



Heritage Capital Credit Corporation Describes BCLOC

Wilmington, DE – October 19, 2007- Heritage Capital Credit Corporation (OTC: HCPC) responded to questions at its Annual Shareholders' Meeting held on October 18, 2007. The number one key question that continues to be asked is "What is the BCLOC and how does it work?"

To address this question and to fully describe the BCLOC in plain language, the following is a comparison of the BCLOC with other lender funding.

In this example, Jane Doe has a business plan and wishes to acquire a commercial asset project (an office building, shopping center, hotel, apartment building, etc.) --- in this case an office building with a price tag of \$10 million.

The Other Lender Route will necessitate finding a bank or other lender who qualifies her for a loan of perhaps 80% of the commercial asset project, with a down payment of 20% from Jane's pocket. She will need the services of a real estate lawyer.

What can go wrong after funding? Jane could face default and lose her 20% down payment along with her asset because of insufficient income from the project over several months' time or because of problems with her business plan, and may need to secure a second mortgage to secure cash flow for the project and to make payments on the first loan. Even so, bankruptcy is always a possibility.

The Heritage BCLOC route will never involve bankruptcy and does not require Jane to post 20% down. Rough spots in cash flow from tenants need not sink Jane's business plan. Here's how it works:

Jane's part: Jane provides Heritage with a letter of agreement showing she has worked out details of the purchase with the seller. Jane pays whatever legal fees, etc., are involved with this part of the process. She also provides Heritage with a business plan for operation of the asset and a signed agreement to acquire the commercial asset project. She will need the services of a securities lawyer with experience in real estate.

The role of Heritage: Once Heritage receives the signed agreement to acquire the commercial asset project and the business plan, Heritage will conduct due diligence of the project and if satisfactory, then:

1. Heritage sets up a special limited-purpose corporation for Jane, controlled by a bank trustee. Heritage delivers the due diligence materials with all the corporate documents to the investors to raise money on behalf of this corporation to purchase the asset.
2. Jane's corporation signs a promissory note and acquires the asset with the funds from the investors. Some of the proceeds from the note fund an interest bearing corporate account (the CEA) that belongs to the corporation. The CEA's

sole purpose is to support payments on the note in the event that the cash flow from tenants cannot do so.

3. Heritage greatly reduce the possibility of legal default by arranging a guaranty contract for the corporation for the purpose of guaranteeing the payments on the note in the event of an economic downturn or unexpected consequences related to Jane's business plan. (In technical terms, wrapping the BCLOC with a guaranty contract reduces the risk of legal default on the note. Heritage uses proprietary software to forecast the amount of time remaining until the CEA would conceivably be depleted, during which time the corporation could continue in spite of adverse circumstances.)
4. What if Jane is sued? She has no legal liability. Her corporation with its CEA balance will suffer no loss as it is part of a trust estate, pledged to the trust. State and federal courts have upheld this situation.
5. How does Jane feel about all of this? She can withdraw funds according to certain guidelines. Jane has no out of pocket costs for her building's operating expenses. In time the note is paid-off and Jane has choices, either to collapse the corporation's trust or to continue on with it, with all the advantages of a corporation (debit card, tax advantages, company car, stock passed on to her kids, etc.)

Meanwhile Jane can take cash out of her corporation within certain guidelines related to her project's profitability. Eventually Jane owns her corporation free and clear, including the asset and whatever remains of the CEA.

Regarding the initial 21 clients who came to Heritage in 2004 and 2005, they provided a business plan and signed contracts for funding. Heritage is still waiting for signed agreements to acquire commercial asset projects, as required in **Jane's part**. Although none of the clients have been funded, some of them plan to honor their contracts and finish the application process to receive funding. Others do not.

About Heritage Capital Credit Corporation

The Heritage business model, which is implemented through its subsidiary, Independent Capital Credit Corporation, is to prepare real property and commercial revenue producing assets for securitization. Once securitized, the documentation can be delivered to investors for funding. To date, the Company has not delivered any projects for funding. For more information, visit the website: www.heritagecapitalcreditcorp.com.

Safe Harbor

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking information made on the company's behalf. All statements, other than statements of historical facts which address the company's expectations of sources of capital or which express the company's expectation for the future with respect to financial performance or operating strategies, can be identified as forward-looking statements. Such statements made by the company are based on knowledge of the environment in which it operates, but because of the factors previously listed, as well as other factors beyond the control of the company, which include the ability of the company to implement its business plans and consummate the proposed acquisition, actual results may differ materially from the expectations expressed in the forward-looking statements.

Contact: Richard Razzeca, Vice President - 302-778-422 - info@heritagecapitalcreditcorp.com
