

HOLLY
MORTGAGE
TRUST

2020 ANNUAL REPORT

TO OUR SHAREHOLDERS:

The financial statements of Holly Mortgage Trust (“Holly”) audited by Melton & Melton, L.L.P. for the years ended December 31, 2020 and December 31, 2019, are included at the end of this report. In 2020, revenue decreased 2.8% to \$162,300. Net income was \$23,011, which equates to \$0.014 per share.

The expenses include the payment of dividends on Holly’s two classes of convertible preferred stock. Total dividends paid for 2020 was \$69,300 and the total for 2019 was \$70,500. All dividends are paid on a current basis. Accounting guidelines require us to report these dividends as interest expense even though they are dividends for federal income tax purposes.

The historic strength of the Midland, Texas oil-based economy has benefited Holly through its ownership of the general partner in the partnership that owns the Wilco office building. While the operations have remained stable, the future impact of COVID on the property is uncertain. In 2020, Holly recorded income of \$162,300 from this investment and \$147,000 in 2019. The Wilco building is a 22-story office building, with 197,207 rentable square feet and an attached 10 story parking garage.

INVESTMENTS



During 2018, Holly exchanged its \$750,000 equity stake (33.7% of total) in North Hills Village, a 152-unit apartment complex in El Paso, Texas for a \$750,000 equity stake (27.48% of total) in Casitas Investors, LLC which owns the Casitas del Este Apartments, a 78-unit complex, in El Paso, Texas. Also included in the exchange was a contingent assignment of excess cash flow of up to an additional \$750,000 and a promissory note of \$72,000 for which Holly receives monthly installments. The \$72,000 installment note is scheduled for payoff in 2021.

Holly owns 900 units in Global REIT, LP. Global REIT, LP is an entity set up to acquire interests in real estate throughout the world through investments in regional real

estate entities. Global REIT's portfolio includes assets in the U.S., New Zealand and Ghana. Global issued additional capital in 2020 to take advantage of new opportunities.

WEBSITE

Holly's website, www.hollymortgagetrust.com contains additional information about the trust. Earlier shareholder reports are posted on the website.

Shareholders can also contact the transfer agent below to change their mailing address, change share registration, obtain copies of IRS Form 1099, and arrange direct deposit of preferred stock dividends to their bank account:


EQ Shareowner Services
1110 Centre Pointe Curve, Suite 101
Mendota Heights, MN 55120-4100
Web: www.shareowneronline.com

Phone: 800-468-9716 Fax: 651-450-4033

The 2021 shareholder meeting is scheduled for Wednesday, June 2, 2021 at 10:30 AM at the offices of its manager, FCA Corp, 791 Town & Country Blvd., Suite 250, Houston, Texas. Please vote your proxy.



Robert W. Scharar
President



Robert A. Burns
Treasurer

February 9, 2021

HOLLY MORTGAGE TRUST

FINANCIAL STATEMENTS
FOR THE
YEARS ENDED DECEMBER 31, 2020 AND 2019
AND
INDEPENDENT AUDITOR'S REPORT



MELTON & MELTON, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

HOLLY MORTGAGE TRUST

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor’s Report.....	1
Balance Sheets	3
Statements of Operations	4
Statements of Changes in Shareholders’ Deficit.....	5
Statements of Cash Flows	6
Notes to Financial Statements.....	7



MELTON & MELTON, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trust Managers of
Holly Mortgage Trust

Qualified Opinion

We have audited the accompanying financial statements of Holly Mortgage Trust, which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations, changes in shareholders' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, except for the effects on the financial statements of not consolidating the investment in A. R. Goldrick Company, Inc., a wholly owned subsidiary, as described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Holly Mortgage Trust as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

Holly Mortgage Trust has not included in its financial statements the accounts of A. R. Goldrick Company, Inc., a wholly owned subsidiary of Holly Mortgage Trust, as of and for the years ended December 31, 2020 and 2019. Accounting principles generally accepted in the United States of America require that a majority-owned subsidiary be accounted for on a consolidated basis. The investment in A. R. Goldrick Company, Inc. is accounted for on the cost minus impairment method of accounting. The effects of this departure from accounting principles generally accepted in the United States of America on the accompanying financial statements could not be determined.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Holly Mortgage Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Holly Mortgage Trust's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Holly Mortgage Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Holly Mortgage Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

J. M. L. T. ; J. M. L. T. C. L. P.

Houston, Texas
February 4, 2021

HOLLY MORTGAGE TRUST
BALANCE SHEETS
December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 11,892	\$ 42,729
Investments	948,000	928,800
Note receivable	<u>14,000</u>	<u>38,000</u>
	<u>\$ 973,892</u>	<u>\$ 1,009,529</u>

LIABILITIES AND SHAREHOLDERS' DEFICIT

Liabilities:

Accounts payable and accrued expenses	\$ 80,625	\$ 50,557
Notes payable	365,000	373,716
Preferential cumulative mandatorily redeemable shares of beneficial interest	<u>1,270,000</u>	<u>1,350,000</u>
	<u>1,715,625</u>	<u>1,774,273</u>

Shareholders' Deficit:

Shares of beneficial interest, no par value, 20,000,000 shares authorized, 1,604,232 shares issued and outstanding	1,536,119	1,536,119
Accumulated deficit	<u>(2,277,852)</u>	<u>(2,300,863)</u>
	<u>(741,733)</u>	<u>(764,744)</u>
	<u>\$ 973,892</u>	<u>\$ 1,009,529</u>

(See Notes to Financial Statements)

HOLLY MORTGAGE TRUST
STATEMENTS OF OPERATIONS
For the Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenue:		
Other income	\$ <u>162,300</u>	\$ <u>167,000</u>
Costs and Expenses:		
Professional fees	45,888	47,192
Interest expense	86,705	88,158
General and administrative	<u>6,696</u>	<u>85</u>
	<u>139,289</u>	<u>135,435</u>
Net income	<u>\$ 23,011</u>	<u>\$ 31,565</u>
Weighted average shares outstanding	<u>1,604,232</u>	<u>1,604,232</u>
Net income per share, basic and diluted	<u>\$ 0.01</u>	<u>\$ 0.02</u>

(See Notes to Financial Statements)

HOLLY MORTGAGE TRUST
STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT
For the Years Ended December 31, 2020 and 2019

	Shares of		Accumulated	Shareholders'
	Beneficial Interest			
	<u>Number</u>	<u>Amount</u>	<u>Deficit</u>	<u>Deficit</u>
Balance , December 31, 2018	1,604,232	\$ 1,536,119	\$ (2,332,428)	\$ (796,309)
Net income	<u>-</u>	<u>-</u>	<u>31,565</u>	<u>31,565</u>
Balance , December 31, 2019	1,604,232	1,536,119	(2,300,863)	(764,744)
Net income	<u>-</u>	<u>-</u>	<u>23,011</u>	<u>23,011</u>
Balance , December 31, 2020	<u>1,604,232</u>	<u>\$ 1,536,119</u>	<u>\$ (2,277,852)</u>	<u>\$ (741,733)</u>

(See Notes to Financial Statements)

HOLLY MORTGAGE TRUST
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities:		
Net income	\$ 23,011	\$ 31,565
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Accounts payable and accrued expenses	<u>868</u>	<u>(29,793)</u>
Net cash provided by operating activities	<u>23,879</u>	<u>1,772</u>
Cash Flows from Investing Activities:		
Principal collected on note receivable	<u>24,000</u>	<u>24,000</u>
Net cash provided by investing activities	<u>24,000</u>	<u>24,000</u>
Cash Flows from Financing Activities:		
Purchase of preferential cumulatively mandatorily redeemable shares of beneficial interest	(80,000)	-
Advance from Global REIT, L.P.	10,000	-
Payments on notes payable	<u>(8,716)</u>	<u>(29,176)</u>
Net cash used in financing activities	<u>(78,716)</u>	<u>(29,176)</u>
Net decrease in cash and cash equivalents	(30,837)	(3,404)
Cash and Cash Equivalents, beginning of year	<u>42,729</u>	<u>46,133</u>
Cash and Cash Equivalents, end of year	<u>\$ 11,892</u>	<u>\$ 42,729</u>
Supplemental Information:		
Cash paid for interest	<u>\$ 83,705</u>	<u>\$ 85,158</u>
Noncash Investing and Financing Activities:		
Purchase of investment with accounts payable	<u>\$ 19,200</u>	

(See Notes to Financial Statements)

HOLLY MORTGAGE TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Holly Mortgage Trust (the “Trust”) is organized as a Texas real estate investment trust. The Trust has a termination date of December 31, 2030. The Trust is engaged primarily in the business of investing in second mortgages, equity participation mortgages, and multi-family residential properties.

Cash and Cash Equivalents

The Trust considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

The Trust maintains cash balances in a bank, which at times exceed federally insured limits. The Trust monitors the financial condition of the bank and has experienced no losses associated with the account.

Accrued Interest Receivable and Allowance for Losses

Accrued interest receivable from a mortgage note receivable is carried at its unpaid balance less an allowance for losses. At December 31, 2020 and 2019, there are no outstanding mortgage notes receivable. An allowance for losses is based on management’s estimate of potentially uncollectible accounts after consideration of existing economic conditions, borrowers’ performance in reducing the outstanding balance, and other relevant factors. Receivables are charged off against the allowance for losses when management determines the balance is uncollectible. Subsequent interest collected is recognized as revenue. At December 31, 2019, the allowance for losses on accrued interest receivable was \$141,000. During 2020, accrued interest was fully collected.

The change in the accrued interest receivable allowance for losses during the years ended December 31, 2020 and 2019 is summarized as follows:

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 141,000	\$ 276,000
Recovery of amounts previously charged off	<u>(141,000)</u>	<u>(135,000)</u>
Balance, end of year	<u>\$ -</u>	<u>\$ 141,000</u>

Net Income Per Share

Net income per share is calculated by dividing net income by the weighted average number of shares of beneficial interest outstanding during the year. The Trust has no items that give rise to antidilutive shares. Accordingly, basic and dilutive shares presented are the same.

HOLLY MORTGAGE TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management believes that these estimates and assumptions provide a reasonable basis for the fair presentation of the financial statements.

NOTE 2 - INVESTMENTS

Investments that do not have a readily determinable fair value are measured and recorded using a measurement alternative that measures the investments at cost minus impairment, if any, plus or minus changes resulting from qualifying observable price changes.

Investments consist of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
A.R. Goldrick Company, Inc.	\$ -	\$ -
Global REIT, L.P.	270,000	250,800
Casitas Investors, LLC	<u>678,000</u>	<u>678,000</u>
	<u>\$948,000</u>	<u>\$928,800</u>

The Trust owns 100% of the common stock of A. R. Goldrick Company, Inc. (a C corporation) (“A. R. Goldrick”). A. R. Goldrick is the general partner of Wilco Building Partners, Ltd., a limited partnership that owns and operates an office building in Midland, Texas. The financial statements of A. R. Goldrick have not been consolidated with those of the Trust. The investment in A. R. Goldrick was written off in full as permanently impaired in prior years. In 2020 and 2019, the Trust received \$21,300 and \$12,000 respectively, from A. R. Goldrick as a return on the investment, and \$141,000 and \$135,000, respectively, from Wilco Building Partners, Ltd. The amounts are recorded each year as other income in the statements of operations.

At December 31, 2020 and 2019, the Trust owns 900 and 836 partnership units of Global REIT, L.P. (“Global”), respectively. At December 31, 2020 and 2019, the Trust owns a 27.48% interest in Casitas Investors, LLC (“Casitas”); and contingent future sale proceeds from Casitas Apartments. The Trust has no control or influence on management of Global or Casitas.

The carrying value of the investments is adjusted for any qualifying observable price changes. The Trust did not identify any quality observable price changes in the investments in 2020 or 2019 and there were no upward or downward adjustments to the carrying value of the investments. The investments are also subject to impairment reviews when indicators of impairment exist. The Trust did not identify any indicators of impairment for the investments in 2020 or 2019.

HOLLY MORTGAGE TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 3 - NOTE RECEIVABLE

The Trust has a \$72,000 unsecured, non-interest bearing note receivable with an unrelated third-party. Principal is payable in monthly installments of \$2,000 with a final payment due in August 2021. At December 31, 2020 and 2019, the note receivable balance was \$14,000 and \$38,000, respectively.

NOTE 4 - NOTES PAYABLE

Notes payable consist of the following as of December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Unsecured 4% note, payable to a living trust in December 2022, interest payable quarterly.	\$ 50,000	\$ 50,000
Unsecured 4% note, payable to a former shareholder of preferential shares of beneficial interest, payable in quarterly installments of \$4,424, including principal and interest, with the final payment due in March 2020.	-	8,716
Note, payable to a financial institution, interest payable monthly at 4.4% through October 2020 and 3.5% thereafter, principal due at maturity in October 2022, secured by a certificate of deposit held by First Commonwealth Mortgage Trust ("FCMT"), and guaranteed by FCMT. FCMT is related to the Trust through common management.	<u>315,000</u>	<u>315,000</u>
	<u>\$365,000</u>	<u>\$373,716</u>

At December 31, 2020, future maturities of notes payable are due in 2022 for \$365,000.

The Trust incurred loan guarantee fees of \$6,300 in 2020, which are included in general and administrative expenses in the statements of operations. There were no loan guarantee fees incurred for 2019.

NOTE 5 - FEDERAL INCOME TAXES

The Trust operates in such a manner to qualify as a "real estate investment trust" under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder. Under those sections, the Trust will not be taxed on that portion of its qualifying income distributed to shareholders so long as at least 90% of the Trust's otherwise taxable income is distributed to shareholders each year and other requirements of a qualified real estate investment trust are met. The Trust satisfied the income distribution requirements for the years ending December 31, 2020 and 2019. Management believes that all other requirements of a qualified real estate investment trust have been met.

HOLLY MORTGAGE TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 5 - FEDERAL INCOME TAXES (CONTINUED)

The tax status of per-share dividend distributions declared attributable to the years presented is as follows:

	<u>2020</u>	<u>2019</u>
Ordinary income	100%	100%
Return of capital	<u>0</u>	<u>0</u>
	<u>100%</u>	<u>100%</u>

As of December 31, 2020, the Trust had a federal net operating loss carryforward of approximately \$2.8 million that can be deducted against future taxable income. The carryforward amount expires in 2023-2037. The Trust does not expect to pay federal income taxes, thus the tax effect of the net operating loss carryforward has been adjusted to zero by a valuation allowance of \$586,922 and \$644,076 at December 31, 2020 and 2019, respectively. The valuation allowance decreased by \$57,154 and increased by \$57,828 in 2020 and 2019, respectively.

Management has evaluated the Trust’s tax positions and concluded that the Trust has taken no uncertain income tax positions that require adjustment to the financial statements. Tax-related interest and penalties are recorded in income tax expense in the statements of operations. The Trust incurred no tax-related interest or penalties in 2020 or 2019. The Trust is subject to income tax examinations by federal and state tax authorities for years beginning in 2017 and after.

NOTE 6 - PREFERENTIAL SHARES OF BENEFICIAL INTEREST

Except for the rights and preferences in payment of dividends and in liquidations, the Preferential Shares of Beneficial Interest (“Preferential Shares”) have the same voting and other rights as the Shares of Beneficial Interest (“Common Shares”). The Preferential Shares issued in 2004 are entitled to receive cumulative preferential dividends at the annual rate of five cents (\$0.05) per share before any dividends are paid on the Common Shares. The Preferential Shares issued in 2009 and 2008 are entitled to receive cumulative preferential dividends at the annual rate of four cents (\$0.04) or eight cents (\$0.08) per share, depending on the amount selected by the shareholder beginning on a quarterly basis in July 2018, for 2020 and 2019, before any dividends are paid on the Common Shares.

In the event of liquidation of the Trust, the assets available for distribution will be distributed first to the holders of the Preferential Shares up to one dollar (\$1) per share plus any deferred dividends, then second to the holders of Common Shares up to one dollar (\$1) per share and then equally on all of the shares of Preferential and Common Shares.

The 2004 Preferential Shares (950,000 shares authorized and 530,000 shares issued and outstanding) are subject to redemption at any time after January 1, 2009 upon not less than 30 days’ prior written notice, in whole or in part, at the election of the Trust at the redemption price of one dollar (\$1) per share plus all unpaid dividends accrued to the redemption date of September 30, 2020. At December 31, 2020, the outstanding 2004 Preferential Shares issued in 2004 have not been redeemed. Management is currently discussing the redemption of these shares.

HOLLY MORTGAGE TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 6 - PREFERENTIAL SHARES OF BENEFICIAL INTEREST (CONTINUED)

The 2008 Preferential Shares (990,000 shares authorized; 740,000 shares issued and outstanding at December 31, 2020; and 820,000 shares issued and outstanding at December 31, 2019) are subject to redemption at any time after January 1, 2012 upon not less than 30 days' prior written notice, in whole or in part, at the election of the Trust at the redemption price of one dollar (\$1) per share plus all unpaid dividends accrued to the redemption date. Any 2008 Preferential Shares issued in 2009 and 2008 that are outstanding on September 30, 2023 will be redeemed on that date.

Accounting Standards Codification ("ASC") 480, *Distinguishing Liabilities from Equity*, establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. ASC 480 requires an issuer to classify a financial instrument issued in the form of shares that is mandatorily redeemable and embodies an unconditional obligation to redeem it by transferring its assets at a specified or determinable date or upon an event that is certain to occur as liabilities. The Trust has adopted these provisions in its financial statements and has included mandatorily redeemable preferred shares in liabilities in the balance sheets and dividends of \$69,300 and \$70,500 for 2020 and 2019, respectively, on the mandatorily redeemable preferred shares as interest expense in the statements of operations.

NOTE 7 - MANAGEMENT AGREEMENT AND RELATED-PARTY TRANSACTIONS

FCA Corp ("FCA") is the Trust's compensated manager and is related to the Trust through common management. Annual management fees are equal to the greater of \$50,000 or 1.4% of beginning of year Trust assets. FCA waived the management fees in 2020 and 2019 and has consented to waive its management fees through May 2021.

NOTE 8 - FINANCIAL CONDITION

The Trust incurred annual net losses from 2009 through 2015 and again in 2017, which has resulted in a shareholders' deficit since December 31, 2011. The Trust had net income in 2016 and 2018 through 2020. In the prior years, the Trust had problems in collecting mortgage notes receivable and accrued interest and experienced a decline in value of its investments. In response, the Trust is discussing a sale of the Wilco Building that could generate a gain to A.R. Goldrick. Collection of accrued interest from A.R. Goldrick totaling approximately \$1,000,000 for the Trust began in 2015. Payments of \$10,000 per month are being received. Total amounts collected, including returns on investment in A.R. Goldrick, were \$162,300 and \$147,000 in 2020 and 2019, respectively. Negotiations are in process for sale of the Casitas Investors, LLC property and swap for another property. The potential sale will generate cash to the Trust and provide an investment with ongoing positive cash flow from rentals. As a result, management believes the Trust will have sufficient resources and cash to continue as a going concern entity.

NOTE 9 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 4, 2021, the date the financial statements were available to be issued.

HOLLY MORTGAGE TRUST

BOARD OF TRUST MANAGERS

George Beatty, Jr.

Retired Environmental Consultant

Mr. Beatty also serves as a trust manager of First Commonwealth Mortgage Trust and is a manager of Africap, LLC.

Ben Wacksman

Real Estate Consultant

Mr. Wacksman serves as a trust manager and has numerous years of experience as a real estate entrepreneur.

Josef C. Hermans

Hotel Consultant

President, Terrace Hotel Corporation

Mr. Hermans also serves as a trust manager and or a director of First Commonwealth Mortgage Trust and Terrace Hotel Corp.

Robert W. Scharar

President, Holly Mortgage Trust

Mr. Scharar also serves as a trust manager of First Commonwealth Mortgage Trust and holds positions with other entities, including but not limited to, Commonwealth International Series Trust, Africap, LLC, and FCA Corp.

EXECUTIVE OFFICERS

Robert W. Scharar

President

Robert A. Burns

Treasurer

Clint Dennis, Esq.

Secretary

Garrett Gish

Vice-President

Thomas Koch

Vice-President

Robert W. Scharar, Robert A. Burns, Garrett Gish and Thomas Koch are employees of FCA Corp and serve as officers of other entities.

TRANSFER AGENT

EQ Shareowner Services

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