

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
BALANCE SHEET
October 31, 2010**

ASSETS

Current Assets		
Cash in Bank	\$	276,828
Accrued Interest Receivable		-
Total Current Assets		\$ 276,828
Loan Portfolio		
Mortgage Loans held	\$	130,000
Loans in Process & Advanced Costs	\$	21,604
Allowance for Foreclosed Assets		(11,455)
		\$ 140,149
Other Assets		
Real Estate Owned	\$	1,711,008
Software	\$	2,712
Bond - Certificate of Deposit		10,000
		\$ 1,723,720
Total Assets		\$2,140,697

LIABILITIES AND EQUITY

Current Liabilities		
Accrued Expenses - Attorney for Receiver	\$	56,247
Accrued Expenses - Receiver		195,665
		\$ 251,912
Total Current Liabilities		\$ 251,912
Long Term Liabilities		
Prior Years Uncleared Checks	\$	6,188
		\$6,188
Total Long Term Liabilities		\$6,188
Total Liabilities		\$258,100
Total Members' Equity		\$1,882,597
Total Liabilities and Members' Equity		\$ 2,140,697

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

Revenue		
Interest Income	\$	<u>40,892</u>
Total Revenue	\$	<u>40,892</u>
Operating Expenses		
Accounting/Bus Operations - Receiver		74,004
Advance Insurance		
Attorney Expenses - Receiver		25,517
Bad Debt		562,700
Bank Service Charges		3,513
Foreclosed Asset Expense		3,226
Licenses, Fees & Permits		-
Litigation Response - Receiver		-
Loan Documentation		-
Loan Servicing - FCI		530
Miscellaneous		-
Office Expense		10,039
REO Costs		331,232
Taxes		-
Tax Issues - Receiver		<u>-</u>
Total Operating Expenses	\$	<u>1,010,761</u>
Net Ordinary Income		<u>(969,869)</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>(963,279)</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)	(963,279)	1,131,124
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	(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>\$ 1,882,597</u>	<u>\$ 1,679,928</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 \$ -