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|--------------------------|---|---|-----------------------------------|
| <b>LCA#</b><br>115185-04 | 14350 N. 87 <sup>th</sup> Street, Suite 290<br>Scottsdale, AZ 85260<br>800-280-5624 x107<br>Fax: 602-294-9908 | <br><b>BALBOA</b><br>CAPITAL | <b>LEASE COMMITMENT AGREEMENT</b> |
|--------------------------|---|---|-----------------------------------|

|  |  |  |  |
|--|--|--|--|
| <b>Fil Legal Name and Address of Lessee</b><br>Burton Lumber Co Inc<br>13980 W Polk Road<br>Lexington, IN 47138-6924 |  | <b>Supplier</b><br>Panda Manf.                                       |  |
| <b>Lessee Phone Number</b><br>812-866-4438   | <b>Acquisition Cost</b><br>\$79,000.00 | <b>Equipment Supplier Phone Number</b><br>800 233 0471 U. Imer Hurst |  |

**Closing Date**  
 The Lease shall close on or before October 31<sup>st</sup>, 2006 unless otherwise agreed to in writing by the parties. This Proposal expires July 31<sup>st</sup>, 2006.

|   |                                  |                                     |   |            |
|---|----------------------------------|-------------------------------------|---|------------|
| <b>Monthly Rent</b><br>(Plus applicable taxes)<br>\$1,879.43                | <b>Base Term in Months</b><br>60 | <b>Commitment Fee</b><br>\$3,758.86 | <b>End Of Term</b><br>Bargain Purchase Option |            |
| <b>Equipment Location (if other than billing address of lessee)</b><br>Same |                                  | <b>City</b>                         | <b>State</b>                                  | <b>Zip</b> |

**COMMITMENT FEE**  
 A Commitment Fee of \$3,758.86 is required for Lessor to submit the transaction for final credit approval and documentation. If the transaction does not fund for any reason, the Commitment Fee will be returned to the Lessee in full. If the transaction funds, the Commitment fee will be applied to the deposit of the lease, scheduled to be the first and last monthly payments in advance.

The undersigned agrees that this document reflects the agreement of the parties.  
**AGREED:**  
 Legal Name  
 Burton Lumber Co., Inc.  
 By: Henry Burton  
 Henry Burton, President  
 Date: 6/1/06

**AGREED: Balboa Capital Corporation**  
 Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
 Kevin Devino Account Executive July 6, 2006

**EQUIPMENT**  
 Equipment consisting of various equipment as delineated in the "Collateral Report" provided by Lessee and hereto attached (the "Equipment"). All Equipment must be acceptable to Lessor and is subject to review and acceptance by Lessee. Lessor may require an inspection and/or appraisal of the Equipment and the cost of any such appraisal shall be paid by Lessee.

**INSURANCE**  
 Lessee must purchase insurance satisfactory to Lessor.

**DOCUMENTATION**  
 The lease is subject to execution and delivery of all documentation required by Lessor.

**LEASE GUARANTEES**  
 Henry Burton and Robert Burton will execute a lease guaranty in support of the lease.  
 Initial H.B. and R.B.

**CONCLUSION**  
 Lessee must submit all credit and/or financial information and supporting schedules required by Lessor. Lessee acknowledges that all information submitted is true and correct as of the stated date and there are no liabilities (direct or contingent) except as disclosed by Lessee in writing, and that title to all assets disclosed are in the Lessee's name except as noted. Lessee shall immediately notify Lessor of any material change in the facts represented. The foregoing is a proposal only and does not constitute a commitment to finance until approved by Lessor's Credit Committee and all documents are executed by Lessor.

**If this proposal meets your approval please indicate your acceptance above and return this to me on or before July 31<sup>st</sup>, 2006 along with a check for \$3,758.86 to cover the commitment fee.**