



CORPORATE RESUME

SCOPE OF SERVICES

KEY PERSONNEL

OF

DELMAR PROPERTY MANAGEMENT

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Delmar Property Management

THE COMPANY

Commitment to Excellence

At Delmar Property Management, we believe hard work, careful planning, and precise execution, combined with timely and quality services are necessary to succeed. We believe that we have to be well prepared and work hard to succeed. Citibank Real Estate Division, Western Region, has named Delmar Property Management "Property Manager of the Year". We received the "Award of Excellence" twice from the City of Rancho Cucamonga for Outstanding Real Estate Project Design, and a "Beautification Award" from the City of Brea for High Quality Real Estate Development.

Full Service Commercial Property Management

- Performing Daily Operations & Maintaining Tenant Relations
- Marketing, Negotiating & Signing New Tenants
- Renewing and Renegotiating Existing Tenant Leases
- Tenant Improvement Space Planning Supervision
- Tenant Improvement Construction Supervision
- Full line of financial services including accounting, financial analysis, budgeting, pro forma, cash flow and other management reporting tailored to the needs of each property owner.

Current Projects

Office/Retail

- Delmar currently manages approximately 250,000 square feet of office and retail assets. The projects are located in both Los Angeles and San Bernardino Counties. Their type ranges from multi-tenant office parks to multi-story buildings complete with parking garages.

Industrial

- Delmar currently manages approximately 175,000 square feet of Industrial real estate ranging in size from 20,000 to 120,000 square feet

Multi-Family

- Delmar in the past year has managed over 100 units for Adrian Young, Receiver ranging in size from 8 to 24 unit buildings in San Bernardino, Riverside and Los Angeles Counties.

Regional Knowledge

Delmar Property Management is a Full Service Company located in California. We have acquired valuable knowledge and experience in the business culture, life style, weather, and politics of this area through our years of involvement in this region. We have established strong business and personal relationships and contacts with institutional lenders, commercial brokers, leasing agents, governmental agencies and a variety of subcontractors and vendors necessary for us to conduct quality business in the area.

Depth of Experience

Delmar Property Management has a range of experience that enables us to provide full service property management for commercial real estate. Together with our experience in daily operations and monthly financial reporting, we also have a reputation for aggressive marketing, negotiating and leasing. We have practical knowledge of space planning, tenant improvement construction, building design and construction of commercial buildings gained through actual construction as owners and contractors.

Delmar has managed over three million square feet of office, retail, industrial, and mixed-use real estate, as well as over 1,500 multi-family units.

REFERENCES

Bank of America

333 S. Beaudry, 21st Floor
Los Angeles, CA 90017
Eric Forsberg, CCIM
(213) 345-9258

Midland Loan Services, L.P.

10851 Mastin, Suite 300
Overland Park, KS 66210
Pat Doleshal, Sr. Asset Manager
(913) 253-9618

Burnett & Matthews LLC

4675 MacArthur Court, Suite 1540
Newport Beach, CA 92660
Michael Burnett
(949) 729-0705

GE Capital Realty Group

1901 Main St., 7th Floor
Irvine, CA 92614
Tim Campbell
(949) 477-1582

Bonded by:

Western Surety Company

Contact: Aon
200 Randolph St., 11th Floor
Chicago, IL 60601
Phone Number: (312) 381-4436

Delmar Property Management

BACKGROUND AND HISTORY

Delmar Property Management has been involved in the Property Management, Development, and Construction Industry in California since 1991. The company has engineered, constructed, and managed various types of projects. Our experience as owners has given us the disciplines necessary to be responsible, timely, accurate Asset Managers and Property Managers for Institutions and Individual Investors. Coupled with a team of well qualified professionals, Delmar Property Management's best asset is its conservative approach, tenant retention program and analysis of the marketplace backed by long-term planning, years of experience and our financial strength.

ITS CAPABILITIES, RESOURCES AND PEOPLE

Delmar Property Management is supported by a team of Real Estate and Financial Professionals who acquired their skills through hands on experience and practice.

Delmar uses the latest in computer hardware and software technology to assist the management; decision making and financial reporting process. The property management process is greatly enhanced by Spectra Professional property management software, considered in the industry to be one of the most prudent and sophisticated software systems available today.

Construction Management

Delmar offers our clients a most effective management team for tenant improvements. Owning and constructing our own projects gives us experience that we pass on to our clients.

Delmar has been involved in extensive remodeling of large suites that were constructed in phases to allow tenants to remain in their suites. Our tenants were able to continue with business as usual due to the efficient scheduling of construction around their needs.

The volume of tenant improvements and remodels that Delmar is involved in allows us to offer our tenants competitive costs from contractors and suppliers. The Delmar client is offered expertise on design, space planning, and construction.

ADRIAN YOUNG, RPA

President

Adrian Young, RPA is responsible for the overall operations, strategic planning, market research/analysis, and the leasing/marketing operations. Under his direction, the company's projects have been successfully leased. He also serves as a public liaison with various banks, brokerage firms, local institutions, and regulatory agencies.

During the past twenty years, Mr. Young has been named as a court-appointed receiver for over one hundred properties throughout California.

Mr. Young earned his degree in Business Management from the University of Southern California. He is a 42-year member of Skull and Dagger, the All University Honor Society of the University of Southern California. During his years at U.S.C. he was the captain of the football team that captured the 1967 National Championship Title. He then played professional football for 7 years.

Before joining Delmar Property Management in 1985, Mr. Young was involved in all stages of real estate investments, including owning, managing, developing and brokering. As a licensed California Real Estate Broker, Mr. Young's experience includes specializing in commercial brokerage with Coldwell Banker in the 70's, investment analysis consulting for the Carson Estate Company and development pro forma analysis for various development companies

MATTHEW YOUNG

CONTROLLER

Matt Young is responsible for the overall management of the accounting department. His duties include the preparation of the monthly property financial packages, annual budgets, annual audits and CAM/Operating Expense reconciliations. The accounting department currently processes payable and receivables for over ten properties, five companies and three foreign partnerships including those of the company. Mr. Young also coordinates all long-term management and financial planning for Delmar Property Management. Delmar Property Management is currently using Windows XP, Microsoft Excel and Microsoft Word and uses Spectra property management software.

Matt joined Delmar in 1995 as a property manager and graduated to the position of Controller in 2002. He currently oversees all financial aspects of the Delmar Companies.

He is a graduate of the Webb Schools in Claremont, California and attended The University of Santa Cruz studying the classics. He is a skilled sailor and has participated in world-class sailing events.

JAN TAYLOR

Property Manager

Jan is responsible for the day to day management of the properties, rent collection and administration of the leases. Jan has experience as an asset manager as well as a principal in properties ranging from Single family to large Multi-family. He is fluent in the legal aspects of Landlord/Tenant law and all of the formwork required by California Real Estate Law. He began as an investor in South Central Los Angeles in 1991 and has been active in Real Estate ever since.

Jan has worked as a property manager for Court appointed Receivers for over three years and his responsibilities include asset preservation, development of scopes of work, contract administration and asset disposal/marketing/sales. He has extensive experience in rehabilitation of property, costs of labor and materials, takeovers both hostile and friendly as well as having delivered over 500 residential and multi-family units as a principal and another 1000+ as an asset manager or property manager.

Jan Taylor graduated with a BA and a MA from the University of California at Irvine, holds a California DRE license and is an avid devotee of Contemporary painting and Architecture. He can read, write and speak Spanish.

QUINN YOUNG

Property Manager

Quinn Young is responsible for all physical aspects of the properties. He is familiar with commercial leases and the implementation of the lease. He regularly visits and inspects the properties and deals with various building and tenant issues. He supervises all recurring maintenance work. He assists in the budgeting process and then works to schedule and implement the work in a timely and professional manner.

Quinn Young has eight years experience as a property manager. He is a graduate of the Webb Schools in Claremont, California. His interests include horsemanship and Hopkido.

Delmar Property Management

ACCOUNTING / REPORTING

We feel an owner should be accurately appraised at all times of the physical and financial state of their property and the market conditions influencing it. In order to provide this service we use a state of the art software package that allows us to track and monitor the operation of your property with the convenience of on-line immediate inquiry. Every invoice paid, cash receipt deposited and journal entry posted can be called to the screen for immediate viewing within seconds. The reporting package generated by the property accounting system, while being comprehensive and complete, remains easy to understand and interpret. The books can be kept on a cash basis or accrual basis. Additionally, reports may be produced to cover activity during any period of time, not just during a month. Reports can be emailed or distributed by hard copy per the owner's request.

The standard reporting package consists of the following project level reports and schedules:

1. Financial Statements
 - Current Month Operating Statement w/ year to date
 - Balance Sheet
 - Cash Flow Statement
 - General Ledger
2. Income Detail:
 - Rent Roll
 - Tenant Income Detail
 - Tenant Aged Receivables Report
 - Narrative of Aged Receivables
2. Expense Detail:
 - Check Register
 - Unpaid invoice detail
 - Copies of Paid Invoices
4. Bank Reconciliation

We have the capability to customize some reports for those users who require them. An up-front planning session may be arranged to establish exact user needs.

REPORTING DESCRIPTIONS

Operating Budget

Operating budgets are completed one to two months before the beginning of each calendar or fiscal year. Projects are budgeted on a zero-based system with detail down to the individual account level. When final budgets are approved, they are downloaded into the property accounting system and form the basis for monthly project performance review.

Rent Roll

The rent roll report displays detailed lease information by lessee for a given project. It can be used to verify lease start and end dates, square feet leased, rental rate and monthly rental amount.

Balance Sheet

The project balance sheet displays asset, liability, and equity balances by major account group as of the beginning of the calendar or fiscal year, and as of the date the report is requested. Additionally, the difference between these two dates (the period activity) is reflected in a change column. The balance sheet allows the user to gain an overview of the project and to review year-to-date balance sheet activity for reasonableness.

Operating Statement with Budget Variance

Project cash flow statements compare all actual project cash flow items by category to budget to arrive at a variance. The analysis is prepared for both current month and year-to-date. Accompanying this report is the variance analysis, which documents the reason and provides explanations for variances over a certain dollar amount. The operating statement and variance report allows the user to quickly review the actual operation of a project as compared to the approved budget.

Aged Receivables / Delinquency Reports

The Aged Receivables Report spreads all outstanding receivables over 30, 60, 90 and 90+ categories by tenant. Clear receivable descriptions are provided as well as the dates the original receivables were billed.

Check Register

This report displays all payments that have been recorded through the accounts payable system. Information is summarized by account and payments are listed in check number order.

Unpaid Invoices/Open Items

The unpaid invoices report displays all payables received on cash basis, but not expensed by check in the current period. When an owner's distribution is calculated, the existing payables are reconciled to acknowledge the expected disbursements.

Bank Reconciliation

In order to maintain the highest degree of accuracy in the accounting records, cash amounts per the general ledger are reconciled to the bank balance on a monthly basis. When the bank statements are received around the 10th of each month, any items in transit are recorded and the bank balance is tied out to the cash balance on the balance sheet.

In addition to these standard reports, other reports are available which provide further detail to the accounting records or provide additional information not generally required on a monthly basis:

1. Trial Balance
2. General Ledger
3. Cash Receipts Journal

Trial Balance

The trial balance lists all accounts and account balances in ascending account number order and strikes a total as a proof that the projects books are in balance.

General Ledger

The General Ledger displays all activity for the year by account. The activity is recorded by activity date and subtotaled by month.

Cash Receipts Journal

This report displays all activity that has been recorded through the accounts receivable system. Information is summarized by lessee and receipts are listed in date order. The report also provides details of how a receipt was applied to the different general ledger income accounts.