

LEASE VS. BUY COMPARISON

PAGE #:

DATE: 10/16/2007

COMPARISON OF LEASE VERSUS BUY / BILLING PERIOD IS AUGUST - JULY

COMPARISON TERM = 8/1/2004 - 1/31/2015 - 126 MONTHS

BILL PERIOD	1	2	3	4	5	6	7	8	9	10	11
YEAR ENDING DATE	7/31/2005	7/31/2006	7/31/2007	7/31/2008	7/31/2009	7/31/2010	7/31/2011	7/31/2012	7/31/2013	7/31/2014	1/31/2015

PRE-TAX LEASE COST	COMMENTS:	8/1/2004	EXPIRE:	1/31/2015	TERM:	10 YEARS 6 MONTHS	SQ FT:	4,000
PER ANNUM TOTAL		61,803	96,549	98,846	101,233	103,632	106,121	113,939
CUMULATIVE TOTAL		61,803	158,353	257,199	358,432	462,064	568,185	788,101

PRE-TAX BUY COST	COMMENTS:	8/1/2004	EXPIRE:	1/31/2015	TERM:	10 YEARS 6 MONTHS	SQ FT:	4,000
PER ANNUM TOTAL		179,835	95,141	95,677	96,224	96,783	97,352	99,130
CUMULATIVE TOTAL		179,835	274,775	370,452	466,677	563,460	660,812	857,270

DIFFERENTIAL	(PRE TAX LEASE COST MINUS PRE TAX BUY COST)
PER ANNUM TOTAL	(117,831)
CUMULATIVE TOTAL	(116,422)

TOTALS	PRE TAX LEASE COST	PRE TAX BUY COST	DIFFERENTIAL
TOTAL COST	\$1,078,334	\$777,264	\$301,070
PRESENT VALUE @ 8.00%	\$740,105	\$632,713	\$77,392
AVERAGE COST PER ANNUM	\$102,698	\$74,025	\$28,673
NET EFFECTIVE RATE P/A @ 8.00%	\$89,513	\$88,667	\$10,846
RSF - AVERAGE COST PER ANNUM	\$25.67	\$18.51	\$7.17
RSF - NET EFFECTIVE RATE P/A @ 8.00%	\$24.88	\$22.17	\$2.71

*PV AND AMORTIZATION IS CALCULATED MONTHLY ASSUMING A BEGINNING OF MONTH PAYMENT
 *NET EFFECTIVE RATE = THE PRESENT VALUE AMORTIZED OVER 126 MONTHS (THE TERM) @ 8.00%

ALTHOUGH ALL INFORMATION FURNISHED REGARDING PROPERTY FOR SALE, RENTAL OR FINANCING IS FROM SOURCES DEEMED RELIABLE, SUCH INFORMATION HAS NOT BEEN VERIFIED AND NO EXPRESS REPRESENTATION IS MADE NOR IS ANY TO BE IMPLIED AS TO THE ACCURACY THEREOF, AND IT IS SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER CONDITIONS PRIOR TO SALE, LEASE OR FINANCING, OR WITHDRAWAL NOTICE.

ASSUMPTIONS & TOTALS

DATE: 3/4/2004 PAGE #:

PROJECTED COSTS FOR PURCHASING University Pointe MOB III

ASSUMPTIONS

BUILDING RENTABLE AREA
 University Pointe MOB III
 4,000
COMMENCE: 8/1/2004
EXPIRE: 1/31/2015
TERM: 10 YEARS 6 MONTHS (126 MOS)
DISC RATE: 8.00%

MORTGAGE #1
AMOUNT \$702,000
RATE 7.00%
TERM 240
POINTS AT SALE 1.00%
REMAINING DEBT \$452,263

**AMORTIZATION OF MORTGAGES IS CALCULATED MONTHLY ASSUMING AN END OF MONTH PAYMENT

OPERATING
BASE INCREASE
AMOUNT \$6.50
RATE 2.00%
OCURS 1/1/2005

ADDITIONAL COSTS
 Janitorial
TOTAL \$7.88

PURCHASE COST

BUILDING COST 700,000 (\$175.00 PSF)
IMPROVEMENT COST 80,000 (\$20.00 PSF)
PROJECT COST 780,000 (\$195.00 PSF)
DOWN PAYMENT FINANCED AMOUNT 78,000 (10.00% OF PROJECT COST)
FINANCED AMOUNT 702,000 (90.00% OF PROJECT COST)
SALE
(A) SALE PRICE = 840,000
(B) COST OF SALE = 58,800 (7.00% OF A)
(C) ADJUSTED SALE PRICE = 781,200 (A MINUS B)

COMMENTS

FIRE TAX TOTALS

TOTAL COST \$777,264
PRESENT VALUE @ 8.00% \$632,713
AVERAGE COST PER ANNUM \$74,025
NET EFFECTIVE RATE PER ANNUM @ 8.00% (ANNUITY)* \$88,667
RSF - AVERAGE COST PER ANNUM \$18.51
RSF - NET EFFECTIVE RATE PER ANNUM @ 8.00% (RSF ANNUITY)* \$22.17

PRESENT VALUE AND AMORTIZATION IS CALCULATED MONTHLY ASSUMING A BEGINNING OF MONTH PAYMENT
 THE NET EFFECTIVE RATE PER ANNUM = THE PRESENT VALUE AMORTIZED OVER 126 MONTHS @ 8.00%

CASH FLOW

PROJECTED COSTS FOR PURCHASING University Pointe MOB III / BILLING PERIOD IS AUGUST 1 - JULY

SQUARE FEET: 4,000 TERM: 10 YEARS 6 MONTHS - 126 MONTHS COMMENCE: 8/1/2004 EXPIRE: 1/31/2015

BILLING PERIOD	1	2	3	4	5	6	7	8	9	10	11	TOTALS	%
YEAR ENDING DATE	7/31/2005	7/31/2006	7/31/2007	7/31/2008	7/31/2009	7/31/2010	7/31/2011	7/31/2012	7/31/2013	7/31/2014	1/31/2015		
MORTGAGE #1 PRINCIPAL	\$4.18	\$4.48	\$4.80	\$5.15	\$5.52	\$5.92	\$6.35	\$6.81	\$7.30	\$7.82	\$4.12	\$249,737	32.13%
MORTGAGE #1 INTEREST	\$12.15	\$11.85	\$11.53	\$11.18	\$10.81	\$10.41	\$9.98	\$9.52	\$9.03	\$8.50	\$4.04	\$436,030	56.10%
LOAN POINTS	\$1.76											\$7,020	0.90%
DOWN PAYMENT	\$19.50											\$78,000	10.04%
OPERATING	\$6.58	\$6.71	\$6.84	\$6.98	\$7.12	\$7.26	\$7.41	\$7.55	\$7.70	\$7.86	\$3.97	\$303,914	39.10%
Janitorial	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.38	\$31,500	4.05%
SALE PRICE													
DEBT AT SALE													
COST OF SALE													
(A) PER SQ FT TOTAL	\$44.91	\$23.79	\$23.92	\$24.06	\$24.20	\$24.34	\$24.48	\$24.63	\$24.78	\$24.94	-\$69.72	\$777,264	100%
PER ANNUM TOTAL	179,635	95,141	95,677	96,224	96,783	97,352	97,933	98,525	99,130	99,746	-278,882		
CUMULATIVE TOTAL	179,635	274,775	370,452	466,677	563,460	660,812	758,745	857,270	956,400	1,056,146	777,264		

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ASSUMPTIONS	DATE
COMMENCE	6/1/2004
EXPIRE	11/30/2014
TERM (126 MONTHS)	10 YEARS
DISCOUNT RATE	6 MONTH(S) 8.00%
RENTABLE SF	6,115
LOSS FACTOR	10.71%
USABLE AREA	5,460
ADD ON FACTOR	1.12000

LL CONTRIBUTION	1	2	3	4	5	6	7	8	9	10	11	TOTALS
5/31/2005	5/31/2006	5/31/2007	5/31/2008	5/31/2009	5/31/2010	5/31/2011	5/31/2012	5/31/2013	5/31/2014	11/30/2014		
RVNTBL SF	\$40.00											
AGG CONTR	\$244,608											
USABLE SF	\$44.80											
BASE AMT	\$5.50											
INCR %	3.00%											
INCR BEGINS	1/1/2005											
NET ESCALATION												
BS RENT PRE FREE RENT	\$15.75	\$16.07	\$16.39	\$16.71	\$17.05	\$17.39	\$17.74	\$18.09	\$18.45	\$18.82	\$19.60	1,113,333
FREE RENT MONTHS	6.00											6.00
BS RENT POST FREE RENT	\$7.88	\$16.07	\$16.39	\$16.71	\$17.05	\$17.39	\$17.74	\$18.09	\$18.45	\$18.82	\$19.60	1,065,176
	\$5.57	\$5.74	\$5.91	\$6.09	\$6.27	\$6.46	\$6.65	\$6.85	\$7.05	\$7.27	\$7.70	412,992
PER SQ FT TOTAL	\$13.44	\$21.81	\$22.30	\$22.80	\$23.32	\$23.85	\$24.39	\$24.94	\$25.50	\$26.09	\$26.09	1,478,168
MONTHLY AVERAGE	6,851	11,112	11,363	11,616	11,883	12,152	12,429	12,709	12,997	13,293	13,551	
PER ANNUM TOTAL	82,211	133,347	136,366	139,397	142,592	145,821	149,146	152,506	155,964	159,521	163,306	
CUMULATIVE TOTAL	82,211	215,558	351,914	491,311	633,903	779,724	928,870	1,081,376	1,237,341	1,396,861	1,478,168	

TOTALS	COMMENTS
\$1,478,168	TOTAL RENT
\$973,188	PRESENT VALUE @ 8.00%
\$140,778	AVERAGE COST PER ANNUM
\$136,381	NET EFFECTIVE RATE PER ANNUM @ 8.00% (ANNUITY)*
\$23.02	RSF - AVERAGE COST PER ANNUM
\$22.30	RSF - NET EFFECTIVE RATE PER ANNUM @ 8.00% (RSF ANNUITY)*
\$25.78	USF - AVERAGE COST PER ANNUM
\$24.98	USF - NET EFFECTIVE RATE PER ANNUM @ 8.00% (USF ANNUITY)*
\$1.09	(A) IF YOU GAVE BACK THE 6.00 MOS OF FREE RENT, YOU COULD REDUCE YOUR BASE RENT BY IN EACH YEAR. (PV OF 6.00 MOS AMORTIZED OVER 126 MOS @ 8.00%)
\$5.61	(B) IF YOU GAVE BACK THE \$40.00 CONTRIB FROM THE LL, YOU COULD REDUCE YOUR BASE RENT BY IN EACH YEAR. (\$40.00 AMORTIZED OVER 126 MOS @ 8.00%)
\$6.69	TOTAL ANNUAL RENT DUE TO CONCESSIONS (SUM OF A + B)
	PV AND AMORTIZATION IS CALCULATED MONTHLY ASSUMING A BEGINNING OF MONTH PAYMENT
	*THE NET EFFECTIVE RATE = THE PRESENT VALUE AMORTIZED OVER 126 MONTHS @ 8.00%

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LEASE VS. BUY COMPARISON

DATE: 8/19/2007 PAGE #:

COMPARISON OF LEASE VERSUS BUY / BILLING PERIOD IS AUGUST - JULY

COMPARISON TERM = 8/1/2004 - 1/31/2015 - 126 MONTHS

BILL PERIOD YEAR ENDING DATE	1	2	3	4	5	6	7	8	9	10	11
PRE-TAX LEASE COST	7/31/2005	7/31/2006	7/31/2007	7/31/2008	7/31/2009	7/31/2010	7/31/2011	7/31/2012	7/31/2013	7/31/2014	1/31/2015
PER ANNUM TOTAL	61,803	96,549	98,846	101,233	103,632	106,121	108,662	111,254	113,939	116,675	59,620
CUMULATIVE TOTAL	61,803	158,353	257,199	358,432	462,064	568,185	676,846	788,101	902,039	1,018,714	1,078,334
EXPIRE: 8/1/2004											
EXPIRE: 1/31/2015											
TERM: 10 YEARS 6 MONTHS											
SQ. FT.: 4,000											
PER ANNUM TOTAL	179,635	95,141	95,677	96,224	96,783	97,352	97,933	98,525	99,130	99,746	338,501
CUMULATIVE TOTAL	179,635	274,775	370,452	466,677	563,460	660,812	758,745	857,270	956,400	1,056,146	301,070
EXPIRE: 8/1/2004											
EXPIRE: 1/31/2015											
TERM: 10 YEARS 6 MONTHS											
SQ. FT.: 4,000											
PER ANNUM TOTAL	(117,831)	1,409	3,169	5,009	6,849	8,789	10,729	12,729	14,809	16,929	338,501
CUMULATIVE TOTAL	(117,831)	(116,422)	(113,254)	(108,245)	(101,396)	(92,627)	(81,898)	(69,169)	(54,361)	(37,432)	301,070
DIFFERENTIAL											
(PRE TAX LEASE COST MINUS PRE TAX BUY COST)											

TOTALS	PRE TAX LEASE COST	PRE TAX BUY COST	DIFFERENTIAL
TOTAL COST	\$1,078,334	\$777,264	\$301,070
PRESENT VALUE @ 8.00%	\$710,105	\$632,713	\$77,392
AVERAGE COST PER ANNUM	\$102,698	\$74,025	\$28,673
NET EFFECTIVE RATE PIA @ 8.00%	\$99,513	\$98,667	\$10,846
RSF - AVERAGE COST PER ANNUM	\$25.67	\$18.51	\$7.17
RSF - NET EFFECTIVE RATE PIA @ 8.00%	\$24.88	\$22.17	\$2.71

*PV AND AMORTIZATION IS CALCULATED MONTHLY ASSUMING A BEGINNING OF MONTH PAYMENT
 *NET EFFECTIVE RATE = THE PRESENT VALUE AMORTIZED OVER 126 MONTHS (THE TERM) @ 8.00%

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3 DEAL COMPARISON

DATE: 6/19/2007 PAGE #:

COMPARISON OF PROJECTED COSTS

ASSUMPTIONS

Kenwood Crossing The Exchange

	NorthCreek Office Park		
COMMENCE	1/1/2004	6/1/2003	6/1/2003
EXPIRATION	6/30/2014	11/30/2010	7/31/2010
TERM	10 YRS 6 MOS	7 YRS 6 MOS	7 YRS 2 MOS
FLOOR		200	
RENTABLE	5,000	4,134	4,000
LOSS FACTOR		13.04%	9.09%
USABLE AREA		3,595	3,636
ADD ON FACTOR		1,15000	1,10000
AVG BASE RENT	\$17.34	\$10.19	\$11.03
# MOS FREE RENT	6.00		2.00
\$ VALUE FREE RENT	\$7.88		\$1.58
LL CASH CONTRIB	\$40.00	\$18.00	\$20.00
ELECTRIC \$		\$1.30	\$1.30
ESCALATION 1 BS YR			
	NET COST	NET COST	NET COST

TOTALS

	TENANT REP (PRE) DISC RATE = 8.00%	TENANT REP (PRE) DISC RATE = 8.00%	TENANT REP (PRE) DISC RATE = 8.00%
TOTAL DOLLARS	\$1,204,661	\$598,551	\$538,384
PRESENT VALUE	\$793,102	\$443,359	\$404,919
AVERAGE COST P/A	\$114,730	\$79,807	\$75,123
NET EFFECTIVE P/A	\$111,144	\$78,281	\$73,927
RSF AVERAGE COST	\$22.95	\$19.30	\$18.78
RSF NET EFFCTV P/A	\$22.23	\$18.94	\$18.48
USF AVERAGE COST		\$22.20	\$20.66
USF NET EFFCTV P/A		\$21.78	\$20.33

THE NET EFFECTIVE RATE PER ANNUM = THE PRESENT VALUE AMORTIZED OVER THE TERM AT THE DISCOUNT RATE SHOWN FOR EACH DEAL.

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CASH FLOW

DATE: 6/19/2007 PAGE #:

COMPARISON OF PER ANNUM CASH FLOWS / BILLING PERIOD IS JUNE - MA

COMPARISON TERM = 6/1/2003 - 6/30/2014 - 11 YEARS 1 MONTHS - 133 MONTHS

BILLING PERIOD	1	2	3	4	5	6	7	8	9	10	11	12
YEAR ENDING DATE	5/31/2004	5/31/2005	5/31/2006	5/31/2007	5/31/2008	5/31/2009	5/31/2010	5/31/2011	5/31/2012	5/31/2013	5/31/2014	6/30/2014
# OF MONTHS	12	12	12	12	12	12	12	12	12	12	12	1

Kenwood Crossing	11,458	100,698	109,696	112,156	114,684	117,297	119,958	122,676	125,444	128,292	131,221	11,080
1/1/2004 - 6/30/2014 - 10 YRS 6 MOS												
AGGREGATE \$	\$1,204,661											
PV @ 8.00% AS OF 6/1/2003	\$757,058					\$102,535						

NorthCreek Office Par	55,344	77,926	79,907	81,914	83,991	86,096	88,314	45,059				
6/1/2003 - 11/30/2010 - 7 YRS 6 MOS												
AGGREGATE \$	\$598,551											
PV @ 8.00% AS OF 6/1/2003	\$443,359					\$78,281						

The Exchange	61,167	70,229	72,980	75,753	78,550	81,370	84,215	14,119				
6/1/2003 - 7/31/2010 - 7 YRS 2 MOS												
AGGREGATE \$	\$538,384											
PV @ 8.00% AS OF 6/1/2003	\$404,919					\$73,927						

PRESENT VALUE IS CALCULATED MONTHLY ASSUMING A BEGINNING OF MONTH PAYMENT

THE NET EFFECTIVE RATE PER ANNUM (ANNUITY) IS CALCULATED BY AMORTIZING THE PV OVER THE STATED TERM

ALTHOUGH ALL INFORMATION FURNISHED REGARDING PROPERTY FOR SALE, RENTAL OR FINANCING IS FROM SOURCES DEEMED RELIABLE, SUCH INFORMATION HAS NOT BEEN VERIFIED AND NO EXPRESS REPRESENTATIONS MADE NOR IS ANY TO BE IMPLIED AS TO THE ACCURACY THEREOF, AND IT IS SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER CONDITIONS PRIOR SALE, LEASE OR FINANCING, OR WITHDRAWAL NOTICE

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