



Illinois Metropolitan Investment Fund

Investing together for
our communities

Dear IMET Liquidating Trust Participant:

IMET PARTICIPANT UPDATE **JUNE 27, 2016**

The following is to update you on certain developments relating to the First Farmers Financial repo matter.

Christy Powell
Superintendent of Finance
& Personnel
Geneva Park District
Chairman

Eileen Santschi
Accounting Manager
South Suburban Mayors and
Managers Association
Vice Chairman

Gary Szott
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

Brian Murphy
Village Administrator
Village of Plainfield
Trustee

Robert Fialkowski
Interim Executive Director

Debra A. Zimmerman
Associate Director

Sale of Point Cypress Property

As of May 21, 2016, the Overall Receiver is under contract to sell the vacant parcel of land located on Point Cypress Drive in Orlando, Florida for a sales price of \$450,000. The Overall Receiver through its broker is continuing to market the sale of the property and is contacting all parties that have expressed interest in the property to solicit competing bids. The auction sale of the property will be held on July 20, 2016. A final hearing to approve the sale will be held on July 22, 2016 at 8:30 a.m. before the Honorable Amy J. St. Eve in Courtroom 1241 of the United States District Court for the Northern District of Illinois.

Sale of Kilgore Property

The Overall Receiver is also under contract to sell Nikesh Patel's residence located at 9120 Kilgore, Orlando, Florida, for a sales price of \$1,900,000. The sale contract is subject to a financing contingency and also a contingency that the Overall Receiver clears certain easement and permit issues.

Overall Receiver's Plan of Distribution

On June 10, 2016, the Overall Receiver filed a motion to set a hearing on his proposed Plan of Distribution ("Plan"). The Plan sets forth the Overall Receiver's proposal for distributing receivership assets to holders of allowed claims in accordance with applicable priorities of allowed claims. The Plan provides, among other things, that the Overall Receiver will request that the U.S. government, which may be entitled to priority over other claimants, subordinate its claims in favor of the investor-victims, including IMET, and other general unsecured creditors. The Overall Receiver intends to submit a formal request for subordination to the IRS in the coming weeks. The Overall Receiver is currently engaged in discussions with the USDA regarding resolution of its claims.

The Court set July 27, 2016 as the last day for filing and serving written objections to the Plan. The Court set a hearing to consider approval of the Plan on September 1, 2016 at 2:00 p.m. If any participant would like a copy of the Plan, please contact Robert Fialkowski at IMET.

Assets Currently Held by Overall Receiver

As of June 21, 2016, the Overall Receiver is holding approximately \$72.6 million. The Overall Receiver has stated he will not make any distributions to the investors until a resolution is reached (or the court has ruled) regarding the USDA and IRS claims as the Overall Receiver may have personal liability under the Federal Priority Statute, 31 USC § 3713, if he makes a distribution in derogation of the claims of the United States.

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

Sincerely,

Christy Powell
Chairman