



**R.E. LOANS LLC**  
MORTGAGE FUND

October 25, 2011

Re: R.E. Loans, LLC: Statement of Account Activity

Dear Noteholder:

Enclosed herewith is a statement of the account activity in connection with your membership investment in and notes receivable from R.E. Loans, LLC from the formation of R.E. Loans, LLC through the end of August, 2011. This should provide you with a complete list of all advances that you have made to R.E. Loans, LLC, including re-investment of accrued interest that has not been paid, and all payments made by R.E. Loans, LLC to you over this entire period.

It appears, based on certain pleadings filed recently in Walter Ng's chapter 11 case, that at least one party may have obtained access to the portion of R.E. Loans, LLC's website that contains personal information regarding Walter Ng's account balances. In light of this apparent unauthorized access, R.E. Loans, LLC is concerned that unauthorized access may have been obtained to the personal information of other noteholders. R.E. Loans, LLC has no concrete verification that such information has been improperly accessed, but to prevent any such unauthorized access in the future, R.E. Loans, LLC has shut down the portion of its website from which personal information can be accessed. This means that you will no longer be able to access your account information online, but will insure that no one else obtains such access. The enclosed information provides you with all of the information that previously would have been available online. In addition, please be informed that information regarding the bankruptcy filings will be available to you online at [www.reloansllcbk.com](http://www.reloansllcbk.com).

Very truly yours,

R.E. Loans, LLC