

ML MANAGER LLC
14050 N.83rd Ave., Suite 180
Peoria, AZ 85381

January 25, 2010

RE: 860806 – City Lofts, L.L.C.

The Trustee's Sale for the above loan was held on January 11, 2010 and the beneficiaries were the successful bidder and now own the property in Phoenix.

ML Manager, LLC will oversee the property, however, the overall ownership group is responsible for the cost of maintaining the property, including, but not limited to, property insurance and payment of real property taxes. The Guarantee of the loan is unaffected by the foreclosure and Mr. Peloquin continues to have personal liability for the deficiency.

ML Manager, LLC has obtained property insurance coverage and is taking steps to properly secure the buildings located on the property. A copy of the Trustee's Deed evidencing specific ownership of the property will be available in the near future. Please be sure to contact Dana Wilson at 623-234-9560 if you would like to receive a copy.

Thank you.

Sincerely,

Mark Winkleman
Chief Operating Officer
ML Manager, LLC