CHERRY BLOSSOM APARTMENTS

123 BEALE STREET

MEMPHIS, TENNESSEE

**EXECUTIVE LOAN SUMMARY**

TYPE OF LOAN REQUEST Construction Loan

AMOUNT OF LOAN REQUEST $35,000,000

COST BREAKDOWN $8,000,000 Land

$31,000,000 Hard Costs

$9,000,000 Soft Costs

$2,000,000 Contingency Reserve

TOTAL COST $50,000,000

LOAN-TO-COST RATIO 70.0%

DEVELOPER’S CONTRIBUTION $15,000,000

VALUE OF THE COLLATERAL $68,000,000 upon completion based on the MAI appraiser’s estimate.

LOAN-TO-VALUE RATIO 51.5%

DEBT SERVICE COVERAGE RATIO 1.48 based on a 4.375%, 30-year constant

DISCRIPTION OF THE PROJECT

The proposed loan will be used to build a 148-unit apartment project near the nationally known and very popular Beale Street jazz district. The project will be built around a central plaza, and each unit will enjoy covered underground parking.

RATE AND TERM DESIRED Prime + 1.5%, 1 point, 12 months, with a 6-month option to extend, plus ½ point to Blackburne & Sons.

NAME OF THE BORROWER Cherry Blossom Apartments, LLC

Single-asset entity

100% owner

NAME OF THE GUARANTORS Stephen B. Jazzy

General Contractor

$9,500,000 Net Worth

30% Owner

James D. Bugeyes

Eye Surgeon

$26,000,000 Net Worth

70% Owner