FIRST COMMONWEALTH MORTGAGE TRUST

2002 ANNUAL REPORT

TO OUR SHAREHOLDERS:

The capitalization of First Commonwealth Mortgage Trust ("FCM") in 2002 was higher than that in prior years and this resulted in FCM having gross revenues of $1,239,561 and net income of $986,084. Both of these were higher than 2001 results. On a per share basis, however, net income in 2002 was $0.84, a decline of 7.7 percent from 2001 earnings per share. Nevertheless, FCM was able to maintain its $0.88 dividend yield because REIT distribution requirements are determined on a cash rather than accrual basis.

Last year, several of FCM's loans were prepaid by borrowers refinancing to take advantage of lower interest rates. This resulted in FCM having substantial cash on hand at year end. In turn, lower yields on money market funds and short term government obligations significantly reduced the amount of income earned by FCM on its cash balances.

Despite increasing competition from other mortgage lenders, FCM has continued to be able to find attractive loan opportunities. Many of FCM's investments are so-called "bridging loans" where a borrower needs short term financing, often to rehab a commercial project, and intends to replace it later with long term permanent financing.

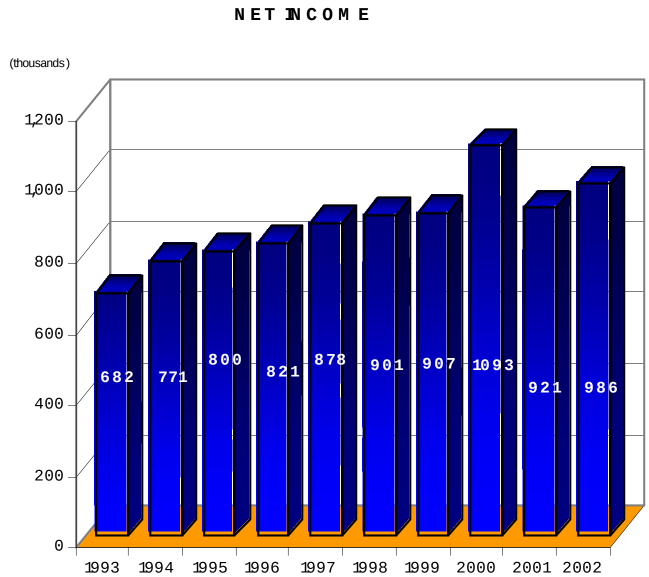
Although FCM's fixed interest rates are often higher than those quoted by others, the borrower's total costs for a short term loan generally are competitive because FCM doesn't charge points or require borrowers to incur expenses for appraisals, engineering reports, etc.

FCM's profits last year were reduced, in part, from those in 2001 because of a loan foreclosure. During 2002 FCM recovered $600,000 from a guarantor on a loan and acquired title to a meat processing plant in Amarillo, Texas that also secured the loan. Because of a depressed market in the meat packing industry, efforts to sell the plant were unsuccessful and there was no income from the property to affect carrying costs.

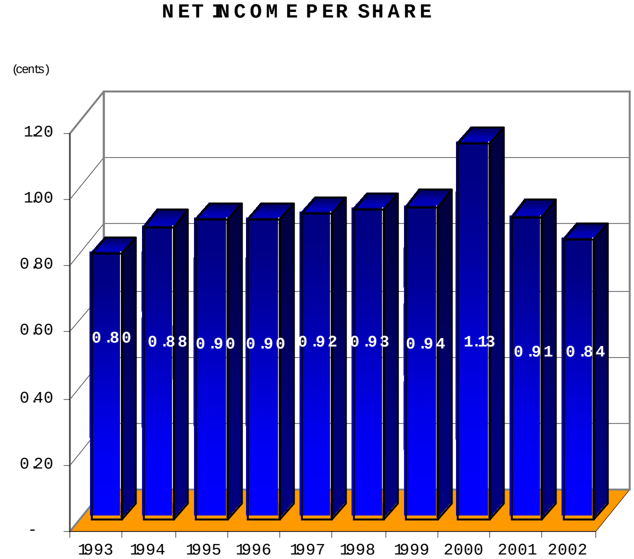
During 2002, eight loans totaling $2.4 million were repaid and these proceeds plus the proceeds from additional capital were used to fund new loans or increase existing loans totaling over $2.8 million. The new loans were at annual rates averaging 11.1%. All loans, in management's judgment, have been made using conservative loan to value ratios. Where properties collaterizing a loan do not have an established cash flow, FCM has obtained additional collateral.

A ten year summary of selected financial data and a description of all loans outstanding at the end of 2002 appear on the next pages and the 2002 financial statements audited by Mann Frankfort Stein & Lipp appear at the end of this report.

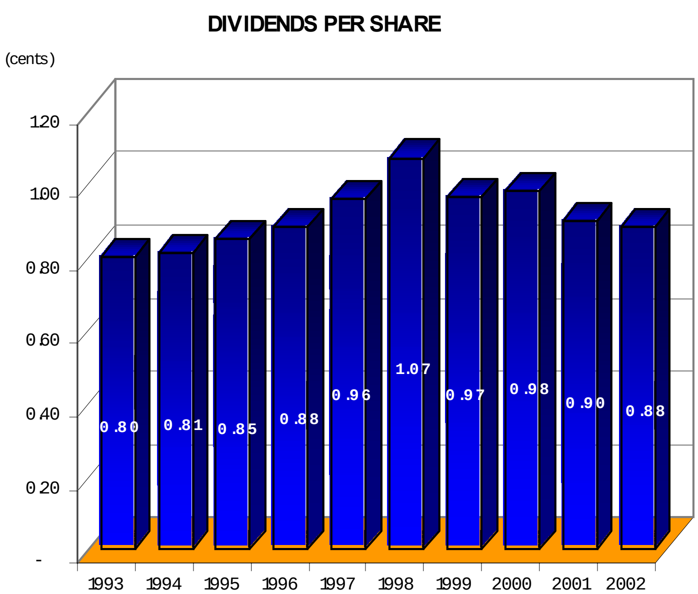
The charts on the next page show for the last ten years FCM's total net income and per share net income, dividends and book value.



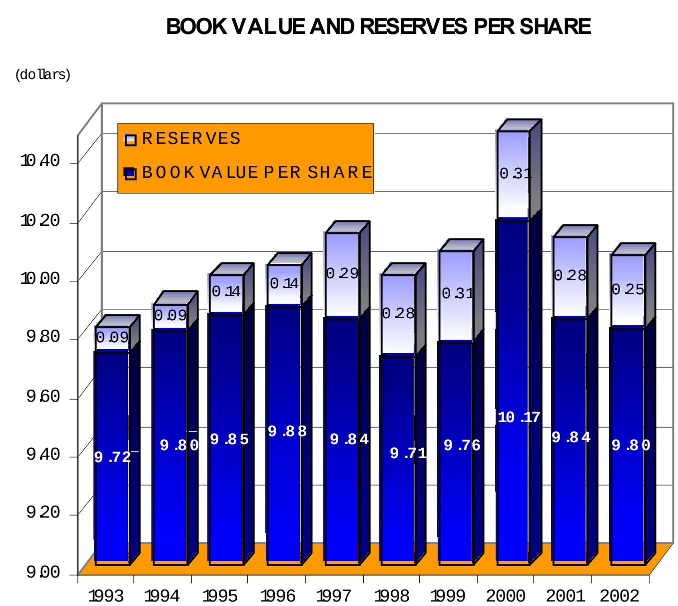
Total net income for 2002 reflects a 45% increase over that for 1993.



Net income per share has averaged 95 cents per share for the last five years. This is over a nine percent return on the original $10 offering price.



Since FCM's inception in 1985, cumulative dividends are $13.99.



FCM's book value per share, including reserves, at December 31, 2002 was $10.05.

LOANS

The following tabulation summarizes all of the mortgage loans outstanding at December 31, 2002 either wholly or partially funded by FCM. Loans funded entirely by others but being serviced by FCM on a fee basis are not included. Loans repaid in January 2003 have an asterisk after the original principal amount.

Original Principal Amount (1)	Maturity (2)	Interest Provisions (3)	Property Securing Loan (4)
$1,220,000	2005	Discounted to yield 10.5%	Motel in San Antonio, Texas
$1,141,000	2020	11%	Motel in San Antonio, Texas
$925,000	2004	11 ½% plus contingent interest of 8 ½%	Participation in second mortgage on urban village project near Santa Fe, New Mexico
$900,000	2004	12%	Development property in Rosenberg, Texas
$893,000*	2003	9%	Residence in Scottsdale, Arizona
$560,000	2003	12%	Residence in Cape Cod, Massachusetts
$510,000	2005	11%	Commercial properties in Scottsdale, Arizona
$500,000	2009	11.75%	Office building in Florida
$500,000	2003	10.25%	Restaurant in El Paso, Texas
$420,000	2004	12%	Development properties in Tampa, Florida
$402,701	2003	9.8%	Assets of Holly Mortgage Trust

Original Principal Amount (1)	Maturity (2)	Interest Provisions (3)	Property Securing Loan (4)
$400,000	2003	10%	Commercial Properties in Scottsdale, Arizona
$250,000	2003	14.5%	Restaurant in Sugar Land, Texas
$215,000	Demand	9.8%	Participation in loans secured by live/work building in San Francisco, California
$200,000	2003	12%	Various properties in Florida and Texas
$175,000	2003	12%	Townhome lots in Houston, Texas
$103,825	2004	Variable Prime Rate	Office Building in Midland, Texas
$89,000*	2016	11%	Commercial property in Lakeland, Florida
$ 80,000	2016	9.5%	Retail building in Chickasha, Oklahoma
$30,000*	2011	10.5%	House in Lakeland, Florida
$ 23,786	2004	Discounted to yield 14%	Residence in Lakeland, Florida

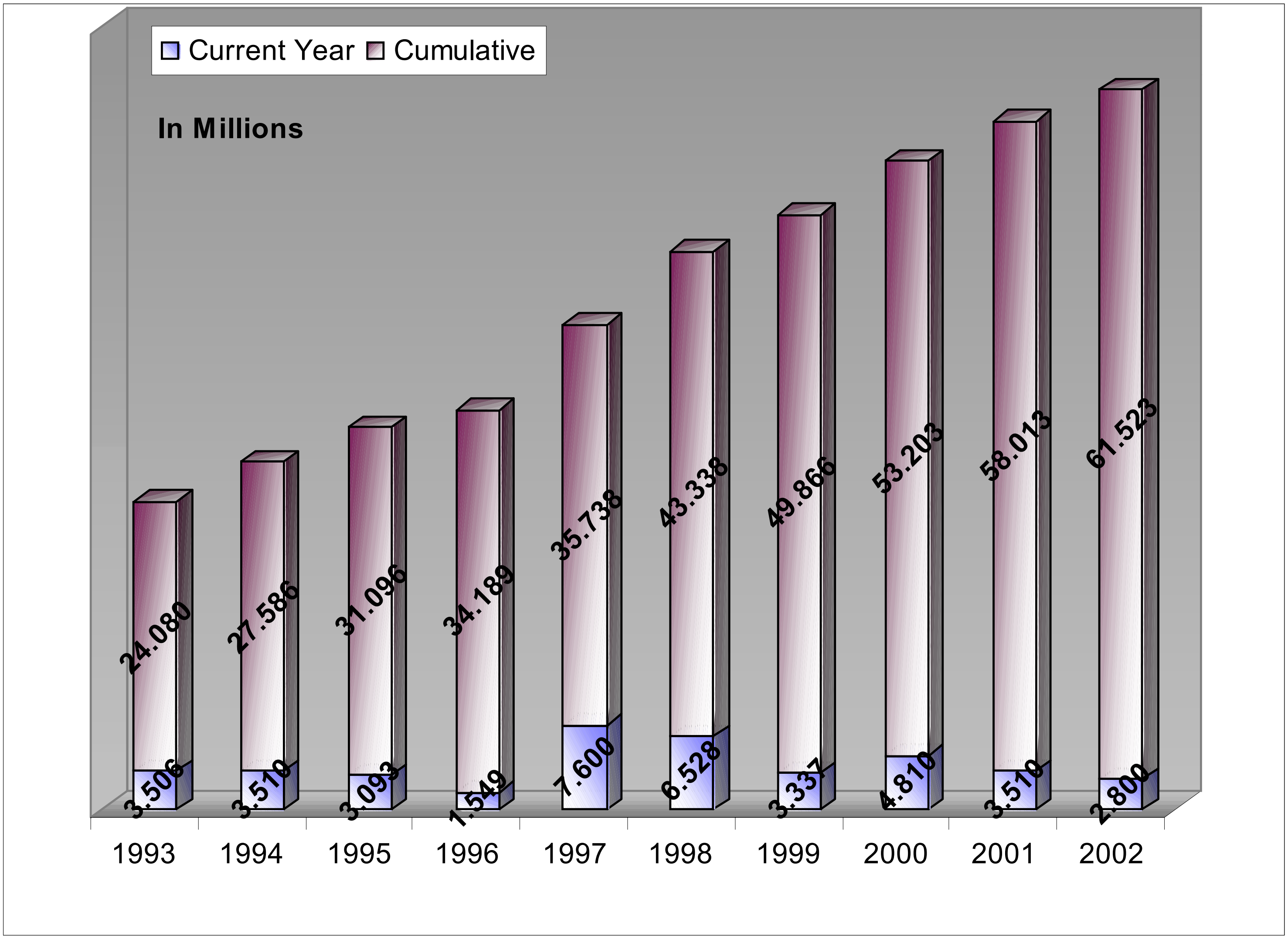
(1) Loan originated or purchased by FCM.

(2) Most loans are amortized over periods longer than the terms of loans and there are balloon payments at maturity.

(3) Percentages, unless otherwise noted, are annual interest rates.

(4) All liens are first mortgages and all loans are with recourse to the borrower unless otherwise noted.

The following chart shows the dollar amount of loans originated by FCM each year since 1993 and the cumulative total of all loans since FCM began operations. Some loans originated by FCM have been funded in whole or in part, by third party participations.



Federal tax provisions for REITs now require that 90% of taxable income be distributed to shareholders. The dividends paid by FCM satisfied the distribution requirement for 2002.

Your management intends to continue to follow the conservative underwriting practices that have made FCM profitable every year.

/ s / Kenneth A. McGaw	/ s / Robert P. Messer, Jr.
Kenneth A. McGaw	Robert P. Messer, Jr.
Chairman of the Board & President	Executive Vice President

April 11, 2003

FIRST COMMONWEALTH MORTGAGE TRUST

FINANCIAL STATEMENTS

DECEMBER 31, 2002 AND 2001

FIRST COMMONWEALTH MORTGAGE TRUST
FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001

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MANN FRANKFORT STEIN & LIPP
Certified Public Accountants
A Limited Liability Partnership

12 Greenway Plaza, Suite 1202
Houston, Texas 77046-1289
(713) 561-6500
FAX (713) 968-7128

Independent Auditors' Report

To the Board of Trustees of
First Commonwealth Mortgage Trust
Houston, Texas

We have audited the balance sheets of First Commonwealth Mortgage Trust as of December 31, 2002 and 2001, and the related statements of income, comprehensive income, shareholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of First Commonwealth Mortgage Trust at December 31, 2002 and 2001, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

Mann Frankfort Stein & Lipp CPAs, L.L.P.

Houston, Texas
February 20, 2003

FIRST COMMONWEALTH MORTGAGE TRUST
BALANCE SHEETS

	December 31, 2002	December 31, 2001
ASSETS		
Cash and cash equivalents	$ 1,461,111	$ 712,709
MORTGAGE NOTES RECEIVABLE, net		
Mortgage notes receivable, net of participations payable of $2,065,402 and $400,000 at December 31, 2002 and 2001, respectively	9,005,313	9,490,972
Discounts and deferred loan fees	(46,888)	(49,683)
Allowance for losses	(300,000)	(300,000)
TOTAL MORTGAGE NOTES RECEIVABLE, net	8,658,425	9,141,289
Notes receivable - affiliate	960,000	462,702
Accrued interest receivable	103,503	181,395
Prepaids	251,183	22,595
Computer equipment and software, net	1,573	3,755
Investments in affiliates	208,131	58,131
Investments in marketable securities	102,160	-
TOTAL ASSETS	$ 11,746,086	$ 10,582,576
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Accounts payable and other liabilities	$ 32,356	$ 35,775
Notes payable	1	1
TOTAL LIABILITIES	32,357	35,776
SHAREHOLDERS' EQUITY		
Shares of beneficial interest, no par value, unlimited shares authorized, 1,197,671 issued and 1,194,671 outstanding at December 31, 2002 and 1,074,671 issued and 1,071,671 outstanding at December 31, 2001	11,791,823	10,561,823
Retained earnings (accumulated deficit)	(53,250)	11,977
Accumulated other comprehensive income	2,156	-
	11,740,729	10,573,800
Less: treasury stock; 3,000 shares at cost	(27,000)	(27,000)
TOTAL SHAREHOLDERS' EQUITY	11,713,729	10,546,800
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 11,746,086	$ 10,582,576

See accompanying notes to financial statements.

FIRST COMMONWEALTH MORTGAGE TRUST
STATEMENTS OF INCOME

	Year Ended December 31, 2002	Year Ended December 31, 2001
REVENUES		
Interest income	$ 1,214,987	$ 1,114,566
Service fees and miscellaneous income	24,574	20,066
	1,239,561	1,134,632
COSTS AND EXPENSES		
Advisory fees to affiliate	140,471	135,690
General and administrative	113,006	77,638
	253,477	213,328
NET INCOME	$ 986,084	$ 921,304
NET INCOME PER SHARE, basic	$ .84	$ .91
WEIGHTED AVERAGE SHARES OUTSTANDING	1,174,171	1,012,281

See accompanying notes to financial statements.

FIRST COMMONWEALTH MORTGAGE TRUST
STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended December 31, 2002	Year Ended December 31, 2001
NET INCOME	$ 986,084	$ 921,304
OTHER COMPREHENSIVE INCOME:		
UNREALIZED GAIN (LOSS) ON SECURITIES:		
Unrealized holding gains arising during period	6,490	703
Less: reclassification adjustment for net gains realized in net income	(4,334)	(2,355)
	2,156	(1,652)
COMPREHENSIVE INCOME	$ 988,240	$ 919,652

See accompanying notes to financial statements.

FIRST COMMONWEALTH MORTGAGE TRUST
STATEMENTS OF SHAREHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2002 AND 2001

	Shares of Beneficial Interest		Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income	Treasury Stock	Total Shareholders' Equity
	Shares	Amount				
Balance, January 1, 2001	973,403	$ 9,549,144	$ 10,340	$ 1,652	$ (27,000)	$ 9,534,136
Issuance of shares of beneficial interest	101,268	1,012,679	-	-	-	1,012,679
Cash dividends, $0.90 per share	-	-	(919,667)	-	-	(919,667)
Comprehensive income:						
Net income	-	-	921,304	-	-	921,304
Unrealized loss on marketable securities	-	-	-	(1,652)	-	(1,652)
Total comprehensive income						919,652
Balance, December 31, 2001	1,074,671	10,561,823	11,977	-	(27,000)	10,546,800
Issuance of shares of beneficial interest for interest in affiliated partnership	15,000	150,000	-	-	-	150,000
Issuance of shares of beneficial interest	108,000	1,080,000	-	-	-	1,080,000
Cash dividends, $0.88 per share	-	-	(1,051,311)	-	-	(1,051,311)
Comprehensive income:						
Net income	-	-	986,084	-	-	986,084
Unrealized gain on marketable securities	-	-	-	2,156	-	2,156
Total comprehensive income						988,240
Balance, December 31, 2002	1,197,671	$ 11,791,823	$ (53,250)	$ 2,156	$ (27,000)	$ 11,713,729

See accompanying notes to financial statements.

FIRST COMMONWEALTH MORTGAGE TRUST
STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 986,084	$ 921,304
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of discounts and deferred loan fees	(2,795)	(2,139)
Depreciation	2,182	1,658
Gain on sale of marketable equity securities	-	(2,355)
Change in operating assets and liabilities:		
Discounts and deferred loan fees	-	4,648
Accrued interest receivable	77,892	(81,774)
Prepaids	(228,588)	(22,364)
Accounts payable and other liabilities	(3,419)	1,144
	(154,728)	(101,182)
NET CASH PROVIDED BY OPERATING ACTIVITIES	831,356	820,122
CASH FLOWS FROM INVESTING ACTIVITIES		
Mortgage note originations	(5,592,036)	(3,948,976)
Mortgage note participations sold	2,767,597	400,000
Principal collected on mortgage notes receivable, net of participation	3,310,098	2,060,253
Purchase of computer equipment	-	(2,390)
Advances on affiliate notes receivable	(710,000)	(72,190)
Proceeds from affiliate notes receivable	212,702	192,190
Proceeds from (purchase of) marketable securities	(100,004)	502,000
NET CASH USED IN INVESTING ACTIVITIES	(111,643)	(869,113)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	1,080,000	1,012,679
Cash dividends paid	(1,051,311)	(919,667)
NET CASH PROVIDED BY FINANCING ACTIVITIES	28,689	93,012
INCREASE IN CASH AND CASH EQUIVALENTS	748,402	44,021
CASH AND CASH EQUIVALENTS, beginning of year	712,709	668,688
CASH AND CASH EQUIVALENTS, end of year	$ 1,461,111	$ 712,709
SUPPLEMENTAL INFORMATION		
Cash paid for interest	$ 20,870	$ 3,130
Cash paid for taxes	$ -	$ 3,770
Change in unrealized gain (loss) on marketable securities	$ 2,156	$ (1,652)
Accrued interest transferred to notes receivable	$ -	$ 81,912
Issuance of shares of beneficial interest in exchange for an interest in Global REIT, L.P.	$ 150,000	$ -

See accompanying notes to financial statements.

NOTE A - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

First Commonwealth Mortgage Trust (the "Trust") was organized as a Massachusetts business trust on September 26, 1984 and commenced operations on June 27, 1985. The Trust is engaged primarily in the business of investing in loans collateralized by mortgages on real estate projects. First Commonwealth Holdings Corporation ("FCHC"), whose principal shareholder is a trustee and shareholder of the Trust, is the Trust's compensated manager and advisor.

<u>Cash and Cash Equivalents</u>: 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, exceeds federal insured limits. The Trust monitors the financial condition of the bank and has experienced no losses associated with this account.

<u>Mortgage Notes Receivable</u>: Mortgage notes receivable are carried at unpaid principal balance since generally it is management's intention to hold mortgage notes to maturity. Commitment and origination fees collected from prospective borrowers are deferred and recognized as income using a method approximating the interest method over the life of those loans.

A loan is considered impaired when it is probable that the scheduled principal or interest will not be collected when due. Impaired loans are measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, or collateral fair value, if the loan is collateral dependent. If the measure of the impaired loan is less than the recorded investment in the loan, an impairment loss is recognized through a valuation allowance and a corresponding charge to income.

<u>Allowance for Losses</u>: The allowance for losses is based on management's estimate of the amount required to maintain an allowance adequate to reflect the risks inherent in the loan portfolio after giving consideration to existing economic conditions, loss experience in relation to outstanding loans, changes in the loan portfolio, borrowers' performance in reducing loan principal, adequacy of loan collateral, and other relevant factors.

<u>Computer Equipment and Software</u>: Computer equipment and software are stated at cost and are depreciated utilizing the straight-line method over an estimated useful life of three and five years, respectively. Depreciation expense for the Trust totaled $2,182 and $1,658 during the years ended December 31, 2002 and 2001, respectively.

<u>Marketable Securities</u>: Marketable securities are classified as available-for-sale and are stated at fair value, with unrealized gains and losses included in a separate component of shareholders' equity.

<u>Interest Income</u>: Interest income on loans is accrued based upon the principal amount outstanding.

If a loan is placed on nonaccrual status, interest previously recognized but uncollected is reversed and charged against current income. Subsequent interest collected on such a loan is credited to principal if, in the opinion of management, collectibility of principal is doubtful; otherwise, the interest collected is recognized as revenue.

NOTE A - ORGANIZATION AND ACCOUNTING POLICIES (Continued)

Comprehensive Income: Comprehensive income is comprised of net income and all changes to shareholders' equity, except those due to investments by owners (changes in paid-in capital, if any) and distributions to owners (dividends). At December 31, 2002, unrealized holding gains on securities available-for-sale are the Trust's only accumulated other comprehensive income component. At December 31, 2001, the Trust had no marketable securities and, accordingly, had no unrealized holding gains or losses in a separate component of equity.

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 anti-dilutive shares. Accordingly, basic and dilutive shares presented are the same.

Concentrations of Credit Risk: The Trust's primary business activity is investing in loans collateralized by mortgages on real estate projects. These loans are principally collateralized by real estate in Texas, Florida, New Mexico, Virginia, Arizona and Oklahoma.

Management Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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 periods. Actual results could differ from those estimates.

NOTE B - MORTGAGE NOTES RECEIVABLE AND COMMITMENTS

Notes receivable from funding mortgage loans are principally collateralized by first mortgage loans on commercial or residential property and are due at various dates, with the latest maturity due in 2025. Notes receivable bear interest at rates ranging from 9.5% to 15%.

Additionally, certain of the mortgage notes receivable contain equity features that may provide the Trust with income in excess of the stated rate of the notes, although realization of such income cannot be assured.

Commitments to lend additional funds were $940,000 at December 31, 2002. There are no commitments to lend additional funds to borrowers whose loans are impaired.

NOTE C - NOTES RECEIVABLE - AFFILIATE

At December 31, 2002 and 2001, the Trust has a note receivable of $400,000 and $402,702, respectively from an affiliated business trust (see Note D). The original amount of the note was $602,702. Interest income related to this note for the years ended December 31, 2002 and 2001 was approximately $39,200 and $38,700, respectively. The note accrues interest at a rate of 9.8% and is payable quarterly. Principal may be paid at any time with unpaid principal due at December 31, 2003. The note is secured by a lien on the real estate assets of the affiliate.

NOTE C - NOTES RECEIVABLE - AFFILIATE (Continued)

At December 31, 2002, the Trust has a mortgage note receivable of $560,000 from an affiliated business trust. The note provides for monthly interest only payments of 12%. Interest income related to this note was approximately $28,200 for the year ended December 31, 2002. This note matures in August 2003.

At December 31, 2001, the Trust had a note receivable from an affiliated business trust in the amount of $60,000 (see Note D). The original amount of the note was $300,000. This note was repaid during 2002. Interest income related to this note for the years ended December 31, 2002 and 2001 was approximately $8,000 and $18,400, respectively.

During 2002, the Trust had a note receivable that was issued and paid off from an affiliated business trust (see Note D). The original amount of the note was $100,000. Interest income related to this note for the year ended December 31, 2002 was approximately $6,400.

NOTE D - INVESTMENTS IN AFFILIATES

The Trust participates with Holly Mortgage Trust ("Holly"), a Massachusetts business trust, for the purpose of investing in second mortgages and equity participation mortgages. At December 31, 2002, the Trust also owns 58,131 shares of beneficial interest in Holly, which comprises approximately 7% of the outstanding shares in Holly. The investment is recorded using the cost method. At December 31, 2002 and 2001, the cost of this investment was $58,131.

During the year 2002, the Trust issued 15,000 shares of beneficial interest in order to obtain an interest in Global REIT, L.P. The Trust accounts for this investment using the cost method of accounting. At December 31, 2002, the cost of this investment was $150,000.

NOTE E - MARKETABLE SECURITIES

From time to time, the Trust invests its excess funds in short-term government agency bonds in order to maximize earnings. The cost basis and fair market values of marketable securities available-for-sale for December 31, 2002 were as follows:

	Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale securities	$ 100,004	$ 2,156	$ -	$ 102,160

At December 31, 2001, the Trust did not have any marketable securities.

NOTE F - NOTES PAYABLE

The Trust has a $500,000 revolving line of credit facility with a bank, collateralized by the Trust's mortgage notes receivable. The borrowing arrangement bears interest at 8%. Interest is payable monthly. At December 31, 2002 and 2001, $1 was outstanding under the line of credit. This line of credit is guaranteed by FCA and matures June 2003.

The Trust had a $100,000 unsecured revolving line of credit facility with a bank. The borrowing arrangement bears interest at prime plus 1%. Interest is payable monthly. The line matured on April 11, 2002 and was not renewed.

NOTE G - 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 paid $3,770 in federal income taxes for the year ended December 31, 2001 which were related to 2000 and are included in general and administrative expenses. The Trust is expected to satisfy the income distribution requirements for the year ending December 31, 2002. Management believes that all other requirements of a qualified real estate investment trust have been met.

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

	2002	2001
Ordinary income	$ .90	$ .91

NOTE H - ADVISORY AGREEMENT AND RELATED PARTY TRANSACTIONS

Advisory fees paid to FCHC were approximately $140,000 and $136,000 for the years ended December 31, 2002 and 2001, respectively. The advisory fee is based on 1.4% of the book value of the assets of the Trust at the end of each fiscal year. The advisory fee was net of an $8,000 trustee fee at December 31, 2002 and 2001, which is paid directly to a FCHC employee.

During the year 2002, the Trust engaged in seven mortgage participation receivables with various affiliated business trusts. At December 31, 2002, the Trust had four outstanding mortgage participation receivables that totaled $1,028,458 and are included in Mortgage Notes Receivable, net on the Balance Sheet. The participations incur interest at rates ranging from 9.5% to 15% (excluding possible contingent interest rates up to 8.5%) and maturity dates ranging from April 2003 to March 2007. The notes are secured by various affiliated business trusts and/or second mortgages. Interest income on such participations was collected by the affiliates on the Trust's behalf amounted to approximately $173,300 for the year ended December 31, 2002.

NOTE H - ADVISORY AGREEMENT AND RELATED PARTY TRANSACTIONS (Continued)

During the year 2001, the Trust engaged in seven mortgage participation receivables with various affiliated business trusts. At December 31, 2001, the Trust had five outstanding mortgage participation receivables that totaled $1,528,458 and are included in Mortgage Notes Receivable, net on the Balance Sheet. The participations incur interest at rates ranging from 9.5% to 18% (excluding possible contingent interest rates up to 8.5%) and maturity dates ranging form July 2002 to March 2007. The notes are secured by various affiliated business trusts and/or second mortgages. Interest income on such participations was collected by the affiliates on the Trust's behalf amounted to approximately $283,900 for the year ended December 31, 2001.

At December 31, 2002, the Trust had two mortgage participations payable aggregating $225,000 to an officer of the Trust. The related notes provide for monthly interest only payments at rates of 10% and 12%. Interests collected on these participations and passed through to the participant was approximately $16,900 for the year ended December 31, 2002. There was no related party participations payable for the year 2001.

NOTE I - SIGNIFICANT MORTGAGE NOTES RECEIVABLE

In 2002, the Trust derived approximately 22% of its interest income from two mortgage notes. At December 31, 2002, these mortgage notes comprise approximately 12% of the mortgage notes receivable, net of participation.

In 2001, the Trust derived approximately 44% of its interest income from four mortgage notes. At December 31, 2001, these mortgage notes comprise approximately 48% of the mortgage notes receivable, net of participation.