

# Sample Trust Deeds

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FIRST TRUST DEED

188 ROOM  
HOWARD JOHNSON  
HOTEL

HAJ SERVICING, LLC  
AUSTIN, TEXAS



# FIRST TRUST DEED

188 ROOM HOWARD JOHNSON HOTEL | AUSTIN, TX

<b>BORROWER</b>	HAJ Servicing LLC
<b>GUARANTOR</b>	Jason Jones
<b>LOAN AMOUNT</b>	\$2,500,000
<b>SECURITY</b>	First trust deed on the Subject Property (described below)
<b>SUBJECT PROPERTY</b>	188 room Howard Johnson Hotel located at 7800 North I-35, Austin Texas (the hotel is located at the intersection of I-35 and State Highway 183)
<b>DESCRIPTION</b>	The hotel was built in 1974 and consists of 188 standard guest rooms. Guestrooms are accessed through interior corridors and there is a bar, restaurant and large interior courtyard with a pool & spa. The hotel is on a large parcel (5.49 acres) and is located at a major intersection north of downtown Austin. All guestrooms are fully equipped and furnished including linens, televisions, refrigerators and microwave ovens.
<b>VALUE</b>	The hotel was appraised for Hanmi Bank, the former lender, by US Hotel Appraisals as of January 13, 2010 “as is” for \$2,700,000. The appraisal also valued the hotel “when completed”, assuming a full renovation is completed, for \$6,600,000. The appraiser assumes a renovation cost of \$450,000 however the borrower intends to spend a total of over \$1,000,000 in renovations. As of March 26, 2012, the borrower has spent approximately \$350,000 “out of pocket” to renovate the hotel. Full renovation is expected to take approximately 6 months
<b>LTV</b>	58.1% - The proposed loan of \$2,500,000 includes a reserve for renovation of the hotel of approximately \$1,250,000. Assuming the renovation adds only \$1,250,000 (or “dollar for dollar”) to the value of the hotel, the post renovation LTV would be 58.1% (\$2,500,000 proposed loan amount divided by the “as is” value of \$2,700,000 plus \$1,250,000 renovation funds included in the loan plus \$350,000 already spent equals \$4,300,000 “renovated value”). Again, the borrower has spent \$350,000 to date and will spend another \$1,250,000 renovating the property.
<b>YIELD</b>	6% annual interest, paid monthly
<b>TERM</b>	24 Months with two (2) six month extensions to allow the Borrower sufficient time to complete the renovation and either sell or refinance the property
<b>CLOSING</b>	August 10, 2012
<b>TITLE</b>	TBD

## MANAGEMENT/SPONSORSHIP

One of the partners in this project, Jason Jones, began his hospitality career in the 1990's with Carlson Hotels Worldwide and Cendant Corporation. In his capacity with both companies, Mr. Jones was Director of Franchise Sales and Development, responsible for the development of the Day's Inn, Ramada & Howard Johnson's hotel chains in the Western US. More recently, he is focused on hotel brokerage and ownership/management of hotel properties in the Arizona, New Mexico, California, Texas, and Nevada markets.

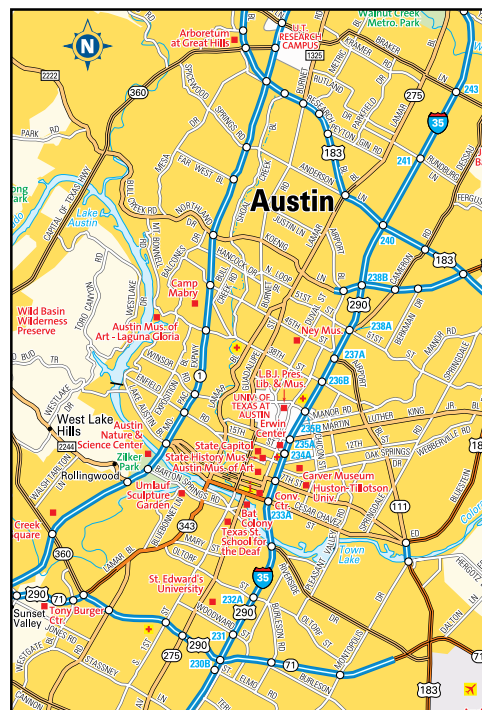
Mr. Jones utilizes Peak Hospitality as his third party management company. Theodore and Walter Barella are founders/owners of Peak Hospitality. Peak and the Barella's have owned and managed dozens of limited service hotels and boutique full service hotels and restaurants in Albuquerque, Santa Fe, Montana, Phoenix and Tucson for over 25 years. In addition to managing their own properties, they provide a full array of third party management services including hotel and food & beverage management as well as construction/renovation management and procurement/installation of hotel FF&E. Mr. Jones in collaboration with Peak will assess and complete the renovation and rebranding process, then implement improved management and oversight of the hotel Subject Property. Please note that Steve Byrne and Andrew Jolley are principals of CapSource and have an equity interest in HAJ Servicing, LLC.

## RECENT HISTORY

The previous lender was Hanmi Bank, a Korean bank located in Los Angeles California. In February 2008, Ceylon Hotels Investment, LLC ("CHI") borrowed \$4,100,000 from Hanmi Bank secured by a first deed of trust on the Subject Property.

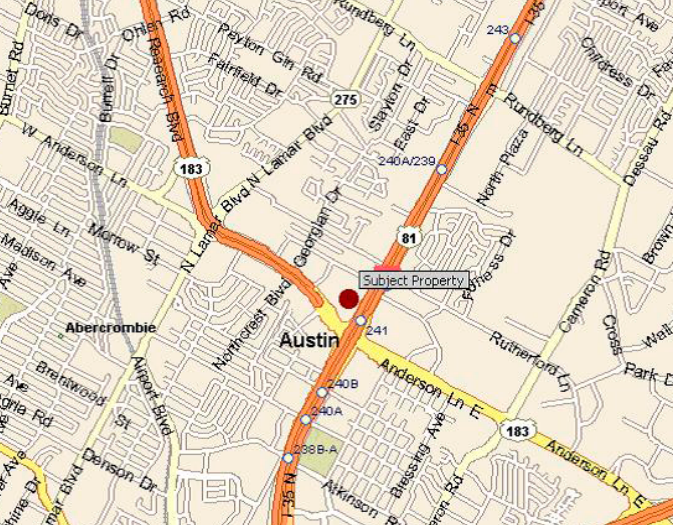
Unfortunately, CHI's timing could not have been worse. The hospitality industry reached the peak of the bubble/cycle in 2007/2008. Though the hospitality industry has bottomed out and begun to recover, this hotel entered the downturn over-leveraged with a borrower who lacked the resources to weather the storm. CHI stopped paying Hanmi and filed bankruptcy in 2009. Typical of many banks in today's market, Hanmi has been divesting of its troubled real estate loans and in late 2011, Mr. Jones purchased the CHI note from Hanmi Bank. Then in January 2012, Mr. Jones was able to obtain a lift of the bankruptcy "stay" and completed foreclosure.

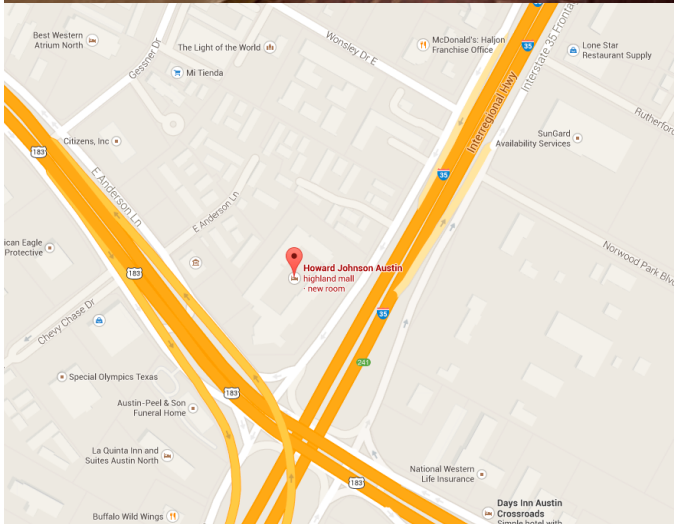
As a result of filing bankruptcy and various other defaults, CHI lost the Howard Johnson flag sometime in either 2009 or 2010. Upon completion of foreclosure, Mr. Jones was able to reinstate the Howard Johnson franchise and has already nearly doubled gross revenues at the property. Revenues for the first three full months of operation under new management (March through June 2012) totaled \$218,500. This was a 78% increase from the \$122,900 in revenue generated for the same three months of 2011. Upon completion of the renovation, Mr. Jones will have less than half as much debt as the previous owner, CHI, and will have a fully renovated property.



# FIRST TRUST DEED

188 ROOM HOWARD JOHNSON HOTEL | AUSTIN, TX





**[HAJ SERVICING, LLC]**

**Loan Application and Borrower Certification:**

I hereby apply for a loan as summarized above.

I certify that all of the above information contained in the above Loan Summary is true and correct and that I have sufficient income, liquidity and cash flow to make the proposed payments as well as all my other obligations.

**My current address is:**

ADDRESS:  
Swoboda Hospitality Specialists  
2942 North 24<sup>th</sup> Street, Suite 114  
Phoenix, AZ 85016

**Borrower:**

\_\_\_\_\_  
HAJ Servicing, LLC  
By: Jason Jones, Member

\_\_\_\_\_  
Jason Jones, Guarantor

**For further information or to subscribe to this offering:**

CapSource, Inc.  
2009 E. Windmill Lane  
Las Vegas, NV 89123  
Phone: (702) 240-0977  
Facsimile: (702) 242-0977

Money invested through a mortgage broker is not guaranteed to earn any interest or return and is not guaranteed. Before investing, investors must be provided applicable documents. Past performance is not necessarily indicative of future results or success.

A minimum investment of \$25,000.00 is required for this transaction

Investor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

\_\_\_\_\_  
CapSource Inc. 2009 E. Windmill Ln. Las Vegas, NV 702.240.0977 Initial \_\_\_\_\_



*Assignment of note secured by*

**FIRST TRUST DEED**

**188 ROOM  
COMFORT INN HOTEL**

**ARH SERVICING, LLC  
ALBERQUERQE, NEW MEXICO**



# FIRST TRUST DEED

118 ROOM COMFORT INN HOTEL | ALBUQUERQUE, NM

<b>BORROWER</b>	ARH Servicing, LLC
<b>GUARANTOR</b>	Jason Jones
<b>LOAN AMOUNT</b>	\$2,200,000
<b>SECURITY</b>	First trust deed on the Subject Property (described below) and the personal guarantee of Jason Jones
<b>SUBJECT PROPERTY</b>	118 room Comfort Inn Hotel located at 2300 Yale Boulevard SE, Albuquerque, New Mexico
<b>DESCRIPTION</b>	<p>The hotel was built in 1985 (last renovated in 1997) and consists of 118 standard guest rooms. Amenities include an outdoor pool &amp; Jacuzzi, in-house laundry facilities, high-speed internet, a breakfast room located in the lobby and complimentary van shuttle service. Guestrooms are accessed through exterior corridors. The hotel is in good condition but is due for a renovation. The borrower intends to complete a renovation of approximately \$600,000. Guestrooms are all fully equipped and furnished including linens. The hotel is built on a 2.18 acre site and has approximately 113 surface parking spaces.</p>
<b>LTV</b>	<p>The Loan to Value for the proposed loan is 68.75% based upon an “as is” broker’s opinion of value (BOV) dated August 10, 2012 for \$3,200,000. After the planned \$600,000 renovation (included in the subject loan proceeds), assuming the renovation adds only “dollar for dollar” to the above “as is” value (\$3,200,000 plus \$600,000 for an “as renovated” value of \$3,800,000), the LTV would be 57.89%. However the BOV provides an estimated “as renovated and stabilized” value of \$4,600,000 which would result in a LTV of 47.83%</p>
<b>YIELD</b>	8.25% annual interest, paid monthly
<b>TERM</b>	12 Months with two six-month extension options if necessary to allow the Borrower sufficient time to complete the renovation and either sell or refinance the property
<b>TITLE</b>	Stewart Title Guaranty Company
<b>CLOSING</b>	September 24, 2012

## RECENT PROPERTY HISTORY

The previous owner of this hotel purchased the property for approximately \$3,085,000 in January 2006. The previous owner borrowed approximately \$2,550,000 at that time. In December 2011, C-III ASSET MANAGEMENT LLC (“C-III”) foreclosed on the hotel, after which Mr. Jones reached an agreement to purchase the hotel from C-III. Despite its condition and having recently gone through foreclosure (December, 2011), the hotel generated over \$1 million in revenue during the past 12 months (July 2011 – June 2012).

Mr. Jones plans to perform a complete renovation of the property immediately, a process that will take approximately six months. The proposed loan of \$2,200,000 includes renovation funds of approximately \$600,000 which will bring the rooms, lobby, hallways, pool, landscaping parking lot and other common areas completely up to date. Therefore, Mr. Jones will have a completely renovated hotel in the strong Albuquerque Airport sub market for considerably less than the previous owner paid for the hotel.

## ALBUQUERQUE

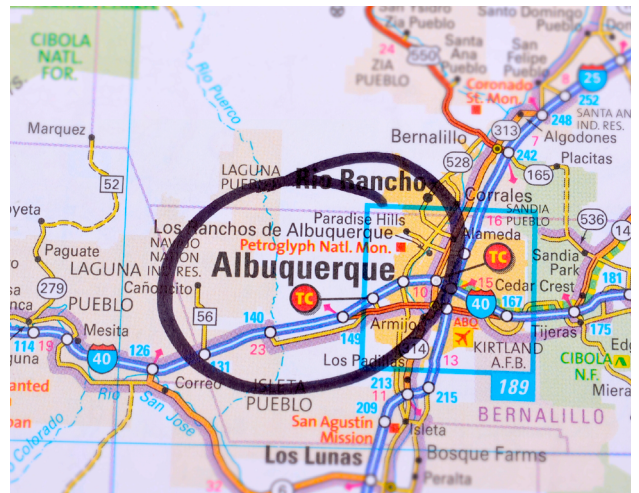
The City of Albuquerque has a population of 552,800 (the greater metropolitan area is nearly 900,000) and is the 32nd largest city in the United States. As of 2007, it was the sixth fastest growing city in the US. Among the major public and private employers that call Albuquerque home are Intel, GE, and General Mills, Sandia National Laboratories (a government research and development lab), Kirtland U.S. Air Force Base (sixth-largest military base in the world). This makes Albuquerque an ideal location for many defense contractors and aviation companies. Other businesses that have located or expanded in Albuquerque in recent years include Gap, Inc., Victoria’s Secret Catalog, Blue Cross/Blue Shield, ClientLogic (technical support for high-tech companies), Tempur-Pedic Mattress and Eclipse Aviation (personal jet manufacturer. Bendix/King, a major avionics supplier, recently selected Albuquerque for its new company headquarters. The city’s labor force is young, skilled, and educated: Albuquerque is notable for its high percentage of advanced degree holders. Albuquerque’s work force is routinely cited for its productivity and unemployment is currently below the national average at 6.4%.



# MANAGEMENT/SPONSORSHIP

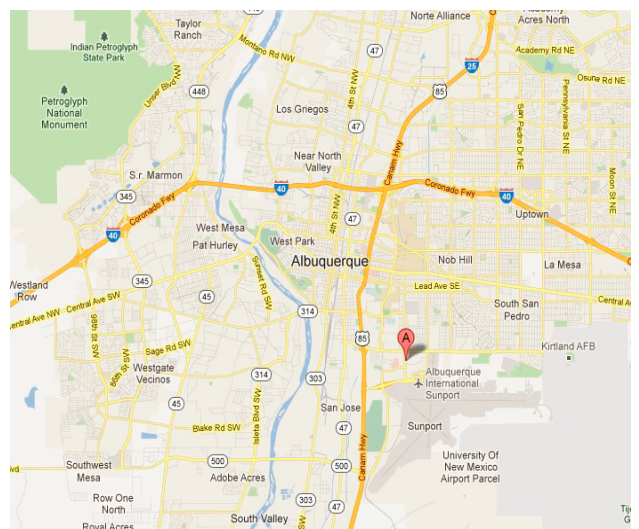
Jason Jones began his hospitality career in the 1990's with Carlson Hotels Worldwide and Cendant Corporation. In his capacity with both companies, Mr. Jones was Director of Franchise Sales and Development, responsible for the development of the Day's Inn, Ramada & Howard Johnson's hotel chains in the Western US. More recently, he is focused on hotel brokerage and ownership/management of hotel properties in the Arizona, New Mexico, California and Nevada markets.

Mr. Jones utilizes Peak Hospitality as his third party management company, who is based in Albuquerque. Theodore and Walter Barela are founders/owners of Peak Hospitality. Peak and the Barela's have owned and managed dozens of limited service hotels and boutique full service hotels and restaurants in Albuquerque, Santa Fe, Montana, Phoenix and Tucson for over 25 years. In addition to managing their own properties, they provide a full array of third party management services including hotel and food & beverage management as well as construction/renovation management and procurement/installation of hotel FF&E. Mr. Jones in collaboration with Peak will assess and complete the renovation and rebranding process, then implement improved management and oversight of the hotel Subject Property. Please note that Steve Byrne and Andrew Jolley are principals of CapSource and have an equity interest in ARH Servicing, LLC.



# HOTEL LOCATION

The property is conveniently located approximately one mile north of the Albuquerque International Airport and about 2.5 miles southeast of Downtown Albuquerque. Primary access to the hotel is provided by Interstate 25. This freeway, commonly known as the Pan-American Highway is the major north/south limited access roadway in the city of Albuquerque. The major east/west arterial in the subject neighborhood is Gibson Boulevard. Interstate 25, University Boulevard SE, and Yale Boulevard SE are the principal north-south arterials serving the neighborhood. The primary east-west arterials include Sunport Boulevard SE, Gibson Boulevard SE and Central Avenue.



# FIRST TRUST DEED

118 ROOM COMFORT INN HOTEL | ALBUQUERQUE, NM



THE FOLLOWING IS A LINK TO THE COMFORT INN/CHOICE HOTEL SITE FOR THIS HOTEL:

[WWW.COMFORTINN.COM/HOTEL-ALBUQUERQUE-NEW\\_MEXICO-NM030](http://WWW.COMFORTINN.COM/HOTEL-ALBUQUERQUE-NEW_MEXICO-NM030)

**[ARH SERVICING, LLC]**

**Loan Application and Borrower Certification:**

I hereby apply for a loan as summarized above.

I certify that all of the above information contained in the above Loan Summary is true and correct and that I have sufficient income, liquidity and cash flow to make the proposed payments as well as all my other obligations.

**My current address is:**

ADDRESS:  
Swoboda Hospitality Specialists  
2942 North 24<sup>th</sup> Street, Suite 114  
Phoenix, AZ 85016

**Borrower:**

\_\_\_\_\_  
ARH Servicing, LLC  
By: Jason Jones, Member

\_\_\_\_\_  
Jason Jones, Guarantor

**For further information or to subscribe to this offering:**

CapSource, Inc.  
2009 E. Windmill Lane  
Las Vegas, NV 89123  
Phone: (702) 240-0977  
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A minimum investment of \$25,000.00 is required for this transaction

Investor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Investor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

CapSource Inc. 2009 E. Windmill Ln. Las Vegas, NV 702.240.0977 Initial \_\_\_\_\_ Initial \_\_\_\_\_



FIRST TRUST DEED  
215 BRIDGE STREET

MIXED USE RESIDENTIAL AND COMMERCIAL DEVELOPMENT  
215 BRIDGE STREET, LLC  
SAN LUIS OBISPO, CALIFORNIA

## PROJECT DESCRIPTION

215 Bridge Street is a mixed use residential and commercial development located less than one mile south of downtown San Luis Obispo, California (“SLO”). The project has an approved tentative tract map and will consist of 18 single family homes and 8 live/work units. The proceeds from this current loan will be used for land acquisition and the development of the 26 building lots, including plans, permits, grading, drainage, utilities, gutters, lighting and all other work necessary to deliver buildable home sites.

## LOCATION SUMMARY

San Luis Obispo is a city of roughly 45,000 located roughly midway between Los Angeles and San Francisco on the Central Coast of California. The city, locally referred to as SLO, is the county seat (population 269,000) of San Luis Obispo County and is adjacent to California Polytechnic State University (Cal Poly). Although the city is relatively small by California’s standards, SLO is known for enjoying a strong economy, high standard of living, high income levels and strong education systems across all grade levels. The area is also known for many attractions such as wine country, sandy beaches, state parks, Hearst Castle, Mission San Luis Obispo de Tolosa and the world-famous Thursday evening farmers’ market. The City of San Luis Obispo website states “Recently named the “Happiest Place in the USA” by National Geographic author Dan Buettner (featured on Oprah), San Luis Obispo’s warm community and small-town charm gives city dwellers a breath of fresh air. With a population of 45,000, San Luis Obispo offers travelers the cultural attractions, shopping and gourmet cuisine befitting of a larger city.”

## MARKET SUMMARY

Due in large part because of the qualities outlined above, the demand for housing in the SLO market is

## FIRST TRUST DEED

215 BRIDGE STREET, SAN LUIS OBISPO, CA

**BORROWER** 215 Bridge Street, LLC

**GUARANTORS** Andrew McDonald

**PROPERTY** 2.67 acres (26 lots) medium density residential and commercial development site located at 215 Bridge St, San Luis Obispo, CA. APN: 004-812-002 with an approved Tentative Tract Map (#2560)

**SECURITY** First Trust Deed on the Property and the personal guaranty of Andrew McDonald

**DESCRIPTION** This current phase of the 215 Bridge Street project includes developing the current 2.67 acre site into 26 finished building lots consisting 8 live/work lots and 18 residential building lots.

**LOAN AMOUNT** \$1,950,000 (\$75,000 per lot)

**VALUE** \$4,640,000 (\$178,462 per lot) based on a Broker’s Price Opinion (“BPO”) completed by Chris Richardson of Richardson Properties dated August 26, 2013.

**LTV** 42%

**YIELD** 7% annual interest, paid monthly

**TERM** 12 months with one six month extension if necessary to provide the borrower with sufficient time to achieve an orderly exit strategy.

October 11, 2013

**CLOSING**

TBD

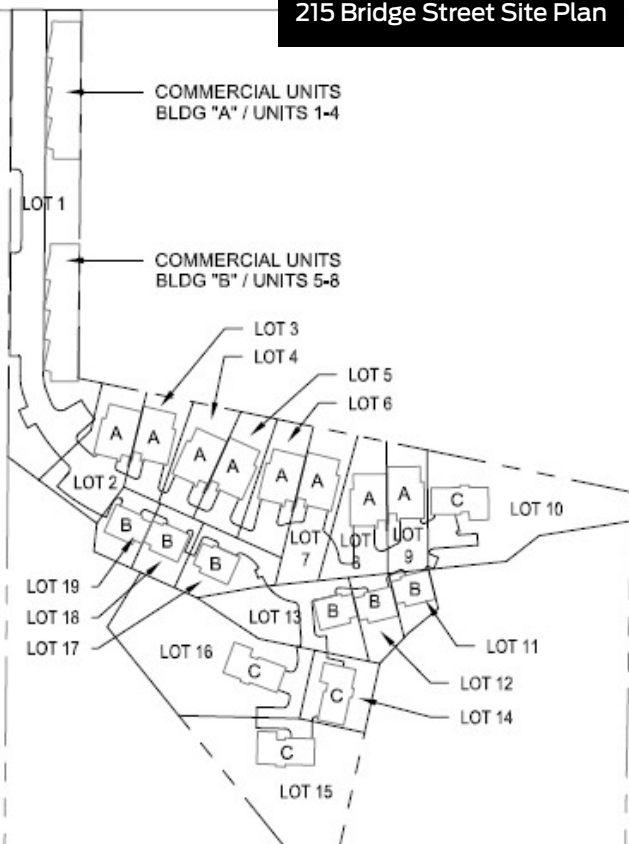
**TITLE**

very strong. According to Trulia (see reference below), the average asking price of homes currently on the market in SLO is \$724,072 and the average sales price of recently sold homes is \$588,700. The BPO done by Richardson Properties states “The Central Coast Market and specifically the San Luis Obispo City market has been improving over the last few quarters and inventory levels have declined to around three months supply. Additionally, as a result of the recent economy and real estate market over the past few years, the supply of new homes has been virtually non-existent.”

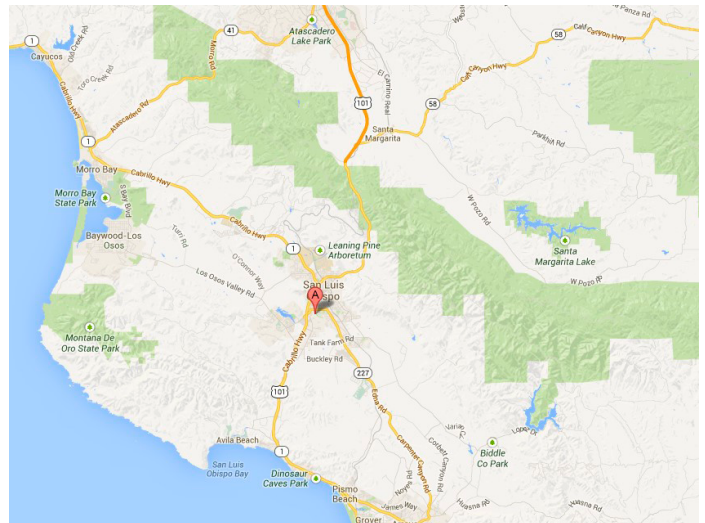
Mr. McDonald intends to take advantage of this incredibly strong demand for new homes by delivering 18 single family homes and 8 live/work units. The sales prices of the homes will range from \$399,000 to \$798,000 and will average \$583,000. The 215 Bridge Street project has previously been approved by the City Council and is now going through final stages of approval and building permit submittal.

## PROJECT MAP

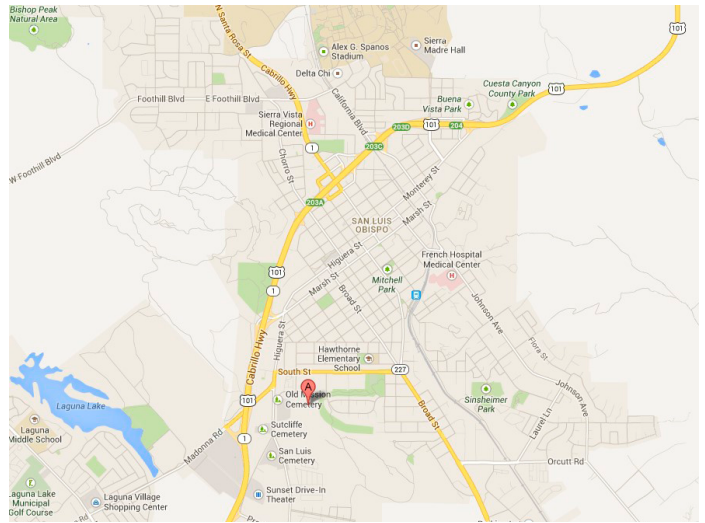
### 215 Bridge Street Site Plan



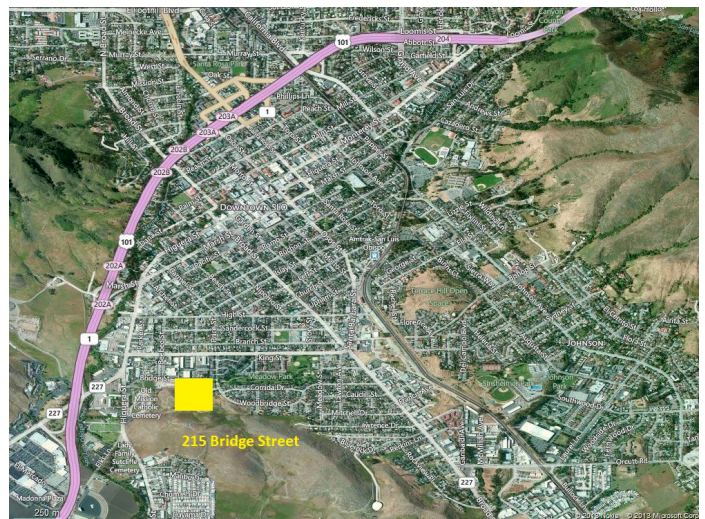
The eight Live/Work units are designated “Commercial Units” and the 18 single family lots are designated Lots 2 – 19.



Regional map of the San Luis Obispo area



Map view of San Luis Obispo with 215 Bridge Street location noted



Area view of San Luis Obispo and the 215 Bridge Street site marked in yellow

## ARTICLES

### ***SLO County's median home price rises to \$415,000 in July***

<http://www.sanluisobispo.com/2013/08/29/2657235/median-home-price-slo-july.html>

**NOTE:** *The figures in this article generally refer to the entire county of San Luis Obispo (SLO). Pricing in the downtown area is significantly higher than the rest of the county. The real estate website Trulia indicates that as of August 29, 2013, the average asking price for resale homes SLO City is \$724,072 and the average sales price of recently sold homes is \$588,700. Source: Trulia.com, [http://www.trulia.com/real\\_estate/San\\_Luis\\_Obispo-California/market-trends/](http://www.trulia.com/real_estate/San_Luis_Obispo-California/market-trends/)*

### ***Marsh Street Commons in SLO will be ready for occupants by year's end***

[http://www.sanluisobispo.com/2013/07/31/2609756\\_marsh-street-commons-in-slo-will.html](http://www.sanluisobispo.com/2013/07/31/2609756_marsh-street-commons-in-slo-will.html)





Rendering of the eight Live/Work units.





[215 BRIDGE STREET, LLC]

**Loan Application and Borrower Certification:**

I hereby apply for a loan as summarized above. I certify that all of the above information contained in the above Loan Summary is true and correct and that I have sufficient income, liquidity and cash flow to make the proposed payments as well as all my other obligations.

**My current address is:**

1130 Garden Street Unit 200  
San Luis Obispo, Ca 93401

**Borrower:**

\_\_\_\_\_  
215 Bridge Street, LLC

\_\_\_\_\_  
Andrew McDonald, Guarantor

**For further information or to subscribe to this offering:**

Capsource, Inc.  
MLD License # 1223 / NMLS ID: 364788  
2009 E. Windmill Lane  
Las Vegas, NV 89123  
Phone: (702) 240-0977  
Facsimile: (702) 242-0977

Money invested through a mortgage broker is not guaranteed to earn any interest or return and is not guaranteed. Before investing, investors must be provided applicable documents. Past performance is not necessarily indicative of future results or success.

A minimum investment of \$25,000.00 is required for this transaction

Investor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Investor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_



*Assignment of note secured by*  
**FIRST TRUST DEED**

# 200 UNIT Apartment Complex

**GMACCM, LLC  
LAS VEGAS, NEVADA**



*Assignment of note secured by*

## FIRST TRUST DEED

200 UNIT APARTMENT COMPLEX | LAS VEGAS, NV

<b>Borrower</b>	GMACCM Note Pass Through 2001, LLC (the Subject Borrower)
<b>Guarantor</b>	Richard Crighton (the Subject Guarantor)
<b>Loan Amount</b>	\$4,650,000 (the Subject Loan)
<b>Security</b>	Collateral Assignment of the Underlying Note (see full description of the Underlying Note below) and the personal guaranty of Richard Crighton
<b>Underlying Note</b>	The Underlying Note is dated December 19, 2000 in the name of Marion Manor Associates, LLC (the Underlying Borrower) and is secured by a first lien on the Subject Property, an assignment of rents and is personally guaranteed by Albert Lin (see below for details regarding the Subject Property)
<b>Subject Property</b>	In an attempt to reduce its real estate loan portfolio, the bank holding the Underlying Note (Wells Fargo Bank, successor to GMAC Commercial Mortgage), sold the Underlying Note to Mr. Crighton
<b>Description</b>	4700 East Charleston Boulevard, Las Vegas, NV (APN#'s 140-32-402- 001 and 002). The Subject Property is a 200 unit apartment complex known as the Marion Manor Apartments located at 4700 East Charleston Boulevard between Lamb Boulevard and Nellis Boulevard Las Vegas, Nevada.
<b>Value</b>	<p>The project is comprised of seven buildings located on two adjacent parcels. The project was built in 1980 and is situated on a total of 7.95 acres</p> <p>The current "as is" value of the property is \$6,700,000 (\$33,500/unit) according to Luke Adamo of the Britton-Adamo Group/ROI Appraisals as of October 18, 2011. See Additional Comments/Value below for further discussion of property value</p>
<b>LTV</b>	69.4% of the "as-is" value
<b>Yield</b>	9.25% annual interest, paid monthly
<b>Term</b>	18 months with two six month extensions if necessary to provide the borrower with sufficient time to achieve an orderly exit strategy
<b>Closing</b>	January 31, 2012
<b>Title</b>	Lawyers Title, Henderson, NV. Escrow Officer Natalie Bradley

## ADDITIONAL COMMENTS

This apartment complex has been owned by the Underlying Borrower since March 2002. At that time, the Underlying Borrower obtained a first lien in the amount of \$6,140,000 from GMAC. The Underlying Loan went onto default in March 2011 at which time Wells Fargo sought and received court approval to appoint a receiver (Greystar Management) to run the property and prevent the borrower from taking revenue from the property while in default. In May 2011, Wells Fargo filed a notice of default, starting the foreclosure process which takes a total of approximately 120 days. Wells Fargo has not completed the foreclosure pending sale of the note to Mr. Crighton, however foreclosure could be completed in less than 30 days after closing on this loan.

The area surrounding the Subject Property is heavily developed with apartment complexes of similar age and size to the Subject Property. The property benefits from its proximity to major arterials (Charleston and Nellis Boulevards and I-95), bus lines, Nellis Air Force Base, and the Las Vegas Strip. Occupancies in the area are running in the 85% to 95%+ range. However, the Subject Property is suffering from a lack of capital necessary to maintain the units in rentable condition.

Currently the property is running at approximately 35% occupancy. However, nearly half of the units are currently in un-rentable condition. Therefore if only the “rentable” units are considered, the property is actually running at 70% of “available” units. Greystar feels that if the property was properly maintained, occupancy could easily be restored to the 85% to 95% occupancy range of the surrounding market.

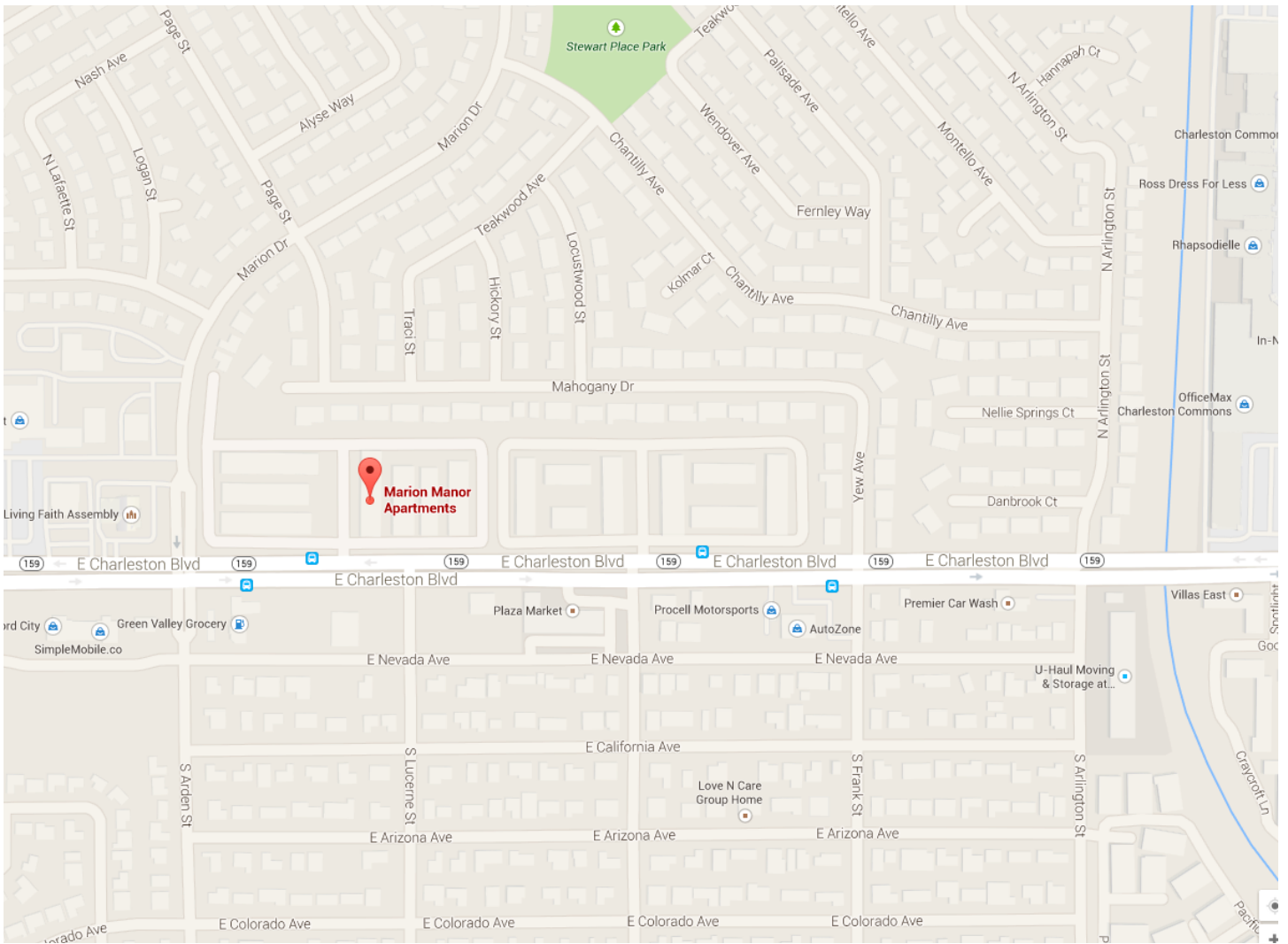
At the current 35% occupancy level (approximately 70 units rented), the property is generating approximately \$40,000 in gross monthly rental income (average rents are between \$475.00 and \$675.00 per month). The Underlying Note is secured by an assignment of these rents and the court appointed receiver is in place to capture these revenues for the benefit of the lender (Mr. Crighton). As soon as this transaction closes, Mr. Crighton will complete the foreclosure process, collect rents and begin the renovations necessary to revive the property.

## VALUE

The Subject Loan is \$4,650,000 (\$23,250/unit). The Underlying Borrower paid \$7,300,000 (\$36,500/unit) for the property in March 2002 (well before the real estate bubble). At the time the Underlying Loan was made in December 2000, GMAC Commercial valued the property at \$7,750,000 (\$38,750/unit). At the peak of the market in 2007, apartments in this area of Las Vegas were selling in the \$50,000 to \$75,000 per unit range.

However, the proposed loan includes approximately \$750,000 in capital improvement funds which will increase the value of the property above that “as is” value. Assuming the value after renovation is only \$7,450,000 (the “as-is” value of \$6,700,000 plus the renovation costs of \$750,000) the LTV would be 62.5%. This assumes the renovation only adds to the value on a dollar for dollar basis. However, the renovations should add well over \$1,000,000 in value based on higher occupancy and rents commensurate with the neighborhood.





**Marion Manor Apartments**  
 700 E Charleston Blvd  
 Las Vegas, NV 89104  
 (702) 459-0310

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[GMACCM, LLC]

**Loan Application and Borrower Certification:**

I hereby apply for a loan as summarized above.

I certify that all of the above information contained in the above Loan Summary is true and correct and that I have sufficient income, liquidity and cash flow to make the proposed payments as well as all my other obligations.

**My current address is:**

ADDRESS:  
2015 E. Windmill Ln.  
Las Vegas, NV 89123

**Borrower:**

\_\_\_\_\_  
GMACCM Note Pass Through 2001, LLC  
By: GMACCM Note Pass Through Trust, Manager  
By: Chris Shelton, Trustee

\_\_\_\_\_  
Richard Crighton, Guarantor

**For further information or to subscribe to this offering:**

Capsource, Inc.  
2009 E. Windmill Lane  
Las Vegas, NV 89123  
Phone: (702) 240-0977  
Facsimile: (702) 242-0977

Money invested through a mortgage broker is not guaranteed to earn any interest or return and is not guaranteed. Before investing, investors must be provided applicable documents. Past performance is not necessarily indicative of future results or success.

A minimum investment of \$10,000.00 is required for this transaction

Investor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

CapSource Inc. 2009 E. Windmill Ln. Las Vegas, NV 702.240.0977

Initial \_\_\_\_\_



(702) 240-0977

(877) 399-3959

2009 E. Windmill Ln.

Las Vegas, NV 89123

[www.gregherlean.com](http://www.gregherlean.com)

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