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Case Reference:
U.S. Securities & Exchange Commission (SEC) v.
Emvest Mortgage Fund, LLC, Emvest, Inc., and
Milon Lyle Brock
United States District Court
Southern District of California
Case No.: 04cv2295-DMS(LSP)
Receiver Appointed: 12/03/04

Request for Investor Preferences on Emvest Mortgage Fund's Future

Dear Emvest Investor:

April 12, 2006

Now that the SEC has prevailed in the securities fraud trial against M. Lyle Brock and Emvest, Inc. (i.e. the Defendants), U.S. District Judge Dana M. Sabraw shall hold a very important hearing on Friday, April 28, 2006, to determine the future of the Emvest Mortgage Fund (i.e. the Fund) and also of your continued participation in the Fund. The parties from the trial have taken positions on what they recommend should happen, but your voice has not yet been heard. As Receiver, I want to be able to report your preferences to Judge Sabraw at that hearing; that's why I am asking each of you to tell me in writing what you want to see happen.

Here is my very brief interpretation of the position taken by each of the parties:

1. Judge Sabraw seems to be leaning towards ending the receivership, returning management of the Fund back to the Defendants, and appointing a monitor to review the Fund's future financial reports. Investors would then remain in the Fund until it ends in 2008.
2. The Defendants say that they have learned a "hard and expensive lesson", they shall pay to the Fund the \$1.3 million disgorgement ordered by the Court, they shall hire an outside monitor to review the financial reports, and they shall honor the emergency withdrawal program started by the Receiver.
3. The Securities and Exchange Commission (SEC) says in the strongest possible terms that the Defendants should not be allowed to take back management of the Fund. The SEC says that the Defendants knowingly made false representations to investors, that they were found liable for securities fraud violations, that the Court should authorize the Receiver to maximize the Fund's assets by pursuing the claims that the Receiver identified in his Fourth Report, and that once the claims have been resolved the Fund should be wound down and all the Fund's assets should be distributed to the investors.
4. The Receiver has stated very strongly that management of the Fund should not be returned to the Defendants. In addition to what was determined at trial, the Receiver believes there still are possibly very significant unresolved irregularities with affiliates of the Defendants. At a minimum, if the Court returns management of the Fund to the Defendants, then the Receiver recommends that each investor be given the choice to withdraw from the Fund without penalty (i.e. at 96% of your original contribution less withdrawals).

I need your immediate help. Please tell me by email, by fax, or by mail what you want to see happen.

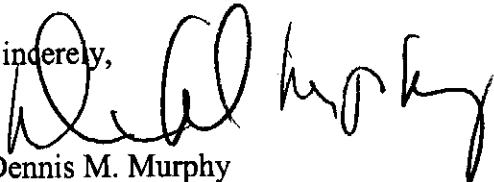
For example, here are some possibilities:

1. If you had a choice, you would:
 - a. stay in the Fund until it ends in 2008
 - b. withdraw from the Fund without penalty (i.e. at 96% of original contribution less withdrawals)
 - c. other: _____

2. If you stayed in the Fund, to manage the Fund you would like to have:
 - a. the Defendants (i.e. the original management)
 - b. a new manager to be named by the Court
 - c. other: _____

Please send me your comments in writing, so that I may advise Judge Sabraw of your views. I have posted many documents on our web site (<http://emvest.info>) for your information. Our fax number is 626-794-7298 or send your comments by email to ed@emvest.info and include your name and phone number. If you don't have access to a fax machine, most copy centers (such as Kinko's) have fax machines. Please do not comment by phone, since we want to provide written comments to the Court. The deadline for us to receive your input is Thursday, April 20, 2006. Time is really of the essence.

Sincerely,



Dennis M. Murphy
Permanent Receiver