



200 West Ninth Street, Suite 302
Wilmington, DE 19801

Dear Shareholders:

This letter provides a brief update on Heritage Capital Credit Corporation, and its wholly-owned subsidiary Independent Capital Credit Corporation.

Inaugural Transaction:

ICCC has arranged financing for its first commercial project that is expected to ultimately be put into a BCLOC security. The financing is for the renovation of a small hotel in the amount of \$808,000. This transaction is scheduled to close February 22, 2008. A second financing will close in three phases with an independent third-party lender. Phase one is expected to close on February 25, 2008

These closings will have a significant impact on our first quarter financial results, which will be released in mid-April.

Credit market turmoil:

The recent turmoil in the capital credit markets has prompted ICCC to create additional new and innovative ways to adapt to, and absorb the changes in the capital credit markets in order to evolve with, and continue to do business in, this environment. As many of you are aware, there has been a freezing up of the capital markets investment in structured finance products. Because of this development, ICCC will have to portfolio (hold on its books) the transactions it closes until such time as the markets begin to recover.

With these changes come needed upgrades to ICCC's systems for the servicing, accounting and managing of these transactions. Such upgrades have increased ICCC's costs which in-turn created a need for capital to meet these increased costs, thus the increases in the authorized and outstanding HCPC share count.

Share buyback:

As previously announced the company intends to repurchase shares with the revenue from the funding of projects. Changes in the manner of funding, will decrease the upfront fees earned by ICCC, however, ICCC will earn additional interest income from the portfolio it will hold. ICCC will allocate up to 35% of the upfront fees earned to share

buyback and additionally will use a portion of the interest income generated monthly to repurchase stock.

Reverse Stock Split:

It is the viewpoint of management at this time that a reverse stock split without the fundamentals to support a higher price would be harmful to both the Company and our shareholders.

We appreciate your comments through your emails and phone calls and to respond, we will provide information in the public domain as soon as practical.

*Very truly yours,
G.C. Johnson
Chairman and CEO*

About Heritage Capital Credit Corporation

The business model, of Heritage's wholly owned subsidiary, Independent Capital Credit Corporation, is to arrange financing for real property and commercial revenue producing assets. The term "arrange" differentiates ICCC's business model from traditional lenders and brokers in that, in addition to traditional financing offered, ICCC offers its flagship product the BCLOC. The BCLOC employs a new and innovative combination of software and structure to provide a new type of financing that is not a loan, does not involve a lender and is self funding through direct access to the capital markets. Because there is no loan or lender and the direct access to capital markets self funding aspect of the BCLOC, ICCC does not fund, broker, or originate, by the definition of these terms. ICCC, in fact, arranges, by pulling together the documentation, software, analysis, legal opinion and structure that constitute, not only traditional but also BCLOC financing. The term "financing" is used because its broad definition covers both our traditional and BCLOC services. To date, ICCC has not delivered any projects for funding. Visit our 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,

actual results may differ materially from the expectations expressed in the forward-looking statements.

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