

MEMO TO: HENRY CALDWELL
INN AT TAOS SKI VALLEY

FROM: LARRY ADLER
FOR PEOPLES BANK

DATE: 11-30-10

SUBJECT: PEOPLES BANK FINANCING
THE 8 UNITS OF ITV CONDOS
TAOS SKI VALLEY, NM

Dear Henry

In order to assist your efforts in the sale of the 8 Casas condos remaining at ITV, Peoples Bank offers the following special terms for prospective purchasers of said condo units:

Finance amount: 100% of the purchase price or appraisal, whichever is the lesser.

Structure: First purchase money mortgage with a promissory note.

36 Month Option: Loan to be 36 months to maturity, 35 level monthly payments with balloon balance on the 36th payment.

Interest rate to be 3.5% fixed for the 36 month period.

60 Month Option: Loan to be 60 months to maturity, 59 level monthly payments with balloon balance on the 60th payment.

Interest rate to be 4.5% fixed for the 60 month period.

Amortization: Monthly payment amortization to be based on 360 months.

Escrows: Monthly payment components to be Principal + Interest + Customary Escrows for real estate taxes, insurance and home association dues.

Disclosures: Borrowers APR's to be disclosed, by Taos Branch processing personnel, in keeping with current regulatory requirements.

Credit standard: Minimum credit score required 620.

Maximum Payment to Income Ratio 33%.

Maximum Debt to Income Ratio 39%.

All borrower loans, credit card and charge accounts must be current.

No pending suits, unpaid judgments, unpaid collections or liens.

Final approval subject to Peoples Bank loan standards.

Application: Standard form home mortgage application #1003

Executed sales contract on unit to be financed

Two most recent years, signed, Federal Income Tax returns, w/W-2's

Most recent 30 days of pay check stubs.

All application items to be provided to Peoples Bank Community President @ Taos NM.

Costs to close: All costs to close a condo unit sale and to finance said condo unit shall be the paid by the buyer and seller at closing, as previously negotiated in the sales contract on said condo unit. Peoples Bank, SOLELY AT ITS OPTION, may offer to contribute to said costs, on a case by case basis, in the interests of facilitating sales and finance transactions.

Limitations: All of the above is offered for "owner-occupant" purchasers only.

Peoples Bank, at its option, may consider "non owner-occupant" purchasers with 10% down payments and a 90% first mortgage.

This special financing offer is cancellable at any time by Peoples Bank hereafter, subject only to completion of processing of applications in the pipeline at the time of cancellation of the special financing offer by Peoples Bank.