



May 29, 2007

Dear Investor in Gramercy Court, Ltd. Loan:

RE: Offer to Purchase Your Loan Shares in Gramercy Court, Ltd.

CCM Pathfinder Gramercy, LLC ("Pathfinder") is prepared to pay immediate cash for your interest in the remaining principal balance of the Gramercy Court, Ltd. ("Gramercy") loan ("Loan Share"). As no payments have been made on this loan, your share of that loan has the same principal balance today as the initial principal balance. You will find this principal balance on your most recent USA Commercial Trust Deed Company ("USACM") or Compass Financial Partners, LLC ("Compass") statement.

OUR OFFER

We will purchase your loan share for a cash payment to you, in an amount equal to **57.5% of the principal balance of your Loan Share**. We are offering the holders of Loan Shares comparable purchase/sale terms. We have arranged for an escrow to be opened with Chicago Title Company to facilitate this purchase.

In the unlikely event that you received "pre-paid interest" from USA Capital on any of your loans, a portion of the purchase price of your Loan Share would be held in escrow and applied as described below. In the event principal payments are made to you by USACM or the successor loan servicing agent, Compass, prior to your concluding a transaction with Pathfinder, you would be entitled to keep such payments and Pathfinder would adjust its offer to give effect to your new loan amount. Payments made by USA Capital or Compass for Gramercy after the conclusion of a sale of your Loan Share to Pathfinder would accrue to the benefit of Pathfinder. In the event the balance on your USACM/Compass statements does not coincide with our calculated balance, we would adjust our offer accordingly.

To accept our offer, simply complete, sign and return to Chicago Title Company all of the documents being provided to you and comply with Chicago Title's instruction letter. Also, please enclose your most recent (i) USACM/Compass Investor History report for Gramercy AND (ii) USACM/Compass Loan Summary Statement (showing all of your USA Capital loans on a single page) or Check Statement.

Upon notice from Chicago Title Company that it has received all of your properly completed and signed documents, we will deposit the required funds into the escrow and Chicago Title Company will make the payment to you within five (5) business days.

Your documents must be received by Chicago Title Company no later than Tuesday June 26, 2007, or this offer will terminate. We intend to buy any and all Loan Shares that are tendered on or before this date. Loan Shares will be purchased when and as processed, and in all events within five (5) business days after June 26, 2007. We reserve the right to review the validity of any claim and may refuse to purchase any Loan Share for any reason. We reserve the right to cancel our offer at any time, should market conditions,

the status of the Gramercy project or USA Capital or Compass situation change. We will notify you if we extend the offer termination date.

ABOUT PATHFINDER PARTNERS, LLC

CCM Pathfinder Gramercy, LLC is a joint venture between an affiliate of Pathfinder Partners LLC and Contrarian Capital Management, LLC. CCM Pathfinder Gramercy, LLC is an independent investment company that is **not** in any way affiliated with or hired by Gramercy Court, Ltd., USACM, the former loan servicing agent of Gramercy, Compass, the current loan servicing agent of Gramercy, or subsidiaries or affiliates of any of these companies. Pathfinders Partners LLC and Contrarian Capital Management, LLC have jointly purchased Loan Shares in two other USACM sponsored mortgage loans.

PRE-PAID INTEREST

If you also hold interests in other Trust Deed loans originated by USACM, you may have received “pre-paid interest” (as that term is used by the USACM bankruptcy court) on those other Loan Shares. As you may know, the bankruptcy court overseeing the USACM bankruptcy has indicated an intention to set off the pre-paid interest against any loan shares, including the Gramercy Loan Shares, owned by person(s) who have received pre-paid interest.

In the unlikely event that you received pre-paid interest which has not already been credited on subsequent activity with your other USACM loans, we will open an escrow account to hold the amount of such pre-paid interest attributed to you, pending resolution or conclusion of the USACM bankruptcy case. To the extent you are eligible for a payment on any of your USACM loans, USACM would first offset such payment by the amount of prepaid interest. In this case, simply show us a future Loan Summary Statement showing this has occurred and the escrowed prepaid interest will be released to you.

If no set off occurs, the escrowed portion will be paid entirely to you. If set off occurs, the amount of the set off will be returned to us and the balance, if any, will be paid to you. Any interest earned on the amount held in escrow for this purpose will be shared between you and us in proportion to the amounts paid out of the escrow.

INFORMATION AND QUESTIONS

For more information regarding our company and this offer, please refer to the “Frequently Asked Questions and Answers” included with this letter or visit our website at www.pathfinderpartnersllc.com. If you have any further questions, please contact us toll-free at (800) 494-8211 or via email at info@pathfinderpartnersllc.com.

Sincerely,

Mitchell L. Siegler
Managing Director