

Dear Investor or Interested Party,

I hope that that you have had a great holiday season and a wonderful new year. It's been a rather quiet new year for this case. We mediated with Gloria Morrison in December and the mediation is set to continue. As previously mentioned, the remaining Brivik litigation is also scheduled to be mediated.

As always, our continued liquidation process is on-going. As everyone is aware, the real estate market has been slow and the holiday season has also contributed to the inactivity. We also 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.

Best Regards,

Brasota Mortgage Company

*Gerard A. McHale, Jr.,*

Chapter 11 Bankruptcy Trustee.

109891(409694/7)