

**METROPOLITAN EXPOSITION-RECREATION COMMISSION**

**RESOLUTION NO. 96**

Authorizing Staff to proceed to procure a bank loan for the approximate amount of \$1,200,000 for the acquisition of property in Tax Lot 1, Block 55, Holladay's Addition, for the purpose of creating additional parking area and other uses as the Commission may deem prudent.

The Metropolitan Exposition-Recreation Commission finds:

1. That the Metropolitan Exposition-Recreation Commission is empowered to acquire fee simple title to property.

2. That it is necessary and expedient to acquire for parking and other uses as deemed prudent by the Commission, fee simple title to the following described property in the City of Portland, County of Multnomah and State of Oregon:

Tax Lot 1 of Block 55, Holladay's Addition. The east 95 feet of Lots 1,2,3, and 4; all Lots 5,6,7, and 8, all in Block 55, Holladay's Addition, in the City of Portland, County of Multnomah and State of Oregon; also all of vacated NE Occident Avenue lying east of Block 55, Holladay's Addition; also the south 30 feet of vacated NE Multnomah Street as described in that deed from the City of Portland to Lloyd Corporation, Ltd., recorded July 21, 1966, in Book 517, Page 820, Film Records.

3. That the Commission has tendered a \$1,073,350 offer for said property and the primary lien holder of said property has approved the offer which is subject to ratification by the bankruptcy court.

4. That the Commission also desires to perform limited renovation of the property to allow utilization as desired.

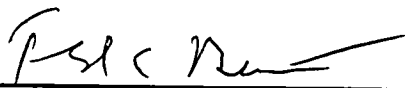
5. That the Commission wishes to secure funds for such acquisition and renovation through a bank loan of approximately \$1,200,000.

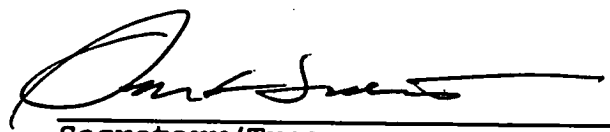
**BE IT THEREFORE RESOLVED:**

1. That the Metropolitan Exposition-Recreation Commission authorizes the purchase of the property described as the Hanna property, Tax Lot 1 of Block 55, Holladay's Addition.

2. That the Commission authorizes Staff to proceed to procure a bank loan of approximately \$1,200,000 for the purpose of acquisition and limited renovation of said property.

Passed by the Commission on November 14, 1990.

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Secretary/Treasurer

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Metro General Counsel

# Metropolitan Exposition-Recreation Commission

PO Box 2746, Portland, OR 97208 • 503/731-7800 • 777 NE Martin Luther King Jr. Blvd.

November 14, 1990

## M E M O R A N D U M

To: Metropolitan Exposition-Recreation Commission  
From: Property Acquisition Committee  
Re: Hanna Property Acquisition

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The Property Acquisition Committee was established during the executive session of the regular meeting of the Commission in September of this year. The Committee was asked to investigate the various issues involved with the potential acquisition of the Hanna property at the corner of Williams and Hassalo streets. Since then, the committee has compiled information from various sources regarding the property and has formulated a recommendation to the Commission.

The attached information includes correspondence to the committee from Mark Hunter, Don Stark and Dominic Buffetta regarding logistical, legal and financial implications impacting the potential acquisition. As a result of these findings, it is the recommendation of the Property Acquisition Committee that the Commission purchase the Hanna property, Tax Lot 1 of Block 55, Holladay's Addition in the City of Portland, Oregon, and proceed to secure a loan in the amount of approximately \$1,200,000.00 for the purchase and associated costs, environmental clean-up and renovation to the extent recommended by staff.

# Metropolitan Exposition-Recreation Commission

PO Box 2746, Portland, OR 97208 • 503/731-7800 • 777 NE Martin Luther King Jr. Blvd.

## M E M O R A N D U M

November 12, 1990

To: Property Acquisition Committee  
From: Mark Hunter - Assistant to the General Manager  
Subject: Hanna Property

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At the Committee meeting on October 30, the Committee decided that all potential costs should be assessed that would impact the Hanna property purchase decision, regardless of whether or not demolition of the structure were to take place.

An initial assessment of the status of the building and property has been completed and the findings are as follows:

1. Roof - The Hanna Building is presently unoccupiable due to the roof being classified as Class C. In order to obtain occupancy status, the roof must be brought up to Class B status which would require the application of a cap sheet on the domed area of the main building. This cost would be approximately \$13,500.
2. UST's (Underground Storage Tanks) - Three UST's have been located on the site, including a fuel oil tank of approximately 8,000 gallons, a gasoline tank of apx. 1,000 gals., an additional tank, possibly fuel oil, of apx. 4,000 gals. It has also been determined that all three of the tanks presently contain material. Two of the tanks seem to have heating oil in them, probably about 4,000 gals. total. The third tank seemed to have contained gasoline, but now only has a small amount of water. Testing is currently taking place to determine the composition of the material in the tanks. It has not been determined at this time if there has been leakage from the tanks or if there is soil contamination. This determination can be made only if the tanks are emptied and core sampled, or removed. Cost of removal of the tanks could range between \$10,000 and \$15,000. Material analysis and sampling will total around \$5,500. Assuming that soil contamination is present, costs could rise incrementally depending on the amount of contamination to an anticipated maximum of \$65,000. It should be noted that some action must be taken to deal with these tanks as required by DEQ regulations, which require "decommissioning" of unused tanks by either removal or

that the later option be utilized due to the excessive cost. Also, financing for purchase of the property cannot be obtained until the UST and other potential environmental issues have been dealt with.

### 3. Renovation

**Lighting** - Interior and exterior lighting will be required for security of the parking areas both in and outside the building. The building is presently wired for sufficient power to supply additional lighting and some of the fixtures are presently in inventory. Total costs for installation and purchase of necessary equipment should not exceed \$2,500. Some lighting ballasts containing PCB's will need to be disposed of in accordance with regulations, but this cost is not expected to exceed \$1,000.

**Glass Replacement** - The main building contains 1,485 panes of glass ranging in size from 20" x 15" to 6' x 8'. Many of these panes are broken, mostly along the lower rows of windows. Negotiations are currently under way between Hanna representatives and Tri Met to replace all of the large panes of glass, as the glass was broken by Tri Met installed fencing that fell over into the glass and people waiting for busses leaning on the glass and cracking it. Some of the smaller panes of glass that are broken can be replaced with plastic panes as has been done for many windows at this time. There are some extra replacement panes on site at this time, but not enough to effect complete replacement. Cost of glass replacement should be in the range of \$3,000 to \$4,000, including labor.

**Exterior Structures** - There are two exterior structures on the property. One of the structures was a paint shop, but does not seem to contain any environmental hazards. The second building is a storage area and old boiler room. This area has some asbestos containing material in it, although most of it has been identified and abated as a result of a survey done in June, 1988, to locate and deal with the asbestos issues. A new roof is also required on this building if it is to be used. This cost would probably be around \$2,500.

**Aesthetics** - Painting, remodeling and maintenance of the interior and/or exterior of the building may be desired to enhance its appearance and functionality. Cost of painting the entire exterior of the building could exceed \$10,000. Other remodeling and painting on the interior could equal this amount or more depending on the extent of the endeavor. It would be recommended by staff that at least some work be done on the interior of the building such as repair of the rolling doors used for vehicle access for parking purposes and

used for vehicle access for parking purposes and possibly some remodeling in the office areas to create useable space.

4. Asbestos - As a result of the Med-Tox Associates report dated August 8, 1988, on asbestos containing material(ACM) on the property, most of the asbestos issues have been dealt with. If the buildings were to be demolished however, the remaining ACM addressed in the report would have to be abated, which would add an estimated \$5,000 to the demolition cost.

Paint on the exterior of the building has been analyzed and has been found to be asbestos free.

During the course of the investigation into the UST issues, the extent of utilities under the abandoned Multnomah street to the north of the Hanna building became apparent. This abandoned street, now part of the Hanna property, contains major telephone and sewer lines which may become a factor if regrading or construction on this property occurs. Cost of relocation of these utilities would have to be considered depending on the extent of demolition and regrading or new construction.

Cost Summary\*

Roof Cap Sheet	\$13,500	\$13,500
UST's	10,000 to	65,000
Renovation		
Lighting	3,500	3,500
Glass	3,000 to	4,000
Exterior Structures	2,500	2,500
Aesthetics(Painting,etc.)	<u>10,000</u> to	<u>20,000</u>
	\$42,500 to	\$108,500

\*Costs are based on contractors' estimates, staff estimates and consultants' estimates derived from information obtained to date.

**EXHIBIT**

**PROPERTY:** 1122 North Williams  
Portland, Oregon

**PARTIES:** Metropolitan Exposition-Recreation Commission, as  
grantee, and John Mitchell, Inc., trustee in the  
Hanna bankruptcy case, as grantor.

**CONTINGENCIES:** 20 days notice to all creditors in the Hanna  
bankruptcy and approval of the bankruptcy court.

**OPTION PERIOD:** 45 days

**OPTION FEE:** \$10,000 (estimate). Interest on \$1,000,000 at the  
commercial paper rate (as described in the MDFC  
Loan document) plus 3.5% per annum from the date  
of the Agreement until the earliest to occur of  
the following dates: (a) date of closing, or (b)  
the date MERC notifies Grantor of its decision not  
to proceed.

**PRICE:** \$1,073,350 (estimate as of 12/15/90), which  
represents the sum of:

1,000,000	payable to MDFC Loan Corporation
28,713	1988-89 taxes (including interest accrued through 12/15/90)
27,304	1989-90 taxes (including interest accrued through 12/15/90)
11,854	1990-91 taxes (prorated as of 12/15/90)
2,629	city street lien (including interest accrued through 12/15/90)
2,200	title insurance
650	escrow fee and recording costs
<u>1,073,350</u>	total

**IMPROVEMENTS:** \$40,000 to \$100,000 for roof cap sheet, removal of  
underground storage tanks and renovation.

**FINANCING:** Bank loan in the range of \$1,200,000.

WILLIAMS, FREDRICKSON, STARK, WEISENSEE & GOLDSMITH, P. C.

STEVEN M. CLAUSSEN\*\*  
JOHN DUDREY  
FLOYD A. FREDRICKSON  
GERSON F. GOLDSMITH  
H. WILLIAM KRETZMEIER\*  
BRAD LITTLEFIELD  
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WENDELL GRAY  
RETIRED

October 30, 1990

\*ALSO ADMITTED IN CALIFORNIA  
\*\*ALSO ADMITTED IN WASHINGTON

IN REPLY PLEASE REFER TO  
FILE NO.

89177.002

TO: Metropolitan Exposition-Recreation Commission  
Sent via facsimile number (503) 731-7870

FROM: Donald R. Stark  
John C. Ruppert

RE: Acquisition of Hanna Property  
1122 North Williams, Portland, Oregon

1.0 Purpose of Acquisition. The property would provide additional parking for the Oregon Convention Center and the Coliseum.

2.0 Description of Property. The property is a rectangular piece of land that is bordered by a parking area to the north, Interstate 5 to the east, N.E. Hassalo to the south, and N. Williams to the west. It is approximately 62,400 square feet in size. It consists of a single story building with parking areas under cover and additional parking areas adjacent to the north and east sides of the building.

3.0 Cost and Status of Offer. MERC authorized a 45-day option to acquire the Hanna property for \$1,000,000 at its meeting on September 19, 1990. That offer has been rejected. The counter offer is a 30-day option (with closing to occur within ten days thereafter) to acquire the property for \$1,000,000, "net to MDFC Loan Corporation", the holder of the first lien on the property. The cost would be in the range of \$1,080,000 (\$17.31 per square foot).

Option Fee (interest on \$1,000,000 at MDFC loan interest rate of 12%; per diem credit for early closing)	\$9,800
Payable to MDFC Loan Corporation (loan balance exceeds \$1,105,000)	\$1,000,000
Liens and Assessments	
City Street Lien (including interest to 11/7/90)	\$2,601
1988-89 taxes (including interest through 11/15/90)	\$28,413
1989-90 taxes (including interest through 11/15/90)	\$26,983
1990-91 taxes (prorated as of 11/15/90)	\$9,656
Title Insurance (estimated)	\$2,200
Escrow Fee and Recording Costs (estimated)	\$650
TOTAL	\$1,080,303



Metropolitan Exposition-Recreation Commission

October 30, 1990

Page Two

Demolition and development costs are estimated to be in the range of \$290,000 to \$440,000 (\$4.65 to \$7.05 per square foot).

The total cost would be in the range of \$1,370,000 to \$1,520,000 (\$21.96 to \$24.36 per square foot).

The property would be sold by the trustee in the Hanna bankruptcy case to clear all other liens and to permit immediate possession.

4.0 Valuation. In 1983, Elmer Kolberg & Associates appraised the property on behalf of the Exposition-Recreation Commission at \$1,680,000. In 1988, H.R. Wacker & Associates, Inc. appraised the property on behalf of Moody Trust Company at \$1,900,000. In July of 1990, they verbally gave MDFC a quick sale value of \$1,600,000.

In 1989, the Exposition-Recreation Commission authorized an offer of \$1,070,000 (\$17.15 per square foot).

The Shell property was acquired in 1983 for \$13.64 per square foot. It was appraised at that time by Elmer Kolberg & Associates at \$18.50 per square foot.

5.0 Contingencies. The transaction is contingent upon the following:

- a. Favorable recommendation from MERC subcommittee,
- b. Acceptable loan commitment, or other source of funding,
- c. Absence of underground storage tank (or if tank present, satisfactory resolution of any hazardous waste issues),
- d. No claim by Trail Blazers to property income, and
- e. Approval by "title holder" (Metropolitan Service District?).

hanna

To: Subcommittee

## HANNA PROPERTY ACQUISITION

### Background

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Resolution No. 631, dated September 12, 1989, authorized the purchase of the property described as the Hanna property, Tax Lot 1 of Block 55, Holladay's Addition. The ER Commission tendered a \$1,070,000 offer, which was accepted, we thought at the time, as follows:

- a. \$250,000 down plus \$15,000 in closing costs
- b. Finance \$820,000 loan, through First Interstate Bank:
  - 9% interest rate
  - Eight annual interest payments of \$148,152.99

Based on the purchase price, plus estimated costs of \$550,000 related to demolition and getting the land, in shape to do parking, the payback was about 33 years. This payback was based on 240 available spaces, filled 60 times a year = \$57,760 gross receipts, times 89.677% (MERC share) = \$51,797 net revenues to MERC.

### Update

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At the Metro ERC meeting in September, a subcommittee was formed to look into acquiring the Hanna property again, in an ex. session. The MERC commission, at the ex. mtg, instructed Don Stark, from Williams, Fredrickson, Stark, Weisensee & Goldsmith to try to tie up the property with an option for 45 days to acquire fee simple title to the property for the purchase price of \$1,000,000. For the current status of this matter see the letter from John C. Ruppert (attached) dated October 3, 1990.

Also, we've received loan information from First Interstate Bank, and U. S. N. B. will be also sending in information. See attachments from First Interstate Bank.

Things to do/consider next is contained in the letter from John C. Ruppert:

- The subcommittee would need to agree on a recommendation to go forward
- An acceptable loan commitment would need to be obtained
- The absence of any underground storage tank would need to be confirmed
- The entitlement, if any, of the Blazers to income from the property would need to be satisfactorily resolved

- Who would be the legal entity buying the property, City or Metro?
- if the funds from the Coliseum is used to buy the property, than the legal entity is the City
- if convention center money is used, than Metro is the legal entity

**RATE AMORTIZATION**

The following amortization of a \$1.6Million Loan is sent to you for discussion purposes only. The rate is only indicative and not intended to be a firm offer at this time. In addition to the interest rate on the principal, there would be loan fee which would be negotiated and is not part of the amortization presented here.

CALCULATION 3  
10-03-1990

CUT-FORM PREPARATION  
LOAN AMORTIZATION SCHEDULE

ABCS/2  
07:48:03

Example : Given a loan of \$1600000 at 9.10%, for 10 years  
0 months, prepare a loan amortization  
schedule for payments 1 thru 60.

NAME (25 Characters)	.....	ER COMMISSION
AMOUNT OF LOAN	.....	\$ 1,600,000.00
SIMPLE LENDING RATE	.....	9.1000
TERM (YY/MM)	.....	10
STARTING DATE (MM/DD/YY)	.....	11/01/90
STARTING PAYMENT NUMBER	.....	1
ENDING PAYMENT NUMBER	.....	60
MONTHLY PAYMENT ( 0 TO CALCULATE )	.....	0.00

AMOUNT OF MONTHLY PAYMENT .....\$ 20,354.82

*244,257.20*  
*MONTHLY*  
*PAYMENT*

Actual figures will vary slightly based  
upon loan terms and conditions.

07:48:04  
10-03-1990

CUT-FORM PREPARATION  
LOAN AMORTIZATION SCHEDULE  
ER COMMISSION

44,257.84

NUMBER	DATE	AMOUNT	INTEREST	PRINCIPAL	BALANCE	PAID TD	EQUITY
1	12-01-90	20,354.82	12,133.33				
2	01-01-91	20,354.82	12,070.99	8,221.49	1,591,778.51	20,354.82	8,221.49
3	02-01-91	20,354.82	12,008.17	8,283.83	1,583,494.68	40,709.64	16,503.32
4	03-01-91	20,354.82	11,944.87	8,346.63	1,575,148.03	61,064.46	24,851.97
5	04-01-91	20,354.82	11,881.10	8,409.95	1,566,738.08	81,419.28	33,261.92
6	05-01-91	20,354.82	11,816.84	8,473.72	1,558,264.36	101,774.10	41,735.64
7	06-01-91	20,354.82	11,752.09	8,537.98	1,549,726.38	122,128.90	50,273.62
8	07-01-91	20,354.82	11,686.85	8,602.73	1,541,123.65	142,483.70	58,876.35
9	08-01-91	20,354.82	11,621.12	8,667.97	1,532,455.68	162,838.60	67,544.32
10	09-01-91	20,354.82	11,554.89	8,733.70	1,523,721.98	183,193.40	76,278.02
11	10-01-91	20,354.82	11,488.16	8,799.93	1,514,922.05	203,548.20	85,077.95
12	11-01-91	20,354.82	11,420.92	8,866.66	1,506,055.39	223,903.00	93,944.61
13	12-01-91	20,354.82	11,353.17	8,933.90	1,497,121.49	244,257.90	102,878.51
14	01-01-92	20,354.82	11,284.91	9,001.65	1,488,119.84	264,612.70	111,880.16
15	02-01-92	20,354.82	11,216.13	9,069.91	1,479,049.93	284,967.50	120,950.07
16	03-01-92	20,354.82	11,146.83	9,138.69	1,469,911.24	305,322.30	130,088.76
17	04-01-92	20,354.82	11,077.00	9,207.99	1,460,703.25	325,677.10	139,296.75
18	05-01-92	20,354.82	11,006.64	9,277.82	1,451,425.43	346,032.00	148,574.57
19	06-01-92	20,354.82	10,935.75	9,348.18	1,442,077.25	366,386.80	157,922.75
20	07-01-92	20,354.82	10,864.32	9,419.07	1,432,658.18	386,741.60	167,341.82
21	08-01-92	20,354.82	10,792.35	9,490.50	1,423,167.68	407,096.40	176,832.32
22	09-01-92	20,354.82	10,719.84	9,562.47	1,413,605.21	427,451.20	186,394.79
23	10-01-92	20,354.82	10,646.77	9,634.98	1,403,970.23	447,806.10	196,029.77
24	11-01-92	20,354.82	10,573.15	9,708.05	1,394,262.18	468,160.90	205,737.82
25	12-01-92	20,354.82	10,498.98	9,781.67	1,384,480.51	488,515.70	215,519.49
26	01-01-93	20,354.82	10,424.24	9,855.84	1,374,624.67	508,870.50	225,375.33
27	02-01-93	20,354.82	10,348.93	9,930.58	1,364,694.09	529,225.30	235,305.91
28	03-01-93	20,354.82	10,273.05	10,005.89	1,354,688.20	549,580.10	245,311.80
29	04-01-93	20,354.82	10,196.60	10,081.77	1,344,606.43	569,935.00	255,393.57
30	05-01-93	20,354.82	10,119.57	10,158.22	1,334,448.21	590,289.80	265,551.79
31	06-01-93	20,354.82	10,041.95	10,235.25	1,324,212.96	610,644.60	275,787.04
32	07-01-93	20,354.82	9,963.74	10,312.87	1,313,900.09	630,999.50	286,099.91
33	08-01-93	20,354.82	9,884.94	10,391.08	1,303,509.01	651,354.30	296,490.99
34	09-01-93	20,354.82	9,805.55	10,469.88	1,293,039.13	671,709.10	306,960.87
35	10-01-93	20,354.82	9,725.55	10,549.27	1,282,489.86	692,063.90	317,510.14
36	11-01-93	20,354.82	9,644.94	10,629.27	1,271,860.59	712,418.70	328,139.41
37	12-01-93	20,354.82	9,563.73	10,709.88	1,261,150.71	732,773.50	338,849.29
38	01-01-94	20,354.82	9,481.89	10,791.09	1,250,359.62	753,128.30	349,640.38
39	02-01-94	20,354.82	9,399.44	10,872.93	1,239,486.69	773,483.20	360,513.31
40	03-01-94	20,354.82	9,316.36	10,955.38	1,228,531.31	793,838.00	371,468.69
41	04-01-94	20,354.82	9,232.65	11,038.46	1,217,492.85	814,192.80	382,507.15
42	05-01-94	20,354.82	9,148.31	11,122.17	1,206,370.68	834,547.60	393,629.32
43	06-01-94	20,354.82	9,063.33	11,206.51	1,195,164.17	854,902.40	404,835.83
44	07-01-94	20,354.82	8,977.70	11,291.49	1,183,872.68	875,257.20	416,127.32
45	08-01-94	20,354.82	8,891.42	11,377.12	1,172,495.56	895,612.10	427,504.44
46	09-01-94	20,354.82	8,804.49	11,463.40	1,161,032.16	915,966.90	438,967.84
47	10-01-94	20,354.82	8,716.90	11,550.33	1,149,481.83	936,321.80	450,518.17
48	11-01-94	20,354.82	8,628.65	11,637.92	1,137,843.91	956,676.60	462,156.09
49	12-01-94	20,354.82	8,539.73	11,726.17	1,126,117.74	977,031.40	473,882.26
50	01-01-95	20,354.82	8,450.13	11,815.09	1,114,302.65	997,386.20	485,697.35
				11,904.69	1,102,397.96	1,017,741.00	497,602.04

07:48:19  
10-03-1990

CUT-FORM PREPARATION  
LOAN AMORTIZATION SCHEDULE  
ER COMMISSION

<u>NUMBER</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>BALANCE</u>	<u>PAID TD</u>	<u>EQUITY</u>
51	02-01-95	20,354.82	8,359.85	11,994.97	1,090,402.99	1,038,096.00	509,597.01
52	03-01-95	20,354.82	8,268.89	12,085.93	1,078,317.06	1,058,451.00	521,682.94
53	04-01-95	20,354.82	8,177.24	12,177.58	1,066,139.48	1,078,806.00	533,860.52
54	05-01-95	20,354.82	8,084.89	12,269.93	1,053,869.55	1,099,160.00	546,130.45
55	06-01-95	20,354.82	7,991.84	12,362.98	1,041,506.57	1,119,515.00	558,493.43
56	07-01-95	20,354.82	7,898.09	12,456.73	1,029,049.84	1,139,870.00	570,950.16
57	08-01-95	20,354.82	7,803.63	12,551.19	1,016,498.65	1,160,225.00	583,501.35
58	09-01-95	20,354.82	7,708.45	12,646.37	1,003,852.28	1,180,580.00	596,147.72
59	10-01-95	20,354.82	7,612.53	12,742.27	991,110.01	1,200,934.00	608,889.99
60	11-01-95	20,354.82	7,515.92	12,838.90	978,271.11	1,221,289.00	621,728.89

CALCULATION 3  
10-03-1990

CUT-FORM PREPARATION  
LOAN AMORTIZATION SCHEDULE

ABCS/2  
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Example : Given a loan of \$1600000 at 9.10%, for 15 years  
0 months, prepare a loan amortization  
schedule for payments 1 thru 60.

NAME (25 Characters) .....	ER COMMISSION
AMOUNT OF LOAN .....	\$ 1,600,000.00
SIMPLE LENDING RATE .....	9.1000
TERM (YY/MM) .....	15
STARTING DATE (MM/DD/YY) .....	11/01/90
STARTING PAYMENT NUMBER .....	1
ENDING PAYMENT NUMBER .....	60
MONTHLY PAYMENT ( 0 TO CALCULATE ) .	0.00

AMOUNT OF MONTHLY PAYMENT .....\$ 16,323.59

*5195,883.08 ANNUAL  
PAYMENT*

Actual figures will vary slightly based  
upon loan terms and conditions.



07:47:33  
10-03-1990

CUT-FORM PREPARATION  
LOAN AMORTIZATION SCHEDULE  
ER COMMISSION

<u>NUMBER</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>BALANCE</u>	<u>PAID TO</u>	<u>EQUITY</u>
1	12-01-90	16,323.59	12,133.33	4,190.26	1,595,809.74	16,323.59	4,190.26
2	01-01-91	16,323.59	12,101.56	4,222.03	1,591,587.71	32,647.18	8,412.29
3	02-01-91	16,323.59	12,069.54	4,254.05	1,587,333.66	48,970.77	12,666.34
4	03-01-91	16,323.59	12,037.28	4,286.31	1,583,047.35	65,294.36	16,952.65
5	04-01-91	16,323.59	11,972.02	4,318.81	1,578,728.54	81,617.96	21,271.46
6	05-01-91	16,323.59	11,939.03	4,351.57	1,574,376.97	97,941.54	25,623.03
7	06-01-91	16,323.59	11,905.78	4,384.56	1,569,992.41	114,265.10	30,007.59
8	07-01-91	16,323.59	11,872.27	4,417.81	1,565,574.60	130,588.70	34,425.40
9	08-01-91	16,323.59	11,838.52	4,451.32	1,561,123.28	146,912.30	38,876.72
10	09-01-91	16,323.59	11,804.51	4,485.07	1,556,638.21	163,235.90	43,361.79
11	10-01-91	16,323.59	11,770.24	4,519.08	1,552,119.13	179,559.50	47,880.87
12	11-01-91	16,323.59	11,735.71	4,553.35	1,547,565.78	195,883.10	52,434.22
13	12-01-91	16,323.59	11,700.92	4,587.88	1,542,977.90	212,206.70	57,022.10
14	01-01-92	16,323.59	11,665.86	4,622.67	1,538,355.23	228,530.30	61,644.77
15	02-01-92	16,323.59	11,630.54	4,657.73	1,533,697.50	244,853.90	66,302.50
16	03-01-92	16,323.59	11,594.95	4,693.05	1,529,004.45	261,177.50	70,995.55
17	04-01-92	16,323.59	11,559.09	4,728.64	1,524,275.81	277,501.00	75,724.19
18	05-01-92	16,323.59	11,522.96	4,764.50	1,519,511.31	293,824.60	80,488.69
19	06-01-92	16,323.59	11,486.56	4,800.63	1,514,710.68	310,148.20	85,289.32
20	07-01-92	16,323.59	11,449.88	4,837.03	1,509,873.65	326,471.80	90,126.35
21	08-01-92	16,323.59	11,412.92	4,873.71	1,504,999.94	342,795.40	95,000.06
22	09-01-92	16,323.59	11,375.68	4,910.67	1,500,089.27	359,119.00	99,910.73
23	10-01-92	16,323.59	11,338.16	4,947.91	1,495,141.36	375,442.60	104,858.64
24	11-01-92	16,323.59	11,300.35	4,985.43	1,490,155.93	391,766.20	109,844.07
25	12-01-92	16,323.59	11,262.26	5,023.24	1,485,132.69	408,089.80	114,867.31
26	01-01-93	16,323.59	11,223.87	5,061.33	1,480,071.36	424,413.40	119,928.64
27	02-01-93	16,323.59	11,185.20	5,099.72	1,474,971.64	440,737.00	125,028.36
28	03-01-93	16,323.59	11,146.24	5,138.39	1,469,833.25	457,060.60	130,166.75
29	04-01-93	16,323.59	11,106.97	5,177.35	1,464,655.90	473,384.20	135,344.10
30	05-01-93	16,323.59	11,067.41	5,216.62	1,459,439.28	489,707.70	140,560.72
31	06-01-93	16,323.59	11,027.56	5,256.18	1,454,183.10	506,031.30	145,816.90
32	07-01-93	16,323.59	10,987.39	5,296.03	1,448,887.07	522,354.90	151,112.93
33	08-01-93	16,323.59	10,946.93	5,336.20	1,443,550.87	538,678.50	156,449.13
34	09-01-93	16,323.59	10,906.15	5,376.66	1,438,174.21	555,002.10	161,825.79
35	10-01-93	16,323.59	10,865.07	5,417.44	1,432,756.77	571,325.60	167,243.23
36	11-01-93	16,323.59	10,823.68	5,458.52	1,427,298.25	587,649.30	172,701.75
37	12-01-93	16,323.59	10,781.97	5,499.91	1,421,798.34	603,972.80	178,201.66
38	01-01-94	16,323.59	10,739.95	5,541.62	1,416,256.72	620,296.50	183,743.28
39	02-01-94	16,323.59	10,697.60	5,583.64	1,410,673.08	636,620.00	189,326.92
40	03-01-94	16,323.59	10,654.94	5,625.99	1,405,047.09	652,943.60	194,952.91
41	04-01-94	16,323.59	10,611.95	5,668.65	1,399,378.44	669,267.20	200,621.56
42	05-01-94	16,323.59	10,568.64	5,711.64	1,393,666.80	685,590.80	206,333.20
43	06-01-94	16,323.59	10,525.00	5,754.95	1,387,911.85	701,914.40	212,088.15
44	07-01-94	16,323.59	10,481.03	5,798.59	1,382,113.26	718,238.00	217,886.74
45	08-01-94	16,323.59	10,436.72	5,842.56	1,376,270.70	734,561.60	223,729.30
46	09-01-94	16,323.59	10,392.08	5,886.87	1,370,383.83	750,885.10	229,616.17
47	10-01-94	16,323.59	10,347.10	5,931.51	1,364,452.32	767,208.80	235,547.68
48	11-01-94	16,323.59	10,301.78	5,976.49	1,358,475.83	783,532.30	241,524.17
49	12-01-94	16,323.59	10,256.11	6,021.81	1,352,454.02	799,856.00	247,545.98
50	01-01-95	16,323.59		6,067.48	1,346,386.54	816,179.50	253,613.46

07:47:47  
10-03-1990

CUT-FORM PREPARATION  
LOAN AMORTIZATION SCHEDULE  
ER COMMISSION

<u>NUMBER</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>BALANCE</u>	<u>PAID TO</u>	<u>EQUITY</u>
51	02-01-95	16,323.59	10,210.10	6,113.49	1,340,273.05	832,503.10	259,726.95
52	03-01-95	16,323.59	10,163.74	6,159.85	1,334,113.20	848,826.70	265,886.80
53	04-01-95	16,323.59	10,117.03	6,206.56	1,327,906.64	865,150.20	272,093.36
54	05-01-95	16,323.59	10,069.96	6,253.63	1,321,653.01	881,473.90	278,346.99
55	06-01-95	16,323.59	10,022.54	6,301.05	1,315,351.96	897,797.40	284,648.04
56	07-01-95	16,323.59	9,974.75	6,348.84	1,309,003.12	914,121.10	290,996.88
57	08-01-95	16,323.59	9,926.61	6,396.98	1,302,606.14	930,444.60	297,393.86
58	09-01-95	16,323.59	9,878.10	6,445.49	1,296,160.65	946,768.20	303,839.35
59	10-01-95	16,323.59	9,829.22	6,494.37	1,289,666.28	963,091.80	310,333.72
60	11-01-95	16,323.59	9,779.97	6,543.62	1,283,122.66	979,415.40	316,877.34