

PRESS RELEASE

On February 27th, Brasota Mortgage sent out a letter to approximately 50 people who purchased properties from a borrower of Brasota Mortgage indicating that their properties were never released from the Brasota mortgage encumbrance.

The closing agents who closed the sales transactions on behalf of the Brasota borrower never sought payoffs from Brasota and issued titles or title policies without paying off the underlying Brasota mortgages.

While Brasota acknowledges that the purchasers of the properties are caught in the middle of this problem, Brasota is hoping that the closing agents, the borrower and any writers of the title policies will step forward and correct the problem with the least possible inconvenience to the current homeowners.

The properties involved generally were in the Palmetto and Myakka areas. The roughly 50 closings were handled by 23 different title preparers or closers, with 33 of the closings being handled through 5 preparers.

The amounts owed to Brasota on these parcels are approximately \$3.3 million. Brasota has a recorded mortgage lien against the parcels which could prevent an existing property owner from selling the property without paying off the Brasota mortgage.