

Evergreen Investments, Incorporated
Transmittal of Compliance with United States
Trustee Operating Requirements for the Period Ended
January 31, 2008

FILED
Form I

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

IN RE: **EVERGREEN INVESTMENTS, LLC** Case No.: **07-51262**
 Chapter 11 Judge: **Marylin Shea Stonum**

As debtor in possession, I affirm:

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

- | | | |
|----------|--------------------------------|----------|
| <u>✓</u> | Operating Statement | (Form 2) |
| <u>✓</u> | Balance Sheet | (Form 3) |
| <u>✓</u> | Summary of Operations | (Form 4) |
| <u>✓</u> | Monthly Cash Statement | (Form 5) |
| <u>✓</u> | Statement of Compensation | (Form 6) |
| <u>✓</u> | 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.

2/08/08
 Date

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

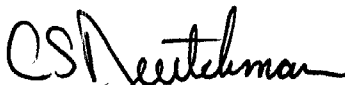
C.O.O. (350) 762-1981
 Title Phone

Evergreen Investments, Incorporated

Operating Statement Period Ending January 31, 2008

Case No. 07-51262
Form 2

	<u>Current Month</u>	<u>Total Since Filing</u>
<u>Revenues:</u>		
Interest Income - Intercompany (from EH)	\$0	\$451,818
Interest Income - Related Entity (Brittain Holdings)	\$0	\$22,733
Other Fee Income	\$6,587	\$45,618
Other	<u>\$0</u>	<u>\$0</u>
Total Revenues	<u>\$6,587</u>	<u>\$520,169</u>
<u>Expenses:</u>		
Officer Compensation	\$0	\$0
Management Fees - Intercompany (to EH)	\$5,558	\$82,067
Bad Debt Expense	\$0	\$4,439,869
Rent and Lease Expense	\$0	\$0
Depreciation	\$893	\$6,250
Travel and Entertainment	\$0	\$0
Repairs and Maintenance	\$0	\$0
Advertising	\$0	\$0
Supplies, Office Expense, etc.	<u>\$0</u>	<u>(\$162)</u>
Total Expenses	<u>\$6,450</u>	<u>\$4,528,023</u>
Net Operating Profit (Loss)	\$137	(\$4,007,855)
<u>Non Operating Income:</u>		
Interest Income	\$0	\$0
Other Income	\$0	\$35
<u>Non Operating Expenses:</u>		
Professional Fees	\$0	\$7,000
U. S. Trustee Fees	<u>\$108</u>	<u>\$1,858</u>
Net Income (Loss)	<u>\$28</u>	<u>(\$4,016,678)</u>

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


Date

Evergreen Investments, Incorporated

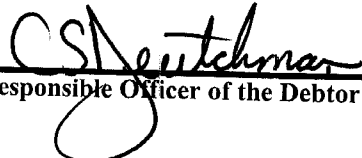
Balance Sheet

Period Ending January 31, 2008

Case No. 07-51262

Form 3

	January 31, 2008 <u>(Current Month)</u>	December 31, 2007 <u>(Prior Month)</u>	April 30, 2007 <u>(At Filing)</u>
<u>Assets:</u>			
Cash			
Accounts Receivables	\$75,509	\$66,044	\$864
Allowance for Loan Loss	\$5,497,358	\$5,500,486	\$6,180,899
Disc. on Mortgage Notes, net of amort.	(\$4,089,316)	(\$4,089,317)	(\$89,872)
Disc. on Mortgage Notes Receivables	(\$352,354)	(\$352,354)	(\$352,354)
Non-Residential R. E. Receivable (Brittain Holdings)	\$69,025	\$69,025	\$69,025
Furniture, Fixtures & Equipment	\$698,921	\$698,921	\$470,972
Accumulated Depreciation	\$36,946	\$36,946	\$36,946
Inter-Company Receivable (Evergreen Homes, LLC)	(\$35,283)	(\$34,390)	(\$29,926)
Total Assets	<u>\$6,244,191</u>	<u>\$6,249,749</u>	<u>\$5,868,013</u>
	<u>\$8,144,997</u>	<u>\$8,145,109</u>	<u>\$12,154,567</u>
<u>Liabilities:</u>			
Postpetition Liabilities:			
Accounts Payable	\$7,108	\$7,000	\$0
Accrued Payroll	\$0	\$0	\$0
Accrued Expenses	\$0	\$250	\$0
Insider Payable	\$0	\$0	\$0
Total Postpetition Liabilities	<u>\$7,108</u>	<u>\$7,250</u>	<u>\$0</u>
Secured Liabilities:			
Subject to Postpetition	\$0	\$0	\$0
Collateral or Financing Order	\$0	\$0	\$0
All Other Secured Liabilities	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Prepetition Liabilities:			
Taxes & Other Priority Liabilities	\$0	\$0	\$0
Subordinated Investment Certificates	\$12,537,100	\$12,537,100	\$12,537,100
Accrued Interest Payable (Certificates)	\$1,006,444	\$1,006,444	\$1,006,444
Unsecured Liabilities	\$126,802	\$126,802	\$126,802
Checks Not Cleared	\$1,198	\$1,198	\$1,198
Other	\$0	\$0	\$0
Total Prepetition Liabilities	<u>\$13,671,545</u>	<u>\$13,671,545</u>	<u>\$13,671,545</u>
<u>Equity:</u>			
Owners Capital	\$363,074	\$363,074	\$363,074
Common Stock	\$500	\$500	\$500
Draws - Willan	(\$14,500)	(\$14,500)	(\$14,500)
Retained Earnings - Pre Petition	(\$1,866,053)	(\$1,866,053)	(\$1,866,053)
Retained Earnings - Post Petition	(\$4,016,678)	(\$4,016,707)	\$0
Total Equity (Deficit)	<u>(\$5,533,656)</u>	<u>(\$5,533,685)</u>	<u>(\$1,516,978)</u>
Total Liabilities and Equity	<u>\$8,144,997</u>	<u>\$8,145,109</u>	<u>\$12,154,566</u>

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

2/08/08
Date

Evergreen Investments, Incorporated

Summary of Operations Period Ending January 31, 2008

Case No. 07-51262

Form 4

Schedule of Postpetition Taxes Payable:

	<u>Beginning Balance</u>	<u>Accrued Withheld</u>	<u>Payments Deposits</u>	<u>Ending Balance</u>
<u>Income Taxes Withheld:</u>				
Federal	\$0	\$0	\$0	\$0
State	\$0	\$0	\$0	\$0
FICA	\$0	\$0	\$0	\$0
Employers FICA	\$0	\$0	\$0	\$0
Local (Akron)	\$0	\$0	\$0	\$0
<u>Unemployment Taxes:</u>				
FUTA	\$0	\$0	\$0	\$0
SUTA	\$0	\$0	\$0	\$0
<u>Taxes:</u>				
Personal Property Tax	\$0	\$0	\$0	\$0
Real Estate Taxes	\$0	\$0	\$0	\$0
Workers Comp	\$0	\$0	\$0	\$0
IRS Penalties	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTALS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Aging of Accounts Receivable and Postpetition Accounts Payable:

<u>Age in Days</u>	<u>0-30 Days</u>	<u>30-60 Days</u>	<u>> 60 Days</u>	<u>Total</u>
Accounts Receivable	\$47,434	\$45,260	\$663,269	\$755,963
Accounts Payable	\$358	-\$250	\$7,000	\$7,108

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:

None

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

2/08/08
Date

Evergreen Investments, Incorporated

Monthly Cash Statement Period Ending January 31, 2008

Case No. 07-51262

Form 5

Cash Activity Analysis (Cash Basis only):

	<u>Bank Account, by type</u>		
	<u>General</u>	<u>Payroll</u>	<u>Taxes</u>
A. Beginning Balance	\$66,044.27	\$0.00	\$0.00
B. Receipts (Attach Separate Schedule)	<u>\$9,714.72</u>	<u>\$0.00</u>	<u>\$0.00</u>
C. Balance Available	\$75,758.99	\$0.00	\$0.00
D. Less Disbursements (Attach Separate Schedule)	<u>\$250.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
E. Ending Balance	<u>\$75,508.99</u>	<u>\$0.00</u>	<u>\$0.00</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 350421004242

Payroll Account:

1. Depository Name & Location Key Bank
2. Account Number N/A

Tax Account:

1. Depository Name & Location Key Bank
2. Account Number N/A

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

2/08/08
Date

EVERGREEN INVESTMENTS

Key Business Free Checking 350421004242
 EVERGREEN INVESTMENT CORP, CASE#07-51262
 MANDIE L PUGH TRUSTEE

Beginning balance 12-31-07	\$66,044.27
13 Additions	+ 9,714.72
1 Subtraction	-250.00
Ending balance 1-31-08	\$75,508.99

Additions	Deposits	Date	Serial #	Source	
		1-2		Customer Deposit	\$439.52
		1-3		Customer Deposit	179.57
		1-4		Customer Deposit	1,017.31
		1-7		Customer Deposit	1,646.62
		1-8		Customer Deposit	361.05
		1-8		Customer Deposit	1,304.61
		1-10		Customer Deposit	1,624.95
		1-14		Customer Deposit	708.55
		1-15		Customer Deposit	904.29
		1-17		Customer Deposit	407.61
		1-22		Customer Deposit	575.50
		1-24		Customer Deposit	203.25
		1-25		Customer Deposit	341.89
		1-29		Customer Deposit	89,714.72
				Total additions	\$9,714.72

Subtractions

Paper Checks	* check missing from sequence			
1017	1-23	\$250.00	Paper checks paid	\$250.00

(No Reconciling Items)

Evergreen Investments, Incorporated
Transactions by Account - General
As of January 31, 2008

Case No. 07-51262

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Payee</u>	<u>Memo</u>	<u>Split</u>	<u>Debit</u>	<u>Credit</u>	<u>Balance</u>
Deposit	01/03/08			Deposit	Mortgage Note Receivable	\$439.52		\$66,044.27
Deposit	01/03/08			Deposit	Mortgage Note Receivable	\$179.57		\$66,483.79
Deposit	01/04/08			Deposit	Mortgage Note Receivable	\$1,017.31		\$66,663.36
Deposit	01/07/08			Deposit	Mortgage Note Receivable	\$1,646.62		\$67,680.67
Deposit	01/08/08			Deposit	Mortgage Note Receivable	\$361.05		\$69,327.29
Deposit	01/10/08			Deposit	-SPLIT-	\$1,304.61		\$69,688.34
Deposit	01/14/08			Deposit	-SPLIT-	\$1,624.95		\$70,992.95
Deposit	01/15/08			Deposit	-SPLIT-	\$708.55		\$72,617.90
Deposit	01/17/08			Deposit	-SPLIT-	\$904.29		\$73,326.45
Check	01/18/08	1017	U. S. Trustee		Post Petition Account Payable		\$250.00	\$74,230.74
Deposit	01/22/08			Deposit	-SPLIT-	\$407.61		\$73,980.74
Deposit	01/24/08			Deposit	-SPLIT-	\$575.50		\$74,388.35
Deposit	01/25/08			Deposit	-SPLIT-	\$203.25		\$74,963.85
Deposit	01/29/08			Deposit	-SPLIT-	\$341.89		\$75,167.10
				TOTAL		\$9,714.72	\$0.00	\$75,508.99
								<u>\$250.00</u>

Evergreen Investments, Incorporated

Monthly Statement for

Case No. 07-51262

Insider Compensation / Payments

Form 6

For the Month Ending January 31, 2008

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: (No Employees)

Capacity: _____ Shareholder
_____ Owner
_____ Director
_____ Insider

Detail Description of Duties:

	<u>Monthly</u>
Current Draws	\$0.00
Current Benefits Paid:	
Health Insurance	
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	<u>\$0.00</u>
Current Other Payments Paid:	
Rent Paid	\$0.00
Loans	\$0.00
Other	\$0.00
Other	<u>\$0.00</u>
Total Other Payments	<u>\$0.00</u>
Current Total of all Payments	<u>\$0.00</u>

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

2/08/08
Date

Evergreen Investments, Incorporated

**Schedule of In-Force Insurance
Period Ending January 31, 2008**

Case No. 07-51262

Form 7

Insurance Type

Carrier

Expiration Date

Workers Comp
General Business

N/A - No Employees

No Current Policy

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

2/08/08
Date