

**WILLIAM D. BROWN, RECEIVER**  
**AMERIFIRST FUNDING, INC., et al**  
**12221 Merit Drive**  
**Suite 1400**  
**Dallas, Texas 75251**  
**1.866.679.7340**

September 20, 2010

Re: Fourth Partial Distribution

Dear Investor:

On September 17, 2010 Judge Fitzwater approved our Fourth Partial Distribution to Investors in the amount of \$500,000. The enclosed check is your pro-rata portion of the Distribution. The Receivership Estate's business affairs are winding down. There are about seventy-two car note remaining, ten of which are current, with the remainder either up for repossession or subject to a bankruptcy proceeding. These latter two categories require almost no effort on the Receivership's part to maintain. The ten current notes are generally paid over the telephone via credit cards.

The Court has approved the sale of forty-six of the fifty-eight acres of land in Roatan, Honduras. We are awaiting action by the Honduran Court to complete the transaction. This leaves the Estate with eleven acres for sale. The estate also has one residential lot in the Dallas area. The Garland Road property was sold for \$1,500,000 which required the Estate to provide seller financing. The purchaser has been making monthly payments on time and has a balloon payment of \$1,278,000 in November 2011. We have offered the purchaser an incentive to pay-off the note early.

The Estate is involved in two litigation matters, one which the Estate is the plaintiff and the other the defendant. In addition, the Estate has an arbitration pending against a car dealer which sold car notes to American Eagle (subsidiary of Amerifirst) and is seeking the have this party re-purchase its defaulted notes.

The criminal trial for Jeffrey Bruteyn on securities fraud was held the first week in April 2010. The Receiver and his staff provided two days of testimony during the seven days of trial. Mr. Bruteyn was convicted on all nine counts of securities fraud and is awaiting sentencing. The criminal trial for Dennis Bowden is scheduled for December 6, 2010. It appears the trial will be rescheduled to next year. I expect to be subpoenaed to provide testimony at this trial as well. To date three brokers have plead guilty and we understand the United States Department of Justice is pursuing others.

The Estate will make additional distributions as the business affairs further wind down. I very much appreciate your patience.

Regards,



William D. Brown, Receiver



Dated: September 17, 2010.

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SIDNEY A. FITZWATER  
CHIEF JUDGE