

November 30, 2007

Dear Investor or Interested Party,

I hope that by now you would have received your five percent (5%) distribution to unsecured creditors. This fifth distribution is approximately \$6.5 million and as of the date of this newsletter, approximately 70% of creditors have cashed in the distribution checks. With this distribution, unsecured creditors would have received sixty percent (60%) of their total claims and approximately eight-two million dollars (\$82,000,000) in total have been distributed to date. Please feel free to contact Brasota if you have any questions about the distribution.

We continue to make progress on the other remaining matters in the case. We mediated with Gloria Morrison and our mediation is scheduled to continue. The remaining Brivik litigation is also scheduled to be mediated.

As always, our continued liquidation process is on-going. We continue to liquidate real property and to co-operate with the personal representative of the William Morrison estate to effectuate an orderly liquidation of those probate assets.

The timing of future distributions will be almost entirely dependent on the timing of real estate sales and, given the current market conditions, I am reluctant to make any guess as to time frames in which such sales may occur. Suffice it to say –there will be future distributions.

Best Regards,

Brasota Mortgage Company

Gerard A. McHale, Jr.

Chapter 11 Bankruptcy Trustee.