



August 20, 2015

Dayton 1 Information Packet

- Dayton View Partners (1999) – 25%
- Fairway Partners (2000) – 25%
- Green View Partners (2000) – 25%
- Par Four Partners (2001) – 25%

Dear Investor:

This information packet is being provided to you pursuant to an order of the District Court in the pending case between the Securities and Exchange Commission ("SEC"), Louis Schooler, and First Financial Planning Corporation d/b/a Western Financial Planning Corporation ("Western"). The relevant order, which is dated March 4, 2015, and is entitled Order Keeping General Partnerships Under Receivership ("Order"), is available at the Receiver's website, www.ethreadvisors.com (use the SEC Case Docs tab). You are encouraged to review the order carefully.

This packet is intended to provide you with information about the District Court case, the Receiver's findings, and the financial condition of your General Partnership ("GP"). Specifically, the Order instructs the Receiver to provide you with the following information:

I. SEC ALLEGATIONS

The following is a summary of the allegations made by the SEC in the case:

On September 4, 2012, the SEC filed a complaint against Louis Schooler and Western, alleging they committed fraud and failed to register securities in violation of the federal securities laws.

A. Fraud Allegations

The SEC alleges Mr. Schooler orchestrated an offering fraud that involved buying raw, undeveloped land and using his company, Western, to sell the land to investors for far more than it was worth, without properly disclosing its true value. The SEC alleges Mr. Schooler marked up the land and sold it to investors at a price that was several times higher than what he paid for it (in some cases, 500% higher or more) without disclosing to investors the price he paid.

The SEC also alleges Mr. Schooler led investors to believe they received a good price for the land Western offered. His sales force allegedly used real estate "comps" that appeared to show that similar land was worth even more than what investors were paying for Western's land.

However, the SEC alleges the "comps" were not truly comparable because they often included entitlements, zoning, water rights, and other features that Western's land did not have.

In addition to misrepresenting the value of the land to investors, the SEC alleges Mr. Schooler concealed the fact the land Western offered to investors was often subject to mortgages Western had taken out to pay for the land. The SEC also alleges Mr. Schooler did not disclose the land was not owned outright nor the risk that the seller could foreclose upon the property if Western ceased making mortgage payments.

B. Registration Violations

The SEC alleges Western sold its land to investors through GPs that it structured, organized, and managed from inception through the time of an eventual land sale. Investors, many of whom were allegedly unsophisticated in business affairs, purchased units in a GP, and the GP purchased land from Western. The SEC alleges the GP units are securities because investors were completely dependent on Schooler and Western to manage their investment. Because Schooler and Western failed to register their securities offerings with the SEC, the SEC alleges they violated the securities registration provisions. On April 25, 2014, the District Court decided that the GP units sold to investors are securities.

II. RECEIVER'S FINDINGS

A. Original Purchase Prices of GP Properties, Funds Raised By Western, and Appraised Values of GP Properties

Western bought the Dayton 1 land for a purchase price of \$1,080,000. In 1999 - 2001, Western formed 4 underlying partnerships, each with a 25% undivided interest in the property. Western raised \$6,844,600 when it sold the land to investors, or \$5,764,600 (534%) more than it paid for the land. An outside appraisal obtained in August 2015 valued the property at \$360,000. This valuation shows appreciation over an appraisal obtained in 2013 valuing the property at \$200,000. This is all outlined in the chart below.

	Western Land Purchase Price	Amount Raised From Investors	Excess Proceeds Raised by Western	Excess Proceeds %	2015 Appraised Value
Dayton View Partners	\$270,000	\$1,636,000	\$1,366,000	506%	\$90,000
Fairway Partners	\$270,000	\$1,685,100	\$1,415,100	524%	\$90,000
Green View Partners	\$270,000	\$1,735,700	\$1,465,700	543%	\$90,000
Par Four Partners	\$270,000	\$1,787,800	\$1,517,800	562%	\$90,000
	\$1,080,000	\$6,844,600	\$5,764,600	534%	\$360,000

B. How the Difference Between the Original Purchase Prices and the Money Raised Was Spent by Western

Western did not keep separate accounts for the funds it obtained from each GP. All funds it obtained from the GPs for selling land went to the same primary bank account. Therefore, there is no way to know exactly how the funds Western obtained for selling the Dayton 1 land were used, as opposed to funds obtained from selling other land. However, the Receiver did an analysis of how funds were spent by Western for the time period 2005 - 2012. Based upon average amounts spent during that period by category, the \$5,764,600 in excess proceeds received by Western is estimated to have been spent as follows:

	Average % Paid	Estimated Amount Paid
Payments to Schooler	21%	\$1,233,126
Sales Commissions	15%	\$891,605
Payroll - Other	17%	\$1,006,393
Operating Expenses	21%	\$1,212,754
Western Investments in GPs	9%	\$523,267
Income Taxes	6%	\$324,011
Payments to Related Parties	6%	\$332,066
Payments to Escrow Companies	4%	\$241,379
	100%	\$5,764,600

Additional information on the Receiver's findings concerning the financial affairs of Western and the GPs can be found on the Receiver's website, www.ethreeadvisors.com (use the SEC Case Docs tab), including Part One and Part Two of the Receiver's Forensic Accounting Report.

III. CURRENT FINANCIAL STATUS OF DAYTON 1 GPS

Listed below are the current and projected cash balances for the Dayton 1 GPs.

	Cash as of 1/1/2015	Est 2015 & 2016 Receipts	Est 2015 & 2016 Expenses	Estimated Cash as of 12/31/2016	Percentage of Operational Bills Paid Since 2013
Dayton View Partners	\$38,372	\$0	(\$10,504)	\$27,868	N/A
Fairway Partners	\$46,121	\$0	(\$10,214)	\$35,907	N/A
Green View Partners	\$49,150	\$0	(\$9,925)	\$39,225	N/A
Par Four Partners	\$48,300	\$0	(\$10,056)	\$38,244	N/A
	\$181,943	\$0	(\$40,699)	\$141,244	N/A

No receipts are received for these GPs. Expenses consist primarily of administrative expenses, tax preparation, property taxes, and insurance. Attached as Exhibit "A" are actual and estimated receipts and disbursements for 2014, 2015 and 2016 for each GP. The 4 GPs that comprise Dayton 1 are all projected to have sufficient cash to pay their operating expenses through 2016 without any operational billings.


It is important to understand that, because of the co-tenancy structure for Dayton 1, in which each of the four GPs own a percentage of the same land, the financial status of one GP can potentially affect the other GPs. If, for example, one GP becomes unable to pay its operating expenses such as property taxes, the other GPs may be adversely effected by the late charges and/or penalties incurred for the land as a whole. Per the Court's order, if the investors in one or more of the Dayton 1 GPs do not raise sufficient funds in a future capital call, investors in the remaining GPs will be given the opportunity to cover the shortfall in capital needed to pay expenses. Investors can also voluntarily contribute additional capital to the Dayton 1 GPs if needed, with a corresponding increase in their ownership interest.

IV. ESTIMATED CURRENT VALUE OF INVESTMENT

Listed below is the estimated cash proceeds that would be received from a sale of the property, based on its August 2015 appraised value. The estimated net sale proceeds are based on the existing 2015 appraised value (less cost of sale). There are no underlying mortgages on the properties. A sale based on these assumptions would yield net proceeds of \$334,800 for the 4 GPs that comprise the Dayton 1 property.

	Estimated Net Sale Proceeds	GP Notes Payable to Western	Outstanding Balance on Mortgages	Estimated Cash Proceeds to GPs from Sale
Dayton View Partners	\$83,700	\$0	\$0	\$83,700
Fairway Partners	\$83,700	\$0	\$0	\$83,700
Green View Partners	\$83,700	\$0	\$0	\$83,700
Par Four Partners	\$83,700	\$0	\$0	\$83,700
	\$334,800	\$0	\$0	\$334,800

Sincerely,



Thomas C. Hebrank, CPA, CIRA
Receiver

EXHIBIT “A”

Dayton View

2014/2015/2016 Operational Summary and Estimated Operational Expenses

	Actual 2014	Actual / Projected 2015	Projected 2016
Beginning Cash Balance	41,589	38,372	33,094
Receipts			
Investor Operational Contributions	-	-	-
2013 Cleared Deposits	(540)	-	-
Misc. Reciepts	-	-	-
Investor Note Payments	-	-	-
Total Receipts	(540)	-	-
Disbursements			
Administrator Payroll	1,200	1,300 ¹	1,200
K-1 Preparation	725	2,154 ²	2,200
Property Taxes/Bond Payments	311	350	350
Insurance	238	275	275
Office Supplies	190	200	200
Appraisal	-	-	-
State and Local Entity Filings	-	-	-
Income Taxes	-	-	-
Miscellaneous	12	1,000 ³	1,000
Operational Loan Repayment	-	-	-
Note Repayment to Western	-	-	-
Total Disbursements	2,676	5,279	5,225
Ending Cash Balance	38,372	33,094	27,869
Amount to be Billed			-

¹ In April 2015, the GPs will pay a small upfront fee to Lincoln property, but will see comparable costs thereafter.

² It should be noted that the 2014 K-1 preparation was due in 2014, but not paid until 2015 because the Court had not yet authorized that payment. We anticipate that expense will be due and payable in the applicable year on a go-forward basis (i.e. billed in 2015 and paid in 2015). Therefore, the K-1 Preparation expenses include 2014 and 2015 fees.

³ This amount is included for budgetary reasons but is not expensed if not used.

Fairway

2014/2015/2016 Operational Summary and Estimated Operational Expenses

	Actual 2014	Actual / Projected 2015	Projected 2016
Beginning Cash Balance	48,794	46,121	41,006
Receipts			
Investor Operational Contributions	-	-	-
2013 Cleared Deposits	-	-	-
Misc. Reciepts	-	-	-
Investor Note Payments	-	-	-
Total Receipts	-	-	-
Disbursements			
Administrator Payroll	1,200	1,300 ¹	1,200
K-1 Preparation	745	2,014 ²	2,100
Property Taxes/Bond Payments	311	350	350
Insurance	250	275	275
Office Supplies	167	175	175
Appraisal	-	-	-
State and Local Entity Filings	-	-	-
Income Taxes	-	-	-
Miscellaneous	-	1,000 ³	1,000
Operational Loan Repayment	-	-	-
Note Repayment to Western	-	-	-
Total Disbursements	2,674	5,114	5,100
Ending Cash Balance	46,121	41,006	35,906
Amount to be Billed			-

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Green View

2014/2015/2016 Operational Summary and Estimated Operational Expenses

	Actual 2014	Actual / Projected 2015	Projected 2016
Beginning Cash Balance	52,346	49,150	44,225
Receipts			
Investor Operational Contributions	-	-	-
2013 Cleared Deposits	(540)	-	-
Misc. Reciepts	-	-	-
Investor Note Payments	-	-	-
Total Receipts	(540)	-	-
Disbursements			
Administrator Payroll	1,200	1,300 ¹	1,200
K-1 Preparation	725	1,825 ²	2,000
Property Taxes/Bond Payments	311	350	350
Insurance	250	275	275
Office Supplies	169	175	175
Appraisal	-	-	-
State and Local Entity Filings	-	-	-
Income Taxes	-	-	-
Miscellaneous	-	1,000 ³	1,000
Operational Loan Repayment	-	-	-
Note Repayment to Western	-	-	-
Total Disbursements	2,656	4,925	5,000
Ending Cash Balance	49,150	44,225	39,225
Amount to be Billed			-

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Par Four

2014/2015/2016 Operational Summary and Estimated Operational Expenses

	Actual 2014	Actual / Projected 2015	Projected 2016
Beginning Cash Balance	50,975	48,300	43,243
Receipts			
Investor Operational Contributions	-	-	-
2013 Cleared Deposits	-	-	-
Misc. Reciepts	-	-	-
Investor Note Payments	-	-	-
Total Receipts	-	-	-
Disbursements			
Administrator Payroll	1,200	1,300 ¹	1,200
K-1 Preparation	745	1,956 ²	2,000
Property Taxes/Bond Payments	311	350	350
Insurance	250	275	275
Office Supplies	169	175	175
Appraisal	-	-	-
State and Local Entity Filings	-	-	-
Income Taxes	-	-	-
Miscellaneous	-	1,000 ³	1,000
Operational Loan Repayment	-	-	-
Note Repayment to Western	-	-	-
Total Disbursements	2,676	5,056	5,000
Ending Cash Balance	48,300	43,243	38,243
Amount to be Billed			-

¹ In April 2015, the GPs will pay a small upfront fee to Lincoln property, but will see comparable costs thereafter.

² It should be noted that the 2014 K-1 preparation was due in 2014, but not paid until 2015 because the Court had not yet authorized that payment. We anticipate that expense will be due and payable in the applicable year on a go-forward basis (i.e. billed in 2015 and paid in 2015). Therefore, the K-1 Preparation expenses include 2014 and 2015 fees.

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