

USDC SCAN INDEX SHEET



CSG 12/1/04 9:13

3:04-CV-02295 SEC V. EMVEST MORTGAGE FUND

\*21\*

\*DECL.\*

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04 NOV 30 PM 4:15  
*[Signature]*  
DEPUTY

6 Attorneys for Defendants EMVEST MORTGAGE  
7 FUND, LLC, EMVEST, INC., and MILON LYLE  
8 BROCK

9 **UNITED STATES DISTRICT COURT**  
10 **SOUTHERN DISTRICT OF CALIFORNIA**

11  
12 SECURITIES AND EXCHANGE  
13 COMMISSION,  
14 Plaintiff,  
15 v.  
16 EMVEST MORTGAGE FUND,  
17 LLC, EMVEST, INC., and MILON  
18 LYLE BROCK,  
19 Defendants.

Case No. 04 CV 2295 DMS (LSP)  
**DECLARATION OF MILON LYLE  
BROCK IN SUPPORT OF  
DEFENDANTS' REPLY TO  
PLAINTIFF'S SUPPLEMENTAL  
BRIEF SUPPORTING ENTRY OF  
PRELIMINARY INJUNCTION AND  
APPOINTMENT OF PERMANENT  
RECEIVER**  
Date: December 3, 2004  
Time: 10:30 a.m.

19 I, Milon Lyle Brock, declare as follows:

- 20 1. I am a the Chief Executive Officer of Emvest Incorporated.
- 21 2. I am the manager of Emvest Mortgage Fund, LLC (the "Fund").
- 22 3. The following is a list of the percentage of ownership by the Fund and  
23 Emvest Incorporated:
  - 24 (a) The Fund has 0% ownership in any other entities.
  - 25 (b) Emvest Incorporated has 0% ownership in any other entities.
- 26 4. I have the following percentage of ownership in the following entities:
  - 27 (a) 34% ownership in Emvest, Inc.

28 ///

21

ORIGINAL  
*[Signature]*  
McKENNA LONG &  
ALDRIDGE LLP  
ATTORNEYS AT LAW  
SAN DIEGO

1 (b) 0% in the Fund. Although I have a personal investment of  
2 \$25,000 and \$40,000 on behalf of my granddaughters, these are non-voting shares  
3 and as such do not entitle me to an ownership of the Fund.

4 (c) 0% in Unified Mortgage Services, Inc.

5 (d) 100% in CNA Foreclosure Service, Inc.

6 (e) 0% in Emerald Bay Funding, Inc.

7 (f) 34% in Emerald Bay Financial, Inc.

8 (g) 33% in Emerald Bay of Southern California, Inc.

9 (h) 0% in Tristar, California Limited Partnership.

10 (i) 0% in Heritage, California Limited Partnership.

11 5. The Fund deposited the following checks after August 16, 2004 (a  
12 self-imposed cut-off), in order to honor transactions initiated before or during the  
13 month of August 2004.

14 (a) Pensco/E. Weltman, in the amount of \$40,000. This check was  
15 deposited on September 10, 2004. This transaction was negotiated on or before  
16 August 14, 2004.

17 (b) A.H. Halverson, in the amount of \$30,000. This check was  
18 deposited on September 9, 2004. This transaction was negotiated on or before  
19 August 9, 2004 and was an increase to a prior existing investment.

20 (c) 1<sup>st</sup> Regional Bank/S.Lechrone, in the amount of \$5,246.44. This  
21 check was deposited on September 2, 2004. This transaction was negotiated on or  
22 before July 7, 2004.

23 (d) John S. Bradley, in the amount of \$10,000. This check was  
24 deposited on September 3, 2004. This transaction was negotiated on or before  
25 August 4, 2004.

26 (e) Ernest & Elizabeth Holt, in the amount of \$125,000. This check  
27 was deposited on September 13, 2004. This transaction was negotiated on or  
28 before August 15, 2004.

1 (f) Larry Floyd, in the amount of \$50,000. This check was  
2 deposited on August 19, 2004. This transaction was negotiated on or before  
3 August 9, 2004.

4 (g) IRA Resources/Astrid Littlejohn, in the amount of \$62,000.  
5 This check was deposited on September 1, 2004. This transaction was negotiated  
6 on or before August 4, 2004.

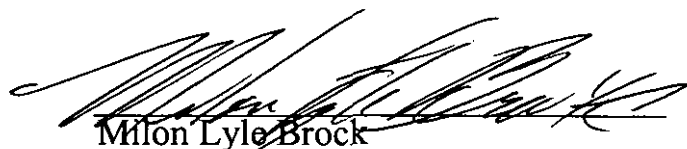
7 (h) Sterling J. Jenkins, in the amount of \$4,000.00. This check was  
8 deposited on September 1, 2004. This transaction was negotiated on or before  
9 August 2004 and was an increase to a prior existing investment.

10 (i) Jack Mollin, in the amount of \$300,000. This check was  
11 deposited on September 21, 2004. This check was for an attempted increase to a  
12 prior existing investment. Although, Mrs. Sylvia De Anda initially deposited the  
13 check, it was later reissued to Mr. Mollin and the money was never invested into  
14 the Fund.

15 (j) 1<sup>st</sup> Regional Bank/J.L. Gomez, in the amount of \$1000. This  
16 check was deposited on October 10, 2004. This transaction was negotiated on or  
17 before August 2004 and was an increase to a prior existing investment.

18 6. The Fund is now closed to new money, whether from new investors or  
19 current investors. The Fund has not accepted new investments or increased existing  
20 investors' capital accounts since October 10, 2004.

21 I declare under penalty of perjury that the foregoing is true and correct.  
22 Executed this 30th day of November, 2004, in San Diego, California.

23  
24   
25 Milton Lyle Brock