Illinois Metropolitan
Investment Fund

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November 9, 2015

Dear IMET Liquidating Trust Participant:

Jerry Ducay
Village Administrator
Village of Frankfort
Chairman

Christy Powell
Superintendent of Finance
& Personnel
Geneva Park District
Vice Chairman

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Director of Finance/Treasurer
Village of Bloomingdale
Treasurer

John Harrington
Director of Finance/Treasurer
Village of Minooka
Secretary

Scott Anderson
Director of Finance/Treasurer
Village of Buffalo Grove
Trustee

Chris Minick
Director of Finance
City of St. Charles
Trustee

Eileen Santschi
Accounting Manager
South Suburban Mayors and
Managers Association
Trustee

Laura F. Allen
Executive Director

Debra A. Zimmerman
Associate Director

IMET PARTICIPANT UPDATE
NOVEMBER 9, 2015

The following provides an update regarding the First Farmers Financial litigation and the asset recovery process.

Closing of Four Points Sheraton Hotel

The fourth of the five hotel properties recovered by the Overall Receiver has now closed. On October 30, 2015, the Four Points Sheraton in Peoria, Illinois closed for a final gross sale price of $5,800,000. The Overall Receiver will be paying various liens and a State of Illinois tax claim out of the proceeds and the sale proceeds are currently being held in escrow.

In addition to the Four Points Sheraton Hotel in Peoria, the three other hotel properties have closed, as follows:

- On September 25, 2015, the Renaissance in Downtown Orlando, Florida closed for the agreed upon purchase price of $12,625,000.
- On September 29, 2015, the Crowne Plaza Orlando LBV closed for the agreed upon purchase price of $27,850,000.
- On October 2, 2015, the Crowne Plaza in Saddle Brook, New Jersey closed for the agreed upon purchase price of $10,450,000.

The Overall Receiver is continuing to move forward with the remarketing and sale of the Doubletree UCF Hotel in Orlando, Florida. As noted in prior disclosures, the Doubletree UCF is the only hotel of the five hotels recovered which was fully completed and operational. This hotel is also operating at a profit.

Greenberg Traurig Revised Fee Petition

On October 20, 2015, the Overall Receiver, University of Wisconsin Credit Union, Harvard Savings Bank, IMET, and several IMET participants filed legal objections to Pennant's counsel, Greenberg Traurig LLP's ("Greenberg") Revised Fee Petition. Greenberg has filed a response to these objections and the Overall Receiver is planning to file a reply to Greenberg's response. Judge St. Eve has advised all of the parties that she plans to schedule a meeting in chambers to see if the issues relating to Greenberg's fees can be resolved short of additional litigation which may include an evidentiary hearing.

Overall Receiver Lawsuit against Fisher

On October 19, 2015, the Overall Receiver filed a complaint against Timothy G. Fisher ("Fisher") in the Northern District of Illinois (Case No. 15-cv-9227). The complaint seeks to recover money which was allegedly fraudulently transferred to Fisher by First Farmers Financial ("First Farmers") and Nikesh Patel ("Patel"), and seeks damages based on Fisher's alleged breach of his fiduciary duties as an officer of First Farmers and for aiding and abetting Patel's breach of his fiduciary duties to First Farmers. On October 28, 2015, Judge St. Eve granted the Overall Receiver's motion to transfer this case to her courtroom based on its relatedness to the Pennant litigation.

Overall Receiver's Emergency Motion to Enjoin the Sale of Fisher Residence

On October 22, 2015, the Overall Receiver filed an Emergency Motion to Modify the Preliminary Injunction Order Against Timothy Glenn Fisher and the Fisher Entities in order to restrain and enjoin Fisher from selling his property located in La Crescenta, California. On October 23, 2015, Judge St. Eve granted the Overall Receiver's Emergency Motion.

Status of Other Patel Properties

The Overall Receiver is currently working with Patel's attorneys to negotiate the sale of Patel's home located at 9120 Kilgore, Orlando for the benefit of the Overall Receivership Estate. If these negotiations are successful, the Overall Receiver will seek Court approval to engage a broker to market and sell the property.

The commercial property located at 7411 International Drive, Orlando, Florida was transferred to Patel's previous lawyer prior to the appointment of the Overall Receiver. The Overall Receiver is reviewing his options to try to recover this property for the benefit of the Overall Receivership Estate.

The undeveloped land in Florida known as Point Cypress is currently being marketed by the Nanosky Receiver and is listed with a local broker. The use of the property is limited which has resulted in a reduction in the list price from $1.3 million to $1 million last week.

Overall Receiver's Fifth Report

On October 26, 2015, the Overall Receiver filed his Fifth Report with the Court detailing his activities for the period of September 1, 2015 through and including September 30, 2015 (the "Relevant Period"). The Report set forth the assets comprising the Overall Receivership Estate. Such assets include the proceeds from the sales of the closed hotel properties, a note sold to Davieca Singh for proceeds of $135,000, sale of an interest in Within the Dark, LLC, a horror film, for proceeds of $35,500, and cash assets held by the Overall Receiver at BMO Harris Bank totalling $34,516,188 as of September 30, 2015. The Report includes a summary of the expected net sale proceeds of two USDA loans totalling approximately $959,000. The Report also provides detail about a number of loans still held by the Overall Receiver. The Overall Receiver is considering his options for best disposing of the loans.

In addition, the Report provides an update regarding five deposits and retainers held by the Overall Receiver. The Overall Receiver is considering taking action to recover some or all of the deposits/retainers, which collectively total $3,750,000. In addition, the Overall Receiver is investigating the following potential additional sources of recovery: (i) a vacation home in India; (ii) an airplane investment; (iii) a $500,000 investment in Zeolife, Inc., a pharmacological company; (iv) a $165,000 investment in ProFeeds Solutions, Inc., a cattle feed company; and (v) other miscellaneous disbursements noted in various bank records. Due to the lack of information or proper documentation regarding these investments, the likelihood of recovery is unknown.

The Overall Receiver reported his retention of Empire Discovery to assist with processing electronic records, including Defendants' e-mail records and business records, for review by the Overall Receiver as well as other parties to the case, including IMET. This process is underway and IMET anticipates gaining access to the document database in the near future.

During the Relevant Period, the Overall Receiver collected nearly $35 million from payments on conventional and USDA guaranteed loans held by the Overall Receiver, transfers from the Nanosky Receiver, the note sale, and the closing of the sale of the Downtown Orlando and Orlando Lake Buena Vista hotel properties. The Overall Receiver disbursed a total of $231,620.88 in fees and expenses. The Overall Receiver is seeking allowance of $66,872.50 in compensation based on the provision of 248.7 hours in professional services, as well as reimbursement of $306.96 in actual fees and expenses, for the Relevant Period.

Overall Receiver Bank Accounts

The Overall Receiver is currently holding funds from his recoveries in interest bearing money market accounts at BMO Harris Bank, American Chartered Bank, Old Plank Bank and First Midwest Bank.

Should you have any questions, don't hesitate to call Laura Allen at IMET or IMET's outside counsel, Randall Lending of Vedder Price (312-609-7500).

Sincerely,

Jerry Ducay, Chairman