

FIRSTBATES = SMISEC0038186  
LASTBATES = SMISEC0038187  
BEGATTACH : SMISEC0038186  
ENDATTACH : SMISEC0038187  
CUSTODIAN : CURTIS BRODY  
FROM : Thurber, David  
TO : Rasca, Carrie  
CC : Deines, Michael; Brody, Curtis  
SUBJECT : RE: TIC Performance  
DATESENT : 05/29/2007  
TIMESENT : 5:18:03 PM  
LINK : \\SMISEC03\NATIVES\OF\_0008\SMISEC0038186.msg  
FILE\_EXTEN : MSG  
DATE\_MOD : 05/29/2007  
FILE\_SIZE : 39KB  
PATH : \Curtis Brody Personal Folders(SEC Vol 2).pst\SEC - Communications Investor Related  
INTFILEPATH : SEC - Communications Investor Related  
OCR : <<SMISEC0038186>>

To: Rasca, Carrie [Carrie.Rasca@sunwestmanagement.com];  
Cc: Deines, Michael [Michael.Deines@CanyonCDI.com]; Brody, Curtis [Curtis.Brody@sunwestmanagement.com];  
Subject: RE: TIC Performance  
Sent: Tue 5/29/2007 5:18:03 PM  
From: Thurber, David

Thank you. I am trying to understand the first and largest point of the variance. The "refinanced dollars". Seems your number is more accurate since the refi dollars at least 90% of them tend to roll into new deals with us, so I do not yet understand why those dollars would not be in Alex's work given that most of the refi dollars went back into our current ongoing properties. Any comment that would help me here will be appreciated. I want to turn this around to our brokers involved in the discussion, but need to either have your work and Alex's the same or be able to attach the explanation you have provided with your first point clarified a bit if possible.

Is Alex working to make any of the edits you mentioned in your explanation. Curtis, I defer to your direction here. Thanks Carrie for the feedback so far.  
David

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-----Original Message-----

From: Rasca, Carrie  
Sent: Tuesday, May 29, 2007 4:05 PM  
To: Thurber, David  
Cc: Deines, Michael; Brody, Curtis  
Subject: TIC Performance  
David,

There are several reasons for the variances between the report that Alex created and the one I created.

1. The biggest variance is refinanced dollars that were not taken into account. My report reflects all Equity invested at one point or another, regardless of if it was refinanced. I have changed the first line of the TIC Performance Summary to say "Cumulative Initial TIC Investments." The refinanced dollars are reflected on the Sunwest Investor Summary that I had provided to you. These refinanced dollars are in the column Equity Invested at Return, which totals 44,168,655.
2. Since my report shows only the Initial Equity invested and Alex's report shows Current Investment, there is a variance for any investors that had their equity change as a result of debt payments. We have a variance of <\$304,003>.
3. Alex's report needs to be update for \$4,881,777 for various reasons, which he knows about.
4. Mike and I excluded 3 properties from my report, <\$2,798,916>.
5. Blossom Valley is included in my report, although it is not in Alex's because it's under construction, \$500,000.
6. Addie Meedom has one investor left after the refinance, which my report does not show, <\$171,000>.
7. Date Variances based on 2006 & 2007 refinances, date of open vs date of investor and date of investment, \$1,567,410.

I have attached an updated PDF for the TIC Performance Summary.

<<SMISEC0038187>>

Carrie

<< File: Variance Analysis.xls >> << File: Prior Performance - SMI Investor  
Finance 05-29-07.pdf >>

Carrie Rasca

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