

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
BALANCE SHEET
MARCH 31, 2006**

ASSETS

Current Assets

Cash in Bank	\$	868,182
Due from Brock	\$	1,304,154
Due from United Mortgage Service	\$	1,320
Accrued Interest Receivable		<u>264,457</u>

Total Current Assets \$ 2,438,113

Loan Portfolio

Mortgage Loans held (net of origination fees)	\$	13,955,481	
Allowance for Foreclosed Assets		<u>(246,404)</u>	\$ 13,709,077

Other Assets

Bond - Certificate of Deposit	\$	<u>10,000</u>
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Total Other Assets 10,000

Total Assets \$ 16,157,190

LIABILITIES AND EQUITY

Current Liabilities

Accrued Expenses - Attorney for Receiver	\$	28,263
Accrued Expenses - Receiver		<u>119,921</u>

Total Current Liabilities \$ 148,184

Total Members' Equity 16,009,006

Total Liabilities and Members' Equity \$ 16,157,190

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
INCOME STATEMENT
FOR THE THREE MONTHS ENDED MARCH 31, 2006**

Revenue		
Interest Income	\$	434,784
Loan Origination Fees		<u>56,820</u>
Total Revenue	\$	491,604
Operating Expenses		
Accounting - Receiver	\$	17,955
Attorney Expenses - Receiver		41,107
Bad Debt Expense		103,482
Business Operations - Receiver		12,952
Court Appearances - Receiver		7,000
Fee Application - Receiver		1,760
Filing Fees		20
Inspection		240
Litigation Response - Receiver		41,274
Loan Documentation		13,475
Loan Servicing - Receiver		4,930
Loan Servicing Fees		17,940
Miscellaneous		153
Office Expense (Copies, Postage, etc.)		5,170
Set-up		1,395
Tax Issues - Receiver		9,392
Telephone		<u>537</u>
Total Operating Expenses	\$	278,782
Net Ordinary Income		<u>212,822</u>
Other Income/(Expense)		
Other Income		<u>1,311,936</u>
Net Other Income/(Expense)		<u>1,311,936</u>
Net Income	\$	<u>1,524,758</u>

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
STATEMENT OF MEMBERS' EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2006**

Members' Equity at January 1, 2006	\$ 15,003,527
Net Income - Y-T-D 2006	1,524,758
Distributions - 2006	(255,081)
Withdrawals- 2006	(264,196)
Rounding	<u>(2)</u>
Members' Equity at March 31, 2006	<u><u>\$ 16,009,006</u></u>

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
RECAP OF MEMBERS EQUITY
FOR THE TIME PERIOD 01/01/02 THROUGH 03/31/06**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Y-T-D 2006</u>	<u>Totals</u>
Members' Equity at Beginning of Year	-0-	\$ 3,774,359	\$ 10,646,176	\$ 15,269,624	\$ 15,003,527	
Capital Contributions	\$ 4,215,807	8,080,495	8,014,408	-	-	\$ 20,310,710
Net Income	97,702	520,460	721,953	1,147,862	1,524,758	4,012,735
Distributions to Members	(124,574)	(908,462)	(1,570,242)	(857,856)	(255,081)	(3,716,215)
Withdrawals to Members	(182,734)	(426,570)	(2,140,175)	(556,103)	(264,196)	(3,569,778)
Rounding					(2)	(2)
Syndication Costs (a)	<u>(231,842)</u>	<u>(394,106)</u>	<u>(402,496)</u>	<u>-</u>	<u>-</u>	<u>(1,028,444)</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>\$ 16,009,006</u>	<u>\$ 16,009,006</u>

Emvest Mortgage Fund
Schedule of Accrued Interest
3/31/2006

Unified Loan #	Name	Balance at 3/31/2006	Rate	# of Days	Interest Due
E0209B	Smith	358,039.60	8.000%	N/A	
E20846	Olive	134,000.00	16.000%	N/A	
E31223	Gary Gramling	130,753.70	13.000%	311	14,483.21
E31224	Gary Gramling	120,324.61	13.000%	311	13,328.01
E40132	Hall	138,894.10	11.890%	31	1,402.60
E40524	Miller	347,910.70	12.500%	15	1,787.21
E40937	DeAnda	1,550,000.00	12.000%	19	9,682.19
E41105	Williams	119,927.91	15.950%	212	11,110.25
E41261	Kim	1,080,000.00	13.000%	59	22,694.79
E50202	Villapando	313,295.43	12.250%	121	12,722.80
E50312	Fisher	379,891.27	12.000%	304	37,968.31
E50314	Brown	382,277.29	12.500%	105	13,746.27
E50401	Costa	179,543.27	12.250%	30	1,807.73
PNL0528	Barnes	17,236.81	11.790%	22	122.49
PNL1090	Rimple	56,966.66	10.250%	31	495.92
PNL1260	Sumner	18,878.10	12.750%	151	995.76
PNL3191	Williams	30,447.93	12.550%	20	209.38
PNL3528	Norwood	16,482.76	14.375%	31	201.24
PNL4020	Tejada	19,793.49	13.000%	31	218.54
PNL7529	Flaskamp	17,237.13	12.875%	31	188.49
PNL8239	Morales	30,792.95	13.875%	31	362.87
PNL8840	Thorsen	50,563.94	11.250%	N/A	
RA4134	Cunnigham	23,363.38	13.500%	N/A	

Sub Totals

5,516,621.03

143,528.07

FCI Loan #	Name	Balance at 3/31/2006	Rate	# of Days	Interest Due
ALG-102	Ramos	156,863.89	12.000%	243	12,531.92
ALG-108	Shelp	264,847.60	12.000%	182	15,847.32
ALG-109	Bennett	204,661.00	13.000%	31	2,259.68
ALG-114	Vermillion	218,902.85	12.250%	59	4,334.58
ALG-115	Lerman	298,503.81	12.250%	31	3,105.67
ALG-117	Munee	636,259.96	12.000%	31	6,484.62
ALG-118	Stevens	348,963.30	12.250%	10	1,171.18
ALG-119	Smith	420,000.00	12.000%	59	8,146.85
ALG-120	Roberts	149,967.59	13.250%	22	1,197.69
ALG-122	Sellers	289,000.00	12.000%	18	1,710.25
FCI-1	Thomas	540,000.00	14.500%	23	4,933.97
FCI-2	Baez	280,000.00	15.000%	18	2,071.23
FCI-3	Int'l Executive	320,000.00	11.950%	39	4,085.92
FCI-5	Seng	548,000.00	13.000%	7	1,366.25
FCI-6	Morley	122,000.00	13.000%	14	608.33

FCI-8	Praise Tabernacle	240,000.00			
FCI-9	Sims	565,000.00	13.000%	7	1,408.63
FCI-10	Baez	180,000.00	13.000%	N/A	
FCI-11	Carriage Trade	60,000.00	15.000%	14	345.21
FCI-12	Colbert/Murray	375,000.00			
GOOD-001	Riviere	59,294.17	12.000%	43	838.24
GOOD-003	Juarez	29,844.12	12.000%	31	304.16
GOOD-004	McQuire	455,000.00	12.000%	90	13,463.01
GOOD-005	Cordova	153,911.44	12.000%	31	1,568.63
GOOD-006	Salas	307,323.16	12.000%	59	5,961.23
WG-001	Sanchez	435,621.99	12.000%	151	21,625.95
WG-003	Berg	437,746.74	12.000%	24	3,454.00
WG-004	Ingram	426,777.82	12.000%	15	2,104.66

Sub Totals 8,523,489.44 120,929.17

Grand Totals 14,040,110.47 264,457.24

SAN DIEGO ORIGINATED LOANS

FORECLOSURE STATUS

LOAN #	NAME/ENTITY	LAST PAYMENT REC'D	LOAN BALANCE	STATUS
E20846	Olive XXIII	9/13/2003	\$246,404.00	Stayed per District Court Order.
E31223	Gary Gramling Construction	5/23/2005	130,753.00	Scheduled for sale 4/13/06.
E31224	Gary Gramling Construction	5/23/2005	120,234.61	Scheduled for sale 4/13/06.
E40524	Kim Miller	3/15/06	347,910.70	Per David Clark 2/10 letter: Filed BK foreclosure sale stayed. Seeking relief from stay to proceed with foreclosure sale.
E41105	Thelma Williams	9/01/2005	119,927.91	Per David Clark's letter: Notice of Default served 11/16/2005 and sale date 3/16/2006.
E41261	Desert Rose (Jin H. Kim)	1/31/06	1,080,000.00	Foreclosure should start immediately.
E50202	Cecilio Villalpando	12/01/2005	313,295.43	Should be scheduled for foreclosure.
E50312	Jackie Fischer	6/01/2005	379,891.27	Filed Chapter 13 on 12/22/2005.
E50314	Vincent Brown	12/15/2005	382,277.29	Should be scheduled for foreclosure.
PNL1260	Ruth Sumner	11/01/2004	18,878.10	Stayed per Court Order.
PNL8840	Eric Thorsen	4/01/2005	50,563.94	Complaint filed 3/27/06.
RA4134	Scott Cunningham	4/01/2005	23,363.38	Ready to record Notice of Sale. File contained no original documents which created problems in Arizona.
		TOTAL:	\$3,213,499.63	

Status current as of 4/5/2006 e.c.

PASADENA ORIGINATED LOANS

FORECLOSURE STATUS

LOAN #	NAME/ENTITY	LAST PAYMENT REC'D	LOAN BALANCE	STATUS
ALG-102	RAMOS	8/1/05	\$156,863.89	90 Day Reinstatement. Not up until 5/3/06.
ALG-108	SHELP	10/1/05	264,847.60	90 Day Reinstatement. Not up until 5/3/06.
WG-01	SANCHEZ	11/1/05	435,621.99	90 Day Reinstatement. Not up until 6/10/06.
		TOTAL:	\$857,333.48	

Status current as of 4/4/2006 e.c.