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8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10 **WESTERN DIVISION - LOS ANGELES**

11
12 SECURITIES AND EXCHANGE
COMMISSION,

13 Plaintiff,

14 v.

15 CHARLES P. COPELAND,
COPELAND WEALTH
16 MANAGEMENT, A FINANCIAL
ADVISORY CORPORATION, and
17 COPELAND WEALTH
MANAGEMENT, A REAL ESTATE
18 CORPORATION,

19 Defendants.

Case No. 11-08607-R-DTB

**RECEIVER'S REPORT #2 AND
FURTHER BRIEFING ON
MATTERS INITIALLY HEARD ON
DECEMBER 19, 2011**

Date: January 23, 2012
Time: 10:00 a.m.
Ctrm: 8, 2nd Floor
Judge: Hon. Manuel L. Real

1 Thomas C. Hebrank ("Receiver"), the Court-appointed permanent receiver for
2 Copeland Wealth Management, a Financial Advisory Corporation ("CWM"),
3 Copeland Wealth Management, a Real Estate Corporation ("Copeland Realty"), and
4 their subsidiaries and affiliates (collectively, the "Receivership Entities"), hereby
5 submits his Receiver's Report #2 and Further Briefing on Matters Initially Heard on
6 December 19, 2011.

7 This Report provides the Court and all interested parties with the status of the
8 Receiver's activities since the date of the Receiver's Preliminary Report. A hearing
9 was held in this Court on December 19, 2011 in which the Receiver requested the
10 Court's direction with the following matters:

- 11 1. Receiver's Application to Employ Allen Matkins Leck Gamble Mallory &
12 Natsis LLP as his General Counsel (filed 11-18-11)
- 13 2. Receiver's Motion for Order (A) Approving Sale of Palm Springs Property
14 Free and Clear of Liens, and (B) Approving Real Estate Broker's
15 Commission (filed 11-18-11)
- 16 3. Receiver's Preliminary Report and Request for Order (A) Clarifying Scope
17 of the Receivership, and (B) Aiding Administration of the Receivership (filed
18 11-18-11)

19 At the December 19, 2011 hearing, due to some late filed opposition, the Court
20 continued the hearing until January 23, 2012 and requested that the Receiver further
21 brief the Court on the abovementioned matters. A copy of the Civil Minutes from
22 this hearing is attached as Exhibit A.

23 This Receiver's Report #2 is provided to update the Court on developments
24 with the receivership since the Receiver's Preliminary Report and to respond to the
25 Court's request for further briefing.

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I. INTRODUCTION

This Report describes the Receiver's activities since the issuance of the Receiver's Preliminary Report. The Receiver's recommendations based on his investigation thus far are also provided below.

In addition, as previously requested, the Receiver seeks an order clarifying the scope of the receivership and confirming that the 23 limited partnerships listed in the Commission's Complaint and used as investment vehicles for CWM clients (the "Limited Partnerships") are "affiliates" under the Judgment, and therefore are included in the receivership. The Securities and Exchange Commission ("Commission") supports the request to clarify that the 23 Limited Partnerships listed in the Complaint are included in the receivership.

The Receiver also recommends and requests certain relief he believes will aid in the administration of the receivership estate and help reduce administrative expenses. Copeland Realty's business is essentially to manage the eight commercial properties owned by the Real Estate Funds. In order to manage the properties until they can be sold, the Receiver requests authority to execute, amend and terminate leases pertaining to the properties. In addition, the Receiver requests authority to engage real estate brokers and appraisers to assist in efforts to market and sell the properties. All sales and broker commissions will remain subject to Court approval. When the Receiver agrees on the terms of a sale with a buyer, the Receiver will file a motion for approval of the sale, and will simultaneously request approval of the applicable broker's commission.

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II. THE RECEIVER'S ACTIVITIES TO DATE

Since the issuance of the Receiver's Preliminary Report, the following outlines the primary activities of the Receiver.

1 **A. Takeover of Copeland Business Operations**

2 Since the Receiver’s appointment, the Receiver has taken over the daily
3 operations of all of the abovementioned Receivership Entities. As previously
4 reported, the sale of CWM to Elevage Partners LLC was completed and transitional
5 issues involving the sale and termination of the non-transferring CWM client
6 relationships have been completed. For Copeland Realty, the Receiver has notified
7 all tenants, lenders, and vendors of the various Limited Partnerships of the
8 receivership; and is collecting rents, paying mortgages, property taxes and operating
9 expenses on a current basis (with the exception of Copeland Properties Nine, L.P.
10 which was in default prior to the Receiver’s appointment, and does not produce
11 sufficient cash flow to pay the monthly mortgage). The Receiver maintains separate
12 bank accounts for each Limited Partnership.

13 All CWM and Copeland Realty employees have been terminated at this time,
14 and the Copeland Realty office in Rancho Mirage has been closed. The monthly
15 savings to the receivership estate from these actions is approximately \$45,000. The
16 Receiver is currently managing the properties, and intends to engage a part-time
17 property manager to oversee daily management, tenant needs, leasing activities and
18 other issues that arise. The Receiver is currently preparing lease abstracts in order
19 to assist with this process; including monitoring insurance, property tax and other
20 tenant payment obligations, lease renewals and vacancies, etc.

21 **1. Palms Springs Condominium**

22 On April 19, 2011, Copeland Realty acquired residential real property located
23 at 222 N. Calle El Segundo #528, Palm Springs, California 92262 (the "Property").
24 Starting on September 1, 2011, Copeland Realty marketed the Property with the
25 assistance of a broker. On October 5, 2011, Copeland Realty signed a purchase
26 agreement with Glenn R. Ducat. The purchase price is \$75,000.

27 Upon his appointment, the Receiver discussed the proposed sale with the
28 broker and reviewed the purchase agreement. The Receiver determined that an

1 addendum to the purchase agreement was necessary to, among other things, make
2 the sale subject to Court approval. The addendum was signed on November 17,
3 2011. The Receiver filed his motion for approval of the sale on November 18, 2011.
4 The sale motion is set to be heard concurrently with this Report on January 23,
5 2012.

6 **2. Leasing Activity**

7 The Receiver has requested from this Court authority to engage in leasing
8 activity for the Real Estate Limited Partnerships. The Receiver has responded to an
9 “Invitation to Lease Space” from the Commonwealth of Kentucky for substantially
10 all of the vacant space associated with Copeland Properties Nine, L.P. The Receiver
11 has also issued a 3 Day Notice to Pay or Quit to a tenant on Copeland Properties 15,
12 L.P. with four months of unpaid rent. Vacancies exist in other Limited Partnership
13 properties, and several have leases coming up for renewal.

14 **3. CWM Custodial Accounts**

15 The Receiver was notified by TD Ameritrade that it was terminating its
16 custodianship of investments in the Limited Partnerships for all former CWM
17 financial advisory clients. It is believed that Schwab, who also holds former CWM
18 financial advisory accounts, has taken similar action. Although the Receiver has
19 completed the sale of the CWM advisory business to Elevage and terminated the
20 non-transferring CWM client relationships, the Receiver investigated whether he
21 could assist with finding a replacement custodian for these investments. The lack of
22 a substitute custodian could have adverse tax consequences on individual limited
23 partners. Unfortunately, upon investigation, it was determined that the Receiver
24 could not serve as substitute custodian, nor could an alternate custodian be located.

25 **4. Tax Return Preparation**

26 The Receiver has identified the need to engage an experienced tax preparation
27 firm to prepare 2011 tax returns, as well as some delinquent returns for the
28 Copeland Realty entities. These tax returns will involve substantial Limited

1 Partnership statements and the winding down of certain entities, and will deal with
2 complicated issues such as 1031 exchanges. An application seeking Court approval
3 of the hiring of Lavine, Lofgren, Morris & Engelberg, LLP as tax professionals is
4 set to be heard on January 23, 2011.

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6 **B. Pending Litigation**

7 Certain of the Receivership Entities, including CWM, Copeland Realty,
8 Copeland Properties Three, L.P., Copeland Properties Six, L.P., Copeland Properties
9 Eight, L.P., Copeland Properties Twelve, L.P. and Copeland Private Equity Two,
10 L.P., are parties in one or more pending lawsuits. The Receiver has given notice of
11 the Judgment to the parties in these actions, and has begun the process of gathering
12 and reviewing files, and evaluating the claims and defenses asserted in the cases.
13 Further actions are currently on hold, pending approval of the Receiver's general
14 counsel by the Court.

15 **1. Copeland Properties 18 Bankruptcy**

16 Copeland Properties 18, L.P. ("CP18") owns a commercial property located in
17 Greensboro, North Carolina. The property is leased by Garden Ridge, L.P., which
18 operates a home improvement store on the premises. The monthly rent under the
19 lease is approximately \$79,000.

20 Prior to the Receiver's appointment, in June 2011, CP18 had entered into a
21 Purchase and Sale Agreement ("PSA") with a potential buyer for the property at
22 \$9.5 million. The PSA was subsequently amended four times and the purchase
23 price reduced to \$9.0 million. The parties were unable to complete the sale
24 transaction prior to foreclosure by the lender (under North Carolina law, there is a
25 10-day upset bid period after a foreclosure sale occurs). During the upset bid
26 period, CP18 filed a Chapter 11 bankruptcy petition in North Carolina in an effort to
27 complete the sale transaction.

28

1 The PSA expired on October 21, 2011, prior to the Receiver's appointment.
2 At that time, there was pending a fifth proposed amendment which would have
3 reinstated the PSA and further reduced the purchase price to \$8.9 million. The
4 Receiver attempted to work with the purchaser to complete the proposed fifth
5 amendment. An appraisal on the property was obtained, and the appraiser estimated
6 the value to be \$9.1 million. Although this was more than the \$8.9 million purchase
7 price, the Receiver determined that the cost of restarting the sale process with a new
8 buyer, broker, etc. would outweigh the difference in value if indeed a \$9.1 million
9 price could be obtained.

10 However, shortly thereafter, the buyer further reduced their offer to \$8.6
11 million. The Receiver did not agree to the further price reduction. Accordingly, at
12 this time, the property is no longer under contract to be sold. Due to the termination
13 of the pending sale contract, the Receiver is working with local bankruptcy counsel
14 and the North Carolina Bankruptcy Administrator to dismiss the bankruptcy case.
15 The Receiver has requested authority to engage brokers to market and sell property
16 of the Limited Partnerships. If this relief is granted, the Receiver will promptly
17 engage a broker to assist the Receiver in marketing the property for sale, and will
18 seek Court approval of bidding procedures and a sale of the property.

19 **2. Opposition to Inclusion of Copeland Properties Ten, L.P in**
20 **the Receivership**

21 As noted above, on December 12, 2011, late opposition was filed by certain
22 limited partners of Copeland Properties Ten, L.P. ("CP10 Objectors"). The CP10
23 Objectors argue, among other things, that CP10 should not be included in the
24 receivership estate. Both the Receiver and the Commission filed responses. The
25 Receiver incorporates his Preliminary Report and these responses herein. On
26 December 19, the Court continued the hearing on the Receiver's request for
27 confirmation that the Limited Partnerships are included in the receivership, and
28 instructed the parties to attempt to resolve their differences consensually.

1 In light of the Court's comments and instructions at the hearing regarding the
2 Allen Matkins employment application, the Receiver could not ask Allen Matkins or
3 any other firm to provide legal services until the employment application is
4 resolved. The employment application issues are discussed further below.

5 For the time being, as a temporary means of resolving the CP10 issue, the
6 Receiver proposed the following: (a) the CP10 Objectors agree to continue their
7 objection for approximately 90 days while the Receiver conducts a forensic
8 accounting, (b) once the accounting is completed and the Receiver's report is filed
9 with the Court, the parties could meet and confer to revisit the issue with the benefit
10 of the Receiver's accounting, and (c) if the parties could not resolve the issue
11 consensually, the CP10 Objectors could set their objection for hearing and the Court
12 could decide. The CP10 Objectors rejected this proposal. As discussed below, the
13 Receiver has invited all investors/limited partners of the Limited Partnerships to an
14 informal meeting in Redlands on January 12, 2012 to discuss the receivership, ask
15 the Receiver questions, and discuss the Receiver's proposed plan moving forward.

16 On January 10, 2012, the CP10 Objectors filed a Supplemental Objection,
17 reiterating their prior arguments, and contending that the Receiver has "flagrantly
18 ignored the Court's direction" to meet and confer. This is not the case. Although
19 temporarily without counsel, the Receiver has made a good faith effort to reach a
20 consensual resolution that allows the Receiver, the CP10 Objectors, and, if
21 necessary, the Court, to address the issue of whether CP10 should be included in the
22 receivership, and to do so with the benefit of the forensic accounting the Judgment
23 directs the Receiver to conduct.

24 Moreover, the balance sheets prepared by Defendant Charles Copeland and
25 Copeland Accountancy, which are attached hereto as Exhibit B, further illustrate the
26 interrelatedness and commingling of the Limited Partnerships. The balance sheets
27 reflect the Notes Receivable and other assets of each Limited Partnership, as
28 prepared by Defendants at the time of the Receiver's takeover. Should the real

1 estate Limited Partnerships be excluded from the receivership estate, the Receiver
2 would have to immediately seek to collect on 59 separate notes receivable from the
3 real estate Limited Partnerships, individual limited partners, and other related
4 entities. The total owed to Copeland Realty and the three Copeland Fixed Income
5 Funds alone from these notes is almost \$14 million. A review of these same balance
6 sheets reflects that investors in CP10 are also investors in 11 different Copeland
7 Realty entities, and at least one CP10 investor has a note payable to a Copeland
8 Fixed Income Limited Partnership. It is important to remember that these balance
9 sheets have been provided by Defendants, and need to be reviewed by the Receiver
10 to determine their validity and accuracy, and the extent of any further related party
11 obligations. For the reasons discussed herein and in the Preliminary Report (pp. 12-
12 15), it is critical that the Limited Partnerships be protected and preserved under the
13 Court's jurisdiction while an investigation and accounting is conducted.

14 **3. Flagstar Opposition to Receiver's Preliminary Report**

15 On January 9, 2012, opposition was filed by Flagstar Bank, FSB ("Flagstar")
16 to the Receiver's Preliminary Report. In its opposition, Flagstar acknowledges that
17 the payments on its loan to CP10 are current. Flagstar does not claim that there is
18 any monetary risk associated with Receiver taking control over CP10 nor does
19 Flagstar assert that there is any risk associated with the Receiver assuming
20 operational control over the property. Nevertheless, Flagstar argues that the
21 Receiver should relinquish control over CP10 receivership estate funds to Flagstar
22 so the bank can avoid the loan being written down internally. Flagstar states that its
23 interests outweigh those of the receivership estate. The Receiver disagrees.

24 This case involves alleged violations of securities laws on a large scale. The
25 Receivership Entities raised over \$60 million from more than 100 investors. The
26 investors face devastating personal losses. The purpose of the receivership is to put
27 all assets under the control of the Court and the Receiver such that an investigation
28 and accounting can be conducted, a claims process completed, and the Court can

1 determine the most equitable manner of distributing assets. The importance of
2 maximizing the recovery by investor victims and achieving an equitable distribution
3 of assets substantially outweighs Flagstar's internal accounting concerns.

4 Flagstar also argues that confirming that CP10 is included in the receivership
5 will harm CP10 because Flagstar can exercise remedies including collecting
6 rent. Flagstar is wrong. The Judgment includes an injunction prohibiting creditors
7 seeking relief against the Receivership Entities from, among other things, doing
8 anything to interfere with the Receiver's possession, management and control of
9 receivership assets. Judgment, Part VIII. The Court's authority to issue an
10 injunction protecting receivership estate assets is clear and undisputed. The
11 Receiver has and will continue to make monthly mortgage payments to
12 Flagstar. CP10, therefore, is protected from adverse actions by Flagstar as long as it
13 is included in the receivership.

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15 **C. Communications with Investors and Creditors & Upcoming**
16 **Meeting**

17 The Receiver has given notice of his appointment to all investors/limited
18 partners of the Limited Partnerships, all lenders, tenants and vendors of the Real
19 Estate Funds' commercial properties, and to other creditors and interested parties as
20 they are identified. Updates continue to be posted to the Receiver's website for the
21 benefits of all parties.

22 In addition, the Receiver has invited all limited partners and investors to a
23 meeting in Redlands on January 12, 2012, to provide an opportunity to discuss the
24 receivership, ask the Receiver questions, and to discuss the Receiver's proposed
25 plan going forward.

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1 **III. CASH ACTIVITY IN RECEIVERSHIP ACCOUNTS**

2 Attached as Exhibit C is a summary of the cash activity in receivership bank
3 accounts from the Receiver's appointment through December 18, 2011. The total
4 cash balance across all accounts as of December 31, 2011 was \$690,594.07.

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6 **IV. THE RECEIVER’S GENERAL COUNSEL**

7 At the December 19, 2011 hearing, the Court continued the hearing on the
8 employment application of Allen Matkins Leck Gamble Mallory & Natsis LLP
9 (“Allen Matkins”), stating that it was too expensive. Pursuant to the Court's
10 instructions, the Receiver contacted five firms in Southern California that regularly
11 practice in the receivership/bankruptcy arena. These firms range in size from
12 approximately 6 lawyers to more than 450 lawyers. The Receiver asked these firms
13 to describe their relevant experience and expertise with state and federal equity
14 receiverships, their experience with real estate limited partnerships, and to provide
15 the hourly rate for the primary attorney on the case as well as a blended hourly rate
16 for the firm that they would commit to if employed as the Receiver's general
17 counsel. The responses are attached as Exhibit D, and should be reviewed for a
18 more detailed analysis of the levels of relevant experience of each firm. Allen
19 Matkins’ relevant experience and expertise is discussed in its employment
20 application (pp. 6-7) and the attorney biographies attached as Exhibit A
21 thereto. Below is a summary of the responses:

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	Firm Name	Firm Size	Relevant Experience	Rate of Primary Attny	Firm Blended Rate
1					
2					
3					
4	Sullivan Hill	31	State, federal court	\$315	\$350
5			receiverships; federal		
6			bankruptcy; real estate.		
7			Represented SEC Receiver		
8			once.		
9	Mulvaney,	17	State receiverships; federal	\$285	\$310
10	Kahan & Barry		bankruptcy; real estate.		
11	Gerson Law	6	State receiverships; federal	a)\$365	a)\$265
12	Firm		bankruptcy; real estate.	b)\$295	b)\$295
13	Mintz Levin	450	State, federal court	\$257 -	\$385
14			receiverships; federal	\$617	
15			bankruptcy; real estate.		
16			Represented SEC Receiver		
17			once.		
18	Parker	33	State receiverships; federal	\$365 -	\$350
19	Milliken		bankruptcy; real estate.	\$510	
20	Allen Matkins	220	State, federal court	\$350	\$350
21	(Revised Bid)		receiverships; federal		
22			bankruptcy; real estate.		
23			Represented SEC Receivers in		
24			20+ cases.		

25
26 The Receiver selected Allen Matkins as his general counsel, and the firm was
27 part of the Receiver's initial proposal to the Commission. In its employment
28

1 application, Allen Matkins committed to a blended hourly rate for the entire case
2 under \$400. As stated above, Allen Matkins has agreed to further reduce its rates
3 and will commit to a blended hourly rate of \$350 or less for the entire case.

4 An important consideration in this evaluation in addition to hourly rate is the
5 level of relevant experience and expertise of each firm that relates specifically to
6 this equity receivership. A federal equity receivership is very different from a
7 typical state court rents and profits receivership, and is not the same as a bankruptcy
8 case. Although all involve court-appointed fiduciaries, federal equity receiverships
9 are governed by a different set of federal statutes, rules and case law. An equity
10 receiver's duties and powers are different from those of a rents and profits receiver
11 or a bankruptcy trustee. An equity receiver has different causes of action available,
12 and the priority in distributing assets among claimants is usually different (and often
13 opposite) than under bankruptcy law. The fact that they arise from securities fraud
14 affecting investor victims distinguishes in many important ways equity receiverships
15 initiated by the or other federal agencies from state court receiverships arising from
16 defaulted loans and bankruptcy cases arising from insolvent businesses or
17 individuals.

18 Moreover, this case involves complex assets and issues. Thus far, the
19 Receiver took control of a financial advisory business with approximately \$125
20 million in client assets under management in the final stages of a sale. Clients were
21 no longer receiving investment advice and the value of the business was rapidly
22 diminishing. The Receiver had to quickly review documents, understand the details
23 of the business and the proposed transaction, determine what changes needed to be
24 made to the Asset Purchase Agreement in light of the significant change in
25 circumstances, and obtain authority from the Court for the sale, as amended, to
26 close.

27 In addition, the receivership entities own and manage eight commercial
28 properties which, collectively, were purchased for more than \$70 million. Some of

1 the properties have tenants, some are partially occupied, and some are vacant. Some
2 of the loans on the properties are current and some are in default. Some of the
3 properties are the subject of pending foreclosure, bankruptcy court jurisdiction,
4 receivership, and related actions. Several are the result of and subject to 1031
5 Exchange transaction rules. Maximizing the recovery from the properties will
6 involve (a) interactions and negotiations with lenders, tenants, vendors, brokers and
7 potential purchasers, and (b) with Court approval, execution of lease documents and
8 purchase and sale agreements. Legal counsel who understands federal equity
9 receivership law and the Receiver's role, duties and powers will be critical, as will
10 expertise in commercial real estate transactions.

11 Further, the Receiver will need to conduct a claims process, giving notice and
12 an opportunity to be heard to all investors and creditors. The Receiver will need to
13 review claims and, where necessary, object to claims. Counsel experienced in
14 federal equity receivership law will be critical to efficiently resolving claim
15 disputes. The Receivership Entities are currently involved in litigation; and the
16 recovery of notes receivable, enforcement of loan guaranties, and other matters will
17 almost certainly involve additional litigation and a firm experienced in these types
18 of matters. Finally, the Receiver will need to formulate and seek Court approval of
19 a plan for distributing receivership estate assets. The distribution plan will need to
20 accurately define and classify claims, provide specific treatment for each class of
21 claims, establish cash reserves, as necessary and appropriate, and provide for
22 distributions to holders of allowed claims.

23 Allen Matkins has more significant experience and expertise than the firms
24 listed above, having represented equity receivers appointed in more than 20 federal
25 cases. Allen Matkins has also represented the Receiver in this matter from the
26 inception of the case, and therefore has the advantage of being familiar with the
27 Court's orders, the receivership entities and their assets, and the various pending
28 cases discussed above, eliminating the delay and expense associated with engaging a

1 new firm. Of the firms listed above, only Sullivan Hill and Mintz Levin have
2 represented an equity receiver in an SEC case, and each in only one instance. The
3 reduced blended hourly rate of \$350 which Allen Matkins has committed to is the
4 same as or less than that of Sullivan Hill and Mintz Levin. For these reasons, the
5 Receiver recommends that the Court approve the Employment Application of Allen
6 Matkins.

7 It is crucial that the issue of the Receiver's counsel be resolved promptly. The
8 Receiver cannot ask Allen Matkins or any other firm to provide legal services
9 without Court approval of their employment. There are numerous important legal
10 issues facing the receivership estate which cannot be addressed until the issue of the
11 Receiver's counsel is resolved.

12 **V. RECEIVER'S FORENSIC ACCOUNTING REVIEW AND**
13 **PROPOSED PLAN GOING FORWARD**

14 As noted above, at the time of the Receiver's appointment, Defendant
15 Copeland and Copeland Accountancy provided financial statements for the
16 Receivership Entities. The Balance Sheets for each of the Real Estate and Fixed
17 Income Limited Partnerships are attached hereto as Exhibit B. The Receiver takes
18 no position on the validity or accuracy of the figures contained therein, but includes
19 them as a point of reference for understanding the task to be completed.

20 The Receiver plans, upon concurrence of the Court and upon confirmation
21 that the Limited Partnerships are included in the receivership, to conduct a forensic
22 review to include the following key elements: 1) ascertain the validity and accuracy
23 of the financial statements prepared by Defendant Copeland and Copeland
24 Accountancy for the Receivership Entities by reconciling amounts and transactions
25 to supporting documentation including bank statements, cancelled checks and tax
26 returns, 2) review supporting files and other documentation for executed notes
27 receivable, notes payable, investments, loan guaranties, and other information, 3)
28 making a preliminary evaluation of the propriety and collectability of notes and

1 other receivables, and 4) making a preliminary evaluation of the propriety and
2 details of notes and other payables.

3 Concurrent with the forensic accounting review, the Receiver proposes to
4 engage appraisers and brokers in order to determine the value of the Copeland
5 Realty properties, in order to make recommendations to the Court for their possible
6 sale or other disposition.

7 The Receiver intends to report to the Court the results of the above actions
8 approximately ninety (90) days after approval from the Court for this proposed
9 course of action.

10 **VI. RECEIVER'S RECOMMENDATIONS**

11 Based on his investigation to date, the Receiver recommends the following
12 with respect to the receivership:

13 1) That the receivership continue pursuant to the Judgment and further orders
14 of the Court;

15 2) That, in order to maximize the recovery for the receivership estate from
16 the eight commercial properties, the Receiver (a) evaluate the properties, including
17 their value, revenue from tenants, loan obligations and operating costs, (b) manage
18 the properties, (c) make recommendations to the Court as to either sale or other
19 disposition, (d) if appropriate, market them for sale, and (e) enter into sale
20 transactions subject to approval by the Court;

21 3) That, as outlined above, the Receiver conduct a forensic accounting
22 review pursuant to Part V.E. of the Judgment;

23 4) That the Receiver, with the assistance of counsel, investigate and pursue
24 collection of loans and other causes of action against third parties who borrowed
25 funds or otherwise owe money to the Receivership Entities;

26 5) That, once the schedule of investors and creditors has been filed pursuant
27 to Local Rule 66-5, the Receiver formulate and seek Court approval of procedures
28 for the administration of claims, including (a) providing notice to investors and

1 creditors, (b) receiving, reviewing, analyzing, and where appropriate, objecting to
2 investor and creditor claims, and (c) resolution of claim disputes by the Court; and

3 6) That the Receiver file reports with the Court approximately every 90 days
4 to keep the Court, the Commission and interested parties apprised of his activities.

5 7) That the Receiver, with the assistance of Lavine, Lofgren, Morris &
6 Engelberg, LLP, prepare and file 2011 and other delinquent tax returns for the
7 Receivership Entities.

8 **VII. CONCLUSION**

9 Based on the foregoing, the Receiver requests an order approving this report,
10 confirming that the Limited Partnerships are included in the receivership,
11 authorizing him to enter into leasing transactions and to engage real estate brokers
12 and appraisers (all sales and broker commissions remaining subject to approval by
13 the Court), extending his deadline to submit a schedule of known creditors for 60
14 days, and accepting his above recommendations.

15 Dated: January 11, 2012

17 By: 
18 THOMAS C. HEBRANK,
19 Permanent Receiver

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Exhibit A

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
CIVIL MINUTES - GENERAL**

CASE NO.: CV-11-8607-R

Date: December 19, 2011

TITLE: S.E.C. V. CHARLES P. COPELAND et al

=====

PRESENT:

HON. MANUEL L. REAL, JUDGE

**William Horrell
Deputy Clerk**

**Sheri Kleeger
Court Reporter**

ATTORNEYS PRESENT FOR PLAINTIFFS:

ATTORNEYS PRESENT FOR DEFENDANTS:

David Zaro, for Receiver
Ted Fates, for Receiver
Thomas Hebrank, Receiver
Spencer Bendell, SEC

William Tooke
Peter Davidson
Francis Quinlan

PROCEEDINGS: Receiver's Application to employ Allen Matkins Leck Gamble Mallory & Natsis LLP as his General Counsel (fld 11-18-11)
Receiver's motion for order (A) approving sale of Palm Springs property free and clear of liens, & (B) approving real estate broker's commission (fld 11-18-11)
Receiver's preliminary report and Request for order (A) clarifying scope of the Receivership, & (B) aiding administration of the Receivership (fld 11-18-11)

The Court hears from counsel.

The Court requests further briefings from the Receiver on the above-listed matters, and continues the hearing on the above-listed items to JANAURY 23, 2012 at 10:00 a.m.

7 min

Exhibit B

8:56 AM

10/27/11

Cash Basis

Copeland Wealth Management - A Real Estate Corporation

Balance Sheet

As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1112 · Pacific Western Bank	117.72
1120 · Pooled Investment Account	306.54
Total Checking/Savings	424.26
Accounts Receivable	
1200 · Accounts Receivable	133,791.86
Total Accounts Receivable	133,791.86
Other Current Assets	
1400 · N/R - Limited Partnerships	
1404 · Note Receivable-CP4 Qualex	137.07
1412 · Note Receivable-CP7	15,932.00
1416 · Note Receivable- CP9	18,117.72
1424 · Note Receivable -CP12	90,000.00
1431 · Note Receivable- CFI 1	5,153.54
1433 · Note Receivable-CP 14/CP18	200,524.68
1433.3 · Accrued Management Fees-CP18	165,466.80
1434 · Note Receivable-CP15	159,231.33
1436 · Note Receivable-CP17	101,636.04
Total 1400 · N/R - Limited Partnerships	756,199.18
1450 · N/R - Private Investors	
1451 · Note Receivable-CPC	273,533.34
1456 · Note Receivable-WAMU	100.00
1457 · Note Receivable- Luckey	1,800.00
1458 · Note Receivable- TCG Trust	262,082.49
1462 · Note Receivable-Eure	247,672.70
1477.1 · Note Receivable-Katie Hernandez	25,000.00
1481 · Note Receivable - Janet Ihde	15,562.99
1490 · Note Receivable - Stauffers	400,000.00
1491 · N/R - Sandy Cox	8,287.56
1493 · Note Receivable - Serenity	107,090.38
Total 1450 · N/R - Private Investors	1,341,129.46
1494 · Investments	117,408.29
1497 · Intercompany Receivable	
1461 · Note Receivable- TCG	246,185.64
1492 · Note Receivable / F/A	-162,360.64
1496 · Note Receivable-CWM	-436,113.55
Total 1497 · Intercompany Receivable	-352,288.55
Total Other Current Assets	1,862,448.38
Total Current Assets	1,996,664.50
Fixed Assets	
1500 · Computers	6,856.94
1510 · Furniture/Equipment	9,375.94
1511 · Furn/Equip-Rncho Mir-CRI Suite	42,306.37
1512 · Furn/Equip-Rncho Komen 200	4,915.64
1520 · Leasehold Improvements	17,209.27
1521 · Lsehd Imp-Rncho Mrge/CRI Suite	29,292.33
1522 · Leasehold Imprmts-Komen 200	41,048.43
1550 · Accumulated Depreciation	-42,256.00
Total Fixed Assets	108,748.92

Copeland Wealth Management - A Real Estate Corporation

Balance Sheet

As of October 27, 2011

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Cash Basis

	Oct 27, 11
Other Assets	
1700 · Limited Partnership Investments	
1705 · Investment-CP1	-3,300.00
1708 · Investment - CP8	199,787.00
1709 · Investment - CP9	69,474.00
1712 · Investment - CP12	244,679.00
1716 · Investment - CP16	-7,332.50
1718 · Investment - CP18	207,931.00
1719 · Investment-Private Equity 1	500,000.00
1720 · Investment - Private Equity 2	250,000.00
Total 1700 · Limited Partnership Investments	1,461,238.50
1750 · Fee Interest Land	
1753 · Investment -WA Property	182,799.04
1761 · Calle El Segundo	12,322.48
Total 1750 · Fee Interest Land	195,121.52
1800 · Deposits	
1814 · Deferred Partner - CP14/CP18	-14,738.15
1816 · Deferred Partner- CP16	-16,686.14
1800 · Deposits - Other	27,538.68
Total 1800 · Deposits	-3,885.61
Total Other Assets	1,652,474.41
TOTAL ASSETS	3,757,887.83
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2016 · Accounts Payable	51,326.30
Total Accounts Payable	51,326.30
Other Current Liabilities	
2000 · Notes to Private Parties	
2001 · Note Payable-Suzane Bricker	173,541.67
2004 · Note Payable- Dr. Nong	300,000.00
2005 · Note Payable- Maggie Douglas	17,200.00
2006 · Note Payable -Hallman	40,000.00
2009 · N/P William & Helen Huntley	130,000.00
20161 · N/P - CFI#1/Private Equities	470,000.00
2017 · Note Payable - CP5	144,000.00
2018 · Note Payable - CP8	21,295.17
2018.2 · N/P-CP8 Pooled Income Activity	20,741.61
2020 · Note Payable-Luckey	400,000.00
2022.2 · N/P-CP4 Pooled Income Activity	23,689.73
2026 · Note Payable CFI#2 @ 9%	822,587.97
2027.1 · N/P CP10 Pooled Income Activity	3,680.71
2029.1 · N/P-CP18 Pooled Income Activity	21,331.90
2031 · N/P - Copeland Ret. Trust	5,859.89
2032 · Note Payable - CP2	265,200.00
2039 · N/P-CP9/Pooled Income Activity	14,298.08
2039.1 · Note Payable - CP9 (Rent)	167,345.70
2043 · N/P - Copeland Fixed Income #3	101,405.49
2044 · Note Payable - Kohut	400,000.00
2049 · Unknown Note Payable	156,191.46
2057 · Note Payable - McFarland	50,000.00
2058 · N/P - CPC PS Plan	250,000.00
Total 2000 · Notes to Private Parties	3,998,369.38

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Copeland Wealth Management - A Real Estate Corporation
Balance Sheet
As of October 27, 2011

	Oct 27, 11
2050 · Note Payable-1st Cent LOC	89,668.88
2085 · JTS Managment	25,000.00
2100.1 · Accrued Payroll Taxes	9,186.61
2101 · Accrued Payroll	7,569.59
2309 · Pooled Investment Acct	50,397.58
Total Other Current Liabilities	4,180,192.04
Total Current Liabilities	4,231,518.34
Total Liabilities	4,231,518.34
Equity	
3200 · Capital Stock	30,000.00
3900 · Retained Earnings	-160,518.93
Net Income	-343,111.58
Total Equity	-473,630.51
TOTAL LIABILITIES & EQUITY	3,757,887.83

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Copeland Fixed Income One
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1100 · 1st Centennial Checking	2,648.21
Total Checking/Savings	2,648.21
Accounts Receivable	
11000 · Accounts Receivable	21,559.75
Total Accounts Receivable	21,559.75
Other Current Assets	
1401 · N/R-CRI/Priv. Equit @ 11%	470,000.00
1410 · Note Receivable-CP4 Loan	2,866,767.24
1411 · Note Receivable-PHT @12%	210,000.00
1413 · Note Receivable-Taber	9,099.00
1414 · Note Receivable-CP12	180,397.00
1419 · Note Receivable - CP9	212,828.14
1421 · Note Receivable-RMI Industries	71,000.00
1425 · Note Receivable - CP15	25,000.00
1432 · Note Receivable - RMSC	84,244.47
1450 · Allowance for Doubtful Accounts	-393,800.48
Total Other Current Assets	3,735,535.37
Total Current Assets	3,759,743.33
TOTAL ASSETS	3,759,743.33
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	22,169.82
Total Accounts Payable	22,169.82
Other Current Liabilities	
2001 · Note Payable-CRI	5,153.54
2002 · Note Payable- CP8	118,000.00
2005 · Note Payable - CFI#2	17,000.00
2006 · Note Payable - CFI#3	59,382.50
2008 · Note Payable-Jay & Teresa Whan	181.23
2010 · Note Payable - CP10	16,000.00
Total Other Current Liabilities	215,717.27
Total Current Liabilities	237,887.09
Total Liabilities	237,887.09
Equity	
3800 · Capital- J. Whan	
3800.01 · Contributions-1/25/06&6/20/06	155,000.00
3800.02 · Draws	-735.22
3800 · Capital- J. Whan - Other	-36,623.98
Total 3800 · Capital- J. Whan	117,640.80
3803 · Capital-Kohut IRA	
3803.01 · Contributions-1/1/06;9/2/08	622,667.00
3803.02 · Draws	-2,953.52
3803 · Capital-Kohut IRA - Other	-144,789.47
Total 3803 · Capital-Kohut IRA	474,924.01
3804 · Capital-Ross IRA	
3804.01 · Contributions-1/1/06	500,000.00
3804.02 · Draws	-1,423.00
3804 · Capital-Ross IRA - Other	-269,806.65
Total 3804 · Capital-Ross IRA	228,770.35

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Copeland Fixed Income One
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
3805 · Capital-Ross Trust	
3805.02 · Draws	-200,844.44
3805 · Capital-Ross Trust - Other	200,844.44
Total 3805 · Capital-Ross Trust	0.00
3806 · Capital-R. Neal	
3806.01 · Contributions-1/19/06	200,000.00
3806.02 · Draws	-948.66
3806 · Capital-R. Neal - Other	-46,537.53
Total 3806 · Capital-R. Neal	152,513.81
3807 · Capital-D. Bricker	
3807.01 · Contributions-1/9/06	300,000.00
3807.02 · Draws	-1,280.70
3807 · Capital-D. Bricker - Other	-92,826.80
Total 3807 · Capital-D. Bricker	205,892.50
3808 · Capital-R. Howard	
3808.01 · Contributions	350,000.00
3808.02 · Draws	-1,660.16
3808 · Capital-R. Howard - Other	-81,866.51
Total 3808 · Capital-R. Howard	266,473.33
3809 · Capital-McColloch Trust	
3809.01 · Contributions-2/3/06	100,000.00
3809.02 · Draws	-474.34
3809 · Capital-McColloch Trust - Other	-23,305.11
Total 3809 · Capital-McColloch Trust	76,220.55
3810 · Capital-W. McDonald	
3810.01 · Contributions-3/8/06	300,000.00
3810.02 · Draws	-474.34
3810 · Capital-W. McDonald - Other	-225,729.55
Total 3810 · Capital-W. McDonald	73,796.11
3812 · Capital-Healy	
3812.01 · Contributions-4/13/06	100,000.00
3812.02 · Draws	-474.34
3812 · Capital-Healy - Other	-24,143.97
Total 3812 · Capital-Healy	75,381.69
3813 · Capital-Cinque	
3813.01 · Contributions-4/17/06	200,000.00
3813.02 · Draws	-948.66
3813 · Capital-Cinque - Other	-46,974.04
Total 3813 · Capital-Cinque	152,077.30
3815 · Capital-Luckey	
3815.01 · Contributions-4/25/06	76,500.00
3815.02 · Draws	-362.87
3815 · Capital-Luckey - Other	-17,279.63
Total 3815 · Capital-Luckey	58,857.50
3817 · Capital-Sniecinski	
3817.01 · Contrib-5/26/&6/23/06&11/29/07	500,000.00
3817.02 · Draws	-2,039.64
3817 · Capital-Sniecinski - Other	-173,467.69
Total 3817 · Capital-Sniecinski	324,492.67
3818 · Capital-Luckey Charitable Trust	
3818.01 · Contributions-4/25/06	475,426.00
3818.02 · Draws	-2,255.11
3818 · Capital-Luckey Charitable Trust - Other	-112,460.70
Total 3818 · Capital-Luckey Charitable Trust	360,710.19

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Copeland Fixed Income One Balance Sheet As of October 27, 2011

	Oct 27, 11
3819 · Capital-Clarence & Eleanor Paul	
3819.01 · Contributions-6/14/06	100,000.00
3819.02 · Draws	-474.34
3819 · Capital-Clarence & Eleanor Paul - Other	-23,627.65
Total 3819 · Capital-Clarence & Eleanor Paul	75,898.01
3820 · Capital-Hollaus	
3820.01 · Contrib-6/20/06&8/31/06&11/1/06	415,000.00
3820.02 · Draws	-1,968.48
3820 · Capital-Hollaus - Other	-98,478.65
Total 3820 · Capital-Hollaus	314,552.87
3821 · Capital-Charles Grey	
3821.01 · Contributions-08/19/06;7/18/07	207,000.00
3821.02 · Draws	-981.86
3821 · Capital-Charles Grey - Other	-50,183.43
Total 3821 · Capital-Charles Grey	155,834.71
3822 · Capital - Donna Wooley IRA	
3822.01 · Contributions-9/25/06	100,000.00
3822.02 · Draws	-474.34
3822 · Capital - Donna Wooley IRA - Other	-23,876.59
Total 3822 · Capital - Donna Wooley IRA	75,649.07
3823 · Capital-Betty Markwardt	
3823.01 · Contributions-10/05/06	52,695.00
3823.02 · Draws	-249.95
3823 · Capital-Betty Markwardt - Other	-12,535.69
Total 3823 · Capital-Betty Markwardt	39,909.36
3824 · Capital-Betty Markwardt IRA	
3824.01 · Contributions 10/18/06	58,805.00
3824.02 · Draws	-278.93
3824 · Capital-Betty Markwardt IRA - Other	-14,132.81
Total 3824 · Capital-Betty Markwardt IRA	44,393.26
3825 · Capital - Jill Meader IRA	
3825.01 · Contributions	29,000.00
3825.02 · Draws	-137.56
3825 · Capital - Jill Meader IRA - Other	-6,963.49
Total 3825 · Capital - Jill Meader IRA	21,898.95
3826 · Capital - Jill Meader-Personal	
3826.01 · Contribution	46,000.00
3826.02 · Draw	-218.19
3826 · Capital - Jill Meader-Personal - Other	-11,127.26
Total 3826 · Capital - Jill Meader-Personal	34,654.55
3827 · Capital - Les Laybourne	
3827.01 · Contributions	100,000.00
3827.02 · Draws	-474.34
3827 · Capital - Les Laybourne - Other	-24,835.50
Total 3827 · Capital - Les Laybourne	74,690.16
3829 · Capital - E. & M. Schamehorn	
3829.01 · Contributions	150,000.00
3829.02 · Draws	-711.50
3829 · Capital - E. & M. Schamehorn - Other	-37,765.89
Total 3829 · Capital - E. & M. Schamehorn	111,522.61
Net Income	5,101.88
Total Equity	3,521,856.24
TOTAL LIABILITIES & EQUITY	3,759,743.33

Copeland Fixed Income Two
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1100 · 1st Cent Checking	7,329.23
Total Checking/Savings	7,329.23
Accounts Receivable	
11000 · Accounts Receivable	230,684.65
Total Accounts Receivable	230,684.65
Other Current Assets	
1400 · Note Receivable - CRI	822,587.97
1401 · Note Receivable - PHT @12%	950,000.00
1402 · Note Receivable - Nulite @ 9%	100,000.00
1404 · Note Receivable-Nizzia	150,000.00
1409 · N/R- CP9 (Lynch Note)	900,000.00
1410 · Note Receivable - CFI#1	17,000.00
1412 · Note Receivable - CP12	62,165.89
1419 · Note Receivable - CP9	186,375.00
1423 · N/R - CP15	23,400.00
1425 · N/R- SoCal Del, LLC	800,000.00
1426 · N/R - Stauffers	255,000.00
1433 · Allowance for Doubtful Accounts	-424,000.00
Total Other Current Assets	3,842,528.86
Total Current Assets	4,080,542.74
TOTAL ASSETS	4,080,542.74
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	44,458.25
Total Accounts Payable	44,458.25
Other Current Liabilities	
2113 · N/P - CFI#3	414,300.00
Total Other Current Liabilities	414,300.00
Total Current Liabilities	458,758.25
Total Liabilities	458,758.25
Equity	
3800 · Capital-B.Kilmer	
3800.1 · Contributions-12/21/06	175,000.00
3800.2 · Draws	-6,858.69
3800 · Capital-B.Kilmer - Other	-19,143.30
Total 3800 · Capital-B.Kilmer	148,998.01
3801 · Capital - Sandra Hayes	
3801.1 · Contributions-1/03/07&2/28/07	45,000.00
3801.2 · Draws	-45,000.00
Total 3801 · Capital - Sandra Hayes	0.00
3802 · Capital - Paul F. Bork	
3802.1 · Contributions-1/19/07	200,000.00
3802.2 · Draws	-7,838.48
3802 · Capital - Paul F. Bork - Other	-21,877.97
Total 3802 · Capital - Paul F. Bork	170,283.55
3803 · Capital - W.W.Eure	
3803.1 · Contribution-1/1/07	174,500.00
3803.2 · Draws	-174,500.00

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Copeland Fixed Income Two
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
Total 3803 · Capital - W.W.Eure	0.00
3804 · Capital - James Gerrard	
3804.1 · Contributions-2/23/07	300,000.00
3804.2 · Draws	-300,000.00
Total 3804 · Capital - James Gerrard	0.00
3805 · Capital - Horace Dillow	
3805.1 · Contributions-3/09/07	200,000.00
3805.2 · Draws	-7,838.48
3805 · Capital - Horace Dillow - Other	-21,877.97
Total 3805 · Capital - Horace Dillow	170,283.55
3806 · Capital - Cynthia Gillilan	
3806.1 · Contributions-3/9/07	800,000.00
3806.2 · Draws	-15,676.99
3806 · Capital - Cynthia Gillilan - Other	-443,756.03
Total 3806 · Capital - Cynthia Gillilan	340,566.98
3807 · Jessie Coleen Birch-Revocable T	
3807.1 · Contributions(4/2/07 & 2/26/08)	120,000.00
3807.2 · Draws	-4,703.09
3807 · Jessie Coleen Birch-Revocable T - Other	-13,031.82
Total 3807 · Jessie Coleen Birch-Revocable T	102,265.09
3808 · Capital - Adele Hansen	
3808.1 · Contributions	175,000.00
3808.2 · Draws	-6,858.69
3808 · Capital - Adele Hansen - Other	-20,309.97
Total 3808 · Capital - Adele Hansen	147,831.34
3809 · Neal or Ruth Bricker	
3809.1 · Contributions	215,000.00
3809.2 · Draws	-6,682.33
3809 · Neal or Ruth Bricker - Other	-63,412.79
Total 3809 · Neal or Ruth Bricker	144,904.88
3810 · Floyd Anderson - 6/18/07	
3810.1 · Contribution	395,000.00
3810.2 · Draws	-398,609.94
3810 · Floyd Anderson - 6/18/07 - Other	-43,208.98
Total 3810 · Floyd Anderson - 6/18/07	-46,818.92
3811 · Nhon Ngyuen, MD & Anh Nong, MD,	
3811.1 · Contributions	228,763.18
3811.2 · Draws	-8,965.79
3811 · Nhon Ngyuen, MD & Anh Nong, MD, - Other	-25,024.42
Total 3811 · Nhon Ngyuen, MD & Anh Nong, MD,	194,772.97
3812 · Capital - Lillian Franklin	
3812.1 · Contribution	500,000.00
3812.2 · Draws	-19,596.22
3812 · Capital - Lillian Franklin - Other	-54,694.94
Total 3812 · Capital - Lillian Franklin	425,708.84
3813 · Jacobson	
3813.1 · Contribution	100,000.00
3813.2 · Draws	-3,919.26
3813 · Jacobson - Other	-11,605.71
Total 3813 · Jacobson	84,475.03
3814 · Capital - Stephen Weiss IRA	
3814.1 · Contributions	93,000.00
3814.2 · Draws	-3,644.89
3814 · Capital - Stephen Weiss IRA - Other	-10,173.28

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Copeland Fixed Income Two
Balance Sheet
As of October 27, 2011

	Oct 27, 11
Total 3814 · Capital - Stephen Weiss IRA	79,181.83
3815 · Capital-Carol Docis	
3815.1 · Contributions	100,000.00
3815.2 · Draws	-3,919.26
3815 · Capital-Carol Docis - Other	-10,939.04
Total 3815 · Capital-Carol Docis	85,141.70
3816 · Capital-Mary M. Hasy Rev Trst	
3816.1 · Contributions	356,566.45
3816.2 · Draws	-13,974.71
3816 · Capital-Mary M. Hasy Rev Trst - Other	-41,381.92
Total 3816 · Capital-Mary M. Hasy Rev Trst	301,209.82
3817 · Capital - Jean Seyda	
3817.1 · Contributions	200,000.00
3817.2 · Draws	-7,838.48
3817 · Capital - Jean Seyda - Other	-21,877.97
Total 3817 · Capital - Jean Seyda	170,283.55
3818 · Capital-Katie Hernandez	
3818.1 · Contributions (1/07/08)	60,000.00
3818.2 · Draws	-2,351.55
3818 · Capital-Katie Hernandez - Other	-6,543.66
Total 3818 · Capital-Katie Hernandez	51,104.79
3819 · Capital - Eddie & Jamie Dotan	
3819.1 · Contributions (03/12/08)	205,000.00
3819.2 · Draws	-7,250.59
3819 · Capital - Eddie & Jamie Dotan - Other	-40,889.68
Total 3819 · Capital - Eddie & Jamie Dotan	156,859.73
3820 · Capital - Smith Revocable Trust	
3820.1 · Contributions (4/22/08)	275,000.00
3820.2 · Draws	-10,777.92
3820 · Capital - Smith Revocable Trust - Other	-28,352.40
Total 3820 · Capital - Smith Revocable Trust	235,869.68
3821 · Capital - Fred Dimmitt	
3821.1 · Contributions (5/30/08)	100,000.00
3821.2 · Draws	-3,919.26
3821 · Capital - Fred Dimmitt - Other	-10,099.98
Total 3821 · Capital - Fred Dimmitt	85,980.76
3822 · Capital-Melvyn B. Ross Conv IRA	
3822.1 · Contributions (9/19/08)	100,000.00
3822.2 · Draws	-3,919.26
3822 · Capital-Melvyn B. Ross Conv IRA - Other	-9,477.01
Total 3822 · Capital-Melvyn B. Ross Conv IRA	86,603.73
3823 · Capital - Financial Advisors	
3823.1 · Contributions	197,500.00
Total 3823 · Capital - Financial Advisors	197,500.00
3824 · Capital - TCG	
3824.1 · Contributions	197,500.00
Total 3824 · Capital - TCG	197,500.00
Net Income	91,277.58
Total Equity	3,621,784.49
TOTAL LIABILITIES & EQUITY	4,080,542.74

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Copeland Fixed Income Three, LP
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1100 · First California Bank	-7,172.83
Total Checking/Savings	-7,172.83
Accounts Receivable	
11000 · Accounts Receivable	174.18
Total Accounts Receivable	174.18
Other Current Assets	
1400 · N/R - CWM RE	101,405.49
1409 · N/R - Copeland Prop Nine	105,900.00
1412 · N/R - CP12	435,750.00
1415 · Note Receivable - CP15	241,050.00
1421 · Note Receivable - CFI#1	59,382.50
1422 · N/R - Reynolds Mason, Inc.	545,000.00
1423 · N/R - PHT @ 12%	155,000.00
1424 · N/R - CFI#2	414,300.00
1425 · Note Receivable - Nulite	25,000.00
1426 · N/R - Janet Ihde	55,000.00
1426.10 · Ihde, Inc.	25,000.00
1429 · Note Receivable - Serenity	53,356.33
1430 · N/R - Amie Baca	3,832.76
1431 · N/R - Samuel Gregory	56,252.15
1432 · Note Receivable - CP10	31,179.90
1433 · Note Receivable - RMSC LLC	516,313.50
1434 · Note Receivable-Spraggins @ 10%	104,000.00
1435 · N/R @ 8% -James Watson	14,000.00
1436 · Vellore Muraligopal @ 8%	165,000.00
1450 · Allowance for Doubful Accounts	-172,900.00
Total Other Current Assets	2,933,822.63
Total Current Assets	2,926,823.98
TOTAL ASSETS	2,926,823.98
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	306.00
Total Accounts Payable	306.00
Other Current Liabilities	
2408 · Note Payable - CP8	3,400.00
2426 · Accrd Dist-Neonatology Pension	7,840.00
2427 · Non Resident Withholding	105.00
Total Other Current Liabilities	11,345.00
Total Current Liabilities	11,651.00
Total Liabilities	11,651.00
Equity	
3800 · Capital - Maria J. Perez	
3800.1 · Contributions (4/21/08)	100,000.00
3800.2 · Draws	-10,000.05
3800 · Capital - Maria J. Perez - Other	-5,451.72
Total 3800 · Capital - Maria J. Perez	84,548.23
3801 · Capital - Perez Family Trust	
3801.2 · Draws	-1,333.34
3801 · Capital - Perez Family Trust - Other	666.67
Total 3801 · Capital - Perez Family Trust	-666.67

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Copeland Fixed Income Three, LP
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
3802 · Don L. Higdon	
3802.1 · Contributions	100,000.00
3802.2 · Draws	-84,799.97
3802 · Don L. Higdon - Other	-24,440.63
Total 3802 · Don L. Higdon	-9,240.60
3803 · Capital - Geoffrey A. Gardiner	
3803.1 · Contributions	500,000.00
3803.2 · Draws	-49,999.95
3803 · Capital - Geoffrey A. Gardiner - Other	-26,058.37
Total 3803 · Capital - Geoffrey A. Gardiner	423,941.68
3804 · Capital - Susan Wright	
3804.1 · Contributions	400,000.00
3804.2 · Draws	-40,000.05
3804 · Capital - Susan Wright - Other	-20,739.02
Total 3804 · Capital - Susan Wright	339,260.93
3805 · Capital - JRT Revocable Trust	
3805.1 · Contributions	100,000.00
3805.2 · Draws	-10,000.05
3805 · Capital - JRT Revocable Trust - Other	-5,161.22
Total 3805 · Capital - JRT Revocable Trust	84,838.73
3806 · Capital - Louise Coffman	
3806.1 · Contributions	45,000.00
3806.2 · Draws	-4,200.00
3806 · Capital - Louise Coffman - Other	-2,308.90
Total 3806 · Capital - Louise Coffman	38,491.10
3807 · Capital-Peggy Hatfield Neumann	
3807.1 · Contributions	1,167,349.93
3807.2 · Draws	-115,000.05
3807 · Capital-Peggy Hatfield Neumann - Other	-74,844.13
Total 3807 · Capital-Peggy Hatfield Neumann	977,505.75
3808 · Capital - Kohut Family Trust	
3808.1 · Contributions	525,000.00
3808 · Capital - Kohut Family Trust - Other	-525,000.00
Total 3808 · Capital - Kohut Family Trust	0.00
3809 · Capital-Melvyn B. Ross Roth IRA	
3809.1 · Contributions-9/19/08	100,000.00
3809.2 · Draws	-10,000.05
3809 · Capital-Melvyn B. Ross Roth IRA - Other	-4,940.39
Total 3809 · Capital-Melvyn B. Ross Roth IRA	85,059.56
3810 · Capital-Janet K. Ihde/Schwab	
3810.1 · Contributions	100,000.00
3810.2 · Draws	-10,000.05
3810 · Capital-Janet K. Ihde/Schwab - Other	-4,929.96
Total 3810 · Capital-Janet K. Ihde/Schwab	85,069.99
3811 · Capital - James Watson MD	
3811.1 · Contribution	100,000.00
3811.2 · Draw	-10,000.05
3811 · Capital - James Watson MD - Other	-4,923.00
Total 3811 · Capital - James Watson MD	85,076.95
3812 · Capital-Neonatology Med Grp Inc	
3812.1 · Contribution	168,000.00
3812.2 · Draws	-15,680.00
3812 · Capital-Neonatology Med Grp Inc - Other	-8,425.32
Total 3812 · Capital-Neonatology Med Grp Inc	143,894.68

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Copeland Fixed Income Three, LP
Balance Sheet
As of October 27, 2011

	Oct 27, 11
3813 · Capital - Kohut - IRA	
3813.1 · Contributions	432,000.00
3813.2 · Draws	-43,200.00
3813 · Capital - Kohut - IRA - Other	-21,484.56
Total 3813 · Capital - Kohut - IRA	367,315.44
3814 · The Copeland Group	
3814.1 · Contributions (7/1/2010)	16,909.00
3814.2 · Draws	-720.00
3814 · The Copeland Group - Other	0.76
Total 3814 · The Copeland Group	16,189.76
3815 · Capital-Margarita Perez Estrada	
3815.1 · Contributions (7/1/2010)	77,029.91
3815.2 · Draws	-7,106.71
3815 · Capital-Margarita Perez Estrada - Other	0.17
Total 3815 · Capital-Margarita Perez Estrada	69,923.37
3816 · Capital - Rick Higdon	
3816.1 · Contributions/D. Higdon	26,667.00
3816.2 · Draws	-1,066.68
Total 3816 · Capital - Rick Higdon	25,600.32
3817 · Capital - Kathi Seegraves	
3817.1 · Contributions/D. Higdon	26,667.00
3817.2 · Draws	-1,066.68
Total 3817 · Capital - Kathi Seegraves	25,600.32
3818 · Capital - Rhonda Dean	
3818.1 · Contributions/D. Higdon	26,666.00
3818.2 · Draws	-1,066.62
Total 3818 · Capital - Rhonda Dean	25,599.38
Net Income	47,164.06
Total Equity	2,915,172.98
TOTAL LIABILITIES & EQUITY	2,926,823.98

Copeland Properties Two
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1200 · 1st Centennial	761.51
1400 · Pooled Investment Account	85,160.35
Total Checking/Savings	85,921.86
Other Current Assets	
1401 · Note Receivable-CWM Real Estate	265,200.00
Total Other Current Assets	265,200.00
Total Current Assets	351,121.86
Other Assets	
1910 · N/R CP17 (Wrap Loan)	
1910.1 · N/R CP17 wrap portion	1,063,723.76
1910.2 · N/R CP17 original loan	5,822,665.00
Total 1910 · N/R CP17 (Wrap Loan)	6,886,388.76
1950 · Investment in CP17	
1950.2 · Contributions- CP17, LP	1,562,361.98
1950.3 · Draws from CP17	-182,275.60
1950 · Investment in CP17 - Other	-45,255.26
Total 1950 · Investment in CP17	1,334,831.12
Total Other Assets	8,221,219.88
TOTAL ASSETS	8,572,341.74
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2031 · Non Resident Withholding	316.00
2040 · N/P CP17, LP	356,300.00
2050 · Deferred Gain- Installment Sale	1,520,724.64
Total Other Current Liabilities	1,877,340.64
Total Current Liabilities	1,877,340.64
Long Term Liabilities	
2000 · Note Payable-OneWest Bank	
2000.1 · OneWest Bank	-227,449.95
2000 · Note Payable-OneWest Bank - Other	5,712,811.85
Total 2000 · Note Payable-OneWest Bank	5,485,361.90
Total Long Term Liabilities	5,485,361.90
Total Liabilities	7,362,702.54
Equity	
3801 · Capital- Higdon Revocable Trust	
3801.1 · Capital	306,999.88
3801.3 · Draws	-43,701.50
Total 3801 · Capital- Higdon Revocable Trust	263,298.38
3802 · Capital- Hu Tongs, Inc. Damiani	
3802.1 · Capital	203,051.06
3802.3 · Draws	-30,591.10
Total 3802 · Capital- Hu Tongs, Inc. Damiani	172,459.96
3803 · Capital- Melvin B. Ross Roth Co	
3803.1 · Capital	140,832.35
3803.3 · Draws	-21,850.80
Total 3803 · Capital- Melvin B. Ross Roth Co	118,981.55

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Copeland Properties Two
Balance Sheet
As of October 27, 2011

	Oct 27, 11
3805 · Capital-William or Janice Steel	
3805.1 · Capital	428,194.20
3805.3 · Draws	-48,071.70
Total 3805 · Capital-William or Janice Steel	380,122.50
3807 · Capital- Carol Lowe	
3807.2 · Contributions	26,533.45
3807.3 · Draws	-11,056.50
3807 · Capital- Carol Lowe - Other	47,268.01
Total 3807 · Capital- Carol Lowe	62,744.96
3809 · Capital- Ziilch ByPass Trust	
3809.1 · Capital	-100,000.00
3809.5 · Sec 754 Basis Adjustment	100,000.00
Total 3809 · Capital- Ziilch ByPass Trust	0.00
3812 · Capital- Gordon & Myra Peterson	
3812.1 · Capital	73,801.46
3812.3 · Draws	-11,056.50
Total 3812 · Capital- Gordon & Myra Peterson	62,744.96
Net Income	149,286.89
Total Equity	1,209,639.20
TOTAL LIABILITIES & EQUITY	8,572,341.74

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Copeland Properties Four
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1110 · 1st California Bank	1,061.37
1200 · Pooled Investment Account	38,777.24
1302 · J. Hancock Property Tax Impound	-5,134.55
Total Checking/Savings	34,704.06
Accounts Receivable	
11000 · Accounts Receivable	87.68
Total Accounts Receivable	87.68
Other Current Assets	
1406 · N/R Racine	583.22
1408 · Note Receivable - CP9	52,188.90
1411.1 · N/R CWM RE-Pooled Inc Activity	23,689.73
1451 · Note Receivable - Luckey	337.00
Total Other Current Assets	76,798.85
Total Current Assets	111,590.59
Fixed Assets	
1700 · Land	
1700.1 · Land- Original	2,647,500.00
1700.2 · Land- Racine Sec 754	8,157.00
1700.3 · Land- Phillips Sec 754	6,871.00
1700.4 · Land- CRI Sec 754	4,561.00
Total 1700 · Land	2,667,089.00
1750 · Building	
1750.1 · Building- Original Purchase	10,372,718.50
1750.2 · Building- Racine Sec 754	31,957.00
1750.3 · Building- Phillips Sec 754	26,921.00
1750.4 · Building- CRI Sec 754	17,872.00
Total 1750 · Building	10,449,468.50
1751 · Accum Depreciation -Building	
1751.1 · A/D Building- Original Purchase	-1,572,127.51
1751.2 · A/D Building- Racine Sec 754	-4,062.25
1751.3 · A/D Building- Phillips Sec 754	-3,421.50
1751.4 · A/D Building- CRI Sec 754	-2,099.49
Total 1751 · Accum Depreciation -Building	-1,581,710.75
Total Fixed Assets	11,534,846.75
Other Assets	
1791 · Loan Fees (amort @ 5 yrs)	45,000.00
1792 · Accum Amortization -Loan Fees	-45,000.00
Total Other Assets	0.00
TOTAL ASSETS	11,646,437.34
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2001 · Accounts Payable	7,681.51
Total Accounts Payable	7,681.51
Other Current Liabilities	
2000 · Note Payable -CRI	137.07
2008 · N/P - CP8	31,000.00

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Copeland Properties Four
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
2101 · Michigan Withholding Payable	-0.54
Total Other Current Liabilities	31,136.53
Total Current Liabilities	38,818.04
Long Term Liabilities	
2500 · Mortgage Payable	
2510 · Mortgage Payable -John Hancock	4,356,856.21
2515 · Mortgage Payable-CFI 1	3,589,339.60
Total 2500 · Mortgage Payable	7,946,195.81
Total Long Term Liabilities	7,946,195.81
Total Liabilities	7,985,013.85
Equity	
3801 · Capital- Copeland Realty	
3801.1 · Capital	107,169.78
3801.6 · Sec 754 Basis Adj.	22,433.00
Total 3801 · Capital- Copeland Realty	129,602.78
3802 · Capital -W.W.Eure	
3802.1 · Capital	725,315.21
Total 3802 · Capital -W.W.Eure	725,315.21
3803 · Capital -Lillian N. Franklin	
3803.1 · Capital	850,134.45
Total 3803 · Capital -Lillian N. Franklin	850,134.45
3804 · Capital -Elena Nizzia	
3804.1 · Capital	394,101.39
Total 3804 · Capital -Elena Nizzia	394,101.39
3805 · Capital -Angela Ellingson	
3805.1 · Capital	144,376.31
Total 3805 · Capital -Angela Ellingson	144,376.31
3806 · Capital -Karl Phillips Roth IRA	
3806.1 · Capital	324,842.53
Total 3806 · Capital -Karl Phillips Roth IRA	324,842.53
3807 · Capital -Luckey	
3807.1 · Capital	335,867.59
Total 3807 · Capital -Luckey	335,867.59
3808 · Capital - Peterson Revocable Tr	
3808.1 · Capital	700,277.63
Total 3808 · Capital - Peterson Revocable Tr	700,277.63
3809 · Harold Racine IRA	
3809.1 · Capital	77,485.06
3809.6 · Sec 754 Basis Adj	40,114.00
Total 3809 · Harold Racine IRA	117,599.06
3810 · Capital-Thomas & Paula Phillips	
3810.1 · Capital	124,007.22
Total 3810 · Capital-Thomas & Paula Phillips	124,007.22
Net Income	-184,700.68
Total Equity	3,661,423.49
TOTAL LIABILITIES & EQUITY	11,646,437.34

Copeland Properties Five
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1111 · Pacific Western Bank	117,460.05
1406 · Pooled Investment	112.25
Total Checking/Savings	117,572.30
Accounts Receivable	
1300 · Accounts Receivable	15,002.50
Total Accounts Receivable	15,002.50
Other Current Assets	
1404 · Note Receivable - CRI	144,000.00
1409 · Note Receivable - CP9	12,000.00
1421 · Note Receivable - CP18	45,500.00
1422 · Receivable from Partners- MIWH	300.00
Total Other Current Assets	201,800.00
Total Current Assets	334,374.80
Fixed Assets	
1800 · Land	
1800.1 · Land- Original	3,194,830.43
1800.2 · Land - Section 754 (Weed)	96,595.00
1800.3 · Land- Ziilch Sec 754	23,371.32
1800.4 · Land- Grey Sec 754	10,194.00
1800.5 · Land- Baker Sec 754	9,088.00
1800.6 · Land- Higdon	105,370.57
Total 1800 · Land	3,439,449.32
1840 · Building	
1840.1 · Building- Original	12,779,322.70
1840.2 · Building-Sec 754 (Weed)	386,379.00
1840.3 · Building- Ziilch Sec 754	93,484.28
1840.4 · Building- Grey Sec 754	40,778.00
1840.5 · Building- Baker Sec 754	36,350.00
1840.6 · Building- Higdon	421,482.30
Total 1840 · Building	13,757,796.28
1850 · A/D Building Summary	
1850.1 · A/D Building- Original	-1,587,792.99
1850.2 · A/D Building Sec 754 WEED	-63,157.26
1850.3 · A/D Ziilch	-39,077.74
1850.4 · A/D Grey	-21,777.24
1850.5 · A/D Baker	-18,512.25
1850.6 · A/D Higdon	-56,918.76
Total 1850 · A/D Building Summary	-1,787,236.24
Total Fixed Assets	15,410,009.36
Other Assets	
1890 · Loan Fees	
1890.1 · Loan Fees- Original	116,168.58
1890.2 · Loan Fees- Higdon	3,831.42
Total 1890 · Loan Fees	120,000.00
1891 · A/A Loan Fees	
1891.1 · A/A Loan Fees- Original	-76,478.76
1891.2 · A/A Loan Fees- Higdon	-2,521.24
Total 1891 · A/A Loan Fees	-79,000.00

Copeland Properties Five
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
1901 · Investment - CP10	95,065.56
1902 · Investment - CP18	207,320.56
Total Other Assets	343,386.12
TOTAL ASSETS	16,087,770.28
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2101 · MI Withholding Payable	1,518.68
Total Other Current Liabilities	1,518.68
Total Current Liabilities	1,518.68
Long Term Liabilities	
2010 · Note Payable- Mound Investment	10,412,350.29
Total Long Term Liabilities	10,412,350.29
Total Liabilities	10,413,868.97
Equity	
3801 · Capital -Stahr Living Trust	
3801.1 · Capital	216,321.99
3801.3 · Draws	-16,714.20
Total 3801 · Capital -Stahr Living Trust	199,607.79
3802 · Capital -Steele Family Trust	
3802.1 · Capital	463,078.44
3802.3 · Draws	-36,141.90
Total 3802 · Capital -Steele Family Trust	426,936.54
3803 · Capital -Lillian N. Franklin	
3803.1 · Capital	604,287.18
3803.3 · Draws	-49,908.20
Total 3803 · Capital -Lillian N. Franklin	554,378.98
3804 · Capital -Melvyn B. Ross Roth	
3804.1 · Capital	447,800.45
3804.3 · Draws	-39,583.30
Total 3804 · Capital -Melvyn B. Ross Roth	408,217.15
3805 · Capital -Higdon Revocable Trust	
3805.1 · Capital	794,876.48
3805.3 · Draws	-63,598.10
Total 3805 · Capital -Higdon Revocable Trust	731,278.38
3806 · Capital -Kohut Family Trust	
3806.1 · Capital	447,792.74
3806.3 · Draws	-39,583.30
Total 3806 · Capital -Kohut Family Trust	408,209.44
3807 · Capital -The Ziilch Family Trus	
3807.1 · Capital	-58,427.80
3807.5 · Section 754 Basis Adj	58,427.80
Total 3807 · Capital -The Ziilch Family Trus	0.00
3808 · Capital -Peterson Revocable Tru	
3808.1 · Capital	835,639.50
3808.3 · Draws	-59,550.20
Total 3808 · Capital -Peterson Revocable Tru	776,089.30

Copeland Properties Five
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
3809 · Capital -Stephen or Kathy Weed	
3809.1 · Capital	821,407.34
3809.3 · Draws	-29,770.30
Total 3809 · Capital -Stephen or Kathy Weed	791,637.04
3811 · Capital-Charles & Mildred Grey	
3811.1 · Capital	125,512.65
3811.3 · Draws	-11,250.00
3811.5 · Sec 754 Basis Adjustment	50,972.00
Total 3811 · Capital-Charles & Mildred Grey	165,234.65
3812 · Capital-Khari Baker	
3812.1 · Capital	104,906.69
3812.3 · Draws	-9,583.30
3812.5 · Sec 754 Basis Adjustment	45,438.00
Total 3812 · Capital-Khari Baker	140,761.39
3813 · Capital- Ziilch ByPass Trust	
3813.1 · Capital	-58,427.80
3813.5 · Sec 754 Basis Adjustment	58,427.80
Total 3813 · Capital- Ziilch ByPass Trust	0.00
3815 · Capital-Gordon & Myra Peterson	
3815.1 · Capital	146,173.18
3815.3 · Draws	-10,416.70
Total 3815 · Capital-Gordon & Myra Peterson	135,756.48
3816 · Capital - Barbara Ziilch Stahr	
3816.1 · Capital	123,705.78
3816.3 · Draws	-7,582.80
Total 3816 · Capital - Barbara Ziilch Stahr	116,122.98
3817 · Capital - David Ziilch Trust	
3817.1 · Capital	123,705.52
3817.3 · Draws	-7,582.90
Total 3817 · Capital - David Ziilch Trust	116,122.62
3818 · Capital - Diana Weed	
3818.1 · Capital	61,852.91
3818.3 · Draws	-3,791.40
Total 3818 · Capital - Diana Weed	58,061.51
3819 · Capital - Timothy Weed	
3819.1 · Capital	61,852.91
3819.3 · Draws	-3,791.40
Total 3819 · Capital - Timothy Weed	58,061.51
Net Income	587,425.55
Total Equity	5,673,901.31
TOTAL LIABILITIES & EQUITY	16,087,770.28

Copeland Properties Seven
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1101 · Pacific Western Bank	154.95
Total Checking/Savings	154.95
Total Current Assets	154.95
Fixed Assets	
1700 · Land	
1701 · Land- original cost	1,530,556.42
1702 · Land- Sec 754	40,195.15
1703 · Vacant Land & Development	44,193.82
Total 1700 · Land	1,614,945.39
1710 · Building	
1711 · Building- Original Cost	1,973,464.68
1712 · Building- Sec 754	51,827.20
Total 1710 · Building	2,025,291.88
1770 · Accumulated Depreciation	
1771 · A/D Building	-207,658.25
1772 · A/D Building- Sec 754	-21,258.99
Total 1770 · Accumulated Depreciation	-228,917.24
Total Fixed Assets	3,411,320.03
Other Assets	
1790 · Loan Fees	44,119.41
1791 · A/A Loan Fees	-26,103.99
Total Other Assets	18,015.42
TOTAL ASSETS	3,429,490.40
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2000 · Note Payable- CRI	15,932.00
2010 · Note Payable-Eure	470,000.00
2021 · Non-Resident Withholding	391.00
Total Other Current Liabilities	486,323.00
Total Current Liabilities	486,323.00
Long Term Liabilities	
2030 · Mortgage Payable- Keystone Mort	1,521,651.69
Total Long Term Liabilities	1,521,651.69
Total Liabilities	2,007,974.69
Equity	
3801 · Capital- Roger & Jane Holden	
3801.1 · Capital	405,943.45
3801.3 · Draws	-25,248.50
Total 3801 · Capital- Roger & Jane Holden	380,694.95
3802 · Capital- Higdon Revocable Trust	
3802.1 · Capital	440,016.15
3802.3 · Draws	-28,000.00
Total 3802 · Capital- Higdon Revocable Trust	412,016.15

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Copeland Properties Seven
Balance Sheet
As of October 27, 2011

	Oct 27, 11
3803 · Capital- Stahr Living Trust	
3803.1 · Capital	239,181.25
3803.3 · Draws	-15,205.40
Total 3803 · Capital- Stahr Living Trust	223,975.85
3808 · Capital - Barbara Stahr	
3808.1 · Capital	104,350.78
3808.3 · Draws	-5,068.50
Total 3808 · Capital - Barbara Stahr	99,282.28
3809 · Capital - David Zilch Trust	
3809.1 · Capital	104,350.79
3809.3 · Draws	-5,068.50
Total 3809 · Capital - David Zilch Trust	99,282.29
3810 · Capital - Diana Weed	
3810.1 · Capital	52,177.01
3810.3 · Draws	-2,534.20
Total 3810 · Capital - Diana Weed	49,642.81
3811 · Capital - Timothy Weed	
3811.1 · Capital	52,177.01
3811.3 · Draws	-2,534.20
Total 3811 · Capital - Timothy Weed	49,642.81
Net Income	106,978.57
Total Equity	1,421,515.71
TOTAL LIABILITIES & EQUITY	3,429,490.40

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Cash Basis

Copeland Properties Eight
Balance Sheet
As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1200 · Pooled Investment Account	5,258.36
1800 · BP Loan Holdback	63.64
Total Checking/Savings	5,322.00
Accounts Receivable	
1250 · Accounts Receivable	15,704.50
Total Accounts Receivable	15,704.50
Other Current Assets	
1403 · Note Receivable-CFI 1	118,000.00
1404 · N/R - CRI	22,471.17
1404.2 · N/R CWM RE-Pooled Inc Activity	20,741.61
1405 · N/R - Gordon & Myra Peterson	66,000.00
1406 · N/R - CP6	22,900.00
1410 · N/R - CP4	31,000.00
1413 · Note Receivable - CFI#3	3,400.00
1417 · Note Receivable - CP17	3,500.00
Total Other Current Assets	288,012.78
Total Current Assets	309,039.28
Fixed Assets	
1600 · Building	4,671,859.32
1601 · A/D Building	-589,578.26
1700 · Land	1,151,875.26
Total Fixed Assets	5,234,156.32
Other Assets	
1790 · Loan Fees (amortize @ 5 years)	42,562.50
1791 · Accum. Amortization	-42,562.50
Total Other Assets	0.00
TOTAL ASSETS	5,543,195.60
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
2500 · Mortgage Payable-Business Part	4,231,505.63
2500.1 · Business Partners Late Charge	1,414.40
Total Long Term Liabilities	4,232,920.03
Total Liabilities	4,232,920.03
Equity	
3800 · Capital-Holden Trust	504,038.85
3810 · Capital- Taber Trust	327,790.86
3820 · Capital- Dotan IRA	216,852.12
3830 · Capital- Gordon & Myra Peterson	306,810.79
3840 · Capital- Copeland Realty	149,897.07
Net Income	-195,114.12
Total Equity	1,310,275.57
TOTAL LIABILITIES & EQUITY	5,543,195.60

Copeland Properties Nine
Balance Sheet
 As of October 27, 2011

Oct 27, 11

ASSETS	
Current Assets	
Checking/Savings	
Pacific Western Bank	321.07
1110 · First California Bank	17,855.19
1200 · Pooled Investment	20,701.92
1253 · Monthly Bank Holdback	405,999.77
1254 · W/F Property Tax Impound Acct	106,246.98
1255 · W/F Insurance Impound Acct	28,027.60
Total Checking/Savings	579,152.53
Other Current Assets	
1405 · N/R Keuhn	711.77
1407 · N/R-CWM RE Pooled Inc Activity	14,298.08
1407.1 · N/R Rent CWM RE	167,345.70
1410 · Note Receivable - W.W. Eure	40,649.95
Total Other Current Assets	223,005.50
Total Current Assets	802,158.03
Fixed Assets	
1700 · Land	
1701 · Land- Original Cost	1,896,991.75
1702 · Land- Baker Sec 754	171.00
1703 · Land- Racine Sec 754	428.00
1704 · Land - Phillips Sec 754	786.00
1705 · Land- Weed Tst Sec 754	1,789.45
1706 · Land- D. Weed Sec 754	3,707.05
Total 1700 · Land	1,903,873.25
1710 · Building	
1711 · Building- Original Cost	7,587,967.00
1712 · Bldg- Baker Sec 754	684.00
1713 · Bldg- Racine Sec 754	1,714.00
1714 · Bldg- Phillips Sec 754	3,143.00
1715 · Building- Weed Tst Sec 754	7,157.80
1716 · Building- D. Weed Sec 754	14,828.18
1710 · Building - Other	32,508.00
Total 1710 · Building	7,648,001.98
1790 · Loan Fees (amortize @ 5 years)	58,380.00
1850 · Accumulated Depreciation	
1851 · Accum Depreciation-Building	-720,107.01
1852 · A/D Baker Sec 754	-10,299.26
1853 · A/D Racine Sec 754	-35,069.99
1854 · A/D Phillips Sec 754	-9,555.22
1855 · A/D Weed Tst Sec 754	-4,604.00
1856 · A/D D. Weed Sec 754	-8,886.76
1857 · A/D - Improvements	-2,675.50
Total 1850 · Accumulated Depreciation	-791,197.74
1890 · Accum Amortization-Loan/Esc Fee	-58,380.00
Total Fixed Assets	8,760,677.49
TOTAL ASSETS	9,562,835.52
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2001 · Accounts Payable	197,740.20
Total Accounts Payable	197,740.20

**Copeland Properties Nine
 Balance Sheet
 As of October 27, 2011**

	Oct 27, 11
Other Current Liabilities	
2000 · Note Payable - CRI	18,117.72
2002 · Note Payable - CF#2	1,086,375.00
2003 · N/P - Copeland Fixed Income #1	212,828.14
2004 · Note Payable - CFI#3	105,900.00
2022 · N/P - Copeland Grp Fin Advisors	27,000.00
2104 · Note Payable - CP4	52,188.90
2105 · Note Payable - CP-5	12,000.00
2110 · Tenant Security Deposits	8,455.55
2116 · Note Payable - CP16	53,032.28
2117 · Note Payable - CP10	73,000.00
Total Other Current Liabilities	1,648,897.59
Total Current Liabilities	1,846,637.79
Long Term Liabilities	
2500 · Note Payable-Mortgage	5,232,755.64
Total Long Term Liabilities	5,232,755.64
Total Liabilities	7,079,393.43
Equity	
3801 · Capital-CRI	
3801.1 · Capital	64,380.56
Total 3801 · Capital-CRI	64,380.56
3802 · Capital-Kohut	
3802.1 · Capital	390,020.82
Total 3802 · Capital-Kohut	390,020.82
3803 · Capital-Neumann	
3803.1 · Capital	130,009.53
Total 3803 · Capital-Neumann	130,009.53
3804 · Capital-Milkovich	
3804.1 · Capital	62,820.60
Total 3804 · Capital-Milkovich	62,820.60
3805 · Capital- Wright	
3805.1 · Capital	62,820.60
Total 3805 · Capital- Wright	62,820.60
3806 · Capital-Allen	
3806.1 · Capital	261,609.77
Total 3806 · Capital-Allen	261,609.77
3807 · Capital-Muraligopal	
3807.1 · Capital	199,383.98
Total 3807 · Capital-Muraligopal	199,383.98
3808 · Capital-Kuehn	
3808.1 · Capital	445,250.37
Total 3808 · Capital-Kuehn	445,250.37
3809 · Capital-Eure	
3809.1 · Capital	464,499.25
Total 3809 · Capital-Eure	464,499.25
3810 · Capital - Khari Baker	
3810.1 · Capital	58,400.62
Total 3810 · Capital - Khari Baker	58,400.62
3811 · Capital - Harold Racine IRA	
3811.1 · Capital	91,839.20
Total 3811 · Capital - Harold Racine IRA	91,839.20

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Copeland Properties Nine
Balance Sheet
As of October 27, 2011

	Oct 27, 11
3812 · Capital-Thomas & Paul Phillips	
3812.1 · Capital	64,148.37
Total 3812 · Capital-Thomas & Paul Phillips	64,148.37
3813 · Capital-Weed Fmly Survivors Tst	
3813.1 · Capital	39,075.93
Total 3813 · Capital-Weed Fmly Survivors Tst	39,075.93
3814 · Capital - Diana Weed	
3814.1 · Capital	79,548.61
Total 3814 · Capital - Diana Weed	79,548.61
Net Income	69,633.88
Total Equity	2,483,442.09
TOTAL LIABILITIES & EQUITY	9,562,835.52

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Copeland Properties Ten
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1101 · Pacific Western Bank	43,551.27
Total Checking/Savings	43,551.27
Accounts Receivable	
11000 · Accounts Receivable	6,330.00
Total Accounts Receivable	6,330.00
Other Current Assets	
1401.2 · N/R CWM RE- Pooled Inc Activity	3,680.71
1403 · Note Receivable - CFI#1	16,000.00
1406 · N/R - CP6	6,341.52
1409 · N/R - Copeland Properties Nine	73,000.00
1414 · Rent Receivable-Faurecia	-0.10
1415 · N/R - RMSC LLC	68,659.23
Total Other Current Assets	167,681.36
Total Current Assets	217,562.63
Fixed Assets	
1700 · Land	2,548,549.00
1750 · Building	10,248,741.00
1760 · Improvements	47,460.00
1790 · Accumulated Depreciation	-1,197,386.76
Total Fixed Assets	11,647,363.24
Other Assets	
1800 · Loan Fees	141,750.00
1801 · Accumulated Amortization	-75,206.25
Total Other Assets	66,543.75
TOTAL ASSETS	11,931,469.62
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2005 · Tenant Security Deposit	42,266.46
2007 · Note Payable - Prepaid Rent	116,862.70
2008 · Note Payable - CFI#3	31,179.90
2200 · Michigan Withholding Payable	935.00
Total Other Current Liabilities	191,244.06
Total Current Liabilities	191,244.06
Long Term Liabilities	
2500 · Note Payable - Flagstar Bank	8,837,489.48
Total Long Term Liabilities	8,837,489.48
Total Liabilities	9,028,733.54

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Copeland Properties Ten
Balance Sheet
As of October 27, 2011

	<u>Oct 27, 11</u>
Equity	
3801 · Capital-Allen	332,261.37
3802 · Capital-Blandford IRA	70,669.25
3803 · Capital-Cinque	282,942.81
3804 · Capital-Goodwin	240,275.27
3805 · Capital-Higdon	189,209.39
3806 · Capital-Kuehn	295,731.42
3807 · Capital-McColloch-IRA	70,668.28
3808 · Clem McColloch Trust	70,669.25
3809 · Capital-Muraligopal	328,254.44
3810 · Capital- Muraligopal (CP11)	355,334.03
3811 · Capital-Powell	282,677.60
3812 · Capital-Racine IRA	61,426.64
3814 · Capital - Copeland Prop Five	79,888.44
Net Income	<u>242,727.89</u>
Total Equity	<u>2,902,736.08</u>
TOTAL LIABILITIES & EQUITY	<u><u>11,931,469.62</u></u>

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 Cash Basis

Copeland Properties Twelve, LP
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Accounts Receivable	
11000 · Accounts Receivable	300.00
Total Accounts Receivable	300.00
Other Current Assets	
1403 · Deposit - Imperial Irrigation	26,500.00
1415 · N/R - CP15	32,000.00
1451 · Note Receivable - Ihde	385,030.22
Total Other Current Assets	443,530.22
Total Current Assets	443,830.22
Fixed Assets	
1200 · - Land	4,336,986.08
1220 · Building	10,366,882.01
1230 · Leasehold Improvments	4,740,139.42
1290 · Accumulated Depreciation	-1,034,563.00
Total Fixed Assets	18,409,444.51
Other Assets	
1402 · Loan Fees	471,387.98
1402.1 · Accum. Amort. - Loan Fees	-68,803.00
Total Other Assets	402,584.98
TOTAL ASSETS	19,255,859.71
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2102 · Note Payable - CFI#2	62,165.89
2103 · Note Payable - CFI#3	435,750.00
2110 · Note Payable-CRI	90,000.00
2113 · Note Payable-CFI 1	180,397.00
2123 · N/P - Perez Family Trust @ 8%	
2123.2 · Michael Perez Loan Payable	45,000.00
2123.3 · Phillip Perez Loan payable	25,000.00
2123.4 · Ben Perez Loan Payable	20,000.00
2123.5 · Margarita Estrada Payable	148,000.00
Total 2123 · N/P - Perez Family Trust @ 8%	238,000.00
2125 · Melvyn Ross Note Payable	350,000.00
Total Other Current Liabilities	1,356,312.89
Total Current Liabilities	1,356,312.89
Long Term Liabilities	
2300 · Pacific Western Ln #16041021	
2301 · Pacific Wstrn Bk Commitment	16,070,000.00
2302 · Available Funds PWB #16041021	-380,060.63
Total 2300 · Pacific Western Ln #16041021	15,689,939.37
Total Long Term Liabilities	15,689,939.37
Total Liabilities	17,046,252.26
Equity	
3800 · Capital-K. Howard	
3802 · Contributions	200,000.00
3800 · Capital-K. Howard - Other	-92,488.43
Total 3800 · Capital-K. Howard	107,511.57

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Copeland Properties Twelve, LP
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
3805 · Capital-Constan	
3807 · Contributions	420,000.00
3805 · Capital-Constan - Other	-194,224.81
Total 3805 · Capital-Constan	225,775.19
3810 · Capital-Ihde	
3812 · Contributions	150,000.00
3810 · Capital-Ihde - Other	-186,678.26
Total 3810 · Capital-Ihde	-36,678.26
3820 · Capital-Muraligopal	
3820.1 · Capital	220,000.00
3820 · Capital-Muraligopal - Other	-101,739.47
Total 3820 · Capital-Muraligopal	118,260.53
3825 · Capital-Powell	
3827 · Contributions	400,000.00
3825 · Capital-Powell - Other	-184,975.99
Total 3825 · Capital-Powell	215,024.01
3830 · Capital-Carpenter	
3830.1 · Capital	100,000.00
3830 · Capital-Carpenter - Other	-46,244.23
Total 3830 · Capital-Carpenter	53,755.77
3835 · Capital-Shelton	
3837 · Contributions	675,000.00
3835 · Capital-Shelton - Other	-257,836.79
Total 3835 · Capital-Shelton	417,163.21
3840 · Capital-Conley	
3842 · Contributions	100,000.00
3840 · Capital-Conley - Other	-46,244.73
Total 3840 · Capital-Conley	53,755.27
3845 · Capital-Dotan	
3847 · Contributions	250,000.00
3845 · Capital-Dotan - Other	-115,609.75
Total 3845 · Capital-Dotan	134,390.25
3850 · Capital-Mitchell	
3851.1 · Capital	200,000.00
3850 · Capital-Mitchell - Other	-92,488.43
Total 3850 · Capital-Mitchell	107,511.57
3860 · Capital - Stu Wright	
3860.1 · Capital	725,000.00
3860 · Capital - Stu Wright - Other	-335,270.36
Total 3860 · Capital - Stu Wright	389,729.64
3866 · Capital - CWM Real Estate	
3866.1 · Contributions	320,000.00
3866 · Capital - CWM Real Estate - Other	-147,981.39
Total 3866 · Capital - CWM Real Estate	172,018.61
3869 · Capital - Jay Whan	
3869.1 · Contributions	30,000.00
3869 · Capital - Jay Whan - Other	-13,873.49
Total 3869 · Capital - Jay Whan	16,126.51
Net Income	235,263.58
Total Equity	2,209,607.45
TOTAL LIABILITIES & EQUITY	19,255,859.71

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Copeland Properties Fifteen LP
Balance Sheet
As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1001 · Pacific Western Bank	5,504.92
Total Checking/Savings	5,504.92
Accounts Receivable	
11000 · Accounts Receivable	1,883.63
Total Accounts Receivable	1,883.63
Other Current Assets	
1221 · N/R - Suite 130 Tenant Imp	79,102.47
1220 · Note Receivable - Schachtel	60,000.00
1219 · Note Receivable - CP18	25,000.00
Total Other Current Assets	164,102.47
Total Current Assets	171,491.02
Fixed Assets	
1500 · Land Summary	
1501 · Land	515,268.63
1502 · Land- Deferred Gain	109,465.44
Total 1500 · Land Summary	624,734.07
1600 · Tenant Improvement Summary	
1604 · TI - 2011	45,550.00
1601 · TI 2007	69,044.05
1602 · TI-2008	61,203.13
1603 · TI - 2009	171,910.93
Total 1600 · Tenant Improvement Summary	347,708.11
1700 · Building Summary	
1701 · Building	2,061,074.49
1702 · Building- Deferred Gain	429,053.77
Total 1700 · Building Summary	2,490,128.26
1800 · Accum Depr Summary	
1801 · A/D Building	-242,220.00
1802 · A/D Tenant Improvements	-23,171.26
Total 1800 · Accum Depr Summary	-265,391.26
Total Fixed Assets	3,197,179.18
Other Assets	
1900 · Loan Fees	69,100.00
1910 · Accum. Amort.- Loan Fees	-51,828.99
Total Other Assets	17,271.01
TOTAL ASSETS	3,385,941.21
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	1,523.19
Total Accounts Payable	1,523.19
Other Current Liabilities	
2011 · N/P - PHT Retirement Trust	75,000.00
2211 · Lynch Lifetime Trust Loan	20,000.00
2209 · Loan Payable - Lynch Bypass	90,000.00

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Copeland Properties Fifteen LP
Balance Sheet
As of October 27, 2011

	Oct 27, 11
2219 · Unearned Rent & CAMS -Suite 130	
2219.1 · Security Deposit	3,043.56
Total 2219 · Unearned Rent & CAMS -Suite 130	3,043.56
2200 · Note Payable - CRI	159,231.33
2204 · Note Payable - CFI#2	23,400.00
2205 · Note Payable - CFI#1	25,000.00
2207 · Note Payable - CFI#3	241,050.00
2212 · N/P - CP12	32,000.00
2218 · Unearned Rent & CAMS-Suite 175	
2218.1 · Security Deposit - Suite 175	11,682.50
Total 2218 · Unearned Rent & CAMS-Suite 175	11,682.50
2220 · N/P - Stewart Wright @ 8%	20,000.00
2226 · Note Payable - Schachtel @ 8%	18,000.00
Total Other Current Liabilities	718,407.39
Total Current Liabilities	719,930.58
Long Term Liabilities	
2010 · Fletcher Trust Loan	2,400,000.00
Total Long Term Liabilities	2,400,000.00
Total Liabilities	3,119,930.58
Equity	
3010 · Capital - Samuel Gregory	100,195.07
3020 · Capital - Stewart Wright	158,463.82
3040 · Capital - Schachtel	73,711.40
Net Income	-66,359.66
Total Equity	266,010.63
TOTAL LIABILITIES & EQUITY	3,385,941.21

Copeland Properties 16, LP
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1101 · Pacific Western Bank	68,522.71
Total Checking/Savings	68,522.71
Other Current Assets	
1009 · N/R Copeland Prop Nine	53,032.28
Total Other Current Assets	53,032.28
Total Current Assets	121,554.99
Fixed Assets	
1500 · Land Summary	
1501 · Land	983,548.68
1502 · Land- Deferred Gain	130,969.64
Total 1500 · Land Summary	1,114,518.32
1600 · Building Summary	
1601 · Building	3,934,194.72
1602 · Building- Deferred Gain	523,878.56
Total 1600 · Building Summary	4,458,073.28
1700 · Accum Depr Summary	
1701 · A/D Building	-407,710.74
Total 1700 · Accum Depr Summary	-407,710.74
Total Fixed Assets	5,164,880.86
Other Assets	
1800 · Loan Fees	20,625.00
1801 · Accum Amortization - Loan Fees	-16,499.75
Total Other Assets	4,125.25
TOTAL ASSETS	5,290,561.10
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 · Security Deposit	54,271.60
Total Other Current Liabilities	54,271.60
Total Current Liabilities	54,271.60
Long Term Liabilities	
2500 · Home Savings & Loan	3,849,121.59
Total Long Term Liabilities	3,849,121.59
Total Liabilities	3,903,393.19
Equity	
3801 · Capital - Copeland Wealth Mgmt	
3801.1 · Draws	-336,080.94
3801.2 · Contributions	420.00
3801 · Capital - Copeland Wealth Mgmt - Other	231,734.40
Total 3801 · Capital - Copeland Wealth Mgmt	-103,926.54
3802 · Capital - Wright Family Trust	
3802.1 · Draws	-26,428.30
3802.2 · Contributions	1,522.20
3802 · Capital - Wright Family Trust - Other	317,518.39
Total 3802 · Capital - Wright Family Trust	292,612.29

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Copeland Properties 16, LP
Balance Sheet
As of October 27, 2011

	Oct 27, 11
3803 · Capital - Higdon Revocable Trst	
3803.1 · Draws	-60,346.40
3803.2 · Contributions	3,475.80
3803 · Capital - Higdon Revocable Trst - Other	712,953.24
Total 3803 · Capital - Higdon Revocable Trst	656,082.64
3804 · Capital - Christine C. Coffman	
3804.1 · Draws	-7,543.30
3804.2 · Contributions	434.50
3804 · Capital - Christine C. Coffman - Other	89,132.81
Total 3804 · Capital - Christine C. Coffman	82,024.01
3805 · Capital - Kohut Family Trust	
3805.2 · Contributions-4/1/11	
3805.1 · Draws	-14,188.86
3805.2 · Contributions-4/1/11 - Other	330,817.25
Total 3805.2 · Contributions-4/1/11	316,628.39
Total 3805 · Capital - Kohut Family Trust	316,628.39
Net Income	143,747.12
Total Equity	1,387,167.91
TOTAL LIABILITIES & EQUITY	5,290,561.10

Copeland Properties 17 Joint Venture
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1101 · Pacific Western Bank	1,039.32
Total Checking/Savings	1,039.32
Other Current Assets	
1918 · Note Receivable - CP18	20,700.00
Total Other Current Assets	20,700.00
Total Current Assets	21,739.32
Fixed Assets	
1200 · Land	2,307,452.40
1210 · Building	9,229,809.58
1300 · A/D Building	-513,682.38
Total Fixed Assets	11,023,579.60
Other Assets	
1900 · N/R CP 2 (Rent Incentive)	356,300.00
Total Other Assets	356,300.00
TOTAL ASSETS	11,401,618.92
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	315.00
Total Accounts Payable	315.00
Other Current Liabilities	
2401 · Note Payable - CWM RE	101,636.04
2408 · Note Payable - CP8	3,500.00
2501 · Non Resident Withholding	-0.96
Total Other Current Liabilities	105,135.08
Total Current Liabilities	105,450.08
Long Term Liabilities	
3500 · N/P Wrap Note	
3501 · N/P CP2, LP	1,063,723.76
3502 · One-West Bank	5,822,665.00
Total 3500 · N/P Wrap Note	6,886,388.76
Total Long Term Liabilities	6,886,388.76
Total Liabilities	6,991,838.84
Equity	
3802 · Capital - Benton Cole Prop	
3802.3 · Draws	-301,143.92
3802 · Capital - Benton Cole Prop - Other	2,394,773.58
Total 3802 · Capital - Benton Cole Prop	2,093,629.66
3803 · Capital - Dusty Bricker	
3803.3 · Draws	-116,170.12
3803 · Capital - Dusty Bricker - Other	911,695.00
Total 3803 · Capital - Dusty Bricker	795,524.88
3804 · Capital- Copeland Properties 2	
3804.3 · Draws	-200,503.16
3804 · Capital- Copeland Properties 2 - Other	1,535,333.41
Total 3804 · Capital- Copeland Properties 2	1,334,830.25

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Copeland Properties 17 Joint Venture
Balance Sheet
As of October 27, 2011

	Oct 27, 11
Net Income	185,795.29
Total Equity	4,409,780.08
TOTAL LIABILITIES & EQUITY	11,401,618.92

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Cash Basis

Copeland Properties Eighteen, LP
Balance Sheet
As of October 27, 2011

	Oct 27, 11
ASSETS	
Current Assets	
Checking/Savings	
1001 · Pacific Western Bank	45.35
Total Checking/Savings	45.35
Other Current Assets	
1431 · Deposit - CW Capital	91,094.36
1432 · Tax & Insurance Reserve	14,885.56
1434 · Partners 2010 NC Taxes	381.00
Total Other Current Assets	106,360.92
Total Current Assets	106,406.27
Fixed Assets	
1800 · Land Summary	
1801 · Land- Original Cost	1,701,379.61
1802 · Land- Deferred Gain	101,574.00
1803 · Land CP-5 Restored Basis	24,000.00
1804 · Land- CP-5 Sec 754	5,494.29
Total 1800 · Land Summary	1,832,447.90
1850 · Building Summary	
1852 · Building- Deferred Gain	406,296.00
1853 · Building- CP-5 Restored Basis	96,000.00
1854 · Building- CP-5 Sec 754	21,977.15
1850 · Building Summary - Other	6,805,518.45
Total 1850 · Building Summary	7,329,791.60
1890 · Accum Depr Summary	
1891 · A/D Building	-796,430.51
Total 1890 · Accum Depr Summary	-796,430.51
Total Fixed Assets	8,365,808.99
Other Assets	
1900 · Loan Fees	131,083.09
1901 · A/A Loan Fees	-91,083.00
Total Other Assets	40,000.09
TOTAL ASSETS	8,512,215.35
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2005 · Note Payable - CP5	45,500.00
2015 · CP15 Loan Payable	25,000.00
2017 · Note Payable - CP17	20,700.00
2030 · Note Payable - CRI	
2030.3 · Note Payable-CWMRE/Eure	93,000.00
2030 · Note Payable - CRI - Other	200,524.68
Total 2030 · Note Payable - CRI	293,524.68
2035 · N/P - Accrued Management Fees	165,466.80
Total Other Current Liabilities	550,191.48
Total Current Liabilities	550,191.48
Long Term Liabilities	
2000 · Loan- CW Capital	5,392,120.22
Total Long Term Liabilities	5,392,120.22
Total Liabilities	5,942,311.70

Copeland Properties Eighteen, LP
Balance Sheet
 As of October 27, 2011

	Oct 27, 11
Equity	
3800 · Capital - Copeland Realty Inc.	
3800.2 · Draw	-55,293.33
3800 · Capital - Copeland Realty Inc. - Other	356,232.09
Total 3800 · Capital - Copeland Realty Inc.	300,938.76
3802 · Capital - Bruce & Maureen Taber	
3802.2 · Draw	-7,599.99
3802 · Capital - Bruce & Maureen Taber - Other	316,151.54
Total 3802 · Capital - Bruce & Maureen Taber	308,551.55
3803 · Capital - Joseph Dotan	
3803.2 · Draws	-4,539.99
3803 · Capital - Joseph Dotan - Other	175,059.92
Total 3803 · Capital - Joseph Dotan	170,519.93
3804 · Capital - Steven Tozier	
3804.2 · Draw	-2,400.00
3804 · Capital - Steven Tozier - Other	91,784.70
Total 3804 · Capital - Steven Tozier	89,384.70
3805 · Capital - Ehud Dotan	
3805.2 · Draws	-1,280.01
3805 · Capital - Ehud Dotan - Other	48,951.16
Total 3805 · Capital - Ehud Dotan	47,671.15
3806 · Capital - Sandy & Perry Hayes	
3806.2 · Draws	-3,999.99
3806 · Capital - Sandy & Perry Hayes - Other	154,308.30
Total 3806 · Capital - Sandy & Perry Hayes	150,308.31
3807 · Capital - Ross Revocable Trust	
3807.2 · Draws	-4,299.99
3807 · Capital - Ross Revocable Trust - Other	165,880.53
Total 3807 · Capital - Ross Revocable Trust	161,580.54
3809 · Capital-Adele Hansen	
3809.2 · Draws	-3,500.01
3809 · Capital-Adele Hansen - Other	135,424.13
Total 3809 · Capital-Adele Hansen	131,924.12
3810 · Capital - Janet Ihde (Schwab)	
3810.2 · Draws	-4,299.99
3810 · Capital - Janet Ihde (Schwab) - Other	165,880.53
Total 3810 · Capital - Janet Ihde (Schwab)	161,580.54
3811.0 · Capital - W.W. Eure	
3811.2 · Draws	-6,740.01
3811.0 · Capital - W.W. Eure - Other	257,613.22
Total 3811.0 · Capital - W.W. Eure	250,873.21
3812.0 · Capital-Albert Reid (Schwab)	
3812.2 · Draws	-2,499.99
3812.0 · Capital-Albert Reid (Schwab) - Other	98,596.34
Total 3812.0 · Capital-Albert Reid (Schwab)	96,096.35
3813.0 · Capital - Steve Weiss	
3813.2 · Draws	-1,860.00
3813.0 · Capital - Steve Weiss - Other	74,147.32
Total 3813.0 · Capital - Steve Weiss	72,287.32
3816 · Capital-Barbara Stahr	
3816.2 · Draws	-2,866.68
3816 · Capital-Barbara Stahr - Other	110,586.70
Total 3816 · Capital-Barbara Stahr	107,720.02

9:52 AM
10/27/11
Cash Basis

Copeland Properties Eighteen, LP
Balance Sheet
As of October 27, 2011

	Oct 27, 11
3817 · Capital-David Ziilch	
3817.2 · Draws	-2,866.68
3817 · Capital-David Ziilch - Other	110,586.93
Total 3817 · Capital-David Ziilch	107,720.25
3818 · Capital-Diana Weed	
3818.2 · Draws	-1,433.34
3818 · Capital-Diana Weed - Other	55,292.42
Total 3818 · Capital-Diana Weed	53,859.08
3819 · Capital-Timothy Weed	
3819.2 · Draws	-1,433.34
3819 · Capital-Timothy Weed - Other	55,292.42
Total 3819 · Capital-Timothy Weed	53,859.08
3824 · Capital- Carol Lowe	
3824.2 · Draws	-2,499.99
3824 · Capital- Carol Lowe - Other	95,608.92
Total 3824 · Capital- Carol Lowe	93,108.93
3825 · Captal - Copeland Prop Five	
3825.1 · Contributions (1/10 & 2/10)	51,000.00
3825.2 · Draws	-3,706.68
3825 · Captal - Copeland Prop Five - Other	-3,679.44
Total 3825 · Captal - Copeland Prop Five	43,613.88
Net Income	168,305.93
Total Equity	2,569,903.65
TOTAL LIABILITIES & EQUITY	8,512,215.35

Exhibit C

Bank Balances as of 12/31/11

	US Bank
Copeland Realty Inc Receivership	\$ 6,881.49
Copeland Financial Advisors Receivership	\$ 344.76
Copeland Fixed Income I Receivership	\$ 2,610.21
Copeland Fixed Income II Receivership	\$ 25,555.77
Copeland Fixed Income III Receivership	\$ 7,836.69
Copeland Private Equity Two LP Receivership	\$ 3,369.99
Copeland Properties 2 LP Receivership	\$ 44,208.87
Copeland Properties 4 LP Receivership	\$ 1,023.37
Copeland Properties 5 LP Receivership	\$ 289,400.44
Copeland Properties 7 LP Receivership	\$ 59,786.73
Copeland Properties 9 LP Receivership	\$ 15,633.74
Copeland Properties 10 LP Receivership	\$ 82,095.17
Copeland Properties 15 LP Receivership	\$ 23,645.14
Copeland Properties 16 LP Receivership	\$ 97,004.57
Copeland Properties 17 LP Receivership	\$ 27,109.24
Copeland Properties 18 LP Receivership	\$ 4,087.89
Total Cash on Hand at 12/31/11	<u>\$ 690,594.07</u>

Copeland Wealth Management - A Real Estate Corporation

Profit & Loss

October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Income	
4020 · Commercial Management	43,683.34
4030 · Residential Management	1,430.00
4080 · Rental Income	270.04
4501 · Miscellaneous Income	32.50
Total Income	<u>45,415.88</u>
Expense	
6000 · Personnel Expenses	
6560 · Payroll Expenses	3,812.61
Total 6000 · Personnel Expenses	<u>3,812.61</u>
7400 · Insurance	92.51
7401 · Insurance S/C	7.00
8000 · Operating Expenses	
8075 · Mileage Expense	626.00
8100 · Bank Charges	1,224.50
8550 · Property Costs	1,064.86
8810 · Penalties	60.00
8850 · Telephone	129.98
8000 · Operating Expenses - Other	745.34
Total 8000 · Operating Expenses	<u>3,850.68</u>
Total Expense	<u>7,762.80</u>
Net Ordinary Income	<u>37,653.08</u>
Net Income	<u><u>37,653.08</u></u>

Copeland Financial Advisors
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Income	
41000 · Income	1,725.18
Total Income	<u>1,725.18</u>
Expense	
60400 · Bank Service Charges	8.00
64900 · Office Supplies	153.24
66000 · Payroll Expenses	3,418.42
68100 · Telephone Expense	627.76
68400 · Travel Expense	155.00
Total Expense	<u>4,362.42</u>
Net Ordinary Income	<u>-2,637.24</u>
Net Income	<u><u>-2,637.24</u></u>

1:49 PM
01/10/12
Cash Basis

Copeland Fixed Income One
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Expense	
9110 · Bank Charges	38.00
Total Expense	<u>38.00</u>
 Net Ordinary Income	 <u>-38.00</u>
 Net Income	 <u><u>-38.00</u></u>

11:19 AM
01/10/12
Cash Basis

Copeland Fixed Income Two
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Income	0.00
Expense	
5011 - Interest Dist - Eure	-1,163.33
5018 - Interest Dist - Bricker	-1,276.67
Total Expense	<u>-2,440.00</u>
Net Income	<u><u>2,440.00</u></u>

11:28 AM
01/10/12
Cash Basis

Copeland Fixed Income Three, LP
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Income	
4000 · Interest Income	
4020 · Interest - Amie Baca	93.32
4036 · Interest - Vellore Muraligopal	<u>2,200.00</u>
Total 4000 · Interest Income	<u>2,293.32</u>
Total Income	<u>2,293.32</u>
Gross Profit	2,293.32
Expense	
6000 · Bank Fees	<u>38.00</u>
Total Expense	<u>38.00</u>
Net Income	<u><u>2,255.32</u></u>

11:16 AM
01/10/12
Cash Basis

Copeland Private Equity Two LP
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Expense	
60400 · Bank Service Charges	38.00
Total Expense	<u>38.00</u>
Net Ordinary Income	<u>-38.00</u>
Net Income	<u><u>-38.00</u></u>

Copeland Properties Two
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Income	
4100 · Interest Income	
4100.2 · Interest Income- CP17	72,989.28
Total 4100 · Interest Income	<u>72,989.28</u>
Total Income	72,989.28
Expense	
6120 · Bank Charges	39.00
8200 · Interest Expense	
8200.6 · OneWest Bank	41,121.51
Total 8200 · Interest Expense	<u>41,121.51</u>
Total Expense	<u>41,160.51</u>
Net Ordinary Income	<u>31,828.77</u>
Net Income	<u><u>31,828.77</u></u>

11:13 AM
01/10/12
Cash Basis

Copeland Properties Four
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Income	0.00
Expense	
8100 · Bank Service Charges	<u>38.00</u>
Total Expense	<u>38.00</u>
Net Income	<u><u>-38.00</u></u>

12:45 PM
01/10/12
Cash Basis

Copeland Properties Five
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Income	
4000 · Rental Income	346,275.25
Total Income	<u>346,275.25</u>
Expense	
6550 · Management Fees	13,333.34
8200 · Interest Expense	
8200.3 · Mound Investments Interest	111,447.71
Total 8200 · Interest Expense	<u>111,447.71</u>
Total Expense	<u>124,781.05</u>
Net Income	<u><u>221,494.20</u></u>

Copeland Properties Seven
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Income	
4000 · Rental Income	81,102.05
Total Income	<u>81,102.05</u>
Expense	
6550 · Management Fees	2,500.00
7200 · Utilities	579.34
7300 · Repairs/Maintenance	
7300.1 · Yard Maintenance	800.00
Total 7300 · Repairs/Maintenance	<u>800.00</u>
7400 · Insurance	510.82
7400.0 · Insurance - Service Fee	5.00
8200 · Interest Expense	
8200.4 · Keystone Mortgage	21,980.33
Total 8200 · Interest Expense	<u>21,980.33</u>
8600 · Taxes-Property	3,593.81
Total Expense	<u>29,969.30</u>
Net Ordinary Income	<u>51,132.75</u>
Net Income	<u><u>51,132.75</u></u>

10:30 AM
01/10/12
Cash Basis

Copeland Properties Nine
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Income	0.00
Expense	
7200 · Utilities	
7210 · Electricity	
7210.1 · Tenant Reimb - Electricity	1,078.23
7210 · Electricity - Other	6,789.18
Total 7210 · Electricity	<u>7,867.41</u>
7220 · Gas	
7221 · Tenant Reimb - Gas	357.35
7220 · Gas - Other	4,427.87
Total 7220 · Gas	<u>4,785.22</u>
7230 · Telephone	287.03
7240 · Water	
7241 · Tenant Reimb - Water	195.35
7240 · Water - Other	1,226.32
Total 7240 · Water	<u>1,421.67</u>
Total 7200 · Utilities	14,361.33
7300 · Repairs/Maintenance	
7303 · Misc. Repairs & Maintenance	
7303.1 · NON CAM Exp - To be reimbursed	-259.99
7303 · Misc. Repairs & Maintenance - Other	160.00
Total 7303 · Misc. Repairs & Maintenance	<u>-99.99</u>
7304 · Grounds Maintenance	52.52
Total 7300 · Repairs/Maintenance	<u>-47.47</u>
7500 · Security Expense	
7501 · Sonitrol	234.85
Total 7500 · Security Expense	<u>234.85</u>
8500 · Late Fees	5.00
Total Expense	<u>14,553.71</u>
Net Income	<u><u>-14,553.71</u></u>

Copeland Properties Ten
Profit & Loss
October 25 through December 31, 2011

	Oct 25 - Dec 31, 11
Income	
4000 · Rental Income-2350	
4001 · 2350 CAMS	741.92
4002 · 2350 Insurance Pay	722.08
4003 · 2350 Property Tax Pay	6,427.36
4000 · Rental Income-2350 - Other	44,550.06
Total 4000 · Rental Income-2350	52,441.42
4005 · Rental Income-2370	
4006 · 2370 CAMS	586.78
4007 · 2370 Insurance Pay	571.08
4008 · 2370 Property Tax Pay	5,083.30
4005 · Rental Income-2370 - Other	35,227.00
Total 4005 · Rental Income-2370	41,468.16
4010 · Rental Income-2380	
4011 · 2380 CAMS	630.12
4012 · 2380 Insurance Pay	613.28
4013 · 2380 Property Tax Pay	5,458.86
4010 · Rental Income-2380 - Other	37,837.10
Total 4010 · Rental Income-2380	44,539.36
4020 · Rental Income- 2400	
4021 · 2400 CAMS	731.54
4022 · 2400 Insurance Pay	711.98
4023 · 2400 Property Tax Pay	6,337.44
4020 · Rental Income- 2400 - Other	42,978.34
Total 4020 · Rental Income- 2400	50,759.30
4030 · Rental Income- 2500	
4031 · 2500 CAMS	426.30
4032 · 2500 Insurance Pay	414.90
4033 · 2500 Property Tax Pay	3,693.06
4030 · Rental Income- 2500 - Other	39,982.90
Total 4030 · Rental Income- 2500	44,517.16
Total Income	233,725.40
Gross Profit	233,725.40
Expense	
6551 · PMGR Fees-Salsberry	2,833.32
7400 · Insurance	
7401 · Insurance Service Fees	6.00
7400 · Insurance - Other	1,186.15
Total 7400 · Insurance	1,192.15
8200 · Interest Expense	162,165.04
Total Expense	166,190.51
Net Income	67,534.89

Copeland Properties Fifteen LP
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Income	
4000 · Rent Income	
4000 · Rent Income - Other	42,647.78
Total 4000 · Rent Income	<u>42,647.78</u>
4200 · CAM Income	
4204 · CAM Fees / 175	6,495.70
Total 4200 · CAM Income	<u>6,495.70</u>
Total Income	<u>49,143.48</u>
Gross Profit	49,143.48
Expense	
8901 · Association Fees	
8901.1 · Assoc Fees / 115-Cop	814.19
8901.2 · Assoc Fees / 130-Cope	518.69
8901.4 · Assoc Fees / 155-Copeland	1,074.75
8901.5 · Assoc Fees / 175-Copel	1,628.37
Total 8901 · Association Fees	<u>4,036.00</u>
8920 · Tenant Improvement Expense	
8921 · Suite 115 TI	-117.06
Total 8920 · Tenant Improvement Expense	<u>-117.06</u>
8940 · Insurance Expense	
8941 · Insurance Premium	400.84
8942 · Insurance Service Fee	12.00
Total 8940 · Insurance Expense	<u>412.84</u>
8950 · Interest Expense	
8950.16 · Fletcher Trust Interest	42,000.00
Total 8950 · Interest Expense	<u>42,000.00</u>
8965 · Penalties	403.61
8996 · Utilities	80.81
8997 · Repairs - NON CAM	
8997.2 · Janitorial Fees - Suite 115	500.00
Total 8997 · Repairs - NON CAM	<u>500.00</u>
Total Expense	<u>47,316.20</u>
Net Ordinary Income	<u>1,827.28</u>
Net Income	<u><u>1,827.28</u></u>

1:23 PM
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Cash Basis

Copeland Properties 16, LP
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Income	
4100 · Rental Income	94,440.00
Total Income	<u>94,440.00</u>
Gross Profit	94,440.00
Expense	
6549 · Insurance Expense	
6549.1 · Service Charge	30.00
6549 · Insurance Expense - Other	3,512.31
Total 6549 · Insurance Expense	<u>3,542.31</u>
6550 · Interest Expense	45,663.69
6560 · Management Fees	4,750.00
Total Expense	<u>53,956.00</u>
Net Ordinary income	<u>40,484.00</u>
Net Income	<u><u>40,484.00</u></u>

1:38 PM
01/10/12
Cash Basis

Copeland Properties 17 Joint Venture
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Income	
42500 · Rental Income	142,200.00
42600 · Monthly CAMS	5,308.48
42700 · Cell Tower Income	2,622.54
Total Income	<u>150,131.02</u>
Gross Profit	150,131.02
Expense	
61500 · CAM Expense	4,350.00
63400 · Interest Expense	
63400.1 · Interest - CP2, LP	71,251.06
Total 63400 · Interest Expense	<u>71,251.06</u>
63450 · Management Fees	15,000.00
67100 · Rent Expense	655.63
67200 · Repairs and Maintenance	
67210 · Roof Repairs	3,190.00
Total 67200 · Repairs and Maintenance	<u>3,190.00</u>
Total Expense	<u>94,446.69</u>
Net Ordinary Income	<u>55,684.33</u>
Net Income	<u><u>55,684.33</u></u>

1:43 PM
01/10/12
Cash Basis

Copeland Properties Eighteen, LP
Profit & Loss
October 25 through December 31, 2011

	<u>Oct 25 - Dec 31, 11</u>
Ordinary Income/Expense	
Income	
4500 · Rental Income	41,054.96
Total Income	<u>41,054.96</u>
Expense	
6618 · Interest Expense	
6618.1 · Interest Exp - CW Capital	36,984.24
Total 6618 · Interest Expense	<u>36,984.24</u>
6620 · Bank Charges	26.18
Total Expense	<u>37,010.42</u>
Net Ordinary Income	<u>4,044.54</u>
Net Income	<u><u>4,044.54</u></u>

Exhibit D

Sullivan Hill General Counsel Proposal

Tom Hebrank

From: Christopher Hawkins <hawkins@sullivanhill.com>
Sent: Thursday, January 05, 2012 10:06 AM
To: 'Thomas Hebrank (thebrank@ethreadvisors.com)'
Subject: SEC v. Copeland, et al -- Sullivan Hill info

Tom,

Thanks for thinking of us. Here is the information you requested.

The firm's commercial insolvency group has extensive experience representing state and federal court receivers, bankruptcy trustees and other fiduciaries. The firm's work in SEC receiverships includes representation of victims of a real estate Ponzi scheme accomplished by the perpetrator's improper handling of Section 1031 exchanges. The work also includes:

- SEC v. Integrated Equities, Inc., 2006 WL 3717487 (D. Nev. 2006) (representing court appointed receiver in gold securities ponzi scheme)
- SEC v LF Global Investments L.L.C. and its subsidiary, Global Money Management L.P. (S.D. Cal.) (firm represented the investor who reported the Ponzi scheme to the SEC with the firm's assistance, and assisted the Receiver in collecting assets while protecting the investor's claims and interests)
- SEC v. FRASIER, et al., (S.D. Cal) (No. 3:03CV01958) (represent defrauded investor Earl Wong in his effort to be included as eligible claimant to recovered funds)
- SEC v Wenke (S.D. Cal) (represented investors in Walter Wenke fraud case)

The firm's work in other federal court receiverships includes:

- U.S. v. Guess, 2005 WL 1819382 (S.D. Cal., June 28, 2005) (involving Xelan, Inc. - representing court appointed receiver)
- Numerous representations of Bart Nowicki in his capacity as a federal court receiver appointed by the Federal Trade Commission in ponzi scheme cases

The firm's work in other ponzi scheme cases includes:

- Allard v DeLorean (represented trustee trying to recover funds in cases involving DeLorean fraud)
- J. David Investors (represented investors against claims by trustee)
- Coastal Equities (represented trustee trying to recover funds)

The firm's work in sales of real estate via receivership includes:

- North Island v. Pearson (S.D. Sup. Ct. – the firm represents a state court receiver selling a shuttered car dealership, presenting environmental risks to receiver)
- Webb v. Keenan – S.D. Sup. Ct. - the firm currently represents a state court receiver selling numerous commercial properties out of a receivership

Chris Hawkins (\$350) would handle primary responsibility for the representation. His associate is Katie Millerick (\$185). Other lawyers in the firm's commercial insolvency group whose experience is relevant include Jim Hill (\$475) and Gary Rudolph (\$425).

Three of Sullivan Hill's real estate lawyers have extensive experience relevant here. John Engel (\$425), Joseph Marshall (\$425) and Kenneth Jones (\$350) have a combined 90 years experience between them in all aspects of real estate, including real estate acquisition, development, financing, leasing, sales and exchanges; formation of limited partnerships, limited liability companies and other real estate entities; IRC 1031 exchanges; real estate mortgage note interests; securities regulation, including public and private offerings, disclosure issues and reporting obligations.

Sullivan Hill is willing to discount the above rates 10 percent across the board, and to commit to a blended rate of \$350 per hour.

Please let me know if you need additional information.

-Chris

Christopher V. Hawkins

Attorney

DIRECT 619.595.3218



Sullivan Hill Lewin Rez & Engel
A Professional Law Corporation

550 West C Street, 15th Floor | San Diego, CA 92101

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**Mulvaney, Kahan & Barry General
Counsel Proposal**

Tom Hebrank

From: Everett G. Barry, Jr. <ebarry@mkblaw.com>
Sent: Tuesday, January 03, 2012 2:38 PM
To: Tom Hebrank
Cc: Gayle R. Curtis
Subject: SEC v. Charles P. Copeland, Copeland Wealth Management, a Financial Advisory Corporation; and Copeland Wealth Management, a Real Estate Corporation
Attachments: hebrank.profiles_001.pdf

Tom:

Thank you for the opportunity to submit a proposal to serve as Receiver's counsel in the above matter.

Per our discussion, my 2012 standard hourly rate is \$390, but I would discount that rate to \$350. John Stephens of our firm would be working with us, and his hourly rate would be \$330. We would anticipate that Pat Prindle, a senior associate with the Firm, would be the primary associate working on this matter at an hourly rate of \$285. Attached are the Attorney Profiles from our website for me, John Stephens, and Pat Prindle. Per your request, we would be prepared to commit to a blended hourly rate of \$310 per hour. As you know, our Firm has a broad range of experience in receivership matters and, as you will note from John Stephens' Attorney Profile, John has significant litigation experience as well as extensive experience in real estate matters.

I am happy to provide additional information if you so desire.

Everett G. Barry, Jr.
Mulvaney, Kahan & Barry LLP
401 W. A Street
Seventeenth Floor
San Diego, CA 92101
Ph. (619) 238-1010
Fax (619) 238-1981
Email ebarry@mkblaw.com

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-----Original Message-----

From: Tom Hebrank [<mailto:thebrank@ethreadvisors.com>]
Sent: Thursday, December 29, 2011 9:26 AM
To: thebrank@ethreadvisors.com
Subject: SEC Engagement

MULVANEY, KAHAN & BARRY

A LIMITED LIABILITY PARTNERSHIP

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[Lawrence Kahan](#)
(Retired)

[Everett G. Barry, Jr.](#)

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[Paula Rotenberg](#)

[Rex B. Beatty](#)

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[Kelly A. Trari](#)

[John H. Stephens](#)

(Of Counsel)

EVERETT G. BARRY, JR.

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Everett G. Barry, Jr., is a Senior Partner at Mulvaney, Kahan & Barry. Mr. Barry attended Lafayette College and received his A.B. in History in 1968 and attended the University of Virginia School of Law, receiving his J.D. in 1971. Mr. Barry was admitted to the New Jersey bar in 1971 and to the California bar in 1972. Mr. Barry also served as a Captain in the United States Army Reserve. From 1973 through 1978, Mr. Barry served as a Bankruptcy Trustee for the United States Bankruptcy Court. Mr. Barry is a member of the Bankruptcy Mediation Panel and of the San Diego Superior Court Arbitration Panel. Mr. Barry has over three decades of experience in Banking, Real Estate, Creditor's Rights and Insolvency Law, and is a frequent lecturer on those topics. Mr. Barry is also a founding member of the Logan Heights Family Health Center Foundation and served on the Board of Directors from 1990 through 2001.

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JOHN H. STEPHENS

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John H. Stephens specializes in business, real estate and commercial litigation, and real estate transactions. He has over 30 years of experience having practiced in Los Angeles, New York City and San Diego. He received an undergraduate degree from the University of California, Irvine, a law degree in 1978 from the University of California, Hastings, and a Masters degree from Columbia University. Highlights of his career include clerking during law school for Joseph L. Alioto, the former mayor of San Francisco and renowned anti-trust attorney; working while at Columbia with Fred Friendly, the former President of CBS News, on the PBS series "Media Law & Society," and serving as a staff attorney at the Legal Action Center of New York City, a public-interest law corporation then chaired by Arthur Liman, former chief counsel to the Senate during the Iran-Contra hearings. Mr. Stephens' litigation career

has included many complex federal and state court trials, as well as appeals, several of which have resulted in published opinions. He is admitted to practice before the United States Supreme Court, and the federal and states courts of both California and New York. Mr. Stephens was an attorney with Mulvaney Kahan & Barry's affiliated office in Beverly Hills before going to New York, and was a shareholder in San Diego with Wertz McDade & Wallace and Robbins & Keehn, before rejoining the firm. Mr. Stephens has been active in the Downtown San Diego Partnership, and the San Diego Regional Chamber of Commerce where he recently lectured on California's new E-Discovery Law

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(Of Counsel)

PATRICK L. PRINDLE

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Patrick Prindle was admitted to practice in California in 1979, and in the State of Montana in 1983. He is also admitted to practice before The Supreme Court of the United States, as well as the United States District Courts for the Southern, Central, Eastern, and Northern Districts of California, and the District of Montana. Mr. Prindle specializes in general civil litigation, with emphasis in the trial, arbitration, and mediation of matters concerning complex commercial, employment, construction, and insurance disputes. He is rated "AV" by Martindale-Hubbell, is a member of the American Board of Trial Advocates (ABOTA), and is a Master in the William B. Enright Inn of Court.

Mr. Prindle has been lead counsel in over 33 jury trials, and counsel of record in over 70 trials and administrative hearings. He has briefed and appeared in 20 appeals, arguing cases before the U.S. Court of Appeals, Ninth Circuit; The Supreme Court of California; The Supreme Court of Montana; and the California Court of Appeal, Fourth Appellate District.

Mr. Prindle graduated from the University of Montana, with a Bachelor of Science degree in Business Administration (Finance). He attended law school in San Diego, graduating from Western State University, College of Law in 1978. He has taught law school courses in Products Liability Law as an Adjunct Professor, and has lectured various groups of attorneys and business managers on subjects including "Mold and Environmental Litigation" and "Handling Construction Disputes".



Patrick Prindle

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Gerson Law Firm General Counsel Proposal

GERSON LAW FIRM APC
PROPOSAL FOR REPRESENTATION OF RECEIVER
SEC vs. Charles P. Copeland, Copeland Wealth Management, A Financial Advisory Corporation,
and Copeland Wealth Management, A Real Estate Corporation

GERSON LAW FIRM APC (GLF) GLF is a small law firm of six full time lawyers primarily engaged in matters relating to real estate and business transactions and litigation. GLF's clients include financial institutions, receivers and creditors on all matters loan enforcement and collection-related. GLF has been recognized by US NEWS as one of the best tier 2 law firms in America (tier 2 being for small law firms).

Gordon L. Gerson, who is managing principal of GLF, has represented individuals and groups of investors, in mortgage scams and investment scams for more than 30 years. He began representing individuals and groups of investors, who were victims of mortgage scams and fraudulent investment schemes, in the early 1980s. He was appointed by the United States Bankruptcy Court in 1992 to be one of five members of the board of directors of Pioneer Mortgage Liquidation Corporation (PLC) which was charged to liquidate a portfolio of approximately \$250,000,000 trust deed loans made by over 1,000 investors. He has been recognized by U.S. News in annual editions of Best Lawyers in America since 2008. Gordon L. Gerson is immediate past president of the San Diego Chapter of the California Receivers Forum.

GLF's experience in real estate, lending and receivership matters is set forth below. Its reputation includes representing clients in "high volume" engagements at reduced legal fees. Among noteworthy examples:

- Representing PLC in over 150 fraudulent conveyances actions.
- Representing Midland Loan Services, Inc. relative to liquidating more than 80 REO properties.
- Representing Cohen Financial in over 100 loan enforcement proceedings.
- Representing California Credit Union in over 100 loan enforcement proceedings.

In 2011, GLF acted as counsel to lenders on more than 20 receivership cases in California, and also retained local counsel and monitored receivership cases on more than 30 out of state receivership cases involving real and investment property. Currently, GLF is acting as special counsel to a company formed to liquidate approximately \$24,000,000 in real estate and personal property secured loans made by a company that generated loan funds from more than 70 investors in violation of SEC requirements. In 2011, GLF acted as counsel to two receivers on five cases.

GLF has not previously represented Tom Hebrank on any cases, and has no prior attorney-client or other professional relationship with him.

GLF actively seeks this engagement given its ability as a small firm to handle matters required at the same or higher level of expertise of larger law firms, provide alternate billing structures, and immediately dedicate resources on Mr. Hebrank's behalf.

BILLING RATES:

GLF will not bill its standard billing rates on this matter in view of the anticipated volume of work and the recognized need to provide an alternative billing structure. Two alternative billing rate structures are presented in connection with this proposal.

Option 1: Gordon L. Gerson whose standard rate on matters of this nature is \$410 per hour, will bill all time at \$365 per hour, and all associates for this engagement will bill at a blended rate of \$265 per hour.

Option 2: Gordon L. Gerson's rate will be blended with associate rates, in which case the blended rate will be \$295 per hour.

REPRESENTATIVE MATTERS

Transactions:

- Representation of lender on more than 300 CMBS loan transactions.
- Representation of lender on more than 375 Fannie Mae DUS multifamily loan transactions.
- Representation of lender on more than 150 Freddie Mac Program Plus multifamily loan transactions.
- Representation of lender on more than 50 CDO commercial real estate financing transactions.
- Representation of lender on Ritz Carlton (Napa) acquisition and development loan transaction.
- Representation of lender on loan assumption for Four Seasons Biltmore (Santa Barbara) transaction.
- Representation of lender on acquisition, development and construction of time share, and fractionalized ownership resorts.
- Representation of lender on residential subdivisions of more than 100 residential units.
- Representation of lender on equity participations and mezzanine financings.
- Representation of lender on loans cross-collateralized in more than one state (including a six state transaction).
- Representation of lender on sale of loan portfolios.
- Representation of developer of one of largest high rise apartment buildings in San Diego County.
- Representation of national tenants in more than 300 shopping center leases.

Creditor Rights:

- Representation of lenders in over 125 state court receiverships.
- Counsel to receivers.
- Representation of lenders in bankruptcy matters, including high volume of relief of stay.
- Representation of shopping center owners in over 150 eviction proceedings.

Mintz Levin General Counsel Proposal

Tom Hebrank

From: Dunn, Joseph <JRDunn@mintz.com>
Sent: Tuesday, January 03, 2012 10:26 PM
To: 'Tom Hebrank'
Cc: Davis, Jeffry
Subject: RE: SEC Engagement

Tom,

Thank you for considering Mintz Levin for this engagement. We understand the restraints you are facing and we hope to help. The current standard billing rates for our San Diego restructuring attorneys on these types of matters, which typically increase annually in June of each year, are as follows:

Jeff Davis – Member – \$685
Joe Dunn – Senior Associate – \$475
Abby O'Brient – Associate – \$285

Although we typically charge our clients at the full rates above, we would be willing to discount our rates by 10% on this engagement such that the current hourly rates for the professionals above would be as follows:

Jeff Davis – Member – \$616.50
Joe Dunn – Senior Associate – \$427.50
Abby O'Brient – Associate – \$256.50

In addition, we would agree that our blended hourly rate would be no greater than \$385/hr. This billing structure would result in significant savings for the receivership estate when compared to our normal rates, while ensuring you are represented by experienced and diligent counsel. The above attorneys would be performing the bulk of the work on this engagement (assuming the same scope of representation set forth in Allen Matkins' employment application); however we have the resources to pull in professionals from any of our other practice groups (including tax, corporate and real estate) should you or the task require it.

As we discussed previously, Jeff Davis has represented SEC receivers in the past, and has a strong record of success in that regard. He previously represented Richard Kipperman as SEC receiver in an enforcement action against a telecommunications Ponzi scheme operation, *SEC v. Knoxville, LLC, et al.*, S.D. Cal., Case No. 941073B. There, he worked with the receiver and was successful in recovering assets from insiders, selling assets of the receivership estate (including wavelengths), and providing a distribution to creditors owed approximately \$35 million. I would be performing the primary share of the work on this engagement, with Jeff's input and involvement as necessary, and Abby O'Brient providing service on lower level tasks. I have considerable bankruptcy and commercial litigation experience, including representing trustees, debtors, and creditors in bankruptcy cases involving real estate disputes, real estate developers, asset sales and partnership issues. We believe our collective experience and our resources would enable us to provide you with excellent and comprehensive service in this matter.

Thank you again for your consideration and I look forward to hearing from you.

Joe

Joseph Dunn | Attorney
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
3580 Carmel Mountain Road, Suite 300 | San Diego, CA 92130

**Parker Milliken General Counsel
Proposal**

LARRY G. IVANJACK

Direct Dial: (213) 683-6604
 E-mail: LIVANJACK@PMCOS.COM

January 5, 2012

E-MAIL

Tom Hebrank
 thebrank@ethreadvisors.com

Re: SEC engagement

Dear Tom:

Below is Parker Milliken's proposal, in response to your e-mail of December 29, 2011.

1. Hourly Rates for Anticipated Staffing: Staffing will depend upon particular tasks involved, so as to maximize the expertise applied to the particular part of the engagement and increase efficiency:

Name	Position	Applicable Practice Area	2012 Hourly Rate
Larry Ivanjack	Shareholder	Equity receivership law, real estate transactional, creditor's rights issues	\$450
Thomas Shuck	Shareholder	Investment Advisors Act issues; litigation and trial	\$410
David Eldan	Senior Counsel	Equity receivership law, creditor's rights issues, bankruptcy issues and litigation	\$365

Tom Hebrank
 January 5, 2012
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Chris O'Connell	Shareholder	Investment Advisors Act issues	\$490
Carlo Sima	Shareholder	Real estate transactions	\$510
Mark Suttle	Shareholder	Litigation	\$410
Alan Weinfeld	Associate	Litigation	\$310
Jonathan Burke	Associate	Litigation	\$235
Gabriela Majidian	Paralegal	Litigation	\$180
Marilyn Alvarado	Paralegal	Litigation	\$180

2. Proposed Blended Hourly Rate: \$350.00
3. Attorney Doing the Primary Share of the Work: Litigation – David Eldan and Thomas Shuck; Transactional – Larry Ivanjack and Carlo Sima.
4. Prior Experience on SEC or Other Federal Receiverships: As we discussed, no direct experience in representing federal receiver. Substantial experience with Investment Advisors Act:
 - a. Firm represents 12 or so accounting firms and advised on this issue.
 - b. Thomas Shuck is a 22-year FINRA arbitrator for customer and industry disputes in retail, employment and regulatory areas, usually as chair. Tom has also represented both broker-dealers and customers/investors for 30 years. Please see his FINRA arbitrator profile for additional details.
5. Prior Experience in Equity Receiverships:
 - a. Over the last 4 years, we've handled multiple equity receiverships for secured creditors seeking to take control of busted residential and commercial construction projects, in order to gain control of assets, complete construction, and in some cases to permit a sale by the receiver of the real property and in others to permit foreclosure of the real property collateral. Loans have ranged in size from \$2,000,000 to \$25,000,000. Since my group at Parker Milliken represents primarily financial institutions, there have been many matters for multiple financial institutions

Tom Hebrank
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(primarily commercial banks). Following are just a few of matters currently being handled or recently concluded:

- i. \$14,000,000 secured loan on luxury condominium project in San Diego County. Receiver appointed to complete construction, and to sell individual units at retail, after obtaining relief from the automatic stay and opposing a proposed Chapter 11 plan by borrower corporation.
 - ii. \$8,400,000 secured loan on condominium construction project for 12 condominiums in Los Angeles County. Receiver appointed to complete construction and to ultimately sell at retail the condominium units. There were multiple mechanics lien issues which were resolved, and lender liability litigation continues, having been initiated by LLC borrower and guarantor.
 - iii. \$10,600,000 secured loan on a 22-unit townhouse project in Los Angeles County. Receiver appointed to complete construction and to ultimately sell at retail the condominium units. Receiver completed approximately \$2,000,000 worth of repairs and completion in order to prepare property for sale. Lender liability litigation continues, having been initiated by LLC borrower and guarantor.
 - iv. \$16,000,000 secured loan on a 45-unit condominium conversion project in Los Angeles County. Receiver appointed to complete construction. As project neared completion, LLC borrower filed chapter 11. Ultimately chapter 11 plan was successfully opposed, and relief from stay granted. Client successfully foreclosed and property sold to third-party bidder at sale.
- b. Other equity receiverships, again for clients who are secured creditors, in order to preserve asset value (e.g., accounts receivable, inventory) pending ultimate liquidation.
6. Experience with Real Estate Limited Partnerships, 1031 Exchanges, and Sale of Real Estate Through Receiverships. The experience items can be in bullet-point format with brief descriptions of the cases.
- a. Tom Shuck has successfully handled many cases for customers against broker dealers and also represented R.I.A.'s and R.R.'s with claims under the Investment Company Act, SEC Act, and state laws.
 - b. I have represented lenders in the context of commercial real estate financing, including construction financing, where the borrower was initially an entity created

PARKER MILLIKEN

ATTORNEYS AT LAW

Tom Hebrank
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by the accommodator in a 1031 exchange, in order to facilitate acquisition/rehabilitation of real property before completion of 1031 exchange.

I would be happy to discuss our experience and qualifications further at your convenience.

Very truly yours,

/s/

Larry G. Ivanjack

PARKER, MILLIKEN, CLARK,
O'HARA & SAMUELIAN

LGI/tp

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