

1 ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
2 DAVID R. ZARO (BAR NO. 124334)
515 South Figueroa Street, Ninth Floor
3 Los Angeles, California 90071-3309
Phone: (213) 622-5555
4 Fax: (213) 620-8816
E-Mail: dzaro@allenmatkins.com

5 EDWARD G. FATES (BAR NO. 227809)
6 501 West Broadway, 15th Floor
San Diego, California 92101-3541
7 Phone: (619) 233-1155
Fax: (619) 233-1158
8 E-Mail: tfates@allenmatkins.com

9 Attorneys for Receiver
THOMAS C. HEBRANK

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

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.

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

**RECEIVER'S NOTICE OF MOTION
AND MOTION FOR AUTHORITY TO
ENGAGE CBRE AS CONSULTANT**

Date: September 23, 2016
Time: 1:30 p.m.
Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 **NOTICE IS HEREBY GIVEN** that on September 23, 2016, at 1:30 p.m. in
3 Courtroom 2D of the United States District Court, Southern District of California,
4 located at 221 West Broadway, San Diego, California 92101, Thomas C. Hebrank
5 ("Receiver"), the Court-appointed receiver for First Financial Planning Corporation
6 d/b/a Western Financial Planning Corporation ("Western"), its subsidiaries and the
7 General Partnerships listed in Schedule 1 to the Preliminary Injunction Order
8 entered on March 13, 2013 (collectively, "Receivership Entities"), will, and hereby
9 does, move this Court for authority to engage CBRE as a consultant ("Motion").

10 This Motion is based upon this notice, the accompanying Memorandum of
11 Points and Authorities, the Declarations of Thomas C. Hebrank, Edward G. Fates,
12 and D. Matt Marschall, all pleadings and papers on file in this action, and upon such
13 other matters as may be presented to the Court at the time of hearing.

14 **Procedural Requirements:** If you oppose the Motion, you are required to
15 file your written opposition with the Office of the Clerk, United States District
16 Court, Southern District of California, 333 West Broadway, Suite 420, San Diego,
17 California 92101, and serve the same on the undersigned no later than 14 calendar
18 days prior to the hearing date. An opposing party's failure to file an opposition to
19 any motion may be construed as consent to the granting of the motion pursuant to
20 Civil Local Rule 7.1(f)(3)(c).

21

22 Dated: July 22, 2016

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

23

24

By: /s/ Edward Fates

25

EDWARD G. FATES
Attorneys for Receiver
THOMAS C. HEBRANK

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18 FINANCIAL PLANNING
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19 FINANCIAL PLANNING
CORPORATION,

20 Defendants.

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

**MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
RECEIVER'S MOTION FOR
AUTHORITY TO ENGAGE CBRE
AS CONSULTANT**

Date: September 23, 2016
Time: 1:30 p.m.
Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

1 Thomas C. Hebrank ("Receiver"), Court-appointed receiver for First Financial
2 Planning Corporation d/b/a Western Financial Planning Corporation ("Western"),
3 and its subsidiaries and the General Partnerships listed on Schedule 1 to the
4 Preliminary Injunction Order entered on March 13, 2013 (collectively,
5 "Receivership Entities"), submits this Memorandum of Points and Authorities in
6 Support of his Motion for Authority to Engage CBRE as Consultant ("Motion").

7 I. INTRODUCTION

8 The Court has directed the Receiver to "file a report and recommendation
9 evaluating the pros and cons of the Xpera Report recommendations, and identifying
10 those recommendations that would feasibly maximize the value of the receivership
11 estate." Dkt. No. 1304, p. 31. To accomplish this task, and considering the
12 information and analysis needed to fully evaluate the Xpera recommendations, the
13 Receiver's initial intention was to meet with Xpera to discuss an engagement by the
14 receivership estate whereby Xpera would supplement its existing report with further
15 information about the costs and length of time necessary to complete recommended
16 zoning changes, subdivision maps, and other potential entitlement work.
17 Unfortunately, those efforts were blocked by the Aguirre Investors, as discussed
18 below.

19 Therefore, the Receiver considered other consultants and now proposes to
20 engage CBRE, one of the most highly regarded real estate brokerage and consulting
21 firms in the country, to assist in evaluating the Xpera Report recommendations. The
22 Receiver believes the terms and conditions of the proposed engagement are fair and
23 reasonable. The Receiver will closely monitor and work with CBRE to ensure its
24 report provides the key information missing from the Xpera Report and allows the
25 Receiver and the Court to fully evaluate the pros and cons of the Xpera
26 recommendations. Accordingly, the Receiver asks that the proposed engagement of
27 CBRE be approved.

28

II. BACKGROUND FACTS

1
2 In opposing the Receiver's Distribution Plan Motion (Dkt. No. 1181), the
3 Aguirre Investors and Dillon Investors presented a report from Xpera Group
4 ("Xpera") that provides an analysis and estimated valuation of the GP properties,
5 although some properties are analyzed and appraised as a group rather than
6 individually. Dkt. No. 1234-2. As the Court noted in its order, there is "a
7 substantial level of agreement" between the Receiver and Xpera "regarding how to
8 maximize the value of the receivership estate." Dkt. No. 1304, p. 16. The Court
9 summarized the Xpera recommendations as follows:

10 In 12 instances, the Report recommends selling the GP
11 property now, as-is. In 2 instances, the Report
12 recommends selling the GP property now, but exploring
13 whether to sell in bulk or in individual parcels in order to
14 maximize the selling price. In 6 instances, the Report
15 recommends taking relatively minor actions over a time
16 frame of less than a year, such as obtaining a zoning
change, getting a subdivision approval, or holding a
property for up to 12 months pending the completion of a
nearby parkway, in order to maximize the selling price. In
3 instances, the Report recommends holding the GP
property, either indefinitely or for a period of 5-10 years,
in order to maximize the selling price.

17 *Id.*

18 As noted above, the Court directed the Receiver to file a report and
19 recommendation within 180 days evaluating the pros and cons of the Xpera Report
20 recommendations and identifying those that would feasibly maximize the value of
21 the receivership estate. *Id.* at p. 31. Evaluating the feasibility of certain Xpera
22 recommendations requires assessing (a) the time required to complete the
23 recommended work, (b) the cost of the recommended work, and (c) the likelihood of
24 obtaining necessary approvals from local authorities. Declaration of Thomas
25 Hebrank filed herewith ("Hebrank Decl."), ¶ 3. The relevant Xpera
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1 recommendations, which pertain to 11 properties in the Reno and Las Vegas areas,¹
 2 include breaking properties up and selling them in multiple smaller parcels,
 3 obtaining zoning changes, obtaining approval of a subdivision map, and waiting
 4 12 months for the completion of a nearby parkway. *Id.* These recommendations,
 5 along with the proposed scope of CBRE's work to assist in evaluating them, are
 6 reflected on Exhibit A to the Hebrank Declaration.

7 Assessing the time, cost, and likelihood of success of implementing these
 8 recommendations requires knowledge of local markets, local development plans,
 9 recent development in the area, review and approval times, application fees, and
 10 other factors. *Id.* at ¶ 4. Accordingly, a consultant with expertise in undeveloped
 11 land in the local markets at issue is critical to preparing the report and
 12 recommendation the Court has directed him to file. *Id.* Since Xpera was already
 13 familiar with the properties, the Receiver's initial intention was to engage Xpera to
 14 supplement its existing report. *Id.*

15 On May 27, 2016, the Receiver's counsel contacted Timothy Dillon, counsel
 16 for the Dillon Investors, regarding the possibility of arranging a meeting with Xpera.
 17 Declaration of Edward Fates filed herewith ("Fates Decl."), ¶ 3. The Receiver's plan
 18 was to meet with Xpera, with Mr. Dillon present for the initial meeting, to discuss
 19 an engagement with Xpera and to work directly with Xpera from that point forward.
 20 Hebrank Decl., ¶ 5. Mr. Dillon was supportive of the meeting and agreed that
 21 everyone should be working toward the common goal of maximizing the value of
 22 the properties. Fates Decl., ¶ 4. After talking to Mr. Aguirre, however, Mr. Dillon
 23 stated he was in a difficult position because Mr. Aguirre insisted on participating in
 24 the meeting. *Id.* Considering the numerous false accusations made against the
 25 Receiver by Mr. Aguirre, which the Court characterized as essentially calling the
 26

27 ¹ The 11 properties include 2 that are actually groupings of separate properties,
 28 making the total number of separate properties 14. The Las Vegas 1 property is
 actually made up of 3 separate properties and the Washoe 3 property is made up
 of 2 separate properties.

1 Receiver a "liar and fraudster" at the May 20, 2016 hearing, the Receiver knew the
2 meeting would not be productive if Mr. Aguirre participated. Hebrank Decl., ¶ 6.
3 Accordingly, the Receiver determined not to pursue a meeting with Xpera further
4 through Mr. Dillon. *Id.*

5 However, the Receiver did not consider Mr. Dillon critical to the meeting
6 since it would focus on a new engagement of Xpera to supplement its existing
7 report, so he contacted Xpera directly to inquire about a meeting. *Id.* at ¶ 7.
8 Mr. Aguirre then responded on behalf of Xpera and stated that he and Mr. Dillon
9 would have to be present at the meeting and that any questioning of Xpera would
10 need to be conducted by way of deposition. *Id.* This underscored the fact that a
11 meeting involving Mr. Aguirre would not be productive. *Id.* In light of the
12 obstacles to a productive meeting with Xpera put up by Mr. Aguirre, the Receiver
13 determined not to further pursue an engagement of Xpera. *Id.*

14 Accordingly, the Receiver considered several other potential consultants who
15 could provide the required expertise and assistance, including CBRE. *Id.* at ¶ 8.
16 Having discussed the assignment with CBRE and reviewed the credentials of the
17 proposed CBRE team, the Receiver believes CBRE, with its substantial experience
18 and expertise in undeveloped land and its network of brokers and consultants in the
19 Reno and Las Vegas areas, will be able to efficiently gather and synthesize the
20 necessary information and provide a report that allows the Receiver and the Court to
21 fully evaluate the relevant Xpera recommendations. *Id.*

22 The proposed engagement will be handled primarily by D. Matt Marschall,
23 Senior Vice President at CBRE, with assistance from Brett Edwards, Rex Massey,
24 and Eric Bennett, all located in Northern Nevada, and Donna Alderson and Greg
25 Tassi, both located in Las Vegas. Declaration of D. Matt Marschall filed herewith
26 ("Marschall Decl."), ¶ 3. The biographies of Mr. Marschall, Mr. Edwards,
27 Mr. Massey, Mr. Bennett, Ms. Alderson, and Mr. Tassi are attached to the Marschall
28 Declaration as Exhibit A.

1 **III. TERMS OF PROPOSED ENGAGEMENT**

2 CBRE's proposal for the project is attached to the Marschall Declaration as
 3 Exhibit B. Mr. Marschall and Ms. Alderson will be billed at \$425 per hour,
 4 Mr. Edwards, Mr. Bennett, and Mr. Tassi will be billed at \$275 per hour, and
 5 Mr. Massey will be billed at \$250 per hour. CBRE's fees will not exceed \$40,000
 6 unless prior authorization is given by the Receiver. CBRE's fees and costs will be
 7 subject to Court approval in a noticed fee application. CBRE's timeline to complete
 8 its report is 60 days from Court approval of this Motion.

9 **IV. ARGUMENT**

10 **A. Broad Equitable Powers of the Court**

11 "The power of a district court to impose a receivership or grant other forms of
 12 ancillary relief does not in the first instance depend on a statutory grant of power
 13 from the securities laws. Rather, the authority derives from the inherent power of a
 14 court of equity to fashion effective relief." *SEC v. Wencke*, 622 F.2d 1363, 1369
 15 (9th Cir. 1980). The "primary purpose of equity receiverships is to promote orderly
 16 and efficient administration of the estate by the district court for the benefit of
 17 creditors." *SEC v. Hardy*, 803 F.2d 1034, 1038 (9th Cir 1986). As the appointment
 18 of a receiver is authorized by the broad equitable powers of the court, any
 19 distribution of assets must also be done equitably and fairly. *See S.E.C. v. Elliot*,
 20 953 F.2d 1560, 1569 (11th Cir. 1992).

21 District courts have the broad power of a court of equity to determine the
 22 appropriate action in the administration and supervision of an equity receivership.
 23 *See SEC v. Capital Consultants, LLC*, 397 F.3d 733, 738 (9th Cir. 2005). The Ninth
 24 Circuit explained:

25 A district court's power to supervise an equity receivership
 26 and to determine the appropriate action to be taken in the
 27 administration of the receivership is extremely broad. The
 28 district court has broad powers and wide discretion to
 determine the appropriate relief in an equity receivership.
 The basis for this broad deference to the district court's
 supervisory role in equity receiverships arises out of the
 fact that most receiverships involve multiple parties and

1 complex transactions. A district court's decision
2 concerning the supervision of an equitable receivership is
reviewed for abuse of discretion.

3 *Id.* (citations omitted); *see also Commodities Futures Trading Comm'n. v.*
4 *Topworth Int'l, Ltd.*, 205 F.3d 1107, 1115 (9th Cir. 1999) ("This court affords 'broad
5 deference' to the court's supervisory role, and 'we generally uphold reasonable
6 procedures instituted by the district court that serve th[e] purpose' of orderly and
7 efficient administration of the receivership for the benefit of creditors.").
8 Accordingly, the Court has broad equitable powers and discretion in the
9 administration of the receivership estate and disposition of receivership assets.

10 Here, there is good cause to approve the proposed engagement of CBRE. As
11 discussed above, evaluation of the Xpera recommendations regarding breaking
12 properties up into smaller parcels, zoning changes, subdivision maps, and waiting
13 for completion of nearby parkways requires knowledge of local markets, local
14 development plans, recent development in the applicable areas, review and approval
15 times, application fees, and other factors. Without this information, it cannot be
16 determined whether a particular Xpera recommendation is likely to produce a net
17 benefit to the receivership estate. Accordingly, properly evaluating the relevant
18 Xpera recommendations requires assistance from an expert who can gather
19 information from the appropriate sources, synthesize that information, and draw
20 conclusions based on experience.

21 The proposed CBRE team led by Mr. Marschall has the qualifications and
22 experience to provide the necessary information and analysis, to do so efficiently,
23 and to provide a report that will allow the Receiver and the Court to determine
24 which of the Xpera recommendations are likely to produce a net benefit to the
25 receivership estate. The proposed budget for the project of \$40,000 (approximately
26 \$3,600 per property) is reasonable in relation to the expertise required and scope of
27 work. Moreover, CBRE's fees and costs will be subject to Court approval in a
28 noticed fee application.

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V. CONCLUSION

WHEREFORE, the Receiver requests an order authorizing him to engage CBRE to perform the work described above on the terms and conditions discussed herein and in the proposal attached to the Marschall Declaration as Exhibit B.

Dated: July 22, 2016

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

By: /s/ Edward Fates
EDWARD G. FATES
Attorneys for Receiver
THOMAS C. HEBRANK

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20 Defendants.

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

**DECLARATION OF THOMAS C.
HEBRANK, RECEIVER, IN
SUPPORT OF MOTION FOR
AUTHORITY TO ENGAGE CBRE
AS CONSULTANT**

Date: September 23, 2016
Time: 1:30 p.m.
Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

1 I, Thomas C. Hebrank, declare:

2 1. I am the Court-appointed receiver for First Financial Planning
3 Corporation d/b/a Western Financial Planning Corporation ("Western"), and its
4 subsidiaries and the General Partnerships listed on Schedule 1 to the Preliminary
5 Injunction Order entered on March 13, 2013 (collectively, "Receivership Entities").

6 2. I make this declaration in support of my Motion for Authority to Engage
7 CBRE as Consultant ("Motion"). I have personal knowledge of the facts stated
8 herein, and if called upon to do so, I could and would personally and competently
9 testify to them.

10 3. Evaluating the feasibility of certain Xpera recommendations requires
11 assessing (a) the time required to complete the recommended work, (b) the cost of the
12 recommended work, and (c) the likelihood of obtaining necessary approvals from
13 local authorities. The relevant Xpera recommendations, which pertain to
14 11 properties in the Reno and Las Vegas areas,¹ include breaking properties up and
15 selling them in multiple smaller parcels, obtaining zoning changes, obtaining approval
16 of a subdivision map, and waiting 12 months for the completion of a nearby parkway.
17 A summary of these recommendations, along with the proposed scope of CBRE's
18 work to assist in evaluating them, is attached hereto as Exhibit A.

19 4. Assessing the time, cost, and likelihood of success of implementing these
20 recommendations requires knowledge of local markets, local development plans,
21 recent development in the area, review and approval times, application fees, and other
22 factors. Accordingly, a consultant with expertise in undeveloped land in the local
23 markets at issue is critical to preparing the report and recommendation the Court has
24 directed me to file. Since Xpera was already familiar with the properties, I initially
25 intended to engage Xpera to supplement its existing report.

26

27 ¹ The 11 properties include 2 that are actually groupings of separate properties,
28 making the total number of separate properties 14. The Las Vegas 1 property is
actually made up of 3 separate properties and the Washoe 3 property is made up of
2 separate properties.

1 5. My plan was to meet with Xpera, with Mr. Dillon present for the initial
2 meeting, to discuss an engagement with Xpera and to work directly with Xpera from
3 that point forward. Accordingly, I had my counsel contact Mr. Dillon about arranging
4 a meeting. I was then told Mr. Aguirre insisted on participating in the meeting.

5 6. Considering the numerous false accusations made against me by
6 Mr. Aguirre, which the Court characterized as essentially calling me a "liar and
7 fraudster" at the May 20, 2016 hearing, I knew the meeting would not be productive if
8 Mr. Aguirre participated. Accordingly, I determined not to pursue a meeting with
9 Xpera further through Mr. Dillon.

10 7. I did not consider Mr. Dillon critical to the meeting with Xpera since it
11 would focus on a new engagement of Xpera to supplement its existing report, so I
12 contacted Xpera directly to inquire about a meeting. Mr. Aguirre then responded on
13 behalf of Xpera and stated that he and Mr. Dillon would have to be present at the
14 meeting and that any questioning of Xpera would need to be conducted by way of
15 deposition. Mr. Aguirre's email message is attached hereto as Exhibit B. This
16 underscored the fact that a meeting involving Mr. Aguirre would not be productive.
17 In light of the obstacles to a productive meeting with Xpera put up by Mr. Aguirre, I
18 determined not to further pursue an engagement of Xpera.

19 8. I considered several other potential consultants who could provide the
20 required expertise and assistance, including CBRE. Having discussed the assignment
21 with CBRE and reviewed the credentials of the proposed CBRE team, I believe
22 CBRE, with its substantial experience and expertise in undeveloped land and its
23 network of brokers and consultants in the Reno and Las Vegas areas, will be able to
24 efficiently gather and synthesize the necessary information and provide a report that
25 allows me and the Court to fully evaluate the relevant Xpera recommendations. I also
26 believe the proposed budget of \$40,000 (approximately \$3,600 per property) is
27 reasonable and consistent with industry standards considering the expertise required
28 and scope of work involved.

1 I declare under penalty of perjury under the laws of the State of California that
2 the foregoing is true and correct.

3 Executed this 22nd day of July, 2016, at San Diego, California.

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6 THOMAS C. HEBRANK
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EXHIBIT INDEX

Exhibit A	Summary of Xpera's Recommendations With Proposed Scope of Work by CBRE	6
Exhibit B	Mr. Aguirre's Email Message	8

EXHIBIT A

EXHIBIT A

SCOPE OF WORK TO EVALUATE XPERA GROUP RECOMMENDATIONS

	Receivership		Xpera Report				CBRE Scope & Direction	
	2013 Appraised Value	2015 Appraised/BOV Value	Low Valuation	High Valuation	Recommendation	Cost of Entitlement Work		Waiting Period to Complete Sale
Dayton Valley II	\$ 100,000	\$ 190,000	\$ 224,280	\$ 320,400	Recommend sale after zoning change	Minimal	Unknown	Quantify zoning change cost, estimate time to complete, and assess likelihood of success
Dayton Valley III	\$ 50,000	\$ 60,000	\$ 49,000	\$ 70,000	Recommend sale after zoning change	Minimal	Unknown	Quantify zoning change cost, estimate time to complete, and assess likelihood of success
Dayton Valley IV	\$ 160,000	\$ 220,000	\$ 221,438	\$ 316,340	Recommend sale after zoning change	Minimal	Unknown	Quantify zoning change cost, estimate time to complete, and assess likelihood of success
Fernley I	\$ 230,000	\$ 210,000	\$ 315,353	\$ 365,145	Obtain subdivision map; then sell	\$ 50,000	4 months	Confirm Xpera recommendation, costs and timing
Las Vegas 1 (3 separate properties)	\$ 4,105,000	\$ 5,275,000	\$ 7,423,931	\$ 9,764,410	Hold 5 - 10 years for appreciation	N/A	5 - 10 years	Court has rejected holding for 5 - 10 year timeframe; alternative recommendation sought
Las Vegas 2	\$ 945,000	\$ 1,375,000	\$ 1,609,978	\$ 2,012,472	Recommend sale now; high value based on rezoning to retail/commercial	Minimal	Unknown	Quantify zoning change cost, estimate time to complete, and assess likelihood of success
LV Kade	\$ 4,110,000	\$ 8,260,000	\$ 8,690,220	\$ 11,173,140	Hold 5 - 10 years for appreciation	N/A	5 - 10 years	Court has rejected holding for 5 - 10 year timeframe; alternative recommendation sought
Silver Springs North	\$ 360,000	\$ 320,000	\$ 681,375	\$ 908,500	Recommend sale in 12 months	N/A	12 months	Confirm sale timing and assess property valuation
Silver Springs South	\$ 300,000	\$ 440,000	\$ 1,032,900	\$ 1,377,200	Recommend sale in 12 months	N/A	12 months	Confirm sale timing and assess property valuation
Stead	\$ 395,000	\$ 420,000	\$ 1,584,000	\$ 3,168,000	Low value based on immediate sale to developer vs high value based on dividing property into parcels and sale of parcels with substantial marketing time	Unknown	Unknown	Quantify costs of dividing into smaller parcels, time to complete, likelihood of success, and value if sold in smaller parcels
Washoe 3 (2 separate properties)	\$ 600,000	\$ 940,000	\$ 1,505,889	\$ 5,019,630	Low value based on immediate sale to developer vs high value based on dividing property into parcels and sale of parcels with substantial marketing time	Unknown	Unknown	Quantify costs of dividing into smaller parcels, time to complete, likelihood of success, and value if sold in smaller parcels

EXHIBIT B

EXHIBIT B

Fates, Ted

From: Gary Aguirre <gary@aguirrelawapc.com>
Sent: Friday, June 17, 2016 2:29 PM
To: Thomas C. Hebrank (thebrank@ethreadvisors.com)
Cc: Fates, Ted; Tim Dillon (tdillon@dghmalaw.com); Alan Nevin (anevin@xperagroup.com); Neal L Singer (nsinger@xperagroup.com)
Subject: Western Financial Planning

Dear Mr. Hebrank:

I am responding to your email below to Mr. Nevin.

I am happy to arrange an interview with Mr. Nevin, but as Mr. Dillon and I have advised your counsel, we will have to be present.

Mr. Nevin would also condition the interview upon the following conditions:

- Mr. Singer is present, since they worked together on the project (Mr. Singer could also be interviewed simultaneously or just be present if Mr. Nevin had some questions);
- Both would be compensated at their regular hourly rates;
- They would require a few hours to get up to speed on their reports;
- If your counsel participates in the interview, it should proceed as a deposition.

If you need to communicate with Mr. Nevin or Mr. Singer, please copy me and Mr. Dillon in the email or do it through me.

Thanks,

Gary J. Aguirre
Aguirre Law, APC
501 W. Broadway, Suite 800
San Diego, CA 92101
Tel: 619-400-4960
Fax: 619-501-7072

www.aguirrelawapc.com

This E-Mail is intended only for the use of the individuals to which it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. Unintended transmission shall not constitute waiver of the attorney-client or any other privilege. If you have received this communication in error, please do not distribute it and notify us immediately by email to maria@aguirrelawapc.com.

----- Forwarded message -----

From: **Thomas Hebrank** <thebrank@ethreadvisors.com>
Date: Thu, Jun 16, 2016 at 3:18 PM
Subject: Western Financial Planning
To: "anevin@xperagroup.com" <anevin@xperagroup.com>

Alan -

As you may know, the Court in the Western Financial case has entered an order with instructions for me to evaluate the pros and cons of the recommendations in your report. With that in mind, I would like to discuss with you the possible retention of Xpera directly by the receivership estate to consult on GP property sales and supplement the report. Please let me know your availability to discuss this matter.

Thanks - Tom

Thomas C. Hebrank, CPA, CIRA

E3 Advisors

401 West A Street, Suite 1830

San Diego, CA 92101

(619) 567-7223

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9 Attorneys for Receiver
THOMAS C. HEBRANK

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

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18 FINANCIAL PLANNING
CORPORATION d/b/a WESTERN
19 FINANCIAL PLANNING
CORPORATION,

20 Defendants.
21

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

**DECLARATION OF EDWARD G.
FATES IN SUPPORT OF
RECEIVER'S MOTION FOR
AUTHORITY TO ENGAGE CBRE
AS CONSULTANT**

Date: September 23, 2016
Time: 1:30 p.m.
Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

1 ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
2 DAVID R. ZARO (BAR NO. 124334)
515 South Figueroa Street, Ninth Floor
3 Los Angeles, California 90071-3309
Phone: (213) 622-5555
4 Fax: (213) 620-8816
E-Mail: dzaro@allenmatkins.com

5 EDWARD G. FATES (BAR NO. 227809)
6 501 West Broadway, 15th Floor
San Diego, California 92101-3541
7 Phone: (619) 233-1155
Fax: (619) 233-1158
8 E-Mail: tfates@allenmatkins.com

9 Attorneys for Receiver
THOMAS C. HEBRANK

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

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.

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

**DECLARATION OF D. MATT
MARSCHALL IN SUPPORT OF
RECEIVER'S MOTION FOR
AUTHORITY TO ENGAGE CBRE
AS CONSULTANT**

Date: September 23, 2016

Time: 1:30 p.m.

Ctrm.: 2D

Judge: Hon. Gonzalo P. Curiel

1 I, D. Matt Marschall, declare:

2 1. I am a Senior Vice President at CBRE. I am a Certified General Real
3 Estate Appraiser in six different states, a licensed California Real Estate Sales
4 Person, a Designated Member of the Appraisal Institute and an Accredited Rural
5 Appraiser. I have been involved in real estate advisory, consultation, valuation and
6 transactional services since 1983. I have appraised a wide variety of property types
7 and have specialized in appraising large, complex properties having both highest
8 and best use and feasibility issues including commercial and industrial land,
9 agricultural properties, farms, ranches, and rural, desert and open space land.

10 2. I make this declaration in support of the Receiver's Motion for
11 Authority to Engage CBRE as Consultant ("Motion"). I have personal knowledge
12 of the facts stated herein, and if called upon to do so, I could and would personally
13 and competently testify to them.

14 3. I will primarily handle the proposed engagement by the Receiver, with
15 assistance from Brett Edwards, Rex Massey, and Eric Bennett, all located in
16 Northern Nevada, and Donna Alderson and Greg Tassi, both located in Las Vegas.
17 My biography along with those of Mr. Edwards, Mr. Massey, Mr. Bennett,
18 Ms. Alderson, and Mr. Tassi are attached hereto as Exhibit A. My experience and
19 expertise, with assistance from the CBRE professionals listed above in the Reno and
20 Las Vegas areas, will allow me to efficiently gather the necessary information and
21 synthesize it into a report that will allow the Receiver and the Court to fully evaluate
22 the Xpera recommendations and determine which of those recommendations are
23 likely to produce a net benefit for the receivership estate.

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1 4. CBRE's proposal for the project is attached hereto as Exhibit B.

2 I declare under penalty of perjury under the laws of the State of California
3 that the foregoing is true and correct.

4 Executed this 22nd day of July, 2016, at San Diego, California.

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7 _____
D. MATT MARSCHALL

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EXHIBIT INDEX

Exhibit A	Biographies of Mr. Marschall, Mr. Edwards, Mr. Massey, Mr. Bennett, Ms. Alderson, and Mr. Tassi	5
Exhibit B	CBRE's Proposal	15

EXHIBIT A

EXHIBIT A

PROFESSIONAL PROFILE



D. MATT MARSCHALL

Senior Vice President

T: +1 858 404 7202

C: +1 619 540 5555

matt.marschall@cbre.com

Lic. 01035488

D. MATT MARSCHALL, MAI, ARA, FRICS

SENIOR VICE PRESIDENT | INVESTMENT PROPERTIES | LAND

AGRIBUSINESS AND NATURAL RESOURCES

CAPITAL MARKETS

MEMBER | LAND SERVICES GROUP

Mr. Marschall has been involved in real estate advisory, consultation, valuation and transactional services since 1983. From 1983 to 1987, he worked as an associate appraiser with California Real Estate Counseling Group. In 1987, he formed Marschall & Associates, an independent real estate consulting and appraisal firm and in 1990, Mr. Marschall joined with Ken Wilson, MAI, to form Wilson Marschall Associates, Inc. Mr. Marschall earned the MAI designation from the Appraisal Institute in 1992 and also holds the ARA Designation (Accredited Rural Appraiser) from the American Society of Farm Managers and Rural Appraisers and is a Fellow with the Royal Institution of Chartered Surveyors (FRICS). In 1997, Marschall & Associates merged with Doré & Curry, Inc. to form Doré, Curry, & Marschall, Inc., a full-services valuation and advisory firm. In 1999, *Doré, Curry, & Marschall, Inc.* became the San Diego office for Integra Realty Resources with offices in Orange County and partners in Los Angeles. In the fall of 2005, Mr. Marschall joined the Valuation & Advisory Services Group of Cushman & Wakefield of California, Inc. and became an Executive Managing Director in the newly launched San Diego County office. He is currently a Senior Vice President with CBRE and leads the Land, Agribusiness and Natural Resources Practice for Advisory and Transaction Services.

EXPERIENCE

Mr. Marschall has appraised a wide variety of property types, and has specialized in appraising large, complex properties having both highest and best use and feasibility issues. These include master planned communities and subdivisions, commercial and industrial acreage, environmentally sensitive land, farms, groves, ranches and rural properties. More traditional commercial assignments and special use properties have included automobile dealerships, restaurants, mobile home parks, rock/aggregate quarries, landfills, infrastructure, energy projects and water rights. He has also provided extensive dispute and litigation support including condemnation appraisal, damages litigation as well as general real estate consultation including highest and best use analyses, market and feasibility studies, brokerage and transactional services.

EDUCATION

- University of California, Irvine – Graduated 1977
 - Degree: Master of Arts in Social Ecology and Environmental Quality
- Revelle College, University of California, San Diego – Graduated 1975
 - Degree: Bachelor of Arts in Biology

PROFESSIONAL PROFILE

D. MATT MARSCHALL

Senior Vice President

T: +1 858 404 7202

C: +1 619 540 5555

matt.marschall@cbre.com

Lic. 01035488

APPRAISAL EDUCATION

(AIREA) Real Estate Appraisal Principles; (AIREA) Basic Valuation Procedures; (AIREA) Capitalization Theory and Techniques Part A; (AIREA) Capitalization Theory and Techniques Part B; (AIREA) Case Studies in Real Estate Valuation; (AIREA) Valuation Analysis and Report Writing; (AIREA) Standards of Professional Practice; (AI) Standards of Professional Practice Part C; (AI) Course 430-Standards of Professional Practice; (AI) Condemnation Appraisal; (DRE) Real Estate Principals; (DRE) Residential Appraisal; (DRE) Real Estate Finance; (DRE) Agency in Real Estate; (DRE) Ethics of Real Estate; (AIREA) Advanced Seminar on the HP- 12C Financial Calculator; (AIREA) Federal Home Loan Bank Board Memorandum R-41C; (AIREA) Market Analysis; (AIREA) Applied Sales Comparison Approach; (AIREA) Capitalization Overview - Parts A and B; (AIREA) Valuation of Lease Interests; (AIREA) Subdivision Analysis; (AIREA) Investment Analysis; (AIREA) Appraisal Field Skills; (AI) Apartment Valuation; (AI) Land Use and Planning; (AI) Demographics and Feasibility Analysis; (AI) Appraisal Regulations of the Federal Banking Agencies; (AI) Commercial Appraisal Review; (AI) DCF Analysis in the Home Building Industry; (AI) Impacts of Hazardous Substances on Real Estate; (AI) Residential Subdivision Seminar; (AI) Changing Demographics/Economic Influences on Value; (AI) The New Uniform Residential Appraisal Report (URAR); (AI) Appraisal Review-Income Properties; (AI) Appraisal Office of the Future; (AI) Understanding Limited Appraisals/Appraisal Reporting Options; (AI) How to Verify Market Data; (AI) The 27th Annual Litigation Seminar; (AI) Experience Review Training Seminar; (AI) Marketing Your Appraisal Services Effectively; (AI) OREA-Federal and State Laws and Regulations Workshop; (AI) Mitigation Land Update and Valuation Issues; (AI) Eminent Domain, Stigma, and Estate Planning; (AI) Residential Subdivision Feasibility and Analysis; (AI) Understanding and Using Automated Valuation Models; (AI) Real Estate Trends for Agricultural Properties; (AI) Apartment Seminar; (AI) Partial Interests; (AI) Water Rights Valuation; (AI) Mitigation Land; (AI) Apartment Seminar and Affordable Housing; (AI) Attacking and Defending an Appraisal in Litigation; (AI) Market Trends Update for Southern California; (AI) Single Tenant, Net Leased Properties; (AI) Discounts and Premiums Meet Levels of Value; (AI) Easement Valuation; (AI) Estimating Environmental Impacts on Commercial and Industrial Properties; (AI) The Valuation of a Citrus Operation Near Suburbia; (AI) Feng Shui: The Chinese Way of Appraisal; (AI) The Appraisal of Permanent Plantings in a Changing Market; (AI) 2000 Operating Expense Seminar; (AI) 2001 Market Trends-Southern California; (AI) 2001 Market Trends and Analysis-San Diego; (AI) 2001 Real Estate Damages; (AI) 2001 Introduction to Environmental Issues; (AI) 2002 Real Estate Disclosure; (AI) 2002 Market Trends and Analysis-San Diego; (AI) 2002 Environmental Scan; (AI) IRWA 2002 Eminent Domain Update; (AI) 2003 Market Trends and Apartment Update-San Diego; (AI) 2003 Client Needs; (AI) 2003 Litigation Seminar; (USD REI) 2004 Commercial Real Estate Conference Trends 2004; (AI) 2004 Applying Economic Forecasts-San Diego Regional Update; (AI) 2004 Valuation of Unique Properties; (AI) 2004 Course 400-National USPAP Update; (AI) 2005 Applying Economic Forecasts-San Diego Regional Update; (AI) 2005 Computer Enhanced Cash Flow Modeling ; (AI) 2006 San Diego Economic Forecast; (ASFMRA) 2006 Spring Ag Outlook Forum-Phoenix; (ASFMRA) 2006 Spring Ag Outlook Forum-California; (ASFMRA) 2006 Conservation Easements; (AI) 2006 USPAP Update-1400; (ASFMRA) 2006 Yellow Book Seminar-Federal Land

PROFESSIONAL PROFILE

D. MATT MARSCHALL

Senior Vice President

T: +1 858 404 7202

C: +1 619 540 5555

matt.marschall@cbre.com

Lic. 01035488

Exchanges; (CAPE) 2006 Timber Valuation; (AI) 2006 Uniform Standards for Federal Land Acquisitions-2 Day; (AI) 2007 Demand for Wine, Grapes and the Impact on Value; (ASFMRA) 2007 Timber Property Valuation Seminar; (ASFMRA) 2007 Minerals Appraisal; (ASFMRA) 2007 Prospectives of Timberland Ownership; (ASFMRA) 2007 Recreational Properties, Management and Demand; (ASFMRA) 2007 Spring Ag Outlook Forum-Livestock and Water Infrastructure Seminar; (ASFMRA) 2007 Advanced Rural Appraisal Class A-30; (AI) 2007 Business Practices and Ethics; (ASFMRA) 2009 Fair Value; (ASFMRA) 2009 Code of Ethics; (ASFMRA) 2010 Vineyard Tour/Valuation, (ASFMRA) 2010 Wind Power, 2010 7-Hour National USPAP Update, (AI) 2010 San Diego Apartment and Housing Seminar, (ASFMRA) 2010 Current Environmental Issues, (USD) 2011 Burnham Moores Real Estate Conference, (ASFMRA) 2011 Spring Agricultural Outlook, (ASFMRA) 2011 Estate Planning, Gift Giving & the IRS Seminar, 2011 Wildland Fire Litigation Conference, (CLE) 2011 Eminent Domain, (AI) 2012 San Diego Economic Forecast, (AI) 2012 Business Practices and Ethics, (AI) 2012 7-Hour USPAP Update, (ASFMRA) 2012-Water and the World Economy, (AI) 2012 Vineyard Valuation, (AI) 2013 San Diego Economic Forecast, (AI) 2103 Business Valuation, (AI) 2013 Valuation for Financial Reporting, (AI) 2013 Agricultural Properties and Water Rights, (AI) 2013 Appraising Partial Interests, (ASFMRA) 2013 Rapid Fire Case Studies-Agricultural Properties, (ASFMRA) 2013 Global Demand, Technology, Best Practices for Rural Property Appraisals-National Meeting, (AI) 2014 Unique Appraisal Assignments, (AI) 2014 7-Hour National USPAP, (ASFMRA) 2014 Outlook 2014 Agribusiness Conference, (AI) 2014 Four Hour Federal and California Statutory and Regulatory Laws, (ASFMRA) 2014 Ag Property Transactions, (ASFMRA) 2015 Regional Agricultural Tour and Water Trends, (ASFMRA) 2015 California Agricultural Outlook, 2015 (ASFMRA) Agribusiness Conference, 2015 (ASFMRA) Business Ethics, 2016 7- Hour National USPAP Update (AI).

MEMBERSHIPS, LICENSES AND AFFILIATIONS

- Designated Member, Appraisal Institute (MAI #9426)
 - As of the current date, D. Matt Marschall, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
- Certified General Real Estate Appraiser in the following states:

– California (AG004164)	– Hawaii (CGA-1013)
– Arizona (31609)	– Oregon (C001074)
– Colorado (CG.200000207)	– Washington (1102116)
- California Real Estate Sales Person License – DRE No. 01035488 (expires June 19, 2019)
- Accredited Rural Appraiser (ARA No. 6336)
- Fellow of the Royal Institution of Chartered Surveyors (FRICS No. 1256824)
- Appraisal Institute: San Diego Chapter
 - Course Coordinator, Education Committee (1988)
 - Vice Chairman, Research Committee (1988)
 - Chairman, Research Committee (1989)
 - Chairman, Education Committee (1990)

PROFESSIONAL PROFILE

D. MATT MARSCHALL

Senior Vice President

T: +1 858 404 7202

C: +1 619 540 5555

matt.marschall@cbre.com

Lic. 01035488

- Member, Southwest Regional Conference Committee (1993)
- Member, Chapter Board of Directors (1994-1999)
- Chairman, External Affairs Committee (1996)
- Chairman, Government Relations Committee (1997)
- Treasurer (1998, 2010)
- Finance Committee (1998)
- Education Committee (1998)
- Secretary (1999, 2009)
- Vice President (2000, 2011)
- President (2001, 2012)
- Chairman, Nominating Committee (2002, 2013)
- Member, Nominating Committee (2009)
- Region VII - Appraisal Institute
 - 1994-1998 Regional Admissions Committee
 - 1995, 97-99, 2009-2011 Regional Representative, San Diego Chapter
 - Regional Nominating Committee
- National Appraisal Institute (2000-2014)
 - Professional Certification Subcommittee
 - Designated Member Advancement Committee (Vice-Chair)
 - Continuing Education Committee (Vice-Chair & Chair)
 - Master's Degree Program Subcommittee
 - Technology Outreach Committee (Vice-Chair)
 - 717 Educational Development Task Force (2002)
 - Commercial Data Storage Standards Committee (2004-2009)
 - Property Use Committee (2010-2011)
 - Open Standards Consortium for Real Estate (Appraisal Institute Workgroup – Chairman, 2006-2009)
 - PUCS Committee (Property Use Subcommittee)
 - National Nominating Committee (2014)
 - California Chapter of the American Society of Farm Managers and Rural Appraisers
 - 2014 Nominating Committee

PROFESSIONAL PROFILE



BRETT EDWARDS

Vice President

Land Services

T. +1 775 823 6968

F. +1 775 356 6181

C. +1 775 247 8856

brett.edwards@cbre.com

www.cbre.com/brett.edwards

Brett Edwards brings over 25 years of successful commercial brokerage experience to the Northern Nevada land market and specializes in land sales out of the CBRE Reno office. Brett represents buyers and sellers in the purchase and sale of land properties with expertise in residential, industrial, and commercial land.

Through experience working firsthand with clients, Brett maintains contacts from numerous jurisdictions. Memberships in the Economic Development Authority of Western Nevada (EDAWN) and Northeastern Nevada Regional Development Authority (NNRDA) provide valuable time saving connections for clients.

In 2015, Brett was awarded "2014 Land Broker of the Year" by the Northern Nevada Summit Awards. In 2011, Brett participated in one of the largest real estate transactions ever brokered in the United States, for which he won the "Largest Sale Transaction" award at the annual Northern Nevada Summit Awards, as well as "Land Broker of the Year." The 1,283,000 acre transaction of fee land and mineral rights consisted of nearly 12 percent of the privately held land in the state of Nevada. Brett has also brokered several REO finished lot sales on behalf of banks, which earned him the title of "#1 Land Broker" in 2012 for CBRE's local market area.

ACHIEVEMENTS

- Land Broker of the Year – Northern Nevada Summit Awards – 2011, 2014
- #3 CBRE Reno Broker - 2011, 2013, 2014
- #1 CBRE Reno Broker - 2012
- Largest Sale Transaction – Northern Nevada Summit Awards - 2011

CREDENTIALS

Professional Affiliations/Accreditations/Certifications

- Economic Development Authority of Western Nevada (EDAWN), Member
- Northeastern Nevada Regional Development Authority (NNRDA), Member

SIGNIFICANT ASSIGNMENTS

- Branch Banking & Trust – 41 finished lot development, 71 finished lot development, and 137 finished lot development
- Nevada State Bank – 35 acre industrial parcel in TRIC.
- Nevada State Bank – 46 finished lot development, 29 finished lot development, plus 111 acres.
- Stearns Bank – 450 unit single family project.
- Umpqua Bank – 56 finished lot development.

CLIENTS REPRESENTED

- Artisan Communities
- Bank of San Francisco
- Branch Banking & Trust
- Buzz Oates
- California Bank & Trust
- Dermody Properties
- Jenuane Communities
- Lakes Gaming
- Magna Entertainment
- Nevada Land Resource Co.
- Nevada State Bank
- NC Brown Development
- Northern Nevada Homes
- Ramco Enterprises
- Silverado Homes
- SJS Realty
- Stearns Bank
- Umpqua Bank
- Villaae Properties

PROFESSIONAL PROFILE



REX MASSEY

Associate

T: +1 775 321 4480

C: +1 775 772 6923

F: +1 775 356 6517

rex.massey@cbre.com

Lic. 0170304

REX MASSEY

Rex Massey represents buyers and sellers in the purchase and sale of land properties with expertise in residential, industrial and commercial. His previous experience in land and environmental planning, municipal utility operations and economic development allows him to offer clients specialized expertise in land development opportunities in the Northern Nevada market.

Prior to joining CBRE, Mr. Massey was principal and owner of Research and Consulting Services, Inc. (RCS) in Reno, Nevada, where he provided planning and management services to local governments, government agencies and private companies in Northern Nevada and the Lake Tahoe Basin.

Mr. Massey has more than 25 years of experience with the environmental/NEPA process, providing technical contributions and management expertise for environmental impact statements. He also has extensive experience with housing markets, including multifamily development and finance. For ten years, Mr. Massey was the administrator of a multi-jurisdictional agency providing housing finance and other affordable housing programs using HUD and state funding sources.

EDUCATION

- *Willamette University, BS; Mathematics and Business Economics*
- *University of Nevada, MBA*

PROFESSIONAL PROFILE



ERIC D. BENNETT

Vice President

T: +1 775 823 6963

C: +1 775 813 3794

F: +1 775 356 6181

eric.bennett@cbre.com

CLIENTS REPRESENTED

Landlords

- IndCor Properties
- Dermody Properties
- Tarragon Development
- Washington Capital
- Conco Companies
- ProLogis
- KTR Capital Partners
- McShane Development
- Pacific Life

Tenants

- Ryder Logistics
- Accurate Metal Fabricators
- Starbucks Manufacturing
- Molten USA
- Fosdick Fulfillment Group
- Tri Star Products
- U.S. Tsubaki
- AT & T
- Cardinal Health
- Ceva Logistics
- PetSmart
- Tachikara
- Kuehne & Nagel
- Viega North America
- Pet Edge
- Packaging Corp.
- ERICO
- UPS Logistics
- Matheson
- New Breed

ERIC D. BENNETT – VICE PRESIDENT

As a member of the CBRE Reno industrial services team since 1999, Eric has remained focused on the leasing needs of both his landlord and tenant clients. In addition, Eric has significant ground-up speculative and build to suit development experience in Northern Nevada. The CBRE Reno industrial services team’s landlord representation platform currently represents 7 of 11 local institutional developers. Additionally, CBRE consistently has the top tenant representation platform in Northern Nevada.

ACHIEVEMENTS

- 2013 CBRE Top Producer – Reno Office
- 2012 Largest Single Sale Transaction – Summit Awards
- 2011 Overall Broker of the Year – Summit Awards
- 2011 Industrial Broker of the Year – Summit Awards
- 2011 CBRE Double Century Award – Market LMA
- 2011 CBRE Top Producer – Reno Office
- ProLogis Broker of the Year 2008

PROFESSIONAL AFFILIATIONS AND ACCREDITATIONS

- Nevada Real Estate Salesperson's License
- Member, CBRE National Industrial Team
- Member, Economic Development Authority of Western Nevada

SIGNIFICANT ASSIGNMENTS

■ Lease	328,000 SF	Zulily.com
■ Lease	390,000 SF	Ryder Logistics
■ Lease	283,500 SF	GSI Commerce
■ Build to Suit	873,000 SF	PetSmart
■ Lease	566,875 SF	McShane/Quidsi, Inc.
■ Build to Suit	450,000 SF	Dermody/Urban Outfitters
■ Lease	390,000 SF	Demody/Ryder Logistics
■ Lease	330,000 SF	APL Logistics
■ Lease	283,037 SF	Metron North America
■ Lease	282,500 SF	UPC/GSI
■ Lease	208,000 SF	Kuehne + Nagel
■ Lease	180,000 SF	Kuehne + Nagel
■ Lease	162,000 SF	Westpoint Stevens
■ Lease	155,000 SF	Fosdick Fulfillment
■ Purchase	148,000 SF	ProLine Printing

EDUCATION

- University of Nevada, Reno, Bachelor of Science; 1998

Donna Alderson, SIOR

Senior Vice President
Industrial and Logistics
Las Vegas, Nevada



Donna.Alderson@cbre.com

T. 702.369.4866

F. 702.794.0144

ACHIEVEMENTS

- Top 5 Producer CBRE Las Vegas (Multiple Years)
- People's Choice Broker Award SIOR Las Vegas, 2012, 2014, 2015
- Top Producer in Las Vegas CBRE, 2007-2008
- ProLogis Broker of the Year Las Vegas, 2007

CREDENTIALS / PROFESSIONAL AFFILIATIONS

- Sponsor Chair, Executive Committee member and Active Member– Society of Industrial and Office Realtors (SIOR)
- Member - National Association of Industrial & Office Properties (NAIOP)
- Member – CBRE National Industrial Team
- Bachelors of Science in Business Administration with an emphasis in marketing (UNLV)

Donna Alderson has been an industrial property specialist with CBRE since 1986. Donna is currently a Senior Vice President, concentrating on the sales and leasing of industrial properties and land for owners, investors and developers. She is a recognized leader in her industry and has represented the most active developers, landlords tenant/users and investors in the Southern Nevada market. Donna has completed over 1,400 transactions valued in excess of \$2.4 billion. In the course of her career, Donna has sold more than 1,800 acres of land and has negotiated more than 48 million square feet of industrial transactions.

Donna is skilled in identifying potential opportunities, and anticipating and solving problems. Her clear and thorough approach to communication gives clients confidence and builds consensus among decision-makers. In addition, her deal making experience, understanding of the market and industry and ability to adapt to changing market dynamics make her a skilled negotiator and allow her the ability to simplify and resolve complex issues on behalf of her clients.

SIGNIFICANT ASSIGNMENTS**LANDLORD REPRESENTATION**

CLIENT	±SQUARE FEET
Operating Engineers Pension Fund	2,400,000 SF
Prologis	1,650,000 SF
Stockbridge Capital	850,000 SF
The Pauls Corporation	690,000 SF
Panattoni Development	416,000 SF

SELLER REPRESENTATION

CLIENT	±SQUARE FEET
City of North Las Vegas	20.5 Acres
ProLogis (Disposition)	850,000 SF
Lauth Property Group (Disposition)	421,093 SF
Pratte Lone Mountain (Disposition)	19 Acres
Operating Engineers (Disposition)	18 Acres

TENANT\BUYER REPRESENTATION

CLIENT	±SQUARE FEET
The Pauls Corporation (Land Acquisition)	38 Acres
Panattoni Development (Land Acquisition)	21 Acres
SHFL Entertainment (BTS)	125,000 SF
Bally Technologies (Land Acquisition)	15 Acres
LaPour Corporate Park (Office Acquisition)	75,000 SF
Shelby Automotive (Lease)	135,000 SF



Greg Tassi, SIOR

First Vice President
Las Vegas, Nevada



greg.tassi@cbre.com

T: 702.369.4853

F: 702.794.0144

ACHIEVEMENTS

- Top 5 Producer CBRE Las Vegas (Multiple Years)
- Industrial Broker of the Year Las Vegas (Real Estate Monthly)
- Top 40 Under 40 (LV IN Business Magazine)
- Top US Industrial Brokers (#7) – Real Estate Forum Magazine October 2015

CREDENTIALS / PROFESSIONAL AFFILIATIONS

- Member - National Association of Office & Industrial Properties (NAIOP)
- Member - Society of Industrial and Office Realtors (SIOR)

Greg Tassi has been an industrial property specialist with CBRE since 2002. Greg's concentration is in the sale and leasing of industrial/office properties and land for owner/users, investors, and developers. Greg has negotiated numerous sale and lease transactions totaling over two and a half billion dollars encompassing over 20 million square feet of industrial property and over 200 acres of land.

As a recognized market leader, Greg has represented the most active developers, end users, land investors and REITs in the Las Vegas market. Greg Tassi has earned a reputation for his clear, systematic, and thorough approach to business and his ability to secure solutions for complex real estate transactions. Understanding the power of relationships, Greg has cultivated a network of key consultants utilizing this network to maximize value for his client base

SIGNIFICANT ASSIGNMENTS**LANDLORD REPRESENTATION (2015 PARTIAL LIST)**

CLIENT	±SQUARE FEET
Operating Engineers Pension Fund	2,500,000 SF
ProLogis (Landlord)	1,250,000 SF
Stockbridge Capital	850,000 SF

SELLER REPRESENTATION (2014-2015 PARTIAL TRANSACTIONS)

CLIENT	±SQUARE FEET
Medco Pharmaceutical	215,000 SF
Prologis	161,000 SF
PepsiCo	175,000 SF
Arcata Properties	220,000 SF
Robb Evans & Associates	129,385 SF

TENANT\BUYER REPRESENTATION (2014-2015 PARTIAL TRANSACTIONS)

CLIENT	±SQUARE FEET
MGM Resorts (Lease) Multiple Transactions	500,000 SF +
MOEN Corp. (Lease)	219,000 SF
Shelby Automobile (Lease)	135,000 SF
Bally Technologies (Build to Suit)	125,000 SF
JLG Equipment (Lease)	215,000 SF
Western Group Packaging (Lease)	165,000 SF
VonDrehle Corporation (Lease)	105,000 SF
Bixby Investments (Acquisitions)	350,000 SF
American Gaming Systems)Office Lease)	40,000 SF



EXHIBIT B

EXHIBIT B

COMMERCIAL REAL ESTATE SERVICES



D. Matt Marschall, MAI, ARA, FRICS
Senior Vice President
Investment Properties, Land | Agribusiness | Natural Resources
Lic. 01035488

CBRE, Inc.
Capital Markets

4365 Executive Drive
Suite 1600
San Diego, CA 92121

+1 858 404 7202 Tel
+1 619 540 55550 Cell

Matt.marschall@cbre.com
www.cbre.com/matt.marschall

Mr. Thomas Hebrank, Receiver
E3 Property Advisors
401 West A. Street, Suite 1830
San Diego, CA 92101

Dear Mr. Hebrank:

I am providing our proposal for consultation services for properties located in Las Vegas and Reno Nevada as described in the enclosed spreadsheet and proposal. At this point in time, we have completed the following:

1. A review of the initial findings as provided by your team;
2. Discussion with our key CBRE Professionals in the various geographic locations where these properties are located;
3. Consolidation of key Team members to assist with the assignment;
4. A consideration of appropriate fees for the Consultation.

Scope of the Consultation

- A written response to the Xpera Report with regards to their findings for the referenced properties. Our initial review of these properties indicates that we may not be in agreement with the findings presented in the summary. Provide Specific Scope as indicated in the attached spreadsheet.
- *Our team would be tasked with contacting local planning commissions, develop the appropriate budgets, discover the likely timeframes for completion, review and generate additional market data; confirm and consider Xpera recommendations, if during the course of our investigations you find that the changes are unlikely to be successful, to advise you of those changes.*
- *Our deliverable would be a concise report summarizing our findings in a format that would be acceptable to the U.S. District Court.*

Professional Fees

- Based upon your instructions, our fee will not exceed \$40,000 unless new and/or additional information was provided that significantly changed our opinions or the factual basis for those decisions. Fees above this amount would require approval from the receiver.
- Our consultation fee would be based upon a time and material basis with monthly billings submitted to the Court via a motion for fee application that will be paid on a quarterly basis. All fees will be paid promptly consistent with standard Court guidelines. Fees outside of this scope for testimony or other services would be determined on an as-needed basis. No retainer will be required.
- Our hourly rates are enclosed.

Timing of the Assignment

- 30 days for Court Approval and Execution of a mutually acceptable Consultation Agreement.
- Findings – 60 days from authorization to proceed and execution of the Consultation Agreement.

July 21, 2016
Proposal for Consultation Services
Reno and Las Vegas Properties
E3 Advisors
Page 2

Team

D. Matt Marschall would be point of contact, lead the assignment and author the required reports.

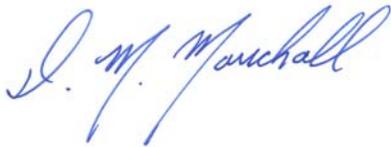
- Las Vegas-Greg Tassi and Donna Alderson
- Reno-Brett Edwards, Rex Massy, Eric Bennett

Agreement

A Consultation Agreement is enclosed for approval.

Thank you for the opportunity to provide world-class advisory and consultation services through CBRE.

Sincerely yours,

A handwritten signature in blue ink that reads "D. M. Marschall". The signature is written in a cursive style with a large, sweeping "M".

D. Matt Marschall | Senior Vice President

encl: Consultation Agreement/Qualifications/Professional Fee Schedule/Spreadsheet

cc: D. Marschall

DMM: dm



July 21, 2016

Mr. Thomas Hebrank, Receiver
E3 Property Advisors
401 West A. Street, Suite 1830
San Diego, CA 92101

Re: Commercial Real Estate Consulting Services

Dear Mr. Hebrank:

CBRE, Inc. ("CBRE") is hereby engaged by Thomas Hebrank in his capacity as court-appointed receiver ("Receiver") to provide commercial real estate consulting and advisory services. In consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, and subject to approval by the U.S. District Court, the Receiver and CBRE hereby agree to the following:

1. CONSULTING SERVICES

1.1 The Receiver hereby appoints CBRE to provide Commercial Real Estate Consulting Services (the "Services") for the designated properties.

1.2 The initial term of this Agreement shall commence on the date of this Agreement and expire approximately 90 days from execution ("Term"). Either party may terminate this agreement without cause with thirty (30) day written notice. The Parties may mutually agree to renew or extend the Term.

1.3 CBRE shall provide the Services in a good and efficient manner consistent with Receiver's usage and image, using the standard of care customary for professional providers of like services within the commercial real estate services industry. CBRE shall perform the Services through able, qualified and trained CBRE employees ("CBRE Employees"). CBRE shall have the exclusive right to hire, direct, discipline, compensate and terminate CBRE Employees, and shall exercise complete and exclusive control over the conduct of CBRE Employees.

2. SCOPE OF THE CONSULTATION

2.1 A written response to the Xpera Report with regards to their findings for the referenced properties. Our initial review of these properties indicates that we may not be in agreement with the findings presented in the summary enclosed as part of this proposal.

2.2 Specific Scope of work as indicated in the attached spreadsheet.

2.3 Our team would be tasked with contacting local planning commissions, develop the appropriate budgets, discover the likely timeframes for completion, review and generate additional market data; confirm and consider Xpera recommendations, if during the course of our investigations you find that the changes are unlikely to be successful, to advise you of those changes. Our deliverable would be a concise report summarizing our findings in a format that would be acceptable to the U.S. District Court.



3. FEES

3.1 Based upon our initial instructions, our fee will not exceed \$40,000 unless new and/or additional information was provided that significantly changed our opinions or the factual basis for those decisions. Fees above this amount would require approval from the E3.

3.2 Our consultation fee would be based upon a time and material basis with monthly billings submitted to the Court via a motion for fee application that will be paid on a quarterly basis. All fees will be paid promptly consistent with standard Court guidelines. Fees outside of this scope for testimony or other services would be determined on an as-needed basis. No retainer will be required.

3.3 Our hourly rates are attached to this proposal.

4. INDEMNIFICATION

4.1 Indemnification. Subject to the terms of this Agreement, each Party (as the case may be, the "Indemnifying Party") agrees to indemnify, defend and hold harmless the other Party (the "Indemnified Party") from and against all third party claims, liabilities, judgments, actions, penalties and other expenses (collectively, "Claims") asserted against or incurred by the Indemnified Party for bodily injury, personal injury or property damages to the extent such Claims are attributable to the Indemnifying Party's negligence or willful misconduct or the Indemnifying Party's failure to comply with applicable law.

4.2 Procedure. CBRE and Receiver shall be liable hereunder only to the extent of the respective indemnity obligations. If both Parties bear fault for a matter, each Party's liability shall be equal to the percentage determined to be due to the fault of such Party as agreed upon by the Parties or as fixed by settlement agreement or final judgment of the U.S. District Court. Further, if either Party assumes the defense of a matter for which the other Party, but not the defending Party, is at fault (in whole or in part with any third party), the Party at fault shall either pay or reimburse the defending Party fully for all costs and expenses incurred in connection with such defense.

4.3 Limitations on Liability. Notwithstanding any provision herein to the contrary:

(a) Neither Party shall be liable for any lost or prospective profits or any other indirect, consequential, special, incidental, punitive, or other exemplary losses or damages, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, regardless of the foreseeability or the cause thereof.

(b) In no event shall CBRE incur liability under this Agreement or otherwise relating to the Services beyond the amount of fees (excluding any reimbursed amounts) received by CBRE under this Agreement during the prior 12 month period. CBRE shall have no liability with respect to any Claim based upon or resulting from any erroneous or incomplete data provided by Receiver or any third party or otherwise contained in Receiver's databases. No representation or recommendation is or will be made by CBRE as to the legal sufficiency, legal effect, or tax or accounting consequences of any transaction or documentation.

4.4 Survival. This Section 2 shall survive the expiration or termination of this Agreement.



5. CONFIDENTIALITY; INTELLECTUAL PROPERTY

5.1 Confidentiality. CBRE and Receiver agree that any material, information or data relating to the research, development and/or business operations, strategies or ideas of a Party (the "Disclosing Party"), including, without limitation, customer information, business methodologies, plans or forecasts, that provides the Disclosing Party with a competitive advantage, that is not generally known by persons not employed by the Disclosing Party and that could not easily be determined or learned by someone outside its organization ("Confidential Information") and disclosed to the other Party (the "Receiving Party") may not be disclosed by the Receiving Party unless otherwise permitted by this Agreement. Confidential Information shall not include information (a) in the public domain, (b) disclosed with the written permission of the Disclosing Party, (c) known to the Receiving Party from a source other than the Disclosing Party without a breach hereof by the Receiving Party, or (d) independently developed by the Receiving Party without information received from the Disclosing Party. In addition the Parties may disclose Confidential Information (i) to employees who have a need to know in connection with this Agreement, (ii) in any action to enforce the provisions of this Agreement, (iii) in any action involving claims by or against persons or entities that are not Parties, (iv) as required by applicable law or legal process, or (v) to accountants, attorneys, advisors and insurers who agree to or are otherwise required to maintain the information in confidence.

5.2 Intellectual Property. CBRE shall not receive any right, claim, title or interest in or to any proprietary products or property of Receiver. Notwithstanding any provision hereof to the contrary, all methodologies, systems, procedures, management tools, software, ideas, inventions, know-how and other intellectual capital that CBRE has developed, created or acquired prior to performing Services under this Agreement, or develops, creates or acquires during the Term or thereafter ("CBRE's Intellectual Capital") are and shall remain the sole and exclusive proprietary property of CBRE, and Receiver shall not have or acquire any right, claim, title or interest in or to any of CBRE's Intellectual Capital, except to the extent otherwise agreed by the Parties in a separate written agreement signed by authorized representatives of each Party. Receiver shall receive no ownership of or right to any of CBRE's working papers or manuals. Performance of the Services by CBRE shall not be deemed to be a prohibition of, or interfere in any manner with CBRE's provision of similar services to third parties, provided that CBRE in so doing does not use or disclose any Confidential Information of Client.

5.3 This Section 3 shall survive the expiration or termination of this Agreement.

6. OWNER COVENANTS

Receiver shall furnish all information and cooperation reasonably required by CBRE in order to deliver the Services required hereunder. Receiver shall render all required approvals and decisions with reasonable promptness for the orderly performance of the Services. Receiver agrees that CBRE shall bear no liability to the extent arising out of Receiver's failure to comply with its obligations under this Agreement. Further, CBRE shall have no liability to the extent a Claim arises because CBRE acted or failed to act because of adherence to Receiver's policies, rules, regulations, agreements and/or instructions. All Receiver policies and instructions with which CBRE must comply shall be consistent with this Agreement and provided to CBRE in advance in writing.

7. MISCELLANEOUS

7.1 Entire Agreement; Amendment; Counterparts. This Agreement contains the entire agreement and understanding of the Parties with respect to the subject matter hereof. This Agreement may not be amended or modified, nor may any term be waived, except in a writing signed by both Parties. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.



7.2 Assignment; Successors and Assigns. Neither Party shall assign this Agreement (other than an assignment to an affiliate or by operation of law) without the prior written consent of the other Party. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

7.3 Waiver. No consent or waiver by a Party to or of any breach or default, shall be deemed or construed to be a consent or waiver to or of any other breach or default under this Agreement. Failure of a Party to complain or declare the other Party in default, irrespective of how long such default continued, shall not constitute a waiver by such Party of rights and remedies hereunder.

7.4 Covenant of Good Faith and Fair Dealing. This Agreement imposes an obligation of good faith and fair dealing on Receiver and CBRE in the performance and enforcement of their duties and obligations herein.

7.5 Conflicts of Interest. The Parties acknowledge that CBRE or an affiliate may be involved in representing other parties in real estate transactions involving Receiver or its affiliates or involved in the ownership or leasing of certain facilities. If, at any time, any CBRE Employee providing Services hereunder becomes aware that Receiver is involved in any material way in any proposed transaction whereby CBRE or an affiliate represents any other party to that transaction, CBRE agrees to notify Receiver promptly upon discovering such facts. In the event of a conflict between CBRE's representation of Receiver under this Agreement with respect to such transaction and the obligations of CBRE or its affiliate to another party with respect to such transaction, at Receiver's request, CBRE shall establish appropriate internal procedures to prevent any communication or collusion between those employees of CBRE or its affiliates who represent parties in such transactions in which such a conflict of interest may exist.

7.6 Governing Law; Jury Waiver. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to conflicts of law principles. **EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY AND VOLUNTARILY, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION IN ANY WAY RELATED TO, THIS AGREEMENT.**

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date first above written.

Receiver

By: _____
Name: Mr. Thomas Hebrank, Receiver
Title: _____

CBRE, INC.

By: _____
Name: D. Matt Marschall
Title: Senior Vice President



ADVISORY AND CONSULTATION FEE STRUCTURE

FOLLOWING IS THE HOURLY FEE STRUCTURE FOR THE REFERENCED ASSIGNMENT:

HOURLY FEES	RATE/HOUR
D.M. Marschall, Donna Alderson (Senior Vice President)	\$425.00
Brett Edwards, Eric Bennett, Gregg Tassi (Vice President)	\$275.00
Rex Massey (Professional Associates)	\$250.00
Senior Project Manager	\$175.00
Client Service and Research Specialist	\$145.00
Associate	\$125.00

TESTIMONY OR ATTENDANCE AT COURT OR ADMINISTRATIVE PROCEEDINGS

Professionals and staff shall not be required to testify or be in attendance at any court or administrative proceedings relative to this assignment without additional compensation. In the event that any professionals or staff be requested or required to attend conferences in connection with any court or administrative proceeding, Client shall pay hourly fees based upon the actual time expended at the referenced rates including time for travel. Trial and/or preparation for any administrative proceeding will be also be billed at the referenced rates. In the event that any Professional or staff shall be required to testify or be in attendance at any court or administrative proceeding relating to this assignment, Client shall pay a computed additional fee based upon the referenced rates with a minimum charge during testimony or stand-by is (4) hours. Said additional fee shall be due and payable immediately upon billing. These rates will apply for a period of six months from July 1, 2016. Testimony occurring more than six months from this date will be billed at the prevailing rates at that time.

OUT-OF-POCKET EXPENSES

In addition to professional fees as set forth above, Client shall reimburse for any of the following out-of-pocket expenses incurred in connection with any assignment: overnight travel expenses including, but not limited to, transportation, lodging, meals and incidental expenses; telephone and telefax charges; overnight or courier delivery charges; and copies of original documents submitted by Client.

DESCRIPTION	COST
Duplicating Charges	\$.15/Page
Telecopied Documents (Outgoing)	\$1.00/Page
Messenger Services	At Cost
Mileage Reimbursement	At Rate Allowed by IRS
Long Distance and Toll	At Cost
Cellular Telephone Calls	\$.50/Minute
Postage	At Cost
Overnight or Express Mail	At Cost

SCOPE OF WORK TO EVALUATE XPERA GROUP RECOMMENDATIONS

	Receivership		Xpera Report				CBRE Scope & Direction	
	2013 Appraised Value	2015 Appraised/BOV Value	Low Valuation	High Valuation	Recommendation	Cost of Entitlement Work		Waiting Period to Complete Sale
Dayton Valley II	\$ 100,000	\$ 190,000	\$ 224,280	\$ 320,400	Recommend sale after zoning change	Minimal	Unknown	Quantify zoning change cost, estimate time to complete, and assess likelihood of success
Dayton Valley III	\$ 50,000	\$ 60,000	\$ 49,000	\$ 70,000	Recommend sale after zoning change	Minimal	Unknown	Quantify zoning change cost, estimate time to complete, and assess likelihood of success
Dayton Valley IV	\$ 160,000	\$ 220,000	\$ 221,438	\$ 316,340	Recommend sale after zoning change	Minimal	Unknown	Quantify zoning change cost, estimate time to complete, and assess likelihood of success
Fernley I	\$ 230,000	\$ 210,000	\$ 315,353	\$ 365,145	Obtain subdivision map; then sell	\$ 50,000	4 months	Confirm Xpera recommendation, costs and timing
Las Vegas 1 (3 separate properties)	\$ 4,105,000	\$ 5,275,000	\$ 7,423,931	\$ 9,764,410	Hold 5 - 10 years for appreciation	N/A	5 - 10 years	Court has rejected holding for 5 - 10 year timeframe; alternative recommendation sought
Las Vegas 2	\$ 945,000	\$ 1,375,000	\$ 1,609,978	\$ 2,012,472	Recommend sale now; high value based on rezoning to retail/commercial	Minimal	Unknown	Quantify zoning change cost, estimate time to complete, and assess likelihood of success
LV Kade	\$ 4,110,000	\$ 8,260,000	\$ 8,690,220	\$ 11,173,140	Hold 5 - 10 years for appreciation	N/A	5 - 10 years	Court has rejected holding for 5 - 10 year timeframe; alternative recommendation sought
Silver Springs North	\$ 360,000	\$ 320,000	\$ 681,375	\$ 908,500	Recommend sale in 12 months	N/A	12 months	Confirm sale timing and assess property valuation
Silver Springs South	\$ 300,000	\$ 440,000	\$ 1,032,900	\$ 1,377,200	Recommend sale in 12 months	N/A	12 months	Confirm sale timing and assess property valuation
Stead	\$ 395,000	\$ 420,000	\$ 1,584,000	\$ 3,168,000	Low value based on immediate sale to developer vs high value based on dividing property into parcels and sale of parcels with substantial marketing time	Unknown	Unknown	Quantify costs of dividing into smaller parcels, time to complete, likelihood of success, and value if sold in smaller parcels
Washoe 3 (2 separate properties)	\$ 600,000	\$ 940,000	\$ 1,505,889	\$ 5,019,630	Low value based on immediate sale to developer vs high value based on dividing property into parcels and sale of parcels with substantial marketing time	Unknown	Unknown	Quantify costs of dividing into smaller parcels, time to complete, likelihood of success, and value if sold in smaller parcels

1 ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
2 DAVID R. ZARO (BAR NO. 124334)
515 South Figueroa Street, Ninth Floor
3 Los Angeles, California 90071-3309
Phone: (213) 622-5555
4 Fax: (213) 620-8816
E-Mail: dzaro@allenmatkins.com

5 EDWARD G. FATES (BAR NO. 227809)
6 501 West Broadway, 15th Floor
San Diego, California 92101-3541
7 Phone: (619) 233-1155
Fax: (619) 233-1158
8 E-Mail: tfates@allenmatkins.com

9 Attorneys for Receiver
THOMAS C. HEBRANK

10
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

**EX PARTE APPLICATION FOR
ORDER SHORTENING TIME ON
RECEIVER'S MOTION FOR
AUTHORITY TO ENGAGE CBRE
AS CONSULTANT**

Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

1 Pursuant to Local Rule 7.1.e.5., Thomas C. Hebrank ("Receiver"), Court-
2 appointed receiver for First Financial Planning Corporation d/b/a Western Financial
3 Planning Corporation ("Western"), and its subsidiaries and the General Partnerships
4 listed on Schedule 1 to the Preliminary Injunction Order entered on March 13, 2013
5 (collectively, "Receivership Entities"), submits this *Ex Parte* Application for Order
6 Shortening Time for his Motion for Authority to Engage CBRE as Consultant
7 ("Motion"). The Application seeks an order shortening time for the Motion, which
8 is currently set to be heard on September 23, 2016.

9 I. INTRODUCTION

10 The Court has directed the Receiver to "file a report and recommendation
11 evaluating the pros and cons of the Xpera Report recommendations, and identifying
12 those recommendations that would feasibly maximize the value of the receivership
13 estate." Dkt. No. 1304, p. 31. To accomplish this task, and considering the
14 information and analysis needed to fully evaluate the Xpera recommendations, the
15 Receiver has filed the Motion, which seeks authority to engage CBRE as a
16 consultant on specific terms and conditions discussed therein.

17 II. CAUSE TO HEAR MOTION ON SHORTENED TIME

18 The report and recommendation the Court has directed the Receiver to file is
19 due 180 days from May 25, 2016, or November 21, 2016. *Id.* If the Motion is
20 granted, CBRE's timeline to produce its report is 60 days from entry of the order.
21 Therefore, if the Motion were heard as a noticed motion currently scheduled for
22 September 23, 2016, the Receiver would not have CBRE's report in sufficient time
23 to prepare his report and recommendation by November 21, 2016.

24 Moreover, the relief requested in the Motion should not be controversial -
25 assessing the likely costs and benefits of the Xpera recommendations is critical
26 before deciding which recommendations should be implemented. The proposed
27 budget for CBRE to gather the necessary information and provided its report for the
28 11 applicable properties is \$40,000, or approximately \$3,600 per property. This is

1 very reasonable and certainly worthwhile considering the time and work involved in
2 implementing the Xpera recommendations and the critical importance of
3 maximizing the ultimate net recoveries from the properties.

4 Accordingly, the Receiver requests the Motion be heard and decided in the
5 next 30 days such that CBRE can perform its work and provide its report to the
6 Receiver with sufficient time for the Receiver to prepare and file his report and
7 recommendation by November 21, 2016.

8 **III. EX PARTE NOTICE**

9 Prior to filing this application, the Receiver's counsel contacted the Securities
10 and Exchange Commission ("Commission") and Defendant Louis Schooler
11 ("Schooler"), through their respective counsel, and asked them to respond with their
12 position on the request to shorten time for the Motion. Counsel for the Commission
13 stated the Commission has no opposition. Counsel for Schooler had not responded
14 as of the timing of filing. Declaration of Edward Fates filed herewith, ¶ 3.

15 **IV. CONCLUSION**

16 WHEREFORE, the Receiver requests an order shortening time for the
17 Motion, setting the Motion for hearing in the next 30 days.

18
19 Dated: July 22, 2016

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

20
21 By: /s/ Edward Fates

EDWARD G. FATES
Attorneys for Receiver
THOMAS C. HEBRANK

1 ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
2 DAVID R. ZARO (BAR NO. 124334)
515 South Figueroa Street, Ninth Floor
3 Los Angeles, California 90071-3309
Phone: (213) 622-5555
4 Fax: (213) 620-8816
E-Mail: dzaro@allenmatkins.com

5 EDWARD G. FATES (BAR NO. 227809)
6 501 West Broadway, 15th Floor
San Diego, California 92101-3541
7 Phone: (619) 233-1155
Fax: (619) 233-1158
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9 Attorneys for Receiver
THOMAS C. HEBRANK

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

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

**DECLARATION OF EDWARD
FATES IN SUPPORT OF *EX PARTE*
APPLICATION FOR ORDER
SHORTENING TIME ON
RECEIVER'S MOTION FOR
AUTHORITY TO ENGAGE CBRE
AS CONSULTANT**

Ctrm.: 9
Judge: Hon. Gonzalo P. Curiel

1 I, Edward Fates, declare as follows:

2 1. I am an attorney at the law firm of Allen Matkins Leck Gamble
3 Mallory & Natsis LLP, counsel of record for Plaintiff Thomas C. Hebrank
4 ("Receiver"), the court-appointed receiver for First Financial Planning Corporation
5 d/b/a Western Financial Planning Corporation ("Western"), in the above-captioned
6 action.

7 2. I make this declaration in support of the Receiver's *Ex Parte* Application
8 for Order Shortening Time on Receiver's Motion for Authority to Engage CBRE as
9 Consultant ("Motion"). I am a member in good standing of the State Bar of
10 California and have been admitted to practice before this Court. I have personal
11 knowledge of the facts set forth in this Declaration and, if called as a witness, could
12 and would testify competently to such facts under oath.

13 3. On July 21, 2016, I gave notice of the Receiver's *ex parte* application,
14 via email, to counsel for the Securities and Exchange Commission ("Commission")
15 and counsel for Defendant Louis V. Schooler ("Schooler") and asked them to
16 respond with their position on the request to shorten time for the Motion. Counsel
17 for the Commission stated the Commission has no opposition. Counsel for Schooler
18 had not responded as of the time of filing.

19 I declare under penalty of perjury under the laws of the United States that the
20 foregoing is true and correct.

21 Executed this 22nd day of July 2016, at San Diego, California.

22 */s/ Edward Fates*

23 _____
EDWARD G. FATES

24
25
26
27
28