

**Joe Lavin**

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**From:** Raymond J. Goad [rgoad@wildflowerresort.com]  
**Sent:** Thursday, February 17, 2005 9:22 AM  
**To:** 'Lonnie Faulkner'; John M. Irvin AIA; 'Victor Myers'  
**Subject:** Funding Update  
**Importance:** High  
**Sensitivity:** Confidential

Dear Fellows,

I met with David Neimann yesterday. He has departed for NY this morning and is expected to pick up the letter from ANZ Bank outlining the checklist and schedule for the closing of the \$90MM first tranche of our financing. We still expect that the closing will occur around the end of this month. As soon as I receive the letter I plan to share it with you. However, it is possible that we will not receive the letter until the first of the week.

David has pledged to advance \$1.5MM to Wildflower as soon as another transaction he is working on closes. This was originally supposed to close before Christmas, but fell through. He has restructured the financing and now expects that transaction to close as early as tomorrow and in any event by Tuesday of next week. As soon as this advance is received we will be bring all payroll accruals and bonus payments current.

I also had a long telephone conference with Tom Stevens of Paradigm yesterday and he was in a position to independently confirm the updates provided by David. We spent quite a bit of our time working out the details for the ANZ closing. We completed the organization of the Nevada "advancing corporation" (NTIC Mortgage Funding Corp.), which will actually receive the \$90MM and then make construction advances to Wildflower. We are also in the process of opening the bank accounts for that company.

The delays in receiving the Neimann advance were unexpected, and have caused great hardships for all of us. However, I do have every reason to believe that the advance will be funded and that we will receive the ANZ closing schedule in the coming week.

I will of course share any additional news with you just as soon as it is received.

Regards,  
Raymond J. Goad  
President & CEO



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