



June 4, 2007

RE: Request for Consent to Extend The Gardens LLC Timeshare Loan for Up to 24 Months

Dear Investor:

Compass Financial Partners LLC ("CFP") remains loan servicer with respect to the portfolio of loans acquired by affiliates of CFP from the chapter 11 estates of USA Commercial Mortgage Company ("USACM") and its debtor affiliates.

On May 18, 2007, certain lenders calling themselves the "Lenders Protection Group" (the "LPG") and its attorney, Alan Smith, unilaterally informed Direct Lenders and Borrowers of its belief that Compass Financial Partners LLC ("CFP") was no longer the loan servicer with respect to the portfolio of loans formerly serviced by USA Commercial Mortgage Company ("USACM"). On May 25, 2007, CFP filed an emergency motion for a determination that CFP remained the loan servicer with respect to the USACM portfolio and that LPG's attempted termination of CFP was not effective.

On May 31, 2007, Judge Riegler issued an order from the bench that, pending further order of the Court in connection with consideration of CFP's emergency motion, CFP remains loan servicer and is authorized to continue to act on behalf of the Direct Lenders and negotiate with Borrowers

Notwithstanding the above, CFP requests that 100% of the Direct Lenders in The Gardens LLC Timeshare loan (the "Loan") consent to the following:

- One 24-month extension of the existing Loan Agreement, thereby establishing a new Maturity Date (the "New Maturity Date") of on or about July 31, 2009;
- Regular Interest for the Loan, as extended, will be 13.5%, a rate 1% higher than under the original Loan Agreement and will inure to the benefit of the Direct Lenders. The Borrower will continue to be responsible for keeping interest payments current. No interest reserve for this extension will be established.
- Security for the Loan, as extended, shall be: (i) a second mortgage on the parking lot; (ii) a second mortgage on the balance of the development property (commonly known as Phases 4 and 5, and the retail property); (iii) a third mortgage on the property commonly known as Phase II; and (iv) a third lien on the Borrower's equity in Charbell Enterprise, LLC.
- The lien on the property commonly known as Phase III shall be released to enable the Borrower to move forward with a new construction loan on such parcels with a third party (the "New Construction Loan"), which is expected to close within a matter of weeks. The lien on Phase II shall be subordinated to the New Construction Loan. The lien on the collateral known as The Parliament House will ultimately be released to enable the Borrower to move forward with a refinancing of the Parliament House (the "Hotel Refinancing," and together



with the New Construction Loan, the “Global Refinancing”). The Global Refinancing will facilitate a partial pay down of the Loan within four months.

- The Borrower shall pay a \$4,000 release price for each interval release of the balance of the 18 condominium units in Phase I instead of the \$4,550 release price per unit currently in the loan documents, AND a \$2,000 release price for each interval release of the 48 condominium units in Phase III.
- The extension will enable the Borrower to bring the Loan current using proceeds from the Hotel Refinancing, which should close in no more than 4 months. Additionally, the Borrower is expecting a number of the 391 timeshare units to close imminently, thereby reducing the amount owed on the Loan.
- Neither CFP nor the Direct Lenders would waive any collection rights regarding any unpaid principal, interest, or fees.

WHAT “DO NOT CONSENT” WILL MEAN: If 100% of the Direct Lenders do not consent to the extension, an Event of Default would result and CFP will be forced to initiate foreclosure proceedings and sell the land at market price, which would result in substantial costs and delays to be borne by the Direct Lenders.

The property is being used as a resort for the alternative lifestyle market. Finding a buyer or operator of such a facility, will be extremely challenging and we cannot rely on the possibility that the property would remain in its current use. The property value would then drop significantly and be far less than the amount needed to recover the investment of the Direct Lenders.

Lastly, foreclosure in Florida is a long, expensive, and complicated process. If CFP initiates foreclosure proceedings, the cost would be borne by the Direct Lenders.

If Florida judicial foreclosure did occur, as with any foreclosure situation, the Borrower could file a petition under chapter 11 of the U.S. Bankruptcy Code to provide itself an opportunity to reorganize the project. CFP would be unable to pursue collection efforts during the pendency of a chapter 11 case and would instead pursue its claims against the Borrower in the Bankruptcy Court. This also would result in substantial costs and delays to be borne by the Direct Lenders.

Foreclosure, assumption of possession of the property, sale of the property, collection of sale proceeds, and distribution of proceeds to the Direct Lenders would likely occur after the Maturity Date proposed for the extension, and assessments against the Direct Lenders for the costs and professional fees for the foreclosure would likely be greater than the interest that would have been earned and paid out if the extension had been approved.

WHY CONSENT: A current Loan Status Report is included with this letter that correctly and accurately reports on the current status of this Loan. CFP recommends the Direct Lenders consent to this request because it is the best option available to the Direct Lenders to achieve the return of 100% of their Unpaid Principal Balance, plus 100% of the monthly payment of all monies owed, including the 24 months of interest at 1% higher than the original rate of return, less Loan Servicing fees. The extension will provide the Borrower the time it believes it needs to repay the Loan in full, while continuing to pay the Direct Lenders their regular monthly interest during the extension period.



Approving the extension in no way alters the legal recourse available to CFP and the Direct Lenders in the event the Borrower defaults on the interest payments or the New Maturity Date.

It is worth mentioning that CFP is a significant Direct Lender in this entire project as well and consents to the Borrower's proposal because we believe that it the best possibility of a full recovery.

HOW TO CONSENT: To consent, you do not need to do anything. Service of this notice will be treated as consent. If you do not consent, you must reply to CFP by mail or email no later than 5:00 p.m., Eastern Time, Monday, June 11, 2007.

CONFERENCE CALL: A conference call with the Direct Lenders to discuss this Request for Consent to extend this Loan for up to 24 additional months will be held on Friday, June 8, 2007 at 1:00 p.m. Eastern Time. Direct Lenders in this loan only may participate by calling (319) 279-1000 and entering the Pin Code 1058929. Direct Lenders are requested to email their questions about this loan and extension proposal in advance to info@compass-partners.net.

Sincerely,

Investor Relations Department
Compass Financial Partners LLC