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THOMAS C. HEBRANK

11 **UNITED STATES DISTRICT COURT**
12 **SOUTHERN DISTRICT OF CALIFORNIA**

13
14 SECURITIES AND EXCHANGE
COMMISSION,

15 Plaintiff,

16 v.

17 LOUIS V. SCHOOLER and FIRST
18 FINANCIAL PLANNING
CORPORATION d/b/a WESTERN
19 FINANCIAL PLANNING
CORPORATION,

20 Defendants.
21

Case No. 3:12-cv-02164-GPC-JMA

**FOURTEENTH INTERIM FEE
APPLICATION OF ALLEN
MATKINS LECK GAMBLE
MALLORY & NATSIS LLP,
COUNSEL TO RECEIVER**

Date: September 16, 2016
Time: 1:30 p.m.
Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"), counsel for Thomas C. Hebrank ("Receiver"), Court-appointed receiver for First Financial Planning Corporation d/b/a Western Financial Planning Corporation ("Western"), and its subsidiaries and the General Partnerships listed in Schedule 1 to the Preliminary Injunction Order entered on March 13, 2013 (collectively, "Receivership Entities"), hereby submits this fourteenth interim application for payment of professional fees and reimbursement of costs for the time period September 1, 2015 through December 31, 2015 ("Fourteenth Application Period"). Allen Matkins incurred \$19,852.20 in fees and \$379.33 in costs during the three-month period and seeks interim approval and payment of 80% of fees incurred, or \$15,881.76, and 100% of costs incurred. As it has throughout the case, Allen Matkins has discounted its customary hourly rates by 10%.

I. FEE APPLICATION

During the Fourteenth Application Period, Allen Matkins provided a total of 40.90 hours of service for a total of \$19,852.20 in fees. Allen Matkins requests payment on an interim basis of 80% of this amount, or \$15,881.76. The firm has provided its services in the following categories, as discussed in further detail below and as set forth task-by-task in Exhibit A:

Category	Hours	Total
Reporting	6.50	\$3,159.00
Operations and Asset Sales	26.80	\$13,024.80
Claims and Distributions	4.00	\$1,944.00
Third Party Recoveries	3.00	\$1,432.80
Employment/Fees	.60	\$291.60
Total Fees	40.90	\$19,852.20

II. TASKS PERFORMED

During the Fourteenth Application Period, Allen Matkins worked diligently to assist the Receiver with legal issues affecting the receivership. As reflected in the bills attached as Exhibit A, the legal work performed by Allen Matkins' attorneys and staff did not overlap with or duplicate the Receiver's work. The following is a discussion of Allen Matkins' work, broken down by the categories listed above.

A. Reporting

This category includes Allen Matkins' time assisting the Receiver in preparing his Thirteenth Interim Report, which was filed on November 10, 2015. Dkt. No. 1148. The Thirteenth Interim Report includes detailed updates regarding enforcement of the judgments against the LinMar entities, property tax appeals, real property owned by Western, GP notes owed to Western (payments suspended pre-receivership), issues with the tenant located on the Stead property, information packets, investor surrender of GP units, the vote regarding the underwater Dayton IV property, offers and letters of intent for GP properties, and receipts and disbursements for each Receivership Entity. The reasonable and necessary fees for work in this category total \$3,159.00.

B. Operations and Asset Sales

Allen Matkins' time in this category focused on assisting the Receiver with legal issues relating to the ongoing operations of Western and the GPs, including responding to letters of intent and offers to purchase GP properties, addressing issues regarding the inability of GPs to make mortgage payments, preparing information packets for GPs pursuant to the Court's May 12, 2015 order, as well as the sale of the Jamul Valley property, as authorized by the Court. Allen Matkins also assisted in responding to a letter filed with the Court by investor Tami Boschee (Dkt. No. 1151), addressing issues with the termination of a property tax consultant and engagement of a new property tax consultant to pursue property tax appeals, addressing issues regarding the follow up capital call sent to the co-tenant GPs for

1 the Santa Fe property, and a recommendation to engage brokers for five GP
2 properties, which was filed on January 8, 2016. Dkt. No. 1166.

3 1. Letters of Intent for GP Properties

4 Allen Matkins assisted the Receiver in preparing three recommendations for
5 addressing letters of intent received for GP properties. The first involved a letter of
6 intent received for the Stead property. Allen Matkins assisted in preparing a
7 recommendation, which was filed under seal on September 4, 2015. Dkt. No. 1132.
8 The second involved offers received for the three separate properties that make up
9 the Las Vegas 1 property. The Receiver had initially recommended that a decision
10 on the offers be deferred until 2015 estimates of the property values were obtained.
11 Dkt. No. 1062. After the 2015 value estimates were obtained, Allen Matkins
12 assisted in preparing a further recommendation, which was filed on October 23,
13 2015. Dkt. No. 1144. The third involved a letter of intent for the Dayton I,
14 Dayton IV, Fernley I, Las Vegas 2, and Stead properties. Allen Matkins assisted in
15 preparing a recommendation, which was filed on December 11, 2015. Dkt.
16 No. 1159. The Court adopted all three of these recommendations on January 14,
17 2016. Dkt. No. 1168.

18 2. Information Packets

19 As directed by the Court, the Receiver has prepared and posted information
20 packets for the GPs to the receivership website. During the Fourteenth Application
21 Period, Allen Matkins assisted in reviewing and revising the Dayton II, Minden,
22 Tecate, and Yuma III information packets, as well as capital calls, and related
23 communications to investors.

24 3. Jamul Valley Sale

25 On June 17, 2015, the Court adopted the Receiver's recommendation to move
26 forward with negotiations with The Nature Conservancy ("TNC") regarding a sale
27 of the Jamul Valley property. Dkt. No. 1085. During the Fourteenth Application
28 Period, Allen Matkins assisted the Receiver with reviewing, revising and finalizing

1 a purchase and sale agreement, addressing issues raised by TNC relating to an
2 encroachment on the property by a neighboring landowner, and addressing issues
3 raised by the county regarding the need to clear certain brush to comply with fire
4 code requirements. The purchase and sale agreement with TNC was signed in
5 November 2015, TNC's due diligence period was then extended via an amendment,
6 and TNC issued its notice to continue with the purchase in early January 2016.
7 Accordingly, the sale was expected to close in late January or early February 2016.
8 The title company, however, stated that it would require an order confirm the
9 identity of the purchaser and the purchase price before it would issue the title policy.
10 Therefore, on February 26, 2016, the Receiver filed an *ex parte* application for the
11 required order. Dkt. No. 1191. The *ex parte* application has been opposed by the
12 Aguirre Investors and Dillon Investors (despite the fact that Xpera Group, their own
13 expert, endorses the sale) and currently remains pending.

14 The reasonable and necessary fees for Allen Matkins' work in this category
15 total \$13,024.80.

16 **C. Claims and Distributions**

17 This category includes time assisting the Receiver in communications with
18 investors, creditors, and their counsel, both directly and via the receivership website,
19 regarding the receivership, claims, distributions, and related issues. Allen Matkins
20 also advised the Receiver on issues raised by certain investors with respect to
21 transfer of their GP units. Allen Matkins also commenced analyzing issues
22 regarding the proposed distribution plan and methodology. The reasonable and
23 necessary fees for this work total \$1,944.00.

24 **D. Third Party Recoveries**

25 Allen Matkins' work in this category focused on the three collection actions
26 against LinMar Management, LinMar III, and LinMar IV ("LinMar Defendants"),
27 which were commenced on September 13, 2013, pursuant to the Court's August 16,
28 2013 Order. During the Fourteenth Application Period, Allen Matkins assisted the

1 Receiver in preparing and recording documents regarding the satisfaction of the
2 LinMar IV judgment pursuant to the Court-approved settlement.

3 In the LinMar III case, the Receiver communicated with the Fresno County
4 Sheriff regarding the potential forced sale of the LinMar III property, reviewed the
5 post-judgment receiver's reports, and advised on legal issues relating to the post-
6 judgment receivership. The reasonable and necessary fees for work in this category
7 total \$1,432.80.

8 **E. Employment/Fees**

9 Although fee applications are a necessary component of federal equity
10 receiverships, neither the Receiver nor his professionals bill time for preparing their
11 own detailed applications. Allen Matkins assisted the Receiver in preparing his
12 Thirteenth Interim Fee Application. Dkt. No. 1148. The reasonable and necessary
13 fees for this work total \$291.60.

14 **F. Summary of Costs Requested**

15 Allen Matkins requests the Court approve reimbursement of \$379.33 for out-
16 of-pocket costs incurred in executing the foregoing tasks, as itemized in Exhibit A.
17 Pursuant to the Court's Order Granting in Part First Fee Applications, Allen Matkins
18 has reduced its request for reimbursement of copy costs to five cents per page and
19 written off any excess copy charges incurred.

20 **III. FEES AND COSTS INCURRED AND PAID TO DATE**

21 From inception of the receivership through March 31, 2016, the Receiver
22 incurred fees and costs of \$1,305,085.13, of which amount \$255,381.21 is subject to
23 holdback pending approval of the Receiver's final fee application at the conclusion
24 of the receivership, \$186,718.39 is awaiting the Court's review and approval in the
25 Receiver's Fourteenth and Fifteenth Interim Fee Applications, and \$862,985.53 has
26 been approved by the Court and paid. During the same time period, Allen Matkins
27 incurred fees and costs of \$928,718.86, of which amount \$195,946.16 is subject to
28 holdback pending approval of the Allen Matkins' final fee application at the

1 conclusion of the receivership, \$96,816.53 is awaiting the Court's review and
2 approval in Allen Matkins' Fourteenth and Fifteenth Interim Fee Applications, and
3 \$635,956.17 has been approved by the Court and paid. Finally, during the same
4 time period, tax accountant Duffy Kruspodin & Company, LLP ("Duffy") has
5 incurred and been paid \$46,687.52 for preparing tax returns for Western and other
6 non-GP Receivership Entities, and has incurred and been paid \$376,149.52 for
7 preparing GP tax returns.

8 **IV. ALLEN MATKINS' FEES ARE REASONABLE**
9 **AND SHOULD BE APPROVED**

10 In its Order Granting in Part First Interim Fee Applications ("First Fee
11 Order"), the Court analyzed the case law regarding approval of interim fee
12 applications in regulatory receiverships and determined the following factors should
13 be considered: (1) the complexity of the receiver's tasks; (2) the fair value of the
14 time, labor, and skill measured by conservative business standards; (3) the quality of
15 work performed, including the results obtained and the benefit to the receivership
16 estate; (4) the burden the receivership estate may safely be able to bear; and (5) the
17 Commission's opposition or acquiescence. Dkt. No. 169, p. 7.

18 **A. Complexity of Tasks**

19 Here, the tasks performed by Allen Matkins are significantly complex and the
20 number of hours billed to complete them are reasonable. These tasks include
21 (a) analyzing corporate documents, loan agreements, and other contracts,
22 (b) advising the Receiver regarding federal equity receivership, debtor/creditor, real
23 property, contract, employment, insurance, tax, civil procedure, appellate procedure,
24 and other applicable areas of law, and (c) assisting the Receiver in selling assets,
25 collecting loans, protecting the Receivership Entities' interests in pending litigation,
26 and providing detailed reports to the Court and interested parties. In addition, Allen
27 Matkins wrote off and did not charge for 2.1 hours of time during the Fourteenth
28 Application Period.

1 **B. Fair Value of Time, Labor & Skill**

2 The Court has previously determined the discounted hourly rates of the
3 Receiver and Allen Matkins represent the fair value of their time, labor, and skill.

4 **C. Quality of Work Performed**

5 Allen Matkins has diligently and competently assisted the Receiver in all
6 aspects of the receivership, including preserving and protecting the assets of the
7 Receivership Entities, analyzing the Receivership Entities' assets and liabilities,
8 addressing Western's cash shortage, reducing Western's operating expenses as well
9 as administrative expenses of the receivership, selling assets and collecting loans,
10 protecting the Receivership Entities' interests in pending litigation and other legal
11 matters, preserving potential causes of action against third parties, and preparing
12 detailed reports to the Court and interested parties. These services have allowed the
13 Receiver to preserve and protect the value of the Receivership Entities' assets for the
14 benefit of investors.

15 **D. Receivership Estate's Ability to Bear Burden of Fees**

16 Pursuant to the Court's May 25, 2016 Order (Dkt. No. 1304), the assets of the
17 Receivership Entities (Western and the GPs) have been pooled, creating a common
18 pool of receivership estate cash from which mortgages, property taxes, and other
19 operating expenses have been and will continue to be paid. The cash balance will
20 grow as properties are sold through the proposed Modified Orderly Sale Process
21 (Dkt. No. 1309), including the Jamul Valley property, Reno Vista and Reno View
22 properties, and the Western land (Silver Springs), all of which are set to be heard on
23 July 15, 2016. Therefore, the receivership estate has the ability to pay the fees and
24 costs requested herein.

25 **E. Commission's Opposition or Acquiescence**

26 Prior to filing, the Receiver and Allen Matkins provided these fee applications
27 to counsel for the Commission in substantially final form. Counsel for the
28

1 Commission has advised the Commission has no opposition to the fees and costs
2 requested.

3 Accordingly, the five factors identified by the Court for considering interim
4 fee applications all support interim approval and payment of the requested fees and
5 costs.

6 **V. CONCLUSION**

7 WHEREFORE, the Receiver and Allen Matkins respectfully request entry of
8 an order:

9 1. Approving payment of fees to Allen Matkins on an interim basis of
10 \$15,881.76;

11 2. Approving reimbursement of expenses to Allen Matkins on an interim
12 basis of \$379.33.

13 3. Authorizing and directing the Receiver to pay these amounts to Allen
14 Matkins from assets of the Receivership Entities; and

15 4. Granting such further and other relief as the Court deems just and
16 proper.

17
18 Dated: July 6, 2016

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

19
20 By: /s/ Edward Fates

EDWARD G. FATES
Attorneys for Receiver
THOMAS C. HEBRANK

EXHIBIT INDEX

Exhibit A	Detailed Time Reports	11
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EXHIBIT A

EXHIBIT A

04/26/16 16:31:20 PROFORMA STATEMENT FOR MATTER 372640-00004 (Reporting) 372640-00004

Preliminary Billing Form

Billing Atty: 001665 - Fates

Matter #: 372640-00004

Matter Name: Reporting

Date of Last Billing: 02-26-2016

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00004 (Reporting)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
10/20/15	6678139	Work on Receiver's Thirteenth Interim Report.	Fates, Edward G.	1.6	777.60	777.60
10/22/15	6680161	Discuss Thirteenth Interim Report with Receiver.	Fates, Edward G.	0.2	97.20	874.80
10/23/15	6681707	Work on Receiver's Thirteenth Interim Report.	Fates, Edward G.	1.3	631.80	1,506.60
10/27/15	6684038	Work on Thirteenth Interim Report.	Fates, Edward G.	0.4	194.40	1,701.00
10/28/15	6685404	Work on Thirteenth Interim Report.	Fates, Edward G.	0.4	194.40	1,895.40
10/30/15	6687464	Discuss revisions to Thirteenth Interim Report with Receiver.	Fates, Edward G.	0.2	97.20	1,992.60
11/02/15	6691227	Revisions to Thirteenth Interim Report and discuss same with Receiver.	Fates, Edward G.	1.3	631.80	2,624.40
11/03/15	6691504	Review and revise section of report concerning GP note payments to Western.	Fates, Edward G.	0.4	194.40	2,818.80
11/09/15	6698313	Discuss Thirteenth Interim Report with SEC's counsel (.3); discuss exhibits to report with Receiver and finalize same (.4).	Fates, Edward G.	0.7	340.20	3,159.00

Disbursements for Matter 372640-00004 (Reporting)

04/26/16 16:31:20 PROFORMA STATEMENT FOR MATTER 372640-00004 (Reporting) 372640-00004

Trans Date	Index	Type	Quantity	Amt
10/07/15	2177679	Document Search - - PACER Service Centerr 07/01/2015-09/30/2015^2505376-Q320 015	1.00	24.10
10/07/15	2177680	Document Search - - PACER Service Centerr 07/01/2015-09/30/2015^2505376-Q320 015	1.00	9.40
10/29/15	2184310	Service of Process - - Nationwide SAN DIEGO COUNTY RECORDER ^ 425485	1.00	10.00
11/06/15	2184331	Filing Fees - - Nationwide CR/KERN COUNTY RECORDER ^ 425584	1.00	135.00
11/12/15	2184332	Service of Process - - Nationwide US DISTRICT COURT SOUTHERN ^ 425584	1.00	10.00
11/16/15	2182492	Messenger - - Federal Express Invoice No: 523081407 665 Ship To: Heidi Crabtree	1.00	12.43
11/16/15	2191048	Filing Fees - - Nationwide - CR/KERN COUNTY RECORDER ^ 425678	1.00	170.00
12/07/15	2185619	Duplication	68.00	3.40
12/07/15	2191065	Service of Process - - Nationwide - US DISTRICT COURT SOUTHERN ^ 425888	1.00	5.00

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward G. Fates	6.5	486.00	3,159.00
		<u>6.5</u>		<u>3,159.00</u>
Total Fees				3,159.00
Total Disbursements				379.33

02/17/16 15:32:59 PROFORMA STATEMENT FOR MATTER 372640-00004 (Reporting) 372640-00004

Preliminary Billing Form

Billing Atty: 001665 - Fates

Matter #: 372640-00004

Matter Name: Reporting

Date of Last Billing: 01-25-2016

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00004 (Reporting)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
10/20/15	6678139	Work on Receiver's Thirteenth Interim Report.	Fates, Edward G.	1.6	777.60	777.60
10/22/15	6680161	Discuss Thirteenth Interim Report with Receiver.	Fates, Edward G.	0.2	97.20	874.80
10/23/15	6681707	Work on Receiver's Thirteenth Interim Report.	Fates, Edward G.	1.3	631.80	1,506.60
10/27/15	6684038	Work on Thirteenth Interim Report.	Fates, Edward G.	0.4	194.40	1,701.00
10/28/15	6685404	Work on Thirteenth Interim Report.	Fates, Edward G.	0.4	194.40	1,895.40
10/30/15	6687464	Discuss revisions to Thirteenth Interim Report with Receiver.	Fates, Edward G.	0.2	97.20	1,992.60
11/02/15	6691227	Revisions to Thirteenth Interim Report and discuss same with Receiver.	Fates, Edward G.	1.3	631.80	2,624.40
11/03/15	6691504	Review and revise section of report concerning GP note payments to Western.	Fates, Edward G.	0.4	194.40	2,818.80
11/09/15	6698313	Discuss Thirteenth Interim Report with SEC's counsel (.3); discuss exhibits to report with Receiver and finalize same (.4).	Fates, Edward G.	0.7	340.20	3,159.00

Proforma Summary

02/17/16 15:32:59 PROFORMA STATEMENT FOR MATTER 372640-00004 (Reporting) 372640-00004

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward G. Fates	6.5	486.00	3,159.00
		<u>6.5</u>		<u>3,159.00</u>
Total Fees				3,159.00
Total Disbursements				0.00

04/15/16 15:40:10 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Preliminary Billing Form

Billing Atty: 001665 - Fates

Matter #: 372640-00005

Matter Name: Operations & Asset Sales

Date of Last Billing: 11-02-2015

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00005 (Operations & Asset Sales)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
10/02/15	6663258	Review and revise Dayton II and Minden information packets and discuss same with Receiver.	Fates, Edward G.	0.8	388.80	388.80
10/07/15	6669093	Communications with SEC's counsel and Receiver regarding GP shortfall and capital call issues and review and revise letter to Santa Fe property investors.	Fates, Edward G.	0.6	291.60	680.40
10/09/15	6670298	Review and revise purchase and sale agreement for Jamul Valley property and discuss same with G. Rodriguez.	Fates, Edward G.	0.3	145.80	826.20
10/12/15	6670838	Review lengthy email from D. Gilman to investors regarding Santa Fe property capital calls, discuss same with Receiver.	Fates, Edward G.	0.2	97.20	923.40
10/13/15	6672589	Discuss mortgage/title policy issue regarding Santa Fe property with Receiver and G. Rodriguez.	Fates, Edward G.	0.4	194.40	1,117.80
10/19/15	6676824	Review results of Dayton IV voting and discuss same with Receiver and work on letter to investors regarding voting results (1.0); discuss votes regarding Lansing LOIs and Lansing inquiry regarding possible joint	Fates, Edward G.	1.5	729.00	1,846.80

04/15/16 15:40:10 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		venture with G. Rodriguez and Receiver (.3); discuss property tax appeal/reductions with G. Rodriguez (.2).				
10/20/15	6678359	Discuss follow up recommendation regarding Las Vegas 1 letter of intent with G. Rodriguez and work on recommendation.	Fates, Edward G.	0.4	194.40	2,041.20
10/22/15	6680276	Call with SEC's counsel to discuss potential investor confusion regarding Dayton IV property and vote regarding underwater property, discuss same with Receiver, and review correspondence from investor Gessner regarding same.	Fates, Edward G.	0.8	388.80	2,430.00
10/23/15	6681322	Finalize further recommendation regarding offers on Las Vegas 1 properties.	Fates, Edward G.	0.2	97.20	2,527.20
10/27/15	6683068	Review and revise Tecate information packet and discuss same with Receiver (.5); discuss issues regarding Jamul Valley sale with G. Rodriguez (.2).	Fates, Edward G.	0.7	340.20	2,867.40
11/02/15	6691177	Review and revise Yuma III information packet (.3); discuss capital calls, broker listing agreements, and GP mortgage issues with Receiver (.4).	Fates, Edward G.	0.7	340.20	3,207.60
11/04/15	6693197	Review information regarding votes on letters of intent for Fernley I, Washoe 4 and Washoe 5 properties, analyze issues regarding further recommendation in light of votes, and discuss same with Receiver and G.	Fates, Edward G.	0.9	437.40	3,645.00

04/15/16 15:40:10 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Rodriguez.				
11/05/15	6694459	Work on further recommendation regarding letters of intent for Fernley I, Washoe IV, and Washoe V properties and discuss same with Receiver.	Fates, Edward G.	1.1	534.60	4,179.60
11/06/15	6696267	Discuss further recommendation regarding letters of intent for Fernley I, Washoe IV, and Washoe V with Receiver and finalize same.	Fates, Edward G.	0.4	194.40	4,374.00
11/13/15	6702720	Review investor marital property settlement agreement and advise G. Rodriguez regarding steps for change in ownership of GP units.	Fates, Edward G.	0.3	145.80	4,519.80
11/17/15	6705487	Review lengthy letter from T. Boschee filed with court and discuss same and capital call issues raised by investors with Receiver and G. Rodriguez (.9); review information from G. Rodriguez regarding Santa Fe GP loans and mortgages (.2).	Fates, Edward G.	1.1	534.60	5,054.40
11/18/15	6706484	Review notice of tax delinquency/foreclosure fee regarding Washoe III, discuss same with G. Rodriguez, and calls and emails with Washoe County regarding same and stay of legal proceedings (.9); discuss letter filed by T. Boschee with SEC's counsel (.2); discuss response to T. Boschee's letter with Receiver and work on same (.6).	Fates, Edward G.	1.7	826.20	5,880.60
11/20/15	6708803	Prepare response to letter from T. Boschee and exhibit regarding same and discuss same with Receiver and G. Rodriguez (2.1); review letters of	Fates, Edward G.	2.5	1,215.00	7,095.60

04/15/16 15:40:10 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		intent from Lansing regarding certain GP properties (.4).				
11/23/15	6710020	Discuss response to T. Boschee letter with Receiver and finalize same (.7); discuss issues regarding letters of intent from Lansing with G. Rodriguez (.6).	Fates, Edward G.	1.3	631.80	7,727.40
11/25/15	6712689	Calls and emails with Receiver and G. Rodriguez regarding investor inquiry, Santa Fe capital call/mortgage shortfall issues, and response to investor.	Fates, Edward G.	0.5	243.00	7,970.40
12/03/15	6718334	Work on response to Santa Fe investor regarding capital call/mortgage shortfall issues, discuss same with Receiver and G. Rodriguez.	Fates, Edward G.	1.1	534.60	8,505.00
12/07/15	6721604	Discuss issues with property tax consultant fees, termination letter, and new letters of intent for GP properties with G. Rodriguez (.7); call with court regarding new letters of intent (.1); initial work on recommendation addressing letters of intent (.3).	Fates, Edward G.	1.1	534.60	9,039.60
12/08/15	6723499	Review lengthy email from investor Bacon regarding capital call issues and discuss same with Receiver.	Fates, Edward G.	0.4	194.40	9,234.00
12/10/15	6726212	Work on termination of property tax consulting agreement, discuss same with G. Rodriguez, and draft termination letter.	Fates, Edward G.	1.8	874.80	10,108.80
12/11/15	6727283	Prepare recommendation regarding Petrus letters of intent, ex parte	Fates, Edward G.	2.3	1,117.80	11,226.60

04/15/16 15:40:10 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		application and related papers (1.7); communications with SEC's counsel and Schooler's counsel regarding ex parte filing (.2); revise and finalize termination letter to property tax consultant and discuss same with Receiver (.4).				
12/15/15	6729751	Discuss capital calls, sale process, listing agreements, and related issues with Receiver and G. Rodriguez (.5); communications with investor Bacon regarding Santa Fe capital call issue (.1); work on recommendation regarding broker listing agreement for five GP properties (.7).	Fates, Edward G.	1.3	631.80	11,858.40
12/16/15	6730745	Review amendment to purchase and sale agreement for Jamul Valley regarding extension of due diligence period and discuss same with G. Rodriguez (.3); work on recommendation regarding engagement of brokers for five GP properties (.8).	Fates, Edward G.	1.1	534.60	12,393.00
12/17/15	6732564	Review investor letters filed with Court regarding Jamul Valley sale (.2); review and revise capital call deficiency letter for Yuma II property and Desert View Partners and discuss with G. Rodriguez (.6).	Fates, Edward G.	0.8	388.80	12,781.80
12/22/15	6735598	Review emails between investors and attorney G. Aguirre and discuss same with Receiver (.3); discuss recommendation regarding brokers with G. Rodriguez (.2).	Fates, Edward G.	0.5	243.00	13,024.80

04/15/16 15:40:10 PROFORMA STATEMENT FOR MATTER 372640-00005 (Operations & Asset Sales) 372640-00005

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward G. Fates	26.8	486.00	13,024.80
		<u>26.8</u>		<u>13,024.80</u>
Total Fees				13,024.80
Total Disbursements				0.00

02/17/16 15:27:40 PROFORMA STATEMENT FOR MATTER 372640-00006 (Claims & Distributions) 372640-00006

Preliminary Billing Form

Billing Atty: 001665 - Fates

Matter #: 372640-00006

Matter Name: Claims & Distributions

Date of Last Billing: 06-25-2015

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00006 (Claims & Distributions)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
10/09/15	6670295	Review and revise Receiver's response to investor M. Iwanowski's inquiries.	Fates, Edward G.	0.2	97.20	97.20
10/21/15	6679559	Review letter filed by investor M. Iwanowski and discuss same with Receiver.	Fates, Edward G.	0.2	97.20	194.40
10/27/15	6684033	Analyze issues regarding potential distribution plan and methodology and discuss with Receiver.	Fates, Edward G.	0.5	243.00	437.40
10/29/15	6686604	Advise G. Rodriguez regarding response to investor inquiry.	Fates, Edward G.	0.2	97.20	534.60
11/09/15	6698314	Discuss claims and distributions issues with SEC's counsel.	Fates, Edward G.	0.3	145.80	680.40
12/04/15	6719892	Review lengthy correspondence from investor M. Iwanowski.	Fates, Edward G.	0.2	97.20	777.60
12/09/15	6725073	Draft response to lengthy email from investor Bacon and discuss same with Receiver and G. Rodriguez.	Fates, Edward G.	0.8	388.80	1,166.40
12/11/15	6727528	Review investor communication from D. Gilman and discuss same with Receiver.	Fates, Edward G.	0.3	145.80	1,312.20
12/15/15	6729746	Review lengthy correspondence from	Fates, Edward G.	0.2	97.20	1,409.40

02/17/16 15:27:40 PROFORMA STATEMENT FOR MATTER 372640-00006 (Claims & Distributions) 372640-00006

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		investors Gilman and Karp.				
12/21/15	6734267	Review correspondence from investor Karp.	Fates, Edward G.	0.1	48.60	1,458.00
12/28/15	6738895	Call with counsel engaged by investors regarding potential motion to intervene and discuss same with Receiver.	Fates, Edward G.	0.6	291.60	1,749.60
12/29/15	6739774	Discuss initial analysis of distribution plan/methodology with Receiver.	Fates, Edward G.	0.4	194.40	1,944.00

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward G. Fates	4.0	486.00	1,944.00
		<u>4.0</u>		<u>1,944.00</u>
Total Fees				1,944.00
Total Disbursements				0.00

02/17/16 15:27:40 PROFORMA STATEMENT FOR MATTER 372640-00007 (Third Party Recoveries) 372640-00007

Preliminary Billing Form

Billing Atty: 001665 - Fates

Matter #: 372640-00007

Matter Name: Third Party Recoveries

Date of Last Billing: 11-02-2015

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number
Client/Matter Joint Group # 372640-1**Fees for Matter 372640-00007 (Third Party Recoveries)**

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
10/09/15	6670301	Review order approving LinMar IV settlement and communications with LinMar IV's counsel regarding same and payment timing.	Fates, Edward G.	0.4	194.40	194.40
10/12/15	6670698	Address LinMar III judgment lien/forced sale issues with Fresno County Sheriff.	Fates, Edward G.	0.2	97.20	291.60
10/13/15	6672287	Communications with LinMar IV counsel and Receiver regarding timing of settlement payments.	Fates, Edward G.	0.5	243.00	534.60
10/27/15	6683461	Communications with LinMar IV's counsel regarding final settlement payment.	Fates, Edward G.	0.1	48.60	583.20
10/28/15	6684982	Communications with LinMar IV's counsel regarding receipt of settlement payment and finalize satisfaction of judgment for filing and recording.	Fates, Edward G.	0.4	194.40	777.60
11/03/15	6692971	Discuss LinMar III receiver issues with G. Rodriguez.	Fates, Edward G.	0.1	48.60	826.20
11/17/15	6705398	Review LinMar III post-judgment receiver's report and discuss same with Receiver.	Fates, Edward G.	0.3	145.80	972.00

02/17/16 15:27:40 PROFORMA STATEMENT FOR MATTER 372640-00007 (Third Party Recoveries) 372640-00007

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
11/23/15	6710006	Address questions raised by Fresno County Sheriff regarding forced sale of LinMar III property (.2); review and send recorded copy of satisfaction of judgment to counsel for LinMar IV (.2).	Fates, Edward G.	0.4	194.40	1,166.40
12/02/15	6717529	Respond to inquiry from Fresno County sheriff regarding status of forced sale of LinMar III property.	Fates, Edward G.	0.2	97.20	1,263.60
12/02/15	6723446	Confer with Attorney Fates regarding LinMar III writ of execution and potential sale; telephone call to Fresno Sheriff's Office regarding status of same.	Hutter, Timothy	0.4	169.20	1,432.80

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward G. Fates	2.6	486.00	1,263.60
002035	Timothy Hutter	0.4	423.00	169.20
		<u>3.0</u>		<u>1,432.80</u>
Total Fees				1,432.80
Total Disbursements				0.00

02/17/16 15:27:40 PROFORMA STATEMENT FOR MATTER 372640-00009 (Employment/Fees) 372640-00009

Preliminary Billing Form

Billing Atty: 001665 - Fates

Matter #: 372640-00009

Matter Name: Employment/Fees

Date of Last Billing: 06-25-2015

Client Name: Thomas C. Hebrank, as Receiver for Western Financial

Proforma Number

Client/Matter Joint Group # 372640-1

Fees for Matter 372640-00009 (Employment/Fees)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
12/03/15	6718980	Work on Receiver's thirteenth interim fee application, send same to SEC counsel for review.	Fates, Edward G.	0.4	194.40	194.40
12/04/15	6720157	Communications with SEC counsel regarding 13th fee applications.	Fates, Edward G.	0.2	97.20	291.60

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward G. Fates	0.6	486.00	291.60
		0.6		291.60
Total Fees				291.60
Total Disbursements				0.00