Quarterly Report to the Court
As of September 30, 2002
Robb Evans, Receiver of TLC Investments & Trade Co., et al.

This is the the eighth quarterly report to the Court. The purpose of this report is to:

- Provide a current summary of major issues confronted by the Receivership Estate.
- Update the Court regarding the status of various issues addressed in previous reports.
- Request confirmation or approval of the Receiver's activities to date.

This report does not constitute an audit of the financial condition of the Receivership, is intended only for the information of the Court and should not be relied upon for other purposes.

Status of Real Property Assets

During the period from October 5, 2000 (commencement of Receivership) through September 30, 2002 one hundred-and-thirteen properties had been sold and escrows closed. These properties originally cost $27,077,100, had capital additions totaling $4,353,244 and were sold for an aggregate gross price of $36,071,267. After paying direct expenses of sale, extinguishing liens against the properties and other costs, the net selling price of $34,331,566 resulted in a profit of $2,901,222.

Additionally, there were eighteen properties in escrow as of September 30, 2002. These properties originally cost $3,498,051, had capital additions totaling $2,548,722, and it is anticipated they will produce net sale proceeds of approximately $5,012,000 resulting in a loss of approximately $1,034,000. Poorly planned capital improvements and ill-conceived purchase decisions on two of these properties during the pre-receivership period were the cause of the anticipated loss. But for these two properties, a potential gain of approximately $140,000 would have been recognized.

The properties that have been sold or put in escrow so far are primarily those with the least problems and whose fair market value is most easily achieved. The fact that most of their sales price exceeds costs should not be taken as an indication that similar results will be possible with future sales.

A status report of the major properties is under Tab 1.

Update Regarding Issues Previously Addressed

Intangible Assets

Since April 2001, demand has been made on 151 sales agents requesting return of commissions and bonuses paid to them. After the demand letters were sent, extensive settlement discussions took place with many of the agents. As a result of those demand letters, and subsequent negotiations, nineteen agents agreed to repay in full the claims made against them, totaling approximately $260,000. On July 25, 2001 seven lawsuits against 76 agents or entities were filed. On November 28, 2001 and December 27, 2001, another three lawsuits against 25 agents or entities were filed. The Receiver did not pursue legal action against approximately 30 agents, as these potential cases did not appear to be cost effective to the estate.

As a result of the above actions, thirty-four agents have already completed an agreed repayment schedule. Another thirty-six Settlement Agreements have been entered into providing for periodic payments over time. Approximately $1,557,000 has been collected and approximately $1,254,000 is expected in the future pursuant to all of the settlements, including those settlements entered prior to filing lawsuits. These figures only include consummated settlements or settlements where an agreement in principle has been reached. These numbers also include actual and estimated recoveries from some agents who were also investors and who have resolved all or a portion of the Receiver's demand by agreeing to have their allowed claims offset to fully or partially return commissions and bonuses previously paid by TLC. The total dollar value of actual and prospective recoveries pursuant to these payments and agreements now stands at approximately $2,811,000.

The small number of remaining defendants have verbally agreed to settlements, and Agreements or Stipulations for Judgment are out for signature. The Receiver does not anticipate that any of the pending lawsuits will proceed to trial against any defendant, with the possible exception of three corporate defendants presently in Chapter 7 Bankruptcy proceedings.

To date, the Receiver has obtained 25 judgments against agents for a total aggregate amount of approximately $8,332,000. Most of these Judgments have been entered within the past 30 days. Post judgment efforts have resulted in the collection of approximately $88,000.

As previously reported, sixteen agents had filed Chapter 7 or Chapter 13 bankruptcy petitions. The aggregate claim amount the Receiver sought against those agents was $4,020,142. Since the last Report to this Court the Bankruptcy Court rejected one agent's petition and the revised dollar amount is now $3,497,357. The Receiver brought non-dischargibility lawsuits against two large balance agents who filed Chapter 7 petitions. One has been settled subject to this Court's approval, and the other is in the early stages of litigation. The Receiver is continuing to evaluate his alternatives in certain other of these bankruptcy cases.

Sienna Financial Ltd.

Defendants James Garro, Navajo Capital, Inc.; Sienna Financial Ltd.; Corfu International LLC; Camelot International LLC; Merlin Financial, LLC; and The Lancelot Foundation have settled with the Receiver. Defendant Garro agreed to transfer to the Receiver two properties that the Receiver alleged had been purchased with TLC investor funds. As part of a settlement agreement between the parties, Garro recently executed documents transferring title in two properties located at 1036 Sierra del Norte, Santa Fe, New Mexico, and 1760 Orchard Wood Road, Encinitas, California to the Receiver. The two properties have an estimated value of approximately $3,000,000.00, less sales expenses.

Trial against the remaining defendants, Terry Provence, David Price, Fortress Financial, and the Durham Capital Group Inc. is set for November 5, 2002 before this Court.

Marina Coves on the Colorado River

Reconstruction of the water and sewer system has been substantially completed. The water system has passed all testing requirements and only two minor tests remain on the sewer system. The project engineer is currently drafting a report for submission to the Arizona Department of Environmental Quality which is the last administrative approval required for the wet utilities. Contracts for repairs to the paved roadways and landscaping have been approved. All repairs are anticipated to be completed by the end of October 2002. Marketing activities have commenced and have not been interrupted by the construction project.

Properties in Atlanta, Georgia

Century Lofts Project, 505 Whitehall Street S.W.

In prior reports to the Court, the renovation and insurance issues surrounding the November 2001 fire at the Century Lofts Building have been discussed extensively. The renovation of the building is 80% complete and we anticipate the balance of the repairs to be completed in the month of October 2002. The insurance claims are being processed in cooperation with the homeowners, the HOA and the insurance company.

Substantial progress has been made in the restoration of the building. The elevator is operational allowing access to all floors. The local fire restoration contractor hired to complete the interior renovation has been performing the required repairs on the common areas including the hallways, walls, windows and ventilation systems. A restoration contractor has also been retained by the Receiver to complete the required work on the damaged units belonging to the receivership estate.

The marketing and sales for the Century Lofts is scheduled to begin on the weekend of October 12-13 as a participant in the annual Atlanta Loft Tour.

Toby Sexton Tire Building, 470 & 488 Glenn Street

In the seventh quarterly report, the Court was advised that protracted contract negotiations had been successfully concluded and an executed contract was in escrow with the title company. Prior to the expiration of the inspection contingency period, the buyer requested a thirty-day extension. This request was initially tendered in a meeting in Atlanta, between two of the Receiver's associates, the Buyer/Developer and the Managing Director of Development Finance with the Atlanta Development Authority. This request was subsequently formalized in a letter with supporting documentation. It was explained that the Development Authority and the Buyer/Developer had formed a partnership to develop this property into low income housing financed by a combination of conventional financing and bond issues. They described the recent changes in the economic climate with the falling prices of federal and state tax credits and the tightening of underwriting criteria as the primary reasons for the extension request. They assured the Receiver's associates that they had the "interest, capacity, experience and ability to close on this property." Based on their assertions and the supporting documentation from local and federal agencies, their extension request has been granted. As a result, the timetable for requesting this Court's approval for the transaction has been delayed pending the outcome of the extension.

Holly Street Apartments, 370 Holly/1600 Carlisle

In previous reports to the Court, it was noted that several steps had been taken to stabilize this project, which included the repair of the remaining unoccupied units, the aggressive advertising campaign to increase applications and subsequently, occupancy rates, and the selection of a listing broker to aggressively market the property.

Each of these steps has been completed and the results have been substantial. The occupancy rates have been raised to the current level of 80% as of September 30, 2002. This increase in occupancy rates and the completion of the repairs to the unoccupied units significantly contributed to the marketability of the property. As a result, the listing agent secured three viable contract offers which culminated in an accepted contract well above the listing price. However, just prior to the conclusion of the Due Diligence Period, we were notified by the Buyers that they were requesting a substantial allowance for necessary repairs. These repairs were due primarily to factors of economic and functional obsolescence and included an active sewer trunk line running under the property, the fact that the property lies in a flood plain and the fact that there is a running creek dividing the property. In response, the Receiver negotiated a reasonable repair allowance credit to be issued at closing.

Properties in Birmingham, Alabama

It was noted in the last report that the portfolio of single-family residences and duplexes in Birmingham contained 131 units, consisting of the three separate segments of: 1) The Houses That Can Be Sold to Retail Buyers, 89 units, 2) The Houses That Should Be Sold In Wholesale Lots, 41 units, and 3) The Houses Condemned or Virtually Destroyed, 1 empty lot. As of September 30, 2002, there remained 117 units in this portfolio.

It was also previously reported that the Receiver's priority strategy was to convert as many existing tenants as possible into new home owners, and for this purpose, a custom-made CRA-based mortgage financing program had been arranged with AmSouth Bank.

However, in the actual program implementation process, it became apparent that even the custom-made bank mortgage program was not suitable for most of the existing tenants due to their poor credit worthiness and that the successful results would require long periods of effort by "Consumer Credit Counseling" (CCC) to improve the tenants' credit scores.

Therefore, in the middle of the third quarter, the Receiver implemented the following additional steps to speed up the liquidation process.

1) The status of TLC's independent contractor in Birmingham was changed to listing agent/property manager, allowing him to exclusively concentrate on the portfolio.

2) In continuing efforts to convert tenants into homebuyers, our agent has begun to diversify financing sources to take advantage of more creative financing possibilities.

3) Retail homes that were being designated for repair would be marketed at full-appraisal value to enhance the amount of recovery. The decision to repair a home is to be based on our cost benefit analysis utilizing a new "value to cost" ratio and "percentage of repaired value" formula. The existing security program will be strengthened to protect the newly repaired homes from vandalism and theft.

4) The units sold to investors on an "as-is" basis would be sold at appropriate discounted prices offsetting the necessary repairs required to bring properties up to code.

Current Status of the Remaining Units

Beginning with this report, in line with the changes in the liquidation strategy described above, we are adopting a new property classification system.

During the last quarter, 14 units were sold, including one empty lot, and the remaining 117 units are now made up of: 1) 72 vacant units and 2) 45 rented units.

Vacant Units: In the first week of the new quarter, there are already 12 units under contract from this sector.

Rented Units: There are 2 units under contract, and 5 tenants have submitted mortgage applications to non-banking alternative lenders and are waiting for credit approval.

Remodeling: Three units have been completed with two still in the refurbishing process.

The fact that 14 units are already under contract in the new quarter suggests that the shift in our liquidation strategy seems to be working well. The Receiver will continue to closely monitor the progress and make other adjustments as necessary.

But liquidating these units on individual basis, especially converting tenants to homebuyers, is a laborious and time consuming process, and given our objective of completing the liquidation process as early as practicable, at some point in the near future, we will have to make the decision to sell off the remaining units via a wholesale auction.

Investor Distributions

On September 18, 2002 this Court approved a Stipulated Order to make a distribution of $6 million to the undisputed investor claims. The distribution was completed by September 30, 2002. To date, $28 million, or about 24.2% of approved claims has been distributed to investors. An additional distribution of $3 to $5 million is planned in December 2002.

Administrative Expenses

Under Tab 2 are the financial reports for the period of July 1, 2002 through September 30, 2002. The Court is respectfully requested to approve these reports, including fees and expenses of the Receiver.

Requests of the Court

The Court is respectfully requested to:

1. Approve this Report and confirm the actions of the Receiver described herein.
2. Authorize or confirm all expenses of the Receivership from July 1, 2002 through September 30, 2002, including fees and expenses of the Receiver detailed under Tab 2.

Respectfully submitted,
<signed>
Robb Evans
Receiver

TAB 1

Robb Evans, Receiver of TLC Investments & Trade Co., et al.
Status of Major Properties
As of September 30, 2002

#	Property Address	SFR, Multi, Comm'l, Land, Lots	City	State	Property Status as of 09/30/02
1	The Coves Project	Land	Mohave Valley	AZ	Construction of the enlarged lake is complete and the lakebed is filled. All 99 lots in Phase A will have lake frontage. Construction is completed for the four model houses on arm 5. A listing agreement has been entered into with a local broker to market and sell the lots. The repair of recently discovered pre-receivership construction defects is nearing completion. The Public Report has been issued by the Arizona Department of Real Estate. Marketing and Sales are underway. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $4,854,033.10.
2	235 S Flower	Comm'l	Brea	CA	Status: **Sold** Carrying Cost as of 10/4/00: 546,007.98 Acquisition & Capital Additions from 10/5/00 to 9/30/02: 4,900.00 Sales Price: 495,000.00 Average Appraisal Value: 422,500.00 Sale as a % of Appraisal: 117.16%
3	212 S Orange Ave	Multi	Brea	CA	Status: **Sold** Carrying Cost as of 10/4/00: 1,864,984.00 Acquisition & Capital Additions from 10/5/00 to 9/30/02: 8,000.00 Sales Price: 1,850,000.00 Average Appraisal Value: 1,580,000.00 Sale as a % of Appraisal: 117.09%

4	7500 Hamner Ave	Land	Norco	CA	Status Carrying Cost as of 10/4/00 Acquisition & Capital Additions from 10/5/00 to 9/30/02 Sales Price Average Appraisal Value Sale as a % of Appraisal	**Sold** 4,465,278.54 161,574.06 5,500,000.00 2,658,500.00 206.88%
5	7556 Hamner Ave.	Land	Corona	CA	Status	**Sold with #4 above**
6	736 N. State St. Plaza	Comm'l	Hemet	CA	Status Carrying Cost as of 10/4/00 Acquisition & Capital Additions from 10/5/00 to 9/30/02 Sales Price Average Appraisal Value Sale as a % of Appraisal	**Sold** 470,245.69 6,000.00 550,000.00 487,500.00 112.82%
7	302 Vista de la Playa	SFR	La Jolla	CA	Status Carrying Cost as of 10/4/00 Acquisition & Capital Additions from 10/5/00 to 9/30/02 Sales Price Average Appraisal Value Sale as a % of Appraisal	**Sold** - - 5,550,000.00 6,100,000.00 90.98%
8	10541 Monte Vista (Corral) - See #9 Holt Blvd.	Comm'l	Montclair	CA	Used as an outdoor storage facility for recreational vehicles. Adjacent to and marketed with #9(below).	
9	4939-49 Holt Blvd	Comm'l	Montclair	CA	A retail strip center with 6 units at 100% occupancy. Received two MAI appraisals. Before selecting a listing broker, we accepted an unsolicited offer. Buyer was in the process of obtaining financing, but due to protrated nature of loan contingency, we issued a demand letter to determine the status of financing. The demand letter resulted in the termination of this offer. Two other unsolicited offers have been tendered and we are currently negotiating with both offers. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $4,500.00.	
10	9240-60 Harness (Spring Valley)	SFR/Land	San Diego	CA	Status Carrying Cost as of 10/4/00 Acquisition & Capital Additions from 10/5/00 to 9/30/02	**Sold** 380,217.76 8,200.00

					Sales Price 400,000.00 Average Appraisal Value 335,500.00 Sale as a % of Appraisal 119.40%
11	3276 El Cajon Blvd.	Comm'l	San Diego	CA	Status **Sold** Carrying Cost as of 10/4/00 1,300,180.00 Acquisition & Capital Additions from 10/5/00 to 9/30/02 59,932.71 Sales Price 792,500.00 Average Appraisal Value 827,500.00 Sale as a % of Appraisal 95.77%
12	510 Turfwood Lane	SFR	Solana Beach	CA	Status **Sold** Carrying Cost as of 10/4/00 261,046.00 Acquisition & Capital Additions from 10/5/00 to 9/30/02 - Sales Price 267,500.00 Average Appraisal Value 265,000.00 Sale as a % of Appraisal 100.94%
13	1245 Jasmine Circle	SFR	Weston	FL	Status **Sold** Carrying Cost as of 10/4/00 316,014.10 Acquisition & Capital Additions from 10/5/00 to 9/30/02 - Sales Price 310,000.00 Average Appraisal Value 312,500.00 Sale as a % of Appraisal 99.20%
14	370 Holly & 1600 Carlisle	Multi	Atlanta	GA	95 unit apartment in difficult area. We have completed repairs of vacant units and aggressively marketed the project which has resulted in increased occupancy. A listing local broker has been selected and has secured a contract. The motion for approval of this contract is being drafted for presentation to the Court. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $66,839.00.
15	470 & 488 Glen St	Comm'l/Loft	Atlanta	GA	Currently vacant 100,000 SF warehouse bldg. on 3.6 acres. Three MAI appraisals and Phase 1 Environmental Survey, with a No Action letter, are completed. A Sale Contract has been signed and is currently in escrow. If the pending sale fails to close the Receiver will list the property as a retail or commercial loft development project. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $197,346.40.
16	Century Lofts 505 Whitehall St	Loft	Atlanta	GA	31 units of which 8 units are sold. The remaining 23 units are listed with Coldwell Banker. Repairs to insured damage from a roof

	SW (Remaining Units)				fire in November 2001 and the fourth floor build-out are proceeding and nearing completion. Sales and marketing are scheduled to begon the weekend of October 12, 2002 as part of the Atlanta Loft Tour. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $1,995,259.50.
16A	Century Lofts 505 Whitehall St SW (Sold Units)	Loft	Atlanta	GA	Status **Sold** Carrying Cost as of 10/4/00 886,087.85 Acquisition & Capital Additions from 10/5/00 to 9/30/02 - Sales Price 849,000.00 Average Appraisal Value 900,000.00 Sale as a % of Appraisal 94.33%
17	1908 Judd Hillside	SFR	Honolulu	HI	Status **Sold** Carrying Cost as of 10/4/00 2,220,169.82 Acquisition & Capital Additions from 10/5/00 to 9/30/02 989.58 Sales Price 2,300,000.00 Average Appraisal Value 2,450,000.00 Sale as a % of Appraisal 93.88%
18	715 S Kihei Rd #128	SFR	Kihei	HI	Status **Sold** Carrying Cost as of 10/4/00 33,437.50 Acquisition & Capital Additions from 10/5/00 to 9/30/02 580.78 Sales Price 65,000.00 Average Appraisal Value 58,500.00 Sale as a % of Appraisal 111.11%
19	715 S Kihei Rd	Land Lease	Kihei	HI	Status **Sold** Carrying Cost as of 10/4/00 402,965.30 Acquisition & Capital Additions from 10/5/00 to 9/30/02 14,300.00 Sales Price 1,187,867.00 Average Appraisal Value 1,263,965.00 Sale as a % of Appraisal 93.98%
20	4420 Makena Rd.	SFR	Makena	HI	Status **Sold** Carrying Cost as of 10/4/00 2,809,999.40 Acquisition & Capital Additions from 10/5/00 to 9/30/02 500.00 Sales Price 4.000,000.00 Average Appraisal Value 4,025,000.00 Sale as a % of Appraisal 99.38%
21	4323 Bowser	Multi	Dallas	TX	5 unit apt. bldg. Currently rented @ 100% occupancy. Listed for sale with Century 21. A

					contract has been accepted and is currently in escrow.
22	57 Cherrywood Ct	SFR	Houston	TX	Status **Sold** Carrying Cost as of 10/4/00 429,613.78 Acquisition & Capital Additions from 10/5/00 to 9/30/02 52,009.36 Sales Price 450,000.00 Average Appraisal Value 510,000.00 Sale as a % of Appraisal 88.24%
23	10100 E. Freeway	Comm'l	Houston	TX	A 17,000 sq. ft. office bldg. that is currently 70% occupied. Anticipated increase of occupancy to 100% has been setback by unexpected termination of leases. To improve occupancy prospects, rehab has been completed on anchor tenant/owner-user suite of approximately 3,200 SF. Previously, listed only for lease with Office Buildings of Houston. We have reached agreement with Office Buildings of Houston to immediately assume management, list, and market the property for sale. Two MAI appraisals have been received. A contract has been accepted and is currently in escrow. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $11,126.76.
24	3000 Bering Dr.	Comm'l	Houston	TX	Status **Sold** Carrying Cost as of 10/4/00 1,199,638.45 Acquisition & Capital Additions from 10/5/00 to 9/30/02 50,860.32 Sales Price 1,475,000.00 Average Appraisal Value 960,000.00 Sale as a % of Appraisal 153.65%
25	2002 Gentryside Dr.	Multi & Land	Houston	TX	Status **Sold** Carrying Cost as of 10/4/00 1,622,312.79 Acquisition & Capital Additions from 10/5/00 to 9/30/02 13,750.00 Sales Price 1,550,000.00 Average Appraisal Value 1,340,000.00 Sale as a % of Appraisal 115.67%
26	5414 Elm St	Multi	Houston	TX	Status **Sold** Carrying Cost as of 10/4/00 2,511,811.94 Acquisition & Capital Additions from 10/5/00 to 9/30/02 31,367.63 Sales Price 2,150,000.00 Average Appraisal Value 2,150,000.00 Sale as a % of Appraisal 100.00%

27	Whitney Place Lots 37,39,40&41	Multi	Houston	TX	70 individual single family homes that are currently 34% leased. Listed with Marcus & Millichap. Continuing with efforts to develop interest among government agencies and non-profit entities. Recently began renting to multi-family tenants (previously restricted to Seniors) in an effort to increase occupancy rates and improve sale prospects to investors. Contractor bids to complete the third and fourth phases of this project have been accepted. The repair work is scheduled to begin in mid October and should be completed in approximately one month. the ongoing stabilixation process and increased occupancy rates have greatly improved the marketability of the property. As a result, the listing broker has recently presented two viable offers. The Receiver is currently negotiating contract terms with the selected offer. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $635,152.42
28	15 N. Chenevert	Comm'l/lLoft	Houston	TX	Vacant 85,000 sq. ft. loft bldg. downtown. Listed with Grubb & Ellis. We have received the fourth appraisal and an update of an original appraisal which confirm the economic damage to the Houston real estate economy because of the September 11 attack and the Enron corporate bankruptcy. We have reduced the listing price accordingly for a more timely disposition of the property. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $232,742.74.
29	21 Chenevert	Comm'l/Loft	Houston	TX	Vacant lot adjacent to the warehouse bldg. at 15 N. Chenevert-see # 28 above for description. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $70,457.55
30	1331 - 1339 S Flores	Comm'l	San Antonio	TX	2 adjacent bldgs., totaling 85,000 sq. ft. near downtown, with 80,000 sq. ft. vacant. Buildings are in a very raw state. A listing agreement has been entered into with a local firm. A second MAI appraisal has been received. The listing price has been reduced to more accurately reflect the current market value of the property. Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $42,155.00.
31	Lake Livingston	SFR & Land	San Jacinto	TX	18 acres of lakefront property with 2 homes that are currently rented. We cannot solve the issue of water supply and have abandoned any plan to subdivide the property. The second MAI appraisal has been received. The selection of a listing broker is in progress.

					Acquisition & Capital Additions from 10/05/00 to 9/30/02 is $20,097.00
32	1809-17 Douglas Ave	Multi	Racine	WI	31 unit apt. bldg. that had recently stabilized under new management at 75% occupancy, but due to the institution of stricter credit requirements and collection proceedures, the occupancy rates have recently fallen. We anticipate this slippage to be a short term problem. The new management methods recently instituted will ultimately improve the quality of the tenant population enhancing the marketibility of this property. A large local listing broker has been selected.
33	1625 East G St. (55 units)	Multi	Ontario	CA	Status **Sold** Carrying Cost as of 10/4/00 3,944,942.20 Acquisition & Capital Additions from 10/5/00 to 9/30/02 14,754.85 Sales Price 4,930,000.00 Average Appraisal Value 4,250,000.00 Sale as a % of Appraisal 116.00%
34	129-177 Palm Ave.	Multi	Imperial Beach	CA	Status **Sold** Carrying Cost as of 10/4/00 1,823,525.86 Acquisition & Capital Additions from 10/5/00 to 9/30/02 20,000.00 Sales Price 2,400,000.00 Average Appraisal Value 2,225,000.00 Sale as a % of Appraisal 107.87%
35	21880 Golden Canyon	SFR	Diamond Bar	CA	Status **Sold** Carrying Cost as of 10/4/00 - Acquisition & Capital Additions from 10/5/00 to 9/30/02 - Sales Price 1,385,000.00 Average Appraisal Value 1,300,000.00 Sale as a % of Appraisal 106.54%
36	1114,1116 and 1118 Murray Hill	Multi	Houston	TX	3 quadraplexes totaling 12 units. Maintains high occupancy levels. Listed with Hentricks & Partners.A contract has been accepted and is currently in escrow.
37	Hana Highway	Land	Hana	HI	Status **Sold** Carrying Cost as of 10/4/00 187,806.89 Acquisition & Capital Additions from 10/5/00 to 9/30/02 572.91 Sales Price 265,000.00 Average Appraisal Value 252,500.00 Sale as a % of Appraisal 104.95%

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					Carrying Cost as of 10/4/00	27,676,285.85
					Acquisition & Capital Additions from 10/5/00 to 9/30/02	8,578,001.07
					Sales Price	38,721,867.00
					Average Appraisal Value	34,673,465.00
					Sale as a % of Appraisal	111.68%

TAB 2

Robb Evans, Receiver of TLC Investments & Trade Co., et al.
Summary of Income
October 31, 2000 (Inception of Permanent Receivership) through September 30, 2002

	October 31, 2000 to June 30, 2002	July 1, 2002 to September 30, 2002	Total
Proceeds from Sales of Properties	29,233,342.39	3,926,349.97	33,159,692.36
Rental Income	4,403,951.41	348,541.36	4,752,492.77
Proceeds from Sales of Horses and Horse Races	2,024,044.88	-	2,024,044.88
Commission Repayments from Agents	750,431.39	807,063.63	1,557,495.02
Receipts of Assets Surrendered by Ernest Cossey Under the Court Judgement	1,475,000.00	-	1,475,000.00
Additional Income from Sales of Ernest Cossey Assets	55,761.40	-	55,761.40
Interest Income:			
Mortgage Notes	277,050.66	36,064.44	313,115.10
Bank Deposits	114,170.05	28,187.06	142,357.11
Bridge Loan	68,269.71	-	68,269.71
Hardship Loans	37,367.43	-	37,367.43
Other	1,601.03	-	1,601.03
Total Interest Income	498,458.88	64,251.50	562,710.38
Receipts of Cash from Tom G. Cloud and Cloud &Associates Under the Court Judgement	374,578.75	-	374,578.75
Revenues Resulting from Activities that Occurred in Pre-Receivership Period	299,197.27	-	299,197.27
Proceeds from Sale of Dogs and Dog Races	136,688.62	-	136,688.62
Receipts of cash from Jim Schneider Under the Court Judgement	-	87,959.44	87,959.44
Receipts of cash from Ernest Cossey Under the Court Judgement	21,836.08	-	21,836.08

Proceeds from Disposition of Auto, Furniture & Equipment	15,098.47	-	15,098.47
Proceeds from Granting of Easements	13,200.00	-	13,200.00
Receipts of cash from Gary Williams Under the Court Judgement	8,117.88	1,758.24	9,876.12
Miscellaneous Income	31,329.74	1,360.68	32,690.42
Total Income	**39,341,037.16**	**5,237,284.82**	**44,578,321.98**

Robb Evans, Receiver of TLC Investments & Trade Co., et al.
Summary of Expenses
October 31, 2000 (Inception of Permanent Receivership) through September 30, 2002

	October 31, 2000 to June 30, 2002	July 1, 2002 to September 30, 2002	Total
Business Operating Expenses			
Property Expenses			
Repairs & Maintenance	2,014,447.18	131,025.22	2,145,472.40
Property Taxes	1,291,838.55	48,549.51	1,340,388.06
Utilities	753,014.16	48,190.06	801,204.22
Insurance	620,433.96	74,845.59	695,279.55
Engineering & Architecture	625,703.98	-	625,703.98
Management Fees	569,055.42	18,513.46	587,568.88
Security, Alarm & Protection	286,118.55	22,937.19	309,055.74
Appraisal & Survey	294,457.69	7,619.88	302,077.57
Legal Fees	174,493.94	10,066.79	184,560.73
Development Expenditures	34,579.54	-	34,579.54
Miscellaneous	1,058,207.50	63,796.46	1,122,003.96
Total Property Expenses	7,722,350.47	425,544.16	8,147,894.63
Field Office Operating Expenses	1,731,400.36	173,162.26	1,904,562.62
Racehorse Expenses	261,119.53	-	261,119.53
Dog Expenses	21,084.81	-	21,084.81
Total Business Operating Expenses	9,735,955.17	598,706.42	10,334,661.59

Receivership Administrative Expenses			
Receiver's Fees & Expenses			
Receiver's Fees	158,345.00	8,800.00	167,145.00
Out of Pocket Expenses	4,400.35	-	4,400.35
Total Receiver's Fees & Expenses	162,745.35	8,800.00	171,545.35
Staff Expenses			
Accounting & Support / Financial Reconstruction	727,079.86	71,645.43	798,725.29
Project Coordinators / Portfolio Management	489,422.14	27,398.00	516,820.14
Out of Pocket Expenses	119,873.58	15,958.78	135,832.36
Employer Tax	61,599.24	2,876.63	64,475.87
Total Staff Expenses	1,397,974.82	117,878.84	1,515,853.66
Other Receivership Administrative Expenses			
Legal Fees & Costs	1,042,717.19	154,940.12	1,197,657.31
Copying & Records Reproduction	81,751.88	1,475.68	83,227.56
Interest Expense	19,420.99	-	19,420.99
Miscellaneous Expenses	153,195.54	14,073.52	167,269.06
Total Other Receivership Administrative Expenses	1,297,085.60	170,489.32	1,467,574.92
Total Receivership Administrative Expenses	2,857,805.77	297,168.16	3,154,973.93
Total Expenses Previously Approved	**12,593,760.94**		
Total Cash Expenses to be Approved		**895,874.58**	
Total Expenses for the Period from October 31, 2000 through September 30, 2002			**13,489,635.52**