

Subject: Letter of Intent and Request for Additional Information
Date: Tuesday, May 22, 2007 4:09 PM
From: Adam Mamerow <amamerow@copperstarbank.com>
To: <davidhaney@davidhaney.com>

Mr. Haney,

It was a pleasure meeting with you yesterday to discuss the proposed construction financing of the Las Sendas office building as well as future renovation projects. Based on our meeting and the information you have already provided, Copper Star Bank is interested in moving forward with your construction loan request. Please review the attached letter of intent and let me know if you have any questions.

In addition, below is a list of items that would be required Copper Star to process your request. I have attempted to make the list as complete as possible; however, additional items may be requested throughout the process.

- Ø Application (see attached)
- Ø A completed personal financial statement (see attached)
- Ø Copies of K-1's for the 2006 personal tax return (if applicable)
- Ø An appraisal will be required (to be ordered by Copper Star Bank)
- Ø Phase I Environmental Site Assessment (if this has already been completed, please forward a copy to the Bank)
- Ø Copy of the executed construction contract
- Ø Additional background information is requested for Sahuaro Group, LLC as the company was established and licensed in early 2007
- Ø Title company contact information to order a preliminary title report
- Ø ALTA Survey
- Ø Proof of insurance will be required as well as the contact information for your insurance agent
- Ø Articles of incorporation and operating agreement for David Haney, LLC
- Ø Please provide a summary of any additional closely held entities (other than the entities listed below):
 - Arizona First Partners 1, LLC
 - Arizona First Partners 3, LLC
 - David Haney & Bobbi Jo Johnson, LLC
 - David Haney, LLC

Once you have had an opportunity to review the letter of intent and other information contained in this email, please contact me with any questions. Note that the Bank is also interested in the future renovation projects as well; however, this information is being considered separately from the proposed construction project.

Thank you again for the opportunity, and I look forward to hearing from you soon.

Adam R. Mamerow
Copper Star Bank
7655 W. Thunderbird Rd.
Peoria, AZ 85381
(623) 643-0813 – office
(602) 690-6920 - cell



The Shining Star of Arizona Banking

May 22, 2007

Mr. David Haney
Arizona First Partners 1, LLC
5041 E. Pershing Ave.
Scottsdale, AZ 85254

Dear Mr. Haney:

Copper Star Bank is pleased to provide you with this letter of intent to pursue the financing package as outlined below. We must point out that this is not a commitment to lend, and that the bank must complete its formal approval process upon receipt of the required financial information. The purpose of this letter is to assure that we are pursuing the best possible financing structure for you. This understanding will assist us in working toward that objective.

Borrowers:

Arizona First Partners 1, LLC

Guarantors:

Mr. David Haney
David Haney, LLC
Trust (if applicable)

Financing Components:

Construction of a commercial office building:

Development & Land:	615,000
Construction:	896,330
General Conditions:	197,923
Allowances and Contingencies:	130,000
Interest Reserve:	100,000
Closing Costs:	
CSB – Origination 1%	19,700
CSB – Documentation	500
Appraisal	3,500
Environmental Assessment	1,500
Est. Title & Other Closing Costs	5,022

Proposed Financing: \$1,969,475

*Loan amount not to exceed the 75% of appraised value.

**These costs are estimates only and are subject to change based on final billings.

Purpose:

To construct a 4-unit commercial office building located at 7565 E. Eagle Crest Dr. Mesa, AZ 85207.

Terms and Amortization

Of Loans:

1 year - with an option to extend for an additional 6 months (fee of 0.25%)

Rates of Interest:

WSJP+1.0% (8.25% floor)

Fees: 1% origination fee

Payments: Interest only paid monthly (interest reserve of \$100,000),
principal paid at maturity

Collateral: 1st Deed of Trust
Assignment of construction contracts

Advance Rate: Loan to value not to exceed 75% of appraised value

Prepayment Penalty: None

Conditions: Formal approval by Copper Star Bank

Receipt of acceptable appraisal on the subject property

Receipt of acceptable environmental assessment on the subject property

Receipt of acceptable title insurance on the property being acquired

Additional information may be required as deemed necessary by the bank

If you are agreeable with the proposed financing structure, please execute this letter of intent and return it to the bank with a deposit of \$5,000. If a formal commitment letter is issued by Copper Star Bank under the terms identified here, this deposit will become nonrefundable. If for any reason the bank is unable to deliver a commitment with the terms presented, the deposit will be promptly returned. This letter of intent will be valid until the close of business on June 8, 2007 at which time it will become null and void. Thank you for the opportunity, and I look forward to developing a mutually beneficial banking relationship.

Sincerely,



Adam R. Mamerow
Commercial Loan Officer

Reviewed and accepted this 23 day of May 2007

By: 
Mr. David Haney