

**TO:** Walter Lembi (via fax: 415-241-1427) **DATE:** January 8, 1998  
 Bernard Schoenberg (via fax:415-362-1162)

**FROM:** Spencer Young  
 Meridith Schwartz  
Christian Curry

**CC:** Michael Murphy / Phil Clock - Mellon  
 (via fax:415-328-7036)  
 John Busillo - Cadwalader (212-504-6666)

**SUBJECT:** Timetable for Lembi Portfolio Refinancing

The below timetable should reflect that which we agreed in our conference call on 1/6. Please feel free to comment and add to it. Thanks to all for participating -- let's make this happen.

Task	Responsibility	Target Date	Done?
Operating statements by property to Mellon	Lembi	Fri. 1/9	X
Occupancy % & rent roll statements by property	Lembi	Fri. 1/9	X
Aging of receivables (last twelve months) by property	Lembi	Fri. 1/9	X
Copies of real estate tax bills for all properties	Lembi	Fri. 1/9	X
Statement of use of loan proceeds (separately for loan groups A, B, and C & D)	Lembi	Fri. 1/9	X
Service contracts to Mellon (Elevator, Janitorial & Security for 1155 Market -- Pending for Hotels maybe -- >\$5,000)	Lembi	Fri. 1/9	X
Skyline & Hotel Group of America management agreements with each borrower (all signed - receipt pending 7 contracts -- one for each entity)	Lembi	Fri. 1/9	1/16
Salaries / benefits of on-site employees	Lembi	Fri. 1/9	X
Certification of existing debt	Lembi	Fri. 1/9	X
Borrowing entity organizational documents to Mellon & CWT (will send one corporate and one LLC initially)	Melissa		Initial drafts by 1/15 all in by Weds 1/21

Operating statements by property and financial statements for borrower and principal owners	Lembi	Fri. 1/9	X
Resume of borrowers and principal owners	Lembi	Fri. 1/9	X

**Confidential**

**MS-SY-002468**

Task	Responsibility	Target Date	Done?
Property insurance policies	Lembi	Fri. 1/9	X
Explanation of judgments and liens	Lembi	Fri. 1/9	X
Letter from borrower certifying debt, equity, funds to Mellon	Lembi	Fri. 1/9	1/15
Tax returns from borrowing entity and principal owners	Lembi	Fri. 1/9	X
Summary of Capital Expenditures (1997, 1996, 1995)	Lembi	Fri. 1/9	X
Bank statements for multi-family (Last twelve months)	Lembi	Fri. 1/9	X
Percentage rent reports (1995, 1996, 1997)	Lembi	Fri. 1/9	X
Payments on third party retainers (NO PAYMENTS HAVE BEE RECEIVED!) -- Call Stanley Gray ;and move up date	MSMC	Fri. 1/9	
Certification of occupancy/copies of originals from City Hall, title endorsements (16 of 20 properties have C of Os have been received)	Lembi	Mon. 1/12	16 C of O to CWT 3R reports by 1/20
Response to organizational documents to Lembi	CWT	Fri 1/23	
Allocations of loan proceeds, spreads, and preliminary UCF for each property, taking into account the collateral type components to the UCF (e.g., a breakout of the hotel and retail components in the Diva Hotel) to Lembi & MSMC	Mellon	Wed. 1/14	Group AB&C 1/15; D 1/16
Tenant estoppels and SNDA's: (CWT will advice -- Lembi will send piecemeal)	Lembi	Mon. 1/19	
Surveys (10 by Fri. -- 10 by Fri.)	Lembi / Young	Mon. 1/21	
Comments back on the loan documents	Lembi	Fri 1/16	
Loan Documents from Imperial Bank	Imperial	Fri. 1/16	
Title Work - Exception documents on A, C&D			
Leases to CWT		1/15	
Environmental (215 Church, 1155 Mkt, 2075 Mkt)		Mon 1/19	
Structural (2101 Mkt, 1155 Mkt, 2075 Mkt)		Mon 1/19	

MS-SY-002469

Appraisals (All in)		Mon 1/19	
Address PMLs:= 30% 50%-60% (Diva, Union Square, 500 Stanyon, Burlingame) -- from Eckland Consider BML analysis.-- conference call with EMG & Eckland			
Enforceability opinions (One for NY and one for CA -- CWT to send a form opinion)	Lembi	Tue 1/20	
Non-consolidation opinion -- CWT to send a form opinion	Lembi	Tue 1/20	
Intercreditor Agreement		Wed 1/21	

**Key:** Lembi = The Lembi Group and/or its affiliates and/or BSchoenberg (Counsel to Lembi)  
MSMC = Morgan Stanley Mortgage Capital Inc.  
CWT = Cadwalader, Wickersham & Taft  
Mellon = Mellon Mortgage Company

**Confidential**

**MS-SY-002470**