

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
BALANCE SHEET
September 30, 2010**

ASSETS

Current Assets		
Cash in Bank	\$	330,007
Accrued Interest Receivable		32,194
Total Current Assets		<u>\$ 362,201</u>
Loan Portfolio		
Mortgage Loans held	\$	813,682
Loans in Process & Advanced Costs	\$	18,716
Allowance for Foreclosed Assets		<u>(11,456)</u>
		\$ 820,942
Other Assets		
Real Estate Owned	\$	1,520,508
Software	\$	2,712
Bond - Certificate of Deposit		<u>10,000</u>
Total Other Assets		<u>\$ 1,533,220</u>
Total Assets		<u><u>\$2,716,363</u></u>

LIABILITIES AND EQUITY

Current Liabilities		
Accrued Expenses - Attorney for Receiver	\$	53,762
Accrued Expenses - Receiver		<u>190,113</u>
Total Current Liabilities		\$ 243,875
Long Term Liabilities		
Prior Years Uncleared Checks	\$	<u>6,188</u>
Total Long Term Liabilities		\$6,188
Total Liabilities		\$250,063
Total Members' Equity		<u>\$2,466,300</u>
Total Liabilities and Members' Equity		<u><u>\$ 2,716,363</u></u>

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
INCOME STATEMENT
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010**

Revenue		
Interest Income	\$	<u>40,891</u>
Total Revenue	\$	40,891
Operating Expenses		
Accounting/Bus Operations - Receiver		69,004
Advance Insurance		
Attorney Expenses - Receiver		23,092
Bad Debt		-
Bank Service Charges		3,247
Foreclosed Asset Expense		3,226
Licenses, Fees & Permits		-
Litigation Response - Receiver		-
Loan Documentation		-
Loan Servicing - FCI		530
Miscellaneous		-
Office Expense		9,427
REO Costs		318,531
Taxes		-
Tax Issues - Receiver		<u>-</u>
Total Operating Expenses	\$	<u>427,057</u>
Net Ordinary Income		<u>(386,166)</u>
Other Income/(Expense)		
Other Income		6,590
Interest Other		-
Other Expense		<u>-</u>
Net Other Income/(Expense)		<u>6,590</u>
Net Income	\$	<u><u>(379,576)</u></u>

EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
RECAP OF MEMBERS EQUITY
FOR THE TIME PERIOD 01/01/02 THROUGH 9/30/10

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Y-T-D 2010</u>	<u>Totals</u>
Members' Equity at Beginning of Year	-0-	\$ 3,774,359	\$ 10,646,176	\$ 15,269,624	\$ 15,003,527	\$ 15,840,643	\$ 9,105,176	\$ 5,421,079	\$ 2,960,982	
Capital Contributions	\$ 4,215,807	8,080,495	8,014,408	0	0	0	0	0	0	20,310,710
Net Income	97,702	520,460	721,953	1,147,862	2,790,958	70,881	(1,842,715)	(1,412,698)	(379,576)	1,714,827
Distributions to Members	(124,574)	(908,462)	(1,570,242)	(857,856)	(992,290)	(687,881)	(532,188)	(486,199)	(115,105)	(6,319,057)
Withdrawals to Members	(182,734)	(426,570)	(2,140,175)	(556,103)	(973,373)	(6,214,386)	(1,309,194)	(561,200)	0	(12,522,146)
Rounding						1	0	0	(1)	2
Syndication Costs	<u>(231,842)</u>	<u>(394,106)</u>	<u>(402,496)</u>	<u>-</u>	<u>11,821</u>	<u>95,918</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(920,705)</u>

Members' Equity at End of Year	<u>\$ 3,774,359</u>	<u>\$ 10,646,176</u>	<u>\$ 15,269,624</u>	<u>\$ 15,003,527</u>	<u>\$ 15,840,643</u>	<u>\$ 9,105,176</u>	<u>\$ 5,421,079</u>	<u>\$ 2,960,982</u>	<u>\$ 2,466,300</u>	<u>\$ 2,263,631</u>
--------------------------------	---------------------	----------------------	----------------------	----------------------	----------------------	---------------------	---------------------	---------------------	---------------------	---------------------

Book Value of \$10,000 Investment	\$ 9,359	\$ 9,109	\$ 8,695	\$ 8,817	\$ 9,811	\$ 9,275	\$ 6,491	\$ 3,802	\$ -	
-----------------------------------	----------	----------	----------	----------	----------	----------	----------	----------	------	--