Exhibit B
Part II

Strategically critical land asset

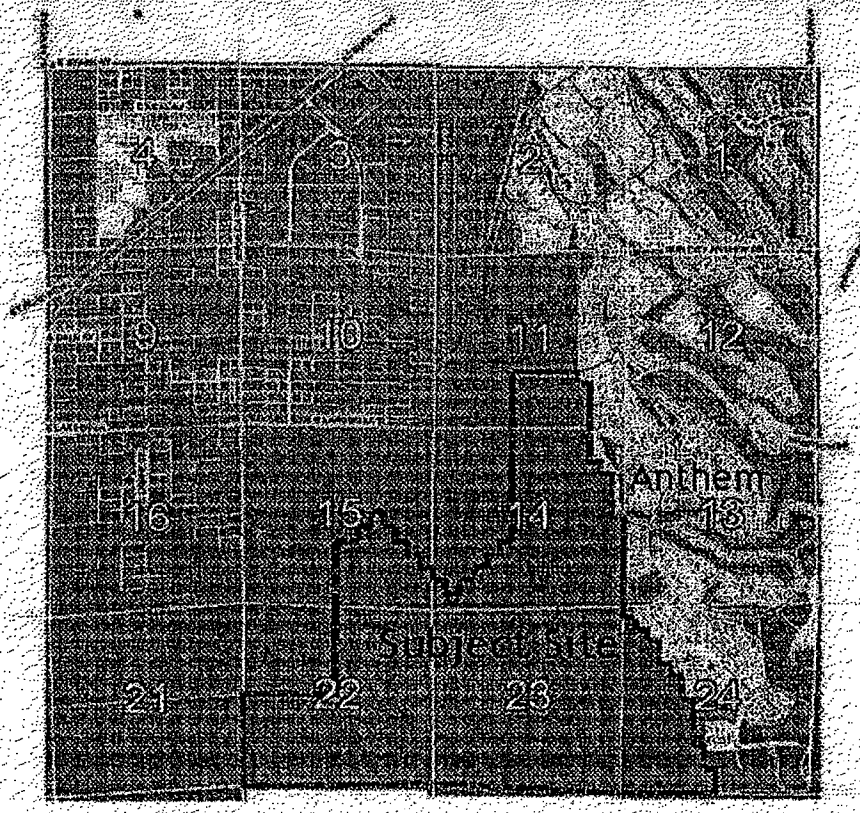
The subject parcel represents a very attractive piece of collateral for the lenders. The role of the U.S. Bureau of Land Management ("BLM") makes the Las Vegas market unique and causes developable land in the Valley to be very limited. The BLM controls and sells land in the Las Vegas Valley in accordance with the Southern Nevada Public Land Management Act ("SNPLMA"), passed in 1998, which created a boundary beyond which no land may be sold without a further act of Congress.

The second place bid on the parcel was only $900,000 less than the Borrower's winning bid of $557 million. At 1,940 acres, the land is currently the only large parcel available for residential development in the Las Vegas area. Entitled under the City of Henderson's "West Henderson Master Plan," the parcel is located adjacent to the award winning Pulte/Del Webb Anthem master planned community and benefits from a strong transportation network already in place. Due to the fact that the buyers of the land are also the Members of the Borrower, delivery risk is low. The Members' completion guarantees and purchase contracts cover the entire parcel. Takedowns are structured under a short time frame of five years. All takedowns are projected to be complete by the end of 2009 (see delivery schedule in exhibit 2.1).

The appraisal by P B T K Consulting, LLC indicates comparable land transactions in the past 18 months, adjusted for time, location, and other factors, ranged from $230 thousand to $340 thousand per acre. The Borrower's land price was approximately $287 thousand per acre.

Exhibit 2.4

Subject property map

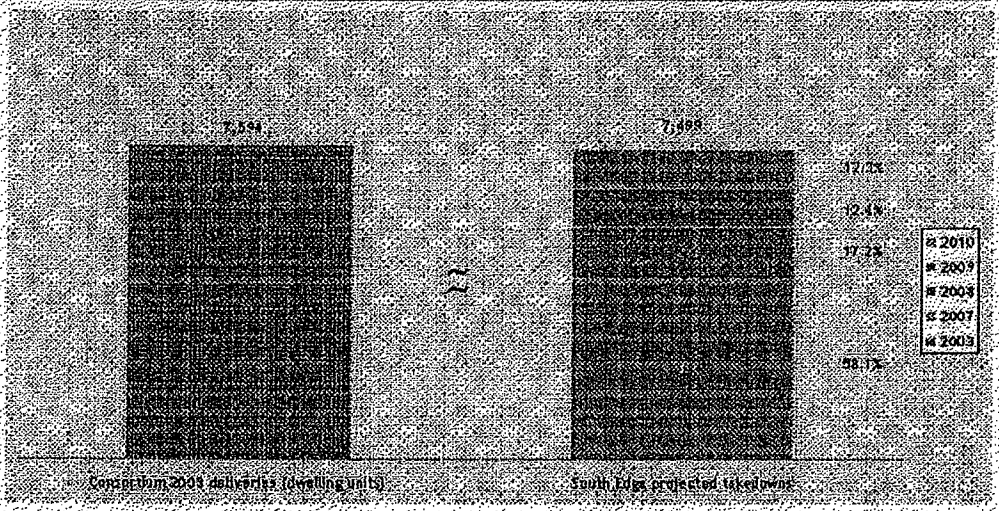


Modest supply of lot inventory for purchase by Members

South Edge represents in aggregate a one-year supply of lots based on builder Members' 2003 deliveries in Las Vegas.

Exhibit 2.5

Consortium home sales (dwelling units) vs. South Edge's equivalent dwelling unit takedown of lots



Conservative capital structure

South Edge is conservatively capitalized with total acquisition and other costs funded by $188 million of equity and $402 million of debt outstanding at closing. The Members' equity at stake in the Borrower at close equates to a debt to capitalization of 68.1% and debt/equity of 2.1x.

Over the life of the project, equity and Local Improvement District ("LID") bonds totaling $435 million support the transaction. Focus Property Group has been successful in obtaining over $140 million of Clark County and City of Las Vegas public improvement bonds for its Mountain's Edge and Providence communities.

Well structured credit facilities

The Facilities will be secured by a first deed of trust over the entire 1,940-acre parcel and borrowings under the Facilities at closing are not to exceed 68.5% of the appraised collateral value. After closing, future loan advances are capped at 65% of development costs with Members funding a matching equity contribution on a pro rata basis (35% pre LID issuance, 32% post LID issuance). As the acreage is developed into super pad condition, the Members are obligated to purchase their portions of the property. Pro rata several repayment guarantees, available in the event of South Edge bankruptcy, are provided by the parent guarantors.

3. Summary of terms and conditions

Posted separately to IntraLinks

4. Form of commitment advice

[LENDER LETTERHEAD]
Form of Commitment Advice
(Telecopy to Courtenay Wood/Jon Westberg at 312-336-3679)

October [ ], 2004

J.P. Morgan Securities Inc.
131 South Dearborn
Chicago, IL 60670-0429

Ladies and Gentlemen:

We refer to the Summary of Terms and Conditions for South Edge, LLC included in the Confidential Information Memorandum dated September 2004. Subject only to satisfactory documentation, we are pleased to commit $____ to the proposed $535,000,000 senior secured credit facilities. We understand that allocations will be made at the discretion of South Edge and yourselves.

Furthermore, we represent that our commitment represents a commitment from our institution and does not in any way include a commitment or other arrangement from any other non-affiliated institution. Lastly, we acknowledge and agree that no secondary selling or offers to purchase will occur until such time as the Agent declares the preliminary syndication to be complete.

[ ] $110 million Facility A	$ [Amount]
[ ] $175 million Facility B	$ [Amount]
[ ] $225 million Facility C	$ [Amount]
[ ] $25 million Facility D	$ [Amount]

Very truly yours,

Authorized Officer:

Title:

Lender:

Telephone Number:

5. Borrower overview

South Edge is a single purpose entity organized to bid on and acquire the subject property, construct major community infrastructure and then convey super pads to its individual Members. Super pads are parcels to which major infrastructure, including perimeter roadways and utilities, are available. Further subdivision improvements within the super pads are the responsibility of the homebuilder. The Borrower, managed by Holdings Manager, LLC (an affiliate of Focus Property Group), is a consortium of homebuilders that includes KB Home, Focus South Group, Toll Brothers, Inc., Woodside Group, Inc., Kimball Hill, Inc., Weyerhaeuser Real Estate Company, Meritage Corporation, and Beazer Homes USA, Inc. (collectively, the "Members").

The Borrower was formed to provide a vehicle and a process for the Members to make a joint bid at the Bureau of Land Management ("BLM") auction held in June of 2004 for 1,940 acres in Henderson (Las Vegas), Nevada. South Edge was the successful bidder on the subject land at a price of $557 million, with the second place bid coming in only $900,000 lower. The land is currently entitled for development of approximately 7,500 residential units and a number of commercial sites. The Members will ultimately acquire from the Borrower their proportionate shares of the subject property, on which each shall then construct and sell homes. Focus South Group, which is not a merchant homebuilder, will acquire all commercial sites in the project.

The Borrower was structured to most effectively accommodate the BLM land auction process and disperse risk among major market builders. South Edge also leverages the master plan development expertise of Focus in the Las Vegas market. With 100% of the acres covered under Member purchase agreements and 100% of the Facilities guaranteed (in the event of bankruptcy by the parent guarantors) the strength of the Borrower and the likelihood of lot deliveries is evident.

All Members currently operate in the Las Vegas market, having delivered more than 7,500 housing units in 2003 (approximately 32% of the Las Vegas new home market). Projections for South Edge equivalent dwelling unit takedowns are roughly equal to the number of home deliveries by Borrower Members in 2003.

The following table outlines the ownership of the Borrower.

Exhibit 5.1

Borrower ownership structure

Member	Ownership %	Senior unsecured debt ratings
KB Home	48.5%	Ba1/BB+
Focus South Group[2]	15.5%	NR
Toll Brothers	10.5%	Baa3/BBB-
Woodside	8.1%	NAIC 2
Kimball Hill	6.3%	NR
WRECO (Pardee Homes)[3]	4.9%	NR
Meritage	3.6%	Ba3/BB-
Beazer	2.6%	Ba1/BB

1) The Members and their parents will provide pro rata completion guarantees and repayment guarantees (upon the bankruptcy of the Borrower) on a several basis.

2) Focus Property Group and its affiliate, Landtek, will serve as developer; guarantee for Focus South Group is provided by John A. Ritter.

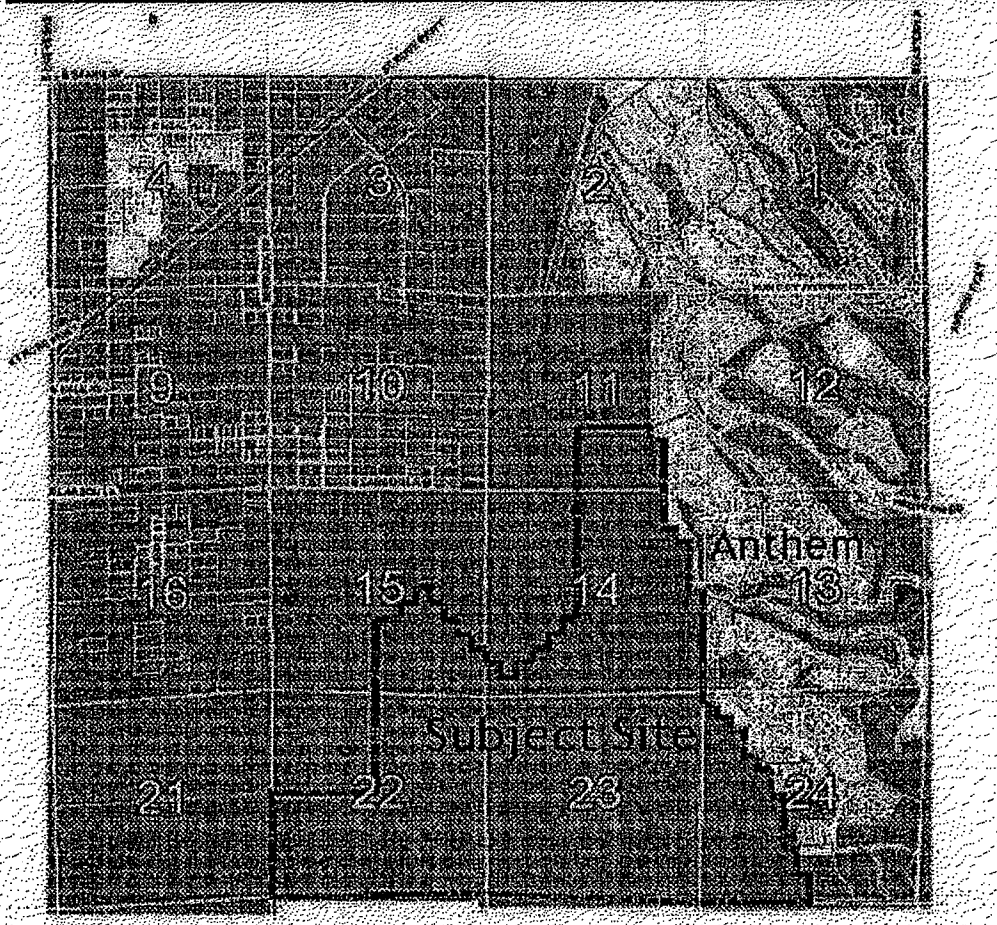
3) Pardee Homes is a subsidiary of WRECO; WRECO is a subsidiary of Weyerhaeuser Company. Weyerhaeuser Company is rated BBB/Baa2, however Weyerhaeuser Company does not guarantee WRECO's performance.

Property location

The subject property is located adjacent to the successful Pulte/Del Webb Anthem master planned community in Henderson, Nevada, southeast of Las Vegas.

Exhibit 5.2

Subject property map



Borrower management structure

Focus Property Group, through its affiliate Holdings Manager, LLC, was selected by the Members to serve as the General Manager of South Edge, LLC, with day-to-day management and development responsibilities. Landtek, LLC, another Focus affiliate, manages the planning, design and construction of all infrastructure improvements for the project. Focus has local market experience in developing master planned communities, having previously completed three in the Las Vegas Valley. It is important to note that the property is not being developed by a third party developer; Focus South Group is a 15.5% owner of the Borrower.

Management Committee

Each Member is represented on the Management Committee of South Edge. The committee meets no less frequently than twice per month and has the authority to make certain decisions for the Borrower. Each Member's Management Committee representative has voting power in proportion to its Member's ownership interest.

Focus Property Group

Focus South Group has a 15.5% ownership share of the Borrower.

The Focus Property Group ("Focus") is an affiliation of companies consisting of development, investment and brokerage entities, and has in-house financing, marketing, land acquisition, land entitlement, zoning, engineering, land development, and commercial construction expertise. Focus has been active in the Las Vegas market for over 17 years and is responsible for the development of over 10,000 acres in the region.

Focus South Group is an entity that was created for the purpose of acquiring an equity stake in the Borrower. Since Focus South Group has no other assets, one of its major partners, John A. Ritter, is personally guaranteeing its portion. Mr. Ritter, who is the CEO of Focus Property Group, has over $174 million of assets and over $171 million of net worth.

Exhibit 5.3

John A. Ritter personal financial summary

Category	Value
Total assets (market value)	$174 million
Total real estate	$149 million
Cash & escrowed funds	$3 million
Total debt	$3 million
Tangible net worth	$171 million

Focus Property Group has been involved in transactions exceeding $4 billion and holds an investment portfolio valued as of 12/31/03 at approximately $1.2 billion. It has created three master planned communities in the Las Vegas Valley, and currently is processing its latest investment totaling more than 3,000 acres. Additionally, Focus Property Group's vertical construction activities have included multiple commercial retail centers, an office complex housing the company headquarters and a 176-unit multifamily community.

Two notable Focus projects in the local area include Mountain's Edge and Providence. The two projects have successfully obtained over $140 million in public improvement financing through bonds issued by Clark County and by the City of Las Vegas.

Mountain's Edge

Mountain's Edge is an approximately 3,500-acre community in the southwest Las Vegas Valley with a total land cost of over $300 million, an improvement budget of over $155 million and revenues expected to exceed $600 million. At build-out, Mountain's Edge will consist of over 12,000 total units, in subdivisions constructed by 22 different merchant builders. Available land in the project is 94% sold (72% closed), with South Edge Members having purchased, or

under contract to purchase, 58% of the community (KB: 230 acres; Meritage: 240 acres; Toll: 80 acres; Kimball Hill: 120 acres; Pardee: 130 acres; Woodside: 200 acres; and Beazer: 130 acres). Offsite infrastructure improvements are complete and onsite infrastructure for the first of two phases is over 50% complete. Model homes will open in the second half of 2004.

Providence

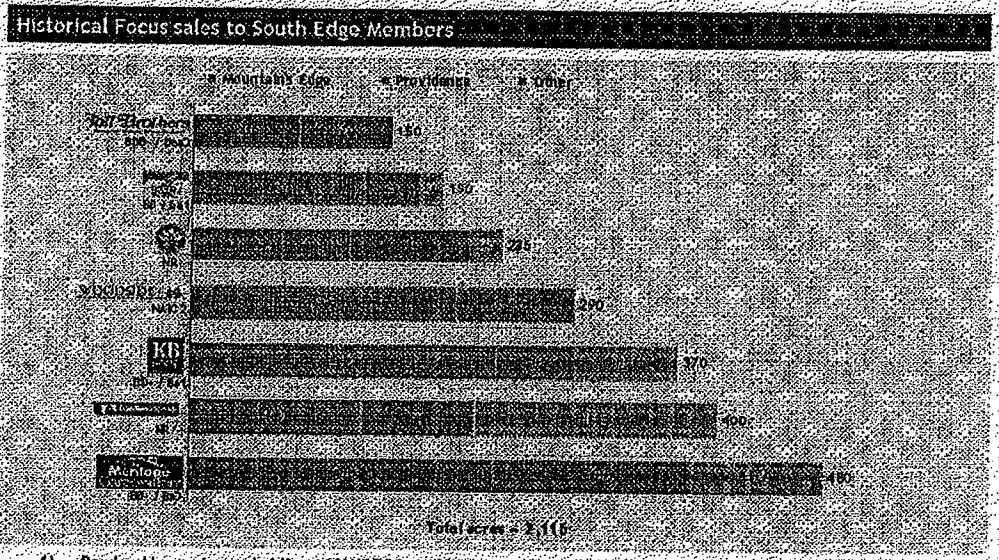
Providence is an approximately 1,200-acre community in the northwest Las Vegas Valley with a total land cost of over $190 million, an improvement budget of over $95 million and revenues expected to exceed $360 million. At build-out, Providence will consist of over 7,500 units in subdivisions constructed by 16 different merchant builders. Available land in the project is 98% sold (82% closed), with South Edge Members having purchased, or under contract to purchase, 62% of the community (KB: 60 acres; Meritage: 140 acres; Toll: 70 acres; Kimball Hill: 90 acres; Pardee: 85 acres; Woodside: 90 acres; and Beazer: 40 acres). Infrastructure improvements are under construction and model homes will open in the second half of 2005.

Other Focus developments in the area include Lone Mountain Master Plan, Lone Mountain West, and Nevada Trails. Currently Focus is undertaking a regional expansion with a 500-acre project in Victorville (San Bernardino), CA, an 80-acre mixed-use project in Denver and approximately 2,000 acres under development in Pahrump, NV (an emerging bedroom community to Las Vegas).

Focus and Member homebuilder relationships

Focus has prior experience working with all of the other Members of South Edge. The following exhibit shows Focus land sales to South Edge Members.

Exhibit 5.4



1) Pardee Homes is a subsidiary of WRECO; WRECO is a subsidiary of Weyerhaeuser Company. Weyerhaeuser Company is rated BBB/Baa2, however Weyerhaeuser Company does not guarantee WRECO's performance.

$535,000,000 SENIOR SECURED CREDIT FACILITIES

KB Home (NYSE: KBH)

KB Home has a 48.5% ownership share of the Borrower.

Building homes for nearly half a century, KB Home is one of America's premier homebuilders with domestic operating divisions in some of the fastest-growing areas of the country including Arizona, California, Colorado, Florida, Georgia, Illinois, Indiana, Nevada, New Mexico, North Carolina, South Carolina and Texas. Kaufman & Broad S.A., the company's majority-owned subsidiary, is one of the largest homebuilders in France. In fiscal 2003, the company delivered homes to 27,331 families in the United States and France. It also operates a full-service mortgage company for the convenience of its buyers. Founded in 1957, KB Home is a Fortune 500 company listed on the New York Stock Exchange.

Exhibit 5.5

KB Home
November 30, 2003 fiscal year end

S&P and Moody's ratings	BB+/Ba1	Debt / Capitalization	44%
National homebuilder ranking	5	Interest coverage	5.68x
Geography	12 states & France	Operating profit margin	9.6%
Total assets ($ millions)	$4,236	Land / TNW	0.41x
Total revenues ($ millions)	$5,851	Closings (units)	27,331
Shareholder equity ($ millions)	$1,593	Backlog (units)	14,675
Debt / TNW	0.92x		

Toll Brothers, Inc. (NYSE: TOL)

Toll Brothers has a 10.5% ownership share of the Borrower.

Toll Brothers, Inc. is the nation's leading builder of luxury homes. The company began business in 1967 and became a public company in 1986. To serve move-up, empty nester, active-adult and second-home homebuyers, Toll Brothers builds luxury single-family and attached home communities and master-planned luxury multi-product residential golf course communities principally on land it develops and improves.

Toll Brothers is the only publicly traded national home building company to have won all three of the industry's highest honors: America's Best Builder from the National Association of Home Builders, the National Housing Quality Award and Builder of the Year.

Exhibit 5.6

Toll Brothers, Inc. October 31, 2003 fiscal year end			
S&P and Moody's ratings	BBB-/Baa3	Debt / Capitalization	49%
National homebuilder ranking	15	Interest coverage	4.74x
Geography	21 states	Operating profit margin	14.3%
Total assets ($ millions)	$3,787	Land / TNW	0.76x
Total revenues ($ millions)	$2,775	Closings (units)	4,911
Shareholder equity ($ millions)	$1,477	Backlog (units)	4,667
Debt / TNW	0.98x		

Woodside Group, Inc. (Private)

Woodside has an 8.1% ownership share of the Borrower.

WOODSIDE

Woodside was founded in 1977 with one simple objective in mind: build a home with lasting value, integrity, quality and service. Woodside Homes is committed to build the best and most affordable home its customers can buy and stand behind it with an outstanding warranty service program.

As one of America's top 50 homebuilders, Woodside Homes has built over 17,000 new homes and is currently building in Arizona, Northern and Southern California, Colorado, Florida, Maryland, Minnesota, Nevada, Texas, Utah and Virginia. Woodside recognizes that uncompromising quality in location, design, construction, and service is the key to its success and is the assurance of enduring value.

Exhibit 5.7

Woodside Group, Inc. December 31, 2003 fiscal year end			
S&P and Moody's ratings	NR - NAIC 2	Debt / Capitalization	37%
National homebuilder ranking	28	Interest coverage[1]	25.3x
Geography	10 states	Operating profit margin	22.7%
Total assets ($ millions)	$706	Land / TNW	N/A
Total revenues ($ millions)	$845	Closings (units)	2,975
Shareholder equity ($ millions)	$364	Backlog (units)	1,015
Debt / TNW	0.59x		

1) Reported in Woodside's 12/31/03 covenant compliance certificate

Kimball Hill, Inc. (Private)

Kimball Hill has a 6.3% ownership share of the Borrower.

Kimball Hill Homes is a recognized leader in the building industry and winner of numerous awards for its communities, designs, and quality construction. Founded in 1939, integrity in all facets of construction has been the hallmark of each new Kimball Hill Home. Today Kimball Hill Homes builds on its tradition while leading the industry with innovative approaches to construction and community design.

Exhibit 5.8

Kimball Hill, Inc. September 30, 2003 fiscal year end			
S&P and Moody's ratings	Not Rated	Debt / Capitalization	77%
National homebuilder ranking	21	Interest coverage	3.07x
Geography	9 states	Operating profit margin	9.1%
Total assets ($ millions)	$654	Land / TNW	N/A
Total revenues ($ millions)	$786	Closings (units)	3,487
Shareholder equity ($ millions)	$126	Backlog (units)	1,169
Debt / TNW	3.39x		

Pardee Homes/Weyerhaeuser Real Estate Company (A subsidiary of Weyerhaeuser Company; NYSE: WY)

Pardee Homes has a 4.9% ownership share of the Borrower. Pardee is the largest subsidiary of Weyerhaeuser Real Estate Company.

Pardee is Southern Nevada's longest-established homebuilder, having built homes for nearly 30,000 families in the Las Vegas Valley since 1952. During that time, Pardee has been recognized as a strong supporter of education and community enhancement with donations of land and equipment for schools and parks. *Builder* magazine selected Pardee Homes as winner of its 2003 America's Best Builder Award.

Exhibit 5.9

Weyerhaeuser Real Estate Company December 28, 2003 fiscal year end			
S&P and Moody's ratings[1]	NR	Debt / Capitalization	58%
National homebuilder ranking	16	Interest coverage	8.45x
Geography	6 states	Operating profit margin	19.9%
Total assets ($ millions)	$1,951	Land / TNW	N/A
Total revenues ($ millions)	$2,019	Closings (units)	4,626
Shareholder equity ($ millions)	$641	Backlog (units)	2,261
Debt / TNW	1.39x		

Note: Pardee is the largest subsidiary of Weyerhaeuser Real Estate Company ("WRECO"). The figures provided are for WRECO.

1) Pardee Homes is a subsidiary of WRECO; WRECO is a subsidiary of Weyerhaeuser Company. Weyerhaeuser Company is rated BBB/Baa2, however Weyerhaeuser Company does not guarantee WRECO's performance.

Meritage Corporation (NYSE: MTH)

Meritage has a 3.6% ownership share of the Borrower.

Meritage Corporation

Recently named "Fastest Growing Public Homebuilder–2003" by *Builder* magazine, Meritage has delivered approximately 30,000 homes, ranging from entry level to semi-custom luxury. The company operates in rapidly growing states of the South and West, including five of the top ten housing markets in the country. Meritage has a proven record of success throughout its 19-year history, and has enjoyed impressive growth since becoming a publicly traded homebuilder. Some of its notable achievements from the last twelve months include being named to *Forbes'* Platinum 400 America's Best Big Companies and number 11 ranking on *Fortune's* Fastest Growing Companies in America list.

Exhibit 5.10

Meritage Corporation December 31, 2003 fiscal year end			
S&P and Moody's ratings	BB-/Ba3	Debt / Capitalization	46%
National homebuilder ranking	14	Interest coverage	6.86x
Geography	4 states	Operating profit margin	9.9%
Total assets ($ millions)	$955	Land / TNW	N/A
Total revenues ($ millions)	$1,471	Closings (units)	5,642
Shareholder equity ($ millions)	$412	Backlog (units)	2,580
Debt / TNW	1.05x		

Beazer Homes USA, Inc. (NYSE: BZH)

Beazer Homes has a 2.6% ownership share of the Borrower.

Beazer Homes USA is a national homebuilder headquartered in Atlanta, Georgia, that operates as a family of local homebuilders. Beazer currently builds in over 40 markets in the Southeast, Mid-Atlantic, Midwest, West and Central United States. In all these areas, Beazer has a reputation as a leading builder of quality homes of superior value. As a value-added feature, Beazer also provides mortgage origination, title and insurance services to its homebuyers.

The Beazer family of companies has been building homes and communities for America's families for decades, and is consistently ranked one of the top ten single-family homebuilders in the nation. Beazer is a highly regarded industry leader, using technology to improve company efficiency and provide enhanced customer service to homebuyers.

Exhibit 5.11

Beazer Homes USA, Inc.
September 30, 2003 fiscal year end

S&P and Moody's ratings	BB/Ba1	Debt / Capitalization	43%
National homebuilder ranking	6	Interest coverage	5.42x
Geography	20 states	Operating profit margin	8.8%
Total assets ($ millions)	$2,212	Land / TNW[1]	1.20x
Total revenues ($ millions)	$3,177	Closings (units)	15,409
Shareholder equity ($ millions)	$994	Backlog (units)	7,426
Debt / TNW	1.00x		

1) Reported in Beazer's 9/30/03 covenant compliance certificate

Summary projected financial performance

Assumptions

- Interest cost forecast assumes a 200 basis point spread with LIBOR rising to 4.45% by fourth quarter 2005; projected interest cost increases from 4.05% in October 2004 to 6.45% in Q4 2005
- Infrastructure cost based on approximately 7,500 units
- LID financing of $84 million - $60,000 per assessable acre (estimated to be 1,400) - with funding commencing in Q3 2005; a portion of the LID bond payable is assumed by the builder upon conveyance at the rate of approximately $43,999 per gross acre; a per-dwelling unit assessment of approximately $11,200 (with monthly payments at an estimated 6% per annum over 20 years of approximately $80) is assumed by each home buyer
- Takedowns based on each Member's Acquisition Agreement
- Projection assumes no South Edge profit in super pad purchase prices

Projected income statement and balance sheet summary

The following table highlights the Borrower's projected performance.

Exhibit 5.12

South Edge projected financial performance
($ millions)

	Fiscal year ending December 31,					9 months ending
	2004	2005	2006	2007	2008	9/30/09
Operating performance						
Revenues	-	-	549	162	117	117
Cost of sales[1]	-	-	549	162	117	117
Net income	-	-	0	0	0	0
Balance sheet						
Cash	-	-	192	139	53	-
LID fund[2]	-	62	40	-	-	-
Net project under development	590	677	240	175	119	-
Total assets	***590***	***739***	***472***	***314***	***172***	***0***
Loans payable	402	443	214	126	63	-
LID[3] bond payable	-	84	35	21	10	-
Net Members' equity	188	212	223	167	99	-
Total liabilities & equity	***590***	***739***	***472***	***314***	***172***	***0***

1) Total project costs of $945.1 million (over the life of the deal) are capitalized and charged against income pro rata to acreage sold
2) Escrowed LID proceeds used for infrastructure costs
3) LID: Local Improvement District

Projected cash flow

The following table highlights the Borrower's projected cash flows.

Exhibit 5.13

South Edge projected cash flow
($ millions)

	2004	2005	2006	2007	2008	2009	Total
Sources of funds							
Capital contributions	188	24	319	145	125	60	861
Sales revenue (excluding LID assumption)	-	-	500	148	107	106	861
Purchase credit for capital contributions to date of purchase	-	-	(308)	(116)	(100)	(107)	(631)
Cancellation of post-sale capital contributions	-	-	-	(84)	(94)	(52)	(230)
Loan proceeds	402	41	67	-	-	-	510
Net LID proceeds	-	2	22	40	-	-	64
Total sources of funds	590	67	600	133	38	7	1,435
Project costs							
Land cost	557	-	-	-	-	-	557
Developer fee	19	10	-	10	-	-	39
Improvement costs	4	30	82	73	58	10	257
Loan costs, property taxes & insurance	5	3	3	2	3	2	18
Oversize reimbursements	-	-	(1)	(1)	(7)	(17)	(26)
Loan interest	5	24	28	13	8	2	80
Loan repayments	-	-	296	88	63	63	510
Total uses of funds	590	67	408	185	125	60	1,435
Net cash flow	0	0	192	(52)	(87)	(53)	0

6. Las Vegas market highlights

See the Meyers Group Las Vegas Market Snapshot exhibit for additional information.

Developable land in the area is limited

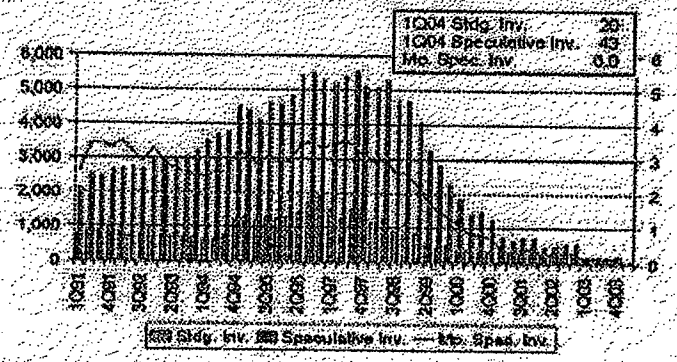
There is currently a very limited supply of developable land in the Las Vegas Valley. All non-privately held land is owned by the U.S. Bureau of Land Management ("BLM"). The BLM sells land in the Las Vegas Valley in accordance with the Southern Nevada Public Land Management Act ("SNPLMA"), passed in 1998, which created a boundary beyond which no land may be sold without a further act of Congress. While the Las Vegas housing market is currently absorbing 7,000 to 8,000 acres of land per year, BLM sales have averaged less than 3,000 acres per year since the passage of the SNPLMA.

BLM land releases will continue to be limited due to the following factors:

- The law requires the local municipality in which a particular parcel of land is located to seek approval of its release and sale by the BLM, a joint selection subcommittee, and then from the full joint selection committee; an 18-month process
- The local municipalities are reluctant to request the release of any more land than can be efficiently and economically planned and developed within a reasonable period of time
- The municipal bond underwriters who have underwritten the improvement district bonds for projects in the local municipalities have required that future releases be delayed to the extent necessary to allow the projects for which they have underwritten bonds to be built-out and absorbed as planned
- The local BLM office is severely understaffed and currently unable to effectively process more than its current semi-annual land releases and is lobbying to move to one sale annually

Exhibit 6.1

Las Vegas new home inventory levels



Source: Meyers Group

Employment growth remains strong

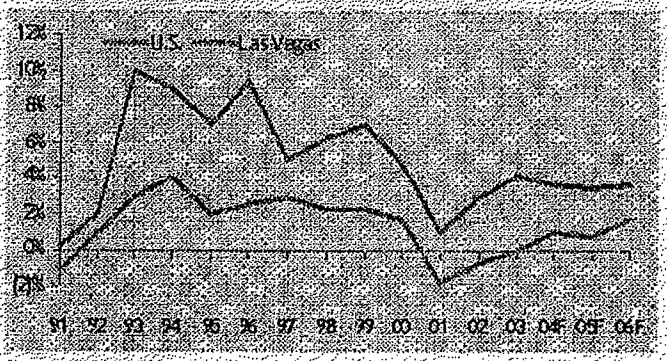
Las Vegas payrolls gained 38,800 jobs from mid-2003 through mid-2004, ranking the metro area the strongest in the nation in job growth over the period. By mid-2004, the unemployment rate had dropped to 4.4%, well below the 5.7% national average. The unemployment rate is projected to remain within the 4.5% to 5.0% range through 2006.

Two keys sectors in the local economy are the hospitality and gaming industries, both expecting a record year in 2004. 1,800 new hotel rooms will open this year, with over 5,000 planned to open next year, including major expansions at Caesars Palace, Bellagio and the opening of Steve Wynn's new 2,700 room mega-resort. It is estimated that each new hotel room immediately creates approximately 2.5 jobs and studies suggest that each new room ultimately creates approximately 7 jobs in the community.

While Las Vegas employment growth does rely heavily on hospitality and gaming, the economy is diversifying as the health care and computer industries are also expanding.

Exhibit 6.2

Las Vegas employment growth



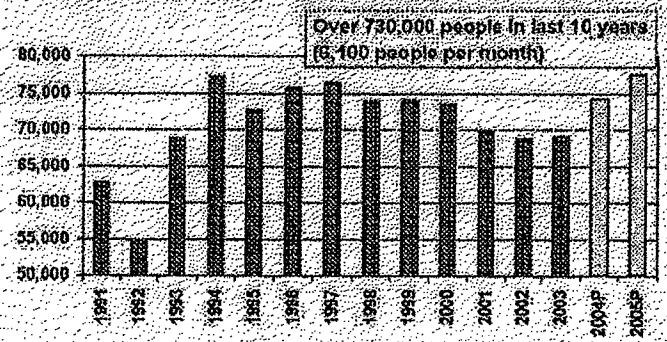
Source: BLS, ROG

Population growth is steady and projected to continue

With above-average job growth, Las Vegas is expected to continue to attract new residents. Net in-migration is projected to exceed 70,000 new residents per year. The population growth is fueled not only by job seekers, but also by retirees drawn by the area's relatively affordable cost of living, no state income tax, favorable climate, and entertainment.

Exhibit 6.3

Las Vegas population growth



Source: U.S. Census Bureau; Meyers Market Snapshot, released June 2004

$535,000,000 SENIOR SECURED CREDIT FACILITIES

The Henderson submarket is among the strongest in Southern Nevada

- Henderson average household income is in the upper 25% in the Las Vegas Valley
- According to the 2002 census, Henderson is one of the top five fastest growing cities in the nation
- As of June 2004, Henderson new home projects are averaging 11.97 sales per month, almost three times the rate of sales of the most profitable projects in the southwestern U.S.
- Demand for housing is driven not only by population growth, but also second-home and investor buyers

7. Borrower management team

The following table summarizes South Edge's management team.

Exhibit 7.1

South Edge management team

Name	Position
John A. Ritter	Focus Property Group, CEO
Thomas J. DeVore	Focus Property Group, General Counsel
James E. Griffin	Focus Property Group, CFO
Larry W. Bross	Landtek, CEO

John A. Ritter, Focus Property Group

Mr. Ritter brings to all Focus Property Group ventures extensive and comprehensive knowledge in investment, finance, government relations, development trends, municipal zoning, planning and development. Through his years of developing land in southern Nevada, Mr. Ritter has created strong working relationships with federal, state and local governmental entities from staff through elected officials.

A highly respected real estate broker and principal of Focus Commercial Group Inc., Mr. Ritter has been licensed and actively involved in the real estate industry for more than 20 years, the past 17 of which have been in southern Nevada.

Specializing in acquiring vacant land throughout the southwestern United States, Mr. Ritter has built an investment portfolio with a value of more than $1 billion. Mr. Ritter's current projects comprise more than 8,000 acres of land.

He has served on a number of local planning boards, including the Northwest General Plan Update Steering Committee, the Spring Valley Land Use Guide Focus Group, the Enterprise Land Use Plan Advisory Group, and the Beltway Taskforce.

Mr. Ritter served on the board of the Nevada School of the Arts, was one of the founding members of the Nevada-Thai Association and belongs to the UNLV Foundation. He has donated his time, money and resources to such community organizations as Big Brothers Big Sisters, Shade Tree, Las Vegas Art Museum and FACT.

Thomas J. DeVore, Focus Property Group

As general counsel for Focus Property Group, Mr. DeVore oversees all facets of Focus' businesses, including the acquisition, development, financing and sale of the real property within the company's master planned communities.

Mr. DeVore joined Focus Property Group in early 2002 after representing Focus companies in private practice for more than seven years. As a key member of the Focus executive team, he has provided legal expertise in the structure and financing of the company's successful bids for 1,500 acres of BLM land in the Las Vegas Valley for which it has paid more than $272 million. He was also instrumental in coordinating the formation of the Focus-led South Edge consortium of homebuilders, which was the successful bidder at the most recent BLM auction, paying $557 million for 1,940 acres of land in Henderson, Nevada. In addition, Mr. DeVore has guided the processing of more than $140 million in improvement district financing transactions for Focus' Mountain's Edge and Providence master planned communities.

Mr. DeVore was admitted to practice in 1987, and worked for 15 years as an associate attorney and partner in the highly regarded real estate law firm of Goold, Patterson, DeVore, Ales &

Roadhouse. With extensive experience in commercial real estate and finance transactions, Mr. DeVore has represented national homebuilders, master developers, institutional lenders and real estate operating companies in numerous complex transactions. He has served on the boards of a number of local charitable organizations and has lectured on real estate finance and title matters.

James E. Griffin, Focus Property Group

As Chief Financial Officer, Mr. Griffin provides financial services to Focus Property Group in regard to planning, systems design, transaction structuring and organizational functionality.

Mr. Griffin previously served as the chief financial officer and executive vice president of American Nevada Corporation, held senior financial management positions with residential and commercial developers in New England and California, and worked with the international accounting and consulting firm of Arthur Young & Company.

A certified public accountant, Mr. Griffin is a member of the American Institute of Certified Public Accountants, the Institute of Management Accountants, the Urban Land Institute, the Nevada Society of Certified Public Accountants, the Construction Financial Management Association, the American Financial Association, the California Society of Certified Public Accountants and the CPA Education Association of Las Vegas. He is a charter member and past chairman of the Accounting Advisory Council at UNLV.

Mr. Griffin is an honors graduate of Napa College and is a Cum Laude graduate of California State University at Sacramento. While pursuing his Bachelor's of Science degree in Accounting, he was elected to membership in Beta Gamma Sigma and Beta Alpha Psi, business and accountancy honor societies, respectively.

Larry W. Bross, Landtek

Mr. Bross has been involved in land development engineering and construction management for more than 20 years, and has been a professional engineer since 1990. Mr. Bross oversees engineering activities for all Focus Property Group projects and acts as Project Manager for Landtek, Focus Property Group's representative for development services.

His talent and technical expertise as a partner and president of Hunsaker & Associates, Nevada, Inc., earned the firm the reputation as one of the premiere engineering firms in southern Nevada. In 1999, Mr. Bross sold the company to an international engineering firm.

Since his initial days as an engineer, Mr. Bross has specialized in commercial and residential master plan subdivisions. Prior to relocating to Las Vegas in 1989, he handled the responsibilities for master plan engineering in Naples, Florida, including construction management, engineering design and entity coordination and approvals.

Mr. Bross's broad experience in master planned development is illustrated by his involvement in the 900-acre Rhodes Ranch residential and commercial development in Las Vegas, Henderson's 1,500-acre residential community of Seven Hills, the 1,200 acres in the Lone Mountain and Lone Mountain West Master Plans, and Berkshire Lakes and Pelican Bay developments in Naples, Florida, totaling more than 3,000 acres.

Appendices (posted to separately IntraLinks)

A. Meyers Group market snapshot - Las Vegas

B. Audited financial statements for all Members (including unaudited statements of John A. Ritter)

C. Development timeline

D. Project maps

E. Detailed financial model & budget

F. Appraisal