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

11 SECURITIES AND EXCHANGE  
12 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.  
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Case No. 11-08607-R-DTB

**RECEIVER'S REPORT #3**

Date: June 7, 2012  
Ctmm: 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 #3.

6 This Report provides the Court and all interested parties with the status of the  
7 Receiver's activities since the issuance of Receiver's Report #2.

## 8 9 **I. THE RECEIVER'S RECENT ACTIVITIES**

10 Since the issuance of the Receiver's Report #2, the following outlines the  
11 primary activities of the Receiver.

### 12 13 **A. Copeland Realty Business Operations**

14 Since the Receiver's appointment, the Receiver has taken over the daily  
15 operations of all of the abovementioned Receivership Entities. The Receiver is  
16 collecting rents, paying mortgages, property taxes and operating expenses on a  
17 current basis (with the exception of Copeland Properties Nine, L.P. which was in  
18 default prior to the Receiver's appointment, and does not produce sufficient cash  
19 flow to pay the monthly mortgage). The Receiver is currently managing the  
20 properties, responding to tenant needs, conducting leasing activities and addressing  
21 other issues that arise. The Receiver continues to maintain separate bank accounts  
22 for each Limited Partnership.

#### 23 **1. Palms Springs Condominium**

24 On April 19, 2011, Copeland Realty had acquired residential real property  
25 located at 222 N. Calle El Segundo #528, Palm Springs, California 92262 (the  
26 "Property"). Starting on September 1, 2011, Copeland Realty marketed the Property  
27 with the assistance of a broker. On October 5, 2011, Copeland Realty signed a  
28 purchase agreement with Glenn R. Ducat. The Receiver maintained, but modified

1 the contract, and filed his motion for approval of the sale on November 18, 2011.  
2 The sale motion was approved by the Court on February 13, 2012, and after  
3 numerous bureaucratic impediments, the sale was finally closed on April 24, 2012.  
4 The Receivership Estate received \$64,391.57 in net proceeds from the sale.

## 5           2.     **Evaluation and Marketing of Properties**

6           The Receiver requested authorization from this Court to engage leasing  
7 agents, appraisers and real estate brokers for the Real Estate Limited Partnerships in  
8 order to evaluate the properties and potentially market the properties for sale. On  
9 March 12, 2012, the Court granted the Receiver's requests. If the Receiver agrees  
10 on the terms of a sale with a buyer, the Receiver will file a motion for approval of  
11 the sale with the Court.

12           The Receiver engaged a broker, Sperry Van Ness, to provide Broker's  
13 Opinions of Value ("BOVs") for certain of the properties in order to provide  
14 guidance as to the potential disposition of the properties. Based upon these  
15 valuations, the Receiver has listed for sale the Copeland Properties Two,  
16 L.P./Copeland Properties 17, L.P. ("CP2/17"), Copeland Properties Five, L.P.  
17 ("CP5"), Copeland Properties Seven, L.P. ("CP7"), and Copeland Properties 18,  
18 L.P. ("CP18") properties. The investors or limited partners in these entities have  
19 been notified of the sale listings.

20           Other methods of disposition are being evaluated for the other properties.  
21 Any sale or other form of disposition will be submitted to the Court for its approval.

## 23           **B.     Collection of Notes Receivable**

24           The Receiver performed an analysis and review of all notes receivable for the  
25 Receivership Entities, including the tracing of payments and receipts to the  
26 accounting and bank records, locating and reviewing notes receivable  
27 documentation, and performing interest calculations. In conjunction with General  
28

1 Counsel, the Receiver has made demand for payment and is attempting to collect on  
2 all non-Receivership Entities notes receivables.

3 As of the inception of the receivership, the Receivership Entities had a  
4 combined \$22,392,421.56 in notes receivable. However, \$15,978,078.22 of that  
5 balance represents notes due from one Receivership Entity to another. In that all  
6 Receivership Entities are included in the receivership estate, the Receiver is not  
7 attempting to collect on these related party notes receivable. The Receiver is  
8 attempting to collect on the \$6,414,343.34 of notes receivable to third parties. To  
9 date, \$17,907.90 has been collected.

#### 10 11 **C. Forensic Accounting Status**

12 On February 6, 2012, this Court held a hearing on numerous matters  
13 regarding the administration of the receivership estate. As a result of this hearing,  
14 the Court entered an Order on Receiver's Application and Report which had been  
15 submitted by certain limited partners of various Copeland Properties Real Estate  
16 Limited Partnerships ("LP Objectors"), which required that the Receiver provide  
17 justification as to the inclusion of the LP Objectors in the Receivership Estate. On  
18 March 5, 2012, the Receiver filed his Receiver's Response to Order on Receiver's  
19 Application and Report. On March 12, 2012, the Court entered its order affirming  
20 that all of the Copeland Private Equity, Fixed Income and Real Estate Limited  
21 Partnerships were included in the Receivership Estate.

22 The Receiver's forensic accounting review includes the following key  
23 elements: 1) ascertain the validity and accuracy of the financial statements prepared  
24 by Defendant Copeland and Copeland Accountancy for the Receivership Entities by  
25 reconciling amounts and transactions to supporting documentation including bank  
26 statements, cancelled checks and tax returns, 2) review supporting files and other  
27 documentation for executed notes receivable, notes payable, investments, loan  
28 guaranties, and other information, 3) making a preliminary evaluation of the

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

3 As part of his March 5, 2012 Report, the Receiver provided detail as to the  
4 extent of the related party transactions involving the Receivership Entities. The  
5 Receiver is working to complete his forensic accounting review in a timely, yet cost  
6 effective manner. To date, the Receiver has reviewed and determined the validity of  
7 the cash transactions contained in the Receivership Entities' financial statements.  
8 Per review of these accounting records; however, a substantial number of non-cash  
9 journal entries have been noted which require more extensive analysis. These  
10 journal entries frequently represent "book" transfers of related party interests  
11 amongst the Receivership Entities. Making a determination as to their validity and  
12 propriety requires a more extensive analysis compared to merely agreeing a cash  
13 transaction to the underlying bank statement.

14 The Receiver anticipates completing an initial forensic accounting report prior  
15 to June 29, 2012, which will analyze and discuss in greater detail the extent of  
16 related party transactions amongst the Receivership Entities, as well as a discussion  
17 of the general cash flows amongst the Private Equity, Fixed Income Funds and the  
18 Real Estate Limited Partnerships in order to provide the "story" behind what  
19 occurred with these Receivership Entities. The purpose of this report will be to  
20 provide the Court with information which would ultimately assist the Court in  
21 determining how assets will be distributed in this case.

22 Finally, after the issuance of the initial forensic accounting report, the  
23 Receiver will be reviewing the investor's stakes in the Receivership Entities to  
24 determine the validity of their investments. Once a review has been made of the  
25 investor's equity stake, the Receiver will review his verified amounts with the  
26 applicable investors.

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1           **D.     Employment of Professionals**

2           On February 6, 2012, the Court denied the Receiver's Application to employ  
3 Allen Matkins Leck Gamble Mallory & Natsis LLP as his General Counsel. The  
4 Court, as an alternative, ordered the Receiver to submit bids for three (3) law firms  
5 to the Court for possible employment as the Receiver's General Counsel. The Court  
6 also denied the Receiver's Application to employ Lavine, Lofgren, Morris &  
7 Engelberg LLP ("Lavine Firm") as his Tax Accountant. Similarly, the Court, as an  
8 alternative, ordered the Receiver to submit bids for three (3) tax accounting firms to  
9 the Court for possible employment as the Receiver's Tax Accountants.

10          On February 23, 2012, the Receiver filed Further Briefings on Employment of  
11 General Counsel and Tax Accountants in compliance with the Court's Order. On  
12 March 12, 2012, the Court issued its Orders Regarding Receiver's Further Briefings  
13 on Employment of General Counsel and Tax Accountants, which authorized the  
14 Receiver to employ any of the general counsel or tax accountants included in his  
15 report, provided their compensation did not exceed the proposals of the lowest bids  
16 contained in the reports. Based upon these orders, the Receiver employed Mulvaney  
17 Barry Beatty Linn & Mayers LLP ("Mulvaney Barry") as General Counsel and the  
18 Lavine Firm as Tax Accountants.

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20           **E.     Legal Matters**

21          Mulvaney Barry, as General Counsel for the Receiver, has represented the  
22 Receiver in numerous legal matters involving the Receivership Estate including the  
23 following:

24               **1.     Pending Litigation**

25          Certain of the Receivership Entities, including CWM, Copeland Realty,  
26 Copeland Properties Three, L.P., Copeland Properties Six, L.P., Copeland Properties  
27 Eight, L.P., Copeland Properties Twelve, L.P., and Copeland Private Equity Two,  
28 L.P., are parties in one or more pending lawsuits. Mulvaney Barry has given notice

1 of the Judgment to the parties in these actions, and has been gathering and reviewing  
2 files, and evaluating the claims and defenses asserted in the cases.

3                   2.     **Sale of Palm Springs Condominium**

4                   Mulvaney Barry resolved certain issues raised by the title company and  
5 the escrow company in connection with approval of the sale by the Bureau of Indian  
6 Affairs, resulting in the completion of the sale of the Palm Springs Condominium.

7                   3.     **Reynolds Mason Industries Bankruptcy**

8                   Mulvaney Barry negotiated a settlement, subject to Court approval, of  
9 the Receivership's claim in and the defense of an Adversary Proceeding in the  
10 Reynolds Mason Industries, Inc., Chapter 7 bankruptcy, which will result in the  
11 immediate payment of the Receivership's claim by the Reynolds Mason Industries,  
12 Inc., Chapter 7 Bankruptcy Trustee.

13                  4.     **Copeland Properties 18, L.P., Chapter 11 Bankruptcy**

14                  Copeland Properties 18, L.P. ("CP18") owns a commercial property  
15 located in Greensboro, North Carolina. Prior to the Receiver's appointment, in June  
16 2011, CP18 had entered into a Purchase and Sale Agreement ("PSA") with a  
17 potential buyer for the property at \$9.5 million. The PSA, after numerous  
18 amendments and price reductions by the buyer, was eventually cancelled.  
19 Mulvaney Barry assisted the Receiver in analyzing the CP18 Chapter 11 bankruptcy  
20 case and in working with local bankruptcy counsel and the Bankruptcy  
21 Administrator in the case to dismiss the bankruptcy case, which ultimately occurred  
22 on March 30, 2012.

23                  5.     **Marketing of Properties**

24                  Mulvaney Barry assisted the Receiver in negotiating listing agreements  
25 and related documentation for the Receivership properties located in Greensboro,  
26 North Carolina; La Mirada, California; Riverside, California; and Lordstown, Ohio.

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# Exhibit “A”

**Bank Balances as of 05/31/21**

	US Bank
Copeland Realty Inc Receivership	\$ 193,421.15
Copeland Financial Advisors Receivership	\$ 344.76
Copeland Fixed Income I Receivership	\$ 1,810.21
Copeland Fixed Income II Receivership	\$ 63,714.12
Copeland Fixed Income III Receivership	\$ 31,769.63
Copeland Private Equity Two LP Receivership	\$ 3,369.99
Copeland Properties 2 LP Receivership	\$ 152,104.77
Copeland Properties 4 LP Receivership	\$ 223.37
Copeland Properties 5 LP Receivership	\$ 502,121.30
Copeland Properties 7 LP Receivership	\$ 71,691.80
Copeland Properties 9 LP Receivership	\$ 1,242.70
Copeland Properties 10 LP Receivership	\$ 334,907.10
Copeland Properties 15 LP Receivership	\$ 53,126.04
Copeland Properties 16 LP Receivership	\$ 133,814.82
Copeland Properties 17 LP Receivership	\$ 78,875.62
Copeland Properties 18 LP Receivership	\$ 204,764.37
Total Cash on Hand at 05/31/12	<u>\$ 1,827,301.75</u>

**Copeland Wealth Management - A Real Estate Corporation**

**Profit & Loss**

January through May 2012

	<u>Jan - May 12</u>
Ordinary Income/Expense	
Income	
4020 · Commercial Management	158,458.36
4080 · Rental Income	1,354.16
4500 · Other Income	<u>62,677.52</u>
Total Income	222,490.04
Expense	
7000 · Facility Expenses	
7300 · Repairs/Maintenance	
7300.1 · Repairs & Maint - Rancho Mirage	<u>564.00</u>
Total 7300 · Repairs/Maintenance	<u>564.00</u>
Total 7000 · Facility Expenses	564.00
7400 · Insurance	-26.54
8000 · Operating Expenses	
8100 · Bank Charges	5,895.76
8450 · Outside Services	38,432.07
8499 · Postage Fees	
8499.1 · Postage - Rancho Mirage Suite	<u>494.04</u>
Total 8499 · Postage Fees	<u>494.04</u>
8550 · Property Costs	13,749.34
8000 · Operating Expenses - Other	<u>200.00</u>
Total 8000 · Operating Expenses	58,771.21
8655 · Seminars/Conventions	299.00
9100 · Miscellaneous Expense	<u>38.94</u>
Total Expense	<u>59,646.61</u>
Net Ordinary Income	<u>162,843.43</u>
Net Income	<u><u>162,843.43</u></u>

**Copeland Fixed Income One**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
Other Income/Expense	
Other Expense	
9125 - Franchise Tax	<u>800.00</u>
Total Other Expense	<u>800.00</u>
 Net Other Income	 <u>-800.00</u>
 Net Income	 <u><u>-800.00</u></u>

**Copeland Fixed Income Two**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
Income	
4104 · Interest Income - Nizzia Note	5,625.00
4125 · Interest Income - SoCal Del	<u>33,333.35</u>
Total Income	38,958.35
Expense	
8025 · State Tax	<u>800.00</u>
Total Expense	<u>800.00</u>
Net Income	<u><u>38,158.35</u></u>

**Copeland Fixed Income Three, LP**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
Income	
4000 · Interest Income	
4020 · Interest - Amie Baca	279.96
4035.1 · Watson Interest	3,907.90
4036 · Interest - Vellore Muraligopal	<u>5,500.00</u>
Total 4000 · Interest Income	<u>9,687.86</u>
 Total Income	 <u>9,687.86</u>
 Gross Profit	 9,687.86
 Expense	
6100 · State Tax	<u>800.00</u>
Total Expense	<u>800.00</u>
 Net Income	 <u><u>8,887.86</u></u>

**Copeland Properties Two**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
Ordinary Income/Expense	
Income	
4100 · Interest Income	
4100.2 · Interest Income- CP17	<u>182,473.20</u>
Total 4100 · Interest Income	<u>182,473.20</u>
 Total Income	 182,473.20
 Expense	
8200 · Interest Expense	
8200.6 · OneWest Bank	<u>102,034.45</u>
Total 8200 · Interest Expense	<u>102,034.45</u>
 8660 · Penalties	 <u>20.00</u>
Total Expense	<u>102,054.45</u>
 Net Ordinary Income	 80,418.75
 Other Income/Expense	
Other Expense	
9000 · State Tax Provision	<u>800.00</u>
Total Other Expense	<u>800.00</u>
 Net Other Income	 <u>-800.00</u>
 Net Income	 <u><u>79,618.75</u></u>

Copeland Properties Four  
Profit & Loss  
January through May 2012

	Jan - May 12
Income	0.00
Expense	
8700 - State Tax	800.00
Total Expense	800.00
Net Income	-800.00

**Copeland Properties Five**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
<b>Income</b>	
4000 · Rental Income	657,022.50
<b>Total Income</b>	<u>657,022.50</u>
 <b>Expense</b>	
6550 · Management Fees	33,333.35
6620 · State Tax	800.00
6630 · Michigan State Tax	5,900.00
6640 · Tax - Penalty	245.49
8200 · Interest Expense	
8200.3 · Mound Investments Interest	<u>276,277.15</u>
<b>Total 8200 · Interest Expense</b>	<u>276,277.15</u>
 <b>Total Expense</b>	<u>316,555.99</u>
 <b>Net Income</b>	<u><u>340,466.51</u></u>

**Copeland Properties Seven**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
Ordinary Income/Expense	
Income	
4000 · Rental Income	128,664.29
Total Income	<u>128,664.29</u>
Expense	
6550 · Management Fees	6,250.00
7200 · Utilities	876.69
7300 · Repairs/Maintenance	
7300.1 · Yard Maintenance	2,800.00
Total 7300 · Repairs/Maintenance	<u>2,800.00</u>
7400 · Insurance	383.68
8200 · Interest Expense	
8200.4 · Keystone Mortgage	36,494.30
Total 8200 · Interest Expense	<u>36,494.30</u>
8600 · Taxes-Property	40,771.80
Total Expense	<u>87,576.47</u>
Net Ordinary Income	41,087.82
Other Income/Expense	
Other Expense	
8900 · State Tax Provision	800.00
Total Other Expense	<u>800.00</u>
Net Other Income	<u>-800.00</u>
Net Income	<u><u>40,287.82</u></u>

**Copeland Properties Nine**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
Income	
4050 · Commonwealth of Kentucky - CHFS	75,003.28
4060 · Commonwealth of Kentucky - DJJ	22,996.89
Total Income	<u>98,000.17</u>
Expense	
7100 · Waste Removal	3,322.24
7200 · Utilities	
7210 · Electricity	
7210.1 · Tenant Reimb - Electricity	10.00
7210 · Electricity - Other	38,664.03
Total 7210 · Electricity	<u>38,674.03</u>
7220 · Gas	
7221 · Tenant Reimb - Gas	10.00
7220 · Gas - Other	6,964.21
Total 7220 · Gas	<u>6,974.21</u>
7230 · Telephone	1,973.45
7240 · Water	
7241 · Tenant Reimb - Water	40.00
7240 · Water - Other	9,422.09
Total 7240 · Water	<u>9,462.09</u>
Total 7200 · Utilities	57,083.78
7300 · Repairs/Maintenance	
7301 · Janitorial Maintenance - Common	1,400.00
7302 · Fire Systems/Suppression	4,380.00
7303 · Misc. Repairs & Maintenance	16,824.54
7304 · Grounds Maintenance	5,536.62
7305 · Snow Removal	3,498.75
7309 · HVAC	2,460.00
Total 7300 · Repairs/Maintenance	<u>34,099.91</u>
7400 · Insurance	26,214.20
7500 · Security Expense	
7501 · Sonitrol	620.39
7502 · ADT Monitoring	1,251.90
Total 7500 · Security Expense	<u>1,872.29</u>
8002 · License Expense	200.00
8500 · Late Fees	415.25
8660 · Calif State Tax	800.00
8690 · Kentucky State Tax	175.00
Total Expense	<u>124,182.67</u>
Net Income	<u><u>-26,182.50</u></u>

**Copeland Properties Ten**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
<b>Income</b>	
4000 · Rental Income-2350	
4001 · 2350 CAMS	2,148.26
4002 · 2350 Insurance Pay	2,010.88
4003 · 2350 Property Tax Pay	7,459.78
4000 · Rental Income-2350 - Other	133,650.18
Total 4000 · Rental Income-2350	145,269.10
4005 · Rental Income-2370	
4006 · 2370 CAMS	1,699.24
4007 · 2370 Insurance Pay	1,590.54
4008 · 2370 Property Tax Pay	17,595.58
4005 · Rental Income-2370 - Other	105,681.00
Total 4005 · Rental Income-2370	126,566.36
4010 · Rental Income-2380	
4011 · 2380 CAMS	1,824.72
4012 · 2380 Insurance Pay	1,708.04
4013 · 2380 Property Tax Pay	15,444.18
4010 · Rental Income-2380 - Other	113,511.30
Total 4010 · Rental Income-2380	132,488.24
4020 · Rental Income- 2400	
4021 · 2400 CAMS	2,118.28
4022 · 2400 Insurance Pay	1,982.82
4023 · 2400 Property Tax Pay	17,928.88
4020 · Rental Income- 2400 - Other	128,935.02
Total 4020 · Rental Income- 2400	150,965.00
4030 · Rental Income- 2500	
4031 · 2500 CAMS	1,234.50
4032 · 2500 Insurance Pay	1,155.54
4033 · 2500 Property Tax Pay	10,448.54
4030 · Rental Income- 2500 - Other	119,948.70
Total 4030 · Rental Income- 2500	132,787.28
<b>Total Income</b>	<b>688,075.98</b>
<b>Gross Profit</b>	<b>688,075.98</b>
<b>Expense</b>	
6550 · Management Fees-CRI	51,666.65
6551 · PMGR Fees-Salsberry	8,499.96
7400 · Insurance	
7401 · Insurance Service Fees	24.00
7400 · Insurance - Other	9,002.48
Total 7400 · Insurance	9,026.48
8200 · Interest Expense	264,787.17
8600 · Taxes- Property	35,765.55
8650 · Michigan Taxes	1,440.00
8700 · State Tax	800.00
<b>Total Expense</b>	<b>371,985.81</b>
<b>Net Income</b>	<b>316,090.17</b>

**Copeland Properties Fifteen LP**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
Ordinary Income/Expense	
Income	
4000 · Rent Income	108,377.24
4200 · CAM Income	
4202 · CAM Fees / 130	1,038.81
4204 · CAM Fees / 175	15,991.40
Total 4200 · CAM Income	<u>17,030.21</u>
Total Income	<u>125,407.45</u>
Gross Profit	125,407.45
Expense	
8901 · Association Fees	
8901.1 · Assoc Fees / 115-Cop	4,092.58
8901.2 · Assoc Fees / 130-Cope	3,067.64
8901.4 · Assoc Fees / 155-Copeland	6,356.35
8901.5 · Assoc Fees / 175-Copel	9,630.57
Total 8901 · Association Fees	<u>23,147.14</u>
8920 · Tenant Improvement Expense	
8921 · Suite 115 TI	-292.65
Total 8920 · Tenant Improvement Expense	<u>-292.65</u>
8940 · Insurance Expense	
8941 · Insurance Premium	801.68
8942 · Insurance Service Fee	24.00
Total 8940 · Insurance Expense	<u>825.68</u>
8950 · Interest Expense	
8950.16 · Fletcher Trust Interest	56,000.00
Total 8950 · Interest Expense	<u>56,000.00</u>
8965 · Penalties	2,469.55
8970 · Property Taxes	
8970.1 · Parcel# 685121026-3	20,221.46
8970.2 · Parcel # 685121008-7	20,888.78
8970.3 · Parcel# 685121004-3	5,561.86
Total 8970 · Property Taxes	<u>46,672.10</u>
8991 · State Tax	800.00
8996 · Utilities	210.25
8997 · Repairs - NON CAM	
8997.4 · HVAC Maint - 175	105.63
8997.2 · Janitorial Fees - Suite 115	750.00
8997.3 · HVAC Maint - Suite 115	70.42
Total 8997 · Repairs - NON CAM	<u>926.05</u>
Total Expense	<u>130,758.12</u>
Net Ordinary Income	<u>-5,350.67</u>
Net Income	<u><u>-5,350.67</u></u>

**Copeland Properties 16, LP**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
Ordinary Income/Expense	
Income	
4100 · Rental Income	236,100.00
Total Income	<u>236,100.00</u>
Gross Profit	236,100.00
Expense	
6549 · Insurance Expense	
6549.1 · Service Charge	50.00
6549 · Insurance Expense - Other	5,548.35
Total 6549 · Insurance Expense	<u>5,598.35</u>
6550 · Interest Expense	136,032.71
6560 · Management Fees	11,875.00
Total Expense	<u>153,506.06</u>
Net Ordinary Income	82,593.94
Other Income/Expense	
Other Expense	
7010 · State Tax	800.00
7020 · Ohio Income Tax	150.00
7025 · Ohio State Tax Provision	3,960.00
Total Other Expense	<u>4,910.00</u>
Net Other Income	<u>-4,910.00</u>
Net Income	<u><u>77,683.94</u></u>

**Copeland Properties 17 Joint Venture**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
Ordinary Income/Expense	
Income	
42500 · Rental Income	355,500.01
42600 · Monthly CAMS	13,271.20
42700 · Cell Tower Income	6,722.60
Total Income	<u>375,493.81</u>
Gross Profit	375,493.81
Expense	
61500 · CAM Expense	19,044.75
63400 · Interest Expense	
63400.1 · Interest - CP2, LP	143,226.36
Total 63400 · Interest Expense	<u>143,226.36</u>
63450 · Management Fees	25,000.00
67100 · Rent Expense	3,933.78
67200 · Repairs and Maintenance	
67210 · Roof Repairs	6,880.00
Total 67200 · Repairs and Maintenance	<u>6,880.00</u>
Total Expense	<u>198,084.89</u>
Net Ordinary Income	177,408.92
Other Income/Expense	
Other Expense	
80000 · State Tax	800.00
Total Other Expense	<u>800.00</u>
Net Other Income	<u>-800.00</u>
Net Income	<u><u>176,608.92</u></u>

**Copeland Properties Eighteen, LP**  
**Profit & Loss**  
January through May 2012

	<u>Jan - May 12</u>
<b>Ordinary Income/Expense</b>	
Income	
4500 · Rental Income	396,360.00
4700 · Misc Income	<u>100.00</u>
Total Income	396,460.00
Expense	
6595 · Legal Fees	16,681.24
6598 · Management Fees	
6598.5 · Management Fees	<u>30,333.36</u>
Total 6598 · Management Fees	30,333.36
6618 · Interest Expense	
6618.1 · Interest Exp - CW Capital	<u>183,688.37</u>
Total 6618 · Interest Expense	183,688.37
6620 · Bank Charges	<u>73.37</u>
Total Expense	<u>230,776.34</u>
Net Ordinary Income	165,683.66
<b>Other Income/Expense</b>	
Other Expense	
8800 · State Tax Provision	800.00
8900 · Income Tax	<u>6,500.00</u>
Total Other Expense	<u>7,300.00</u>
Net Other Income	<u>-7,300.00</u>
Net Income	<u><u>158,383.66</u></u>