

July 2007

Report to Direct Lenders – Placer County Land Speculators, LLC

Dear Direct Lenders:

This letter supplements the prior reports of the USACM Liquidating Trust as servicer of your Loans.

Advances for Taxes. The Trustee had requested Lenders' authority to make an advance for the unpaid real estate taxes secured by a lien on the collateral for your Loans as well as billings from the association of land owners that were jointly seeking intensive entitlements for developing the property. With only a couple of exceptions, the Lenders that responded approved the advances. After discussion, those Lenders who had rejected the request also agreed. Accordingly, the Trust advanced \$671,434.55 on June 5, 2007 to bring the real estate taxes current.

Placer County then requested that the Trust pay the first half of the current taxes, which had become delinquent. The Trust requested this authority in its June report to you. We have received a couple of rejections by Lenders, but those Lenders who rejected changed their minds after further consultation with the Trust. The Trust has not yet made an advance for the first half of the current year taxes.

Advances for Development Expenses. The June report also requested authority to pay a larger than previously expected billing by the joint owners association. The balance claimed by the Placer Vineyards ownership group as of June 26, 2007, was \$459,850.00. We have continued to consult with Lisa Poulin, Trustee of USA Investment Partners, LLC ("USAIP") as the majority owner of Placer County Land Speculators, LLC ("Borrower"), with respect to that billing. Ms. Poulin advises that she made a proposal to the joint ownership group to pay a portion of the past-due billings and to make future payments. The Trust has supported this proposal to be paid out of the USAIP estate, rather than the Trust estate. Ms. Poulin will advise us later this week regarding the status of those negotiations.

Finally, the ownership group is negotiating an Operating Agreement for Placer Vineyards Development Group, LLC, which the USAIP Trustee is considering. The Trust has not been asked to agree to this document, which would be subordinate to the lien securing repayment of the Loans owed to you.

Loan Repayment Discussions. The Trust has worked with Ms. Poulin to obtain USAIP's proposal for payment of the Loans, presumably through a sale or refinancing of the property. The Trust did receive and pass on to Ms. Poulin the identification of another group interested in making an offer on the property. We have not yet received an offer from this new group. The Trust is advised that at a hearing on July 16, 2007, the Placer County Board of Supervisors will consider the proposal by the entire project for entitlements for the development. The Trust will await the outcome of that hearing before making a final decision with respect to enforcement of the Loan.

Reporting. The Trustee has received numerous inquiries from lenders concerning their statements, servicing fees, the balance showing, and the status of loan repayment. We hope that you appreciate that the information in these monthly reports is all of the information generally available to the Trust. In other words, the Trust is not seeking to withhold information from you and in fact makes these reports in as public a manner as possible so that the Lenders have the opportunity to be fully informed. If you have questions or concerns, please let us know. The Trust continues to address individual lender inquiries on an as received basis; many of these inquiries are specific to the individual lender and are not generalized so as to be able to be contained in this and the other monthly reports.

Dated: Tuesday, July 10, 2007.

USACM Liquidating Trust
Geoffrey L. Berman, Trustee
Matthew P. Sorenson
Email: msorenson@dsi.biz
Development Specialists, Inc.
333 South Grand Avenue, Suite 4070
Los Angeles, CA 90071-1544
Facsimile: (213) 617-2718
Telephone: (213) 617-2717

Lewis And Roca LLP
Rob Charles
Susan M. Freeman
Email: RCharles@LRLaw.com
3993 Howard Hughes Parkway, Suite 600
Las Vegas, Nevada 89169-5996
Facsimile: (702) 949-8321
Telephone: (702) 949-8320
Attorneys for the USACM Liquidating
Trust