



A MASTER PLANNED COMMUNITY
DES MOINES, WASHINGTON ,USA

OFFERING SUMMARY



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SSI PACIFIC PLACE, LLC, DEVELOPER
SUNWAY SERVICES, INC.
1612 SOUTH MILDRED, SUITE B
TACOMA, WASHINGTON 98465, USA

OFFERING SUMMARY OF WATERVIEW CROSSING

A Master Planned, Transit Oriented Development, Des Moines, WA, USA

GENERAL AND SPECIFIC MARKET CONDITIONS

U.S. Economy has stopped its decline and is showing signs of rebound via auto, housing and retail sales. One of the first areas to recover economically will be Seattle and the Puget Sound area of Washington State, with its concentration of aerospace, high tech and medical jobs and excellent quality of life. The area also has two of the busiest ports in the country due to import / export business with China and the Far East. **Hainan Airlines** of China has its first USA location in Seattle, offering non-stop service to and from Beijing.

Over 100,000 new residents are projected to come into our State per year, with most of it in the Puget Sound area due to availability of jobs and no state personal income tax.

Currently, workers within the Puget Sound region suffer from one of the top 5 worst traffic areas of the United States. Many have to drive over an hour each way to and from work every day. Transit oriented master planned communities is the answer to problems of population growth and traffic grid lock.

WHY DES MOINES, WASHINGTON AND WHY THIS LOCATION?

Having successfully conducted real estate investments and developments in the Puget Sound Area of Washington State since 1990, we have identified Des Moines as the city offering the best opportunity for us to service the next growth cycle of such real estate needs, and to profit by meeting such consumer demands.

Des Moines has always been a sleeper marine city known mostly for its large retirement communities and its beautiful coastline and marine setting, anchored by a 1,000 slip public marina. It has a new **pro growth** majority of **city council** members who realize that the only way to bring revenues, jobs and prosperity to the city is to get rid

of its blighted area of Pacific Highway, and to re-develop it into a vibrant community. It adopted a new master plan known as '**Pacific Ridge**' bravely increasing its height limits and investing in public improvements such as curbs and gutters, utilities, landscaped medians and street lighting. Environmental review has been completed for the whole zone, enabling developers to go directly to eliminating costly and time consuming SEPA requirements.

Sound Transit (light rail system for the region) is now operating at **Seattle Tacoma** (Seatac) **International Airport**, less than 10 minutes from our location, and

plans to expand south towards the Tacoma Dome with its first stop being Des Moines.

Bus Rapid Transit (BRT) will be implemented right away, stopping every 15 minutes with new

hi-tech buses in front of our development.

The **Port of Seattle**, co-owner of a 96 acre parcel on 216th Street with the City of Des Moines, (within short distance from our project), is planning a 1,000,000 square foot plus business / light industrial park. Development proposals from developers are being solicited at the moment. One of the potential users may be the **Federal Aviation Administration** (FAA), which wants to open a 518,000 square foot office campus for over 2,000 high paid employees by 2014.

Imagine the benefits of living in a view and transit oriented community minutes from two I-5 interchanges, Seatac Airport, the well regarded Highline College, beautiful marina and downtown Des Moines, and within half an hour's drive to Seattle, Bellevue and Tacoma!





THE COMPANY AND MANAGEMENT

The master planned project, **WATERVIEW CROSSING**, is sponsored by SSI Pacific Place, LLC (the Company), the members of which are Sunway Anda, LLC and Rushforth SSI Pacific Place, LLC, single asset entities of Sunway Services, Inc. (since 1990) and Rushforth Construction (since 1951), respectively.

Following a history of success in the San Francisco Bay Area since the late 70's, Matthew Chan and Bernard Accristo, originally from Hong Kong and France respectively, came to Washington to form Sunway Services, Inc., a successful local real estate investment and development firm since 1990. Its growth has been methodical and carefully planned. Its track record and credit worthiness are demonstrated via: (1) long term ownership and management of investment real estate products such as apartments, retail or mixed use projects; (2) successful development and construction of single family plats, spec. homes as well as condominium or mixed use projects; and (3) bank references.

Mr. Chan is the CEO, principal planner, financial organizer and acquisition executive of the company. Federal Home Loan Bank in Seattle in its publication has recognized him as one of its community leaders in 2005. He has substantial national lending experience in the USA & master land planning experience both here and in Asia.



Mr. Accristo is the designated corporate real estate broker of one of the company's affiliates. He enjoyed substantial experience as a contractor prior to joining the company.

The principals of the company have purchased and sold real estate projects in excess of \$100 million for its investment partners and its own account, and are managing a number of income properties and land development projects. For further information, please visit our website at: www.sunway.net.

Rushforth Construction Co., Inc. was formed in 1951 and incorporated in 1970 in Tacoma, WA. Always recognized for its charitable contributions and as one of the best employers in South King and Pierce Counties, it has a great track record and has constructed numerous projects up and down the west coast, including condominiums, apartments, hotels, conference and community centers, offices, medical office buildings, retirement communities, retail and industrial buildings, as well as schools and YMCA buildings, including many downtown re-development projects in various communities.

Randy Rushforth is the current chairman and Kim Nakamura and Brad Nakamura are the President and Vice President respectively. Each has more than 25 years experience in construction and development

Rushforth is one of the two master licensees of **Light Gauge Steel Frame** (LGSF) construction technology in the USA and has its own **LEED** accredited professionals on staff ranging in size from 120 – 200 employees, depending on business requirements. Rushforth believes in building environmentally sustainable projects and is well regarded by many cities in the Puget Sound area.

In March 2009, Rushforth was acquired as a wholly owned subsidiary of A & P Construction (Adolfson & Peterson) of Minneapolis, MN, giving it a national presence with close to \$1 Billion in annual sales. A & P is also recognized as one of the top 200 companies to work for.

Please visit their websites: www.rushforth.com and www.a-p.com.



INVESTMENT & DEVELOPMENT PLAN

Over the past five years, the company has directly made or assisted its affiliates / investors, to assemble approximately 11 contiguous acres in the **Pacific Ridge** zone of Des Moines, and identified it as the next area of growth for the City.

In November 2007, the City approved a **15 year Development Agreement** with the company, granting us a number of new ordinances, including much higher density and height limits (up to 200 ft.) and discounted processing and building permit fees, plus others. This will inure to our benefits whether the political landscape changes or not in the City. The project is approved for in excess of 1,600 residential units, plus retail and office space, making **Waterview Crossing** one of the largest view and transit oriented developments in the Puget Sound Area.



In 2009, the City further approved the adoption of a **Multi Family Tax Credit** for our project only, giving the residential components of our development up to 8 years of real estate tax abatement from time of completion of each building.

We are currently working with the City for the adoption of a **Planned Unit Development (PUD)** to divide the site into eight parcels or more, with the main benefit being a dramatic reduction of parking requirement to account for the Sound Tran-

sit and Bus Rapid Transit that will be coming on line to benefit our site. We enjoy strong political support from the City.

DEVELOPMENT STRATEGIES

Upon funding of US \$20,000,000 to \$25,000,000 additional capital by our new investor, we will:

1. Issue tenant removal notices to existing trailer park tenants (current law requires 12 months notice) and pay for their removal expenses;
2. Proceed with construction working drawings for two mixed use income properties on Parcels 7 and 8 along Pacific Highway;
3. Exercise our option to acquire the last corner parcel and retire current bank and private debts in full and keep balance as cash reserves for lender's requirements;
4. Obtain HUD financing to build the first two buildings, while planning for the next two income properties on Parcels 7 and 8 on Pacific Highway;
5. Projected completion date for the first two buildings on Parcels 7 and 8 will be the end of 2014. Additional income projects on parcels 6, 5 and 4 will follow.
6. The development of our first buildings will have a positive and dramatic impact on the whole zone, especially the rest of our own development, paving the way for the 200 foot high rise condominiums that will be built in Phase 2 of our development.
7. Phase 2 condominiums will be built on parcels 1, 2 and 3 when demands justify their need.

EXIT STRATEGIES OF OUR INVESTMENT

1. Income properties can be leased and held for investments, especially with valuable tax credits for our residential components. They can also be sold as Class A income properties to retirement funds, pension trusts, REITs etc a block.
2. Such Class A units can be converted to condominiums for sales in the future.
3. By starting construction of the first two buildings, immediate value is created for other properties in our zone, especially our other



parcels which are more highly entitled than any other sites in the area. Because, it is a PUD, we can actually sell off the rest of the land parcels, joint venture them with other partners or build them out ourselves.

4. While our conservative MAI appraised value for the land is \$18,620,000, our cost of land and development so far is about \$10,000,000.00, giving us very low land cost basis per unit, considering this is an in-filled location close the a major airport and with entitlements and views (1,600 plus residential units and commercial office and retail space). In worst case, we can sell the entire development to another party.
5. **Unit sales to overseas investors**, e.g. China: They can acquire units from our condominiums and retail suites, and possibly work on immigration visas to enable them to bring their wives and children over to Washington, allowing the children attend school and the wives to run a retail business while all living in a condo unit upstairs, with the fathers flying back and forth between Seattle and China. The potential of this market segment from China is huge.
6. **Immigration visas to EB-5 investors:** Overseas investors can participate in the development of any of our sites to qualify for immigration visas by investing a minimum of \$500,000 per family under application. The investment appetite from EB-5 investors appear to be extremely strong and the US Government is very enthusiastic about expediting the approval.

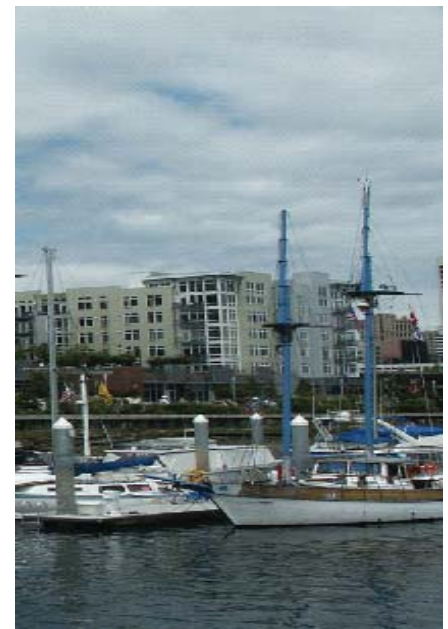
PROFIT POTENTIALS

Profits are made as much when you buy the land, as when you sell it, assuming you bought it right. Our raw land cost is only a few thousand dollars per unit for this well located site, and the appraised value is only around \$10,000 per unit, after assigning some minimal value to the commercial space.

We have seen cost in the \$25,000 per unit range that are deemed satisfactory to most builders, leaving plenty of money on the table for them. That would enable the company to achieve much higher profits as a result.

Notice we have NOT placed any land value on the commercial part of our development. There obviously would be some. So depending on how our buyer(s) and their appraiser(s) see them, we may be able to get some more proceeds from them.

While final profits could not be guaranteed, this seems to be a most exciting project for both Management and the members with big upside potential on relatively modest capital invested. We are enclosing a proforma statement for your consideration.





PROFORMA 09-26-11

(Mixed use income properties will be developed first, and condos will be developed last.)

	Condo Bldg #1	Condo Bldg #2	Condo Bldg #3	Apt Bldg #4
Site allocation	14.97%	8.03%	10.36%	14.78%
# of Units	238	282	252	209
Rentable square feet of office/retail				13,100
Total Square Feet (including parking garage)	346,609	419,088	373,136	313,665
Total Square Feet (excluding parking garage)	251,800	306,750	272,750	209,700
Parking garage spaces (@ 350sf/Condo;325sf/Apt)	271	321	287	297
Required parking spaces @ 1.2 per unit	286	338	302	290
Surface parking spaces required	15	17	15	-7
Land Costs (includes land purchase and other carrying costs)	\$ 1,817,582	\$ 974,962	\$ 1,257,859	\$ 1,794,513
Site Costs (includes site specific grading, utilities and off-site, etc.)	\$ 1,724,680	\$ 1,042,798	\$ 1,363,427	\$ 1,764,633
Common Site Work Costs (includes demo, grading, utilities, paving, hardscape, etc.)	\$ 1,063,382	\$ 570,405	\$ 735,914	\$ 1,049,886
Parking Construction costs (all-inclusive)	\$ 4,768,590	\$ 5,650,243	\$ 5,049,095	\$ 5,229,107
Building Construction Costs (excludes retail TI's)	\$ 41,629,520	\$ 51,727,812	\$ 47,639,861	\$ 28,132,413
Subtotal	\$ 51,003,754	\$ 59,966,220	\$ 56,046,156	\$ 37,970,552
9.5% W.S.S.T.	\$ 4,672,686	\$ 5,604,169	\$ 5,204,888	\$ 3,436,724
Soft Costs (12% of const cost excl land) (incl prop tax, design, mgmt & loan fees, mkt, contingency)	\$ 5,902,341	\$ 7,078,951	\$ 6,574,596	\$ 4,341,125
Development Fee (5% of const cost)	\$ 2,459,309	\$ 2,949,563	\$ 2,739,415	\$ 1,808,802
Construction Interest (18 mos. on 4, 5, 6, 7 & 8; 24 mos. on 1, 2 & 3)	\$ 3,075,384	\$ 3,505,216	\$ 3,329,629	\$ 1,587,519
Interest Carry (12 mos. on 4, 5, 6, 7 & 8; 36 mos. on 1, 2 & 3)	\$ 5,913,111	\$ 6,971,281	\$ 6,471,504	\$ 2,441,429
Insurance & Warranty (\$10,000 per unit)	\$ 2,380,000	\$ 2,820,000	\$ 2,520,000	
Closing Costs (at 9%)	\$ 9,639,000	\$ 11,421,000	\$ 10,206,000	
Total Costs	\$ 85,045,586	\$ 100,316,400	\$ 93,092,188	\$ 51,586,150
70% Loan	\$ 59,531,910	\$ 70,221,480	\$ 65,164,531	\$ 36,110,305
30% Equity Requirement	\$ 25,513,676	\$ 30,094,920	\$ 27,927,656	\$ 15,475,845
Cost per Unit	\$ 357,334	\$ 355,732	\$ 369,413	\$ 246,824
Cost per Square Foot	\$ 245.36	\$ 239.37	\$ 249.49	\$ 164.46
Stabilized Value at 7.25% CAP Rate				\$ 64,936,516
Condo Value @ \$419.92 per sf	\$ 105,735,856	\$ 128,810,460	\$ 114,533,180	
Total Value	\$ 105,735,856	\$ 128,810,460	\$ 114,533,180	\$ 64,936,516
Less Cost	\$ (85,045,586)	\$ (100,316,400)	\$ (93,092,188)	\$ (51,586,150)
Cash Return	\$ 20,690,270	\$ 28,494,060	\$ 21,440,992	\$ 13,350,366
Cash-on-Cash Return	24.33%	28.40%	23.03%	25.88%



PROFORMA 09-26-11

(Mixed use income properties will be developed first, and condos will be developed last.)

Revised: 7-20-11

	Senior Care Bldg #5	Apt Bldg #6	Apt Bldg #7	Apt Bldg #8	Project Total
Site allocation	11.52%	12.07%	12.20%	16.07%	100.00%
# of Units	165	100	147	191	1,584
Rentable square feet of office/retail	11,000	23,600	11,700	20,700	67,000
Total Square Feet (including parking garage)	241,875	190,270	219,505	283,405	2,387,553
Total Square Feet (excluding parking garage)	166,675	117,600	150,205	198,205	1,673,685
Parking garage spaces (@ 350sf/Condo;325sf/Apt)	231	224	213	262	2,106
Required parking spaces @ 1.2 per unit	231	191	212	291	2,141
Surface parking spaces required	0	-33	-2	29	35
Land Costs (includes land purchase and other carrying costs)	\$ 1,398,700	\$ 1,465,479	\$ 1,481,263	\$ 1,951,139	\$ 12,141,497
Site Costs (includes site specific grading, utilities and off-site, etc.)	\$ 1,662,518	\$ 1,745,792	\$ 1,392,987	\$ 1,798,499	\$ 12,495,334
Common Site Work Costs (includes demo, grading, utilities, paving, hardscape, etc.)	\$ 818,314	\$ 857,383	\$ 866,617	\$ 1,141,520	\$ 7,103,421
Parking Construction costs (all-inclusive)	\$ 3,641,968	\$ 3,519,439	\$ 3,413,067	\$ 4,196,152	\$ 35,467,661
Building Construction Costs (excludes retail TI's)	\$ 21,310,711	\$ 13,752,168	\$ 17,323,315	\$ 22,314,493	\$ 243,830,293
Subtotal	\$ 28,832,212	\$ 21,340,261	\$ 24,477,249	\$ 31,401,802	\$ 311,038,206
9.5% W.S.S.T.	\$ 2,606,184	\$ 1,888,104	\$ 2,184,619	\$ 2,797,813	\$ 28,395,188
Soft Costs (12% of const cost excl land) (incl prop tax, design, mgmt & loan fees, mkt, contingency)	\$ 3,292,021	\$ 2,384,974	\$ 2,759,518	\$ 3,534,080	\$ 35,867,605
Development Fee (5% of const cost)	\$ 1,396,545	\$ 1,131,629	\$ 1,294,659	\$ 1,705,341	\$ 15,485,262
Construction Interest (18 mos. on 4, 5, 6, 7 & 8; 24 mos. on 1, 2 & 3)	\$ 1,284,886	\$ 1,046,219	\$ 1,165,188	\$ 1,465,489	\$ 16,459,529
Interest Carry (12 mos. on 4, 5, 6, 7 & 8; 36 mos. on 1, 2 & 3)	\$ 1,860,163	\$ 1,383,739	\$ 1,586,649	\$ 2,035,097	\$ 28,662,973
Insurance & Warranty (\$10,000 per unit)					\$ 7,720,000
Closing Costs (at 9%)					\$ 31,266,000
Total Costs	\$ 39,272,011	\$ 29,174,925	\$ 33,467,882	\$ 42,939,622	\$ 474,894,763
70% Loan	\$ 27,490,407	\$ 20,422,447	\$ 23,427,518	\$ 30,057,735	\$ 332,426,334
30% Equity Requirement	\$ 11,781,603	\$ 8,752,477	\$ 10,040,365	\$ 12,881,887	\$ 142,468,429
Cost per Unit	\$ 238,012	\$ 291,749	\$ 227,673	\$ 224,815	\$ 299,807
Cost per Square Foot	\$ 162.36	\$ 153.33	\$ 152.47	\$ 151.51	\$ 198.90
Stabilized Value at 7.25% CAP Rate	\$ 51,629,079	\$ 36,382,786	\$ 46,516,893	\$ 61,281,864	\$ 260,747,139
Condo Value @ \$419.92 per sf					\$ 349,079,496
Total Value	\$ 51,629,079	\$ 36,382,786	\$ 46,516,893	\$ 61,281,864	\$ 609,826,635
Less Cost	\$ (39,272,011)	\$ (29,174,925)	\$ (33,467,882)	\$ (42,939,622)	\$ (474,894,763)
Cash Return	\$ 12,357,069	\$ 7,207,862	\$ 13,049,011	\$ 18,342,242	\$ 134,931,872
Cash-on-Cash Return	31.47%	24.71%	38.99%	42.72%	28.41%



PROPOSED NEW ORGANIZATION OF THE COMPANY

Seeking US \$20,000,000 to \$25,000,000 of additional capital from new investor(s), we invite your thoughts as to how to re-formulate the Company. We are open to ideas of preferred return of your capital, ownership percentages and even management representation etc.



INQUIRY

Accredited investors interested in making such investments in the Company are asked to do their due diligence on the Manager, its track records and all matters pertaining to this investment, review the offering papers with their own financial and legal advisors before remitting any funds to the Company. Please contact:

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For detailed information on this project, you are also invited to view our project website:
www.waterviewcrossing.com

To access download of certain secured files, please contact Mr. Matt Chan to request a user name and password.

