

Amerifirst Funding, Inc.  
Update  
August 7, 2009

We are continuing to collect car note payments and as of the middle of July 2009 we still had 105 car notes in the current status. The outstanding principal balance on the current car notes is \$438,715. We again looked into selling the entire portfolio two months ago and rejected the \$180,000 offer. We viewed this discount to be unreasonable in light of our collection experience. The last note is scheduled to payoff in February 2011. We continue to offer inducements to encourage the debtors to pay off their notes early.

We are continuing efforts to sell the real estate owned by the Receivership. The following is a list of the properties and status.

6717 Lakewood Blvd. - Under contract for \$799,000, being inspected by Buyer and will be submitted for Court approval. Expect to close within 45 – 60 days.

12150 Garland Road – Under contract for \$1,500,000, will require short term seller financing by Receivership. Expect to close within 45 – 60 days.

Chantilly Island residential lot (small residential lot in East Dallas) – Listed for sale at \$153,000. No offers received.

Stallion Ranch Lake Estates (34 acre in rural development near Tyler, Texas which is about two hours east of Dallas) Received a \$70,000 offer one week ago and countered at \$105,000. The property is listed at \$179,000, however nothing has sold in this development for over three years.

Roatan, Honduras – received a \$320,000 offer for the 46 acre tract on the south side of Mud Hole Road. The 58 acres on the island is divided by Mud Hole road. There are about 13 acres north of the road and contiguous to the beach. The remaining 46 acres is south of the road, very uneven and would be expensive to develop. We countered at \$430,000 for this 46 acres and have not yet heard back. If we sold the 46 acres we would still have the more desirable, beach front property for sale.

We presently have five pieces of litigation pending, including against Lloyds of London, a local car dealer and a Dallas law firm. The Receivership is seeking damages in each of these matters. At this point, the amount of recovery, if any, is unknown. The criminal trial for securities fraud against Jeffrey Bruteyn is scheduled for October 5, 2009.

The Receivership presently has liquid assets in the amount of \$3,524,342 as of June 30, 2009.