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From: Patrick Starley[/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=472B0C0322E14EA0B2703B112D51FB9A-PSTARLEY]
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This would have been presented to UDF. I assume on 1-14-10 and I would assume that travel records support that.

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The Buffington Companies

Financing Needs Overview

January 14, 2010

Buffington Homebuilding Group
Starts & Financing Needs Overview

Buffington Homebuilding Group

Scenario 1: $11.7M Maximum Balance (1Q10)

		2009											
TOTAL	Totals	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Beginning Balance		2,920,959	4,394,192	5,775,459	7,282,417	8,176,671	7,465,547	8,100,610	8,755,343	8,357,120	7,998,697	8,277,114	8,522,489
Advances - Draws	20,378,875	1,473,233	1,651,566	1,788,920	1,630,849	1,368,634	1,361,452	2,615,589	1,779,178	2,148,049	2,210,426	681,570	1,669,409
Advances - Starts	2,322,917											1,692,586	630,331
Repayments	(15,799,218)	0	(270,299)	(281,962)	(736,595)	(2,079,757)	(726,390)	(1,960,856)	(2,177,402)	(2,506,472)	(1,932,008)	(2,128,781)	(998,696)
Ending Balance		4,394,192	5,775,459	7,282,417	8,176,671	7,465,547	8,100,610	8,755,343	8,357,120	7,998,697	8,277,114	8,522,489	9,823,533
Percent Drawn:		56%	65%	72%	72%	70%	70%	74%	69%	66%	62%	57%	68%
Projected Peak Balance (1Q10):		**11,721,443**											
Beginning Commitment		6,734,448	7,861,842	8,919,282	10,076,017	11,323,139	10,705,498	11,502,103	11,883,847	12,102,366	12,161,196	13,343,280	14,891,872
Increase	25,323,042	1,127,394	1,422,263	1,477,820	1,997,577	1,511,913	1,572,231	2,525,704	2,485,905	2,723,717	3,233,350	4,271,661	973,506
Decrease	(17,636,262)	0	(364,823)	(321,085)	(750,455)	(2,129,554)	(775,625)	(2,143,960)	(2,267,386)	(2,664,887)	(2,051,266)	(2,723,068)	(1,444,151)
Ending Commitment		7,861,842	8,919,282	10,076,017	11,323,139	10,705,498	11,502,103	11,883,847	12,102,366	12,161,196	13,343,280	14,891,872	14,421,227
Projected Peak Commitment (1Q10):		**20,721,009**											
Starts - Specs (1st lien)	129	6	6	6	9	12	13	6	19	22	16	13	1
Starts - TBB/Sold (1st or 2nd lien)	22											13	9
Total Starts	151	6	6	6	9	12	13	6	19	22	16	26	10
Cumulative Starts													**151**
Spec Closings	0												0
TBB / Sold Closings:	110	0	1	2	4	9	3	10	9	21	20	16	15
Total Closings	15												15
Cumulative Closings													**110**

Buffington Homebuilding Group

Scenario 1: $11.7M Maximum Balance (1Q10) (cont.)

		2010											
TOTAL	Totals	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Beginning Balance		9,823,533	11,721,443	11,716,591	11,695,455	11,742,691	13,052,374	12,178,374	10,962,374	5,252,874	7,219,374	10,211,874	11,731,874
Advances - Draws	19,340,596	1,549,612	1,246,869	1,551,044	2,039,789	3,177,782	2,356,000	1,111,500	85,500	1,187,500	1,662,500	1,662,500	1,710,000
Advances - Starts	18,354,000	1,814,500	2,080,500	2,945,000	883,500	0	684,000	2,346,500	1,349,000	1,349,000	2,014,000	541,500	2,346,500
Repayments	(37,163,755)	(1,466,203)	(3,332,220)	(4,517,180)	(2,876,053)	(1,868,099)	(3,914,000)	(4,674,000)	(7,144,000)	(570,000)	(684,000)	(684,000)	(5,434,000)
Ending Balance		11,721,443	11,716,591	11,695,455	11,742,691	13,052,374	12,178,374	10,962,374	5,252,874	7,219,374	10,211,874	11,731,874	10,354,374
Percent Drawn:		69%	64%	56%	62%	76%	88%	75%	52%	60%	64%	73%	64%
Projected Peak Balance (1Q10):													
Beginning Commitment		14,421,227	17,040,103	18,314,678	20,721,009	19,023,789	17,098,339	13,868,339	14,628,339	10,068,339	12,082,339	15,882,339	16,110,339
Increase	39,102,000	3,914,000	4,674,000	7,144,000	1,254,000	0	684,000	5,434,000	2,584,000	2,584,000	4,484,000	912,000	5,434,000
Decrease	(37,412,888)	(1,295,124)	(3,399,425)	(4,737,669)	(2,951,220)	(1,925,450)	(3,914,000)	(4,674,000)	(7,144,000)	(570,000)	(684,000)	(684,000)	(5,434,000)
Ending Commitment		17,040,103	18,314,678	20,721,009	19,023,789	17,098,339	13,868,339	14,628,339	10,068,339	12,082,339	15,882,339	16,110,339	16,110,339
Projected Peak Commitment (1Q10):													
Starts - Specs (1st lien)	168	17	21	34	3	0	0	25	10	10	20	3	25
Starts - TBB/Sold (1st or 2nd lien)	126	12	12	12	12	0	12	12	12	12	12	6	12
Total Starts	294	29	33	46	15	0	12	37	22	22	32	9	37
Cumulative Starts		**29**	**62**	**108**	**123**	**123**	**135**	**172**	**194**	**216**	**248**	**257**	**294**
Spec Closings	151	1	10	19	16	5	17	21	34	3	0	0	25
TBB / Sold Closings:	115	12	9	9	1	12	12	12	12	0	12	12	12
Total Closings	266	13	19	28	17	17	29	33	46	3	12	12	37
Cumulative Closings		**13**	**32**	**60**	**77**	**94**	**123**	**156**	**202**	**205**	**217**	**229**	**266**

Buffington Homebuilding Group

Spec Maximization Plan

		2009											
TOTAL	Totals	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Beginning Balance		2,920,959	4,394,192	5,775,459	7,282,417	8,176,671	7,465,547	8,100,610	8,755,343	8,357,120	7,998,697	8,277,114	8,522,489
Advances - Draws	20,378,875	1,473,233	1,651,566	1,788,920	1,630,849	1,368,634	1,361,452	2,615,589	1,779,178	2,148,049	2,210,426	681,570	1,669,409
Advances - Starts	2,322,917											1,692,586	630,331
Repayments	(15,799,218)	0	(270,299)	(281,962)	(736,595)	(2,079,757)	(726,390)	(1,960,856)	(2,177,402)	(2,506,472)	(1,932,008)	(2,128,781)	(998,696)
Ending Balance		4,394,192	5,775,459	7,282,417	8,176,671	7,465,547	8,100,610	8,755,343	8,357,120	7,998,697	8,277,114	8,522,489	9,823,533
Percent Drawn:		56%	65%	72%	72%	70%	70%	74%	69%	66%	62%	57%	68%
Projected Peak Balance:		**21,340,174**											
Beginning Commitment		6,734,448	7,861,842	8,919,282	10,076,017	11,323,139	10,705,498	11,502,103	11,883,847	12,102,366	12,161,196	13,343,280	14,891,872
Increase	25,323,042	1,127,394	1,422,263	1,477,820	1,997,577	1,511,913	1,572,231	2,525,704	2,485,905	2,723,717	3,233,350	4,271,661	973,506
Decrease	(17,636,262)	0	(364,823)	(321,085)	(750,455)	(2,129,554)	(775,625)	(2,143,960)	(2,267,386)	(2,664,887)	(2,051,266)	(2,723,068)	(1,444,151)
Ending Commitment		7,861,842	8,919,282	10,076,017	11,323,139	10,705,498	11,502,103	11,883,847	12,102,366	12,161,196	13,343,280	14,891,872	14,421,227
Projected Peak Commitment:		**30,972,139**											
Starts - Specs (1st lien)	129	6	6	6	9	12	13	6	19	22	16	13	1
Starts - TBB/Sold (1st or 2nd lien)	22											13	9
Total Starts	151	6	6	6	9	12	13	6	19	22	16	26	10
Cumulative Starts													**151**
Spec Closings	0												0
TBB / Sold Closings:	110	0	1	2	4	9	3	10	9	21	20	16	15
Total Closings	15												15
Cumulative Closings (Yr)													**110**

Buffington Homebuilding Group

Spec Maximization Plan (cont.)

		2010											
TOTAL	Totals	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Beginning Balance		9,823,533	14,105,943	14,889,591	16,169,955	19,817,691	21,340,174	20,511,774	20,511,774	20,511,774	20,511,774	20,511,774	20,511,774
Advances - Draws	35,718,596	1,549,612	1,246,869	2,928,544	3,654,789	3,861,782	3,211,000	3,211,000	3,211,000	3,211,000	3,211,000	3,211,000	3,211,000
Advances - Starts	35,758,000	4,199,000	2,869,000	2,869,000	2,869,000	2,869,000	2,869,000	2,869,000	2,869,000	2,869,000	2,869,000	2,869,000	2,869,000
Repayments	(60,788,355)	(1,466,203)	(3,332,220)	(4,517,180)	(2,876,053)	(5,208,299)	(6,908,400)	(6,080,000)	(6,080,000)	(6,080,000)	(6,080,000)	(6,080,000)	(6,080,000)
Ending Balance		14,105,943	14,889,591	16,169,955	19,817,691	21,340,174	20,511,774	20,511,774	20,511,774	20,511,774	20,511,774	20,511,774	20,511,774
Percent Drawn:		61%	58%	60%	66%	69%	68%	68%	68%	68%	68%	68%	68%
Projected Peak Balance:													
Beginning Commitment		14,421,227	23,006,103	25,686,678	27,029,009	30,157,789	30,972,139	30,143,739	30,143,739	30,143,739	30,143,739	30,143,739	30,143,739
Increase	76,760,000	9,880,000	6,080,000	6,080,000	6,080,000	6,080,000	6,080,000	6,080,000	6,080,000	6,080,000	6,080,000	6,080,000	6,080,000
Decrease	(61,037,488)	(1,295,124)	(3,399,425)	(4,737,669)	(2,951,220)	(5,265,650)	(6,908,400)	(6,080,000)	(6,080,000)	(6,080,000)	(6,080,000)	(6,080,000)	(6,080,000)
Ending Commitment		23,006,103	25,686,678	27,029,009	30,157,789	30,972,139	30,143,739	30,143,739	30,143,739	30,143,739	30,143,739	30,143,739	30,143,739
Projected Peak Commitment:													
Starts - Specs (1st lien)	332	46	26	26	26	26	26	26	26	26	26	26	26
Starts - TBB/Sold (1st or 2nd lien)	240	20	20	20	20	20	20	20	20	20	20	20	20
Total Starts	572	66	46	46	46	46	46	46	46	46	46	46	46
Cumulative Starts		**66**	**112**	**158**	**204**	**250**	**296**	**342**	**388**	**434**	**480**	**526**	**572**
Spec Closings	253	1	10	19	16	28	23	26	26	26	26	26	26
TBB / Sold Closings:	191	12	9	9	1	20	20	20	20	20	20	20	20
Total Closings	444	13	19	28	17	48	43	46	46	46	46	46	46
Cumulative Closings (Yr)		**13**	**32**	**60**	**77**	**125**	**168**	**214**	**260**	**306**	**352**	**398**	**444**

Buffington Homebuilding Group
2010 Goal Plan

		2009											
TOTAL	Totals	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Beginning Balance		2,920,959	4,394,192	5,775,459	7,282,417	8,176,671	7,465,547	8,100,610	8,755,343	8,357,120	7,998,697	8,277,114	8,522,489
Advances - Draws	20,378,875	1,473,233	1,651,566	1,788,920	1,630,849	1,368,634	1,361,452	2,615,589	1,779,178	2,148,049	2,210,426	681,570	1,669,409
Advances - Starts	2,322,917											1,692,586	630,331
Repayments	(15,799,218)	0	(270,299)	(281,962)	(736,595)	(2,079,757)	(726,390)	(1,960,856)	(2,177,402)	(2,506,472)	(1,932,008)	(2,128,781)	(998,696)
Ending Balance		4,394,192	5,775,459	7,282,417	8,176,671	7,465,547	8,100,610	8,755,343	8,357,120	7,998,697	8,277,114	8,522,489	9,823,533
Percent Drawn:		56%	65%	72%	72%	70%	70%	74%	69%	66%	62%	57%	68%
Projected Peak Balance:		**27,150,374**											
Beginning Commitment		6,734,448	7,861,842	8,919,282	10,076,017	11,323,139	10,705,498	11,502,103	11,883,847	12,102,366	12,161,196	13,343,280	14,891,872
Increase	25,323,042	1,127,394	1,422,263	1,477,820	1,997,577	1,511,913	1,572,231	2,525,704	2,485,905	2,723,717	3,233,350	4,271,661	973,506
Decrease	(17,636,262)	0	(364,823)	(321,085)	(750,455)	(2,129,554)	(775,625)	(2,143,960)	(2,267,386)	(2,664,887)	(2,051,266)	(2,723,068)	(1,444,151)
Ending Commitment		7,861,842	8,919,282	10,076,017	11,323,139	10,705,498	11,502,103	11,883,847	12,102,366	12,161,196	13,343,280	14,891,872	14,421,227
Projected Peak Commitment:		**37,808,339**											
Starts - Specs (1st lien)	129	6	6	6	9	12	13	6	19	22	16	13	1
Starts - TBB/Sold (1st or 2nd lien)	22											13	9
Total Starts	151	6	6	6	9	12	13	6	19	22	16	26	10
Cumulative Starts													**151**
Spec Closings	0												0
TBB / Sold Closings:	110	0	1	2	4	9	3	10	9	21	20	16	15
Total Closings	15												15
Cumulative Closings (Yr)													**110**

Buffington Homebuilding Group

2010 Goal Plan (cont.)

		2010											
TOTAL	Totals	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Beginning Balance		9,823,533	11,740,443	13,407,591	14,136,955	17,414,191	22,770,874	27,150,374	25,601,874	22,979,874	21,611,874	21,326,874	21,184,374
Advances - Draws	37,761,096	1,549,612	1,246,869	1,361,044	2,799,789	4,441,282	4,873,500	4,265,500	3,705,000	3,486,500	3,363,000	3,315,500	3,353,500
Advances - Starts	36,708,000	1,833,500	3,752,500	3,885,500	3,353,500	3,068,500	3,002,000	3,002,000	2,869,000	2,935,500	3,002,000	3,002,000	3,002,000
Repayments	(63,212,755)	(1,466,203)	(3,332,220)	(4,517,180)	(2,876,053)	(2,153,099)	(3,496,000)	(8,816,000)	(9,196,000)	(7,790,000)	(6,650,000)	(6,460,000)	(6,460,000)
Ending Balance		11,740,443	13,407,591	14,136,955	17,414,191	22,770,874	27,150,374	25,601,874	22,979,874	21,611,874	21,326,874	21,184,374	21,079,874
Percent Drawn:		71%	61%	53%	56%	65%	72%	72%	71%	70%	70%	69%	69%
Projected Peak Balance:													
Beginning Commitment		14,421,227	16,565,103	21,981,678	26,440,009	31,164,789	34,844,339	37,808,339	35,452,339	32,336,339	30,816,339	30,626,339	30,626,339
Increase	80,427,000	3,439,000	8,816,000	9,196,000	7,676,000	6,650,000	6,460,000	6,460,000	6,080,000	6,270,000	6,460,000	6,460,000	6,460,000
Decrease	(64,221,888)	(1,295,124)	(3,399,425)	(4,737,669)	(2,951,220)	(2,970,450)	(3,496,000)	(8,816,000)	(9,196,000)	(7,790,000)	(6,650,000)	(6,460,000)	(6,460,000)
Ending Commitment		16,565,103	21,981,678	26,440,009	31,164,789	34,844,339	37,808,339	35,452,339	32,336,339	30,816,339	30,626,339	30,626,339	30,626,339
Projected Peak Commitment:													
Starts - Specs (1st lien)	354	13	41	43	35	29	28	28	26	27	28	28	28
Starts - TBB/Sold (1st or 2nd lien)	231	17	18	18	18	20	20	20	20	20	20	20	20
Total Starts	585	30	59	61	53	49	48	48	46	47	48	48	48
Cumulative Starts		**30**	**89**	**150**	**203**	**252**	**300**	**348**	**394**	**441**	**489**	**537**	**585**
Spec Closings	268	1	10	19	16	5	13	41	43	35	29	28	28
TBB / Sold Closings:	182	12	9	9	1	17	18	18	18	20	20	20	20
Total Closings	450	13	19	28	17	22	31	59	61	55	49	48	48
Cumulative Closings (Yr)		**13**	**32**	**60**	**77**	**99**	**130**	**189**	**250**	**305**	**354**	**402**	**450**

Buffington Homebuilding Group

Balance Sheet: 2010 Goal Plan Projections

	2010											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Budget	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**
ASSETS												
Current Assets												
Cash	793,819	1,063,924	1,267,185	1,098,761	1,336,848	1,731,381	2,104,613	2,570,864	3,210,963	3,819,438	4,458,669	4,627,229
Cash On Deposit	3,618,102	4,340,293	4,340,293	4,340,293	4,340,293	4,340,293	4,340,293	4,340,293	4,340,293	4,340,293	4,340,293	4,340,293
Reserve Cash	0	0	0	0	0	0	0	0	0	0	0	0
LOC Amount	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674
Land & WIP	25,677,982	31,415,197	39,187,902	47,939,710	56,989,463	65,651,883	74,144,207	82,417,944	90,611,369	98,988,385	107,193,135	115,411,999
Less: Cost of Sales	(8,318,855)	(14,415,514)	(20,091,427)	(26,111,570)	(31,755,829)	(38,475,511)	(45,444,000)	(53,248,305)	(62,325,509)	(71,031,765)	(80,037,768)	(88,982,320)
Other Current Assets	1,009,992	1,056,707	1,108,951	1,154,112	1,195,444	1,232,627	1,272,897	1,309,846	1,347,296	1,386,263	1,423,009	1,458,577
Total Current Assets	27,291,714	27,971,282	30,323,578	32,931,980	36,616,892	38,991,346	40,928,683	41,901,316	41,695,085	42,013,288	41,888,011	41,366,452
Long Term Assets												
Other Long Term Assets	173,132	168,732	164,432	160,132	155,832	151,532	147,232	142,932	138,632	134,332	130,032	125,732
Fixed Assets	2,736,800	2,736,800	2,766,800	2,796,800	2,826,800	2,826,800	2,826,800	2,826,800	2,826,800	2,826,800	2,826,800	2,826,800
Accumulated Dep./Amort.	(721,987)	(795,117)	(867,253)	(922,998)	(981,088)	(1,063,671)	(1,152,610)	(1,252,930)	(1,356,163)	(1,461,518)	(1,566,873)	(1,676,065)
Total Long Term Assets	2,187,945	2,110,415	2,063,979	2,033,934	2,001,544	1,914,661	1,821,422	1,716,802	1,609,269	1,499,614	1,389,960	1,276,467
TOTAL ASSETS	**29,479,660**	**30,081,696**	**32,387,557**	**34,965,914**	**38,618,436**	**40,906,006**	**42,750,105**	**43,618,118**	**43,304,354**	**43,512,902**	**43,277,971**	**42,642,919**
LIABILITIES & EQUITY												
Current Liabilities												
Accounts Payable	1,070,069	1,070,069	1,070,069	1,070,069	1,070,069	1,070,069	1,070,069	1,070,069	1,070,069	1,070,069	1,070,069	1,070,069
Construction Notes Payable	15,361,471	15,273,890	17,397,689	20,178,702	23,548,858	25,418,625	26,882,766	27,205,386	26,158,061	25,681,209	24,708,386	23,812,401
Lot Loans Payable	1,946,352	2,418,542	2,418,542	2,418,542	2,418,542	2,418,542	2,418,542	2,418,542	2,418,542	2,418,542	2,418,542	2,418,542
Operating Line	450,000	450,000	450,000	0	0	0	0	0	0	0	0	0
Other Current Liabilities	630,029	630,029	630,029	630,029	630,029	630,029	630,029	630,029	630,029	630,029	630,029	630,029
Total Current Liabilities	19,457,920	19,842,529	21,966,329	24,297,341	27,667,497	29,537,265	31,001,405	31,324,026	30,276,700	29,799,849	28,827,025	27,931,041
Long Term Liabilities												
Other Long Term Liabilities	30,089	26,589	23,089	19,589	16,089	12,589	9,089	5,589	2,089	467	0	0
Total Long Term Liabilities	30,089	26,589	23,089	19,589	16,089	12,589	9,089	5,589	2,089	467	0	0
Total Liabilities	**19,488,009**	**19,869,118**	**21,989,417**	**24,316,930**	**27,683,586**	**29,549,853**	**31,010,494**	**31,329,615**	**30,278,789**	**29,800,316**	**28,827,025**	**27,931,041**
Equity												
Capital	12,543,997	12,543,997	12,543,997	12,543,997	12,543,997	12,543,997	12,543,997	12,543,997	12,543,997	12,543,997	12,543,997	12,543,997
Distributions	(185,186)	(215,186)	(245,186)	(275,186)	(305,186)	(335,186)	(365,186)	(395,186)	(425,186)	(455,186)	(485,186)	(515,186)
Investor LOC Available	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674	4,510,674
Net Income	(6,877,834)	(6,626,906)	(6,411,345)	(6,130,501)	(5,814,635)	(5,363,332)	(4,949,874)	(4,370,981)	(3,603,920)	(2,886,899)	(2,118,539)	(1,827,606)
Total Equity	**9,991,651**	**10,212,579**	**10,398,140**	**10,648,984**	**10,934,850**	**11,356,153**	**11,739,611**	**12,288,503**	**13,025,565**	**13,712,586**	**14,450,946**	**14,711,879**
TOTAL LIABILITIES & EQUITY	**29,479,660**	**30,081,696**	**32,387,557**	**34,965,914**	**38,618,436**	**40,906,006**	**42,750,105**	**43,618,118**	**43,304,354**	**43,512,902**	**43,277,971**	**42,642,919**

Buffington Homebuilding Group

Income Statement: 2010 Goal Plan Projections

	2010												Total
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	
HOMES CLOSED	**22**	**30**	**30**	**32**	**31**	**37**	**40**	**44**	**50**	**49**	**50**	**50**	**465**
Revenue:													
Base Price	$4,989,780	$7,287,700	$6,920,226	$7,256,788	$7,056,871	$8,403,858	$8,722,324	$9,739,127	$11,348,633	$10,877,220	$11,252,314	$11,173,674	$105,028,515
Lot Premiums	$27,000	$62,500	$38,000	$107,500	$0	$0	$0	$0	$0	$0	$0	$0	$235,000
Options/Upgrades	$330,640	$462,900	$379,070	$399,105	$290,000	$374,000	$357,000	$436,500	$485,000	$470,000	$485,000	$490,000	$4,959,215
Concessions/Discounts	($244,165)	($345,689)	($312,050)	($315,920)	($252,500)	($311,500)	($307,000)	($354,000)	($390,000)	($375,000)	($390,000)	($395,000)	($3,992,824)
TOTAL REVENUE	**$5,103,255**	**$7,467,411**	**$7,025,246**	**$7,447,473**	**$7,094,371**	**$8,466,358**	**$8,772,324**	**$9,821,627**	**$11,443,633**	**$10,972,220**	**$11,347,314**	**$11,268,674**	**$106,229,906**
Cost of Sales:													
Direct Construction	$2,591,005	$3,829,938	$3,588,623	$3,812,287	$3,640,329	$4,337,287	$4,533,434	$5,087,199	$5,879,241	$5,650,425	$5,825,773	$5,790,532	$54,566,073
Lot Cost	$1,115,348	$1,638,569	$1,547,940	$1,610,253	$1,524,211	$1,797,653	$1,843,572	$2,035,002	$2,416,211	$2,303,022	$2,401,292	$2,377,312	$22,610,385
Options	$217,595	$308,160	$241,416	$278,066	$159,500	$205,700	$196,350	$240,075	$266,750	$258,500	$266,750	$269,500	$2,908,361
Closed Job (Income)/Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Vendor Rebates	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Warranty Expenses	$25,516	$37,337	$35,127	$37,239	$35,473	$42,336	$43,865	$49,113	$57,222	$54,865	$56,740	$56,347	$531,181
Indirect Costs	$51,033	$83,302	$70,297	$74,475	$70,298	$84,209	$87,230	$97,540	$113,834	$109,289	$113,099	$112,277	$1,066,882
TOTAL COST OF SALES	**$4,000,496**	**$5,897,306**	**$5,483,402**	**$5,812,320**	**$5,429,811**	**$6,467,185**	**$6,704,451**	**$7,508,929**	**$8,733,258**	**$8,376,101**	**$8,663,654**	**$8,605,968**	**$81,682,882**
GROSS MARGIN	$1,102,759	$1,570,105	$1,541,844	$1,635,153	$1,664,560	$1,999,173	$2,067,873	$2,312,698	$2,710,375	$2,596,119	$2,683,660	$2,662,706	$24,547,024
GROSS MARGIN %	21.61%	21.03%	21.95%	21.96%	23.46%	23.61%	23.57%	23.55%	23.68%	23.66%	23.65%	23.63%	23.11%
Commissions & Closing Costs:													
Closing Costs	$97,877	$122,472	$134,165	$151,065	$116,742	$129,724	$154,747	$162,155	$194,985	$190,270	$194,021	$193,235	$1,841,457
Sales Commissions - In House	$114,823	$169,370	$161,731	$173,486	$177,371	$211,672	$219,322	$245,558	$286,111	$274,325	$283,703	$281,737	$2,599,208
Sales Commissions - Outside	$171,137	$221,057	$238,116	$233,583	$258,070	$319,489	$318,706	$367,376	$426,334	$401,713	$412,966	$410,607	$3,779,154
TOTAL COMMISSIONS & CLOSING COSTS	**$383,837**	**$512,898**	**$534,011**	**$558,133**	**$552,183**	**$660,885**	**$692,775**	**$775,089**	**$907,430**	**$866,308**	**$890,690**	**$885,579**	**$8,219,819**
CONTRIBUTION MARGIN (EBITDA)	$718,921	$1,057,207	$1,007,832	$1,077,019	$1,112,377	$1,338,288	$1,375,098	$1,537,609	$1,802,945	$1,729,811	$1,792,970	$1,777,127	$16,327,205
CM %	14.09%	14.16%	14.35%	14.46%	15.68%	15.81%	15.68%	15.66%	15.76%	15.77%	15.80%	15.77%	15.37%
TOTAL SALES & MARKETING EXPENSE	**$173,351**	**$160,851**	**$161,413**	**$157,061**	**$157,061**	**$161,413**	**$169,561**	**$153,411**	**$157,763**	**$153,411**	**$153,411**	**$170,263**	**$1,928,972**
TOTAL G&A EXPENSE	**$274,864**	**$230,658**	**$230,658**	**$233,658**	**$235,196**	**$238,196**	**$282,217**	**$236,986**	**$233,986**	**$233,986**	**$227,986**	**$534,577**	**$3,192,969**
NET INCOME (EBITDA)	**$270,706**	**$665,697**	**$615,761**	**$686,300**	**$720,120**	**$938,679**	**$923,320**	**$1,147,212**	**$1,411,196**	**$1,342,414**	**$1,411,573**	**$1,072,287**	**$11,205,264**
Interest/Depreciation/Amortization/Corp OH	**$307,710**	**$414,769**	**$400,200**	**$405,456**	**$404,254**	**$487,375**	**$509,862**	**$568,320**	**$644,134**	**$625,393**	**$643,213**	**$781,354**	**$6,192,039**
NET INCOME	**($37,004)**	**$250,928**	**$215,561**	**$280,844**	**$315,866**	**$451,303**	**$413,458**	**$578,892**	**$767,062**	**$717,021**	**$768,359**	**$290,933**	**$5,013,224**
NET MARGIN %	-0.73%	3.36%	3.07%	3.77%	4.45%	5.33%	4.71%	5.89%	6.70%	6.53%	6.77%	2.58%	4.72%

Buffington Homebuilding Group

Cash Flow: 2010 Goal Plan Projections

	2010												
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	2010 Total
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	
HOMES CLOSED	22	30	30	32	31	37	40	44	50	49	50	50	465
CASH FROM OPERATIONS:													
Revenues:													
Revenue	5,103,255	7,467,411	7,025,246	7,447,473	7,094,371	8,466,358	8,772,324	9,821,627	11,443,633	10,972,220	11,347,314	11,268,674	106,229,906
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Revenue	5,103,255	7,467,411	7,025,246	7,447,473	7,094,371	8,466,358	8,772,324	9,821,627	11,443,633	10,972,220	11,347,314	11,268,674	106,229,906
Less Selling Expenses:													
Closing Costs	(97,877)	(122,472)	(134,165)	(151,065)	(116,742)	(129,724)	(154,747)	(162,155)	(194,985)	(190,270)	(194,021)	(193,235)	(1,841,457)
External Commissions	(171,137)	(221,057)	(238,116)	(233,583)	(258,070)	(319,489)	(318,706)	(367,376)	(426,334)	(401,713)	(412,966)	(410,607)	(3,779,154)
Internal Commissions	(114,823)	(169,370)	(161,731)	(173,486)	(177,371)	(211,672)	(219,322)	(245,558)	(286,111)	(274,325)	(283,703)	(281,737)	(2,599,208)
(Increase) in Draw Receivable	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Selling Expenses	(383,837)	(512,898)	(534,011)	(558,133)	(552,183)	(660,885)	(692,775)	(775,089)	(907,430)	(866,308)	(890,690)	(885,579)	(8,219,819)
Net Revenue after Selling Expenses	4,719,418	6,954,513	6,491,235	6,889,340	6,542,188	7,805,473	8,079,549	9,046,538	10,536,203	10,105,912	10,456,624	10,383,095	98,010,087
Less SG&A:													
Sales & Marketing Overhead	(173,351)	(160,851)	(161,413)	(157,061)	(157,061)	(161,413)	(169,561)	(153,411)	(157,763)	(153,411)	(153,411)	(170,263)	(1,928,972)
G&A Overhead	(279,739)	(235,533)	(235,533)	(238,533)	(235,196)	(235,196)	(282,217)	(236,986)	(233,986)	(233,986)	(227,986)	(673,824)	(3,348,717)
Corporate Overhead	(76,549)	(112,011)	(105,379)	(111,712)	(106,416)	(126,995)	(131,585)	(147,324)	(171,654)	(164,583)	(170,210)	(169,030)	(1,593,449)
Total G&A	(529,639)	(508,396)	(502,325)	(507,307)	(498,673)	(523,605)	(583,363)	(537,722)	(563,404)	(551,980)	(551,607)	(1,013,118)	(6,871,138)
NET CASH FROM OPERATIONS	4,189,778	6,446,117	5,988,909	6,382,033	6,043,515	7,281,868	7,496,186	8,508,816	9,972,799	9,553,932	9,905,017	9,369,977	91,138,949
CASH (USED IN) CONSTRUCTION ACTIVITIES:													
Lot Acquisitions	(2,583,280)	(2,078,164)	(2,619,840)	(2,275,047)	(2,170,722)	(2,163,760)	(2,454,274)	(2,414,516)	(2,458,914)	(2,632,588)	(2,495,519)	(2,555,709)	(28,902,333)
Lot Earnest Money/Utility Deposits	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Costs	(2,601,211)	(3,636,323)	(5,130,659)	(6,447,063)	(6,848,081)	(6,463,084)	(5,986,560)	(5,808,487)	(5,686,488)	(5,693,934)	(5,659,026)	(5,588,547)	(65,549,464)
Indirect Construction	(72,694)	(56,796)	(56,796)	(56,796)	(56,796)	(56,796)	(72,694)	(56,796)	(56,796)	(56,796)	(56,796)	(72,694)	(729,246)
Capitalized Expenses	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(180,000)
Fixed Assets	(51,668)	0	(30,000)	(30,000)	(30,000)	0	0	0	0	0	0	0	(141,668)
Warranty Spending	(20,850)	(19,098)	(24,102)	(24,515)	(21,955)	(25,413)	(25,516)	(37,337)	(35,126)	(37,237)	(35,472)	(42,332)	(348,933)
Increase in Accounts Payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase in Leases Payable	(3,050)	(3,050)	(3,050)	(3,050)	(3,050)	(3,050)	(3,050)	(3,050)	(3,050)	(3,050)	(1,150)	(1,150)	(32,800)
Increase in House Deposits	0	0	0	0	0	0	0	0	0	0	0	0	0
(Increase) in Prepaid Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
(Increase) in intercompany	0	0	0	0	0	0	0	0	0	0	0	0	0
NET CASH (USED IN) CONSTRUCTION ACTIVITIES	(5,347,753)	(5,808,430)	(7,879,448)	(8,851,470)	(9,145,584)	(8,727,103)	(8,557,095)	(8,335,186)	(8,255,375)	(8,438,605)	(8,262,963)	(8,275,432)	(95,884,444)
CASH FROM FINANCING ACTIVITIES:													
Advances - Lot Loans	114,750	472,190	0	0	0	0	0	0	0	0	0	0	586,940
Repayments - Lot Loans	0	0	0	0	0	0	0	0	0	0	0	0	0
Advances - Interim Loans	5,429,099	6,056,436	8,091,501	9,041,674	9,368,496	9,013,047	8,878,116	8,600,879	8,526,773	8,696,547	8,519,404	8,529,400	98,751,371
Repayments - Interim Loans	(4,095,501)	(5,897,304)	(5,710,899)	(5,987,934)	(5,704,190)	(6,816,768)	(7,064,120)	(7,915,863)	(9,207,708)	(8,816,835)	(9,143,053)	(9,087,925)	(85,448,100)
Advances - Operating Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment - Operating Loan	0	0	0	(450,000)	0	0	0	0	0	0	0	0	(450,000)
Interest on Loans	(179,244)	(193,998)	(198,558)	(221,566)	(246,819)	(283,329)	(303,585)	(319,446)	(322,941)	(311,595)	(306,429)	(295,891)	(3,183,403)
Loan Fees	(30,783)	(52,715)	(58,244)	(51,161)	(47,332)	(43,183)	(46,271)	(42,948)	(43,450)	(44,967)	(42,745)	(41,569)	(545,368)
Partner Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0
Partner Distributions	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(360,000)
NET CASH FROM FINANCING ACTIVITIES	1,208,320	354,609	2,093,800	2,301,013	3,340,156	1,839,767	1,434,141	292,621	(1,077,326)	(506,851)	(1,002,824)	(925,984)	9,351,441
NET CASH FLOW	50,346	992,296	203,261	(168,424)	238,087	394,533	373,232	466,251	640,099	608,475	639,230	168,561	4,605,946
Cash at Beginning of Period	4,361,576	4,411,921	5,404,217	5,607,478	5,439,054	5,677,140	6,071,673	6,444,905	6,911,157	7,551,256	8,159,731	8,798,961	4,361,576
Increase/Decrease in Cash	50,346	992,296	203,261	(168,424)	238,087	394,533	373,232	466,251	640,099	608,475	639,230	168,561	4,605,946
CASH AT END OF PERIOD	4,411,921	5,404,217	5,607,478	5,439,054	5,677,140	6,071,673	6,444,905	6,911,157	7,551,256	8,159,731	8,798,961	8,967,522	8,967,522
OPERATIONAL CASH FLOW	6,759	514,715	208,908	324,584	272,391	424,688	391,550	540,616	714,965	684,859	711,492	224,721	5,020,248
CUMULATIVE OPERATIONAL CASH FLOW	(602,900)	(88,185)	120,723	445,307	717,698	1,142,386	1,533,936	2,074,552	2,789,518	3,474,377	4,185,869	4,410,589	4,410,589
HOMES STARTED	33	56	61	55	49	47	48	46	47	48	46	45	581
HOMES SOLD	49	49	44	47	49	49	49	49	49	50	49	47	580
HOMES CLOSED	22	30	30	32	31	37	40	44	50	49	50	50	465

Buffington Capital Holdings
Acquisition & Development Financing Needs

Bridges of Bear Creek

Buffington Capital Holdings

Bridges of Bear Creek - PH 1.2 $1.7M Development Loan

- Buffington Land currently has 7 fifty-foot lots remaining in inventory.

- The next section of fifty-foot lots (phase 1.2) will be ready to break ground with approved plans in the next 30 days.

- According to RSI, the Months of Supply for lots in this sub-market for homes priced from $200,000 – $300,000 is 20.6 (614 lots). This is the tightest sub-market in Austin. In addition, Bridges of Bear Creek feeds into some of the best schools in the sub-market.

- The cost to develop the lots will be approximately $1.7 Million and would be repaid after the sale of the first 27 lots assuming the following repayment scenario:
    1) UDF IV would receive a 95% release price until paid in full (assumes 1st lien position), then
    2) TCC Would receive a 95% release price until paid in full (assumes subordination of $850k balance on land).

Buffington Capital Holdings

Bridges of Bear Creek - PH 1.2 $1.7M Development Loan

FF Sales Price
1,350

	Section 1.2		1.2 Appraised Value	
# of Acres	13.2		As Is	As Developed
# of Lots	61		**1,580,000**	**3,120,000**
Lot Size	50			
Lot Price	67,500			
Base Lot Revenue	4,117,500			
Per Acre	311,932			
Per Lot	67,500			
Per Front Foot	1,350			

Costs-to-Complete		Per Acre	Per Lot	Per Front Foot
Total Soft Costs	47,252	3,580	775	15
Total Hard Costs	1,137,844	86,200	18,653	373
Total Common Costs	178,850	13,549	2,932	59
Total Other Costs	366,820	27,789	6,013	120
Total Cost-to-Complete	**1,730,766**	131,119	28,373	567

Current TCC Loan and Collateral

Debt Allocated to Ph 1.2	858,100
Collateral Value	
1.2 - As Developed:	3,120,000

Total Capital:		LTV	% of Capital	Release Price Per Lot*	# Lots for Repayment
UDF IV - 1st lien:	1,730,766	55%	67%	64,125	27
TCC - 2nd lien:	858,100	83%	33%	64,125	14

*95% release to 1st lien until paid in full and then 95% release to 2nd lien until paid in full

Sweetwater

Buffington Capital Holdings

Sweetwater – Project Summary

Project Description:

- Location: West of Austin on the South side of HWY 71. Lake Travis sub-market and school district
- MUD: Lazy Nine MUD. Water: LCRA. Wastewater: On-site Wastewater Treatment Plant
- 1,573 lots (22 developed lots / 201 partially developed lots / 1,350 future lots)
- 1,670 acres
- As Completed Appraised Value: $85,300,000 (based on August 1, 2008 Land America Appraisal)
- Tier 1 MUD Reimbursable Costs Spent as of January 8, 2010: $11,778,842

Net Profit Summary:

Projected Net MUD Proceeds (including $11.8M costs spent to date):	$71,562,500
Projected Net Revenues (lot sales, commercial land sales, builder fees):	$151,634,583
Total Projected Revenues:	$223,197,083
Total Projected Costs:	($97,843,592)
Total Projected Senior Debt Expense:	($19,153,379)
Repayment of Existing Senior Debt Balance:	($53,929,169)
Net Profit Available for Distribution to Equity:	**$52,270,943**

Buffington Capital Holdings

Sweetwater – Capital Structure Summary

Current Capital Structure:

Senior Debt ($67,101,000 Facility):

Revolving Capacity / Interest Rate: $58,101,000 / Prime + 3% with floor of 6%
Term Capacity / Interest Rate: $9,000,000 / Prime + 3.5% with floor of 7.5%
Maturity Date: December 31, 2011. Two extensions to December 31, 2013
Current Revolver Outstanding Balance: $46,929,169
Current Term Outstanding Balance: $7,000,000
Current Total Senior Debt Outstanding: $56,929,169

Equity: $30M currently invested (Lehman Brothers)

Proposed Capital Structure:

Senior Debt Structure to be Negotiated ($65,101,000 Facility):

Revolving Capacity: $58,101,000
Term Capacity: $7,000,000
Maturity Date: December 31, 2020. One extension to December 31, 2021
$7.5M initial new equity investment will pay-down revolver. Additional equity investment required when senior debt balance is greater than $65,101,000
Release Price: 90% of net sales proceeds from first half of lots / 85% second half of lots / 100% thereafter

Equity: $30M currently invested (Lehman Brothers)

New Equity: $7.5M initial investment 1Q2010. Plan to negotiate first lien position on $9M of MUD receivables and/or lot collateral. $8M additional investment 4Q2012 – 4Q2013. Plan to negotiate first lien position on $9.5M of MUD receivables and/or lot collateral.

Buffington Capital Holdings

Buffington Land Equity Restructure

In the equity restructure of the Buffington Land portfolio, the following scenario will fully repay UDF (providing a 32.25% return to UDF) and pay-down the UDF III balance by $16.9M:

UDF IV Lien Positions & LTV's

1st Lien Position	UDF IV Loan Amount	Value	LTV	Remaining Sr. Debt
BoBC Ph 1.1 & 2.1 Lots	4,735,523	5,581,000	85%	0
Southpark Meadows Lots	5,168,115	6,090,000	85%	0
Silver Leaf Lots	1,388,919	1,636,880	85%	0
Mason Park Lots	1,243,628	1,465,290	85%	0
Mason Park MUDs	2,890,822	3,403,983	85%	0
VoHL 5A Lots	3,422,718	4,056,023	85%	0
VoHL 5A MUDs	2,112,987	2,493,321	85%	0
Highpointe Lots	127,321	150,000	85%	0
Highpointe MUDs	6,402,865	7,529,887	85%	0
Sub-Total	**27,492,898**	**32,406,384**	**85%**	**0**

2nd Lien Position	UDF IV Loan Amount	Value	LTV	Remaining Sr. Debt
BoBC Ph 1.2	1,730,766	3,120,000	83%	858,100
SWR Lots	3,326,297	4,325,440	85%	340,624
SWR MUDs	6,800,781	8,011,151	85%	0
VoHL 4C & 5B Lots	917,139	4,242,000	85%	2,674,456
VoHL 4C & 5B MUDs	3,436,228	5,566,334	85%	1,281,012
Sub-Total	**16,211,210**	**25,264,925**	**85%**	**5,154,192**
Total	**43,704,108**	**57,671,309**	**85%**	**5,154,192**