



June 28, 2020

Dear Investor:

Please allow me to introduce myself. My name is Michael Hogan and I am a Managing Director at Armanino LLP, the state's largest California based Accounting and Financial Consulting firm, where I lead the corporate finance and restructuring practice. Some of you may recall receiving an overview of my services from Professional Financial Investors (PFI) attorney Eric Sternberger earlier this month.

My specific role with PFI is to serve as the Chief Restructuring Officer. The ultimate goal here is to protect your capital investments to the fullest extent possible and thusly the underlying real estate assets of the business. The first step in doing so is to work expeditiously to get to the bottom of the questions and concerns around the structure and investment history of the PFI investments.

From the outset, I want to acknowledge the frustration and anxiety that comes with this situation. However, Mr. Sternberger discovered, and I have independently verified, that PFI and PISF have engaged in serious misconduct over the nearly three decades immediately prior to Mr. Casey's death. Shortly after Mr. Casey's death, it came to light that interest payments could not be funded without new investment, but accepting new investments would have been a continuation of the misconduct. As such, within days of Mr. Casey's death the companies put a halt to the misconduct, which has resulted in the suspension of new investment and interest payments, and the request for a SEC Investigation. As noted in the earlier announcement, in an abundance of caution no further interest payments are anticipated in the near term, pending this investigation, so that all investors are properly treated. In addition, as previously noted, we have received the resignation of each PFI corporate officer so we can properly restructure all financial and daily operations. When we have a deeper understanding of the misconduct and the impact on your investments, we will provide prompt updates.

While it will be impossible for me to address questions from each of the 1500+ investors, my commitment is to provide clear communication through progress updates and a presentation of our findings.

With this in mind, allow me to outline my duties and responsibilities. In this role I will provide:

- Oversight of all financials and daily operations
- Coordination with the SEC and other government agencies in support of their investigation
- Preservation of the properties
- Development of a plan to return investments

I should note - there isn't much new information to provide yet. As outlined by Mr. Sternberger in his June 14 communication, we currently estimate that we will conduct 60 – 90 days of investigation before we will have a comprehensive plan that addresses all investment types and

entities. At that point we will be in a position to provide a more informed status of your individual investments.

Until then, we are committed to keeping you as informed as possible, and we have created several communications tools to assist with that process. Those tools include:

- An investor website dedicated to the PFI and PISF restructuring. The site will house all announcements. The address is <https://www.investorspfi.com>. If you have not received investor emails thus far, you can review all announcements on this new web site.
- A semimonthly Investors Update communication distributed via email and U.S. mail. If you have not, or know of an investor who has not, received investor emails thus far, you/they can sign up on the new investor web site <https://www.investorspfi.com>, and follow the link to add the relevant contact information. With regard to distribution by U.S. mail, that will be done for investors who opt-in only, as we do not have the resources to send regular mass mailings. However, in the coming weeks, we intend to do one such mass mailing to all investors, which will include a self-addressed stamped postcard that investors may return to request ongoing U.S. mail delivery of Investor Update communications. Additionally, any investor can request distribution by U.S. mail through the online sign-up form referenced above.
- A comprehensive plan encompassing all investment types and entities, completed in 60-90 days, will be presented in a recorded webinar downloadable from our site, accompanied by a written guide to the plan and expectation to the status of your investments.

As stated in earlier Investor communications, the SEC's current fact-finding investigation is the first step to provide answers to many of your questions. We are working closely with the agency while we perform our duties to preserve and protect your capital investments to the fullest extent possible.

Finally, we apologize in advance for not being able to return each of your phone calls and emails in timely fashion. Please know that we are serious and committed to open communication, but the volume of requests may preclude us from responding effectively.

We encourage you to review Mr. Sternberger's [FAQs for Investors](#) as you await further updates, and please take the time to get on our email list to stay informed.

Sincerely,



Michael Hogan