attached to this Agreement from time to time, and further including any and all subsequent amendments, additions, substitutions, renewals and refinancings of any of Borrower's Loans.

Note. The word "Note" means the Note executed by The Village at Knapp's Crossing, L.L.C. in the principal amount of \$2,480,000.00 dated October 19, 2010, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Permitted Liens. The words "Permitted Liens" mean (1) liens and security interests securing indebtedness owed by Borrower to Lender; (2) liens for taxes, assessments, or similar charges either not yet due or being contested in good faith; (3) liens of materialmen, mechanics, warehousemen, or carriers, or other like liens arising in the ordinary course of business and securing obligations which are not yet delinquent; (4) purchase money liens or purchase money security interests upon or in any property acquired or held by Borrower in the ordinary course of business to secure indebtedness outstanding on the date of this Agreement or permitted to be incurred under the paragraph of this Agreement titled "Indebtedness and Liens"; (5) liens and security interests which, as of the date of this Agreement, have been disclosed to and approved by the Lender in writing; and (6) those liens and security interests which in the aggregate constitute an immaterial and insignificant monetary amount with respect to the net value of Borrower's assets.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

Security Agreement. The words "Security Agreement" mean and include without limitation any agreements, promises, covenants, arrangements, understandings or other agreements, whether created by law, contract, or otherwise, evidencing, governing, representing, or creating a Security Interest.

Security Interest. The words "Security Interest" mean, individually, collectively, and interchangeably, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever whether created by law, contract, or otherwise.

BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS BUSINESS LOAN AGREEMENT AND BORROWER AGREES TO ITS TERMS. THIS BUSINESS LOAN AGREEMENT IS DATED OCTOBER 19, 2010.

BORROWER:

THE VILLAGE AT KNAPP'S CROSSING, L.L.C.

S.D. BENNER, L.L.C., Sole Member of The Village at Knapp's Crossing, L.L.C.

By: _____

Steven D. Benner, Member of S.D. Benner, L.L.C.

LENDER:

INTERNATIONAL BANK OF CHICAGO

By: _____

Authorized Signer

Exhibit F

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$1,500,000.00	10-19-2010	10-19-2016	32182	1A / 110		***	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Borrower: The Village at Knapp's Crossing, L.L.C. (TIN: 20-2673192)
7400 Old Lantern
Caledonia, MI 49316

Lender: International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

Principal Amount: \$1,500,000.00

Date of Note: October 19, 2010

PROMISE TO PAY. The Village at Knapp's Crossing, L.L.C. ("Borrower") promises to pay to International Bank of Chicago ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Million Five Hundred Thousand & 00/100 Dollars (\$1,500,000.00), together with interest on the unpaid principal balance from October 19, 2010, until paid in full.

PAYMENT. Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in accordance with the following payment schedule, which calculates interest on the unpaid principal balances as described in the "INTEREST CALCULATION METHOD" paragraph using the interest rates described in this paragraph: 12 monthly consecutive interest payments, beginning November 19, 2010, with interest calculated on the unpaid principal balances using an interest rate of 7.875%; 59 monthly consecutive principal and interest payments in the initial amount of \$11,453.31 each, beginning November 19, 2011, with interest calculated on the unpaid principal balances using an interest rate based on the Cole Taylor Bank Prime (currently 3.250%), plus a margin of 4.625 percentage points, adjusted if necessary for the minimum and maximum rate limitations for this loan, resulting in an initial interest rate of 7.875%; and one principal and interest payment of \$1,393,572.43 on October 19, 2016, with interest calculated on the unpaid principal balances using an interest rate based on the Cole Taylor Bank Prime (currently 3.250%), plus a margin of 4.625 percentage points, adjusted if necessary for the minimum and maximum rate limitations for this loan, resulting in an initial interest rate of 7.875%. This estimated final payment is based on the assumption that all payments will be made exactly as scheduled and that the index does not change; the actual final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts under this Note. Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; and then to principal. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the Cole Taylor Bank Prime (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current index rate upon Borrower's request. The interest rate change will not occur more often than each (12) Twelve Months. Borrower understands that Lender may make loans based on other rates as well. The index currently is 3.250% per annum. The interest rate or rates to be applied to the unpaid principal balance during this Note will be the rate or rates set forth herein in the "Payment" section. Notwithstanding any other provision of this Note, after the first payment stream, the interest rate for each subsequent payment stream will be effective as of the last payment date of the just-ending payment stream. NOTICE: Under no circumstances will the interest rate on this Note be less than 7.875% per annum or more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 30/360 simple interest basis; that is, with the exception of odd days before the first full payment cycle, monthly interest is calculated by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by a month of 30 days. Interest for the odd days before the first full month is calculated on the basis of the actual days and a 360-day year. All interest payable under this Note is computed using this method.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: International Bank of Chicago, 5069 North Broadway Chicago, IL 60640.

LATE CHARGE. If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, at Lender's option, and if permitted by applicable law, Lender may add any unpaid accrued interest to principal and such sum will bear interest therefrom until paid at the rate provided in this Note (including any increased rate). Upon default, the interest rate on this Note shall be increased to 15.000%. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with any loan.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower,

Loan No: 32182

**PROMISSORY NOTE
(Continued)**

Page 2

the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Illinois.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Kent County, State of Michigan.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

COLLATERAL. Borrower acknowledges this Note is secured by Mortgage and Assignment of Rents in the principal amount of \$1,500,000.00 dated October 19, 2010 on the property commonly known as 3251 Knapp St. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-058; 2110 East Beltline Ave. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-057; 2200 East Beltline Ave. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-056 (partial); and 1410 28th St. SE, Grand Rapids, MI 49508, PIN: 41-18-17-226-001.

OTHER LOAN REQUIREMENTS. Borrower should open a business checking account with Lender to deposit all rents collected from the property located at 1410 28th St. SE, Grand Rapids, MI 49508 as the funding source for this Loan payment. Failure to deposit the rent will trigger the default clause.

LINE OF CREDIT. This Note evidences a straight line of credit for twelve months only. Once the total amount of principal allocated for construction has been advanced, Borrower is not entitled to further loan advances. Advances under this Note may be requested either orally or in writing by Borrower or as provided in this paragraph. Lender may, but need not, require that all oral requests be confirmed in writing. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: Steve Benner, Individually. Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer print-outs.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: International Bank of Chicago 5069 North Broadway Chicago, IL 60640.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

Loan No: 32182

PROMISSORY NOTE
(Continued)

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ILLINOIS INSURANCE NOTICE. Unless Borrower provides Lender with evidence of the insurance coverage required by Borrower's agreement with Lender, Lender may purchase insurance at Borrower's expense to protect Lender's interests in the collateral. This insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the collateral. Borrower may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained insurance as required by their agreement. If Lender purchases insurance for the collateral, Borrower will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Borrower's total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Borrower may be able to obtain on Borrower's own.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

THE VILLAGE AT KNAPP'S CROSSING, L.L.C.

S.D. BENNER, L.L.C., Sole Member of The Village at Knapp's Crossing, L.L.C.

By:

Steven D. Benner, Member of S.D. Benner, L.L.C.

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$2,480,000.00	10-19-2010	10-19-2016	31755	1A / 110		***	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Borrower: The Village at Knapp's Crossing, L.L.C. (TIN: 20-2673192)
7400 Old Lantern
Caledonia, MI 49316

Lender: International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

Principal Amount: \$2,480,000.00

Date of Note: October 19, 2010

PROMISE TO PAY. The Village at Knapp's Crossing, L.L.C. ("Borrower") promises to pay to International Bank of Chicago ("Lender"), or order, in lawful money of the United States of America, the principal amount of Two Million Four Hundred Eighty Thousand & 00/100 Dollars (\$2,480,000.00), together with interest on the unpaid principal balance from October 19, 2010, until paid in full.

PAYMENT. Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in accordance with the following payment schedule, which calculates interest on the unpaid principal balances as described in the "INTEREST CALCULATION METHOD" paragraph using the interest rates described in this paragraph: 12 monthly consecutive interest payments, beginning November 19, 2010, with interest calculated on the unpaid principal balances using an interest rate of 7.875%; 59 monthly consecutive principal and interest payments in the initial amount of \$18,936.14 each, beginning November 19, 2011, with interest calculated on the unpaid principal balances using an interest rate of 7.875%; and one principal and interest payment of \$2,304,039.66 on October 19, 2016, with interest calculated on the unpaid principal balances using an interest rate of 7.875%. This estimated final payment is based on the assumption that all payments will be made exactly as scheduled and that the index does not change; the actual final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts under this Note. Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; and then to principal. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the Cole Taylor Bank Prime (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each (12) Twelve Months. Borrower understands that Lender may make loans based on other rates as well. The Index currently is 3.250% per annum. The interest rate or rates to be applied to the unpaid principal balance during this Note will be the rate or rates set forth herein in the "Payment" section. Notwithstanding any other provision of this Note, after the first payment stream, the interest rate for each subsequent payment stream will be effective as of the last payment date of the just-ending payment stream. **NOTICE:** Under no circumstances will the interest rate on this Note be less than 7.875% per annum or more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 30/360 simple interest basis; that is, with the exception of odd days before the first full payment cycle, monthly interest is calculated by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by a month of 30 days. Interest for the odd days before the first full month is calculated on the basis of the actual days and a 360-day year. All interest payable under this Note is computed using this method.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: International Bank of Chicago, 5069 North Broadway Chicago, IL 60640.

LATE CHARGE. If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, at Lender's option, and if permitted by applicable law, Lender may add any unpaid accrued interest to principal and such sum will bear interest therefrom until paid at the rate provided in this Note (including any increased rate). Upon default, the interest rate on this Note shall be increased to 15.000%. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with any loan.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help,

Loan No: 31755

**PROMISSORY NOTE
(Continued)**

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repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Illinois.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Kent County, State of Michigan.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

COLLATERAL. Borrower acknowledges this Note is secured by Mortgage and Assignment of Rents in the principal amount of \$2,480,000.00 dated October 19, 2010 on the property commonly known as 3251 Knapp St. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-058, 2110 East Beltline Ave. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-057, 2200 East Beltline Ave. NE, Grand Rapids, MI 49525, PIN: 41-14-11-301-056 (partial), and 1410 28th St. SE, Grand Rapids, MI 49508, PIN: 41-18-17-226-001.

OTHER LOAN REQUIREMENTS. All rents collected from the property located at 1410 28th St. SE, Grand Rapids, MI 49508 should be deposited with Lender as the funding source for this Loan payment. Failure to deposit the rent will trigger the default clause.

LINE OF CREDIT. This Note evidences a straight line of credit for twelve months only. Once the total amount of principal allocated for construction has been advanced, Borrower is not entitled to further loan advances. Advances under this Note may be requested either orally or in writing by Borrower or as provided in this paragraph. Lender may, but need not, require that all oral requests be confirmed in writing. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: Steve Benner, individually. Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer print-outs.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: International Bank of Chicago 5069 North Broadway Chicago, IL 60640.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

ILLINOIS INSURANCE NOTICE. Unless Borrower provides Lender with evidence of the insurance coverage required by Borrower's agreement with Lender, Lender may purchase insurance at Borrower's expense to protect Lender's interests in the collateral. This insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the collateral. Borrower may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained insurance as required by their agreement. If Lender purchases insurance for the collateral,

Loan No: 31755

**PROMISSORY NOTE
(Continued)**

Page 3

Borrower will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Borrower's total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Borrower may be able to obtain on Borrower's own.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

THE VILLAGE AT KNAPP'S CROSSING, L.L.C.,

S.D. BENNER, L.L.C., Sole Member of The Village at Knapp's Crossing, L.L.C.

By: 
Steven D. Benner, Member of S.D. Benner, L.L.C.

Exhibit G



MORTGAGE

RECORDATION REQUESTED BY:
International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

WHEN RECORDED MAIL TO:
International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

SEND TAX NOTICES TO:
International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

FOR RECORDER'S USE ONLY

MAXIMUM LIEN. The lien of this Mortgage shall not exceed at any one time \$3,980,000.00.

THIS MORTGAGE dated October 19, 2010, is made and executed between S.D. Benner, L.L.C., a Michigan Limited Liability Company, whose address is 7400 Old Lantern, Caledonia, MI 49316 (referred to below as "Grantor") and International Bank of Chicago, whose address is 5069 N. Broadway St., Chicago, IL 60640 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages and warrants to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all rights to make divisions of the land that are exempt from the platting requirements of the Michigan Land Division Act, as it shall be amended; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Kent County, State of Michigan:

THE NORTH 500 FEET OF THE WEST 220 FEET OF THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 17, TOWN 6 NORTH, RANGE 11 WEST. ALSO, THE SOUTH 150 FEET OF THE NORTH 500 FEET OF THE EAST 175 FEET OF THE WEST 395 FEET OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 17, TOWN 6 NORTH, RANGE 11 WEST

The Real Property or its address is commonly known as 1410 28th St. SE, Grand Rapids, MI 49508. The Real Property tax identification number is 41-18-17-226-001.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL COVENANTS AND OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS AND COVENANTS:



GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor, Borrower and Lender agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Without otherwise limiting Grantor's covenants as provided herein, Grantor shall not without Lender's prior written consent, remove or permit the removal of sand, gravel or topsoil, or engage in borrow pit operations, or use or permit the use of the Property as a land fill or dump, or store, burn or bury or permit the storage, burning or burying

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of any material or product which may result in contamination of the Property or the groundwater or which may require the issuance of a permit by the Environmental Protection Agency or any state or local government agency governing the issuance of hazardous or toxic waste permits, or request or permit a change in zoning or land use classification, or cut or remove or suffer the cutting or removal of any trees or timber from the Property.

At its sole cost and expense, Grantor shall comply with and shall cause all occupants of the Property to comply with all Environmental Laws with respect to the disposal of industrial refuse or waste, and/or the discharge, processing, manufacture, generation, treatment, removal, transportation, storage and handling of Hazardous Substances, and pay immediately when due the cost of removal of any such wastes or substances from, and keep the Property free of any lien imposed pursuant to such laws, rules, regulations and orders.

Grantor shall not install or permit to be installed in or on the Property, friable asbestos or any substance containing asbestos and deemed hazardous by federal, state or local laws, rules, regulations or orders respecting such material. Grantor shall further not install or permit the installation of any machinery, equipment or fixtures containing polychlorinated biphenyls (PCBs) on or in the Property. With respect to any such material or materials currently present in or on the Property, Grantor shall promptly comply with all applicable Environmental Laws regarding the safe removal thereof, at Grantor's expense.

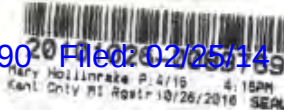
Grantor shall indemnify and defend Lender and hold Lender harmless from and against all loss, cost, damage and expense (including, without limitation, attorneys' fees and costs incurred in the investigation, defense and settlement of claims) that Lender may incur as a result of or in connection with the assertion against Lender of any claim relating to the presence or removal of any Hazardous Substances, or compliance with any Environmental Law. No notice from any governmental body has ever been served upon Grantor or, to Grantor's knowledge after due inquiry, upon any prior owner of the Property, claiming a violation of or under any Environmental Law or concerning the environmental state, condition or quality of the Property, or the use thereof, or requiring or calling attention to the need for any work, repairs, construction, removal, cleanup, alterations, demolition, renovation or installation on, or in connection with, the Property in order to comply with any Environmental Law; and upon receipt of any such notice, Grantor shall take any and all steps, and shall perform any and all actions necessary or appropriate to comply with the same, at Grantor's expense. In the event Grantor fails to do so, Lender may declare this Mortgage to be in default.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to (a) attend to Lender's interests, (b) inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage, (c) appraise the property, (d) investigate whether the property is a site or source of environmental contamination, or (e) remove to remediate any environmental contamination. Without limiting the foregoing, Lender shall have the right to conduct and submit to appropriate governmental agencies a "baseline environmental assessment" of the property within the meaning of section 20101 of the Michigan Natural Resources and Environmental Protection Act, MCL section 324.20101, as it shall be amended from time to time. If, at the time of the appraisal, investigation, assessment, removal, or remediation, there shall have occurred and be continuing an Event of Default, then all costs and expenses of the appraisal, investigation, assessment, removal or remediation, shall be subject to the "Expenditures by Lender" section of this Mortgage. Grantor shall execute any consultant contract, waste manifest, notice, and other documents that Lender requests to enable Lender to take or conduct any action or activity contemplated by this paragraph, if Grantor is given a reasonable opportunity to negotiate the terms of the contract, manifest, notice, or other document.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the



Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. Grantor's "interest" in the Real Property shall be considered to include, without limitation, any right to make a division of the Real Property that is exempt from the requirement of the Michigan Land Division Act, as it shall be amended. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Michigan law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real

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does not hold the reserve funds in trust for Grantor, and Lender is not Grantor's agent for payment of the taxes and assessments required to be paid by Grantor.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage; and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Notice of Proceedings. Grantor shall immediately notify Lender in writing should all or any part of the Property become subject to any condemnation or expropriation proceedings or other similar proceedings, including without limitation, any condemnation, confiscation, eminent domain, inverse condemnation or temporary requisition or taking of the mortgaged Property, or any part or parts of the Property. Grantor further agrees to promptly take such steps as may be necessary and proper within Lender's sole judgment and at Grantor's expense, to defend any such condemnation or expropriation proceedings and obtain the proceeds derived from such proceedings. Grantor shall not agree to any settlement or compromise or any condemnation or expropriation claim without Lender's prior written consent.

Lender's Participation. Lender may, at Lender's sole option, elect to participate in any such condemnation or expropriation proceedings and be represented by counsel of Lender's choice. Grantor agrees to provide Lender with such documentation as Lender may request to permit Lender to so participate and to reimburse Lender for Lender's costs associated with Lender's participation, including Lender's reasonable attorneys' fees.

Conduct of Proceedings. If Grantor fails to defend any such condemnation or expropriation proceedings to Lender's satisfaction, Lender may undertake the defense of such a proceeding for and on behalf of Grantor. To this



and, Grantor irrevocably appoints Lender as Grantor's agent and attorney-in-fact, such agency being coupled with an interest, to bring, defend, adjudicate, settle, or otherwise compromise such condemnation or expropriation claims; it being understood, however, that, unless one or more Events of Default (other than the condemnation or expropriation of the Property) then exists under this Mortgage, Lender will not agree to any final settlement or compromise of any such condemnation or expropriation claim without Grantor's prior approval, which approval shall not be unreasonably withheld.

Application of Net Proceeds. Lender shall have the right to receive all proceeds derived or to be derived from the condemnation, expropriation, confiscation, eminent domain, inverse condemnation, or any permanent or temporary requisition or taking of the Property, or any part or parts of the Property ("condemnation proceeds"). In the event that Grantor should receive any such condemnation proceeds, Grantor agrees to immediately turn over and to pay such proceeds to Lender. All condemnation proceeds, which are received by, or which are payable to either Grantor or Lender, shall be applied, at Lender's sole option and discretion, and in such manner as Lender may determine (after payment of all reasonable costs, expenses and attorneys' fees necessarily paid or incurred by Grantor and/or Lender), for the purpose of: (a) replacing or restoring the condemned, expropriated, confiscated, or taken Property; or (b) reducing the then outstanding balance of the Indebtedness, together with interest thereon, with such payments being applied in the manner provided in this Mortgage. Lender's receipt of such condemnation proceeds and the application of such proceeds as provided in this Mortgage shall not affect the lien of this Mortgage.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.



Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refilled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Borrower and Grantor pay all the indebtedness when due, and Grantor otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

Payment Default. Borrower fails to make any payment when due under the indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien. Such failure to make payment for taxes or insurance shall constitute waste at the time such items are due and payable.

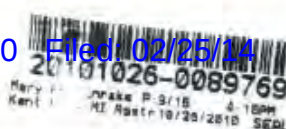
Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

Other Defaults. Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect - (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Borrower's or Grantor's existence as a going business or the death of any member, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against



Borrower or Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Execution; Attachment. Any execution or attachment is levied against the Property, and such execution or attachment is not set aside, discharged or stayed within thirty (30) days after the same is levied.

Change in Zoning or Public Restriction. Any change in any zoning ordinance or regulation or any other public restriction is enacted, adopted or implemented, that limits or defines the uses which may be made of the Property such that the present or intended use of the Property, as specified in the Related Documents, would be in violation of such zoning ordinance or regulation or public restriction, as changed.

Default Under Other Lien Documents. A default occurs under any other mortgage, deed of trust or security agreement covering all or any portion of the Property.

Judgment. Unless adequately covered by insurance in the opinion of Lender, the entry of a final judgment for the payment of money involving more than ten thousand dollars (\$10,000.00) against Grantor and the failure by Grantor to discharge the same, or cause it to be discharged, or bonded off to Lender's satisfaction, within thirty (30) days from the date of the order, decree or process under which or pursuant to which such judgment was entered.

Breach of Other Agreement. Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

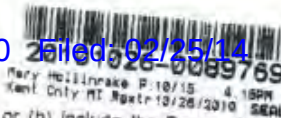
Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Borrower or Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty that Borrower would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code. Without limiting those rights and remedies, Lender may, at its option, either (a) enforce its security interest in the Personal Property under the Uniform



Commercial Code or other applicable law or (b) include the Personal Property in any judicial or non-judicial foreclosure of this Mortgage.

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Any failure of Grantor to pay any taxes assessed against the Property or to pay any installment of those taxes or to pay any insurance premium upon any policy covering any property located upon the Property shall constitute waste and shall entitle Lender to the appointment by a court of competent jurisdiction of a receiver of the Property for the purpose of preventing the waste, except that no receiver may be appointed for any dwelling house or farm occupied by any owner of it as the owner's home or farm or for any store or other business property having an assessed valuation of \$7,500 or less. Subject to the order of the court, the receiver may collect the rents and income from the Property and shall exercise control over the Property to the extent ordered by the court. A court may also appoint a receiver for the Property in any other circumstances permitted by law. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

NonJudicial Sale. Lender may sell, release and convey the Real Property at public sale and sign and deliver to the purchasers at the sale good and sufficient deeds of conveyance, paying any surplus funds, after payment in full of the sums then due under this Mortgage and the expenses of the sale, including attorney fees as provided by law, to Grantor, all in accordance with applicable law.

Warning. This Mortgage contains a power of sale, and, upon default, may be foreclosed by advertisement. In foreclosure by advertisement, no hearing is involved and the only notice required is to publish notice in a local newspaper and to post a copy of the notice on the Property.

Waiver. If this Mortgage is foreclosed by advertisement, Grantor hereby voluntarily and knowingly waives all rights under the Constitution and laws of the State of Michigan and Constitution and laws of the United States to all notice and a hearing in connection with the above-mentioned foreclosure by advertisement, except as set forth in the Michigan statute providing for foreclosure by advertisement.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Tenancy at Will. If Grantor remains in possession of the Property after Lender or the purchaser at a foreclosure sale of the Property become lawfully entitled to possession of the Property, the Grantor shall become a tenant at will of Lender or the purchaser of the Property and shall, at the option of the person lawfully entitled to possession, either (1) pay a reasonable rental for the use of the Property or (2) vacate the Property immediately upon the demand of the person lawfully entitled to possession.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby waive any and all

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right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales and Grantor waives Grantor's rights under MCLA Section 600.3224 to have separate parcels sold separately and to have no more parcels than necessary sold. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or Borrower and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness. After the date that payment of the Indebtedness secured by this Mortgage has been accelerated by Lender, acceptance by Lender of any amount(s) paid by or on behalf of Borrower or Grantor which is less than the full unpaid balance of the Indebtedness, including without limitation all accrued interest, late charges and other amounts due Lender under this Mortgage, shall not be deemed a waiver of default or acceleration, but shall be credited toward the unpaid balance of the Indebtedness, unless Lender shall specifically agree in writing to waive any such default or acceleration or both.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover its reasonable attorneys' fees. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's

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previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property, this Mortgage will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Michigan. In all other respects, this Mortgage will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Mortgage is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Mortgage has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Illinois.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Kent County, State of Michigan.

Joint and Several Liability. All obligations of Borrower and Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Grantor signing below is responsible for all obligations in this Mortgage. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Mortgage.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

Non-Liability of Lender. The relationship between Grantor and Lender created by this Mortgage is strictly a debtor and creditor relationship and not fiduciary in nature, nor is the relationship to be construed as creating any partnership or joint venture between Lender and Grantor. Grantor is exercising Grantor's own judgment with respect to Grantor's business. All information supplied to Lender is for Lender's protection only and no other party is entitled to rely on such information. There is no duty for Lender to review, inspect, supervise or inform Grantor of any matter with respect to Grantor's business. Lender and Grantor intend that Lender may reasonably rely on all information supplied by Grantor to Lender, together with all representations and warranties given by Grantor to Lender, without investigation or confirmation by Lender and that any investigation or failure to investigate will not diminish Lender's right to so rely.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.



Sole Discretion of Lender. Whenever Lender's consent or approval is required under this Mortgage, the decision as to whether or not to consent or approve shall be in the sole and exclusive discretion of Lender and Lender's decision shall be final and conclusive.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Use of Pronouns. Any term used to designate any of the parties in this Mortgage shall be deemed to include the respective heirs, estate representatives, successors, and assigns of the parties and all pronouns and relative words used in this Mortgage are intended to apply in the singular, plural, feminine or neuter forms as the context may require, to appropriately refer to the parties designated.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Michigan as to all Indebtedness secured by this Mortgage.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means The Village at Knapp's Crossing, L.L.C. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Default. The word "Default" means the Default set forth in this Mortgage in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

Grantor. The word "Grantor" means S.D. Benner, L.L.C..

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

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Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage.

Lender. The word "Lender" means International Bank of Chicago, its successors and assigns.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender.

Note. The word "Note" means the two promissory notes dated October 19, 2010, in the original principal amount of \$2,480,000.00 and \$1,500,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.
NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

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GRANTOR COVENANTS AND AGREES TO THE PROVISIONS OF THIS MORTGAGE.

GRANTOR:

S.D. BENNER, L.L.C.

By: [Signature]

Steven D. Benner, Member of S.D. Benner, L.L.C.

This Mortgage was prepared by:
 Edelyn Xie, Loan Processor
 International Bank of Chicago
 5069 N. Broadway St.
 Chicago, IL 60640

STATE OF Michigan LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

COUNTY OF Kent

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) SS
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On this 19 day of October, 20 10, before me, the undersigned Notary Public, personally appeared Steven D. Benner, Member of S.D. Benner, L.L.C., and known to me to be a member or designated agent of the limited liability company that executed the Mortgage and acknowledged the Mortgage to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Mortgage and in fact executed the Mortgage on behalf of the limited liability company.

By: [Signature]

My expires _____ commission

Notary of _____ Public, State of _____ County

Acting of _____ In _____ the _____ County

ANTHONY J. PORTARELLI
 Notary Public, State of Michigan
 County of Ottawa
 My Commission Expires Feb. 21, 2014
 Acting in the County of Kent

Exhibit H

2010 OCT 26 PM 3:46



ASSIGNMENT OF RENTS

RECORDATION REQUESTED BY:
International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

WHEN RECORDED MAIL TO:
International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

SEND TAX NOTICES TO:
International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

FOR RECORDER'S USE ONLY

ASSIGNMENT OF RENTS

THIS ASSIGNMENT OF RENTS dated October 19, 2010, is made and executed between S.D. Benner, L.L.C., a Michigan Limited Liability Company, whose address is 7400 Old Lantern, Caledonia, MI 49316 (referred to below as "Grantor") and International Bank of Chicago, whose address is 5069 N. Broadway St., Chicago, IL 60640 (referred to below as "Lender").

ASSIGNMENT. For valuable consideration, Grantor hereby assigns, grants a continuing security interest in, and conveys to Lender all of Grantor's right, title, and interest in and to the Rents from the following described Property located in Kent County, State of Michigan:

THE NORTH 500 FEET OF THE WEST 220 FEET OF THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 17, TOWN 6 NORTH, RANGE 11 WEST. ALSO, THE SOUTH 150 FEET OF THE NORTH 500 FEET OF THE EAST 175 FEET OF THE WEST 395 FEET OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 17, TOWN 6 NORTH, RANGE 11 WEST

The Property or its address is commonly known as 1410 28th St. SE, Grand Rapids, MI 49508. The Property tax identification number is 41-18-17-226-001.

THIS ASSIGNMENT IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF BORROWER AND GRANTOR UNDER THE NOTE, THIS ASSIGNMENT, AND THE RELATED DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

BORROWER'S WAIVERS AND RESPONSIBILITIES. Lender need not tell Borrower about any action or inaction Lender takes in connection with this Assignment. Borrower assumes the responsibility for being and keeping informed about the Property. Borrower waives any defenses that may arise because of any action or inaction of

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Lender, including without limitation any failure of Lender to realize upon the Property, or any delay by Lender in realizing upon the Property. Borrower agrees to remain liable under the Note with Lender no matter what action Lender takes or fails to take under this Assignment.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Assignment or any Related Documents, Grantor shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly perform all of Grantor's obligations under this Assignment. Unless and until Lender exercises its right to collect the Rents as provided below and so long as there is no default under this Assignment, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents, provided that the granting of the right to collect the Rents shall not constitute Lender's consent to the use of cash collateral in a bankruptcy proceeding.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that:

Ownership. Grantor is entitled to receive the Rents free and clear of all rights, loans, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.

Right to Assign. Grantor has the full right, power and authority to enter into this Assignment and to assign and convey the Rents to Lender.

No Prior Assignment. Grantor has not previously assigned or conveyed the Rents to any other person by any instrument now in force.

No Further Transfer. Grantor will not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Rents except as provided in this Assignment.

LENDER'S RIGHT TO RECEIVE AND COLLECT RENTS. Lender shall have the right at any time, and even though no default shall have occurred under this Assignment, to collect and receive the Rents. For this purpose, Lender is hereby given and granted the following rights, powers and authority:

Notice to Tenants. Lender may send notices to any and all tenants of the Property advising them of this Assignment and directing all Rents to be paid directly to Lender or Lender's agent.

Enter the Property. Lender may enter upon and take possession of the Property; demand, collect and receive from the tenants or from any other persons liable therefor, all of the Rents; institute and carry on all legal proceedings necessary for the protection of the Property, including such proceedings as may be necessary to recover possession of the Property; collect the Rents and remove any tenant or tenants or other persons from the Property.

Maintain the Property. Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Lender on the Property.

Compliance with Laws. Lender may do any and all things to execute and comply with the laws of the State of Michigan and also all other laws, rules, orders, ordinances and requirements of all other governmental agencies affecting the Property.

Lease the Property. Lender may rent or lease the whole or any part of the Property for such term or terms and on such conditions as Lender may deem appropriate.

Employ Agents. Lender may engage such agent or agents as Lender may deem appropriate, either in Lender's name or in Grantor's name, to rent and manage the Property, including the collection and application of Rents.

Other Acts. Lender may do all such other things and acts with respect to the Property as Lender may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of Grantor for the purposes stated above.

No Requirement to Act. Lender shall not be required to do any of the foregoing acts or things, and the fact that Lender shall have performed one or more of the foregoing acts or things shall not require Lender to do any other specific act or thing.

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APPLICATION OF RENTS. All costs and expenses incurred by Lender in connection with the Property shall be for Grantor's account and Lender may pay such costs and expenses from the Rents. Lender, in its sole discretion, shall determine the application of any and all Rents received by it; however, any such Rents received by Lender which are not applied to such costs and expenses shall be applied to the Indebtedness. All expenditures made by Lender under this Assignment and not reimbursed from the Rents shall become a part of the Indebtedness secured by this Assignment, and shall be payable on demand, with interest at the Note rate from date of expenditure until paid.

FULL PERFORMANCE. If Grantor pays all of the Indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Assignment, the Note, and the Related Documents, Lender shall execute and deliver to Grantor a suitable satisfaction of this Assignment and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Property. Any termination fee required by law shall be paid by Grantor, if permitted by applicable law.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Assignment or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Assignment or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Rents or the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Assignment also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Assignment:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Other Defaults. Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Assignment or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

Default on Other Payments. Failure of Grantor within the time required by this Assignment to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien. Such failure to make payment for taxes or insurance shall constitute waste at the time such items are due and payable.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Assignment or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Assignment or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Borrower's or Grantor's existence as a going business or the death of any member, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or



insolvency laws by or against Borrower or Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against the Rents or any property securing the Indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Property Damage or Loss. The Property is lost, stolen, substantially damaged, sold, or borrowed against.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Assignment within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Borrower or Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty that Borrower would be required to pay.

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender shall have all the rights provided for in the Lender's Right to Receive and Collect Rents Section, above. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Any failure of Grantor to pay any taxes assessed against the Property or to pay any installment of those taxes or to pay any insurance premium upon any policy covering any property located upon the Property shall constitute waste and shall entitle Lender to the appointment by a court of competent jurisdiction of a receiver of the Property for the purpose of preventing the waste, except that no receiver may be appointed for any dwelling house or farm occupied by any owner of it as the owner's home or farm or for any store or other business property having an assessed valuation of \$7,500 or less. Subject to the order of the court, the receiver may collect the rents and income from the Property and shall exercise control over the Property to the extent ordered by the court. A court may also appoint a receiver for the Property in any other circumstances permitted by law. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the

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receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Other Remedies. Lender shall have all other rights and remedies provided in this Assignment or the Note or by law.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Assignment, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover its reasonable attorneys' fees. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Assignment:

Amendments. This Assignment, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment. No alteration of or amendment to this Assignment shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Caption Headings. Caption headings in this Assignment are for convenience purposes only and are not to be used to interpret or define the provisions of this Assignment.

Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property, this Assignment will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Michigan. In all other respects, this Assignment will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Assignment is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Assignment has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Illinois.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Kent County, State of Michigan.

Joint and Several Liability. All obligations of Borrower and Grantor under this Assignment shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Grantor signing below is responsible for all obligations in this Assignment. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Assignment.

Merger. There shall be no merger of the interest or estate created by this assignment with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent



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of Lender.

Interpretation. (1) In all cases where there is more than one Borrower or Grantor, then all words used in this Assignment in the singular shall be deemed to have been used in the plural where the context and construction so require. (2) If more than one person signs this Assignment as "Grantor," the obligations of each Grantor are joint and several. This means that if Lender brings a lawsuit, Lender may sue any one or more of the Grantors. If Borrower and Grantor are not the same person, Lender need not sue Borrower first, and that Borrower need not be joined in any lawsuit. (3) The names given to paragraphs or sections in this Assignment are for convenience purposes only. They are not to be used to interpret or define the provisions of this Assignment.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Assignment unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Assignment shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Assignment. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Assignment, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Assignment shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Assignment. Any party may change its address for notices under this Assignment by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Powers of Attorney. The various agencies and powers of attorney conveyed on Lender under this Assignment are granted for purposes of security and may not be revoked by Grantor until such time as the same are renounced by Lender.

Severability. If a court of competent jurisdiction finds any provision of this Assignment to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Assignment. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Assignment shall not affect the legality, validity or enforceability of any other provision of this Assignment.

Successors and Assigns. Subject to any limitations stated in this Assignment on transfer of Grantor's interest, this Assignment shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Assignment and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Assignment.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Michigan as to all Indebtedness secured by this Assignment.

Waiver of Right of Redemption. NOTWITHSTANDING ANY OF THE PROVISIONS TO THE CONTRARY CONTAINED IN THIS ASSIGNMENT, GRANTOR HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION FROM SALE UNDER ANY ORDER OR JUDGMENT OF FORECLOSURE ON GRANTOR'S BEHALF AND ON BEHALF OF EACH AND EVERY PERSON, EXCEPT JUDGMENT CREDITORS OF GRANTOR, ACQUIRING

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ANY INTEREST IN OR TITLE TO THE PROPERTY SUBSEQUENT TO THE DATE OF THIS ASSIGNMENT.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Assignment. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Assignment shall have the meanings attributed to such terms in the Uniform Commercial Code:

Assignment. The word "Assignment" means this ASSIGNMENT OF RENTS, as this ASSIGNMENT OF RENTS may be amended or modified from time to time, together with all exhibits and schedules attached to this ASSIGNMENT OF RENTS from time to time.

Borrower. The word "Borrower" means The Village at Knapp's Crossing, L.L.C..

Default. The word "Default" means the Default set forth in this Assignment in the section titled "Default".

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Assignment in the default section of this Assignment.

Grantor. The word "Grantor" means S.D. Benner, L.L.C..

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Assignment, together with interest on such amounts as provided in this Assignment.

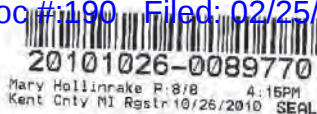
Lender. The word "Lender" means International Bank of Chicago, its successors and assigns.

Note. The word "Note" means the two promissory notes dated October 19, 2010, in the original principal amount of \$2,480,000.00 and \$1,500,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Assignment" section of this Assignment.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all of Grantor's present and future rights, title and interest in, to and under any and all present and future leases, including, without limitation, all rents, revenue, income, issues, royalties, bonuses, accounts receivable, cash or security deposits, advance rentals, profits and proceeds from the Property, and other payments and benefits derived or to be derived from such leases of every kind and nature, whether due now or later, including without limitation Grantor's right to enforce such leases and to receive and collect payment and proceeds thereunder.



THE UNDERSIGNED ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT, AND NOT PERSONALLY BUT AS AN AUTHORIZED SIGNER, HAS CAUSED THIS ASSIGNMENT TO BE SIGNED AND EXECUTED ON BEHALF OF GRANTOR ON OCTOBER 19, 2010.

GRANTOR:

S.D. BENNER, L.L.C.

By: [Signature]

Steven D. Benner, Member of S.D. Benner, L.L.C.

This ASSIGNMENT OF RENTS was prepared by:
Edelyn Xie, Loan Processor
International Bank of Chicago
5069 N. Broadway St.
Chicago, IL 60640

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Michigan

COUNTY OF Kent

)

) SS

)

On this 19th day of October, 20 10, before me, the undersigned Notary Public, personally appeared **Steven D. Benner, Member of S.D. Benner, L.L.C.**, and known to me to be a member or designated agent of the limited liability company that executed the ASSIGNMENT OF RENTS and acknowledged the Assignment to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Assignment and in fact executed the Assignment on behalf of the limited liability company.

By: [Signature]

My
expires

commission

Notary Public, State of _____,
of _____

County

ANTHONY J. PONTARELLI
Notary Public, State of Michigan
County of Ottawa
My Commission Expires Feb. 21, 2014
Acting in the County of Kent

Exhibit I

VILLAGE AT KNAPPS CROSSING, LLC
Income (loss) projection
For the twelve months ending January 31, 2015

2335 Dunnigan

[illegible]

[illegible]

VILLAGE AT KNAPPS CROSSING, LLC
Income projection
For the twelve months ending January 31, 2015

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2065 Apple Orchard

	Annual	2014 February	2014 March	2014 April	2014 May	2014 June	2014 July	2014 August	2014 September	2014 October	2014 November	2014 December	2015 January
Income/Cash collateral of IBOC													
Rent	191,499.96	11,458.33	11,458.33	24,958.33	11,458.33	11,458.33	24,958.33	11,458.33	11,458.33	24,958.33	11,458.33	11,458.33	24,958.33
CAM	50,371.32	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61
Reimbursed expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Judgment	(10,800.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)
Total Inc/Cash coll. of IBOC	231,071.28	14,755.94	14,755.94	28,255.94	14,755.94	14,755.94	28,255.94	14,755.94	14,755.94	28,255.94	14,755.94	14,755.94	28,255.94
Expense													
Bank charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lawn care service	1,900.00	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33
Accounting services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance - Janitorial	156.54	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05
Management fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials and supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real estate tax expense	38,114.78	3,176.23	3,176.23	3,176.23	3,176.23	3,176.23	3,176.23	3,176.23	3,176.23	3,176.23	3,176.23	3,176.23	3,176.23
Repairs	1,200.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Snow removal service	3,500.00	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67
Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water and sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bankruptcy Expense													
Professional fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total expenses	44,871.32	3,739.28	3,739.28	3,739.28	3,739.28	3,739.28	3,739.28	3,739.28	3,739.28	3,739.28	3,739.28	3,739.28	3,739.28
Other expense													
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and principal (A)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total other expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	186,199.96	11,016.66	11,016.66	24,516.66	11,016.66	11,016.66	24,516.66	11,016.66	11,016.66	24,516.66	11,016.66	11,016.66	24,516.66

(A) There is principal and interest owing to IBOC for this property. The terms of that debt are defined on page 10.

VILLAGE AT KNAPPS CROSSING, LLC
Income projection
For the twelve months ending January 31, 2015

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2315 Dunnigan

[illegible]

Income projection

For the twelve months ending January 31, 2015

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2284 E Beltline

		2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2015
	Annual	February	March	April	May	June	July	August	September	October	November	December	January
Income													
Rent	18,900.00	825.00	825.00	825.00	825.00	825.00	825.00	2,325.00	2,325.00	2,325.00	2,325.00	2,325.00	2,325.00
CAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursed expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total income	18,900.00	825.00	825.00	825.00	825.00	825.00	825.00	2,325.00	2,325.00	2,325.00	2,325.00	2,325.00	2,325.00
Expense													
Bank charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	600.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Lawn care service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounting services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance - Janitorial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fee	756.00	33.00	33.00	33.00	33.00	33.00	33.00	93.00	93.00	93.00	93.00	93.00	93.00
Materials and supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real estate tax expense	1,847.98	154.00	154.00	154.00	154.00	154.00	154.00	154.00	154.00	154.00	154.00	154.00	154.00
Repairs	360.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Snow removal service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water and sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bankruptcy Expense													
Professional fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total expenses	3,563.98	267.00	267.00	267.00	267.00	267.00	267.00	327.00	327.00	327.00	327.00	327.00	327.00
Other expense													
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and principal	8,873.52	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46
Total other expense	8,873.52	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46	739.46
Net income	6,462.50	(181.46)	(181.46)	(181.46)	(181.46)	(181.46)	(181.46)	1,258.54	1,258.54	1,258.54	1,258.54	1,258.54	1,258.54

VILLAGE AT KNAPPS CROSSING, LLC
Income projection
For the twelve months ending January 31, 2015

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2110 E Beltline Ave

	Annual	2014 February	2014 March	2014 April	2014 May	2014 June	2014 July	2014 August	2014 September	2014 October	2014 November	2014 December	2015 January
Income/Cash collateral of IBOC													
Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursed expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total inc/Cash coll. of IBOC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expense													
Bank charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lawn care service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounting services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance - Janitorial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials and supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real estate tax expense	26,576.60	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72
Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Snow removal service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water and sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bankruptcy Expense													
Professional fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total expenses	26,576.60	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72	2,214.72
Other expense													
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and principal (A)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total other expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	(26,576.60)	(2,214.72)	(2,214.72)	(2,214.72)	(2,214.72)	(2,214.72)	(2,214.72)	(2,214.72)	(2,214.72)	(2,214.72)	(2,214.72)	(2,214.72)	(2,214.72)

(A) There is principal and interest owing to IBOC for this property. The terms of that debt are defined on page 10.

VILLAGE AT KNAPPS CROSSING, LLC
Income projection
For the twelve months ending January 31, 2015

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3251 Knapp

	Annual	2014 February	2014 March	2014 April	2014 May	2014 June	2014 July	2014 August	2014 September	2014 October	2014 November	2014 December	2015 January
Income/Cash collateral of IBOC													
Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursed expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total inc/Cash coll. of IBOC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expense													
Bank charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lawn care service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounting services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance - Janitorial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials and supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real estate tax expense	15,516.19	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02
Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Snow removal service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water and sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bankruptcy Expense													
Professional fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total expenses	15,516.19	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02	1,293.02
Other expense													
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and principal (A)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total other expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	(15,516.19)	(1,293.02)	(1,293.02)	(1,293.02)	(1,293.02)	(1,293.02)	(1,293.02)	(1,293.02)	(1,293.02)	(1,293.02)	(1,293.02)	(1,293.02)	(1,293.02)

(A) There is principal and interest owing to IBOC for this property. The terms of that debt are defined on page 10.

VILLAGE AT KNAPPS CROSSING, LLC
Income projection
For the twelve months ending January 31, 2015

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2300 E Beltline Ave

	Annual	2014 February	2014 March	2014 April	2014 May	2014 June	2014 July	2014 August	2014 September	2014 October	2014 November	2014 December	2015 January
Income													
Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursed expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expense													
Bank charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lawn care service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Legal and professional	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance - Janitorial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials and supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real estate tax expense	5,562.49	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54
Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Snow removal service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water and sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bankruptcy Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Professional fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total expenses	5,562.49	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54	463.54
Other expense													
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and principal (A)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total other expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	(5,562.49)	(463.54)	(463.54)	(463.54)	(463.54)	(463.54)	(463.54)	(463.54)	(463.54)	(463.54)	(463.54)	(463.54)	(463.54)

(A) Comerica Bank has a lien on this property which is owned by VKC . Although VKC is not obligated on a promissory note for any loan made by Comerica Bank related to this property.

VILLAGE AT KNAPPS CROSSING, LLC
Income projection
For the twelve months ending January 31, 2015

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1410 28th Street

	Annual	2014 February	2014 March	2014 April	2014 May	2014 June	2014 July	2014 August	2014 September	2014 October	2014 November	2014 December	2015 January
Income/Cash collateral of IBOC													
Rent	223,404.72	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06
CAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursed expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total inc/Cash coll. of IBOC	223,404.72	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06
Expense													
Bank charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lawn care service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Legal and professional	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance - Janitorial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials and supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real estate tax expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Snow removal service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water and sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bankruptcy Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Professional fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other expense													
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and principal (A)	223,404.72	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06
Total other expense	223,404.72	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06	18,617.06
Net income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(A) Portion of IBOC debt service paid directly to IBOC from rent derived from 1410 28th St property.

VILLAGE AT KNAPPS CROSSING, LLC
Income projection
For the twelve months ending January 31, 2015

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General overhead (Includes items not directly assignable to a specific property)

	Annual	2014 February	2014 March	2014 April	2014 May	2014 June	2014 July	2014 August	2014 September	2014 October	2014 November	2014 December	2015 January
Income													
Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CAM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursed expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expense													
Bank charges	300.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lawn care service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Legal and professional	6,000.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
Maintenance - Janitorial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials and supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real estate tax expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Snow removal service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water and sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bankruptcy Expense													
Professional fees	(B) 4,550.00	0.00	0.00	1,625.00	0.00	0.00	975.00	0.00	0.00	975.00	0.00	0.00	975.00
Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total expenses	10,850.00	525.00	525.00	2,150.00	525.00	525.00	1,500.00	525.00	525.00	1,500.00	525.00	525.00	1,500.00
Other expense													
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and principal	(A) 97,794.84	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57
Total other expense	97,794.84	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57	8,149.57
Net income	(108,644.84)	(8,674.57)	(8,674.57)	(10,299.57)	(8,674.57)	(8,674.57)	(9,649.57)	(8,674.57)	(8,674.57)	(9,649.57)	(8,674.57)	(8,674.57)	(9,649.57)

(A) The monthly payments to IBOC have been \$11,453.31 and \$18,936.14 and are projected to change to \$26,766.63 reflecting an interest rate adjustment.

The Interest and principal presented above is the balance not paid by the "1410" rent assignment more fully described on page 9 of this projected budget.

(B) United States Trustee Quarterly Fees

VILLAGE AT KNAPPS CROSSING, LLC
Income projection
For the twelve months ending January 31, 2015

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Combined

	Annual	2014 February	2014 March	2014 April	2014 May	2014 June	2014 July	2014 August	2014 September	2014 October	2014 November	2014 December	2015 January
Income													
Rent	478,492.68	34,624.39	34,624.39	48,124.39	34,624.39	34,624.39	48,124.39	36,124.39	36,124.39	49,624.39	36,124.39	36,124.39	49,624.39
CAM	50,371.32	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61	4,197.61
Reimbursed expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	(10,800.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)	(900.00)
Total income	518,064.00	37,922.00	37,922.00	51,422.00	37,922.00	37,922.00	51,422.00	39,422.00	39,422.00	52,922.00	39,422.00	39,422.00	52,922.00
Expense													
Bank charges	300.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Insurance	2,640.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00
Lawn care service	1,900.00	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33	158.33
Legal and professional	6,000.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
Maintenance - Janitorial	156.54	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05
Management fee	2,543.52	181.96	181.96	181.96	181.96	181.96	181.96	241.96	241.96	241.96	241.96	241.96	241.96
Materials and supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real estate tax expense	95,201.65	7,933.47	7,933.47	7,933.47	7,933.47	7,933.47	7,933.47	7,933.47	7,933.47	7,933.47	7,933.47	7,933.47	7,933.47
Repairs	3,000.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00
Snow removal service	3,500.00	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67
Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water and sewer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bankruptcy Expense		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Professional fees	4,550.00	0.00	0.00	1,625.00	0.00	0.00	975.00	0.00	0.00	975.00	0.00	0.00	975.00
Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total expenses	119,791.71	9,573.48	9,573.48	11,198.48	9,573.48	9,573.48	10,548.48	9,633.48	9,633.48	10,608.48	9,633.48	9,633.48	10,608.48
Other expense													
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and principal (A)	347,753.64	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47
Total other expense	347,753.64	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47	28,979.47
Net income	50,518.65	(630.95)	(630.95)	11,244.05	(630.95)	(630.95)	11,894.05	809.05	809.05	13,334.05	809.05	809.05	13,334.05

(A) Total mortgage payments per these projection schedules

IBOC	26,766.63
Comerica Bank	733.92
First Community Bank	1,478.92

	28,979.47
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VILLAGE AT KNAPPS CROSSING, LLC
Income projection
For the five years ending January 31, 2019

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Combined with Phase 1 Development Proforma 4 year outlook beginning 2016

	(A)	12 months ending January 31 2015	Phase 1	12 months ending January 31 2016	12 months ending January 31 2017	12 months ending January 31 2018	12 months ending January 31 2019
Income							
Rent		478,492.68	677,200.00	1,155,692.68	1,155,692.68	1,155,692.68	1,155,692.68
CAM		50,371.32	31,395.00	81,766.32	81,766.32	81,766.32	81,766.32
Reimbursed expense		0.00	156,030.00	156,030.00	156,030.00	156,030.00	156,030.00
Other		(10,800.00)	0.00	(10,800.00)	(10,800.00)	(10,800.00)	(10,800.00)
Total income		518,064.00	864,625.00	1,393,489.00	1,393,489.00	1,393,489.00	1,393,489.00
Expense							
Bank charges		300.00	0.00	300.00	300.00	300.00	300.00
Insurance		2,640.00	1,890.00	4,530.00	4,530.00	4,530.00	4,530.00
Lawn care service		1,900.00	0.00	1,900.00	1,900.00	1,900.00	1,900.00
Legal and professional		6,000.00	0.00	6,000.00	6,000.00	6,000.00	6,000.00
Maintenance - Janitorial		156.54	0.00	156.54	156.54	156.54	156.54
Management fee		2,543.52	27,088.00	29,631.52	29,631.52	29,631.52	29,631.52
Materials and supplies		0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous		0.00	0.00	0.00	0.00	0.00	0.00
Real estate tax expense		95,201.65	94,500.00	189,701.65	189,701.65	189,701.65	189,701.65
Repairs		3,000.00	31,395.00	34,395.00	34,395.00	34,395.00	34,395.00
Snow removal service		3,500.00	0.00	3,500.00	3,500.00	3,500.00	3,500.00
Utilities		0.00	0.00	0.00	0.00	0.00	0.00
Water and sewer		0.00	0.00	0.00	0.00	0.00	0.00
Bankruptcy Expense				0.00	0.00	0.00	0.00
Professional fees		4,550.00	0.00	0.00	0.00	0.00	0.00
Appraisals		0.00	0.00	0.00	0.00	0.00	0.00
Total expenses		119,791.71	154,873.00	270,114.71	270,114.71	270,114.71	270,114.71
Other expense							
Amortization		0.00	0.00	0.00	0.00	0.00	0.00
Depreciation		0.00	0.00	0.00	0.00	0.00	0.00
Interest and principal		347,753.64	0.00	347,753.64	347,753.64	347,753.64	347,753.64
Total other expense		347,753.64	0.00	331,641.80	331,641.80	331,641.80	331,641.80
Net income		50,518.65	709,752.00	775,620.65	775,620.65	775,620.65	775,620.65

Projection Assumption:

(A) 2014 is presented with existing leased property. Beginning 2015, Phase 1 year one is added to 2014.

(B) Phase 1 represents VKC @10% of the total development potential.