

Quarterly Report to the Court

As of December 31, 2003

Robb Evans, Receiver of TLC Investments & Trade Co., et al.

This is the thirteenth 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; it 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 December 31, 2003, 309 properties have been sold and escrows closed. These properties originally cost \$38,537,577, had capital additions totaling \$14,282,764, and were sold for an aggregate gross price of \$53,636,880. After paying direct expenses of sale, extinguishing liens against the properties and other costs, the net selling price of \$50,588,371 resulted in a loss of \$2,231,970. During this quarter, 23 units under the Century Lofts Project located in Atlanta, Georgia, and the commercial property located at 1331-1339 South Flores Street in San Antonio, Texas, were sold with losses totaling \$3,744,981. As stated in the previous reports, these properties were suffering from inadequate due diligence and poor valuation analysis at purchase. But for these properties, an inception-to-date profit of \$1,513,011 would have been recognized.

Additionally, there were 26 properties in escrow as of December 31, 2003. These properties originally cost \$1,214,289, had capital additions totaling \$4,185,035, and it is anticipated they will produce net sale proceeds of approximately \$3,101,000 resulting in a loss of approximately \$2,298,000. Poorly planned capital improvements and an ill-conceived purchase decision during the pre-receivership period on the Whitney Place property in Houston, Texas were the cause of the anticipated loss. But for this one particular property, the potential loss would have been decreased to approximately \$225,000.

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, 19 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.

As a result of the above actions, 56 agents have already completed an agreed repayment schedule. Another 17 settlement agreements have been entered into providing for periodic payments over time, which have not yet been completed. Approximately \$2,452,000 has been collected and approximately \$555,000 is expected in the future, pursuant to all of the settlements, including those settlements entered prior to filing lawsuits. 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 \$3,006,000. With only a few exceptions, the defendants are meeting their scheduled repayment programs in a timely manner.

The Receiver does not anticipate that any of the pending lawsuits will proceed to trial against any defendant, with the possible exception of two corporate defendants presently in Chapter 7 bankruptcy proceedings.

To date, the Receiver has obtained 29 judgments against agents for an aggregate amount of approximately \$9,471,000. Of these 29 judgments, monies have been received from 18 of the agents (either voluntarily or through garnishments, levies, etc.), with 6 accounts being settled in full. Post judgment efforts have resulted, so far, in the collection of approximately \$282,000.

As previously reported, 16 agents have filed Chapter 7 or Chapter 13 bankruptcy petitions. The aggregate claim amount the Receiver seeks against these agents is \$3,572,940. The Receiver filed non-dischargeability lawsuits against two large balance agents who filed Chapter 7 petitions. One suit has been settled with this Court's approval and the agreed amount has been paid. The other continues to be in litigation with settlement discussions in process.

Sienna Financial Ltd.

As previously reported, Defendants James Garro (Garro), Navajo Capital, Inc., Sienna Financial Ltd., Corfu International LLC, Camelot International LLC, Merlin Financial, LLC, and The Lancelot Foundation transferred two properties that the Receiver alleged had been purchased with TLC investor funds.

The Santa Fe property is still listed for sale. The appraised value for this property has decreased since the purchase date, based on a decline in the real estate market for high-end properties. This Court also approved the sale of the furnishings in the Santa Fe property, and these items are being sold, either with the house or separately.

The Receiver is continuing his efforts to enforce the Settlement Agreement against certain assets of Garro, in particular, a \$260,000 promissory note signed by La Piazza, LLC and its officers and directors that was assigned to the Receiver for collection. To date, the principal and interest remain unpaid. Garro's company, Merlin Financial, invested \$260,000 with La Piazza LLC to develop a restaurant in Little Italy in San Diego. The restaurant was not built and the property was sold on July 11, 2002. It is currently being developed as a condominium complex. The Receiver is reviewing documents produced pursuant to a subpoena to determine the availability of assets to pay a judgment in the event the note is not paid.

The Receiver is continuing his efforts to enforce the judgment against David Price and the Durham Capital Group. As previously reported, this Court imposed a constructive trust over the real property purchased by the Prices located at 7843 Marquette, Dallas, Texas, which the Receiver established had been purchased with TLC investor funds. The Prices abandoned the property at or near the time of the judgment against David Price and the Durham Capital Group was entered, and the Receiver listed the property for sale. One sales offer was withdrawn because the title issues had not been fully resolved. A new sales contract is in place. The Receiver is attempting to resolve the title issues so that this sale can close. David Price and Carol Price have refused to comply with this Court's Order of June 24, 2003, approving the sale of the property subject to escrowing the sales proceeds. David Price has not been located, and Carol Price has refused to execute documents to effect the transfer of title. The Receiver intends to file a further Motion against the Prices pursuant to the constructive trust order in order to resolve any competing claims to title.

There are also several potential liens against the property, including one disputed lien that was recorded after the Receiver filed a Notice of Lis Pendens in favor of Long Beach Mortgage Company (now owned by Washington Mutual). This Court has approved the Receiver's request to sell the property free and clear of all liens and escrow the proceeds pending a further hearing to resolve potential claims of lien holders or third party claims. (Note: Please see Properties in Dallas, Texas below for further explanation of the sale status of the property located at 7843 Marquette)

Marina Coves on the Colorado River

The Receiver advised the Court that construction of a boat ramp into the Colorado River is an important amenity, which is expected to increase sales. The Receiver is pursuing approval of the building permit application and is ready to commence construction of the boat ramp. Construction should be completed about six weeks from date of approval.

In response to our previous market analysis study, the Receiver revised the sales prices of the lots and required the homebuilder to provide several smaller home packages in order to further diversify the product. As a result, sales have increased during the past quarter to an average of four lots each month. Since sales started in July 2002, a total of 15 lots have been sold for \$947,015 and an additional 15 lots are under contract for \$838,750. The Receiver has interviewed various marketing firms specializing in the Southern California market and has selected two firms to submit proposals. We anticipate a marketing campaign targeting Southern California will start in the first quarter of 2004. The Receiver plans to continue actively marketing individual retail lots concurrently with the efforts to sell the entire project in bulk.

Remaining Properties (Not Including The Coves)

Not including The Coves, the Receiver is now pursuing the resolution of the remaining 47 individual properties located in Alabama and Texas. There are four commercial properties and 43 residential properties left from the original inventory of 522 properties located from Maine to California and on to Hawaii.

The real estate brokers engaged to sell the remaining properties believe that all will sell within three to 12 months. The 47 properties have been valued and are aggressively marketed. The Receiver is monitoring the efforts and results of current marketing programs and will implement additional marketing and resolution tactics if needed.

Properties in Atlanta, Georgia

The following summary describes the sale of the remaining property in Atlanta and the remaining items of business.

Century Lofts Project, 505 Whitehall Street S.W.

Prior reports have extensively addressed the renovation and insurance issues concerning the November 2001 fire. The fire restoration of the building has been completed and the final building inspection has been conducted by the City of Atlanta. The installation of the new window system has been completed. Therefore, all renovation issues have been addressed and completed to the satisfaction of the consultants and professionals associated with the renovation project.

The negotiations with the homeowners relating to the HOA claims have been resolved. The negotiations with the insurance company for additional non-construction expenses continue. However, the Receiver anticipates that these relatively small claims will be resolved during the first quarter of 2004.

Project Marketing Efforts and Results

In the previous report, the Receiver recommended to the Court that it would be in the best interest of project marketing and estate administration to employ a different and radical effort to sell out the project. The Receiver determined that it was in the best interest of the Receivership Estate to conduct an auction to sell the remaining units. The auction was conducted and the preliminary results from the sale of all 23 units exceeded the sale guidelines approved by the Court.

However, as previously reported to the Court, the Georgia State Condominium Law, that allows for a seven-day right of rescission period resulted in a rescission by the purchaser of nineteen units. After extensive consultation with our real estate and litigation attorneys, and the auction company, it was determined that the most profitable option would be to meet with the purchaser who had rescinded his offer on the 19 units in an effort to negotiate a sale.

The purchaser's legal and real estate representatives were contacted and an appointment was set to address these issues. A representative of the Receiver attended this negotiation session. The negotiation was conducted and resulted in an acceptable compromise sale price that exceeded the sale guidelines approved by the Court. The sale has subsequently closed.

In conclusion, all properties in the Atlanta area have been sold and the only remaining item of business associated with these properties is the resolution of the additional non-construction expenses of the Century insurance claim.

Properties in Birmingham, Alabama

There are currently 13 remaining properties in Birmingham of the original 154 properties existing when the Receiver was appointed. In the previous report, the Receiver projected that the Birmingham portfolio would be completely sold by the end of 2003.

However, the 13 pending sales did not close and the Receiver has put 12 of the properties back on the market. Since the last Court report, another property (vacant commercial lot) has been added to the property list due to a foreclosure and the property will be marketed for sale.

The Receiver has authorized an aggressive marketing campaign to sell all the remaining 12 properties in Birmingham in the first quarter of 2004. The Receiver acknowledges to the Court that these last few properties will be the most difficult properties to sell and may require more time.

Properties in San Antonio, Texas

In the previous report to the Court, the Receiver advised the Court that the sole commercial property in San Antonio was under contract for sale and was scheduled to close during the fourth quarter of this year. This sale subsequently closed.

The remaining five residential properties (two rental properties and three residential lots) in San Antonio are in the process of being re-listed for sale as individual units or as a bulk sale. One of the rental properties is currently under contract. The Receiver will authorize the listing company to mount an aggressive marketing campaign to dispose of the remaining properties. The Receiver anticipates that the remaining properties will be sold by the end of the second quarter of 2004. One of the residential lots may have taxes due that are in excess of the market value. The Receiver is in discussions with Bexar County officials to determine the validity of the taxes due.

Properties in Dallas, Texas

There are two remaining properties in Dallas, Texas. Both are residential properties and both are currently under contract and in escrow. Both of these properties have title issues that must be resolved prior to closing.

The property located at 7843 Marquette is discussed at length in the section above, titled **Sienna Financial Ltd.** This property is under contract and in escrow. The purchaser is currently occupying the property under a short-term lease, until all remaining title issues are resolved. The Receiver is working with the title company to provide all documentation necessary for a policy of title insurance. However, at this time the title company still has concerns based on Carol Price's alleged homestead claim and her refusal to transfer her alleged interest in the property to the Receiver. As noted, it appears that further litigation on this issue will be necessary.

The other remaining Dallas property located at 625 Ray St. is under contract and in escrow. There are also title issues that must be resolved for this property to close. The Receiver is working closely with the legal counsel of the title company to provide all documentation necessary for a policy of title insurance.

Properties in Houston, Texas

At the close of 2003, the remaining portfolio of 27 properties was comprised of four commercial properties, 14 residential single-family homes, eight lots, and one piece of acreage.

Early in 2004, after the close of the reporting period, the sale of one of the larger commercial properties, known as Whitney (70 homes and two lots) and discussed in previous Court reports was closed. The Receiver acknowledges to the Court that the three remaining commercial properties in Houston are the most difficult to sell due primarily to location and condition. These commercial properties are listed for sale and are being aggressively marketed for sale. The Receiver is closely monitoring the marketing and sales efforts and anticipates that these three remaining commercial properties will be sold by the end of 2004.

Of the 14 remaining residential properties, 13 are currently listed on the market for sale and the fourteenth property is in the process of being repaired prior to listing it for sale. The Receiver anticipates that all of the remaining residential properties will be sold by the end of the second quarter of 2004.

The remaining eight lots are either listed for sale or in the process of completing title clearance work prior to listing these lots for sale. The one piece of acreage is currently listed for sale. These properties are more difficult to sell due to location and as a result, may take longer to sell. The Receiver anticipates that these properties will be sold by the end of 2004.

Investor Distributions

On December 8, 2003, this Court approved a Stipulated Order to distribute between \$2 million and \$4 million to the undisputed investor claims. A distribution of \$3 million was completed by December 18, 2003. To date, \$43.5 million, or approximately 37.3% of approved claims has been distributed to investors. An additional distribution of \$3 to \$5 million is planned in March 2004.

Administrative Expenses

Under Tab 2 are the financial reports for the period of October 1, 2003 through December 31, 2003. 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 October 1, 2003 through December 31, 2003, including fees and expenses of the Receiver detailed under Tab 2.

Respectfully submitted,

<signature>

Robb Evans
Receiver

Robb Evans, Receiver of TLC Investments & Trade Co., et al.
Status of Major Properties
As of December 31, 2003

	Property Address	SFR, Multi, Comm'l, Land, Lots	City	State	Property Status as of 12/31/03	Carrying Cost as of 10/4/00	Acquisition & Capital Additions from 10/5/00 to 12/31/03	Sales Price	Average Appraisal Values	Sales Price as a % of Average Appraisal Value
1	The Coves Project 'Phase 1' & 'Phase 2'	Land	Mohave Valley	AZ	Since sales started in July 2002, a total of fifteen (15) lots have been sold for \$947,015 and an additional fifteen (15) lots are under contract for \$838,750. Seven homes have been completed with two additional homes substantially completed. Two marketing firms specializing in targeting the Southern California Market have been interviewed and are in the process of submitting proposals to the Receiver. A land sale firm has been hired to market the project in bulk on a national basis.		\$ 5,498,811.40			
2	235 S Flower	Comm'l	Brea	CA	SOLD	\$ 546,007.98	4,900.00	\$ 495,000.00	\$ 422,500.00	117.16%
3	212 S Orange Ave	Multi	Brea	CA	SOLD	1,864,984.00	8,000.00	1,850,000.00	1,580,000.00	117.09%
4	7500 Hammer Ave	Land	Norco	CA	SOLD	4,465,278.54	161,574.06	5,500,000.00	2,658,500.00	206.88%
5	7556 Hamner Ave. (See # 4, 7500 Hamner)	Land	Corona	CA	SOLD					
6	736 N. State St. Plaza	Comm'l	Hemet	CA	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	SOLD	-	-	5,550,000.00	6,100,000.00	90.98%
8	10541 Monte Vista (Corral) - See #9 Holt Blvd	Comm'l	Montclair	CA	SOLD					
9	4939-49 Holt Blvd	Comm'l	Montclair	CA	SOLD	393,012.81	6,625.56	805,000.00	633,500.00	127.07%
10	9240-60 Harness (Spring Valley)	SFR/Land	San Diego	CA	SOLD	380,217.76	8,200.00	400,000.00	335,000.00	119.40%
11	3276 El Cajon Blvd.	Comm'l	San Diego	CA	SOLD	1,300,180.00	59,932.71	792,500.00	827,500.00	95.77%
12	510 Turfwood Lane	SFR	Solana Beach	CA	SOLD	261,046.00	-	267,500.00	265,000.00	100.94%
13	1245 Jasmine Circle	SFR	Weston	FL	SOLD	316,014.10	-	310,000.00	312,500.00	99.20%
14	370 Holly & 1600 Carlisle	Multi	Atlanta	GA	SOLD	2,259,780.99	66,839.00	1,710,000.00	1,391,666.67	122.87%
15	470 & 488 Glen St	Comm'l/Loft	Atlanta	GA	SOLD	2,082,669.86	502,328.04	2,000,000.00	1,460,000.00	136.99%
16	Century Lofts, 505 Whitehall St SW (remaining units)	Loft	Atlanta	GA	SOLD	3,541,149.72	2,422,991.06	3,430,500.00	3,600,000.00	95.29%
16A	Century Lofts, 505 Whitehall St SW (sold units)	Loft	Atlanta	GA	SOLD	886,087.85	-	849,000.00	900,000.00	94.33%
17	1908 Judd Hillside	SFR	Honolulu	HI	SOLD	2,220,169.82	989.58	2,300,000.00	2,450,000.00	93.88%
18	715 S Kihei Rd #128	SFR	Kihei	HI	SOLD	33,437.50	580.78	65,000.00	58,500.00	111.11%

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Status of Major Properties
As of December 31, 2003

	Property Address	SFR, Multi, Comm'l, Land, Lots	City	State	Property Status as of 12/31/03	Carrying Cost as of 10/4/00	Acquisition & Capital Additions from 10/5/00 to 12/31/03	Sales Price	Average Appraisal Values	Sales Price as a % of Average Appraisal Value
19	715 S Kihei Rd	Land Lease	Kihei	HI	SOLD	402,965.30	14,300.00	1,187,867.00	1,263,965.00	93.98%
20	4420 Makena Rd.	SFR	Makena	HI	SOLD	2,809,999.40	500.00	4,000,000.00	4,025,000.00	99.38%
21	4323 Bowser	Multi	Dallas	TX	SOLD	275,479.63	5,082.50	330,000.00	280,000.00	117.86%
22	57 Cherrywood Ct	SFR	Houston	TX	SOLD	429,613.78	52,009.36	450,000.00	510,000.00	88.24%
23	10100 E. Freeway	Comm'l	Houston	TX	SOLD	448,718.31	12,190.22	575,000.00	450,000.00	127.78%
24	3000 Bering Dr.	Comm'l	Houston	TX	SOLD	1,199,638.45	50,860.32	1,475,000.00	960,000.00	153.65%
25	2002 Gentryside Dr.	Multi & Land	Houston	TX	SOLD	1,622,312.79	13,750.00	1,550,000.00	1,340,000.00	115.67%
26	5414 Elm St	Multi	Houston	TX	SOLD	2,511,811.94	31,367.63	2,150,000.00	2,150,000.00	100.00%
27	Whitney Place 'Lots 37,39,40&41	Multi	Houston	TX	70 individual single family homes that are currently 59% leased. The property is now in escrow and the buyer's contingency period expired 12/31/03. All earnest monies have been released to the seller and the sale is scheduled to close 1/9/04.		1,082,344.16			
28	15 N. Chenevert	Comm'l/Loft	Houston	TX	Vacant 85,000 sq. ft. loft bldg. downtown. The new listing company has aggressively marketed the property and several offers have been received. However, none has resulted in a contract. The listing company will prepare an updated proforma based on the current market value to help determine the most appropriate listing price.		331,942.45			
29	21 Chenevert	Comm'l/Loft	Houston	TX	Vacant lot adjacent to the warehouse bldg. at 15 N. Chenevert-see # 28 above for description.		70,657.55			
30	1331 - 1339 S Flores	Comm'l	San Antonio	TX	SOLD	2,714,374.15	42,655.00	1,995,000.00	1,675,000.00	119.10%
31	Lake Livingston	SFR & Land	San Jacinto	TX	SOLD	652,014.58	193,947.00	684,500.00	477,500.00	143.35%
32	1809-17 Douglas Ave	Multi	Racine	WI	SOLD	425,593.57	3,800.00	440,000.00	460,000.00	95.65%
33	1625 East G St. (55 units)	Multi	Ontario	CA	SOLD	3,944,942.20	14,754.85	4,930,000.00	4,250,000.00	116.00%
34	129-177 Palm Ave.	Multi	Imperial Beach	CA	SOLD	1,823,525.86	20,000.00	2,400,000.00	2,225,000.00	107.87%
35	21880 Golden Canyon Court	SFR	Diamond Bar	CA	SOLD	-	-	1,385,000.00	1,300,000.00	106.54%
36	1114, 1116, and 1118 Murray Hill	Multi	Houston	TX	SOLD	442,631.77	5,198.00	525,000.00	442,000.00	118.78%
37	Hana Highway	Land	Hana	HI	SOLD	187,806.89	572.91	265,000.00	252,500.00	104.95%
38	48 lots in Quail Bridge Gardens	Land	Houston	TX	SOLD	222,839.54	43,881.92	263,000.00	267,500.00	98.32%
	For Major Properties -					\$ 41,134,550.78	\$ 10,737,586.06	\$ 51,479,867.00	\$ 45,810,631.67	112.38%

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Summary of Income
October 31, 2000 (Inception of Permanent Receivership) through December 31, 2003

	<u>October 31, 2000 to September 30, 2003</u>	<u>October 1, 2003 to December 31, 2003</u>	<u>Total</u>
Proceeds from Sales of Properties	\$ 43,339,122.96	\$ 6,145,272.67	\$ 49,484,395.63
Rental Income	5,568,335.77	118,635.98	5,686,971.75
Commission Repayments from Agents	2,605,818.85	120,827.35	2,726,646.20
Proceeds from Sales of Horses and Horse Races	2,024,044.88	-	2,024,044.88
Receipts of Assets Surrendered by Ernest Cossey			
Under the Court Judgment	1,475,000.00	-	1,475,000.00
Additional Income from Sales of Ernest Cossey Assets	55,761.40	-	55,761.40
Restitutions Received from Cossey	175.00	-	175.00
Interest Income:			
Mortgage Notes	463,735.04	27,096.94	490,831.98
Bank Deposits	188,696.88	3,207.82	191,904.70
Bridge Loan	68,269.71	-	68,269.71
Hardship Loans	38,110.25	-	38,110.25
Other	1,785.65	-	1,785.65
Total Interest Income	<u>760,597.53</u>	<u>30,304.76</u>	<u>790,902.29</u>
Receipts of Cash from Tom G. Cloud and Cloud & Associates			
Under the Court Judgment	374,578.75	-	374,578.75
Revenues Resulting from Activities that Occurred in Pre- Receivership Period	299,197.27	-	299,197.27
Proceeds from Sales of Dogs and Dog Races	136,688.62	-	136,688.62
Receipts of Cash from Ernest Cossey Under the Court Judgment	21,836.08	-	21,836.08
Receipts of Cash from Gary Williams Under the Court Judgment	15,736.92	-	15,736.92
Proceeds from Dispositions of Auto, Furniture & Equipment	15,098.47	-	15,098.47
Proceeds from Granting of Easements	13,200.00	-	13,200.00
Miscellaneous Income	85,825.73	4,318.06	90,143.79
Total Income	\$ 56,791,018.23	\$ 6,419,358.82	\$ 63,210,377.05

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Summary of Expenses
October 31, 2000 (Inception of Permanent Receivership) through December 31, 2003

	<u>October 31, 2000 to September 30, 2003</u>	<u>October 1, 2003 to December 31, 2003</u>	<u>Total</u>
Business Operating Expenses:			
Property Expenses:			
Repairs & Maintenance	\$ 2,722,023.13	\$ 201,984.36	\$ 2,924,007.49
Property Taxes	1,687,747.09	133,690.46	1,821,437.55
Insurance	939,279.67	42,897.44	982,177.11
Utilities	950,246.21	13,615.90	963,862.11
Management Fees	654,577.75	11,691.35	666,269.10
Engineering & Architecture	625,703.98	-	625,703.98
Security, Alarm & Protection	333,960.83	7,032.79	340,993.62
Appraisal & Survey (Footnote 1)	290,008.70	(10,180.00)	279,828.70
Gardening Services	276,834.23	9,390.80	286,225.03
Advertising & Marketing (Footnote 1)	324,555.46	(48,622.87)	275,932.59
Legal Fees	253,645.58	12,710.94	266,356.52
Cleaning Services	167,934.78	6,472.57	174,407.35
Development Expenditures	35,845.63	-	35,845.63
Miscellaneous	760,557.14	6,917.39	767,474.53
Total Property Expenses	<u>10,022,920.18</u>	<u>387,601.13</u>	<u>10,410,521.31</u>
Field Office Operating Expenses	2,253,579.12	68,028.59	2,321,607.71
Racehorse Expenses	261,344.53	-	261,344.53
Dog Expenses	21,084.81	-	21,084.81
Federal & State Income Taxes (Net of Refunds)	(1,304.86)	(114.88)	(1,419.74)
Total Business Operating Expenses	<u>12,557,623.78</u>	<u>455,514.84</u>	<u>13,013,138.62</u>
Receivership Administrative Expenses:			
Receiver's Fees & Expenses:			
Receiver's Fees	198,770.00	6,732.00	205,502.00
Receiver's Out of Pocket Expenses	5,014.15	-	5,014.15
Total Receiver's Fees & Expenses	<u>203,784.15</u>	<u>6,732.00</u>	<u>210,516.15</u>
Staff Expenses:			
Accounting & Support / Financial Reconstruction	1,067,317.44	53,155.98	1,120,473.42
Project Coordinators / Portfolio Management	649,814.64	21,726.00	671,540.64
Out of Pocket Expenses	194,086.21	-	194,086.21
Employer Taxes	79,218.46	2,102.64	81,321.10
Total Staff Expenses	<u>1,990,436.75</u>	<u>76,984.62</u>	<u>2,067,421.37</u>
Other Receivership Administrative Expenses:			
Legal Fees & Costs	1,652,905.41	69,585.64	1,722,491.05
Tax Return Preparation Fees	94,539.00	-	94,539.00
Copying & Records Reproduction	88,200.36	-	88,200.36
Interest Expense	19,420.99	-	19,420.99
Miscellaneous Expenses	244,281.86	29,048.96	273,330.82
Total Other Receivership Administrative Expenses	<u>2,099,347.62</u>	<u>98,634.60</u>	<u>2,197,982.22</u>
Total Receivership Administrative Expenses	<u>4,293,568.52</u>	<u>182,351.22</u>	<u>4,475,919.74</u>
Total Expenses Previously Reported	\$ 16,851,192.30		
Total Current Period Expenses		\$ 637,866.06	
Total Expenses for the Period from October 31, 2000 through December 31, 2003			\$ 17,489,058.36

Footnote 1: The figure for the reporting quarter reflects the inception-to-date adjustments.