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General Partner
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UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, v. LOUIS V. SCHOOLER and FIRST FINANCIAL PLANNING CORPORATION d/b/a WESTERN FINANCIAL PLANNING CORPORATION, Defendants.	Case No. 12 CV 2164 GPC JMA **RENO VISTA PARTNERS IN SUPPORT OF MODIFICATION OF THE PRELIMINARY INJUNCTION ORDER TO REMOVE THE REAL ESTATE GENERAL PARTNERSHIPS FROM THE RECEIVERSHIP; REQUESTS FOR JUST AND EQUITABLE TREATMENT OF PARTNERS** **Date: October 10, 2014** **Time: 1:30 p.m.** **Courtroom: 2D** **Judge: Hon. Gonzalo P. Curiel**

1. The undersigned Ann LeClaire, a general partner in the Reno Vista General Partnership, on behalf of herself and four other partners (five if a joint partner is included), hereby registers **support for the briefs before the Court requesting that the General Partnerships be removed from receivership** and specifically requests that the **Reno Vista partnership be removed from receivership.**

   The undersigned (and others) believes that neither the Receiver nor the Securities and Exchange Commission is primarily concerned about the best financial interests of the partners, and at least Reno Vista partners are likely to suffer financial loss as a result of actions taken in connection with these proceedings.

The undersigned emailed the 15 (of 26) Reno Vista partners included on the partnership email listing provided by a partnership secretary/administrator. Five emails were undeliverable as addressed. Mr. Schooler is included and likely not allowed to communicate. Five other partners responded, four supporting the undersigned's intent to file a brief on behalf of the partners in support of removal from receivership (five if a joint partner is counted), and one who had voted to stay in receivership and continues to hold that preference. Two of these partners mentioned being in default, including the last; that is, they owe for operational expenses and are therefore prohibited from voting. Copies of the email responses will be provided upon request.

2. Further, the undersigned, believing she has standing to address the Court because she is highly likely to suffer financial loss as a result of actions taken in connection with the disposition of this matter, requests that the Court ensure **just and equitable treatment of Reno Vista general partners** by the following measures:

(a) Ensuring the **appraisal value listed by the Receiver as well as any future appraisal value is fair market value.**

A footnote in the Receiver's Valuation Report told partners the *estimated* value of the Reno Vista property ($50,000) and other Washoe 1 properties was subject to revision by the appraiser and would be confirmed. Should we assume the estimated valuation was confirmed simply because the same figure was used in the Receiver's March 19, 2014 mailing?

Per the Washoe County Assessor's website, the taxable land value for the three parcels totals $75,188, with the value of the smallest parcel having increased in the past year. Additionally, explanatory information states that in Nevada, the total taxable value cannot exceed full cash value (market value), so $75,188 is less than or equal to the Assessor's determination of market value.

(b) Ensuring that **sale of the property is motivated by and conducted with the primary aim of benefitting the partners financially** to the greatest extent possible, as opposed to expediency in bookkeeping; and to this end, ensuring the **provision of pertinent information and rationale** to the partners, including relevant policies and guidelines.

If, as reported, development has occurred in the area since it was purchased, is more expected, and if so, in what time frame? Would not area realtors provide an assessment of the property's potential at no cost? Evidently, recovery from the Great Recession has been uneven in Nevada, so properties in some areas are currently deflated.

Partners were periodically provided with general information about area development in the past, and this practice should be continued and improved. The last update received by the undersigned was in 2009, though apparently other partners

received at least one later update. The zip code could be useful. The undersigned knows only that the property is on Geiger Grade Road, en route to a tourist destination, Virginia City, from Reno.

This investment has dragged on without payoff for so long that perhaps one's beneficiaries could benefit by delaying sale. On the other hand, presumably the substantial loss from sale in the near future could benefit partners by reducing taxable income.

The undersigned only very recently received a copy of the Partnership Agreement; the Agreement she signed as an heir to an original partner's share was essentially without substance.

(c) Ensuring that **loaning individuals and/or institutions and partners fairly share the burden of economic loss**, rather allowing prioritization of payments to loaning individuals and/or institutions with no commensurate consideration for the related increase in the financial loss of partners, provided this is legally permissible.

According to the insert in the Receiver's letter of March 19, 2014, at that time, the underlying mortgage due was only $6,163, so it would seem the lending agent(s) has already gained significant profit. According to the Washoe County Assessor's website and data at the top of the partner listing, the purchase price was $441,000, though the undersigned believes the cost must have been much less, with Mr. Schooler and/or Western Financial setting an artificial sale price to increase profit.

In contrast, the Receiver estimated that with the remaining mortgage of $6163 and estimated sale costs of $5000 deducted, only $38,000 would remain for distribution to general partners, currently numbered at 26 per the mailing list. Each partner's loss would be a great deal more than $6163, considering the initial investment (probably a minimum of $15,000) and subsequent payments toward operating expenses.

(d) Ensuring the **accuracy of the number of remaining active partners** and the **identity of partners in default and therefore ineligible to vote** under the terms of the Partnership Agreement.

Five email addresses are undeliverable, and an administrator stated in an email to the undersigned that no attempt was made to contact partners with invalid email addresses by regular hard copy mail concerning the vote to be removed from receivership, because regular mail would be too time consuming. The email list includes only 15 different partners, compared to the postal service mailing list of 26 partners, including Mr. Schooler.

Are all 26 postal mailing addresses accurate? The Receiver would know if any of his mailings were returned and the secretaries/administrators would know whether other mailings, including K-1 tax forms, were returned.

(e) Ensuring that the **amount billed to partners for operational expenses is reasonable**, that **all partners have been billed equally in receivership**, and if this is not the case, that **refunds go to those who have been billed beyond** the amount billed to other partners.

At least in regard to the undersigned, in 2013, the number of billings for operational expenses and the total amount billed grossly deviated from past practice. The undersigned attests that she paid $909 in response to the unusual two billings she received in 2013, compared with $541 total for the only two previous billings of 2006 and 2009 (prior to her death in 2001, the undersigned's sister originated and maintained this investment to benefit the undersigned in retirement).

The undersigned understands that her experience may be representative rather than an isolated instance: when brought to the attention of the Receiver, no adjustment was made. If all partners were billed twice in 2013 for the same amounts as the undersigned, is the hefty increase over past practice reasonable and justifiable? If not, refunds should be made.

The undersigned recently learned that some partners paid nothing in 2013.

(f) Ensuring that prior to the distribution of a **fair share of sales proceeds** to each partner, the amounts owed by some partners for **unpaid billings** for operational expenses are accurately documented and deducted from those partners' shares, as required by the Partnership Agreement, with the total unpaid billings so deducted distributed among partners in a manner deemed by the Court to be fair to all partners.

Presumably, the Receiver or the Signatory Partner will have overall responsibility. The **identity of the Signatory Partner** should be published to all partners.

Some partners ceased payments for operational expenses only after the partnership went into receivership, while others quit making payments in prior years.

(g) Any **other relief** for Reno Vista and other general partners which the Court deems just and proper, including, if possible, the appointment of pro bono representation for the partners' interests in this proceeding.

The undersigned attests that the information contained herein is true and accurate to the best of her knowledge and respectfully submits the foregoing, begging the Court's consideration and relief. The undersigned, not an attorney, apologizes for inclusion of any requests which may be contrary to established law.

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