

June 29, 2010

**LOAN REQUEST FORM: ONE BROADWAY PLAZA, SANTA ANA, CALIFORNIA  
LOAN REQUEST AMOUNT: \$400 MILLION CONSTRUCTION LOAN FINANCING**

**Property Description.** Towering an impressive 500', One Broadway Plaza will be the tallest super structure in the history of Orange County, the sixth largest county in the United States. Orange County is one of the wealthiest counties in the country and offers spectacular beaches, resorts, golfing, yachting and a world-class corporate community. One Broadway Plaza is centrally located and will be the perfect location for regional, national and international companies. The building materials utilized are the finest available and One Broadway Plaza will be the most environmentally state-of-the-art building in Southern California: a LEED Silver Certified Green Building.



One Broadway Plaza, a 37 story office tower, will redefine the skyline of Orange County. The skyscraper is located in the center of Santa Ana, the government headquarters for the entire county. Over \$2 billion of new developments are underway in the immediate area in addition to the \$300 million Reagan Federal Building and the \$200 million Court of Appeals: all within walking distance from One Broadway Plaza. One Broadway Plaza, with its panoramic views of the Pacific Ocean and surrounding mountain ranges, will offer the ultimate corporate exposure and signage and proximity to an abundance of amenities.

Building Height:	493', 37 stories
Building Size:	612,325 Rentable SF
Projected Gross Income:	\$36,945,145 annually
Projected Net Income:	\$32,337,342 annually
Projected Value:	\$700,000,000
Current Value:	\$66,000,000 (land value \$40M and soft costs to date of \$26M)

**Borrower Description.** \_\_\_\_\_ was recently described by Orange County's leading business publication as the "Biggest real estate force in Orange County's biggest city" (Orange County Business Journal, April 26, 2010). \_\_\_\_\_ owns 80 buildings totaling approximately 4 million square feet in Santa Ana's downtown, Civic Center area. He is the sole owner of One Broadway Plaza. \_\_\_\_\_ led the city's revival of restored buildings, built the County's most

elegant concert theater, the OC Pavilion, and attracted restaurants, art galleries and other complimentary shops. \_\_\_\_\_ also developed The Pinnacle Honolulu, widely recognized as the most exclusive, luxurious and highest quality condominium development in Honolulu.

\_\_\_\_\_ also owns one of the largest residential and commercial construction firms in Southern California. \_\_\_\_\_ has a net worth of \$280 million: \$67 million current assets and cash; \$26 million in aircraft/vehicles; and \$187 million in real estate holdings.

**Management Background:** \_\_\_\_\_ currently manages 4 million square feet of commercial property and is the largest and most experienced (16 years) property manager in Santa Ana, the largest city in Orange County.

**Loan Terms and Conditions.**

Loan Amount: \$400 million  
Use of Funds: New office tower construction  
Borrower’s Investment to Date: \$26 million in soft costs and \$25 million in land equity  
Term: 120 months  
Requested Interest Only: Balloon payment at end of year ten (10)  
Estimated Interest Rate: Seven Percent (7%)  
Requested Interest Reserve: Three (3) years for construction time and lease-up  
Loan-to-Cost: 87%  
Closing Cost: \$24 million  
Pay off Existing Debt: \$15 million (Existing land loan payable to US Bank)  
Exit Strategy: Refinance by Net Lease Capital Advisors  
Collateral: First-class office tower. The tower has already attracted large corporate tenants and strong Federal and County government interest with previously signed letters-of-intent. The building is located in an enterprise zone and is the only large structure near the Orange County Seat of Government Headquarters that can accommodate several large upcoming Federal leases with the Federal Department of Housing and Urban Development, the Federal Government Services Administration, the Federal Bureau of Investigation and the Federal Small Business Administration.

Building Address: 1000 North Broadway, Santa Ana  
Building Size: 612,325 Rentable SF  
Construction Timeline: 2 years  
Lease-up Timeline: 1 year  
Projected Gross Income: \$36,945,145  
Projected Net Income: \$32,337,342  
Projected Value: \$700,000,000

**Construction Request Information.**

Lot Equity: \$25 million. \$15 million loan on land payable to US Bank.  
Cost of the Lot: \$40 million current appraised value  
Cost of Construction: \$300 million hard and soft costs  
Finished Value: \$700 million

Construction Completion Time: Two (2) years from ground-breaking  
Marketing and Lease-up Time: One (1) year from construction completion  
Entitlements: Fully completed. 100% of the entitlements are in place. The construction of the site can commence immediately upon funding.  
Infrastructure: The site has been graded, leveled and is shovel-ready. All infrastructure is in place and ready for construction.  
Closing: ASAP. One Broadway Plaza is shovel-ready and can break ground for construction immediately. Strong support is evidenced from the Mayor of Santa Ana, the City Manager, the Orange County Board Chairman and California Governor Schwarzenegger. Further, 100% of the due diligence is complete including all permits, licenses, all architectural and engineering plans and specifications, environmental testing, entitlement and appraisals. Once the loan is funded, the project will schedule its ground-breaking ceremony immediately thereafter.

Please call or email with any questions.  
KMB Dealflow