

May 14, 2010

Re: Blitmore Estates

**STATUS:**

A status hearing was held in Bankruptcy Court on May 6, 2010. BOA has agreed to supply Debtor-in-Possession financing to THP to complete certain work on units at the Biltmore site. BOA has also agreed to allow additional time for THP to complete certain work or to obtain "take out financing" in the future.

A meeting was held with ST, IFIC, THP and Debtor Committee representative. The plan of completion for the site improvements at Biltmore was reviewed and approved by all parties.

IFIC has identified H&K as the lowest qualified bidder. The contracts are being negotiated.