



Illinois Metropolitan Investment Fund

Investing together for
our communities

July 24, 2015

Dear IMET Liquidating Trust Participant:

Jerry Duca
Village Administrator
Village of Frankfort
Chairman

Christy Powell
Superintendent of Finance
& Personnel
Geneva Park District
Vice Chairman

Gary Szott
Director of Finance/Treasurer
Village of Bloomingdale
Treasurer

John Harrington
Director of Finance/Treasurer
Village of Minooka
Secretary

Scott Anderson
Director of Finance/Treasurer
Village of Buffalo Grove
Trustee

Chris Minick
Director of Finance
City of St. Charles
Trustee

Eileen Santschi
Accounting Manager
South Suburban Mayors and
Managers Association
Trustee

Laura F. Allen
Executive Director

Debra A. Zimmerman
Associate Director

IMET PARTICIPANT UPDATE JULY 24, 2015

We wanted to share with you the very positive result of the auction of the five hotel properties (the "Alena Hospitality Portfolio"). As we previously advised, Auction.com and Hospitality Real Estate Counselors ("HREC") were retained to market and sell the Alena Hospitality Portfolio. The on-line auction was conducted July 20-22, 2015. The gross sales price for the Alena Hospitality Portfolio was \$86,775,000. This amount is significantly better than what we anticipated based on the preliminary estimates of Auction.com and HREC. The sales are subject to overall court approval. The five properties were individually auctioned to multiple bidders and the auction results for each property is as follows:

- Doubletree by Hilton in Orlando, Florida. A total of 15 qualified bidders registered to bid on this property and placed a total of 48 bids. The final gross sale price was \$30,050,000.
- Crowne Plaza in Lake Buena Vista, Florida. A total of 20 qualified bidders registered to bid on this property and placed a total of 36 bids. The final gross sale price was \$27,850,000.
- Crown Plaza in Saddlebrook, New Jersey. A total of 15 qualified bidders registered to bid on this property and placed a total of 69 bids. The final gross sale price was \$10,450,000.
- Renaissance in Downtown Orlando, Florida. A total of 13 qualified bidders registered to bid on this property and placed a total of 64 bids. The final gross sale price was \$12,625,000.
- Four Points Sheraton in Peoria, Illinois. A total of 3 qualified bidders registered to bid on this property and placed a total of 35 bids. The final gross sale price was \$5,800,000.

It is our understanding that the winning bidders for each of the hotel properties have executed a sales contract and has put down 5% earnest money.

Prior to the auction, Auction.com and HREC conducted a local, regional, national and international marketing campaign to find every potential buyer for the five hotel properties. Auction.com and HREC sought to attract a large and diverse population of potential buyers for the Alena Hospitality Portfolio – from institutional to non-institutional investors and from international money to groups

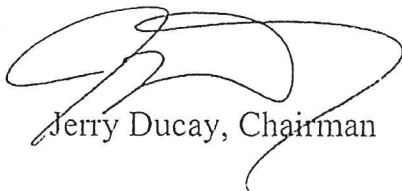
that are local to each market. The overriding goal of Auction.com and HREC was to create as much competition for each of the hotels as possible in an effort to drive bidding at each auction to generate the highest price possible.

An Offering Memorandum was prepared and made available to prospective purchasers. A marketing flyer describing the 5 hotels was also prepared and widely distributed. Extensive press coverage ensued, including articles highlighting the sale in numerous on line and print publications, including *The Wall Street Journal* and newspapers in Florida, New Jersey and Illinois.

Auction.com and HREC's primary activities leading up to the auction included, among various other responsibilities, maintaining large amounts of due diligence information on the Alena Hospitality Portfolio for potential buyer review, working with the hotel brands to better understand and market the options available to potential buyers, sending e-mail blasts and banner ads and related follow-ups to members of certain hospitality industry groups, and conducting tours of the property.

The Overall Receiver continues to negotiate with lienholders with claims against the hotel properties in order to maximize the amount of recoveries for victims. IMET is extremely pleased with the results of the auction. Although it is too soon to predict the net amounts that may be returned to IMET's participants from the auction proceeds, IMET expects that significant portions of losses sustained will be recovered as a result of the sales.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerry Ducay", with a large, stylized flourish extending from the end of the signature.

Jerry Ducay, Chairman