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**From:** Parker Lewis [PL@haymancapital.com]  
**Sent:** 10/9/2015 11:06:25 PM  
**To:** Andy Jent [aj@haymancapital.com]  
**Subject:** Example Loans to Underwrite  
**Attachments:** image001.jpg; Distressed Debt Underwriting.pptx

Andy - see attached. The attached document reviews the capital structures and lenders as well as the general information we are relying upon to assess collateral value for two deals that we are underwriting as examples for Blackstone. We chose these two because they fit in the two buckets that will be the most prevalent opportunities:

- 1) 1st Lien Bank Loan At Asset Level
- 2) Bank Loan with 1st Lien UDF Note Pledged as Collateral

We visited both sites today to check on status of the development which will help inform Farley's valuation analysis (some parcels will be valued as finished lots and others as entitled undeveloped land or partially developed land...various pieces of the master development are at different stages). We are also planning to receive refined lot values (paper and finished) as well as absorption rates from our land advisors on Monday. The attached document does not yet have the ultimate valuation but we wanted to send along in advance so that Blackstone can have the benefit of understanding direction and inputs we are relying upon.

We should be in a position late Monday / Tuesday to send over the supporting valuation and underwriting of the relevant loans. I'm available over the weekend if Blackstone would like to discuss.

[cid:image001.jpg@01C84251.44A3D170]

Parker Lewis  
Hayman Capital Management, L.P.  
2101 Cedar Springs Road Suite 1400  
Dallas, TX 75201

214.347.8043 Direct  
512.699.7480 Mobile  
PL@HaymanCapital.com<mailto:PL@HaymanCapital.com>

# **Distressed Debt Underwriting Examples**

# Disclaimer

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## PLEASE READ THE FOLLOWING IN CONJUNCTION WITH YOUR REVIEW OF THIS PRESENTATION

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This Presentation provides certain information with respect to a potential investment opportunity, to be managed by Hayman Capital Management, L.P. ("Hayman"). The specific positions discussed are intended to illustrate selected significant investments or themes, and may not be representative of the entire investments or themes. Projected returns for specific investments are meant to illustrate Hayman's investment process, and do not include deductions of operational expenses, management fees or incentive allocations.

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# Table of Contents

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- **Example 1 – 1<sup>st</sup> Lien Bank Loan At Asset Level (Creeks of Legacy)**
- **Example 2 – 1<sup>st</sup> Lien Bank Loan with 1<sup>st</sup> Lien UDF Note as Collateral (Williamsburg)**

# **Creeks of Legacy Underwriting Inputs**

# Creeks of Legacy – A Centurion American Development



## BUYER FEATURES

Home Builders: Lennar Homes  
First Texas Homes  
Beazer Homes  
Megatel Homes

### *Creeks of Legacy ready to get underway in the City of Celina*

Celina, TX – Carrollton based Centurion American Development Group is ready to move forward on a master-planned community in the booming North Texas corridor near the northwest corner of the Dallas Tollway at Frontier Parkway and Legacy Drive.

The community named Creeks of Legacy, approximately 300 acres, has plans to be called home to over 1000 homeowners. This new development affords the opportunity for the City of Celina to expand their city infrastructure and services to new residents in the southern portion of the City, which many officials have called the gateway to the City of Celina.

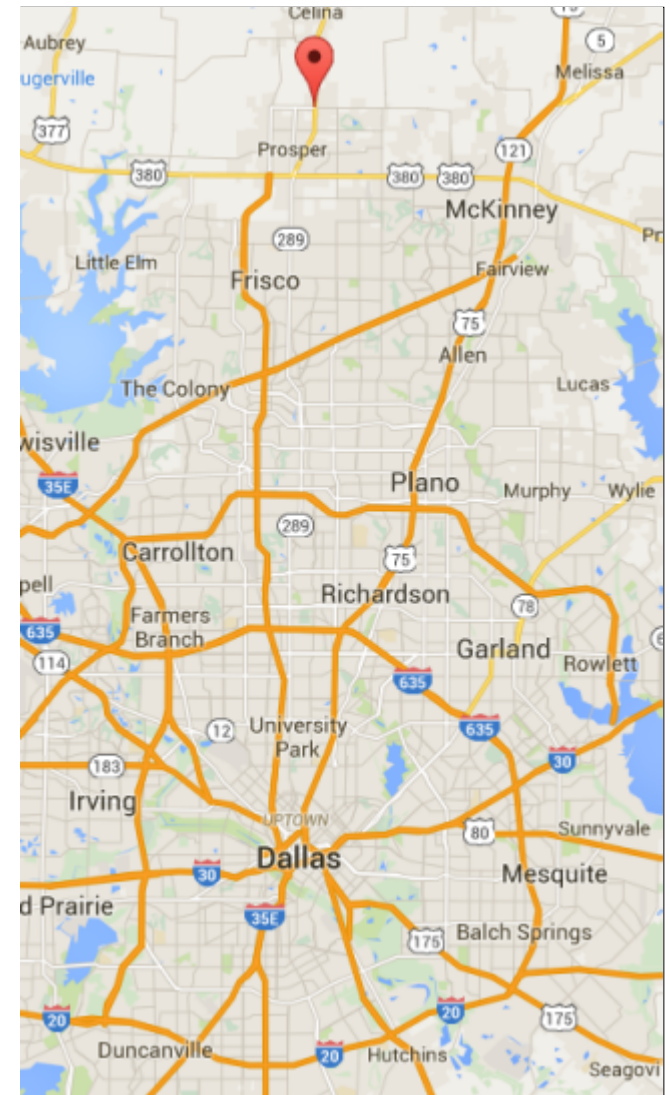
"We are excited to be developing another master-planned community in the heart of the City of Celina", says Centurion American President Mehrdad Moayed. "This corridor is a premier location for homebuyers and we are ready to start on the first phase which will bring more than 400 residents to the area".

Plans for the development include a model home information park, large areas of open space, trails and two highly-desirable amenity centers. Creeks of Legacy residents will be excited to send their children to the highly acclaimed Prosper Independent School District.

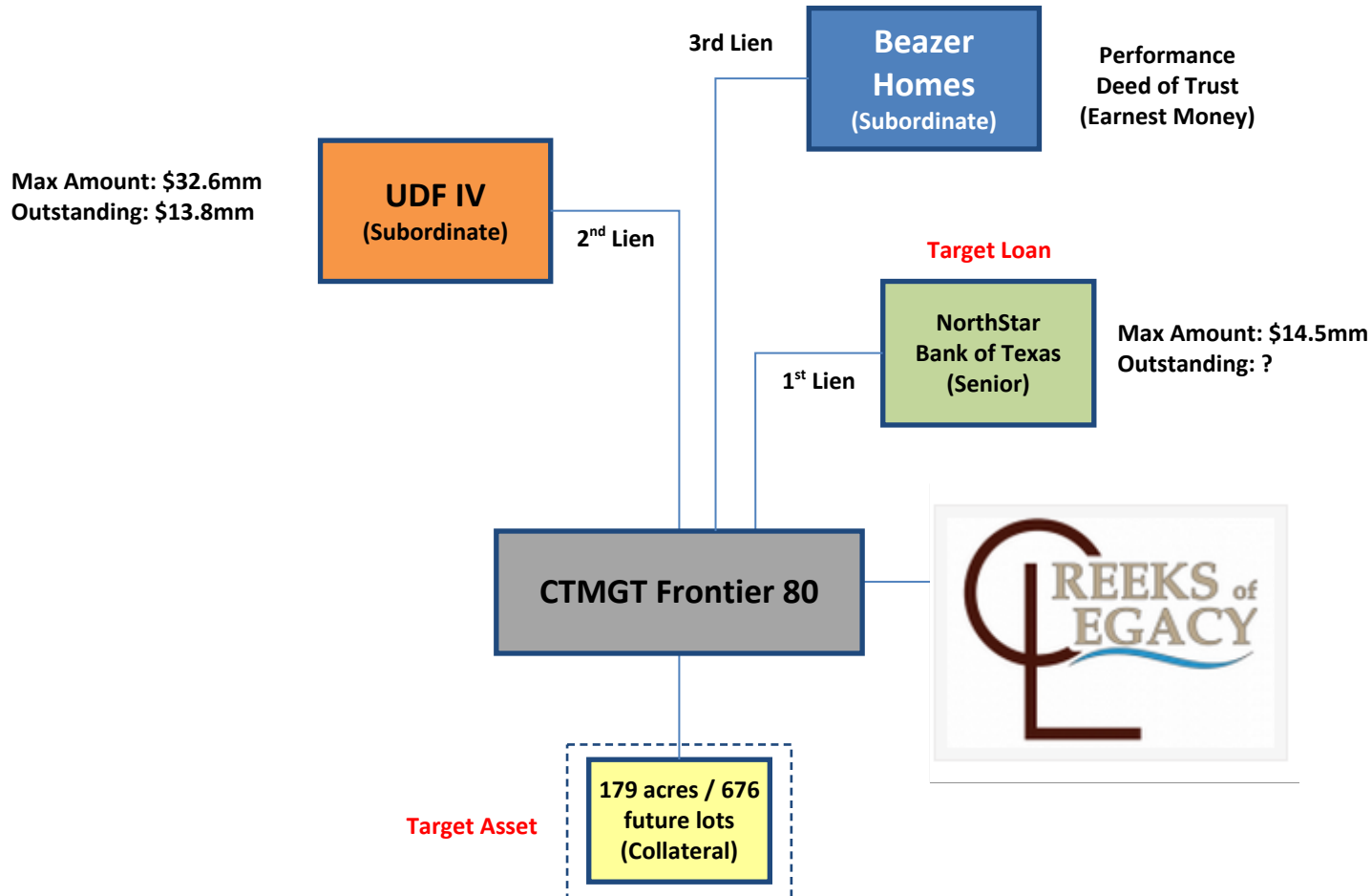
Creeks of Legacy will feature some regional and national award winning builders with Lennar Homes, First Texas Homes, Beazer Homes and Megatel Homes. Phase 1 construction is scheduled to start later this month.

Financing for the Creeks of Legacy property was provided by Northstar Bank of Texas and United Development Funding.

Source: Centurion American Website



# Creeks of Legacy – Capital Structure / Collateral Overview



Source: County Records, SEC Filings

# Creeks of Legacy – Collin County Parcels



**A** Centurion American  
(CTMGT Frontier 80)



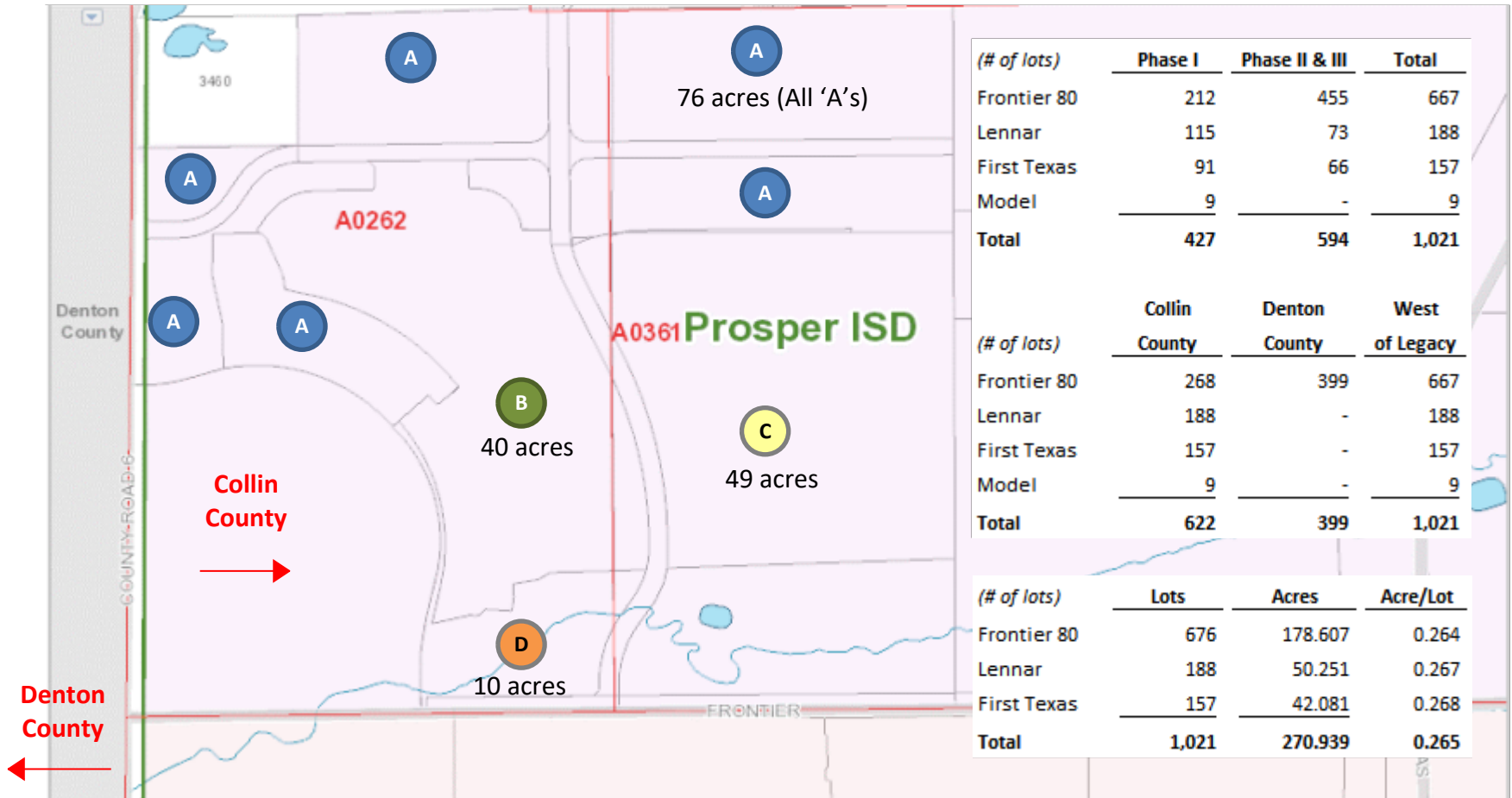
**B** First Texas Homes



**C** Lennar Homes of TX



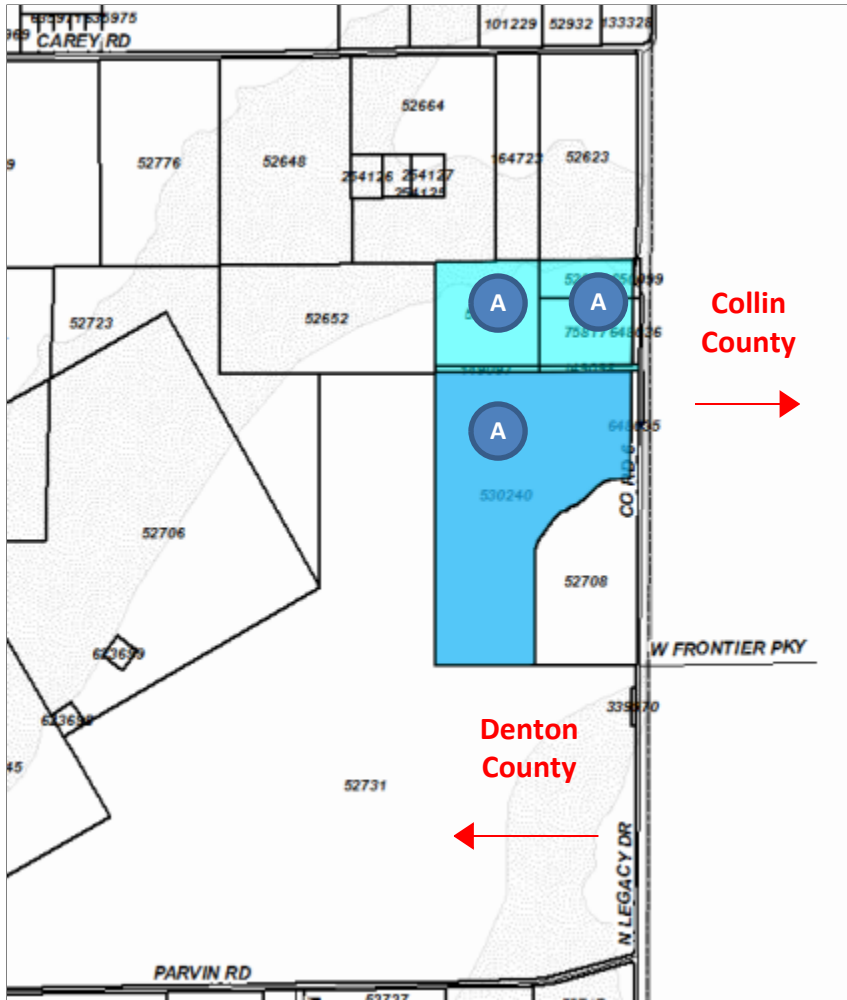
**D** Centurion American  
(CADG Frontier 192)



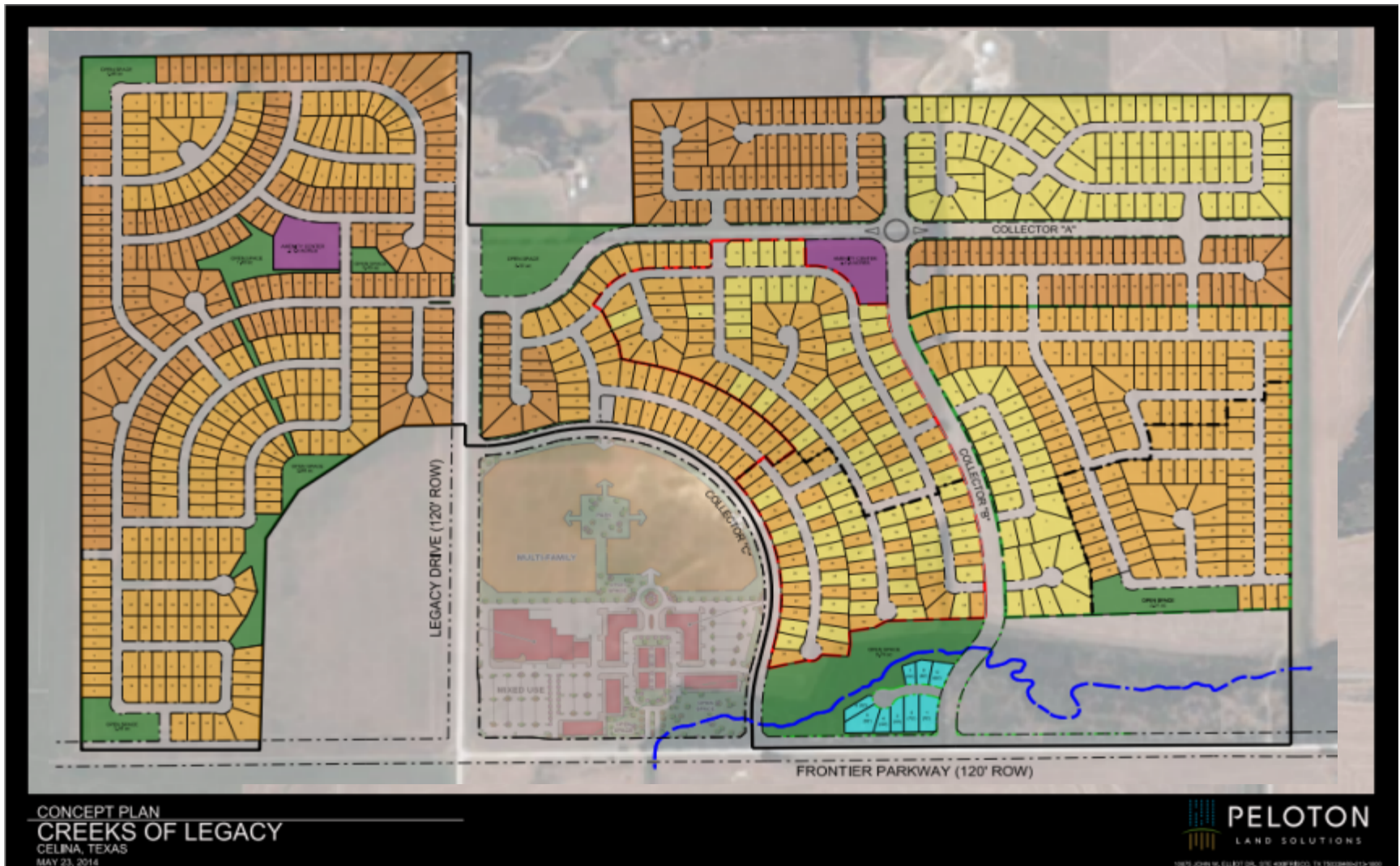
Source: Collin County Records, Celina (TX) Council Chambers



**CTMGT Frontier 80 owns approximately 179 acres with ~76 acres in Collin County and 103 acres in Denton County; this land will be developed in phases as part of the Creeks of Legacy master community development.**

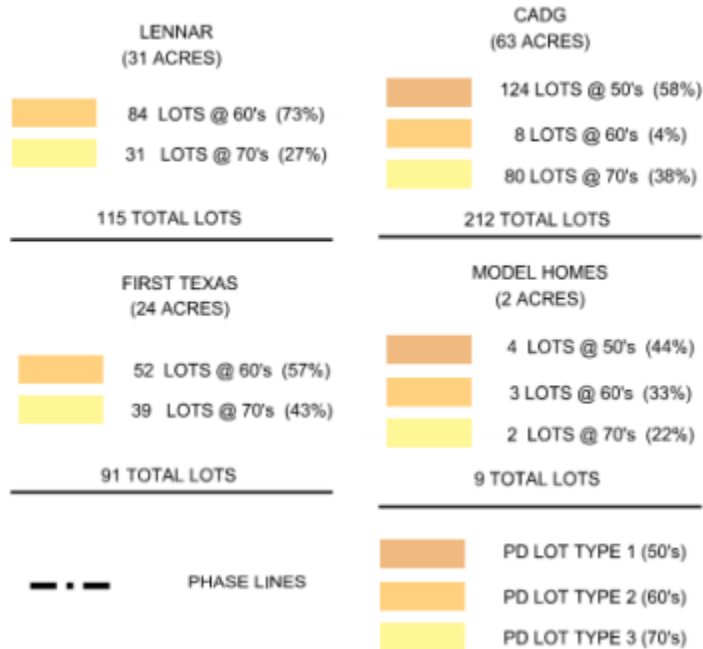


# Creeks of Legacy – Concept Plan

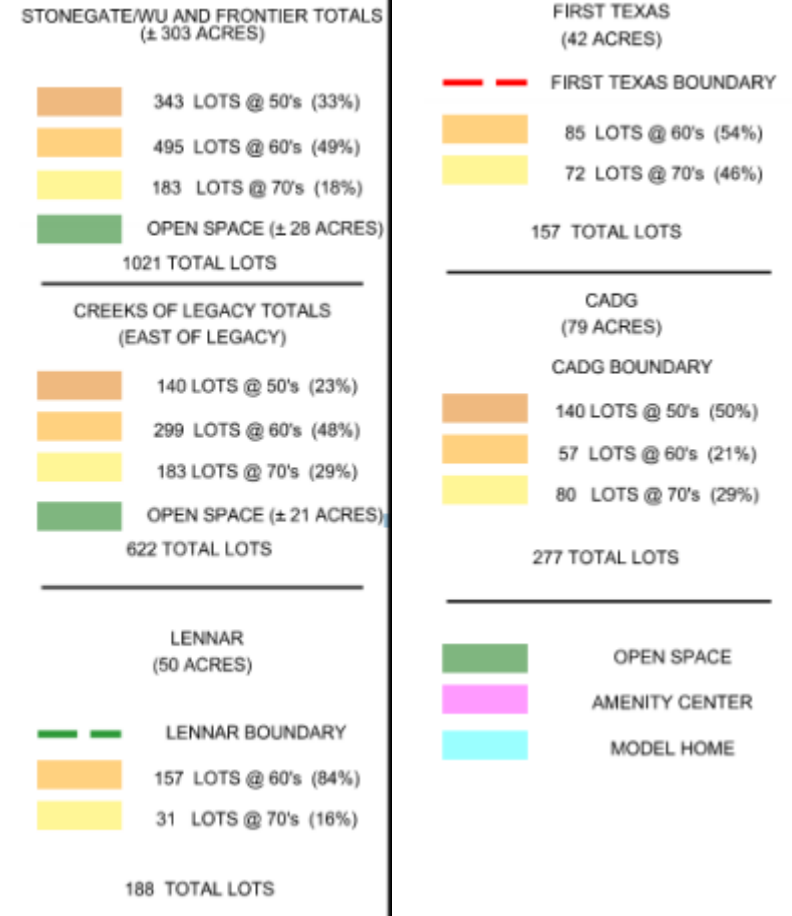


# Creeks of Legacy – Phase Detail Legend

## Phase 1 Legend



## Master Plan Legend



Source: Celina (TX) Council Chambers, Notice of City Council Special Meeting & Public Hearings

# Public Improvement District – Authorized Improvements

Appendix B  
Estimated Authorized Improvement Costs

Authorized Improvements	Estimated Major Improvement Costs	Estimated Phase #1 Improvement Costs	Estimated Future Phase Improvement Costs (for information purposes only)
<b>Roadway Improvements</b>			
Frontier Parkway (Collector B to DNT)	\$779,846	\$0	\$0
Frontier (Collector B to Legacy), Legacy and Frontier (Legacy to Stonegate)	\$2,255,562	\$0	\$0
Collector A and Collector B	\$2,029,592	\$0	\$0
Phase 1 on-site roadways	\$0	\$2,665,000	\$0
Future phase on-site roadways	\$0	\$0	\$2,585,000
Estimated right-of-way costs	\$1,600,000	\$0	\$0
Subtotal: Roadway improvements	\$6,665,000	\$2,665,000	\$2,585,000
<b>Water distribution system improvements</b>			
Water improvements along DNT and DNT to Collector B	\$547,210	\$0	\$0
Water improvements along Frontier (Collector B to Legacy), Legacy and Frontier (Legacy to Stonegate)	\$400,300	\$0	\$0
Water improvements along Collector and Collector B	\$357,490	\$0	\$0
Phase 1 on-site water improvements	\$0	\$790,000	\$0
Future phase on-site water improvements	\$0	\$0	\$765,000
Subtotal: Water improvements	\$1,305,000	\$790,000	\$765,000
<b>Sewer collection system improvements</b>			
Sewer system improvements along Legacy and Frontier (Legacy to Collector B)	\$689,949	\$0	\$0
Sewer system improvements along Frontier (Collector B to DNT)	\$316,424	\$0	\$0
Sewer system improvements along Collector A and	\$408,627	\$0	\$0
Phase 1 on-site sewer system improvements	\$0	\$1,090,000	\$0
Future phase on-site sewer system improvements	\$0	\$0	\$1,055,000
Subtotal: Sewer system improvements	\$1,415,000	\$1,090,000	\$1,055,000

Source: Celina (TX) Council Chambers, Notice of City Council Special Meeting & Public Hearings

# Public Improvement District – Authorized Improvements

Appendix B  
Estimated Authorized Improvement Costs

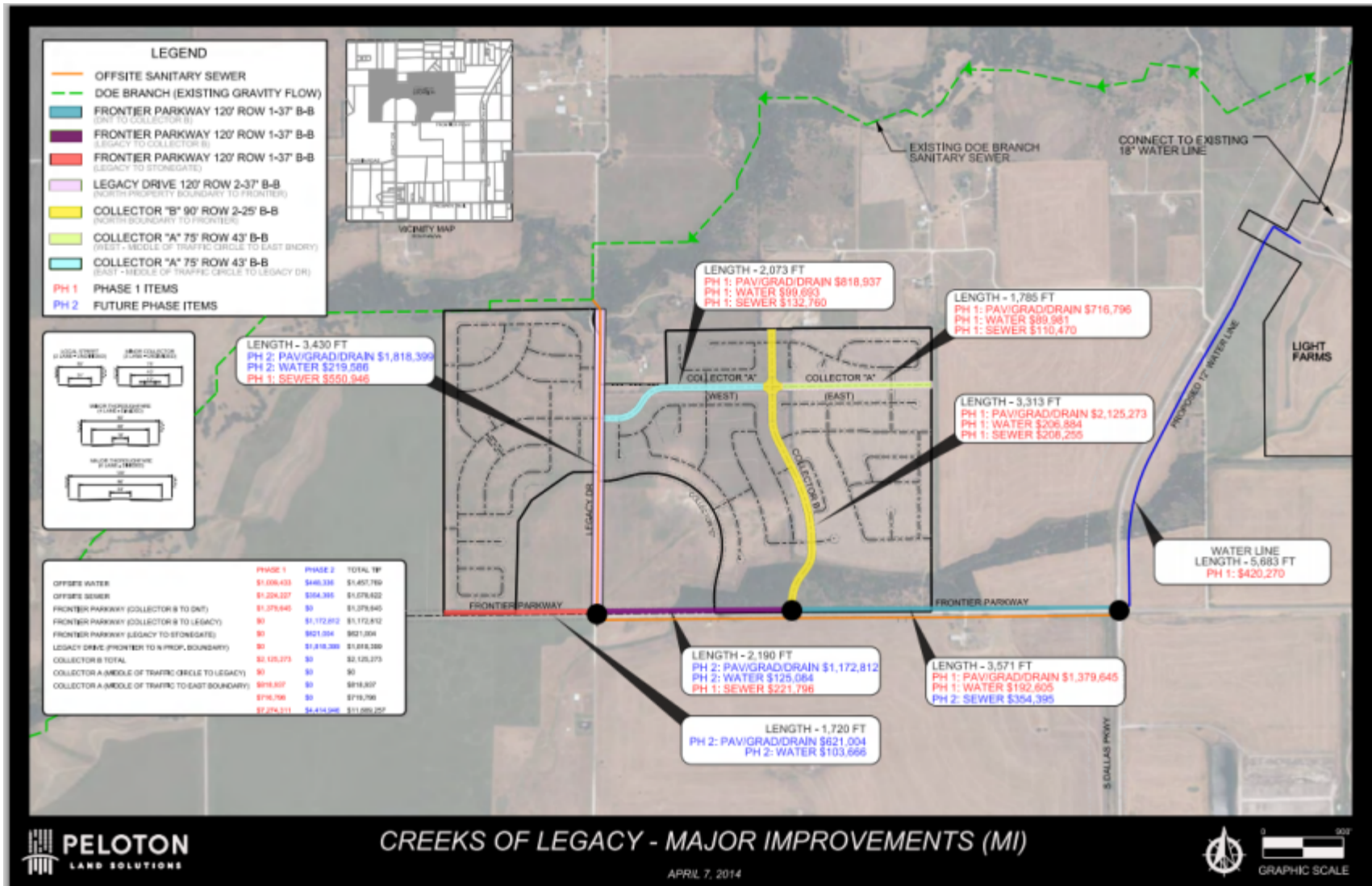
Authorized Improvements	Estimated Major Improvement Costs	Estimated Phase #1 Improvement Costs	Estimated Future Phase Improvement Costs (for information purposes only)
Drainage collection system improvements			
Drainage system improvements along Frontier (DNT to	\$451,980	\$0	\$0
Drainage improvements along Frontier (Collector B to			
Legacy), Legacy and Frontier (Legacy to Stonegate)	\$969,629	\$0	\$0
Drainage system improvements along Collector A and	\$1,243,391	\$0	\$0
Phase 1 on-site drainage system improvements	\$0	\$1,475,000	\$0
Future phase on-site drainage system improvements	\$0	\$0	\$1,430,000
Subtotal: Drainage system improvements	\$2,665,000	\$1,475,000	\$1,430,000
<b>Subtotal:estimated improvement costs</b>	<b>\$12,050,000</b>	<b>\$6,020,000</b>	<b>\$5,835,000</b>
Other costs			
Engineering	\$731,500	\$421,400	\$408,450
Contingency and other soft costs	\$518,500	\$2,087,239	\$816,550
Subtotal: Other costs	\$1,250,000	\$2,508,639	\$1,225,000
<b>Grand total improvements + soft costs</b>	<b>\$13,300,000</b>	<b>\$8,528,639</b>	<b>\$7,060,000</b>
Estimated Major Improvement costs allocated to Phase 1	(\$5,736,361)	\$5,736,361	
Total estimated improvement costs to be funded	\$7,563,639	\$14,265,000	\$7,060,000
Estimated bond issuance costs <sup>1</sup>	\$1,446,361	\$2,505,000	
<b>Grand Total Estimated Project Costs</b>	<b>\$9,010,000</b>	<b>\$16,770,000</b>	

1 - The estimated bond issuance costs for Major Improvements includes estimated amounts (rounded) only for the Series 2014 Phases #2-3 Major Improvement Bonds.

Source: Celina (TX) Council Chambers, Notice of City Council Special Meeting & Public Hearings



# Public Improvement District – Major Improvements



Source: Celina (TX) Council Chambers, Notice of City Council Special Meeting & Public Hearings

# Lot Type Overview by Phase

## Appendix D Lot Types and Equivalent Units

For purposes of allocating the Assessments, the Assessed Property has been classified in one of three Lot Types. The following table shows the proposed residential Lot Types within the PID.

**Table D-1  
Proposed Development within the PID**

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	70 Ft Lots	183 units
Lot Type 2	60 Ft Lots	495 units
Lot Type 3	50 Ft Lots	343 units
<b>Total</b>		<b>1,021 units</b>

Table D-2 below shows the proposed residential Lot Types within Phase #1.

**Table D-2  
Proposed Development – Phase #1**

Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	70 Ft Lots	152 units
Lot Type 2	60 Ft Lots	147 units
Lot Type 3	50 Ft Lots	128 units
<b>Total</b>		<b>427 units</b>

Table D-3 below shows the proposed residential Lot Types within Phases #2 - 3.

**Table D-3  
Proposed Development - Phases #2 - 3**

Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	70 Ft Lots	31 units
Lot Type 2	60 Ft Lots	348 units
Lot Type 3	50 Ft Lots	215 units
<b>Total</b>		<b>594 units</b>

As explained under Section IV-D, For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the portion of the Major Improvements to be

# Lot Type Overview – Indicative Home Values

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## SALES PRICE COMPARISON

The projected average base homes prices for the residential units in the development as estimated by the developer are shown in Table V-E.

**TABLE V-E**  
**Base Asking Price per Unit**

Project/Building	Units	Per Unit
70 ft residential units	183	\$405,000
60 ft residential units	495	\$355,000
50 ft residential units	343	\$295,000
<b>Total</b>	<b>1,021</b>	

Source: the lot type, estimated units and projected asking prices are provided by the Developer.

While it is possible that home buyers might negotiate the asking price, it is also believed that any discount from the base price will be offset by charges for buyer options such as exterior and interior finish upgrades, premium lot locations, and other potential upgrades. Therefore, this study assumes that units at the subject site achieve the average base asking average prices per unit shown in Table VI-D.

Source: Celina (TX) Council Chambers, Notice of City Council Special Meeting & Public Hearings



# Deed of Trust – NorthStar Bank of Texas

DEED OF TRUST

FROM

CTMGT FRONTIER 80, LLC, as Borrower

TO

J. Richard White, as Trustee,

for the benefit of

NORTHSTAR BANK OF TEXAS, as Lender

DATED: August 29, 2014

## TRACT 1:

BEING A PORTION OF THAT TRACT OF LAND SITUATED IN THE J. MCKINN SURVEY, ABSTRACT NUMBER 889, DENTON COUNTY, TEXAS AND DESCRIBED BY DEED TO CADG FRONTIER 192 LLC, RECORDED IN INSTRUMENT NUMBER 2014-19516 REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

THENCE N 89°28'57"E, 1679.52 FEET, WITH THE SOUTH LINE OF SAID CADG TRACT THE POINT OF BEGINNING AND CONTAINING 2,982,038 SQUARE FEET OR 68.458 ACRES OF LAND MORE OR LESS.

## TRACT 2:

BEING A PORTION OF THAT TRACT OF LAND SITUATED IN THE A. THOMASSON SURVEY, ABSTRACT NUMBER 1265, AND THE WILLIAM PHILLIPS SURVEY, ABSTRACT NUMBER 1029, DENTON COUNTY, TEXAS, DESCRIBED BY DEED TO CADG FRONTIER 192, LLC, RECORDED IN INSTRUMENT NUMBER 2014-61400, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE EXHIBIT "A", Property Description - Page 2

THENCE S 00°30'15"W, 883.97 FEET THE WEST LINE OF SAID CITY OF CELINA TRACT AND THE EAST LINE OF THE REMAINDER OF CADG FRONTIER TRACT RECORDED IN 2014-61400, SAID DENTON COUNTY RECORDS, TO THE POINT OF BEGINNING AND CONTAINING 1,482,870 SQUARE FEET OR 34.042 ACRES OF LAND MORE OR LESS.

**Note:** That certain Promissory Note of even date herewith in the stated principal amount of FOURTEEN MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$14,500,000.00), executed and delivered by Borrower, and made payable to the order of Lender, bearing interest as therein specified, and secured by, among other things, this Deed of Trust; and any and all modifications (including any increases of principal), extensions, renewals, restatements, consolidations, replacements, and supplements thereof.

# Deed of Trust – NorthStar Bank of Texas (Continued)

DEED OF TRUST

FROM

CTMGT FRONTIER 80, LLC, as Borrower

TO

J. Richard White, as Trustee,

for the benefit of

NORTHSTAR BANK OF TEXAS, as Lender

DATED: August 29, 2014

Land Summary	Acres
Tract 1	68.458
Tract 2	34.042
Tract 3	76.107
Total	178.607

## TRACT 3:

### DESCRIPTION

BEING SIX PARCELS OF LAND SITUATED IN THE WM. DAVENPORT SURVEY, ABSTRACT NUMBER 262, AND THE F.D. GARY SURVEY, ABSTRACT NUMBER 361,

#### PARCEL 1

THENCE N 00°16'45"W, 600.61 FEET WITH THE COMMON WEST LINE OF SAID TRACT 1 AND THE EAST LINE OF SAID CARL P. PARRISH TRACT TO THE POINT OF BEGINNING AND CONTAINING 690,668 SQUARE FEET OR 15.856 ACRES OF LAND MORE OR LESS.

#### PARCEL 2

THENCE N 89°45'31"E, 804.65 FEET CONTINUING WITH SAID NORTH LINE TO THE POINT OF BEGINNING AND CONTAINING 1,067,672 SQUARE FEET OR 24.510 ACRES OF LAND MORE OR LESS.

#### PARCEL 3

THENCE N 89°29'44"E, 1654.27 FEET WITH SAID SOUTH LINE TO THE POINT OF BEGINNING AND CONTAINING 596,669 SQUARE FEET OR 13.698 ACRES OF LAND MORE OR LESS.

#### PARCEL 4

THENCE S 00°48'58"E, 237.44 FEET WITH SAID WEST LINE TO THE POINT OF BEGINNING AND CONTAINING 80,224 SQUARE FEET OR 1.842 ACRES OF LAND MORE OR LESS.

#### PARCEL 5

THENCE N 00°30'15"E, 36.00 FEET CONTINUING WITH SAID EAST LINE TO THE POINT OF BEGINNING AND CONTAINING 136,281 SQUARE FEET OR 3.129 ACRES OF LAND MORE OR LESS.

#### PARCEL 6

THENCE N 89°39'20"W, 38.91 FEET WITH SAID COMMON LINE TO THE POINT OF BEGINNING AND CONTAINING 743,657 SQUARE FEET OR 17.072 ACRES OF LAND MORE OR LESS.

# Deed of Trust / Subordination Agreement – UDF IV

<p>CTMGT FRONTIER 80, LLC, a Texas limited liability company, Grantor,</p> <p>TODD ETTER, Trustee,</p> <p>and</p> <p>UNITED DEVELOPMENT FUNDING IV, a Maryland real estate investment trust</p>
<p><b>DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING</b> <i>(Collin and Denton Counties, Texas)</i></p> <p>This instrument affects certain real and personal property located in Collin and Denton Counties, State of Texas.</p>

## SUBORDINATION AGREEMENT (Creeks of Legacy, City of Celina, Collin County, Texas)

THIS SUBORDINATION AGREEMENT (the "Agreement") is made to be effective as of the 29 day of August, 2014, by and among NORTHSTAR BANK OF TEXAS, a State of Texas banking association (together with its successors and assigns are hereinafter referred to as "Senior Lender"), BEAZER HOMES TEXAS, L.P., a Delaware limited partnership ("Beazer" or "Builder"), UNITED DEVELOPMENT FUNDING IV, a Maryland real estate investment trust (hereinafter referred to as "UDF"), and CTMGT FRONTIER 80 LLC, a Texas limited liability company ("Borrower").

### RECITALS

A. On or about the date hereof, Borrower executed a Loan Agreement in connection with a loan by Senior Lender to Borrower in the amount of \$14,500,000.00 (the "Senior Loan Agreement"), and a Promissory Note in the original principal amount of \$14,500,000.00 dated on or about the date hereof in favor of Senior Lender, payable with interest and upon the terms and conditions described therein (the "Senior Note"), evidencing a first and prior secured loan (the "Senior Loan"), which Senior Note is secured by, among other things, a Deed of Trust (as the same may be hereafter amended, extended, restated, supplemented, increased, consolidated, renewed or otherwise modified or replaced from time to time, the "Senior Deed of Trust") covering the real property more particularly described on Exhibit A attached hereto and made a part hereof (the "Land") and all other personal and other property described in the Senior Deed of Trust (collectively, the "Property"), filed in the Real Property Records of Collin County, Texas.

**Note:** That certain Amended and Restated Secured Promissory Note dated on or about the Effective Date, in the original principal amount of \$32,600,000.00, issued, executed and delivered by Borrower, payable to the order of Beneficiary, and any and all renewals, modifications, rearrangements, reinstatements, enlargements, or extensions of such promissory note or of any promissory note or notes given in renewal, substitution or replacement therefor.

# Creeks of Legacy – Valuation Analysis / Loan Underwriting

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[ to come ]

# **Williamsburg Underwriting Inputs**

# Williamsburg Is a Development in Fate, TX



A Centurion American Community®

UDF IV Loans to  
CTMGT Williamsburg  
total \$28.1mm, or  
4.5% of total loans



## WILLIAMSBURG

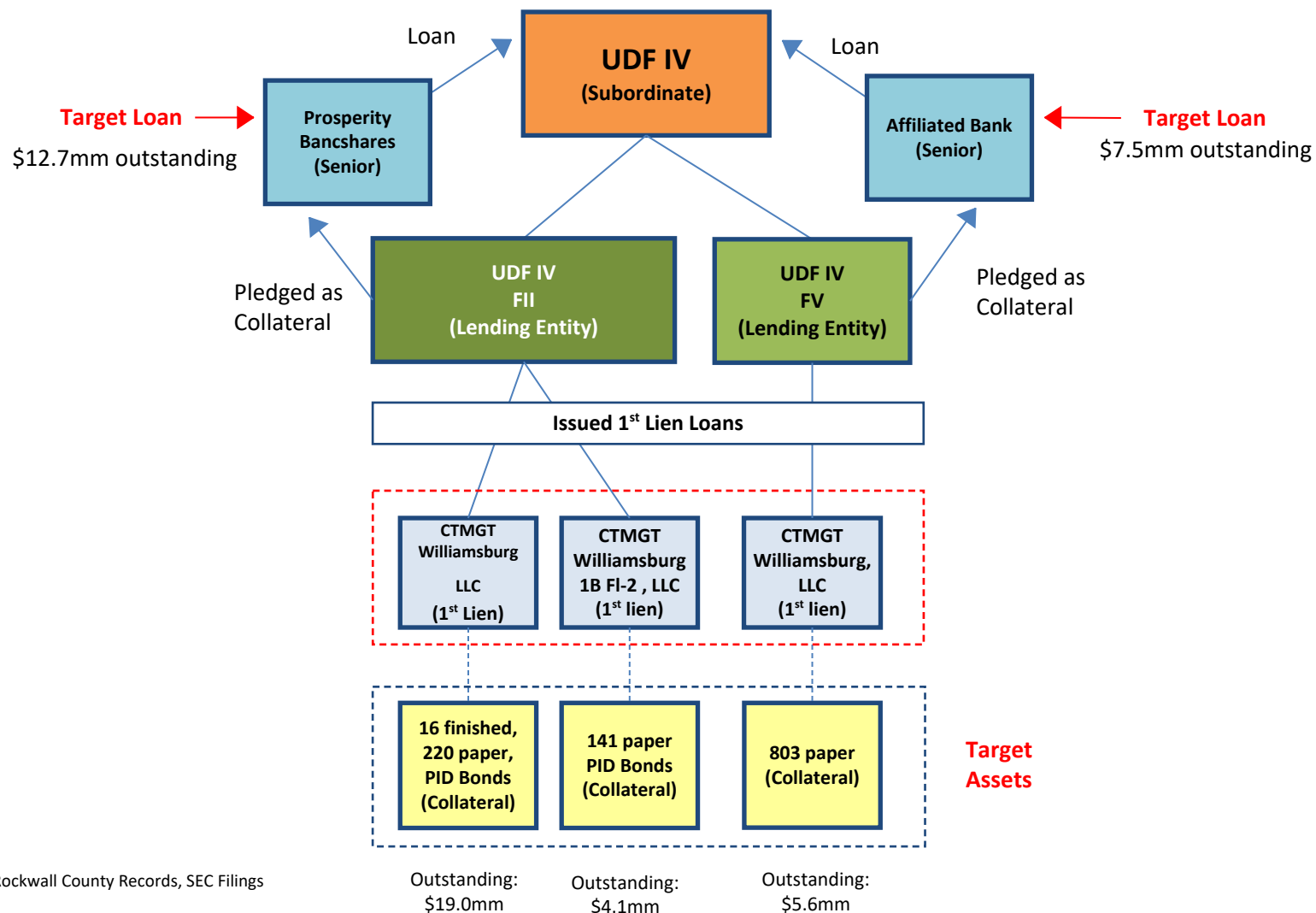
Dallas / Fort Worth, Rockwall County, Single Family,  
Starting From \$170K

[View On Map](#)

Williamsburg – in Fate, Texas situated on approximately 189.767 acres –  
Phase I addition with 287 single family lots immediately off I-30 and only minutes  
from Lake Ray Hubbard.

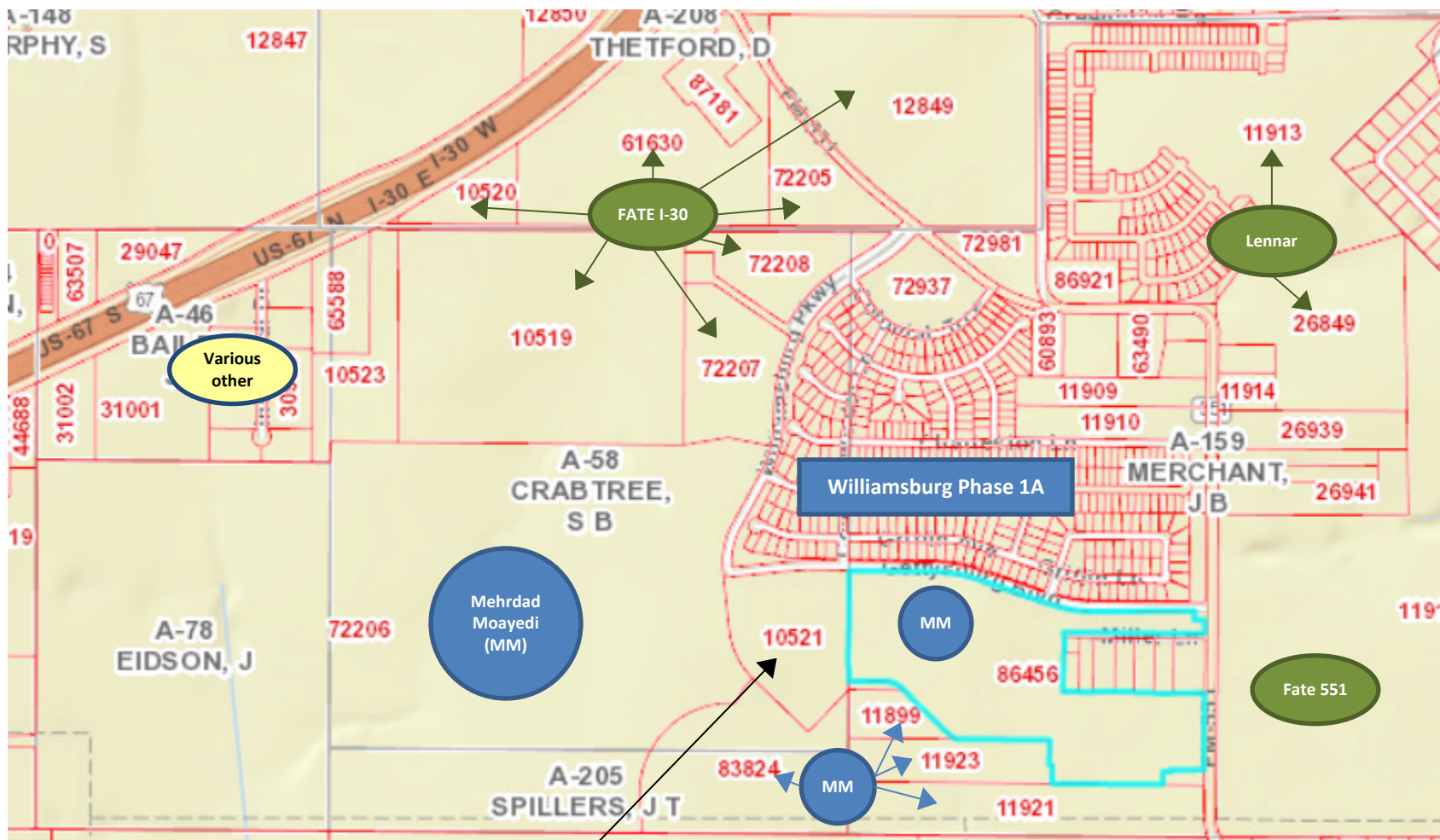
Source: Centurion American Website, SEC Filings

# Williamsburg – Capital Structure / Collateral Overview





# Williamsburg Land Parcels – Rockwall County



Source: Rockwall County Records

Rockwall ISD



# Index of the Key Land Parcels

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Owner (Legal Entity)	Parcel IDs	
Fate I-30, LP	10519	10520
	61630	
Fate I-30 Commercial, LP	72205	72208
	72207	

Owner (Legal Entity)	Parcel IDs	
CTMGT Williamsburg, LLC	72206	11921
	83824	11922
	11899	11923
	86457	63563
CTMGT Williamsburg 1B FL-2, LLC	86456	



Source: Rockwall County Records

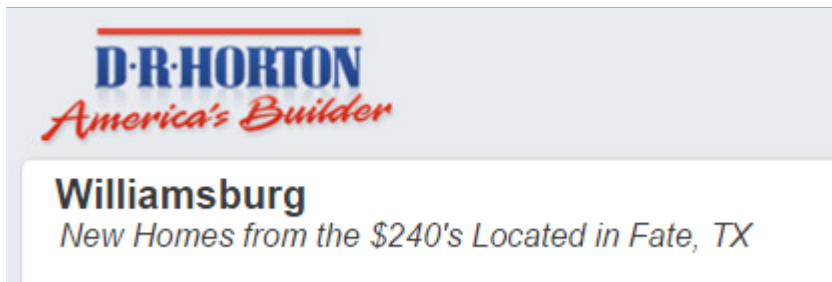
# Summary of Deed History for CTMGT Land

ID	Acres	Owner	Date	Grantor	Grantee	Note	Description
11921	16.000	CTMGT Williamsburg LLC	1/29/2007	Fate Smith LP	MU Williamsburg LLC	Taxes past due	TRACT 11, ACRES 16, (PT OF 97.388 AC TR)
			11/1/2011	MU Williamsburg LLC	CTMGT Williamsburg LLC		
11922	2.000	CTMGT Williamsburg LLC	1/29/2007	Fate Smith LP	MU Williamsburg LLC	Taxes past due	TRACT 12, ACRES 2, (PT OF 97.388 AC TR)
			11/1/2011	MU Williamsburg LLC	CTMGT Williamsburg LLC		
11923	7.099	CTMGT Williamsburg LLC	1/29/2007	Fate Smith LP	MU Williamsburg LLC	Taxes past due	TRACT 12-01, ACRES 7.099, (PT OF 53.641 AC TR)
			11/1/2011	MU Williamsburg LLC	CTMGT Williamsburg LLC		
11899	3.450	CTMGT Williamsburg LLC	1/29/2007	Fate Smith LP	MU Williamsburg LLC	Taxes past due	TRACT 1, ACRES 3.45, (PT OF 53.641 AC TR)
			11/1/2011	MU Williamsburg LLC	CTMGT Williamsburg LLC		
83824	24.052	CTMGT Williamsburg LLC	1/25/2007	Fate I-30, LP	MU Williamsburg LLC	Taxes past due	TRACT 3-04, ACRES 24.052 AC (PT OF 97.388 AC TR)
			11/1/2011	MU Williamsburg LLC	CTMGT Williamsburg LLC		
86457	0.550	CTMGT Williamsburg LLC	11/1/2011	MU Williamsburg LLC	CTMGT Williamsburg LLC	Taxes past due	TRACT 12-02, ACRES 0.55, (PT OF 53.641 AC TR)
63563	0.490	CTMGT Williamsburg LLC	1/29/2007	Fate Smith LP	MU Williamsburg LLC	Taxes past due	TRACT 8-7, ACRES 0.49 (PT OF 53.6410 AC TR)
			11/1/2011	MU Williamsburg LLC	CTMGT Williamsburg LLC		
<b>Subtotal</b>	<b>53.641</b>						
86456	43.747	CTMGT Williamsburg LLC	11/1/2011	MU Williamsburg LLC	CTMGT Williamsburg LLC	Taxes paid	TRACT 1-1, ACRES 43.747, (PT OF 53.6410 AC TR)
<b>Subtotal</b>	<b>97.388</b>						
72206	244.575	CTMGT Williamsburg LLC	1/25/2007	Fate I-30, LP	MU Williamsburg LLC	Taxes past due	TRACT 3-1, ACRES 244.575
			2/7/2012	MU Williamsburg LLC	CTMGT Williamsburg LLC		

Source: Rockwall County Records

# Builders in Development & Indications of Land Value

A land manager for a public builder indicated that the developer's asking price for finished lots in Phase II (which is behind schedule but currently under development) was in the high \$30ks for 50 front foot lots and in the mid \$40ks for 60 front foot lots; these prices are generally consistent with the home prices publicized by the builders in this development (finished lot values @ ~20% of home prices).



Plan Name	Plan Number	Base Price	Square Feet	Bedroom	Bath Full
Warwick	1601	\$229,000	1644	3	2
Armstrong	1890	\$234,000	1890	3	2
Cascade	1889	\$239,000	1890	3	2
Melrose II	1899	\$239,000	1891	3	2
Blackberry	2102	\$244,000	2102	3	2
Delano	2050	\$249,000	2045	3	2

Source: Home builder websites

# CTMGT Williamsburg – UDF IV Loans Over Time

UDF IV currently has 3 notes due from CTMGT Williamsburg; all 3 notes are listed as 1<sup>st</sup> liens.

As of 12/31/12, CTMGT Williamsburg had loans of \$25.6 million combined; as of 3/31/15, the total balance was \$28.1 million.

For the 1<sup>st</sup> loan, despite having collateral decrease in each of the first 3 quarters of 2013 and having a first lien, there were no cash receipts to UDF IV on the loan; the only 'cash receipts' for 2013 coincides with the issuance of a new loan to a different CTMGT entity also controlled by Moayed.

There were Zero cash receipts between 6/30/14 and 3/31/15 despite lot takedowns by builders.

## ① Actually 2<sup>nd</sup> Loan Issued

Entity	Date	Security	Collateral	Outstanding			Cash Receipts			
				Balance	Issue Date	Maturity Date	2015A	2014A	2013A	2012A
CTMGT Williamsburg, LLC	12/31/2012	1st lien	156 fin, 98 acres, reimb.	\$ 21,732,855	11/30/11	10/31/14	n/a	n/a	n/a	\$ 388,995
CTMGT Williamsburg, LLC	3/31/2013	1st lien	121 fin, 98 acres, reimb.	\$ 22,096,412	11/30/11	10/31/14	n/a	n/a	\$ -	\$ 388,995
CTMGT Williamsburg, LLC	6/30/2013	1st lien	84 fin, 98 acres, reimb.	\$ 22,243,268	11/30/11	10/31/14	n/a	n/a	\$ -	\$ 388,995
CTMGT Williamsburg, LLC	9/30/2013	1st lien	70 fin, 98 acres, reimb.	\$ 22,869,679	11/30/11	10/31/14	n/a	n/a	\$ -	\$ 388,995
CTMGT Williamsburg, LLC	12/31/2013	1st lien	65 fin, 98 acres, reimb.	\$ 21,697,900	11/30/11	10/31/14	n/a	n/a	\$1,431,964	\$ -
CTMGT Williamsburg, LLC	3/31/2014	1st lien	38 finished & reimb.	\$ 21,800,671	11/30/11	10/31/14	n/a	\$ 438,380	\$1,431,964	\$ 388,995
CTMGT Williamsburg, LLC	6/30/2014	1st lien	33 fin, 220 paper, reimb.	\$ 17,804,503	11/30/11	10/31/14	n/a	\$4,670,333	\$1,431,964	\$ 388,995
CTMGT Williamsburg, LLC	9/30/2014	1st lien	24 fin, 220 paper, reimb.	\$ 17,882,722	11/30/11	10/31/14	n/a	\$4,670,333	\$1,431,964	\$ 388,995
CTMGT Williamsburg, LLC	12/31/2014	1st lien	18 fin, 220 paper, reimb.	\$ 18,685,775	11/30/11	10/31/15	n/a	\$4,670,333	\$1,431,964	\$ 388,995
CTMGT Williamsburg, LLC	3/31/2015	1st lien	18 fin, 220 paper, reimb.	\$ 18,899,104	11/30/11	10/31/15	\$ -	\$4,670,333	\$1,431,964	\$ 388,995

## ② Actually 3<sup>rd</sup> Loan Issued

Entity	Date	Security	Collateral	Outstanding			Cash Receipts			
				Balance	Issue Date	Maturity Date	2015A	2014A	2013A	2012A
CTMGT Williamsburg, LLC	12/31/2012	1st lien	244 acres	\$ 3,916,158	2/7/12	2/7/15	n/a	n/a	n/a	\$ -
CTMGT Williamsburg, LLC	3/31/2013	1st lien	244 acres	\$ 4,415,014	2/7/12	2/7/15	n/a	n/a	\$ -	\$ -
CTMGT Williamsburg, LLC	6/30/2013	1st lien	244 acres	\$ 4,415,014	2/7/12	2/7/15	n/a	n/a	\$ -	\$ -
CTMGT Williamsburg, LLC	9/30/2013	1st lien	244 acres	\$ 4,415,014	2/7/12	2/7/15	n/a	n/a	\$ -	\$ -
CTMGT Williamsburg, LLC	12/31/2013	1st lien	244 acres	\$ 4,427,905	2/7/12	2/7/15	n/a	n/a	\$ -	\$ -
CTMGT Williamsburg, LLC	3/31/2014	1st lien	244 acres	\$ 4,967,653	2/7/12	2/7/15	n/a	\$ -	\$ -	\$ -
CTMGT Williamsburg, LLC	6/30/2014	1st lien	803 paper lots	\$ 4,967,653	2/7/12	2/7/15	n/a	\$ -	\$ -	\$ -
CTMGT Williamsburg, LLC	9/30/2014	1st lien	803 paper lots	\$ 4,986,931	2/7/12	2/7/15	n/a	\$ -	\$ -	\$ -
CTMGT Williamsburg, LLC	12/31/2014	1st lien	803 paper lots	\$ 4,989,209	2/7/12	2/7/15	n/a	\$ -	\$ -	\$ -
CTMGT Williamsburg, LLC	3/31/2015	1st lien	803 paper lots	\$ 5,636,045	2/7/12	2/7/17	\$ -	\$ -	\$ -	\$ -

## ③ Actually 4<sup>th</sup> Loan Issued

Entity	Date	Security	Collateral	Outstanding			Cash Receipts			
				Balance	Issue Date	Maturity Date	2015A	2014A	2013A	2012A
CTMGT Williamsburg 18 FL-2	12/31/2012	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CTMGT Williamsburg 18 FL-2	3/31/2013	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CTMGT Williamsburg 18 FL-2	6/30/2013	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CTMGT Williamsburg 18 FL-2	9/30/2013	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CTMGT Williamsburg 18 FL-2	12/31/2013	1st lien	43.747 acres	\$ 2,156,138	10/31/13	10/31/16	\$ -	\$ -	\$ -	n/a
CTMGT Williamsburg 18 FL-2	3/31/2014	1st lien	43.747 acres	\$ 2,157,268	10/31/13	10/31/16	\$ -	\$ -	\$ -	n/a
CTMGT Williamsburg 18 FL-2	6/30/2014	1st lien	141 paper lots	\$ 2,162,518	10/31/13	10/31/16	\$ -	\$ -	\$ -	n/a
CTMGT Williamsburg 18 FL-2	9/30/2014	1st lien	141 paper lots	\$ 2,191,638	10/31/13	10/31/16	\$ -	\$ -	\$ -	n/a
CTMGT Williamsburg 18 FL-2	12/31/2014	1st lien	141 paper lots	\$ 2,482,555	10/31/13	10/31/16	\$ -	\$ -	\$ -	n/a
CTMGT Williamsburg 18 FL-2	3/31/2015	1st lien	141 paper lots	\$ 3,611,119	10/31/13	10/31/16	\$ -	\$ -	\$ -	n/a

Source: UDF IV 10Ks & 10Qs

# Deed of Trust – UDF IV Finance II / CTMGT Williamsburg

**CTMGT WILLIAMSBURG, LLC**, a Texas limited liability company,  
Grantor,  
**TODD ETTER**, Trustee,  
and  
**UDF IV FINANCE II, L.P.**,  
a Delaware limited partnership

**DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS,  
SECURITY AGREEMENT AND FIXTURE FILING**  
(Rockwall County, Texas)

**This instrument affects certain real and personal property  
located in Rockwall County, State of Texas.**

## EXHIBIT A

### LAND DESCRIPTION

#### TRACT 1: (PHASE 1A)

THENCE South 89 degrees 27 minutes 47 seconds East along the North line of said Fate-Smith tract, for a distance of 2289.43 feet to the POINT OF BEGINNING, and containing 9.000 acres of land, more or less.

#### TRACT 2: (PHASE 1B)

BEING a tract or parcels of land situated in the S.B. Crabtree Survey, Abstract No. 58, the J. Spillers Survey, Abstract No. 205, and the J.B. Merchant Survey, Abstract No. 159, City of Fate, Rockwall County, Texas, and being part of those tracts of land described in Deeds to Fate-Smith, LP, as recorded in Volume 3849, Page 174, and Volume 3879, Page 181 of the Official Public Records of Rockwall County, Texas, and being part of that tract of land described in a Deed to Fate I-30, LP, as recorded in Volume 3625, Page 40 of the Official Public Records of Rockwall County, Texas, and being all of those tracts of land described in Deeds to Fate-Smith, LP, as recorded in Volume 3893, Page 211 and Volume 3717, Page 75 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

THENCE in a Southeasterly direction, along the West line of said highway, and along said curve to the left having a central angle of 19 degrees 25 minutes 03 seconds, a radius of 208.14 feet, a chord bearing of South 09 degrees 30 minutes 25 seconds East, a chord distance of 69.19 feet, and a curve length of 69.52 feet to the POINT OF BEGINNING, and containing 97.388 acres of land, more or less.

**Note:** That certain Secured Promissory Note dated on or about the Effective Date, in the original principal amount of \$9,925,700.00, made, executed and delivered by Borrower, payable to the order of Beneficiary and any and all renewals, modifications, rearrangements, reinstatements, enlargements, or extensions of such promissory note or of any promissory note or notes given in renewal, substitution or replacement therefor.



# Deed of Trust – UDF IV / CTMGT Williamsburg

CTMGT WILLIAMSBURG, LLC, a Texas limited liability company,  
Grantor,

TODD ETTER, Trustee,

and

UNITED DEVELOPMENT FUNDING IV,  
Maryland real estate investment trust

DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS,  
SECURITY AGREEMENT AND FIXTURE FILING  
(Rockwall County, Texas)

This instrument affects certain real and personal property  
located in Rockwall County, State of Texas.

*Note:* That certain Secured Promissory Note dated on or about the Effective Date, in the original principal amount of \$4,800,500.00, issued, executed and delivered by Borrower, payable to the order of Beneficiary, and any and all renewals, modifications, rearrangements, reinstatements, enlargements, or extensions of such promissory note or of any promissory note or notes given in renewal, substitution or replacement therefor.

# Deed of Trust – UDF IV / CTMGT Williamsburg 1B Fl-2

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**DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS,  
SECURITY AGREEMENT AND FIXTURE FILING**

*(Williamsburg 1B, Rockwall County, Texas)*  
UDF IV Loan #5107

**THIS DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING** (this “*Deed of Trust*”), is entered into effective as of the effective date set forth on the signature page hereto (the “*Effective Date*”), by **CTMGT WILLIAMSBURG 1B FL-2, LLC**, a Texas limited liability company (referred to herein as “*Grantor*”), whose mailing address for notice hereunder is 1221 North I-35 East, Suite 200, Carrollton, Texas 75006, to Todd Etter, Trustee, whose mailing address is 1301 Municipal Way, Suite 230, Grapevine, Texas 76051, for the benefit of the hereinafter described Beneficiary.

**Note:** That certain Secured Promissory Note dated on or about the Effective Date, in the original principal amount of \$7,838,300.00, issued, executed and delivered by Borrower, payable to the order of Beneficiary, and any and all renewals, modifications, rearrangements, reinstatements, enlargements, or extensions of such promissory note or of any promissory note or notes given in renewal, substitution or replacement therefor.

# Assignment of Reimbursement Rights to UDF IV Fin II

## ASSIGNMENT OF REIMBURSEMENT RIGHTS AND REIMBURSEMENT PAYMENT (*\$19,925,700 Loan—Williamsburg Public Improvement District No. 12 Reimbursements*)

THE STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF ROCKWALL

§

§

THIS ASSIGNMENT OF REIMBURSEMENT RIGHTS AND REIMBURSEMENT PAYMENT (this “*Agreement*”) is executed as of the 1<sup>st</sup> day of December, 2012 (the “*Effective Date*”) by CTMGT WILLIAMSBURG, LLC, a Texas limited liability company (“*Assignor*”), whose principal office is located at 1221 North 135 East, Suite 200, Carrollton, Texas 75006, in favor of UDF IV FINANCE II, L.P., a Delaware limited partnership, and its successors and assigns (“*Lender*” or “*Assignee*”), whose principal office is located at 1301 Municipal Way, Suite 200, Grapevine, Texas 76051.

### RECITALS:

A. Assignor has made a loan to Assignor in the original principal amount of \$19,925,700 (the “*Loan*”) pursuant to the terms and conditions of (i) that certain Loan Agreement dated as of November 12, 2011 (the “*Loan Agreement*”) among Assignee, as the lender thereunder, Assignor, as the borrower thereunder, CTMGT, LLC, a Texas limited liability company (“*CTMGT*”), Centamtar Terras, L.L.C., a Texas limited liability company (“*Terras*”), and Mehrdad Moayedí (“*Moayedí*”); and (ii) that certain Secured Promissory Note dated of even date with the Loan Agreement, in the original principal amount of \$19,925,700,000, made payable from Assignor to Assignee, bearing interest, being payable and maturing as provided therein (the “*Note*”).



# Williamsburg – Valuation Analysis / Loan Underwriting

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[ to come ]