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**Sent:** 14 July 2015 10:58  
**To:** [investors@glenmuir.ae](mailto:investors@glenmuir.ae)  
**Subject:** InvestUS July 2015 Update

'Dear All Investors,

As some of you are already aware there has been a delay in remitting the annual returns over the past few months. Earlier advice provided by the project operators, InvestUS Michigan LLC suggested that all overdue payments will be up to date by the end of June, which unfortunately is not the case. This projection we were told was based upon the closing of a large bulk sale that had been negotiated. Unfortunately it now seems this did not take place as planned which has resulted in InvestUS Michigan LLC experiencing cash flow problems and therefore unable to meet its annual returns obligations.

As a matter of priority we have set out to establish a number of things in regards to the position and operation of the project itself. The first matter we have covered was that of security for the funds invested. Under the terms of the loan agreements, InvestUS Michigan LLC are required to hold assets equal to or greater than the value of funds advanced. Based upon the confirmed figures provided by Steve Wright in his attached letter, we estimate that we currently have approximately 97% coverage, so today I am asking Steve and his team to allocate additional assets to ensure full protection of our invested funds.

The other matter concerns the operational side which obviously impacts on the payment of annual returns and invested capital. So far we have been made comfortable with the policies and practices applied by InvestUS Michigan LLC and shall shortly be corresponding with their legal counsel and accountants in the US to ask for verification of the certain representations made to us. This is checks and balances exercise but one that we feel is prudent in light of the further delays Steve has advised of.

While it is disappointing to have delays of any nature, the foremost consideration is security for funds and security that the project is now being operated in a manner that supports all parties achieving a successful outcome. This principal aspect is what we at Glenmuir will be looking to monitor over the coming months.

Obviously some of the properties are now producing rental income while others still need renovation works to bring them up to a habitable condition that can then generate additional rental income and be available for sale.

I have asked for a schedule in regards to the time and cost in completing these renovations and further asked for confirmation that current rental income is only being used to renovate the balance of the 170 properties held as security. I will report back on this in the next correspondence.

Attached is a letter from Steve Wright of InvestUS Michigan LLC the project operators in which he advises that annual payments will not be likely for the next four months. The reason for this is that rental income is required to be used to renovate those properties in need so that they can then be let and produce income and more importantly be available for sale. We have requested a regular communication from InvestUS Michigan LLC and will naturally forward this on to all parties when received.

I will also get back to you on the matters that I have asked for;

1. Additional assets to cover shortfall in the security;
2. Schedule and costing of renovation works;
3. Confirmation regarding the use of rental funds from properties secured to InvestUS Ltd
4. Replies from legal counsel and accountants in the US covering operational statements made to us by InvestUS Michigan LLC

We have already received some questions from investors and ask that you submit any further questions to us in writing. We shall collate the questions together and seek responses, which can then be communicated out.

Kind Regards,  
Richard Chamberlain'

Best Regards,  
*Leanne Chamberlain*



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# InvestUS (Michigan) LLC

12<sup>th</sup> July 2015

Dear Investor,

I am writing to you as the Director of InvestUS (Michigan) LLC to inform you regarding the project status and late interest payments.

Invest US Limited, a Seychelles registered company, issued an investment memorandum in March 2012 detailing the terms of an investment offered to its clients. This investment was in the form of the purchase of shares in the company, in turn the funds from the sale of the shares were loaned to from June 2012 to March 3rd 2013 to InvestUS (Michigan) LLC and from March 3rd 2013 to June 2013 made to Right Buy Properties LLC for a fixed interest return, the loan was secured against real assets in the form of residential property in the USA the title, which is held by InvestUS (Michigan) LLC.

The company that was engaged to run the project day to day was Right Buy Properties LLC (RBP) (it was in fact this company that presented the investment opportunity to InvestUS Limited). Other companies called Metro Equity Services and Metro Title together with other parties were also party to the day-to-day operations of the project.

RBP did in fact mismanage the project by buying large volumes of properties, which they were to renovate and tenant and in due course sell, when in fact they were not doing this on the scale purported. This has led to a number of properties now owned by the company, which are still to be renovated sufficient to tenant and therefore produce rent.

Empty properties still require management, grass cutting, snow removal in winter, boarding up and rubbish deposits removed, leaks repaired and in some cases removal of squatters. This is necessary to prevent the city imposing fines on the property, which hinders sales. Property taxes still have to be paid on the properties as well, another area we now discover RBP failed to properly administrate.

Property management companies have been deployed to manage the properties and are deploying most of the current rental income for repairs and some renovation work on the empty properties to get them occupied. The rental income is committed back into the project properties each month. It is from the sale of the properties and the profit from buying, refurbishing and selling tenanted properties that the interest payments are to be made. So when the situation arises (as has happened now) that bulk sales are not completed then this creates a cash flow issue, which has contributed to the present delays.

The failure of RBP to perform led to a law suit in the State of Michigan (USA) against RBP, an action initiated by the Directors of InvestUS (Michigan) LLC on behalf of investors who had invested in InvestUS Limited.

This lawsuit is still ongoing and to date has successfully recovered additional assets owned by Right Buy Properties LLC in the form of 84 residential properties that still have to be allocated to various companies representing investor groups. It is anticipated that some but not all of those properties will in due course be allocated to investors owning shares in InvestUS Limited.

I can confirm that as of June 2015 the invested funds into InvestUS Limited are secured against the value of 170 residential properties in the USA.

To date all interest and capital repayments have been met through the generation of rental income or the sale of properties purchased with investors funds.

Without a formal valuation of each property it is difficult to state the value of the portfolio however it would be expected that a good quality renovated home which is tenanted would sell conservatively between \$50,000 and \$60,000 USD. (In 2006 before the market crash many of the houses now owned were valued in excess of \$100,000 USD). This is based on an income calculation as an investor purchase. For example if an investor or a fund buys a property at \$50,000 USD and the property rents at conservative \$650. USD a month this produces a gross yield of 15.6%. (\$643. Is the average rent across the portfolio however some properties rent at \$750 a month or above).

The nature of the mismanagement of the project by RBP has caused some issues for us as Directors, now that we have taken legal action against RBP on behalf of investors we have had to take over the running of the project on a day to day basis removing RBP from any involvement and have a team of permanent staff in the USA working tirelessly on the project to make the required profit to pay capital and interest.

The property market in the project sector does remain strong and its future performance genuinely looks promising. Properties can still be purchased from a range of sources including the city land bank at very cheap prices. There is a skilled workforce of construction workers who undertake the renovations and a growing market of international buyers looking to enter the single-family residential market as investors seeking income producing assets.

Dennis Madsen of Madsen and Associates PC who are certified public accountants in Chicago are assisting the project review now taking place. They will in due course produce audited accounts for the company and ensure that all taxes and company filings are up to date. Those accounts will be made available to the Directors of InvestUS Limited once completed.

At this present moment in time it is not possible to state accurately when interest payments will be resumed, as there are many variable factors to consider, much of which is driven by sales of the properties. It is not anticipated that interest payments will be made in the next four months and I intend to report to you at this time.

If things change for the better and the projects performance allows for interest payments to be resumed then this will of course be actioned. Thank you for your patience and understanding please be assured that the projects assets are been protected and everything possible to rectify the mismanagement from RBP is been done as quickly as possible.

Kindest Regards



Steve Wright  
Director