

BPP Liquidating Trust

450 B Street, Suite 1900
San Diego, CA 92101

As previously announced, the Trustees of the BPP Liquidating Trust made a final distribution of trust assets on December 29, 2005, and thus completed the liquidation and terminated the Trust as of that date.

Enclosed please find 1) a copy of the final Form 10-K filed with the Securities and Exchange Commission for the fiscal year ended December 31, 2005, 2) a copy of the reviewed financial statements prepared by the Trust's outside accounting firm for the Trust's entire period of existence from June 28, 2002 through December 31, 2005, 3) a copy of your 2005 Grantor Letter, and 4) a per unit summary of the activity and basis for the units of the Trust.

2005 Tax Filing Information:

For federal income tax purposes, unit holders of the Trust received a Form 1099-Misc in 2002 equaling \$1.57 per unit, which represented the then estimated pro rata share of the net assets (assets less certain liabilities) of the Trust. As such, the liquidating distributions paid out in 2005 approximating \$0.2667 per unit have already been included in the 2002 Form 1099-Misc; and therefore, you will not be receiving an IRS Form 1099-DIV for 2005 for this distribution and the amount should not be taxable income in 2005.

Also attached is your Grantor Letter (similar to a Form K-1) which will reflect your share of the Trust's 2005 operating income or loss. As with prior years, you will need this form in order to prepare your 2005 tax returns.

As these actions represent the final activities of the Trust, we have also included a summary of all of the tax reporting activity for the Trust on a per unit basis for the entire period of the Trust's existence. The schedule summarizes information previously reported to you by the Trust on a Form 1099-Misc or in a Grantor Letter for each year. This schedule should assist your tax professional in the preparation of your individual tax returns. Please consult with your tax advisor to determine whether you have any remaining basis in your Trust units, and if a tax gain or loss resulted from this final distribution.

For more information regarding these items, please visit our web site at www.bpac.com. This information is being provided to offer additional explanation on the tax filings you have received from the Trust. It should not be construed as tax advice and we strongly recommend you seek the advice of a tax professional as to how to treat these items on your individual tax return. The Trustees are prohibited from providing advice or instructions as to how to file your tax returns.