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Executive Summary

The secondary market for mortgage backed securities meltdown that started in early 2007 and the following real estate crash that started in the summer of 2007 has adjusted the prices to a level where it makes sense to invest in real estate again. The abundance of opportunities that are now left for investors and home buyers with cash are of historic proportion. Between 2004 and 2007 the prices were in most areas way too high to make good long term investments. Only a selective few markets could cash flow. In September of 2008 the financial market finally crashed after a long struggle with the falling values in the real estate market. The risky loans we all knew were bad from the beginning showed their true face, and blindsided investors all over the world took the loss together with the common people who had to pay for the bail out of the very organizations that created the mess to begin with.

This turmoil has left an incredible vacuum in the lending industry, which the traditional lenders as well as the private lenders are now unwilling to fill. Cash is needed now more than ever to scoop up the alarmingly big inventory of empty buildings that the banks now have in their portfolios. Because the banks are not releasing the properties in their portfolios to prevent a further fall in the real estate prices, there is a lack of affordable housing. It is a dilemma that borders the absurd. The lack of housing combined with extremely low property values makes the purchase of good income properties a very profitable one. We plan on using a high amount of our available funds to purchase these kinds of properties. This will guarantee us a secure income high enough to cover all cost and throw of a considerable profit even when the next adjustments in the real estate market hits.

Boomerang Investment Group, Inc (BIG) is a Nevada-based investment company that finances and invests in real estate. We want to take advantage of the current chaos and profit on the lack of available cash by buying as many properties we can and turn them into long term investments. The cash flow that can be created in the current market is huge.

Additional income will come from the purchase of private mortgages and tax liens. Privately held mortgages is another area that is being hit by the lack of available funding through the traditional lenders. The need for cash is also high due to the current recession and many holders of private mortgages are willing to sell their securities at a deep discount.

The need for cash is also being felt in the rehab sector where the funds for risk willing investors have all but dried up. There are hardly any funds available for investors and contractors that want to clean up the mess left behind by the lending industry. Huge profits can be made by lending cash to these risk-friendly entrepreneurs and we want to tap into this area once our cash flow is secured.

The opportunities in the current market are almost unrivaled in history, and we intend to make the most of it. The availability of cash is the key to the success in this business. Our clients want and need it and we will provide it. Our clients are willing to give us a huge cut of their profits in return for cash that can be made available to them within a very short timeframe. A good deal will not wait on a slow buyer.



Business Description and Vision

Boomerang Investment Group, Inc (BIG) invests in real estate in Las Vegas, NV, and the Bay Area in California. The investments made are in form of: purchases of cash-flow producing real estate, short and long term lending, and the purchase of real estate mortgage notes at discounts.

Vision

The current real estate market is screaming for help. The almost complete lack of needed funds is leaving big parts of every community sitting empty and unused. We want to become the go-to partner for buying and/or financing of the unprecedented amount of opportunities that exists in this market. By getting an early foothold in the market we will become a household name that investors and homeowners will turn to first when the market turns around.

Goals and Objectives

Our first goal is to create enough positive cash-flow to cover all cost fast, through the purchase of good investment properties. These investment properties will ensure us against pitfalls like panic sales of good assets at low prices to cover cost or cash-flow problems. We want to enlarge our cash-flow through the purchase of privately held mortgages and tax liens as well. By having a large positive cash-flow income, any negative occurrences in the real estate market, even like the one we are in now, will only have an effect on the size of the profits we make, but not kick us out of business. 80% of our investment portfolio will be in low risk cash flow producing investments. Once we have established enough cash-flow we will then focus on building up a strong private lending business. This will include "short term" and long term lending to home owners and investors. Our long term goal is to become the owner of a huge portfolio of income producing properties and a major player in the private lending business in the Bay Area, CA. Once our reputation has been established this can be achieved by the sale of a large amount of stock (6.25 Mill stock or more). The loans we will be making are riskier investments than cash flow properties, but they have a significantly higher yield.

History

Boomerang Investment Group, Inc. was founded together with Boomerang Property Solutions, LLC in October/November of 2004. It has not been doing any business since its creation because of lack of funds. Our initial plan of building up the funds using our own money failed when the market turned in 2007. The decision to create capital by going public became attractive as the bottom of the recession is getting nearer. The opportunities and potential profits in this market are just too good to leave behind.

Key Company Principal

CEO: Henning Van Deusen-Jensen



Definition of the Market

Cash is king. We will have a huge advantage when competing against others. By using our own funds we will be able to buy properties without lender restrictions and their unnecessary delays at extremely low prices. We will be able to guarantee the sale with a close in less than 15 days. On average between 30% and 40% of all offers submitted to escrow with conventional financing through a bank or a mortgage company falls out of escrow on or shortly before the estimated close. 93% of these failed escrows are due to the bank or the mortgage company redrawing from the deal last minute. The frustration among sellers is huge. Therefore if a bank is the seller (REO) or Seller's in general, then they would want to hear the line: we pay with our own cash – no third party financing. They will even accept a big discount on the property if you're not relying on financing from a third party and can close in less than 21 days. This in turn will create huge profits to us both short term and long term. Short term through the purchase of distressed properties such as; bank owned properties (REO's), short sales and foreclosures, at below market prices which can be repaired and sold to qualified buyers for cash or with seller financing to guarantee the sale, as well as long term through the purchase of income properties at historic low prices. It is not necessarily big repairs that causes a bank or a mortgage company to redraw the funding on a deal, but really small things like a missing toilet (\$150 installed), a non-functional kitchen (\$250 - \$5,000 repair), mold and termite issues (as low as \$1,500), missing carpet in the house (\$1,500 - \$2,500), broken windows (\$50 Glass repair per window) and so on.

The low property prices in large parts of the USA, makes safe investments in cash flow properties easy. The cap rates have gone from about 3 to more than 7 in some of the areas we intend to invest in. The need for good quality housing in form of houses and apartments will always be high. We plan on being able to provide our clientele with the best quality for the price. This goes for our tenants as well as for our buyers. Our tenants will be midlevel income tenants that want to lease a house rather than buying one, even if they could afford it. These tenants will be low risk high quality tenants. They will be thoroughly screened and picked based on how long they intend to stay in the house and their quality as a potential tenant. The rents will be taken out of their accounts directly by us with their approval to eliminate late or non-payments.

The commercial market is still very woundable and will continue to be for some time to come. This market is currently fragile and desperate for buyers with cash. We will want to shift a part of our focus on buying these commercial buildings. The commercial buildings we will be looking at are primarily mix-use buildings with retail at ground level and apartments above as well as small strip malls. With a price drop of about 40 – 50% of the 2007 values and occupancy rates of about 75% - 90% combined with a cap rate of 7 - 10, this is a good market to be buying in. Once the economy turns around and people start spending again the empty stores will fill up fast and our cash flow will increase.

The need for investor capital to purchase privately held mortgages is a nice market that few investors want to get involved in. The reason is that most investors are focused on short term risky profits and not on long term solid investments. The need for cash by the owners of these mortgages has increased due to the recession. We see this market as a good opportunity to secure the cash flow needed to cover the expenses and secure growth at a solid pace. By creating our own mortgages at rates slightly higher than the prime rate to our buyers, we will be able to increase this portfolio even further.

The mortgages we create presents excellent long term investments, and give us a first position on the property. This is important in case we have to take the property back through a foreclosure or a deed-in-lieu of foreclosure. The property can then be repaired and sold again at a higher price or turned into a long term investment property if prices are soft or dropping. The price adjustment that has just taken place between 2007 and 2010 makes newly created mortgages a very secure investment. The property



values are now at such a low (as low as 15% of the 2007 high values) that a rise in values over time is a safe bet.

Most buyers will gladly take the Seller financing to avoid the long a painful process of getting a loan through a traditional lender, where they don't know if they will get the loan or not. To most home buyers the process of finding their new home is a long a painful road full of obstacles and competition only to be kicked out by a lender that for whatever reason didn't want to lend them the money from the get-go. By us providing them with an easy and guaranteed close, we will ease their pain significantly and help them move in to their new home faster. This also gives us the power to sell the property at a price slightly above market without running the risk of being turned down by a third party lender because of a bad appraisal or BPO. A lot of our buyers are small business owners that cannot get loans because they don't have a W-2 tax return. In contrast to the traditional lenders we would rather lend our money to a successful business owner than to a W-2 applicant that has had their last job for 3 month and a history of changing jobs every 6 month with unemployment in between. With the lack of traditional lenders willing to make loans even to borrowers with credit scores as high as 800 we see this market as a big opportunity. These prospective borrowers are being cut of from buying their new home by lenders that don't value their income, if their income is earned through self-employment. This group of borrowers is one of the groups we want to target because they are totally ignored by the traditional lending industry. And by being able to help our clientele with financing we will be able to get new owners into houses that otherwise might have stood empty for months faster.

Tax liens are being offered through auctions and have a high interest rate in most states throughout the USA. These securities are uniquely positioned in front of all other liens on the property they have been filed against. They require very little supervision because they will automatically be paid of if the owner pays them, the property is being sold, or if the property ends up as an REO through foreclosure. We also have the ability to foreclose on the property the lien is being held against should we want to. This however, will in most cases be costly and only force the repayment of a good and secure investment.

The "borrower" for the "short term loans" will be our own daughter company: Boomerang Property Solutions, LLC (BPS). Currently BPS does most of its business in the Bay Area in California and is owned 100% by BIG. BPS is focused on the purchase of run-down properties, which BPS repairs and then resells to end users, such as home owners and investors. Once an office has been established in Las Vegas, BPS will then move back into that market as well.

The cleanup and upgrading of the many empty buildings in the local neighborhoods is a relatively risky but necessary business that only investors are willing to take on. They, however, are unable to obtain any funding from traditional lenders. If they can obtain loans at all they are mostly at a low loan to value ratio and with very high interest rates. By adding just a little to the loan amount we will easily be able to compete with those lenders, because unlike our competition, we will turn the building into a cash flow property should we end up with it and eventually sell it down the road at a profit. The unsatisfied need for cash to investors and contractors to buy and repair the fast growing bank inventory of unsold properties in bad shape has reached an all-time high. With only a handful of risk friendly investors willing to provide them with the cash needed, there is huge opportunity to make large profits and gain a solid foothold as a private lender.

Our shares of any of these markets are highly dependable on the amount of cash created through this offering and later by the sale of company stock. Our long term goal is to have an income through cash flow (rental properties, mortgages, and tax liens) that will be twice the size of our total expenses by 2017. Our long term goal is to own income producing properties, mortgages, and tax liens in the value of \$75 Million by 2022. Our goal is to have a \$25.0 Mill/Year share or more of the private lending business in the northern Bay Area by 2022. When we get to be big enough then we will expand our area of investing to include Las Vegas, NV.



Description of Products and Services

Our products will be investments in real estate short term as well as long term. This is how we see our role and their potential profits.

Cash Flow Properties

Our investments will be in single family houses in good neighborhoods, as well as mixed-use commercial buildings and small strip malls. We will focus our purchase of houses that have three bedrooms, two bathrooms, a double garage and are between 1,300 to 1,800 SF. These houses are the easiest to lease out and have the highest demand. The purchase price will be around \$165,000 to \$180,000 in Las Vegas, NV, and generate between \$1,050 and \$1,400 in income. The purchase price for these houses in the northern Bay Area, CA, is between \$270,000 and \$340,000, and they will generate between \$1,750 and \$2,250 in income. These houses will also be easy to sell when the market rises again, because of the bigger demand amongst home owners and the relatively small risk they pose for small investors because of their affordability. In appendix (A001) we show the cash flow through the purchase of a \$300,000.00 property.

The strip malls we will be purchasing will be mainly located in Las Vegas, NV. These strip malls are running through a recession right now and that have forced the prices to come down. The CAP rates have gone up from 3 to between 7 and 10 in the current market. Many owners have commercial loans on their properties that are cutting into their profits. These owners are unsure of the future and they are worried about the short term cash flow gains, which does not look so good right now. We look at the long term cash flow opportunities and can offer all cash at the purchase, which will enable us to negotiate the price further down. A typical strip mall is shown in the appendix (A002).

The property managers we hire will be hired as individual contractors, with a performance sandwich lease. This means that they will lease the building from us at a reduced rate (70% of estimated lease rate for the area) and lease it out to the end user at the highest rate they can get. In order for the property manager to make a decent profit from the spread, they will have to find the best tenants they can get. This includes a real and thorough screening of tenants instead of the typical blind “first come first serve” approach, which most commercial management companies use. These quality tenants will be harder to find and will in some cases delay the filling of a building by a month or two. The upside to these quality tenants are that they maintain the property better on their own and stay longer. The property manager will have less work overseeing the property and their profits will increase through less vacancies and because they can oversee more houses than usual. A good property manager can easily oversee up to 100 single family houses on his/her own using the screening and management procedures we will recommend them to use. A good property manager for the strip malls will be able to oversee 10 to 15 strip malls of the size in our example provided that they are close to one another (within a 25 miles radius). Our property managers will own a 15% equity position on the appreciation of the property. This will help ensure their engagement and fuel their desire to maintain the property’s quality high because of the prospect of future appreciation gains.

All properties we buy will be held without any loans from third party lenders. The first reason for this strategy is to keep control the properties even when the market turns after the next boom and not to be forced to do something irrational just to accommodate the requirements from a third party lender. Creating leverage through mortgages can be profitable, but it only works in times when the property values are stable or goes up. As soon as the market falls, the lenders will force us out of otherwise good investments. The second reason is that we want to be the only voice speaking when it comes to the decision on whether to sell or keep an income producing property. The benefit of this 20% cash flow reduction is 100% control of the properties held.



Short Term Lending

Short term lending has almost died out due to the increased fear regarding lending and the difficulty in getting them back. The borrower of today have almost all the cards in their hands and even with all the paperwork done correctly it is a very risky business to be in.

The short term loans we will be providing are not loans at all, but a purchase of the property in the name of Boomerang Property Solutions, LLC, with an option to buy for the investor (the would-be borrower). The investor will have a 4 month option to buy the property back at a set amount equal to our expenses plus 50% of the profits. Right before the investor has a buyer in escrow; the investor will execute the option and hereby guarantee his/her share of the profits at the close of escrow.

We will buy the property at the price the investor has negotiated, pay all closing cost, and open an account with the cash needed for the repairs. The investor's contractors will be paid directly from that account. This will leave the investor with no money out of their pocket and he/she can focus his/her funds on getting more deals and finding buyers (i.e. advertising). The more deals he/she gets, the more profits we will get from the same client.

Should the investor fail to repair and sell the property within the given timeframe, the investor will have three choices:

1. He/She can agree to pay an extra 25% of the profits to us for 2 month additional time.
2. He/She can chose not to exercise their option, in which case we will be able to either sell it or keep it as an income property.
3. He/She can execute their option and pay us off (all expenses plus estimated profits) either with his own money or with money from a third party.

Because we are already the single owner of the property, this model will eliminate the costly and time consuming foreclosure process.

In appendix A003 we have shown what a typical deal for the areas we work in looks like.

Long Term Lending

We will be offering seller financing to all buyers on BPS transactions in the form of a first mortgage, if the buyer can provide us with a reasonable down payment. The size of the down payment will depend on the borrower's credit history and income. Our seller financing will be about 1.5 – 2.5 points above the prime rate.

All mortgage transactions will be handled through an independent mortgage company handpicked by BIG.

Mortgage Notes

The purchase of mortgages with good terms will be of big interest to us as an addition to the mortgages we will be creating ourselves. The mortgages we will be buying will mainly be from private individuals that have gotten a need for quick cash and will sell us their securities at a discount. The discount will be depended on the credit score of the borrower named on the note, the terms in the note, as well as the quality and the location of the collateral. We intend to buy our portfolio of mortgage note at discounts between 10% and 25% below market value.

Tax Liens

The liens we will be buying will mostly come from Florida, where the liens have an annual interest rate of 18%. We might in time hire a full time employee to manage these transactions, because these purchase



transactions can be time intensive. Once purchased they will be logged into our database, and all we will have to do, is to await the payoff.

Investment split

We will keep a portfolio of long term investments (Income properties, mortgages and tax-liens) of 70% - 80% of the total assets at any given time. This will keep us afloat even in the event of a property value drop like the one we have just been through (2007 – 2011).



Organization and Management

Organization

BIG will be using staff hired as individual contractors with performance based contracts. This will significantly reduce our labor cost. There will be only a few positions hired directly by BIG and one of them is the CEO. The CEO alone will carry the responsibility for all decisions made the company. He alone will be able to distribute funds and have the authority to sign legal binding documents. The staff needed to run this organization will correspond directly with the amount of cash created through this offering and later stock sales. Besides the Manager/CEO of the company the minimum staff will consist of a secretary/assistant. A project manager will be added when the company grows big enough. The remaining functions will be outsourced, such as: Mortgage Brokers, Property Managers, Attorneys and Accounting/CPA.

As the company grows bigger we will hire more contractors where needed. Additional hires down the road will mainly be in the form of project managers, property managers, and mortgage brokers as we expect this part of the business to grow strong and fast.

Licenses

All licenses needed to create loans will be the responsibility of the contractor. It will also be their responsibility to maintain them in good standing. We will carry a copy of their licenses in our files.

Legal Structure

The company is set up as a C-Corporation with headquarters in Las Vegas, NV. The current address is 777 N. Rainbow Blvd., Suite 250, Las Vegas, NV 89107. This is a building where we share office space with other small companies. In San Rafael we currently work out of a private residence. We plan to move into our own office space, when the finances for this are in place.

Management Bio

BIG will be led and operated by Henning Van Deusen-Jensen. Henning has a master's degree in business and project management and received his degree from Horsens Technical University in Horsens, Denmark. He started out as a carpenter and worked as such during his semester breaks to earn the money needed for the studies. After ending his studies he moved to Germany, where he worked two years as an architect and then moved into the project management with HOCHTIEF (the 2nd biggest construction company in Europe at the time). He worked for HOCHTIEF in Germany for almost 10 years. After HOCHTIEF's purchase of the USA-based Turner Construction Company, in 1999, HOCHTIEF grew to be the eight largest construction company in the world. Henning was transferred to Turner Construction Company in San Francisco, CA, in 2000 and promoted to senior project manager. He worked as a senior project manager for the interior division until 2002 where 80% of the staff was laid off due to the aftermath effects of the stock market crash in September of 2000. These experiences provided Henning with incredible cost analysis and negotiation skills that he leverage for BIG.

In 2002 he founded Boomerang Enterprises, DBA. This company was founded to suit the need for a professional appearance in the retail business of Quixtar (former Amway). As a member of Quixtar and through their promotion of residual income, he was introduced to the world of real estate.

In 2004 he founded BIG and BPS and focused on building up BPS. He has in the period between 2004 and 2010 been involved in 21 real estate deals in 5 different states in the USA.



Marketing and Sales Strategy

The market is at a historical low and it is bursting with opportunities for the few that still have cash to invest. BPS is getting a lot more offers accepted than they can handle, due to the lack of cash. This is not only the case for BPS but for all investors that can pay their purchases with cash. Almost all sellers from banks to private sellers are more willing to sell to an all-cash buyer than someone that is relying on a bank loan that they may or may not get. The loss in time and money is huge for someone that cannot afford the house they are trying to sell, when the buyer after 30 – 60 days down the road gets a no from the bank they wanted to get a loan from. In some areas around the Bay Area, CA, the amount of purchases that does not close because of lender fall out is as high as 40%. An all-cash offer will get accepted in 80% of the cases even if it is below asking price, because that is a guaranteed close. BPS uses third party realtors to find and sell their repaired properties. This gives the properties a maximum exposure to the market and priced lower than average they move quickly.

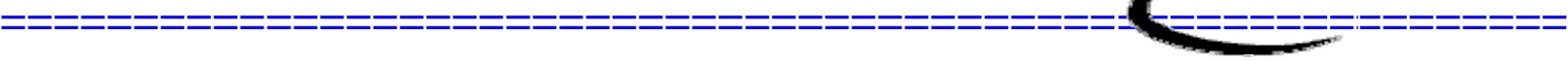
In the first year we will invest a big share of our cash in income producing properties and mortgages to create enough passive cash flow to cover all expenses, so that fire sales can be avoided if the market turns worse and for future down turns. We will then focus more on increasing our share in the private lending industry to become a major player in the greater Bay Area, California, and Las Vegas, Nevada. The window of the greatest opportunities in more than 3 decades is now, and it will disappear fast when the banking industry gets it act together and starts lending out money again to main street.

We believe that regardless of the market, investing in real estate is a good thing, provided that the real estate was bought with the right intentions and executed well. Long-term investments will not be sold if they cash-flow just because the market goes down. The biggest guarantee for a loss is if income producing assets are being sold in a declining market. Over time any property in the USA will increase in value. Most properties will get an immediate increased value through repairs and/or upgrades. Adding square footage to a small property will increase its value as well.

The needs for owner financing options are at a high as well, due to the lack of interest by traditional lenders to lend money out to home owners. There is undoubtedly something wrong in the lending industry, when people with a credit score of around 800 cannot get a loan to purchase their new home just because they are living the American dream and have their own business instead of a W-2 income. We will advertise directly to the escrow companies and the local mortgage brokers to make them aware of our unique ability to close fast, provided the borrower and the property meets our criteria.

The purchase of mortgage notes is an overseen niche of passive income. These income streams can be purchased at below market value and provide a steady cash flow. Most buyers of these income streams buy them at 15% - 30% below market value depending on the borrower on title and the condition of the collateral. Some investors pay up to the current market value for good collateral with the right borrower. We want to be able to offer a good price without going overboard. Since we plan to buy our notes for long term income, we plan to buy our notes at a slightly smaller discount (10% - 25% below market) for the right collateral and with the right borrower in the building. The most effective advertisement for these income streams are the classified ad in the local news papers. We will advertise in the four biggest news papers in the Bay Area since this will be our preferred market. The competition is sparse and mostly difficult to get a hold of, since we will be running advertisements on an ongoing basis and have a live person at the line, we will be easy to find.

There is a great need for investor capital to support the risk willing investors that are the heart and soul of upgrading and improving neighborhoods all over the USA. The work they are doing increases the values of not only the properties they upgrade but entire neighborhoods, simply by rooting out the weeds. The private lending industry is a very small community and almost every lender is found by word of mouth. We



have already established contact to mortgage brokers that specializes in private lending in the Bay Area, CA. They will be our first point of contact. If money is available and we show willingness to lend it out, that news will run like a wild fire among investors in the area, and our phones will ring of the hook without any big expenses in advertisement. In addition to the contacts we have already established, we will be advertising in the local papers in the areas we want to do business. If a private lender cannot help a client he/she will get a referral fee for sending them to us.



Financial Management

Start-Up Cost

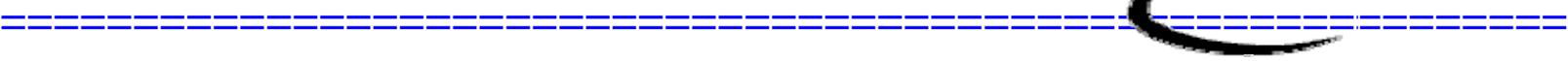
Founding of the Company (Done and paid in full in 2004)	\$	4,424
Office equipment and furniture	\$	15,000
Office lease deposit	\$	8,000
<hr/>		
Total estimate	\$	27,424

Assumptions

The Profit/Loss estimates are based on the assumption that we will be able to spend 1/12 of the total amount of cash created through this offering per month. This will have a big impact on our growth in the first year. Thereafter the growth will be steady and independent of additional cash accumulated through additional third party involvement.

The profits/cost in the following calculations is all based on the formulas and assumptions listed below:

- Short Term Loans will be getting paid back on average within 3 month after they have been issued.
- The typical deal for “short term lending” used is shown in Appendix A003.
- The purchase of the income properties needed to cover our monthly expenses will be a process that we hope to accomplice in the first 4 years. The properties we want to buy will not all, however, be available to purchase in the first month. To get the best deals we’ll have to wait until they appear. After the purchase the property will need repairs. The repairs take on average 1 – 2 month depending on the amount of repairs needed. The best priced properties will need the most work. Income properties will be fully occupied within 2 month after the repairs have been finished. Income will begin when the unit is occupied.
- The purchase of additional income properties after the first year will be done at a slower pace so that we can build our short term lending business as well.
- Long Term Loans (from BPS properties) can only be issued at the sale of already bought and repaired properties. The process from purchase (BPS) to close of escrow (Sale to new owner) takes on average 3 month. The first payment on a new note occurs about 30 days after the closing of escrow on the 1st of the following month.
- Long Term loans created on third party properties will cash flow right away. The first payment on a new note occurs less than 30 days after the closing of escrow on the 1st of the following month.
- We estimate that real estate will not start increasing in value until 2015. We have therefore not increased the value of assets in the company of the purchased real estate on a yearly basis as we normally would. We do estimate an average increase of real estate nation wide of 5% after 2015 and in our areas of about 7%. Historical seen the Bay Area and the city of Las Vegas have had over the average increases in property values. This is still true despite the fact that these areas also get hit hard when prices fall.
- The average lifetime of a loan is 7 years. At which point the loan will be paid back in full due to a sale or through refinancing. We will then look for a new loan to purchase or purchase a new building with the extra capital.
- The rent increase has been set at 5% per year.

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- The cost for hired personal/contractors is estimated to increase with 5% per year.
 - The yearly bonus paid to the CEO is 10% of the profits made that year.
 - We will keep cash reserves in the amount of 5.00 % of the total of our long term investments at all times.
 - Depreciation and taxes have not been included in the calculations because they will almost equal out one another

In the appendices we have attached the calculations for the numbers shown in the columns below. The details needed to understand the columns could not fit on these pages and were printed in spreadsheet format for easier reading (Appendix A001 – A007).

Profit/Loss	Year 1	Year 2	Year 3
Income			
Sale of Stock	\$ 10,000,000	\$ 0	\$ 0
Income from Short Term Loans (BPS)	\$ 10,457,500	\$ 11,013,750	\$ 13,405,625
Income from Short Term Loans (Other)	\$ 3,459,644	\$ 3,628,888	\$ 4,410,549
Income from Long Term Loans (Seller Financing)	\$ 24,990	\$ 46,135	\$ 98,036
Income from Private Mortgages (Other)	\$ 0	\$ 43,750	\$ 50,000
Income from income properties	\$ 161,700	\$ 455,700	\$ 711,664
Interest earned through purchase of tax liens	\$ 46,838	\$ 94,275	\$ 150,338
Profit earnings from BPS	\$ 932,441	\$ 982,039	\$ 1,195,310
Total Income	\$ 25,083,113	\$ 16,264,537	\$ 20,021,522
Cost			
Short Term Loans made (BPS)	\$ 11,725,000	\$ 10,575,000	\$ 12,100,000
Short Term Loans made (Other)	\$ 3,903,333	\$ 3,525,000	\$ 4,033,333
Long Term Loans created (Seller Financing)	\$ 500,000	\$ 250,000	\$ 750,000
Purchase of Mortgages (Other)	\$ 250,000	\$ 250,000	\$ 250,000
Purchase of income properties	\$ 7,200,000	\$ 600,000	\$ 1,500,000
Purchase of tax liens	\$ 452,500	\$ 187,000	\$ 317,500
Accounting	\$ 21,000	\$ 22,050	\$ 23,150
Advertising	\$ 60,000	\$ 60,000	\$ 60,000
Real Estate Taxes	\$ 58,500	\$ 109,875	\$ 124,500
Payroll:			
- CEO	\$ 90,000	\$ 94,500	\$ 99,225
- CEO Bonus	\$ 189,250	\$ 225,000	\$ 302,750
- Secretary	\$ 21,000	\$ 22,050	\$ 23,155
Insurance	\$ 105,300	\$ 195,075	\$ 209,250
Legal	\$ 5,905	\$ 5,489	\$ 7,038
Audits	\$ 25,000	\$ 25,000	\$ 25,000
Miscellaneous Office Expenses	\$ 6,000	\$ 6,000	\$ 6,000
Office space (lease)	\$ 48,000	\$ 48,000	\$ 48,000
Total Cost	\$ 24,665,788	\$ 16,198,039	\$ 19,878,901
Cash reserves	\$ 417,324	\$ 483,821	\$ 626,442
Profit/Loss	\$ 1,893,574	\$ 2,251,497	\$ 3,026,787



Estimated assets at the end of:	Year 1	Year 2	Year 3
Outstanding short term loans (BPS)	\$ 2,325,000	\$ 3,000,000	\$ 3,050,000
Outstanding short term loans (Others)	\$ 775,000	\$ 1,000,000	\$ 1,016,667
Long Term Lending (Seller Financing)	\$ 500,000	\$ 750,000	\$ 1,500,000
Mortgage purchases	\$ 250,000	\$ 500,000	\$ 750,000
Income properties	\$ 7,200,000	\$ 7,800,000	\$ 9,300,000
Tax lien purchases	\$ 452,500	\$ 637,500	\$ 955,000
Cash Reserves	\$ 417,324	\$ 483,821	\$ 626,442
Total Assets	\$ 11,919,824	\$ 14,171,321	\$ 17,198,109

Estimated cash flow at the end of:	Year 1	Year 2	Year 3
Long Term Lending (Seller financing)	\$ 24,990	\$ 46,135	\$ 98,036
Purchased mortgages	\$ 0	\$ 43,750	\$ 50,000
Income from Investment properties	\$ 161,700	\$ 455,700	\$ 711,664
Sub total	\$ 186,690	\$ 545,585	\$ 859,700
Total expenses	\$ 629,955	\$ 813,039	\$ 928,068
Cash Flow	\$ -443,265	\$ -267,454	\$ -68,368

We estimate that we will have an increase in assets of about 18.0 – 21.0% per year and an increase in cash flow of more than 40.0% per year. The profits will grow steady and increase on average 23% per year, depending on the amount of income properties bought during the year.



Appendix

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Resume: Henning Van Deusen-Jensen	A005	36

Appendix: A001

Income Property Profit/Loss Analysis (Standard Houses)

Cash Flow Analysis

Gross Income

Estimated Annual Gross Income	:	\$25,200.00
Other Income	:	\$0.00
Less Vacancy Allowance	0.00% of \$25,200.00	\$0.00
Effective Gross Income	:	\$25,200.00

Total Operating Expenses

Accounting	1.00% of \$25,200.00	:	\$252.00
Advertising	0.00% of \$25,200.00	:	\$0.00
Garbage	\$360.00 x 1 Unit(s)	:	\$360.00
Insurance (Fire and Liability)	\$950.00 x 1 Unit(s)	:	\$950.00
Janitorial Service		:	\$0.00
Lawn Care/Snow Removal		:	\$0.00
Legal	0.00% of \$25,200.00	:	\$0.00
Property Management	30.00% of \$25,200.00	:	\$7,560.00
Maintenance/Repair	0.00% of \$25,200.00	:	\$0.00
Resident Superintendent		:	\$0.00
Supplies		:	\$0.00
Taxes:		:	\$0.00
- Real Estate	1.50% of \$275,000.00	:	\$4,125.00
Utilities:		:	\$0.00
Total Expenses	:	\$13,247.00	

Net Operating Income (NOI) : \$11,953.00

Debt Service

1st Mortgage	\$0.00 at 0.00%	:	
2nd Mortgage	\$0.00 at 0.00%	:	
Total Debt Service	:	\$0.00	

Cash Flow (before taxes) : \$11,953.00

Purchase Price:	<u>\$275,000.00</u>	CAP Rate:	4.35
Repairs:	<u>\$25,000.00</u>		

Appendix: A002

Income Property Profit/Loss Analysis (Strip Mall)

Cash Flow Analysis

Gross Income

Estimated Annual Gross Income	:	\$207,900.00
Other Income	:	\$0.00
Less Vacancy Allowance	0.00% of \$207,900.00	\$0.00
Effective Gross Income	:	\$207,900.00

Total Operating Expenses

Accounting	1.00% of \$207,900.00	:	\$2,079.00
Advertising	0.00% of \$207,900.00	:	\$0.00
Garbage	\$0.00 x 8 Unit(s)	:	\$0.00
Insurance (Fire and Liability)		:	\$7,500.00
Janitorial Service		:	\$0.00
Lawn Care/Snow Removal		:	\$0.00
Legal	0.00% of \$207,900.00	:	\$0.00
Property Management	30.00% of \$207,900.00	:	\$62,370.00
Maintenance/Repair	0.00% of \$207,900.00	:	\$0.00
Taxes:		:	\$0.00
- Real Estate	1.50% of \$1,650,000.00	:	\$24,750.00
- Other		:	\$0.00
Utilities:		:	\$0.00
Total Expenses	:	\$96,699.00	

Net Operating Income (NOI) : \$111,201.00

Debt Service

1st Mortgage	\$0.00 at 0.00%	:	
2nd Mortgage	\$0.00 at 0.00%	:	
Total Debt Service	:	\$0.00	

Cash Flow (before taxes) : \$111,201.00

Purchase Price:	<u>\$1,650,000.00</u>	CAP Rate:	6.74
Initial Repairs:	<u>\$165,000.00</u>		



Appendix: A003

Typical Deal in Numbers

Property Purchase, Repair and Sale

Property Value (after repairs) = Sales Price	\$250,000.00
Purchase price	\$150,000.00
Option fees do at purchase (3.1% of purchase price)	\$4,650.00
Project Manager fees (1.40% of purchase price, 1/3 at purchase, 2/3 at sale)	\$2,095.00
Leading Manager fees (0.47% of purchase price at sale)	\$705.00
Closing cost at purchase	\$2,250.00
Property + Termite Inspections	\$450.00
Trust setup cost	\$250.00
Insurance	\$750.00
Total cost at closing	\$161,150.00
Repair cost	\$25,000.00
Total Purchase Cost	\$186,150.00
<hr/> <hr/>	
Cost at sale:	
Realtor fees	\$15,000.00
Property taxes	\$562.50
Supplemental taxes	\$281.25
Closing cost at sale	\$3,750.00
Sales cost	\$19,593.75
<hr/> <hr/>	
Total cost	<u>\$205,743.75</u>
Profits	<u>\$44,256.25</u>
Our share	<u>\$22,128.13</u>
Total payback amount	<u>\$208,278.13</u>
ROI	<u>47.55%</u>
Estimated Time Frame from purchase to close of sale	3 Month

Appendix: A004

Profit / Loss	Month 1	Month 2	Month 3
Income			
Cash from Stock Sale	\$10,000,000.00	\$0.00	\$0.00
Short term lending (BPS)	\$0.00	\$0.00	\$0.00
Short term lending (Others)	\$8,750.00	\$8,750.00	\$8,750.00
Long Term Lending (Seller Financing @ 8.5%)	\$0.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income from Investment properties	\$0.00	\$0.00	\$2,940.00
Tax lien purchases	\$0.00	\$750.00	\$1,500.00
Profits from BPS	\$0.00	\$0.00	\$0.00
Gross Income	\$10,008,750.00	\$9,500.00	\$13,190.00
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$1,050,000.00	\$1,050,000.00	\$1,050,000.00
Short term lending (Others)	\$350,000.00	\$350,000.00	\$350,000.00
Long Term Lending (Seller Financing)	\$0.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income properties (incl. initial repairs)	\$600,000.00	\$600,000.00	\$600,000.00
Tax lien purchases	\$50,000.00	\$50,000.00	\$50,000.00
<u>Expenses:</u>			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$750.00	\$1,500.00	\$2,250.00
Payroll:			
- CEO	\$7,500.00	\$7,500.00	\$7,500.00
- CEO bonus	\$0.00	\$0.00	\$0.00
- Secretary	\$3,500.00	\$3,500.00	\$3,500.00
Insurance	\$1,350.00	\$2,700.00	\$4,050.00
Legal	\$428.75	\$428.75	\$432.35
Audits	\$0.00	\$0.00	\$0.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$2,073,028.75	\$2,075,128.75	\$2,077,232.35
Cash Reserves	\$7,935,721.25	\$5,870,092.50	\$3,806,050.15

Appendix: A004

Profit / Loss	Month 4	Month 5	Month 6
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$1,168,125.00	\$1,168,125.00	\$1,168,125.00
Short term lending (Others)	\$384,285.42	\$384,285.42	\$384,285.42
Long Term Lending (Seller Financing @ 8.5%)	\$0.00	\$1,922.28	\$1,922.28
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income from Investment properties	\$5,880.00	\$8,820.00	\$11,760.00
Tax lien purchases	\$2,250.00	\$3,000.00	\$3,750.00
Profits from BPS	\$0.00	\$0.00	\$0.00
Gross Income	\$1,560,540.42	\$1,566,152.70	\$1,569,842.70
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$1,050,000.00	\$1,050,000.00	\$1,050,000.00
Short term lending (Others)	\$350,000.00	\$350,000.00	\$350,000.00
Long Term Lending (Seller Financing)	\$250,000.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income properties (incl. initial repairs)	\$600,000.00	\$600,000.00	\$600,000.00
Tax lien purchases	\$50,000.00	\$50,000.00	\$50,000.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$3,000.00	\$3,750.00	\$4,500.00
Payroll:			
- CEO	\$7,500.00	\$7,500.00	\$7,500.00
- CEO bonus	\$0.00	\$0.00	\$0.00
- Secretary	\$3,500.00	\$3,500.00	\$3,500.00
Insurance	\$5,400.00	\$6,750.00	\$8,100.00
Legal	\$742.20	\$439.55	\$443.16
Audits	\$0.00	\$0.00	\$0.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$2,329,642.20	\$2,081,439.55	\$2,083,543.16
Cash Reserves	\$3,036,948.36	\$2,521,661.50	\$2,007,961.05

Appendix: A004

Profit / Loss	Month 7	Month 8	Month 9
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$1,168,125.00	\$1,168,125.00	\$1,168,125.00
Short term lending (Others)	\$384,285.42	\$384,285.42	\$383,868.75
Long Term Lending (Seller Financing @ 8.5%)	\$1,922.28	\$3,844.56	\$3,844.56
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income from Investment properties	\$14,700.00	\$17,640.00	\$20,580.00
Tax lien purchases	\$4,500.00	\$5,250.00	\$6,000.00
Profits from BPS	\$0.00	\$0.00	\$0.00
Gross Income	\$1,573,532.70	\$1,579,144.98	\$1,582,418.31
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$1,050,000.00	\$1,050,000.00	\$1,000,000.00
Short term lending (Others)	\$350,000.00	\$350,000.00	\$333,333.33
Long Term Lending (Seller Financing)	\$250,000.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income properties (incl. initial repairs)	\$600,000.00	\$600,000.00	\$600,000.00
Tax lien purchases	\$50,000.00	\$50,000.00	\$30,000.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$5,250.00	\$6,000.00	\$6,750.00
Payroll:			
- CEO	\$7,500.00	\$7,500.00	\$7,500.00
- CEO bonus	\$0.00	\$0.00	\$0.00
- Secretary	\$3,500.00	\$3,500.00	\$3,500.00
Insurance	\$9,450.00	\$10,800.00	\$12,150.00
Legal	\$753.01	\$450.36	\$433.54
Audits	\$0.00	\$0.00	\$0.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$2,335,953.01	\$2,087,750.36	\$2,003,166.88
Cash Reserves	\$1,245,540.73	\$736,935.35	\$316,186.78

Appendix: A004

Profit / Loss	Month 10	Month 11	Month 12
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$1,168,125.00	\$1,168,125.00	\$1,112,500.00
Short term lending (Others)	\$381,160.42	\$381,160.42	\$365,777.78
Long Term Lending (Seller Financing @ 8.5%)	\$3,844.56	\$3,844.56	\$3,844.56
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income from Investment properties	\$23,520.00	\$26,460.00	\$29,400.00
Tax lien purchases	\$6,450.00	\$6,600.00	\$6,787.50
Profits from BPS	\$0.00	\$0.00	\$932,440.74
Gross Income	\$1,583,099.98	\$1,586,189.98	\$2,450,750.57
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$675,000.00	\$675,000.00	\$975,000.00
Short term lending (Others)	\$225,000.00	\$225,000.00	\$325,000.00
Long Term Lending (Seller Financing)	\$0.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$250,000.00
Income properties (incl. initial repairs)	\$600,000.00	\$600,000.00	\$600,000.00
Tax lien purchases	\$10,000.00	\$12,500.00	\$0.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$7,500.00	\$8,250.00	\$9,000.00
Payroll:			
- CEO	\$7,500.00	\$7,500.00	\$7,500.00
- CEO bonus	\$0.00	\$0.00	\$189,250.00
- Secretary	\$3,500.00	\$3,500.00	\$3,500.00
Insurance	\$13,500.00	\$14,850.00	\$16,200.00
Legal	\$304.44	\$308.04	\$740.39
Audits	\$0.00	\$0.00	\$25,000.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$1,551,804.44	\$1,556,408.04	\$2,410,690.39
Cash Reserves	\$347,482.32	\$377,264.26	\$417,324.45

Appendix: A004

Profit / Loss	Total	Yearly Cash Flow
Income		
Cash from Stock Sale	\$10,000,000.00	Income \$186,689.64
Short term lending (BPS)	\$10,457,500.00	Expenses \$629,954.54
Short term lending (Others)	\$3,459,644.44	
Long Term Lending (Seller Financing @ 8.5%)	\$24,989.64	
Mortgage purchases	\$0.00	
Income from Investment properties	\$161,700.00	
Tax lien purchases	\$46,837.50	
Profits from BPS	\$932,440.74	
Gross Income	\$25,083,112.32	
Total Operating Expenses		
Investments:		
Short term lending (BPS)	\$11,725,000.00	\$2,325,000.00
Short term lending (Others)	\$3,908,333.33	\$775,000.00
Long Term Lending (Seller Financing)	\$500,000.00	\$500,000.00
Mortgage purchases	\$250,000.00	\$250,000.00
Income properties (incl. initial repairs)	\$7,200,000.00	\$7,200,000.00
Tax lien purchases	\$452,500.00	\$452,500.00
<u>Expenses:</u>		Cash \$417,324.45
Accounting	\$0.00	
Advertising	\$60,000.00	\$11,919,824.45
Real Estate Taxes	\$58,500.00	
Payroll:		
- CEO	\$90,000.00	
- CEO bonus	\$189,250.00	
- Secretary	\$42,000.00	
Insurance	\$105,300.00	
Legal	\$5,904.54	
Audits	\$25,000.00	
Miscellaneous Office Expenses	\$6,000.00	
Office space (lease)	\$48,000.00	
Total Expenses Without Taxes	\$24,665,787.87	
Cash Reserves		
		Overhead
		\$629,954.54
		Profit/Loss
		\$1,893,574.45

Appendix: A004

Profit / Loss	Month 13	Month 14	Month 15
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$750,937.50	\$750,937.50	\$1,084,687.50
Short term lending (Others)	\$247,457.29	\$247,665.63	\$356,003.13
Long Term Lending (Seller Financing @ 8.5%)	\$3,844.56	\$3,844.56	\$3,844.56
Mortgage purchases	\$2,083.33	\$2,083.33	\$2,083.33
Income from Investment properties	\$32,340.00	\$35,280.00	\$35,427.00
Tax lien purchases	\$6,787.50	\$7,162.50	\$7,200.00
Profits from BPS	\$0.00	\$0.00	\$0.00
Gross Income	\$1,043,450.19	\$1,046,973.52	\$1,489,245.52
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$725,000.00	\$750,000.00	\$875,000.00
Short term lending (Others)	\$241,666.67	\$250,000.00	\$291,666.67
Long Term Lending (Seller Financing)	\$0.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$250,000.00
Income properties (incl. initial repairs)	\$0.00	\$0.00	\$0.00
Tax lien purchases	\$25,000.00	\$2,500.00	\$12,500.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$9,000.00	\$9,000.00	\$9,000.00
Payroll:			
- CEO	\$7,875.00	\$7,875.00	\$7,875.00
- CEO bonus	\$0.00	\$0.00	\$0.00
- Secretary	\$3,675.00	\$3,675.00	\$3,675.00
Insurance	\$16,200.00	\$16,200.00	\$16,200.00
Legal	\$335.66	\$349.47	\$706.94
Audits	\$0.00	\$0.00	\$0.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$1,038,252.32	\$1,049,099.47	\$1,476,123.61
Cash Reserves	\$422,522.31	\$420,396.36	\$433,518.27

Appendix: A004

Profit / Loss	Month 16	Month 17	Month 18
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$806,562.50	\$834,375.00	\$973,437.50
Short term lending (Others)	\$265,964.93	\$275,114.58	\$321,071.18
Long Term Lending (Seller Financing @ 8.5%)	\$3,844.56	\$3,844.56	\$3,844.56
Mortgage purchases	\$4,166.67	\$4,166.67	\$4,166.67
Income from Investment properties	\$35,721.00	\$36,162.00	\$36,750.00
Tax lien purchases	\$7,387.50	\$7,537.50	\$7,725.00
Profits from BPS	\$0.00	\$0.00	\$0.00
Gross Income	\$1,123,647.16	\$1,161,200.31	\$1,346,994.91
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$800,000.00	\$825,000.00	\$975,000.00
Short term lending (Others)	\$266,666.67	\$275,000.00	\$325,000.00
Long Term Lending (Seller Financing)	\$0.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income properties (incl. initial repairs)	\$0.00	\$0.00	\$0.00
Tax lien purchases	\$10,000.00	\$12,500.00	\$0.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$9,000.00	\$9,000.00	\$9,000.00
Payroll:			
- CEO	\$7,875.00	\$7,875.00	\$7,875.00
- CEO bonus	\$0.00	\$0.00	\$0.00
- Secretary	\$3,675.00	\$3,675.00	\$3,675.00
Insurance	\$16,200.00	\$16,200.00	\$16,200.00
Legal	\$370.42	\$381.17	\$443.14
Audits	\$0.00	\$0.00	\$0.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$1,123,287.09	\$1,159,131.17	\$1,346,693.14
Cash Reserves	\$433,878.33	\$435,947.47	\$436,249.23

Appendix: A004

Profit / Loss	Month 19	Month 20	Month 21
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$890,000.00	\$917,812.50	\$1,084,687.50
Short term lending (Others)	\$293,413.89	\$302,563.54	\$355,794.79
Long Term Lending (Seller Financing @ 8.5%)	\$3,844.56	\$3,844.56	\$3,844.56
Mortgage purchases	\$4,166.67	\$4,166.67	\$4,166.67
Income from Investment properties	\$37,485.00	\$38,367.00	\$39,396.00
Tax lien purchases	\$7,725.00	\$8,062.50	\$8,475.00
Profits from BPS	\$0.00	\$0.00	\$0.00
Gross Income	\$1,236,635.12	\$1,274,816.77	\$1,496,364.52
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$875,000.00	\$900,000.00	\$850,000.00
Short term lending (Others)	\$291,666.67	\$300,000.00	\$283,333.33
Long Term Lending (Seller Financing)	\$0.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income properties (incl. initial repairs)	\$0.00	\$0.00	\$300,000.00
Tax lien purchases	\$22,500.00	\$27,500.00	\$0.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$9,000.00	\$9,000.00	\$9,375.00
Payroll:			
- CEO	\$7,875.00	\$7,875.00	\$7,875.00
- CEO bonus	\$0.00	\$0.00	\$0.00
- Secretary	\$3,675.00	\$3,675.00	\$3,675.00
Insurance	\$16,200.00	\$16,200.00	\$16,200.00
Legal	\$403.21	\$414.50	\$395.34
Audits	\$0.00	\$0.00	\$0.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$1,235,819.88	\$1,274,164.50	\$1,480,353.68
Cash Reserves	\$437,064.47	\$437,716.74	\$453,727.58

Appendix: A004

Profit / Loss	Month 22	Month 23	Month 24
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$973,437.50	\$1,001,250.00	\$945,625.00
Short term lending (Others)	\$321,071.18	\$330,012.50	\$312,754.86
Long Term Lending (Seller Financing @ 8.5%)	\$3,844.56	\$3,844.56	\$3,844.56
Mortgage purchases	\$4,166.67	\$4,166.67	\$4,166.67
Income from Investment properties	\$40,572.00	\$43,365.00	\$44,835.00
Tax lien purchases	\$8,475.00	\$8,550.00	\$9,187.50
Profits from BPS	\$0.00	\$0.00	\$982,038.65
Gross Income	\$1,351,566.91	\$1,391,188.73	\$2,302,452.24
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$975,000.00	\$975,000.00	\$1,050,000.00
Short term lending (Others)	\$325,000.00	\$325,000.00	\$350,000.00
Long Term Lending (Seller Financing)	\$0.00	\$0.00	\$250,000.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income properties (incl. initial repairs)	\$0.00	\$0.00	\$300,000.00
Tax lien purchases	\$5,000.00	\$42,500.00	\$25,000.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$9,375.00	\$9,375.00	\$9,750.00
Payroll:			
- CEO	\$7,875.00	\$7,875.00	\$7,875.00
- CEO bonus	\$0.00	\$0.00	\$225,000.00
- Secretary	\$3,675.00	\$3,675.00	\$3,675.00
Insurance	\$16,200.00	\$16,200.00	\$16,875.00
Legal	\$447.83	\$451.25	\$789.92
Audits	\$0.00	\$0.00	\$25,000.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$1,352,072.83	\$1,389,576.25	\$2,273,464.92
Cash Reserves	\$453,221.66	\$454,834.14	\$483,821.46

Appendix: A004

Profit / Loss

Income

Cash from Stock Sale	:	\$0.00
Short term lending (BPS)	:	\$11,013,750.00
Short term lending (Others)	:	\$3,628,887.50
Long Term Lending (Seller Financing @ 8.5%)	:	\$46,134.72
Mortgage purchases	:	\$43,750.00
Income from Investment properties	:	\$455,700.00
Tax lien purchases	:	\$94,275.00
Profits from BPS	:	\$982,038.65

Gross Income : **\$16,264,535.87**

Total Operating Expenses

Investments:		
Short term lending (BPS)	:	\$10,575,000.00
Short term lending (Others)	:	\$3,525,000.00
Long Term Lending (Seller Financing)	:	\$250,000.00
Mortgage purchases	:	\$250,000.00
Income properties (incl. initial repairs)	:	\$600,000.00
Tax lien purchases	:	\$185,000.00
<u>Expenses:</u>		
Accounting	:	\$0.00
Advertising	:	\$60,000.00
Real Estate Taxes	:	\$109,875.00
Payroll:		
- CEO	:	\$94,500.00
- CEO bonus	:	\$225,000.00
- Secretary	:	\$44,100.00
Insurance	:	\$195,075.00
Legal	:	\$5,488.86
Audits	:	\$25,000.00
Miscellaneous Office Expenses	:	\$6,000.00
Office space (lease)	:	\$48,000.00

Total Expenses Without Taxes : **\$16,198,038.86**

Cash Reserves

Total

Yearly

Cash Flow

Income	\$545,584.72
Expenses	\$813,038.86
Total	-\$267,454.14

Accumulated Assets

	\$3,000,000.00
	\$1,000,000.00
	\$750,000.00
	\$500,000.00
	\$7,800,000.00
	\$637,500.00
Cash	\$483,821.46
	\$14,171,321.46

Overhead

\$813,038.86

Profit/Loss

\$2,251,497.01

Appendix: A004

Profit / Loss	Month 25	Month 26	Month 27
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$1,084,687.50	\$1,084,687.50	\$1,168,125.00
Short term lending (Others)	\$357,461.46	\$357,461.46	\$383,035.42
Long Term Lending (Seller Financing @ 8.5%)	\$5,766.84	\$5,766.84	\$5,766.84
Mortgage purchases	\$4,166.67	\$4,166.67	\$4,166.67
Income from Investment properties	\$46,452.00	\$49,686.00	\$51,457.35
Tax lien purchases	\$9,562.50	\$10,387.50	\$11,287.50
Profits from BPS	\$0.00	\$0.00	\$0.00
Gross Income	\$1,508,096.97	\$1,512,155.97	\$1,623,838.77
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$1,050,000.00	\$1,050,000.00	\$900,000.00
Short term lending (Others)	\$350,000.00	\$350,000.00	\$300,000.00
Long Term Lending (Seller Financing)	\$0.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income properties (incl. initial repairs)	\$0.00	\$0.00	\$300,000.00
Tax lien purchases	\$55,000.00	\$60,000.00	\$57,500.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$9,750.00	\$9,750.00	\$10,125.00
Payroll:			
- CEO	\$8,268.75	\$8,268.75	\$8,268.75
- CEO bonus	\$0.00	\$0.00	\$0.00
- Secretary	\$3,858.75	\$3,858.75	\$3,858.75
Insurance	\$16,875.00	\$16,875.00	\$16,875.00
Legal	\$485.65	\$489.62	\$430.54
Audits	\$0.00	\$0.00	\$0.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$1,503,738.15	\$1,508,742.12	\$1,606,558.04
Cash Reserves	\$488,180.27	\$491,594.12	\$508,874.86

Appendix: A004

Profit / Loss	Month 28	Month 29	Month 30
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$1,168,125.00	\$1,168,125.00	\$1,001,250.00
Short term lending (Others)	\$383,660.42	\$383,660.42	\$330,220.83
Long Term Lending (Seller Financing @ 8.5%)	\$5,766.84	\$7,689.12	\$9,611.40
Mortgage purchases	\$4,166.67	\$4,166.67	\$4,166.67
Income from Investment properties	\$53,243.40	\$56,521.50	\$58,359.00
Tax lien purchases	\$12,150.00	\$12,375.00	\$12,675.00
Profits from BPS	\$0.00	\$0.00	\$0.00
Gross Income	\$1,627,112.32	\$1,632,537.70	\$1,416,282.90
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$975,000.00	\$975,000.00	\$1,000,000.00
Short term lending (Others)	\$325,000.00	\$325,000.00	\$333,333.33
Long Term Lending (Seller Financing)	\$250,000.00	\$250,000.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income properties (incl. initial repairs)	\$0.00	\$0.00	\$0.00
Tax lien purchases	\$15,000.00	\$20,000.00	\$32,500.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$10,125.00	\$10,125.00	\$10,125.00
Payroll:			
- CEO	\$8,268.75	\$8,268.75	\$8,268.75
- CEO bonus	\$0.00	\$0.00	\$0.00
- Secretary	\$3,858.75	\$3,858.75	\$3,858.75
Insurance	\$16,875.00	\$16,875.00	\$16,875.00
Legal	\$769.60	\$773.61	\$479.82
Audits	\$0.00	\$0.00	\$0.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$1,614,397.10	\$1,619,401.11	\$1,414,940.66
Cash Reserves	\$521,590.08	\$534,726.67	\$536,068.91

Appendix: A004

Profit / Loss	Month 31	Month 32	Month 33
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$1,084,687.50	\$1,084,687.50	\$1,112,500.00
Short term lending (Others)	\$357,878.13	\$357,878.13	\$365,152.78
Long Term Lending (Seller Financing @ 8.5%)	\$9,611.40	\$9,611.40	\$9,611.40
Mortgage purchases	\$4,166.67	\$4,166.67	\$4,166.67
Income from Investment properties	\$60,233.25	\$62,151.60	\$64,121.40
Tax lien purchases	\$13,162.50	\$13,350.00	\$13,575.00
Profits from BPS	\$0.00	\$0.00	\$0.00
Gross Income	\$1,529,739.44	\$1,531,845.29	\$1,569,127.24
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$1,100,000.00	\$1,100,000.00	\$900,000.00
Short term lending (Others)	\$366,666.67	\$366,666.67	\$300,000.00
Long Term Lending (Seller Financing)	\$0.00	\$0.00	\$0.00
Mortgage purchases	\$0.00	\$0.00	\$0.00
Income properties (incl. initial repairs)	\$0.00	\$0.00	\$300,000.00
Tax lien purchases	\$12,500.00	\$15,000.00	\$5,000.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$10,125.00	\$10,125.00	\$10,500.00
Payroll:			
- CEO	\$8,268.75	\$8,268.75	\$8,268.75
- CEO bonus	\$0.00	\$0.00	\$0.00
- Secretary	\$3,858.75	\$3,858.75	\$3,858.75
Insurance	\$16,875.00	\$16,875.00	\$17,550.00
Legal	\$522.95	\$525.30	\$446.05
Audits	\$0.00	\$0.00	\$0.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$1,528,317.12	\$1,530,819.47	\$1,555,123.55
Cash Reserves	\$537,491.24	\$538,517.06	\$552,520.75

Appendix: A004

Profit / Loss	Month 34	Month 35	Month 36
Income			
Cash from Stock Sale	\$0.00	\$0.00	\$0.00
Short term lending (BPS)	\$1,223,750.00	\$1,223,750.00	\$1,001,250.00
Short term lending (Others)	\$401,751.39	\$401,751.39	\$330,637.50
Long Term Lending (Seller Financing @ 8.5%)	\$9,611.40	\$9,611.40	\$9,611.40
Mortgage purchases	\$4,166.67	\$4,166.67	\$4,166.67
Income from Investment properties	\$66,150.00	\$69,788.25	\$73,500.00
Tax lien purchases	\$13,650.00	\$13,912.50	\$14,250.00
Profits from BPS	\$0.00	\$0.00	\$1,195,309.67
Gross Income	\$1,719,079.46	\$1,722,980.21	\$2,628,725.23
Total Operating Expenses			
Investments:			
Short term lending (BPS)	\$1,000,000.00	\$1,000,000.00	\$1,050,000.00
Short term lending (Others)	\$333,333.33	\$333,333.33	\$350,000.00
Long Term Lending (Seller Financing)	\$0.00	\$0.00	\$250,000.00
Mortgage purchases	\$0.00	\$0.00	\$250,000.00
Income properties (incl. initial repairs)	\$300,000.00	\$300,000.00	\$300,000.00
Tax lien purchases	\$17,500.00	\$22,500.00	\$5,000.00
Expenses:			
Accounting	\$0.00	\$0.00	\$0.00
Advertising	\$5,000.00	\$5,000.00	\$5,000.00
Real Estate Taxes	\$10,875.00	\$11,250.00	\$11,625.00
Payroll:			
- CEO	\$8,268.75	\$8,268.75	\$8,268.75
- CEO bonus	\$0.00	\$0.00	\$302,750.00
- Secretary	\$3,858.75	\$3,858.75	\$3,858.75
Insurance	\$18,225.00	\$18,900.00	\$19,575.00
Legal	\$489.37	\$493.82	\$1,131.29
Audits	\$0.00	\$0.00	\$25,000.00
Miscellaneous Office Expenses	\$500.00	\$500.00	\$500.00
Office space (lease)	\$4,000.00	\$4,000.00	\$4,000.00
Total Expenses Without Taxes	\$1,702,050.20	\$1,708,104.66	\$2,586,708.79
Cash Reserves	\$569,550.01	\$584,425.56	\$626,442.00

Appendix: A004

Profit / Loss	Total	Yearly Cash Flow
Income		
Cash from Stock Sale :	\$0.00	Income \$859,700.03
Short term lending (BPS) :	\$13,405,625.00	Expenses \$928,067.62
Short term lending (Others) :	\$4,410,549.31	
Long Term Lending (Seller Financing @ 8.5%) :	\$98,036.28	Total -\$68,367.59
Mortgage purchases :	\$50,000.00	
Income from Investment properties :	\$711,663.75	
Tax lien purchases :	\$150,337.50	
Profits from BPS :	\$1,195,309.67	
Gross Income :	\$20,021,521.50	
Total Operating Expenses		Accumulated Assets
Investments:		
Short term lending (BPS) :	\$12,100,000.00	\$3,050,000.00
Short term lending (Others) :	\$4,033,333.33	\$1,016,666.67
Long Term Lending (Seller Financing) :	\$750,000.00	\$1,500,000.00
Mortgage purchases :	\$250,000.00	\$750,000.00
Income properties (incl. initial repairs) :	\$1,500,000.00	\$9,300,000.00
Tax lien purchases :	\$317,500.00	\$955,000.00
<u>Expenses:</u>		Cash \$626,442.00
Accounting :	\$0.00	\$17,198,108.67
Advertising :	\$60,000.00	
Real Estate Taxes :	\$124,500.00	
Payroll:	\$0.00	
- CEO :	\$99,225.00	
- CEO bonus :	\$302,750.00	
- Secretary :	\$46,305.00	
Insurance :	\$209,250.00	
Legal :	\$7,037.62	
Audits :	\$25,000.00	
Miscellaneous Office Expenses :	\$6,000.00	
Office space (lease) :	\$48,000.00	
Total Expenses Without Taxes :	\$19,878,900.95	Overhead
Cash Reserves		\$928,067.62
		Profit/Loss
		\$3,026,787.22

CAREER HISTORY

10/2004-Present

FOUNDER/OWNER, Boomerang Property Solutions, LLC and Boomerang Investment Group, Inc.

- * Buy and sell/hold real estate
- * Current focus is on: fixers, REO's, properties with small or no mortgages, private financing, owner financing, and buy and hold properties
- * Mentoring fellow investors
- * Working with partners on most properties

02/2002-10/2004

FOUNDER/OWNER, Boomerang Enterprises

- * Selling of Quixtar (former Amway) products
- * Education in residual income
- * Working with mentors regarding network building

07/2001-02/2002

SENIOR PROJECT MANAGER, Turner Construction Company

- * Oversee construction of building projects (commercial, office) with Turner Special Projects Division
- * Calculate costs; establish and monitor budgets
- * Send out projects for bid; analyze bids and negotiate contracts
- * Work with architects, designers, owners, consultants, and subcontractors

11/1991-06/2000

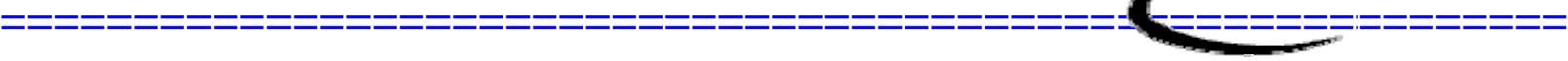
PROJECT MANAGER, Hochtief AG, Dortmund, Germany (8th largest construction firm worldwide)

- * Oversee construction of wide range of building projects (commercial, office, retail, residential, medical, hotel, manufacturing, hospitality)
- * Calculate costs; establish and monitor budgets
- * Send out projects for bid; analyze bids and negotiate contracts
- * Create project schedules
- * Work with architects, designers, owners, consultants, and subcontractors

03/1989-11/1991

ARCHITECT/PROJECT MANAGER, Werner Lehman & Partner, Dortmund, Germany (mid-sized, full-service architectural firm)

- * Responsible for all design phases (programming, schematic design, design development, construction documents, construction administration)
- * Direct on all projects the planning of mechanical elements (heating, ventilation, air conditioning, and plumbing)
- * Estimate cost of mechanical elements; send these jobs out for bid and negotiate contracts
- * Prepare drawings and assemble information for building permit applications with Planning Department
- * Coordinate and oversee the construction of projects

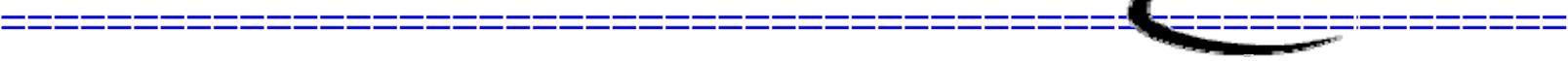


Appendix: A008

EDUCATION

- 2004-Present Education in all aspects of Real Estate with Robert Allen Institute. Specific education and seminars in Short Sales and REO's (Reggie Lal), Owner Financing (Peter Fortunato and Dyches Boddiford), Fixing and Selling Houses (Jack Miller and Fixer Jay), Creative Financing (Peter Fortunato, Jack Schaub), Private Lending (George Antone with Wealth Classes), Creative Uses of the LLC, (Dyches Boddiford), Tax Strategies (Albert Aiello), Surviving the Sub-Prime Meltdown (Jack Miller and Jack Schaub).
- 2002-2004 Seminars in team building, sales techniques, promotions, and the building, acquiring, and value of residual income streams
- 1991-2002 Seminars in management, sales techniques, computer technology (Prolog), negotiating skills (Karrass), finances, preparing and monitoring budgets, subcontractor management and OSHA with Turner and Hochtief AG, Dortmund, Germany
- 1984-1988 Master's Degree in construction management, Byggetechnisk Hojskole Horsens, Horsens, Denmark (Horsens Advanced University of Construction Technology)
- 1981-1984 Carpenter Apprenticeship, Sven Aage Gronlund, Virring, Denmark

PROJECTS: See attached sheets.



Appendix: A008

REAL ESTATE PROJECTS

Boomerang Property Solutions, LLC (2004 – present), San Rafael, CA

537 S 30th Street, Richmond, CA

Investor

A Realtor friend of mine had the listing and asked me if I wanted to buy it. It was an REO and a partner of mine wanted to help me fund the purchase and the repair cost. The facade of the property was in such a bad state that all other potential buyers had been scared away. The inside had been fixed up completely and was ready to welcome a new owner. When the repairs were done I paid my partner of because I wanted to keep the property as an income property. It is now rented out for \$1,100/month.

Appraised Value at purchase:	\$65,000	Purchase: 02/2009	Sale:	-
Purchase Price:	\$49,500		Sell Price:	-
Financing:	Private financing		Rental Property	

1081 / 1085 89th Avenue, Oakland, CA

Investor / Partnership

A Realtor friend of mine had the listing and asked me if I wanted to buy it. It was an REO and a partner of mine wanted to help me fund the purchase and the repair cost. We meant to keep the property for rental income but my partner's financial problems and my lack of available funds forced us to a sale.

Appraised Value at purchase:	\$155,000	Purchase: 11/2008	Sale:	08/2009
Purchase Price:	\$75,000		Sell Price:	\$145,000
Financing:	Private financing		Total Profits:	\$32,810
			My Net share:	\$5,250

1910 Ohio Avenue, Richmond, CA

Investor / Partnership

A Realtor friend of mine had the listing and asked me if I wanted to buy it. It was an REO and the house was in a decent condition. I partnered up with my contractor and we bought it for rental income. With a little TLC we were able to lease it out to a tenant. It is now rented out for \$1,100/month.

Appraised Value at purchase:	\$75,000	Purchase: 11/2008	Sale:	-
Purchase Price:	\$65,000		Sell Price:	-
Financing:	Private financing		Rental Property	

1027 84th Avenue, Oakland, CA

Investor / Partnership

A partner of mine found this property and asked me to join. The seller had started the process of expanding the property by adding a second floor to the building. A screw-up at the City of Oakland and a divorce had been a too big set back for him and he just wanted out. We got caught in the real state melt down and decided to turn it into a rental property rather than selling it at a big loss. We currently get \$1,350/month in rent.

Appraised Value at purchase:	\$475,000	Purchase: 07/2007	Sale:	-
Purchase Price:	\$236,000		Sell Price:	-
Financing:	Private financing		Rental Property	



Appendix: A008

108 Taurus Avenue, Oakland, CA

Investor / Partnership

A partner of mine found this property and asked me to join. The property was owned free and clear. The owners had found their dream property and just wanted out. The idea was to fix it and sell it, but we sold it without doing anything 3 days after we had closed escrow.

Appraised Value at purchase:	\$825,000	Purchase: 06/2007	Sale:	07/2007
Purchase Price:	\$525,000		Sell Price:	\$690,000
Financing:	Private financing		Total Profits:	\$116,000
			My Net share:	\$58,000

2415 McBryde Avenue, Oakland, CA

Investor

This property was owned by a tired landlord. She had had the property for 27 years and owned it free and clear. She was aware of the dire disrepair the property was in (Termite Report: \$92,000). I sold the property without repairing it.

Appraised Value at purchase:	\$450,000	Purchase: 11/2006	Sale:	06/2007
Purchase Price:	\$200,000		Sell Price:	\$280,000
Financing:	Seller financing		My Net Profits:	\$25,000

1100 82nd Avenue, Oakland, CA

Investor

I bought this triplex with the intent to fix it and sell it with the seller financing in place using a wrap. I negotiated Seller financing with 3% interest. Monthly payments to seller: \$1,600. Monthly income from the property: \$2,550.

Appraised Value at purchase:	\$500,000	Purchase: 07/2006	Sale:	-
Purchase Price:	\$400,000		Sell Price:	-
Financing:	Seller financing		Rental Property	

2616 Los Palos Street, Las Vegas, NV

Investor / Partnership

With another partner from Las Vegas, we bought this house that was in foreclosure subject to existing financing, and put it on the market. I ran out of money before we could sell it, and had to let it go back to the lender.

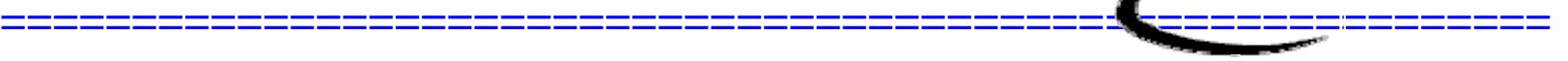
Appraised Value at purchase:	\$300,000	Purchase: 06/2006	Back to Lender: 04/2007	
Purchase Price:	\$253,000		Sell Price:	-
Financing:	Subject to existing financing		Loss:	\$12,000

2104 Juana Vista St, Las Vegas, NV

Investor / Partnership

With another partner from Las Vegas, we bought this house that was in foreclosure subject to existing financing, fixed it up and put it on the market. It is currently leased back to the prior owners until it sells. The sellers will be getting 30% of the profits at the sale. The property is currently rented out for \$950/month.

Appraised Value at purchase:	\$295,000	Purchase: 05/2006	Sale:	-
Purchase Price:	\$184,000		Sell Price:	-
Financing:	Subject to existing financing		Estimated Profit:	-



Appendix: A008

2104 Via San Andros, Las Vegas, NV

Investor / Partnership

With two other partners from Las Vegas, we bought this house that was in foreclosure subject to existing financing, fixed it up and leased it out. The Lessee was supposed to buy it from us, and close Escrow by 04/2007. The prior owner tried to get it back through the courts, because they liked it after we had repaired it. They lost that right in court and we lost our Lessee (he got scared). We decided to cut our losses and stopped all payments and the property went back to the lender and the prior owner now has a complete foreclosure on their record.

Appraised Value at purchase:	\$225,000	Purchase:	05/2006	Back to Lender:	05/2007
Purchase Price:	\$176,800			Sell Price:	-
Financing:	Subject to existing financing			Loss:	\$12,500

9618 Windborne Avenue, Las Vegas, NV

Investor

I acted as a middle man to a private lender.

Property Value:	\$420,000	Origination:	04/2006	Pay-off:	04/2007
Financing:	Private Loan			My Net Profits:	\$2,500

5300 Willow Lake Ct., Byron, CA

Investor / Partnership

I acted as a partner to two other parties with very bad credit. The plan was to fix up the property and sell it, but we sold it without doing anything at all.

Appraised Value at purchase:	\$460,000	Purchase:	10/2005	Sale:	01/2006
Purchase Price:	\$440,000			Sell Price:	\$480,000
Financing:	Traditional Mortgage Loan			Total Profits:	\$20,000
				My Net share:	\$10,000

321 Spry Avenue, Las Vegas, NV

Investor

I acted as a partner to another party with very bad credit. The plan was to get a tenant/buyer in the house right after we bought it. Due to my former partners major mismanagement of my funds and purchase fraud, the joint venture ended in court, where she was removed from the property (Lawsuit took 10 months). We lost the property in foreclosure.

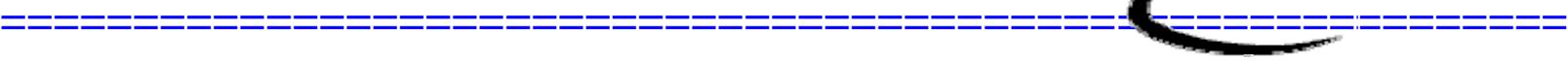
Appraised Value at purchase:	\$775,000	Purchase:	07/2005	Back to Lender:	01/2007
Purchase Price:	\$775,000			Sell Price:	-
Financing:	Traditional Mortgage Loan			Loss:	\$28,000

127 and 131 Cypress Drive, Fairfax, CA

Investor / Partnership

The plan was to build a house on each lot, move in, and then sell the properties one at a time. My Partner supposed to get a fixed profit amount of \$180,000 no matter what my profit would be. Estimated sales date of the first property was April 2012, the second was September 2016. Lack of available funding for construction forced us into a foreclosure in 2009 after a failed attempt to sell the property to my partner.

Appraised Value at purchase:	\$110,000 + \$125,000	Purchase:	07/2005	Sale:	-
Purchase Price:	\$110,000 + \$125,000			Sell Price:	Foreclosure
Financing:	Traditional + Private Mortgage Loans			Profit:	\$0



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1121 Leggett Street, Antioch, CA

Investor

I acted as a partner to two other parties with very bad credit. With one of the parties a joint venture was created. This joint venture ended with her resignation (See 321 Spry Avenue). The plan was for us to clean up the other parties' credit and get him on title by buying me out (lease-purchase agreement). The Tenant/Lessee failed to make all payments on time and failed to close the purchase. I was forced to get him out through eviction. He left the house in bad disrepair. The property is currently on the market as a short sale.

Appraised Value at purchase:	\$285,000	Purchase: 03/2005	Sale:	-
Purchase Price:	\$225,000		Sell Price:	-
Financing:	Traditional Mortgage Loan		My Net Profits:	\$52,700 (Refi)

9340 Maybeck Way, Elk Grove, CA

Investor / Partnership

I acted as a partner to another party with very bad credit. The plan was for us to hold the property for a minimum of 2 years and then sell it. My Partner moved into the property took over all payments and upgraded the property. In February of 2007 he paid me off and went on title himself. Profits to be split 50/50.

Appraised Value at purchase:	\$480,000	Purchase: 02/2005	Sale:	02/2007
Purchase Price:	\$460,000		Sell Price:	\$550,000
Financing:	Traditional Mortgage Loan		Total Profits:	\$50,000
			My Net share:	\$25,000

3556 E. Felix Blvd, Tucson, AZ

Investor (Rental Property)

Bought with the purpose of rental income. Bad local property management and the drop in the real estate market forced us to a sale. The bank refused to accept a short sale so we ended up in a foreclosure in 2008.

Appraised Value at purchase:	\$164,000	Purchase: 12/2004	Sale:	-
Purchase Price:	\$164,000		Sell Price:	Foreclosure
Financing:	Traditional Mortgage Loan			Rental Property

7305 Ash Street, Prairie Village, KS

Investor (Rental Property)

I acted as a partner to another party with very bad credit. The original plan was for us to clean up his credit and get him on title by buying me out (lease-purchase agreement). The partnership ended with an eviction of my partner in 2006 (due to non-payments of his lease). The market took a hit and we tried to sell the property as a short sale. The bank refused to accept a short sale so we ended up in a foreclosure in 2007.

Appraised Value at purchase:	\$229,000	Purchase: 08/2004	Sale:	-
Purchase Price:	\$209,000		Sell Price:	Foreclosure
Financing:	Traditional Mortgage Loan			Rental Property

2832 12th Street, San Pablo, CA

Investor

Foreclosure bought from another investor (Bird Dog). Fixed up the property and sold it within 5 months.

Appraised Value at purchase:	\$260,000	Purchase: 05/2004	Sale:	10/2004
Purchase Price:	\$183,000		Sell Price:	\$290,000
Financing:	Traditional Mortgage Loan		My Net Profit:	\$58,700



Appendix: A008

129 Cypress Drive, Fairfax, CA

Investor

The plan was to build a house on the lot, move in and stay there for 2 years and 1 day, then sell the property with a max of \$500,000 tax free profit (Owner occupied single family dwelling). Lack of available funding for construction forced us into a foreclosure in 2009 after a failed attempt to sell the property to my partner.

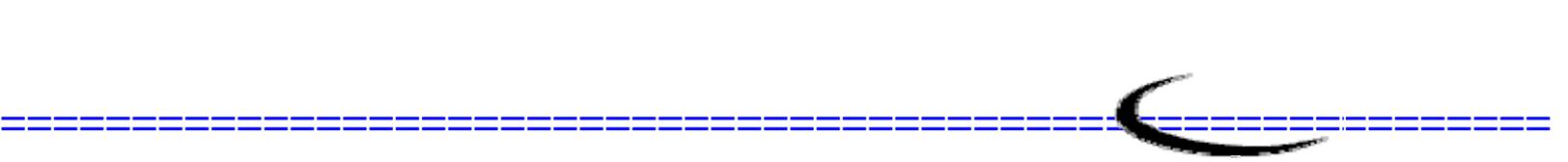
Appraised Value at purchase:	\$85,000	Purchase:	05/2004	Sale:	-
Purchase Price:	\$72,000			Sell Price:	Foreclosure
Financing:	Traditional + Private Mortgage Loans			Profits:	\$0

1004 Lee Avenue, Rockledge, FL

Consultant/Investor

I acted as a partner to another investor with very bad credit, in a transaction of getting us on title and selling the property.

Appraised Value at purchase:	\$120,000	Purchase:	03/2004	Sale:	01/2005
Purchase Price:	\$68,400			Sell Price:	\$145,000
Financing:	Traditional Mortgage Loan			My Net Profit:	\$2,000



Appendix: A008

CONSTRUCTION PROJECTS

Turner Special Projects Division, San Francisco, CA

2000 - 2002

Broadwing, San Francisco, CA

Senior Project Manager / Project Manager

TI for a software company, basement build-out for a server room.

3,600 square feet; construction cost: \$380,000

Turner Oakland Office, Oakland, CA

Project Manager

TI for Turner, office build-out, historical renovation.

24,000 square feet; construction cost: \$2,700,000

Aegis, Oakland, CA

Senior Project Manager / Project Manager

TI in stairways and miscellaneous small jobs.

2,000 square feet; construction cost: \$70,000

Tom Sawyer Software, Oakland, CA

Project Manager

TI for a software company, office build-out.

9,500 square feet; construction cost: \$520,000

CAL / EPA, Sacramento, CA

Engineer

High-rise office building. Turnkey project.

1,000,000+ square feet; construction cost: \$60,000,000+

Genentech, South San Francisco, CA

Engineer

Bio-Tech. Turnkey project.

1,000+ square feet; construction cost: \$1,600,000+

Hochtief AG, Dortmund, Germany

1991 -2000

Cineplex, Munster, Germany

Project Manager / Engineer

Interiors for a fitness center within the building complex. Turnkey project.

9,000 square feet; construction cost: \$5,000,000

Hotel Hennesee Residenz, Meschede, Germany

Project Manager / Engineer

Interior remodel and addition to the existing hotel. Turnkey project.

110,000 square feet; construction cost: \$18,000,000

Preins Feld, Bochum, Germany

Project Manager / Engineer

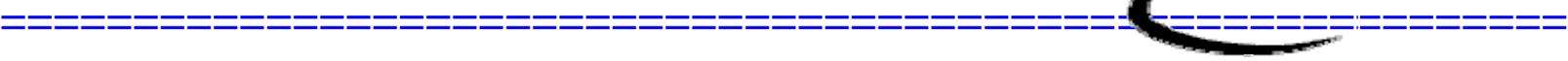
Residential Park with 56 apartments and 54 free-standing single-family houses. Turnkey project.

162,000 square feet; construction cost: \$18,000,000



Appendix: A008

Boecker Building, Dortmund, Germany Mixed-use: high-end clothing retail, residential (41 luxury penthouse units) and underground garage. Turnkey project. 282,000 square feet; construction cost: \$65,000,000	Project Manager / Engineer
Barmer Baltic Sea Clinic, Prerow, Germany Rehabilitation clinic for lung disorders and skin diseases. Timely completion under tight schedule. Turnkey project. 227,000 square feet; construction cost: \$35,000,000	Project Manager / Engineer
Courthouse Lunen, Lunen, Germany Interiors and addition to the existing courthouse. Hochtief acted as a subcontractor. 55,000 square feet; construction cost: \$1,800,000	Project Manager
BVB Soccer Stadium, Dortmund, Germany 14 food and beverage concessions. Completed project below planned budget and under tight deadline. Turnkey project. 6,000 square feet; construction cost: \$1,800,000	Project Manager
Dreier Building, Dortmund, Germany Mixed-use: street-level retail and 3 floors of residential units. Turnkey project. 270,000 square feet; construction cost: \$45,000,000	Engineer
Ophoff Building, Dortmund, Germany Mixed-use: street-level retail and 4 floors of residential units. Turnkey project. 17,500 square feet; construction cost: \$1,800,000	Project Manager
Harenberg Building, Dortmund, Germany Corporate headquarters for major publisher Harenberg, office space for lease and underground garage. 359,000 square feet; construction cost: \$45,000,000	Project Manager / Engineer
Student Residences, Wuppertal, Germany Student residence units. Employed rare technique for constructing buildings on steep hill. Core and shell. 110,000 square feet; construction cost: \$8,000,000	Engineer
Bayer Chemical Factory, Wuppertal, Germany Interior remodel of factory buildings. 400,000 square feet; construction cost: \$1,800,000	Project Manager
Ronsdorf Residence, Wuppertal, Germany High-end single-family residence with 3 condominiums. Turnkey project. 6,000 square feet; construction cost: \$700,000	Project Manager



Appendix: A008

ARCHITECTURAL PROJECTS

Werner Lehman & Partner, Dortmund, Germany

1989 - 1991

Orenstein & Koppel Berlin, Berlin, Germany

Architect/Project Manager

Mixed-use: manufacturing (construction site vehicles) and office building.
530,000 square feet; construction cost: \$85,000,000