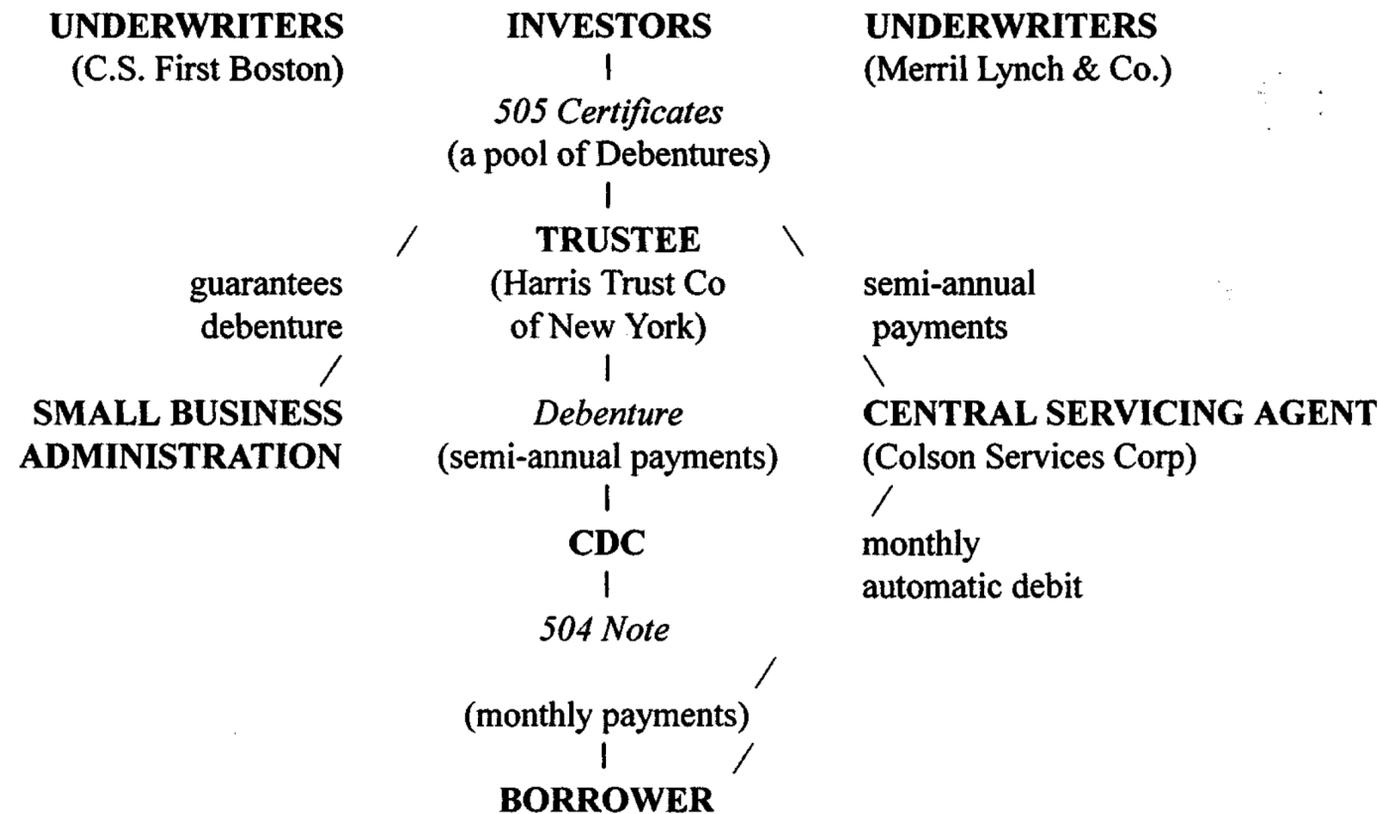


OVERVIEW OF 504 FUNDING



The funds that are loaned to you by the CDC come from Investors. The CDC must borrow the money from the Investors. In order to obtain a funding of the CDC's loan from the Investors, the CDC promises to repay these funds by signing a debenture. The Trustee pools the debenture from your loan together with other 504 loans to form 505 Certificates. The money is funded by the Investors when they purchase an ownership interest in all or a portion of these 505 Certificates.

1. **Investors** - purchase 505 Certificates
2. **Underwriter** (receives the Underwriter's Fee) - markets the 505 Certificates to the Investors and create and maintain an active secondary market in 505 certificates
3. **Trustee** (receives the Funding Fee) - issues 505 Certificates to Investors; receives the semi-annual payments from the Central Servicing Agent, and remits payments of principal, interest, and prepayment premiums to the 505 Certificate holders
4. **Central Servicing Agent** (waived their fee) - receives and distributes the proceeds of the Debenture sale, net of the Underwriter's Fee; receives the monthly 504 Note payments; remits the semi-annual Debenture payments to the Trustee
5. **CDC** (receives the CDC Processing Fee) - Borrows money from the Investors to re-loan to you; packages and closes the loan; obtains SBA's approval for funding
6. **SBA** (receives the Guarantee Fee) - approves paperwork for the 504 loan; guarantees the repayment of the debenture.

OVERVIEW OF 504 LOAN TERMS

Following are some of the terms of your \$315,000.00 SBA loan. This is not intended to be an exhaustive list, but merely as illustrative of some of the major issues.

1. **Who will be obligated to repay my loan?** K & S FORDJOUR FAMILY, L.P. will be legally obligated to repay the \$315,000.00 loan.
2. **The security for the Loan will be:**
 - a. a Deed of Trust of even date herewith, from K & S FORDJOUR FAMILY, L.P., a Texas limited partnership, grantor, to WILLIAM M. COOK, trustee, for the benefit of GREATER EAST TEXAS CERTIFIED DEVELOPMENT CORPORATION, against the following-described real property collateral, to wit:

Being Lot 1, of FORDJOUR MEDICAL COMPLEX, an Addition to the City of DeSoto, Dallas County, Texas, according to the Plat thereof filed 06/18/2010, recorded under cc# 201000153294, Real Property Records, Dallas County, Texas.
 - b. an Assignment of Rent, Income, and Receipts of even date herewith, from K & S FORDJOUR FAMILY, L.P., a Texas limited partnership, assignor, to GREATER EAST TEXAS CERTIFIED DEVELOPMENT CORPORATION, assignee, against the above-described real property collateral.
 - c. one or more Unconditional Guarantees (SBA Form 148) of even date herewith signed by KUSI FORDJOUR, M.D., P.A., AKASA INVESTMENTS, LLC, KUSI FORDJOUR, and STEPHANIE FORDJOUR.
3. **When will my loan fund?**
 - a. **The funding date for your loan has not yet been set.** At this time we project your Funding Date to be May 11, 2011.
 - b. **The SBA's approval is required before a funding date will be set.** Your loan will fund after the SBA approves the loan for funding. The SBA will approve the loan when it is satisfied that all of the conditions contained in the Authorization for Debenture Guarantee have been met. Some of these conditions are beyond our control so we can not guarantee that your loan will fund in a particular month.
 - c. **What are the possible funding dates for the loan?** Your loan can fund once each month on Wednesday of the second full week of the month.
 - d. **What is required before the loan will fund in a particular month?** In order for the loan to fund in a particular month, the SBA must approve the loan for funding by a certain date in the month prior to the Funding Date.
4. **What will the interest rate be in my loan?**
 - a. **There will be two (2) rates associated with your loan.** The two rates are called the Interest Rate (or Note Rate) and the Effective Rate. The

Effective Rate is the rate you should be most concerned with because it is the rate that determines your monthly payments.

- b. **There are three (3) Components that make up the two rates.** The three components are:
- i. the 10 year Treasury Market Rate in effect on the Pricing Date (the Pricing Date is normally 8 days prior to the Funding Date),
 - ii. a spread of between ½% and 1½%; and
 - iii. the servicing fees and guarantee fees you will pay as a part of your note payments.
- c. **Interest Rate (Note Rate).** The Interest Rate will be established by adding a "spread" of between ½% and 1½% to the 10 year Treasury Market Rate in effect on the Pricing Date. The sum of this addition is called the Debenture Rate. The Debenture Rate will then be converted from a semi-annual rate and a semi-annual payment amount (and its related amortization schedule) to a monthly rate and a monthly payment amount (and its related amortization schedule). This converted rate is called the Note Rate. The method of calculating the Interest Rate results in the Note Rate being slightly higher than the Debenture Rate.
- d. **Effective Rate.** The Effective Rate will be established by combining the Servicing and Guaranty Fees described below with the Note Rate. The method of calculating the Effective Rate results in the Effective Rate being slightly higher than a rate that would result from a simple addition of the Note Rate plus the Servicing and Guaranty Fees.

The Servicing and Guarantee Fees are the CSA Fee, the CDC Servicing Fee, and the Ongoing SBA Guarantee Fee, described as follows:

- i. **CSA Fee:** CSA receives one-tenth of one percent (1/10 of 1%) per year on the outstanding balance of the Note as determined at 5-year intervals at the beginning of each interval.
 - ii. **CDC Servicing Fee:** CDC receives one percent (1%) per year on the outstanding balance of the Note as determined at 5-year intervals at the beginning of each interval; provided, however, if Borrower fails to comply with any of its Obligations contained in any of the Loan Documents, CDC receives, in CDC's sole discretion, the maximum CDC Servicing Fee permitted under applicable law (the "Default CDC Servicing Fee"). The Default CDC Servicing Fee shall be added to at least three monthly principal and interest payments to determine the amount of at least three monthly payments. If Borrower does not comply with its Obligations within this period, the CDC will continue to receive the Default CDC Servicing Fee until Borrower complies with its Obligations.
 - iii. **Ongoing SBA Guarantee Fee:** SBA receives three hundred eighty-nine/one thousandth of one percent (389/1000 of 1%) per year on the outstanding balance of the Note as determined at 5-year intervals at the beginning of each interval.
- e. **The two rates for your loan have not yet been set. Therefor there will be blanks in the documents you will be asked to sign.**
- i. The rates for your loan have not been set. The rates will be set on the Pricing Date. The Pricing Date is normally 8 days prior to the

Funding Date.

- ii. And, because the rates have not been set yet, some of the documents you will sign will have blanks in them. These blanks will be filled in when the rate is known.

f. **Date of Accrual.** Interest begins to accrue on the Funding Date.

5. **What will my loan payments be?**

a. **The amount of your loan payment has not yet been set.** Your monthly payment amount will be the sum of:

- i. the monthly principal and interest installment (P & I Amount),
- ii. plus the servicing fees and guarantee fees (set at the beginning of each 5 year period).

b. **When will my payments be due?**

- i. Your loan payments will be due on the first day of each and every calendar month, beginning with the first day of the month following the Funding Date, and continuing regularly thereafter for 20 years.
- ii. At this time we project your first payment to be due on June 1, 2011. However, check with the CDC to verify this date.

c. **How will my payments be made?** Your monthly payments will be made by Automatic Clearing House (ACH) or Federal Fund wire transfer if ACH is not available, or as approved by the Central Servicing Agent in writing.

d. **Will there be a late fee if my payment is late?** The CDC charges a late fee if the Central Servicing Agent receives a monthly payment after the fifteenth day of the month when it is due. The late fee is five percent of the payment amount, or \$100.00, whichever is greater. The late fee is in addition to the regular monthly payment.

6. **Can my loan be paid-off before the end of 20 years?**

a. **You will have the right to *totally* pay-off the loan at any time during the term of the loan if you give the CDC 45 days written notice.** However, the loan may not be *partially prepaid* at any time. This means that you can either (1) make one month's payment at a time, or (2) totally pay off the loan. You will never have the right to double-up on payments or make extra payments.

b. **A \$1,000.00 deposit is required ten (10) days prior to the prepayment date.** If the prepayment is completed as scheduled, the deposit is applied to reduce the prepayment amount. If the prepayment is not completed as scheduled, the deposit is forfeited.

- c. **Prepayment Amount.** The amount required to prepay the loan is equal to the aggregate of the principal balance, interest, SBA guarantee fees, servicing agent fees, CDC servicing fees, late fees, expenses incurred by CDC for which you are responsible, and any prepayment premium.
- d. **Prepayment Premium.** If you prepay during the first half of the term of the loan, you must pay a prepayment premium. The formula for the prepayment premium is as follows:

$$PP = PB (I \times F)$$

"PP" means Prepayment Premium

"PB" means the remaining Principal Balance

"I" means the Interest stated on the face of the debenture in decimal points;

"F" means the Factor set forth below:

<u>Year</u>	<u>20 Year</u>	<u>10 Year</u>
	<u>Loan:</u>	<u>Loan:</u>
	<u>F</u>	<u>F</u>
1	1.0	1.0
2	0.9	0.8
3	0.8	0.6
4	0.7	0.4
5	0.6	0.2
6	0.5	0.0
7	0.4	0.0
8	0.3	0.0
9	0.2	0.0
10	0.1	0.0
11, etc.	0.0	0.0

- 7. **In addition to making my monthly loan payments, will I have any other obligations during the term of the loan?** In addition to making payments on the note, you will also be expected to do the following:
 - a. Provide annual financial statements to the CDC;
 - b. Maintain property insurance;
 - c. Contact the CDC to obtain SBA's prior approval prior to: (1) distributing company assets; (2) reorganizing, merging, consolidating, or otherwise changing ownership or business structure (except for ownership changes of up to 5 percent beginning six months after the Loan closes); or (3) disposing of any of Borrower's property or assets, except in the ordinary course of business.