

**Carson City  
Agenda Report**

**Date Submitted:** December 29, 2009

**Agenda Date Requested:** January 7, 2010

**Time Requested:** 10 Minutes

**To:** Mayor and Supervisors

**From:** Pete Livermore, Supervisor

**Subject Title:** Discussion and possible action to adopt a resolution consenting to the payment of a \$40,000.00 incentive to Paradise Cove Café to assist in paying for the costs of the new restaurant and retail project at Carson Mall, and authorizing the expenditure of \$40,000.00 from the Revolving Fund for the Redevelopment Authority for the purpose of paying this incentive with the Board of Supervisors determining that this project meets the incentive program criteria and the necessary findings set forth in NRS 279.486.

**Pursuant to NRS 279.628, this resolution must be adopted by a two-thirds vote of the Board of Supervisors.**

**Staff Summary:** On October 5, 2009, the Redevelopment Authority Citizens Committee (RACC) recommended approval of incentive funding for the complete remodeling of the building located at Carson Mall. This project benefits the redevelopment area as it relates to the incentive program's criteria: aesthetics, curing of blight, job creation, business retention, addition of tax revenues and enhancement of the community's vision. The Redevelopment Authority recommended approval by the Board of Supervisors on October 15, 2009 but the authorizing resolution was not adopted.

**Type of Action Requested:** (check one)

(XXX) Resolution

( ) Ordinance

( ) Formal Action/Motion

( ) Other (Specify)

**Does this action require a Business Impact Statement:** ( ) Yes (X) No

**Recommended Board Action:** I move to adopt a resolution consenting to the payment of a \$40,000.00 incentive to Paradise Cove Café to assist in paying for the costs of the new restaurant and retail project at Carson Mall, and authorizing the expenditure of \$40,000.00 from the Revolving Fund for the Redevelopment Authority for the purpose of paying this incentive with the Board of Supervisors determining that this project meets the incentive program criteria and the necessary findings set forth in NRS 279.486.

**Explanation for Recommended Board Action:** See staff summary.

**Applicable Statute, Code, Policy, Rule or Regulation:** NRS 279.486 and 279.628

**Fiscal Impact:** \$40,000.00


**Explanation of Impact:** N/A

**Funding Source:** Revolving Fund

**Alternatives:** Do not adopt the resolution.

**Supporting Material:** Resolution and backup materials from the October 15, 2009 Board of Supervisors meeting.

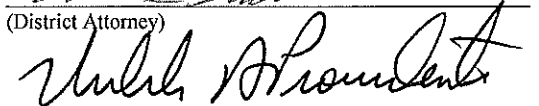
**Prepared By:** Janet Busse, Office Supervisor

**Reviewed By:**   
(City Manager)

Date: 12/28/09

  
(District Attorney)

Date: 12-29-09

  
(Finance Director)

Date: 12-29-09

**Board Action Taken:**

Motion: \_\_\_\_\_

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION CONSENTING TO THE PAYMENT TO PARADISE COVE CAFE OF A REDEVELOPMENT INCENTIVE FOR THE COSTS OF NEW RESTAURANT AND RETAIL, FACILITY, STRUCTURE OR OTHER IMPROVEMENT, AUTHORIZING THE EXPENDITURE OF MONEY FROM THE REVOLVING FUND FOR THE REDEVELOPMENT AGENCY FOR THE PAYMENT OF THE INCENTIVE AND OTHER MATTERS PROPERLY RELATED THERETO.**

**WHEREAS**, pursuant to NRS 279.486, the Carson City Board of Supervisors must consent to the payment of a redevelopment incentive for the costs of the project, facility, structure or other improvement; and

**WHEREAS**, the Carson City Redevelopment Authority has recommended to the Carson City Board of Supervisors the granting of consent to the payment of a redevelopment incentive to Paradise Cove Cafe in the amount of \$40,000 for the construction for the new restaurant and retail space at the building located at Carson Mall; and

**WHEREAS**, pursuant to NRS 279.628, the Carson City Board of Supervisors must approve by resolution, adopted by a two-thirds vote, the expenditure of money from the Revolving Fund for the Redevelopment Agency for any expenses necessary to the carrying out of the redevelopment plan adopted by the Carson City Board of Supervisors.

**NOW, THEREFORE, BE IT RESOLVED** that the Carson City Board of Supervisors hereby gives consent, as required pursuant to NRS 279.486, to the payment of a redevelopment incentive to Paradise Cove Cafe in the amount of \$40,000 for the new restaurant and retail space located at Carson Mall based upon the determination of the Carson City Board of Supervisors that the space is a benefit to the redevelopment area or the immediate neighborhood in which the redevelopment area is located and that no other reasonable means of financing this building is available; and

**BE IT FURTHER RESOLVED** that the Carson City Board of Supervisors hereby authorizes, pursuant to NRS 279.628, the expenditure of \$40,000 from the Revolving Fund for the Redevelopment Agency for the payment of the redevelopment incentive to Paradise Cove Cafe.

Upon motion by Supervisor \_\_\_\_\_,  
seconded by Supervisor \_\_\_\_\_, the foregoing  
Resolution was passed and adopted this \_\_\_\_ day of  
\_\_\_\_\_, 2010 by the following vote:

AYES: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
Robert L. Crowell, Mayor  
Carson City, Nevada

ATTEST:

\_\_\_\_\_  
Alan Glover, Clerk  
Carson City, Nevada

Item # 12-1A

**City of Carson City  
Agenda Report**

**Date Submitted:** October 6, 2009

**Agenda Date Requested:** October 15, 2009

**To:** Redevelopment Authority

**Time Requested:** [REDACTED]  
consent

**From:** Office of Business Development

**Subject Title:** Action to approve and recommend to the Board of Supervisors their consent to a \$40,000.00 incentive request by Paradise Cove Cafe to redevelop the property at Carson Mall with the Redevelopment Authority finding that this project meets the incentive program criteria and the necessary findings set forth in NRS 279.486, specifically that the project benefits the current redevelopment plan area, that the project has no other reasonable means of financing available, that the incentive will be paid on a reimbursement basis for money expended by the applicant on the project, that other financing is available to pay for the remaining costs of the project and that the incentive is subject to the applicant fulfilling City requirements.

**Staff Summary:** On October 5, 2009, the Redevelopment Authority Citizens Committee (RACC) recommended approval of incentive funding for the complete remodeling of the building located at Carson Mall. This project's benefit to the redevelopment area as it relates to the incentive program's criteria: aesthetics, curing of blight, job creation, business retention, addition of tax revenues and enhancement of the community's vision.

**Type of Action Requested:** (check one)  
 Resolution                       Ordinance  
 Formal Action/Motion         Other (Specify)

**Does This Action Require A Business Impact Statement:**         Yes  No

**Recommended Board Action:** I move to approve and recommend to the Board of Supervisors their consent to a \$40,000.00 incentive request by Paradise Cove Cafe to redevelop the property at Carson Mall with the Redevelopment Authority finding that this project meets the incentive program criteria and the necessary findings set forth in NRS 279.486, specifically that the project benefits the current redevelopment plan area, that the project has no other reasonable means of financing available, that the incentive will be paid on a reimbursement basis for money expended by the applicant on the project, that other financing is available to pay for the remaining costs of the project and that the incentive is subject to the applicant fulfilling City requirements.

**Explanation for Recommended Board Action:** The incentive funding will give the business owner the necessary financial support to complete proposed improvements this project and achieve a reasonable rate of return on its investment in a blighted property. The applicant has been apprised of the requirements detailed in redevelopment's rules and regulations and agrees to comply with every one of these requirements.

**Applicable Statue, Code, Policy, Rule or Regulation:** NRS 279.486 and 279.628.

**Fiscal Impact:** \$40,000.00 of tax increment funds available in the RDA's unspent bond proceeds set-aside.

**Explanation of Impact:** The fiscal impact will not change.

**Funding Source:** Unspent bond proceeds associated with Redevelopment Project Area No. 1

**Alternatives:** Provide other direction

**Supporting Material:** Application and supporting material provided by the applicant

**Prepared By:** Eva Chwalisz, Management Assistant

**Reviewed By:** *[Signature]* Date: 10-6-09  
(Department Head)  
*[Signature]* Date: 10-6-09  
(City Manager)  
*[Signature]* Date: 10-6-09  
(District Attorney)  
*[Signature]* Date: 10/6/09  
(Finance Director)

**Board Action Taken:**

Motion: \_\_\_\_\_ 1) \_\_\_\_\_ Aye/Nay  
2) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)



Vertical text on the left edge of the page, possibly a page number or reference code.

**Mom & Pop's Diner  
224 South Carson Street  
Carson City , Nevada 89701  
775 - 884 - 4411**

**Carson City Redevelopment Committee**

Doug and Jamesa Cramer established Mom and Pop's Diner in Carson City in January, 2000. Previously, Doug had owned Pop's BBQ in the same location on Third Street. With a new menu and Jamesa's artistic talents, the location was transformed into a beautiful setting for good food and friendly service.

That first year of their new business, the annual Farmer's Market was moved away from Carson and Third Street and Doug and Jamesa noticed the decline in foot traffic. After talking with many customers and local residents, they hit on the idea to establish a family friendly Music Festival which they named Fridays at Third. This quickly became the place to be and helped make the downtown redevelopment area a destination for locals and tourists alike.

Business grew and Doug and Jamesa became active in the Community, catering many events and donating to many great causes. Mom and Pop's is still providing meals daily for the Carson High School nutritional program and can always be counted on for donations and gift certificates for churches and many non-profit organizations. Doug and Jamesa have a solid track record with their business and compassion for downtown Carson City.

After being approached in 2008 to open a new restaurant on Stewart Street on the outside of the Carson Mall, Doug and Jamesa knew they needed a concept that was fresh and exciting, especially in these economic times. Having spent many vacations traveling to tropical islands, the concept and name came easy and Paradise Cove Cafe was born.

Menus and operating hours were going to be critical to the success of this new restaurant and suggestions and input was solicited from current customers and local business leaders. The concept of being on vacation in a tropical resort and strolling in for a casual lunch or exciting dinner seemed to generate the best response from all.

Paradise Cove Cafe will open daily from 11:00 AM to 9:00 PM and will offer a full lunch and dinner menu with a casual and comfortable decor. Guests will enjoy their meals beside a grass hut on the beach with a forty five foot beach scene mural. There will be many special theme events and music at the Carson Mall to add to this excitement.

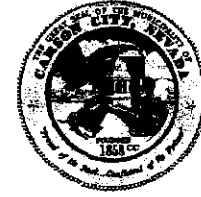
Another component of this tropical feel is the addition of a theme gift shop to match Paradise Cove Cafe, adding much needed retail and shopping to the Carson Mall. The combined project will generate new jobs and added tax revenue in Carson City's Redevelopment District.

Thank you for your consideration in helping to bring this vision for Carson City to reality.

Doug and Jamesa Cramer



**Consolidated Municipality of Carson City  
Office of Business Development**



Incentive Program Application

Name of Business: Paradise Cove Café		Date: 9-1-09
Business Address 1200 South Stewart Street		
Name of Tenant: Doug and Jamesa Cramer		Phone Number 775 - 841-1199 or 775-884-4411
Address of Tenant: 971 Haystack Court Carson City, Nevada 89705		Fax:
		E-mail: dougcramer@charter.net
Name of Property Owner The Carrington Company		Phone Number 707-445-9601
Address of Property Owner: P.O. Box 1328 Eureka, California 95502		Fax: 707-445-8385
		E-mail: JoanneH@Thecarringtoncompany.com
History of Development Entity: Owner of Mom and Pop's Diner were given the opportunity with financial help for us to start a new venture. We wanted to bring a new restaurant with a tropical theme, with a gift shop attached.		How Development vision complies with objectives of redevelopment agency plan: Opening a restaurant in downtown redevelopment provides food and beverages tax.
Project Name: Paradise Cove Cafe		Project Area: (check one)  <ul style="list-style-type: none"> <li>* Area #1 <input checked="" type="checkbox"/></li> <li>• Area #2 <input type="checkbox"/></li> </ul>
Project Address / Location 1200 Stewart Street	Assessors Parcel Number: 004-011-01	
Bldg Size: 3,000 Square Feet	Land Area: 11.2	

**Project Description:**

Paradise Cove Café is a tropical theme restaurant with an attached gift shop connecting to the inside of the mall. It will have seating for eighty guests. Our environment will give the feeling that enjoying your meal on a patio next to the ocean in front of a beach shack. Our gift shop will carry unique tropical gifts and apparel. We will be serving lunch and dinner.

Total Tenant / Property Owner Investments	Land Acquisition:	\$	
	Site Development Costs:	\$	
	Public Improvements:	\$	
	Building Costs (Hard):	\$	
	Soft Costs (Professional / legal, etc.)	\$	
	Other:	\$	
	Other:		
<b>Total</b>		\$	
Total Tenant Investment	Site Development Costs:	\$ 435,000	% 80
	Public Improvements:	\$	%
	Building Costs (Hard):	\$ 114,000	% 20
Total Investment	Soft Costs (Professional / legal, etc.)	\$	%
	Other:	\$	%
<b>Total</b>		\$	%
Total Property Owner Investment	Land Acquisition:	\$	%
	Site Development Costs:	\$	%
	Public Improvements:	\$	%
	Building Costs (Hard):	\$ 181,000.	% 72
	Soft Costs (Professional / legal, etc.)	\$ 19,000	% 05
	Other: Equipment	\$ 50,000	% 18
	Other: Start-up Cost	\$ 20,000	% 05
	<b>Total</b>		\$ 290,000
Total Estimated Project Cost		\$ 404,000	
Total Incentive Funds Requested		\$ 40,000	
Incentive as a % of total project		% 20	
Demonstration why Redevelopment Agency funds are required for the development and evidence provided that no other reasonable means of financing is available.			
Estimated Project Start Date		10-08-09	
Estimated Project Completion Date		1-08-10	

Do you have a Business Plan?	<input checked="" type="checkbox"/> Yes	No	
Number of years business has existed under current organization:	10 years		

Does the applicant own an existing business?	<input checked="" type="checkbox"/> Yes	No	
If yes, what is the name of the business? Mom & Pop's Diner			
Number of years business has existed: 10 years			
Number of years business has existed under the ownership of applicant? 10 years			
Please attach the most recent financial reports for this business along with a credit report.			Schematic drawings of conceptual site plan.
<ul style="list-style-type: none"> <li>• Organizational structure of development entity, including delineation of lines of responsibility.</li> </ul>	<ul style="list-style-type: none"> <li>• Proof of development entity ownership control, or a description of how entity intends to gain ownership control.</li> </ul>	<ul style="list-style-type: none"> <li>• Breakdown of the sources and use of funds for the construction of the project.</li> <li>• Pro-forma profit and loss statement for the project covering at least 5 years.</li> </ul>	
Project Team: *Attach resumes for all	*Architect / *Designer	Rob Lauder	
	*Contractor	MBI Constuction	
	*Attorney	John Gavin	
	*Accountant	Georgette C. Valenti, CPA	
	*Project Manager	Doug Cramer	
	*Construction Manager		
	*Development Consultant	Roberta Cramer	
Economic Impact Information Jobs & Sales Tax	Anticipated Annual Payroll	\$ 203,000	
	Description of how applicant will adhere to employment plan, if applicable.		

	Anticipated Annual Sales Tax Collections	\$ 51,000	
	Anticipated Increase in Property Value	\$	
Total Tenant Investment	Site Development Costs:	\$	%
	Public Improvements:	\$	%
	Building Costs (Hard):	\$181,000	%72
	Soft Costs (Professional / legal, etc.)	\$ 19,000	%05
	Other: equipment	\$ 50,000	%18
	Other: start up costs	\$20,000	%05
	<b>Total</b>	\$290,000	% 100
Total Property Owner Investment	Land Acquisition:	\$	%
	Site Development Costs:	\$435,000	%80
	Public Improvements:	\$	%
	Building Costs (Hard):	\$114,000	% 20
	Soft Costs (Professional / legal, etc.)	\$	%
	Other	\$	%
	Other:	\$	%
<b>Total</b>	\$559,000	% 100	
Submittal Checklist	Please submit where applicable:		
	Architects / Designer Proposal		
	Architects / Designer Renderings or Drawings		
	Project Budget Detail		
	Site Plan		
	Lease Agreement		
	Building / Project Elevations		
	Principals and Key Individuals Resumes (see above)		
	Current financial statements, including a balance sheet and profit and loss statement with explanations regarding the valuation of assets and recognition of the revenue and expenses. Corresponding tax returns should also accompany the financial statements.		
	Identification of current banking relationships and major credit references.		
	Name, address and phone number of companies that have issued performance bonds on previous developments.		
<ul style="list-style-type: none"> <li>Your project must conform to all applicable codes, ordinances, and regulations as well as the common design principles established by Downtown Design Standards.</li> </ul>			

- Construction documents describing your complete project must be submitted to the appropriate departments and agencies of the City for review and permitting prior to beginning work. In some cases, an architect and/or engineer must prepare these documents. All applicable permits must be obtained and all accompanying inspections must be successfully completed.
- Shop drawings must also be submitted for review for all awnings, ornamental ironwork, and signs prior to beginning work.

**Acknowledgement of Application Provisions:**

I affirm that this project will not be initiated without written commitments and completed contract with the Consolidated Municipality of Carson City.

I affirm that this project conforms to all applicable codes, ordinances and regulations, as well as the common design principles for Downtown Carson City.

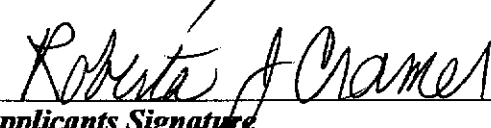
All applicable permits will be obtained for this project and all accompanying inspections will be successfully completed to receive reimbursement.

I affirm that I am in good standing with the Consolidated Municipality of Carson City with respect to taxes, fees, loans or other financial obligations to the City.

If this project is selected for an incentive from the Consolidated Municipality of Carson City, I acknowledge that photographs of my property may be used in promotional materials for Downtown Carson City.

*I declare, under penalty of perjury, that I have not, in the filing of this application; willfully made any false statements nor have I made any unqualified statements that I know not to be true.*

  
 \_\_\_\_\_  
 Applicants Signature

  
 \_\_\_\_\_  
 Applicants Signature

\_\_\_\_\_  
 Applicants Signature

Date

Day 22  
 Month 9  
 Year 09

Day 22  
 Month 9  
 Year 09

Day \_\_\_\_\_  
 Month \_\_\_\_\_  
 Year \_\_\_\_\_

**\*Note:** ALL project related invoices must be submitted for review at conclusion of the project prior to reimbursement. In addition, approved copies of required City building, sign and other permits must be submitted as a condition of reimbursement and in order for any and all liens to be released.

(For Internal Use Only)	<b>Date</b>
Application Approved:	
Project Commenced:	

<b>Project Commenced:</b>	
<b>Project Completed:</b>	
<b>Reimbursement Request submitted to Finance Department</b>	
<b>Reimbursement remitted to Applicant</b>	

Mom & Pop's Diner  
224 South Carson Street  
Carson City Nevada 89701  
775 884-4411

Resume For: Georgette C. Valenti, CPA  
Moved to Carson City 1992  
Started accounting 1992  
Degrees MBA,MPA,CBA,CAM

John Gavin Attorney at Law  
Real Estate Law  
Commercial Law

Robert F. Lauder resume attached.

Tom Medcaf MBI Constuction  
Builder of Carson Mall remodel

Doug and Jamesa Cramer

**ROBERT F. LAUDER**  
*Professional Engineer*

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**EXPERIENCE**

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**2005 to present: RL Engineering, 675 Fairview Drive #223, Carson City, NV 89701 *Owner***  
Provide structural and civil design services for residential, commercial and governmental clients.

**1995 to 2005: Palmer & Lauder Engineers, Inc., 611 N. Nevada St., Carson City, Nevada 89703 *Principal***  
Provide professional civil engineering services including feasibility studies, design, inspection and contract administration. Expertise includes water and sewer systems, water rights, and structural design and analysis.

**10/85 to 11/95: Lumos & Associates, Inc. Carson City, Nevada *Project Engineer***  
Responsible for leading a large number and variety of water, wastewater, structural and miscellaneous civil engineering projects. Highlights include Douglas County, Nevada, North Valley Wastewater Treatment Plant, Gardnerville Ranchos 3 Million Gallon Water Tank, Diamond Valley Wells 1 and 2 and Transmission Line, Carson City Wells 3, 38, 40, 43, 44 and 46. Design abilities include distribution network modeling, well pumping stations, tanks, booster stations, transmission lines, hydro pneumatic systems, septic systems, sewer mains, aerated lagoons, sewage lift stations, effluent lift stations, effluent irrigation systems, site grading plans, structural assessments, bridge assessments, wood and masonry structures, concrete foundations, environmental impact reports, water rights applications and feasibility studies.

**8/79 to 10/85: John Carollo Engineers, Walnut Creek, California *Associate Engineer***  
Resident Engineer for Carson City Comprehensive Water and Wastewater Project (3 simultaneous contracts). Resident Engineer for \$6.7 million expansion of Sanitary District No. 5 Sewage Treatment Plant, Tiburon, California. Design engineer for the Tiburon Plant as well as portions of several others, and for high pressure water, oil, and gas pipelines for Texaco, San Ardo, California.

**3/78 to 8/79: Earl and Wright Structural Engineers, San Francisco, California *Assistant Engineer***  
Computer-aided structural design and analysis of offshore oil structures, ship stability analysis and planned maintenance system development.

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**EDUCATION**

B.S., Forest Engineering 1976  
State University of New York  
College of Environmental Science and Forestry

B.S. Civil Engineering 1977  
Syracuse University, New York

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**AFFILIATIONS**

American Society of Civil Engineers

International Code Council

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**COMMUNITY INVOLVEMENT**

Past Member, Carson City Building Code and  
Fire Code Board of Appeals

Choir, First United Methodist Church

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**LICENSES**

Professional Engineer – Nevada No. 6801 (Civil)  
Professional Engineer – California No. 33226 (Civil)  
Professional Engineer – Texas No. 85058 (Civil - Inactive)  
State Water Rights Surveyor – Nevada No. 789

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**PERSONAL**

Married; 4 daughters; active runner and mountaineer; born Camden, NJ 7/12/1954; Nevada resident since 1984.



**PARADISE COVE CAFE & GIFT SHOP**  
***Opening July 2009***

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## Office of Business Development

201 North Carson Street, Suite 2

Carson City, Nevada 89701

Ms. Deborah Prout, President  
Nevada Microenterprise Initiative  
113 West Plumb, Reno NV 89509

Dear Ms. Prout,

I have know and worked with the Cramers since 1999 when they attended a Redevelopment Authority Citizens Committee meeting to request that they be encouraged to sponsor and manage a family oriented Summer Concert, eventually known as *Concerts at Third*, in downtown Carson City. Our little Farmers Market had recently relocated to the east end of town, to the Pony Express Pavilion. This opportunity to develop a summer concert series provided the Downtown business community with an exciting new way to generate additional foot traffic into our downtown. And now this annual summer long series that the Cramers developed on their own has proven to be a wonderful success, bringing hundreds of potential customers Downtown each week, many of whom return often to support the local business community. This is just one example of the Cramer's business savvy.

As small business owners and operators, the Cramers are a premier example of how certain entrepreneurs realize their dreams well beyond just hard work and talent. They take a bona fide business opportunity, work it, refine it, and carry it all the way to successful execution. Make just one visit to their business establishment and one realizes the restaurant delivers the result of a well-developed business plan.

It is understood that the Cramers continue to be an integral part of our business community. My office is proud to recommend them for securing sufficient funding to start up their new and extremely exciting business venture, Paradise Cove and Gift Shop in the Carson Mall. The Carson Mall, a venerable shopping mall in the heart of central Carson City is now undergoing a substantive refurbishment. This redevelopment project is an integral part of the long-range strategic plans associated with the continued revitalization of our city's core downtown. The Mall represents our southern gateway, and now favorably reflects our successful efforts of our Redevelopment Agency.

The Cramer's new business venture is certain to become a destination place for dining and shopping and further enhance the vibrancy of our robust business community. Our office continues to strive at creating new jobs and new tax revenue to provide services in support of enhancing our Carson City economy. This new business venture dovetails nicely within this strategy; thus, the City is committed to facilitating the Cramer's potential for success. Please do not hesitate to call me at 775-887-2101 with any questions.

Respectfully,

  
Dan McCarthy, Director

## Carson Cove at the Carson Mall

March 20, 2009

To whom it may concern,

The Carson Mall is undergoing major development starting with the construction of the Carson Cove featuring five new dining establishments and retail shops. The Carson Mall was established in 1965 as Carson City's only indoor and outdoor shopping center.

As owner of the Carson Mall, the Carrington Company is investing millions into this project to build additional retail and dining space. By starting with great dining establishments and adding to our retail offerings, the Carson Mall creates a gathering place unlike all others in Carson City. Many community events are held at the Carson Mall which include concerts, fashion shows, wedding expos, car shows, charity fund raisers, along with our annual Christmas Crafters and of course Santa Claus.

I approached Doug and Jamesa Cramer to build a new restaurant in the Carson Cove at the Carson Mall. With over 2,000 state office workers across the street, we knew we needed to have an early morning breakfast and lunch café that offered full service dining. By the reputation Mom & Pop's Diner has, and by my own personal experience, I feel very confident that Doug and Jamesa will succeed with Paradise Cove Café.

As the Property Manager for the Carson Mall and the Carrington Company, I highly recommend this project is funded. The benefits to the community are numerous with the most important aspect being the creation of new jobs.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Ray". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Kevin Ray  
Property Manager  
775-720-9160

1313 South Carson Street Carson City Nevada 89701

**MARK E. AMODEI**  
SENATOR  
Capital Senatorial District



**COMMITTEES:**  
*Member*  
Commerce and Labor  
Judiciary  
Natural Resources

**DISTRICT OFFICE:**  
805 West Sunset Way  
Carson City, Nevada 89703-3751  
Office: (775) 882-6500

**LEGISLATIVE BUILDING:**  
401 S. Carson Street  
Carson City, Nevada 89701-4747  
Office: (775) 684-1470 or  
(775) 684-1401  
Fax No.: (775) 684-6522  
[www.leg.state.nv.us](http://www.leg.state.nv.us)

## State of Nevada Senate

March 20, 2009

Nevada Microenterprise Initiative  
Deborah Prout, President

I have enjoyed eating at Mom & Pop's Diner for many years and have always appreciated the friendly staff and home cooking. It is a great place for breakfast meetings during the Legislative Session and even more relaxing in the early mornings on weekends.

With Doug's ten-year track record in running a successful restaurant in Carson City, you can see that he knows his business and his customers. The new Paradise Cove Café will add a very unique concept of a themed experience of eating in a tropical paradise.

In talking with Doug about his plans for the new Paradise Cove Café and Gift shop, I can see that he has taken the competitive advantage of partnering with the Carson Mall.

This new destination will attract tourists and be perfect for local residents in Carson City and surrounding areas. Please give your full consideration to accepting this proposal which will have a positive economic impact on the community.

Sincerely

A handwritten signature in black ink, appearing to read "Mark E. Amodei".

Mark E. Amodei  
Nevada State Senator

March 20, 2009

Nevada Microenterprise Initiative  
Deborah Prout, President  
113 W Plumb Lane  
Reno NV 89509

Dear Ms. Prout,

I would like to recommend Doug and Jamesa Cramer for an SBA loan. I have known the Cramers for many years and taught their daughter in school. They were great school supporters and I continue to see their involvement with Carson City organizations and community events.

Over the years I have frequented Mom and Pop's Diner and I have enjoyed the cozy atmosphere along with their good food and service. Both Doug and Jamesa take pride in providing this to their customers. They also hold an annual Mom and Pop's Fridays @ Third Music Festival which has grown since it originally began in the year 2000.

The Paradise Cove Café and Gift Shop is a great opportunity for the Cramers to create two more businesses for Carson City. They would be located in the newly developed Carson Mall area. These businesses will create new jobs and additional revenues for the city and state.

I have observed their past business performance and am glad to see their enthusiasm towards this new business venture. I highly recommend them to receive a new business loan.

Sincerely,

A handwritten signature in cursive script that reads "Bonnie Parnell". The signature is written in dark ink and is positioned above the printed name.

Bonnie Parnell

llu

cc: Mr. Cramer

**Mom & Pop's Diner  
224 South Carson Street  
Carson City Nevada 89701  
775 884-4411**

November 19, 2008

**Nevada Microenterprise Initiative :**

Like all businesses there are times when you run into financial problems and you have to close the doors or make tough decisions to survive.

Mom and Pop's Diner was doing well enough to pay the bills after the 2001 Legislature and summer business. What we were not prepared for was the fall and winter of 2001 and 2002. Not only did business stop but we still had to pay our employees, our business bills, sales tax, and our own personal bills. From November 2001, until late June 2002, we paid ourselves almost nothing, but still paid all the bills by using credit cards that were sent to us after September 11, 2001. I received many credit cards in the mail and I used them to save the business and our personal assets. We used credit cards thinking we would pay them back, but for a small business it was too much.

In early 2004 we talked to a lawyer and learn our options. The attorney Cliff Young advised us that if we wanted to keep the business, are home and everything, we needed to file bankruptcy before 2005. Like many Americans we did, for a fresh start. We put money into the business to strengthen it. From the summer of 2004 our business started to really grown and become what it is today. Three years later we paid the bankruptcy off early and have become a successful restaurant with a good customer base. We learn over the years to watch things closer, and how to manage the business. We also have learn from our mistakes in the past and gain more knowledge on how to run our restaurant more smoothly. We will not have the same problems opening a new venture because we have a second income to help and a ton of knowledge to make the right decisions.

Thank You

Jamesa & Doug Cramer



AMOUNT REQUESTED: \$ 35,000  
 PURPOSE: PAY FOR Employee TRAINING  
 COLLATERAL OFFERED: HOME

APPLICANT			CO-APPLICANT		
FIRST NAME <u>DOUG</u>	INITIAL <u>MARC</u>	LAST NAME <u>CRAMER</u>	FIRST NAME <u>ROBERTA</u>	INITIAL <u>JAMESA</u>	LAST NAME <u>CRAMER</u>
SOCIAL SECURITY # [REDACTED]	HOME TELEPHONE [REDACTED]	D.O.B. [REDACTED]	SOCIAL SECURITY # [REDACTED]	HOME TELEPHONE [REDACTED]	D.O.B. [REDACTED]
CURRENT ADDRESS [REDACTED]	HOW LONG? [REDACTED]		CURRENT ADDRESS [REDACTED]	HOW LONG? [REDACTED]	
CITY [REDACTED]	STATE [REDACTED]	ZIP [REDACTED]	CITY [REDACTED]	STATE [REDACTED]	ZIP [REDACTED]
PREVIOUS ADDRESS [REDACTED]	HOW LONG? [REDACTED]		PREVIOUS ADDRESS [REDACTED]	HOW LONG? [REDACTED]	
CITY [REDACTED]	STATE [REDACTED]	ZIP [REDACTED]	CITY [REDACTED]	STATE [REDACTED]	ZIP [REDACTED]
DRIVER'S LICENSE # [REDACTED]	STATE [REDACTED]	EXPIRATION [REDACTED]	DRIVER'S LICENSE # [REDACTED]	STATE [REDACTED]	EXPIRATION [REDACTED]
NAME OF NEAREST RELATIVE NOT LIVING WITH YOU [REDACTED]	RELATIONSHIP [REDACTED]		NAME OF NEAREST RELATIVE NOT LIVING WITH YOU [REDACTED]	RELATIONSHIP [REDACTED]	
ADDRESS [REDACTED]	TELEPHONE [REDACTED]		ADDRESS [REDACTED]	TELEPHONE [REDACTED]	
CITY <u>MINN MN</u>	STATE <u>MN</u>	ZIP <u>55105</u>	CITY <u>MINN MN</u>	STATE <u>MN</u>	ZIP <u>55105</u>
LAST GRADE LEVEL COMPLETED <u>12 GRADE</u>	# OF YRS IN COLLEGE <u>2</u>		LAST GRADE LEVEL COMPLETED <u>12 GRADE</u>	# OF YRS IN COLLEGE <u>2 YEAR</u>	
BUSINESS RELATED COURSES COMPLETED OR TAKEN <u>MANAGEMENT</u>			BUSINESS RELATED COURSES COMPLETED OR TAKEN <u>HAIR STYLIST</u>		
DEPENDENTS (Applicant)			DEPENDENTS (Co-Applicant)		
NAME		AGE	NAME		AGE
NAME		AGE	NAME		AGE
NAME		AGE	NAME		AGE
PERSONAL REFERENCES					
NAME <u>TERESA STOJTE</u>	ADDRESS <u>NEVAD STATE BANK</u>	TELEPHONE <u>6871716</u>			
OTHER INFORMATION					
APPLICANT'S MARITAL STATUS					
MARRIED	<input checked="" type="checkbox"/>	SEPARATED		UNMARRIED (Includes: Single, Divorced or Widowed)	
ARE YOU A U.S. CITIZEN? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>			IF NO, Please provide Alien # A _____		
VETERAN: NON VETERAN <input checked="" type="checkbox"/> VIETNAM-ERA VETERAN _____ OTHER _____			RACE/ETHNICITY: White <input checked="" type="checkbox"/> Black _____ Hispanic _____ Native American _____ Asian/Pacific Islander _____ Other _____		



APPLICANT'S EMPLOYMENT AND INCOME			CO-APPLICANT'S EMPLOYMENT AND INCOME		
CURRENT EMPLOYER	EMPLOYMENT DATE		CURRENT EMPLOYER	EMPLOYMENT DATE	
ADDRESS			ADDRESS		
WORK TELEPHONE	POSITION	MO. GROSS INCOME	WORK TELEPHONE	POSITION	MO. GROSS INCOME
884-4441	Pres		884-4411	Pres	
GROSS MONTHLY INCOME FROM BUSINESS:			GROSS MONTHLY INCOME FROM BUSINESS:		

OTHER INCOME		OTHER INCOME	
SOURCE	AMOUNT	SOURCE	AMOUNT

PLEASE ANSWER THE FOLLOWING QUESTIONS. IF "YES" ANSWER IS GIVEN, EXPLAIN ON ATTACHED SHEET. APPLICANT / CO-APPLICANT

ARE YOU A CO-MAKER OR ENDORSER ON ANOTHER PERSON'S NOTE OR LOAN? YES  NO  YES / NO

FOR WHOM? \_\_\_\_\_ BALANCE \$ \_\_\_\_\_ PAYMENT \$ \_\_\_\_\_

RELATIONSHIP TO MAKER \_\_\_\_\_

DO YOU CURRENTLY HAVE ANY BILLS WHICH ARE MORE THAN 30 DAYS PAST DUE? PLEASE EXPLAIN. YES  NO  YES / NO

ARE ALL YOUR OBLIGATIONS LISTED? YES  NO  YES / NO

ARE THERE ANY SUITS OR JUDGEMENTS CURRENTLY PENDING AGAINST YOU? YES / NO YES  NO  YES / NO

HAVE YOU EVER HAD CREDIT UNDER ANOTHER NAME? WHAT NAME? NO YES / NO YES  NO  YES / NO

HAVE YOU EVER FILED A PETITION FOR BANKRUPTCY? MONTH 10 YEAR 04 STATE NJ YES  NO  YES / NO YES  NO  YES / NO

HAVE YOU EVER BEEN DENIED A BUSINESS LOAN? YES  NO  YES / NO YES  NO  YES / NO

IF SO, WHERE? \_\_\_\_\_ WHEN? \_\_\_\_\_ WHY? \_\_\_\_\_

HAVE YOU EVER BEEN CONVICTED OF A CRIMINAL OFFENSE? YES / NO YES  NO  YES / NO

IF "YES," PLEASE ATTACH AN EXPLANATION.

LIFE INSURANCE INFORMATION			
NAME OF INSURED:	LIFE INSURANCE \$	NAME OF INSURANCE COMPANY:	BENEFICIARY'S NAME:

BUSINESS INFORMATION				
BUSINESS NAME	<u>Mom &amp; Pop's Diner Inc.</u>			
BUSINESS ADDRESS	CITY	COUNTY	STATE	ZIP
<u>224 South Carson St</u>	<u>Carson City</u>	<u>CC</u>	<u>NV</u>	<u>89701</u>
BUSINESS MAILING ADDRESS	CITY	COUNTY	STATE	ZIP
<u>SAME</u>				

BUSINESS INFORMATION, CONTINUED			
TYPE OF OWNERSHIP:	TAXES CURRENT?	IS YOUR BUSINESS HOME BASED?	TELEPHONE #:
SOLE PROPRIETORSHIP CORPORATION <input checked="" type="checkbox"/>	YES <input type="radio"/> NO <input checked="" type="radio"/>	YES <input type="radio"/> NO <input checked="" type="radio"/>	FED TAX ID #: _____
LIMITED LIABILITY COMPANY <input type="checkbox"/>	NATURE OF BUSINESS: INDUSTRIAL _____ SERVICE <input checked="" type="checkbox"/> RESTAURANT	DATE ESTABLISHED:	<u>1-2000</u>
NUMBER OF CURRENT EMPLOYEES: <u>11</u>	FULL-TIME: <u>6</u>	PART-TIME: <u>5</u>	JOBS CREATED: <u>20</u>

I CERTIFY THAT THE STATEMENTS MADE HEREIN AND IN ALL OTHER DOCUMENTS SUBMITTED IN CONNECTION HERewith ARE TRUE TO THE BEST OF MY KNOWLEDGE AND REPRESENT A TOTAL DISCLOSURE OF ALL THE INFORMATION PERTAINING TO MY CREDITWORTHINESS, AND THAT IT WILL BE RELIED UPON BY NSET IN DECIDING WHETHER OR NOT TO GRANT THE APPLIED FOR CREDIT. I HEREBY AUTHORIZE NSET, ITS EMPLOYEES, AND AGENTS TO INVESTIGATE AND VERIFY ANY INFORMATION PROVIDED TO YOU BY ME NOW AND IN THE FUTURE AS DEEMED NECESSARY.

APPLICANT SIGNATURE	DATE	CO-APPLICANT SIGNATURE	DATE
<u>[Signature]</u>	<u>4-1-09</u>	<u>Roberto J. Cramer</u>	<u>4-1-09</u>



**AUTHORIZATION TO INVESTIGATE CREDIT**

To Whom It May Concern:

In connection with my application for business loan through Nevada Microenterprise Initiative, (NMI), I hereby authorize you to investigate my credit worthiness as part of the loan review process.

By signing below, I certify that the statements given in this application and on any attachment(s) are true and complete as of the date given below. I authorize Nevada Microenterprise Initiative (NMI) to verify and check any of the information given, check my credit references, verify employment, and obtain credit reports. I also authorize NMI to provide credit information on me and my accounts to others.

I have enclosed \$10.00 for each credit report cost.

**Applicant:**

Print Name:

DOUG CRAMER

Social Security #:

[REDACTED]

Date of Birth:

10-22-51

Current Address:

[REDACTED]  
[REDACTED]

Signed:

Date:

[Signature]  
4-1-09

**Co-Applicant:**

Print Name:

ROBERTA JAMESA CRAMER

Social Security #:

[REDACTED]

Date of Birth:

7-1-57

Current Address:

[REDACTED]  
[REDACTED]

Signed:

Date:

[Signature]  
4-1-09



Personal Financial Statement

**PERSONAL FINANCIAL STATEMENT**

As of: 4-1-09

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock, or (4) any person or entity providing guaranty on the loan.

Name DOUG & ROBERTA CRAMER Business Phone 775 884-4411

Residence Address [REDACTED] Residence Phone ( ) [REDACTED]

City, State & Zip Code CARSON CITY NV 89705

Business Name of Applicant/Borrower: MOM & POP'S DINER INC

**ASSET**

**LIABILITY**

Cash on Hand and in Bank	\$ <u>3,000.00</u>	Accounts Payable	\$
Savings Accounts	\$	Notes Payable Banks and Others	\$
IRA or Other Retirement Account	\$	(Describe in Section 2)	
Account & Notes Receivable	\$	Installment Accounts (Auto)	\$ <u>2400.00</u>
Life Insurance (Cash surrender only)	\$	Mo. Payment \$ <u>239.00</u>	
(Complete Section 8)		Installment Accounts (Other)	\$ <u>2400.00</u>
Stocks & Bonds (Section 3)	\$	Mo. Payment \$ <u>500.00</u>	
Real Estate (Describe in Section 4)	\$ <u>200,000.</u>	Loan on Life Insurance	\$
Automobile - Present Value	\$ <u>20,000.</u>	Mortgage on Real Estate	\$ <u>185,000.</u>
Other Personal Property	\$	(Describe in Section 4)	
(Describe in Section 5)		Unpaid Taxes (Describe in Section 6)	\$
Other Assets	\$ <u>200,000</u>	Other Liabilities (Describe in Section 7)	\$
(Describe in Section 5)		<b>Total Liabilities</b>	\$ <u>139,400</u>
<b>Total Assets</b>	\$ <u>423,000.00</u>	<b>Net Worth</b>	\$ <u>423,000</u>
		<b>Total</b>	\$ <u>292,000</u>

Section 1: Source of Income		Contingent Liabilities	
Salary	\$ <u>60,000</u>	As Endorser or Co-Maker	\$
Net Investment Income	\$	Legal Claims and Judgment	\$
Real Estate Income	\$	Provision for Federal Income Tax	\$
Other Income (Describe Below)*	\$	Other Special Debt	\$

Description of Other Income in Section 1

\*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

**Section 2: Notes Payable to Bank and Others** (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed)

Name & Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Schedule (Monthly, etc.)	How Secured or Endorsed/Type of Collateral
<u>HSBC CARD</u>	<u>1800.00</u>	<u>1800</u>	<u>74</u>	<u>MONTH</u>	<u>NONE</u>
<u>TRAVEL CITY CARD</u>	<u>4800.00</u>	<u>4800</u>	<u>124</u>	<u>—</u>	<u>—</u>



Personal Financial Statement

[REDACTED]	4300.00	102	103	—	UNSECURED
[REDACTED]	5500.00	74	—	—	UNSECURED

**Section 3 Stocks and Bonds** (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

Number of Shares	Cost	Market Value	Name of Securities	Date of Quote/Exch	Total Value

**Section 4 Real Estate Owned** (List each parcel separately. Use attachment if needed. Each attachment must be identified as a part of this statement and signed)

	Property A	Property B	Property C
Type of Property			
Address	[REDACTED]		
Date Purchased	11-99		
Original Cost	135,000.		
Present Market Value	200,000		
Name and Address of Mortgage Holder	Citi mortgage	P.O. Box 9440 - GARFIELDTOWN, MD	
Mortgage Account Number	2515770		
Mortgage Balance	115,000.00		
Amount of Payment per Month/Year	978.41		
Status of Mortgage	GOOD		

8039:

**Section 5 Other Personal Property and Other Assets** (Describe, and if any is pledged as security, list name and address of lien holder, amount of lien, term of payment, and if delinquent, describe delinquency)

Mom & Pop's Diner Business

**Section 6 Unpaid Taxes** (Describe in detail, as to type, to whom payable, what due, amount, and to what property, if any, a tax lien attaches)

**Section 7 Other Liabilities** (Describe in detail)

**Section 8 Life Insurance** (List face amount and cash surrender value of policies, name of insurance company and beneficiaries)

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND  
OTHER RESPONSIBILITY MATTERS PRIMARY COVERED**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 13 CFR Part 145. The regulations were published as Part VII of the May 26, 1988 Federal Register; pages 19160-19211. Copies of the regulations are available from local offices of the U.S. Small Business Administration.

**BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE**

1. The prospective primary participant certifies to the best of its knowledge and belief that it and its principals:
  - (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.
  - (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or Local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, bribery, falsification or destruction of records, making false statement, or receiving stolen property.
  - (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
  - (d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State or Local) terminated for cause default.
  
2. Where the prospective primary participant is unable to certify to any of statements in this certification, such prospective primary participant shall attach an explanation to this proposal.

Business Name:

Mom & Pop's Diner

Date:

4-1-09

By:

Doug Amer - President  
Name and Title of Authorized Representative

<a href="#">AnnualCreditReport.com</a>	<a href="#">Return to AnnualCreditReport.com</a>	<a href="#">Frequently Asked Questions</a>	<a href="#">Contact AnnualCr</a>
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your products your accou

welcome	credit report	score	security freeze	credit monitoring	debt analysis	learning center	savings source
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transunion credit report report an inaccuracy consumer rights

### Personal Credit Report

DOUG M. CRAMER  
Source: TransUnion

June 15, 2009  
Available until Jul 15, 2009

### Get Instant Message Updates About Your Credit Report

- Alerts you to possible fraud
- Sent to your desktop
- No need to check email

Free downloadable application  
[Learn more >>](#)



Compare Credit Car

Find a Lo Mortgage

Debt Reli Click Now

- Display a printer friendly version
- Found an inaccuracy? Click to learn about correcting

### Personal Information

Name: DOUG M. CRAMER

Other Names: DOUG KRAMER

You have been on our files since 06/1978

SSN:  
Date of Birth:  
Telephone

File Number  
Date issue

10/1951

267-0838

### CURRENT ADDRESS

Address: [Redacted]

Date Reported: 11/2001

### PREVIOUS ADDRESSES

Address: [Redacted]

Date Reported: 12/2001

Address: [Redacted]

### EMPLOYMENT DATA REPORTED

Employer Name: MOM & POPS DINER  
Date Reported: 10/2003

Position:  
Date Hired:

Employer Name: POPS BBQ  
Date Reported: 08/2002

Position:  
Date Hired:

Employer Name: SELF POPS BARBQUE  
Date Reported: 08/1999

Position:  
Date Hired:

Employer Name: BRENTWOOD BBQ  
Date Reported: 02/1992

Position:  
Date Hired:

Special Notes: If any item on your credit report begins with 'MED1', it includes medical information and the data following 'MED1' is not disclosed to anyone but you except where permitted by law.

**Public Records**

The following items obtained from public records appear on your report. You may be required to explain public record items to potential cre bankruptcy information will remain on your report for 10 years from the date of the filing. Unpaid tax liens may generally be reported for a period of time depending on your state of residence. Paid tax liens may be reported for 7 years from date of payment. All other public recor including discharged chapter 13 bankruptcy, remains for up to 7 years.

**CARSON CITY RECORDERS OF Docket# [REDACTED]**

198 N. CARSON ST.  
CARSON CITY, NV 89701  
(702) 887-2260

**Type:** State Tax Lien  
**Court Type:** Recorder Of Deeds

**Date Filed:** 11/2005  
**Responsibility:** Individual  
**Amount:** \$17,962

**Estimated date that this item will be removed:** 10/2015

**LA COUNTY / RECORDER OF Docket# [REDACTED]**

500 W TEMPLE STREET  
LOS ANGELES, CA 90012  
(562) 462-2125

**Type:** State Tax Lien  
**Court Type:** Recorder Of Deeds

**Date Filed:** 08/1995  
**Responsibility:** Individual  
**Amount:** \$202

**Estimated date that this item will be removed:** 07/2005

**LA COUNTY / RECORDER OF Docket# [REDACTED]**

500 W TEMPLE STREET  
LOS ANGELES, CA 90012  
(562) 462-2125

**Type:** State Tax Lien  
**Court Type:** Recorder Of Deeds

**Date Filed:** 07/1995  
**Responsibility:** Individual  
**Amount:** \$2,697

**Estimated date that this item will be removed:** 06/2005

**NEVADA FEDERAL COURT - R Docket# [REDACTED]**

300 BOOTH ST  
ROOM 1109  
RENO, NV 89509  
(702) 784-5559

**Type:** Chapter 13 Bankruptcy Discharged  
**Court Type:** Federal District  
**Date Paid:** 10/2008  
**Assets:** \$0

**Date Filed:** 09/2005  
**Responsibility:** Joint  
**Plaintiff Attorney:** CLIFTON J YOUNG  
**Liabilities:** \$0

**Estimated date that this item will be removed:** 08/2012

**Account Information**

The key to the right helps explain the payment history information contained in some of the accounts below. Not all accounts will contain payment history information, but some creditors report how you make payments each month in relation to your agreement with them.

NA	X	OK	30	60	90
Not Applicable	Unknown	Current	30 days late	60 days late	90 d late

**Adverse Accounts**

The following accounts contain information that some creditors may consider to be adverse. Adverse account information may generally be years from the date of the first delinquency, depending on your state of residence. The adverse information in these accounts has been prior >brackets< or is shaded for your convenience, to help you understand your report. They are not bracketed or shaded this way for creditors account # may be scrambled by the creditor for your protection).

**AMERICAN GEN FIN # [REDACTED]**

3827 S CARSON ST  
CARSON CITY, NV 89701-5538  
(775) 883-8877

**Balance:**  
**Date Updated:** 09/2005  
**High Balance:** \$4,412  
**Terms:** \$171 for 48 months

**Pay Status:** >Wage Earner or  
**Account Type:** Installment Acco  
**Responsibility:** Joint Account  
**Date Opened:** 03/2004  
**Date Closed:** 09/2005

**Loan Type:** Secured By Hshld Gds & Collat

**Remark:** >Chap. 13 bankruptcy<

**Estimated date that this item will be removed:** 08/2012

**AMERICAN GEN FIN # [REDACTED]**

3827 S CARSON ST  
CARSON CITY, NV 89701-5538  
(775) 883-8877

**Balance:**  
**Date Updated:** 09/2005  
**High Balance:** \$6,611  
**Terms:** \$234 for 60 months

**Pay Status:** >Wage Earner or  
**Account Type:** Installment Acco  
**Responsibility:** Joint Account  
**Date Opened:** 05/2003  
**Date Closed:** 09/2005

**Loan Type:** Secured  
**Remark:** >Chap. 13 bankruptcy<  
**Estimated date that this item will be removed:** 08/2012

**BANK OF AMERICA # [REDACTED]**

4060 OGLETOWN STAN  
MAIL CODE DE5-019-  
NEWARK, DE 19713  
(800) 421-2110

**Balance:** \$9,454  
**Date Updated:** 09/2004  
**High Balance:** \$9,454  
**Credit Limit:** \$7,500  
**Past Due:** >\$1,298<

**Pay Status:** >Charged Off as  
**Account Type:** Revolving Accour  
**Responsibility:** Individual Accour  
**Date Opened:** 10/2002  
**Date Closed:** 09/2004

**Loan Type:** Credit Card  
**Remark:** >Profit and loss writeoff<  
**Estimated date that this item will be removed:** 01/2011

**CAPITAL ONE BANK USA NA # [REDACTED]**

POB 30281  
SALT LAKE CITY, UT 84130-0281  
(800) 955-7070

**Balance:**  
**Date Updated:** 06/2009  
**High Balance:** \$2,901  
**Credit Limit:** \$2,300

**Pay Status:** >Wage Earner or  
**Account Type:** Revolving Accour  
**Responsibility:** Individual Accour  
**Date Opened:** 06/1999  
**Date Closed:** 11/2004  
**Date Paid:** 09/2008

**Loan Type:** Credit Card  
**Remark:** >Chap. 13 bankruptcy<  
**Estimated date that this item will be removed:** 02/2011

**CAPITAL ONE BANK USA NA # [REDACTED]**

POB 30281  
SALT LAKE CITY, UT 84130-0281  
(800) 955-7070

**Balance:**  
**Date Updated:** 06/2009  
**High Balance:** \$758  
**Credit Limit:** \$500

**Pay Status:** >Wage Earner or  
**Account Type:** Revolving Accour  
**Responsibility:** Individual Accour  
**Date Opened:** 05/2003  
**Date Closed:** 11/2004  
**Date Paid:** 09/2008

**Loan Type:** Credit Card  
**Remark:** >Chap. 13 bankruptcy<  
**Estimated date that this item will be removed:** 03/2011

**CAPITAL ONE BANK USA NA # [REDACTED]**

POB 30281  
SALT LAKE CITY, UT 84130-0281  
(800) 955-7070

**Balance:** \$3,222  
**Date Updated:** 01/2005  
**High Balance:** \$2,688  
**Past Due:** >\$3,222<

**Pay Status:** >Charged Off as  
**Account Type:** Revolving Accour  
**Responsibility:** Participant on Ac  
**Date Opened:** 06/2000  
**Date Closed:** 09/2004

**Loan Type:** Credit Card  
**Remark:** >Profit and loss writeoff<  
**Estimated date that this item will be removed:** 01/2011

**CHASE NA # [REDACTED]**

800 BROOKSEGE BLV  
WESTERVILLE, OH 43081  
(800) 945-2006

Balance: \$9,024  
Date Updated: 08/2004  
High Balance: \$9,024  
Credit Limit: \$7,000  
Past Due: >\$1,386<

Pay Status: >Charged Off as  
Account Type: Revolving Accour  
Responsibility: Authorized Accou  
Date Opened: 02/1999  
Date Closed: 04/2004

Loan Type: Credit Card  
Remark: >Profit and loss writeoff<  
Estimated date that this item will be removed: 11/2010

**CHASE/BANK ONE CARD SERV #** [REDACTED]

800 BROOKSEGE BLV  
WESTERVILLE, OH 43081  
(800) 945-2000

Balance: \$0  
Date Updated: 10/2005  
High Balance: \$12,264  
Credit Limit: \$1,100  
Past Due: \$0

Pay Status: >Charged Off as  
Account Type: Revolving Accour  
Responsibility: Joint Account  
Date Opened: 01/1999  
Date Closed: 02/2005  
Date Paid: 06/2004

Loan Type: Credit Card  
Remark: Purchased by another lender  
Estimated date that this item will be removed: 03/2011

**CITIMORTGAGE INC #** [REDACTED]

PO BOX 9438 DEPT 0  
GAITHERSBURG, MD 20898-9438  
(800) 283-7918

Balance: \$113,247  
Date Updated: 05/2009  
High Balance: \$126,800  
Collateral: Fannie Mae  
[REDACTED]  
Past Due: \$0  
Terms: \$950 for 360 months

Pay Status: Paid or Paying as  
Account Type: Mortgage Accour  
Responsibility: Joint Account  
Date Opened: 12/2001

Loan Type: Conventional Real Estate Mtg  
Remark: >Chap. 13 bankruptcy<  
Estimated date that this item will be removed: 08/2012

**Late Payments**

40 months  
\$0 \$0 \$0  
0 0 0

Last 21

Months

OK  
apr mar feb '09 dec nov oct sep aug jul jun may apr mar feb '08 dec nov oct sep aug

**FIRST NATIONWIDE BANK #** [REDACTED]

PO BOX 15510  
SACRAMENTO, CA 95852  
(301) 696-4000

Balance: \$0  
Date Updated: 05/2003  
High Balance: \$126,800  
Collateral: Fannie Mae [REDACTED]  
Past Due: \$0  
Terms: \$959 for 360 months

Pay Status: Paid or Paying as  
Account Type: Mortgage Accour  
Responsibility: Joint Account  
Date Opened: 12/2001  
Date Closed: 05/2003

Loan Type: Conventional Real Estate Mtg  
Remark: Transferred to another lender

**Late Payments**

7 months  
\$0 \$0 \$0  
>1< 0 0

Last 7

Months

X OK OK OK OK OK \$0  
apr mar feb '03 dec nov oct

**FST BANKCARD CNTR-OMAHA #** [REDACTED]

POB 3412  
OMAHA, NE 68197  
(800) 444-9375

Balance:  
Date Updated: 07/2007  
High Balance: \$2,284  
Credit Limit: \$1,000

Pay Status: >Wage Earner of  
Account Type: Revolving Accour  
Responsibility: Joint Account  
Date Opened: 10/2001  
Date Closed: 05/2004  
Date Paid: 09/2002

Loan Type: Credit Card  
Remark: >Chap. 13 bankruptcy<  
Estimated date that this item will be removed: 08/2009



**HSBC BANK #** [REDACTED]

PO BOX 5253  
CAROL STREAM, IL 60197  
(800) 477-6000

**Balance:** \$5,167  
**Date Updated:** 06/2008  
**High Balance:** \$5,167  
**Credit Limit:** \$0  
**Past Due:** >\$218<

**Pay Status:** >Charged Off as  
**Account Type:** Revolving Accou  
**Responsibility:** Authorized Accou  
**Date Opened:** 07/2006  
**Date Closed:** 01/2008

**Loan Type:** Credit Card  
**Remark:** Account closed by credit grantor  
**Estimated date that this item will be removed:** 11/2014

**NORWEST FINANCE #** [REDACTED]

800 WALNUT ST  
DES MOINES, IA 50309  
Phone number not available

**Balance:**  
**Date Updated:** 11/2006  
**High Balance:** \$0  
**Credit Limit:** \$1,000

**Pay Status:** >Wage Earner or  
**Account Type:** Revolving Accou  
**Responsibility:** Individual Accou  
**Date Opened:** 07/2003  
**Date Closed:** 10/2005  
**Date Paid:** 10/2005

**Loan Type:** Charge Account  
**Remark:** >Chap. 13 bankruptcy<  
**Estimated date that this item will be removed:** 08/2012

**SEARS/CBSD #** [REDACTED]

701 E 60TH ST NORT  
PO BOX 6241  
STOUX FALLS, SD 57117  
(800) 917-7700

**Balance:**  
**Date Updated:** 05/2006  
**High Balance:** \$3,003  
**Credit Limit:** \$2,700

**Pay Status:** >Wage Earner or  
**Account Type:** Revolving Accou  
**Responsibility:** Individual Accou  
**Date Opened:** 11/2001  
**Date Closed:** 02/2005  
**Date Paid:** 07/2004

**Loan Type:** Charge Account  
**Remark:** >Chap. 13 bankruptcy<  
**Estimated date that this item will be removed:** 06/2011

**THE HOME DEPOT/CBSD #** [REDACTED]

PO BOX 6497  
STOUX FALLS, SD 57117-6497  
(800) 677-0232

**Balance:**  
**Date Updated:** 11/2008  
**High Balance:** \$2,327  
**Credit Limit:** \$4,500

**Pay Status:** >Wage Earner or  
**Account Type:** Revolving Accou  
**Responsibility:** Individual Accou  
**Date Opened:** 04/2001  
**Date Closed:** 04/2005  
**Date Paid:** 03/2005

**Loan Type:** Charge Account  
**Remark:** >Chap. 13 bankruptcy<  
**Estimated date that this item will be removed:** 02/2012

**Satisfactory Accounts**

The following accounts are reported with no adverse information. (Note: The account # may be scrambled by the creditor for your protectic

**AMERICAN GEN FIN #** [REDACTED]

3827 S CARSON ST  
CARSON CITY, NV 89701-5538  
(775) 883-8877

**Balance:** \$0  
**Date Updated:** 03/2004  
**High Balance:** \$5,115  
**Past Due:** \$0  
**Terms:** \$106 for 48 months

**Pay Status:** Paid or Paying as  
**Account Type:** Installment Acco  
**Responsibility:** Joint Account  
**Date Opened:** 01/2002  
**Date Closed:** 03/2004

**Loan Type:** Secured By Household Goods  
**Remark:** Closed

**Late Payments**  
26 months  
30 60 90  
0 0 0

Last 26 Months  
OK  
feb '04 dec nov oct sep aug jul jun may apr mar feb '03 dec nov oct sep aug jul jun  
OK OK  
feb '02

**AMERICAN GEN FIN #** [REDACTED]

3827 S CARSON ST  
CARSON CITY, NV 89701-5538  
(775) 883-8877

**Balance:** \$0  
**Date Updated:** 10/2001  
**High Balance:** \$2,074  
**Past Due:** \$0  
**Terms:** \$86 for 24 months

**Pay Status:** Paid or Paying as  
**Account Type:** Installment Acco  
**Responsibility:** Joint Account  
**Date Opened:** 10/2000  
**Date Closed:** 10/2001

**Loan Type:** Secured By Household Goods  
**Remark:** Closed

**Late Payments**

13 months  
30 60 90  
0 0 0

Last 13

Months

X OK OK OK OK OK OK OK OK OK OK OK OK  
sep aug jul jun may apr mar feb '01 dec nov oct sep

**BANK ONE #** [REDACTED]

DEPT OH1-0552 ATT  
800 BROOKSEDGE BV  
WESTERVILLE, OH 43081-0552  
(800) 955-9900

**Balance:** \$0  
**Date Updated:** 02/2000  
**High Balance:** \$7,500  
**Credit Limit:** \$7,500  
**Past Due:** \$0

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Accour  
**Responsibility:** Authorized Accou  
**Date Opened:** 03/1998  
**Date Closed:** 09/1999

**Loan Type:** Credit Card  
**Remark:** Account closed by consumer

**BARCLAYS BANK DELAWARE #** [REDACTED]

125 SOUTH WEST STR  
WILMINGTON, DE 19801  
(302) 888-1400

**Balance:** \$4,661  
**Date Updated:** 05/2009  
**High Balance:** \$4,716  
**Credit Limit:** \$4,900  
**Past Due:** \$0  
**Terms:** Minimum \$165

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Accour  
**Responsibility:** Individual Accou  
**Date Opened:** 08/2007

**Loan Type:** Credit Card

**Late Payments**

21 months  
30 60 90  
0 0 0

Last 21

Months

OK  
apr mar feb '09 dec nov oct sep aug jul jun may apr mar feb '08 dec nov oct sep aug

**CAPITAL ONE BANK USA NA #** [REDACTED]

POB 30281  
SALT LAKE CITY, UT 84130-0281  
(800) 955-7070

**Balance:** \$0  
**Date Updated:** 10/2000  
**High Balance:** \$1,106  
**Past Due:** \$0

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Accour  
**Responsibility:** Individual Accou  
**Date Opened:** 10/1995  
**Date Closed:** 10/2000

**Loan Type:** Credit Card  
**Remark:** Closed

**Late Payments**

6 months  
30 60 90  
0 0 0

Last 6

Months

OK OK OK OK OK OK  
sep aug jul jun may apr

**CHASE/BANK ONE CARD SERV #** [REDACTED]

800 BROOKSEDGE BLV  
WESTERVILLE, OH 43081  
(800) 945-2000

**Balance:** \$4,442  
**Date Updated:** 05/2009  
**High Balance:** \$4,970  
**Credit Limit:** \$5,000  
**Past Due:** \$0  
**Terms:** Minimum \$117

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Accour  
**Responsibility:** Individual Accou  
**Date Opened:** 08/2007

**Loan Type:** Credit Card

**Late Payments**

20 months  
30 60 90  
0 0 0

Last 20

Months

OK  
apr mar feb '09 dec nov oct sep aug jul jun may apr mar feb '08 dec nov oct sep

**CHRYSLER FINANCIAL #** [REDACTED]

PO BOX 9223  
FARMINGTON HIL, MI 48333-9223  
Phone number not available

**Balance:** \$2,229  
**Date Updated:** 05/2009  
**High Balance:** \$8,552  
**Past Due:** \$0  
**Terms:** \$0 for 48 months

**Pay Status:** Paid or Paying as  
**Account Type:** Installment Acco  
**Responsibility:** Individual Accour  
**Date Opened:** 09/2007

**Loan Type:** Automobile

**Late Payments**

20 months

30 60 90  
0 0 0

Last 20

Months

OK  
apr mar feb '09 dec nov oct sep aug jul jun may apr mar feb '08 dec nov oct sep

**CITIBANK CBSD NA #** [REDACTED]

701 E 60TH ST N  
SIOUX FALLS, SD 57104  
(800) 950-5114

**Balance:** \$0  
**Date Updated:** 05/2005  
**Credit Limit:** \$1,000  
**Past Due:** \$0

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Accour  
**Responsibility:** Individual Accour  
**Date Opened:** 07/2000  
**Date Closed:** 04/2005  
**Date Paid:** 07/2004

**Loan Type:** Credit Card

**Remark:** Account closed by credit grantor

**Late Payments**

48 months

30 60 90  
0 0 0

Last 48

Months

OK  
apr mar feb '05 dec nov oct sep aug jul jun may apr mar feb '04 dec nov oct sep aug  
OK OK OK X OK OK OK OK OK OK OK OK OK OK X X X OK OK OK X  
apr mar feb '03 dec nov oct sep aug jul jun may apr mar feb '02 dec nov oct sep aug

**CITIBANK NA #** [REDACTED]

701 E 60TH ST N  
SIOUX FALLS, SD 57104  
Phone number not available

**Balance:** \$0  
**Date Updated:** 11/2002  
**Credit Limit:** \$9,800  
**Past Due:** \$0

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Accour  
**Responsibility:** Authorized Accou  
**Date Opened:** 10/1995  
**Date Closed:** 10/2002

**Loan Type:** Credit Card

**Remark:** Account closed by consumer

**Late Payments**

19 months

30 60 90  
0 0 0

Last 19

Months

OK X OK OK X X X X X OK OK OK OK OK OK OK OK OK OK  
oct sep aug jul jun may apr mar feb '02 dec nov oct sep aug jul jun may apr

**CITIBANK NA #** [REDACTED]

701 E 60TH ST N  
SIOUX FALLS, SD 57104  
Phone number not available

**Balance:** \$0  
**Date Updated:** 01/2001  
**Credit Limit:** \$6,600  
**Past Due:** \$0

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Accour  
**Responsibility:** Authorized Accot  
**Date Opened:** 10/1995  
**Date Paid:** 10/2000

**Loan Type:** Credit Card

**Late Payments**

9 months

30 60 90  
0 0 0

Last 9

Months

OK OK OK OK OK OK OK OK OK  
dec nov oct sep aug jul jun may

**CLEARSTAR FINANCIAL CU #** [REDACTED]

1170 BIBLE WAY  
RENO, NV 89502  
(775) 329-6673

**Balance:** \$0  
**Date Updated:** 09/2006  
**High Balance:** \$13,252  
**Past Due:** \$0  
**Terms:** \$239 for 72 months

**Pay Status:** Paid or Paying as  
**Account Type:** Installment Acco  
**Responsibility:** Joint Account  
**Date Opened:** 07/2001  
**Date Closed:** 09/2006

**Loan Type:** Automobile

**Remark:** Closed

**Late Payments**

48 months

Last 48

aug jul jun may apr mar feb '06 dec nov oct sep aug jul jun may apr mar feb '05 dec  
OK OK OK X OK X X X OK X OK OK OK OK OK OK OK OK OK OK

30 60 90  
0 0 0

Months

**FIRST PREMIER BANK #**

3820 N LOUISE AVE  
SIOUX FALLS, SD 57107-0145  
(800) 987-5521

Balance: \$0  
Date Updated: 05/2003  
High Balance: \$178  
Credit Limit: \$500  
Past Due: \$0

Pay Status: Paid or Paying as  
Account Type: Revolving Account  
Responsibility: Individual Account  
Date Opened: 02/2003  
Date Closed: 02/2003

Loan Type: Credit Card  
Remark: Account closed by consumer

Late Payments  
3 months  
30 60 90  
0 0 0

Last 3 Months  
OK OK OK  
apr mar feb

**GEMB/LOWES #**

PO BOX 981400  
EL PASO, TX 79998  
(800) 444-1408

Balance: \$0  
Date Updated: 05/2009  
High Balance: \$810  
Credit Limit: \$800  
Past Due: \$0

Pay Status: Paid or Paying as  
Account Type: Revolving Account  
Responsibility: Individual Account  
Date Opened: 12/2001  
Date Closed: 02/2003  
Date Paid: 09/2002

Loan Type: Charge Account  
Remark: Credit card lost or stolen

Late Payments  
48 months  
30 60 90  
0 0 0

Last 48 Months  
OK  
apr mar feb '09 dec nov oct sep aug jul jun may apr mar feb '08 dec nov oct sep aug  
OK  
apr mar feb '07 dec nov oct sep aug jul jun may apr mar feb '06 dec nov oct sep aug

**GEMB/LOWES #**

PO BOX 981400  
EL PASO, TX 79998  
(800) 444-1408

Balance: \$0  
Date Updated: 05/2009  
High Balance: \$810  
Credit Limit: \$100  
Past Due: \$0

Pay Status: Paid or Paying as  
Account Type: Revolving Account  
Responsibility: Individual Account  
Date Opened: 12/2001  
Date Closed: 12/2003  
Date Paid: 01/2004

Loan Type: Charge Account  
Remark: Account closed by consumer

Late Payments  
48 months  
30 60 90  
0 0 0

Last 48 Months  
OK  
apr mar feb '09 dec nov oct sep aug jul jun may apr mar feb '08 dec nov oct sep aug  
OK  
apr mar feb '07 dec nov oct sep aug jul jun may apr mar feb '06 dec nov oct sep aug

**HSBC BANK #**

PO BOX 5253  
CAROL STREAM, IL 60197  
(800) 477-6000

Balance: \$1,599  
Date Updated: 04/2009  
High Balance: \$1,897  
Credit Limit: \$1,900  
Past Due: \$0  
Terms: Minimum \$60

Pay Status: Paid or Paying as  
Account Type: Revolving Account  
Responsibility: Individual Account  
Date Opened: 11/2005

Loan Type: Credit Card

Late Payments  
27 months  
30 60 90  
0 0 0

Last 27 Months  
OK  
mar feb '09 dec nov oct sep aug jul jun may apr mar feb '08 dec nov oct sep aug jul  
OK OK OK  
mar feb '07

**HSBC BANK #**

PO BOX 5253  
CAROL STREAM, IL 60197  
(800) 477-6000

**Balance:** \$0  
**Date Updated:** 11/2008  
**High Balance:** \$1,897  
**Credit Limit:** \$0  
**Past Due:** \$0

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Account  
**Responsibility:** Individual Account  
**Date Opened:** 11/2005  
**Date Closed:** 11/2008  
**Date Paid:** 11/2008

**Loan Type:** Credit Card  
**Remark:** Credit card lost or stolen

**Late Payments**  
35 months  
30 60 90  
0 0 0

**Last 35 Months**

OK  
oct sep aug jul jun may apr mar feb '08 dec nov oct sep aug jul jun may apr mar feb  
OK OK OK OK OK OK OK OK OK OK OK OK  
oct sep aug jul jun may apr mar feb '06 dec

**HSBC BANK #** [REDACTED]

PO BOX 5253  
CAROL STREAM, IL 60197  
(800) 477-6000

**Balance:** \$0  
**Date Updated:** 05/2004  
**High Balance:** \$119  
**Credit Limit:** \$300  
**Past Due:** \$0

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Account  
**Responsibility:** Individual Account  
**Date Opened:** 02/2004  
**Date Closed:** 05/2004

**Loan Type:** Credit Card  
**Remark:** Account closed by consumer

**Late Payments**  
8 months  
30 60 90  
0 0 0

**Last 8 Months**

OK OK OK OK OK OK OK OK  
apr mar feb '04 dec nov oct sep

**HSBC SUZUKI REV #** [REDACTED]

POB 5253  
CAROL STREAM, IL 60197  
Phone number not available

**Balance:** \$0  
**Date Updated:** 06/2004  
**High Balance:** \$0  
**Credit Limit:** \$3,500  
**Past Due:** \$0

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Account  
**Responsibility:** Individual Account  
**Date Opened:** 02/2003

**Loan Type:** Charge Account

**NET BANK #** [REDACTED]

1601 BRYAN ST  
#16008  
DALLAS, TX 75201  
Phone number not available

**Balance:** \$0  
**Date Updated:** 08/2002  
**High Balance:** \$126,800  
**Collateral:** Fannie Mae [REDACTED]  
**Past Due:** \$0  
**Terms:** \$925 for 360 months

**Pay Status:** Paid or Paying as  
**Account Type:** Mortgage Account  
**Responsibility:** Joint Account  
**Date Opened:** 12/2001  
**Date Closed:** 08/2002

**Loan Type:** Conventional Real Estate Mtg  
**Remark:** Transferred to another lender

**Late Payments**  
8 months  
30 60 90  
0 0 0

**Last 8 Months**

X OK OK OK OK OK OK OK  
jul jun may apr mar feb '02 dec

**SUZUKI/GECFI #** [REDACTED]

PO BOX 981439  
EL PASO, TX 79998  
(866) 396-8254

**Balance:** \$0  
**Date Updated:** 05/2004  
**High Balance:** \$0  
**Collateral:** SLDTO HOUSEHOLD BANK  
**Credit Limit:** \$3,500  
**Past Due:** \$0

**Pay Status:** Paid or Paying as  
**Account Type:** Revolving Account  
**Responsibility:** Individual Account  
**Date Opened:** 02/2003  
**Date Closed:** 05/2004

**Loan Type:** Charge Account  
**Remark:** Purchased by another lender

**Late Payments**  
15 months  
30 60 90  
0 0 0

**Last 15 Months**

OK OK OK OK OK OK OK OK OK OK OK OK OK OK OK  
apr mar feb '04 dec nov oct sep aug jul jun may apr mar feb

**Regular Inquiries**

The following companies have received your credit report. Their inquiries remain on your credit report for two years.

<b>NEVADA MICROENTERPRISE</b> 113 W PLUMB LANE RENO, NV 89509 (775) 841-1420	<b>Requested On:</b> <b>Inquiry Type:</b>	09/22/2008 Individual	
<b>CAPITAL ONE AUTO FINANCE</b> 3905 N. DALLAS PAR PO #COAF1-222 PLANO, TX 75093 Phone number not available	<b>Requested On:</b> <b>Inquiry Type:</b>	09/10/2007 Individual	
<b>GRAYPOINT AUTO FINANCE</b> 915 HIGHLAND POINT SUITE 250 ROSEVILLE, CA 95678 (714) 845-3332	<b>Requested On:</b> <b>Inquiry Type:</b>	09/10/2007 Individual	
<b>NATIONAL AUTO FINANCE CO</b> GMAC PO BOX 2150 GREELEY, CO 80632 (888) 355-1968	<b>Requested On:</b> <b>Inquiry Type:</b>	09/10/2007 Individual	
<b>RENO DODGE via ADP/RENO DODGE</b> 700 KIETZKE LANE RENO, NV 89502 (775) 786-1211	<b>Requested On:</b> <b>Inquiry Type:</b>	09/01/2007 Individual	<b>Permissible Purpose:</b> CREDIT TRAN
<b>CAPITAL ONE AUTO FINANCE</b> 3905 N. DALLAS PAR PO #COAF1-222 PLANO, TX 75093 Phone number not available	<b>Requested On:</b> <b>Inquiry Type:</b>	08/30/2007 Individual	
<b>BARCLAYS BANK DELAWARE</b> 1007 ORANGE ST. WILMINGTON, DE 19801 Phone number not available	<b>Requested On:</b> <b>Inquiry Type:</b>	08/15/2007 Individual	

**Promotional Inquiries**

The companies listed below received your name, address and other limited information about you so they could make a firm offer of credit. They did not receive your full credit report. These inquiries are not seen by anyone but you and do not affect your credit score.

<b>FIRST NATIONAL CREDIT CA</b> 500 E 60th St N SIOUX FALLS, SD 57104 (605) 782-3459	<b>Requested On:</b>	01/2009
<b>CHECK N GO</b> 5155 FINANCIAL WAY MASON, OH 45040 (888) 296-2274	<b>Requested On:</b>	01/2009
<b>AIG</b> 505 CARR RD WILMINGTON, DE 19809-2800 Phone number not available	<b>Requested On:</b>	11/2008
<b>THE HARTFORD</b> 8 FARM SPRINGS RD FARMINGTON, CT 06032-2526 Phone number not available	<b>Requested On:</b>	10/2008
<b>MUTUAL OF OMAHA</b> MUTUAL OF OMAHA PL OMAHA, NE 68175-0001 Phone number not available	<b>Requested On:</b>	09/2008
<b>THE HARTFORD</b> 8 FARM SPRINGS RD FARMINGTON, CT 06032-2526 Phone number not available	<b>Requested On:</b>	07/2008
<b>MUTUAL OF OMAHA</b> MUTUAL OF OMAHA PL	<b>Requested On:</b>	06/2008

OMAHA , NE 68175-0001  
Phone number not available

### Account Review Inquiries

The companies listed below obtained information from your consumer report for the purpose of an account review or other business transaction. These inquiries are not displayed to anyone but you and will not affect any creditor's decision or any score (except insurance companies made to other insurance company inquiries, where permitted by law).

#### BARCLAYS BANK DELAWARE

pe  
125 SOUTH WEST STR  
WILMINGTON , DE 19801  
(302) 888-1400  
Requested On: 05/2009

#### CHRYSLER FINANCIAL BVF

pe  
36455 CORPORATE DR  
FARMINGTON HIL , MI 48331  
Phone number not available  
Requested On: 04/2009

#### CHASE

pe  
800 BROOKSEGE BLV  
WESTERVILLE , OH 43081  
Phone number not available  
Requested On: 02/2009

#### CHASE

pe  
800 BROOKSEGE BLV  
WESTERVILLE , OH 43081  
Phone number not available  
Requested On: 01/2009

#### OREGON MUTUAL

pe  
347 NE 4TH ST  
MCMINNVILLE , OR 97128  
Phone number not available  
Requested On: 09/2008  
Permissible Purpose: INSURANCE U

#### ISO via TRAVELERS PROP & CAS. IN

pe  
4650 WESTWAY PARK  
HOUSTON , TX 77041  
Phone number not available  
Requested On: 09/2008  
Permissible Purpose: INSURANCE U

#### ALLSTATE PHOENIX

pe  
P O BOX 2000  
CONWAY , AR 72032  
(501) 342-2929  
Requested On: 09/2008  
Permissible Purpose: INSURANCE U

#### FARMERS INS. GROUP via FARMERS INSURANCE GROUP

pe  
4700 WILSHIRE BLVD  
LOS ANGELES , CA 90010  
(323) 932-3406  
Requested On: 08/2008  
Permissible Purpose: INSURANCE U

#### AMERICAN FAMILY INS. via AM FAM INS - NEW

pe  
4802 MITCHELL AVEN  
ST. JOSEPH , MO 64507  
Phone number not available  
Requested On: 08/2008  
Permissible Purpose: INSURANCE U

#### BARCLAYS BANK DELAWARE

pe  
125 SOUTH WEST STR  
WILMINGTON , DE 19801  
(302) 888-1400  
Requested On: 06/2008

#### FARMERS INS. GROUP via FARMERS INSURANCE GROUP

pe  
4700 WILSHIRE BLVD  
LOS ANGELES , CA 90010  
(323) 932-3406  
Requested On: 06/2008  
Permissible Purpose: INSURANCE U

#### PORTFOLIO RECOVERY ASSOC

pe  
PO BOX 12914  
NORFOLK , VA 23541-0914  
(800) 772-1413  
Requested On: 06/2008

**FARMERS INS. GROUP via FARMERS INSURANCE GROUP**

pe  
4700 WILSHIRE BLVD  
LOS ANGELES, CA 90010  
(323) 932-3406

**Requested On:** 05/2008

**Permissible Purpose:** INSURANCE U

**BARTON MEMORIAL HOSPITAL**

pe  
2170 SOUTH AVENUE  
SOUTH LAKE TAH, CA 96150  
(530) 541-3420

**Requested On:** 11/2007

**GEICO INS CO**

pe  
ONE GEICO BLVD  
FREDERICKSBURG, VA 22412  
Phone number not available

**Requested On:** 09/2007

**Permissible Purpose:** INSURANCE U

**Should you wish to contact TransUnion,  
you may do so,**

**Report an Inaccuracy:**

To learn about reporting an inaccuracy click here.

**By Mail:**

TransUnion Consumer Relations  
PO Box 2000  
Chester, PA 19022-2000

**By Phone:**

1-800-916-8800

Our business hours in your time zone are: 8:30 A.M. to 4:30 P.M., Monday-Friday, except major holidays. Please have your TransUnion file # (located at the top of this report.)

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## Consumer Rights

**Para informacion en espanol, visite [www.ftc.gov/credit](http://www.ftc.gov/credit) o escribe a la FTC Consumer Response Center, Room 130-A, 600 Pennsylvania Ave., N.W., Washington, D.C. 20580.**

### A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to [www.ftc.gov/credit](http://www.ftc.gov/credit), or write to Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave., N.W., Washington, D.C. 20580.**

**You must be told if information in your file has been used against you.**

Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment -- or to take another adverse action against you -- must tell you, and must give you the name, address, and phone number of the agency that provided the information.

**You have the right to know what is in your file.**

You may request and obtain all the information about you in the files of a consumer reporting agency (your "file disclosure"). You will be required to provide proper identification, which may include your Social Security Number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:

- a person has taken adverse action against you because of information in your credit report;
- you are the victim of identity theft and place a fraud alert in your file;
- your file contains inaccurate information as a result of fraud;
- you are on public assistance;
- you are unemployed but expect to apply for employment within 60 days.

In addition, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for more information.

**You have the right to ask for a credit score.**

Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential mortgage loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score



information for free from the mortgage lender.

**You have the right to dispute incomplete or inaccurate information.**

If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for an explanation of dispute procedures.

**Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.**

Inaccurate, incomplete, or unverifiable information must be removed or corrected, usually within 30 days. However, the consumer reporting agency is not required to remove accurate derogatory information from your file unless it is outdated (as described below) or cannot be verified. A consumer reporting agency may continue to report information it has verified as accurate.

**Consumer reporting agencies may not report outdated negative information.**

In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.

**Access to your file is limited.**

A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.

**You must give your consent for reports to be provided to employers.**

A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to [www.ftc.gov/credit](http://www.ftc.gov/credit).

**You may limit "prescreened" offers of credit and insurance you get based on information in your credit report.**

Unsolicited "prescreened" offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-567-8688 (888-5OPTOUT).

**You may seek damages from violators.**

If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.

**Identity theft victims and active duty military personnel have additional rights.**

For more information, visit [www.ftc.gov/credit](http://www.ftc.gov/credit).

**States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. Federal enforcers are:**

TYPE OF BUSINESS:	CONTACT:
Consumer reporting agencies, creditors and others not listed below.	Federal Trade Commission Consumer Response Center - FCRA Washington, DC 20580 1-877-382-4357
National banks, federal branches/agencies of foreign banks (word "National" or initials "N.A." appear in or after bank's name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 1-800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Consumer Help PO Box 1200 Minneapolis, MN 55480 1-202-452-3693
Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution's name)	Office of Thrift Supervision Consumer Complaints Washington, DC 20552 1-800-842-6929
Federal credit unions (words "Federal Credit Union" appear in institution's name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 1-703-519-4600
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Consumer Response Center 2345 Grand Avenue, Suite 100 Kansas City, Missouri 64108-2638 1-877-275-3342
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation Office of Financial Management Washington, DC 20590 1-202-366-1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator - GIPSA Washington, DC 20250 1-202-720-7051

**Information Regarding State Laws**

**Nevada Residents**

As of October 1, 2005 you have a right to place a security freeze in your file which will prohibit a reporting agency from releasing any information in your file without your express authorization. A security freeze must be requested in writing by certified mail. The security freeze is designed to prevent a reporting agency from releasing your consumer report without your consent. However, you should be aware that using a security freeze to take control over who is allowed access to the personal and financial information in your file may delay, interfere with or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, insurance, government services or payments, rental housing, employment, investment, license, cellular telephone, utilities, digital signature, Internet credit card transaction or other services, including an extension of credit at point of sale. When you place a security freeze in your file, you will be provided a personal identification number or password to use if you choose to remove the security freeze from your file or to authorize the temporary release of your consumer report for a specific person or period after the security freeze is in place. To provide that authorization, you must contact the reporting agency and provide all the following:

- 1) Sufficient information to verify your identity;
- 2) Your personal identification number or password provided by the reporting agency;
- 3) A statement that you choose to remove the security freeze from your file or that you authorize the reporting agency to temporarily release your consumer report. If you authorize the temporary release of your consumer report, you must provide information about the person who is to receive your consumer report or the period for which your consumer report must be available.

A reporting agency must remove the security freeze from your file or authorize the temporary release of your consumer report not later than 3 business days after receiving the above information.

A security freeze does not apply to certain persons, including a person, or collection agencies acting on behalf of a person, with whom you have an existing account that requests information in your consumer report for the purposes of reviewing or collecting the account.

When you click the advertisements on this page, we may securely transfer your personal information to the appropriate p

# PARADISE COVE CAFE BUSINESS PLAN

**COMPANY HISTORY**

**VISION AND MISSION SUMMARY**

**PRODUCTS AND SERVICE**

**MARKETING SUMMARY**

**MANAGEMENT**

**FINANCIAL SUMMARY**

**GIFT SHOP SUMMARY**



# **PARADISE COVE CAFE** **A THEME RESTAURANT**

## **Company History**

Let us introduce ourselves. We are Doug and Jamesa Cramer and we have owned a restaurant in Carson City, Nevada for nine years. Doug grew up working with his family in their restaurant and had a dream of opening his own restaurant one day. He moved to Carson City, Nevada and open his first restaurant with his dad. He named it Pop's Family Restaurant after his Dad who help him fulfill that dream. Then shortly after he opened, we met and I fell in love with him, and the restaurant business. We got married and changed the name to Mom and Pop's Diner. As with all businesses, we experienced some financial hardships after 9/11, yet we worked very hard through those tough periods. With his restaurant experience and my knowledge of art and interior design, Mom and Pop's Diner became a successful, friendly and comfortable place to eat, relax, and meet your friends. We have established ourselves as a very respectable restaurant with nice atmosphere, good service and good food. We signed a long term lease in 2006 with (four) five year extensions.

In 2008 we were approached to open a new location in an existing mall in Carson City that was being remodeled. We looked at the location and the demographics and will be the only breakfast restaurant there. We were excited and thrilled and came up with the concept of a theme restaurant, which we had talked about numerous times.

We both love the beach and the tropics. Once again we will put our talents together and create PARADISE COVE CAFE. Upon entering you will feel like you are sitting on a deck next to the beach, eating in the tropics of the Caribbean or Hawaii.

**PARADISE COVE CAFE**  
**OUR VISION AND MISSION SUMMARY**

**OUR VISION**

Our vision is to create a concept that when you walk into Paradise Cove Cafe, you are going to experience that you have are on vacation. Our goal is to design the restaurant so that you feel like you are eating outside under the porch of a beach cafe, or choose to sit on the deck next to the beach, or maybe by the waterfall pond and under the palms trees. All these will be areas designed within the restaurant to make you feel you dining in a restaurant while experiencing the feel of outside.

**OUR MISSION**

We have traveled and researched all the about tropics. We will design and create a tropical paradise atmosphere, by creating different areas, and using a bright fun color palette, such as orange, blues, and greens.

There will be a tall facade beach shack, consisting of bright tropical colors, windows, and metal roofing to give that funky fun feel, with a front porch. The decor on and around the facade will be a parrot, Paradise Cove Cafe sign, surf boards and palm trees. I will be painting a tropical beach mural the length of one wall and along the mural will be a deck, constructed of wood design, with netting and rope railings. Large Palm trees on the corners of the deck with weathered looking beach signs. Another area will have a large waterfall (all self contained). Lighting and tropical foliage with large palms will surround the pond, to give the feel of a tropical oasis. Also lots of parrots perched above. Colorful tables in accents of Caribbean blue and sea green. Chairs of outdoor wicker. The front hostess area will consists of bamboo and thatch elements. There will also be a nice waiting area. The ceilings are high and will consist of bamboo and hanging foliage plants. There will also be palm ceiling fans.

Paradise Cove Cafe will create a tasteful venue with fun casual dining and provide high quality food with affordable prices.

Located outside in the newly remodeled portion of the Carson Mall, across from the DMV, and State offices (which have fifteen hundred employees). In time, Paradise Cove Cafe will established itself as the destination of choice for many residents, tourists, state employees as well as legislators.

Our restaurant will be open for breakfast and lunch, and the hours of operation will be 7am to 3pm seven days a week. Also open till 9pm Thursday, Friday, and Saturday.

**The cafe aim is simple:**

**It will provide casual dining experience with a fun flair. It will be an affordable venture for patrons, one that will encourage them to return on many occasions.**

# PARADISE COVE CAFE

## PRODUCTS

Paradise Cove Cafe has a restaurant venue that sells moderately priced food to a casual dining market. Our menu will feature a selection of American food, with some specialty dishes with a touch of tropical flair. The venue features brewed coffee and specialty coffees, fruit juices, and soft drinks and other beverages typically associated with cafes. Breakfast will have everything from basic eggs and bacon to more specialty items like eggs benedict and everything in between. We have been known for the best breakfast potatoes in town. Also we will be adding assorted waffle dishes to fit our tropical theme with fresh fruit. And of course, our fantastic surfs-up cinnamon rolls. Breakfast is served all day.

Paradise Cove Cafe has just about anything you are hungry for. Our menu has something for everyone's palate. From great fresh salads to grilled fish, rice bowls, fish & chips, crab cakes, or if your just in the mood for a great hamburger. For our dinner we will be adding nightly specials.

Breakfast, lunch or dinner offerings contain both carry-out and dine-in menu selections.

We will also offer catering, as well as in house catering for events such as office parties or birthdays, car clubs, Christmas parties, etc.

Our front counter will display our take-out and catering menus.

### Keys to our Success:

Product Quality: Maintain good quality food, with on going consistency.

Service: Our patrons are paying to have a good experience, and each member of our staff will be courteous, efficient, and attentive!

# PARADISE COVE CAFE

## Paradise Cove Cafe Marketing Summary

### Trends:

Carson City is a small town, we are always trying to find places to go and things to do year round. In the last five years only three chain restaurants have opened. These are all the same Chile's, Applebee's, and Firkin & Fox. What they offer is the same old chain food. Customers are always interested in partaking in new experiences. They tend to choose comfortable, affordable venues, and repeat appearances at places that offer familiar scenery. In Carson City there only a few restaurants with different type of venues. We know there are not many places to choose from, that are not chains. We want to fill that need as we have done with Mom & Pop's Diner. Good food, nice atmosphere, and a comfortable dining experience.

### Targeted market:

Our goal is to service and cater to the DMV, and State Offices which are directly across the street. Two blocks down is the legislature office building, Capitol building, state printing office, and the board of education. Half a block away east is the Post Office and new track homes. There are plans in the future to have more state office buildings located in our area closed by. There are thousands of potential customers in a mile radius, working and living.

### Advertising:

We will launch our new business off with a grand-opening. With advertising in the Reno Gazette and Nevada Appeal. TV advertising in the past has been very successful because you can see an image of the cafe. We will continue to advertise in numerous ways to make us a success.. An exciting new web site will be created that will be informative and fun to look at, with easily access to download our menu for take-out or catering. The best way for good advertising in a small town is word of mouth. We expect to create a positive reputation, as we know that first impressions are very important to create.

## **OUR COMPETITION**

### **CRACKER BOX**

BREAKFAST AND LUNCH  
402 E. WILLIAM ST  
CARSON CITY, NV

### **HEIDI'S DUTCH MILL**

BREAKFAST AND LUNCH  
1020 N. CARSON ST.  
CARSON CITY, NV

### **GRANDMAS HATTIE'S**

BREAKFAST, LUNCH AND DINNER  
2800 S. CARSON ST  
CARSON CITY, NV

### **LL BBQ**

LUNCH AND DINNER  
CARSON MALL  
CARSON CITY, NV.

### **CHARLEY'S GRILL SUBS**

LUNCH AND DINNER  
CARSON MALL  
CARSON CITY, NV

### **REDS OLD 395 GRILLE**

LUNCH AND DINNER  
1055 S. CARSON ST.  
CARSON CITY, NV

### **STATION GRILLE**

LUNCH AND DINNER  
1105 S. CARSON ST.  
CARSON ST. NV



## PARADISE COVE CAFE / MANAGEMENT SUMMARY

Paradise Cove Cafe is owned and operated by Doug and Jamesa Cramer.  
Will be schedule, to open for operation by April 2009

Doug and Jamesa Cramer will manage and oversee the cafe on a daily basis. Our management staff will consist of a kitchen manager and a floor manager. Kitchen staff will be four line cooks and two dishwashers. Our front staff will consist of one hostess, four waitresses, and two busers .

### OUR MANAGEMENT TEAM:

Kitchen Manager - Kitchen manager will manage kitchen operations and be crucial to maintaining food inventory and kitchen stability.

Floor Manager- Floor manager will oversee all operations with front staff. Assist in table service. Oversee cashier and handling of daily money.

### OUR STAFF:

Kitchen Staff - Chef/ line cooks to assist in cooking and all food preparation.

Dishwashers - Will wash dishes, fill ice, collect bus tubs when needed. Will also maintain a clean area at all times.

Hostess - Will greet and seat patrons. Take menus and occasionally assist in getting drinks.

Front Wait Staff - Waitress will provide table service. Waitress duties are to take table orders, Clean stations, restock supplies at end of shift.

Busers - Busers will clean tables in a timely manner. Will take bus tubs to kitchen. Will clean bus stations at end of shift.

**All staff will conduct themselves in a professional matter!!!**

# **PARADISE COVE CAFE**

## **Financial Summary**

### **Financial loan and equity for new business**

The financial involvement is unique to this small business of Doug & Jamesa Cramer. In our lease, we have \$140,000.00, for tenant improvements To be paid back as rent increases over ten years. On top of the \$140,000.00 they will also supply a complete vanilla shell including two bathrooms to be framed out with plumbing fixtures, the heater & air units with vents. The insulation will be installed, the electric outlets installed through out the walls and ceiling electric boxes for lights, and the gas outlet. The landlord has paid for a grease trap, sewer and water hook ups. They will also level the floor for easy installation of flooring. The tenant improvements can be used for signs, flooring, lights, hood installation, any painting or wood work, or anything a contractor would do, to be able to open our business.

We already have purchased a good percentage of our restaurant equipment, including the kitchen hood. We have been buying decorations for a while, such as trees, plants, flooring, ceiling fans, wall decoration, fountains, pictures and cabinets for the gift shop.

We have been investing though the income of Mom & Pop's and will continue until the project can support itself.

Mom & Pop's are committed financially and emotionally to make Paradise Cove Cafe the place to go.

# **PARADISE COVE GIFT SHOP**

## **OUR VISION**

Our gift shop will be located at the opposite end of the restaurant. Our vision for the gift shop is to have all unique tropical items. It will be decorated and design to be fun and tropical to match and compliment the front of the restaurant. There will be tropical thatch, parrots, surfboard art, bamboo fountain and a mural. We will carry apparel, beachwear, bath and body, greeting cards, chimes, and one of a kind gift items.

## **OUR MISSION**

You will be able to enter the gift shop from the restaurant hallway or you can enter from the inside mall. We believe this will greatly benefit the mall shoppers and also it will be a place where our customers can shop or look while waiting to be seated.

It should be a great bonus to Carson City to have gift shop that is all tropical. Customers can feel like they except on vacation, and shop and dine at the same time. We hope to increase sales for the mall. It will also generate job positions.

**COVE CAFÉ**

**12 Months of Sales & Expenses First 6 Months July thru December 2009**

**Monday thru Sunday (Dinner Served Thursday, Friday & Saturday)**

	July	August	September	October	November	December	Total	Percentage
Check Amount per person	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	
Number of Customer Per Day	202	202	202	197	197	197	1197	
Month	31	31	30	31	29	30	182	
Average	\$ 1,949	\$ 1,949	\$ 1,949	\$ 1,901	\$ 1,901	\$ 1,901	\$ 11,551	
<b>Monthly Average Sales</b>	<b>\$ 60,428</b>	<b>\$ 60,428</b>	<b>\$ 58,479</b>	<b>\$ 58,933</b>	<b>\$ 55,130</b>	<b>\$ 57,032</b>	<b>\$ 350,430</b>	<b>100%</b>
	\$ 16,920	\$ 16,920	\$ 16,374	\$ 16,501	\$ 15,437	\$ 15,969	\$ 98,120	28.00%
	\$ 1,511	\$ 1,511	\$ 1,462	\$ 1,473	\$ 1,378	\$ 1,426	\$ 8,761	2.50%
	\$ 18,431	\$ 18,431	\$ 17,836	\$ 17,974	\$ 16,815	\$ 17,395	\$ 106,881	30.50%
Profit	\$ 41,998	\$ 41,998	\$ 40,643	\$ 40,958	\$ 38,316	\$ 39,637	\$ 243,549	69.50%
Expenses	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 1,920	0.55%
	\$ 900	\$ 900	\$ 900	\$ 750	\$ 750	\$ 750	\$ 4,950	1.41%
Charges	\$ 302	\$ 302	\$ 292	\$ 295	\$ 276	\$ 285	\$ 1,752	0.50%
	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 7,151	2.04%
	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 900	0.26%
Gifts/Memberships	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 300	0.09%
Loss	\$ -	\$ -	\$ -	\$ 4,500	\$ 4,500	\$ 4,500	\$ 13,500	3.85%
Maintenance	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 600	0.17%
	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 1,350	0.39%
	\$ 2,175	\$ 2,175	\$ 2,105	\$ 2,122	\$ 1,985	\$ 2,053	\$ 12,815	3.60%
	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 101,160	28.87%
Donus						\$ 3,000	\$ 3,000	0.86%
Items 941	\$ 1,660	\$ 1,660	\$ 1,648	\$ 1,650	\$ 1,627	\$ 1,639	\$ 9,883	2.82%
Other Taxes Estm 1%	\$ 538	\$ 538	\$ 526	\$ 529	\$ 506	\$ 518	\$ 3,156	0.90%
<b>Operating Expenses</b>	<b>\$ 24,472</b>	<b>\$ 24,472</b>	<b>\$ 24,369</b>	<b>\$ 28,743</b>	<b>\$ 28,540</b>	<b>\$ 31,842</b>	<b>\$ 162,238</b>	<b>46.30%</b>
<b>Profit before Depr</b>	<b>\$ 17,525</b>	<b>\$ 17,525</b>	<b>\$ 16,274</b>	<b>\$ 12,215</b>	<b>\$ 9,775</b>	<b>\$ 7,995</b>	<b>\$ 81,311</b>	<b>23.20%</b>
② 7.25%	\$ 4,381.05	\$ 4,381.05	\$ 4,239.73	\$ 4,272.61	\$ 3,996.96	\$ 4,134.78	\$ 25,406.18	7.25%

Profit for the first three months  
 subject to lease agreement with landlord.

**PARADISE COVE CAFÉ**

Summary of Sales & Expenses January thru December 2010

Open Monday Thru Sunday (Dinner Served Thursday, Friday & Saturday)

	January	February	March	April	May	June	July	August	September	October	November	December	Total	Percentage
Average Check Amount per person	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	\$ 9.65	9.65
Average Number of Customer Per Day	197	197	202	202	211	211	211	211	202	197	197	197	2435	
# of days in Month	31	28	31	30	31	30	31	31	30	31	29	30	363	
Daily Sales Average	\$ 1,901	\$ 1,901	\$ 1,949	\$ 1,871	\$ 1,814	\$ 1,814	\$ 1,814	\$ 1,814	\$ 1,814	\$ 1,767	\$ 1,767	\$ 1,824	22053	
<b>Restaurant Monthly Average Sales</b>	<b>\$ 58,933</b>	<b>\$ 53,229</b>	<b>\$ 60,428</b>	<b>\$ 56,133</b>	<b>\$ 56,246</b>	<b>\$ 54,432</b>	<b>\$ 56,246</b>	<b>\$ 56,246</b>	<b>\$ 54,432</b>	<b>\$ 54,782</b>	<b>\$ 51,247</b>	<b>\$ 54,716</b>	<b>\$ 667,071</b>	<b>100%</b>
Food Cost	\$ 16,501	\$ 14,904	\$ 16,920	\$ 15,717	\$ 15,749	\$ 15,241	\$ 15,749	\$ 15,749	\$ 15,241	\$ 15,339	\$ 14,349	\$ 15,320	\$ 186,780	28.00%
Supplies	\$ 1,473	\$ 1,331	\$ 1,511	\$ 1,403	\$ 1,406	\$ 1,361	\$ 1,406	\$ 1,406	\$ 1,361	\$ 1,370	\$ 1,281	\$ 1,368	\$ 16,677	2.50%
<b>COGS</b>	<b>\$ 17,974</b>	<b>\$ 16,235</b>	<b>\$ 18,431</b>	<b>\$ 17,121</b>	<b>\$ 17,155</b>	<b>\$ 16,602</b>	<b>\$ 17,166</b>	<b>\$ 17,155</b>	<b>\$ 16,602</b>	<b>\$ 16,708</b>	<b>\$ 16,630</b>	<b>\$ 16,688</b>	<b>\$ 203,457</b>	<b>30.50%</b>
<b>Gross Margin</b>	<b>\$ 40,958</b>	<b>\$ 36,994</b>	<b>\$ 41,998</b>	<b>\$ 39,012</b>	<b>\$ 39,091</b>	<b>\$ 37,830</b>	<b>\$ 39,091</b>	<b>\$ 39,091</b>	<b>\$ 37,830</b>	<b>\$ 38,073</b>	<b>\$ 35,617</b>	<b>\$ 38,027</b>	<b>\$ 463,614</b>	<b>89.50%</b>
<b>Operating Expenses</b>														
Accounting	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 320	\$ 3,840	0.58%
Advertising	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 750	\$ 750	\$ 750	\$ 10,350	1.55%
Bankcard Charges	\$ 281	\$ 281	\$ 281	\$ 281	\$ 281	\$ 272	\$ 281	\$ 281	\$ 272	\$ 274	\$ 256	\$ 274	\$ 3,314	0.50%
Insurance	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 1,192	\$ 14,302	2.17%
Interest	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 1,800	0.27%
Office Supples/Memberships	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600	0.09%
Rent Business	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 54,000	5.92%
Repair/Maintenace	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200	0.18%
Telephone	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 2,700	0.41%
Utilities	\$ 2,021	\$ 2,021	\$ 2,021	\$ 2,021	\$ 2,025	\$ 1,960	\$ 2,025	\$ 2,025	\$ 1,960	\$ 1,972	\$ 1,845	\$ 1,970	\$ 23,864	3.60%
Wages	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 16,860	\$ 202,320	30.69%
Year End Bonus												\$ 3,000	\$ 3,000	0.61%
Payroll Taxes 941	\$ 1,633	\$ 1,633	\$ 1,633	\$ 1,633	\$ 1,634	\$ 1,623	\$ 1,634	\$ 1,634	\$ 1,623	\$ 1,625	\$ 1,603	\$ 1,625	\$ 19,534	2.96%
Payroll Other Taxes Estm 1%	\$ 512	\$ 512	\$ 512	\$ 512	\$ 513	\$ 502	\$ 513	\$ 513	\$ 502	\$ 504	\$ 482	\$ 503	\$ 6,080	0.92%
<b>Total Operating Expenses</b>	<b>\$ 28,744</b>	<b>\$ 28,744</b>	<b>\$ 28,744</b>	<b>\$ 28,744</b>	<b>\$ 28,750</b>	<b>\$ 28,653</b>	<b>\$ 28,750</b>	<b>\$ 28,750</b>	<b>\$ 28,653</b>	<b>\$ 28,522</b>	<b>\$ 28,334</b>	<b>\$ 31,618</b>	<b>\$ 346,904</b>	<b>50.17%</b>
<b>Profit/Loss before Depr</b>	<b>\$ 12,214</b>	<b>\$ 8,251</b>	<b>\$ 13,254</b>	<b>\$ 10,269</b>	<b>\$ 10,341</b>	<b>\$ 9,177</b>	<b>\$ 10,341</b>	<b>\$ 10,341</b>	<b>\$ 9,177</b>	<b>\$ 9,651</b>	<b>\$ 7,283</b>	<b>\$ 6,509</b>	<b>\$ 116,710</b>	<b>9.83%</b>
<b>Sales Tax @7.25%</b>	<b>\$ 4,272.61</b>	<b>\$ 3,859.13</b>	<b>\$ 4,381.05</b>	<b>\$ 4,069.64</b>	<b>\$ 4,077.86</b>	<b>\$ 3,946.32</b>	<b>\$ 4,077.86</b>	<b>\$ 4,077.86</b>	<b>\$ 3,946.32</b>	<b>\$ 3,971.67</b>	<b>\$ 3,715.43</b>	<b>\$ 3,986.87</b>	<b>\$ 48,362.64</b>	

**Paradise Cove Café  
Pro Forma Balance Sheet**

	<b>Beginning</b>	<b>Ending Year 2009</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 5,887.00	\$ 78,117.06
Inventory	\$ 2,000.00	\$ 2,000.00
<b>Total Current Assets</b>	<b>\$ 7,887.00</b>	<b>\$ 80,117.06</b>
<b>Fixed Assets</b>		
Leasehold Improvements, equipment Furniture and Fixtures	\$ 30,000.00	\$ 30,000.00
Other Assets	<u>\$ 12,113.00</u>	<u>\$ 12,113.00</u>
<b>Total Assets</b>	<u><b>\$ 50,000.00</b></u>	<u><b>\$ 122,230.06</b></u>
<b>Liabilities and Owners Equity</b>		
<b>Long Term Liabilities</b>		
Notes Payable	\$ 35,000.00	\$ 28,847.99
<b>Short Term Liabilities</b>		
Carry Forward Cost		\$ 9,139.99
<b>Owners Equity</b>		
Current Year Income		\$ 69,242.08
Owners Investment	<u>\$ 15,000.00</u>	<u>\$ 15,000.00</u>
<b>Total Liabilities and Owners Equity</b>	<u><b>\$ 50,000.00</b></u>	<u><b>\$ 122,230.06</b></u>

**Monthly Payroll**

**Average total employees paid work day**  
**Sunday thru Wednesday 7 hours per day**  
**Thursday thru Saturday 14 hours per day**

---

<b>Restaurant Manager</b>	<b>\$ 3,725.00</b>
<b>Assistantg Manager</b>	<b>\$ 2,500.00</b>
<b>Kitchen Manager</b>	<b>\$ 1,800.00</b>
<b>Kitchen Staff</b>	<b>\$ 4,960.00</b>
<b>Dishwasher/busboy</b>	<b>\$ 1,937.50</b>
<b>Waitressses</b>	<b>\$ 1,937.50</b>

---

**Total Wages** **\$ 16,860.00**

Mom & Pop's Diner, Inc.  
Income Statement  
01/01/08 to 12/31/08

		%
Income		
Sales	<u>\$ 483,526.70</u>	<u>100.0</u>
Total Income	483,526.70	100.0
Cost of Sales		
Cost of Sales-Food	163,288.50	33.8
Cost of Sales-Supplies	12,948.50	2.7
Cost of Sales-Labor	161,868.80	33.5
Casual Labor	3,735.00	0.8
Returns	97.66	0.0
Repairs & Maintenance	1,592.73	0.3
Other Costs of Sales	<u>1,794.04</u>	<u>0.4</u>
Total Cost of Sales	345,325.23	71.4
Gross Margin	138,201.47	28.6
Operating Expenses		
Advertising/Marketing	2,979.06	0.6
Bank Charges	794.80	0.2
Bankcard Charges	2,952.39	0.6
Delivery	7,328.43	1.5
Dues & Subscriptions	220.00	0.0
Equipment Lease	370.82	0.1
Exterminator	1,350.93	0.3
Insurance	7,878.03	1.6
License, Fees, & Permits	1,549.00	0.3
Legal & Professional	175.00	0.0
Miscellaneous	225.00	0.0
Office Expense	1,786.34	0.4
Repairs & Maintenance	5,390.05	1.1
Rent	37,973.75	7.9
Sanitation	4,396.86	0.9
Taxes	16,096.03	3.3
Telephone	4,368.26	0.9
Utilities	<u>11,891.96</u>	<u>2.5</u>
Total Operating Expenses	107,726.71	22.3
Net income (loss)	<u><u>\$ 30,474.76</u></u>	<u><u>6.3</u></u>



Mom & Pop's Diner, Inc.  
Balance Sheet  
as of 12/31/08

Assets	
Current Assets	
Cash	\$ (13,407.53)
Inventory	2,500.00
Supply Inventory	2,500.00
Total Current Assets	<u>(8,407.53)</u>
Fixed Assets	
Kitchen Equipment	62,775.61
Improvements	1,100.00
Total Fixed Assets	<u>63,875.61</u>
Total Assets	<u><u>\$ 55,468.08</u></u>
Liabilities & Equity	
Current Liabilities	
Sales Tax Payable	\$ (3,200.29)
Payroll Taxes Payable	1,221.42
Total Current Liabilities	<u>(1,978.87)</u>
Stockholder Equity	
Stockholder Equity	26,972.19
Current income	30,474.76
Total Stockholder Equity	<u>57,446.95</u>
Total Liabilities & Equity	<u><u>\$ 55,468.08</u></u>

NV00311

Form W-2 Wage and Tax Statement 39-1908647 Dept. of the Treasury -- IRS  
Copy B To Be Filed With Employee's  
FEDERAL Tax Return. 2008 OMB No. 1545-0008

Employee's SSN	1 Wages, tips, other comp. 29900.00	2 Fed. income tax withheld 2589.80
Employer ID number	3 Social security wages 29900.00	4 Soc. sec. tax withheld 1853.80
	5 Medicare wages and tips 29900.00	6 Medicare tax withheld 433.55

Employer's name, address, and ZIP code  
MOM & POPS DINER INC  
224 S CARSON ST  
CARSON CITY, NV 89701

Employee's name, address, and ZIP code  
ROBERTA J CRAMER  
[REDACTED]  
CARSON CITY, NV 85701

7 Social security tips	8 Allocated tips	9 Advance EIC payment
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12
13 Statutory employee	14 Other	12b Code
Retirement plan		12c Code
Third-party sick pay		12d Code

NV		
15 State Employer's state ID no.	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name

This information is being furnished to the Internal Revenue Service.

NV00311

Form W-2 Wage and Tax Statement 39-1908647 Dept. of the Treasury -- IRS  
Copy C For EMPLOYEE'S RECORDS.  
(See Notice to Employee). 2008 OMB No. 1545-0008

Employee's SSN	1 Wages, tips, other comp. 29900.00	2 Fed. income tax withheld 2589.80
Employer ID number	3 Social security wages 29900.00	4 Soc. sec. tax withheld 1853.80
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224 S CARSON ST  
CARSON CITY, NV 89701

Employee's name, address, and ZIP code  
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[REDACTED]  
CARSON CITY, NV 85701

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NV		
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18 Local wages, tips, etc.	19 Local income tax	20 Locality name

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NV00311

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MOM & POPS DINER INC  
224 S CARSON ST  
CARSON CITY, NV 89701

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ROBERTA J CRAMER  
[REDACTED]  
CARSON CITY, NV 85701

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MOM & POPS DINER INC  
224 S CARSON ST  
CARSON CITY, NV 89701

Employee's name, address, and ZIP code  
ROBERTA J CRAMER  
[REDACTED]  
CARSON CITY, NV 85701

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Third-party sick pay		12d Code

NV		
15 State Employer's state ID no.	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name

NV00271

Form W-2 Wage and Tax Statement 39-1908647 Dept. of the Treasury -- IRS  
Copy B To Be Filed With Employee's FEDERAL Tax Return. 2008 OMB No. 1545-0008

Employee's SSN	1 Wages, tips, other comp. 16300.00	2 Fed. income tax withheld 1373.80
Employer ID number	3 Social security wages 16300.00	4 Soc. sec. tax withheld 1010.60
	5 Medicare wages and tips 16300.00	6 Medicare tax withheld 236.35

Employer's name, address, and ZIP code  
MOM & POPS DINER INC  
CARSON CITY, NV 89701

Employee's name, address, and ZIP code  
DOUG CRAMER  
CARSON CITY, NV 85701

7 Social security tips	8 Allocated tips	9 Advance EIC payment
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12
13 Statutory employee	14 Other	12b Code
Retirement plan		12c Code
Third-party sick pay		12d Code

NV		
15 State Employer's state ID no.	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name

This information is being furnished to the Internal Revenue Service.

NV00271

Form W-2 Wage and Tax Statement 39-1908647 Dept. of the Treasury -- IRS  
Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return. 2008 OMB No. 1545-0008

Employee's SSN	1 Wages, tips, other comp. 16300.00	2 Fed. income tax withheld 1373.80
Employer ID number	3 Social security wages 16300.00	4 Soc. sec. tax withheld 1010.60
	5 Medicare wages and tips 16300.00	6 Medicare tax withheld 236.35

Employer's name, address, and ZIP code  
MOM & POPS DINER INC  
CARSON CITY, NV 89701

Employee's name, address, and ZIP code  
DOUG CRAMER  
CARSON CITY, NV 85701

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NV00271

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MOM & POPS DINER INC  
CARSON CITY, NV 89701

Employee's name, address, and ZIP code  
DOUG CRAMER  
971 HAYSTACK COURT  
CARSON CITY, NV 85701

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NV00271

Form W-2 Wage and Tax Statement 39-1908647 Dept. of the Treasury -- IRS  
Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return. 2008 OMB No. 1545-0008

Employee's SSN	1 Wages, tips, other comp. 16300.00	2 Fed. income tax withheld 1373.80
Employer ID number	3 Social security wages 16300.00	4 Soc. sec. tax withheld 1010.60
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CARSON CITY, NV 89701

Employee's name, address, and ZIP code  
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971 HAYSTACK COURT  
CARSON CITY, NV 85701

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NV		
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18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Mom & Pop's Barbeque, Inc.  
Balance Sheet  
as of 12/31/07

		Assets	
Current Assets			
Cash		\$ (7,779.32)	
Inventory		2,500.00	
Supply Inventory		<u>2,500.00</u>	
Total Current Assets			(2,779.32)
Fixed Assets			
Kitchen Equipment		<u>45,000.00</u>	
Total Fixed Assets			45,000.00
Total Assets			<u>\$ 42,220.68</u>
		Liabilities & Equity	
Current Liabilities			
Sales Tax Payable		<u>\$ 2,169.49</u>	
Total Current Liabilities			2,169.49
Stockholder Equity			
Stockholder Equity		27,383.65	
Current income		<u>12,667.54</u>	
Total Stockholder Equity			<u>40,051.19</u>
Total Liabilities & Equity			<u>\$ 42,220.68</u>

**Federal  
Tax Return  
for**

**Douglas M and Roberta Cramer**

**2007**

**Georgette C. Valenti, CPA  
711 West Washington St.  
Carson City, NV 89703  
775 885-7814**

1040

Department of the Treasury—Internal Revenue Service

U.S. Individual Income Tax Return 2007

IRS Use Only—Do not write or staple in this space.

0014

For the year Jan. 1–Dec. 31, 2007, or other tax year beginning \_\_\_\_\_, ending \_\_\_\_\_

OMB No. 1545-0074

Your first name M.I. Last name Suffix  
 Douglas M Cramer

Your social security number  
 [REDACTED]

If a joint return, spouse's first name M.I. Last name Suffix  
 Roberta Cramer

Spouse's social security number  
 [REDACTED]

Home address (number and street). If you have a P.O. box, see page 12. Apt. no.  
 [REDACTED]

You must enter your SSN(s) above.

City, town or post office, state, and ZIP code. If you have a foreign address, see page 12.  
 Carson City NV 89703

Checking a box below will not change your tax or refund.

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 12)  You  Spouse

**Filing Status**

1  Single

2  Married filing jointly (even if only one had income)

3  Married filing separately. Enter spouse's SSN above and full name here.

4  Head of household (with qualifying person). (See page 13.) If the qualifying person is a child but not your dependent, enter this child's name here.

5  Qualifying widow(er) with dependent child (see page 14)

**Exemptions**

6a  Yourself. If someone can claim you as a dependent, do not check box 6a

6b  Spouse

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> if qualifying child for child tax credit (see page 15)
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

6d Total number of exemptions claimed **2**

Boxes checked on 6a and 6b: **2**

No. of children on 6c who:  
 • lived with you: **0**  
 • did not live with you due to divorce or separation (see page 16): **0**  
 Dependents on 6c not entered above: **0**  
 Add numbers on lines above: **2**

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	56,350
8a	Taxable interest. Attach Schedule B if required	8a	
8b	Tax-exempt interest. Do not include on line 8a	8b	
9a	Ordinary dividends. Attach Schedule B if required	9a	62
9b	Qualified dividends (see page 19)	9b	20
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 20)	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input checked="" type="checkbox"/>	13	132
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions	15a	
15b	Taxable amount (see page 21)	15b	
16a	Pensions and annuities	16a	
16b	Taxable amount (see page 22)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	12,667
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits	20a	
20b	Taxable amount (see page 24)	20b	0
21	Other income. List type and amount (see page 24)	21	
22	Add the amounts in the far right column for lines 7 through 21. This is your total income	22	69,211

23	Educator expenses (see page 26)	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	One-half of self-employment tax. Attach Schedule SE	27	
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction (see page 26)	29	8,472
30	Penalty on early withdrawal of savings	30	
31a	Allimony paid	31a	
31b	Recipient's SSN	31b	
32	IRA deduction (see page 27)	32	
33	Student loan interest deduction (see page 30)	33	
34	Tuition and fees deduction. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 through 31a and 32 through 35	36	8,472
37	Subtract line 36 from line 22. This is your adjusted gross income	37	60,739

Label  
Instructions  
page 12.)  
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Income  
Attach Form(s)  
2 here. Also  
Attach Forms  
2G and  
99-R if tax  
as withheld.

You did not  
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Close, but do  
at attach, any  
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orm 1040-V.

Adjusted  
Gross  
Income

Standard deduction People who checked any box on line 9a or 39b or who can be claimed as a dependent, see page 31. All others: Single or married filing separately, \$5,350 Married filing jointly or qualifying widow(er), \$10,700 Head of household, \$7,850	38	Amount from line 37 (adjusted gross income).	38	60,739	
	Credits	39a	Check <input type="checkbox"/> You were born before January 2, 1943, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> 39a		
			if: <input type="checkbox"/> Spouse was born before January 2, 1943, <input type="checkbox"/> Blind. <input type="checkbox"/> Total boxes checked <input type="checkbox"/> 39a		
	Other taxes	b	If your spouse itemizes on a separate return or you were a dual-status alien, see page 31 and check here <input type="checkbox"/> 39b		
		40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	10,700
		41	Subtract line 40 from line 38	41	50,039
		42	If line 38 is \$117,300 or less, multiply \$3,400 by the total number of exemptions claimed on line 6d. If line 38 is over \$117,300, see the worksheet on page 33.	42	6,800
		43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	43,239
		44	Tax (see page 33). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/> Form(s) 8889	44	5,687
		45	Alternative minimum tax (see page 36). Attach Form 6251	45	
46		Add lines 44 and 45	46	5,687	
47		Credit for child and dependent care expenses. Attach Form 2441	47		
48		Credit for the elderly or the disabled. Attach Schedule R	48		
49	Education credits. Attach Form 8863	49			
50	Residential energy credits. Attach Form 5695	50			
51	Foreign tax credit. Attach Form 1116 if required	51			
52	Child tax credit (see page 39). Attach Form 8901 if required	52			
53	Retirement savings contributions credit. Attach Form 8880	53			
54	Credits from: a <input type="checkbox"/> Form 8396 b <input type="checkbox"/> Form 8859 c <input type="checkbox"/> Form 8839	54			
55	Other credits: a <input type="checkbox"/> Form 3800 b <input type="checkbox"/> Form 8801 c <input type="checkbox"/> Form	55			
56	Add lines 47 through 55. These are your total credits	56			
57	Subtract line 56 from line 46. If line 56 is more than line 46, enter -0-	57	5,687		
58	Self-employment tax. Attach Schedule SE	58			
59	Unreported social security and Medicare tax from: a <input type="checkbox"/> Form 4137 b <input type="checkbox"/> Form 8919	59			
60	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	60			
61	Advance earned income credit payments from Form(s) W-2, box 9	61			
62	Household employment taxes. Attach Schedule H	62			
63	Add lines 57 through 62. This is your total tax	63	5,687		
Payments	64	Federal income tax withheld from Forms W-2 and 1099	64	4,794	
	65	2007 estimated tax payments and amount applied from 2006 return	65		
	66a	Earned income credit (EIC)	66a		
		b Nontaxable combat pay election <input type="checkbox"/> 66b			
	67	Excess social security and tier 1 RRTA tax withheld (see page 59)	67		
	68	Additional child tax credit. Attach Form 8812	68		
	69	Amount paid with request for extension to file (see page 59)	69		
	70	Payments from: a <input type="checkbox"/> Form 2439 b <input type="checkbox"/> Form 4136 c <input type="checkbox"/> Form 8885	70		
	71	Refundable credit for prior year minimum tax from Form 8801, line 27	71		
	72	Add lines 64, 65, 66a, and 67 through 71. These are your total payments	72	4,794	
Refund	73	If line 72 is more than line 63, subtract line 63 from line 72. This is the amount you overpaid	73		
	74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/> 74a			
	b	Routing number <input type="text"/>	c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
		d Account number <input type="text"/>			
75	Amount of line 73 you want applied to your 2008 estimated tax	75			
Amount you Owe	76	Amount you owe. Subtract line 72 from line 63. For details on how to pay, see page 60	76	893	
	77	Estimated tax penalty (see page 61)	77		

Third Party Designee Do you want to allow another person to discuss this return with the IRS (see page 61)?  Yes. Complete the following.  No

Designee's name  Preparer Phone no.  Personal identification number (PIN)

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature  Date  Your occupation  Daytime phone number

Spouse's signature. If a joint return, both must sign.  Date  Spouse's occupation

Paid Preparer's Use Only

Preparer's signature  Date 3/11/2008 Check if self-employed  Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code  Georgette C. Valenti, CPA 711 West Washington St. Carson City State NV ZIP code 89703 EIN  Phone no. 775 885-7814

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

Douglas M and Roberta Cramer

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See page E-1.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? Yes No

Table with 5 columns: (a) Name, (b) Enter P for partnership; S for S corporation, (c) Check if foreign partnership, (d) Employer identification number, (e) Check if any amount is not at risk. Rows A-D.

Table with 5 columns: (f) Passive loss allowed, (g) Passive income from Schedule K-1, (h) Nonpassive loss from Schedule K-1, (i) Section 179 expense deduction from Form 4562, (j) Nonpassive income from Schedule K-1. Rows A-D, 29a Totals, 29b Totals, 30, 31, 32.

Part III Income or Loss From Estates and Trusts

Table with 2 columns: (a) Name, (b) Employer identification number. Rows A-B.

Table with 4 columns: (c) Passive deduction or loss allowed, (d) Passive income from Schedule K-1, (e) Deduction or loss from Schedule K-1, (f) Other income from Schedule K-1. Rows A-B, 34a Totals, 34b Totals, 35, 36, 37.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)—Residual Holder

Table with 5 columns: (a) Name, (b) Employer identification number, (c) Excess inclusion from Schedules Q, line 2c, (d) Taxable income (net loss) from Schedules Q, line 1b, (e) Income from Schedules Q, line 3b. Rows 38, 39.

Part V Summary

Table with 2 columns: Description, Amount. Rows 40, 41, 42, 43.



▶ See separate instructions.

▶ Attach to Form 1040 or Form 1040NR.

Department of the Treasury  
Internal Revenue Service (99)

Name(s) shown on Form 1040 or Form 1040NR

Your social security number

Douglas M and Roberta Cramer

**Part I Alternative Minimum Taxable Income** (See instructions for how to complete each line.)

1	If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41, and go to line 2. Otherwise, enter the amount from Form 1040, line 38, and go to line 7. (If less than zero, enter as a negative amount.)	1	60,739
2	Medical and dental. Enter the smaller of Schedule A (Form 1040), line 4, or 2.5% (.025) of Form 1040, line 38. If zero or less, enter -0-	2	0
3	Taxes from Schedule A (Form 1040), line 9	3	
4	Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet on page 2 of the instructions.	4	
5	Miscellaneous deductions from Schedule A (Form 1040), line 27	5	
6	If Form 1040, line 38, is over \$156,400 (over \$78,200 if married filing separately), enter the amount from line 11 of the Itemized Deductions Worksheet on page A-10 of the instructions for Schedule A (Form 1040).	6	( )
7	Tax refund from Form 1040, line 10 or line 21	7	( )
8	Investment interest expense (difference between regular tax and AMT)	8	
9	Depletion (difference between regular tax and AMT)	9	
10	Net operating loss deduction from Form 1040, line 21. Enter as a positive amount.	10	
11	Interest from specified private activity bonds exempt from the regular tax.	11	
12	Qualified small business stock (7% of gain excluded under section 1202).	12	
13	Exercise of incentive stock options (excess of AMT income over regular tax income).	13	
14	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A).	14	
15	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6).	15	
16	Disposition of property (difference between AMT and regular tax gain or loss).	16	
17	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT).	17	
18	Passive activities (difference between AMT and regular tax income or loss).	18	
19	Loss limitations (difference between AMT and regular tax income or loss).	19	
20	Circulation costs (difference between regular tax and AMT).	20	
21	Long-term contracts (difference between AMT and regular tax income).	21	
22	Mining costs (difference between regular tax and AMT).	22	
23	Research and experimental costs (difference between regular tax and AMT).	23	
24	Income from certain installment sales before January 1, 1987.	24	( )
25	Intangible drilling costs preference.	25	
26	Other adjustments, including income-based related adjustments.	26	
27	Alternative tax net operating loss deduction.	27	( )
28	<b>Alternative minimum taxable income.</b> Combine lines 1 through 27. (If married filing separately and line 28 is more than \$207,500, see page 7 of the instructions.)	28	60,739

**Part II Alternative Minimum Tax**

29	Exemption. (If this form is for a child under age 18, see page 7 of the instructions.) IF your filing status is . . . AND line 28 is not over . . . THEN enter on line 29 . . . Single or head of household . . . \$112,500 . . . \$44,350 Married filing jointly or qualifying widow(er) . . . 150,000 . . . 66,250 Married filing separately . . . 75,000 . . . 33,125	29	66,250
30	If line 28 is over the amount shown above for your filing status, see page 7 of the instructions. Subtract line 29 from line 28. If more than zero, go to line 31. If zero or less, enter -0- here and on lines 33 and 35 and skip the rest of Part II.	30	0
31	• If you are filing Form 2555 or 2555-EZ, see page 8 of the instructions for the amount to enter. • If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 55 here. • All others: if line 30 is \$175,000 or less (\$87,500 or less if married filing separately), multiply line 30 by 26% (.26). Otherwise, multiply line 30 by 28% (.28) and subtract \$3,500 (\$1,750 if married filing separately) from the result.	31	0
32	Alternative minimum tax foreign tax credit (see page 8 of the instructions)	32	
33	Tentative minimum tax. Subtract line 32 from line 31	33	0
34	Tax from Form 1040, line 44 (minus any tax from Form 4972 and any foreign tax credit from Form 1040, line 51). If you used Schedule J to figure your tax, the amount from line 44 of Form 1040 must be refigured without using Schedule J (see page 9 of the instructions).	34	
35	<b>Alternative minimum tax.</b> Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45	35	0

**SCHEDULE A**

(Form 1040)

**Schedule A—Itemized Deductions**

*copy*

OMB No. 1545-0074

**2007**

Attachment  
Sequence No. **07**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1040.

▶ See Instructions for Schedule A (Form 1040).

Name(s) shown on Form 1040

Your social security number

Douglas M and Roberta Cramer

<b>Medical Expenses</b>		Caution. Do not include expenses reimbursed or paid by others.			
1	Medical and dental expenses (see page A-1)	1	757		
2	Enter amount from Form 1040, line 38 . . . . . 2	2	60,739		
3	Multiply line 2 by 7.5% (.075)	3	4,555		
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4			0
<b>Taxes You Paid</b>		State and local (check only one box):			
a	<input type="checkbox"/> Income taxes, or	5	784		
b	<input checked="" type="checkbox"/> General sales taxes	6	1,364		
6	Real estate taxes (see page A-5)	7			
7	Personal property taxes	8			
8	Other taxes. List type and amount ▶	8			
9	Add lines 5 through 8	9			2,148
<b>Interest You Paid</b>		Home mortgage interest and points reported to you on Form 1098		10	7,664
11		Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-6 and show that person's name, identifying no., and address ▶		11	
12		Points not reported to you on Form 1098. See page A-6 for special rules		12	
13		Qualified mortgage insurance premiums (See page A-7)		13	
14		Investment interest. Attach Form 4952 if required. (See page A-7.)		14	
15		Add lines 10 through 14		15	7,664
<b>Gifts to Charity</b>		Gifts by cash or check. If you made any gift of \$250 or more, see page A-8		16	250
17		Other than by cash or check. If any gift of \$250 or more, see page A-8. You must attach Form 8283 if over \$500		17	500
18		Carryover from prior year		18	
19		Add lines 16 through 18		19	750
<b>Casualty and Theft Losses</b>		Casualty or theft loss(es). Attach Form 4684. (See page A-9.)		20	
<b>Job Expenses and Certain Miscellaneous Deductions</b>		Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-9.) ▶		21	
22		Tax preparation fees		22	
23		Other expenses—investment, safe deposit box, etc. List type and amount ▶		23	
24		Add lines 21 through 23		24	0
25		Enter amount from Form 1040, line 38 . . . . . 25		25	60,739
26		Multiply line 25 by 2% (.02)		26	1,215
27		Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-		27	0
<b>Other Miscellaneous Deductions</b>		Other—from list on page A-10. List type and amount ▶		28	
<b>Total Itemized Deductions</b>		Is Form 1040, line 38, over \$156,400 (over \$78,200 if married filing separately)?		29	10,562
29		<input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.			
		<input type="checkbox"/> Yes. Your deduction may be limited. See page A-10 for the amount to enter.			
30		If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ <input type="checkbox"/>			

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation. See separate instructions.

2007

Department of the Treasury Internal Revenue Service

For calendar year 2007 or tax year beginning ending

Header section containing: A Selection effective date (7/1/2003), B Business activity code number (720010), C Check if Sch. M-3 attached, D Employer identification number, E Date incorporated, F Total assets (\$50,000), Name (Mom & Pop's Diner, Inc.), Address (224 S. Carson St., Carson City, NV 89703).

Section G: Is the corporation electing to be an S corporation beginning with this tax year? (Yes/No). Section H: Check if: (1) Final return, (2) Name change, (3) Address change, (4) Amended return, (5) S election termination or revocation. Section I: Enter the number of shareholders in the corporation at the end of the tax year (2).

Caution. Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Main table with columns: Income (1a-6), Deductions (7-21), Tax and Payments (22a-27). Includes sub-columns for 'a', 'b', 'c' and 'Bal'. Values include 505,085 for gross receipts and 12,667 for ordinary business income.

Sign Here section: Declaration of preparer, Signature of officer (Georgette C. Valenti, CPA), Date (3/6/2008), Title, Preparer's signature, Date, Check if self-employed (checked), Preparer's SSN or PTIN, Firm's name (711 West Washington St., Carson City, NV), EIN, Phone no. (775 885-7814), ZIP code (89703).

**Schedule A Cost of Goods Sold (see instructions)**

1	Inventory at beginning of year	1	2,500
2	Purchases	2	188,719
3	Cost of labor	3	107,220
4	Additional section 263A costs (attach statement)	4	
5	Other costs (attach statement)	5	24,034
6	Total. Add lines 1 through 5	6	322,473
7	Inventory at end of year	7	2,500
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	319,973

9a Check all methods used for valuing closing inventory: (i)  Cost as described in Regulations section 1.471-3  
(ii)  Lower of cost or market as described in Regulations section 1.471-4  
(iii)  Other (Specify method used and attach explanation.)

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c)

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation?  Yes  No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
If "Yes," attach explanation.

**Schedule B Other Information (see instructions)**

	Yes	No
1 Check accounting method: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) <input type="checkbox"/>		
2 See the instructions and enter the: a Business activity <input type="checkbox"/> Food Service b Product or service <input type="checkbox"/> Food		
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) if 100% owned, was a QSub election made?		
4 Has this corporation filed, or is it required to file, a return under section 6111 to provide information on any reportable transaction?		
5 Check this box if the corporation issued publicly offered debt instruments with original issue discount. If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. <input type="checkbox"/>		
6 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years. <input type="checkbox"/> \$		
7 Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$		
8 Are the corporation's total receipts (see instructions) for the tax year and its total assets at the end of the tax year less than \$250,000? If "Yes," the corporation is not required to complete Schedules L and M-1. <input checked="" type="checkbox"/>		X

**Schedule K Shareholders' Pro Rata Share Items**

	Total amount
1 Ordinary business income (loss) (page 1, line 21)	1 12,667
2 Net rental real estate income (loss) (attach Form 8825)	2
3a Other gross rental income (loss) <span style="float:right">3a</span>	
b Expenses from other rental activities (attach statement) <span style="float:right">3b</span>	
c Other net rental income (loss). Subtract line 3b from line 3a <span style="float:right">3c</span>	0
4 Interest income <span style="float:right">4</span>	
5 Dividends: a Ordinary dividends <span style="float:right">5a</span>	
b Qualified dividends <span style="float:right">5b</span>	
6 Royalties <span style="float:right">6</span>	
7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) <span style="float:right">7</span>	
8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) <span style="float:right">8a</span>	
b Collectibles (28%) gain (loss) <span style="float:right">8b</span>	
c Unrecaptured section 1250 gain (attach statement) <span style="float:right">8c</span>	
9 Net section 1231 gain (loss) (attach Form 4797) <span style="float:right">9</span>	
10 Other income (loss) (see instructions) Type <span style="float:right">10</span>	

		Shareholders' Pro Rata Share Items (continued)	Total amount	
Deductions	11	Section 179 deduction (attach Form 4562)	11	
	12a	Contributions	12a	
	b	Investment interest expense	12b	
	c	Section 59(e)(2) expenditures (1) Type (2) Amount	12c(2)	
	d	Other deductions (see instructions) Type	12d	
Credits	13a	Low-income housing credit (section 42(j)(5))	13a	
	b	Low-income housing credit (other)	13b	
	c	Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	13c	
	d	Other rental real estate credits (see instructions) Type	13d	
	e	Other rental credits (see instructions) Type	13e	
	f	Credit for alcohol used as fuel (attach Form 6478)	13f	
	g	Other credits (see instructions) Type	13g	
Foreign Transactions	14a	Name of country or U.S. possession		
	b	Gross income from all sources	14b	
	c	Gross income sourced at shareholder level Foreign gross income sourced at corporate level	14c	
	d	Passive category	14d	
	e	General category	14e	
	f	Other (attach statement) Deductions allocated and apportioned at shareholder level	14f	
	g	Interest expense	14g	
	h	Other Deductions allocated and apportioned at corporate level to foreign source income	14h	
	i	Passive category	14i	
	j	General category	14j	
	k	Other (attach statement) Other information	14k	
	l	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l	
	m	Reduction in taxes available for credit (attach statement)	14m	
	n	Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) Items	15a	Post-1986 depreciation adjustment	15a	
	b	Adjusted gain or loss	15b	
	c	Depletion (other than oil and gas)	15c	
	d	Oil, gas, and geothermal properties—gross income	15d	
	e	Oil, gas, and geothermal properties—deductions	15e	
	f	Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a	Tax-exempt interest income	16a	
	b	Other tax-exempt income	16b	
	c	Nondeductible expenses	16c	8,472
	d	Property distributions	16d	
	e	Repayment of loans from shareholders	16e	
Other Information	17a	Investment income	17a	
	b	Investment expenses	17b	
	c	Dividend distributions paid from accumulated earnings and profits	17c	
	d	Other items and amounts (attach statement)		
Reconciliation	18	Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l.	18	12,667

Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts		0		0
3 Inventories		2,500		2,500
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach statement)		2,500		2,500
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (attach statement)				
10a Buildings and other depreciable assets				
b Less accumulated depreciation		0		0
11a Depletable assets				
b Less accumulated depletion		0		0
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization		0		0
14 Other assets (attach statement)		45,000		45,000
15 Total assets		50,000		50,000
<b>Liabilities and Shareholders' Equity</b>				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year				
18 Other current liabilities (attach statement)		9,821		7,779
19 Loans from shareholders		2,153		
20 Mortgages, notes, bonds payable in 1 year or more				
21 Other liabilities (attach statement)				
22 Capital stock				
23 Additional paid-in capital				
24 Retained earnings		38,026		42,221
25 Adjustments to shareholders' equity (attach statement)				
26 Less cost of treasury stock				
27 Total liabilities and shareholders' equity		50,000		50,000

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return	
Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more—see instructions	
1 Net income (loss) per books	4,195
2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):	
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14l (itemize):	
a Depreciation \$	
b Travel and entertainment \$	
Health Insurance 8,472	
	8,472
4 Add lines 1 through 3	12,667
5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
a Tax-exempt interest \$	
	0
6 Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):	
a Depreciation \$	
	0
7 Add lines 5 and 6	0
8 Income (loss) (Schedule K, line 18). Line 4 less line 7	12,667

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year	38,026		
2 Ordinary income from page 1, line 21	12,667		
3 Other additions			
4 Loss from page 1, line 21			
5 Other reductions	8,472		
6 Combine lines 1 through 5	42,221	0	0
7 Distributions other than dividend distributions	0	0	0
	42,221	0	0

Final K-1

Amended K-1

Schedule K-1 (Form 1120S)

2007

Department of the Treasury Internal Revenue Service

For calendar year 2007, or tax year beginning \_\_\_\_\_, 2007 ending \_\_\_\_\_, 20\_\_

Shareholder's Share of Income, Deductions, Credits, etc.

See back of form and separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number
B Corporation's name, address, city, state, and ZIP code
Mom & Pop's Diner, Inc.
224 S. Carson St.
Carson City NV 89703
C IRS Center where corporation filed return
Ogden, UT 84201-0013

Part II Information About the Shareholder

D Shareholder's identifying number Shareholder 1
E Shareholder's name, address, city, state, and ZIP code
Doug Cramer
224 S. Carson St.
Carson City, NV 89701
F Shareholder's percentage of stock ownership for tax year 50%

For IRS Use Only

Table with 4 columns: Line number, Description, Column number, and Amount. Includes rows for Ordinary business income (6,333), Dividends, Capital gains, and Deductions (4,236).

\* See attached statement for additional information.

**Schedule K-1  
(Form 1120S)**

Department of the Treasury  
Internal Revenue Service

**2007**

For calendar year 2007, or tax  
year beginning \_\_\_\_\_, 2007  
ending \_\_\_\_\_, 20\_\_\_\_\_

**Shareholder's Share of Income, Deductions,  
Credits, etc.**

▶ See back of form and separate instructions.

Final K-1

Amended K-1

671107  
OMB No. 1545-0130

<b>Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items</b>			
1	Ordinary business income (loss)	13	Credits
		6,334	
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
11	Section 179 deduction	16	Items affecting shareholder basis
		C	4,236
12	Other deductions		
		17	Other information

\* See attached statement for additional information.

**Part I Information About the Corporation**

**A** Corporation's employer identification number  
[REDACTED]

**B** Corporation's name, address, city, state, and ZIP code  
Mom & Pop's Diner, Inc.  
224 S. Carson St.  
Carson City NV 89703

**C** IRS Center where corporation filed return  
Ogden, UT 84201-0013

**Part II Information About the Shareholder**

**D** Shareholder's identifying number Shareholder 2  
[REDACTED]

**E** Shareholder's name, address, city, state, and ZIP code  
Roberta J. Cramer  
224 S. Carson St.  
Carson City, NV 89701

**F** Shareholder's percentage of stock ownership for tax year . . . . . 50.%

For IRS Use Only



**Line 19 (Form 1120S) - Other Deductions**

1	Bank charges	1	1,283
2	Credit and collection costs	2	3,323
3	Delivery	3	4,447
4	Dues and subscriptions	4	270
5	Equipment rent	5	206
6	Exterminator	6	1,981
7	Fees	7	642
8	Insurance	8	7,160
9	Miscellaneous	9	4,309
10	Office supplies and expense	10	304
11	Professional fees	11	800
12	Sanitation	12	3,605
13	Telephone	13	3,033
14	Utilities	14	14,785
15	Total other deductions	15	46,148

**Line 5, Sch A (Form 1120S) - Other Costs for Cost of Goods Sold**

1	Travel, Meals and Entertainment	1a	
	a Travel		
	b Total meals and entertainment	1b	
	c 50% of line b	1c	0
	d Subtract line c from line b	1d	0
2	Depreciation	2	
3	Compensation of officers	3	
4	Salesperson wages and commissions	4	
5	Indirect labor	5	
6	Rent	6	
7	Amortization	7	
8	Freight-in	8	
9	Supplies	9	
10	Taxes	10	
11	Utilities	11	
12	Supplies	12	14,578
13	Over/Short	13	28
14	Street & Patio Expense	14	1,594
15	Other Costs of Sales	15	7,834
16	Total other costs	16	24,034

**Line 6, Sch L (Form 1120S) - Other Current Assets**

		Beginning	End
1	Supply Inventory	2,500	2,500
2	Total other current assets	2,500	2,500

**Line 14, Sch L (Form 1120S) - Other Assets**

		Beginning	End
1	Kitchen Equipment	45,000	45,000
2	Total other assets	45,000	45,000

**Line 18, Sch L (Form 1120S) - Other Current Liabilities**

		Beginning	End
1	Overdraft	9,821	7,779
2	Total other current liabilities	9,821	7,779

Label (See instructions on page 16.) Use the IRS label.

Label (See instructions on page 16.) Use the IRS label. Otherwise, please print type.

Form header section containing personal information: Your first name (Douglas), Last name (Cramer), Spouse's first name (Roberta), Last name (Cramer), Home address (224 S. Carson St), City (Carson City), State (NV), ZIP code (89703).

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 16). [ ] You [ ] Spouse

Filing Status

Filing status options: 1 [ ] Single, 2 [X] Married filing jointly (even if only one had income), 3 [ ] Married filing separately, 4 [ ] Head of household, 5 [ ] Qualifying widow(er).

Check only one box.

Table for dependent information with columns: First name, Last name, SSN.

Exemptions

Exemption section: 6a [X] Yourself, 6b [X] Spouse, 6c Dependents table (Teneya Rasmussen-Cramer, Daughter), 6d Total number of exemptions claimed (3).

Income

Income section: 7 Wages, salaries, tips, etc. (51,950); 8a Taxable interest; 9a Ordinary dividends; 10 Taxable refunds; 11 Alimony received; 12 Business income; 13 Capital gain; 14 Other gains; 15a IRA distributions; 16a Rental real estate (3,984); 20a Social security benefits; 21 Other income; 22 Total income (55,934).

Adjusted Gross Income

Adjusted Gross Income section: 23 Archer MSA deduction; 24 Business expenses; 25 Health savings account deduction; 26 Moving expenses; 27 Self-employment tax; 28 Self-employed SEP, SIMPLE, and qualified plans; 29 Self-employed health insurance deduction; 30 Penalty on early withdrawal; 31a Alimony paid; 32 IRA deduction; 33 Student loan interest deduction; 34 Jury duty pay; 35 Domestic production activities deduction; 36 Add lines 23 through 31a and 32 through 35; 37 Adjusted gross income (55,934).

<b>Tax</b>	38	Amount from line 37 (adjusted gross income)	38	55,934
<b>and Credits</b>	39a	Check <input type="checkbox"/> You were born before January 2, 1942, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> if: <input type="checkbox"/> Spouse was born before January 2, 1942, <input type="checkbox"/> Blind. checked <input type="checkbox"/> 39a		
<b>Standard Deduction</b>	b	If your spouse itemizes on a separate return or you were a dual-status alien, see page 34 and check here <input type="checkbox"/> 39b		
<b>for—</b>	40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	10,300
<b>People who checked any box on line 39a or 39b or who can be claimed as a dependent, see page 34.</b>	41	Subtract line 40 from line 38	41	45,634
<b>All others: Single or Married filing separately, \$5,150 Married filing jointly or Qualifying widow(er), \$10,300 Head of household, \$7,550</b>	42	If line 38 is over \$112,875, or you provided housing to a person displaced by Hurricane Katrina, see page 36. Otherwise, multiply \$3,300 by the total number of exemptions claimed on line 6d	42	9,900
	43	Taxable Income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	35,734
	44	Tax (see page 36). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972	44	4,604
	45	Alternative minimum tax (see page 39). Attach Form 6251	45	
	46	Add lines 44 and 45	46	4,604
	47	Foreign tax credit. Attach Form 1116 if required	47	
	48	Credit for child and dependent care expenses. Attach Form 2441	48	
	49	Credit for the elderly or the disabled. Attach Schedule R	49	
	50	Education credits. Attach Form 8863	50	1,650
	51	Retirement savings contributions credit. Attach Form 8880	51	
	52	Residential energy credits. Attach Form 5695	52	
	53	Child tax credit (see page 42). Attach Form 8901 if required	53	
	54	Credits from: a <input type="checkbox"/> Form 8396 b <input type="checkbox"/> Form 8839 c <input type="checkbox"/> Form 8859	54	
	55	Other credits: a <input type="checkbox"/> Form 3800 b <input type="checkbox"/> Form 8801 c <input type="checkbox"/> Form	55	
	56	Add lines 47 through 55. These are your total credits	56	1,650
	57	Subtract line 56 from line 46. If line 56 is more than line 46, enter -0-	57	2,954
<b>Other taxes</b>	58	Self-employment tax. Attach Schedule SE	58	
	59	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	59	
	60	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	60	
	61	Advance earned income credit payments from Form(s) W-2, box 9	61	
	62	Household employment taxes. Attach Schedule H	62	
	63	Add lines 57 through 62. This is your total tax	63	2,954
<b>Payments</b>	64	Federal income tax withheld from Forms W-2 and 1099	64	4,162
	65	2006 estimated tax payments and amount applied from 2005 return	65	
	66a	Earned Income credit (EIC)	66a	
	b	Nontaxable combat pay election <input type="checkbox"/> 66b		
	67	Excess social security and tier 1 RRTA tax withheld (see page 60)	67	
	68	Additional child tax credit. Attach Form 8812	68	
	69	Amount paid with request for extension to file (see page 60)	69	
	70	Payments from: a <input type="checkbox"/> Form 2439 b <input type="checkbox"/> Form 4136 c <input type="checkbox"/> Form 8885	70	
	71	Credit for federal telephone excise tax paid. Attach Form 8913 if required	71	50
	72	Add lines 64, 65, 66a, and 67 through 71. These are your total payments	72	4,212
<b>Refund</b>	73	If line 72 is more than line 63, subtract line 63 from line 72. This is the amount you overpaid	73	1,258
	74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	74a	1,258
<b>Direct deposit? See page 61 and fill in 74b, 74c, and 74d, or Form 8888</b>	b	Routing number XXXXXXXXXX c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	d	Account number XXXXXXXXXXXXXXXXXXXX		
	75	Amount of line 73 you want applied to your 2007 estimated tax	75	
<b>Amount You Owe</b>	76	Amount you owe. Subtract line 72 from line 63. For details on how to pay, see page 62	76	0
	77	Estimated tax penalty (see page 62)	77	

**Third Party Designee** Do you want to allow another person to discuss this return with the IRS (see page 63)?  Yes. Complete the following.  No

Designee's name  Preparer Phone no.  Personal identification number (PIN)

**Sign Here** Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature \_\_\_\_\_ Date \_\_\_\_\_ Your occupation **Self-Employed** Daytime phone number \_\_\_\_\_

Spouse's signature. If a joint return, both must sign. \_\_\_\_\_ Date \_\_\_\_\_ Spouse's occupation **Self-employed**

**Paid Preparer's Use Only** Preparer's signature \_\_\_\_\_ Date 2/28/2007 Check if self-employed  Preparer's SSN or PTIN \_\_\_\_\_

Firm's name (or yours if self-employed), address, and ZIP code **Georgette C. Valentini, CPA**  
**711 West Washington St.**  
**Carson City** State **NV** ZIP code **89703**

EIN \_\_\_\_\_ Phone no. **775 885-7814**

**SCHEDULE A**  
**(Form 1040)**

**Schedule A—Itemized Deductions**

OMB No. 1545-0074

**2006**  
Attachment  
Sequence No. **07**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to Form 1040.

▶ See instructions for Schedule A (Form 1040).

Name(s) shown on Form 1040

Your social security number

Douglas M and Roberta Cramer

[REDACTED]

		1	2	3	4	5	6	7	8	9	
<b>Medical and Dental Expenses</b>	<b>1</b>	Caution. Do not include expenses reimbursed or paid by others.									
	<b>2</b>	Medical and dental expenses (see page A-1)	1								
	<b>3</b>	Enter amount from Form 1040, line 38	2	55,934							
	<b>4</b>	Multiply line 2 by 7.5% (.075)	3		4,195						
	<b>4</b>	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-								0	
<b>Taxes You Paid</b> (See page A-3.)	<b>5</b>	State and local income taxes	5		747						
	<b>6</b>	Real estate taxes (see page A-3)	6		1,296						
	<b>7</b>	Personal property taxes	7								
	<b>8</b>	Other taxes. List type and amount ▶	8								
	<b>9</b>	Add lines 5 through 8								2,043	
<b>Interest You Paid</b> (See page A-3.)	<b>10</b>	Home mortgage interest and points reported to you on Form 1098	10		7,787						
	<b>11</b>	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-3 and show that person's name, identifying no., and address ▶	11								
	<b>12</b>	Points not reported to you on Form 1098. See page A-4 for special rules	12								
	<b>13</b>	Investment interest. Attach Form 4952 if required. (See page A-4.)	13								
	<b>14</b>	Add lines 10 through 13								7,787	
<b>Gifts to Charity</b> If you made a gift and got a benefit for it, see page A-4.	<b>15</b>	Gifts by cash or check. If you made any gift of \$250 or more, see page A-5	15								
	<b>16</b>	Other than by cash or check. If any gift of \$250 or more, see page A-5. You must attach Form 8283 if over \$500	16								
	<b>17</b>	Carryover from prior year	17								
	<b>18</b>	Add lines 15 through 17								0	
<b>Casualty and Theft Losses</b>	<b>19</b>	Casualty or theft loss(es). Attach Form 4684. (See page A-6.)								19	
<b>Job Expenses and Certain Miscellaneous Deductions</b> (See page A-6.)	<b>20</b>	Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-6.) ▶	20								
	<b>21</b>	Tax preparation fees	21								
	<b>22</b>	Other expenses—investment, safe deposit box, etc. List type and amount ▶	22								
	<b>23</b>	Add lines 20 through 22	23			0					
	<b>24</b>	Enter amount from Form 1040, line 38	24	55,934							
	<b>25</b>	Multiply line 24 by 2% (.02)	25		1,119						
	<b>26</b>	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-								0	
<b>Other Miscellaneous Deductions</b>	<b>27</b>	Other—from list on page A-7. List type and amount ▶								27	
<b>Total Itemized Deductions</b>	<b>28</b>	Is Form 1040, line 38, over \$150,500 (over \$75,250 if married filing separately)? <input checked="" type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 40. <input type="checkbox"/> Yes. Your deduction may be limited. See page A-7 for the amount to enter.								28	9,830
	<b>29</b>	If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ <input type="checkbox"/>									

Name(s) shown on return. Do not enter name and social security number if shown on other side.

Your social security number

Douglas M and Roberta Cramer

Caution. The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See page E-1.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? [ ] Yes [X] No If you answered "Yes," see page E-6 before completing this section.

Table with 5 columns: (a) Name, (b) Enter P for partnership, S for S corporation, (c) Check if foreign partnership, (d) Employer identification number, (e) Check if any amount is not at risk. Rows A-D for Mom & Pops, Inc.

Table with 5 columns: (f) Passive loss allowed, (g) Passive income from Schedule K-1, (h) Nonpassive loss from Schedule K-1, (i) Section 179 expense deduction from Form 4562, (j) Nonpassive income from Schedule K-1. Rows A-D and Totals for 29a, 29b, 30, 31, 32.

Part III Income or Loss From Estates and Trusts

Table with 2 columns: (a) Name, (b) Employer identification number. Rows A and B.

Table with 4 columns: (c) Passive deduction or loss allowed, (d) Passive income from Schedule K-1, (e) Deduction or loss from Schedule K-1, (f) Other income from Schedule K-1. Rows A and B, and Totals for 34a, 34b, 35, 36, 37.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)—Residual Holder

Table with 5 columns: (a) Name, (b) Employer identification number, (c) Excess inclusion from Schedules Q, line 2c, (d) Taxable income (net loss) from Schedules Q, line 1b, (e) Income from Schedules Q, line 3b. Rows 38 and 39.

Part V Summary

Table with 4 columns: Description, 40, 41, 42, 43. Rows 40-43 for Net farm rental income, Total Income, Reconciliation of farming and fishing income, and Reconciliation for real estate professionals.

Form **8863**

**Education Credits**  
**(Hope and Lifetime Learning Credits)**

OMB No. 1545-0074

**2006**

Department of the Treasury  
Internal Revenue Service (99)

▶ See Instructions.  
▶ Attach to Form 1040 or Form 1040A.

Attachment  
Sequence No. 50

Name(s) shown on return

Your social security number

Douglas M and Roberta Cramer

**Caution: You cannot take the Hope credit and the lifetime learning credit for the same student in the same year.**

**Part I Hope Credit. Caution: You cannot take the Hope credit for more than 2 tax years for the same student.**

1	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions). Do not enter more than \$2,200* for each student.	(d) Enter the smaller of the amount in column (c) or \$1,100**	(e) Add column (c) and column (d)	(f) Enter one-half of the amount in column (e)	
	Teneya Rasmussen-Cramer	[REDACTED]	2,200	1,100	3,300	1,650	
				0	0	0	
				0	0	0	
* For each student who attended an eligible educational institution in the Gulf Opportunity Zone, do not enter more than \$4,400. ** For each student who attended an eligible educational institution in the Gulf Opportunity Zone, enter the smaller of the amount in column (c) or \$2,200.							
2	Tentative Hope credit. Add the amounts on line 1, column (f). If you are taking the lifetime learning credit for another student, go to Part II; otherwise, go to Part III . . . . . ▶					2	1,650

**Part II Lifetime Learning Credit**

3	(a) Student's name (as shown on page 1 of your tax return) First name Last name	(b) Student's social security number (as shown on page 1 of your tax return)	(c) Qualified expenses (see instructions)
4	Add the amounts on line 3, column (c), and enter the total . . . . .		4
5 a	Enter the smaller of line 4 or \$10,000 . . . . .		0
5 b	For students who attended an eligible educational institution in the Gulf Opportunity Zone, enter the smaller of \$10,000 or their qualified expenses included on line 4 (see special rules on page 3)		
5 c	Subtract line 5b from line 5a . . . . .		0
6 a	Multiply line 5b by 40% (.40) . . . . .		0
6 b	Multiply line 5c by 20% (.20) . . . . .		0
6 c	Tentative lifetime learning credit. Add lines 6a and 6b and go to Part III . . . . .		0

**Part III Allowable Education Credits**

7	Tentative education credits. Add lines 2 and 6c . . . . .	7	1,650
8	Enter: \$110,000 if married filing jointly; \$55,000 if single, head of household, or qualifying widow(er) . . . . .	8	110,000
9	Enter the amount from Form 1040, line 38*, or Form 1040A, line 22 . . . . .	9	55,934
10	Subtract line 9 from line 8. If zero or less, stop; you cannot take any education credits . . . . .	10	54,066
11	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er) . . . . .	11	20,000
12	If line 10 is equal to or more than line 11, enter the amount from line 7 on line 13 and go to line 14. If line 10 is less than line 11, divide line 10 by line 11. Enter the result as a decimal (rounded to at least three places) . . . . .	12	X 1.00000
13	Multiply line 7 by line 12 . . . . . ▶	13	1,650
14	Enter the amount from Form 1040, line 46, or Form 1040A, line 28 . . . . .	14	4,604
15	Enter the total, if any, of your credits from Form 1040, lines 47 through 49, or Form 1040A, lines 29 and 30 . . . . .	15	
16	Subtract line 15 from line 14. If zero or less, stop; you cannot take any education credits . . . . .	16	4,604
17	Education credits. Enter the smaller of line 13 or line 16 here and on Form 1040, line 50, or Form 1040A, line 31 . . . . .	17	1,650

\* If you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter.

Department of the Treasury Internal Revenue Service

Do not file this form unless the corporation has filed Form 2553 to elect to be an S corporation. See separate instructions.

2006

Form header section including: For calendar year 2006 or tax year beginning, ending; A Effective date of S election; B Business activity code number; C Employer identification number; D Date incorporated; E Total assets; F Check if: (1) Initial return, (2) Final return, (3) Name change, (4) Address change, (5) Amended return; G Enter the number of shareholders; H Check if Schedule M-3 is required.

Caution. Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Main table with columns for Income, Deductions, and Tax and Payments. Rows include: 1a Gross receipts or sales (504,574), 2 Cost of goods sold, 3 Gross profit, 4 Net gain (loss), 5 Other income, 6 Total income (loss), 7-21 Deductions, 22a-22c Excess net passive income or LIFO recapture tax, 23a-23d 2006 estimated tax payments, 24 Estimated tax penalty, 25 Amount owed, 26 Overpayment, 27 Enter amount from line 26 Credited to 2007 estimated tax.

Sign Here: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [ ] No

Signature and Preparer information section: Signature of officer, Date, Title, Preparer's signature, Date (1/25/2007), Check if self-employed [X], Preparer's SSN or PTIN, Firm's name (Georgette C. Valenti, CPA), address (711 West Washington St., Carson City, NV 89703), EIN, Phone no. (775) 885-7814, ZIP code (89703).

**Schedule A Cost of Goods Sold (see instructions)**

1	Inventory at beginning of year	1	2,500
2	Purchases	2	163,438
3	Cost of labor	3	99,108
4	Additional section 263A costs (attach statement)	4	
5	Other costs (attach statement)	5	34,438
6	Total. Add lines 1 through 5	6	299,484
7	Inventory at end of year	7	2,500
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	296,984

- 9a Check all methods used for valuing closing inventory: (i)  Cost as described in Regulations section 1.471-3  
 (ii)  Lower of cost or market as described in Regulations section 1.471-4  
 (iii)  Other (Specify method used and attach explanation.)
- b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c)
- c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)
- d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d
- e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation?  Yes  No
- f Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  Yes  No  
 If "Yes," attach explanation.

**Schedule B Other Information (see instructions)**

	Yes	No
1 Check accounting method: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify)		
2 See the instructions and enter the: a Business activity <input checked="" type="checkbox"/> Food Service b Product or service <input checked="" type="checkbox"/> Food		
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) if 100% owned, was a QSub election made?		
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		
5 Has this corporation filed, or is it required to file, a return under section 6111 to provide information on any reportable transaction?		
6 Check this box if the corporation issued publicly offered debt instruments with original issue discount. If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. <input type="checkbox"/>		
7 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years. <input type="checkbox"/> \$		
8 Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$		
9 Are the corporation's total receipts (see instructions) for the tax year and its total assets at the end of the tax year less than \$250,000? If "Yes," the corporation is not required to complete Schedules L and M-1.		X

Note: If the corporation, at any time during the tax year, had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

**Schedule K Shareholders' Pro Rata Share Items**

	Total amount
1 Ordinary business income (loss) (page 1, line 21)	1 3,984
2 Net rental real estate income (loss) (attach Form 8825)	2
3a Other gross rental income (loss) <span style="float:right">3a</span>	
b Expenses from other rental activities (attach statement) <span style="float:right">3b</span>	
c Other net rental income (loss). Subtract line 3b from line 3a <span style="float:right">3c</span>	0
4 Interest income <span style="float:right">4</span>	
5 Dividends: a Ordinary dividends <span style="float:right">5a</span>	
b Qualified dividends <span style="float:right">5b</span>	
6 Royalties <span style="float:right">6</span>	
7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) <span style="float:right">7</span>	
8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) <span style="float:right">8a</span>	
b Collectibles (28%) gain (loss) <span style="float:right">8b</span>	
c Unrecaptured section 1250 gain (attach statement) <span style="float:right">8c</span>	
9 Net section 1231 gain (loss) (attach Form 4797) <span style="float:right">9</span>	
10 Other income (loss) (see instructions) <span style="float:right">10</span>	

Income (Loss)



Shareholders' Pro Rata Share Items (continued)		Total amount	
Deductions	11 Section 179 deduction (attach Form 4562)	11	
	12a Contributions	12a	
	b Investment interest expense	12b	
	c Section 59(e)(2) expenditures (1) Type (2) Amount	12c(2)	
	d Other deductions (see instructions) Type	12d	
Credits	13a Low-income housing credit (section 42(j)(5))	13a	
	b Low-income housing credit (other)	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	13c	
	d Other rental real estate credits (see instructions) Type	13d	
	e Other rental credits (see instructions) Type	13e	
	f Credit for alcohol used as fuel (attach Form 6478)	13f	
	g Other credits (see instructions) Type	13g	
Foreign Transactions	14a Name of country or U.S. possession		
	b Gross income from all sources	14b	
	c Gross income sourced at shareholder level Foreign gross income sourced at corporate level	14c	
	d Passive	14d	
	e Listed categories (attach statement)	14e	
	f General limitation Deductions allocated and apportioned at shareholder level	14f	
	g Interest expense	14g	
	h Other Deductions allocated and apportioned at corporate level to foreign source income	14h	
	i Passive	14i	
	j Listed categories (attach statement)	14j	
	k General limitation Other information	14k	
	l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l	
	m Reduction in taxes available for credit (attach statement)	14m	
	n Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment	15a	
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties—gross income	15d	
	e Oil, gas, and geothermal properties—deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	
	d Property distributions	16d	11,708
	e Repayment of loans from shareholders	16e	
Other Information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l.	18	3,984

Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts		0		0
3 Inventories		2,500		2,500
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach statement)		2,500		2,500
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (attach statement)				
10a Buildings and other depreciable assets				
b Less accumulated depreciation		0		0
11a Depletable assets				
b Less accumulated depletion		0		0
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization		0		0
14 Other assets (attach statement)		45,000		45,000
15 Total assets		50,000		50,000
<b>Liabilities and Shareholders' Equity</b>				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year				
18 Other current liabilities (attach statement)		4,250		9,821
19 Loans from shareholders				2,153
20 Mortgages, notes, bonds payable in 1 year or more				
21 Other liabilities (attach statement)				
22 Capital stock				
23 Additional paid-in capital				
24 Retained earnings		45,750		38,026
25 Adjustments to shareholders' equity (attach statement)				
26 Less cost of treasury stock				
27 Total liabilities and shareholders' equity		50,000		50,000

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return			
Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more—see instructions			
1 Net income (loss) per books	3,984	5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a Tax-exempt interest \$	0
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14f (itemize):		6 Deductions included on Schedule K, lines 1 through 12 and 14f, not charged against book income this year (itemize):	
a Depreciation \$		a Depreciation \$	
b Travel and entertainment \$			
	0	7 Add lines 5 and 6	0
4 Add lines 1 through 3	3,984	8 Income (loss) (Schedule K, line 18). Line 4 less line 7	3,984

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)			
	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year	45,750		
2 Ordinary income from page 1, line 21	3,984		
3 Other additions			
4 Loss from page 1, line 21			
5 Other reductions			
6 Combine lines 1 through 5	49,734	0	0
7 Distributions other than dividend distributions	11,708	0	0

Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

2006

For calendar year 2006, or tax  
year beginning \_\_\_\_\_, 2006  
ending \_\_\_\_\_, 20\_\_

Shareholder's Share of Income, Deductions,  
Credits, etc. See back of form and separate instructions.

**Part I** Information About the Corporation

A Corporation's employer identification number  
[REDACTED]

B Corporation's name, address, city, state, and ZIP code  
Mom & Pop's Diner, Inc.  
224 S. Carson St.  
Carson City NV 89703

C IRS Center where corporation filed return  
Ogden, UT 84201-0013

D  Tax shelter registration number, if any \_\_\_\_\_

E  Check if Form 8271 is attached

**Part II** Information About the Shareholder

F Shareholder's identifying number Shareholder 1  
[REDACTED]

G Shareholder's name, address, city, state and ZIP code  
Doug Cramer  
224 S. Carson St.  
Carson City, NV 89701

H Shareholder's percentage of stock  
ownership for tax year \_\_\_\_\_ 50.0%

For IRS Use Only

<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss)	13	Credits
	1,992		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
11	Section 179 deduction	16	Items affecting shareholder basis
		D	5,854
12	Other deductions		
		17	Other information

\* See attached statement for additional information.

Final K-1  Amended K-1

Schedule K-1  
(Form 1120S)  
Department of the Treasury  
Internal Revenue Service

2006

For calendar year 2006, or tax  
year beginning \_\_\_\_\_, 2006  
ending \_\_\_\_\_, 20\_\_

Shareholder's Share of Income, Deductions,  
Credits, etc. See back of form and separate instructions.

Part III Shareholder's Share of Current Year Income,  
Deductions, Credits, and Other Items

Part I Information About the Corporation

A Corporation's employer identification number  
[REDACTED]

B Corporation's name, address, city, state, and ZIP code  
Mom & Pop's Diner, Inc.  
224 S. Carson St.  
Carson City NV 89703

C IRS Center where corporation filed return  
Ogden, UT 84201-0013

D  Tax shelter registration number, if any \_\_\_\_\_

E  Check if Form 8271 is attached

Part II Information About the Shareholder

F Shareholder's identifying number Shareholder 2  
[REDACTED]

G Shareholder's name, address, city, state and ZIP code  
Roberta J. Cramer  
224 S. Carson St.  
Carson City, NV 89701

H Shareholder's percentage of stock  
ownership for tax year . . . . . 50.0%

For IRS Use Only

1	Ordinary business income (loss)	13	Credits
	1,992		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends	14	Foreign transactions
5b	Qualified dividends		
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
11	Section 179 deduction	16	Items affecting shareholder basis 5,854
12	Other deductions		
		17	Other information

\* See attached statement for additional information.

LESSEE COPY

## COMMERCIAL LEASE AND DEPOSIT RECEIPT

Received from **Doug and Jamesa Cramer, dba Mom & Pop's Diner** hereinafter referred to as "Lessee", the sum of \$250.00, (Two hundred and fifty dollars), evidenced by check, as payment toward security deposit described below, to secure the Lease of premises situated in the City of Carson City, State of Nevada, owned by **Lopiccolo Investments, LLC**, hereinafter referred to as "Lessor", and premises further described as follows:

### PREMISES:

**Address:** 224 S. Carson St, Carson City, NV 89701, consisting of Unit 1) Restaurant Space of approximately 1612 Square Feet and Unit 2) Additional Enclosed Seating Area of approximately 399 Square Feet.

**Use:** The premises are to be used together as a Restaurant / Gift Shop, and Catering Business including an approved commercial kitchen, and for no other purpose, without prior written consent of Lessor. Lessee will not commit any waste or nuisance or any act which would disturb the quiet enjoyment of all building Lessees. Prohibited uses will include any use which will increase the insurance rate on the building or cause the cancellation of any insurance policies covering the building. Lessee will comply with all statutes, ordinances and requirements of city, state and federal authorities now in force or which may later be in force, regarding the use of the premises.

### Terms and Conditions:

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor the above described premises. The premises have been improved with a building, currently occupied by Lessee and currently utilized by Lessee as a restaurant.

### TERM:

**Initial Term:** Five Years. Commencement of initial term to be November 15th, 2006, terminating on November 14, 2011, unless terminated or extended.

**Option(s) to Renew:** Three (5) year extensions at terms negotiated and approved by both parties. Lessee shall give written notice a minimum of 60 days prior to termination date of intent to exercise any option(s) to renew. **Rent for options to renew shall be negotiated at time of renewal and approved by both parties, however, rent shall be no less than the previous month's rent amount, and no more than 5% over the previous months rent amount.**

### SEC. DEPOSIT:

\$3,750.00 due upon execution of Lease. The security deposit will secure the performance of the Lessee's obligations. Lessor may, but will not be obligated to, apply all or a portion of security deposit on account of Lessee's obligations. Any balance remaining upon termination of the Lease will be returned to Lessee within 30 days from date possession is delivered to Lessor or his authorized agent, together with a statement showing any charges made against the deposits by Lessor. Lessee will not have the right to apply the security deposit in payment of the last month's rent. Lessor will allow Lessee to make monthly payments toward the security deposit in the amount of \$250.00 each month until paid in full.

**RATE:**

Starting rental rate shall be flat \$2000.00 per month for first 2 months of Lease term and flat \$2,315.00 per month for remaining months of first year of lease. Subsequent rent rate for months 13-60 of Lease term shall be subject to automatic annual rent increases of 3% of rental rate, each increase effective on anniversary date of Lease, first such increase effective November 15, 2008. No CAM charges will be assessed to Lessee, during the first 5 year term of lease. Rent shall be due and payable on the 1<sup>st</sup> day of each month to Lopiccolo Investments, or their authorized agent at: c/o 307 W. Winnie Lane, Suite 1, Carson City NV 89703. Any rent payment not received by Lessor by 5:00 pm on the 5<sup>th</sup> day after due shall be considered late, and shall incur a late charge in the amount of 5% of the amount due, plus interest at the rate of 12% per annum. The late charge period is not considered a grace period and Lessor is entitled to make written demand for any rent if not paid when due.

**EXPENSES:**

Lessee shall pay all separately metered utilities including electric, gas, phone, cable, and trash removal. Lessor shall pay water & sewer fees. Lessor shall maintain exterior of building, including roof. All other systems, including heating, cooling, electrical, plumbing and equipment, windows and interior maintenance and repairs shall be at Lessee expense.

**POSSESSION/  
IMPROVEMENTS:**

Premises shall be offered "AS IS" on commencement date. Lessee is currently operating in the premises and is aware that some previous leasehold improvements may not be up to current City or Health Codes. Lessee shall pay for all further Lessee and / or Leasehold improvements and trade fixtures necessary if and when required by City, including engineering and / or City permits where required. All initial and / or future Lessee improvements shall be approved by Lessor and completed by a licensed Nevada contractor to City and State code and specifications, to be determined by final plans and specifications and agreed to by all parties. No work shall commence for any substantial improvements on space until final plans have been approved by Lessor, which approval shall not be unreasonably withheld.

**LIENS:**

No future improvements or alterations shall be made by Lessee without prior written consent of Lessor, and prior to commencement of any substantial alteration, repair or improvement, Lessee will give Lessor at least two days notice in order that Lessor may post any appropriate notices to avoid any Lessor liability for liens. In the event Lessee shall cause any such lien, Lessee shall cause the lien to be discharged of record, bonded or otherwise satisfied within sixty days from notification of lien. In the event that Lessee wished to initiate legal action or take any similar steps in order to contest the validity of a lien, at Lessee's expense, Lessee will obtain a surety bond pursuant to NRS 108.2415 for the amount of such lien. If a judgment is obtained in favor of any lienholder, Lessee shall then have sixty days from the date of the judgment to cause the lien to be discharged. Any and all amounts, paid by Lessor to cause such judgments to be discharged shall constitute additional rent payable by Lessee to Lessor.

**TRADE FIXTURES:**

Any and all improvements to the premises during the term will belong to the Lessor, except trade fixtures of the Lessee. Lessee may, upon termination, remove all his or her trade fixtures, but will pay Lessor for costs necessary to repair any damage to the premises caused by such removal.

**MAINTENANCE:**

Lessee will, at his or her expense, maintain the premises in a good and safe condition, including plate glass, electrical wiring, plumbing, HVAC and venting, swamp cooler and any other systems or equipment. The premises will be surrendered, at termination of the Lease, in as good condition as received, normal wear and tear excepted. Lessee shall be responsible for keeping adjacent sidewalks and doorways in good order and free from debris, and remove snow as necessary. Lessee will be responsible for all repairs required during the term of the Lease, except the following which will be maintained by Lessor: Roof, exterior walls and structural foundations.

**SIGNAGE:**

All exterior signage or awnings shall be submitted to and approved by Lessor prior to installation and shall be at Lessee's sole cost and expense. Lessee shall maintain any signs installed and shall obtain approval and / or required permit for any signs from the appropriate governmental authorities.

**INSURANCE:**

**Lessee's Insurance:** Lessee, at his or her expense will maintain plate glass, public liability and property damage insurance insuring Lessee and naming Lessor as an additional insured party, with minimum coverage of One Million Dollars. Lessee will provide Lessor with evidence of such insurance naming Lessor as additional insured, and the policy will require ten days notice to Lessor prior to cancellation or material change of coverage.

**Lessor's Insurance:** Lessor will maintain hazard and liability insurance covering replacement value of the improvements throughout the Lease term. Lessor's insurance will not cover Lessee's personal property, Leasehold improvements or trade fixtures.

**Subrogation:** To the maximum extent allowed by the insurance policies which may be owned by the parties, Lessor and Lessee waive any and all rights of subrogation against each other which may otherwise exist, and agree to cooperate fully, each with the other party, in any claim covered by the respective policies.

**INDEMNIFICATION OF LESSOR:**

Lessor will not be held liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the premises. Lessee agrees to hold Lessor harmless from any claims for damages arising out of Lessee's use of the premises, and to indemnify Lessor for any expense incurred by Lessor in insuring and / or defending any such claims.

**ENTRY AND INSPECTION:**

Lessee will permit Lessor or Lessor's agent to enter the premises at reasonable times and upon reasonable notice to enter for purposes of inspecting the premises, and will permit Lessor, at any time within 60 days of expiration of the Lease to place upon the property usual "For Lease" signs, and permit persons desiring to inspect the premises for Lease to inspect the premises with reasonable notice.

**ABANDONMENT OF PREMISES:**

Lessee will not vacate or abandon the premises at any time during the term of this Lease. If Lessee does vacate or abandon the premises, or is dispossessed by process of law, or otherwise, any personal property belonging to Lessee left on the premises will be deemed abandoned, at option of Lessor.

**LESSOR'S LIABILITY:**

**Transfer of Title:**

In the event of a transfer of Lessor's title or interest to the property during the term of this Lease, Lessee agrees that the grantee of such title or interest will be substituted as the Lessor under this Lease, and the original Lessor will be then released from any and all further liability, provided that all security deposits shall be transferred to the grantee.

**Estoppel Certificate:**

Upon ten days written notice by Lessor, Lessee will execute and deliver to Lessor a statement in writing that this Lease is in full force and effect, the amount of any security deposit held by Lessor, and the date to which the rents are paid; and acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor, or specifying any such defaults if they exist.

**Subordination:**

This Lease, at Lessor's option, will be subordinate to any mortgage, deed of trust or other security now existing or later placed upon the property; provided that Lessee's right to quiet possession will not be disturbed if Lessee is in compliance with, and not in default of, any provision of this Lease.

**Assignment and Subletting: (Also See Addendum "A")**

Lessee will not assign this Lease or sublet any portion of the premises without prior written consent of the Lessor, which shall not be unreasonably withheld.



**ADDENDUM "A" TO LEASE AGREEMENT**

**A) Lessor is aware that Lessee hosts or sponsors outdoor musical or other special events on Third Street in cooperation with the City of Carson City and has no objection to such events, provided that Lessee:**

1. Obtains any and all City permits, licenses and / or additional insurance required for each such event and complies with all City requirements for same.
2. Holds Lessor harmless from any and all expense and / or liability connected with or arising from the hosting of such events and further indemnifies Lessor from any claims, liens, or judgments regarding damage or injury to Lessee, or any other person, or to any property, occurring as a result of these events.
3. Set Up and Clean Up before and after any such events will be completed by Lessee in a workmanlike manner and in accordance with City requirements within a reasonable time frame.

**B) Lessor agrees that this lease is assignable under its original terms or any extension(s) of terms to the legal heirs of the Lessees, in the event that this is necessary, a written notice of assignment shall be prepared and signed by Lessors and heir(s).**

**Lessee, Doug and Jamesa Cramer, dba Mom & Pop's Diner**

**Date:**

**By:** \_\_\_\_\_

\_\_\_\_\_

**Lessor, Lopiccolo Investments, LLC**

**Date:**

**By:** Jennifer Lopiccolo

11/15/2006

**DEFAULT:**

In the event of any breach of this Lease by Lessee, Lessor may, at his or her option, terminate the Lease and recover from Lessee: (a) the worth at the time of breach any unpaid rent due under the Lease terms; (b) any other amount to compensate Lessor for any and all detriment caused by the Lessee's failure to perform his or her obligations under the Lease or which in the ordinary course of business would be likely to result therefrom.

**GENERAL LEASE PROVISIONS:**

**Waiver:** No failure of Lessor to enforce any provision of this Lease will be deemed to be a waiver.

**Attorney Fees:** In any action, arbitration or other proceeding involving a dispute between Lessor and Lessee arising out of this Lease, the prevailing party will be entitled to reasonable attorney's fees, expert witness fees or other costs.

**Time:** Time is of the essence in this agreement.

**Heirs, Assigns, Successors:** This Lease is binding upon and inures to the benefit of the heirs, assigns and successors of the parties (see Addendum "A")

**Notices:** Any notice which either party may or is required to give, will be given by mailing, faxing or personally delivering the notice to the other party at such address as provided by the parties to the other, and shall be effective five days after mailing, or upon faxing, a fax receipt, or upon personal delivery, an acknowledgement of receipt signed by the receiving party.

**ENTIRE AGREEMENT:**

The foregoing constitutes the entire agreement between the parties and may be modified only in writing signed by all parties. ADDENDUM A, Rent Schedule is attached and made a part hereto of this Lease.

**BROKER / AGENCY: Lessee is aware and understands that Lessor Jennifer Lopiccolo is a real estate broker licensed by the State of Nevada and is representing Lessor, exclusively, in this transaction. Lessee shall independently obtain any broker representation, legal, accounting or other professional advice he deems necessary in order to satisfy himself as to the terms and conditions of the Lease. No brokerage commissions will be owed or paid on the transaction.**

We have read, understand and agree to the terms and conditions as outlined in this Lease and by our signatures hereby state that we are authorized signators for the entity and / or property described:

Lessee, Doug and Jamesa Cramer, dba Mom & Pop's Diner

Date:

By: 

11-15-06

Lessor, Lopiccolo Investments, LLC

Date:

By: 

11/15/2006

**CARSON MALL - LEASE AGREEMENT**

**LANDLORD:** THE CARRINGTON COMPANY  
**TENANT:** Doug and Jamesa Cramer  
**DBA:** Paradise Cove Café  
**LEASED PREMISES:** S. Stewart Street, Space # A & F  
Carson City, NV 89005

**Index to Lease Clauses.**

- |   |                               |
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| 1. Fundamental Lease Provisions, Exhibits, Defined Terms. | 16. Insolvency and Default.   |
| 2. Premises and Common Areas.                             | 17. Relocation of Premises.   |
| 3. Lease Commencement.                                    | 18. Miscellaneous Provisions. |
| 4. Rent.  | 19. Terrorism - OFAC.         |
| 5. Use and Operations.                                    | 20. Guaranty.                 |
| 6. Utilities and Landlord Responsibilities.               | Exhibits A, B, C, D, E and F  |
| 7. Operating Costs.                                       |                               |
| 8. Merchant's Association.                                |                               |
| 9. Hazardous Materials.                                   |                               |
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| 12. Damage and Destruction.                               |                               |
| 13. Indemnification and Release.                          |                               |
| 14. Eminent Domain.                                       |                               |
| 15. Assignment and Subletting.                            |                               |

**ORIGINAL**

## LEASE

**DATED: September 22, 2008.**

THIS LEASE is entered into by and between THE CARRINGTON COMPANY ("Landlord"), and Doug Cramer and Jamesa Cramer, dba Paradise Cove Café, jointly and severally, individually and for their marital community ("Tenant").

### **1. FUNDAMENTAL LEASE PROVISIONS, EXHIBITS, DEFINED TERMS.**

#### **1.1 Fundamental Lease Provisions.**

- (a) Premises: The area indicated on Exhibit A, which is located at CARSON MALL, S. Stewart Street, Space # A & F, Carson City, NV 89005. Until or unless Landlord elects to measure the Premises, the area is agreed to be 3,096 rentable square feet.
- (b) Tenant's Trade Name: Paradise Cove Cafe.
- (c) Term: Term: The term of the Lease shall be ten (10) years, three (3) months commencing on upon Landlord delivery of premises (the "Commencement Date") and terminating on the last day of the month in which the tenth anniversary of the Rent Commencement date occurs (the "Termination Date"). Promptly upon Lease Commencement Landlord and Tenant will execute the commencement memorandum (Exhibit "E") stating the Commencement Date, Termination Date and Rent Commencement Date.
- (d) Base Rent: The minimum monthly rent shall be as follows:
- |         |                      |
|---------|----------------------|
| Year 1  | \$3,870.00 per month |
| Year 2  | \$4,179.60 per month |
| Year 3  | \$4,789.80 per month |
| Year 4  | \$5,882.40 per month |
| Year 5  | \$6,192.00 per month |
| Year 6  | \$6,501.60 per month |
| Year 7  | \$6,656.40 per month |
| Year 8  | \$6,811.20 per month |
| Year 9  | \$6,966.00 per month |
| Year 10 | \$7,120.80 per month |

Base Rent will commence upon approximately three (3) months after the Commencement Date (the "Rent Commencement Date").

- (e) NNN Expenses: In addition to rent hereinbefore specified, Tenant shall pay, upon demand, but not more often than once each calendar month, Tenant's proportionate share of real estate taxes, insurance and common area maintenance (CAM) costs associated with maintaining and operating the shopping center

(NNN expenses). Operating expenses are defined in Section 7 of this Lease. Tenant's proportionate share is determined by the ratio which the floor area of Tenant's premises bears to the total floor area in the shopping center, and currently is TBD%.

- (f) Permitted Uses: Sit down restaurant, with catering and special events and gift shop with tropical themed merchandise and no other use or purpose.
- (g) Security Deposit: \$2,753.75 pursuant to Section 10.
- (h) Tenant's Guarantor: Doug Cramer and Jamesa Cramer.
- (i) Other Exclusives: Tenant shall not at any time violate the exclusives granted to other tenants of the Center.
- (j) Landlord Contribution: Landlord to contribute a maximum of One Hundred Forty Thousand Dollars (\$140,000.00) towards Tenant improvements, payable upon submittal of receipts and material/men lien releases. All receipts and material/men lien releases must be submitted within six months following the Commencement Date. Under no circumstances will Landlord be required to pay the Landlord's Contribution until and unless Tenant waived its contingency in 1.1(n) below.
- (k) Landlord work: Landlord shall provide the following:
  - 1-200 amp subpanel, perimeter electrical outlets, ceiling wiring Exit signage and emergency lighting
  - 2-ADA bathroom
  - 1- 5 TON HVAC unit and required air distribution
  - 1- Water heater
  - 2 inch gas line stubbed,
  - Demising walls to provided dry walled and taped ready for paint
  - Acoustical ceiling tiles
  - Grease interceptor,
  - Water rights determined by the appropriate government agency
  - Level concrete floor
  - Water and Sewer hookup fees
- (m) Exclusive: Landlord agrees not lease to any other Tenant, within the interior of the Center, where fifty percent (50%) of their business is derived from the sale of specialty breakfasts.
- (n) Contingency: This lease is contingent upon Tenant's obtaining estimated build-out cost to be less than Five Hundred Thousand Dollars (\$500,000.00). Tenant must waive this contingency in writing delivered to Landlord prior to Landlord commencing the Landlord work or Tenant commencing Tenant improvements to

the Premises. Tenant will be deemed to have automatically and irrevocably waived this contingency if (i) Landlord delivers notice of Landlord's intent to commence Landlord work and Tenant fails to deliver notice terminating for failure of this contingency; or (ii) Tenant commences any of Tenant improvements.

- (o) Option to Extend Term: Upon written notice to Owner at least one hundred eighty (180) days prior to the expiration of the lease term ("Option Notice"), provided that the Lease has not been earlier terminated and upon the condition that Tenant is not then in default of this Lease, nor has an event occurred which would ripen into a default with the passage of time, Tenant shall have three (3) options to extend the Lease term for an additional five (5) years ("Extended Term") in which case this Lease shall continue in full force and effect subject to all other terms, conditions, provisions, covenants and obligations of this Lease, except that the base rent shall be negotiated to fair market value, however base rent shall not decrease and shall increase by a minimum increase of three percent (3%). Tenant shall have no further option to extend the term of this Lease after the exercise of Tenant's option as granted above.

**1.2 Exhibits. The following Exhibits are part of this Lease.**

- EXHIBIT A. Description of Premises.
- EXHIBIT B. CARSON MALL Sign Policy.
- EXHIBIT C. Exclusives List.
- EXHIBIT D. PHASE 1 REMODEL PLANS
- EXHIBIT E. LEASE COMMENCEMENT LETTER
- EXHIBIT F. GUARANTY'

**2. PREMISES AND COMMON AREAS.**

**2.1. Premises.** Landlord leases to Tenant the Premises, for the Term and subject to the terms of this Lease, reserving to Landlord the right to use the exterior thereof (other than the storefront of the Premises), all space above the suspended ceiling, all space beneath the floor, and the right to install, maintain, use, repair, relocate and replace pipes, ducts, conduits and wire leading through the Premises in locations which do not materially interfere with Tenant's use thereof.

**2.2. Common Areas.** Landlord will make available from time to time such "common areas" (including but not limited to driveways, truckways, delivery passages, truck-loading areas, access roads, walkways, landscaped and planted areas) as Landlord deems appropriate. Landlord may from time to time change the size, location, nature and use of any common areas and make installations therein and move and remove the same. Where Landlord provides an area for the shared use of two or more tenants but not for the general use of all tenants, such as a shared loading dock, that area (a "Shared Use Area") shall not be considered common area.

**2.3. Use of Common Areas.** Tenant and its concessionaires, officers, employees, agents, customers and invitees shall have the nonexclusive right (in common with other occupants of the Center [including Landlord] and all others to whom Landlord has granted or may hereafter grant such rights) to use those common areas which from time to time are designated for such use by Landlord, subject to rules established by Landlord from time to time. Tenant agrees to abide by the rules and to use its best efforts to cause its concessionaires, officers, employers, agents, customers and invitees to conform thereto. Landlord may temporarily close any common areas to make repairs or changes or for construction, repairs, or changes within the Center, or to prevent the acquisition of public rights in such areas; and may do such other acts in and to the common areas as in its judgment may be desirable. Tenant shall not interfere with the rights of Landlord or others to use any part of the common areas. Tenant shall not violate the terms of any reciprocal or other easement agreements affecting the Center.

### **3. LEASE COMMENCEMENT.**

**3.1. Commencement.** Notwithstanding the provisions of Section 1, if the Premises are not delivered to Tenant on the Commencement Date, this Lease shall not be void or voidable, nor shall Landlord be liable to Tenant for any loss or damage resulting there from and the Commencement Date shall be the date Landlord so delivers the Premises to Tenant.

**3.2. Early Access.** If Tenant is permitted access to the Premises prior to the Commencement Date for the purpose of installing fixtures or any other purpose permitted by Landlord, such early entry will be at Tenant's sole risk and subject to all the terms and provisions of this Lease as though the Commencement Date had occurred, except for the payment of monthly Base Rent, which will commence on the Commencement Date. Tenant, its agents, or employees will not interfere with or delay Landlord's completion of construction of the improvements (if any) and all rights of Tenant under this Section 3.2 will be subject to the requirements of all applicable governmental requirements so as not to interfere with Landlord's obtaining a certificate of occupancy for the Premises. Landlord may impose such additional conditions on Tenant's early entry as Landlord, in its sole discretion, deems appropriate, and will further have the right to require that Tenant execute an early agreement containing such conditions prior to Tenant's early entry.

### **4. RENT.**

**4.1 Base Rent.** The Base Rent shall be payable without setoff or deduction, at P. O. Box 1328, Eureka, California 95502 (or such other address as is specified by Landlord) on the first day of each month, in advance without notice or demand. The rent for any partial calendar months shall be prorated and the rent for this calendar month shall be paid upon execution of this Lease. All amounts due to Landlord hereunder other than Base Rent shall be referred to as "additional rent". The term "rent" shall be used herein to mean all Base Rent and additional rent.

**4.2 Increase in Base Rent.** *Deleted. Not Applicable.*

## **5. USE AND OPERATIONS.**

**5.1 Continuous Operations.** Tenant shall continuously during the entire Term be open for business and conduct the permitted uses described in Section 1 during every business day (as specified by Landlord) during the greater of (a) such number of 7:00 a.m. to 3:00 p.m., Monday through Sunday, unless prevented from doing so by causes beyond Tenant's control and except during reasonable periods required for repairing, cleaning, and decorating the Premises. The business days, minimum hours, and holiday schedule may be established and changed by Landlord at its discretion, and shall be followed by Tenant. Tenant will follow the lead of the Center's major stores in hours of operation. If Tenant is not open during any required business day or is closed in excess of 15 minutes of the established business hours, the Center and Landlord may be damaged due to loss of commercial attraction and the loss of business. Monetary damages may be difficult if not impossible to assess. Therefore, Tenant agrees to pay Landlord liquidated damages of \$50.00 for each day of closure, late opening or early closure. Such damages shall be payable to Landlord within 5 days after receipt of Landlord's invoice. In addition, if Tenant violates the provisions of this Section 5.1 more than twice in any 12-month period, Landlord may terminate this Lease pursuant to Section 16.2.

**5.2. Covenants.** Tenant shall (i) light its display windows and signs from opening for business until at least one-half hour after closing; (ii) operate its business in the Premises only under Tenant's Trade Name; (iii) provide all trade fixtures and permitted signs; (iv) carry a complete stock of appropriate merchandise and maintain adequate trained personnel to maximize revenue; (v) store in the Premises only such merchandise, goods and food as are to be offered for sale at retail within a reasonable time after receipt; (vi) store all trash and refuse in the place and manner specified by Landlord; (vii) keep all drains inside the Premises open; and (viii) receive and deliver goods only at the times and in the manner and areas designated by Landlord.

**5.3. Negative Covenants.** Tenant shall not (i) damage the Premises or the Center; (ii) permit any noise or odor to emanate from the Premises which Landlord considers objectionable; (iii) allow the Premises to be used for any offensive, noisy or dangerous activity hold a "fire" sale, "going out of business" sale, "lost our lease" sale, bankruptcy sale or similar sale, or sell or exhibit pornographic materials; (iv) permit the sale of alcoholic beverages; (v) use any advertising medium that may constitute a nuisance, such as searchlights, flashing lights, loudspeakers, sound amplifiers, phonographs, radios, television or tape recorders, in a manner to be seen or heard outside the Premises; (vi) sell, display or place merchandise, trash or other articles outside the Premises, or obstruct the entrances, vestibules, driveways, or walks in the Center; (vii) permit any news stands, taxi stands, or any other stands of business to be operated in front of the Premises; (viii) solicit business or distribute handbills or other advertising media in any common area, or (ix) use the Premises in any way which violates the certificate of occupancy (or other similar governmental approvals).

### **5.4 Repairs and Maintenance.**

(a) Tenant will at all times during the term of this Lease keep and maintain at its own cost and expense, in good order, condition, and repair, the Premises (including, without limitation, all improvements, fixtures, and equipment on the



Premises), and will make all repairs and replacements, interior and exterior (excluding the structure and roof), above or below ground, and ordinary or extraordinary.

(b) Tenant's obligation to keep and maintain the Premises in good order, condition, and repair includes without limitation all plumbing and sewage facilities in the Premises; floors (including floor coverings); doors, locks, and closing devices; window casements and frames; glass and plate glass; grilles; all electrical facilities and equipment; HVAC systems and equipment and all other appliances and equipment of every kind and nature; and all landscaping upon, within, or attached to the Premises. In addition, Tenant will at its sole cost and expense install or construct any alterations, improvements, equipment, or fixtures required by any governmental authority or agency. Tenant will replace any damaged plate glass within 48 hours of such damage.

(c) Landlord may at Landlord's option employ and pay a firm satisfactory to Landlord, engaged in the business of maintaining systems, to perform periodic inspections of the HVAC systems serving the Premises, and to perform any necessary work, maintenance or repair of them and Tenant will reimburse Landlord for all amounts paid by Landlord in connection with such work. To the extent that Landlord does not elect to do so, then Tenant shall perform all of that work. If Tenant causes any damage to the roof while performing its HVAC work, Tenant shall be responsible for the repairs and Tenant shall obtain Landlord's prior approval of any contractor to perform work on the roof.

(d) To the extent allowed by law, Tenant waives the right to make repairs at Landlord's expense under the provisions of any laws permitting repairs by a tenant at the expense of a landlord.

(e) Tenant shall procure any licenses and permits required for Tenant's use. Tenant shall comply with the orders and regulations of all governmental authorities having jurisdiction over the Premises. Tenant shall repair any damage to the Center arising out of misuse or negligence of Tenant, its employees, agents, invitees or visitors. If Landlord provides any Shared Use Areas, then as between Landlord and Tenant, Tenant shall be fully responsible for all maintenance and repairs to the Shared Use Area (including platforms and dock doors) and the cost of the work shall be divided between the tenants using the area in relation to the square footage of their respective premises. If Tenant has the exclusive use of any dock area or loading area, Tenant shall be responsible for all repairs to those areas.

**5.5 Signs.** All signage erected by Tenant shall be subject to Landlord's prior written approval. Tenant shall not permit the painting or placing of any exterior signs, interior illuminated signs, placards or other advertising media or other objects near or on the windows which have not been approved by Landlord. If Tenant erects any signs not approved by Landlord, Landlord may remove them, at Tenant's expense. Tenant shall not change the exterior color or architectural features of the Premises, or attach anything to the exterior without Landlord's prior written consent. Landlord's approval of signage for alterations shall not constitute an assumption of the responsibility for the accuracy or sufficiency of such plans and specifications, or their compliance with applicable law, which shall be Tenant's responsibility.

**5.6 Rules and Regulations.** Tenant shall comply with the Rules and Regulations promulgated by Landlord, and such amendments as may be adopted by Landlord to govern the

Center (the "Rules and Regulations"). Landlord shall not be responsible for the noncompliance by any other occupant with the Rules and Regulations, and any failure by Landlord to enforce any Rules and Regulations against any tenant shall not constitute a waiver.

**5.7 Landlord's Right of Access.** Tenant shall give Landlord, its agents, employees, and any other person or persons authorized by Landlord, access to the Premises at all reasonable times, and at any time in an emergency, to inspect, examine, show for lease or sale, and to make repairs and alterations to the Premises or the Center and equipment Landlord deems advisable. Landlord will use reasonable efforts to provide Tenant advance notice when feasible. There shall be no allowance to Tenant or abatement of rent and no liability of Landlord due to inconvenience or injury to business from such access or activities.

**5.8 Liens.** At its expense, Tenant shall cause to be fully and completely discharged of record, within 10 days of Landlord's demand, any labor or materialman's lien claim or other lien or claim filed against the Premises or the Center for work claimed to have been done for, or materials claimed to have been furnished to, or on behalf of Tenant.

**5.9 Comply With Laws.** At its expense, Tenant shall comply with all laws, orders, ordinances and regulations of federal, state, or other governmental authorities and with any direction made pursuant to law of any public officer or officers, with respect to the Premises or the use thereof.

**5.10 Not Invalidate Insurance.** Tenant shall not do or permit to be done anything which will invalidate or conflict with any insurance policies covering the Center or increase the premiums for that insurance. If Landlord's insurance premiums are increased due to Tenant's activities, Tenant shall pay the increase, as additional rent, on demand.

**5.11 Insurance.** Tenant shall carry at all times (i) comprehensive general liability insurance (including bodily injury, property damage and personal injury) covering the Premises with limits of at least \$1,000,000 per occurrence and \$2,000,000 aggregate, or such higher amounts as Landlord may from time to time designate on not less than 30 days notice to Tenant, and which insurance shall contain a contractual liability endorsement covering the matters set forth in Section 15 and deductible amounts shall not exceed \$5,000; and (ii) fire and extended coverage, including special form, insurance for Tenant's property to their full replacement value. In addition, any establishment serving alcoholic beverages must carry Liquor Legal Liability coverage. Such policies shall be written by insurers acceptable to Landlord. The liability policy (and any liquor liability policy) shall name both Landlord and its mortgagees as additional insureds, as their interests may appear. The property damages insurance shall name Landlord as the loss payee with regard to any tenant improvements paid for by Landlord. All insurers shall agree not to cancel or reduce the scope or amount of coverage on policies without 30 days prior written notice to Landlord. Each such policy shall also provide that no act or default of any person other than Landlord or its agents shall affect Landlord's right to recover thereon. Tenant shall furnish Landlord with certificates of insurance evidencing coverage during the Lease term. Tenant on behalf of itself and its insurers waives and releases any right of subrogation for any loss of or damage to Tenant's real or personal property located anywhere in, on or about the Center.

**5.12 Repair Following Casualty.** The components comprising the Premises as delivered by Landlord to Tenant are referred to as the "Landlord Components". All alterations to the Premises by Tenant, all fixtures and equipment installed in the Premises by Tenant and all personal property of Tenant is referred to as the "Tenant Components". Subject to Section 12, if any Landlord Components are damaged, Landlord shall be responsible for repairing or replacing them, provided that if the damage is caused by Tenant or its agents or employees, Tenant shall pay to Landlord any portion of the cost not covered by insurance. If the damage is not caused by Tenant, its agents or employees, the cost of repair, less any insurance proceeds received, shall be included in Operating Costs. If any of Tenant's Components are damaged, Tenant shall be responsible for replacing or repairing them, irrespective of the cause of the damage.

**5.13 Surrender.** At the termination of this Lease, Tenant shall surrender the Premises, including all alterations made by Tenant and all fixtures attached to the Premises (other than trade fixtures), except items Landlord directs Tenant to remove, in the same condition as when received, reasonable wear and damage by casualty excepted. If termination occurs due to Tenant's default, Tenant shall, if Landlord so directs, surrender all trade fixtures, and they shall become the property of Landlord. Tenant shall, at the time of termination, remove personal property which Tenant is directed or permitted to remove in accordance with the provisions of this Section and repair any damage arising from the removal, leaving the Premises clean and tenantable. If Tenant fails to remove any of its personal property, Landlord may either remove and store them in a public warehouse at Tenant's risk and the expense of the removal, storage and repairs shall be paid by Tenant, on demand, or deem the same to be abandoned, and become the property of Landlord without payment of offset thereof.

## **6. UTILITIES AND LANDLORD RESPONSIBILITIES.**

**6.1 Utilities.** Commencing on the earlier of the Commencement Date or the date Tenant begins work in the Premises, Tenant shall promptly pay for utilities and services furnished to the Premises, including gas, garbage, water, electricity, telephone, and sewer charges, and including repair, replacement, hook-up and installation charges. If any utilities are not separately metered, Landlord shall allocate the cost of these utilities among the users and Tenant shall pay its share within 30 days after receipt of Landlord's invoice. The allocation will be based on the relative utility usage levels as estimated by Landlord.

**6.2 Interruption of Service.** Landlord does not warrant that any utilities or services will be free from interruption including due to accident, repairs, improvements, or causes beyond Landlord's control. No interruption shall be deemed an eviction or disturbance of Tenant's use or possession of the Premises, or render Landlord liable to Tenant for damages, or relieve Tenant from the performance of Tenant's obligations under this Lease.

**6.3 Landlord Responsibilities.** Landlord shall be responsible for (a) repairs to the structure and roof of the Premises, and (b) maintenance and repairs to the common areas; provided that if any repairs or maintenance is needed due to damage or misuse by Tenant, its

agents or employees, Tenant shall pay the cost of such maintenance and repairs within 10 days after receipt of the invoice.

## **7. OPERATING COSTS.**

**7.1 Definition of Operating Costs.** "Operating Costs" shall mean all costs incurred in operating, repairing, maintaining and replacing the Center and common facilities, including, without limitation, landscaping, insurance, earthquake insurance, Real Estate Taxes, cleaning, window washing, landscaping, lighting, heating, air-conditioning, maintaining, painting, repairing, and replacing (except to the extent paid by proceeds of insurance or condemnation awards) any common areas and any building components, including roof repairs and replacements, removing snow and ice, painting, any shopping center pylon and sign, providing security, seasonal holiday decorations, removing trash from the common areas, total compensation and benefits (including premiums for workmen's compensation and other insurance) paid to or on behalf of employees, personal property taxes, supplies, fire protection and fire hydrant charges, steam, water, and sewer charges, gas, electricity, and telephone utility charges, licenses and permit fees, supplying music to the common areas, depreciation of equipment used in operating and maintaining the common areas and rent paid for leasing such equipment, that part of office rent or rental value of space in the Center used by Landlord to manage, operate, and maintain the Center, management practices would be regarded as maintenance, repair, replacement and operating expenses, and 12% of all the foregoing costs (excluding Real Estate Taxes) to cover the Landlord's administrative and overhead costs, the costs of on-site manager(s), if any to administer the Center, including the office supplies and facilities occupied by such manager(s). If Landlord elects to engage a professional management company, the fees of the management company shall be Operating Costs but Landlord will not also include the 12% administrative fee. If any cost or expense included as a Common Area Cost should be properly considered in accordance with generally accepted accounting principles as a capital expenditure which may be amortized over a period of five (5) or more years, Landlord may, at its sole discretion, amortize such expenditure as a Common Area Cost over a reasonable number of consecutive Accounting Periods (as hereinafter defined). Such amortized Common Area Costs may be chargeable to Tenant in the calculation of the reimbursement due Landlord even though the actual expenditure for such cost may have been incurred prior to Tenant's occupancy of the Leased premises. A copy of the Operating Costs will be made available to Tenant annually.

**7.2 Definition of Real Estate Taxes.** "Real Estate Taxes" shall mean all taxes, charges, assessments (or any installment thereof applicable to the Term) and other impositions, however denominated, levied from time to time with respect to the Center, or any improvements, fixtures and equipment and all other property of Landlord, real or personal, used in the operation of the Center; any taxes levied or assessed (or any installment thereof applicable to the Term) in addition to or in lieu of, in whole or in part, such taxes; any other tax upon leasing or rents of the Center; any other tax or surcharge such as, for example, payments to or on account of public transit or car pooling or environmental facilities; and all costs and expenses incurred by Landlord in connection with the attempt to reduce any of the foregoing, whether by negotiation or contest. Real Estate Taxes shall not include any franchise or state income tax, inheritance tax, estate tax, or other similar tax. Real Estate Taxes shall also include any sales, business and occupation,

gross receipts or other tax imposed on Landlord based on rents, or tax on tenant's property or tax upon or measured by the number of tenant's employees, or any similar tax or charge.

**7.3 Additional Rent for Operating Costs.** Commencing on the Commencement Date, Tenant shall pay to Landlord, Tenant's Share of Operating Costs. Tenant's Share of Operating Costs for any portion of a year at the beginning or end of the Term shall be prorated based on the percentage of that year included in the Term. Tenant's Share of Operating Costs shall be paid in estimated monthly installments on the first day of each calendar month in the amount specified by Landlord, and Landlord shall deliver to Tenant a certified statement setting forth the total amount of Tenant's Share of Operating Costs for the prior year and there shall be a final adjustment between Landlord and Tenant with Tenant paying to Landlord any amount due Landlord within 30 days of receipt of the statement, and any amount due Tenant shall be credited to the next amounts due Landlord or if the Lease has terminated shall be refunded to Tenant. The foregoing may be calculated using any fiscal year adopted by Landlord.

**7.4 Personal Property Taxes.** Tenant shall pay, prior to delinquency, all taxes on Tenant's personal property.

**8. MALL PROMOTIONS FEE.** Tenant must pay Landlord Mall Promotions Fee which is currently \$0.30 per square foot annually. Mall Promotions Fee will not increase by more than five percent (5%) per year over the previous year.

**9. HAZARDOUS MATERIALS.** Hazardous Materials shall mean anything which may be harmful to persons or property, including but not limited to materials designated as a "Hazardous Substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as now or hereafter amended, 42 USC 9601, et seq., or which is regulated by any federal, state, or local law, statute, ordinance or regulation pertaining to health, industrial hygiene or the environment. Tenant shall not store, use or dispose of any Hazardous Materials in, on or about the Premises or Center; provided that Tenant shall be permitted to use and store cleaning and maintenance products which are used with care, in compliance with all applicable law and the manufacturer's instructions. Tenant shall defend and indemnify Landlord, its agents and employees harmless against any claims, costs (including attorney's fees), damages and liabilities, arising in connection with (i) Tenant's Hazardous materials including, without limitation, the removal, cleanup and restoration work to completely remove Tenant's Hazardous Materials, or (ii) Tenant's breach of its obligations in this Section. Tenant's obligations under this Section shall survive the termination of this Lease.

**10. SECURITY DEPOSIT.** As security for Tenant's performance, Tenant shall pay a Security Deposit to Landlord upon execution of this Lease. If Tenant defaults under this Lease, Landlord may apply all or any part of the Security Deposit to cure the default and Tenant shall immediately deposit with Landlord the amount so applied. If Tenant has fully complied with all of the covenants and conditions of this lease, any remaining Security Deposit shall be repaid to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within 30 days after the expiration of this Lease. Landlord may commingle the Security Deposit with other

funds and Tenant shall not be entitled to interest or other return thereon. If twice within any 12-month period, late charges are assessed against Tenant, Landlord may require Tenant to increase Security Deposit by one month's Base Rent, which additional amount shall be due within 5 days after Tenant's receipt of the notice. If Landlord transfers its interest in the Premises, Landlord shall transfer the Security Deposit to its successor in interest, whereupon Landlord shall be automatically released from any liability for the return of the Security Deposit.

**11. ALTERATIONS.** Tenant shall not make any alterations to the Premises, without the prior written consent of Landlord and consent may be conditioned on Tenant's agreement to remove the alterations and repair any damage caused thereby at the end of the Term at Landlord's request. Landlord's approval of plans or specifications for alterations shall not constitute an assumption of the responsibility for the accuracy or sufficiency of such plans and specifications, or their compliance with applicable law, which shall be Tenant's responsibility. All such alterations shall be made at Tenant's expense and Tenant's contractor must first be approved in writing by Landlord. All alterations shall be made in a good and workmanlike manner and in compliance with all governmental requirements. Tenant shall obtain all necessary permits from governmental authorities prior to commencing any work. Tenant shall repair any damage and perform any necessary clean-up arising in connection with alterations. Tenant shall not use any portion of the common areas in connection with an alteration without Landlord's prior written consent. All alterations shall, upon expiration or sooner termination of this Lease, become Landlord's property, unless Landlord requires that they be removed. If Tenant fails to remove any alterations, Landlord may remove them at Tenant's expense.

**12. DAMAGE OR DESTRUCTION.** If the Premises or the Center is damaged by casualty, Landlord shall (unless this Lease shall be terminated as hereinafter provided) diligently proceed to repair or restore the Landlord Components, subject to delays which may arise by reason of adjustment of loss under insurance policies and delays beyond the reasonable control of Landlord. Tenant shall fully and completely repair or replace any damage to Tenant Components. If the Premises are rendered untenable, the Base Rent shall proportionately abate unless the damage was caused by Tenant, its agents or employees. If the damage is so extensive that Landlord decides not to repair or rebuild, Landlord shall give Tenant written notice of its decision within 90 days after the damage. Rent and other charges shall be adjusted to the date of the damage, and Tenant shall thereupon promptly vacate the Premises.

**13. INDEMNIFICATION AND RELEASE.** Tenant shall indemnify and defend (using legal counsel acceptable to Landlord) Landlord, its mortgagees, agents, and employees from all acts, failures, omissions, claims, losses (including attorneys' fees), and negligence of Tenant, arising out of the occupancy or use of the Premises by Tenant, its agents, customers, or employees, contractors, licensees, or invitees which occur in or relate to the Premises, Common Areas, or other parts or areas in or adjacent to the Center. With regard to matters arising from the joint negligence of Landlord and Tenant, this indemnity shall apply to the extent of Tenant's negligence. This Section shall survive expiration or termination of this Lease and shall include, but not limited to, all claims against Landlord by any employee or former employee of Tenant, and Tenant hereby waives all immunity and limitation on liability arising from any employee insurance act, or other employee benefit act.

**14. EMINENT DOMAIN.** If a major portion of the Center or of the Premises (as reasonably determined by Landlord) is condemned for any public or quasi-public purpose, including any purchase in lieu of condemnation, this Lease shall terminate as of the date of taking possession for such purpose. If less than a major portion of the Center or of the Premises is condemned or taken (whether or not the Premises is affected) Landlord may, by notice to Tenant, terminate this Lease as of the date of the taking of possession. If Landlord does not terminate this Lease, and if the taking results in a reduction in the size of the Premises, the Base Rent shall be reduced by the percentage reduction in size, and Landlord shall, at its expense, restore the remaining Premises to substantially its former condition to the extent reasonably feasible. Landlord shall be entitled to the entire award in any condemnation proceeding, including any award for the value of any unexpired Term, and Tenant shall have no claim against Landlord or against the proceeds of the condemnation (and Tenant shall also execute and deliver to Landlord such documents as Landlord may require to confirm the same) except that Tenant shall have the right to recover from the condemning authority compensation for Tenant's moving expenses, business interruption or taking of Tenant's personal property (not including Tenant's leasehold interest) but only to the extent such damages are separately awarded and do not reduce the damages recoverable by Landlord.

**15. ASSIGNMENT AND SUBLETTING.**

**15.1 Assignment or Sublease.** Tenant shall not assign or encumber this Lease or any interest therein, or sublet all or a part of the Premises or permit any part of the Premises to be occupied by others (each, a "Transfer" and the recipient of a "Transferee") without obtaining Landlord's prior written consent, with the exception Castorena Gonzales and Ignacio Gonzales and Jamesa Gonzales, and Teneya May Cramer which shall not be unreasonably withheld. Tenant shall give written notice of any proposed Transfer to Landlord at least 90 days in advance, specifying the details of the proposed Transfer to Landlord, the proposed effective date, and the proposed Transferee with a description of their business and personal history. The notice shall be accompanied by current financial statements of the Transferee prepared by a certified public accountant and a copy of the proposed transfer documents, or, if not available, a letter of intent setting forth all terms of the Transfer. Landlord will approve or disapprove of the proposed Transfer within a reasonable time (in no event earlier than 15 days nor longer than 90 days) after receipt of such notice and all required documentation. In determining whether to approve or disapprove a Transfer and the conditions Landlord will impose, Landlord may review the following factors:

- (a) The business history, character, moral stability, reputation and financial worth of the proposed Transferee.
- (b) Whether, in Landlord's opinion, the proposed use of the Premises (a) is consistent with the Permitted Uses, (b) will not adversely affect the quality of merchandising in the Premises, (c) is consistent with the general character of business carried on in the Center, (d) does not conflict with any exclusive rights in favor of any other tenant or proposed tenant of the Center, (e) will not increase the rate of wear and

tear to the Premises or common areas, and (f) will not require new tenant improvements incompatible with then existing building systems and components.

No Transfer shall release Tenant from any obligations under this Lease, and Tenant and its Transferee shall be jointly and severally liable to Landlord for performance of the "Tenant's" obligations under this Lease. Consent to Transfer shall not operate as a waiver of the necessity of consent to any later Transfer.

No Transfer will be deemed (a) a waiver of the provisions of this Section 15; (b) the acceptance of the Transferee; or (c) release Tenant from the further performance by Tenant of covenants on the part of Tenant contained in this Lease. No permitted subtenant will assign or encumber its sublease or further sublease all or any portion of its subleased space, or otherwise permit the subleased space or any part of its subleased space to be used or occupied by others, without landlord's prior written consent in each instance.

**15.2 Assignee Obligation.** Any assignee must assume all obligations of Tenant and shall be jointly and severally liable with Tenant for the payment of Base Rent, additional rent and all other charges and performance of all of Tenant's obligations under this Lease. Tenant shall provide Landlord with duplicate originals of the assignment, sublease or assumption documents. In the event of default, Landlord may, without affecting any rights Landlord has against Tenant, its Transferee or any other Person, proceed against Tenant or any Transferee or any other Person liable for Tenant's obligations hereunder.

**15.3 Entity Ownership.** The cumulative (i.e. in one or more sales or transfers, by operation of law or otherwise) transfer of 50% or more of the ownership interests in Tenant shall be deemed a Transfer and the corresponding tenant entity shall be deemed a Transferee.

**15.4 Additional Rent.** Any amounts payable by an assignee to its assignor in excess of the rent due hereunder and any amounts payable by sublessee to its sublessor which, on a per square foot basis exceed the rent due hereunder, shall be paid to Landlord as additional rent. Tenant shall reimburse Landlord for all costs incurred by Landlord in connection with a request for approval of a Transfer.

**15.5 Recapture.** If Tenant requests Landlord's consent to a Transfer, Landlord shall have the option, exercised by written notice to Tenant within 90 days after receipt by Landlord of all information concerning such proposed Transfer, to terminate this Lease. Landlord's option shall not cease as a result of Landlord's consent or failure to consent to any one Transfer or requests for consent thereto.

## **16. INSOLVENCY AND DEFAULT.**

**16.1 Insolvency.** Landlord and Tenant hereby expressly acknowledge that this Lease is a "lease of real property in a shopping center" within the meaning that term as used in Subsection 365(b)(3) of Title XI of the United States Code (as now or hereafter amended or in effect, the "Bankruptcy Code"). The continuing rights granted to Tenant under this Lease are expressly conditioned upon Tenant remaining capable of meeting the financial and other



obligations imposed upon Tenant under this Lease and failure to do so shall constitute a default of the following: (i) any judicial determination of the solvency of Tenant; (ii) appointment of a receiver or custodian for any of Tenant's property; or (iii) the assignment for the benefit of creditors of any of Tenant's property; whereupon Landlord may, by notice to Tenant, terminate this Lease, and neither Tenant nor any Person claiming through Tenant shall be entitled to possession of the Premises. Landlord may retain as security for it damages the Security Deposit and any funds received by Landlord on behalf of Tenant. If any of the above actions are dismissed within 60 days, the default shall be deemed cured. This Lease is upon the further condition that if a petition for relief under any chapter of the Bankruptcy Code is filed by or against Tenant and the trustee or debtor in possession has not cured all defaults hereunder and assigned or assumed this Lease under the Bankruptcy Code within 60 days after the entry of the Order for Relief, this Lease shall automatically terminate. Tenant shall indemnify Landlord against all costs and expenses and loss of rent if this Lease terminates pursuant to this Section.

**16.2 Defaults.** If: (i) Tenant fails to pay any installment of Base Rent or additional rent or other charges hereunder when due; or (ii) Tenant fails to perform any other covenant, within 10 days after written notice; or (iii) Tenant ceases to do business in the Premises, then Landlord may, immediately or at any time thereafter, elect to terminate this Lease by notice, lawful entry or otherwise, whereupon Landlord shall be entitled to recover possession of the Premises, without prejudice to all other remedies Landlord has for default. If Landlord terminates the Lease, Landlord shall be entitled to recover the amounts described in the next two sections. If Tenant defaults on an obligation which Tenant has defaulted on twice previously in any 12-month period (even if Tenant has cured any previous breaches after notice from Landlord, and within the notice period), then Landlord may, then or thereafter, and without further notice exercise any remedies for default by Tenant, including termination of this Lease.

**16.3 Expense Recovery.** Expenses for which Tenant must indemnify Landlord shall include but not be limited to: (i) all costs incurred in collecting amounts due from Tenant (including attorney's fees); (ii) the unamortized portion of (a) leasing commissions paid in connection with this Lease, (b) any costs incurred by Landlord to improve the Premises (straight line amortization over the initial Term); and (iii) all other costs proximately caused by the termination. Tenant shall pay the above amounts immediately after notice from Landlord regardless of whether the expense was incurred before or after termination of this Lease. If proceedings are brought under the Bankruptcy Code, including proceeding brought by Landlord, which relate to this Lease (in any of such cases a "Proceeding"), Tenant shall reimburse Landlord for the costs incurred by Landlord in connection with the Proceeding.

**16.4 Damages.** Notwithstanding termination of this lease and reentry by Landlord, Landlord shall be entitled to recover from Tenant:

- (a) The worth at the time of an award (including interest at the Default Rate, as defined in Section 16.8) of any unpaid rent earned at the time of termination; plus
- (b) The worth at the time of an award (including interest at the Default Rate) of unpaid rent which would have been earned between termination and the date of the award in excess of rent Tenant proves Landlord could have collected from a replacement tenant; plus

- (c) The worth at the time of the award of the unpaid rent for the balance of the Term in excess of the rent Tenant proves Landlord could have collected from a replacement tenant (including interest at the Default Rate from the date of the award until paid). Such worth of the time of award shall be computed at the discount rate of the Federal Reserve Bank of San Francisco, or successor Federal Reserve Bank, on the date of termination; plus
- (d) Any other amount necessary to compensate Landlord for all the damage proximately caused by Tenant's failure to perform Tenant's obligations under this Lease, including the expenses referenced in the prior section.

**16.5 Non-Termination of Lease.** If, due to default by Tenant, Landlord reenters the Premises but does not elect to terminate the Lease, Tenant shall indemnify Landlord for the loss of rent by a payment at the end of each month during the remaining Term representing the difference between the rent which would have been paid in accordance with this Lease and the rental actually received from any replacement tenant for such month. Without any previous notice or demand, separate actions may be maintained by Landlord against Tenant from time to time to recover any damages which are then due and payable to Landlord without waiting until the end of the Term.

**16.6 Reletting.** If Tenant's right to possession is terminated or if this Lease is terminated, Landlord may relet the Premises in whole or in part either in its own name or as agent of Tenant for any period equal to or greater or less than the remainder of the then-current Term. If the Lease has not been terminated, all rentals received by Landlord from such reletting shall be applied first to the payment of any amounts other than rent due to Landlord; second, to the payment of the costs of the reletting and alterations and repairs; third, to rent due hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future rent as it becomes due. Upon a reletting of the Premises, Landlord shall not be required to pay Tenant any sums received by Landlord in excess of amounts payable in accordance with this Lease.

**16.7 Right of Landlord to Cure Defaults.** If Tenant defaults under this Lease, Landlord may cure the default, on behalf of and at Tenant's expense, immediately and without notice in case of emergency, or in any other case after 10 days' notice of default. Tenant shall reimburse Landlord, as additional rent, for the cost of the cure plus an administrative fee of 20% of the cost, within 10 days after receipt of the invoice.

**16.8 Unpaid Sums and Service Charge.** Any amounts owing from Tenant to Landlord under this Lease shall bear interest at 15% per annum, calculated from the date due until the date of payment. In addition, if any payment of Base Rent or additional rent is not paid within 5 days after it is due, Tenant shall pay a late charge equal to 10% of the overdue amount per month or portion thereof as liquidated damages for Landlord's extra expense and handling of such past due account, which shall be due 5 days after written notice from Landlord.

**16.9 If Tenant's Check is Returned.** For each Tenant payment check to Landlord that is returned by a bank for any reason, Tenant shall pay to Landlord both a Late Charge (if applicable) and a Returned Rent Charge of \$30.00 plus such amount as shall be customarily charged by Landlord's bank at the time.

**17. RELOCATION OF PREMISES.** Landlord shall have the right to relocate the Premises to another part of the Center in accordance with the following provisions. Landlord shall not have the right to relocate the Premises more than one time during the term.

**17.1 Procedure.** Landlord shall give Tenant 60 days prior written notice of its intent to relocate Tenant. Tenant shall have 30 days in which to provide Landlord with its written notice of its acceptance of said relocation. If, in Tenant's sole business judgment, the proposed new Premises are not suitable for Tenant's business, Tenant may reject said relocation by giving written notice to Landlord. If Tenant rejects the proposed new Premises, then within 15 days of Landlord's receipt of the rejection, Landlord shall notify Tenant in writing of its election either (a) not to relocate Tenant, or (b) to terminate this Lease. If Landlord elects to terminate this Lease, Tenant shall be given 60 days within which to vacate the Premises. Tenant shall be responsible for rent to the date of vacating the Premises. If the relocation proceeds, the parties shall immediately execute an amendment to this Lease stating the relocation of the Premises, the description of the new Premises any reduction of Base Rent and any corresponding new Tenant's Share of Operating Costs.

**17.2 New Premises.** The new Premises shall be (a) substantially the same in size as the Premises unless otherwise mutually agreed to by Landlord and Tenant, and (b) substantially constructed in accordance with the tenant improvements that existed in the original Premises at Landlord's expense. This shall include all ceilings, especially the high ceilings, walls, partitions, electrical systems, plumbing, restrooms and floor coverings, if any, existing in the original Premises. If Tenant desires to upgrade any tenant improvements or change the interior layout, the changes or upgrades shall be at Tenant's expense.

**17.3 Move.** The move of Tenant's trade fixtures and inventory shall take place on a weekend and shall be finished (if possible) before the Monday following the weekend in which the relocation takes place. If the move has not been completed in that time, rent shall abate from the time the move should have been completed to the time it is completed. The costs incurred by Tenant moving and relocating its trade fixtures and inventory to the new Premises shall be paid by Landlord, up to a maximum of \$1,500.00.

**17.4 Rent.** If the new Premises are smaller than the original Premises, Base Rent and Tenant's share of Operating Costs shall be proportionately reduced.

## **18. MISCELLANEOUS PROVISIONS.**

**18.1 Quiet Enjoyment.** Landlord covenants that upon Tenant performing all of its obligations under this Lease, Tenant may peaceably and quietly enjoy the Premises, free of disturbance from those claiming under Landlord.

**18.2 Landlord's Liability.** Landlord's liability to Tenant shall be limited to the interest of Landlord in the Center (and the proceeds thereof). Tenant agrees to look

solely to Landlord's interest in the Center (and the proceeds thereof) for the recovery of any judgment against Landlord, and Landlord shall not be personally liable for any such judgment or deficiency after execution thereon. Notwithstanding the foregoing, however, Landlord shall have personal liability for insured claims beyond Landlord's interest in the Center but only to the extent of proceeds of Landlord's liability insurance coverage respecting such claims.

**18.3 Priority.** This Lease shall be subordinate to any financing documents, now existing or hereafter placed upon any of the Center by Landlord, and to any and all advances to be made thereunder and to interest thereon and all modifications thereof (each a "Mortgage"). This provision shall be self-operative, however, Tenant shall execute and deliver any subordination agreement satisfactory in form and substance to the holder of a Mortgage, but only if any such subordination agreement provides in substance that so long as Tenant is not in default under this Lease, Tenant shall have the continued enjoyment of the Premises free from any disturbance or interruption by any holder of a Mortgage or any purchaser at a foreclosure or private sale of the Center.

**18.4 Estoppel Certificates.** Tenant shall, within 10 days of demand, execute and deliver to Landlord a written statement certifying: (i) the commencement and the expiration date of the Term; (ii) the amount of Base Rent and the date to which it and Percentage Rent have been paid; (iii) that this Lease is in full force and effect and has not been assigned or amended in any way (or specifying the date and terms of each agreement so affecting this Lease) and that no part of the Premises has been sublet (or to the extent such is not the case, a copy of any sublease); (iv) that Landlord is not in default under this Lease (or if such is not the case the extent and nature of such default); (v) on the date of such certification there are no existing defenses or claims); (vi) the amount of the Security Deposit paid to Landlord; and (vii) any other fact or representation that a mortgagee or purchaser may reasonably request. It is intended that any such statement shall be binding upon Tenant and may be relied upon by a prospective purchaser or mortgagee. If Tenant fails to respond within 10 days of receipt of a written request by Landlord therefore, (a) Tenant shall be deemed to have given a certificate as above provided, without modification, and shall be conclusively deemed to have admitted the accuracy of any information supplied by Landlord to a prospective purchaser or mortgagee, and (b) Landlord may impose a fee of \$100 per day for each day of delay in providing the statement by Tenant after the 10-day period.

**18.5 Holding Over.** If Tenant retains possession of the Premises after termination or expiration of this Lease, then for each day or part thereof Tenant retains possession, Tenant shall pay Landlord double the amount of the daily Base Rent payable by Tenant hereunder for the month immediately preceding such termination or expiration together with any damages sustained by Landlord as a result thereof, such tenancy shall be from month to month, and Landlord may terminate any such tenancy upon 20 days notice to Tenant.

**18.6 Words.** Words of any gender used in this Lease shall be deemed to include the other gender or the neuter and words in the singular shall be deemed to include the plural and the plural to include the singular where the sense requires. The adverbs "herein", "hereof", "hereunder", "hereto", "hereby", "hereinafter", and the like, wherever they appear herein, mean

and refer to this Lease in its entirety and not to any specific Section or paragraph. "Occupant" means any person, firm, corporation or association entitled to occupy or use a portion or portions of the Center under a lease or other arrangement with Landlord. "Person" means any individual, partnership, firm, association, corporation and/or any other form of business or legal entity.

**18.7 Heirs and Assigns.** Subject to provisions hereof restricting transfers, all of the terms contained in this Lease shall inure to the benefit of and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns. If more than one person or entity executes this Lease as Tenant, the liability of each shall be deemed to be joint and several.

**18.8 Non Waiver.** Failure of Landlord to insist, in any one or more instances, upon strict performance of any Term, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future, of such term or option, but the same shall continue and remain in full force and effect. The receipt by Landlord of rent or additional rent with knowledge of a breach of any of the terms of this Lease by Tenant shall not be deemed a waiver of such breach. Landlord shall not be deemed to have waived any provision of this Lease unless expressed in writing and signed by Landlord.

**18.9 No Brokers.** Tenant represents and warrants to Landlord that except for the person(s) listed in Section 1.1, it has not engaged any broker, finder or other person entitled to any commission or fee in respect to the negotiation, execution or delivery of this Lease, and Tenant shall indemnify and defend Landlord against any claims for such commission arising out of agreements made or alleged to have been made by or on behalf of Tenant. The provisions of this Section shall not apply to brokers with whom Landlord has a brokerage agreement.

**18.10 Entire Agreement.** This Lease contains the entire agreement of the parties with respect to the subject matter hereof and no representations, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of any force or effect. No provisions of this lease may be changed, waived, discharged or terminated orally, but only by instrument in writing executed by Landlord and Tenant concurrently with or subsequent to the date of this Lease.

**18.11 Severability.** Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

**18.12 Force Majeure.** Time periods for Landlord's or Tenant's performance under any provisions of this Lease (except for the payment of money) shall be extended for periods of time during which the non-performing party's performance is prevented due to circumstances beyond the party's control, including, without limitation, strikes, embargoes, governmental regulations, inclement weather and other acts of God, war or other strife.

**18.13 No Accord or Satisfaction.** Payment by Tenant or receipt by Landlord of a lesser amount than the rent and other charges stipulated herein shall be deemed to be on account of the earliest stipulated rent or other charges. No endorsement or statement on any check or any

letter accompanying any payment shall be deemed an accord and satisfaction, and Landlord's acceptance of such check or payment shall be without prejudice to Landlord's right to recover the balance of the amount due or pursue any other remedy to which it is entitled.

**18.14 Governing Law.** This Lease shall be construed and governed by the laws of the State of Nevada.

**18.15 Notices.** All notices under this Lease shall be in writing and delivered in person or sent by registered or certified mail, return receipt requested, or by personal delivery or by overnight courier (e.g. FedEx) to Landlord at the address specified in Section 4.1 and to Tenant at the Premises, or such other single address may hereafter be designated by either party in writing. Notices shall be deemed given when hand delivered or if mailed as aforesaid, shall be deemed given upon receipt.

**18.16 Tax on Rent.** The rent herein is exclusive of any sales, business and occupation, Gross Receipts or other tax based on rents, or tax on Tenant's property or tax upon or measured by the number of employees of Tenant, or any similar tax or charge. If any such tax or charge be hereinafter enacted, and imposed upon Landlord, Tenant shall pay Landlord the amount thereof concurrently with each monthly rent payment. If it shall not be lawful for Tenant so to reimburse Landlord, the monthly rent payable to Landlord under this Lease shall be revised to net Landlord the same net rental after imposition of any such tax or charge upon Landlord as would have been payable to Landlord prior to the imposition of such tax or charge. Tenant shall not be liable to reimburse Landlord for any federal income tax or other income tax of a general nature applicable to Landlord's income.

**18.17 Right to Change Public Spaces.** Landlord reserves the right at any time after completion of the Center, without thereby creating an actual or constructive eviction or incurring any liability to Tenant, to change the arrangement or location of public areas of the Center not contained within the Premises or any part thereof, including entrances, passageways, parking lots and other public service portions of the Center.

**18.18 Consent.** Notwithstanding anything contained in this Lease to the contrary, Tenant shall have no claim, and hereby waives the right to any claim against Landlord for money damages by reason of any refusal, withholding or delaying by Landlord of any consent, approval or statement of satisfaction, and in such event, Tenant's only remedies therefore shall be an action for specific performance, injunction or declaratory judgment, to enforce any right to such consent.

**18.19 Financial Statements.** Upon request by Landlord, Tenant shall provide to Landlord copies of Tenant's most recent financial statements and tax returns.

**18.20 Release of Certain Claims.** Tenant hereby fully and completely waives and releases all claims against Landlord for any losses or other damages sustained by Tenant or any Person claiming through Tenant resulting from any equipment or appurtenances becoming out of repair; any defect, failure, surge in, or interruption of, electrical heating, ventilating, air conditioning, gas, water, or storm or sewer facilities or service; any defect in or failure of the

plumbing, or failure of stairs, railings or walks; broken glass; water being upon or coming into the Premises or the Center; the falling of any fixture, plaster, tile and stucco; or any other damage to Tenant's personal property or business unless caused by the gross negligence or willful misconduct of Landlord, its agent or employees.

**18.21 Corporate Authority.** If Tenant is a business entity, then each individual signing this Lease on behalf of Tenant represents and warrants that he/she is duly authorized to execute and deliver this Lease on behalf of such business entity, and that this Lease is binding on Tenant in accordance with its terms.

**18.22 Mortgagee Requirements.** Tenant shall within 10 days of request by Landlord deliver an executed and acknowledged instrument amending this Lease in such respects as may be required by any present or future mortgagee, provided that such amendment does not materially alter or impair Tenant's rights or remedies under this Lease or increase its rental burdens.

**18.23 Costs and Attorneys' Fees.** In the event of litigation between the parties hereto, declaratory or otherwise, for the enforcement of any of the covenants, terms or conditions of this Lease, then non-prevailing party shall pay the costs thereof and attorneys' fees actually incurred by the prevailing party, in such suit, at trial and on appeal. In addition, if Landlord engages counsel to enforce the terms of this Lease, including without limitation, for the purpose of preparing a delinquency notice, Tenant shall be required to reimburse Landlord for all costs incurred before the subject default is considered cured. If Tenant becomes involved in any bankruptcy proceedings, Tenant shall be required to reimburse Landlord for all costs incurred by Landlord in connection with such proceedings, including fees and costs incurred in Landlord's effort to protest its interests.

**18.24 Changes.** Landlord does not guarantee the continued present status or light air over any property adjoining or in the vicinity of the Center. Any diminution or shutting off of light, air or view by any structure which may be erected near or adjacent to the Center shall in no way affect this Lease or impose any liability on Landlord.

**18.25 Administrative Charge.** An administrative charge of \$750.00 per occurrence will be charged by Landlord to Tenant for renegotiating or changing any terms or conditions of the Lease. The charge will also be applicable for any possible lease assignment, unexpected termination of lease, sale of business by existing Tenant to a new Tenant, preparation of lease for new Tenant, and any other event that may cause the existing lease terms to be changed or renegotiated.

**18.26 No Reservation.** The submission of this Lease for examination does not constitute a reservation or option to Lease the Premises and this Lease becomes effective as a Lease only upon execution and delivery thereof by Landlord and Tenant.

**18.27 Recording.** This Lease shall not be recorded by either party.

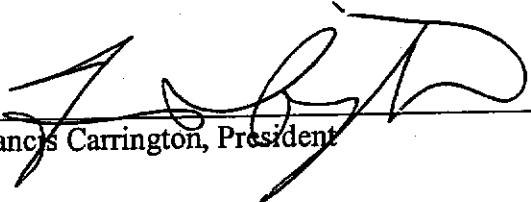
**19. OFAC Certification**

- a. **Certification.** Tenant certifies that:
- (i) It is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control; and
  - (ii) It is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity, or nation.
- b. **Indemnification.** Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

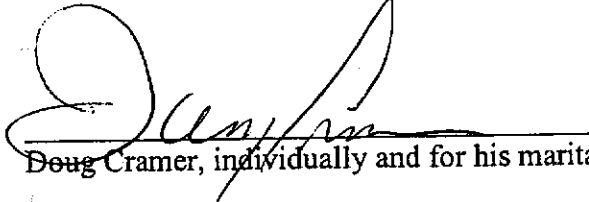
**20. Lease Guaranty.** Tenant acknowledges that Landlord will not lease the Premises to Tenant without this Lease being guaranteed, *jointly and severally*, by all of the individuals listed as the Guarantors in Section 1.1(h) above (collectively "Guarantor"). Tenant agrees to cause Guarantor to execute and deliver to Landlord, simultaneously with the execution and delivery of this Lease, the Guaranty in the form of **Exhibit F** attached hereto.

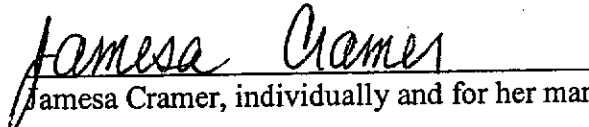



Landlord: THE CARRINGTON COMPANY

  
Francis Carrington, President

Tenant: PARADISE COVE CAFE

  
Doug Cramer, individually and for his marital community

  
Jamesa Cramer, individually and for her marital community

Federal Tax ID No. for Paradise Cove Cafe: 

## EXHIBIT F GUARANTY

Doug and Jamesa Cramer, a married couple, individually and for their marital community (collectively the "Guarantor") acknowledges for the benefit of The Carrington Company (the "Landlord") that it will receive a financial benefit from the Lease to which this Guaranty is appended as an exhibit, and gives this guaranty to induce Landlord to enter into the Lease. This Guaranty runs for the benefit of Landlord and Landlord's successors and assigns. Any term not defined herein is defined in the Lease.

1. Each of the individuals comprising the Guarantor jointly and severally, unconditionally guarantees the full and prompt payment, performance and observance by Tenant of all amounts, terms, covenants and conditions in the Lease on Tenant's part to be paid, kept, performed and observed; all without deduction of any kind. If Tenant defaults under the Lease, Guarantor will immediately cure the default, including paying any damages and expenses of Landlord from Tenant's default (including attorney's fees and court costs).

2. Guarantor's liability is independent of Tenant's liability and a separate action may be brought against Guarantor whether or not Tenant is joined in the action and whether or not Landlord has first pursued any other remedies. Landlord shall have the right to join one or all of the parties comprising the Guarantor in any proceeding or to proceed against them in any order. Guarantor's liability is not assignable, and shall be binding upon the Guarantor's heirs, personal representative, successors and estates.

3. This Guaranty shall remain in effect as to any extension, modification or amendment of the Lease and irrespective of any assignment of the Lease and Guarantor waives notice of any extensions, modifications, amendments or assignments.

4. Guarantor's obligations shall remain fully binding (a) although Landlord may have waived one or more defaults by Tenant, extended the time of performance by Tenant, released, returned or misapplied other collateral given later as additional security (including other guaranties) or released Tenant from the performance of particular obligations under the Lease, and (b) notwithstanding the institution by or against Tenant of bankruptcy, reorganization, receivership or insolvency proceedings of any nature, or the disaffirmance of said Lease in any such proceedings or otherwise. Guarantor hereby waives all suretyship defenses.

5. The obligations of Guarantor hereunder shall not be released by Landlord's receipt, application or release of any security given for the performance and observance of any covenant or condition in the Lease contained on Tenant's part to be performed or observed, nor by any modification of the Lease, regardless of whether Guarantor consents thereto or receives notice thereof.

6. If Tenant shall become insolvent, the subject of a receivership or becomes the debtor in a bankruptcy proceeding, whether by voluntary or involuntary petition, if a petition for reorganization, arrangement or similar relief shall be filed against Tenant, or if a receiver of any part of Tenant's property or assets shall be appointed by any court, Guarantor shall pay to Landlord the amount of all accrued, unpaid and accruing Minimum and other charges due under the Lease to the date when the debtor-in-possession, the trustee, receiver or administrator accepts the Lease and commences paying same. At such time as the debtor-in-possession, the trustee or administrator rejects the Lease, however, Guarantor shall pay to Landlord all accrued, unpaid and accruing Minimum Rent and other charges under the Lease for the remainder of the Lease Term. At the option of Landlord, Guarantor shall either: (y) pay Landlord an amount equal to the Minimum Rent and other charges which would have been payable for the unexpired portion of the Lease Term reduced to present-day value; or (z) execute and deliver to Landlord a new lease for the balance of the Lease Term with the same terms and conditions as the Lease, but with Guarantor as tenant thereunder. Any operation of any present or future debtor's relief act or similar act, or law or decision of any court, shall in no way affect the obligations of Guarantor or Tenant to perform any of the terms, covenants or conditions of the Lease or of this Guaranty.

7. Until all of the covenants and conditions in the Lease on Tenant's part to be performed and observed are fully performed and observed, Guarantor: (a) shall have no right of subrogation against Tenant by reason of any payment or performance by Guarantor hereunder; and (b) subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to Landlord under the Lease.

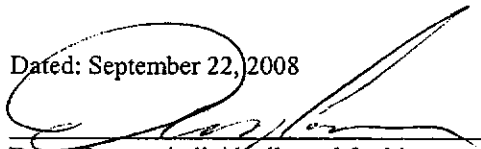
8. Any act of Landlord, or its successors or assigns, consisting of a waiver of any of the terms or conditions of the Lease, the giving of any consent to any matter or thing relating to the Lease, or the granting of any indulgence or extension of time to Tenant may be done without notice to Guarantor and without releasing Guarantor from any of its obligations hereunder.


9. Guarantor agrees to promptly pay, fully and completely, in addition to any and all amounts otherwise due hereunder, all costs, expenses and charges, including attorneys' fees, incurred in collecting or enforcing this Guaranty, including litigation and including in connection with any bankruptcy filing, and all such sums shall bear interest from the date paid until Landlord is reimbursed at the lower of 14% per annum or the highest rate permitted by law.

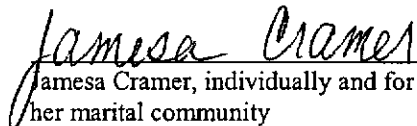
10. Notices shall be delivered pursuant to Lease Section 18.5. Notices to Guarantor shall be sent to the Premises or such other single address as Guarantor may designate upon 30 days advance written notice to Landlord.

11. The Lease and this Guaranty comprise the entire agreement between Landlord, Tenant and Guarantor and may only be amended by a subsequent writing signed by all. This Guaranty is to be construed neutrally and not against the Landlord.

Dated: September 22, 2008

  
Doug Cramer, individually and for his  
marital community

Social Security No.: 

  
Jamesa Cramer, individually and for  
her marital community

Social Security No.: 

TENANT INFORMATION

Contact Name(s) Doug & JAMESA CRAMER

Billing Address: 1200 S STEWARD ST  
CARSON NV 89701

Home Address: [REDACTED]  
CARSON CITY NV  
89705

Legal Notices Address: 1200 S STEWARD ST  
CARSON NV 89701

Telephone Number (Store): 775-841-1199

Fax Number: 775-884-0495

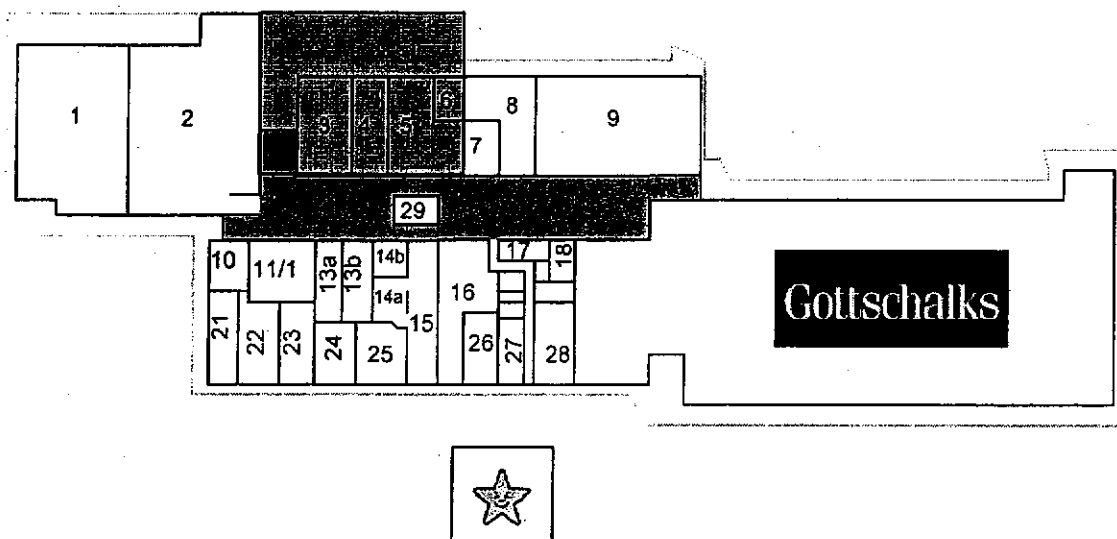
Telephone Number (Home): 775-267-0838

Store Contact Person: \_\_\_\_\_

Email Address: Rjamie1@Chauter.net

**EXHIBIT A  
TO  
LEASE  
FLOOR PLAN SHOWING PREMISES**

Diagram with approximate location of Premises. Highlight are represents the area detailed in Exhibit D.



This diagram is for demonstrational purposes only.

**EXHIBIT "B"**  
**CARSON MALL SIGN POLICY**

These criteria have been established for the purpose of assuring an outstanding shopping center for the mutual benefit of all tenants. Conformance will be strictly enforced, and any nonconforming or unapproved signs must be brought into conformance at the expense of the tenant.

**General Requirements:**

- A. Each Tenant shall submit or cause to be submitted to Landlord for approval before any fabrication detailed drawings indicating the location, size, layout, design and color of the proposed signs, including all lettering and/or graphics.
- B. Tenant shall obtain at its expense permits for signs and their installation and signs shall conform to all local building and electrical codes, meet UL specifications and conform with all applicable City sign regulations and ordinances.
- C. All signs shall be constructed and installed at the Tenant's expense.
- D. Electrical services to all signs shall be on the Tenant's meter.
- E. No animated, flashing or audible signs will be permitted.
- F. Exposed lamps and/or tubing will not be permitted. All cabinets, conductors, transformers and other equipment shall be concealed.
- G. No pylon type signs will be permitted for individual Tenants.
- H. All signs must be of permanent material.
- I. Signs for stores of 30,000 square feet or more shall be negotiated on an individual basis.

**Interior Signs:**

- A. All signs will be composed of individual channel type letters and/or numbers and will be limited to Tenant's trade name. Landlord reserves the right to make exceptions to this rule for national or regional chains that already have established sign criteria.
- B. All individual letters, numbers or logo shall be internally illuminated by neon tubes or lamps.
- C. All neon lighted letters shall be double tubed with transformers not to exceed 30 M.A. rating.
- D. All signs shall not exceed 15" in height. Overall length of signs shall not exceed 2/3 of the leased frontage.
- E. The bottom edge of all signs shall be located no lower than 8'0" above finished floor line.
- F. No box or cabinet signs shall be permitted. No painted signs on the front of show windows are permitted. No paper signs, stickers, banners or flags are permitted without prior written permission from Landlord.

**Exterior Signs:**

- A. Signs will have individual illuminated letters mounted to a raceway. Letters to be 5" deep pan channel with plexiglass faces and neon illumination. Color of signs to be approved by Landlord.
- B. All signs shall not exceed 24" in height. Overall length of signs shall not exceed 3/5 of the leased frontage.
- C. No sign shall project beyond the top or bottom edge of the sign strip area. No sign shall set on or hang below the canopy edge.
- D. All electrical must be concealed in raceway. Raceway must be painted to match building.
- E. Tenant is required to paint the remote exposed raceway to match the color of the surrounding area and to make any repairs or patch existing holes in the sign fascia.
- F. No box or cabinet signs shall be permitted. No painted signs on the exterior surface of any building are permitted. No roof top signs are permitted.

Variance from the above restrictions will not be allowed without the prior written consent of Landlord.

**EXHIBIT "C"**  
**EXCLUSIVES**

<b>Tenant:</b>	<b>Type:</b>	<b>Use:</b>
Carl's Blueprinting	Engineering Supplies	LL restricted from leasing any space and Equipment to any other tenant under 10,000 sq.ft. whose principal business is the sale of engineering supplies and Equipment; office supp., computers, copiers of all kinds, and retail/commercial copying (other than existing tenants).
Jo-Ann Fabrics	Fabric Store	Tenant has 'right to approve' of any new 'fabric store' type business; defined as one that sells fabrics and textiles, where at least 15% of the merchandise is substantially the same as tenant's.
L&L Hawaiian	Hawaiian style bar-b-que sit-down and take out restaurant.	

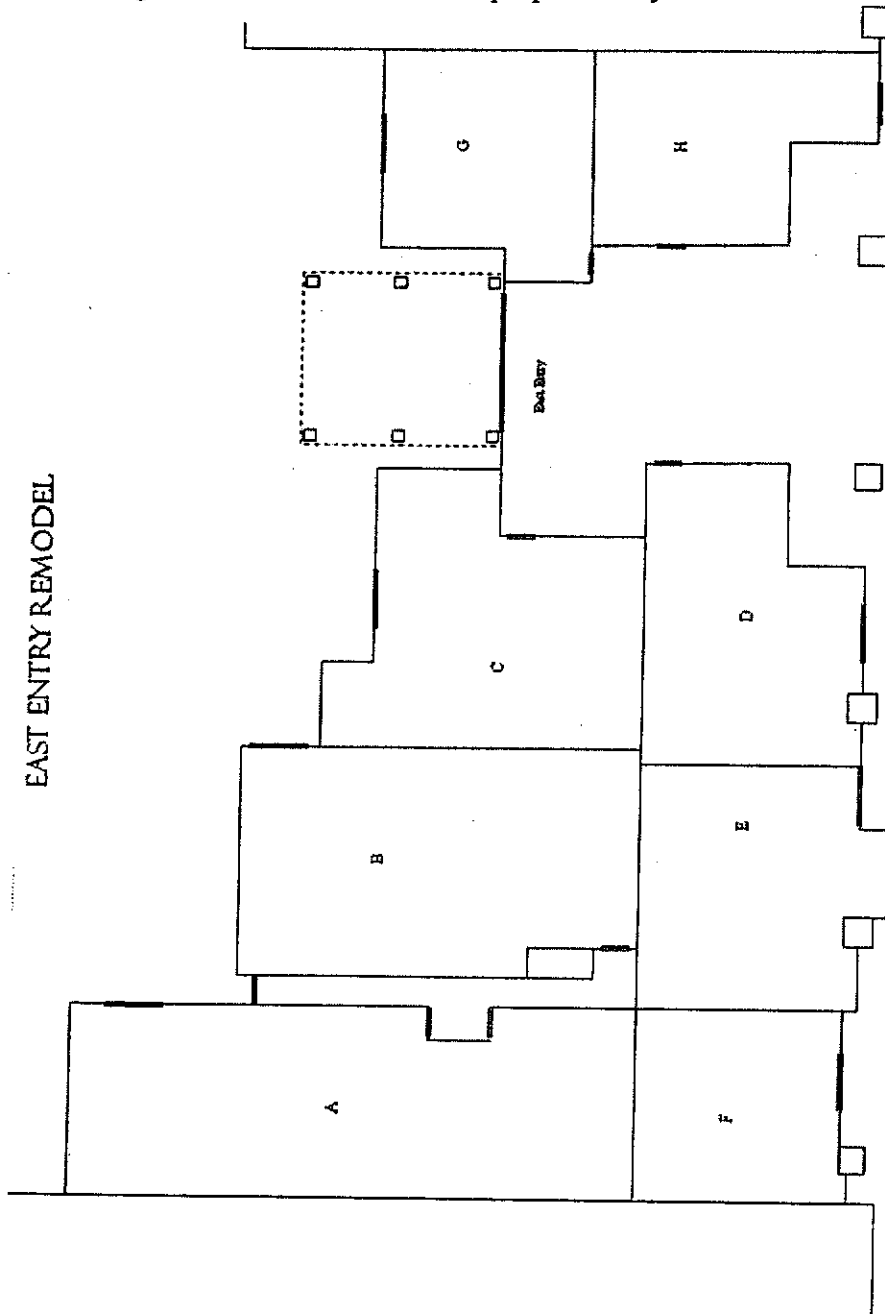
paradise cove cafe  
Exclusive Breakfast Sitdown Restaurant  
DC BC —



**EXHIBIT "D"**  
**TO**  
**LEASE**

**PHASE 1 and 1A REMODEL**

This diagram is for demonstrational purposes only.



**WILLIAM A. VAN METER**  
Standing Chapter 13 Trustee  
United States Bankruptcy Court  
District of Nevada

(775) 324-2500  
(775) 324-3313 Fax

P.O. Box 6630  
Reno, NV 89513

September 9, 2008

To Whom It May Concern:

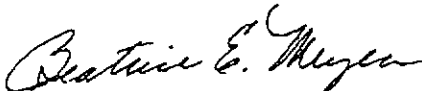
Re: Douglas M. and Roberta J. Cramer  
BK-N-05-52935-MKN

Please be advised that the above Chapter 13 Bankruptcy Plan has been completed. No further payments from the debtors are required. The final disbursement to creditors has been made and a Final Account and Report has been filed with the Bankruptcy Court Clerk and a Discharge is scheduled to be entered by the Clerk's office on October 20, 2008.

The Trustee has no objection to Mr. and Mrs. Cramer obtaining new financing as their plan has been completed.

If I can provide any further information, please do not hesitate to contact our office.

Very truly yours,

  
BEATRICE E. MEYERS  
Assistant to the Trustee

No APN

2009 MAR -6 AM 10:07

Return to: STATE OF NEVADA  
DEPT OF TAXATION  
1550 E COLLEGE PKWY #115  
CARSON CITY, NV 89706  
Phone Number (775) 684-2000

FILE NO. 387279  
ALAN GLOVER  
CARSON CITY RECORDER  
FEES DEP

RELEASE OF LIEN

WHEREAS, pursuant to the provisions of NRS 360.473, of Nevada revised statutes, a certificate of delinquency was filed in the office of the County Recorder of Carson City County, Nevada on November 29, 2005 as document number 346491 of official records, and

WHEREAS said filing gave rise to a lien upon all the real property in said county owned or afterwards acquired by Doug Cramer, dba: Pops Bar-B-Que, 711 W Washington St, Carson City NV 89703.

NOW, for good cause and pursuant to the provisions of NRS 360.475, of Nevada Revised statutes, the Department of Taxation hereby wholly releases and discharges from said lien all of the real property in Carson City County, Nevada owned by, Doug Cramer dba: Pops Bar-B-Que, 711 W Washington St, Carson City NV 89703.

Dated this 5th day of March, 2009, in Carson City, Nevada, Phone Number (775) 684-2000.

DEPARTMENT OF TAXATION

*Kelly Pawley*

Kelly Pawley, Tax Administrator I  
Compliance Division  
STATE OF NEVADA )  
) ss  
Carson City )



**CONFORMED COPY  
HAS NOT BEEN COMPARED  
TO THE ORIGINAL**

On March 5, 2009 personally appeared before me, a notary public, Kelly Pawley, who acknowledged that she executed the above instrument.



*Ruth E. Jones*  
\_\_\_\_\_  
Notary Public in and for Carson City  
State of Nevada

Account No: **[REDACTED]**  
TID: 1001105745  
Certificate No: 23916

# United States Bankruptcy Court

District of Nevada

In Re: DOUGLAS M. & ROBERTA J. CRAMER

Case No: 05-52935-MKN

## TRUSTEE'S FINAL ACCOUNT

Total funds received and disbursed pursuant to the plan: \$ 24,000.00

Claim Number	Name of the Claimant	Claimed by Creditor	Allowed Amount to be Paid by Trustee	Principal Paid	Interest Paid	Allowed Amount Not Paid
799	CLIFTON J. YOUNG, ESQ.	2,292.00	1,794.00	1,794.00	0.00	0.00
	<b>Total Admin</b>	2,292.00	1,794.00	1,794.00	0.00	0.00
999	DOUGLAS M. & ROBERTA J. CRAMER	0.00	0.00	0.00	0.00	0.00
	<b>Total Refund</b>	0.00	0.00	0.00	0.00	0.00
004	UNITED STATES TREASURY/IRS-SPS	8,056.66	0.00	0.00	0.00	0.00
014	NEVADA DEPARTMENT OF TAXATION	16,447.55	16,447.55	16,447.55	0.00	0.00
111	STATE OF CALIFORNIA	Not Filed	Not Filed	0.00	0.00	Not Filed
	<b>Total Priority</b>	24,504.21	16,447.55	16,447.55	0.00	0.00
003	SIERRA SCHOOLS CREDIT UNION	3,914.67	Direct Pay	0.00	0.00	Direct Pay
023	CITIMORTGAGE, INC.	121,350.99	Direct Pay	0.00	0.00	Direct Pay
101	AMERICAN GENERAL FINANCE	Not Filed	Not Filed	0.00	0.00	Not Filed
102	AMERICAN GENERAL FINANCE	Not Filed	Not Filed	0.00	0.00	Not Filed
103A	CITIMORTGAGE	Not Filed	Not Filed	0.00	0.00	Not Filed
104	KIETZKE AUTO MOTORS	Not Filed	Not Filed	0.00	0.00	Not Filed
106	WELLS FARGO	Not Filed	Not Filed	0.00	0.00	Not Filed
	<b>Total Secured</b>	125,265.66	0.00	0.00	0.00	0.00
001	WELLS FARGO CARD SERVICES	513.37	513.37	22.10	0.00	491.27
002	ROUNDUP FUNDING, LLC	9,183.24	9,183.24	395.34	0.00	8,787.90
004	UNITED STATES TREASURY/IRS-SPS	4,554.84	4,554.84	196.09	0.00	4,358.75
005	AMERICAN EXPRESS	3,007.83	3,007.83	129.49	0.00	2,878.34
006	PORTFOLIO RECOVERY ASSOCIATES	3,106.42	3,106.42	133.73	0.00	2,972.69
007	CAPITAL ONE BANK	1,280.17	1,280.17	55.11	0.00	1,225.06
008	CAPITAL ONE BANK	581.53	581.53	25.04	0.00	556.49
009	CAPITAL ONE BANK	3,525.73	3,525.73	151.78	0.00	3,373.95
010	CAPITAL ONE BANK	1,052.72	1,052.72	45.32	0.00	1,007.40
011	CAPITAL ONE BANK	922.44	922.44	39.71	0.00	882.73
012	CHASE MANHATTAN BANK USA, N.A.	3,508.11	3,508.11	151.03	0.00	3,357.08
013	CHASE MANHATTAN BANK USA, N.A.	2,059.26	2,059.26	88.65	0.00	1,970.61
014	NEVADA DEPARTMENT OF TAXATION	1,262.12	1,262.12	54.34	0.00	1,207.78
015	CHASE MANHATTAN BANK USA, N.A.	1,218.09	1,218.09	52.44	0.00	1,165.65
016	MBNA AMERICA BANK, N.A.	9,454.86	9,454.86	407.04	0.00	9,047.82
017	HOUSEHOLD BANK	6,298.87	6,298.87	271.17	0.00	6,027.70
018	CITIBANK USA, N.A.	16,879.85	16,879.85	726.69	0.00	16,153.16
019	CITIBANK USA, N.A.	16,078.86	16,078.86	692.20	0.00	15,386.66
020	SEARS/CITIBANK USA	2,988.11	2,988.11	128.64	0.00	2,859.47

# United States Bankruptcy Court

District of Nevada

In Re: DOUGLAS M. & ROBERTA J. CRAMER

Case No: 05-52935-MKN

## TRUSTEE'S FINAL ACCOUNT

Total funds received and disbursed pursuant to the plan: \$ 24,000.00

Claim Number	Name of the Claimant	Claimed by Creditor	Allowed Amount to be Paid by Trustee	Principal Paid	Interest Paid	Allowed Amount Not Paid
109	STATE OF NEVADA	Not Filed	Not Filed	0.00	0.00	Not Filed
110	NEVADA LABOR COMMISSION	Not Filed	Not Filed	0.00	0.00	Not Filed
114	AMERICAN EXPRESS	Not Filed	Not Filed	0.00	0.00	Not Filed
117	BANK ONE	Not Filed	Not Filed	0.00	0.00	Not Filed
125	CITI BUSINESS	Not Filed	Not Filed	0.00	0.00	Not Filed
126	FLEET	Not Filed	Not Filed	0.00	0.00	Not Filed
127	GOTTSCHALKS-HHLD	Not Filed	Not Filed	0.00	0.00	Not Filed
128	HOME DEPOT	Not Filed	Not Filed	0.00	0.00	Not Filed
131	MBNA	Not Filed	Not Filed	0.00	0.00	Not Filed
132	RETAILERS NAT'L BANK	Not Filed	Not Filed	0.00	0.00	Not Filed
133	RETAILERS NATIONAL BANK	Not Filed	Not Filed	0.00	0.00	Not Filed
134	SALLY CRAMER	Not Filed	Not Filed	0.00	0.00	Not Filed
138	BOB MCFADDEN	Not Filed	Not Filed	0.00	0.00	Not Filed
	<b>Total Unsecured</b>	92,012.67	92,012.67	3,961.20	0.00	88,051.47
200	BRICE, VANDER LINDEN & WERNICK, P.C	Not Filed	Not Filed	0.00	0.00	Not Filed
	<b>Total Special</b>	0.00	0.00	0.00	0.00	0.00
	<b>Grand Totals</b>	244,074.54	110,254.22	22,202.75	0.00	88,051.47
Total Paid Creditors:		22,202.75				
Trustee Allowance:		1,797.25				

/s/ William A. Van Meter

William A. Van Meter, Trustee

Report Dated: September 9, 2008

**Ditas Gonzales**

---

**From:** Carrie Kautz [carrie.kautz@first-american.net]  
**Sent:** Tuesday, March 10, 2009 8:19 AM  
**To:** Ditas Gonzales  
**Cc:** Matthew Slickers; Merchant Cash Adv  
**Subject:** SFS Contract Status Changed, #3585, Mom and Pop's Diner [Hard Decline]  
**Importance:** High

Ditas,

See if the below email will work. That is really all that I have.

Thanks,  
Carrie

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

**From:** info@sfscapital.com [mailto:info@sfscapital.com]  
**Sent:** Wednesday, March 04, 2009 5:46 PM  
**To:** Merchant Cash Adv;  
**Subject:** SFS Contract Status Changed, #3585, Mom and Pop's Diner [Hard Decline]

The contract status changed to Hard Decline for contract id 3585 and merchant Mom and Pop's Diner, Inc., DBA: Mom and Pop's Diner.

2009-03-04 18:31:15 Poor credit; Recent history of bankruptcy; \$17,960 state tax lien [Hard Decline]

This status brought to you by Strategic Funding Source, <http://www.sfscapital.com>

**KROGER**  
*Personal*  
FINANCE®

PO Box 18211  
Bridgeport, CT 06601-3211

0303090258000874

MARCH 2, 2009

Application ID #: [REDACTED]

DOUG CRAMER  
224 S CARSON ST  
CARSON CITY, NV 89701

Dear DOUG CRAMER:

This letter is in reference to your recent application for a credit card account. Unfortunately, we are unable to issue an account to you at this time for the following reasons:

- BANKRUPTCY

In making the decision to decline your application, we used information that we obtained from the consumer reporting agency named below. The reporting agency will not be able to provide you with the specific reasons why we declined your application. Under the Fair Credit Reporting Act, you have the right to obtain a free copy of your consumer report from the consumer reporting agency if you request it within 60 days after you receive this letter. You also have the right under the Fair Credit Reporting Act to dispute with the consumer reporting agency the accuracy or completeness of any information in the report that the agency furnishes. In order to obtain your report or dispute the information that it contains, you can contact the consumer reporting agency at the following address or toll-free telephone number.

EQUIFAX INFO SERVICES  
P.O. BOX 740241  
ATLANTA, GA 30374  
800 685-1111

Should you have any additional information which could lead to reconsideration of your request, please write us at the following address:

Kroger Personal Finance  
Credit Department  
P.O. Box 7092  
Bridgeport, CT 06601-7092

Sincerely,

Kroger Personal Finance

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law concerning this creditor is the Office of the Comptroller of the Currency, Customer Assistance Group, 1301 McKinney Avenue, Suite 3450, Houston TX 77010-9050.

This credit card is issued by RBS Citizens, N.A.

/RUSADP/RUSR410A/ADM811/0303090258000874///KR5

# United States Bankruptcy Court

District of Nevada

In Re:  
DOUGLAS M. & ROBERTA J. CRAMER  
Debtor(s)

CASE NO: [REDACTED]  
CHAPTER 13

## TRUSTEE'S FINAL ACCOUNT AND REPORT - COMPLETED PLAN

Pursuant to Fed. R. Bankr. P. 5009, William A. Van Meter, Standing Chapter 13 Trustee, certifies that, based on his records it appears that the Debtor's Chapter 13 bankruptcy estate has been fully administered. Accordingly, the Trustee hereby submits his Final Account and Report of the administration of the estate pursuant to 11 U.S.C. Section 1302(b)(1).

Any objection to the Trustee's Final Account and Report must be written, state the grounds of objection, and within thirty-five (35) days, filed with the Bankruptcy Court, and served upon William A. Van Meter, Chapter 13 Trustee, P.O. Box 6630, Reno, NV 89513. In the absence of a timely filed Objection, there shall be a presumption that the Chapter 13 Bankruptcy Estate has been fully administered and the Court may, if appropriate, enter the Debtor's discharge.

## TRUSTEE'S FINAL REPORT

The Debtor's Chapter 13 case was filed or converted to Chapter 13 on: September 13, 2005  
If a Chapter 13 plan was confirmed, it was confirmed on: November 8, 2005  
The Trustee believes that the case should be closed because: Plan Completed



