

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
BALANCE SHEET
September 30, 2008**

ASSETS

Current Assets		
Cash in Bank	\$ 1,395,811	
Accrued Interest Receivable	119,386	
Total Current Assets		\$1,515,197
 Loan Portfolio		
Mortgage Loans held	\$ 3,110,722	
Loans in Process & Advanced Costs	219,711	
Allowance for Foreclosed Assets	(1,670,508)	
		\$1,659,925
 Other Assets		
Real Estate Owned	\$ 3,766,536	
Bond - Certificate of Deposit	10,000	
		\$3,776,536
Total Other Assets		\$3,776,536
 Total Assets		 <u><u>\$6,951,658</u></u>

LIABILITIES AND EQUITY

Current Liabilities		
Accrued Expenses - Attorney for Receiver	\$ 46,020	
Accrued Expenses - Receiver	217,218	
Total Current Liabilities		\$ 263,238
 Total Members' Equity		 <u>6,688,420</u>
 Total Liabilities and Members' Equity		 <u><u>\$ 6,951,658</u></u>

OK
Wendell
10/14/08

**EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
INCOME STATEMENT
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2008**

Revenue		
Interest Income		<u>\$ 206,959</u>
Total Revenue		\$ 206,959
Operating Expenses		
Accounting/Bus Operations - Receiver	78,525	
Advance Insurance	87,646	
Attorney Expenses - Receiver	19,049	
Bad Debt	900,000	
Bank Service Charges	580	
Licenses, Fees & Permits	250	
Litigation Response - Receiver	11,380	
Loan Documentation	500	
Loan Servicing - FCI	600	
Miscellaneous	554	
Office Expense	6,888	
REO Costs	26,137	
Taxes	6,800	
Tax Issues - Receiver	7,531	
Total Operating Expenses		<u>\$ 1,146,440</u>
Net Ordinary Income		<u>(939,481)</u>
Other Income/(Expense)		
Other Income	50,749	
Interest Other	-	
Other Expense	867	
Net Other Income/(Expense)		<u>49,882</u>
Net Income		<u><u>\$ (889,599)</u></u>

EMVEST MORTGAGE FUND LLC
(A LIMITED LIABILITY COMPANY)
RECAP OF MEMBERS EQUITY
FOR THE TIME PERIOD 01/01/02 THROUGH 9/30/08

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>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	(889,599)	4,460,217
Distributions to Members	(124,574)	(908,462)	(1,570,242)	(857,856)	(992,290)	(687,881)	(402,387)	(5,587,952)
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	(231,842)	(394,106)	(402,496)	-	11,821	95,918	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>\$6,688,420</u>	<u>\$ 6,485,751</u>

Book Value of \$10,000 Investment	\$ 9,359	\$ 9,109	\$ 8,695	\$ 8,817	\$ 9,811	\$ 9,275	\$ 7,837	
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Emvest Mortgage Fund
Schedule of Accrued Interest
09/30/08

<u>FCI Loan #</u>	<u>Name</u>	<u>Balance at 09/30/08</u>	<u>Rate</u>	<u>Last Payment</u>	<u>End of Month</u>	<u># of Days</u>	<u>Interest Due</u>
ALG/115	Lerman	287,383.03	12.250%	09/01/08	09/30/08	29	2,797.06
FCI/1	Thomas	540,000.00	14.500%	05/08/08	09/30/08	145	31,105.48
ALG/122	Sellers	288,917.31	12.000%	04/13/07	09/30/08	536 F	26,121.29
FCI/8	Praise	160,000.00	12.950%	11/11/07	09/30/08	324 BK	9,707.18
ALG/123	Zohn	223,181.72	12.000%	07/09/08	09/30/08	83	6,090.11
FCI/17	Martinez	584,191.29	12.250%	11/26/06	09/30/08	674 F	6,862.25
FCI/20	Mendoza	348,500.00	12.500%	04/27/08	09/30/08	156 BK	18,618.49
FCI/25	Tashchyan	368,048.76	12.000%	12/21/07	09/30/08	284 F	15,851.31
FCI/27	Nelson	310,500.00	12.500%	09/09/08	09/30/08	21	2,233.05
Grand Totals		<u>3,110,722.11</u>					<u>119,386.22</u>