



January 7, 2009

Dear Pinnacle Investor:

This letter is to provide you an overview of the status of the case and what to expect in the coming months. We will update the status of the case quarterly, so please check our website at www.haysconsulting.net for the latest update.

To date, the Receiver has distributed a total of **37%** of Court approved claims. This represents a total of \$14.8 million which has been paid to over 1,900 investors and creditors.

We are continuing to market the remaining real properties in the Receiver Estate and will continue to do so until they are sold. Our efforts include MLS listings, other attempts to generate private sales, and a public auction. To date, we have sold and closed on eight of the properties for a net recovery to the estate of \$2,363,756. We also have one of the properties under contract, and expect it close this month. Although the real estate market continues to struggle, we are focused on selling the properties as quickly as possible. We have a status conference with the Court this month, and will be outlining an aggressive plan for the Judge regarding our efforts to sell the properties. The sale of the remaining properties is the determining factor for future distributions, and we are making every effort to sell the properties at a reasonable price given current market conditions.

As a reminder, before you complete your 2008 tax returns, please make certain you have reviewed the Tax Memorandums posted on our web site and have discussed them and the tax implications of your loss with your tax advisor.

We know this process has been very difficult, and we sympathize with each of you. Be assured that we are conscious of your situation, and our goal is to maximize recoveries while minimizing expenditures, and get the estate closed as soon as reasonably possible. If you should have any questions or concerns, please contact Shuwanda Sloane at 404-926-0059.

Sincerely,

/s

S. Gregory Hays, Receiver