

<p>A. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT SETTLEMENT STATEMENT</p> <p>Security Title Insurance Agency of Utah, Inc. 376 East 400 South Suite 304 Salt Lake City, UT 84111 (801) 365-2866</p> <p>FINAL</p>	<p>B. TYPE OF LOAN</p> <p>1. <input type="checkbox"/> FHA 2. <input type="checkbox"/> FMHA 3. <input type="checkbox"/> CONV. UNINS. 4. <input type="checkbox"/> VA 5. <input type="checkbox"/> CONV. INS.</p> <p>6. ESCROW FILE NUMBER: 00076822-001 MJ Marta Johnson</p> <p>7. LOAN NUMBER:</p> <p>8. MORTGAGE INSURANCE CASE NUMBER:</p>
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C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid for and by the settlement agent are shown. Items marked "(P.O.C.)*" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. NAME OF BORROWER:	CASTLE ARCH REAL ESTATE INVESTMENT COMPANY INC.
ADDRESS OF BORROWER:	9595 WILSHIRE BOULEVARD #1000 BEVERLY HILLS, CA 90212
E. NAME OF SELLER:	THREE M. DEVELOPMENT L.L.C.
ADDRESS OF SELLER:	14054 KILLARNEY DRIVE MADERA, CA 93638

F. NAME OF LENDER:	
ADDRESS OF LENDER:	

G. PROPERTY LOCATION:	03-014-0-0002 TOOELE, UT 84074 TOOELE County 03-014-0-0002 TAX ID#S 03-014-0-0002
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H. SETTLEMENT AGENT:	Security Title Insurance Agency of Utah, Inc.
PLACE OF SETTLEMENT:	376 East 400 South, Suite 304, Salt Lake City, UT 84111

I. SETTLEMENT DATE:	9/1/2005	PRORATION DATE:	9/2/2005
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J. SUMMARY OF BORROWER'S TRANSACTION K. SUMMARY OF SELLER'S TRANSACTION

101. Contract Sales Price	2,952,720.00	401. Contract Sales Price	2,952,720.00
102. Personal Property		402. Personal Property	
103. Settlement charges to Borrower (line 1400)	240.00	403.	
104.		404.	
105.		405.	

ADJUSTMENTS FOR ITEMS PAID BY SELLER IN ADVANCE:

106. City/Town Taxes		406. City/Town Taxes	
107. County Taxes		407. County Taxes	
108. Assessments		408. Assessments	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
113.		413.	
114.		414.	
115.		415.	

120. GROSS AMOUNT DUE FROM BORROWER:	2,952,960.00	420. GROSS AMOUNT DUE TO SELLER:	2,952,720.00
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201. Deposit or earnest money	60,000.00	501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)		502. Settlement charges to Seller (line 1400)	153,705.66
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan	1,149,473.13
205.		505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	

ADJUSTMENTS FOR ITEMS UNPAID BY SELLER:

210. City/Town Taxes		510. City/Town Taxes	
211. County Taxes 01/01/05 to 09/02/05	4.01	511. County Taxes 01/01/05 to 09/02/05	4.01
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	

220. TOTAL PAID BY/FOR BORROWER:	60,004.01	520. TOTAL REDUCTIONS IN AMOUNT DUE SELLER:	1,303,163.02
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301. Gross amount due from Borrower (line 120)	2,952,960.00	501. Gross amount due to Seller (line 420)	2,952,720.00
302. Less amount paid by/for Borrower (line 220)	60,004.01	502. Less reduction in amount due Seller (line 520)	1,303,163.02
303. CASH (<input checked="" type="checkbox"/> FROM) (<input type="checkbox"/> TO) BORROWER:	2,892,955.99	503. CASH (<input type="checkbox"/> FROM) (<input checked="" type="checkbox"/> TO) SELLER:	1,649,556.98

BASED ON PRICES 2,982,720.00 @ 6.000%= \$147,636.00		PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
DIVISION OF COMMISSION (LINE 700) AS FOLLOWS:			
701. \$	147,636.00 to CB RICHARD ELLIS		
702. \$	to		
703.	Commission paid at settlement		147,636.00
704.			
ITEMS REQUIRED BY UTAH DEPARTMENT OF FINANCE			
801.	Loan Origination Fee %		
802.	Loan Discount Fee %		
803.	Appraisal Fee to:		
804.	Credit Report to:		
805.	Lenders Inspection Fee		
806.	Mortgage Insurance Application Fee to:		
807.	Assumption Fee		
808.			
809.			
810.			
811.			
ITEMS REQUIRED BY UTAH DEPARTMENT OF FINANCE			
901.	Interest From to @ /day % (days)		
902.	Mortgage Insurance Premium for Month(s) to		
903.	Hazard Insurance Premium for Years(s) to		
904.			
905.			
MONTHLY RESERVES REQUIRED WITH BORROWER			
1001.	Hazard Insurance months @ \$ per month		
1002.	Mortgage Insurance months @ \$ per month		
1003.	City Property Taxes months @ \$ per month		
1004.	County Property Taxes months @ \$ 0.80 per month		
1005.	Annual Assessments months @ \$ per month		
1006.	months @ \$ per month		
1007.	months @ \$ per month		
1008.	Aggregate Acct. Adl. months @ \$ per month		
MONTHLY CHARGES			
1101.	Settlement or closing fee to Security Title Insurance Agency of Utah	125.00	125.00
1102.	Abstract or title search		
1103.	Title examination		
1104.	Title insurance binder		
1105.	Document preparation to Security Title Insurance Agency of Utah	50.00	50.00
1106.	Notary fees		
1107.	Attorney's Fees		
	(Includes above items numbers:)		
1108.	Title Insurance to Security Title Insurance Agency of Utah		5,854.88
	(Includes above items numbers:)		
1109.	Lenders coverage: \$		
1110.	Owner's coverage \$ 2,952,720.00		
1111.			
1112.			
1113.	COURIER FEE to Security Title Insurance Agency of Utah	40.00	40.00
GOVERNMENT RECORDING AND OTHER FEES/CHARGES			
1201.	Recording Fees: Deed \$ 25.00 Mortgage \$ Release \$	25.00	
1202.	City/County tax/stamps Deed \$ Mortgage \$		
1203.	State tax/stamps Deed \$ Mortgage \$		
1204.			
1205.			
ADDITIONAL SELLER'S CHARGE			
1301.	Survey		
1302.	Post inspection		
1303.			
1304.			
1305.			
1306.			
1307.	**See attached for breakdown		
1400.	TOTAL SETTLEMENT CHARGES (Enter on line 103, Section J - and - line 502, Section K)	240.00	153,705.88

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and Disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

ROBERT D. GERINGER, PRESIDENT RICHARD G. SKANDALARIS REVOCABLE TRUST DATED
 CASTLE ARCH REAL ESTATE INVESTMENT COMPANY, I THREE M. DEVELOPMENT L.L.C.

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.
 Borrowers Settlement Agent Sellers Date
 Security Title Insurance Agency of Utah, Inc.

WARNING: It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: TITLE 18 U.S. Code Section 1001 and Section 1010.