



September 28, 2007

To direct lenders of the loan commonly referred to as:  
**Fiesta Murrieta (the "Fiesta Murrieta Loan")**

RE: **Fiesta Murrieta Extension**

Dear Direct Lender:

As you may already know, several weeks ago the borrower in the Fiesta Murrieta Loan communicated to Compass FP Corp. ("CFP") an interest in an extension of the maturity date of the Fiesta Murrieta Loan in order to have an opportunity to seek third-party financing to pay off the Fiesta Murrieta Loan. CFP then negotiated the terms of such an extension with the borrower and submitted a request for consent to the approved terms of an extension to the direct lenders in the Fiesta Murrieta Loan. The terms of the extension were subsequently approved by the direct lenders and CFP immediately had its attorneys draft the necessary extension documents and forwarded them to the borrower for execution. The borrower requested that CFP allow it through the end of August to review and execute the extension documents. However, the borrower missed the deadline and did not respond to our subsequent communications. We are disappointed with this turn of events and believed that the extension proposal was the best chance for maximum recovery. We must now seek a recovery of our investment without the cooperation of the borrower. Therefore, CFP has initiated foreclosure proceedings on the collateral securing the Fiesta Murrieta Loan. It should also be noted that our right to pursue a deficiency judgment against the guarantors is preserved if proceeds from a foreclosure sale should fall short of the debt outstanding.

We will advise you of any developments as things proceed. In the meantime, if you have any questions or concerns with respect to this communication, please call our investor relations hotline (212-494-9094) or correspond with us by email to [info@compassloans.net](mailto:info@compassloans.net).

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