

FOR INFORMATION AND DISCUSSION PURPOSES ONLY.

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New Home Pre-Construction Purchase Program

OVERVIEW

UHT Track Record: Unique Homes of Texas (“UHT”) is a small but highly experienced home builder headquartered in Austin, Texas, with a superior quality performance track record. We have created a successful, innovative program for qualified financial partners to profit from the pre-construction phase of new home building in the Austin, Texas, metro area and other strong Texas markets. Our principals have been conducting similar programs successfully with over 250 transactions in the last five years.

General Guidelines and Investor Eligibility: All transactions are individually tailored and approved by the investor prior to the commitment of capital; all investors are not eligible for participation in these programs (see investor eligibility requirements contained herein). In general, clients must be “accredited investors” and have credit scores of about 700 or better, with liquid net worth of \$100,000 or \$150,000 or more (lender underwriting criteria for investors will vary).

Program Summary: We have arranged for select lending institutions to provide construction financing in strong markets to build custom homes in the approximate sales range of \$250,000 to \$1,100,000. Qualified investors commit to purchase these new homes prior to construction closing. The purchase price to the investor is 80% of the appraised value of the completed home (an independent completed value appraisal is commissioned by the lender prior to construction start). The structure and funding for construction loans by our lenders is based on the financial strength of the investor, the individual property, and other unique circumstances. As of September 2008 we have 12 homes under construction, two new developments, six high-end condos, and other residential and commercial projects in progress.

Financial requirements and sale: At construction loan closing, the investor provides approximately 10% of the hard costs in cash, plus closing costs, and is the guarantor for the construction financing to the lender—thus enabling the builder to obtain the best rate and terms possible for the loan. (Depending upon the lender, a portion of these cash requirements might be met by a Certificate of Deposit pledged to the lender.) The construction period is approximately 5-6 months and the construction loan is usually for 12 months (varies with lender). UHT markets and sells the home to an end user (homeowner) on behalf of the investor. If the home is not sold prior to the repayment date for the construction loan, UHT obtains permanent financing for and in behalf of the investor, and the construction loan is paid off.

Costs: All costs of construction are included in the construction loan, plus the cash put up by the investor at loan closing. Upon completion and when a Certificate of Occupancy is issued, insurance, HOA fees, utilities, etc. become the investor’s responsibility. Investors may direct UHT to rent the home, or the investor may occupy or sell the home directly.

Investment Benefits: **The effective return to the investor is a potential doubling of their cash investment within 7-9 months.** The investor receives 100% of the difference between the purchase price (80% of appraised completed value) and the sales price (or 100% of the equity), net of sales commissions, fees and closing costs. Homes are usually sold to buyers prior to completion. Closing on

the sale to the end user, and closing of the buyer's first mortgage loan (and repayment of the construction loan) usually takes place within 7-9 months of construction start.

PRE-CONSTRUCTION PROGRAM STEPS

Investors may participate as often as they desire in any UHT program for which they are qualified, but may be in only one program at a time. The following contains the procedure used to provide project approval and funding for individual investors participating in our New Home Pre-Construction Program, for which UHT is the sole builder:

1. Investors are referred to our program and complete the required documentation for pre-approval (application, authorization form, and financial information).
2. Investors are pre-approved for a specific loan amount.
3. An appropriate UHT project is then presented to a selection of our pre-approved investors for a suitability match as to their financial capabilities and interest level.
4. After approval by the investor of the project and executing all the required contracts and documentation, the investor package is then submitted to one of UHT's financial affiliates (a lending institution or private lender).
5. Overall it takes between 30 and 45 days to fund the construction loan, depending upon appraisals, title work and receipt of client documentation.
6. Upon closing of the construction and lot loan in the investor's name on a 12-month interim construction loan, the permit process starts for the construction phase (usually 30 days or less).
7. Construction begins and takes on average 5 to 6 months for turnkey completion. Investors are given twice-monthly updates of progress including pictures of the construction. During the construction phase clients are kept abreast of progress through pictures and information emailed by our customer relations department.
8. Within 60 days of closing, UHT's sales and marketing team begins the marketing process for the investor's project, providing in-depth updates on marketing and sales progress.
9. The sales and marketing team coordinates with the investor on terms and conditions of any purchase contracts submitted until the home is complete and UHT delivers a Certificate of Occupancy, at which point the sale can be completed.
10. If the home is completed prior to any sales contract being executed, UHT's sales and marketing team will continue its marketing process keeping the investor informed of progress.
11. If the home does not sell within the first 10 months, UHT's financing team begins providing the investor permanent loan options to ensure that the construction loan is paid off within 12 months.
12. If a permanent loan must be closed to retire the construction financing, UHT's sales and marketing team will continue the sales process until the home is sold to an end buyer.

APPROXIMATE CONSTRUCTION LOAN RATES, TERMS and COSTS

The following rates and terms are **examples only** and are set on a project-by-project basis at the sole discretion of UHT and its financing affiliates based on the nature of the individual investor and project:

1. **Maximum loan amount:** 90% of hard costs, as verified by builder and lender.

2. **Cash requirement:** Investor will be required to provide a minimum of 10% of hard costs in cash at construction loan closing. At the discretion of the lender, part or all of this amount may be in the form of a Certificate of Deposit to be used as collateral until the construction loan is repaid. In addition, any costs above the appraised home value will be the responsibility of the investor at the time of closing. Notification of such costs will be provided to the investor for acceptance prior to loan approval and closing.
3. **Construction interest rate:** 1.5% to 2% floating above the prime lending rate.
4. **Fees:** 2% loan origination fee.
5. **Construction loan period:** The construction loan is for up to 12 months (varies with lender), at which time it must be repaid. Source of repayment will be from buyer permanent home loan financing, or from a permanent loan arranged by UHT if the home is not yet sold.
6. **Carrying costs:** UHT will work with the construction lender to roll into the construction loan all interim construction costs, including interest and land cost until a Certificate of Occupancy is issued. Beginning with issuance of the CO, all costs including interest payments, insurance, electrical, HOA dues and other utilities will become the responsibility of the investor.

LOAN DOCUMENTATION AND QUALIFICATION REQUIREMENTS

Investors are required to document their financial standing in one of two methods, depending upon lender requirements and the nature of the transaction. The type and amount of documentation required varies according to the lender and nature of the project:

1. **Full documentation:** Required on interim construction loans only, includes providing substantial documentation to verify the investor's financial status and qualifications.
2. **Stated qualifications:** Requires less documentation, but also requires compensating factors and is available, if at all, for permanent loans only.

Qualifications: Investors must meet the following general criteria for loan approval (requirements might be higher depending upon lender, market conditions, and project type):

- Credit score of 700 or better
- Verifiable income
- Liquid assets equivalent to 12 months of interest reserves (can be in the form of cash on hand, stocks and bonds, property equity, etc.)
- Net worth amount
- Current number, amount and nature of real estate investments owned

The more documentation provided supporting financial and project strength allows for a greater chance of loan approval, better rate and terms, and faster turn times on loan funding.

INVESTOR REQUIREMENTS FOR SINGLE-FAMILY PRE-CONSTRUCTION HOMES

The following outlines the investor qualification requirements as established by UHT for price ranges of pre-construction single-family homes. **All profiles require full-documentation applications:**

Homes \$500,000 and up:

1. Annual verifiable income of \$150,000 and up (business losses and depreciation can be added back in on tax returns)

2. Liquid assets of \$150,000 or more (can be cash, equity, stocks and bonds, etc.)
3. Credit score of 700 or greater
4. Maximum debt to income ratio: 45%

Homes \$350,000 to \$499,000:

1. Annual verifiable income of \$100,000 and up (business losses and depreciation can be added back in on tax returns)
2. Liquid assets of \$100,000 or more (can be cash, equity, stocks and bonds, etc.)
3. Credit score of 700 or greater
4. Maximum debt to income ratio: 45%

Homes \$200,000 to \$349,000:

1. Annual verifiable income of \$75,000 and up (business losses and depreciation can be added back in on tax returns)
2. Liquid assets of \$75,000 or more (can be cash, equity, stocks and bonds, etc.)
3. Credit score of 680 or greater
4. Maximum debt to income ratio: 45%

Homes \$100,000 to \$199,000:

1. Annual verifiable income of \$50,000 and up (business losses and depreciation can be added back in on tax returns)
2. Liquid assets of \$50,000 or more (can be cash, equity, stocks and bonds, etc.)
3. Credit score of 700 or greater
4. Maximum debt to income ratio: 50%

UHT and INVESTOR RELATIONS

The principals of Unique Homes of Texas, Inc., with primary offices in Austin, Texas, have over 30 years' experience in developing, building and selling real estate in the Texas and Mexico markets. UHT has developed a substantial team of alliance partners in multiple real estate and financial disciplines, including EagleMark Ventures, LLC.

Guided by this strong team of experts, investors are assured that the inherent risks in any real estate enterprise will be minimized. UHT guides each investor through the entire Pre-Construction Home Purchase process step by step, enabling options to be exercised by the financial partner at every opportunity.

We want our investors to participate and be involved as much or as little as they desire. We conduct period presentations, tours and workshops to give investors a first-hand look at what we do and how our system works. Through our websites, investors are able to identify future projects, monitor progress on an individual current project, and review updates on markets throughout the country.

Other Investment Opportunities: UHT sponsors a variety of projects and opportunities for investors with more substantial capital, such as:

- Multi-family as well as single-family construction programs (primary residencies, second homes, investment projects)
- Builder model homes
- Land development projects (develop and flip)
- Individual lot purchases
- Commercial project construction

Investors seeking higher returns over a 12 to 24 month holding period will find multiple opportunities with UHT, offered on a monthly basis.

WHY INVEST IN AUSTIN?

Growth: While the median value of homes in the U.S. overall *fell* 7.6% in the second quarter of 2008 from the same period a year earlier, median home prices in the Austin metropolitan area *rose* by 4.1% to \$194,200. By the year 2030, Texas will make up half of the growth of the entire United States. Texas hosts more Fortune 100 corporate headquarters than any other state. The cost of living—to operate a company, and most important raise a family—is among the lowest in the nation. Quality of life in Texas cities such as Austin has long been recognized nation-wide; Forbes Magazine called Austin “the coolest city to live in the U.S.”

Real Estate Markets: Texas real estate markets such as Austin, Houston, El Paso, and Amarillo neither had the great booms of California, Arizona and Florida, and neither are they experiencing the great “bubble burst” of these areas. While most areas of the country are showing a market slow down, many Texas markets continue to have price increases and strong existing home sales. More Texas cities are rated in the top 100 real estate markets than any other state. Markets such as the Dallas/Fort Worth area continue to attract new corporations annually. Cities such as El Paso and McAllen have now shown up as top real estate areas due to the increase presence of National Guard and other military forces utilized to protect our borders, with a shortage housing of available to them.

EXIT STRATEGIES: MARKETING and SALES

Ultimate profits for everyone wait until the property is sold to the end user, or the investor profits by making the completed home his or her own residence or second home, or leases it for continuing income generation and appreciation.

UHT uses a combination of effective marketing and sales strategies to assure that every home is sold with an optimum balance of time on market and maximum sales prices. We have an in-house marketing and sales team, supported by expert alliance partners, second to none in our markets.

Project Initial Underwriting: To assure future acceptable sales value, our pre-development underwriting includes:

- We commit only to projects in subdivisions or areas with demonstrated strong sales and appreciation, to ensure that we are capturing the true growth and not perception alone.
- We build custom homes only and limit our investment to no more than 10 units per development to decrease the risk factors for a particular area.

Marketing and sales strategies: These marketing and sales strategies, and a continuing hold strategy as necessary, include the following elements:

- We research and know our markets to find who is buying and then target that end buyer.
- We market specific projects to specific buyers, with focus on our database of contacts, referrals, and targeted advertising to attract pre-qualified buyers.
- We work with corporations to capture the relocation of their employee pool.
- As necessary we will lower the suggested sales price to the end user; we have a cushion of 10% to 20% in each home.
- Interim construction loan can be refinanced to a permanent loan using our in-house mortgage firm, which offers a wide range of unique cash flow programs.
- Property can be leased through one of our property management groups.
- Use our relationship with one of several wholesale purchasers who can offer a minimum of a cash-out guarantee for any investor wanting to liquidate their project within 12 months.

LEGAL DISCLAIMER

UHT, Inc. and its partners want all investor to know that real estate is inherently a high risk investment and there is no guarantee of continued appreciation or return, and none is promised by UHT, Inc. or its partners. Furthermore, the investors recognizes certain risks related to any real estate purchase. It is highly recommended that the investor do all of his own due diligence prior to participating in any real estate purchase or endeavor.

The Investor holds UHT, Inc. and its affiliates harmless regarding the outcome of any investment.

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FINANCIAL SUMMARY OF ACTUAL CLOSED TRANSACTIONS

Crystal Falls Parkway, Leander (Austin), TX



Appraised Value	\$735,000
Construction Cost	\$458,000
Lot Cost	\$110,000
Interest Carry	\$ 20,000
Closing Cost (in loan)	\$ 16,000
Total Interim Loan	\$588,000
Sales Price	\$690,000
Interim Payoff	\$588,000
Sales Fee (6%)	\$ 41,400
Seller Closing Cost	\$ 5,000
Return to Investor	\$ 55,600
Cash/CD Invested:	\$ — 0 —
No cash investment	

Tierra Fuerte Court, Bertram (Austin), TX



Appraised Value	\$300,000
Construction Cost	\$165,000
Lot Cost	\$ 55,000
Interest Carry	\$ 10,000
Closing Costs (in loan)	\$ 5,000
Total Interim Loan	\$230,000
Sales Price	\$310,000
Interim Payoff	\$230,000
Sales Fee (6%)	\$ 9,600
Seller Closing Cost	\$ 3,000
Return to Investor	\$ 67,700
Cash/CD Invested:	\$ — 0 —
No cash investment	

Julianne Cove, Dripping Springs (Austin), TX



Appraised Value	\$750,000
Construction Cost	\$492,000
Lot Cost	\$100,000
Interest Carry	\$ 20,000
Closing Costs (in loan)	\$ 3,000
Total Interim Loan	\$592,000
Sales Price	\$740,000
Interim Payoff	\$592,000
Sales Fee (6%)	\$ 44,400
Seller Closing Cost	\$ 6,500
Return to Investor	\$ 97,100
Cash/CD Invested:	\$ 50,000
Cash investment	