SUN INITIATIVE FINANCING LLC

FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT

SUN INITIATIVE FINANCING LLC

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DECEMBER 31, 2011 AND 2010

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INDEPENDENT AUDITOR'S REPORT

To the Members of
SUN Initiative Financing LLC:

We have audited the accompanying balance sheets of SUN Initiative Financing LLC (a Massachusetts limited liability company) (the LLC) as of December 31, 2011 and 2010, and the related statements of operations, changes in members' investment and cash flows for the years then ended. These financial statements are the responsibility of the LLC's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SUN Initiative Financing LLC as of December 31, 2011 and 2010, and the changes in its members' investment and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As explained in Note 3 of the financial statements, the LLC is part of an affiliated group of companies and has entered into transactions with certain group members. As required under accounting principles generally accepted in the United States of America, the financial statements of the LLC are also consolidated with those of the affiliated group.

Alexander Aronson Finning & Co., P.C.

Wellesley, Massachusetts
March 26, 2012

SUN INITIATIVE FINANCING LLC

BALANCE SHEETS
DECEMBER 31, 2011 AND 2010

ASSETS	2011	2010
CASH	$ 725,179	$ 784,647
CERTIFICATE OF DEPOSIT	1,000,626	3,010,737
CASH AND CASH EQUIVALENTS - LOAN LOSS RESERVES	4,054,487	3,806,461
DUE FROM AFFILIATE	50,000	-
LOANS RECEIVABLE, net of allowance for loan losses of $2,805,535 and $1,351,140 as of December 31, 2011 and 2010, respectively	11,472,371	6,001,031
INTERESTS IN REAL PROPERTY:		
Properties held for sale	2,455,606	1,469,881
Rental properties, net	818,749	531,751
Total assets	$ 20,577,018	$ 15,604,508
LIABILITIES AND MEMBERS' INVESTMENT		
ACCOUNTS PAYABLE	$ 88,017	$ 54,087
ACCRUED INTEREST	162,159	130,625
DUE TO AFFILIATES	2,058,726	880,463
LOANS PAYABLE	16,535,000	12,035,000
Total liabilities	18,843,902	13,100,175
MEMBERS' INVESTMENT:		
Investor member	1,733,116	2,504,333
Manager member	-	-
Total members' investment	1,733,116	2,504,333
Total liabilities and members' investment	$ 20,577,018	$ 15,604,508

The accompanying notes are an integral part of these statements.

SUN INITIATIVE FINANCING LLC

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
OPERATING REVENUES:		
Grants	$ 625,000	$ -
Interest on loans	577,388	247,714
Net rental and other income from interests in real property	108,704	45,401
Interest on cash and other	49,482	46,972
Less - interest expense	(621,912)	(357,863)
Total operating revenues	738,662	(17,776)
OPERATING EXPENSES:		
Reimbursement of loan origination and servicing costs of affiliate	599,611	400,332
Personnel	418,752	385,631
Marketing	215,440	34,695
Office operations	128,002	93,435
Consultants	100,875	7,916
Legal	37,639	3,506
Accounting and investment fees	9,560	799
Total operating expenses	1,509,879	926,314
Net loss	$ (771,217)	$ (944,090)

The accompanying notes are an integral part of these statements.

SUN INITIATIVE FINANCING LLC

STATEMENTS OF CHANGES IN MEMBERS' INVESTMENT
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	INVESTOR MEMBER	MANAGER MEMBER	TOTAL
MEMBERS' INVESTMENT, December 31, 2009	$ 3,448,423	$ -	$ 3,448,423
Net loss	(944,090)	-	(944,090)
MEMBERS' INVESTMENT, December 31, 2010	2,504,333	-	2,504,333
Net loss	(771,217)	-	(771,217)
MEMBERS' INVESTMENT, December 31, 2011	$ 1,733,116	$ -	$ 1,733,116

The accompanying notes are an integral part of these statements.

SUN INITIATIVE FINANCING LLC

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (771,217)	$ (944,090)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Due from affiliate	(50,000)	-
Accounts payable	33,930	54,087
Accrued interest	31,534	130,625
Due to affiliates	1,178,263	828,886
Net cash provided by operating activities	422,510	69,508
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption (purchase) of certificate of deposit and interest earned	2,010,111	(3,010,737)
Purchase of loans receivable, net, from Aura Mortgage	(5,379,994)	(4,731,701)
Deposits to cash and cash equivalents - loan loss reserves	(248,026)	-
Proceeds from sale of property held for sale	205,383	-
Improvements and closing costs funded within loans receivable	(404,869)	(137,066)
Principal payments of loans receivable	313,523	47,485
Acquisition of interests in real property:		
Purchase of properties held for sale, net	(1,466,291)	(2,726,486)
Purchase of rental properties	-	(710,378)
Renovation of rental properties	(4,815)	(41,148)
Renovation of properties held for sale	(7,000)	(9,830)
Net cash used in investing activities	(4,981,978)	(11,319,861)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from loans payable	4,500,000	12,035,000
Proceeds from loan payable from Loan Fund	-	2,582,394
Payments on loan payable from Loan Fund	-	(2,582,394)
Net cash provided by financing activities	4,500,000	12,035,000
NET (DECREASE) INCREASE IN CASH	(59,468)	784,647
CASH, beginning of year	784,647	-
CASH, end of year	$ 725,179	$ 784,647
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 590,378	$ 227,238
Cost basis of property held for sale converted to loans receivable	$ 940,010	$ -
Cost basis of property held for sale converted to rental property	$ 347,432	$ -

The accompanying notes are an integral part of these statements.

(1) OPERATIONS AND TAX STATUS

OPERATIONS

SUN Initiative Financing LLC (the LLC), a Massachusetts limited liability company, was organized in November, 2009, to finance the operations of the Stabilizing Urban Neighborhoods Initiative (SUN Initiative), a program operated and managed by NSP Residential, LLC (NSP) (see Note 3), who is the Manager Member of the LLC. The goal of SUN Initiative is to stop the displacement of families and the neighborhood destabilizing effects of home vacancies and abandonment by enabling homeowners with overleveraged properties to stay in their homes. In 2009, the LLC received a capital contribution from an outside investor, PH Investments, LLC (the Investor Member), for \$3,500,000 to be used as first loss capital related to the LLC's loans receivable (see Notes 2 and 4). In 2011 and 2010, the LLC also raised additional capital in the form of loans payable from investors (see Note 5).

The LLC is a financing mechanism for raising and disbursing funds for the purchase and financing of properties in foreclosure in Revere, Boston and other areas in Massachusetts. The LLC works with two related entities, NSP and Aura Mortgage Advisors, LLC (Aura Mortgage) (see Note 3) to carry out these goals. The LLC purchases loans made by Aura Mortgage to low-income borrowers who are purchasing or refinancing a residence in risk of foreclosure (see Note 4). Most of these residences were purchased by borrowers from NSP (see Note 3). In addition, the LLC maintains an interest in real properties held by NSP which are in low-income communities and were foreclosed or are in risk of foreclosure. NSP then renovates these properties and holds them as rental properties or as properties held for sale under rent to buy arrangements (see Note 2).

TAX STATUS

The LLC has elected to be treated as a partnership for income tax purposes. Items of income, loss, credits, or deductions arising from operations are reported by the members on their respective income tax returns (see Notes 2 and 6).

(2) SIGNIFICANT ACCOUNTING POLICIES

The LLC prepares its financial statements in accordance with generally accepted accounting standards and principles established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these footnotes are to the FASB Accounting Standards Codification.

Principals of Consolidation

The LLC is an integral part of SUN Initiative (see Note 1), which is deemed to be a business within the meaning of U.S. GAAP standards pertaining to the consolidation of variable interest entities. Therefore, the LLC is not required to be assessed as a potential variable interest entity. Instead, the LLC has implemented the accounting guidance regarding *Accounting for an Investment in a Limited Partnership when the Investor is the Sole General Partner and the Limited Partners have Certain Rights*, with respect to NSP's interest in the LLC (see Note 3). This guidance provides that a sole managing member of a LLC is presumed to control the LLC and should consolidate the LLC's financial statements with its own unless the other members of the LLC maintain kick-out rights or substantive participating rights with respect to the operation of the LLC which overcome the presumption of control by the managing member. The Investor Member of the LLC does not maintain such rights and, therefore, the financial statements of the LLC have been consolidated with those of NSP, its parent, and related companies (see Note 3). The accompanying financial statements reflect the stand alone financial position, results of operations and cash flows of the LLC.

(2) SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash - Concentration of Risk

Cash and certificates of deposit are maintained in one Massachusetts bank and are insured within limits of the Federal Deposit Insurance Corporation. At times, these balances may exceed the insured limits. Management monitors, on a regular basis, the financial condition of the financial institution, along with the LLC's balances, to minimize potential risk.

Cash and Cash Equivalents - Loan Loss Reserves

Cash and cash equivalents held for loan loss reserves consists of the cash received from the Investor Member and funds received by Aura Mortgage and transferred to the LLC in connection with purchased loans receivable (see Note 3). This cash is being used to offset possible losses on the LLC's loans receivable.

A portion of cash held for loan loss reserves consists of a certificate of deposit (CD) which matures in May, 2012. The interest rate earned on this CD is approximately .15%. This CD was purchased with the initial capital contribution made by the Investor Member to support the LLC's first loan loss reserves (see Note 1).

Certificate of Deposit

Certificate of deposit consists of a term deposit with an initial term of six months which matures in May, 2012. It is management's intent to renew the CD upon maturity. The interest rate earned on this CD is approximately .10%.

Revenue Recognition

Interest on loans is recorded as earned on the accrual basis of accounting and represents the interest portion of the borrower's mortgage payment. Net rental income represents the net income from the LLC's interests in real property (see page 8), net of related depreciation. Grant and all other income are recorded as it is committed or earned.

Expense Allocation

The affiliated companies (see Note 3) share various common expenses, including management salaries, benefits, and facility expenses. The accompanying financial statements include the share of these expenses allocable to the LLC.

Marketing Costs

The LLC expenses marketing costs as they are incurred. Marketing expense was $215,440 $34,695 for the years ended December 31, 2011 and 2010, respectively.

Allowance for Loan Losses

The allowance for loan losses is an amount that management believes will be adequate to absorb expected losses on existing loans receivable that may become uncollectible (see Note 4).

(2) SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value Measurements

The LLC follows the *Fair Value Measurements and Disclosures* standards. These standards define fair value, establish a framework for measuring fair value under U.S. GAAP, and mandate disclosures about fair value measurements. This policy establishes a fair value hierarchy that prioritizes the inputs and assumptions used to measure fair value. A qualifying asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

Interests in Real Property

Purchased rental properties as funded by the LLC are recorded at cost. The cost of the six rental properties purchased by NSP and funded by the LLC is $579,898, including $41,148 of renovation costs as of December 31, 2010. Two properties held for sale totaling $347,432 as of December 31, 2010, were transferred to rental properties during 2011. The LLC also funded renovations of $4,815 to existing rental properties during 2011.

Properties held for sale as funded by the LLC are also recorded at cost. These properties are being rented to low-income homeowners under rent to buy arrangements. The cost of the eight properties purchased by NSP, funded by the LLC, and held for resale was $1,469,881 at December 31, 2010. During 2011, the LLC purchased fifteen additional properties with a cost of $2,115,174. Six of the eight properties purchased during 2010, with a cost basis of $940,010, were sold back to their owners by issuing loans to the original owners totaling $872,350 during 2011. During 2011, one rental property was sold, with a cost basis of $189,439, and recognized a realized gain on the sale of $25,416 which is included in net rental and other income from interests in real property for the year ended December 31, 2011. The remaining properties held for sale at December 31, 2011, are expected to be sold in 2012.

Uncertainty in Income Taxes

No income tax provision has been included in the accompanying financial statements as the income, loss and credits of the LLC are reported by the members on their respective income tax returns. The LLC follows the *Accounting for Uncertainty in Income Taxes* standard, which requires the LLC to report uncertain tax positions, related interest and penalties, and to adjust its unrecognized tax benefits and accrued interest and penalties accordingly. As of December 31, 2011, the LLC determined that there are no material unrecognized tax benefits to report. The LLC does not expect that the amounts of unrecognized tax benefits will change significantly within the next twelve months.

The LLC is subject to potential audit by tax authorities. The LLC believes that it has appropriate support for the positions taken on their returns. The LLC files tax returns in the United States Federal and Massachusetts state jurisdictions, which are generally subject to review for three years.

(2) SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Subsequent events have been evaluated through March 26, 2012, which is the date the financial statements were available to be issued. There were no events that met the criteria for recognition or disclosure in the financial statements.

(3) RELATED PARTY TRANSACTIONS

The LLC, because of its relationship with NSP, is related to four Massachusetts nonprofit corporations and other for-profit companies through common Board of Director membership and management. The affiliated companies report their collective financial results and financial position, along with certain other controlled entities, including the LLC, NSP, and Aura Mortgage, in separately issued consolidating financial statements. The LLC entered into certain transactions with the following affiliates:

Boston Community Capital, Inc. (a Massachusetts non-profit corporation) (the Holding Company) was formed to create and preserve healthy communities where low-income people live and work. The Holding Company is the only member of NSP.

Boston Community Loan Fund, Inc. (a Massachusetts nonprofit corporation) (the Loan Fund) was formed to provide below market rate capital to community-based organizations for the development of affordable housing.

BCLF Managed Assets Corporation (a Massachusetts nonprofit corporation) d/b/a Boston Community Managed Assets (Managed Assets) was formed to manage, design, implement, and evaluate programs on behalf of third parties that provide loan underwriting, management, servicing, and financial and managerial technical assistance services.

BCLF Ventures, Inc. (a Massachusetts nonprofit corporation) d/b/a Boston Community Venture Fund (the Venture Fund) was formed to assist small community-based businesses and entrepreneurs to start, grow and expand businesses which strengthen the low-income business community. The Venture Fund is the sole member of Aura Mortgage (see page 10).

Aura Mortgage Advisors, LLC (a Massachusetts limited liability company) is a mortgage broker and lender for low-income people and communities and is a controlled affiliate of the Venture Fund (see above).

Loans Payable to Loan Fund

The LLC has a note payable arrangement with the Loan Fund (see Note 5). Under this arrangement, the LLC drew down and repaid $2,582,394 of principal and paid $9,146 of interest to the Loan Fund in 2010. The LLC did not draw down any funds related to this agreement in 2011.

(3) **RELATED PARTY TRANSACTIONS** (Continued)

Loans Receivable Purchased from Aura Mortgage

During 2011 and 2010, the LLC purchased, at net book value, thirty-three and thirty-seven of the mortgage loans issued by Aura Mortgage (see Note 4) for $5,784,863 and $6,048,516, respectively, which is net of loan loss reserves of $1,454,395 and $1,351,140, respectively (see Notes 2 and 4).

Thirty-three of the forty-three properties financed by Aura Mortgage in 2011 and subsequently sold to the LLC, were purchased by borrowers from NSP. Thirty-four of the thirty-seven properties financed by Aura Mortgage in 2010, and subsequently sold to the LLC, were purchased by the borrowers from NSP. Aura Mortgage finances the borrowers' purchases of the properties from NSP in non-cash transactions, which results in an intercompany obligation from Aura Mortgage to NSP. Aura Mortgage reimburses NSP for this obligation from the proceeds of loans receivable sold to the LLC. Because of the inherent risk in the mortgage loans issued, for accounting purposes, Aura Mortgage generally discounts the principal value of the mortgages by as much as 20% (see Notes 2 and 4). The LLC purchases all loans at net book value effectively acquiring the loan loss allowances established by Aura Mortgage.

Aura Mortgage continues to service the loans purchased by the LLC. During 2011 and 2010, the LLC reimbursed Aura Mortgage for $599,611 and $400,332, respectively, of net loan origination and servicing costs incurred by Aura Mortgage on loans receivable sold to the LLC. This is reflected as reimbursement of loan origination and servicing costs to affiliate in the accompanying statements of operations for the years ended December 31, 2011 and 2010.

In 2010, Aura Mortgage was awarded a $1.5 million contract award from the Commonwealth of Massachusetts to fund a first loss fund and loan loss reserves and a portion of Aura Mortgage's administrative costs. These funds are drawn by Aura Mortgage on a claim basis based upon a report of loans issued. Aura Mortgage received $356,030 and $331,309 in 2011 and 2010, respectively; of which $248,026 and $306,461, respectively, related to loss reserves for loans receivable that were subsequently sold to the LLC. The cash amount is transferred to the LLC at the time of loan sale and the cumulative amount is included as part of cash held for loan loss reserves in the accompanying balance sheets as of December 31, 2011 and 2010. This reserve must be used for new mortgages if the mortgages related to the receipt of these funds have been paid in full.

Interests in Real Property held by NSP

During 2010, the LLC provided funding for twenty-two of the housing units held by NSP for $3,487,842. Six of these units are being held as rental properties, and eight are being held as properties held for sale as of December 31, 2010 (see Note 2). The remaining properties were sold by NSP to low-income borrowers through Aura Mortgage originating loans receivable with these borrowers in 2010 (see above and Note 4). During 2011, the LLC sold six of the properties held for sale as of December 31, 2010, through Aura Mortgage originating loans receivable with these borrowers in 2011. The LLC also purchased an additional fifteen properties held by NSP for $2,455,606.

NSP manages the rental and held for sale properties and transfers the net rental income to the LLC (see Note 2). Net rental and other income from interests in real property totaled $108,704 and $45,401 in 2011 and 2010, respectively.

(3) RELATED PARTY TRANSACTIONS (Continued)

Due to Affiliates

The LLC is responsible for reimbursing the cost of its personnel, an allocated share of overhead, and other operating costs which were paid by Aura Mortgage and NSP (see Note 2). A reconciliation of due to affiliate activity for 2011 and 2010 is as follows:

	NSP	Aura Mortgage	Total
Balance at December 31, 2009	$ 51,577	$ -	$ 51,577
Allocation of operating costs	356,400	472,486	828,886
Balance at December 31, 2010	407,977	472,486	880,463
Allocation of operating costs	833,331	344,932	1,178,263
Balance at December 31, 2011	$1,241,308	$817,418	$ 2,058,726

Due from Affiliate

Due from Affiliate consists of $50,000 from the Holding Company (see Note 2) to support SUN Initiative, which has not been transferred to the LLC as of December 31, 2011.

(4) LOANS AND INTEREST RECEIVABLE AND LOAN LOSS RESERVES

Loans receivable consists of seventy individual loans bearing interest at rates ranging from 5.625% to 6.5% and maturing at various dates through 2041. Substantially all loans receivable are secured by first mortgages on residential property. Monthly payments of principal and interest are due in amounts between $180 and $2,004.

Principal maturities of the loans receivable as of December 31, 2011, are as follows:

Year	
2012	$ 205,822
2013	197,659
2014	210,251
2015	223,648
2016	237,894
Thereafter	13,202,632
	14,277,906
Less - allowance for loan losses (see Notes 2 and 3)	2,805,535
	$11,472,371

The LLC's loans receivable are secured by residential real estate holdings in Massachusetts and could be affected by adverse real estate markets in the state.

(4) LOANS AND INTEREST RECEIVABLE AND LOAN LOSS RESERVES (Continued)

The loan loss reserve allowance consists of the following at December 31, 2011:

December 31, 2009	$ -
Loan loss reserve transferred from Aura Mortgage from sale of loans	1,351,140
December 31, 2010	1,351,140
Loan loss reserve transferred from Aura Mortgage from sale of loans	1,454,395
December 31, 2011	$2,805,535

The allowance for loan losses is management's estimate of expected loan losses on loans receivable. It is management's policy to record a significant allowance against the initial principal balance of these loans receivable due to the inherent risk of these loans. The percentage used to calculate the loan loss reserve varies depending on certain characteristics of the loan. The allowance for loan loss for each loan is determined when the loan is originated by Aura Mortgage (see Note 3). The loan loss allowance is generally transferred from Aura Mortgage when loans are sold to the LLC. The LLC has not adjusted the allowance for any loans since the time of their acquisition and no principal write downs have reduced the allowance.

(5) NOTE PURCHASE AGREEMENT AND LOANS PAYABLE

The LLC entered into a Note Purchase Agreement with the Loan Fund (see Note 3) as the original purchaser and with additional purchasers. Under this agreement, the LLC is able to sell notes representing the purchasers' commitments to make advances to the LLC from time-to-time in the aggregate principal amount of $50,000,000.

The LLC also entered into an initial unsecured note with the Loan Fund, as original purchaser, under the Note Purchase Agreement. Under this note, the Loan Fund made a commitment to make advances to the LLC from time-to-time in the aggregate principal amount of $10,000,000. During 2010, the LLC drew, and repaid, $2,582,394 of advances under this agreement (see Note 3). The LLC did not draw down any funds during 2011.

During 2010, the LLC entered into additional unsecured note payable agreements with thirty-seven additional purchasers, including both individuals and organizations, under the Note Purchase Agreement. During 2011, the LLC entered into twenty-six additional note payable agreements. Each note payable represents a commitment to make advances to the LLC from time-to-time in various aggregate principal amounts. The total amount advanced to the LLC under these notes payable as of December 31, 2011 and 2010, is $16,535,000 and $12,035,000, respectively, which is reflected as loans payable on the accompanying balance sheets. The principal amounts of the notes with the additional purchasers range from $15,000 to $5,000,000.

(5) NOTE PURCHASE AGREEMENT AND LOANS PAYABLE (Continued)

All notes payable under the Note Purchase Agreement bear interest ranging from 3.0% to 4.25%, payable quarterly in arrears, and mature in May, 2015. The LLC is able to prepay any of the notes payable without penalty. The Note Purchase Agreement requires LLC to maintain certain covenants as specified in the agreement. As of December 31, 2011 and 2010, the LLC was in compliance with these covenants.

(6) PARTNERSHIP PROFITS AND LOSSES ALLOCATIONS AND DISTRIBUTIONS

Partnership Profits and Losses Allocations

Net profits shall be allocated among the Members in accordance with the following order and priority:

1) To the Members until they have been allocated net profits in amounts equal to the net losses allocated to each member.

2) 50% to the Manager Member and 50% to the Investor Member.

Net losses shall be allocated among the Members in accordance with the following order and priority:

1) To the Investor Member until its positive capital account balance is reduced to zero.

2) To the Manager Member until its positive capital account balance is reduced to zero.

3) 100% to the Investor Member.

Distributions

Net cash flow, as defined by the LLC agreement, is distributable at the Managing Member's discretion in accordance with the following order and priority:

1) 100% to the Manager Member until its capital contributions have been repaid in full.

2) 100% to the Investor Member until its capital contributions have been repaid in full.

3) 50% to the Manager Member and 50% to the Investor Member.

(7) COMMITMENT

In February, 2011, a foundation made a loan commitment up to $5,000,000 to support SUN Initiative (see Note 3). As of December 31, 2011, $1,000,000 has been received by SUN Financing and is included in loans payable in the accompanying balance sheet as of December 31, 2011. Subsequent to December 31, 2011, SUN Financing received an additional $2,000,000 related to this commitment. The remaining $2,000,000 is expected to be collected in the spring of 2012.

(8) RECLASSIFICATION

Certain amounts in the 2010 financial statements have been reclassified to conform to the 2011 presentation.