

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

ASSETS

Current Assets		
Cash in Bank	\$	66,065
Accrued Interest Receivable		32,194
Total Current Assets		<u>\$ 98,259</u>
Loan Portfolio		
Mortgage Loans held	\$	813,682
Loans in Process & Advanced Costs	\$	9,064
Allowance for Foreclosed Assets		<u>(11,456)</u>
		\$ 811,290
Other Assets		
Real Estate Owned	\$	1,837,455
Software	\$	2,712
Bond - Certificate of Deposit		<u>10,000</u>
Total Other Assets		<u>\$ 1,850,167</u>
Total Assets		<u><u>\$2,759,716</u></u>

LIABILITIES AND EQUITY

Current Liabilities		
Accrued Expenses - Attorney for Receiver	\$	51,572
Accrued Expenses - Receiver		<u>173,449</u>
Total Current Liabilities		\$ 225,021
Long Term Liabilities		
Prior Years Uncleared Checks	\$	<u>6,188</u>
Total Long Term Liabilities		\$6,188
Total Liabilities		\$231,209
Total Members' Equity		<u>\$2,528,507</u>
Total Liabilities and Members' Equity		<u><u>\$ 2,759,716</u></u>

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

Revenue		
	Interest Income	<u>\$ 26,242</u>
Total Revenue		<u>\$ 26,242</u>
Operating Expenses		
	Accounting/Bus Operations - Receiver	54,004
	Advance Insurance	
	Attorney Expenses - Receiver	20,980
	Bad Debt	-
	Bank Service Charges	2,463
	Foreclosed Asset Expense	3,226
	Licenses, Fees & Permits	-
	Litigation Response - Receiver	-
	Loan Documentation	-
	Loan Servicing - FCI	415
	Miscellaneous	-
	Office Expense	6,635
	REO Costs	261,646
	Taxes	-
	Tax Issues - Receiver	-
Total Operating Expenses		<u>\$ 349,369</u>
Net Ordinary Income		<u>(323,127)</u>
Other Income/(Expense)		
	Other Income	5,758
	Interest Other	-
	Other Expense	-
Net Other Income/(Expense)		<u>5,758</u>
Net Income		<u><u>\$ (317,369)</u></u>

EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
RECAP OF MEMBERS EQUITY
FOR THE TIME PERIOD 01/01/02 THROUGH 6/30/10

	<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)	(317,369)	1,777,034
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	0	2
Syndication Costs	(231,842)	(394,106)	(402,496)	-	11,821	95,918	0	0	0	(920,705)

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>\$ 2,528,508</u>	<u>\$ 2,325,838</u>
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Book Value of \$10,000 Investment \$ 9,359 \$ 9,109 \$ 8,695 \$ 8,817 \$ 9,811 \$ 9,275 \$ 6,491 \$ 3,802 \$ -