

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
BALANCE SHEET
August 31, 2008**

ASSETS

Current Assets		
Cash in Bank	\$ 1,945,739	
Accrued Interest Receivable	162,457	
Total Current Assets	<u> </u>	\$2,108,196
Loan Portfolio		
Mortgage Loans held	\$ 4,041,801	
Loans in Process & Advanced Costs	190,963	
Allowance for Foreclosed Assets	<u>(1,670,508)</u>	
		\$2,562,256
Other Assets		
Real Estate Owned	\$ 2,322,561	
Bond - Certificate of Deposit	<u>10,000</u>	
Total Other Assets		<u>\$2,332,561</u>
Total Assets		<u><u>\$7,003,013</u></u>

LIABILITIES AND EQUITY

Current Liabilities		
Accrued Expenses - Attorney for Receiver	\$ 43,858	
Accrued Expenses - Receiver	<u>213,047</u>	
Total Current Liabilities		\$ 256,905
Total Members' Equity		<u>6,746,108</u>
Total Liabilities and Members' Equity		<u><u>\$ 7,003,013</u></u>

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9/24/08

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
INCOME STATEMENT
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2008**

Revenue		
Interest Income		\$ 187,333
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Total Revenue		\$ 187,333
Operating Expenses		
Accounting/Bus Operations - Receiver	66,582	
Advance Insurance	68,302	
Attorney Expenses - Receiver	15,049	
Bad Debt	900,000	
Bank Service Charges	339	
Licenses, Fees & Permits	250	
Litigation Response - Receiver	11,380	
Loan Documentation	500	
Loan Servicing - FCI	600	
Office Expense	5,869	
REO Costs	25,987	
Taxes	6,800	
Tax Issues - Receiver	7,531	
Telephone		
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Total Operating Expenses		\$ 1,109,189
Net Ordinary Income		(921,856)
Other Income/(Expense)		
Other Income	47,254	
Interest Other	-	
Other Expense	767	
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Net Other Income/(Expense)		46,487
Net Income		\$ (875,369)
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**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
RECAP OF MEMBERS EQUITY
FOR THE TIME PERIOD 01/01/02 THROUGH 8/31/08**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>Y-T-D 2008</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	
Capital Contributions	\$ 4,215,807	8,080,495	8,014,408	0	0	0	0	20,310,710
Net Income	97,702	520,460	721,953	1,147,862	2,790,958	70,881	(875,369)	4,474,447
Distributions to Members	(124,574)	(908,462)	(1,570,242)	(857,856)	(992,290)	(687,881)	(358,929)	(5,544,494)
Withdrawals to Members	(182,734)	(426,570)	(2,140,175)	(556,103)	(973,373)	(6,214,386)	(1,124,769)	(11,776,521)
Rounding						1	(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>(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>\$6,746,108</u>	<u>\$ 6,543,439</u>
Book Value of \$10,000 Investment	\$ 9,359	\$ 9,109	\$ 8,695	\$ 8,817	\$ 9,811	\$ 9,275	\$ 7,905	

