

**Evergreen Homes, LLC**  
**Transmittal of Compliance with United States Trustee Operating Requirements For the Period Ended December 31, 2007**

**FILED**  
**Form 1**

2008 Jan 21 AM 11:23

CLERK U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF OHIO  
AKRON

IN RE: EVERGREEN HOMES, LLC

Case No.: 07-51261

Chapter 11 Judge: **Marilyn Shea Stonum**

As debtor in possession, I affirm:

1. That I have reviewed the financial statements attached hereto, consisting of:

<input checked="" type="checkbox"/>	Operating Statement	(Form 2)
<input checked="" type="checkbox"/>	Balance Sheet	(Form 3)
<input checked="" type="checkbox"/>	Summary of Operations	(Form 4)
<input checked="" type="checkbox"/>	Monthly Cash Statement	(Form 5)
<input checked="" type="checkbox"/>	Statement of Compensation	(Form 6)
<input checked="" type="checkbox"/>	Schedule of In-Force Insurance	(Form 7)

and that they have been prepared in accordance with normal and customary accounting practices, and fairly and accurately reflect the debtor's financial activity for the period stated;

2. That insurance, including workers' compensation and unemployment insurance as described in Section 4 of the Reporting Requirements For Chapter 11 Cases is in effect; and, (If not, attach a written explanation)

YES  NO

3. That all postpetition taxes as described in Sections 1 and 14 of the Operating Instructions and Reporting Requirements For Chapter 11 cases are current and, (If not, attach a written explanation).

YES  NO

4. No professional fees (attorney, accountant, etc.) have been paid without specific court authorization, and (If not, attach a written explanation).

YES  NO

5. All United States Trustee Quarterly fees have been paid and are current?

YES  NO

6. Have you filed your prepetition tax returns?

YES  NO

I hereby certify, under penalty of perjury, that the information provided above and in the attached documents is true and correct.

1/18/08  
Date

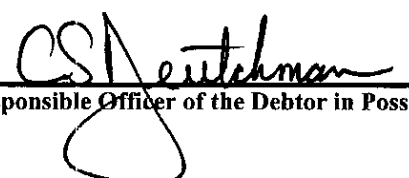
CS Neutschman C.O.O.  
Responsible Officer of the Debtor in Possession

C.O.O. (330) 762-1881  
Title Phone

**Evergreen Homes, LLC**  
**Operating Statement**  
**Period Ending December 31, 2007**

Case No. 07-51261  
**Form 2**

	<b><u>Current Month</u></b>	<b><u>Total Since Filing</u></b>
<b><u>Revenues:</u></b>		
<b>Operating Income - Properties:</b>		
Gross Sales - Properties	\$127,799	\$1,700,873
Cost of Goods Sold - Properties	<u>\$366,568</u>	<u>\$2,498,694</u>
<b>Gross Profit / (Loss) - Properties</b>	<b><u>(\$238,769)</u></b>	<b><u>(\$797,821)</u></b>
 <b>Other Operating Income:</b>		
Interest Income	\$8,225	\$106,035
Investment Interest Income - (Note from Insider)	\$0	\$52,204
Management Fee Income - (Evergreen Investments, Inc.)	\$7,317	\$84,110
Other Fee Income	\$538	\$27,448
Rental Income	<u>\$2,375</u>	\$51,779
<b>Gross Profit - Properties</b>	<b><u>\$18,454</u></b>	<b><u>\$321,576</u></b>
 <b>Total Net Revenues</b>	 <b><u>(\$220,315)</u></b>	 <b><u>(\$476,245)</u></b>
<b><u>Expenses:</u></b>		
Officer Compensation	\$11,000	\$33,000
Salary Expenses Other Employees	\$16,635	\$165,043
Employee Benefits	(\$268)	\$7,878
Payroll Taxes	(\$539)	\$11,086
Other Taxes	\$0	\$5,929
Bad Debt Expense	\$0	\$294,324
Rent and Lease Expense	\$3,580	\$30,130
Interest Expense	\$34,292	\$568,357
Insurance	\$0	\$23,127
Automobile and Truck Expenses	\$0	\$0
Utilities (gas, electric, phone)	\$2,658	\$26,463
Depreciation	\$5,183	\$37,900
Travel and Entertainment	\$18	\$82
Repairs and Maintenance	\$0	\$0
Advertising	\$0	\$559
Supplies, Office Expense, etc.	<u>\$2,942</u>	<u>\$24,073</u>
<b>Total Expenses</b>	<b><u>\$75,499</u></b>	<b><u>\$1,227,949</u></b>
 <b>Net Operating Profit (Loss)</b>	 <b><u>(\$295,814)</u></b>	 <b><u>(\$1,704,195)</u></b>
 <b><u>Non Operating Income:</u></b>		
Interest Income	\$0	\$0
Other Income	\$0	\$0
 <b><u>Non Operating Expenses:</u></b>		
Professional Fees	\$17,500	\$286,852
U. S. Trustee Fees	<u>\$667</u>	<u>\$4,000</u>
 <b>Net Income (Loss)</b>	 <b><u>(\$313,981)</u></b>	 <b><u>(\$1,995,047)</u></b>

 C.O.O.  
 Responsible Officer of the Debtor in Possession

1/18/08  
 Date

# Evergreen Homes, LLC

Case No. 07-51261

## Balance Sheet

Form 3

Period Ending December 31, 2007

	December 31, 2007 <u>(Current Month)</u>	November 30, 2007 <u>(Current Month)</u>	April 30, 2007 <u>(At Filing)</u>
<b><u>Assets:</u></b>			
Cash	\$133,695	\$237,748	\$1,241
Accounts Receivables	\$1,963,228	\$2,194,647	\$2,456,139
Allowance for Doubtful Collections	(\$294,324)	(\$294,324)	\$0
Lien Hold Taxes	\$64,855	\$64,855	\$73,195
Properties Held for Sale	\$5,970,568	\$6,093,585	\$6,057,249
Land and Buildings	\$0	\$0	\$1,365,609
Furniture, Fixtures & Equipment	\$293,481	\$293,481	\$297,733
Accumulated Depreciation	(\$185,847)	(\$180,665)	(\$156,453)
Deposits- Earnest Money	\$48,675	\$48,675	\$48,675
Security Deposits Paid	\$15,660	\$15,557	\$12,262
Escrow Taxes	\$653	\$2,309	\$9,390
Insider Receivables	<u>\$1,193,212</u>	<u>\$1,193,585</u>	<u>\$1,142,276</u>
<b>Total Assets</b>	<b><u>\$9,203,854</u></b>	<b><u>\$9,669,453</u></b>	<b><u>\$11,307,316</u></b>
<b><u>Liabilities:</u></b>			
<b>Postpetition Liabilities:</b>			
Accounts Payable	\$323,915	\$353,688	\$0
Accrued Real Estate Taxes	\$194,269	\$193,029	\$0
Accrued Payroll	\$9,133	\$9,133	\$0
Taxes Payable (Payroll W/H)	\$0	\$0	\$0
Accrued Expenses	\$7,671	\$7,671	\$0
Security Deposits Held	\$3,100	\$3,350	\$0
Escrow Insurance	\$4,340	\$4,610	\$0
Rent and Lease Payable	\$0	\$0	\$52,824
Deposits Liab. (Earnest Money)	\$0	\$0	\$11,900
Insider Payable	<u>\$7,311,875</u>	<u>\$7,319,762</u>	<u>\$6,937,895</u>
<b>Total Postpetition Liabilities</b>	<b><u>\$7,854,303</u></b>	<b><u>\$7,891,242</u></b>	<b><u>\$7,002,619</u></b>
<b>Secured Liabilities:</b>			
Subject to Postpetition	\$3,043,367	\$3,158,017	\$3,934,820
Collateral or Financing Order	\$0	\$0	\$0
<b>All Other Secured Liabilities</b>	<b><u>\$3,043,367</u></b>	<b><u>\$3,158,017</u></b>	<b><u>\$3,934,820</u></b>
<b>Prepetition Liabilities:</b>			
Taxes & Other Priority Liabilities	\$0	\$0	\$0
Unsecured Liabilities	\$742,501	\$742,528	\$809,645
Pre Petition Real Estate Taxes	\$94,221	\$94,221	\$94,221
Other	\$0	\$0	\$0
<b>Total Prepetition Liabilities</b>	<b><u>\$836,722</u></b>	<b><u>\$836,749</u></b>	<b><u>\$903,866</u></b>
<b><u>Equity:</u></b>			
Owners Capital	\$63,866	\$63,866	\$65,366
Equity Shares	\$5,036,500	\$5,036,500	\$5,036,500
Draws - Willan	(\$931,799)	(\$931,799)	(\$931,799)
Draws Taxes - Willan	(\$287,640)	(\$287,640)	(\$287,640)
Retained Earnings-Pre Pet.	(\$4,416,416)	(\$4,416,416)	(\$4,416,416)
Retained Earnings Post Pet.	<u>(\$1,995,047)</u>	<u>(\$1,681,066)</u>	<u>\$0</u>
<b>Total Equity (Deficit)</b>	<b><u>(\$2,530,537)</u></b>	<b><u>(\$2,216,556)</u></b>	<b><u>(\$533,990)</u></b>
<b>Total Liabilities and Equity</b>	<b><u>\$9,203,855</u></b>	<b><u>\$9,669,452</u></b>	<b><u>\$11,307,316</u></b>

Date

1/18/08

Responsible Officer of the Debtor in Possession

CS Neutehman C.O.O.

# Evergreen Homes, LLC

Case No. 07-51261

## Summary of Operations

Form 4

Period Ending December 31, 2007

### Schedule of Postpetition Taxes Payable:

	<u>Beginning Balance</u>	<u>Accrued Withheld</u>	<u>Payments Deposits</u>	<u>Ending Balance</u>
<b><u>Income Taxes Withheld:</u></b>				
Federal	\$0	\$1,340	\$722	\$617
State	\$0	\$383	\$0	\$383
FICA Employees	\$0	\$1,296	\$537	\$759
FICA Employers	\$0	\$1,296	\$537	\$759
Local (Akron)	\$0	\$293	\$0	\$293
<b><u>Unemployment Taxes:</u></b>				
FUTA	\$2,750	\$0	\$0	\$2,750
SUTA	\$761	-\$87	\$675	\$0
<b><u>Taxes:</u></b>				
Personal Property Tax	\$0	\$0	\$0	\$0
Real Estate Taxes	\$287,250	\$10,333	\$9,093	\$288,490
Workers Comp	\$0	\$0	\$0	\$0
IRS Penalties	<u>\$11,250</u>	<u>\$0</u>	<u>\$0</u>	<u>\$11,250</u>
<b>TOTALS</b>	<b><u>\$302,011</u></b>	<b><u>\$14,854</u></b>	<b><u>\$11,565</u></b>	<b><u>\$305,300</u></b>

### Aging of Accounts Receivable and Postpetition Accounts Payable:

<u>Age in Days</u>	<u>0-30 Days</u>	<u>30-60 Days</u>	<u>&gt; 60 Days</u>	<u>Total</u>
Accounts Receivable	\$14,180	\$7,842	\$36,843	\$58,864
Accounts Payable	\$63,283	\$221,491	\$39,141	\$323,915

For all Postpetition accounts payable over 30 days old, please attach a sheet listing such account, to whom the account is Owed, the date the account was opened and the reason for the non-payment of the account.

Describe events or factors occurring during this reporting period materially affecting operations and formulation of a plan of reorganization:

(See Attached Explanation)

Date

1/18/08

Responsible Officer of the Debtor in Possession

C. S. Neutelman C.O.O.

**Evergreen Homes, LLC**  
**Monthly Operating Statements for December 2007**  
**Explanation of Modifications to Monthly Reporting**

- (1) In December 2007, as a result of the Company's former Chief Operating Officer being indicted for multiple counts of money laundering and his inability to post the necessary cash bail, it raises the question of collectibility for the Insider Receivable from this individual. As an initial step, it was decided that the Company would no longer accrue interest, on a monthly basis on this unsecured loan. The effect on results from operations for the month of December 2007 was an increase to the net loss by \$6,800. At this time, the ultimate impact on the overall collectibility for this receivable is not known, and thus, no specific reserve has been established for this asset.

**Evergreen Homes, LLC**  
**Monthly Cash Statement**  
**Period Ending December 31, 2007**

Case No. 07-51261  
 Form 5

**Cash Activity Analysis (Cash Basis only):**

	<b>Bank Account, by type</b>		
	<u>General</u>	<u>Payroll</u>	<u>Taxes</u>
<b>A. Beginning Balance</b>	\$236,725.28	\$627.19	\$395.90
<b>B. Receipts</b> (See Attached Schedule)	<u>\$10,753.57</u>	<u>\$11,500.00</u>	<u>\$6,800.00</u>
<b>C. Balance Available</b>	\$247,478.85	\$12,127.19	\$7,195.90
<b>D. Less Disbursements</b> (See Attached Schedule)	<u>\$121,659.23</u>	<u>\$9,629.77</u>	<u>\$1,818.22</u>
<b>E. Ending Balance</b>	<u>\$125,819.62</u>	<u>\$2,497.42</u>	<u>\$5,377.68</u>

(Copies of the most recent reconciled bank statements for each account, are attached)

**General Account:**

- 1. Depository Name & Location      Key Bank
- 2. Account Number                      350421004259

**Payroll Account:**

- 1. Depository Name & Location      Key Bank
- 2. Account Number                      350421004267

**Tax Account:**

- 1. Depository Name & Location      Key Bank
- 2. Account Number                      350421004275

1/18/08  
 Date

CS Neutehman      C.O.O.  
 Responsible Officer of the Debtor in Possession

# Evergreen Homes, LLC

Case No. 07-51261

## Transactions by Account - General As of December 31, 2007

Type	Date	Num	Name	Memo	Split	Debit	Credit	Balance
<b>Key Ch 11 General 259</b>								
Check	12/01/07	1232	First Akron Building Corporation	December rent	Office Rent			\$236,725.28
Check	12/01/07	1234	Charles Deutchman	Professional Fees	Professional Fees		\$3,001.53	\$233,723.75
Check	12/03/07	1233	Ed Klein	Siding 607 Lafollette	Lafollette 607 St 68-02751		\$5,500.00	\$228,223.75
Deposit	12/03/07			Deposit	Interest Income	\$650.00	\$1,100.00	\$227,123.75
Check	12/04/07	1235	Coit Services	Steam Clean Carpets @ 1133 Smithfarm	Smithfarm 1133 Ave 67-29419		\$154.06	\$227,619.69
Check	12/04/07	1236	LandAmerica Lawyers Title	R. E. Tax obligation on transferred homes	-SPLIT-		\$7,226.41	\$220,393.28
Deposit	12/05/07			Deposit	-SPLIT-	\$2,405.00		\$222,798.28
Deposit	12/06/07			Deposit	-SPLIT-	\$675.35		\$223,473.63
Deposit	12/07/07			Deposit	Interest Income	\$1,200.00		\$224,673.63
Check	12/07/07	1237	Matt Leet.	Deposit	-SPLIT-	\$660.72	\$362.79	\$224,310.84
Deposit	12/07/07	ACH	Paychex	Deposit	-SPLIT-	\$500.00	\$93.95	\$224,971.56
Deposit	12/10/07			Deposit	Payroll Expenses			\$224,877.61
Check	12/12/07	1238	Source One	Repossession Fees	Inter-company payable-EB		\$570.00	\$224,807.61
Check	12/13/07	1239	Akron Area Board of Realtors	Invoice 1068037	Dues and Subscriptions		\$395.00	\$224,412.61
Deposit	12/13/07			Deposit	Interest Income	\$700.00		\$225,112.61
Check	12/13/07	Transfer			Key Ch 11 Payroll 267		\$5,000.00	\$220,112.61
Check	12/14/07	Transfer			Key Ch 11 Tax 275		\$1,800.00	\$218,312.61
Check	12/14/07	1240	LandAmerica Lawyers Title	R. E. Tax obligation on transferred homes	-SPLIT-		\$3,878.92	\$214,433.69
Deposit	12/14/07			Deposit	-SPLIT-	\$700.00		\$215,133.69
Bill Pmt -Check	12/14/07	1241	Ohio Edison Co.	Utilities	Post Petition Accounts Payable		\$377.63	\$214,756.06
Check	12/17/07	1242	Matt Leet.	Utilities	Supplies		\$165.76	\$214,590.30
Bill Pmt -Check	12/17/07	1243	Aflac	SR707	Post Petition Accounts Payable		\$78.28	\$214,512.02
Bill Pmt -Check	12/17/07	1244	Clearwater	12988	Post Petition Accounts Payable		\$44.70	\$214,467.32
Bill Pmt -Check	12/17/07	1245	MHM Resources Inc..		Post Petition Accounts Payable		\$250.00	\$214,217.32
Bill Pmt -Check	12/17/07	1246	Nuvox	1803317 Akron	Post Petition Accounts Payable		\$519.88	\$213,697.44
Bill Pmt -Check	12/17/07	1247	Ohio Edison Co.	Utilities	Post Petition Accounts Payable		\$1,353.19	\$212,344.25
Bill Pmt -Check	12/17/07	1248	Dornition East Ohio	Utilities	Post Petition Accounts Payable		\$638.22	\$211,706.03
Bill Pmt -Check	12/17/07	1249	Akron Public Utilities	Utilities	Post Petition Accounts Payable		\$752.90	\$210,953.13
Deposit	12/17/07			Deposit	-SPLIT-	\$1,238.07		\$212,191.20
Check	12/19/07	1250	Valley Savings Bank	980 Brittain Rd.	Interest Expense		\$5,032.06	\$207,159.14
Check	12/19/07	1251	Denny Woodford	Contractor Repairs	Warranty Repairs		\$25.00	\$207,134.14
Check	12/19/07	1252	City of Akron	Rental registration for 2008	Dues and Subscriptions		\$150.00	\$206,984.14
Check	12/19/07	RTN		NSF 22-816	Interest Income		\$300.00	\$206,684.14
Bill Pmt -Check	12/19/07	1253	Columbia Gas	Utilities	Post Petition Accounts Payable		\$24.50	\$206,659.64
Bill Pmt -Check	12/19/07	1254	City of Alliance	VOID:	Post Petition Accounts Payable	\$0.00		\$206,659.64
Bill Pmt -Check	12/19/07	1256	Alliance Water Utilities	Utilities	Post Petition Accounts Payable		\$126.81	\$206,532.83

**Evergreen Homes, LLC**  
**Transactions by Account - General**  
**As of December 31, 2007**

Case No. 07-51261

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Split</u>	<u>Debit</u>	<u>Credit</u>	<u>Balance</u>
Check	12/19/07	1255	Charles Deutchman	Professional Fees	Professional Fees		\$5,500.00	\$201,032.83
Check	12/19/07	ACH	Pitney Bowes	34272039 - 5567329	Postage		\$200.00	\$200,832.83
Deposit	12/20/07			Deposit	-SPLIT-	\$554.29		\$201,387.12
Check	12/20/07	ACH	Intuit Supplies	Checks	Supplies		\$211.15	\$201,175.97
Deposit	12/21/07			Deposit	-SPLIT-	\$100.00		\$201,275.97
Check	12/24/07	1260	First Merit Trust	Dec 2007 401k Contributions	-SPLIT-		\$479.40	\$200,796.57
Check	12/26/07	1261	Richard Borodkin	Car and Phone allowance	-SPLIT-		\$400.00	\$200,396.57
Check	12/28/07	Transfer		Transfer to cover payroll	Key Ch 11 Payroll 267		\$6,500.00	\$193,896.57
Check	12/28/07	Transfer		Transfer to cover tax	Key Ch 11 Tax 275		\$5,000.00	\$188,896.57
Check	12/28/07	1262	Jim Fleming	Jan 08 Remax Fees	Dues and Subscriptions		\$874.00	\$188,022.57
Deposit	12/28/07			Deposit	-SPLIT-	\$1,155.00		\$189,177.57
Bill Pmt -Check	12/28/07	1263	Capital Crossing	00003140001	Post Petition Accounts Payable		\$60,114.57	\$129,063.00
Check	12/28/07	1263	Capital Crossing	10012	Interest Expense		\$100.00	\$128,963.00
Deposit	12/31/07			Deposit	Interest Income	\$215.14		\$129,178.14
Check	12/31/07	1264	Ohio Dept. of Job & Family Services	2nd & 3rd Qtr 2007	-SPLIT-		\$3,348.52	\$125,829.62
Check	12/31/07	ACH	Key Bank	Bank Charge	Bank Service Charges	\$0.00	\$10.00	\$125,819.62
					<b>TOTALS ==&gt;</b>	<b>\$10,753.57</b>	<b>\$121,659.23</b>	

Evergreen Homes (GENERAL DISB. A/c) Dec. 2007

**KeyNotes** (con't)

may apply; please refer to specific account disclosures for details.

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EVERGREEN HOMES LLC, CASE#07-51261  
 MANDIE L PUGH TRUSTEE

Beginning balance 11-30-07	\$236,467.79
12 Additions	+ 10,053.57
33 Subtractions	-52,118.25
Net fees and charges	-10.00
<b>Ending balance 12-31-07</b>	<b>\$194,393.11</b>

<b>Additions</b>	<b>Deposits</b>	<b>Date</b>	<b>Serial #</b>	<b>Source</b>	
		12-4		Customer Deposit	\$2,405.00
		12-4		Customer Deposit	650.00
		12-5		Customer Deposit	675.35
		12-7		Customer Deposit	1,200.00
		12-7		Customer Deposit	660.72
		12-10		Customer Deposit	500.00
		12-17		Customer Deposit	1,238.07
		12-18		Customer Deposit	700.00
		12-21		Customer Deposit	554.29
		12-21		Customer Deposit	100.00
		12-28		Customer Deposit	1,155.00
		12-31		Customer Deposit	215.14
				<b>Total additions</b>	<b>\$10,053.57</b>

Evergreen Homes (GENERAL DISB. A/C) Dec. 2007

Subtractions

Paper Checks \* check missing from sequence

1228	12-10	\$177.89 ✓	1238	12-17	570.00 ✓	1247	12-20	1,353.19
1229	12-5	349.40 ✓	1239	12-31	395.00 ✓	1248	12-31	638.22
*1231	12-3	533.22 ✓	1240	12-18	3,878.92 ✓	1249	12-20	752.90
1232	12-7	3,001.53 ✓	1241	12-17	377.63 ✓	1250	12-21	5,032.06
1233	12-4	1,100.00 ✓	1242	12-21	165.76 ✓	*1253	12-28	24.50
1234	12-4	5,500.00 ✓	1243	12-27	78.28 ✓	*1256	12-26	126.81
1235	12-11	154.06 ✓	1244	12-19	44.70 ✓	*1261	12-28	400.00
1236	12-6	7,226.41 ✓	1245	12-24	250.00 ✓	<b>Paper checks paid</b>		<b>\$33,013.15</b>
1237	12-11	362.79 ✓	1246	12-24	519.88 ✓			

Withdrawals	Date	Serial #	Location	
	12-10		Paychex Eib Invoice	\$93.95 ✓
	12-13		Internet Trf To DDA 0000350421004267 0101	5,000.00 ✓
	12-14		Internet Trf To DDA 0000350421004275 0101	1,800.00 ✓
	12-17		Chargeback	300.00 ✓
	12-20		Intuit *turbota X	211.15
	12-20		Pitney Bowes Postedge	200.00 ✓
	12-28		Debit Memo	6,500.00 ✓
	12-28		Debit Memo	5,000.00 ✓
<b>Total subtractions</b>				<b>\$52,118.25</b>

Fees and charges	Date		Quantity	Unit charge	
	12-31-07	Chargeback Fee	1	10.00	-\$10.00
<b>Fees and charges assessed this period</b>					<b>-\$10.00</b>

EVERGREEN HOMES

(GENERAL DISBURSEMENTS A/C)

DECEMBER 2007 Reconciliation

page 3 of 3

CONSUMER ACCOUNT DISCLOSURES

The following disclosures apply only to accounts covered by the Federal Truth-in-Lending Act or the Federal Electronic Funds Transfer Act, as amended, or similar state laws.

IN CASE OF ERROR OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS:

Call us at the phone number indicated on the first page of this statement, OR write us at the address listed there, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the problem or error appeared.

- Tell us your name and Account number ;
Describe the error or transfer that you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information;
Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will investigate your complaint and will correct any error promptly. If we take more than ten (10) business days to do this, we will recredit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation.

COMMON ELECTRONIC TRANSACTION DESCRIPTIONS:

- XFER TO SAV - Transfer to Savings Account
XFER FROM SAV - Transfer from Savings Account
XFER TO CKG - Transfer to Checking Account
XFER FROM CKG - Transfer from Checking Account
PMT TO CR CARD - Payment to Credit Card
ADV CR CARD - Advance from Credit Card

Preauthorized Credits: If you have arranged to have direct deposits made to your Account at least once every sixty (60) days from the same person or company, you can call us at the number indicated on the reverse side to find out whether or not the deposit has been made.

IMPORTANT LINE OF CREDIT INFORMATION

Billing Rights Summary: In case of Error or Questions About Your Bill: If you think your statement is wrong, or if you need more information about a transaction on this statement, write us on a separate sheet at the address shown on your statement as soon as possible. We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and account number;
The dollar amount of the suspected error;
Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are unsure about.

You do not have to pay any amount in question while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. While we investigate your question, we cannot report you delinquent or take any action to collect the amount you question.

Explanation of Finance Charge: Your Finance Charge is computed on all cash advances from the date each cash advance is made until we receive payment in full. We figure the Finance Charge on your line of credit by applying the daily periodic rate to the "Average Daily Balance" (Finance Charge Balance) of your line of credit including current transactions. To get the average daily balance we take the beginning balance of your line of credit each day, add any new cash advances or debits, and subtract any payments or credits, fees and unpaid Finance Charge. This gives us your daily balance. Then we add up all daily balances and divide this total by the number of days in the billing cycle to get the average daily balance. Then we multiply the average daily balance by the daily periodic rate times the number of days in the billing cycle. The Daily Periodic Rate is figured by dividing the Annual Percentage Rate by the number of days in a year (365/366 days).

CREDIT INFORMATION: If you believe we have reported inaccurate information about your account to a credit reporting agency, you may contact the credit reporting agency or write to us at:

Key Credit Research Department
P.O. Box 94518
Cleveland, Ohio 44101-4518

Please include your account number, a copy of your credit report reflecting the inaccurate information, name, address, city, state, and zip code, and an explanation of why you believe the information is inaccurate.

A/C# 350421004259

BALANCING YOUR ACCOUNT

Please examine your statement and canceled checks upon receipt. Erasures, alterations or irregularities should be reported promptly in accordance with your account agreement. The suggested steps below will help you balance your account.

INSTRUCTIONS

- 1 Verify and check off in your check register each deposit, check or other transaction shown on this statement.
2 Enter into your check register and SUBTRACT:
- Checks or other deductions shown on our statement that you have not already entered.
- The "Service charges", if any, shown on your statement.
3 Enter into your check register and ADD:
- Deposits or other credits shown on your statement that you have not already entered.
- The "Interest earned" shown on your statement, if any.

4 List from your check register any checks or other deductions that are not shown on your statement.

Table with columns: Check # or Date, Amount. Rows include 1130 (32.00), 1251 (25.00), 1252 (150.00), 1255 (5,500.00), 1260 (479.40), 1262 (874.00), 1263 (60,214.57), 1264 (3,348.52), and a TOTAL of 70,623.49.

5 List any deposits from your check register that are not shown on your statement.

Table with columns: Date, Amount. Rows include 12/14/07 (700.00), 7/7/07 (1,350.00), and a TOTAL of 2,050.00.

6 Enter ending balance shown on your statement.

Table with columns: \$, Amount. Row shows 194,393.11.

7 Add 5 and 6 and enter total here.

Table with columns: \$, Amount. Row shows 196,443.11.

8 Enter total from 4.

Table with columns: \$, Amount. Row shows 70,623.49.

9 Subtract 8 from 7 and enter difference here.

Table with columns: \$, Amount. Row shows 125,819.62.

This amount should agree with your check register balance.





Evergreen (Payroll A/c) Dec. 2007

**KeyNotes** (con't)

may apply; please refer to specific account disclosures for details.

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**Key Business Free Checking 350421004267**

EVERGREEN HOMES LLC, CASE#0751261  
 MANDIE L PUGH TRUSTEE

Beginning balance 11-30-07	\$6,149.92
2 Additions	+ 11,500.00
12 Subtractions	-12,741.22
<b>Ending balance 12-31-07</b>	<b>\$4,908.70</b>

Additions	Deposits	Date	Serial #	Source	
		12-13		Internet Trf Fr DDA 0000350421004259 0101	\$5,000.00
		12-28		Customer Deposit	6,500.00
				<b>Total additions</b>	<b>\$11,500.00</b>

**Subtractions**

Paper Checks \* check missing from sequence

52400	12-3	\$792.01	52405	12-18	756.57	*52412	12-31	873.47
52401	12-4	1,169.65	52406	12-17	1,136.22	52413	12-28	1,151.85
52402	12-31	1,275.06	52407	12-31	1,275.06	<b>Paper checks paid</b>		<b>\$12,741.22</b>
52403	12-3	868.16	52408	12-17	873.47			
52404	12-3	1,417.85	52409	12-14	1,151.85			

# Evergreen Homes LLC

## Transactions by Account (Tax Account)

As of December 31, 2007

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Split</u>	<u>Debit</u>	<u>Credit</u>	<u>Balance</u>
Key Ch 11 Tax 275								<b>\$395.90</b>
Check	12/14/2007	Transfer		Transfer to cover tax	Key Ch 11 General 259	\$1,800.00		\$2,195.90
Check	12/14/2007	ACH			-SPLIT-		\$1,797.22	\$398.68
Check	12/28/2007	Transfer		Transfer to cover tax	Key Ch 11 General 259	\$5,000.00		\$5,398.68
Check	12/31/2007	ACH	Key Bank	Bank Service Charge	Bank Service Charges	\$0.00	\$21.00	\$5,377.68
					TOTALS ==>	<b>\$6,800.00</b>	<b>\$1,818.22</b>	

EVERGREEN HOMES (Payroll Tax A/c) DECEMBER 2007

**KeyNotes** (con't)

may apply; please refer to specific account disclosures for details.

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Visit [www.mastercardeasysavings.com](http://www.mastercardeasysavings.com) to learn more

**Key Business Free Checking 350421004275**

EVERGREEN HOMES LLC, CASE#0751261  
MANDIE L PUGH TRUSTEE

Beginning balance 11-30-07	\$395.90
2 Additions	+6,800.00
2 Subtractions	-1,797.22
Net fees and charges	-21.00
<b>Ending balance 12-31-07</b>	<b>\$5,377.68</b>

Additions	<u>Deposits</u>	<u>Date</u>	<u>Serial #</u>	<u>Source</u>	
		12-14		Internet Trf Fr DDA 0000350421004259 0101	\$1,800.00
		12-28		Customer Deposit	5,000.00
				<b>Total additions</b>	<b>\$6,800.00</b>

Subtractions	<u>Withdrawals</u>	<u>Date</u>	<u>Serial #</u>	<u>Location</u>	
		12-19		Key Tax Ustaxpymnt	\$1,074.86
		12-19		Key Tax Ustaxpymnt	722.36
				<b>Total subtractions</b>	<b>\$1,797.22</b>

Fees and charges	<u>Date</u>	<u>Quantity</u>	<u>Unit charge</u>	
	12-31-07	Keytax Fee	1	21.00
				-\$21.00
				<b>Fees and charges assessed this period</b>
				<b>-\$21.00</b>

**Evergreen Homes, LLC**

Case No. 07-51261

**Monthly Statement for**

**Form 6**

**Insider Compensation / Payments  
For the Month Ending December 31, 2007**

The following Information is to be provided for each shareholder, officer, director, manager, insider or owner that is employed by the debtor in possession.

Name: **Charles Deutchman**

Capacity: \_\_\_\_\_ Shareholder  
\_\_\_\_\_ Owner  
\_\_\_\_\_ **X** Director  
\_\_\_\_\_ Insider

Detail Description of Duties:  
Member - Interim Chief Operating Officer

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**Current Draws** Monthly  
\$11,000.00

**Current Benefits Paid:**

Health Insurance \$0.00  
Life Insurance \$0.00  
Retirement (401k) \$0.00  
Company Vehicle \$0.00  
Entertainment \$0.00  
Travel \$0.00  
Phone Allowance \$0.00  
**Total Benefits Paid** \$0.00

**Current Other Payments Paid:**

Rent Paid \$0.00  
Loans \$0.00  
Other \$0.00  
Other \$0.00  
**Total Other Payments** \$0.00

**Current Total of all Payments** \$11,000.00

CS Deutchman C.O.O.  
Responsible Officer of the Debtor in Possession

1/18/08  
Date

**Evergreen Homes, LLC**  
**Schedule of In-Force Insurance**  
**Period Ending December 31, 2007**

Case No. 07-51261  
**Form 7**

<b><u>Insurance Type</u></b>	<b><u>Carrier</u></b>	<b><u>Expiration Date</u></b>
Workers Comp	State # 1371497	2/28/2008
General Business	Auto Owners Insurance	6/14/2008

1/18/08  
Date

CS Neutelman C.O.O.  
Responsible Officer of the Debtor in Possession