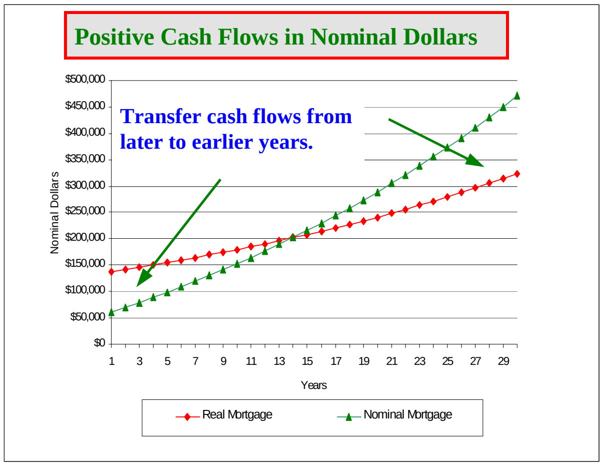
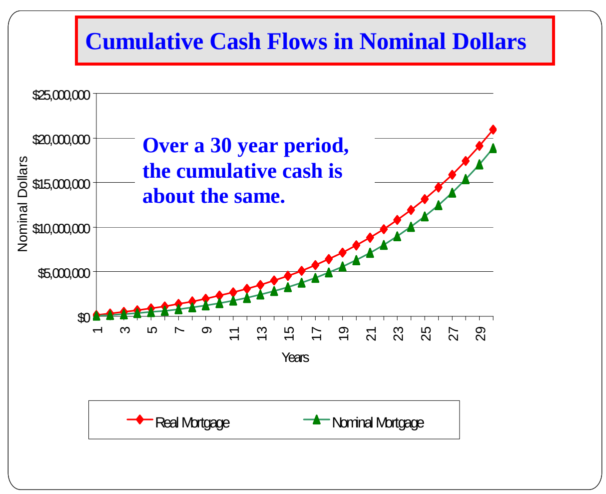
Real Mortgage Corporation™

The Bottom Line: Real vs Nominal Mortgages



Owners can obtain a traditional Nominal Loan with an interest rate that is "front-end" loaded with an inflationary premium that will have a term of not more than ten years. Or, an owner can place a **Real Mortgage™**, Non-Recourse, 30 Year Loan, fully amortized with no Balloon payment, that will almost double the cash flow in the first year. The choice should be obvious. The graph at left shows the Positive Cash Flows received on the same loan, one based in traditional terms, versus a **Real Mortgage™**. The **Real Mortgage™** uses "real rates" of interest in their amortization, which is around **5%**, based upon historical indexes. The initial

loan payment is about 33% lower than a traditional loan payment, which can increase the Debt Service Coverage from **1.25** to **1.75** and thereby improve the Risk/Reward ratio for the owner. While the **Real Mortgage™** Loan payments do increase with inflation, the owner will be able to accumulate cash flow at a faster pace in the first 14 years of operations. Overall, the cumulative cash flows are about the same for both types of loans (see graph). However, the **Real Mortgage™** reduces the default risk of the owner by transferring the extra cash flows projected to be received in the later years of operations, to the earlier years of operations, for the owner's immediate benefit.



For More Information - Mail, E-Mail or Fax to RMC

Name: ____________________

Address: ____________________

City: __________ State/Province: __________

Zip/Postal Code __________ Phone: __________

The Real Mortgage Corporation **(RMC)** will be the sponsor of a securitized pool of mortgages. All properties will be subject to due diligence and underwriting requirements.

Ask for our Analysis. ..

Real Mortgage Corporation

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