

4:44 PM  
08/14/06  
Accrual Basis

REO Equity Fund Ltd. (R1)  
Pond 1800 - P&L  
All Transactions

	<u>Pond 1800</u>	<u>TOTAL</u>
<b>Income</b>		
4000 · Property Sales		
4010 · Sales Price	179,900.00	179,900.00
4020 · Option Fee Income	-5.00	-5.00
<b>Total 4000 · Property Sales</b>	<u>179,895.00</u>	<u>179,895.00</u>
<b>Total Income</b>	<u>179,895.00</u>	<u>179,895.00</u>
<b>Cost of Goods Sold</b>		
5000 · Property Purchase Price	108,800.00	108,800.00
5300 · Property Utilities	433.81	433.81
5450 · Eviction Costs	174.00	174.00
5800 · Costs at Closing		
5804 · Closing Costs	13,238.22	13,238.22
5806 · Property Taxes	5,868.74	5,868.74
5808 · Realtor Commissions	10,734.00	10,734.00
<b>Total 5800 · Costs at Closing</b>	<u>29,840.96</u>	<u>29,840.96</u>
<b>Total COGS</b>	<u>139,248.77</u>	<u>139,248.77</u>
<b>Gross Profit</b>	<u>40,646.23</u>	<u>40,646.23</u>
<b>Expense</b>		
6150 · Homeowners Association Dues	0.00	0.00
6380 · Syndication Costs	0.00	0.00
<b>Total Expense</b>	<u>0.00</u>	<u>0.00</u>
<b>Net Income</b>	<u><u>40,646.23</u></u>	<u><u>40,646.23</u></u>

FILE NUMBER: 224326  
224555  
 DATE: 6-7-05

LEGAL DESCRIPTION: LOT 31 BLOCK F GATWAY  
UNIT # 110 BUILDING B  
GARRARD, TX  
ESTATES GLENN HEIGHTS, TX

**A. GENERAL ADMONISHMENT TO PURCHASER**

My name is SHELLEY ORTOLANI. I am the Substitute Trustee for all properties posted under my name, I have been duly appointed Substitute Trustee under a perpetual power of attorney appointment or otherwise, I have been requested to sell the properties offered for sale today, and I am setting the following reasonable conditions for sale, which are being announced before bidding is opened for the first sale of the day held by me in this County. All property offered for sale today will be sold "AS IS" without any expressed or implied warranties, except as to warranties of title, to the highest bidder for cash or cashiers check. If you do not have cash or cashiers checks ready for tender immediately following the sale then do not bid, if the purchaser does not tender the funds the sale will be reconvened and the property re-auctioned. Purchaser buys the property "at the purchaser's own risk" per Texas statutory law and "at his peril" per Texas case law, including HENKE V. FIRST SOUTHERN PROPERTIES, INC., 586 S.W.2d 617 (Tex.Civ.App. 1979). Purchaser is not a consumer as that term is defined under Texas law. The sale of the property by Substitute Trustee is also subject to the following:

1. Loan reinstatement, payoff, or any other pre-sale arrangement with the Lender to satisfy the default.
2. Any court-ordered or statutory restraint of sale arising out of bankruptcy, probate, divorce, receivership, or other court proceedings involving any person claiming a legal or equitable interest in the property.
3. Any other claim by those persons obligated on the debt that may render the sale void or voidable, including but not limited to claims of insufficient notice.
4. Any ad valorem taxes for the current and prior years which are applicable against the property.
5. Any other undisclosed matter which may affect the validity of the sale or act as a defense or bar to the foreclosure proceeding.
6. Any errors in the calculation of the bidding instructions or errors in reading the bid made by either the Trustee, Mortgage Servicer or Beneficiary.

The interests in the property being sold are limited to those expressly warranted by the Grantor in the Deed of Trust, subject to any exceptions referenced in the Deed of Trust or appearing of record to the extent the same are still in effect and shall not cover any property that has been released from the lien of the Deed of Trust. No representation of any kind, either expressed or implied, is made by Substitute Trustee regarding the nature or status of the property, the quality of title, or any interests that may be superior to the deed of trust interests being foreclosed. Purchaser takes the property subject to such superior interests as well as any and all defects and shall be solely responsible for the resolution of each.

In the event a defect or other problem with the foreclosure process is discovered that may invalidate the sale, the consideration paid will be returned to Purchaser as the sole and absolute remedy. In the event of any claim or action brought by any person other than Purchaser requiring or resulting in the invalidation of the sale and rescission of the Substitute Trustee's Deed, Purchaser's damages resulting therefrom are limited to the consideration paid to Substitute Trustee and the sole and absolute remedy shall be the return to Purchaser of the consideration paid.

If you are the successful bidder, you will be required to sign an acknowledgment that this admonishment was read prior to Substitute Trustee commencing his or her sales and that the sale was subject to these terms.

**B. PURCHASER'S ACKNOWLEDGEMENT**

Purchaser acknowledges that the sale was subject to the terms, conditions, and disclaimers set forth above in the GENERAL ADMONISHMENT TO PURCHASER and that all monies tendered are subject to the terms, conditions, and disclaimers set forth below in the RECEIPT. Purchaser specifically acknowledges that he or she has carefully read both the GENERAL ADMONISHMENT TO PURCHASER set forth above and the RECEIPT set forth below.

Purchaser directs that the Grantee on the deed (to be available within a reasonable time after funds have cleared) should be shown as:

Name of Purchaser: REO EQUITY FUND  
 Street Address: 1123 N. CENTRAL EXP  
 City: DALLAS State: TX Zip: 75204  
 Telephone: 972-503-1234 Alt Phone Number: 972-333-3361  
 DL Number/State: 10651429 SS#:

PURCHASER (s):  
 Signature: [Signature] Signature:  
 Printed Name: Jan She (Her) Printed Name:

**C. RECEIPT**

On the date shown above, 11:32 SHELLEY ORTOLANI as Substitute Trustee conducted a Trustee's Sale on the property reference above. At 11:32 o'clock am/pm, subject to the exceptions stated in the terms, conditions, and disclaimers announced before the sale and restated in the GENERAL ADMONISHMENT TO PURCHASER above, the Substitute Trustee sold the property to the above named Purchaser(s) for the price of \$ 108,801.00, said amount being the highest bid for cash, who tendered to me the following in satisfaction of the purchase price:

CERTIFIED CHECKS TENDERED:		
Amount of Check	Bank Name	Check Number
\$ 1,000.00	COLONIAL BANK	689949334
\$ 2,500.00		331
\$ 3,000.00		349
\$ 50,000.00		336
\$ 50,000.00		337
\$		
\$		
\$		
\$		
\$		

Check Total: \$ 108  
 + 301.00  
 Cash Total: \$ 400.00  
 = Total Tendered: \$ 108,801.00  
 Overpayment: \$ 0

In the event of an overpayment, all refunds will be made by the LENDER. Substitute Trustee assumes no responsibility or liability for any refunds.

Substitute Trustee Signature: Shelley Ortolani Date: 6-7-05

Escrow No. 1948000822

Check Date: 02/02/2006

Check No. 6048

DESCRIPTION	CODE	AMOUNT
Proceeds of Sale	603	\$155,391.04
	Check Total	\$155,391.04

Seller/Buyer: REO Equity Fund, LTD / Kenneth O. Cobb and wife, Leccrecia E. Cobb  
 Property Address: 1800 POND STREET GLEN HEIGHTS, TX 75154  
 Tax Parcel ID: 27-00026-00F-031-0000

THIS CHECK IS VOID WITHOUT A BLUE & GREEN BORDER AND BACKGROUND PLUS A KNIGHT & FINGERPRINT WATERMARK ON THE BACK. HOLD AT ANGLE TO VIEW

Escrow Account  
 LandAmerica American Title Dallas  
 4131 N. Central Expwy #110  
 Dallas, TX 75204  
 214-520-9999

Citibank Texas, N.A.  
 Dallas, TX

NO. 6048

32-61  
 1110

FILE NUMBER	DATE	AMOUNT
1948000822	02/02/2006	\$155,391.04

PAY ONE HUNDRED FIFTY FIVE THOUSAND THREE HUNDRED NINETY ONE  
 AND 04/100 DOLLARS

TO THE ORDER OF  
 REO Equity Fund, LTD  
 4123 N. Central Expressway  
 Dallas, TX 75204

Memo:

ESCROW ACCOUNT  
 VOID OVER 180 DAYS  
 AUTHORIZED SIGNATURE  
 AUTHORIZED SIGNATURE

SIGNATURE AREA CONTAINS A KNIGHT & FINGERPRINT WATERMARK

⑈0000006048⑈ ⑆113193532⑆ 334546201⑈

ABSENCE OF PINK U.S. PATENT NUMBERS UNDER SIGNATURE INDICATES CHECK IS FRAUDULENT. PATENT NUMBERS ARE LOCATED BETWEEN SIGNATURES. A WATERMARK IS APPEAR WHEN BLOWING OR RUBBING

**A. Settlement Statement**

U.S. Department of Housing  
and Urban Development

OMB No 2502-0265

<b>B. Type of Loan</b>			
1 <input type="checkbox"/> FHA	2 <input type="checkbox"/> FinHA	3 <input checked="" type="checkbox"/> Conv Unins	6. File Number 194800822
4 <input type="checkbox"/> VA	5 <input type="checkbox"/> Conv Ins	6 <input type="checkbox"/> Seller Finance	7. Loan Number 80064995
			8. Mortgage Ins Case Number
<p><b>C. Note:</b> This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.</p>			
<p><b>D. Name &amp; Address of Borrower</b> Kenneth O. Cohl and wife, Leatrice E. Cohl</p>		<p><b>E. Name &amp; Address of Seller</b> REO Equity Fund, LTD 4123 N Central Expressway Dallas, TX 75204</p>	
		<p><b>F. Name &amp; Address of Lender</b> Acoustic Home Loans LLC 770 The City Drive # 1500 Orange, CA 92668</p>	
<p><b>G. Property Location</b> GATEWAY ESTATES PH I, Block F, Lot 31, DALLAS County 1800 POND STREET GLEN HEIGHTS, TX 75154</p>		<p><b>H. Settlement Agent Name</b> LandAmerica American Title Company 6029 Bellline Road Dallas, TX 75254 Tax ID: 752178734</p>	
		<p><b>Place of Settlement</b> LandAmerica American Title Company 4131 N Central Expressway, Suite 110 Dallas, TX 75204</p>	<p><b>I. Settlement Date</b> 2/1/2006 Fund: 2/1/2006</p>
<b>J. Summary of Borrower's Transaction</b>		<b>K. Summary of Seller's Transaction</b>	
<b>100. Gross Amount Due from Borrower</b>		<b>400. Gross Amount Due to Seller</b>	
101. Contract Sales Price	\$179,980.00	401. Contract Sales Price	\$179,980.00
102. Personal Property		402. Personal Property	
103. Settlement Charges to borrower	\$12,793.69	403.	
104.		404.	
105.		405.	
<b>Adjustments for items paid by seller in advance</b>		<b>Adjustments for items paid by seller in advance</b>	
106. City property taxes		406. City property taxes	
107. County property taxes		407. County property taxes	
108. Annual assessments		408. Annual assessments	
109. School property taxes		409. School property taxes	
110. MUD taxes		410. MUD taxes	
111. Other		411. Other	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
116.		416.	
<b>120. Gross Amount Due From Borrower</b>	<b>\$192,693.69</b>	<b>420. Gross Amount Due to Seller</b>	<b>\$179,980.00</b>
<b>200. Amounts Paid By Or in Behalf Of Borrower</b>		<b>500. Reductions in Amount Due to Seller</b>	
201. Deposit or earnest money	\$500.00	501. Excess Deposit	
202. Principal amount of new loan(s)	\$143,920.00	502. Settlement Charges to Seller (line 1400)	\$13,265.52
203. Existing loan(s) taken subject to		503. Existing Loan(s) Taken Subject to	
204. Loan Amount 2nd Lien	\$35,980.00	504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206. Option Fee	\$5.00	506. Option Fee	\$5.00
207. Seller Contribution	\$10,794.00	507. Seller Contribution	\$10,794.00
208.		508.	
209.		509.	
<b>Adjustments for items unpaid by seller</b>		<b>Adjustments for items unpaid by seller</b>	
210. City property taxes 01/01/06 thru 02/01/06	\$96.82	510. City property taxes 01/01/06 thru 02/01/06	\$96.82
211. County property taxes 01/01/06 thru 02/01/06	\$82.25	511. County property taxes 01/01/06 thru 02/01/06	\$82.25
212. Annual assessments		512. Annual assessments	
213. School property taxes 01/01/06 thru 02/01/06	\$265.37	513. School property taxes 01/01/06 thru 02/01/06	\$265.37
214. MUD taxes		514. MUD taxes	
215. Other		515. Other	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
<b>220. Total Paid By/For Borrower</b>	<b>\$191,643.44</b>	<b>520. Total Reduction Amount Due Seller</b>	<b>\$24,508.96</b>
<b>300. Cash At Settlement From/To Borrower</b>		<b>600. Cash At Settlement To/From Seller</b>	
301. Gross Amount due from borrower (line 120)	\$192,693.69	601. Gross Amount due to seller (line 420)	\$179,980.00
302. Less amounts paid by/for borrower (line 220)	\$191,643.44	602. Less reductions in amt. due seller (line 520)	\$24,508.96
303. Cash From Borrower	\$1,050.25	603. Cash To Seller	\$155,391.04

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following: - HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services; - Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate; - Lenders must prepare and distribute with the Booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory.

Section 4(a) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper. The Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information requested does not lend itself to confidentiality.

L. Settlement Charges				Paid From	Paid From
700. Total Sales/Broker's Commission based on price		5179,900.00	@3% = \$5,397.00	Borrower's	Seller's
Division of Commission (line 700) as follows:				Funds at	Funds at
				Settlement	Settlement
701.	to	ReMax Abrams			
702.	\$5,397.00	to	ReMax Abrams		
703.	Commission Paid at Settlement			\$10.00	\$5,397.00
704.	The following persons, firms or	to	Chris Manning		
705.	corporations received a portion	to			
706.	of the real estate commission amount	to			
707.	shown above:	to			
708.	Transaction Fee	to	Remax Abrams		\$100.00
800. Items Payable in Connection with Loan					
801.	Loan Origination Fee	%	to	SNG Metroplex Financial, LLC	\$5,385.80
802.	Loan Discount	%	to		
803.	Appraisal Fee		to		
804.	Credit Report		to		
805.	Lender's Inspection Fee		to		
806.	Mortgage Insurance Application		to		
807.	Assumption Fee		to		
808.	Tax Service Fee		to	Acoustic Home Loans LLC	\$75.00
809.	Underwriting Fee		to	Acoustic Home Loans LLC	\$499.00
810.	Flood Determination Fee		to	Acoustic Home Loans LLC	\$10.00
811.	Doc Prep		to	LAMBROPOULOS CINAT, LLP	\$125.00
812.	Processing Fee		to	SNG Metroplex Financial, LLC	\$500.00
813.	2nd Lien Flood Determination		to	Acoustic Home Loans	\$3.00
814.	2nd Lien Doc Prep		to	LAMBROPOULOS CINAT, LLP	\$125.00
900. Items Required by Lender To Be Paid in Advance					
901.	Interest from	2/1/2006	to	3/1/2006 @ \$28.18/day	\$789.04
902.	Mortgage Ins Prem. for	months	to		
903.	Hazard Ins Prem. for 1 years		to	The Woodlands Financial Group	\$1,260.00
904.	Flood Insurance		to		
905.	2nd Lien Interest 2/1-3/1/06 @ \$11.48		to	Acoustic Home Loans	\$321.44
1000. Reserves Deposited With Lender					
1001.	Hazard insurance	months @		per month	
1002.	Mortgage insurance	months @		per month	
1003.	City property taxes	months @		per month	
1004.	County property taxes	months @		per month	
1005.	Annual assessments	months @		per month	
1006.	School property taxes	months @		per month	
1007.	MUD taxes	months @		per month	
1008.	Other	months @		per month	
1009.	Flood Insurance	0	months @		
1011.	Aggregate Adjustment				
1100. Title Charges					
1101.	Settlement or Closing Fee		to		
1102.	Abstract or Title Search		to		
1103.	Title Examination		to		
1104.	Title Insurance Binder		to		
1105.	Document Preparation		to	Settle & Pou, Inc.	\$50.00
1106.	Notary Fees		to		\$100.00
1107.	Attorney's Fees		to		
(includes above items numbers: )					
1108.	Title Insurance		to	LandAmerica American Title Company	\$460.00
(includes above items numbers: )					\$1,312.00
1109.	Lender's coverage	\$143,910.00/\$195.00	2 <sup>nd</sup> : \$35,980.00 / \$200.00		
1110.	Owner's coverage	\$179,900.00/\$1,377.60			
1111.	Escrow Fees		to	Settle & Pou, Inc.	\$250.00
1112.	State of Texas Policy Guaranty Fee		to	Texas Title Insurance Guaranty Association	\$2.00
1113.			to		\$1.00
1114.			to		
1115.	Tax Certificates		to	Data Trace	\$45.22
1116.	Restrictions		to		
1117.	Messenger / Express Mail		to	Settle & Pou, Inc.	\$60.00
1118.	Copies		to		\$60.00
1119.	60% of Title Premium		to	Settle & Pou, Inc.	
1200. Government Recording and Transfer Charges					
1201.	Recording Fees	Deed \$32.00	; Mortgage \$220.00	; Releases	\$252.00
1202.	City / County Tax / Stamps	Deed	; Mortgage	to	
1203.	State Tax / Stamps	Deed	; Mortgage	to	
1204.	Electronic Recording Fee		to	Settle & Pou, Inc.	
1300. Additional Settlement Charges					
1301.	Survey		to	Doug Connolly & Assoc	\$351.81
1302.	Pest Inspection		to		
1303.	Transfer Fee		to	Premier Communities Management Co.	\$150.00
1304.	Unpaid HOA Dues		to	Gateway HOA	\$276.00
1305.	Home Warranty		to		\$400.00